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PROCEEDINGS AND DEBATES OF THE 83d CONGRESS, SECOND SESSION

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 26, 1954

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, inspire us now with a clearer vision of Thyself, a greater loyalty to Thy divine precepts and principles, a deeper sympathy with struggling humanity, a loftier conception of our duties and responsibilities, and a surer mastery over our own life.

Grant that in the business of this day we may manifest toward one another the attitudes of sincerity, of forbearance, of trust and kindly judgment and may we never allow the black clouds of suspicion and selfishness, of discord and dissension to gather and obscure our essential oneness. May we give ourselves unreservedly to our lofty mission.

God forbid that we should fail to see how absolutely necessary it is for us, as citizens and leaders in the life of our Republic, to get together and hold together if our Nation is to survive and be strong enough to face and overcome the dangers of our time.

Help us to find and cultivate the spirit of fellowship in service. May we, as comrades in a common cause, understand more fully that our beloved country has tremendous resources, lying unused, which can only become effective for the welfare of mankind if we have the spirit of concord and cooperation.

Hear us in the name of our blessed Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 1026. An act to amend the Public Health Service Act, with respect to the provisions of certain medical and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service and for dependents and widows of officers and employees of such Service;

H. R. 7061. An act to prescribe and regulate the procedure for adoption in the District of Columbia; and

H. R. 7062. An act to amend the act of April 22, 1944, which regulates the placement of children in family homes in the District of Columbia.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3704. An act to provide for the incorporation, regulation, merger, consolidation, and dissolution of certain business corporations in the District of Columbia.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3387. An act to make certain changes in the regulation of public utilities in the District of Columbia, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8367. An act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1955, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KNOWLAND, Mr. YOUNG, Mr. CORDON, Mr. THYE, Mr. MARTIN, Mr. HAYDEN, Mr. RUSSELL, and Mr. ELLENDER to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 2828) entitled "An act to amend the act of Congress of September 3, 1935 (49 Stat. 1085), as amended" disagreed to by the House; agrees to a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BUTLER of Nebraska, Mr. WATKINS, Mr. DWORSHAK, Mr. ANDERSON, and Mr. LENNON to be the conferees on the part of the Senate.

DAIRY PRODUCTS IN COMMERCE

Mr. LAIRD. Mr. Speaker, the RECORD of yesterday indicates that I introduced the bill H. R. 9267, dealing with the flow of dairy products in commerce. I would like the RECORD to show that the bill was introduced by request of the entire Wisconsin congressional delegation.

IS POSTMASTER SUMMERFIELD PLAYING POLITICS WITH POST OFFICE APPOINTMENTS?

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KELLEY of Pennsylvania. Mr. Speaker, it has come to my attention that a severely handicapped disabled war veteran, Charles Fencil, who has been the acting postmaster for some time at Mount Pleasant, Pa., and who stood No. 1 on the civil-service eligible register for the examination for permanent postmaster, is going to be denied the position of postmaster. This is according to a news item appearing in a Greensburg newspaper.

The reason given is that he is a Democrat and that the Republican leadership in Mount Pleasant and in the congressional district—Westmoreland County—will not approve him because he is not a Republican.

After reading the history of this case, I defy anyone to tell me why Mr. Fencil should be denied the position he warrants just because he is a Democrat. Does the leadership of the Republican Party in this area think that a man, who offers his life or limbs on the battlefield, and who is a hero, is not qualified for a position because he is not of the proper party allegiance?

I think this is another case, along with the Greensburg post office, in which the Republican leadership has used its influence to have qualified postmasters discharged on account of politics. Civil service is a joke.

UNITED STATES AND MASSACHUSETTS TEAMWORK TO SAVE BOSTON ARMY BASE

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, the Boston Army Base is more important to national defense and to commercial shipping along the Atlantic coast than the St. Lawrence seaway.

It was a key facility as a port of embarkation and for shipment overseas of materials and supplies in World War I and in World War II. In peacetime it is leased to private operators thus assuring some income to the Federal Government.

Engineering experts have recently reported that the dock bases are in imminent danger of collapsing, and that necessary repairs to bulkheads and pilings will cost about $10 million.

The Army itself advises that there is a mobilization requirement for these pier and pier-shed facilities at the Boston Army Base.

Here we have a problem concerning both public and private needs that must be resolved.

There are only 30 covered berths in the port of Boston where ships can berth to handle foreign and domestic dry cargoes. The Army base with eight of these berths represents 26.6 percent of the total.

This is evidence of the major role it plays in servicing seaborne transportation on our Atlantic coast.

In 1953 it handled 326 ships whose principal cargoes were wool, latex, hemp, sisal, rubber, and steel.

With the probability that New England may soon have its first steel mill, and with the development of our metalworking industries which will depend upon ores brought in from the nearby Labrador discoveries, our shipping facilities must be expanded, rather than cut back.

It is nearer to Europe than any other major United States port.

Its strategic importance is revealed by the fact that it will be among the first areas selected for defense by the installation of guided missile batteries.

As the heart of New England's economy, the port of Boston must be kept in first-class condition.

We cannot permit, therefore, these facilities with an estimated value of $60 million, providing employment for thousands and essential for military and commercial purposes, to deteriorate and become useless.

August 1, 1954, is the deadline.

Before then, a compromise plan must be worked out, and funds authorized, to save the Boston Army Base from abandonment.

Through the years, the New England delegation in Congress has consistently supported the appropriation of billions of dollars to develop and stimulate the economies of other regions of the Nation by the use of public funds. We did not ask for priority. We expected, reasonably, that the Congress would finally pay some attention to our needs.

However, a dangerous and one-sided pattern of thinking has resulted whereby an appropriation for a billion-dollar waterpower project for the West is considered routine, while a few $10 million projects for New England bring right-about-face demands for economy.

I submit that the true and genuine national interest now requires some balance when it comes to Federal appropriations.

New England, faced with the imperative need to effect an economic transition to solve the problem of surplus labor in its mill cities, is determined, better late than never, to secure its fair share of Federal assistance.

We believe that the objective facts prove our claims.

Respectfully, sincerely, and firmly, we ask our colleagues from other sections of the Nation for two-way cooperation to insure mutual security and mutual progress.

Rehabilitation and maintenance of the Boston Army Base is one of the major factors in a program for the redevelopment of New England.

On a basis of Federal-State teamwork, H. R. 9099, sponsored by an outstanding and veteran Member of Congress, JOHN W. MCCORMACK, of Massachusetts, provides us with a practical solution.

Repairs by the Federal Government, and the Commonwealth, shared on a 90–10 percent ratio, and not to exceed $11 million, plus a long-term lease to the Commonwealth of Massachusetts which shall assume the responsibility of maintaining the facilities, is a working arrangement that few can object to.

The Committee on Armed Services has agreed to add, as part of the military-naval public works bill, the provisions of H. R. 9099, to authorize the Secretary of the Army to lease portions of the Boston Army Base to the Commonwealth of Massachusetts.

New England requests your approval of the committee's recommendation to the Congress.

PURCHASE OF PUBLIC LANDS FOR HOME AND OTHER SITES

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2512) to amend the act entitled "An act to provide for the purchase of public lands for home and other sites," approved June 1, 1938—Fifty-second United States Statutes at Large, page 609—as amended, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, line 21, after "Alaska" insert ": *Provided, however,* That any conveyance by the Secretary to such employee shall contain a provision under which said tract shall revert to the United States if used, within 25 years after issuance of patent for such tract, for other than residential or recreation purposes."

Page 4, line 4, after "Interior" insert ", except that—

"(a) such lands shall be leased only for residential, recreational, or community site purposes and not for business purposes; and

"(b) no lease of such lands shall be made if such lease would interfere with the application of the sustained yield timber management requirement established with respect to such lands by the act entitled 'An act relating to the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant lands situated in the State of Oregon,' approved August 28, 1937 (50 Stat. 874)."

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

INCORPORATION, REGULATION, MERGER, CONSOLIDATION, AND DISSOLUTION OF CERTAIN BUSINESS CORPORATIONS IN THE DISTRICT OF COLUMBIA

Mr. O'HARA of Minnesota. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3704) to provide for the incorporation, regulation, merger, consolidation, and dissolution of certain business corporations in the District of Columbia, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, strike out:

"Sec. 76. Rights of dissenting shareholders."

Pages 3 and 4, renumber Sec. 77 to 121, inclusive, 76 to 120, inclusive.

Page 4, strike out:

"Sec. 122. Fees, franchise and license taxes, and charges", and insert:

"Sec. 121. Fees and license taxes, and charges."

Pages 4 and 5, renumber Sec. 123 to 147, inclusive, 122 to 146, inclusive.

Page 5, at end of Table of Contents, insert:

"Sec. 147. Appropriation of funds."

Page 5, line 1, after "corporation" " insert "except as used in section 143 of this act."

Page 8, strike out all after line 8 over to and including line 3 on page 9.

Page 9, line 14, after "corporations" insert ": *Provided further,* That no corporation may be organized under this act unless the place where it conducts its principal business is located within the District of Columbia."

Page 10, line 22, strike out all after "income." over to and including line 2 on page 11.

Page 16, line 11, strike out "Act." and insert "act."

Page 16, after line 11, insert:

"(d) shall not indicate, nor shall any statement be made, that the corporation is organized under an act of Congress."

Page 25, line 8, strike out "office;" and insert "office."

Page 25, strike out lines 9 and 10.

Page 25, lines 11 and 12, strike out "returned by the Commissioners."

Page 30, lines 2 and 3, strike out "(a), (b), and (c)" and insert "(1), (2), and (3)."

Page 56, line 16, strike out "The" and insert "A statement that the."

Page 58, line 16, after "recorded" insert "by the Commissioners."

Page 63, line 6, strike out "Amended" and insert "Amendments to the."

Page 63, line 25, and page 64, line 1, strike out "returned by the Commissioners."

Page 71, line 13, strike out "office;" and insert "office."

Page 71, strike out lines 14 and 15.

Page 71, lines 16 and 17, strike out "returned by the Commissioners."

Page 73, line 24, and page 74, line 1, strike out "returned by the Commissioners."

Page 76, lines 17 and 18, strike out "returned by the Commissioners."

Page 81, lines 20 and 21, strike out "which shall then be filed for record in the office of the Recorder of Deeds."

Page 81, after line 21, insert:

"(c) The certificate of merger or certificate of consolidation, together with the duplicate original affixed thereto, shall be recorded in the office of the Recorder of Deeds."

Page 87, lines 4, 5, and 6, strike out "which certificate shall then be recorded in the office of the Recorder of Deeds."

Page 87, after line 6, insert:

"(b) The certificate of merger or certificate of consolidation, together with the duplicate original affixed thereto, shall be recorded in the office of the Recorder of Deeds."

Page 87, line 7, strike out "(b)" and insert "(c)."

Page 92, strike out all after line 19 over to and including line 14 on page 94.

Page 94, line 17, strike out "77" and insert "76."

Page 95, line 17, strike out "franchise taxes, fees," and insert "fees."

Page 96, lines 1 and 2, strike out "which shall be recorded in the office of the Recorder of Deeds."

Page 96, after line 2, insert:

"(c) The certificate of dissolution, together with the duplicate original affixed thereto, shall be recorded in the office of the Recorder of Deeds."

Page 96, line 3, strike out "(c)" and insert "(d)."

Page 96, line 6, strike out "78" and insert "77."

Page 97, line 2, strike out "79" and insert "78."

Page 98, line 15, strike out "80" and insert "79."

Page 98, line 19, strike out "franchise taxes, fees," and insert "fees."

Page 99, line 4, strike out "81" and insert "80."

Page 99, line 11, strike out "82" and insert "81."

Page 100, line 5, strike out "83" and insert "82."

Page 101, line 6, strike out "84" and insert "83."

Page 102, line 21, strike out "85" and insert "84."

Page 103, line 11, strike out "86" and insert "85."

Page 103, line 18, strike out "87" and insert "86."

Page 104, line 18, strike out "88" and insert "87."

Page 105, line 5, strike out all after "(b)" down to and including "Deeds." in line 8 and insert "The certificate of dissolution, together with the duplicate original of the articles of dissolution affixed thereto, shall be recorded in the office of the Recorder of Deeds."

Page 105, line 14, strike out "89" and insert "88."

Page 106, line 4, strike out "90" and insert "89."

Page 107, line 8, strike out "91" and insert "90."

Page 107, line 25, strike out "92" and insert "91."

Page 109, line 11, strike out "93" and insert "92."

Page 109, line 15, strike out "94" and insert "93."

Page 110, line 5, strike out "95" and insert "94."

Page 110, line 13, strike out "96" and insert "95."

Page 110, line 25, strike out "97" and insert "96."

Page 111, line 6, strike out "98" and insert "97."

Page 112, line 2, strike out "99" and insert "98."

Page 113, line 4, strike out "100" and insert "99."

Page 113, after line 20, insert:

"(b) A foreign corporation shall not be required to procure a certificate of authority merely for the prosecution of litigation, the collection of its debts, or the taking of security for the same, or by reason of the appointment of an agent for the solicitation of business not to be transacted in the District, nor for the sale of personal property to the United States within the District of Columbia unless a contract for such sale is accepted by the seller within the District or such property is delivered from stock of the seller within the District for use within the District."

Page 113, line 22, strike out "101" and insert "100."

Page 114, line 14, strike out "102" and insert "101."

Page 115, line 7, strike out "103" and insert "102."

Page 115, line 17, strike out "104" and insert "103."

Page 117, strike out lines 3, 4, and 5.

Page 117, line 6, strike out "(1)" and insert "(k)."

Page 117, line 17, strike out "105" and insert "104."

Page 118, lines 14 and 15, strike out "returned to the corporation or its representative" and insert "recorded in the Office of the Recorder of Deeds."

Page 118, line 17, strike out "106" and insert "105."

Page 118, line 25, strike out "107" and insert "106."

Page 119, line 19, strike out "108" and insert "107."

Page 121, lines 6 and 7, strike out "return the other duplicate original to the corporation or its representative" and insert "the other duplicate original shall be recorded in the Office of the Recorder of Deeds."

Page 121, line 13, strike out "109" and insert "108."

Page 123, line 7, strike out "110" and insert "109."

Page 123, line 21, strike out "111" and insert "110."

Page 124, line 12, strike out "112" and insert "111."

Page 125, line 2, strike out "113" and insert "112."

Page 126, line 18, strike out "114" and insert "113."

Page 128, line 6, strike out "115" and insert "114."

Page 128, line 19, strike out all after "(b)" down to and including "representative" in lines 21 and 22 and insert "The certificate of withdrawal, together with the duplicate original of the application for withdrawal affixed thereto, shall be recorded in the Office of the Recorder of Deeds."

Page 129, line 2, strike out "116" and insert "115."

Page 130, line 11, strike out "117" and insert "116."

Page 130, lines 16 and 17, strike out "accompanied by one of such certificates" and insert "The certificate of revocation, together with the duplicate original affixed thereto, shall be recorded in the Office of the Recorder of Deeds."

Page 130, line 23, strike out "118" and insert "117."

Page 131, line 10, strike out "119" and insert "118."

Page 131, line 23, strike out "120" and insert "119."

Page 133, line 8, strike out "121" and insert "120."

Page 135, line 5, strike out "Fees, franchise" and insert "Fees."

Page 135, strike out lines 6 and 7 and insert:

"SEC. 121. (a) There are hereby imposed the following fees and charges:".

Page 135, strike out line 10.

Page 135, line 11, strike out "(4)" and insert "(3)."

Page 138, lines 12 and 13, strike out "For filing an agreement of consolidation or an agreement of merger, $20: *Provided*, That" and insert "Upon filing of an agreement of consolidation or an agreement of merger."

Page 139, lines 4 and 5, strike out "and each domestic corporation."

Page 139, after line 8, insert:

"(e) Each domestic corporation organized, incorporated, or reincorporated under the provisions of this act shall pay, at the rate hereinafter set out, an annual report fee based upon the amount of its total authorized capital stock on the 15th day of March immediately preceding the date on which such annual report is due to be filed. The annual report fee shall be paid at the time of filing the annual report required of such corporations under the provisions of this act. The amount of the annual report fee shall be as follows:

"Where the total authorized capital stock does not exceed $25,000, $15; where the total authorized capital stock exceeds $25,000, but does not exceed $100,000, $25; where the total authorized capital stock exceeds $100,000, but does not exceed $300,000, $40; where the total authorized capital stock exceeds $300,000, but does not exceed $500,000, $70; where the total authorized capital stock exceeds $500,000, but does not exceed $1 million, $100; and a further sum of $50 for each $1 million, or fraction thereof, in excess of $1 million. Shares without par value, for the purpose of ascertaining the amount of the annual report fee, but for no other purpose, shall be taken to be of the par value of $100 each.

"(f) In the case of a newly organized corporation, the amount of the annual report fee to be paid at the time of the filing of its first annual report shall be an amount at the rates provided in subsection (e) of this section prorated on a monthly basis for the period from the date its certificate of incorporation or reincorporation was filed with the Commissioners to the April 15 on which said first annual report is due to be filed.

"(g) If the annual report fee of any domestic corporation is unpaid on the April 15 on which the same is due, the annual report fee shall bear interest at the rate of 1 percent per month until paid."

Page 139, line 9, strike out "(e)" and insert "(h)."

Page 139, line 14, strike out "123" and insert "122."

Page 140, line 2, strike out "124" and insert "123."

Page 142, line 13, strike out "125" and insert "124."

Page 142, line 22, strike out "126" and insert "125."

Page 143, line 10, strike out "127" and insert "126."

Page 143, line 22, strike out "128" and insert "127."

Page 143, line 25, after "be," insert "plus interest thereon as provided by this act."

Page 144, line 14, strike out "129" and insert "128."

Page 144, line 21, strike out "130" and insert "129."

Page 145, line 6, strike out "131" and insert "130."

Page 145, line 20, strike out "132" and insert "131."

Page 146, line 5, strike out "133" and insert "132."

Page 146, line 22, strike out "134" and insert "133."

Page 147, line 4, strike out "135" and insert "134."

Page 147, line 12, strike out "136" and insert "135."

Page 147, line 19, strike out "137" and insert "136."

Page 148, line 10, strike out "138" and insert "137."

Page 150, line 3, strike out "139" and insert "138."

Page 150, line 17, strike out "140" and insert "139."

Page 150, line 22, strike out "141" and insert "140."

Page 151, line 7, strike out "142" and insert "141."

Page 154, lines 12 and 13, strike out "original which shall be filed for record in the office of the Recorder of Deeds;" and insert "original."

Page 154, strike out line 14.

Page 154, after line 14, insert:

"(f) The certificate of reincorporation, together with the duplicate original of the articles of reincorporation affixed thereto, shall be recorded in the office of the Recorder of Deeds."

Page 156, line 19, strike out "143" and insert "142."

Page 157, line 19, strike out "franchise" and insert "license."

Page 157, line 22, strike out "144" and insert "143."

Page 159, line 2, after "Congress" insert "authorizing the formation of corporations under the laws of the District of Columbia."

Page 159, lines 13 and 14, strike out "returned by the Commissioners."

Page 159, lines 15 and 16, strike out ", and he shall charge the usual fee for recordation as for deeds of real estate."

Page 160, line 8, strike out "145" and insert "144."

Page 160, line 12, strike out "146" and insert "145."

Page 160, line 17, strike out "147" and insert "146."

Page 160, after line 21, insert:

"APPROPRIATION OF FUNDS

"SEC. 147. There are hereby authorized to be appropriated from any moneys in the Treasury of the United States to the credit of the District of Columbia, such amounts as may be necessary to carry into effect the provisions of this act."

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

TRANSACTIONS BY DISBURSING OFFICERS OF THE UNITED STATES

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 2844) to amend the act of December 23, 1944, authorizing certain transactions by disbursing officers of the United States, and for other purposes, with House amendment thereto, insist on the House amendment, and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. HOFFMAN of Michigan, HILLELSON, LIPSCOMB, DAWSON of Illinois, and MCCORMACK.

CONVEYANCE TO THE STATE OF INDIANA OF CERTAIN SURPLUS REAL PROPERTY

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 232) to provide for the conveyance to the State of Indiana of certain surplus real property situated in Marion County, Ind., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 3, after line 24, insert:

"(4) All mineral rights, including gas and oil, in the lands authorized to be conveyed by this act and described in subsections (1) and (2) of section 1 shall be reserved to the United States."

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. RAYBURN. Mr. Speaker, reserving the right to object, this is the first I have heard of this matter. I wonder if it has been cleared by the ranking Members on the minority side.

Mr. HOFFMAN of Michigan. Mr. Speaker, if the gentleman will yield, I understand there was no objection in our own committee. This reserves to the Federal Government mineral and oil rights. This is the Brownson bill, I will say to the gentleman from Texas, which passed our own committee unanimously. The only change is the added Senate amendment reserving to the Federal Government the mineral rights. I understand it was cleared over on your side.

Mr. MCCORMACK. Mr. Speaker, if the gentleman will yield, as the gentleman was talking he refreshed my recollection that the gentleman from Indiana [Mr. BROWNSON] did tell me about it several days ago. I might say that there is no objection to the action.

Mr. RAYBURN. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

CRITICAL MATERIALS IN A TENSE WORLD

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, not only the growing tensions but the increasing influence of the Soviets in international councils and the steady extension of the Soviet orbit of influence and control must give every Member of this body and of this Government the gravest concern.

The developments at Geneva are not only distressing, but truly alarming. The free allies, so-called, are apparently turning their eyes, ears, thoughts, and plans away from the diplomatic representatives of this Nation toward the diplomatic representatives of the Soviets. Whether this will be temporary remains to be seen. But it poses for us an immediate urgent problem of reevaluation of our entire foreign policy, our relations with the United Nations and our overall program, military and diplomatic.

There are many reasons for the disheartening attitude of the free nations at Geneva. Primarily, the terms of the Korean peace, our policy in Indochina, our indecisiveness in shaping a strong American policy, developments in Asia where the Soviet has made marked psychological gains and extended its influence over the public opinion and policy of several Far East governments, unreasoning fear of the H-bomb, and fear of being caught in the middle of fierce atomic conflict between the Soviet and this country, the demoralizing effects of continued appeasement and vacillation, and the failure to grapple courageously and boldly with the great issues of war and peace have all contributed to the shifting of attention of many nations, East and West, to the Soviet activities, especially in the Far East.

It is clear to every one of us that when a Nation does not possess a strong will, a strong purpose to defend itself against ideological penetration or armed aggression that the security of that Nation is in jeopardy. Such a nation must put its faith in appeasing the penetrators and the aggressors and that is evidently what many of the so-called free nations are now proceeding to do. That such weakness and irresolution contain the germ of doom for free government history abundantly testifies, and no informed person would be prepared to deny.

Our whole policy heretofore has been based upon the efficacy of collective security and collective action. The United Nations, the Marshall plan, the Mutual Security Pact, the Atlantic Treaty Organization, the European Defense System, even Korea in some measure, and other arrangements were predicated on that principle. While these measures have been carried out in good faith and at great expense by this Government and while the other nations have willingly accepted the bounties, gratuities, and outright gifts of money and property which this Nation has made in connection with these programs, there has been truly hardly a wholehearted, sincere effort by the free nations as a whole to extend cooperation in these various measures to achieve collective security and thus effectually check Soviet political infiltration and aggressive designs. There are only a few nations that have stood steadfastly with us.

In the past, enthusiasts of the collective security principle were loudly protesting that this Nation could never "go it alone"—that we would have to rely on the participation of the rest of the free world if these plans were to succeed. So far as I am concerned, so far as the record indicates at this point, we are going it virtually alone and will have to make our future plans on that basis unless there is an unexpected change in the current situation and outlook.

I am not suggesting for a moment that the free world could not set up and carry through an effective collective security program. But it entails, we are agreed, the wholehearted participation of all the other free nations.

Measured by geographical distribution, population, natural resources, industrial potential and productivity and economic strength, and able-bodied manpower, there is no reason why the free world, if it stuck together, if it could get wholehearted cooperation from all its members, could not establish not only an impregnable wall against the forward march of communism but a completely formidable military striking power that would provide almost complete assurance of peace. But if the free world community is not willing to take the risks and make the sacrifices involved in such a union there is little for us to do but to redraft our own plans and formulate our own insulation against communism and attack.

One of the most difficult problems this Nation must face and solve is that of critical raw materials. We are often prone to regard ourselves as self-suffi-

cient and everything considered perhaps we are the most self-sufficient large nation in the world. Our great industrial machine and the ingenuity of our scientists and inventors, technological experts, and skilled workers provide us with a great many substitute materials and supplies that we originally imported. But there are many great gaps in our requirements for critical materials which have not been filled within the Nation. It is still necessary for us to import a large number and variety of critical materials and these steadily mount in quantity with the sharp rise in the national product and especially that portion of it devoted to defense and new advances of technology which require large quantities of new raw materials not available in this country.

In order to meet some of these essential needs, the Congress some time ago inaugurated the national stockpiling program primarily under the Defense Production Administration. But as I will demonstrate, this program also has its shortcomings. To what extent are we dependent upon other parts of the world for our supply of strategic materials? How will this dependency be affected, by present and future domination by the Soviet, of the areas which produce these materials? The answer to these questions and their final solution may profoundly affect our national destiny. Our great consumption of raw and critical material has made it necessary for us in recent time to extend our use of marginally produced materials and greatly expand our imports. From a nation once almost self-sustaining, we are told that because of the phenomenal growth in consumption we are now dependent upon foreign import, not only for luxuries, but for vital necessities bearing upon living and defense.

For the first time in the 1940's we became a net importer of raw materials. In 1935 we started to import zinc; in 1936, copper; in 1943, lumber; in 1945, petroleum. By 1950, consumption of raw materials exceeded domestic production by 9 percent. But this does not present a true picture because often with respect to some materials there are deficiencies ranging up to 100 percent. Our most urgent needs lie in the field of metals which are described as the base for any industrial civilization. The fact is that we are in part at least dependent upon foreign sources for every metal which we use except for magnesium and molybdenum. New techniques in alloys make our metal needs imperative.

The Stockpiling Act arose out of our concern over the prospect of a major war in which we are cut off from countries supplying these vital raw resources but recent events clearly show that Communist-acquired control over some of these countries may also cut off our essential supply. The Munitions Board, which controls the stockpile, has set its goal for 75 grades and type of 56 materials on the theory that the full stockpile of each of these materials supplemented by domestic production and substitutes would provide sufficient materials for a major war of many years duration.

Many of these materials have been stockpiled in satisfactory quantities but others are still dangerously limited.

Military production is well said to be an avaricious consumer of raw materials. And it is an uneven consumer, that is to say, it takes but a small percentage of one material and practically all of another. For example it is stated that defense consumption of the alloying metals is more than 90 percent in the case of nickel and cobalt and for these we are most dependent upon foreign sources. Electronics, radar, guided missiles have all greatly stepped up our use of critical metals. Copper, quartz crystals, mica, nickel, cobalt, and many other materials are very essential for electronic equipment of the armed services.

Armed services engines require metal which can withstand great heat and stress, hence the use of the alloying metals—tungsten, nickel, columbium, and others are required in large quantities.

We finance other nations of the free world in the purchase of these very metals in world markets on the theory that they will be used if necessary in common, cooperative peace efforts, a theory not borne out by current international developments, yet which has resulted in making these critical metals scarcer and most costly to ourselves. We pay for theirs and ours and both at higher prices.

The International Materials Conference was intended to help provide fair distribution of the free world supply of these materials to each member nation. It has struggled with the problem but has hardly made noteworthy contribution to its solution.

There are a host of related and difficult problems in connection with critical materials which our Government has tried to work out without notable success. We have moved toward stimulating and increasing production by investment guaranties to companies operating abroad, removal of tax handicaps, technical assistance, indirect loans, purchase arrangements, and direct Government loans, but, so far as results are concerned, the program has a long way to go to fulfill our growing needs.

Many obstacles have been imposed by foreign nations which realistic analysis might deem tantamount to blackmail. Restrictions imposed by Government, taxation and royalties, convertibility and exchange barriers, import and export controls, fear of expropriation and confiscatory conditions on successful operations are some of the real obstacles to the program. We have apparently taught the free nations to expect the United States to take all the risks, furnish all the money, and then stand by while its investments are mulcted.

The House Armed Services Committee, of which I am a member, has at different times given painstaking study and attention to the problem of critical materials. Our esteemed colleague the distinguished gentleman from North Carolina [Mr. DURHAM], a member of our committee, is undoubtedly one of the Nation's leading experts on critical materials. From time to time I have discussed these matters with him and I can testify not only as to his expertness and the great amount of time and ability he has given to these questions, but also the great concern which he feels concerning our present situation and the prospects for satisfactorily resolving it.

It might be helpful in connection with our discussion to consider our position on 27 strategic imports so as to show our requirements, our supplies, our problems, and our degree of dependency on other nations. Probably more than half of the 27 materials are not in short or critical supply at present but definitely would be if we were cut off from our sources of supply. Following materials are mentioned because they are critical to American industry and defense—and I would like at this point to insert in the body of my speech a table taken from an Office of Defense Mobilization pamphlet setting forth our position on these 27 strategic imports:

Country and material	1950 production		Percent of free world output (including United States)	Shipments to United States as a percent of total United States imports
	Amount	Unit		
Australia:				
Rutile	18,379	Metric ton	73	100
Lead	222,400	do	15	7
Zinc	196,400	do	10	1–
Tungsten (60 percent WO_3)	1,235	do	6.5	6
Belgian Congo:				
Industrial diamonds	9,600,000	Metric carat	70	90+
Cobalt	5,148	Metric ton	73	99
Tin	13,700	Long ton	8	3
Copper	176,000	Metric ton	8	0
Zinc	76,000	do	4	0
Tungsten (60 percent WO_3)	164	do	1–	5
Bolivia:				
Antimony	10,300	do	25	39
Tin	31,200	Long ton	19	3
Tungsten (60 percent WO_3)	2,500	Metric ton	16	16
Lead	13,200	do	2	2.5
Brazil:				
Iron ore	1,900,000	do	.5	8
Tungsten (60 percent WO_3)	759	do	4	9
Mica (sheet)	1,360	do	6	6.5
Quartz crystals	(1)	(1)	99	99
Manganese	148,300	Metric ton	4	6.5
Beryl	2,893	Short ton	40	60

Country and material	1950 production		Percent of free world output (including United States)	Shipments to United States as a percent of total United States imports
	Amount	Unit		
British Guiana: Bauxite	1,609,000	Metric ton	23	3.7
Canada:				
Platinum group	269,500	Troy ounce	57	46
Nickel	112,181	Metric ton	93	95
Copper	237,600	do	10	12
Lead	154,100	do	10	22.5
Zinc	283,600	do	15	43
Asbestos	794,000	do	79	96
Iron ore	3,300,000	do	1.5	22.6
Fluorspar	59,107	do	9	9
Bismuth	101,150	do	7	21
Selenium	261,973	Pound	(1)	94
Chile:				
Copper	363,000	Metric ton	16	42
Iron ore	3,000,000	do	1	31
Colombia: Platinum group	26,400	Troy ounce	5.5	8.5
Cuba:				
Chromite	65,820	Metric ton	4	8
Manganese	79,000	do	2	5
Dutch Guiana: Bauxite	2,081,000	do	29	78
French Morocco:				
Manganese	287,000	do	8	1.6
Cobalt	420	do	6	0
Beryl	56	Short ton	.8	1.3
Gold Coast: Manganese	722,800	Metric ton	21	20
India:				
Mica (sheet)	15,874	do	67	85
Manganese	916,080	do	25	34
Ilmenite	216,076	do	27	87
Indonesia:				
Tin	32,000	Long ton	20	6
Rubber	698,000	Metric ton	37	27
Bauxite	531,000	do	7	18
Italy:				
Zinc	85,348	do	4	0
Mercury	53,346	76-pound flasks.	40	30
Japan:				
Copper	39,300	Metric ton	2	8
Tungsten (60 percent WO_3)	64	do	—1	5
Malaya:				
Tin	57,500	Long ton	35	80
Rubber	628,000	do	37	45
Mexico:				
Bismuth	263,000	Metric ton	17	23
Copper	61,700	do	3	9
Lead	238,000	do	16	43
Zinc	223,500	do	11	41
Antimony	5,900	do	14	31
Mercury	3,713	76-pound flask.	4	6.6
Fluorspar	65,667	Metric ton	10	44
New Caledonia:				
Nickel	6,300	Metric ton	5	0
Chromite	84,801	do	5	5
Nigeria:				
Tin	8,300	Long ton	5	0
Columbium	878	Metric ton	80	74
Northern Rhodesia:				
Copper	297,000	do	13	13
Cobalt	670	do	9	0
Norway: Ilmenite	105,000	do	13	13
Peru:				
Lead	57,300	do	4	9
Zinc	74,000	do	4	4
Peru—Continued				
Bismuth	250,000	do	16	46
Copper	29,930	do	1.5	4
Tungsten (60 percent WO_3)	516	do	3	6.6
Philippines:				
Chromite	250,511	do	14	16
Copper	10,400	do	1	1.5
Portugal:				
Tungsten (60 percent WO_3)	2,500	do	15	1
Beryl	49	Short ton	.7	.6
Southern Rhodesia:				
Chromite	291,525	Metric ton	16	13
Beryl	932	Short ton	12.7	19.2
Asbestos	64,900	Metric ton	5	1.8
Spain:				
Fluorspar	32,669	do	15	2
Mercury	50,000	76-pound flasks.	37	48
Tungsten (60 percent WO_3)	850	Metric ton	5	1—
Zinc	64,000	do	3	4
Sweden: Iron ore	13,927,000	do	7	24
Switzerland: Jewel bearings	(1)	(1)	95	99
Thailand:				
Tin	10,364	Long ton	6	2
Rubber	112,200	do	6	13
Tungsten (60 percent WO_3)	1,200	Metric ton	6	11
Turkey: Chromite	420,792	do	23	20
Union of South Africa:				
Asbestos	79,300	do	7	1.6
Manganese	791,000	do	24	24
Chromite	496,324	do	28	29
Beryl	844	Short ton	13	30
Platinum group	150,600	Troy ounce	32	6
Antimony	8,300	Metric ton	20	0
Industrial diamonds	1,500,000	Metric carat	10	12
United States:[2]				
Antimony	4,000	Metric ton	10	
Asbestos	38,495	do	3.5	
Bauxite	1,356,000	do	19	
Beryl	559	Short ton	7.5	
Bismuth	7,649	Metric ton	1	
Chromite	367	do	0	
Cobalt	299	do	4	
Copper	824,938	do	36	
Fluorspar	273,524	do	43	
Ilmenite	424,851	do	54	
Iron ore	99,600,000	do	46	
Lead	389,974	do	30	
Manganese	121,974	do	4—	
Mercury	4,535	76-pound flasks.	4	
Mica	262	Metric ton	1	
Nickel	828	do	1—	
Platinum group	37,855	Troy ounce	8	
Rutile	6,836	Metric ton	27	
Selenium	511,325	Pound	(1)	
Tungsten (60 percent WO_3)	4,373	Metric ton	25	
Zinc	565,513	do	30	
Yugoslavia:				
Antimony	3,000	do	6	5.5
Lead	(1)	(1)	(1)	8.5
Mercury	(1)	(1)	(1)	10
Bismuth	(1)	(1)	(1)	8
Chromite	115,200	Metric ton	6	.8

[1] Not available.
[2] The United States produced no significant amounts of tin, quartz crystals, jewel bearings, industrial diamonds, and columbium in 1950. There was no commercial production of natural rubber.

I hope that every Member will carefully read this table because it sets forth graphically and very impressively to my way of thinking how serious our situation is with respect to dependency for the supply of these critical materials. You will note that a large number of these materials come from countries that are definitely within the Soviet area and its periphery. Others come from remote parts of the world far distant from our shores. On the favorable side many of these materials come from the free world and an agreeably large number from the Western Hemisphere. Of current interest are those which come from Asia which are among the most important and critical. India, Indonesia, Malaya, New Caledonia, Thailand send us some of our most critical materials.

I have taken the time to present the above facts because to my mind they present a most compelling urgent, and alarming problem to this Nation.

This Nation is the free world's biggest materials consumer. While it is lavish in distributing its wealth and resources to other nations, the United States is in fact using up our reserves faster than other countries even as we face vastly increased consumption in the years ahead.

There seems to me to be a most obvious moral that we can draw at the present time regarding these questions and that is to resolve to stop wasting our national resources, to conserve and develop them, to cease giving them indiscriminately to others neither appreciative nor cooperative, to accelerate our stockpiling, to stimulate the production of marginal facilities, to promote research in possible substitutes, and to enter into direct understanding with all nations of the Western Hemisphere regarding the production, pooling, and availability of critical materials produced in our part of the world.

It is truly an ill wind that blows no good, and it may be that the present international developments will chasten and reorient both leaders and groups of this country who have been thinking and acting almost exclusively or at least dominantly along the lines of global betterment and global improvement and global social and economic programs, immeasurably costly to this Nation without giving due attention to the consequences to our free system and way of life or the problems of our own country.

I do not mean by anything I have said that I have abandoned the view which I have held for some time that this Nation should pursue wholehearted international cooperation militarily, economically, culturally, educationally, and scientifically, and, above all, spiritually, with all other nations of good will in the world. But we should have it always in our minds that cooperation is a two-way street; that as we give, so must we receive; also that it is impossible to cooperate with any nation which is not willing to cooperate with us. It strikes me as a realistic appraisal that that is about the condition we face today, and we might as well realize it and get down to business to try to promote peace under a program of our own; one that will be shaped and conducted by Americans in the interest of America as well as for the benefit of the rest of the world.

A policy of bluff and bluster would come to as sad an end as Humpty Dumpty. It is a wrong policy, anyway, to begin with it, and we might as well recognize the fact. The brandishing of atomic and hydrogen weapons by those in high authority would be a serious mistake. It is time for America to put its best foot forward and replace fuddy-duddyism and sophomoric zeal with the courage and vision and common sense of experienced statesmanship.

Dien Bien Phu has fallen. The gateway to southeast Asia has thus been forced ajar. If it is opened wide—and that is a distinct possibility—the broad area behind may fall completely into the hands of the Communists and under the sway of the Soviets. If that happens, it may not only cut off vital critical materials, but it may lead to Communist domination of many other nations.

SPECIAL ORDER GRANTED

Mr. BAILEY asked and was given permission to address the House today for 20 minutes, following any special orders heretofore entered.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House which was read:

MAY 26, 1954.

The honorable the SPEAKER,
House of Representatives.

SIR: I have the honor to transmit herewith a sealed envelope addressed to the Speaker of the House of Representatives from the President of the United States, received in the Clerk's Office on May 25, 1954, and said to contain veto message on the following:

H. R. 7512, an act to provide for the conveyance of the federally owned lands which are situated within Camp Blanding Military Reservation, Fla., to the Armory Board, State of Florida, in order to consolidate ownership and perpetuate the availability of Camp Blanding for military training and use.

Respectfully yours,

LYLE O. SNADER,
Clerk of the House of Representatives.

CAMP BLANDING MILITARY RESERVATION, FLA.—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 403)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 7512, a bill to provide for the conveyance of the federally owned lands which are situated within Camp Blanding Military Reservation, Fla., to the Armory Board, State of Florida, in order to consolidate ownership and perpetuate the availability of Camp Blanding for military training and use.

Generally, the bill provides for the conveyance of federally owned lands within Camp Blanding Military Reservation, Fla., to the Armory Board, State of Florida, upon conditions designed to permit coordinated management of the natural resources of both the Federal and State lands within the reservation and to insure that all of such lands will continue to be available for military use. I wish to emphasize my agreement with these objectives.

However, I cannot approve section 2 (4) of the bill in its present form. This section would authorize the State of Florida to dispose of "interests or rights in land by lease, license, or easement or by contract of sale of timber or timber products" upon the condition that in the case of Federal lands and within 9 months after the enactment of the bill into law, the State of Florida and the Secretary of the Army shall have reached an agreement governing the disposition of the revenues from such operations. Again, there can be no objection to such cooperative action between Federal and State governments. However, section 2 (4) further provides "that prior to the consummation of the agreement with the State of Florida or board, the Secretary of the Army or his designee shall come into agreement with the Committees on Armed Services of the Senate and of the House of Representatives concerning the terms of such agreement." Because of this provision of the bill, I cannot approve it.

The purpose of this clause is to vest in the Committees on Armed Services of the Senate and House of Representatives power to approve or disapprove any agreement which the Secretary of the Army proposes to make with the State of Florida pursuant to section 2 (4). The practical effect would be to place the power to make such agreement jointly in the Secretary of the Army and the members of the Committees on Armed Services. In so doing, the bill would violate the fundamental constitutional principle of separation of powers prescribed in articles I and II of the Constitution which place the legislative power in the Congress and the executive power in the executive branch.

The making of such a contract or agreement on behalf of the United States is a purely executive or administrative function, like the negotiation and execution of government contracts generally. Thus, while Congress may enact legislation governing the making of Government contracts, it may not delegate to its members or committees the power to make such contracts, either directly or by giving to them a power to approve or disapprove a contract which an executive officer proposes to make. Moreover such a procedure destroys the clear lines of responsibility for results which the Constitution provides.

I believe it to be my duty to oppose any such departure from constitutional procedures. However, I am confident that the true purpose of the Congress in the enactment of this provision was to facilitate administrative action, while at the same time not neglecting its own responsibilities. I suggest that this could be properly accomplished by requiring specific reports from the Executive as to action taken. These reports could serve as the basis for further congressional action in case the Congress so desired. Accordingly, I recommend that H. R. 7512 be modified and reenacted.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 25, 1954.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. SHORT. Mr. Speaker, I move that the bill and message be referred to the Committee on Armed Services and ordered to be printed.

The motion was agreed to.

MILITARY AND NAVAL CONSTRUCTION ACT

Mr. ALLEN of Illinois. Mr. Speaker, I call up House Resolution 558 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9242) to authorize certain construction at military and naval installations and for the Alaska Communications System, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. Speaker, I rise to urge the adoption of House Resolution 558, making in order the consideration of the bill (H. R. 9242) to authorize certain construction at military and naval installations and for the Alaska communications system, and for other purposes.

House Resolution 558, Mr. Speaker, provides for an open rule with 2 hours of general debate on the bill itself.

Mr. Speaker, H. R. 9242 would authorize the construction of public works for the Army, the Navy, the Air Force, and for the Alaska communications system.

Mr. Speaker, this bill would authorize the sum of $269,873,000 for the Army, $203,319,000 for the Navy, $403,436,000 for the Air Force, and $462,600 for the Alaska communications system.

According to the information given before the Rules Committee, Mr. Speaker, substantial reductions have been made in the overall authorizations found in this bill over what the estimated amounts were when they were originally presented to the Armed Services Committee. The total authorization in the bill would be $877,091,000.

Mr. Speaker, in my opinion one of the most important points brought out during the meeting before the Rules Committee was the fact that about $88 million of the amount authorized for the Army program is to be used for the continuation of the classified construction for the defense of American cities. The chairman of the Armed Services Committee brought out the point that this defense effort will eventually tie in with our radar screen and the air-defense machine of the Air Force and the corresponding air arm of the Navy.

I think every Member of the House feels as I do that money spent on the defense effort, to build up our military might so effectively that it will act as a deterrent to an act of aggression on the part of any nation, is money well spent.

I feel strongly that the money which will be authorized in this bill for the building up of an effective defense network against an attack on the United States proper is money that will be equally well spent.

I do not believe that any Member of the House can really begrudge the spending of this money, for I think that we are all too well aware of the realities of the current world situation to be penny-wise and pound-foolish, as the old proverb goes.

The members of the Armed Services Committee have devoted months to working out the details of H. R. 9242 and have tried to cut and prune all needless projects from the bill. We see the results of their labor here today. I hope that the House membership will see fit to adopt the rule so that we may then proceed to the consideration of the bill.

Mr. COLMER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, we are confronted here this morning with another gigantic authorization for the carrying on of our Military Establishment. We all recognize the deplorable financial condition of this country. We all recognize the highly desirable goal of getting our fiscal policy, our financial house in order. Yet we are confronted again with a request for the authorization of additional gargantuan sums of money, and we are going to authorize them, we are going to authorize these funds because we do not know what else to do.

We spend more every year than we take in. The debt continues to mount, and we are now up to somewhere in the neighborhood of $275 billion. It is costing more to service the national debt now than it cost to operate the whole Federal Government a quarter of a century ago.

A lot of this money is wasted in the military and in other departments of the Government. I do not know what we can do about that unless the Congress, the representatives of the people, we who are in charge of the purse strings of the Nation, assert ourselves and try to cut out the waste wherever possible, try to reduce these authorizations and appropriations to the very minimum.

Having admitted my own inability to cope with this situation, just as you as individual Members of Congress with the multitudinous duties you have to perform are inadequate to cope with the situation, I again call your attention to what, groping in the dark as I have been for these several years past, I think can be done about it and should be done about it, that is, for the Congress to staff its committees fully and adequately to the point where when the so-called brass, the so-called bureaucrats, the people from the departments of Government, come before the committees of Congress the Members of Congress sitting on those committees will not be sitting there more or less at the mercy of the so-called brass and bureaucrats.

It is impossible for my distinguished friend, the gentleman from Missouri [Mr. SHORT], the chairman of the committee, however able he might be, however well qualified and however industrious he might be, to cope with this situation, just as in my judgment it was impossible for my distinguished friend the gentleman from Georgia [Mr. VINSON], the former chairman, to cope with it, and just as it will be in the next session of Congress and the following session of Congress, unless the committee has the tools, the implements, with which to work—an adequate staff of trained experts. The chairmen of these committees and the various members of the committees are all capable, intelligent, and highly responsible Members of the Congress. But, they have their limitations in the time that they have and in getting information and being able to cope with that situation. I want to say in passing, I think this committee has done a splendid job. The Members have considered this thing in a nonpartisan or bipartisan fashion. I understand this committee put in 8 weeks of hearings on this bill. It met at 9 o'clock in the morning, so one member of the committee, the gentleman from South Carolina [Mr. RIVERS], tells me, and they sat late into the day and heard these witnesses. They made some substantial reductions. They did the best job that they could with the tools that they had. But there was a virtual parade of distinguished members of the military of various ranks in these organizations who came before that committee. They were experts in their particular fields, whether it was in electronics, guns, ships, planes, or what not. The gentlemen of the committee were supposed to be experts in all of those fields and were supposed to be able to cope with that situation. I happen to know personally that this committee has 2 or 3 of the finest men I have ever come in contact with on the staff, but again I point out that those few staff members cannot be experts in all the various fields highly technical and otherwise as are the members of the military. I have been thinking about this matter for some time. I have given it a great deal of thought and I have given a great deal of time to it. I want to see this country maintain itself upon a sound financial basis.

Some of you may recall that I have repeatedly said in the well of this House since World War II and after my Postwar Policy Committee made a study in Europe on the spot of that situation there that it was our firm conviction then, as it is now, that Russia wants neither war nor peace. But she wants to cause us to spend ourselves into bankruptcy. I recall what General Eisenhower, who is now President of the United States, said to me in response to a question which I propounded to him in Frankfurt, Germany, in 1945, "What do you think is the chance, General, of Germany going Communist?" His answer was classical. He said, "Mr. Congressman, a hungry belly does not care much what type of government it lives under." You say it cannot happen in this country? You let inflation run riot and you let the dollar lose its purchasing power—and it is continuously dwindling in its purchasing power—and you let the conditions prevail in this country, as they prevailed in Germany and in other foreign countries when they lost their financial status, and you will see whether it can happen in this country. Let men become unemployed and see whether they are Communists or not when they become hungry. Lenin, may I remind you, wrote that the way to defeat the United States was to break it financially. Those are not his exact words, but that was the substance of it.

Mr. Speaker, in the 82d Congress, in conjunction with the distinguished Senator from Arkansas, Mr. MCCLELLAN, I sponsored a bill in the House and he in the Senate that would have set up a joint service committee to be known as the Joint Committee on the Budget, to be composed of 16 members of the Appropriations Committees of the two Houses. That committee, under the terms of the bill, were empowered to employ the necessary staff of experts, whose duty would be to study all requests for appropriations to come before the full Committees on Appropriations of the House and the Senate; to consider the President's messages on the State of the Union and the Economic Report; to examine the President's Budget and the justifications therefor; and generally to familiarize themselves with all requests for appropriations and to report to the Appropriations Committees of the House and the Senate its findings with respect thereto, and to report upon the minimum appropriations required consistent with the requirements of Government operations and national security.

The Appropriations Committees of the two bodies would no longer be at the mercy of the various departments of the Government, including the Executive. When the requests for appropriations were made it would have the necessary information to pass intelligently thereon.

While the Senate bill passed the 82d Congress, because of the opposition of certain powerful Members including the chairman and ranking minority members of the Appropriations Committee, for reasons best known to themselves, we were denied by some 16 votes the right to even consider the bill on the floor.

The opposition to our bill in the House was based upon an unfounded apprehension that the Senate would play too important a part in the initiation of appropriations. It is difficult to follow this reasoning because under my bill the chairmanship of the joint committee would be and remain permanently on the House side. The membership on the joint committee would be on a ratio of 9 Members of the House and 7 of the Senate.

Again, Mr. Speaker, in this the 83d Congress the Senate passed the McClellan bill, this time unanimously. We reintroduced our bill, H. R. 1710, on January 14 last year, but due to the same opposition, we have been unable to get committee consideration.

I, therefore, want to take this opportunity on this appropriate occasion to again call this to the attention of the leadership and my colleagues in the House and particularly to those who have opposed this type of legislation, and again urge the necessity for some such action. I have no pride of authorship in this matter. I had even urged others to sponsor this or some similar measure.

I think that the splendid body of the Committee on Armed Services in the House could improve its situation immensely if they were to equip themselves with experts in these various fields of our armed services of defense. I am just an ordinary garden variety Member of this House, but I am intensely interested in the future of this country. I want to see my boys have the same opportunity in this land of freedom, the last haven of refuge, if you please, of a free people. I want my boys and your boys to have the opportunities that we have enjoyed. I think the way to do it is to cut out the waste, the unnecessary expenditures, to get a balanced budget, to get the country's fiscal policy in shape before it is everlastingly too late.

I throw out these things this morning in passing for what they are worth. I know we have the brains in this Congress to meet that situation, and I hope we will do it soon.

REPORT FROM COMMITTEE ON VETERANS' AFFAIRS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the Committee on Veterans' Affairs may have until midnight tonight to file a report on the bill H. R. 9020.

The SPEAKER. Is there objection?

There was no objection.

MILITARY AND NAVAL CONSTRUCTION ACT

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, I am indeed pleased that the committee in its good judgment has reported out my bill on the Boston Army Base as a part of the military public-works bill providing for the necessary repair and restoration of the Boston Army Base pier.

I compliment the committee on its good business judgment in taking this action, which will restore this vitally important military port of embarkation to its full efficiency and make it immediately available for defense use, if it is needed, as well as assume its continuance as an important activity in the port of Boston.

Even if it is not to be used for defense purposes for many years, this expenditure is more than justified, because by this relatively modest expenditure the investment of the Federal Government in excess of $75 million is protected against serious depreciation and physical decay, which would quickly reduce its monetary value, perhaps to one-tenth of its present value, inside of 5 or 10 years.

The Boston Army Base and its pier is not a broken-down old port facility. It is a most modern-type group of structures that was the last word in port facilities when it was completed following World War I.

Its military usefulness can be attested by the fact that during World War II it was the largest loading center in the Boston port of embarkation, from which poured more munitions, more troops, and more supplies to the European and African battlefields than any other port on the Atlantic coast, with the single exception of New York Harbor.

The logistical reason for this importance is because it is from 1 to 5 days nearer Europe than any other major port on the Atlantic coast.

During its peacetime operation it is the largest and busiest dock in the port of Boston. Through it flows more raw wool than is handled in any other port of the world. Coffee, spices, and imported merchandise of all descriptions are unloaded here for distribution to manufacturing plants and distributors from coast to coast. American made merchandise for export are shipped out in large quantities going to every European and South American country as well as many in the Far East.

The Army base occupies a large portion of the southern side of Boston Harbor, reached directly from the open sea, and back of it are great railroad supporting yards capable of holding 2,000 freight cars.

The reason for this appropriation is because marine borers or termites have so eaten away the pilings of the pier that there is danger of their complete collapse into Boston Harbor at any moment. If the piers do collapse the cost of restoring them will be greatly increased. Without this pier there is no port facility, and the sheds and storehouse become of little value.

It is my opinion that it is the Army's responsibility to pay the full cost of restoring its own pier, but a mutually satisfactory arrangement has been made between the Army and the State government whereby the State assumes part of the burden of cost of restoration.

The fighting strength of our Army is largely dependent on the equipment, munitions, and supplies, which must reach our fighting men in constant, never-ceasing flow from our farms, factories, and loading plants. The bottleneck in this movement is and always must be our ports, as long as we fight our enemies across oceans. We must keep our ports in efficient operating condition for such emergencies. This is a vital necessity. And Boston and its Army base is a most important link in this lifeline.

If we allow this port facility or any other similar vital military transshipping point to literally fall down, we assume risks for which the American people will bitterly and justly criticize us, not alone today but particularly if and when our country or our troops are imperiled.

So, I again congratulate the committee in authorizing in this bill the expenditure for repair and upkeep of the Boston Army Base. It is good business to protect our Federal investment and it is our duty to keep our military flow lines constantly in good operating condition so that they are ready for any emergency.

Mr. COLMER. Mr. Speaker, I have no further requests for time.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 1 minute to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am delighted that in this bill there is quite a little money for Massachusetts and quite a bit for my own district. I endorse heartily everything the gentleman from Massachusetts [Mr. McCORMACK] said about the importance of repairing the pier at the Army base. If that is not repaired, it may mean the loss of a great many lives and much work. The Army engineers tell me that if the pier should go to pieces and fall into the channel and harbor it would be tremendously expensive to dig it out. This repair work is necessary from any point of view, and I am very grateful to the chairman [Mr. SHORT] and all the members of the Armed Services Committee who helped secure the authorizations in this bill.

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 75]

Allen, Calif.	Fulton	Poage
Ashmore	Gubser	Powell
Berry	Gwinn	Preston
Bonner	Heller	Reams
Brooks, La.	Hiestand	Regan
Broyhill	Hillings	Richards
Buckley	Holt	Riley
Budge	Hunter	Rogers, Tex.
Camp	Jackson	Scott
Campbell	Johnson, Calif.	Scudder
Carlyle	Kearney	Secrest
Carrigg	Kersten, Wis.	Shelley
Chatham	Klein	Sheppard
Chelf	Krueger	Smith, Kans.
Clardy	Landrum	Smith, Miss.
Condon	Lipscomb	Smith, Va.
Cotton	McConnell	Sutton
Curtis, Nebr.	Martin, Iowa	Taylor
Dawson, Ill.	Meader	Thomas
Deane	Miller, Calif.	Wainwright
D'Ewart	Miller, Md.	Weichel
Dingell	Miller, N. Y.	Willis
Donohue	Mollohan	Winstead
Donovan	O'Brien, N. Y.	Withrow
Dowdy	Patterson	Yorty
Doyle	Perkins	Younger
Edmondson	Phillips	Zablocki
Fountain	Pilcher	

The SPEAKER. On this rollcall 345 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

INTERSTATE FOREST FIRE PROTECTION COMPACT

Mr. REED of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of the bill (H. R. 6393) granting the consent and approval of Congress to an interstate forest fire protection compact, and that the bill be referred to the Committee on Agriculture.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

MILITARY AND NAVAL CONSTRUCTION ACT

Mr. SHORT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9242) to authorize certain construction at military and naval installations and for the Alaska Communications System, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9242, with Mr. Bow in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SHORT. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, I was tremendously impressed by what the distinguished gentleman from Mississippi [Mr. COLMER] stated a few moments ago. There is no question but what he is 100 percent right. He spoke the hard, unvarnished, undeniable truth, and stated the facts when he said that if not only the Committee on Armed Services but other committees of the House were properly and fully staffed with experts in their particular fields and the subjects that they are forced to deal with, we could save the taxpayers of this country hundreds of millions of dollars. Mr. Chairman, while the Committee on Armed Services is composed of highly intelligent, hard-working, patriotic men, and while we have the professional staff which I think is second to none on the Hill, because of the magnitude and complexity of the Department of Defense, it is not possible for us under present circumstances with limitations of funds and of personnel to consider many of those important and expensive items in the manner in which we should. I want to remind the Members of the House that a year ago we were spending funds for our national defense at the rate of $55 billion a year. This past year, we spent about $49 billion. Next year, we hope to spend a little under $40 billion. The Department of Defense, of course, has about 5 million employees; 3,500,000—now reduced to 3,300,000 and over 1,150,000 civilians. There are more civilians in the single Department of Defense than there is in all the other departments in the President's Cabinet. It is a tremendous army, not only in the armed services, but there is a vast army of civilians employed by the Department of Defense. We are spending almost twice as much money in 1 single year as was our national debt at the close of World War I—$26 billion. I agree 1,000 percent with the gentleman from Mississippi when he says there is danger of us destroying ourselves from within. It was Lenin who wrote years ago that the United States, like every great capitalist country, would eventually spend itself into bankruptcy. That is the thing that Stalin hoped for and Malenkov prays for. They are hoping that the United States will knock itself out by its own profligacy. If they can siphon off our wealth in the form of economic and military aid to other nations, and if they can engage us in a series of sideline wars on the vast periphery of the Soviet Union, and if they can deplete our resources, and if we continue to take care of every Hottentot from Zamboanga to Zanzibar, they will continue to win every battle of this cold war without firing a shot or losing a single man. Korea yesterday, Indochina today, and perhaps Iran tomorrow. Human life is the cheapest commodity in the Orient. Whatever one may say of those men, our men are not expendable, and certainly America should exercise great caution, and this Congress should. Let me assure the gentleman from Mississippi that members of the Committee on Armed Services, as does our President and, I think, most of the men in the Pentagon, and I am thinking not only of the civilian team composed of Wilson and Kyes, who has unfortunately left us, but now Bob Anderson and Charlie Adams and Bob Stevens and Harold Talbott—men who have proved their business ability with long years of experience and success—that is a wonderful civilian team—as is the team composed of the Joint Chiefs of Staff under the able and outstanding chairmanship of Admiral Radford—we all are aiming at the same goal.

All of those gentlemen know, even those who have spent their entire lives in the military service, that we cannot build up and maintain our military might without preserving our economic strength. They realize that the battlefront can never be stronger than the homefront. Every general and admiral with whom I have talked—and I have talked with practically all of them—readily admit that after all it was America's industrial might and productive capacity that brought victory to the allied forces over the Axis Powers. It was not only on the battlefront and on the seas that we won the war. We won the war in this arsenal of democracy, in our factories, in our mines and forests, and on the farms where we produced the food, fiber, and the weapons and sinews of war to feed and clothe 12 million men and women in our own Armed Forces and to save the Battle of Britain and the Battle of Stalingrad. So I share the concern of the gentleman from Mississippi [Mr. COLMER] about expenditures. Heaven knows our committee wants to do everything within its power to cut Government expenditures without weakening the defense, because we must have security with solvency. Military might and economic strength go together. They are married. They are one. You cannot divorce them without destroying both. We cut the defense budget last year by $6 billion without impairing our security. That is a pretty good record. They are not falling over each other quite as badly in the Pentagon as they did a few months ago. We have trimmed, and we shall continue to trim, all the fat that we can in the defense budget, but let us be very careful under these trying and troublesome conditions throughout the world, with the uncertainty, anxiety, frustration, and fear that hangs over us; as we trim the fat let us be careful not to cut into the muscle or break the bone. We are compelled out of sheer self-preservation to continue to spend that sum on our different military forces.

If the gentleman from Mississippi desires me to yield now, I will be glad to yield before I go into the different phases of the bill.

Mr. COLMER. I did not want to interrupt the gentleman's line of thought, because he is making a very fine statement.

Mr. SHORT. Well, it was right down your alley.

Mr. COLMER. At the time I asked the gentleman to yield, I simply wanted to make this little contribution to his own line of thinking, which was that Russia has succeeded since World War II in drawing back behind the Iron Curtain more than 600 million people without firing a single Russian gun.

Mr. SHORT. That is quite true.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the distinguished gentleman from Massachusetts.

Mr. McCORMACK. I would not be asking the question except for the gentleman's reference to reducing the budget by $6 billion last year. That was principally in reduction of the Air Force, was it not?

Mr. SHORT. Most of the cut did come out of the Air Force.

Mr. McCORMACK. Over $5,500,000,000. We are now back to 137 wings for the next fiscal year or the fiscal year thereafter?

Mr. SHORT. We hope to reach 137 wings by the end of fiscal 1957.

Mr. McCORMACK. So the fact that that change has taken place would indicate that an error was made last year in reducing the appropriations for the Air Force providing for a 120 air wing group?

Mr. SHORT. No; absolutely not. Let no Member of this House—and certainly the gentleman from Massachusetts should not—create the erroneous notion that we have weakened our national defense merely because we have cut expenditures and reduced personnel. What we have done is to transfer a lot of men from housekeeping and auxiliary jobs into combat units. The result is that today we are getting more defense for our dollar than ever before; and whereas the opponents to the cut in the Air Force budget last year predicted that by the end of this fiscal year, which is just a month away, we would have 110 wings, we actually are going to have 115 wings at the end of next month, June 30, 1954.

We will have 121 wings at the end of the fiscal year 1955.

We will have 127 wings at the end of the fiscal year 1956.

By the end of the fiscal year 1957 we will have 137 wings, not on paper but fully manned by trained personnel and fully equipped with weapons.

Mr. McCORMACK. But the fact does remain that the 137 air wing group is now our policy in relation to our Air Force for 1957?

Mr. SHORT. That is right.

Mr. McCORMACK. And that was not our policy last year.

Mr. SHORT. It is because of changing world conditions.

Mr. McCORMACK. Correct.

Mr. SHORT. It has got to be carefully appraised.

Mr. McCORMACK. I am in agreement with it.

Mr. SHORT. The gentleman from Massachusetts is right and we may even have to go above that if we become involved in southeast Asia, which we are all hoping will not come to pass.

Mr. McCORMACK. I thoroughly agree with the gentleman in principle. I think we all agree with the gentleman except, instead of putting our sound economy first, he might put a sound security first with a sound economy second, and to me national security is of primary importance. I know the gentleman agrees with that.

Mr. SHORT. Yes.

Mr. McCORMACK. And surely some of us are a little bit concerned—and I hope the gentleman will dissipate it if he can—deeply concerned with the reduction taking place in the Army. The gentleman cannot take the position that anyone who is concerned about that is not just as good an American as anyone who is in favor of the reduction.

Mr. SHORT. I agree with the gentleman 100 percent, and we should be very careful to keep all of our forces in proper balance. But the emphasis under the New Look—and it is not really new—but because of the rapid advance in airpower and atomic weapons we are placing greater emphasis upon mobility and striking power, airpower, and atomic and hydrogen weapons than we have in the past; and naturally, as we spend more money for that particular branch of the service we propose to save a little money and retrench to a degree—not beyond the line of safety but to a degree—in some other branch of the service.

Mr. McCORMACK. May I make one further comment, not a question but an observation, merely that the question of a strong military organization in the world of today means having the strongest possible in the light of the world killers that exist in the world today, the Communists.

Mr. SHORT. The gentleman is right.

Mr. McCORMACK. Not only must we have powerful offensive strength, but we must have powerful defensive strength to defend our peoples and our cities against any sneak attack.

Mr. SHORT. I quite agree with the gentleman. We can never hope to match man for man the hordes of the Asiatic Continent. I have repeatedly stated in the well of this House that our only hope for victory in another global conflict, our only chance for survival, is in the superiority of our weapons and in the superior skill of the men who man those weapons.

Mr. McCORMACK. Coupled with the will to fight, which the Americans have.

Mr. SHORT. Yes.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I am glad to yield to the gentleman.

Mr. GAVIN. With the permission of the able Chairman of this Committee I would like to call attention to the fact that my distinguished friend from Massachusetts repeatedly refers to the error that was made last year in the development of the Air Force program. I would say there was no error made last year. However, back in 1949, when the previous administration cut the Air Force program back from 70 to 48, that is where the error was made. That put the Air Force back several years in the development of its air program.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Kansas.

Mr. SCRIVNER. I hope the gentleman in discussing the present-day Army will point out that as of today in manpower the divisions are 17 percent greater than in World War II and with the new, modern weapons now in use they are 84 percent greater than in World War II.

Mr. SHORT. The gentleman from Kansas is very well versed in this subject and he has made a very accurate statement. It is utterly unbelievable, but true, that one heavy bomber today carrying one hydrogen bomb will deliver more destructive power—a single plane on a single mission can deliver more destructive power than was delivered by all planes on both sides, Allies and the Axis Powers, in the whole of World War II. That is something for us to think about. Perhaps there is no escape from this total annihilation, and because of the realization of both sides in this cold war that the other fellow perhaps possesses to some degree the same kind of weapon—this will act as the greatest deterrent to another world conflagration.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Illinois.

Mr. ARENDS. If we are to believe the words of General LeMay in a public statement made the other night, it is not a matter of retaliation or ability to attack those who may attack us tomorrow or the next day; it is the question of only minutes or hours that we can be at a destination which we hope to reach if it becomes necessary.

Mr. SHORT. Yes, and our enemy is going to be very reluctant to ever touch one off.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I do not want the gentleman to disclose any information. When the gentleman from Missouri speaks as chairman of the Committee on the Armed Services there is more significance attached to what the gentleman says by reason of the fact that he is chairman of that committee and he has an ability to obtain more than probably any other Members of the House or the Senate could obtain in the way of information. Is the gentleman satisfied that everything is being done that can be done to prepare the defenses of our cities and our people?

Mr. SHORT. I am very happy to say that I can answer the gentleman's question in the affirmative. I believe that we are putting forth every effort today, so far as is humanly possible to make us invincible and invulnerable to attack. Of course, we can never be 100 percent prepared against any potential enemy. But we are making progress. We have a new and powerful Air Defense Command, along with the Strategic and the Materiel and Tactical Air Command. In World War II we did not need it because we did all of our fighting in the Pacific and in Europe on enemy territory. Perhaps the next war might be a little different. We are paying more and proper attention now to the continental defense of the United States in the way of radar screens, and some other things I cannot mention.

Mr. WHEELER. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Georgia.

Mr. WHEELER. In view of the very graphic description just given by the distinguished chairman of the Committee on the Armed Services relative to the destructive capacity of a transcontinental bomber carrying an H-bomb, wherein is there further justification for

continuation of building the tremendously costly naval facilities such as aircraft carriers and other naval units and also further expanding the ground force facilities?

Mr. SHORT. Well, as the chairman tried to indicate, we have reduced to some degree our ground forces. We have placed greater emphasis upon airpower and new weapons, but I think we still need today—and we will need in the foreseeable future—a powerful Army and a powerful Navy, as well as an Air Force, because these bombs and the airplanes themselves have to be transported to distant parts. We cannot put all of our eggs in one basket or our sole reliance upon an intercontinental bomber. We are not absolutely sure or positive, of course, that we could deliver bombs from the continental United States upon certain parts of our enemy. We are building airfields in distant lands closer to certain potential enemies. I think that is wisdom. That is a matter for the military experts to decide rather than for myself as a layman. But I am sure that Admiral Radford and Admiral Carney and General Ridgway and General Twining are exercising their very best judgment in trying to have a proper balance between all our defense forces, just as we are trying to have a proper balance between our military might and our economic strength. It is not a question of "either or" but both. We need both the military might and economic strength because without it we cannot build up or maintain that military might. I would say they are almost coequal and have to be considered together, and the men in the Pentagon and the people in the White House, particularly the President, have that very much in mind.

Mr. WHEELER. Mr. Chairman, will the gentleman yield for an observation?

Mr. SHORT. I will, but I hope I can discuss the bill before us. I have taken too much time on this already and when you get me started I could talk all day and night because of its great importance and my deep interest.

Mr. WHEELER. I merely wanted to say to the gentleman from Missouri that, contrary to some of the published criticisms relative to the so-called New Look, I do not object to the New Look except on one basis, and that is, I do not believe it is quite new enough.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from California.

Mr. HOLIFIELD. I was very much interested in the gentleman's remarks about the need for an intercontinental bomber. Taking into consideration the fact that we know that the potential enemy has both the atomic and hydrogen weapons, and undoubtedly their first strike would be directed at our closest airfields, which would mean the airfields surrounding the perimeter of the Soviet Union possibly, is it not true that the defense of the United States is dependent upon our ability to deliver these retaliatory weapons?

Mr. SHORT. There is no doubt about that, but it is a good thing that we have some fast jet interceptors and fighters on fields much closer to some of our potential enemies.

Mr. HOLIFIELD. This is another facet of the problem which I will not take the gentleman's time on at this time, but the point I want to impress at this time is this, that if there is a possibility of this Nation achieving an intercontinental bomber, that that has now become, you might say, the primary essence of our strength, because we have weapons now that are large enough to take out whole, tremendous cities, and the next problem is to get those weapons to the objective, to the target. At this time, as the gentleman knows and I know, that is the big problem, and if there can be an intercontinental bomber developed, does the gentleman not consider that it is of prime importance that it be developed, and as quickly as possible?

Mr. SHORT. Yes, it is, and I think the B–47's we have prove that. There were 18 of them that flew not long ago from Newfoundland to England and averaged 525 miles an hour; 1 plane, taking off a little later, averaging 575 miles an hour. I do not know how much better they could have flown, or how much more we could ask at this time. That is no secret. That is all published information. And now we have just starting to come off the assembly line the B–52, which is, by far, the greatest bomber in existence. Heavens pity anybody who attacks Uncle Sam.

Mr. HOLIFIELD. Let us not get too excited about the B–52, because we also know that the Soviets have the TU–39, and they also have another bomber which has not yet been released. The TU–39, to the best of our knowledge, is an improved version of the B–36, and is possibly equal to the B–52. The new bomber I am not identifying, which is a further improvement on that, is in the hands of the Soviet, and the gentleman knows it. So let us not take too much comfort.

Mr. SHORT. I am not taking too much comfort. But do not make the mistake of placing your whole faith and entire confidence in an intercontinental bomber.

Mr. HOLIFIELD. I am not.

Mr. SHORT. We are going to have to have fields with jet fighters to protect those bombers when they take off from continental United States. And we are going to have to have jet fighters and interceptors on other bases on the way to the enemy to protect the heavy bombers as they approach the enemy territory. Otherwise, they would be shot down before they reached their target.

All this is very interesting, and I could go on with it for a long while, but I should like to discuss the bill.

Mr. Chairman, I hope I will have the attention of the Members, because this is quite important, perhaps the most important bill that our committee can bring to the floor. It has in it authorizations of almost $900 million. It certainly should interest the Members. I am sure the taxpayers are interested.

Mr. Chairman, there is no need to tell this House what kind of bill this is because we are all very familiar with military public works authorizations. This is the bill which provides for our base of operations, that is, the Army camps, the Air Force fields, and the Navy shore establishments.

Without, then, detailing the need for this kind of bill, I would like to go right into what the bill does, and the magnitude of it. The authorization figures for the three services and the Alaska communications system are as follows:

Army, for public works authorized by title I: Inside continental United States, $162,909,000; outside continental United States, $19,264,000; classified installations and facilities, $87,700,000; or a total of $269,873,000.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. VORYS. With reference to the classified installations, to which the gentleman has referred, the bill does not indicate whether they are in or out of the United States.

Mr. SHORT. By far the greater part of them are in the United States.

Mr. VORYS. But "classified" may be in or out of continental United States. Will the gentleman indicate as we go along?

Mr. SHORT. I cannot speak too freely about them since they are classified.

Navy, for public works authorized by title II: Inside continental United States, $109,165,000; outside continental United States, $30,796,000; classified installations and facilities, $63,358,000; or a total of $203,319,000.

Air Force, for public works authorized by title III: Inside continental United States, $393,607,000; outside continental United States, $9,829,000; or a total of $403,436,000.

Alaska communications system: For public works authorized by title IV, a total of $462,600.

Total for all titles, $877,091,000.

As introduced, the Army total was $256,773,000 as against a proposed authorization now for $269,873,000; as introduced, the Navy total was $207,239,000 as against a proposed authorization now for $203,319,000; as introduced, the Air Force total was $432,502,000 as against a proposed authorization now for $403,436,000; with respect to the Alaska Communications System, the amount of $462,600 remained unchanged by the committee.

Excepting the Alaska Communications System, which is requesting a relatively modest authorization, the only title which was not reduced by the committee was title I, the Army title. The explanation for this is the addition to the bill of $9,900,000 for the rehabilitation of a pier in Boston which constitutes an urgent requirement, not only by reason of its need in the event of an emergency but also because it constitutes a potential hazard to navigation at the present time.

The Air Force title, which had been $432,502,000, was immediately reduced by the committee to the extent of over $110 million. The committee was able to do this, since it discovered that the Air Force had an unused authorization in this approximate amount from Public

Law 534 of the 82d Congress. However, a considerable amount of this reduction was nullified by the subsequent addition of $73.5 million for the Arnold Engineering and Development Center at Tullahoma, Tenn. This installation had been in the program during its progress through the Department of Defense but had been withdrawn during the Department's review in order that a closer study could be made of the needs at Tullahoma. During the consideration of the bill this study was completed and the committee permitted the reinsertion of an authorization for this facility.

Let me describe briefly the essential elements of each of the programs in this bill:

Almost $83 million of the Army program is for the continuation of classified construction for the defense of American cities. This is the continuation of the NIKE program. I believe no one can doubt the need for continuing this defensive effort, particularly when it will ultimately tie in to our radar screen and the air defense machine of the Air Force and its seaborne complement of the Navy.

About $97 million of the Army program is required for the replacement of temporary barracks in support of our permanent peacetime Army within the United States. This program is designed, in part at least, to improve the welfare and morale of our troops and is in direct consonance with both the President's budget message to the Congress and his state of the Union message. Approximately 41,000 barracks spaces will be built and some 1,350 bachelor officers quarters.

Thirty-six million dollars is authorized for the improvement of the Ammunition Production and Improvement Base. This will provide for an ammunition outloading facility at or near Point Aux Pins, Ala.

Some $20 million represents the continuation of construction in Alaska, Okinawa, the Pacific area, and Iceland.

Almost $28 million is for urgent research and development and for operational construction requirements within the United States such as storage facilities, training facilities, real estate, and other similar items.

NAVY

The Navy program is most easily divided into shipyard facilities, fleet facilities, aviation facilities, and so forth. I will detail the most important of these divisions:

For shipyard facilities authorization is granted in the amount of about $11 million. Specifically this will be used to develop facilities within the United States for the repair and conversion of the new type carrier—*Forrestal* type; for modernizing shop facilities, for replacement of badly deteriorated waterfront facilities; and for improving research facilities in connection with the design and disbursal of mines.

Fleet facilities would get $12,500,000 required for our Navy to keep abreast of technological advances in underseas weapons and to develop installations used directly in support of operations of fleet units.

The biggest item in all of the Navy program is aviation facilities. This would get an authorization of $100,724,000. This is almost one-half of the entire Navy program. This part of the program is designed to continue development of the master jet fields and their auxiliaries in keeping with advanced aircraft design and experience. It also will provide operational facilities at several air training stations and, lastly, will permit continued research and development in aircraft and weapons.

Supply facilities total $35.3 million. Virtually all of this is for construction of bulk storage for aviation and other naval fuels at overseas locations to provide strategic reserves.

Yards and docks would receive an authorization of approximately $9.4 million for land acquisition and for the repair of deteriorated waterfront facilities. This authorization also includes anticipated needs for facilities damaged or destroyed by hurricane, floods, and so forth. I might say with respect to this latter that the other departments already have sufficient authorization to take care of acts of God and other similar matters.

Marine Corps, ordnance, service school, medical, and communication facilities make up the remainder of the program for a total of approximately $32 million. In substance these authorizations would provide improvements to ammunition storage and handling facilities and increased safety at ordnance depots; correction of deficiencies in training facilities and improvement of living conditions for uniformed personnel at several continental training installations; and augmentation of an installation in the Pacific which is a link in the worldwide naval communications system.

AIR FORCE

The Air Force program can be divided in a number of ways. Perhaps the simplest presentation is a breakdown by commands. As is understandable, the Strategic Air Command gets the lion's share with almost $156 million. The Air Defense Command—our fighter interceptors—gets the next largest with over $60 million. Twenty-one million dollars goes to the Tactical Air Command and $28.7 million to the Air Materiel Command. The Research and Development Command gets a total of $110 million, approximately. This, however, includes $73.5 million for the Arnold Engineering Development Center, alone. The other commands receive relatively small amounts.

All through the Air Force program operational requirements come first. For example, airfield pavements will receive almost $100 million. The development of jet aircraft since World War II is the explanation for much of this increased need for runways and their complementary aprons and taxiways. Aircraft maintenance facilities receive about $36 million; troop housing and messing, some $26 million. Utilities represent almost $54 million and, of course, are related to virtually all of the other items in the program. Medical facilities and storage facilities together equal about $12 million.

I have not attempted to do any more than cover the highlights of the program but you will find in the committee report a breakdown of each of the three major programs. The Army is on page 3, the Navy on pages 6 and 7, and the Air Force on page 9.

I want to read to you the concluding part of the report which appears on page 15:

> The committee feels that it can state without reservation that this program has been the best conceived, most carefully studied, and most simply presented of any military public-works program which it has had before it. In great part, this is due to the activities of the coordinating and review group headed by Rear Adm. J. F. Jelley in the Office of the Assistant Secretary of Defense for Properties and Installations, Franklin G. Floete.
>
> That group managed to secure civilian engineers who had had previous experience with the Army, Navy, and Air Force construction programs and who could, therefore, make a detailed review and analysis of the construction projects submitted by the services. All through the program, determinations were made whether the estimates of cost were in line with bidding experience, and, with respect to each of the services, whether the estimates of cost were consistent with those used by the sister services for similar construction.
>
> In usual fashion, each of the services provided the committee and the staff with backup material, setting out in precise detail not only the items which appear in the bill but also all of the subitems included within an item. In the case of the Air Force alone, this backup material exceeded 2,000 pages, and the principal requirements book used by the committee members during the hearing was itself almost 1,000 pages. In addition to the type of information described above, these backup books contained information with respect to the location, size, mission, military complement, and other pertinent facts pertaining to the individual installations. All through the hearing the committee members scrutinized this backup material while hearing verbal testimony from witnesses either as statements or in response to queries from committee members. The presentation showed a complete comprehension on the part of the Department of every minute detail with respect to their programs, and the committee ended the hearing with a feeling of full confidence that the programs were sound and should receive favorable consideration. The bill was, therefore, reported out without a dissenting vote.

Army

(P. 3 in report)

[In thousands]

	Continental United States	Outside continental United States	Total
1. Airfield pavements	$168	0	$168
2. Community facilities	2,046	$626	2,672
3. Hospital and medical	0	81	81
4. Barracks	93,810	8,851	102,661
5. Industrial facilities	0	0	0
6. Operational and maintenance	97,504	13,959	111,463
7. R. and D. and test facilities	1,620	0	1,620
8. Storage facilities	1,428	747	2,175
9. Training facilities	8,637	0	8,637
10. Waterfront facilities	36,271	0	36,271
11. Real estate	4,622	0	4,622
Total	245,609	24,264	269,873

Navy (pp. 6 and 7 in report)

	Authorization
1. Shipyard facilities	$11,186,000
2. Fleet facilities	12,533,000
3. Aviation facilities	100,724,000
4. Supply facilities	35,312,000
5. Marine Corps facilities	3,333,000
6. Ordnance facilities	7,477,000
7. Service school facilities	14,804,000
8. Medical facilities	1,001,000
9. Communication facilities	6,520,000
10. Office of Naval Research facilities	996,000
11. Yards and docks facilities	9,433,000
Total	203,319,000

Air Force

(P. 9 in report)

[In thousands o dollars]

	Total fiscal year 1955 program	Prior authorization	New authorization
Strategic Air Command	277,721	121,883	155,888
Air Defense Command	78,610	18,018	60,592
Tactical Air Command	66,180	45,223	20,957
Air Training Command	22,562	16,297	6,265
Air Materiel Command	68,076	39,384	28,692
Military Air Transport Service	19,957	12,919	7,038
Continental Air Command	3,099	1,080	2,019
Research and Development Command	136,013	26,402	109,611
Air Proving Ground	6,149	6,149	0
Air University	1,392	0	1,392
Headquarters Command	236	123	113
Various	1,040	0	1,040
Total	681,035	287,428	393,607
Overseas (contained in sec. 501):			
Alaska	12,876	5,453	7,423
Far Eastern Air Force	28,214	28,214	0
Military Air Transport Service	4,477	2,071	2,406
Strategic Air Command	2,386	2,386	0
Total	47,953	38,124	9,829
Classified facilities (contained in sec. 302)	110,325	110,325	0
Grand total	839,313	435,887	403,436

Mr. Chairman, at this point I want again to express in more public fashion my deep and sincere appreciation for the patience, the diligence, the energy, and the faithful attendance and hard work that the members of the Armed Services Committee devoted to the study of this highly important bill, and to express appreciation of our chief counsel, Mr. Smart, and especially to Mr. Kelleher, the counsel who was charged with the responsibility for this particular measure, and who toiled so long and hard not only through the day but far into the night in the preparation of this legislation.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to my colleague from Missouri.

Mr. CURTIS of Missouri. On page 3 of your report you say, "36 percent is provision of troop housing and BOQ spaces in furtherance of the President's budget message."

I wonder if the gentleman would inform me what was the President's budget message to which he referred? What was the request in it?

Mr. SHORT. In the President's state of the Union message he pointed out that adequate and decent housing would probably contribute more to the improvement of morale and the building up and maintenance of high professional character of our military service than any other one thing.

The members of our committee have sensed the need for housing along with proper and sufficient medical care for dependents and transportation of household goods, commissary privileges and other fringe benefits which have been whittled away in recent years.

I might inform Members of the House that the committee refused to put into this bill a request from the Department of Defense for $350 million for family housing. Our committee, and I think the Congress, has been far ahead of the Defense Department or the armed services on the need for housing. Many of us have visited these installations and spots not only in the continental United States but also all over the world. It is a shame and a disgrace, some of the hovels in which these troops are housed at the present time.

Our committee, without a request from the Department of Defense, voted to put into this bill some $18½ million for housing on Okinawa which is the jumping-off place. We did that gratuitously without being requested to.

But to return to the big housing request. When we were in the midst of the hearings, Mr. Wilson called me up, asking that we add an amendment tacking on to this bill $350 million.

I pointed out to Mr. Wilson that it was rather late to make an amendment of $350 million to this bill which would run it up to over $1,200,000,000.

I said:

We might run into serious difficulty on the floor of the House certainly until the Department of Defense comes before our committee and spells out in detail and justifies every request just as the three branches of our armed services did in the preparation of this bill.

So we separated it, and much as we need this housing, desirous as the committee is to provide it, we do feel that the Department of Defense should come before our committee in full and open hearings and justify every item, every request they make, and we are going to see that they do it.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Iowa.

Mr. GROSS. On page 35 of the bill I find an appropriation of approximately a million and a half dollars for Grandview Air Force Base at Kansas City, Mo. Can the gentleman tell me how much has been spent to date on what I call the Truman Airport?

Mr. SHORT. I am glad the gentleman asked the question; I rather anticipated it. We have authorized about $19 million to date. If you will be patient I will try to throw a little more light on this Grandview Airport. I cannot tell, to the dollar, how much has been spent as of this time. Grandview is on page 35 of the bill as the gentleman mentioned.

The dollar authorization for all of the items at Grandview exists now. Only the nature of the items to be built have been changed to comply with the mission of the base. This authorization was granted by us in Public Law 155—$19 million—and Public Law 209—$314,000. What we propose to do here is to take dollar authorization in the amount of $1½ million of the previous authorization and use that authorization to construct facilities which will be more suitable for the welfare and safety of our boys.

There are certain recreational facilities that are lacking at Grandview and it is necessary to have these constructed for a well rounded welfare and recreational program. These items consist of an NCO club, an officers' club, a small library, a post exchange and a gymnasium and will cost about $563,000. May I repeat that there is no increase in the dollar amount previously authorized. When these facilities are constructed they will provide adequate places for the airmen to spend their free time and in general promote morale at the base. As you know many of the Air Force bases are lacking in essential personnel facilities of this nature and we can no longer accept those bases as adequate for our troops.

In addition to the recreational facilities there is $92,000 in the bill, also prior authorization, for hazard removal. Flight hazards consisting of power and communication lines and trees projecting through the clear zone and flight path off the south end of the north-south runway and southwest of the northeast-southwest runway must be removed. I am certain no one will contest the necessity of this item as the safety of the flights and the lives of our boys are at stake.

The remainder of the authorization for Grandview is for operational items such as communications and operations buildings and warehousing. These items are similar to what was to be built under Public Laws 155 and 209.

May I say just this in closing, that there is no increase in the dollar authorization for all of these items and what we are trying to do here is to build a better base for the comfort and safety of the airmen.

Mr. GROSS. Do I understand that there has been authorized up to the present time approximately $19 million?

Mr. SHORT. The authorization is $19 million plus $314,000.

Mr. GROSS. We will say $20 million.

Mr. SHORT. There are no new dollar authorizations in this bill.

Mr. GROSS. I do not know whether this project is supposed to be classified or not, but I ask the gentleman: Is this airbase to be used for the purpose for which it was originally intended?

Mr. SHORT. It is part of the Air Defense Command. I understood at one time another use had been planned.

Mr. GROSS. I thought it was originally supposed to have been the site for the Continental Air Command?

Mr. SHORT. There is an airbase in Missouri that is a SAC base, a B–47 base, but the base at Grandview is chiefly for the protection of Kansas City, a vital point in our transportation system and right in the heart of America.

Mr. GROSS. I will look it up, but I think it was originally stated, although it was supposed to be classified at that time, that the purpose was to locate the Continental Air Command at Grandview.

Mr. SHORT. I think the gentleman may well be correct, but I know it is an Air Defense Command base today.

Mr. GROSS. Speaking of recreational facilities, I note on page 15 of the report—$463,000 for recreational facilities and the language states:

> These latter facilities are for the construction of a chapel, and a noncommissioned officers' club at Ramey Air Force Base.

Does not the gentleman think that $463,000 is a rather large amount for a chapel and a noncommissioned officers' club?

Mr. SHORT. I do not think the $463,000 is excessive for all that at a somewhat remote area in Puerto Rico.

Mr. GROSS. Perhaps not for all those facilities, but the language in the report says:

> These latter facilities are for the construction of a chapel, a noncommissioned officers' club.

Is that misleading?

Mr. SHORT. The report perhaps does not include a specific reference to the recreational facilities at Grandview.

Mr. GROSS. Apparently not.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Michigan.

Mr. DONDERO. I am sure the Members of the House have listened to the statements made by the chairman of the Committee on Armed Services with great interest. At the beginning of the gentleman's statement he said something that seemed to me so incredible that I wonder if the other Members of the House and myself understood it correctly. The statement was that today we have a bomber that can deliver more destructive power than all of the Air Force that we had in World War II or the enemies which we had at that time.

Mr. SHORT. Or the two put together, the combined air forces, our own and the enemies'.

Mr. DONDERO. Then we did not misunderstand the gentleman.

Mr. SHORT. No. If the gentleman wants a little further enlightenment for his own personal use he might be able to get a little from the gentleman from New York [Mr. COLE]. What I have said is enough to frighten anyone.

Mr. KILDAY. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the chairman of our committee has given an account of what is contained in this bill, and I do not intend to repeat what he has had to say. Of course, it is a big bill; it involves $900 million. But, we all know, having learned the hard way, that national defense is expensive; that it comes high. I would like to reiterate, though, that the committee gave a great deal of time and attention to this bill in the hearings. Every item in this bill has been justified by the departments as to every building, every utility, the type, and so on. As a matter of fact, we required them to justify down to every tool shed, I would say, on each individual base. That involved going over thousands of pages of justifications in the books which we used at that time, which contained classified as well as unclassified information. They are not on the floor because of the classified information, but they are available with the committee for any Member who wants to go into any particular portion of it.

Mr. Chairman, I feel I could utilize the time available to me for the best purpose, perhaps, by reminding the committee of the fact that we are all troubled with reference to our efforts to provide and maintain a professional military force. The President, in his message to the Congress this year, called our attention again to the fact that we had to take steps to do those things necessary to attract and maintain a professional military force. In my personal opinion, there is one thing that we have got to do first, and it should have the highest priority and is of primary importance. That has to do with the housing and the living conditions of the Armed Forces. That is particularly true overseas.

I do not care how desirous a member of the Armed Forces may be of pursuing a career in the Armed Forces, he is not going to be able to do it unless he and his family are provided with proper living accommodations. When we reach the point that we have separation of families, when the father of a family is going to be sent to stations overseas and his wife and children cannot join him, then the question is no longer so much what he cares to do about pursuing a military career as it is whether his family is going to permit him to pursue a military career.

Now, this bill contains very little money for housing, and that part was added by the committee without the request of the Department of Defense at overseas bases. This bill was prepared and was brought to the committee under an arbitrary ceiling imposed by the Bureau of the Budget as to what the military budget could be this year. That is not a new departure. It became a new departure in either 1947 or 1948, I forget at the moment, but it produced the 70-air-group fight which we had here on the floor and which attracted so much prominence at that time. So far as I can recall, that was the first time that a military budget had been prepared with an overall ceiling imposed by the Bureau of the Budget. When it came time to consider this bill, the Department was required to set up priorities as to what installations would be recommended to the Congress. In providing for those installations they gave family housing a very low priority, and there, I think, a great mistake was made if we are interested in maintaining a professional military force. But, the priority was so low that family housing was eliminated from the request. Our chairman has told you that after we had been conducting these hearings for a matter of 4 weeks the Secretary of Defense requested $350 million for family housing. But, that was not a request that we go through the bill and add to the stations where we had every item and every building on the station justified, but that we simply authorize $350 million to be appropriated and made available to the Department of Defense to provide housing at whatever bases they saw fit and in whatever amount they saw fit. Our committee did not grant the request for the blanket appropriation. I believe the hearings will indicate that one of the Assistant Secretaries of Defense made the statement that the Congress was disinclined to vote funds for family housing. That is not in accordance with the facts. Traditionally, family quarters have been provided for the military. I recall so very well prior to the expansion incident to World War II that every public-works bill contained family housing.

We are disinclined in our committee to grant a blank check for $350 million without justification by station, type of construction, total overall cost per unit—things of that kind. We will go into that. I believe hearings have been scheduled for June 3. If there is to be a new program under which the Department of Defense is to pick the locations and the number to go on those locations, the committee will have to go into the matter very carefully and we are going to have to formulate standards of how it shall be done.

The chairman has detailed the amounts of money going to the various services. I should like to expand on this, because a question was raised in the closing minutes of his address and he did not have the opportunity to devote as much time to that question as the question requires. Of the money authorized for the Air Force approximately one-half has been previously authorized. This is a new departure in a public works bill. It comes about because in years past we have piled authorization upon authorization for the same station so that we have a backlog of authorizations. That is particularly true incident to the reduction to 120 wings rather than the projected 143 wings. So that as to the Air Force the Department has gone back through the backlog of authorizations which it has had and has come in with a request for some changes in the type of installation, utility, or whatnot, on the individual base and by law we are now reprograming that portion of the backlog. In the next Congress we will again review the backlog and we will cancel out or rescind those previous authorizations which it is not intended to use. Those do not include, of course, the projects in this bill which are to be reprogramed, or the new projects, but merely the backlogs involved in the other authorizations.

Mr. Chairman, I feel that the bill has received very careful consideration and that it should be accepted as reported by the committee.

Mr. MILLER of Kansas. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. MILLER of Kansas. I thought I heard the chairman of the committee say on the floor that we now have a bomber that can deliver more destructive power in one load than was delivered by all the bombers on both sides of the war in World War II. I should

like to ask this question: Has any information been furnished to this committee as to whether there is any other nation in this world that has a similar bomber with equal power and perhaps similarly destructive bombs? I think for the good of this country we ought to know whether that is true.

Mr. KILDAY. I believe that my chairman said just about all that could be said about our capabilities when he gave substantially the information which the gentleman has used. I am sure I would be of great value to the Department of Defense if I were in a position to tell them just exactly what any potential enemy might have. I do not know. I do not know whether anyone knows. I think every effort is being made to get the latest and the best information on that that we can possibly get. Of course, in this type of business we must assume that the potential enemy has at least the power that we have and perhaps that it has more potential power than we have, in the interest or our own safety and well-being.

Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Chairman, this bill contains an authorization of $877,091,000 for construction of additional facilities urgently required by the military services to do the job assigned to them for the defense of the United States and in defense of the rest of the free world against possible aggressive attack. It includes $269,873,000 for the Army, $203,319,000 for the Navy, $403,436,000 for the Air Force, and $463,000 for the Alaska Communications System.

To my mind, this is the best planned and most fully justified military construction program that has come before the Congress in recent years. I am sure that much of this was due to the careful review given to all of the military programs in the Office of the Secretary of Defense. That group looked at every item and every subitem—7,000 of them in all, I am told.

The committee is convinced that we have in this bill a program for orderly development of military bases required in the current world situation and that this development will be carried out in an economical manner.

The largest part of the program is for construction of air bases, both for the Air Force and for the Navy. Nearly one-half of the Navy program consists of aviation facilities.

The authorizations contained in this bill cover the additional facilities required for minimum sustained operations of the 137-wing Air Force and for an adequate expansion of the continental defense system. It provides for the establishment of 7 new Air Force bases within the continental United States and for the reactivation of 6 bases built during World War II which are now inactive. It is necessary to fix up and modernize these bases to enable them to support operations of modern jet airplanes.

Now, there are two new installations in the program for the Army. One is an ammunition outloading terminal to be built in the Point Aux Pins area of Alabama and Mississippi to help us to be ready to meet our emergency needs. This is a continuation of the program which was started several years back to provide port facilities at locations away from centers of population for safe handling of ammunition shipments. If we became involved in a big war today it would be necessary for the Army to load ammunition through some of our major commercial ports. Now this constitutes too great a danger to large numbers of people and to valuable industrial facilities and other property.

The second new installation for the Army is a facility at Atchison, Kans., for storage of ordnance production equipment. This is actually an abandoned mine or cave which has been used for some time by the Commodity Credit Corporation for storage of dairy and poultry products. The Army will dehumidify the cave and otherwise make it suitable for storage of this equipment which would be vital to ordnance production in case of an attack on the United States.

The bill also provides authorization for additional installations of tactical facilities by the Army for antiaircraft defense of our major population and industrial centers. In view of the ever-present possibility of surprise atomic attack, the committee felt that this program should be permitted to go ahead just as rapidly as possible. It is an important supplement to the continental air defense system.

There are only two new installations being proposed for the Navy: The development of a major jet station in the southeastern United States for the Marine Corps—Beaufort, S. C.—and POL storage facilities at an installation overseas.

The bill would permit the services to begin replacement of some of the old barracks built during World War II or earlier. This is a step in the direction of providing more adequate living quarters as an inducement to young men to stay in the career service of our Armed Forces. And, at the same time, of course, we will make substantial savings in maintenance costs.

The language used in title III is different from the language in other titles of the bill and in past legislation on this subject. The objective of this wording is to consolidate existing authorizations with new authorizations granted to the Air Force in the bill. In effect, it will adjust existing authorizations to the current program of the Air Force and provide the additional authorization required at each of the bases covered. The Air Force did a good job in providing the committee with full details of all items included in the current program for each of these bases. This, together with the new authorizations in the bill, will comprise the entire authorized program at each base.

No new authorization is granted to the Air Force in this bill for the construction of bases overseas except for Alaska, Puerto Rico, and several islands in the Pacific. The committee agreed with the Department of Defense that existing unused authorizations were sufficient to meet requirements for other overseas bases during fiscal year 1955.

Most of the authorization for the Army, Navy, and Air Force in this bill is for projects to be located within the continental United States. Only about 15 percent of it is for overseas projects and the largest share of the overseas work to be authorized in this bill is on naval facilities.

I would like to say that I, for one, appreciate having received this bill from the Department of Defense early in this session of the Congress. During the past several years, the military public works bill has come up here near the close of the session when the committee found it very difficult to review the projects in detail. With more time available this year, the committee has gone over every item very carefully and is satisfied that each facility to be authorized in the bill is needed for the national defense. It also has enabled the committee to evaluate just where the country stands in building the base structure required to support the forces in being and to meet early mobilization requirements.

Naturally, a program of this size has multitudinous details—there are, for example, 175 locations or installations in the Air Force portion alone. The committee report, which you gentlemen have at hand, sets out many of these details and I invite your attention to it as a rewarding document.

Mr. Chairman, this is a sound, well-thought-out program. It was justified before the committee in a manner which I have not seen heretofore. Over a period of 6 weeks, the committee members looked at backup material furnished by the services that ran quite literally into hundreds and hundreds of pages. The oral testimony taken actually would constitute, to my mind, only some 20 to 30 percent of what the committee learned during the hearing. Every base in the backup material had its mission, complement, acreage, and every other necessary detail set out clearly. I can assure this House that those documents were well thumbed by the time we completed the hearing. The bill was reported out of the Armed Services Committee without a dissenting vote and I have no hesitancy in commending the bill to this House for exactly the same kind of treatment.

Mr. KILDAY. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. DURHAM].

Mr. DURHAM. Mr. Chairman, I probably should not take this time of the Committee but I think in authorizing this much money we should give as much information as we possibly can to the public in justification of it. Especially I think it is justified at the present time.

This bill can primarily be called, in my opinion, an internal security measure. Those of us who have in the last few days listened to the evaluation of the recent weapons tests in the Pacific have some knowledge of what is required and probably some changes will be required in the future planning.

I do not fully agree with my chairman's statement that we are doing everything we can at the present time from an internal security standpoint. I believe of course that my opinion has been brought about by the evaluation of the weapons tests recently in the Pacific.

I think necessarily we are going to have to revise some of our thinking and planning on internal security because of those tests and because of the knowledge we have gained from them.

I might say here in justification of those tests recently that I feel that this country is fully justified in the expense attached to carrying out the tests in the Pacific. There has been some criticism about that, as you know, but we are fully justified in doing that, in my opinion, for the protection of the American public as well as for the security of our own allies.

Mr. Chairman, I rose here today primarily to say a few words in regard to a new departure and a new authorization here which has never been authorized by this committee before for any Department of Defense. Under the present procedure, as we all know, the Atomic Energy Commission has held title to and has from time to time issued to the Army, the Navy, and the Air Force, the fissionable material required by those Departments of Defense for their use, but the title is still held under the Atomic Energy Act as adopted by the Congress in the hands of the Atomic Energy Commission.

In this bill on page 18 we are authorizing the Navy to build a small research reactor. In terms of dollars it is small, and it produces fissionable material in small quantities, it is true; nevertheless, it is a departure from our present practice and policy unless we retain control of the fissionable material in the hands of the Atomic Energy Commission.

The committee, I might say, with the consent of the chairman, has accepted a proviso which in my opinion takes care of it, and the title will still remain in the hands of the civilian agency as it is of today.

This tool is necessary, in my opinion, to carry out basic research at the Naval Laboratory, of which we are all very proud. I said in the committee that I do not object to the building of it, but I did object to the services going into the production and owning and controlling of fissionable material which they could use at their own discretion, and now under the present conditions, only by the President's orders, as the policy exists today.

The public works bill contains authorizing language for a nuclear research reactor for the Naval Research Laboratory which is estimated to cost a total of $996,000, including the necessary facilities which will surround it. This is a desirable project because it will enable the Naval Research Laboratory to conduct research which cannot be done without this laboratory tool.

This reactor should not be confused in any way with the other military projects involving nuclear reactors. It is not related in any direct way to the aircraft nuclear propulsion program, the Navy submarine and ship propulsion programs, or the Army atomic power plant project. Instead, it is intended to be simply a source of neutrons and radiation which can be employed in the conduct of scientific and engineering experiments. Similar research reactors are currently being proposed by various private institutional groups for construction at nonmilitary laboratories. They are a natural extension of all of the brilliant achievements of the past two decades using cyclotrons, Van de Graafs, X-ray machines and radium sources. Nuclear research reactors are more flexible sources of radiation energy and particles than are any of these older laboratory devices and pieces of equipment.

If there is to be any debate as to whether or not this project should be authorized, such debate should be focused on the question of whether or not the military should be allowed to conduct scientific and engineering research in their own facilities. The achievements in such laboratories have in the past far more than recompensed the taxpayers for their investment.

During World War II this Nation drained the pool of scientific knowledge. We explored every advanced scientific and theoretical idea. Since that time the task of replenishing the pool of new scientific data and ideas has been tackled with vigor throughout Government and private laboratories. But the reports which seep through to us of the achievements of competitor nations must give us pause and we must ask—Are we moving fast enough? Are we devoting enough effort to basic scientific work?

The addition of a research reactor at the Naval Research Laboratory will permit an outstanding group to contribute more than they have been able to heretofore. Their efforts will be directed more toward things of primary military interest than are the efforts of scientists and engineers in other laboratories simply by virtue of the fact that at the Naval Research Laboratory they are afforded a greater opportunity to know and understand problems of the Navy and the other services than is possible for men in other laboratories removed from the services.

The justification which was sent to the Congress for this project seemed to imply that this project would have direct use in Admiral Rickover's submarine work and in other military atomic propulsion and power projects. Perhaps that was not as clear an explanation as Congress was entitled to receive for it is not true that the work needed to advance these projects cannot be done elsewhere. It would have been enough—it is enough—to justify this project on the grounds that it will contribute to the increase in scientific and engineering knowledge and interest to the Navy, the Air Force, the Army, and to all in our Nation who must turn to scientific research for the answers and guidance needed in their work.

If the Naval Research Laboratory is authorized to build the research reactor we can be sure that the contributions which will follow will be useful and even important in many ways which we cannot now foresee.

There is one thing we can do, however, to insure that this research reactor will be on fair and equal footing with those now on or planned for university and industrial laboratories. That it should be on the same footing I think no one would question.

Under the Atomic Energy Act of 1946, the President has the option of transferring the fissionable material which will be used as fuel in this reactor directly from the Atomic Energy Commission to the Navy. He has no such option for transfers to private hands. If the fuel for this reactor is made available by Presidential transfer there is no assurance—in fact there is no legal requirement—that this research reactor be operated under the same regulations for security and for the health and safety of the public as are those which are operated under other arrangements with the Atomic Energy Commission.

It is for this reason that H. R. 8726 has been amended on page 18, line 5, after "$996,000," by striking a period and adding, "*Provided, however,* That any fissionable material to be used in such facilities shall be obtained from the Atomic Energy Commission in the same manner and on the same terms and conditions as the Atomic Energy Commission makes fissionable material available for use in research reactors in nongovernmental facilities."

The other thing about which I am primarily concerned at the present time is the continual acquisition of land by the armed services, the Army, the Navy, and the Air Force, all three combined. I have been on this committee for almost 16 years, and had hoped time and again we would reach a point where we would stop having to acquire land for military purposes in large amounts of acreage. But, under this measure, we are still acquiring many acres of land and are paying some prices which, in my opinion, are exhorbitant, although under the circumstances where we have built these air fields within the city limits almost, and then the cities have grown and have continued to build up, we have had to extend the runways and take over houses and farms and tear down buildings so it has become a very expensive operation because the land is expensive. Many such instances are in this measure before us today. I am sure the Committee on Appropriations, and I hope they will when the request for funding this authorization comes before them, will scrutinize every piece of land purchased under this bill very carefully.

The other thing I am primarily concerned about, and which has been touched on here today, which at the present time I do not believe is being given proper attention, is the delivery of this tremendous power weapon that you have heard about on the floor of the House today. It does no good to possess a weapon which will produce 25 or 50 times the explosive power of the Hiroshima or Nagasaki bombs, if you do not have the capacity and the ability to deliver that weapon. Under present circumstances, of course, we are faced today and the question has been asked here as to whether or not our potential enemies have the same type of weapon. We have to assume that they do have. Personally, I believe that they have with the information available, and I can assure the gentleman that we have had information, which is evident that they possess weapons probably not of the potential British thermal unit explosive power, but certainly of a dangerous nature. They are also developing an intercontinental bomber, which we have knowledge of, which is comparable to

those which we have. That is why I have always supported basic research from the beginning in the development of our Strategic Air Force. I think it is the most highly important thing before us today. I am in favor of a crash program to be put out on this intercontinental nuclear powered bomber, which today is still in the research stage. I think that more emphasis should be put on this one thing today. We have seen the development of this tremendous explosive power come about primarily from the fact that we have gone all out and devoted the brains of this country to that one thing—and we have done the job in a very short period. We have developed weapons today which are almost unbelievable and we can do the same thing, in my opinion, if we will devote the same energy and the same type of program in trying to develop an intercontinental nuclear powered bomber. I am not making any charges here today in particular that there have been some things which, in my opinion, have been thrown in the way of the development of this bomber. I realize that is quite a serious charge, but I do not believe we have had all-out coordination of the development of the nuclear powered engine, and I say that conscientiously with full knowledge from the beginning of this program of development of the nuclear powered engine.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. VORYS. The gentleman has discussed the question of the delivery of these nuclear weapons with which he is so familiar solely in terms of intercontinental targets.

I wonder whether the gentleman is in a position to say about the possibility of delivery of such weapons, both offensively and defensively, by other means than flying. Are such weapons capable of being planted where they could be discharged?

Mr. DURHAM. Yes, this is possible and in case of war very probable, in my opinion.

Mr. VORYS. No. I am inquiring about thermonuclear weapons, whether it is necessary to have them delivered here or over there by bombers, or whether such weapons can be delivered on the ground and exploded by time devices.

Mr. DURHAM. They could be delivered both ways. Of course, they could be delivered by ship or submarine, or something like that. Certainly that is true.

There has been a suggestion made by some in the Pentagon about a crash program which I think is sound. That is the development of intercontinental rockets. I think that with the nuclear-powered engines both programs should be put on a crash program. I think people are aware of what can be done now. Certainly there has been great progress made in this field of weapons in the last 24 months, to the point where today it looks feasible. Certainly there is no time to be lost. It is much better to operate from your own airfields where you have control of the land than it is to operate from an off-shore position, which, as we all know, have become very, very expensive; certainly under the domination or right under the wings of our potential enemies.

Mr. Chairman, I think this measure is sound. I think the chairman has stated well the position of the committee. Security does not come cheap. We have all realized that who have been around here for some years. Personally, I do not look with much hope of national security becoming much cheaper because of the expensive cost of intensive research and development that goes into defense weapons. We must continue with a very vigorous research program; we get more defense from developing these weapons. If I were to state to you the actual cost of explosive power by recent tests compared to what it was during the last war, you would be amazed.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. KILDAY. Mr. Chairman, I yield 5 minutes to the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS. Mr. Chairman, I will not encroach upon the time of the House at this time because I know you are going to pass this bill.

As the gentleman from North Carolina [Mr. DURHAM] has said, there is no bargain counter to security or short cut to defense for this Nation. Our committee sat for 8 weeks on this bill. That is a long time. Under the leadership of our distinguished chairman, for whom we all have the most lofty esteem, we worked day in and day out. We screened each item and went over them and reevaluated them and brought this bill to you. We know that this defense is deadly business, and protecting America is no child's job.

I should like to address my remarks to the operational feature of these defenses in the Army, the Navy, and the Air Force. We have gadgets coming off the lines now which require places where you can operate them and keep them and keep them in shape.

About one-third of the Air Force money is for the maintenance, construction, and operation of these airfields. We have the B–52 bomber coming off the line; it is coming, and it is coming fast, and there is nothing on earth going to be like it. Then there is the Navy master jet used on the carriers, something which the Government has to have with the fleet and for the protection of the fleet. We have got to have facilities for those planes, Mr. Chairman, and it does not come cheap.

There is $900 million in this bill. We have screened these projects; we know what is in them and the things they want. There are 35 men on our committee. We checked the requests and proposals most carefully. We did not allow all they asked for, but we know what we bring you. We know what we need with conditions as they are in the world today, with conditions as they are in Guatemala and as they are in other parts of the world. We know that these people are on our doorstep and we have no alternative.

We most respectfully submit this to you and commend it to you. It is in your interest, in our interest. It does not come cheap. It is the best we can give you, the best we can do for you and for us and for those who will come after us.

The radar screen, the ADC—Air Defense Command, protecting the Northwest and the Detroit area, the New York area, the great Pacific coast area, the great East—that defense does not come cheap. Those things are contained in this bill. They are coordinate branches of the service. We have done the very best we could. We believe this presents to you as economical a bill as we can present to you. There is no austerity in defense and we do not want austerity. I would rather be as our former Speaker, SAM RAYBURN, used to say, alive with an empty pocket than be dead with a full one.

The most important aspect of the program to be authorized in this bill is that these additional facilities are required to make our Armed Forces completely operational. It is my understanding that the Air Force, for example, has aircraft coming off production lines and trained aircraft crews being graduated from training schools to man the aircraft but that some of the required bases are not built. In fact, there is a problem of finding sufficient space at the bases now available for which the aircraft can be operated. It has become necessary to double-up heavy bomber wings at certain bases with the result that in an emergency it would be difficult for the bombers to carry out their missions.

Nearly one-third of the facilities to be provided for the Air Force in title III consists of airfield pavements; runways, taxiways, aprons, and so forth. These pavements are needed to park and operate the aircraft which will be in the hands of the Air Force even before the pavements can be constructed if they are approved in this bill.

The next largest category of structures for the Air Force consists of aircraft maintenance facilities. Large modern jet aircraft with their complicated instruments and electronics equipment require correspondingly more maintenance facilities to keep them operational. Considering the money we are putting into these aircraft, we would be unwise if we failed to provide the required maintenance facilities.

The Departments of the Army and the Navy also need the facilities to be provided in this bill in order to carry out their operational missions. For example, adequate facilities are lacking on the west coast at the present time for overhaul and repair of our newest aircraft carriers. The Navy also lacks adequate facilities for proficiency training of its carrier air groups. Operation of these groups would be handicapped in the event of an emergency for lack of facilities at some of the master jet airfields which the Navy is developing for such training. The facilities to be provided in this bill would meet these urgent operational deficiencies.

Outside of the classified facilities, the largest items in title II for the Navy are liquid fuel storage and distribution, air-

craft maintenance facilities, and troop housing and messing. Waterfront facilities and airfield pavements also are important items in the Navy program.

The Army program is about equally divided between operational and maintenance facilities and troop housing. The only other large item is the ammunition outloading facility at Point-aux-Pins, Ala. The operational facilities consist mostly of tactical installations for the antiaircraft defense of the United States. These are more of the Nike guided missile installations that we have been reading about. There can hardly be a more important project. We must provide every possible protection for our major population and industrial centers to reduce the loss of life in a possible surprise attack on the United States and to enable us to continue production of war equipment which would be needed urgently to carry the attack to the enemy.

Among the other operational and maintenance facilities for the Army are included motor repair shops, a petroleum pipeline in Alaska, and an operations building for the transmitting station at Woodbridge, Va. All of these are facilities which the Army needs to carry out the responsibility placed upon it by the current world situation.

I say to you that we have got to protect this Nation regardless of the cost. We have tried to hold it down to a minimum. That has been our responsibility as your agents. We bring this bill to you after many weeks of labor in your interest. We feel it is a good bill and we know that you are going to give it the consideration this afternoon to which it is entitled.

Mr. KILDAY. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I want to thank the gentleman from Texas [Mr. KILDAY], who is in charge of the time for giving me 5 minutes on this matter. I am not a member of the Armed Services Committee, but I am a member of the Joint Committee on Atomic Energy, and I direct my remarks to the section on page 18 which provides for a naval research laboratory.

I want to approve the remarks of my colleague on the Atomic Energy Committee, the gentleman from North Carolina [Mr. DURHAM], who has long been known as a champion of research in pure science.

I have some misgivings as to establishing this laboratory in view of the fact that I am afraid it might be a duplication of laboratory work which is being done by the AEC. I hope whatever program is finally adopted will be one which is not a duplicating program. That is one of my concerns.

My other concern is to be sure that fissionable material will come from the Atomic Energy Commission for use in this reactor and that any surplus fissionable material which is made will be returned to AEC if there is any appreciable amount of fissionable material made in this research facility of the naval laboratory. I am speaking of fissionable material which will be generated and of the amount over and above what their research requires. Do I understand that has been provided for?

Mr. SHORT. That is right; and I might say that I agree in the opinion of the gentleman from California and also the views of our colleague from North Carolina who is not only a member of the Committee on Armed Services but also a member of the Joint Committee on Atomic Energy, Mr. DURHAM. He can probably speak better to that than I because he has been working with the other committee.

Mr. DURHAM. It is certainly provided in the bill as it stands today that the production of any fissionable material or the lending of any fissionable material shall remain in the hands of the AEC for distribution.

Mr. HOLIFIELD. That is my understanding, and I thank both gentlemen for their assurance.

Mr. Chairman, I am 100 percent in favor of this bill. If I have any criticism, I would say we are not going quite far enough. I am thinking of two fields. I am thinking particularly of the field of interception communication, our radar screen setup.

As the chairman knows, and as every member of the committee knows, about 2 years ago we had what was known as the Lincoln project which studied this particular subject and made certain recommendations. I am not saying that those recommendations should be carried out all at one time. I realize the expense and technical difficulty that is involved. But I think we should be fair with the American people and let them know that at this time we do not have a radar screen which will guarantee notification of approaching enemy bombers in time for us to take effective action as far as the civil or military defense is concerned. That is the situation as it exists. I would like to see that changed insofar as it is possible to change it. I realize, of course, that there are certain scientific limitations.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Missouri.

Mr. SHORT. The gentleman is right, but we are making marvelous progress. I think if the gentleman could have sat in our committee and could have listened to the presentations that were made to the committee he would agree we are going as fast as is humanly possible.

Mr. HOLIFIELD. I think we are going fast. I have also had briefings on this subject as a member of the Joint Committee on Atomic Energy. I am not completely in agreement with the chairman's remarks that we are going as fast as we can on it. I think it is tremendously important that we go faster than we are going. I believe we have the scientific facilities which could be made available to the program that would cause us to go faster.

I want to express another thought, and I think this is of primary importance. We have developed our atomic and hydrogen weapons to the point where they are capable of wiping out whole cities, as was said recently by the chairman of the Joint Committee on Atomic Energy, such as the Manhattan district of New York. I am not going into that any further. But it is true, and we also know that there have been thermonuclear explosions inside the Soviet Union; we must assume they have the same type of weapons. To make the assumption their weapons are smaller than ours would be to err on the side of negligence rather than on the side of caution. So if we assume that they have these weapons, then we must go further, and take the sworn testimony of people who are in charge of our Strategic Air Command who tell us in committee that we can get through to the targets of Russia and drop these type of bombs. We must also assume that the Soviets can get through and drop theirs, because we also have similar type of interceptors as they have, in the way of fighting planes. It is upon this point I want to express absolute need for a better defensive arrangement in America against enemy H-weapons, and for a better deliverability arrangement of our own on enemy targets.

We have some wonderful planes coming off the end of our production lines in the way of B–52's and B–47's and some others. These planes, however, are not termed as intercontinental nonstop bombers, and there might be a time come, if hostilities break out, when our overseas bases will not be available to us. Our overseas airbases would be the No. 1 primary target of a potential enemy just the same as his airbases would be our primary target, because we would seek to stop his ability to transport and deliver atomic-hydrogen weapons on our country. Therefore I say unless we stress this point of deliverability, whether it be through intercontinental bombers or through rocket-type weapons, we are omitting the most important part of our offense and defense.

It is absolutely necessary that not only do we have these weapons but that we have the capability of delivering them, and we have the capability of delivering them from the western continent, because we may be denied those bases at the time that we need them most because they are closer to a potential target than the continent upon which the United States is located.

So, I would say this much, that we are just as much justified in going on an all-out crash program on the problem of deliverability, as we were in 1950 when we started an all-out crash program on the hydrogen bomb. Remember, at that time some of our scientists said it would take 10 or 15 years to develop the hydrogen bomb, but the Atomic Energy Committee forced this issue, and we got the bomb in less than 2 years. And, I say to you and to those who say it will take 10 years or 7 years or 8 years to get an intercontinental bomber operated by nuclear fission, that if we go on an all-out crash program on that project as we did on the hydrogen bomb, it might be well within the possibility of science that we could have it within a period of 3 to 5 years, and I believe I am conservative when I make that type of prediction.

In my opinion, the safety of the people of the United States and the people of the free world may depend upon our capability of delivering these target-destruction weapons which we have now produced, which we are continuing to produce, which are available at this time, and which will be available in greater quantity as the months pass by.

Mr. KILDAY. Mr. Chairman, I have no further requests for time.

Mr. SHORT. Mr. Chairman, I yield the remainder of my time to the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, a wise old man once said to me, "Beware of entering into obligations whereby it may become necessary to pay out money, but if you do enter into such an obligation, when the time comes to pay, do so with the graciousness as if it were but a dry leaf and you were the owner of countless forests." I thought of that a lot during the debate on this bill, because the Armed Services Committee of the House of Representatives is charged with the obligation of paying out money for the security and defense of our country. It is charged with these obligations not by its own doing but as the result of world conditions over which it has no control.

I want to say to you that the committee is doing it with graciousness for the preservation of America and our own security. It is doing it willingly and renders all decisions in favor of America and in favor of the men who are ready to fight for us and are fighting for us. For example, a year ago before one of our committees a question came up about extending and strengthening a runway at an airport. A short time before one of our bombers had to make a forced landing there, broke through the concrete, tipped over, caught fire, burned, and killed every man on it. Now, we were generous in providing a better runway, a larger runway, because America and our boys' lives are at stake.

However, I want you to realize that in doing this your committee, under the leadership of our great chairman, the gentleman from Missouri [Mr. SHORT], and under the leadership of his predecessor, the gentleman from Georgia [Mr. VINSON], has not overlooked the taxpayers' money. Your Committee on Armed Services is doing everything it can, resolving all doubts in favor of the security of America, approving authorizations for everything in its judgment which is necessary for the proper defense and the security of our country, and resolving the doubts in favor of our country and against the taxpayers, but at the same time doing everything it can, working diligently and hard, to save money wherever the saving of money will not jeopardize the defense of America.

May I give you some examples? We have a subcommittee, a special subcommittee which the gentleman from Ohio [Mr. HESS] is now chairman of, and in the previous Congress the gentleman from Louisiana [Mr. HÉBERT] was chairman of, and that committee has done a remarkable piece of work. Those who know better than I do say that as the result of its work in the past few years billions of dollars will be saved; at least, more than a billion dollars each year. Let me give you one example. A short while ago they discovered that one branch of the services was paying $16 a pair for four-buckle servicemen's boots. Within 90 days another branch of the service bought a supply of identical boots and paid $23.80 a pair. I could go on and cite several hundred examples like that. What happened? This committee recommended a single catalog and brought out legislation which the House approved. The single catalog is now in operation, and the money is being saved.

We have another subcommittee of the Committee on Armed Services which is running into problems where we can save money without injuring or jeopardizing the defense of our country. I refer to a subcommittee that has charge of the acquisition and disposal of real estate. On page 67, section 501, of this bill, you will find a provision whereby the Department of Defense is authorized, when it goes out to acquire real estate, to take options on additional land adjacent thereto. It provides the money to pay for those options and to take them where, in its judgment, it will be beneficial to the taxpayers to do so.

Why is that provision in here? It never was in a bill before. It is because this particular subcommittee to which I am referring found instances of the kind that I am about to illustrate, and I can multiply this many times. This incident happened in the United States about 2 years ago. The Department of Defense purchased about 300 acres of land for a new defense plant. It paid about $2,000 an acre for this land. It was adjacent to a large city and was valuable land. In less than a year they came back and asked for an authorization to buy an additional 300 acres at $7,000 an acre. Who was responsible for the increase in that price? It was Government money—the taxpayers' dollar.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. SHORT. Of course, the gentleman from Iowa [Mr. CUNNINGHAM] is too modest. I merely wanted to inform the Members of the House that the gentleman from Iowa [Mr. CUNNINGHAM] is the very able and hard-working chairman of this subcommittee that has saved millions of dollars of the taxpayers' money.

Mr. CUNNINGHAM. I thank my chairman. I wanted the Members to know what was being done to save the taxpayers' money and at the same time not jeopardizing the defense of our country.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from North Carolina.

Mr. DURHAM. I wanted to say just what the chairman has said—that the gentleman is too modest. In my opinion, he has done one of the most outstanding jobs since this Congress gave us authority to supervise that operation to which he has just referred. He has done an excellent job.

Mr. CUNNINGHAM. I do not know that I need to say anything more now. I did want the Members to know that we are running into these problems right along; that so often the taxpayer's dollar has to be spent at a high price for something that the Government is purchasing, and that high price or increase in price is due to the Government's own activity. I recall one day in our committee we had an Army officer before us and were discussing this matter. I said to him, "Why don't you go out and take options?" He said, "We can't." I said, "Why not?" He said, "We have no authority to do that." I said, "We will give you the authority by an act of Congress." He said, "Even if you did that, we do not have any money with which to do it." I said, "We will give you the money."

That is what is provided in this bill.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. KILDAY. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. CUNNINGHAM. I think I have said enough to show you that in protecting you and your families and all of America, this committee at the same time is not overlooking the necessity for economy. However, in taking measures to achieve economy we are not jeopardizing the security of our country.

Our chairman has ably covered all the provisions of the bill and I hesitate to touch on any of them. But he did mention research and development facilities and others have mentioned the fact that we are spending money for research and development. In a way, that is a measure for economy, because we are saving money and at the same time doing a better job in protecting the country. I would like to close with this statement:

Mr. Chairman, there is in this bill an authorization of almost $110 million for the Air Force to construct research and development facilities. There also are smaller amounts of authorization for the Army and Navy to be used for similar purposes. I point this out because I believe it is very important for the United States to stay ahead of its potential enemies in the development of new weapons and techniques of warfare.

As I understand it our military strategy is based on maintaining a relatively small but highly mobile and effective striking force ready to strike back at an aggressor on short notice. It would be folly for us to attempt to match Russia on the basis of masses of manpower. The United States excels in technological advances which give fewer men with their improved equipment ever greater striking power. That is an advantage which we must maintain.

The burden of our armaments is and will continue to be heavy so long as we are unable to come to satisfactory terms with the men in the Kremlin. We can minimize that burden by maintaining our technical superiority over the Soviets thus making it unnecessary to support large forces in being. In order to do this, we must provide all reasonable facilities required by the armed services to carry on their research and development work.

This does not mean that we should authorize research and development fa-

cilities to be built without careful scrutiny as to their need. The facilities included in this bill have been screened very carefully by the Department of Defense and the Bureau of the Budget to make sure that they are needed now to carry on worthwhile research and development projects. With this assurance, the facilities included in this bill should be provided.

Mr. Chairman, I hope I have convinced you that I am in favor of this bill.

Mr. KILDAY. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, I have a very sad announcement to make to my colleagues of the House.

I have just confirmed information I have received that I know each and every one of us will in turn receive with deep regret.

A terrible explosion took place today on the U. S. S. *Bennington* which, as I recall, is a reconverted carrier. Just a few minutes ago I talked with the Office of the Secretary of the Navy to confirm what one of my secretaries told me. The Secretary's Office confirmed that a terrible catastrophe has taken place on the U. S. S. *Bennington.*

The information given to me, based on the report that has come in recently, as I was told, from the captain of the ship, is that as a result of a terrible explosion and catastrophe at least 100 on board were killed and at least 125 others of the crew were injured, 25 or 30 of them receiving more than minor injuries.

I think the simple announcement to my colleagues is the best place to leave these statements I have just made. To those left behind by the men who were killed, dying in the line of duty just as much as if they were in actual warfare, we extend our deep sympathy. To those who were wounded, we say that we hope they will all recover very rapidly.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Missouri.

Mr. SHORT. We are all deeply saddened, of course, at this horrible news, which only goes to point out once more how dangerous and how costly this matter of defense, preparing ourselves even for protection, really is. It is unavoidable in certain circumstances. I am sure that the ones who have been lost and those now suffering will receive the prayers and best wishes of every Member of this House.

Mr. McCORMACK. While there is no knowledge yet as to what caused the explosion, I know the Committee on Armed Services of the House, of which the distinguished gentleman from Missouri is chairman, will very quickly look into the matter.

Mr. SHORT. We certainly will.

Mr. BRAY. Mr. Chairman, this military construction bill generally is sound and will be a forward step in the building of proper defense establishments for the United States. There are some provisions, however, in this bill which, in my opinion, violate sound principles of economy. I especially refer to certain items of this bill which apply to the Army construction.

During World War II the United States spent billions of dollars in the construction of military camps and installations. Within recent months 17 of those camps have been abandoned. Most of these installation are still in good condition and would be adequate for use, yet we find the Army asking for many millions of dollars to construct barracks at other military installations in the United States.

A typical example which I want to call to the attention of this committee is a request for more than $6 million for the construction of permanent buildings at Camp Carson, Colo. I was unsuccessful in having this request deleted from the bill when it was before the Armed Services Committee. The facts are these: Last summer the Army decided to move the 31st Division from Camp Atterbury and to close this camp, along with 16 or 17 other camps in the United States. A protest was made, and a hearing was held which was attended by the Indiana delegation of the House and Senate. Evidence was given showing the fine condition of all of the installations at Camp Atterbury. Also its strategic location, and the fine morale existing among the troops there. At this hearing the officials of the Army stated that the 31st Division was going to be moved to a permanent fort. At a later date the 31st Division was ordered sent to Camp Carson. In order to make this transfer it was necessary to move one combat team out of Camp Carson. I believe part of it was moved to Fort Knox, and, after checking, I find that the 31st Division, moving to Camp Carson, and the combat team, moving from Camp Carson to Fort Knox, probably met en route, which certainly is not sound economy.

When it was discovered that the 31st Division was being moved to Camp Carson, Colo., I called the Pentagon and asked the reason that this division was being transferred to another temporary camp which was smaller and not as well equipped as Camp Atterbury. At that time I was notified that Camp Carson had been designated as a permanent post. Later the Indianapolis News called the Pentagon and they obtained information that Camp Carson was not a permanent post. I understand though now the Army says that Camp Carson has been designated as a permanent post, but I have never been able to obtain the time of such designation. Several people, including myself, questioned Army authorities as to what money would be necessary to properly house and maintain this division at Camp Carson. I was told that no money would be spent. I, therefore, was slightly surprised when I found that this more than $6 million for permanent buildings at Camp Carson had been requested. When this bill was before the Armed Services Committee I questioned General Carter, who was testifying on behalf of the Army in requesting these additional permanent installations at Camp Carson. On page 4524 of the hearings we find the following questions and answers:

Mr. BRAY. General, they did not say that no decision was made. They said no money was planned to be spent there—

Referring to Camp Carson.

General CARTER. That is a correct statement, and at the time no money was planned to be spent.

And, as I stated initially in this project, we did not and do not need these barracks at Camp Carson to take the division that was moved there. The division is all there, and, as I say, they are in very good buildings.

Can you imagine a situation where the Army admits that they have very good buildings at Camp Carson and they do not need these buildings, yet at the same time they are asking for more than $6 million to build permanent installations when there have been 17 camps in excellent condition that are now lying unused and deteriorating far faster than if they were being utilized.

We should bear in mind that all defense money that is spent unnecessarily instead of increasing the effectiveness of our defense decreases it.

I attempted to have this item of the authorization eliminated from the bill in committee, and I realize that it is useless to try to have it eliminated from the authorization at this point. However, I desire to bring this matter before this body in an effort to cause proper investigation before appropriations are made for this construction that seems unnecessary and extravagant.

Mr. ABBITT. Mr. Chairman, for some months now I have been vitally interested in the matter which we are discussing today. I believe that as we move forward with our arms buildup and preparation for the defense of this country the moneys expended by this country in the permanent building programs will be of tremendous importance not only to us but to our allies. I have previously stated my views in this connection to the Armed Services Committee but I would like to reiterate here my feeling that we should give more attention to the practical use of facilities which are presently available rather than to go blindly into a continual construction program which ultimately can only lead to continued deficits and unbalanced budgets. I have given serious thought to this matter ever since I have been in Congress because I believe the course we have followed over the past decade has been one which we as a Nation may live to regret. It is useless to point out the very obvious fact that we have not been successful in bringing about a balanced spending program.

Since the outbreak of the Korean war in the summer of 1950, we have continually piled up tremendous military budgets. In the period from 1940 to 1954 we as a Nation have spent roughly $650 billion in defense expenditures of one sort or another. Much of this, while spent during World War II, is now of little assistance as we face a growing threat of Communist expansion. It is a well known fact that much of the money we have spent throughout the world and here in this country has literally been lost due to the fact that weapons of war and other materials have outlived their usefulness.

We have in this country a vast expenditure of public works for the military. There is no telling how much has been spent abroad. This bill which we

are debating today is only one in a series of examples of where our money has gone and is destined to go. It is not my purpose to doubt the necessity for such expenditures. I believe it is both necessary and practical that we remain strong in every place where there is a possibility or probability that war might come. I believe, also, that it is necessary that we place, throughout our own country, bases, camps, and airfields which will bring not only the minimum but the maximum defense for this Nation.

However, it seems to me as a result of my own studies in this connection that the best wisdom has not always been practiced in utilizing bases and camps which are already built rather than to construct new ones at a mounting cost. I can easily cite case after case where the above has been a factor. Within the past few months I have gone into this matter thoroughly, and it is my opinion that whereas our military leaders have studied with diligence the necessity for additional expenditures they have not always practiced wisdom in the choice of how the money is to be spent. I have had this brought to my attention most forcibly in connection with my dealings with the military in regard to the deactivation of Camp Pickett, Va., which is in my congressional district. Camp Pickett, located in four counties of southside Virginia, is one of the Nation's leading training centers for Army personnel. It is a cantonment area of approximately 46,000 acres and facilities to accommodate from 30,000 to 40,000 personnel. Recently, Secretary of the Army Stevens told a Senate committee that of the 375,000 man-spaces scheduled for deactivation by the close of this fiscal year approximately one-tenth are located at Camp Pickett. The Army has designated this repeatedly as one of the major military installations in the Army network. Camp Pickett was built in 1942 at a cost of more than $46 million. The land was purchased at a cost of $1,181,405, and consisted of 503 separate tracts of land, among which was some of the finest farmland in Virginia. Improvements and facilities placed on this property cost a total of $44,461,523 and the replacement value of same would today amount to more than $100 million. In World War II more than 1,300,000 men were trained at Camp Pickett. Established there are top-rate temporary facilities for training Army personnel, a $5 million airport, a 1,500-bed hospital, vast recreational facilities, and numerous other supporting facilities.

Camp Pickett has had a rather unique history since its construction 13 years ago. Having served nobly in World War II, it was closed in 1946 as an aftermath of the war. The 10 southside Virginia communities closely adjacent to Camp Pickett then, like many other communities throughout the country, suffered an economic relapse. While in the midst of recovering from this relapse, these communities were advised in 1948 that Camp Pickett would again reopen as a facility for selective-service trainees. Readjustments were in order. Just as these readjustments were taking place and the communities concerned were slowly reconverting their economies, the Army economy program hit again, and in 1949 Camp Pickett was again closed. There was again the necessity for revamping civilian economies, and before this could be fully realized the word came again that Camp Pickett was to reopen. This occurred in 1950. The civilian economies changed over again from independent activities to activities supplementary to the military. For 4 years Camp Pickett remained active, and then in January of this year an order was again given for deactiviation on June 30. The conditions cited here, I realize, are actually no different than others in similar circumstances throughout the country. I believe, however, that these conditions should not only merit the sympathy of our Government but also the careful consideration of those in authority. These are not normal times. These are times when we can expect continued military preparation, and no one can foresee when an end to such circumstances may come. Many of these camps throughout the country doubtless will be opened and closed, depending upon the attitude of leaders of nations far from our shores. Aggression anywhere in the world may mean a change in our own military plans overnight. Therefore, our people must accustom themselves to some inconvenience in this regard.

However, it is my purpose to call attention, not to the foregoing but to the necessity for careful consideration of the need to exercise the utmost diligence in meeting our military needs while, at the same time, giving cognizance to the problems of these small communities. We must give consideration to the possible utilization of bases we have already purchased and developed rather than to pattern our defense upon the construction of new bases which ultimately may become additional problems such as I have here outlined.

It is my understanding that in this military construction bill the Air Force is proposing to construct 5 new bases in this country and to reactivate a half dozen or more bases used during World War II, each of which necessitates the spending of vast sums of money. This bill calls for the expenditure of $403,436,000 here and abroad in construction and supplementation of airbases. We hear a great deal about waste in construction abroad but in this bill alone the military is asking authorization of only $9,829,000 for construction overseas and $393,607,000 in this country. In addition to this, there is included provision for reprograming of more than $309 million for other bases. I do not question the need of these bases as I feel that it is evident that in years to come our air strength must of necessity take precedence over ground and sea in view of the kind of warfare now contemplated. The point I am trying to make is that it is our responsibility to consider not only the needs which the military must have met but the economic factors which affect our own country. We have Army, Navy, and Air Force bases in every State of the Union and therefore the problem hits us all.

We have a problem at Camp Pickett, one which is not only an economic one but one which affords an opportunity to prove the wisdom of unification of the armed services. Camp Pickett has within its premises an airport built in 1942 at a cost of more than $5 million. The field was built by the Army and upon its completion was utilized by the first United States Army Air Force. The replacement value today would amount to more than $10 million. I am advised on good authority that its facilities are among the finest available on any Army training installation site. There are 4 concrete runways measuring from 5,000 to 5,350 feet, each of which may be expanded. The field is in excellent condition. The hangars and other facilities have been kept in good repair. The visibility is excellent and the location could not be improved upon. Air Force representatives have within the past several months surveyed the possibility of utilizing the field for various purposes. In addition to the excellent airport facilities there are within short distance the vast array of Army barracks and supporting facilities. The Army has indicated its desire to retain Camp Pickett on deactivated status until such time as it may be used in event of emergency. Such retention in a deactivated status means the complete disuse of a large section of our State not to mention the damage which will result to these facilities by their inactivation.

It does not seem practical that we should be spending in these times the vast amounts which the military authorities are asking us to spend in the construction of new facilities at new locations or at existing locations while we are at the same time deactivating similar or identical facilities at other points. This may seem like a small matter but if we take the situation at Camp Pickett and multiply it by the numerous other deactivated camps throughout the country it becomes a problem of considerable magnitude. We here have the responsibility of looking at the problem from one angle while the military undoubtedly sees it from another. It may be that because we have ventured so far in one direction this year that no changes will be made as a result of our discussion today, but I believe that we as Members of the House should not overlook the possibilities of savings in the years to come. I have brought this matter to the attention of the Armed Services Committee and have asked that the Committee explore the matter further and make whatever recommendations could be made in this connection. I feel that it is imperative that this be done if we are to be in the position of continually authorizing and appropriating expenditures for military expansion here and abroad. In connection with our military program overseas, it may well be that the economic factors involved are those which come back to our problem of taxation alone. It is a matter of our paying the bills through continued high taxation and impending unbalanced budgets. But here at home it is not alone this factor but the reality that small communities adjacent to big military installations are being asked to con-

stantly revamp their civilian economies at substantial loss to themselves.

Mr. DAWSON of Utah. Mr. Chairman, I rise to support this military construction authorization bill. Included in the projects to be authorized by this measure is $8,305,000 to complete facilities at Hill Air Force Base to permit this base to adequately accept and service jet aircraft and heavy transports and bombers. The continued expansion of Hill Air Force Base is in keeping with our announced intention to disperse our military targets. In addition, the expansion of Hill Air Force Base permits the Defense Establishment to take advantage of a stable, highly-skilled civilian labor force which has been built up in the area during the past 15 years.

We in Utah are extremely proud of the part our military bases played in winning the last war. Hill Air Force Base is one of the most efficiently operated military installations in the country. A recent analysis showed that its effectiveness in handling property items is 25 percent above the average of the Air Materiel Command. The new appropriations which this bill would authorize will be added to $2,230,000 heretofore approved by Congress. This substantial amount will provide new air field pavement, lighting facilities, communications and navigation aids along with utilities and operation and maintenance facilities to accommodate jets and heavy bombers. Its incidental effect, of course, will be to maintain employment at the base at a high level. This is to the Nation's advantage. With the cutback in some of our other military functions there is a surplus of skilled labor in the area, a stable surplus of home-owning men with families.

If all of the items in this multimillion dollar authorization legislation are as firmly grounded as is this appropriation with which I am personally familiar, our Defense Establishment and the Armed Forces Committee are to be commended for this measure.

Mr. COON. Mr. Chairman, I do not wish to take up the time of the House with lengthy discussion, but I would like to spread plainly on the record the advantages for national defense of the airbase site at Klamath Falls, which this bill would authorize the Air Force to reactivate at a cost of $4,133,000.

As can be seen on a map, Klamath Falls is located midway between the cities of Portland and San Francisco, and therefore is well situated to fill a gap between these two cities for the interception of potential attack.

Situated as it is east of the Cascade Mountains, Klamath Falls also is free from most of the rain and fog of the coastal areas, and would for this reason be safe and efficient from a flying standpoint.

This field was used by the Navy as an airbase during the Second World War. I am told that use by the Air Force of facilities existing there would mean a saving of approximately $10 million from the cost of setting up an entire new base.

I have received assurances from many sides that the Air Force can count on a friendly and cooperative attitude on the part of the citizens and the leaders of the community. This attitude will be of great importance to the morale and operating efficiency of the people stationed there. It will help to give them a home.

The excellent recreational advantages in and around Klamath Falls will also be of great help to the morale of the military people. The city is located close to numerous resorts, lakes and fishing streams; ducks and geese are plentiful; the city has 12 parks, and is now building a heated swimming pool.

Therefore, because of the military need, the flying conditions, the opportunity for saving money, the friendly and cooperative attitude of the people, and the recreational advantages, I believe the placing of an airbase in Klamath Falls will be a wise investment, and I wish to give my full support to this item in the military public works authorization bill.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Chairman, earlier in the debate this afternoon I questioned the gentleman from Missouri [Mr. SHORT] as to whether the Grandview, Mo., air base would serve the main purpose for which it was originally intended. The gentleman from Missouri was of the opinion that it would.

I call attention to the CONGRESSIONAL RECORD of August 10, 1951, wherein the gentleman from Georgia [Mr. VINSON] stated, in support of funds for the construction of this base, that it would be the location of the Continental Air Command.

The Continental Air Command has not been moved to this new base and apparently it will not be moved there.

The point I want to emphasize here is that Members of the House were led to believe, when this costly air base was authorized and millions of dollars appropriated, that it was necessary as a headquarters for this vital Command. Now we learn that if ever it was the intention to locate the Continental Air Command at Grandview, Mo., that there has been a change of minds but no explanation is provided.

I want to protest as vigorously as I know how this business of the military obtaining funds from Congress for a specific purpose and then abandoning that purpose.

I cannot help but believe there is much extravagance in this measure that the taxpayers can ill afford. I am convinced, for instance, that an expenditure of $436,000 for the construction of a chapel and a noncommissioned officers club at an air base in Puerto Rico is unthinkable.

I certainly believe that this country must have adequate defenses and I will vote for this bill as it stands simply because it is impossible for a Member of Congress, who is not a member of the Armed Services Committee, to know where reductions should properly be made.

Mr. WICKERSHAM. Mr. Chairman, I include the following letter in regard to Clinton-Sherman Airport, Okla.:

DEPARTMENT OF THE AIR FORCE,
Washington, May 25, 1954.

Hon. VICTOR WICKERSHAM,
House of Representatives.

DEAR MR. WICKERSHAM: You recently asked various questions concerning Clinton-Sherman Airport, Okla.

Listed below are the questions you have asked together with the answers:

Question. Does the Air Force interpose any objections to Clinton-Sherman Airport, Okla., being declared for permanent construction?

Answer. The Air Force has no objection to the use of "permanent" construction standards at Clinton-Sherman Airport.

Question. Will the permanent construction, and would the declaration of permanency of the base assist in getting housing?

Answer. Elevation of operational facilities and structures from semipermanent to permanent standard would have only an indirect influence on family housing. A declaration of permanency by the Secretary of the Air Force is required in order that an Air Force base may qualify for title VIII (Wherry) housing. The declaration of permanency would undoubtedly assist in getting housing through encouragement of private risk capital.

Question. How much extra would it cost for 25-year construction?

Answer. The difference in cost beween semi-permanent and permanent construction at Clinton-Sherman Airport will vary from 2 to 5½ million dollars based upon the extent to which existing buildings are replaced by permanent structures. This difference would be further increased should the base be master planned as a multipurpose base.

Question. Does the Air Force have a long-range requirement for Clinton-Sherman Airport?

Answer. The 137-wing program of the Air Force includes a requirement for Clinton-Sherman Airport.

I am pleased to be of service to you in this matter.

Sincerely yours,

R. J. CLIZBE
(For and in the absence of Joe W. Kelly, Brigadier General, USAF, Director, Legislative Liaison).

Mr. GAVIN. Mr. Chairman, the military public works bill, H. R. 9242, represents a direct contribution to the national defense in a way which is not generally recognized. The three prerequisites for a sound and efficient military force, men, materiel and bases, must be in balance or waste and inefficiency result. It is not always easily demonstrated that adequate base facilities are necessary to house and train the men and to store and maintain the materiel if they are to be properly utilized.

The Army portion of H. R. 9242 is a well conceived balanced program of construction designed to meet the most glaring deficiencies in Army facilities. The main portion of the $270 million authorized for the Army is found in three types of facilities: permanent barracks to house 41,000 men and permanent quarters for 1,350 bachelor officers; $85 million for continued expansion of adequate antiaircraft protection of our cities using the famous Nike guided missile; and another special port for the shipment of ammunition overseas.

The Members of the House know that American soldiers have been living in temporary barracks built 12 years ago for World War II. These buildings are not the sort the Army should have. It is the duty of the Government to give our fighting men decent and comfortable living quarters.

It should not be necessary for me to have to emphasize the importance of the other two segments of this bill which I have mentioned. In these times a dollar spent for modern antiaircraft defense may well save thousands by preventing a successful sneak attack on centers of population and industry. The Army plan to have special port facilities for ammunition is made necessary by the danger which such shipments represent when handled through commercial port facilities.

Mr. Chairman, the cost of the construction authorized the Army under H. R. 9242 is only a small fraction of the funds which this country has spent and will spend on national defense. I doubt if there is any other equivalent dollar expenditure more worth while.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc.—

TITLE I

SEC. 101. The Secretary of the Army is authorized to establish or develop military installations and facilities by the construction, conversion, rehabilitation, or installation of permanent or temporary public works in respect of the following projects, which include site preparation, appurtenances, and related utilities and equipment:

CONTINENTAL UNITED STATES

Technical Services facilities

(Ordnance Corps)

Aberdeen Proving Ground, Md.: Troop housing, research and development facilities, and training facilities, $2,071,000.

Atchison storage facility, Atchison, Kans.: Development of underground storage facilities, including the acquisition of land, $1,155,000.

Benicia Arsenal, Calif.: Utilities, $352,000.

Frankford Arsenal, Pa.: Utilities, $1,626,000.

Jet propulsion laboratory (California Institute of Technology), California, $247,000.

Letterkenny Ordance Depot, Pa.: Land acquisition and utilities, $2,190,000.

Lima Ordnance Depot, Ohio: Operational facilities, $33,000.

Navaho Ordnance Depot, Ariz. Utilities, $185,000.

Redstone Arsenal, Ala.: Troop housing and research and development facilities, $580,000.

Savanna Ordnance Depot, Ill.: Utilities, $360,000.

(Quartermaster Corps)

Fort Lee, Va.: Troop housing, $1,967,000.

New Cumberland General Depot (United States disciplinary barracks), Pa.: Troop housing, $492,000.

Richmond Quartermaster Depot, Va.: Land acquisition and utilities, $97,000.

(Chemical Corps)

Army chemical center, Maryland: Research and development facilities, $632,000.

(Signal Corps)

Department of the Army transmitting station, vicinity of Woodbridge, Va.: Troop housing and operational and closed storage facilities, $2,360,000.

Lexington Signal Depot, Ky.: Troop housing, $492,000.

Fort Monmouth, N. J.: Troop housing, $330,000.

Sacramento Signal Depot, Calif.: Troop housing, $492,000.

(Corps of Engineers)

Fort Belvoir, Va.: Troop housing, utilities, operational and maintenance facilities, and liquid storage facilities, $3,780,000.

(Transportation Corps)

Brooklyn Army Base, N. Y.: Utilities, $1,264,000.

Charleston Transportation Depot, S. C.: Operational and waterfront facilities, $370,000.

Fort Eustis, Va.: Troop housing, $5,479,000.

Oakland Army Base, Calif.: Troop housing, $1,835,000.

Point Aux Pins Area Ammunition Terminal, Alabama-Mississippi: Ammunition loading terminal, including acquisition of land, $26,951,000.

(Medical Corps)

Beaumont Army Hospital, Texas: Troop housing, $391,000.

Brooke Army Medical Center, Texas: Troop housing, $1,129,000.

Field forces facilities

(First Army area)

Fort Devens, Mass.: Troop housing, $2,297,000.

Fort Dix, N. J.: Troop housing, $330,000.

Fort Hamilton, N. Y.: Utilities, $450,000.

Fort Jay, N. Y.: Utilities, $1,488,000.

(Second Army area)

Fort Knox, Ky.: Troop housing, $2,028,000.

(Third Army area)

Fort Benning, Ga.: Troop housing, $8,199,000.

Fort Bragg, N. C.: Troop housing, operational and maintenance facilities, and liquid and covered storage facilities, $6,259,000.

Fort Campbell, Ky.: Troop housing and open storage facilities, $7,066,000.

(Fourth Army area)

Fort Bliss, Tex.: Troop housing, $13,453,000.

Fort Hood, Tex.: Troop housing and supporting facilities, operational and maintenance facilities, utilities, and closed and open storage facilities, $10,182,000.

Fort Sill, Okla.: Troop housing, and operational and open storage facilities, $3,692,000.

(Fifth Army area)

Camp Carson, Colorado: Troop housing and supporting facilities, $7,491,000.

Fort Riley, Kans.: Troop housing and utilities, $7,413,000.

(Sixth Army area)

Fort Lewis, Wash.: Troop housing and utilities, $11,744,000.

Presidio of Monterey, Calif.: Troop housing, $330,000.

Fort Ord, Calif.: Troop housing and maintenance facilities, $774,000.

Camp Cooke (United States disciplinary barracks), Calif.: Troop housing, $923,000.

(Military Academy)

United States Military Academy, N. Y.: Troop housing and training facilities, $9,950,000.

(Armed Forces special weapons project)

Various installations: Community facilities, maintenance facilities, liquid storage facilities, and utilities, $2,080,000.

OUTSIDE CONTINENTAL UNITED STATES

(Alaskan area)

Eielson Air Force Base, Alaska: Tactical facilities, $800,000.

Kenai, Alaska: Family housing and operational facilities, $1,674,000.

Ladd Air Force Base, Alaska: Troop housing and tactical facilities, $2,821,000.

Fort Richardson, Alaska: Tactical facilities, $1,800,000.

Whittier, Alaska: Utilities and maintenance facilities, $541,000.

(Far East command area)

Okinawa: Community, troop supporting and medical facilities, troop housing, family housing (including one set of family quarters with a net floor area of not to exceed 2,100 square feet), operational, maintenance and administrative facilities, and utilities, $5,917,000.

(Pacific command area)

Waiawa Radio Transmission Station, Hawaii: Troop housing and utilities, $221,000.

(Icelandic command area)

Keflavik (and vicinity), Iceland: Family housing, troop housing and supporting facilities, operational and maintenance facilities, and ammunition and closed storage facilities, $5,490,000.

SEC. 102. The Secretary of the Army is authorized to establish or develop classified military installations and facilities by the acquisition of land and the construction, conversion, rehabilitation, or installation of permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, in the total amount of $87,700,000.

SEC. 103. The Secretary of the Army is authorized to lease, without regard to the provisions of section 321 of the act of June 30, 1932 (47 Stat. 412; 40 U. S. C. 303b), or title VI of the act of September 28, 1951 (65 Stat. 365; 40 U. S. C. 551–554), to the Commonwealth of Massachusetts, subject to the provisions of this act and upon such terms and conditions as he shall determine are in the public interest, with the right to said Commonwealth to sublease, the pier comprising a part of the Boston Army Base in the port of Boston, and such other properly at or portions of said base as the Secretary may determine. The lease shall be for a term of 25 years, with successive options to said Commonwealth to extend the term by one or more extensions, none of which shall be for less than 5 years, the aggregate of such extensions not to exceed 50 years, unless terminated or extended as provided in subsections (c) and (d) of this section. The agreement of the Commonwealth of Massachusetts to protect, repair, and maintain the premises leased on terms to be negotiated, and to pay an annual rental of $1 per year, together with payment of an amount to be determined as provided in subsection (b) of this section, shall constitute the consideration for any such lease.

(b) In order to carry out the purpose of this section, the Secretary of the Army shall provide for the repair and rehabilitation of such pier and other facilities to be leased hereunder, at an overall cost of not to exceed $11 million, but not less than 10 percent of the estimated overall cost of such repair and rehabilitation, as such cost is determined by the Secretary of the Army, shall be paid by the Commonwealth of Massachusetts as a condition to the execution and delivery of such lease. The money so received from the Commonwealth of Massachusetts shall be used exclusively for the purpose of such repair and rehabilitation.

(c) Any lease entered into under this section shall provide (1) that during any national emergency declared by the President, or in the event the Congress shall declare a state of war to exist, and the Secretary of the Army shall determine that the leased property is useful or necessary for military purposes, the United States shall have the right to reenter such property and use the same for such period of time as shall be determined by the Secretary of the Army to be necessary in the interests of national security; (2) that upon any such reentry, and at the option of the Commonwealth of Massachusetts, the lease shall be terminated, or the term thereof extended for such period of time as the United States may be in pos-

session following any such reentry; and (3) that in the event the lease is terminated, the Commonwealth of Massachusetts shall be appropriately compensated for the cost of repairing and rehabilitating the leased property, as provided in subsection (b) of this section, and for the cost of capital items provided by it.

(d) Any such lease shall also provide for termination by the Secretary of the Army in the event of a breach of the terms or conditions of the lease.

(e) In the event that a lease is entered into under this section, the Department of the Army, or any other department or agency of the United States, which, prior to the entering into such lease, was furnishing necessary utilities or services to the leased property, may, upon the request of the lessee, continue to provide such utilities or services. Any such utilities or services so furnished shall be paid for by the lessee at a rate to be determined by the supplying agency. Such rate shall be fiexd with a view to obtaining full reimbursement for the cost to any such agency of supplying any such utilities or services to the lessee. Any sums so received shall be covered into the Treasury to the credit of the appropriation or appropriations from which the cost of furnishing such utilities or services was paid.

SEC. 104. The Secretary of the Army is authorized, upon such terms and conditions as he may determine to be in the public interest, to convey to the Gleason Works, a New York corporation, the lands and buildings comprising the Rochester Ground Forces Equipment Depot No. 1, located at 1044 University Avenue, Rochester, N. Y., in exchange for land in the Rochester, N. Y., area, together with a suitable building and other improvements thereon to be constructed by the said the Gleason Works in accordance with plans and specifications approved by the Secretary of the Army for use as a new depot facility, and a sum of money representing, in the opinion of the Secretary of the Army, (1) the amount by which the fair market value of the property so conveyed by the Secretary of the Army exceeds the fair market value of the land with the building and improvements thereon accepted in exchange therefor, and (2) the cost of moving the depot activity to the new depot facility. The money to be received by the Secretary of the Army in connection with such exchange shall be covered into the Treasury as a miscellaneous receipt, except that such amount thereof as represents the cost of moving the depot activity to the new depot facility shall be credited to the appropriation to which such cost is charged.

TITLE II

SEC. 201. The Secretary of the Navy is authorized to establish or develop naval installations and facilities by the construction, conversion, rehabilitation or installation of permanent or temporary public works in respect to the following projects, which include site preparation, appurtenances, and related utilities and equipment:

CONTINENTAL UNITED STATES

Shipyard facilities

Naval shipyard, Boston, Mass.: Replacement of pier, $3,400,000.

Naval shipyard, Charleston, S. C.: Compressed air facilities, $555,000.

Naval shipyard, Mare Island, Vallejo, Calif.: Acquisition of railroad facilities, including land, $225,000.

Naval shipyard, Philadelphia, Pa.: Crane tracks for drydock, $3,415,000.

Naval Mine Countermeasures Station, Panama City, Fla.: Waterfront and technical facilities, $1,500,000.

Naval shipyard, San Francisco, Calif.: Crane tracks for drydock, and pipefitters shop, $2,901,000.

Fleet facilities

Morehead City, N. C.: LST loading ramps, including land acquisition, $710,000.

Naval submarine base, New London, Conn.: Ordnance facilities, $476,000.

Naval minecraft base, Charleston, S. C.: Land acquisition, $158,000.

Aviation facilities

Naval air station, Alameda, Calif.: Aircraft maintenance and overhaul facilities, $4,463,000.

Alice-Orange Grove area, Texas: Operational facilities, $151,000.

Naval air station, Atlantic City, New Jersey: Operational facilities and navigational aids, $779,000:

Marine Corps auxiliary air station, Beaufort, S. C.: Aircraft maintenance facilities, airfield pavements, administrative and community facilities, open and covered storage and fuel storage facilities, utilities, security facilities, maintenance facilities, personnel facilities, and land acquisition, $11,096,000.

Naval air station, Brunswick, Maine: Operational facilities, navigational aids, and utilities, $632,000.

Naval air station, Cecil Field, Fla.: Operational facilities, covered storage facilities, ammunition storage and ordnance facilities, navigational aids, and utilities, $1,384,000.

Naval auxiliary air station, Chase Field, Tex.: Aircraft maintenance facilities, $241,000.

Marine Corps air station, Cherry Point, N. C.: Airfield pavements, fuel dispensing facilities, communication facilities, navigational aids, utilities, and land acquisition, $1,609,000.

Naval air station, Corpus Christi, Tex.: Fuel dispensing facilities and navigational aids, $342,000.

Naval auxiliary air station, Corry Field, Fla.: Airfield pavements and airfield lighting facilities, $2,153,000.

Naval auxiliary landing field, Crows Landing, Calif.: Crash facilities, $89,000.

Naval auxiliary air station, El Centro, Calif.: Ammunition storage facilities, $225,000.

Marine Corps air station, El Toro, Calif.: Fuel dispensing facilities, navigational aids, communication facilities, and utilities, $1,675,000.

Naval auxiliary air station, Fallon, Nev.: Operational facilities, personnel facilities, and medical facilities, $569,000.

Naval air station, Glenview, Ill.: Land acquisition, $70,000

Naval auxiliary air station, Glynco, Ga.: Fuel storage facilities, communication, facilities, utilities, training equipment, and land acquisition, $6,531,000.

Naval auxiliary air station, Kingsville, Tex.: Navigational aids, fuel storage facilities, and utilities, $666,000.

Naval air facility, Litchfield Park, Ariz.: Operational facilities, airfield pavements, aircraft maintenance facilities, communication facilities, and land acquisition, $1,654,000.

Naval auxiliary air facility, Mayport, Fla.: Land acquisition, $75,000.

Naval air station, Miramar, Calif.: Navigational aids, aircraft maintenance facilities, and utilities, $4,001,000.

Naval air station, Moffet Field, Calif.: Navigational aids, fuel dispensing facilities, training facilities, and land acquisition, $1,336,000.

Marine Corps auxiliary air station, Mojave, Calif.: Land acquisition, $160,000.

Marine Corps air facility, New River, N. C.: Personnel facilities, maintenance facilities, and utilities, $972,000.

Naval air station, Norfolk, Va.: Training facilities, $628,000.

Naval air station, Oceana, Va.: Personnel facilities, community facilities, covered storage facilities, security facilities, navigatonal aids, utilities, and aircraft maintenance facilities, $4,696,000.

Naval air station, Pensacola, Fla.: Navigational aids and construction of outlying field, including avigation easements and land acquisition, $1,533,000.

Naval air missile test center (San Nicolas Island), Point Mugu, Calif.: Testing facilities, administrative facilities, maintenance facilities, security facilities, and utilities, $1,132,000.

Naval air station, Quonset Point, R. I.: Navigational aids, $579,000.

Naval air station, San Diego, Calif.: Operational facilities and aircraft maintenance facilities, $1,157,000.

Padre Island, Tex.: Operational facilities, $80,000.

Naval air turbine test station, Trenton, N. J.: Research and development facilities, $5,209,000.

Naval air station, Whidbey Island, Wash.: Aircraft maintenance facilities, airfield pavements, communication facilities, navigational aids, and utilities, $4,245,000.

Supply facilities

Naval supply center (Cheatham Annex), Norfolk, Va.: Cold storage facilities, $653,000.

Naval supply center, Oakland, Calif.: Fire protection facilities, $3,051,000.

Marine Corps facilities

Marine Corps depot of supplies, Albany, Ga.: Security facilities and maintenance facilities, $892,000.

Marine Base, Camp Lejeune, N. C.: Training facilities, maintenance facilities, and personnel facilities, $749,000.

Marine Corps recruit depot, Parris Island, S. C.: Utilities, cold storage facilities, and training facilities, $1,025,000.

Marine Corps schools, Quantico, Va.: Personnel facilities and community facilities, $585,000.

Marine Corps recruit depot, San Diego, Calif.: Training facilities, $82,000.

Ordnance facilities

Naval ammunition depot, Charleston, S. C.: Barricaded sidings, $671,000.

Naval proving grounds, Dahlgren, Va.: Testing facilities and land acquisition, $412,000.

Naval ammunition depot, Earle, N. J.: Land acquisition, $73,000.

Naval ammunition depot, Hawthorne, Nev.: Ordnance facilities, $308,000.

Naval ordnance plant, Indianapolis, Ind.: Research and development facilities, $1,183,000.

Naval powder factory, Indian Head, Md.: Utilities, $345,000.

Naval mine depot, Melville, R. I.: Ammunition storage facilities, $380,000.

Naval magazine, Port Chicago, Calif.: Transfer depot facilities and land acquisition, $519,000.

Naval ordnance laboratory, White Oak, Md.: Research and development facilities, $361,000.

Naval mine depot, Yorktown, Va.: Barricaded sidings, $480,000.

Service school facilities

Naval Academy, Annapolis, Md.: Training facilities, $5,680,000.

Naval amphibious base, Coronado, Calif.: Personnel facilities, $2,888,000.

Naval training center, Great Lakes, Ill.: Personnel facilities, $5,564,000.

Naval post graduate school, Monterey, Calif.: Personnel facilities, $332,000.

Fleet air defense training center, Point Loma, Calif.: Training facilities, $340,000.

Medical facilities

Naval hospital, St. Albans, Long Island, N. Y.: Utilities, $245,000.

Naval hospital, San Diego, Calif.: Personnel facilities, $756,000.

Office of Naval Research facilities

Naval research laboratory, Washington, D. C.: Research facilities, $996,000: *Provided, however,* That any fissionable material to

be used in such facilities shall be obtained from the Atomic Energy Commission in the same manner and on the same terms and conditions as the Atomic Energy Commission makes fissionable material available for use in research reactors in nongovernmental facilities.

Yards and Docks facilities

Naval construction battalion center, Port Hueneme, Calif.: Waterfront facilities and covered-storage facilities, $4,669,000.

San Bruno, Calif.: Land acquisition, $750,000.

Marine Corps training center, Twenty-nine Palms, Calif.: Land acquisition, $14,000.

Various locations: For restoration or replacement of facilities damaged or destroyed and provision for other urgent construction requirements, $2,500,000.

OUTSIDE CONTINENTAL UNITED STATES

Fleet facilities

Naval station, Subic Bay, Philippine Islands: Waterfront facilities and utilities, $5,550,000.

Aviation facilities

Naval air facility, Cubi Point, Philippine Islands: Air-freight terminal facilities, personnel facilities, family housing, community facilities, waterfront-protection facilities, covered and ammunition-storage facilities, medical facilities, security facilities, and utilities, $6,085,000.

Naval air station, Guantanamo Bay, Cuba: Medical facilities, $230,000.

Naval air station, Iwakuni, Japan: Airfield pavements, ammunition and fuel-storage facilities, and aircraft maintenance facilities, $2,246,000.

Naval air station, Kodiak, Alaska: Community facilities, $719,000.

Naval station, Kwajalein, Marshall Islands: Aircraft-maintenance facilities, $990,000.

Supply facilities

Naval station, Subic Bay, Philippine Islands: Fuel-storage facilities, $5,956,000.

Communication facilities

Naval communication station, Philippine Islands: Communication facilities, personnel facilities, covered-storage facilities, maintenance facilites, administrative facilities, community facilities, medical facilities, waterfront facilities, and utilities, $6,520,000.

Yards and docks facilities

Various locations: For restoration or replacement of facilities damaged or destroyed and provison for other urgent construction requirements, $1,500,000.

SEC. 202. The Secretary of the Navy is authorized to establish or develop classified naval installations and facilities by the construction, conversion, rehabilitation, or installation of permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, in the total amount of $63,358,000.

SEC. 203. Public Law 209, 83d Congress, is hereby amended as follows:

Strike so much thereof under the heading "Continental United States" and subheading "Aviation Facilities" in section 201 as reads as follows:

"Alice, Tex.: Land acquisition and airfield pavements, $2,148,000."

and insert in lieu thereof the following:

"Alice-Orange Grove area, Texas: Land acquisition, including navigation easements, and airfield pavements, $1,845,000."

TITLE III

SEC. 301. The Secretary of the Air Force is authorized to establish or develop military installations and facilities by the construction, conversion, rehabilitation, or installation of permanent or temporary public works in respect of the following projects, which include site preparation, appurtenances, and related utilities and equipment (the references hereinafter to Public Laws 60, 420, 564, 838, 910, 155, 534, and 209 mean, respectively, Public Law 60, 81st Cong., Public Law 420, 81st Cong., Public Law 564, 81st Cong., Public Law 838, 81st Cong., Public Law 910, 81st Cong., Public Law 155, 82d Cong., Public Law 534, 82d Cong., and Public Law 209, 83d Cong., as amended), and the authorizations for military public works contained in this title supersede, to the extent they are represented by dollar amounts specified as being included in such prior acts, equivalent amounts of the authorizations for military public works in such prior acts, but do not otherwise affect any authorizations for military public works in prior acts:

CONTINENTAL UNITED STATES

Strategic Air Command

Abilene Air Force Base, Abilene, Tex.: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, operational facilities, aircraft maintenance facilities, training facilities, troop housing and messing facilities, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, a total of $17,435,000, of which amount $2,760,000 is included in the authorizations in Public Laws 534 and 209, and $14,675,000 is herewith authorized.

Altus Air Force Base, Altus, Okla.: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, troop housing and messing facilities, utilities, land acquisition, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, a total of $16,098,000, of which amount $323,000 is included in the authorization in Public Law 155, and $15,775,000 is herewith authorized.

Barksdale Air Force Base, Shreveport, La.: Airfield pavements, communications, navigational aids and airfield lighting facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, land acquisition, and shop facilities, $3,905,000, which amount is included in the authorizations in Public Laws 564, 910, 155, 534, and 209.

Bergstrom Air Force Base, Austin, Tex.: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, operational facilities, troop housing and messing facilities, utilities, land acquisition, storage facilities, and shop facilities, $1,608,000, which amount is included in the authorizations in Public Laws 910, 155, and 209.

Biggs Air Force Base, El Paso, Tex.: Airfield pavements, liquid-fuel storage and dispensing facilities, communications and navigational aids, aircraft-maintenance facilities, training facilities, utilities, and land acquisition, a total of $2,254,000, of which amount $1,110,000 is included in the authorizations in Public Laws 564, 910, 155, and 534, and $1,144,000 is herewith authorized.

Campbell Air Force Base, Hopkinsville, Ky.: Airfield pavements, communications, navigational aids and airfield-lighting facilities, operational facilities, utilities, land acquisition, and administrative and community facilities, a total of $1,451,000, of which amount $691,000 is included in the authorizations in Public Laws 564 and 155, and $760,000 is herewith authorized.

Carswell Air Force Base, Fort Worth, Tex.: Airfield pavements, liquid-fuel storage and dispensing facilities, communications and navigational aids, operational facilities, aircraft-maintenance facilities, training facilities, utilities, land acquisition, storage facilities, and shop facilities, $2,248,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Castle Air Force Base, Merced, Calif.: Airfield pavements, liquid-fuel storage and dispensing facilities, communications, navigational aids and airfield-lighting facilities, operational facilities, aircraft-maintenance facilities, utilities, land acquisition, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, a total of $9,581,000, of which amount $2,050,000 is included in the authorizations in Public Laws 564, 910, 155, 534, and 209, and $7,531,000 is herewith authorized.

Clinton-Sherman Airport, Clinton, Okla.: Airfield pavement, liquid-fuel storage and dispensing facilities, communications, navigational aids and airfield-lighting facilities, operational facilities, troop housing and messing facilities, utilities, land acquisition, medical facilities, and storage facilities, a total of $11,393,000, of which amount $9,930,000 is included in the authorization in Public Law 534, and $1,463,000 is herewith authorized.

Columbus Air Force Base, Columbus, Miss.: Airfield pavements, liquid-fuel storage and dispensing facilities, communications, navigational aids and airfield-lighting facilities, operational facilities, aircraft-maintenance facilities, utilities, land acquisition, storage facilities, personnel facilities, and shop facilities, $3,558,000.

Davis-Monthan Air Force Base, Tucson, Ariz.: Airfield pavements, operational facilities, aircraft-maintenance facilities, utilities, and shop facilities, $3,034,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Dow Air Force Base, Bangor, Maine: Airfield pavements, liquid-fuel storage and dispensing facilities, communications, navigational aids and airfield-lighting facilities, operational facilities, aircraft-maintenance facilities, training facilities, troop housing and messing facilities, utilities, land acquisition, and administrative and community facilities, a total of $16,782,000, of which amount $3,782,000 is included in the authorizations in Public Laws 534 and 209, and $13 million is herewith authorized.

Ellsworth Air Force Base, Rapid City, S. Dak.: Airfield pavements, communications and navigational aids, operational facilities, aircraft-maintenance facilities, training facilities, utilities, land acquisition, storage facilities, and shop facilities, a total of $7,174,000, of which amount $4,364,000 is included in the authorizations in Public Laws 564, 910, 155, 534, and 209, and $2,810,000 is herewith authorized.

Fairchild Air Force Base, Spokane, Wash.: Airfield pavements, liquid-fuel storage and dispensing facilities, communications, navigational aids and airfield-lighting facilities, utilities, land acquisition, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, $6,796,000, which amount is included in the authorizations in Public Laws 564, 910, 155, and 534.

Forbes Air Force Base, Topeka, Kans.: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilites, arcraft mantenance facilities, utilities, land acquisition, storage facilities, and shop facilities, a total of $10,029,000, of which amount $2,176,000 is included in the authorizations in Public Laws 155, 534, and 209, and $7,853,000 is herewith authorized.

Gray Air Force Base, Killeen, Tex.: Airfield pavements, communications, navigational aids and airfield lighting facilities, utilities, land acquisition, storage facilities, and shop facilties, $465,000, which amount is included in the authorizations in Public Laws 564, 910, and 155.

Great Falls Air Force Base, Great Falls, Mont.: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, land acquisition,

storage facilities, personnel facilities, and administrative and community facilities, a total of $6,600,000, of which amount $1,783,000 is included in the authorizations in Public Laws 564, 910, 155, 534, and 209, and $4,817,000 is herewith authorized.

Homestead Air Force Base, Homestead, Fla.: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, administrative and community facilities, shop facilities, and harbor facilities, a total of $13,271,000, of which amount $10,768,000 is included in the authorizations in Public Laws 534 and 209 and $2,503,000 is herewith authorized.

Hunter Air Force Base, Savannah, Ga.: Airfield pavements, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, troop housing and messing facilities, utilities, land acquisition, personnel facilities, administrative and community facilities, and shop facilities, $8,946,000, which amount is included in the authorizations in Public Laws 564, 910, 155, and 534.

Lake Charles Air Force Base, Lake Charles, La.: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, troop housing and messing facilities, utilities, land acquisition, personnel facilities, administrative and community facilities, and shop facilities, a total of $9,277,000, of which amount $6,141,000 is included in the authorizations in Public Laws 910, 155, 534, and 209, and $3,136,000 is herewith authorized.

Limestone Air Force Base, Limestone, Maine: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, aircraft maintenance facilities, utilities, land acquisition, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, a total of $15,722,000, of which amount $12,359,000 is included in the authorizations in Public Laws 564, 910, 155, 534, and 209, and $3,363,000 is herewith authorized.

Lincoln Air Force Base, Lincoln, Nebr.: Airfield pavements, communications and navigational aids, operational facilities, aircraft maintenance facilities, training facilities, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, a total of $4,664,000, of which amount $3,536,000 is included in the authorizations in Public Laws 155, 534, and 209, and $1,128,000 is herewith authorized.

Little Rock Air Force Base, Little Rock, Ark.: Airfield pavements, liquid fuel storage and dispensing facilities, communications, and navigational aids, operational facilities, aircraft maintenance facilities, training facilities, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, a total of $12,565,000, of which amount $227,000 is included in the authorizations in Public Laws 534 and 209, and $12,338,000 is herewith authorized.

Lockbourne Air Force Base, Columbus, Ohio: Airfield pavements, communications and navigational aids, operational facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, land acquisition, storage facilities, and shop facilities, a total of $10,687,000, of which amount $1,696,000 is included in the authorizations in Public Laws 910, 155, and 534, and $8,991,000 is herewith authorized.

MacDill Air Force Base, Tampa, Fla.: Airfield pavements, communications and navigational aids, aircraft maintenance facilities, troop housing and messing facilities, utilities, land acquisition, storage facilities, and shop facilities, $2,214,000, which amount is included in the authorizations in Public Laws 564, 910, 155, and 534.

March Air Force Base, Riverside, Calif.: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, utilities, land acquisition, personnel facilities, administrative and community facilities, and shop facilities, a total of $8,772,000, of which amount $2,432,000 is included in the authorizations in Public Laws 910, 155, 534, and 209, and $6,340,000 is herewith authorized.

Matagorda Island Air Force Range, Tex.: Airfield pavements, communications and navigational aids, and utilities, $607,000.

Mountain Home Air Force Base, Mountain Home, Idaho: Airfield pavements, communications and navigational aids, training facilities, utilities, land acquisition, administrative and community facilities, and shop facilities, $595,000, which amount is included in the authorizations in Public Laws 155, 534, and 209.

Offutt Air Force Base, Omaha, Nebr.: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, land acquisition, and administrative and community facilities, $1,628,000.

Pinecastle Air Force Base, Orlando, Fla.: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, operational facilities, utilities, land acquisition, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, $4,627,000, which amount is included in the authorizations in Public Laws 155, 534, and 209.

Plattsburg Barracks, Plattsburg, N. Y.: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, troop housing and messing facilities, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, a total of $19,835,000, of which amount $690,000 is included in the authorizations in Public Laws 534 and 209, and $19,145,000 is herewith authorized.

Portsmouth Air Force Base, Portsmouth, N. H.: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, operational facilities, aircraft maintenance facilities, training facilities, troop housing and messing facilities, utilities, land acquisition, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, $14,079,000.

Sedalia Air Force Base, Knobnoster, Mo.: Airfield pavements, communications and navigational aids, aircraft maintenance facilities, troop housing and messing facilities, utilities, land acquisition, medical facilities, personnel facilities, and shop facilities, a total of $2,743,000, of which amount $274,000 is included in the authorizations in Public Laws 155 and 209, and $2,469,000 is herewith authorized.

Smoky Hill Air Force Base, Salina, Kans.: Airfield pavements, communications, navigational aids and airfield lighting facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, land acquisition, personnel facilities, administrative and community facilities, and shop facilities, a total of $7,612,000, of which amount $7,308,000 is included in the authorizations in Public Laws 155, 534, and 209, and $304,000 is herewith authorized.

Stead Air Force Base, Reno, Nev.: Communications and navigational aids, utilities, personnel facilities, and administrative and community facilities, a total of $750,000, of which amount $657,000 is included in the authorizations in Public Laws 155 and 534, and $93,000 is herewith authorized.

Travis Air Force Base, Fairfield, Calif.: Airfield pavements, communications and navigational aids, operational facilities, aircraft maintenance facilities, utilities, land acquisition, storage facilities, administrative and community facilities, and shop facilities, a total of $7,822,000, of which amount $3,081,000 is included in the authorizations in Public Laws 564, 910, 155, and 209, and $4,741,000 is herewith authorized.

Turner Air Force Base, Albany, Ga.: Airfield pavements, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, utilities, land acquisition, and shop facilities, a total of $5,661,000, of which amount $4,778,000 is included in the authorizations in Public Laws 910, 155, and 209, and $883,000 is herewith authorized.

Walker Air Force Base, Roswell, N. Mex.: Airfield pavements, liquid-fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, utilities, land acquisition, storage facilities, and shop facilities, a total of $4,087,000, of which amount $3,333,000 is included in the authorizations in Public Laws 564, 910, 155, 534, and 209, and $754,000 is herewith authorized.

Westover Air Force Base, Chicopee Falls, Mass.: Airfield pavements, liquid-fuel storage and dispensing facilities, communications and navigational aids, utilities, land acquisition, storage facilities, and shop facilities, $1,146,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Air Defense Command

Atlantic City Consolan Station, Atlantic City, N. J.: Communications and navigational aids, $72,000.

Bismarck-Minot area, North Dakota: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, troop housing and messing facilities, family housng, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, $7,588,000.

Burlington Municipal Airport, Burlington, Vt.: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, aircraft maintenance facilities, and land acquisition, a total of $1,018,000, of which amount $608,000 is included in the authorizations in Public Laws 910, 155, 534, and 209, and $410,000 is herewith authorized.

Duluth Municipal Airport, Duluth, Minn.: Airfield pavements, communications and navigational aids, aircraft maintenance facilities, utilities, land acquisition, medical facilities, and personnel facilities, a total of $2,173,000, of which amount $787,000 is included in the authorizations in Public Laws 910, 155, 534, and 209, and $1,386,000 is herewith authorized.

Ent Air Force Base, Colorado Springs, Colo.: Communications and navigational aids, troop housing and messing facilities, land acquisition, and personnel facilities, a total of $324,000, of which amount $256,000 is included in the authorization in Public Law 155, and $68,000 is herewith authorized.

Fargo area, North Dakota: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, land acquisition, medical facilities, and storage facilities, $7,055,000.

Geiger Field, Spokane, Wash.: Communications and navigational aids, troop housing and messing facilities, and storage facilities,

$296,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Glasgow-Miles City area, Montana: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, land acquisition, medical facilities, and storage facilities, $8,391,000.

Grandview Air Force Base, Kansas City, Mo.: Airfield pavements, communications and navigational aids, operational facilities, utilities, land acquisition, storage facilities, and personnel facilities, $1,583,000, which amount is included in the authorizations in Public Laws 155 and 209.

Greater Pittsburgh Airport, Coraopolis, Pa.: Liquid fuel storage and dispensing facilities, communications and navigational aids, utilities, land acquisition, medical facilities, and personnel facilities, $245,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Hamilton Air Force Base, San Rafael, Calif.: Airfield pavements, communications and navigational aids, utilities, land acquisition, and shop facilities, $1,042,000, which amount is included in the authorizations in Public Laws 564, 910, 155, 534, and 209.

Kinross Air Force Base, Sault Sainte Marie, Mich.: Communications and navigational aids, aircraft maintenance facilities, utilities, land acquisition, storage facilities, and personnel facilities, $1,013,000, which amount is included in the authorizations in Public Laws 155, 534, and 209.

Klamath Falls Airport, Klamath Falls, Oreg.: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, troop housing and messing facilities, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, and administrative and community facilities, $4,133,000.

K. I. Sawyer Airport, Marquette, Mich.: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, troop housing and messing facilities, utilities, medical facilities, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, $8,556,000.

McChord Air Force Base, Tacoma, Wash.: Airfield pavements, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, land acquisition, storage facilities, and shop facilities, $1,605,000, which amount is included in the authorizations in Public Laws 564, 910, 155, 534, and 209.

McGhee-Tyson Airport, Knoxville, Tenn.: Communications and navigational aids, utilities, land acquisition, and personnel facilities, $195,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Minneapolis-St. Paul Airport, Minneapolis, Minn.: Airfield pavements, communications and navigational aids, operational facilities, aircraft maintenance facilities, utilities, and land acquisition, a total of $2,156,000, of which amount $672,000 is included in the authorizations in Public Laws 910, 155, 534, and 209, and $1,484,000 is herewith authorized.

Nantucket Consolan Station, Nantucket, Mass.: Communications and navigational aids, $107,000.

New Castle County Airport, Wilmington, Del.: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, operational facilities, aircraft maintenance facilities, land acquisition, and storage facilities, $677,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Niagara Falls Municipal Airport, Niagara Falls, N. Y.: Communications, navigational aids and airfield lighting facilities, utilities, land acquisition, medical facilities, and shop facilities, $265,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

O'Hare International Airport, Chicago, Ill.: Liquid fuel storage and dispensing facilities, communications and navigational aids, utilities, land acquisition, and storage facilities, $228,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Otis Air Force Base, Falmouth, Mass.: Airfield pavements, liquid fuel storage and dispensing facilities, operational facilities, aircraft maintenance facilities, training facilities, utilities, and storage facilities, $2,413,000, which amount is included in the authorizations in Public Laws 564, 910, 155, 534, and 209.

Oxnard Air Force Base, Oxnard, Calif.: Communications and navigational aids, training facilities, troop housing and messing facilities, land acquisition, storage facilities, and personnel facilities, $497,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Paine Air Force Base, Everett, Wash.: Airfield pavements, communications and navigational aids, land acquisition, storage facilities, and personnel facilities, $489,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Pescadero Consolan Station, Pescadero, Calif.: Communications and navigational aids, $107,000.

Point Conception Consolan Station, Point Conception, Calif.: Communications and navigational aids, $72,000.

Portland International Airport, Portland, Oreg.: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, operational facilities, aircraft maintenance facilities, training facilities, utilities, land acquisition, and storage facilities, a total of $2,222,000, of which amount $500,000 is included in the authorizations in Public Laws 155, 534, and 209, and $1,722,000 is herewith authorized.

Presque Isle Air Force Base, Presque Isle, Maine: Communications and navigational aids, operational facilities, and land acquisition, $155,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Southern California area: Expansion of airfield and base facilities, including the acquisition of land, $4 million.

Selfridge Air Force Base, Mount Clemens, Mich.: Airfield pavements, communications and navigational aids, operational facilities, aircraft maintenance facilities, utilities, land acquisition, and storage facilities, $718,000, which amount is included in the authorizations in Public Laws 564, 910, 155, 534, and 209.

Sioux City Municipal Airport, Sioux City, Iowa: Communications and navigational aids, and land acquisition, $11,000, which amount is included in the authorizations in Public Laws 155, 534, and 209.

Stewart Air Force Base, Newburg, N. Y.: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, land acquisition, storage facilities, and personnel facilities, $2,659,000.

Suffolk County Ar Force Base, Westhampton, N. Y.: Airfield pavements, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, utilities, land acquisition, storage facilities, and shop facilities, a total of $1,445,000, of which amount $624,000 is included in the authorizations in Public Laws 910, 155, and 534, and $321,000 is herewith authorized.

Traverse City area, Mich.: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, land acquisition, medical facilities, and storage facilities, $8,635,000.

Truax Field, Madison, Wis.: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, aircraft maintenance facilities, land acquisition, and storage facilities, $1,256,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Wurtsmith Air Force Base, Oscoda, Mich.: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids, and airfield lighting facilities, aircraft maintenance facilites, troop housing and messing facilities, utilities, land acquisition, and storage facilities, a total of $2,395,000, of which amount $655,000 is included in the authorizations in Public Laws 910, 155, 534, and 209, and $1,740,000 is herewith authorized.

Youngstown Municipal Airport, Youngstown, Ohio: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, aircraft maintenance facilities, land acquisition, storage facilities, and shop facilities, $687,000, which amount is included in the authorizations in Public Laws 910, 155, and 209.

Yuma County Airport, Yuma, Ariz.: Airfield pavements, liquid fuel storage and dispensing facilities, airfield lighting facilities, operational facilities, troop housing and messing facilities, utilities, land acquisition, and personnel facilities, a total of $2,127,000, of which amount $541,000 is included in the authorizations in Public Laws 534 and 209, and $1,586,000 is herewith authorized.

Tactical Air Command

Alexandria Air Force Base, Alexandria, La.: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, operational facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, land acquisition, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, a total of $5,852,000, of which amount $4,239,000 is included in the authorizations in Public Laws 155, 534, and 209, and $1,613,000 is herewith authorized.

Ardmore Air Force Base, Ardmore, Okla.: Communications, navigational aids and airfield lighting facilities, aircraft maintenance facilities, utilities, land acquisiton, personnel facilities, and administrative and communty facilities, $506,000, which amount is included in the authorizations in Public Laws 155 and 534.

Blytheville Air Force Base, Blytheville, Ark.: Airfield pavements, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, utilities, land acquisition, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, $2,717,000, which amount is included in the authorizations in Public Laws 534 and 209.

Bunker Hill Airport, Peru, Ind.: Airfield pavements, communications and navigational aids, operational facilities, aircraft maintenance facilities, training facilities, troop housing and messing facilities, family housing, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, and shop facilities, a total of $2,728,000, of which amount $2,652,000 is included in the authorizations in Public Laws 534 and 209, and $76,000 is herewith authorized.

Clovis Air Force Base, Clovis, N. Mex.: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, operational facilities, troop

housing and messing facilities, family housing, utilities, land acquisition, storage facilities, and administrative and community facilities, a total of $2,748,000, of which amount $741,000 is included in the authorizations in Public Laws 155, 534, and 209, and $2,007,000 is herewith authorized.

Donaldson Air Force Base, Greenville, S. C.: Airfield pavements, communications and navigational aids, aircraft maintenance facilities, utilities, land acquisition, and shop facilities, a total of $3,212,000, of which amount $1,906,000 is included in the authorizations in Public Laws 910 and 155, and $1,306,000 is herewith authorized.

Eglin Auxiliary Field, Hurlburt, Fla.: Liquid fuel storage and dispensing facilities, communications and navigational aids, operational facilities, aircraft maintenance facilities, family housing, utilities, medical facilities, storage facilities, personnel facilities, administrative and community facilities, and harbor facilities, $1,772,000, which amount is included in the authorizations in Public Laws 155 and 209.

Foster Air Force Base, Victoria, Tex.: Airfield pavements, liquid storage and dispensing facilities, communications and navigational aids, operational facilities, utilites, land acqusition, storage facilities, personnel facilities, and administrative and community facilities, $1,378,000, which amount is included in the authorizations in Public Laws 155, 534, and 209.

George Air Force Base, Victorville, Calif.: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, operational facilities, aircraft maintenance facilities, training facilities, utilities, land acquisition, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, a total of $5,140,000, of which amount $366,000 is included in the authorizations in Public Laws 910, 155, and 209, and $4,774,000 is herewith authorized.

Langley Air Force Base, Hampton, Va.: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, operational facilities, aircraft maintenance facilities, family housing, utilities, and land acquisition, $2,534,000, which amount is included in the authorizations in Public Laws 564, 910, 155, and 209.

Larson Air Force Base, Moses Lake, Wash.: Airfield pavements, communications and navigational aids, aircraft maintenance facilities, utilities, land acquisition, storage facilities and shop facilities, $1,890,000, which amount is included in the authorizations in Public Laws 564, 910, 155, 534, and 209.

Lawson Air Force Base, Columbus, Ga.: Airfield pavements, communications and navigational aids, aircraft maintenance facilities, troop housing and messing facilities, utilities, storage facilities, administrative and community facilities, and shop facilities, a total of $4,469,000, of which amount $3,250,000 is included in the authorizations in Public Laws 910 and 155, and $1,219,000 is herewith authorized.

Myrtle Beach Airport, Myrtle Beach, S. C.: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, troop housing and messing facilities, utilities, land acquisition, storage facilities, personnel facilities, and administrative and community facilities, a total of $11,817,000, of which amount $8,383,000 is included in the authorization in Public Law 534, and $3,434,000 is herewith authorized.

Pope Air Force Base, Fort Bragg, N. C.: Airfield pavements, liquid fuel storage and dispensing facilities, communications navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, utilities, land acquisition, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, $2,104,000, which amount is included in the authorizations in Public Laws 910, 155, and 209.

Sewart Air Force Base, Smyrna, Tenn.: Airfield pavements, communications and navigational aids, operational facilities, utilities, land acquisition, and shop facilities, $872,000, which amount is included in the authorizations in Public Laws 910 and 155.

Seymour Johnson Air Force Base, Goldsboro, N. C.: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, troop housing and messing facilities, utilities, land acquisition, storage facilities, personnel facilities, and shop facilities, a total of $13,444,000, of which amount $6,916,000 is included in the authorization in Public Law 534, and $6,528,000 is herewith authorized.

Shaw Air Force Base, Sumter, S. C.: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, operational facilities, aircraft maintenance facilities, training facilities, troop housing and messing facilities, utilities, land acquisition, storage facilities, administrative and community facilities, and shop facilities, $2,997,000, which amount is included in the authorizations in Public Laws 910 and 155.

Air Training Command

Amarillo Air Force Base, Amarillo, Tex.: Communications and navigational aids, utilities, land acquisition, and personnel facilities, $393,000, which amount is included in the authorizations in Public Laws 910 and 155.

Bryan Air Force Base, Bryan, Tex.: Communications and navigational aids, utilities, and land acquisition, $108,000, which amount is included in the authorizations in Public Laws 155, 534, and 209.

Chanute Air Force Base, Rantoul, Ill.: Communications and navigational aids, operational facilities, and land acquisition, $186,000.

Craig Air Force Base, Selma, Ala.: Airfield pavements, communications and navigational aids, and land acquisition, $138,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Ellington Air Force Base, Houston, Tex.: Airfield pavements, communications and navigational aids, and training facilities, $1,073,000, which amount is included in the authorizations in Public Laws 564, 155, 534, and 209.

Francis E. Warren Air Force Base, Cheyenne, Wyo.: Communications and navigational aids, and land acquisition, $26,000, which amount is included in the authorizations in Public Laws 910 and 155.

Gila Bend Auxiliary Field, Gila Bend, Ariz.: Communications and navigational aids, troop housing and messing facilities, utilities, land acquisition, personnel facilities, and shop facilities, $842,000.

Goodfellow Air Force Base, San Angelo, Tex.: Communications and navigational aids, $15,000, which amount is included in authorizations in Public Laws 155, 534, and 209.

Greenville Air Force Base, Greenville, Miss.: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, land acquisition, and harbor facilities, a total of $813,000, of which amount $111,000 is included in the authorizations in Public Laws 910 and 209, and $702,000 is herewith authorized.

Harlingen Air Force Base, Harlingen, Tex.: Communications and navigational aids, training facilities, troop housing and messing facilities, utilities, and land acquisition, $2,035,000, which amount is included in the authorizations in Public Laws 155, 534, and 209.

James Connally Air Force Base, Waco, Tex.: Airfield pavements, communications and navigational aids, and land acquisition, $3,853,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Keesler Air Force Base, Biloxi, Miss.: Communications and navigational aids, operational facilities, training facilities, utilities, and land acquisition, $207,000, which amount is included in the authorizations in Public Laws 910 and 155.

Laredo Air Force Base, Laredo, Tex.: Airfield pavements, communications and navigational aids, aircraft maintenance facilities, training facilities, and land acquisition, $459,000, which amount is included in the authorizations in Public Laws 155 and 534.

Laughlin Air Force Base, Del Rio, Tex.: Communications and navigational aids, utilities, land acquisition, and personnel facilities, $267,000, which amount is included in the authorizations in Public Laws 155, 534, and 209.

Luke Air Force Base, Phoenix, Ariz.: Airfield pavements, communications and navigational aids, training facilities, utilities, and administrative and community facilities, a total of $862,000, of which amount $481,000 is included in the authorizations in Public Laws 910, 155, 534, and 209, and $381,000 is herewith authorized.

Mather Air Force Base, Sacramento, Calif.: Airfield pavements, communications and navigational aids, and land acquisition, $1,530,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Moody Air Force Base, Valdosta, Ga.: Airfield pavements, $339,000, which amount is included in the authorizations in Public Laws 155, 534, and 209.

Nellis Air Force Base, Las Vegas, Nev.: Airfield pavements, communications and navigational aids, operational facilities, aircraft maintenance facilities, training facilities, troop housing and messing facilities, utilities, storage facilities, and administrative and community facilities, $1,932,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Perrin Air Force Base, Sherman, Tex.: Airfield pavements, communications and navigational aids, operational facilities, aircraft maintenance facilities, utilities, land acquisition, personnel facilities, and storage facilities, a total of $1,940,000, of which amount $1,508,000 is included in the authorizations in Public Laws 910, 155, 534, and 209, and $432,000 is herewith authorized.

Reese Air Force Base, Lubbock, Tex.: Communications and navigational aids, utilities, land acquisition, and storage facilities, $112,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Scott Air Force Base, Belleville, Ill.: Airfield pavements, communications and navigational aids, operational facilities, and land acquisition, $934,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Selma Municipal Airport, Selma, Ala.: Airfield pavements, $176,000.

Sheppard Air Force Base, Wichita Falls, Tex.: Communications and navigational aids, and land acquisition, $32,000, which amount is included in the authorizations in Public Laws 910 and 155.

Tyndall Air Force Base, Panama City, Fla.: Airfield pavements, communications and navigational aids, aircraft maintenance facilities, utilities, and land acquisition, a total of $1,479,000, of which amount $412,000 is included in the authorizations in Public Laws 910, 155, 534, and 209, and $1,067,000 is herewith authorized.

Vance Air Force Base, Enid, Okla.: Communications and navigational aids, and land acquisition, $138,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Webb Air Force Base, Big Springs, Tex.: Communications and navigational aids, utilities, land acquisition, and personnel facilities, $100,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Wichita Air Force Base, Wichita, Kans.: Airfield pavements, training facilities, utilities, land acquisition, personnel facilities, and administrative and community facilities, $2,479,000.

Williams Air Force Base, Chandler, Ariz.: Communications and navigational aids, aircraft maintenance facilities, and utilities, $94,000, which amount is included in the authorizations in Public Laws 910, 155, and 534.

Air Materiel Command

Birmingham Modification Center, Birmingham, Ala.: Utilities and shop facilities, $78,000, which amount is included in the authorization in Public Law 534.

Brookley Air Force Base, Mobile, Ala.: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, aircraft maintenance facilities, utilities, land acquisition, personnel facilities, and administrative and community facilities, $3,814,000, whch amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Gentile Air Force Depot, Dayton, Ohio: Utilities, storage facilities, and shop facilities, $489,000, which amount is included in the authorizations in Public Laws 910 and 155.

Hill Air Force Base, Ogden, Utah: Airfield pavements, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, utilities, land acquisition, storage facilities, and administrative and community facilities, a total of $10,542,000, of which amount $2,237,000 is included in the authorizations in Public Laws 910, 155, and 534, and $8,305,000 is herewith authorized.

Kelly Air Force Base, San Antonio, Tex.: Airfield pavements, communications, navigational aids and airfield lighting facilities, operational facilities, utilities, and land acquisition, $12,713,000, which amount is included in the authorizations in Public Laws 564, 910, 155, 534, and 209.

Mallory Air Force Depot, Memphis, Tenn.: Aircraft maintenance facilities and utilities, a total of $268,000, of which amount $25,000 is included in the authorization in Public Law 155, and $243,000 is herewith authorized.

McClellan Air Force Base, Sacramento, Calif.: Airfield pavements, communications, navigational aids and airfield lighting facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, storage facilities, and administrative and community facilities, $3,415,000, which amount is included in the authorizations in Public Laws 910, 155, 534, and 209.

Norton Air Force Base, San Bernardino, Calif.: Airfield pavements, communications and navigational aids, aircraft maintenance facilities, utilities, land acquisition, and storage facilities, a total of $4,303,000, of which amount $2,120,000 is included in the authorizations in Public Laws 910, 155, and 209, and $2,183,000 is herewith authorized.

Norwalk No. 1 Air Force Tank Farm, Norwalk, Calif.: Liquid fuel storage and dispensing facilities, $156,000.

Norwalk No. 2 Air Force Tank Farm, Norwalk, Calif.: Liquid fuel storage and dispensing facilities, and utilities, a total of $737,000, of which amount $19,000 is included in the authorizations in Public Laws 564 and 910, and $718,000 is herewith authorized.

Olmsted Air Force Base, Middletown, Pa.: Operational facilities, aircraft maintenance facilities, utilities, hand acquisition, and storage facilities, $1,970,000, which amount is included in the authorizations in Public Laws 910, 155, and 209.

Robins Air Force Base, Macon, Ga.: Airfield pavements, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, land acquisition, storage facilities, and administrative and community facilities, a total of $16,565,000, of which amount $6,427,000 is included in the authorizations in Public Laws 910, 155, and 209, and $10,138,000 is herewith authorized.

Tinker Air Force Base, Oklahoma City, Okla.: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, operational facilities, aircraft maintenance facilities, utilities, land acquisition, storage facilities, administrative and community facilities, and shop facilities, a total of $6,159,000, of which amount $206,000 is included in the authorizations in Public Laws 910, 155, 534, and 209, and $5,953,000 is herewith authorized.

Topeka Air Force Depot, Topeka, Kans.: Utilities, a total of $218,000, of which amount $24,000 is included in the authorization in Public Law 155, and $194,000 is herewith authorized.

Wright-Patterson Air Force Base, Dayton, Ohio: Communications and navigational aids, operational facilities, utilities, land acquisition, and research, development and test facilities, $5,847,000, which amount is included in the authorizations in Public Laws 564, 910, 155, and 209.

Various locations: Operational facilities, utilities, storage facilities, and personnel facilities, $802,000.

Military Air Transport Service

Andrews Air Force Base, Camp Springs, Md.: Airfield pavements, communications and navigational aids, operational facilities, aircraft maintenance facilities, utilities, and land acquisition, $2,059,000, which amount is included in the authorizations in Public Laws 910, 155, and 209.

Charleston Air Force Base, Charleston, S. C.: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, operational facilities, aircraft maintenance facilities, training facilities, troop housing and messing facilities, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, a total of $7,472,000, of which amount $2,088,000 is included in the authorizations in Public Laws 155 and 209, and $5,384,000 is herewith authorized.

Dover Air Force Base, Dover, Del.: Airfield pavements, operational facilities, aircraft maintenance facilities, training facilities, utilities, land acquisition, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, a total of $3,348,000, of which amount $1,694,000 is included in the authorizations in Public Laws 910 and 155, and $1,654,000 is herewith authorized.

McGuire Air Force Base, Wrightstown, N. J.: Airfield pavements, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, utilities, and land acquisition, $4,638,000, which amount is included in the authorizations in Public Laws 564, 910, 155, and 209.

Palm Beach International Airport, Palm Beach, Fla.: Airfield pavements, communications and navigational aids, operational facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, and land acquisition, $2,440,000, which amount is included in the authorizations in Public Laws 155, 534, and 209.

Continental Air Command

Beale Air Force Base, Marysville, Calif.: Utilities, storage facilities, and personnel facilities, $192,000, which amount is included in the authorization in Public Law 155.

Brooks Air Force Base, San Antonio, Tex.: Communications and navigational aids, aircraft maintenance facilities, and utilities, $757,000.

Dobbins Air Force Base, Marietta, Ga.: Operational facilities, troop housing and messing facilities, utilities, storage facilities, and personnel facilities, $576,000.

Mitchel Air Force Base, Hempstead, N. Y.: Communications and navigational aids, operational facilities, utilities, and land acquisition, a total of $729,000, of which amount $43,000 is included in the authorization in Public Law 155, and $686,000 is herewith authorized.

Wolters Air Force Base, Mineral Wells, Tex.: Troop housing and messing facilities, utilities, land acquisition, storage facilities, and personnel facilities, $845,000, which amount is included in the authorizations in Public Laws 910 and 155.

Research and Development Command

Arnold Engineering Development Center, Tullahoma, Tenn.: Research, development and test facilities, liquid fuel storage and dispensing facilities, utilities, and personnel facilities, $73,500,000.

Edwards Air Force Base, Muroc, Calif.: Airfield pavements, communications and navigational aids, operational facilities, aircraft maintenance facilities, training facilities, troop housing and messing facilities, utilities, land acquisition, research, development and test facilities, storage facilities, personnel facilities, and administrative and community facilities, a total of $27,478,000, of which amount $11,286,000 is included in the authorizations in Public Laws 564, 910, 155, and 209, and $16,192,000 is herewith authorized.

Griffiss Air Force Base, Rome, N. Y.: Airfield pavements, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, utilities, land acquisition, research, development and test facilities, storage facilities, and shop facilities, a total of $2,869,000, of which amount $1,217,000 is included in the authorizations in Public Laws 838, 910, 155, 534, and 209, and $1,652,000 is hereby authorized.

Hartford Research Facility, Hartford, Conn.: Research, development and test facilities, and land acquisition, $5,750,000.

Holloman Air Force Base, Alamogordo, N. Mex.: Airfield pavements, airfield lighting facilities, operational facilities, troop housing and messing facilities, utilities, land acquisition, research, development and test facilities, storage facilities, administrative and community facilities, and shop facilities, a total of $7,141,000, of which amount $2,489,000 is included in the authorizations in Public Laws 564, 910, 155, 534, and 209, and $4,652,000 is herewith authorized.

Kirtland Air Force Base, Albuquerque, New Mex.: Airfield pavements, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, troop housing and messing facilities, family housing, utilities, land acquisition, research development and test facilities, storage facilities, personnel facilities, and shop facilities, a total of $5,172,000, of which amount $4,928,000 is included in the authorizations in Public Laws 564, 910, 155, 534, and 209, and $244,000 is herewith authorized.

Laurence G. Hanscom Air Force Base, Bedford, Mass.: Airfield pavements, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, $6,649,000.

Sacramento Peak (Laurence G. Hanscom Auxiliary No. 2), N. Mex.: Land acquisition, $114,000.

Climatic projects laboratory, Mount Washington, N. H.: Liquid fuel storage and dispensing facilities, troop housing and messing facilities, utilities, land acquisiton, and storage facilities, a total of $877,000, of which amount $19,000 is included in the authorizations in Public Laws 564, 910, and 155, and $858,000 is herewith authorized.

Patrick Air Force Base, Cocoa, Fla.: Communications, navigational aids and airfield lighting facilities, operational facilities, troop housing and messing facilities, utilities, land acquisition, research, development and test facilities, and administrative and community facilities, $6,463,000, which amount is included in the authorizations in Public Laws 60, 534, and 209.

Air Proving Ground Command

Eglin Air Force Base, Valparaiso, Fla.: Airfield pavements, communications, navigational aids and airfield lighting facilities, operational facilities, utilities, land acquisition, and research, development and test facilities, $6,149,000, which amount is included in the authorizations in Public Laws 564, 155, 534, and 209.

Air University

Maxwell Air Force Base, Montgomery, Ala.: Communications and navigational aids, operational facilities, training facilities, troop housing and messing facilities, utilities, and land acquisition, $1,392,000.

Headquarters Command

Bolling Air Force Base, Washington, D. C.: Communications and navigational aids, troop housing and messing facilities, utilities, and land acquisition, a total of $236,000, of which amount $123,000 is included in the authorization in Public Law 534, and $113,000 is herewith authorized.

Communications and navigational aids

Various locations: Communications and navigational aids, and land acquisition, $1,040,000.

OUTSIDE CONTINENTAL UNITED STATES

Alaskan Air Command

Adak (Davis Naval Station): Communications and navigational aids, $24,000.

Eielson Air Force Base: Communications and navigational aids, and land acquisition, $66,000, which amount is included in the authorizations in Public Laws 420, 564, 910, 155, and 534.

Elmendorf Air Force Base: Communications, navigational aids and airfield lighting facilities, utilities, land acquisition, and storage facilities, $449,000, which amount is included in the authorizations in Public Laws 420, 564, 910, 155, and 534.

Galena Airfield: Airfield pavements, liquid fuel storage and dispensing facilities, communications and navigational aids, operational facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, and storage facilities, a total of $6,362,000, of which amount $50,000 is included in the authorization in Public Law 534, and $6,312,000 is herewith authorized.

Ladd Air Force Base: Airfield pavements, communications, navigational aids and airfield lighting facilities, aircraft maintenance facilities, training facilities, utilities, and storage facilities, $2,223,000, which amount is included in the authorizations in Public Laws 420, 564, 910, 155, and 534.

Naknek Air Force Base: Liquid fuel storage and dispensing facilities, communications and navigational aids, aircraft maintenance facilities, troop housing and messing facilities, utilities, and storage facilities, a total of $2,862,000, of which amount $1,775,000 is included in the authorizations in Public Laws 910, 155, and 534, and $1,087,000 is herewith authorized.

Various locations: Communications and navigational aids, and land acquisition, $890,000, which amount is included in the authorizations in Public Laws 155 and 534.

Far East Air Forces

Clark Air Force Base, Philippine Islands: Communications and navigational aids, $132,000, which amount is included in the authorization in Public Law 534.

Various locations, Guam: Airfield pavements, liquid fuel storage and dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, family housing, utilities, land acquisition, storage facilities, and administrative and community facilities, $13,774,000, which amount is included in the authorizations in Public Laws 910, 155, and 534.

Various locations, Okinawa: Communications and navigational aids, operational facilities, family housing, utilities, and administrative and community facilities, $14,308,000, which amount is included in the authorizations in Public Laws 420, 910, 155, and 534.

Military Air Transport Service

Hickman Air Force Base, Honolulu, T. H.: Airfield pavements, communications and navigational aids, troop housing and messing facilities, and utilities, a total of $4,450,000, of which amount $2,044,000 is included in the authorizations in Public Laws 910 and 155, and $2,406,000 is herewith authorized.

Johnston Island Air Force Base, Johnston Island: Communications and navigational aids, $27,000, which amount is included in the authorizations in Public Laws 564, 910, and 155.

Strategic Air Command

Ramey Air Force Base, P. R.: Liquid fuel storage and dispensing facilities, communications and navigational aids, operational facilities, aircraft maintenance facilities, utilities, land acquisition, personnel facilities, and administrative and community facilities, $2,386,000, which amount is included in the authorizations in Public Laws 910, 155, and 534.

SEC. 302. The Secretary of the Air Force is authorized, without regard to the provisions of section 407 of Public Law 534, to establish or develop classified military installations and facilities for aircraft control and warning system by the acquisition of land and the construction, conversion, rehabilitation or installation of permanent or temporary public works, which include site preparation, appurtenances, utilities and equipment, in the amount of $110,325,000, which amount is included in the authorization in Public Law 534.

SEC. 303. The Secretary of the Air Force may convey by quitclaim deed to the Commonwealth of Puerto Rico without cost to said Commonwealth all right, title, and interest of the United States in and to approximately 18⅗₁₀ acres of land located in the Ward of Monacillo, Municipality of Rio Piedras at San Juan, P. R., known as Tract No. 2 of the San Patricio gasoline storage project.

TITLE IV

SEC. 401. The Secretary of the Army is authorized to establish or develop installations and facilities of the Alaska Communications System by the construction, conversion, rehabilitation, or installation of permanent or temporary public works in respect of the following projects, which include site preparation, appurtenances, and related utilities and equipment:

Adak Station, Alaska: Operational facilities (including troop housing), $70,000.

Bethel Station, Alaska: Troop housing, family housing, utilities, and operational facilities, $185,000.

Cordova Station, Alaska: Operational facilities and utilities, $25,600.

Kotzebue Station, Alaska: Troop housing, family housing, operational facilities, and utilities, $182,000.

TITLE V

SEC. 501. (a) The Secretaries of the Army, Navy, and Air Force are respectively authorized to proceed with the establishment or development of military and naval installations and facilities as authorized by titles I, II, III, and IV of this act without regard to the provisions of sections 1136, 3648, and 3734, as respectively amended, of the Revised Statutes, and prior to approval of title to underlying land, as provided by section 355, as amended, of the Revised Statutes. The authority to establish or develop military installations and facilities shall include, in respect of those installations and facilities as to which the acquisition of land is specified in titles I, II, and III of this act, authority to acquire lands and rights and interests thereto or therein, including the temporary use thereof, by donation, purchase, exchange of Government-owned lands, or otherwise.

SEC. 501. (b) No real estate not in Federal ownership shall be acquired by a military department except as such acquisition is or shall be expressly authorized by law: *Provided, however*, That the Secretaries of the military departments may, prior to such authorization, procure options on real estate which in their judgment is suitable and likely to be required in connection with prospective public works projects of the military departments and to pay, out of any funds available to such departments for real estate activities, amounts not in excess of 3 percent of the appraised fair market value of the real estate involved as consideration for such options.

SEC. 502. There are hereby authorized to be appropriated such sums of money as may be necessary to accomplish the purposes of this act, but not to exceed—

(1) for public works authorized by title I: Inside continental United States, $162,909,000; outside continental United States, $19,264,000; classified installations and facilities, $87,700,000; or a total of $269,873,000.

(2) for public works authorized by title II: Inside continental United States, $109,165,000; outside continental United States, $30,796,000; classified installations and facilities, $63,358,000; or a total of $203,319,000;

(3) for public works authorized by title III: Inside continental United States, $393,607,000; outside continental United States, $9,829,000; or a total of $403,436,000; and

(4) for public works authorized by title IV: a total of $462,600.

SEC. 503. Any of the approximate costs enumerated in titles I, II, III, and IV as to which appropriations are authorized by this act may, in the discretion of the Secretary concerned, be varied upward by 10 percent, but the total cost of all projects so enumerated under each of such titles shall not exceed the total of all amounts specified in respect of projects in such title.

SEC. 504. Except as otherwise specifically authorized in this act, no family quarters shall be constructed under the authority of this act with a net floor area in excess of 1,250 square feet, and the average net floor area of all such family quarters shall not exceed 1,080 square feet.

SEC. 505. Appropriations made to carry out the purposes of this act shall be available with respect to public works projects authorized by law for expenses incident to construction, including administration, overhead, planning, and supervision.

SEC. 506. Whenever—

(a) the President determines that compliance with the requirements of Public Law 245, 82d Congress, in the case of contracts made pursuant to this act with respect to the establishment or development of military installations and facilities in foreign

countries would interfere with the carrying out of the provisions of this Act; and

(b) the Secretary of Defense and the Comptroller General have agreed upon alternative methods for conducting an adequate audit of such contracts,

the President is authorized to exempt such contracts from the requirements of Public Law 245, 82d Congress.

SEC. 507. Section 405 of the Act of June 17, 1950 (64 Stat. 236, 244) is repealed.

Mr. SHORT (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with, and that the bill be open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. LONG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LONG:

On page 5, strike out lines 9 and 10.

On page 67, line 19, strike out "$162,909,000" and insert in lieu thereof "$155,496,000."

On page 67, line 22, strike out "$269,873,000" and insert in lieu thereof "$262,460,000."

Mr. LONG. Mr. Chairman, I wish to discuss today a matter in which I am deeply interested—the closing of Camp Polk, La.

When the proposition of closing Camp Polk was announced a number of the members of the Louisiana delegation, including both Senators, met in Senator ELLENDER's office with the following representatives of the Army: Frank H. Higgens, Deputy Assistant for Materiel to the Secretary of the Army; T. A. Young, Special Assistant to the Secretary of the Army; Brig. Gen. W. A. Carter, Chief of Staff, Logistics; and Lt. Col. Floyd E. Minor, of General Carter's staff.

We felt that Camp Polk was being closed at an inopportune time. We felt, further, that in view of the fact that this camp was well established and could be used for many years without much repair, that it was a mistake to move the soldiers to other camps where additional barracks would have to be built to accommodate them. But we were told by those representing the Army that it would not be necessary to spend one dollar for installations, thus it would save the Army a great deal of money to consolidate the camps.

But here they are requesting an appropriation of $7,413,000 to be used for troop housing and utilities at Fort Riley, Kans., to house these same troops. The Army has become so accustomed to throwing away the people's money that they probably consider this sum pocket change.

Senator ELLENDER asked the specific question, "Will you be before the Appropriations Committee asking for more money to build barracks at Fort Riley, Kans.?" The answer was "No."

Relying on that fact, we dismissed any idea of retaining Camp Polk at its location in Louisiana, although, in my humble opinion, this is one of the best situated camps in the United States of America.

It comprises more than 105,000 acres, including the artillery range, owned by the Government. It leases an additional 1,375 acres and owns outside the camp area more than 33,000 acres known as the Peason Ridge artillery range.

Now, Mr. Chairman, in view of this fact I submit to you that it was not good judgment to move the boys from this camp to another where millions of dollars would have to be expended in order to house them. They could have remained at Camp Polk without the expenditure of one dime for those facilities. Then when this camp became run down and worn out there might be reason to move to new camps.

And I submit to you further that it is possible to have camps that are too large in this country. Were we attacked with atomic bombs, a large camp might be exactly what we do not want—for, with one bomb, it might be put out of commission. Whereas, if we have many camps, such as those closed recently, we would have power to strike back.

So much for that.

Now, Mr. Chairman, too much money has been wasted by the Army with Congress having no chance to say what it thought about it. They come to the Congress and ask for large appropriations to build great installations all over the country, but when they decide to abandon them, they merely pick up and leave. They do not ask us if we think they should do it, nor do they let us have a chance to examine the feasibility of such a move. As an example, they built at Camp Claiborne, La., one of the largest camps in the country. They built at Camp Livingston near Alexandria another camp. They laid water mains more than 14 inches in diameter, in many instances, for miles upon miles. They had the finest concrete sewer system that money can buy. They built miles of the finest concrete and blacktop roads in all the world. They built powerplants; they built a water system at Camp Livingston costing in the millions of dollars. But just as soon as the war was over, this was declared surplus. The houses were torn down and moved. There might be some justification in moving the houses, as they deteriorate, but there was no justification for tearing up the splendid sewer system and those splendid roads, in giving away the water system, one of the best that money could build. Do you call this economy?

I will say to you that we are not practicing economy. If we were practicing economy, we would leave some of these camps where they are, where they have now all the facilities necessary. Hundreds of men have been forced into the lines of the unemployed in Alexandria, La., near Camp Polk, and there is no work for them. The Republican administration told us they wanted to provide work where it would help the most people. How can you help people by destroying the means by which they live—such as has been done in this case? Men who have spent their life's savings in building houses to rent to the soldiers, people who come there to work, will suffer loss. This means the wrecking of the entire economy of that part of the State of Louisiana.

Now they have abandoned Camp Polk. The same thing will take place. In a few months, the whole thing will be declared surplus. In fact, I am told certain properties have already been declared surplus and are now in the process of being sold.

When, oh, when will the American people wake up and say to the Army and to the Congress of the United States that they are tired of this wasteful extravagance by the Army and the squandering of the taxpayers' money? This money is taken from the paychecks of hard-working people, including income taxes taken from people who earn less than $700 a year.

I say it is time that the Congress begins to think in terms of the suffering caused the American people by the wastefulness of the Army of the United States of America. This high brass has no feeling for the suffering they are causing the American people. Many a child probably goes hungry at night as a result of the taxes his daddy had to pay because the Army wasted money in destroying camps.

After destroying these camps, they are now back, in this short time, asking for money to build more camps, which will be torn up and sold—at a time when the American taxpayer is talking about balancing the budget and reducing taxation. How can we balance the budget and how can we reduce the taxes and how can the people, with panic staring them in the face, stand this kind of wasteful extravagance?

I say let us send these soldiers back to camps like Camp Polk, standing there now for the bats to build in and waiting to be destroyed. It would not cost a dime. Soldiers can be shipped as cheaply from Camp Polk as they can from Fort Riley, should it become necessary to move them. They should be housed in different parts of the United States; and, in the event an atomic bomb is dropped, some will be left to retaliate before it is too late.

I say in all seriousness that we should not concentrate troops in large camps and keep large amounts of materials and vehicles there. If we do, we will live to see the day that we will regret such foolishness on our part and that of the Army.

I am aware of the fact that these generals know how to fight, but I say these men never learned business judgment. They went to West Point to learn how to conduct an Army, to learn how to fight, to protect the soldiers in their charge; but, my friends, they did not learn business. May I say they are not practicing good business; and it is up to the Congress of the United States, made up of some of the best businessmen in all the world, to say to these people—you must let us be the judge as to where the money can best be spent. I say it is time to draw a tight line on the Army and stop its wastefulness of the American taxpayers' money.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. LONG. Yes, I yield.

Mr. ALBERT. Are they moving out of Camp Polk to another camp that has not been built yet?

Mr. LONG. They are having to build new barracks to take care of them.

Mr. ALBERT. I have been stationed at Camp Polk and I have been there since, when the Oklahoma National Guard was taken there. They have excellent facilities.

Mr. LONG. I thank the gentleman. That is exactly what I am getting at. They have more than 105,000 acres of land belonging to the Government upon which this camp is built, and they have 33,000 more acres under lease from the Government. It is foodhardy to close one camp and spend millions of dollars just to build another camp, and then come here and plead poverty when you want to do something to take care of flood control or build a few schoolhouses to take care of the people over this country. I think it is time the Congress should say something to the Army about where they spend this money.

Mr. KILDAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if it were true that we are taking troops from one camp to establish another, I would agree with the gentleman from Louisiana [Mr. LONG]. However, that is not the situation. The situation is this: Camp Polk, La., has been ordered deactivated by the Army. Fort Riley, Kans., is one of the very, very old permanent posts of the Army. It is an old cavalry post. I think it goes back to about the Civil War. It is one of the oldest posts in the United States. In closing Camp Polk the Army is not moving all the troops from Camp Polk to Fort Riley. This amendment strikes from the bill the total authorization for Fort Riley, Kans. The gentleman from Louisiana, [Mr. LONG], appeared before the committee and gave his statement with reference to Camp Polk, and the question of not only Fort Riley, but I believe Fort Benning, or somewhere else, where additional construction was being had. We also heard from the Army on that. The construction at Fort Riley is not alone incident to the closing of Camp Polk. It is incidentally involved only. As a matter of fact, the troops who have been housed at Camp Polk are being divided throughout the Army. It is a question of eliminating one station. They are being moved to Fort Riley; also Fort Sill, Okla.; Camp Campbell, Ky.; to Fort Sam Houston; Camp Leonard Wood, Mo.; and Fort Hood, Tex., and Fort Sheridan, and one unit is being deactivated entirely. While I am in sympathy with the gentleman from Louisiana as to the closing of Camp Polk and the failure of the Army to utilize it, the passage of his amendment is not going to prevent the closing of Camp Polk. It is going to be closed anyway if the present policy announced by the Department of the Army is accomplished. All you will accomplish is to cut out at Camp Fort Riley the improvements anticipated there. The gentleman has stated the problem which exists, but the remedy which he suggests is no remedy at all. If the money goes out for Fort Riley, Kans., then you will be distributing troops in larger numbers to the other stations and you will not be able to put them at Fort Riley.

On the other hand, in carrying out a permanent program of proper housing for the military, one-quarter of the peacetime requirement, is attempted to be covered by this bill to provide for 41,000 spaces for enlisted personnel and 1,350 bachelor officers' spaces in permanent quarters; and it is to be done over a period of years. This provides for one-quarter of them. To cut this money out for Fort Riley would be of no assistance to the gentleman from Louisiana and Camp Polk but would only handicap the work necessary to be done at Fort Riley, Kans.

Mr. THOMPSON of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. THOMPSON of Louisiana. Can the gentleman tell me whether the money for this construction at Fort Riley was requested before or after it was determined that Camp Polk would be closed?

Mr. KILDAY. I cannot say when the project started through the department. A bill of this kind generally begins about a year before it ever reaches the Congress, 9 months to a year before; and I imagine this came along just about a year before. We got it in Congress which was the early part of April.

Mr. THOMPSON of Louisiana. Is it the gentleman's understanding that this has no connection with the housing specifically of Camp Polk soldiers?

Mr. KILDAY. That is my understanding, yes. They are not all going to Fort Riley but are being distributed to the other places I mentioned. This is a part of an overall construction program to provide places for 41,000 enlisted men and quarters for 1,350 bachelor officers.

I trust the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana [Mr. LONG].

The amendment was rejected.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I understand that the House has been told of the very horrible disaster that took place on the U. S. S. *Bennington* just a few hours ago off Quonset Point, R. I. The *Bennington* is a carrier about the size of the *Leyte*. When the explosion occurred on the *Leyte* I went down into the ship at the dock in Boston where she was being repaired and outfitted to go to sea just after the fire. That blast took place last autumn.

I believe it was the feeling of the special naval board that examined the *Leyte* explosion that it was not sabotage, but I think there are others in the Navy who feel that it was sabotage and that the horrible *Leyte* explosion was due to intentional planning on the part of someone disloyal to this country.

At noon today I talked to Admiral Momsen, commandant of the First Naval District. The horrible news discloses in the *Bennington* disaster 79 are dead and 220 seriously injured, and that these numbers will increase.

This is a frightful catastrophe. It is beyond comprehension. In my mind and heart there seems to be a compelling conclusion that this explosion of the *Bennington* is due to sabotage and I believe sabotage was the cause of the *Leyte* disaster last autumn.

In view of these horrible explosions, certainly we must know that the Communists within our country will not stop at anything. I hope no one in or out of Government will try to stop investigations of communism and subversive activities. We see evidence from day to day of tampering with military installations, airplane carriers, all our military equipment. Our military forces must be cleansed of disloyalty. There must be no Communists wearing the uniform of our Army, Navy, Air Force, or Marine Corps.

I am introducing a resolution of inquiry—a privileged resolution to be returned to the House in 7 days—asking for an investigation of this disaster today on the *Bennington*. I know that the Committee on Armed Services will investigate the matter very thoroughly, but I would like to have a resolution adopted also.

It is frightening that even in peacetime we should have these horrible unnecessary accidents. There are accidents aboard our ships, yes, but not so many and not so often and not so extensive as devastating explosions the objective of which is to destroy the carrier and its men. I am sure everyone in the House will join in this effort to ferret out the cause and have similar tragedies prevented in the future.

Again I state with emphasis I hope there will be no effort to stop or try to stop congressional investigations of Communists, and I say this, I think, advisedly. The Communists have crept into our military establishments. I cannot tell you how serious I consider this situation. It commands the attention of every Member of Congress and every loyal American. If necessary, the Congress must take positive steps to make certain all Communists and disloyal persons are removed from our military forces.

On the carrier *Bennington* there were boys from all over the United States. This tragedy is a horrible, horrible thing to my mind and I know everyone is going to do his best to see that it does not occur again.

We are very grateful for so many on the *Bennington* who were saved through the courage and heroism of their shipmates. The House joins me, I am sure, in sending deepest sympathy to all those who have suffered in this disaster.

The following newspaper clippings give more details:

[From the Washington Evening Star of May 26, 1954]

ONE HUNDRED NAVY MEN KILLED AND 125 HURT IN TWO BLASTS AND FIRE ON CARRIER—"BENNINGTON" REACHES QUONSET, R. I., WITH VICTIMS OF DISASTER

QUONSET POINT, R. I., May 26.—Two explosions and a fire killed about 100 Navy men and injured 125 others aboard the aircraft

carrier *Bennington* today as she cruised along the eastern coastline en route from Norfolk, Va., to her home base at Newport, R. I.

Several hours after the Navy had announced 79 had died and 220 had been injured the *Bennington's* skipper, Capt. William F. Raborn, Jr., told newsmen that "about 100 were killed."

The huge carrier came into this port shortly after noon today, her decks lined with tired crewmen, their faces blackened by smoke.

Ensign Robert Grant, of Brooklyn, N. Y., his own ankles bleeding, told newsmen, "All I can say is, God, I'm lucky to be alive." He was directing the evacuation of the casualties as he spoke.

Mr. Grant estimated the first of two explosions occurred about 6:15 a. m. (e. d. t.) today.

He said: "I was in the forward hangar bay when I heard general quarters alarm sounded. I listened for a moment and suddenly it dawned on me that there was no report that this was a drill."

PROBABLY SECOND WORST ON RECORD

The disaster probably was the second worst in naval peacetime history. There were 178 men missing or killed in 1952 in a mid-Atlantic collision between the destroyer *Hobson* and the carrier *Wasp*.

A shift of helicopters carried many of the *Bennington's* seriously injured ashore to the Newport Naval Hospital across the bay from here as the 32,000-ton *Essex* class carrier moved toward port.

There was no immediate explanation of the explosions, but one report said high-octane gas was involved.

Mr. Grant said the fire evidently was caused by two explosions, one before the general quarters alarm was sounded and one afterward.

He said: "Five guys went to the hatch, and I saw them pulling on it. The hatch seemed to be stuck. Suddenly a terrific explosion shook the ship and blew the hatch in. The five guys just vanished."

Mr. Grant said the hangar suddenly filled with smoke and that there must have been 30 or 40 men around, some choking and some laughing and others "just plain screaming."

"I think," he said through grim lips, "this was worse than war."

CHAIN FORMED BY MEN

Mr. Grant said someone formed a chain. He went on:

"We all gripped another's hands and the lead man made his way to an opening to the starboard side forward. I guess plenty of the boys made it out.

"I must have been unconscious when I got out. Someone must have dragged me up. When I regained my senses, all I could say was, 'Thank God, I had my clothes on.'"

Mr. Grant's hair and eyebrows were singed. He had no socks on, so his ankles were seared by flame.

"My ankles are raw and bleeding," he said, "but that is nothing at all compared to what happened to some of my buddies."

Mr. Grant said the fire crews braved their lives in going deep into the forward lower deck to fight the blaze. "They fought it almost as soon as it started and were still fighting it at the time the carrier docked at Quonset."

The carrier reached port at 12:31 p. m., more than 6 hours after the estimated time of the explosions.

FIRE BURNED 4 HOURS

Another survivor, Aviation Electrician Mate Francis Toth of Phoenixville, Pa., was a volunteer in the first fire control crew that went into action on the fourth deck.

"They wanted a crew and I was not a member, but I just couldn't stand there. I had to help," he said.

Mr. Toth estimated the fire burned about 4 hours. He was blackened and shaken by his experience. He had been aboard the *Bennington* only 3 days.

He said there was good order, but that it was an hour before the crew could get at the bodies of the victims.

"After that we just dragged out bodies," he said solemnly.

Ashore, the Navy mobilized help rapidly.

Ambulances were rushed to dockside here.

All available helicopters were pressed into service shuttling casualties from the broad flight deck of the carrier to the Newport Naval Hospital.

Relatives of men aboard the carrier began gathering at dockside minutes after word of the tragedy was heard here.

The Navy gathered them into the base theater and served coffee and sandwiches.

In stretcher after stretcher, the burned and injured were gently, but rapidly, carried by shipmates from the *Bennington* to waiting ambulances which wheeled in and out with precision.

Some of the men were in poor condition and in various stages of dress.

Captain Raborn described the accident to reporters in the *Bennington's* No. 1 ready room.

He said about 100 are now dead.

He added: "We just completed our first successful launching of the first of our air groups when suddenly an explosion shook the forward part of the ship down on the second or third deck.

"Realizing a serious catastrophe had occurred, we launched the rest of the air group to free the decks for casualty control."

WAS SOUTH OF NEWPORT

The *Bennington* was about 75 miles south of Newport when the blast occurred, the captain said.

"I am mighty proud of the way the crew of the fighting *Bennington* handled this very serious casualty catastrophe. They displayed remarkable feats of heroism and I can only say that as the truth of the story comes out you can judge for yourselves and be proud.

"The nature of the explosion at the moment is undetermined. The general location is in 1 of 3 or 4 major items of equipment.

"The best information now is (that it occurred) possibly at the 5-inch fuse magazine.

"This is completely unconfirmed and until we do get information I can only say it was a serious explosion at the third level on the port side.

"It killed about 100 of our people, 125 others are injured and about 25 or 30 of them are more than minor injuries.

"The cooperation of shore activities in furnishing helicopter service has been magnificent.

"One of our two doctors apparently was killed and the other Comdr. Clyde Norman, did a heroic job to take care of the injured."

MEN TOOK QUICK ACTION

Captain Raborn said he was on the bridge supervising the air launching at the time of the explosion. In explaining the possible cause of the explosion he said fuses activate a shell—and make it go off.

The fuses are kept separately from all other magazines, the captain said, since they are highly explosive.

After the initial shock of the explosion, Captain Raborn said the men aboard the ship took quick action.

From the bridge "we set up our communications for overall supervision.

"The first task was to rescue trapped men including those cornered by smoke. This was done with the ship's damage control organization in the van of the rescue effort."

Captain Raborn said about 20 aircraft had been launched before the explosion occurred. He did not give the number launched after it.

The interview was interrupted when Captain Raborn went down the gangway to greet Secretary of the Navy Thomas, who arrived at the ship at approximately 1:25 p. m. (EDT). An aide of the Secretary said Thomas intended to return to Washington this afternoon.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Bow, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9242) to authorize certain construction at military and naval installations and for the Alaska communications system, and for other purposes, pursuant to House Resolution 558, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. SHORT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 346, nays 0, not voting 88, as follows:

[Roll No. 76]

YEAS—346

Abbitt	Brown, Ohio	Eberharter
Abernethy	Brownson	Elliott
Adair	Buchanan	Ellsworth
Addonizio	Burdick	Engle
Albert	Burleson	Fallon
Alexander	Busbey	Feighan
Allen, Ill.	Bush	Fenton
Andersen, H. Carl	Byrd	Fernandez
	Byrne, Pa.	Fine
Andresen, August H.	Byrnes, Wis.	Fisher
	Campbell	Fogarty
Andrews	Canfield	Forand
Angell	Cannon	Ford
Arends	Carnahan	Forrester
Aspinall	Cederberg	Frazier
Auchincloss	Chenoweth	Frelinghuysen
Ayres	Chiperfield	Friedel
Bailey	Chudoff	Gamble
Baker	Church	Garmatz
Barden	Clevenger	Gary
Barrett	Cole, Mo.	Gathings
Bates	Cole, N. Y.	Gavin
Battle	Colmer	Gentry
Beamer	Cooley	George
Becker	Coon	Golden
Belcher	Cooper	Goodwin
Bender	Corbett	Gordon
Bennett, Fla.	Coudert	Graham
Bennett, Mich.	Cretella	Granahan
Bentley	Crosser	Grant
Berry	Crumpacker	Green
Betts	Cunningham	Gregory
Bishop	Curtis, Mass.	Gross
Blatnik	Curtis, Mo.	Gwinn
Boggs	Dague	Hagen, Calif.
Boland	Davis, Ga.	Hagen, Minn.
Bolling	Davis, Tenn.	Hale
Bolton, Frances P.	Davis, Wis.	Haley
	Dawson, Ill.	Halleck
Bolton, Oliver P.	Dawson, Utah	Hand
	Delaney	Harden
Bonin	Dempsey	Hardy
Bonner	Derounian	Harris
Bosch	Devereux	Harrison, Nebr.
Bow	Dies	Harrison, Va.
Bowler	Dodd	Harrison, Wyo.
Boykin	Dollinger	Hart
Bramblett	Dolliver	Harvey
Bray	Dondero	Hays, Ark.
Brooks, La.	Dorn, N. Y.	Hays, Ohio
Brooks, Tex.	Dorn, S. C.	Hébert
Brown, Ga.	Durham	Herlong

Heselton	Mack, Wash.	Rodino
Hess	Magnuson	Rogers, Colo.
Hill	Mahon	Rogers, Fla.
Hillelson	Marshall	Rogers, Mass.
Hinshaw	Mason	Rooney
Hoeven	Matthews	Sadlak
Hoffman, Ill.	Meader	Saylor
Holifield	Merrill	Schenck
Holmes	Merrow	Scherer
Holtzman	Metcalf	Scrivner
Horan	Miller, Kans.	Seely-Brown
Hosmer	Miller, Nebr.	Selden
Howell	Mills	Shafer
Hruska	Mollohan	Sheehan
Hyde	Morano	Short
Ikard	Morgan	Shufford
James	Morrison	Sieminski
Jarman	Moss	Sikes
Javits	Moulder	Simpson, Ill.
Jenkins	Mumma	Small
Jensen	Murray	Smith, Miss.
Johnson, Wis.	Natcher	Smith, Wis.
Jonas, Ill.	Neal	Spence
Jonas, N. C.	Nelson	Springer
Jones, Ala.	Nicholson	Staggers
Jones, Mo.	Norblad	Stauffer
Jones, N. C.	Norrell	Steed
Judd	Oakman	Stringfellow
Karsten, Mo.	O'Brien, Ill.	Sullivan
Kean	O'Brien, Mich.	Talle
Kearns	O'Hara, Ill.	Teague
Keating	O'Hara, Minn.	Thompson, La.
Kee	O'Konski	Thompson, Mich.
Kelly, N. Y.	O'Neill	Thompson, Tex.
Keogh	Osmers	Thornberry
Kersten, Wis.	Ostertag	Tollefson
Kilburn	Passman	Trimble
Kilday	Patman	Tuck
King, Calif.	Patten	Van Pelt
King, Pa.	Pelly	Van Zandt
Kirwan	Pfost	Velde
Kluczynski	Philbin	Vinson
Knox	Poff	Vorys
Laird	Polk	Vursell
Lane	Powell	Walter
Lanham	Price	Wampler
Lantaff	Priest	Warburton
Latham	Prouty	Watts
LeCompte	Rabaut	Westland
Lesinski	Radwan	Wheeler
Long	Rains	Whitten
Lovre	Ray	Wickersham
Lucas	Rayburn	Widnall
Lyle	Reams	Wier
McCarthy	Reece, Tenn.	Wigglesworth
McConnell	Reed, Ill.	Williams, Miss.
McCormack	Reed, N. Y.	Williams, N. J.
McCulloch	Rees, Kans.	Wilson, Calif.
McDonough	Rhodes, Ariz.	Wilson, Ind.
McGregor	Rhodes, Pa.	Wilson, Tex.
McIntire	Riehlman	Wolcott
McMillan	Rivers	Wolverton
McVey	Roberts	Yates
Machrowicz	Robeson, Va.	Young
Mack, Ill.	Robsion, Ky.	

NOT VOTING—88

Allen, Calif.	Hiestand	Richards
Ashmore	Hillings	Riley
Bentsen	Hoffman, Mich.	Rogers, Tex.
Broyhill	Holt	Roosevelt
Buckley	Hope	St. George
Budge	Hunter	Scott
Camp	Jackson	Scudder
Carlyle	Johnson, Calif.	Secrest
Carrigg	Kearney	Shelley
Celler	Kelley, Pa.	Sheppard
Chatham	Klein	Simpson, Pa.
Chelf	Krueger	Smith, Kans.
Clardy	Landrum	Smith, Va.
Condon	Lipscomb	Sutton
Cotton	Madden	Taber
Curtis, Nebr.	Mailliard	Taylor
Deane	Martin, Iowa	Thomas
D'Ewart	Miller, Calif.	Utt
Dingell	Miller, Md.	Wainwright
Donohue	Miller, N. Y.	Weichel
Donovan	Multer	Wharton
Dowdy	O'Brien, N. Y.	Williams, N. Y.
Doyle	Patterson	Willis
Edmondson	Perkins	Winstead
Evins	Phillips	Withrow
Fino	Pilcher	Yorty
Fountain	Pillion	Younger
Fulton	Poage	Zablocki
Gubser	Preston	
Heller	Regan	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Taber with Mr. Willis.
Mr. Withrow with Mr. Preston.
Mr. Martin of Iowa with Mr. Landrum.
Mr. Taylor with Mr. Camp.
Mr. Miller of New York with Mr. Klein.
Mr. Jackson with Mr. Hiller.
Mr. Weichel with Mr. Buckley.
Mr. D'Ewart with Mr. Dingell.
Mrs. St. George with Mr. Chatham.
Mr. Simpson of Pennsylvania with Mr. Fountain.
Mr. Holt with Mr. Riley.
Mr. Hillings with Mr. Multer.
Mr. Carrigg with Mr. Sheppard.
Mr. Williams of New York with Mr. Doyle.
Mr. Hiestand with Mr. Miller of California.
Mr. Wainwright with Mr. Condon.
Mr. Allen of California with Mr. Yorty.
Mr. Smith of Kansas with Mr. O'Brien of New York.
Mr. Scudder with Mr. Winstead.
Mr. Johnson with Mr. Celler.
Mr. Gubser with Mr. Roosevelt.
Mr. Miller of Maryland with Mr. Secrest.
Mr. Mailliard with Mr. Ashmore.
Mr. Patterson with Mr. Shelley.
Mr. Hunter with Mr. Regan.
Mr. Hoffman of Michigan with Mr. Deane.
Mr. Broyhill with Mr. Donohue.
Mr. Budge with Mr. Kelley of Pennsylvania.
Mr. Fino with Mr. Zablocki.
Mr. Fulton with Mr. Pilcher.
Mr. Kearney with Mr. Evins.
Mr. Krueger with Mr. Edmondson.
Mr. Scott with Mr. Madden.
Mr. Utt with Mr. Richards.
Mr. Younger with Mr. Dowdy.
Mr. Clardy with Mr. Sutton.
Mr. Wharton with Mr. Chelf.
Mr. Hope with Mr. Perkins.
Mr. Phillips with Mr. Rogers of Texas.
Mr. Pillion with Mr. Smith of Virginia.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. SHORT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed, and that such remarks be inserted during general debate on that bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ANNOUNCEMENT

Mr. SHORT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHORT. Mr. Speaker, as chairman of the Armed Services Committee, I wish to announce that I have requested the Secretary of the Navy immediately to send a representative before the Armed Services Committee to explain the terrible explosion on the *Bennington*.

WORLD PEACE AND RED CHINA

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I am convinced that a predominant majority of the American people are unalterably opposed to the recognition of Red China, the admission of Red China into the United Nations, and to trade by this country or our allies of the free world with that Communist puppet.

It is unfortunate that some of our allies take the position that they are willing to recognize this aggressor nation for the sake of insuring trade benefits and financial profits. In this way a very dangerous pattern is established.

It would without doubt lay a precedent for similar recognition and possibly admission to the United Nations and trade relations with any other Red aggressor nation that might follow the example of Red China, make Communist-inspired war on weaker neighbors, effect conquest of territory and government, and set itself up for similar consideration before the United Nations.

Far from seeking and encouraging trade relations with Red China and countries associated with her, this Nation should, as a matter of calculated policy predicated on promoting the best interests and safety of the United States, adopt a contrary viewpoint and a contrary policy. Instead of seeking rapprochement with such nations, we should make it clear to the world that we will not embrace diplomatic or trade relations with them.

There is no excuse for bluster, jingoism, or warmongering in such a policy, nor for trial balloons on the question of sending American boys to die on foreign battlefields. We should unmistakably declare our intention to pursue peace. But we should also firmly enunciate the principle that we will not put considerations of peace before things affecting our security and our very continuance as a free nation. It would be extreme folly to indulge in warlike, threatening talk as some are now doing, and moving along the road toward war before we have explored all of the possibilities of peace and before we utilize all the available alternatives for gaining peace.

We should renounce armed force, violence, and warmongering in behalf of the unjust, antiquated imperialisms of Europe and Asia. There are political and diplomatic alternatives—consideration of the severing diplomatic relationships with those nations which have maintained and are conducting sinister worldwide Communist conspiracies against freedom and particularly our own freedom, moving in the United Nations for the adoption of economic sanctions and drastic trade restrictions which would virtually isolate those nations from commercial intercourse with the free world. These are possibilities which should receive most careful, extended consideration. We should never take hasty, precipitate action in any of these matters.

If there was less talk of war, less bluster, less loud and vocal jingoistic outbursts, less of a disposition to uphold unjust imperialisms which have by ruthless exploitation aroused the bitter resentment of much of Asia, and more real

determined effort to reinforce our foreign relations with firm concrete proposals for peace there would, I am convinced, be a much greater chance for settling pending international questions. Most of our allies practice unabashed, affirmative isolationism, military, economic, and commercial, while we are, to a considerable degree, still floating in the stratosphere of international altruism.

Let the Soviets have their choice—live and act like decent human beings or face ostracism from world councils and world political, economic, and cultural relations. That would be a much more effective way to handle the problems of world communism and it would bring, I am sure, definite results and definite improvement. Such a policy would entail risks but that is true of any policy we follow. This great Nation should not flinch from a strong American policy because there are risks involved. It will involve sincere cooperation by the free world. The important thing is to realize that we cannot afford further to wait or delay. We have waited too long, vacillated too long already, and the sands in the atomic-hydrogen hourglass are running out rapidly.

We will settle these questions on some peaceful basis which we have a reasonable chance to do at present, or we will procrastinate in their settlement until the Soviet timetable actually permits major aggression and then find ourselves faced as to much of our country and as to many of our people with horrible visitations of elemental violence. Admittedly the solutions are very difficult. But they will never be found in diplomatic fencing, procrastination, and delay. They must be found, if at all, in decisive policy backed by formidable armed strength, and based upon moral principles of justice and righteousness supported by a united, organized, and determined free world.

I would again reiterate my oft-repeated plea that this Government move, in and out of the U. N., in every place and at every time possible to outlaw the awful new devices of atomic or hydrogen substances and others which could if used generally by the great powers possibly irreparably cripple modern civilization or at least set it back for a century.

And in addition, let us earnestly propose and strive for universal disarmament by all nations under a general agreement.

The following facts may be denied by rabid Red propagandists and their stooges, but they cannot be successfully refused or contradicted:

First. That the Chinese Reds maintain a government which is a puppet of the Soviet.

Second. That the Chinese Reds have conducted bloody aggression in Korea, in Tibet, and are now inspiring and helping to conduct a similar aggression against their own neighbors in Indochina.

Third. That, in addition to aggression, the Chinese Reds have conspired to promote guerrilla warfare and overthrow of existing governments in Malaya and southern Asia and conquest of that entire territory for communism.

Fourth. That the Chinese Reds have violated the canons of treaties and conventions accepted by civilized nations outlawing barbarous cruelties against and torture of prisoners of war and helpless civilians under their control.

Fifth. That in violation of agreements the Chinese Reds have refused to return sizable numbers of American and allied prisoners of war and American civilians held behind their Iron Curtain.

Sixth. That the Chinese Reds, according to high officials of the United Nations, have executed millions of its captive subjects and forced other millions into slave labor.

It is evident from the information and facts we have at hand and which have been verified time and time again by competent observers and reliable sources that the government of Red China is a brutal tyranny violative of the ordinary canons of human decency. It would be a complete travesty on justice as well as a bitter sacrilege against the thousands of American boys who spilled their blood and gave up their lives in Korea even seriously to consider the admission of such a ruthless, outlaw nation as Red China into the United Nations which is supposed to represent the strivings of mankind for peace and justice. Such action would establish the principle that willful aggressors could shoot their way into the United Nations.

If this Nation does not exhibit strength of purpose, determination, and resolution in this great crisis in human affairs we will surely not be worthy of our own traditions, not to speak of the moral leadership of the world, which some believe we now enjoy. Faint hearts, procrastinators, and pussyfooters afraid to record this Nation on the side of human justice, but insisting that we hide our heads in the sand, like the ostrich, while deadly enemies surround us, can do no more than lead us to perdition.

Above all other considerations next to putting our faith in Almighty God, we must stand for justice in foreign affairs and international relationships. Nothing could be more incomprehensible or unjust than that we should stand by and seek to uphold the rotten and corrupt imperialisms and exploitations of certain European nations which have produced such widespread spirit of resentment and rebellion in so many parts of the world. Indochina is a good case at point. Our position in that nation has been made entirely untenable, because even the poor, deluded people—yes, the exploited people—of that land hate imperialism and colonialism so much that most of them would prefer communism rather than to continue under their European masters.

Our foreign policy cannot move too speedily to declare that we disapprove of the continued subjugations of these and other peoples and that we are pledged to and will work for their liberation and independence in and out of the United Nations. Surely nothing could possibly give the millions of subject people throughout the world more hope and inspiration or more genuine reason for lining up on our side in this battle of the century between freedom and slavery.

THE TOWNSEND PLAN PAY-AS-YOU-GO FEDERAL SOCIAL SECURITY FOR ALL

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Speaker, the Townsend organization which down through the years has supported a pay-as-you-go, Federal social-security-for-all program for the aged of America, as well as dependent widows and certain disabled and handicapped persons, has prepared an interesting series of memorandums dealings with this question which is of interest to all of us who are interested in old-age security and which answers certain inquiries having particular significance to this important legislative problem.

The series is numbered 1 to 10. Pursuant to leave granted, I include the series as part of these remarks:

A SERIES OF MEMOS DEALING WITH QUESTIONS ON THE TOWNSEND PLAN PAY-AS-YOU-GO FEDERAL SOCIAL SECURITY FOR ALL

MEMO NO. 1: WHY ARE TOWNSEND PLAN BENEFITS VARIABLE IN AMOUNT?

1. One of the primary objectives of benefits under the Townsend plan is to create security-from-poverty as a reward in life for the American citizen. Therefore, because today a great many citizens find themselves in old age without any private income or resources at all—the benefit-level of a fully adequate social security system should be high enough to keep them above the subsistence level. It should be enough to provide a reasonable amount of freedom and enough to enable pensioners to take part in the social and economic environment of the times. Security cannot be achieved by any program which fails to keep the beneficiaries above the subsistence or poverty area. Benefits must be variable in order to do this.

Theoretically, in terms of prevailing standards at any given time, this objective requires about the level of average, per capita income. Any adult with less than this per capita average of income is not receiving the benefit of the standards generally prevailing. If such a level is not provided (as under the present Social Security Act), then those finding themselves with no income and without adequate resources upon reaching old age, still live in poverty and dependency.

2. Another primary objective of the Townsend plan is that security belong to each citizen as an individual apart from any other consideration—that it be his or hers exclusively and without reference to any other person and regardless of what may or may not be the citizen's individual fortunes in life. Until this condition is provided for, a system of social security remains at best a dubious affair, vulnerable to the whim of the legislator and the fickle wheel of chance. There simply is no abridgement of the unforeseeable contingency, in respect to social security, except that its benefits be a right of citizenship.

3. There is also the group-standard issue, which necessitates variability.

The financial benefits of a fully successful social security system must be sufficient to bring the elderly as a total group up to the overall prevailing income standard of all adults.

When these three factors are considered together, the benefit requirements of a social

security system that will enable a society to be possessed of real security becomes evident.

The Townsend plan bill is contructed to meet those three requirements. If its benefits were greater or less they would miss the mark.

MEMO NO. 2: WHY IS THE GROSS-INCOME TAX PARTICULARLY APPLICABLE TO THE SOCIAL-SECURITY PROBLEM?

Having once defined and adopted a benefit standard, there exists not only the problem of meeting that standard at a given time, but also the problem of providing a financial operation whereby such benefits will be available at all times and under all conditions.

Unless a social-security system is flexible enough to fit its benefits to changing economic conditions, it will not provide satisfactory benefits.

Research has conclusively shown that there is a very close and constant relationship between the volume of business done in the United States at any given time and the net standards of living and income created. Therefore, if a given tax rate on the business volume provides the desired amount of finance under one set of conditions, it will do so under other and different conditions. Changes in prices, economic levels between high prosperity and depression will automatically reflect themselves in the tax yield and reflect the actual standards of the particular time.

There is a further adaptability of this tax for social-security financing. Business, generally, accounts its activities by the month so far as its gross receipts or volume is concerned. Other taxes, net in the opposite extreme, are often not determinable until such a time has elapsed that actual conditions bear little relationship at the end of the period to those at the beginning. A social-security system which is not genuinely geared, so to speak, to the actual ebb and flow of business conditions will be out of balance more often than it is in balance. In the rapid changes of a free-enterprise economy, this consideration renders anything but a closely geared social-security tax on gross income virtually hopeless so far as providing really appropriate benefits is concerned.

Therefore, the gross-income tax has been adopted for the Townsend plan. It makes possible the monthly gearing of the plan's financing to actual conditions and standards, continuously and over long periods of time, with very close reliability. Even slight quantitative changes in economic conditions or values would be reflected in the revenue yield and hence in the benefits provided.

With the economy of the United States expanding more rapidly than at any time in history, any program not properly geared into the expanding economy will soon become outmoded and backward. Too many million Americans have bitterly experienced the disastrous effects of such shortsighted plans as they have come to a period of retirement only to find the value of their dollars and resources bearing no resemblance to the pattern of their needs.

Basing social-security finance on the gross-income tax will permanently obviate this problem.

MEMO NO. 3: WHY IS THE NUMBER OF BENEFICIARIES UNDER THE TOWNSEND PLAN SO LARGE?

The Townsend plan is designed to stabilize the economy of the United States as well as provide individual security for the American people as individuals. No other proposal has approached the problem on this complete scale. The reason other proposals and systems—such as the Social Security Act—present no such large number of beneficiaries is due to the fact that they are not intended to provide a real answer to the overall question of economic security.

If by any other means than through the Townsend plan this social-security problem finds solution, it will be by providing benefits of the same order for just as many people as the Townsend plan proposes to do. If fewer people are provided for, the problem will remain unsolved.

For example, the Townsend plan proposes that the right to retire be granted to citizens at age of 60 years instead of 65, because industry has established policies denying employment in many instances to those who are past 40. It recognizes Government statistics about the population 60 and over that show them enduring a financial inferiority so drastic that it obviously is encountered severely by a very great number of people long before they reach 60. Failure to recognize this fact and to provide for it will doom any social-security plan to inadequacy before it starts.

The Townsend plan provides equal benefits to all United States citizens upon their becoming disabled permanently. It is obvious that the financial problems of citizens becoming disabled soon become every bit as severe as those encountered by citizens reaching old age. Any social-security program failing to provide for disabled citizens measures its own failure before it starts: and the destruction of purchasing power by disablement of citizens continues.

The same holds true with the Townsend plan's coverage of widows having dependent children under 18. When a family loses its father, the financial problem often becomes a very severe one. The value of such families as a necessary part of the consuming market deteriorates swiftly. A social-security system failing to provide properly and fully for this contingency will also measure itself a failure before it starts.

If conditions were such that the purchasing power, the living standard, the income-rate of the elderly, were not subject to deterioration, then, of course, there would never have been the need for a social-security system. It would mean that none of them would ever have needed to live in poverty (in terms of the standards of the times); that as a general group their incomes and living standards would always have approximately equaled those of the adult population in general. It would have mattered little how that state of affairs might have come about. The important thing is to realize that the difference between those conditions and the conditions that exist must govern the design of any social-security program that is to be a complete success.

MEMO NO. 4: WHY IS THE TOWNSEND PLAN STRICTLY A PAY-AS-YOU-GO SYSTEM?

It has been pointed out before in this series of questions that flexibility is essential in a social security system in order to maintain equality of benefits in relation to general studies at all times. It is equally necessary that the financial support of the system maintain a correspondingly close relationship to the economy and the standards enjoyed by the adult population in general at all times. Unless this condition is provided for, the financial support of the system may be unjustly large at one time and, at another time, fail to defray the cost of just benefits. The two must be closely geared together. These two requirements amount to a pay-as-you-go relationship between paid benefits and revenues, without deficits and without surpluses.

The Townsend plan, by so calculating its revenue system as to provide the amount of money—under changing conditions, to finance social security benefits on a par with prevailing standards of living—and by providing for the complete expenditure of these revenues, after defraying administrative costs—meticulously meets these requirements.

The basic economic truth is this: No matter how it might be provided for (even as a result of private fortune, sagacity, or sheer accident), the retired part of the population would be nonproductive in the current economy—whether under the Townsend plan or any supposed solution of the problem. They exist mainly by receiving the goods and services supplied by the currently productive part of the population. Once this basic economic reality is fully comprehended, it will be clear beyond debate that the principle of pay-as-you-go is essential to any economically just and practical system of social security.

In 1950 the late Senator Robert A. Taft, in his news column, Washington Report (released on November 23, 1950) said, "The truth is that the only way pensions can be paid to millions who have retired and are not working is out of the current earnings of those who are working. * * * I suggest that we should study the idea of a basic uniform Federal plan frankly based on taxation through current Federal tax."

The Townsend organization has pioneered and insisted on this point. It is gratifying to see, in the testimony presented by numerous organizations and individuals to Congress in 1954, the rapidly spreading realization of the validity of this principle and of the economic reality on which it is based.

Examination of the Townsend plan will reveal it to be designed to activate this essential pay-as-you-go principle for social security in the strictest sense.

MEMO NO. 5: WHY SHOULD THE TOWNSEND PROGRAM BE IMMEDIATELY ADOPTED INSTEAD OF LIBERALIZING THE PRESENT SOCIAL-SECURITY SYSTEM?

1. The salient point is that today it has become clear that the social-security problem must be solved. Why should the American people and the American economy continue to be deprived of the inestimably fine benefits and profits a liberal, universal program of social security would provide? Why should we longer tolerate the destruction of the purchasing power of most Americans (with its increasingly telling economic effects) as they reach elderly years or encounter some serious form of disability?

2. Why should an ever-increasing legion, numbering now 17 million to 18 million, continue to suffer a basic economic inferiority while we temporize with a theory of liberalization? In the face of what we can so clearly see, there is no justification for allowing this serious and tremendous problem to continue its burdensome impact on our economic life and on the freedom of our people.

The present system has not solved the basic problem because it was never intended to do so. Apart from being an act of Congress which decrees that poverty shall be the final reward in life for most Americans, creating a poverty level of benefits for those who could qualify for it, its gradual process of liberalization has not bettered the basic income position of the aged. It has simply prevented their originally tragic income position from becoming much worse.

MEMO NO. 6: WOULD THE TOWNSEND PLAN OPERATE AS WELL ON A YEARLY AS ON A MONTHLY BASIS OF TURNOVER?

In view of the foregoing discussion of the pay-as-you-go principle, it should be clear why the Townsend plan is designed to operate on a monthly basis. It is deliberately designed to put social security on a pay-as-we-go-basis with the tax revenue being collected monthly and benefits being calculated and paid as soon as administratively possible.

However, there are other reasons besides the embodiment of the pay-as-you-go principle. Such a close monthly turnover basis would insure that the relationship between benefits and actual economic conditions in general would be as contemporary as possible.

On a yearly basis there would be on the average a 12 months lag or difference between the general economic conditions under which the revenue would be raised and

those under which the benefits would be issued. We have numerous examples in our memory of economic affairs showing how great are the economic changes which can take place in a few months, to say nothing of a year or more.

Under the Townsend plan, only the time needed for administration would be required to convert revenues into benefits.

MEMO NO. 7: WOULD THE GROSS INCOME TAX PYRAMID PRICES?

This often asked question results from a misunderstanding of the gross income-tax base. It is important to realize, at the outset that the so-called pyramid already exists. It is on this existing pyramid of business turnover (made up by the gross receipts of persons and companies as compensation for the goods and services they produce or distribute) that the tax would be levied. The proposed tax rate would be 2 percent. It can't be said that the gross income tax would create the pyramid.

A pertinent fact is that a gross income tax would have no greater effect of increasing or pyramiding prices than any retail sales tax, a corporation tax, an excise tax, or a net income tax. The bearing on prices by the amount raised would be exactly the same.

Use of the gross income tax, which is based on the already existing price pyramid, offers these important advantages: First, since the tax base is so broad, ample income can be derived from a very small tax rate. Second, it fulfills perfectly the requirements of flexibility under changing conditions that are necessary for a successful social-security program.

If such purely theoretical objections to the gross income system of taxation had any real basis in fact, it would have been impossible for it to have continued in use in the State of Indiana and in the Territory of Hawaii for the last 20 years.

MEMO NO. 8: WHAT IS THE ANSWER TO THOSE WHO CLAIM A GROSS INCOME TAX WOULD BE A DISADVANTAGE TO SOME COMPETITORS OPERATING ON CLOSE MARGINS—THAT IT WOULD PUT MANY SUCH ENTERPRISES OUT OF BUSINESS?

There was a time when it was necessary to argue this question in terms of theory and reason. This is no longer the case. The gross income tax has been in operation for some 20 years in Hawaii and in Indiana. Of course, there are those who argue that those taxes are not the same as the Townsend bill's tax. Let us take a look at the facts.

The tax-base proposed in the Townsend bill is the gross receipts of all persons and companies received as compensation for personal services and/or derived from the sale of tangible or intangible property. The definition of gross income in section 101 of the Townsend bill speaks for itself.

Now, let us look at the Indiana law: "The Indiana Gross Income Tax Act of 1933, as amended to 1953 (included), chapter 50; Gross Income Tax Act of 1933, definition of terms, amendment: "Section 1. (m) The term 'gross income,' except as hereinafter otherwise expressly provided, means the gross receipts of the taxpayer received as compensation for personal services, including but not in limitation thereof, wages, bonuses, pensions, salaries, fees, commissions, gratuities * * * and the gross receipts of the taxpayer received from trades, businesses, or commerce, including admission fees or charges, and the gross receipts received from the sale, transfer, or exchange of property, tangible or intangible, real or personal, including the sale of capital assets, or from the assignment or sale of rights." Enough.

This tax base has operated in Indiana for 20 years now. They have levied taxes at rates ranging from one-fourth percent to 1 percent. When the problem of a soldiers' bonus arose after World War II, they added one-fourth percent to defray its cost.

Not only has the tax system stood up under the test of time in Indiana, but recently Indiana has advertised in leading business periodicals (full-page advertisements, of course) describing the inducements for business to consider locating in Indiana. In these advertisements, giving the particularly enumerated advantages of Indiana, the No. 1 item is the gross income tax.

A point need only be proven once—and Indiana has, year after year, proven the desirability and the workability of the gross income tax. The gross income tax is not only workable, it is efficient and practical in the highest sense. If it were not, this form of tax would long ago have been abandoned in Indiana, to say nothing of Hawaii.

MEMO NO. 9: HOW CAN THE HIGH COST OF TOWNSEND PLAN BENEFITS FOR SO MANY BENEFICIARIES BE BORNE BY THE ECONOMY?

This question of "How much can the economy bear?" is a very proper one—with regard to any proposal. However, it is very shortsighted to consider the money-cost of any proposal unless, at the same time, one is equally concerned with the use to which the money is to be put. Altogether too much meritorious effort is obstructed by the chronic objectors to anything and everything that must be paid for.

Let us look at this social security problem in this light, namely, in terms of both the money-cost and the use to which the money is to be put: The first point to be made is that no matter how this problem is solved, publicly or privately, the money-cost would be the same; the beneficiaries generally would be retired from productive occupation. The economic import would be that they would be supported mainly by goods and services produced by their contemporary workers. The only thing they would have to offer in return would be their money. It is not a question of whether the Townsend plan could be borne—it is a question of whether the economy would suffer or benefit from the solution of this problem.

Good sense dictates that before we consider the particular merits of any proposal, we should decide the answer to that last question. Otherwise the consideration of the particular proposal has no more foundation than a mental exercise.

Bearing the foregoing in mind, we ask: Are people who have succeeded in winning prosperous retirement positions considered as burdens to the economy? After all, they are nonproductive contemporary to their retirement; and their main offering in exchange for support by the productive people is their money. The answer to that question is obvious.

The question now logically becomes: Why would it be economically burdensome if America's aged generally were given Federal retirement? The answer is obvious: It would not be economically burdensome. On the contrary these millions of people and their money would be just as welcome in every business establishment in the Nation as are those who are not retired.

The fact is that we do not have a social-security program which solves this problem. The economic results fall into this pattern: As Americans reach retirement age or encounter major disabilities, their purchasing power rapidly deteriorates, thereby undermining the total purchasing power of the overall economy. Coupled with the fact that the elderly part of our population is a growing percentage of the total population, their declining buying power represents a progressive failure to match our ever-growing productive power with a consumption capable of maintaining full employment of our national manpower, machine-power and capital resources.

The economy would benefit, not suffer by the operation of the Townsend plan.

MEMO NO. 10: WHY WILL ALL CITIZENS BENEFIT FROM THE TOWNSEND PLAN WHETHER THEY ARE DIRECT BENEFICIARIES OR NOT?

This concluding memo demonstrates the full value of solving the social-security problem.

Beyond direct benefits to individuals, the solution of the social-security problem will mean that no longer will the purchasing power of our people continue to be destroyed by the impact of old age, disabilities, or the loss by families of their fathers. This will mean the continuous existence of a far higher level of purchasing power in the overall economy, which will result in a greater and more stable market for every conceivable type of production. This will create greater and steadier employment for labor of every kind. The basic economic problem of surpluses of production, with all their costly results, would be greatly lessened. Such results would be of vast value to everybody, giving greater opportunity to all, no matter what their ages or positions might be.

The results go still further. The lack of security, against the hazards of life which are beyond the financial ability of individuals to cope with, curtails freedom and smothers initiative. Fear constantly plagues all people whenever they face an economic decision. Fear of the tragic results of economic failure obstructs almost every decision, from the education of children to the undertaking of business ventures. Can there be any doubt that the elimination of property in old age, or as the result of disability, or the loss of the breadwinning parent, would liberate inestimably greater initiative?

Beneath all such economic considerations there is the mighty force of the confidence that would exist in the hearts and minds of our people. Regardless of whether or not they became direct beneficiaries of such a complete program of social security, the certain knowledge that poverty and its attendant tragedies could not overtake them in old age, that disability could not crush them into either public or private dependency, that the father's death would not leave behind an economically stranded family—could not fail to create a confidence and a secure peace of mind that would liberate human resources to an extent beyond serious estimation.

To say that the overall results would ultimately inspire worldwide recognition of America's leadership in humanity's quest for freedom and away from communism, seems very reasonable. It is to these ends that the Townsend movement is dedicated, and it is for these ends that the terms of the Townsend bill are required.

We urge that the Congress consider this problem of social security in the light of this broader meaning.

MRS. JOSETTE L. ST. MARIE

Mr. JONAS of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6452) for the relief of Mrs. Josette L. St. Marie, together with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Line 8, after "duty" insert ": *Provided*, That no benefits under this act shall accrue prior to the date of the application filed by Mrs. Josette L. St. Marie on August 31, 1945."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

ARTHUR S. ROSICHAN

Mr. JONAS of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3522) for the relief of Arthur S. Rosichan, together with a Senate amendment thereto, disagree to the Senate amendment and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. JONAS of Illinois, MILLER of New York, and LANE.

ADJOURNMENT OVER

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Friday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

CONSIDERATION OF SOCIAL SECURITY AMENDMENTS BILL

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order, if a resolution providing for the consideration of the bill containing the so-called social-security amendments of 1954 is reported by the Rules Committee on Tuesday next to call up such resolution on that day without regard to the requirement of the rules for a two-thirds vote.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PROGRAM FOR WEEK OF MAY 31 AND ADJOURNMENT FROM MAY 28 TO JUNE 1

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to ask the majority leader what the program will be for next week.

The SPEAKER. Without objection, the gentleman may proceed.

There was no objection.

Mr. RAYBURN. I wish to inquire of the gentleman from Indiana what we may expect next week except the social-security legislation?

Mr. HALLECK. I might say to the gentleman, first of all, and remind the membership again, that under an arrangement heretofore made, on Friday the Emperor of Ethiopia will be here. I sincerely hope that as many Members as possible will be present at that time.

Mr. Speaker, I ask unanimous consent that when the House adjourns on Friday next it adjourn to meet on Tuesday, June 1.

Mr. RAYBURN. Mr. Speaker, reserving the right to object—and I do so in order to ask the gentleman what we may expect for next week—I want to get it clarified so the Members will know what the situation is.

Mr. HALLECK. I wanted to get that clarified so the Members would know what the situation would be on Monday.

Monday will be celebrated as Memorial Day and many Members will be away at that time. All I can say to the gentleman at the moment is that there are no reports or rules outstanding that I can see for action after the social-security bill next week. There are, however, a few measures in committee that might be reported out. If they are, we would expect to dispose of them, and I may say to the gentleman that as quickly as any such determination should be made we will inform the minority side, and if there is objection to the matter coming up on the ground there was not sufficient notice that certainly would prevail.

Mr. RAYBURN. I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Indiana that when the House adjourns on Friday next it adjourn to meet on Tuesday, June 1?

There was no objection.

THE CONSENT CALENDAR

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. Is the call of the Consent Calendar in order on Monday next?

The SPEAKER. Next Monday is the fifth Monday of the month, so it is not in order for that day. The Private Calendar would be in order on Tuesday. Does the gentleman want to have that set aside or postponed?

PRIVATE CALENDAR

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar in order on Tuesday next be postponed to the following Tuesday.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

DOMESTIC SUPPLY OF NICKEL

Mr. YATES. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes and to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. YATES. Mr. Speaker, early this year I received a letter from a small metal finishing firm in my district advising me that its supply of nickel had been reduced. The owner was very much disturbed by the reduction, in view of the fact that a sharp cutback in military procurement had been announced by the Department of Defense which would ordinarily have indicated a more abundant supply of nickel for civilian purposes, and he was also disturbed by the fact that a gray market was growing in which the supply of nickel was readily available. As a conscientious, reputable, law-abiding person he of course would not resort to the gray market to obtain the nickel required for his business, and he expressed his concern that the market was permitted to flourish. He thought that the growth of the gray market was principally sustained by overallocation of nickel to military orders or cutbacks in military orders, and the release to civilian use of the nickel previously allocated for such orders.

I referred the matter to the House Select Committee on Small Business, of which I am a member and an inquiry was addressed regarding the matter to Dr. Arthur S. Flemming, Director of the Office of Defense Mobilization. He replied on or about February 1, 1954, as follows:

> Under the terms of one of the stockpile contracts with the International Nickel Co., we have asked the company to increase shipments to the stockpile by 500,000 pounds for the month of January and we expect to request that this arrangement be continued. Beginning in February, we expect it will be necessary to stockpile almost all production of nickel oxide from the Government plant at Nicaro, Cuba, in order to meet the stockpile schedule. However, the quantities so removed from the total industrial supply in 1954 would be offset, insofar as nonmilitary use is concerned, by the prospective decrease in military requirements. Consequently, the nickel to be delivered for civilian purposes in 1954 should approximate that of 1953.
>
> The producers of nickel who were providing the industrial supply agreed to distribute their shipments of nickel to consumers in this country in a fair and equitable manner when domestic controls over nickel were removed on November 1, 1953. We would therefore feel that in the absence of some qualifying circumstance the supply for civilian use of most consumers should not be adversely affected by this distribution.
>
> I think a word should be said about our stockpiling program for this important material. Purchases for the stockpile over the past few years have been inadequate, largely because of pressing demands to meet increased military and civilian needs in the face of a limited supply. All agencies concerned agreed that a substantially larger and firm schedule of acquisitions for the stockpile must be maintained for the next few years in the interest of national security, even though total requirements may exceed availabilities. We have, therefore, established a stockpile procurement program which will be given an equal priority with defense demands. It should be noted, however, that all but a small portion of the nickel scheduled for stockpile purchase is derived from supply stimulated by an expansion program involving Government loans, purchase contracts, premium payments, and other forms of Government assistance.

During the hearings held by the Independent Offices Subcommittee of the House Committee on Appropriations, of which I am also a member, on the budget for fiscal year 1955, I interrogated the Office of Defense Mobilization, the General Services Administration and other agencies dealing with procurement of metal by the Government, concerning the storage of nickel and the misuse of allocations of nickel authorized for defense procurement. The opinion was expressed that this matter was within

the jurisdiction of the Department of Commerce and that it was not a problem of major proportions.

On April 12, 1954, I received a further report from the staff of the House Select Committee on Small Business on the matter. It will be noted that the Business and Defense Services Administration of the Department of Commerce on April 13, 1954, was concerned with the possibility of illegal procurement of nickel. As a matter of fact, there was one case which involved more than 40,000 pounds of the scarce material. The letter follows:

HOUSE OF REPRESENTATIVES,
SELECT COMMITTEE ON SMALL BUSINESS,
Washington, D. C., April 12, 1954.

To: Hon. SIDNEY R. YATES.
From: Carl E. Davis.

In response to your telephone call today concerning the nickel item in the Weekly Staff Report of April 10, we are enclosing copies of two press releases by the Business and Defense Services Administration which will explain the background of this information.

The committee staff has continued its discussions of the nickel problem with Commerce and Office of Defense Mobilization officials and we have been informed that considerable amount of the metal originally obtained through defense production priorities has been thrown on the open market because of cancellations and downward adjustments in defense contracts. In view of the shortage of nickel for civilian production, this supply has commanded premium prices and a kind of "gray market" has developed. The BDSA action in the attached regulation assures that nickel obtained for defense and AEC contracts will be used solely for that purpose. Thus, a more equitable distribution of the metal should result and the elimination of this source of premium-priced materials should release a greater quantity of nickel for civilian production.

The SBA survey of materials shortages among nickelplaters has been completed. However, its coverage was disappointing and it is felt that results do not support conclusions. The agency encountered considerable reluctance from platers in its efforts to obtain definite information concerning the degree of the shortage that now exists.

We should also like to call to your attention other information on nickel reported in the Weekly Staff Report. On March 13, ODM Director Flemming's reply to a letter from a small-business man suggesting reimposition of controls on nickel was reported and on April 3, Senator CAPEHART's statement on the advisability of current stockpiling levels was quoted. This latter statement is based on testimony received in closed hearings by the Joint Committee on Defense Production.

Since most businessmen feel that a reduction in buying for the stockpile would alleviate the shortage, we have been carefully watching the current evaluation of this program in ODM and Commerce. We have been informed that the review of the stockpiling requirements will be completed some time next month and we shall inform you of the results and substance of this study.

[Press release of U. S. Department of Commerce of April 13, 1954]

ILLEGAL USE OF RATING SYMBOLS

Charles F. Honeywell, Administrator of the Business and Defense Services Administration, United States Department of Commerce, today warned that the illegal use of symbols and certifications reserved for defense and Atomic Energy Commission programs to obtain scarce materials is subject to criminal prosecution.

"There are indications of growing misuse of such symbols, especially to obtain nickel, which commands premium prices," said Mr. Honeywell. "The procurement of a scarce material through the unauthorized use of a rating symbol is illegal under the Defense Production Act.

"We will do all in our power to protect the great majority of honest citizens from the very few who are violating the law for personal profit."

Mr. Honeywell revealed that the enforcement staff of BDSA is currently investigating 4 cases concerning the illegal procurement of nickel, 1 of which involved more than 40,000 pounds of the scarce material.

"If our investigations develop facts indicating willful violations of the Defense Production Act or the regulations of BDSA, the cases will be promptly referred to the Department of Justice with a recommendation for criminal prosecution," he said.

[Press release of United States Department of Commerce of March 31, 1954]

AMENDMENT 1 TO BDSA REGULATION 2

To assure that scarce nickel acquired with defense or atomic energy priority ratings, or by directives, is not diverted to a nondefense use, the Business and Defense Services Administration, United States Department of Commerce, today amended BDSA regulation 2 (formerly NPA regulation 2), effective immediately.

In announcing this action, BDSA Administrator Charles F. Honeywell said that there exists a continuing shortage of nickel in relation to military, stockpile, and civilian demands, and that the regulation as amended will conserve critical supplies and at the same time prevent unintended windfalls to persons receiving scarce primary nickel with priority assistance.

Mr. Honeywell said another effect of the amendment will be to protect the economic and competitive position of persons who are competitors and those who, in the absence of the amendment, might have received such a windfall.

The amendment provides that, where any material appearing on the new list B of the regulation (primary nickel in various forms), which was obtained with priority assistance, can no longer be used for the purpose for which the assistance was given, it must be used if possible to fill other rated orders then on hand. The same requirement applies to any product into which the nickel may have been incorporated.

If rated orders have been placed to obtain additional primary nickel to fill the other rated orders then on hand, the ratings on the orders for additional nickel must be canceled to the extent necessary to adjust the net amount of the nickel required.

When there are no other rated orders on hand for which the unused nickel can be used, and the nickel is still in its original state, the holder is required by the amendment to notify BDSA in writing. He then must wait 10 days from the date of mailing the notice before otherwise disposing of the nickel. If no special instructions are issued by BDSA within the 10-day period, the holder is free to dispose of it as under the previous regulation.

(Attached is text of amendment 1 to BDSA regulation 2.)

"[BDSA Regulation 2, amendment 1, March 31, 1954, United States Department of Commerce, Business and Defense Services Administration]

"TITLE 32A—NATIONAL DEFENSE, APPENDIX

"CHAPTER VI—BUSINESS AND DEFENSE SERVICES ADMINISTRATION, DEPARTMENT OF COMMERCE

"[BDSA Regulation 2 (formerly NPA Regulation 2), amendment 1 of March 31, 1954]

"Regulation 2—Basic Rules of the Priorities System

"Limitation on use and disposition of certain materials

"This amendment is found necessary and appropriate to promote the national defense and is issued pursuant to the Defense Production Act of 1950, as amended. In the formulation of this amendment, consultation with industry representatives has been rendered impracticable due to the need for immediate action.

"This amendment affects BSDA Regulation 2 (formerly NPA Regulation 2) by the addition of a new paragraph (d) to section 17 and by the addition of list B to the regulation. Additional formal changes of an editorial nature are made in section 17 (a), (b), and (c) to correspond with the transition from NPA to BSDA and to reflect the addition of paragraph (d) to the section.

"Section 17 of BDSA Regulation 2 (formerly NPA Regulation 2), dated March 23, 1953, is hereby amended to read as follows:

"'SEC. 17. Use or disposition of material acquired under this regulation: (a) Any person who gets material with a rating or through a specific authorization or a directive of BDSA must, if possible, use or dispose of it (or of the product into which it has been incorporated) for the purpose for which the assistance was given. However, material obtained with any DO rating may be used to fill any DX rated order. Physical segregation is not required as long as the restrictions applicable to any specific lot of material or product are observed with respect to an equivalent amount of the same material or product.

"'(b) The restriction in paragraph (a) of this section does not apply when a material, or a product in which it has been incorporated, can no longer be used for the purpose for which the priority assistance was given; for example, when the assistance was given to fill a particular order and the material of product does not meet the customer's specifications or the contract or order is canceled. In such cases the rules on further use and disposition in paragraphs (c) and (d) of this section must be observed.

"'(c) Except as provided in paragraph (d) of this section, the holder of a material or product subject to paragraph (b) of this section may sell it as long as he complies with all requirements of other applicable sections of this regulation and of other orders and regulations of BDSA, or he may use it himself in any manner or for any purpose as long as he complies with such requirements.

"'(d) When a material appearing on list B of this regulation which has been acquired with a rating or through a specific authorization or directive of BDSA, or when a product into which such material has been incorporated can no longer be used for the purpose for which the priority assistance was given, the following rules apply:

"'(1) To the extent that such material or product can be used to fill other orders then on hand which are accompanied by a rating or a specific authorization or directive of BDSA, and with respect to which such holder has not already received other material of the same kind by the use of priority assistance for the purpose of filling such other orders, it must be so used.

"'(2) To the extent that such material or product can be used for the purpose specified

in subparagraph (1) of this paragraph but where material of the same kind to fill such other orders has been ordered by the use of priority assistance and has not been received, it must be so used, and the provisions of section 12 (b) apply.

"'(3) To the extent that such material cannot be used for the purpose and in the manner specified in subparagraphs (1) and (2) of this paragraph, the holder of such material must immediately notify BDSA in writing of the description, quantity, and location and his proposed use, sale, or disposition of such material, and may not use, sell, or dispose of such material for a period of 10 days after the date of mailing such written notification except as specifically authorized or directed in writing by BDSA. If no written authorization or direction is issued by BDSA within such period, the rules stated in paragraph (c) of this section apply.'

"BDSA Regulation 2 (formerly NPA Regulation 2), dated March 23, 1953, is further amended by the addition thereto of list B of BDSA Regulation 2 immediately following list A of such regulation. List B of BDSA Regulation 2 is as follows:

"'LIST B OF BDSA REGULATION 2 (FORMERLY NPA REGULATION 2)

"'1. Primary nickel in the following forms: electrolytic nickel, ingots, pigs, rondelles, cubes and pellets, rolled and cast anodes, shot, oxides, salts, chemicals.

"'(64 Stat. 816, Public Law 95, 83d Cong.; 50 U. S. C. App. Sup. 2154.)'

"This amendment shall take effect March 31, 1954.

"BUSINESS AND DEFENSE
SERVICES ADMINISTRATION,
"CHAS. F. HONEYWELL,
"Administrator."

On April 26, 1954, I received the following communication from Carl E. Davis, staff director of the House Select Committee on Small Business:

HOUSE OF REPRESENTATIVES,
SELECT COMMITTEE ON SMALL BUSINESS,
Washington, D. C., April 26, 1954.

To: Hon. SIDNEY R. YATES.
From: Carl E. Davis.
Subject: Nickel study.

For your information, the committee staff has forwarded a list of questions pertaining to problems of nickel supply and distribution to the Department of Commerce. Answers to these questions are expected within 1 week and a copy of the reply will be furnished you as soon as it is received.

On May 13, 1954, Mr. Davis forwarded to me the answers he had received from the Department of Commerce to the questions referred to in his previous letter. The questions and answers are contained in a letter dated May 6, addressed to Mr. Davis by Mr. H. B. McCoy, Acting Administrator of the Business and Defense Services Administration of the Department of Commerce, and are as follows:

DEPARTMENT OF COMMERCE,
BUSINESS AND DEFENSE
SERVICES ADMINISTRATION,
Washington, May 6, 1954.

MR. CARL E. DAVIS,
Staff Director, Select Committee on Small Business, House of Representatives, House Office Building, Washington, D. C.

DEAR MR. DAVIS: In response to your inquiry, there is outlined herein information concerning nickel as requested.

1. "For purposes of general information, what are the similarities and differences in the distribution of nickel to industrial users manufacturing products for both the civilian market and defense and AEC programs under CMP and DMS? On what basis is nickel currently allocated for nondefense use by the International Nickel Co. to its distributors and how, in turn, is this metal distributed to end users?"

The distribution of nickel to industrial users was during the recent emergency controlled under NPA Order M-80. It was not directly under the CMP system. Nickel-bearing stainless steel was, however, distributed and controlled under CMP and is now controlled under DMS.

NPA Order M-80, in addition to providing for the complete allocation of nickel to industrial users, also prohibited the use of nickel for a wide variety of uses in electroplating and in stainless steel. The use of nickel generally was limited to Defense, AEC, and only the most essential civilian uses. Order M-80 was revoked, effective November 1, 1953.

With the revocation of order M-80 the prohibitions on end use were eliminated. Defense and AEC requirements are fully protected under the DMS in that industrial users holding military orders can buy nickel or nickel-containing products by extending the rating assigned to the military orders which they hold.

Before nickel distribution controls were revoked the Government had received assurance from the principal suppliers that distribution for nondefense uses would be made in a fair and equitable manner. The system used by the International Nickel Co. in distributing nickel to distributors and directly to consumers is described in a letter dated March 3, 1954. As indicated in the International Nickel Co. letter, nickel is distributed both directly to industrial users and through independent nickel supply houses. The distribution of nickel by independent nickel supply houses for nondefense use is described in a similar report prepared as a result of investigation by BDSA. A copy of this summary is attached.

2. "Is any administrative check performed by DMPA to insure equitable distribution under this system? Please furnish a description of the administrative processes undertaken by DMPA under the revised DMS Regulation No. 2. Was a substantial amount of nickel originally obtained for defense and AEC work thrown into the free market because of contract changes and cancellations prior to the revision established to insure that industrial users do not falsify defense rated orders. How many noncompliance cases are now pending?"

The BDSA maintains contact with the regular suppliers and has their written assurance that distribution of nickel is made in an equitable manner. The BDSA also investigates any complaints made directly to the BDSA or referred by other agencies and by Members of Congress.

The recent revision of DMS Regulation No. 2 was designed to eliminate the possibility that a nickel user whose defense contracts were canceled might thus receive a windfall of nickel in that having obtained the nickel for military use which was canceled he has the nickel for nondefense use.

Under the revised regulation, a person who obtains nickel with a military rating cannot use it for any other purpose without prior consent. It is our estimate that the amount of nickel originally obtained for defense and AEC work which then became available for nondefense uses upon cancellation of the contracts has been extremely small. Our action in revising the regulation was directed principally toward closing a loophole in the regulation.

A continuing stringency in the nickel situation has generated new compliance and enforcement problems, consisting of perceptible increase in the placement of apparently unauthorized rated (priority) orders for the purchase of primary nickel. A three-pronged attack has been developed to meet this situation. First, BDSA Regulation No. 2 has been amended to prevent nickel acquired by priority assistance from being diverted to nonpriority uses. Second, monthly reports are being obtained from distributors of primary nickel showing all priority purchases aggregating at least 500 pounds during the month. This information is available for followup purposes to check the regularity of rated purchases.

Third, individual violations are being investigated with a view to reference to the Department of Justice for criminal prosecution where willfulness is established. It is hoped that public announcement of our intention to prosecute in appropriate cases will have the effect of stimulating a greater degree of public awareness of the serious character of this misuse of priority ratings. We have 4 cases pending in the Department of Justice, 1 involving a nickel distributor and 7 platers. One case is about to be referred to the Department of Justice. One new case has just come in.

3. "What procedures are currently operative to insure that specific military purchasing programs conserve nickel wherever possible?"

The Department of Defense has underway a very active nickel conservation program directed toward conserving nickel wherever possible in its current program.

4. "What provision is made under the current system for new users of nickel to obtain supplies for nondefense production? Are increased supplies of nickel currently allocated to the automobile industry for passenger cars either directly or indirectly through increased use of nickel-bearing stainless steel?"

New businesses are generally treated as small users where the supplier can within the limits of nickel available to him meet some of these demands. In general very little nickel is going into new business.

We do not have any evidence that the automobile industries have currently been allocated additional supplies either directly or indirectly through increased use of nickel-bearing stainless steel. The automobile industry is still severely limited in supplies of nickel available to it for plating and other purposes. We have no evidence to indicate that they are increasing the use of nickel-bearing stainless steel. Stainless steels used in automobile manufacture are of straight chrome types. The automobile industry has been purchasing large quantities of premium price foreign nickel for use in plating.

5. "Please furnish a percentage comparison, by quarters, of nickel available for platers and manufacturers of stainless steel since July 1953. If these statistics include nickel for all uses, has the amount of the metal available for civilian production been relatively constant during this period?"

Percent of total supply available for steel and plating

	Steel	*Platers*
1953:		
Third quarter	37.2	13.0
Fourth quarter	37.0	15.4
1954:		
First quarter	34.3	16.4

In connection with the above statistics, the amount of material available for civilian production has increased steadily from third quarter 1953 through first quarter of 1954. This is due to the gradual decline in military requirements.

6. "Using only unclassified information, how much nickel production from Government sponsored plants has been withdrawn from the general market to support stockpiling programs? In general, how does this figure compare with declines in the military and AEC take?"

The Nicaro Works in Cuba is a government-owned facility. It is operated for the government by the National Lead Co. on a management-fee-contract basis. This plant

produces an average of 28 million pounds of nickel per year. During 1953 about 1½ million pounds per month was sold to industry. At the present time only 500,000 pounds per month is being shipped to industry. In general defense requirements have declined sufficiently to offset the withdrawal of government-owned nickel from the general market.

7. "What is the price comparison of nickel obtained through normal channels and premium-price market? How much foreign nickel has been imported during the past year? What are the sources of foreign nickel? Is this metal subject to the allocation system developed by the International Nickel Co.? What effect do tariff regulations have on the prices of imported nickel? Is import duty on nickel specifically established by law or is this determination made by administrative regulation?"

Nickel obtained through normal channels is priced at 60 cents per pound. In the form of anodes, nickel is priced at 82 cents to 90 cents per pound. Premium price nickel coming principally from Japanese and French sources range from $1.12½ to $1.24½ per pound at the present time. During 1953 there was imported into the United States 1,509,000 pounds of premium price foreign nickel of which 917,000 pounds came from Japan; 505,000 pounds from France; and 87,000 pounds from West Germany. Japanese nickel is now selling for $1.24½ per pound. French nickel is selling at about $1.12½ per pound. This compares with 60 cents per pound for comparable nickel sold by suppliers for similar purposes. Primary nickel is sold by the International Nickel Co. for 60 cents per pound. This is further processed by suppliers as rolled or cast anodes for use in electroplating and is sold to electroplaters at 82 cents per pound. This premium price foreign material is not subject to the allocation system as developed by the International Nickel Co.

There is a 1¼ cents per pound import duty on nickel which is included in the prices quoted above. This import duty is established pursuant to the Tariff Act of 1930 as subsequently adjusted by administrative action under the Reciprocal Trade Agreements Act.

8. "Do percentages of base period allocations to individual firms for civilian production fluctuate widely from month to month? If so, are such variations based upon considerable fluctuations in military and AEC requirements? Has Commerce suggested to nickel suppliers any system which would indicate probable allocation levels over more than a 30-day period in order to allow for more effective production planning by individual users."

Thus far, allocations to individual firms for civilian production have not fluctuated greatly from month to month. There has been a steady drop in military and defense requirements. This drop is reflected in increased availabilities for nondefense uses.

The Department of Commerce has discussed with nickel suppliers a possible allocation level of more than a 30-day period to allow for more effective production and planning by individual users. Suppliers are reluctant to make future commitments of nickel deliveries since they are required under law to meet defense requirements on a priority basis.

9. "In those complaints and protests concerning nickel shortages received by DMPA from nickel platers, have the complaining firms indicated the reduction they have suffered in terms of specific amounts? If not, has their failure to do so been notable and can you cite any reason for this development? Have any cases of severe hardship been brought to the attention of DMPA?"

We have not received complaints from nickel customers which indicate specific reductions in allocations of nickel which they have suffered. We can cite no reason for this development. We have had no cases of severe hardship brought to our attention. We have had one case of a manufacturer who is just starting up in business who claims he has been unsuccessful in getting delivery of nickel to meet his stated requirements. He has, however, been able to get small lots for his own use. He appears to have met some of his requirements by use of nickel-bearing scrap.

10. "Have any factors arisen which would tend to alter previous predictions by the Department of Commerce that the amount of nickel available for civilian use in 1954 will approximate that available in 1953?"

There have been no factors which would alter previous predictions of the Department of Commerce that the amount of nickel available for nondefense for 1954 will be approximately that of 1953 or slightly higher.

Sincerely yours,

H. B. McCoy,
Acting Administrator.

THE INTERNATIONAL NICKEL CO., INC.,
New York, N. Y., March 3, 1954.

MR. HORACE B. McCOY,
Deputy Administrator, Business and Defense Services Administration, Department of Commerce,
Main Commerce Building,
Washington, D. C.

DEAR MR. McCOY: At the request of Mr. H. S. Wingate, I am writing you in reply to a letter addressed to him by Mr. H. L. Smith, Jr., Assistant Administrator, Business and Defense Services Administration, in which he asks that we advise you in general on our procedure in distributing nickel during the decontrol period starting November 1, 1953.

A simplified form of request for nickel from those who would be interested in purchasing primary forms of nickel, a copy of which is attached, was prepared, and after reviewing it with the Department of Commerce was made available to the trade to facilitate distribution. All of the rated requirements stated on the simplified form have been met on schedule each month.

The pattern on which equitable distribution is made of the inadequate supplies of nickel remaining for civilian consumption each month is based on experience over many years in the various markets such as steel mills, brass mills, catalysts, foundries, heat, corrosion, and electrical-alloy production, and with primary forms of nickel including rolled bars for independent distributor organizations who serve the individual electroplaters with nickel anodes and salts. The equitable distribution of these supplies for civilian purposes takes into consideration the historical background as well as such recent factors as the quantity of nickel approved for civilian consumption during the final period of Government controls.

During the decontrol period to date the distribution of primary nickel for civilian purposes generally parallels the final period of Government controls with necessary adjustments made in the interest of equitability. Under Government controls the civilian-use authorizations of some industries were more seriously curtailed. These industries were therefore adjusted upward.

In the interest of small businesses we elevated the Government's 100-pound allowance of nickel per month to approximately 500 pounds of nickel per month. This applies specifically to the distribution of primary forms of nickel handled by INCO and regular INCO distributors (small business) which, as you know, does not include nickel anodes and salts as such for the electroplaters. We understand that you are already well acquainted with the commercial distribution channels through which nickel anodes and salts reach the individual electroplaters.

On the subject of new businesses, it is very important to our future to encourage all possible new entrance into the business of using nickel, but the long-continued shortage caused by the defense requirements and the slight hope for substantial future improvement has driven people away from entering the field, to their and our disadvantage. As a result, we have practically no new prospects, except perhaps for a half-dozen cases, and we have not been able to promise them thus far quantities beyond the 500 pounds per month of primary nickel made available to them through the small-user pattern referred to above.

Customers who in the past have had a substantial defense business also have a record of substantial civilian consumption in pre-Korean periods. This pre-Korean consumption is taken into consideration in our patterns of equitable distribution for civilian purposes, and, accordingly, in spite of a falloff of defense requirements, these users receive quantities for civilian purposes which we believe are equitable, compared with the quantities received by others for such purposes.

Through the BDSA-250 forms, which we and other suppliers of primary nickel file with you each month, you already have available the information on the movement of primary nickel. These reports cover distribution to the Department of Defense, Atomic Energy Commission, and to the civilian economy as separate items.

As you know from our several recent discussions, the present and prospective situation of the civilian consumers of nickel is serious. This dislocation is caused by the Government's large defense requirements for nickel and the accelerated rate of Government stockpile acquisition. While the situation is bad, and the Government's present plans would make it much worse, there is nothing about it which is complicated or difficult to understand.

For the 5 months since removal of controls the total monthly supply of nickel from all sources for civilian consumption has averaged only about 10,500,000 pounds, after taking care of the large defense requirements. This amount has proven to be inadequate preventing the users of nickel to obtain much needed business at this time of transition to a civilian economy and doing permanent damage to the nickel markets. As compared with this limited supply, the monthly calls for civilian purposes alone have averaged 17 million pounds. During the 2½ years before the Korean outbreak civilian consumers were using some 14 million pounds per month.

What is needed promptly is an improvement of about 15 percent in the civilian supply. However, unless the Government partially modifies for the rest of this year its greatly stepped-up rate of stockpile acquisition, the inadequate civilian supply will be reduced beginning with April by 15 percent, rather than being increased in that amount, leaving only 9 million pounds per month.

The damage which is being done to civilian consumers is caused by the large quanties of nickel taken for the Government's defense purposes. We have been urging the Government to reduce this damage by continuing its past practice of making 2 million pounds of its Nicaro nickel available to partially provide for the defense requirements; however, so far the Government has indicated an unwillingness to make more than 500,000 pounds available in April and afterwards. Since the defense needs are the cause of the civilian dislocation, the least that is required to prevent worsening this situation is for the Government to continue to contribute substantially all its Nicaro production for defense purposes.

Yours very truly,

LARS R. LARSON,
Assistant Vice President.

DEPARTMENT OF COMMERCE,
BUSINESS AND DEFENSE
SERVICES ADMINISTRATION,
Washington, March 16, 1954.

To: Mr. Harry L. Smith, Jr., Assistant Administrator.

From: Herman B. Director, staff adviser for Industrial Raw Materials and Stockpile.

Subject: Distribution of nickel by nickel suppliers.

In the course of hearings conducted by the Joint Committee on Defense Production and by the Materials, Minerals, and Fuels Subcommittee of the Senate Committee on Internal Affairs a question was raised concerning the practices of the various suppliers in distributing their nickel supplies.

In order for the Department of Commerce to have in its files an authoritative statement on this matter, we sent out a letter over your signature to each of the nickel suppliers requesting a statement from them concerning their respective practices in this connection. We now have the replies from these suppliers. They may be summarized as follows:

First, all suppliers, in accordance with current regulations, deliver nickel to meet all military requirements on a priority basis.

Second, all suppliers indicated that their distribution for civilian business is based on the supply for any given month which remains after military orders have been filled. Distribution to consumers is made in an equitable manner based on the historical record of shipments by suppliers to their own customers. In each case, suppliers distribute according to a base period most advantageous to the customers, taking into account the fact that there is no longer a distinction between permitted and nonpermitted uses as existed under NPA Order M-80. The base periods used are: The first 6 months of 1949, the second 6 months of 1949, or the first 6 months of 1950, whichever is greater.

Third, small users requiring less than 100 pounds per month are taken care of within the limits of supply. Suppliers meet their needs by shipping minimum commercial quantities (100 to 500 pounds) on a monthly or quarterly basis.

Fourth, new businesses are generally treated as small users where the supplier can within the limits of nickel available to him meet some of these demands. In general, very little nickel is going into new business.

We have on file the full replies from the nickel suppliers.

Mr. Speaker, that is the state of the inquiry up to the present time. I want to commend Carl Davis and the staff of the House Select Committee on Small Business for the good work they have done on this problem. We must bring out all the facts which vitally affect the economic survival of many small businesses in our Nation. It seems to me that the answers furnished by the Business and Defense Services Administration are much too general and do not give any assurance to allay the fears of many members of the plating industry that there has been a disproportionate allocation of nickel between various civilian users. According to the publication National Plating News, the following table which was prepared by the United States Bureau of Mines showing consumption of nickel by industries, would seem to indicate the disproportionate current allocation:

	1949	1950	1951	1952 [1]	Percent of 1950
Stainless steel	11,909	21,016	21,792	24,532	116
Alloy steel	13,474	17,777	16,425	15,346	86
Cast iron	3,396	4,881	3,715	3,560	73
Nonferrous alloy [2]	18,971	28,139	26,338	30,827	110
High temperature and resistance alloys	4,054	5,599	7,408	5,800	105
Anodes and salts for electroplating	14,534	18,160	6,265	7,209	39

[1] Projection of 9 months figures to 12 month basis.
[2] Includes copper-nickel alloys, nickel silver, brass, bronze, beryllium, magnesium and aluminum alloys; and monel, inconel and malleable nickel.

Mr. Speaker, I shall continue to press for all the facts in this matter. When a metal such as nickel is the economic life's blood of so many small businesses in our country, it is essential that its allocation be made on a fair and equitable basis. Small businesses which want to continue to conduct their affairs in a decent, respectable, and aboveboard manner, must not be driven in desperation in an effort to survive into the gray market for their basic raw materials. They are entitled to the assurance that the suppliers of the much needed metals are not preferring one type of industry over another. We must stay with this problem until we get a definitive answer.

TARIFF COMMISSION INTERPRETATION OF "DOMESTIC INDUSTRY" NULLIFIES ESCAPE CLAUSE

The SPEAKER pro tempore (Mr. CANFIELD). Under special order heretofore entered, the gentleman from West Virginia [Mr. BAILEY] is recognized for 20 minutes.

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, once more I feel compelled to call the attention of my colleagues to the grave situation of many of our Nation's domestic industries that are threatened by increasing and unrestricted imports of foreign goods.

Our reciprocal trade policy, in effect since 1934, has never had a test of operating under peacetime conditions. Emergencies like the depression of the thirties, World War II, and later the Korean situation, have tended to lessen the ill effects of our trade policy on many of our industries. We all know that war and the preparation for war is not a normal American situation. We also know how these periods of mobilization for defense affect our economy for the period of emergency.

We are now face to face with realities. We know that under peacetime conditions, that such slogan as "More trade and less aid" can mean only the economic devastation of large areas in our country, while our domestic industries cannot compete with unrestricted imports manufactured under lower standards of wages and living conditions than we have in our American industries.

The Congress created the United States Tariff Commission in order to rid itself of the details of our trade policies. Since delegating its authority to the Tariff Commission, it has found it necessary to write into the Trade Agreements Act, the well-known peril-point and escape-clause provision.

In my opinion, the Tariff Commission is violating the spirit and letter of the escape clause in the Trade Agreements Act.

The Commission is asking companies seeking relief for a specified product under sections 6 and 7 of the Trade Agreements Act to furnish information about their production and profits on other products and all phases of their business operations, including those not related to the product for which relief is sought.

The Commission is using the information about other products and the overall activities of the concerns to decide whether the production of a given product has been injured by imports and whether the petition for relief should be granted or denied.

This attitude on the part of the Commission, or perhaps I should say, some members of the Commission, can nullify for all practical purposes the escape-clause provision. The majority of the companies making a product adversely affected by competitive imports also make other products, and have other business activities than those for the product for which relief is sought. If the definition of a domestic industry is to be expanded to cover all the activities of concerns making a particular product, the escape clause, for all intents and purposes, goes out the proverbial window. For example, if the production of pins is being injured by imports, relief is denied because the companies are making a profit on plumbing hardware.

This whole matter is brought into focus in a case—No. 28—involving the straight-pin industry. There is a similar case involving the safety-pin industry but, for the sake of simplicity, I will discuss only the straight-pin application.

The straight-pin manufacturers—eight firms—filed on September 23, 1953, an application for an investigation under sections 6 and 7 of the Trade Agreements Act of 1951 with respect to straight pins.

However, the application did not furnish information about the business of the companies involved other than that relating to straight pins. Under part 207 of the Commission's rules of practice and procedure, the information as to products made and business activities other than those affecting the commodity for which relief is sought is asked for by the Commission.

The applicants did not file information concerning their production and profits on products other than straight pins, contending such information was not relevant or material to the ordered investigation of the straight-pin industry. They said the straight-pin industry would furnish the extraneous data only if it were required by subpena.

The Commission decided to institute the investigation—No. 28—but the absence of information on other products such as plumbing hardware was noted by the Commission Secretary, Donn N. Bent. He commented:

Such information is considered by the Commission to be pertinent to investigations under section 7 of the Trade Agreements Extension Act of 1951, as amended, and will be called for in the course of the investigation with respect to straight pins.

On March 25, 1954, the Tariff Commission held a public hearing in its investigation No. 28 of the straight-pin industry. At the opening of the session, Commissioner McGill referred to the fact that the industry had not furnished all the information it requires under its rules of procedure. He said that he and Commissioners Ryder and Edminster felt that the straight-pin industry had willfully refused to volunteer the data and that, consequently, he and the Commissioners "joining in this statement will be unable to formulate findings on the merits of this investigation." Although the Commission was given complete and detailed information with respect to production, sales, employment, and profits in straight pins, these three Commissioners say they cannot formulate findings without considering plumbing hardware, window chains, and many other unrelated products.

Commissioner McGill added:

Inasmuch as it is obvious that the applicants did not intend to furnish the desired information voluntarily, we are of the opinion that the investigation should be terminated forthwith and that the Commission should immediately issue a report thereon, without formal findings, explaining the reasons for the termination of the investigation.

What this amounts to is that 3 Commissioners of the 6 on the Tariff Commission have decided against the straight-pin industry before hearing the case. They announced their decision before even hearing the arguments of applicants. I think this is a very high-handed and arbitrary procedure. Particularly do I think so since I think the law and every fact in the case justified the refusal of the straight-pin industry to supply information other than that relating to the product in question.

As I see it, the Commission has no business considering data other than that relating to straight pins. As one of the attorneys in the case put it:

By no stretch of the imagination could it be contended that the inquiry should extend into the manufacture of plumbing hardware with respect to these points, simply because the manufacturer of pins also happens to make plumbing hardware in some other division of its corporate organization, and it is no more logical to extend the inquiry into the sales and profits of the applicants arising from their production of other products.

It is obvious I think that data on the overall activities of the concerns making straight pins is desired for one object and one object only—for its bearing on the decision in the straight pin case and in order to reject an otherwise meritorious case on the relevant and material straight pin facts. Otherwise, why does the Commission ask for it?

The bicycle case, decided in 1952 by the Commission, clearly shows that the Commission considered the overall status of the domestic concerns making bicycles and their production of unrelated products in finding that bicycles and bicycle parts were not being imported into this country in sufficient quantity as to cause or threaten to cause serious injury to the domestic industry. For example, in its statement of considerations bearing on findings and conclusion, the Commission said:

Most of the domestic bicycle producers manufacture various products in addition to bicycles and the importance of bicycle manufacture in their total operations varies widely. * * * Products manufactured by bicycle manufacturers in addition to bicycles and bicycle parts include other children's wheel goods, power lawn mowers, exhaust fans, and various defense products. * * *

The reported profits on total operations, expressed as a percentage of total sales, followed the same trend as profits on sales of bicycles and parts but averaged somewhat higher.

Here the higher profits made on products other than bicycles was used as an important factor in denying relief to bicycles. To contend that such a construction of the words "domestic industry" was the intent of Congress is utterly absurd. It would make the escape clause meaningless to most products suffering from imports.

The split within the Commission over requiring the concerns seeking relief from imports on one product to file material on all their business operations on other products is most sharply shown in the dissent by Commissioner Brossard in the wood screw case. Here the Commission decided that the imports of wood screws were not sufficient to warrant relief for the domestic industry. Commissioner Brossard said:

Were this phrase, "domestic industry," to be interpreted as including the profits of all other products such as rivets, hand tools, and builders' hardware, that might be produced by the same concerns that produce wood screws, as long as the companies, though losing money on wood screws of iron or steel, were making such other products at a profit and the company was making an overall profit, or could find some other alternative products to produce, other than wood screws, that would show an overall profit, few claims of injury would be allowed as a result of escape-clause investigations. Under such an interpretation, a great part of domestic production, article by article, might be forced to a stop by the destructive competition of imports and, if the manufacturing companies turned to importing and made good profits at it, they would be adjudged to be uninjured as a "domestic industry." Such an interpretation of this "domestic industry" phrase in the escape-clause law would practically nullify the escape-clause provision in trade agreements as a possible remedy of serious injury, and in effect would almost, if not entirely, void the escape-clause provisions of the Trade Agreements Extension Act.

The specific issue comes down to the definition of the phrase, "domestic industry," in sections 6 and 7 of the Trade Agreements Extension Act, as amended. The legislative history of the Trade Agreements Act and other tariff legislation clearly shows that the manufacturers of straight pins constitute a domestic industry.

I have carefully studied the arguments of the attorneys for the straight pin applicants concerning the congressional intent and I agree with them fully. For the benefit of my colleagues, I ask to have them printed in the RECORD at this point:

CONGRESSIONAL INTENT OF INJURY TO THE DOMESTIC INDUSTRY PRODUCING LIKE OR DIRECTLY COMPETITIVE PRODUCTS (STRAIGHT PINS) AS USED IN THE ESCAPE CLAUSE (SECS. 6 AND 7) OF THE TRADE AGREEMENTS EXTENSION ACT OF 1951

(Extracts from Tariff Commission hearing record (March 25, 1954), in investigation No. 28 of the domestic straight pin industry)

(Statements of: Alexander M. Heron, attorney for applicants; Congressman Cleveland Bailey, author of the escape clause; John Breckinridge, attorney for applicants; Commissioner George McGill, opening statement of hearing on behalf of himself and Commissioners Ryder and Edminster.)

(The opening statement of Commissioner McGill on behalf of himself and Commissioners Ryder and Edminster appears at the end of these extracts from the record.)

STATEMENT OF ALEXANDER M. HERON, OF THE FIRM OF POPE, BALLARD, & LOOS, WASHINGTON, D. C., COUNSEL TO THE APPLICANT

Mr. HERON. The investigation here revolves about the effect of increase in imports of straight or common pins in causing or threatening to cause a serious injury to the domestic industry of producing straight pins. The applicants manufacture 100 percent of the straight pins produced in the United States. In the questionnaire which was sent to the applicants, information was requested with respect to annual sales by the applicant of all other products. Detailed information was requested with respect to the sales and profits of applicants in connection with the manufacture of lines of products other than straight pins. All of the applicants in this proceeding manufacture products other than straight pins, with one exception. Witnesses who will testify in the hearing shortly will explain in detail what those other products are. It is the position of the applicants here that the domestic industry of producing straight pins consists of the labor, the management, and the capital devoted to the production of those pins. The evidence in the hearing will disclose that the manufacture of straight pins involves the use of labor and machinery which is not interchangeable with any other product manufactured by the applicants.

In other words, the machinery and equipment which is used for this purpose is not subject to being used for any other purpose by the applicants. Labor which is employed in the manufacture of straight pins can't be used interchangeably by the applicants in the manufacture of other products by them.

Now the correspondence which has occurred previously with the Commission Secretary states at an earlier stage the applicants' position. On January 15 of 1953 the applicants, through their counsel, wrote to the Commission as follows:

"We have your letter of December 31, 1952, concerning the above-named application"—and those were the applications which were later withdrawn—"and we regret very much that the Commission has decided to ignore the application on the ground that it 'fails substantially to furnish information called for' and is 'not properly filed' under the Commission's Rules of Practice and Procedure.

"After a careful review of sections 6 and 7 of the Trade Agreements Extension Act of 1951 (under which this investigation was

requested) and after a careful review of the Commission's rules, the applicants are confident that their application, as filed, did include all of the information properly required by the Commission's rules. More specifically, the applicants strongly feel that their application was 'properly filed' within the meaning of procedural section 7 (a) of the Trade Agreements Extension Act of 1951, the pertinent part of which commands that: '* * * upon application of any interested party, the United States Tariff Commission shall promptly make an investigation and make a report thereon * * *.'

"The applicants feel that their application was 'properly filed' within the meaning of this mandate of Congress and that the action of the Commission in deciding to ignore the application 'as not properly filed' was improper and not authorized by the statute.

"Even though section 7 was designed and intended by Congress to set up the Commission's procedure under escape-clause investigations and even though the applicants are convinced that the Commission's rules cannot modify this congressional mandate that the Commission shall promptly make an investigation, they wish to state that in their considered opinion their application was properly filed even within the would-be terms and provisions of the Commission's rules.

"The application did submit all of the information required by such rules. Subparagraphs (a), (b), (c), and (d) of section 207.3 attempt to indicate the type of information which shall or must be included in an application and a review of the application will show that all such information was included therein. Your letter does not question this fact.

"You cite subparagraph (e) of section 207.3 of the rules as indicating the type of information called for but which was not included in the application and you enclose a table indicating the desired additional information. A review of this subparagraph (e) will show that it only states that the additional information indicated therein and the information indicated on the table enclosed with your letter should also be furnished with an application, to the extent that it is readily available to the applicant.

"Thus, it is apparent that even the Commission's rules do not require that this information must be submitted with the application. Some of such additional information was included in the application and the balance of it was not and is not readily available to the applicants. Also such information could not possibly be put together in comparable and understandable form by the individual applicants prior to February 2 as required by the Commission's action. The application clearly indicated that such additional information was not readily available to the applicants but that it would be made available to Commission representatives by each individual applicant during the course of the investigation.

"Furthermore, the applicants do not consider the information requested with respect to their production of other commodities as proper to be submitted to or even considered by the Commission within the terms or intent of sections 6 and 7. The applicants have not requested an investigation concerning any of the products they produce other than safety pins. Consequently, they do not consider it appropriate to submit to the Commission information concerning their operations with respect to such other commodities (which differ from applicant to applicant). They consider themselves as representative of 100 percent of the 'domestic industry' producing safety pins which are like and directly competitive with imported safety pins within the meaning of sections 6 and 7. As to their production of other products, which varies from company to company, they do not consider themselves as constituting a domestic industry within the meaning of said statute. Consequently, each individual applicant does not consider any information with respect to their production of other products as being material or relevant to the issue involved in the requested investigation. They also feel that it would be improper for the Tariff Commission even to consider any such information. They feel that the sole question involved in a section 7 investigation would be the effect of imported safety pins upon the American producers, capital, and laborers employed in the production of safety pins, without regard to other income they might have or other products they might produce.

"In view of these basic differences in interpretation of sections 6 and 7 and concerning the propriety of the Commission's rules to such extent as they may differ from the statute, the application is hereby withdrawn in accordance with rule 201.8 (d).

"In view of section 201.10 of the Commission's rules concerning public notices and since the Commission does not consider this application as properly filed, it is assumed that the Commission has made no public notice of the receipt of this application and that its contents have not been discussed with any parties outside of the Commission. Since there is to be no investigation, the applicants are extremely anxious that the information contained in the application be kept strictly confidential. Consequently, it is hereby requested that all copies of the application be returned until such time as the applicants may decide to reapply for an investigation.

"Within a few days, the undersigned will drop by your office to pick up the application. Very truly yours, John Breckinridge, attorney for DeLong Hook & Eye Co."

Commissioner TALBOT. What is the date of that letter?

Mr. HERON. That letter, sir, is January 15, 1953.

Now, a subsequent letter which followed the institution of the present investigation is dated October 31, 1953, addressed to the Commission Secretary:

"DEAR MR. BENT: We thank you for your letters of September 25 and October 30, 1953, advising that the Commission has, under sections 6 and 7 of the Trade Agreements Extension Act of 1951, instituted Investigation No. 28 with respect to the Straight (common) Pin Industry and Investigation No. 29 with respect to the safety pin industry. We acknowledge also the copies of the public notices of these investigations issued by the Commission.

"The applicants are gratified that the Commission has instituted these two investigations. We are instructed to inform the Commission that the applicants will submit to the Commission or make available to its representatives any requested information in their possession, concerning imports or their domestic employment, production, costs, sales, and profits with respect to straight pins or safety pins, the two commodities with which the announced investigations deal. All books and records of each applicant dealing directly with these two commodities (or indirectly to such extent as necessary for allocation of overhead costs or similar items) will be made available for inspection to any authorized representative of the Commission.

"Your letters of September 25 and October 30 comment upon the area and character of evidence to be called for and considered in connection with each investigation.

"As indicated in our letter of January 15, 1953, it is our view that to such extent as the information indicated as desirable in paragraphs (2), (3), and (5) of section 207.3 (e) of the Commission's Rules of Practice and Procedure, and referred to in your letters, relates to the production or sales of commodities other than straight pins or safety pins, or to other sources of income, it is not material or relevant to the investigation of the straight pin industry or the investigation of the safety pin industry within the meaning of sections 6 and 7 of the Trade Agreements Extension Act of 1951. The applicants have not requested nor has the Commission ordered an investigation of the effect of imports upon applicants' production or sales of commodities other than straight pins or safety pins. Applicants do not presently claim that their profits from production of other commodities or that their income from other sources are being adversely threatened by imports.

"It is our position that an applicant's production of other commodities or its income from other sources does not constitute a part of the 'domestic industry producing' straight pins or a part of the 'domestic industry producing' safety pins. Also, it is our position that applicants producing straight pins only are not a part of the 'domestic industry producing' safety pins and that the applicants producing safety pins only are not a part of the 'domestic industry producing' straight pins. The two are separate and distinct industries and must stand on their own merits or demerits.

"In past instances, as indicated by your letter, members of the Commission have taken a view different from that to which we subscribe but this action on the part of the Commission has not been unanimous. We wish to earnestly urge upon the Commission a further consideration of all of the factors involved in this question. For this reason, we shall not voluntarily supply information beyond the boundaries indicated herein. We hope that upon consideration the Commission will uphold our view. However, if the Commission concludes that a subpena or subpenas are to be issued to compel the production of this data, we shall promptly comply with such order.

"We wish to again emphasize the fact that all of the applicants, in each case, desire to cooperate fully with the Commission and its staff in supplying any and all requested information from their records dealing directly with their production and sales of straight pins or safety pins, as the case may be.

"In order to facilitate their full cooperation, the applicants would like to suggest an informal conference at the Commission at the earliest convenient time. It is felt that such an informal conference would facilitate a determination of the type of information with respect to safety pins and straight pins desired by the Commission and would enable the applicants to make their own preparations for supplying such information as fully and promptly as possible. At such a conference the applicants would also like to discuss the possibility of a change in the hearing dates the Commission has announced.

"Very truly yours,

"JOHN BRECKINRIDGE."

We feel that a statement of our position on this point should be made at this time. Now the question for determination is what Congress in paragraphs 6 and 7, which constitute the escape clause and the formula for its operation, intended. That intent must be drawn from the statute itself, read against the background of legislative history.

Section 6, which constitutes the substantive portion of the escape clause, provides that no reduction shall be permitted to continue in effect when the product is imported in such quantities as to cause or threaten serious injury to the domestic industry producing like products.

Section 7 sets up the procedure for administering the provisions of the preceding section. It provides for the institution of investigations and their conduct. It sets up the criteria for the Commission's guidance.

It sets up the criteria which in their entirety revolve about specific articles being imported and the production and the sale of specific articles in the United States.

The Commission is told that it shall take into consideration a downward trend in the domestic industry concerned, of production, employment, prices, profits, and wages. No serious contention could be made that the production to which the act refers is any production other than that of the article involved. Likewise, the employment is the employment of personnel engaged in the manufacture of the article involved.

The prices are the prices of the article under consideration, and wages are the wages of the employees who make the article. The Commission is told to take into consideration a decline in sales; an increase in imports, either actual or relative; a higher or growing inventory or a decline in proportion of the domestic market supplied by the domestic producers.

By no stretch of the imagination could it be contended that the inquiry should extend into the manufacture of plumbing hardware with respect to these points, simply because the manufacturer of pins also happens to make plumbing hardware in some other division of its corporate organization, and it is no more logical to extend the inquiry into the sales and profits of the applicants arising from their production of other products.

Such inquiry is no more relevant to the determination of the effect of the importation of straight pins upon domestic producers of safety pins than would be an inquiry into the employment of the husbands and wives, the spouses or members of the families of the employees engaged in the operation of the machinery which produces the safety pins.

Aside from the minor purposes of raising revenue, tariff acts have represented primarily that degree of protection which Congress concluded should be afforded to the American production of each article or product which was named in the tariff and for which a duty was provided. The terms "domestic industry" and "domestic producers" have been used by Congress in the enactment of tariff legislation for years past. No purpose would be served by quoting dictionary definitions or referring to clarifications made by various administrative branches of the Government in which similar terms are used for different purposes or for their own convenience. These terms have a wide meaning or a narrow meaning. The question here is what did Congress intend when it used these terms in tariff legislation.

In 1921 the Emergency Tariff Act was passed. House Report No. 1 of the 67th Congress, 1st session, on this bill, which is H. R. 2435, declared the purpose of the bill to impose temporary duties on certain agricultural products to meet emergencies and to prevent dumping of foreign merchandise on the markets of the United States. Tariffs were placed on specified agricultural products.

Title I of the bill stated that it was "to protect certain farm products." It was the purpose of the bill and the intention of Congress to protect the American production of the specified articles named in the legislation.

The benefit to be derived from that protection inured to the farmer, farm labor, and the investment of the farmer, all of which were involved in the production of those specific articles.

Title II of that same act, the Antidumping Act of 1921, discloses the same purpose, and an intention to protect an industry which is being or which is likely to be injured or is being prevented from being established by the importation of a class or kind of foreign merchandise at a price below market value in the country of origin.

The Tariff Act of 1922 and its legislative history again reaffirmed that the term industry or industries were used with reference to specifically named articles and specifically named products. The opening portion of that act recites that it is an act to "regulate commerce with foreign countries, to encourage the industries of the United States."

This was followed by a long list of specific articles and commodities which were to be subjected to a specified tariff. Obviously it was the production of the specified articles that Congress determined to encourage. This intention is demonstrated by a statement in the report of the Ways and Means Committee, bottom of page 3 of Report No. 248 of the 67th Congress, 1st session, on H. R. 7456, where it was said with respect to certain exceptions: "where the committee thought that particular products which represented infant industries or the materials essential to national preparedness have been given slightly increased rates."

And then again, the same report at page 18 states:

"A wide range of industries is covered by this schedule and a general statement would apply to them all."

The schedule to which the reference is made is a long list of individual commodities subjected to specified tariffs. And then the report continues:

"In the case of a number of articles, Japanese competition has become important since the beginning of the war."

And it is obvious that the competition was with particular products and articles.

This same committee report goes on to say:

"Both straw and fur hats fall within this schedule, and constitute two very important industries."

And there is demonstrated the fact that the industry is identified by its product and the producers of one type of hat are a different industry from the producers of another type of hat.

The intention of Congress to protect American labor producing a product is found in Senate Report No. 595 on the same bill, that is H. R. 7456. The Senate committee stated:

"In the preparation of this measure your committee has endeavored to recommend rates that will afford protection to American industries and permit them to pay wages sufficient to enable our workmen to maintain an American standard of living."

On page 11 of that report which covers schedule 3 of metals and manufacturers of metals, the committee said:

"A general policy of adjusting rates on raw materials to protect the domestic mining interests without inflicting undue hardship upon the consuming interests was followed throughout the metals schedule."

And there you will observe that the mining interests were not considered one industry but that each mining product was considered a separate industry.

In 1930 a new tariff act was passed, the purpose of which was "An act to provide revenue, to encourage the industries of the United States, to protect American labor."

And the industries to be protected by these were the industries engaged in the production of specified products. The Ways and Means Committee Report No. 77 of the 71st Congress, 1st session, on H. R. 2667, stated:

"For the great majority of the articles for which it"—that is, the Tariff Act of 1922—"provided protection, it is still efficient and sufficient."

It was through the protection of American production of named articles that industry was to be encouraged.

In discussing "reasons for the readjustment," the committee states:

"New products have been added to the list, improved machinery has been adopted both here and abroad, foreign competition has attacked production in new ways and new lines of products are being manufactured, destined primarily for the American market."

The concern of Congress over new products and improved machinery attacking domestic production clearly indicates that the product industry and the product named were considered as synonymous. The report continues:

"The protective policy does not exclude and it is not intended to exclude foreign products from our markets, but does propose that such products should not come into this country to the detriment of American producers and wage earners."

And the producers are management and capital, and the wage earners are the labor engaged in the production of that specified article to which Congress gave its attention and to which it gave a specified tariff.

In discussing agriculture and industry on page 4 of the report, the committee states:

"Industries generally in the United States are in a sound and prosperous condition but there are a number of instances where the foreign competition is being sharply felt. There is a slackening in these (industries), loss of employment, and a number of instances were presented at the hearings showing that enterprises had been abandoned or were in serious straits."

That the committee was thinking of each agricultural product as constituting an industry is demonstrated on page 5, where it was said:

"Under the Underwood Act of 1913 agricultural products generally were put under three lists. The restoration of these products to a dutiable status where they properly belong by the Tariff Act of 1922 has been of immense advantage to the agricultural industries."

Then again on page 9:

"This bill is therefore presented as containing the readjustments necessary to give all our industries, all our laborers and all our people a fair and equal opportunity in our great market and prosperity."

In explaining schedule 3, which covered metal and manufacturers of metal, including straight pins, at pages 43 and 44, under the heading "Electrical Machinery and Apparatus" it was said:

"The products of this important group of industries are now dutiable under two paragraphs."

And later under the heading "Surgical and Dental Instruments" the committee said:

"These are among the outstanding American industries suffering from foreign competition."

In discussing hardware and tools, the committee referred to the whole group of industries producing hardware and tools.

In 1934 the Trade Agreements Act was passed. The President was authorized to reduce tariffs. The authority thus given constituted an implement of policy, the use of which necessarily had direct repercussions on domestic producers and domestic industry.

Recognition of this was at once apparent, as is shown by the escape clause provisions administratively inserted in the trade agreements. That those provisions were insufficient and ineffectual is demonstrated by the peril-point provision in 1948.

That the purpose of that enactment was solely for the protection of domestic producers is emphasized by the bitter minority report of the Committee on Ways and Means submitted to the 80th Congress, 2d session, report 2009. The report of the Committee on Finance, which was report 1558 in connection with the same bill, noted that there were complaints from widening sources that domestic producers who required protection against injurious competition from imports were not receiving adequate consideration in trade agreement negotiations. The report emphasizes that the committee was concerned with the injury to domestic producers

resulting from the trade agreements program. The committee's report as to the necessity for the peril-point legislation turns largely about the injuries caused or threatened to domestic labor, capital, and management producing a like or similar article to that imported under the concession of the trade agreement.

That act required the Commission before the commencement of negotiations for a foreign trade agreement to make an investigation and report to the President with respect to the limit to which a tariff change might be made without causing or threatening serious injury to domestic producers of like or similar articles, and to report further if increases in duties were required to avoid serious injury to domestic producers of like or similar articles.

Note that in this legislation the term "domestic producers" is used interchangeably with "domestic industry." Note also that the negotiation of the trade agreements is conducted on an article-by-article and a product-by-product basis.

In 1951 there was enacted the Trade Agreements Extension Act under which this proceeding is now pending. This legislation when originally introduced and amended in the House provided relief not only when the imported article increased in such quantities as to cause or threaten serious injury to a domestic industry, but also provided the same relief when even a segment of such industry was endangered.

The debates in the House on this act as thus amended emphasized specifically the oil industry, of which a group of independent producers was apparently bearing a heavy burden. Emphasis was also directed toward potato growers in Maine, it appearing that imported potatoes were giving that segment of the potato industry more difficulty than elsewhere.

In the bill as finally enacted, the reference to a segment of industry was omitted, but the serious consideration given to extending the benefits of the escape clause to groups either territorial or identified by the production of only a part of the product in America emphasizes the intention of Congress that the benefits of this legislation were intended for specific groups, and more particularly for the precise groups to whom the injury occurred as the result of reductions in tariff rates on specific articles.

This intention is made more emphatic by the debate in the Senate. The report of the debate in the CONGRESSIONAL RECORD, volume 97, part 4, page 5494, carries the assurance given by Senator GEORGE, chairman of the Finance Committee, to Senator NEELY, and it reads in this fashion:

"Mr. NEELY. Will the distinguished Senator from Georgia please turn to section 7, page 2, of the committee report, and from his profound knowledge of the entire complicated subject of reciprocal trade agreements favor us with his opinion of the following: If a pottery or glass factory in West Virginia should be shut down because of irresistible foreign competition, would it be possible under the pending bill if it became a law for the employees as well as the employer to have the Tariff Commission make the investigation required by that circumstance of the case?

"Mr. GEORGE. Yes, entirely so, because it is expressly provided in this amendment that the application may be made by any interested party. Then the whole procedure under the escape clause comes into effect."

In the same debate a comparison of the cost of the production of sewing machines in this country as against the cost of such machines in Japan was made, and that is in the CONGRESSIONAL RECORD, volume 97, part 4, pages 5501 and 5502. It was pointed out that the difference in the selling price of the two machines in this country arose solely from the differential in wage rates paid to the employees. The Japanese worker received 90 cents a day, the American worker received $15.50 a day.

Those debates did not consider the wages of labor producing plumbing hardware or any other product which the sewing-machine industry might produce. There are some other sources of interpretation which give some assistance here.

An examination of the records of the hearings held in connection with the 1930 Tariff Act will disclose the testimony on behalf of the straight pin industry went no further than the manufacture and the sale of that product. The committee didn't consider any other facts in connection with the pin industry. This is the basis upon which our position is predicated here.

An examination of the testimony offered in those hearings on behalf of other products will disclose that they likewise were limited in a similar manner. From this it can be concluded that the committee considered only the production of specific commodities, the labor, management, and capital involved in the production of those specific commodities. Those are the elements of production Congress intended to protect by the specific tariff.

Now, the Antidumping Act of 1921 provided that whenever the Secretary of the Treasury found that industry in the United States was being or was likely to be injured, or was being prevented from being established by reason of the importation into this country of foreign merchandise dumped here, he was required to make a finding of dumping. An examination of those findings beginning in 1922 will indicate the construction put upon the term "an industry" in its administration. The decisions run in this way:

Treasury Decision 5233, an industry manufacturing glass frostings is being prevented from being established. Treasury Decision 50035, industry manufacturing ribbon fly catchers. Treasury Decision 50034, the industry manufacturing wool knitted berets. Decision 46826, industry manufacturing woven wiring fencing and netting. Decision 46618, the industry of manufacturing rubber-soled fabric-topped footwear. And Decision 46617, the industry of manufacturing incandescent electric light bulbs and lamps. And so they run, each in a very narrow field.

Section 337 of the Tariff Act of 1930 dealt with unfair methods of competition, unfair acts in importation of articles into the United States, with the effect or tendency to destroy or substantially injure an industry efficiently and economically operated or to prevent the establishment of such an industry. Under that provision a number of proceedings have taken place before the Commission. What has been regarded as an industry is demonstrated by a number of decisions here. The industry of manufacturing slide fasteners was determined to be such an industry. That is section 337, report No. 86, second series of Tariff Commission, 1934.

The industry of making and selling drive springs was determined to be an industry, section 337, report No. 87 of the second series, Tariff Commission, 1934.

The industry of making cigar lighters was determined to be an industry, and the report in that case showed that the complainant manufactured numerous other articles including clocks, toiletware, deskware, automobile goods, electrical goods, and general novelties. It is in section 337, report No. 72, of the second series.

The industry of making collable metal rules and holders was determined to be such an industry in the United States, section 337, report No. 106, second series, United States Tariff Commission.

In the collable metal rules case the transcript shows testimony to the effect that the complainant was the largest maker of hand tools in the United States. The report does not indicate that any attention was given to the relation between complainant's manufacture of collable rules and the obviously extensive volume of its own business.

The decision gives no indication that the production of other tools had any consideration as a factor in reaching the decision that the petitioner in that case was entitled to relief.

In a section 337 proceeding in the Court of Customs and Patent Appeals, that court sustained the conclusion reached by the Commission in which the complainant manufacturer appeared to be the only member of the domestic industry whose production and cost data was examined. That is the Northern Pigment Co. case in 71 Federal (2d) 447.

The meaning of the term "industry" as used by the Court of Customs and Patent Appeals in that case is that of a product industry.

Now, in investigation No. 22, under section 7 of the Trade Agreements Extension Act of 1951 there was involved the importation of handblown glassware. This Commission agreed unanimously that machine-made ware was not like or directly competitive with the imported ware under consideration, and as a consequence the machine-made glassware was not the domestic industry producing like or directly competitive articles.

And with respect to the profits, it was pointed out in one of the two recommendations to the President that if the profits derived from kindred industries, in that case the glass container industry, were to be combined with the profits from the production of the article under consideration, the escape-clause provision would be nullified for all practical purposes.

It was pointed out that the producers of chemicals would probably never have the advantage of the escape clause if profits of producers of all chemicals were to be considered on the application of the producer of one chemical.

Now if the Commission pleases, that covers the underlying basis of the position which we have taken here.

Secretary BENT. Mr. Chairman, I understand that Congressman BAILEY is present and wishes to make a statement.

Chairman BROSSARD. We will be glad to have your statement, Mr. BAILEY, if you desire to make it now.

Mr. BRECKINRIDGE. Mr. Chairman, we asked Congressman BAILEY to appear for a specific reason, and if the Commission please, I would like to have the Congressman sworn.

Commissioner MCGILL. That is not required.

Chairman BROSSARD. We don't require Congressmen to be sworn unless he is your witness and you insist on it, why we wouldn't insist on it.

Commissioner MCGILL. As far as any statement he makes, he is under oath the same as we are.

Chairman BROSSARD. I think we can take his statement as being the equivalent of being under oath, since he is a Congressman of the United States.

STATEMENT OF THE HONORABLE CLEVELAND M. BAILEY, REPRESENTATIVE FROM THE THIRD DISTRICT OF WEST VIRGINIA

Mr. BAILEY. May I say to the Commission that I have no formal statement. I was supposed to answer some questions, clarifying questions, and I am ready to be cross-examined.

Mr. BRECKINRIDGE. Congressman BAILEY, have you heard the discussion of the escape clause that has taken place here this morning?

Mr. BAILEY. A portion of it.

Mr. BRECKINRIDGE. Are you familiar with the escape-clause provisions of the Trade Agreement Extension Act of 1951?

Mr. BAILEY. Yes.

Mr. BRECKINRIDGE. How did you become familiar with those provisions?

Mr. BAILEY. I happen to be a Member of the 82d Congress in the 1st session. I am the author of the present escape clause as contained in sections 6 and 7 of Public Law 50.

Might I add there, Mr. Breckinridge, that the escape clause came in the form of a substitute motion for an escape-clause plan submitted by Congressman CURTIS of Nebraska. It was accepted by Mr. CURTIS as a substitute for his proposed amendment and adopted by the Congress.

Mr. BRECKINRIDGE. Was Congressman CURTIS' amendment ever voted on?

Mr. BAILEY. It was not.

Mr. BRECKINRIDGE. And he personally accepted your amendment?

Mr. BAILEY. The record will so disclose.

Mr. BRECKINRIDGE. Did you draft the escape provision that was eventually adopted and passed by the House?

Mr. BAILEY. I did.

Mr. BRECKINRIDGE. Did you use in that draft the words "injury to domestic industry producing like or directly competitive products"?

Mr. BAILEY. I did.

Mr. BRECKINRIDGE. What did you have in mind in your use of "domestic industry"?

Mr. BAILEY. Let me answer that question by saying that my district is one that produces a large amount of pottery products, glassware, clothes pins. I had in mind in my reference to domestic industry there the jobs of the men employed in the plants, the welfare of the management, including adequate profits, because everyone realizes that the only way you can have continual employment is to have profits for management.

Mr. BRECKINRIDGE. Were you concerned about that because those industries were actually experiencing difficulty with imports?

Mr. BAILEY. I was, and may I add, Mr. Breckinridge, that we are still experiencing those injuries. I visited my home State, Saturday last, and due to the operations of your Reciprocal Trade Agreement Act, in major part, we have 106,200 people on relief in 26 counties in the State of West Virginia.

Mr. BRECKINRIDGE. What was one particular product that was being imported and that you were concerned about?

Mr. BAILEY. Well, I mentioned those three. I was also concerned in the independent oil industry, and that is why I included in my draft of the escape clause segments of an industry, because I was thinking of the welfare of the independent oil producers of my State as distinguished between them and the oil cartel which was importing excessive amounts of residual fuel oil and crude oil into the United States.

Mr. BRECKINRIDGE. By the oil industry, what do you refer to there? Do you mean the corporate organizations engaged in the oil industry or the capital engaged specifically in producing oil?

Mr. BAILEY. Well, I was thinking of protecting the people who are employed in the independent oil industry and the profits of the independent oil industry. I think it is a well-known fact that three of the major American oil companies, together with the Dutch Shell are engaged in extensive developments, possibly as much as a million barrels of crude oil a day like Maracaibo in Venezuela.

I wanted to make sure that my independent oil industry had an opportunity to survive in the face of those floods of imports.

Mr. BRECKINRIDGE. Mr. Congressman, in the case of spring clothespins, which I understand is produced in your State, were you concerned about that?

Mr. BAILEY. I was very much so. We have the largest clothespin producing plant in the world in my district.

Mr. BRECKINRIDGE. In your concern about that industry, were you concerned about the corporate entities who were producing spring clothespins, or were you concerned about the labor specifically employed in producing spring clothespins?

Mr. BAILEY. I was concerned primarily with the jobs of about 400 employees employed in that plant, and the fact that the company had to make a profit in order to keep those people employed.

Mr. BRECKINRIDGE. Were you concerned about their income from Government bonds or from other sources or from other production than spring clothespins?

Mr. BAILEY. I have no knowledge that they had such investments, and I was not concerned in that angle of it whatever. I had in mind protecting the wage levels and the standard of living of the people employed in that plant and continuing work.

Mr. BRECKINRIDGE. What in your opinion was the understanding of the House of the words "domestic industry" when they debated and adopted the escape clause containing those words?

Mr. BAILEY. I think if you will peruse my debate on the floor there, you will understand what the primary object was. It was to protect domestic industries, producers of individual articles who were being harassed, injured, harmed by importation, excessive imports of light products coming from abroad.

Mr. BRECKINRIDGE. May I put this question to you? If General Motors should buy out the spring clothes pin plant, in your opinion would they be part of the industry producing spring clothes pins?

Mr. BAILEY. I should not so consider.

Mr. BRECKINRIDGE. That is all, Mr. Chairman.

Chairman BROSSARD. Mr. Breckenridge, do you desire to make an opening statement as counsellor or do you want to be sworn?

Mr. BRECKINRIDGE. I would like to make partially a statement as counsel and partially as a witness, sir, and I would prefer to be sworn.

Chairman BROSSARD. You had better be sworn.

TESTIMONY OF JOHN BRECKINRIDGE, REPRESENTING THE STRAIGHT PIN INDUSTRY (HAVING BEEN DULY SWORN BY SECRETARY BENT)

Mr. BRECKINRIDGE. Mr. Chairman, first I would like to make it entirely clear on the record that the position of the applicants has consistently been one not of lack of cooperation nor a desire not to give the Commission anything that is necessary to the investigation and a proper decision in the investigation, but they have, as I think they are entitled to, their opinion of what the law means, what they are entitled to under the law, and what was meant by the domestic industry producing straight pins.

We made it clear from the very beginning that if the investigation had to consider and be affected by the production, sale, and profits of other products, we would prefer or just as leave the investigation not be made.

We recognized all along the right of the Commission to overrule us, to make an adverse report on the investigation without a hearing, and we assumed that that would be done if the Commission, by formal vote, ruled that we were not supplying relevant and pertinent information under the law.

We still take the same position. If it is necessary to supply the figures on the production of plumbing fixtures, we would just as leave not have the investigation made. We feel that we are entitled to that position.

Commissioner RYDER. I thought you put your statement in the record of your position on this subject. Why do you have to repeat it here now?

Mr. BRECKINRIDGE. Commissioner Ryder——

Commissioner RYDER. We heard it ad nauseum.

Mr. BRECKINRIDGE. I am not repeating just what was said yesterday; I intend to supplement it briefly, and since the statement on behalf of three Commissioners has been read in the record here, I think we are entitled to state our position and have it clearly understood.

Commissioner RYDER. Well, we gave you permission to put in the record your full statement on the other, applicable to this case.

Mr. BRECKINRIDGE. I am not going to repeat what is in the statement already in the record.

Chairman BROSSARD. Proceed, Mr. Breckinridge.

Commissioner MCGILL. Mr. Chairman and Mr. Breckinridge, I do not mean to interrupt the course of your statement——

Mr. BRECKINRIDGE. It is all right, Senator.

Commissioner MCGILL (continuing). But I think there is one matter that may not have been clearly stated in the questions that were propounded to you a few moments ago with reference to overall production, and that is that my reference was intended to be the overall production, etc., in the plants where straight pins are produced. I want to make it clear that is what I had in mind, and, I take it, you also, unless you state to the contrary, you had it in mind also.

Mr. BRECKINRIDGE. We had that in mind; yes, sir.

Commissioner MCGILL. Yes.

Mr. BRECKINRIDGE. On that point we feel that where Oakville may have 2 separate plants and Risdon may have 2 separate plants, another company, Star Pin Co., may have a comparable thing, but only separated by a wall, makes no real difference as to what is material and what is not material.

Commissioner MCGILL. Well, I had in mind some company might manufacture in some place railroad engines, and I am not trying to get at anything like that and, therefore, I meant to confine my questions to the plants in which straight pins are produced; that that is the information we are asking for, the information from those plants.

Mr. BRECKINRIDGE. I think after the investigation is completed the Commission will find that in the plants involved are produced some items that are just as irrelevant and immaterial as railroad engines.

Back before the escape clause was enacted in 1951, the Commission had operated purely under an Executive order which did not state any criteria for escape-clause investigations. Those investigations were conducted under an administrative escape clause which was written in administratively by the State Department primarily into trade agreements.

The escape clause provided for relief only—the principal provisions—only in case of unforeseen developments and in case of unforeseen injury; and it provided no criteria, no rules, for the conduct of investigations, and no procedural provisions.

Under those investigations, the Commission wrote some indication of the criteria they considered and, for the most part, dismissed all applications for an investigation without even a hearing and without stating a reason for not conducting the investigation.

Under those, I am sure, that the Commission considered these broad range of products that a producer of a product being injured or which they claim was being injured, they also produced. I am sure they considered also broad economic factors, the effect on world trade, international trade, generally.

Commissioner EDMINSTER. May I interrupt you there? Since no report was issued, no statement of reasons was issued, how did you become sure of what we considered?

Mr. BRECKINRIDGE. I have a statement——

Commissioner EDMINSTER. What is your source of information on that?

Mr. BRECKINRIDGE (continuing). A statement by Commissioner Ryder, who was at that time Chairman of the Commission, before the House Ways and Means Committee

in 1948, testifying on H. R. 6556 which, at that time was considering a bill to extend the Trade Agreements Extension Act.

I will not quote it, but the statement of the at that time Chairman, Commissioner Ryder, did indicate that these broad other things were considered and were pertinent to their investigation.

Comparable statements were submitted at later times to the committees of Congress considering that or a subsequent extension of the trade-agreements law.

In 1951 the matter was again considered, the Trade Agreements Act was again extended, and at that time was when the escape clause was written under the act under which this proceeding is being conducted.

In the minority report of the committee recommending a bill to extend the trade-agreements law without an escape clause and extension as was, it had this to say—now, this is a minority report, and was a minority report by 10 to 5:

"The authority of the President to enter trade agreements was delegated to him by the Congress in the 1934 amendment of the Tariff Act of 1930. The 1934 amendment did not itself, however, provide any avenue of escape from serious injury, but almost all trade agreements now contain a so-called escape clause designed to prevent serious injury or the threat of it to domestic producers and their workers. The language of the escape clause is as follows."

I will not read the escape clause, but the significant thing is it contains criteria, particularly unforeseen, but not in the present law.

Then the committee minority go on:

"As a result of the patent looseness of and ambiguity of the language of the escape clause, and as a result of the lack of any standards established by the Congress for the President's guidance in determining when relief should be granted, only one industry has ever been afforded relief by the President under this clause, and this took nearly a year to accomplish. The facts established during the public hearing on H. R. 1612 brought clearly into focus that the failure of the Congress to lay down any broad principles to guide the President has resulted in the complete ineffectiveness of the escape clause and that this failure is the basis of the well-founded complaints against the present procedure"—well-founded complaints against the present procedure which the Ways and Means Committee considered.

"Because of the complete ineffectiveness of the escape clause, domestic producers, even when they have been injured, feel it futile to apply to the Tariff Commission for relief, and even when relief is requested the ambiguity of the language in the escape clause is such that most applicants have been dismissed without even a formal investigation. A summary is given in appendix B listing all applications which have been made under the escape clause and showing the disposition of these cases."

Now, that report—that opinion—of the former administration and criteria of escape clause became the majority opinion of the House and the majority opinion of the Congress.

Mr. Congressman BAILEY, who drafted the original version of the escape clause that was finally enacted, and sponsored it on the floor of the House, was here and testified as to what his intent was and what he thought the intent of the House was, what they understood the law to mean after the debate in which he participated.

Commissioner MCGILL. You think that is a legal manner of determining what was the intent of Congress in the enactment of the bill?

Mr. BRECKINRIDGE. I think that that is a part of the legislative history going to make up and to determine what the intent of Congress was. I do not say or contend that it should be necessarily controlling. I think that has to be taken along with other indications of the intent, such as the reports, the debates, the conference report, and final passage.

Commissioner MCGILL. Do courts, in your judgment, take into consideration the testimony of a Member given after the measure had been passed?

Mr. BRECKINRIDGE. I do not think the courts would give much weight to it; were it available, I think they would consider it for such weight as they saw fit to put on it. Certainly, it does not carry as much weight as the debates and the reports do. We think the debates and reports all substantiate what Congressman BAILEY testified to.

The language involved here is "injury to the domestic industry producing a like or directly competitive domestic product."

That language was contained in the House version, as passed, was not changed by the Senate version, and was finally adopted in the same form by the conference report and by both Houses of Congress, and signed by the President.

We think that very clearly, in view of the background, the information that the Congress had as to how the Commission had administered the escape clause in the past, makes it very clear that they intended that there be a change, and because they did not like the criteria being used, did not like the procedure being followed, they specifically wrote a procedure section, section 7.

They not only said the concession shall not continue if it causes injury; they said, "You shall investigate and follow these criteria."

We think that what the Commission has done in the past has been completely overruled by the Congress, and they have laid down new criteria for procedure and for findings of fact.

In interpreting those words, "domestic industry," I think we have to go, in addition to what Mr. Heron has said on the subject which, I think, is very convincing as to what Congress has always understood the word "industry" to mean in tariff legislation of various kinds, in two pieces of legislation where they have used it in this same context, that is, injury to domestic industry or preventing domestic industry from being established, and those two pieces of law being the Antidumping Act of 1921, and the unfair-trade-practices section of the Tariff Act of 1930, which is section 337—decisions under those two laws by the Secretary of the Treasury in the case of dumping, by the Tariff Commission in the case of unfair-trade practices, have all indicated that industry and injury to industry meant injury to the production, the labor, capital, and management devoted to the production of the product being dumped or the product which was being unfairly imported; and the Commission, in the decisions, has consistently referred to injury to the industry of manufacturing fly catchers, the industry of manufacturing rules, and in those cases the companies producing those rules produced many other things.

They did not consider the corporate entity of the companies producing those to be the industry, and when Congress spoke of injury to industry, it is not reasonable to think they were thinking in terms of corporate entities.

The Congress thinks in terms of people, labor primarily, votes, if you please. They do not think in terms of corporate entities, and if a corporate entity is producing straight pins, regardless of other products they might be producing; they are thinking of the labor in straight pins, and they wanted to keep the labor at the straight-pin machine and not in Michigan producing automobiles.

I think it is unfortunate that three members of the Commission have made up their minds and announced their decision before they heard our argument on the case. We fully recognize and fully respect the right of the Commission to overrule us, the same as we do any court; but we normally expect our day in court before they overrule us.

If the Commission will permit, I would like to make an opening statement on the facts of the labor, management, and capital in producing straight pins.

I first would like to introduce as an exhibit, a copy of the application filed by the applicants on September 22, 1953. In that application we have brought the statistical figures up to date through the year 1953.

At the time of filing they only contained figures through the first 6 months of 1953.

Mrs. COMPTON. Exhibit 2.

(The document referred to was marked exhibit 2 (Breckinridge).)

Mr. BRECKINRIDGE. Next I would like to introduce an exhibit, a consolidated industry report to the Tariff Commission, which contains consolidation on the overall industry basis of precisely the information which was submitted to the Commission by each individual applicant on a questionnaire submitted to the Commission; and I have changed none of the figures. I have only consolidated them in one report giving an industry picture. They were consolidated from a copy of the reports which were sent to the Commission directly by each individual applicant.

I think it would be well to note that the information contained in the questionnaire submitted by each applicant contained in exactly the same form, with exactly the same instructions, with exactly the same headings and subheading numbers and titles as was requested by the Commission's questionnaire.

We revised the questionnaire only in respect to omitting information on the production, sales, and profits of products other than straight pins, and we included considerable information in addition to what the Commission asked for. Each applicant submitted all of the information that was requested by the Commission with respect to straight pins.

This exhibit is being submitted in confidence, and I have a copy here for each Commissioner.

Mr. MARTIN. Mr. Chairman, may we inquire why these consolidated figures of eight companies should be received in confidence?

Mr. BRECKENRIDGE. Mr. Chairman, we consider the figures as confidential because they reveal information of value to our competitors, and the makeup and nature of the industry is such that with this overall industry report it would not take much ingenuity to figure out substantially what the operations of each individual company were.

Now there is certain information in the report—the report, as a whole, is confidential, but there is certain information that is taken from public records, in it, which I have extracted and now propose to give to counsel for the importers. That information is item 2 on annual sales in pounds and in dollar value.

It includes another item that we added on production capacity on existing machines and facilities, item 4 on exports, item 4–X on imports, item 4–Y on apparent acquisitions by the domestic market.

Mr. MARTIN. Mr. Chairman, I appreciate the information that has been given us graciously, but I repeat my question. There are 8 companies involved here, and this is a consolidation of 8 companies' statistics. This cannot reveal the operation of any individual companies.

Mr. BRECKINRIDGE. Mr. Chairman, I would like to say at this point that the applicants are extremely anxious that this information be treated as highly confidential, and at this point I might suggest that a little later on the applicants would like to have an informal conference with the staff of the Commission indicating the type of things that

they would prefer not to have published in the report.

Of course, we are not trying to dictate to the Commission, but the type of information that has been included in some reports of the Commission, in this case would be very damaging. We, of course, recognize the Commission's right to do as it pleases.

Commissioner McGILL. Have any of the applicants seen this report?

Mr. BRECKINRIDGE. They have all seen it, sir.

Commissioner McGILL. All have seen it?

Mr. BRECKINRIDGE. Yes, sir.

Commissioner McGILL. Then they know what is in it, do they not?

Mr. BRECKINRIDGE. Yes, sir.

Commissioner McGILL. So that any of this confidential information that might be revealed from one to the other has already been seen?

Mr. BRECKINRIDGE. We are concerned about revealing the information to our foreign competitors and to others outside the industry, who the applicants do not wish to reveal the information to.

Commissioner McGILL. So far as each applicant is concerned, he has had his opportunity of figuring out his competitor's data?

Mr. BRECKINRIDGE. As best he can, but I am sure—I do not wish the importers and the foreign manufacturers to have the same opportunity.

Mr. MARTIN. Mr. Chairman, we appreciate the implication of superior analytical ability to figure out these confidential matters, but we do not think the compliment is warranted. I do not believe that the rule has ever been taken to such an extent to mean that 8 companies' figures, which are all common knowledge among the companies, nevertheless should be confidential Government statistics.

Commissioner McGILL. May I ask Mr. Breckinridge——

Mr. BRECKINRIDGE. This is a confidential industry statistic not Government statistic.

Commissioner McGILL. Let me ask you a question, Mr. Breckinridge, in connection with this.

Mr. BRECKINRIDGE. Yes, sir.

Commissioner McGILL. Are the figures of individual companies shown here or it is the total of all eight companies that are shown?

Mr. BRECKINRIDGE. It is the total of all eight companies.

Commissioner McGILL. So that no 1 of the 8 is disclosed, not 1 of the 8 is disclosed? It is just the totals, and the best you could do would be to——

Mr. BRECKINRIDGE. The nature of the business is such, and the knowledge outside the industry of the operations of the different companies is such, that it would not take anybody long to figure out almost exactly what the individual company operations are. Now, if the Commission will not accept it in confidence, we will be glad to withdraw it.

Commissioner McGILL. I do not care myself. I do not think it is confidential, though.

Chairman BROSSARD. I would accept it in confidence at this time. We have not had a chance yet to examine it in detail because it was submitted this morning, and I would like to say that if the Commission should decide that it is not material that ought to be submitted in confidence, why, then we will subsequently make it known to these people and that they can withdraw it if they want to or leave it in and make it public, one or the other; but right at this moment I would not want to make a ruling on it one way or another. I think that is the feeling of my colleagues.

Mr. BRECKINRIDGE. The Commission would advise us before they published any information, would they not?

Chairman BROSSARD. Oh, yes.

Commissioner EDMINSTER. You would have an opportunity to withdraw it if you preferred not to submit it, if we were not going to treat it as confidential.

Mr. BRECKINRIDGE. All we would want is an opportunity to confer about it, and the Commission could do as it pleases.

Chairman BROSSARD. This is the rule of the Commission on this matter of confidential information. It is 3 (c) under 201.6:

"Information submitted to the Commission in confidence should be submitted on separate pages clearly marked 'Confidential.' The Commission may refuse to accept in confidence any particular information which it determines is not entitled to confidential treatment."

It was upon that basis that the Commission does not rule positively upon the subject at this time because we would like to examine the document carefully to see whether or not it is the kind of information that might reveal operation of individual concerns.

Mr. BRECKINRIDGE. That is satisfactory, sir.

Chairman BROSSARD. Before it is published in any way, we will give you people an opportunity to withdraw it or leave it in as an exhibit in confidence.

Mr. BRECKINRIDGE. Now, Mr. Chairman, in order to avoid lengthy questioning later in the hearing, I would like to explain minor deviations that will be found in the statistics included in the application and in the statistics included in the consolidated report which has just been submitted as exhibit No. 3.

Mrs. COMPTON. No. 3.

(The document referred to was marked "Exhibit 3, 'Confidential' (Breckinridge).")

Mr. BRECKINRIDGE. Here again in the application, the statistics were gathered by the Pin, Clip, and Fastener Association, straight pin division, and reported on a somewhat different basis than was requested by the Commission.

These figures on sales do not include exports, whereas the figures on the Commission's questionnaire do include exports.

Also another reason for minor differences which we do not think are consequential concerning the industry picture, in the case of retail items, such as papers, straight pins stuck on a paper, it was necessary for the secretary of the association to determine from the applicants a factor, and convert those pin papers to a pound basis.

Now, in the case of the Tariff Commission questionnaire, each company converted where he did not have accurate pound figures, he converted his retail items, pin papers, to a pound basis based on his own records, and would be more accurate than what is in the application.

But other than that, errors of that sort, I do not believe the figures are substantially different unless, possibly, I made a mistake in addition somewhere which, of course, the Commission will find.

Now, in analyzing and considering the facts in the straight pin industry, I think underlying every consideration should be its profit picture, in the past and today.

Now, that appears on page 15 of the questionnaire, and at the bottom line "percent of net profit to net sales," which is item 30, it shows that the industry, both before the war, during the 1935–39 period and since the war, has been operating just on the verge of the break-even point, sometimes a little below, sometimes a little above.

The average profit during the 1935–39 period was a loss of 0.4 percent.

Chairman BROSSARD. Is that net profit before income taxes?

Mr. BRECKINRIDGE. No, that is net profit after State and Federal income taxes; and we have used that figure because that is what you pay dividends on, that is what you get a return on your investment on.

Now, in the immediate postwar period, 1946 and 1947, the companies, as did all companies, made some money; but, surprisingly little, compared to the profits of other firms, comparable firms, in the same period.

During the 1946–49 period, the profit, average profit, was less than 8 percent of net sales, and then in 1950 was when the imports hit, and from 1950 through 1952, the average profit dropped to only 3.2 percent.

In 1952 it hit the low of a loss of 1.3 percent of net sales. In 1953 we had some recovery to the surprising figure of two-tenths of 1 percent profit.

Now, the significance of that is that the industry is just on the verge, just operating, at the break-even point.

Before the war they were struggling to get out of the depression under difficult circumstances, and they were saved by the war, beginning in 1939 and 1940.

Since the war, immediately thereafter, they had considerable volume because of the pent-up demand, and the fact that trade channels had been exhausted, but it started a steady decline, and when the imports hit it, it has removed any possibility of the industry pulling itself up by its own bootstraps.

The present percent of imports to annual sales is not any startling figure, as one hears of imports these days, but the nature of the industry makes a small percentage much more damaging in this case than two-thirds of sales, as it would be in wool or some other commodities where the production capacity is less than demand.

In this case production capacity is considerably in excess of American demand. Prewar 1935–39 imports averaged 2.4 percent of domestic sales in the domestic—correction, averages 2.4 percent of domestic market acquisitions or apparent consumption.

In 1946–49, they averaged four-tenths of 1 percent, and then the avalanche by comparison started. It went up to 3.2 percent in 1950, 10.7 percent in 1951, 6.5 percent in 1952, 8 percent in 1953. But those imports have had to be absorbed on a declining market, on a static demand, and a considerably declining per capita consumption.

The average domestic sales in 1935–39 were 3,763,433 pounds. Even during the peak period of the immediate postwar 1946–49, it averaged less than prewar. It averaged 3,121,236 pounds.

In 1950–52 average, it averaged 3,267,182, still below prewar.

In 1952, when the full force of the imports was felt or, perhaps, I should stop and explain that—in 1950 and 1951 there was considerable importing as a result of scare buying, stocking, afraid we were going to get into total war, and those imports were not all consumed, and they very seriously, in our opinion—and I think the facts will substantiate it, very seriously—affected sales in 1952, and is still affecting sales.

In 1952 sales dropped to 2,389,341 pounds. In 1953 there was a slight recovery to 2,917,188 pounds, both substantially below the prewar sales, substantially below the preconcession sales for postwar, if you want to consider that period as representative.

Now, in addition to the sales, I think the next most important factor is production capacity. I have asked for and obtained from each applicant the following figures: Their actual production in 1953, the additional number of pounds they could have produced in 1953 with existing machinery, and within normal work schedules, and 5 days a week, and their production capacity.

Chairman BROSSARD. Is that one shift?

Mr. BRECKINRIDGE. It is one shift in most cases, Mr. Chairman. In the case of one company they normally run a two-shift schedule of production, I understand. Within my knowledge there is only one company where it is more than one shift.

I also asked for the additional capacity, additional amount, number of pounds that each company could have produced with ad-

ditional shifts on the same machines and with the same facilities. Those figures, production in 1953, were 3,181,128 pounds.

Chairman BROSSARD. Is that in addition to what they did produce?

Mr. BRECKINRIDGE. No, that is what they actually produced in 1953.

Chairman BROSSARD. Yes; all right.

Mr. BRECKINRIDGE. This is on the first page of the consolidated report, incidentally.

The next figure was the additional amount they could have produced within a normal work schedule, which was 997,356 pounds, making a total production capacity, with normal work schedule and existing facilities, of 4,178,484. That is more than the domestic market has ever consumed since 1935, and it appears we have declining overall consumption as well as declining per capita consumption.

The greatest amount that was ever required by the market was in 1936 with 4,148,504 pounds.

In addition to that, if we should ever have an emergency and need it, which is unlikely, the companies could produce a still additional amount of 5,070,724 pounds if they used additional shifts, with existing machinery and facilities.

In view of the testimony that will be submitted later to the effect that a pin is a pin, and you cannot tell a foreign pin from a domestic pin, under those circumstances, it is difficult to conceive of how 1 pound, even 1 pound or, let us say, a hundred pounds—which would sound a little more reasonable, a hundred pounds—can come in here without displacing the consumption of the American-produced pin; it just cannot be done.

How seriously have we been hurt to date? During 1951 and 1952, the domestic manufacturers lost about 550,000 pounds of sales to imports.

To these companies, operating at a break-even schedule, that is serious injury, and the threat of future imports is much greater because with the volume they got in 1950 and 1951, they were able to get their foot in the door to establish a distribution system, to establish stocks from which they could make delivery, and that is what is causing the very serious threat to the industry in the future.

In the past, the main thing that protected the industry was not the tariff primarily, but the fact that the importers could not deliver.

This industry operates on a delivery basis from inventory. Until they built up a stock and improved their distribution system, the users were hesitant to buy from them for fear next month they could not get delivery. Now, that reliability of supply preference is disappearing, and disappearing rapidly.

In the application we estimated that 90 percent of the imports were of steel pins, and that they were imported in bulk form for industrial use rather than household use. We do not know the actual figures—they are not available to us—but we still think that figure is about right, although there are indications in the market that imports of brass pins, and imports of retail packaged pins are increasing, and probably will increase further, particularly because of the distribution system they built up which enables them to contact better retail stores and retail outlets.

The bulk is sold to large industrial users where you can make one big sale, big volume, and not have much investment in inventory, and so forth.

But as they build their distribution system they will move more and more into the brass pins and hospitals, and so forth, and into household use and, incidentally, as well as the imports, a large percentage of the domestic production is also sold in bulk packages to industrial users.

It is not quite as big as the percentage of the imports, but it runs somewhere between 70 and 80 percent, 70 to 80 percent in bulk form; and in table 3 of the application, which is exhibit No. 2, I believe, this shows the distribution and sales on a gross basis rather than a dollar value basis shown in the Tariff Commission questionnaire; it shows that of brass straight pins 76 percent of the domestic production is sold in bulk to industrial users; and of steel, 91 percent, almost 92 percent, of the domestic sales are in bulk form to industrial users.

Now, those figures are for 1953, and they are pretty close to that for other recent years. For all sales put together, the bulk is 84.66 percent bulk for industrial use.

Now, we believe that the imports consist chiefly of No. 16, No. 17, and No. 20 straight pins in bulk form; those are the size numbers, sizes No. 16, 17, and 20.

In 1953, the domestic sales of those particular sizes constituted 41.9 percent of their total sales. That is one figure I was not supposed to reveal; it was a slip.

Commissioner MCGILL. Don't let us know about that because we might tell it to somebody.

Mr. BRECKENRIDGE. I am sure, Commissioner, that Germany will know of it tomorrow, but we all make slips once in a while. I do not know whether they will fire me or not. But anyhow, it illustrates that the great bulk of the imports are affecting the backbone of the American pin industry. The straight-pin industry is built around sizes No. 16, 17, and 20.

I have referred to the trend of sales and how they went down, beginning with 1950, when the imports increased in such tremendous volume—and when I say tremendous volume, I am referring to as compared with imports at any other time—and in 1950, when everything was supposed to be prosperous, we had the Korean war scare-buying and everybody says we had quotas and could not sell enough, our inventory was 518,077 pounds of pins. That is shown on page 3 of 7 of the questionnaire, which is item 5, and the Commission will note that while the Korean war was still going on, our sales declined from 3 million to 2 million in round figures, and in inventory, as the Commission will see, went up very, very substantially.

It would not indicate that we were short of pins or short of material to produce them with. The situation has been such that this industry could pretty much control, in spite of the allocations, how much steel or brass it put into pins, as distinguished from other products.

The employment in the industry has not gone down alarmingly. The number of people, the number of hours, is not alarming as yet, but the downward tendency is apparent, and with the importers now having a foothold in the market, it will probably go down very rapidly if we do not obtain relief.

Now, a drop of 10 or 15 percent in the volume of this industry at this time could put most of the producers out of business unless they saw a recovery in the immediate future, and I believe the testimony of the individual applicants will substantiate that.

Mr. Chairman, that completes my opening statement.

Commissioner SCHREIBER. Mr. Breckinridge, you do not mean that, if, for instance, Oakville was to drop out of the straight-pin business that they are making, that they would have to close up, do you?

Mr. BRECKINRIDGE. I did not say that, Commissioner, I hope.

Commissioner SCHREIBER. Well, you said they would have to go out of business.

Mr. BRECKINRIDGE. I intended to say they would go out of the straight-pin business.

These companies produce straight pins to make money, and if they do not make money they are not going to continue to produce them. They do not carry them as a loss leader in their line, and the straight-pin production has got to stand on its own feet, and if it does not make money they are going to take their money out and put it some place else.

Commissioner SCHREIBER. Wait a minute, this is straight pins.

Mr. BRECKINRIDGE. Did I say safety pins?

Commissioner SCHREIBER. That is what you said.

Mr. BRECKINRIDGE. Thank you, Commissioner; I hope the reporter will correct that. I am troubled with the same trouble the chairman is. I might even say spring clothes pins.

Commissioner TALBOT. Yesterday, Mr. Breckinridge, I asked you the form of relief that you recommended. I had in mind an increase in tariff or a quota, and you said you would take it up before the end of the hearing, which, apparently, you forgot to do.

Mr. BRECKINRIDGE. I did not.

Commissioner TALBOT. Somebody forgot it, anyway, and we did not get it, so I assume you will put it in your brief. I do not find anything in here as to the form of relief you are asking.

Mr. BRECKINRIDGE. I believe it is in there, Mr. Commissioner, Commissioner Talbot. I did not completely forget it before. We were rushed for time, and I thought we would put it in the brief.

We have requested in the straight-pin case—I will do it now so I will not forget it—we have requested—an import quota of 100,000 pounds of straight pins.

We feel that is necessary to establish some stability in the market, and we feel it is the type of relief that can prevent injury and do the least amount of damage to the dollar resources of the countries which export pins to the United States.

Commissioner TALBOT. The Chairman points out to me that it is page 4 and page 5.

Mr. BRECKINRIDGE. The reason for that is with a quota limitation of 100,000 pounds that quantity can come in, which is more than has ever come in before 1950, that quantity can come in with the benefit of the concession, with the reduced duty, and give an additional dollar return to the foreign countries involved; and it might bring about a situation where prices in this country can increase, at least to a reasonable level, to where the domestic manufacturers can earn a fair return on the investment involved.

However, I think the Commission can be satisfied that a limitation would not cause any extremely high prices in the domestic market because you have eight producers, and the history will show that this has been a highly competitive business among our own domestic producers. We never had extravagant or exorbitant prices in the past, in the 1930's when imports were inconsequential. I would not say inconsequential, but they were very, very small.

Now, if the Commission concludes that a quota—if the Commission finds injury and concludes that a quota—is not the right kind of relief to recommend, we urge that the duty be increased to 52½ percent. That is the maximum which it could be adjusted under the escape clause; that is the 50 percent increase above the rate in effect on January 1, 1945, which was 35 percent.

Now, the law authorizes, in making concessions, that the rate be fixed anywhere between 50 percent above, 50 percent below, the rate in effect January 1, 1945.

I was pleased to note for the first time that a finding of the Commission had recommended an adjustment of the rate under the escape clause to above the original rate. I believe it was in the handblown glassware case.

While the industry feels that a quota is the better form of relief and would be even more acceptable to the importers and the foreign producers, we hope that if a quota is not granted, that a rate of 52½ percent will be recommended. A mere reversion to

the 35 percent would not prevent injury to this industry.

The third alternative is if the Commission decided merely to withdraw the concession entirely, if the Commission decided to recommend that, that is, we would prefer to have the concession entirely withdrawn and let the rate revert to the statutory rate of 35 percent rather than adjusting the concession to 35 percent.

If the concession is entirely withdrawn, it would then make the industry eligible for relief under section 336 of the Tariff Act of 1930, so they could apply for an increase up to as much as 52½ percent on the basis of the difference between the foreign and domestic costs of production.

If the Commission does not feel it can recommend a rate higher than 35 percent, we hope they will open the door so we can present our case under the cost-of-production provision of the Tariff Act of 1930.

Thank you for bringing that up, Commissioner Talbot.

Chairman BROSSARD. Commissioner McGill has a statement he would like to make.

Mr. MCGILL. Mr. Chairman, I would first like to inquire if all the applicant manufacturers of straight pins are present?

Mr. BRECKINRIDGE. They are all present but one, sir, which is Noesting, whose president had a heart attack recently but he has a representative here to speak for him.

Mr. MCGILL. So that there is a representative of the applicant-manufacturers present?

Mr. BRECKINRIDGE. Yes, sir.

Commissioner MCGILL. Mr. Chairman, I wish to make a statement for the record, in which I am joined by Commissioners Ryder and Edminister.

We want the record to show that the applicants in this case have wilfully refused to supply the Commission with information which the Commission agreed was pertinent to the instant investigation and which the Commission requested them to supply. The Commission has been very patient with the applicants, notwithstanding repeated assertions by their attorney that they would refuse to supply voluntarily information of the kind in question. With the exception of the investigation relating to safety pins, hearings in which have just been concluded, the Commission has never experienced a situation of this kind, and it is difficult to understand this refusal to supply pertinent information by the very people who have invoked the Commission's jurisdiction in seeking relief for their industry. The type of information in question has been regularly called for in escape-clause investigations, but we have never experienced a deliberate and intentional refusal to cooperate such as has been exhibited by the behavior of these applicants.

In a situation of this kind, any suggestion that the Commission should resort to its compulsive powers in order to secure the desired information from the applicants is patently absurd. A different situation might obtain in this respect if domestic producers generally were cooperating and only a small but important segment of the industry was withholding information. We are not here confronted with such a situation, however, as applicant-producers comprising over 90 percent of the production of the domestic industry are adamant in their refusal to supply the information.

The right of the Commission to call for information of the kind involved was originally challenged by the attorney who is appearing today in behalf of the applicants in connection with an application filed with the Commission on December 17, 1952, for an escape-clause investigation relating to safety pins. The Commission, after reviewing the application, decided that information called for by the pertinent rules of the Commission governing applications but not supplied with the applications should be furnished, and requested the applicants to supply the information in a letter to the attorney dated December 31, 1952. A copy of this letter will be inserted in the RECORD at this point.

I understand the Secretary has these letters and will supply them to the stenographic reporter.

(The letter dated December 31, 1952, above referred to, is as follows:)

DECEMBER 31, 1952.

POPE, BALLARD & LOOS,
Munsey Building,
Washington, D. C.

DEAR SIRS: Reference is made to an application which you submitted to the Tariff Commission on December 17, 1952, in behalf of the DeLong Hook & Eye Co., Philadelphia, Pa.; the Oakville Company Division of the Scovill Manufacturing Co., Oakville, Conn.; William Prym, Inc., Dayville, Conn.; and the Risdon Manufacturing Co., Naugatuck, Conn., for an investigation under section 7 of the Trade Agreements Extension Act of 1951 with respect to safety pins.

The Commission, after considering the application, found that it fails substantially to furnish information called for by the provisions of part 207 of the Commission's Rules of Practice and Procedure, and ordered that the applicants be given until the close of business February 1, 1953, to complete the application by furnishing the necessary additional information. Until the additional information is furnished, the Commission will treat the application as not properly filed.

The essential deficiency in the application lies in the failure to supply certain information called for by section 207.3 (e) of the rules, particularly paragraphs (1) (ii), (2), (3), and (5). It is noted that the 4 applicant companies are stated to be the producers of 90 percent or more of the safety pins produced in the United States, and that all of them combine their safety-pin production with other lines of manufacture. Accordingly, there would appear to be no reason why each of these companies could not supply the information called for in the provisions of the rules referred to.

Also noted is the statement in the application that much of the pertinent information called for in the rules, such as prices and profits, is a closely guarded secret of the various members of the industry and would have to be obtained by the Commission in confidence. In this connection, your attention is called to sections 207.3 (e) and 207.4 of the Commission's rules, which provide for the submission of confidential information in connection with the application. As is clearly evident from these rules, the confidential nature of information called for does not justify failure to furnish such information with the application.

In order to assist the applicant companies in supplying the necessary information we have prepared a form, copies of which are attached, which they may wish to use. Any information called for on the form which the applicants consider confidential may, if desired, be submitted in confidence by each of the applicants separately. It should be noted that section 207.4 of the rules provides that information submitted in confidence should be submitted on separate pages clearly marked "Confidential."

Sincerely yours,

DONN N. BENT,
Secretary.

Commissioner MCGILL. The attorney for the applicants replied to the Commission under date of January 15, 1953, flatly refusing to comply and challenging even the Commission's right to make rules governing applications for investigations. His reply will be inserted in the record at this point.

(The letter dated January 15, 1953, above referred to, is as follows:)

POPE BALLARD & LOOS,
Washington, D. C., January 15, 1953.

Re withdrawal of application for investigation under section 7 with respect to safety pins.

Mr. DONN N. BENT,
Secretary, United States Tariff Commission, Washington, D. C.

DEAR MR. BENT: We have your letter of December 31, 1952, concerning the above-named application and we regret very much that the Commission has decided to ignore the application on the ground that it "fails substantially to furnish information called for" and is "not properly filed" under the Commission's rules of practice and procedure.

After a careful review of sections 6 and 7 of the Trade Agreements Extension Act of 1951 (under which this investigation was requested) and after a careful review of the Commission's rules, the applicants are confident that their application, as filed, did include all of the information properly required by the Commission's rules. More specifically, the applicants strongly feel that their application was properly filed within the meaning of procedural section 7 (a) of the Trade Agreements Extension Act of 1951, the pertinent part of which commands that "upon application of any interested party, the United States Tariff Commission shall promptly make an investigation and make a report thereon."

The applicants feel that their application was properly filed within the meaning of this mandate of Congress and that the action of the Commission in deciding to ignore the application "as not properly filed" was improper and not authorized by the statute.

Even though section 7 was designed and intended by Congress to set up the Commission's procedure under escape-clause investigations and even though the applicants are convinced that the Commission's rules cannot modify this congressional mandate that the Commission "shall promptly make an investigation," they wish to state that in their considered opinion their application was "properly filed" even within the would-be terms and provisions of the Commission's rules.

The application did submit all of the information required by such rules. Subparagraphs (a), (b), (c), and (d) of section 207.3 attempt to indicate the type of information which shall or must be included in an application and a review of the application will show that all such information was included therein. Your letter does not question this fact.

You cite subparagraph (e) of section 207.3 of the rules as indicating the type of information called for but which was not included in the application and you enclose a table indicating the desired additional information. A review of this subparagraph (e) will show that it only states that the additional information indicated therein and the information indicated on the table enclosed with your letter "should also be furnished with an application, to the extent that it is readily available to the applicant."

Thus, it is apparent that even the Commission's rules do not require that this information must be submitted with the application. Some of such additional information was included in the application and the balance of it was not and is not readily available to the applicants. Also such information could not possibly be put together in comparable and understandable form by the individual applicants prior to February 2 as required by the Commission's action. The application clearly indicated that such additional information was not readily available to the applicants but that it would be made available to Commission

representatives by each individual applicant during the course of the investigation.

Furthermore, the applicants do not consider the information requested with respect to their production of other commodities as proper to be submitted to or even considered by the Commission within the terms or intent of sections 6 and 7. The applicants have not requested an investigation concerning any of the products they produce other than safety pins. Consequently, they do not consider it appropriate to submit to the Commission information concerning their operations with respect to such other commodities (which differ from applicant to applicant). They consider themselves as representative of the overwhelming majority (90 percent) of the "domestic industry" producing safety pins which are like and directly competitive with imported safety pins within the meaning of sections 6 and 7. As to their production of other products, which varies from company to company, they do not consider themselves as constituting a "domestic industry" within the meaning of said statute. Consequently, each individual applicant does not consider any information with respect to their production of other products as being material or relevant to the issue involved in the requested investigation. They also feel that it would be improper for the Tariff Commission even to consider any such information. They feel that the sole question involved in section 7 investigation would be the effect of imported safety pins upon the American producers, capital and laborers employed in the production of safety pins, without regard to other income they might have or other products they might produce.

In view of these basic differences in interpretation of sections 6 and 7 and concerning the propriety of the Commission's rules to such extent as they may differ from the statute, the application is hereby withdrawn in accordance with rule 201.8 (d).

In view of section 201.10 of the Commission's rules concerning public notices and since the Commission does not consider this application as "properly filed," it is assumed that the Commission has made no public notice of the receipt of this application and that its contents have not been discussed with any parties outside of the Commission. Since there is to be no investigation, the applicants are extremely anxious that the information contained in the application be kept strictly confidential. Consequently, it is hereby requested that all copies of the application be returned until such time as the applicants may decide to reapply for an investigation.

Within a few days the undersigned will drop by your office to pick up the application.

Very truly yours,

JOHN BRECKINRIDGE,
Attorney for DeLong Hook & Eye Co., Philadelphia, Pa.; Oakville Division of the Scovill Manufacturing Co., Oakville, Conn.; William Prym, Inc., Dayville, Conn.; Risdon Manufacturing Co., Naugatuck, Conn.

Commissioner McGILL. It will be noted that the Commission did not reject the application, but merely called for the desired information which should have been furnished with the application. It will be further noted that the attorney for the applicants withdrew the application voluntarily.

The application in the instant investigation relating to straight pins was filed on September 23, 1953, by the same attorney who represented the applicants in the safety pin case referred to above. This application reflected a deliberate omission of the kind of information which was omitted from the former application relating to safety pins. However, for the reasons stated in the Commission's letter dated September 25, 1953, to the attorney for the applicants, the Commission instituted the investigation. A copy of the Commission's letter of September 25 will be inserted in the record at this point.

(The letter dated September 25, 1953, above referred to, is as follows:)

SEPTEMBER 25, 1953.

POPE, BALLARD & LOOS,
Munsey Building,
Washington, D. C.

(Attention: Mr. John Breckinridge.)

DEAR SIRS: The receipt is acknowledged of an application filed September 23, 1953, in behalf of the American straight pin industry for an investigation under section 7 of the Trade Agreements Extension Act of 1951 with respect to straight (common) pins.

The Commission has noted the statement in the application that "Such additional information as is indicated as desirable by rule 207.3 (e) has also been included if it was readily available to the applicants in a form that it could be submitted on an industry basis in understandable form." It appears, however, that none of the information indicated in paragraphs (2) and (3), and much of the information indicated in paragraph (5) of section 207.3 (e) of the rules has been furnished with the application. While it is difficult for the Commission to believe that most of this information is not readily available to the applicants, it has decided to institute the investigation. A copy of the public notice of the investigation is attached.

In view of the position which you took in the safety pin case the Commission wishes it to be clearly understood that the institution of the instant investigation is not to be considered as reflecting any doubt on the part of the Commission as to its authority to call for and to consider information of the kind indicated in section 207.3 (e) of the rules, including paragraphs (27), (3), and (5) of that section. Such information is considered by the Commission to be pertinent to investigations under section 7 of the Trade Agreements Extension Act of 1951, as amended, and will be called for in the course of the investigation with respect to straight pins.

Sincerely yours,

DONN N. BENT,
Secretary.

Commissioner McGILL. On September 28, 1953, presumably after the receipt of the Commission's aforementioned letter of September 25, the attorney for the applicants in this investigation relating to straight pins filed an application for an investigation relating to safety pins which, except for bringing certain data down to date, was practically identical with the previous application relating to safety pins filed December 17, 1952. The Commission, nevertheless, instituted an investigation, but advised the attorney for the applicant, in a letter dated October 30, 1953, that it would call for information of the kind omitted from the application during the course of the investigation. A copy of this letter will be inserted in the record at this point.

(The letter, dated October 30, 1953, above referred to, is as follows:)

OCTOBER 30, 1953.

POPE, BALLARD & LOOS,
Munsey Building,
Washington, D. C.

(Attention Mr. John Breckinridge.)

DEAR SIRS: The receipt is acknowledged of an application filed September 28, 1953, for an investigation under section 7 of the Trade Agreements Extension Act of 1951, as amended, with respect to safety pins.

It is noted that, except for bringing certain tables relating to production, sales, and imports down to date through the first 6 months of 1953, the application is identical with that filed in behalf of the same applicants on December 17, 1952, and which was withdrawn January 15, 1953, as a result of the Commission's request in its letter of December 31, 1952, for information which it considered should be furnished with the application.

In view of the fact that the applicants chose to withdraw their previous application rather than supplement the application with the information requested in our letter of December 31, 1952, thus unnecessarily delaying the investigation for almost a year, the Commission has concluded that, to avoid a possible repetition of such action, it will institute the investigation requested in the instant application. A copy of the Commission's notice of investigation is enclosed.

The Commission wishes it to be clearly understood that the institution of the instant investigation is not to be considered as reflecting any doubt on the part of the Commission as to its authority to call for and to consider information of the kind indicated in section 207.3 (e) of the Rules of Practice and Procedure, including paragraphs (2), (3), and (5) of that section. Such information is considered by the Commission to be pertinent to investigations under section 7 of the Trade Agreements Extension Act of 1951, as amended, and will be called for in the course of the investigation with respect to safety pins.

Sincerely yours,

DONN N. BENT,
Secretary.

Commissioner McGILL. Under date of October 31, 1953, the attorney for the applicants in the investigations relating to both straight pins and safety pins addressed a letter to the Commission in which he again indicated that the applicants in both cases would refuse to furnish the Commission with the information in question, except under compulsion. A copy of this letter will be inserted in the record at this point.

(The letter dated October 31, 1953, above referred to, is as follows:)

POPE, BALLARD & LOOS,
Washington, D. C., October 31, 1953.

Re investigation No. 28 (straight pin industry) and investigation No. 29 (safety pin industry).

Mr. DONN N. BENT,
Secretary, United States Tariff Commission, Washington, D. C.

DEAR MR. BENT: We thank you for your letters of September 25 and October 30, 1953, advising that the Commission has, under sections 6 and 7 of the Trade Agreements Extension Act of 1951, instituted Investigation No. 28 with respect to the straight (common) pin industry and Investigation No. 29 with respect to the safety pin industry. We acknowledge also the copies of the public notices of these investigations issued by the Commission.

The applicants are gratified that the Commission has instituted these two investigations. We are instructed to inform the Commission that the applicants will submit to the Commission or make available to its representatives any requested information in their possession concerning imports or their domestic employment, production, costs, sales and profits with respect to straight pins or safety pins, the two commodities with which the announced investigations deal. All books and records of each applicant dealing directly with these two commodities (or indirectly to such extent as necessary for allocation of overhead costs or similar items) will be made available for inspection to any authorized representative of the Commission.

Your letters of September 25 and October 30 comment upon the area and character of evidence to be called for and considered in connection with each investigation.

As indicated in your letter of January 15, 1953, it is our view that to such extent as the information indicated as desirable in paragraphs (2), (3), and (5) of section 207.3 (e) of the Commission's rules of practice

and procedure, and referred to in your letters, relates to the production or sales of commodities other than straight pins or safety pins, or to other sources of income, it is not material or relevant to the investigation of the straight-pin industry or the investigation of the safety-pin industry within the meaning of sections 6 and 7 of the Trade Agreements Extension Act of 1951. The applicants have not requested nor has the Commission ordered an investigation of the effect of imports upon applicants' production or sales of commodities other than straight pins or safety pins. Applicants do not presently claim that their profits from production of other commodities or that their income from other sources are being adversely threatened by imports.

It is our position that an applicant's production of other commodities or its income from other sources does not constitute a part of the "domestic industry producing" straight pins or a part of the "domestic industry producing" safety pins. Also, it is our position that applicants producing straight pins only are not a part of the "domestic industry producing" safety pins and that the applicants producing safety pins only are not a part of the "domestic industry producing" straight pins. The two are separate and distinct industries and must stand on their own merits or demerits.

In past instances, as indicated by your letter, members of the Commission have taken a view different from that to which we subscribe but this action on the part of the Commission has not been unanimous. We wish to earnestly urge upon the Commission a further consideration of all of the factors involved in this question. For this reason, we shall not voluntarily supply information beyond the boundaries indicated herein. We hope that upon consideration the Commission will uphold our view. However, if the Commission concludes that a subpena or subpenas are to be issued to compel the production of this data, we shall promptly comply with such order.

We wish to again emphasize the fact that all of the applicants, in each case, desire to cooperate fully with the Commission and its staff in supplying any and all requested information from their records dealing directly with their production and sales of straight pins or safety pins, as the case may be.

In order to facilitate their full cooperation, the applicants would like to suggest an informal conference at the Commission at the earliest convenient time. It is felt that such an informal conference would facilitate a determination of the type of information with respect to safety pins and straight pins desired by the Commission and would enable the applicants to make their own preparations for supplying such information as fully and promptly as possible. At such a conference the applicants would also like to discuss the possibility of a change in the hearing dates the Commission has announced.

Very truly yours,

JOHN BRECKINRIDGE.

Commissioner McGILL. The Commission responded to this letter under date of November 17, 1953, a copy of which response will be inserted in the RECORD at this point.

(The letter above referred to is as follows:)

NOVEMBER 17, 1953.

POPE BALLARD & LOOS,
Munsey Building,
Washington, D. C.

(Attention: Mr. John Breckinridge.)

DEAR SIRS: Reference is made to your letter of October 31, 1953, with regard to investigations No. 28 and No. 29 under section 7 of the Trade Agreements Extension Act of 1951, as amended, covering straight pins and safety pins, respectively. Reference is also made to your letter of November 3, 1953, requesting postponement of the hearings in these investigations.

The Commission has noted your statement that the applicants in the above-mentioned investigations will not voluntarily furnish information regarding their operations other than with respect to straight pins or safety pins, and your request that the Commission give further consideration to the position taken by the applicants. In its letter to you dated September 25 with respect to investigation No. 28, and in its letter to you dated October 30 with respect to investigation No. 29, the Commission clearly stated its position in this matter and therefore does not consider further comment in this connection to be necessary.

The investigations will proceed in the usual manner, and information which the Commission considers pertinent to the investigations, including information relating to the operations of the domestic industries producing safety pins and straight pins with respect to other commodities produced by such industries, will be called for in due course. If any of such information is not furnished voluntarily, the Commission will either exercise its right to require the production of any such information by subpena or to take such action, other than compulsive measures, as it may determine to be appropriate.

With respect to your suggestion for an informal conference at the Commission for the purpose of facilitating a determination of the type of information desired by the Commission and to enable the applicants to make preparations for supplying such information as fully and promptly as possible, the Commission has authorized the undersigned to arrange a conference between the applicants and appropriate members of the Commission's staff for such time as may be mutually convenient. However, it should be understood that such a conference will not include a consideration of any question regarding limitations on the extent of the operations of the industries concerned which is to be the subject of inquiry by the Commission in these investigations.

Your request for postponement of the hearings in the investigations in question has been granted by the Commission. The hearing in investigation No. 29 has been postponed to March 23, 1954, and the hearing in investigation No. 28 has been postponed to March 24, 1954.

Sincerely yours,

DONN N. BENT,
Secretary.

Commissioner McGILL. In accordance with its usual practice, the Commission in the course of the investigations formulated questionnaires which were mailed to the producers of straight and safety pins on January 8, 1954, calling for information which the Commission considered pertinent to the investigations. These questionnaires were duly approved by the Bureau of the Budget. A copy of the Commission's questionnaire will be included in the record as Commission Exhibit No. 1.

(The document was marked "Commission Exhibit No. 1.")

Commissioner McGILL. None of the applicants returned the Commission's questionnaires; instead, they each sent to the Commission their own statements of information, which statements supplied some of the information called for in the Commission's questionnaires. However, none of the statements contained information of the kind in question and which the attorney for the applicants had previously repeatedly asserted would not be supplied to the Commission voluntarily.

The Commissioners joining in this statement consider that the applicants have wilfully refused to cooperate with the Commission; that the applicants are attempting to dictate to the Commission the extent and scope of its investigations; and are insisting on substituting their judgment for that of the Commission as to what information is pertinent to the investigations. The information which the applicants have been requested to furnish and which they have wilfully refused to furnish is necessary to the Commissioners joining in this statement in order for them to arrive at a proper decision in the case, and the Commission itself has agreed that the information is pertinent to these investigations. In the absence of such information being furnished by the applicants concerned, the Commissioners joining in this statement will be unable to formulate findings on the merits in this investigation.

Inasmuch as it is obvious that the applicants do not intend to furnish the desired information voluntarily, we are of the opinion that this investigation should be terminated forthwith and that the Commission should immediately issue a report thereon, without formal findings, explaining the reasons for the termination of the investigation.

Now, Mr. Chairman, that completes the statement that I desire to make, but I desire to inquire of the counsel for the applicants, inasmuch as it took considerable time in the safety-pin investigation to cover the point, if the applicants, and each of them—and they are entitled, either one of them, any or all of them, to answer for themselves if they so desire, if they continue and at this time decline to supply the information requested in the questionnaires of the Commission as has been mentioned?

Mr. BRECKINRIDGE. Senator McGill, in accordance with your desire, I have discussed the matter with all of the applicants and each have indicated that they would stand on the position they have taken in the past, as explained in my letters to the Commission and as explained by Mr. Heron, and that they will supply the information to the Commission if it is subpenaed.

Commissioner McGILL. If not subpenaed, do they decline to supply the information?

Mr. BRECKINRIDGE. They will not supply the information voluntarily, sir.

Commissioner McGILL. They understand, and you understand, just what portions of the questionnaire to which reference has been made?

Mr. BRECKINRIDGE. Yes, sir. The portion they decline to submit voluntarily is that portion dealing with their production, sales, and profits on products other than straight pins.

Commissioner McGILL. Mr. Breckinridge, at the hearing on safety pins, I enumerated the various places in the Commission's questionnaire, referred to them by page, and the items contained on each page. You have that all in mind?

Mr. BRECKINRIDGE. Yes, sir.

Commissioner McGILL. And you decline to supply it without its being subpenaed?

Mr. BRECKINRIDGE. Yes, sir; and, as I interpreted those portions of the questionnaire, which the Senator mentioned, it was those dealing with the production, employment, sales, and profits of products other than straight pins.

Now, Senator, Mr. Heron, my associate and partner in my firm, is going to make a brief statement at this point concerning our position. I would suggest that it might be appropriate to permit him to appear at this time.

Commissioner McGILL. They have indicated what they intend to do, and I am not intending to go through some proceeding here for no particular purpose.

The questions, Mr.——

Mr. BRECKINRIDGE. Mr. Chairman, could I at that point—I think what we wanted to do, what Mr. Heron wanted to do, was to ask that his statement of our position on the issue be included in the record as though it were given here in full, although he will not make the statement in full.

Commissioner McGILL. I have no objection to that, except I would like to have what I am about to ask precede that in the record.

Chairman BROSSARD. Yes.

Commissioner McGILL. Mr. Breckinridge, do you have the Commission's questionnaire there?

Mr. BRECKINRIDGE. Yes, sir; I have it right before me.

Commissioner McGILL. I would like to call your attention, on the first page, the items on that page shown down a little more than the middle of the page and headed by the letters D and E. Do you have those in mind?

Mr. BRECKINRIDGE. Yes, sir.

Commissioner McGILL. I take it you have.

Mr. BRECKINRIDGE. Yes, sir.

Commissioner McGILL. And on the next page, the items at the top, near the top of the page headed C and D?

That would be page 2.

Mr. BRECKINRIDGE. Yes, sir; all other products and total.

Commissioner McGILL. Then, at the bottom of the page, under title "Average Number of Persons Employed," all of the items contained therein?

Mr. BRECKINRIDGE. No, sir. We have supplied (2) (a) on safety pins, (2) (c) on straight pins, (3) (b) on safety pins, (3) (c) on straight pins.

Commissioner McGILL. You have not supplied item (1) under that heading?

Mr. BRECKINRIDGE. No, sir; that is all.

Commissioner McGILL. In either case?

Mr. BRECKINRIDGE. No, sir; because those refer to total employees on other products.

Commissioner McGILL. You have not supplied those items which I have last mentioned?

Mr. BRECKINRIDGE. No, sir; the applicants have not supplied that.

Commissioner McGILL. On the following page, which would be page 3.

Mr. BRECKINRIDGE. It is page 4 of 7, I believe, sir.

Commissioner McGILL. It would be 4, page 4, instead of 3, under the first heading of "Item," you find that, that part under the heading of "A"?

Mr. BRECKINRIDGE. Yes, sir; all products.

Commissioner McGILL. You have that in mind.

Under the next group headed under the title "Item", in that place you have in mind that headed by "A"?

Mr. BRECKINRIDGE. Yes; that is other products again.

Commissioner McGILL. I know it shows for what it is, but I am asking if you have that in mind.

Mr. BRECKINRIDGE. Yes, sir.

Commissioner McGILL. Then, the next page there is nothing on it; but the following page, which I think would be page 6—would it be page 6?

Mr. BRECKINRIDGE. Page 5 of 7, I believe.

Commissioner McGILL. Well, you have this place in mind?

Mr. BRECKINRIDGE. Yes, sir.

Commissioner McGILL. Under operating statements? That is, 15, at the top of the page, you have in mind the matter mentioned under the heading A?

Mr. BRECKINRIDGE. Is that the one referring to operating statements on the overall business of each firm?

Commissioner McGILL. It reads: "Submit with this questionnaire audited profit-and-loss statements and balance sheets for your company as a whole for your accounting years 1939 and 1948 to 1953 inclusive.

Mr. BRECKINRIDGE. Yes, sir. The applicants have not furnished that.

Commissioner McGILL. You have that in mind?

Mr. BRECKINRIDGE. Yes, sir.

Commissioner McGILL. Then, under the title "Item," you have all of the matters involved in the subdivision headed by figure "1."

Mr. BRECKINRIDGE. Yes, sir; that is the one covering all products.

Commissioner McGILL. You have that in mind?

Mr. BRECKINRIDGE. Yes, sir.

Commissioner McGILL. You have all of them in mind when you say that you decline to supply the information except on subpena?

Mr. BRECKINRIDGE. My statement was that the applicants will not submit it and supply it voluntarily, sir.

Commissioner McGILL. Unless they are subpenaed, as I understood you?

Mr. BRECKINRIDGE. Yes, sir; that is correct.

Commissioner McGILL. Yes, sir.

Mr. BRECKINRIDGE. I would like at this time, just to be sure that all the applicants are here——

Chairman BROSSARD. Just a moment. Mr. MARTIN wanted to raise a question on something about it, I think.

Mr. MARTIN. Mr. Chairman, since, as I understand it, Mr. Heron has agreed not to read his statement but to put it in the record, I wonder if it would not be satisfactory to make it an exhibit rather than to extend the transcript. Monday's statement ran 28 pages in the transcript. Wouldn't it be just as effective——

Commissioner McGILL. May we take that up just as soon as—I thought Mr. Breckinridge wanted to take up something about the questions we asked him.

Mr. BRECKINRIDGE. I would say that it is not satisfactory.

I wanted to say to you, Senator McGill, if all of the applicants are here, and if any of them disagree with what I just said to the Commission, they should have this opportunity, and the record should show that they were all present, and by not saying anything they agreed with what I have stated.

Commissioner McGILL. That is the way I assumed, and I invited any or all of them to answer individually if they saw fit.

Chairman BROSSARD. Are there any of the representatives of the industry here who desire to make a statement contrary to the representations of counsel?

(No response.)

Chairman BROSSARD. It is agreed.

Commissioner McGILL. I did not mean to interrupt Mr. MARTIN if he had something to say, but I thought Mr. Breckinridge wanted to finish that.

Chairman BROSSARD. Just one statement. This matter, as I said when we began the hearing on safety pins, is a matter which the Commission had before it in a Commission meeting, and the Commission decided to proceed with the hearing to get all the information it could at this hearing, so we will proceed with the hearing.

Commissioner McGILL. I think we will do the same as we did in the safety-pin investigation, and I will state that the vote was 3 to 3.

Chairman BROSSARD. Thank you.

Commissioner TALBOT. It was 3 to 2 in the safety pin.

Commissioner McGILL. Not at the Commission meeting, it was not.

Chairman BROSSARD. It was 3 to 3 in the Commission meeting, and so stated.

Mr. BRECKINRIDGE. Mr. Chairman, I would like to have my partner, Mr. Heron, respond to the question put by Mr. Martin, counsel for the importers.

Mr. MARTIN. Mr. Chairman, if the alternative to my suggestion is reading the statement, I withdraw the suggestion.

Chairman BROSSARD. I think it would be advisable, since everybody heard the statement, if the statement is inserted in the record, if that is agreeable to everybody. Is there any objection to that? It will be inserted in the record, and you will not need to make it.

Mr. HERON. Thank you, sir.

(The statement of Mr. Heron appears at the beginning of these extracts from the hearing.)

Mr. Speaker, as the author of the escape clause as it is now contained in section 6 and section 7 of Public Law 50, I have some idea of what the Congress intended when this major change was made in our trade policy.

As a witness some weeks ago before the Tariff Commission on hearing No. 28, dealing with straight pins, I stated what I considered the intent of the Congress.

John Breckinridge, attorney with the firm of Pope, Ballard & Loos, questioned me, as follows:

Mr. BRECKINRIDGE. What in your opinion was the understanding of the House of the words, "domestic industry", when they debated and adopted the escape clause containing those words?

Mr. BAILEY. I think if you will peruse my debate on the House floor, you will understand what the primary object was. It was to protect domestic industries, producers of individual articles who were being harassed, injured, harmed by importations, excessive imports of like products coming from abroad.

Mr. Breckinridge reviewed the entire history of the escape clause and other tariff legislation using the words "domestic industry." It seems indisputable that the clause was written primarily to protect individual products which are injured by imports. Otherwise, section 7 of the Trade Agreements Act is made impotent for its intended purpose. If an interpretation is put upon it that the overall situation of the companies, asking relief—including unrelated products—can be taken into account, the result is absurdity. Plainly, then, only information concerning the straight pin industry should be considered by the Tariff Commission in deciding whether that industry is entitled to relief under sections 6 and 7 of the Trade Agreements Act.

I do not see how the Commission can, upon mature and sober consideration, conclude otherwise. To me the action of these three Commissioners reflects a lack of sympathy with the congressional mandate of the escape clause and an unwillingness to carry out the clear intent of Congress to protect the American production of those specific products which were being threatened with injury from imports of a like or competitive product.

I hope that those Commissioners who so injudiciously prejudged the case and announced their decision at the opening of the public hearing, before hearing the facts or arguments of the applicants, will give this important matter further thought and reconsider their position. At least, I hope, in their report on the case, they will give a complete and clear statement of their interpretation of the words "domestic industry." The Commission has never defined these words and the Congress should understand their interpretation. These words constitute the very heart of the escape clause.

Today the Congress finds itself at the crossroads in our trade policies. Should

the Congress fail to enact legislation contained in H. R. 9159, which drastically altered the present administrative features of our tariff law, then I would suggest to the Congress that we immediately enact and clarify the language and the intent of Congress when it amended the Reciprocal Trade Agreements Act by adding the escape clause intended to protect America's labor, capital, and management devoted to the production of individual products on which the tariff has been provided by the Congress.

Mr. MILLER of Kansas. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. MILLER of Kansas. I would like to ask the gentleman from West Virginia [Mr. BAILEY], does not the Federal Trade Commission cite any law on which they base the decision to which he referred?

Mr. BAILEY. I will reply to the gentleman from Kansas in this way. They say that they are unable to interpret the intent of the Congress in passing the escape clause; that they have set up certain rules and regulations and printed them, which were controlling, and that they were not complying with the rules and regulations of the Tariff Commission. Those rules and regulations were not established by the Congress but by the Tariff Commission. I say that their action is arbitrary.

Mr. MILLER of Kansas. I thank the gentleman.

PERSONAL ANNOUNCEMENT

Mr. MULTER. Mr. Speaker, during the last rollcall, on the passage of the military and naval construction bill, my attention was diverted and I did not answer the call. If I had answered I would have voted "yea." I ask that the RECORD may so state.

SPECIAL ORDER GRANTED

Mr. HOLIFIELD (at the request of Mr. MULTER) was given permission to vacate his special order for tomorrow to address the House for 1 hour, and instead to address the House for 1 hour on Thursday, June 3, 1954.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. ANGELL and include a statement before the Ways and Means Committee by himself and others.

Mr. PATTERSON (at the request of Mr. MORANO).

Mr. BOW and to include extraneous matter.

Mr. GENTRY in two instances and to include extraneous matter.

Mr. KELLEY of Pennsylvania.

Mr. HOFFMAN of Michigan and to include newspaper articles.

Mr. BURDICK.

Mr. HILL and include extraneous matter.

Mr. MULTER (at the request of Mr. BAILEY) and include extraneous matter.

Mr. O'HARA of Illinois and to include extraneous matter.

Mr. CELLER in three instances and to include extraneous matter.

Mr. YORTY (at the request of Mr. MULTER) in seven instances and to include extraneous matter.

Mr. BENDER in five instances.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CLARDY (at the request of Miss THOMPSON of Michigan), on account of official business.

Mr. MAILLIARD, for 2 weeks, commencing today, on account of official and other business.

Mr. SCOTT (at the request of Mr. ARENDS), for today, on account of official business.

SENATE BILLS REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 3387. An act to make certain changes in the regulation of public utilities in the District of Columbia, and for other purposes, to the Committee on the District of Columbia.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 116. An act to amend title 18, United States Code, so as to prohibit the transportation of fireworks into any State in which the sale or use of such fireworks is prohibited;

H. R. 683. An act for the relief of George P. Smyrniotis;

H. R. 1026. An act to amend the Public Health Service Act, with respect to the provisions of certain medical and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service and for dependents and widows of officers and employees of such Service;

H. R. 2974. An act to extend the time for enrollment of the Indians of California, and for other purposes;

H. R. 3876. An act for the relief of Martha Schnauffer Shockley;

H. R. 7061. An act to prescribe and regulate the procedure for adoption in the District of Columbia; and

H. R. 7062. An act to amend the act of April 22, 1944, which regulates the placement of children in family homes in the District of Columbia.

BILLS PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 1345. An act for the relief of John Lampropoulos;

H. R. 1705. An act authorizing the Secretary of the Interior to issue a patent in fee to Jesse Bell;

H. R. 1769. An act for the relief of Mrs. Oscar F. Brown;

H. R. 1772. An act for the relief of Kenneth R. Kleinman;

H. R. 1815. An act to amend the Recreation Act of June 14, 1926, to include other public purposes and to permit nonprofit organizations to purchase or lease public lands for certain purposes;

H. R. 2022. An act for the relief of Don B. Whelan;

H. R. 2225. An act to provide for sundry administrative matters affecting the Federal Government, particularly the Army, Navy, Air Force, and State Department, and for other purposes;

H. R. 2433. An act for the relief of the legal guardian of Raymond Gibson, a minor;

H. R. 3041. An act to authorize the Secretary of the Interior to transfer to Frederick W. Lee the right, title, and interest of the United States in and to a certain invention;

H. R. 3109. An act for the relief of Theodore W. Carlson;

H. R. 4231. An act to authorize appointments to the United States Military Academy and United States Naval Academy of sons of certain individuals who were killed in action or who died or shall die as a result of active service in World War I, World War II, or between the period beginning June 27, 1950, and ending on a date proclaimed by the President or the Congress;

H. R. 4532. An act for the relief of Mrs. Ann Elizabeth Caulk;

H. R. 4940. An act to provide for the redemption of District of Columbia tax stamps;

H. R. 4961. An act for the relief of Mrs. James J. O'Rourke;

H. R. 4996. An act for the relief of Col. Henry M. Denning and others;

H. R. 5772. An act for the relief of Robert E. Leibbrand and Rose Leibbrand;

H. R. 7308. An act to repeal section 307 of title III of the Federal Civil Defense Act of 1950, as amended;

H. R. 7541. An act to promote the national defense by including a representative of the Department of Defense as a member of the National Advisory Committee for Aeronautics; and

H. R. 7786. An act to honor veterans on the 11th day of November of each year, a day dedicated to world peace.

ADJOURNMENT

Mr. BENDER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 52 minutes p. m.), under its previous order, the House adjourned until Friday, May 28, 1954, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1574. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

1575. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report that proceedings have been finally concluded with respect to the following claim: *The Texas-Cherokees, and Associate Bands, on the relation of W. W. Keeler, Homer L. Smith, Frank M. Carr, Paul Johnson and Joe Rogers, members of its executive committee, plaintiffs,* v. *the United States of America, defendant* (docket No. 26), pursuant to section 21 of the Indian

Claims Commission Act of August 13, 1946 (60 Stat. 1055; 25 U. S. C. 70); to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. House Joint Resolution 356. Joint resolution authorizing the Secretary of the Interior to authorize erection of a memorial gift from the people of the Netherlands; with amendment (Rept. No. 1681). Referred to the Committee of the Whole House on the State of the Union.

Mr. DONDERO: Committee on Public Works. H. R. 8923. A bill to provide for the development of the Coosa River, Ala. and Ga.; with amendment (Rept. No. 1682). Referred to the Committee of the Whole House on the State of the Union.

Mr. BISHOP: Joint Committee on the Disposition of Executive Papers. House Report No. 1683. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. HILLINGS: Committee on the Judiciary. H. R. 7404. A bill to amend section 3731 of title 18 of the United States Code relating to appeals by the United States; with amendment (Rept. No. 1684). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAKER:

H. R. 9338. A bill to amend the Internal Revenue Code of 1939 to provide a credit against the estate tax for Federal estate taxes paid on prior transfers; to the Committee on Ways and Means.

By Mr. BARTLETT:

H. R. 9339. A bill to amend the act of January 21, 1929, which relates to the grant of additional land for the support and maintenance of the University of Alaska; to the Committee on Interior and Insular Affairs.

By Mr. BENNETT of Florida:

H. R. 9340. A bill to provide for the conveyance of the federally owned lands which are situated within Camp Blanding Military Reservation, Fla., to the Armory Board, State of Florida, in order to consolidate ownership and perpetuate the availability of Camp Blanding for military training and use; to the Committee on Armed Services.

By Mr. BRAY:

H. R. 9341. A bill to provide that prices charged for barber services at certain Army and Air Force installations shall not be less than 80 percent of the prices charged for barber services in the nearby civilian trade area, and for other purposes; to the Committee on Armed Services.

By Mr. CONDON:

H. R. 9342. A bill to authorize improvement of Richmond Harbor, Calif.; to the Committee on Public Works.

By Mr. ENGLE:

H. R. 9343. A bill to authorize the Secretary of the Interior to maintain the Sacramento River Channel in conjunction with operation and maintenance of the Central Valley project; to the Committee on Interior and Insular Affairs.

By Mr. GENTRY:

H. R. 9344. A bill to prohibit picketing in the immediate vicinity of the White House, and for other purposes; to the Committee on the District of Columbia.

By Mr. GRANT:

H. R. 9345. A bill granting the consent and approval of Congress to the southeastern interstate forest fire protection compact; to the Committee on Agriculture.

By Mr. HALE:

H. R. 9346. A bill to amend title 28 of the United States Code to provide for transfer of cases between the district courts and the Court of Claims; to the Committee on the Judiciary.

By Mr. JENKINS:

H. R. 9347. A bill to amend the Tariff Act of 1930 so as to provide a permanent procedure for adjustment of tariff rates on a selective basis, to regulate the flow of imported articles on a basis of fair competition with domestic articles, and for other purposes; to the Committee on Ways and Means.

By Mr. KING of California:

H. R. 9348. A bill to provide for a program of merchant-ship construction in American shipyards; to the Committee on Merchant Marine and Fisheries.

By Mr. MOLLOHAN:

H. R. 9349. A bill to amend the Tariff Act of 1930 so as to provide a permanent procedure for adjustment of tariff rates on a selective basis, to regulate the flow of imported articles on a basis of fair competition with domestic articles, and for other purposes; to the Committee on Ways and Means.

By Mr. O'HARA of Minnesota:

H. R. 9350. A bill to amend the laws relating to fees charged for services rendered by the Office of the Recorder of Deeds for the District of Columbia and the laws relating to appointment of personnel in such office, and for other purposes; to the Committee on the District of Columbia.

By Mr. SHEEHAN:

H. R. 9351. A bill to amend the Internal Revenue Code to provide that the tax on television tubes shall not apply where such tubes are sold for use in the manufacture or production of nontaxable component parts of television sets or for export; to the Committee on Ways and Means.

By Mr. UTT:

H. R. 9352. A bill to relieve certain undocumented American pleasure vessels from the requirements of clearance and entry, and for other purposes; to the Committee on Ways and Means.

By Mr. VAN ZANDT:

H. R. 9353. A bill to provide for research into and development of practical means for the production of alumina, abrasives, refractories, and cements from domestic clays in the interests of national defense and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WHITTEN:

H. R. 9354. A bill defining certain unfair trade practices and for other purposes; to the Committee on the Judiciary.

By Mr. CELLER:

H. J. Res. 533. Joint resolution expressing abhorrence of the treatment by the Communist Rumanian Government of its Jewish people; to the Committee on Foreign Affairs.

By Mr. TOLLEFSON:

H. J. Res. 534. Joint resolution to authorize the Secretary of Commerce to sell certain war-built passenger-cargo vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. THOMPSON of Texas:

H. Con. Res. 237. Concurrent resolution to express the sense of the Congress on continuing the operation of a tin smelter at Texas City, Tex., and to investigate the need of a permanent domestic tin-smelting industry and the adequacy of our strategic stockpile of tin; to the Committee on Armed Services.

By Mr. LANE:

H. Res. 559. Resolution to create a select committee to investigate the explosion aboard the U. S. S. *Bennington*, an aircraft carrier; to the Committee on Rules.

By Mrs. ROGERS of Massachusetts:

H. Res. 560. Resolution requesting the Secretary of the Navy to furnish the House of Representatives with full and complete facts concerning the explosion on the aircraft carrier *Bennington*; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BONIN:

H. R. 9355. A bill for the relief of Dr. Fred Ciampi; to the Committee on the Judiciary.

By Mr. CANFIELD:

H. R. 9356. A bill for the relief of Willem Zuydweg; to the Committee on the Judiciary.

By Mr. FORRESTER:

H. R. 9357. A bill for the relief of S. H. Prather; to the Committee on the Judiciary.

By Mr. HAGEN of California:

H. R. 9358. A bill for the relief of Chu Hai-Chou; to the Committee on the Judiciary.

By Mr. HART:

H. R. 9359. A bill for the relief of the Central Railroad Co. of New Jersey; to the Committee on the Judiciary.

H. R. 9360. A bill for the relief of Antonio Bosco; to the Committee on the Judiciary.

By Mr. HOLIFIELD:

H. R. 9361. A bill for the relief of Gundela Lieslotte Maschner; to the Committee on the Judiciary.

By Mr. KERSTEN of Wisconsin:

H. R. 9362. A bill for the relief of Josef and Perla Natanson; to the Committee on the Judiciary.

By Mr. ROONEY (by request):

H. R. 9363. A bill for the relief of Gerardo Scotto D'Abusco; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 9364. A bill for the relief of Joaquim Alier, Maria Teresa Alier and Charles Alier; to the Committee on the Judiciary.

By Mr. WILSON of California:

H. R. 9365. A bill for the relief of Mrs. Ruthe Graves Messer; to the Committee on the Judiciary.

By Mr. JONAS of Illinois:

H. Res. 561. Resolution providing for sending to the United States Court of Claims the bill (H. R. 1134) for the relief of Equitable Infants Wear, Inc.; to the Committee on the Judiciary.

H. Res. 562. Resolution providing for sending to the United States Court of Claims the bill (H. R. 9265) for the relief of Henry J. Krueger and others; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

921. By Mr. CHENOWETH: Petition of 129 residents of Canon City, Colo., urging the passage of H. R. 1227, a bill relating to the advertising of intoxicating liquors; to the Committee on Interstate and Foreign Commerce.

922. By Mr. GRAHAM: Petition of the judges, and elected officials of the county of Beaver, Pa., urging the passage of the Simpson bill (H. R. 4780) to provide for the permanent approval of certain State plans for aid to the blind under title X of the Social Security Act, as amended; to the Committee on Ways and Means.

923. By Mr. HARRISON of Virginia: Petition of certain citizens of the cities of Staunton and Waynesboro and the counties of Rockingham and Augusta, Va., citing excesses in the advertising of alcoholic beverages by newspaper, periodical, radio, and television, and urging prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

924. By Mr. McCORMACK: Petition of Rev. W. Irving Monroe, Jr., and 69 other citizens of Dorchester, Mass., deploring the dangerous influence of sales talk for alcoholic beverages being broadcast and urging legislative prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

925. Also, petition of Rev. Kenneth McCowan and 46 other citizens of Dorchester, Mass., deploring the dangerous influence of sales talk for alcoholic beverages being broadcast and urging legislative prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

926. Also, petition of John E. Pilling and 103 other citizens of South Boston, Mass., deploring the dangerous influence of sales talk for alcoholic beverages being broadcast and urging legislative prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

927. By Mr. MORGAN: Petition of Mrs. David W. Hughes and 900 other residents of Washington County, Pa., in support of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

928. Also, petition of the Blanche Fee Missionary Society of the Cross Roads United Presbyterian Church, Washington, Pa., in support of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

929. Also, petition of Mrs. Ethel H. C. Lewis and residents of Washington County, Pa., in support of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

930. By Mr. POLK: Petition of Rev. E. Eugene Frazer, pastor, Methodist Church, Good Hope, Ohio, and 21 residents of Fayette and Highland Counties, Ohio, praying that consideration be given to their constitutional right to be free in their homes from the invasion of those wishing to increase their huge profits from the sale of alcoholic beverages by high-pressure advertising in magazines and newspapers and over radio and television, and urging passage of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

931. Also, petition of Mrs. Carrie I. Purtell and 68 of her fellow residents of Highland and Fayette Counties, Ohio, praying that consideration be given to their constitutional right to be free in their homes from the invasion of those wishing to increase their huge profits from the sale of alcoholic beverages by high-pressure advertising in magazines and newspapers and over radio and television; and urging passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

932. Also, petition of Mrs. O. L. Wiseman, Rev. Norman D. Newman, members of the Jeffersonville, Ohio, Woman's Christian Temperance Union and the Methodist Church (23 signers in all), praying for freedom from alcoholic beverage advertising which invades the home by means of newspapers, magazines and radio and television broadcasts; and urging passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

933. Also, petition of C. P. Althaus and 20 of his neighbors in Bethel, Ohio, begging freedom from alcoholic beverage advertising invasions of the home in newspapers, magazines and in radio and television broadcasts; and urging passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

934. Also, petition of Mrs. Clara Ungethuem and 11 other residents of Bethel and Williamsburg, Ohio, warning of danger to children from alcoholic beverage advertising reaching the home in newspapers and magazines and by broadcasting; and urging passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

935. Also, petition of Mrs. Lucy Meranda of Bethel, Ohio, and 167 other residents of Clermont and Brown Counties, Ohio, begging that consideration be given to their constitutional right as American citizens to be free in their homes from an invasion by those who wish to increase their huge profits from the sale of alcoholic beverages by high pressure advertising directed through magazines, newspapers, and over radio and television, at their children; and urging consideration and passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

936. Also, petition of Rev. Earl S. Bishop of Hamersville, Ohio, Mrs. Eva Davis of Bethel, Ohio, and 62 other residents of those communities, asking that they and their children be protected from invasion of their homes by offensive advertising of alcoholic beverages in newspapers and magazines, and over radio and television; and urging passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

937. Also, petition of Mrs. Florence VanWinkle of Bethel, Ohio and 43 other residents of Brown and Clermont Counties, Ohio, asking for freedom in their homes from offensive invasion of those who wish to increase their profits from the sale of alcoholic beverages by advertisements, read by children, in periodicals and on the airwaves; and urging passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

938. Also, petition of Mr. and Mrs. James Walters of Bethel, Ohio, and 108 of their fellow residents of Clermont and Brown Counties, Ohio, begging that consideration be given to their constitutional rights as American citizens to be free in their homes from an offensive invasion by those who wish to increase their huge profits from the sale of alcoholic beverages by high-pressure advertising directed through magazines, newspapers and over radio and television, at their children; and urging passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

939. Also, petition of William H. Goodman and eight of his fellow citizens of Milford, Ohio, asking for freedom from alcoholic beverage advertising in the home, through passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

940. Also, petition of Wilbur C. Conner and 19 other residents of Milford, Ohio, and of Russell Buchett of Batavia, Ohio, asking for freedom from alcoholic beverage advertising in the home, through pasage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

941. Also, petition of Mrs. Ula R. Owens and 30 of her fellow residents of Milford, Ohio, and Clermont County, urging that they be freed from offensive alcoholic beverage advertising in their homes through passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

942. Also, petition of Mr. and Mrs. N. E. McDermott of Milford, Ohio, and 28 other residents of Milford, Loveland, and Terrace Park, Ohio, urging that they, as American citizens, be given freedom from offensive alcoholic beverage advertising in their homes, through enactment of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

943. Also, petition of Donovan Shumard and 16 other residents of Milford, Ohio, and of Birdie Dunbar of Loveland, Ohio, asking that the invasion of the home by offensive alcoholic beverage advertising be terminated through passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

944. Also, petition of Mr. and Mrs. Roy E. Barringer of Amelia, Ohio and 29 of their fellow residents of Clermont County, Ohio, urging termination of the invasion of the home by alcoholic beverage advertising, through passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

945. Also, petition of Miss Ellen Woods, president, and 35 members of the Batavia, Ohio, Woman's Christian Temperance Union, urging that American citizens be protected from offensive invasion of their homes by alcoholic beverage advertising, which is read by children, through passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

946. Also, petition of Rev. and Mrs. G. H. Farmer, of Cozaddale, Ohio, and 16 of their neighbors, urging that the homes of American citizens be protected from alcoholic beverage advertising, harmful to children, through passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

947. Also, petition of Mr. and Mrs. Henry J. Rapp, of Goshen, Ohio, and 20 of their fellow citizens from Goshen and nearby towns, urging that the homes of American citizens be freed from offensive alcoholic beverage advertising, through passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

948. Also, petition of Rev. and Mrs. Clarence Wamsley, of the Goshen, Ohio, Methodist Church, signed by 22 citizens, strongly urging that American citizens be liberated from the menace of alcoholic beverage advertising through passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

949. Also, petition of Mrs. Ella Pherson, recording secretary of the Derby, Ohio, Woman's Christian Temperance Union, and signed by 21 citizens of Orient, Ohio, and nearby communities, strongly urging that the danger to children caused by the invasion of American homes by alcoholic beverage advertising be brought to an end through passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

950. Also, petition of Mrs. Berta Ladd, director of legislation, and Mrs. Bessie Summers, member, for the 25 members of the Fall Creek Woman's Christian Temperance Union, Highland County, Ohio, strongly urging favorable action on the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

951. Also, petition of Mrs. Ella A. Marsh, local secretary, for the 140 members of the Woman's Christian Temperance Union of Chillicothe, Ohio, pointing out the relationship between juvenile delinquency and alcoholic beverage advertising, and strongly urging passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

952. Also, petition of Rev. Lucy Orebaugh, secretary for the members of the M. E. Dollarhide Chapter, Woman's Christian Temperance Union, Greenfield, Ohio, urging passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

The Administration's Sit-Watch-Hope-and-Dawdle Policy

EXTENSION OF REMARKS
OF
HON. AUGUSTINE B. KELLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. KELLEY of Pennsylvania. Mr. Speaker, the policy of this administration, and of its leaders in the Congress, is to sit, watch, hope, and dawdle. That kind of policy never brought about a sound basis of prosperity in this country. It has always been the kind of policy which led to economic disaster.

Many of the current developments in the economy look suspiciously like some of the things that were happening in the late 1920's right after the great depression. I insist there is no reason why the United States should undergo another depression like that one particularly since we enacted so many reforms under Franklin Roosevelt to prevent depressions. However, there are a few similarities which I would like to point out, namely:

First. The stock market is booming despite falling sales and employment.

Second. Favorable corporation financial statements showing increased earnings actually, in many cases, reflect only lowered tax rates and thus give a false sense of prosperity that is not based on more production, more sales, and better business methods.

Third. Farm income is falling dangerously, but food prices to the consumer remain at or near their record levels. Consumer prices generally also remain very high, despite reduced purchasing power and spreading unemployment, layoffs, and shutdowns.

Fourth. The administration is so heavily saturated with the thinking of big business representatives that it cannot see the dangerous trends in the economy while big business itself seems to be doing so well. It is paying no heed to the increasingly more difficult struggle of small business, and bankruptcies are mounting week by week.

Fifth. The needs of the average family for economic security are being neglected, and, in fact, ignored.

I am sure no one in the Eisenhower administration wants a depression, just as I am sure no one in the Hoover administration wanted one; but, despite all the economic reforms which have been adopted since 1933—unemployment compensation, agricultural supports, housing assistance, social security, securities and exchange regulation, flood control, loans to business, and so on—we know that we cannot have prosperity just by standing still. We must keep our economy expanding to provide opportunities for the millions of new workers coming into it year by year.

This administration seems to want to sit still and rest on past Democratic economic accomplishments. That is not good enough. We must go forward. Unless we do, we go backward; we slide further back into economic dislocation and recession, and the prosperity we have known these past years will become a thing of the past.

No one wants that to happen. But it will happen if we follow the GOP policy of sit, watch, hope, and dawdle.

The Water Facilities Loan Program

EXTENSION OF REMARKS
OF
HON. WILLIAM S. HILL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. HILL. Mr. Speaker, thousands of farm families throughout the country are working under severe handicaps because their farms do not have adequate water facilities when and where they are needed.

Fortunately, engineering progress coupled with adequate financing is reducing these handicaps to a marked degree. The whole country is better off because of it. Individual farm families have been able to install facilities or take advantage of irrigation systems that have more than doubled their farming efficiency. Countless formerly unproductive units now flourish as good farms or ranches supporting modern crop and livestock enterprises.

All through the western part of the country where annual rainfall is inadequate or irregular can now be found green, lush pastures, good crops, and farm homes supplied with running water. There is water for livestock in the barnyards and in the pastures.

Unfortunately, going from dryland farming or operations that depend on rainfall to irrigation farming often means a farmer is squarely up against the problem of making an adjustment that is too costly for him to undertake. If he has accumulated a good farm inventory and has sufficient means or credit to go ahead and make the necessary adjustments, well and good. But if he has not, then his potentially good farm must remain inefficiently operated.

It was because of prevailing situations like this that Congress passed the Water Facilities Act of 1937. This act and later amendments authorized the Secretary of Agriculture to furnish financial and technical aid for constructing and maintaining water facilities to encourage the best use of agricultural land. The Farmers' Home Administration was made responsible for carrying on the program.

I have been able to observe the progress made by farmers and ranchers in my State of Colorado who have availed themselves of the opportunities offered under the water-facilities loan program of the Farmers' Home Administration. Colorado is 1 of the 17 Western States in which that agency makes loans available under the act. A new bill, H. R. 8386, has now been introduced that would amend the act to extend its provisions to the entire United States, including Alaska and Hawaii and Puerto Rico and the Virgin Islands. This proposed legislation should receive favorable consideration by the House.

Now I would like to tell about the water-facilities loan program as it is operating in the 17 Western States. Water-facilities loans are made in two categories as to types of borrowers: First, individual farmers may borrow either for facilities on their own farms or ranches or for obtaining the benefits of a water system owned and operated by an informal group service or an association. Second, loans may be made to nonprofit mutual water companies, water users' associations, or irrigation districts where a water problem cannot be solved except through a major community system serving the whole neighborhood. Costs of construction, operation, and maintenance are distributed over more than one farm, so that the costs of water per family are usually considerably reduced below the cost of installing a facility for only one farm.

Loans also fall into two different categories as to types of facilities involved and are classified as farmstead facilities and irrigation facilities.

Farmstead water-facilities loans are for such installations as wells, ponds, cisterns, and pipelines for bringing water to farm buildings for household use, for livestock, and for garden irrigation.

Irrigation water facilities loans are made in areas with proved water supplies. These loans provide new facilities and permit developing and improving existing facilities. The kinds of facilities that are financed vary with the needs of the locality and may include sprinkler systems, water wells, storage reservoirs, dams, ditches and canals, pumps and motors, land leveling and other means of bringing water to the land.

Water facilities loans are repayable over periods up to 20 years provided a borrower needs that much time and provided the facility will last that long. Loans are scheduled to be repaid as rapidly as possible, but are made for a long enough time to allow the operator to repay from income resulting from the use of the installation.

The farmer is expected to contribute to the cost of the facility as far as he can by furnishing funds, labor, materials, and equipment. The more he can contribute the less he will have to borrow.

The amount of a loan is limited by the cost of the facility, the farmer's ability to repay, and the law which, in the case of a loan to an association or group, sets a maximum of $100,000 to be loaned for any one project.

The program is intended to provide assistance for a large number of small farmers, and for that reason a high percentage of the loans are for $5,000 or less.

The larger loans are made to associations for community facilities.

An individual applicant is eligible for a loan if he needs water facilities to make his farm operations more sound, if he cannot get the credit he needs on reasonable terms and in sufficient amounts from other sources in his community, and if the farm he operates is not larger than family-type farms in his area.

A nonprofit association of water users can qualify for a loan if a need for the facility can be substantiated, if the organization cannot get suitable credit elsewhere, and if most of the water to be made available by the facility will benefit farms not larger than family type.

Before a loan can be made to an applicant he must comply with water laws in his State. Most Western States regulate the appropriation and use of water and their regulations must be met.

Eligibility of applicants is determined by the Farmers' Home Administration county committee composed of three local persons in each county. At least two members of each committee must be farmers.

In addition to the water facilities loan program, the Farmers' Home Administration carries on various other farm credit and service programs. It makes farm ownership and improvement loans, advances credit for and helps farmers plan farming adjustments, and makes loans to meet certain emergency needs.

All loans are made at the county level where the county supervisor, backed up by his local county committee, is in charge. Policies and instructions relating to program operations are issued from the national office in Washington, which operates within the framework of the Department of Agriculture as administered by Secretary of Agriculture Ezra Taft Benson. R. B. McLeaish is the Administrator of the Farmers' Home Administration. The policies and instructions reach the county offices through State offices.

The Famers' Home Administration is a vital and going concern set up for the purpose of offering family-type farm operators opportunities for self-help through credit they cannot obtain elsewhere. Since the agency has a staff at national and State levels to perform administrative and fiscal work in connection with its other loan programs, it has been necessary to employ additional personnel to carry out fiscal and administrative duties in connection with the water facilities program. In the 17 Western States, a very few persons are engaged in technical duties related entirely to the water facilities loan program.

The State director directs the program operations including the water facilities program. He makes use of the technicians who also work closely with the county supervisors as well as the farmers who receive the credit and service.

County supervisors accept applications for assistance, advise borrowers on all phases of farming, service security for loans, and receive payments. When applications are received for water facilities aid involving difficult farm adjustments, engineering, and legal problems, the county supervisor can call on the water facilities technicians for help.

I have gone to some length to show the administrative setup of the water-facilities program under the Farmers' Home Administration because the way in which the program is administered bears a direct relationship to the results obtained. Now let us look briefly at a few specific results.

Congress made $6,500,000 available for water facilities for this, the 1954 fiscal year. This is a half-million dollars more than the 1953 appropriation, all of which was obligated. Roughly, in 1953, $5 million was loaned to individuals and $1 million to groups or associations.

On December 31, 1953, outstanding principal on loans made to individuals amounted to $14 million. Only about 4 percent of that amount was delinquent, and much of the delinquency was temporary.

But more important is what the farm and ranch operators did with the money they borrowed, and how the results contributed to more security on the land as well as better farming and better living.

A study was made of individual borrowers who repaid their loans in full between October 1, 1949, and June 30, 1952, and continued to farm. The study shows that borrowers in this group who obtained loans for the installation of the first irrigation systems on their farms increased the production of corn by 205 percent per acre; small grain, 66 percent per acre; legume hay, 50 percent per acre; and milk, 25 percent per farm. Their income and net worth increased at the same time by approximately 150 percent.

Borrowers in the group who had repaid loans for farmstead water facilities had generally improved the efficiency and convenience of the homes and buildings and had more livestock and poultry and larger gardens. Many had acquired equipment for the production of grade A milk.

This, of course, is just a glimpse of the water-facilities loan program as it is operating in the 17 Western States. It does show, however, that the opportunity of having water when and where it is needed can make the difference between operating a farm at a loss and farming for profitable production.

Now, I understand proposals have been made to insure loans of this type made by private lenders, in a program comparable to the insured real-estate mortgage-loan program already carried on by the Farmers' Home Administration. Such a proposal has merit, I believe, and I hope it will be favorably considered.

Following is a letter and report from the Farmers' Home Administration:

UNITED STATES DEPARTMENT
OF AGRICULTURE,
FARMERS' HOME ADMINISTRATION,
May 24, 1954.

Hon. WILLIAM S. HILL,
House of Representatives.

DEAR CONGRESSMAN HILL: We are enclosing a copy of a report showing, by States, the number and amount of special livestock loans approved, and applications pending, as of Friday, May 21, 1954.

Sincerely yours,

R. B. MCLEAISH,
Administrator.

Special livestock loans as of May 21, 1954

States	Loans approved		Applications pending	
	Number	Amount	Number	Amount
Alabama	15	$154,875		
Arizona	19	613,245	4	$285,910
Arkansas	392	650,390	7	4,785
California	22	717,400	5	170,625
Colorado	195	3,693,240	12	529,740
Florida	43	606,505	2	169,500
Georgia	40	346,800		
Idaho	30	922,474	6	201,776
Illinois	2	18,600		
Indiana	8	168,900	2	27,500
Iowa	2	4,000		
Kansas	109	1,724,505	15	124,865
Kentucky	28	51,020	2	2,900
Louisiana	7	80,650		
Massachusetts	7	13,000		
Michigan	2	13,000		
Minnesota	5	23,395		
Mississippi	4	29,195		
Missouri	825	1,100,265	9	2,540
Montana	114	3,050,870	20	425,580
Nebraska	7	97,440		
Nevada	50	912,005	5	86,220
New Hampshire	6	5,310	1	3,000
New Jersey	33	53,190	1	2,500
New Mexico	329	3,785,990	21	482,795
New York	45	60,995		
North Carolina	1	3,315		
North Dakota	5	17,835		
Ohio	9	19,845		
Oklahoma	198	2,254,830	14	126,750
Oregon	9	371,973	4	143,425
Pennsylvania	58	64,625	1	1,000
South Carolina	1	7,870		
South Dakota	76	1,041,800	1	8,985
Tennessee	27	37,920		
Texas	937	12,244,185	59	871,600
Utah	43	573,134	11	178,470
Vermont	7	13,680	1	1,600
Virginia	65	201,665	2	20,500
Washington	1	3,025	1	58,535
West Virginia	43	24,765	2	900
Wyoming	41	1,007,370	1	1,000
Hawaii	7	55,875		
Total	3,867	36,849,971	209	3,913,091

Our Orgy of Spending on Foreign Governments

EXTENSION OF REMARKS
OF
HON. USHER L. BURDICK
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. BURDICK. Mr. Speaker, if you do not think the one-worlders and the internationalists have finagled this country into a mess at the taxpayers' expense, read the following tables. From the year 1946 to 1953, inclusive, we have spent for foreign military aid and programs, including the activities of the United Nations, the sum of $47,793,685,385. Remember the first two figures are billions. At the same time, during this period through grants-in-aid, checks to individuals, including veterans of World War II and the Korean so-called police action, the people of the United States have received $32,696,160,427. In other words, we have spent on foreign governments over $15 billion more than has been expended here including our own defense and the abortive action in Korea and all soldiers' pay and hospitalization.

Ask yourselves, what have we gained? We started out to establish world peace and arrest the spread of communism abroad. Peace is not as near as it was when World War II ended, and the Communists have spread out all over Asia. Wars are still raging in spite of the great

plan of the United Nations to bring about peace. Members associated together in the United Nations cannot agree among themselves; and, with the veto power lodged with Russia, there is no possibility of peace unless it is a Russian peace; yet we doggedly stick by the organization and keep on draining the cash out of the pockets of the taxpayers.

During the last year of the Truman administration we spent on foreign governments $4,595,477,000, and the people thought it was time for a switch from this procedure. The Republicans were going to change this squandering of money, but what happened? In the first year of the Eisenhower administration we spent on foreign governments $6,336 million, or nearly $2 billion more than Truman spent. It was a change, all right, but not the kind of change the voters expected.

Nothing about this foreign policy has been changed. Dean Acheson's buddy, John Foster Dulles, took his place and the international-minded disciples like Stassen and Lodge went to work, along with Dulles, in continuing the foreign spree. It is still going, and I am a poor guesser if we do not get snarled up with the Indochina war.

I have voted consistently against all these appropriations, and for that action I am branded as an isolationist. Those who do the branding are the one-worlders and the internationalists. I have never taken the position that we should withdraw from the world and hide our head in the sand, but have tried my best to keep this country where it remained for 150 years, dealing with all countries in a spirit of friendship.

I make no apology for standing up for our own country and trying to persuade Congress to direct this Government without the everlasting interference with one-worlders who think we have been called to direct the affairs of the entire world.

The above figures prove my case, and I submit them for the purpose of letting the people know what is going on.

The Trinity River Project Should Be Started Now

EXTENSION OF REMARKS

OF

HON. SAMUEL W. YORTY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1954

Mr. YORTY. Mr. Speaker, the upper reaches of Trinity River lie about 1,500 feet above and 20 miles to the west of the upper Sacramento River near the northern end of California's great Central Valley. Eastward-moving storms blocked by the Trinity Mountains bring to the upper Trinity River Basin some of the highest annual precipitation recorded anywhere in the State, nearly 80 inches at the higher elevations.

Each year hundreds of thousands of acre-feet of water, which could be developed for irrigation and hydroelectric power, flow down the Trinity River and are lost into the sea. A plan to use these undeveloped resources for the benefit of northern California was submitted to the Congress in the report of Mr. Oscar Chapman, Secretary of the Interior, dated January 2, 1953.

The potentialities of the upper Trinity River have long been recognized. Previous and present investigations form the basis for the conclusion that the fullest and most economic conservation and use of the water resources of the Trinity River for the widest possible public benefit can be obtained by the diversion of surplus water into the Central Valley Basin.

In support of the Trinity River project, I want to briefly discuss the need for the development, the proposed plan of development, its justification and the effect of the diversion on the resources or future water requirements of the Trinity River Basin.

NEED

First, there appears to be no question as to the need for surplus Trinity River water to meet the expanding requirements for irrigation-water supply in the Central Valley. Maximum crop production is now restricted by inadequate water supplies on thousands of acres of farmland. As the population continues to increase the need becomes more and more acute. Failing ground-water supplies have added to the demands for supplemental water. Among the areas in the Central Valley suitable for early development with additional water supplies are the lands adjacent to the Sacramento River, including the Sacramento Canals unit of the Central Valley project. Here over 200,000 acres of land require water for irrigation.

The second principal need is for additional electric power for farms, homes, and rapidly developing industries. Throughout all of northern California the increasing population, more irrigation pumping and expanding industries are placing an ever-increasing burden on existing facilities. Studies by the Interior Department and the public-utilities commission of the State of California show that requirements for new generating and transmission works are not being met and that an acute long-range power-shortage problem results. In this connection it is important to note that almost half of the powerplant capacity of northern California is in steam-electric plants, drawing upon fuel sources which cannot be replaced. By making use of renewable water resources these fuel reserves can be conserved.

PLAN OF DEVELOPMENT

To conserve and put to beneficial use the surplus flows of the Trinity River as proposed by the Department of the Interior requires a large multiple-purpose storage reservoir and an afterbay on the upper reaches of that stream, tunnels to divert the conserved water into the Sacramento Valley, a series of powerplants to generate hydroelectric energy en route and the use of this water for irrigation in the Central Valley.

The Trinity River project would make available an average of over 1 million acre-feet of water annually for irrigation including water from Central Valley streams made usable by the project works. By this diversion water would be provided for some 300,000 acres of land. It would increase the amount of electric energy available from the Central Valley project by 1,617,000,000 kilowatt-hours annually for the northern California power market. In addition, it would provide important fish and wildlife benefits, as well as the enhancement of the recreational resource of the Trinity River area.

JUSTIFICATION

The Trinity River division of the Central Valley project and associated features are economically justified, producing benefits which will exceed the costs by a ratio of more than 3 to 1. Reasonable calculations indicate a return of over $35 million a year in benefits as against $11,500,000 a year required to operate, maintain, and pay off the project on a 50-year-amortization basis. This project is estimated to cost about $200 million.

The recommended development makes it possible to take advantage of the different hydrologic conditions and physical relationships in the upper Trinity and the Central Valley Basins so as to produce more water and power than would be possible from an independent operation of existing features of the Central Valley project or of the proposed features of the Trinity River division.

EFFECT ON FUTURE NEEDS IN TRINITY RIVER BASIN

The economic base for the upper Trinity River Basin is founded on the utilization of its natural resources. Livestock raising, mining, and lumbering are the chief industries of this area. The provision of goods and services to local residents, vacationists, and sportsmen comprises the remainder of the economic base.

The water resources of the Trinity River have not been developed appreciably. The principal demand for a substantial flow in the river at the present time is for support of the fishery resources, consisting mainly of salmon, steelhead, and trout. The proposed development will provide an adequate minimum flow for the protection and propagation of fish. In fact, a preliminary report of the Fish and Wildlife Service indicates that when the protective measures provided in the plan are taken, fish and wildlife resources as a whole will be enhanced by the development. There are no other major future requirements for upper Trinity River water.

There is a growing need for energy at attractive rates in the northwest counties. The new powerplants and transmission lines would increase the local power supply and make possible the expansion of extractive and processing industries.

It is particularly pertinent to note that the State of California, through its director of public works in an independent analysis of the subject, indicated in a letter to the Secretary of the Interior dated April 13, 1953, that in their opinion the Trinity River project will not reduce

the usable water resources of the Klamath River watershed to any appreciable degree. This official further stated that, on the other hand, it is clear that Trinity County, which is the county of origin of the waters proposed to be stored and diverted, could be substantially benefitted by reservation of power for use of industry in that county, as well as from the standpoint of improved fish and wildlife facilities and recreation.

A word as to the status of the project. Inasmuch as the Secretary of the Interior on the basis of the facts presented reported favorably in January 1953 as to a finding of feasibility, it follows that the Trinity River division is authorized under existing reclamation law. Funds for advance planning on this division of the Central Valley project were included in the President's budget estimates. Unfortunately, however, these funds were deleted in the action of the House of Representatives on the Interior Department appropriation bill for 1955. This project should be permitted to go ahead right now. Further delay is inexcusable.

In conclusion I would like to emphasize that the Trinity River project has engineering feasibility. No unusual construction problems are anticipated. It has very favorable economic feasibility. The plan of operation is such that it will have no detrimental effect to the fishery resources or to the present and future water requirements of the Trinity River Basin. The State of California supports the project recommending its construction at the earliest practicable date.

Great foresight and imagination has been shown in developing the possibilities of the Trinity River project. There is ample experience to show the far-reaching benefits in increased production from this investment of public funds. But the needs for water in the Central Valley and for power in the northwestern counties will not be met until the major works are planned and constructed and the falling water now going to waste is put to use. In the interest of the continued prosperity of California and the Nation, I strongly support all efforts to attain this end.

Out of Both Sides of the Mouth Pours TVA and No TVA

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. MULTER. Mr. Speaker, the administration owes the Congress and the American people a forthright explanation in refusing to reappoint Gordon R. Clapp to the chairmanship of TVA. The President announced that Mr. Clapp had been a very fine administrator who acted without fear or favor.

Mr. Clapp's philosophy as to the need for TVA and all that it means to our national welfare is too well known to require retelling here.

None can doubt it is in exact accord with the pronouncement made by Candidate Eisenhower during his campaign for election when he said:

> If I am elected President, TVA will be operated and maintained at maximum efficiency. I have a keen appreciation of what it has done and what it will be able to continue to do in the future.

President Eisenhower now says he is looking to replace Mr. Clapp with a person whose philosophy is more in accord with his own.

We know Mr. Clapp's philosophy has not changed.

If the President's has, he owes it to the Congress and to the people to tell them about it.

Surely he cannot mean he wants a man who will not make a fine administrator. Certainly he cannot be looking for a man who will act with fear and favor.

The only alternative left is that the President has changed his philosophy and no longer wants TVA.

We await a clarification.

House Joint Resolution Introduced Expressing Abhorrence of the Treatment by the Communist Rumanian Government of Its Jewish People

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. CELLER. Mr. Speaker, I have today introduced a House joint resolution expressing abhorrence of the treatment by the Communist Rumanian Government of its Jewish people. The Jews have been sentenced to long prison terms. Their only alleged crime was their expressions of faith in Zionist immigration. They have been guilty of no betrayal of their obligations as nationals of Rumania, yet many of them have been sent to prison labor camps in Siberia.

Some of these Jews who returned to Rumania from Israel are being brainwashed and conditioned to act as hostages and prosecution witnesses in the forthcoming mass trials of Zionist leaders now imprisoned in Rumania. Jews there are being ostracized, pillaged, and plundered and the situation is rapidly assuming proportions of a major tragedy.

I believe the dictates of humanity require us to condemn sharply the Communist Rumanian Government for these mass secret trials and persecutions. Such a pronouncement would direct world public opinion against the horrendous actions of a cruel government, which seeks to blot out the Jewish faith in Rumania.

The text of the resolution follows:

> Whereas the Government of Rumania in further degradation of human values has steeped itself in new horrors against the Jews in Rumania by mass arrests, the imposition of cruel and excessive sentences by the Rumanian military courts, by the preparation for mass trials to be conducted against the Jews now imprisoned in Rumania, by the mass deportation of Rumanian Jews to prison labor camps in Siberia; and
>
> Whereas the United States asserting its moral leadership has in the past refused to remain silent in face of oppression and persecution: Now, therefore, be it
>
> *Resolved, etc.,* That the Congress of the United States express its condemnation of the Communist Government of Rumania for its persecution of the Jews of Rumania and express its abhorrence and revulsion of the criminal treatment of a minority people.

The Picketing of the President and the White House: The Dignity of the Presidency, and the Reverence Which the American People Feel For the White House, the Home of All Our Presidents, Demand That the Congress No Longer Permit the Picketing of That Historic Shrine

EXTENSION OF REMARKS
OF
HON. BRADY GENTRY
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. GENTRY. Mr. Speaker, with one single exception, all our Presidents have lived in the historic building now known to every American as the White House. John Adams, our second President was its first occupant, and the present occupant, of course, is Mr. Eisenhower. Of all our Chief Executives, only George Washington, the Father of our Country, did not reside there. Yet, its cornerstone was laid during his first term in office and much of the construction had been done before he concluded his notable service to his country as its first President.

The White House is a great symbol of a great country. The 154 years in which it has been the home of our Presidents span almost the entire life of our country as the United States of America. It is not only the residence of the President and his wife, it is where he and his staff perform the arduous duties required of our Chief Executive. But it goes further than that. It is the edifice in which the crowned heads of Europe are received on visits to our country, the building to which the ambassadors of all nations come to present their credentials of office. It is there that the great, the near-great, the little folk and the humblest citizens in all our land come to meet and talk to their President. It is the one place in our country which each citizen, who has not already done so, has an abiding ambition to visit. To him, the White House and its environs is hallowed ground. It is above person and above party. It represents something of the stature and majesty not only of a great democracy but of all our Presidents of yesterday and today, and those that will follow on tomorrow.

It is an inspiring thing to view the great throngs that gather daily to make

the tour of the White House and to view within its walls those age-old things that reflect the history of our country. It is quickening, too, to stand near the north entrance of the White House and observe the great flow of passing traffic from all parts of our vast country, in which there are always cars attempting a snail's pace because occupants desire to have a long look at the home of our President. The great reverence which they demonstrate for this historic edifice is a reflection of the unconscious feeling that the White House, in reality, is the home of all the people of America, which our Presidents occupy, as their own chosen Chief Executives.

Mr. Speaker, I have introduced H. R. 3979, which makes picketing of the White House illegal. I have done so because I feel that something of the dignity, reverence, and respect which has been accorded one of our two most hallowed shrines, as well as that for the Presidency itself, is in danger of being lessened, if not lost.

Coming to Washington 17 months ago to begin my service as a Member of the House of Representatives, one of the first sights to greet me was a picketing of the White House. I stood in amazement as I viewed the revolting spectacle. It was no spasmodic, faint-hearted effort by a few. Literally, legions of hundreds of picketers were massed on the sidewalks immediately around the White House, blocking all entrances. No citizen of our country, including members of the President's Cabinet, our ambassadors and Members of Congress, and no visitor from afar, regardless of the importance of his mission, could gain entrance to the White House, or exit from it, without breaking through the army of marching men which besieged it at close quarters. This did not go on just a few hours in the morning, or in the afternoon, or at night. It went on day and night, 24 hours a day. It did not last just 1 day or even 1 week. It went on for many weeks, both while Mr. Truman was President and while Mr. Eisenhower was President. As soon as the picketing did subside a bit, it would be renewed again in larger numbers and with greater determination.

It is inconceivable that such a disgusting spectacle, directed at the President of the United States, should be tolerated in a country where fairness and decency supposedly exist as common virtues. Certainly no President of any party should be made a virtual prisoner in our country's White House by a mob of fanatical, misguided people. It is unfortunate that we have many such people who are respectors neither of person, symbol, nor tradition. The fact that they exist is evidence that this committee and the Congress should act in this matter.

Should the President of the United States have to perform his exacting duties in an atmosphere of pressure, compulsion, and fear? Just picture in your mind the Chief Executive of the world's greatest nation laboring on his country's grave problems while a horde of men, drawn up completely around him and only a few feet away, display their taunts and admonitions. Neither he, nor his staff, nor his family, nor those who visit him could look outside the White House without seeing those who would force a decision on him.

What can it profit our country and its people to permit such a display of incipient anarchy? Does all of this comport with an orderly, responsible administration of government? Can it be a good omen for our great country? How must other nations, which would not tolerate it, regard us for doing so?

The fact that we have reached the point in America where any group exercises the right to throw a cordon of picketers around the White House and the President for weeks on end, is the strongest reason why such a right should no longer exist. The fact that those who would try to force their will in such a manner are weak and misguided, only adds emphasis to the need for the elimination of the picketing of our Chief Executive.

In the recent attempted mass assassination in the House of Representatives we saw just what the ardor for a cause can lead to in the case of those who are misguided. There was evidence of the same thing in the attempted assassination of Mr. Truman at Blair House. What if such determination should seize a mob of picketers which is picketing the White House? What better opportunity would those of evil design want than that provided in such circumstances? As such picketings wear on through the weeks there must come a time when passions become high and tempers wear thin. At such a time anything might happen. Should not, therefore, reasonable precautions be taken to remove the possibility of such an occurrence in a country where neither compulsion nor violence are a part of everyday government?

Mr. Speaker, I commend H. R. 3979 to the careful consideration of this House, believing that its passage would be in the interest of all the people of our country, and that it would meet with their overwhelming approval.

No Depression Is Still Our Story

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. BENDER. Mr. Speaker, the Democratic Party's chop-licking expectation that we were headed for bad times is gone with the wind. Without a single major issue on which to base their campaign this November, the Democratic high command has been looking into every economic breeze to predict that it will whip up an economic blizzard. Their brain trust can stop looking. It is not going to be.

In Washington this week one of our most conservative economists gave the Democrats their quietus. He pointed out that from January to April the drop in industrial production was less than half the decline in the 3 months before January. For the first time since last summer no drop at all took place between March and April. Manufacturing orders have increased in the last 2 months. Durable consumer goods have been improving in sales on a nonseasonable basis, and the summer months are expected to see further rises in retail sales, which have been a weak spot throughout the first months of 1954.

We may not be out of the economic woods yet, but the sun is shining and the skies are blue overhead. Increased population, expansion of basic industries, and the constant rise in America's standard of living penetrating all levels of our population give us far more cause for optimism than for pessimism generated by political motivation. Take off those dark glasses, Messrs. Stevenson, Truman, and Reuther. It is daytime.

Farm Legislation

EXTENSION OF REMARKS
OF
HON. FRANK T. BOW
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. BOW. Mr. Speaker, under leave to extend my remarks, I wish to include in the RECORD a statement which I recently presented to the House Committee on Agriculture in connection with the committee's hearings on long-term farm legislation.

I have given a great deal of thought and study to the farm program in general and the dairy support program in particular. Secretary of Agriculture Benson and his assistants inherited a tremendous problem, but one which I am confident of their ability to solve.

At the present time, however, I believe that there are inequities in the dairy support program which should be rectified very promptly. It is with this subject that my statement deals for the most part.

The statement follows:

Mr. Chairman, I want to take this opportunity to outline my views on the dairy situation in general, and my two bills, H. R. 8560 and 8751, in particular.

First let me say that I am deeply concerned with the situation faced by dairy farmers throughout the Nation. I have in my own district some of the finest dairy farms in the country, and Wayne County is one of the leading dairying counties in the Nation.

The dairy farmers in my district are good farmers with but few exceptions. They practice good land use, they work far beyond a 40-hour week, and I have reliable figures which show that with dairy supports at 75 percent of parity these good farmers are now netting only approximately $2 per day for their labor.

I contend, Mr. Chairman, that $2 per day is just not enough to fairly compensate a dairy farmer for the time he spends each day in caring for his dairy herd and providing our Nation with an ample supply of milk. I think it should also be pointed out that this net income of $2 per day is for labor; it does

not include any return on the farmer's large investment in his land, buildings, and cattle.

Before continuing further, let me make it clear that I am not an advocate of high rigid price supports on dairy products, or for that matter on any other farm products. Nor do the majority of the farm people in my district want rigid supports. This was verified by a poll which I conducted recently throughout my district. In this poll rural residents voted by approximately 65 percent to 26 percent in favor of the President's flexible farm-support program.

Now, to my mind, a flexible support program implies a program in which any changes in support level will be gradual, so as not to pull the rug out from under any segment of American agriculture. The President indicated in his farm message of this past January that this was also his position, and, as I pointed out earlier, the rural people of my district have expressed strong support for the President's farm program.

The present dairy support at 75 percent of parity does not, in my opinion, fit in with the President's program. This should not be construed as a criticism of Secretary of Agriculture Benson, who has been doing an excellent job under trying conditions. Secretary Benson will, I believe, solve many of the problems facing American agriculture today through his broad knowledge of agriculture and his high devotion to principle.

However, on this particular issue I have an honest difference of opinion with the Secretary. I do not say that dairy supports should be retained at 90 percent of parity; I do not say that never under any conditions should they drop to 75 percent of parity; I say only that a study of the situation as it has affected my own district, and as I am told it has affected other dairying areas throughout the Nation, convinces me that the drop from 90 percent to 75 percent of parity in one step is too sudden and too severe.

I have discussed this situation with outstanding dairy leaders in my district—excellent farmers all—and they tell me they have been hard hit by the dairy support cut. I have studied detailed statistics showing average costs of milk production and average income under the 75 percent dairy support, and it is apparent that the average farmer in my district is suffering. At the conclusion of my statement I am including in the hearing record some of these statistics.

In addition to the fact that the present 75 percent dairy support program is imposing a hardship on dairy farmers, I believe this support level is unfair because it is discriminatory. Virtually all other segments of agriculture are receiving 90 percent supports through this crop year.

This brings me to my own bills. I introduced H. R. 8560 on March 25, 1954, and it provides that the price-support level for milk, butterfat, and the products of milk and butterfat, shall not be reduced by more than 5 percent in any one year.

My second bill, H. R. 8751, introduced April 7, 1954, provides that the Commodity Credit Corporation shall sell feed grains acquired through price support operations to dairy farmers and feed processors who supply dairy farmers at the same percentage of parity at which dairy products are being supported.

I am convinced that the combination of these two bills will eliminate the present discrimination against the American dairy farmer. It is not right that the dairy farmer should have his income severely reduced while other farmers continue to receive 90-percent supports, and it is not right that the dairy farmer should be asked to buy his feed grain at 90 percent of parity and sell his milk at 75 percent of parity. My bills would eliminate both of these injustices. I urge the committee to report them to the House.

I also wish to include in the hearing record two statements which show how and why the dairy farmers of northern Ohio are suffering from the dairy support cut. These statements follow:

"DAIRY PRICE INFORMATION

"I. Blend milk price[1] (f. o. b. Cleveland market for 3.5 percent milk)

(Cleveland market includes or affects 40 to 50 northern Ohio counties)

[Price per hundredweight]

	1952	1953	1954
January	$5.20	$4.89	$4.47
February	5.36	4.47	4.16
March	4.62	4.43	3.88
April	4.47	3.88	3.34
May	4.17	3.75	--------
June	4.14	3.79	--------
July	4.46	4.17	--------
August	4.45	4.47	--------
September	5.05	4.64	--------
October	5.04	4.44	--------
November	5.53	4.88	--------
December	5.03	4.68	--------

[1] Deduct 35 cents per hundredweight for hauling to get price farmer actually receives.

"II. Factors responsible for 1954 price drop

"Twenty-five cents per hundredweight due to adjustment of supply-demand amendment to Cleveland Federal order (not in effect until August 1, 1953).

"Twenty-nine cents per hundredweight due to drop in dairy supports April 1 from 90 percent to 75 percent.

"III. Factors in April 1 price drop[1]

"Forty-five cents per hundredweight Cleveland Federal order differential drop on April 1.

"Twenty-nine cents per hundredweight due to drop in dairy supports.

"An increase in the class I utilization offset some of this drop.

"IV. Net income on a northern Ohio dairy farm

	1952	1953	1954
Pounds milk produced	200,000	200,000	200,000
Price	$5.00	$4.50	[1] $3.75
Gross income	$10,000	$9,000	$7,500
Cost ($3.35 hundredweight without labor)	$6,700	$6,700	$6,700
Net income (for labor)	$3,300	$2,300	$800

[1] Estimated.

"V. What will dairy farmers lose in 1954–55?

"Seventy-five cents per hundredweight drop[2] equals 17 percent drop in gross income and 65 percent drop in net income. There will also be an additional loss in values of cattle and land as a result of the drop in milk prices.

"VI. What will consumer gain?

"The Wall Street Journal of April 6, 1954, estimates that consumers will pay 5 percent less for dairy products because of the support reduction from 90 to 75 percent of parity on April 1, and that consumption of dairy products will increase 2 percent.

"VII. Total loss of dairy income and farm purchasing power in Wayne County, Ohio, in 1954

"As a result of 25 cents per hundredweight reduction based on supply-demand amendment and approximately 30 cents per hundredweight reduction by lowering dairy supports from 90 to 75 percent. One hundred and fifty million pounds of milk sold at 55 cents per hundredweight less equals $825,000.

[1] The 25-cent supply-demand reduction was already in effect prior to April 1 in the Cleveland market.

[2] Estimated by Cleveland Milk Producers Federation.

"VIII. Percentage of parity northern Ohio dairy farmers actually are getting in March and April 1954

"Whole milk parity equals $4.75 per hundredweight (USDA, March 15, 1954). March price f. o. b. market equals $3.88, or 82 percent of parity.[3] April price f. o. b. market equals $3.34, or 70 percent of parity.[3]

"Thus, farmers were supposed to get 90 percent of parity in March and 75 percent of parity in April. Actually, northern Ohio farmers will get only 63 percent of parity in April, May, and June 1954 under present support prices.

"IX. Farm income from dairying, 1952[4]

"United States, $6,590,300,000, or 21 percent of total farm income; Ohio, $314 million, or 29 percent of total farm income; Wayne County, $11 million, or 46 percent of total farm income.

"X. Value of milk cows and heifers on farms, January 1, 1952

"United States, $5,854,600,000; Ohio, $255,769,000; Wayne County, $4,500,000.

"XI. Changes needed in Federal pricing formulas

"1. Many Ohio farmers feel that the Federal pricing formulas should be changed to rely less upon the price of butter and other manufactured products and put more emphasis on the economic factors, such as cost of production and consumer purchasing power. Such formulas are already in effect in many eastern deficit markets. Ohio is a deficit State, producing only about 90 percent of the milk it consumes.

"2. The price drop in Ohio in April was greater than in most other States where prices of butter and manufactured products are emphasized less in the Federal and State Pricing Formulas. In fact, it is doubtful if any other State experienced as severe a price drop as Ohio because of this fact. The USDA itself stated that 'some States experienced little drop and some no drop at all' in announcing the drop from 90 to 75 percent.

"3. Thirty-two States had average milk prices higher than Ohio in 1953, according to the USDA. It appears Ohio will drop lower in 1954.

"XII. Recommendations

"Suspension of the Cleveland market supply-demand amendment and revision upward of monthly differentials would give immediate relief. Revision of the pricing formula would give permanent relief to northern Ohio dairymen.

"Many northern Ohio dairymen would like to see less fluctuation in the differentials (the present formula provides for $.90 per cwt. or more between spring and fall prices while some States have only $.50 or less fluctuation); and more uniform producer and consumer prices the year round.

"Cleveland area (40–50 counties) abnormal situation

"1. Reason: In 1952, there were about 1,000 shippers added from Michigan and Indiana. Before this there were 7,000 Ohio shippers. After this and at present there are 8,000 shippers. This gives Cleveland 15 percent extra surplus milk above a normal situation.

"2. Result: The supply-demand amendment reduces the price every month by 25c per cwt. A smaller percentage of the total supply goes into class I. This lowers the blend price, because of this surplus milk and abnormal situation.

"In addition, there is a larger variation in differentials (90 cents between spring and

[3] Farmers actually receive 35 cents per hundredweight less (hauling charge) or $2.99 per hundredweight, or 63 percent of parity.

[4] Ranks first as a source of farm income in United States, in Ohio, and in Wayne County and in 57 other Ohio counties.

fall) at Cleveland than in many other areas. The differential comes down 45 cents February 1 and 45 cents April 1, and goes up 45 cents on July 1 and 45 cents on August 1.

"Even before the reduction of supports, Cleveland had the 25 cent cut plus the two differential cuts of 45 cents each, or a total cut of $1.15 between February 1 and April 1. (This is more than most areas.) This made the 30-cent cut from lower supports on April 1 worse in the Cleveland area than in most others. It brought the total cut to about $1.45 between February 1 and April 1. (Most areas had much less cut and some none, according to USDA.)"

Shall the Young Sons of American Mothers So Soon Again Be Sent to War, This Time in the Steaming Jungles of Indochina, 10,000 Miles From Their Homes?—Are We Once More Going Down the Road to Ruinous, Devastating Conflict?—While the Answer Should Be an Emphatic "No," American Youths May Soon Be Fighting and Dying Unless the People of Our Country Immediately Voice a Protest So Loud It Cannot Be Ignored by Those Who Control Our Destinies in the Matter of Peace or War

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EXTENSION OF REMARKS
OF

HON. BRADY GENTRY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1954

Mr. GENTRY. Mr. Speaker, it is not unusual for the people to be given a preponderance of information on one side of a public issue. This is always true when it involves an issue on which there is great feeling and prejudice. Yet, there have been few times in America's history when so little of the basic facts of a controversy have been given the people as is true with reference to the Indochina issue, an issue that some of our highest officials now speak of as sufficiently grave to justify our country again being plunged into the holocaust of war.

When Dien Bien Phu fell recently, the State Department, in the name of the President, sent a message to France. This message, given wide publicity in America, said:

> The entire free world has been inspired by the heroism and stamina displayed by the gallant garrison at Dien Bien Phu. Their devotion and the gallantry of their resistance has been so great that the battle will forever stand as a symbol for the free world's determination to resist dictatorial aggression and to sustain its right of self-determination and its dedication to the dignity of the human being.

The words of this message are lofty, but they convey a completely false impression in a matter involving life and death for many of our people.

Just who comprised the garrison at Dien Bien Phu of which the message spoke so glowingly? Approximately 40 percent of them were Moroccans, Tunisians, Algerians, and Senegalese, not French, but Africans, whose countries in recent times, like Indochina, have themselves been subjected to ruthless French aggression and conquest and are held in bondage today only by the force of French arms. Approximately one-fourth of the garrison were Foreign Legion forces, not Frenchmen, but adventurers and soldiers of fortune recruited by France from various other countries throughout the world, many of whom are exconvicts and former criminals. They are serving in the French Army for pay alone but they would have served any country which would have accepted them. Approximately 20 percent of the garrison were Indochinese pressed into service by the French puppet, Bao Dai, some of whom deserted to the other side at every opportunity. The remaining less than 20 percent, actually fewer than 3,000 out of 17,000, were the only ones from continental France and they were professionals, not one of them being a drafted man. In fact, France has never sent even one drafted man to Indochina, having made certain that her draftees would not have to go there or any other foreign land by incorporating a provision into her constitution expressly forbidding it.

Can anyone imagine such a motley group of mercenaries, professionals, and colonials from French subject countries, having any real concern whatever regarding either the self-determination of peoples or the dignity of the human being? The message spoke of their devotion. Devotion to what? The State Department should tell the people of our country just what such a group could be devoted to as a matter of principle.

A message was also sent at the same time in the name of the President to Bao Dai, the native Indochinese who serves, by French appointment, as a French puppet ruler of Vietnam, largest of the three Indochina states, but who is a figurehead only, having no power or authority whatever. Here is what the State Department had the President say to this puppet:

> These brave men made their sacrifices in order that individual freedom and national independence for the people of Vietnam should not be lost to Communist enslavement. We of the free world are determined to remain faithful to the cause for which they have so nobly fought.

This message would appear to have been sent because it was felt that this puppet was in mourning as a result of the Dien Bien Phu surrender. Yet, at that particular time, he was lolling on a beach of the blue Mediterranean at the resort city of Nice, France, as he also was when the fighting was raging at Dien Bien Phu. Is it not fair to ask the question as to just what there was about the nondescript group of defenders of Dien Bien Phu which would give anyone cause to think that they were nobly fighting for anything?

The people of Vietnam and Indochina have every reason to know from bitter experience just what enslavement, of which the message spoke, really means. They have first-hand knowledge of enslavement, having been subjected to it for a long time. It must have been a severe shock to the 23 million Vietnamese people, most of whom have been resisting their French aggressors so long, to learn that anyone thinks that France is fighting for Vietnamese independence, instead of for their continued subjection. Their sensibilities must have suffered, too, at the thought that the President of the United States was made to say that the long resistance of the Vietnam people in desperately fighting for freedom in their own land was an act of dictatorial aggression on their part, rather than just the reverse. This anomalous situation in messages is brought about because diplomacy does not always relate words to facts. It is regrettable that the welfare of so many American boys may be affected by such laxity in diplomatic doubletalk.

What is the history of France and Indochina as it relates to each other? The two countries are 7,000 miles and 2 continents apart, more than twice the distance from the United States to France. Some 80 years ago, Indochina was a peaceful country and, like most Asian countries, practically without armed forces. France, with its great navies and strong armies and its history of militarism, simply decided to move in and ruthlessly gobble up a country unable to defend itself, which is exactly what it did. It sent its navy, with units of its army, to overrun and occupy Indochina as an act of purely military conquest. Indochina has been exploited and held in slavery by the French at the point of a gun ever since. Her people have had to live as a prey to French military force. While most countries of the world have made great strides in industrialization and in standards of living during the last 80 years, Indochina remains today a primitive nation. Her people have been exploited by France for French profiteers. It has been said many times that France has profited more on her opium traffic in Indochina than she has allowed to be spent on Indochina schools. As early as 1911, unrest and riots in Indochina evidenced resistance to further French occupation and exploitation. This resistance had swollen to greater proportions by 1930. Ever since that time, most of the people of Indochina, and especially of Vietnam, its largest state, have wanted desperately to throw off the yoke of their French aggressors.

Just who in Indochina have been and are now fighting the French? They are native Indochinese. France now claims one-fourth of them are Communists. There are very few Indochinese who are Communists, and this French claim is a new one. Even if true, it is not as large a percentage as voted Communist in recent French elections. The French also claim that some Chinese are fighting with the Indochinese. It is another new claim. Actually, more than 3 million native Indochinese are actually Chinese. The leader of the fight against French aggression is a Communist, but he is said by all observers to be Indochina's most popular figure because of his lifelong fight for Indochina independence. Much is now made of the fact that Indochina

gets some supplies from China. It is only natural that she trades with China, her next-door neighbor, from whom, along with India, she derived her culture. She trades with China, just as England and France trade with Russia. The Indochinese have had to fight, however, without tanks, without planes, and without heavy artillery, which they are financially unable to buy. It is admitted that Indochinese opposition to French aggression and occupation was bitter and intense even when Chiang Kai-shek was ruler of China. We might remember, too, that the same Indochinese, who were and are now fighting France, were fighting on our side against the Japs during their occupancy of Indochina from 1941 to 1945 and suffered severely in doing so.

Senator EDWIN JOHNSON, of Colorado, in a notable address in the Senate on April 26, had this to say:

> Our press and radio during the past few weeks have pulled no punches, have left nothing to the imagination, for the most part, in describing France's Indochina enemies, the Vietminh, as the Communist forces. This war has been going on for nearly 8 years. As recently as 5 years ago the Vietminh were not labeled, even by the less responsible press, as Communists. As recently as 5 months ago they were not so identified, even by the French. In fact, even 90 days ago, dispatches from Saigon discreetly and consistently called them the Communist-led Vietminh, but never the Communist forces, or the Communist Vietminh. At what point, and to what degree, has this war, which every record shows to have been a war for freedom and independence, a war against imperialism, at what point did it suddenly become a war of Communist aggression?

Senator JOHNSON knew whereof he spoke.

Can the struggle of the natives in Indochina for their freedom from France be considered as a Communist movement? Not at all. It is a struggle for independence that has been going on for more than 40 years. It is the same movement that has flamed in all Asian countries, the continuing effort of the brown race to throw off the yoke of their white oppressors. It happened in India against the British, in Indonesia against the Dutch, in Burma against the British, and is now happening in Malaya against the British.

Is there any reason why an Indochinese should not be willing to give his life to throw off the yoke of France on his native land? Listen to this: In all the time France has held that unhappy country under subjection by the force of arms, not one Indochinese has been permitted to hold public office in his own country, not one Indochinese has been allowed to be the manager of a business and not one Indochinese has been allowed to become a commissioned officer in the army of his country. They are allowed to do only the hard labor and be the menial servants of the French.

France's position in Indochina is such a flagrant example of military conquest and exploitation, President Franklin Roosevelt wrote his Secretary of State, Cordell Hull, on January 24, 1944, as follows:

> I told Lord Halifax a few days ago that Indochina should not go back to France. She has had the country almost 100 years and the people are worse off today than they were at the beginning. Each case must stand on its own feet, but the case of Indochina is clear. France has milked it for 100 years. The people of Indochina are entitled to better than that.

President Roosevelt was dead soon after he made this statement but no one could have better stated the facts. What must the Indochinese fighting today against great odds in their struggle against France think of the presently proposed action of America, a country supposedly committed to the idea of freedom for all people? Yet, we are now made to speak of the long fight of the native Indochinese for freedom from France as being an act of "dictatorial aggression," on their part.

Has France really tried to win the war in Indochina? Has her heart actually been in it, or better still, has the heart of the mercenaries she has sent there really been in it? In more than 8 years of warfare in Indochina, continental France has had less than 15,000 men killed. That is fewer than 2,000 per year. Yet, here is America today, getting ready to send its young boys 10,000 miles to fight a war for France which France actually refuses to fight for herself, a war that would, whether we want it or not, end in continued subjection in some degree for all those Indochinese who are fortunate enough to survive the rain of atom and hydrogen bombs that will fall on their unfortunate country. It is a contemplated action that would result in more hundreds of thousands of casualties among our young men and demoralization, if not destruction, of our system of Government. It could result in the death of millions of helpless, defenseless women, children, and old people in the cities of our country.

Regardless of the best intentions, our statesmen in recent times have always taken the course that finally led us into every war that has been fought. They do much soul searching, but in the end they always come to the solemn conclusion that only our entrance into wars in other hemispheres can make things just right in the world. In World War I in 1917, we went 3,000 miles to throw our young boys into a struggle for which even now, only 35 years later, some of our most informed men can find little reason for American participation. But, we won the war at a cost of 300,000 casualties and a $19 billion debt and the victors dictated the peace terms to suit their desires. At the conclusion everyone realized that it left the world in a more deplorable state than when it started and that the action of the world's statesmen had made certain the fighting of more wars.

World War II started in 1939. By early 1941, long before Pearl Harbor, we were in it, although our leaders were insisting that we were not. They again had solemnly concluded that throwing the young men of America into the struggle was the only thing that would shape the world's destiny aright, and so America was once more in a world war. The attack on Pearl Harbor in December 1941 made our participation official. In this war we extended our base of fighting operations a distance of 8,000 miles from our shores. Again, we won the war, this time at a cost of more than 1 million casualties among our young men and a debt of $262 billion. Once more, our statesmen shaped the war's conclusion and dictated the peace terms, yet it was already evident that that war had raised far more perplexing problems than it had solved and that the world was in the most deplorable state of its long history. Again, nobody could doubt that the cause of future wars had been set up.

Then in 1950, our statesmen, supposedly after meditation and consideration, decided that it would again require the participation of the youth of America in a war in order to bring peace to the world, the same reason given for our participation in the two recent world wars. So, again, the die was cast and once more we went to war. This war, that in Korea, was 9,000 miles from home. It ended in a truce in 1953. The casualties this time were 150,000 American boys and our national debt had jumped to $275 billion.

Korea, like World Wars I, and II, settled little or nothing. So, today, only 4 years later, our leaders, after solemn consideration, have already uttered the fateful words that a few thousand Indochinese who have been struggling and fighting more than 40 years for freedom against military conquest and exploitation by France present a problem that justifies another war and the sending of American boys 10,000 miles from their homes in order to fight it.

Possibly a logical question at this time would be whether we are under obligation to France. Let's see. In 1917 France was engaged in a death struggle with Germany. The scales were tipping against her. We entered that war and bailed her out, thus saving her country. At that war's end, France owed us a great sum of money, much of it loaned to her long before we entered the conflict. She defaulted this debt to us and then announced that she did not intend to pay it. In 1939, France declared war on Germany, thus assuring a second world war. At the first real fighting between them in that war, France quit. She capitulated outright and Frenchmen formed a puppet government which supported Germany during the remainder of the war. France's continuation as a free nation resulted solely from the fact that America entered that war, defeated the Germans and drove them out of France. The American people, with their hard-earned tax moneys, have supported France ever since. Notwithstanding our having done so, and notwithstanding the fact that France promised 4 years ago to join a European Defense Community for the maintenance of order in Europe, which she, herself, originally proposed, she hasn't done so and gives no evidence of ever doing so.

When we became involved in Korea in 1950 with hundreds of thousands of drafted American boys committed to that struggle, France conveniently found that she would be unable to render us substantial help because of her convenient constitution, which forbade sending draftees abroad. Also, she conveniently

forgot that we had sent millions of draftees on two occasions to fight on foreign soil, her own, and save her country for her. Now, she is again getting whipped by a few Indochinese. The recent surrender at Dien Bien Phu is a vivid reminder of 1940 when the French raised the white flag of surrender to the Germans. Naturally, in this war in which she has faintheartedly engaged only with a few professional soldiers, not with a great body of drafted men which she could have utilized, she wants America to send her own drafted youth around the world to save her aggression for her. The evidence is completely lacking that France has further claim to our help.

Should we risk another world war by intervening in Indochina? Mr. Dulles has gone from country to country, frantically pleading and begging for some country, just any country, large or small, to join us in that venture. His appeals have been to those nations which are heavily indebted to us because of our sacrifices in financially supporting them. But for our aid, some of them would not now be free countries. Yet, one by one, they gave him the back of their hand. Great Britain was the first to say "no." Finally, even Japan and the Philippines, which our troops now occupy, refused us. Actually, not one nation has agreed publicly with our position on Indochina. Is not that sufficient to make us stop, look, and listen before we go too far? Specifically, are we not getting in deep water in sending our military forces farther into southeast Asia without the active cooperation of Great Britain, if not against her express opposition? These are questions the American people better ask themselves before they accept some of the thinking and contemplated action in Washington today. After all, the military leaders and civilian heads receive the glory in world wars. The people do the paying, fighting, and dying.

It is regrettable, but it seems war is to be risked. That is obvious from statements by the Vice President and Senate majority leader, both of whom indicate that our stake in Indochina is big enough for us to send our boys there to fight. Other leaders say that Indochina is the cork in the bottle. There is something vaguely familiar about all these statements. Much the same thing happened before we entered other wars. It is done to condition the American people for again sending their boys to fight in a foreign land. Maybe this does not mean war, but the only thing that might stop it would be the earnest appeals of the mothers of America.

Is it not only fair to ask when this madness is to end? Must weak and bleeding Indochina now become a major battleground and suffer the sad experience of complete devastation, a ruined economy, and a million casualties, as did Korea? Must our leaders so soon again hurl us into a fateful war without prayerful consideration as to just where all our armed interventions in the incessant quarrels of foreign nations are leading us? Is there no hope for another generation of Americans ever to live in peace? Must we go on engaging in wars until we shall have cemeteries of American war dead in every country around the globe? Must every mother who brings a son into the world live in the knowledge that it is only a question of time until he will be sent thousands of miles from his home to offer his life on the altar of needless warfare? Will not the time ever come when our young men have something better to look forward to than years of military service which, at the best, will completely disrupt their normal living and, at the worst, will take their lives? If we must send our young men into another war, cannot we find both a better issue on which to wage it and a better partner with whom to fight it than the present indecisive France? Must we appear to the Asians as ranging ourselves on the side of imperialism and colonialism and as the partisan of those who would oppress the weak? More important still, should not we now solemnly ask ourselves whether we must forever go on waging perpetual war, claiming it is for peace?

Public Laws 352–358, Inclusive

EXTENSION OF REMARKS
OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1954

Mr. O'HARA of Illinois. Mr. Speaker, I am extending my remarks to include my report to my constituents on Public Laws 352–358, inclusive, as follows:

TWENTY-FOURTH REPORT ON LEGISLATION OF THE 83D CONGRESS

DEAR FRIEND: Continuing with the effort to keep you currently advised of new legislation:

PUBLIC LAW 352

H. R. 5627, aeronautical research study

School teachers with sabbatical privileges will find interest in the 4-year experience of the National Advisory Committee of Aeronautics. Under the Act of 1950 professional employees of the committee have been granted leave for university graduate study and research in science for periods of from a few weeks to longer. The employees pay their own tuition and sustenance expenses but the Government continues them in a pay status while attending school. Under this act 341 employees of the committee have been kept abreast of new developments in the aeronautical research field. The system worked so well that Public Law 352 increases the authorized expenditure for its continuance from $50,000 a year to $100,000.

PUBLIC LAW 353

H. R. 998, Idaho homesteaders get patents to lands

In 1910 some 14,000 acres of land in Idaho was segregated for reclamation purposes under the Carey Act of 1894. Entrymen received "final certificates" from the State of Idaho awaiting such time as the Federal Government issued its patent. But the land never was conveyed to Idaho because of litigation. As the entrymen of long ago complied with all the requirements, and underground water now has made feasible the development of the segregated district as originally intended, Public Law 353 at last makes it possible for Idaho to honor the "final certificates" with patents to the land.

PUBLIC LAW 354

S. 2247, decorations of foreign nations

This permits veterans of the Korean hostilities to accept and wear decorations of foreign nations participating with the United Nations in Korea. It is similar in character to the enactment of World War II applying to decorations conferred by our allies. President Eisenhower as the supreme commander received many such decorations. Under the Constitution of the United States consent of Congress is a prerequisite to acceptance of any decorations from a foreign government. Public Law 354 is such consent and applies to both officers and enlisted men of the Korean expedition.

PUBLIC LAW 355

H. R. 6702, drug addicts

In my fifth report to you I referred to the brave but experimental approach to the drug problem by the District of Columbia as envisioned in Public Law 76. This contemplated compulsory hospital treatment of drug addicts. Awaiting the construction of other facilities, the District presently is able to take care of only 16 cases, not sufficient to furnish the basis for a real test. Public Law 356 authorizes the Surgeon General to admit not more than 50 such patients to hospitals of the Public Health Service, the District of Columbia reimbursing the Federal Government for the cost entailed.

I am sure all are willing to cooperate in any way to meet the challenge of the drug habit.

PUBLIC LAW 356

S. 24, finality clause, Federal contracts

For years Government contracts have contained a standard finality clause providing that in disputes on questions of fact the decision of the Federal department head should be final and conclusive. In November of 1951 the United States Supreme Court held (*United States* v. *Wunderlich* (342 U. S. 98)), that this clause foreclosed a judicial review of the facts of the dispute unless fraud were shown. The Court defined fraud as "conscious wrongdoing or intention to cheat or be dishonest."

The effect of this decision was to leave the contractor without any protection against a Federal department head who, while practicing no fraud nevertheless acted contrary to the actual facts through passion, obstinacy, irrational conduct, or incompetency. Such a department head, his decisions being above the reach of judicial review, was vested with the powers of a tyrant.

Public Law 356 sensibly extends availability of review in the courts when the decision of a department head is "fraudulent or capricious or arbitrary or so grossly erroneous as necessarily to imply bad faith, or is not supported by substantial evidence."

This wise law, unanimously recommended by the Judiciary Committee, will save the taxpayers much money. Reason: Under the Wunderlich decision contractors were forced to puff up their bids as insurance against the risk of possible unrealistic and entirely erroneous decisions.

PUBLIC LAW 357

H. R. 8481, Third Supplemental Appropriations Act, 1954

Appropriation acts will be covered in a separate and later report.

PUBLIC LAW 358

S. 2150, St. Lawrence seaway

Simplified, Public Law 358 (a) creates the St. Lawrence Seaway Development Corporation as an instrumentality of the United States Government, (b) authorizes it to construct (at $105 million maximum cost) and operate in cooperation with the St. Lawrence Seaway Authority of Canada deep water (27 feet) channels in the International Rapids section of the St. Lawrence River and in the Thousands Islands section.

The corporation is authorized to fix (in negotiation with the Canadian authority) charges and toll rates as well as an equitable division of revenues. Rates must be high enough to cover maintenance and to retire within 50 years the construction cost debt, along the general lines of the Chicago Traction Authority setup.

Public Law 358 represents 23 years of effort by Presidents Roosevelt, Truman, and Eisenhower, and by suceeding Congresses. In a sense it is the first step toward realization of the dream of La Salle, the great French explorer, who in the 17th century dreamed a dream of empire stretching from the Atlantic to the Gulf of Mexico: an empire with a great system of inland waterways, the St. Lawrence, the Great Lakes, and the Mississippi River.

There were two record rollcall votes in the House. A motion to recommit was defeated 157 to 242, your vote cast by me being "No." On the passage of the bill the vote was 241 yeas, 158 nays. Your vote was numbered among the 241.

Public Law 358 especially to us in the 2d District of Illinois is the most important achievement so far of the 83d Congress It well may lead to a new era for our city, with Chicago becoming one of the great ports of the world and metropolitan development swinging southward from the Chicago River in the direction of Lake Calumet. Properties in the second district are sure to benefit.

The next gigantic step will be the actual development of the Calumet-Sag Waterway, opening the way for shipping on an all-way ocean to gulf routing. Authorization for Calumet-Sag was voted by the 79th Congress as a result of the efforts of then Congressman William Rowan. H. R. 8490 (introduced by me as a cosponsor in a bipartisan effort) is now pending before this Congress. It would provide a $5 million appropriation for actual construction. The prospect for passage this year is only fair, in 1955 extremely promising. That is the sentiment in Washington.

Cordially and sincerely,

BARRATT O'HARA,
Member of Congress.

Needed: A Roberts' Rules for Congressional Investigations

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. BENDER. Mr. Speaker, one of the most frequently discussed aspects of the McCarthy-Army hearings has been the rules and regulations, or absence thereof, in the investigation. Scores of correspondents have written letters asking for the ground rules governing such hearings. They have cited points of order which turn into something else, points of information which are not information seeking, and a general lack of protection for witnesses on all sides which is not in keeping with the traditional pattern of American trial procedure.

Somewhere along the line a code of committee procedure ought to be produced. While the Democrats were in control of the Senate during the past two decades, no action was ever taken to provide such direction. During the past year and a half, the Republican leadership has proposed such a code to the committees of the Senate, without any effort, however, to compel adherence to its provisions. At this moment, there is a goodly supply of bills setting up regulations for Senate committees in the hands of the Rules Committee.

Traditionally, the Senate has been reluctant to fix the terms under which its committees may function. But the present situation obviously calls for some rules which will expedite and clarify Senate investigations—and House investigations as well. Uniformity of judicial and quasi-judicial activities has always served as a guaranty of equal justice under law. It should be applied by Congress no less than by the courts.

Arguments in Support of H. R. 2446, Introduced by Congressman Angell, 3d District of Oregon, and Its Companion Bill, H. R. 2447, Introduced by Congressman Secrest, 15th District of Ohio, Generally Known as the Townsend Pay-as-You-Go Old-Age Social-Security Program

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. ANGELL. Mr. Speaker, those of us in the House who are supporting an old-age security program, nationwide, on a pay-as-you-go basis, appeared before the Ways and Means Committee of the House recently in support of H. R. 2446, which I introduced, and H. R. 2447, introduced by our colleague the gentleman from Ohio [Mr. SECREST]. We presented to the Ways and Means Committee at that time a joint argument in which a number of our colleagues joined.

I include the argument herewith, together with the names of those who joined in it:

Mr. Chairman and gentlemen of the committee, some of us, your colleagues, who are supporting H. R. 2446 and its companion bill, H. R. 2447, are joining in this presentation to you of our arguments for a favorable report on this bill so that it may be considered on the floor of the House at an early date. We are joining together in a common argument to save you time as we know the heavy program you have makes the conservation of time a necessity.

It is of deep interest to note the decided trend toward the adoption of a universal, pay-as-you-go, old-age security program. Those of us who, through the years, have been fighting for a genuine pay-as-you-go program are very much encouraged by the trend of recent events which show public opinion increasingly supporting amendments of social security so as to make its coverage universal and place it on a pay-as-you-go basis.

As we all know, there is a large number of worthy aged citizens of the United States who are not covered by the provisions of existing social-security legislation and who cannot qualify to come under it. Nevertheless the tax for its support, while contributed in the first instance through employers and employees, is in reality borne by everybody, and it is illogical and unsound to impose such a tax, which protects only limited and special groups, as is now done. Under House bill 2446 all citizens would share in the benefits of the program.

While the President is to be commended for his recommendations for the extension of social security and increase of benefits—which every Congressman will agree are badly needed—the coverage still fails to take within its protective shield all those who are entitled to be covered, and the benefits, even increased by the recommendations of the President, are wholly insufficient to maintain the elderly people of America in decency and health according to American standards. It is not in any sense enough. The time has come for an overall, comprehensive social-security program, and the program presented by House bills 2446 and 2447 should receive the consideration of the Congress.

I wish to recall a statement to this committee as of April 6, 1949, by ex-President Hoover, then Chairman of the Commission for the Organization of the Executive Department. He said:

"I wish to say at once that I strongly favor Government provisions for protection of the aged and their dependents. The problem before the Nation is to obtain a workable system, with a minimum of bureaucracy, adjusted to the economic strength of the country which gives assurance of security to this group. In my view, we have not yet found that system."

We feel that ex-President Hoover's statement is every bit as applicable today as it was then. We do not yet have any such system.

In his message to this present Congress on social security, President Eisenhower urged expansion of coverage and stated that benefits provided by the present system are insufficient to combat destitution. Our studies of his recommendations leave us convinced that coverage would still remain inadequate.

In fact, almost without exception, qualified experts who have examined into the old-age security problem facing our Nation have reported the deficiencies of the present system and need for major overhauling or substitution of a new system therefor. In the field of collective bargaining between labor and management, recent years have seen the development of private plans in industry the reserve funding of which already totals just about as much as the reserve fund of our OASI system. In the course of these collective-bargaining sessions between management and labor, these private systems have been justified on the basis of the inadequacy of the OASI.

We in America can be justly proud of our achievements in the development of our industrial production. It enables us to stand in the forefront of all nations in the ability to produce food, clothing, shelter, and other necessities of life in abundance—not only for our own people but to help other nations in need. This was a major factor in winning the war, and it remains a major factor in our international efforts to win the peace. However, with machine labor and mass production, we have found that many elderly people of America, by reason of the very success we have achieved in production, are deprived of remunerative employment in their declining years, and many of them are in dire need.

Existing economic and social conditions force upon us the complex question of security for the individual in our modern industrial civilization. Since 1919 the number of self-employed individuals in the United States has remained fairly constant at about 9 or 10 million. During the same period our total labor force has doubled. As our population and labor force have steadily

grown, the percentage of self-employed has just as steadily declined. An ever-increasing percent of our people come to old age and inability to continue in employment with no opportunity for self-employment.

The young and vigorous are on the payrolls of this machine-age and the elderly citizens are relegated to the sidelines. As a result of this increasing unemployment of the aged, we are faced with the problem of social security to meet the needs for livelihood of this steadily increasing part of our population.

To meet this problem the 74th Congress passed Public Law 271 setting up the present social-security program. Since that time this law has been studied repeatedly and amended repeatedly. It is now before you for further amendments which in many respects are more extensive than any of the past.

There are nearly 200 bills pending before this 83d Congress seeking to improve various features of this insufficient law. After practically 20 years, during which Congress has dealt with the social-security problem on the basis of the present OASI system, can more conclusive evidence possibly be demanded that it is not, as it stands today, a satisfactory answer to the problem?

The failures and shortcomings of the present system are more than mere theoretical failures. What they mean is that millions of good Americans have lived out their elderly years under conditions of tragically unjust, economic hardships; and that up to this moment we still have done nothing to change that sorry state of affairs. It is time to realize that we are not going to solve the problem by continuing this same policy.

The problem of caring for the aged, the disabled, and families bereft of their breadwinners, as seen today in the eyes of proponents of the Townsend plan and others, is that there are many millions of such persons in need among us who are not now, and cannot in the future, be cared for in an honorable and just way by the present system of social security. Under the present system, millions of old folks and disabled people receive either hopelessly inadequate support, or no support at all. While there are millions of senior citizens too well off to get an old-age pension, they are too poor to live decently.

While comparison of the philosophy and objectives of the Townsend proposal and the present system shows them to have much in common, there are marked differences. Our proposal would give recognition to the past labors of the aged and would provide them dividends from the wealth they helped to create. It would give this as a matter of right without any direct relation to specific monetary contributions. The existing OASI program gives benefits as a matter of right, to carefuly defined groups, but ties them to a principle of insurance—something that each prospective annuitant and his employer buy as they participate in the productive processes of the country. Finally, old-age assistance is provided for the aged who, because of inadequate OASI coverage or benefits, are in need and should be helped.

We believe that annuities should be offered with neither the stigma of charity nor of poverty. They should be offered as dividends from the national wealth which every citizen helps to create. A system should be adopted to replace the complicated, arbitrary, and inequitable provisions of existing law. It should be one which will have a stimulative effect upon our economy and one which will help to make jobs available to all the young who will replace the aged as the latter move into retirement at a decent standard of living.

A major defect in the present system is the smallness of individual payments and their failure to raise the aged to a decent standard of living. Present payments, averaging about $50 a month for insured workers, leave those with nothing else to depend on in an utterly impoverished condition; and these benefits fail miserably in raising the elderly as a group to anything resembling a fair comparison with prevailing American living standards. The old-age-insurance program is based, in respect to the payments to recipients, upon the contributions made by the covered self-employed, employees, and their employers. This principle damages the benefit rights of workers who encounter economic misfortunes in the course of their lives, thereby lessening benefits to the very people who are destined to need and deserve benefits the most when they reach retirement. Therefore, President Eisenhower's recommendation to ignore a worker's worst 4 years of employment for purposes of computing benefits is to be commended as a desirable improvement.

Another major and pathetic defect is that the present system attempts to measure, in terms of fixed dollars, benefits to be paid as long as 50 years in the future, to workers now just starting their working lives. Surely by now we have sufficient experience with the depreciating value of the dollar to realize the futility of attempting to determine a fixed dollar income for retirement 10, 20, or 50 years in advance. Annuitants today, with fixed incomes based on prewar values, are able to buy only about one-half of the food, clothing, and other necessities their meager annuities would have provided before the war. Changes in the purchasing power of the dollar are so great that the attempts of one generation to set minimum decent living standards for succeeding generations, in terms of fixed dollars, can be satisfactory only by chance.

In attempting to do this extremely difficult thing the present system requires keeping meticulous individual records of the wage and working activities of 75 to 100 million covered workers over periods of time running up to 50 years.

It is most difficult to continue under any system having such basic flaws and honestly hold forth any hope that the American people are ever going to have a satisfactory solution of their social-security problem. To do so is to delude ourselves and the public.

Earlier this year, we were all pleased to witness recognition of many shortcomings of the present system in President Eisenhower's message to Congress on social security. We certainly agree that millions more of our people should be covered under whatever system we have than are covered presently under OASI. We approve of extension of coverage; but, we do not agree that the present system can provide adequate and secure coverage for all the American people who should be covered, unless the system is so drastically changed as virtually to repudiate its present principle in respect to coverage.

We were all equally pleased to hear the President characterize the benefits provided for in the present law as insufficient to combat destitution. We certainly agree that benefits, under whatever social-security program we might have, should be much higher than those presently provided.

However, we certainly do not agree that increasing the minimum OASI benefits from $25 to $30 a month is enough of a contribution to combating destitution. We equally find agreement impossible on the point that increasing the maximum benefits from $85 to $98.50 a month is of general benefit when we realize that such benefits would go only to workers with an average earning record of a flawless $300 a month. It is clear to us that the same consideration is true regarding the proposed maximum of $108 monthly benefit to be based upon a flawless wage record in covered employment of $350 a month. What a stepdown of living standards, for a majority of our people will result, under the benefit formula inherent in OASI.

It is only a year ago that our great problem was to find ways of overcoming inflation. Now we have, in the full sense, at least 4 million unemployed, costs of living still at their peak, and the great worry and problem is to combat deflation, recession, to prevent depression. Surpluses, resulting in unemployment, are gathering while we harbor a system of social security that fails adequately to amplify purchasing power among those very parts of our population where purchasing power is most inadequate; the aged, the incapacitated, the widowed mothers with dependent children, where purchasing power is pared right down to the very bone and often enough right into the marrow.

We are intensely interested in every possible improvement in any part of our social-security system—in any way that will, however slightly, help these people in need—but we do not accept these improvements as constituting the kind of progress in social security that the American people should have. It is on this basis that we press with all our ability for a program that will really solve this problem, once and for all, and as soon as possible. It is on this basis that we press for the adoption of the Townsend program—for congressional action on social security through the identical bills, H. R. 2443 and H. R. 2447. It is high time to solve this problem.

The Townsend plan is flexible. It would automatically change with changing conditions, changing living standards and purchasing power of the dollar, in terms of the real value of its benefits. We simply cannot see how any social-security program can securely provide security for the people unless it is designed to operate in this way.

Because of the fact that no such program has ever been in operation, direct statistics do not exist, and it is not possible, precisely, to calculate the individual benefits that would be available under H. R. 2446. However, there do exist sufficient data on business operations and on our population to make a perfectly reasonable and sound estimate on the basis of conditions in recent years.

Continuous study of the program presented in H. R. 2446 over many years enables us to calculate a gross income-tax rate that would obviously provide a desired amount of revenue under specified business conditions. This means that a given benefit goal, in terms of its relationship to general living standards, can be adopted and the needed tax rate established, so that the resulting benefits to individuals would then be set in a fixed ratio to general living standards and economic or business conditions. This completely overcomes the problem of benefits in terms of fixed dollar amounts which become utterly ineffective as prices, standards of living, and business conditions change.

These principles have been found necessary for adequate pensions among nations having much longer experience with social security than we have. The Social Security Bulletin of January 1954 features this question in a special article. It shows Sweden, after 40 years' experience, adopting a cost-of-living adjustment in 1950, and on top of it, a standard-of-living adjustment in 1953. Operating together, these two adjustments increased Swedish pensions 75 percent above their 1946 base period.

Townsend plan benefits would stay in step, maintaining their real value. It would only be the development of great changes, or after long periods of time, that adjustments would be needed; and then they would be mere adjustments in the light of solid and obvious needs. Once in operation, direct data by which to calculate precise benefit values and tax rates would be readily available at all times. The whole picture of social security, in this respect, would immediately and permanently become automatically available.

Since the amounts payable under the Townsend plan will be determined by subtracting administrative costs from tax receipts, with the balance being wholly distributed in the form of benefits, there would be absolutely no surplus; there would be absolutely no debt. As far as social security is concerned, the budget would be balanced exactly. The opposite state of affairs that exists under the present OASI program is certainly thoroughly enough known to require no comment here.

It is obvious that administration of the Townsend plan would be tremendously less expensive than the cost of the present system; especially is this the case when we realize that the problem would be fully solved while under the present program we are far from solving it.

The tax proposed to finance the Townsend plan is a gross-income tax. Practically every argument that can be raised against this tax can be raised against nearly every other tax in force today. Two strong counterarguments, however, do exist against the so-called regressive nature of the proposed tax. The first is that no tax should be considered apart from the use to which the revenues derived from the tax are to be put. While sales taxes, for example, are objectionable, in respect to being regressive, the laudable purpose of the proposed tax overcomes this objection. It is apparent that persons in low-income groups will receive benefits at relatively small cost, while people in high-income groups will pay relatively more for the same benefits. Under the Townsend plan all will receive the same benefits. Therefore, instead of the tax actually being regressive, its final effect is progressive. Furthermore, it is not improper to suppose that the taxes—to the extent that they are not dissipated by the positive stimulus that the currently paid benefits will have on the economy—will be borne willingly by all in the realization that by paying a tax today they will guarantee themselves an honorable annuity when they, too, are disabled or reach the age of 60. All individual, personal incomes in excess of $250 monthly will be taxed 2 percent. There will be no other deductions. The tax will be wholly justified by this direct and completely reliable benefit to every taxpayer upon qualifying.

The thought behind this proposal is this: We have repeatedly experienced the production of surpluses that could not be sold with the results of overproduction, underconsumption and unemployment. Now, again, with industry having surfeited the postwar demand for goods long unavailable, with our rearmament and defense program leveling off, we are face to face with the same forces; surpluses are a looming and foreboding economic fact and unemployment has reached threatening proportions. The Townsend plan would help greatly by creating a new market which would buy up this accumulating surplus; it would keep industry going; it would prevent unemployment; simply everybody would benefit by escaping the great losses which these situations cause to just about everybody, big or small.

Early this year the Senate had quite an open discussion of agricultural surpluses, revealing the astronomical figures to which they had risen, with some 331 million pounds of butter, for example, in Government-storage at that time. However, it has also become clear that agricultural surpluses are only a part of the picture. Right across the board of industry and business, accumulating inventories, failing demand and consequent unemployment—which further depreciates demand—have been mounting concerns. The construction of the Townsend bill has been dictated by the obvious fact that raising the tragically inferior living standards of the aged and other disabled citizens to general American standards would enable these millions of people to purchase and consume these otherwise recurring surpluses of every kind. It is our contention that a fully adequate social-security system of this design would, in the long run, not only solve the social-security problem once and for all, but would also have a steady, stimulative effect on our general economy which would benefit virtually everybody. The economic results would offset the theoretical costs of such a program, completely.

Under such conditions of stabilized prosperity, subject to the powerful forces of expansion and economic growth which we, as a nation, have proven ourselves capable of, there would be greater and more confident opportunity for every individual in our land to work, to earn, to risk and to invest without the plague of surpluses with their costs and losses constantly recurring. What other way is there ever to absorb our surpluses except to create the market that can buy them and use them?

This is no longer only the idea of the Townsend movement. In recent times, there has been a constantly growing demand for action to increase buying power in our economy. Even tax reduction has been proposed for this purpose on the theory that more money would be left in consumers' hands. A very notable instance in the business world was the observation of Mr. T. V. Houser, vice president of the Sears, Roebuck & Co., in addressing the recent national convention of the National Retail Dry Goods Association. He spoke of pension plans as permitting people to spend in a way that would not be "prudent if the protection afforded by these funds did not exist * * * the average family can more nearly use current income for the immediate enjoyment of better living standards * * * families having to draw on such funds when extended illness or retirement comes have more current income for a sustained standard of living than would otherwise be the case." He further explained that pension plans bring about "an accumulated buying power, increasing year by year, which in previous decades did not exist at all."

Mr. Chairman, this committee has long been fully aware of the continuous receipt by Members of Congress of the endless flow of mail from constituents, revealing the widespread, shameful shortcomings of the present act, especially emphasizing its failure to give any relief to millions of already aged people. This has been going on year after year.

In spite of the many efforts to improve this act by amendments, dissatisfaction has grown with the passage of time. As more and more people who have been basing great hopes on our social-security system have come to the point where they have had to depend on it for support, too often disappointment and disillusionment have been their rewards.

The further we go in our technological development in the field of production, the more critical and intense this whole problem is going to become. The President has said that we do not need to rely upon the demands of war and defense in order to have economic prosperity; and with this view nobody could possibly agree more completely than we do. However, it is perfectly plain to us that the present social-security program offers too little toward this great ideal. It is equally clear to us that a sufficient social-security program will contribute tremendously to it. Therefore, we ask this committee to clear H. R. 2446 to the House as the basis for congressional action aimed at establishing such a social-security program—one truly worthy of the hope it inspires.

Now, in approaching the end of these remarks, I wish to speak about the actual specifications of H. R. 2446. Our studies have shown us that there is a great gap between the average living standards of the American people as a whole and the living standards of the aged. Although we have a social-security program, operating at Federal, State, and local levels; although we have many thousands of private pension and welfare funds; Federal, State, and local retirement systems for public employees; the railroad retirement system; life insurance; although we have all of the many efforts of the American people to provide for future security by saving and investment—and these complicated efforts are mighty, indeed, in their cost—yet the latest official data from the Census Bureau, showing the distribution of consumer income, reveal the elderly people still enduring income levels barely better than one-third of the national average. This is inclusive of all the income they receive in the form of benefits from any and all existing programs and resources.

H. R. 2446, based on the 2 percent gross income tax it proposes, would provide benefits which would replace many of these programs now existing (such as OASI and OAA) and would, in addition, bring the elderly people to close equality of income with other groups. The aged as a group would no longer endure inferiority and dependency; they would be equal as a group and none of them would have less than the Townsend plan pension—close to $130 monthly as of 1952, or close to $140 monthly as of 1953. As it is, not only is the income average of the aged about one-third the general average, but over 25 percent of the aged are completely dependent having absolutely no money income from any source.

It is time to have done with poverty and despair as the final rewards of life. Let us have full freedom and equality for our aged and disabled, and with it let us have unprecedented prosperity.

We, the undersigned Members of the House, most respectfully urge that House bill 2446 be reported by your committee to the House, so that the Congress may work its will upon this vitally needed legislation for the welfare of the aged of America.

HOMER D. ANGELL.
ROBERT T. SECREST.

NAMES OF CONGRESSMEN WHO HAVE SIGNED JOINING IN THE PRESENTATION OF THE ATTACHED STATEMENT TO THE WAYS AND MEANS COMMITTEE, APRIL 10, 1954

HOMER D. ANGELL; ROBERT T. SECREST; C. W. BISHOP; PAUL CUNNINGHAM; S. J. CRUMPACKER; H. R. GROSS; EARL WILSON; JOSEPH P. O'HARA; PAUL F. SCHENCK; WILLIAM S. HILL; J. EDGAR CHENOWETH; JAMES E. VAN ZANDT; PAUL W. SHAFER; WILLIAM C. COLE; WAYNE N. ASPINALL; J. HARRY MCGREGOR; IVOR D. FENTON; FRANK T. BOW; FRANCES P. BOLTON; ROBERT J. CORBETT; GEORGE H. BENDER; SAM COON; WILLLIAM H. AYRES; THOMAS E. MORGAN; VERA BUCHANAN; JOHN PHILLIPS; A. OAKLEY HUNTER; JOHN LESINSKI, JR.; GEORGE D. O'BRIEN; EDWARD P. BOLAND; ELIZABETH KEE; THADDEUS M. MACHROWICZ; CLEVELAND M. BAILEY; THOMAS P. O'NEILL; ROY W. WIER; HAROLD D. DONOHUE; HARLEY O. STAGGERS; THOMAS J. LANE; PHILIP J. PHILBIN; KATHARINE ST. GEORGE; DEAN P. TAYLOR; BERNARD W. KEARNEY; W. R. WILLIAMS; WILLIAM L. DAWSON; GRACIE PFOST; BARRATT O'HARA; THOMAS S. GORDON; MELVIN PRICE; EDWARD A. GARMATZ; SAMUEL N. FRIEDEL; CLEMENT J. ZABLOCKI; GARDNER R. WITHROW; HAROLD O. LOVRE; ALVIN E. O'KONSKI; HAROLD C. HAGEN; THOR C. TOLLEFSON; SID SIMPSON; LEON H. GAVIN; ROBERT CROSSER; WILLIAM A. BARRETT; WILLIAM T. GRANAHAN; JAMES A. BYRNE; EARL CHUDOFF; WILLIAM J. GREEN, JR.; GEORGE M. RHODES; AUGUSTINE B. KELLY; USHER L. BURDICK; LEE METCALF; HUGH J. ADDONIZIO; ABRAHAM J. MULTER; ADAM CLAYTON POWELL, JR.; JAMES G. POLK; WAYNE L. HAYS; MICHAEL J. KIRWAN; MICHAEL A. FEIGHAN; CRAIG HOSMER; CHET HOLIFIELD; CLYDE DOYLE; SAM YORTY; JOHN A. BLATNIK;

PETER F. MACK, JR.; A. S. J. CARNAHAN; FRANK M. KARSTEN; DON MAGNUSON; MRS. JOHN B. SULLIVAN; EUGENE J. MCCARTHY; ROBERT H. MOLLOHAN; MORGAN M. MOULDER; CECIL R. KING; HARRY R. SHEPPARD; LESTER JOHNSON; CHARLES S. GUBSER; JOHN F. SHELLEY; BOB WILSON; FRED MARSHALL.

The Veterans' Employment Service Should Be Maintained

EXTENSION OF REMARKS
OF
HON. SAMUEL W. YORTY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. YORTY. Mr. Speaker, the general need for economy in the operation of our huge governmental machinery is clearly understood and appreciated by all of us. With the Federal revenues facing further reductions, and in view of the downward readjustments currently being affected in our national economy, there is strong pressure for reduction of the cost and complexity of the Federal Government.

We must, however, avoid being enticed into any practice of false economy. Fires are sometimes controlled and extinguished by the building of still more fires as we have frequently observed in the forestlands of our western States. We have a serious responsibility of appropriating the Federal moneys so that every dollar will be spent in the most effective manner.

The Veterans' Employment Service within the Department of Labor's United States Employment Service provides extremely valuable assistance for a crucial segment of our veteran population. It should be noted that this service has been made available to those who are urgently in need of this type of aid. The regularly employed veteran who is well satisfied with his job has no need to depend upon the facilities of the Veterans' Employment Service.

It is no guarded secret that as we continue the downward trend in defense expenditures, foreign aid, and other governmental programs, we are experiencing serious unemployment among our labor force. We do not always realize how much the extent of Government spending at home and abroad influences conditions in our national economy. As the number of jobs decrease, and the number of unemployed increases, the competition for existing employment becomes increasingly severe. Our veterans are caught in the middle of this acute struggle. It is readily apparent, then, that the services of the Veterans' Employment Service are more desperately needed than ever before. Since the fall of 1952 there has been a general increase in the number of veterans registered in the various State Employment Offices. A very sudden rise took place in February 1954. From an average below 300,000 for the months of September through December in 1952, an explosive jump to nearly 800,000 was recorded in February of this year.

Perhaps a brief review of the activities of the Veterans' Employment Service will clarify the manner in which this branch of the Department of Labor provides significant aid for the unemployed veteran. It is the responsibility of this Service and its representatives in all the States and Territories to exercise functional supervision of the assistance provided veterans through the local offices of the State employment security agencies. There is greater assurance resulting then that the veteran will receive effective job counseling and employment placement service. The Veterans' Employment Services evaluates the programs and services offered veterans in the 1,800 local employment offices by analyzing statistical and narrative reports and by visiting local offices. Another vital function is the promoting of interest on the part of employers to employ veterans. This is accomplished by initiating and participating in informational, educational, and public relations activities designed to develop more job opportunities and to stimulate the employment of veterans, and particularly disabled veterans.

There would, in fact, be more than adequate justification at this time for increasing our appropriations for this activity rather than decreasing it. I am urging that we make available the same amount of money we provided the previous year.

The Bureau of the Budget very recently recommended a 33-percent reduction in the funds to be allocated the Veterans' Employment Service. The original request for $1,047,000 was reduced by the Bureau to $700,000. Such action would result in the necessity to cut the now current staff of 152 positions to 112 positions, leaving only 1 professional and 1 clerical position in each of the 48 States, Alaska, Hawaii, the District of Columbia, and Puerto Rico, and 8 positions in the headquarters office in Washington. In the State of California, for example, only 1 man would be available for protecting the rights of veterans with employment problems in the 104 offices of the State employment service. California's needs in the previous year required a staff of 5 professional and 2 clerical assistants in the Veterans' Employment Service.

Perhaps in some quarters the question may arise: "Why expend any funds at all for the Veterans' Employment Service?" For the moment, we may overlook the most basic reason that underlies any consideration accorded veterans by the Federal Government. Since colonial times, we have heard mentioned frequently the debt of gratitude that our Nation owes its servicemen. While all of them have made the usual sacrifices with which we are familiar, others have made still greater ones and were prepared to make the supreme one when and if the proper occasion had arrived.

There are other reasons, however, that prompt our Government's action. Congress established the precedent back in World War I when funds were appropriated to increase the facilities of the employment service, which at that time was a unit in the United States Department of Labor. The funds were provided in order to open offices whose primary purpose was to expedite job placement of returning servicemen.

It is generally recognized that a period of military service places an indivdual at a disadvantage in the labor market. Having served in the Armed Forces, the veteran has obviously lost an equivalent period of time in his regular occupation. As a result he may fail to qualify for promotion, or he may be shelved in favor of another individual who failed to perform a similar service for his country. Still another veteran may find at the completion of his tour of duty that he now exceeds the normal entrance age for apprenticeships or on-job training.

Also, while there are specialized vocations and military skills gained while in service, there are frequent occasions when veterans are unable to utilize or apply them in civilian occupations. Another very important reason underlying congressional acceptance of responsibility for assisting veterans to reestablish themselves in the labor force is the prevalence of service-connected disabilities.

Throughout the history of our country, Congress has consistently viewed the veteran and his problems in an understanding manner. Not only was special legislation enacted after each major war, but in recent years, particularly since World War II, even greater recognition was made of the veteran. Congress exhibited a very keen interest in the plight of the discharged service personnel by approving legislation which embodied privileges never known or exercised previously by servicemen. Through the Veterans' Administration personal loans of money to veterans have been and are being guaranteed, broad educational privileges extended, medical and hospital benefits provided for service as well as nonservice connected disabilities, and other benefits were made and many still are available. In fact, the Veterans' Administration ranks among the leading branches of our Federal Government with respect to the size of its operating budget.

How then, in view of the long record of previous and the current legislation enacted by Congress with regard to veterans, could we support the emasculation of an important service wherein a small investment guarantees such rich returns?

Question of the Week

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. BENDER. Mr. Speaker, short report on Indochina: Every public official of the Vietnam Government—except 1—together with wives and children left Indochina for Paris or Geneva in 2 weeks' time. Any further questions?

Farmers Fear a Benson Bust

EXTENSION OF REMARKS
OF
HON. SAMUEL W. YORTY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. YORTY. Mr. Speaker, it is glorious springtime in our wide agricultural countryside. The crops have been and are being planted. Our farmers keep the faith. They plant the good seed for all of us. Nature cooperating, there will be abundant harvests come summer and autumn. There will be food, enough and to spare, for all of us.

It will not surprise you, if you have been keeping in close touch with those who feed us, to hear that they are worried—more worried than for a generation past. They are worried, not about the usual farm troubles of drought and insects and labor supply but about prices and agricultural activities, both administrative and legislative, in Washington.

As requested, our farmers provided the amazing production which helped win the war. Even if our production did not write the peace as some anticipated, at least it kept Western Europe and many people elsewhere from starving. Our farmers are now worried about matters right here at home.

They have watched, with a growing foreboding of worse yet to come, as the prices of what they have to sell have dropped down and down, almost month by month. Meanwhile their costs, the prices of those items they must purchase with which to operate have declined very little. If you like high-sounding phrases you may refer to this situation as a cost-price squeeze. If you are the farmer involved you will be wondering more than a little whether the "Benson Bust" ends in bankruptcy for you as an individual, as well as for your friends and neighbors.

The United States Department of Agriculture measures farm prices with what they call the parity ratio. When it stands at 100, prices of the things which the farmer has to sell will buy just as much of the things he must purchase as they would during a base period. During the years 1910–19 that ratio averaged approximately 105—a favorable period for many farmers. During the 1920's it averaged only 90. We might say that the mad 1920's were a period during which the farmers were disadvantaged by 10 percent as compared with our economy in general. Then we all got it in the neck. But during the 1930's the farmer really had rough going—the ratio averaged about 78 percent. The 1940's as we all recall, were a period of general prosperity with the parity ratio standing at an average of about 105. Now the ratio has dipped to approximately the 90 of the 1920's.

Instead of the farmer having the mighty forces of his government at his side aiding him in his distress the administration, as now constituted, seems determined to whittle away such support as is now provided. As an example of what I mean, price supports on dairy products, as some of you are very acutely aware, were lowered as of April 1 by the administrative decision of the Secretary of Agriculture, operating within the existing law, to be sure, from a previous support level of 90 percent to a present level of 75 percent. Moreover, the administration proposals as to farm legislation would make present fixed price supports on the basic commodities flexible, that is, permit them to be dropped below the 90 percent of parity level when production is favorable.

It seems to me unnecessary and inequitable that a sliding scale should be substituted for the fixed supports which have made such a real contribution to progress and stability at a high economic level. Fixed supports over the past 10 years or more have been an important part of our productive and responsive agricultural system which has assured ample supplies at fair prices to consumers here and to our friends abroad. They have helped to stabilize the income of producers of basic commodities and thus have assisted in stabilizing the entire economy. They are sound when used with marketing quotas—CCC losses on the 6 basic commodities over the past 20 years have been very low.

Moreover, substituting flexible for rigid supports at 90 percent of parity would cure few if any of the present admittedly serious problems of agriculture.

(a) Basic commodities are highly inelastic with respect to both supply and demand. Flexible supports would merely result in lower prices to producers; reductions in supply of increases in consumption would be negligible.

(b) Flexible price supports at this time would not avoid marketing quotas and acreage allotments.

(c) Flexible price supports at this time would not expand the export market for United States products significantly in the face of the present world supply situation and large accumulated reserves, as of wheat in Canada.

Is it any wonder that the farmers are worried, when the very man and Department which, under our system, is supposed to protect them, suggests "flexing" them below 90 percent? No wonder they have had bad dreams and fear a "Benson Bust" will slide them into the depression of the 1930's, a disaster which no mature farmer, awake or asleep, has been able to forget.

Question of the Week

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. BENDER. Mr. Speaker, aside to Mr. Malenkov and company, What do you have in your kind of "freedom" to match Mr. Young against Mr. White for New York Central?

A Challenge

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. HOFFMAN of Michigan. Mr. Speaker, the hearings which Senator MUNDT is so ably conducting, and which would tax the patience and forbearance of a saint, are said to be for the purpose of determining whether certain statements made by the Army and others made by a member of a Senate investigating committee and by members of its staff are true or false.

The opportunity to determine the accuracy of the testimony of at least two of the witnesses has been afforded by the statement of a member of the committee staff and the Army Secretary.

This is indicated in an editorial from the June 1 issue of the Chicago Tribune which reads as follows:

YOUNG MR. COHN LAYS IT ON THE LINE

An important difference in quality between Roy Cohn's testimony and that of Secretary Stevens and Mr. Adams is that Mr. Cohn has made it very easy for his opponents to send him to jail for perjury if he isn't telling the truth.

For example, there is Mr. Cohn's version of what took place at the luncheon at Fort Monmouth. "A colonel," said Mr. Cohn, "interrupted Secretary Stevens, told him he was discussing a confidential matter, and ordered him to be quiet." Mr. Cohn said that Mr. Adams then whipped out a notebook, jotted down the officer's name, and said this man would not long remain in the vicinity.

Now this is an incident the truth or falsity of which can be verified by third parties who were present at the luncheon. There is no need to take the word of one interested party against the other. Mr. Cohn, in fact, is staking his liberty and his career on his faith in the honor of the Army officers who were present. Unquestionably, they would serve their immediate interest if, in case they are called to testify, they deny the truth of his story. Mr. Cohn is willing to take that chance.

He followed the same fearless course in his discussion of the treatment of General Lawton. He says General Lawton was disciplined for cooperating with the Senate committee. He says that General Lawton was, in effect, forbidden to go with the committee's investigators to the penitentiary to interview Greenglass, the member of the Rosenberg spy team. General Lawton and perhaps other witnesses can say whether this is true or not. Cohn's sworn testimony is in the record. He has invited prosecution for perjury if he hasn't told the truth.

There was little or nothing comparable to this in the testimony of Mr. Stevens and Mr. Adams.

Evidently, Mr. Cohn isn't worried about the record of the telephone calls he made to Secretary Stevens. He was told to what extent he intervened to get a commission for Scshine and has told his reasons for the calls to Schine at camp. He has said flatly that this is the whole story. If he isn't telling the truth, the recorded telephone calls will prove him a perjurer.

There is no doubt that Mr. Cohn is an unusually bright young man, who knows the law of perjury. It seems unlikely that

he would stick his neck out as he has done if he weren't telling the truth.

However, it seems to me, a very real issue which should be determined by the committee is that of who was responsible for the promotion and honorable discharge, by Army authorities, of the dentist, who, testifying before the committee, invoked the fifth amendment.

Other than that issue, to me, the only apparently worth-while question is that raised by the gentleman from Wisconsin when, exasperated, he rebuked an Army officer for what appeared to be evasive testimony.

That would seem to be a trival issue, rather easy of decision.

Foreign-Ship Mortgages

EXTENSION OF REMARKS
OF
HON. SAMUEL W. YORTY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. YORTY. Mr. Speaker, in the first session of the present Congress identical bills were introduced, S. 2407 and H. R. 6276, designed to relieve the very complex and cumbersome conditions which now surround foreign-ship mortgages and which are hampering our foreign trade and commerce. Briefly, these bills would, with certain modifications, apply to foreign-ship mortgages held in this country provisions enacted into law by the Ship Mortgage Act of 1920, as amended—title 46, United States Code, pages 951–954. Forty-first United States Statutes at Large, page 1003.

Prior to the 1920 act mortgages on ships afforded the mortgagee a very imperfect security for the reason that all maritime liens, even though arising subsequent to the recording of the mortgage, took precedence over the mortgage. Such maritime liens might be sufficient in amount to wipe out the mortgage altogether, leaving the mortgagee nothing. The Ship Mortgage Act of 1920 met this problem with respect to vessels of domestic registry by allowing the mortgagee, upon fulfilling certain requirements, to give his mortgage the status of a preferred mortgage. Such a preferred mortgage takes precedence over maritime liens arising subsequent to the recording and endorsement of the mortgage, with certain exceptions such as liens for wages and for damages from tort. Under the 1920 law preferred mortgages could be foreclosed by admiralty suits in rem in the district courts of the United States.

The purpose of H. R. 6276 and S. 2407 is to extend similar protection to citizens of the United States who are holders of foreign-ship mortgages. The bills would so amend the 1920 act that the term "preferred mortgage" would include "any mortgage, hypothecation, or similar charge created as security upon any documented foreign vessel—other than a towboat, barge, scow, lighter, car float, canal boat, or tank vessel, of less than 300 gross tons"—if such mortgage or similar instrument has been duly executed and registered in accordance with the laws of the foreign nation involved. It is further provided, however, that a preferred mortgage lien in the case of a foreign vessel shall be subordinate to maritime liens for repairs, supplies, towage, use of drydock or marine railway, or other necessaries.

This protection to foreign-ship mortgagees is a matter of considerable importance to the west coast and to other areas directly concerned with foreign commerce. I am advised that the proposed amendment is supported by the American Bar Association and the Maritime Law Association, as well as other interested groups.

In order to remove the uncertainties and inequities which now afflict foreign-ship mortgages and thereby obstruct our interest in foreign commerce, I urge the Congress to consider and act upon this matter as quickly as possible.

The Flammable Fabrics Act Should Be Amended

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. PATTERSON. Mr. Speaker, on May 18 I introduced H. R. 9193, which seeks to amend the Flammable Fabrics Act. This is companion to S. 3379, which has been favorably considered by the Senate under unanimous consent.

In recent days there has sprung up a misunderstanding of the provisions of this legislation, there being attributed to it meanings which it does not have.

The Textile Workers' Union of America in particular has written Members of Congress asking that the legislation be opposed. We in New England are aware of the troubles which beset the textile industry. The causes are twofold—removal of substantial segments of the industry to the South to gain lower wage scales and to take advantage of tax-exempt inducements offered by communities there, and low tariffs which permit unlimited imports of low-cost textiles.

In the letter from the textile union copious reference is made to the union's opposition to further cuts in tariffs on textiles. With this position I am in complete agreement. H. R. 9193 makes no reference to tariffs, nor does it have any effect upon the problem which concerns the union, and concerns me also. I would not sponsor legislation detrimental to the textile industry.

H. R. 9193 proposes sensible and objective standards of testing for flammability. The intent of the bill is in accord with the intent of Congress in passage of the Flammable Fabrics Act last year. The public loses not one whit of the protection stipulated in the act, but the proposed amendment corrects inequities found to result from the testing provisions. Should there be no amendment of the act prior to its provisions taking effect on June 30, 1954, serious injury to reputable textile industries may occur. It is reasonable to assume that this injury would adversely affect the very people the textile workers' union and I are trying to help.

Increasing Term of Office of Members of the House of Representatives to 4 Years

EXTENSION OF REMARKS
OF
HON. SAMUEL W. YORTY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. YORTY. Mr. Speaker, I introduced House Joint Resolution 539 on June 1, 1954, proposing an amendment to the Constitution of the United States with respect to the term of office of Members of the House of Representatives.

A large number of persons, including myself, have given a great deal of serious thought to the proposal that the term of the Members of the House of Representatives be increased to 4 years. There are several valid reasons which have prompted my action.

Under the present law a Member of the House serving his first 2 years is forced to spend a disproportionate amount of time and effort learning the intricate procedures and requirements of his office. Yet he must also begin to plan for his reelection campaign almost immediately upon assuming his new duties. The quality of the service which a Member is able to render his country and his constituency is seriously jeopardized. While the position taken by our early statesmen when debating the length of the term of office was perhaps more logical at that time than it is today, so many significant changes have occurred that the original decision has become progressively less defensible.

The intervening years have greatly altered the conditions under which a Member must meet the obligations of his trust. In recent years, a general tendency toward longer annual sessions is to be noted. More conflicts result in his time schedule as he endeavors to correlate the legislative timetable with the need for traveling in his district, making necessary appearances and inspection tours, and campaigning for reelection. With our vastly improved transportation and communication media, the Congressman finds he must devote more personal time and attention to a greater number of visitors, phone calls, and messages received from his constituents. The increase in the legislative load has made far more serious inroads on his time and energy than was the case during the early Congresses. The House of the 1st Congress in both of its sessions proposed only 142 bills of which 118 became law. In the second session, alone, of the 82d Congress, 3,183

bills were introduced, while 612 became law.

Although a 4-year term will not of itself reduce the legislative burden upon the Congressman, freedom from constant campaigning will permit him to spend more time studying the problems involved in legislation. Every new Member must also train a new administrative and clerical staff. Several months are ordinarily required for both the Member and his staff to attain the requisite proficiency for efficient operations.

The need for frequent campaigning required by the present biennial elections does not provide adequate time or opportunity for the lawmaker to demonstrate his competence to the electors in his district. In many States the problem becomes even more severe because of the provision for both winter and spring primary elections.

The heavy financial burden imposed by the need for frequent campaigns is a source of deep concern for many Members of the House. In recent years, some of them have made public statements in this respect, while others no doubt have felt the serious inconvenience but have chosen to remain inarticulate. A 4-year term is likely to encourage promising young candidates of limited financial resources to compete in a congressional election.

The 4-year Member is not likely to lose contact with his constituency as the protagonists of the conventional 2-year term proclaim. Present-day systems of rapid and efficient communication insure a far more accurate determination of the local pulse and temperature than was dreamed possible in 1787. No one would claim that the Members of the upper Chamber of our Congress are a dictatorial lot, out of contact with the people, even though their term is 6 years. We have now had a century and a half of experience with a democratic government, and with this heritage, there need be no fear of a tyrannical legislature predicated upon the change from a 2-year to a 4-year term.

One of the motivating factors that no doubt influenced the provision of our present 2-year term of office was the long Parliaments of 17th century England. The delegates to the Constitutional Convention were aware of these long sessions, and of the fact that the voters were finally no longer represented. It would hardly appear, however, that a 4-year term established and limited by law would precipitate a similar tyrannical legislature. Among the American State governments, there is a growing sentiment for lengthening of the terms of the legislators. The Book of the States, 1954–55, reported that the legislatures in a quarter of the States in 1952–53 considered measures to lengthen legislative terms so as to increase the amount of time the legislature might devote to public business, to reduce the time consumed in running for reelection and to retain experienced legislators longer. In Canada, Great Britain, and throughout much of Western Europe parliamentary members are retained at least 4 years in office.

We have had numerous proposals for the reorganization of Congress. Some have been the result of formally organized committees, while still other plans were less formally determined. Although their objectives have been varied, they generally strive to improve the efficiency and effectiveness of our legislative machinery. Of particular interest in this respect is the recommendation which many of these plans have made for 4-year terms for the members of the House of Representatives.

The committee on political parties of the American Political Science Association recently expressed its belief that the present term is so short that a freshman member is involved in a campaign for renomination before he knows his job or has had much opportunity to prove his worth to his constituents or his party.

Antisegregation Decision Reaches Colleges

EXTENSION OF REMARKS

OF

HON. GEORGE H. BENDER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1954

Mr. BENDER. Mr. Speaker, the Supreme Court's landmark decision outlawing segregation in State schools and in the District of Columbia will be placed in effect with varying speed in the areas affected. Some of the Southerns States where poll tax restrictions have been lifted voluntarily by State legislatures are expected to take action fairly quickly to carry out the decision. Others whose patterns of racial discrimination have been fanned by political fanaticism as recently as the current primary elections will resist the decision more violently. In the long run, what happens will be determined by the experience of those States which lead the way.

In the colleges the acceptance of Negro students on a footing of complete equality should move more rapidly. Some of the "all white" southern colleges have admitted Negro graduate or professional students, during recent years. Some 75,000 young Negro men and women presently enrolled in 108 all-Negro colleges, with approximately 580,000 white students in 580 colleges. The record shows that in those State colleges where Negroes have been admitted, despite frequent predictions of dire consequences, the first drop of blood is yet to be shed.

In this period of world turmoil, one of the principal arguments of the Communists in their attack on America has been the charge of racial discrimination. It has been far more effective than we sometimes imagine. The Supreme Court decision will deal the charge a long-awaited knockout blow. This ruling will go down in our history as a significant event of President Eisenhower's administration.

West Coast Electronics Industry Hampered by Distance to Testing Facilities

EXTENSION OF REMARKS

OF

HON. SAMUEL W. YORTY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1954

Mr. YORTY. Mr. Speaker, electronics is the fastest growing industry in the United States. Its growth during the last decade has been phenomenal. It is already one of our major industrial fields, with sales value surpassing $5 billion, and it is anticipated that sales of electronic products will quadruple before the end of this decade.

The builders of this industry can also take pride in the fact that electronics is almost entirely a native-nourished United States industry. Unlike other American industries it has depended little on foreign developments and has set the pace for the rest of the world in the growth of applied electronics, and in many areas of research.

This is highly significant. Electronics is not only making our work easier and living more comfortable, but is also a basic factor in making it possible for us to build up a mighty defense machine to protect us and our friends from aggression and thus preserve the free world.

One of the most significant and rapidly growing centers of this vital industry has been developing in the State of California. We have in our State some 150 electronics companies employing more than 50,000 persons producing hundreds of products from adapters to yokes, including aircraft equipment, geiger counters and power supplies.

Much of the credit for nourishing and encouraging this growing industry is due to the West Coast Electronics Manufacturers Association, which is now in its 12th year of productive operation. One of the basic activities of this organization has been to attract the attention of Government procurement officers to the tremendous potentialities and facilities of electronics on the west coast.

The Government has, however, still far to go and much to do in encouraging sufficiently the development of the western facilities. Present delays hamper their vital contributions. Government procurement regulations require prior official testing before electronic parts are purchased. But the testing services are offered only in the East and Midwest although facilities are available on the west coast which could make the necessary tests at little additional costs to the Government and at savings of millions to the producers of electronics. This problem is now before the Department of Defense and I most seriously urge, in the interest of national defense and economy, favorable and speedy action to correct this inequity.

The recent measures shutting down the Signal Corps procurement offices in Los Angeles are regrettable and present another obstacle to the growth of the west coast electronic industry.

But with the aid and under the guidance of the West Coast Electronic Manufacturers Association the industry will continue to flourish as it has in the past decade and will meet its twofold challenge: contribute toward building our national defense and develop products for peacetime use, thus creating new jobs and prosperity for all.

In many ways, this administration seems blind to the fact that California and her sister States of the west coast are important industrial and defense production areas. The west coast was discriminated against when the Air Force heavy press program was curtailed. The electronics testing facilities are another case in point. Failure to build a Forrestal carrier on the west coast is still another. It is about time that the role of the West in all phases of national activity was recognized.

Ill-Advised Legislation

EXTENSION OF REMARKS
OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 26, 1954

Mr. CELLER. Mr. Speaker, at the time Senator DIRKSEN introduced S. 3423—H. R. 9076, by Representative ST. GEORGE, duplicate—he referred to it as effectuating the recommendations set forth in the final report of the Senate Judiciary Subcommittee to Examine and Review the Administration of the Trading With the Enemy Act. The basic recommendation for return of vested property was grounded, for the most part, on the foreign policy argument appearing in the following paragraph of the conclusions and recommendations of the report, page 68:

> Appropriation by Congress of $3 billion for the economic rehabilitation of Germany looking to the creation of a bulwark of democracy against communistic aggression in the West and the expenditures of like sums for like purposes in Japan is completely inconsistent with the seizure of $500 million representing the private property located in the United States of citizens of the countries with whom we seek alliance. These individuals with economic and family associations in this country should be the ones to whom we could look for sympathetic and enthusiastic support. Today these individuals are alienated by a shortsighted policy.

In other words, the final report advocated the return of vested assets to their former owners as a means of winning the support and good will of the German and Japanese people.

The record of World War II vestings shows that more than 90 percent of the approximately 34,000—this figure does not include approximately 10,000 former owners of inactive patents and other intangible property carried on the books of the Office of Alien Property at valuations of $1 each—former owners of vested property had assets worth less than $10,000. In other words, a return of a maximum of $10,000 to every former owner would effect a total return to more than 90 percent of those whose property was vested. A program of this nature would involve the expenditure of between $65 million and $70 million, or approximately 15 percent of the total value of all vested property.

There are approximately 358 persons and firms whose vested property is worth more than $100,000. These persons and firms constitute approximately 1 percent of the total of approximately 34,000 former owners of vested property. Full return to them, as provided by S. 3423, would require the expenditure of approximately $321 million or approximately 75 percent of the total value of all vested property. Of these 358, 46 persons and firms each had property worth more than $1 million. Full return to these 46 alone would require the expenditure of $239 million or approximately 56 percent of the total value of all vested property.

It appears from these figures that a return of up to $10,000 to each owner would involve a reasonable expenditure and would achieve the desired result of strengthening our foreign relations, since it would reach the great mass of the former owners of vested property. On the other hand, general return would benefit few additional persons and firms and would entail the appropriation of very substantial sums of money.

It is significant that a large proportion of the more valuable properties—for example, General Aniline & Film Corp., with a book value of $90 million, and American Potash & Chemical and Schering Corp., which were sold for approximately $15,500,000 and $29 million, respectively—was vested from "record" owners who were alleged "cloaks" for Germans. In most cases these alleged "cloaks" were not of German nationality. Since many of the agreements with respect to "cloaking" arrangements were informal and were not recorded, the original German owners may not be in a position to obtain the property from the record owners who would benefit by the bill. It is not apparent, therefore, how the return of a large part of the vested property to non-German persons and firms in this category would aid our foreign relations with Germany.

Aside from any question of the true ownership of assets by "record" owners, the bill would result in windfalls in many cases, arising out of substantial increases in the value of the vested assets while in the hands of the Government. An example is Schering Corp. When the Alien Property Custodian vested all its outstanding stock in 1942, Schering was a mere branch of its German parent with a net worth of only $1,300,000. During and after the war Schering developed research facilities and otherwise expanded its operations so that the Government realized more than $29 million when it sold its interest to American investors in 1952. General Aniline & Film Corp., 97 percent of whose outstanding stock was vested, affords another example of a great increase in value after vesting. Its net worth at the date of vesting was approximately $35 million, and its present net worth is $90 million. Neither the former enemy owners of Schering and of General Aniline nor the "cloaks" from whom they were seized had anything to do with the phenomenal increase in their values, which was in substantial part due to the war itself. It would be anomalous indeed to give to an enemy or its "cloak" the fruits of a war brought on by the enemy firm's government.

The second proviso on page 3 of the bill is obviously designed to apply to General Aniline & Film Corp. Before the war this corporation was "cloaked" on behalf of I. G. Farben, the leading German chemical cartel, by a Swiss corporation known as I. G. Chemie. The effect of the proviso would be to take the power of sale of General Aniline away from the United States for 1 year and give I. G. Chemie that period within which to make the sale. Although the bill provides that the sale would have to be made to "citizens of the United States," it includes no safeguards to prevent the sale to American "cloaks" for foreign interests. Furthermore, it contains no provisions to insure that this important enterprise, even if sold to bona fide American interests, would not eventually get back into the hands of the German interests which controlled it before the war to the detriment of the United States.

Two hundred and ten million dollars of vested assets have been turned over by the Attorney General to the Treasury for use in paying war claims of Americans against Germany and Japan under the War Claims Act of 1948, as amended. A total return of vested property would, of course, require an appropriation by Congress of $210 million to restore the sum so expended. However, the bill provides that property seized from enemy governments or their subdivisions and from persons now behind the Iron Curtain should not be returned. Since it is estimated that the amount of this excepted property represents a relatively small percentage of the total, the bill probably would require appropriations of not less than $175 million.

In the Bonn Convention of 1952, signed by the United States, France, and Britain on the one hand and by West Germany on the other, the latter agreed to the retention of German assets seized by the other signatories and to their use as reparations. Furthermore, West Germany undertook to compensate its nationals for the loss of these assets, which, in the case of the United States, have been dedicated by Congress to the payment of American war claims. This bill would remove the burden of compensating the former German owners from the shoulders of the German taxpayer and place it on the shoulders of the American taxpayer.

In addition, the bill would burden United States taxpayers with payments resulting in benefit to certain allied governments. The United States has vested substantial amounts of property of German-owned firms domiciled within the jurisdiction of certain allied countries which have also carried on programs of seizing German assets. In most cases where the United States seized property

held in the name of a firm in such allied country, that country itself has seized the German interest in the particular firm. Consequently, the release by the United States of vested assets to such firm pursuant to this bill would result in a benefit to the allied country in question.

The bill provides for the return of patents and the proceeds thereof. In 1942 the President directed the Custodian to make vested patents readily and freely available forever to American industry. Early in the vesting program this policy was widely publicized and all vested patents with respect to which no American rights would be prejudiced were offered for licensing on a revocable nonexclusive royalty free basis. This bill completely disregards the entire history and policy of the patent program, the reliance placed upon this program by American industry and the investments it made in exploiting and developing the patents. To return these patents would jeopardize American interests. It is significant that even after Italy became our cobelligerent and the vested property of its nationals was returned, patents were returned only subject to existing licenses issued by the Custodian.

This bill completely disregards the position of Americans who owned property in Germany at the beginning of World War II. Many Americans have suffered war losses of property in Germany for which they have not been compensated. Others have securities and credits in Germany which have been tremendously reduced in value because of the postwar devaluation of German currency. In many cases these Americans have been unable to withdraw even the small values remaining to them because of German foreign exchange restrictions. Enactment of this bill without regard to the losses of Americans would bestow an unjustifiable preference on Germany and its nationals as against these Americans.

Forest Service Budget Should Not Be Cut

EXTENSION OF REMARKS
OF
HON. SAMUEL W. YORTY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. YORTY. Mr. Speaker, few people understand or appreciate the assets which this country has in its national forests. Much less do they realize the extent to which they, as citizens, control these forest values. Proof of this is the small public reaction to the proposed cut of $2,026,700 in appropriations for national forest protection and management. If the general public realized how important these forests are to the national economy, the Members of Congress would have received so many protests as to force reconsideration of this item.

When a Federal enterprise pays for its maintenance and returns a profit it deserves more than casual attention. Its administrators deserve public commendation and support. Last year the national forests had gross receipts of more than $76 million. After covering appropriations for all current operations and capital expenditures, $12 million remained in the Federal Treasury.

These were the largest receipts in the history of the Forest Service, but, shocking as it may be, they were $25 million short of what they might have been. The larger sum might have been realized had the past several years' appropriations to the Forest Service been sufficient to permit more timber sales. Neither last year, nor the year before, did the appropriations provide enough money to permit forest officers to sell all the timber which the national forests are capable of growing. Now, a deeper cut is proposed.

Timber harvested from the national forests during fiscal year 1953 amounted to 5,160 million board feet. This was sold as it stood in the forest, in over 25,000 individual sales. Each transaction made the purchaser responsible for cutting and removing the trees according to Forest Service regulations. The returns to the Government, in terms of stumpage prices, were $70,616,025. Add to this the returns from grazing fees, and special uses, and the national forests show gross receipts of $76,463,746.

This is a record which promises to hold for several years, or until Congress makes more money available for more sales and better care. With stabilization of the lumber market and with small prospect of an increase in appropriations, a drop in income can be expected. Looking backward, however, we can now see how a relatively small addition to the appropriations available for conducting timber sales during the past 1 or 2 fiscal years would have permitted receipts to reach $100 million.

Forest Service estimates of timber growth in the national forests are always conservative, yet, a responsible officer has stated to the Committee on Appropriations that 6,900,000,000 board-feet of national-forest timber are ready and waiting to be harvested. In other words, after last year's record sales, more than 1,700,000,000 board-feet of merchantable timber remained uncut in the national forests. At an average price of $15 a thousand board-feet on the stump, such as prevailed last year, this would have brought nearly $25 million.

Such a loss to the Federal Government represents more than the money that might have been turned into the Treasury. It includes the deterioration of much of the timber that was left unused, and additional losses in the growth of younger and more vigorous trees that remain under the domination of big, overmature, standing trees.

About 13 percent of all of last year's lumber production was cut from national forests. They are located in 42 States and 2 Territories, and cover 181 million acres. Besides being producers of timber, they provide forage for 8 million head of livestock, recreation opportunities for some 33 million people, and are the sources of origin for more than half of the water available to the Western States. For their protection and management during the current fiscal year, the Congress appropriated $30,961,700. About the same appropriation was made for the previous fiscal year. Yet, today, with as much or more land, with timber no less valuable, and with other public uses increasingly in demand, a budget is proposed that would provide only $28,935,000.

Perhaps this reduction of $2,026,700 is thought necessary for the immediate economy. If so, we should know why. We should also know something of the threat that such a cut carries for the future. This kind of saving will hamper the protection program, cut down needed silvicultural improvements, and reduce the maintenance of facilities for public use. It promises to reflect a slowdown in the growth of trees in many parts of the forests. It will definitely speed up the deterioration of many of the trails, shelters, and other improvements on the national forests. In a long-range program such as characterizes forest management, we can almost bank on the probability that future sessions of Congress will be asked to compensate for this cut with larger appropriations. It is plain, therefore, that by approving this relatively small immediate saving, we hazard our investment in a great natural resource, and we stand to lose in annual forest growth. We hazard all of this with no promise of long-time fiscal gains.

What does this reduction of $2,026,700 mean to the State of California? Of the entire system, I find that 20 million acres are in my State. This is about 12 percent of the entire national forest area. Appropriations for the current fiscal year allow $5,431,400 for their protection and management. The budget now under consideration would reduce this to $5,017,900. This cuts away $413,500, with the result that California, with 12 percent of the national forest area must absorb 20 percent of the cut. This, in the region where the sale of last year's forest harvest returned more than $10 million and where nearly 5 million people went for outdoor recreation.

Further inquiry revealed the complete elimination of $288,400 largely devoted to special efforts for the control of forest fires in southern California. Most of this has been applied to the critical watersheds where disastrous fires of last winter were followed by destructive mudflows. You read of the forest fire that threatened the great observatory on Mount Wilson. And a few days later, you read of the rains that fell on the bare, fire-swept mountain slopes to inundate the valley towns and residences in mud and rubble. These losses and the threat of their repetition are so constantly in the minds of the people that the board of supervisors of Los Angeles County have appealed for a more aggressive Federal program of forest protection. I presented it to this Congress, and

it is printed in the CONGRESSIONAL RECORD for March 4.

The recent fires on Monrovia Mountain and on the slopes of Mount Wilson are reminders of a long series of fire hazards that repeatedly threaten the California watersheds. The aftermath of floods and wasted water is more devastating than the loss of forest growth, but without forest growth more floods are certain to follow. Already, during the present year, communities and individuals have spent more than a hundred thousand dollars to clear their streets, dig out their homes, and make necessary repairs. The situation was so threatening that President Eisenhower declared this part of the State an emergency area. Then, with authority provided in title II of the flood control act, the Department of Agriculture allocated $144,700 for the stricken area. Thus, half as much was spent after the fire and the subsequent flood as was provided to help prevent the catastrophe.

If these funds for accelerating measures for flood prevention are wiped out, as is now proposed, the critical areas in the southern California watersheds will be protected in ways comparable with the protection being given to other watersheds within the national forests. It will be neither better nor worse. Yet recognition has long been given to special local hazards due to climate, topography, soil, resultant vegetation, and the complications inherent to a densly populated area. All this will be ignored. Meanwhile, with each succeeding year the probabilities will get stronger that emergency funds must again be provided to partially restore the destructive effects of other onslaughts. Insofar as that happens, can a present reduction be credited under the head of economy?

The work of the Forest Service in protecting the areas entrusted to it and in developing forest cover on them, causes all to count that agency as a profitable servant. Yet, in contradiction to the parable in the Bible, here is a case where Congress proposes to take away even that which it now has. Such economy is hard to justify.

The situation is one that recalls a recommendation of the President's Materials Policy Commission—more popularly known as the Paley Commission, for its chairman, William S. Paley, who is also chairman of the board of the Columbia Broadcasting System. In Resources for Freedom, the report which the Commission brought out in 1952, annual appropriations to the Forest Service were described as consistently too small to permit adequate protection and management of the national forests. The same could be said for portions of the budget now under consideration. If approved, the Forest Service will be less able than at present to fulfill the Commission's recommendation "that the Federal Government raise the level of silvicultural work on its commercial timberlands at least to the level maintained on intensively managed private lands of comparable value."

I have emphasized the difficulties which the proposed reductions will bring to the State of California. These could be multiplied in one form or another to include every State which holds a national forest. I have attempted to call your attention to the financial losses which must follow this proposed cut in appropriations. I have also indicated some of the cumulative losses which are in store for us. Insofar as the national forests suffer these losses blame will be placed upon the Forest Service. I would remind you, however, that those who look beneath the surface will conclude that the fault is not with the Forest Service but with the administration and with the Congress. If this body persists in continually reducing the available funds, it will increasingly handicap the administrators of the national forests. As that is done their ideals of general usefulness for the national forests, sustained yield, and increased returns will be shoved further and further into the future.

I hope this Congress will consider carefully the present and future values which this country holds in its national forests. If it does so, I doubt if it will approve the proposed cut in appropriations for their protection and management.

Aid to India

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 26, 1954

Mr. CELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

STATEMENT BY REPRESENTATIVE EMANUEL CELLER, SUBMITTED TO COMMITTEE ON FOREIGN AFFAIRS, HOUSE OF REPRESENTATIVES, IN SUPPORT OF UNITED STATES ASSISTANCE TO INDIA

It is proposed for the fiscal year 1955, the United States grant India $104.5 million, of which $85 million be in the form of development assistance and $19.5 million in the form of technical cooperation. In addressing myself to this proposal and in support thereof, I say if we cannot afford more, most assuredly we cannot afford less.

I spent a little time in India some 6 months ago. India bears a gruesome burden, hunger. India, at the beginning of both her independence and industrialization must maintain and sustain two and a half times the population of the United States in a country one-half our size. Enormous and intricate problems face India; first, the increase in agricultural output to feed her hungry, which means more arable land, more water, less disease that incapacitates, greater technical skills for the agricultural worker. For greater industrial output, there is the lack of investment capital, the lack of trained personnel, the lack of steel and the like. There is the huge illiteracy problem to wrestle with; there is unemployment in the cities and disease in the villages. But there is also an India alive with men and women of searching, sensitive minds. There is also an India that embraced democracy, that struggled through to proud independence; an India willing to take upon herself the responsibilites and challenges of these problems through a government responsive to the people and representative of them; in short, to take them on in the free way of life.

The people of Asia have their eyes upon India and upon Communist China. Which pattern shall impress itself upon the mind of men? That of democracy, of the free way of life with its trials and errors, its fluid give and take and compromise, its divided political pressures? Or that of the totalitarian state with its rigidities, the iron whip, the coerced direction? Which will succeed in giving man the fuller measures of food, employment, education, health? There are many in India, particularly among the young in the colleges, among the unemployed in the cities who watch the race.

We who know the answer, who are so sure of the answer because we have the fruits of freedom which have placed us in the position to help others through to self-help cannot avert our eyes from the struggle of freedom anywhere.

I have seen some of the results of the economic and technical assistance we have granted India heretofore. You have the facts and the figures before you, but I have before me the memory of an Indian and his wife standing in front of their new one-room house, proud and loving of their tiny vegetable garden planted around the tiny ground of their home, the very first such garden they have seen, the very first of its kind in India. This is the work of their own hands through United States aid.

Fertilizers and steel are mighty good friends of independence.

I have talked with many in India. I have seen many of their villages, their community projects and their training schools, particularly the work done with and for refugees. I returned from India with the conviction that such aid as we give India is not a one-way stream. What flows back is a knowledge of India and Indians, enriching our understanding not only of one another, but of the interplay of cultures and arts, of her influences upon us and ours upon her. The aid is a bridgeway of learning both for us and for India. India has endured for centuries and has ancient wisdoms and patience and tolerance upon which we ourselves can profitably draw and our aid to her cannot ever be that of some beneficence arrogantly insisting that she receive our bounty. It is because we have not understood the fierceness of the anticolonialism of the East, nor her surge for independence, nor her pride in it for those who have achieved it, nor her cultural heritage of centuries that we have blundered in practical operation of our foreign affairs in Asia. If we can understand and let India know we understand that in the act of giving we are receiving as well we shall have made a giant stride forward in strengthening our now necessary ties in the East.

In the many quiet talks I had with Indian leaders, I learned how, internally, the Indian Government insistently and effectively attacks the problem of Communist subversion. I make this point because there are those who oppose aid to India on the false premise that India is pro-Communist.

To deny our differences with the Indian Government would, of course, be absurd. Where there are freedom and independence, differences do arise. We have our differences with Great Britain, France, Italy. Just so do we have them with India. The differences are sharper, and, perhaps, more crucial. But aid is not an instrument for the carving out of a country's mind. Let it suffice that India is free and that that freedom is worth nourishing and strengthening.

We can neither save India from herself nor buy her for us with some millions of dollars. We couldn't if we would and we wouldn't if we could. We can only express our gratitude for the abundance which is ours and for the freedom many have died to give us by trying in whatever measures we can that others, too, grow in abundance and in freedom.

SENATE

THURSDAY, MAY 27, 1954

(Legislative day of Thursday, May 13, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of our fathers, whose providential care hath woven from innumerable strands the finer fabric of our Nation's life, accept our grateful thanks for the priceless heritage of the liberty which is ours to preserve and defend against sterner odds than any other generation has faced.

As we persevere along the tangled way may the pillar of cloud and of fire still lead us on, out of the bondage of the fear of men, into the perfect freedom which belongeth to the sons of God. Grant us a conscience void of offense, strength equal to the burdens of the day, and wisdom sufficient for these perplexing times. As servants of the people who look to this Chamber for attitudes and actions that shall bring order out of chaos, lead us to change discords into harmony, that, by the anointing of Thy grace, the people of this Nation may be given beauty for ashes, the oil of joy for mourning, and the garment of praise for the spirit of heaviness. We ask it through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, May 25, 1954, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had insisted upon its amendment to the bill (S. 2844) to amend the act of December 23, 1944, authorizing certain transactions by disbursing officers of the United States, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HOFFMAN of Michigan, Mr. HILLELSON, Mr. LIPSCOMB, Mr. DAWSON of Illinois, and Mr. MCCORMACK were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 3522) for the relief of Arthur S. Rosichan; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. JONAS of Illinois, Mr. MILLER of New York, and Mr. LANE were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 232. An act to provide for the conveyance to the State of Indiana of certain surplus real property situated in Marion County, Ind.; and

H. R. 6452. An act for the relief of Mrs. Josette L. St. Marie.

The message also announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H. R. 116. An act to amend title 18, United States Code, so as to prohibit the transportation of fireworks into any State in which the sale or use of such fireworks is prohibited;

H. R. 2512. An act to amend the act entitled "An act to provide for the purchase of public lands for home and other sites," approved June 1, 1938 (52 Stat. 609), as amended; and

H. R. 3704. An act to provide for the incorporation, regulation, merger, consolidation, and dissolution of certain business corporations in the District of Columbia.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 9203. An act making appropriations for the legislative branch and the judiciary branch for the fiscal year ending June 30, 1955, and for other purposes; and

H. R. 9242. An act to authorize certain construction at military and naval installations and for the Alaska Communications System, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 116. An act to amend title 18, United States Code, so as to prohibit the transportation of fireworks into any State in which the sale or use of such fireworks is prohibited;

H. R. 683. An act for the relief of George P. Smyrniotis;

H. R. 1026. An act to amend the Public Health Service Act, with respect to the provisions of certain medical and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service and for dependents and widows of officers and employees of such Service;

H. R. 2974. An act to extend the time for enrollment of the Indians of California, and for other purposes;

H. R. 3876. An act for the relief of Martha Schnauffer Shockley;

H. R. 7061. An act to prescribe and regulate the procedure for adoption in the District of Columbia; and

H. R. 7062. An act to amend the act of April 22, 1944, which regulates the placement of children in family homes in the District of Columbia.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that following a brief executive session and a quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business, for action on new reports.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Warren Atherton, of California, to be a member of the National Security Training Commission, which was referred to the Committee on Armed Services.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. BRICKER, from the Committee on Interstate and Foreign Commerce:

John R. Stewart and sundry other persons for appointment in the United States Coast Guard.

EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

Mr. SALTONSTALL. Mr. President, from the Committee on Armed Services, I report favorably certain general officers for appointment in the Army of the United States, and also a group of general officers for appointment in the United States Marine Corps, and ask that they be placed on the Executive Calendar.

Mr. President, I also report favorably the nominations of 447 cadets, United States Military Academy, for appointment in the Regular Army of the United States, in the grade of second lieutenants, upon their graduation; certain routine appointments in the Navy; and a group of 1,247 routine appointments in the Marine Corps. In order to save the expense of printing on the Executive Calendar this large number of names, which have already appeared once in the CONGRESSIONAL RECORD, it is requested that these nominations be ordered to lie on the Vice President's desk for the information of any Senator.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Massachusetts? The Chair hears none.

The nominations ordered to be placed on the calendar, are as follows:

Col. George Wiltz Gardes and Col. George William Hickman, Jr., for temporary appointment as brigadier generals in the Army of the United States;

Lt. Gen. Gerald C. Thomas, United States Marine Corps, to have the grade, rank, pay, and allowances of a lieutenant general while serving as Commandant of the Marine Corps Schools, Quantico, Va.;

Maj. Gen. Randolph McC. Pate, United States Marine Corps, to have the grade, rank, pay, and allowances of a lieutenant general while serving as assistant to the Commandant of the Marine Corps;

Maj. Gen. Robert H. Pepper, United States Marine Corps, to have the grade, rank, pay, and allowances of a lieutenant general while serving as commanding general, Fleet Marine Force, Pacific;

Chester R. Allen, for temporary appointment as brigadier general in the Marine Corps; and

Edwin A. Pollack, and sundry other officers for permanent appointment in the Marine Corps.

PROTOCOL AMENDING THE SLAVERY CONVENTION—REMOVAL OF INJUNCTION OF SECRECY

Mr. WILEY. Mr. President, I ask unanimous consent that the injunction of secrecy be removed from Executive F, 83d Congress, 2d session, a protocol amending the slavery convention signed at Geneva on September 25, 1926, and that the protocol, together with the President's message be referred to the Committee on Foreign Relations, and that the President's message be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the injunction of secrecy is removed from the protocol, and the protocol, together with the President's message will be referred to the Committee on Foreign Relations, and the President's message will be printed in the RECORD.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of a protocol amending the slavery convention signed at Geneva on September 25, 1926.

The protocol was opened for signature at the headquarters of the United Nations, New York, on December 7, 1953, and was signed on behalf of the United States of America on December 16, 1953. Its purpose is to effect the transfer to the United Nations of certain duties and functions performed by the League of Nations under the terms of the slavery convention.

I transmit also, for the information of the Senate, the report of the Secretary of State regarding the protocol.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 27, 1954.*

(Enclosures: (1) Report of the Secretary of State; (2) protocol amending 1926 slavery convention (certified copy).)

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED STATES MARSHAL

The Chief Clerk read the nomination of William Ernest Smith, of Tennessee, to be United States marshal for the western district of Tennessee.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES DISTRICT JUDGE

The Chief Clerk read the nomination of A. Sherman Christenson, of Utah, to be United States district judge for the district of Utah.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations for postmasters.

Mr. KNOWLAND. Mr. President, I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the postmaster nominations are confirmed en bloc.

Mr. KNOWLAND. Mr. President, I ask that the President be immediately notified of nominations confirmed today.

The PRESIDENT pro tempore. Without objection, the President will be immediately notified.

LEGISLATIVE SESSION

Mr. KNOWLAND. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

CALL OF THE ROLL

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

CONSERVATION, DEVELOPMENT, AND UTILIZATION OF WATER RESOURCES OF ALASKA

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the Secretary of the Interior to investigate and report to the Congress on the conservation, development, and utilization of the water resources of Alaska (with an accompanying paper); to the Committee on Interior and Insular Affairs.

THE TEXAS-CHEROKEES, AND ASSOCIATE BANDS, ET AL. *v.* UNITED STATES

A letter from the Chief Commissioner, Indian Claims Commission, Washington, D. C., transmitting, pursuant to law, copies of that Commission's findings of fact, opinion, and final order in the case of *The Texas-Cherokees, and Associate Bands, on the Relation of W. W. Keeler, Homer L. Smith, Frank M. Carr, Paul Johnson, and Joe Rogers, Members of Its Executive Committee, plaintiffs,* v. *The United States of America, defendant* (with accompanying papers); to the Committee on Interior and Insular Affairs.

A letter from the Chairman, Committee on Retirement Policy for Federal Personnel, Executive Office of the President, embodying a correction in that Committee's report entitled "Proposal No. 2: The Civil Service Retirement Act," transmitted to the Senate on May 20, 1954; to the Committee on Post Office and Civil Service.

PETITION

The PRESIDENT pro tempore laid before the Senate a letter from the convention of the Episcopal diocese of Albany, N. Y., held at Lake Placid Club, Lake Placid, N. Y., signed by H. Boardman Jones, secretary, embodying a resolution adopted by that convention favoring the use of the words "under God" in the pledge of allegiance to the flag, which was ordered to lie on the table.

FINANCING OF NEW-SHIP CONSTRUCTION — RESOLUTION OF BALTIMORE, MD., CITY COUNCIL

Mr. BUTLER of Maryland. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution of the Baltimore City Council, adopted May 17, 1954, urging the passage by the Congress of S. 3219 and H. R. 8637, to facilitate the financing of new-ship construction by private funds.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Resolution 2074

Resolution urging the Congress of the United States to give favorable consideration to H. R. 8637 and its companion bill S. 3219

Whereas there is under consideration in the Congress of the United States, H. R. 8637 and its companion bill S. 3219, these bills having been introduced jointly by Representative THOR. C. TOLLEFSON, of the State of Washington, and Senator JOHN MARSHALL BUTLER, of the State of Maryland; and

Whereas these bills propose to facilitate the private financing of new-ship construction by the authorization of Federal mortgage and loan insurance; and

Whereas the shipbuilding and ship-repair industry, which is an important adjunct of the port of Baltimore, was declared to be a distress industry some 2 years ago and has deteriorated further since that time; and

Whereas a great shipyard in the city of Baltimore has already stated that it will have to cease shipbuilding operations by October of this year unless immediate steps are taken to assure a continued flow of work; and

Whereas shipbuilding is a vital industry in the defense of the United States and in the economic welfare of many thousands of residents in Maryland and other maritime States: Now, therefore, be it

Resolved by the City Council of Baltimore, That this body requests favorable consideration by the House of Representatives and the Senate in the Congress of the United States of the provisions of H. R. 8637 and its companion bill S. 3219; and be it further

Resolved, That the chief clerk of the city council be instructed to send copies of this resolution to the Honorable JOHN MARSHALL BUTLER, United States Senator from Maryland, with the request that he forward them to the interested persons and committees in the Congress of the United States.

BUILDING OF DAMS IN DINOSAUR NATIONAL MONUMENT—LETTER FROM WISCONSIN FEDERATION OF WOMEN'S CLUBS

Mr. WILEY. Mr. President, I have heard from many conservationists in my State of Wisconsin expressing concern over the continued cutting down of our national park and forest areas.

I present one such important message as received from Mrs. Raymond M. Rightsell, president of the Wisconsin Federation of Women's Clubs. I ask

unanimous consent that the text of her letter be printed in the RECORD at this point and be thereafter appropriately referred.

There being no objection, the letter was referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

WISCONSIN FEDERATION OF WOMEN'S CLUBS,
Stevens Point, Wis., May 25, 1954.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: We are concerned to learn that the House Interior Committee has approved the building of three dams in the Dinosaur National Monument.

The Federation of Women's Clubs is opposed to the building of dams in national parks and especially so in this case where it would mean the needless destruction of a magnificent natural heritage, and a waste of the taxpayers' money.

We trust that you will do what you can to defeat this proposal.

Respectfully yours,
Mrs. RAYMOND M. RIGHTSELL,
President, Wisconsin Federation of Women's Clubs.

TRANSFER OF HOSPITAL AND HEALTH FACILITIES FOR INDIANS TO PUBLIC HEALTH SERVICE—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a resolution adopted by the St. Louis County Board of Commissioners, in support of S. 132, which provides for the transfer of hospital and health facilities for Indians to the Public Health Service, be printed in the RECORD, and appropirately referred.

There being no objection, the resolution was referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Resolved, That the Honorable Senators from the State of Minnesota, EDWARD J. THYE and HUBERT H. HUMPHREY, are hereby requested to support and promote the adoption of a bill known as S. 132, which provides for the transfer of hospital and health facilities for Indians to the Public Health Service from the Bureau of Indian Affairs of the Department of the Interior, for the reason that in the opinion of this board, such transfer would be beneficial to the American Indian.

RECOGNITION OF TRUCKING INDUSTRY IN TRANSPORTATION OF MAIL—RESOLUTION

Mr. HUMPHREY. Mr. President, within the last few days I received a series of resolutions from the various local unions and joint councils in Minnesota of the International Brotherhood of Teamsters relating to the recognition of the trucking industry as a prime hauler of United States mails on a par with other forms of transportation.

I ask unanimous consent that a copy of that resolution be printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

Whereas legislation governing trucking of mails is outmoded—actually was passed in 1845 before the invention of the internal combustion engine—and is an obstruction to efficient utilization of trucks in hauling mail;

Whereas the number of mail trains has decreased by more than 70 percent since 1925;

Whereas the use of trucks to haul mail would eliminate many costly handling operations at depots and transfer points by providing direct door-to-door service;

Whereas the United States Post Office Department is the only major shipper that has not taken substantial advantage of cost and timesaving features of truck service for short and medium hauls;

Whereas the Post Office Department has saved $1 for every $2 it has spent in developing mail-by-truck service;

Whereas by using trucks the Post Office Department currently is saving $6 million a year and could easily multiply that figure to $85 million by full utilization of truck service;

Whereas experts have agreed on the supremacy of truck transportation for short hauls of mail of 300 miles or less;

Whereas Chicago, St. Louis, and Birmingham have enjoyed marked improvement and savings in mail handling since the Post Office Department switched from trains to trucks in handling short hauls of mail in a 300-mile radius from these cities: Be it

Resolved, That Teamsters Joint Council No. 34, St. Paul, Minn., urge Congress and other interested Government officials that the trucking industry be utilized as a prime hauler of mails of all classes, particularly within a zone of 300 miles; and that in expanding the use of trucks to haul mails the Postmaster General establish standards governing the selection and retention of carriers, that will provide for compliance with Interstate Commerce Commission regulations of safety and working conditions.

PROHIBITION OF ALCOHOLIC BEVERAGE ADVERTISING IN INTERSTATE COMMERCE—PETITION

Mr. HUMPHREY. Mr. President, within the last few days I have received a series of petitions from citizens of Minnesota urging support for the so-called Bryson bill, H. R. 1227. I want to bring these petitions to the attention of the Senate for appropriate reference. The men and women who have written me about this bill are urging that H. R. 1227 be enacted, in order "to reduce the luring effects of alcoholic beverages on adults." They point out that these beverages contribute "to juvenile delinquency and the waste of materials."

I present one of the petitions for appropriate reference, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the petition was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

PETITION AGAINST ADVERTISING OF ALCOHOLIC BEVERAGES

To reduce the luring effects of alcoholic beverages on adults, its contribution to juvenile delinquency, and the waste of materials, we the undersigned citizens of the State of Minnesota, petition the Congress to pass the Bryson bill, H. R. 1227:

Margaret Wetterstrom, Clara Smith, Mrs. B. L. Washington, Mrs. Olive F. Elliott, Mrs. Della M. Smith, Mrs. Grace Porter, Miss Hellen D. Asher, Miss Alice Lee, Mrs. Josephine Raff, Miss Pearl A. Heal, Miss Nellie Fouks, Mrs. A. L. Beckendorf, Muriel Wetterstrom.

FUNDS FOR INTERNATIONAL EXCHANGE OF STUDENTS AND TEACHERS—LETTER

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a letter which I have received from G. M. Wissink, secretary of the Interfaculty Policies Committee of Minnesota State Teacher Colleges, in support of restoring funds allocated to international exchange of students and teachers, be printed in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE TEACHERS COLLEGE,
Mankato, Minn., May 17, 1954.

Senator HUBERT H. HUMPHREY,
Senate of the United States,
Washington, D. C.

DEAR SENATOR HUMPHREY: At a recent meeting held here at Mankato of the faculties of the five State teachers' colleges, there was a resolution passed instructing the secretary of the organization to write our Senators, requesting their aid in restoring the funds allocated to international exchange of students and teachers.

We all feel that in this critical day, it calls for the best in the whole area of defensive preparation. We need a strong air corps, Army, and Navy. We also need good relations between men and nations in order to promote the peace we all yearn for.

The economy cut performed by the House, relative to the international education program, is infinitesimal compared to the vast sums spent for the military. We trust that you will do everything in your power to restore the sum asked for by President Eisenhower for the international education programs.

Sincerely yours,
G. M. WISSINK,
Secretary, Interfaculty Policies Committee of Minnesota State Teacher Colleges.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. YOUNG, from the Committee on Appropriations:

H. R. 8779. A bill making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes; with amendments (Rept. No. 1429).

By Mr. JENNER, from the Committee on Rules and Administration, without amendment:

H. J. Res. 481. Joint resolution to amend the act of July 5, 1949 (Public Law 157, 81st Cong.) (Rept. No. 1430); and

H. J. Res. 508. Joint resolution to extend the time for the erection of a memorial to the memory of Mohandas K. Gandhi (Rept. No. 1431).

By Mr. JENNER, from the Committee on Rules and Administration, with amendments:

S. 1654. A bill to amend the act entitled "An act to provide for a method of voting in time of war, by members of the land and naval forces absent from the place of their residence," approved September 16, 1942, as amended (Rept. No. 1471).

By Mr. JOHNSTON of South Carolina, from the Committee on the Judiciary:

H. R. 6477. A bill for the relief of the Columbia Hospital of Richland County, S. C.; with amendments (Rept. No. 1432).

By Mr. WELKER, from the Committee on the Judiciary:

S. 2766. A bill to amend section 7 (d) of the Internal Security Act of 1950, as amended: with amendments (Rept. No. 1433).

By Mr. WILEY (for Mr. LANGER), from the Committee on the Judiciary, without amendment:

S. 44. A bill to provide for the appointment of deputy United States marshals without regard to the provisions of the civil-service laws and regulations (Rept. No. 1434);

S. 2034. A bill for the relief of Hermine Lorenz (Rept. No. 1435);

S. 2204. A bill to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses (Rept. No. 1436);

S. 2222. A bill for the relief of Lucia Mezilgoglou (Rept. No. 1437);

S. 2373. A bill to limit in certain cases the power of a single justice or judge of the United States to grant a stay of execution or sentence in connection with a habeas corpus proceeding or other proceeding collaterally attacking the conviction of any person (Rept. No. 1438);

S. 2820. A bill for the relief of Mrs. Erika Gisela Osteraa (Rept. No. 1439);

H. R. 675. A bill for the relief of Mrs. Romola Nijinsky and Paul Bohus-Vilagosi (Rept. No. 1440);

H. R. 898. A bill for the relief of Mrs. Rose Kaczmarczyk (Rept. No. 1441);

H. R. 1465. A bill for the relief of Helga Rossmann and her child (Rept. No. 1442);

H. R. 1657. A bill for the relief of Antonio Messina (Rept. No. 1443);

H. R. 1699. A bill for the relief of Rev. Roger Knutsen (Rept. No. 1444);

H. R. 2566. A bill to amend the Contract Settlement Act of 1944 so as to establish a time limitation upon the filing of certain claims thereunder (Rept. No. 1445);

H. R. 3006. A bill for the relief of Ruth Irene Ledermann (Rept. No. 1446);

H. R. 3573. A bill for the relief of the estate of Anna I. R. Wells, deceased, and others (Rept. No. 1447);

H. R. 3907. A bill for the relief of Jean Sutherland (Rept. No. 1448);

H. R. 5210. A bill for the relief of Paul D. Banning, chief disbursing officer, and others (Rept. No. 1449);

H. R. 5616. A bill for the relief of Leon H. Callaway and others (Rept. No. 1450); and

H. R. 5765. A bill for the relief of Henry C. Bush and other Foreign Service officers (Rept. No. 1451).

By Mr. WILEY (for Mr. LANGER), from the Committee on the Judiciary, with an amendment:

S. 1751. A bill to prohibit false advertising or misuse of names indicating the various exchange services of the Armed Forces (Rept. No. 1452);

S. 2020. A bill to amend section 433 of title 18, United States Code, relating to exemptions with respect to certain contracts (Rept. No. 1453);

S. 2465. A bill for the relief of Lydia Wickenfeld Butz (Rept. No. 1454);

S. 2493. A bill for the relief of Ingeborg Bogner Johnson (Rept. No. 1455);

S. 2677. A bill for the relief of Michio Yamamoto (Rept. No. 1456);

S. 3126. A bill for the relief of Waltraut Claassen (Rept. No. 1457);

H. R. 7258. A bill for the relief of the Willmore Engineering Co. (Rept. No. 1458); and

S. J. Res. 39. Joint resolution proposing an amendment to the Constitution of the United States to enable the Congress, in aid of the common defense, to function effectively in time of emergency or disaster (Rept. No. 1459).

By Mr. WILEY (for Mr. LANGER), from the Committee on the Judiciary, with amendments:

S. 959. A bill to provide for a jury commission for each United States district court, to regulate its compensation, to prescribe its duties, and for other purposes (Rept. No. 1460);

S. 1183. A bill for the relief of John L. DeMontigny (Rept. No. 1462);

S. 2618. A bill for the relief of Ertogroul Osman and Mehmed Fahreddin (Rept. No. 1463);

H. R. 8092. A bill to facilitate the entry of Philippine traders (Rept. No. 1464); and

S. Con. Res. 67. Concurrent resolution extending best wishes to Berea College, Berea, Ky., upon the observance in 1955 of the 100th anniversary of its founding (Rept. No. 1465).

By Mr. SCHOEPPEL, from the Committee on Interstate and Foreign Commerce:

S. 3185. A bill to amend the Interstate Commerce Act in order to make the compliance with certain State filing requirements unnecessary with respect to mortgages, leases, equipment trust agreements, conditional sale agreements, and other instruments evidencing the mortgage, lease, conditional sale, or bailment of motor vehicles sold to or owned by certain carriers subject to such act; with amendments (Rept. No. 1461).

By Mr. SALTONSTALL, from the Committee on Armed Services, with an amendment:

H. R. 8571. A bill to authorize the construction of naval vessels, and for other purposes (Rept. No. 1469).

By Mr. CARLSON, from the Committee on Post Office and Civil Service, without amendment:

H. R. 7554. A bill to provide for compensation of certain employees on days when departments or establishments of the Government are closed by administrative order (Rept. No. 1470).

AFFIRMATION OF TEMPORARY APPOINTMENTS OF CERTAIN OFFICERS OF THE NAVY—REPORT OF A COMMITTEE

Mr. SALTONSTALL. Mr. President, from the Committee on Armed Services, I report favorably an original bill to affirm the temporary appointments of certain officers of the Navy, and for other purposes, and I submit a report (No. 1467) thereon.

The PRESIDING OFFICER (Mr. DANIEL in the chair). The report will be received, and the bill will be placed on the calendar.

The bill (S. 3524) to affirm the temporary appointment of certain officers of the Navy, and for other purposes, reported by Mr. SALTONSTALL, from the Committee on Armed Services, was read twice by its title, and placed on the calendar.

GRATUITY PAYMENTS TO WIDOW, CHILD, OR DEPENDENT RELATIVE OF PERSONS IN ARMED FORCES

Mr. SALTONSTALL. Mr. President, from the Committee on Armed Services, I report favorably an original bill to further amend the provisions of the acts authorizing payment of 6 months' death gratuity to widow, child, or dependent relative of persons in the Armed Forces, and I submit a report (No. 1468) thereon.

The PRESIDING OFFICER. The report will be received, and the bill will be placed on the calendar.

The bill (S. 3525) to further amend the provisions of the acts authorizing payment of 6 months' death gratuity to widow, child, or dependent relative of persons in the Armed Forces, reported by Mr. SALTONSTALL from the Committee on Armed Services, was received, read twice by its title, and placed on the calendar.

INCREASE IN LIMIT OF EXPENDITURES BY COMMITTEE ON ARMED SERVICES

Mr. SALTONSTALL, from the Committee on Armed Services, reported favorably an original resolution (S. Res. 255), which was placed on the calendar, as follows:

Resolved, That the Committee on Armed Services hereby is authorized to expend from the contingent fund of the Senate, during the 83d Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

RELIEF OF CERTAIN EMPLOYEES OF FORMER SHANGHAI MUNICIPAL COUNCIL—REFERENCE OF BILL TO COURT OF CLAIMS—REPORT OF A COMMITTEE

Mr. WILEY. Mr. President, on behalf of the chairman of the Committee on the Judiciary, the Senator from North Dakota [Mr. LANGER], I report favorably from that committee an original resolution to refer Senate bill 2429, for the relief of certain American employees of the former Shanghai Municipal Council, to the United States Court of Claims, for a report, and I submit a report (No. 1466) thereon.

The PRESIDING OFFICER. The report will be received, and the resolution will be placed on the Calendar.

The resolution (S. Res. 257) was placed on the calendar, as follows:

Resolved, That the bill (S. 2429) entitled "A bill for the relief of certain American employees of the former Shanghai Municipal Council," now pending in the Senate, together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same, in accordance with the provisions of said sections, and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimants.

PRINTING OF ADDITIONAL COPIES OF HEARINGS RELATING TO COMMERCIAL- AND INDUSTRIAL-TYPE FEDERAL ACTIVITIES

Mr. JENNER. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, House Concurrent Resolution 209. I request unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The CHIEF CLERK. A concurrent resolution (H. Con. Res. 209) reading as follows:

Resolved by the House of Representatives (the Senate concurring), That there be

printed for the use of the Committee on Government Operations of the House of Representatives 500 additional copies of parts 1 and 2 of the hearings held by the said committee during the 83d Congress, 1st session, relative to commercial- and industrial-type activities in the Federal Government, with, in part 1, a brief statement by the chairman of the full committee which was inadvertently omitted from the hearings.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Indiana yield?

Mr. JENNER. I yield.

Mr. JOHNSON of Texas. Is the concurrent resolution reported unanimously?

Mr. JENNER. Yes; it is reported unanimously. It calls for the printing of additional copies of hearings for the House of Representatives—a courtesy we always extend.

Mr. JOHNSON of Texas. Very well.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (H. Con. Res. 209) was considered and agreed to.

PRINTING OF ADDITIONAL COPIES OF REPORT ENTITLED "ORGANIZED COMMUNISM IN THE UNITED STATES"

Mr. JENNER. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, House Concurrent Resolution 210. I request unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The CHIEF CLERK. A concurrent resolution (H. Con. Res. 210) reading as follows:

Resolved by the House of Representatives (the Senate concurring), That there shall be printed 35,000 additional copies of the report entitled "Organized Communism in the United States"; and that 5,000 copies shall be for the use of the Committee on Un-American Activities and 30,000 copies to be prorated to the Members of the House of Representatives for a period of 90 days, after which time the unused balance shall revert to the Committee on Un-American Activities.

Mr. JOHNSON of Texas. Mr. President, is this concurrent resolution also reported unanimously?

Mr. JENNER. Yes; the situation in this case is the same as in the case of the House concurrent resolution on which the Senate has just taken action. In fact, I have five other resolutions or concurrent resolutions to report, and all of them fall in the same category.

The PRESIDING OFFICER. Is there objection to the request for the immediate consideration of the concurrent resolution?

There being no objection, the concurrent resolution (H. Con. Res. 210) was considered and agreed to.

PRINTING OF ADDITIONAL COPIES OF HEARINGS RELATIVE TO HEALTH PROBLEMS

Mr. JENNER. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, House Concurrent Resolution 213. I request unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be read for the information of the Senate.

The CHIEF CLERK. A concurrent resolution (H. Con. Res. 213) reading as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed for the use of the Committee on Interstate and Foreign Commerce, House of Representatives, 1,500 additional copies each of parts 1, 2, 3, 4, and 5 of the hearings held by the said committee during the 83d Congress relative to health problems.

The PRESIDING OFFICER. Is there objection to the request for the immediate consideration of the resoution? The Chair hears none.

There being no objection, the resolution (H. Con. Res. 213) was considered and agreed to.

PRINTING OF ADDITIONAL COPIES OF REPORT ENTITLED "EIGHTH SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS"

Mr. JENNER. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, House Concurrent Resolution 230; and I request unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be read for the information of the Senate.

The CHIEF CLERK. A concurrent resolution (H. Con. Res. 230) reading as follows:

Resolved by the House of Representatives (the Senate concurring), That there shall be printed 30,000 additional copies of the report entitled "Eighth Session o' the General Assembly of the United Nations"; and that 10,000 copies shall be for the use of the Committee on Foreign Affairs and 20,000 copies to be prorated to the Members of the House of Representatives for a period of 90 days, after which time the unused balance shall revert to the Committee on Foreign Affairs.

The PRESIDING OFFICER. Is there objection to the request for the immediate consideration of the concurrent resolution?

There being no objection, the concurrent resolution (H. Con. Res. 230) was considered and agreed to.

PRINTING OF PROCEEDINGS IN ROTUNDA AT DEDICATION OF THE FRIEZE AS A HOUSE DOCUMENT

Mr. JENNER. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, House Concurrent Resolution 234. I request unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be read for the information of the Senate.

The CHIEF CLERK. A concurrent resolution (H. Con. Res. 234) reading as follows:

Resolved by the House of Representatives (the Senate concurring), That the proceedings, held in the rotunda of the United States Capitol at the illumination of the new portion and dedication of the historic frieze, be printed, with appropriate illustrations, in such form and style as may be directed by the Joint Committee on Printing, as a House document; and that 5,000 copies be printed, of which 4,000 copies shall be for the use of the House of Representatives and 1,000 copies shall be for the use of the Senate.

The PRESIDING OFFICER. Is there objection to the request for the immediate consideration of the concurrent resolution? The Chair hears none.

There being no objection, the concurrent resolution (H. Con. Res. 234) was considered and agreed to.

FUNERAL EXPENSES OF THE LATE SENATOR CLYDE R. HOEY

Mr. JENNER. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, Senate Resolution 250, submitted by the Senator from Texas [Mr. JOHNSON], for the Senator from North Carolina [Mr. LENNON], on May 19, 1954. I request unanimous consent for the immediate consideration of the resolution.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The CHIEF CLERK. A resolution (S. Res. 250) reading as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent funds of the Senate the actual and necessary expenses incurred by the committee appointed to arrange for and attend the funeral of Hon. Clyde R. Hoey, late a Senator from the State of North Carolina, on vouchers to be approved by the Committee on Rules and Administration.

The PRESIDING OFFICER. Is there objection to the request for the immediate consideration of the resolution?

There being no objection, the resolution (S. Res. 250) was considered and agreed to.

ADDITIONAL EXPENDITURES BY COMMITTEE ON APPROPRIATIONS

Mr. JENNER. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, Senate Resolution 243, submitted on May 4, 1954, by the Senator from New Hampshire [Mr. BRIDGES]. I request unanimous consent for the immediate consideration of the resolution.

The PRESIDING OFFICER. The resolution will be read, for the information of the Senate.

The CHIEF CLERK. A resolution (S. Res. 243) reading as follows:

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the 83d Congress, $20,000, in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946, Senate Resolution 121, agreed to June 24, 1953, and Senate Resolution 153, agreed to July 28, 1953.

The PRESIDING OFFICER. Is there objection to the request for the immediate consideration of the resolution?

Mr. JENNER. Mr. President, the resolution was unanimously ordered reported by the committee. The resolution authorizes the Committee on Appropriations to expend, from the contingent

fund of the Senate, during the 83d Congress, $20,000, in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act.

The PRESIDING OFFICER. Is there objection to the request for the immediate consideration of the resolution?

There being no objection, the resolution (S. Res. 243) was considered and agreed to.

ADDITIONAL FUNDS FOR COMMITTEE ON THE JUDICIARY

Mr. JENNER. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, Senate Resolution 252, reported on May 24, 1954, from the Committee on the Judiciary, by the Senator from North Dakota [Mr. LANGER]. I request unanimous consent for the immediate consideration of the resolution.

The PRESIDING OFFICER. The resolution will be read, for the information of the Senate.

The CHIEF CLERK. A resolution (S. Res. 252) reading as follows:

Resolved, That the Committee on the Judiciary is hereby authorized to expend from the contingent fund of the Senate, during the 83d Congress, $10,000 in addition to the amount, and for the same purposes specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

The PRESIDING OFFICER. Is there objection to the request for the immediate consideration of the resolution?

Mr. JENNER. Mr. President, let me say that this is the regular resolution authorizing the Committee on the Judiciary to spend, from the contingent fund of the Senate, during the 83d Congress, $10,000 additional, for the regular standing Committee on the Judiciary.

The PRESIDING OFFICER. Is there objection to the request for the immediate consideration of the resolution?

There being no objection, the resolution (S. Res. 252) was considered and agreed to.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CASE (by request):

S. 3518. A bill to amend the laws relating to fees charged for services rendered by the office of the Recorder of Deeds for the District of Columbia and the laws relating to appointment of personnel in such office, and for other purposes; to the Committee on the District of Columbia.

By Mr. HICKENLOOPER:

S. 3519. A bill to direct the Secretary of the Army to convey certain property located in Polk County, Iowa, and described as Camp Dodge, to the State of Iowa; to the Committee on Armed Services.

By Mr. HENNINGS:

S. 3520. A bill authorizing the construction of certain public works on the Mississippi River for the protection of St. Louis, Mo.; to the Committee on Public Works.

(See the remarks of Mr. HENNINGS when he introduced the above bill, which appear under a separate heading.)

By Mrs. SMITH of Maine (for herself and Mr. PAYNE):

S. 3521. A bill to provide for national cemeteries in the State of Maine; to the Committee on Interior and Insular Affairs.

(See the remarks of Mrs. SMITH when she introduced the above bill, which appear under a separate heading.)

By Mr. CHAVEZ (for himself and Mr. ANDERSON):

S. 3522. A bill to provide for a preliminary examination and survey of the Rio Hondo and tributaries, New Mexico, for flood control and allied purposes; to the Committee on Public Works.

By Mr. GILLETTE:

S. 3523. A bill for the relief of Ariadni Vassiliki G. Stathis; to the Committee on the Judiciary.

By Mr. SALTONSTALL:

S. 3524. A bill to affirm the temporary appointments of certain officers of the Navy, and for other purposes; and

S. 3525. A bill to further amend the provisions of the acts authorizing payment of 6 months' death gratuity to widow, child, or dependent relative of persons in the Armed Forces; placed on the calendar.

(See the remarks of Mr. SALTONSTALL when he reported the above bills from the Committee on Armed Services, which appear under separate headings.)

By Mr. DOUGLAS:

S. 3526. A bill for the relief of John William Scholtes; to the Committee on the Judiciary.

By Mr. KILGORE:

S. 3527. A bill to amend the act of May 29, 1884, as amended, the act of February 2, 1903, as amended, the act of March 3, 1905, as amended, and the first proviso under the heading "General Expenses, Bureau of Animal Industry" in the act of June 30, 1914, as amended, to include all domestic animals within their provisions, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. KILGORE when he introduced the above bill, which appear under a separate heading.)

By Mr. CLEMENTS:

S. 3528. A bill for the relief of John Boyd Cabot; to the Committee on the Judiciary.

By Mr. BUTLER of Maryland (for himself and Mr. MAGNUSON):

S. J. Res. 161. Joint resolution to authorize the Secretary of Commerce to sell certain war-built passenger-cargo vessels, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. BUTLER of Maryland when he introduced the above joint resolution, which appear under a separate heading.)

CONSTRUCTION OF CERTAIN FLOOD PROTECTION WORKS FOR CITY OF ST. LOUIS, MO.

Mr. HENNINGS. Mr. President, the Board of Engineers for Rivers and Harbors has just recommended the construction of certain flood protection works for the city of St. Louis, Mo. The protection recommended would be accomplished by the construction of levees, flood walls, pumping facilities and other related works for the areas known as Reaches 3 and 4. Reach 3 includes the area from Maline Creek to Franklin Avenue and would include added protection around the Chain of Rocks waterworks, and Reach 4 includes the area from Poplar Street to Chippewa Street. I am today introducing a bill to authorize the construction of this flood protection project at St. Louis at an estimated cost of $112,880,000.

Although some flood protection levees have been provided by the city and by private interests, a substantial area is still subject to serious damage, including a large and important industrial area as well as approximately 25 acres of the park area which is the site of the recently authorized Jefferson National Expansion Memorial.

The largest flood on record occurred in June 1884. St. Louis is subject to floods from two sources: first, the floods from the lower Missouri River, which usually occur between March and June and, second, floods from the upper Mississippi, which usually occur between April and June. It is particularly fortunate for St. Louis that severe floods from these two sources have not coincided at St. Louis in recent years, but that hazard always exists. The disastrous floods of 1947, 1948, and 1951, and 1952, with losses running into hundreds of millions of dollars, certainly indicate the urgent need for adequate protection for this important area.

The survey for flood protection at St. Louis was undertaken by the Army engineers as a result of the resolution adopted by the Congress in 1948. The district engineer reports that upstream reservoirs, even if completed and in full operation, would not provide complete protection to the important industrial and transportation centers and the water supply of the city of St. Louis.

There is no question that this project is economically sound, that it is necessary to prevent repeated disasters, and that it should be authorized without delay so that construction can get under way as soon as possible.

Mr. President, I introduce for appropriate reference a bill authorizing the construction of certain public works on the Mississippi River for the protection of St. Louis, Mo.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3520) authorizing the construction of certain public works on the Mississippi River for the protection of St. Louis, Mo., introduced by Mr. HENNINGS, was received, read twice by its title, and referred to the Committee on Public Works.

NATIONAL CEMETERY IN THE STATE OF MAINE

Mrs. SMITH of Maine. Mr. President, on behalf of my colleague, the junior Senator from Maine [Mr. PAYNE], and myself, I introduce a bill to authorize the establishment of a national cemetery in the State of Maine, and ask that it be appropriately referred.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3521) to provide for national cemeteries in the State of Maine, introduced by Mrs. SMITH of Maine (for herself and Mr. PAYNE), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

Mrs. SMITH of Maine. Mr. President, the junior Senator from Maine [Mr.

PAYNE] is unable to be present at this time. I ask unanimous consent, on his behalf, that a statement prepared by him with respect to the bill which he and I are jointly introducing today be printed in the body of the RECORD at this point. The bill is to authorize the establishment of a national cemetery in the State of Maine. This is a matter on which I have long worked, starting many years ago in the House of Representatives.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAYNE

In the State of Maine today there are an estimated 115,000 veterans. The nearest national cemetery, however, is in New York. Although it is not practicable that the great majority of veterans be buried in Arlington National Cemetery, many veterans still desire to have their final resting place with their former comrades-in-arms. It is believed that the Nation which those veterans have served so faithfully in time of war should provide such a final resting place near their homes which will be accessible to their families for visits.

This Sunday is Memorial Day, a day on which our people in Maine gather to pay tribute to the departed veterans of all wars. Their graves will be decorated with lilacs and evergreens as simple exercises are held throughout the State. The need for a national cemetery in the State is particularly clear at this time of year.

I join my colleague the senior Senator from Maine [Mrs. SMITH] in introducing a bill to provide for a national cemetery in Maine, and request that it be received and appropriately referred.

THE FIGHT AGAINST RABIES

Mr. KILGORE. Mr. President, I introduce for appropriate reference a bill to enable the United States Department of Agriculture to cooperate with the United States Public Health Service and the Wildlife Service in the fight against rabies.

Rabies in wild animals has become an increasing threat to livestock. It is a disease which is invariably fatal, both to animals and to man, if it progresses to the stage of visible symptoms. No treatment has yet been found for the disease. It must be attacked by prevention, and effective vaccines for its prevention have been developed.

The Department of Agriculture, however, cannot cooperate as it should be able to in regard to the prevention of the disease because many of the animals which transmit the disease do not come within the definition of "livestock" in the appropriate legislation.

The bill which I have introduced will permit the Department of Agriculture to participate in this important work.

I ask unanimous consent that there be printed in the body of the RECORD a factual statement in regard to rabies, consisting of previously unpublished material prepared by the Department of Agriculture, together with the text of the bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and factual statement will be printed in the RECORD.

The bill (S. 3527) to amend the act of May 29, 1884, as amended, the act of February 2, 1903, as amended, the act of March 3, 1905, as amended, and the first proviso under the heading "General expenses, Bureau of Animal Industry" in the act of June 30, 1914, as amended, to include all domestic animals within their provisions, and for other purposes, introduced by Mr. KILGORE, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 3 of the act of May 29, 1884, as amended (23 Stat. 32, as amended; 21 U. S. C. 114), is amended to read as follows:

"SEC. 3. That the Secretary of Agriculture shall prepare rules and regulations for the speedy and effectual control and eradication of dangerous communicable diseases of domestic animals and poultry. He shall certify such rules and regulations to the executive authority of each State, Territory, and the District of Columbia, and invite said authorities to cooperate in the execution and enforcement of this act. Whenever the plans and methods of the Secretary are accepted by any State or Territory or the District of Columbia in which any such disease is declared to exist, or whenever such State or Territory or the District of Columbia adopts plans and methods for the control and eradication of any such disease and such plans and methods are accepted by the Secretary of Agriculture, and whenever the governor or other properly constituted authority of any State, Territory, or the District of Columbia, signifies his readiness to cooperate for the extinction of any such disease in conformity with the provisions of this act, the Secretary may expend so much of the money appropriated, or which may hereafter be appropriated, for carrying out the provisions of this act as may be necessary in such investigations and in such disinfection and quarantine measures as may be necessary to prevent the spread of the disease from one State or Territory or the District of Columbia into another."

SEC. 2. Section 11 of such act, as amended (58 Stat. 734, as amended; 21 U. S. C. 114a), is amended by inserting the phrase "Federal and State governmental agencies," after the phrase "States or political subdivisions thereof," and by inserting the phrase "rabies in domestic animals," after the phrase "dourine in horses".

SEC. 3. Sections 2, 4, 5, 6, and 7 of such act, as amended (23 Stat. 31–32, as amended; 21 U. S. C. 119, 112, 113, 115, 117), are amended, respectively, by striking out the word "livestock" wherever it appears in such sections and inserting in lieu thereof the words "domestic animals."

SEC. 4. The first section of the act of February 2, 1903, as amended (32 Stat. 791, as amended; 21 U. S. C. 120, 121), is amended by striking out the word "livestock" wherever it appears in such section and inserting in lieu thereof the words "domestic animals."

SEC. 5. Sections 1, 2, 3, and 4 of the act of March 3, 1905, as amended (33 Stat. 1264–1265, as amended; 21 U. S. C. 123, 124, 125, 126), are amended, respectively, by striking out the word "livestock" wherever it appears in such sections and inserting in lieu thereof the words "domestic animals."

SEC. 6. The first proviso under the heading "General Expenses, Bureau of Animal Industry" in the act entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1915", approved June 30, 1914, as amended (38 Stat. 419, as amended; 21 U. S. C. 128), is amended by striking out the word "livestock" and inserting in lieu thereof the words "domestic animals."

The factual statement presented by Mr. KILGORE is as follows:

FACTUAL STATEMENT

RABIES

(Previously unpublished material prepared by the U. S. Department of Agriculture)

Cause: Rabies, also called hydrophobia, is caused by a filtrable virus.

Affects mainly dogs, but can be transmitted to all domestic animals and livestock; rats, mice, and bats; wildlife, among which foxes, coyotes, and skunks have been most commonly infected; and man.

Incidence: Worldwide except in a few European countries, certain islands of the Atlantic and Pacific, and Oceania, Belgium, Great Britain, the Netherlands, and Scandinavia have eradicated the disease. It has been kept out of some Pacific islands, Australia, and New Zealand by strict quarantine. It is prevalent every year in some part of the United States.

Spread: Rabies virus is spread by the saliva of an infected animal, either in the course of biting another animal or person or when saliva enters the body through cuts or abrasions.

The disease: Rabies is invariably a fatal disease of animals and man if it progresses to the stage of visible symptoms. In dogs, the first noticeable symptom may be a change of behavior. The animal may become restless, nervous, and excitable. A friendly dog may become irritable, growling, and snapping, and a less amiable animal may become friendly. The dog may disappear for a day or two, during which it wanders widely, often furiously biting animals and people; it returns exhausted and emaciated. The bark may change its tonal quality. Later the animal may develop partial paralysis, stagger about, and have difficulty in drinking because of paralysis of the throat muscles. Complete paralysis follows, then convulsions and death. In the dumb form of rabies, paralytic symptoms are the outstanding feature; none of the furious characteristics appear. The lower jaw may become paralyzed and drop, the mouth staying open 1 to 4 inches. A frequent mistake is to assume that this is caused by a bone in the throat, but the animal makes no effort to remove the obstacle; owners often expose themselves to the disease by examining the mouth and throat.

Cattle have both furious and dumb rabies, the furious type being more common. In the furious type, they become excited and restless, paw the ground, bellow in a changed voice, and tend toward violent butting rather than biting. Secretion of milk stops. Paralysis brings on the dumb form of the disease, and the animal becomes very emaciated and usually dies 4 to 6 days after the first symptoms appear. In the dumb type, the paralysis occurs at the beginning of the attack and remains until the death of the animal.

Rabid cats tend to become secretive and bellicose, dashing out from dark corners or from under furniture to attack animals or persons, especially children, jumping up to the face and inflicting wounds with teeth and claws.

Rabies in wild animals, which has become quite common both in the East and West, is an increasing threat to livestock. Nocturnal animals with rabies roam about in daytime and attack other animals and people. For instance, one rabid coyote caused the loss of 27 steers in a feed lot in the Northwest. Rabid foxes have bitten animals and persons in the South and East. Skunks were the principal offenders in the North Dakota outbreak of 1951–52, but the list also included rabid mice and rats. Over a 10-year period it is reckoned that livestock losses because

of rabies, including the expense of inoculation have totaled well over half a million dollars.

Treatment and control: No treatment for this disease has ever been found for animals or persons who contract the disease and show symptoms. Prevention is the only workable method. Good animal vaccines are available that prevent the disease in nearly all cases. The number of vaccinations in this country has increased from less than 1 million in 1940 to more than 4 million in 1952. It is customary to keep the biting animal under observation for 14 days following exposure of a healthy animal to it. If it dies during that period, its brain can be microscopically examined in a diagnostic laboratory for the presence of Negri bodies (named for the Italian scientist who discovered them) which are a certain indication of rabies. There is then ample time in most instances for a course of rabies shots, generally 1 a day for 14 days, to be given the exposed person or animal.

The United States Livestock Sanitary Association points out that vaccination is only one of several means needed to eradicate this disease. Others include education of the public, strict licensing of all dogs, impounding and disposal of stray dogs, strict quarantines over a sufficiently wide area, definite diagnosis and proper disposition of rabid animals and those suspected as rabid, the rigid quarantine or destruction of dogs known to have been bitten, adequate slaughter of wildlife in areas where wild animals are infected, and sufficient funds and personnel to carry out this program.

Experience has shown that the disease can be controlled if 70 percent of the dogs are vaccinated and if 75 percent of the wildlife species having rabies are exterminated.

Federal and State responsibilities: Legislation has not yet been passed, though several attempts have been made, to enable the United States Department of Agriculture to cooperate with the United States Public Health Service and the United States Fish and Wildlife Service in the eradication of this disease. In the case of the Department of Agriculture, action has not been taken against the disease because dogs have never been defined as livestock. Authority, therefore, rests with the States; often being divided between livestock sanitary services and departments of health. It has generally been possible, within a year or two, to halt an epidemic of rabies in a given State, but the disease is no respecter of boundaries and it always spreads to other areas, where it occasionally builds up to epidemic proportions.

The United States, which has a proud record of wiping out pleuropneumonia, dourine, tick fever, foot-and-mouth disease, and other livestock ailments, can take little pride in its record on rabies.

Public health aspects: Rabies is a dreaded and fatal disease of human beings. About 30,000 people take the antirabies treatment each year in the United States for rabies or suspected rabies. A few people die of the disease each year. Public health authorities strive to protect all those who have been or may have been exposed to this disease.

Public relations aspects: The American people have a paradoxical attitude on rabies. The means are known and at hand to eradicate it. Yet, deadly as it is, and successful as the country has been in eradicating other diseases, this scourge is allowed to continue. People tend to cooperate during rabies scares. At that time they absorb avidly the information and instructions disseminated by the various media of information. At other times, especially at the time of annual dog and cat vaccinations, they need to be reminded of the facts about rabies. It can be said in all truth that continuing to live with rabies is not necessary.

For further information: This subject is treated at some length in the Agriculture Yearbook, Keeping Livestock Healthy (1942). Reprints of this article on rabies, by Dr. H. W. Schoening, are available on request from the United States Department of Agriculture, Washington, D. C. The United States Public Health Service issues a folder on rabies, Health Information Series No. 30. The United States Fish and Wildlife Service, Department of the Interior, issues annual reports on rabies for various regions of the country.

SALE OF CERTAIN WAR-BUILT PASSENGER-CARGO VESSELS

Mr. BUTLER of Maryland. Mr. President, on behalf of myself and the Senator from Washington [Mr. MAGNUSON], I introduce for appropriate reference a joint resolution to authorize the Secretary of Commerce to sell certain war-built passenger-cargo vessels, and for other purposes. I ask unanimous consent that the joint resolution, together with a statement prepared by me, be printed in the RECORD.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution and statement will be printed in the RECORD.

The joint resolution (S. J. Res. 161) to authorize the Secretary of Commerce to sell certain war-built passenger-cargo vessels, and for other purposes, introduced by Mr. BUTLER of Maryland (for himself and Mr. MAGNUSON), was received, read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Resolved, etc., That (a) the Secretary of Commerce is hereby authorized, during a period of 6 months after the enactment of this act, to sell to American President Lines, Ltd., the war-built passenger-cargo vessels, the steamship *President Cleveland* and the steamship *President Wilson*, on an as-is where-is basis, at the sales price of $6,500,000 per vessel and from such price there shall be subtracted, as depreciation, $1,225 per day per vessel for the period beginning April 1, 1954, and ending with date of execution of the contract of sale of the respective vessel. Each such sale shall be on the basis of the payment of not less than 25 percent of the respective vessel sales price at the time of the execution of such vessel sales contract, with balance payable in approximately equal annual installments over the remainder of the 20-year economic life of the vessel with interest on the portion of the vessel sales price remaining unpaid at the rate of 3½ percent per annum. The obligation of the purchaser with respect to payment of such unpaid balance, with interest, shall be secured by a preferred mortgage on the vessel sold, which mortgage may provide that the sole recourse against the purchaser of the vessel under such mortgage, and any of the notes secured thereby, shall be limited to repossession of the vessel by the United States and the assignment of insurance claims, if the purchaser shall have complied with all provisions of the mortgage other than those relating to the payment of principal and interest when due, and the obligation of the purchaser shall be satisfied and discharged by the surrender of the vessel, and all right, title, and interest therein to the United States. Such vessel upon surrender shall be (1) free and clear of all liens and encumbrances whatsoever, except the lien of the preferred mortgage, (2) in class, and (3) in as good order and condition, ordinary wear and tear excepted, as when acquired by the purchaser, except that any deficiencies with respect to freedom from encumbrances, condition, and class, may, to the extent covered by valid policies of insurance, be satisfied by the assignment to the United States of claims of the purchaser under such policies of insurance.

(b) Any contract of sale executed under authority of this act shall provide that in the event the United States shall, through purchase or requisition, acquire ownership of such vessels or vessel, the owner shall be paid therefor the value thereof, but in no event shall such payment exceed the actual depreciated sales price under such contract (together with the actual depreciated cost of capital improvements thereon), or the fair and reasonable scrap value of such vessel, as determined by the Maritime Administrator, whichever is the greater; that such determination shall be final; that in computing the depreciated acquisition cost of such vessel, the depreciation shall be computed on the vessels on the schedule adopted by the Internal Revenue Service for income tax purposes as applicable to each such vessel; that each such vessel shall remain documented under the laws of the United States during the remainder of the 20-year economic life of the vessel or as long as there remains due the United States any principal or interest on account of the sales price, whichever is the longer period; and that the foregoing provisions respecting the requisition or the acquisition of ownership by the United States, and documentation shall run with the title to each such vessel and be binding on all owners thereof.

The statement by Mr. BUTLER of Maryland is as follows:

STATEMENT BY SENATOR BUTLER OF MARYLAND

The purpose of the joint resolution is to authorize the sale by the Government of two war-built passenger-cargo vessels, now under charter to the American President Lines, Ltd., to that company, at a negotiated price which has been agreed upon by the Department of Commerce and the Maritime Administration.

In recommending to the chairman of the Committee on Interstate and Foreign Commerce that such legislation be introduced, the Secretary of Commerce, Mr. Sinclair Weeks, wrote, in part, as follows:

"I recommend that legislation be introduced authorizing the sale of these two ships under the conditions noted above. In such legislation the Congress, having the best interests of the Government in mind, may desire to fix such additional conditions or protective restrictions as it may consider necessary.

"The sale as proposed is a negotiated arrangement, which I consider follows not only the intent of previous legislation—the Merchant Marine Act, 1920, the Merchant Marine Act, 1936, and the Merchant Ship Sales Act of 1946—that vessels be transferred to private ownership, but also is in accord with the consistent record of sales under the Merchant Ship Sales Act by negotiation rather than by competitive bidding.

"The Department of Commerce has been offered by the company a price of $6,500,000 for each ship (the *President Cleveland* and the *President Wilson*), to be paid 25 percent in cash, with the balance payable with interest at 3½ percent per annum in equal annual installments over the period of the ships' remaining economic life. These ships were delivered by the shipyard in 1947 and 1948.

"These ships will be subject to the conditions relating to documentation and Government requisition or purchase in time of emergency similar to those required in connection with the sale of ships under the Merchant Marine Act, 1936, as amended.

"I should point out, however, that the question of the desirability of competitive bidding has been raised and it seems appropriate to bring this point to the attention of the Congress so that it may receive consideration.

"I have been advised by the Bureau of the Budget that they have no objection to the submission of this letter and believe that legislation to authorize the sale of the ships should be enacted."

On the assumption that this bill will be referred to the Water Transportation Subcommittee, I would advise that public hearings will be held shortly, at which all interested Government departments and agencies, shipping and shipbuilding companies and any other persons or interests who desire will be given opportunity to express their views on the proposal.

INVITATION TO NURSE GENEVIEVE DE GALARD-TERRAUBE TO BE GUEST OF THE UNITED STATES

Mr. WILEY submitted the following concurrent resolution (S. Con. Res. 84), which was referred to the Committee on Foreign Relations:

Whereas this year marks the 100th anniversary of Florence Nightingale's historic nursing of the wounded in the Crimean War; and

Whereas Nurse Genevieve de Galard-Terraube, officer of the Army of the Republic of France, in her ministering to the sick and wounded at Dien Bien Phu and her subsequent service to her comrades as prisoners of the Viet Minh has provided an example of the courage of a woman in battle and of the devotion of a nurse to her sworn duty which has been unsurpassed in this century; and

Whereas this inspiring woman is representative of the devotion to duty of soldiers of the Republic of France, which has been an ally of the United States for 178 years and whose people today are considered the warm friends of the people of the United States; and

Whereas Nurse Genevieve de Galard-Terraube's example of fortitude in the face of supreme danger has changed the fall of Dien Bien Phu from a military reversal to a great psychological victory of the undefeatable principles of free mankind fighting the force of darkness; and

Whereas this nurse, known affectionately as The Angel of Dien Bien Phu embodies the finest attributes of free women accepting with men the full burden of living in our modern world: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby extends to Nurse Genevieve de Galard-Terraube its warm congratulations for her gallant service and invites her, at the earliest time convenient to her and her country, to visit the United States as an honored guest.

The President is respectfully requested to transmit copies of this resolution to the Government of France, and to Nurse Genevieve de Galard-Terraube.

JUAN JOSE MOYA RAMIREZ—AMENDMENT

Mr. CHAVEZ submitted an amendment intended to be proposed by him to the bill (S. 410) for the relief of Juan Jose Moya Ramirez, which was referred to the Committee on the Judiciary, and ordered to be printed.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles, and referred, as indicated:

H. R. 9203. An act making appropriations for the legislative branch and the judiciary branch for the fiscal year ending June 30, 1955, and for other purposes; to the Committee on Appropriations.

H. R. 9242. An act to authorize certain construction at military and naval installations and for the Alaska Communications System, and for other purposes; to the Committee on Armed Services.

CONCURRENT RESOLUTION PLACED ON CALENDAR

The concurrent resolution (H. Con. Res. 206) extending best wishes of the Government and people of the United States to Berea College, in Berea, Ky., was placed on the calendar.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. GILLETTE:

Statement prepared by him on anniversary of Armenian Independence Day, May 28.

By Mr. GORE:

Statement made by him before Subcommittee on Business and Consumers Interest of the Committee on Interstate and Foreign Commerce relative to Senate bill 3434.

THE ACCIDENT ON THE AIRCRAFT CARRIER "BENNINGTON"

Mr. JOHNSON of Texas. Mr. President, the disaster that has struck at the aircraft carrier *Bennington* is a national tragedy. The Nation will mourn the tragic loss of our fine young men. It will demand a thorough investigation of the facts—an investigation that will pin down responsibility.

As one who has served with the Navy, I am confident that the responsible officials will do everything in their power to see that there is no repetition of this disaster. Whatever should be done, must be done at the earliest possible moment.

A special naval board of inquiry has already been established. It is preparing to go into the facts. I understand also that the chairmen of the Senate and House Armed Services Committees are calling for reports.

But our much more immediate and heartfelt reaction is sympathy to the relatives and friends of those who were lost. This is a country where individual life is the first consideration. We regret the damage that has been done to one of the fine ships of our great Navy; but that regret is secondary to our deep feeling for the men in our country's service who will no longer be with us. We must do everything within our power to comfort and help the bereaved; and we must bend our every effort to prevent this kind of tragedy from happening again.

The Nation will await, with an interest that is more than keen, the report of the board of inquiry. I hope it is issued as promptly as a thorough and complete investigation will allow.

Mr. SALTONSTALL subsequently said: Mr. President, this afternoon Secretary of the Navy Charles C. Thomas came to see me in my capacity as chairman of the Committee on Armed Services. He came to assure me with respect to what was being done to take care of the men who were injured in the accident which occurred yesterday on the aircraft carrier *Bennington*.

He said he arrived in Newport, R. I., just after the ship had docked. By the time he went aboard the ship there were only six injured men left on board. The remainder had been taken off by helicopter before the *Bennington* had docked. He said it was a truly remarkable job of organization and that it had been done by civilian personnel, as well as by the military.

The Secretary of the Navy said that some of the injured men had been taken to the hospital at Quonset Point and the others to the very fine naval hospital in the city of Newport. He said that when volunteer blood donors were called for people lined up for more than 2 blocks. Civilian and military nurses and doctors volunteered.

The Secretary stated that he had seen every injured man who was conscious and able to have anyone speak to him. He said the men were being well cared for, with 2 or 3 persons taking care of each man.

Some of the men were very seriously burned and injured, and the Secretary wanted to assure me, in my capacity as chairman of the Committee on Armed Services, and through me the Members of the Senate, who may have received letters and messages with respect to these injured men, that they are being very well taken care of and that he is confident that they are receiving the best possible medical treatment.

So far as the cause of the accident is concerned, a board of inquiry has been set up and it met this morning. It is a capable board, comprised of construction engineers and other engineering men. The board is now making inquiry into the cause of the accident.

The Secretary of the Navy did not want to state, and no Navy man wants to state, the cause of the accident, although they have some pretty good ideas as to what the cause may have been.

Mr. President, I merely wish to make this report so that Senators may answer letters and calls from worried parents and relatives of the men who were injured in that very serious accident yesterday.

EDUCATIONAL EXCHANGE PROGRAMS

Mr. SMITH of New Jersey. Mr. President, a number of Members of the Senate, including myself, are deeply concerned by the action of the House Appropriations Committee of March 5 in cutting $6 million out of the $15 million asked by the administration in its budget for our educational exchange program.

This will vitally affect the Fulbright scholarships, and also the Smith-Mundt scholarship program. These two programs finance the two-way exchange of students, specialists, and leaders between the United States and over 70 foreign countries. It is my sincere hope that the Senate will act to restore this cut

and that in the conference with the House the full amount may be reported in the bill.

In the Washington Post and Times Herald of this morning, Thursday, May 27, as well as in the New York Herald Tribune, there appears a column by Mr. Walter Lippmann entitled, "Wanton Carelessness." This is a splendid, concise presentation by Mr. Lippmann of the serious implications of this cut at this particular time.

Mr. President, I ask unanimous consent that the column by Mr. Lippmann referred to be published in full in the body of the RECORD in connection with my remarks.

The PRESIDING OFFICER (Mr. DANIEL in the chair). Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WANTON CARELESSNESS

(By Walter Lippmann)

About 2 months ago, on March 5, the House voted to do something that almost no one voting, except some members of the Appropriations Committee, can have known about when he did it. The House cut $6 million out of the $15 million asked for by the administration in its approved budget. This cut, if the Senate allows it to stand, will, in Senator FULBRIGHT's words, "virtually destroy" the Smith-Mundt program and will seriously cripple the Fulbright program. These two programs finance the two-way exchange of students, specialists, and leaders between the United States and over 70 foreign countries.

It would be flattering to describe this action of the House as a case of penny wise and pound foolish. But as a matter of fact the House was not wise about anything—even about pennies. The cut was not discussed in the hearings of the House committee. It was not discussed in the report of the House committee. It was not discussed on the floor of the House. It was put forward by the committee and it went through the House unexplained, unexamined, and unnoticed.

That $6 million cut will just about complete the wrecking operation which MCCARTHY began: The destruction and the discredit of our whole effort to earn the good will of other peoples by getting them to know us, not through the propaganda of our adversaries and of those who don't like us but through their own eyes. In the whole vast and complicated budget there is probably no other place where the refusal of so small a sum of money can do anything like such widespread damage to the interests of this country.

The Hickenlooper committee, which made a thorough and constructive investigation of our overseas information program, concluded that "in comparative rating of the various mediums" the exchange program is among "the most effective." Chairman JUDD's committee, after making its studies in southeast Asia and the Pacific, came back last January with a conclusion that the program should be expanded. Its contraction, said the Judd committee "would be a serious setback to our prestige and influence." This was also the opinion of Vice President NIXON after his tour around the world and it may be said that it is the consensus of American and foreign officials and of newspapermen who have had any reason to observe our overseas information services.

For those who have not had time to look into the matter, it may be useful to explain why so little money can matter so much. We have been so used to enormous figures that we can be startled, even bewildered, by being told that something which is so very inexpensive is also so very important. Everything we have to do, be it in defense or in supporting agricultural prices or in taking care of the veterans, runs into very big money. We may well suppose that many a Congressman, had he been asked, which he was not, if $6 million could be cut from an appropriation administered by the State Department, would have answered offhand that $6 million can be cut from any appropriation for any agency, and a mighty good thing it would be.

This is a case which is an exception to that rule. Among the various activities of the Government, it comes nearer than any other to proving the song that "the best things in life are free." Fifteen million dollars a year is small change for the Atomic Energy Commission or the Air Force, and not much money for a Texas millionaire. Yet these $15 million a year will do the following: Enable 418 leaders in Government and industry and social work and technology to come to the United States and to meet and consult with Americans doing the same kind of work; enable 47 specialists to take 4 to 6 months' training courses here in all sorts of subjects from traffic control to the management of schools and the editing of newspapers; enable 389 professors and research workers to come here for 1 academic year, 421 foreign teachers to spend 6 months observing our schools, 1,407 foreign students to study in the United States, and 368 foreign students to go on studying in schools supported by Americans abroad such as the American University in Beirut.

On the reverse side these same $15 million will enable 48 American specialists to go on lecture tours abroad; 345 American professors and research workers, 266 American teachers, and 806 American students to study or teach abroad.

Altogether, on the two-way exchanges 4,515 men and women will take part in the program during the 12 months which begin in July. Since 1948, over 15,000 like them, students, professors, journalists, teachers and leaders of government, industry, and labor have been exchanged.

Why do the coming and going of some 4,000 persons a year matter so much? The answer is that seeing is believing. When people have seen a foreign country for themselves, they have something in their minds which resists prejudice and misrepresentation. The purpose of an iron curtain is to prevent just that kind of direct personal contact across frontiers which dissolves the effect of propaganda and indoctrination.

Now if the direct contact is made by men and women who are drawn from the educated class, when they bear witness the effects are multiplied and spread far beyond themselves. One professor in a university in Ruritania who has seen for himself, in a university town in Wisconsin, that Americans do not carry atomic bombs in their pockets, or think of MCCARTHY as the Nazis thought of Hitler—or an American who has seen for himself what family life is like in provincial Ruritania—is an antibody in the infected blood stream of our tormented civilization.

In any true estimate of the future of the enormous masses of mankind who are awakening, who are emerging from bondage and from ancient darkness, from foreign and native domination, we must presume that the educated class can be, and will be, certain to decide their direction. From these elite will come the politicians, the civil servants, the military commanders, and the industrial managers of these new countries. What these key people know, and what they believe about themselves and about the rest of the world, is the inwardness of the whole vast movement of historical forces.

China was lost to Chiang Kai-shek when the preponderance of the educated class turned away from him. The odds have been strongly against the French, as they would be against us, in Indochina when the Vietnamese elite did not rally to them. The reason that India and Pakistan and Burma and Ceylon are free countries, are not engulfed in the totalitarian tide, is that the elite in all of them understand free institutions and having understood, possess personally in their own minds and spirit the universal principles of freedom.

As long as we do not become alienated from the educated class, allowing differences of policy to become irreconcilable, it will always be possible to come to a new order of relations between Asia and the West. If that alienation is allowed to happen—as some of our stupidest Philistines do their best to make happen—armies and weapons and pacts and money will be of no avail.

TRIBUTE TO PRESIDENT SYNGMAN RHEE, OF KOREA

Mr. SMITH of New Jersey. Mr. President, in the Washington Daily News for Tuesday, May 25, 1954, there appeared as the lead editorial a fully justified tribute to one of the remarkable patriots of our time, Syngman Rhee, of Korea. I have seen and come to know Dr. Rhee on three trips to Korea—in 1949, 1951, and 1953. I understand and appreciate his wonderful devotion to his country and his sincerity.

The editorial to which I have referred appropriately points out that despite the continuous provocation of several hundred thousand Red Chinese aggressors who daily violate the truce in Korea, Dr. Rhee has faithfully kept the truce. And in the face of a campaign of calumny throughout the world he and his Government conducted a fair and peaceful ballot last week despite the fact that the results were barely favorable to President Rhee's party.

And although the United Nations itself considers the South Korean Government to be the legally constituted Government for all Korea, Mr. Rhee's Foreign Minister has informed the Conference at Geneva that, in the interests of peace, South Korea would agree to countrywide elections despite the fact that their constitution calls for no election for another 4 years.

Mr. President, I ask unanimous consent that this well-deserved tribute to Dr. Rhee be printed in the body of the RECORD as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RHEE'S INTEGRITY

Mudslingers determined to do a job on President Syngman Rhee of Korea as they have done on Chiang Kai-shek—will find themselves short of ammunition as the result of two recent developments.

For one thing, they said Mr. Rhee couldn't be trusted; that he not only would break the Korean armistice but would blow up the Geneva Conference if it came anywhere near settlement of the Korean problem.

Despite the provocation of several hundred thousand Red Chinese aggressors left in Korea under the ridiculous terms of an unrealistic armistice, and despite daily violations by the Communist side, Mr. Rhee has adhered faithfully to the truce. And as for the Geneva talks, whose futility he perceived from the beginning, it turns out that he has made the first and only reasonable conciliatory proposal yet offered.

President Rhee, through his Foreign Minister at Geneva, told the conferees that as a step toward unification South Korea would agree to countrywide elections. Previously, Mr. Rhee insisted that elections be held only in the Communist-ruled north, to fill vacancies in the Seoul Parliament, which is the legally constituted government of all Korea.

The concession Mr. Rhee made is an important one. He has just held elections in South Korea and his government party won by a slim majority. No other election is authorized by the constitution for 4 years. Yet Mr. Rhee is willing for another vote at an early date covering the whole country—provided, of course, the Chinese Army withdraws a month before the election.

The fact that the Chinese Reds abruptly rejected the concession is evidence enough of its fairness and good faith. The fact that Mr. Rhee offered it, undoubtedly at the suggestion if not pressure of the western allies, should disprove repeated charges heard in America that the old patriot is a stubborn, unreliable obstructionist.

The smear against Mr. Rhee, usually from the left or those who favor a soft policy toward communism, suffered another setback in the South Korean election itself, last week.

The Rhee haters said he was a dictator who would have nothing less than a police state and the elections would be a farce. The balloting was carried out peacefully and without intimidation. The results were barely favorable to the government party of Mr. Rhee. A substantial opposition vote and the election of a sizable group of independents are a clear refutation of the dictatorship argument.

Though Mr. Rhee is highly opinionated and strong-willed, his compliance with the rules of decency and democracy in final analysis is impressive. His course of conduct will not be overlooked by other free Asians, and rates plaudits, rather than sharpshooting, from the West.

COMMUNIST INFILTRATION OF GUATEMALA

Mr. MANSFIELD. Mr. President, we are very much concerned and deeply troubled over what is happening in the Central American Republic of Guatemala at the present time. We know that a shipment of arms of the value of $10 million has been received in the Republic, and that the report of the reception of that shipment indicated that it had originated in Communist Poland.

We know also that, through various means, most of them hidden, these arms finally ended up in the hands of the Guatemalans.

We know also that yesterday the French ship *Wyoming* was held in the Panama Canal because it likewise evidently had in its hold a shipment of arms for Guatemala.

In view of the seriousness of the situation in that Central American country, as it affects us, I ask unanimous consent to have printed in the body of the RECORD at this point an article from the U. S. News & World Report of May 28, 1954, entitled, "Victims Tell How Reds Use Terror Near United States"; also an article entitled "Guatemala Labor Fighting Commies," written by Rubin D. Villatoro, president of the National Union of Free Workers of Guatemala, and published in the American Federation of Labor News-Reporter of May 21, 1954.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the U. S. News & World Report of May 28, 1954]

VICTIMS TELL HOW REDS USE TERROR NEAR UNITED STATES

MEXICO CITY.—The police brutality, commonplace east of the Iron Curtain, has now been imported to Guatemala to try to stifle opposition to the pro-Communist rulers of that American Republic.

Strange disappearances have occurred. Men prominent in the life of Guatemala have suddenly dropped from sight or been hustled off the streets by squads of secret police. Arrests often are unexplained—even to the victims—and now and then an outspoken critic of President Jacobo Arbenz shows up in another country, beaten and broken in health by his treatment at the hands of secret police.

There is conclusive evidence now that these things are happening in a country that is drawing closer and closer to links with the Soviet Union. It comes on top of a chain of events that has aroused grave concern inside the United States.

Guatemala, alone among the American Republics, opposed a recently adopted anti-Communist declaration. Guatemalans circulate constantly between their home country and the Soviet world. They are blamed for a political strike that has virtually paralyzed the economy of neighboring Honduras. The United States has charged formally that the Guatemalan Government is receiving arms shipments from Communist Poland. There is evidence of other Soviet arms being smuggled into the country.

Rounding out the pattern of a Soviet-style regime is the torture and terrorism being applied to the government's opponents. Two victims of the Guatemalan secret police—Guillermo Dávila Córdova, a lawyer, and Horacio de Córdoba Monzón, a journalist—recently turned up in Mexico. They had been arrested without explanation, tortured to the point of broken health, then banished from their homeland.

U. S. News & World Report located both men in their place of exile in Mexico City and obtained from them the full account of their arrest and agonizing experiences in the torture chambers of Guatemala.

Here, in his own words, Mr. de Córdoba Monzón tells what befell him.

Question. Mr. de Córdoba Monzón, when and where were you arrested?

Answer. I was arrested by eight secret policemen in front of the Capitol Theater in Guatemala City at about 6:30 p. m. on January 23. I was just starting to enter my automobile. Inside the automobile were three more policemen, pointing revolvers at my wife and 8-year-old daughter, who were sitting in the front seat.

Question. Why did they arrest you?

Answer. I immediately demanded that, as the constitution requires, the policemen identify themselves, and show me a legal warrant. But they did not answer me. They dragged me along in the direction of civil guard headquarters. They never told me the reason for my arrest.

Question. Where did they take you?

Answer. To a solitary cell in the civil guard headquarters.

Question. What happened there?

Answer. As soon as I reached the cell, a policeman ordered me to go to the toilet, although I didn't need to. I found out later that was just a preparation for torture.

Question. Did you see other prisoners?

Answer. Yes, as I went down the corridor, various people called to me softly from their cells. I was able to identify an army officer named Oliva, who was accused of having explosives in his home; Roberto Castillo, proprietor of radio station CIROS; Roberto Vizcaíno, director of Radio Continental; Rubé Darío Villatoro, of the anti-Communist Union of Free Workers; Dr. Jorge Palacios, and some others whose names I don't remember. This took place at about 7:45 p. m.

Question. What happened next?

Answer. A policeman, with his face masked, ordered me to turn my face to the wall. Two masked men took my arms, while another blindfolded me. Then they tied my hands and took me down a winding stairway to a damp place. A noise like that of water falling into a trough or tank reminded me of stories of other Guatemalans who had been tortured.

Question. Then what did they do to you?

Answer. When I was close to that trough, they unbound my hands and started to undress me. I objected, and received a hard blow on my back with a rubber hose and a blow on my mouth. They bound me once more and began to push my head into the water. They were starting to drown me, little by little. It was horrible agony. When I became insensible they pulled me out.

When I had recovered a little, they beat me with a rubber hose. Afterward two men dragged me to another place. There a voice which I recognized as that of Rogelio Cruz Wer, director of the civil guard, questioned me.

Question. What kind of questions did he ask you?

Answer. Questions like these: "Why do you attack communism?" "Who pays you for doing it?" "Don't you know that communism is going to rule the world?" "Are you a fool in the service of the Gringos?" "How much money does the American Ambassador give you?"

Question. What did you answer?

Answer. I was silent. Then I received a blow full in the face and I fell to the floor. Two men grabbed me, and a voice said: "I'm going to give you a pen so you can sign this declaration to those who want to overthrow us. If you sign it, you go free."

Question. Did you sign the document?

Answer. No. I said: "I'll not sign anything." Immediately I received a rain of blows.

Question. What did they do to you then?

Answer. The next thing, they stretched me on the floor and started striking me on the bottoms of my feet. They kept on beating me for a long time, causing such pain that I almost lost consciousnes.

Finally I heard Cruz Wer say: "Jaime, you question him." Immediately they released their hold on me. I couldn't stand up, but they forced me to do it by beating me some more. Then a new voice said: "It will be better if you decide to sign the declaration, or we'll kill you like a dog. Nobody, not even the Gringos, can prevail against us Communists. If you die, nobody will pay any attention."

When I again refused to sign, I received a blow on my right ear that knocked me down. The fellow who had been questioning me said: "We're not getting anywhere this way, and we're going to kill him." Cruz Wer then questioned me some more, and finally said: "Get on with this fellow."

Question. Where did they take you next?

Answer. They took me to a big box into which they put salt and water and ordered me to walk through this liquid. My feet had become enormous from the beatings, and I suffered unbearable pain from the salt in the lacerations in my feet.

When they finally decided this was useless, they took me to another place and told me to stand up. When I tried to sit on the floor, because of the pain in my feet, I received light blows to the groin, as if to warn me that I'd better stand up.

Eventually they let me lie down, and I began to wonder if they were torturing some-

one else, and I could hear cries and questions and threats. One of my torturers said: "This —— is listening." The next thing, they seized my head. They put tubes into my ears and forced in a liquid that burned intensely. After that I couldn't hear anything, perhaps for hours.

When I finally began to regain my hearing, somebody said: "We've done a lot to him. If this —— dies here, we'll get the devil for it. Go and dress him and bring him with the others." So they untied my hands.

Question. So your tortures finally were over?

Answer. They were going to put my clothes on me, when one of them said: "Let's put him in the water again." So they did it, for nearly 2 minutes. When they saw that I was starting to get water in my lungs, they took me out of the trough and turned an electric fan on my back and threw water on me.

When I started to shiver, one of them said: "Don't be a brute; that will give him pneumonia." The other answered: "Let him die; that's why we are paid."

I couldn't dress myself, as I couldn't move my left side. So a policeman dressed me. They took me downstairs, where there were several other prisoners. They threw me into a jeep, and tossed a canvas over me, and we started the long trip to Mexico.

Question. What other prisoners were with you?

Answer. When we reached Talismán, on the border, I found that they were Guillermo Dávila Córdova, the lawyer; Gabriel Fernández, the industrialist; Dr. Palacios and Mr. Villatoro. I don't know who all the others were who had been in prison with me, but according to the newspapers several were expelled to Honduras and El Salvador.

Question. When you were tortured, did they question you about a revolutionary plot against the government, in which the United States was alleged to have been involved?

Answer. Not at all, although publicly later the government accused me of having been involved in a plot.

Question. Did you have any part in the plot that the government said existed?

Answer. No. I consider the "plot" to have been the invention of the Government.

Question. Is the government afraid of revolutionary plots?

Answer. Yes. The men in the government have a persecution complex.

Question. When you were in prison, did anybody try to arrange for your release?

Answer. Yes; my wife appealed to the courts for a writ of habeas corpus, but she could get no information from the police as to my whereabouts. Furthermore, the police did not return the personal effects they had taken from me, including a gold watch, $184 in cash, a gold ring, a fountain pen, and my identification documents. They robbed me of all of it. And they denied that I was a prisoner, although my wife, along with about 500 other persons, had seen me arrested.

Question. After reaching the Mexican border, where did you go?

Answer. We went to Tapachula, a short distance away. I was in bed there for 25 days. I was helped by some charitable people who brought me a doctor and paid for my medicines. My roommate, Dr. Palacios, attended me constantly. Thanks to his cure and to the help of friendly Guatemalans and Mexicans, I saved my feet, which had been at the point of becoming gangrenous.

Question. Do you still have scars from your tortures?

Answer. Yes. There are permanent scars on my feet and my back. My right ear is very bad. My lungs are delicate as the result of the near drownings. My legs are shaky, and I suffer severe coughing spells. However, my lack of money keeps me from getting proper nourishment and medical attention.

Question. Do you have a job here in Mexico City?

Answer. No.

Question. Why not?

Answer. I had thought the Mexicans, in accordance with treaties of asylum, would immediately give me documents permitting me to work. But it has not worked out that way. I have been trying to obtain necessary documents, but the officials won't give me permission to work.

Question. How extensive is Communist influence in Guatemala?

Answer. Guatemalan communism is international communism. There is the major center for new ramifications of communism in America. From there, foreign and Guatemalan agents of communism are going out to all countries. It is certain that every Guatemalan diplomatic minister and consul is an agent. Furthermore, the organizations formed in Mexico, Chile, and other countries under the name "Friends of Guatemala" are centers of Communist agitation, and soon they will go into full action.

Question. About how many Communists are there in Guatemala?

Answer. I couldn't answer that question satisfactorily, but I can assure you that almost all the public officials take advantage of Communist ideology to use their official positions for graft. The Communist bosses from abroad operate secretly. The native Communist leaders number about 30, located in congress and in the unions. Others are fellow travelers.

Question. It is said that Colonel Arbenz is not himself a Communist, but is under the influence of Communists. Is this true?

Answer. That truth is that he is a puppet who performs according to the will of the Communists. They prefer to have it that way, instead of holding the reins of power.

Question. How about the army?

Answer. The army is dominated by Communist officers and it supports the Government unconditionally as long as it is paid so juicily for that attitude. Through the rank and file there is a large espionage system that has sown distrust and maintains unconditional support of the Communist regime of Arbenz. The Guatemalan Army is mercenary and immoral.

Question. How many of the army officers are Communists?

Answer. Aside from those whose instruction has been rushed along recently, I don't believe there are many ideological Communists. But there are a great number of fellow travelers and of men devoted to communism because it has given them all kinds of advantages and immunities.

Question. Is there any possibility of an army revolt if Arbenz continues to support communism?

Answer. If the army has not rebelled against the Communists, it is because nobody has offered to pay more.

Question. Does the Arbenz government have the support of the majority of the people?

Answer. No. The Government supports itself on a base of terror.

Question. Then how did Colonel Arbenz get elected?

Answer. He reached office through compulsions applied to the illiterates, whom they made to vote several times in different places. The legal victory was won by Miguel Ydigoras Fuentes, an opposition candidate.

Question. What is the remedy for the situation in Guatemala?

Answer. When there are rats, you have to kill them. I am convinced that we are face to face with a criminal organization which holds on to power and that, to exterminate it, there is just one route: gunpowder.

Question. Taking into account the prejudice throughout Latin America against intervention, what can and should the United States Government do?

Answer. I am convinced that nothing effective can come out of conferences of the American nations. With respect to just what the United States can do, I believe that Nation has the duty of pulling out the evil by its roots.

The Guatemalan people are not asking for an armed effort from any country. But they hope their leaders will be equipped in some effective way so they can equip the people with war materials to accomplish the expulsion of those who have been guilty of treason by permitting foreign Communists to control the Government, a practical intervention by Russia in Guatemala. I believe categorically that it is necessary to have a machinegun in order to take action against the arms brought from Russia. Someone has to give this help.

When torturing Mr. Dávila Córdova, the secret police used different techniques from those applied to Mr. de Córdoba Monzón. But their brutality was apparent throughout, and their purpose was the same.

Here is Mr. Dávila Córdova's account of what they did to him, along with his appraisal, as a lawyer, of the Guatemalan situation:

Question. Mr. Dávila Córdova, what happened to you in Guatemala City on January 22 of this year?

Answer. In the afternoon, after I had closed my office for the day and was about to get into my car, I was assaulted by 10 policemen. They forced me violently into their car, handcuffed me, and blindfolded me. Then they took me to the central headquarters of the civil guard.

Question. What happened there?

Answer. They took all my personal effects, and I was thrown into a subterranean cell. I remained there, bound on the floor and unable to move, for 5 days. During those 5 days I was subjected to terrible tortures.

Question. What kind of tortures?

Answer. They applied electric shocks to my body. They applied a steel band to my head which caused such pressure on my brain that I lost consciousness.

Question. Where were these things done?

Answer. These tortures were applied every 3 or 4 hours in a special room at the top of the civil-guard headquarters, where they took me from my cell.

Question. What happened at the end of those 5 days?

Answer. When I was in a half-dead condition, I was taken to the Mexican frontier in a strongly guarded automobile of the civil guard, and at the frontier they threw me out of Guatemalan territory.

Question. Could you identify the men who tortured you?

Answer. No, because throughout my time in prison I was tightly blindfolded and kept in handcuffs, and those things were not taken off until a few minutes before we reached the Mexican border.

Question. Were others arrested and tortured?

Answer. When they finally took off the blindfold, I saw that five other prisoners had come with me and that they bore on their bodies horrible marks of the tortures they had undergone. On one of these men, Horacio de Córdoba Monzón, the injuries were so bad that he could not walk, because his feet were completely useless.

Question. Where did you go after reaching the Mexican border?

Answer. Once we reached the Mexican frontier, we succeeded in dragging ourselves to Talismán, where the Mexican immigration station is located. We presented ourselves there begging for asylum. They made a record of the case of each one of us and then told us we should go to Tapachula, a larger town nearby, to await the decision of the Mexican Government.

Question. How long were you in Tapachula?

Answer. We spent about a month in Tapachula while the injuries resulting from the tortures healed.

Question. Were you molested there, too?

Answer. We were the objects of hostile demonstrations organized by Communist elements in agreement with the consul of Guatemala stationed there. That evil man, following instructions from his Government, threatened us constantly, with the complicity of the head of the immigration office. Several times he tried to have us kidnaped and thrown back across the border so we would be shot.

Question. What finally happened to you?

Answer. After repeated requests we were informed that we would be permitted to come to Mexico City on February 23. Since then we have been trying to get them to document us as political exiles so that we can find work with which to make a living.

Question. How many Guatemalans came to Mexico City with you?

Answer. All of those who arrived at the frontier with me came to Mexico City, and so far we have been having a great deal of trouble trying to get documentation as political exiles.

Question. Why is that?

Answer. It appears that the hand of the Guatemalan Government is making itself felt even here. According to what they told us in the immigration office here, the chief, in spite of the records of our cases made in Talismán, is slowing up action, trying to get other evidence about us through the Secretariat of Foreign Relations. [Mr. Dávila Córdova now has given up his attempts to obtain documentation and has left Mexico.]

Question. Is the present Government of Guatemala a democracy?

Answer. It is not a democracy or anything resembling one. It is practically a Communist dictatorship—that is to say, it is a dictatorship exercised by elements ruling the state, just as in Russia and in the countries that now find themselves back of the Iron Curtain.

Question. Is the Government of Guatemala honest?

Answer. In that Government there is no such thing as honesty. All of the head men are devoting themselves to self-enrichment by looting the public treasury. It's being done to such a degree that some of them—whom I can name—in 3 years have amassed fortunes of millions of dollars.

Question. How about President Arbenz?

Answer. He has deposited large sums of money in banks in Switzerland, while the people are confronted by misery and are burdened with taxes and contributions. A large part of the public treasury also is being used for Communist propaganda in neighboring countries of Central America.

Question. Are there many secret police in Guatemala?

Answer. In Guatemala there has been organized as veritable secret police in imitation of the Russian Cheka, with foreign instructors—Czechs, Poles, and Red Spaniards from Mexico.

Question. What is the job of those secret police?

Answer. They watch closely every person whom they consider unfavorable to the regime. They investigate everything that he does.

Question. Did the secret police watch you?

Answer. I was watched closely by them for more than 2 years. My office constantly was surrounded by secret-police agents, and many times people were interrogated after leaving my office.

Question. Are life and property safe in Guatemala?

Answer. At present, there is neither security of life nor the guarantee of one's right to private property. In order to avoid attempts against one's life, a person has to avoid going out at night. The Agrarian Reform Law and the special laws relating to urban property, enacted recently by the government, make it possible to seize the property of any individual or company without any responsibility.

Question. Does justice exist there now?

Answer. Speaking as a lawyer, I can say that justice has practically disappeared from Guatemala. The judicial power, although it is supposed to be politically independent, has been placed in the hands of ad hoc elements holding office at the will of the government, which on its part acts according to the wishes of a Communist-dominated Congress. Thus, every action of justice is ineffective and negative, obeying the will of the Communist element.

Question. How strong is the Guatemalan Communist Party, which calls itself the Guatemalan Labor Party?

Answer. I don't know how many members that party has, but I am sure that its leaders are not more than 30 or 40 Communists. The rest are Indians, peasants, and laborers—people who are not very intelligent. They are the victims of exploitation by the Communist leaders. They support the present government, which in turn patronizes them. They lack public sympathy, and in general the people of Guatemala are hostile to them.

Question. Do you think President Arbenz is a Communist?

Answer. He is certainly a Communist. If he is not indoctrinated, he is under the influence of a group of native Communists and fellow travelers who have been indoctrinated in Mexico and in countries back of the Iron Curtain who obey direct instructions from Moscow, transmitted by direct agents and through the Soviet Embassy in Mexico. Continually, the Communists Victor Manuel Gutiérrez, José Manuel Fortuny, and Leonardo Castillo Flores go back of the Iron Curtain to receive orders. They are financed by funds from the Guatemalan Government.

Question. How about President Arbenz' wife?

Answer. Señora María Vilanova de Arbenz is a Communist. By means of various collaborators in her service she has charge of indoctrination in the hospitals, social-service centers, charitable institutions, and schools.

Question. Does the Arbenz regime have the support of the majority of the people?

Answer. In my opinion, it does not. Quite to the contrary, the public, and especially the intelligent people, are hostile. This hostility remains latent and does not let its full extent become apparent, because of the fear which the secret police have instilled in the people. Nobody feels safe under their constant threat.

Question. If most of the people are against him, how did Colonel Arbenz get elected?

Answer. He won the Presidency through the fraudulent maneuvers of his predecessor, President Juan José Arévalo. Furthermore, the people blame Arbenz as the principal planner of the assasination of his rival for the Presidency, Col. Francisco Javier Arana, then chief of the armed forces, a very popular person. Arévalo needed Arbenz to continue carrying out the Communist program that Moscow had entrusted to him.

Question. Why don't the people throw out the Communists?

Answer. The anti-Communist people of Guatemala, who constitute the majority, cannot overthrow that pro-Communist Government because they lack every kind of resources that they would need in order to do it. The Government of Arbenz is carefully keeping them from acquiring anything that would be dangerous.

Question. It has been said that Guatemala is a "Soviet beachhead" in the Americas. Is that true?

Answer. I not only believe it, I am certain that Guatemala is a Soviet beachhead, with the mission of implanting and propagating communism in the American hemisphere. A proof of that is the attitude of the Arbenz government, which always pays attention to and sympathizes with Russian moves, in full cordiality toward the Soviets. Furthermore, there is its economic, social, and political orientation, which is contrary to American practices and every democratic concept.

Question. What should the United States do about the situation in Guatemala?

Answer. In my judgment, which is the judgment of the majority of Guatemalans, as a necessity for its own defense, the United States should lend its cooperation to our people, by worthy and honorable means, in a real and effective manner. It should supply every kind of resource so as to enable the Guatemalans to overthrow and drive out the Soviet communism which, unfortunately for the country, has taken possession of the Government.

[From the AFL News-Reporter, Washington, D. C., of May 21, 1954]

GUATEMALA LABOR FIGHTING COMMIES

(By Ruben D. Villatoro, president, National Union of Free Workers of Guatemala)

Not until Jacobo Arbenz Guzman succeeded Juan Jose Arevalo as president of Guatemala did the Communists begin to make important headway toward control of the labor movement in Guatemala.

Last year over 4,000 unemployed workers organized a defense committee which urged the Government to study their situation and adopt relief measures. Communist elements attempted from the very beginning to infiltrate this defense committee. Among other things, they demanded that all the complaints to be submitted to President Arbenz go through their hands because they claimed this was the only way to get satisfaction. After the leaders of the defense committee decided to reject Communist sponsorship, they suddenly found the doors to public offices closed to them.

Later the judicial police, a branch of the federal police of Guatemala, started harassing the leaders of this defense committee and attempted to deport the 4,000 unemployed to distant agricultural regions under the pretext that land was available for cultivation, in spite of the fact that none of the unemployed were agricultural workers. Finally, the Communists accused the committee of being led by antipatriotic elements, with the result that all the leaders were arrested, the headquarters of the committee were destroyed, and the organization itself was forced out of existence.

Subsequently a group of Catholic leaders organized a Central Committee of Anti-Communist Workers. The headquarters, located at 4 Avenue North 18, were assaulted several times and mysteriously stripped of furniture and office equipment. This Central Committee of Anti-Communist Workers is at present unable to function publicly.

The railway workers, members of SAMF, nominated as candidate for the post of general secretary of their organization a veteran trade union leader, Arturo Morales Cubas, who had successfully negotiated the first labor agreement in Guatemala. In spite of being a member of the party of the Guatemalan revolution, he has maintained a great deal of independence and had never submitted to Communist dictation.

The whole governmental apparatus, inspired by the Communists, was immediately mobilized to defeat Morales. The Railway Consumers Cooperative, of which he was the manager, was mysteriously destroyed by a fire which caused a loss of $200,000. A group of Communist elements, especially trained in street fighting, was detailed to disrupt all the meetings that Morales was scheduled to address.

Nevertheless, the overwhelming majority of the railway workers and employers voted for Morales, but the ballot boxes were taken by the judicial police to their barracks for safekeeping. They were all tampered with, with the result that the Communist-supported ticket was declared the winner.

Last year two representatives of the Confederation of Labor of Cuba visited Guatemala with the purpose of inviting an observer to the ICFTU convention in Stockholm. Detachments of police continually guarded the hotel where the Cubans were lodged, took down the names and addresses of all those who visited them and later, after the Cubans had gone home, all of the visitors were called to police headquarters and submitted to long and painful questioning. The Guatemalan observer who attended the Stockholm convention was arrested by the police upon his return home and was set free only after he signed a statement denouncing the ICFTU and its convention.

The National Union of Free Workers of Guatemala, which was organized last year, had its headquarters at 7a Avenida Norte No. 49. Based on the principle of free, independent trade unionism, it opposed government domination and interference from political parties. It advocated a type of constructive trade unionism that was in open contrast with the destructive policy employed by the Communists. We began to organize unions of factory workers as well as agricultural laborers. From the capital city of Guatemala our influence began to spread all over the country.

In the month of January of this year, the Communists renewed their offensive against the UNTL by inviting us to take part in the second national convention of their CGTG. We refused because we knew that the convention would be dominated by the Communists from the very beginning.

Such a defiance aroused the Communists to a pitch of fury. On the morning of January 25, 1954, a band of Communists, armed with machineguns, assaulted our headquarters, destroyed the furniture, burned the literature we had received from the ORIT and the AFL, stole what money they found in our safe, and arrested all the leaders who were present, including this writer.

We were tortured in the most barbarous fashion to make us confess that we were plotting with the international free trade union movement against the government of Guatemala. The reaction caused by our arrest was so strong that the government decided to settle our case by ordering deportation. As a result, this writer was sent to Mexico while Ramiro Aguilar, Enrique Coronado, and Miguel Angel Quiroa were deported to Honduras.

DANGERS FACED BY PROFESSIONAL BASEBALL—STATEMENT BY SENATOR JOHNSON OF COLORADO BEFORE COMMITTEE ON THE JUDICIARY

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a statement which I made before the Senate Judiciary Committee on May 25, 1954.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHNSON OF COLORADO BEFORE SENATE JUDICIARY COMMITTEE ON MAY 25, 1954

While the effects and the objectives of Senate Joint Resolution 133 are very simple and very clear, there has been considerable misinformation and horseplay with regard to it. This is due, in part, to a deliberate effort to confuse the issue and in part to a failure to comprehend the serious problem involved. So the time has come for a "bare knuckles" discussion of the real issue which is legalistic, pure and simple.

In a hearing by this committee on March 18, I went to painstaking ends to outline the grave dangers confronting the entire structure of baseball as a result of recent Federal court decisions.

Prior to March 18, I had discussed the problem with Judge Stanley N. Barnes of the Antitrust Division of the Justice Department. When I learned his views, I really became alarmed. He has testified before this committee and there has been an exchange of letters with him. If the Toolson case is reversed by the Supreme Court and he seeks to reverse it, organized baseball would receive a solar-plexus blow. The reserve clause, the territorial rights, and many of the other foundation rules of baseball would collapse. Baseball's huge investment in player contracts depends absolutely, for its legality and hence its stability, on the Supreme Court ruling in the Toolson case.

Stripped to stark naked realism the job for baseball now is to preserve the Supreme Court's very generous Toolson case decision of November 9, 1953. If the various professional sports which depend upon the reserve clause for their very existence are to operate, this decision must be preserved. However, the Antitrust Division of the Justice Department appears to be of the opinion that to protect the application of the antitrust laws in a wide field, it is compelled to do everything it can to reverse the Toolson case decision. Accordingly, realistic and convincing distinctions must be developed which will distinguish the Shubert and IBC cases from the Toolson case. This is not an easy assignment nor can I overstate its importance. It has been very discouraging to me to be unable to awaken the officials of baseball to these simple facts.

On March 21, 1954, the Honorable William P. Rogers, Deputy Attorney General, in a letter to the Honorable WILLIAM LANGER, chairman of the Senate Judiciary Committee, left little to the imagination. His complete letter has been made a part of the record in this hearing. I quote one paragraph:

"As Judge Barnes indicated in his testimony before your committee on March 18, the scope of the Supreme Court's decision in the Toolson case is still at issue. As evidence of this is the fact that the International Boxing and Shubert cases, which were dismissed on the authority of Toolson, are being appealed. Since the Department is, in effect, asking the Supreme Court for a determination of the scope of its earlier decision, speculation concerning that decision at this time would be fruitless."

Please note that the Deputy Attorney General said, "The scope of the Supreme Court in the Toolson case is still at issue." In legal language that means that the Toolson case is wide open. Reduced to baseball language it means the reserve clause is before the Federal courts again. How do you like that?

Several courses of action are open to baseball. The step that I prefer be taken is the enactment of S. 1396, which has the unanimous approval of the Senate Commerce Committee and has been on the Senate Calendar nearly a year. Its enactment would go a long way to preserve the Supreme Court decision in my opinion.

A few days ago Sporting News quoted Commissioner Frick as saying:

"We are stopped from making radio and television decisions which we know in our hearts are right and beneficial. I don't have the answer for it. It's hurting us. The minors are suffering. Something has to be done, and will be done."

Mr. Frick says he doesn't have the answer. Judge Stanley N. Barnes, head of the Antitrust Division in the Department of Justice, last December told George Trautman, president of the National Association; Lou Carroll, attorney for the National League; and me: "Enact S. 1396 and baseball's broadcasting problems will be over."

A second alternative is the speedy enactment of Senate Joint Resolution 133. Senator DIRKSEN, of this committee, feels that these two legislative proposals are diametrically opposed. That is not true. Both of them have the identical objective—the preservation of organized baseball. The enactment by the Congress of Senate Joint Resolution 133 would be a declaration by Congress that it ratifies and approves the Toolson decision and thus would tend to preserve it. Furthermore, it would provide the distinction so vital between the Toolson case and the Shubert and IBC cases.

A third alternative rests with professional baseball itself. If the major leagues would enact a rule prohibiting control of professional baseball clubs such as the Anheuser-Busch-Cardinal combine, the Supreme Court would have substantial grounds for not reversing their November 9 Toolson case decision. This would be a conspicuous demonstration to everyone, including the Supreme Court, that baseball is capable of, and will continue to operate as a genuine sport and is not to be dominated by outside corporations.

A few weeks ago Sporting News carried this item:

"Regarding the reserve clause, Frick said this point has been resolved by the Supreme Court decision that ruled baseball was a sport instead of a business. However, he added, 'that doesn't give us a license to do as we please. We are taking precautions to see there are no violations.'"

I urge Mr. Ford Frick to take the precaution of adopting one or the other of my three alternatives.

It just does not make sense for baseball to think it can enjoy a legal status outside the jurisdiction of the antitrust laws and at the same time be controlled and operated by a corporation subject to the antitrust laws. If organized baseball is to remain a sport in the sight of the law, it must rule out the degrading and humiliating status of being operated by industries having businesses other than baseball and which are subject to the antitrust laws. Commissioner Frick and the major leagues have able and resourceful attorneys. They should consult them and get baseball's house in order before the Shubert and IBC cases reach the Supreme Court. The time is very short now.

I realize that baseball is reluctant to throw the book at corporations who are putting big money into baseball, because it does not want to injure these friends, but the survival of many clubs and many leagues in organized baseball must take precedence over the convenience of a few clubs and a few corporations.

As I see it, professional baseball is at the crossroads. If the right step is not taken promptly by the Congress or by professional baseball, all professional baseball, major and minor, is through as a sport.

Many years ago it became apparent to everyone that if baseball were to remain America's national sport, the very great public interest in it must be protected from invasion by private interests which would use it for selfish or unworthy purposes. When evil days and evil men had reduced professional baseball to a very low estate in the twenties, the major leagues, with great wisdom and foresight, met the challenge forthrightly and created the office of commissioner of baseball, with supreme power to deal with all problems detrimental to its operation.

In that dark hour, the Nation was particularly fortunate in baseball's selection of a commissioner. Judge Kenesaw Mountain Landis, a distinguished jurist who previously

had fined the Standard Oil Co. $29 million for antitrust violations, cleaned up baseball and kept it clean and without a hint of blemish until his death. He not only made a really great contribution to professional baseball specifically, but he made a great contribution to all American sports generally. Judge Landis was followed by another great American, former United States Senator A. B. (Happy) Chandler, who had the courage to act promptly in the public interest whenever and wherever professional baseball stepped out of line.

Now once again selfish interests have moved into the control of professional baseball and openly and without shame have prostituted and exploited it; they have made it the handmaiden and the adjunct of the brewing business. When a protest was raised here in Congress over this unfortunate development, instead of taking a judicial look at the public-interest angle inherent in it, the commissioner rushed into print with a blast at Congress for what he alleged was a discrimination against the brewery interests. When Congress invited him to appear as a witness before this committee on March 11, and again on March 18, he made excuses.

His very able attorneys can tell Commissioner Frick that organized baseball today faces very grave dangers which I am trying desperately to cure. On last November 9 the Supreme Court, by a divided per curiam decision, ruled that professional baseball was outside the scope of the antitrust laws. That was hailed as the red-letter day by professional baseball, football, and all other sports. But in that very decision the Supreme Court called the special attention of Congress to its very great responsibility to keep the evil of monopoly out of professional baseball through legislation. Senate Joint Resolution 133 was introduced and is being heard by this committee pursuant to that Supreme Court suggestion.

This is what the Supreme Court said in *Toolson* v. *New York Yankees:*

"We think that if there are evils in this field (the business of providing public baseball games for profit) which now warrant application to it of the antitrust laws it should be by legislation."

The primary purpose, objective, and effect of Senate Joint Resolution 133 is to preserve the Supreme Court's Toolson case decision and make it possible for organized baseball to remain outside the scope of the antitrust laws. If this resolution were enacted into law the Supreme Court would be put on notice that Congress was cooperating with it as it had suggested, and the reserve clause would be safe.

Two lower Federal courts in New York, as you well know, have applied the Supreme Court's ruling in the baseball case of November 9, 1953, to other antitrust cases, and the Justice Department has felt compelled to appeal them to the Supreme Court. Good lawyers who have no particular interest in these legal controversies tell me that as a consequence the very important *Toolson* v. *New York Yankees* decision stands in grave danger of being reversed.

I plead with you, therefore, Mr. Commissioner, to awaken to the disaster lurking just around the corner, and by summary and courageous action save professional baseball from the impending catastrophe. It is up to you. If you fail to act, and the Supreme Court's decision in the Toolson case is reversed, then the consequences will be your responsibility.

You plead lack of authority. I disagree. Judge Landis never pleaded lack of authority. You have full authority to deal with any problem that is detrimental to professional baseball, and certainly when the conduct of one club threatens the structure of all organized baseball, such conduct is detrimental to America's national sport and should have your immediate and undivided attention. I refer to your testimony before the House Celler committee on July 30, 1951, in which you said:

"The fundamental power of the commissioner is to deal with conduct detrimental to baseball. That authority is the strongest single agent baseball has for keeping its skirts clean • • • Without it, and without the right and authority in our own organization to keep our house in order, public confidence and public faith would be destroyed. • • • What I do say is that even among any group of honest people, there are bound to be recurrent differences of opinion, and the commissioner, through his broad authority, is able to resolve those differences, to make final and lasting decisions, and to enforce rules in such manner as to avoid any action that would be hurtful to baseball as a game."

Mr. Commissioner, that is a clear-cut statement of your powers and your duties. There is no hint of equivocation or sidestepping in those courageous words. It is my earnest hope that you will assert your authority in correcting the evils which threaten baseball and thus preserve the Supreme Court's laudable and generous Toolson case decision.

From long experience I have found the best way to clear up problems is to face them squarely, call a spade a spade and lay it on the line.

I hope, Mr. Busch, therefore, you will not mind my making a very frank statement for the record concerning Senate Joint Resolution 133 and its application to Anheuser-Busch Corp., the St. Louis Cardinals baseball club, and yourself.

In making this statement, I have no selfish motive. Professional baseball owes me nothing and I owe it nothing except to hope for it to continue to bless America and perhaps lead the whole world toward understanding and peace. It can and should provide that opportunity for intense international rivalry which humanity by its very nature craves. I have long believed that international baseball can perform miracles in the good-neighbor department.

In my opinion you can follow your present course and destroy professional baseball or you can adopt another course and go down in the history books as the public-spirited man from St. Louis who rescued the sport from a very serious predicament. I seriously doubt, Mr. Busch, that any American has had a greater opportunity than you to serve the youth of America. I hope most earnestly that I can convince you of that fact.

At present the operation and control of the St. Louis Cardinals by Anheuser-Busch is menacing professional baseball, both major and minor. If you continue your present program of tying baseball to the brewery industry, and if you continue to exploit baseball to sell beer, you will compel the Supreme Court to reverse its decision in the Toolson case as certain as you are sitting at this table today.

It is my considered opinion, and I am not an attorney, that the present Anheuser-Busch-Cardinal combination as it is operated today is in open violation of the Clayton Act. Please note carefully what the Deputy Attorney General, W. P. Rogers, has to say on that point:

"It is the Department's view that, if a corporation subject to the antitrust laws acquires a baseball club and uses that baseball club in furtherance of its commercial operations, the activities of the professional ball club, in furtherance of the commercial operations of the acquiring corporation, are within the scope and meaning of the antitrust laws. The antitrust laws are directed against restraints on competition. The activities or means employed, although not necessarily illegal in themselves, may become illegal when they serve as a method of accomplishing what the law forbids."

The Department of Justice's interpretation of the antitrust laws makes sense. As I understand the Deputy Attorney General's observation, any disgruntled ballplayer in the Cardinal chain could bring a new Toolson case suit for triple damages against the Cardinals and probably make it stick in the highest courts in the land.

Your attorneys, of course, can advise you with respect to the interpretations of the Justice Department regarding violations of the Clayton Act and the significance of the Antitrust Division's appeal in the Shubert and IBC cases. I hope they may have already done so. The Supreme Court may have the same difficulty, as the Justice Department in drawing a distinction between the Shubert and IBC cases on the one hand and the Toolson baseball case on the other. If it is unable to find a reasonable distinction, the easy way out would be to reverse the decision in the Toolson case and I am certain you would not want to be the cause of such a disaster to professional sports.

Your present Anheuser-Busch-Cardinal combination constitutes a very great menace to the minor leagues of the Middle West, an area that both you and I love. This combination is also a very grave menace to the small brewing industry of this country. You have reached the top in this industry where the rivalry among the big brewers is almost open warfare. The Justice Department and the Federal Trade Commission cannot sit idly by and watch the fierceness of this beer war destroy the small local breweries throughout this land. The statistics of that sad story need not be repeated here; you know them all too well. The minor leagues ought not to be destroyed, and the small breweries of this country ought not to be forced into bankruptcy and ruin by the brewery giants. It is the sworn duty of the Justice Department and the Federal Trade Commission to see that these things are not done.

America has been good to you and I know that you love and revere this country and the freedoms which it champions. Your neighbors speak well of you, your hometown city stands back of you loyally, and this country looks up to you as an able leader. You occupy an enviable position in the hearts of your countrymen. The major leagues have received you royally, too. I want to see you retain these richest of all blessings. You can lose them overnight or you can build them tenfold. It is all up to you, sir. If you are willing to make the necessary sacrifice, Mr. Busch, you can become one of the most revered names in baseball but it will require a considerable sacrifice on your part. Seldom are things worthwhile attained in life without sacrifice. Since the dawn of history big sacrifices have sired big names.

Most earnestly I hope you separate yourself promptly from the brewing industry and devote all of your talents to baseball. Turn over Anheuser-Busch, Inc., to the other able men in your brewery organization. Stop using the Cardinals as a prop and a stunt to popularize and advertise one specific brand of beer. Change your baseball radio network from an enterprise, which gives away baseball to sell beer into an enterprise to sell the sport of baseball—Cardinal baseball—and be careful not to destroy minor-league baseball in the process.

St. Louis baseball needs you, Mr. Busch, and America needs the St. Louis Cardinals. To be the directing head of such a popular business as Cardinal baseball is indeed a rare opportunity. There is a challenge in it worthy of a big man's best effort and there is an opportunity in it to build for yourself a monument worthy of a great family name.

Sports writers and sports commentators, having the best interests of sports at heart, bear the heavy responsibility of organizing and formulating public opinion. A few of them may treat the legal dangers now facing

the sports world lightly or frivolously which I submit is unfair to their fans. I ask them to please look into the legal questions which I have raised, examine their reasonableness and the consequences that will flow from them, and if they find merit in what I say I hope they may speak and write words of caution. If by default and without a word of warning they should permit sports to lose their present very essential status of immunity from the antitrust laws, it would amount to a betrayal of the fans who love and support them and professional sports.

The officials of organized baseball, including the commissioner, may ignore or reject my warning and be provoked because I have disturbed their pleasant dreams. The brewing interests who exploit organized baseball and football may give my words of protest no heed. The sports writers and commentators may continue poking fun but when the Supreme Court places organized baseball within the scope of the antitrust laws because of baseball's stubborn and reckless flouting of those laws, then my pleas which were not heeded will rise up and plague all of them. Ordinarily that would be sweet revenge but I am not seeking revenge. I want to save professional baseball and football.

I am not speaking on behalf of others who may have an interest in Senate Joint Resolution 133 but, Mr. Chairman and members of the committee, so far as I am concerned the committee at their pleasure may close the hearings. You have accorded me a full opportunity to present my arguments for Senate Joint Resolution 133 and I am most grateful for your patience and interest. You have rendered baseball a signal service by holding these hearings. I have done my level best to alert baseball. I hope most earnestly that I may be seeing things which do not exist. Either way, Mr. Chairman, and members of the committee, I am content. I have done my best to warn those responsible for the present very dangerous legal status of professional sports, and I am most grateful to all of you.

JUNE DAIRY MONTH

Mr. WILEY. Mr. President, I was pleased to note in the May 24 issue of the official Newsletter of the American Farm Bureau Federation a fine writeup from the June issue of Nation's Agriculture, the AFBF magazine, on the subject of Farm Bureau support of June, Dairy Month. I have previously commented on this vital occasion, which is so important this year, in view of the serious problems faced by American dairying.

I ask unanimous consent that the text of the article from the Newsletter, be printed at this point in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FARM BUREAU URGES SUPPORT FOR JUNE DAIRY MONTH

June Dairy Month—"a great campaign to stimulate sales of milk and dairy products on a nationwide basis and to promote a better public understanding of the dairy industry"—is receiving a salute from Farm Bureau in the June issue of Nation's Agriculture, the AFBF magazine.

"Dairymen obviously have a serious problem," the AFBF publication says, and every farmer has an interest in getting it solved.

"The production of dairy products has been outrunning consumption," the article continues. "Stocks have accumulated in the hands of the Commodity Credit Corporation to the point where they have become a serious problem. Price supports have been cut from 90 to 75 percent of parity. While the resulting reduction in retail prices has stimulated increased consumption, production is still running ahead of commercial sales.

"Every farmer has an interest in seeing this problem solved, regardless of whether or not he is in the dairy business. The continuing accumulation of surplus stocks of dairy products in the hands of the Commodity Credit Corporation constitutes a public relations problem for all of agriculture, and not just for dairy farmers.

"Eventually, if outlets cannot be found for the milk and milk products farmers are now producing, many dairy farmers will be forced to shift some of their resources to the production of other commodities, which would increase the problems faced by farmers who are now producing these other commodities.

"The best solution to this problem is to increase the consumption of American dairy products, both at home and abroad. With this in mind, Farm Bureau is backing a nationwide campaign to increase the sales of milk and dairy products throughout the country.

"This program will tie in with June Dairy Month, but it will not stop at the end of June. It will be a continuing sales effort.

"In order to increase opportunities for the export of American farm products, the American Farm Bureau Federation is sponsoring legislation to permit the sale of surplus farm products for local currencies where other countries are unable to pay for needed products with dollars. Various safeguards are included to insure that the sales for local currencies will be new business and not a substitute for normal commercial exports. While this legislation would apply to all farm products, dairy products are among the commodities most likely to benefit from its enactment.

"In our efforts to promote greater domestic sales of dairy products, the American Farm Bureau Federation and State Farm Bureaus will give wholehearted cooperation to the various branches of the dairy industry, dairy associations, retail groups, and others interested in the promotion of dairy sales.

"In addition, the American Farm Bureau Federation will sponsor a national contest among State farm bureaus, with suitable recognition to States, counties, and individuals who do the most effective jobs in boosting dairy sales.

"The contest, which will be launched in June, will continue for at least 3 months. It will emphasize local initiative and activity. Many States and counties have already launched their own programs, which will be eligible for consideration in the contest. In the course of the contest, the State farm bureaus will have an opportunity to stimulate special efforts on the part of county farm bureaus and individual farm families to get restaurants, dairy groups, retail stores, and others to put special emphasis on dairy product sales.

"The success of the overall farm program depends on farmers demonstrating their ability to help themselves to make real efforts to sell and use their own products.

"The American Farm Bureau Federation has long supported self-help programs, which have enabled farmers to expand markets through sales promotion and educational work.

"It is particularly appropriate that farmers all across this country enlist in this drive for national recognition of the contribution which a wider use of milk and dairy products can make to the health and welfare of our Nation.

"Self-help begins with the individual and his family. If agriculture hopes to continue to get understanding by consumers of the real value of agricultural products, farmers themselves must demonstrate that they believe in the merits of what they produce.

"Watch your State and National Farm Bureau publications for further information on this program."

CHARLES L. WATKINS

Mr. BRIDGES. Mr. President, I wish to take a few minutes of the time of the Senate today to pay tribute to a faithful employee of the Senate, an able and loyal worker and a good friend.

For the past 2 months Charles L. Watkins, the Parliamentarian of the Senate, has not been at the Clerk's desk to answer our many questions. On March 20, Charlie was stricken with a virus infection which has caused his first absence from the Senate for illness during a period of service of almost half a century.

Mr. Watkins entered the service of the Senate in 1904 after his graduation from the Law College of the University of Arkansas. He came to Washington with the late Senator James P. Clarke, of Arkansas, and several years later became the Senator's private secretary.

After serving the Senate in various other positions at the desk he became the Parliamentarian of the Senate in 1935. He also acted as Parliamentarian for the organization of the United Nations in San Francisco in 1945, as the outstanding Parliamentarian of our day.

On December 1 of this year Charlie will have completed 50 years of service and will have served under 11 Vice Presidents. By virtue of his important duty he has not only witnessed but played a leading part in the molding of the pattern of our legislative history.

I am very happy to report that he is now recovering from his recent illness at Emergency Hospital. I say not only for myself, but I believe for the entire membership of the Senate, that we have missed Charlie, and hope that very soon he will be back with us with renewed strength and vigor.

Mr. JOHNSON of Texas. Mr. President, I have listened with great interest and approval to the very fine things said by the senior Senator from New Hampshire concerning our distinguished Parliamentarian. I concur in the statements which he has made.

Mr. President, I know of no man in this country who has served longer, more faithfully, or with greater devotion to his country than has Charlie Watkins. I assure the Senator from New Hampshire that I speak for every Member on this side of the aisle when I say we are happy to know that Charlie Watkins is recovering and that he will soon be with us again.

Mr. KNOWLAND. Mr. President, I wish to associate myself with the remarks made by the distinguished President pro tempore of the Senate and by the minority leader, in expressing happiness at the news that Charlie Watkins is recovering from his illness and to join with them in expressing our best wishes to him and our gratitude for the outstanding job he has done during the period of time that all of us and many of our predecessors have served in the Senate of the United States. We hope that he will be back in his accustomed place in the not too distant future.

Mr. CHAVEZ. Mr. President, I have known Charlie Watkins for many years. Before I was a Senator of the United States I was in 1917 a clerk of the Senate. I have known Charlie ever since that time. He has always been what he is today, a perfect and a cultured gentleman. I wish to associate myself with everything that has been said about him.

Mr. BRIDGES. Mr. President, I thank the two distinguished leaders of the respective parties in the Senate, and the Senator from New Mexico for their remarks. I am sure it will give great joy to Charlie Watkins to know that they join in paying tribute to him and in expressing the fervent hope that he will have a speedy and lasting recovery.

OUR CONSTITUTIONAL SYSTEM OF GOVERNMENT

Mr. BUTLER of Maryland. Mr. President, the American constitutional system is a very delicate thing. It is necessary to its proper functioning that the respective branches of the Government not only stay within their designated spheres of operation, but that to prevent incursion by another they discharge effectively and promptly the duties assigned them by the Constitution.

We have heard in times past of attacks made by the executive department on the legislative and judicial branches of the Government, also of congressional attacks on the judicial branch. Today we hear much of usurpation of executive power by the legislative branch of the Government. Why is this?

There appeared in the Baltimore Sun of May 24, 1954, a very excellent article entitled "Pushing Things Back Into Balance," which discusses this question. I believe the article goes to the heart of the question and therefore should be called to the attention of all Senators. I believe a great deal can be gained by a reading of it. I, therefore, ask unanimous consent that the article, written by my friend, C. P. Ives, whom I revere as a great constitutionalist, be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PUSHING THINGS BACK INTO BALANCE

(By C. P. Ives)

Probably it would have been better had the Eisenhower silence order come before, rather than after, Army Counselor Adams testified about the famous executive-branch meeting on the McCarthy problem. That way, at least one of the diversions which have complicated the investigation might have been avoided.

But the wisdom of tactics aside, that the President had every constitutional right to mute this phase of the testimony everyone agrees. Here, as a matter of fact, is solid new evidence that Mr. Eisenhower is out to defend the executive branch in the groping back toward balance now going on in our Government.

Certainly, the silence order helps straighten out the people who have been insisting that the President should somehow intervene directly in Congress to discipline congressional investigators. By staying strictly within the Executive prerogative, Mr. Eisenhower gives one more answer to those who want him to fight legislative usurpation by doing a little usurping of his own.

Dean Erwin N. Griswold, of the Harvard Law School, is the latest man of note to point out that "* * * complaints against the President and others outside Congress for [congressional abuses] are misdirected." Himself a critic of investigating excesses, Dean Griswold insists, nevertheless, that "responsibility for working out proper procedures for legislative investigations rests upon the Congress."

One of the primary ways that Congress must meet its responsibilities is by seeing to it that the members of its committees keep up with their committee work, including the riding of herd on any of their colleagues who promise to get out of line.

A main point about the Army-McCarthy conflict is that much of it was generated when Chairman MCCARTHY's comembers were off the job.

There is another point of importance. The Legislatiure does not bear all the responsibility for the sad state of unbalance in our three-part Government, of which the Army-McCarthy hearings are merely one sign.

Grant, as one must, that the Legislature has bored into the executive area in the search for Communists. But most people now concede that the Executive made such boring inevitable by neglecting its duty to police its own area.

Even more important, the last 20 years show attempts at Executive usurpations of the Legislature and, indeed, of the judiciary fully as blameworthy as the legislative usurpations, and certainly as disruptive of the three-way balance on which all our governing depends.

Think, for instance, of the constitutional amendments which have been voted by one or another branch of the Congress—usually the stabler, soberer Senate. See how, point by point, these amendments tick off historic incidents since 1933 in which the Executive offended as grossly as ever did the Legislature or the judiciary against the assumptions of constitutionalism.

There is Senator BUTLER's amendment which the Senate adopted the other day by a margin comfortably beyond the two-thirds majority necessary to send an amendment proposal on its way. The core of this amendment is a limit on the number of justices of the Supreme Court so that never again will the Executive launch that kind of usurpation of the judiciary which was attempted in the 1937 Court packing.

Or think back to the middle of June 1953, when Senator MCCARRAN's amendment proposal went through the Senate. It went through with almost no debate and without a record vote, because there could not be the slightest doubt that the amendment expressed basic constitutionalism.

For this was the amendment which sought to restate in more specific terms the general prohibition in the 5th and 14th amendments against the seizure of private property without due process of law. This amendment arose because the executive branch had seized the entire steel industry and without any shadow of due process in the steel strike of 1952.

This Executive seizure as much infringed on the legislative function as the Court-packtry of 1937 had infringed the judicial prerogative. Not only did it represent an effort by the Executive to make law on his own hook outside of Congress. The seizure was itself the climax of a long evasion of the relevant law as enacted by the Congress—the emergency strike provisions of Taft-Hartley.

The truth is that for whatever reason—there is no point here in arguing the reasons, though this writer is not without opinions on the matter—the truth is that for upward of 20 years the pattern of our historic constitutionalism has been strained, distorted, thoroughly unbalanced.

The Legislature has raided the Executive, but the Executive has raided Legislature and Judiciary. The inner meaning of Eisenhower is that he is groping back toward balance. What has to be remembered is that such a process after such excess, takes time.

INVESTIGATION OF THE DOMESTIC TIN-SMELTING INDUSTRY — REPORTS OF A COMMITTEE

Mr. JOHNSON of Texas. Mr. President, I have been authorized by a unanimous vote of the Senate Committee on Armed Services to report favorably Senate Concurrent Resolution 79.

This resolution, of which I am the author, would express the sense of Congress that the American tin smelter should remain in operation at least until June 30, 1955. It would also direct a congressional inquiry into the whole problem of a domestic tin-smelting industry.

The committee this morning also approved a separate Senate resolution to place the investigation within the joint jurisdiction of the Senate Committees on Armed Services and Banking and Currency.

This resolution has a high degree of importance at this particular time. It is a measure which would keep in good working order a potent instrument for the defense of America against Communist aggression.

The American tin smelter, which is located at Texas City, Tex., has served a vital role in the past. But current world developments have enhanced its importance to an even greater extent. It is no exaggeration to say that this smelter is a basic necessity to the defense of the free world against Communist aggression.

I do not intend to burden my colleagues with a lecture on the importance of tin to the defense program. I think we all know that.

It is sufficient to say that in the modern world there can be no army, no navy, no air force without tin. It is one of the most crucial of all strategic materials.

What is less known is the fact that 65 percent of the free world's tin comes from southeast Asia. I believe every one of my colleagues knows the facts about that area of the world.

We cannot depend upon southeast Asia for our tin, either now or in the future.

As prudent men it is our responsibility to assure the United States a supply of this precious metal. When we look at the world we can find only one important source readily available—Bolivia.

If we were cut off from southeast Asia tomorrow, we would be able to turn in one direction only—to Bolivia, our neighbor to the south.

There is one important qualification. It is the fact that most of the Bolivian ores are low grade. They must be processed in highly specialized smelters.

Mr. President, there is only one installation in the entire Western Hemisphere capable of handling these ores. It is the smelter at Texas City, Tex.

If that smelter is closed down, many of the Bolivian mines must close down. Once they are closed, it will be virtually impossible to reopen them.

They will be flooded and become far too difficult to operate.

At the moment America's tin stockpile is in good shape. We have either achieved our goals or are close to achieving them.

But in a metal as vital as tin a good stockpile is not enough. However much we have in storage, it is still a basic necessity that we have access to other supplies.

Without this tin smelter, our access will be limited. We may have to fall back on the generosity—which we know does not exist—and the charity—which we know is absent—of the Communists in southeast Asia.

Mr. President, I do not think that America should be dependent upon the charity or the generosity of a sworn enemy.

The basic provisions of this measure are simple to explain. It would merely express the sense of Congress that laws now on the statute books be carried out.

The first and most important is that the smelter be kept in operation until June 30, 1955.

The second requirement—of almost equal importance—is that Congress make inquiry into the whole tin situation. It would be requested to report by March 15, 1955, on what should be done about establishing a domestic tin-smelting industry.

These requirements do not seem unreasonable to me. I think they represent the dictates of commonsense.

The tin processed by the smelter can either be sold or put in the stockpile.

The smelter can be operated either by the Government directly or under lease to private operators.

The important thing is that it is available. The important thing is that the Bolivian mines—the only important source to which we can turn if Southeast Asia falls—be kept in operation.

We do not have very much time to act upon this measure. The administration has signified its intention already to close down the smelter.

It has stopped the buying of ore and is preparing to lay off the skilled workers—men who would be hard to replace.

I hope that those decisions will be reconsidered. It seems apparent to me that the action of the Senate Armed Services Committee is highly significant.

The members of this commmittee have been following the defense program for years. Their action indicates their conviction that the smelter should be kept open for the preparedness program.

It would seem to me that the intention of the administration to close down the smelter flies in the face of the facts. I think that this is one decision which was made without full consideration of the viewpoints of all agencies.

The second resolution—a Senate resolution—provides for the specific committee which will conduct the investigation.

It authorizes the Senate Armed Services Committee and the Senate Banking Committee, acting jointly, to conduct the inquiry.

The House, under Senate Concurrent Resolution 79, is entitled to set up its own committee or committees as it sees fit.

Mr. President, the American tin smelter has performed important services to America in war and peace.

We have reached the stage where the questions of war and peace are pressing. That stage is underlined by the obvious willingness of Guatemala to serve as a front for the Kremlin in the Western World.

I do not know how we can lose by approving this resolution. I can see how we would lose by letting it lapse.

It is my hope and belief that this resolution will be approved within a few days. It is an important step forward in maintaining the security of our country against any possible enemy.

Mr. President, I send to the desk for placing on the calendar the two resolutions. I hope that after they are placed on the calendar the distinguished majority leader, in view of the short time remaining, will arrange to have them both brought before the Senate for consideration.

The PRESIDING OFFICER. The resolutions will be received and placed on the calendar.

The concurrent resolution (S. Con. Res. 79) to express the sense of the Congress on continuing the operation of a tin smelter at Texas City, Tex., and to investigate the need of a permanent domestic tin-smelting industry and the adequacy of our strategic stockpile of tin, reported by Mr. JOHNSON of Texas, with an amendment, was placed on the calendar.

The resolution (S. Res. 254), reported by Mr. JOHNSON of Texas, from the Committee on Armed Services, was placed on the calendar, as follows:

Resolved, That the Committee on Armed Services of the Senate and the Committee on Banking and Currency of the Senate, acting jointly, are hereby constituted as a committee for the purpose of conducting, and the committee so constituted is directed to conduct, a study and investigation of the matters with respect to tin which were determined by section 1 (c) of Public Law 125, 80th Congress, and Senate Concurrent Resolution 79, 83d Congress, to be required to be studied and investigated by the Congress in the public interest and in promotion of the common defense. For the purposes of conducting such study and investigation, the committee so constituted by this resolution shall have all of the powers conferred upon standing committees of the Senate by section 134 (a) of the Legislative Reorganization Act of 1946, as amended; except that any expenses incurred by the committee so constituted shall be payable only from funds heretofore authorized to be expended from the contingent fund of the Senate by the standing committees composing the committee constituted by this resolution. The study and investigation of the committee constituted by this section shall be completed and a report with respect thereto filed with the Senate not later than March 15, 1955.

Mr. KNOWLAND. Mr. President, I will say to the minority leader that after the resolutions are placed on the calendar I shall be glad to discuss with him a time next week which will be mutually convenient, and I see no reason why the matter cannot be brought up and expedited.

Mr. JOHNSON of Texas. Mr. President, I appreciate the statement of the majority leader. He has been very helpful in connection with the whole matter. I know of no one who is more cognizant of the problem which confronts us than is the distinguished majority leader.

RULES OF PROCEDURES FOR INVESTIGATIONS BY SENATE COMMITTEES

Mr. KEFAUVER. Mr. President, on behalf of myself and 18 other Senators, including Mr. LEHMAN, Mr. DOUGLAS, Mr. MORSE, Mr. GORE, Mr. SPARKMAN, Mr. ANDERSON, Mr. HUMPHREY, Mr. HILL, Mr. MANSFIELD, Mr. GREEN, Mr. GILLETTE, Mr. CHAVEZ, Mr. HUNT, Mr. MURRAY, Mr. NEELY, Mr. MAGNUSON, Mr. HENNINGS, and Mr. PASTORE, I submit for appropriate reference a resolution proposing a code of fair committee investigating procedure for the Senate of the United States.

I ask unanimous consent that the full text of the proposed resolution, together with a summary of its basic points, be included in the body of the RECORD immediately following these brief introductory remarks.

Mr. President, it is our reasoned judgment that action on such a code cannot longer be deferred.

The honor, the integrity, and the probity of this body are at stake, jeopardized by practices that have been allowed to flourish without procedural restraint.

Expanded newspaper, radio, and television coverage of congressional investigations have made millions of citizens familiar with the dilatory, time-wasting tactics pursued by some staff and committee members.

Because of the unusual nature of the material involved, investigations have sometimes been sensational in nature. They have given vast numbers of the American people a completely mistaken impression of the Congress and its work.

Worse, and more fatal still, a handful of men have comported themselves in such a way as to hold the Congress up to ridicule, and infect us all with the insidious cancer of public contempt.

The institutions of democracy, Mr. President, cannot long withstand that dreadful malady. The Senate must act, and it must act soon, to heal itself.

For a long time, some of us have been trying to get a set of fair and impartial rules of committee procedure before the Congress.

In August of 1951, I introduced such a proposal to the 82d Congress, but no action was taken on it. I reintroduced it on February 10, 1953, soon after the beginning of the 83d Congress.

Similar attempts to bring some order and uniformity into congressional proceedings have been introduced by the Senator from Illinois [Mr. DOUGLAS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from New York [Mr. LEHMAN], the Senator from Oregon [Mr. MORSE], the Senator from Iowa [Mr. GILLETTE], and other Senators. The Senator from California [Mr. KNOWLAND], the Senator from Michigan [Mr. FERGUSON], the Senator from New Jersey

[Mr. HENDRICKSON], and other thoughtful Republicans have asserted the necessity for a fair code of procedure.

As the former chairman of an investigating committee, I can personally testify to the urgent need for rules of procedure for all committees. I can testify that power in the hands of a one-man committee to deal with the reputation and character of witnesses is too great without proper procedural restraint.

Conscientious and thoughtful Members of the House of Representatives have made numerous attempts to achieve the same end as it relates to the body.

About 6 weeks ago, a group of us met to discuss the urgent need to end the present chaotic situation.

We decided that those of us who had sponsored such codes in the past should make some effort to arrive at a plan on which we could all agree.

Accordingly, we held several meetings to discuss our various proposals, and to study recommendations that had been made in the past by such national organizations as the American Bar Association, and others.

Members of our staffs worked for weeks on the drafting of this proposal.

While none of us expected that the task would be a simple or an easy one, I think we were all surprised at the difficulties encountered. On several occasions we agreed on the wording of proposals that would end certain procedural abuses. But then a little later we would be amazed to discover that in ending one abuse the wording would pave the way for others or hamper a committee of the Senate in the orderly pursuit of its legitimate business.

We have, however, devised a code of fair committee procedure on which all of the sponsors can agree. We believe that its enactment would be a great step forward in recouping the prestige and the utility of the Senate's constitutional investigative function.

The resolution includes some of all of our proposals. It does not include all of the proposals made by any one of us. It is a joint product of our determination that the United States Senate shall be preserved as the embodiment of our finest traditions of freedom and justice.

We do not claim that our resolution is perfect. Other Members of the Senate may have ideas as good or better. But we believe that the resolution we present today is a starting point, a working document to guide the Senate's return to investigative responsibility and sanity.

Mr. President, if any other Members of the Senate wish to join as cosponsors of the resolution, the present sponsors will be pleased to have them do so.

The PRESIDING OFFICER. The resolution will be received and appropriately referred, and, without objection, the resolution and summary will be printed in the RECORD.

The resolution (S. Res. 256) submitted by Mr. KEFAUVER (for himself and other Senators) was referred to the Committee on Rules and Administration, as follows:

Whereas investigation of matters of public importance through committee hearings is of vital importance to the discharge of the constitutional functions of the Senate of the United States; and

Whereas the investigative power of Senate committees is derived from the power of the Congress to inquire into matters of public importance within its jurisdiction; and

Whereas article I, section 5, of the Constitution of the United States provides that "Each House may determine the rules of its proceedings": Therefore be it

Resolved, That the following be, and hereby are, adopted as the Code of Fair Committee Procedure of the Senate of the United States in connection with all investigations in which committees act as organs of inquiry and investigation as distinguished from their general roles in which they discharge normal legislative functions, including the holding of normal hearings incident to committee business.

SUBCOMMITTEE MEETINGS, INVESTIGATIONS, AND REPORTS

SEC. 2. (a) Subcommittees, as required, shall be appointed by the committee chairman, subject to the approval of the majority of the committee, and shall ordinarily consist of no less than three members, a proportionate ratio of whom shall be members of the minority (the designation of the majority and minority members of a subcommittee shall be subject to the approval of the majority and minority members of the committee respectively in caucus assembled). Subcommittees of less than three members may be designated by the chairman, subject to the approval of the majority of the committee.

(b) Committee meetings, other than regular meetings authorized by section 133 (a) of the Legislative Reorganization Act of 1946 (60 Stat. 837), shall be called only upon a minimum of 16 hours' written notice to the office of each committee member. This provision may be waived by the assent of the majority of the members of the committee.

(c) Committee hearings (whether public or in executive session) and committee investigations shall be scheduled and conducted only upon the majority vote of the committee in a meeting at which a majority of the committee is actually present.

(d) A resolution or motion scheduling hearings or ordering a particular investigation shall state clearly and with particularity the subject thereof, which resolution may be amended only upon majority vote of the committee in a meeting at which a majority of the committee is actually present.

(e) The chairman or a member shall consult with appropriate Federal law-enforcement agencies with respect to any phase of an investigation which may result in evidence exposing the commission of Federal crimes, and the results of such consultation shall be reported to the committee before witnesses are called to testify therein.

(f) No committee report shall be issued unless a draft of such report is submitted to the office of each committee member 24 hours in advance of the meeting at which it is to be considered and is adopted at a meeting at which a majority is actually present.

(g) No testimony given in executive session or part or summary thereof shall be released or disclosed orally or in writing by a member or employee of the Senate without the authorization of the committee by majority vote at a meeting at which a majority of members is present. No committee or staff report or news release or statement based upon evidence or testimony adversely affecting a person shall be released or disclosed by the committee or any member orally or in writing unless such evidence or testimony and the complete evidence or testimony offered in rebuttal thereto, if any, is published prior to or simultaneously with the issuance of the report, or news release, or statement.

(h) The rule as to the secrecy of executive sessions as set forth in subsection (g) of this section shall be applicable to Members and employees of the Senate for a reasonable period following an executive session until the committee has had a reasonable time to conclude the pertinent investigation and hearings and to issue a report; subject, however, to any decision by a committee majority for prior release in the manner set forth in subsection (g).

HEARINGS

SEC. 3. (a) Witnesses at committee hearings (whether public or in executive session) shall have the right to be accompanied by counsel, of their own choosing, who shall have the right to advise witnesses of their rights and to make brief objections to the relevancy of questions and to procedure.

(b) Rulings on motions or objections shall be made by the Member presiding, subject to appeal to the Members present on motion of a Member.

(c) At least 24 hours prior to his testifying a witness shall be given a copy of that portion of the motion or resolution scheduling the hearing stating the subject of the hearing; at the same time he shall be given a statement of the subject matters about which he is to be interrogated.

(d) It is the policy of the Senate that only evidence and testimony which is reliable and of probative value shall be received and considered by a committee. The privileged character of communications between clergyman and parishioner, doctor and patient, lawyer and client, and husband and wife shall be scrupulously observed.

(e) No testimony shall be taken in executive session unless at least two members of the committee are present.

(f) (i) Every witness shall have the right to make complete and brief answers to questions and to make concise explanations of such answers.

(ii) Every witness who testifies in a hearing shall have a right to make an oral statement and to file a sworn statement which shall be made part of the transcript of such hearing, but such oral or written statement shall be relevant to the subject of the hearing.

(g) A stenographic verbatim transcript shall be made of all committee hearings. Copies of such transcript, so far as practicable, shall be available for inspection or purchase at regularly prescribed rates from the official reporter by any witness or person mentioned in a public hearing. Any witness and his counsel shall have the right to inspect only the complete transcript of his own testimony in executive session.

RIGHTS OF PERSONS ADVERSELY AFFECTED BY TESTIMONY

SEC. 4. (a) A person shall be considered to be adversely affected by evidence or testimony of a witness if the committee determines that: (i) The evidence or testimony would constitute libel or slander if not presented before a committee of the Senate, or (ii) the evidence or testimony alleges crime or misconduct or tends to disgrace or otherwise to expose the person to public contempt, hatred, or scorn.

(b) Insofar as practicable, any person whose activities are the subject of investigation by the committee, or about whom adverse information is proposed to be presented at a public hearing of the committee, shall be fully advised by the committee as to the matters into which the committee proposes to inquire and the adverse material which is proposed to be presented. Insofar as practicable, all material reflecting adversely on the character or reputation of any individual which is proposed to be presented

at a public hearing of the committee shall be first reviewed in executive session to determine its reliability and probative value and shall not be presented at a public hearing except pursuant to majority vote of the committee.

(c) If a person is adversely affected by evidence or testimony given in a public hearing that person shall have the right: (i) To appear and testify or file a sworn statement in his own behalf, (ii) to have the adverse witness recalled upon application made within 30 days after introduction of such evidence or the termination of the adverse witness' testimony, (iii) to be represented by counsel (as in (2) (b) hereof), (iv) to cross-examine (in person or by counsel) such adverse witness, and (v) subject to the discretion of the committee, to obtain the issuance by the committee of subpenas for witnesses, documents, and other evidence in his defense. Such opportunity for rebuttal shall be afforded promptly and, so far as practicable, such hearing shall be conducted at the same place and under the same circumstances as the hearing at which adverse testimony was presented.

Cross-examination shall be limited to 1 hour for each witness, unless the committee by majority vote extends the time for each witness or group of witnesses.

(d) If a person is adversely affected by evidence or testimony given in executive session or by material in the committee files or records, and if public release of such evidence, testimony, or material is contemplated, such person shall have, prior to the public release of such evidence or testimony or material or any disclosure of or comment upon it by members of the committee or committee staff or taking of similar evidence or testimony in a public hearing, the rights conferred by subsection (4) (c) hereof and the right to inspect at least as much of the evidence or testimony of the adverse witness or material as will be made public or the subject of a public hearing.

(e) Any witness (except a member of the press who testifies in his professional capacity) who gives testimony before the committee in an open hearing which reflects adversely on the character or reputation of another person may be required by the committee to disclose his sources of information, unless to do so would endanger the national security.

SUBPENA

SEC. 5. Subpenas shall be issued by the chairman of a committee only upon written notice to all members of the committee with a statement as to the identity of the witness or material and their relevancy to the investigation or hearing already authorized. Upon the request of any member of the committee the question of whether a subpena shall be issued or remain in force if already issued shall be decided by majority vote.

COMMITTEE STAFF

SEC. 6. The composition and selection of, and changes in, the professional and clerical staff of a committee shall be subject to the vote of a majority of the members of the committee.

TELEVISION AND OTHER MEANS OF COMMUNICATION AND REPORTING

SEC. 7. (a) Subject to the physical limitations of the hearing room and consideration of the physical comfort of committee members, staff, and witnesses, equal access for coverage of the hearings shall be provided to the various means of communications, including newspapers, magazines, radio, news reels, and television. It shall be the duty of the committee chairman to see that the various communication devices and instruments do not unreasonably distract, harass, or confuse the witness and interfere with his presentation.

(b) No witness shall be televised, filmed, or photographed during the hearing if he objects on the ground of distraction, harassment, or physical handicap.

SUPERVISION, APPEALS, AND ENFORCEMENT

SEC. 8. The application of this code shall be supervised in the Senate by the Presiding Officer of the Senate and 4 Members selected by the Senate (not more than 2 of the Members selected shall be of the same party), who shall have authority (1) to receive and investigate complaints of alleged violations of this code filed by persons claiming to be aggrieved and by Members, (2) to advise committee chairmen of their conclusions and their suggestions, and (3) to present their findings to the Senate, with such recommendations for remedial and disciplinary action, if any, they deem appropriate.

DEFINITIONS

SEC. 9. As used in this act:

"Committee" shall mean any standing, select, or special committee of the Senate (except the majority and minority policy committees) and any subcommittees of the foregoing.

"Person" includes an individual, partnership, trust, estate, association, corporation, or society.

The summary presented by Mr. KEFAUVER is as follows:

SUMMARY OF PROPOSED CODE OF FAIR INVESTIGATING PROCEDURE FOR SENATE COMMITTEES

PROVISIONS COVERING COMMITTEE ORGANIZATION, INVESTIGATIONS, REPORTS

1. Approval of full committee required for appointment of investigating subcommittees with less than three members.

2. Selection of investigating committee staff and personnel subject to approval of the majority of committee members.

3. Written notice must be given 16 hours prior to committee meeting, unless waived by the majority of committee.

4. The resolution setting forth the subject and scope of committee hearings or investigations must be specific and can only be amended by majority vote of full committee.

5. Submission of any official committee report to all members 24 hours prior to its consideration by committee is required.

6. Testimony taken in executive sessions cannot be released by members or staff without prior authorization by majority of full committee.

PROVISIONS COVERING THE RIGHTS OF WITNESSES

1. Twenty-four hours prior notification must be given a witness called by committee outlining the subject matter on which the witness is to be interrogated.

2. The right to make an oral statement or submit a sworn statement is given to every witness, and the statement must be included in the transcript of the hearings.

3. Release of statements or material adversely affecting an individual by a member or staff employee is prohibited, unless there has been prior or simultaneous release of rebuttal statement.

4. Persons adversely affected by testimony taken in public hearings are given the right to cross-examine witnesses in public hearings, be represented by counsel, and subpena witnesses and documents on his behalf at the discretion of the committee.

5. Persons adversely affected by the release of testimony taken in executive sessions are given the same rights to cross-examine, etc., as if the testimony had been taken in public hearings.

SUPERVISION AND ENFORCEMENT

1. The Vice President and four other Members of the Senate are constituted as a group to receive complaints and investigate violations of these rules. They can advise the committee chairman of their findings, and present their findings to the Senate with such recommendations for remedial action as they deem appropriate.

Mr. KEFAUVER. Mr. President, following the printing of the material which has been referred to, I ask unanimous consent to have printed in the RECORD a statement by the distinguished junior Senator from Oregon [Mr. MORSE] in connection with the proposed code of fair committee procedure. Unfortunately, the junior Senator from Oregon, who has been very much interested in, and has spoken on, the subject many times, and who has carried the torch for rules of procedure of this character and nature, could not be present today. I am certain that his short statement will be illuminating to the Members of the Senate.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MORSE ON FAIR COMMITTEE PROCEDURE RESOLUTION

The time has come for the Senate to assume its obligations to bring its committee procedures into line with the Bill of Rights. Senate committees and their members are only the agents of the Senate and the parent body has an obligation to guarantee that committee procedures are fair and efficient.

The code of fair procedure resolution which I am cosponsoring with 18 other Senators places the issue squarely before the Senate. It is the result of painstaking labor that has consumed many weeks. We have combined and harmonized the best features of the resolutions introduced by Senators KEFAUVER, DOUGLAS, HUMPHREY, LEHMAN, and myself and others that have been pending before the Senate Rules Committee for months. In fact, the Kefauver and Morse-Lehman resolutions were introduced in February 1953.

We seek to regularize the patchwork quilt of committee procedure that now exists. Chief among our proposals are: (1) Elimination of one-man executive hearings, (2) guaranty of the right of counsel, (3) advance notice of charges, and (4) the opportunity to present evidence in defense of an individual's reputation if it is brought into question before accusations are made public.

Committee abuse of individual rights is not typical of either the House or the Senate. But, the public has seen more of the inquisitorial methods of a few than the just and unspectacular proceedings of the great majority of committees. The American people have been getting the impression that a private citizen has no rights before the committees of the Congress they elect. Respect for government and orderly procedure and confidence in our democratic system both at home and abroad have suffered.

Reform is overdue. There is no reason "to wait 'til next year" as some have suggested.

The Senate has waited too long already.

Mr. LEHMAN. Mr. President, I am very happy to be among the sponsors of the resolution for a comprehensive code of fair committee procedure, being submitted by the distinguished Senator from Tennessee [Mr. KEFAUVER]. I have prepared remarks in support of the proposed code, but they are too long to come within the rule pertaining to the procedure during the morning hour. I shall, therefore, ask to be recognized immediately upon the conclusion of the memorial exercises to be held for the late Senator CLYDE R. HOEY.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, I wish to make a brief announcement as to the program for the remainder of this week, and for next week so far as can be foreseen at present.

Immediately following the morning hour today, I shall suggest the absence of a quorum. It is then proposed to have the Senate proceed, according to the previous order, to the memorial services for the late Senator HOEY, of North Carolina.

Following the memorial services, it is proposed to resume the consideration of the unfinished business, which is H. R. 5731, a bill relating to water for irrigation and domestic use from the Santa Margarita River, Calif.

It is then proposed to proceed to the consideration, although not necessarily in the precise order in which I shall state them, of the following bills:

Calendar No. 935, Senate bill 2728, to authorize the collection of indebtedness of military and civilian personnel resulting from erroneous payments, and for other purposes; Calendar No. 936, Senate bill 361, to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes; Calendar No. 1334, Senate bill 3457, to authorize the appointment as United States Commissioner, International Boundary and Water Commission of the United States and Mexico, of Col. Leland Hazelton Hewitt, United States Army, retired, and for other purposes; Calendar No. 1376, H. R. 9004, which is identical to Senate bill 3457, just mentioned; and Calendar No. 1193, H. R. 5416, to authorize the advancement of certain lieutenants on the retired list of the Navy.

Tomorrow at 12:30 p. m., there will be a joint meeting of the two Houses of Congress, for the purpose of listening to an address to be delivered by His Majesty, Emperor Haile Selassie, of Ethiopia. It is planned to have the Members of the Senate leave the Senate Chamber in a body at about 12:15 tomorrow afternoon, shortly after the convening of the Senate.

After the close of business tomorrow—and I do not expect the session to run very late tomorrow—it is planned to have the Senate recess until Tuesday, June 1.

On Tuesday, it is planned to have a call of the calendar. Following the call of the calendar, it is proposed to begin consideration of the agricultural appropriation bill.

On Wednesday, assuming that the action on the agricultural appropriation bill is completed on Tuesday, it is planned to call up Calendar No. 139, Senate bill 978, a bill to amend the Interstate Commerce Act in order to expedite and facilitate the termination of railroad reorganization proceedings under section 77 of the Bankruptcy Act and to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes; and Calendar No. 644, H. R. 6287, to extend and amend the Renegotiation Act of 1951.

On Thursday, if it has been possible to dispose of the proposed legislation I have just outlined, it is planned to take up the housing bill, at least to begin debate on it.

After the meeting of the policy committee on next Tuesday, I shall be in a position to advise the distinguished minority leader of any other proposed legislation which it is desired to have considered at that time.

Mr. JOHNSON of Texas. Mr. President——

Mr. KNOWLAND. I may say to the distinguished minority leader that I should have included in my statement that I intend to call up the resolution of the Senator from Texas [Mr. JOHNSON] regarding the tin smelter before the Senate proceeds to consider any controversial proposed legislation, and I shall call up the resolution at a time convenient to the Senator from Texas.

Mr. JOHNSON of Texas. I thank the distinguished majority leader. I wish to ask the Senator from California if he anticipates that the Senate will vote on any controversial questions on Tuesday. I had understood that the Senator from California did not expect the Senate to consider any major proposed legislation about which there was controversy. As to certain bills I do not know whether there may be controversy. I noted that the Senator from California mentioned an appropriation bill.

Mr. KNOWLAND. I had not anticipated that the agricultural appropriation bill would be one about which there would be major controversy, because I believe the bill was reported unanimously by both the subcommittee and the full committee, and I know of no major controversy on policy matters which are contained in the bill. That was why I thought it could very well be considered on Tuesday.

Mr. JOHNSON of Texas. If a controversy on the agricultural appropriation bill should develop, what would then be the Senator's thought?

Mr. KNOWLAND. If a controversy should develop, I would say that question would almost answer itself, because the controversy would probably cause rather prolonged discussion, which would result in the bill's going over until Wednesday. It is a little difficult to determine just what may be called a major controversy. The Senate considered some amendments to the civil functions appropriation bill, but I think, generally speaking, that bill was considered to be noncontroversial. That also was a bill which was reported unanimously.

The PRESIDING OFFICER. Is there further morning business? If not, the morning business is completed.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE LATE SENATOR HOEY, OF NORTH CAROLINA

The PRESIDING OFFICER (Mr. DANIEL in the chair). Pursuant to the previous order, the unfinished business will be temporarily laid aside, for the purpose of holding memorial services of the life, character, and public service of the Honorable CLYDE R. HOEY, late a Senator from the State of North Carolina.

Mr. LENNON. Mr. President, today on the occasion of the memorial services in honor of the late Senator CLYDE R. HOEY, of North Carolina, members of Senator HOEY'S family are now in the Senators' family gallery. They are: Mr. and Mrs. Charles A. Hoey, and their children, Clyde R. Hoey II, Elizabeth Hoey, and Charlotte Hoey. Mr. Charles Hoey is one of Senator HOEY'S sons.

Mr. and Mrs. Clyde Hoey, Jr., and their son, Sam Hoey.

Mr. and Mrs. Dan M. Paul, and their children Lewis Paul and Dan Paul. Mrs. Paul is Senator HOEY'S daughter.

Senator HOEY'S grandchildren have always affectionately referred to him as Cap.

Mr. President, many beautiful tributes have been paid to my late colleague from North Carolina, Senator CLYDE R. HOEY. It is impossible to do his memory justice in a simple memorial service.

Senator HOEY left his own monument. It is a dedicated Christian life founded on character, integrity, loyalty, and ability. It is a dedicated life of distinguished service to his State and to his Nation.

Mr. President, a few days ago I spoke of my heartfelt sorrow at the loss of my great and close friend. In the days following Senator HOEY'S passing, hundreds of editorials and articles were written and many words were spoken in tribute to his statesmanship, character, and high ideals. They speak more eloquently than can I about the noble soul we all miss so deeply today.

As a tribute from all North Carolina, Mr. President, I ask unanimous consent to have a number of these editorials printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LENNON. And now, Mr. President, Tennyson's Crossing the Bar comes to my mind:

Sunset and evening star,
And one clear call for me!
And may there be no moaning of the bar,
When I put out to sea.

But such a tide as moving seems asleep,
Too full for sound and foam,
When that which drew from out the boundless deep
Turns again home.

Twilight and evening bell,
And after that the dark!
And may there be no sadness of farewell,
When I embark.

For though from out our bourne of Time and Place
The flood may bear me far,
I hope to see my Pilot face to face
When I have crossed the bar.

Mr. President, the family of our beloved colleague and friend, the Members of this great body, the millions of North Carolinians, and those who live elsewhere, who loved, admired, and respected this great man, all take comfort today in the certain knowledge that his devoted soul met with calm confidence his Pilot—the Pilot of all mankind—when he crossed the bar.

(The editorials referred to above are as follows:)

[From the Shelby (N. C.) Daily Star of May 13, 1954]

CAP IS CALLED

(By Lee B. Weathers)

The Master of the universe has called Cap. He went to his reward suddenly as he would no doubt have had it. Cap, to his immediate family was Senator CLYDE R. HOEY, to the Nation, a towering statesman, more recently called the Duke by his congressional associates.

And Cap died on the job. He was never one to shirk a duty or dodge an issue. He might also be called a Great Commoner, because he loved people, the high and the low, the rich and the poor, all races and creeds whom he looked upon as God's creatures with individual souls.

CLYDE HOEY was your friend and mine. All of my life I have known him and never did I see him register anger, hate, or malice toward a fellowman. During the 40 years that I have been editor and publisher of this paper which he established, he has never once criticized my management or suggested the paper's policy.

Son of a Confederate soldier, young Mr. HOEY didn't have the opportunities that are afforded the average boy of today. But he had that spark of ambition to learn and working as a printer's devil with a case of type in front of him and a dictionary by his side, he became a self-educated man.

Few men of this generation have such a brilliant mind, such a wide vocabulary, such a gift of oratory, such a grasp of political and economic problems as did CLYDE ROARK HOEY.

Early in life he set out on a career of public service on the local, State, and national levels and in that service he always had time to serve his Master as well as his people.

Money was never CLYDE HOEY'S goal. He might have skimped and saved and become a rich man. Instead, he gave of his means and his talents in order to help others and in that giving he received great personal satisfaction. During the depression days, he was a one-man welfare department, never turning down a man in need or a worthy cause.

During his term as Governor, he was known as the friendly Governor. Young and old counted him among their acquaintances. The administration was aimed at expanded State service to the unfortunates in the mental and penal institutions and to better educational facilities to the youth of our land.

Yes, Cap, as he was affectionately known to his family, is gone. Cap was a devoted family man and that, too, reflected the big heart in the big man.

His life should be an inspiration for others to emulate. Because he served well, however, doesn't mean he was performing for self-glory. It was his inner nature to desire to serve humbly and his memory will be written on tablets more enduring than stone or marble.

Goodbye, Cap. You've left the world better by having been on deck, steering the ship of state.

[From the Kings Mountain (N. C.) Herald of May 20, 1954]

SENATOR HOEY

The death of Senator CLYDE ROARK HOEY, a gentleman and long-time public servant, removed from the Nation a unique figure who is a prime example of what can be accomplished by a man with the will to work.

Born in poor circumstances, Mr. HOEY's life is a series of seemingly Horatio Alger experiences, but beneath them all were industry, ambition, loyalty, and breadth of view which endeared him first to North Carolinians, subsequently to the Nation's lawmakers and the legions of others who came to know him.

Mr. HOEY was a liberal conservative in thinking. He recognized that change was inevitable and was not afraid of it. However, he knew that gradual change was much to be preferred to the more violent change recommended with vigor by extremists, both to left and to right.

When he assumed the chairmanship of the now infamous Senate Investigating Committee, he conducted the hearings with dignity and with fairness, in sharp contrast to the headline-hunting successor. This work emphasized the traits of reasonableness which marked his long career.

Few Kings Mountain citizens there are who failed to hear Mr. HOEY, in one speech or another, reassure the doubters on the productive ability of this Nation and its concurrent ability to meet its obligations. Largely through the influence of Mr. HOEY, the State remained both normal and regular through the period of political extremism the Nation has witnessed since the end of World War II.

None could match for fluency of speech the kindly man who was trade-marked by the long coat, red carnation, and high collar of the once familiar southern gentleman.

The trade-mark was genuine throughout Mr. HOEY's makeup.

The Nation has lost a statesman.

[From the Cleveland Times, Shelby, N. C., of May 14, 1954]

ONE OF CLEVELAND COUNTY'S IMMORTALS

The sudden death of Senator CLYDE ROARK HOEY created a deep and troubling shock among his fellow townsmen. Somehow we had come to believe that the Senator would go on forever.

Time never faded his alertness or his vigor. The trials and tediums which attend a man who conscientiously performs his duties as Senator HOEY did, never diminished his cordiality or his quick smile. He gave the illusion of a man much younger than his years and, perhaps, his neighbors had come to think of him as an eternal part of Shelby.

That he will be.

Senator HOEY'S record of service to this community at every level of public life dates back to the earliest recollections of the eldest among us. His memory will be projected through the final recollections of the youngest among us now. He is truly one of Cleveland County's immortals.

[From the Gaston Citizen, Gastonia, N. C., of May 14, 1954]

HOEY'S LIFE AN INSPIRATION FOR TAR HEELS

There is little we can add here about Senator CLYDE R. HOEY that has not already been better said by his friends and associates.

We join with our fellow North Carolinians in lamenting the death of one who has served his fellow man so diligently and faithfully.

Senator HOEY had lived a rich and full life. He had tasted of the fruits of public service and religion as few Tar Heels before him. It will be a long time before we rear another statesman with the sterling qualities of this man.

Fifty-five years of service to the people of his State. That is a record unmatched in North Carolina and one that will stand for a long time.

Elected to the State house of representatives a month before he became 21, HOEY successively served the people in the house, the State senate, as assistant United States attorney for the western district, in the United States House of Representatives, as Governor, and as their United States Senator.

His death came at the age of 76, so there is no place for maudlin sentimentality concerning it. He had lived a full and useful life, his death was not unexpected, and he was taken only after he had given the people of his State a full measure of his time and energy.

The flowing locks, distinctive dress, and silver-tongued oratory of CLYDE HOEY will long be a legend in North Carolina.

We are sure, however, that his advice to North Carolinians at this time would be to get on with the pressing problems of the days as speedily and diligently as possible.

So, in eulogizing the Shelby statesman, we must look upon his life for the inspiration needed in the trying days ahead for our great State and Nation.

[From the Charlotte (N. C.) News of May 13, 1954]

CLYDE R. HOEY—STATESMAN

It is a journalistic cliché to say, on the death of a State leader, that "North Carolina today mourned the death of * * *" But in the case of Senator CLYDE ROARK HOEY, it is quite literally true.

No man in recent political history, and probably in this century, was so universally loved and respected. None was so widely known. None had so many personal friends, or could reel off so many Tar Heel first names without prompting.

At one time or another during his long political career, he had visited or spoken in virtually every town and hamlet in North Carolina. And the expressions of grief which are pouring into Shelby today are spontaneous and genuine.

Mr. HOEY had long been a living legend in North Carolina. He was the only Tar Heel ever to serve in the North Carolina House of Representatives and the State senate, the governorship, the United States House of Representatives, and the United States Senate. When he ran for the United States Senate in 1944 Mr. HOEY was nominated by the largest majority North Carolina has ever given a senatorial or gubernatorial candidate in a Democratic primary. And when he announced for reelection in 1950 he had no opposition.

He was fast becoming a living legend on the national scene, too. He was much sought after by photographers, who saw in his dignified yet debonair figure the very essence of the senatorial tradition. He caught the eyes of visitors to the National Capital with his long, white hair, the frock coat and striped pants, the wing collars, and high-top shoes he wore throughout his life.

And the red carnation which was a fixture on his coat lapel seemed to point up the fresh vitality with which he tackled his duties every day.

A deeply religious man, Mr. HOEY held to high standards of integrity and morality in his public life. As former chairman of the Senate Investigating Subcommittee, Mr. HOEY exposed the 5 percenter and war surplus tanker scandals, all with scrupulous regard for the rights of witnesses. He searched as Vice President NIXON said yesterday, for facts, not headlines.

Like the late Cameron Morrison, CLYDE HOEY was a Democrat of the old school who, though differing many times with the national party leadership, remained steadfastly loyal, and sought to iron out differences from inside the party. He was an effective and

convincing campaigner because his words rang with such obvious sincerity.

His death in Washington yesterday removes from the political scene one of the finest men North Carolina has produced, a man who earned and merited the all-too-rare designation of "statesman."

[From the Charlotte (N. C.) Observer of May 13, 1954]

WE MAY NOT LOOK ON HIS LIKE AGAIN, BUT HOEY LEFT MARK ON HIS COUNTRY

The sudden death of CLYDE R. HOEY, United States Senator from North Carolina, came as a shock to the State and to the people he had served with unusual distinction for more than half a century.

When he was hardly more than a boy, at the age of 21, he began his public career by representing Cleveland County in the State house of representatives. From that day until he died he was a wholesome influence on the affairs of his State and of his country. As editor of a country newspaper, eminent lawyer, United States district attorney, Governor of his State, and United States Senator he has left an imprint that carried his fame far outside the boundaries of North Carolina.

He was a genuine Democrat who held true to the principles on which his party was founded and never compromised with the heterogeneous elements that later got control of it. When he saw it perverted by this leadership of interlopers, he did not desert it, but felt that he could do more inside of it toward bringing it back to its original creed than by going over to abortive third-party movements or to the opposition. He and a few other southern stalwarts remained the core around which genuine Democrats have clustered for guidance.

Possessed of a keen analytical mind, tempered by unusual commonsense, he was never deceived by the economic and political fads that led many of his associates astray. He could see through the sham of many false doctrines of government and sociology that were current in his time and rejected them out of hand. He could detect trends dangerous to our constitutional system and fought them regardless of political consequences.

The integrity of the man was evident in his every public and private act. One of the highest tributes ever paid to a public man was expressed by Bert Andrews, of the New York Herald Tribune, after he saw HOEY in action exposing the 5-percenters in Washington. It was a refreshing experience, said Andrews, to find a public man with the quality of moral indignation that the Senator showed. He went after the 5-percenters, not for publicity or for political gain, but simply because his moral conscience had been outraged, and he wanted the situation cleaned up for the good name of his country.

That conscience had been developed because he had been brought up in a devoutly religious family that knew of no better code of ethics than the Ten Commandents and the Golden Rule. He belonged, therefore, to a class of which we have far too few left—those whose conduct is governed by a sense of moral uprightness for its own sake, simply because it is the thing to do, and there is no argument about it, and it ruled his life, both public and private.

His public life, lived under such guidance, will bear the closest scrutiny. The constructive measures he fostered as Governor, the principles for which he stood as Senator against all opposition and in the face of all detractors bear witness to the man who can be described with one almost obsolete word—character.

Where our State can find one to replace him, we do not know. We may not look upon his like again, but it is to be hoped that his race is not extinct and that the Democratic executive committee will nominate a man to carry on his great tradition—one for whom we can be as proud to vote in November as we were to make CLYDE R. HOEY our Senator for term after term.

[From the Charlotte (N. C.) Observer of May 13, 1954]

CLYDE HOEY'S MANNERISMS MIRRORED THE HEART OF A MAN GROWN GREAT

It is singular that memories which live longest in the wake of a great man's death involve no more than a minor incident, a casual quotation or a mannerism. But these, collected, capsule the heart of greatness.

This is the pattern with the loss by North Carolina of Senator CLYDE R. HOEY. There are stories with giggles, a tightness of the chest, a tingling of the scalp. They came from Lee B. Weathers, publisher of the Shelby Daily Star, founded by HOEY in 1894; Joe Whisnant, the Senator's law partner since 1929; from barber Roscoe McWhirter and printer C. H. "Buck" Hardin.

Anyone else affecting the mane, the frock-tailed coat and hightopped shoes of the Senator would be laughed off the streets, but on him the apparel brought bows, admiration and smiles of approval. HOEY indeed, would probably have been laughed off the streets if he had appeared in conventional attire.

He took on the uniform, at 20, believing it would help conceal his immaturity among bearded colleagues in the General Assembly.

MAN OF POISE

But he was a man of unshakable poise, rapier-like wit, repartee with a subtle sting and polished diplomacy.

For instance, there was the day in 1900 when, favoring a proposed constitutional amendment relative to white supremacy, he went into Casar, an upper Cleveland community, to speak on the political issue. He did this despite threats of bodily harm.

He was immediately set upon by a 220-pound ruffian who invited him inside a ring drawn in the dust with the assurance, "I'll beat that egg head of yours to a bloody pulp * * * and let honor be to the best man."

Fixing his antagonist with an aloof stare, the 22-year-old HOEY replied:

"My friend, I see no call to get in that ring with you. If I should fight and lose I'll be disgraced forever. But more obviously, if I should win there'd certainly be no honor due me."

He was not always so suave. When he bought the Shelby Review with borrowed money at the age of 16 and set out on a little blue mule to build its circulation, there were days when his newly christened Cleveland Star would carry such items as these as fillers:

"The Cleveland Star, one of the best papers in the State, has recorded an average of eight deaths a week all winter. Take it and see if you don't get in the news."

ANIMAL OBITS

He failed to mention that obituary columns also contained due notice of the deaths of mules, cows, and horses. But he built circulation from 700 to 2,800 in 6 years.

He was a great appeaser. A score of years ago he bought a piece of property in the lower end of the county. The next day a red-faced man stormed into his office.

"I hear you bought that property next to mine," the farmer shouted, "and I'm here to tell you I'll law you to death. There's been a fight over the boundary between me and the first phony deed maker for 20 years and I'm giving you notice you're not man enough to rob me either."

Mr. HOEY asked the man if he knew where the correct boundary should be.

"You're dad-blamed right I know," he said.

"Then I would suggest," said Mr. HOEY, "that you mark it off yourself. We'll survey it that way. We'll deed it that way."

The man's face got redder and the jaw muscles sagged.

"Well," he said, "I'll just be damned."

MAD ONLY ONCE

Only once in his last 25 years did he lose his temper. It occurred when the liquidating agent for a bank was pressuring a group of small-farm owners just before crop time in the middle of a depression. He notified the agent that he was just inside the law of man, a mite outside the law of God, and that he was the man somebody would have to beat in court before the farmers would be forced off their places without a chance to pay off in a harvest time. An arrangement was made.

They called him in Shelby, the one-man welfare department. His estate, due to large insurance policies and a $30,000 home, may run to $125,000. He could have been worth millions if he had not consistently turned down retainer offers from private corporations ranging upward of $50,000 annually. And he didn't get the millions because of his private giveaway program.

Partner Joe Whisnant remembers a depression day when 26 persons, white and Negro, came into his office for help and all left with Hoey money. Whisnant put a sign outside, "This is no welfare department." The Senator took it down.

"He gave away more than I made," said lawyer Whisnant.

The unruffled poise was forever amazing. He wore the high collar and the coat in 90-degree weather without showing a bead of perspiration. And the thing he did to a trade-convention audience less than 2 years ago was a newspaperman's delight.

HUSHED REVERENCE

Senator HOEY was the principal speaker. By the time he was introduced liquor bottles were out on every table in plain sight of the teetotaling statesman. The talk was loud.

The Senator had one favorite among many dramatic finishes to his addresses. It was, "Long may our land be bright, with freedom's holy light * * * protect us by Thy might, great God, our King. * * *"

Invariably it brought a hushed moment of reverence and awe.

In spite of the crowd's liquored mumbling he gave his full address and ended with "* * * Long may our land be bright, with freedom's holy light * * * forgive us in this plight * * * great God our King. * * *"

It was a sobering punch. At the tables were silent tears.

Senator HOEY was no sportsman. He did not understand games because he never had time for them. From age 6 to 12 he went to school and worked on the 4-acre homestead of Civil War Capt. Samuel A. Hoey, his father. And then he became a printer's devil.

But he appreciated beautiful ladies and unashamedly and goodnaturedly accepted teasing on the point. Once when he suffered a sprain while trying to lift a window in the Governor's mansion at Raleigh, a newspaper's typographical error reported the accident had occurred while he was "lifting a widow."

He was not due to be the last active member of the so-called Shelby dynasty, and may not be. His nephew, O. Max Gardner, Jr., son of another governor, has been halted on the threshold of a brilliant career in law and politics by multiple sclerosis. But he has two sons who will grow up to receive the challenges of the Webb-Hoey-Gardner traditions.

[From the Raleigh (N. C.) News and Observer of May 13, 1954]

CLYDE ROARK HOEY

A political generation came to an end when Senator CLYDE R. HOEY died suddenly

in his office in Washington yesterday. Though the Senator seemed to the day of his death young in spirit and mind, the active political figures who survive him in North Carolina were all infants when Senator HOEY first entered upon public service in this State 56 years ago. That is a long period in the government, the life, and the politics of the State. And in Senator HOEY's case it can be said, on the basis of the people's own voted expression, that no official held the affection and approval of North Carolinians so long and so consistently.

The Senator was properly proud of the facts which he placed in his biography in the Congressional Directory that he was the only person in North Carolina who was ever elected to both the State House of Representatives and the State Senate; then to the National House of Representatives and to the United States Senate, as well as serving as Governor of North Carolina. That certainly is a record to which any approximate comparison would have to go back to Zebulon B. Vance. Senator HOEY received the largest majority ever given a candidate for Governor or Senator in a Democratic primary in North Carolina. The record of the people's confidence in him was crowned by the fact that when he was reelected to the Senate in 1950, he was nominated in effect by acclamation, with no opposition at all. The approval of the people of North Carolina was endorsed by the respect in which he was held by his colleagues in the Senate of the United States.

Senator HOEY was a man of great charm and great loyalties. To the end of his days he was a debonair figure never allowing to fade the flower which he always wore in his buttonhole. There was much humor in his speeches which always brought appreciative audiences. There was never any levity about his loyalties, however. He was a man of conservative mind but he never gave any aid or comfort to those who in supposed conservatism undertook in Presidential election years to oppose the Democratic Party. Senator HOEY could have no more left the Democratic Party than he could have left the Methodist Church of which he was an active member all the days of his life.

He will be greatly missed in North Carolina. Indeed, though he was 76, there is greater shock and surprise over his passing than over the sudden deaths of other younger men. Somehow behind his red carnation and at the forefront of public affairs in North Carolina, Senator HOEY seemed eternal. Certainly North Carolina will not be the same without him. At the moment of mourning it can be said, however, that though he was elected to public office before he was 21 and served his State until he became, as the calendar counts, an old man, he never knew old age. He was to the last in the harness of the State and the country he loved, playing his full part, carrying his full load. It is good to think that to the last he went smiling, waving with the characteristic gesture of his hand, down the marble corridors of the Senate Office Building to his office where his work and his concern for North Carolina awaited him. As a man whom so many people loved, even death must have met him as a friend.

[From the Raleigh (N. C.) Times of May 13, 1954]

CLYDE HOEY, FRIEND OF PEOPLE, WILL BE SORELY MISSED BY STATE

The death of CLYDE R. HOEY deprives North Carolina and the Nation of a scholar and a statesman of the first order. His passing will be mourned and his presence missed through the current years of crisis by people throughout the length and breadth of North Carolina.

The State will long remember CLYDE HOEY as a hard-working member of the State legislature, as a competent and popular governor, and as a distinguished figure in the United States Senate.

This man HOEY, stately, dignified and charming, was much more, however, than a politician and a servant of the people. He was an institution, almost a legend and his manner, bearing, and dress will be attributes which will be treasured long and pleasantly by those who had the good fortune of knowing him.

CLYDE HOEY was as southern as the pine woods, the cotton fields, and tobacco acres of his native North Carolina. Recently he was pictured and described by a national magazine as being the one individual in the Senate whose looks came nearest meeting the public's conception of what a Senator should look like.

Raleigh will not soon forget CLYDE HOEY, the man, for while residing here as governor he was very close to the people. With frock coat, striped pants, and the fresh and familiar carnation in his coat buttonhole he was always ready for a chat with the man on the street as he strolled out from the Capitol each morning for the inevitable coke.

There will be much talk now of the naming of a successor to CLYDE HOEY in the Senate. We will have another name in the Senate, but not a successor to CLYDE R. HOEY. With his death not only a man but an era passed from the scene, never to be again exactly duplicated.

CLYDE HOEY died leaving a long and brilliant record of service to the people strung out over the passing years of his life. North Carolinians to the last man, woman, and child will wish him bon voyage. HOEY, the churchman, lawmaker, and leader of his people will be sorely missed.

[From the Asheville (N. C.) Citizen of May 13, 1954]

SENATOR HOEY

Vigorous beyond his years and unsparing of his energy in behalf of duty and friends, CLYDE R. HOEY cut an extraordinary figure in the life of his State and his Nation. It is hard to believe that this durable, colorful, lovable man has fallen on sleep.

The United States Senate and many millions of Americans knew him as a dignified but dapper statesman of the old school. The swallowtail coat, the flower in the buttonhole, the mane of white hair were Senator HOEY's trademarks. But they accented his ability rather than stultified it. CLYDE HOEY was a strong and dependable reed for an enlightened foreign policy and the sound conduct of domestic affairs. As chairman of the Senate Investigating Committee now so debased by its present leadership, he conducted a fair and thorough inquiry into the infamous 5-percenter scandals—and got results. Elected first with the largest majority ever given a senatorial candidate in this State, his place was so firmly fixed by 1950 that—breaking all precedent—he had no opposition in the Democratic primary of that year.

North Carolina knew CLYDE HOEY best as governor. He served the State in the trying fiscal period just before the United States entry into World War II. His administration was conservative but it was not unenlightened. North Carolina went ahead. It was ready and braced for the awful shock of war.

CLYDE HOEY's loveableness was a legend. His courtliness was no sham but a genuine sign of his regard and respect for people; he rarely forgot a name or a face. He was a powerful orator. His speeches showed strong spiritual motivation and a deep strain of optimism: we would win the war; we would at length secure the peace; we would breast the waves of economic dislocation or depression. Usually he was right.

North Carolina has lost a man who was a part of its character and more than an incident in its legend. Its universal state is sorrow.

[From the Durham (N. C.) Herald of May 16, 1954]

HIGH NOON

Though Senator HOEY had passed by several years the span of three-score years and ten, his death may be regarded as a part of the toll public life exacts among those who assume its responsibilities. The excellent health which Senator HOEY enjoyed until his sudden death at the age of 76 suggests that he might have lived to an even riper age had he had a less demanding routine and less of a burden of worry which the problems of the times must impose upon all those who sincerely undertake to solve them.

Senator HOEY, though, according to those who knew him best, would have chosen this way in which to leave the earthly scene had a choice been given him. Active throughout a long life, he would have preferred to die, as he did, in harness. For him, although he had reached advanced years, death came at high noon. The glory of his life was that its noon continued long and brilliantly. His passing is well expressed in the line from John G. Neihardt's poem, "Give me high noon and let it then be night."

[From the Durham (N. C.) Sun of May 13, 1954]

THE COURTLY SENATOR

CLYDE R. HOEY, Congressman, Governor, Senator, is dead after a life of public service. He was conservative and strode the careful path, but he was never lacking in force and decision. A political showman, yet not a sham, he employed the psychology of the frock coat; but it was a concession to the voter's susceptibility rather than to his own, and he justified his costume with matching courtesy and graciousness. He was shrewd and able, and benign and honorable. From orphaned boy and Shelby's first "best all-around citizen of the year," to the highest honors his State could bestow, his record was without stain or breath of scandal. He served North Carolina well. His fellow North Carolinians bow their heads in respect.

[From the Wilmington (N. C.) Morning Star of May 13, 1954]

SENATOR HOEY, DEVOUT AND ABLE STATESMAN

North Carolina has lost its greatest statesman in the death of United States Senator CLYDE R. HOEY.

The shock of his sudden passing is felt by hundreds of thousands of the State's citizens he served so long and so well. Those who loved and admired him feel deep personal sadness today.

His death is also a loss to the Nation.

Conscientious, courageous and able, he was welcomed into membership of that group of United States Senators whose thinking and actions are beyond the pale of partisan politics when the welfare of the Republic is involved. The esteem he won over the years was not limited to one side of the floor. Admiration for him went beyond the bounds of partisan politics among most of his contemporaries.

If one sought the key to Mr. HOEY's tremendous success in politics it would be found in his thoughtfulness of others. He was, above all, a kind and gentle man. That is not to say he wasn't a fighter. He was, especially when his deep convictions were at stake. But, like many other good men, Mr. HOEY had considerable confidence in the instrument of compromise for the best welfare of State and Nation.

The most impressive demonstration of the efficiency of Senator HOEY as a national legislator came during his chairmanship of the Senate Investigating Subcommittee. During Mr. HOEY's tenure, the group conducted the highly publicized 5-percenter inquiry involving Reconstruction Finance Corporation scandals.

Mr. HOEY conducted it in keeping with the dignity of the Senate. Out of it came corrective action and legislation, primary purpose of any investigation by Congress. For this fine work, he rightfully received commendation from the Senate and the Nation at large.

What did North Carolina think of Mr. HOEY?

It expressed its great admiration in the most practical way possible—at the polls. He was nominated for his first term in the Senate by the largest majority ever given a candidate for governor or Senate in a North Carolina Democratic primary. That vote followed his 4 years as Governor, an unusually sound administration in which the State advanced to new heights.

The best indication of Mr. HOEY's devotion to his constituents is offered by Dr. George W. Calver, Capitol physician.

About a month ago, Mr. HOEY started going to Dr. Calver's office. The 76-year-old Senator was not feeling well and was extremely tired.

"He was not able to get much sleep," Dr. Calver said. "He had a tremendous number of visitors from his home State, and he insisted on seeing them all."

Fifty-five hard and demanding years had passed since he took his first office as a member of the State house of representatives. But Mr. HOEY refused to consider his age as long as he had the desire and responsibility to serve. He was faithful, in the exercise of his good judgment and his talents for the benefit of all who sought his assistance, to the end. And so, Senator CLYDE R. HOEY died in his office, working the final few minutes for those who had honored him with their trust for so long.

[From the Goldsboro (N. C.) News-Argus of May 15, 1954]

REMEMBERING CLYDE HOEY

(By Henry Belk)

WRIGHTSVILLE BEACH.—We came in from a late lunch and automatically turned on the radio in our room. The news report was well underway and our ears pricked up. With a shock we realized that indestructible CLYDE R. HOEY was dead at 76.

The sirupy voice of the broadcaster droned on: "Senator HOEY had been under the care of a doctor for the past month. Dr. George W. Calver said he was very tired but refused to rest, insisting that he see personally every delegation which came from his home State, and there had been many delegations."

It was a good way to die. At lunchtime he had gone to his office and sat down in an easy chair for a little nap. While he slept, death from a stroke took a man the like of which North Carolina not soon, if ever, shall see again.

Everywhere in the Tar Heel State men—high and low—will miss his striking figure, his craggy face, and his always-turned-on charm. His greeting of everyone as if the person were a close friend.

CLYDE HOEY came close to the "born in a log cabin" tradition which America for generations prized so much, a tradition that now is disappearing, more is the pity. His formal schooling went only through the seventh grade. He bought himself a Cleveland County weekly newspaper while still in his teens, using his good name as guaranty for the credit extended in the paper's purchase. He was ambitious, quick to learn, quick to sense an opportunity and quick to prepare himself for wider service. He was one of the youngest men ever to be elected to the North Carolina General Assembly.

His days as a printer's devil in a country newspaper plant, his short period as a country editor, these were good preparation for his reading of law. The experiences had provided him with a fund of general information and a quick and steadfast grasp of what he read.

Shelby, where he hung out his shingle, was beginning to grow lustily. It had some famous families dedicated to their town and to their State. The Gardners, Federal Judge Webb, Odus Mull, and others. It occupied a spot in the burgeoning textile industry and in the legal profession which was outstanding. Into this time of opportunity stepped young HOEY, a man of great capacity for work. The leaders of growing Shelby liked the serious, purposeful young man and they found his talents of great help. CLYDE HOEY was on his way.

Whenever HOEY found himself confronted with high responsibilities always he acquitted himself with distinction. Steady and conservative, he was marked for high service.

HOEY's race against the young fire-eating, liberal Ralph McDonald for the governorship of North Carolina generated more heat and fury than often is seen in the State. He barely squeaked through in a second primary. When he became Governor he worked assiduously at his job, and he went to and fro in North Carolina teaching Sunday school lessons, talking at hundreds of local occasions, and getting a personal acquaintanceship with thousands of his fellow Tar Heels.

They came to love him dearly. His stately, tall figure with its long-tailed coat and red flower in his lapel was known from Murphy to Manteo. In the United States Senate he never lost touch with the folks back home. His fellow Senators came to honor and respect him for his devotion to old-fashioned ideals and for his strength of character.

Probably HOEY's most outstanding service in the Senate was his probe of the 5-percenters cases. We remember the late Bert Andrews, head of the Washington Bureau of the New York Herald Tribune, gave an appraisal of the man when he came to Chapel Hill to speak in connection with a North Carolina Press Association institute. Andrews, who died in his prime some months ago, was one of the best reporters of the Washington scene in the last 10 years. His work had won him national honors.

Andrews at Chapel Hill was telling the inside story of how the 5-percenters were brought to justice. (You remember the 5-percenters were wily men who collected fees or pressure money for allegedly using their influence to get defense contracts or special favors for businessmen.) Andrews gave Senator HOEY full credit for pushing an investigation which largely ended a horribly reprehensible practice. Coming from Andrews, that tribute carried great weight. It was the considered opinion of one who made his decisions on facts, not on party loyalties or personal friendship.

Senator HOEY was a member of that fading genus—the silver-tongued orators which once were as familiar in the South as magnolias and moonlight. And he was an artist at this. We remember what probably was his last public appearance in Goldsboro. Bill Algary, now of Asheville, brought him to town to talk before the Men's Club of the Presbyterian Church. The same thing happened as it always did.

We had gone to that meeting determined not to find ourselves thrilling at the supreme artistry of his spoken words, determined not to be hypnotized by the beautiful smoothness with which he presented his talk.

But it happened again. Before the man was half through, we found ourselves sitting there, bathed in a delightful glow of appreciation at such a display.

Always he used that art for goals and purposes which he knew to be true and laudable.

CLYDE HOEY's name and fame are assured a lasting place in the history of North Carolina.

[From the Thomasville (N. C.) Tribune of May 13, 1954]

THE SENATORIAL GENTLEMAN

Senator CLYDE R. HOEY, who died yesterday, was first of all a gentleman—in a day and age and a time and place where such a distinction stands out by sharp contrast.

Two weeks ago, Life magazine published a picture of Senator HOEY along with pictures of other colorful Senators.

Of Senator HOEY, the magazine said:

"CLYDE HOEY, of North Carolina, who has been in politics since 1889, has the most elegant clothes and manners in the Senate. He always wears a frock coat and is never without a carnation in his buttonhole. The wing collar surmounts a florid tie held by a stickpin. Cordial and courtly, HOEY likes to stroll about the Senate floor, stopping to shake hands every few feet and pronounce his good wishes. Old Washington hands call him 'The Duke'."

The above summary, however, only partly describes the qualities of mind and heart by which Senator HOEY lived. Whether he was in Thomasville addressing a Bible class, or in Washington on official duty, he did preserve the dignity of his station. In addition, he was politically astute, and a trustworthy personal friend.

[From the North Carolina Evening Telegram, Rocky Mount, N. C., of May 13, 1954]

CLYDE R. HOEY

North Carolinians and indeed many Americans are shocked and saddened by the sudden, unexpected death of North Carolina's senior Senator, CLYDE R. HOEY.

Death came quickly, mercifully, and without warning in the form of a stroke while Senator HOEY worked at his Washington desk. The fact that the end came while he was "in harness" and hard at work we suspect is as he would have wished it.

The passing of CLYDE R. HOEY in a way, marks the passage of an era. For, he was a statesman of the Old South, and he embodied many of the strengths and weaknesses of a glorious era now forever gone. The long-flowing hair, the winged collar, the ever-present carnation in the coat lapel, the frock coat were relics of the past which made Senator HOEY one of the most colorful and famous figures in the Senate. Senator HOEY's glinty eagle-eyed look and the easy, silvery speech recalled the vanishing oratory of another time—a time when Fourth of July addresses were wonderful to hear—a time which, in contrast with the dull mediocrity of today's orator, produced speechifying men (as Senator HOEY himself once described it).

Even without his old-fashioned dress and speech. Senator HOEY's innate courtesy, decency, and respect, would have set him apart. These all-too-rare qualities no doubt came down with other of Senator HOEY's old-school traits, but they were qualities which are eternal and remain ever new. Indeed, it is a commentary on our savage times that Senator HOEY made national headlines when he treated witnesses before his subcommittee with dignity, courtesy, restraint, and kindness.

It is true that death is denied the triumph of tragedy when it claims one who has lived the allotted 3 score years and 10. At the age of 76, Senator HOEY had lived a full and eventful life. He was rewarded as few men with the satisfaction of having served well his State and Nation and with the knowledge of a people's warm affection and esteem. Although his wife preceded him in death in 1942, Senator HOEY has enjoyed the family companionship of his two sons, Clyde, Jr., and Charles, and his daughter, Isabel, and

their families. Life, we are glad to note, seems to have held little back from him.

A great tragedy in the loss of Senator HOEY is that his wise counsel and experience, gained over nearly a decade of Senate service, is removed from the Government. His guidance cannot be available to the winner in the current senatorial race, and his death means that North Carolina must now have two inexperienced Senators at the same time.

Senator HOEY began his career as a printer's devil at the age of 12. He later became editor of a country newspaper and subsequently studied law and was admitted to the bar. During his long years of service, he served in the State legislature as representative and senator and in the Congress as Representative and Senator. His administration as Governor (1937–41) is well remembered. Thus, Senator HOEY held nearly every elective office within the power of the people to bestow. Senator HOEY's illustrious public career has few parallels.

The death of Senators Hoey, Smith, Broughton, and Bailey in recent years emphasizes the tremendous strain now imposed by public office. Like others before him, Senator HOEY died in the service of his State and Nation. North Carolina will not forget CLYDE R. HOEY, nor will it, we predict, see his likes again soon.

[From the Dunn (N. C.) Daily Record of May 14, 1954]

SENATOR CLYDE R. HOEY: A MIGHTY OAK HAS FALLEN

In order to properly evaluate the life of Senator CLYDE R. HOEY and the great contribution which he made during a lifetime of distinguished service to his State and Nation would require a magnificent, flowing vocabulary such as the one which he possessed.

The shocking news of his death brings the forceful realization, not only in North Carolina but throughout the Nation, that a truly great man has gone.

CLYDE HOEY was a giant among men. His biography reads like a Horatio Alger story. He was born a poor boy, started out in life as a printer's devil; at the young age of 16 he bought his own newspaper.

He had little formal education, having attended school until the age of 12, but many great universities honored him with high degrees. While operating his newspaper, he studied law at home, became one of the great legal authorities of the Nation, and reportedly was earning more than $100,000 a year as a practicing attorney. He gave up the lucrative law practice to serve as Governor and then as United States Senator.

It is needless to review his entire career; his success story is too well known. He was truly a self-educated, self-made man.

CLYDE HOEY was unquestionably the most popular Governor in the entire history of North Carolina. He was loved by all who had the good fortune to know him personally and by millions of others who knew him only through reputation.

In the Senate, his colleagues quickly recognized his stature, his ability, his honesty, and his integrity, and they relied upon him heavily.

The top leaders of this Nation looked to CLYDE HOEY for his wise counsel and guidance on the important matters facing the Nation and the world, and he never failed them.

As an orator he had no equals. Early in life he was labeled as "the silver-tongued orator from Shelby." That description was far too inadequate.

His eloquence as a speaker had no limits. He could deliver a masterful address on any subject at any moment without notice. Whenever he spoke, beautiful language flowed from his lips. He could speak for an hour at a time and never pause, never hesitate, never stumble. And his speech was perfect, without flaw, without error, grammatical or otherwise. Always he was equal to any occasion.

A devoted Methodist layman, Senator HOEY was noted as a Sunday School teacher. Actually, he could outpreach almost any preacher. He was a real Christian gentleman.

CLYDE HOEY was a true southern Democrat, a real Democrat, a true statesman, a great American.

He had a great sense of values. He believed in constitutional government, in our great system of free enterprize, in the human rights and dignity of man, and in the American way of life.

Few men, if any, possessed greater political courage than North Carolina's senior Senator. He was at no time subservient to any man or group or organization but always voted his convictions.

He had the courage to stand up against the left-wingers, the Socialists, the dreamers, and the demagogs in Government. His thinking and his philosophy of Government were sound.

CLYDE HOEY never hesitated to enter the arena against any foe, no matter how powerful. He was a loyal friend and an open foe, and he fought his battles out in the open.

He was blacklisted by some labor groups, opposed vigorously by the left-wingers, but he had the respect, love, admiration, and support of the people. He received the largest majorities ever given a Democratic candidate in North Carolina for Governor or Senator.

In 1950, he was reelected to the Senate without opposition. That's something that's mighty hard to do in North Carolina.

The magnificent record he has made speaks for itself.

But most North Carolinians will remember longer and more clearly the tall, distinguished, frock-coated statesman as the lovable man he was.

He was a man of great personal kindess and friendliness; who was just as eloquent and gracious in the presence of the man on the street as with the great leaders of the Nation.

The average Tar Heel today feels a sense of great personal loss, almost as though a member of his own immediate family had died.

Clyde Hoey has gone on, but he has gone down in history as one of the greatest North Carolinians of all times.

"A prince once said of a king struck down,
Taller he seems in death.
And the words hold good, for now, as then,
It is after death that we measure men."

By every known and established measurement, CLYDE HOEY met the true test of greatness.

We have lost a great selfless public servant and a true personal friend.

[From the Washington (N. C.) Daily News of May 14, 1954]

A BELOVED GENTLEMAN

The death of CLYDE ROARK HOEY, senior Senator from North Carolina, removes from public life a beloved figure in North Carolina.

Mr. HOEY did not belong alone to North Carolina. While his love for his native State was real and passionate, his death is a distinct loss to a Nation which needs his wisdom and leadership so much.

This gentleman held many high offices. He was a distinguished legislator, an outstanding Governor, and a leader in the United States Senate. A great churchman, a tender father, and a keen lawyer, his ability to grasp a situation and speak upon the subject made of him a man whose words were sought for the wisdom they contained.

It is impossible to measure our loss. We've lost more than a man. We've lost more than a Senator. We've lost a voice, and we've lost a leader who has been weighed in the balance so many times and found not wanting.

Beaufort County particularly has lost one of its finest friends. His daughter makes her home in this county. And Senator HOEY many times has expressed his special fondness for this county and its great people.

The circumstances under which he died leave many beautiful thoughts for us to remember. "He died while resting" are words which contain so much of the real character of the man. He needed rest so much, and when that final rest came, it did so while he was in harness. What a magnificent way to pass from the scene.

His influence shall remain indelibly stamped upon the destinies of North Carolina. What he did for the State is only outshone by what he was for the State. And he was truly "Mr. North Carolina."

Mr. HOEY loved North Carolina, and North Carolina loved him. And there was more love on each side than most people realize now.

[From the Mooresville (N. C.) Tribune of May 20, 1954]

SENATOR HOEY'S LAST VOTE WAS A RIGHT VOTE

Before his death last week, one of Senator CLYDE HOEY'S last actions was to vote for a constitutional amendment which would set the number of United States Supreme Court Justices at the present nine.

The size of the Court, now determined by law but not by the Constitution, has been changed a number of times in the course of history.

President Franklin D. Roosevelt tried to increase the size of the Court once—to "pack" it—in order to get sympathetic treatment for some of his wilder New Deal schemes, but never succeeded.

The proposed amendment, passed by a 58–19 vote in the Senate last week, not only would prevent some later F. D. R. from packing the Court; it also would set the age of 75 as a mandatory retiring age for members of the Court. Under the present law, Justices serve as long as they want to, many until death.

This last aspect of the law is badly in need of amending. While many minds remain clear and strong into extreme old age, a great many more do not. The highest tribunal in the land certainly should not be encumbered with the senile blunderings of extremely old men; it has problems demanding the utmost in mental alertness, in addition to judicial temperament and training.

Senator HOEY, in his final action, was voting as North Carolinians expected and believed he would vote. He was a stanch advocate of constitutional processes. And being in advanced years himself, he was well qualified to assess the mental changes that are likely to occur in old age, although he was one of the relatively few who continue mentally strong and alert until their death.

The House should follow the Senate's example and give its fullest bipartisan endorsement to this bill.

[From the Kannapolis (N. C.) Daily Independent of May 13, 1954]

CLYDE R. HOEY, STATESMAN

North Carolina lost one of its finest sons Wednesday when CLYDE ROARK HOEY died at his desk in the Senate Office Building in the National Capital.

Many will be the tributes and eulogies paid to the memory of this distinguished Tar Heel whose dedication to the public service embraced the greater part of his 76 years, but none can be more fitting than the one word—statesman.

Few indeed are those granted the combination of human qualities which stamp a man with greatness. CLYDE HOEY possessed

them—humility, compassion, honesty, sincerity and faith. His life as a private citizen and public servant was guided and molded by them.

From the most humble of beginnings in his native town of Shelby, CLYDE HOEY rose to the status of statesman of the Republic. His passing is not only North Carolina's loss; it is the Nation's, for all too few of this great Tar Heel's cut are still to be found in the council's of government.

More than a United States Senator and statesman died Wednesday when CLYDE HOEY passed away: an era of the past lost one of its few remaining links with the present; an era symbolized and kept alive in today's mad race of time and events by this courtly old gentleman with his high, starched collar, his formal tailed coat with its daily-fresh lapel carnation.

Few public honors that are North Carolina's to bestow but what CLYDE HOEY wore with dignity. In turn he gave his people and his State nearly a half-century of faithful service as State legislator, Congressman, Governor, and finally in the United States Senate.

As Georgia's Senator WALTER GEORGE was moved to say Wednesday upon learning of Senator HOEY's death, "I have lost a friend; the country has lost a great man," so the people of North Carolina can say we, too, have lost a friend.

For CLYDE ROARK HOEY there can be no more appropriate epitaph: Statesman.

[From the Elizabeth City (N. C.) Daily Advance of May 15, 1954]

STATE LOSES ANOTHER SENATOR

CLYDE ROARK HOEY, North Carolina's most esteemed statesman, died suddenly in a chair at his office desk in Washington, D. C., Wednesday afternoon, thereby becoming the fourth Tar Heel Senator to succumb in the last 7 years.

Preceding him in death while they held similar office were Josiah Bailey, J. M. Broughton and Willis Smith.

HOEY's colorful career matched his colorful personality. He was a native of Shelby and would have been 77 years old in December. He served as a member of the North Carolina General Assembly, United States attorney for the Western North Carolina District and was elected to the 60th Congress in 1919 from the Ninth North Carolina District but declined renomination and returned to his practice of law.

Serving as Governor from 1937 to 1941 during which time he gained great popularity as a champion of the Tar Heel State and its interests, HOEY again returned to his law practice until 1945 when he was elected to the United States Senate, a post he has held since that time.

Known as the "silver-tongued orator," HOEY never lost sight of the so-called little man and throughout his entire life he strived to serve the masses, both in various political offices he held and as a Sunday School teacher, a task in which he excelled and was in great demand.

HOEY prided himself on keeping the common touch and often told of a constituent who declared, in what was meant as a compliment, "Senator HOEY is the commonest man in North Carolina."

Those who worked with the great leader or had any dealings with him share in that compliment. He was never too busy, nor involved in too great a task that he didn't have time to do a favor for his fellowman, regardless of that person's social or financial standing.

North Carolina has suffered a great loss in the death of CLYDE R. HOEY but his name will forever be written on the progressive side of this State's record.

[From the Lumberton (N. C.) Robesonian of May 13, 1954]

WIDELY FELT LOSS

North Carolina has lost one of its ablest and noblest citizens. Congress has lost a man for whom the phrase, "distinguished Senator," might have been coined. The Democratic Party has lost a leader who gave it strength and stability. The Nation has lost a competent public servant. The South has lost one of its most picturesque characters, whose eloquence of speech and manner and dress typified the now almost legendary southern gentleman of the old school. CLYDE ROARK HOEY has departed this life, leaving no successor to the place he held in the hearts of the people.

Senator HOEY was the only North Carolinian ever elected to both houses of the State legislature, the governorship, and both Houses of Congress. In the many fruitful years of his life, he collected a string of titles and degrees. The only one he was likely to mention was one of the first titles he ever received, at the hands of a colored school principal in his native Cleveland County. As a young lawyer, Mr. HOEY was invited to speak on the program at a Negro school breaking. He was introduced to the gathering as "the Honorable CLYDE R. HOEY, P. M. F." After the program ended, he asked the school principal what those initials meant. The answer he received was, "Poor Man's Friend."

Starting out as a boy in very modest circumstances, young HOEY made his own way, carrying newspapers, learning the printing trade, operating a small newspaper, studying and later practicing law. His ability and initiative and imagination enabled him to move ahead rapidly. He was personable and popular, and had a flair for political activity. From the time he went to the State legislature as a representative at the age of 21, his gift of oratory, his persuasiveness with people, and his talent in politics were recognized in North Carolina. Eventually, he received the highest elective honors that the people of this State could bestow, and in his last political campaign, in 1950, he was given the largest vote of any candidate. He had the backing of the Democratic Party that he served so faithfully and well, but the vote for HOEY was most of all a tribute to his personal popularity.

In recent years, Senator HOEY is said to have exerted the strongest continuing political influence of any one man in North Carolina. Like any man in public life, he had his political opponents, but he successfully avoided becoming a controversial character. Time and again, throughout the length and breadth of the State, his silver-tongued oratory stirred North Carolinians to greater pride in their commonwealth, greater loyalty to the Democratic Party, greater confidence in this man and the policies he advocated. The stimulating experience of seeing CLYDE HOEY in action and hearing his rapid and inexhaustible eloquence was something to be remembered with a feeling of well-being. It enabled him not only to exert a strong influence upon the people, but also to obtain maximum cooperation from his associates, and to carry out his work as chief executive of the State and as Senator with effectiveness and dispatch.

With his long-cut hair and his frock coat with a flower in the lapel, Senator HOEY was like a cartoonist's caricature of a southern congressman. But there was an elegance in his old-fashioned appearance, in his manner, and his language. His personal charm was more than skin deep. Although he spoke with the nicety of a scholar, and never omitted to say the lovely things that ladies like to hear, he could hold his own in any company of men, compelling admiration for his keen intellect, his breadth of vision, and strength of character.

Senator HOEY was like someone out of the fondly remembered past. Now he is that—a part of the heritage of citizens who survive beyond his time. He was a man who won the right to speak with authority and eloquence about the great State of North Carolina, because he helped to make it so.

[From the Oxford (N. C.) Ledger of May 18, 1954]

A GREAT MAN WHO LIVED AT THE LEVEL OF THE COMMON MAN

No man or woman in his time served the Democratic Party, his State, and its people with the high fidelity, the utmost statesmanship, and the great energy of CLYDE R. HOEY.

Senator HOEY, whose sudden and unexpected death occurred the past week in Washington, D. C., lived close to the people of North Carolina. He was a humble man, but a man of great faith and great ability.

In a political carrer that spanned more than half a century, he never stooped below the level of a man of full stature, even in those campaigns when there was much stooping to the level of the mud.

As an attorney, as a legislator, as Congressman, governor, and Senator; as friend, neighbor, politician, and Sunday school teacher, CLYDE R. HOEY lived a life that was compatible in all his undertakings, in all his living.

There has been no governor of North Carolina in our time who was better prepared and acted with greater confidence in the discharge of his duties than HOEY. There has been no Senator in our time who stood in higher regard and who has more ably served his State and Nation than Senator HOEY.

In hundreds of commencement addresses to public school children of North Carolina and in countless other appearances before public gatherings of varying sizes, CLYDE R. HOEY extolled the virtues of his native State. He believed in them with a passion and he sought to instill in those who came within the range of his voice that residents of this State have advantages that exceed those of many other parts of the country. He never missed an opportunity to praise the record of the Democratic Party—and he did so with a knowledge that he spoke with honest sincerity.

Truly a great public servant has gone the way of all men.

[From the Lenoir (N. C.) News-Topic of May 22, 1954]

PASSING OF SENATOR HOEY IS END OF ERA

The sudden passing of Senator CLYDE R. HOEY in Washington yesterday afternoon came as a shock to his many friends in Lenoir and Caldwell Counties, where the former Governor had been well known for the last half century.

His death, like the death of Overman, Simmons, Smith, Broughton, Bailey, and other great Tar Heel statesmen, along with the retirement of Robert L. Doughton, brought to a close an era featured by political figures of the highest caliber in the Nation during the last quarter of a century and almost twice that many years.

Others will come along to take their places, but just how well they will do the job remains to be seen. The State of North Carolina never suffered from inferiority complex when represented by Senator HOEY.

This Shelby man could hold his own with any of the Senators from other States on any matter at hand, and in most cases "was head and shoulders above the crowd."

Because of the nearness of Shelby to Lenoir, the Senator, through the years, had made many warm and personal friends in the Lenoir area. He looked after local inter-

ests when the need arose and he did not forget those who supported him year in and year out. At Mr. HOEY's direction, a number of Caldwell County leaders were given the opportunity of serving their State and Nation in responsible and high positions.

Because of his rare gift of oratory, and also his gift for making friends, Senator HOEY attained a position in the hearts of the people of North Carolina experienced by few of the State's great.

He was entrusted with many of the top positions of honor and service in the State and Nation and filled them with honor to himself and to the people of the Commonwealth. He was faithful to the trust imposed on him and in spite of his advanced years, maintained a pace in Washington equalled by few men even of many years his junior. His usual working hours were from dawn to midnight.

In a message of sympathy to the Hoey family, President Dwight D. Eisenhower said: "As a Member of the House of Representatives, a former Governor of his State, and a Member of the United States Senate since 1945, Senator HOEY has a long and distinguished record of public service to his State and Nation."

[From the Sampson Independent, Clinton, N. C., of May 20, 1954]

CLYDE ROARK HOEY

The people of North Carolina generally, regardless of political party affiliation, were saddened when it was announced Wednesday afternoon of last week that United States Senator CLYDE R. HOEY had died suddenly in his office in Washington. It has been said, and rightly so, that the people of North Carolina loved CLYDE HOEY because CLYDE HOEY loved the people. Senator HOEY belonged to the old school, politically and otherwise, and was the last of his particular kind in North Carolina.

Senator HOEY was unsurpassed as an orator and had a charm that held him close to the hearts of those to whom he spoke, regardless of the occasion or the subject. Few men of his day, or any other day, fitted more perfectly into the category of "silver tongued orator," or were more ready to say the right thing at the right time, and say it impressively.

He played the part of a statesman, and played it well, after embarking into the political realm. He was a man of ability and one in whom his constituents had confidence. He will be greatly missed by the people of his home State, and his place will indeed be hard to fill as he filled it.

[From the Skyland Post, West Jefferson, N. C., of May 20, 1954]

SENATOR CLYDE ROARK HOEY

The death of Senator CLYDE R. HOEY, last week, brought to a close a career of one of the most distinguished citizens in North Carolina's history. His contributions to the State have been so many and varied that volumes could be written about them. We do not believe there is any group of people in the State and few in the Nation, who have not been touched either directly or indirectly by Mr. HOEY's contribution in public life.

We know of no man with such a long and successful career in public service, who was so gifted in so many fields. There was never an occasion he failed to rise to. As a speaker he was unequalled. As a friend he was ready at all times to help. Not only did he have the readiness, but the ability to accomplish whatever was needed to be done.

His sudden death came as a shock; but knowing him we feel that he passed on as he would have liked to, on the job, serving the people of the Nation and State he loved so well.

This State and Nation can be proud to have had such a man in public service. His accomplishments and many years of service will long be an inspiration to everyone to follow.

Young men and women, who think they do not have ample opportunity, should study the career of Senator HOEY. His life is a worthy example many should do well to pattern after.

Senator HOEY will be surely missed not only by the State and Nation at large but by his thousands of personal friends as well as his family, but his influence will live on and on.

While the "silver tongue" is silent, its eloquent words of wisdom will linger on in this State and Nation. Would that there could be many more men like CLYDE ROARK HOEY.

[From the Statesville (N. C.) Daily Record of May 15, 1954]

DOWN IN IREDELL

CLYDE ROARK HOEY probably came closer to being a career politician than any other man in the history of North Carolina.

He negotiated three of the four estates in reverse order and at his death had almost attained the first, for he was regarded not only as the spiritual leader of his party but of his church as well.

He quit school at 12 to become a printer's devil, and in 4 years had risen to editor and publisher of his own country newspaper.

He then abandoned the fourth estate for law and politics and soon found himself safely ensconced in the third, first as a representative of his native Cleveland in the State legislature, and then as a Representative of his district in the lower House of Congress.

He attained the second estate in 1945 when elected to the United States Senate after having served as Governor of North Carolina from 1937 to 1941.

In all these progressions, attained through the suffrage of the people, he never suffered a defeat at the polls. On the contrary, he was nominated to the United States Senate by the largest majority ever given a candidate for that office in the history of his State.

Nor did he ever turn his back on the party which so honored him, although his steadfastness must occasionally have been managed through great tribulation, for he did not always agree with the policies of his party. But he felt that in politics, as in the church, evils can best be corrected from the inside.

Thus his loyalty became a legend in North Carolina and eventually proved his undoing. For he could never bring himself to say "no" when urged to go into the remotest village to speak for the party. Nor could he ever deny an audience to anyone from down home visiting in Washington. And, although he had been warned that he was giving himself away a little at the time, he persisted.

These activities, coupled with demands inherent in the office of Senator, finally proved too great a strain. He died in harness Tuesday afternoon while resting between chores.

HOEY rose to national prominence as chairman of what is now the McCarthy committee, which he inherited from its founder, Harry Truman. He ran the investigative functions of the committee with such impartiality and fairness as to draw praise from both parties. And he probably brought to account more crooks and shysters than had been uncovered before or since.

[From the Northampton County News, Jackson, N. C., of May 21, 1954]

COUNTY DEMOCRATS PASS RESOLUTION HONORING SENATOR HOEY

JACKSON.—Following are the resolutions as to the death of Senator CLYDE R. HOEY which were adopted in the Democratic county convention held in Jackson on May 15:

Resolutions of Northampton County Democratic Convention in regard to the death of the Honorable CLYDE R. HOEY:

"Whereas Hon. CLYDE R. HOEY, late senior Senator from North Carolina, passed away in the capital of the Nation on the afternoon of May 12, 1954; and

"Whereas he was the greatly beloved friend and representative of all the people in our State and an upright Christian gentleman and an unswerving and loyal Democrat: Now, therefore, the Democrats of Northampton County in convention assembled, do

Resolve, That in the death of Senator HOEY the State and Nation have lost a useful, able and political public servant; and further

Resolve, That we express our sorrow in our loss and extend to his family the sympathy of the Democrats of Northampton County; and further

Resolve, That the secretary of this convention send a copy of these resolutions to the family of CLYDE R. HOEY in Shelby.

[From the Northampton County News of May 21, 1954]

CLYDE HOEY, LAST OF THE GENTLEMEN

Perhaps the last of the gentlemen passed with the death of Senator CLYDE HOEY. His life reflected all the real and good qualities that the title "gentleman" construes. And his public service, spanning the lifetime of most Tar Heels, reflected the character and force that is in the title. He rightly won and kept the affection and the votes of vast majorities of all of us.

As a Senator, his gentlemanliness went deeper than his well-known outward appearance. He established a mark for others to shoot at in the matter of investigatory methods and fairness.

The people of the United States, of North Carolina, and of the Roanoke-Chowan lost a valued public servant, a longtime friend, and a "gentleman unafraid" in the death of CLYDE R. HOEY.

[From the Stanly News and Press, Albemarle, N. C., of May 18, 1954]

LOYALTY CHARACTERIZED THE LIFE OF SENATOR CLYDE HOEY

The tributes which have been paid to Senator CLYDE R. HOEY since his death last Wednesday afternoon have come from men and women in every walk of life, from the average American citizen to men in places of highest responsibility. He has been honored for his many attributes which ranged from community public service to national statesmanship of the highest order.

But we regard his sense of loyalty as perhaps his outstanding trait of character, loyalty to his friends, to his church, to his party, to his State, and to his Nation.

Loyalty is a quality which cannot be discounted, and those who regard it lightly will never be the useful citizens they could have been.

Many lessons can be learned from Senator HOEY's life by those who are ambitious to be successful public servants, and he has set high standards which cannot be met by those who lack that sense of loyalty.

There are many disappointed men in the world today who have become misguided in their thinking because they have failed to measure up to responsibility dictated by a sense of loyalty.

North Carolina sorely needs more men of Senator HOEY's caliber.

[From the Davie Record, Mocksville, N. C., of May 13, 1954]

CLYDE R. HOEY

It is with sadness that we chronicle the death of Senator CLYDE R. HOEY, of Shelby, who died suddenly in Washington, D. C.,

Wednesday afternoon, at the age of 76. The editor of the Record has known CLYDE HOEY for more than half a century. He and the Record editor were printer's devils in the early nineties. He was one of the finest orators that North Carolina has ever produced. He was a statesman of which we have too few. For the past 10 years he has held a seat in the United States Senate. His place will be hard to fill. While we differed with Senator HOEY politically, we admired his fearless manner. He fought for what he thought to be right, regardless of consequences. We shall miss his visits to our town, and his warm handclasp and his hearty greeting. A mighty oak has fallen. Peace to his ashes.

[From the High Point (N. C.) Enterprise of May 13, 1954]

GOOD AFTERNOON

(By Holt McPherson)

It is with a heavy heart that I undertake in humility this personal tribute to a man it was my privilege to call friend.

Those privileged to know and work with CLYDE R. HOEY—few men had more friends than that most beloved of all North Carolinians—share my feeling as they mourn the passing not merely of a great son of this State but also the end of an era in which he exemplified qualities of consideration, steadfastness, and christian character so needed in affairs of men and nations today.

The stout armor he wore in 56 years of battle for the principles of democracy is laid aside. That silver-tongued oratory to which uncounted thousands thrilled is silenced. That brave heart no longer can pour forth inspiration to men and women who drew heavily upon it through the years. And the big-heartedness which caused a busy man to remember little kindnesses will be missed by all privileged to know his greatness.

CLYDE HOEY died in his chair at his desk. It was characteristic of the man whose manifold qualities were best exemplified in his steadfastness. To his church, to his party, to his community and to his friends he was loyal. I think of him as a Christian statesman; modestly, he liked that characterization.

Through the years he never wavered in support of the Democratic Party and its candidates. In all those years since as a stripling of 20 years he was elected to the legislature—he was able to take his seat because he turned 21 between time of his election and convening of the general assembly—he was faithful in unswerving devotion to the party. There were terrific cross currents and troublous waters, but through it all he remained unchanging, a tower of strength wherever and whenever democracy was challenged.

There was something inspiring about the distinguished, frock-coated HOEY. He was an interesting figure in any setting. He loved people and they reciprocated that devotion. Indeed, the warp and woof of the tributes piling high to him now are woven in something that was intrinsically a part of the man—love. It was expressed in a thousand ways, not the least of which was imperishable because it came from a heart that was charitable, generous, understanding. No one went away emptyhanded who had come asking help of him. And he was not a wealthy man in terms of things material, but he had the knack of sharing and of understanding.

Some insight into the humility of the man may be taken from the story he liked best to tell about himself. It concerned a Negro schoolbreaking at which he was the speaker. It was one of thousands graced by him. The program was elaborate and grouped about him on the stage were highly educated individuals, all listed with their numerous degrees by their names. Senator HOEY had no college degree, honororary or otherwise at that time although he later collected a long list of them. But by his name appeared the letters P. M. F.

When the service was over he asked the principal what the letters P. M. F. by his name meant.

Embarrassedly the principal said he had noted all others on the program had degrees, but that since Mr. HOEY had none he had listed P. M. F., "which," he added, "means poor man's friend."

Mr. HOEY liked that more than any title ever conferred upon him.

Looking back over the past year it is to wonder why more of us did not recognize the way Senator HOEY was breaking under weight of years and load of work. He came to High Point December 31 and made one of his greatest speeches as he brought a message of hope for the year ahead. It was his last appearance here, one of the last in the State.

He told friends he would not be running again, that he was ready to step aside at the close of his term. He had hoped to return to the Shelby he loved—which gave him its every vote when he ran for Congress—and to find time for writing some memoirs. He wasn't ready to say it publicly, but he let close friends know he was tiring. It was a more ominous admission than they would accept at the time.

Then in 1952 friends wished to honor him with a great celebration on his 75th birthday. He asked them to delay it until he came home from his senatorial career. He recalled sadness of poor old Tom Connelly who headed homeward with a heavy heart, virtually unknown to the new crop of voters he had grown away from in long years of Senate service. The event was postponed on condition he'd guarantee to be there in 1957. He cheerfully accepted that condition, and we were beguiled into wishful thinking by it.

There wells up such a flood of happy recollections about CLYDE HOEY and the quality as well as character of the man, so natively wise, gracious and gentle in his devotion to his community, State, and Nation he typifies these memorial lines:

"Here was a man whose heart was good,
Who walked with men and understood.
His was a voice that spoke to cheer,
And felt like music to the ear.
His was a smile men loved to see,
His was a hand that asked no fee
For friendliness or kindness done.
And now that he has journeyed on,
His is a fame that never ends
And leaves behind uncounted friends."

[From the Kinston (N. C.) Free Press of May 13, 1954]

SENATOR HOEY'S DEATH IS BLOW TO STATE AND NATION

The sudden passing of Senator CLYDE ROARK HOEY, 76, on Wednesday at his office desk in Washington takes from North Carolina her No. 1 citizen and from the Nation a dedicated statesman whose leadership has been felt in the United States Senate since January 1945. His death is indeed a tremendous blow to his State and Nation.

Senator HOEY began as an apprentice printer at the age of 12, studied law and rose to the highest leadership in the gift of his State. He was an able speaker and a great trial lawyer. He early entered the service of the State in the legislature, serving for periods in both houses, and was assistant United States district attorney for 5 years before his election to the 66th Congress in 1919 to succeed Edwin Y. Webb, who resigned. He resumed the practice of law for a time, serving as a presidential elector in 1928, and was named Governor of North Carolina from 1937 to 1941.

His election to the United States Senate in the campaign of 1944, which was by an overwhelming majority, gave him the distinction of being the only North Carolinian ever to serve in both Houses of the State and of the Nation and the office of Governor. His reelection in November of 1950 to a term ending January 3, 1957, was by a vote that led all others on the North Carolina ticket.

His wife, the late Bess Gardner, of this native Shelby, died in 1942. They had three children—Clyde, Jr., of Shelby; Charles, of Canton; and Mrs. Daniel Paul, of Raleigh.

Senator HOEY's service and influence covered the gamut of public life. But he found time to serve his church and was for many years a Bible class teacher of distinction and force. His gift of speech and good humor endeared him to audiences throughout the State and Nation. He never missed a call to serve the Democratic Party or the State and was always to be found at party gatherings where his influence was welcomed.

A magnificent grasp of essentials made him respected by Democrats and Republicans in the Senate. He did not always vote according to party lines, but rather in his conviction of what was best for the country. In his term as Governor he supported a measure outlawing child labor and advanced the cause of better schools, roads, and other services to the people. His administration stands as a highlight in a long history of leadership which has made this State the envy of the South and the Nation.

His conduct of the five-percenter hearings in the closing days of the Truman administration reflected dignity on the Senate and the democratic process of government. Many of his colleagues have used his example as a contrast to the GOP's present hearings.

Presidential and gubernatorial eulogies have followed his untimely passing. Each expresses appreciation for the long and distinguished record of service to the Nation. But those who knew him and treasured his friendship down through the years feel much more deeply than the public leaders the great loss that the State and Nation have experienced. He loved North Carolina and believed in its great promise as one of the greatest States in the Union. He loved America and for her he gave his best at every opportunity. He really died in harness, which was the way he would have desired it. His death points up again the staggering toll which public life takes from our leadership every passing year.

His going leaves a tremendous void in our leadership, but his record of service is one which will be a shining example of sacrifice and devotion to God and country which will lead Americans onward and upward in generations to come.

[From the Scotland Neck (N. C.) Commonwealth of May 27, 1954]

THE STATE LOSES A GREAT PUBLIC SERVANT

CLYDE R. HOEY was a great man in every sense of the word. He was devoted to North Carolina, and the interests of the State and her people had first place in his thinking.

But CLYDE HOEY was more than a State figure. He was a national character in that he was thoroughly familiar with the national scene and his ideas were so sound and his intellect so sharp that he was frequently called upon for the proper handling of difficult assignments of the Nation.

With a wonderful command of the English language he was able to reduce difficult questions to simple terms, and this combined with his oratory made him a most effective speaker. With good humor but a rapierlike thrust he was able to confound his opponents on numerous occasions.

His service to North Carolina began before he was able to vote when he was elected to the general assembly. This interest never flagged throughout his lifetime. As legislator, United States district attorney, governor of the State, and United States Senator, he achieved the reputation, deservedly, of

being North Carolina's outstanding public servant. As a lawyer he was famed as one of the greatest the Commonwealth has produced in many a year. As a stalwart Democrat he was the wise counselor of his party for decades. It is said that no living man had ever made as many speeches as he for the Democratic cause, and he supported it through good and bad years because he honestly believed it to be the best party to have in power when the good of all the people was concerned.

CLYDE HOEY earned the accolade of "statesman." Conservative though he was labeled, he was yet in the front in his support of progressive movements. This section of North Carolina owes much to him for his stalwart espousal on the Senate floor and in committees of the program for development of the Roanoke River. This was only one of the sound programs he advocated which indicated his forward-looking viewpoint, even while he refused to give assent to crackpot schemes which were dubbed liberal by their supporters. He was a jealous guardian of the rights of the people—and he exercised his guardianship equally against the predatory interests of the extreme right and the excessive zeal and poor judgment of the extreme left.

CLYDE HOEY is dead and they buried him at his boyhood home last Saturday. That was the physical CLYDE HOEY they buried, for he will live in the minds and hearts of the people of North Carolina for a long time to come. The best measure of the regard of the sorrowing people he served so faithfully will be that lasting memory of a gracious and courtly gentleman who had earned their love and respect as he moved among them as a fellowman.

[From the Mount Holly (N. C.) News of May 21, 1954]

EVERYONE KNEW HE WOULD HAVE APPRECIATED THE GREAT RESPECT

CLYDE HOEY had perhaps the largest funeral of any public figure in North Carolina for many, many years. As the editor of this paper sat just three rows from the casket of the great leader we could not help but have the feeling that CLYDE HOEY would have appreciated, and most sincerely so, the profound respect shown for his life and character at his funeral. He always had the attitude that "his people" placed him where he was when he passed away.

Having been associated with the late and beloved Senator in every one of his campaigns since he ran against McDonald for governor we knew him intimately and for the Christian character that he was at all times. In his campaigns the only rumor that politicians made stick to any degree was that he represented the interest of great corporations. It is true, and thank heavens for it, that the great majority of people never believed that rumor. His estate, which is valued at about $125,000 according to the press, gives lie to the rumor. For if he were a corporation representative he must have worked for nothing because a $125,000 estate for a man whose salary has always been $15,000 a year, or above, for the past several years this is a small estate.

It was easy to see why CLYDE HOEY was a great man. The basis was he loved people. His townspeople from the mill, from the farms, from the business and professional sections, and from the colored race passed by his casket as he lay in state. One could see tears in the eyes of the people he was raised with and loved. Silent prayers were offered by scores as they paused at the casket. Then came the leaders of the Senate, leaders of both parties, from Senator KNOWLAND, of the Republicans, to the Senators on the Democratic side, along with House Members. These men, hardened by responsibilities and a knowledge of troublesome world affairs, did no different than the townspeople and the citizens from all over the State. They, too, shed tears as they approached for a final tribute to one who was a superior Member of their august body. These men, led by Senator ALTON LENNON, were unashamed as their lips moved in prayer and respect and a mist appeared in their eyes. Even a stranger could tell that they had lost a most valuable and Christian Member of their body at a time when he was needed most.

Yes; anyone who had talked with Senator HOEY about his State and Nation, who had climbed the outside steps to his humble office located over a store building in Shelby, or who had visited him in the elaborate Senate Chambers could not have sat through his final rites without shedding tears.

North Carolina and America have lost a great man. But we are all better for having known him.

[From the Newton (N. C.) Daily Catawba News-Enterprise of May 13, 1954]

THE LAST LEAF UPON THE TREE

CLYDE R. HOEY was born about 40 miles from Newton 76 years ago.

He grew up where the red-clay hillsides, ruined by cotton, were being abandoned to pine. His parents had prospered little more than the hillsides.

There was little encouragement or financial support for him to graduate from Shelby High School, so he interrupted his education to earn a living.

At the age of 16 he put together what little money he had saved and bought a newspaper. Until the first day of January 1908 he was an editor, publisher, and printer.

At the age of 20 he ran for a seat in the house of representatives of the general assembly. Some people in Cleveland County said that he wasn't eligible; that a man had to be 21 to serve in the legislature. But a careful reading of the Constitution revealed that only a seated representative, not a candidate to be a representative, need be 21. CLYDE would reach his majority in December of 1898. The general assembly would convene in January of 1899. The people of Cleveland County elected him; he went to Raleigh and took his seat. He was reelected in 1900. In 1902 he was elected to the North Carolina Senate.

Meanwhile he studied law and was admitted to the bar. Denied the completion of his high-school education, he studied aggressively to educate himself; he managed to attend one summer session of the University of North Carolina School of Law.

At the age of 22, he married Bessie Gardner, whose brother was later to become Governor of North Carolina.

Rapidly the man from Shelby grew in stature. He was appointed assistant attorney for the Western District of North Carolina; later he was elected to the Congress of the United States.

In 1936, he threw himself into the race for governor and won, following his brother-in-law in that office. Tar Heels began to speak of the "Shelby dynasty."

The boy who didn't have a high-school diploma was now receiving honorary doctoral degrees from Davidson, Duke, and the University of North Carolina.

In the fifth decade of the present century, the "Shelby dynasty" began to fade. Death came to Mrs. Hoey and Governor Gardner. But CLYDE R. HOEY lived on to know the years of his greatest honor and productivity. In 1944, he was elected to the United States Senate. In 1950, he succeeded himself without opposition within his party.

In these latter years, his heart was often back in Shelby when the 20th century was still very young. His hair, now turned white, was worn long. Styles in clothing changed, but he kept on wearing an upturned collar and long coat. He was a colorful figure in Congress, but his mind stayed razor sharp, his influence substantial.

Everyone knew that when CLYDE R. HOEY was gone, an era in the history of the Carolina Piedmont would close. Gone would be a kind of gentility born not of aristocracy but of patient, honest toil. Gone would be the first phase of a renaissance. Gone would be the old New South.

The Senator knew that it would be that way as he went about coupling deep understanding with warmth and good humor.

Oliver Wendell Holmes, writing in 1831, put it this way:

"And if I should live to be
The last leaf upon the tree
In the spring,
Let them smile, as I do now,
At the old forsaken bough
Where I cling."

[From the Waynesville (N. C.) Mountaineer of May 17, 1954]

SENATOR CLYDE R. HOEY

Perhaps no man in public life, in the history of our State, was better loved than the late Senator CLYDE R. HOEY.

He first entered upon public service in this State 56 years ago. And evidence of the high esteem the people of this State had for the Senator is best expressed by the consistency with which they elected him to the many offices of trust.

Senator HOEY is the only North Carolinian to ever be elected to both the State house of representatives, and the State senate; then to the National House of Representatives, and to the United States Senate as well as Governor of North Carolina.

Added to those achievements is the fact that no person ever received as large a majority in a Democratic primary for Governor or Senator.

He was a statesman-gentleman, and his influence will be missed throughout this Nation.

He was interested in his church, and proved it by his consistent leadership. Only last June, as the speaker for Haywood County Day at Lake Junaluska, he attracted a large audience, who enjoyed his message of hope, which was backed by his years of full understanding of the problems of men and women.

Death overtook him at his work—that of serving his fellow man.

[From the Henderson (N. C.) Daily Dispatch of May 22, 1954]

NOT THE SAME WITHOUT HOEY

Members of the party clan from throughout the State sensed there was something missing at the Democratic State Convention at Raleigh, Thursday. And definitely there was. It just couldn't be exactly the same without Senator CLYDE HOEY. Death a week previously had taken him, resulting in his absence for probably the first time in a generation.

The long-flowing mane, the frocktail coat, the red carnation, and the flaming oratory of political leaders of a former day were nowhere in evidence. The Democrats missed CLYDE HOEY. And what's more, they will continue for a long while to sense his absence in party gatherings.

The Democratic Party in North Carolina today has no counterpart of Mr. HOEY, Cam Morrison, and Max Gardner, all of the old school of sane, sound, and virulent leadership that helped carry the standard to high achievements in government in this State. There were others like them, dating back as far as the time of Zeb Vance. But all have now passed off the stage of activity, and no one has come forward to take their places. Not that there isn't leadership; there is. But it's not of that quality.

These were the giants of a former era. And it seems that we are not growing men

of such stature nowadays. They may come on the scene later. But, as yet, they have not appeared.

[From the High Point (N. C.) Beacon of May 13, 1954]

MR. DEMOCRAT

Wise people interested in Government based on fairness administered by gentlemen of integrity felt that, like Ole Man River, Senator CLYDE R. HOEY would forever keep rolling along, leaving in his wake the absolute ultimate in political satisfaction.

But 55 years of honest, capable public service took its toll and yesterday the man we all came to know as Mr. Democrat died at his desk in Washington.

To eulogize a man of Senator HOEY's caliber is an impossible task for those who strive for absolute perfection. There is too much to say, too many ways to say it, too many angles. A perfect eulogy for a man like him is out of reach.

But when you know and love a man like we, and millions of others, loved Senator HOEY, you must say something of his passing.

Senator HOEY was your friend, my friend, everybody's friend. His name stands as a symbol for political integrity and his mark shall forever rest in many corners on North Carolina—a State he revered with a peculiar passion.

Senator HOEY believed in North Carolina and he believed in its people. He envisioned our State as the South's leader long before it rose to such status. He could recall the past with eloquence; he lived in the present; and he looked to the future. He eternally glimpsed distant horizons and he eternally saw an even brighter future for a State he materially helped become the greatest in the South.

Since the day he was elected a member of the North Carolina General Assembly in September 1899, CLYDE HOEY, then a mere 21 years old, saw great things for the State he loved.

He later became assistant United States district attorney, Congressman, Governor, and Senator. And not once during his climb up the ladder of greatness did he lose sight of an inward feeling that he was destined to nudge his State up the ladder with him.

It is doubtful if any man before him ever made such a deep and lasting impression on his State and its people. His name will be revered long after his body is interred in the soil of North Carolina he loved so well. And all of North Carolina—from Murphy to Manteo—will have profited from knowing this man who certainly was divinely endowed with the characteristics of greatness.

[From the Morganton (N. C.) News-Herald of May 17, 1954]

AN ERA HAS ENDED

As years count Senator CLYDE HOEY classified as an old man, but few, if any of his friends and acquaintances thought of him as being old. Perhaps it was this quality of youthfulness of mind, of manner, and of spirit, which added to the profound shock that the news of his sudden death in Washington last week brought to the entire State.

Somehow we thought of him as going on forever in loving service to all North Carolina. There is little doubt but that had he had a choice he would have preferred going out as he did, in his office and with his boots on. A long period of invalidism would have been out of character for the active, virile, always-youthful political leader and statesman.

That we shall not see his like again is generally agreed. Truly the pattern of life and leadership that CLYDE HOEY exemplified in North Carolina for more than half a century could never be matched or duplicated. He was in a class all by himself. As an orator, his mastery of language, superb delivery, and store of anecdotes fascinated audiences whenever and wherever they assembled to hear him.

Hereafter, without him, political campaigns will never be the same in North Carolina. For years to come parents will tell their children and grandchildren of speeches they heard CLYDE HOEY make at various types of public meetings. Undoubtedly he holds the record of having spoken oftener and in more places in North Carolina than any other man, living or dead.

A gentle, polished gentleman of the old school, Senator HOEY practiced all his life the oft-neglected art of gallantry and fine manners. He had a genius for making and keeping friends, and throughout North Carolina literally thousands who rated him as a close personal friend feel keen personal grief over his passing.

[From the Burlington (N. C.) Daily Times-News of May 13, 1954]

CLYDE ROARK HOEY: GENTLEMAN, STATESMAN

North Carolina has found no more in citizenship and statesmanship than was characteristic of the life and public service of CLYDE ROARK HOEY, whose death occurred in his United States Senate office suite yesterday as he paused momentarily to rest from the multiple and arduous activities of the day devoted to matters of state and his constituency at home.

In early boyhood in his native Shelby, orphaned, CLYDE HOEY became the head of the family when he was 12 years old. It was under this handicap, accepting the responsibility he was able to shoulder, that the pattern of his basic principles of hard work, honesty, and fair play was formed. These principles were sustained and were enhanced in the virtues of his long public life.

His interest in the political life of his native North Carolina from the time he was elected to the general assembly, as Governor, and to the United States Senate were accepted as opportunities to promote the welfare of all. He served in both House and Senate on the State and national levels. Beyond political statesmanship, his influence in the church and society reflected an inspired fellowship in human relations.

The respect in which CLYDE HOEY was held by his colleagues in Congress, where his counsel was sought and his influence was felt, identified his outstanding leadership. As North Carolina and the Nation honored the late Senator in life, so will his life be recalled and honored in history.

[From the Burgaw (N. C.) Chronicle of May 20, 1954]

Senator CLYDE R. HOEY was eulogized by Judge Clifton L. Moore and Senator J. V. Whitfield. Upon motion of Judge Moore and seconded by Senator Whitfield, the following resolution was adopted unanimously by the convention:

"Whereas in the death of CLYDE R. HOEY, North Carolina and the Nation has lost a great public servant. The Democratic Party of Pender County in convention assembled this 15th day of May 1954. Therefore, the State and the Nation in heartfelt sympathy to the bereaved family of Senator HOEY. The Senator was a statesman in the full meaning of that word. With his death an era came to an end in North Carolina. It was the epoch of a man who dedicated himself to public service at an early age and who never deviated from that dedication through his long and illustrious career—a career during which he was a great State legislator, a great Congressman, a great governor, and a great United States Senator. Our State has had few his peer and none his superior. He will live ever in the memory of our people."

[From the Marshville (N. C.) Home of May 20, 1954]

CLYDE R. HOEY

Not only the State of North Carolina but the Nation as well suffers great loss in the death of our beloved senior United States Senator, CLYDE R. HOEY, of Shelby. As evidence of his great ability, his tremendous popularity, which was powered by his sense of justice and his love for his fellow man, he is the only North Carolinian to have ever been called upon to serve in both houses of the State legislature, as governor of his State, and in both Houses of the National Congress. He possessed the old-fashioned principles of truth and honesty and courtesy and sobriety that go to make up a southern gentleman. He was spectacular in his dress and his oratory was of such eloquence that he has long been known as the silver-tongued orator of North Carolina. The long jump from printer's devil to United States Senator was no accident. His father died when he was 12 years of age and he went to work in a printing office to help support the family. A few years later he owned the paper and at an early age he attended the University of North Carolina to prepare for the practice of law, his elementary and higher education having been obtained largely through reading and studying at home. Yet he had a command of English language and a knowledge of facts that few men possess. His place in the United States Senate will be hard to fill.

[From the Laurinburg (N. C.) Exchange of May 18, 1954]

NONPARTISAN AND JUDICIAL

In a rather generous tribute to North Carolina's elder statesman, Senator CLYDE R. HOEY, the editor of the Washington Post and Times-Herald makes a statement which we think is worth noting down and remembering when he says, "While he (Senator HOEY) remained a devoted Democrat throughout his career, he had a nonpartisan, judicial quality about him that in later years brought him the high respect accorded an elder statesman."

Some people might find it hard to understand how a man could remain a loyal and devoted Democrat all his life and at the same time be nonpartisan and judicial in his attitudes and his thinking. But Senator HOEY was so much a gentleman and a Christian that he could not find it in his heart to be bitterly partisan, and altogether blind to facts. He recognized the worth of others who differed with him, and respected character and honor wherever he met it. A few years ago he was rather severely taken to task by some newspapers for shaking hands with the late Senator Taft, of Ohio, after the passage of a certain controversial piece of legislation in the Senate.

They couldn't understand how a man could be a good and loyal Democrat and shake hands with Senator Taft.

There are those who by nature are intensely partisan and can see no good in anything or anybody who differs with them. They are so partisan that it becomes a passion with them, and there is room in politics for that kind. And then there are others like Senator HOEY who are loyal men, but nonpartisan in a larger and nobler sense in that they can and do see both sides of a question and respect varying viewpoints if they are honest and sincere. To that extent they are nonpartisan and judicial, and that's why Senator HOEY, loyal Democrat that he was, took on the stature and the quality of an elder statesman as he came to recognize and respect character and virtue and truth wherever he found them.

[From the Pinehurst (N. C.) Outlook of May 14, 1954]

CLYDE ROARK HOEY

North Carolina has lost an able and distinguished legislator in the sudden death of United States Senator CLYDE ROARK HOEY.

The loss also is a severe one to the Senate. Senator HOEY was looked up to by every Member of that august body. His fellow Members turned to him for counsel and advice, knowing they would hear from his lips not what was expedient, not what was best partywise, but what he regarded as morally right and sound, what he considered best for the Nation.

CLYDE HOEY'S mentors were God and country.

[From the Nashville (N. C.) Graphic of May 13, 1954]

THE KILLING PACE

Few men in public life ever command such widespread respect and admiration as was accorded Senator CLYDE R. HOEY. He was a figure whose dignity seemed to place him apart and aloof from the din and furore of political squabbles that North Carolina citizens sometimes like to become engaged in. If there were those who disliked him, their numbers were few. North Carolina's love and respect for its senior Senator was almost universal.

Senator HOEY'S untimely death this week removed from the State and the national scene a leader whose services and whose experience will be missed in this troubled hour of history. Men of his stature are not easily replaced.

CLYDE R. HOEY is the fourth Senator from North Carolina to die in office in less than 8 years. Before him went Josiah W. Bailey, Melville Broughton, and Willis Smith. By any criterion, that is a heavy toll. The passing of these four men in such rapid succession suggests that the business of attending to the public business in high office is a strenuous labor that constantly demands the limit of a man's energies. It seems, in fact, to be a business that requires men to set for themselves a killing pace.

The immediate question raised by Senator HOEY'S death is the question of his successor. Many will want and will seek the appointment. And it is probably safe to say that none will be deterred by the fact that the fatality rate for North Carolina Senators seems to be tragically high. It is well, perhaps, that this is so. It is well that there are men who are willing to give themselves unselfishly and unstintingly to public service, even if they may not always count longevity among the rewards they may hope to win.

[From the Hertford County Herald, Ahoskie, N. C., of May 17, 1954]

CLYDE HOEY, LAST OF THE GENTLEMEN

Perhaps the last of the gentlemen passed with the death of Senator CLYDE HOEY. His life reflected all the real and good qualities that the title "gentleman" construes. And his public service, spanning the lifetime of most Tar Heels, reflected the character and force that is in the title. He rightly won and kept the affection and the votes of vast majorities of all of us.

As a Senator, his gentlemanliness went deeper than his well-known outward appearance. He established a mark for others to shoot at in the matter of investigatory methods and fairness.

The people of the United States, of North Carolina, and of the Roanoke-Chowan lost a valued public servant, a longtime friend, and a "gentleman unafraid" in the death of CLYDE R. HOEY.

[From the Bladen Journal, Elizabethtown, N. C., of May 20, 1954]

HOEY WILL BE GREATLY MISSED

CLYDE R. HOEY was one of the best known and most generally beloved political figures North Carolina has had since the days of Aycock. The public loved to watch Senator HOEY and to hear him speak. They knew him as a kindly, courtly gentleman whose reaction to almost any given circumstance could be predicted.

The public knew him as a Democrat, first, last, and always. They knew him as a conservative who would stand firm against any onslaught he thought wrong.

The public knew him as a Christian gentleman, as a Sunday-school teacher primarily, and then as governor, Senator, and statesman.

His achievements as governor and Senator may not be long remembered in these days of fast political upheaval—but his powerful influence for all that is good and decent will always be remembered.

He has gone to his reward, and perhaps his greatest calling card in North Carolina is the simple statement, "the people knew and loved him."

[From the Wilmington (N. C.) Star-News of May 16, 1954]

TAR HEELS IN WASHINGTON, D. C.

(By Julia McNinch Slear)

WASHINGTON, D. C., May 17.—With the suddenness of death, the Capital's whirl came to an abrupt stop midweek.

Once more, stunned and heartheavy, Washington saw the Nation's flag at half-mast over the Capitol for another great North Carolinian. Eyes blurred and heads bowed in sorrow as the flag Senator CLYDE R. HOEY loved and served so well was lowered slowly, reverently to mark his passing.

Too often in the past decade has that flag been lowered for our North Carolinians in Congress. Memories are still fresh of hard-working Senator Josiah W. Bailey, Senator J. Melville Broughton, Senator Willis Smith, and Congressman A. L. Bulwinkle. Less than a year ago Senator HOEY poured out his heart in tribute to Senator Smith, with his silver-tongued eloquence—unequaled in the Senate. Of the Old South, he so well represented its chivalry and spirit.

"No one was more highly respected, more universally beloved, or more desperately needed in the Senate, in the country, in the world these confused, chaotic times," said a neighboring Senator, not caring to hide his emotion. "A bulwark of strength, Senator HOEY was the most courageous man I ever knew; the most courteous and the firmest," offered another of his colleagues standing by.

But no one will miss him more than Senator LENNON, who sought the senior Senator frequently for guidance and advice. Immediately he canceled all engagements in the State for the weekend and flew to Washington to arrange necessary senatorial details and to head the large congressional delegation, including the entire bloc of southern Senators, that was named to accompany Senator HOEY on his last journey back home."

Numb with shock, North Carolinians, canceling all engagements, gathered on the Hill virtually as one, for the colony here is just a big family, and, despite individual ambitions, petty jealousies, and silly differences, draws close and gives real evidence of "the tie that binds" when trouble comes singly, or to all of them. Senator HOEY, picturesque, courtly, and lovable, was the idol of every North Carolinian in Washington—indeed, every Washingtonian. He loved people and went among them. A member of the board of governors of the North Carolina Society for years, he took his obligations far more seriously than many younger members with fewer weighty problems, seldom missing a function. With all his congressional duties, there was always time to make a heart glad. He had probably crowned more princesses, officiated at more birthday cakes, presented more official awards, posed with more schoolchildren, honored more people with his presence at luncheons, teas, dinners, and meetings than the Vice President. Conscientious to personal sacrifice about his congressional duties, he kept long hours. Sallying back to the office in the evening, we have met him many times just going home after a long day's work, and at last Monday night we had sped him hotelward for supper, pleasantly reviewing the while the doings of the day on the Hill.

Senator HOEY'S passing is a personal loss to every North Carolinian here. Washington will truly be a different place. To us the new era begins.

[From the Henderson (N. C.) Dispatch of May 13, 1954]

STATESMAN OF HIGH CHARACTER

No political official has lived in the present generation in North Carolina who was more popular with the people or who was held in higher esteem by them than CLYDE R. HOEY. This popularity was not of the temporary, fleeting, flippant character, nor was it an attitude on the surface which faded into indifference or animosity down deep within.

CLYDE HOEY'S pull on the people of this State was that of genuine affection. He won his place in the hearts of citizens by his innate honesty, his modesty, his knowledge of government and its problems, and the fact that he had earned and possessed their confidence. He never let them down and never betrayed them, and they believed he never would.

The overwhelming majority he received when he ran for the United States Senate 10 years ago was a tribute to him and a manifestation of the people's trust in him. He won his second term in the Senate in 1950 without so much as nuisance opposition. It is probable that no man could have defeated him.

It was a tougher job when he aspired to the governorship in 1936, but in the runoff primary he sailed through easily and with flying colors. His administration as chief executive was in an era of comparative quiet and with little trouble or difficulty or serious controversy, yet he has taken his place in State history as one of its most distinguished Governors.

CLYDE HOEY was a down-to-earth man and official. He liked to mingle with the people, and no citizen was so humble and none so great or so prominent but that he was completely at ease in their presence.

In the United States Senate, Mr. HOEY had within a decade climbed to prominence, prestige, and unusual respect. There, as among the folks back home, he was loved and esteemed, regardless of political affiliations. He was an intense student of national and international problems, so much so that his judgment was prized and sought after.

In his sudden and untimely death Wednesday afternoon, North Carolina and the Nation have lost a statesman of high rank and of the old school, of which there are all too few now remaining. He is mourned by thousands who knew him personally or by reputation and will be sorely missed in the high counsels of Government. His rare oratory was ever a vivid characteristic of the man. His traits as a Christian gentleman stood out prominently in his public and private life.

TO CLYDE R. HOEY, UNITED STATES SENATOR FROM NORTH CAROLINA WHO DIED IN WASHINGTON, D. C., MAY 12

He walked away from Shelby on a certain, special day,
Yes, he walked away from Shelby as he went about his way.
Long, gray frock coat was his trademark,
High, white collar was his mail,
Fresh, red flower pierced his lapel but that is another tale.
For he walked away from Shelby, from his kinfolk and his son,
Yes, he left the town of Shelby for appointment—Washington!

Governor of North Carolina, statesman of a sovereign State,
Senior Senator of Congress, marked a great among the great.
So we harken for a moment, give a pause of awe or fear
When we learn that something happens to someone we hold so dear.
His the voice that spoke to Christians in the class at Sunday school.
His the honor of a gentleman, known always as God's tool.

CLYDE R. HOEY! now immortal, but in Heaven and on earth,
You have lifted up the people, added to their noble worth.
Should an epitaph be written, let the words be sharp and true:
"This man thought little of himself but thought so much of you."
For he walked away from Shelby, head erect and smiling wide,
Christian statesman, soldier HOEY, at his post of duty died.

EPILOGUE

You have heard his verbal message, you and I have heard him teach,
By the Book of God he lived and by the Bible did he preach.
He is waiting now in Heaven, sitting with the saints above
Making laws in God's High Senate for the people that they love!

—*Charles W. Loveland.*

SHELBY, N. C.

NORTH CAROLINA SOCIETY,
Washington, D. C., May 17, 1954.

RESOLUTIONS OF RESPECT TO HONOR SENATOR CLYDE R. HOEY, SHELBY, N. C.

Just a few days ago our devoted friend and fellow member of the board of governors, Hon. CLYDE R. HOEY, passed away. We cannot but pause without saying some word of praise and admiration of him. Thoughts of him are first in our minds and hearts as we open this, our last meeting of the current year, 1953–54.

The announcement by radio, TV, and public press of his quick and sudden passing gripped all of us last Wednesday afternoon. Each one arose and stood silently in prayer to give thanks to our Lord and Master in calling him home from the work of the day. We will miss but never forget Mr. HOEY.

Be it therefore resolved that sympathy and sorrow be recorded on the minutes of this meeting in tribute and respect to Mr. HOEY. One could not mention the name North Carolina without thinking of him. Over 56 years he served our State and Nation, in our legislature and in Congress. Some addressed him as "Governor," others called him "Senator," but he was our representative. He stood out amongst us as a diplomat and statesman. He called us by our first names, he knew us, we knew him, we were friends.

In our assemblies, socials, receptions—at our teas and parties Governor HOEY stood head and shoulders above us at the head of the line. His dress and manner became our model; the coat, the tie, the flower he wore kept us in step; his gracious smile and spirit descended on us; his speeches spoke the words we wanted said. He never failed us; always forsook the affairs of state to come and lead our society ahead in the Nation's Capital. His standard of living seemed to be the American and Apostles Creed. In church and community life Mr. HOEY was our standby; every citizen of North Carolina leaned heavily upon him; they went to him with their troubles, and came away with their problems solved. Any new appointee to the Federal service—be he an elected Congressman or an humble worker—came first to see Mr. HOEY. He guided them in taking their oath of office to responsibility and duty.

Senator HOEY did not give up in his unfaltering trust, but he wrapped the drapery of his couch about him and lay down to pleasant dreams—knowing that we, his friends, will follow in his footsteps. This was the way he wanted it to be. His was a devotion to God and country. In the death of His saints the Lord doth rejoice—we rejoice that Mr. HOEY led us along the paths of Christian duty and citizenship.

Again, let it be resolved that a delegation be authorized and members appointed to represent this society in a public memorial meeting to be fixed at an early date, in honor of our senior Senator from North Carolina, CLYDE ROARK HOEY, of Shelby.

Be it further resolved that a copy of these resolutions and sympathy be sent to his sons, Charles and Clyde, Jr., and his daughter, Mrs. Paul, with our sincere respects and esteem recorded.

Respectfully submitted.

EDD W. DEARMON,
Chaplain, North Carolina Society of Washington, D. C.:

Supplementary to this are cited editorial comments of May 14, 1954, in the Washington Evening Star and Washington Post, with obituary column statements acclaiming and making public the life and history of Senator CLYDE R. HOEY.

Attest: A true copy.

CASSIE L. WOLFE,
Secretary.

Approved:

EDWARD L. EDMUNDSON,
President.

Mr. JOHNSON of Texas. Mr. President, it is somehow very difficult to realize that Senator CLYDE HOEY is no longer with us.

CLYDE HOEY was a quiet man, a gentle man. He spoke rarely; and when he did, his words were measured and soft.

But he walked in the mantle of greatness. He carried with him the grand traditions of an age when men were calm and deliberate; when they always weighed their words before they uttered them.

His kindliness and his courtesy were not acquired characteristics which could be shed like a cloak or a pair of gloves. They were part of his inner soul—of the inner recesses of his being.

CLYDE HOEY was a wise man—a man of profound and balanced judgment. He had a deep understanding of the workings and machinery of our Government—an understanding that is denied to most men.

He also had a basic sympathy for the problems of his fellowman—a sympathy which enabled him to comprehend the problems of people.

As the Democratic leader, I went to Senator HOEY with many problems. I found him to be a master of tact. I always found his advice to be sound. I found his heart to be gentle and considerate.

Somewhere in Heaven, there is a special corner reserved for men who are truly great, truly kind, and truly gentle. It is a corner reserved for such as the southern statesman and general, Robert E. Lee.

I have an idea that it is also reserved for my good friend and patient counselor, CLYDE HOEY.

Mr. KNOWLAND. Mr. President, all of us who had the honor and privilege of serving in this body with the late Senator CLYDE HOEY had a deep affection and a high respect for him. We know that he had served ably and well the people of the State of North Carolina, as a Member of the House, as Governor of that great State, and as a Member of the United States Senate, to which he was elected in 1944.

Mr. President, in this historic Chamber there is a center aisle which divides the parties, the Democrats sitting on the other side and the Republicans sitting on this side. But one of the great things about the Senate of the United States is that that line is no barrier when it comes to understanding the character, ability, and capacity of the men who served in this Chamber, regardless of where their seats may be located.

We, on the Republican side of the aisle, as each of us in turn came to know him, learned to have great respect for CLYDE HOEY. On numerous occasions he was called upon to preside over the deliberations of this body. As a Presiding Officer he knew parliamentary law. He was fair and just. He was not a narrow partisan who would take advantage of opponents, even though they might be of the opposite political faith. As chairman of a committee of the Senate he presided with dignity, fairness, and ability.

I was among those who attended his funeral services in his home community of Shelby, N. C. Those of us who were present on that occasion had an opportunity to see evidence of the great love and affection in which he was held, not only by the people of his home town, but by all the people of the State of North Carolina, many of whom came to that community from great distances to pay their last loving tribute to a great American.

Mr. President, life is uncertain, and none of us knows how long he may be able to serve his country or his fellowman. One of the memories I shall always cherish so long as I may live is the loving memory of CLYDE HOEY. He was one of the gentlest and most kindly men it has ever been my privilege to know.

The minority leader has spoken of the help which he received from CLYDE HOEY. There were occasions in the past, before I assumed this position of responsibility, when I had the opportunity of going to him and discussing various subjects with him. I found that he was just as friendly, just as kindly, just as helpful, though I was a Republican, as he would have been had I been a member of his own party.

I shall miss him. I know that every other Member on this side of the aisle

will miss him. I know that the entire membership of the Senate and the people of his State will always miss CLYDE HOEY.

Mr. BUTLER of Nebraska. Mr. President, the passing of a colleague is always a sad occasion. I feel particularly moved at this time to weigh the loss of one of the finest gentlemen with whom it has been my pleasure to serve in this body.

CLYDE ROARK HOEY matured in the manner which made America strong. From a humble beginning, his endeavors earned him every honor which his community and State could bestow on him. He was a fine lawyer, a most able governor, and an outstanding Senator. His quality of mind and strength of character were recognized by all of us. He was fair with all men and temperate in all matters.

My particular regard for CLYDE HOEY is compelled by my appreciation for his deep reverence. He was a man who fully sensed the divine scheme which governs all beings. Neither vanities nor selfish ambitions beckoned him. He was a man who felt that life was an opportunity to use all his talents to serve his God. Toward that end, his life was a great success.

Mr. HILL. Mr. President, that man is exceptional who in a life of unselfish service can live up to the expectations of his friends and justify their faith in his character and ability. Such a man was CLYDE HOEY.

We who knew him so well were proud to have him call us "friend." His good humor, his sympathetic understanding, his wisdom, his seasoned judgment and rare common sense bound us to him. He lived day by day in our warm affection and abiding appreciation.

Many and outstanding were CLYDE HOEY'S contributions and services to his State and to his country. Again and again when he was Chairman of the Senate Permanent Subcommittee on Investigations we saw the honesty and character, the equity and justice of the man. We saw his steadfast regard for the law and constitutional procedures—his vigilance for the rights and good name of all men. He would neither suppress the facts nor try to distort their meaning. He sought no headlines for himself and he sought no partisan advantage. He would serve only the truth and his country.

CLYDE HOEY recognized that if it be the skill and genius and labor of men that create, it is the law that preserves, and without a government of law there can be no stability, no security, no liberty, no peace, and no true happiness for the people.

CLYDE HOEY came from the mountains of his beloved North Carolina. There was in his soul the rectitude, the patience, and the strength of the mountain.

For many years he was the teacher of a large Bible class at his home in Shelby. He taught the brotherhood of all men under the fatherhood of God. He talked of the things that are worth while and of those that are not, of loyalty, right dealing, speaking the truth and, most of all, the wish that we may have the approval of the Father of us all. He proclaimed the way of faith and of Him who died to make men holy.

Knowing CLYDE HOEY as we did, we may well know that when the summons came he walked down to the river, smiling and unafraid, meeting his Pilot face to face and saying:

> Master, I've done Thy bidding,
> And the light is low in the West,
> And the long, long shift is over;
> Master, I've earned it—Rest.

Mr. GEORGE. Mr. President, I have had the honor of serving in the Senate with a great many eminent men from the great State of North Carolina. When I became a Member of the Senate North Carolina was represented here by two of her distinguished sons, Furnifold M. Simmons and Lee S. Overman. They were followed by distinguished successors.

North Carolina has suffered the loss of many of her able public servants, particularly among those who represented the State in the Senate. It has been but a short time since we said good-bye to Senator Broughton. Before him the last call came to Senator Josiah Bailey, with whom I served for many years. Then Senator Willis Smith passed away. And now Senator CLYDE HOEY has left us. I served in the Senate with the distinguished present Governor of the State, William Umstead. But in all my service in the Senate and in all the knowledge I have had of the men who came from North Carolina, I have not known one who more definitely possessed real wisdom, which is always distinguished from mere information or mere learning, than CLYDE HOEY.

Along with the wisdom which he possessed, he learned from experience. I daresay, Mr. President, that men do not become wise except through experience. Some men are born with greater capacity to acquire wisdom, but none ever possess it who have not lived and passed through many, many experiences.

But, in addition to his great wisdom, in a true sense he possessed moderation. He possessed moderation in his views, moderation in the expression of his views and opinions, and moderation in his attitude toward other people, not only toward his colleagues in the Senate, but toward people everywhere. He had also, and above everything else, that distinguishing virtue of statesmanship, a true love of justice—not justice as it is meted out in the courtroom under established rules of practice, rules of evidence, rules of law, but the justice which is the constant policy of all civilized States.

Senator HOEY possessed to a remarkably high degree the great outstanding qualities of wisdom, of moderation, of justice, and of patience.

As my neighbor in the Senate Office Building, and as a member of the Committee on Finance, upon which both of us were privileged to serve, I always found him in complete control of his faculties and emotions. I have seen him under circumstances of great strain, but I have never seen him lose the distinguishing traits of moderation and of patience.

Perhaps it is because of our misreading of human history that we are likely to think that the great men of this earth are those who parade across the stage of life as a Mussolini, as a Hitler, as a Stalin, and many others who could be named in modern history, and of course many in ancient history.

Actually the great men of this world have been men of great patience. They have had the capacity to endure patiently and to make real contributions to the life of their communities, to the life of their States, and to the life of their times.

Senator HOEY was, first of all, a trained lawyer. He served his State at an early age in both Houses of the State Legislature of North Carolina. He served his State for a short time as a Member of the House of Representatives in Washington, and subsequently as an outstanding Senator of the United States. He served his State with great distinction as Governor for a full term. He served his party in his State, with a true spirit of patriotic devotion to the interests of his country, as a member of the national committee, and in other responsibilities and duties which were placed upon him by the people of North Carolina.

But he remained the man of superb wisdom, the man of moderation always in thought and in expression, and the man who never lost his sense of justice and fairness.

My observation has been, Mr. President, that not many of us are able to say that actions which we take in the Senate are always wise. However, the man who serves his country well is the man who can always say, "What I have done I have believed to be right." Mr. President, we do not have the capacity to distinguish the wisdom or the unwisdom of the solutions offered to the many complex, delicate, and difficult problems which are presented to us day by day, but we do have the capacity to distinguish right from wrong.

It has been more than a third of a century since I talked with a great Senator from the far distant State of Idaho—William Borah. He said to me, "I want to give you the advice which an old friend gave to me when I packed my belongings and commenced the journey to Washington to serve the people of my State. That advice is this: You will not always know what is best. You will not always know what is wisest. You will not always know whether you are entirely correct and accurate as to many of the problems you will have to face day by day, but you can always know when you are right. At least, you can always have the inward consciousness of doing the right as you see it and as it appeals to you and appears to you at the time. Beyond that no man can go," said Borah in the long, long ago.

Mr. President, Senator HOEY always tried to do right. He always tried to cast a conscientious vote. We did not have to call the roll to know how he would stand upon any important question, because he had the courage of the convictions of a man of wisdom, of moderation, and a sense of justice, and he always applied those great human virtues.

So Senator HOEY did what he thought was right, what he thought was proper, under existing conditions and in the light of all the information at his command. He spoke much to his people in North Carolina. He was not often on his feet in this body, but he was known throughout his State, for during many, many years he appeared before countless audiences in his State.

I knew him first through his distinguished brother-in-law, O. Max Gardner, who himself served as Governor of the great State of North Carolina and who, perhaps, had a clearer vision and a more complete grasp of how public policies and important legislative enactments influence the commerce, the activities, and the industries of our complex daily life, than did any other man I have ever known.

Governor Gardner had the opportunity to name a Senator to this body during his term as Governor of the State of North Carolina. He did not name CLYDE HOEY. Perhaps he was more strongly influenced because of the fact that he was his brother-in-law, and that he did not wish to subject CLYDE HOEY to the criticism which might have been directed at him had he been named a Senator from his State. But I remember that the Governor himself stated to me that he hoped CLYDE HOEY would find a place on the Finance Committee when and if he ever come to the Senate. I know Governor Gardner held Senator HOEY in the warmest and highest regard, as we all did.

Mr. President, Senator HOEY was a tower of strength. One could approach him and know he would receive an honest judgment and that his judgment would be uninfluenced by any fear or any desire to avoid taking a position on critical issues or questions.

So, Mr. President, I pay my tribute to him as a great citizen of his State, as a magnificent representative of the people of his great and progressive State, and as a just man and honest man who, with the accumulated wisdom of a long lifetime, knew how to meet human problems and to discharge his duty faithfully.

Of course, to his family no words can bring solace, but to them all of us would say we have been honored to have had him serve with us as a Member of the Senate, and we are better men as the result of our contacts with him in the discharge of his onerous and burdensome duties while a Member of this body.

Mr. ROBERTSON. Mr. President, during less than 8 years of service in the Senate I have seen 15 of our fellow Members cut down by death in the midst of their service to the Nation. Some of these men I knew more intimately than others, but my feeling of personal loss has been particularly keen at the passing of three representatives of my neighbor State of North Carolina—Len Broughton, Willis Smith, and now CLYDE HOEY.

On the day after our colleague died I received in the mail a copy of a letter written to his wife just a few days before his death in France by Maj. Thomas D. Howie, of Staunton, Va., who is widely remembered as "the little major of Saint Lo."

In that letter Howie spoke of his faith in his regiment—the 116th Infantry—and said:

> I am both humble before God and proud before my fellow men that America produces the breed of men I have had the privilege to go into action with.

That, Mr. President, is my feeling about the Members of this body, and especially about our late beloved associate, CLYDE HOEY.

In one of his lectures Woodrow Wilson said it was the primary duty of a leader to lead his own generation and not the next. That is the kind of leader North Carolina and the Nation lost in the death of CLYDE HOEY. The length of the shadow of gloom cast over his native State will be measured by the difficulty confronting the Governor of North Carolina in finding a successor who can carry on where he left off.

The outstanding worth of the service of our colleague in the Senate illustrates a fact which I have frequently stressed—the value of practical training and experience in political science. It is only in the hard school of experience that a man learns how to translate theory into practice, whether it be in literature, art, a profession such as law, medicine, or engineering, or the profession of political science, too often referred to as politics.

CLYDE HOEY started his practical training at the age of 12 when he left school to become a printer's devil on a newspaper, and he proved his capability by becoming editor and publisher of a newspaper at the age of 16. He demonstrated his ambition and energy by studying law in his spare time while continuing to edit the paper, and he began his practical training in politics before reaching the age of 21 when he was elected to the State legislature. Later he was a Federal district attorney, came to Congress as a Member of the House of Representatives, returned to his State to become its governor, and finally, in 1944, became a Member of the United States Senate.

His was a solid rather than a spectacular type of service. The people of his State found him ever alert to their needs and interests, and as they followed his actions they saw in his position on issues a soundness which was in accord with the conservative principles of those who elected him. I was particularly impressed, during a brief period of service on the investigating subcommittee which he headed, by the direct way he went about the job assigned him. He might have made headlines and attracted attention by sensational moves, but he chose rather to pursue his objectives quietly yet effectively.

CLYDE HOEY was the son of a captain in the Confederate Army. On various occasions when I have had occasion to speak of the leaders of the Confederacy, Stonewall Jackson and Robert E. Lee, I have pointed out that their most important contribution was not in their military service but in the leadership they gave in times of peace, and especially by the examples they set by the sterling qualities of their character. Jackson was a college professor and a Sunday-school-teacher before the War Between the States. After the war Lee devoted the remainder of his life to training the youth of the South as head of Washington College, which later became Washington and Lee University.

In like manner CLYDE HOEY was not satisfied merely to serve his State and Nation in public office, but as a practicing Christian he also made a contribution during 50 years of service as a Sunday-school teacher.

What did this man stand for? What did he have to contribute to his day and generation?

No words I might use could describe that as well as he did himself in one of the few public utterances which he prepared in advance, because, as we who served with him knew, he was a master of extemporaneous oratory and preferred to speak the words which came into his mouth at the time rather than those set down in advance.

Last year, when he was asked for a statement to be used on a radio program, this is what he had to say as to his creed:

THIS I BELIEVE

> I believe in faith—I have always had faith. As an adolescent I pondered the full-orbed canopy of the far extended skyline and believed that there was a great first cause—God. To me there was no other explanation of the universe and no other assurance of protection and guidance. When 12 years of age I was privileged to work in a printing office for long hours daily and many times far into the night. After concluding the labors of the day and night, I would walk along a dark and lonely road, through woods and uninhabited sections for a long mile to my home. Scared of the dark, yes; afraid, to be sure; but armed with a heavy hickory walking stick, I looked up into a starlit sky and thought of my free heritage and believed in a Father God and would not admit my fears to even my colaborers. From the standpoint of the world I was unafraid. I am still unafraid.
>
> Growing into manhood, with manifold responsibilities and perplexing problems, requiring all the resources of which I was capable, there was the constant and increasing need for some reservoir of power that could be tapped in periods of emergencies and hours of crises. In my faith I discovered that reservoir.
>
> I found matrimony a happy estate. Blessed with a radiant and lovely life companion, the establishment and maintenance of a home was a high adventure, and the coming of children into that home brought the full realization of the joy and happiness possible only in this most honored and ancient of earth's institutions. Ten years ago, after 42 years of happy married life, my wife and the mother of my children passed to her reward. My faith in her and her faith in God lingers as a blessed heritage in the sanctuary of holy memories. Faith has been indispensable amid the sorrows and sadnesses of life, and has been exhilarating and sustaining in periods of joy and triumph. The experience gained through the years, and whatever learning or knowledge I have acquired, have not lessened, but rather increased, my faith in a God who guides the destiny of nations and individuals and who even marks the falling of a sparrow.
>
> Conscious of my own shortcomings and sins, ashamed of my failures and omissions of duty, and fully mindful of the unfaithfulness which has marked my life, I have never doubted the wisdom and goodness, the might and the mercy of a gracious, loving Heavenly Father—God.
>
> I join the late great Kansas editor, William Allen White, when he said in a period

of crisis, "I am not afraid of tomorrow, I have seen yesterday, I love today and I face tomorrow unafraid." There are many clouds on the horizon of America. I have had and shall have many dark nights, but there has never yet been a night dark enough to put out the stars—and there shall not be. This is still "My Father's World." And my faith abides.

I wish to emphasize the words in that closing paragraph: "I love today and I face tomorrow unafraid." On the day of his death I lunched with Senator HOEY in the Senate dining room. He was his same urbane self and in full possession of that vigorous and elastic mind which had characterized his public service over a long period of years. Three hours later he was dead at his post of duty, a silent witness to the truth of the words of Robert Louis Stevenson, who wrote:

> And does not life go down with a better grace foaming in full body over a precipice than miserably straggling to an end in sandy deltas?

We shall miss CLYDE HOEY in the Senate, but we can assure his relatives and his constituents, all of whom loved him, that we loved him too, and that love will keep his memory green.

We may feel a sense of personal loss but we cannot be too sad over the passing of one who had his faith, because, as Wordsworth wrote:

> When the great and good depart,
> What is it more than this—
> That man, who is from God sent forth,
> Doth yet again to God return?
> Such ebb and flow must ever be,
> Then wherefore should we mourn?

Mr. HOLLAND. Mr. President, I have agreed to yield first to the distinguished Senator from Arkansas [Mr. MCCLELLAN] and then to the distinguished Senator from Missouri [Mr. SYMINGTON], because their presence is urgently required elsewhere.

Mr. MCCLELLAN. Mr. President, I thank the distinguished Senator from Florida for yielding briefly to me. I am due at a committee in 2 minutes from now, but I could not return to my labors without having joined with my colleagues in the tender and beautiful sentiments which they have expressed regarding Senator HOEY.

I recall vividly my first meeting with him. I also recall vividly the last time it was my privilege to see him. I first met him in this Chamber on the day he took the oath of office and became a Senator. Very quickly thereafter I formed a deep and affectionate attachment for him.

On the morning before the day of his death, we had breakfast together, as we had had on many previous occasions when we happened to meet in the Senate cafeteria. I was shocked the next afternoon when I learned the sad news, because I had had very close official, and frequently close personal, associations with this distinguished American. I had the pleasure of serving on a committee with him. As chairman of the Government Operations Committee, after the Democrats came into power, it was my privilege to appoint him as chairman of what is known as the Senate Permanent Committee on Investigations. Mr. President, I appointed him chairman of that subcommittee, then appointed myself as a member to serve under him. I did that because I had learned to know Senator HOEY well enough at that time to know that there was no one more capable and more suited to perform the important, and yet frequently delicate and sensitive, duties of conducting investigations into affairs of this Government.

Mr. President, I pay tribute to the late Senator HOEY today for the character of service which he performed as chairman of that subcommittee. He served ably. He served with dignity. He served with fairness and justice to all men who came before him. Even any who were accused, or those who were the subject of investigation, never had cause to complain, and not one of them complained or criticized or had occasion even to feel that he had been treated in any measure unfairly. On the other hand, I know of many who expressed themselves as having received the most courteous consideration and treatment that it is possible for one human being to show another under such circumstances.

Mr. President, I heard it said on the floor of the Senate this afternoon that the late Senator HOEY did not try to serve in order to make headlines. He did not; he was not concerned about that. In that service, as in all others that he performed in the Senate, of which we all have knowledge, he placed his country's interest and welfare first. That was paramount with him.

Mr. President, I could continue to eulogize him for quite some time, and even then I would not have fully expressed my sentiments. I have heard reference to the feeling which his people at home had for him. I never knew the late Senator HOEY until he came to the Senate, although I knew of him. Since the time I first came to know him I have had frequent opportunities to visit his State and to get acquainted with his constituents. It can truly be said of the late Senator that he was not a prophet without honor at home. The people of his own State honored, revered, and respected him. He had their confidence and their esteem. They entrusted to him one of the highest offices to which they could call any citizen of their State.

One of his most striking characteristics and one that endeared him to me is that he loved his fellowman. He was genteel, kind, gracious, and considerate of others.

Mr. President, it was my pleasure to know the late Senator HOEY. In fact, he made such an indelible impression upon me that I must say, in conclusion, that I shall remember him as one of the noblest characters with whom I have ever had the privilege of serving in this body. I say even more—he was one of the most noble characters it has ever been my pleasure to know.

Mr. SYMINGTON. Mr. President, I wish to thank the distinguished senior Senator from Florida for his typically gracious courtesy in yielding to me this afternoon in order that I may say a few humble words about the passing of a great man.

As we of the Senate today mourn the passing of CLYDE R. HOEY, whom we all loved, I have personally experienced great difficulty in not thinking that he is only temporarily visiting his beloved North Carolina; yet I know that he will not be back. We will be missing him next week, next month, and next year—missing this beautifully machined balance wheel of the Senate more than we now realize.

CLYDE HOEY was a genius at harmony—harmony achieved without sacrifice of principle. As I consider our need today for balance and stability, our need for strong men who are not obsessed by their own strength, I cannot think of any person in our public life who will be missed more.

I knew him well because of my close relationship with his brother-in-law, the Hon. O. Max Gardner, who was the closest older friend I ever had.

Our greatest Senator has already spoken about Governor Gardner, his dear friend, far better than I could; but Governor Gardner also was a glorious American from the State of North Carolina.

It has always impressed me that CLYDE HOEY's influence in his State and in the Nation was all the greater because he seldom exerted it and never made it a display. He had no desire to be a political boss, but when he believed that the welfare of his Nation and his State were at stake, his influence over men and women was greater than the power of any political boss. That was because he was respected as well as loved.

Through all the days of his life, he followed the light that shone on the road to Jerusalem. In its warmth and clarity he lived, and in its glory he died. He perceived it in the hour he first saw his mother. To him the light never faltered, or paled, or grew cold.

He met the basic tests of Christianity: Reverent without intolerance; compassionate without weakness; gay without hardness of heart; successful without the loss of humility or the sense of pity for the sorrows of daily life; he was a man, a husband, a father, and a public servant. He wronged or hurt no one whom he encountered in his gentle journey through mortality.

Let his requiem be these words of Paul to his young colleague, Timothy: "I have fought a good fight, I have finished my course; I have kept the faith."

Mr. HOLLAND. Mr. President, on Monday, May 17, after returning from the funeral ceremonies which had been held at Shelby, N. C., the home of our beloved friend, the late Senator CLYDE R. HOEY, on the preceding Saturday, I commented in the Senate on the exceedingly impressive nature of the occasion, with special reference to the eloquent and moving eulogy which was delivered by the late Senator HOEY's pastor. I shall never forget the warm affection and genuine sorrow which was so clearly evidenced in the faces and demeanor of thousands of saddened North Carolinians who came to pay their last respects to their distinguished leader and lifelong friend.

At this time I wish to give brief expression to my own sense of heavy personal loss. Senator HOEY welcomed me to the Senate on the first day of my first

session, and I was so fortunate as to be assigned to a seat adjoining his. We continued to be deskmates throughout the years, and were well along in our eighth regular session together on the date of his passing.

His judgment was sound, his courtesy and kindness never-failing. He was a keen student of pending legislation; and his opinions were always so well grounded that those of us who sat near him, and many other Senators also, constantly sought his advice, particularly on complex and controversial matters. He was a highly skilled lawyer; and I recall that his former colleague, the late Senator Willis Smith, once told me that he thought Senator HOEY was the only North Carolina lawyer who had tried a case in every courthouse of the 100 counties of his great State. He had a wealth of legal experience which was not equalled by any other high-ranking attorney whom I have known. This lifelong legal experience and his broad experience in Government, both of which were such assets to him and his State, he generously, but humbly and without the slightest ostentation, made available to all other Senators who sought his help, of whom I was frequently one.

Senator HOEY did not often participate in debate, but when he did he always made a telling contribution. He was unyielding when any question of moral principle was involved, and devastating in his argument when he felt that the situation required it.

He was thorough in his committee work; and he performed a particularly effective, though a deliberately nonsensational service as chairman of the Senate Permanent Investigating Subcommittee, in which he fairly and fearlessly checked upon and reported official misconduct by those of high rank, exactly as he dealt with those of small influence. I regard him as having been a true patriot, a splendid Christian gentleman, and a truly great Senator of the United States.

Mr. President, the sweetness, charm, and broad human sympathy of Senator HOEY's disposition could never be excelled. I shall ever recall with pleasure and affection his daily greeting, "How are you, beloved?" which was extended cheerily to all of us who were his close friends. His life was a benediction to me and to all who knew him well. I shall always treasure his memory, and will ever be happy and grateful that I was privileged to know him and to be his friend.

Mr. SMITH of New Jersey. Mr. President, 10 years ago the coming November, our late beloved colleague, Senator CLYDE HOEY, and I were elected to the United States Senate by our respective States. Because I was elected to fill an unexpired term, I was sworn in during the 78th Congress, a short time ahead of my colleagues elected in the same election. All of us appeared here together in January 1945 at the opening of the 79th Congress. Senator HOEY and I served together during the 79th, 80th, 81st, 82d, and 83d Congresses. I always felt deeply honored by this association.

It has been well said that Senator HOEY was the "most typical" Senator among us all. With his gray tail coat and daily fresh carnation or red rose, he maintained the tradition of reserved dignity which we associate with the history of this great body.

My colleagues who are members of the late Senator's political party have given to us a full and accurate account of his public service. He served in his own State legislature and in the House of Representatives here. He was an outstanding Governor of his State of North Carolina, and in 1944 was nominated by his State for United States Senator by the largest majority ever given a candidate in that State's senatorial and gubernatorial primaries. It is a tribute to the people of North Carolina that they understood and rewarded with their confidence a man of such integrity and sound wisdom.

I knew the late Senator well during the years we were together here. Not only did I come to have the highest regard for his wonderful skill in debate and his keen analysis of the important issues before us, but, also, I was particularly impressed with the deep spiritual note that I always felt in his approach to public questions. He was a man of strong spiritual convictions, and he put his Christian principles above everything else in determining where he would stand on pending questions. As chairman of an important Senate investigating subcommittee, he combined a needed firmness with a keen understanding of the courtesies and full constiutional protections to which witnesses appearing before congressional committees are entitled. He was an internationalist in the field of foreign affairs, and on the home front he was an outstanding liberal in the truest sense because of his interest in and real affection for people.

Mr. President, I come from a northern State. I was born in the tradition of Abraham Lincoln and the northern cause. Since coming to maturity, I have come to know and love many of our wonderful Americans from the southern States. I was in college with some of them. I have had the high privilege of being a Member of this great body with many others. I have come to realize that the spirit of the great Lincoln was also the spirit of the great Robert E. Lee. From whatever part of the country we come, we all believe in the immortal words of Lincoln—"With charity to all, with malice toward none." The Blue and the Gray of 90 years ago have stood together on the battlefields of World War I and II. Today they stand together in the terrible world struggle for human freedom. As the son of a Confederate veteran, CLYDE HOEY has always been to me an outstanding symbol of our national unity of today.

During the past year, Mr. President, North Carolina has lost two distinguished sons who were Members of this body, Willis Smith, and now CLYDE HOEY. I speak for all the citizens of my State of New Jersey when I extend to the citizens of our sister State of North Carolina our deepest sympathy in this, their latest great loss. Our love and sympathy go especially to his family. But, Mr. President, let me add that I also extend to these fellow citizens of ours our deep appreciation for the great contribution that North Carolina, through these great statesmen, has made to the United States of America.

Mr. AIKEN. Mr. President, my first acquaintance with CLYDE HOEY came while we were Governors of our respective States from 1937 to 1941. From the start of our friendship, I was impressed by the quiet dignity and homely humor of this gentleman from the South. It was with pleasure, therefore, that I learned in the fall of 1944 that we were again to be contemporaries—this time in the United States Senate.

It has often been said that CLYDE HOEY was the last of the "old school" in the Senate. If by "old school" is meant that one should be dignified and courteous and should have consideration for the feelings of others, and that one should be conscientiously attentive to duty at all times, then the term can well be applied to our late beloved colleague. On the other hand, if by "old school" is meant that one continually lives in the past, then the term would not fit him at all. Mr. President, I never knew CLYDE HOEY to hesitate to adopt new proposals if he felt that they would make things better for his fellow men.

His mission was to serve the people. He respected their rights. During his 4-year chairmanship of the Senate investigating subcommittee, he was scrupulous in observing the rules of fairness.

He was never known to accuse unjustly an innocent person any more than he was known to soft-pedal an inquiry when there was a strong presumption of guilt.

As has been stated this afternoon, in conducting hearings, his purpose was to get the facts, not to make headlines.

During the 10 years CLYDE HOEY served in the Senate, it was my privilege to be associated with him on the Committee on Agriculture and Forestry. His devotion to the land would naturally make him wish to serve in this capacity. As a member of this committee he exerted a powerful influence—an influence for tremendous good.

Not only was he constantly intent on improving the lot of the people who live on the farms, but he exerted a great leavening force on the committee itself. There was no partisanship on his part in considering legislation which came before that committee.

Many a time when things became rough have I seen peace and harmony restored and progress inaugurated by a few quiet words spoken by this great statesman from the South.

In all those years I never heard him speak harshly or speak ill of anyone.

He was utterly devoted to his native State. I know his character and work must have been strongly influenced by the environment of his youth. The homespun stories he told of his younger days could lead one to no other conclusion.

North Carolina will never have a more devoted son. The Nation will never have a more conscientious legislator and statesman.

We mourn his passing but let us also in his memory keep before us the noble ideals which he so well personified.

Mr. CHAVEZ. Mr. President, I have listened this afternoon to eulogies on the late Senator HOEY. To everything that has been said of him I wish to say, "Amen."

I attended his funeral. At that particular time, when respect was being paid him by thousands of his constituents and fellow citizens, one thought came to me I was reminded of Gray's Elegy Written in a Country Churchyard. I recall the stanza which reads as follows:

The boast of heraldry, the pomp of power
And all that beauty, all that wealth e'er gave,
Awaits alike the inevitable hour:
The paths of glory lead but to the grave.

I know that if Gray had known the kindness and the sweetness of Senator HOEY he would not have had him in mind, because CLYDE HOEYS do not go "but to the grave." They live forever. I recall a phrase in a hymn from one of the church hymnals—Just Going Away. That is the way I feel about CLYDE HOEY.

Mr. ELLENDER. Mr. President, it was often said by visitors in the galleries of the Senate that Senator CLYDE HOEY was the only man in the Senate who really looked the part. With his old-fashioned frock-tailed coat, his flowing tie, and the red rose or carnation inserted in his left lapel, he typified the traditional conception of how a United States Senator should press. His gracious manner, silvery hair, and erect bearing carried out the picture to perfection. That is how the galleries will remember him.

But to his colleagues in the Senate, CLYDE HOEY will be remembered for much more than that. We will, of course, always carry with us the image of his picturesque appearance, but that will not be the most important memory we will have. We will remember instead those traits of his character which were not always readily apparent to visitors in the galleries. I am sure much will be said at these memorial services about CLYDE HOEY'S quiet good humor, his graciousness, and above all, his kindliness. He was a deeply religious man, and he lived his religion in a very personal sense, as evidenced by his actions.

And yet even those memories of Senator HOEY'S qualities of gentleness and courtliness will not provide the strongest memories of him. I believe we will all remember him best for his strength of character, somewhat belied by his mild appearance, and for the manner in which he conducted himself during his long public career.

The story of CLYDE HOEY'S life is well known—his humble beginning as a "printer's devil," his struggle to learn the printer's trade, and later his rapid advancement, first as a publisher, then as a lawyer, and finally as a public servant. His life is an inspiring story of what can be done by an American with ability and ambition. It is a tribute to the man that in his struggle for success he never lost his gentle good humor, his courtly manner, and his faith in his fellow man. It seemed instead that he mellowed with the years, and that he never lost the basic simplicity and humility which are always the mark of great character.

I am sure it is not necessary to remind my colleagues in the Senate how much all of us highly regarded Senator HOEY'S ability. He was most effective in conducting a difficult committee investigation, debating legislation on the floor of the Senate, or presiding over the Senate. Yet all of us, I am sure, will recall with a smile the warmly human story told of Senator HOEY, when he was observed, as he said, "catching up on L'il Abner" while at the same time handling with perfect ease the duties of Presiding Officer of the Senate.

To those of us who knew him well, that story is not paradoxical—it serves only to show how he was made lovable and human by a whimsical sense of humor.

Yes, we will all miss Senator HOEY. We will miss his kindness and thoughtfulness to everyone. Mr. President, during his long career of service to the people he showered them with favors and good deeds; and if each one to whom he did a kindly favor to were to bring but a petal to his grave, tonight he would sleep beneath a wilderness of flowers.

CLYDE HOEY was a southern gentleman in the true sense. He was a statesman. He was a beloved public servant, and greatly admired by all who knew him. We shall miss his counsel and advice. In his death the great State of North Carolina and the entire Nation have suffered a great loss.

To his fine family I extend my sincere and deep sympathy. They should find solace in the fact that he left them a rich heritage of love and affection and devoted service to his country. May God bless all of them.

Mr. MAYBANK. Mr. President, during the short span of time I have been in the Senate I have served with eight distinguished sons of North Carolina, so it is with a sad heart that I rise in my place in the Senate today.

A mighty spirit hovers today over this Capitol and over this Nation; and I am sure that will be true for all time to come.

The passing of my dear friend of such long standing, Hon. CLYDE R. HOEY, may have signaled the end of a political era, but the influence of his steadying hand and his uncompromising principles will never come to an end. His mark of character was made early in a long and full life of devoted public service—a service in which he devoted his time and his energies to his God and to his country.

For the full span of his public life, the stout soul of the man was the very emblem of crusade. His roots, bedded as they were in the rock of ages—gave forth a lordly tree with mighty branches. His branches were the arms of a soul eternally seeking the higher road.

For more than half a century he gave of himself, without regard to the inroads on his health, for the betterment of his people. He was the only North Carolinian to have served his State as a member of the House and the Senate of the North Carolina General Assembly, as Governor of North Carolina, as a Member of the United States House of Representatives, and as United States Senator.

Mr. President, a recounting of my personal relationships with CLYDE HOEY when we were Governors together of the Carolinas, and here in Washington, would be overstepping the bounds of propriety on this occasion. I deem it more proper to confine myself today to the reverent memory of an abiding faith and an inspiring spirit.

My heart goes out to his family in these hours of memory of a devoted father. I rejoice with them in the good fortune they enjoyed at having shared so intimately a family circle under the guidance of my friend the great Senator CLYDE HOEY.

Mr. WILEY. Mr. President, on May 15 a number of Members of the Senate made a sorrowful journey to Shelby, N. C. They went to pay their respect and the respect of this entire body to a distinguished and beloved colleague who had departed from our midst.

For almost 10 years CLYDE HOEY filled a unique place in the Senate. Emerson once said: "To be simple is to be great." In that sense it can be said that CLYDE HOEY was a simple man for his simplicity was the mark of his greatness. It was a simplicity compounded of the great traits of faith, humility, wisdom, and ability which he possessed in such abundance. But above all it was a simplicity born of a gentle tolerance of the ways and weaknesses of human life and a firm faith in the dignity and strength of the human spirit. He discussed ideas. He never indulged in personalities. As has been said, his was a friendly soul.

If there was one trait which transcended all other in his splendid personality, it was his compassion for his fellow man. This trait glowed in his every act and especially in the graciousness of his manner. He was a true gentleman in speech, in conduct, and most of all in heart. He typified the finest tradition of his native State and the South of which he was so justifiably proud.

Those of us who remain will profit immeasurably from the compassion and tolerance which Senator HOEY possessed. His passing is a reminder to us that the vitality of the democratic way of life depends, in a very large measure, upon our practicing in our relations with one another the restraint and courtesy which he so ably personified.

I know that when his mortal remains were interred in the beloved soil of his homeland, our thoughts were with him even as his spirit was with us. Each of us at that time, in his own humble way, I am sure, sought to give expression to the respect which was due this great gentleman.

I had a unique opportunity to do so. On a number of occasions prior to his passing, Senator HOEY had suggested to me that the Foreign Relations Committee's subcommittee on the United Nations Charter should visit his State to conduct a public hearing. Senator HOEY was deeply interested in peace and in the contribution which his fellow North

Carolinians might make to its preservation. On the strength of his recommendation and the urging of many citizens of his State, I arranged for a hearing in Greensboro, N. C., and I invited Senator HOEY to sit with the committee. I received in reply some of his last thoughts written to me in a letter a few days before his death. I shall read that letter to the Senate in the course of my remarks.

When Senator HOEY died, my first impulse was to cancel the hearing which was scheduled for May 15. However, after discussing the matter with the mayor of Greensboro and the citizens' committee of that city, we decided to proceed as planned as a fitting memorial to the man who had done so much to encourage the committee to visit North Carolina.

And so, as some Members of the Senate journeyed to Shelby, I traveled to Greensboro. The hearing went forward even though some of our Members, who had planned to attend, were unable to be there.

I believe that the unseen influence of Senator HOEY's spirit lent the proceedings an unusual dignity. The hearing was opened with a few moments of silent homage and a common prayer for the divine wisdom and guidance which we all so desperately need to preserve mankind from the scourge of another war. I then made a statement to the mayor and to the citizens of Greensboro which I should like to repeat now. It expresses, as best I can, my humble feelings on that occasion:

We come at a solemn hour. Last Wednesday a great Senator and a great North Carolinian embarked on the long journey which sooner or later we all must take.

When I learned of the passing of Senator HOEY, I consulted with you, sir, and your committee as to whether or not this meeting should be canceled, and together we decided that the most fitting tribute we could pay to this outstanding American and to his full life of service to his country would be to carry on as he would have us carry on, as shall be demonstrated by a letter that he wrote me personally just a few days ago.

The Senator had his heart set on this meeting today. He had spoken to me on several occasions of the importance of this work, the importance, I say, to his Government and mine and yours, and to mankind. He felt that his own State had a real contribution to make.

As I stated, I have here a letter received from him just a few days before his passing. I am going to read it into the record at this point. It contains some of the last words written by a man whose great heart and mind were with us in this work. We shall continue to draw strength from his encouragement in carrying out the tasks with which we are charged.

Today, in another part of the State, as they lay his mortal body to rest, I think we can sense that his spirit carries on, and that it is with us today. Here is his letter addressed to me:

"DEAR SENATOR WILEY: I thank you for your letter of April 27, 1954, and for the copy of the press release in connection with the holding of a public hearing in Greensboro, N. C., on May 15, upon the invitation of Mayor Robert H. Frazier.

"I am so delighted that your committee has decided to hold one of these hearings in North Carolina because our people are tremendously interested in these proceedings and Greensboro has been especially anxious to have one of the hearings held there.

"I doubt seriously if I shall be able to attend the hearing in Greensboro, but I wish you to know how much I appreciate the invitation and how pleased I am that you are holding this meeting in Greensboro.

"With best wishes, I am

"Yours very truly,

"CLYDE R. HOEY."

Mr. BYRD. Mr. President, this is the fourth time in the Senate of the United States, in the short space of a few years that I have participated in a memorial service for a great Senator from North Carolina. Virginia now shares the grief of her sister State at the death of CLYDE ROARK HOEY, as she did on the previous occasions when our neighboring State was mourning the loss of our late colleague, Josiah Bailey, Melville Broughton, and Willis Smith, the latter having been a native son of Virginia. All of them were among the great men I have known in the Congress.

CLYDE HOEY was no less in stature than were they, and no less in our esteem. He was our friend, and about him there was an aura of nobility. It was a nobility of character, dignity, self-respect, personal merit, moral distinction, and individual charm.

As I look back over my personal association with Senator HOEY, I think of all that is pure, honest, and fine. I knew him intimately and loved him dearly.

To his family he imparted the inspiration of faith and love. To his fellow men he gave justice which inspired confidence and strength. To his work he brought a point of view always with the ability to throw light on the meaning of things.

Wherever he went, whatever he did, his mastery of himself generated in others the great respect with which he was regarded by all who knew him. In him self-rule and sovereignty of soul was the essence of his gentility.

He was the possessor of character which controlled itself, force which governed itself, and high intellect which affirmed and regulated itself.

All of his fine characteristics made of him a great and fine public servant as a publisher, as a lawyer, as a State legislator, as Governor, and as a United States Senator.

Here in the Senate CLYDE HOEY was one to whom we invariably turned not only for guidance and understanding but also to enjoy the warm pleasure of his company for he had the rare gift of speaking to and from the heart. Indeed, he was a man apart, endowed with originality, individuality, and sincerity.

There was nothing about him or his personality that was sham or imitation. In all he did, and all he said there was quality of the highest order. He had the great combination of keen intellect and democratic charity.

With his family, his friends, his State and his Nation, I feel a deep loss in the death of Senator HOEY. To me he personified the incorruptibility of a gentle and quiet spirit, faithfulness to duty, fine taste, sympathetic imagination, and innocent mirth.

Mr. PURTELL. Mr. President, there is little that one can add to the eulogies delivered here today to all of which I wholeheartedly subscribe. It was not my privilege to know CLYDE R. HOEY as long nor as well as many of my colleagues here, although my acquaintance with him predated my service in this body. But it was not necessary for one to know him well or long to appreciate his worth. Senator HOEY was one of the first of my colleagues to greet me here—to extend a warm sincere welcome—and to offer not only his friendship, but his advice and his help which meant so much to this freshman Senator. But Senator HOEY gave more than friendship. He gave example. His serenity, his gentleness, his friendliness, his understanding, his courtliness, his loyalty, his demonstrated love for his fellowmen were examples which all of us can follow and thereby become better men than we are. Senator HOEY has left us much. Outstanding were his contributions through his legislative activities, as a Member of the Senate, to the people of this country, and the betterment of his own State by his acts as a State legislator and as Governor.

The influence of men of the stamp of Senator HOEY does not end with their passing. Their influence is a continuing one, for the late Senator from North Carolina has left to us an example of what a Senator in every sense of the word should be. There are few of us who can fully emulate him, there are none of us who would not be better for trying to do so.

Mr. SALTONSTALL. Mr. President, many eloquent tributes have been paid to the memory of the late Senator HOEY, but I wish to pay my personal tribute to a man whom I respected and for whom I had great affection. It always helped to make my day a little brighter when I came to my seat and looked across the Chamber at the late Senator from North Carolina as he sat on the other side of the aisle. Oftentimes, as he sat there, dressed in his light gray suit, with a wing collar and a bright tie, and a carnation in his buttonhole, I would go over to him and say, "CLYDE, you are slipping."

He would say, "Why?"

I would say, "The carnation you picked this morning does not quite match the tie you are wearing."

It added a little pleasantry to the beginning of the day.

Mr. President, I knew CLYDE HOEY when he was Governor of his State and respected him for the able manner in which he performed the duties of that office. Later it was my pleasure to meet him in this body.

As a New Englander, I want to say he was a real Southern gentleman in the truest sense of that term, as we understand it and use it in the New England area. He was always courteous; he was always pleasant; he was always calm. He never became excited. He had the courage and the firmness which go with the strength of a man who knows what his position is and who is going to stand by it, no matter what the pressure to do otherwise may be.

When I was one of a Senate committee of which he, too, was a member, I

was in Raleigh with him. That day gave me a little insight into his popularity with his home folks. They not only loved him but respected him. To watch him in the hotel lobby as people came to shake his hand told me more clearly than words why his constituents felt he had been a superb governor and was a Senator who represented them with honor. It gave me a thrill to think I could call him a friend.

I think two of his actions in this body which appealed to me the most were, first, his sense of fairness when he was the head of an investigating committee of this body. There was a problem in the State of Massachusetts the solution of which I felt was perfectly clear, but which had been bandied about to a degree. I went to Senator HOEY and explained to him the facts. He said he would look into it. He did so, and he came to the decision that there was nothing in the stories which had been circulated. That was the last that was ever heard of that problem in Massachusetts.

The other action which I shall always remember was his presiding in the chair which the Senator from North Carolina [Mr. LENNON] is now occupying. I know of no man whom I would rather see occupying that seat, because he was eminently fair and made his decisions very quickly and very clearly. There was no question in the mind of any Senator, when he acted, as to how he felt and what his decision was. He was a fine presiding officer. Sitting on this side of the aisle, it always gave me a sense of relief when we were in the minority to find him in the chair, because I knew the proceedings would be conducted with dignity, with fairness, and with dispatch.

Mr. President, as one who considered himself a friend of Senator HOEY, I say these few words of tribute to the memory of a man who was not only a true southern gentleman, but a wise legislator and a devoted patriot.

Mr. EASTLAND. Mr. President, the news of the passing of Senator CLYDE HOEY brought to me a sharp sense of personal loss. Although perennially youthful in spirit and keenly abreast of modern issues, there was an aura of gracious dignity and eloquent manners about Senator HOEY that was reminiscent of the Victorian era. His presence in our midst gave stability to us all and a sense of continuity with the great American traditions of the past. As the eminent poet Edmund Spenser was called the poet's poet, as Beethoven was the composer's composer, and Rembrandt the artist's artist, so CLYDE R. HOEY was well known as the Senator's Senator. He was a walking personification of the traditions of this body. He typified everything the American public expects of a United States Senator.

CLYDE HOEY was a very honorable man. He was a very patriotic man. He was a very able man. He was in every sense of the word a great American. May the memory of his kindly spirit, gracious good humor, and loyal devotion to American ideals linger long in our midst and inspire us in our efforts to solve America's problems.

Mr. MARTIN. Mr. President, the sudden passing of our great and good colleague, CLYDE HOEY, leaves us shocked and saddened beyond expression.

With heavy hearts we bow in reverent submission to the will of Almighty God, who in His infinite wisdom has called our beloved friend to life everlasting.

CLYDE HOEY'S distinguished career exemplifies the spirit that made America the greatest nation on earth.

He rose from humble beginnings. At the age of 12 he left school to make his way in the world. Through his own efforts, with determination, persistence, and hard work, he gained success. He achieved distinction in his own State of North Carolina and in the affairs of the Nation. He was the recipient of high honors at the hands of his fellow citizens. But always he remained a modest man, of simple tastes and habits, whose whole life was dedicated to patriotic purpose.

He maintained a poise and serenity that were wonderful examples to his associates. His fine, mild manner, his unfailing courtesy, and his gracious kindliness centered upon him the real affection of every man in this Chamber.

It was my good fortune to be associated with Senator HOEY as fellow members of the Finance Committee. It was my privilege to observe and admire the sincere patriotic principles that guided his close attention to the complex details of legislation that came before our committee.

He never sought the limelight, but gave without limit of his broad vision, his wise counsel and his comprehensive understanding to the service of all the people of the United States.

CLYDE HOEY lived in the best traditions of the Old South, yet his statesmanship embraced the welfare of the whole Nation.

He was able, patriotic, tolerant, courageous, and God-fearing, representing the highest type of Christian citizenship.

My deepest sympathy goes forth to his sons and daughter in this hour of their tragic bereavement.

Mr. President, I was much impressed with the statement made by our distinguished colleague, the senior Senator from Florida [Mr. HOLLAND], on the Monday following the funeral service in honor of our deceased colleague. It seems appropriate to me that the statement made by the distinguished Senator from Florida, together with the news release from Senator HOEY'S home State, and the words of eulogy delivered at the funeral service, should be made a part of the memorial service of the Senate. Therefore, I ask unanimous consent that the tribute to the late Senator HOEY by the distinguished senior Senator from Florida, which appears at page 6615 of the CONGRESSIONAL RECORD of May 17, 1954, be printed at this point in the RECORD.

There being no objection, the tribute was ordered to be printed in the RECORD, as follows:

Mr. HOLLAND. Mr. President, I wish that every Senator and every Member of the House of Representatives might have been present to gain inspiration from the impressive funeral ceremonies which were held in Shelby, N. C., last Saturday, May 15, for our beloved friend, CLYDE R. HOEY, the late Senator from North Carolina. There, at his birthplace, which had always been his home during the 76 years of his life of high service to mankind, many thousands of his fellow citizens had gathered to pay their last sorrowing respects to their most distinguished native son, and to give expression to their deep affection for their friend and neighbor. The ceremonies were held at the Central Methodist Church of Shelby, his own church, after which he was laid to rest in beautiful Sunset Cemetery, on a velvety green hill at the edge of the city. Thousands of citizens, young and old, both white and black, of high estate and from humble homes, came in genuine sorrow to mourn his passing.

I understand that the Senate will have a memorial service at an early date, convenient to the family of Senator HOEY, when Senators will have the opportunity to voice their personal tributes to a beloved friend and a truly great Senator. At this time, however, as the close friend and deskmate of Senator HOEY for nearly 8 years, for the information of those Members of the Senate and the House of Representatives who were unable to attend the funeral, I desire to have printed in the RECORD, first, the opening paragraphs from the leading news article of last Saturday in the Shelby Daily Star.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"The Nation's top Government leaders, the ranks of North Carolina's administrators, and thousands of friends and neighbors converged on Shelby today to pay final tribute to Senator CLYDE R. HOEY.

"Under gray skies solemn lines of high and low, mighty and humble began filing past the Senator's casket in Central Methodist Church at 10 o'clock this morning.

"Even as his body was being placed in the sanctuary of the church where he had taught Sunday school for 33 years, the first lines formed.

"The sanctuary was decorated in artistic simplicity with a wreath of red roses and white lilies. There were 3 crosses and 4 wreaths and a blanket of red roses. A wreath of white lilies from Mr. HOEY'S fellow United States Senators was at the head of the casket.

"Flowers at the home, the church, and Sunset Cemetery were predominantly red—the Senator's favorite color.

"All seats in the main sanctuary were reserved for the family, members of the Senator's staff, State and Federal officials, and the press. Public address systems were set up to carry the service to those in other parts of the church and outside the building who were unable to view the rites."

Mr. HOLLAND. Secondly, Mr. President, I ask to have printed the full text of the eloquent and deeply moving eulogy of Senator HOEY which were delivered with the utmost dignity and simplicity by Senator HOEY'S pastor and close friend, the Reverend J. G. Huggin, Jr., pastor of the Central Methodist Church.

There being no objection, the eulogy was ordered to be printed in the RECORD, as follows:

"From every walk of life and from every quarter of our Nation we are here to express our regard and affection for one who had so sure an instinct for what is good. The best evidences of it are in this town: his unpretentious home on a tree-lined street; his office, plainly and austerely furnished, on a second floor over a store, reached by a flight of outside steps; his happy comradeship with the people of his home community. Especially is his feeling for what is best in life manifest in his human relations. He was one of the great, yet the plainest among us knew the warmth of his interest. So extensive were his powers that he moved with ease among the exalted of the earth; so

broad were his sympathies that those of low degree moved with ease with him.

"He lived serenely with problems that vex and trouble lesser people. He seemed to have a special gift for simplifying life's complexities. That is not hard to understand when we remember that for him the touchstone of existence was a simple faith in God and His providence. Were we sometimes surprised that while others remained baffled and discouraged, this man could quickly find a solution and never lose his optimism? We can find the answer to his hopeful simplification of life in the religious faith to which he witnessed by regularly teaching his Bible class whenever he was home, and sitting with his family in the common worship of the church. In the measure of his religious faith is to be found the spirit that informed his decisions and dictated his optimism.

"To the true and tried he possessed a loyalty that was impregnable to outside allurements. He loved his community, the town of his birth, the friends of a lifetime; he wouldn't move away. He was loyal to his political party. He joined it long ago. He always thought that through it he could best serve his country, be the vagaries of national politics what they may. He loved his church. For him there were no values so lofty as those that reside in the centuries-old message of his red brick church on the square of his home town.

"He has a message for us all, 'Hold fast to the simple virtues, be steadfast in your faith in God, and let that be the standard by which all is measured.' Let us heed his counsel. In public office as well as in obscure areas where we live out our lives, let us listen once more to his mellow voice. Then shall our fears subside, and we can trust the future, certain that for us and for our country God's destiny will be wrought out.

"One is tempted to say, 'We shall not see his like again.' Yet may we so strive for the best, following his unforgettable example, that about someone here, sometime, somebody will say, 'That man is like CLYDE R. HOEY.' Life can offer scarcely a richer accolade than that."

Mr. FREAR. Mr. President, on the day of his sudden passing I had the privilege of sitting at lunch with our distinguished late colleague from North Carolina, Senator HOEY, and on that occasion, as on previous ones, I felt fortunate in being able to enjoy the pleasure of his gracious companionship.

Here in this great body, where we often work so closely together for the welfare of our country, one gets to know quite well the attitudes and temperament of his colleagues.

I am sure that without exception the Members of the Senate would stand as one in saying that Senator HOEY epitomized, in stature and in the content of his work, the finest characteristics of the Senate of the United States.

That he was a recognized leader of his own State goes without saying, but in a broader sense his representation embraced the interests of the entire Nation.

As one who worked closely with him through many long hours of discussion within the Senate Finance Committee, I came to appreciate not only his knowledge of the rather technical subjects involved in our deliberations, but also his eminent quality of fair play and objective thinking which are such necessary attributes in legislative undertakings.

The vacant chair which he left in our committee and the one he left on the Senate floor cannot be easily filled.

With Senator HOEY's passing we suffered the loss of a distinguished Southern gentleman in the finest sense of the word. But, far more than that, we lost a Senator whose calm, deliberate judgment and whose strong convictions in the inherent rights and strength of the individual States cannot easily, if ever, be replaced.

I extend to the people of North Carolina my deepest personal sympathies.

Sad though we may be, we can rejoice in the thought that his life's span covered a period of rich and satisfying service in behalf of his State and Nation.

No individual in public life could be asked to give more.

Mr. HENDRICKSON. Mr. President, if ever there was a personal loss to the Senate which bestirs the memories and the imaginations of his colleagues, the death of CLYDE R. HOEY does just that.

We of this body often speak about the passing of an era. It could never be more graphically alluded to than in the loss of that gallant son of the South from our ranks.

Mr. President, it would be wholly incorrect for us to talk of CLYDE HOEY in terms of the "old South." It seems to me that it would be so simple to fall into that trap, so colorful was that most gracious and benign of southern gentlemen—as has been said, he of the frock coat and the wing collar and the red boutonniere.

Those clothes, Mr. President, are representative and symbolic of the honor and the reverence in which this son of a former Confederate Army captain held the region of his birth.

But, in my judgment, the clothing and the flower and the wing collar—all of much fame—are not an accurate measure of this noble man. For, Mr. President, CLYDE HOEY was more—much more—than a son of the "old South."

He breathed the progressive spirit of a new, emerging South, and he combined the best qualities of the gentility of what had been with the forward-looking realities of what is to come.

A quick glance at CLYDE HOEY's record will bear out this fact. As governor of North Carolina from 1937 to 1941, he instituted a broad welfare program in his beloved State.

He was a leader in raising educational standards in North Carolina, as well as in promoting child labor and fair labor legislation as a whole.

His record as a United States Senator from 1945 to his death clearly showed him to be a middle-of-the-road Democrat in all its finest connotations.

Though we may have differed in matters of civil rights, his approach was always Christian, charitable, and sensible in this, as it was in all matters.

Thus, it was, Mr. President, that the clothing he reverently wore in dedicatory tribute to the South of his youth in no way made this man.

A great English monarch once said that men could make a king, but only God could make a gentleman. It was God who made this great nobleman of America.

Others have reviewed his public career in greater detail than I shall undertake to do.

A striking attribute, in my judgment, is the courage with which this erstwhile printer's devil faced life in his early years.

Only a profound belief in the American system and in his own fine qualities could have directed a lad of 16 to the purchasing of the Shelby Star, and as a youth of 20 to his State House of Representatives.

Perhaps his shining hour for us in the Senate was his chairmanship of the Permanent Subcommittee on Investigations.

We can well ponder the great good which this subcommittee achieved for the Nation as a result of its exposures of influence-peddling 5 percenters. Valuable, indeed, is the legacy CLYDE HOEY left for his country and for the Senate during that monumental fight against graft and corruption, and noteworthy, Mr. President, is the manner in which he accomplished that which had to be done in the course of the subcommittee's investigations.

Of late we have all heard much about changing the rules of the Senate because of some of the excesses of this body in the investigative field. In this field the junior Senator of New Jersey has submitted what he considers to be thoughtful and fair legislative proposals designed to accomplish this purpose. How much less would be the public clamor for such a change had we all adhered as one of our models to the procedure followed by the distinguished Senator from North Carolina.

With grace, with dignity, with a temperate awareness of the basic dignity of our constitutional system, CLYDE R. HOEY lived up to the standards he had set for his life in that very shining hour of his public career.

As our world, if not our institutions, face the test of fire from the left and the right in this tragic day and age, CLYDE HOEY stands as the symbol for what we should all be striving in our own public careers.

God, in his infinite wisdom, sometimes picks strange ways—strange ways to us—of reminding all of us of what must be done if we are to preserve the things we cherish most—the things of God and country.

Through the distinguished present occupant of the chair [Mr. LENNON], I extend my deepest sympathy to the people of North Carolina and to all the family of the late CLYDE HOEY.

Mr. CASE. Mr. President, one can add little to what has been said, but I desire to voice my personal appreciation for the gentle soul, the wise counselor, and the able statesman we knew here as the Senior Senator from North Carolina, CLYDE R. HOEY.

He was so gentle, so fair, so true, that I can say that if I were ever on trial, I would wish him to be my judge.

He lived so truly his Christian faith that were I in an hour of great sorrow, I would wish for my comfort the prayers of this righteous man.

To have been a colleague in this body with CLYDE HOEY will always be to me one of the most cherished memories of my service in the Senate.

Mr. President, the junior Senator from Maryland [Mr. BEALL] was unable to be here at this time, and he requested that I ask unanimous consent that he be given permission to have his remarks printed in the body of the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BEALL

The death of our late colleague from North Carolina was very saddening to me personally, since I had the pleasure of knowing him well and respecting him for his wisdom and personal integrity.

I first met Senator HOEY when he came to Congress and I was a Member of the House of Representatives. We were both members of Sigma Chi, and as fraternity brothers we had a mutual interest and I am very pleased that over the years this fraternal bond developed into true friendship.

There was no more gracious, kindly, or distinguished Member of this body than Senator HOEY. His gentlemanliness is, unfortunately, today a rare thing. He was distinguished in appearance, in bearing—but above all, he was distinguished in thought and action.

Senator HOEY typified the era when men gave serious thought to the feelings and sensibilities of others. He knew that every individual's conduct has an effect on the lives of others, and he conducted himself in such a manner that no one could possibly feel that he, by any action, had unfairly hurt another.

Senator HOEY represented a great tradition of graciousness, fairness, and devotion to public service. Let us hope that each of us will continue to live up to the example which he set.

The State of North Carolina recognized the outstanding merit of Senator HOEY and his career reflects the confidence and respect the people of that great State had in him.

The death of Senator HOEY is a great loss to his family, his State, and his Nation, but his life will be a continuing example to all of us.

Mrs. SMITH of Maine. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement which I have prepared expressing some of my feelings about the late Senator CLYDE R. HOEY.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WASHINGTON AND YOU

(By United States Senator MARGARET CHASE SMITH)

WASHINGTON.—An era came to an end in the United States Senate last week—with the untimely death of Senator CLYDE R. HOEY of North Carolina. His death marked the end of that period when Senators looked and dressed the part of Senators—when they had the wing-tip collars and the frock coats with the flowing tails.

Of course, not all Senators wore that attire. But many of them did over the years. Senator HOEY was the last of them. Unusual as his attire was in this modern day, there was something about the manner in which he wore it and in which he conducted himself that made it a symbol of dignity—and dignity in the United States Senate today is far too lacking.

Senator HOEY not only was the personification of dignity but was a living symbol of integrity. Of course, many other Senators grace the Senate with dignity. But it seemed as though the very inner dignity and integrity of Senator HOEY—the dignity of his soul—was accentuated and symbolized all the more by the dignity of his colorful attire.

Perhaps he will be remembered by many Americans more for being the last of "old school dress" statesmen because of his wing-tip collar, his frock coat and the always-present flower on his lapel. I will remember him for that.

But I will remember him also for a much more lasting and impressive reason. I will remember him for the manner in which he presided over and operated a subcommittee of which I was a member. As the chairman of that subcommittee, he did an outstanding job. He was not interested in headlines. He was interested in results. He got results, and his committee reflected credit on the Senate and brought universal praise.

Ironically enough, because he did such a quiet and effective job in running that committee—because he was never guilty of headline hunting and gross irresponsibility, because he demanded facts before proceeding, and because he believed in the American system of justice and the American way of life that a man is innocent until proved guilty—yes, because of these things, his excellent work as chairman of the subcommittee will probably never be known and appreciated by the great majority of Americans.

But were he here to comment on these observations, I am sure that he would say that that was the way he wanted it. He wanted it that way because he was interested more in the good of his country than in selfish gains for himself.

Many Americans do not know about the excellent work he did on the five-percenter investigation. Few Americans ever heard of the quiet and forceful investigation that his subcommittee made of perverts in government. He was more interested in getting perverts out of government than in putting out lurid publicity on that investigation.

Senator HOEY was dedicated to fair play—something not always found in congressional activities. He required that the subcommittee operate on the basis of majority approval. Subcommittee reports had to be approved by a majority of the members, and minority objectors had the right to appeal to the full committee. Requisite to formal investigation was a preliminary probe by the staff.

There were many other safeguards that he insisted on. Perhaps the best way to summarize all of them is to say that Senator HOEY was dedicated to getting better Federal Government through his investigations than to advertising either himself or the subcommittee.

Mr. JENNER. Mr. President, Senator HOEY could be truly called a gentleman of the old school. Members of the Senate of both parties admired the dignity, integrity, and gentleness of manners which he exemplified at all times. Members of the Senate of both parties have lost a friend. The country has lost a model of the true legislator who could be an aristocrat in spirit because he represented a people truly free.

Mr. JOHNSTON of South Carolina. Mr. President, I rise to pay tribute to the late Senator from North Carolina, CLYDE R. HOEY, whom I knew well and loved much.

During his many years of public life, all the people of his native State, and thousands more throughout the Nation, had learned to love and respect this great leader. He was a man of God, and it is known to all who knew him that he practiced righteousness not only in his work, which was devoted to his countrymen, but in his everyday life. He lived a full and impressive 76 years, and every hour, he was able and glad to serve his fellow man.

CLYDE HOEY was born and spent his entire life in a community just across the State line from the county in which I live. His home and my home were separated by only about 30 miles. I knew him well, and took great pride in following his good deeds. He was Governor of North Carolina at the same time I was Governor of South Carolina. He was a good neighbor, and contributed much to strengthen the ties between our States. His service to the South and his tremendous popularity made him well known to the people of my State. We in South Carolina loved and admired him, as did the people of his own State.

I had the good fortune of entering the United States Senate on the same day our departed friend became a Member. Since that day in 1945, I have had the honor to be with him daily and work with him on legislative matters affecting our country. It has been inspiring to watch him team his alert and able statesmanship with the will of God. Senator HOEY'S service to God and country made this world of ours a better place for us to live in.

May we learn from his life to look at God at all times for guidance and help.

Mr. LEHMAN. Mr. President, I first met CLYDE HOEY in 1939, 15 years ago, when he came to the capital city of New York with his daughter. The governors conference that year met in Albany. Senator HOEY, then Governor of North Carolina, represented his State at the conference, and took a leading part in its deliberations. He immediately endeared himself to all his fellow governors and to the people of Albany by his modesty, his clarity of thought and expression, and his unfailing courtesy, graciousness, kindliness, and sincerity. He maintained all these qualities when he came to the United States Senate 10 years ago and until the day of his death. I know of no man who was more considerate of others than CLYDE HOEY, more consistent in his deep convictions, more patriotic, or more straightforward in the expression of his views.

He did not speak often in this Chamber, but when he did, his remarks were closely followed and carried great influence among his colleagues. He was always deeply devoted to both the spirit and the letter of the Constitution. I recall particularly a memorable speech which he made on the floor of the Senate a year ago when we were debating a bill which would have permitted a committee of Congress to grant immunity to reluctant witnesses. In that speech Senator HOEY, with great eloquence and sincerity, said, in part, in opposition to the bill:

> We are granting to a committee of the Congress the power to take away the constitutional guaranties and rights to the protection which the Constitution gives us * * *
>
> I do not believe we should forget the fact that the Constitution is for the protection of all the people. There are other persons besides Communists in this country. I do not believe we should confer upon any committee of the Congress the power to take away the rights which the Constitution gives to every individual and to every citizen.

Mr. President, it was a great speech Senator HOEY delivered that day, and I ask unanimous consent that the full text of his remarks be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEHMAN. Mr. President, the effect of his eloquent words was later reflected in the action taken by the Senate. I shall always be deeply grateful to him for his timely and effective warning.

CLYDE HOEY will be greatly missed in the Senate where he had many close friends and no enemies. He will be greatly missed in the State of North Carolina and in the Nation as a whole. I am glad to have had the honor of his friendship, and with all my colleagues in the Senate, I mourn his passing.

(The speech by Senator HOEY referred to above is as follows:)

Mr. HOEY. Mr. President, I shall detain the Senate but a very few moments. I have great admiration for my distinguished friend, the Senator from Nevada. Ordinarily I find it in order to follow his leadership.

I am opposed to the entire bill. I believe we are going right in the face of the Constitution. The Constitution of the United States provides that no person shall be required to testify against himself. We are undertaking to say that a committee of the Congress can do what the courts cannot do. The courts can grant immunity, but they cannot force a witness to testify against himself. We are granting to a committee of the Congress the power to take away the constitutional guaranties and rights to the protection which the Constitution gives us. We are saying, "When you come before a committee and we grant you immunity, you have got to testify." The Constitution says a man does not have to do that. I do not believe Congress ought to pass a measure such as the one which is before us. I am in hearty accord with all the purposes to go after the Communists, to investigate and prosecute them, and all that, but the power of the Congress is not limited; its resources are not restricted; its hand has not been shortened; and the Congress can go about the prosecution of Communists, whether in conspiracy or individually, and can deal with them.

I do not believe we should forget the fact that the Constitution is for the protection of all the people. There are other persons besides Communists in this country. I do not believe we should confer upon any committee of the Congress the power to take away the rights which the Constitution gives to every individual and to every citizen.

How far reaching will this bill be, Mr. President? The bill provides that if immunity is granted, then no action can be taken against the man to whom immunity is granted, anywhere. It takes away from every single State the right to prosecute him for anything in connection with which he may be examined before a committee. It is not limited to the Federal Government; it is not limited to prosecution in United States courts, but it gives the right for him to have immunity from the State in which he lives and from the courts of his State. It gives him complete immunity all along the line.

Do we want to do that? Are we not sacrificing more than we are going to gain? Are we not seeking to do a thing which we can do without such a law? Is it going to be of any great advantage?

When a witness comes before a committee and is asked, "Are you a Communist?" and he refuses to answer, at once he stamps himself, to begin with, as a Communist. Practically everyone would say he is a Communist, or he would deny it.

Suppose we make the witness say, "Yes; I am a Communist": what do we gain? Have we not processes of government by which we can deal with that sort of a situation? Has it come to a time when we have got to take away the constitutional right and guaranty which have been sacred through the years in order that we may undertake to focus attention on some particular part of the enforcement of the criminal law of the land?

I am speaking in all earnestness and in all seriousness, because I do not believe we should do this; I do not think it is necessary; I do not believe it will accomplish any great good. I would rather see a man refuse to answer and let him go with the stamp of public opinion indicating just what he is and the fact that he is an enemy of his Government, because that is the way the public would feel about it.

For that reason, Mr. President, I am opposed to the whole measure.

Mr. HUMPHREY. Mr. President, to me the life of the late CLYDE HOEY is symbolic of the high standards of American public service. I first became acquainted with the late departed distinguished Senator from North Carolina in 1944. It was my privilege to know him as a friend and a colleague in the Senate. During his distinguished and honorable chairmanship of the Permanent Subcommittee on Investigations, I served with the late Senator HOEY for 4 years.

Mr. President, it seems to me that God in His infinite wisdom has many ways to remind those of us who are still on the earth of our responsibilities. All during the testimonials we have heard today the emphasis has been on the life of CLYDE HOEY and on his qualities of fairness, fair play, decency, honor, integrity, and basic goodness. I think many of us are mindful of the fact that some of these fine qualities have more or less slipped from the grasp of some. Therefore, even in this moment of sadness and tragedy, the spirit of CLYDE HOEY lives to remind his contemporaries that these great qualities are eternal and are fundamental to free government and free people.

Mr. President, as has been said, CLYDE HOEY was an honorable man; and the term "honorable" embraces many wonderful qualities of character. He was good, and the world is short of good people. He was a leader in a quiet, calm, and patient manner. From his earliest days until the final moment of his life he set a fine example for friend and associate, and even for opponent.

I remember CLYDE HOEY as a man who believed in dissent and the right to be different, but not in dissension. He believed in honest debate, but not debasement of personal character in argument. He believed in discussion, but not in destruction of either truth or personality.

So, Mr. President, those of us who have been privileged to enjoy this wonderful association have been enriched by the example and the precepts of a good man dedicated to the highest standards of public service.

I shall long remember him for his intellectual vigor and his emotional stability. In this day and age these two great qualities are desperately needed.

I shall remember him as a man who was soft spoken, but with strong convictions and outstanding moral purpose.

Above all, Mr. President, I shall remember that in his philosophy of life CLYDE R. HOEY constantly embraced a kindly attitude toward his fellow man; a willingness to compromise, without loss of principle; and, eternally, a willingness to give equality of treatment to everyone; and an abiding sense of fair play.

Mr. RUSSELL. Mr. President, any attempt to embellish the very eloquent words that, in this sad hour, have come today from the hearts of so many Members on both sides of the aisle would indeed be to attempt to guild the lily. However, I would be false to every impulse of my nature if I did not add my poor flower to the many beautiful bouquets of love and affection that have been offered here in memory of our departed colleague.

Mr. President, sometimes I think the principal reward we gain from our service and labors in this body flows from our association with our colleagues and the friends we come to know and to love. I may say that I have received no greater compensation from my service in the Senate of the United States than the privilege of knowing CLYDE ROARK HOEY and of being able to call him my personal friend.

Mr. President, CLYDE HOEY was a prince among men. He was a Christian gentleman of the old school. His courtesy was unfailing—it mattered not whether those with whom he came in contact were of high degree or low. His spirit of tolerance was as broad as the canopy of the skies. In his personal relations he was as gentle as a woman; but when it came to a question of principle or conviction he was as brave as a lion. I doubt very much, Mr. President, that we shall ever again look upon his like in this Chamber.

Mr. President, I desire to associate myself with every word and every expression of friendship and affection which have been uttered on this occasion. I mourn the passing of one of my closest personal friends. But, Mr. President, my sense of loss is tempered by the many sweet memories of our association and friendship that will strengthen me and abide with me to the end of my days.

Mr. KERR. Mr. President, I wish to add my brief but very sincere tribute to the life, character, and patriotism of the late Senator CLYDE HOEY.

It was my privilege to have him as a desk mate when I came to the United States Senate. For years it has been my privilege to sit by his side on one of the important committees of the Senate.

CLYDE HOEY was unfailing in his courtesy. He was outstanding in his wisdom. He was generous with his sympathy and his help. I am one of those who will greatly miss him, but I keenly realize that the people of the great State of North Carolina and the members of his family will miss him most.

CLYDE HOEY was indeed a great North Carolinian, a great Senator, and a great American. Mr. President, I do not know what more could be said, nor do I know of anyone I have met of whom those words could more truly be spoken.

Mr. SPARKMAN. Mr. President, I well know I cannot add to what has been said by my colleagues who have preceded

me in speaking this afternoon, but I do not wish to let this opportunity pass without saying a few words in tribute to our great and good friend and departed colleague.

During the time I have been in the Senate, it has been my good fortune to sit very near Senator HOEY. During the present Congress, my seat has been only one seat removed from his; and prior to that time my desk was next to his. I shall always recall with great interest, and shall always cherish, the many friendly conversations I have had with him on practically every subject.

Senator HOEY was one of the finest men, and the possessor of one of the sweetest characters, I have ever known. He was likewise a man of the very highest integrity.

As has been stated by many of my colleagues who have preceded me, CLYDE HOEY was gentle, but he was firm. He was learned, and always was tolerant. One may not have agreed with him regarding every conclusion he reached, but no one ever questioned the motive which led him to that conclusion, nor the integrity of his decision, once it was made.

Mr. President, Senator HOEY was one of the most religious persons I have ever known, he had deep religious faith, and he lived his religion. During World War II a young American flier from Washington, John Magee, was flying in the Royal Canadian Air Force. Only a few days before he was killed he wrote a poem in which he made reference to the fact that flying at such a great height he had tried the untrespassed sanctuary of space, and had put out his hand and touched the face of God. I have often thought that Senator HOEY lived as one who had a peculiar affinity with the great God whom he worshiped and whom he served so well.

I was absent from Washington when I received news of the death of Senator HOEY. When I heard of it I immediately inquired as to the circumstances surrounding his death. When I heard of the quiet, easy manner in which he took his leave I could not help but feel that it was well it had happened that way. I can think of no one who would have preferred more than he to go out so quietly. I can think of no one who would more completely agree with the words of the poet when he said:

Sunset and evening star,
And one clear call for me!
And may there be no moaning of the bar,
When I put out to sea.

Senator HOEY lived graciously. He lived a rich life. He gave to his State, to his people, and to the Nation a fine example of good statesmanship and good citizenship. We shall long miss him in this body. I know that his family will long grieve his passing, and I know that the people of North Carolina will miss his great service, as will the Nation at large.

Mr. MILLIKIN. Mr. President, Senator HOEY was a member of the Senate Committee on Finance. He was faithful in his attendance. He had a remarkable faculty for quickly picking out the principal points of very complicated issues. Always his own conclusions reflected justice tempered with kindness, and compassion.

I was among those who went on the train to the town of Shelby, N. C., to attend the funeral services for Senator HOEY. I was very much impressed by something which happened several times as we passed through that State. There were waiting groups of children—white children and black children. They saluted as we passed them. They could not go to Shelby, but they could and did let us know in that simple and eloquent way that they were with us in their love for Senator HOEY. They were with us in our grief over his loss.

Mr. BRIDGES. Mr. President, when one of our senatorial colleagues dies it gives us all a reflective pause, and we think of all the pleasant and fine things we meant to say to our friend, but which somehow we never got around to saying frequently enough in the busy daily treadmill of our duties. It is a sad thought that such moments of tragedy are the occasions for reflective pauses.

The late senior Senator from North Carolina, CLYDE ROARK HOEY, was the type of man the poet Longfellow had in mind when he wrote the immortal words "and departing leaves behind him footsteps on the sands of time." Senator HOEY'S notable deeds and actions emblazoned his career and speak more eloquently of the greatness of the man than any poor words of mine.

His rise from printer's apprentice to United States Senator was in the best American tradition, and a part of our national greatness. The esteem in which Senator HOEY was held in the hearts and minds of his fellow man is amply attested by the fact that he was the only person from North Carolina to have served in both houses of her legislature, as her Governor, and her United States Representative. In becoming her United States Senator in 1944 he became one of the few Americans ever to have served in both houses of his State legislature and both Houses of Congress.

The esteem shown him by the people of his native State had its counterpart in the high regard in which he was held by his fellow Senators. Engraved on the hearts and in the minds of all of us is the fine record of, and our affectionate esteem for, our late colleague and friend, Senator CLYDE ROARK HOEY from the great State of North Carolina.

Mr. CLEMENTS. Mr. President, in the passing of our colleague, CLYDE ROARK HOEY, the State of North Carolina has lost an able, devoted, and distinguished public servant, who throughout half a century in State and Federal office became a familiar and beloved figure to the people of his State. Indeed, when last the opportunity was theirs, less than 4 years ago, they returned him to the United States Senate by the largest majority ever given a statewide candidate in the Tar Heel State; there was the full measure of public approval that, we know, must have gladdened his heart and vindicated to the utmost his long years of toil in behalf of his State and Nation. From the nationl scene has vanished one of the last of the old school—a picturesque statesman, a true southern gentleman, a scholar, and a patriot.

Since that December day in 1877 when CLYDE HOEY first saw the light of day in Shelby, N. C., the American scene has shifted and changed, but this man—caught up in the tide of public affairs and elected to public office even before he had attained his 21st birthday—kept abreast of the times, alert, keen, interested, steady, and poised up until the very hour when calmly and peacefully the last, long slumber gently descended upon him as he paused to rest in a chair in his office in the midst of his labors.

Through membership on the Committee on Agriculture and Forestry with the senior Senator from North Carolina, I came to know him well, and to respect his wisdom and ability and his facility in working with others and attaining the objectives he sought. I learned to admire his earnestness, sincerity, and courage, and to appreciate his patience and generous attitude toward his junior colleagues. He was my friend; and his death has sorely grieved me. Sadly I miss him.

We mourn his loss but, in these somber days of recollection and remembrance, the members of his family, and all of us here who loved him, too, can find solace in the knowledge that the private life and public career of Senator HOEY will stand as an inspiring example for us to imitate and for rising generations to emulate. He has been called to his eternal reward, and another illustrious chapter has been added to the history of man's greatness.

Mr. KEFAUVER. Mr. President, I should like to add a few words of tribute to the distinguished son of the South whose memory we honor today.

CLYDE ROARK HOEY served in the Senate of the United States for nearly a decade. His career as a public servant extended back half a century before that, as a State legislator, as a member of the house of representatives, and as Governor of North Carolina.

Those were years of honorable service to the people of North Carolina and the Nation.

During his service in this most august of all the world's legislative bodies, he became almost a Senator's Senator—a fair-minded, competent, ever-courteous gentleman, performing his public duty as his conscience directed.

His conduct and record as a committee chairman should stand perpetually as a model and ideal for the men and women who will labor in this Chamber when its present membership shall have responded to a greater quorum call.

Mr. JOHNSON of Colorado. Mr. President, I desire to say a few words with respect to our departed colleague and very good friend, Senator HOEY. He was the sort of Senator I believe every Senator would like to be. I think all of us would like to have it said about us that we resemble in some degree the very great Senator from North Carolina.

He was a very wise man. He was a very intelligent man. He was a very practical man.

I sat beside him in the Committee on Finance, and we held many little sessions, as men do in committee. I know what a profound thinker he was, and how realistic he was in meeting the many problems we had to meet in that committee.

I served with him on several other committees during the course of his service. I found him always to be a man diligent in doing what appeared to him to be best for his country. He was a devoted patriot. He was a great speaker, and a very eloquent man. Yet he seldom spoke on the floor of the Senate. I often wished that he would speak more, because from him flowed many great truths that needed to be told over and over again. But he did not want to push himself, and he remained silent many times because of his consideration for the other Members of the Senate.

As has been said of him here today he was a very warm and friendly man. He was also a very kind man. That is the way he impressed everyone. He was courteous, but his courtesy was not merely a veneer. It was genuine, and was deeply friendly. We shall miss Senator HOEY.

What impressed me particularly in North Carolina, at his home in Shelby, when we laid his remains at rest, was the esteem in which he was held by the people who came to the funeral. We could read it in their faces, and when we talked to them we could the better realize that there was a genuine friendship for Senator HOEY among those people. It is an axiom that one does not have friends unless one is friendly. Therefore it was not surprising to me to note the genuine evidences of friendship that were displayed at Shelby.

He was a friendly man, and everyone knew it and could not help knowing it, and therefore could not help return in some degree the friendship that poured from his heart and his soul.

WATER FOR IRRIGATION AND DOMESTIC USE FROM THE SANTA MARGARITA RIVER, CALIF.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which will be stated by title.

The CHIEF CLERK. A bill (S. 5731) to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities to provide water for irrigation and domestic use from the Santa Margarita River, Calif., and the joint utilization of a dam and reservoir and other waterwork facilities by the Department of the Interior and the Department of the Navy, and for other purposes.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Without objection, it is so ordered.

A FAIR CODE OF INVESTIGATING COMMITTEE PROCEDURE

Mr. LEHMAN. Mr. President, I am happy to be among the sponsors of the comprehensive code of fair committee procedures being introduced today by the senior Senator from Tennessee [Mr. KEFAUVER].

This new code represents many months of work by those of us who feel it to be of the highest importance to protect both the rights of individual citizens who appear before congressional committees, and the right of congressional committees to carry on proper investigations.

I believe that congressional investigations, when properly conducted, are one of the basic instruments by which democracy is safeguarded against executive laxity or tyranny. But investigations which become inquisitions can threaten the basic institution of democracy, the rights of individuals, the balance of power between the executive and legislative, and even the independence of the judiciary.

Proper congressional inquiries and investigations designed to provide insight into the operation of our laws and our Government agencies, and to demonstrate the need for new legislation are essential, as I have already said. Congress cannot function without them. The public welfare would suffer without them.

I would be derelict in my duties as a Senator if I failed to protect the proper investigative powers of Congress. But I would also be derelict if I did not do all within my power to check the flagrant abuses in congressional investigating procedures that have developed within recent months and years.

So I participated in the work of drafting this new code of procedure. Indeed I was and am a cosponsor with the Senator from Oregon [Mr. MORSE] of another proposal for a code of congressional fair play which we introduced last year, Senate Resolution 83. The so-called Morse-Lehman proposal was one of the sources of the provisions of the resolution we are introducing today.

Mr. President, I believe the code of fair investigating committee procedures being introduced today is a sound proposal. I hope and strongly urge that it be enacted at this session of Congress.

Mr. President, it is not enough just to be shocked into a realization that something is wrong. We must be shocked into doing something about it.

The American public has been present, by radio and television, at the public hearings of one subcommittee. That subcommittee has been operating under special rules which were adopted for the purpose of this inquiry and are carefully described as constituting no precedent for the future hearings of that subcommittee.

What we need to do is to adopt rules that will be applicable generally and permanently for the conduct of all committee investigations.

The abuses of the recent past, only a very few of which have been forcefully brought to public notice, represent a grave danger to our entire system of government.

Let us not forget the lessons of history. Freedom has been destroyed in the past as frequently by legislative tyranny as by executive dictatorship. Comimttees of public safety set up by legislative bodies in other lands in other times have become, in many cases, committees of inquisition, and have led to the destruction of freedom in those lands. Let us take warning from the past.

Mr. President, I noted that the majority leader recently indicated his support of a code of fair committee procedures. However, he is reported to have said that consideration of this matter should be delayed until the next Congress.

I feel that the time is now for the Senate to begin formal consideration of this vital problem. The public demands it. Many Senators are now aware of its need. Let hearings be held now. I hope the Rules Committee will give this and other similar proposals immediate public hearings.

I believe that the Senate and the Congress have suffered a great loss of prestige from the unfortunate abuses of the congressional investigating procedure. This loss must be repaired with the least possible delay.

Mr. President, I would like to comment briefly on one vitally important aspect of the code of fair investigating committee procedures we are introducing today. I call attention to that section of our resolution, section 8, dealing with supervision and enforcement of this code.

All the previous proposals on this subject I have seen have failed to provide for any effective means of supervision or enforcement. This was their great weakness. I do not believe we should any longer beat around the bush on this aspect of the matter. A code of procedure without provision for enforcement is almost as useless as a traffic code without provision for enforcement.

Our code provides for supervision in the Senate by a panel composed of the Vice President and four Members of this body, who would be elected by this Senate for this purpose. No more than two of these could be from the same political party.

This device provides a forum in which complaints on the violation of the provisions of this code can be heard and remedial action taken. This is not to be another standing committee, but rather a select group, newly chosen in each Congress, to discharge this high, special, and vital function.

I believe it is clear to every Member of the Senate that in the final analysis no code of procedure can control all abuses that might arise in the course of committee investigations.

But I believe that a code of fair committee procedures can go a long way toward guiding Senate committees and individual Senators in the conduct of investigating committee business. A code of procedures can provide basic and uniform standards for the definition of the rights of individuals appearing before Senate committees.

It is inconceivable to me, on reflection, that we should not have such a uniform code. Think about it. When an individual appears before any other tribunal or Government agency, he knows, beforehand, the rules of procedure. Those rules are uniform in their applicability

to all citizens and to all parts and branches of the same tribunal or agency.

Yet here in the Senate, with 15 standing committees, and I do not know how many subcommittees, we have no uniform code of procedure. Every committee and many subcommittees have different rules. Some have no rules at all.

This is a denial of one of the elementary principles of justice—that laws be uniform and not vague, variable, and vagrant. The laws, in respect to congressional committees, are the rules of procedure. They should be uniform for all committees; they should be clear; they should be effective.

I hope this resolution which has been presented today will become the basis, after intensive hearings and debate, for a code of fair committee procedure that will be adopted by this body. I predict that if this is permitted to happen it will be one of the unforgettable monuments to the work of the 83d Congress.

Mr. KEFAUVER. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I shall be happy to yield to the distinguished Senator from Tennessee.

Mr. KEFAUVER. Mr. President, first I wish to compliment the distinguished Senator from New York upon one of the finest statements in support of proper rules of procedure for congressional investigating committees that has ever been made in the Senate. I know the Senator has worked on the problem diligently and conscientiously ever since he has been a Member of the Senate.

Does not the Senator feel that, while all of us recognize that witnesses before committees have substantive rights, it is very difficult to protect those rights unless we have rules of procedure such as those the Senator has described, which the witnesses, their lawyers, and the public generally, as well as the Members of the Senate, can all know and understand?

Mr. LEHMAN. I would say that not only would it be difficult, but it is impossible otherwise to protect the rights of witnesses and of the public. At this point I want to pay tribute to my colleague from Tennessee, who has given this subject the deepest thought and consideration over a long period of time and has provided real leadership in this field.

Mr. KEFAUVER. In view of the fact that so many Members of the Senate on both sides of the aisle have expressed support for the idea that we should have uniform rules to follow, does not the Senator from New York feel we should at least make a start in trying to have certain procedural safeguards established for witnesses and for the protection of the rights of the people, and that we should endeavor to have early hearings before the Committee on Rules and Administration and have the matter acted upon by the Senate at this session of the Congress?

Mr. LEHMAN. The Senator from Tennessee is, of course, completely right.

I was very pleased to note that the distinguished majority leader approved the principle of a mandatory code of fair procedure. The only point in respect to which I differ from him is that he has suggested, as I outlined in my remarks, that the matter be postponed until the next session of Congress. I differ with him greatly on that point. This is the time to have hearings and let the public and the Members of Congress know what can, should, and must be done. There is, in my opinion, no scintilla of excuse for putting off the consideration of this highly important question for another 6 or 7 or 8 months. Action can and should be taken now.

Mr. KEFAUVER. Since there is at this time so much public interest in the question, and since there seems to be substantial unanimity among the Members of the Senate that certain rules should be established, does not the Senator feel that this is certainly the time when consideration should be given to the question on the floor of the Senate?

Mr. LEHMAN. There is no doubt at all about that. I have no doubt that the communications on this subject received by the distinguished Senator from Tennessee parallel mine very closely. Hundreds and hundreds of persons have written to me and, without prejudging the merits of the current investigation, have strongly asserted that they feel there must be established a mandatory code of fair procedure and that the longer we delay adopting it, the longer we shall delay doing justice to the people by providing such a code of procedure.

Mr. KEFAUVER. Is it not also true that organizations such as the American Bar Association, the American Association of Political Scientists, the League of Women Voters, and many others which could be named, together with the editorial writers of many newspapers, all of whom are interested in proper legislative procedure, have urged that Congress act now to adopt rules of procedure to govern the operations of investigating committees?

Mr. LEHMAN. There is no question whatsoever, as the distinguished Senator from Tennessee has said, that there is overwhelming support on the part of great legal, civic, religious, and moral organizations, as well as of most of the newspapers of the United States, for the proposal to adopt a mandatory fair procedure code.

I thank the Senator.

THE SUPREME COURT, SEGREGATION, AND THE SOUTH

Mr. EASTLAND. Mr. President, last week the Supreme Court held that racially segregated schools were in violation of the 14th amendment to the Constitution. Last Monday, the Court further extended its new doctrine by holding that segregation of the races in public housing, municipally owned golf courses, and entertainment in a municipally owned theater, though operated by a private corporation, was in violation of the 14th amendment. What the Court has done has been to legislate additional civil rights, which were admittedly not heretofore authorized by the Constitution or by Congress. The Court has overturned a great principle of law and has made illegal the acts of States which the great judges who have heretofore composed the Court had held for generations did not violate the 14th amendment to the Constitution.

The Court, in violation of its power and in disregard of its duty, has legislated these new Federal civil rights: First, the right of any race to attend an unsegregated school, second, the right to live in unsegregated houses if publicly owned, and third, the right to use an unsegregated golf course, if publicly owned. By the same decisions there can be no such thing as segregation in publicly owned swimming pools, parks, or any publicly owned recreational facility. In these broad and sweeping decisions, the Court has overruled fundamental principles of the Constitution which have been settled and determined for generations. The Court has determined to strike down all State laws which provide for racial segregation, and upon which the institutions, the culture, and the civilization of the South are built. This attack upon the South is not concluded. We are witnessing only the beginning.

These decisions go far beyond any heretofore contemplated civil rights. The Court has entered the social field in violation of the Constitution, the laws of nature, and the law of God. It is an attempt to put the races together, physically, upon a plane of social equality. The Court contemplates doing this irrespective of the reaction of either race involved. In reality these decisions do not create civil rights. They create social rights.

Mr. President, a court cannot enforce its will in these fields. Racial instincts are normal, natural, human instincts. It is natural that persons of every race, hybrids only excepted, desire to associate with their own kind, and to maintain the purity of their own race. To do the things which the Court is attempting to do is beyond the power of government. It will justly cause, in my judgment, evasion and violation of law and contempt for law, and will do this country great harm.

These decisions, coming at a time of grave world crisis, when there should be unity in the United States, will cause great dissension and will weaken us internally.

Consider the reasoning of these decisions and the authorities cited. Any impartial layman would know better. I quote as follows from the decisions of the Supreme Court last week in the school cases:

> In approaching this problem, we cannot turn the clock back to 1868 when the amendment was adopted, or even to 1896 when *Plessy* v. *Ferguson* was written. We must consider public education in the light of its full development and its present place in American life throughout the Nation. * * *
>
> We come then to the question presented: Does segregation of children in public schools solely on the basis of race, even though the physical facilities and other tangible factors may be equal, deprive the children of the minority group of equal educational opportunities? We say that it does. * * *
>
> To separate them from others of similar age and qualifications solely because of their race generates a feeling of inferiority as to their status in the community that may affect their hearts and minds in a way unlikely ever to be undone. The effect of this separation on their educational opportunities was well stated by a finding in the Kansas

case by a court which nevertheless felt compelled to rule against the Negro plaintiff: "Segregation of white and colored children in public schools has a detrimental effect upon the colored children. The impact is greater when it has the sanction of law; for the policy of separating the races is usually interpreted as denoting the inferiority of the Negro group. A sense of inferiority affects the motivation of a child to learn. Segregation with the sanction of law, therefore, has a tendency to retard the education and mental development of Negro children and to deprive them of some of the benefits they would receive in a racially integrated school system."

Mr. President, I ask unanimous consent to have printed at this point in my remarks the names of the sociological and psychological works cited by the Supreme Court as authority for its decisions.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

K. B. Clark, Effect of Prejudice and Discrimination on Personality Development (Midcentury White House Conference on Children and Youth, 1950); Witmer and Kotinsky, Personality in the Making (1952), c. VI; Deutscher and Chein, The Psychological Effects of Enforced Segregation: A Survey of Social Science Opinion, 26 J. Psychol. 259 (1948); Chein, What are the Psychological Effects of Segregation Under Conditions of Equal Facilities? 3 Int. J. Opinion and Attitude Res. 229 (1949); Brameld, Educational Costs, in Discrimination and National Welfare (MclVer, ed., 1949), 44–48; Frazier, The Negro in the United States (1949), 674–681. And see generally Myrdal, An American Dilemma (1944).

Mr. EASTLAND. Mr. President, I continue to quote from the Supreme Court decision:

Whatever may have been the extent of psychological knowledge at the time of *Plessy* v. *Ferguson*, this finding is amply supported by modern authority. Any language in *Plessy* v. *Ferguson* contrary to this finding is rejected.

We conclude that in the field of public education the doctrine of "separate but equal" has no place. Separate educational facilities are inherently unequal. Therefore, we hold that the plaintiffs and others similarly situated for whom the actions have been brought will, by reason of the segregation complained of, be deprived of equal protection of the laws guaranteed by the 14th amendment.

The Supreme Court could not find the authority for its decisions in the wording of the 14th Amendment, in the history of the amendment, or in the decision of any court. Instead, the Court was forced to resort to the unprecedented, unsound, and irrelevant authority of a group of recent partisan books on sociology and psychology. If this is the judicial calibre of the Court, what can the Nation expect from it in the future? What is to prevent the Court from citing as an authority in some future decision the works of Karl Marx?

The Court holds that the segregation of white and colored children in public schools has a detrimental effect upon the colored children. What about the white children? Do they not, also, have rights? Will not the commingling of the races in public schools have a detrimental effect upon white children? The rights of our children have been trampled upon by the Court. Everyone knows, Mr. President, that the school atmosphere, the tension, and frictions generated in interracial schools will have a detrimental effect upon the children of both races, will lessen their ability to learn, and will retard the progress of education.

Creation of mixed schools would aggravate the teacher shortage by making the teaching profession far less desirable.

The Supreme Court, therefore, in its alleged concern for Negro "feelings" in segregated schools, while ignoring fundamental questions of great significance, has strained at a gnat and swallowed a camel. It has created the greatest crises in the history of American education.

Mr. President, I wish to quote from an editorial which appeared in the Jackson Daily News published in Jackson, Miss., on May 23, 1954, written by Maj. Frederick Sullens, editor of the Jackson Daily News, who has a national reputation for uncannily reflecting the views of his readers:

A prize piece of poppycock and piffle was the contention set up in the segregation cases before the Supreme Court that "segregation is psychologically harmful to colored children, separate schools are inherently unequal and therefore deprive colored children of that equal protection under the law guaranteed by the 14th amendment." Drivel such as that was the basis of the Supreme Court decision. If ever a decision deliberately manufactured law at the expense of inherent State rights this one does. The Court mendaciously assumed a power it does not possess. * * *

The tragic part of this unwarranted decision is that the thinking people of neither race want the abandonment of segregation. Radicals and rabblerousers and race agitators are in great glee of course but all persons in both races who use their heads for something other than loafing places for hair well realize the gravity of the situation and the tragic consequences to which it may lead.

The doctrine of separate but equal facilities upon which southern civilization is built has been the law of the land since the beginning of the Republic. The Constitution of the United States permits racial segregation. The Constitution would not have been adopted, the United States would not have been created, if anyone had dreamed that the Constitution would deprive the States of their power to segregate the races, and invade, therefore, the police powers of the States.

The 14th amendment to the Constitution, upon which these decisions are based, did not prevent segregation, and it was so understood at the time the courts had uniformly, until last week, so interpreted the 14th amendment. Mr. President, the meaning of the Constitution or an amendment is fixed when it is adopted. It cannot conceivably have one meaning at one time, and another meaning in later years.

Apparently, the present Supreme Court has based its decision upon psychological and sociological concepts in the light of what it considers changed social conditions of the present day. In doing so, this Court has introduced a new principle which heretofore was unknown to the law, and that is that a constitutional provision may have a flexible meaning and a flexible interpretation.

The 14th amendment could not have one meaning in 1896, when the Supreme Court decided Plessy against Ferguson, and a different meaning when the present Court has occasion to pass upon it.

Mr. President, contrast the reasoning and the principles of the decisions of the present Supreme Court with the reasoning and principles of the great Court, of the great judges in 1896, who handed down the decision in Plessy against Ferguson, which was uniformly followed until last week. I now read from the 1896 decision:

The object of the amendment was undoubtedly to enforce the absolute equality of the two races before the law, but in the nature of things it could not have been intended to abolish distinctions based upon color, or to enforce social, as distinguished from political equality, or a commingling of the two races upon terms unsatisfactory to either. Laws permitting, or even requiring, their separation in places where they are liable to be brought into contact do not necessarily imply the inferiority of either race to the other, and have been generally, if not universally, recognized as within the competency of the State legislatures in the exercise of their police power. The most common instance of this is connected with the establishment of separate schools for white and colored children, which has been held to be a valid exercise of the legislative power even by courts of States where the political rights of the colored race have been longest and most earnestly enforced. * * * Laws forbidding the intermarriage of the two races may be said in a technical sense to interfere with the freedom of contract, and yet have been universally recognized as within the police power of the State. * * *

The distinction between laws interfering with the political equality of the Negro and those requiring the separation of the two races in schools, theaters, and railway carriages has been frequently drawn by this Court. * * * So far, then, as a conflict with the 14th amendment is concerned, the case reduces itself to the question whether the statute of Louisiana is a reasonable regulation, and with respect to this there must necessarily be a large discretion on the part of the legislature. In determining the question of reasonableness it is at liberty to act with reference to the established usages, customs, and traditions of the people, and with a view to the promotion of their comfort, and the preservation of the public peace and good order. Gaged by this standard, we cannot say that a law which authorizes or even requires the separation of the two races in public conveyances is unreasonable, or more obnoxious to the 14th amendment than the acts of Congress requiring separate schools for colored children in the District of Columbia, the constitutionality of which does not seem to have been questioned, or the corresponding acts of State legislatures. * * *

If the two races are to meet upon terms of social equality, it must be the result of natural affinities, a natural appreciation of each other's merit and a voluntary consent of individuals. As was said by the Court of Appeals of New York in *People* v. *Gallagher*: * * * "This end can neither be accomplished nor promoted by laws which conflict with the general sentiment of the community upon whom they are designed to operate. When the Government, therefore, has secured to each of its citizens equal

rights before the law and equal opportunities for improvement and progress, it has accomplished the ends of which it was organized and performed all of the functions respecting social advantages with which it is endowed." Legislation is powerless to eradicate racial instincts or to abolish distinctions based upon physical differences, and the attempt to do so can only result in accentuating the difficulties of the present situation. If the civil and political rights of both races be equal one cannot be inferior to the other, civilly or politically. If one race be inferior to the other socially the Constitution of the United States cannot put them upon the same plane.

Mr. President, I have just read from the 1896 decision in Plessy against Ferguson.

It is the duty of the Court to apply the law as it is written and to leave to the people, in their sovereign capacity, through their State legislatures and the Congress, the power to make such changes in the law as new and changed social conditions may require. In the present decisions, the Supreme Court has substituted the shifting sands of sophistry for the solid rock of judicial integrity on which our institutions have heretofore been based.

The Supreme Court of the United States has uniformly held for 58 years since the decision just quoted that separate but equal racial facilities met the test of the 14th amendment. Furthermore, there can be no question by anyone—layman, lawyer, or judge—that it was not the intent of the 14th amendment to prohibit racial segregation in public schools. Again, there can be no question about the judicial integrity and the intellectual capacity of the judges who announced the principles of Plessy against Ferguson and of the judges who throughout the years have reaffirmed and followed these principles. They were not fawning politicians. They were not the servants of and spokesmen for belligerent minorities. On the contrary, they placed the welfare of their country and all of its citizens above the ranting of racial demagogues and the power of organized racial pressure groups.

Mr. President, let me make this very clear: The South will retain segregation. This means that public facilities of recreation and amusement now owned by the public must be transferred to private hands. I think that in the future this Court will go even further, and will hold that the act of a State in licensing certain private businesses, such as hotels and restaurants, to operate on a segregated basis, as heretofore, would also be in violation of the 14th amendment. In other words, I do not believe that in the future the Court will permit a State to charge a privilege tax to theaters, hotels, restaurants, places of amusement, or any other facility in which segregation is practiced. All our institutions were built upon the interpretation of the 14th amendment as announced in the case of Plessy against Ferguson, from which I have quoted; and one is naive, indeed, to think that southern people will permit all their social institutions to be swept away on the distorted and, in my judgment, politically inspired decision of the nine men who now occupy the Supreme Court.

Mr. President, in the exercise of their police power, the legislatures of the Southern States have established separate schools for white and colored children. Similarly, the Congress has enacted legislation establishing separate schools for white and colored children in the District of Columbia. The legislatures of Southern States and many others under their police power have enacted laws forbidding the intermarriage of the 2 races and requiring the separation of the 2 races in public conveyances, theaters, hotels, public parks, swimming pools, and other recreational facilities owned by the public. Long prior to the decision of the Supreme Court, in 1896, in the case of Plessy against Ferguson, and continuously thereafter, the legislatures of the Southern States have enacted segregation legislation harmonious with established usages, customs, traditions, and the general sentiment of the people of both races. They have enacted such legislation with a view to the promotion of public comfort and the preservation of public peace and good order. The legislatures of the Southern States and the southern people, both white and colored, know that social equality can neither be accomplished nor promoted by laws or court decisions which conflict with the general sentiment of the community upon which they are designed to operate. Southerners know that legislation and court decrees are powerless to eradicate racial instincts or to abolish distinctions based upon physical differences; and any attempt to do so can only result in accentuating the difficulties of the present situation.

The principle of segregation of the white and colored races in the institutions of the South is not and has never been based upon the concept that one race should be inferior to the other before the law. On the other hand, if the colored race is considered socially different from the white race, there is no power whatsoever in the Constitution and laws of the United States or in the Supreme Court which can put the two races upon the same social plane.

If the policy of separating the races is interpreted as denoting the inferiority of the Negro race, such inferiority cannot be legally inferred as arising from a denial of a civil right. These are not civil rights. They are social rights. In addition, they are social obligations which each individual owes to his race. It therefore follows that the reasoning of the Supreme Court that the Negro child is psychologically harmed in a segregated school is based upon the social differences, rather than the denial of a civil right. The Supreme Court is attempting by its present decision not to grant to the Negro child a civil right, but to put the Negro child and the white child upon the same social plane by integration of the races in the same school.

Mr. President, the southern white people are peaceful, law-abiding citizens. They do not desire any form of lawlessness; but, on the contrary, they desire public peace and good order. But southern people, both white and colored, know that they cannot in the foreseeable future meet upon terms of social equality by voluntary consent. They know that social equality conflicts with the general sentiment of both races. They know that the established usages, customs, and traditions and general sentiment of the people would have to be changed, in order to provide social equality of the races. They consider that the requirement to integrate the white and colored children in the public schools will break down and destroy their established usages, customs, and traditions. Such a requirement does violence to the sentiment of both races. Southern people know that if the Supreme Court attempts to impose such a requirement upon them by force, stern resistance and lawlessness will inevitably result, regardless of whether the requirement is invoked forthwith or gradually.

Mr. President, the white people of the South correctly assume that they cannot be forced to integrate their children with the colored children in the same public schools. Many believe that the Supreme Court decision is applicable in only the 5 specific school districts involved in the cases now before the Supreme Court, and cannot be made applicable to the 11,173 other districts where segregation has been legal and usually practiced, until and unless individual and separate suits are brought against each district. With southern sentiment regarding segregation what it is, the white people of these segregated school districts will not, in my opinion, voluntarily accept or comply with this decision. If they do not, it obviously will be a practical impossibility to apply this decision in separate cases brought against each district having segregated schools. This vast number of suits would take years to litigate.

Eminent lawyers in the South rightly predict that the Supreme Court decision will introduce the Century of Litigation in the South. They point out that the present decision differs, insofar as enforcement is concerned, from previous decisions rendered against segregation in public carriers, and other forms of alleged discrimination. Decisions against railroads gave a basis for damage suits. In land covenant cases the Court simply refused to enforce the covenants.

The Court has now held in a series of individual cases that segregation in public schools, under varied existing State laws, is unconstitutional. The Court has not, and cannot, devise a formula to prevent or prohibit the legislatures of the several States from enacting new laws. Each new law devised to maintain segregation must in turn be tested in the Court, in individual cases, to determine its constitutionality. Will the Supreme Court presume to enjoin members of a State legislature, individually or collectively, from the performance of their lawful and constitutional duties? If they attempted this absurdity and if the people resorted to the right to enact laws by referendum, will the entire electorate of a State be subjected to the alleged injunctive power of the Federal courts? Of course not. This is an absurdity.

Mr. President, I again quote from the editorial published in the Jackson Daily News of May 23, 1954. The editor, Maj. Frederick Sullens, makes the following most pertinent comment:

One deplorable result of the decision is that it will halt the steady improvement in educational facilities under way in all Southern States, and thus the Negro race will suffer, instead of benefiting, from the court ruling. It inevitably means a lessening of friendly interest in Negro education among school officials and the public generally. The decree is a blow instead of a benefit to the Negro race. It will upset conditions for many years to come—conditions that were growing substantially better with each passing year.

By way of illustration:

The Mississippi legislature at its recent session authorized a bond issue of $10 million to be used in the construction of buildings for newly consolidated school districts. Governor White frankly states that this bond issue has been indefinitely postponed; that it is useless to try to plan new buildings and abandonment of old buildings while the present chaotic state of affairs prevails.

No matter what the formal reading of the Supreme Court decree may be, the public school policy in Mississippi will be stern resistance to any plan for mixing white and Negro children in the same school buildings.

Mr. President, I am greatly concerned about the gravity of the situation and the tragic consequences to which it may lead. The far-reaching effects of these unsound decisions should be a matter of great concern to every intelligent citizen of this Nation. In these decisions the Supreme Court has usurped the legislative powers of the Congress and of the legislatures of the separate States. It sits as a Constitutional Convention in judicial robes, and has arrogated unto itself the sovereign powers of the American people, speaking through their Congress and the State legislatures, to amend our Constitution.

Mr. President, since 1937, the Supreme Court has overruled 33 earlier decisions. This is by the count of one of the Justices. Those decisions were the settled law of the land; decisions on which rights were vested; decisions on which the people of this country had the right to rely. This record is unprecedented in our history. In the 135 years prior to 1937 only 29 cases were overruled, compared to 33 cases in 16 years. Such a record obviously reveals an irresponsible Court. I think it shows an incompetent Court. Such a record shows that the Court legislates, and is constantly grasping additional power. It is attempting to place itself in absolute control of the country.

Under such a dispensation no constitutional rights are safe; no personal rights are safe. No property rights are secure. None of the great American rights of human liberty are secure while these men in judicial robes, many without practical legal experience or sound judgment of the law, sit as a Congress and Constitutional Convention combined.

The great Thomas Jefferson wrote a prophetic letter to Charles Hammond dated August 18, 1821, in which he describes the present Court in accurate terms:

It has long, however, been my opinion, and I have never shrunk from its expression (although I do not choose to put it into a newspaper, nor, like a Priam in armor, offer myself its champion), that the germ of dissolution of our Federal Government is in the Constitution of the Federal judiciary. An irresponsible body (for impeachment is scarcely a scarecrow) working like gravity by night and by day, gaining a little today and a little tomorrow, and advancing its noiseless step like a thief, over the field of jurisdiction until all shall be usurped from the States and the government of all be consolidated into one.

To this I am opposed, because when all government, domestic and foreign, in little as in great things, shall be drawn to Washington as the center of all power, it will render powerless the checks provided of one government on another, and will become as venal and oppressive as the government from which we separate. It will be as in Europe where every man must be either pike or gudgeon, hammer or anvil. Our functionaries and theirs are wares of the same workshop, made of the same materials and by the same hand. If the States look with apathy on this silent descent of their government into the gulf which is to swallow all, we have only to weep over the human character formed uncontrollable but by a rod of iron; and the blasphemers of men as incapable of self-government, become his true historians.

Mr. President, the dual system of government, the Federal Republic itself, is in jeopardy if this Court is not curbed.

The members of this Court are justly "chargeable with reckless disregard of official oath and public duty."

When our Government was founded, no provision was made for the Supreme Court to pass upon the constitutionality of legislation. No mention of such power can be found within the Constitution itself. It is true that this question did come up for discussion at the Constitutional Convention, but it was considered only very briefly and no decision was reached. The power of the Supreme Court to pass upon the constitutionality of legislation developed over the years as it became apparent that such power had to be lodged in some sort of tribunal if a constitutional form of government was to function successfully.

But it has also become apparent through the years that such power can be lodged only in a thoroughly impartial and intellectually honest tribunal, and that the only enforcement power back of the decisions of the Supreme Court derives from the force of public opinion, which, in turn, is primarily contingent upon the Supreme Court's reputation for impartiality.

Jefferson was not the only expert in political philosophy who feared the outcome of concentrated judicial power. More than 100 years ago, that shrewd French traveler and observer of American institutions, Alexis De Tocqueville, commenting upon our Supreme Court as a unique governmental institution, described the vital necessity of maintaining its reputation for integrity and impartiality in the following memorable words:

The peace, the prosperity, and the very existence of the Union are vested in the hands of the seven Federal Judges. Without them, the Constitution would be a dead letter: the Executive appeals to them for assistance against the encroachments of the legislative power; the Legislature demands their protection against the assaults of the Executive; they defend the Union from the disobedience of the States, the States from the exaggerated claims of the Union, the public interest against private interests, and the conservative spirit of stability against the fickleness of the democracy. Their power is enormous, but it is the power of public opinion. They are all-powerful as long as the people respect the law, but they would be impotent against popular neglect or contempt of the law. The force of public opinion is the most intractable of agents, because its exact limits cannot be defined; and it is not less dangerous to exceed, than to remain below, the boundary prescribed.

The President, who exercises a limited power, may err without causing great mischief in the state. Congress may decide amiss without destroying the Union, because the electoral body in which the Congress originates may cause it to retract its decision by changing its members. But, if the Supreme Court is ever composed of imprudent or bad men, the Union may be plunged into anarchy or civil war.

Such, Mr. President, is the importance attached to the integrity and impartiality of the Supreme Court by the most famous European analyst of the American system of government. Happily for America, the highest standards of impartiality, propriety, and honesty have generally been adhered to by members of this Court.

Today, however, a trend away from traditional standards of propriety begins to be in evidence. Our Court has been indoctrinated and brainwashed by left-wing pressure groups. The Court is out of step with the American people. We see Justices of the Supreme Court banqueted and honored by left-wing Communist-front organizations militantly interested in legislation on which the Supreme Court must pass.

Permit me to quote from the Washington Afro-American of April 14, 1945:

JUSTICE HUGO L. BLACK HONORED AT INTERRACIAL BANQUET BY HUMAN WELFARE GROUP—JUSTICE BLACK, JEFFERSON AWARD WINNER, LAUDED FOR ROLE IN CIVIL RIGHTS STRUGGLE—DR. CHARLES H. HOUSTON EXTOLS FORMER ALABAMA SENATOR, GIVEN AWARD SECOND TIME, FOR PRACTICAL BELIEF IN DEMOCRACY—FIRST LADY HEARD

"Justice Hugo Black has grown to be a great stabilizing force in the colored race's struggle for equal rights," said Dr. Charles H. Houston, on March 27 at the Statler Hotel, where the Jefferson award was presented to the Supreme Court Justice.

The presentation of the award, given for work in public affairs by the Southern Conference for Human Welfare, was the second to Mr. Black, who has been similarly honored when a Senator.

Justice Sherman Minton, at that time a judge of the Seventh Circuit Court of Appeals, was also a speaker at this dinner.

Accompanying the news article are several pictures of these Justices sitting at the banquet table with various Negro leaders.

Mr. President, the so-called Southern Conference for Human Welfare was not only aggressively interested in anti-segregation cases appearing before our

courts, including the Supreme Court, but was a notorious Communist-front organization.

The extreme impropriety of Federal justices accepting awards and testimonial dinners from Communist-front organizations that are vitally interested in court cases according to their own declarations must be apparent to all. Such a prima facie exhibition of bias disqualifies a judge in the public eye, and rightly so.

Nor is this the only matter in which the Supreme Court has been brought into disrepute. The CIO, which, as everyone knows, is up to its neck in politics, is also vitally interested in numerous Court decisions, including the question of segregation. Yet Supreme Court Justice William O. Douglas has become virtually the protege of the CIO.

Thus, we find Justice Douglas, in November 1948, stepping down from the bench and doffing the toga of judicial impartiality to deliver the principal address at the National CIO Convention at Portland, Oreg. While in Portland, Justice Douglas was the honored and flattered guest of the CIO. His strongly partisan speech brought down the house.

Mr. President, page 11 of the New York Times of November 13, 1950, carries an article entitled "Aid in Revolutions Urged by Douglas." The same page of the New York Times reports Justice Douglas receiving the civil rights award of the B'nai B'rith Metropolitan Council in 1950.

Mr. President, page 1 of the New York Times of September 1, 1951, carries an Associated Press article beginning:

Supreme Court Justice William O. Douglas proposed today that the United States recognize Red China, and in the ensuing uproar Senator Tom Connally, Democrat, of Texas, accused him of making "fool statements."

What a spectacle it is, Mr. President, for a man who sits on the highest tribunal of our country and interprets the laws of this free Nation, openly to espouse the cause of our greatest enemy which has destroyed freedom and made a mockery of law in every country where it has seized power.

Mr. President, how completely Justice Douglas has flouted the tradition of impartiality of the Supreme Court, how completely he has become the creature of leftist groups and the CIO is best revealed by a news article in the New York Times of December 7, 1952, page 31, which I now quote:

DOUGLAS TO GET AWARD—JUSTICE CHOSEN FOR $1,000 PRIZE OF HILLMAN FOUNDATION

The Sidney Hillman Foundation, set up in memory of the late president of the Amalgamated Clothing Workers, CIO, announced yesterday that William O. Douglas, Associate Justice of the United States Supreme Court, has been selected to receive its annual award for meritorious public service.

Jacob S. Potofsky, president of the foundation and of the Amalgamated Clothing Workers of America, will present the award, a prize of $1,000, to Justice Douglas next Thursday at a dinner at the Statler Hotel. The jurist will speak.

Many persons doubted that even Justice Douglas would be so brash as to accept this $1,000 award. But we read in the New York Times of December 12, 1952, page 37:

CIO HONORS JUSTICE—DOUGLAS GETS SIDNEY HILLMAN AWARD FOR PUBLIC SERVICE

The Congress of Industrial Organizations honored Justice William O. Douglas of the Supreme Court tonight as one of the most steadfast guardians of our individual liberties.

Jacob S. Potofsky, president of the Amalgamated Clothing Workers of America, presented the annual $1,000 Sidney Hillman Award for meritorious public service.

No organization in America is more interested in litigation reaching the Supreme Court than is the CIO. Thus we read in the CIO News of November 16, 1953, page 8, that the CIO is helping finance the fight against segregation in the public schools. I quote:

Both the civil rights committee and the CIO legal department have been active in five cases involving segregation in the public schools now pending before the Supreme Court.

The CIO contributed $2,500 to the special fund being raised by the National Association for the Advancement of Colored People for historical research on the questions the Court has asked to have reargued.

Mr. President, it has just come to my attention that the Murray Foundation of the CIO, according to the CIO News of May 17, 1954, page 2, has just contributed $75,000 to the National Association for the Advancement of Colored People to help them in their educational campaign to eliminate segregation in the South.

That a Supreme Court Justice empowered to pass on such questions should accept a $1,000 emolument from a party belligerently interested in the outcome of these cases is indeed shocking to the extreme. A presumption of tainted justice becomes inevitable.

Mr. President, not long ago Supreme Court Justices Reed and Frankfurter broke all precedents of the Supreme Court to become character witnesses for Alger Hiss, later convicted of perjury in a case involving espionage for Soviet Russia.

Everyone knows that the Negroes did not themselves instigate the agitation against segregation. They were put up to it by radical busybodies who are intent upon overthrowing American institutions.

With so many Supreme Court Justices accepting testimonial dinners from Communist-front organizations like the Southern Conference for Human Welfare, or taking outright cash awards from the very organization, the CIO, that is itself providing legal talent to work up the antisegregation cases at issue, what kind of justice can we expect?

Mr. President, the decision of the Supreme Court of the United States in declaring the segregated school system to be in violation of the 14th amendment to the Constitution has created an extremely grave problem for the Southern States. This problem is all of its ramifications is much graver than many Americans realize. People from other sections of the country do not comprehend the racial problem of the South. Several millions of people there of both races live side by side in peace and harmony. We do not have the riots and racial tensions which exist in other areas of the country. The racial troubles and racial tensions which exist in Northern cities are due to the fact that the people there have not had the experience in racial affairs which Southern people of both races have acquired over the years. Northerners who move South immediately acquire the same viewpoint as Southerners on the segregation problem. This proves the naturalness and necessity of segregation as a means of securing racial peace and goodwill.

The Southern institution of racial segregation or racial separation was the correct, self-evident truth which arose from the chaos and confusion of the reconstruction period. Separation promotes racial harmony. It permits each race to follow its own pursuits, to develop its own culture, its own institutions, and its own civilization. Segregation is not discrimination. Segregation is not a badge of racial inferiority, and that it is not is recognized by both races in the Southern States. In fact, segregation is desired and supported by the vast majority of the members of both of the races in the South who dwell side by side under harmonious conditions.

The Negro has made a great contribution to the South. We take pride in the constant advance he has made. It is where social questions are involved that Southern people draw the line. It is these social institutions with which Southern people, in my judgment, will not permit the Supreme Court to tamper.

Let me make this clear, Mr. President: There is no racial hatred in the South. The Negro race is not an oppressed race. A great Senator from the State of Idaho, Senator William E. Borah, a few years ago said on the floor of the Senate:

Let us admit that the South is dealing with this question as best it can, admit that the men and women of the South are just as patriotic as we are, just as devoted to the principles of the Constitution as we are, just as willing to sacrifice for the success of their communities as we are. Let us give them credit as American citizens, and cooperate with them, sympathize with them, and help them in the solution of their problem, instead of condemning them. We are one people, one Nation, and they are entitled to be treated upon this basis.

Mr. President, it is the law of nature, it is the law of God, that every race has both the right and the duty to perpetuate itself. All free men have the right to associate exclusively with members of their own race, free from governmental interference, if they so desire. Free men have the right to send their children to schools of their own choosing, free from governmental interference, and to build up their own culture, free from governmental interference. These rights are inherent in the Constitution of the United States and in the American system of government. It is the duty of Government both State and National to promote and protect this right.

Mr. President, the significance of race stands out as one of the major lessons of history.

Some of the most penetrating remarks on the significance of race that have ever been made come from the works of

Benjamin Disraeli, the brilliant Prime Minister of England during the reign of Queen Victoria. No one could possibly accuse Disraeli of being a racial bigot. In Tancred, Book II, page 148, he has his hero, Sidonia, a man of shrewd intelligence and vast learning, say in the course of a discussion about civilization in England—and let us remember that under Queen Victoria England was the dominant nation in the world—that it is not civilization in general which makes England flourish but rather the qualities of the British race which gave rise to English civilization. I quote from Disraeli's book, as follows:

> Is it the universal development of the faculties of man that has rendered an island, almost unknown to the ancients, the arbiter of the world? Clearly not. It is her inhabitants that have done this. It is an affair of race. A Saxon race, protected by an insular position, has stamped its diligent and methodic character on the century. And when a superior race with a superior idea of work and order, advances, its state will be progressive • • • All is race; there is no other truth.

That is a very strong statement, Mr. President: "All is race; there is no other truth." These are known to have been Disraeli's views. Disraeli would have been horrified at a program designed to mongrelize the Anglo-Saxon race which he so greatly admired.

In Endymion, page 245, Benjamin Disraeli, through another of his learned characters, voices the following great truths:

> No man will treat with indifference the principle of race. It is the key of history and why history is often so confused is that it has been written by men who were ignorant of the principle of race. • • • Language and religion do not make a race. There is only one thing which makes a race and that is blood.

The white people of the South do not have race prejudice. They have race consciousness, and they are proud to possess this awareness of the significance of race. Had they not possessed it, the South would have been mongrelized and southern civilization destroyed long ago. The South is historically justified in its unflinching stand for racial integrity.

Mr. President, as poverty has diminished in the South, great progress has been made in the fields of public health and Negro education. In the school year of 1939–40 the States of Mississippi, Alabama, Florida, Arkansas, Georgia, and North Carolina spent an aggregate total of $22,703,000 on Negro education. Twelve years later, in the school year of 1951–52, these same States spent an aggregate total of $117,551,000—an increase of 520 percent. Rapid progress is thus being made voluntarily in providing Negroes with equal educational facilities. I do not have available the figures on public health, but in my judgment equal progress percentagewise has been made there, too.

Mr. President, there has been no responsible demand in the South from either race for the elimination of the segregated school system. The agitation for it is of northern origin, and the suits on which the Court based its decision were instigated and promoted by organized minority pressure groups from the North.

White people of the South prefer that their children be taught by white teachers; likewise colored people of the South prefer that their children be taught by colored teachers. If the schools are integrated, neither white nor colored parents will have any choice whatsoever as to their children being taught by white or colored teachers. What folly this is. Mr. President, no one can legislate or enforce a decision in these fields of close human relationships.

Mr. President, the Court has propounded certain questions relating to the enforcement of its opinion which it has asked to be reargued in the fall. The first question is whether Negro children will forthwith be admitted to schools of their choice, or whether the Court should permit an effective, gradual adjustment to be brought about by changing the existing segregated system to a system not based on color distinctions.

As far as we of the South are concerned, either choice would destroy our segregated school system, and this I do not believe the people of the South will permit.

I am amazed that many people in the North think the South will comply with this decision. The Court hopes so. The northern interracial organizations hope so. They realize that there must be voluntary compliance before the schools can be integrated, since there is no practical way to force compliance upon the vast majority of southern people who, in my judgment, will not permit their children under any circumstances to attend an integrated school.

The children of the South of both races must and will be educated. The progress in education must and will continue. Both the white child and the Negro child will be treated fairly. But let me make it crystal clear: Integration of the schools will not work in the South. It will lower educational standards for both races. It will destroy the high standards of our school system.

Mr. President, people will not change views which have been instilled into them for generations, merely on the strength of a few words by a court. The opinion delivered by the Supreme Court last Monday will not change public opinion. The Court has merely antagonized the people. A court decree is worthless unless it is supported by public opinion. A court decree to which the vast majority of southern people are openly hostile will be worse than useless in the South. Law is nothing but the expressed will of a majority of the people. History shows that no law in America is enforceable unless it commands public respect and support. This decision will fall of its own weight because it is opposed by the vast majority of our people. It will take force to bring compliance with the decision of the Supreme Court. Where is that force? The Court cannot supply it.

Here is what would happen: A school official, where the State school laws have been adjudged unconstitutional in a case in which the State was a party, and the judgment was against that particular school district, could be cited for contempt by the Supreme Court, if the school official refused to comply with and resisted the decree of the Court. He could be put in jail until he carried out the Court decree. This, however, will not apply to a private citizen. A private citizen, not a party to the suit, would not be in contempt and could not be proceeded against in a contempt action. What will happen, therefore, is that private citizens will not permit racial integration of their schools. They have the means to prevent it, and in my judgment will do so.

I further state, in that regard, that there are more than 11,000 segregated school districts in the United States. Before the officials of a single one of those schools could be cited in a contempt proceeding before the Supreme Court, it would be necessary to obtain a judgment against that particular school, or a decree ordering the integration of the children in that school.

The Department of Justice could, and at first probably would, attempt to prosecute private citizens under the Federal civil rights statute for denying the newly created Court-legislated Federal civil right—the right to attend an unsegregated school. The indictment, however, must be returned by a grand jury in the State involved. The accused must be convicted by a trial jury in the Federal courts in the State involved. For one to think that there would be indictments or convictions in most areas of the South is an absurdity. In my opinion, no grand jury would indict, no trial jury would convict; the law would be a nullity. After a short time, the Department of Justice would recognize the futility of the whole thing.

Mr. President, the police power of the State under our system of government is supreme and absolute to prescribe regulations to promote, secure, and maintain public order and to promote the health, morals, and education of the people. It is my judgment that when schools are not segregated because of race, but are segregated instead under the State's police power to preserve order, prevent riots, and physical harm—occurrences which in my judgment will be widespread—then the recent decision would not apply.

Mr. President, there is another angle of this matter which I will now discuss: The governor of a sovereign State can use the force at his command, both police, civil and other, to maintain public order, and prevent crime and riots. He can use these forces to prevent racial integration of schools if this is necessary, under the police power of the State, to prevent disorder and riots. In fact, it is his duty to preserve order and prevent turmoil and strife within the State. Should he fail to perform such duty, he would be subject to impeachment. He is accountable to no one except the legislature and the people of his State. He is the governor of a sovereign State, and the Supreme Court cannot control and direct his actions, under the American system of government. If the Court could do so, we would not have a dual system of government, with its division

of powers. The Court could not cite him for contempt. If it did so, he certainly would ignore the summons, and ignore it with impunity.

Mr. President, the only weapon possessed by the Court is the citation for contempt, and that is an ineffective weapon. It is an impractical weapon, because the Supreme Court cannot operate the schools of the Southern States.

We desire friendly racial relations. We desire progress and racial understanding. I believe that without the intervention of northern meddlers, segregated schools would continue by mutual agreement of the leaders of both races.

The Negro will receive just treatment. His children will be educated. His standard of living has increased, and will continue to increase. But the racial questions which confront the South are social and not economic. This grave question should be settled with justice to both races.

Mr. President, I know southern people. I know conditions in the South at first hand. Our people are peaceful, law-abiding citizens. They do not desire any form of lawlessness, but, on the contrary, desire public peace and good order. I know that southern people, by and large, will neither recognize, abide by, nor comply with this decision. I know that in the foreseeable future, they will not permit their schools to be racially integrated. I know that there will be no compromise. In my judgment, southern people will not give an inch. Segregated schools will be maintained by the proper and legitimate use of the police power inherent in every State, regardless of what the Supreme Court says. After all, power rests in the hands of a united people.

Many people realize that the South will retain segregated schools, if necessary, by means which the Court will say are illegal. Many persons think that, if necessary, the South will defy the Court. I know that people in local communities in the South will, for a long time in the future, handle their local problems to the best advantage of the community, regardless of the nine men who now compose the Court.

It is a regrettable thing when the judgment of the Nation's highest Court is ignored and held up to universal ridicule and contempt. If the Court continues in the path it now pursues, conditions will prevail which, by its definition, will be lawless. Mr. President, I shall regret to see the occurrence of such events, and it is my earnest desire to prevent such conditions arising from the Court's decision. I have, therefore, proposed an amendment to the Constitution of the United States, which reads as follows:

> There shall be no interference with or limitation upon the power of any State to regulate health, morals, education, marriage, and good order in the State; and exclusive jurisdiction thereof is reserved to the States.

It is necessary, in the interest of good government, that the proposed amendment be submitted to the States and ratified by them. It will protect the rights and powers of the States. By virtue of the adoption of the amendment, there will be no question of the control by the States of education, health, morals, marriage, and public order. That was the desire of the Founding Fathers. It is Americanism to the core. The amendment, if adopted, will prevent conditions from arising which the Court will denote illegal. Its adoption will make for good order and sound morals in government.

Mr. President, all that southern people have to do to insure continuance of their segregated school system is to present a united front.

We are witnessing the beginning of a great controversy—one which will last for years. The issue is: Shall the white man and the Negro retain their racial identities? The future greatness of America depends upon racial purity and the maintenance of Anglo-Saxon institutions, which still flourish in full flower in the South. Who says the South will not win?

Mr. President, the British Empire was entrenched in India for 100 years. It had an army stationed there. Britain had invested billions of dollars in that country. Yet old Mahatma Gandhi, ill, in the last stages of high blood pressure, dressed in a loin cloth, leading a nanny goat and carrying a spinning wheel, with his hunger strikes and professions of piety, drove imperial Britain from India. He mobilized the sentiment of his people. Southern sentiment is mobilized. Southern people will stand firm.

Again we saw the fortitude of little Ireland in her fight for freedom from the British yoke. Imperial Britain was defied. The fight for independence went on, by both legal and illegal means, until the Irish were victorious.

We, in the South, have seen the tides rise before; when we refuse to be engulfed, they recede. The present campaign against segregation is based upon illegality. The South will therefore prevail.

WATER FOR IRRIGATION AND DOMESTIC USE OF WATER FROM THE SANTA MARGARITA RIVER, CALIF.

The Senate resumed the consideration of the bill (H. R. 5731) to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities to provide water for irrigation and domestic use from the Santa Margarita River, Calif., and the joint utilization of a dam and reservoir and other waterwork facilities by the Department of the Interior and the Department of the Navy, and for other purposes.

Mr. KUCHEL. Mr. President, we come now to what I believe will be the final and happy chapter of a long and unfortunate controversy. All parties have successfully labored, in a spirit of finding a just and equitable answer, and differences in the dispute have largely been composed. The pending bill concerns water, Mr. President, a desperately important problem of the people of California, and the bill would prevent the tragic annual waste of water into the sea.

This bill, H. R. 5731, would authorize the Secretary of the Interior to construct a dam and other facilities for water supply at the De Luz site, just below the confluence of the De Luz Creek and the Santa Margarita River, in San Diego County, Calif. The water supply would be shared by the Fallbrook Public Utility District, an agency of the State, and the naval installations in the immediate area.

Stream measurements over the last 29 years reveal that nearly 28,000 acre-feet of water annually have wasted away into the Pacific Ocean from the Santa Margarita River.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. KUCHEL. I may say to my friend from Illinois that I have a fairly short statement to make. I shall be glad to yield after completing it.

Mr. DOUGLAS. I merely wished to inquire of the Senator from California if the figure of 28,000 acre-feet, which he states is the average for a period of 29 years, does not include many years in which there was no Marine Corps installation at Camp Pendleton, and when the upper valley had not been developed. Is it not true that in 4 very recent years the flow of the river at its mouth, Ysidora Narrows, where it flows into the Pacific, has been virtually nil, although in the last year the flow was 49,000 acre-feet?

Mr. KUCHEL. I wish to say to my able friend that when I have concluded the general remarks I intend to make on the bill, I shall be glad to supply whatever statistical information I have on the point about which the Senator from Illinois has inquired.

Mr. DOUGLAS. That will be satisfactory, and I thank my distinguished colleague.

Mr. KUCHEL. Even under present conditions of use, computations of the State engineer indicate that nearly 26,000 acre-feet will continue to be lost unless storage facilities are provided. To fail to conserve this water would be almost criminal in water-short southern California.

The Santa Margarita River and its tributaries are intermittent streams. Practically all of the water flows during 4 months of the year. Characteristically, there are flash floods of tremendous volume in the lower reaches of the stream. These floodwaters cannot be beneficially used by direct-flow diversion, such as would be permitted under riparian rights according to the law of California. The De Luz Dam is intended to catch these waters and put them to beneficial use.

In 1943 the Department of the Navy acquired the Rancho Santa Margarita for use as a marine and naval installation. There seems little doubt that certain riparian rights to the use of water were acquired with these lands, although most of them are situated outside the watershed.

The people of the Fallbrook area have long planned eventually to use a portion of the Santa Margarita's floodwaters for irrigation, in accordance with the appropriative water laws of the State. Consequently, in 1947 they applied for and obtained from the State engineer permits to build a dam and reservoir that would yield them 10,000 acre-feet of

water annually. In addition, they obtained a permit to divert directly about 1,800 acre-feet per year.

Shortly thereafter, in 1949, the Navy filed with the State engineer an application for a permit to construct a dam and reservoir at the De Luz site—the site with which the pending bill deals.

In that period the Navy and the Fallbrook people appear to have worked cooperatively toward a mutual development of this precious water resource. In 1949, a memorandum of understanding was negotiated between the parties, but never was consummated by the Department in Washington.

In 1951, the United States brought suit against a large number of defendants, approximately 2,000 in number, including the Fallbrook Public Utility District. In that suit the right to use all the water of the stream was claimed, even though the Navy's application for a permit had never been perfected under the laws of California. The sweeping characters of the Government's complaint caused much consternation in California. As a result, the State of California itself entered the action as an intervener.

I have always believed that this controversy could have been settled equitably and amicably through legislation, and that thus the Congress of the United States might deal successfully with the problem. If the Navy lost the suit in the end, its installations would be seriously short of water. If Fallbrook lost, the water users there—the citizens in that part of the State—would be hurt. Yet, the record seems to show that an adequate supply for the Navy and a partial supply for Fallbrook have always been available and continue to be available. De Luz Dam and this bill would accomplish that purpose.

However, in the meantime the legal action has been tried so far as the Santa Margarita Mutual Water Co. and the State of California are concerned. Judge Leon Yankwich, of the United States district court in Los Angeles, has ruled in favor of the United States, with respect to the issues implicit in that particular litigation, and against those specific defendants; and the decision is now on appeal to the United States Court of Appeals for the Ninth Circuit.

The Assistant Attorney General, Lee Rankin, testified before the subcommittee that, in his opinion, the issues would be settled as a result of this appeal, and that it would be unnecessary to try the case as to the other defendants. In conformity with the administration's recommendations, House bill 5731 has been amended so as fully to protect the legal position of the United States as it may develop from the pending appeal. Before building De Luz Dam, the Secretary of the Interior would have to ascertain that a safe net yield of 20,000 acre-feet annually could be developed after considering the exercise or probable exercise of all existing water rights, including those now being litigated. No water to the use of which the United States is presently entitled would be divided with Fallbrook, nor would such water have to be stored behind the dam unless the Secretary of the Navy wished to do so. The Secretary of the Navy, the Attorney General, and the Secretary of the Interior have all indicated their approval of the bill; and I intend to comment further on that fact a little later in my remarks.

In order to assure full protection of the interests of the United States, the bill requires that four conditions must be met before construction of the dam is initiated. I should like to have the attention of my good friend, the Senator from Illinois [Mr. DOUGLAS] as I attempt to outline these conditions

First, the Fallbrook Public Utility District must have entered into a repayment contract pursuant to reclamation laws of the United States.

Second, the appropriate permits for storage and diversion of water must have been obtained from the proper State officials—likewise a requirement under the laws of the State of California.

Third, Fallbrook must agree not to assert any priority of right to water in excess of the amount specified in the bill. Section 3 (a) provides that 40 percent of the water developed will be allotted to Fallbrook. The maximum would be 8,000 acre-feet. At the present time Fallbrook has permits calling for almost 12,000 acre-feet annually. In effect, then, the bill requires the Fallbrook Utility District, organized in California, to waive nearly one-third of her appropriative rights to water, so far as the United States is concerned. On the other hand, section 3 (d) expressly provides that the United States waives none of its presently owned water rights. Furthermore, section 3 (d) makes it clear that this bill does not grant to Fallbrook any water to which the United States has such rights.

The fourth condition requires a determination by the Secretary of the Interior that the reservoir can be expected to produce a safe net yield of 20,000 acre-feet annually, after considering the exercise or probable exercise of all existing rights, including those presently owned by the United States according to the laws of the State of California.

Recent hearings of the Senate subcommittee established that the litigation on appeal now should determine the basic issues insofar as the claims of the United States are concerned. In great part, the legal profession in California has generally believed that a riparian has no right as such to export water from the watershed; that a riparian has no right to store floodwaters or to require that they be wasted into the ocean; and that a downstream riparian, in this case the United States at Camp Pendleton, cannot acquire prescriptive rights as against upstream landowners. All these issues are involved in the pending appeal, and if the United States succeeds in its position, none of the water to which it is entitled will be conferred upon Fallbrook by this proposed legislation.

The total cost of the project is estimated at $22,636,000. Of this amount, $17,370,000 would be for the dam and appurtenances; $3,156,000 would be for Navy facilities; and $2,100,000 for facilities to serve Fallbrook.

The entire cost allocation to irrigation and domestic users would be reimbursable in accordance with Federal reclamation law. Interest would be paid on municipal water supply, if any, although it is believed doubtful that Santa Margarita water will be used for this purpose.

The dam and reservoir would be authorized for irrigation, domestic and municipal water supply, flood control, military, and other proper purposes. Cost allocations would be made in the sound judgment of the Secretary of the Interior, as provided in Federal reclamation law.

Project water allotted to the Navy, but not needed at the time, could be delivered to Fallbrook or others under temporary contract by virtue of section 3 (a) of the bill. The bill provides that such water would be withdrawable by the Navy on 30 days' notice. Users of such water would pay the going price for a temporary supply of that kind. The Navy would pay from its appropriations in reasonable proportion to its use of the facilities. At all times water allotted to the Navy would constitute a reserve water supply for the Navy, even when not actually needed by the Navy.

I submit that H. R. 5731, as amended, should be enacted as a reasonable and fair solution of a controversy of long standing.

Mr. President, I am a new Member of the Senate. I have not participated in this controversy, either upon the floor of the Senate or otherwise, in years gone by.

Criminations and recriminations concerning the controversy have been made, not alone in California, but across the Nation. I have attempted, as painstakingly and as sincerely as I could since first becoming a Member of the United States Senate, to try to have composed differences between the people who live in the State which I have the honor, in part, to represent and those agencies in the Government of the United States which see the problem differently.

Early this year we were all able to agree that water was wasting into the sea, that such waste was sinful, and that something should be done to put such water to beneficial use. After consultation and negotiation, in which I took part, in which other Members of the Congress took part, and in which my colleague, the majority leader [Mr. KNOWLAND] likewise took part, we were able to agree on a draft of proposed legislation to be submitted to the subcommittee of the Senate Committee on Interior and Insular Affairs. Hearings were held, and as a result of those hearings certain recommendations were made for changes in language. The result was the bill to which I have briefly alluded.

I wish to make the point that various agencies of the Government of the United States approve the bill. Referring to the Navy Department, I may say parenthetically that I worked at great length with the Judge Advocate General of the Navy, Admiral Nunn, as well as with the Attorney General, and spent considerable periods of time with the Deputy Attorney General, Lee Rankin, and with agents of the Department of

the Interior, all of whom approved the bill.

Then it came before the subcommittee of the Senate Committee on Interior and Insular Affairs. Every member of the subcommittee, which held hearings on the bill—Democrats and Republicans alike—approved it, and, thereafter, so did the full Committee on Interior and Insular Affairs.

The bill was placed on the Senate Calendar. I thought it would be approved unanimously. One Senator, who is absent today, had an objection lodged in his behalf, in absentia.

By reason of the questions of my good friend on the other side of the aisle [Mr. DOUGLAS], for whom I have the highest respect, and with whom I have voted on many occasions in the brief time I have spent in this body, I had hoped that we could here resolve what has been a tragic difficulty, so that the people of California and the Government of the United States could put to beneficial use water which is now being wasted.

I did not come here as a partisan, representing one side. I came here in an attempt to compose differences. The pending legislation has been drafted with the assistance of my able colleague in the Senate [Mr. KNOWLAND], and my colleagues in the House of Representatives. We believe that the result is in the interest of the Government of the United States, and also fair to the people of the State of California.

Under the terms of the bill not one drop of water which belongs to the Government of the United States will be relinquished by it. I wish to iterate and reiterate that point.

On that basis I very much hope that the Senate may unanimously see fit to approve what, in my sincere judgment, constitutes an honorable and sincere attempt—and a successful one—to write a bill which is fair to all parties.

Mr. DOUGLAS. Mr. President, will the Senator yield for questions?

Mr. KUCHEL. I yield to the Senator from Illinois.

Mr. DOUGLAS. Before I ask the questions, let me say that we all appreciate the sincerity of the junior Senator from California. We know that he is seeking to protect what he regards as the best interests of his State. So there is no reflection whatsoever upon the junior Senator from California in the questions which the Senator from Illinois wishes to ask.

The printed hearings were first made available on Tuesday of this week, so I have had only 2 days in which to study this question. I should like to ask the Senator from California if the figures which I shall now give concerning the flow of the Santa Margarita River into the Pacific, for certain years, are approximately correct.

I start with the year 1943–44, because that was the first full year after Camp Pendleton, the great Marine base, had been established, and the period in which the Fourth Marine Division was being activated there, that division going to the South Pacific in the summer of 1944.

Mr. KUCHEL. Is the Senator reading from the hearings?

Mr. DOUGLAS. No. The hearings do not contain the figures of flow by years. I should like to ask if these figures, representing the flow of water from the Santa Margarita River into the Pacific, are correct.

For the water year 1943–44—and I understand that a water year is from November 1 to October 31—there was 28,000 acre-feet of flow into the Pacific.

Mr. KUCHEL. According to the figures I have before me, that is approximately correct. My figures are a little less.

Mr. DOUGLAS. For the water year 1944–45, 20,400 acre-feet.

Mr. KUCHEL. That is approximately correct.

Mr. DOUGLAS. And for the water year 1945–46, 11,500 acre-feet.

Mr. KUCHEL. That is correct.

Mr. DOUGLAS. For the water year 1946–47, 6,800 acre-feet.

Mr. KUCHEL. That is approximately correct. The figure on my table is a little larger.

Mr. DOUGLAS. For the water year 1947–48, only 600 acre-feet.

Mr. KUCHEL. That is approximately correct.

Mr. DOUGLAS. For the water year 1948–49, only 500 acre-feet in the entire year.

Mr. KUCHEL. That is approximately correct.

Mr. DOUGLAS. For the water year 1949–50, absolutely no water—zero.

Mr. KUCHEL. The Senator is correct.

Mr. DOUGLAS. In the water year 1950–51, the flow was zero.

Mr. KUCHEL. That is correct.

Mr. DOUGLAS. In the year 1951–52, 49,300 acre-feet.

Mr. KUCHEL. That is correct.

Mr. DOUGLAS. Is it not true that since the installation of Camp Pendleton, and since the development of the upper Santa Margarita Valley, there has been a relatively slight flow into the Pacific?

Mr. KNOWLAND. Mr. President, I wonder if the junior Senator from California will yield to me at this point.

Mr. KUCHEL. I yield.

Mr. KNOWLAND. I think the Senator from Illinois is drawing conclusions from figures which do not result from the establishment of Camp Pendleton. I think the figures result from the fact that we have in the State of California—and I am sure a similar situation applies in other States of the Union—dry cycles and wet cycles of years. We have gone through a serious dry cycle of years.

In connection with any of these plans the statistics must be averaged over a period of years, so as to include the years when there are abundant floodwaters, which waters are conserved and used during the period when there are dry cycles. So while I believe that the Senator's figures are correct, I think his conclusions are in error, because, with respect to the last year which he mentioned, while the average is some 27,000 acre-feet, the figure for the last year cited by the Senator, when Pendleton was in existence, was some 49,000 acre-feet. Had we had the dam at that time, that flow would have gone a long way toward filling the dam. We hope to have several more wet years before we again enter a dry cycle.

Mr. DOUGLAS. Let me say to my friend, the senior Senator from California, that, of course, I recognize that there is a rainfall cycle. This is undoubtedly one of the reasons for the low flow into the Pacific in recent years. I did not and do not deny that. I merely pointed out that, in addition to the low flow during the past 9 years, which have averaged only 13,000 acre-feet a year, we have had the development of the great Marine base at Camp Pendleton.

Mr. KUCHEL. Mr. President, may I answer that question?

Mr. DOUGLAS. Let me develop the point first. The Marine base, consisting of 135,000 acres on the old Santa Margarita Ranch, was purchased in 1941–42, I believe. In 1943 it was activated as the Pacific coast complement or parallel to Camp Lejeune in North Carolina. Great numbers of marines were stationed at Camp Pendleton, resulting in a tremendous need for water. That has been true ever since, in varying degree.

Of course, there were not as many marines, in the period from 1946 to 1950, as was the case in the 3 previous years or in the years that have followed. But there have been thousands of marines stationed there, and very frequently there has been a full marine division stationed there in addition.

Therefore we have had those water uses which have come about as a result of the establishment and operation of this large marine camp, and which did not exist prior to 1942.

Similarly, if my information is correct—and I hope the Senator from California will correct me if it is not correct, because I know he is very accurate and fair—there has been a development in the upper Santa Margarita Valley. Therefore what has happened is that the uses of water have expanded at the same time the rainfall has diminished, and the present controversy largely comes from the fact that there is not sufficient water for all. Is that correct?

Mr. KUCHEL. The Senator is entirely incorrect, and I shall subsequently place in the RECORD records from the United States Geological Survey.

First, I should like to make it clear to the Senator from Illinois that the statistical information year by year which he has just read indicated that there was a cycle of wet years and dry years, with the tremendous quantity of 49,000 acre-feet of water flowing there in the year 1951–52.

However, the Senator from Illinois attempted to draw from that information the inference that the utilization by Camp Pendleton and by the Navy at that camp also was responsible for the drop in the volume of water flowing into the ocean, and therefore wasted.

The figures which I shall read concern the record of flow at what is known as Temecula Creek, which I am informed is approximately 30 miles farther up the valley, and the figures will indicate precisely the same differences for each year

which the Senator has suggested existed at Santa Margarita.

When I read the figures I believe it will be demonstrated that the flows by year are constant and that the utilizations by Camp Pendleton are not reflected in the differences of the flows from one year to the next.

In 1943–44, at Temecula Creek, Railroad Canyon, there were 18,000 feet plus.

Mr. DOUGLAS. May I ask the Senator from California if he is speaking of the flow at Temecula River?

Mr. KUCHEL. Temecula River; that is correct.

Mr. DOUGLAS. At what point, may I ask? I am at some distance from the Senator, and I could not hear clearly what he was reading.

Mr. KUCHEL. At Railroad Canyon, which is approximately 30 miles above the point the Senator from Illinois was referring to on the Santa Margarita.

Mr. DOUGLAS. The figures I gave were of the flow into the ocean, almost at the mouth, at the Ysidora Narrows Gaging Station.

Mr. KNOWLAND. If the Senator from Illinois will yield at that point, I believe what he was giving was the flow into the ocean at a place lower down in the Pendleton area. The point my distinguished junior colleague is making is that it has not been the use of water by Camp Pendleton which has affected the figures to which the Senator from Illinois has referred. If the Senator from Illinois will listen to the reading of the figures by my colleague, he will note the same cycle, which appears to be a wet and dry cycle, as it was referred to a while ago, takes place at a point above the taking point for Camp Pendleton.

Mr. DOUGLAS. Mr. President, I am not now arguing this case, I will say to both Senators from California. I am merely seeking to find out the spot at which the measurements to be cited by the junior Senator from California were being taken. I do not see Railroad Canyon noted on my Geological Survey map. Is it known as the Temecula Gorge gaging station in Temecula Canyon, slightly below the village of Temecula, or at the Murrietta Creek gaging station? I believe the two are very close together, but on different branches of the river. In other words, there are two gaging stations near there, as the Senator from California is aware.

Mr. KUCHEL. I have a map before me and the figures which I intend to read are figures supplied by the United States Geological Survey. They indicate that figures which the Senator from Illinois quoted—the 49,000 figure and the zero figure—are not unique, and that at another section of the screen, where ultimately the water wastes into the ocean, there is the same type of greater flow and less flow as the years go by. I wish to impress upon the Senator from Illinois the fact that the use of water at Camp Pendleton is not responsible for the lowering of the annual flow.

For a long time I have known the Senator from Illinois by reputation as a patriotic citizen, who served with distinction in the Marine Corps. The people of California are proud of the Marine Corps and Navy installation at Camp Pendleton. Certainly neither my able and distinguished colleague nor I would stand on the floor of the Senate and champion any legislation which in the slightest degree would do damage to that great establishment. I wish to say again, and to emphasize, that I do not believe the Navy Department would recommend the passage of the pending bill if it would do damage to the Marine Corps installation at Camp Pendleton.

Mr. DOUGLAS. I may say to my good friend from California that I do not question his motives in the slightest, and I hope we can proceed without any feeling on either side that there are bad motives involved. We are seeking to get at the facts and to discover what is best for the people of the country as a whole. I hope the Senator from California will not feel that my questions are designed to put him on the spot or to embarrass him in the slightest. I am merely seeking to find out what is best for the country.

Mr. KUCHEL. Temecula Creek becomes subsequently a part of the Santa Margarita River, and Temecula Creek is located, I am told, approximately 30 miles upstream from the point which was alluded to by the Senator from Illinois when he spoke of the annual flow.

I should like to read the figures I have before me, in order to indicate that at some distance above where any use of water is had by Camp Pendleton or the Marine Corps there is a fluctuation by years.

I shall use round figures. At Temecula Creek the annual flow in 1943–44 was 18,000 acre-feet; in 1944–45, 17,000 acre-feet; in 1945–46, 10,000 acre-feet; in 1946–47, 7,000 acre-feet; in 1947–48, 5,000 acre-feet; in 1948–49, 5,000 acre-feet; in 1949–50, 4,000 acre-feet; in 1950–51, 3,000 acre-feet; and 1951–52, 30,000 acre-feet.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. DOUGLAS. If the Senator from California will compare the figures he has given with the figures cited by me he will note that in some of those years, particularly in the years 1947–48, 1948–49, 1949–50, and 1950–51, there was no flow into the ocean in 2 of the years, and in the other 2 years only about 500 feet, but the flows upstream at the point which he has mentioned were 5,000 feet, 5,000 feet, 4,000 feet, and 3,000 feet, indicating that there had been a loss of that amount of water, plus other water that had flowed in, before the river reached the sea. I believe Camp Pendleton is below the point which the Senator from California mentioned, and it is above the station at which the readings I cited were made.

Mr. KUCHEL. That is correct.

Mr. DOUGLAS. I should also like to point out that the fluctuation is greater downstream below the stretches where Camp Pendleton takes its water, than it is in the upper area.

Mr. KUCHEL. Obviously, when the water comes down some of it is absorbed. I make the point that in 1 day 16,000 acre-feet of water passed by a given point. Flash floods occur there from time to time; but the overall picture of the annual flow, I think, fairly well indicates that when there is a low flow at the Santa Margarita point there is likewise a smaller flow at the point to which I have referred.

Mr. DOUGLAS. Camp Pendleton has made demands upon the water supply, and in the years I have mentioned in which the flow diminished there was virtually no runoff into the ocean. Therefore, in addition to the lightness of rainfall, there had been a greatly increased use of water in the valley. I think it is the increased use of water in excess of the recent flows which has created the problem. There is not sufficient water to fulfill the needs of Camp Pendleton and the people living in the Fallbrook district and in the other district, which has not yet been mentioned, the Santa Margarita Mutual Water Co. district.

Mr. KNOWLAND. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. KNOWLAND. That is the very point the junior Senator from California has been making. Everyone agrees that there is a shortage of water for both Camp Pendleton and the civilian population in the area. That is why the Navy Department, the Department of Justice, the Interior Department, and the Bureau of the Budget have all approved the proposed legislation. They want an assured supply for Camp Pendleton and also sufficient water to permit the civilian users in that area to use the water for agricultural and other water purposes. The bill has been framed in order to give both the military and the civilian community sufficient water.

Since the water laws of the State of California establish standards and requirements, the mere fact that Camp Pendleton has certain riparian rights in the river does not give it the right to appropriate the flow of the river and to take the rights which have been granted by the State water authorities to the Fallbrook and other water users. Under the doctrine of paramount power, those in control of Camp Pendleton cannot do that which is illegal if they were acting as a private owner.

Mr. DOUGLAS. At a later time I shall touch on the question as to the nature of the claim of the Federal Government. And I shall also refer to a very important feature recommended by the Bureau of the Budget which is not included in the bill as reported by the committee, namely, the provision relating to the suit of the Federal Government to establish who has a right to the water, and how much. At the moment I am simply interested in trying to lay a factual basis for the discussion, and I should like to ask the junior Senator from California if he can give me some information with reference to section 3 (a) of the bill.

Does the Senator have before him section 3 (a), page 10?

Mr. KUCHEL. Yes.

Mr. DOUGLAS. I read:

SEC. 3. (a) The operation of the dam and other facilities herein provided shall be as agreed to by the Secretary of the Navy

and the Secretary of the Interior. In that operation, 60 percent of the water impounded by De Luz Dam is hereby allotted to the Secretary of the Navy; 40 percent of the water impounded by De Luz Dam is hereby allotted to the Fallbrook Public Utility District.

I should like to ask whether the 60–40 percent division refers to the surplus over the water rights which belong to the Federal Government, or is it a 60–40 division of the total supply of water?

Mr. KUCHEL. Of course, it refers only to the water to which the Government of the United States does not have title. Repeatedly in the bill it is provided that what the Government owns it shall not relinquish. The bill is designed to provide that the additional waters shall be divided in the fashion set forth in the bill. Under the water laws of the State of California certain types of water, not riparian in nature, are subject to appropriation, and the people, through constitutional amendments and the passage of statutes by the legislature, have established a procedure under which individuals and groups may apply for permits. Here is an attempt, in the case of a permit which has been granted by the State government to Fallbrook, to provide that the waters which would be stored there, if the Secretary of the Interior found the building of the dam to be feasible, would be allotted in accordance with section 3 (a), on page 10.

Mr. DOUGLAS. I am very glad to have this point cleared up, because, while it is stated in the later provisions of the bill, there is no such qualification attached to section 3 (a) itself. I am very glad to have the assurance of the Senator from California that this 60–40 percent division is the basis for distribution of the excess water above the amount which the courts may decide is the basic right of the Government.

Mr. KUCHEL. Or in any other way. The rights of the Government are not limited to riparian rights, but there are included in the bill prescriptive rights.

Mr. DOUGLAS. That is correct.

Is it not true that when the Government purchased the Santa Margarita Ranch, which is now Camp Pendleton, it took over, as the new property owner, the water rights of the previous private owner?

Mr. KUCHEL. I do not think there can be any question about that.

Mr. DOUGLAS. Is it not a fact that the claims which the Government has been making are made as a private owner and are not based on sovereignty rights as a government?

Mr. KUCHEL. I think that is the position of the Government. I do not believe that has always been the position of the representatives of the Government. I believe the point could be made that at one time an attempt was made to apply the theory of paramount rights. But I have not discussed that question in my remarks, because I was endeavoring to stay away from a history which involves ugly comments on both sides of the subject.

Mr. DOUGLAS. I appreciate the good temper of the Senator, but this charge against the Government has entered into public discussion, and I wanted to have it cleared up, because, in my judgment, the charge has not been too well founded. I again thank the Senator from California for his characteristically honest statement that the present position of the Government is that it only claims rights as a landowner, but claims no additional sovereign rights.

Mr. President, for the benefit of the RECORD, I should like to include some material on this point from the hearings, at pages 79 and 80, which is the stipulation between the parties to the dispute. I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the stipulation was ordered to be printed in the RECORD, as follows:

IN THE UNITED STATES DISTRICT COURT IN AND FOR THE SOUTHERN DISTRICT OF CALIFORNIA, SOUTHERN DIVISION—CIVIL NO. 1247 STIPULATION—UNITED STATES OF AMERICA, PLAINTIFF *v.* FALLBROOK PUBLIC UTILITY DISTRICT, A PUBLIC SERVICE CORPORATION OF THE STATE OF CALIFORNIA, ET AL., DEFENDANTS, PEOPLE OF THE STATE OF CALIFORNIA, DEFENDANTS IN INTERVENTION

On the 15th day of August 1951, the people of the State of California, in accordance with invitation of the United States of America, petitioned this court to intervene in this litigation. On that date an order was allowed and entered by this Court granting the petition.

For the clarification of the issues in this litigation, and for the benefit of all of the parties to this cause, it is hereby stipulated:

I

That in paragraphs VIII and IX of plaintiff's complaint herein, and in paragraphs 2 and 3 of the prayer of said complaint, the word "paramount" is used in the same sense in which that word is used in the second paragraph, on page 374 of the opinion of the supreme court of California in the case of *Peabody* v. *Vallejo* (2 Cal. 2d 351, fourth paragraph on p. 494, 40 Pac. 2d 486).

II

That in this cause, the United States of America claims only such rights to the use of water as it acquired when it purchased the Rancho Santa Margarita, together with any rights to the use of water which it may have gained by prescription or use, or both, since its acquisition of the Rancho Santa Margarita.

III

That the United States of America claims by reason of its sovereign status no right to the use of a greater quantity of water than is stated in paragraph II, hereof.

IV

That the rights of the United States of America to the use of water herein are to be measured in accordance with the laws of the State of California.

V

That the parties to this stipulation will request the entry of a pretrial order by this court defining the issues in this cause, in conformity with the statements contained in this stipulation.

VI

That there will be a full, complete, and mutual exchange of data and information as to the subject matter of this cause collected by the respective parties to this stipulation, including data respecting the issuance of any permits or licenses issued by the State of California in connection with the rights to the use of water of the Santa Margarita River. Such exchange of information by the United States will be subject to clearance by the commanding officer, Camp Joseph H. Pendleton, in respect to military security, as determined by said officer.

Dated: November 29, 1951.

ERNEST A. TOLIN,
United States Attorney.
BETTY MARSHALL GRAYDON,
Assistant United States Attorney.
WILLIAM H. VEEDER,
Special Assistant to the Attorney General of the United States.
By WILLIAM H. VEEDER.

EDMUND G. BROWN,
Attorney General of the State of California,
ARVIN B. SHAW, Jr.,
Assistant Attorney General,
B. ABBOTT GOLDBERG,
Deputy Attorney General,
Attorneys for the People of the State of California.

Mr. DOUGLAS. Mr. President, I should like to invite attention to sections II, III, and IV of the stipulation.

Section II provides as follows:

That in this cause, the United States of America claims only such rights to the use of water as it acquired when it purchased the Rancho Santa Margarita, together with any rights to the use of water which it may have gained by prescription or use, or both, since its acquisition of the Rancho Santa Margarita.

III

That the United States of America claims by reason of its sovereign status no right to the use of a greater quantity of water than is stated in paragraph II hereof.

IV

That the rights of the United States of America to the use of water herein are to be measured in accordance with the laws of the State of California.

This is the point I should like to have clarified: Is it not true that the legal issue now involved is simply this? What are the rights to water of the Federal Government, as purchaser of the Santa Margarita Ranch, under the laws of California? The Government is not asserting the right of eminent domain. It is not asserting any control over inland waters. It is merely saying, "Since we have purchased 135,000 acres, we ask to have decided what rights to water go with the purchase of the land and our use of water as such a landowner."

Mr. KUCHEL. I cannot tell the Senator from Illinois the type of decision which would be reached by a circuit court of appeals or by a trial court in any water lawsuit.

Mr. DOUGLAS. This was not a decision; this was a stipulation between the representatives of the Government, on the one hand, and the representatives of the State of California, on the other hand. It was an agreed narrowing of the issues.

Mr. KUCHEL. I do not quarrel with the stipulation; I merely suggest to the Senator from Illinois that two lawyers in a lawsuit cannot stipulate what the law is or what it is not. That is for the court to decide.

Mr. DOUGLAS. This was not a stipulation as to what the law is. It was a clarification of what the Government is

claiming—a limitation, if you please, upon its making any broader claims.

I am simply pointing out that any decision which is made will have to be made in accordance with California law—this the Federal Government representatives have willingly stipulated—and that the Government claims only those rights which it acquired as the owner and user of property purchased in the open market.

Mr. President, while the Senator from California is examining his papers, I ask unanimous consent to have printed in the RECORD, at this point in my remarks, an excerpt from the appellants' opening brief in the pending appeal of this case, the appellants being the People of the State of California and Santa Margarita Mutual Water Co.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

[Excerpt from appellants' opening brief No. 14049 in the U. S. Court of Appeals for the Ninth Circuit dated April 12, 1954]

PEOPLE OF THE STATE OF CALIFORNIA AND SANTA MARGARITA MUTUAL WATER COMPANY, APPELLANTS, *v.* UNITED STATES OF AMERICA, APPELLEE—APPEALS FROM THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF CALIFORNIA, SOUTHERN DIVISION

The complaint describes the Government's rights as "paramount" to the rights of the defendants, and this language, added to the unusually large number of defendants served, led many persons to become concerned regarding the intentions of the United States in bringing the suit. In part to set at rest any such apprehension, the United States Justice Department invited the participation of the State of California in this suit (see R. 1: 59–60), and the State was accordingly permitted to intervene. (See 101 Fed. Supp. 298 (1951).) Thereafter, the United States and the State entered into a stipulation which declared, among other things, that the word "paramount" in the complaint was intended to carry only its recognized meaning in California water law and that no doctrine of sovereign water rights was to be advanced. It was also agreed that California law governs the water rights in this suit. (109 Fed. Supp. at 52–53.) Under these circumstances, the State of California feels called upon to advise this honorable court that the United States has faithfully adhered to the stipulation. We disagree with the United States as to just what California law provides, but there can be no doubt of the sincerity of the United States in recognizing that the courts should apply California law to this litigation.

Mr. DOUGLAS. Mr. President, the brief, in part, reads as follows:

The complaint describes the Government's rights as "paramount" to the rights of the defendants, and this language, added to the unusually large number of defendants served, led many persons to become concerned regarding the intentions of the United States in bringing the suit. In part, to set at rest any such apprehensions, the United States Justice Department invited the participation of the State of California in this suit, and the State was accordingly permitted to intervene. Thereafter, the United States and the State entered into a stipulation which declared, among other things, that the word "paramount" in the complaint was intended to carry only its recognized meaning in California water law and that no doctrine of sovereign water rights was to be advanced. It was also agreed that California law governs the water rights in this suit.

I now call the attention of the distinguished junior Senator from California to the following statement:

Under these circumstances, the State of California feels called upon to advise this honorable court that the United States has faithfully adhered to the stipulation. We disagree with the United States as to just what California law provides, but there can be no doubt of the sincerity of the United States in recognizing that the courts should apply California law to this litigation.

I simply desire to point out that the charge, which is bandied about so loosely——

Mr. KUCHEL. I have made no such charge.

Mr. DOUGLAS. No, the junior Senator from California has not made the charge. He is not the type of man who makes loose charges. But this matter has been the subject of public controversy. I introduce it into the RECORD in order to simplify the case.

Mr. KUCHEL. I suggest to the distinguished Senator from Illinois that that charge is completely irrelevant to the merits of the bill before the Senate.

Mr. DOUGLAS. I am leading up to this point: Is it not true that whether or not a dam will be constructed will depend largely upon the result of the lawsuit, which is now pending in the Federal courts, as to who has prior rights to water? If the Government is able to establish its claim for a large amount of the water, is it not probable that the residue will be so small that the Secretary of the Interior, in good conscience, will be unable to decide that the dam should be built?

Mr. KUCHEL. I answer the Senator's question in this way: Under the laws of the State of California, the Fallbrook Utility District applied for, and received from the State of California, a permit to appropriate waters. The question of the relevance of that right to the rights of the Government is not involved in the pending lawsuit on appeal in the circuit court. The Fallbrook Public Utility District is not a party to the suit.

Mr. DOUGLAS. Does the Senator from California mean that it is only the Santa Margarita Mutual Water Co. which is directly involved in the suits?

Mr. KUCHEL. I may say to the Senator from Illinois that the Santa Margarita district is a local entity, which has engaged in no business of any kind whatsoever for many, many years. The Santa Margarita district does not have, and never has had, a permit issued by the government of the State of California. The districts are entirely different. At no time in the conferences which have taken place in connection with the writing of the bill did anyone representing Santa Margarita participate.

Mr. DOUGLAS. I might ask my good friend, the distinguished Senator from California if he is not aware of the testimony of Assistant Attorney General J. Lee Rankin, beginning on page 45 of the hearings. While we are perfectly aware of the fact that the suit now on appeal refers to the Santa Margarita district, nevertheless it is a parallel suit to the Fallbrook suit, and the basic legal principles of any finding in this case would apply to the Fallbrook district. I invite the attention of the Senator to the middle of page 45 of the hearings, in which Mr. Rankin made the following statement:

If those waters are allowed to the United States in the Santa Margarita case those same principles must be applied by a lower court in that same circuit.

Mr. KUCHEL. I agree with that statement. My only suggestion to the Senator is that water law is a complicated matter. There are factual situations with respect to the Fallbrook district which do not occur with respect to the Santa Margarita district.

Mr. DOUGLAS. I fully concede the complex character of these competing legal claims. But is it not true that the decision in these cases is really crucial as to whether or not a dam will be constructed?

Mr. KUCHEL. To be frank with the Senator, I think it is highly important to the dispute. I do not believe it is 100 percent important, but I certainly think it is important; yes. I make this statement with all sincerity.

Mr. DOUGLAS. That is characteristic of the distinguished Senator from California. He is fairminded. He does not try to overstress his facts. He meets issues fairly. I congratulate him upon that.

Mr. KUCHEL. I wish to try to persuade my good friend from Illinois that when it comes to a question of what has been done with the waters in California, I would put a little faith in what the agencies of the executive branch of the Government and the representatives in Congress have been able to do.

Mr. DOUGLAS. The Senator from California is very persuasive in these matters; but, to use a legal phrase, such persuasion cannot be controlling upon one's conscience. Since the lawsuits are of great significance, is it not highly important that the Government should be allowed to prosecute them with the fullest vigor at its command?

Mr. KUCHEL. My reply to the Senator's question is that the Congress of the United States, at a time when the party of the Senator from Illinois was in control, saw fit to tell the Attorney General of the United States, under a Democratic administration, that it would refuse to permit the use of funds to prosecute the lawsuit.

Mr. DOUGLAS. Yes, it did; and the next Congress went even further, by also preventing the Secretary of the Navy from using any public moneys for that purpose.

Mr. KUCHEL. That was in a Democratic Congress.

Mr. DOUGLAS. That is true, and it is not a source of pride to the Democratic Party. But, in justice, since the Senator from California has introduced a political issue, I think it is quite possible that the Republican Senators from Cali-

fornia at that time—and the distinguished junior Senator from California [Mr. KUCHEL] was not one of them—had great influence upon the Congress in the decision which was made.

Mr. KUCHEL. Of course they did, and, of course, they should have had, because there was a growing fear among the people of California that there were persons in the Government who were reaching out in an attempt to arrogate to the Federal Government all the water. There was an understandable fear. Agreements were entered into, in complete good faith, I may say to the Senator from Illinois, and then were flouted. It is understandable that Congress, and a bipartisan majority in Congress, should have agreed to take the type of action it took. Again, I say that the bill attempts to dispose of the whole long controversy.

Mr. DOUGLAS. In the first place, certain riders on appropriation bills prohibited the use of public funds. The Attorney General and then the Navy Department were prohibited from using funds to ascertain in the California courts what the rights of the Government were, whereas, by stipulation in the California courts, all the Government said it was trying to ascertain was what its rights as an ordinary property owner were. I have read the stipulation. There was no assertion of control over inland waters. It was purely an attempt to conform to California law. Yet the Government had its hands tied behind its back by the action of Congress, which prevented the Government from getting adequate resources with which to prosecute its suit.

Mr. KUCHEL. Let me say to the Senator from Illinois, first of all, the Government contended that it had paramount rights.

Mr. DOUGLAS. But only in a riparian sense.

Mr. KUCHEL. So subsequently, as the Senator has suggested, a stipulation was entered into.

Mr. DOUGLAS. That was the intention from the very first.

Mr. KUCHEL. That may have been or may not have been the intention; but, again, I do not see the relevancy of that history to a bill which authorizes a dam to be built in order to save waters which are wasting into the sea, but which can be put to beneficial use, and which authorization does not deny to the Government of the United States a single drop of water.

Mr. DOUGLAS. Certainly, any fears the Senator from California and other sponsors of the measure may have had about the intentions of the Government should be removed by the stipulation and by the later statement of the able attorneys for the State of California and the other local water district that the Government is faithfully living up to the stipulation. Whatever the facts may be, does not the Senator from California think that the Government should now be allowed to prosecute the suit? Therefore, why does not the Senator from California admit that section 7 of the original bill, which, as I understand, was prepared by the Attorney General and by representatives of the Bureau of the Budget, and which removes the riders and permits the Government to prosecute the suit, should be restored to the bill? Since so much hangs upon the results of the suit, why should the Government be denied the resources with which to contest the suit? The Government is being sent into court shackled, handcuffed, and in chains, with its hands tied behind its back, when the Government is merely seeking to ascertain, as a litigant, what rights it has.

Mr. KUCHEL. The only statement I am going to make to the Senator from Illinois is that I am attempting to persuade the Senator and his and my colleagues that the bill ought to be approved, and to that extent I wish to argue in favor of its passage as a fair, just, and equitable means of disposing of a long controversy.

So far as the lawsuit is concerned, it is on appeal. I think sometime this fall, or perhaps in the winter, the circuit court of appeals will hand down a decision. The decision will be either favorable to the Government in whole or in part, or unfavorable to the Government in whole or in part. Even if there is a decision which finds that all the allegations in the complaint are not valid, and that others will likewise participate in the right to use the water under California law, nevertheless the pending bill ought to be passed speedily, so that there will be in motion the machinery by which the Secretary of the Interior, in his own sound discretion, can find runoff waters available, and then come back before the Congress and ask for money to undertake the project.

Mr. DOUGLAS. I may say to my good friend that it is true the suit is being prosecuted, although the Government is denied the funds with which to prosecute it. I do not know how the suit is being prosecuted without money. Possibly some of the attorneys are serving without compensation, and other persons are volunteering their services. Certainly such a suit, in which there are powerful interests on the other side, cannot be fought in any adequate fashion by purely voluntary means.

Since the suit is so important, why does not the Senator from California accede to adoption of the provisions of the original bill, which would remove the riders on the appropriation acts, and authorize funds so that the Government may present its case and determine what its rights are? What objection does the Senator have to that course being followed?

Mr. KUCHEL. Let me tell the Senator my thinking on that point, inasmuch as I am responsible in great part for having the agency agree to the deletion of that sentence. First of all, whether the Senator likes it or not, the Congress of the United States on several occasions did restrict the use of funds with respect to the lawsuit.

Mr. DOUGLAS. I think that was a great mistake, and I believe we should cease legislating in appropriation bills. In this particular case I think it was a very bad decision. It was unprecedented to shut off funds for the prosecution of a suit to determine the Government's rights. I have never heard of such action on any other measure.

Mr. KUCHEL. Let me continue and say that, whether my friend agrees with it or not, the Congress did so act, and it did so under its constitutional authority. Having done so, a law was enacted. What was done under that law? Apparently the Comptroller General feels the law and the will of Congress were flouted. The Senator from Illinois may disagree, but it was the will of Congress. The Comptroller General contends the will of Congress was flouted by that rider in the appropriation bill. I said it seemed to me, since we were endeavoring to arrive at a fair solution of the controversy, we should not refer in the bill to the litigation. So it was agreed that the bill would be an authorization to build a dam upon the conditions which have been outlined. That is the reason why the bill covers that subject, and no other subject.

Mr. DOUGLAS. May I ask my good friend whether we are bound forever by the mistakes of previous Congresses? Because two previous Congresses, under the persuasive influence of Senators from California, put into appropriation bills, riders which denied funds to the Government, are we bound to continue that mistake forever? It would seem to me we should learn from experience and correct the mistakes of the past. The lawsuit is a matter of great importance, but the Senator from California, with good intentions, I am sure, is forcing the Government to go into court, where important matters are to be decided, and denying the Government funds with which to prosecute its suit. Because by failing to remove these riders the handicap will continue, and the Government will be permanently handicapped. So a fair adjudication of the matter is not being obtained.

Mr. KUCHEL. Is the Senator suggesting that the Circuit Court of Appeals, in handing down its decision on appeal, has not had both sides of the lawsuit properly prosecuted?

Mr. DOUGLAS. I simply say that the side without funds is obviously crippled in prosecuting a case when the other side does have the funds. Here we have the situation of the Congress of the United States shackling the Government when the Government is trying to ascertain what its rights are.

Mr. KUCHEL. Let me ask the Senator a question in complete good faith.

Mr. DOUGLAS. Certainly.

Mr. KUCHEL. Would the Senator from Illinois approve the bill and vote for it if it contained the language with respect to the lawsuit?

Mr. DOUGLAS. It would remove the most serious objection I have to the bill.

Mr. KUCHEL. But there would be other objections?

Mr. DOUGLAS. The Senator from Illinois has had only 2 days in which to study the matter, and therefore he is not fully acquainted with every feature of

the bill; but he does feel that the omission of section 7 was a great mistake, and that at the moment is the major objection which he has.

Incidentally, I do not bargain either on the floor or off the floor of the Senate on these matters, but the inclusion of such language would remove the major objection which I have at the moment. Naturally, however, one cannot bind himself for the future.

Mr. KUCHEL. Mr. President, I wish to say that the Department of Justice completely approves this bill.

Mr. DOUGLAS. Does the Senator from California mean the Department approves the omission of section 7?

Mr. KUCHEL. I may say to my distinguished friend, the Senator from Illinois, that the Department approves the bill we are debating at this time—with some irrelevancy from time to time, I may add.

Mr. DOUGLAS. The irrelevancies have not been introduced by the Senator from Illinois, I may say.

Mr. KUCHEL. I also wish to say that the Navy Department approves this bill. Furthermore, I wish to say that the Department of the Interior approves this bill.

At any rate, we have established one thought, namely, that the Senator from Illinois finds himself in disagreement with all the members of the Senate Committee on Interior and Insular Affairs.

Mr. DOUGLAS. In the committee, was the vote unanimously in favor of omitting section 7?

Mr. KUCHEL. The bill was reported by the unanimous vote of the committee.

Mr. KNOWLAND. Mr. President, will my colleague yield to me at this point?

The PRESIDING OFFICER (Mr. UPTON in the chair). Does the junior Senator from California yield to his colleague?

Mr. KUCHEL. I yield.

Mr. KNOWLAND. Mr. President, I was called from the Chamber to answer a telephone call; and I returned at the end of the Senator's discussion regarding the so-called rider.

What I think the distinguished Senator from Illinois loses sight of is that the original complaint was in existence some two years before the stipulation to which he refers, wherein the Government indicated that it was not going to assert a right greater than the one a private owner would have had if he had purchased the Rancho Santa Margarita.

But I call the attention of the Senator from Illinois to the fact that the original complaint went on to say that—

> Exclusive jurisdiction now resides in the United States of America over all of the properties constituting the military establishments referred to in the preceding paragraphs, subject to exceptions not here involved, by reason of cessions to it by the State of California.

Mr. President, in connection with this matter, I ask unanimous consent to have the entire complaint printed at this point in the RECORD, as a part of my remarks.

There being no objection, the complaint was ordered to be printed in the RECORD, as follows:

ORIGINAL COMPLAINT IN SUIT

The text of the complaint served on these California citizens is herewith reproduced in full.

(Ernest A. Tolin, United States attorney; Betty Marshall Graydon, assistant United States attorney, San Diego, Calif., attorneys for plaintiff.)

Filed January 25, 1951:

EDMUND L. SMITH, *Clerk.*

IN THE UNITED STATES DISTRICT COURT IN AND FOR THE SOUTHERN DISTRICT OF CALIFORNIA, SOUTHERN DIVISION

No. 1247

United States of America, plaintiff v. *Fallbrook Public Utility District, a public service corporation of the State of California; Santa Margarita Mutual Water Company, a public service corporation of the State of California; Vail Company, a corporation, Mary Vail Wilkinson, Mahlon Vail, Edward N. Vail, Margaret Vail Wise, and Nita M. Vail, Trustees; Pratt Mutual Water Company, a corporation, and H. S. Pratt, Don C. Porter and Florence Clemens; Ernest Louis Barbey; Essie Buelah Barbey; James Oviatt; Annie E. Bergman; A. K. A. A. E. Bergman; Harold Brinkeroff; Hildegard B. Dubner; A. K. A. H. B. Dubner; Edward F. Tyrrell; John C. Tyler; John H. Richie; Marie L. Richie; Frank L. Johnson; N. L. Lowman; J. C. Patten; William W. Cottle; Katherine C. Gibbons; John Barton; Irene Barton; O. A. Bergman; James F. Bergman; Minnie Bergman; Frank A. Payne; Doris A. Payne; Madeliene Thurber; Carl Feller; RuthWentworth; A. H. Buckley; Downtown Properties, Inc., a corporation; Ernest P. Burley; Frank Capra; A. F. Borel; Felix R. Garnsey; Israel Wanetick and Jaime Portney; Victoria M. Barnes and Flora Cox; Victoria M. Took; Evert L. Barney; Ruth E. Barre; Harriett Payne; E. H. Heydeureich; D. G. Veazey; A. V. Studer; H. R. Taylor; H. McChossein; Mrs. Gus. Weber; M. M. Lloyd and E. M. Lloyd; C. A. Kline; E. L. Betts; S. R. Medran and M. Medran; Doe One; Doe Two; Doe Three; Doe Four; Doe Five; Doe Six; Doe Seven; Doe Eight; Doe Nine; Doe Ten; Doe Eleven; Doe Twelve; Doe Thirteen; Doe Fourteen; Doe Fifteen; Doe Sixteen; Doe Seventeen; Doe Eighteen; Doe Nineteen; Doe Twenty; Doe Twenty-one; Doe Twenty-two; Doe Twenty-three; Doe Twenty-four; and Doe Twenty-five; defendants*

The United States of America by A. Devitt Vanech, Assistant Attorney General; Ernest A. Tolin, United States attorney, Southern District of California; Betty Marshall Graydon, assistant United States attorney; and William H. Veeder, special assistant to the Attorney General, acting under the authority of the Attorney General of the United States and at the request of the Secretary of the Department of the Navy, complains and alleges as follows:

The defendants Doe One to and including Doe Twenty-five are sued herein by said fictitious names for the reason that their true names are unknown to plaintiff; and plaintiff asks that when their true names are ascertained, leave of court be given to amend by inserting their true names in place of said fictitious names.

I

This is a civil action brought puruant to the provisions of title 28, United States Code, section 1345, in which the United States of America, an actual controversy having arisen between the United States of America and the defendants named herein, seeks to have declared its rights to the use of water in the Santa Margarita River and its tributaries, a natural stream, hereafter referred to as the Santa Margarita River, as those rights relate to the defendants named in this complaint; to have this court quiet its title to those rights to the use of water in the Santa Margarita River against the defendants named in this complaint and to enjoin the unlawful interference by the named defendants with those rights.

II

Camp Joseph H. Pendleton, located near Oceanside, Calif., the United States Naval Ammunition Depot, Fallbrook, Calif., and the United States Naval Hospital, located at Camp Joseph H. Pendleton, situated in the Counties of San Diego and Orange, State of California, are military establishments of the United States of America and vital to the national defense. Sites for those military installations acquired by the United States of America in the years 1941, 1942, and 1943, are comprised of approximately 135,000 acres of land in the aforesaid counties of the State of California. In excess of $100 million of Federal funds have been expended in the development of those military establishments and the construction of the needed facilities to the end that those properties could be utilized for the military purposes for which they were acquired. Fee simple title to the properties in question now resides in the United States of America.

The site for the establishment of Camp Joseph H. Pendleton by the United States of America was selected by reason of the unique combination of the availability of a supply of water from the Santa Margarita River; sufficient land of suitable character to provide housing and training facilities for units of the Armed Forces; a beach on the Pacific Ocean adequate for the training of units of the Armed Forces in amphibious warfare and experimental work with landing craft, landing vehicles, tracked and affiliated equipment and the development thereof, and a climate which made possible year-round land and amphibious training.

(a) It is the function of Camp Joseph H. Pendleton to provide housing and training facilities for units of the Armed Forces, to conduct training of units of the Armed Forces in amphibious warfare and experimental work with landing craft, landing vehicles, tracked and affiliated equipment, and the development thereof; to conduct combat training of the various units of the United States Marine Corps, including air-ground support coordination, and use of artillery, tanks, and other equipment used in the conduct of modern amphibious and land warfare. In addition to the aforementioned activities, it is the function of Camp Pendleton to provide logistic support for units of the United States Marine Corps together with material maintenance and storage facilities for supplies and equipment and to house and train replacements for subsequent assignment to various operating units of the United States Marine Corps.

(b) The United States naval hospital, with a capacity of approximately 1,550 beds, established at Camp Joseph H. Pendleton, provides medical and hospital services to personnel of the Armed Forces, their dependents, and other authorized personnel at 83 naval shore activities located in the southern California area and provides medical and hospital care to personnel of units of the United States Fleet.

(c) The United States Naval Ammunition Depot, Fallbrook, Calif., provides facilities for the storage, segregation, reconditioning, and issuing of ammunition for operating units of the United States Fleet and the United States Marine Corps and maintains ammunition stocks for shore establishments of the United States Navy located in the southern California area. In addition, this naval ammuni-

tion depot stores and ships ammunition for use by combat elements of the United States Navy and the United States Marine Corps.

No other site on the entire west coast provides those essential factors requisite to properly perform the functions assigned to those military establishments and the absence of any one of the essential factors would render impossible the proper performance of functions of those military establishments.

III

Exclusive jurisdiction now resides in the United States of America over all of the properties constituting the military establishments referred to in the preceding paragraphs, subject to exceptions not here involved, by reason of cessions to it by the State of California.

IV

Source of the all-important supply of water for Camp Joseph H. Pendleton, the naval ammunition depot, and the United States naval hospital, as indicated, is the Santa Margarita River. That stream, which is known in its upper reaches as the Temecula, rises in the coastal range in the western extremities of Riverside County, State of California, and proceeds in a generally westerly direction where it crosses the boundary of Riverside County and enters San Diego County. From that point it continues in a general southwesterly direction across San Diego County, where it empties into the Pacific Ocean. Highly significant in regard to the claim which the United States of America states against the named defendants is the fact that the Santa Margarita River in its course traverses approximately 21 miles of the site of Camp Joseph H. Pendleton and the naval ammunition depot before it enters the ocean. There are no users below Camp Joseph H. Pendleton on that stream, for the United States owns the lands the entire distance from the point where the Santa Margarita River enters upon the sites of the military establishments mentioned and the point where that river enters the Pacific Ocean.

The Santa Margarita River is an intermittent stream. It does not flow as a continuous surface stream, but in the dry seasons of the year the surface stream customarily and ordinarily disappears, when not artificially interfered with, at a point on the lands of the United States of America at approximately 8 miles from the ocean, sinking into the sands and gravel of its bed and channel. Later it reappears as a surface stream 2 or 3 miles below, thence flowing as a surface stream but diminishing in volume to its confluence with tidewater.

Underlying the river and its tributaries is a vast underground basin. That basin is comprised of pervious material, sands, gravel, boulders, and other fluvial deposits, to the depth of several hundred feet. The basin as a whole creates a large underground reservoir into which a high proportion of the Santa Margarita River sinks. In the dry seasons the river entirely disappears into the basin, reappearing on the surface across the artesian area. This vast subterranean reservoir constitutes one of the principal sources of water for the military purposes declared above. However, the encroachments by the defendants threaten the destruction of this basin by reason of salt water intrusion from the Pacific Ocean. Already two wells have been destroyed by reason of that intrusion and the entire basin, as stated, is threatened. Not only have the activities of the defendants, through their encroachments upstream, reduced the quantities available to the United States of America from the mentioned subterranean sources, but there has been a like reduction in surface flow of the Santa Margarita River through the encroachments of the defendants.

V

By an adjudication suit tried over a period of 3 years and actually consuming 444 court days, the Rancho Santa Margarita, predecessor in interest of the United States of America in regard to the properties here involved, had adjudicated its rights in the Santa Margarita River. It was found by the trial court that the Rancho Santa Margarita, predecessor in interest of the United States of America, owned 38,739 acres of land riparian to the stream in question. That court likewise found that the normal flow of the river is insufficient for all of the riparian needs of Rancho Santa Margarita, predecessor in interest of the United States of America. Likewise found was the fact that 12,375 acres of those riparian lands were capable of and adapted to practical and profitable irrigation. Equally important is the fact that 30,289 acre-feet of water per annum from the Santa Margarita River was useful, valuable, and necessary. Premised upon the findings of the trial court and upon the decision of California's highest court when the matter was on appeal before it, the parties to that litigation concluded their differences, declared their rights, and fixed their aliquot shares of all of the waters of the Santa Margarita River. Attached hereto is a copy of that stipulated judgment, marked "Exhibit A," and by reference incorporated into this complaint.

VI

As successor in interest of the Rancho Santa Margarita, a party to the above-mentioned adjudication proceeding and to the stipulated judgment, the United States of America is entitled to, and claims all rights, titles, interests, and privileges of said Rancho Santa Margarita.

VII

Camp Joseph H. Pendleton is the only Marine Corps establishment located on the west coast of the United States with facilities adequate to receive and train replacements and other military personnel in all phases of amphibious and land warfare for later assignment to combat forces of the United States Marine Corps now engaged in warfare in the Far East. In order that the warfare may be successfully prosecuted it is essential that there be maintained at all times an adequate supply of water at this great military establishment which is so vital for the national defense.

Moreover, the United States Naval Hospital above described is presently utilized and will in the future be utilized to care for combat casualties from the Korean conflict. The United States Naval Ammunition Depot above described is now utilized for the purpose of supplying ammunition to all elements engaged in the Korean conflict.

VIII

Those rights to the use of water described above have, since the acquisition of the property to which those rights are appurtenant, been applied to a beneficial and consumptive use by the United States of America in the performance of the varied functions of the military establishments more particularly mentioned in paragraphs II and VII hereof. All of the water which was accorded to the Rancho Santa Margarita by the stipulated judgment is required to supply the requirements of Camp Pendleton, the United States naval hospital, and the naval ammunition depot. To meet the great demands arising from these military installations for military, agricultural, and other needs, the United States, as against the defendants herein named, asserts that it has a paramount right to 35,000 acre-feet of water annually from the Santa Margarita River. That quantity of water must be derived not only from the surface flow which, as indicated, is intermittent, but must likewise be pumped from the great subterranean basin described in some detail in the earlier paragraphs. For the purpose of this cause the United States of America, adopting the findings of the Supreme Court of the State of California, considers and accordingly claims that the surface stream and subterranean basin constitute a single source of supply of water. During any period when the quantity of water exceeds the military demands described in this paragraph, it is utilized by the United States of America for agricultural purposes, as it was historically used by the Rancho Santa Margarita, predecessor in interest of the United States of America. Though the agricultural use of water varies as the demands for military uses fluctuate, the United States of America, however, asserts its rights to the full use of water for agricultural purposes as enjoyed by the above-mentioned Rancho Santa Margarita.

IX

In direct violation of the rights of the United States of America and in complete disregard of the need of the water in question for national defense, the defendants by reason of their diversions from the Santa Margarita River upstream from Camp Pendleton, have caused the intrusion of salt water from the Pacific Ocean as described above, to the irreparable damage of the United States. They have likewise repeatedly through overt acts displayed their disregard for the rights of the United States of America and have declared their adverse claims in contravention of the rights of the United States of America. They have likewise repeatedly asserted that their rights though acquired subsequent to and with full knowledge of the rights of the United States, and its predecessor in interest, and the needs of the United States for the military purposes mentioned, are paramount to the rights of the United States of America, and proceeded to encroach upon the already insufficient supply of water required for the Nation's defense in connection with Camp Pendleton, the United States naval hospital and the naval ammunition depot.

Wherefore, in contemplation of the threatened destruction, by the diversions and adverse claims of the defendants named, of the military installations above described so essential to our Nation's welfare, the United States of America prays:

1. That all of the defendants named in this action be required to answer this complaint and set up fully their claims to the use of water from the Santa Margarita River.

2. That this court quiet the title of the United States of America in and to its rights to the use of water in the Santa Margarita River, and that it adjudge, declare, and determine that all of the rights of the United States of America in and to the Santa Margarita River are paramount to the rights of the defendants herein named, and that the rights claimed by the defendants are subject and subordinate to the rights and interests of the United States of America.

3. That this court declare and determine that all of the rights of the United States of America are paramount and superior to those of the named defendants by virtue of the riparian character of the lands above mentioned and the ownership of them by the United States, and by reason of its acquisition of the above-mentioned rights to the use of water and the application of those rights to military purposes. This court is likewise requested to declare as against the named defendants, that by reason of the nature of the rights of the United States and by reason of its application of those rights to a beneficial use, and the great need for water to meet the military demands above described, the United States is entitled to take,

use, and enjoy without interference by the defendants all of said water which it claims for the military needs above described, for agricultural purposes, and generally for the purposes which have been stated.

4. That all of the rights asserted by the defendants in this cause to the waters of the Santa Margarita River are subject and subordinate to the rights of the United States of America to the continued flow undiminished over, above, and through the lands described, including the rights of the United States of America in the subterrannean basin to which reference has been made.

5. That the United States of America, against the named defendants, as successor in interest to the rights of the Rancho Santa Margarita, is entitled to enjoy each and every right, privilege, and interest of said Rancho Santa Margarita, including the impounding of that water or any part of it if it found that the water may be better utilized by providing storage facilities.

6. The United States of America further prays that this court not only quiet the title of the United States of America to the aforesaid rights as against the defendants, but that it forever enjoin those defendants from encroaching or infringing upon or threatening to encroach or infringe upon the rights of the United States of America as hereinabove set forth.

7. The United States of America further prays that this Court provide such means for the enforcement of the decree sought by this complaint as may be necessary; and for such other further relief as may be proper.

A. DEVITT VANECH,
Assistant Attorney General,
Washington, D. C.

ERNEST A. TOLIN,
United States Attorney,
Los Angeles, Calif.

BETTY MARSHALL GRAYDON,
Assistant United States Attorney,
San Diego, Calif.

WILLIAM H. VEEDER,
Special Assistant to the Attorney General, Washington, D. C.

DAVID W. AGNEW,
Attorney, Department of the Navy,
Washington, D. C.

Filed March 16, 1951.

EDMUND L. SMITH, *Clerk.*

Mr. KNOWLAND. Mr. President, the original complaint in the suit goes on to say, in paragraph VIII:

To meet the great demands arising from these military installations for military, agricultural and other needs, the United States, as against the defendants herein named, asserts that it has a paramount right to 35,000 acre-feet of water annually from the Santa Margarita River. That quantity of water must be derived not only from the surface flow which, as indicated, is intermittent, but must likewise be pumped from the great subterranean basin described in some detail in the earlier paragraphs.

And in that paragraph it is further said:

Though the agricultural use of water varies as the demands for military uses fluctuate, the United States of America, however, asserts its rights to the full use of water for agricultural purposes as enjoyed by the above mentioned Rancho Santa Margarita.

So, actually, at that time the Government—and this is what brought about the original so-called rider—was asserting a right to 35,000 acre-feet of water, or more than the average flow of the Santa Margarita River, which, under the figures presented, amounts to approximately 27,500 acre-feet, on the average, into the Pacific Ocean, or 23,400 acre-feet, on the average, into the Rancho Santa Margarita's upper basin. That would have meant, if the complaint had not been resisted, that the several thousand people who were living in that area long before the Santa Margarita ranch became Camp Pendleton, would have been deprived of water for agricultural or domestic purposes; even churches would have had their water supply cut off; and all of them would, in effect, have been trespassing upon the claim of the Government of the United States for an amount of water greater than the entire flow of the river. It would also have meant that there would have been a ghost town at Fallbrook and in the farming community around it.

It was because of that arrogant attitude on the part of the Government of the United States in the original suit that the Congress of the United States, in both Houses, recognizing what the Federal Government was trying to do, used the power of appropriation, which Congress has, in its control of the purse strings, to bring about some equity and decency in the dealings between the Federal Government and the people of the area.

So I think the Senator from Illinois needs to have in mind that background as to why the rider originally went into the appropriation bill.

Mr. DOUGLAS. Let me ask my good friend, the senior Senator from California, whether the paragraph from which he has been reading appears on page 78 of the committee hearings.

Mr. KNOWLAND. No; I was reading from the "Report on Complaints of Citizens in the Santa Margarita Watershed," issued by the California Legislature, in the 1953 regular session, by its Senate Interim Committee on Petitions and Complaints.

Mr. DOUGLAS. Let me say that I have before me pages 75 to 79 of the hearings, which set forth the complaint filed by the United States Government in 1951, in connection with the suit; and I desire to call attention to the final sentence on page 78. Does the Senator from California have that place?

Mr. KNOWLAND. Let the Senator from Illinois read it, and I shall see.

Mr. DOUGLAS. I refer to the last sentence of paragraph VIII, on page 78.

Mr. KNOWLAND. I think the Senator from Illinois and I are reading from different documents, although they relate to the same complaint.

Mr. DOUGLAS. I have before me the hearings before the Subcommittee on Irrigation and Reclamation of the Committee on Interior and Insular Affairs, United States Senate, 83d Congress, 2d session, on Senate bill 2521; and I am referring to page 78 of those hearings.

Mr. KNOWLAND. I have that point; yes.

Mr. DOUGLAS. The last sentence reads as follows:

Though the agricultural use of water varies as the demands for military uses fluctuate, the United States of America, however, asserts its rights to the full use of water for agricultural purposes as enjoyed by the above-mentioned Rancho Santa Margarita.

It was the Rancho Santa Margarita that the United States Government bought and transformed into Camp Pendleton; and what the Government was saying in its complaint was that it took over the rights which the Rancho Santa Margarita formerly had to the water in the Santa Margarita River. I am saying this to indicate that the Government of the United States has never asserted, so far as I can determine to the best of my ability, claims to rights other than those it has had as a landowner and rightful water user, and has not asserted sovereign rights.

Mr. KNOWLAND. The present position of the United States Government is as the Senator from Illinois has stated. However, I respectfully submit that in the original complaint and in the original testimony which has been used before various congressional committees, the Federal Government first took the position that it was a sovereign and that it could, in fact, do things a private owner could not do if a private owner had purchased the Rancho Santa Margarita, because under the riparian law of California, one cannot transfer the riparian waters of the watershed area into other areas, even of the same ranch. Yet the Government of the United States at Camp Pendleton has, in the past—and for all I know, the Government may be doing so at the moment—transferred riparian waters into areas other than the watershed area.

Mr. DOUGLAS. If my good friend, the Senator from California, will examine page 75 of the hearings, he will find that the complaint from which I have just read—which is the same as the complaint to which he referred—was filed on January 25, 1951, or more than 3 years ago. I do not have at hand the precise timetable in regard to this matter; but it is my understanding that the riders to the appropriation bills, shutting off funds for the prosecution of suits in at least one case, and possibly in two, came after January 25, 1951, and are in the drafts of the present appropriation bills. I think I am correct about that matter, am I not?

Therefore, whatever may have been the situation prior to 1951, at least since 1951 the position of the United States Government has been clear. Yet the riders have been and are still being placed on the appropriation bills.

One minor point is that the Government claim for 35,000 acre-feet of water, which seems rather high, was for water to be derived not only from the river, but, as the complaint stated:

Not only from the surface flow which, as indicated, is intermittent, but must likewise be pumped from the great subterranean basin described in some detail in the earlier paragraphs.

So there was involved both the subsurface deposits of water and the flow of the river. Therefore, the total demands of the Government upon the water available for other uses was not so great as was first indicated by the senior Senator from California.

In any event, I ask, Why not now allow the merits of the claim to be established properly in the courts? Why not let the courts decide this dispute? We are not competent to pass upon the riparian law of California. Let the courts decide the question; and in order that the courts may so decide it, in order that there may be equal justice under the law, the Gov-

ernment should have the funds with which to prosecute the suit.

Mr. KUCHEL. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. KUCHEL. Who has the floor?

The PRESIDING OFFICER. Apparently the Senator from Illinois [Mr. DOUGLAS] has the floor.

Mr. KUCHEL. I wish to answer the question asked by the Senator from Illinois. I think it is a question which might reasonably occur to anybody, and I think it ought to be answered. I wish to tell the Senator from Illinois the answer.

This bill would authorize the construction of a dam. May I have the attention of the Senator from Illinois?

Mr. DOUGLAS. I apologize to the Senator. I was not being intentionally discourteous to him, but certain of his colleagues on his side of the aisle were engaged in questioning me sotto voce. I was giving attention to them. If there was any discourtesy on my part it was secondary.

Mr. KUCHEL. The bill would authorize the construction of a dam, on condition that it should not immediately set in motion the erection of a dam. However, the bill provides that the Secretary may subsequently come to the Congress, if the conditions are complied with, and ask for an appropriation to commence it. All that takes time. If the Government were to own every right of every description to the water in the area, obviously, the passage of the bill would be an idle act.

I say to the Senator that there are issues and questions of water law which are not now implicit in the lawsuit on appeal. I say to the Senator that the heads of the Navy Department and the Judge Advocate General of the Navy assisted in writing the bill. I think they are just as jealous of the reputation of and just as eager to safeguard the property of the Navy Department as is the senior Senator from Illinois. I am sure that the Navy Department and the Department of Justice, as well as the Department of the Interior, can be trusted with the type of authorization legislation which is now before the Senate.

The Senator asks, "Why not let the lawsuit be decided?" The lawsuit will not build the dam. The lawsuit will not save the water which is flowing into the ocean and being wasted.

Mr. DOUGLAS. Let me say to my good friend that the decision as to whether or not the dam shall be built, and if so, what type of dam, will depend in large part upon the results of the lawsuit—upon the decision as to how much water the Government and the private owners are entitled to use. It is important to have that lawsuit decided fairly. It cannot be decided fairly if one party to the lawsuit is deprived of the funds with which to plead its case.

That is really my argument. It is very simple. I do not think we can substitute the opinion of certain department heads for our opinion and for our own consciences. We must make the decision. We are moral beings.

Mr. KUCHEL. I take it the Senator is referring to the morality surrounding the suggestion that a rider elimination be put in the bill. Certainly he is not questioning the morality of the decision by which the departments agreed to the manner in which the dam should be constructed, under certain conditions.

Mr. DOUGLAS. I am only pointing out that we, too, have a responsibility and a decision to make. I am simply saying that at the very least the bill should contain a provision which specifically authorizes and directs the appropriate agencies of the Government to prosecute these suits.

Mr. KUCHEL. Has the Senator any other objections to the bill? If so, will he kindly point them out?

Mr. DOUGLAS. We have been discussing the present point for some time. On many occasions I have reminded my colleagues that my favorite hymn is Cardinal Newman's, Lead Kindly Light—

> I do not ask to see the distant scene.
> One step enough for me.

So we are taking one step now; and it seems to me to be a very important one. This question should be cleared up before we look at the dim, distant future. That is the major objection which I have.

INSPECTION AND APPRAISAL PROCEDURE IN CONNECTION WITH VETERANS' HOUSING PROGRAM

Mr. WILLIAMS. Mr. President, several months ago, after receiving a number of complaints as to the manner in which inspections of veterans' homes were being made under the veterans' housing program, as administered by the Veterans' Administration, I made certain inquiries. On December 11, 1953, I received from the Veterans' Administration a letter which outlined the procedure under which these inspections were conducted, and also outlined the fees which were permitted to be charged. I should like to read that letter:

VETERANS' ADMINISTRATION,
Washington, D. C., December 11, 1953.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR WILLIAMS: I am pleased to enclose a copy of the Veterans' Administration technical bulletin 4A–111 entitled "Control of Fees and Assignments to Designated Appraisers and Compliance Inspectors." This will supply you with much of the information sought in your letter of December 2, 1953.

You will note from this enclosure that there are restrictions as to the amount fee appraisers and inspectors can receive from the Veterans Administration assignments. The ceiling on the aggregate fees permitted is $1,000 per month and is applicable to all offices of the Veterans' Administration.

No specific penalties are imposed, however any salaried personnel responsible for assignments in excess of the maxima prescribed in our Technical Bulletin 4A–111 relative to the control of fees would be subject to disciplinary action.

Nothing prohibits a qualified individual from serving as both appraiser and inspector. His combined fees would apply toward the maximum established ceiling. Combined fees for both activities may not exceed $1,000 per month.

Sincerely yours,

H. V. HIGLEY,
Administrator.

Mr. President, the law is very clear. With that letter was enclosed the bulletin to which reference was made. This bulletin contains the additional notation, under paragraph 4:

> 4. Control of fees: The Office of Price Stabilization has advised that fees of appraisers and inspectors are controlled by ceiling price regulation 34.

The bulletin goes on to point out that this is recognized as an established ceiling; also that it was applicable under the law enacted by Congress. I do not think there is any question about that particular point.

In reply to a later letter asking how those fees were assessed and collected, I was advised that the maximum fee for the inspection service was $5 for each inspection service, with the provision that if the inspection were requested in an isolated area where it would entail considerable driving, the fee could reach a maximum of $7.50. Otherwise, the maximum fee was $5, with always the overall maximum of $1,000 a month.

In reply to a later letter inquiring how those fees were collected, and who paid them—whether the Veterans' Administration paid them or whether the inspectors collected directly from the contractors—I was advised, in a letter from Mr. Higley under date of April 26, 1954, as follows:

> While VA makes the assignments, the appraisers and inspectors render their bills to and obtain payment from, or through, the persons or firms making the requests for the appraisals and inspections.

In other words, the Veterans' Administration merely acts as a clearing house for these fees, and apparently the inspectors render their own bills.

Some time ago I pointed out, in reference to that particular section, that in my own State of Delaware certain inspectors had violated the ceiling, in that they were obtaining payments in excess of the $1,000 maximum. I referred to that incident 3 or 4 weeks ago on the floor of the Senate.

At the same time, I made the statement that I thought it might be well to check in other areas to see whether or not similar violations had been committed in other areas and whether or not the same situation prevailed as of today.

I made a sample check of five States. I have reports with respect to three of those States before me. I heard from four of the States. In 1 of the States there was nothing involved, and in 3 of the others I found conditions practically the same as those existing in Delaware, or even worse.

Mr. President, before calling attention to certain cases I ask unanimous consent to have incorporated in the RECORD the report for the State of Washington. In that State 7 individuals acting as appraisers during 1950 exceeded the ceiling 9 different times. I ask that the report be incorporated in the RECORD. It should be noted that in these first cases I am incorporating the excuse could logically be made that the employment represents accumulated billings for work actually rendered in other months.

There being no objection, the report was ordered to be printed in the RECORD,

Washington

(7 individuals, 9 payments)

	Fee-basis appraiser[1]
1. H. A. Miller:	
March 1950	$1,661
June 1950	1,151
2. Don G. Waller:	
March 1950	1,170
3. J. F. Beattie:	
March 1950	1,950
4. Phil G. Simkins:	
June 1950	2,075
July 1950	2,025
5. B. B. Heuston:	
March 1950	1,125
6. Claude Ryan:	
January 1950	1,124
7. Gus O. Vogeler:	
March 1950	1,145

[1] All figures fee-basis appraiser.

Mr. WILLIAMS. Mr. President, in the State of Delaware four individuals were involved. They exceeded the ceiling on 19 occasions. I ask unanimous consent that the report be incorporated in the RECORD at this point in my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Delaware

[4 individuals, 19 payments]

	Fee basis appraiser	Compliance inspector	Total
1. Charles McCloskey:			
October 1953	$1,315.00		
2. Wilbur F. Nickle:			
October 1953	1,320.00		
3. Albert K. Wilson:			
October 1952		$1,325	
November 1952		1,125	
June 1953		1,130	
August 1953		1,005	
October 1953		1,320	
4. Chas. A. McLaughlin:			
December 1951	1,566.60	925	$2,491.60
June 1952	105.00	1,367	1,472.00
July 1952	417.00	775	1,192.00
August 1952	331.30	1,446	1,777.30
September 1952	527.15	763	1,290.15
October 1952	480.65	799	1,279.65
November 1952	150.00	980	1,130.00
February 1953	599.20	520	1,119.20
March 1953	349.50	885	1,234.50
May 1953	858.85	275	1,133.85
August 1953	32.50	1,155	1,187.50
September 1953	249.60	965	1,214.60
October 1953		1,520	1,520.00

Mr. WILLIAMS. Mr. President, the next report I have is from the State of Missouri, in which 4 individuals in 8 payments exceeded the ceiling fee.

I ask unanimous consent that the report from the State of Missouri be printed in the RECORD at this point as a part of my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Missouri

[4 individuals, 8 payments]

	Fee basis appraiser	Compliance inspector	Total
1. Sylvester Judge:			
February 1954	$1,123	$205	$1,328
2. Al J. Luig:			
November 1952	985	460	1,445
August 1953	826	305	1,131
September 1953	400	800	1,200
November 1953	652	355	1,007
February 1954	933	455	1,388
3. Thomas H. Mize:			
February 1954	970	230	1,200
4. John D. Weber:			
February 1954	1,036	280	1,316

Mr. WILLIAMS. Mr. President, the cases involved in these reports are spread over a period from 1950 to the early part of 1954.

The next cases involve those in the State of Michigan. Here there was a more glaring disregard for the law, and no protection for the veterans in that area. I have conferred with the senior Senator from Michigan [Mr. FERGUSON] regarding the situation in that area, and he is joining me in further examination of the records. In this area, as stated before, there can be no excuse that the overpayments represented accumulated payments.

I ask unanimous consent to have the report for Michigan printed in the RECORD at this point in my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Michigan

[18 individuals, 84 payments]

	Fee-basis appraiser	Compliance inspector	Total
1. E. T. Salkowski:			
June 1950		$3,180.00	
July 1950		1,215.00	
August 1950		4,225.00	
September 1950		2,800.00	
October 1950		3,485.00	
November 1950		2,565.00	
December 1950		1,740.00	
Total, 7 months, 1950			$19,210.00
Total 1951		12,210.00	12,210.00
2. Charles Lyons:			
April 1952	$440.00	580.00	1,020.00
3. A. D. MacRae:			
January 1954	510.00	635.00	1,145.00
February 1954	210.00	950.00	1,160.00
March 1954	780.00	885.00	1,665.00
4. W. Neth:			
March 1954	1,680.00		
5. J. F. Reilly:			
March 1954	1,340.00		
6. H. C. Rohde:			
June 1950		3,445.00	
July 1950		4,595.00	
August 1950		2,985.00	
September 1950		2,905.00	
October 1950		2,570.00	
November 1950		2,065.00	
December 1950		1,160.00	
Total, 7 months, 1950			19,635.00
7. Martin J. LeBouf:			
June 1950		2,720.00	
July 1950		3,145.00	
August 1950		2,775.00	
September 1950		1,325.00	
October 1950		1,400.00	
November 1950		1,550.00	
December 1950		1,230.00	
Total, 7 months, 1950			14,145.00
Total 1951			18,410.00
May 1952		1,365.00	
June 1952		1,985.00	
July 1952		1,870.00	
August 1952		1,705.00	
October 1952		1,640.00	
November 1952		1,275.00	
January 1953		1,025.00	
April 1953		1,380.00	
May 1953		1,460.00	
June 1953		2,145.00	
July 1953		1,130.00	
August 1953		1,195.00	
September 1953		1,380.00	
8. W. J. Luyckx:			
November 1950		1,735.00	
December 1950		1,100.00	
March 1954	1,140.00	25.00	1,165.00
9. Emil L. Severin:			
January 1954	695.00	705.00	1,400.00
March 1954	599.50	595.00	1,194.50
10. Fred Hermann:			
August 1953		1,430.00	
September 1953		1,080.00	

Michigan—Continued

[18 individuals, 84 payments]

	Fee-basis appraiser	Compliance inspector	Total
11. O. H. Albert:			
March 1954	$1,681.00		
12. W. J. Beauchamp:			
April 1952	530.00	$620.00	$1,150.00
May 1952	146.00	915.00	1,061.00
November 1953	116.00	1,175.00	1,291.00
January 1954	972.50	480.00	1,452.50
February 1954	765.00	295.00	1,060.00
March 1954	1,015.00	665.00	1,680.00
13. L. F. Fleugge:			
March 1954	15.00	987.50	1,002.50
14. V. F. Gilmore:			
March 1954	1,437.50	15.00	1,452.50
15. William Gilmore:			
March 1954	1,025.00		
16. S. A. Lesinski:			
October 1953	310.00	945.00	1,255.00
November 1953	200.00	880.00	1,080.00
January 1954	530.00	490.00	1,020.00
March 1954	1,120.00	705.00	1,825.00
17. C. S. Andrews:			
August 1950		1,095.00	
February 1952		1,205.00	
March 1952		1,125.00	
May 1952		1,055.00	
June 1952		1,385.00	
July 1952		1,245.00	
October 1952		1,105.00	
March 1953		2,135.00	
April 1953	40.00	1,115.00	1,155.00
May 1953	60.00	1,030.00	1,090.00
June 1953	80.00	1,390.00	1,470.00
July 1953	70.00	1,015.00	1,085.00
August 1953	60.00	1,255.00	1,315.00
September 1953	60.00	990.00	1,050.00
January 1954		1,030.00	
18. C. F. Aylesworth:			
June 1950		2,570.00	
July 1950		1,715.00	
September 1950		1,280.00	
October 1950		1,155.00	
November 1950		1,165.00	
January 1952		1,025.00	

Mr. WILLIAMS. Mr. President, in the State of Michigan 18 individuals received 84 payments, during the last 3 or 4 years.

I shall not delay the Senate by reading all of these figures. They have been incorporated in the RECORD in their entirety.

However, I should like to call attention to a few cases.

The first one I should like to read concerns Mr. C. S. Andrews, in the State of Michigan. In August 1950, Mr. Andrews received $1,095. That was the first violation in the case of Mr. Andrews. His last violation was in January 1954, when he received $1,030. On 15 different occasions Mr. Andrews violated the ceiling law with monthly earnings running as high as $2,135.

The next individual is Mr. C. F. Aylesworth. He violated the rule on 6 different occasions, when he exceeded the $1,000 ceiling. His violations took place during 6 months in 1950. His total collection from fees was $9,815 for 6 months' work for an agency in which there exists a ceiling fee of $1,000 a month.

I should like to call attention to two more cases, which are the most glaring cases. The first case is that of Mr. H. C. Rohde. His violations began in June of 1950. The reason I begin with that case is because I was advised that the records of the agency do not show payments prior to that month.

Mr. Rohde's payments began in June 1950, and Mr. Rohde was paid these fees

in an agency which has a ceiling of $1,000 per month so far as such fees are concerned. In the month of June, Mr. Rohde was paid $3,445. In July he was paid $4,505. In August he was paid $2,985. In September he was paid $2,905. In October he was paid $2,570. In November he was paid $2,065. In December he was paid $1,160. This made a total of $19,635 collected by Mr. Rohde in that 7-month period.

It should be remembered that he received these fees for working in an agency which has a ceiling of $1,000 a month, at a time when the OPS had regulation No. 34 in effect, which put a ceiling on the earnings of these employees.

Again we find that nothing was done and that no one seemed to care.

In this particular case, in the month of July 1950, Mr. Rhode collected $4,505. On the basis of $5 a house, this would mean that he would have to inspect, in the month of July, if his inspections were on the level, 901 houses. Now, if we assume he worked every day, including Saturdays and Sundays and on the 4th of July, for 8 hours a day, every day in that month, 7 days a week, he would have to make 1 of those inspections, and fill out 4 reports on every house every 15 minutes in order to earn any such amount. It just could not be done.

Another individual, Mr. E. T. Salkowski, received a total of $19,210 during the period of June to December of 1950, a 7-month period.

The report shows cases in which other individuals, operating under a ceiling of $1,000 per month, were making $15,000 to $18,000 a year, with apparently nothing being done about it.

The most recent excess payments were made during March of 1954.

I should also like to place in the RECORD a copy of the compliance inspection report, which, according to the regulations of the Agency, must be filled out in 4 copies on every job that is inspected by the inspector, with 1 copy left with the contractor, and the other copies distributed according to the instructions. I ask unanimous consent that a copy of the compliance inspection report be printed in the RECORD at this point in my remarks.

There being no objection, the compliance report was ordered to be printed in the RECORD, as follows:

Form approved
Budget Bureau No. 76-R213.1

Note to builder—Unapproved report left at site for builder's convenience is subject to change. Consult lending institution for official report.	VETERANS' ADMINISTRATION COMPLIANCE INSPECTION REPORT	Case No.

Property identification

Builder (*Name and address*)

Lender (*Name and address*)

Veteran (*Name and address*)

1. Inspection of on-site building improvements was made at inspection stage checked below:

First ▶ ☐ Excavation complete and ready for footings and foundations. ☐ Foundation walls complete and ready for backfill.

Second ▶ ☐ Building enclosed, structural members still exposed and roughing-in for heating, plumbing, and electrical work in place and visible. (*Individual water supply or sewage disposal system complete and ready for backfill is included in this stage.*)

Third ▶ ☐ All dwelling construction, installation of equipment, utility connections, and any specified accessory building, grading, landscaping, walks, drives, steps, or retaining walls reported by the builder as complete in accordance with the conditions of the Certificate of Reasonable Value.

Special ▶ ☐ _____

Condition of construction at this inspection:

☐ A. No evidence of noncompliance observed.
☐ B. Acceptable substitutions or deviations.
☐ C. Noncompliance, builder will comply without delay.
☐ D. Noncompliance, builder does not intend to comply.
☐ E. Dwelling habitable, but completion of certain improvements will be delayed by conditions beyond control.

Itemized and described as follows: _____

☐ Above items will be inspected at next regular inspection ☐ Reinspection required

Complete this section when making third inspection

2. Inspection of off-site improvements: Revealed condition ☐ A. ☐ B. ☐ C. ☐ D. ☐ E. as defined in section 1, and described as follows:

☐ Reinspection required

3. Reinspection of work previously inspected at ☐ First ☐ Second ☐ Third ☐ Special Inspection revealed condition ☐ A ☐ B. ☐ C. ☐ D. ☐ E. as defined in section 1, and described as follows:

4. Estimated cost of incompleted on-site work as reported at third inspection or thereafter under condition E, in section 1 or 3 above ▶	Estimated cost $	Probable date of completion

5. Certification — I certify that I have carefully inspected the above property in which I have no interest, present or prospective, and that I have reported herein all significant conditions observed to be at variance with VA Minimum Construction Requirements, approved plans and specifications, and any specific requirements for off-site improvements relating to the property inspected.

(Date) (Signature of designated compliance inspector)

6.

☐ Prefinal report approved ☐ All improvements acceptably completed

☐ Certificate of reasonable value revised as result of substitutions or deviations listed in sections 1, 2, or 3.

(Date) (Signature of Veterans' Administration Chief, Appraisal Section, or authorized agent)

Mr. WILLIAMS. Mr. President, I call attention to the instructions to the compliance inspector printed on the reverse side of the compliance inspection report. I ask unanimous consent that the instructions to the compliance inspector be printed in the RECORD at this point in my remarks.

There being no objection, the instructions were ordered to be printed in the RECORD, as follows:

INSTRUCTIONS TO COMPLIANCE INSPECTOR

When making a compliance inspection the inspector must have at hand reports of any previous inspections, approved plans and specifications, and a statement of any specific offsite requirements for the property to be inspected. Other required references include the FHA booklet entitled "Minimum Property Requirements for One or Two Living Units" together with any supplemental publications referred to therein which may be necessary to proper completion of the inspection. The inspector makes a careful examination of all improvements to ascertain whether or not the work is at the stage of completion required for the inspection being made, whether or not items of noncompliance listed on a previous report have been corrected, and whether or not there have been any other variations from plans, specifications, or VA minimum construction requirements. If the work has not progressed to such a point that the required inspection can be satisfactorily completed, no report will be rendered at that time, and all interested parties will be notified to this effect. If the work has progressed beyond the required inspection stage to such an extent that significant items to be inspected have been concealed, the inspection will be deferred until the concealed work has been uncovered so as to permit satisfactory inspection. The Compliance Inspection Report, VA Form 4–1839, is completed as follows:

Heading: The following entries are made: Property street address or lot and block number, builder's name and address, and lender's name and address. The case number and veteran's name and address are also entered if provided.

Section 1: The stage of construction at which inspection is being made is indicated by use of the appropriate check box. First inspection is made at 1 of 2 alternative stages whichever has been designated for the subject locality by the VA regional office. Special inspection is checked in the case of alterations, repairs, or additions to existing construction, and the inspector enters a brief description of the stage of construction in the blank lines provided therefor.

Under "Condition of Construction at This Inspection" the appropriate condition or conditions are checked in accordance with the following:

Condition "a" (no evidence of noncompliance observed) is checked if the work has progressed to the inspection stage being reported upon, and has been essentially completed in accordance with plans, specifications, and minimum construction requirements. When this condition is indicated no further entries are made in section 1 of the form.

If significant variations are observed, condition "b," "c," "d," or "e" or a combination thereof is checked as appropriate. In these instances the specific variations are listed in the blank lines provided and itemized by use of the letters "b," "c," "d," or "e" as they may apply. In listing items of noncompliance reference is made to the applicable section and subparagraph number of the minimum construction requirements whenever appropriate. If additional space is required, the carbons may be reversed and the back of the form used.

Condition "b" (acceptable substitutions or deviations) is reported where variations from plans and specifications, whether or not affecting cost, are considered unobjectionable and not in violation of the minimum construction requirements. However, when the builder is under contract with a veteran owner a change order signed by the veteran must be exhibited if this condition is to be checked. In these cases the substitution or deviation is listed with the notation "per veteran's change order."

Condition "c" (noncompliance, builder will comply without delay) is reported when unacceptable variations are found and the builder is willing and able to satisfactorily correct or complete the work during the normal course of construction.

Condition "d" (noncompliance, builder does not intend to comply) is reported when the builder indicates that he is unwilling or unable to correct or complete items of noncompliance. If the builder is not present during the inspection and the necessary corrections are of a minor nature, it may be assumed that compliance will be obtained, in which case condition "c" is checked.

Condition "e" (dwelling habitable, but completion of certain improvements will be delayed by conditions beyond control) is reported only at third inspection or thereafter, e. g., when all building improvements are complete except a concrete driveway, walk, and steps, which cannot be poured because of freezing weather.

When noncompliance, condition "c," has been checked at first or second inspection, the inspector indicates whether the work to be corrected or completed will be inspected at the next regular inspection or whether reinspection will be required. The check boxes at the bottom of section 1 are used for this purpose. In these cases reinspection is required where the work to be inspected will be concealed before the next regular inspection. When noncompliance or incomplete work, condition "c" or "e," is reported at third inspection, "reinspection required" is checked in all cases.

Section 2: This section is completed when making the regular third inspection described in section 1. Blank lines are provided for reporting inspection findings with respect to off-site improvements, such as walks, drives, streets, and utilities, specified for the subject property. As in section 1, condition "a," "b," "c," "d," or "e" is checked and a description of the condition written in. Where incomplete or unsatisfactory work is reported, "reinspection required" is checked.

Section 3: This section is used for reporting findings revealed by an additional inspection occasioned by the requirement for reinspection made on a previous report. Entries are made in the manner prescribed under sections 1 and 2 above.

Section 4: When condition "e" has been checked under section 1 or 3, the inspector enters his estimate of the cost of finishing the incomplete on-site work and the expected date of completion. The cost of any incomplete off-site work is not included.

Section 5: All inspection reports (first, second, third, special, or reinspection) are completed insofar as the inspector is concerned by execution of the certification. It is to be noted that the certification is so worded that final acceptance and approval is not indicated at any stage. This affords the inspector or regional office construction analyst the opportunity of reporting noncompliance which may have been overlooked at a previous inspection.

Submission of report: An unapproved copy of all reports is left at the job site for the convenience of the builder. One copy is retained by the inspector for his case file. The remaining two copies are forwarded directly to the Chief, Appraisal Section, VA regional office.

Recommendation to Chief, Appraisal Section: Where a report shows "Acceptable substitutions or deviations" it must be submitted together with an itemized statement by the inspector showing dollar differences in construction cost occasioned by such changes.

Mr. WILLIAMS. Mr. President, I should like to read a few paragraphs from the instructions to the compliance inspector, as follows:

When making a compliance inspection the inspector must have at hand reports of any previous inspections, approved plans and specifications, and a statement of any specific offsite requirements for the property to be inspected. Other required references include the FHA booklet entitled "Minimum Property Requirements for One or Two Living Units" together with any supplemental publications referred to therein which may be necessary to proper completion of the inspection. The inspector makes a careful examination of all improvements to ascertain whether or not the work is at the stage of completion required for the inspection being made, whether or not items of noncompliance listed on a previous report have been corrected, and whether or not there have been any other variations from plans, specifications, or VA Minimum Construction Requirements. If the work has not progressed to such a point that the required inspection can be satisfactorily completed, no report will be rendered at that time, and all interested parties will be notified to this effect. If the work has progressed beyond the required inspection stage to such an extent that significant items to be inspected have been concealed, the inspection will be deferred until the concealed work has been uncovered so as to permit satisfactory inspection. The Compliance Inspection Report, VA Form 4–1839, is completed as follows:

The concluding instructions read:

Submission of report: An unapproved copy of all reports is left at the job site for the convenience of the builder. One copy is retained by the inspector for his case file. The remaining two copies are forwarded directly to the Chief, Appraisal Section, VA Regional Office.

Mr. President, after the inspector has complied with those instructions and after he has made the inspections of the housing units, as prescribed by law and as it is intended by law, the inspector is then entitled to charge $5, or, if the housing unit happens to be in an isolated area, he is entitled to charge $7.50.

The reason for requiring an inspection report on an insured VA loan is to protect the veteran by making sure that the veteran gets the kind of house he is supposed to get under the contract.

It was intended, Mr. President, that the inspectors were to do their work for the protection of veterans. It was recognized that the ceiling should be established in order that a man might do efficient work. Each $5 charge or $7.50 charge is passed on directly to the veteran. The veteran pays it. It has been argued that I should not be too concerned about this, because the Government itself was not losing any money and that someone else was paying. Why shouldn't we be concerned? These charges are paid by the veterans. It is our responsibility.

Mr. President, I ask anyone to examine the inspection report. I think it will be admitted that it is physically impossible for anyone to inspect these homes at the rate of one every 15 minutes, check off

the items, render their report, and then move over to the next job all in 15 minutes. There can be only one answer: The Veterans' Administration fee system has been used as a vehicle by which certain inspectors and appraisers can shake down the veterans and contractors. Unquestionably, it was done with full knowledge and consent, or at least without any opposition on the part of the Veterans' Administration. This has been reported to the Veterans' Administration.

Some of these excessive payments were still being made in January, February, and March 1954. I do not have the reports for April, but I have no reason to think that the practice is not going on today.

The Veterans' Administrator, Mr. Higley, in his letter of December 11, 1953, advised me that no specific penalties are imposed within the regulation which purports to control the amount of fees which appraisers and compliance inspectors can collect in 1 month except disciplinary action. No record appears that disciplinary action has been taken anywhere down the line with respect to those gross violations which I am bringing to the Senate's attention today. Some of these inspectors, whose first violation was reported in 1950, have never missed a monthly payroll and are still violating the rule today.

I disagree completely with the conclusion of the Veterans' Administration that there have been no laws violated. I am completely disgusted with the excuse we receive from the officials of the Government, that while a practice is wrong and it should not be done, there are no laws against it, and there is nothing they can do about it. Certainly Congress can enact laws carrying enforcible penalties to enable these agencies to correct flagrant abuses of this nature. I find no record that anyone representing the Veterans' Administration has requested such assistance.

I am referring this report to the Banking and Currency Committee with the request that it give the report its prompt attention.

THE BENSON DAIRY PROGRAM

Mr. SCHOEPPEL. Mr. President, day before yesterday a Member of this distinguished body inserted in the RECORD a statement entitled "The Benson Dairy Plan a Failure." I call this to the attention of the Senate only because it contains statements which do not truly reflect the situation which actually exists. It is also somewhat characteristic of the manner in which critics of the Secretary of Agriculture have appealed to the general public on this matter.

Let us examine this statement which I feel does not reflect the true situation. The statement to which I am referring was made by the distinguished junior Senator from Minnesota [Mr. HUMPHREY], and in it appears this remark:

> Members of this body will recall my insistence that lower dairy prices would not result in lowered production * * * and would not bring about any reduction in Government purchases.
>
> Other claims to the contrary were made upon this floor and emblazoned across the country through the press as a result of Secretary Benson's propaganda campaign.

Mr. President, let us get one fact straight. The Department of Agriculture has never said the immediate effect of lowering the support level would be to reduce milk production so as to bring supply into demand. It is true that production in April of 1954 did set an all-time high for that month of the year, but this was not due to a decision on the part of dairy farmers to increase production in response to a lower price-support level, as of April 1, 1954.

Let me explain in some detail, for it is basic to an understanding of this problem.

As long ago as September 1953, and more recently as of April 16, 1954, the Department of Agriculture, in its publication for those months, the Dairy Situation, forecast an increased milk production for 1954 for the following reasons:

First. Production trends in a biological business like dairying cannot be reversed quickly, since it normally takes 3 years to bring a new animal into production. Dairy farmers know this, but it apparently slipped the critics' mind. Regardless of whether the support level were set at 75 or 90 percent of parity, it would not have too much effect on the immediate amount of milk production. The economists, including Dr. Fred Koller, University of Minnesota marketing specialist, whom the critics frequently quote out of context on this matter, know this, but for some strange reason the critics do not. But what is important, as the Secretary has emphasized on many occasions, is that a shift in the support level from 90 to 75 percent of parity constitutes a long-overdue change in the direction of price-support policy, a change which, if given time, will help bring supply more nearly into line with demand.

Second. The supply of feed grains has been so abundant during the past winter that even during the normal low-production period dairy farmers produced an amount greatly in excess of normal. Also, in the past two winters, weather conditions have been relatively mild, permitting greater use of winter pastures in areas where they are used. This, of course, has resulted in greater than normal production in those areas. Furthermore, during the spring, summer, and early fall farmers use cheap summer pasture, the resultant also being increased production.

Third. Gradual improvement in the quality of milk stock through better breeding and herd management is also showing a continuing effect in the form of increased production.

Fourth. The rate at which dairy cattle have been culled has been below normal, a factor which has led to a substantial increase in production.

In light of these facts, I ask, in all fairness, is it not being a little unfair and presumptuous to condemn the action of the Secretary of Agriculture on the basis of but 2 months' time? This is a campaign year, but it does not warrant that kind of "political hay."

The critical statement of the Senator from Minnesota also indicated that he had consistently, and I might add relentlessly, insisted before this body as follows:

First. "Lower dairy prices would not result in any substantial increase in consumption" while "Secretary Benson and his vocal clique of ardent supporters repeatedly claimed lowering of price supports would mean increased consumption."

Second. "Consumption has shown no significant increase."

He also said with respect to this matter:

> Let us see who was right and who was wrong.

Well, I heartily suggest that we do just that.

Although the junior Senator from Minnesota quoted those parts of Secretary Benson's May 5, 1954, statement before the House Committee on Agriculture which described the dairy problem, he chose to ignore this statement:

> We have adjusted the level of price support to 75 percent of parity. Preliminary reports which have come to us during this past month indicate that consumption has increased about 10 percent above last year.

Well, "Who was right?" The Secretary, it appears, not the critic. A 10 percent increase in consumption in 1 month, I should say, represents a rather fast response on the part of the consumers.

The junior Senator from Minnesota in his statement also said: "I repeatedly warned that cutting prices to dairy farmers would not solve any of our current dairy problems," and that "Government purchases are increasing rather than decreasing." Let us examine this statement in some detail, for its implications do not represent a monument to consistency and intelligent public policy.

First, the Senator condemns the Secretary's dairy program after 2 months' trial, but lauds a program which, after several years of operation, has brought about the most difficult problems now faced by agriculture.

Second, he apparently favors a program which piles up the dairy products in Government hands, but opposes every effort made by the Secretary of Agriculture to dispose of these products. Yet efforts to halt the accumulation of dairy products and to dispose of the stocks of dairy commodities will, in all probability, involve costs, over the next 12 months, of half a billion dollars or more. It is significant that in the year 1953 the Senator's home State provided almost one-fourth of the butter and more than one-fourth of the nonfat dry milk solids purchased by the Government in connection with the price-support operation.

Third, he urges high price support for butter, but says nothing of the production controls accepted by every other commodity which enjoys high price support.

Fourth, at one point he argues that prices of dairy products should be kept high; at another point he contends that American consumers should be given a break. Mr. President, that is a nice trick if it can be done.

I will agree that, day after day, the junior Senator from Minnesota has voiced the appeal that the Secretary of Agriculture should revoke his announcement of lowered dairy support prices which became effective last week. I have read those appeals. Nowhere in them, though, have I seen answers to these questions:

First. How can the dairy industry compete effectively with vegetable oils if dairy products are priced out of the market.

Second. What form of production control does the Senator from Minnesota propose for dairy products, since other products with mandatory price supports have production restrictions to keep supplies in line with demand of the supported price?

Third. Should dairy farmers produce increasingly for purchase when competitors take over the market outlets?

Fourth. When dairy products begin to spoil, which is quite likely if they are continued to be piled up without visible outlets, would the Senator from Minnesota then speak "day after day on the floor of the Senate" in defense of 90-percent price supports in this field?

Fifth. What will the Senator from Minnesota then say to farmers whose entire farm program would be jeopardized; to the consumers, who would be paying a high price for all the butter, but would be allowed to consume only part of it; to the taxpayers, who are far more sensitive to rancid Government butter than to the stench of Government potatoes?

Sixth. What disposal program does the Senator from Minnesota recommend, how would it work, how much would it cost, could it move our heavy stocks, and would it be acceptable to the farmers, the trade, the consumers, and the taxpayers?

In closing, I should like to suggest to the distinguished junior Senator from Minnesota that in the event he makes another "appeal on the floor of the Senate," he provide the Senator from Kansas and his colleagues in the Senate, as well as the American public, answers to these vital questions. I am sure we might all then learn whether or not these appeals are inspired by genuine desire to be helpful to dairy farmers.

Mr. President, I noticed with some interest an editorial entitled "May Be Grateful for Benson," which appeared in the Dairy Record for May 12, 1954, in the column headed "Opinions." This very excellent editorial points up some questions which I think should be given serious consideration. It pertinently discusses some of the matters I have mentioned, and refers to the statement by the Senator from Minnesota which appears in the RECORD of May 25. I ask unanimous consent that this article may appear in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OPINIONS

MAY BE GRATEFUL FOR BENSON

Despite all the huffing and the puffing and the clamor attendant upon the introduction of scores of bills designed to serve the farmer and to solve the problems of agriculture, Dairy Record stands by a prediction made months ago in these columns that, when all the noise has subsided, prices of dairy products and other agricultural commodities will continue to be supported under the terms of the Agricultural Act of 1949.

This means, then, that it will be the determination of the Secretary at what level dairy products are supported in 1955, and the same thing holds true of other agricultural commodities.

But what of 1956 and the years thereafter?

This is a question which should be regarded with concern by the dairy farmer and the producer of every other agricultural commodity.

Whether they like the truth or not, supporters of a rigid 90-percent program must face up to the fact that with a less courageous Secretary of Agriculture than Mr. Benson, the future would be fraught with even greater peril than it is today—and the seriousness of the present situation cannot be regarded lightly.

There is a dangerous tendency on the part of advocates of fixed high support levels to justify their position on the basis of comparisons with other elements of our national life. They compare the money spent in supporting dairy prices with the cost of supporting the cotton program; or they compare the income of the wheat farmer with the wage of the industrial worker. They can advance arguments and data which tend to support their position, but, unfortunately, those are not often the factors which determine the voting.

The grave truth of the matter is that antagonism toward price supports is mounting steadily, and will not be diminished by the knowledge that even at 75 percent of parity the Government is forced to buy a large quantity of dairy products to maintain that level. Not knowing the factors bringing about that situation, the public is likely to figure that prices based upon supports of 75 percent of parity must still be pretty attractive to the dairy farmer to keep him producing milk and its products in such quantities.

What would be the situation a year from now if Secretary Benson had succumbed to the clamor for a continuance of supports at 90 percent of parity?

Mr. Benson makes no secret of his concern about the situation, even under the program which became effective April 1 of this year.

In his appearance before the Senate Committee on Agriculture last month, he declared that "this swelling total of CCC loans and inventories—limited though it is to a few commodities—is fast approaching a point where the entire program may collapse of its own weight."

The Secretary expressed hope that this would not happen because there is so much in the farm program that is sound and worthy of preservation; but he did express fear that "if we do not heed the storm warnings now on the horizon, many positive gains in the field of agricultural legislation will be swept away."

In his appearance before the committee, the Secretary also pointed out that "regulating the number of cows or the volume of milk, deliveries is stiffer medicine than the dairy industry seems ready to take."

That is true, and with good reason. As Dairy Record has pointed out upon a number of occasions, small volume, either on farm or in factory, has been demonstrated as uneconomic on the basis of cold calculation of cost figures. But, as we have also pointed out, controls must be based either on price or marketing quotas. The latter reduces economies in production and processing and tends to stultify promotional effort.

To repeat ourselves once again, dairymen must come to an acceptance of the fact that a sound and enduring support program must conform as nearly as possible to the practices of a free market. Obviously, there is no place for a rigid support program in that scheme of things.

All of which adds up to the proposition that those who have damned Benson so freely may soon realize that they owe him a debt of gratitude for having the foresight to sense the danger, and the courage to take an unpopular choice in the hope of averting disaster.

COMMEMORATION OF ARMENIAN INDEPENDENCE DAY

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD a statement I have prepared commemorating the occasion of Armenian Independence Day, which will be observed throughout the United States by Americans of Armenian descent on tomorrow, May 28, 1954.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LEHMAN COMMEMORATING ARMENIAN INDEPENDENCE DAY, MAY 28, 1918

I wish to join with Americans of Armenian descent in commemorating this anniversary of the short-lived independence of the Armenian Republic. It is our sincere hope that the day is not far distant when the Armenians and the other enslaved peoples of the world will again live under the banners of freedom.

In this age, peace and not war is the truest ally of freedom. Liberation of the enslaved peoples of the world cannot be accomplished by the atom or hydrogen bomb. True and lasting liberation can only be achieved by a lasting peace. If we can establish a lasting peace, we will advance the cause of freedom, for tyranny cannot endure in a peaceful modern world. The chains that bind the enslaved peoples of Armenia will snap and break under the irresistible strains of peace.

The Armenian people have a long record of devotion to the cause of freedom. For generations they have valiantly resisted the efforts of tyrannical regimes to stamp out their love of country, their culture, and their language. All those efforts have failed. The most fearsome acts of oppression have only served to stimulate and enhance the love of freedom among the Armenian people.

Men and women of Armenian birth have found homelands in many parts of the world. Their venturesomeness and their enterprise have become world bywords. They have made rich contributions to the lands they have adopted. In America the record of contributions by individuals of Armenian birth and descent is long and impressive.

I think that one way in which America can acknowledge that contribution is by upholding the cause of freedom and the doctrine of self-determination for the enslaved peoples of Armenia as for all peoples who are oppressed.

The long nights of oppression and tyranny which the valiant Armenian people have endured for so long have not diminished their yearning for the dignity of freedom and the richness of liberty. We in the free world must never forget these valiant peoples.

WATER FOR IRRIGATION AND DOMESTIC USE FROM THE SANTA MARGARITA RIVER, CALIF.

The Senate resumed the consideration of the bill (H. R. 5731) to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities to provide water for irrigation and domestic use from the Santa Margarita River, Calif., and the joint utilization of a dam and reservoir and other waterwork facilities by the Department of the Interior and the Department of the Navy, and for other purposes.

Mr. KNOWLAND. Mr. President, I submit a proposed unanimous-consent request, which I ask to have read for the information of the Senate.

The PRESIDING OFFICER. The proposed unanimous-consent request will be read.

The Chief Clerk read as follows:

Ordered, That following the joint meeting of Congress on Friday, May 28, during the further consideration of H. R. 5731, to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities to provide water for irrigation and domestic use from the Santa Margarita River, Calif., and the joint utilization of a dam and reservoir and other waterwork facilities by the Department of the Interior and the Department of the Navy, and for other purposes, debate on any amendment or motion (including appeals) shall be limited to not exceeding 60 minutes, to be equally divided and controlled, respectively, by the mover of any such amendment or motion and the Senator from California [Mr. KUCHEL] in the event he is opposed to such an amendment or motion; otherwise, by the mover and the Senator from Illinois [Mr. DOUGLAS]: *Provided*, that no amendment that is not germane to the subject matter of the said bill shall be received: *And provided further*, That debate upon the bill itself shall be limited to not exceeding 2 hours, to be equally divided and controlled, respectively, by the Senator from California [Mr. KUCHEL] and the Senator from Illinois [Mr. DOUGLAS].

Mr. DOUGLAS. Mr. President, reserving the right to object—and I do not intend to object—I may say that I should have preferred having an additional day's delay in the consideration of the measure, in order that it might be more carefully considered by the Senate, and so that some Members of the Senate who will not be present tomorrow might be in attendance and have an opportunity to express themselves on the bill.

However, I have no desire to delay the proposed legislation, and I think it would be a convenience to the junior Senator from California [Mr. KUCHEL] to have the proposed request agreed to, so I am very glad to express my consent to the arrangement.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

Mr. DOUGLAS. Mr. President, I submit amendments intended to be proposed by me to the bill (H. R. 5731) to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities to provide water for irrigation and domestic use from the Santa Margarita River, Calif., and the joint utilization of a dam and reservoir and other waterwork facilities by the Department of the Interior and the Department of the Navy, and for other purposes. I ask unanimous consent that the amendments be printed, lie on the table, and be printed in the RECORD.

There being no objection, the amendments were received, ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 6, line 24, after "That", insert "(a)."

On page 9, between lines 8 and 9, insert the following:

"(b) Nothing in this act shall be construed to authorize the Fallbrook Public Utility District to apply for or obtain permits to appropriate and use water to which the United States of America has prior rights under the laws of California. This act is only intended to provide for the storage and distribution of water remaining after the needs of the United States of America have first been satisfied within the limits of the water to which it is entitled under the laws of California. Nothing herein is intended to abate the suit or suits now pending in the Federal courts in California and in the United States Court of Appeals for the Ninth Circuit to determine the rights of the United States of America and others in the water of the Santa Margarita River but the Justice and Navy Departments are hereby authorized and directed to prosecute said suits to final judgment notwithstanding any contrary provisions of Federal law."

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, at this point in my remarks, a very interesting article entitled "Battle for a River," written by Sam Stavisky, and published in the Washington Post and Times Herald this morning.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BATTLE FOR A RIVER

(By Sam Stavisky)

MANEUVERS ON CAPITOL HILL

A most curious piece of legislation comes up before the Senate today.

The measure calls for construction of a $17 million dam to catch the "excess water" of the Santa Margarita River, in southern California, so as to divide it between a huge Navy base and a local interest group.

Actually, there is a distinct possibility that the legislation would authorize the building of a dry dam, because there may not be any excess water.

The legislation is the latest round in a 6-year battle between the Navy and a group of avocado and lemon growers, backed by powerful congressional support, for the limited, but vital, water resources of the Santa Margarita.

So strong is the political support of the growers—organized into the Fallbrook Public Utility District—that Justice Department, as well as Navy, has been barred by appropriation act riders from prosecuting the Government's water rights claims against the Fallbrook group.

On Capitol Hill, the Fallbrook growers are championed by Vice President RICHARD NIXON, Majority Leader WILLIAM F. KNOWLAND, and virtually the entire California delegation. Twice Santa Margarita dam projects on behalf of the Fallbrook growers, have cleared the House, over the opposition of the Justice Department and the Navy.

Today, the dam legislation comes up before the Senate.

There has been ample testimony before the House and Senate committees over the needs of the Navy and the growers for Santa Margarita water. The testimony, however, has been conflicting as to how much water actually flows down this relatively small river, only 60 miles long, often dry in the summer. There has been equally controversial testimony as to rights to the water, as against needs.

Last year, Chief Judge Leon R. Yankwich, of the United States District Court for Southern California, concluded after long litigation, that there is no "surplus water" in the stream.

The jurist, in effect, ruled that the Navy had top priority rights to the water, and was utilizing just about every drop available to meet its requirements for Marine Training Camp Pendleton, an ammunition depot, and a 1500-bed hospital, located on the huge Navy reservation.

Judge Yankwich's ruling backed up the position of the Justice Department and the Navy, which have been resisting all State and local moves to limit the Navy's rights to Santa Margarita water.

Both Justice and Navy, in a seeming about face, have dropped their objections to the Senate bill coming up today. Government lawyers say the wording of the Senate bill is such that, taken togther with the Yankwich ruling, the Navy's full rights to the natural flow of water, before any "excess" can be captured, is fully protected. As to arguments that the dam may have no water to bottle up, Justice and Navy take the position that the legislation is strictly political.

Pioneers from Mexico first developed the Santa Margarita, whose watershed for the most part was divided in recent years between two families. In 1952, the Navy purchased one of these family holdings, Rancho Santa Margarita, some 135,000 acres, to establish Camp Pendleton, through which the final third of the Santa Margarita River flows into the Pacific.

When, in 1948, the Fallbrook Public Utility District, acting for farmers and tractholders in the area, began to draw off an increasing amount of water above Camp Pendleton, the Navy became concerned.

The Navy, backed by the Justice Department, held that in acquiring Rancho Santa Margarita, it had also acquired "paramount" rights to the waters, under California laws. Local interests, supported by the State, charged Federal usurpation, but the Navy insisted that its rights were based on State laws.

At Navy's behest, the Justice Department took the issue to Federal court for clarification of its water rights. At the same time, 1,200 tractholders in the area were notified of the suit so that they would have an opportunity to present their own claims.

Principal defendants were the State of California, the Fallbrook Public Utility District, and the Santa Margarita Mutual Water Co., a rival local interest group.

Before trial was called, however, the Senate tied a rider to the Justice Department's budget forbidding expenditure of any funds to prosecute the case, thus barring it from further action in the controversy.

Meanwhile, the Fallbrook Public Utility District had gone futilely to the Ninth Circuit Court of Appeals seeking an injunction against the trial, which the Navy refused to drop, charging that Judge Yankwich lacked jurisdiction.

Justice Department intervened again, this time to defend the judge. Assistant Attorney General William H. Veeder blocked the injunction but he—and his secretary, Mrs. Barbara V. Doe—discovered that during the

month of defending the judge, they had been dropped from the Justice Department payroll—as a result of the appropriation rider.

In seeking to bar the trial the second time, the Fallbrook Public Utility District won a temporary injunction, so that when the Navy took over the trial from Justice, Fallbrook was missing from the list of defendants. Navy won the decision in March 1953, and the Santa Margarita Mutual Water Co. has appealed the case to the circuit court.

By the time Navy could move against Fallbrook, the Senate Appropriations Committee—and Congress—slapped a similar you-must-not-prosecute rider on Navy funds, as well as Justice.

Meanwhile, there is the bill to build a dam at Camp Pendleton to catch the "excess water" of the river—although the judge who went into the ramifications of the case concludes there is no "excess water."

Mr. KNOWLAND. Mr. President, I am very pleased to be able to speak today in behalf of the pending bill, H. R. 5731, which proposes an equitable solution to the Santa Margarita water rights controversy involving the community of Fallbrook, Calif. Parenthically, I might say at this point that in my 9 years' service in the United States Senate few domestic issues of more concern to California have come into my office.

I am particularly appreciative that at long last the representatives of the executive branch of the Government, the State of California, and the community of Fallbrook have been able to merge their respective viewpoints in an equitable solution to the water rights of the Santa Margarita River, as is provided in the pending bill.

I would like to review briefly, for the information of the Senate, the lengthy history of this water rights controversy.

As everyone familiar with the problems of the West realizes, water is the lifeblood of the agricultural, industrial, and mining segments of the economy of the Western States. Without an adequate water supply to provide for its steadily increasing population and growing economy, the western area of the United States, with its beneficial climate and fertile land regions, would become a critical burden on the Nation's economy, and would, in fact, be no more productive to the general welfare than vast arid areas are today.

In southern California the Santa Margarita River and its tributaries are the major source of water for the farming population, urban areas, and the military installations in or surrounding Fallbrook, Calif. In years past, a large amount of water has been permitted to be wasted into the ocean due to the lack of any water storage facility, and it has been estimated conservatively that this waste amounts to more than 20,000 acre-feet of water annually.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a statement by the State engineer of California before a subcommittee of the Senate Interior and Insular Affairs Committee on March 12, 1954, which shows the annual runoff of water wasting into the ocean.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF A. D. EDMONSTON, STATE ENGINEER, STATE OF CALIFORNIA, TO THE SUBCOMMITTEE OF THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS AT A HEARING ON S. 2521, MARCH 12, 1954

The State of California, through the division of water resources, is currently engaged in an investigation of the water resources of the Santa Margarita River watershed, for the benefit of all landowners and water users in the area. This investigation is of concern not only to local interests, but to the entire State, and the division of water resources is concerned in future development of the Santa Margarita River watershed as representative of all these interests in furtherance of the public welfare.

This investigation was authorized by the California State Legislature in its budget act of 1952, chapter 3, statutes of 1952, and the sum of $150,000 was appropriated to the division of water resources for this purpose. Fieldwork started in July 1952, and has been carried out from temporary headquarters in the town of Murrieta located within the Santa Margarita River watershed. Although a report on this investigation is not scheduled for completion until the summer of 1955, field surveys are essentially completed and sufficient preliminary studies have been made so that tentative conclusions regarding the water supply situation in the watershed can be made at this time.

The primary objectives of the investigation are as follows:

1. Evaluation of the water supply of the Santa Margarita River and its tributaries.

2. Determination of the extent of present development and water requirements therefor.

3. Estimation of the probable extent of ultimate developments and water requirements therefor.

4. Investigation of methods of further conservation of local water resources.

5. Evaluation of the need for imported water, and the development of plans for such importation.

The Santa Margarita River watershed, encompassing an area of some 740 square miles, has an average annual undepleted natural runoff at its mouth of 36,000 acre-feet of which 25,000 acre-feet per year is presently wasting to the ocean. Typical of other streams in southern California, runoff in the Santa Margarita River is extremely erratic in nature. During the 15-year period from 1936–37 to 1950–51, the mean daily discharge to the ocean varied from 30,700 acre-feet on March 3, 1938, to zero from March 1949 through the year 1951. Runoff varies over wide limits during a given year with most of the flow occurring during the winter months and with little or no flow at the mouth of the river during the summer months. For example, during the seasonal year of 1937–38 when 122,000 acre-feet discharged to the ocean, 106,400 acre-feet of this occurred in the month of March, and 75,000 acre-feet occurred in 4 consecutive days of that month. Cyclic and seasonal storage is required in order to make this erratic waste available for beneficial use.

The most economic and feasible project on the river to regulate substantially all of the waters now wasting to the ocean is a dam and reservoir at the De Luz site in the lower reaches of the Santa Margarita River 12 miles upstream from the mouth.

Such reservoir for flood control and water conservation purposes of gross capacity of 211,000 acre-feet (174,000 acre-feet net water conservation, 23,000 acre-feet flood control, and 14,000 acre-feet sediment), would provide an average annual yield of 20,000 acre-feet, after taking into consideration water used from the Vail Reservoir and all other existing upstream diversions both surface and underground. With such construction and operation of a dam at the De Luz site, the average annual safe yield of ground water storage downstream from the De Luz site would be about 2,100 acre-feet per year. Thus, the total supply available for beneficial use from both ground water and surface storage in the coastal area would be about 22,100 acre-feet per year. Construction of a dam and reservoir at the De Luz site to yield 20,000 acre-feet per year would essentially effect complete conservation of the waters of the river now wasting to the ocean. The waste that would occur would be very infrequent and it is not considered economically feasible to effect its capture.

We have found that further surface storage developments upstream from the proposed De Luz Reservoir are not economically feasible, and that full practical utilization is presently undeveloped ground water storage capacity upstream. However, because of lack of adequate replenishment in some areas and the difficulties experienced in obtaining wells of sufficient yield to support irrigation developments in other areas, it is considered unlikely that these basins will be extensively developed. It follows that little expansion of upstream irrigated areas can occur with use of local water sources. Therefore, the yield of the proposed De Luz Reservoir will not be materially affected by future upstream development.

It is therefore concluded that the construction of a dam and reservoir as has been described, at the De Luz site, to provide a safe yield of 20,000 acre-feet per annum is a desirable development from a basinwide standpoint and in the public interest.

Mr. KNOWLAND. Mr. President, the Fallbrook public-utility district which has been providing the water supply for the civilian community in the area has been operating since 1922. In 1946 a controversy arose with the naval facility in the area, Camp Pendleton, over the water rights in the Santa Margarita River which were possessed by the Fallbrook public-utility district and Camp Pendleton, respectively, during the years 1948 to 1949, negotiations between the two parties in interest were carried on in an attempt to reach a solution over the conflicting claims whereby an agreement might be consummated to provide for the division of such waters as could be utilized by the construction of a storage facility on the river. In the latter year, 1949, an agreement was reached with the Department of the Navy, which had supervisory responsibility for Camp Pendleton, to construct what has since been known as the De Luz Dam.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a copy of the memorandum agreed to in 1949.

There being no objection, the memorandum of agreement was ordered to be printed in the RECORD, as follows:

MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF THE NAVY, THE FALLBROOK PUBLIC UTILITY DISTRICT, DEPARTMENT OF THE ARMY, AND THE DEPARTMENT OF THE INTERIOR

The parties named in the title of this memorandum all being conversant with the terms and provisions of the attached bill for an act to authorize the Secretary of the

Navy to construct, maintain, and operate a dam and reservoir on the Santa Margarita River in the State of California and for other purposes, have reached the following understanding relating to the operation of said proposed dam and reservoir when authorized and construction thereof is completed.

1. Best obtainable hydrologic data, which are accepted by the parties as the basis for this understanding show that a dam built at the De Luz site to a height sufficient to create a reservoir of 188,000 acre-feet active conservation capacity will create a reservoir having a firm yield during its initial filling as indicated by the figures below:

Active reservoir content March 1 (acre-feet):	*Subsequent firm yield (acre-feet)*
0	3,400
44,000	8,000
54,000	9,000
63,000	9,800
74,000	10,800
83,000	11,600
94,000	12,500
98,000	12,800
115,000	14,300
139,000	16,300
160,000	18,000
176,000	19,300
188,000	20,000

Subsequent to the reservoir filling to 188,000 acre-feet, the firm annual yield is estimated to be 20,000 acre-feet at any stage of the reservoir.

2. As between the naval reservations and the Fallbrook public-utility district, division of the waters of the Santa Margarita River and of the De Luz Reservoir shall conform to the following:

(a) Until such time, immediately following construction of De Luz Dam, as the reservoir attains an active content of 63,000 acre-feet, Naval Reservations will satisfy their basic requirements but not exceed a draft upon the reservoir of 8,000 acre-feet in any year except in the case of a national emergency involving mobilization; Fallbrook would satisfy its requirements to the extent possible without exceeding a draft upon the river or reservoir of 1,800 acre-feet.

(b) After the reservoir has attained an active content of 63,000 acre-feet and until an active content of 98,000 acre-feet has been attained, the naval reservations will satisfy their basic requirements but not exceed a draft upon the reservoir of 8,000 acre-feet in any year except in case of a national emergency involving mobilization; Fallbrook would divert from the river or reservoir the difference between the firm yield indicated in the table above, and the naval reservations' 8,000 acre-feet.

(c) When an active reservoir content of 98,000 acre-feet is reached, the 12,800 acre-feet yield of the reservoir will have been divided, following the rule of (b), 8,000 acre-feet to the naval reservations except in case of a national emergency involving mobilization, 4,800 acre-feet to Fallbrook. These quantities represent 62.5 and 37.5 percent of the whole. Thereafter, and until the reservoir fills, the firm yield of the reservoir as indicated by the table above shall be divided in that proportion.

(d) After the reservoir fills, and except in the case of national emergency involving mobilization, the 20,000 acre-feet firm yield would be divided: 12,500 acre-feet to the naval reservations, 7,500 acre-feet to Fallbrook. Water unused by either party after the reservoir fills initially would accrue to the credit of that party. Credit to the United States and to Fallbrook shall not exceed 62.5 and 37.5 percent, respectively, of that part of the conservation capacity that would be unoccupied if no credits existed to either party. When the reservoir refills to its full conservation capacity, namely, 188,000 acre-feet, all credits to either party shall become null and void.

3. Water losses from De Luz Reservoir, including but not limited to evaporation losses, shall be charged against water in storage to the credit of the Naval Reservations, Fallbrook Public Utility District, or both, and against that water which would be in De Luz Reservoir if no credits to either party existed in the ratio that each segment of the reservoir content bears to the total content.

4. All claims of the Fallbrook Public Utility District in and to rights to the use of waters from the Santa Margarita River will be transferred to the reservoir created by the proposed dam, and after it is in operation, be forever satisfied from the quantities of water accorded to that district pursuant to this Memorandum of Understanding.

5. It is understood and agreed that the top 23,000 acre-feet of De Luz Reservoir shall be used exclusively for the control of floods of the Santa Margarita River, under rules prescribed by the Secretary of the Army through the Chief of Engineers.

6. In case the Secretary of the Interior shall, as provided in the proposed bill, transfer to the contracting body or bodies the operation of the works provided for in section 2 of the proposed bill, the Secretary of the Navy will make available to such body or bodies free and unrestricted access to those works as may be necessary for the proper operation of the works and facilities, subject only to the requirements of the national defense.

7. It is understood that nothing contained in this memorandum of understanding is intended to affect the right, title, and interest of the United States of America to the right to the use of water from the Santa Margarita River, as provided for in the judgment entered in the case entitled "*Rancho Santa Margarita, a corporation*, v. *N. R. Vail et al.*, No. 42850, in the Superior Court of the State of California, in the County of San Diego."

8. It is understood that the Department of the Navy will initiate a request of the Department of Justice that appropriate action be taken by the United States to protect the rights to the use of water as proposed in this memorandum of understanding whenever and wherever the same may be attacked.

9. It is understood that the Secretary of the Navy and the Secretary of the Interior will request the Attorney General of the United States to advise them of the best means to safeguard and protect the use of water by the United States as herein proposed and against any encroachment thereof.

10. It is understood that the provisions of this memorandum of understanding are subject to approval by the Department of the Navy, Fallbrook Public Utility District, Department of the Interior, and the Department of the Army, and that it shall not be effective unless approved by all of the parties.

DEPARTMENT OF THE NAVY.
FALLBROOK PUBLIC UTILITY DISTRICT.
DEPARTMENT OF THE ARMY.
DEPARTMENT OF THE INTERIOR.

Mr. KNOWLAND. Mr. President, immediately prior to the submission of a bill in Congress which would have authorized the construction of the project, the Justice Department interposed an objection to the agreement, which resulted in the Navy Department's withdrawing its consent to the agreement heretofore mentioned. Further attempts at negotiating a settlement of the conflicting water interests were carried on without success in 1950, and, in 1951, the Department of Justice, without any notification, commenced a lawsuit against more than 14,000 water users in the Santa Margarita area to quiet title to the Government's water rights, which, incidentally, was alleged in its complaint as including more water than exists in the Santa Margarita River. The expense, confusion, and uncertainties which this lawsuit caused the people of California involved was brought to the attention of their representatives in the Congress, and since that time vigorous efforts have been made to secure an equitable solution of what had become a State problem and, indeed, a problem involving the State water laws of all the Western States. I might say at this point that congressional support and sympathy for the position of the hundreds of water users in that area of the State has been entirely of a bipartisan nature.

Mr. President, I ask to have printed in the RECORD at this point a compilation of legislation and hearings on the Fallbrook water controversy and other action taken with respect to this important issue.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

LEGISLATION AND HEARINGS ON FALLBROOK WATER CONTROVERSY

December 14, 1949: Memorandum of understanding between Fallbrook Public Utility District and various Federal agencies.

January 25, 1951: Complaint filed in the United States District Court for the Southern District of California.

August 13, 14, 1951: Hearings of the House Special Subcommittee on Irrigation and Reclamation of the House Interior Committee at Fallbrook. (Report filed September 18, 1951.)

September 22, 1951: Senate Judiciary Committee hearings on nomination of A. Devitt Vanech as Deputy Attorney General.

October 5, 6, 8, 1951: Hearings by House Interior Committee on H. R. 5368.

January 22, 23, and February 19, 1952: House Interior Committee hearings. (H. R. 5368 reported February 21, 1952.)

April 4, 1952: Amendment limiting funds to prosecute the case, introduced and adopted on floor of House to State, Justice, and Commerce appropriation bill for fiscal year 1953.

May 12, 1952: House passed H. R. 5368.

June 13, 1952: Hearings before Senate Subcommittee on State, Justice, and Commerce appropriation for fiscal year 1953 with Solicitor General Perlman.

June 23, 1952: Further hearings before Senate Subcommittee on State, Justice, and Commerce appropriation for fiscal year 1953.

July 1, 2, 1952: Hearings by Special Subcommittee of the Senate Interior and Insular Affairs Committee on H. R. 5368 and S. 2809.

January 30, 1953: Comptroller General's report on violation of appropriation limitation.

March 2, 1953: House hearings on State, Justice, and Commerce appropriation for fiscal year 1954.

March 25, 1953: Senate hearings on State, Justice, and Commerce appropriation for fiscal year 1954.

March 1953: Special Interim Committee of the California State Senate to investigate the Fallbrook controversy.

May 15, 1953: Further Senate hearings on State, Justice, and Commerce appropriation bill for fiscal year 1954.

July 2, 1953: Fallbrook limitation to Defense appropriation bill introduced and

adopted on the floor of the House. (By Congressman UTT.)

July 2, 1953: Senate Government Operations Subcommittee hearings on Comptroller General's Report.

July 9, 22, 1953: Hearings of the House Interior Committee on H. R. 5731 (not published). (Bill reported July 27, 1953.)

July 31, 1953: H. R. 5731 passed the House.

December 7, 10, 1953: House hearings on the State, Justice, and Commerce appropriation bill for fiscal year 1955.

March 12, 1954: Hearings of Senate Interior and Insular Affairs Committee on H. R. 5731 and S. 2521. (Bill reported May 11, 1954.)

March 30, 1954: House hearings on Defense appropriations bill for fiscal year 1955.

March and April 1954: Senate hearings on Defense and State, Justice, and Commerce appropriation bills, including Fallbrook testimony. (Bills not yet reported and hearings not available to date.)

Mr. KNOWLAND. Mr. President, the lawsuit which the Department of Justice had filed in the Federal Courts of the Southern District of California magnified the controversy, as I have mentioned, to one of State and National concern. Taking heart from the Supreme Court's ruling that the so-called tidelands properly belonged to the Federal Government because of its paramount right in such areas, the Justice Department alleged in its complaint that the doctrine of paramount rights extended even to inland waters. The State of California promptly intervened in the action. Subsequently, because of the immediate reaction in California and other western States to the Justice Department's extension of the doctrine of paramount rights, the Department reluctantly conceded that the Federal Government stood in no better position than any private citizen with respect to riparian and appropriative water rights on inland waters. Notwithstanding this concession, the Department of Justice continued to serve notice on hundreds of small water users who for years had depended on the Santa Margarita River for their sole water supply. I might say at this point that the Federal judge who presided over the Government's case characterized many of these small defendants as "teacup users." I wish to say, Mr. President, that it is a good thing that in at least one area of the world teacup users still retain constitutional rights which protect them from an arbitrary abuse of power on the part of their Government.

In the past, because of the uncompromising position of the Department of Justice in this lawsuit, and the complete abandonment of any effort to seek an equitable solution to the water rights controversy, despite the prohibitions which were included in the appropriation bills in the 82d and 83d Congresses the Department of the Navy, with the collaboration of the Department of Justice, continued to prosecute the court action. This violation of congressional edict was brought to the attention of the General Accounting Office, and an opinion was rendered which demonstrated clearly the violation of law in this regard.

Mr. President, I ask unanimous consent at this point in my remarks to have printed a copy of the Comptroller General's opinion of January 30, 1953, relative to the failure of the executive branch of the Government to comply with the mandates of the Congress in the appropriation bills which have previously been referred to.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, January 30, 1953.

The Congress:

Pursuant to the provisions of section 312 of the Budget and Accounting Act, 1921 (42 Stat. 26), directing the Comptroller General to specifically report to the Congress every expenditure made by any department in any year in violation of law, the following report is submitted relative to payments deliberately made, and apparently being made, by the Department of the Navy in direct contravention of law after being authoritatively informed that such a course of action would be a violation of law.

Section 208 (d) of the Department of Justice Appropriation Act, 1953 (66 Stat. 560), provides as follows:

"None of the funds appropriated by this title may be used in the preparation or prosecution of the suit in the United States District Court for the Southern District of California, Southern Division, by the United States of America against Fallbrook Public Utility District, a public service corporation of the State of California, and others."

The lawsuit referred to in the section was instituted by the Department of Justice at the request of the Navy Department. By reason of the prohibition against the use of the Department of Justice appropriations for the fiscal year 1953 in the preparation or prosecution of the said suit, the former Secretary of the Navy requested in letter dated August 18, 1952, that the Comptroller General render a decision as to whether the appropriations available to that Department are affected in any way by the provisions of the above-quoted section. By decision of August 29, 1952, B-110945, the Secretary of the Navy was informed that the employment or retention and payment from the funds available to the Navy Department of counsel directly to represent the United States in the preparation, prosecution, or defense of the lawsuit would be in direct contravention of law and was not authorized.

The decisions of the Comptroller General respecting the availability and use of public funds appropriated by the Congress are by statute made final and conclusive upon the executive branch of the Government. (Sec. 8 of the act of July 31, 1894, 28 Stat. 208, as amended by sec. 304 of the act of June 10, 1921, 42 Stat. 24, 31 U. S. C. 74. See 5 Comp. Gen. 822, 824; 14 id. 648, 650; 33 Op. Atty. Gen. 265; 26 id. 609; 23 id. 468; 22 id. 581.) Thus, upon the rendition of the decision of August 29, 1952, it was the plain duty of the Secretary of the Navy under the law to accept as final, and properly apply, such decision. Nevertheless, the Secretary deliberately chose to violate the law and the Department of the Navy continued and apparently is continuing the unlawful payment of salaries and other expenses incident to the prosecution of the Fallbrook suit. This was not a passive or inactive disregard of the law; it was an active violation with full knowledge thereof. In an impossible effort to support such action the former Secretary of the Navy contended that he is required to protect the interests of the United States and that his legal advisers informed him that the actions taken in the matter are lawful.

When the Secretary of the Navy requested and obtained a decision of the Comptroller General it was not left to the Secretary's legal advisers to inform him one way or the other on the subject matter. The decision of the Comptroller General concluded the matter—it was final upon the executive branch. That is the simple truth of the matter and that was well known by the Secretary's legal advisers.

Furthermore, it was not left to the Secretary of the Navy to decide whether prosecution of the suit was necessary to protect the interests of the United States. That matter was decided by the Congress through enactment of the provision under discussion. It is fundamental in our Government that it is for the Congress to say how and on what conditions the public moneys shall be spent; and it is not the province of the executive or accounting officers to question the wisdom of legislative enactments upon the use of the public moneys no matter how much a different result at times might seem desirable.

For use by the Congress in the consideration of this report there is attached a memorandum setting forth the material facts and circumstances in this matter, together with a copy of the decision to the Secretary of the Navy dated August 29, 1952.

In conclusion I repeat, the action of the Department of the Navy in this matter was, and apparently continues to be, a willful and deliberate violation of the law. Therefore, to the extent that the General Accounting Office is empowered to do so it will hold responsible officials, and their sureties, financially liable for all expenditures of public funds determined to be illegal.

Respectfully submitted.

LINDSAY C. WARREN,
Comptroller General of the United States.

MEMORANDUM REPORT OF THE COMPTROLLER GENERAL TO THE CONGRESS RELATIVE TO ILLEGAL EXPENDITURES BY THE DEPARTMENT OF THE NAVY IN CONNECTION WITH PROSECUTION OF THE SUIT ENTITLED "UNITED STATES OF AMERICA v. FALLBROOK UTILITY DISTRICT, ET AL."

Section 208 (d) of the Department of Justice Appropriation Act, 1953, approved July 10, 1952 (66 Stat. 560), provides as follows:

"None of the funds appropriated by this title may be used in the preparation or prosecution of the suit in the United States District Court for the Southern District of California, Southern Division, by the United States of America against Fallbrook Public Utility District, a public service corporation of the State of California, and others."

The referred-to suit was instituted by the Department of Justice on or about January 25, 1951, at the request of the Department of the Navy. It appears that the United States owns approximately 135,000 acres of land on the Santa Margarita River, Calif., presently utilized for the Marine Corps training base at Camp Joseph H. Pendleton, the United States Naval Depot at Fallbrook, Calif., and the United States Naval Hospital at Camp Pendleton. The purpose of the said suit, as appears from the complaint filed therein, was to have the rights of the United States to the use of the waters of the Santa Margarita River declared and the title to those rights quieted against the defendants named therein. The suit was prepared, filed, and conducted on behalf of the United States to a certain point by one William H. Veeder, then employed by the Department of Justice as a special assistant to the Attorney General.

The prosecution of the suit by the Government, beyond the effective date of the referred-to statutory prohibition, July 10, 1952, was first brought to my attention in com-

munications from various Members of Congress. As a result thereof, under date of July 30, 1952, I addressed a letter to the Attorney General calling attention to the restrictive provisions of section 208 (d) and to the congressional inquiries concerning the expenditure of public funds in contravention thereof. A report was requested as to the steps taken in the preparation or prosecution of the suit after July 10, 1952, together with a statement as to the appropriations or funds used for such purposes, and a reference to the statutory or other authority therefor. By reply of August 7, the Attorney General stated that there was no record of any expenditures from the Department's appropriations in connection with the suit since the approval of the Department of Justice Appropriation Act, 1953, July 10, 1952; and that the Department had advised the Navy Department it intended to abide by the will of the Congress in the matter.

In that connection there is on file in the General Accounting Office a copy of letter from the Attorney General to the Secretary of the Navy dated August 11, 1952, which referred to the restrictive provisions of said section 208 (d), and stated that the Department of Justice could not continue to prepare for or proceed to trial in the involved suit. The letter further stated that the Department was advised of the desire on the part of the Navy Department and the Marine Corps that the case should proceed because of its great importance; that in recognition of that urgent necessity the Department was willing that the case go forward and would be glad to qualify Navy Department attorneys as special assistants to the Attorney General; but that in order to comply with the will of the Congress, the Navy Department must bear all of the costs in connection with the preparation and prosecution of the suit.

On the afternoon of August 12, 1952, the then Secretary of the Navy met with me in my office for the purpose of discussing the matter of the suit in question. In that meeting the Secretary of the Navy stated that he had been advised by the Judge Advocate General of the Navy, who was also present, that appropriations made to his Department for the fiscal year 1953 are available for the prosecution of the suit, notwithstanding the statutory prohibition in the Department of Justice Appropriation Act, 1953, and that in reliance on such authority he had proposed and obtained the agreement of the Attorney General for Navy Department lawyers to continue with the suit. I advised the Secretary that the General Accounting Office was aware of the situation, had not taken any position as to the propriety of the suggested action, but that the matter was such as to require a formal decision. By letter dated August 18, 1952, the Secretary of the Navy wrote to me requesting a decision in the matter.

In compliance with the Secretary's request, a decision was rendered to him under date of August 29, 1952, B–110945. In the said decision it was stated that the important question involved in the case was whether the law and appropriations made available to the Navy Department expressly authorize or require that Department directly to institute, prosecute, and defend action on behalf of the United States in matters involving court proceedings. In connection therewith the decision quoted pertinent provisions of the Revised Statutes codified as title 5, United States Code, sections 49, 306, 307, 309, 312, 314, and 316, and section 5 of Executive Order 6166 of June 10, 1933, issued in pursuance of section 16 of the act of March 3, 1933 (47 Stat. 1517), which plainly vested in the Department of Justice the power and authority to represent the United States in the courts.

Thus it was stated that by reason of the plain and unambiguous terms of such provisions of law and in the light of decisions by the courts, the decisions of the accounting officers have long recognized the rule that, in the absence of specific authority by the Congress for departments and establishments of the Government to resort to litigation in the courts, in connection with the performance of the duties and responsibilities with which they are charged, it is the duty of the Attorney General, as chief law officer of the Government, to institute, prosecute, and defend action on behalf of the United States in matters involving court proceedings, and to defray the necessary expenses incident thereto from funds expressly provided therefor to the Department of Justice. It was pointed out that no specific authority was contained in title IV of the Department of Defense Appropriation Act, 1953, approved July 10, 1952 (66 Stat. 523), making appropriations for the Department of the Navy, or other law, which would authorize the Department of the Navy to represent the United States in matters involving court proceedings, or incur expenditures directly connected therewith. The decision applied the rule to the present case and concluded that the funds appropriated to the Department of the Navy were not available for the purpose desired.

With respect to the Secretary's contention that the duty of the executive branch of the Government to safeguard the property of the United States requires that every legal means be employed to secure a judicial determination of the Government's right here involved, the decision cited in the case of *United States* v. *California* (332 U. S. 19, 27–28), wherein the Court said that article 4, section 3, clause 2 of the Constitution vests in the Congress the power to dispose of and make all needful rules and regulations respecting property belonging to the United States, and, that in the exercise of such power, the Congress may limit the power of the Attorney General to prosecute claims for the United States. Of course, the primary duty of the executive branch is to see that the laws are faithfully executed—not violated.

Returning to the specific question presented for decision, namely, whether appropriated funds available to the Navy Department are affected in any way by the provisions of section 208 (d), it was said in the decision that:

"I fully appreciate the deep concern which you and others feel in this matter. However, the matter has received careful consideration, and in answer to the specific question presented in your letter it must be held that the employment or retention by you and payment from the funds available to the Navy Department of counsel directly to represent the United States in the preparation, prosecution, or defense of the suit in question, and the defrayment therefrom of expenses connected with such litigation, would be in direct contravention of law and is not authorized. Such being the rule, the answer is obvious as to why it was unnecessary for the Congress to apply the prohibition to other than Department of Justice appropriations. If the rule were otherwise, the evident purpose of the Congress in approving the provision in question seems so clear that I could not approve procedural or mechanical devices designed to overcome a technicality in order to circumvent that purpose."

Shortly before the decision of August 29, to the Secretary of the Navy, my attention was called to the continued prosecution of the suit by Mr. William H. Veeder, special assistant to the Attorney General, and to the conflicting information furnished by the Justice and Navy Departments concerning Mr. Veeder's employment status, the Department of Justice stating that Mr. Veeder was transferred to the Navy Department as of August 4, while the Navy Department denied that he was on its payroll. Under date of August 20, I addressed a letter to the Attorney General requesting a copy of Mr. Veeder's "notification of personnel action" or other pertinent papers showing the nature of the action, if any, which resulted in his separation from the Department of Justice. By reply of August 25, the Attorney General stated that Mr. Veeder's appointment in his Department was terminated at the close of business August 1, due to his transfer to the Navy Department on August 4, and furnished a copy of the requested "notification of personnel action" which confirmed said statement.

Representatives of the General Accounting Office interviewed Mr. Veeder on September 9, concerning his activities in the Fallbrook suit in relation to the provisions of section 208 (d). He stated that he departed California by plane on July 12, 1952, returned to Washington, D. C., on the same date, and performed no work on the Fallbrook suit until August 5; that it was his understanding an agreement was reached between the Justice and Navy Departments, concurred in by the heads thereof, that he would be transferred on that date to the Navy Department on a contract basis to continue the suit, and that all expenses incident thereto would be defrayed by the Navy so that the Department of Justice would not be violating the prohibition of section 208 (d); that it was recognized by all concerned that the arrangement merely was a method that would enable him to continue with the Fallbrook suit as a special assistant to the Attorney General; that he left Washington for California on August 6 in a Marine Corps plane, accompanied by Mr. David W. Agnew, attorney in the Navy Department, and Lt. Col. E. B. Robertson, USMC, for the purpose of drafting the pretrial order in the Fallbrook suit; that he remained in California until August 25, when the pretrial order was approved by the court; that he left California by Marine Corps plane on August 26, accompanied by Mr. Agnew and Lieutenant Colonel Robertson, and arrived in Washington on August 27; and that since the latter date he has worked in his office in the Department of Justice on cases other than the Fallbrook suit. Mr. Veeder apparently was reinstated on the rolls of the Department of Justice effective September 2.

Concerning his employment and payroll status during the period he was in California for the Navy Department, namely, August 6 to 27, Mr. Veeder stated that while in California he read in the newspapers that the Department of Justice and the Navy Department had both issued press releases denying that he was on their payrolls, but that there never was any question in his mind but that the agreement for his transfer to the Navy Department was in effect; that he was going to be paid by that agency; and that during his infrequent telephone conversations with the Judge Advocate General of the Navy no question as to his status ever was raised. Mr. Veeder further stated that on August 29 he was informed by the Deputy Attorney General that the Secretary of the Navy had stated he could not pay him (Veeder) for the period in August during which he worked on the Fallbrook suit, but that he would take care of his expenses—as distinguished from his salary—the amount of which should be communicated to Mr. John H. Dillon, Administrative Assistant to the Secretary of the Navy. Mr. Veeder went on to state that he telephoned Mr. Dillon and informed him that he had been in California on Fallbrook business 21 days, which at the established per diem rate of $9 per day would be $189, but

that during such period he had spent a total amount of $358 of his own funds for living expenses. Mr. Veeder stated that shortly thereafter a messenger arrived and gave him $350 in cash, and, being surprised as to such method of payment, he immediately telephoned Mr. Dillon, who assured him that the payment represented Federal funds which had been made available by the Secretary of the Navy.

Confining consideration at this point to the source of funds used for the payment of $350 to Mr. Veeder, I am informed that such payment was charged to the so-called contingency fund of the Secretary of the Navy. That fund is included under the appropriation "Servicewide operations" contained in title IV of the Department of Defense Appropriation Act, 1953, approved July 10, 1952, 66 Stat. 527, 528, in pertinent part, as follows:

"Not to exceed $9,132,000 for emergencies and extraordinary expenses, as authorized by section 6 of the act of August 2, 1946 (5 U. S. C. 419c), to be expended on the approval and authority of the Secretary, and his determination shall be final and conclusive upon the accounting officers of the Government."

In the light of Mr. Veeder's statements set forth above, and the source and nature of the funds used by the Secretary of the Navy to reimburse him for the expenses incurred in connection with the Fallbrook suit during August, the mystery as to his employment status and authority to participate in the suit, in the face of denials by the Attorney General and the Secretary of the Navy that he was on their payrolls during that period, now is all too clear. Apparently the transfer of Mr. Veeder to the Navy Department effective August 4 never was taken up by that agency so that the Secretary of the Navy technically could state that he was not on the payroll of his Department. But nevertheless it appears that the Secretary of the Navy sought and agreed to utilize Mr. Veeder in the prosecution of the suit; that Mr. Veeder proceeded to California by Marine Corps plane pursuant to the Secretary's directions without intention of rendering services gratis; and that while there he carried out his instructions, used Navy facilities, and otherwise was under the Secretary's jurisdiction and control. Such facts appear conclusive by virtue of the Secretary's action in charging the payment made by him to Mr. Veeder to the so-called contingency fund, the express provisions of which make his determinations with regard to expenditures therefrom final and conclusive upon the accounting officers of the Government. Under such circumstances who is to question the Secretary's determination to use the fund?

Notwithstanding the adverse decision of August 29, concerning the availability of Navy appropriations for preparation or prosecution of the Fallbrook suit, the Secretary did not discontinue unlawful activities and expenditures with respect to the suit, but, on the contrary, continued prosecution thereof. In that connection, the Attorney General on September 9, at the request of the Secretary of the Navy, qualified Mr. David W. Agnew of the Navy Department as a special assistant to the Attorney General for the express purpose of handling the Fallbrook suit. It is understood that Raymond de S. Shryock, commander, United States Navy, is associated with Mr. Agnew in the conduct of the suit. In an interview with the Judge Advocate General of the Navy on October 3, that official stated that the Navy Department disagreed with the decision of August 29, and that the Department was going ahead with suit even though certain expenditures might be disallowed by the General Accounting Office.

Under date of November 28, I addressed a letter to the Secretary of the Navy again calling attention to the prosecution of the Fallbrook suit and to my decision in the matter. There was requested a complete explanation as to the action taken by the Department in the suit since the date of my decision, namely, August 29, and the legal basis, if any, therefor; for a complete citation to all vouchers, showing the appropriation charged, on which salary and expenses connected with the preparation and prosecution of the suit have been paid by the Department since July 10, 1952; and for a statement as to what action the Department proposed to take in the future with a view to complying with the intent of the Congress in enacting the subject provision of law and the decision construing the same. By letter of the same date, I wrote to the Secretary of Defense transmitting a copy of my letter to the Secretary of the Navy, and requested his comment on the matter and a report as to the action taken in connection therewith.

By reply of December 22, the Secretary of the Navy stated that he had circularized the appropriate agencies of his Department for the purpose of preparing a complete citation to all vouchers evidencing expenditures connected with the Fallbrook suit, and that he would render a complete reply, in connection therewith, at a later date when the necessary information is available. The reply related the activity of the Navy Department in the prosecution of the suit and the court status thereof. If pointed out therein that trial of the suit commenced on October 29, before Judge Leon R. Yankwich in the United States District Court, Southern District of California, Central Division; that an order by the United States Court of Appeals, Ninth Circuit, served on Judge Yankwich on that date stayed further proceedings in the district court against the Fallbrook Public Utility District; that the trial proceeded with the Santa Margarita Mutual Water Co., the State of California, and the United States as parties; and that the trial was terminated on November 28, with the Government prevailing in the matter of the suit. With respect to the Fallbrook Public Utility District, the reply points out that the order of the court of appeals on the district court staying proceedings against the said company was granted pursuant to a petition by the company for a writ of mandate or a writ of prohibition alleging, among other things, that:

"Trial proceedings should be suspended by reason of section 208 (d) of the Department of Justice Appropriation Act, 1953."

The reply further states, in pertinent part, as follows:

"You will note that your letter to me of August 29, 1952, is among the authorities cited by Fallbrook to sustain its position that section 208 (d) of the Department of Justice Appropriation Act requires the suspension of the trial proceedings.

"Thus it is that the issue of the legality of the action I have taken in this matter is squarely before the United States Court of Appeals, Ninth Circuit, for decision. The Court of Appeals has not rendered a decision nor has it set a date for a hearing on the Fallbrook petition. Meanwhile action in the district court involving Fallbrook is stayed.

"I know you are aware of my position that my statutory duty and my oath of office require that I take all legal means available to protect the Government property entrusted to my care. I have been advised, and I believe, that my actions are within the sanction of law. In this, of course, you and I are in disagreement, a situation which I regret.

"Since, however, the very issue upon which we differ is pending before the court of appeals, since a decision favorable to my point of view was rendered by Judge Yankwich on August 28 in denying a motion for a continuance, and since the merits of the Government's cause of action have been blessed by a favorable decision in the district court, I venture to express the hope that you will see fit to rest the controversy in the courts. Should the decision of the courts go against me, I will, of course, retire completely from pressing the suit further."

The reply of the Secretary of Defense dated January 2, 1953, referred to the reply of the Secretary of the Navy of December 22, and stated that his legal advisers informed him that, in their opinion, the actions described in the latter letter and taken by the Secretary of the Navy to protect the interests of the Government are lawful. Also, the reply stated that the matter of the propriety of the use of Navy funds in connection with the suit is now before the court, and, under such circumstances, corrective action by him at this time hardly is in order.

It will be seen from these replies that nothing is contained therein other than to confirm a deliberate and flagrant disregard for statutory law and the plain intent of the Congress. It is for the Congress to say how and on what conditions the public moneys shall be spent, and when the Congress has so expressed itself, as it did in the enactment of section 208 (d), it is not given to the administrative or to the accounting officers of the Government to question its wisdom or substitute their judgment for that of the Congress. The General Accounting Office, as the agent of the Congress, is responsible for seeing that the appropriations made by the Congress to carry out the provisions of law are disbursed and accounted for in accordance with the laws relating thereto. In the exercise of its authority to decide upon the construction of law involving the legal availability of an appropriation for a proposed use, its decision in the matter is final and not subject to the review of any administrative official.

The General Accounting Office, therefore, will take appropriate action to disallow in the accounts of accountable officers the illegal payments of expenses incurred by the Navy Department in the preparation or prosecution of the Fallbrook suit.

Mr. KNOWLAND. Mr. President, since the change in administration renewed attempts have been made between the conflicting parties in interest to seek a solution to the water controversy which would provide adequate protection to the water interests of the people of the Fallbrook, Calif., community, as well as the military installation at Camp Pendleton.

In recent months, representatives of the Bureau of the Budget, Department of the Navy, Department of the Interior, and the Department of Justice, have been meeting with congressional representatives from California and State authorities and representatives from the community of Fallbrook in a sincere attempt to explore the feasibility of the construction of a dam and reservoir on the Santa Margarita River. These efforts resulted in a hearing before the Subcommittee on Irrigation and Reclamation of the Interior and Insular Affairs Committee, and the reporting of amendments to the bill, H. R. 5731, which is before the Senate for its consideration today.

In conclusion, Mr. President, let me say that the bill represents the culmination of the efforts of a great many people over

a long period of time to adjust amicably the sometimes conflicting civic problems which arise when the erection of a military installation forces the civilian and military population to have a common interest in common problems.

I would be remiss in my duty if I did not express my extreme appreciation for the time-consuming efforts devoted to this bill by my colleague, the junior Senator from California [Mr. KUCHEL].

I also wish to express deserved appreciation to the responsible officials of the three agencies of the Government who have endorsed the bill before the Senate, to the Senator from Colorado [Mr. MILLIKIN] and members of the subcommittee which held hearings on the bill, and to the Senator from Nebraska [Mr. BUTLER] and the members of the Committee on Interior and Insular Affairs who reported the bill.

I also pay a tribute to Mr. Phil Swing, former Representative from California, who has so ably represented the community of Fallbrook in the negotiations leading up to this legislation.

Mr. President, the bill recognizes the supremacy of State water law; it recognizes the interest of the Federal Government in preserving adequate water supplies for its military installations; it recognizes the rights of civilian populations to water supplies for their domestic purposes; it recognizes the always desirable and necessary comity between State and Federal interests, and I earnestly urge its passage by the Senate.

Mr. President, I desire now to make a brief announcement.

The PRESIDING OFFICER. The Senator from California has the floor.

FURTHER ANNOUNCEMENT OF JOINT MEETING OF THE TWO HOUSES TOMORROW

Mr. KNOWLAND. Mr. President, as I announced previously, there will be a joint meeting of the two Houses of Congress at 12:30 p. m. tomorrow, which will be addressed by His Majesty Emperior Haile Selassie, of Ethiopia. I hope that all Senators will be in the Senate Chamber not later than 12:10 p. m. tomorrow, so that they may be prepared to proceed in a body to the Hall of the House of Representatives and to be present in time for the joint meeting of the two Houses, commencing at 12:30 p. m. Members of the Senate should leave this Chamber not later than 12:15 p. m. Again, I strongly request all Senators to be present at the appointed time.

RECESS

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. KNOWLAND. Mr. President, if there is no further business to be brought before the Senate, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 3 minutes p. m.) the Senate took a recess until tomorrow, Friday, May 28, 1954, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate May 27 (legislative day of May 13), 1954:

NATIONAL SECURITY TRAINING COMMISSION

Warren Atherton, of California, to be a member of the National Security Training Commission for the term of 5 years expiring June 19, 1959. (Reappointment.)

CONFIRMATIONS

Executive nominations confirmed by the Senate May 27 (legislative day of May 13), 1954:

UNITED STATES DISTRICT JUDGE

A. Sherman Christenson, of Utah, to be United States district judge for the district of Utah.

UNITED STATES MARSHAL

William Ernest Smith, of Tennessee, to be United States marshal for the western district of Tennessee.

POSTMASTERS

CALIFORNIA

Julia A. Givins, Ferndale.
George P. Morgan, Georgetown.
Albert E. Lacy, Mount Hermon.
Arlene M. Schaeffer, Redondo Beach.
Howard V. Smith, Spreckels.
Harry E. Jungi, Taft.
Alice M. Percifull, Tehachapi.
John G. Oltmanns, Terra Bella.

CONNECTICUT

Earl E. Ritch, Cos Cob.
Joseph E. Tracy, Warehouse Point.
Douglas Q. Adams, West Suffield.

GEORGIA

William G. Chapman, Milner.

IDAHO

Harold D. Williams, Notus.

ILLINOIS

William R. Clark, Grand Chain.
John E. Pacatte, Midlothian.
Harold L. Appleton, Villa Park.
Donald T. Hanski, Worth.
Harold W. Sapp, Wyanet.

IOWA

Bernard G. Tranter, Carroll.
Leonard C. Bowman, Coon Rapids.
Josephine A. Roberts, Dawson.
Joseph H. Engel, Delhi.
Donald B. Campbell, Laurel.
George A. Arment, Montour.
Donald D. Stanzel, Sioux Rapids.
John C. Juhl, Walnut.

KANSAS

Inez M. Irby, Bogue.
Charles Kenneth Dunn, Cedar Vale.
Keith L. Cook, Louisburg.
William J. Gray, Lyndon.
Arthur D. Anderson, Thayer.
John M. Rogers, Toronto.

KENTUCKY

Carl Jones, Verda.

MAINE

Everett S. Hatch, Belfast.

MARYLAND

Carroll F. Bright, Denton.
Ellwood M. Walls, East New Market.
Jarrett S. Bell, Kingsville.
Leonard T. Oliver, Lexington Park.
James Nelson Cameron, North East.

MASSACHUSETTS

Roland E. Allen, Brewster.
Madeline A. Leonard, Segreganset.
Warren R. Gilmore, Wrentham.

MICHIGAN

Clyde M. Demerly, Clawson.
George E. Barlow, Okemos.
Esther E. Logan, Ottawa Lake.

MINNESOTA

Edward L. Domming, Bruno.
Ralph T. Risbrudt, Dalton.
Charles C. Barr, Viking.

MISSOURI

Elmer L. Alderman, Cole Camp.
Glenn C. Johnson, Perry.

MONTANA

Carl B. Peters, Billings.
Rudolph C. Polich, Rosebud.

NEBRASKA

Wayne A. Switzer, Clearwater.
Harold Clinton Hughes, Decatur.
Richard L. McPherran, Emerson.
Ira H. Moss, O'Neill.
Fred L. Stoddard, Ord.
Marvin R. Weber, Randolph.
Nellie L. Morehouse, Rulo.

NEVADA

Coverton K. Ryerse, Las Vegas.

NEW JERSEY

Mildred F. Locke, Avalon.

OREGON

Lester R. Rivers, Eagle Creek.

PENNSYLVANIA

A. Nelson Yearick, Lewistown.
Paul Eugene Barner, Liverpool.
Russell S. Weiss, Milford Square.
John F. Haines, Monroeton.
Theodore R. Curry, Punxsutawney.

SOUTH CAROLINA

Mason C. Stroud, Jr., Great Falls.

SOUTH DAKOTA

Willis A. Hall, Miller.
Dale M. Bruns, Whitewood.

TENNESSEE

Rufus L. Ford, Del Rio.
Jacob Matt Hunt, Johnson City.
David I. Huggins, Madison.

VERMONT

Mildred M. Perry, Jamaica.

VIRGINIA

Clyde L. Kinney, Bassett.
James R. Owen, Buffalo Junction.
David H. Webb, North Tazewell.
Roland P. Herndon, Swords Creek.

WASHINGTON

Harold F. Downey, Castle Rock.
Albert J. Middlesworth, Lakebay.
Murriel C. West, Lyle.
Sadie B. Sands, Metaline.
Clarence H. Currie, Monroe.
Erma M. Newman, Napavine.
Norman W. Senter, North Bonneville.
James T. Roberts, Pullman.
Myrtle M. Prim, Ryderwood.
Ida S. Eaton, Sappho.
Irene Eva Weeks, Seahurst.
Helen G. Young, Spanaway.
Thomas Stave, Yakima.

WISCONSIN

La Monte H. Dulmes, Adell.
Lenard M. Hoff, Brownsville.
Charles E. Olson, Holmen.
John Backes, Menasha.
Frederick C. T. John, Milwaukee.
John H. Buchholz, Pickett.
Maynard C. Puls, Seymour.
John M. Freeman, Waukesha.

WYOMING

William C. Campbell, Clearmont.
Harold H. Mortimer, Green River.

EXTENSIONS OF REMARKS

Anniversary of Armenian Independence Day

EXTENSION OF REMARKS
OF
HON. GUY M. GILLETTE
OF IOWA
IN THE SENATE OF THE UNITED STATES
Thursday, May 27, 1954

Mr. GILLETTE. Mr. President, I ask unanimous consent to have printed in the RECORD a brief statement prepared by me on the anniversary of Armenian Independence Day, May 28.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GILLETTE

On the 28th of May each year the Armenian people in the United States and throughout the world celebrate the anniversary of the independence of Armenia. Thirty-six years ago the people of Armenia established their freedom from foreign domination. Their country existed as an independent nation for 2 years, only to be swallowed up again in 1920 by the Soviet Empire.

I rise to express what I know to be the feelings of millions of liberty-loving Americans: We salute the brave Armenian people on the occasion of this 36th anniversary of their independence and we pray with them for the early deliverance of their oppressed homeland from the yoke of Soviet totalitarian tyranny.

Statement by Senator Gore on S. 3434

EXTENSION OF REMARKS
OF
HON. ALBERT GORE
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Thursday, May 27, 1954

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the RECORD the text of a statement which I made today before the Subcommittee on Business and Consumers Interest of the Committee on Interstate and Foreign Commerce on Senate bill 3434, to amend section 10 (f) of the Federal Power Act to provide that charges shall be paid by Federal power projects which are benefited by stream improvements constructed by other parties, the payment to be determined in the same manner as for charges to be paid by non-Federal interests, and for other purposes.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ALBERT GORE BEFORE SUBCOMMITTEE ON BUSINESS AND CONSUMERS INTEREST, COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, ON S. 3434, MAY 27, 1954

Mr. Chairman, I appreciate very much the opportunity to appear before your subcommittee for the purpose of presenting my views with reference to Senate bill 3434.

I am seriously concerned about the effects of the policy enunciated by the bill. I am concerned about the bill not only because of its direct or immediate effect but, also, because of its relation to and because it constitutes a part of a power policy now in the process of being developed by the administration which, in my opinion, is contrary to our public interest.

As I understand the bill, it would, if enacted, require that any federally owned hydroelectric power project, either now in existence or to be later constructed, be required to pay to the owners of any reservoir or water-use facility now in existence or hereafter constructed upstream therefrom an annual charge which would help to defray the cost of construction and the cost of operation of the upstream facility. I realize that, under existing law, privately-owned hydroelectric power projects may be required to pay an annual charge for benefits accruing to such project as a result of upstream reservoir construction.

Proponents of S. 3434 seek to justify the bill on the basis of what they are pleased to call equity. They would say that, since a private power project must pay for benefits accruing from upstream development, a similar duty should be imposed upon federally owned projects.

While the arguments presented in favor of this bill appear plausible, on the surface, such arguments ignore the fundamental distinctions between the two types of operation involved. The fact most often overlooked is that the water resources of our navigable streams belong to the people. The Supreme Court has repeatedly held that the right to develop such resources for the purpose of generation of hydroelectric power, in conjunction with other purposes, is a right which belongs to the people. No serious contention to the contrary has ever been successfully asserted. When the people, operating through their Government, erect a hydroelectric generating plant, they are doing nothing more or less than using their own resources for their own benefit. On the other hand, a private concern may acquire the right to utilize the resources of our navigable streams for private gain only by license or permission granted by the Government. When such a license is granted, certain rights to and control over resources belonging to the people are, in effect, granted to private firms or individuals. It should certainly follow that, in the granting of such a license, the Government, in behalf of the people, should impose such conditions as may be appropriate to protect the public interest.

Let us examine for a moment the effect of the proposal embodied in S. 3434. Let us assume that, on river X, there exists a federally owned hydroelectric plant. Corporation A applies for and receives a license to construct a dam and generating facilities at some point upstream from the federally owned facility. Under existing procedures authorizing accelerated amortization of construction costs for tax purposes, a portion of the cost of construction of the privately owned plant is paid by the taxpayers indirectly in the form of a tax subsidy. Efforts are now being made to have incorporated in the pending tax-revision legislation a provision which would make permanent the authority for accelerated amortization by utilities. If S. 3434 is enacted, the taxpayers may be called upon to provide a further subsidy in the form of annual payments which will help to defray, not only the cost of construction, but the cost of operation as well. This will be true despite the fact that corporation A—far from having its rights prejudiced—has been granted the right and privilege of developing public resources belonging to all the people and to retain the profits resulting from their operation.

It is important to note that, under the terms of the bill, the duty to make such annual payments would be imposed not only on Federal projects to be constructed in the future but on those already in existence as well. The determination of the economic justification of existing projects was made without reference to any such additional burden. Amortization schedules have been established to provide for repayment to the Treasury of the cost of power elements of existing projects, based on cost allocations which did not take into account the possibility that the Government might have to pay some private firm for the privilege of utilizing resources which are already owned by the people.

Then, too, as I understand it, the benefits accruing to such private firms would be made available not only to upstream facilities to be constructed in the future but also to those already in operation. As to such existing privately owned plants, this proposal constitutes nothing more than a proposal for the payment by the Government of windfall profits which were not contemplated either by the private concern or by the Government at the time the license to erect such a facility was granted. After all is said and done, the objective of this proposal is to increase the cost of generating power at federally owned projects and to decrease the cost of generating power at privately owned projects. This means, of course, an increase in rates for publicly generated power. Federally owned projects will still be required to amortize their construction cost and to make payment into the Treasury therefor out of revenues derived for their operations over the period of time already established by law.

Increased rates for publicly generated power continue to be the vital objective of private utility interests. Enactment of S. 3434, or any other measure embodying the same principle, will inevitably force such rates up to the detriment of the people.

Mr. Chairman, I think it is apparent that I am opposed to S. 3434 on principle, because I do not feel that payments by the Federal Government to a private concern, which has been allowed to develop public resources for private benefit, is justifiable or in the public interest.

I turn now to some of the specific provisions of the bill.

It is implied that the bill would merely impose upon federally owned power projects a duty of making payments for annual benefits similar to those now required of licensees under existing law. But the bill does far more than that. It makes substantial changes in the law. The effect of some of these changes is not easily ascertainable from a study of the bill's provisions. The existing law provides for certain payments to be made by licensees or permittees who are "directly benefited by the construction work of another licensee, or permittee, or of the United States."

The bill before the committee provides for payments in the event of any benefits (the word "directly" is omitted) accruing from construction, operation, or maintenance of any reservoir or other water-use facility. The bill specifically provides that the amount of such annual payments shall be determined by taking into consideration both the fixed costs and the operating and maintenance costs of the upstream facility.

The bill further provides for a redetermination or readjustment of the annual charges each 5 years. While the formula for deter-

mination of the charges is set forth in the most general terms, it appears that the amount of the charges would vary from time to time in accordance with changes in operation.

The administrative requirements for making such determinations are difficult to estimate. Certainly a considerable number of personnel would have to be added to the Federal Power Commission staff in order to administer the proposed law. I hope the subcommittee will develop that point fully during the hearings.

Other provisions of the bill would seem to require a payment by one federally owned project to another also owned by the Federal Government. A determination of the amount of annual charges is required, even among the several projects owned and operated by the same Federal agency, and even though no actual payments would have to be made. Substantial expenditures would be required for making such determinations, together with the additional expense of complicated accounting adjustments. No useful purpose whatsoever would be served. In many instances, one Federal agency has constructed a series of hydroelectric power projects in accordance with an overall development plan for a river system. What possible purpose could be served by seeking to compute the monetary benefits accruing to each of these projects as a result of the existence of the other? Who is to say which projects, and to what extent each project shall share the benefits accruing from the construction and operation of the extreme up-river project? Does the extreme up-river project provide benefits for the extreme down-river projects even if there may be 6 or 8 projects in between?

In my opinion, an effort to make such determinations would serve no useful purpose and would constitute a waste of the taxpayers' money.

As I have previously indicated, the proponents of this legislation insist that they seek only to have imposed upon federally owned projects the same burden which they themselves now have to bear. In this connection, I am informed that the existing statute has been invoked only upon those occasions when a privately owned project initiated action to compel payment from another privately owned project located downstream therefrom. The Federal Government has never collected a cent from private concerns through operation of the existing law.

Mr. Chairman, in examining S. 3434, I have not restricted myself to looking at it as an isolated bill. It appears to me to be another piece in the developing pattern of administration power policy—a policy apparently dedicated to the eradication of further power facility development—a policy apparently designed to favor private utilities. Already a number of specific proposals are before the Congress. Many of these would alter fundamentally a public power policy which has worked very well over many years. Important among these proposals is a bill to amend the Holding Company Act, exempting certain types of power companies from its provisions, and H. R. 8862, the amendment to the Atomic Energy Act which opens the use of the public's great new energy resource to private development without any of the safeguards of the Federal power policy.

Also before the Congress are bills which revise previous policy on construction and operation of such projects as the Hoover Dam, the John Day project, the Priest Rapids project, and the Coosa River projects in Alabama and Georgia.

Mr. Chairman, I believe that the effect of all of these bills together would be to alter fundamentally our Federal power policy. I believe this hearing should be held up and all these proposals should be brought together in one comprehensive hearing so that the changes may be considered together. Broader hearings should be held so that the interplay of these various proposals, each upon the other, may be considered and so that full public understanding of the intent and ultimate effect of these proposals may be promoted. I believe it is unwise to attempt to resolve arguments around S. 3434 without taking into consideration other proposed changes in Federal power policy.

Though proposed with the label of equity, I hold the bill neither equitable nor fair nor in the public interest.

SENATE

FRIDAY, MAY 28, 1954

(Legislative day of Thursday, May 13, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all hope, we bless Thee for the cleansing ministry of memory and for the rich heritage of noble deeds. Look upon us in mercy as our Nation, founded in Thy name, turns to its stirring past and to its warrior dead. In the flowering splendor of Maytime's garden, even as bugles are sounding to new tests and decisions for liberty's cause, prepare our hearts and minds for the sacramental journey to quiet cities of the dead, where, under their tents of green, sleep those whose lives were offered as freedom's shield. Save us from decorating tombs and at the same time desecrating the costly heritage which it takes graves to guarantee.

As this day the representatives of this dear land of liberty greet the brave and enlightened monarch of an ancient people across the seas, may our hearts thrill with the realization that all, under whatever sky, who acknowledge the dignity of humanity and who struggle toward the shining goals of more abundant life, are our kinsmen and comrades. Together may we yet build the new world for which good men have bravely died, wherein all nations may live together in trust and fellowship. In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 27, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolution:

On May 25, 1954:

S. 2305. An act to promote safe driving, to eliminate the reckless and financially irresponsible driver from the highways, and to provide for the giving of security and proof of financial responsibility by persons driving or owning vehicles of a type subject to registration under the laws of the District of Columbia.

On May 27, 1954:

S. 2120. An act to authorize the Maine-New Hampshire Interstate Bridge Authority to reconstruct and improve the toll bridge, and the approaches thereto, across the Piscataqua River at Portsmouth, N. H.

On May 28, 1954:

S. J. Res. 69. Joint resolution requiring the preparation of an estimate of the cost of reconstructing Ford's Theater in Washington, District of Columbia.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had agreed to a concurrent resolution (H. Con. Res. 238) authorizing the Clerk of the House to make a correction in the enrollment of the bill (H. R. 3704) to provide for the incorporation, regulation, merger, consolidation, and dissolution of certain business corporations in the District of Columbia, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 232. An act to provide for the conveyance to the State of Indiana of certain surplus real property situated in Marion County, Ind.;

H. R. 2512. An act to amend the act entitled "An act to provide for the purchase of public lands for home and other sites," approved June 1, 1938 (52 Stat. 609), as amended; and

H. R. 6452. An act for the relief of Mrs. Josette L. St. Marie.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The VICE PRESIDENT. Without objection, it is so ordered.

INTERNATIONAL LABOR ORGANIZATION RECOMMENDATIONS RELATING TO COLLECTIVE AGREEMENTS AND VOLUNTARY CONCILIATION AND ARBITRATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 406)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and with the accompanying papers, referred to the Committee on Labor and Public Welfare.

(For President's message, see today's proceedings of the House of Representatives.)

CONVENTION ADOPTED BY INTERNATIONAL LABOR ORGANIZATION RELATING TO MINIMUM STANDARDS OF SOCIAL SECURITY—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 407)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and with the accompanying papers, referred to the Committee on Labor and Public Welfare.

(For President's message, see today's proceedings of the House of Representatives.)

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

CARRYING OF FIREARMS BY CERTAIN OFFICERS AND EMPLOYEES OF STATE DEPARTMENT

A letter from the Secretary of State, transmitting a draft of proposed legislation to authorize certain officers and employees of the Department of State and the Foreign Service of the United States to carry firearms (with an accompanying paper); to the Committee on Foreign Relations.

RELIEF OF CERTAIN MEMBERS OF ARMED FORCES

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to provide for the relief of certain members of the Armed Forces who were required to pay certain transportation charges covering shipment of their household goods and personal effects upon return from overseas, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

THE NATCHEZ TRIBE OF INDIANS ET AL. V. THE UNITED STATES

A letter from the chief examiner, Indian Claims Commission, Washington, D. C., transmitting, pursuant to law, a copy of that Commission's order of dismissal of the petition in the case of The Natchez Tribe of Indians, and Wahlanetah Scott, Nancy Raven, members of said tribe of Indians, and for the use and benefit of all members of said *Natchez Tribe of Indians, claimants, v. The United States of America, claimee* (with an accompanying paper); to the Committee on Interior and Insular Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of New Jersey; to the Committee on Finance:

"Joint Resolution 6

"Joint resolution memorializing the Congress of the United States to return to the State of New Jersey and other States sufficient moneys from taxes raised in the various States for the administration of employment security and to provide adequately for administration of the employment security program in the State of New Jersey and the other States

"Whereas the 1953 session of the New Jersey Legislature at a special session found it necessary to appropriate State moneys in the amount of $500,000 to relieve the mounting difficulties encountered in the handling of unemployment insurance claims caused by severe budget reductions at the Federal level; and

"Whereas there are approximately 95,000 New Jersey workers now unemployed and seeking unemployment insurance benefits and benefit payments are the highest in 4 years; and

"Whereas under the provisions of the Federal Unemployment Tax Act (title IX of the Social Security Act) the Federal Government has collected by taxation in the State of New Jersey from 1938 to 1953 approximately $50 million above the amount actually appropriated and expended for the administration of the Unemployment Compensation Law of New Jersey; and

"Whereas moneys appropriated and allocated by the Federal Government from taxes raised in New Jersey under the Federal Unemployment Tax Act (title IX of the Social Security Act) have over the years been insufficient for proper and adequate administration of the State's employment security program, resulting in delays in payments to claimants and the curtailment of services to employers, thus weakening the effectiveness of the unemployment insurance and State employment service programs: Therefore be it

"Resolved by the Senate and General Assembly of the State of New Jersey:

"1. That the Congress of the United States be requested to enact legislation providing supplemental funds for New Jersey and other States distressed by the lack of adequate administrative funds for the fiscal year ending June 30, 1954, and thus enabling the State of New Jersey to preserve State moneys in the amount of $500,000 appropriated by the 1953 legislature as an emergency measure.

"2. That the Congress of the United States be requested to enact legislation assuring an adequate grant of funds to the State of New Jersey and other States for the proper and efficient administration of the employment security laws for the fiscal period July 1, 1954, to June 30, 1955.

"3. That the Congress of the United States be requested to enact basic amendments assuring all State employment security agencies of adequate annual amounts for proper administration of their laws, the sums to be payable from the taxes raised by the Federal Government under the Federal Unemployment Tax Act.

"4. That the Congress of the United States be requested to earmark Federal Unemployment Tax Act collections for employment security purposes, instead of permitting the Federal Government to retain a substantial portion of such taxes while larger industrial States, such as New Jersey, experience annually reductions by the Federal administrative agencies of the amount of funds deemed necessary for the proper administration of the State employment security programs.

"5. *Be it further resolved,* That the secretary of state is directed forthwith to forward copies of this resolution to the Presiding Officer of the United States Senate, the Speaker of the House of Representatives, the chairmen of the Senate and House of Representatives Committees on Appropriations, the chairman of the Senate Committee on Finance and to the Members of the Congress from the State of New Jersey.

"6. This joint resolution shall take effect immediately."

Resolutions of the General Court of the Commonwealth of Massachusetts; ordered to lie on the table:

"Resolutions memorializing the Congress of the United States in favor of the adoption of the resolution to add the words 'under God' to the pledge of allegiance to the flag

"Whereas there is now pending before Congress Senate Joint Resolution No. 126 to add the words 'under God' used by Abraham Lincoln in his Gettysburg Address, to the pledge of allegiance to the flag; and

"Whereas in submitting the resolution Senator HOMER FERGUSON, of Michigan, made this significant statement:

" 'I believe this modification of the pledge is important because it highlights one of the real fundamental differences between the free world and the Communist world, namely, belief in God.

" 'Our Nation is founded on a fundamental belief in God, and the first and most important reason for the existence of our Government is to protect the God-given rights of our citizens.

" 'Communism, on the contrary, rejects the very existence of God.

" 'Spiritual values are every bit as important to the defense and safety of our Nation as are military and economic values.

" 'America must be defended by the spiritual values which exist in the hearts and souls of the American people. Our country cannot be defended by ships, planes, and guns alone': Therefore be it

"Resolved, That the General Court of Massachusetts hereby memorializes the Congress of the United States to adopt Senate Joint Resolution 126; and be it further

"Resolved, That copies of these resolutions be transmitted forthwith by the State secretary to the President of the United States, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth."

A letter from the coordinator, office of civil defense, Commonwealth of Virginia, Richmond, transmitting, pursuant to law, copies of interstate civil defense compacts entered into by the State of Virginia with the States of Colorado, Ohio, Texas, and West Virginia (with accompanying papers); to the Committee on Armed Services.

FUNDS FOR CIVIL DEFENSE—LETTER

Mr. WILEY. Mr. President, one of the most important of the appropriations which will be considered in connection with the first supplemental appropriations bill will be the coming fiscal year's allocation for the Federal Civil Defense Administration.

The people of my State of Wisconsin are keenly civil-defense minded, and as an indication of that fact, I am pleased to present a letter which I have received from the chairman of a special joint civil defense committee of Dane County, Wis., urging adequate appropriation of funds for this vital purpose. I ask unanimous consent that the letter be printed in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF CIVIL DEFENSE,
MADISON-DANE COUNTY,
Madison, Wis., May 26, 1954.

Hon. ALEXANDER WILEY,
United States Senator from Wisconsin,
Senate Building,
Washington, D. C.

DEAR SENATOR WILEY: As the Special Joint Civil Defense Committee of Dane County and Madison, Wis., and in accord with the aims of the United States Civil Defense Council, we wish to urge your support of all civil defense legislation in Congress.

Although the success of local civil defense is based primarily on voluntary help, still certain funds are required to supply civil-defense units with basic equipment and facilities. We are heartily in accord with the proposed revision of the Federal civil defense law which may allow matching funds for administrative expenses.

Matching funds are more important now than ever before and we are particularly requesting your support of any bills which will appropriate more funds for civil defense.

We submit this letter, not only as officials of civil defense, but also as citizens and constituents interested in the future defense and security of this country.

Yours truly,

R. H. GERRY, *Chairman,*
Special Joint Civil Defense Committee.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. CARLSON, from the Committee on Post Office and Civil Service, without amendment:

H. R. 2226. A bill to repeal the provision of the act of July 1, 1902 (32 Stat. 662), as amended, relating to pay of civilian employees of the Navy Department appointed for duty beyond the continental limits of the United States and in Alaska (Rept. No. 1473);

H. R. 5913. A bill to simplify the handling of postage on newspapers and periodicals (Rept. No. 1474); and

H. R. 8487. A bill to amend the act of June 19, 1948, to provide for censuses of manufactures, mineral industries, and other businesses, relating to the year 1954 (Rept. No. 1475).

PRINTING OF OPINIONS OF SUPREME COURT CASES INVOLVING SEGREGATION IN SCHOOLS (S. DOC. NO. 125)

Mr. JENNER. Mr. President, from the Committee on Rules and Administration, I report favorably an original resolution, providing for the printing of the opinions of the Supreme Court of the United States in the cases involving segregation in the public schools.

The cost involved in the resolution is $265.08. The demand has been very heavy, and the request has been made to our committee that something be done about it. Therefore, I ask unanimous consent for the immediate consideration of the resolution.

The VICE PRESIDENT. Is there objection to the request of the Senator from Indiana?

There being no objection, the resolution (S. Res. 258) was considered and agreed to, as follows:

Resolved, That the opinions of the Supreme Court of the United States in the cases involving segregation in the public schools, rendered on May 17, 1954, be printed as a Senate document; and that 7,900 additional copies shall be printed, of which 1,500 copies shall be for the Senate document room, 1,000 copies for the House document room, 990 copies for the use of the Senate, and 4,410 copies for the use of the House of Representatives.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. YOUNG:

S. 3529. A bill to encourage the disposal of agricultural surpluses and to improve the foreign relations of the United States, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. BUTLER of Nebraska (for himself and Mrs. BOWRING):

S. 3530. A bill to provide for construction by the Secretary of the Interior of Red Willow Dam and Reservoir, Nebr., as a unit of the Missouri River Basin project; to the Committee on Interior and Insular Affairs.

By Mr. CLEMENTS (for himself and Mr. HILL):

S. 3531. A bill to expedite the construction of needed public works and other facilities in areas of substantial unemployment; to the Committee on Public Works.

By Mr. WATKINS (by request):

S. 3532. A bill to provide for the partition and distribution of the assets of the Ute Indian Tribe of the Uintah and Ouray Reservation in Utah between the mixed-blood and full-blood members thereof; and for the termination of Federal supervision over the property and persons of the mixed-blood members of said tribe; to provide a development program for the full-blood members of said tribe; and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DOUGLAS:

S. 3533. A bill for the relief of Solomon S. Levadi; to the Committee on Armed Services.

By Mr. FERGUSON:

S. 3534. A bill for the relief of Sergio I. Veira; to the Committee on the Judiciary.

By Mr. UPTON (for himself, Mr. BRIDGES, Mr. PAYNE, Mrs. SMITH of Maine; Mr. IVES, and Mr. SALTONSTALL):

S. 3535. A bill to amend section 12 of the Civil Service Retirement Act of May 29, 1930, as amended, so as to provide for the payment of annuities thereunder to the widowers of female employees who die in service; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. UPTON when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER:

S. 3536. A bill for the relief of Wong Nan Ling and Wong Nan Fee; to the Committee on the Judiciary.

By Mr. GILLETTE:

S. J. Res. 162. Joint resolution to change the name of Gavins Point Dam on the Missouri River near Yankton, S. Dak., to Vincent Harrington Dam; to the Committee on Public Works.

FREE WORLD PERILS—ADDRESS BY ADMIRAL CARNEY

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an address delivered by Adm. Robert B. Carney, Chief of Naval Operations, before the National Security Industrial Association, at the Roosevelt Hotel in New York on yesterday. I urge all Members of the Congress to read this outstanding address by a distinguished American, who has held posts of responsibility in the Defense Establishment. In his address, Admiral Carney points out what, in his professional judgment, he considers to be the grave dangers which this country and the free world face under the menace of Communist aggression.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

[From the New York Times of May 28, 1954]

TEXT OF SPEECH BY ADMIRAL CARNEY ON FREE WORLD PERILS

Our country was founded on principles of individual liberty and equality among men with an emphasis on the dignity of an honorable peace. Nevertheless, we frequently have fought to consolidate this principle.

Our forebears believed that in America there could be a peaceful and democratic country that would enhance the dignity of the human being. Those beliefs were set forth in the greatest document that was ever written—the Constitution of the United States and its Bill of Rights.

We went to war to put this idea across. Our new Republic in its beginnings lived up to the nobility of its self-originated charter, but we had to fight in the early days of the last century to make it stick.

We believed that in this New World others should have the same God-given opportunity as ourselves, so the Monroe Doctrine was born and, on occasion, we fought to make it stick.

The Federal Government believed in the destiny of a United States that was indivisible. Although powerful differences of opinion on this particular subject led to a bitter War Between the States, today all of our States are welded together under one flag with a greater solidarity than ever.

THREE WARS IN GENERATION

Three times within my generation the United States determined that it was willing to cast its lot in the fight against aggression and went to war in support of our beliefs. It may appear to be an anomaly, but our love for peace has never been so great that we were not willing to fight for the preservation of those principles and relationships which are the only justifiable foundations for peace, according to our lights and tenets.

The threats to our security that have confronted us in the past were trivial compared to the threat that faces this country today. This is neither alarmist nor jingoist talk; nor is it a prediction that the holocaust will come tomorrow. It's merely the belief of an American citizen who is convinced that tomorrow can come far sooner than may be realized or sooner than we're ready to face up to.

The forceful and violent reactions of our history which I have pointed up were in effect the decisions of our country respecting the alternatives that we face and have faced us throughout our past decades and centuries. We are confronted with alternatives today and once more must make up our minds as to which of the alternatives we wish to adopt.

There is a decided and very subtle difference between the kind of wars we have fought in the past and the kind of struggle we are engaged in today. In our history, even within our own day and our own memory, we have seen the situation as peace or war; we have seen the white of peace and the black of war.

But in between the black and white of the spectrum, there is a vast zone of gray. It is neither a black area nor a white area. It is in that vast gray zone that the Soviet Union prefers to call the turn. They know that we, and particularly I mean the United States, are not accustomed to this kind of struggle. It's nothing that we as individuals would understand or would elect. They know we don't like it.

Nor do they think of war entirely in the conventional sense of sky battles, sea battles, and land battles. The military aspects are only a part and in many instances, rather a small part, of their plan.

SOVIET SAID TO WAR ON MIND

The Soviet Union is at war against the mind of man. Although their military capabilities counsel us to remain militarily alert and strong, their primary strength in this struggle lies not in that military realm but in their diplomatic deceit and subtleties—their spread of international and intranational distrust and suspicion; their spread of fear, and of social and economic disunity—that's the kind of war the Kremlin knows.

They create contradictory situations and conditions to confuse and confound their adversaries and they always advance during the period of confusion. They operate on a sort of tidal theory; that anything like international relations by its changing nature could not be completely planned and will inevitably have its ups and downs. The trick as they see it is to ride with the tide, swim on the flood tide and lose as little as possible when the tide ebbs.

Let me briefly review the recent history of Soviet-inspired communism.

In Germany, for instance, they have taken large amounts of manufactured products as reparation; they have absorbed a large portion of the German industry which was located in the Soviet zone; they have exploited and drained German resources in violation of the Potsdam agreement; they have instituted a totalitarian system of police control which suppresses basic human rights and legal processes, and indulges in arbitrary seizures, arrest, and forced labor—all of these things of course, are contrary to solemn agreements which they made, which she made with her World War II allies.

In the Soviet zone of Austria, the pattern has been very much the same. Time precludes my documenting their continuing violations of such agreements as were made at Yalta and Potsdam as they gained political and economic control of Poland, Hungary, Bulgaria, Rumania, Czechoslovakia, North Korea, and China.

But now we have learned something of the pattern of Soviet aggression, the actions that they take, and the tools that they use. Military occupation, false promises, false propaganda, subversion, police control, brainwashing, the dissolving of churches and of national cultures, enforced confessions, and the ultimate opportunity to be reconstituted as a thoroughbred Communist—all these devices are familiar to us by the record today. And I don't need to underline the advantage of the liar in a diplomatic agreement, a particularly important point on this day.

There is one postwar diplomatic agreement of the Soviet Union that has been so far-reaching and it stands out as such a classic that I should like to mention it. You must undoubtedly know it but you may have forgotten the details.

PACT WITH CHIANG RECALLED

It was not made with the United States. I refer to the Treaty of Friendship and alliances and agreement signed in Moscow on August 14, 1945. There the Russian leaders pledged their respect for the sovereignty of the Chinese Nationalist Government; they promised noninterference in Chinese internal affairs; they agreed not to participate in any alliances nor to take part in any coalition directed against the Nationalist Government of the Republic of China.

Mr. Molotov signed that treaty. On the same date Mr. Molotov also signed a note relating to the treaty in which the Government of the U. S. S. R. agreed to render moral support to Nationalist China and to aid in military supplies and other material resources. And such support and aid was to be entirely given to the Nationalist Government by this agreement. And the solemn treaty was to remain in force for a term of 30 years.

There were still 29 years to run on that 30-year contract signed by Mr. Molotov when the Russian leaders showed the world what they meant by good faith and how they honored a treaty. They had brought aid to the Nationalist Government by removing much of Manchuria's industry and equipment to Russian territory. And by the time the Nationalist Government forces were finally permitted to occupy the area in 1946, a year after the end of the war, they found themselves facing Chinese Communist forces, organized, disciplined, and mysteriously equipped with former Japanese weapons.

Now for 9 years, if you need any proof, if our country needs any proof, for 9 years there has been an unbroken series of agreements that the Communists have never kept.

There is no reason whatsoever to assume any change of heart or good will on their part. I spoke of the tidal theory. Today, in Indochina, from their viewpoint, it is flood-tide. The Communists are swimming strong, they're not winded by any means, and it's wholly unrealistic to expect them to stop reaching forward under these circumstances that are favorable to them.

We are dedicated to the belief that all nations interested in the maintenance of their freedom must band together and make their appropriate contributions, both moral and physical, in resistance to this threat.

When the time comes that all free people realize that we are in a fight to the finish against those who would destroy the dearest birthright of the human race—that's a man's control of his own mind—I think we will all admit the necessity of our fighting harder for what we believe in than the Communists are willing to fight for what they want, and that's a big order, because they have shown the ability to fight.

FREEDOM CALLED MAIN STAKE

The ultimate goals of this war could not be measured alone in square miles of land, in sunken fleets, or decimated armies. It's a war to determine whether man will be free or whether he is to be enslaved by puppet sovereignties, and the first objective of the campaign from their viewpoint is the capture of his mind. I emphasize the mind because the mind is the source of determination and decision. If our country fails to make determinations and decisions, the mind may not have been captured, but it's certainly enveloped.

It is interesting to note that in no case have we ever enslaved anybody as a result of our victorious efforts. We can point with great justified pride to the fulfillment of our promise to the Filipinos. We can point to our efforts to assist the Japanese in rehabilitating themselves.

We can point to the fact that we have helped the Germans on two occasions; that, whereas we fought with the utmost vigor and determination in defense of our beliefs that we as a nation have never harbored a grudge against our former adversaries nor have we ever endeavored to acquire sovereignty of additional territory nor the enslavement of the people of their minds. This may be a very important point in the negotiations of the near future.

In 1950, when the Communists crossed into South Korea, our people took the instant and courageous decision that this aggression must be stopped, it had to be stopped somewhere and this was a good place to stop it. There rarely has been a more remarkable phenomenon of mass thinking and determination. The outcome of that struggle cannot be regarded with complete satisfaction by the allies, but the fact remains that we chose the decision to fight them rather than to submit to Communist expansion.

Dressed in different garb, the same alternatives are on us today, but today I believe that they are graver than they have ever been before. If the free world loses Indochina, can any thinking person possibly convince himself that this is the last step?

It should be as obvious as the pages of history that it is only a matter of time until the rest of southeast Asia will be blanketed behind the Iron Curtain. With its millions of people and its vast resources, it would immeasurably strengthen the warmaking potential of the Communist world, the world that's aimed right straight at us.

THREAT TO OTHERS STRESSED

There are some alternative courses of action available to those of us being constantly badgered, assaulted and insulted, but the alternatives are not for the United States alone, certainly not at this time. They confront the entire community of freedom-loving nations—both European and Asiatic.

The United States can't make the decision alone. If effective resistance—that's either political and/or military—is to be organized in any part of the world it can only be done with the whole-hearted consent of the populations that are involved.

These are political matters for governments to decide, but the alternatives should be just as apparent to the man in the street as to his servants in Washington and governments as we see them are no more than expressions of opinion of the populations.

The possibilities or alternatives open to the Soviet strategists and their Chinese Communist partners are infinite as long as they can radiate out from their centralized position. They can continue to exert pressures on southeast Asia with its 150 million people and its vast resources. They could move against south Asia's impoverished millions of people. They could move against the Middle East.

And I emphasize again—that they can move in the economic, political, cultural or military spheres depending upon their own choice. The combinations and the permutations of their future courses of action are limited only by their composite imaginations and their diabolical schemes. No one can say for sure what they will do; whether they will act rationally or irrationally; whether, with the hope and possibility of surprise, they will miscalculate or underestimate our own countermeasures and our own retaliatory capabilities.

The record would seem to indicate, however, that despite their own mental perversities, they, themselves, are somewhat devoid of kamikaze philosophy.

FREE WORLD LOSSES FEARED

Now what alternatives are there for us? I'd like to emphasize that for every additional gain of territory and population by communism, there's a corresponding subtraction from the total strength of the free world.

That's just elementary arithmetic. There are just so many people in the world and just so many resources. The balance between the two sides is a fine one today.

With each additional gain accruing to the Soviet-controlled world and the corresponding subtraction from the free world, the second one always accompanies the first, the balance becomes more and more heavily weighted against us. If it's continued and carried to its final conclusion throughout the world, there can be no other conclusion than that we would ultimately be in a position far inferior to the coalition that's dedicated to our destruction. That's a bitter pill for an American to swallow, but you simply can't come to any other conclusion if you face the facts.

In actuality, the problem is not one of coming up with a succession of minor strategies to cope with brush fires. The real and fundamental problem is to develop a strategy which is a true long-range counter to the centralized overall strategy which is directing the moves in the campaigns for Communist expansion against us.

Now getting down to brass tacks, the simple alternatives are these: To do nothing; to rush around plugging the dike or to take measures to lower the pressure against the dikes.

In the past, our people have had the courage to take a firm stand at the critical moment. We took such a stand in 1950 in Korea. We have come to one crossroad after another as we travel along the highway of our destiny and as surely as I stand here, we are approaching another crossroad.

ROAD AHEAD IS PICTURED

Perhaps I should say we are approaching the fork in the road. One of the forks looks like a smooth highway but it doesn't go very far and it ends in oblivion; the other road goes through rough country and it's beset by obstacles, but at least it goes on and on and offers the hope of going on to some decent destiny.

The choice could be a fateful one from which there could be no turning back because we're close to the fork, in my opinion, and we're traveling at high speed and I don't believe that much time will be vouchsafed us.

I repeat now, and I'll repeat again and again that our adversary has never shown good faith—never. He has shown no deviation from his purpose and the evidence of his purpose is represented in the enslavement of Poland, the eastern sections of Germany and Austria, Rumania, Bulgaria, Czechoslovakia, Hungary, Albania, Estonia, Latvia, Lithuania, North Korea, and China. And he's making another pass—his persistent and continuing attempts by one means or another to take over every nation in the world.

He is constantly expanding, constantly bringing new multitudes, and new resources into his orbit and everyone of those things that are brought in as I pointed out before is a subtraction from our side.

THREE QUESTIONS POISED TO NATION

How can you possibly put your head in the sand and believe that a settlement of present difficulty or ephemeral negotiations are an end to all our troubles? How can we close our eyes to the inevitable arithmetic that everything added to his resources is something subtracted from ours?

How can we possibly blind ourselves to the ultimate end of that arithmetical process which will finally leave us in a position from which there is no possibility of recovering? That's another thing, a hard thing for an American to swallow.

It is not for me, a military servant of this country, to say what the national choice will be, but an American citizen whose entire time and energies are absorbed in contemplation of the problem of our security, it isn't inappropriate for me to evaluate the danger. It would be a willfully blind man indeed, who failed to see and admit that the danger is imminent and it's increasing swiftly.

Today's alternatives are grave, indeed, but their gravity may well be dwarfed by those which will confront us in a few years if our country fails to choose properly now. And the question is:

Do we want to turn into the smooth dead-end or take the rougher road that offers us a good destination if we have got the guts and strength to manage it?

ARMENIAN INDEPENDENCE—STATEMENT BY SENATOR JOHN F. KENNEDY

Mr. CLEMENTS. Mr. President, on behalf of the Senator from Massachusetts [Mr. KENNEDY], I ask unanimous consent to have printed in the body of the RECORD a statement prepared by him in commemoration of the 36th anniversary of the founding of the Armenian Independent Republic.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KENNEDY

ARMENIAN INDEPENDENCE

When the tragedy of the First World War was over and the dust and smoke caused by that unprecedented destructive event seemed settled, there emerged, in many parts of the world, new nations. These were, one might say, byproducts of World War I. The Armenian Republic, which came into existence in May of 1918, was one of these new states.

The Armenian people, who enjoyed national independence centuries before Columbus discovered America, even before the birth of Christianity, had lost their independence late in the 14th century. Then their country was overrun by Asiatic hordes, they were subjected to harsh alien rule, and many of them were forced to seek refuge in foreign lands. For more than 500 years, thereafter, the Armenian people in and out of Armenia nursed and nurtured one idea, that is, to regain their lost national independence. All their efforts were directed toward the attainment of that supreme goal.

At the turn of the century, when many subject peoples of the Ottoman Empire had tried, with some success to free themselves, the Armenians also hoped to realize their cherished dream. Early in the First World War, however, it looked as if their dream and their idea were drowned in a veritable bloodbath. The Turkish Government aimed to exterminate the Armenians in a wholesale massacre. In 1915 about a million Armenians lost their lives in the holocaust. Fortunately, however, the survivors of that tragedy fought their way to safety, arrived at a corner of their historic homeland, and there on May 28, 1918, proclaimed Armenian independence.

The Republic thus proclaimed and recognized by other countries was not allowed to live long; late in 1920 it was crushed under attacks of Russian Communist and Turkish nationalist forces. Since 1921 Armenia has become a part and parcel of the vast Soviet Empire, sealed off from the rest of the world. There freedom-loving Armenians cannot celebrate this day, the 36th anniversary of Armenian independence, but we can do so in the full hope that soon they will be free to celebrate it in their beloved homeland.

INTERVENTION IN INDOCHINA—EDITORIAL FROM THE WASHINGTON POST

Mr. LEHMAN. Mr. President, there is so much confusion with regard to our foreign policy, particularly as it relates to Indochina, that I am afraid very few people really understand the fundamental issues or the bases on which we will have to make final decision. The Washington Post in an unusually thoughtful editorial today points out and discusses some of the problems confronting our military and political policy in southeast Asia. The questions raised in the editorial deserve the most careful consideration and study on the part of Members of Congress and the public alike.

I ask unanimous consent to have this editorial printed in the body of the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE TERMS OF INTERVENTION

The time is rapidly approaching when the United States may have to make a hard decision on active military participation in Indochina. There is still a chance, of course, that the Communists at Geneva will agree to some sore of workable cease-fire. This chance needs to be explored to the utmost, and that is what Mr. Eden is doing. If an honorable truce could be arranged, then our immediate role presumably would be to help guarantee and police it in company with our European allies as well as the other nations of south Asia.

But there is little sign as yet that the Communists intend to be reasonable. In addition to asking huge concessions in Vietnam, they are demanding what amounts to recognition of their stooge governments in Cambodia and Laos—countries which they do not control. The military situation of the French and Vietnamese forces around Hanoi is deteriorating rapidly, and there is real question how long these forces can hold on. The French Government in Paris exists by a margin of two votes. In these circumstances the United States may soon be called upon to take an active part in saving what is left of Indochina as a means of saving southeast Asia.

Secretary Dulles already has spelled out the conditions on which the United States would consider military intervention. First, any intervention must be for liberty and independence rather than for the defense of colonialism. Second, we will not intervene alone; any action must be with allies and with the moral sanction of the United Nations. Mr. Dulles has made some progress in working out a military pact. There is now talk, albeit belated, of placing the matter before the U. N. and requesting a peace observation commission to report the facts.

These are good terms as far as they go, but they do not yet establish the basis for a well-rounded policy. Under any circumstances the decision on what to do in Indochina will be difficult. To avoid the confusion that shrouded the abortive plans to intervene at Dien Bien Phu, it is essential that a number of related questions be fully debated and answered.

In the first place, how far do we intend to follow the banner of anticolonialism? The vestiges of colonialism are not easily shucked off despite honest efforts. Surely the United States must stand with full independence as a matter of principle; but there is a point at which the cries of "colonialism" might conceal the larger issue of free-world security. In other words, it might be important to act in spite of the colonial problem.

Second, precisely what would we be intervening for? What are our objectives, long-range as well as immediate, in Indochina? Vietnamese officials do not want partition. Would we intervene to enforce partition? Would we undertake the well-nigh hopeless task of driving the Viet Minh out of Indochina? Would our intervention be directed primarily at protecting Cambodia and Laos? Should we give our blessing to Bao Dai, whose government has never been elected and who relaxes in France while the fighting is going on?

Third, if we should have to act, what would we act with? It is extremely doubtful that air and sea power would suffice. If they did not, a successful intervention would require ground troops in the dirtiest sort of fighting—and it could mean war with China. A minimum of 5 to 10 American divisions probably would be needed at the outset. Where are those divisions? We don't have them to spare; and before there is talk of actual intervention we ought to know where we would get them. That means a prompt review of force levels and the military budget.

Finally, since the war is as much political as military, have we a positive political concept to complement any military measures we may undertake? Happily there is increasing recognition that the criterion cannot be mere anticommunism, which is a negative and unsalable proposition. Time after time Asians complain that in its concern with communism the United States

does not seem to be vigorously for anything. This is a misreading of basic American ideals, but it has a lot to do with our relationships to India, Burma, Indonesia, and other Asian nations.

Military measures alone do not and cannot prevent the spread of subversion. To attract the sympathy or support of the other nations of south Asia, even in a collective action under the U. N., the United States must reiterate its fundamental purpose: to enable the people of the region to live their own lives in freedom and peace without foreign domination. This means renewed emphasis on ideas, on better opportunities, on better health and living standards. These are the indispensable counterparts of a military policy toward southeast Asia, and any decision on intervention needs to take full account of all of such considerations.

VOTING DURING THE EIGHTH SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD certain statistical material which was prepared and sent to me by someone who has been greatly interested in the relations between India and the United States of America, particularly with respect to the Korean war, and the refusal of India to permit planes transporting French troops to Indochina to fly over Indian territory.

Some time ago I made a statement on the floor of the Senate, which was interpreted, and properly so, as being critical of the voting record of India in the United Nations on the Korean question. I believe I said about 85 percent of the time India had voted either with the Soviet Union, or had abstained, on questions arising in connection with Communist aggression in Korea.

The person to whom I have referred, however, who is deeply interested in our relationship, felt that the statement I made did not give the full picture, and that on other issues which have come before the United Nations from time to time, other than those relating to Korea, there was shown a better "batting average" of India's voting vis-a-vis the United States or the Soviet Union. So, in fairness to that point of view, I ask to have the compilation printed in the RECORD at this point as a part of my remarks.

There being no objection, the compilation was ordered to be printed in the RECORD, as follows:

Voting during the 8th session of the General Assembly

	India	U. S. A.	U.S.S.R.
Chinese representation	Yes	No	Yes.
UNICEF	Yes	Yes	Yes.
Admission of Japan to ICJ	Yes	Yes	Abst.
Admission of San Marino to ICJ	Yes	Yes	Abst.
Bacterial warfare	Yes	Yes	Abst.
Disarmament	Yes	Yes	Abst.
Korea	Yes	Yes	Abst.
Burmese complaint	Yes	Yes	Yes.
Morocco (Arab-Asian resolution)	Yes	No	Yes.
Morocco (Bolivian resolution)	Yes	No	Yes.
Tunisia	Yes	No	Yes.
Measures to avert war (U. S. S. R.)	Abst.	No	Yes.

Voting during the 8th session of the General Assembly—Continued

	India	U. S. A.	U.S.S.R.
Admission of new members	Yes	Yes	Yes.
Treatment of Indians in South Africa	Yes	Yes	Yes.
Race conflict in South Africa:			
Competence question	Yes	Abst.	Yes.
Resolution	Yes	Abst.	Yes.
Palestine relief	Yes	Yes	Abst.
Expanded program of technical assistance.	Yes	Yes	Yes.
Technical assistance in public administration.	Yes	Yes	Yes.
Economic development:			
A	Yes	Yes	Abst.
B	Yes	Yes	Abst.
C	Yes	Yes	Abst.
Korean reconstruction	Yes	Yes	Abst.
Assistance to Libya	Yes	Yes	Abst.
Prolongation of H. C. for refugees	Abst.	Yes	No.
Work of H. C. for refugees	Abst	Yes	No.
Political rights of women	Yes	Yes	Yes.
Freedom of information (A)	Yes	Yes	Abst.
Rights of self-determination	Yes	Yes	Yes.
Forced labor	Abst.	Yes	No.
Prisoners of war	Abst.	Yes	No.
Factors	Yes	No	No.
Educational conditions in NSGT	Yes	Yes	Yes.
Cessation of transmission of information in respect of—			
Netherlands, Antilles, and Surinam	Yes	No	Abst.
Puerto Rico	No	Yes	No.
South West Africa:			
A	Yes	Yes	Abst.
B	Yes	Yes	Yes.
Togoland unification (C)	Yes	Abst.	Abst.
Dissemination of information in trust territories	Yes	Yes	Yes.
Means of improving functioning of trusteeship	Abst.	No	Yes.
Attainment of independence by Somaliland	Yes	Yes	Yes.
Scale of assessments	Yes	Yes	No.
Preparatory work for charter revision	Yes	Yes	No.

India and the United States of America

Voting together	27
Voting on opposite sides	7
India abstaining	6
United States of America abstaining	3
Total	43

India and U. S. S. R.

Voting together	19
Voting on opposite sides	3
India abstaining	6
U. S. S. R. abstaining	15
Total	43

United States of America and U. S. S. R.

Voting together	14
Voting on opposite sides	13
U. S. S. R. abstaining	14
United States of America abstaining	2
Total	43

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business, to act on the new reports on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGE REFERRED

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting sundry nominations, which were referred to the Committee on Labor and Public Welfare.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. MARTIN, from the Committee on Public Works:

Egbert Alfred Smith, of Illinois, to be a member of the Mississippi River Commission.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar under the heading "New Reports."

UNITED STATES COAST GUARD

The Chief Clerk proceeded to read sundry nominations in the United States Coast Guard.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Coast Guard nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the Coast Guard nominations are confirmed en bloc.

ARMY OF THE UNITED STATES

The Chief Clerk proceeded to read sundry nominations in the Army of the United States.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Army nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the Army nominations are confirmed en bloc.

THE MARINE CORPS

The Chief Clerk proceeded to read sundry nominations in the Marine Corps.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Marine Corps nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations in the Marine Corps are confirmed en bloc.

THE REGULAR ARMY, THE NAVY, AND THE MARINE CORPS

The Chief Clerk proceeded to read the nominations of Thomas Jerome Abernathy and 446 other cadets, United States Military Academy, for appointment in the Regular Army of the United States, in the grade of second lieutenant, upon their graduation.

Mr. KNOWLAND. Mr. President, I move that these nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

The Chief Clerk proceeded to read the nominations of Roscoe D. George, Jr., and 74 other persons for appointment in the Navy or in the Marine Corps.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that these nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

The Chief Clerk proceeded to read the nominations of Herbert R. Nusbaum and 1,246 other officers for appointment or promotion in the Marine Corps.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that these nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the President be immediately notified of all nominations confirmed today.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY EMPEROR HAILE SELASSIE, OF ETHIOPIA

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, pursuant to the prior notice to the Senate, I now move that the Senate stand in recess, subject to the call of the chair, in order that it may proceed in a body to the Hall of the House of Representatives, there to attend the joint meeting of the two Houses and to hear an address to be delivered by His Majesty, Emperor Haile Selassie, of Ethiopia.

The motion was agreed to; and (at 12 o'clock and 15 minutes p. m.) the Senate, preceded by its Secretary (J. Mark Trice) and its Sergeant at Arms (Forest A. Harness), and headed by the Vice President and President pro tempore, proceeded to the Hall of the House of Representatives.

(The address delivered by His Majesty, Emperor Haile Selassie, of Ethiopia, at the joint meeting of the two Houses of Congress, appears in the House proceedings of today's CONGRESSIONAL RECORD.)

The Senate returned to its Chamber at 1 o'clock and 15 minutes p. m., and reassembled when called to order by the Presiding Officer (Mr. BUSH in the chair).

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there may be a continuation of the morning hour, under the usual 2-minute rule. I make this request because of the fact that some Senators did not reach the Chamber in time to participate in the morning-hour proceedings that were held before the Senate proceeded to the Hall of the House of Representatives, for the joint meeting.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

HOUSING ACT OF 1954—REPORT OF A COMMITTEE

Mr. CAPEHART. Mr. President, from the Committee on Banking and Currency, I report favorably, with an amendment in the nature of a substitute, the bill (H. R. 7839) to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, and I submit a report (No. 1472) thereon, including the separate views of the Senator from New York [Mr. LEHMAN].

The PRESIDING OFFICER. The report will be received, and the bill will be placed on the calendar.

Mr. CAPEHART subsequently said: Mr. President, I ask unanimous consent that the housing bill (H. R. 7839) reported earlier in the day from the Committee on Banking and Currency be printed in the body of the RECORD, for the benefit of the Senate.

There being no objection, the bill, as proposed to be amended by the Committee on Banking and Currency, was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Housing Act of 1954."

TITLE I—FEDERAL HOUSING ADMINISTRATION AMENDMENTS OF TITLE I OF NATIONAL HOUSING ACT

SEC. 101. Section 2 (a) of the National Housing Act, as amended, is hereby amended—

(1) by striking out the period at the end of the second sentence and by inserting a colon and the following: "*Provided*, That with respect to any loan, advance of credit, or purchase made after the effective date of the Housing Act of 1954, the amount of any claim for loss on any such individual loan, advance of credit, or purchase paid by the Commissioner under the provisions of this section to a lending institution shall not exceed 80 percent of such loss."; and

(2) by inserting at the end thereof the following:

"After the effective date of the Housing Act of 1954, (i) the Commissioner shall not enter into contracts for insurance pursuant to this section except with lending institutions which are subject to the inspection and supervision of a governmental agency required by law to make periodic examinations of their books and accounts, and which the Commissioner finds to be qualified by experience or facilities to make and service such loans, advances, or purchases, and with such other lending institutions which the Commissioner approves as eligible for insurance pursuant to this section on the basis of their credit and their experience or facilities to make and service such loans, advances, or purchases; (ii) only such items as substantially protect or improve the basic livability or utility of properties shall be eligible for financing under this section, and therefore the Commissioner shall from time to time declare ineligible for financing under this section any item, product, alteration, repair, improvement, or class thereof which he determines would not substantially protect or improve the basic livability or utility of such properties, and he may also declare ineligible for financing under this section any item which he determines is especially subject to selling abuses; (iii) no dealer shall be permitted to participate in the benefits of this section unless he shall have been approved according to the following procedure: Each lending institution shall use due care in selecting dealers from whom it purchases notes or with whom it cooperates in making loans directly to the borrower under this section, and shall maintain a file with reference to each such dealer containing a signed and dated application by the dealer for approval and a signed and dated approval of the dealer by the lending institution, such approval being supported by information in the file that the dealer is (1) reliable, (2) financially responsible, (3) qualified to perform satisfactorily the work to be financed, and (4) equipped to extend proper service to the borrower; absence of such a file in the lending institution available for inspection by the Commissioner shall constitute a violation of this provision; (iv) each lending institution, as a condition precedent to insurance under this section, shall certify to the Commissioner at the time it records with the Commissioner for insurance each loan, advance of credit or purchase it has originated (a) that it has available the dealer file required by this section, (b) that the borrower has signed a dated credit application on a form approved by the Commissioner, (c) that the lending institution has mailed or delivered to the borrower written notice of approval of the credit application, (d) that no less than 6 days have elapsed between the date upon which such notice was mailed or delivered to the borrower and the date of disbursement of the loan by the lending institution, and (e) that prior to such disbursement but on or after the date of completion of the work for which credit was extended, the borrower has signed a completion certificate on a form approved by the Commissioner stating the borrower's satisfaction with the materials furnished and work performed and that no cash payment or rebate has been given or promised to the borrower in connection with this advance of credit and that the proceeds thereof will be entirely applied to payment for the materials and work for which credit was extended, and that the dealer has signed a completion certificate on a form approved by the Commissioner stating that the materials and work for which credit was extended constitute the entire consideration for such extension of credit, that a copy of the contract or sales agreement has been delivered to the borrower and the lending institution, containing the whole agreement with the borrower, that the borrower has not been given or promised a cash payment or rebate nor has it been represented to him that he will receive a cash bonus or commission on future sales as an endorsement for signing such contract, that the materials have been satisfactorily furnished and the work has been satisfactorily completed, that the borrower's completion certificate was signed by the borrower after such delivery or completion, that the signatures on the completion certificates of the borrower and the dealer and on the note are all genuine, that all bills for labor or materials have been or will be paid, and that if any of the representations on the dealer's certificate prove to be incorrect, the dealer agrees to repurchase promptly the note from the lending institution or from the Commissioner, as the case may be; and (v) the

Commissioner is hereby authorized and directed, by such regulations or procedures as he shall deem advisable, to avoid the use of any financial assistance under this section (1) with respect to new residential structures that have not been completed and occupied for at least 6 months, or (2) which would, through multiple loans, result in an outstanding aggregate loan balance with respect to the same structure exceeding the dollar amount limitation prescribed in this subsection for the type of loan involved.

"In addition, and notwithstanding any other provisions of this section, the Commissioner is authorized and empowered, upon such terms and conditions as he may prescribe, to insure such financial institutions against losses which they may sustain as a result of loans and advances of credit, and purchases made by them after the effective date of the Housing Act of 1954 for the purpose of financing the acquisition of trailer coach mobile dwellings if (1) the amount of any such loan, advance of credit or purchase does not exceed $6,000, (2) the borrower has paid on account of the purchase price of such trailer coach mobile dwelling not less than 20 percent thereof in cash and has certified that he is purchasing such trailer coach mobile dwelling for his own use or occupancy, (3) the obligation representing the loan, advance of credit, or purchase has a maturity not in excess of 6 years and 32 days, and (4) such loan or advance of credit or obligation so purchased is secured by a first lien on such trailer coach mobile dwelling: *Provided*, That with respect to any loan, advance of credit or purchase covered by this sentence, the amount of any claim for loss paid by the Commissioner under the provisions of this section to a lending institution shall not exceed 75 percent of the amount of such loss."

SEC. 102. Section 2 (f) of said act, as amended, is hereby amended by adding the following at the end thereof: "The account heretofore established in connection with insurance operations under this section and identified in the accounting records of the Federal Housing Administration as the Title I Claims Account shall be terminated as of June 30, 1954, at which time all of the remaining assets of such account, together with deposits therein for the account of obligors, shall be transferred to and merged with the account established pursuant to this subsection. Moneys in the account established pursuant to this subsection not needed for the current operations of the Federal Housing Administration may be invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States."

SEC. 103. Section 8 of said act, as amended, is hereby amended by striking the period at the end of subsection (a) and inserting a colon and the following: *"And provided further*, That no mortgage shall be insured under this section after the effective date of the Housing Act of 1954, except pursuant to a commitment to insure issued on or before such date."

AMENDMENTS OF TITLE II OF NATIONAL HOUSING ACT

SEC. 104. Section 203 (b) (2) of said act, as amended, is hereby amended to read as follows:

"(2) Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $18,000 in the case of property upon which there is located a dwelling designed principally (whether or not it may be intended to be rented temporarily for school purposes) for a one- or two-family residence; or $24,000 in the case of a three-family residence; or $30,000 in the case of a four-family residence; and not to exceed an amount equal to the sum of (i) 95 percent of $8,000 of the appraised value (as of the date the mortgage is accepted for insurance), and (ii) 75 percent of such value in excess of $8,000: *Provided*, That the mortgagor shall have paid on account of the property at least 5 percent (or such larger amount as the Commissioner may determine) of the Commissioner's estimate of the cost of acquisition in cash or its equivalent: *Provided further*, That unless the mortgage is on property approved for insurance prior to the beginning of construction, the principal obligation of the mortgage shall in no event exceed 80 percent of appraised value."

SEC. 105. Section 203 (b) (3) of said act, as amended, is hereby amended to read as follows:

"(3) Have a maturity satisfactory to the Commissioner, but not to exceed, in any event, 30 years from the date of the insurance of the mortgage: *Provided*, That for each of the first 10 years following the completion of the dwelling located on the property covered by the mortgage such maximum maturity shall be decreased by 1 year."

SEC. 106. Section 203 (b) (5) of said act, as amended, is hereby amended to read as follows:

"(5) Bear interest (exclusive of premium charges for insurance, and service charges if any) at not to exceed 5 percent per annum on the amount of the principal obligation outstanding at any time, or not to exceed such percent per annum not in excess of 6 percent as the Commissioner finds necessary to meet the mortgage market."

SEC. 107. Section 203 (c) of said act, as amended, is amended by striking out of the second sentence the word *"Provided"* and inserting: *"Provided*, That debentures presented in payment of premium charges shall represent obligations of the particular insurance fund to which such premium charges are to be credited: *Provided further."*

SEC. 108. Section 203 (d) of said act, as amended, is hereby amended by striking the period at the end thereof and inserting a colon and the following: *"And provided further*, That no mortgage shall be insured pursuant to this subsection after the effective date of the Housing Act of 1954, except pursuant to a commitment to insure issued on or before such date."

SEC. 109. Subsections (f) and (g) of section 203 of said act, as amended, are hereby repealed.

SEC. 110. Section 203 of said act, as amended, is hereby further amended by adding the following new subsections at the end thereof:

"(h) Notwithstanding any other provision of this section, the Commissioner is authorized to insure any mortgage which involves a principal obligation not in excess of $7,000 and not in excess of 100 percent of the appraised value of a property upon which there is located a dwelling designed principally for a single-family residence, where the mortgagor is the owner and occupant and establishes (to the satisfaction of the Commissioner) that his home which he occupied as an owner or as a tenant was destroyed or damaged to such an extent that reconstruction is required as a result of a flood, fire, hurricane, earthquake, storm, or other catastrophe which the President, pursuant to section 2 (a) of the act entitled 'An act to authorize Federal assistance to States and local governments in major disasters and for other purposes' (Public Law 875, 81st Cong., approved September 30, 1950), as amended, has determined to be a major disaster."

"(i) Notwithstanding any other provision of this section, the Commissioner is authorized to insure any mortgage which involves a principal obligation not in excess of $6,650 and not in excess of 95 percent of the appraised value, as of the date the mortgage is accepted for insurance, of a property in an area where the Commissioner finds it is not practicable to obtain conformity with many of the requirements essential to the insurance of mortgages on housing in built-up urban areas, upon which there is located a dwelling designed principally for a single family residence, and which is approved for mortgage insurance prior to the beginning of construction: *Provided*, That (1) the mortgagor shall be the owner and occupant of the property at the time of insurance and shall have paid on account of the property at least 5 percent of the Commissioner's estimate of the cost of acquisition in cash or its equivalent, or (2) the mortgagor shall be the owner and occupant of the property at the time of insurance, regardless of his credit standing, with whom a person or corporation having a credit standing satisfactory to the Commissioner, shall have entered into a written contract with the owner and occupant (a) to pay on the latter's behalf all or part of the downpayment required by this paragraph agreeing to take as security a note from the prospective owner and occupant bearing interest at the rate of not more than 4 percent per annum maturing after the last maturity date of principal due on the insured mortgage, with a right in the holder to accelerate maturity to a date following prepayment of the entire mortgage debt, under the terms of which note all rights of such person or corporation are subordinated to the rights of the mortgagee or assignees of the mortgagee, and (b) to guarantee payment of the insured mortage by the owner and occupant according to the terms of the mortgage, or (3) shall be the builder constructing the dwelling; in which case the principal obligation shall not exceed 85 percent of the appraised value of the property or $5,950: *Provided further*, That the Commissioner finds that the project with respect to which the mortgage is executed is an acceptable risk, giving consideration to the need for providing adequate housing for families of low and moderate income particularly in suburban and outlying areas or small communities."

SEC. 111. Section 204 (a) of said act, as amended, is hereby amended—

(1) by striking out of the third sentence the words "any mortgage insurance premiums paid after either of such dates" and inserting "any mortgage insurance premiums paid after either of such dates, and any tax imposed by the United States upon any deed or other instrument by which said property was acquired by the mortgagee and transferred or conveyed to the Commissioner";

(2) by striking out of the second proviso the words "or under section 213 of this act," and inserting the following: "or under section 213 of this act, or with respect to any mortgage accepted for insurance under section 203 on or after the effective date of the Housing Act of 1954,"; and

(3) by striking the period at the end thereof and inserting a colon and the following: *"And provided further*, That, notwithstanding any requirement contained in this act that debentures may be issued only upon acquisition of title and possession by the mortgagee and its subsequent conveyance and transfer to the Commissioner, and for the purpose of avoiding unnecessary conveyance expense in connection with payment of insurance benefits under the provisions of this act, the Commissioner is authorized, subject to such rules and regulations as he may prescribe, to permit the mortgagee to tender to the Commissioner a satisfactory conveyance of title and transfer of possession direct from the mortgagor or other appropriate grantor and to pay the insurance benefits to the mortgagee which it would otherwise be entitled to if such conveyance had been made to the mortgagee and from the mortgagee to the Commissioner."

SEC. 112. (a) Section 204 (d) of said act, as amended, is hereby amended by striking out of the second sentence thereof the words "3 years after the 1st day of July following the maturity date of the mortgage on the property in exchange for which the debentures were issued, except that debentures issued with respect to mortgages insured under section 213 shall mature 20 years after the date of such debentures" and inserting "10 years after the date thereof."

(b) Section 204 of said act, as amended, is hereby amended by adding at the end thereof the following new subsection:

"(i) Notwithstanding any other provisions of this act, if on the maturity date of any debentures issued under this act (except debentures issued under section 221 (g) (3) hereof), the Commissioner determines that the moneys available to him for the payment of debentures may not be sufficient to permit the payment in full of the principal of and the interest on debentures maturing in the immediate future, the Commissioner shall issue and deliver to the holders thereof refunding debentures maturing in not to exceed 10 years from such date and bearing interest at the same rate as the original debentures, and in such event the holders of such original debentures shall have no recourse to the Treasury on such original debentures. Any refunding debentures issued under the provisions of this subsection shall not be refundable and, in the event that the Commissioner fails to pay upon demand, when due, the principal of or interest on any such refunding debentures, the Secretary of the Treasury shall pay to the holders thereof the amount thereof which is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such refunding debentures. This subsection shall not apply in any case where the mortgage involved was insured or the commitment for which such insurance was issued prior to the effective date of the Housing Act of 1954."

SEC. 113. Section 204 of said act, as amended, is hereby amended by adding at the end thereof the following new subsection:

"(j) In the event that any mortgagee under a mortgage insured under section 203 forecloses on the mortgaged property but does not convey such property to the Commissioner in accordance with this section, and the Commissioner is given written notice thereof, or in the event that the mortgagor pays the obligation under the mortgage in full prior to the maturity thereof, and the mortgagee pays any adjusted premium charge required under the provisions of section 203 (c), and the Commissioner is given written notice by the mortgagee of the payment of such obligation, the obligation to pay any subsequent premium charge for insurance shall cease, and all rights of the mortgagee and the mortgagor under this section shall terminate as of the date of such notice."

SEC. 114. Section 205 of said act, as amended, is hereby amended to read as follows:

"SEC. 205. (a) The Commissioner shall establish as of July 1, 1954, in the Mutual Mortgage Insurance Fund a General Surplus Account and a Participating Reserve Account. All of the assets of the General Reinsurance Account shall be transferred to the General Surplus Account whereupon the General Reinsurance Account shall be abolished. There shall be transferred from the various group accounts to the Participating Reserve Account as of July 1, 1954, an amount equal to the aggregate amount which would have been distributed under the provisions of section 205 in effect on June 30, 1954, if all outstanding mortgages in such group accounts had been paid in full on said date. All of the remaining balances of said group accounts shall as of said date be transferred to the General Surplus Account whereupon all of said group accounts shall be abolished.

"(b) The aggregate net income thereafter received or any net loss thereafter sustained by the Mutual Mortgage Insurance Fund in any semiannual period shall be credited or charged to the General Surplus Account and/or the Participating Reserve Account in such manner and amounts as the Commissioner may determine to be in accord with sound actuarial and accounting practice.

"(c) Upon termination of the insurance obligation of the Mutual Mortgage Insurance Fund by payment of any mortgage insured thereunder, the Commissioner is authorized to distribute to the mortgagor a share of the Participating Reserve Account in such manner and amount as the Commissioner shall determine to be equitable and in accordance with sound actuarial and accounting practice: *Provided*, That, in no event, shall any such distributable share exceed the aggregate scheduled annual premiums of the mortgagor to the year of termination of the insurance.

"(d) No mortgagor or mortgagee of any mortgage insured under section 203 shall have any vested right in a credit balance in any such account or be subject to any liability arising out of the mutuality of the fund and the determination of the Commissioner as to the amount to be paid by him to any mortgagor shall be final and conclusive."

SEC. 115. Section 207 (c) of said act, as amended, is hereby amended—

(1) by inserting before the semicolon at the end of paragraph numbered (2) a colon and the following: "*And provided further*, That nothing contained in this section shall preclude the insurance of mortgages covering existing construction located in slum or blighted areas, as defined in paragraph numbered (5) of subsection (a) of this section, and the Commissioner may require such repair or rehabilitation work to be completed as is, in his discretion, necessary to remove conditions detrimental to safety, health, or morals";

(2) by striking out the word "Alaska," in paragraph numbered (2) and inserting "Alaska, or in Guam,"; and

(3) by striking out paragraph numbered (3) and inserting the following:

"(3) not to exceed, for such part of such property or project as may be attributable to dwelling use, $2,000 per room (or $7,200 per family unit if the number of rooms in such property or project is less than four per family unit): *Provided*, That as to projects to consist of elevator type structures, the Commissioner may, in his discretion, increase the dollar amount limitation of $2,000 per room to not to exceed $2,400 per room and the dollar amount limitation of $7,200 per family unit to not to exceed $7,500 per family unit, as the case may be, to compensate for the higher costs incident to the construction of elevator type structures of sound standards of construction and design."

SEC. 116. Section 207 (d) of said act, as amended, is hereby amended by inserting the words "of the Housing Insurance Fund" between the words "debentures" and "issued" in the first sentence of such section.

SEC. 117. Section 207 (h) of said act, as amended, is hereby amended by striking out the period at the end of the first sentence and adding the following: "and a reasonable amount for necessary expenses incurred by the mortgagee in connection with the foreclosure proceedings, or the acquisition of the mortgaged property otherwise, and the conveyance thereof to the Commissioner."

SEC. 118. Section 212 (a) of said act, as amended, is hereby amended by inserting at the end thereof the following new sentence: "The provisions of this section shall also apply to the insurance of any mortgage under section 220 which covers property on which there is located a dwelling or dwellings designed principally for residential use for 12 or more families."

SEC. 119. (a) Section 213 (b) of said act, as amended, is hereby amended by striking clauses (1) and (2) and inserting:

"(1) not to exceed $5,000,000, or not to exceed $50,000,000 of the mortgage is executed by a mortgagor regulated or supervised under Federal or State laws or by political subdivisions of States or agencies thereof, as to rents, charges, and methods of operations; and

"(2) not to exceed, for such part of such property or project as may be attributable to dwelling use, $2,250 per room (or $8,100 per family if the number of rooms in such property or project is less than 4 per family unit), and not to exceed 90 percent of the estimated value of the property or project when the proposed improvements are completed: *Provided*, That if at least 50 percent of the membership of the corporation or number of beneficiaries of the trust consists of veterans, the mortgage may involve a principal obligation not to exceed $2,375 per room (or $8,550 per family unit if the number of rooms in such property or project is less than 4 per family unit), and not to exceed 95 percent of the estimated value of the property or project when the proposed physical improvements are completed: *Provided further*, That as to projects which consist of elevator-type structures, and to compensate for the higher costs incident to the construction of elevator-type structures of sound standards of construction and design, the Commissioner may, in his discretion, increase the aforesaid dollar-amount limitations per room or per family unit (as may be applicable to the particular case) within the following limits: (i) $2,250 per room to not exceed $2,700; (ii) $2,375 per room to not to exceed $2,850; (iii) $8,100 per family unit not to exceed $8,400; and (iv) $8,550 per family unit to not to exceed $8,900, except that the Commissioner may, by regulation, increase the foregoing limits by an additional $1,000 per room for any such projects in (i) the area of a slum clearance and urban redevelopment project covered by a Federal-aid contract executed, or a prior approval granted, pursuant to title I of the Housing Act of 1949, as amended, before the effective date of the Housing Act of 1954, or (ii) an urban renewal area (as defined in title I of the Housing Act of 1949, as amended) in a community respecting which the Housing and Home Finance Administrator has made the certification to the Commissioner provided for by subsection 101 (c) of the Housing Act of 1949, as amended, if located in a geographical area where he finds that cost levels so require: *And provided further*, That for the purposes of this section the word 'veteran' shall mean a person who has served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to July 26, 1947, or on or after June 27, 1950, and prior to such date thereafter as shall be determined by the President."

(b) Section 213 (c) of said act, as amended, is hereby amended by striking from clause (1) "paragraph (A), paragraph (C), or paragraph (D) of."

SEC. 120. In the performance of, and with respect to, the functions, powers and duties vested in him by section 213 of the National Housing Act, as amended, the Commissioner shall appoint an Assistant Commissioner (notwithstanding the provisions of any other law except a provision hereafter enacted expressly in limitation hereof) to administer the provisions of that section under the direction and supervision of the Commissioner.

SEC. 121. Section 217 of said act, as amended, is hereby amended to read as follows:

"SEC. 217. Notwithstanding limitations contained in any other section of this act on the aggregate amount of principal obligations of mortgages or loans which may be insured (or insured and outstanding at any one time), the aggregate amount of principal obligations of all mortgages which may be insured and outstanding at any one time under insurance contracts or commitments to insure pursuant to any section or title of this act (except section 2) shall not exceed the sum of (a) the outstanding principal balances, as of July 1, 1954, of all insured mortgages (as estimated by the Commissioner based on scheduled amortization payments without taking into account prepayments or delinquencies), (b) the principal amount of all outstanding commitments to insure on that date, and (c) $1,500,000,000, except that with the approval of the President such aggregate amount may be increased by not to exceed $500,000,000.

"It is the intent and purpose of this section to consolidate and merge all existing mortgage insurance authorizations or existing limitations with respect to any section or title of this act (except section 2) into one general insurance authorization to take the place of all existing authorizations or limitations."

SEC. 122. Section 219 of said act, as amended, is hereby amended by striking out the words "or the Defense Housing Insurance Fund," and inserting "the Defense Housing Insurance Fund, or the section 220 Housing Insurance Fund,".

SEC. 123. Title II of said act, as amended, is hereby amended by adding at the end thereof the following new sections:

"REHABILITATION AND NEIGHBORHOOD CONSERVATION HOUSING INSURANCE

"SEC. 220. (a) The purpose of this section is to aid in the elimination of slums and blighted conditions and the prevention of the deterioration of residential property by supplementing the insurance of mortgages under sections 203 and 207 of this title with a system of mortgage insurance designed to assist the financing required for the rehabilitation of existing dwelling accommodations and the construction of new dwelling accommodations where such dwelling accommodations are located in an area referred to in paragraph (1) of subsection (d) of this section.

"(b) The Commissioner is authorized, upon application by the mortgagee, to insure, as hereinafter provided any mortgage (including advances during construction on mortgages covering property of the character described in paragraph (3) (B) of subsection (d) of this section) which is eligible for insurance as hereinafter provided, and, upon such terms and conditions as he may prescribe, to make commitments for the insurance of such mortgages prior to the date of their execution or disbursement thereon.

"(c) As used in this section, the terms 'mortgage', 'first mortgage', 'mortgagee', 'mortgagor', 'maturity date', and 'State' shall have the same meaning as in section 201 of this act.

"(d) To be eligible for insurance under this section a mortgage shall meet the following conditions:

"(1) The mortgaged property shall—

"(A) be located in (i) the area of a slum clearance and urban redevelopment project covered by a Federal-aid contract executed, or a prior approval granted, pursuant to title I of the Housing Act of 1949, as amended, before the effective date of the Housing Act of 1954, or (ii) an urban renewal area (as defined in title I of the Housing Act of 1949, as amended) in a community respecting which the Housing and Home Finance Administrator has made the certification to the Commissioner provided for by subsection 101 (c) of the Housing Act of 1949, as amended: *Provided*, That a redevelopment plan or an urban renewal plan (as defined in title I of the Housing Act of 1949, as amended), as the case may be, has been approved for such area by the governing body of the locality involved and by the Housing and Home Finance Administrator, and said Administrator has certified to the Commissioner that such plan conforms to a general plan for the locality as a whole and that there exist the necessary authority and financial capacity to assure the completion of such redevelopment or urban renewal plan, and

"(B) meet such standards and conditions as the Commissioner shall prescribe to establish the acceptability of such property for mortgage insurance under this section.

"(2) The mortgaged property shall be held by—

"(A) a mortgagor approved by the Commissioner, and the Commissioner may in his discretion require such mortgagor to be regulated or restricted as to rents or sales, charges, capital structure, rate of return and methods of operation, and for such purpose the Commissioner may make such contracts with and acquire for not to exceed $100 stock or interest in any such mortgagor as the Commissioner may deem necessary to render effective such restriction or regulations. Such stock or interest shall be paid for out of the section 220 Housing Insurance Fund and shall be redeemed by the mortagagor at par upon the termination of all obligations of the Commissioner under the insurance; or

"(B) by Federal or State instrumentalities, municipal corporate instrumentalities of one or more States, or limited dividend or redevelopment or housing corporations restricted by Federal or State laws or regulations of State banking or insurance departments as to rents, charges, capital structure, rate of return, or methods of operation.

"(3) The mortgage shall involve a principal obligation (including such initial service charges, appraisal, inspection and other fees as the Commissioner shall approve) in an amount—

"(A) not to exceed $18,000 in the case of property upon which there is located a dwelling designed principally for a 1- or 2-family residence; or $24,000 in the case of a 3-family residence; or $30,000 in the case of a 4-family residence; or in the case of a dwelling designed principally for residential use for more than 4 families (but not exceeding such additional number of family units as the Commissioner may prescribe) $30,000 plus not to exceed $6,000 for each additional family unit in excess of 4 located on such property; and not to exceed an amount equal to the sum of (i) 95 percent of $8,000 of the appraised value (as of the date the mortgage is accepted for insurance) and (ii) 75 percent of such value in excess of $8,000; or

"(B) (i) not to exceed $5 million, or, if executed by a mortgagor coming within the provisions of paragraph (2) (B) of this subsection (d), not to exceed $50 million; and

"(ii) not to exceed 90 percent of the estimated value of the property or project when the proposed improvements are completed (the value of the property or project may include the land, the proposed physical improvements, utilities within the boundaries of the property or project, architect's fees, taxes, and interest during construction, and other miscellaneous charges incident to construction and approved by the Commissioner); and

"(iii) not to exceed, for such part of such property or project as may be attributable to dwelling use, $2,250 per room (or $8,100 per family unit if the number of rooms in such property or project is less than 4 per family unit): *Provided*, That as to projects to consist of elevator-type structures, the Commissioner may, in his discretion, increase the dollar amount limitation of $2,250 per room to not to exceed $2,700 per room and the dollar amount limitation of $8,100 per family unit to not to exceed $8,400 per family unit, as the case may be, to compensate for the higher costs incident to the construction of elevator-type structures of sound standards of construction and design, except that the Commissioner may, by regulation increase the foregoing limits by an additional $1,000 per room in any geographical area where he finds that cost levels so require: *And provided further*, That nothing contained in paragraph (B) shall preclude the insurance of mortgages covering existing multifamily dwellings to be rehabilitated or reconstructed for the purposes set forth in subsection (a) of this section.

"(4) The mortgage shall provide for complete amortization by periodic payments within such terms as the Commissioner may prescribe, but as to mortgages coming within the provisions of paragraph (3) (A) of this subsection (d) not to exceed the maximum maturity prescribed by the provisions of section 203 (b) (3). The mortgage shall bear interest (exclusive of premium charges for insurance and service charge, if any) at not to exceed 5 percent per annum on the amount of the principal obligation outstanding at any time, or not to exceed such percent per annum not in excess of 6 percent as the Commissioner finds necessary to meet the mortgage market; contain such terms and provisions with respect to the application of the mortgagor's periodic payment to amortization of the principal of the mortgage, insurance, repairs, alterations, payment of taxes, default reserves, delinquency charges, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other matters as the Commissioner may in his discretion prescribe.

"(e) The Commissioner may at any time, under such terms and conditions as he may prescribe, consent to the release of the mortgagor from his liability under the mortgage or the credit instrument secured thereby, or consent to the release of parts of the mortgaged property from the lien of the mortgage.

"(f) The mortgagee shall be entitled to receive the benefits of the insurance as hereinafter provided—

"(1) as to mortgages meeting the requirements of paragraph (3) (A) of subsection (d) of this section, as provided in section 204 (a) of this act with respect to mortgages insured under section 203; and the provisions of subsections (b), (c), (d), (e), (f), (g), and (h) of section 204 of this act shall be applicable to such mortgages insured under this section, except that all references therein to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Section 220 Housing Insurance Fund and all references therein to section 203 shall be construed to refer to this section; or

"(2) as to mortgages meeting the requirements of paragraph (3) (B) of subsection (d) of this section, as provided in section 207 (g) of this act with respect to mortgages insured under said section 207, and the provisions of subsections (h) (i), (j), (k), and (l) of section 207 of this act shall be applicable to such mortgages insured under this section, and all references therein to the Housing Insurance Fund or the Housing Fund shall be construed to refer to the Section 220 Housing Insurance Fund.

"(g) There is hereby created a section 220 Housing Insurance Fund which shall be used by the Commissioner as a revolving fund for carrying out the provisions of this section, and the Commissioner is hereby authorized to transfer to such fund the sum of $1 million from the War Housing Insurance Fund established pursuant to the provisions of section 602 of this act. General expenses of operation of the Federal Housing Administration under this section may be charged to the section 220 Housing Insurance Fund.

"Moneys in the section 220 Housing Insurance Fund not needed for the current operations of the Federal Housing Administration under this section shall be deposited with the Treasurer of the United States to the credit of such fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Commissioner may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued under the provisions of this section. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

"Premium charges, adjusted premium charges, and appraisal and other fees received on account of the insurance of any mortgage accepted for insurance under this section, the receipts derived from the property covered by such mortgage and claims assigned to the Commissioner in connection therewith shall be credited to the section 220 Housing Insurance Fund. The principal of, and interest paid and to be paid on debentures issued under this section, cash adjustments, and expenses incurred in the handling, management, renovation, and disposal of properties acquired under this section shall be charged to such fund.

"SEC. 221. (a) This section is designed to supplement systems of mortgage insurance under other provisions of the National Housing Act in order to assist in relocating families to be displaced as the result of governmental action in a community respecting which (1) the Housing and Home Finance Administrator has made the certification to the Commissioner provided for by subsection 101 (c) of the Housing Act of 1949, as amended, or (2) there is being carried out a project covered by a Federal aid contract executed, or prior approval granted, by the Housing and Home Finance Administrator under title I of the Housing Act of 1949, as amended, before the effective date of the Housing Act of 1954. Mortgage insurance under this section shall be available only in those localities or communities which shall have requested such mortgage insurance to be provided: *Provided*, That the Commissioner shall prescribe such procedures as in his judgment are necessary to secure to the families to be so displaced, referred to above, a preference or priority of opportunity to purchase or rent such dwelling units: *Provided further*, That the total number of dwelling units in properties covered by mortgage insurance under this section in any such community shall not exceed the aggregate number of such dwelling units which the Housing and Home Finance Administrator, from time to time, certifies to the Commissioner to be needed for the relocation of families to be so displaced and who would be eligible to rent or purchase dwelling accommodations in properties covered by mortgage insurance authorized by this section: *Provided further*, That, with respect to any community referred to in clause (1) of this subsection, said Administrator shall not certify any dwelling units during any period when, in his opinion, the locality fails to carry out the workable program upon which said Administrator based the certification to the Commissioner that mortgage insurance under this section may be made available in such community: *And provided further*, That with respect to any community referred to in clause (2) of this subsection (but not clause (1) thereof), the number of dwelling units certified by said Administrator shall not exceed the number which he estimates to be needed for the relocation of such displaced families during the period when the project referred to in said clause (2) is being carried out.

"(b) The Commissioner is authorized, upon application by the mortgagee, to insure under this section as hereinafter provided any mortgage which is eligible for insurance as provided herein and, upon such terms and conditions as the Commissioner may prescribe, to make commitments for the insurance of such mortgages prior to the date of their execution or disbursement thereon.

"(c) As used in this section, the terms 'mortgage,' 'first mortgage,' 'mortgagee,' 'mortgagor,' 'maturity date,' and 'State' shall have the same meaning as in section 201 of this act.

"(d) To be eligible for insurance under this section, a mortgage shall—

"(1) have been made to and be held by a mortgagee approved by the Commissioner as responsible and able to service the mortgage properly;

"(2) involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $7,600, except that the Commissioner may by regulation increase this amount to not to exceed $8,600 in any geographical area where he finds that cost levels so require, and not to exceed 95 percent of the appraised value (as of the date the mortgage is accepted for insurance) of a property, upon which there is located a dwelling designed principally for a single-family residence or not to exceed 90 percent of such appraised value if the mortgage is not on property approved for insurance prior to the beginning of construction: *Provided*, That the mortgagor shall be the owner and occupant of the property at the time of the insurance and shall have paid on account of the property at least 5 percent, or 10 percent, as the case may be, of the Commissioner's estimate of the cost of acquisition in cash or its equivalent: *Provided further*, That nothing contained herein shall preclude the Commissioner from issuing a commitment to insure and insuring a mortgage pursuant thereto where the mortgagor is not the owner and occupant and the property is to be built or acquired and repaired or rehabilitated for sale and the insured mortgage financing is required to facilitate the construction or the repair or rehabilitation of the dwelling and provide financing pending the subsequent sale thereof to a qualified owner-occupant, and in such instances the mortgage shall not exceed 85 percent of the appraised value; or

"(3) if executed by a mortgagor which is a private nonprofit corporation or association or other acceptable private nonprofit organization, regulated or supervised under Federal or State laws or by political subdivisions of States or agencies thereof, as to rents, charges, and methods of operation, in such form and in such manner as, in the opinion of the Commissioner, will effectuate the purposes of this section, the mortgage may involve a principal obligation not in excess of $5 million; and not in excess of $7,600 per family unit for such part of such property or project as may be attributable to dwelling use, except that the Commissioner may by regulation increase this amount to not to exceed $8,600 in any geographical area where he finds that cost levels so require, and not in excess of 95 percent of the Commissioner's estimate of the value of the property or project when constructed, or repaired and rehabilitated for use as rental accommodations for 10 or more families eligible for occupancy as provided in this section; and

"(4) provide for complete amortization by periodic payments within such terms as the Commissioner may prescribe, but not to exceed 30 years from the date of insurance of the mortgage; bear interest (exclusive of premium charges for insurance and service charge, if any) at not to exceed 5 percent per annum on the amount of the principal obligation outstanding at any time, or not to exceed such percent per annum not in excess of 6 percent as the Commissioner finds necessary to meet the mortgage market; and contain such terms and provisions with respect to the application of the mortgagor's periodic payment to amortization of the principal of the mortgage, insurance, repairs, alterations, payment of taxes, default reserves, delinquency charges, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other matters as the Commissioner may in his discretion prescribe.

"(e) The Commissioner may at any time, under such terms and conditions as he may prescribe, consent to the release of the mortgagor from his liability under the mortgage or the credit instrument secured thereby, or consent to the release of parts of the mortgaged property from the lien of the mortgage.

"(f) The property or project shall comply with such standards and conditions as the Commissioner may prescribe to establish the acceptability of such property for mortgage insurance.

"(g) The mortgagee shall be entitled to receive the benefits of the insurance as hereinafter provided—

"(1) as to mortgages meeting the requirements of paragraph (2) of subsection (d) of this section, as provided in section 204 (a) of this act with respect to mortgages insured under section 203; and the provisions of subsections (b), (c), (d), (e), (f), (g), and (h) of section 204 of this act shall be applicable to such mortgages insured under this section, except that all references therein to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Section 221 Housing Insurance Fund and all references therein to section 203 shall be construed to refer to this section; or

"(2) as to mortgages meeting the requirements of paragraph (3) of subsection (d) of this section, as provided in section 207 (g) of this act with respect to mortgages insured under said section 207, and the provisions of subsections (h), (i), (j), (k), and (l) of section 207 of this act shall be applicable to such mortgages insured under this section, and all references therein to the Housing Insurance Fund or the Housing Fund shall be construed to refer to the Section 221 Housing Insurance Fund; or

"(3) in the event any mortgage insured under this section is not in default at the expiration of 20 years from the date the mortgage was endorsed for insurance, the mortgagee shall, within a period thereafter to be determined by the Commissioner, have the option to assign, transfer, and deliver to the Commissioner the original credit instrument and the mortgage securing the same and receive the benefits of the insurance as hereinafter provided in this paragraph, upon compliance with such requirements and conditions as to the validity of the mortgage as a first lien and such other matters as may be prescribed by the Commissioner at the time the loan is endorsed for insurance. Upon such assignment, transfer, and delivery the obligation of the mortgagee to pay the premium charges for insurance shall cease, and the Commissioner shall, subject to the cash adjustment provided herein, issue to the mortgagee debentures having a total face value equal to the amount of the original principal obligation of the mortgage which was unpaid on the date of the assignment, plus accrued interest to such date. Debentures issued pursuant to this paragraph (3) shall be issued in the same manner and subject to the same terms and conditions as debentures issued under paragraph (1) of this subsection, except that the debentures issued pursuant to this paragraph (3) shall be dated as of the date the mortgage is assigned to the Commissioner, and shall bear interest from such date at the going Federal rate determined at the time of issuance. The term 'going Federal rate' as used herein means the annual rate of interest which the Secretary of the Treasury shall specify as applicable to the 6-month period

(consisting of January though June or July through December) which includes the issuance date of such debentures, which applicable rate for each such 6-month period shall be determined by the Secretary of the Treasury by estimating the average yield to maturity, on the basis of daily closing market bid quotations or prices during the month of May or the month of November, as the case may be, next preceding such 6-month period, on all outstanding marketable obligations of the United States having a maturity date of 8 to 12 years from the first day of such month of May or November (or, if no such obligations are outstanding, the obligation next shorter than 8 years and the obligation next longer than 12 years, respectively, shall be used), and by adjusting such estimated average annual yield to the nearest one-eighth of 1 percent. The Commissioner shall have the same authority with respect to mortgages assigned to him under this paragraph as contained in section 207 (k) and section 207 (l) as to mortgages insured by the Commissioner and assigned to him under section 207 of this act.

"(h) There is hereby created a Section 221 Housing Insurance Fund which shall be used by the Commissioner as a revolving fund for carrying out the provisions of this section, and the Commissioner is hereby authorized to transfer to such fund the sum of $1 million from the War Housing Insurance Fund established pursuant to the provisions of section 602 of this act. General expenses of operation of the Federal Housing Administration under this section may be charged to the Section 221 Housing Insurance Fund.

"Moneys in the Section 221 Housing Insurance Fund not needed for the current operations of the Federal Housing Administration under this section shall be deposited with the Treasurer of the United States to the credit of such fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Commissioner may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued under the provisions of this section. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

"Premium charges, adjusted premium charges, and appraisal and other fees received on account of the insurance of any mortgage accepted for insurance under this section, the receipts derived from the property covered by such mortgage and claims assigned to the Commissioner in connection therewith shall be credited to the Section 221 Housing Insurance Fund. The principal of, and interest paid and to be paid on debentures issued under this section, cash adjustments, and expenses incurred in the handling management, renovation, and disposal of properties acquired under this section shall be charged to such fund."

SEC. 124. Title II of said act, as amended, is further amended by adding at the end thereof the following new section:

"MORTGAGE INSURANCE FOR SERVICEMEN

"SEC. 222. (a) The purpose of this section is to aid in the provision of housing accommodations for servicemen in the Armed Forces of the United States and their families, and servicemen in the United States Coast Guard and their families, by supplementing the insurance of mortgages under section 203 of this title with a system of mortgage insurance specially designed to assist the financing required for the construction or purchase of dwellings by those persons. As used in this section, a 'serviceman' means a person to whom the Secretary of Defense (or any officer or employee designated by him), or the Secretary of the Treasury (or any officer or employee designated by him), as the case may be, has issued a certificate hereunder indicating that such person requires housing, is serving on active duty in the Armed Forces of the United States or in the United States Coast Guard and has served on active duty for more than 2 years, but a certificate shall not be issued hereunder to any person ordered to active duty for training purposes only. The Secretary of Defense and the Secretary of the Treasury, respectively, are authorized to prescribe rules and regulations governing the issuance of such certificates and may withhold issuance of more than one such certificate to a serviceman whenever in his discretion issuance is not justified due to circumstances resulting from military assignment, or, in the case of the United States Coast Guard, other assignment.

"(b) In addition to mortgages insured under section 203, the Commissioner may, for the purpose of this section, insure any mortgage under this section which would be eligible for insurance under section 203, except that as to mortgages so insured the maximum ratio of loan to value may, in the discretion of the Commissioner, exceed the maximum ratio of loan to value prescribed in section 203 but not to exceed in any event 95 percent of the appraised value of the property and not to exceed $14,250: *Provided*, That a mortgage insured under this section shall have been executed by a mortgagor who is a serviceman and who, at the time of insurance, is the owner of the property and either occupies the property or certifies that his failure to do so is the result of his military assignment, or, in the case of the United States Coast Guard, other assignment.

"(c) The Commissioner may prescribe the manner in which a mortgage may be accepted for insurance under this section. Premiums fixed by the Commissioner under section 203 with respect to, or payable during, the period of ownership by a serviceman of the property involved shall not be payable by the mortgagee but shall be paid not less frequently than once each year, upon request of the Commissioner to the Secretary of Defense or the Secretary of the Treasury, as the case may be, from the respective appropriations available for pay and allowances of persons eligible for mortgage insurance under this section. As used herein, 'the period of ownership by a serviceman' means the period, for which premiums are fixed, prior to the date that the Secretary of Defense (or any officer or employee or other person designated by him) or the Secretary of the Treasury (or any officer or employee or other person designated by him), as the case may be, furnishes the Commissioner with a certification that such ownership (as defined by the Commissioner) has terminated.

"(d) Any mortgagee under a mortgage insured under this section is entitled to the benefits of the insurance as provided in section 204 (a) with respect to mortgages insured under section 203.

"(e) The provisions of subsections (b), (c), (d), (e), (f), (g), and (h) of section 204 shall apply to mortgages insured under this section, except that as applied to those mortgages (1) all references to the 'Fund,' or 'Mutual Mortgage Insurance Fund,' shall refer to the 'Servicemen's Mortgage Insurance Fund,' and (2) all references to 'section 203' shall refer to this section.

"(f) There is hereby created a Servicemen's Mortgage Insurance Fund to be used by the Commissioner as a revolving fund to carry out the provisions of this section. For the purposes of this fund (and in addition to amounts made available pursuant to subsection (c) or otherwise), there is hereby authorized to be appropriated the sum of $1 million. For immediate needs pending such appropriation, the Commissioner is directed to transfer the sum of $1 million to such fund from the War Housing Insurance Fund created by section 602 of this act, such amount to be reimbursed to the War Housing Insurance Fund upon the availability of the appropriation authorized by the preceding sentence. Any premium charges, adjusted premium charges, and appraisal and other fees received on account of the insurance of any mortgage accepted for insurance under this section, the receipts derived from the property covered by such mortgage and claims assigned to the Commissioner in connection therewith shall be credited to the Servicemen's Mortgage Insurance Fund. The principal of, and interest paid and to be paid on, debentures issued under this section, and cash adjustments and expenses incurred in the handling, management, renovation, and disposal of properties acquired under this section shall be charged to the Servicemen's Mortgage Insurance Fund. General expenses of operation of the Federal Housing Administration incurred under this section may be charged to the Servicemen's Mortgage Insurance Fund. Moneys in that fund not needed for the current operation of the Federal Housing Administration under this section shall be deposited with the Treasurer of the United States to the credit of that fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Commissioner may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued under this section. Those purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

"(g) Notwithstanding any provision of the Servicemen's Readjustment Act of 1944, as amended, no mortgagor under this section shall be eligible thereafter for loan benefits under title III of that act to purchase residential property or construct a dwelling to be occupied at his home, and no person who has used his entitlement under title III of said act to purchase residential property or construct a dwelling to be occupied as his home shall be eligible for the benefits of this section."

SEC. 125. Title II of said act, as amended, is hereby further amended by adding at the end thereof the following new section to transfer to title II the mortgage insurance program in connection with the sale of certain publicly owned property as contained in section 610 of title VI; the insurance of mortgages to refinance existing loans insured under section 608 of title VI and sections 903 and 908 of title IX; and to authorize the insurance under title II of mortgages assigned to the Commissioner under insurance contracts and mortgages held by the Commissioner in connection with the sale of property acquired under insurance contracts:

"MISCELLANEOUS HOUSING INSURANCE

"SEC. 223. (a) Notwithstanding any of the provisions of this title, and without regard to limitations upon eligibility contained in section 203 or section 207, the Commissioner is authorized, upon application by the mortgagee, to insure or make commitments to insure under section 203 or section 207 of this title any mortgage—

"(1) executed in connection with the sale by the Government, or any agency or official thereof, of any housing acquired or constructed under Public Law 849, 76th Congress, as amended; Public Law 781, 76th Congress, as amended; or Public Laws 9, 73, or 353, 77th Congress, as amended (including any property acquired, held, or constructed in connection with such housing or to serve the inhabitants thereof); or

"(2) executed in connection with the sale by the Public Housing Administration, or by any public-housing agency with the approval of the said administration, of any housing (including any property acquired, held, or constructed in connection with such housing or to serve the inhabitants thereof)

owned or financially assisted pursuant to the provisions of Public Law 671, 76th Congress; or

"(3) executed in connection with the sale by the Government, or any agency or official thereof, of any of the so-called Greenbelt towns, or parts thereof, including projects, or parts thereof, known as Greenhills, Ohio; Greenbelt, Md., and Greendale, Wis., developed under the Emergency Relief Appropriation Act of 1935, or of any of the village properties or employee's housing under the jurisdiction of the Tennessee Valley Authority; or

"(4) executed in connection with the sale by a State or municipality, or an agency, instrumentality, or political subdivision of either, of a project consisting of any permanent housing (including any property acquired, held, or constructed in connection therewith or to serve the inhabitants thereof), constructed by or on behalf of such State, municipality, agency, instrumentality, or political subdivision, for the occupancy of veterans of World War II, or Korean veterans, their families, and others; or

"(5) executed in connection with the first resale, within 2 years from the date of its acquisition from the Government, of any portion of a project or property of the character described in paragraphs (1), (2), and (3) above; or

"(6) given to refinance an existing mortgage insured under section 608 of title VI prior to the effective date of the Housing Act of 1954 or under section 903 or section 908 of title IX: *Provided*, That the principal amount of any such refinancing mortgage shall not exceed the original principal amount or the unexpired term of such existing mortgage and shall bear interest at a rate not in excess of the maximum rate applicable to loans insured under section 203 or section 207, as the case may be, except that in any case involving the refinancing of a loan insured under section 608 or 908 in which the Commissioner determines that the insurance of a mortgage for an additional term will inure to the benefit of the applicable insurance fund, taking into consideration the outstanding insurance liability under the existing insured mortgage, such refinancing mortgage may have a term not more than 12 years in excess of the unexpired term of such existing insured mortgage: *Provided*, That a mortgage of the character described in paragraph (1), (2), (3), (4), or (5) shall have a maturity satisfactory to the Commissioner, but not to exceed the maximum term applicable to loans insured under section 203 or section 207, as the case may be, and shall involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not exceeding 90 percent of the appraised value of the mortgaged property, as determined by the Commissioner, and bear interest (exclusive of premium charges and service charges, if any) at not to exceed the maximum rate applicable to loans insured under section 203 or section 207, as the case may be, except that where a mortgage of a character described in paragraph (1), (2), (3), or (5) covers property held by a nonprofit cooperative ownership housing corporation or nonprofit cooperative ownership housing trust, the permanent occupancy of the dwellings of which is restricted to members of such corporation or to beneficiaries of such trust, if at least 50 percent of such members or beneficiaries are veterans, such principal obligation may be in an amount not exceeding 95 percent of such appraised value.

"(b) The Commissioner shall also have authority to insure under this title any mortgage assigned to him in connection with payment under a contract of mortgage insurance or executed in connection with the sale by him of any property acquired under title I, title II, title VI, title VIII, or title IX without regard to any limitation upon eligibility contained in this title II."

SEC. 126. Title II of said act, as amended, is hereby amended by adding at the end thereof the following new sections:

"DEBENTURE INTEREST RATE

"SEC. 224. Notwithstanding any other provisions of this act, debentures issued under any section of this act with respect to a mortgage accepted for insurance on or after 30 days following the effective date of the Housing Act of 1954 (except debentures issued pursuant to paragraph (3) of section 221 (g) hereof) shall bear interest at the rate in effect at the time the mortgage is insured. The Commissioner shall from time to time, with the approval of the Secretary of the Treasury, establish such interest rate in an amount not in excess of the annual rate of interest determined by the Secretary of the Treasury, at the request of the Commissioner, by estimating the average yield to maturity, on the basis of daily closing market bid quotations or prices during the calendar month next preceding the establishment of such rate of interest, on all outstanding marketable obligations of the United States having a maturity date of 15 years or more from the first day of such next preceding month, and by adjusting such estimated average annual yield to the nearest one-eighth of 1 percent.

"OPEN-END MORTGAGES

"SEC. 225. Notwithstanding any other provisions of this act, in connection with any mortgage insured pursuant to any section of this act which covers a property upon which there is located a dwelling designed principally for residential use for not more than four families in the aggregate, the Commissioner is authorized, upon such terms and conditions as he may prescribe, to insure under said section the amount of any advance for the improvement or repair of such property made to the mortgagor pursuant to an 'open-end' provision in the mortgage, and to add the amount of such advance to the original principal obligation in determining the value of the mortgage for the purpose of computing the amounts of debentures and certificate of claim to which the mortgagee may be entitled: *Provided*, That the Commissioner may require the payment of such charges, including charges in lieu of insurance premiums, as he may consider appropriate for the insurance of such 'open-end' advances: *Provided further*, That only advances for such improvements or repairs as substantially protect or improve the basic livability or utility of the property involved shall be eligible for insurance under this section: *Provided further*, That no such advance shall be insured under this section if the amount thereof plus the amount of the unpaid balance of the original principal obligation of the mortgage would exceed the amount of such original principal obligation: *And provided further*, That the insurance of 'open-end' advances shall not be taken into account in determining the aggregate amount of principal obligations of mortgages which may be insured under this act.

"FHA APPRAISAL AVAILABLE TO HOME BUYERS

"SEC. 226. The Commission is hereby authorized and directed to require that, in connection with any property upon which there is located a dwelling designed principally for a single-family residence or a 2-family residence and which is approved for mortgage insurance under sections 203, 220, or 221 of this act prior to the beginning of construction, the seller or builder or such other person as may be designated by the Commissioner shall agree to deliver, prior to the sale of the property, to the person purchasing for his own occupancy any such dwelling which has not previously been occupied, a written statement setting forth the amount of the appraised value of the property as determined by the Commissioner.

"BUILDER'S COST CERTIFICATION

"SEC. 227. Notwithstanding any other provisions of this act, no mortgage covering new or rehabilitated multifamily housing shall be insured under this act unless the mortgagor has agreed (a) to certify, upon completion of the physical improvements on the mortgaged property or project and prior to final endorsement of the mortgage, either (i) that the approved percentage of actual cost (as those terms are herein defined) equaled or exceeded the proceeds of the mortgage loan or (ii) the amount by which the proceeds of the mortgage loan exceeded such approved percentage of actual cost, as the case may be, and (b) to pay forthwith to the mortgagee, for application to the reduction of the principal obligation of such mortgage, the amount, if any, certified to be in excess of such approved percentage of actual cost. As used in this section—

"(a) The term 'new or rehabilitated multifamily housing' means a project or property approved for mortgage insurance prior to the construction or the repair and rehabilitation involved and covered by a mortgage insured or to be insured (i) under section 207, (ii) under section 213 with respect to any property or project of a corporation or trust of the character described in paragraph numbered (1) of subsection (a) thereof, (iii) under section 220 if the mortgage meets the requirements of paragraph (3) (B) of subsection (d) thereof, (iv) under section 221, (v) under section 803, or (vi) under sections 903 and 908;

"(b) The term 'approved percentage' means the percentage figure which, under applicable provisions of this act, the Commissioner is authorized to apply to his estimate of value or replacement cost, as the case may be, of the property or project in determining the maximum insurable mortgage amount; and

"(c) The term 'actual cost' has the following meaning: (i) in case the mortgage is to assist the financing of new construction, the term means the actual cost to the mortgagor of such construction, including amounts paid for labor, materials, construction contracts, off-site public utilities, streets, organizational and legal expenses, and other items of expense approved by the Commissioner, including a reasonable allowance for builder's profit if the mortgagor is also the builder as defined by the Commissioner, plus an amount equal to the Commissioner's estimate of the fair market value of any land (prior to the construction of the improvements built as a part of the project) in the property or project owned by the mortgagor in fee (or, in case the land in the property or project is held by the mortgagor under a leasehold or other interest less than a fee, such amount as the mortgagor paid for the acquisition of such leasehold or other interest but, in no event, in excess of the fair market value of such leasehold or other interest exclusive of the proposed improvements), but excluding the amount of any kickbacks, rebates, or trade discounts received in connection with the construction of the improvements, or (ii) in case the mortgage is to assist the financing of repair or rehabilitation, the term means the actual cost to the mortgagor of such repair or rehabilitation, including the items of expense other than land referred to in (i), plus an additional amount equal to the purchase price of the land and improvements prior to such repair or rehabilitation if the purchase of such land and improvements is to be financed with the proceeds of the mortgage, except that such additional amount shall in no event exceed the Commissioner's estimate of the fair market value of such land and improvements prior to such repair or rehabilitation: *Provided*, That the amount of the approved percentage of actual cost,

as used in this section, shall include the amount of any outstanding indebtedness secured by the land and improvements to be refinanced with the proceeds of the mortgage but in no event in excess of the approved percentage of the Commissioner's estimate of the fair market value of such land and improvements prior to such repair and rehabilitation.

"SEC. 228. Notwithstanding any other provisions of law, the Commissioner may establish in the Federal Housing Administration not to exceed 18 positions the compensation for which shall be at the rate now or hereafter fixed by law for grade GS–16 of the general schedule established by the Classification Act of 1949, as amended (which positions shall be in lieu of any positions at grade GS–16 of said general schedule previously allocated in the Federal Housing Administration under section 505 of said Classification Act), and appointments to such positions may be made by the Commissioner without regard to the provisions of the civil service laws and said Classification Act of 1949, as amended."

ADDITIONAL AMENDMENTS RELATING TO FEDERAL HOUSING ADMINISTRATION

SEC. 127. Title VI of said act, as amended, is hereby amended by adding the following new section at the end thereof:

"SEC. 612. Notwithstanding any other provision of this title, no mortgage or loan shall be insured under any section of this title after the effective date of the Housing Act of 1954 except pursuant to a commitment to insure issued on or before such date."

SEC. 128. (a) Section 803 (a) of said act, as amended, is amended by striking out "July 1, 1954" and substituting therefor "June 30, 1955."

(b) Section 903 (a) of said act, as amended, is hereby amended by adding the following before the last proviso thereof: "*Provided further*, That the Commissioner shall require each dwelling covered by a mortgage insured under this section, for which a commitment to insure is issued after the effective date of the Housing Act of 1954, to be held for rental for a period of not less than 4 years after the dwelling is made available for initial occupancy:".

SEC. 129. Section 104 of the Defense Housing and Community Facilities and Services Act of 1951, as amended, is hereby amended as follows: (1) by striking out the material within the parentheses in clause (a) and substituting therefor "except (i) pursuant to a commitment to insure issued on or before such date or (ii) during such period, or for such project or projects, after said date as the President may designate hereunder", and (2) by adding after the last comma in clause (b) "except during such period, or for such project or projects, as the President may designate hereunder: *Provided*, That, to the extent necessary to assure the adequate completion of any facilities for which prior agreements have been made under title III, the Housing and Home Finance Administrator may, at any time after June 30, 1954, enter into amendatory agreements under such title involving the expenditure of additional Federal funds within the balance available therefor on or before such date."

SEC. 130. The paragraph following paragraph numbered (3) of section 803 (b) of the National Housing Act, as amended, and paragraph numbered (3) of section 908 (b) of said act, as amended, are hereby amended to read as follows: "The mortgagor shall enter into the agreement required by section 227 of this act, as amended."

SEC. 131. The eighth paragraph of section 709 of title 18 of the United States Code is hereby amended to read as follows:

"Whoever uses as a firm or business name the words 'Federal Housing', 'National Housing', or 'Public Housing Administration' or the letters 'FHA' or any combination or variation of those words or the letters 'FHA' alone or with other words or letters reasonably calculated to convey the false impression that such name or business has some connection with, or authorization from, the Federal Housing Administration, the Public Housing Administration, the Government of the United States or any agency thereof, which does not in fact exist, or falsely claims that any repair, improvement, or alteration of any existing structure is required or recommended by the Federal Housing Administration, the Government of the United States or any agency thereof for the purpose of inducing any person to enter into a contract for the making of such repairs, alterations, or improvements, or falsely advertises or represents by any device whatsoever that any project, business, or product has been in any way endorsed, authorized, or approved by the Federal Housing Administration, the Public Housing Administration, the Government of the United States or any agency thereof; or."

SEC. 132. Title V of the National Housing Act, as amended, is hereby amended by adding the following new sections after section 511:

"SEC. 512. Notwithstanding any other provision of law, the Commissioner is authorized to refuse the benefits of participation (either directly as an insured lender or as a borrower, or indirectly as a builder, contractor, or dealer, or salesman or sales agent for a builder, contractor, or dealer) under titles I, II, or VIII of this act to any person or firm (including but not limited to any individual, partnership, association, trust, or corporation) if the Commissioner has determined that such person or firm (1) has knowingly or willfully violated any provision of this act or of title III of the Servicemen's Readjustment Act of 1944, as amended, or of any regulation issued by the Commissioner under this act or by the Administrator of Veterans' Affairs under said title III, or (2) has, in connection with any construction, alteration, repair, or improvement work financed with assistance under this act or under said title III, or in connection with contracts or financing relating to such work, violated any Federal or State penal statute, or (3) has failed materially, whether intentionally or through inability, to properly carry out contractual obligations with respect to the completion of construction, alteration, repair, or improvement work financed with assistance under this act or under title III of the Servicemen's Readjustment Act of 1944, as amended. Before any such determination is made any person or firm with respect to whom such a determination is proposed shall be notified in writing by the Commissioner and shall be entitled, upon making a written request to the Commissioner, to a written notice specifying charges in reasonable detail and an opportunity to be heard and to be represented by counsel. Determinations made by the Commissioner under this section shall be based on the preponderance of the evidence.

"SEC. 513. (a) The Congress hereby declares that it has been its intent since the enactment of the National Housing Act that housing built with the aid of mortgages insured under that act is to be used principally for residential use; and that this intent excludes the use of such housing for transient or hotel purposes while insurance on the mortgage remains outstanding.

"(b) Notwithstanding any other provisions of this act, no new, existing, or rehabilitated multifamily housing with respect to which a mortgage is insured under this act shall be rented for a period less than 30 days or operated in such a manner as to offer any hotel services while so insured.

"(c) After the effective date of the Housing Act of 1954, no mortgage with respect to multifamily housing shall be insured under the National Housing Act, as amended, unless the mortgagor certifies under oath that while such insurance remains outstanding no rental of any portion of any building subject to such mortgage will be permitted for a period of less than 30 days and no hotel services will be offered to or provided for any tenant in such building.

"(d) The Commissioner is hereby authorized and directed to enforce the provisions of this section by all appropriate means at his disposal, as to all existing multifamily housing with respect to which a mortgage was insured under this act prior to the effective date of the Housing Act of 1954 as well as to all multifamily housing with respect to which a mortgage is hereafter insured under this act: *Provided, however*, That no criminal penalty shall, by reason of enactment of this section, be applicable to the rental or operation of any such existing multifamily housing in violation of any provision of subsection (b) of this section at any time prior to the effective date of the Housing Act of 1954.

"SEC. 514. (a) Within 15 days after receipt of written notice that any portion of any building is being rented or operated in violation of any provision of section 513 or in violation of any other provision of this act or any rule or regulation lawfully issued thereunder, the Commissioner shall investigate the existence of the facts alleged in the written notice and shall order such violation, if found to exist, to cease forthwith.

"(b) If such violation does not cease within such period, the Commissioner shall within 15 days forward the complaint to the Attorney General of the United States for prosecution of any criminal action involved in such violation.

"(c) Within the 15-day period referred to in subsection (b) of this section, the Commissioner shall petition the district court of the United States or the district court of any Territory or other place subject to United States jurisdiction within whose jurisdictional limits the person doing or committing the acts or practices constituting the alleged violation shall be found, for an order enjoining such acts or practices constituting such violation and upon a showing by the Commissioner that such acts or practices constituting such violation have been engaged in or are about to be engaged in, a permanent or temporary injunction, restraining order, or other order, with or without such injunction or restraining order, shall be granted without bond.

(d) If the Commissioner fails to file such petition within the allotted 15-day period, any person may within 30 days following the expiration of the 15-day period at his sole cost or charge file such petition in the name of the United States and conduct such litigation to its conclusion on behalf of the United States in the same manner as if he were the Commissioner.

"(e) The several district courts of the United States and the several district courts of the Territories of the United States or other place subject to United States jurisdiction, within whose jurisdictional limits the person doing or committing the acts or practices constituting the alleged violation shall be found, shall, wheresoever such acts or practices may have been done or committed, have full power and jurisdiction to hear, try, and determine such matter."

SEC. 133. The Director of the Bureau of the Budget is hereby authorized and directed to report to the Committees on Banking and Currency of the Senate and House of Representatives not later than February 1, 1955, on the feasibility of merging or consolidating the home loan and guaranty functions of the Administrator of Veterans' Affairs and the mortgage insurance functions of the Federal Housing Administration, together with any proposed legislation which the Director may deem necessary or desirable to carry out his recommendations.

TITLE II—FEDERAL NATIONAL MORTGAGE ASSOCIATION

SEC. 201. No expiration or termination of authority of the Reconstruction Finance Corporation, or the expiration of the succession of such Corporation, shall affect any authority or function transferred under Reorganization Plan No. 22 of 1950 (64 Stat. 1277), and all functions and authority transferred under said plan shall remain in full force and effect.

SEC. 202. The first sentence of paragraph (1) (G) of section 301 (a) of the National Housing Act, as amended, is hereby amended—

(1) by striking "1954" and inserting "1954 (or 1955 in case of a commitment under title VIII of this act)"; and

(2) by inserting before the period at the end of said sentence: "or (iii) commitments made by the Association, not exceeding in the aggregate $15 million in original principal amounts, which relate to mortgages covering projects or properties located in Guam."

SEC. 203. The functions of the Housing and Home Finance Administrator (including the function of making payments to the Secretary of the Treasury) under section 2 of Reorganization Plan No. 22 of 1950, together with the notes and capital stock of the Federal National Mortgage Association held by said Administrator, thereunder, are hereby transferred to the Federal National Mortgage Association.

TITLE III—SLUM CLEARANCE AND URBAN RENEWAL

SEC. 301. The heading of title I of the Housing Act of 1949, as amended, is hereby amended to read "Title I— Slum Clearance and Urban Renewal."

SEC. 302. Title I of said act, as amended, is hereby amended by inserting the following new section immediately after the heading of title I:

"URBAN RENEWAL FUND

"SEC. 100. The authorizations, funds, and appropriations available pursuant to sections 103 and 104 hereof shall constitute a fund, to be known as the 'Urban Renewal Fund,' and shall be available for advances, loans, and capital grants to local public agencies for urban renewal projects in accordance with the provisions of this title, and all contracts, obligations, assets, and liabilities existing under or pursuant to said sections prior to the enactment of the Housing Act of 1954 are hereby transferred to said Fund."

SEC. 303. Section 101 of said act, as amended, is hereby amended to read as follows:

"SEC. 101. (a) In entering into any contract for advances for surveys, plans, and other preliminary work for projects under this title, the Administrator shall give consideration to the extent to which appropriate local public bodies have undertaken positive programs (through the adoption, modernization, administration, and enforcement of housing, zoning, building and other local laws, codes and regulations relating to land use and adequate standards of health, sanitation, and safety for buildings, including the use and occupancy of dwellings) for (1) preventing the spread or recurrence in the community of slums and blighted areas, and (2) encouraging housing cost reductions through the use of appropriate new materials, techniques, and methods in land and residential planning, design, and construction, the increase of efficiency in residential construction, and the elimination of restrictive practices which unnecessarily increase housing costs.

"(b) In the administration of this title, the Administrator shall encourage the operations of such local public agencies as are established on a State, or regional (within a State), or unified metropolitan basis or as are established on such other basis as permits such agencies to contribute effectively toward the solution of community development or redevelopment problems on a State, or regional (within a State), or unified metropolitan basis.

"(c) No contract shall be entered into for any loan or capital grant under this title, or for annual contributions or capital grants pursuant to the United States Housing Act of 1937, as amended, for any project or projects not constructed or covered by a contract for annual contributions prior to the effective of the Housing Act of 1954, and no mortgage shall be insured, and no commitment to insure a mortgage shall be issued, under section 220 or 221 of the National Housing Act, as amended, unless (1) there is presented to the Administrator by the locality a workable program (which shall include an official plan of action, as it exists from time to time, for effectively dealing with the problem of urban slums and blight within the community and for the establishment and preservation of a well-planned community with well-organized residential neighborhoods of decent homes and suitable living environment for adequate family life) for utilizing appropriate private and public resources to eliminate, and prevent the development or spread of, slums and urban blight, to encourage needed urban rehabilitation, to provide for the redevelopment of blighted, deteriorated, or slum areas, or to undertake such of the aforesaid activities or other feasible community activities as may be suitably employed to achieve the objectives of such a program, and (2) on the basis of his review of such program, the Administrator determines that such program meets the requirements of this subsection and certifies to the constituent agencies affected that the Federal assistance may be made available in such community: *Provided*, That this sentence shall not apply to the insurance of, or commitment to insure, a mortgage under section 220 of the National Housing Act, as amended, if the mortgaged property is in an area referred to in clause (A) (i) of paragraph (1) of section 220 (d), or under section 221 of the National Housing Act, as amended, if the mortgaged property is in a community referred to in clause (2) of section 221 (a) of said act: *And provided further*, That, notwithstanding any other provisions of law which would authorize such delegation or transfer, there shall not be delegated or transferred to any other official (except an officer or employee of the Housing and Home Finance Agency serving as Acting Administrator during the absence or disability of the Administrator or in the event of a vacancy in that office) the final authority vested in the Administrator (i) to determine whether any such workable program meets the requirements of this subsection, (ii) to make the certification that Federal assistance of the types enumerated in this subsection may be made available in such community, (iii) to make the certifications as to the maximum number of dwelling units needed for the relocation of families to be displaced as a result of governmental action in a community and who would be eligible to rent or purchase dwelling accommodations in properties covered by mortgage insurance under section 221 of the National Housing Act, as amended, or (iv) to determine that the relocation requirements of section 105 (c) of this title have been met.

"(d) The Administrator is authorized to establish facilities (1) for furnishing to communities, at their request, an urban renewal service to assist them in the preparation of a workable program as referred to in the preceding subsection and to provide them with technical and professional assistance for planning and developing local urban renewal programs, and (2) for the assembly, analysis and reporting of information pertaining to such programs."

SEC. 304. Section 102 of said act, as amended, is hereby amended—

(1) by amending the first sentence in subsection (a) to read as follows: "To assist local communities in the elimination of slums and blighted or deteriorated or deteriorating areas, in preventing the spread of slums, blight or deterioration, and in providing maximum opportunity for the redevelopment, rehabilitation, and conservation of such areas by private enterprise, the Administrator may make temporary and definitive loans to local public agencies in accordance with the provisions of this title for the undertaking of urban renewal projects.";

(2) by inserting in the second sentence of subsection (a) before the word "expenditures" the word "estimated" and by inserting after the word "bonds" the words "or other obligations";

(3) by striking out "new uses of land in the project area" at the end of the first sentence of subsection (b) and inserting "new uses of such land in the project area";

(4) by striking out the words "bear interest as such rate" in the second sentence of subsection (b) and inserting "bear interest at such rate"; and

(5) by amending subsection (d) to read as follows:

"(d) The Administrator may make advances of funds to local public agencies for surveys and plans for urban renewal projects which may be assisted under this title, including, but not limited to, (i) plans for carrying out a program of voluntary repair and rehabilitation of buildings and improvements, (ii) plans for the enforcement of State and local laws, codes, and regulations relating to the use of land and the use and occupancy of buildings and improvements, and to the compulsory repair, rehabilitation, demolition, or removal of buildings and improvements, and (iii) appraisals, title searches, and other preliminary work necessary to prepare for the acquisition of land in connection with the undertaking of such projects. The contract for any such advance of funds shall be made upon the condition that such advance of funds shall be repaid, with interest at not less than the applicable going Federal rate, out of any moneys which become available to the local public agency for the undertaking of the project involved. No contract for any such advances of funds for surveys and plans for urban renewal projects which may be assisted under this title shall be made unless the governing body of the locality involved has by resolution or ordinance approved the undertaking of such surveys and plans and the submission by the local public agency of an application for such advance of funds."

SEC. 305. Subsection (a) of section 103 of said act, as amended, is hereby amended to read as follows:

"(a) The Administrator may make capital grants to local public agencies in accordance with the provisions of this title for urban renewal projects: *Provided*, That the Administrator shall not make any contract for capital grant with respect to a project which consists of open land. The aggregate of such capital grants with respect to all the projects of a local public agency on which contracts for capital grants have been made under this title shall not exceed two-thirds of the aggregate of the net project costs of such projects, and the capital grant with respect to any individual project shall not exceed the difference between the net project cost and the local grants-in-aid actually made with respect to the project."

SEC. 306. Section 104 of said act, as amended, is hereby amended by striking "section 110 (f) of land" and inserting "section 110 (f) of the property."

SEC. 307. Section 105 of said act, as amended, is hereby amended—

(1) by striking "Contracts for financial aid" and inserting "Contracts for loans or capital grants";

(2) by amending subsections (a) and (b) to read as follows:

"(a) The urban renewal plan (including any redevelopment plan constituting a part thereof) for the urban renewal area be approved by the governing body of the locality in which the project is situated, and that such approval include findings by the governing body that (i) the financial aid to be provided in the contract is necessary to enable the project to be undertaken in accordance with the urban renewal plan; (ii) the urban renewal plan will afford maximum opportunity, consistent with the sound needs of the locality as a whole, for the rehabilitation or redevelopment of the urban renewal area by private enterprise; and (iii) the urban renewal plan conforms to a general plan for the development of the locality as a whole;

"(b) When real property acquired or held by the local public agency in connection with the project is sold or leased, the purchasers or lessees and their assignees shall be obligated (i) to devote such property to the uses specified in the urban renewal plan for the project area; (ii) to begin within a reasonable time any improvements on such property required by the urban renewal plan; and (iii) to comply with such other conditions as the Administrator finds, prior to the execution of the contract for loan or capital grant pursuant to this title, are necessary to carry out the purposes of this title: *Provided*, That clause (ii) of this subsection shall not apply to mortgagees and others who acquire an interest in such property as the result of the enforcement of any lien or claim thereon;";

(3) by striking the word "project" whereever it appears in subsection (c) and inserting the term "urban renewal"; and

(4) by strking out the proviso at the end of subsection (c), and substituting a period for the colon preceding said proviso.

SEC. 308. Section 106 of said act, as amended, is hereby amended by inserting the following proviso before the period at the end of subsection (b): ": *Provided*, That necessary expenses of inspections and audits, and of providing representatives at the site, of projects being planned or undertaken by local public agencies pursuant to this title shall be compensated by such agencies by the payment of fixed fees which in the aggregate will cover the costs of rendering such services, and such expenses shall be considered nonadministrative; and for the purpose of providing such inspections and audits and of providing representatives at the sites, the Administrator may utilize any agency and such agency may accept reimbursement or payment for such services from such local public agencies or the Administrator, and credit such amounts to the appropriations or funds against which such charges have been made".

SEC. 309. Section 107 of said act, as amended, is hereby amended by striking out the words "redevelopment plan" and inserting "urban renewal plan".

SEC. 310. Section 109 of said act, as amended, is hereby amended to read as follows:

"SEC. 109. In order to protect labor standards—

"(a) any contract for loan or capital grant pursuant to this title shall contain a provision requiring that not less than the salaries prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Administrator, shall be paid to all architects, technical engineers, draftsmen, and technicians employed in the development of the project involved and shall also contain a provision that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (49 Stat. 1011), shall be paid to all laborers and mechanics, except such laborers or mechanics who are employees of municipalities or other local public bodies, employed in the development of the project involved for work financed in whole or in part with funds made available pursuant to this title; and the Administrator shall require certification as to compliance with the provisions of this paragraph prior to making any payment under such contract; and

"(b) the provisions of title 18, United States Code, section 874, and of title 40, United States Code, section 276c, shall apply to work financed in whole or in part with funds made available for the development of a project pursuant to this title.".

SEC. 311. Section 110 of said act, as amended, is hereby amended to read as follows:

"SEC. 110. The following terms shall have the meanings, respectively, ascribed to them below, and, unless the context clearly indicates otherwise, shall include the plural as well as the singular number:

"(a) 'Urban renewal area' means a slum area or a blighted, deteriorated, or deteriorating area in the locality involved in which the Administrator approves as appropriate for an urban renewal project.

"(b) 'Urban renewal plan' means a plan, as it exists from time to time, for an urban renewal project, which plan (1) shall conform to the general plan of the locality as a whole and to the workable program referred to in section 101 hereof; (2) shall be sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the urban renewal area, zoning and planning changes, if any, land uses, maximum densities, building requirements, and the plan's relationship to definite local objectives respecting appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements; and (3) shall include, for any part of the urban renewal area proposed to be acquired and redeveloped in accordance with clause (1) of the second sentence of subsection (c) of this section, a redevelopment plan approved by the governing body of the locality.

"(c) 'Urban renewal project' or 'project' may include undertakings and activities of a local public agency in an urban renewal area for the elimination and for the prevention of the development or spread of slums and blight, and may involve slum clearance and redevelopment in an urban renewal area, or rehabilitation or conservation in an urban renewal area, or any combination or part thereof, in accordance with such urban renewal plan. For the purposes of this subsection, 'slum clearance and redevelopment' may include (1) acquisition of (i) a slum area or a deteriorated or deteriorating area, or (ii) land which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise, substantially impairs or arrests the sound growth of the community, or (iii) open land necessary for sound community growth which is to be developed for predominantly residential uses: *Provided*, That the requirement in paragraph (a) of this section that the area be a slum area or a blighted, deteriorated, or deteriorating area shall not be applicable in the case of an open land project: *And provided further*, That financial assistance shall not be extended under this title for any project involving slum clearance and redevelopment of an area which is not clearly predominantly residential in character unless such area is to be redeveloped for predominantly residential uses, except that, where such an area which is not predominantly residential in character contains a substantial number of slum, blighted, deteriorated, or deteriorating dwellings or other living accommodations, the elimination of which would tend to promote the public health, safety, and welfare in the locality involved and such area is not appropriate for redevelopment for predominantly residential uses, the Administrator may extend financial assistance for such a project, but the aggregate of the capital grants made pursuant to this title with respect to such projects shall not exceed 10 percent of the total amount of capital grants authorized by this title; (2) demolition and removal of buildings and improvements; (3) installation, construction, or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for carrying out in the area the urban renewal objectives of this title in accordance with the urban renewal plan; and (4) making the land available for development or redevelopment by private enterprise or public agencies (including sale, initial leasing, or retention by the local public agency itself) at its fair value for uses in accordance with the urban renewal plan. For the purposes of this subsection, 'rehabilitation' or 'conservation' may include the restoration and renewal of a blighted, deteriorated, or deteriorating area by (1) carrying out plans for a program of voluntary repair and rehabilitation of buildings or other improvements in accordance with the urban renewal plan; (2) acquisition of real property and demolition or removal of buildings and improvements thereon where necessary to eliminate unhealthful, insanitary, or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to the public welfare, or to otherwise remove or prevent the spread of blight or deterioration, or to provide land for needed public facilities; (3) installation, construction, or reconstruction, of such improvements as are described in clause (3) of the preceding sentence; and (4) the disposition of any property acquired in such urban renewal area (including sale, initial leasing, or retention by the local public agency itself) at its fair value for uses in accordance with the urban renewal plan.

"For the purposes of this title, the term 'project' shall not include the construction or improvement of any building, and the term 'redevelopment' and derivatives thereof shall mean development as well as redevelopment. For any of the purposes of section 109 hereof, the term 'project' shall not include any donations or provisions made as local grants-in-aid and eligible as such pursuant to clauses (2) and (3) of section 110 (d) hereof.

"(d) 'Local grants-in-aid' shall mean assistance by a State, municipality, or other public body, or (in the case of cash grants or donations of land or other real property) any other entity, in connection with any project on which a contract for capital grant has been made under this title, in the form of (1) cash grants; (2) donations, at cash value, of land or other real property (exclusive of land in streets, alleys, and other public rights-of-way which may be vacated in connection with the project) in the urban renewal area, and demolition, removal, or other work or improvements in the urban renewal area, at the cost thereof, of the types described in clause (2) and clause (3) of either the second or third sentence of section 110 (c); and (3) the provision, at their cost, of public buildings or other public facilities (other than publicly owned housing) which are necessary for carrying out in the area the urban renewal objectives of this title in accordance with the urban renewal plan: *Provided*, That in any case where, in the determination of the Administrator, any park, playground, public building, or other public facility is of direct benefit both to the urban renewal area and to other areas, and the approximate degree of the benefit to such other areas is estimated by the Administrator at 20 percent or more of the total benefits, the Administrator shall provide that, for the purpose of computing the amount of the local grants-in-aid for the project, there shall be included only such portion of the cost of such facility as the

Administrator estimates to be proportionate to the approximate degree of the benefit of such facility to the urban renewal area: *And provided further,* That for the purpose of computing the amount of local grants-in-aid under this section 110 (d), the estimated cost (as determined by the Administrator) of parks, playgrounds, public buildings, or other public facilities may be deemed to be the actual cost thereof if (i) the construction or provision thereof is not completed at the time of final disposition of land in the project to be acquired and disposed of under the urban renewal plan, and (ii) the Administrator has received assurances satisfactory to him that such park, playground, public building, or other public facility will be constructed or completed when needed and within a time prescribed by him. With respect to any demolition or removal work, improvement or facility for which a State, municipality, or other public body has received or has contracted to receive any grant or subsidy from the United States, or any agency or instrumentality thereof, the portion of the cost thereof defrayed or estimated by the Administrator to be defrayed with such subsidy or grant shall not be eligible for inclusion as a local grant-in-aid.

"(e) 'Gross project cost' shall comprise (1) the amount of the expenditures by the local public agency with respect to any and all undertakings necessary to carry out the project (including the payment of carrying charges, but not beyond the point where the project is completed), and (2) the amount of such local grants-in-aid as are furnished in forms other than cash.

"(f) 'Net project cost' shall mean the difference between the gross project cost and the aggregate of (1) the total sales prices of all land or other property sold, and (2) the total capital values (i) imputed, on a basis approved by the Administrator, to all land or other property leased, and (ii) used as a basis for determining the amounts to be transferred to the project from other funds of the local public agency to compensate for any land or other property retained by it for use in accordance with the urban renewal plan.

"(g) 'Going Federal rate' means (with respect to any contract for a loan or advance entered into after the first annual rate has been specified as provided in this sentence) the annual rate of interest which the Secretary of the Treasury shall specify as applicable to the 6-month period (beginning with the 6-month period ending December 31, 1953) during which the contract for loan or advance is made, which applicable rate for each 6-month period shall be determined by the Secretary of the Treasury by estimating the average yield to maturity, on the basis of daily closing market bid quotations or prices during the month of May or the month of November, as the case may be, next preceding such 6-month period, on all outstanding marketable obligations of the United States having a maturity date of 15 or more years from the 1st day of such month of May or November, and by adjusting such estimated average annual yield to the nearest one-eighth of 1 percent. Any contract for loan made may be revised or superseded by a later contract, so that the going Federal rate, on the basis of which the interest rate on the loan is fixed, shall mean the going Federal rate, as herein defined, on the date that such contract is revised or superseded by such later contract.

"(h) 'Local public agency' means any State, county, municipality, or other governmental entity or public body, or two or more such entities or bodies, authorized to undertake the project for which assistance is sought. 'State' includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the Territories and possessions of the United States.

"(i) 'Land' means any real property, including improved or unimproved land, structures, improvements, easements, incorporeal hereditaments, estates, and other rights in land, legal or equitable.

"(j) 'Administrator' means the Housing and Home Finance Administrator."

SEC. 312. Notwithstanding the amendments of this title to title I of the Housing Act of 1949, as amended, the Administrator, with respect to any project covered by any Federal aid contract executed, or prior approval granted, by him under said title I before the effective date of this act, upon request of the local public agency, shall continue to extend financial assistance for the completion of such project in accordance with the provisions of said title I in force immediately prior to the effective date of this act.

SEC. 313. The provisos with respect to the appropriation for capital grants for slum clearance and urban redevelopment contained in title I of the First Independent Offices Appropriation Act, 1954 (Public Law 176, 83d Cong.) are hereby repealed.

SEC. 314. The Housing and Home Finance Administrator is authorized to make grants, subject to such terms and conditions as he shall prescribe, to public bodies, including cities and other political subdivisions, to assist them in developing, testing, and reporting methods and techniques, and carrying out demonstrations and other activities for the prevention and the elimination of slums and urban blight. No such grant shall exceed two-thirds of the cost, as determined or estimated by said Administrator, of such activities or undertakings. In administering this section said Administrator shall give preference to those undertakings which in his judgment can reasonably be expected to (1) contribute most significantly to the improvement of methods and techniques for the elimination and prevention of slums and blight, and (2) best serve to guide renewal programs in other communities. Said Administrator may make advance or progress payments on account of any grant contracted to be made pursuant to this section, notwithstanding the provisions of section 3648 of the Revised Statutes, as amended. The aggregate amount of grants made under this section shall not exceed $5 million and shall be payable from the capital grant funds provided under and authorized by section 103 (b) of the Housing Act of 1949, as amended.

SEC. 315. Section 19 of the District of Columbia Redevelopment Act of 1945, as amended, is hereby amended by striking "$2,000" in subsection (a) and subsection (b) and inserting in each instance "$2,500 unless insured as provided in title I of the National Housing Act, as amended."

SEC. 316. Section 20 of the District of Columbia Redevelopment Act of 1945, as amended, is hereby amended—

(1) by striking "1949" wherever it appears in said section and inserting "1949, as amended": *Provided,* That this clause (1) shall not limit or restrict any authority under said section 20;

(2) by adding the following new subsections at the end of said section:

"(i) In addition to its authority under any other provision of this act, the Agency is hereby authorized to plan and undertake urban renewal projects (as such projects are defined in title I of the Housing Act of 1949, as amended), and in connection therewith the Agency, the District Commissioners, the National Capital Planning Commission, and the other appropriate agencies operating within the District of Columbia shall have all of the rights and powers which they have with respect to a project or projects financed in accordance with the preceding subsections of this section: *Provided,* That for the purpose of this subsection the word 'redevelopment' wherever found in this act (except in sec. 3 (n)) shall mean 'urban renewal,' and the references in section 6 to the acquisition, disposition, or assembly of real property for a project shall mean the undertaking of an urban renewal project.

"(j) The District Commissioners are hereby authorized to prepare a workable program as prescribed by section 101 (c) of the Housing Act of 1949, as amended, and are also authorized to request the necessary funds for the preparation of said workable program. The Commissioners may request the participation of the Agency in the preparation of said workable program and may include in their annual estimates of appropriations such funds as may be required by the Commissioners or the Agency, or both, for this purpose. The District Commissioners are hereby authorized, with or without reimbursement to cooperate with the Agency in carrying out urban renewal projects and to utilize for that purpose the facilities and personnel of the District of Columbia under agreement with the Agency."; and

(3) by striking out the second sentence of subsection (h).

TITLE IV—LOW-RENT PUBLIC HOUSING

SEC. 401. The United States Housing Act of 1937, as amended, is hereby amended—

(1) by striking out the period at the end of the third sentence of section 10 (e) thereof and inserting a colon and the following: "*And provided further,* That, notwithstanding any other provisions of law except provisions enacted after the effective date of the Housing Act of 1954 expressly in limitation hereof, the provisions of this subsection and of section 9 hereof shall be in full force and effect, and, insofar as the provisions of any other act are inconsistent with the provisions of this subsection or of section 9, the provisions of this subsection and of section 9 shall be controlling.";

(2) by striking the words following the first colon up to and including the words "such families" in subsection 10 (g) and inserting the following: "First, to families which are to be displaced by any low-rent housing project or by any public slum-clearance, redevelopment or urban renewal project, or through action of a public body or court, either through the enforcement of housing standards or through the demolition, closing, or improvement of dwelling units, or which were so displaced within 3 years prior to making application to such public housing agency for admission to any low-rent housing: *Provided,* That as among such projects or actions the public housing agency may from time to time extend a prior preference or preferences: *And provided further,* That, as among families within any such preference group";

(3) by striking the words "or was to be displaced by another low-rent housing project or by a public slum-clearance or redevelopment project" in clause (ii) of subsection 15 (8) (b) and inserting the following: "or was to be displaced by any low-rent housing project or by any public slum-clearance, redevelopment or urban renewal project, or through action of a public body or court, either through the enforcement of housing standards or through the demolition, closing, or improvement of a dwelling unit or units"; and

(4) by striking the words "not later than 5 years after March 1, 1949" in subsection 15 (8) (b) and inserting "not later than March 1, 1959."

SEC. 402. Subsection 10 (h) of said act, as amended, is hereby amended to read as follows:

"(h) Every contract made pursuant to this act for annual contributions for any low-rent housing project initiated after March 1, 1949, shall provide that no annual contributions by the Authority shall be made available for such project unless such project is exempt from all real and personal property taxes

levied or imposed by the State, city, county, or other political subdivisions, but such contract shall require the public housing agency to make payments in lieu of taxes equal to 10 percent of the annual shelter rents charged in such project or such lesser amount as (i) is prescribed by State law, or (ii) is agreed to by the local governing body in its agreement for local cooperation with the public housing agency required under subsection 15 (7) (b) (i) of this act, or (iii) is due to failure of a local public body or bodies other than the public housing agency to perform any obligation under such agreement: *Provided*, That, if at the time such agreement for local cooperation is entered into it appears that such 10 percent payments in lieu of taxes will not result in a contribution to the project through tax exemption by the State, city, county, or other political subdivisions in which the project is situated of at least 20 percent of the annual contributions to be paid by the Authority, the amounts of such payments in lieu of taxes shall be limited by the agreement to amounts, if any, which would not reduce the local contribution below such 20 percent: *Provided further*, That, with respect to any such project which is not exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivisions, such contract shall provide, in lieu of the requirement for tax exemption and payments in lieu of taxes, that no annual contributions by the Authority shall be made available for such project unless and until the State, city, county, or other political subdivisions in which such project is situated shall contribute, in the form of cash or tax remission, an amount equal to the greater of (i) the amount by which the taxes paid with respect to the project exceeds 10 percent of the annual shelter rents charged in such project or (ii) 20 percent of the annual contributions paid by the Authority (but not in excess of the taxes levied): *And provided further*, That, prior to execution of the contract for annual contributions the public housing agency shall, in the case of a tax-exempt project, notify the governing body of the locality of its estimate of the annual amount of such payments in lieu of taxes and of the amount of taxes which would be levied if the property were privately owned, or, in the case where the project is taxed, its estimate of the annual amount of the local cash contribution, and shall thereafter include the actual amounts in its annual reports. Contracts for annual contributions entered into prior to the effective date of the Housing Act of 1954 may be amended in accordance with the first sentence of this subsection."

SEC. 403. Section 10 of said act, as amended, is hereby amended by adding the following new subsection:

"(i) Every contract made pursuant to this act for annual contributions for any low-rent housing project for which no such contract has been entered into prior to the enactment of the Housing Act of 1954 shall provide that—

"(1) after payment in full of all obligations of the public housing agency in connection with the project for which any annual contributions are pledged, and until the total amount of annual contributions paid by the Authority in respect to such project has been repaid pursuant to the provisions of this subsection, (a) all receipts in connection with the project in excess of expenditures necessary for management, operation, maintenance, or financing, and for reasonable reserves therefor, shall be paid annually to the Authority and to local public bodies which have contributed to the project in the form of tax exemption or otherwise, in proportion to the aggregate contribution which the Authority and such local public bodies have made to the project, and (b) no debt in respect to the project, except for necessary expenditures for the project, shall be incurred by the public housing agency;

"(2) if, at any time, the project or any part thereof is sold, such sale shall be to the highest responsible bidder after advertising, or at fair market value, and the proceeds of such sale together with any reserves, after application to any outstanding debt of the public housing agency in respect to such project, shall be paid to the Authority and local public bodies as provided in clause 1 (a) of this subsection: *Provided*, That the amounts to be paid to the Authority and the local public bodies shall not exceed their respective total contribution to the project."

SEC. 404. Paragraph (6) of section 16 of said act, as amended, is hereby repealed.

SEC. 405. (a) The sixth and seventh provisos under the heading "Public Housing Administration," "Annual Contributions" in the First Independent Offices Appropriation Act, 1954, and the fifth and sixth provisos under the same heading in the Independent Offices Appropriation Act, 1953, are hereby repealed.

(b) Section 10 of the United States Housing Act of 1937, as amended, is hereby amended by adding the following subsections:

"(k) No part of any appropriation for the payment of annual contributions under any contract therefor entered into after April 17, 1940, shall be available for payment to any public-housing agency for expenditure in connection with any low-rent housing project, unless the public housing agency shall have adopted regulations prohibiting as a tenant of any such project by rental or occupancy any person other than a citizen of the United States, or a person who has made application for citizenship, but such prohibition shall not be applicable in the case of a family of any serviceman or the family of any veteran who has been discharged (other than dishonorably) from, or the family of any serviceman who died in, the Armed Forces of the United States within 4 years prior to the date of application for admission to such housing.

"(l) All expenditures of appropriations for the payment of annual contributions shall be subject to audit and final settlement by the Comptroller General of the United States under the provisions of the Budget and Accounting Act of 1921, as amended."

SEC. 406. Section 10 of said act, as amended, is hereby amended by adding the following new subsection:

"(j) In any community where it has been determined by resolution or ordinance, or by referendum, that a project shall be liquidated by sale thereof to private ownership, such community may negotiate with the Federal Government with respect to the sale of the project, and the Authority shall agree that sale of the project may be made after public advertisement to the highest bidder upon (1) payment and retirement of all outstanding obligations (together with any interest payable thereon and any premiums prescribed for the redemption of any bonds, notes, or other obligations prior to maturity) in connection with the project, and (2) payment of any proceeds received from the sale of the project in excess of the amounts required to comply with the requirements of the preceding clause No. (1) to the Authority and to local public bodies in proportion to the aggregate contribution which the Authority and such local public bodies have made to the project."

TITLE V—HOME LOAN BANK BOARD

SEC. 501. The National Housing Act, as amended, is hereby amended—

(1) by amending section 402 (c) (4) to read as follows:

"(4) To sue and be sued, complain and defend, in any court of competent jurisdiction in the United States or its Territories or Possessions or the Commonwealth of Puerto Rico, and many be served by serving a copy of process on any of its agents or any agent of the Home Loan Bank Board and mailing a copy of such process by registered mail to the Corporation at Washington, District of Columbia: *Provided*, That the provisions hereof relating to service of process shall not be applicable to any pending court action or suit or to any action or suit involving the subject matter, or part thereof, of such pending action or suit.";

(2) by adding the following new subsection to section 405:

"(c) No action against the Corporation to enforce a claim for payment of insurance upon an insured account of an insured institution in default shall be brought after the expiration of 3 years from the date of default unless, within such 3-year period, the conservator, receiver, or other legal custodian of the insured institution shall have recognized such insured account as a valid claim against the insured institution and the claim for payment of insurance shall have been presented to the corporation and its validity denied, in which event the action may be brought within 2 years from the date of such denial."; and

(3) by amending the first sentence of section 407 to read as follows:

"Any insured institution other than a Federal savings and loan association may terminate its status as an insured institution by written notice to the Corporation, and the Corporation, for violation by an insured institution of its duty as such or for continued unsafe or unsound practices in conducting the business of the institution, may, after written notice of any such alleged violation of duty or continued unsafe or unsound practices and after reasonable opportunity to be heard, by written notice to such insured institution, terminate such status."

SEC. 502. The Federal Home Loan Bank Act, as amended, is hereby amended by striking "$20,000" in section 10 (b) (2) and inserting "$35,000".

SEC. 503. The Home Owners' Loan Act of 1933, as amended, is hereby amended—

(1) by striking "$20,000" wherever it appears in the first paragraph of subsection (c) of section 5 and inserting "$35,000";

(2) by amending subsection (d) of section 5 to read as follows:

"(d) (1) The Board shall have power to enforce this section and rules and regulations made hereunder. In the enforcement of any provision of this section or rules and regulations made hereunder, or any other law or regulation, and in the administration of conservatorships and receiverships as provided in subsection (d) (2) hereof, the Board is authorized to act in its own name and through its own attorneys. The Board shall have power to sue and be sued, complain and defend in any court of competent jurisdiction in the United States or its Territories or possessions or the Commonwealth of Puerto Rico. It shall by formal resolution state any alleged violation of law or regulation and give written notice to the association concerned of the facts alleged to be such violation, except that the appointment of a Supervisory Representative in Charge, a conservator, or a receiver shall be exclusively as provided in subsection (d) (2) hereof. Such association shall have 30 days within which to correct the alleged violation of law or regulation and to perform any legal duty. If the association concerned does not comply with the law or regulation within such period, then the Board shall give such association 20 days' written notice of the charges against it and of a time and place at which the Board will conduct a hearing as to such alleged violation of duty. Such hearing shall be in the Federal judicial district of the association unless it consents to another place and shall be conducted by a hearing examiner as is provided by the Administrative

Procedure Act. The Board or any member thereof or its designated representative shall have power to administer oaths and affirmations and shall have power to issue subpenas and subpenas duces tecum and shall issue such at the request of any interested party, and the board or any interested party may apply to the United States district court of the district where such hearing is designated for the enforcement of such subpena or subpena duces tecum and such courts shall have power to order and require compliance therewith. A record shall be made of such hearing and any interested party shall be entitled to a copy of such record to be furnished by the Board at its reasonable cost. After such hearing and adjudication by the Board, appeals shall lie as is provided by the Administrative Procedure Act, and the review by the court shall be upon the weight of the evidence. Upon the giving of notice of alleged violation of law or regulation as herein provided, either the Board or the association affected may, within 30 days after the service of said notice, apply to the United States district court for the district where the association is located for a declaratory judgment and an injunction or other relief with respect to such controversy, and said court shall have jurisdiction to adjudicate the same as in other cases and to enforce its orders. The Board may apply to the United States district court of the district where the association affected has its home office for the enforcement of any order of the Board and such court shall have power to enforce any such order which has become final. The Board shall be subject to suit by any Federal savings and loan association with respect to any matter under this section or regulations made thereunder, or any other law or regulation, in the United States district court for the district where the home office of such association is located, and may be served by serving a copy of process on any of its agents and mailing a copy of such process by registered mail, to the Home Loan Bank Board, Washington, D. C.

"(2) The grounds for the appointment of a conservator or receiver for a Federal savings and loan association shall be one or more of the following: (i) insolvency in that the assets of such association are less than its obligations to its creditors and others, including its members; (ii) violation of law or of a regulation; (iii) the concealment of its books, records, or assets or the refusal to submit its books, papers, records, or affairs for inspection to any examiner or lawful agent appointed by the Home Loan Bank Board; and (iv) unsafe or unsound operation. The Board shall have exclusive jurisdiction to appoint a Supervisory Representative in Charge, conservator, or receiver. If, in the opinion of the Board, a ground for the appointment of a conservator or receiver as herein provided exists and the Board determines that an emergency exists requiring immediate action, the Board is authorized to appoint ex parte and without notice a Supervisory Representative in Charge to take charge of said association and its affairs who shall have and exercise all the powers herein provided for conservators and receivers. Unless sooner removed by the Board, such Supervisory Representative in Charge shall hold office until a conservator or receiver, appointed by the Board after notice as herein provided, takes charge of the association and its affairs, or for 6 months, or until 30 days after the termination of the administrative hearing and final proceedings herein provided, or until 60 days after the final termination of any litigation affecting such temporary appointment, whichever is longest. The Board shall have the power to appoint a conservator or receiver but no such appointment of a conservator or receiver shall be made except pursuant to a formal resolution of the Board stating the grounds therefor and except notice thereof is given to said association stating the grounds therefor and until an opportunity for an administrative hearing thereon is afforded to said association. Such hearing shall be held in accordance with the provisions of the Administrative Procedure Act and shall be subject to review as therein provided and the review by the court shall be upon the weight of the evidence. A conservator shall have all the powers of the members, the directors, and officers of the Federal association and shall be authorized to operate it in its own name or conserve its assets in the manner and to the extent authorized by the Board. The Board shall appoint only the Federal Savings and Loan Insurance Corporation as receiver for any Federal savings and loan association, which shall have power as receiver to buy at its own sale subject to approval by the Board. With the consent of the association expressed by a resolution of the board of directors or of its members, the Board is authorized to appoint a conservator or receiver for a Federal association without notice and without hearing. The Board shall have power to make rules and regulations for the reorganization, merger, and liquidation of Federal associations and for such associations in conservatorship and receivership and for the conduct of conservatorships and receiverships. Whenever a Supervisory Representative in Charge, conservator, or receiver, appointed by the Board pursuant to the provisions of this section, demands possession of the property, business and assets of any association, the refusal of any officer, agent, employee, or director of such association to comply with the demand shall be punishable by a fine of not more than $1,000 or by imprisonment for not more than 1 year or both by such fine and imprisonment. Nothing in this subsection relating to jurisdiction, venue, service of process or suability of the Board shall be applicable to any pending court action, or suit, or to any action, or suit involving the subject matter, or part thereof, of such pending action or suit."; and

(3) by striking out the second paragraph of subsection (c) of section 5 and inserting in lieu thereof the following new paragraph:

"Without regard to any other provision of this subsection except the area requirement such associations are authorized to invest a sum not in excess of 15 percent of the assets of such association in loans insured under title I of the National Housing Act, as amended, in unsecured loans insured or guaranteed under the provisions of the Servicemen's Readjustment Act of 1944, as amended, and in other loans for property alteration, repair, or improvement: *Provided*, That no such loan shall be made in excess of $2,500."

TITLE VI—VOLUNTARY HOME MORTGAGE CREDIT PROGRAM

DECLARATION OF POLICY

SEC. 601. It is declared to be the policy of Congress—

(a) to seek the constant improvement of the living conditions of all the people under a strong, free, competitive economy, and to take such action as will facilitate the operation of that economy to provide adequate housing for all the people and to meet the demands for new building;

(b) to provide a means of financing housing within the framework of our private enterprise system and without vast expenditures of public moneys;

(c) to encourage and facilitate the flow of funds for housing credit into remote areas and small communities, where such funds are not available in adequate supply; and

(d) to assist in the development of a program consonant with sound underwriting principles, whereby private financing institutions engaged in mortgage lending can make a maximum contribution to the economic stability and growth of the Nation through extension of the market for insured or guaranteed mortgage loans.

DEFINITIONS

SEC. 602. As used in this title, the following terms shall have the meanings respectively ascribed to them below, and, unless the context clearly indicates otherwise, shall include the plural as well as the singular number:

(a) "Insured or guaranteed mortgage loan" means any loan made for the construction or purchase of a family dwelling or dwellings and which is (1) guaranteed or insured under the Servicemen's Readjustment Act of 1944, as amended, or (2) secured by a mortgage insured under the National Housing Act, as amended.

(b) "Private financing institutions" means life insurance companies, saving banks, comercial banks, cooperative banks, mortgage banks, and savings and loan associations.

(c) "Administrator" means the Housing and Home Finance Administrator.

(d) "State" means the several States, the District of Columbia, and Territories and possessions of the United States.

NATIONAL VOLUNTARY MORTGAGE CREDIT EXTENSION COMMITTEE

SEC. 603. There is hereby established a National Voluntary Mortgage Credit Extension Committee, hereinafter called the "National Committee," which shall consist of the Housing and Home Financing Administrator, who shall act as chairman of the National Committee, and 14 other persons appointed by the administrator as follows:

(a) Two representatives of each type of private financing institutions;

(b) Two representatives of builders of residential properties; and

(c) Two representatives of real estate boards.

(d) The administrator shall also request the Board of Governors of the Federal Reserve System to designate a representative of the board to serve on the National Committee in an advisory capacity.

(e) The Administrator shall also request the Administrator of Veterans' Affairs to designate a representative to serve on the National Committee in an advisory capacity.

(f) The Administrator shall also request the Home Loan Bank Board to designate a representative of the Board to serve on the National Committee in an advisory capacity.

In selecting and appointing the members of the National Committee, the Administrator shall have due regard to fair representation thereon for small, medium, and large private financing institutions and for different geographical areas. Members of the National Committee appointed by the Administrator shall serve on a voluntary basis.

REGIONAL SUBCOMMITTEE

SEC. 604. (a) As soon as practicable, the National Committee shall divide the United States into regions conforming generally to the Federal Reserve districts. The Administrator, after consultation with the other members of the National Committee, shall, for each such region, designate five or more persons representing private financing institutions and builders of residential properties in such region to serve as a regional subcommittee of the National Committee for the purpose of assisting in placing with private financing institutions insured or guaranteed mortgage loans as hereinafter set forth. In designating the members of each such regional subcommittee, the Administrator shall have due regard to fair representation thereon for small, medium, and large financing institutions and builders of residential properties and for different geographical areas within such regions.

Members of each regional subcommittee shall serve on a voluntary basis.

(b) The Administrator is authorized and directed, upon the request of a regional subcommittee, to provide such subcommittee with a suitable office and meeting place and to furnish to the subcommittee such staff assistance as may be reasonably necessary for the purpose of assisting it in the performance of the functions hereinafter set forth. In complying with these requirements, the Administrator may act through and may utilize the services of the several Federal home-loan banks and may similarly act through and utilize the services of the several Federal Reserve banks after making appropriate arrangements with the Chairman of the Board of Governors of the Federal Reserve System.

FUNCTIONS OF NATIONAL COMMITTEE AND OF REGIONAL SUBCOMMITTEES

SEC. 605. It shall be the function of the National Committee and the regional subcommittees to facilitate the flow of funds for residential mortgage loans into areas or communities where there may be a shortage of local capital for, or inadequate facilities for access to, such loans, and to achieve the maximum utilization of the facilities of private financing institutions for this purpose by soliciting and obtaining the cooperation of all such private financing institutions in extending credit for insured or guaranteed mortgage loans wherever consistent with sound underwriting principles.

SEC. 606. The National Committee shall study and review the demand and supply of funds for residential mortgage loans in all parts of the country, and shall receive reports from and correlate the activities of the regional subcommittees. It shall also periodically inform the Commissioner of the Federal Housing Administration and the Administrator of Veterans' Affairs concerning the results of the studies and of the progress of the National Committee and regional subcommittees in performing their function, and shall to the extent practicable maintain liaison with State and local Government housing officials in order that they may be fully apprized of the function and work of the National Committee and regional subcommittees. The Administrator shall, not later than April 1 in each year, make a full report of the operations of the National Committee and the regional subcommittees to the Congress.

SEC. 607. (a) Each regional subcommittee shall study and review the demand and supply of funds for residential mortgage loans in its region, shall analyze cases of unsatisfied demand for mortgage credit, and shall report to the National Committee the results of its study and analysis. It shall also maintain liaison with officers of the Federal Housing Administration and of the Veterans' Administration within its region in order that such officers may be fully apprized of the function and work of the National Committee and regional subcommittees. It shall request such officers to supply to the subcommittee information regarding cases of unsatisfied demand for mortgage credit for loans eligible for insurance under the National Housing Act, as amended, or for insurance or guaranty under the Servicemen's Readjustment Act of 1944, as amended. Such officers are authorized to furnish such information to such subcommittee.

(b) A regional subcommittee shall render assistance to any applicant for a loan, the proceeds of which are to be used for the construction or purchase of a family dwelling or dwellings, upon receipt of a certificate from such applicant, stating that—

(1) application for such loan has been made to at least two private financing institutions, or in the alternative to such private financing institution or institutions as may be reasonably accessible to the applicant;

(2) the applicant has been informed by the above-mentioned private financing institution or institutions that funds for mortgage credit on the loan are unavailable; and

(3) the applicant is eligible for insurance or guaranty under the Servicemen's Readjustment Act of 1944, as amended, or consents that the mortgage to be issued as security for the loan be insured under the National Housing Act, as amended.

Upon receipt of such certification from an applicant the regional subcommittee shall circularize private financing institutions in the region or elsewhere and shall use its best efforts to enable the applicant to place the loan with a private financing institution. It shall render similar assistance to any applicant for a loan, the proceeds of which are to be used for the construction or purchase of a family dwelling or dwellings, upon receipt of information from the Veterans' Administration to the effect that the applicant has applied for a direct loan, if he is eligible for such a loan, and that he is eligible for insurance or guaranty, under the Servicemen's Readjustment Act of 1944, as amended. In order to encourage small or local private financing institutions to originate insured or guaranteed mortgage loans, it may also render similar assistance to private financing institutions in locating other private financing institutions willing to repurchase such mortgage loans on a mutually satisfactory basis.

(c) In the performance of its responsibilities under subsection (b) of this section, a regional subcommittee may at its discretion (1) request the National Committee to obtain for it the aid of other regional subcommittees in seeking sources of mortgage credit, and (2) request and obtain voluntary assurances from any one or more private financing institutions that they will make funds available for insured or guaranteed mortgage loans in any specified area or areas within its region in which the subcommittee finds that there is a lack of adequate credit facilities for such loans.

REGULATIONS OF ADMINISTRATOR

SEC. 608. The Administrator, after consultation with the National Committee, shall have power to issue general rules and procedures for the effective implementation of this title and for the functioning of the regional subcommittees, pursuant to the provisions hereof and not in conflict herewith.

GENERAL PROVISIONS

SEC. 609. No act pursuant to the provisions of this title and which occurs while this title is in effect shall be construed to be within the prohibitions of the antitrust laws or the Federal Trade Commission Act of the United States.

SEC. 610. If any provision of this title, or the application thereof to any person or circumstances, is held invalid, the remainder of this title and the application of such provision to other persons or circumstances, shall not be affected thereby.

SEC. 611. (a) This title and all authority conferred hereunder shall terminate at the close of June 30, 1957.

(b) Notwithstanding subsection (a), Congress, by concurrent resolution, may terminate this title prior to the termination date hereinabove provided for.

TITLE VII—URBAN PLANNING AND RESERVE OF PLANNED PUBLIC WORKS

URBAN PLANNING

SEC. 701. To facilitate urban planning for smaller communities lacking adequate planning resources, the Administrator is authorized to make planning grants to State planning agencies for the provision of planning assistance (including surveys, land-use studies, urban renewal plans, technical services and other planning work, but excluding plans for specific public works) to cities and other municipalities having a population of less than 25,000 according to the latest decennial census. The Administrator is further authorized to make planning grants for similar planning work in metropolitan and regional areas to official State, metropolitan, or regional planning agencies empowered under State or local laws to perform such planning. Any grant made under this section shall not exceed 50 percent of the estimated cost of the work for which the grant is made and shall be subject to terms and conditions prescribed by the Administrator to carry out this section. The Administrator is authorized, notwithstanding the provisions of section 3648 of the Revised Statutes, as amended, to make advance or progress payments on account of any planning grant made under this section. There is hereby authorized to be appropriated not exceeding $5 million to carry out the purposes of this section, and any amounts so appropriated shall remain available until expended.

RESERVE OF PLANNED PUBLIC WORKS

SEC. 702. (a) In order (1) to encourage municipalities and other public agencies to maintain a continuing and adequate reserve of planned public works the construction of which can rapidly be commenced whenever the economic situation may make such action desirable, and (2) to attain maximum economy and efficiency in the planning and construction of local, State, and Federal public works, the Administrator is hereby authorized, during the period of 3 years commencing on July 1, 1954, to make advances to public agencies from funds available under this section (notwithstanding the provisions of section 3648 of the Revised Statutes, as amended) to aid in financing the cost of engineering and architectural surveys, designs, plans, working drawings, specifications, or other action preliminary to and in preparation for the construction of public works: *Provided*, That the making of advances hereunder shall not in any way commit the Congress to appropriate funds to assist in financing the construction of any public works so planned.

(b) No advance shall be made hereunder with respect to any individual project unless it conforms to an overall State, local, or regional plan approved by a competent State, local, or regional authority, and unless the public agency formally contracts with the Federal Government to complete the plan preparation promptly and to repay such advance when due. Subsequent to approval and prior to disbursement of any Federal funds for the purpose of advance planning, the applicant shall establish a separate planning account into which all Federal and applicant funds estimated to be required for plan preparation shall be placed.

(c) Advances under this section to any public agency shall be repaid without interest by such agency when the construction of the public works is undertaken or started: *Provided*, That in the event repayment is not made promptly such unpaid sum shall bear interest at the rate of 4 percent per annum from the date of the Government's demand for repayment to the date of payment thereof by the public agency. All sums so repaid shall be covered into the Treasury as miscellaneous receipts.

(d) The Administrator is authorized to prescribe rules and regulations to carry out the purposes of this section.

(e) There is hereby authorized to be appropriated not exceeding $10 million to carry out the purposes of this section, and any amounts so appropriated shall remain available until expended. Not more than 5 percent of the funds so appropriated shall be expended in any one State.

DEFINITIONS

SEC. 703. As used in this title, (1) the term "State" shall mean any State, the

District of Columbia, the Commonwealth of Puerto Rico, and any Territory or possession of the United States; (2) the term "Administrator" shall mean the Housing and Home Finance Administrator; (3) the term "public works" shall include any public works other than housing; and (4) the term "public agency" or "public agencies" shall mean any State, as herein defined, or any public agency or political subdivision therein.

TITLE VIII—SMOKE ELIMINATION AND AIR POLLUTION PREVENTION

SEC. 801. The Congress hereby declares that smoke elimination and air pollution prevention are important factors in the prevention and rehabilitation of slums and blighted areas and in the conservation of the health and property of the people of the United States. It is the objective of this title to assist in smoke elimination and air-pollution prevention by providing for research and loans.

SEC. 802. (a) The Secretary of Health, Education, and Welfare (hereinafter sometimes referred to in this title as the Secretary) shall undertake and conduct a program of technical research and studies concerned with (a) causes of air pollution and excessive smoke; (b) devices, structures, machinery, equipment, and methods (including methods of selecting and using fuels) for the prevention or elimination of excessive smoke and air pollution or the collection of atmospheric contaminants; and (c) guidance and assistance to local communities in smoke elimination and air pollution prevention and control.

(b) Contracts may be made by the Secretary for technical research and studies authorized by this section for work to continue not more than 4 years from the date of any such contract. Any unexpended balances of appropriations properly obligated by such contracting may remain upon the books of the Treasury for not more than 5 fiscal years before being carried to the surplus fund and covered into the Treasury. All contracts made by the Secretary for technical research and studies authorized by this or any other act shall contain requirements making the results of such research or studies available to the public through dedication, assignment to the Government, or such other means as the Secretary shall determine. The Secretary shall disseminate, and without regard to the provisions of 39 U. S. C. 321n, the results of such research and studies in such form as may be most useful to industry and to the general public.

(c) In carrying out research and studies under this title, the Secretary shall utilize, to the fullest extent feasible, the available facilities of existing bureaus and offices within the Department of Health, Education, and Welfare, other departments, independent establishments, and agencies of the Federal Government, and shall consult with, and make recommendations to, such other departments, independent establishments, and agencies with respect to such action as may be necessary and desirable to overcome existing gaps and deficiencies in available data with respect to excessive smoke and air pollution causes, prevention, and control or in the facilities available for the collection of such data. For the purposes of this title, the Secretary is further authorized to undertake research and studies cooperatively with agencies of State or local governments, and educational institutions, and other nonprofit organizations, and may, in addition to and not in derogation of any powers and authorities conferred under any other act—

(1) with the consent of the agency or organization concerned, accept and utilize equipment, facilities, or the services of employees of any State or local public agency or instrumentality, educational institution, or nonprofit agency or organization and, in connection with the utilization of such services, may make payments for transportation while away from their homes or regular places of business and per diem in lieu of subsistence en route and at place of such service, in accordance with the provisions of title 5, United States Code, section 73b–2;

(2) utilize, contract with, and act through, without regard to section 3709, of the Revised Statutes, any Federal, State, or local public agency or instrumentality, educational institution, or nonprofit agency or organization with its consent, and any funds available to the Secretary for carrying out his functions, powers, and duties under this section shall be available to reimburse or pay any such agency, instrumentality, institution, or organization; and, whenever necessary in the judgment of the Secretary, he may make advance, progress, or other payments with respect to such contracts without regard to the provisions of section 3648 of the Revised Statutes; and

(3) make expenditures for all necessary expenses, including preparation, mounting, shipping, and installation of exhibits; purchase and exchange of technical apparatus; and such other expenses as may, from time to time, be found necessary in carrying out the Secretary's functions, powers, and duties under this title.

(d) There is hereby authorized to be appropriated to carry out the purposes of this section, such sums, not in excess of $5 million, as may be necessary therefor.

SEC. 803. (a) The Housing and Home Finance Administrator (hereinafter sometimes referred to in this title as the Administrator) within the limits hereinafter provided, is authorized to purchase the obligations of, and to make loans to, any business enterprise to aid in financing the purchase, installation, construction, reconstruction or remodeling of any device, structure, machinery, or equipment used or to be used in connection with the enterprise's business activities where the purchase, installation, construction, reconstruction, or remodeling would (1) substantially reduce the amount of smoke or air pollution or contamination in the community in which the device, structure, machinery, or equipment is located or to be located, or (2) in conjunction with other proposed action in the community, substantially reduce the amount of such smoke, pollution, or contamination.

(b) No financial assistance shall be extended pursuant to this section unless the financial assistance applied for is not otherwise available on reasonable terms. All securities and obligations purchased and all loans made shall be of such sound value or so secured as reasonably to assure retirement or repayment and such loans shall be made in cooperation with banks or other lending institutions through agreements to participate or by the purchase of participations, or otherwise.

(c) Loans made pursuant to this section may be made subject to the condition that, if at any time or times or for any period or periods during the life of the loan contract the business enterprise can obtain loan funds from sources other than the Federal Government at interest rates as low as or lower than provided in the loan contract, it may do so with the consent of the Administrator at such times and for such periods without waiving or surrendering any rights to loan funds under the contract for the remainder of the life of such contract, and, in any such case, the Administrator is authorized to consent to a pledge by the business enterprise of the loan contract, and any or all of its rights thereunder, as security for the repayment of the loan funds so obtained from other sources.

(d) The loans shall be repaid within such period, not exceeding 20 years, as may be determined by the Administrator, and shall bear interest at a rate determined by the Administrator which shall be not less than 1 percent plus the base annual rate which the Secretary of the Treasury shall specify as applicable to the 6-month period (beginning with the 6-month period ending July 31, 1954) during which the contract for the loans is made: *Provided*, That such base annual rate for each 6-month period shall be determined by the Secretary of the Treasury by estimating the average yield to maturity, on the basis of daily closing market bid quotations or prices during the month of May or the month of November, as the case may be, next preceding such 6-month period, on all outstanding marketable obligations of the United States having a maturity date of 15 or more years from the first day of such month of May or November, and by adjusting such estimated average annual yield to the nearest one-eighth of 1 percent.

(e) The total amount of investments, loans, purchases, and commitments made pursuant to this section shall not exceed $50 million outstanding at any one time.

(f) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section. Funds made available to the Administrator pursuant to the provisions of this section shall be deposited in a checking account or accounts with the Treasurer of the United States. Receipts and assets obtained or held by the Administrator in connection with the performance of his functions under this section, and all funds available for carrying out the functions of the Administrator under this section, shall be available for any of the purposes of this section, including administrative expenses of the Administrator in connection with the performance of such functions.

(g) Not more than 10 percent of the funds provided for in this section in the form of loans shall be made available within any one State.

(h) In the performance of, and with respect to, the functions, powers, and duties vested in him by this section the Administrator shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties set forth in section 402 (c), except subsection (2), of the Housing Act of 1950.

SEC. 804. The authority of the Federal Housing Commissioner under the National Housing Act, as amended, shall be used to the fullest extent possible to encourage and assist home conversion and improvement loans which will aid smoke elimination and air pollution prevention.

SEC. 805. For purposes of this title the word "State" shall include all Territories of the United States, the Commonwealth of Puerto Rico, and the District of Columbia.

TITLE IX—MISCELLANEOUS PROVISIONS

SEC. 901. (a) The Federal Housing Commissioner and the Administrator of Veterans' Affairs, respectively, are hereby authorized and directed to require that, in connection with any property upon which there is located a dwelling designed principally for not more than a 4-family residence and which is approved for mortgage insurance or guaranty prior to the beginning of construction, no mortgage shall be insured or guaranteed under the National Housing Act, as amended, or title III of the Servicemen's Readjustment Act of 1944, as amended, unless the seller or builder, and such other person as may be required by the said Commissioner or Administrator to give a certification, shall deliver to the purchaser or owner of such property a certificate that the dwelling is constructed in conformity with the plans and specifications (including any amendments thereof, or changes and variations therein, which have been approved in writing by the Federal Housing Commissioner or the Administrator of Veterans' Affairs) on which the Federal Housing Commissioner or the Administrator of Veterans'

Affairs based his valuation of the dwelling: *Provided*, That the Federal Housing Commissioner or the Administrator of Veterans' Affairs shall deliver to the builder, seller, or other person giving the required certification his written approval (which shall be conclusive evidence of such approval) of any amendment of, or change or variation in, such plans and specifications which the Commissioner or the Administrator deems to be a substantial amendment thereof, or change, or variation therein, and shall file a copy of such written approval with such plans and specifications: *Provided further*, That such certification shall apply only with respect to such instances of nonconformity to such approved plans and specifications (including any amendments thereof, or changes or variations therein, which have been approved in writing, as provided herein, by the Federal Housing Commissioner or the Administrator of Veterans' Affairs) as to which the purchaser or homeowner has given written notice to the person who gave the certification within 1 year from the date of conveyance of title to, or initial occupancy of, the dwelling, whichever first occurs: *Provided further*, That such certification shall be in addition to, and not in derogation of, all other rights and privileges which such purchaser or owner may have under any other law or instrument: *And provided further*, That the provisions of this section shall apply to any such property covered by a mortgage insured or guaranteed by the Federal Housing Commissioner or the Administrator of Veterans' Affairs on and after July 1, 1954, unless such mortgage is insured or guaranteed pursuant to a commitment therefor made prior to July 1, 1954.

(b) The Federal Housing Commissioner and the Administrator of Veterans' Affairs, respectively, are further directed to permit copies of the plans and specifications (including written approvals of any amendments thereof, or changes or variations therein, as provided herein) for dwellings in connection with which certifications are required by subsection (a) of this section to be made available in their appropriate local offices for inspection or for copying by any purchaser, homeowner, or person giving a certification during such hours or periods of time as the said Commissioner and Administrator may determine to be reasonable.

SEC. 902. The Servicemen's Readjustment Act of 1944, as amended, is hereby amended—

(a) by striking out of clause (C) of section 512 (b) "June 30, 1954" and inserting in lieu thereof "June 30, 1955";

(b) by striking out of section 512 (d) "to any private lending institution evidencing ability to service loans" and inserting in lieu thereof "to any person or entity approved for such purpose by the Administrator";

(c) by striking out of the first sentence of section 513 (a) "June 30, 1954" and inserting in lieu thereof "June 30, 1955";

(d) by striking out of the third sentence of section 513 (c) "June 30, 1955" and inserting in lieu thereof "June 30, 1956";

(e) by striking out of the first sentence of section 513 (d) "June 30, 1954" and inserting in lieu thereof "June 30, 1955";

(f) by striking out of section 513 (d) the second time it appears the sum "$25,000,000" and inserting in lieu thereof the sum of "$50,000,000"; and

(g) by amending section 501 (b) to read as follows:

"(b) Any loan made to a veteran for the purposes specified in subsection (a) of this section 501, may, notwithstanding the provisions of subsection (a) of section 500 of this title relating to the percentage or aggregate amount of loan to be guaranteed, be guaranteed, if otherwise made pursuant to the provisions of this title, in an amount not exceeding 60 percent of the loan: *Provided*, That the aggregate amount of any guaranties to a veteran under this title shall not exceed $7,500, nor shall any gratuities payable under subsection (c) of section 500 of this title exceed the amount which is payable on loans guaranteed in accordance with the maxima provided for in subsection (a) of section 500 of this title: *And provided further*, That no such loan for the repair, alteration, or improvement of property shall be insured or guaranteed under this act unless such repair, alteration, or improvement substantially protects or improves the basic livability or utility of the property involved."

SEC. 903. (a) Section 108 of the Reconstruction Finance Corporation Liquidation Act (62 Stat. 262) is amended as follows:

(1) Strike out from subsection (a) thereof the words "the President, through such officer or agency of the Government (other than the Reconstruction Finance Corporation) as he may designate," and insert in lieu thereof the words "the Housing and Home Finance Administrator."

(2) Strike out all of subsection (b) and insert in lieu thereof the following:

"(b) For the purposes of this section, notwithstanding any other provision of law, the Housing and Home Finance Administrator is authorized to obtain from a revolving fund hereby established in the Treasury of the United States not to exceed a total of $50 million outstanding at any one time. For this purpose there is hereby appropriated to said revolving fund in the Treasury the amount of $50 million. Advances from the revolving fund shall be made to the Housing and Home Finance Administrator upon his request. The Housing and Home Finance Administrator shall pay into the Treasury as miscellaneous receipts, at the close of each fiscal year, interest on the amount of advances outstanding, as at rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding interest-bearing marketable public-debt obligations of the United States of comparable maturities. As the Housing and Home Finance Administrator repays principal sums advanced from the revolving fund pursuant to this section, such repayments shall be made to the revolving fund."

(3) Strike out from subsection (c) thereof the words "officer or agency designated by the President" and insert in lieu thereof the words "Housing and Home Finance Administrator."

(4) Strike out from subsection (d) thereof the figures "1955" and insert in lieu thereof the figures "1957."

(b) Section 10 of the Reconstruction Finance Corporation Act, as amended, is hereby amended by striking therefrom the words "at the expiration of the succession of the Corporation" and inserting in lieu thereof the words "by the close of business on June 30, 1954."

(c) Subsection (a) of section 102 of the Reconstruction Finance Corporation Liquidation Act is amended to read as follows: "(a) The first sentence of section 3 (a) of the Reconstruction Finance Corporation Act, as amended (15 U. S. C. 603 (a)), is amended to read: 'The Corporation shall have succession until it is dissolved pursuant to the provisions of section 10 of this act'."

(d) Section 105 of the Reconstruction Finance Corporation Liquidation Act is amended by striking the words "termination of succession" wherever they appear therein and inserting in lieu thereof the word "dissolution."

(e) Subsection (a) of section 106 of the Reconstruction Finance Corporation Liquidation Act is amended to read as follows: "(a) Promptly after June 30, 1954, the Administrator of the Reconstruction Finance Corporation shall make a full report to the Congress."

SEC. 904. The act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, is hereby amended—

(1) by adding the following at the end of section 605 (a):

"In any city in which, on March 1, 1953, there were more than 12,000 temporary housing units held by the United States of America, or in any two contiguous cities in one of which there were on such date more than 12,000 temporary housing units so held, the Administrator may acquire, by purchase or condemnation, a fee simple title to any lands in which the Administrator holds a leasehold interest, or other interest less than a fee simple, acquired by the Federal Government for national defense or war housing or for veterans' housing where (1) the Administrator finds that the acquisition by him of a fee simple title in the land will expedite the disposal or removal of temporary housing under his jurisdiction by facilitating the availability of improved sites for privately owned housing needed to replace such temporary housing, (2) the city or a local public agency has, in accordance with authority under State law, entered into a firm agreement to purchase the land so acquired at a price determined by the Administrator to be fair, but in no event less than the estimated cost to the Federal Government of acquiring the fee simple title (including an estimated amount to cover legal and overhead expenses of such acquisition) as determined by the Administrator, (3) the city or local public agency has furnished evidence satisfactory to the Administrator that it has or will have funds available to make all agreed-upon payments to the Federal Government and to protect the Federal Government against any loss resulting from the acquisition of fee simple title, and (4) the city or local public agency has furnished assurances satisfactory to the Administrator that the land will be made available to private enterprise for development, in accordance with local zoning and other laws, for predominantly residential uses: *Provided*, That such acquisitions by the Administrator pursuant to this sentence shall be limited to not exceeding 425 acres of land in the general area in which approximately 1,500 units of temporary housing held by the United States of America were unoccupied on said date.";

(2) by adding the following new subsection at the end of section 607;

"(g) The Administrator may dispose of any permanent war housing without regard to the preferences in subsections (b) and (c) of this section when he determines that (1) such housing, because of design or lack of amenities, is unsuitable for family dwelling use, or (2) it is being used at the time of disposition for other than dwelling purposes, and (3) it was offered, with preferences substantially similar to those provided in the Housing Act of 1950 (64 Stat. 48), to veterans and occupants prior to enactment of said act."; and

(3) by adding the following new section at the end of title VI:

"SEC. 613. Upon a certification by the Secretary of the Interior that any surplus housing, classified by the Administrator as demountable, in the area of San Diego, Calif., is needed to provide dwelling accommodations for members of a tribe of Indians in Riverside County or San Diego County, Calif., the Administrator is hereby authorized, notwithstanding any other provision of law, to transfer and convey such housing without consideration to such tribe, the members thereof, or the Secretary of the Interior in trust therefor, as the Secretary may prescribe: *Provided*, That the term housing as used in this section shall not include land."

SEC. 905. Subsection 302 (b) of Public Law 139, 82d Congress, as amended, is hereby

amended by striking the second sentence thereof and adding the following:

"Any temporary housing constructed or acquired under this title which the Administrator determines to be no longer needed for use under this title shall, unless transferred to the Department of Defense pursuant to section 306 hereof, or reported as excess to the Administrator of the General Services Administration pursuant to the Federal Property and Administrative Services Act of 1949, as amended, be sold as soon as practicable to the highest responsible bidder after public advertising, except that if one or more of such bidders is a veteran purchasing a dwelling unit for his own occupancy the sale of such unit shall be made to the highest responsible bidder who is a veteran so purchasing: *Provided*, That the housing may be sold at fair value (as determined by the Housing and Home Finance Administrator) to a public body for public use: *And provided further*, That the housing structures shall be sold for removal from the site, except that they may be sold for use on the site if the governing body of the locality has adopted a resolution approving use of such structures on the site."

SEC. 906. Section 601 of the Housing Act of 1949 is hereby amended to read as follows:

"The Housing and Home Finance Administrator and the head of each constituent agency of the Housing and Home Finance Agency is hereby authorized to establish such advisory committee or committees as each may deem necessary in carrying out any of his functions, powers, and duties under this or any other act or authorization. Service as a member of any such committee shall not constitute any form of service, employment, or action within the provisions of sections 281, 283, 284, or 1914 of title 18, United States Code, or within the provisions of section 190 of the Revised Statutes (5 U. S. C. 99). Persons serving without compensation as members of any such committee may be paid transportation expenses and not to exceed $25 per diem in lieu of subsistence, as authorized by section 5 of the act of August 2, 1946 (5 U. S. C. 73b–2)."

SEC. 907. Section 202 of the act entitled "An act relating to the construction of school facilities in areas affected by Federal activities, and for other purposes", approved September 23, 1950, as amended, is hereby amended by adding the following new sentence at the end thereof: "In any case where such facilities are or have been damaged or destroyed by fire or other casualty after they have become eligible for such transfer but before such transfer has been completed, the head of the Federal department or agency may assign or pay to such local educational agency, solely for use in repairing or reconstructing such facilities, all or any part of any insurance receipts in connection with such casualty which are payable or have been paid in consideration of premiums which such local educational agency has advanced for the benefit of the United States."

SEC. 908. Notwithstanding the provisions of any other law, the Housing and Home Finance Administrator is authorized and directed to sell to the University of California, at fair market value as determined by him, all of the properties, including land, comprising war housing projects CAL–4041 and 4042 known as Canyon Crest Homes located in Riverside County, Calif.

SEC. 909. Notwithstanding the provisions of any other law, the Housing and Home Finance Administrator is authorized to sell and convey all right, title, and interest of the United States (including any off-site easements) at fair market value as determined by him, in and to war housing project CONN–6029, known as Westfield Heights, containing 130 dwelling units on approximately 23.19 acres of land in Wethersfield, Conn., and CONN–6125, known as Drum Hill Park, containing 125 dwelling units on approximately 52.33 acres of land in Rocky Hill, Conn., to the housing authority of the town of Wethersfield, Conn., for use in providing moderate rental housing. Any sale pursuant to this act shall be on such terms and conditions as the Administrator shall determine: *Provided*, That full payment to the United States shall be required within a period of not to exceed 30 years with interest on unpaid balance at not to exceed 5 percent per annum.

SEC. 910. The Housing and Home Finance Agency, including its constituent agencies, and any other departments or agencies of the Federal Government having powers, functions, or duties with respect to housing under this or any other law shall exercise such powers, functions, or duties in such manner as, consistent with the requirements thereof, will facilitate progress in the reduction of the vulnerability of congested urban areas to enemy attack.

SEC. 911. Title V of the Housing Act of 1949, as amended, is hereby amended as follows:

(a) In the first sentence of section 511 immediately following the phrase "July 1, 1952," strike the word "and", and insert at the end of the sentence just before the period a comma and the language "and an additional $100,000,000 on and after July 1, 1954."

(b) In section 512, (i) strike "and 1953" and insert "1953, and 1954", and (ii) strike "and $2,000,000" and insert "$2,000,000, and $2,000,000."

(c) In section 513, strike "and $10,000,000 on July 1 of each of the years 1950, 1951, 1952, and 1953" and insert "$10,000,000, and $10,000,000 on July 1 of each of the years 1950, 1951, 1952, 1953, and 1954."

SEC. 912. Section 504 of the Housing Act of 1950, as amended, is hereby repealed.

SEC. 913. Section 3491 of the Revised Statutes, as amended, is hereby amended as follows:

(a) Strike the last sentence of clause (C).

(b) In the first sentence of clause (E) strike the words "for disclosure of the information or evidence not in the possession of the United States when such suit was brought" and insert in lieu thereof "for the collection of any forfeiture and damages."

ACT OF CONTROLLING

SEC. 914. Insofar as the provisions of any other law are inconsistent with the provisions of this act, the provisions of this act shall be controlling.

SEPARABILITY

SEC. 915. Except as may be otherwise expressly provided in this act, all powers and authorities conferred by this act shall be cumulative and additional to and not in derogation of any powers and authorities otherwise existing. Notwithstanding any other evidences of the intention of Congress, it is hereby declared to be the controlling intent of Congress that if any provisions of this act, or the application thereof to any persons or circumstances, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act or its applications to other persons and circumstances.

Mr. MAYBANK subsequently said: Mr. President, I submit an amendment intended to be proposed by me to House bill 7839, the Housing Act of 1954, which was reported earlier today by the Senator from Indiana [Mr. CAPEHART], the chairman of the Banking and Currency Committee. I ask that the amendment lie on the table, be printed, and printed in the RECORD, following the printing of the bill.

There being no objection, the amendment was received, ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page —, beginning with line —, strike out all of paragraph (1) of section 401 and insert in lieu thereof the following:

"(1) by adding at the end of section 10 (e) thereof the following new subsection:

"'(i) Notwithstanding any other provision of law, after the date of enactment of the Housing Act of 1954, the Public Housing Administration shall not enter into any new agreements, contracts, or other arrangements, preliminary or otherwise, for any additional projects or dwelling units.'"

PAYMENT OF ANNUITIES TO WIDOWERS OF FEMALE EMPLOYEES WHO DIE IN SERVICE

Mr. UPTON. Mr. President, the records of the Civil Service Commission disclose that approximately 340,000 women who are employed by the Federal Government are covered by the Civil Service Retirement Act. These women have made and are making to the retirement fund the same contributions that are made by male employees; but in case of death, the survivors of these women employees are not accorded the same rights as those accorded to the survivors of male employees of the Government. It would seem that these women employees and their survivors are entitled to equal treatment under the act.

So, Mr. President, on behalf of myself, the Senator from Maine [Mrs. SMITH], the Senator from Maine [Mr. PAYNE], the Senator from New Hampshire [Mr. BRIDGES], the Senator from New York [Mr. IVES], and the Senator from Massachusetts [Mr. SALTONSTALL], to amend section 12 of the Civil Service Retirement Act, I introduce a bill to provide for the payment of the same annuities thereunder to the survivors of women who die in the service as are paid to the survivors of male employees; and I request that the bill be appropriately referred.

The bill (S. 3535) to amend section 12 of the Civil Service Retirement Act of May 29, 1930, as amended, so as to provide for the payment of annuities thereunder to the widowers of female employees who die in service, introduced by Mr. UPTON (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

FAIR CODE OF INVESTIGATING PROCEDURES

Mr. LEHMAN. Mr. President, yesterday I joined with 18 other Senators in submitting Senate Resolution 256, to provide for a fair code of investigating procedures. Later in the day, in remarks in the Senate discussing the provisions of the code, I pointed out that one of the unique features of this proposal is that it contains provision for making the code readily and constantly enforcible, a feature not contained in any previous proposal for code legislation introduced in the Senate.

Mr. Roscoe Drummond, a journalist noted for his objectivity, who is chief

of the Washington bureau of the New York Herald Tribune, has written an excellent column, published in this morning's Herald Tribune, summarizing the various fair-code proposals, and calling special attention to the desirability of an enforcement provision. Mr. Drummond also stated:

There is no doubt that the politicians are convinced that the public is convinced that something ought to be done, and I doubt if this session of Congress will pass without remedial action.

I ask unanimous consent that Mr. Drummond's article be printed in the body of the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TWO BENEFITS FROM THE HEARINGS

(By Roscoe Drummond)

WASHINGTON.—There are two incalculable benefits which seem almost certain to come from the incalculably depressing Stevens-McCarthy hearings. If these benefits are realized—and they are now clearly in the making—they will compensate for the trial and turmoil which these hearings have imposed upon the Nation. Since there was little evidence that the results could be achieved in any other way, then the misery has been well borne.

The benefits to which I refer and which have received powerful impetus from the spectacle of the Mundt inquiry are these:

1. The Eisenhower administration has finally been pushed into standing up for itself against Congressional encroachment. The President has seen his good will taken for weakness and at last he has acted to defend his executive rights and responsibilities under the Constitution and thereby to secure the separation of powers between the executive and the legislative. Time was when administration subordinates, when called before senatorial investigations, seemed to have as little support as the Christians who were thrown to the lions in the Circus Maximus. But that time has passed and morale within the executive branch is slowly but visibly coming back.

2. A new and enforcible code of fair procedure for congressional investigating committees cannot be long delayed. The leaders of both parties have seen and admitted the necessity for corrective action. Seventeen resolutions proposing reforms in congressional investigations have been introduced into the House and Senate from January 3 to May 27. On behalf of the whole Senate Republican Policy Committee, Senator HOMER FERGUSON, of Michigan, its chairman, advanced a series of 7 proposals to govern committee practices and this week 17 senior Democratic Senators and one Independent introduced the most ambitious set of rules changes yet advanced.

There is no doubt that the politicians are convinced that the public is convinced that something ought to be done, and I doubt if this session of Congress will pass without remedial action.

Both of these results will be all to the good. Certainly the McCarthy committee took every gesture of cooperation from the administration as capitulation and abandonment of the President's independent authority. When Secretary Stevens offered the committee his right arm, it wasn't long before it wanted his head.

This administration mood of being willing to give up almost anything rather than risk controversy with Senator MCCARTHY began the very first month when the Senator acted to take over negotiations with the Greek shipowners. When Harold E. Stassen demurred and ventured to suggest that this was infringement upon the constitutional responsibilities of the Executive for the conduct of foreign policy, he was actually rebuked by the President for standing up for the President. Mr. Eisenhower's intentions were superb. He thought that his generous respect for the Congress would be reciprocated by generous respect for the Executive. It wasn't, and for a time it looked as though the President was unwittingly going to allow a vital part of the authority of his office to go by default. That calamity is being averted and the Stevens-McCarthy hearings have provided whatever final ingredient of iron was needed.

A new code for fair procedure in congressional investigations is now virtually assured. The purpose is not to make it harder for Congressmen or easier for Communists. The protections which surround trial by jury may at times have the effect of aiding the accused who later may be proved guilty, but they are necessary to protect the innocent.

The main consequences of the proposals which now have wide bipartisan support are to end one-man investigations, stop the purposeful, selective leaking of executive testimony, give the accused a chance to cross-examine witnesses when his character has been attacked, and allow counsel.

There is one basic difference between the Republican policy committee's code and the collectively sponsored Democratic code. The Republican proposal is not enforceable. It leaves the choice to each committee chairman. The Demoratic proposal is enforceable. It has teeth. The Senate would make the code mandatory and would create an enforcing committee made up of the Vice President and two Senators from each party.

An enforceable code would seem absolutely essential. It is hard to see how fair procedure is something which a committee chairman can elect or reject at will. I believe such a code will strengthen, not weaken, congressional investigations. The Stevens-McCarthy investigation has exuded fair play at such length to both the executive and elected principals to the controversy that it would seem as though a little of it could flow over to just plain citizens.

THE DISTRICT OF COLUMBIA CORPORATION ACT OF 1954

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 238, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H. R. 3704) to provide for the incorporation, regulation, merger, consolidation, and dissolution of certain business corporations in the District of Columbia, the Clerk of the House is authorized and directed to make the following correction:

In the second sentence of section 36 of the bill strike out "at which is quorum" and insert in lieu thereof "at which a quorum."

Mr. KNOWLAND. Mr. President, I ask unanimous consent for the present consideration of the concurrent resolution. I have taken up this matter with the acting minority leader, and it is agreeable to him.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (H. Con. Res. 238) was considered and agreed to.

The PRESIDING OFFICER. Is there further routine business? If not, morning business is concluded.

ADDITIONAL FEDERAL DISTRICT AND CIRCUIT JUDGES

Mr. WATKINS. Mr. President, I ask unanimous consent that I may proceed for 15 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah?

Mr. KNOWLAND. Mr. President, I shall not object, because I understand the Senator from Utah has an engagement he must keep. However, I hope there will not be additional requests to make speeches at this time, because under the unanimous-consent agreement that has been entered, the Senate is now proceeding under controlled time. However. I shall not object to this one request, if the acting minority leader does not object to it.

The PRESIDING OFFICER. Is there objection?

Mr. CLEMENTS. Mr. President, I assure the Chair that the acting minority leader has no objection.

The PRESIDING OFFICER. Without objection, it is so ordered; and the Senator from Utah may proceed for 15 minutes.

Mr. WATKINS. Mr. President, at the time the second Federal district judgeship for Utah was under consideration by the 83d Congress, there was some criticism, both from within my own State and from a few Members of the Congress, that a second judgeship for Utah was unnecessary. That criticism subsided with passage of the first omnibus judgeship bill. However, since the criticism was raised, and since my position and my State were the objects of a good measure of that criticism, I feel entitled to sufficient time to make this explanation now that a distinguished Utah attorney, A. Sherman Christenson, has been confirmed as Utah's second district judge and is about to embark upon what should be a brilliant career in the Federal judiciary system.

I shall not take time now to repeat the arguments I offered before the House Judiciary Committee in support of the additional Utah judgeship provided in Senate bill 15. Suffice it to say that some of those reasons I offered are now reflected in a new policy statement of the Senate Judiciary Committee, which takes the position that every State should have a minimum of two Federal district judges. In fact, a legislative proposal to accomplish this objective has been introduced into the Senate by the distinguished senior Senator from Nevada [Mr. MCCARRAN].

This measure, Senate bill 2910, reported favorably by the unanimous vote of the Senate Judiciary Committee on May 10, provides for additional circuit and district judges, including a second Federal district judge for the five remaining States—Maine, New Hampshire, Rhode Island, Vermont, and Wyoming—which at this time do not have the recommended minimum of two judges.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. WATKINS. I yield for a question.

Mr. BARRETT. The Senator has just stated that Wyoming, among other

States, is entitled to an additional Federal judge under the terms of the bill reported by the Judiciary Committee to the Senate. Is that correct?

Mr. WATKINS. That is correct.

Mr. BARRETT. I wish the RECORD to show that I did not request the committee to allow an additional Federal judge for Wyoming. As a matter of fact, I opposed the inclusion in the bill of a provision giving our State an additional judge.

I did so advisedly, for the reason that we do not need an additional judge in Wyoming. The appointment of an additional judge in our State would be a waste of public funds. It would cost the country about $75,000 a year.

Our Federal court is now, and has been for the past 20 years, up to date with its docket. It has never been behind time at any period during the entire 20 years. The Federal judge of Wyoming, Hon. T. Blake Kennedy, not only is able to keep the docket up to date, but in addition, he has been called upon to serve in various States in the East and in the West for periods of from 30 to 60 days each year.

So I should like to ask the Senator from Utah by what reasoning a State such as Wyoming should be tendered an additional Federal judgeship when there is no demand for it, and, especially, as a further reason, when there is no necessity for an additional judge in the State.

Mr. WATKINS. If the Senator will listen to my address he will understand the reason for the position taken by the Judiciary Committee. I am sorry I cannot go into further detail at this time, because my time is limited.

Mr. BARRETT. I should like to ask the Senator to explain to me, if he will, why a State should be forced to accept an additional Federal judge, when no request has been made for such judgeship. If the reason for providing another judge is the possibility that someone may file an affidavit of prejudice against the presiding judge, I invite attention to the fact that there are judges within a little more than 100 miles from Cheyenne, where the court sits, and an additional judge could be called in for an isolated case or two.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. WATKINS. I yield.

Mr. KNOWLAND. I asume that there will bc ample time for debate on the merits of the proposed legislation when it comes before the Senate. It was with some reluctance that I withheld objection to the interference with the unanimous-consent agreement. I hope the Senator from Utah will be able to complete his speech within the 15-minute period, so that it may be in the RECORD intact. Then we can have a general debate. I think some of the points raised by the Senator from Wyoming are perhaps worthy of further attention.

Mr. WATKINS. Resuming with my prepared text, the Judiciary Committee report on the new omnibus judgeship bill summarizes the reasons for the increase, which provides for at least two Federal district judges for each State in the Union. The attention of the Senate is called to this summary, which I ask unanimous consent to have printed in the RECORD at the conclusion of these remarks.

The PRESIDING OFFICER. Without objection, the summary may be printed in the RECORD, as requested.

(See exhibit 1.)

Mr. WATKINS. The pertinent reasons for this increase stated by the committee include—

First. It will reduce the likelihood of future caseload trouble, which has required remedial legislation in many other districts.

Second. It will insure at all times the availability of a district judge to the people of the State when needed.

Third. It will create a pool of judges for assignment wherever needed in other States of the Union. I shall demonstrate later that they are needed.

Fourth. It will save time and expense for both the litigants and the Government in cases in which a single district judge is disqualified and a new judge must be sent in from outside the State.

In considering the omnibus judgeship bill which was enacted early in January 1954, the Congress took into consideration the normal growth of the States which were scheduled for additional Federal judges.

The Utah situation was given serious consideration. It was pointed out that the number of judges in the State courts there had been increased several times from statehood until the present time, while there had been no increase whatsoever in the number of judges in the Federal court.

It also was pointed out that in recent years there had been vast development of oil and gas fields and that mining had been given a significant boost through the discovery of uranium in large quantities in southeastern Utah. Much of this development is taking place under the direction of corporations, partnerships, and individuals whose residence is outside of the State of Utah. This diversity of citizenship gives the Federal court jurisdiction over litigation affecting these parties.

Notice was taken of the possibility that litigation would increase in the Federal court as a result of this increased business activity by out-of-State interests, especially considering the possibilities for conflict over boundary lines, claim locations, and leaseholds.

In addition, it was recognized that there had been a heavy increase in the State's population since the beginning of World War II. The State's present population is estimated at about 700,000, and the rate of growth is still high.

Another consideration, insofar as Utah is concerned, is that the Utah State courts are carrying a considerable load of cases which normally would be filed in the Federal court. Furthermore, a check which I have made indicates that there has been a decrease in removal of cases from State to Federal courts in the past 4 years.

In naturalization matters, for example, both State and Federal courts have jurisdiction. In Utah it has been the practice in the past for the State courts to process naturalization petitions to a large extent. With two judges available, more of these proceedings would be routed to the Federal court, thereby relieving the State courts of this load.

In addition, the presence of a second judge will help insure that the pressure of the caseload in Utah will not result in cases being tried too hastily. Judging from my own experience as a trial judge in a State court, and from the opinions of other judges with whom I have conferred, there appears to be a decided feeling that no judge should be put in a position in which he is required to try cases hastily in order to keep his docket current. In far too many courts where the caseload has been increasing, judges are prone to adopt a speedup policy. While one case is still being tried, the parties to litigation, their attorneys and witnesses, in a case next on the docket, are required to sit in court, waiting for the case being tried to be finished.

This speedup practice proceeds on the theory that a case being tried may end at any moment, and, since no time should be lost, the case scheduled to follow should come on immediately at conclusion of the case on trial. Under such a practice, the litigants are subjected to heavy additional expense because of the standby service of counsel and witnesses, while, at the same time, the judge is under heavy pressure to finish a case speedily because of the fact that parties to the next case are waiting in the courtroom.

It is neither fair nor economical for a judge to try cases under such a situation. The only justification for such a practice would be in an extreme situation where it was otherwise impossible to keep a docket current.

Hastily tried cases are frequently tried very poorly. Litigants become dissatisfied and appeals are frequent. This all adds to increased expenditure of time and money, both by the Government and the parties to the litigation.

Judicial authorities have pointed out that caseload per judge should not be so heavy that the judge in question cannot give careful attention to preliminary study of the case, calmly review the law which is applicable, and then proceed in an orderly manner to try the case and to weigh the evidence introduced during the trial and the arguments presented at its conclusion. Provision for a second judge will help insure such an orderly approach to the administration of justice in the State of Utah and in all the other 47 States if the policy of the Senate Judiciary Committee prevails.

These views on the need for a second Federal judge in my State appeared to me to be sound and self-evident. However, some persons protested that a second judge was unnecessary, largely on the ground of economy. Some even inferred that if a second judge were appointed, he would have nothing to do. In view of these protests, I felt it essential to obtain the views of the Chief Judge of the Tenth Circuit Court of Appeals, the immediate authority of the Utah Federal district judges. Hence I wrote to Chief Judge Orie L. Phillips, of

Denver, asking if the two Utah judges would be kept busy in the 10th circuit.

Judge Phillips assured me that both Federal judges in Utah would be kept fully occupied, either in their own district or in discharging duties in other districts within the circuit. He said, moreover, that he preferred to assign a judge for outside service from a district that had two judges, inasmuch as the home district, therefore, would not be deprived of a judge to take care of routine administrative matters and emergency actions required from time to time.

I ask unanimous consent that Judge Phillips' letter be printed in full at the conclusion of these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. WATKINS. Mr. President, because of my work on the Senate Judiciary Committee, I am fully aware of the increasing workload of the Federal judiciary system and for the need of a judges' pool from which judges who are not fully occupied may be called to help reduce the backlog of cases in overburdened districts. I was personally sold on the pool idea, especially a pool made up of assigned district judges who could keep cases current and provide constant and adequate service within their own districts and then be subject to assignment to other districts and circuits where the need existed.

Accordingly, when I wrote for an expression from Judge Phillips, I also addressed a letter of inquiry to Chief Judge Harold M. Stephens of the United States Court of Appeals for the District of Columbia Circuit. I inquired of Judge Stephens if a Federal judge of one district could be assigned to temporary duty in another circuit if the need existed. I did this because I felt that some persons had given undue emphasis to the case workload in the Utah district, whereas the Utah court is only one of the complete system of district and circuit courts blanketing the geographic area of the United States and its Territories. The establishment of a judges' pool is an affirmation of this interrelationship of all the Federal courts.

Judge Stephens informed me on March 22, 1954, that the Chief Justice is authorized to assign temporarily a district judge in one circuit for service in another circuit, either in a district court or in a circuit court.

The distinguished chief judge of the District Appeals Court, who, incidentally, is a native of Utah, also gave some illuminating statistics on current workload in the Federal courts. During the fiscal year of 1953, he wrote, 102,292 civil and criminal cases were filed in Federal district courts, presided over by 224 district judges. According to my arithmetic, that works out to an average of about 457 cases per judge, a caseload much too heavy to assure expeditious justice to the litigants involved. Furthermore, this caseload is increasing every year.

Judge Stephens stated that assistance of judges from the districts and circuits less heavily laden is constantly needed and furnished wherever possible. He further pointed out that the general increase in the civil business of the district courts was restricting assignments of district judges for service outside their own circuits. Many judges, he wrote, who formerly had time to spare from the work in their own districts, now are finding it increasingly difficult to keep up with their own calendars.

I ask unanimous consent that Judge Stephens' letter may be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. WATKINS. Mr. President, the congestion in the Federal courts was stressed by Chief Justice Earl Warren in a recent speech before the American Law Institute. The Washington Post of May 21 reported the Chief Justice's comments as follows:

The average wait between filing a case and adjudication has grown from 10½ months in 1945 to 14 months in 1954. In New York City's district court, the average case takes 47.3 months to make its way through the district court—almost 4 years, the Chief Justice declared.

"Justice delayed 2, 3, and even 4 years in the trial courts is justice denied to many litigants," Warren said. He explained many litigants can't afford to wait that long on their suits and have to accept compromising settlements.

I discussed the assignment of district judges to help relieve the congestion of cases on dockets of more populous States with Chief Justice Warren. It is his duty to make assignments from one circuit to another.

He assured me that the services of all district judges would be needed for years to come in order to get all court dockets current throughout the United States. He also assured me that if perchance either or both of the Utah judges had some time to spare, he would find assignments for them in other jurisdictions.

I believe that the foregoing statements amply justify my position that a second Federal district judge is justified. However, this statement would not be complete without comment on one criticism which suggested that the Republican Party will suffer because of this action in creating another judgeship in the State of Utah.

As I recall, the Republicans in 1952 promised good government as well as economy in government. To me, the terms are synonymous, and I feel that both objectives are achieved in this action. Better judicial service means better government. And under all the circumstances, fully known to the people in the State of Utah, I believe that we will get better judicial service with 2 judges than with 1, and that, in the long run, the costs will be no greater to the Government or to the people which the court was established to serve. It is my hope and my prayer that this will be the happy result.

EXHIBIT 1

[Excerpt from S. Rept. No. 1312, entitled "Circuit and District Judges and Creation of an 11th Circuit"]

NEW MINIMUM RECOMMENDED

The third category of judgeships contemplated in the proposed legislation is based upon the theory that the judicial business of the United States has grown to such a point as to require a minimum of two judges in any given State. Those States which now have only one judge are Maine, New Hampshire, Rhode Island, Vermont, and Wyoming. These States each comprise within its territorial limits 1 judicial district so that there is under existing law only 1 Federal district judge within that State. It is the belief of the committee that at the time these judicial districts were formed perhaps the services of one judge were entirely adequate, but in the main, the population of these States has greatly increased, at least to the extent where the volume of business to be filed in the court is far greater than it was years ago. It may be true that the caseload filed and pending in any one of these courts may not be a back-breaking job for the judge now presiding to handle but most certainly the task is not an easy one. More important is the fact that some of the districts adjoining these States are those which have found themselves in dire need of help and assistance.

The result, therefore, is that oftentimes the judge in a one-judge State will leave his district to help out in places where that need is pressing. This means that during the absence of the judge there is a judicial district without the services of any judge power whatsoever. If there be need for an emergency writ or any other action by a district judge, the litigants or their attorneys must go to where the judge is presiding or await his return. This committee does not believe that any district in the United States should be without the services of a Federal district judge at all times.

Thus, if an additional district judge is provided for these 1-judge States, 3 purposes are apparent and 3 results are accomplished. First, there is reduced likelihood that the particular State in question would in the future find itself in trouble as regards its caseload as has been the case in many of the districts dealt with in previous legislation and in the instant bill. Secondly, such a provision would insure that at all times there will be a district judge available to the people of the State when needed. Thirdly, it will create a pool of judges that can be called to help out in those districts which find themselves in trouble by reason of increased filings and a heavy load of pending cases.

OTHER ADVANTAGES SEEN

In addition to these three major objectives to be achieved by this bill, there also is considered the matter of disqualification of judges in certain cases. Where there is only one judge in a State and the judge finds himself disqualified or is disqualified by one of the litigants as provided for by law, there must be sent into the district a judge from another district to handle that particular litigation. With the addition of another district judge in a one-judge district, it should readily become apparent that with such a disqualification there is another judge on hand to handle the cases. This results in somewhat of a saving as regards the overall expense of a new judge and also results in a saving of time for the reason that the trial of such a case, by calling in an outside judge, depends a great deal on when the judge is free to come.

It will be conceded that this approach and theory is new as regards the alleviation of the backlog of cases but after a study of the situation, the committee is convinced that it is a meritorious way of attempting to handle the situation. It will be noted that in Public Law 294, there were additions made to several one-judge States, notably Idaho, Nevada, New Mexico, North Dakota, South Dakota, and Utah. The committee at that time felt that in providing judges for these States not only would the States involved be insured from finding themselves in trouble in the future, but that the serv-

ices of any judge could be used where necessary in other districts without depriving the States involved of its judge power.

Therefore, these provisions of the bill are made to carry out to the ultimate, and to provide for the remaining one-judge States that relief and that insurance they deserve, with the added feature of enlarging the pool of judges which may be available to trouble shoot those districts which are in need. The committee is sincerely of the opinion that these provisions are meritorious and necessary to help in laying a foundation for the sound judicial dispatch of the business of the Federal courts and recommends that these provisions be given the approval of the Senate.

EXHIBIT 2

UNITED STATES COURT
OF APPEALS, 10TH CIRCUIT,
Denver, Colo., March 12, 1954.

Hon. ARTHUR V. WATKINS,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: This will acknowledge your letter of March 8, inquiring with respect to the assignment of United States district judges to service in other districts.

As you of course know, Congress has recently provided an additional judge for Colorado and additional judges for New Mexico and Utah on a temporary basis. The Colorado district has a very heavy docket and the caseload is increasing in that district. With the additional judge provided for Colorado, it will still be necessary for me to assign judges from other districts to the Colorado district to bring the docket to a current condition and to keep it current. I shall also need additional help in Kansas until a third judge is provided for the Kansas district.

While the two judges in Utah will not be fully occupied in that district, an additional judge in Utah, available, as he will be, at any time I call on him, will be very helpful to me in giving assistance in other districts, whenever needed. I can assure you that both judges in Utah will be kept fully busy in that district and in discharging assignments to other districts. Moreover, I much prefer to assign a judge for outside service from a district which has two judges. That leaves one judge at home to take care of routine administrative matters and emergency matters that arise from time to time.

You are at liberty to make such use of this letter as you deem proper.

With kind personal regards, I am

Yours sincerely,

ORIE L. PHILLIPS,
Chief Judge.

EXHIBIT 3

MARCH 22, 1954.

UNITED STATES COURT OF APPEALS,
DISTRICT OF COLUMBIA CIRCUIT,

Hon. ARTHUR V. WATKINS,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WATKINS: In response to your request for information concerning the assignment of United States judges from one judicial circuit or district to another for the purpose of aiding in the disposition of cases in overburdened circuits or districts by supplying judges whose case loads in their own circuits or districts are such as to make it possible for them to give aid elsewhere without detriment to their local duties, I beg to reply as follows:

The pertinent statutory provisions are sections 291 to 296, inclusive, of title 28, United States Code. I enclose herewith a copy of those provisions; they are not lengthy and they are self-explanatory. Briefly, and so far as material to your inquiry, they inter alia permit the chief judge of a circuit in the public interest to designate and assign temporarily any district judge of the circuit to hold a district court in any district within the circuit; they also permit the Chief Justice of the United States to designate and assign temporarily a district judge of one circuit for service in another circuit, either in a district court or a circuit court, upon presentation of a certificate of necessity by the chief judge or circuit justice of the circuit wherein the need arises and by consent of the chief judge or judicial council of the circuit from which a judge is to be designated and assigned.

For your further information, I append a letter of March 19, 1954, from Mr. Will Shaforth, Chief of the Division of Procedural Studies and Statistics of the Administrative Office of the United States Courts. This letter was written in response to my request in your behalf. The letter shows, in table I, that during the fiscal year 1953 there were 659 separate days on which trials were held in district courts by visiting judges, that is, judges assigned either from one district to another within a circuit or from one circuit to a district in another circuit. The number of cases tried by such judges was 314. The letter shows, in table II, the names of visiting judges and their home district who in the 10th circuit in the fiscal year 1953 were assigned to service in districts in that circuit and the total number of days spent in trials by such judges. You will note that the total number of trial days spent by such visiting judges was 73.

In the fiscal year 1953, 102,292 cases, civil and criminal, were filed in the United States district courts. There were 224 district judges. In the United States courts of appeals, 3,043 appeals were docketed; there were 65 circuit judges. With this case load the pressure of work, especially in the metropolitan areas, was very heavy. Assistance of judges from the districts and circuits less heavily laden is constantly needed and is furnished wherever possible, although the very general increase in the civil business of the district courts is restricting assignments of district judges for service outside of their own circuits since many judges who formerly had time to spare from the work in their own districts now find it difficult to keep up with their own calendars.

Sincerely yours,

HAROLD M. STEPHENS,
Chief Judge.

WATER FOR IRRIGATION AND DOMESTIC USE FROM THE SANTA MARGARITA RIVER, CALIF.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 5731) to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities to provide water for irrigation and domestic use from the Santa Margarita River, Calif., and the joint utilization of a dam and reservoir and other waterwork facilities by the Department of the Interior and the Department of the Navy, and for other purposes.

The PRESIDING OFFICER (Mr. BUSH in the chair). Under the terms of the unanimous-consent agreement entered into, debate on any amendment or motion, including appeals, is limited to not exceeding 60 minutes, to be equally divided and controlled, respectively, by the mover of any amendment or motion and the Senator from California [Mr. KUCHEL], and debate upon the bill itself is limited to not exceeding 2 hours, to be equally divided and controlled, respectively, by the Senator from California [Mr. KUCHEL] and the Senator from Illinois [Mr. DOUGLAS].

Mr. JOHNSON of Colorado rose.

Mr. KNOWLAND. Mr. President, I wonder whether the Senator from Colorado would be agreeable to having a quorum call at this time, in order to alert the Senator from Illinois [Mr. DOUGLAS].

Mr. JOHNSON of Colorado. Is it understood that the time consumed in calling a quorum shall be charged equally to both sides?

Mr. KNOWLAND. That is correct; the time consumed in the calling of the quorum is to be charged equally to both sides.

Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time consumed in calling the roll be charged equally to both sides.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The absence of a quorum has been suggested, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. FULBRIGHT. Mr. President, reserving the right to object, on whose time is the call being made?

Mr. KNOWLAND. It was agreed originally that it would come out of the time of both sides.

Mr. FULBRIGHT. Out of the 2 hours remaining on the bill after the amendments have been discussed?

Mr. KNOWLAND. Yes.

Mr. FULBRIGHT. Does the Senator propose to proceed without any Senators present? I intend to make some remarks about the bill. I think we should have a quorum present, and I object.

The PRESIDING OFFICER. The clerk will proceed with the call of the roll.

The legislative clerk resumed the call of the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call of the roll be rescinded.

Mr. DOUGLAS. I object.

The PRESIDING OFFICER. The clerk will proceed with the call of the roll.

The legislative clerk resumed and concluded the call of the roll, and the following Senators answered to their names:

Aiken	Fulbright	Magnuson
Barrett	George	Martin
Bennett	Gore	Millikin
Bridges	Hayden	Monroney
Bush	Hill	Potter
Capehart	Holland	Robertson
Case	Jackson	Russell
Clements	Johnson Colo.	Smathers
Cordon	Johnston S. C.	Upton
Daniel	Kefauver	Watkins
Dirksen	Kilgore	Wiley
Douglas	Knowland	Williams
Ellender	Kuchel	Young
Frear	Long	

Mr. KNOWLAND. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate.

The Senator from North Dakota [Mr. LANGER] is absent on official business.

The Senator from Nebraska [Mrs. BOWRING], the Senator from Ohio [Mr. BRICKER], the Senator from Maryland [Mr. BUTLER], the Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. FLANDERS], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Maine [Mr. PAYNE], the Senator from Connecticut [Mr. PURTELL], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from New Jersey [Mr. SMITH], the Senator from Idaho [Mr. WELKER], and the Senator from Oregon [Mr. MORSE] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Ohio [Mr. BURKE], the Senator from Virginia [Mr. BYRD], the Senators from Mississippi [Mr. EASTLAND and Mr. STENNIS], the Senator from Missouri [Mr. HENNINGS], the Senator from Texas [Mr. JOHNSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oklahoma [Mr. KERR], the Senator from North Carolina [Mr. LENNON], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from West Virginia [Mr. NEELY], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

The Senator from Nevada [Mr. MCCARRAN] and the Senator from Montana [Mr. MURRAY] are absent by leave of the Senate.

The PRESIDING OFFICER. A quorum is not present.

Mr. KNOWLAND. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of the absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. ANDERSON, Mr. BEALL, Mr. BUTLER of Nebraska, Mr. CARLSON, Mr. CHAVEZ, Mr. COOPER, Mr. DUFF, Mr. DWORSHAK, Mr. FERGUSON, Mr. GILLETTE, Mr. GOLDWATER, Mr. GREEN, Mr. HICKENLOOPER, Mr. HUMPHREY, Mr. HUNT, Mr. IVES, Mr. JENNER, Mr. LEHMAN, Mr. MALONE, Mr. MANSFIELD, Mr. MAYBANK, Mr. MCCARTHY, Mr. MUNDT, Mr. SCHOEPPEL, Mrs. SMITH of Maine, Mr. SPARKMAN, and Mr. SYMINGTON entered the Chamber and answered to their names.

The PRESIDING OFFICER (Mr. AIKEN in the chair). A quorum is present.

The amendment reported by the committee will be stated.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause, and to insert in lieu thereof the following:

That the Secretary of the Interior, acting pursuant to the Federal reclamation laws (act of June 17, 1902 (32 Stat. 388)), and acts amendatory thereof or supplementary thereto, as far as those laws are not inconsistent with the provisions of this act, is authorized to construct, operate, and maintain such dam and other facilities as may be required to make available for irrigation, municipal, domestic, military, and other uses the yield of the reservoir created by De Luz Dam to be located immediately below the confluence of De Luz Creek with Santa Margarita River on Camp Joseph H. Pendleton, San Diego County, Calif., for the Fallbrook Public Utility District and such other users as herein provided. The authority of the Secretary to construct said facilities is contingent upon a determination by him that—

(a) the Fallbrook Public Utility District shall have entered into a contract under subsection (d), section 9, of the Reclamation Project Act of 1939 undertaking to repay to the United States of America appropriate portions, as determined by the Secretary, of the actual costs of constructing, operating, and maintaining such dam and other facilities, together with interest as hereinafter provided; and under no circumstances shall the Department of the Navy be subject to any charges or costs except on the basis of its proportional use, if any, of such dam and other facilities, as determined pursuant to section 2 (b) of this act; and

(b) the officer or agency of the State of California authorized by law to grant permits for the appropriation of water shall have granted such permits to the United States of America and shall have granted permits to the Fallbrook Public Utility District for rights to the use of water for storage and diversion as provided in this act; including, as to the Fallbrook Public Utility District, approval of all requisite changes in points of diversion and storage, and purposes and places of use;

(c) The Fallbrook Public Utility District shall have agreed that it will not assert against the United States of America any prior appropriative right it may have to water in excess of that quantity deliverable to it under the provisions of this act, and will share in the use of the waters impounded by the De Luz Dam on the basis of equal priority and in accordance with the ratio prescribed in section 3 (a) of this act;

(d) a net safe yield of not less than 20,000 acre-feet per annum after the first filling of the conservation storage space of De Luz Reservoir can reasonably be expected under the permits granted by the State of California in clause (b) hereof, after considering the exercise or probable exercise of all existing rights to the use of water within the stream system of the Santa Margarita River, including rights to the use of water which the United States of America acquired according to the laws of the State of California either as a result of its acquisition of the lands comprising Camp Joseph H. Pendleton and adjoining naval installations, and the rights to the use of the water as a part of said acquisitions, or through actual use or prescription or both, since the date of that acquisition, and the hydrology of the Santa Margarita River determined in accordance with accepted engineering practices.

SEC. 2. (a) In the interest of comity between the United States of America and the State of California and consistent with the historic policy of the United States of America of Federal noninterference with State water law, the Secretary of the Navy shall promptly comply with the procedures for the acquisition of appropriative water rights required under the laws of the State of California as soon as he is satisfied, with the advice of the Attorney General of the United States, that such action will not adversely affect the rights of the United States of America under the laws of the State of California.

(b) The Department of the Navy will not be subject to any charges or costs in connection with the De Luz Dam or its facilities, except upon completion and then shall be charged in reasonable proportion to its use of the facilities under regulations agreed upon by the Secretary of the Navy and Secretary of the Interior.

SEC. 3. (a) The operation of the dam and other facilities herein provided shall be as agreed to by the Secretary of the Navy and the Secretary of the Interior. In that operation, 60 percent of the water impounded by De Luz Dam is hereby allotted to the Secretary of the Navy; 40 percent of the water impounded by De Luz Dam is hereby allotted to the Fallbrook Public Utility District. The Department of the Navy and the Fallbrook Public Utility District will participate in the water impounded by De Luz Dam on the basis of equal priority and in accordance with the ratio prescribed in the preceding sentence: *Provided, however,* That at any time the Secretary of the Navy certifies that he does not have immediate need for any portion of the aforesaid 60 percent of the water, the official agreed upon to administer the dam and facilities is empowered to enter into temporary contracts for the delivery of water subject, however, to the first right of the Secretary of the Navy to demand that water without charge and without obligation on the part of the United States of America upon 30 days' notice as set forth in any such contract with the approval of the Secretary of the Navy: *Provided further,* That all moneys paid in to the United States of America under any such contract shall be covered into the general fund of the Treasury, and shall not be applied against the indebtedness of the Fallbrook Public Utility District to the United States of America.

(b) The general repayment obligation of the Fallbrook Public Utility District (which shall include interest on the unamortized balance of construction costs of the project allocated to municipal and domestic waters at a rate equal to the average rate, which rate shall be certified by the Secretary of the Treasury, on the long-term loans of the United States outstanding on the date of this act) to be undertaken pursuant to section 1 of this act shall be spread in annual installments, which need not be equal, over a period of not more than 56 years, exclusive of a development period, or as near thereto as is consistent with the operation of a formula, mutually agreeable to the parties, under which the payments are varied in the light of factors pertinent to the irrigator's ability to pay. The development period shall begin in the year in which water for use by the district is first available, as announced by the Secretary, and shall end in the year in which the conservation storage space in De Luz Reservoir first fills but shall, in no event, exceed 17 years. During the development period water shall be delivered to the district under annual water rental notices at rates fixed by the Secretary and payable in advance, and any moneys collected in excess of operation and maintenance costs shall be credited to repayment of the capital costs chargeable to the district and the repayment period fixed herein shall be reduced proportionately. The Secretary may transfer to the district the care, operation, and maintenance of the facilities constructed by him under conditions satisfactory to him and to the district and, with respect to such of the facilities as are located within the boundaries of Camp Pendleton, satisfactory also to the Secretary of the Navy.

(c) For the purposes of this act the basis, measure, and limit of all rights of the United States of America to the use of water to which this act pertains shall be the laws of the State of California.

(d) Nothing in this act shall be construed as a grant or a relinquishment by the United States of America of any of its rights to the use of water which it acquired according to the laws of the State of California either as a result of its acquisition of the lands comprising Camp Joseph H. Pendleton and adjoining naval installations, and the rights to the use of water as a part of said acquisition, or through actual use or prescription or both, since the date of that acquisition, or to create any legal obligation to store any water in De Luz Reservoir, to the use of which it

has such rights, or to require the division under this act of water to which it has such rights.

(e) Unless otherwise agreed by the Secretary of the Navy, De Luz Dam as herein provided shall at all times be operated in a manner which will permit the free passage of all of the water to the use of which the United States of America is entitled according to the laws of the State of California either as a result of its acquisition of the lands comprising Camp Joseph H. Pendleton and adjoining naval installations, and the rights to the use of water as a part of said acquisitions, or through actual use, or prescription or both, since the date of that acquisition and will not be administered or operated in any way which will impair or deplete the quantities of water to the use of which the United States of America would be entitled under the laws of the State of California had that structure not been built.

SEC. 4. After the construction of the De Luz Dam, the official operating the reservoir shall deliver water to the Fallbrook Public Utility District, pursuant to regulations agreed upon by the Secretary of the Navy and the Secretary of the Interior, as follows:

(1) Not in excess of 1,800 acre-feet in any year until the reservoir attains an active content of 63,000 acre-feet;

(2) Not in excess of 4,800 acre-feet in any year after the reservoir attains an active content of 63,000 acre-feet, and until said reservoir attains an active content of 98,000 acre-feet; and

(3) Not in excess of 8,000 acre-feet in any year after the reservoir attains an active content of 98,000 acre-feet and until the conservation storage space of the reservoir has been filled.

SEC. 5. The Secretary of the Army through the Chief of Engineers, acting in accordance with section 7 of the Flood Control Act of 1944 (58 Stat. 887), is authorized to utilize for purposes of flood control such portion of the capacity of De Luz Reservoir as may be available therefor.

SEC. 6. There are hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, $22,636,000, the current estimated construction cost of the Santa Margarita River project, plus or minus such amounts as may be indicated by the engineering cost indices for this type of construction, and, in addition thereto, such sums as may be required to operate and maintain the said project.

SEC. 7. From time to time the Attorney General, the Secretary of the Interior, and the Secretary of the Navy shall report to the Congress concerning the conditions specified in section 1 of this act, and the first report thereon shall be submitted to the Congress no later than 1 year from the date of enactment of this act.

The PRESIDING OFFICER. The amendment is open to amendment.

Mr. DOUGLAS. I call up my amendment to the committee amendment, identified as "5-27-54-B"; I ask that it be read and made the pending question.

The PRESIDING OFFICER. The amendment submitted by the Senator from Illinois to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 6, in line 24, after the word "That", it is proposed to insert "(a)".

In the committee amendment on page 9, between lines 8 and 9, it is proposed to insert the following:

(b) Nothing in this act shall be construed to authorize the Fallbrook Public Utility District to apply for or obtain permits to appropriate and use water to which the United States of America has prior rights under the laws of California. This act is only intended to provide for the storage and distribution of water remaining after the needs of the United States of America have first been satisfied within the limits of the water to which it is entitled under the laws of California. Nothing herein is intended to abate the suit or suits now pending in the Federal courts in California and in the United States Court of Appeals for the Ninth Circuit to determine the rights of the United States of America and others in the water of the Santa Margarita River but the Justice and Navy Departments are hereby authorized and directed to prosecute said suits to final judgment notwithstanding any contrary provisions of Federal law.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

The time is controlled by the Senator from Illinois [Mr. DOUGLAS] and the Senator from California [Mr. KUCHEL].

Mr. DOUGLAS. Mr. President——

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois.

Mr. DOUGLAS. Mr. President, I yield myself 15 minutes.

The purpose of this amendment is to untie the hands of the Federal Government and direct it to defend the water rights of the United States as a landowner in the Santa Margarita River Basin.

The effect of its adoption will be to give some color of reality to the provisions of the bill reciting that it is not intended to impair these water rights of the United States.

On these water rights depends the successful operation of the facilities for training and maintenance of large groups of Marine Corps personnel at Camp Joseph H. Pendleton. This is, I believe, the largest and most complete military base in the world for training in amphibious warfare. At this base one of the great Marine divisions was trained during World War II and other units were also trained there. While the numbers there vary, I can safely reveal that the population of Camp Pendleton on October 30, 1952, was 49,123. This is not classified information. The information is, instead, contained in the decision of the district court in California, and, therefore, is a matter of public record.

Mr. KILGORE. Mr. President, will the Senator yield for a question on that point only?

Mr. DOUGLAS. I yield.

Mr. KILGORE. As I understand, the purpose of the Senator's amendment is only to sustain the rights under the law of California, and to place those claiming other water under the normal rights of the United States Government. Is not that correct?

Mr. DOUGLAS. It is to permit the court to make a fair decision, with the parties properly represented, to determine what the rights actually are under the laws of the State of California.

According to the record of the court's findings and judgment in the district court in California, previous peacetime plans have looked to a population of as high as 105,000 persons at this great camp. This also is a matter of public record and is in no sense classified.

On these water rights also depend the proper functioning of the United States Naval Hospital at Camp Pendleton, with a capacity of about 1,550 beds, for the care and treatment of Armed Forces personnel.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. FULBRIGHT. Is it not a fact that the Congress itself has held up further appropriations for facilities to accommodate the other Marine division, which has been in Korea, because of this water controversy?

Mr. DOUGLAS. I am not certain. I do not know whether that is the case or not.

Mr. FULBRIGHT. I am informed that such is the case.

Mr. DOUGLAS. These water rights also serve the needs of the great United States Naval Ammunition Depot, Fallbrook, Calif., and of 5,000 to 6,000 acres under lease for agricultural uses.

The aggregate costs of the installations served by the water rights my amendment would protect are, I am advised, about $130 million.

This is not some trival, inconsequential bureaucratic veriform appendix. It is part of the Nation's essential bone and sinew and vitals of defense. The great number of persons involved, the important functions they have been assigned for the Nation's defense, and the size of the Federal investment represented there, together constitute a national interest of prime importance which the Federal water rights in the Santa Margarita River may serve—if they are not surrendered, or otherwise lost by indifference or neglect.

These water rights were acquired by the Government's purchase in 1941-43 of the former Santa Margarita Ranch and by use and prescription since then.

As the hearings make clear, other interests, notably the Fallbrook public utility district, have made claims to and diverted waters from this same river to an extent which in the opinion of the responsible officials at Camp Pendleton jeopardize those Defense Establishments, and their personnel and services.

Let me make it clear that I do not assert those private claims are baseless. I do not deny their right also to legal definition and protection. But they were conflicting. Law suits to decide those conflicting claims under California law were the obvious and proper result.

But as the debate of yesterday revealed, unprecedented roadblocks were placed in the path of Federal prosecution of these suits. Misled by widely circulated but incorrect reports that the Federal Government was grasping for water rights other than as a landowner and water user on Santa Margarita Ranch, Congress by riders on appropriations bills in 1952 and 1953 has forbidden the use of Federal funds to prosecute the cases and protect the legitimate Federal water rights there. These riders were attached to bills approved July 10, 1952, August 1, 1953, and August 5, 1953. I hold in my hand copies of those appropriation bills, with the riders.

As the debate has also revealed, however, the limit of the Federal claim is to riparian and appropriative rights as a ranch owner under California law. This seemed clear to me from the original complaint, filed early in 1951. This was also stipulated—in effect, a binding agreement—in the pending case by Government counsel, to remove the misunderstandings or misrepresentations, as long ago as November 1951.

I read the relevant sections of that stipulation in the debate yesterday. However, it is important that all Members of the Senate realize today that in November 1951 the Government and the State of California stipulated what the issues were. I wish to read from the stipulation:

II

That in this cause, the United States of America claims only such rights to the use of water as it acquired when it purchased the Rancho Santa Margarita, together with any rights to the use of water which it may have gained by prescription or use, or both, since its acquisition of the Rancho Santa Margarita.

III

That the United States of America claims by reason of its sovereign status no right to the use of a greater quantity of water than is stated in paragraph II hereof.

I have just read paragraph 2.

Mr. DANIEL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I prefer not to yield, as my time is limited.

Mr. DANIEL. How much later than the filing of the original complaint was this stipulation entered?

Mr. DOUGLAS. About 10 months.

I read further from the stipulation:

IV

That the rights of the United States of America to the use of water herein are to be measured in accordance with the laws of the State of California.

This point was also made clear in Senate debate on March 27, 1952, by the distinguished senior Senator from Wyoming, Mr. O'Mahoney. Yet in July 1952, and again twice in August, 1953, the Congress was persuaded to accept riders barring funds for the Federal prosecution of the suits to define and protect these Federal water rights. I find it hard to discover any reasonable excuse for those who most actively promoted the fears of a Federal "mailed fist," long after it was clear—in 1951—that only riparian and appropriative water rights were being claimed for the Federal Government, and those rights were only being claimed under the laws of the State of California. The Federal Government was not asserting any right over inland waters. It was not even using the right of eminent domain in connection with military establishments. Yet so pervasive has been the effect of this misrepresentation that I find the same shackling riders in the 1955 appropriations bills for Justice and Defense, H. R. 8067 and H. R. 8873, as adopted by the House and now before the Senate Committee on Appropriations.

Indeed, truth seems to have a hard time getting its boots on in time to stop irreparable damage to Federal interests. And yet the counsel for claimants opposed to the Government have conceded as recently as April 12, 1954, that the Government is proceeding fairly under that 1951 stipulation.

Yesterday I placed in the RECORD the statement by the State of California reading as follows:

Under these circumstances, the State of California feels called upon to advise this honorable court that the United States has faithfully adhered to the stipulation. We disagree with the United States as to just what California law provides, but there can be no doubt of the sincerity of the United States in recognizing that the courts should apply California law to this litigation.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I gladly yield.

Mr. FULBRIGHT. Was that statement made by the State of California?

Mr. DOUGLAS. That statement was made by the State of California, admitting that the Federal Government had lived up to its stipulation and was making no other claim for water rights other than those which it acquired as the purchaser of the land and user of the water.

The alleged reason for the handcuffs placed on the Departments of Justice and Navy has been completely removed, therefore, and the simple question remains: Will Congress insist on letting these critically important Federal water rights be tested and decided, as against strongly defended private interests, without any federally supported legal efforts? Will it send the water rights at Camp Pendleton into a "fixed" fight with adverse interests? Will it so prefer the interests of the 5,000 persons on the 8,000 acres of Fallbrook district—who are also entitled to their day in court—that it will not even permit the Government to defend against them?

I am not arguing that Fallbrook Utility District is not equally entitled to have its water rights tried and decided in court, merely because only 5,000 persons and 8,000 acres are involved in its claim.

Mr. FULBRIGHT. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. FULBRIGHT. Does the Senator from Illinois feel that is an example of the rights of a State, or is it an example of an interference with the Federal Government.

Mr. DOUGLAS. It is an interference with the Federal Government, and an attempt to tie the hands of the Federal Government so that it cannot even argue its case in court under the admittedly governing State laws.

Mr. FULBRIGHT. Does it not seem to the Senator from Illinois that a States righter would be willing to have the law of the State apply and to let the issue be decided by a court? Is that not correct?

Mr. DOUGLAS. That is correct; and the Government wants the law of California to apply.

I do say I cannot understand why the rights of the United States are not entitled to at least equal consideration and advocacy—why those rights of the Nation should not be defended—why a transparently false excuse should still be allowed to hamper a fair legal test.

I cannot believe the sponsors of this bill or the Senate would knowingly approve such a course. Yet in its present form, without my amendment, that is precisely the effect this bill would have. There are express provisions in the bill, of course, in sections 1 (d), 2 (a), 3 (d), and 3 (e) which appear to acknowledge the water rights of the United States acquired by acquisition of the Camp Pendleton lands and by use or prescription. But the appropriation-bill riders prohibiting the expenditure of Federal funds for the preparation or prosecution of those water-right suits, will be left unimpaired. The shackles are still there on the Federal legal representatives. They are apparently being reinforced in the new 1955 appropriation bills.

The proposal of the Bureau of the Budget, on March 12, 1954, to repeal those riders and take these shackles off has not been incorporated in the bill as reported. It is clear that with new riders coming down the line, something much more positive—which my amendment is—is needed to defend the Federal rights.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. FULBRIGHT. Is it not correct to say that Admiral Nunn, representing the Navy, also wishes those riders to be eliminated?

Mr. DOUGLAS. In the testimony before the Committee on Interior and Insular Affairs, he made his position perfectly clear on that point. The Senator from Arkansas is correct.

Without such a provision as my amendment includes, authorizing and directing the agencies to protect the Federal water rights in the pending litigation, there is dubious reality in the pious promise of this bill about maintaining Federal rights. Why must Uncle Sam do battle for his just rights without any legal armor or ammunition? Why is it proposed to strip the Government of the United States of the weapons which it needs to defend its interests? Can those who would thus hamper Uncle Sam avoid the suspicion that they really want him to lose? What remains of the Federal water rights if all the means to protect them are refused?

The PRESIDING OFFICER. The 15 minutes which the Senator from Illinois allotted to himself have expired.

Mr. DOUGLAS. I yield myself an additional 2 minutes.

The issue posed by my amendment takes on further importance in view of the frank concession of the junior Senator from California in debate yesterday, that if the Federal rights are maintained, as in the district court decision in the Santa Margarita Mutual Water Co. case, the De Luz Dam project probably cannot go forward under the terms of this bill. The proposed project and the lawsuit are thus directly related and cannot be treated separately.

One is forced to wonder if some of those now pushing this bill are so anxious to secure the dam and serve the worthy people of Fallbrook that they are willing to let the vital Federal water rights—so important to Camp Pendleton's opera-

tion—be lost through compulsory, unilateral, legal disarmament.

I do not profess to know precisely what those Federal rights are—any more than I know what the worthy farmers and residents of Fallbrook should enjoy as their rights. I am only urging that these complex, competing and conflicting claims and rights should be decided in the courts—with the Government's hands untied. My amendment would direct that this be done, that the Justice and Navy Departments prosecute the suits, under California law, to final judgment notwithstanding any contrary provisions of Federal law.

In fairness to the great national stake in Camp Pendleton, I hope this amendment may be approved.

Mr. KUCHEL. Mr. President——

The PRESIDING OFFICER. How much time does the Senator from California yield, and to whom does he yield the time?

Mr. KUCHEL. How much time do I have on the amendment?

The PRESIDING OFFICER. The Senator from California has 30 minutes on the amendment.

Mr. KUCHEL. I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from California is recognized for 10 minutes.

Mr. KUCHEL. Mr. President, as I endeavored to state in yesterday's discussion with the Senator from Illinois [Mr. DOUGLAS], the pending bill represents the considered and unanimous judgment of the type of legislation which ought to be passed with respect to the waste of water in the southern part of California.

I have participated in many discussions with the Judge Advocate General of the Navy, a man who has spent his entire lifetime in the service of that branch of the Defense Establishment. He is a man who I feel is dedicated to doing what ought to be done, to the extent that he can do it, on behalf of the Navy and the Navy Department. I am glad to say again, as I said yesterday, that the Navy Department and the Judge Advocate General of the Navy favor the enactment of the bill, and the report on the desks of the Senators will indicate that fact.

Secondly, so far as the Department of Justice is concerned, in the case of that Department I dealt with the Assistant Attorney General and the report of the committee contains a letter from Attorney General Brownell indicating his full approval of the bill before the Senate.

Likewise, Mr. President, I dealt with representatives of the Department of the Interior, whose views and approval of the bill are before the Senate.

I appreciate the sincerity of my good friend from Illinois in wishing to be doubly assured that the interests of the Government of the United States are protected by the bill. I wish to allude specifically to that portion of the bill which demonstrates very clearly that that was the intention of those who drew up the bill and that that is the intention of the bill as it is now before the Senate.

Mr. FULBRIGHT. Mr. President, will the Senator from California yield?

Mr. KUCHEL. No; I prefer not to yield at this time. I should first like to make my comments. On page 12, line 13 of the bill there appears the following provision:

(d) Nothing in this act shall be construed as a grant or a relinquishment by the United States of America of any of its rights to the use of water which it acquired according to the laws of the State of California either as a result of its acquisition of the lands comprising Camp Joseph H. Pendleton and adjoining naval installations, and the rights to the use of water as a part of said acquisition, or through actual use or prescription or both, since the date of that acquisition, or to create any legal obligation to store any water in De Luz Reservoir, to the use of which it has such rights, or to require the division under this act of water to which it has such rights.

What could be plainer with respect to the intention of the bill than that every drop of water to which the Government of the United States is entitled remains the property of the United States under this proposed legislation?

Specifically with respect to the amendment offered by the Senator from Illinois, the first sentence provides:

Nothing in this act shall be construed to authorize the Fallbrook Public Utility District to apply for or obtain permits to appropriate and use water to which the United States of America has prior rights under the laws of California.

In the first place, Mr. President, it is rather difficult for me to follow exactly what this sentence means; but if it means that the Fallbrook Public Utility District, a public agency formed under the laws of the State of California shall not have any right to apply for appropriation rights to water under the laws of that State, my simple answer to the Senator from Illinois is that that particular public agency, which has an interest in this bill, has received for many years a permit from the State of California for rights to appropriate water. Beyond that, Mr. President, the bill provides that the Fallbrook Public Utility District in the case of the dam which is proposed to be constructed by the Secretary of the Interior under this bill shall have the rights to water which it has today under the laws of the State of California.

Listen to the second sentence of the amendment:

This act is only intended to provide for the storage and distribution of water remaining after the needs of the United States of America have first been satisfied within the limits of the water to which it is entitled under the laws of California.

I submit, Mr. President, that that adds nothing to the bill.

I have alluded to the bill which has the approval of the Government departments; and I think I have demonstrated the clear intent of the bill to be that the water which the Government owns it shall continue to own under the proposed legislation.

Listen to the next sentence of the amendment:

Nothing herein is intended to abate the suit or suits now pending in the Federal courts in California and in the United States Court of Appeals for the Ninth Circuit to determine the rights of the United States of America and others in the water of the Santa Margarita River but the Justice and Navy Departments are hereby authorized and directed to prosecute said suits to final judgment notwithstanding any contrary provisions of Federal law.

That is a most novel sentence, Mr. President, in the amendment offered by the Senator from Illinois. A few moments ago the Senator from Illinois suggested that it was wrong for the Congress to do as it did twice, namely, enact legislation prohibiting the Department of the Navy from engaging in the prosecution of certain lawsuits. The Senator from Illinois suggested that, in his judgment, that was wrong. I was not a Member of the Senate at that time. The Senator from Illinois has a right to his opinion, but Congress decided that as a policy; and it is to that policy that the Senator from Illinois takes exception.

What do we find in this amendment? Exactly the same situation in reverse. The Senator endeavors to have Congress dictate to the executive agencies, to suggest to them and to direct them to continue prosecuting lawsuits, and, to that extent, interfere with the discretion which he, on the other hand, has suggested ought to be provided in the law passed by Congress.

So far as I am concerned, this bill has nothing to do with the prosecution of a lawsuit except in respect to the language of the bill which provides that the rights of the Government with respect to water are continued to the extent that those rights can be determined by judicial decisions. Obviously, that brings them into public focus.

So I say, Mr. President, that the amendment offered by the Senator from Illinois is unnecessary. It is an amendment which should not be adopted.

As I conclude, I return to the suggestion made in my opening comments.

I came to the Senate hoping that I could find a way to compromise the differences in this long-standing controversy which required, apparently, action by the Congress on several occasions with respect to riders. What has been the outcome? The outcome has been that the Navy approves the bill, the Department of Justice approves it, the Department of the Interior approves it, and every member of the Senate Committee on Interior and Insular Affairs, Republicans and Democrats alike, approves it. There is no partisanship in this bill, and there is no attempt upon the part of any of us who are sponsoring the proposed legislation to injure the property of the Government. It is quite the other way around. I do not think a Senator is worth his salt unless he has the responsibility and the courage to say that that which the Government owns it should keep.

Mr. President, I hope the amendment of the Senator from Illinois will be rejected.

I yield such time as my able colleague, the majority leader, may desire.

Mr. KNOWLAND. Mr. President, I ask the junior Senator from California to yield 10 minutes to me.

Mr. KUCHEL. Mr. President, I yield 10 minutes to my distinguished colleague from California.

Mr. KNOWLAND. Mr. President, first of all, I wish to point out to the Members of the Senate that, regardless of what the ultimate result of the litigation may be under the circumstances, and regardless of whether the case is appealed to the Supreme Court of the United States, the problem of the shortage of water both to the marine base at Pendleton and to the civilian economy in the Fallbrook area will still remain.

A court decision in the case, important as it may be, to have a decision rendered, will not save a single drop of water finally, if we have not taken constructive action to build the dam that will save the water which is necessary for the Military Establishment and the civilian economy. So, Mr. President, I say that in any event the enactment of the bill is necessary.

The bill comes to us with the support of the Navy Department. It comes with the support of the Department of the Interior and the Department of Justice. It comes with the support of the Bureau of the Budget. It comes with certain technical studies regarding estimated available water having been made by the Army engineers. The Interior Department and the California State engineer, find that the water flow, which they have calculated over average periods, will be sufficient to make the project a going and sound project.

Mr. FULBRIGHT. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I shall be glad to yield if I have any time left, but I wish first to complete my statement.

Mr. President, after all, the two Senators from California have a vital interest in the national defense. We are not unmindful of the importance of the marine base at Pendleton. We are not unmindful of the importance of the defense establishments in this or in any other areas of the country. Neither my junior colleague nor I would be on the floor of the Senate of the United States urging the adoption of proposed legislation which, in our judgment, would be harmful in the slightest degree to the Defense Department of the Nation.

I quite agree with my junior colleague that the question that reference to legislative riders has no part in this particular bill. In view of the fact that the question has been raised on the floor, it is important for the historic record to know how the riders got into the appropriation bills. Contrary to some beliefs and some statements to that effect, they were not put into the bills because of action taken by my then colleague, now Vice President NIXON, or by me. The riders actually came from the House of Representatives. They were retained in the bills by the Senate when it had the measures under consideration, and retained by substantial votes.

Why were the riders placed in the bills by the House of Representatives? Because, originally, in a memorandum of agreement, between the Navy authorities who were on the spot and the local authorities, it had been agreed that it would be desirable and necessary for both parties to build a dam. Allocations of water were agreed upon. It was recognized that it was not desired to have the Federal Government to come into that area in 1941, as it did, and to use not only the water to which it was entitled, but actually to use more water, as was originally claimed, than ever has flowed in the Santa Margarita River, because to have done so would have condemned to an arid condition, the civilian community in that area.

The agreement which was drafted by representatives of the Navy Department, the Interior Department, and other agencies in that area, was sent to Washington. For reasons which I have never yet understood—and this was several years or more ago—the agreement was repudiated or rejected by the Department of Justice.

Then what was done? Instead of having representatives of the departments go to California to try to settle the differences amicably, the Government, without prior notice to the community, to the Senators from the State, or to the 30 Members of the House from California, instituted a suit. This is not a partisan issue because, so far as I know, every Republican and Democratic Member of the House from California and the Democratic Senator from that State, when I had a Democratic colleague in the Senate, have been just as vitally concerned with the subject as I have been. No notice was given to the California congressional delegation of the institution of the suit.

One thousand two hundred summonses were served upon persons in that area, including small, individual farmers, who had been there for a lifetime or whose land had belonged to their families for several generations. They were served by the Government of the United States with notices of the suit, which pointed out that the Government believed it had a paramount right to some 35,000 acre-feet of water, when the average estimate over the years has not exceeded approximately 27,000 acre-feet. That meant the Government would have taken everything, and the civilian population would have received nothing.

In order that the Senate might thoroughly understand how the situation originally developed, testimony was taken which appears in the hearings before the House Committee on Interior and Insular Affairs on the Santa Margarita River water-rights controversy in California. I shall not take the time of the Senate to read it; Members may read it if they so desire. The hearings were conducted on August 13 and 14, 1951. One witness, to select one at random, was a woman 90 years of age, who had lived on her land for a period of 10 years. It was all she had. She actually had to have water delivered to her little place. But she had been served by the great Government of the United States with a summons, which ultimately might have resulted in depriving her of any access to water and would have left her and her neighbors in such a position that their lands would have reverted to an arid condition, and the community would have become a ghost community. It was on that basis that the Congress of the United States, in order to protect those people from that kind of action, placed riders on appropriation bills.

The fact of the matter is that, as the distinguished Senator from Illinois has pointed out, the Federal Government on November 29, 1951, finally, after considerable discussion had been had in advance, entered into a stipulation in which the Government indicated that it would not claim any rights a private purchaser could not have claimed if he had purchased land on the Santa Margarita Rancho.

But the interesting point is that on December 22, 1951, in a reply to the First Defense, after the stipulation had been entered into, the Department of Justice said, in part, in section 4:

> The United States of America in reply to paragraph IV of the First Defense of the answer of the Fallbrook Public Utility District reaffirms the allegations of the complaint that the State of California ceded exclusive jurisdiction over the lands comprising the military establishments described in the complaint, including the right to the use of the water, the subject matter of the complaint.

Mr. President, I shall not go into the intricate problems of riparian rights and appropriative rights, but there is a water law in the State of California, and, in my judgment, the Federal Government is not entitled to exercise rights or to put itself above the law in regard to the water rights of the State.

I think it is also important to state for the RECORD that legislative riders on appropriation bills are not new. I do not approve of riders on appropriation bills, but I think there are times when Congress has properly reserved its right to legislate in that way. Although this procedure is rarely used, it has been used on occasion. It is interesting to note that the Comptroller General of the United States, in a letter he sent to Congress on January 30, 1953, had this to say:

> When the Secretary of the Navy requested and obtained a decision of the Comptroller General it was not left to the Secretary's legal advisers to inform him one way or the other on the subject matter. The decision of the Comptroller General concluded the matter—it was final upon the executive branch. That is the simple truth of the matter and that was well known by the Secretary's legal advisers.
>
> Furthermore it was not left to the Secretary of the Navy to decide whether prosecution of the suit was necessary to protect the interests of the United States. That matter was decided by the Congress through enactment of the provision under discussion. It is fundamental in our Government that it is for the Congress to say how and on what conditions the public moneys shall be spent; and it is not the province of the executive or accounting officers to question the wisdom of legislative enactments upon the use of the public moneys no matter how much a different result at times might seem desirable.

The PRESIDING OFFICER. The time of the senior Senator from California has expired.

Mr. KNOWLAND. Mr. President, will the distinguished junior Senator from California yield me 3 minutes more?

Mr. KUCHEL. I yield 3 minutes to the distinguished senior Senator from California.

Mr. KNOWLAND. So it was clearly enunciated that even though the executive department might not agree with the legislative branch, it was bound by and was sworn to faithfully execute the laws of the United States and to follow the legislation enacted by Congress whether in the form of an appropriation bill or any other kind of bill.

Mr. President, I am opposed to this particular amendment. I believe it would accomplish the reverse of what the legislative rider, so-called, sought to do. I think it constitutes an effort to exercise directive power by Congress over the question in issue. It is my opinion that the amendment is not necessary in connection with the pending legislation. It was not requested by the Navy Department. The bill now before the Senate has the approval of the Navy Department and the Department of the Interior. It has been very carefully prepared by the Committee on Interior and Insular Affairs of the Senate. I think the bill should be passed as reported, without amendment.

Mr. DOUGLAS. Mr. President, I yield 12 minutes to the distinguished Senator from Arkansas [Mr. FULBRIGHT].

The PRESIDING OFFICER. The Senator from Illinois has only 10 minutes remaining.

The Chair apologizes; the Senator from Illinois has 13 minutes remaining.

Mr. DOUGLAS. I yield 12 minutes to the distinguished Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I am very reluctant to become involved in this controversy, which seems to be of such great interest to the Senators from California. I would not have become involved in it had it not been brought to my attention and been pointed out that important interests of the Federal Government are at stake.

The Federal Government has an investment of about $130 million in Camp Pendleton. The development of that camp is being held up because of the delay in settling the rights to the water. The Navy Department was diligent in attempting to settle the question in court by asserting its rights under the law of the State of California.

A great deal of misinformation about the subject has been spread abroad, just as it was in the tidelands case and an attempt has been made to cause people to believe that the Government was seeking some right other than as the owner of water rights, which it had acquired in 1943.

As I have said, I hesitated to become involved in the controversy; but the Federal interests are so great that, simply as a citizen and a taxpayer, without any personal interest in the outcome of the dispute in California, I felt impelled to go into the matter, and I must say that I think the bill should not be passed.

I should like to make one or two observations in the beginning with regard to the statement just made by the senior Senator from California. I do not believe it is quite accurate to say that the bill before the Senate has the approval of the various persons or agencies he mentioned. For example, the bill as printed in the report and approved by the Bureau of the Budget is not the same as the bill which is now before the Senate. I see some rather important differences.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. FULBRIGHT. As I recall, the junior Senator from California was not courteous enough to grant me the privilege of asking a question and receiving an answer, so I do not think I shall yield at this time.

The PRESIDING OFFICER. The Senator from Arkansas declines to yield.

Mr. FULBRIGHT. For example, section 7, which appears on page 7 of the report, is not contained in the bill before the Senate; nor is section 2 (a). Section 7 does relate to the riders.

To me, the question of the riders to the appropriation bill is the key to the matter. The representatives of the State of California have not been content to let the rights of the Government be decided in court according to the law of the State of California. As stated by the Senator from Illinois a moment ago, the State of California itself has admitted that the Federal Government has lived up to the stipulation with regard to the assertion of any rights, other than as the owner of water rights, just as any other private citizen. It asserts no right whatsoever growing out of its sovereignty.

I take the position that the rights should be settled in court before it is sought to give them away or deal with them otherwise. I therefore think the amendment of the Senator from Illinois is absolutely essential and should be attached to the proposed legislation. In fact, I do not think any legislation at all should be enacted until the courts have finally acted.

For the RECORD, I wish to say that the lower court has already acted, and its finding is completely in favor of the position of the Federal Government. The case is on appeal to the Ninth Circuit Court of Appeals. It is estimated by the Judge Advocate General of the Navy that the appeal will be heard on the 4th of October. I contend that it is not I or any other Senator who is delaying action looking to the settlement of the question; it is the action of the delegation from the State of California in insisting on riders which to me violate every sound principle of legislation and of Government. I do not believe the Senate should be called upon to give away Federal property and valuable rights under any such circumstances.

I have some material which I shall use a little later, but I wish to say that in the hearings it was estimated that the rights in question are worth in the neighborhood of a million dollars a year. In other words, if the Congress gives away to a private company, owned by private citizens of California, water belonging to Camp Pendleton, Camp Pendleton will then have to purchase the water at a cost of from $750,000 to $1,000,000 a year. Therefore, I think the question comes down to whether or not we are willing to make a donation of Federal property to the citizens of California.

I agree this is not a partisan matter. The bill is not a Republican or a Democratic measure; it is not partisan in that respect. I am confident that all 30 of the Representatives from California are in favor of the bill, particularly those who have constituents in the particular district affected, or in similar districts.

We all know that water is a commodity of extreme importance and interest in California, Arizona, and all the other Western States, and that it would be suicidal for a person in California not to be extremely concerned over the availability of water and not to desire to obtain all that could be obtained. The fact that the Federal Government would have to pay for such water is not a matter of concern to them; that is for the Congress to decide. That is why I am talking about the bill, because the question finally comes down to who gets the water and who pays for it.

The Federal Government paid $8 million for the property in the beginning, which included the water rights. All I am saying is that the Federal court of appeals may finally hold that the water belongs to the Federal Government, as the lower Federal court held the first time the case was before it.

The Attorney General's representative at the hearings had something to say about this. I think the assertion and reiteration that the Attorney General and the Department of the Navy are satisfied with the situation is a little less than frank. There were some conditions attached, and two of the provisions concerning such conditions were in the bill which those departments approved.

For example, I read from page 49 of the hearings, when Mr. Rankin, representing the Department of Justice, was testifying:

> Senator KUCHEL. So that it is the position of the Attorney General of the United States that he favors the authorization of a dam at De Luz only after this lawsuit is finally decided on appeal?
>
> Mr. RANKIN. Yes. He feels that matters of this character in California and all the States of the Union where water rights are involved should be determined by the courts in the usual and ordinary manner to see what rights are involved and who has those rights.

I think that represents very simply and clearly what would be the position of the Attorney General, not forgetting that it was the Department of Justice which was first prohibited from pursuing the lawsuit to determine what the rights of the Federal Government are, and then, later on, the Navy.

I may say that the criticism by the Comptroller General mentioned by the senior Senator from California was referred to the Committee on Government Operations of the Senate, and it failed to make a report or to render a decision on the matter. There was a legitimate difference of opinion as to whether or not a rider—the use of which I think is questionable practice in connection with any appropriation bill—permitted the Department of Justice to control the actions of the Department of the Navy. At that time the Department of the Navy was under a Secretary who, incidentally, was from California, strangely enough,

and who thought it was perfectly proper for the Navy to pursue the action and protect the rights of the Government; and he did. That was Secretary Kimball.

Subsequent to that time the Navy Department has been forced to proceed to protect the Government's rights in a most undignified manner. They have obtained voluntary services of a private lawyer, and they have obtained the services of their own Navy legal personnel when they go on leave. I believe a young officer of the Navy, when he has appeared in court, has had to state specifically, so that there was no mistake, that he was there on his own time, that he drove to Los Angeles in his own car, in order to appear in court, in civilian clothes and so on—a lot of ridiculous nonsense, it strikes me, and a very undignified position in which to put a representative of the Government.

As a matter of fact to me it seems very offensive to place in that position officials of the Navy, who have but one purpose in mind, and that is to protect the rights of the Navy and the Government which they represent; it seems very unfair to subject the Judge Advocate General and his assistants to that kind of treatment by cutting off their funds.

I am not going to approve the bill. I should not do so, and I shall not unless the amendment of the Senator from Illinois is adopted. I do not think I should vote for the bill in any case, but this amendment at least should be adopted, because I disapprove so thoroughly of the procedure which has been forced upon the Government in the past by the riders to the appropriation bills. I may say, as the Senator from Illinois has stated, that the riders are still in this year's bills—appropriations for the Defense and Justice Departments—now pending before the Committee on Appropriations. I would be greatly reassured if the senior Senator from California [Mr. KNOWLAND] who is a member of that committee, would assure the Senate that he will see that those riders are eliminated from the bills. That would make a great deal of difference in my attitude toward the proposed legislation. But the Senate is apparently getting ready to pass a bill authorizing a dam and the distribution of water, while at the same time passing riders in the form of legislation on an appropriation bill which prohibit the Navy Department and the Justice Department from asserting and defending the Government's own rights in the district court and on appeal in the Circuit Court of Appeals for the Ninth Circuit. I think that is absolutely unjustifiable procedure.

I certainly hope the Senate will adopt the amendment. Whether or not I could then vote for the bill, because of other reasons, some of which I shall refer to a little later on in my own time, I do not know; but it would make the bill much more palatable, and would come closer to legislation which the Navy Department has indicated it would approve—that is, legislation eliminating the restrictions contained in the appropriation bill.

So, Mr. President, I sincerely hope the Senate will support the amendment of the Senator from Illinois to the committee amendment.

The PRESIDING OFFICER. The Senator from Illinois has 2 minutes remaining; the Senator from California has 8 minutes remaining.

Mr. KUCHEL. Mr. President, I yield 5 minutes or whatever time he may desire to the distinguished chairman of the subcommittee, the Senator from Colorado [Mr. MILLIKIN], who conducted the hearings on the bill.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 5 minutes.

Mr. MILLIKIN. Mr. President, I was chairman of the subcommittee of the Interior and Insular Affairs Committee of the Senate which held the hearings on this bill. In the subcommittee, we went to great pains to see that the interests of the United States were fully protected. We encouraged meetings between the various departments concerned, so that any questions which might develop would be resolved by interdepartmental conferences.

No objection was made to the bill which was before the committee. We continued the hearings, and did everything else possible to protect the interests of the United States and also to protect the proper interests of the people of California.

Mr. President, it seems to me there have been imported into this controversy issues that have no proper part in it. At the hearings there appeared representatives of the Navy Department, representatives of the Attorney General's office, and representatives of the Department of the Interior.

Mr. FULBRIGHT. Mr. President, will the Senator from Colorado speak louder, please? I cannot hear him.

Mr. MILLIKIN. Of course, Mr. President, I have no trouble at all in speaking louder, and am delighted to do so. Can the Senator from Arkansas hear me now?

Mr. FULBRIGHT. Now I can hear the Senator from Colorado.

Mr. MILLIKIN. Good. Mr. President, I shall repeat what I said, from the beginning, so the Senator from Arkansas, especially, can hear me. If I speak too loudly, I shall be glad to have him inform me, whereupon I shall be happy to accommodate him.

Mr. President, I repeat, that, as chairman of the subcommittee, I presided at the hearings, a printed copy of which the Senator from Arkansas has before him. Both at the hearings and prior thereto, extreme pains were taken to see to it that the interests of the United States and also the interests of the State of California were protected. The parties primarily interested, such as the Navy Department, on behalf of the Marine Corps, the Department of the Interior, and the Department of Justice, were represented at the hearings; representatives of all those departments appeared at the hearings, and all of them approved of the bill as it is written. Indeed, the bill as it is written reflects the various points brought up by the representatives of those agencies; and the bill was written to accommodate the differences of opinion.

Mr. FULBRIGHT. Mr. President, will the Senator from Colorado yield?

Mr. MILLIKIN. I yield for a brief question.

Mr. FULBRIGHT. Will the Senator from Colorado tell us why there is a difference between the bill as it is printed in the committee's report and the bill actually reported by the committee, printed copies of which now are before us?

Mr. MILLIKIN. The difference between what?

Mr. FULBRIGHT. The difference between the bill as printed in the report and the bill, copies of which now are on the desks of Senators, and one of which I hold in my hand. It is identified as "Calendar No. 1325; 83d Congress, 2d session, H. R. 5731 (Rept. No. 1322)"—and so forth—"reported by Mr. KUCHEL, with an amendment."

My point is that the version of the bill which appears in the committee's report has two significant differences from the copy of the bill which now lies on our desks. In particular, I call the attention of the Senator from Colorado to section 7 and section 2 (a).

Mr. MILLIKIN. Yes. What about them?

Mr. FULBRIGHT. The bill now before the Senate is not the draft of the bill which was submitted by the Bureau of the Budget and which appears in the report of the committee.

Mr. KUCHEL. Mr. President, will the Senator from Colorado yield to me?

Mr. MILLIKIN. I yield.

Mr. KUCHEL. Mr. President, I think the shortest possible way of showing the Senator from Arkansas what the facts are is to refer to the date of the letter from the Bureau of the Budget, namely, March 12, 1954, on the one hand; and then to refer to the dates of the letters of approval from the Secretary of the Navy, the Attorney General, and the Acting Secretary of the Interior, all of which are dated May 11, and all of which refer to the draft of the bill, which was, as the Senator from Colorado has suggested, approved by his subcommittee, with participation by representatives of those departments.

So the approvals appearing in the report which is on the desks of Senators are to the bill as it existed when the subcommittee headed by the Senator from Colorado approved it.

Mr. FULBRIGHT. Mr. President, if the Senator from Colorado will yield further to me, let me say I think this matter is important, because it is definitely my opinion, after reading the hearings—and particularly the testimony of Mr. Rankin, appearing on page 47—that the Department would not approve this bill except on the basis of the determination by the courts of the rights involved. The Departments are taking the position that they wish this matter to proceed to determination by the courts.

Mr. MILLIKIN. Not a penny will be spent on this project until the conditions complying with the terms of the bill are met.

Mr. FULBRIGHT. However, the bill does not require that the rights of the Navy be determined by pursuit of the law suit to conclusion. That is really what the Senator from Illinois is seeking to have done.

Mr. MILLIKIN. At the hearing, there was not a single suggestion from the Navy to the effect that it was crippled in any way from making its case, if it felt it had one.

Mr. FULBRIGHT. The Navy not only feels it has one, but it has won in the lower court or the district court.

Mr. MILLIKIN. I assume there will be an appeal.

Mr. FULBRIGHT. But Congress has forbidden the Departments to use any of their funds to prosecute the appeal.

The PRESIDING OFFICER. The time yielded to the Senator from Colorado has expired.

Mr. KUCHEL. Mr. President, I yield to the Senator from Colorado whatever additional time he may require.

Mr. MILLIKIN. Mr. President, representatives of the Navy appeared before us; representatives of the Department of the Interior appeared before us; representatives of the Department of Justice appeared before us; and no one suggested there was any impairment of the rights the Government legally possessed; but those representatives were quick to say that they were asserting no claim to the rights of other claimants, and were not asserting claims based on the omnipotent power of the Government because of the Government's ownership. Representatives of all the interested parties appeared at the hearings conducted by the subcommittee, and they approved the bill. The bill was drawn up to meet their wishes.

So what is the point the Senator from Arkansas has in mind?

Mr. FULBRIGHT. My point is that I think the Senator from California and the Senator from Colorado have made statements that have inadvertently misled the Senate, in that I do not believe that the Navy approved the bill as reported by the committee, as long as the riders that preclude reference to the courts remain in the appropriation bills.

Mr. MILLIKIN. However, representatives of the Navy were at the hearings, and they did not say a word similar to what the Senator from Arkansas is saying.

Mr. FULBRIGHT. Mr. President, will the Senator from Colorado yield further to me, in order to permit me to read a statement made by Admiral Nunn, as it appears in the printed hearings?

Mr. MILLIKIN. Yes; let the Senator from Arkansas proceed.

Mr. FULBRIGHT. I now read from page 62 of the printed hearings:

Admiral NUNN. The bill would repeal provisions of the Appropriation Acts of the Department of Justice and the Department of Defense which prohibit the expenditure of funds appropriated to those departments in the preparation or prosecution in the district courts of the action brought by the United States to quiet its title to waters of the Santa Margarita River.

If anything could be plainer than that, I do not know what it would be. Admiral Nunn testified that the bill as it came from the Bureau of the Budget would do that. However, that provision has been taken out of the reported bill.

If the Senator from Colorado has any question on that point, let me read the next statement by Admiral Nunn.

Mr. MILLIKIN. Mr. President, let the Senator from Arkansas wait a minute, please. I yielded to him, but not to have him make a speech. I shall use the minute or two available to me, although I am according the Senator from Arkansas the courtesy of yielding to him in order to permit him to say what he wishes to say. If he can be really brief in saying the remainder of what he wishes to say, I am willing to have him do so.

Mr. FULBRIGHT. I have been quoting from the testimony of Admiral Nunn.

Mr. MILLIKIN. But did not Admiral Nunn approve the bill?

Mr. FULBRIGHT. In my opinion, he was talking about a different bill from the one which is actually before us.

Mr. MILLIKIN. Why does not the distinguished Senator from Arkansas at least listen to one of the persons who heard the testimony, and who insisted that the Government departments get together in regard to this bill and that they approve a bill which could come before the Senate without dissension? The Senator from Arkansas is referring to dissensions which do not appear in the hearings on the bill. I am referring to what the witnesses said at the hearings, not to what the Senator from Arkansas has just said.

Mr. FULBRIGHT. I have been reading the testimony as it appears in the printed hearings.

The PRESIDING OFFICER. The additional time yielded to the Senator from Colorado has expired.

The Senator from Illinois has 2 minutes remaining.

Mr. FULBRIGHT. Mr. President, will the Senator from Illinois yield one-half minute more to me?

Mr. DOUGLAS. I yield one-half minute to the Senator from Arkansas, Mr. President.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for an additional one-half minute.

Mr. FULBRIGHT. Mr. President, I now read further from the testimony of Admiral Nunn—not from anything said by the Senator from Arkansas:

As previously stated, the Navy Department believes this case should proceed to a final adjudication. In fact, it appears that no realistic determination of the problems of the Santa Margarita River Valley and its adjacent areas can be made until the case is tried.

Therefore, we would like to have those restrictive provisions taken away.

The PRESIDING OFFICER. The time yielded to the Senator from Arkansas has expired. The Senator from Illinois [Mr. DOUGLAS] has a minute and a half remaining.

Mr. DOUGLAS. Mr. President, the amendment before us is very simple. It aims to unshackle the Government from the restrictions which have been placed upon it by previous and present riders to appropriation bills. It directs the officers of the Government to find out what the legal rights of the Government are to the waters of the Santa Margarita River under the laws of the State of California. It simply enables the Government to prosecute a suit, in which there is even now a pending appeal, so that the court may determine what those rights are. Unless this amendment is adopted, the present bill will continue the deprivation of those rights. That is all there is to it.

Mr. MILLIKIN. Mr. President, will the Senator yield for a moment?

Mr. DOUGLAS. Certainly.

Mr. MILLIKIN. I suggest that it was not developed by those who have the greatest interest and responsibility in this matter that the Government is in any way restricted from carrying on its contest to determine the water rights.

Mr. DOUGLAS. It is restricted by the fact that it is deprived of the funds with which to make the contest, and Admiral Nunn and other witnesses before the committee pointed this out and emphasized the central importance of prosecuting those suits to protect the Government's water rights.

Mr. MILLIKIN. One would think that those in charge of the Navy, those in charge of the Marine Corps, those in charge of the Department of the Interior, and those in charge of the Department of Justice would come forward and say that they were being deprived of the money necessary for them to do what they want to do. They did not say they were going to allow that question to be determined by the distinguished senior Senator from Illinois.

The PRESIDING OFFICER. All time on both sides has expired.

The question is on agreeing to the amendment offered by the Senator from Illinois to the committee amendment.

Mr. ANDERSON. Mr. President, I offer the amendment which I send to the desk and ask to have stated. It is in the nature of a substitute for the amendment offered by the Senator from Illinois.

The PRESIDING OFFICER. The amendment in the nature of a substitute offered by the Senator from New Mexico will be stated.

The LEGISLATIVE CLERK. In lieu of the matter proposed to be inserted in the committee amendment by Mr. DOUGLAS, it is proposed to insert the following:

Nothing herein is intended to abate the suit or suits now pending in the Federal courts in California and in the United States Court of Appeals for the Ninth Circuit to determine the rights of the United States of America and others in the water of the Santa Margarita River but the Justice and Navy Departments are hereby authorized and directed to prosecute said suits to final judgment notwithstanding any contrary provisions of Federal law.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. ANDERSON] as a substitute for the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the committee amendment.

Mr. ANDERSON. Mr. President, I yield myself such time as I may desire.

In connection with this amendment I desire to point out that I was one of those present at the hearing; that I stated my

point of view as vigorously as I could with reference to the position of the United States Government; and that at the conclusion of the hearing I made the suggestion that the draft of April 21, with all the changes suggested by the Department of Justice and all the changes suggested by the Department of the Interior, be the working draft from which we would proceed. If the hearings are examined, it will be found that I finally made the motion that that bill be used, with all the amendments agreed to that morning, and the amendments which had been suggested by the Department of Justice.

I desire to deal with the question of whether or not the Bureau of the Budget, the Department of the Interior, and the Department of Justice have approved the specific bill which is now before the Senate. When we thought we were ready to report the bill the distinguished chairman of the subcommittee, the junior Senator from Colorado [Mr. MILLIKIN] said that a motion was in order to report it. I said I wanted assurance from the Navy. Admiral Nunn then gave this testimony:

I have listened to the testimony of Mr. Rankin—

The representative of the Department of Justice—

I conferred with him yesterday, when we prepared the amendments which he had suggested, to the committee print of April 21.

I hold in my hand the committee print of April 21, with the writing all through it suggested by the Department of Justice, which is the basis for the bill now before us.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. ANDERSON. I yield.

Mr. DOUGLAS. Did the draft of April 21 include the proviso that the governmental authorities were authorized and directed to proceed with the suits?

Mr. ANDERSON. It did not. If I may finish with this quotation—

I am authorized by the Secretary of the Navy, the present incumbent, and Mr. Thomas, who will be Secretary of the Navy in a short while, to say that the Department of the Navy, speaking as the executive agent for the Department of Defense, agrees with the comment of Mr. Rankin, representing the Department of Justice, and has no objections to the committee print dated April 21, with the amendments Mr. Rankin has recommended this morning, sir.

That is the basis of the present bill, with two exceptions. Subsequently, we made two amendments, which I believe improve the position of the United States rather than detract from it.

Admiral Nunn continued. I said to him:

You would have had some objections to the draft of April 29, would you not?

Definitely, sir. Definitely.

We then went on to discuss the question relating to the Bureau of the Budget, because I was disturbed by the very point which the Senator from Arkansas [Mr. FULBRIGHT] has raised. The bill suggested by the Bureau of the Budget did carry a section 7, which provided that the lawsuits should continue. The amendment which I have sent to the desk deals only with the question of permitting the suits to continue.

I said:

Could the record not show that the Bureau of the Budget did approve a bill, and that this bill is in consonance, or in conformity at least, with their recommendations, and certainly does no violence to it?

Mr. Bennett, who was representing the Department of the Interior, and was speaking for the joint group, said:

That is correct. And Mr. Rankin and I, and I believe Judge Nunn, will all agree that in our opinion there is no substantial difference between this bill and the bill which was submitted by the administration.

I say that only because I believe that if anyone was rough on the bill, the junior Senator from New Mexico was; and I think the junior Senator from California would be the first to agree to that. I tried my very best to make sure that every point the Department of Justice, the Department of the Navy, and even the Marine Corps—if I may say so to the junior Senator from Florida [Mr. SMATHERS]—had wanted to have protected, was protected in that draft. It does not show in the minutes, but the naval officer who represented the Marine Corps was seated in the back of the room. He had said nothing up to that point. So, when I had finished my questions, I went back and asked him if the Marine Corps was completely satisfied with the bill as we were about to report it. I said, "I have been trying to hold my foot in the door to protect you people, and if this is not satisfactory, you had better speak now or forever after hold your peace." The representative of the Marine Corps assured me. He had previously indicated that the junior Senator from Florida would have some questions, and I believe he went to the junior Senator from Florida and probably told him he was satisfied with the draft.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. SMATHERS. I wish to substantiate what the Senator from New Mexico has stated. After the last session of the subcommittee, a member of my office staff once again communicated with the Marine Corps, and at that time the Marine Corps reported that it was eminently satisfied with the bill as reported, and that it believed its rights were protected.

Mr. ANDERSON. I thank the junior Senator from Florida.

Mr. President, I do not like such riders on appropriation bills. I wish we could have some assurance about riders on appropriation bills. If we had some assurance, like the Senator from Arkansas [Mr. FULBRIGHT], I would feel much better about the entire situation; and if it is at all possible to remove that rider from the appropriation bill on a point of order, I intend to try to do so. I believe that with the passage of the pending legislation we can put the matter in such shape that the questions at issue can be peaceably handled by the people of California and the representatives of the various departments involved.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. FULBRIGHT. Is there not one further point about this proposed legislation which is very dangerous; namely, that the bill which passed the House is by no means satisfactory, as I understand, to the Navy or the Marine Corps?

Mr. ANDERSON. Yes.

Mr. FULBRIGHT. This bill will go to conference. The Senator knows what normally happens in conference. If the conferees take the House bill, as a practical matter we shall have very limited opportunity to do anything about it in the last days of the congressional session.

So it seems to me there should be some understanding about the continuance of these lawsuits, or we shall not be safe in passing the bill. My opinion is that the Senator from California [Mr. KNOWLAND] owes the Senate some assurance as to what will be his attitude, and what is to be done with respect to these riders.

Mr. ANDERSON. The Presiding Officer of the Senate will appoint the conferees. If by any chance I should be selected as one of the conferees, I will not sign any conference report which does the things to the Navy which I think the bill passed by the House would do. I intend to stand on the bill as reported by the Senate Committee on Interior and Insular Affairs. I believe that representatives of the State of California recognize that we have tried to go a long way toward meeting the objections. If something other than what I have described results, then I know it will be something which the Navy will not approve, which the Department of Justice will not approve, and which the Bureau of the Budget will not approve. Nor will the Marine Corps approve it. A bill which is not approved by the various agencies would jeopardize the $130 million investment of the Government. I do not believe the Senate will accept such a draft as that, when the facts are before it.

To return to the question of the riders, I call attention to the fact that in a supplemental hearing on the State, Justice, and Commerce appropriations bill for 1954, Attorney General Brownell appeared before the committee on May 15, 1953, for apparently the sole purpose of having the riders removed from the bill. He spoke at considerable length about them. I do not wish to read into the RECORD any part of that testimony, nor to put into the RECORD any of the exhibits which were transmitted. I merely wish to say that at page 18 of the hearing on Friday, May 15, 1953, Attorney General Brownell is quoted as saying:

I would say, if the Congress wants to make a policy decision that after having invested $100 million in a camp they should give up the rights of the Government to the water there, so that the investment would be destroyed, they should pass an affirmative bill to that effect.

Mr. President, that has been the principle which has guided me in trying to get a bill before Congress which does not throw away that $100 million investment.

I say frankly that I have been assured by the representatives of the Navy, the

representatives of the Marine Corps, the representatives of the Department of Justice, and the representatives of the Department of the Interior that they believe the pending bill will protect the investment. The riders are the only fly in the ointment. The riders are prohibiting the United States Government from protecting the rights of the Government to that $100 million investment.

Mr. KNOWLAND rose.

Mr. ANDERSON. I appreciate the fact that the distinguished majority leader is on his feet. If he can give us some assurance on that point, I can state that it will remove nearly all the objection to the bill so far as I am concerned.

Mr. KNOWLAND. Mr. President, I appreciate the remarks of the Senator from New Mexico. I believe they are very helpful to the debate. Personally, I am opposed to the amendment he has offered. However, I wish to say to him in all frankness that, as a matter of fact, a week or so ago, after the report had come from the committee, and during a discussion of it, I personally made the observation to my junior colleague that in my judgment the enactment into law of the pending bill as reported by the Committee on Interior and Insular Affairs would make unnecessary and undesirable the legislative riders on appropriation bills.

As the Senator from New Mexico knows, I am a member of the Committee on Appropriations, but only one member of it, and therefore I cannot speak for all the members of the committee. It is true that such a rider was contained in the State-Justice appropriation bill as it came from the House. I believe that from a purely technical point of view, and under the rules of the Senate, inasmuch as the amendment was added by the House, it would not be subject to a point of order on the floor of the Senate.

However, my personal recommendation to the Committee on Appropriations will be to strike the rider from the appropriation bill when the markup of the bill takes place. That will be my recommendation, for whatever it may be worth, I will say to the Senator from New Mexico. I believe that is the proper way of handling the subject. I do not believe that the pending bill should be encumbered with his amendment.

Mr. ANDERSON. Mr. President, I may say to the able majority leader that I agree with him; the pending bill should not be unnecessarily encumbered, and I do not believe the amendment I have offered should be added to the pending bill. My purpose in offering the amendment was to try to ascertain—and I have had the kind of assurance I was looking for—whether the rider on the appropriation bill would be removed.

I do not say that I can succeed in knocking it off the appropriation bill, but I do want to say that there will be no unanimous-consent agreement with relation to debate on the bill, and that there will be a full discussion of the bill until we know that the rider can be eliminated.

If the procedure proposed by the pending bill is followed, I believe the Navy and the Justice Department and the Department of the Interior will be able to work with the people of California in solving the Santa Margarita water problem.

Either there are or are not surplus waters in the river. The Government at the present time requires about 11,000 acre-feet of water a year. The river carries 12,000 acre-feet throughout the year. If it carries 30,000 or 40,000 acre-feet a year, as has been the case many times during the past years, that excess water spills into the Pacific Ocean.

A dam would impound that water. If it is impounded only for the benefit of the people in the Fallbrook area, they should pay for the dam. I intend to offer another amendment in an attempt to bring about agreement on that proposal. However, if the riders on appropriation bills are not persisted in, I say to the Senate that I believe the pending bill will provide a satisfactory solution.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. FULBRIGHT. Why does the Senator from New Mexico believe that the amendment should not be added to the pending bill? Certainly it is germane to the bill. What is wrong with providing in the bill that the riders shall no longer be effective?

Mr. ANDERSON. The amendment gives instructions as to how to proceed. I took it from a suggestion of the former Solicitor General of the Department of Justice. It may or may not be the wisest way to proceed in connection with this matter. Inasmuch as the riders were added to the appropriation bills, they should be removed from those bills.

Mr. FULBRIGHT. I understood the Senator from New Mexico to say that it was not necessary to adopt his amendment. The Senator from New Mexico has no assurance that the riders will be stricken from the appropriation bills. In any event they would not be effective until the next fiscal year.

Mr. ANDERSON. Of course, I cannot speak for all the members of the Committee on Appropriations. However, if the distinguished majority leader, who is a member of the Committee on Appropriations and who comes from the State which is involved, does not ask for the retention of the rider, I cannot imagine any of his colleagues insisting that it remain on the appropriation bill.

Therefore I introduced my amendment for the purpose of having in the RECORD some assurance on this point. I have received the assurance, and I now withdraw my amendment.

The PRESIDING OFFICER. The Senator from New Mexico withdraws his amendment to the amendment of the Senator from Illinois. All time for debate has expired. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the committee amendment.

Mr. DOUGLAS and Mr. KNOWLAND requested the yeas and nays.

The yeas and nays were ordered.

Mr. DOUGLAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the committee amendment. On this question the yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk called the roll.

Mr. KNOWLAND. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate.

The Senator from North Dakota [Mr. LANGER] is absent on official business.

The Senator from Nebraska [Mrs. BOWRING], the Senator from Ohio [Mr. BRICKER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Maryland [Mr. BUTLER], the Senator from Kansas [Mr. CARLSON], the Senator from Kentucky [Mr. COOPER], the Senator from Illinois [Mr. DIRKSEN], the Senator from Pennsylvania [Mr. DUFF], the Senator from Vermont [Mr. FLANDERS], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Maine [Mr. PAYNE], the Senator from Connecticut [Mr. PURTELL], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from New Jersey [Mr. SMITH], the Senator from Utah [Mr. WATKINS], the Senator from Idaho [Mr. WELKER], and the Senator from Oregon [Mr. MORSE] are necessarily absent.

If present and voting, the Senator from New Hampshire [Mr. BRIDGES], the Senator from Illinois [Mr. DIRKSEN], the Senator from Vermont [Mr. FLANDERS], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Maine [Mr. PAYNE], and the Senator from Utah [Mr. WATKINS] would each vote "nay."

If present and voting, the Senator from Oregon [Mr. MORSE] would vote "yea."

Mr. CLEMENTS. I announce that the Senator from Ohio [Mr. BURKE], the Senator from Virginia [Mr. BYRD], the Senators from Mississippi [Mr. EASTLAND and Mr. STENNIS], the Senator from Missouri [Mr. HENNINGS], the Senator from Alabama [Mr. HILL], the Senator from Texas [Mr. JOHNSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oklahoma [Mr. KERR], the Senator from North Carolina [Mr. LENNON], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from West Virginia [Mr. NEELY], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

The Senator from Nevada [Mr. MCCARRAN] and the Senator from Montana [Mr. MURRAY] are absent by leave of the Senate.

The result was announced—yeas 12, nays 48, as follows:

YEAS—12

Douglas	Green	Kilgore
Frear	Humphrey	Lehman
Fulbright	Jackson	Magnuson
Gillette	Kefauver	Symington

NAYS—48

Aiken	George	Martin
Anderson	Goldwater	Maybank
Barrett	Gore	McCarthy
Beall	Hayden	Millikin
Bennett	Hickenlooper	Monroney
Bush	Holland	Mundt
Butler, Nebr.	Hunt	Potter
Capehart	Ives	Robertson
Case	Jenner	Schoeppel
Chavez	Johnson, Colo.	Smathers
Clements	Johnston, S. C.	Smith, Maine
Cordon	Knowland	Sparkman
Daniel	Kuchel	Upton
Dworshak	Long	Wiley
Ellender	Malone	Williams
Ferguson	Mansfield	Young

NOT VOTING—35

Bowring	Hendrickson	Neely
Bricker	Hennings	Pastore
Bridges	Hill	Payne
Burke	Johnson, Tex.	Purtell
Butler, Md.	Kennedy	Russell
Byrd	Kerr	Saltonstall
Carlson	Langer	Smith, N. J.
Cooper	Lennon	Stennis
Dirksen	McCarran	Thye
Duff	McClellan	Watkins
Eastland	Morse	Welker
Flanders	Murray	

So Mr. DOUGLAS' amendment to the committee amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The Senator from California has 30 minutes remaining, and the Senator from Illinois has 30 minutes remaining.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. DOUGLAS. Mr. President, I yield to the Senator from Arkansas such time as he may desire.

Mr. FULBRIGHT. Of course, I am highly gratified by the commitment of the senior Senator from California that he will request the deletion of the riders limiting the expenditure of public funds for the prosecution of the law suits. I think that will go very far toward meeting the objections which I had to the bill.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point, as a part of my remarks, a statement which I prepared for delivery on the pending question, as background and factual material.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR FULBRIGHT

The lawsuit itself is of a type common on the western rivers of this country. It is a simple suit brought by the United States in the Federal Courts to quiet the United States title to water rights in the Santa Margarita River. The contest is between a riparian owner (the United States) and nonriparian owners. These nonriparian owners claim a right to take only surplus waters from the stream.

The river lies in California. The law of California and that law alone applies to the case. It is expressly so stipulated in the pleadings and California law would apply even in the absence of a stipulation.

Under the law of California a riparian owner is one who owns land abutting upon a stream. A riparian owner has a correlative right together with other riparian owners to the reasonable beneficial use of the waters of the stream. He may not take more than he can and does put to reasonable beneficial use. He may not store the water from season to season except in the stream itself in a state of nature and he may not by reason of his riparian rights alone use the water outside the stream's watershed.

The law of California provides also that waters of a stream in excess of the waters put by riparian owners to reasonable beneficial use may be appropriated by others. The State itself designates the appropriators who may take and use these surplus waters. Rights to the water in a stream may also be acquired by prescription through adverse, open, notorious, and long-continued use. The waters gained by appropriation or by prescription may be stored from season to season in manmade structures and may be put to use outside the stream's watershed.

The United States owns the land on both banks of the Santa Margarita River for the last 21 miles of the river's course to the sea. The United States condemned and paid for a fee simple title to the land in 1942. Exclusive jurisdiction over the land has been ceded to the United States by the State of California. The area owned by the United States in the vicinity consists of 135,000 acres. There are 38,000 acres of this land within the Santa Margarita watershed of which 18,700 acres are susceptible of practicable and profitable irrigation.

The United States has constructed upon its land a major Marine Corps base (Camp Pendleton), a naval hospital, and a naval ammunition depot at a total cost of approximately $130 million. The Santa Margarita River is the source of water for these national-defense facilities and for agricultural and domestic use by civilian lessees who have leasehold interests from the United States in arable portions of the Federal holdings.

There are two principal claimants of surplus waters of the Santa Margarita River. These are the Fallbrook Public Utility District and the Santa Margarita Mutual Water Co. Both have petitioned the State of California for permits to take surplus waters from the stream. The petition of the Santa Margarita Mutual Water Co. is 7 days prior to that of the Fallbrook Public Utility District but the State has issued a permit to the Fallbrook and has issued none to the Santa Margarita Mutual Water Co.

The Fallbrook Public Utility District is actually taking water from the stream. As a result of Fallbrook's diversions from the stream salt water has commenced to intrude from the sea into the natural storage basins under Camp Pendleton. The water table of the wells at the naval ammunition depot has dropped and a complete drying up at the depot has been threatened. The United States has at times bought water from Fallbrook for use at the depot, this purchased water being water which the United States claims as a riparian owner.

Efforts at resolving the controversy between the United States and Fallbrook were made at the time Fallbrook first started its diversions. They have continued from time to time since. No solution has been found which is legally possible and at the same time acceptable to both parties. Accordingly the Secretary of the Navy asked the Attorney General late in 1950 to take appropriate steps to safeguard the interests of the United States in its valuable property rights in the river. The Attorney General brought suit in January 1951 in the United States District Court for the Southern District of California to quiet the title of the United States to its water rights in the river.

The complaint filed by the United States in this suit asserted a paramount title in the United States. This is the usual language of such complaints, the word "paramount" meaning prior or superior. The opponents of the United States in this controversy have seized upon the word "paramount" as indicative that the United States claims some exceptional right by virtue of its sovereignty, and it has been publicly stated that this suit is similar to the tidelands suits in the United States Supreme Court in which the United States asserted paramount rights in the international sense.

This connotation placed upon the use of the word "paramount" is entirely without basis in fact or in law. In order that the accurate and intended meaning of the word may be made abundantly clear it is expressly stipulated in the pleadings that the word "paramount" has the same sense in which it is used in a specifically cited case decided by the California Supreme Court in 1935 (*Peabody* v. *Vallejo*, 2 Col. 2d 351 at p. 374; 40 Pac. 2d 486 at p. 494). The word "paramount" was used in that case to refer to "the preferential and paramount rights of a riparian owner." The phrase is descriptive of the position of the United States in the Fallbrook suit, that is—a riparian owner in a contest with nonriparian owners.

There is no issue of "sovereignty" involved in the Fallbrook case, nor is there an issue of "States rights as against Federal rights." This is not a contest betwen interests of "public power projects as against private power." As previously stated, no law but the law of the State of California applies to the suit. The United States is in the same position as a private litigant and is seeking only to protect the property it bought and paid for in 1942.

HISTORY OF THE SUIT

The history of the suit since action was brought in January 1951 has been complicated. There is set forth below in approximate chronological order only the events which have a bearing upon the present status of the case.

(a) Motion made by the United States and granted by the district court for a separate trial of the three principal defendants, the Fallbrook Public Utility District, the Santa Margarita Mutual Water Co., and the State of California (a defendant in intervention). This motion was made for the purpose of saving numerous small defendants the expense of prolonged litigation.

(b) Petition to the Court of Appeals, Ninth Circuit, made by the Fallbrook Public Utility District for a writ of mandate against the district court's order granting a separate trial of the three principal defendants. The court of appeals denied the petition.

(c) Pretrial conference held and pretrial order entered by the district court.

(d) Enactment of section 208 (a) of the Department of Justice Appropriation Act, 1953, which prohibited the use of funds appropriated to the Department of Justice for the fiscal year 1953 in the preparation or prosecution of the suit in the district court.

(e) Petition to the Court of Appeals, Ninth Circuit, made by the Fallbrook Public Utility District for a writ of mandate against the district court's proceeding with the trial of the Fallbrook Public Utility District because of the prohibition contained in section 208 (d) of the Department of Justice Appropriation Act, 1953. The court of appeals granted a staying order against the trial of Fallbrook until the petition could be argued and an opinion rendered.

(f) Trial in the district court of the two remaining defendants, the Santa Margarita Mutual Water Co. and the State of California. The United States was represented by a civilian attorney of the Navy Department, who had been designated as a special assistant to the Attorney General without compensation as such and by a commander in the Navy.

(g) Hearing by the Court of Appeals, Ninth Circuit, on Fallbrook's petition for a writ of mandate against further proceedings against Fallbrook because of the prohibition contained in section 208 (d) of the Department of Justice Appropriation Act, 1953. The Department of Justice returned to the case for this appearance in the court of appeals by a special assistant to the Attorney General sent out from Washington. The Judge Advocate General of the Navy also appeared with the special assistant in the opposition to the petition. The court of appeals denied Fallbrook's petition.

(h) Affidavit of bias and prejudice filed by the Fallbrook Public Utility District against the district court's trial judge, Judge Yankwich. The judge held the affidavit to be neither timely nor sufficient in law and refused to disqualify himself.

(i) Order for judgment entered by the district court against the Santa Margarita Mutual Water Co. and the State of California. The judgment was that there is no surplus water in the stream available for appropriation and that the United States is entitled to the relief it has requested. The judgment has been made final and is therefore appealable.

(j) Notice of appeal filed by the Santa Margarita Mutual Water Co. and the State of California. These parties also filed designations of portions of the record to go up on appeal and specifications of points of law to be relied upon on appeal. The appeal was docketed by the United States Court of Appeals, Ninth Circuit, on September 24, 1953. The court of appeals now has jurisdiction of the case. The opening brief of the appellants was filed on April 12, 1954. The Government's reply brief is due on June 13, 1954. Date for hearing has not been set. It will probably not be held until autumn.

(k) Negotiations commenced between the Navy and Marine Corps, on one hand, and the Fallbrook Public Utility District, on the other, with a view to settlement of the controversy with Fallbrook out of court. These negotiations are being monitored and attended by Members of the House of Representatives, largely the Members from southern California congressional districts. These negotiations have resulted in the introduction and enactment by the House of a bill which does not protect the Government's interests.

(l) The appropriation acts for both the Department of Justice and the Department of Defense for the fiscal year 1954 were enacted with "riders" in each which forbid the expenditure of funds in the preparation or prosecution of the case in the district court. The Attorney General regards the prohibition as embracing the appeal action pending in the court of appeals. Thus, the United States Government is estopped from protecting itself either in the district court or the court of appeals.

(m) Upon motion made by the Government the case in the district court against the Fallbrook Public Utility District is set for trial on November 9, 1954.

THE PRINCIPAL ISSUE

As has been previously stated, this contest is between a riparian owner (the United States) who asserts a right secured by purchase from its predecessor in interest to a reasonable beneficial use of the waters of the stream on the one side and those who claim a right as appropriators to the use of surplus waters of the stream on the other side. It follows that if there are no surplus waters there is nothing for anyone to appropriate.

The Santa Margarita River was the subject of litigation in the California courts for a period of over 3 years ending in 1938. The California courts found that the normal flow of the river is not sufficient to supply all the riparian needs of all the riparian lands (*Rancho Santa Margarita* v. *Vail et al.*, 81 Pac. 2d 533 at p. 541).

The river has again been the subject of litigation in the current suit in the Federal district court. That court has found once again that there is insufficient normal flow to satisfy riparian needs. The Fallbrook Public Utility District has not been tried, but another would-be appropriator has been tried. If there is no surplus water for one appropriator (the Santa Margarita Mutual Water Co.) there can be no surplus for another appropriator (the Fallbrook Public Utility District).

In view of these judicial decisions it is clear that substantial property rights in the United States have been established.

Even if negotiations now in progress should result in a satisfactory settlement of the controversy with the Fallbrook Public Utility District, such settlement cannot, of course, detract from the rights of the United States as presently adjudicated; and, in order to give such a settlement judicial validity it would be necessary that any agreement be reduced to a stipulated judgment by the district court.

Another consideration with respect to the current negotiations with Fallbrook should be borne in mind. It is this: whatever be the nature of an agreement the parties may reach, that agreement should bear the approval of the Department of Justice before steps are taken to implement it. This point has been made clear to the parties to the negotiations.

PENDING LEGISLATION

A bill has passed the House of Representatives and is pending before the Senate which would authorize the construction of a dam on the Santa Margarita River on the property of the United States and would allocate the waters impounded behind the dam on the ratio of 40 percent to the Fallbrook Public Utility District and 60 percent to the United States. The bill is H. R. 5731 and does not protect the Government's property rights for the following reasons:

(a) Engineering studies indicate that the annual normal yield of the river is no more than 12,500 acre-feet and that the immediately foreseeable need of the United States is in excess of 12,500 acre-feet. The recent judgment of the district court confirms these conclusions. Fallbrook is an appropriator and is entitled only to surplus waters which the district court has recently found do not normally exist in the stream. To give Fallbrook any water would therefore give Fallbrook some of the riparian water of the United States, water of which the United States has a reasonable, beneficial riparian need.

(b) The Federal Legislature can, of course, give away the property rights of the United States in this riparian water. To do so, however, when the United States has need of the water would only require that the United States purchase water from other sources at considerable expense to replace water which the United States now owns by virtue of acquiring it through purchase in 1942. If replacement water in adequate amounts could not be purchased at acceptable costs, activity at Camp Pendleton would require curtailment, in fact the Congress has refused to authorize additional construction at Camp Pendleton pending the outcome of the controversy with Fallbrook with the result that there are now no quarters available for occupancy by the First Marine Division which is now outside the country in the event that division were to be returned to the continental United States.

(c) As previously pointed out in this memorandum, riparian rights are correlative. If one riparian owner does not use the water, other riparian owners may. An upper riparian owner, the Vail estate, can make reasonable beneficial use of more water than the stream contains. The district court has so found. The Vail estate has a dam on its property and lets downstream for use by the United States, a lower riparian owner, a portion of the stream's yield pursuant to a stipulated judgment which requires the release by Vail of that portion of yield. Should the riparian water be given away by Congress so that it is used by a nonriparian owner for nonriparian purposes, the Vail estate would no longer be required by the stipulated judgment to release water and could apply the water to its own uses.

(d) Assuming, for purposes of this discussion only, that the 40 percent of water which the pending legislation would allocate to the Fallbrook Public Utility District is truly surplus water, it appears to be beyond the power of the Federal Legislature to give that water to Fallbrook or to any particular claimant because the power to allocate surplus waters for appropriation in California resides only in the State of California itself. Surplus waters are by California law the property of the State for allocation by the State. The only sound legal theory upon which the Federal Legislature can give water to Fallbrook is that the gift is of riparian waters which are the property of the United States. Certainly the Congress cannot give away Vail's riparian rights.

(e) A provision in the bill which seems to protect Government riparian rights fails to do so because riparian rights would be lost if the water is stored behind a dam.

The net result of enactment of the bill would be that the United States would spend some $22 million to build a dam in order to give away to Fallbrook 40 percent of the Government's water.

The Senate Committee on Interior and Insular Affairs has reported a version of the bill H. R. 5731 to the Senate in which the Government's rights would be protected. It is not known how the Senate version of the bill would fare in conference if the Senate enacts it.

NEGOTIATIONS FOR SETTLEMENT

Several meetings have been held at which representatives of the Navy and Marine Corps and representatives of the Fallbrook Public Utility District have discussed settlement of the controversy as between Fallbrook and the United States. The former Under Secretary of the Navy, Mr. Charles Thomas, has interested himself personally in these negotiations and has attended the meetings. A number of Members of the House of Representatives are interested in the negotiations and have attended the meetings. These Members are principally those who represent congressional districts in southern California.

The basis upon which the negotiations have been undertaken is that neither Fallbrook nor the interested Members of Congress desire to infringe in any way upon the rights of the United States in the waters of the Santa Margarita River. They assert, however, that upon occasion flood water from the river does flow to the sea and goes to waste. They assert further that it is only such waste water that they wish to capture for use by Fallbrook.

If there be usable waste or surplus waters in the stream which can be economically impounded, the United States can have no objection to their use by appropriators under California law. The United States claims no surplus water but recognizes that only the State of California can allot such water. Hence the United States can become a party to no agreement which purports to vest rights to surplus water in any particular person.

Since the rights of the United States have recently been adjudicated there can be no difficulty in defining and protecting those rights by stipulated judgment with Fallbrook. The resolution of the controversy with Fallbrook should accord with rights already adjudicated to the Government, should bear the approval of the Department of Justice and should become a part of the district court's final judgment in the pending suit.

A very recent possible settlement of the matter proposed by the Attorney General is that the Government condemn all riparian property including the Vail property and then sell water to Fallbrook. This proposal has been rejected by the parties adverse to the Government.

Mr. FULBRIGHT. Mr. President, if I understand the facts correctly, I hope,

and have every reason to believe, that the suit will be adjudicated before any appropriation for the dam is sought under the bill. It is possible, of course, that an appropriation could be sought between now and the end of the present session of Congress, but, in the normal course of events, such an appropriation would not be requested. Therefore, in the orderly procedure, there would be a completion of the Government's action in the pending lawsuit, and a determination of the Government's rights, before any appropriation for the dam would be considered by either House of Congress. If such procedure is followed, I think the rights of the Government will be properly protected.

Again I desire to say I was reluctant to become involved in debate on the bill, and it was only because of the very serious concern I felt with regard to the jeopardy of the Government's investment in Camp Pendleton that I became interested in the question at all.

The PRESIDING OFFICER. Is there further request for time by any Senator?

Mr. KNOWLAND. Mr. President, I should like to say that my colleague, the junior Senator from California, will waive the remaining time he has for discussion of the committee amendment if the other side is prepared to waive its time for debate on the committee amendment.

Mr. DOUGLAS. I do not wish to discuss the committee amendment, but I should like on the question of its final passage, to make some comments on the bill, and I presume the sponsors of the bill will also desire to discuss it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment of the committee was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question is the final passage of the bill.

Mr. DOUGLAS. Mr. President, may I inquire of the junior Senator from California if he wishes to take any time to explain the bill and to defend its passage?

Mr. KUCHEL. Mr. President, in reply to the inquiry of the Senator from Illinois, may I say that I should like to make clear one point which the Senator from New Mexico [Mr. ANDERSON] discussed with me today. Aside from taking the time to do that, if it is agreeable to the Senator from Illinois, I would be happy to relinquish the remainder of the time, other than the 2 or 3 minutes which the Senator from New Mexico and I would utilize.

Mr. ANDERSON. Mr. President, will the Senator from California yield to me a minute or two?

Mr. KUCHEL. I yield such time as the Senator from New Mexico may desire.

Mr. ANDERSON. In the hearings which were held, as the final draft of the bill was being prepared, I raised some question about section 1 (a), and I asked if it would not be possible, following the provision having to do with costs, to insert language to this effect: "it being contemplated if the Navy does not use the dam that the entire cost shall be charged to the utility district."

Subsequently the bill was prepared, and this language was adopted: "and under no circumstances shall the Department of the Navy be subject to any charges or costs except on the basis of its proportional use, if any, of such dam and other facilities, as determined pursuant to section 2 (b) of this act."

I ask the Senator this question: Is the Navy going to pay anything for the dam unless the Navy needs and uses it, and then will it pay only for the proportional amount of its need and use?

Mr. KUCHEL. Yes; the Senator from New Mexico is correct. The purpose of putting in the last phrase to which the Senator from New Mexico has referred, "pursuant to section (b) of this act," was merely to make doubly sure that the Navy would not be subject to any charges except on the basis of the proportional use which was made by it of the project.

Mr. ANDERSON. I thank the Senator. I thought the legislative purpose was clearly expressed, perhaps, in the hearings, but sometimes, in order to have the record clear, it is better to have the assurance given on the floor of the Senate. I want to be sure that the Navy will not pay any part of the cost of the dam unless it needs and uses it, and then will pay only its proportional share.

Mr. KUCHEL. I can only reiterate that the understanding of the Senator from New Mexico is completely correct and in accordance with my own understanding and intent, and I am sure that was the intention of the committee when it approved the bill.

Mr. FULBRIGHT. With regard to the land upon which the dam will be built and upon which the basin holding the water will be located, where will that come from and who will pay for it? The dam must be built somewhere. Is it going to be built on the Navy's land, and is the Navy going to be reimbursed for it? I assume there will be a basin of several hundred acres. Who is going to pay for that?

Mr. ANDERSON. I have seen the map, but I have forgotten the exact locations. As I recall however, the dam will not be built on land owned by the Navy nor will the basin be built on land owned by the Navy.

Mr. FULBRIGHT. I understand the Navy owns land on both sides of the river for a distance 21 miles from the ocean. I cannot conceive that the dam will be built anywhere except on Government land, and I anticipate that the Navy will be expected to donate the land. I think that ought to be clarified for the record.

Mr. ANDERSON. I am sorry I cannot clarify it.

Mr. FULBRIGHT. Perhaps the junior Senator from California can clarify the record.

Mr. ANDERSON. I am not sure the Senator from California can do so. I recall seeing the map. We discussed how far above the camp the dam would be located. I believe it will not be on land owned by the Government, but I am not certain as to that. Perhaps the junior Senator from California knows. It seems to me the location of the dam was above the land owned by the Government; therefore, the land would have to be condemned, paid for, and charged to the appropriate district.

Mr. FULBRIGHT. Was it with that understanding that the Senator from New Mexico supported the bill?

Mr. ANDERSON. It was my understanding that if the dam was constructed on Government owned land, of course, the Government would be reimbursed for the value of the land; but I am frank to say I do not recall whether the actual site was to be located on Government land or on private land. There is a vast amount of land there. My remembrance is that it was to be located on privately owned land. Perhaps the junior Senator from California may remember about that.

Mr. KUCHEL. No; it is entirely on land owned by the Federal Government.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KUCHEL. How much time remains to the proponents of the bill?

The PRESIDING OFFICER. Thirty-seven minutes less 4 minutes, or 33 minutes.

Mr. KUCHEL. Let me ask my friend, the Senator from New Mexico, how much further time he desires to take.

Mr. ANDERSON. None.

Mr. FULBRIGHT. Mr. President, will the Senator from California yield to me, for a question?

Mr. KUCHEL. I yield.

Mr. FULBRIGHT. I did not quite understand the Senator from California. Is the dam to be constructed on Government property?

Mr. KUCHEL. Yes.

Mr. FULBRIGHT. Is the lake behind the dam to be on Government property?

Mr. KUCHEL. Does the Senator refer to the land to be covered by the lake?

Mr. FULBRIGHT. Ordinarily if a dam is to be built, it is assumed there will be water behind the dam. I do not know whether there will be water behind this dam or not; but if there is to be water behind it, will the basin holding the water be on Government land or not?

Mr. KUCHEL. I appreciate the Senator's joviality and his attempt to inject a little humor into the debate. Yes, the dam and the lake will be on Government property.

Mr. FULBRIGHT. Does the bill provide that the value of the land shall be reimbursed by payment to the Government?

Mr. KUCHEL. The United States Department of the Navy made no such request at any time. The Department of Justice made no such request at any time. The Department of the Interior made no such request at any time. That question was not considered. Obviously the property used will be public property. The dam will be built by authority of the Government of the United States.

The operation will be conducted by the United States Government, and the facilities will be owned by the United States Government. So, since the Government already owns the property, to that extent the Government will not be compelled to purchase it.

Mr. FULBRIGHT. If the Senator from California will permit me to say a word at this point, let me state that I understood him to say a few moments ago that the Government would not pay for building the dam. In response to a question asked by the Senator from New Mexico, I thought the Senator from California said the Navy would not pay for the dam, but that the Fallbrook District or the local people who wish to have the dam built—because certainly the Navy does not wish to have the dam built—would pay for it.

Mr. KUCHEL. My answer to the Senator from New Mexico was correct; namely, that the Navy will not be required to participate in the payment for the dam and its facilities, unless the Navy uses them. The bill provides that the Secretary of the Interior shall construct the dam for a number of purposes, which include irrigation and flood control—purposes which are dealt with by every reclamation bill which has come to the floor of the Senate since I have been a Member of this body; and such bills usually are passed without opposition.

Mr. FULBRIGHT. Is is not true that those who are the beneficiaries usually pay for the facilities they use? In this case, land which apparently is very valuable is involved. I assume that the irrigation district will pay for it. I was asking the Senator from California whether the irrigation district will pay for it. Apparently he thinks the irrigation district will not pay for it.

Mr. KUCHEL. The bill specifically provides that there will be an allocation of costs to irrigation, flood control, and defense purposes, in accordance with the Federal reclamation statutes.

Mr. FULBRIGHT. I am not an expert on these matters, but I am trying to clarify the RECORD.

On page 7, the bill reads, in part, as follows: "to repay to the United States of America appropriate portions, as determined by the Secretary, of the actual costs of constructing, operating, and maintaining such dam and other facilities," and so forth. The bill does not state whether the public-utility district will pay for the land which is used. I thought that matter should be clarified. I assumed that the Senator from California would know whether the land which will be covered by the water behind the dam and by the dam itself will be paid for by the irrigation district.

Mr. KUCHEL. Title to the dam will remain in the Government of the United States; and, as in the case of all other reclamation projects, the flooded land and the land used for the site of the dam will be paid for by the Government—although in this particular instance, both the dam site and a large portion of the reservoir site are already owned by the Government, and therefore no additional payment need be made for that purpose.

Should any questions regarding the allocation of costs remain open, they will be discussed in the conference; and it will be the purpose to have the conference committee consider taking care of them.

Mr. KNOWLAND. Mr. President, will my colleague yield to me?

Mr. KUCHEL. I yield.

Mr. KNOWLAND. Of course, Mr. President, the fact of the matter is that the dam will be built by the Department of the Interior, an agency of the Federal Government. The dam will be under the control of the Department of the Interior, as a reclamation project normally is.

It is true that Government land will be flooded. If the land to be flooded were private land, of course, it would be necessary for the Government to acquire that land.

However, the fact of the matter is that, provided the Navy wants the water—and I think the Navy will need the water, for the uses of Camp Pendleton—the Navy will have a right to 60 percent of the stored capacity, and the Fallbrook district will have a right to 40 percent of the stored capacity. Is not that correct?

Mr. KUCHEL. My colleague is completely correct, Mr. President.

The only interest the Navy has in the bill is to have a reserve water supply created by means of the waters impounded behind the dam. The bill provides, in part, that if the Navy does not wish to use those waters, they may be sold to citizens or other private interests; but the bill further provides that, on 30 days' notice, all contracts for the sale of water may be canceled if the Navy desires to use the water. That is one of the reasons why the Navy is interested in the bill.

Mr. KNOWLAND. Does not the bill further provide that in the event the Navy temporarily does not use a part of its 60 percent, and in the event it is sold, the proceeds of the sale shall go into the Treasury of the United States, and shall not be used to apply against the portion of the cost of the project chargeable to the Fallbrook district?

Mr. KUCHEL. My colleague is entirely correct.

Mr. FULBRIGHT. Mr. President, will the Senator from California yield to me for another question?

Mr. KUCHEL. Mr. President, I have yielded several times. I recall that when I asked the Senator from Arkansas to yield, some time ago, he found himself unable to yield then.

There are some points I should like to make regarding the bill in general, and I do not care to use all my time in answering questions asked by the Senator from Arkansas. However, at this time I yield to him.

Mr. FULBRIGHT. I wished to ask the Senator from California about a technical matter. Does he believe Congress has a right to dispose of surplus water in California? Does Congress have that constitutional power?

Mr. KUCHEL. The question of the Senator from Arkansas is whether Congress has a right to dispose of surplus water?

Mr. FULBRIGHT. Yes, under the laws of California.

Mr. KUCHEL. That is a rather broad question. Obviously, the laws of California govern as to the surplus waters developed on property in California. Congress does have a right, with respect to the naval establishment there, to agree to impound waters which belong to the Government of the United States, when those waters are commingled with waters which may belong to some other public agency.

Mr. FULBRIGHT. I understand one of the Government's witnesses at the hearings made the point that if the water is impounded, there is a risk of losing title to it. Is that correct?

Mr. KUCHEL. I do not know whether it is correct; but the bill provides that the Navy may store or may not store water, as the Navy may desire; and in any event, with respect to the appropriative rights in the water, the laws of California control, and the government of California determines when water may be appropriative and when it may not be.

Mr. FULBRIGHT. Would it be possible, if the Navy unwisely stored the water, for the title to it to revert to some of the local claimants in California?

Mr. KUCHEL. I assume that the Senator from Arkansas is now engaging in a little banter. I shall not believe that those who are bearing the responsibilities of the naval establishment will use poor judgment with respect to the water which, of course, is necessary for the conduct of the operations of Camp Pendleton.

Mr. KNOWLAND. Mr. President, will my colleague yield to me at this point?

Mr. KUCHEL. I yield to my colleague whatever time he may wish to use.

Mr. KNOWLAND. Mr. President, I think it is important once again to point out that we are trying to establish, by agreement with the several agencies of the executive branch of the Government, in cooperation with the authorities of the State of California and the local irrigation district, a means for impounding waters which otherwise would be wasted into the Pacific Ocean, and thus could not be used by either the Navy or Camp Pendleton or the local civilian populace. So the purpose is to conserve these waters, rather than to permit them to waste into the sea. By means of this bill, those waters will be conserved in an area of the country where, unless there were an adequate supply of water, a large acreage would return to an arid, semiarid, or almost desert condition. In my judgment it is in the best interests of the Navy Department, of the Defense Department, and of the civilian community, that they work together in comity and cooperation in solving a problem which is common to all of them.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. DOUGLAS. Mr. President, I yield myself such time as I may require.

The Senate has just voted down an amendment which would have explicitly freed the hands of the Government and

provided it with the authority with which to proceed with the suits to decide what its actual rights are, in the same manner as any private owner of land, under California law. Of course I do not question the motives of Senators who voted against the amendment. I think some Senators voted against it under the assumption that the pledge of the senior Senator from California [Mr. KNOWLAND] would be adequate, namely, as I understand it, that he would himself move that the riders which have prevented the Government from having funds be stricken from the current appropriation bills.

Naturally, we welcome this assurance by the Senator from California. Since he is a man of honor, I am sure he will live up to his pledge. But it is not binding on anyone else. It is a pledge solely by the Senator from California. It does not commit any other member of the Appropriations Committee in any manner whatsoever, and, of course, it has no binding authority on members of the other body.

So in a somewhat confused situation it is not at all certain that the riders will be removed. We may find, therefore, that by the passage of this bill without the safeguards provided in the amendment previously proposed, the Government will be estopped from the efficient prosecution of the suits. I hope this will not be the case, but it may occur.

For the sake of the record I should like to read certain salient passages from the findings and judgment of the Federal district court in California in the case of *United States* v. *Fallbrook Public Utility District et al.* (110 Fed. Supp. 767). I read from page 788 of the decision by Judge Yankwich. I think these passages are essential to an understanding of this case. First, let me say that this case was and is being prosecuted by the Government, as the Senator from Arkansas [Mr. FULBRIGHT] brought out, through unpaid counsel, by contributions of private citizens, and by donated time, whereas the other side had ample funds. The Senate has just voted to continue that shackling of the Government.

In spite of all these handicaps the district court in California ruled in favor of the Government. I should like to read paragraphs 10, 11, and 13 of the decision, and then ask that the decision as a whole, including the findings, conclusions, and judgment, be printed in the RECORD as a part of my remarks. I read finding No. 10:

The military use is a riparian use and the paramount rights of the United States extend to the full measure of the capable riparian agricultural use to which the lands can be put. The United States has put to beneficial use water to the extent of on an average of 9,934 acre-feet per year. The present needed average is 11,000 acre-feet per year. The peacetime needs of present plans of the Marine Corps are 23,500 acre-feet of water annually from the Santa Margarita River. These quantities are all reasonable and beneficial uses. The maximum demand in the event of full mobilization is a quantity which does not exceed the duty of water for the maximum agricultural use to which the United States would be entitled under its riparian rights.

Included in the quantities of water actually used are 4,806 acre-feet used on irrigated lands outside the watershed which the United States has acquired the right to use by prescription, unaffected by any administrative action by the Department of Water Resources of the State of California.

In addition the United States of America has acquired by prescription the right to divert and impound annually in Lake O'Neill 4,300 acre-feet of water.

I invite the attention of Senators to finding 11:

A study of the water supply leads to the conclusion that not more than 12,500 acre-feet annually from the Santa Margarita River, under the most favorable circumstances, are available as a water supply at Camp Pendleton.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the decision to which I have referred—including the findings of fact, conclusions of law, and judgment—namely, the decision in the case of *United States* v. *Fallbrook Public Utility District et al.* (110 Fed. Supp. 767 (Feb. 24, 1953)).

There being no objection, the decision was ordered to be printed in the RECORD, as follows:

UNITED STATES v. FALLBROOK PUBLIC UTILITY DISTRICT ET AL. (No. 1247–SD)

The Federal Government brought action for declaration as to its rights to water from the Santa Margarita River in California at Marine base known as Camp Pendleton. The district court, Yankwich, chief judge, held that past and present diversion of water by the Government from the river has been and is a reasonable exercise of its riparian rights under California law and that those rights are prior and paramount to rights claimed by water company.

Judgment in accordance with opinion.

1. COURTS

Statute providing that except as otherwise provided by act of Congress, Federal district courts shall have original jurisdiction of all civil actions by the United States, conferred jurisdiction on Federal district court of action by the Federal Government for declaration as to its water rights (28 U. S. C. A., sec. 1345).

2. UNITED STATES

The United States, just as any other owner of property, is entitled to have its rights in that property adjudicated by a court of competent jurisdiction.

3. WATERS AND WATER COURSES

Riparian rights, like other property rights, are protected by the Federal and State constitutions and laws against encroachment.

4. WATERS AND WATER COURSES

Riparian rights to use of water of stream may be exercised for any beneficial purpose.

5. WATERS AND WATER COURSES

A riparian owner is protected in his riparian rights, not only for present actual beneficial uses, but for all prospective reasonable beneficial uses.

6. WATERS AND WATER COURSES

Under California law, riparian rights for present actual beneficial uses and for future prospective beneficial uses are accorded a paramount and preferential status over the right of any subsequent appropriator.

7. WATERS AND WATER COURSES

A military use is a beneficial use for which riparian rights may be exercised.

8. WATERS AND WATER COURSES

In action by the Federal Government for declaration as to its rights to water from the Santa Margarita River in California for use at marine base known as Camp Pendleton, evidence established that past and present diversions of water by the Government from the river have been and are a reasonable exercise under California law of the Government's riparian rights.

9. WATERS AND WATER COURSES

In action by the Federal Government for declaration as to its rights to water from the Santa Margarita River in California for use at marine base known as Camp Pendleton, evidence established that the Government had right, as against water company, to divert certain amount of water from river for military and agricultural uses.

10. WATERS AND WATER COURSES

Under California law, rights to use of water, being a species of realty, may be acquired by adverse use for 5-year period prescribed by State statute, and such principle applies to surface flow, subsurface flow, and waters diverted from underground basin.

11. WATERS AND WATER COURSES

Where the Federal Government and its predecessor in interest had impounded water in certain lake and had applied that water to beneficial use for over 30 years, and such diversion was actual, open, notorious, hostile, adverse to all claims of right, continuous and uninterrupted, and made under claim of right, Government had the right through adverse use to divert the water under California law.

12. WATERS AND WATER COURSES

In action by the Federal Government for declaration as to its rights to water from the Santa Margarita River in California for use at marine base known as Camp Pendleton, water company, which asserted inchoate and unexercised appropriative claims to water from river, had burden of proving that there existed in the river a surplus of water in excess of reasonable beneficial uses by those with preferential rights in river.

13. WATERS AND WATER COURSES

In action by the Federal Government for declaration as to its rights to water from the Santa Margarita River in California for use at marine base known as Camp Pendleton, evidence of water company, which asserted inchoate and unexercised appropriative claims to water from river, failed to sustain company's burden of proving that there existed in the river a surplus of water in excess of reasonable beneficial uses by those having prior and preferential rights.

14. WATERS AND WATER COURSES

In action by the Federal Government for declaration as to its rights to water from the Santa Margarita River in California for use at Marine base known as Camp Pendleton, evidence established that every right of Government to use of water in river was prior and paramount to rights claimed by water company.

Raymond deS. Shryock, Chula Vista, Calif., commander, United States Navy, attorney for United States Navy Department, and David W. Agnew, special assistant to Attorney General, attorney for United States Navy Department, for plaintiff.

Wm. B. Dennis, Fallbrook, Calif., for defendant Santa Margarita Mutual Water Co.

Edmund G. Brown, attorney general of State of California, by George G. Grover, deputy attorney general of State of California, for State of California.

Yankwich, chief judge.

The court signs and files its findings of fact and judgment in the above-entitled case on the trial on the merits of the case as to Santa Margarita Mutual Water Co., defendant, and the State of California as defendnt in intervention.

The objections of the Santa Margarita Mutual Water Co., defendant, and the people

of the State of California, defendant in intervention, to the findings of fact and the judgment prepared under the direction of the court and proposed by the plaintiff, and the proposed amendments to such findings of fact and judgment have been considered by the court and are overruled and denied. The court, however, has eliminated the text of the opinion and order dated December 9, 1952 (D. C., 109 F. Supp. 28, 42), as superfluous and not properly part of the findings.

The court is of the view that the findings and judgment, in the final form proposed, set forth correctly the facts and legal principles as found by the court in the opinion and order just referred to.

The order which accompanied the opinion was intended to set forth succinctly the manner in which the court's conclusions on some of the principal issues are to be transmuted into findings. This, in conformity with a practice adopted by this court in certain types of cases. See *United States* v. *Richfield* (1952, D. C. Calif., 99 F. Supp. 280, 284, 297). Neither the opinion nor the order by its terms was to take the place of formal findings. Indeed, the order stated that "Judgment and declaration quieting title * * * will be entered. Such judgment and declaration to contain the following specific findings." Fifteen specific findings to be included in the formal findings were then set forth. This clearly contemplated future action. So did also the later action of the court in granting the defendants time to file objections to the findings to be proposed.

The original findings were lodged on December 29, 1952. Originally, the court had informed counsel that instead of the usual 5 days allowed under local rule 7, they would have 15 days from that date in which to file objections and amendments. That time was extended to nearly 6 weeks, the defendants being given until February 10, 1953, in which to file objections to the new matters contained in the amended draft.

These actions, memorials of which are on the minutes of the court, show clearly that at no time was it the intention of the court to consider the opinion and the order for findings as anything but an intermediate step. Nevertheless, counsel for the defendants filed on February 7, 1953, a notice of appeal from the order.

I have disregarded the notice as premature. For, as of that day, there is no order or judgment from which an appeal will lie. It was not a judgment, nor entered as such. Federal Rules of Civil Procedure, rules 54 (a), 58, and 79 (a), 28 U. S. C. A. See *Wright* v. *Gibson* (1942, 9 Cir., 128 F. 2d 865); *Uhl* v. *Dalton* (1945, 9 Cir., 151 F. 2d 504); *Weldon* v. *United States* (9 Cir., 1952, 196 F. 2d 874). The findings and judgment which I have ordered entered as of this date are the findings and judgment of the court in the case after partial trial. Subject to the exception noted in paragraph 17 of the judgment, rule 54 (b), Federal Rules of Civil Procedure, they constitute a final order from which an appeal with lie (28 U. S. C. A., secs. 1291, 2107).

These statements are made in order that counsel for the two defendants will understand the court's position, and will not jeopardize their rights of appeal by failing to file a new notice of appeal from the judgment this day entered. Otherwise, they may find themselves appealing from an order which is not final, and, in my view, a premature appeal cannot be given validity by any stipulation of parties, or by an extension of time to docket the appeal, as counsel for the State suggested when these facts were called to his attention.

As to the objections and the proposed amendments, I desire to state that I have considered them all. Some of them involve a mere change of verbiage which could very well be granted, except that, in the interest of economy of time, such action would not now be advisable. Over 2½ months have elapsed since the court's decision was announced. Others challenge the conclusion of the court as to certain matters such as the prescriptive rights acquired by the plaintiff and its predecessors to water used outside the watershed.

I realize the earnestness of counsel in the case. But the conclusions reached were the result of long consideration. Some of the legal principles ultimately declared were anticipated in the opinion on pretrial questions which, at the request of counsel for these defendants and of the Fallbrook Public Utility District, the court agreed to consider and determine in advance of trial.

Further argument or discussion will not change the position taken. I am also of the view that some of the suggested negative findings and conclusions have no place in the findings and are anticipatory of claims that might be asserted in the future.

Hence, the order just made rejecting the amendments and approving and signing the findings of fact and conclusions of law proposed by the Government and lodged with the clerk on February 10, 1953, with the elimination of the text of the opinion and order dated December 9, 1952.

It is not customary to make any comment in ruling on findings, although I have done it in at least one other instance. See *Brooks Bros.* v. *Brooks Clothing of California* (1945, D. C. Calif., 5 F. R. D. 14). But the nature of the case, the fact that some of the actions of this court, even the determination of questions of law in advance of trial at the request of counsel for the 3 chief defendants in the case, have been the subject of misinterpretation, and the court's desire to avoid any disadvantage accruing to the 2 defendants from their filing of the premature notice of appeal, which they have declined to allow me to strike from the files, although such action was suggested to them by letter written by the clerk of this court—I am making this statement so that the record will show conclusively that no appealable order was entered in this case prior to this date.

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND JUDGMENT

This court having jurisdiction over the above proceedings and the parties thereto, and the cause having come on to be tried as to the defendant Santa Margarita Mutual Water Co., and the defendant in intervention, the State of California, having been argued and submitted, and the court having filed its opinion and its order, both dated December 9, 1952, now makes the following:

Findings of fact

I. Title to Lands Involved in Controversy

A. Title to parcels

1. The United States of America, in condemnation proceedings, acquired fee simple title to a tract of land of 9,147.55 acres in San Diego County, Calif., by a declaration of taking, and decree entered thereon, filed January 21, 1942, in this court.[1]

2. This tract of land is that portion of the military reservation sometimes referred to as the "United States Naval Ammunition Depot" and "Fallbrook Naval Reservation."[2]

3. The United States of America, in condemnation proceedings, acquired fee simple title to a tract of land of 122,202.72 acres in San Diego County, Calif., by a declaration of taking, and decree entered thereon, filed December 31, 1942, in this court.[3]

4. This tract, which is the main portion of the Camp Pendleton Marine Corps Training Base, includes the site of the United States Naval Hospital, Oceanside, Calif.[4]

5. The United States of America, in condemnation proceedings, acquired fee simple title to a tract of land of 1,676.58 acres in San Diego County, Calif., by a declaration of taking, and decree entered thereon, filed December 23, 1943.[5]

6. The United States of America, by intragovernmental transfer of land in the public domain, included in the Camp Pendleton military reservation a tract of land of 1,574.61 acres in San Diego County, Calif., by Public Land Order No. 293 dated August 8, 1945.[6]

7. The United States of America likewise acquired fee simple title to a tract of land of 112.11 acres in Orange County, Calif., contiguous to the above lands acquired by the United States of America in San Diego County, Calif., by deed dated February 8, 1949.[7]

B. Rights-of-way

8. The tracts of land described in findings 1 and 3 hereof were acquired subject to easements for railroad rights-of-way in favor of the Atchison, Topeka & Santa Fe Railway Co.[8]

C. Location of Camp Pendleton

9. The Santa Margarita River traverses the above property of the United States of America for a distance of some 21 miles from the point at which it enters the easterly boundary of that property to the Pacific Ocean. The five parcels described above are component parts of the single military reservation of the United States of America generally known and referred to as "Camp Joseph H. Pendleton" or "Camp Pendleton," Oceanside, Calif., which reservation includes those military activities known as the United States Naval Ammunition Depot and the United States Naval Hospital.[9]

10. Camp Pendleton military reservation comprises some 135,000 acres located principally in San Diego County, Calif., bordering on the Pacific Ocean for approximately 17 miles between the cities of Oceanside and San Clemente, Calif., and having an area of approximately 211 square miles. U. S. Highway 101 traverses the westerly portion of the reservation in an approximate north-south direction, close to the Pacific Ocean. The entire reservation lies west of U. S. Highway No. 395.[10]

II. Cession of Exclusive Jurisdiction

11. Letters of acceptance dated January 12 and September 8, 1943, and February 18, 1944, were duly transmitted from the Acting Secretary of the Navy to the Governor of the State of California, which recited and accepted the cession by the State of California to the United States of America of exclusive jurisdiction over the tracts of land acquired by condemnation proceedings as described in findings 1, 3, and 5 hereof.[11]

III. Present Military Use of Lands

A. Primary military use

12. It is the function of Camp Joseph H. Pendleton to provide housing and training facilities for units of the Armed Forces, to conduct training of units of the Armed Forces in amphibious warfare and experimental work with landing craft, landing vehicles, tracked and affiliated equipment and the development thereof; to conduct combat training of the various units of the United States Marine Corps, including air-ground support coordination, and use of artillery, tanks, and other equipment used in the conduct of modern amphibious and land warfare. In addition to the aforementioned activities, it is the function of Camp Pendleton

[1] Exhibit 15.
[2] Exhibit 22 (Fallbrook sheet) and exhibit A.
[3] Exhibit 16.
[4] Exhibit 22 (Fallbrook sheet) and exhibit A.
[5] Exhibit 17.
[6] Exhibit 17.
[7] Exhibit 17.
[8] Exhibits 15 and 16.
[9] Exhibits 22 and A.
[10] Exhibits 22 and A.
[11] Exhibits 18, 19, and 20.

to provide logistic support for units of the United States Marine Corps together with material maintenance and storage facilities, for supplies and equipment and to house and train replacements for subsequent assignment to various operating units of the United States Marine Corps.[12]

13. Camp Pendleton, both at present and prospectively, is the largest and most complete military base in the world for training in amphibious warfare.[13]

14. The United States Naval Hospital, with a capacity of approximately 1,550 beds, established at Camp Joseph H. Pendleton, provides medical and hospital services to personnel of the Armed Forces, their dependents and other authorized personnel at 83 naval shore activities located in the southern California area and provides medical and hospital care to personnel of units of the United States Fleet.[14]

15. The United States Naval Ammunition Depot, Fallbrook, Calif., provides facilities for the storage, segregation, reconditioning and issuing of ammunition for operating units of the United States Fleet and the United States Marine Corps and maintains ammunition stocks for shore establishments of the United States Navy located in the southern California area. In addition, this naval ammunition depot stores and ships ammunition for use by combat elements of the United States Navy and the United States Marine Corps.[15]

B. Agricultural use

16. The United States of America uses such parts of these lands, as are not immediately required for military activities, for agricultural purposes.[16]

17. The United States of America now leases or has issued permits for use of approximately 5,500 acres of Camp Pendleton, and has leased as much as 6,000 acres. In addition, some 15,000 to 20,000 sheep and 1,000 head of cattle are grazed on the military reservation, and are largely dependent on the Santa Margarita River for their watering needs.[17]

18. A considerable acreage of Camp Pendleton, adaptable to cultivation or irrigation, and not immediately required for military use, is not leased or put to agricultural use due to insufficiency of water.[18]

IV. Description of Santa Margarita River System

A. General location and features

19. The Santa Margarita River is a nonnavigable intermittent stream having a drainage area of 740 square miles, 192 square miles of which are situated in San Diego County, Calif., and 549 square miles in Riverside County, Calif. The Santa Margarita watershed is semiarid.[19]

20. Temecula Creek and Murrieta Creek have their junction at the head of Temecula Gorge and there form the Santa Margarita River.[20]

21. Rising on the eastern slope of the Coastal Range in San Diego County, near the present site of the Palomar Observatory, Temecula Creek proceeds in a northerly and westerly direction a distance of approximately 14 miles, where it enters the Pauba Grant of the Vail Estate. After entering the Pauba Grant, it flows northwesterly through a portion of the grant known as Nigger Valley, for a distance of a little more than 3 miles. It then enters a narrow canyon on the Pauba Grant known as Nigger Canyon for a distance of approximately 2 miles. Situated across the channel of Temecula Creek at the upper end of Nigger Canyon, on the Pauba Grant, in the northwest quarter, section 10, township 8 south, range 1 west, is the Vail Dam, creating a reservoir with a capacity of approximately 50,000 acre-feet.[21]

22. Below the Vail Dam, the Temecula Creek traverses Pauba Grant for a distance of approximately 11 miles.[22]

23. Leaving the Pauba Grant of the Vail Estate, Temecula Creek continues its westerly course across the Little Temecula Grant of the Vail Estate for a distance of approximately 1½ miles. That stream then enters the Temecula Grant of the Vail Estate, flowing a distance of approximately 2 miles.[23]

24. Immediately before leaving the Temecula Grant of the Vail Estate, Temecula Creek has its confluence with Murrieta Creek, and below that point is known as the Santa Margarita River.[24]

25. The Santa Margarita River then enters Temecula Gorge, a narrow canyon through which it flows southerly and westerly for a distance of approximately 9 miles. Though Temecula Creek prior to its junction with Murrieta Creek, flows alternately as a surface and subsurface stream, the Santa Margarita River throughout Temecula Gorge in the state of nature is a surface stream.[25]

26. Shortly after leaving Temecula Gorge, the Santa Margarita River enters Camp Joseph H. Pendleton, the Marine Corps training base. It then flows in a generally southwesterly direction through Camp Pendleton—Naval Ammunition Depot—United States naval hospital lands for a distance of about 21 miles to the Pacific Ocean. For the full 21 miles the course of the river lies entirely within the property of the United States of America.[26]

27. The Santa Margarita River within the boundaries of the above-mentioned military establishments is an intermittent stream.[27]

B. Principal tributaries

28. There are several tributaries of the Santa Margarita River from tidewater to its headwaters.[28]

29. De Luz Creek, an intermittent stream which rises on the Santa Rosa Grant of the Vail Estate, proceeds in a westerly and southerly direction to its confluence with the Santa Margarita River several miles within the boundary lines of Camp Pendleton.[29]

30. Fallbrook Creek, an intermittent stream, rises east and south of the Santa Margarita River. Most of its length is within the boundaries of Camp Pendleton and the United States Naval Ammunition Depot and it has its present terminus in Lake O'Neill, an artificial reservoir which lies within the Camp Pendleton area. In the state of nature, Fallbrook Creek flowed into the Santa Margarita River.[30]

31. Sandia Creek, an intermittent stream which rises on the Santa Rosa Grant of the Vail Estate, proceeds in a southerly direction to its confluence with the Santa Margarita River at a point a short distance above the easterly boundary of Camp Pendleton.[31]

32. Rainbow Creek is an intermittent stream which rises east and south of the main channel of the Santa Margarita River and proceeds in a northerly and westerly direction to its confluence with that river a short distance above Sandia Creek.[32]

33. Murrieta Creek, an intermittent stream, has its source north of the Temecula Grant of the Vail Estate and traverses the lands of the grant before it joins Temecula Creek to form the Santa Margarita River. Junction of the streams takes place at a point about a half mile east of the westerly boundary of Temecula Grant of the Vail Estate and a short distance east of Temecula Gorge. It has several tributaries, most important of which is Cottonwood Creek, an intermittent stream which rises on the Santa Rosa Grant of the Vail Estate. Santa Gertrudis Creek, a tributary of Murrieta Creek, is an intermittent stream rising on the Pauba Grant of the Vail Estate, traversing lands in other ownership before crossing a portion of the Temecula Grant prior to its confluence with Murrieta Creek. Warm Springs Creek, an intermittent stream rises east of Murrieta Creek and flows into that stream just below the town of Murrieta.[33]

34. Penjango Creek, an intermittent stream, is tributary to Temecula Creek, rising south of that stream and joining it a short distance upstream from the junction of the stream last mentioned with Murrieta Creek. From its source to confluence Penjango Creek traverses a portion of the Little Temecula Grant, and then flows across the Temecula Grant of the Vail Estate, the property upon which its junction with the Temecula Creek takes place.[34]

35. Other effluents of Temecula Creek are Lancaster Creek and Arroyo Seco, both of which are intermittent in character, flowing only during periods of high precipitation and entering Temecula Creek above Nigger Canyon.[35]

C. Underground basins

36. From its headwaters to the Pacific Ocean, the watershed of the Santa Margarita River system is underlaid with numerous subterranean basins. They differ greatly in size and capacity.[36]

37. Underlying the military establishments in question within the Santa Margarita River watershed is an underground basin, with segments of the basin commonly known as:

1. Upper or O'Neill Basin or Segment;

2. Chappo or Home Ranch Basin or Segment;

3. Ysidora or Lower Basin or Segment.

Those segments comprising a single basin are geologically and hydrologically interconnected.[37]

38. Throughout the ground-water basin within the watershed of the Santa Margarita River underlying Camp Pendleton are numerous wells of varying depths in the alluvium. The surface and subsurface area and the character and type of the deposits penetrated by the wells have been analyzed.[38]

39. Below the Vail Dam, Temecula Creek traverses a highly porous area where that stream, except during periods of high runoff, disappears into the Temecula Basin. In a state of nature, Temecula Creek customarily again becomes a surface stream at a distance of about 3 miles from the present site of the Vail Dam. The Tecemula River (Creek) is now, as a result of the construction of the Vail Dam, a stream completely controlled by that structure, and any water from that source entering the Temecula

[12] PTO, p. 12 (Note "PTO" as used in these footnotes means the pre-trial order dated August 25, 1952, which provided (p. 2) that "Upon trial of this cause no proof shall be required as to matters of fact specifically agreed upon in the pre-trial order.")
[13] E. B. Robertson, Vol. 6, p. 653, line 15.
[14] PTO, pp. 12–13.
[15] PTO, p. 13.
[16] W. D. Taylor, vol. 5, p. 590, line 4.
[17] W. D. Taylor, vol. 5, p. 590, line 15 ff.
[18] W. D. Taylor, vol. 5, p. 595, line 1.
[19] PTO, p. 5.
[20] PTO, p. 6.
[21] PTO, p. 6.
[22] PTO, p. 6.
[23] PTO, p. 7.
[24] PTO, p. 7.
[25] PTO, p. 7.
[26] PTO, p. 7.
[27] PTO, p. 7.
[28] PTO, p. 7.
[29] PTO, p. 7.
[30] PTO, p. 7.
[31] PTO, p. 8.
[32] PTO, p. 8.
[33] PTO, p. 8.
[34] PTO, p. 8.
[35] PTO, pp. 8–9.
[36] PTO, p. 9.
[37] PTO, p. 9; G. F. Worts, Jr., vol. 3, pp. 240–247.
[38] PTO, p. 9.

Basin or Temecula Canyon is derived from the waters impounded by that structure.[39]

40. Within Camp Pendleton the Santa Margarita River does not flow as a continuous surface stream, but, during the dry season of the year, the stream customarily and ordinarily sinks into the highly porous groundwater basin underlying Camp Pendleton. When that basin has been filled, the Santa Margarita River ordinarily comes to the surface some 2 or 3 miles from tidewater. In a state of nature it continues then to the Pacific Ocean as a stream of diminishing volume.[40]

41. The water in the underground basins is contained by bedrock or other impervious material. The basins are filled with alluvial deposits of varying degrees of porosity. The waters of the Santa Margarita River, in its course through the valley, penetrate and fill the voids of the porous alluvium. When the water of the stream sinks to bedrock or the other impervious material comprising the beds of the basin, in which the detrital material lies, it spreads out laterally filling the basins. When completely charged, the waters of the basins support the surface stream and progress slowly downstream through the permeable material.[41]

42. Ground-water basins of the character described underlie Temecula Creek in portions of Oak Grove Valley; and Lancaster Creek in Lancaster Valley. Temecula Basin, one of the largest in the entire watershed of the Santa Margarita River, is located on the property of the Vail Estate. This large T-shaped alluvial deposit area has the stem of the T along the main channel of Temecula Creek for a distance of approximately 8 miles, varying in width from two-thirds of a mile to a mile and a half. That area of the Temecula Basin immediately below the present site of Vail Dam is comprised of coarse, highly porous material and is known as the out wash. Into that out wash, except in periods of extremely heavy precipitation, Temecula Creek, in a state of nature, sinks. About 3 miles below the out wash, the Temecula Basin becomes an artesian area from which Temecula Creek again emerges as a surface stream.[42]

43. The right arm of the T-shaped alluvial basin extends northward underlying Murrieta Creek for a short distance above the stream's confluence with Temecula Creek. The left arm of the T-shaped Temecula alluvial basin extends southward beneath Penjango Creek.[43]

44. Underlying Murrieta Creek and separated from the Temecula Basin is another large alluvial basin known as the Murrieta Basin. That is comprised of valley-fill similar to that found in the other basin. Drafts on this basin and the other underground basins above Temecula Canyon, for agricultural, domestic, and other uses, necessitates re-charging of the basins, thus reducing the quantities of water available to downstream users.[44]

45. Due to the existence of granitic rock immediately underlying the stream from approximately the point of confluence of Temecula Creek to the mouth of the Temecula Gorge, the Santa Margarita River in the state of nature is a surface stream. That granitic underlay of the stream continues from the point mentioned across the boundary of Camp Pendleton to a point approximately 1½ miles below the confluence of De Luz Creek with the Santa Margarita River. At that point the stream opens out into a rather broad alluvial flood plain. That alluvial area extends from the point last mentioned to tidewater, constituting a large groundwater basin. That ground-water basin is comprised of a relatively coarse and loose porous valley-fill at the upstream and comparable to the "out wash" area of the Temecula Basin above described.[45]

46. Approaching the ocean the character of the alluvium becomes increasingly fine and tight.[46]

D. Elsinore fault

47. The Elsinore fault is one of the major geological features of California. That part of it which is of interest in the present case lies across the entire watershed in a general southeasterly to northwesterly direction, shortly west of the communities of Murrieta and Temecula.[47]

48. The Elsinore fault constitutes an impenetrable barrier between the northeasterly or upper part of the watershed and the southwesterly or lower part, preventing the movement of water from one part to the other except as permitted on the surface at the point where the river enters the upper end of the Temecula Gorge or Canyon, the so-called lip of the fault. Thus, the only source of ground water passing into the lower valley from the upper valley is that which flows through Temecula Gorge (also known as Temecula Canyon and Railroad Canyon) past the Temecula gaging station of the United States Geological Survey.[48]

V. United States Geological Survey Records

A. Location of gaging stations

49. The United States Geological Survey has maintained and published records of the following principal gaging stations within the watershed of the Santa Margarita River:

Stream	Station	Period of record
Santa Margarita River.	Ysidora	From Feb. 19, 1923, to date.
Do.	Fallbrook	From Nov. 25, 1924, to date.
Temecula Creek.	Temecula (Railroad) Canyon.	From Jan. 30, 1923, to date.
Do.	Nigger Canyon	Do.
Murrieta Creek.	Temecula	From Oct. 1, 1930, to date.

In addition, measurements have been taken for diversions at O'Neill Ditch and at other places on the Santa Margarita River System.[49]

VI. Geological Aspects of Camp Pendleton Basin

50. The water in the Camp Pendleton underground basin is an integral part of the waters of the Santa Margarita River system in the course of their movement through the watershed to the Pacific Ocean.[50]

51. The basin underlying Camp Pendleton extends from approximately the proposed De Luz damsite (for location, see exhibit 10, for example), which is some 11.7 miles from the Pacific Ocean, downstream to a point in the Ysidora Narrows near the ocean. It extends laterally in varying widths of from one-half mile to 2 miles, and underlies the bed of the Santa Margarita River at all points.[51]

52. The underground basin lies entirely within the watershed.[52]

53. The underground basin is filled with alluvial material, the significant feature of which is its water-bearing quality.[53]

54. The water-storage unit of the underground basin has a depth of approximately 100 feet. The storage capacity of the basin is 48,000 acre-feet, of which some 40,000 acre-feet may be considered a potential source of supply. In a state of nature, with all segments of the underground basin filled, the ground water gradient, being in a coastward direction, prevented intrusion of salt water from the ocean into the underground basin. Historically, upstream surface use and pumping from the basin permitted actual salt water intrusion. Constant recharging of the basin is required to prevent such intrusion.[54]

55. The surface area of the land overlying the Camp Pendleton Basin in the alluvial plain is 4,535.3 acres. The natural forage in this area is dependent upon the supply of water in the underground basin. Appreciable lowering of the water table in that basin results in destruction of that forage.[55]

56. The flow of the waters of the Santa Margarita River system constitutes the only source of supply of the water in the underground basin, and the surface flow and the waters of the underground basin constitute a single source of supply.[56]

57. The lower end of the underground basin terminates at an alluvial tongue lying between the basin and the Pacific Ocean. The tongue of alluvium is approximately 800 feet wide, encased in a geological formation known as the San Onofre Breccia which is relatively impervious. Either sea water or fresh water moves through the alluvial tongue, depending on the relationship of the head of the fresh water to the head of the sea water in the alluvial tongue. Sea water has moved through the alluvial tongue to intrude into the fresh water basin.[57]

VII. Historical Use of Water by Rancho Santa Margarita and Camp Pendleton—Vail Estate

A. General statement as to Rancho Santa Margarita

58. The Camp Pendleton military reservation of some 135,000 acres is the property which was formerly known as Rancho Santa Margarita y Las Flores, or Rancho Santa Margarita. It was devoted to the growth and production of horticultural and agricultural crops, and the raising and grazing of thousands of head of cattle.[58]

B. Lake O'Neill

59. Lake O'Neill 1 an off-channel, earth fill reservoir, located at the O'Neill or upper segment of the underground basin, having a capacity of some 1,260 acre-feet. Since at least 1920, the United States and its predecessors in interest used Lake O'Neill for agricultural and domestic purposes, during the irrigation season, by filling and refilling the reservoir, such beneficial use having been actual, open, notorious, hostile, and adverse to all other claimants on the river, and having been continuous and uninterrupted for the statutory period, and under a claim of right.[59]

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[39] H. M. Hall, vol. 1, p. 84, vol. 2, pp. 115, 126, 127.

[40] G. F. Worts, Jr., vol. 3, pp. 240–247.

[41] G. F. Worts, Jr., vol. 3, pp. 270–271; exhibits 9–12.

[42] H. M. Hall, vols. 1 and 2, pp. 84 and 152; exhibits 8, 32, and 36.

[43] H. M. Hall, vols. 1 and 2, pp. 84 and 152; exhibits 8, 32, and 36.

[44] H. M. Hall, vols. 1 and 2, pp. 84 and 152; exhibits 8, 32, and 36.

[45] W. R. Muehlberger, vol. 2, p. 205; exhibits 9–12.

[46] Exhibits 9–12.

[47] W. R. Muehlberger, vol. 2, p. 203, line 23 ff.; exhibit No. 8.

[48] W. R. Muehlberger, vol. 2, p. 204, line 13 ff.; H. M. Hall, vol. 1, p. 79, lines 4–25.

[49] PTO, pp. 10–11; G. F. Worts, vol. 3, p. 250, line 10.

[50] G. F. Worts, Jr., vol. 3, p. 262, line 25 ff.

[51] G. F. Worts, Jr., vol. 3, pp. 241–247.

[52] G. F. Worts, Jr., vol. 3, p. 247, line 4.

[53] G. F. Worts, Jr., vol. 3, pp. 247–298 passim; detailed description of the alluvial fill, as well as the geological structure which embraces or forms the basin, is contained in the geological exhibits introduced by the United States of America; exhibits Nos. 9, 10, 11, 12, and 13.

[54] G. F. Worts, Jr., vol. 3, p. 253, line 9ff.; pp. 257–258, exhibits Nos. 11 and 12.

[55] A. C. Bowen, vol. 7, p. 828, line 4; W. R. Taylor, vol. 5, p. 599, line 19.

[56] G. F. Worts, Jr., vol. 3, p. 266, line 19 ff.

[57] G. F. Worts, Jr., vol. 3, p. 261, line 8 to p. 263, line 2.

[58] H. W. Witman, vol. 5, pp. 575 ff.; *Rancho Santa Margarita* v. *Vail*, 1938, 11 Cal. 2d 501, 81 P. 2d 533, 542.

[59] H. W. Witman, vol. 5, p. 576; Exhs. 14 and 44; A. C. Bowen, vol. 3, pp. 399 ff.

60. During a 5-year period since 1920, 21,502 acre-feet of water have been diverted at the O'Neill ditch, giving an average of 4,300 acre-feet per year during this 5-year period.[60]

C. Agricultural use outside of the watershed

61. Stuart Mesa, a part of the property of the United States, borders the Pacific Ocean and lies immediately north of the Santa Margarita River, partly within and partly without the watershed of that river. South Coast Mesa, also a part of the property of the United States, borders the Pacific Ocean and lies immediately south of the Santa Margarita River, partly within and partly without the watershed of that river.[61]

62. Stuart Mesa comprises some 1,200 acres, of which 964 acres lie outside of the watershed; South Coast Mesa comprises some 600 acres, of which some 269 acres lie outside of the watershed.[62]

63. All of Stuart Mesa outside of the watershed was placed under irrigation by a pipeline system in 1938, and all of South Coast Mesa outside of the watershed was placed under irrigation by a pipeline system in 1939. The irrigation of both areas has been open, adverse, continuous, and hostile, made under a claim of right, and instituted after the Supreme Court of California had declared that there was insufficient water in the Santa Margarita River for either of the major riparian owners.[63]

64. All of the water used in the irrigation systems supplying the two mesa areas is and has been pumped from the underground basin underlying Camp Pendleton. The duty of water for the 1,223 acres so irrigated is 4,806 acre-feet per year. Cropping on the mesas is carried on throughout the year.[64]

D. Military use

65. Water has been delivered through the water-distribution system of Camp Pendleton since the property acquired by the United States was put in operation as a military installation in 1942. The distribution system at the present time is substantially the same as that put into use in 1942. All of the water distributed by the system is pumped from the underground basin underlying Camp Pendleton.[65]

66. In addition to the water distributed for agricultural (irrigation) purposes on Stuart Mesa and South Coast Mesa outside of the watershed, practically all of the water delivered for military use by the distribution system is delivered outside of the watershed, includings areas 11, 12, 13, 14, 15, 16, and 17, as well as Camp Del Mar.[66]

67. The actual use of water by Camp Pendleton from the year 1943 to date is shown in the following table:

Quantities of water from the Santa Margarita River historically utilized both within and without the watershed by the United States of America

Year	Within, acre-feet	Without, acre-feet	Total, acre-feet
1943	5,389	1,591	6,980
1944	5,298	1,,85	7,063
1945	6,396	4,332	10,728
1946	6,160	3,729	9,889
1947	6,374	4,350	10,724
1948	6,894	4,417	11,311
1949	6,637	5,008	11,645
1950	6,407	4,402	10,809
1951	6,275	3,983	10,258

[60] Exhibit 14.
[61] Exhibit 22.
[62] Exhibit 41.
[63] H. W. Witman, vol. 5, pp. 579 ff.; *Rancho Santa Margarita* v. *Vail, supra.*
[64] H. W. Witman, vol. 5, pp. 581, 583; exhibit 41.
[65] J. R. McNearny, vol. 5, pp. 615–616.
[66] J. R. McNearny, vol. 5, p. 616.

This gives an average per year of 9,934 acre-feet. The needed average, on a present-day basis, is 11,000 acre-feet per year.[67]

68. The washing of military vehicles and equipment following immersion in sea water is a major item of water use in the United States Marine Corps.[68]

69. The water requirements of the personnel attached to Camp Pendleton are 200 gallons per person per day.[69]

70. The population of Camp Pendleton on October 30, 1952, was 49,123, and this population is constantly increasing.[70]

71. The planned peacetime population of Camp Pendleton, based on planning for the fiscal year 1954, is 105,000 persons.[71] The average annual demand for water from the Santa Margarita River for military purposes premised upon that population figure is approximately 23,500 acre-feet.

E. Natural surface irrigation above underground basin

72. Though the Santa Margarita River is an intermittent stream, it has historically for brief periods raised to higher levels within the natural high-water channel of the stream, overflowing lands in Camp Pendleton which during the long dry periods receive only subirrigation from the underground basin. That overflow watered, enriched and fertilized the lands, resulting in increased productivity of the land and enhancement of its value.[72]

F. Historical use of water by Vail Estate

73. The Vail Estate is the only major owner of riparian lands on the Santa Margarita River other than the United States. It holds fee simple title to 40,575 acres of riparian lands of which 29,410 acres can be practicably and profitably irrigated. If available, 79,510 acre-feet of water from the Santa Margarita River could be applied profitably to those lands. At the present time, due to the shortage of water, only 4,500 acres of lands of the Vail Estate are being irrigated. The Vail Estate is now building an extension of its irrigation system for the purpose of increasing substantially the number of acres it will irrigate.[73]

74. Pursuant to Permit No. 7032 issued by the Department of Public Works of the State of California, dated February 18, 1948, the Vail Estate completed the construction of the Vail Dam at the head of Nigger Canyon, on the Temecula River, and closed the gates in November, 1948. The storage capacity of this dam is some 50,000 acre-feet. Further development of Vail lands is actively underway.[74]

75. The Vail method of operation is control of the stream by means of the dam, and storage of water in the Temecula Basin, from which the pumps on the Vail lands riparian to the Santa Margarita-Temecula River extract water for domestic and farm use.[75]

G. Litigation between Rancho Santa Margarita and Vail estate

76. On August 22, 1924, the Rancho Santa Margarita, a corporation (in effect the predecessor in interest of the United States of America) instituted action to determine its rights to the waters of the Santa Margarita as against the Vail interests. A legal determination of those rights was expounded by the Supreme Court of California in the case of *Rancho Santa Margarita* v. *Vail* (11 Cal. 2d 501, 81 P. 2d 533, dated August 11, 1938). Pursuant to that decision, the parties, rather than resort to a new trial as was ordered (since the original trial had been conducted over a period of 3 years, consuming 444 actual court days), entered into a stipulated judgment which is an exhibit admitted in this proceeding. In that stipulated judgment, which has been adopted by the United States in a stipulation filed in this court on July 8, 1952, the respective rights of the Rancho Santa Margarita and the Vail estate were specified.[76]

VIII. Soil Classification of Camp Pendleton Property

A. Riparian land susceptible of practicable and profitable irrigation

77. The Camp Pendleton property of the United States includes 18,648.3 acres of land riparian to and lying within the watershed of the Santa Margarita River, susceptible of practical and profitable irrigation, having a duty of water of 69,237 acre-feet per year.[77]

B. Nonriparian lands susceptible of practicable and profitable irrigation

78. The Camp Pendleton property of the United States includes 1,223 acres lying outside the watershed but irrigated practicably and profitably by water derived from the watershed.[78]

C. Total acreage susceptible of practicable and profitable irrigation

79. The total acreage susceptible of practicable and profitable irrigation, within the watershed of the Santa Margarita River, and without the watershed but irrigated by waters derived therefrom, is 19,861.3.[79]

D. Duty of water

80. The total duty of water for this acreage is 74,042.5 acre-feet per year.[80]

E. Classification of lands

81. A detailed study of the Camp Pendleton lands within the watershed has been compiled according to standards prescribed by the United States Soil Conservation Service.[81]

1. Class I lands.

(a) Characteristics:

82. Class I lands are very good land with little or no limitation on use. It is nearly level, deep and commonly without erosion.[82]

(b) Acreage:

83. There are 3,172.7 acres of class I lands in the 18,648.3 acres described above.[83]

2. Class II lands.

(a) Characteristics:

84. Class II lands are good land with minor physical limitations, as gentle slopes, less deep soils or slight erosion. Choice in crops is reduced or special practices as water management, contour operations, cover cropping or longer rotations are needed.[84]

(b) Acreage:

85. There are 1,380.7 acres of class II land in the 18,648.3 acres described above.[85]

3. Class III lands.

(a) Characteristics:

86. Class III lands are moderately good land with major physical limitations, as relatively steep slopes, shallow soils or severe erosion. Choice in crops is further reduced and more protective measures are required as terracing, stripcropping, and careful water management.[86]

(b) Acreage:

87. There are 3,147.8 acres of class III land in the 18,648.3 acres described above.[87]

4. Class IV lands.

[67] Exhibit 40.
[68] E. B. Robertson, vol. 5, p. 662.
[69] E. B. Robertson, vol. 5, p. 663.
[70] E. B. Robertson, vol. 5, pp. 677, 678.
[71] E. B. Robertson, vol. 5, pp. 662, 668.
[72] W. D. Taylor, vol. 5, p. 599.
[73] Exhibit 33; H. M. Hall, vol. 2, p. 114.
[74] Exhibit 4; H. M. Hall, vol. 2, p. 116.
[75] H. M. Hall, vol. 2, p. 151.
[76] Case cited; exhibit 37.
[77] A. C. Bowen, vol. 3, p. 351, line 11; exhibit 38.
[78] Exhibit 41.
[79] Notes 69 and 70.
[80] Exhibits 38 and 41.
[81] A. C. Bowen, vol. 3, p. 357 ff.
[82] Exhibit 25–B.
[83] Exhibit 25–B.
[84] Exhibit 25–B.
[85] Exhibit 25–B.
[86] Exhibit 25–B.
[87] Exhibit 25–B.

(a) Characteristics:

88. Class IV lands are fairly good lands that are best suited to pasture and hay but can be cultivated occasionally—usually not for more than 1 year in 6. When plowed, careful erosion practices must be used.[88]

(b) Acreage:

89. There are 4,308.2 acres of class IV land in the 18,648.3 acres described above.[89]

5. Class V lands.

(a) Characteristics:

90. Class V lands are lands very good for grazing or forestry. It has slight or no physical limitations and needs only good management.[90]

(b) Acreage:

91. There is no class V land in the 18,648.3 acres described above.[91]

6. Class VI lands.

(a) Characteristics:

92. Class VI lands are the lands good for grazing or forestry. It has minor physical limitations and needs some protective measures.[92]

(b) Acreage:

93. There are 6,638.9 acres of class VI lands in the 18,648.3 acres described above.[93]

7. Class VII lands.

(a) Characteristics:

94. Class VII lands are lands moderately good for grazing or forestry. It has major physical limitations and needs extreme care to prevent erosion or destructive burning, or to overcome other hazards.[94]

(b) Acreage:

95. There are 8,449.9 acres of class VII land in the Santa Margarita River watershed area of Camp Pendleton. Class VII land is not considered irrigable.[95]

8. Class VIII lands.

(a) Characteristics:

96. Class VIII lands are suited only for wildlife or recreation. This land is usually steep, rough, stony, sandy, wet or highly erodable.[96]

(b) Acreage:

97. There are 10,663.7 acres of class VIII land in the Santa Margarita watershed area of Camp Pendleton. Class VIII land is not considered irrigable.[97]

IX. Vail Lands

A. Title

98. The lands of the Vail estate lying in the watershed of the Santa Margarita-Temecula River are owned by the Vail Estate in fee simple.[98]

B. Riparian lands susceptible of practicable and profitable irrigation

99. There are 29,410 acres of land susceptible of practicable and profitable irrigation owned by the Vail Estate in the watershed of the Santa Margarita-Temecula River and riparian to that stream.[99]

C. Duty of water

100. The duty of water upon the 29,410 acres above described is 79,514 acre-feet per year.[100]

D. Soil classification

1. Class A lands.

(a) Characteristics:

101. Class A lands are lands which by reason of soils, air drainage, elevations, topography, and assumed temperatures are suitable for such crops as oranges, lemons, any varieties of avocados and cherimoyas, assuming that the average number of hours in any 1 year of temperatures below 30° F. would not be greater than 25, and where minimum temperatures of 20° F. do not occur with greater frequency than once in 10 years; and where maximum temperature of 110° F. before July 15 or 115° F. after July 15 with concurrent humidities lower than 20 percent do not occur oftener than once in 5 years.[101]

(b) Acreage:

102. There are 10,991.7 acres of class A lands in the 29,410 acres described above.[102]

(c) Duty of water:

103. The duty of water on these class A lands is 25,830 acre-feet per year.[103]

2. Class B lands.

(a) Characteristics:

104. Class B lands are lands which by reason of their soils, air drainage, elevations, topography, exposures, and temperatures are on the average suitable for such crops as oranges, hardy avocados, sapotes, and guavas, assuming the average number of hours in any one winter of temperatures below 30° F. would not be greater than 100 and where minimum temperatures of 20° F. do not occur with greater frequency than once in 10 years; and where maximum temperatures of 110° F. before July 15 and 115° F. after July 15, with concurrent humidities lower than 20 percent do not occur oftener than once in 5 years.[104]

(b) Acreage:

105. There are 7,210.3 acres of class B lands in the 29,410 acres described above.[105]

(c) Duty of water:

106. The duty of water on these class B lands is 16,944 acre-feet per year.[106]

3. Class C lands.

(a) Characteristics:

107. Class C lands are lands which by reason of their soils, air drainage, elevations, topography, slopes, exposures, and temperatures are suitable for alfalfa, truck crops such as tomatoes, melons, and squash; also deciduous fruits, walnuts, almonds, grapes, olives, figs, loquats, and oriental persimmons; assuming serious injury to blossom or young fruit by late frosts occurring after May 1 or to unharvested mature olives by early fall frosts previous to December 1 are not of greater frequency than once in 5 years.[107]

(b) Acreage:

108. There are 5,393.7 acres of class C land in the 29,410 acres described above.[108]

(c) Duty of water:

109. The duty of water on these class C lands is 13,484 acre-feet per year.[109]

4. Class D lands.

(a) Characteristics:

110. Class D lands are lands which by reason of their soils, air drainage, topography, slopes, exposures, and temperatures are suitable for the growth of such crops as alfalfa, annual summer crops, such as potatoes, lettuce, onions, melons, Indian corn, sorghums, etc., assuming summer temperatures between May 1 and October 1 do not fall below 30° F. or rise above 110° F. oftener than once in 5 years.[110]

(b) Acreage:

111. There are 5,814.2 acres of class D lands in the 29,410 acres described above.[111]

(c) Duty of water:

112. The duty of water on these class D lands is 23,256 acre-feet per year.[112]

X. Water Available to United States of America at Camp Pendleton

113. The quantity of water available to the United States of America at Camp Pendleton from the Santa Margarita River, including rights of all types and characters, is 12,500 acre-feet per year.[113]

114. The United States has husbanded its water well, as evidenced by the practice, in addition to other conservation measures, of returning sewage effluent to the supply of the underground basin.[114]

115. There is no surplus water at the present time available for appropriation from the Santa Margarita River system; there was no surplus so available in the year 1946; there was no surplus so available when Camp Pendleton was placed in operation as a military installation in 1942.[115]

XI. Irrigable Land in Watershed

116. There are some 127,000 acres of land, including the Vail lands, in the watershed of the Santa Margarita River, above the Camp Pendleton property of the United States, which are susceptible of practicable and profitable irrigation.[116]

XII. View by Court of Lands in Controversy

117. The trial judge has viewed the lands involved in the present controversy.[117]

XIII. Additional Facts

118. Pursuant to the provisions of the stipulated judgment, exhibit A of the complaint, the Vail estate is required to maintain for the designated period a flow of water of 3 cubic feet per second at the Temecula Canyon gaging station on the Santa Margarita River which would not be present except for the provisions of the stipulated judgment.[118]

119. The State of California, defendant in intervention, has entered into the following stipulation with the United States of America which has been approved by this court and filed in this case:

"On the 15th day of August 1951 the people of the State of California, in accordance with invitation of the United States of America, petitioned this court to intervene in this litigation. On that date an order was allowed and entered by this court granting the petition.

"For the clarification of the issues in this litigation, and for the benefit of all of the parties to this cause, it is hereby stipulated:

"I

"That in paragraphs VIII and IX of plaintiff's complaint herein, and in paragraphs 2 and 3 of the prayer of said complaint, the word 'paramount' is used in the same sense in which that word is used in the second paragraph on page 374 of the opinion of the Supreme Court of California in the case of *Peabody* v. *City of Vallejo* (2 Cal. 2d 351), fourth paragraph on page 494 (40 P. 2d 486).

"II

"That in this cause the United States of America claims only such rights to the use of water as it acquired when it purchased the Rancho Santa Margarita, together with any rights to the use of water which it may have gained by prescription or use, or both, since its acquisition of the Rancho Santa Margarita.

"III

"That the United States of America claims by reason of its sovereign status no right to the use of a greater quantity of water than is stated in paragraph II hereof.

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[88] Exhibit 25–B.
[89] Exhibit 25–B.
[90] Exhibit 25–B.
[91] Exhibit 25–B.
[92] Exhibit 25–B.
[93] Exhibit 25–B.
[94] Exhibit 25–B.
[95] Exhibit 25–B.
[96] Exhibit 25–B.
[97] Exhibit 25–B.
[98] PTO, p. 68.
[99] H. M. Hall, vol. 2, pp. 106, 114.
[100] H. M. Hall, vol. 2, p. 114.
[101] Exhibit 33.
[102] Exhibit 33.
[103] H. M. Hall, vol. 2, p. 114.
[104] Exhibit 33.
[105] Exhibit 33.
[106] H. M. Hall, vol. 2, p. 114.
[107] Exhibit 33.
[108] Exhibit 33.
[109] H. M. Hall, vol. 2, p. 114.
[110] Exhibit 33.
[111] Exhibit 33.
[112] H. M. Hall, vol. 2, p. 114.
[113] P. F. Henderson, vol. 5, p. 530; exhibits 14 and 44; H. M. Hall, vol. 2, pp. 101–111.
[114] A C. Bowen, vol. 4, pp. 465–468.
[115] Exhibits 14, 44, Y; H. M. Hall, vol. 2, pp. 101–111; P. F. Henderson, vol. 5, p. 530.
[116] H. M. Hall, vol. 2, p. 110.
[117] Court, vol. 2, pp. 116–117.
[118] H. M. Hall, vol. 2, p. 184; exhibit 37.

"IV

"That the rights of the United States of America to the use of water herein are to be measured in accordance with the laws of the State of California.

"V

"That the parties to this stipulation will request the entry of a pretrial order by this court defining the issues in this cause, in conformity with the statements contained in this stipulation.

"VI

"That there will be a full, complete and mutual exchange of data and information as to the subject matter of this cause collected by the respective parties to this stipulation, including data respecting the issuance of any permits or licenses issued by the State of California in connection with the rights to the use of water of the Santa Margarita River. Such exchange of information by the United States, will be subject to clearance by the commanding officer, Camp Joseph H. Pendleton, in respect to military security, as determined by said officer.

"Dated: November 29, 1951." [119]

120. Application No. 11578 to appropriate water from the Santa Margarita River was filed October 4, 1946, by the Santa Margarita Mutual Water Co. with the State of California Department of Public Works, Division of Water Resources, State engineer. The application was for 60 cubic feet of water per second from the Santa Margarita River. In addition to the direct flow right above mentioned, the application in question is for a storage right of 5,000 acre-feet of water from Temecula Creek at the approximate site of the Vail Dam and reservoir.[120]

121. Application No. 12152 to appropriate water from the Santa Margarita River was filed November 12, 1947, by the Santa Margarita Mutual Water Co. with the State of California Department of Public Works, Division of Water Resources, State engineer. The application was for 60,000 acre-feet of water from the Santa Margarita River for storage.[121]

122. The Santa Margarita Mutual Water Co. has diverted no water and has no facilities with which to divert or utilize water. However, the plans of that company if carried out would result in the diversion of large quantities of Santa Margarita River water from the watershed of that stream.

CONCLUSIONS OF LAW

[1] 1. Jurisdiction to entertain this action was conferred upon this court by express congressional enactment. (28 U. S. C. A., sec. 1345).

[2] 2. The United States of America, as any other owner of property, is entitled to have its rights in that property adjudicated by a court of competent jurisdiction. (U. S. *v.* Fallbrook Public Utility District (U. S. D. C. S. D., 1951, 101 F. Supp. 298, 301).)

3. There was ceded to the United States of America by the State of California the exclusive jurisdiction of the approximately 135,000 acres of land comprising Camp Pendleton, the United States Naval Hospital and the United States Naval Ammunition Depot.

4. The State of California has properly intervened in this proceeding. It does not, however, seek to have adjudicated here any substantive rights.

5. The Santa Margarita Mutual Water Co. is a public corporation in good standing, organized and existing pursuant to the laws of the State of California.

6. Fee simple title to approximately 135,000 acres of land and to all appurtenant rights to the use of water, both riparian and prescriptive, all as set forth in the preceding findings of this Court, resides in the United States of America, subject, however, to the easement for a railroad right of way of the Atchison, Topeka and Santa Fe Railroad. That land constitutes the site of the Marine Corps training base known as Camp Pendleton, the United States Naval Ammunition Depot and the United States Naval Hospital.

7. The Santa Margarita River is a natural, non-navigable, intermittent, intrastate stream. In its course it traverses virtually the entire length of the military establishment in question. For its last 21 miles before entering the Pacific Ocean, the Santa Margarita River flows upon and across lands owned by the United States. For that distance, those properties of the United States abut upon both banks of the stream. There are no water users or landowners on the Santa Margarita River below the lands of the United States.

8. There are 37,882.2 acres of the 135,000 acres of land to which the United States holds fee simple title, riparian to the Santa Margarita River. Of that total, there are 18,648.3 acres that are susceptible of practicable and profitable irrigation.

9. The Vail Estate holds fee simple title to approximately 40,575 acres of land riparian to the Santa Margarita River. Of that total riparian acreage, the Vail estate holds fee simple title to 29,410 acres of land which are susceptible of practicable and profitable irrigation.

10. The Vail Estate has constructed and now maintains a concrete dam across the Santa Margarita River [sometimes referred to in the particular reach of the river here under consideration as Temecula Creek]. Large quantities of water have been impounded behind that concrete structure and those waters have been diverted and applied to a beneficial use. That structure is known as the Vail Dam and Reservoir and has a potential storage capacity of 50,000 acre-feet. To the extent that water has been actually impounded and applied to beneficial use, there resides in the Vail Estate an exercised and completed appropriative right; to the extent of the potential storage capacity of the Vail Reservoir, there is an incipient, in choate, and unexercised right to the use of water in the Santa Margarita River which shall ripen into a vested appropriative right to that extent or to any lesser quantity which is actually impounded, divested, and applied to beneficial use.

11. The Vail Estate has proceeded to acquire the exercised and completed appropriative right mentioned in the preceding paragraph in conformity with the laws of the State of California. It similarly holds the incipient and inchoate rights to which reference has been made. It has a priority for those rights of August 16, 1946, subject to all vested prior rights.

12. The riparian rights of the United States of America and the Vail Estate entitle them to a reasonable use of their correlative share of all of the water of the Santa Margarita River, including the surface flows [which embraces the flow which has historically enriched, fertilized, and watered the surface area of the alluvial underground basin underlying Camp Pendleton] and the subsurface flow of that stream which subirrigates the lands adjacent to the stream. Those riparian rights of the United States of America likewise entitle it to make a reasonable use of the waters of the underground basin situated within the confines of Camp Pendleton, all of which are more particularly described in the preceding findings. Moreover, the subsurface flow and the underground basin comprise a single source of supply to meet the needs of Camp Pendleton, the United States naval hospital, and the United States naval ammunition depot. It likewise constitutes the source of water supply for the agricultural uses, including the watering of livestock, all as described in the preceding findings.

13. The flow of the Santa Margarita River is not sufficient to supply all of the riparian needs of the riparian lands of the United States of America. Similarly, the flow of the Santa Margarita River is insufficient to supply all of the riparian needs of all of the riparian lands of the Vail Estate. Thus the average annual yield of the Santa Margarita River is insufficient to meet all of the riparian demands of either the United States of America or the Vail Estate. By a stipulated judgment, exhibit A of the complaint, the respective rights of the United States of America and the Vail Estate, insofar as this litigation is concerned, have been established.

14. The riparian rights of the United States of America in the Santa Margarita River are held by it correlatively and reciprocally with all other riparian owners on the stream. The riparian rights to the use of water to which the United States holds title, like all other riparian rights, are part and parcel of the land. It acquired those rights from the Rancho Santa Margarita. They are inseparably annexed to the land; they were not acquired by use nor are they lost by disuse.

[3] 15. Riparian rights, like other property rights, are protected against encroachment by the Constitution and laws of the United States of America and the constitution and laws of the State of California.

[4, 5] 16. Riparian rights to the use of water may be exercised for any beneficial purpose. Moreover, the riparian owner is protected in his riparian rights not only for present actual beneficial uses but likewise for all prospective reasonable beneficial uses.

[6] 17. Riparian rights for present actual beneficial uses and for future prospective beneficial uses are, under the laws of the State of California, accorded a paramount and preferential status to the right of any subsequent appropriator.

[7] 18. A military use is a beneficial use for which riparian rights may be exercised. (D. C., 108 F. Supp. 72.)

[8, 9] 19. The past and present diversion of water by the United States of America from the Santa Margarita River, as disclosed in the preceding findings, has been a reasonable exercise under the laws of the State of California of its riparian rights. There resides in the United States of America, as against the Santa Margarita Mutual Water Co. a right to divert annually from the Santa Margarita River for military use, which use, in the light of evidence adduced, would be a reasonable exercise by the United States of America of its riparian rights in the Santa Margarita River, a quantity of water equivalent to the maximum demands set forth in the findings for agricultural purposes. However, as disclosed by the findings, predicated upon the average annual yield of the Santa Margarita River and the known entitlements to water of the other riparians and appropriators with rights prior to the Santa Margarita Mutual Water Co., there is available to the United States of America for use at Camp Pendleton, the United States Naval Ammunition Depot, and the United States Naval Hospital a quantity of water not exceeding 12,500 acre-feet a year. Only by the most careful use and reuse of the waters and protection of the underground basin for peak demand during periods of emergency will the United States be in a position to meet the demands of total mobilization.

20. There resides in the United States of America in connection with those riparian lands susceptible of practicable and profitable irrigation described in the preceding findings, as against the Santa Margarita Mutual Water Co., the right to divert for agricultural purposes the number of acre-feet of water annually, as disclosed by those findings. As recognized above, however, the reasonable irrigation demands for the riparian lands susceptible of practicable and profitable irrigation far exceed the annual yield of the Santa Margarita River.

[119] PTO pp. 19–20.
[120] PTO p. 16.
[121] PTO p. 17.

[10, 11] 21. Under the laws of the State of California, rights to the use of water being a species of real property, may be acquired by adverse use for the 5-year period prescribed by State statute. That principle applies to the surface flow, subsurface flow and the waters diverted from the underground basin. Since prior to 1920, the United States of America and its predecessor in interest have impounded water in Lake O'Neill described in the preceding finding and have applied that water to beneficial use. That diversion, as revealed by the findings of fact, has been actual, open, notorious, hostile, and adverse to all claims of right, continuous and uninterrupted for the statutory period and made under claim of right. There was, by reason of that fact, acquired a prescriptive right in connection with the structure in question to the quantities of water set forth in the findings of fact. Moreover, all of the elements for acquisition of prescriptive rights have been found to exist respecting the use of water from the Santa Margarita River upon those areas known as the South Coast Mesa and the Stuart Mesa. There resides in the United States of America a prescriptive right to the use annually of the quantities of water set forth in the findings of fact in connection with the area referred to in the preceding sentence.

[12, 13] 22. There rested with the Santa Margarita Mutual Water Co., which asserts inchoate and unexercised appropriative claims from the Santa Margarita River with priority dates of October 4, 1946, and November 12, 1947, the burden of proving that there exists in the stream in question a surplus of water in excess of reasonable beneficial uses by those who, at the time the company sought to initiate its appropriative rights, had prior and preferential rights in that stream. The Santa Margarita Mutual Water Co. failed to sustain that burden of proof. To the contrary, as revealed by the findings and evidence, the average annual yield of the Santa Margarita River when the Santa Margarita Mutual Water Co. sought to initiate its rights was far short of the demands of the vested rights to the use of water of the riparian, appropriative, and prescriptive claims to water from the Santa Margarita River.

[14] 23. Each and every right to the use of water of the United States of America in the Santa Margarita River, including but not limited to the rights contained in the stipulated judgment, exhibit A of the complaint, are prior and paramount to the rights claimed in that stream by the Santa Margarita Mutual Water Co.

24. Predicated upon the decision of this Court entered December 9, 1952, *United States of America* v. *Fallbrook Public Utility District* (109 F. Supp. 28), the findings of fact and these conclusions of law, the United States of America is entitled to judgment in this action adjudging and declaring that it is the owner of the rights to the use of water which were the subject matter of this cause and quieting its title against the adverse claims asserted by the defendant Santa Margarita Mutual Water Co.

JUDGMENT

The above-entitled case, having come on regularly for trial in open court without a jury, the Court having heard the evidence therein, having inspected the properties involved, having heard the arguments of counsel, and all propositions of law having been thoroughly briefed, and having entered an order and opinion dated December 9, 1952, stating that a judgment will be entered quieting the title of the United States of America in and to its rights to the use of water in the Santa Margarita River against the adverse claims of the defendant Santa Margarita Mutual Water Co.; findings of fact and conclusions of law having been duly entered in this Court disclosing the salient facts and principles of law determined herein; it is hereby ordered, adjudged, and decreed that—

1. The United States of America is the owner in fee simple of approximately 135,000 acres of land situated in the counties of San Diego and Riverside, State of California, together with the appurtenant rights to the use of water hereinafter described.

2. Of the acreage of the United States involved in this litigation, 37,882.2 acres lie in the watershed of the Santa Margarita River and are riparian to it.

3. Of that riparian acreage in the watershed, 18,648.3 acres can be practicably and profitably irrigated.

4. The riparian acreage of the Vail Estate is 40,575 acres, of which 29,410 acres can be profitably irrigated. These lands are within the watershed of the stream and drain into it. They have access to the stream and constitute one continuous piece, no part of which has ever been severed from its riparian rights.

5. The Vail Estate has, at the present time, 4,500 acres under irrigation.

6. On the basis of an irrigable acreage of 29,410 acres, 79,514 acre-feet of water could be applied profitably to the irrigable lands of the Vail Estate.

7. The 18,648.3 acres of irrigable land of the United States in the watershed would call for a duty of water of 69,237 acre-feet of water per year.

8. As to such prospective use, the United States is entitled to a declaration that its right to such water is paramount to those claimed by the Santa Margarita Mutual Water Co. under its applications dated October 4, 1946, and November 12, 1947.

9. As between the United States and the Vail estate, their correlative rights are to be determined according to the stipulated judgment entered in the case entitled *Rancho Santa Margarita* v. *Vail* (No. 42850, Superior Court, San Diego County, on December 27, 1940), as agreed to by stipulation entered between the United States and the Vail Estate on July 8, 1952.

10. The military use is a riparian use and the paramount rights of the United States extend to the full measure of the capable riprarian agricultural use to which the lands can be put. The United States has put to beneficial use water to the extent of on an average of 9,934 acre-feet per year. The present needed average is 11,000 acre-feet per year. The peacetime needs of present plants of the Marine Corps are 23,500 acre-feet of water annually from the Santa Margarita River. These quantities are all reasonable and beneficial uses. The maximum demand in the event of full mobilization is a quantity which does not exceed the duty of water for the maximum agricultural use to which the United States would be entitled under its riparian rights.

Included in the quantities of water actually used are 4,806 acre-feet used on irrigated lands outside the watershed which the United States has acquired the right to use by prescription, unaffected by any administrative action by the Department of Water Resources of the State of California.

In addition, the United States of America has acquired by prescription the right to divert and impound annually in Lake O'Neill 4,300 acre-feet of water.

11. A study of the water supply leads to the conclusion that not more than 12,500 acre-feet annually from the Santa Margarita River, under the most favorable circumstances, are available as a water supply at Camp Pendleton.

12. If the correlative rights of the two chief riparian owners (the United States of America and the Vail Estate) are considered, there was not at the time of the filing of the appropriation notices by the Santa Margarita Mutual Water Co. in 1946 and 1947 any surplus water supply to appropriate.

13. There is no surplus water supply at the present time subject to appropriation.

14. Each and every right to the use of water of the United States of America in the Santa Margarita River which has been proved in this case and reflected in the findings of fact and conclusions of law are prior and paramount to every right asserted by the defendant Santa Margarita Mutual Water Co.

15. As the Santa Margarita Mutual Water Co. has not made any diversion and no permits for diversion or for construction of a dam have been issued by the State of California, injunction against further prosecution of the applications is not necessary. A declaration of right will suffice. The court is certain that in acting on any application the State authorities will take into consideration the terms of this decision.

16. It is further ordered, adjudged, and decreed that the rights, title, and interest of the United States in and to the rights to the use of water hereinabove described are quieted as against the adverse claims of the defendant Santa Margarita Mutual Water Co. and the defendant in intervention the State of California, and all parties claiming under them; and they and each of them are forever barred from any and all claim of right, title, or interest in and to those rights to the use of water.

17. The adjudication here made and the findings of fact and judgment constitute a partial adjudication of the claims here involved pursuant to the Federal Rules of Civil Procedure, rule 54 (b), 28 U. S. C. A., and they are subject to revision and will not become final until the claims of the Santa Margarita Mutual Water Co. and the Fallbrook Public Utility District are finally determined.

This court reserves the right to grant to the United States of America such further and additional relief as may be required to effectuate this judgment.

Mr. FULBRIGHT. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. FULBRIGHT. Is it not true that in 1938 there was a previous suit in the State court, in which similar findings of fact were made, so that this is not the first time that amount has been found to be approximately the flow?

Mr. DOUGLAS. I believe that is correct.

Mr. FULBRIGHT. That case was for the purpose of determining rights as between the Vail estate, which is an upper riparian owner, and the predecessor of the Government in the ownership of the land which now constitutes Camp Pendleton.

Mr. DOUGLAS. That is correct.

Mr. FULBRIGHT. So if that is held still to be true, this proposed legislation could not possibly go into effect. Therefore, one is led to wonder whether there is not some other reason for enacting the pending legislation. I think that is one reason why some members have been very much worried about it.

Mr. DOUGLAS. The Senator from Arkansas touches upon a point which is really covered in the 13th finding of the district judge:

> There is no surplus water supply at the present time subject to appropriation.

Mr. FULBRIGHT. Mr. President, will the Senator further yield?

Mr. DOUGLAS. I yield.

Mr. FULBRIGHT. That means, then, that the dam would not be built, even if this proposed legislation were enacted. Therefore, on the one hand,

either we are doing a futile thing, if the court is correct, or some other legislation or some other administrative action about which we know nothing, is contemplated by the sponsors of the pending bill. In other words, we would create a situation with respect to which something would have to be done, as a political matter, would we not?

Mr. DOUGLAS. I should say that if the facts stated by the judge are correct, and if the legal conclusions are correct, we are likely to have a $22 million dam on a relatively dry creek, or else nothing will be done, and the bill will prove to be no more than a gesture.

Mr. FULBRIGHT. It could not be inspired by any political considerations in the State of California, could it?

Mr. DOUGLAS. The statement of the Senator from Illinois is not inspired by any political considerations in the State of California.

Mr. President, I hope that the restrictions on the use of governmental funds may be removed from the current appropriation bill, although we are not at all certain that they will be. If the suits are prosecuted, with or without the great handicaps now imposed upon the Government, and the courts find that the Government's claims are correct, as was found in the lower court, then in all probability there will be no surplus water. In the face of that situation, if the Secretary of the Interior decides to go ahead with the construction of the dam—for which, by the way, no final project report has been made—we shall be placing a $22 million dam on a dry creek. If he decides not to go ahead with the construction of the dam, then the enactment of this bill will prove to be an empty gesture. It may have an effect on the voters and on certain powerful economic interests of California, but it will have no practical effect.

If, on the other hand, the decision is in favor of the Fallbrook Utility District, and they take the water, then there will be insufficient water for Camp Pendleton, insufficient water for the Marine Corps, insufficient water for the 1 or 2 divisions which are needed for the defense of the country; and either a new base will have to be developed which will have water—and I can imagine the people of California loudly protesting if a proposal is made to take away two Marine divisions from California—or the Navy or the Marine Corps will be compelled to install conduits and huge pipes to get the water from the Colorado River. This will not be pleasing to Arizona, which is fighting desperately to hold on to the water from the Colorado; will, in addition, cost the Government approximately a million dollars a year.

Therefore, I believe that the Senate has been sold a bad bill of goods. I believe we will rue the day when the previous amendment was voted down. I know perfectly well what is going to happen; I know that the bill is going to be passed. However, I believe that the Senate will also regret the day when the bill was passed. I say that because we cannot quarrel with reality. We cannot wipe away facts.

Mr. President, I do not intend to continue the argument on the bill any further. I merely wish to say that I shall vote against it and that the time will come when the enactment of this bill will be found to have been a gigantic mistake.

Mr. KNOWLAND. Mr. President, on behalf of my colleague the junior Senator from California [Mr. KUCHEL], who is temporarily out of the Chamber, I yield 5 or 10 minutes to the Senator from New Mexico [Mr. ANDERSON].

Mr. ANDERSON. Two or three minutes will be sufficient.

The PRESIDING OFFICER (Mr. HICKENLOOPER in the chair). The Senator from New Mexico is recognized for 2 or 3 minutes, or for 10 or 15 minutes. [Laughter.]

Mr. ANDERSON. Mr. President, what I wish to bring out is an answer to the question, "Why do you want to build a dam if the annual flow, averaged over a period of 30 years, is about what Camp Pendleton requires?"

Those of us who live in regions where irrigation is necessary know the answer. Sometimes we have a very heavy rainfall, and what we try to do in areas of the country which depend on irrigation is to store the rainfall behind a dam and to make use of the water in the dry season.

If the annual flow could be nicely regulated, so that 12,000 acre-feet would come down the stream every year, there would be no occasion for building a dam.

I wish to read from the actual records of the State of California, and these are the figures I wish to point to. The flow for the 12-month period ending September 30 of each year was as follows:

In 1924 it was only 2,360 acre-feet.

In 1925 it was 790 acre-feet.

In 1926 it was 15,700 acre-feet.

In 1927 it was 91,200 acre-feet.

We would build that dam to try to keep that 91,200 acre-feet of water behind it and make use of 12,000 acre-feet, which is the amount of water required by Camp Pendleton, and store the remaining 79,000 acre-feet against another dry year.

That is the reason the construction of the dam is proposed.

I believe I was in error a moment ago when I said that the dam would be built on privately owned land. The maps persuade me to believe that the location of the dam would be on Government land, and that a part of the reservoir would be located on Government land and the other part on privately owned land.

I have participated in many discussions dealing with irrigation districts, and I have never known the question of who owns the land to come into the subject, because it is always settled when the dam is built.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. ANDERSON. When the dam is finally built, if the Indians own the land, restitution is made to the Indians, or we try to move them to another location, and add money to the appropriation to provide for moving them. If private interests own the land, it is subject to condemnation suits. That is the way it is handled. However, I do not believe that the question of who owns each acre of land is important. If the Government owns it, it is charged against the reclamation district and payment is made back to the Government and figured into the cost of the project.

Mr. FULBRIGHT. Mr. President, the Senator's last sentence is the answer I was trying to elicit.

Mr. ANDERSON. The Senator from Arkansas is completely right in raising that question.

Mr. FULBRIGHT. The bill does not provide for that specifically.

Mr. ANDERSON. I do not believe that any other similar bill ever did. I believe that a survey of the law in every State—and I can speak for my own State and for Colorado and for Arizona—will show that in computing the cost of the structure the land becomes an assessment against the entire project and is reimbursable.

Mr. FULBRIGHT. Mr. President, will the Senator yield for another question along the line of the last question?

Mr. ANDERSON. I yield.

Mr. FULBRIGHT. At page 40 of the hearings the Senator from New Mexico asked a question which I should like to read. I should like to ask the Senator also whether he ever got an answer to his question. The question he asked was this:

> Senator ANDERSON. We talk about irrigation projects, as to whether they are feasible, based on what the land might be worth when you get through with it and what the land is worth now, and we were dealing a short time ago with a project in the upper Colorado River Basin, which the Bureau of Reclamation does not now think is feasible because the assessment against the land may be as much as a thousand dollars an acre total, not in 1 year but total.
>
> Do I understand now that this might run as high as two, three, or four thousand dollars an acre?

Did the Senator from New Mexico ever get an answer to his question?

Mr. ANDERSON. Yes; I finally got an answer to the question. The answer was that unless it could be shown that the Navy needed some of this water the project might not be feasible. There seemed to be a question as to whether, in the absence of a requirement for water by Camp Pendleton, the project would be feasible. However, it should be remembered that the question of feasibility comes back to Congress, and the Senator from Arkansas would have no obligation to vote for an appropriation of $22 million unless he were shown a feasibility report.

I intend to cross that bridge when I come to it. I cannot believe that the Senator from Arkansas or the Senator from New Mexico would vote for a project unless there was a feasibility showing, or would appropriate a dollar in the absence of such a feasibility report.

Mr. FULBRIGHT. The Senator from New Mexico is an expert in this field. When an authorization for a project is submitted to Congress is it not customary to have the question of feasibility determined beforehand by an authorized agency of the Government? Is that not customary?

Mr. ANDERSON. The Senator is asking me a very embarrassing question, because the upper Colorado Basin bill, which will be before Congress shortly, will not carry a feasibility report on three projects in my State of New Mexico, but I shall try to persuade the Senator to vote for the bill nevertheless. I do not intend to be hung by my answer to the Senator's question.

Mr. FULBRIGHT. Is the Senator from New Mexico trying to establish a precedent in this case for his own case later on?

Mr. ANDERSON. No; because we have voted for many projects on which there were not complete feasibility reports. I say to the Senator from Arkansas that generally there is a type of feasibility report, but in the case of reclamation projects it is not always a complete feasibility report.

I should like to give an illustration of what I have in mind. Many years ago Congress voted to construct the Conchas Dam in New Mexico. It was constructed without the slightest trace of a feasibility report on the irrigation project which was tied to it. Subsequently, in 1942 or 1943, it was decided to add an irrigation project, and that project was finally built. However, the feasibility end of it did not come into the bill until later.

All I am trying to say to the able Senator from Arkansas is that I have made every effort I could to make sure that the proposed legislation is sound legislation, and to make sure that if the Government does not need this project, the Navy will not have to pay for it.

If the Secretary of the Interior can certify a need for flood protection or for irrigation projects, and that there will be a sufficient amount of water to make it feasible, the Secretary of the Interior will report that fact to Congress, and Congress either will or will not appropriate the $22 million to build it.

Mr. FULBRIGHT. Mr. President, will the Senator from New Mexico yield further?

Mr. ANDERSON. I wish to make one more point. I call attention to the fact that in 1941 there was a measured stream flow in that river of 117,000 acre-feet. During the next year it was only 16,930 acre-feet. The following year, 1943, it was 74,270 acre-feet. In 1947 it was 6,930 acre-feet. That is the spill into the ocean. In 1950 it had come down to zero, as the Senator from Illinois pointed out. What we try to do is store the excess water, for use at a subsequent date.

Mr. FULBRIGHT. Mr. President, will the Senator yield further?

Mr. ANDERSON. I yield.

Mr. FULBRIGHT. In connection with the last point I should like to read what the Bureau of the Budget stated. I read this sentence from the Bureau's report:

> This legislation is being submitted to your committee for consideration without prior completion and review in the usual manner of a project report.

That in itself raises a red flag that special notice should be taken of such legislation.

Mr. ANDERSON. The Senator from Florida has handed me an analysis of the stream, indicating that during the seasonal year of 1937–38 when 122,000 acre-feet discharged into the ocean, a flow of 106,000 acre-feet occurred in the month of March, and a flow of 75,000 acre-feet occurred in 4 consecutive days of that month. What the Department will be called upon to do is to recognize that there is no way in the world they can use that much stream flow in the river, which is discharged into the ocean. Those of us who live in semiarid States hate to see that sort of waste. The Department of the Interior would have to make a feasibility report exactly as the Senator from Arkansas has suggested. This bill does not appropriate the money, but it makes it possible for the Department to determine what need there is for the water and what possibility there is for the construction of the dam.

Mr. FULBRIGHT. Is it necessary for the Department to have this proposed legislation enacted, or can it do it without it?

Mr. ANDERSON. I do not see why it could not. Unfortunately, in this particular situation there must be recognition of the Navy's rights in that area. Therefore, the Department would have to make use of all the material available to it.

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired.

Mr. SMATHERS. Mr. President, will the Senator from California yield me 2 minutes?

Mr. KUCHEL. Mr. President, I yield 2 minutes to the Senator from Florida.

Mr. SMATHERS. Mr. President, I shall take time to congratulate the able Senator from New Mexico [Mr. ANDERSON] on what I and the other members of the committee know to be a painstaking effort to protect the rights of the Government. When the bill first came to the House of Representatives, there was no doubt that the rights of the Government in many respects were prejudiced. Representatives of several departments, including the Navy, the Department of the Interior, and the Department of Justice, contacted various Members of the Senate and talked about a number of errors which they felt were in the bill. When they spoke to me, I referred them to the Senator from New Mexico, who was a member of the subcommittee. We sat on 6 or 7 occasions late in the evening. The Senator from New Mexico was not in good health at the time, but he fought to protect the rights of the Government. The bill was finally reported unanimously by the subcommittee, and the full committee reported it unanimously. The representatives of the Government now admit it is a good bill.

I appreciate the concern which Senators have with reference to protecting the rights of the Government, but, so far as I am able to ascertain, the representatives of the various departments who have studied this bill do not share their concern.

Mr. FULBRIGHT. Mr. President, will the Senator from Florida yield?

Mr. SMATHERS. I yield.

Mr. FULBRIGHT. My interest in the matter was inspired by a conversation I had with the Judge Advocate General of the Navy, who was by no means satisfied with the situation. I do not want to place him in an embarrassing position, but the idea that the Navy is not interested in this bill is completely erroneous.

Mr. SMATHERS. The Judge Advocate General of the Navy was asked specifically if he had any objection to the bill, and, so far as the record shows, when I contacted him he was satisfied with the bill. It was the opinion of the committee, so far as we could ascertain, that there was no objection. If they had an objection at that time, they should have come before the committee and expressed it. How was any member of the committee to know there was an objection if it was not expressed?

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. ANDERSON. Mr. President, will the Senator from California yield to me 1 minute?

Mr. KUCHEL. Mr. President, I yield 1 minute to the Senator from New Mexico.

Mr. ANDERSON. Admiral Nunn came before the committee. He had not testified originally. When he took the stand he said he was authorized by the Secretary of the Navy to say that the Department had no objection to the bill, with the amendments which had been recommended. If the Department has some private objection, they should be ashamed of themselves, because I gave them every opportunity in the world to be protected. I dislike to say this, but I was like an obstinate mule, as the Senator from Florida can testify, in insisting that this proposed legislation would not be reported until the Navy said it was satisfied.

Mr. SMATHERS. Mr. President, will the Senator from California yield me 2 more minutes?

Mr. KUCHEL. Mr. President, I yield 2 minutes to the Senator from Florida.

Mr. SMATHERS. I thank the Senator from New Mexico. I do not dispute for a moment that someone gave to the Senator from Arkansas the information to which he has referred, but we had the right to think that what they were telling us was an accurate statement of their position. The fact is they told us they were completely satisfied with the bill.

Having watched the Senator from New Mexico protect the rights of the Government, it is a little difficult for me now to comprehend the concern on the part of governmental agencies when they refused to express it and make it a formal part of the record.

I conclude my remarks by saying that, in my opinion, the able Senator from New Mexico has been most diligent in his efforts to protect the interests of the Government, and representatives of Government departments agree that he has done a wonderful job in that behalf.

Mr. FULBRIGHT. Mr. President, will the Senator from Illinois yield me some time?

Mr. DOUGLAS. I yield.

The PRESIDING OFFICER. How much time does the Senator from Illinois yield to the Senator from Arkansas?

Mr. DOUGLAS. I yield as much time as the Senator may desire, within the limits of the time I have within my disposal, which, I understand, is 27 minutes.

The PRESIDING OFFICER. The Senator from Illinois has 27 minutes.

Mr. FULBRIGHT. Mr. President, I wish to clarify the RECORD. I do not want to get the Judge Advocate General of the Navy into any difficulty. The key to the matter, of course, has been the limitations written into appropriation bills. I think the Judge Advocate General was satisfied with the draft of the bill which came from the Bureau of the Budget, if he could be sure that would be the form it would take when finally enacted. That probably would be a fair statement, in my opinion.

I do not think any of the departments were particularly interested in the enactment of this bill. It orginated with the Fallbrook Public Utility District in California. But, be that as it may, I simply wish to explain my interest in it.

The Judge Advocate General brought the matter to my attention in a legitimate way, in order to protect the interests of the Navy, as he has probably brought it to the attention of other Members of the Senate. I think the fact that the Senator from Illinois caused the bill to be subjected to some discussion, and the final commitment on the part of the majority leader to undertake to secure the deletion of the restrictions in the appropriation bill, constitute a real protection to the interests of the Government. That is exactly what should have been done, in my opinion. I do not agree that the Government's interests would be protected unless the restrictions to which I have referred were removed, so that the Government could pursue to a conclusion the protection of its rights in the courts. Without that I do not think any of us would be satisfied.

On page 63 of the printed hearings, Admiral Nunn said:

> The Navy Department believes the bill emanating from the Bureau of the Budget—

That is the bill which, a moment ago, I pointed out provided for the repeal of the riders to appropriation bills. Let me quote from Admiral Nunn's testimony again. This is the point I was trying to make in my discussion with the distinguished Senator from Colorado [Mr. MILLIKIN]. It is an important point. The full quotation of Admiral Nunn's statement is as follows:

> The Navy Department believes the bill emanating from the Bureau of the Budget to be adequate but believes it affords a minimum of safeguards for the interests of the United States.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. FULBRIGHT. In a moment. That is the exact language used by Admiral Nunn. He said that the bill approved by the Bureau of the Budget provided minimum safeguards for the interests of the United States.

In the bill which it reported, the committee deleted the provision repealing the riders. That certainly is less than a minimum of safeguards for which Admiral Nunn asked in his testimony. When the committee says the bill is satisfactory to Admiral Nunn, I presume it means that this statement indicated Admiral Nunn's approval of it. I think, in all fairness, the fact may have been overlooked that the bill which really came from the committee is not the bill which came from the Bureau of the Budget, and which Admiral Nunn testified afforded a minimum of safeguards for the interests of the United States.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield for a question.

Mr. KUCHEL. I may say to the Senator, as I told him earlier, that I again discussed the bill, an hour ago, with the Judge Advocate General of the Navy, who said he was for the bill and the Navy Department was for it.

Mr. FULBRIGHT. I hesitated to mention Admiral Nunn. I know the State of California has very powerful influence in the Government. The Chief Justice of the United States, the Vice President of the United States, and the majority leader of the Senate come from California. The Secretary of the Navy comes from California. California is a very powerful force. Some persons have raised the question whether that does not violate the constitutional system with regard to separation of powers. This concentration of power is comparable only with the situation when Thaddeus Stevens controlled the legislative, executive, and judicial branches of the Government. California has approximated that situation for the first time since the day of Stevens. I well understand how Admiral Nunn would be very loath to have an argument with representatives of such power as is represented in the United States Government by the State of California.

Admiral Nunn made an honest statement of the situation to me, just as he did in his statement to the committee. There can be no question of double dealing on his part. He stated before the committee what his attitude was. It is found in the hearings at page 63. He said he believed the bill afforded "a minimum of safeguards for the interests of the United States." Technically, I suppose it can be said that he approved the bill. But I think the action taken this afternoon is what has really protected the interests of the United States Government.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield for a question.

Mr. SMATHERS. Would the Senator from Arkansas agree that if Admiral Nunn saw the bill just before it was reported to the Senate and said that he approved it, we would then be correct in assuming that the Admiral was in favor of it?

Mr. FULBRIGHT. Immediately after that, I believe—within a very short time—Admiral Nunn went before the Committee on Appropriations and asked for the repeal of the rider, requesting that it not be included in this year's appropriation bill. That is the key point in the whole matter.

Mr. SMATHERS. The Senator from Arkansas has not answered my question. My question was, if the Admiral had seen the bill and had said he favored it, have we not a right to assume that he was in favor of it?

Mr. FULBRIGHT. I certainly do not want the Senator from Florida to think that I am criticizing his part of the work in preparing the bill.

Mr. SMATHERS. No. We have had several conversations with Admiral Nunn.

Mr. FULBRIGHT. I do not desire to detain the Senate any longer. I merely desire to say that I think the distinguished Senator from Illinois [Mr. DOUGLAS] deserves great credit for protecting the interests of the United States Government by insisting on some debate on the bill and insisting, as a result of his activities and the activities of other Senators, on a commitment with regard to the riders on the appropriation bills. That was the main point in which I was interested.

Mr. SMATHERS. I have no criticism of the Senator from Illinois or the Senator from Arkansas. As a matter of fact, I commend them. The only thought I wish to express is that I do not wish to have it appear that the Senator from New Mexico [Mr. ANDERSON] has been in any way derelict in his duty or has failed to protect the public.

Mr. FULBRIGHT. I did not say that. I do not think I did.

Mr. SMATHERS. I know the Senator did not, but it has begun to appear that the only persons who were protecting the rights of the Government were the Senator from Arkansas and the Senator from Illinois. I desire to say that the Senator from New Mexico previously had exerted himself to make certain that the rights of the Government were protected.

Mr. FULBRIGHT. I certainly agree that the able Senator from New Mexico was instrumental in reporting a bill which is infinitely better than the House bill. There is no doubt about that. My only regret is that there is not included in the bill a provision repealing the riders, as would have been done by the bill submitted by the Bureau of the Budget.

The PRESIDING OFFICER. The question is on the passage of the bill.

Mr. FULBRIGHT. I wish to say for the RECORD that I am opposed to the bill in any case.

Mr. DOUGLAS. I also wish to say for the RECORD that I am opposed to the passage of the bill.

Mr. ANDERSON. Mr. President, will the Senator from California yield?

Mr. KUCHEL. I yield.

Mr. ANDERSON. I simply wish to ask permission to have printed at this point in the RECORD a statement by A. D. Edmonston, State engineer of the State of California, which contains figures which clearly set forth the stream flow and give some indication of the stream pattern.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF A. D. EDMONDSTON, STATE ENGINEER, STATE OF CALIFORNIA, TO THE SUBCOMMITTEE OF THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS AT A HEARING ON S. 2521, MARCH 12, 1954

The State of California, through the division of water resources, is currently engaged in an investigation of the water resources of the Santa Margarita River watershed, for the benefit of all landowners and water users in the area. This investigation is of concern not only to local interests, but to the entire State, and the division of water resources is concerned in future development of the Santa Margarita River watershed as representative of all these interests in furtherance of the public welfare.

This investigation was authorized by the California State Legislature in its Budget Act of 1952, chapter 3, statutes of 1952, and the sum of $150,000 was appropriated to the division of water resources for this purpose. Fieldwork started in July 1952, and has been carried out from temporary headquarters in the town of Murrieta located within the Santa Margarita River watershed. Although a report on this investigation is not scheduled for completion until the summer of 1955, field surveys are essentially completed and sufficient preliminary studies have been made so that tentative conclusions regarding the water supply situation in the watershed can be made at this time.

The primary objectives of the investigation are as follows:

1. Evaluation of the water supply of the Santa Margarita River and its tributaries.

2. Determination of the extent of present developments and water requirements therefor.

3. Estimation of the probable extent of ultimate developments and water requirements therefor.

4. Investigation of methods of further conservation of local water resources.

5. Evaluation of the need for imported water, and the development of plans for such importation.

The Santa Margarita River watershed, encompassing an area of some 740 square miles, has an average annual undepleted natural runoff at its mouth of 36,000 acre-feet of which 25,000 acre-feet per year is presently wasting to the ocean. Typical of other streams in southern California, runoff in the Santa Margarita River is extremely erratic in nature. During the 15-year period from 1936–37 to 1950–51, the mean daily discharge to the ocean varied from 30,700 acre-feet on March 3, 1938, to zero from March 1949 through the year 1951. Runoff varies over wide limits during a given year with most of the flow occurring during the winter months and with little or no flow at the mouth of the river during the summer months. For example, during the seasonal year of 1937–38 when 122,000 acre-feet discharged to the ocean, 106,400 acre-feet of this occurred in the month of March, and 75,000 acre-feet occurred in 4 consecutive days of that month. Cyclic and seasonal storage is required in order to make this erratic waste available for beneficial use.

Mr. KUCHEL. Mr. President, I apologize to the distinguished Senator from New Mexico for not having inserted that statement in the RECORD. I ask unanimous consent that the recommendations of the Corps of Engineers and the district engineer on the feasibility of the project likewise be printed in the RECORD at this point.

There being no objection, the recommendations were ordered to be printed in the RECORD, as follows:

RECOMMENDATIONS OF THE DISTRICT ENGINEER, AS APPROVED BY THE DIVISION ENGINEER, CORPS OF ENGINEERS, MARCH 15, 1949

(a) That the United States adopt a water-conservation and flood-control project for the construction of a multiple-purpose reservoir at the DeLuz site, river mile 12, on Santa Margarita River, Calif., that would produce an estimated safe annual yield of 20,000 acre-feet of water for domestic, military, and irrigation uses and that would reduce the design flood of 55,000 cubic feet per second to 20,000 cubic feet per second, at a total estimated first cost to the United States of $17,380,000, including costs of utility and road relocations and the cost of rights-of-way.

(b) That the first cost of the reservoir and appurtenances, as outlined above, be allocated in proportion to: (1) the water-conservation benefits that would accrue to the United States (Department of the Navy), (2) the flood-control benefits, and (3) the water-conservation benefits that would accrue to the Fallbrook Public Utility District. On this basis, the nonreimbursable part of the first costs would be $13,347,000, of which $12,099,000 would be for the water supply to the Department of the Navy and $1,248,000 would be for flood control; and the reimbursable part of the first costs would be $4,033,000 for a supplementary water supply to the Fallbrook Public Utility District.

(c) That the average annual costs of maintenance and operation of the reservoir be also allocated on the basis of benefits estimated as follows: $25,000 to the Department of the Navy; $2,600 to flood control; and $8,400 to the Fallbrook Public Utility District.

(d) That local interests furnish satisfactory assurances to the United States that they are willing and able to reimburse the United States under the provisions of section 8, Public Law 534, 78th Congress, and as set forth in this report, subject to final adjustment when the actual costs are known, a sum equal to their share of the cost of the reservoir plus the cost of the distribution system that would be required for the Fallbrook Public Utility District, and that the utility district also pay for the average annual maintenance and operation costs of that distribution system.

A. T. W. MOORE,
Colonel, Corps of Engineers,
District Engineer.

Annual flow of the Santa Margarita River in acre-feet

[From published records of U. S. Geological Survey, except as noted]

Oct. 1 to Sept. 30—	Temecula Creek, Nigger Canyon	Temecula Creek, Railroad Canyon	Santa Margarita, Fallbrook	Murrieta Creek, Temecula, Calif.	Santa Margarita, Ysidora	O'Neill ditch, near Ysidora, Calif.
1923–24	5,310	6,180	----------	----------	2,360	----------
1924–25	3,520	4,510	3,660	----------	790	[1] 1,526
1925–26	8,930	9,580	12,500	----------	15,700	[1] 1,204
1926–27	40,500	73,400	85,100	----------	91,200	[1] 2,275
1927–28	3,350	4,950	5,480	----------	4,000	[1] 1,617
1928–29	4,660	4,930	4,830	----------	1,360	[1] 2,564
1929–30	6,020	7,711	8,680	----------	[1] 5,834	[1] 3,902
1930–31	2,130	4,970	4,920	952	3,660	2,540
1931–32	17,300	32,300	36,900	15,700	40,600	3,050
1932–33	4,160	6,540	6,940	989	6,520	2,200
1933–34	1,810	4,590	4,870	426	5,010	2,490
1934–35	4,270	6,720	7,780	2,020	12,990	1,270
1935–36	3,930	6,780	7,970	2,390	11,060	2,340
1936–37	36,660	60,860	78,310	22,400	117,200	2,470
1937–38	31,910	71,930	91,090	31,500	122,000	3,340
1938–39	8,400	15,070	18,850	4,990	22,900	2,100
1939–40	6,470	13,760	16,720	6,420	22,320	1,080
1940–41	25,040	59,290	83,100	31,270	117,600	1,800
1941–42	10,340	13,080	15,760	1,520	16,930	1,640
1942–43	13,630	47,620	57,890	31,340	74,270	1,160
1943–44	7,820	18,230	21,850	7,480	27,800	4,940
1944–45	7,230	17,950	15,560	4,700	20,270	2,280
1945–46	4,890	10,520	11,150	2,830	11,680	3,020
1946–47	3,070	7,780	8,700	1,300	6,930	2,100
1947–48	2,370	5,920	6,640	687	562	4,940
1948–49	307	5,310	5,880	700	479	4,340
1949–50	[1] 274	4,160	3,910	555	0	1,950
1950–51	----------	3,240	2,750	444	0	1,453
1951–52	----------	[2] 30,187	[2] 39,494	[2] 23,150	[2] 49,483	[2] 183
Average	9,789	18,382	23,800	8,807	27,983	2,349
Median	5,310	7,780	9,925	2,610	11,680	2,237

[1] From Rancho Santa Margarita reports.
[2] Unpublished U. S. Geological Survey records.
[3] From U. S. Marine Corps records.

Mr. DOUGLAS. Mr. President, in view of the fact that, at the last minute, certain statistics have been introduced, which may make the RECORD appear to be a little different from what it has been up to this point, I should like to ask, even on the assumption of 27,500 acre-feet which the committee in its report seems to favor as a probable annual average flow into the ocean, how that aggregate can support the following claims:

First, the 11,000 acre-feet, found by the lower court to be the right of the United States; second, the 4,400 acre-feet which will be lost by evaporation from the reservoir, which was admitted by the engineer of the State of California, on page 32 of the hearings; third, the 20,000 acre-feet of additional "net safe yield," apparently required by the bill in section 1 (d).

Taking all these together, we arrive at 35,400 acre-feet; whereas, according to the committee's estimate of 27,500 acre-feet based on historical flows, there will apparently be a deficit of 7,500 acre-feet.

I think we are likely to find that there will be no water to be distributed, and that this project is likely to be called somebody's folly.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill was passed.

Mr. KUCHEL. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. KNOWLAND. I move that that motion be laid on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the senior Senator from California.

The motion to lay on the table was agreed to.

The preamble was rejected.

The title was amended so as to read: "An act to authorize the Secretary of the Interior to construct facilities to provide water for irrigation, municipal, domestic, military, and other uses from the Santa Margarita River, Calif., and for other purposes."

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD the "record of Department of Justice in relation to Navy-Fallbrook controversy over waters of Santa Margarita River, Calif."

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

RECORD OF DEPARTMENT OF JUSTICE IN RELATION TO NAVY-FALLBROOK CONTROVERSY OVER WATERS OF SANTA MARGARITA RIVER, CALIF.

1. VAIL EPISODE IN WHICH JUSTICE DEPARTMENT WENT BACK ON ITS WORD

1948–49: During this period negotiations between Navy and Fallbrook Public Utility District were carried on, seeking to settle pending controversy over conflicting claims to the waters of the Santa Margarita River, San Diego County, Calif., reaching a tentative agreement for the division of all of the waters that could be stored in a dam at the DeLuz site on the basis of 12,500 acre-feet per annum to Navy and 7,500 acre-feet per annum to Fallbrook. (See hearing, subcommittee of House Committee on Interior and Insular Affairs, Aug. 13 and 14, 1951, pp. 31–34.)

May 4 and 5, 1949: Conference was called in Reclamation Bureau Office, Washington, D. C., attended by representatives of the Reclamation Bureau, Army engineers, Fallbrook Public Utility District, and Mr. William H. Veeder representing Department of Justice. Mr. Veeder objected to tentative agreement, referring to the stipulated judgment between the Vail Co. and Rancho Santa Margarita, predecessor of Navy, and advised that any act outside the stipulated judgment as proposed in the tentative agreement could result in a loss of property rights by the United States in such waters. It was agreed that if Vail interests would sign a consent and waiver the Department of Justice objection would be overcome. (See hearings, subcommittee of House Committee on Interior and Insular Affairs, Aug. 13 and 14, 1951, pp. 34–36.)

June 9, 1949: Justice Department drafted form of such waiver and release for Vail interests to sign and transmitted it to the Navy Department in a letter written by Mr. A. Devitt Vanech, Assistant Attorney General, declaring therein that if it was signed it would be "adequate to cover the proposition discussed between representatives of your Department and representatives of this Department." Thereafter, Vail's duly executed letter of consent and waiver in the form drafted by Department of Justice returning same to Navy Department. (See hearings, subcommittee of House Committee on Interior and Insular Affairs, Aug. 13 and 14, 1951, pp. 36–37.)

September 29, 1949: Congressman McKinnon wrote Fallbrook Public District "I find that second Vail letter has overcome the original objections, consequently I am asking Admiral Manning at the Navy and Mr. Bennett of the Bureau of the Reclamation to double check with higher echelon to be sure that the present wording of the bill is agreeable to all and as soon as they agree to the bill, I will introduce it in the House."

However, Justice Department went back on its word and continued undercover opposition preventing any action by Navy. (See hearings of subcommittee of House Committee on Interior and Insular Affairs, Aug. 13 and 14, 1951, pp. 38–41.)

2. 1949 MEMORANDUM OF UNDERSTANDING WHICH DEPARTMENT OF JUSTICE REPRESENTATIVES HELPED DRAFT SUBSEQUENTLY REPUDIATED BY SAME REPRESENTATIVES

December 13 and 14, 1949: New conference called and held of representatives of Navy, Army Engineers, Reclamation Bureau, and Fallbrook meeting at San Diego. A unanimous agreement was reached and the Memorandum of Understanding drawn up. (See letter, Capt. C. R. Johnson printed in hearings before special subcommittee, House Committee on Interior and Insular Affairs, Aug. 13 and 14, 1951, pp. 44–46.)

January–March 1950: During this period the Memorandum of Understanding received the approval by Admiral Jelley for the Bureau of Yards and Docks, by Chief of Naval Operations and by Assistant Secretary of the Navy and was placed on desk of Secretary of Navy but representatives of Department of Justice (Mr. William H. Veeder) continued undercover opposition.

NOTE.—Special Federal representatives flown from Washington to San Diego who participated in drafting the Memorandum of Understanding included William H. Veeder, representing the Department of Justice who subsequently filed the suit, David W. Agnew, attorney in Navy Department who subsequently was specially appointed to represent Department of Justice in prosecuting the suit, and Col. A. E. Dubber, predecessor of Colonel Robertson now actively opposing any out-of-court settlement.

June 21, 1950: Undercover opposition of Department of Justice came out in the open in a letter dated June 21, 1950, signed by Assistant Attorney General (probably A. Devitt Vanech) addressed to the Navy Department, contents of which have been kept secret.

November 14, 1950: Acting Secretary of Navy Dan Kimball replied to the Department of Justice's last-mentioned letter of June 21, 1950, giving them the authority the Justice Department needed in order to file the now famous action, *United States of America* v. *Fallbrook Public Utility District et al.*

In that letter the Navy makes it clear that they were reversing their prior position on account of "the views expressed in the letter of Assistant Attorney General dated June 21, 1950." (See copy attached as exhibit A.)

NOTE.—Dan Kimball while Secretary of the Navy repeatedly told Fallbrook representatives that he wanted to sign the 1949 Memorandum of Understanding but was told by his legal advisers that he could not do so.

3. THE ATTORNEYS FOR THE DEPARTMENT OF JUSTICE HAVE IGNORED THE STIPULATION THEY MADE WITH THE STATE OF CALIFORNIA TO THE EFFECT THAT THE RIGHTS OF THE UNITED STATES TO THE USE OF WATER SHOULD BE MEASURED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA

January 25, 1951: Department of Justice filed its complaint in *U. S. A.* v. *Fallbrook Public Utility District et al.*, claiming "paramount right to 35,000 acre-feet of water annually from the Santa Margarita River" (par. VIII), which is more than the average long time record flow of the river, and charging that each and every defendant who was an upstream diverter of the waters of said river was acting "in direct violation of the rights of the United States of America and in complete disregard of the need of the water in question for National Defense; the defendants by reason of their diversions from the Santa Margarita River upstream from Camp Pendleton caused the intrusion of saltwater from the Pacific Ocean—and encroaching upon—the already insufficient water supply required for the Nation's defense in connection with Camp Pendleton, United States Naval Hospital and the Naval Ammunition Depot" (par. IX). The prayer asked among other things, a declaration "That all the rights of the United States of America in and to the Santa Margarita River are paramount to the rights of the defendants herein named," and "that by virtue of the riparian character of the lands above mentioned and the ownership of them by the United States, and by reason of its acquisition of the above-mentioned rights to the use of water and the application of those rights to military purposes," the court should "forever enjoin those defendants from encroaching or infringing upon or threatening to encroach or infringe upon the rights of the United States of America as hereinabove set forth."

The outcry against the suit was nationwide. Accordingly on—

November 29, 1951: Department of Justice attorneys signed a stipulation with the Attorney General of the State of California declaring in paragraph III thereof that the United States of America claims by reason of its sovereign status no right to the use of a greater quantity of water than the Rancho Santa Margarita had, and in paragraph IV, "That the rights of the United States of America to the use of water herein are to be measured in accordance with the laws of the State of California." Yet on—

December 22, 1951: Department of Justice attorneys filed the reply of the United States of America to answer of Fallbrook Public Utility District in which they asserted, in violation of the above stipulation with the State of California:

(a) That permits issued by the Division of Water Resources of the State of California under the laws of the State of California constituted a cloud upon the rights of the United States (par. II).

(b) Reaffirmed the allegations of the complaint that the State of California ceded exclusive jurisdiction over the lands comprising the military establishments described in the complaint, including the rights to the use of water, the subject matter of the complaint (par. IV), the effect of which allegation was that State laws were to be ignored and did not apply since the rights to the use of water, the subject matter of the complaint, included all the water in the river.

(c) Reaffirms and realleges all of the allegations in paragraph VIII of the complaint that its right to 35,000 acre-feet of water annually from the Santa Margarita River are paramount to the alleged rights of the Fallbrook Public Utility District. The rights of the United States in the Santa Margarita River to which it succeeded at the time of the purchase of the Rancho Santa Margarita entitled it to quantities of water which far exceed the supply of water available in the Santa Margarita River (par. IX).

(d) The reply concluded with the prayer that judgment be granted it in accordance with the prayer for relief in the complaint in this action, which brought back the Government's claim made in its complaint that it had paramount rights by virtue of the ownership of them by the United States and the application of those rights to military purposes.

Clearly these renewed claims were inconsistent with the stipulation.

November–December 1952. Justice Department attorneys have continued to ignore their stipulation with the State of California on all vital points in issue in the lawsuit, urging upon the court and successfully persuaded the court to adopt their views and in violation of State law to declare:

(a) That the Navy, a downstream diverter, could and did gain prescriptive rights to store water and to divert water out of the watershed against upstream water users not-

withstanding that, at the time and place of diversion, the water had passed all other possible users or claimants' points of diversion and was as to them excess, surplus, and unusable waste water. In 25 Cal. Jur. 1074, section 74, of Waters, it is said, supported by numerous citations to California cases, "A riparian has no interest in water which has passed his land and his rights are not invaded by any use thereof; he may not object to any diversion below him, even for nonriparian uses or for unlawful or wasteful purposes, though in apportioning water only proper uses will be allowed for." California Supreme Court in the recent case of *City of Pasadena* v. *City of Alhambra* (33 C (2) 908,926) declared: "Prescriptive rights are not acquired by the taking of surplus or excess water."

(b) That the Navy, under its riparian rights, has the right to demand water for storage, either in surface or subsurface reservoirs or by both, for future use, in preference to lawfully recognized appropriators acting under permits issued pursuant to the laws of the State of California.

"The seasonal storage of water in a reservoir, that is, the storage of water during the wet season to be used during the dry season of the year is not a proper exercise of riparian rights." (*Moore* v. *Cal. Oregon Power Co.*, 22 C. (2) 725, 731).)

To same effect: *Seneca Consol. Gold Mines Co.* v. *Great Western Power Co.* (209 C. 206); *Colo. Power Co.* v. *Pacific Gas & Electric Co.* (218 C. 559–564–565); *City of Lodi* v. *East Bay Mun. Utility Dist.* (7 C (2) 316, 335).

(c) That the Navy, under its riparian claims, has the right to demand that excess or surplus water come down to it for use in a water-spreading project to put such water into its underground basin notwithstanding that State laws declare that water spreading is an appropriative right. (See water code division 2, pt. 2, appropriation of water section 1242 authorizing appropriations to be made for storing water underground.)

(d) That under the theory of "substituted use" military uses can take the place of agricultural uses on riparian lands and thereby free the riparian right from the limitation of having to use the water within the watershed and therefore the Government can take Santa Margarita River water wherever military needs require, even out of the watershed.

In 25 Cal. Jur. 1079, waters section 81, it is said: "Land not within the watershed can have no riparian rights therein although it may be part of an entire tract which extends to the stream." (See *Mt. Shasta Power Corp.* v. *McArthur* (109 CA 171, 191).)

In *Rancho Santa Margarita* v. *Vail* (11 C (2) 501, 529) it is declared: "The land, in order to be riparian must be within the watershed of the stream."

Notwithstanding the foregoing oldest and best known rule of law governing riparian rights, the Government has, according to its own exhibit 40 introduced by representatives of the Department of Justice during the lawsuit, taken out of the watershed the amounts of water shown in the table below:

Quantities of water from the Santa Margarita River historically utilized both within and without the watershed by the United States of America

[In acre-feet]

Year	Within	Without	Total
1943	5,389	1,591	6,980
1944	5,298	1,785	7,083
1945	6,396	4,332	10,728
1946	6,160	3,729	9,889
1947	6,374	4,350	10,724
1948	6,894	4,417	11,311
1949	6,637	5,008	11,645
1950	6,407	4,402	10,809
1951	6,275	3,983	10,258

(e) That in determining whether there existed excess or surplus water available for appropriation, the court could average the annual flow of the river and place against that amount of water the maximum possible amount of water which the Government could use on its riparian lands and thereby prove there was no surplus. State laws recognize riparian rights as attaching only to the ordinary or normal flow of a stream. In 25 Cal. Jur. 1099 refers to a lower owners' right to water which would or would not reach his land "under natural and normal conditions."

This would preclude the Government's riparian rights from attaching to excess flood waters which ran off to the sea, sometimes in a few hours or a few days, and it would also preclude it from "averaging" the long-time recorded flow of the river in order to claim a bigger water right, since such average waterflow would not, naturally and normally, be actually present most of the time or in most of the years when needed.

It should be interesting to note that although attorneys representing the Justice Department persuaded the Court to declare in his decision that there was no excess or surplus water, the very preceding year 46,481 acre-feet of Santa Margarita River water wasted into the ocean. Also the latest report on this controversy, just presented to the Under Secretary of the Navy, unanimously agreed to by Army engineers, Reclamation Bureau engineers, United States Geological Survey and Navy representatives is that:

"The United States Geological Survey computes the discharge of the Santa Margarita River at the Ysidora gage, which gage measures the stream as it enters the Pacific Ocean and, therefore, measures the amount of water escaping use and available for capture, to have averaged 28,710 acre-feet annually."

The attorney general of the State of California is convinced that the judgment of Judge Yankwich is not in accordance with State laws and must be appealed.

See memorandum of George G. Grover, deputy attorney, to Attorney General Brown attached as exhibit D, which shows that the position of the Department of Justice attorneys and adopted by the Court is not in accordance with the laws of the State of California.

4. JUSTICE DEPARTMENT FLOUTED AND VIOLATED THE WILL OF CONGRESS SET OUT IN SECTION 208 (D) OF THE DEPARTMENT OF JUSTICE APPROPRIATION ACT, 1953

The exchange of letters between the officials of the Department of Justice and officials of the Navy Department, copies of which are attached hereto as exhibit C reveal that the officials of Department of Justice who are sworn to uphold and enforce the laws of Congress were the first to connive at and help devise means of circumventing and evading the clear will and intent of Congress. While purporting to observe the letter of law, they proceeded to flout the spirit and purpose of that law. This was so completely and so forcibly pointed out by the Comptroller General of the United States in his report to Congress that the matter would not be mentioned here but for the fact that it has been the same defiant attitude, pursued and practiced by certain of the Government's attorneys, which has provoked the nationwide criticism of this litigation. The Department of Justice cannot very well escape blame since it was solely by virtue of Attorney General McGranery's willingness to clothe David W. Agnew, attorney for the Navy, with special powers and authority that enabled the Navy attorneys to prosecute the litigation in open violation of the act of Congress.

EXHIBIT A

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, November 14, 1950.

The Honorable the ATTORNEY GENERAL OF THE UNITED STATES,
Washington, D. C.

MY DEAR MR. ATTORNEY GENERAL: Upon receipt of your letter of June 21, 1950, and the data submitted therewith, further consideration was given by this Department to the various problems which have arisen in connection with the proposed construction of a dam on the Santa Margarita River, San Diego County, Calif., at the De Luz Dam site, and the various applications which have been filed with the State engineer, Department of Public Works, Division of Water Resources, State of California, for the appropriation of water from the Temecula-Santa Margarita River.

There have been forwarded to the office of the Assistant Attorney General, Lands Division, copies of applications for the appropriation of water filed with the State engineer, Division of Water Resources, State of California, by the Fallbrook Public Utility District, Delix R. Garnsey, A. F. Borel, and the Pratt Mutual Water Co. The Fallbrook Public Utility District has been granted by the State engineer, Division of Water Resources of the State of California, a permit purported to authorize said public utility district to pump from the Temecula-Santa Margarita River 2.5 cubic feet of water per second from April 1 to November 1 of each year, and throughout the remainder of each year as required for domestic and municipal uses.

It is considered that the applications filed with the State engineer, Division of Water Resources of the State of California, and the purported permit to the Fallbrook Public Utility District granted by the State engineer for the appropriation of 2.5 cubic feet of water per second adversely affect the Government's right, title, and interest in and to the use of the waters of the Temecula-Santa Margarita River.

In addition to the above, it has been brought to my attention that Ernest Louis Barbey and Essie Beulah Barbey have instituted a proceeding in the Superior Court of the State of California in and for the County of San Diego against James Oviatt and others relating to the waters of the Temecula-Santa Margarita River, and that Mary Vail Wilkinson, Mahlon Vail, Edward N. Vail, Margaret Vail Wise and Nita M. Vail, trustee, have filed a cross complaint therein. As you are aware, these cross complainants were parties in the proceeding entitled *Rancho Santa Margarita, plaintiff*, v. *N. R. Vail et al.*, and are parties to the stipulated judgment entered in this proceeding wherein the rights of the parties thereto in and to the use of the waters of the Temecula-Santa Margarita River were adjudicated.

The United States of America succeeded to the rights owned by the Rancho Santa Margarita upon the vesting of title to the lands formerly owned by said Rancho in the Government. While the United States is not a party to the proceeding instituted by Ernest Louis Barbey and his wife, it is considered that the rights of the United States of America in and to the use of the waters of the Temecula-Santa Margarita River as defined in the stipulated judgment entered in the *Rancho Santa Margarita* v. *Vail* proceeding are involved in the proceeeding instituted by Mr. Barbey.

In view of the above-mentioned proceeding instituted by Barber, the pending applications for the appropriation of water and actual diversion of water from the river, and the views expressed in the letter to the Assistant Attorney General dated June 21, 1950, it is requested that your Department take such action as you consider appropriate

under the circumstances to protect the rights of the United States of America in and to the waters of the Temecula-Santa Margarita River and its tributaries.

It is anticipated that certain additional information will be desired by you in connection with this matter and it is suggested that you call upon the Chief of the Bureau of Yards and Docks of this Department for such information as you may require.

Sincerely yours,

DAN A. KIMBALL,
Acting Secretary of the Navy.

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks the testimony which was given before the Senate Committee on Appropriations when certain questions were asked of Admiral Nunn relative to the bill which was reported and has now been passed by the Senate.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

Senator FERGUSON. Are you familiar with the legislation which will probably be taken up Friday?

Admiral NUNN. Yes, sir.

Senator FERGUSON. What does it do?

Admiral NUNN. Well, that legislation, sir, authorizes the construction of a dam on the Santa Margarita River in southern California, and the impounding of waters behind that dam, and the allocation of the impounded waters in the ratio of 60 percent to the Government and 40 percent to the public utility district.

Senator FERGUSON. Is that satisfactory to you?

Admiral NUNN. I haven't finished yet, sir. That is the general theory of the bill.

Now, the interests of the Government are safeguarded, we believe, in that bill, the Senate version, the one reported to the Senate and is now on the Senate Calendar, by three provisions.

One is that the construction of a dam at all is contingent upon the finding by the Secretary of the Interior that there is 20,000 acre-feet of surplus water available at the dam site, taking into account the exercise of existing rights or probable exercise of existing water rights at that point including those of the Government, sir, and specifying and naming those rights of the Government, and taking into account, too, the hydrology of the stream at that point. That is one thing. That would require a determination of rights before the dam can be built.

Secondly, the Government is protected by providing that the Department of Defense will not pay anything for this dam until and unless it is completed and the Government makes use of the facilities.

The theory behind that is that the Government, if its rights are adjudicated, has enough water there so that it will not require the expenditure of Government funds to construct that dam.

Third, the Government's rights are protected by a provision in the bill which says that there is no relinquishment of Government rights to be taken from enactment of the bill, and most importantly of all that in the preservation of the Government's rights, the Government's water, whatever it may be, shall be free to flow freely past that dam, the reason being that under California law you cannot impound riparian water, and most of the Government's water rights out there are riparian in character.

If impounded, we would lose them.

Now, sir, we feel in the executive branch that that bill protects the interests of the United States. We cannot be sure, of course, as you will realize, that even if the Senate passes that version that the conferees will come out with a complete bill. The House has passed a bill which is unsatisfactory to the Department of Defense and the Justice Department.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1955

Mr. KNOWLAND. Mr. President, I do not intend to ask that the bill be taken up tonight, but I move that the Senate proceed to the consideration of Calendar No. 1438, House bill 8779, the agricultural appropriation bill.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

ANNIVERSARY OF ARMENIAN INDEPENDENCE DAY

Mr. FERGUSON. Mr. President, I ask unanimous consent to have printed in the body of the RECORD as a part of my remarks a statement prepared by me on the anniversary of Armenian Independence Day.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR FERGUSON OF THE ANNIVERSARY OF ARMENIAN INDEPENDENCE DAY, MAY 28, 1954

It is a pleasure for me to salute the memory of the courageous Armenian people who kept alive the dreams of independence for their homeland through centuries of domination by foreign nations.

One of the most welcome of the developments which resulted from World War I was the rebirth of the independent Armenian Nation, whose independence was proclaimed May 28, 1918.

Armenian history goes back to Assyrian-Babylonian time, but it is largely a record of continuous struggle against larger, more powerful neighbors. The country has been overrun by the Romans, Persians, Arabs, Turks, and Russians. During the long periods of subjection and misery, the Armenians never lost sight of their national goal—the regaining of their political independence.

Even the massacres which took place during World War I could not diminish their love of independence and freedom, and, on May 28, 1918, the independence of the Armenian Nation was proclaimed.

It is fitting and appropriate that we should observe this occasion here in America and throughout the free world because it is the treasured memory of these periods of freedom that keeps alive the spirit of liberty in the hearts and souls of the Armenians who do not have their freedom today.

It is this love of freedom and liberty that is essential if man is to expand the frontiers of freedom in the world.

Mr. HUMPHREY. Mr. President, today, May 28, is the 36th anniversary of Armenian Independence Day. It is an occasion particularly worthy of our observance, for this day symbolizes and recalls for us the unquenchable aspirations of a proud nation to maintain its identity and secure its freedom.

Despite their long history of human bondage to larger nations, the Armenian people have held fast to their purpose of achieving liberty. Their homeland, so close to the center of early human history, has been the victim of frequent invasions and foreign despotisms. Its mountains and valleys have been alternately laid waste and transferred among major powers as a result of bloody wars and cynical treaty agreements. Its people have been harnessed to tyrannical yokes, driven from their soil, and brutally massacred. Yet they have never ceased to struggle for their independence.

The spirit of freedom is not easily crushed; indeed, it survives human life, as the Armenians proved. On May 28, 1918, after centuries of oppression, this sturdy people again proclaimed their independence. However, less than 3 years later, as a result of a last bloody war between Soviet Russia and Turkey, the little nation was again subjugated and divided, the largest part being bound over to the Soviet Union.

Today, Armenia has the status of a republic within the U. S. S. R. No one can seriously believe that this status guarantees meaningful self-determination or liberty to the Armenian people. However, neither does anyone doubt that that their magnificent devotion to these ideals has been crushed or seriously diminished under this latest tyranny.

The awe-inspring history of this devotion is a compelling lesson to all peoples who are secure in their freedom, lest they tend to take their own enviable condition too much for granted. As leaders of the free world, we Americans have an especial reason to pause today in observance of the anniversary of Armenian independence and to express our hope that this day may soon again be celebrated in freedom and joy by the proud people who proclaimed it 36 years ago.

ORDER FOR RECESS TO TUESDAY

Mr. KNOWLAND. Mr. President, I ask unanimous consent that when the Senate completes its labors today it take a recess until Tuesday next at 12 o'clock noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNIST INFLUENCES IN GUATEMALA

Mr. SMATHERS. Mr. President, we have heard much recently about the mysterious shipment of arms from behind the Iron Curtain to the Government of Guatemala.

In the belief that what actually took place will be of interest to the Senate, I wish to trace this shipment according to information gathered by me and my staff.

A cargo ship left the port of Stettin, Poland, April 17, 1954, headed for Dakar. According to reports, it was loaded with optical equipment, laboratory equipment, and miscellaneous farm machinery—1,900 tons of it, or enough to provide about two pairs of spectacles for every Guatemalan, and to provide each of them with a laboratory.

But this ship never arrived at Dakar. It was diverted to Curaçao, but before it approached Curaçao it was diverted to Puerto Cortez, and finally to Puerto

Barrios, Guatemala, where it arrived May 15.

At this Guatemalan port, it docked at night. There to meet it was the Government's Minister of Defense. There also was a sizable contingent of armed soldiers, and a large number of soldier-workmen with cargo vehicles. Under cover of darkness and under protection of the armed guards who kept the curious away, the ship was unloaded.

But there was sufficient evidence for our Government, and other apprehensive Latin American governments, to establish the fact that the shipment was arms and ammunition, some $10 million worth, obtained under some arrangement other than a straight purchase, although the movement was sufficiently guarded to prevent the curious from knowing where the arms were taken that night.

It now has been established and admitted that the shipment was of arms—upsetting the military balance in all of Central America and posing a threat, if not indeed exhibiting a plot, against freedom in this hemisphere.

Mr. President, this devious and surreptitious handling of the arms shipment into Guatemala has a significance which is perhaps beyond the mere setting of a powder key in Latin America. It reveals to us a Russian intervention in Latin America and emphasizes a challege this Nation has no choice but to meet.

This pattern of intervention is identical with that employed in first steps taken by Russian agents which led to the drawing of Soviet Russia's now satellites behind the Iron Curtain. It is a pattern of intervention adjusted to Western Hemisphere ways, for only until recently did the Communists come out into the open, having chosen in the past to remain behind the scenes. They have conspired and operated to silence their critics—as in the case of the anti-Communist radio station in Guatemala which was recently forced off the air.

That pattern of intervention was followed when Guatemala sent three consuls into northern Honduras, where, before the Honduran Government discovered their mission and declared them to be persona non grata, they had organized the workers and set in motion and directed a major strike. This strike, according to our information, has been conducted in the Communist manner, with workers thoroughly disciplined and carrying out precise orders completely uncharacteristic of these natives of Guatemala and Honduras.

The United States nonintervention policy among the Americas is traditional and clear. It is that there shall be no intervention in the internal affairs of any one nation by another nation of our hemisphere.

The United States has another policy which has been the doctrine of the Western Hemisphere nations for more than one and a quarter centuries—the Monroe Doctrine—which has kept the rest of the world on notice that the Western Hemisphere will brook no outside interference from the Old World, or from nations in any other area of the globe.

This policy has been reaffirmed in the Rio treaty, in the Bogatá Conference, and in the Caracas resolutions subscribed to just this year.

So, Mr. President, are we not in honor bound to recognize what is happening for what it is—intervention in the internal affairs of the nations of this hemisphere by nations from the Old World? And are we not solemnly pledged to prevent and to frustrate such intervention?

Mr. President, we all recognize the Communist pattern, and we all admit how diabolically clever it is. We are familiar with the Communist argument that what is taking place is "internal social reforms" which are no concern to outsiders.

What is actually happening, however, is that with the movement of arms into Central America, the now familiar Communist technique, propaganda plus arms—is now taking place. We will now hear, in growing crescendo, denunciations of the United States for being protectors of "oppressive, capitalistic exploiters."

Mr. President, as I understand, our policy is clear on the question of expropriation, which is a problem in Guatemala, and which has been a problem in other countries. That policy is a demand for "prompt, adequate, and effective compensation." As a nation, we will not use our force and prestige to keep the United Fruit Co., or any other private company, within the borders of a Latin American nation which does not want it. Our policy is and has been to aid and assist our Latin American friends in the development of their countries, the improvement of working conditions, and the raising of standards of living. And while we have not, in my judgment, gone far enough in this regard, nevertheless our aid, affection, and attention has been constant. Therefore, I do not believe our neighbors to the south will be fooled by the Communist propaganda.

The free world will soon know and understand that the Politburo of Guatemala is reporting directly to Moscow and is taking orders from Moscow. Of the 11 members of the Guatemalan Communist Politburo, 6 have visited Moscow and 5 have been to that Soviet Capital for indoctrination and instruction within the past 2 years. The latter are: Jose Alberto Cardoza, Victor Manuel Gutierrez, Carlos Manuel Pellecer, Jose Louis Ramos, and Mario Silva.

Only last fall, the sixth, the secretary general of Guatemala, Jose Manuel Fortuny, went to Moscow, along with Dionisio Encina, the secretary general of the Communist Party of Mexico. They went to Moscow on November 5, 1953, and they returned, well armed with propaganda and instructions, on January 12, 1954. A seventh, Virgilio Guerra, is reported as scheduled to leave very soon for Moscow, to receive instructions in labor organization. During last year—1953—some 50 or 60 persons from Guatemala visited Russia for the same reason.

The pattern of Soviet Communist penetration in Guatemala becomes clear from an analysis of labor and political groups. I think it fair to say that there is a clear and unmistakable link with the Soviet in all these groups.

The Guatemalan General Confederation of Workers is affiliated with the World Federation of Trade Unions, an international Communist-dominated organization, with headquarters in the Communist sector of Vienna; and the Secretary-General is the same Gutierrez I mentioned a moment ago, who has received his indoctrination, training, and directions from Moscow. In this Guatemalan labor group are trained Communists, and six of them have been indoctrinated in Russia.

The National Peasant Confederation of Guatemala has a similar Communist affiliation; and its secretary general, Leonardo Castillo, was in Russia, receiving instruction, in 1953.

The Alliance of Democratic Youth of Guatemala is affiliated with the World Federation of Democratic Youth, the international Communist youth organization with headquarters at Bucharest, in Communist Rumania; and the secretary general, Adelberto Torres, went to Moscow for indoctrination and training in 1953.

The Alliance of Guatemala Women is affiliated with the International Federation of Democratic Women, the Communist organization with headquarters in the Soviet sector of Berlin.

The secretary general of the Alliance of Guatemala Women, Dora Franco, not only visited Communist Russia in 1952, but also visited Communist headquarters in Red China.

The University Democratic Front, an organization at Guatemala's national university, is an affiliate with the Communist International Student Union, with headquarters at Prague, in Communist Czechoslovakia. Its secretary general, Ricardo Ramirez, visited Russia in 1953.

The National Peace Committee of Guatemala is a branch of the international Communist organization, the World Peace Council, whose headquarters is at Prague. Its secretary general, Mario Silva, was in the Soviet in 1952.

So, Mr. President, we see that the agrarian, the rural, the educational patterns of life in Guatemala have been carefully and strategically infiltrated by the Communists. Leaders in the major population groups have been called to Moscow, carefully trained, and sent back home with missions of subversion, missions which direct them to destroy good will for the United States wherever and whenever they can.

Moscow has selected a handful of leaders to do the Communist dirty work, and has shrewdly kept them under cover, and their design has been kept secret, until now, when they think the time has come to make their move.

We should never have taken any comfort in the fact that out of a population of nearly 3 million, there were approximately 3,000 Communists in Guatemala. We all know that the Communists who seized control of the countries now behind the Iron Curtain in Europe and Asia have been pitiful in number, but powerful in shrewd ruthlessness and

strategic power. Mr. President, that is how Russia herself went Communist and became the headquarters for the world Communist conspiracy.

So, Mr. President, we face the ugly and infuriating fact that we now find Russian intervention in this hemisphere on an alarming scale and in violation of the Monroe Doctrine. The diabolical scheme of the enemy has become apparent and challenges the resourcefulness not only of the United States, but also of all other members of the great Organization of American States as well.

I am confident, Mr. President, that the people of the United States stand ready to meet this challenge. I am convinced that they have no intention of scrapping the Monroe Doctrine. I have faith that the peoples of Latin America are also ready to stand firm in resisting Communist intervention in our hemisphere.

It seems to me that our course is clear under the circumstances. Through the Organization of American States, we in the Western Hemisphere have agreed upon a pattern of conduct in such circumstances. We can be proud that through that Organization we have already agreed to meet a common threat with a united front and with joint action. My information is that conferences looking toward necessary action are about to be called and that joint action will be shortly forthcoming.

The masses of the people of Guatemala cherish their freedom. They are looking to us and their other neighbors in the Organization of American States for timely and decisive action to save their freedom from Communist imperialism.

We face this crisis today, Mr. President. Let us meet it coolly, calmly, and together with our Latin American allies.

But let us look beyond this crisis. What were the circumstances that encouraged the growth of communism in Latin America? What is the cause of this threat to our cherished Pan-American unity?

Does not this prove the warnings which we have heard from many sources—and which the junior Senator from Florida has for some time been repeating—namely, that in our preoccupation elsewhere, we have left undone in the Americas those things that we should have done?

I hope and I urge that the Government handle the current crisis promptly and firmly, and in a manner to strengthen the nations of the Western Hemisphere and the Western Hemisphere alliance. Simultaneously, I hope and I urge that we waste not a moment in getting about the task of selling democracy in Guatemala and in the other countries of Latin America where democracy is not at the moment a desirable commodity. We must help the people of those countries to understand our brand of democracy and to realize that it works. We must help them achieve a brand of democracy that will work and that will give freedom to all of them.

The fine people of Latin America, Mr. President, are freedom loving. Liberty should be a part of their life, as the inclination thereto is a part of their nature and character. They will, I know, embrace democracy and will spurn Communist slavery, if we will assist them in making the choice.

Mr. President, I yield the floor.

FAIR AND REASONABLE COMPETITION—THE KEYNOTE OF ECONOMIC COOPERATION AMONG THE NATIONS OF THE WESTERN HEMISPHERE

Mr. MALONE. Mr. President, the keynote of economic cooperation among the nations of the Western Hemisphere must be based on fair and reasonable competition.

I was very much interested in the address of the junior Senator from Florida [Mr. SMATHERS], urging cooperation with the nations of South America. For 8 years the junior Senator from Nevada has been a Member of this body. He has repeatedly urged that we return to the principles of the Monroe Doctrine in the Western Hemisphere, because as will be further shown on the floor of the Senate by the junior Senator from Nevada and through committee reports, we are dependent upon the other nations of the Western Hemisphere for our very existence, including national defense, and they are dependent upon us for their very lives in case of attack.

So economically we must realize some of the differences which exist in the living standards, and we must treat other nations as we would like to be treated, on the basis of fair and reasonable competition, realizing and facing the true situation. There is a broad field of agreement among the nations of the Western Hemisphere, and it must be reestablished and preserved.

REVITALIZE MONROE DOCTRINE

The principle and spirit of the Monroe Doctrine promulagated in 1843 must be revived and revitalized. It must be made to operate in the economic and national defense field, for the long-range preservation, development, and independence of the nations of the Western Hemisphere, including ourselves.

This objective cannot be reached by each nation in the Western Hemisphere striving for economic advantage over the other nations through manipulation of the exchange values of its currency, the use of quotas, trade permits, exchange permits, and other means.

The American workingmen and investors have asked only for equal access to the American markets, which means under a basis established by law, under fair and reasonable competition, under a duty or a tariff, neither high nor low, but representing the difference between wages, taxes, and other pertinent factors in the cost of production in this Nation, and the chief competitive nation.

VENEZUELA'S DRASTIC CURBS ON UNITED STATES DAIRY, FARM, AND FACTORY PRODUCTS

Mr. President, for example let Venezuela, which has dumped a billion dollars worth of foreign petroleum and fuel oils on our markets in the past 3 years, realize the differences in our living standards, wages, and taxes, and let her realize the purport of what she is doing.

This month Venezuela imposed severe quota restrictions on imports of American butter, to single out one product.

Venezuela's drastic butter quota supplements her quota curbs on American potatoes, automobile tires and cotton textiles, and her complete ban on certain other American products.

Despite Venezuela's barriers to imports from the United States, Venezuelan oil interests employ agents to combat all proposals in the Congress of the United States that might tend to ease the flood of crude and residual oils which are eroding America's own fuel industries and forcing many thousands of our citizens out of employment.

Last year an agent of Venezuela, registered as such, was Mr. Charles P. Taft. I do not know Mr. Taft's present status with relation to Venezuela, but I do know that he is going about the country making speeches in behalf of Venezuela's oil exports to the United States and attempting to belittle their effect on American jobs and industries.

Mr. Taft, who professes great interest in trade with Venezuela, should be familiar with Venezuela's controls, curbs, and quotas on American products. They are not mentioned, however, in any of the news items or releases on his speeches which have been brought to my attention.

I have failed to find in these reports mention by Mr. Charles P. Taft of Venezuela's long-standing curbs on American cotton textiles—quota restrictions which are damaging a vital segment of America's economy and diminishing employment in our American textile industry.

Nor have I found mention by any of the spokesmen for Venezuelan oil interests of Venezuela's restrictions on American farm and livestock products, on our dairy products, or on certain garden produce.

Later in his remarks the junior Senator from Nevada will discuss Venezuela's textile quotas in some detail, but at this point he prefers to take up Venezuela's restrictions on imports of American food products and the motivation for these restrictions.

Often advocates of free trade and one economic world refer to our tariffs and duties as trade barriers. Nothing could be further from the truth. When a tariff or duty is fixed on the basis of fair and reasonable competition, it simply means that the difference in wages, taxes, and other pertinent factors, including manufacturing costs, is represented by the duty or tariff. There is no attempt to keep out the products of other nations. There is no attempt to fix a high tariff or a low tariff, but simply a tariff representing the difference in living standards. As they raise their wage standard of living, duties or tariffs, on the flexible basis, come down, and whenever they reach our wage standard of living free trade will be the automatic and immediate result.

But quotas restrict imports regardless of costs or living standards. They are the real barriers.

ONLY TWO-THIRDS OF A POUND OF AMERICAN BUTTER PER VENEZUELAN PERMITTED

Venezuela, on May 4, 1954, limited imports of butter from America to 1,500

metric tons. A metric ton is 2,204.6 pounds. Venezuela's quota on imports of American butter is, therefore, 3,306,900 pounds, or slightly less than two-thirds of a pound per Venezuelan.

The United States now has in storage 385,414,996.25 pounds of surplus butter, or slightly over 174,000 metric tons, which it is eager to dispose of in the world market at world market prices, which are, of course, considerably less than the cost of butter to the housewives of our Nation.

An announcement by the Secretary of Agriculture said just that. It said that the Department was ready to sell the butter at the world price, and let the taxpayers take the loss.

It would be agreeable, I feel, to our dairy producers and to the Department of Agriculture if Venezuela, which derives 65 percent of her total revenues from exports of fuel oils and petroleum products, would permit butter imports equal to Venezuelan market demands, instead of imposing quota barriers, as she is doing.

The purpose of Venezuela's restrictive quota on American butter—imposed at a time when she is fighting any action, through tariff adjustments or otherwise, that might place her oil shipments to our markets on the basis of fair and reasonable competition with American petroleum—is obvious.

VENEZUELA'S DOUBLE STANDARD ON DUMPING

It was pointed up in a report from Caracas, Venezuela's capital, to the Department of Commerce early in the year, giving our Government fair warning of the intended action which culminated in the quota decree of May 4.

The Foreign Commerce Weekly of the Department of Commerce in its issue of January 4, 4 months precisely before Venezuela established her butter quota, stated:

> Reports from Buenos Aires on the unfavorable reception in Argentina of the United States declaration that beef was in surplus supply and would be sold to the United Kingdom for sterling, brought immediate reaction among farm and industrial groups in Venezuela.
>
> These groups fear that a policy of "dumping" is being adopted by the United States.

Mr. President, imagine such a statement from the country which last year dumped $363 million worth of competitive fuels on the United States, putting thousands of American miners out of work, and cutting down production and employment in America's own oilfields.

VENEZUELA CONTEMPLATES PROTECTIVE MEASURES

Mr. President, the junior Senator from Nevada is laying no blame on Venezuela or on any other foreign nation. The blame belongs in Congress, where that responsibility should rest.

To continue the report from Venezuela published in the Foreign Commerce Weekly of January 4, this year:

> The Venezuelan view is that dumping has not yet begun but that surpluses in the United States must be sold abroad. Those who expressed a fear of dumping proposed taking protective measures in anticipation of excessive imports from the United States.

The same article, incidentally, notes that Venezuela has increased its production of heavy crude petroleum to, as it states, "meet the better world demand for fuel oil."

Mr. President, the junior Senator from Nevada has long championed hemispheric unity and trade with South and Central America on the basis of fair and reasonable competition with equal access to friendly markets. The junior Senator from Nevada likewise has been engaged for many months in studies and investigations which indicate that the Western Hemisphere is well equipped with the critical and strategic minerals, and materials, which could make this hemisphere self-sufficient in time of peace or time of war.

But this can hardly be achieved if a nation which enjoys what virtually amounts to free access to our markets for her products in turn closes its doors to all but a limited amount of American farm products, and in some instances prohibits them entirely.

ONLY UNITED STATES KEEPS LETTER AND SPIRIT OF ITS TRADE AGREEMENTS

Mr. President, the junior Senator from Nevada does not quarrel with Venezuela for seeking to protect her own interest or to increase her revenues. His criticism is directed primarily at the law which permits the State Department to subject American industry, farmers, investors, and workingmen to trade agreements with foreign countries weighted to favor foreign interests in opposition to American interests.

RESPONSIBILITY FOR FAIR FOREIGN TRADE RESTS WITH CONGRESS

Mr. President, the responsibility rests in Congress, or should rest in Congress. The Constitution of the United States, in article I, section 8, provides that the legislative branch of the Government shall set the duties, imposts, and excises, which we call tariffs, and the Constitution also provides that the Congress shall regulate foreign trade.

However, by the enactment of the 1934 Trade Agreements Act, Congress transferred, by simple congressional act, that responsibility to the Executive.

Mr. President, if that can be done and if an act of that kind is constitutional, then Congress could also very well transfer, through a simple congressional act, every duty of the President to Congress, even over his veto, and leave the President without anything at all to do. It does not make sense.

Venezuela is not the only beneficiary of such one-sided agreements. We are merely using Venezuela as an example. We are not blaming Venezuela. We are to blame. The State Department has been rushing about the world making agreements either with individual nations or in wholesale lots through one-world organizations such as GATT, and its application of the "most favored nation" device.

ONLY UNITED STATES KEEPS LETTER AND SPIRIT OF TRADE AGREEMENTS

In all such agreements the American farmer, investor and workingman loses, and the foreign government or industrialist gains. Even when a trade agreement does on its face indicate some semblance of equity, foreign nations do not keep either the letter or the spirit of their commitments but negate them through currency manipulations, quotas, exchange restrictions and many other devices, some of them, as matters of "internal administration" known only to themselves.

Only the United States keeps its agreements both to the letter and the spirit. In these agreements with foreign nations, Mr. President, the United States has been most complacent. Never have we been given equal access to any foreign market. Never have we been offered equal access to such markets. Nor have we asked for equal access to foreign markets. What we—who are interested in the preservation of our own economy, security and living standards—do ask is equal access for American products to our own American markets. Only a tariff or duty, as the Constitution calls it, based on fair and reasonable competition with our principal competitor will assure equal access to our own markets for the products of American industry and enterprise, and preservation of the American market itself.

To return to Venezuela, which offers just one of many examples of the operation of our foreign trade policy under the Trade Agreements Act of 1934.

Suppose we were to continue the policy of opening our markets to the low-wage nations of the world without any duty or tariff to equalize the wages or taxes. After the foreign nations took the market and our people were unemployed and our standard of living went down, the market would shrink, and the very market the foreign nations thought they were getting would disappear.

That may be surprising to some of our own citizens like Mr. Ford and Mr. Paul Hoffman and Mr. Coleman, who believe the world will be made their own camping ground by establishing industries on foreign soil and using the low-cost labor of those nations, with their know-how and their assembly lines, to produce the products and then bringing the products to this country, without paying a tariff or duty to equalize the wages, and then lowering the income tax, so that they can bring the income back without paying a tax on it.

COMPANIES MOVING ABROAD RECEIVE TAX OFFSETS

Furthermore, it develops that when they have certain concessions made on income, whatever the taxes finally are on the foreign produced material, we find that there is an offset, in that whatever taxes are paid in the foreign nation are deducted from what is paid to our Government. It just so happens—a coincidence no doubt—that the amount they pay those foreign nations just about equals the amount that would have been due to the American Government. No doubt that is a coincidence.

VENEZUELA SLAPS QUOTA ON POTATOES

Venezuela last October placed a quota on American potatoes of 40,000 tons, or about 17½ pounds per Venezuelan. By now the quota doubtless is exhausted; that is, if Venezuelans eat potatoes in any quantity. The quota itself has not been changed.

Imports of many other American food products are subject to controls, import controls.

Of such controls the Department of Commerce states in a memorandum prepared at my request:

> The basis on which such licenses are granted is considered by the Venezuelan Government as a matter of internal administration which may or may not involve the use of quotas.

VENEZUELA BARS UNITED STATES HOGS, PORK, HAMS, BACON, AND SAUSAGE

Imports of American food, farm, or ranch products subject to such restrictions or complications on the part of Venezuelan authorities include wheat flour, onions, meats, cattle, fertile eggs, baby chickens, vegetable oils, and tallow.

In addition, we find that, and I quote from a Department of Commerce document, Application of Import Tariff System of Venezuela, revised to May 1954:

> Live hogs, raw pork (including smoked hams, bacon, and sausage), and animal feeds containing pork products are prohibited importation from the United States.

In other words they are barred entirely.

VENEZUELA BARS UNITED STATES TOMATO PREPARATIONS

We find also that Venezuela bars tomato sauce or paste or food preparations with tomato sauce or whole tomatoes, when in metallic containers which do not comply with the conditions stated in No. 36-D of the customs tariff.

Containers that do comply must be manufactured and automatically sealed without toxic metals and without solder, the interior coated with varnish, and the label show the date of manufacture, a somewhat restrictive requirement to Venezuelans who may like bottled catsup.

Mr. President, I list at this point all of the products for which Venezuela's Ministerio de Fomento, or Ministry of Development, requires prior import licenses, which, as the memorandum from which I previously quoted, states, may or may not involve the use of quotas:

> Wheat flour, copra, onions, garlic, rice, butter, powdered milk (for free importation), frozen and refrigerated poultry, all meats (except canned), live cattle, fertile eggs, baby chicks, vegetable oils, and oilseeds, tallow—

Mr. President this is a very long list—

> cloth of artificial silk (pure or mixed), cotton cloth, cotton cloth decorated or mixed with silk, cotton cloth mixed with hemp or jute, cloth of wool or goat hair, cloth bags of fique or henequen, cordage, footwear (finished or partly finished except bathing or ballet shoes), unmanufactured tanned cattle hides, cardboard on bobbins used for the manufacture of accounting-machine cards, asbestos-cement sheets and pipes, white paper without glue or gum (uncalendered weighing more than 50 grams per square meter to be used for printing newspapers, magazines, or books of a cultural nature), and for white dull-finish paper weighing more than 60 grams per square meter, designed for the same uses, Portland cement, prefabricated buildings, unassembled passenger cars, and rubber tires and tubes.

Mr. President, there also is a list of products for which import permits must be procured from the Ministry of Agriculture, including chemical fertilizers, concentrated animal feeds and insecticides, and a list of products prohibited entirely which includes, as I stated before, pork and pork products, and also cigarette papers, coffee plants, and matches.

In passing, it may be stated that Venezuela also imposes rigid tariffs on 157 food products, including meats, fish, poultry, fruits, cereals, and mineral waters; on 307 textile products including those limited by quotas; 70 animal and animal products; 77 plant products; 84 wood and paper products; 134 minerals, glass, and ceramics items, which interestingly includes petroleum, fuel oil and gasoline should the United States attempt to ship some of its products to Venezuela; 153 metals and metal manufactures; 128 machine or instrument items; 294 chemical products, and 98 miscellaneous commodities ranging from sports articles, electric light bulbs and toothbrushes to workmen's footwear and slide fasteners.

Goods in 53 classifications are admitted free of import duties under the general Venezuelan tariff law, and 16 under a supplementary trade agreement with the United States of America.

UNITED STATES TEXTILE IMPORTS CURBED BY VENEZUELA BUT TEXTILE MACHINERY ON IMPORT "FREE LIST"

Among the free items are textile machinery with which Venezuela, having imposed a quota limitation on textile imports from the United States, can import machinery duty-free with which to make textiles for her own use or for export; the free list also includes machetes, printing presses, articles for breeding animals, lifebelts, and parachutes.

Venezuela enjoys special privileges under a trade agreement signed with our State Department on August 28, 1952, which supplanted a trade agreement of 1939.

Of this agreement Venezuela's Minister Counselor for petroleum affairs has stated:

> On her part, Venezuela achieved its main objective of securing extension of United States tariff concessions toward imports of Venezuelan crude oil and fuel oil.
>
> It also enabled Venezuela to protect certain domestic industries and agricultural products from imports more fully than was possible under the 1939 treaty.

Then the Minister Counselor for Petroleum Affairs, in light of the quotas, controls, and restrictions that I have previously cited from official records, makes this interesting statement:

> The new agreement generally forbids both countries from placing quantitative restrictions on imports of the products therein listed.

STATE DEPARTMENT SHOULD ACT IN UNITED STATES AGRICULTURE AND INDUSTRY INTERESTS

Mr. President, if the 1952 trade agreements which the State Department negotiated with Venezuela forbids in any way quantitative restrictions, then the State Department should make immediate representations to the Venezuelan Government to remove its quantitative restrictions on imports of American butter, potatoes, tires, pork products, and textiles. It should do this in the interest of our dairymen and farmers, and in the interest of our unemployed tire and textile workers.

If the statement of the Venezuelan Minister Counselor for Petroleum Affairs is true, and Venezuela persists in imposing drastic quantitative restrictions—a fancy name for quotas—on American products, then we should rescind our trade agreement with Venezuela inviting unlimited imports of Venezuelan crude and residual oil, so destructive to American fuels industries, and revert to the more realistic tariffs that preceded this agreement.

In any event, the State Department should for once, in the face of the official record, act in the interests of American producers on farms and in factories, and the junior Senator from Nevada calls on the State Department to so do.

The junior Senator from Nevada will shortly discuss this trade agreement further with reference to Venezuela's oil shipments, but he now takes up the very definite quantitative restrictions applied by Venezuela on American cotton textiles both before and after the agreement was negotiated, and about which our State Department negotiators did nothing.

The fact that Venezuela curbs the entry of American textiles to the Venezuelan market under a strict quota system while enjoying an unlimited market in the United States for Venezuelan oil may be of some interest to our unemployed textile workers and coal miners.

TWO OF NATION'S MOST DISTRESSED INDUSTRIES HURT BY VENEZUELA'S ACTIONS

It should interest also the 33 distressed coal-producing areas and 16 distressed textile centers, the States in which this distress exists, and their delegations in the Congress.

The textile industry and the coal industry are two of the most critically distressed industries in the United States. Employment in the coal mining industry has declined more than 165,000 and the decline of employment in the textile industry has been stated by union leaders to approximate 400,000.

Fuel imports from Venezuela are contributing to the unemployment in our coal industry, and Venezuela's restrictions on American textiles are contributing to unemployment in America's textile industry.

Venezuela is only one of many countries that restrict imports of American products, and later in his remarks the junior Senator from Nevada will list some of the others that follow Venezuela's example.

Venezuela, however, is a special case.

The special trade agreement referred to previously permits an unlimited flow of Venezuelan residuals and crude oil at the token duty of 5¼ cents per barrel.

Originally the tariff was 21 cents a barrel on imports in excess of 5 percent of domestic crude production and 10½ cents on imports less than the 5 percent of domestic crude.

Mr. President, I wish to say at this point that, due to the most-favored-nation clause in the Trade Agreements Act, when an agreement is made with one nation, every other nation in the world, without giving anything, receives the full benefits from the agreement.

HISTORY OF UNITED STATES TARIFF CUTS ON VENEZUELAN OIL

The State Department in its persistent effort to encourage foreign competition against American products had first negotiated a trade agreement with Mexico cutting this tariff in half. When Mexico discarded the agreement, duties reverted to their former rate, so the State Department hurriedly negotiated with Venezuela to drop the rate back to 5¼ cents per barrel and with no limitations at all.

This decrease of tariffs on Venezuela's principal export to the United States did not, however, prevent Venezuela from imposing quotas on American textiles cutting our exports of cottons to them more than half.

Nor has it discouraged administrative departments of our Government from continuing to pamper Venezuela, which is governed by a military dictatorship.

American investment in Venezuela is encouraged by the Commerce Department, and Venezuela's opportunities for such investment are well advertised—at the expense of American taxpayers, of course—despite the fact that Venezuela, as I have documented, curbs entry of important American products to Venezuela.

But the State Department has been even more generous than that.

On every occasion when distressed American industries have sought to have a fair and reasonable competitive duty, or tariff placed on imports of foreign oil displacing American fuels in our own markets, or to limit imports to such amounts as will not inflict greater damage to American workingmen and industries, the State Department has rallied to the side of Venezuela and alined itself against the side of American jobs and enterprise.

All proposals for relief of the American coal and oil industries from unfair, cutthroat competition by Venezuelan oil interests have been opposed by our administrative departments.

On the other hand, if these same departments have ever sought to ease Venezuela's restrictions against American products, it has not come to the attention of the junior Senator from Nevada.

In brief, it has been all to apparent to me that the State Department and, to some extent, the Commerce Department have been too busy promotiing industrial prosperity in Venezuela to be greatly concerned over industrial setbacks in the United States.

Venezuela is of importance to this discussion, not only because of the tremendous harm it restrictions against American products and dumping of residual fuel oils are doing to American employment and economy, but because of the prominence of some of its protagonists, or should I say propagandists?

I use Venezuela only as an example. There is no blame attached to Venezuela or to its officials. The blame rests squarely on the Congress of the United States, where it belongs, because in 1934 Congress passed the Trade Agreements Act, under which the trade negotiations are carried on, or under which the State Department carries them on. After its first expiration, the act was extended every 3 years until 1951, when some Members of Congress succeeded in having the duration of its extension reduced to 2 years. Last year the act was extended for 1 year. It will expire at midnight on June 12 of this year. Then it will devolve upon Congress to regain and reassume its responsibility in this field. If Congress does not do so, the blame will rest where it falls.

TEXTILE IMPORTS CUT BY SOUTHERN NEIGHBORS

Mr. President, the April 26, 1954 issue of the Journal of Commerce carries a signed article by Mr. Matthew J. Cuffe, president of the Textile Export Association of the United States.

The article is headed "Artificial Barriers Found Barring United States Textile Exports."

With reference to Venezuela, Mr. Cuffe says:

> Through a combination of high tariffs, onerous customs regulations and quotas, the Venezuelan Government has succeeded in cutting down drastically imports of American textiles.

At this point, in connection with the mention of customs regulations, I again wish to remind the Senate that at every session of Congress for the last 8 years a bill has been introduced to simplify customs regulations, as it is called. This, of course, means to reduce the number of regulations and to make it easier for imports to enter the country. One bill now before the Senate purports to simplify further the customs by changing the valuation base. Instead of using the American valuation for a tariff or a duty, it is proposed to use the foreign valuation, which is from one-fifth to one-third or one-half the American valuation, thereby cutting the duty, tariff, or protection square in two, in the middle, or perhaps cutting it in half about three times. I hope that Congress, especially the Members of the Senate, will awaken to this protest. When the door is shut, the freetraders come in through the windows; when the windows are shut, they come in through the cellar. Every bill which purports to simplify the tariff laws, or purports to give the Executive more authority, is merely another approach to the destruction of the workingmen and the independent business of America. I continue to quote from Mr. Cuffe's statement:

> For example, Venezuela's quota for this year has been cut to about 9 million yards. Two years ago it amounted to 21 million yards.
>
> Venezuela is prosperous and has plenty of dollars, thanks to heavy oil and ore exports to the United States.

Mr. Cuffe also discusses trade barriers erected by other countries which are being financed with American dollars and foreign aid, and I shall touch on them later.

Shortly after the war the American people were sold another catch phrase—"dollar shortage." The only one for whom a dollar shortage has ever existed has been the American taxpayer. He is the one who has picked up the check for years. The dollar shortage has been caused only by foreign nations spending each year more than they earned, or by fixing the price of their currency dollars above the market price, so that no one except the Congress of the United States would pay the price.

Mr. Cuffe, in his report on Venezuela trade restrictions, translates the quotas into yardage, which is an understandable measure, although Venezuela avoids such clarity by setting its quotas in terms of kilograms.

The Foreign Commerce Weekly, a publication of the United States Department of Commerce, reports in its issue of April 5, 1954:

VENEZUELA SETS 6-MONTH COTTON QUOTA

> The Venezuelan import quota for cotton textiles for the first half of the calendar year 1954 is established at 2 million kilograms, as announced on March 16.
>
> The new quota covers cotton textiles included under Venezuelan customs tariff classifications Nos. 71 to 85, both inclusive.
>
> Imports permitted in the first half of 1954 will total 2,615,000 kilograms, as an additional quota of 615,000 kilograms of cotton textiles was added to the 1953 quota on January 26. Such imports would compare with a quota of 4,250,000 kilograms for the entire calendar year 1953.

Such quotas, of course, apply to imports generally and not merely those from the United States, and the Venezuelan pattern is being followed by other Latin American countries as will be set forth later.

According to Foreign Commerce Weekly, issue of April 12, 1954, exports of textile manufacturers from the United States to Latin America dropped $20 million in 1953 from the previous year.

The same article states:

> Deliveries of gas and residual fuel oil from both Venezuela and Mexico, however, increased in quantity as well as value. Total imports from Venezuela were $440.6 in 1953 compared to $396.5 in 1952 and $323.6 in 1951.

Mr. President, it is sometimes difficult to reconcile the facts—and I accept the Department of Commerce reports on these matters as facts—with communications which I receive from persons who should have knowledge of the facts.

For example, a Chicago business executive writes to me, as follows:

> Venezuela has been one of the few countries of the world that have not imposed exchange restrictions or taken advantage of the opportunity to impose other restrictions such as quotas on the importation of American goods.

The gentleman has, of course, been grievously misinformed. The statement simply is not true, as the facts and record show.

Mr. President, I ask unanimous consent to have printed at this point in my remarks a statement prepared at my request by the Department of Commerce concerning Venezuela's cotton textile import quotas, and also a table showing, in kilograms, total imports of cotton textiles by Venezuela and imports from the United States for the years 1948 through 1953 inclusive.

There being no objection, the statement and table were ordered to be printed in the RECORD, as follows:

VENEZUELA

COTTON TEXTILE IMPORT QUOTAS

Venezuela's quota system applicable to imports of cotton textiles was imposed on

November 10, 1948. It provided for a quantitative global import quota on all cotton textiles included in items Nos. 71 through 85 of the Venezuelan Customs Tariff. Pursuant to this authority the import quotas which have been established subsequently are as follows:

1948: For the period October 20, 1948, to April 19, 1949, the quota was set at the equivalent of 50 percent of total Venezuelan imports in the calendar year of 1947, plus 200,000 kilograms. Imports were to be distributed proportionately among merchants on the basis of their imports during 1947 and the first 6 months of 1948. Subsequent quotas were distributed to importers on the basis of prior importations. There was to be no discrimination as to country of origin or kinds of goods. The quota for this period was finally established at 2,950,000 kilograms.

1949: The quota for the 6-month period ended October 19, 1949, was 1,950,000, or a total of 4,900,000 kilograms for the two 6-months periods. For the period October 20, 1949, to December 31, 1949, the quota was established at 500,000 kilograms.

1950: The quota was shifted to a calendar year basis and fixed for the period January 1, 1950, through March 31, 1950, at 400,000 kilograms. For the period April 1 through December 31, 1950, the quota was 2,200,000 kilograms.

1951: For the calendar year 1951, the quota was set at 5 million kilograms (3 million for the first semester and 2 million for the second). This was supplemented on August 3, 1951, by an extra quota of 100,000 kilograms for the second semester of the year.

1952: The quota was established on February 20, 1952, for the entire calendar year at 3 million kilograms. This was supplemented by an additional quota of 500,000 kilograms on July 21, applicable to the second semester. Another supplementary quota was established on October 30, 1952, of 500,000 kilograms, for the final quarter of 1952.

1953: For the entire calendar year 1953 an allocation of 4,250,000 kilograms was established on January 22, 1953. On January 26, 1954, an additional quota for the 1953 calendar year was established for 615,000 kilograms.

1954: For the first half of the calendar year 1954 a quota of 2 million kilograms was established on March 16, 1954. (Since an additional quota of 615,000 kilograms of cotton textiles was added to the 1958 quota on January 26, 1954, importation permitted in the first half of 1954 will equal 2,615,000 kilograms. This compares with an actual quota of 4,250,000 kilograms for the entire year of 1953.)

Venezuela: Imports of cotton textiles (classification 71–85), total and from United States, 1948–53

[Quantity in kilograms]

Year	Total imports	Imports from the United States
1948	7,108,554	4,435,237
1949	3,718,714	3,029,286
1950	2,897,794	2,227,749
1951	4,228,608	3,240,474
1952	3,611,678	3,105,976
1953	4,421,585	2,996,546

Sources: Estadistica Mercantil y Maritima de Venezuela, 1948 and 1949; Boletin de Estadistica January 1951–53; and December 1953; Foreign Service Despatch, Caracas, Venezuela, May 15, 1952.

Mr. MALONE. Mr. President, the Chicago gentleman advises that he has sent similar letters to Members of the Senate Finance Committee and the House Ways and Means Committee. I am happy to take this opportunity to correct him, and shall so advise him.

I should, perhaps, not be too harsh with this gentleman. He has, he writes, seven stores in Venezuela and, with interests in a country governed by a military dictatorship, he may have felt compelled to write as he did in opposition to legislation which would limit Venezuela's dumping of petroleum products, which are doing so much harm to workers in the coal and textile industries here, some of whom, I am certain, must have been among the gentleman's American customers.

Certainly his company has enjoyed far greater patronage from American consumers throughout the United States than it can ever expect from Venezuelan patronage.

EMPLOYED AMERICAN WORKERS AMERICA'S BEST MARKET

And if I should offer a suggestion, I would advise that his company would prosper more by the return of thousands of coal miners and textile workers to gainful employment than it would by encouraging Venezuelan oil imports that are pushing American workers out of jobs.

Mr. President, while our diplomats and their champions with foreign interests are urging other nations to take over important segments of American markets, and urging our country to tear down its economic defenses, our neighbors to the south and north are erecting trade barriers against us that are really barriers, or have imposed other handicaps to American industry.

Mr. Cuffe, in his signed article, details this country by country, and the junior Senator from Nevada wishes to cite a few examples.

Canada: Canada has stiffened customs regulations and in addition has signed a treaty with Japan which permits Japanese goods to enter that market at the same rates as our own. Canada is far and away our most important market and usually accounts for 25 to 30 percent of our export sales.

Again, Mr. President, I call attention to the fact that I am not condemning Canada, Mexico, Venezuela, or any other country which I may mention; I am blaming the Congress for making that type of operation profitable or necessary.

To continue Mr. Cuffe's report:

Mexico: The Mexican Government has put all cotton textiles, even the fabrics not made by mills there, under license and has increased tariffs 25 percent.

Dominican Republic: Illustrative of the situation we are facing throughout Latin America are developments in the Dominican Republic. Recently a small mill was established there with an output of 900,000 yards a year. On March 19, the Dominican Republic announced that from now on any firm wishing to import denims, twills, cotton herringbones, ticking, and canvas, would have to submit samples of the fabrics they intend to import. If these samples are similar to goods produced in this mill, permission to import is refused. The Dominican Republic usually imports 1,800,000 yards of the fabrics listed above each year.

Guatemala: On December 29, 1953, the Guatemalan Government increased the number of cotton items that may not be imported into Guatemala until stipulated quantities of similar domestic goods have been purchased. The list was increased to 27 items compared with the 14 formerly specified. The proportion of domestic yarn which importers must buy to match importations is increased from 400 percent.

Colombia: Colombia through licenses and quotas restricts imports of those cloths which the industry there does not make.

HOW TORQUAY AGREEMENT RAISED CUBA'S TARIFFS—HURT UNITED STATES TEXTILES

Cuba: Trade with Cuba is shriveling as a result of the exorbitant tariffs which the so-called Torquay Treaty permits Cuban Government to levy on our textiles. Although population and purchasing power have increased substantially in the prosperous years since 1940, our sales of cotton textiles in that one-time major market have dwindled. In the years 1935 to 1939 Cuban imports of American cotton textiles averaged 62,570,000 yards annually. Last year they amounted to only 43,984,000 square yards.

Peru: Peru has raised tariffs 250 to 300 percent. As a consequence shipments to that market last year amounted to 2,750,000 square yards as against 17,500,000 square yards in 1952.

Ecuador: Ecuador this year raised rates on imported textiles.

CHILE'S COPPER SUBSIDIZED BY UNITED STATES DOLLARS

Chile: Chile has just imposed the stiffest controls in years on imports from the United States.

Mr. President, at this point I might say that for a considerable time we have had the habit of paying Chile anywhere from 5 to 12 cents a pound more for copper than we pay our American producers; and laborers in Chile are paid about $2.40 or $2.50 a day, while workers in this country are paid $10, $12, or $15 a day. None of that makes sense, but that situation seems to be accepted by the Congress.

I continue Mr. Cuffe's report:

Brazil: Brazil plans to impose customs surtax up to 150 percent on invoice value of imports.

Paraguay: Paraguay has cut down textile imports to 350,000 from the United States, United Kingdom, and Western Europe.

Asia: In Asia our exports are limited to the Philippines.

Mr. Cuffe also states:

In 1952, the United States was the major exporter of cotton textiles. In 1953 we fell to fourth place. Japan moved into the top position, United Kingdom was second and India third. We were the only country among the major exporting nations which suffered a contraction in exports.

Mr. President, there may be some explanation for that shrinkage. In this country workers are paid from $10 to $12 a day, and often $15 a day, while labor in Japan is paid 12 to 15 or 18 cents an hour. In England labor is paid one-third to one-fourth or one-fifth of the wages paid in this country.

Continuing with the statement of Mr. Cuffe:

This weakening of our position in world markets is due to a number of reasons. The rise of foreign competition is only one of them. The one big factor responsible for the steady decline in our sales is the network of restrictions which have been raised against us in nearly all of the major importing areas of the world.

Mr. President, facts such as these certainly explode the arguments of our free traders that our trade negotiations, under the Trade Agreements Act of 1934, have either been profitable or reciprocal.

The phrase one hears so often, "reciprocal trade," does not, of course, appear in the 1934 Trade Agreements Act. It

was a phrase created simply to sell free trade to the American people. There is nothing reciprocal about such trade, and the word "reciprocal" does not appear in the act itself.

What actually has occurred is that the State Department has thrown open our markets to cutthroat foreign competition, while other nations have imposed more and more restrictions against the products of American industry and labor. Yet our one-economic world do-gooders and advocates of socialized international trade are clamoring today for us to sacrifice more American production to foreign competition.

UNITED STATES EXPORTS SKILLS AND MACHINERY TO BUILD ONE-WORLD ECONOMY

There is a difference in the beliefs of those clamoring for one world. Some of them believe that by lowering the standard of living in the United States to the level of that of other countries in the world, war would be prevented; but many more hope to profit by the application of the principles of one world. In other words, foremen, superintendents, know-how, and machinery, are sent from this country to low-wage nations, goods are manufactured there, and then shipped back to this country without a tariff or duty, or they would if they had their way. Goods are shipped into this country from countries where lower taxes and wages are in existence, and where costs for such products are materially less.

Tariffs, or lack of tariffs, today have no connection with either our national economy or our revenue structure.

Instead, tariffs are lowered or lifted for purely political purposes, and the tariff powers of the United States are used principally, if not solely, as an instrument of international politics, which, through multilateral agreements and use of the most favored clause, means socialized and socialistic international politics.

Another principle included in the so-called Trade Agreements Act, which was called reciprocal in order to sell a bill of goods to the American people, leaves to the Secretary of State or to the Executive the right to consider what they call the national interest, and to cut the throat of any business, or the jobs of any number of workingmen in the United States of America, dependent on protection for their existence, merely because representatives of the State Department or the Executive say the overall situation for national good requires such action.

Mr. President, who decides what the national good is? For 160 years that was determined by the Congress of the United States, in adhering to the Constitution of the United States. Congress represents every precinct of the Nation. Whom does the Secretary of State represent?

The political tariffs and tariff concessions approved by our State Department under the Trade Agreements Act of 1934 and at sessions of the GATT, or so-called General Agreement on Tariffs and Trade—to which, incidentally, the Congress has never agreed—have made us not only captive to the political whims and caprices of low-wage foreign powers which discriminate our goods, but also captive to a one-world economic ideology.

WORLD MARKETS AND TRADE DIVIDED BY AGENCIES NEVER APPROVED BY CONGRESS

Mr. President, it may be of interest to the Senate to know that whereas the General Agreements on Trade and Tariffs was the father of the International Trade Organization—an organization submitted to Congress by the State Department, but which Congress refused to adhere to or to approve—immediately thereafter the State Department organized the International Materials Conference, to take its place. Those organizations were to include 50 or 60 nations whose representatives would meet once or more each year and would determine the amount of world production and the amount of world consumption, and would divide the production among the nations of the world, on a worldwide socialistic basis. Congress has never approved any of those organizations, but that did not prevent a branch of the United Nations from submitting another resolution regarding the same policy, the other day.

Only the day before yesterday the Minerals and Fuels Subcommittee of the Committee on Interior and Insular Affairs had before it an Assistant Secretary of State. The subcommittee will have its report ready within 3 weeks or 30 days. However, that Assistant Secretary of State testified that they would continue to oppose the organization, set up 3 or 4 months ago by the United Nations. We confronted him with the report that such an organization was in the offing. The Department denied that it would go along with it. However, Mr. President, no one is sure just how far down we are, regardless of whether we vote for or against participation in that organization.

EXPORTS FINANCED BY OUR TAXPAYERS

Mr. President, all this is not good for the United States of America. In order to maintain foreign trade on an international socialistic and political basis, we have had to follow the following courses:

First, we have had to bribe other nations to buy our goods with billions of dollars in grants taken from the pockets of our taxpayers. In other words, we are exporting dollars to pay for the goods we export.

Second, we yield to blackmail by other nations who want to sell their goods to us at prices which undercut our own production costs. In some instances, as in the case of Chilean copper, we even pay foreign countries—at our taxpayers' expense, of course—more than the domestic price for the foreign product.

STATE DEPARTMENT PLAYS INTERNATIONAL POLITICS WITH ECONOMY

Mr. President, the junior Senator from Nevada does not criticize the countries he has referred to, which impose import duties, tariffs, and controls and regulate their commerce in accordance with what their governments believe to be the needs of their national economy.

Every free world nation except the United States does adjust its tariff structure and regulate its commerce in the light of economic objectives, which may include protection of its industries or easing tax burdens through the use of import duties to help provide national revenue. They have that right. But what do we do? We are the only Nation that deliberately destroys its own workingmen and investors. The blame for doing that is placed where it should be, namely, on the Congress, because the Constitution places that responsibility on the legislative branch. The fact the Congress has dodged that responsibility by passing the 1934 Trade Agreements Act and its subsequent extensions does not excuse Congress.

The United States of America, from the beginning of our constitutional history until enactment of the Trade Agreements Act of 1934, adjusted tariffs to national economic and revenue needs. The Constitution of the United States, in article I, section 8, related tariffs to these objectives by placing in the hands of the Congress full authority to lay and collect duties or tariffs and to regulate the foreign commerce.

Through the Trade Agreements Act of 1934, this Nation discarded both the economic and revenue concept of tariffs and foreign trade. Congress divested itself, perhaps unconstitutionally, of its constitutional authority to lay and collect duties and to regulate commerce between nations.

It turned over that authority to the Executive, who in turn placed it in the hands of our State Department, or, as it is called in some countries, the political department.

Third, we deliberately sacrifice important segments of our national economy, American industries and payrolls, to appease foreign countries waging aggressive campaigns to infiltrate and capture our rich markets. Through removal of tariffs and progressive lowering of tariffs, through grants and subsidies to foreign competitors, and through even Government purchases and procurement abroad, American industry in numerous fields is being denied access to our own markets on any semblance of fair and reasonable competition.

UNITED STATES INDUSTRIES DENIED ACCESS TO HISTORIC MARKETS

Meanwhile, many of these American industries are being denied access to historic foreign markets, as well, through application of quota curbs, exchange manipulations, discriminatory tariffs, such as those used by England, import licenses, and other types of control. Mills and mines are closing, the jobless rolls are mounting, foreign aid in every conceivable form is being continued, and the substantial tax relief millions of our citizens expected when they went to the polls in November 1952 has not been forthcoming.

RESTORE ECONOMIC PRINCIPLES IN FOREIGN TRADE BY LETTING TRADE AGREEMENTS EXPIRE

Mr. President, we must, for our own economic security, and, in my opinion, our military security, as well, return to economic principles in laying duties or tariffs, and in regulating our foreign trade. We must discard the wholly political—and socialistically political—concepts followed since the Trade Agreements Act of 1934 was enacted. We

must permit this act to expire at midnight, June 12, 1954.

Then we will return to constitutional principles of foreign trade and commerce, and American industries again will have equal access to American markets on a basis of fair and reasonable competition with articles and commodities produced in other areas of the world.

Mr. President, recently the President has announced that the Randall report, with its implications of further disaster for United States workingmen and investors, has been sidetracked. However, the President has requested a 1-year extension of the 21-year-old 1934 Trade Agreements Act, which in 1934 was passed for a period of 3 years, but since then has been regularly extended, until now it is to expire at midnight on June 12, 1954.

LET TRADE AGREEMENTS ACT EXPIRE JUNE 12, 1954

Mr. President, the President of the United States does not need the extension of this act, which expires at midnight on June 12, 1954. I refer to the 1934 Trade Agreements Act, which was misnamed "the Reciprocal Trade Act" to mislead the American people.

If that act should expire, what would happen? The regulation of foreign commerce in all products with respect to which trade agreements have not been made would instantly revert to the Tariff Commission, as an agent of Congress. What law would then govern its action? The Tariff Commission would be required to determine the cost of producing an article in this country—not the highest cost nor the lowest cost, but the fair cost—and the cost, on the same basis, of producing the same article or a like article in the chief competitive nation. The Commission would then recommend, as the amount of the tariff or duty, as the Constitution of the United States calls it, the difference between the costs in the respective countries.

The Tariff Commission would have no power to act on the basis of "the national good," with one man judging what the national good is, and deciding whether there should be an industry in Tennessee, Nevada, Maine, or some other State, or whether that industry should be traded to a foreign country. One man, who is not even elected by anyone, namely, the Secretary of State, is the judge.

The authority would revert to the Tariff Commission by law, on the basis of fair and reasonable competition. However, there would be no change in the trade agreements already made when the law expired. I wish Members of the Senate thoroughly to understand that such trade agreements would remain in full force and effect until and unless the President of the United States himself should serve notice of cancellation on the nation with which such trade agreement had been made.

RETURN RESPONSIBILITY TO THE CONGRESS

Let the act expire at midnight on June 12 of this year, next month, 15 days from now. Let the water settle, and let us see what happens. Let the President of the United States come to Congress in January of next year, when the Congress reconvenes. In the cool of the evening he writes a message and tells us the state of the Nation, and makes any recommendation he may care to make. Let the Congress of the United States alone. Let it act as an independent branch of the Government, representing every precinct in the United States, and let Congress take such action as it sees fit to take.

THE BEST ADVICE I EVER HAD—ARTICLE BY SENATOR DOUGLAS

Mr. HUMPHREY. Mr. President, our colleague, the senior Senator from Illinois [Mr. DOUGLAS] has the respect and affection of all who have come to know him. His integrity and deep religious spirit have indeed earned for him the reputation of being one of the most distinguished Americans ever to hold public office.

Within the past few days I have had an opportunity to read an article written by him which appeared in the June 1954 issue of the Reader's Digest which represents the essence of the qualities which we have all come to love in him.

I ask unanimous consent that the article, "The Best Advice I Ever Had," be printed at this point in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BEST ADVICE I EVER HAD

(By PAUL H. DOUGLAS, United States Senator from Illinois)

There had been a long period of silence in our Chicago Quaker meeting. Only the ticking of the clock could be heard. We tried to fasten our thoughts upon our inner needs. Then an elderly Friend slowly arose and, with deep conviction, spoke this one sentence: "When you differ with a man, show him, by your looks, by your bearing and by everything that you do or say, that you love him."

The Friend sat down, and quiet settled again over the meeting. But I knew I had received advice which, as George Fox said, "spoke to my condition."

Since then it has been my fate to be involved almost incessantly in controversy. All too often I have fallen short of the old Quaker's standard. But his words have helped me greatly.

I have learned not to dislike people because they differ with me, and to realize that they have the same basic motives I have and suffer from many of the same frustrations that plague me. They are not my enemies, even though some of them may think they are. They have something of the divine in them, and all have their own secret yearnings for a life of harmony and friendship.

When I was a Chicago alderman I found myself clashing continuously with one of my colleagues. But I set out to show him that I wanted to like him and to work with him whenever we could agree. An excellent chance came when I was placed in charge of preparations for a fine civic monument. It was an honor to be associated with this enterprise, and I asked him to join me in it. He was genuinely grateful and showed no malice for past differences. In this way we started over again and became good friends.

I had much the same experience with Mayor Ed Kelly, of Chicago. We fought over the city budget and many municipal policies but, remembering my old Quaker friend, I refused to get annoyed. Whenever Kelly did something truly commendable, such as his great job of taking care of transient servicemen, I went out of my way to give him my sincere congratulations, though elsewhere I continued voting against him almost unfailingly. A friendship based on mutual respect developed between us and, without sacrificing principle, we were able to reach understanding.

Some of the Quaker's philosophy apparently rubbed off on Ed. When my wife ran for office during my wartime absence, he supported her and loyally counseled her in her successful campaign.

I ran for the Democratic nomination for the Senate in early 1942. Primary fights are frequently rough and bitter. I resolved, however, while pointing out how we differed on many issues, not to hurt my opponent in any way but to praise him for his fine qualities. I lost the election, but I gained a friend who has been a source of strength to me through the years.

Since I have come to the Senate I have been involved in many hot legislative fights. When under attack I have tried to smile and feel friendly toward my opponent. In one instance I failed, but I have succeeded in some. I shall always cherish in memory the day when I debated with a colleague who had been unfriendly, and whose point of view I considered to be wrong. I tried to demolish his ideas yet at the same time show in a friendly way that I understood how an honest man could have been led to take the wrong position. At the end he came over and clasped my hand in appreciation. We have been on better terms ever since.

I do not pretend that the old Friend's advice will solve the conflicts of the world. But I am convinced that it could lessen our trouble and help to weave a fabric of friendship which would enable men of diverse views to work together.

PRICE SUPPORTS FOR AGRICULTURE—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a resolution adopted by Renville Post 7704, VFW, Renville, Minn., in support of at least 90 to 100 percent of parity for agriculture, be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RENVILLE POST NO. 7704, VFW,
Renville, Minn., May 18, 1954.

DEAR SIR: In discussing the critical problems facing our veteran members engaged in agriculture, the members of this post unanimously voted to fully support the following resolution:

"Whereas farm income has fallen to 20 percent and consumer items have only dropped one-half of 1 percent; and

"Whereas we believe that farm prosperity is most important to keep Main Street prosperous; and

"Whereas we definitely do not believe this is the proper time to try out a different farm program, because the average farmer today could not survive much more cut in income; and

"Whereas our young veterans, many who have gone heavily into debt, in the farm business, need a strong support program, continuation of the SCS and PMA: Therefore be it

"*Resolved*, That the present administration carry out its pledge of 100 percent of parity to agriculture, and add that all commodities and perishables be supported at at least 90 percent of parity to insure a stabilized farm economy; and be it further

"*Resolved*, That we commend Senators HUMPHREY and THYE, and Representative

ANDERSON and all the other legislators who recently voted to support this program."

Respectfully submitted.

LEVERNE HANSON,
Commander.
DALE D. HAEN,
Third District Quartermaster.
ELMER KEMINITZ,
Adjutant.

FOOD STAMP PLANS

Mr. HUMPHREY. Mr. President, I have repeatedly raised my voice in and out of the Senate for some constructive action toward making wise use of our abundance.

I have watched with regret the attitude of this administration to rush ahead with plans for reducing returns to farmers, but stall and delay when it comes to action on constructive proposals for using our abundance to feed hungry people.

Administration orators continually hammer out the theme that what Secretary Benson calls burdensome surpluses of unneeded commodities justify drastic cuts in farm prices so as to cut production. That is the cornerstone in the administration's overall political attack against price supports.

Most of us, I am sure, regard abundance as a blessing instead of a curse—and want to see that abundance used wisely.

Despite evidences of strong bipartisan support in Congress for sound and workable programs for better use of our abundance, the administration has failed to make any constructive move in this direction.

The administration has refused to push any program for increasing the diets of low-income Americans. It has asked lower funds for the school-lunch program, despite rising food costs and increasing school enrollment.

I have joined the distinguished Senator from Vermont [Mr. AIKEN] as a cosponsor of his food-stamp plan, in the hope that bipartisan support would bring action. Still the administration hesitates.

I have offered my own dairy-diet-dividend proposal to stimulate use of milk and dairy products among the Nation's underprivileged.

I have joined some 30 other Senators as cosponsor of the plan offered by the distinguished Senator from Oklahoma [Mr. KERR] to increase the meager allowances to those on public assistance rolls through issuance of food certificates they can cash in at their local stores for food supplies declared by the Secretary of Agriculture to be in oversupply.

I feel it important that any farm bill coming from this body contain a food distribution program as well as a price-support program, so the intent of the Congress can be made clear that we want our abundance used wisely.

I am convinced the American people approve such efforts.

I should like to read at this point an editorial from Wallace's Farmer and Iowa Homestead, one of the Nation's foremost agricultural publications. Headed "Hungry Old People," it says:

Too many old people go hungry—even in the United States. Too many children don't get nearly enough milk or meat.

The Nation really has no surplus problem in meat and dairy products, even though warehouses are full of canned beef, butter, cheese, and dried milk.

The only problem is to get this food to people who need it and should have it.

Remember that we know the names and addresses of about 8 million people in the United States who can't buy as much of this food as they need. These are the people who have no income except what they get from Federal social security, or from Federal-State old-age pensions, or from local relief.

Many of these are older people. Older folks, to keep healthy, need more meat, fish, cheese, milk, eggs, than a lot of them are now getting. More protein and more calcium.

What can be done about it? One easy step would be for Congress to adopt a part-way food stamp plan. This could add a few dollars in stamps to the income of everybody now getting public assistance. These stamps could be used for dairy products, eggs, meat, fruit—the foods most needed.

Such a step would cost more than the present storage problem, but it would put the food where it is needed. And it would stop the present nonsense of stacking up butter, cheese, and canned meats without knowing what to do with it.

Mr. President, that editorial is from the March 6 issue of Wallace's Farmer. It reflects farm thinking on this problem, and I believe it also represents consumer thinking.

Last February, rising unemployment in the Twin Cities of Minneapolis and St. Paul caused Minnesota labor leaders to wire me urging distribution of surplus food supplies for emergency relief purposes.

Mr. President, I ask unanimous consent that telegrams from the Minnesota State CIO Council, from the Minnesota State Federation of Labor, AFL, and from the St. Paul Trades and Labor Assembly be printed at this point in the body of the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

MINNEAPOLIS, MINN., *February 25, 1954.*
Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

St. Paul Dispatch Monday carried story "Food Asked for More Iowa Idle." Latest report is Iowa requesting farm surpluses for unemployed in 16 additional counties. Eighteen counties now receiving farm surpluses. James Cole, State Director, has advised us that Commodity Credit Corporation has ordered farm surpluses be shipped east by March 1.

With additional layoffs at Federal Cartridge Arsenal added to 31,500 already unemployed, will put Twin Cities in a distress area. The Minnesota State CIO Council believes that the order for shipment of farm surpluses be recalled and that our Minnesota delegation prevail upon the CCC office to prepare for distribution of these surpluses to the needy unemployed in Minnesota. The figures now indicate 5.7 percent idle. Federal estimates 6 percent idle as distress area. Officers and members of State CIO respectfully request you to use your influence in this important matter.

MINNESOTA STATE CIO COUNCIL,
ROBERT E. HESS, *President.*
RODNEY C. JACOBSON,
Secretary-Treasurer.

ST. PAUL, MINN., *February 25, 1954.*
Hon. HUBERT H. HUMPHREY,
Washington, D. C.:

We have today sent following telegram to Secretary Benson: "The Minnesota Federation of Labor is informed that all surplus dairy products stored in Minnesota are being transferred at great expense to Ohio. Similar products have been used for benefit of unemployed and other needy in Iowa and Alabama. Serious problem of unemployment developing here. We protest removal of all such products from this State and request that program similar to that in Iowa be inaugurated here. Your cooperation is requested."

MINNESOTA STATE FEDERATION OF LABOR,
R. A. OLSON, *President,*
WILLIAM D. GUNN, *Secretary.*

ST. PAUL, MINN., *February 25, 1954.*
Senator HUBERT H. HUMPHREY,
Senate Office Building:

Have been informed that Federal Government intends to ship all surplus dairy products out of Minnesota to Cincinnati, Ohio, Monday, March 1. There is great need for distribution of such products to the unemployed, pensioners, dependent children, etc., in this area. Last report indicated that 5.7 percent working population of Twin Cities now unemployed. Additional layoffs announced. Urgently request surplus dairy supplies be held here and distributed to the needy as is being done in many other sections of the country. Request you notify entire Minnesota delegation.

ST. PAUL TRADES AND LABOR ASSEMBLY,
FRANK T. STARKEY.

Mr. HUMPHREY. On the next day, I addressed an appeal to the Secretary of Agriculture, urging that Department officials open negotiations with public welfare officials in the Twin Cities toward setting up effective food distribution programs.

I ask unanimous consent that my letter of February 26 to Secretary Benson be inserted at this point in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 26, 1954.
Hon. EZRA T. BENSON,
Secretary of Agriculture, Department of Agriculture, Washington, D. C.

DEAR MR. SECRETARY: Increasing unemployment in Minnesota's metropolitan areas, particularly in the Twin Cities, makes imperative immediate expansion of emergency assistance in which the Department of Agriculture's cooperation is needed.

The current unemployment problem has been greatly aggravated by cutbacks in defense contracts, resulting in mass layoffs at the Twin Cities Arsenal and other defense installations in our area.

I believe emergency distribution of surplus food products now held in that area by the Department of Agriculture could contribute greatly to alleviating human hardship and suffering during this period of recession or adjustment.

I strongly urge you to instruct your Department officials in Minnesota to immediately open negotiations with public welfare officials in Minneapolis, St. Paul, and any other cities in our State where unemployment problems are increasing demands for emergency assistance, toward setting up effective food-distribution programs.

It is my understanding that authority already exists for you to carry on such distribution through established welfare departments, as I am familiar with the beneficial assistance the Department has already provided for many of our charitable and welfare institutions.

Officials of the Minnesota Board of Public Welfare inform me that they have already notified you of their willingness to cooperate in extending such assistance, either through an organized food-stamp plan or on a temporary emergency basis.

We should not be faced with growing hardship among our unemployed citizens at a time when Government officials are complaining about not knowing what to do with our food abundance. I am sure such a situation is personally repugnant to you. While constructive programs and suggestions for expanding use of our food products have been pending before the Congress for some time, I believe it is imperative for you to initiate action at once under your existing authority to fill the gap in meeting human need until Congress reaches some decision on surplus disposal programs.

For your information, the St. Paul Trades and Labor Assembly, the Minnesota State CIO Council, and the Minnesota Federation of Labor (AFL) have all wired appeals to me for such emergency assistance in view of the heavy unemployment now existing in the Twin Cities. I am enclosing copies of those wires for you to see.

While your director of the Commodity Stabilization Service has assured my staff there need be no concern over moving of the physical stocks of surplus foods out of our area at this time, as expressed by the labor officials, I do feel we need action on the distribution side in this unemployment emergency.

I would appreciate this request getting immediate attention of your Department in view of the human hardship factors involved.

Sincerely,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. On March 15, Assistant Secretary of Agriculture wrote me expressing the Department's willingness to make additional quantities of surplus commodities available if requested to do so by State officials.

I ask consent to have a copy of that letter inserted in the RECORD at this point, along with my press statement issued in connection with making that letter public in Minnesota.

There being no objection, the press release and letter were ordered to be printed in the RECORD, as follows:

If Minnesota's State administration just asks for it, more surplus food products can be obtained for distribution among the State's growing unemployed, Senator HUBERT H. HUMPHREY declared yesterday.

Senator HUMPHREY, who urged the Department of Agriculture last month to expand its emergency food distribution in Minnesota to alleviate unemployment hardship, revealed a reply he had received from Assistant Secretary of Agriculture John H. Davis saying, in part:

"For its part, the Department of Agriculture, upon request, will make additional quantities of surplus commodities available to Minnesota consistent with need as expressed by appropriate State officials."

Senator HUMPHREY pointed out that Governor Anderson had been quoted in the press recently as saying Minnesota did not need such assistance.

"However, apparently his own State commissioner of public welfare does not agree," Senator HUMPHREY said, pointing out that Welfare Commissioner Jarle Leirfallom had recommended an appropriation of $5,000 to finance costs of distributing Government-purchased surplus foods to the unemployed and other needy.

Saying the next move is up to Governor Anderson, Senator HUMPHREY released the full text of the reply from the Department of Agriculture to his appeal for emergency food assistance:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., March 15, 1954.

DEAR SENATOR HUMPHREY: This is in reply to your letter of February 26 enclosing copies of telegrams from organizations in the Twin-City area requesting the release of surplus commodities to feed unemployed workers.

Surplus commodities are now being distributed to nonprofit school-lunch programs, charitable institutions, summer camps, and needy Indians. Commodities are also being distributed to persons or families that have been determined to be needy by appropriate local or State agencies. The Department of Agriculture, on application, donates surplus commodities in carload lots, freight prepaid, to State distributing agencies that are administratively responsible within their States for intrastate distribution of these foods to all eligible recipients.

Under an agreement with this Department, Mr. A. R. Taylor, director, community school lunch program division, State department of education, 631 State Office Building, St. Paul, Minn., is administratively responsible for the distribution of surplus commodities in Minnesota. Organizations wishing to participate in the distribution of surplus commodities may wish to communicate directly with Mr. Taylor for additional information.

For its part, the Department of Agriculture, upon request, will make additional quantities of surplus commodities available to Minnesota consistent with need as expressed by appropriate State officials.

JOHN H. DAVIS,
Assistant Secretary.

Mr. HUMPHREY. While Minnesota's Governor had been quoted in the press as saying our State did not need such assistance, on April 15 he wrote informing me that three counties had asked to participate in such distribution.

I ask consent to have a copy of that letter inserted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF MINNESOTA, EXECUTIVE OFFICE,
St. Paul, April 15, 1954.

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Inasmuch as you have expressed some interest in bulk distribution of surplus commodities to needy families in Minnesota, I thought you would like to know that distribution will begin in three counties the forepart of next week.

As I have indicated before, the State has been willing to go into such programs when county welfare boards requested such action. Three counties—Becker, Clearwater, and Mahnomen—have now made such requests for their Indian population. The tribal councils are arranging and financing the distribution.

When any other counties certify their desire for such distribution, the program will be expanded. Meanwhile, I hope that members of the Minnesota congressional delegation will consider a more practical and less wasteful plan of food distribution. I shall be writing you on this subsequently.

Sincerely,

C. ELMER ANDERSON, *Governor.*

Mr. HUMPHREY. In his letter to me, Governor Anderson expressed the hope that Minnesota's congressional delegation would consider what he termed a more practical form of food distribution.

On April 19, I replied to the Governor pointing out that the State should and could assume some responsibility for repackaging where it was necessary in distribution of such food, but agreeing on the need for a more efficient method of distributing surplus commodities and informing him that I had introduced legislation with that objective.

I ask consent to have my letter of April 19 printed at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 19, 1954.

Hon. C. ELMER ANDERSON,
Governor, State of Minnesota, St. Paul, Minn.

DEAR GOVERNOR: I am pleased to receive your letter of April 15 concerning the distribution of surplus commodities to needy families in Minnesota.

I am most gratified to note that 3 counties—Becker, Clearwater, and Mahnomen—have expressed willingness to take advantage of the availability of surplus food commodities. My suggestion to you as Governor of Minnesota, and to the Department of Agriculture, in connection with the availability of these commodities was made after I had received resolutions from the Minneapolis Board of Public Welfare and from the Minnesota State CIO Council, the Minnesota Federation of Labor and the St. Paul Trades and Labor Assembly that such surplus foods be made available to needy families. As you know, other States have taken advantage of the provisions of public law which make these commodities available to local jurisdictions of government, charitable and welfare institutions. Of course, this necessitates some repackaging but in the instance of butter and cheese, the present packaging is neither wasteful nor impractical. Butter is available in 1-pound packages; cheese in 5-pound loaves; canned beef in 30-ounce cans; canned peas in No. 303 cans; canned peaches in No. 2½ cans; canned grapefruit in No. 2 cans. A regular inventory list of United States Department of Agriculture commodities is made available to each State welfare agency on a current basis. It is my feeling that we in Minnesota could do a great deal more to facilitate the use of these commodities.

It is my feeling that State and local government jurisdictions could make provisions for repackaging since the food is made available at no cost to the State jurisdictions. I am sure that all Minnesota counties have been notified as to the availability of these surplus foods. Our only function in this whole program will be to expedite action as requests are made to the United States Department of Agriculture.

You have commented in your letter on the desirability of "a more practical and less wasteful plan of food distribution." You will be interested to know that I have introduced appropriate legislation to meet this objective; likewise, there are a number of other bills that have been pending for some time before the committees of the Congress to provide efficient distribution of surplus commodities.

Sincerely yours,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. On that same day Governor Anderson again wrote me indicating his objections to bulk distribution of food through welfare boards, and urging instead that some form of a stamp plan be used. I ask consent for his second letter to be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF MINNESOTA, EXECUTIVE OFFICE,
St. Paul, April 19, 1954.

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: A few Minnesota county welfare boards have reluctantly embarked on a program for the distribution of surplus commodities. These county officials believe that the commodities should be moved out of storage and used for the benefit of public assistance recipients and others on marginal incomes.

I believe that our county welfare boards, without exception, are opposed to the current expensive, stigmatizing, and un-American procedures used in the distribution of these commodities. They do not believe that additional personnel and costs of distribution to county welfare boards are warranted. They do not believe that public assistance recipients and persons on marginal incomes should be stigmatized by being required to line up at a distribution point for a handout from Government. They believe that surplus commodities should be distributed in the American way through regular channels of trade and not doled out at what is, in effect, a governmental commissary.

I respectfully request that you, as well as your colleagues in Congress, give careful and favorable consideration to a method of distributing commodities similar to the stamp plan or some other practical and economical procedure using established channels of trade.

Very truly yours,
C. ELMER ANDERSON, *Governor.*

Mr. HUMPHREY. Again I replied to Governor Anderson, outlining my consistent efforts in this body for enactment of a food-stamp plan and explaining the proposals now pending before the Congress. I ask consent to have appear at this place in my remarks a copy of my letter to Minnesota's Governor, dated May 3.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 3, 1954.

Hon. C. ELMER ANDERSON,
Governor, St. Paul, Minn.

DEAR GOVERNOR ANDERSON: I have read with interest your letter of April 19 in which you discuss the distribution of surplus commodities as supplemental assistance to persons on public-welfare rolls.

I appreciate your support of my efforts to obtain reenactment of some form of food stamp plan to stimulate food distribution among low income groups and welfare recipients through normal channels of trade. As you may or may not know, I have been advocating such action for more than a year.

Three food stamp plans are now before the Congress: S. 3079, of which I am the author; S. 2550, of which I am a cosponsor; and S. 3092, of which I am also a cosponsor. The three proposals offer varying degrees of assistance. Each bill affords some discretion as to the extent to which such aid should be undertaken at this time. My own Dairy Diet Dividend Act is limited to the use of food stamps to provide supplemental amounts of dairy products through normal channels of trade to persons on public assistance, aimed primarily at making more milk and butter available to families existing on meager allowances. S. 3092, which I participated in drafting with Senator KERR, invokes the same principle of using food stamps through normal channels of trade, but provides that they can be used for any commodities the Secretary of Agriculture declares to be in surplus supply. Both of these measures call for little administrative overhead, as they make use of existing State and county welfare agencies and existing certification of need. S. 2550 of which I am a cosponsor with Senator AIKEN, is a more comprehensive plan, aimed at low income groups generally, not just those already designated as eligible for public assistance. Because of the interest you have shown, I thought you should know just what bills were before the Senate to provide for use of surplus food supplies. I am enclosing a copy of each bill.

Unfortunately, the administration has failed to support any of these bills, or to offer any recommendation of its own. In view of my efforts, it would seem that your request that I give favorable consideration to a stamp plan for distributing commodities should have been more properly directed to Secretary Benson or to President Eisenhower.

Public-assistance recipients should not be stigmatized by being required to line up at a distribution point for a handout from Government. In this we agree. However, may I further point out to you that I urged the Department of Agriculture to increase its allotments of surplus foods for Minnesota's unemployed only as a stopgap effort made necessary by the failure of this administration to support more practical and constructive plans now before the Congress and supported by most of our welfare agencies. It is my understanding that under present policies, the administration just makes such food available to State governments for relief purposes, and it is entirely up to the State itself how they are used and distributed.

Indeed, the present method of distributing surplus commodities is unwieldy and cumbersome and unsatisfactory in many respects. In order to get the best use of these commodities, it is necessary for the respective State governments to undertake their share of the responsibility, namely, repackaging and effective distribution. There has been a good deal of talk these recent years about States' rights and the importance of decentralizing the activities of government. May I humbly suggest that here is an opportunity for the States through their appropriate agencies to demonstrate their ability and willingness to effectively administer a program. As the law now stands, responsibility rests entirely with the States as to how such available food is to be distributed.

I shall continue to do all in my power to persuade this administration and the Congress to adopt an effective food-stamp program—a program that will utilize the administrative facilities of the established welfare agencies and provide for distribution of surplus commodities through the normal channels of trade. This is my program. It is the one I have supported ever since I have been a Member of the Congress, and the one I have recommended both to the Department of Agriculture and to the Congress itself. I regret there has been no action.

Sincerely yours,
HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, it was my belief that the best place to obtain guidance on sound ways to use our food abundance to aid the underprivileged was through our county welfare boards having to face daily the problem of assistance for the needy. For that reason I sent copies of the dairy diet dividend proposal I have introduced as S. 3079, together with a booklet containing the research study upon which it was based, to each of our county welfare boards. I have been favorably impressed with the interest shown by these professional workers in the welfare field. Fifteen county welfare boards have written me following discussion of this problem, all indicating approval of the food-stamp concept and generally supporting the dairy diet dividend idea.

Mr. President, I believe these letters are helpful in that they show the problems confronting county welfare offices in attempting to take advantage of present authorization for bulk food distribution, and show an overwhelming preference for use of a food-stamp plan that would permit food distribution through normal channels of trade.

As an indication of what welfare workers think about the present need for some form of a food-stamp plan, I ask unanimous consent to have these letters appear at this point in my remarks, and then be referred to the committee considering the legislative proposals in this field introduced in the Senate.

There being no objection, the letters were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

POPE COUNTY WELFARE BOARD,
Glenwood, Minn., April 26, 1954.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: Your Dairy Diet Dividend plan was presented to the welfare board at their meeting on April 21. After a thorough discussion of this proposal, I was instructed to write to you to express the board's approval of this plan.

They were aware of many children and adults here in Pope County who were not receiving either any or sufficient dairy items in their diets. They were also of the opinion that many of our public-assistance recipients were not receiving a sufficient amount of these food items. They felt that if they received certificates regularly each month that the recipients would be encouraged to use these products.

The welfare board felt that the Secretary of Agriculture or some other governmental agency should be granted the authority to limit the operation of this plan should surpluses cease to exist. Also, the board felt that this is a plan which should be made optional with each State.

Sincerely yours,
ALLEN G. SIGAFUS,
Executive Secretary.

CASS COUNTY WELFARE BOARD,
Walker, Minn., May 21, 1954.

Senator HUBERT H. HUMPHREY,
United States Senate, Committee on Government Operations, Washington, D. C.

DEAR SENATOR HUMPHREY: This is in reply to your letter of March 24 relative to your food distribution plans about which you have requested my reaction.

All of your proposals point up a contention which we in this area have held for some time—that the problem is not one of surplus foods, but rather a distribution problem.

Ever since the Republican Party and the Agriculture Department began worrying vocally about surplus agricultural products, the Cass County Welfare Board has been advocating the reinstatement of the Federal Government's food-stamp plan.

I believe you are sufficiently familiar with the economic setup in this area; that wages and per capita incomes are as low as you will find in any marginal area of the United States. Because of this situation, even with

an unusually large public assistance caseload, there are many, many families in this area who are not on assistance and do not have the income to purchase all the dairy and other food products that their families should consume for maintenance of good health.

Because of the delicate economic balance in the area, any food distribution plan worked out must consider the welfare of the merchants trying to do business here.

We feel that the food-stamp plan and your Dairy Diet Dividend plan fits the needs of this area in an excellent manner and accomplishes the purpose for which they are intended, but please do not foist any surplus commodity hand-out plan on this area. It would create economic chaos in Cass County.

Best wishes to you for the success of your efforts.

Sincerely yours,

L. H. DAHM,
Executive Secretary.

ROSEAU COUNTY WELFARE BOARD,
Roseau, Minn., April 21, 1954.

Hon. HUBERT H. HUMPHREY,
United States Senator,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: This acknowledges receipt of your letter and enclosed literature relating to the dairy-diet dividend plan.

I believe the idea of supplementing deficient diets with surplus commodities is commendable. However, it is my understanding that the food allowances made to public-assistance recipients is not meager, but permits a very adequate level of nutrition as carefully computed from food surveys and other specialized studies.

In my opinion there is greater need in this county for diet supplementation among the nonassistance section of the population than among those receiving assistance.

Very truly yours,

NATHAN J. MOORE,
Executive Secretary.

WASHINGTON COUNTY WELFARE BOARD,
Stillwater, Minn., April 22, 1954.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: Your letter of March 24 regarding distribution of surplus commodities was taken up with the welfare board at their meeting on April 21.

The board would be in favor of distributing surplus if a stamp plan is put in effect and it covered all public assistance cases.

The present method of bulk distribution is quite expensive and we are only able to distribute them to the few general relief clients.

Having had experience with the former method of distributing bulk surplus, it was found to be wasteful, but the stamp plan worked out very well and benefited the local merchants as well.

Sincerely,

CLARENCE W. O'BRIEN,
Executive Secretary.

HUBBARD COUNTY WELFARE BOARD,
Park Rapids, Minn., April 19, 1954.

Hon. HUBERT H. HUMPHREY,
United States Senator from Minnesota,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: I was not affiliated with welfare services at the time that the "stamp plan" was formerly used but have often discussed ways of getting the so-called surplus foods into the hands of those on public assistance and to those who may not be receiving assistance but who subsist on much less than human beings should be required to do in America, with persons who handled the stamp plan. In every case they have reported that this is the logical, workable, and simple method of distribution as it utilizes the regular channels of trade and the certification of eligibles by existent agencies keeps at a minimum the administrative costs.

It cannot be any secret to anyone that pays any attention at all to the lot of his neighbor that at least in poorer economic areas such as ours there is a sizable percentage of the population that is poorly fed even in the best of times. This is besides those who live on public assistance. As a matter of fact, a man with a family, working at the "going wage" in our area, as a laborer, cannot compete for goods with the many two-paycheck couples that have so increased in this country. To me it seems that there is either going to have to be some stamp-plan program or a family payment per minor child, or both, to keep any semblance of family in this country for long.

Sincerely,

GARRETT BENSON,
Executive Secretary.

MILLE LACS COUNTY WELFARE BOARD,
Milaca, Minn., April 30, 1954.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: Your letter of March 24, 1954, regarding surplus foods was read to the Mille Lacs County Welfare Board at their meeting on April 21, 1954. We realize that this was presented to the board sometime after its receipt but it was the first meeting of the board during the month. The welfare board consists of 7 members, 5 of whom are farmers, and they were, therefore, very interested in your correspondence.

Some time ago, Governor Anderson contacted the welfare board regarding their opinion as to the possibility of welfare boards distribution points in the county, it would did not go along with the suggestion at that time as they felt it would be administratively expensive to distribute commodities. It would mean obtaining a place to store the commodities, hiring someone for the distribution, and, because of the location of the distribution points in the county, it would be expensive and difficult to contact all of our clients. Most of the members on the board remember the distribution of commodities under the stamp plan and felt that that plan had been most effective in providing for the client and also satisfying the local merchants. They, therefore, indicated to the Governor that they were not in favor of receiving surplus commodities unless it would be under the stamp plan or some similar type of distribution. They, therefore, heartily endorse your proposed plan and hope that it will be made effective soon.

You are perhaps aware that Mille Lacs County has an Indian population. Recently, at a council meeting of these Indians, they passed a resolution requesting that the Mille Lacs County Welfare Board try to obtain surplus commodities for them.

The Indians indicated that they had always been well satisfied with the commodities they received and that they were anxious that food be made available to them by a distribution of the surplus foods soon.

I therefore wish to advise you that the Mille Lacs County Welfare Board heartily endorses your dairy diet dividends plan and, if we can be of any assistance to you in furthering its cause, do not hesitate to contact us.

Yours very truly,

DOROTHY ALLEN,
Executive Secretary.

NICOLLET COUNTY WELFARE BOARD,
St. Peter, Minn., April 27, 1954.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: After receiving your recent letter and phamphlet on your plan to use surplus milk products, I immediately read the entire booklet over and finally realized the merits of your proposal. I had planned to write to you immediately after reading this in order to tell you that I thought it was a very fine plan and I also thought I would present it to our next welfare board meeting which would be held on April 22. I told our welfare board about dairy diet dividends and they instructed me to write to you telling that they also see many merits in your plan and realize that something should be done with our surplus milk products. They could think of no better way than giving it to people who are receiving public assistance because they know that many of these people cannot afford to purchase these products at their present price.

The average old-age-assistance grant in Nicollet County, excluding medical, is $43 a month. Many of the people who are receiving old-age assistance are property owners and out of their $43 a month they must provide for the upkeep of their property plus their own needs. It is a shame to talk to these people and realize that they cannot afford to buy milk products which they basically need, yet our country has a vast storehouse of these products.

I have talked to other interested parties in Nicollet County when Senator KERR came out with his plan, and practically everyone approves of using up the surplus products by giving them to people who are in need.

I believe that Nicollet County is one of the wealthiest counties in Minnesota, due to the fact, that they have fewer welfare cases and spend less per capita than any other county in Minnesota. Yet our welfare board has been liberal and has always followed the recommendation of myself and the social worker.

If you have any other material regarding plans for disposal of surplus products feel free to send us this information.

Very truly yours,

JOHN H. VERKENNES,
Executive Secretary.

ANOKA COUNTY WELFARE BOARD,
Anoka, Minn., April 23, 1954.

The Honorable HUBERT H. HUMPHREY,
The United States Senate,
Washington, D. C.

MY DEAR SENATOR: While we have not carefully reviewed the provisions of the Dairy Diet Dividend Act, we are in favor of the basic idea of the distribution of surplus dairy products to public assistance recipients through a stamp plan.

Very truly yours,

JOHN ELFELT,
Executive Secretary.

BECKER COUNTY WELFARE BOARD,
Detroit Lakes, Minn., April 19, 1954.

Hon. HUBERT H. HUMPHREY,
United States Senator,
Washington, D. C.

DEAR MR. HUMPHREY: We are in receipt of your letter of March 24 about the introduction of the National Dairy Diet Dividend Act which is summarized in the enclosed press statement. It would appear to us that this is sound, and our board has gone on record favoring the food-stamp plan but does not want any part of the distribution of commodities in any other manner than through the stamp plan.

Yours very truly,

A. O. HOGHAUG,
Executive Secretary.

HENNEPIN COUNTY WELFARE BOARD,
Minneapolis, Minn., April 23, 1954.
Hon. HUBERT H. HUMPHREY,
United States Senate, Senate Office Building, Washington, D. C.

DEAR SENATOR: I received your letter this week along with descriptive material regarding your dairy diet dividend plan. I discussed this material with the board and want to assure you that we are heartily in accord with a plan of this type.

I know that you have been somewhat concerned over the fact that reports from Minnesota indicate that the county welfare boards have been generally opposed to accepting and handling so-called surplus commodities even though it would appear that the nutrition needs of their clients might be helped by having these dairy products available to them.

In our staff discussions here in the agency and in my conversations with other people in the field in Minnesota I think the problem on this arises because of the fact that the Agriculture Department makes these surpluses available to welfare agencies but does so in such a way that very few, if any, are willing to participate in the plan. As you know the present plan calls for the agencies to pay the freight from the Federal storage point, package the products, store them, and distribute them to eligible clients at the local level. This plan has some really objectionable features. One is that the problem of storage at the local level, warehousing, packaging, and distribution is not only expensive for the local agency but is an extremely archaic and cumbersome method of getting the commodities to the people. We have felt that in this country we passed the point many years ago when public assistance recipients were set apart as a special group who should be required to stand in line and be identified as recipients of free or surplus food. On the day of distribution they might or might not be able to use the commodities available and if they did not have adequate refrigeration and storage facilities much of it might be wasted. We have always felt that distribution of this type should take place through the local channels of food distribution where it is handled by the people who understand the business and may be purchased by public assistance recipients in the same manner that other persons in the population do.

I am hopeful that your efforts to have a so-called stamp or dividend plan enacted will meet with success as I am sure that the recipients of public assistance could certainly use the surplus dairy products in their diet to advantage.

Yours very truly,
EDWARD R. KIENITZ,
Executive Secretary.

KOOCHICHING COUNTY WELFARE BOARD,
International Falls, Minn., May 5, 1954.
Hon. HUBERT HUMPHREY,
United States Senator,
Committee on Government Operations, Washington, D. C.

DEAR SENATOR HUMPHREY: In response to your letter of March 24, 1954, on dairy-diet dividend, the county welfare board here has long held sympathy with recipients of public assistance that it is most difficult to manage on accepted public-assistance standards for assistance.

As an example, they have cited that two old-age assistance recipients living together receive $23.55 each as food allowance. The board does not question that this allowance, if expended properly, would provide ample of nutrition necessities for this couple.

They are also aware that recipients dependent upon old-age assistance for a long period do find it difficult to limit their food purchases to nutritional necessities and hence need draw on other budgeted items, such as personal incidentals ($3 per person), clothing ($5.70 per person), or household supplies and replacements ($4.70 for household of two persons) to meet the cost of food purchased.

The local welfare board does favor the idea of disposal of American food surpluses through increasing the food allowance per person in public assistance in some disciplined way. The board also recognizes the liabilities of the earlier method of distribution surpluses in kind as surplus commodities. Spoilage, cost of handling, shipping, packaging, etc., often more than offset the benefit.

We thoroughly agree that all aid categories should be included in any surplus distribution plan; that distribution by method of money value certificates to local retailers is a preferred method.

We sense from our experience that substantial caution should be given that fringe eligibility is locally determined rather than open substantial channels for criticism as handouts.

In all, the dairy-dividend method, as you suggest, seems to have substantial merit according to the opinion of the local welfare board.

The board much appreciates your thoughtfulness in referring to us a copy of a proposed bill and the implication that those back in the home community who, at the public level, for whatever duties and responsibilities are involved are offered opportunity to convey their opinions to their Senator.

Very truly yours,
PHILIP F. MURRAY,
Executive Secretary.

FREEBORN COUNTY WELFARE BOARD,
Albert Lea, Minn., May 3, 1954.
Hon. HUBERT HUMPHREY,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR MR. HUMPHREY: Your recent correspondence regarding your dairy-diet dividend plan whereby surplus dairy products would be made available to public-assistance recipients giving coupons to them whereby they could purchase these products at reduced rates was received. I felt that you would be more interested in the reaction of our welfare board than my personal opinion so this matter was presented to them at their monthly meeting on April 22, 1954. After a discussion of your dairy-diet dividend plan from information you enclosed, the Freeborn County Welfare Board went on record approving this plan.

It was felt this plan had considerable merit in that food products would be distributed through already existing facilities rather than the welfare office actually handling the distribution of the food.

With the adoption of your plan it was felt that the families involved would definitely be encouraged to make use of more dairy products and by doing so provide more nutritious diets.

Sincerely,
JOHN H. HANSEN,
Executive Secretary.

YELLOW MEDICINE COUNTY
WELFARE BOARD,
Granite Falls, Minn., May 5, 1954.
Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: We wish to thank you for the material that you submitted to our agency regarding the Dairy Diet Dividends Act. I found the material to be quite interesting and as a result I brought the information to the attention of our welfare board at their meeting on April 21, 1954.

It was generally concluded that the aspect of using a dairy diet dividend certificate would be more advantageous than the use of a food stamp plan or that of an allotment of food in wholesale quantities. It was further decided that there would be people on public assistance that would use the "certificates" constructively for the betterment of their diets. However, it was recognized there were others who would not use the certificates as a means to supplement the amount of assistance they were already receiving for food. These people most likely would use some of the funds provided them for food for other purposes if they had the extra resources given them in the form of the dairy diet dividend certificate. It would be this type of person who would defeat the whole intent of the act, that of reducing the stock of surplus dairy products. It is therefore difficult to predict the total effect that the Dairy Diet Dividend Act would have on reducing the surplus supply of food commodities.

Our welfare board appreciates your interest in obtaining information from the "grass roots" organizations and if we may be of service in the future, please feel free to contact us.

Yours very truly,
JAY KERR,
Executive Secretary.

COTTONWOOD COUNTY WELFARE BOARD,
Windom, Minn., May 15, 1954.
Senator HUBERT H. HUMPHREY,
Washington, D. C.

DEAR SIR: The Cottonwood County Welfare Board considered your proposed Dairy Diet Dividends at their regular meeting held on April 26, 1954.

The board has considered surplus commodities several times in the past but has taken little interest in this problem because of problems of distribution. They felt that your plan had considerable merit and that it would probably work out best through the local merchants and the certificate system or stamp plan which has been used in the past. They, therefore, voted approval for a plan of this nature.

Very truly yours,
CHESTER W. PEARSON,
Executive Secretary.

SHERBURNE COUNTY WELFARE BOARD,
Elk River, Minn., April 22, 1954.
Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: The material which you sent regarding the above plan has been received and considered in relation to the welfare programs, and with respect to the overall situation in this country in which the dairymen have succeeded in producing, to such extent, as to create a surplus of dairy products.

Your plan will result in a complication of administration of the various programs, with the possible exception of direct relief, in which a food order is usually given. As you know, the law requires that assistance be issued in cash in the four programs in which there is Federal participation. Despite this, the plan is almost certain to gain support from the majority of the rural welfare boards, including the Sherburne County Welfare Board, since it is their desire to attempt to find a solution to the present farm problem.

It would appear that essentially the plan will eliminate surpluses, but will not curtail Government participation in the purchase of dairy products. In addition it will, indirectly,

tend to encourage further Government subsidization of the income of other groups.

The predominant benefit to be gained from your plan is that dairy products will become available, to some degree, to those people who ordinarily would be unable to purchase them.

We hope the above remarks will be of some assistance to you in furthering your plan.

Very truly yours,

HENRY ENGELKE,
Executive Secretary.

Mr. HUMPHREY. Mr. President, we must look for expanded outlets and uses of our abundance in our own country, as well as look for them overseas. The food-stamp idea offers a chance to start.

Although Secretary Benson, with much fanfare, urged farmers to look toward expanded exports rather than to price supports for their income protection, the fact remains that America's exports of farm commodities dropped 17 percent last year below 1952.

We heard glowing promises about how the problem was going to be solved by the Department's new emphasis on foreign outlets. We have the results to compare with the promises.

I believe much more can and should be done in the foreign field—much more than the Department has done or is doing.

But I believe first of all we must explore new outlets at home, among our own people. We must seek to get the food needed to people who cannot afford to buy it. We must make food distribution part of our farm program to assure outlets for the abundance we are capable of producing, and the abundance that we will need in years to come.

No one contends that a permanent answer to the farm problem is giving away food. This is a temporary situation. Our growing population itself will use up all the food we can produce if we keep our economy prosperous and expanding.

But we need action now, and this is the kind of action that will help. We need this food-distribution program not just for the sake of farmers, but for the sake of the aged, the needy children, the disabled. We need it to assure adequate diets for the less fortunate in our midst.

Can we long maintain our position as an example holding forth our shining light to the rest of the world if we complain about abundance while letting our own people go hungry?

Let us show that we care about people's stomachs. Let us be just as interested in full stomachs as we are interested in full cartridge belts. Let us take the constructive course of putting our food to use, rather than upsetting our farm economy by trying to make farmers quit producing.

RULES OF PROCEDURE FOR INVESTIGATIONS BY SENATE COMMITTEES—ADDITIONAL COSPONSOR OF RESOLUTION

Mr. KEFAUVER. Mr. President, yesterday in submitting Senate Resolution 256, to establish rules of procedure for investigations by Senate committees, the name of the Senator from West Virginia [Mr. KILGORE] was inadvertently omitted from the list of cosponsors. I ask unanimous consent to have the resolution reprinted, showing Senator KILGORE's name as a cosponsor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee? The Chair hears none, and it is so ordered.

AMENDMENT OF RAILROAD RETIREMENT ACT OF 1937—REPORT OF A COMMITTEE

Mr. GOLDWATER. Mr. President, on behalf of the senior Senator from New Jersey [Mr. SMITH], from the Committee on Labor and Public Welfare I report favorably, with an amendment, the bill (S. 2178) to amend the Railroad Retirement act of 1937, as amended, by repealing the last paragraph of section 3 (b) thereof, commonly referred to as the "dual benefit provision," and I submit a report (No. 1476) thereon.

The PRESIDING OFFICER. The report will be received, and the bill will be placed on the calendar.

THE TAFT-HARTLEY ACT

Mr. GOLDWATER. Mr. President, it is not customary to exhume dead issues, but the corpus delicti in this instance can well stand another scrutiny, particularly in view of the strange circumstances surrounding its demise.

On May 7, 1954, we saw happen here something that, if my recollection of the history is correct, had not happened in the United States Senate in the past 22 years.

What was this rare thing? It was a rollcall vote in which the Democratic Members of the Senate—north, east, south, and west—were unanimous on a piece of legislation. That was remarkable enough. But what makes the event still more remarkable is the fact they showed this striking unanimity in dealing with an issue on which the two wings of their party are, in fact, poles apart.

We saw, on the one hand, those members of the Democratic Party who profess to be the friends of labor and whom labor leaders hail as their spokesmen in our deliberations, vote to recommit a bill, S. 2650, that, by any standard, was a prolabor bill. And we saw, on the other, those of our friends from the South, all strong advocates of States rights, voting with them and thereby defeating any chance of restoring to the States important rights in the field of labor relations that the courts, not Congress, have taken from the States.

Why did the Fair Deal Democrats vote to recommit S. 2650 and thereby kill it?

That bill abolished the so-called mandatory injunction, against which labor leaders and their spokesmen have inveighed long and loudly.

It permitted secondary boycotts against struck work, something they long have demanded.

It permitted sympathy strikes on building and construction projects.

It removed any possibility of union busting during an economic strike.

It legalized in the construction and amusement industries and in other industries where work is casual, temporary or intermittent "sweetheart contracts," under which the employers recognize the unions as the exclusive bargaining representatives of employees even before any employee is hired and regardless of the employees' wishes, and force the employees to join the union in 7 days or lose their jobs.

It made crystal clear that an employee does not become a union's agent and make it responsible for what he does merely by joining it.

It required employers and their officers, like union officers, to swear they are not Communists.

It provided in effect that employers who exercise their right of free speech in the field of labor relations may do so only at the risk of having the Labor Board find some other, unrelated act to be an unfair labor practice.

It eliminated some of the information about themselves that unions must file in order to use the processes of the National Labor Relations Board.

It ceded to State agencies authority to deal with disputes over which the National Board declines to take jurisdiction.

It relieved parties to collective bargaining contracts of any duty to bargain on new provisions during the contracts' terms.

It affirmed the rulings of the Labor Board that extend the right of free speech to election cases.

It permitted States to handle strikes and lockouts within their borders that constitute a real and present danger to the health and safety of their citizens.

Ten of these 13 changes are changes that labor leaders and their spokesmen have been demanding for 7 years. Three of the 13 are changes concerning which labor leaders either did not comment or on which they expressed only mild concern in hearings before the Committee on Labor and Public Welfare.

The bill did not include proposed changes that labor leaders and their spokesmen denounced most vehemently, providing for secret strike ballots, restoring to the States their traditional authority to deal with strikes, picketing, lockouts and boycotts, and strengthening the prohibitions against secondary boycotts.

Yes, the bill was greatly weighted in favor of labor unions and their leaders.

Yet we find voting to kill it the very Members of the Senate who for 7 years have been most vociferous in demanding most of the changes that the bill proposed. They not only voted to kill it, but voted not even to consider it.

That is profound confusion.

What motivated those of our distinguished friends who for so long have done the labor leaders' bidding when they voted to recommit this prolabor bill? Why can there be any doubt in anyone's mind that they still were doing the labor leaders' bidding? There is none in mine.

It seems obvious to me that enemies of the Taft-Hartley Act, in 1954 as in 1949, preferred trying to keep it alive as a political issue over trying to improve it, to make it fair to employees and their unions, employers and the public. In 1949, Senators will remember, its enemies in the House, when repeal appeared im-

possible, blocked amendments by recommitting the Wood substitute for the Thomas-Lesinski bill. The Senate passed the Taft amendments to the Thomas-Lesinski bill, making many concessions to unions and their leaders, but with all the so-called friends of labor voting against them.

Now, I am not deploring the Senate's failing to adopt S. 2650. In my opinion, it in some ways went too far, much too far, to appease labor leaders. In my opinion, it failed in many respects to provide for the public and particularly for working people protections against abuses of some labor leaders that they so sorely need. I think the Taft-Hartley Act, as it is, is a very good law. Were it not a good law, it would not have survived the 7 years of abuse with which its enemies have bombarded it so vociferously for all these years. But it could be a better law, and I for one think it our duty to improve it, or, at the very least, to try to improve it.

What I deplore is the unwillingness of those who profess to be friends of labor even to consider a bill that made many and important concessions to labor. I deplore their putting politics above dealing soberly and objectively with a serious proposal for amending one of our most important statutes.

Confusing as it is to find self-styled friends of labor voting to recommit a prolabor bill, still more confusing is it to find stanch and traditional advocates of States' rights voting to block the only opportunity we will have in this session of Congress to restore to the States their authority to regulate some aspects of labor relations.

In his message to Congress on January 11, 1954, the President recommended that we assure to the States authority to deal with labor disputes that imperil the health and safety of their citizens.

The President called attention to the need to clarify the right of the States to deal with other aspects of labor-management relations. My amendment would have permitted the several States and Territories to give effect to their local laws so long as those laws do not, first, permit unions or employers to interfere with, restrain or coerce employees in exercising their rights under the National Labor Relations Act; second, infringe on the exclusive authority of the National Labor Relations Board to resolve all questions concerning representation of employees; or, third, impair the right to bargain collectively that the national act guarantees.

S. 2650 carried out the President's recommendation concerning local emergencies. The President approved the principle of my amendment.

In these circumstances, there was a good possibility that the Congress would have reversed at least those more sweeping rulings of the courts that have left the States virtually powerless to deal with such things as secondary boycotts, breaches of collective bargaining agreements, strikes that union leaders call without the consent of the rank and file, strikes in lieu of using the peaceful procedures of the National Labor Relations Board and like matters.

How can our friends from the South explain to their constituencies their joining with the Fair Deal to kill any hope of restoring States' rights at this session?

They tried to explain it by claiming here that the majority of the Senate Committee on Labor and Public Welfare refused to consider any amendments of the Taft-Hartley Act other than those the President recommended. Now let us examine that claim.

The truth is that the committee considered, and considered carefully, at least a dozen amendments that the minority proposed to the President's recommendations. It was obvious that the committee could not reach agreement on all of the President's proposals, much less on the many others that were under consideration. It therefore limited its bill, S. 2650, to those of the President's recommendations on which a majority of the committee could agree. All members of the committee, and all other Senators were perfectly free to offer further amendments when the bill reached the floor, and some of us did so.

This procedure was far less drastic than the procedure that the committee followed in 1949. Then, the administration drafted a bill repealing the Taft-Hartley Act and reenacting the Wagner Act with a new clause that the Wagner Act did not contain, overriding State laws that limit compulsory unionism. The majority, ironically identified with the so-called Fair Deal, would not even consider amendments of language their bill contained, much less new clauses that their bill did not deal with. This year, the minority offered 12 amendments. We discussed them thoroughly. This the ranking minority member conceded at page 5998 of the RECORD on May 5, 1954.

But even if it were correct that we refused to consider the minority's proposals, that is no ground for recommitting the bill. Since 1935 all our labor legislation has been written on the floor. When the House of Representatives adopted the Smith amendments in 1940 and 1941, the Senate committee, which labor leaders completely controlled, bottled them up. The Smith-Connally Act during World War II, the Case bill in 1946, the Taft-Hartley Act in 1947, and the Thomas-Lesinski bill as the Senate adopted it in 1949, all consisted for the most part of amendments that the Senate committee rejected or refused to consider, and that the Senate adopted over the objections of the majority of the Senate committee.

I think the senior Senator from Florida was more candid than others of his colleagues when he said, in effect, that he voted to recommit the bill because the possibility that the Senate would add so-called fair employment practices provisions to it was of greater concern to him than enlarging the States' control over labor-management relations within their borders. And I think some of those from the northern wing of his party would have been more candid had they admitted that it was more abhorrent to them to allow to the States some of the authority they had under the Wagner Act than it was desirable to adopt the prolabor clauses of the bill, plus a possible FEPC clause.

Why they should feel this way is beyond me. They are the ones who, in 1949, wished to repeal the Taft-Hartley Act and restore the Wagner Act. Yet under the Wagner Act the States were perfectly free to do all that my State's rights amendment would permit them to do, and much more.

If I have properly analyzed the views of the two wings of the Democratic Party in voting as they did to recommit S. 2650, it seems to me that they have done themselves and the country at large a great disservice.

Had they not voted solidly to recommit, the Senate could have proceeded to consider the bill. It could have considered amendments of clauses the bill contained. It could have considered amendments on subjects the bill did not cover.

The Senator from Vermont [Mr. AIKEN] at page 6199 of the RECORD stated what seemed to me the duty of all of us when he said:

> I believe that for the most part the amendments incorporated in the present bill are good amendments. I realize that other amendments to the bill will be offered. In fact, about 20 have already been submitted. Some are good and some are bad. I intend to vote for the good amendments, and against the bad ones. If the bill becomes loaded with bad amendments, I then propose to vote for recommital. I do not believe it is fair to labor, to employers, or to the country to admit defeat before we start to improve the bill on the floor of the Senate. I cannot vote for recommitting the bill at this time.

Those were the words of one of our wisest, most experienced, most conscientious, and most courageous colleagues, able and willing always to live up to his responsibilities as a Member of this great body, ducking and dodging them never.

I think we all should have approached S. 2650 in the same spirit. If the majority of us, for any variety of reasons according to our lights, thought the final bill on balance did more harm than good, then we could have recommitted it. If, for example, the bill then contained a States' rights clause abhorrent to the distinguished Democrats from the North and a FEPC clause equally abhorrent to their distinguished colleagues from the South, then there would have been time enough for them to form their strange alliance. But, instead, they ran for cover before they knew what they were running from.

There remains but one explanation for this almost unprecedented unanimity among those on the other side of the aisle. They seized upon the issue as an opportunity to defeat a major part of the President's program. Their 48 votes, plus the vote of the junior Senator from Oregon, gives them the majority of the Senate on any vote in which they care to take it.

I, in my innocence, Mr. President, when I came here last year gladly accepted a place on the committee, believing that here I could perform important service for the country. But let

us proceed with the remarks of the Senator from Vermont [Mr. AIKEN]:

It [the committee] should be doing better work. After 13 years on that committee, I finally came to the conclusion that there was absolutely no hope that the Democratic Party would cease attempting to use the welfare of labor and labor legislation for political purposes. I felt that my usefulness on that committee had come to an end because it was apparent that the Democratic Party had the power to block improved labor laws. Therefore, at the beginning of this session, when the opportunity offered I asked for a transfer to another committee.

I think we should try to improve the Taft-Hartley law, and not try to preserve any of its defects, real, or imaginary, to be used during political campaigns from this time on, as they have been used during the past few years.

Again, the Democratic Party has blocked not only improving the law, but even considering improvements. And to what end?

To the end, Mr. President, that the Democratic Party may keep on playing politics with this vital issue. To the end, perhaps, that the southern Democrats may tell their constituents that they saved the Taft-Hartley Act and prevented enactment of a fair employment practice clause, while northern Democrats are telling labor leaders that they prevented a States' rights amendment.

Or to the end, it may be, that southern Democrats, having themselves killed any chance of enacting a States' rights clause, can claim that the States are losing their rights under the Republican Taft-Hartley Act, forgetting to add that they and the great majority of all Democrats in Congress voted for that act in 1947. While the Democratic Party is saying this out of the southern corner of its mouth, it can, out of the northern corner of its mouth, continue to abuse and vilify the Taft-Hartley Act.

All these Democrats, I dare say, Mr. President, having torpedoed the President's plan to enact fair amendments to the Taft-Hartley Act, having scuttled his efforts to take Taft-Hartley out of the political arena, will tell their constituents out of both corners of their mouths that they, not the Republicans, are supporting the program of our popular President. They ought not to get away with it.

This may be politics, Mr. President, but to me it seems a shameful kind of politics.

The Senators on the other side of the aisle, in voting to recommit S. 2650, showed beyond all doubt that they will defeat any part of the President's program, regardless of its merit, any time they can find or fabricate a plausible excuse to use back home.

Now the issue can be returned to its grave, and I hope that the obvious and clear endorsement of the Taft-Hartley Act by the Democratic Party will restrain its membership from abusing it in the coming elections, as it has done in the past.

RECESS UNTIL TUESDAY

Mr. GOLDWATER. Mr. President, in accordance with the order prevously entered, I move that the Senate stand in recess until 12 o'clock noon on Tuesday next.

The motion was agreed to; and (at 6 o'clock and 37 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Tuesday, June 1, 1954, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 28 (legislative day of May 13), 1954:

UNITED STATES PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service:

I. FOR APPOINTMENT, EFFECTIVE DATE OF ACCEPTANCE

To be senior surgeons

Fred W. Morse, Jr.
John M. Whitney

To be assistant surgeons

Leslie R. Schroeder
Donald P. MacDonald
William K. Carlile
Malvern C. Holland
Joseph Rapaport

To be assistant sanitary engineer

Francis M. Crompton

To be senior assistant sanitarian

Charles E. Gerhardt

CONFIRMATIONS

Executive nominations confirmed by the Senate May 28 (legislative day of May 13), 1954:

UNITED STATES COAST GUARD

The following-named persons to be captains:

John R. Stewart
John R. Colteux
Arthur J. Hesford

The following-named persons to be commanders:

George T. Murati
Harry A. Walker
Allan P. Moffat
James W. Williams
Henry P. Kniskern, Jr.
James L. Jones
George P. Creighton
Leif H. Konrad
Cornelius G. Houtsma
Frederick K. Arzt
Clay Clifton
John B. Hunziker
Charles M. Vasterling
Edward C. Allen, Jr.
Arthur S. Phelan
Paul Pollatt
Arthur B. Engel
Emmett J. Corrigan
James A. Hyslop
Charles W. Beach
Joseph Change
Benjamin D. Shoemaker, Jr.
Frederick A. Reicker
Willis A. Bruso
Donald C. Gunn
Raymond A. Tuttle
Addison S. Elliott
Sverre S. Arnet
Charles E. Leising, Jr.
Jesse O. Thompson
Cortland T. Quinby
Lloyd L. Stoltz
Homer D. Babbidge
George E. McCarthy
Raymond J. Fugina
Benjamin P. Clark
Thomas R. Sargent III

The following-named persons to be lieutenant commanders:

Stanley H. Rice
Roderick L. Harris
Opie L. Dawson
Harold T. Hendrickson
Robert J. Clark
Clinton E. McAuliffe
David W. Woods
Hugh P. Lusk
James D. Luse
George C. Fleming
William C. Morrill
Kenneth E. Wilson
Ward J. Davies, Jr.
John M. Waters, Jr.
Walter A. Wright
Frederick C. Munchmeyer
Harry E. Haff, Jr.
Richard W. Young
Charles Dorian
Roger H. Banner
James W. Moreau
Robert P. Cunningham
Charles A. Greene
Gerhard K. Kelz
Douglas D. Vosler
Edward D. Scheiderer
Leroy A. Cheney
Frederick A. Goettel
Albert A. Heckman
Lewis W. Tibbits, Jr.
Donald H. Luzius
Arthur A. Atkinson, Jr.
John W. Sutherland
Urial H. Leach, Jr.
Richard H. Welton
Frank C. Schmitz
Ernest H. Burt, Jr.
Francis X. Riley
Bainbridge B. Leland
Jerry K. Rea
John L. Haney
Richard L. Fuller
Billy R. Ryan
Charles E. Norton

The following-named persons to be lieutenants:

Clifford F. Peistrup
Robert E. Williams
Stanley B. Russell
Joseph B. O'Hara
Marc Welliver II
Willis N. Seehorn
Leslie J. Williamson
Martin W. Flesh
Eugene E. McCrory
David R. Rondestvedt
Kevin L. Moser
Jack D. Lyon
Douglas H. Clifton
Allen C. Pearce
David C. Walker
David C. Porter
Abe H. Siemens
James H. B. Morton
Robert R. Hagan, Jr.
Paul A. Hansen
David D. Fritts
Oliver W. Harrison
Herbert J. Lynch
William G. Donaldson
Leslie M. Greig
Christopher S. Changaris
Casimir S. Rojeski
James R. Iversen
Philip M. Hildebrandt
Norman L. Scherer
Charles W. Berkman
Paul W. Welker
George A. Choquette
Leroy B. Smith
John G. Milosic
George A. Gyland
John Kruszewski
Floyd L. Hartson
Jacob C. Sorensen
Earl G. Hamilton
Lloyd S. Sadler
Loren V. Perry
Franklin H. Schonewolf
Clemons C. Pearson
Elmer Winbeck
Charles W. Smith
Martin S. Hanson, Jr.
Theodore L. Roberge
Nathan Vanger
Alton F. Pinkham
Ernest W. Payne
Axel R. Mattson
Marvin H. Twiford
Charles B. Martinson, Jr.
Leland O. Wilkie

The following-named persons to be lieutenants (junior grade):

William K. Vogeler
Donald H. Reaume
Harold R. Brock
Robert B. Matson
Glenn D. Jones
George H. Drinkwater
Oscar J. Jahnsen, Jr.
William J. Spinella
Richard G. Donaldson
William D. Derr
Arthur G. Morrison
John T. Rouse
Salvatore J. Bardaro, Jr.
David E. Metz
Robert J. Ryan
Bruce N. Donnelly
James R. Meeker
Frederick J. Lessing
Sherman C. Sawyer
Joseph A. Macri
Richard J. MacGarva
Edgar S. Castle
William T. Sode
Donald J. Riley
Charles A. Bova
Thomas F. McKenna, Jr.
Donald E. Greenamyer
Richard D. Hodges
Lynden U. Kibler
William L. Webster
John M. O'Connell, Jr.
Norman C. Venzke
Douglas R. Burke
John G. Beeble-Center, Jr.
David C. Klingensmith
Gilbert L. Kreisberg
Hubert E. Russell
Charles J. Glass
Richard M. Morse
James P. Marsh
Benedict L. Stabile
William R. Nodell
Robert E. Fletcher
Horace G. Holmgren
Claude R. Thompson
Raymond H. Wood
John C. Guthrie, Jr.
Robert C. Stancliff
Ferney M. McKibben
Arnold R. Reynolds
Sidney B. Vaughn, Jr.
Eugene A. Delaney
James H. C. Lowe
Roderick M. White
James L. Fleishell
Robert K. Adams
William R. Lamb, Jr.
Clifford F. DeWolf
George W. Bond, Jr.
Royal E. Grover, Jr.
William G. Dick
Thomas A. Clingan, Jr.
Harry J. Hayes
Allan B. Rose
William J. Baldau
Charles F. Juechter, Jr.
Donald G. Teifer
Jack L. Smith
David B. Fountain
Rudy Roberts
Harry A. Feigleson, Jr.
John C. Fuechsel
Joseph J. O'Rourke
Warren W. Waggett
John L. Knabenschuh
Leo V. Donohoe
Adrain L. Lonsdale
Alva L. Carbonette
Robert A. Seufert
Berry L. Meaux
Harold W. Parker, Jr.
John P. Mihlbauer
Clarence C. Hobdy, Jr.
Leopold A. Dombrowski
Jaime C. Gruger
Lawrence J. Otto
Walter C. Ilgenfritz, Jr.
William D. Harvey
William A. Maki
Donald L. Savary, Jr.
Francis H. Achard, Jr.

The following-named persons to be chief boatswains:

Raymond B. Newell	Harry A. Vaughan
George J. Devanney	Ralph E. Small
Joseph Etienne	Warren H. Wilmot
Carlyle J. Dennis	John Atherton
Beverly L. Higgins	Raymond V. Herron
Thomas Daly	Toivo R. Juntunen
George H. Austin	Aron Madsen
Benjamin W. Wroten	Richard C. Van Hine
Matthew J. Kaluske	Bernice B. Odin
William C. Thornes	Roland E. Miller
Frank A. Grantham	Harold W. Lawrence
Rupert O. Hall	Carl S. Boak
Everett J. Mooring	William W. Grubb
John E. Midgett	Roderick W. Dowell
Lawrence J. Autterson	John O. Woodworth
Cassius M. Fish	Stacy C. Cranmer
Edgar C. Hill	Edgar S. Klock
Maurice L. Kambarn	Floyd M. Hecox
Norman F. Cowan	Merlin Needles
Robert F. Rittenhouse	Francis J. Greenbrook
Cyrus Gray	Reginald L. Flewelling
Hilding L. Rinaldo	Joseph A. Pleau
George W. Cole	John T. Hevey
William G. Kincaide	Adrian Salter
John J. Gibbs, Jr.	David D. Albee
Earl F. Wallace	Louis C. Underwood
Albert H. Hauser	Everett M. Marshall
Burton V. Frymire	Henry V. Devereaux
Ezekiel D. J. Fulcher	Lee S. Roe
Arnold H. Peterson	George J. Chambers
Henry C. Wear, Jr.	Fred L. Finley
George E. Cote	James B. Burbine
James A. Hadley	Albert C. Lamb
Lowell D. Mead	Bror Anderson
Milo A. Jordan	Earl C. Jones
Wilbur E. Harris	Edwin W. Hansen
Merritt B. Richards	Don J. Call
Merritt O. Wright	Melvin H. Midgette
Joseph J. Armand	Seward S. Smith
James C. Henthorn	Clarence J. Pare, Jr.
Stephen P. Bunting	Charles V. Cowing
Laurance D. Parks	Joseph Sherlock, Jr.
Paul Lybrand	Francis S. Lamb
Herbert E. Mister	John W. Beach
Cecil M. Thomas	Frank Lord
Hugh M. Brown	Roy V. Wood
Preston R. Tittermary	Howard M. Varness
Ralph F. Barnes	Victor Koll
John M. Peoples, Sr.	Royce O. Tackett
Clifton Bahr	Joseph C. Daniels
Kenneth E. Gibson	Finis C. Key
Joseph N. Hebert	Roger F. Erdmann
John Needham	James M. Barker
Earl E. Burleson	Raymond H. Wilson
Allan T. Ruggles	

The following-named persons to be chief gunners:

George R. Pearce	Joseph J. Baber
Clifton A. Thompson	Ralph C. Sidebottom

The following-named persons to be chief radio electricians:

Harold I. Pendleton	Roger Smallwood
Darcy W. Reid	Charles A. Parcheski
William H. Keel	John H. Merada
John Ribarich	Burton E. Howell
Heinz O. Freytag	Milo A. Cornelius
Antonio Macchia	Joseph F. Van Cleave
Matthew P. Folan	James J. Morsey
Charles E. Haley	John E. Reiley
Zolton Papp	Joseph J. Puhlick
Arthur P. Dillow	Kenneth P. Hood
Harold W. Banner	Robert H. Watson
Gustave M. Lundgren	Benjamin Dollinger
Henry C. Lodge	Albert F. Padgett

The following-named persons to be chief machinists:

Everett C. Savage	Lindel Hall
Walter F. Booth	Clyde B. McGowan
George W. Madsen	Lloyd Young
Robert P. Chirnside	James Schackleford
Samuel R. Randolph	Nathan O'Neal
Milton C. Priebe	Lee B. McCrudden
Elmer F. Nelson	Harold J. Praedel
John S. Collins	Herbert H. Ehlers
George W. Dixon	Harry Casey
Dewey A. Moore	Alvin M. Elmore
Herbert C. Lawrence	Wesley R. Hansberry
Michael Sivacek	Edward F. Birmingham
Leroy Mullens	Ray E. Newton
Robert H. Doyle	Jesse D. Peugh
Carl H. May	John T. Hendrix
Howard M. Dunn	Myles P. Lattin
George M. Seaman	John H. Elliott
Harry N. Hansen	Hugh S. Hanna
Harry H. Eckels	Morris D. Coberth
Allen F. Perkins	John S. Fugate
Lindsay L. High	George F. Viveiros
Joseph W. Forbes	Edgar G. Riggs
Arthur N. Colona	Earl J. Rice
Henry J. Harris	George Reichert
Irvin C. Wilson	John Sacco
Clarence E. Gaylor	John C. Tappen
William H. Strickland	Robert P. Stalcup
William Reitz	Jesse Fowler
Charles R. Dowlan	Eugene H. Midgett
John T. MacKay	Elton W. Grafton
Wilbur G. Simpson	Homer E. S. Williams
James H. Thiemeyer	Jack K. Ridley
Raymond C. DeSelms	Joseph O. Kennedy
John E. Cavanaugh	Marion G. Rubado
Louis Breitenbach	Ellsworth Butler
Donald E. Simkins	

The following-named person to be a chief photographer:

George G. Twambly

The following-named persons to be chief ship's clerks:

Joseph M. McGahee
Ethan D. Halsey
Leonard L. A. Krenning

The following-named persons to be chief electricians:

George W. Tanghe	Cecil E. Phillips
Roy L. Daisey	William H. Magowan
Thomas R. Warren	John T. Dailey

The following-named persons to be chief carpenters:

Wellington E. Alley	Jasmin Richard
Benno Schaffer	Clavis W. Baum
Edmund S. Handor	

The following-named persons to be chief pay clerks:

"A" "J" Beard	Lawrence A. Storm
Myron C. Richmond	Herman W. Pelletier
Robert E. Daniel	Herbert Newman
Carl D. Miller	Ollie D. Brown
William O. Adams	Lamar J. Fowler
Harold W. Anderson	Lee W. Bothell
Bernard E. Brune	David Spratling
Joseph D. Simpson	Hudson M. Cooper
Peter Majkut	Lloyd M. Probst
William H. McBride	Henry A. Minard
George M. Olson	Robert A. Johnson
Raymond E. Holley	Harold M. Schiffbauer
Oscar D. Diel	Eugene Linnemann
Thomas E. Harwell	Peter P. Ashton
Marten A. Ashba	John T. Borys
Christy R. Mathewson	Richard V. Bercaw
Rush W. Farr	Roscoe Smith
Henry E. Titus, Jr.	Escol J. Parker
Albert M. Glenn, Jr.	Joseph E. Acker
Joseph A. J. Levasseur	Harry A. Lessey
Maynard C. Bedford	Joseph F. Donovan
Cecil W. Willis	William H. Mattson
James A. Leete	Fred W. Maukert
Darrell R. Heyting	William H. Reed
William M. Parker	Franklin H. Wix
Kenneth J. Titus	Phillip M. Collins
Cecil L. James	Joseph N. Alewine
Peter D. Shost	Gentry J. Cooke
Martin J. Healy	Harold G. Welchert

The following-named persons to be chief pharmacists:

William F. Noland
Charles S. Rhodes

Army of the United States

The following-named officers for temporary appointment in the Army of the United States to the grade of brigadier general:

Col. George Wiltz Gardes, O28840.
Col. George William Hickman, Jr., O16420.

In the Regular Army of the United States

The nominations of William French Acers and 446 other cadets, United States Military Academy, for appointment in the Regular Army of the United States, in the grade of second lieutenant, upon their graduation, under the provisions of section 506 of the Officer Personnel Act of 1947, which were confirmed today, were received by the Senate on Tuesday, May 25, 1954, and appear in full in the Senate proceedings of the Congressional Record for that day, under the caption "Nominations," beginning with the name of William French Acers, which is shown on page 7088, and ending with the name of Richard George Ziegler, which appears at the end of page 7090.

Appointments in the Navy and in the Marine Corps

Roscoe D. George, Jr., midshipman (Naval Academy), to be ensign in the Civil Engineer Corps in the Navy, subject to qualification therefor as provided by law.

Dain S. Glad (Naval Reserve Officers' Training Corps), to be ensign in the Navy, subject to qualification therefor as provided by law.

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Navy as previously nominated, to correct name, subject to qualification therefor as provided by law:

Russell P. Nystedt
Herbert H. Steinmann

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Supply Corps in the Navy as previously nominated, to correct name, subject to qualification therefor as provided by law.

Cecil D. Briscoe
Leo S. Gill

DeLeon E. Stokes (Naval Reserve Officers' Training Corps) to be ensign in the Supply Corps in the Navy, in lieu of ensign in the Navy as previously nominated, subject to qualification therefor as provided by law.

Thomas W. Nelson, Jr. (Reserve Officers' Training Corps) to be second lieutenant in the Marine Corps, subject to qualification therefor as provided by law.

The following-named (Naval Reserve aviators) to be ensigns in the Navy, subject to qualification therefor as provided by law:

William W. Alexander	Forest "J" Merrill
Howell D. Averyt	Kenneth R. Miller
Fred M. Backman	Gayland J. Mischke
Millard C. Ball	Ernest M. Moore, Jr.
John A. Bates, Jr.	William A. Odman
Dale H. Berven	George T. Pappas
Walter H. Buckholts, Jr.	William S. Pennypacker
Henry L. Cassani	George L. Petherick
Elwin J. Clark	Harold L. Piper
Robert E. Combs	David B. Place
John Forbes, Jr.	Thomas R. Randall
Billy D. Franklin	George M. Rankin, Jr.
Harold R. Gates, Jr.	William H. Searfus
William H. Hagensick	Charles M. Shaw, Jr
Bernard E. Hartnett, Jr.	Jerome P. Skyrud
	Richard E. Strockbine
William J. Hickman	Benjamin T. W. Sutherlin
Robert S. Hurst	Robert F. Thomas
Paul A. Johnson	John K. Verser
William S. Kidd	Wallace H. Wertz
Walter C. Koehler, Jr.	William R. Whorton
James McD. Leftwich	

The following-named (civilian college graduates) to be second lieutenants in the Marine Corps, subject to qualification therefor as provided by law:

Gregory J. Delehanty
Franklin A. Hart, Jr.

Edward R. Nell (Reserve officer) to be lieutenant commander in the Medical Corps in the Navy, subject to qualification therefor as provided by law.

Donald M. Wilson (civilian) to be lieutenant (junior grade) in the Chaplain Corps in

the Navy, subject to qualification therefor as provided by law.

Harold N. Glasser (Reserve officer) to be lieutenant (junior grade) in the Dental Corps in the Navy, subject to qualification therefor as provided by law.

The following-named Reserve officers to be second lieutenants in the Marine Corps, subject to qualification therefor as provided by law:

Glen S. Aspinwall	Richard L. Martin
Ralph C. Carlisle, Jr.	Edwin O. Schwendt
Edward J. A. Castagna	Thomas S. Simms
Alphonse J. Castellana	Charles Solomon
Robert M. Cooper	Alfred F. Stein
Joseph F. Jones	Daniel E. Terrell, Jr.
Floyd J. Johnson, Jr.	William M. Thurber
Archibald C. Ledbetter	Charles J. Tyson III
Glenn A. MacDonald	Allen R. Walker
Robert E. MacDonald	Jerry H. Wright

IN THE MARINE CORPS

Lt. Gen. Gerald C. Thomas, to have the grade, rank, pay, and allowances of a lieutenant general while serving as commandant of the Marine Corps Schools, Quantico, Va.

Maj. Gen. Randolph McC. Pate, to have the grade, rank, pay, and allowances of a lieutenant general while serving as assistant to the Commandant of the Marine Corps.

Maj. Gen. Robert H. Pepper, to have the grade, rank, pay, and allowances of a lieutenant general while serving as commanding general, Fleet Marine Force, Pacific.

The following-named officers of the Marine Corps for permanent appointment to the grade indicated:

TO BE MAJOR GENERALS

Edwin A. Pollock	John C. McQueen
Randolph McC. Pate	George F. Good, Jr.
Clayton C. Jerome	

TO BE BRIGADIER GENERALS

William W. Davies	Robert E. Hogaboom
Reginald H. Ridgely, Jr.	Joseph C. Burger
	Verne J. McCaul
William G. Manley	Matthew C. Horner
Lenard B. Cresswell	Ion M. Bethel
Homer L. Litzenberg	

TO BE BRIGADIER GENERAL, SUBJECT TO QUALIFICATION THEREFOR AS PROVIDED BY LAW

Chester R. Allen

ADDITIONAL PERMANENT APPOINTMENTS IN THE MARINE CORPS

The nominations of Herbert R. Nusbaum and 1,246 other officers for appointment in the Marine Corps, which were confirmed today, were received by the Senate on May 6, 1954, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD of that date, under the caption "Nomination," beginning with the name of Herbert R. Nusbaum, which appears on page 6127, and ending with the name of Joyce M. Hamman shown on page 6130.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 28, 1954

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

God of all wisdom, whose beneficent sovereignty we cannot doubt and whose overtures of sacrificial love we cannot spurn, may we daily become increasingly aware of our need of Thy guiding spirit as we face our own personal problems and seek in some real and practical way to help mankind bear its heavy burdens and find the way to peace.

Grant that amid the strain and stress of life's hard and difficult experiences, when we are tempted to yield to defeatism and despair, may we have within our hearts the unshakable confidence that Thy divine providence is ever "round about us.

May the presence and message of the ruler, whose small nation stood forth bravely as one of the calvaries of democracy, stir our hearts with compassion and with a yearning to lift smitten and afflicted humanity out of its miseries and struggles into the glorious liberty of the sons of God.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of Wednesday, May 26, 1954, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On May 21, 1954:

H. R. 2033. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon certain claims of the Columbia Basin Orchard, the Seattle Association of Credit Men, and the Perham Fruit Corp.;

H. R. 4735. An act for the relief of Lt. Col. Richard Orme Flinn, Jr.; and

H. R. 3832. An act for the relief of Mrs. Orinda Josephine Quigley.

On May 27, 1954:

H. R. 1167. An act for the relief of W. A. Sampsel;

H. R. 1433. An act to entitle enlisted men and warrant officers advanced to commissioned rank or grade who are restored to their former enlisted or warrant officer status pursuant to section 3 of the act of June 19, 1948 (62 Stat. 505), to receive retired enlisted or warrant officer pay from November 1, 1946, or date of advancement, to date of restoration to enlisted or warrant officer status;

H. R. 2274. An act to further amend the act of May 26, 1948, entitled "An act to establish Civil Air Patrol as a civilian auxiliary of the United States Air Force and to authorize the Secretary of the Air Force to extend aid to Civil Air Patrol in the fulfillment of its objectives, and for other purposes";

H. R. 2913. An act to direct the Secretary of the Interior to issue a patent for certain lands to Harold K. Butson;

H. R. 3349. An act for the relief of Mrs. Margarete Burdo;

H. R. 4475. An act for the relief of Curtis W. McPhail;

H. R. 4816. An act authorizing the Secretary of the Interior to issue to Robert Graham a patent in fee to certain lands in the State of Mississippi;

H. R. 4864. An act for the relief of Mrs. Hildegard Noel;

H. R. 5090. An act for the relief of Mrs. Magdalene Zarnovski Austin;

H. R. 5862. An act to authorize the Panama Canal Company to transfer the Canal Zone Corrosion Laboratory to the Department of the Navy;

H. R. 6563. An act for the relief of Zdzislaw (Jerzy) Jazwinski;

H. R. 6647. An act for the relief of Yoko Kagawa;

H. R. 6754. An act for the relief of Mrs. Hooey Shee Eng;

H. R. 7328. An act to promote the national defense by authorizing the construction of aeronautical-research facilities by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research;

H. R. 7329. An act to repeal section 1174 of the Revised Statutes, as amended, relating to the cooperation of medical officers with line officers in superintending cooking by enlisted men; and

H. R. 7452. An act for the relief of Therese Boehner Soisson.

On May 28, 1954:

H. R. 2696. An act to provide a method of paying certain unsettled claims for damages sustained as a result of the explosions at Port Chicago, Calif., on July 17, 1944, in the amounts found to be due by the Secretary of the Navy;

H. R. 3598. An act to consolidate the Parker Dam power project and the Davis Dam project;

H. R. 4135. An act for the relief of George Telegdy and Julia Peyer Telegdy;

H. R. 5961. An act for the relief of Marianne Schuster Dawes;

H. R. 6186. An act to authorize the Secretary of the Interior to grant a preference right to users of withdrawn public lands for grazing purposes when the lands are restored from the withdrawal;

H. R. 6870. An act to amend the act of February 13, 1900 (31 Stat. 28), by approving existing railway installations and authorizing further railway installations on the batture in front of the Public Health Service hospital property in New Orleans, La.;

H. R. 7057. An act to authorize the Secretaries of Agriculture and Interior to transfer, exchange, and dispose of land in the Eden project, Wyoming, and for other purposes; and

H. R. 7893. An act making appropriations for the Treasury and Post Office Departments, Export-Import Bank of Washington, and Reconstruction Finance Corporation for the fiscal year ending June 30, 1955, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had passed without amendment concurrent resolutions of the House of the following titles:

H. Con. Res. 209. Concurrent resolution authorizing the printing of additional copies of parts 1 and 2 of the hearings held by the Committee on Government Operations during the 83d Congress, 1st session, relative to commercial- and industrial-type activities in the Federal Government;

H. Con. Res. 210. Concurrent resolution providing for 35,000 additional copies of the report entitled "Organized Communism in the United States";

H. Con. Res. 213. Concurrent resolution authorizing the printing of additional copies of the hearings held by the Committee on Interstate and Foreign Commerce relative to health problems;

H. Con. Res. 230. Concurrent resolution providing for 30,000 additional copies of the report entitled "Eighth Session of the General Assembly of the United Nations"; and

H. Con. Res. 234. Concurrent resolution to print as a House document the proceedings in the rotunda at the dedication of the frieze.

The message also announced that the Vice President had appointed the Senator from North Carolina, Mr. LENNON, to membership on the Commission on Intergovernmental Relations in place of Senator Hoey, deceased.

The message also announced that the Vice President has appointed Mr. CARLSON and Mr. JOHNSTON of South Carolina members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 54–14.

SPECIAL ORDER GRANTED

Mr. CLARDY asked and was given permission to address the House for 1 hour on Wednesday next, June 2, following the legislative program and any special orders heretofore entered.

COMMITTEE ON WAYS AND MEANS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight tonight to file a report on the bill H. R. 9366.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

INCORPORATION, REGULATION, MERGER, CONSOLIDATION, AND DISSOLUTION OF CERTAIN BUSINESS CORPORATIONS IN THE DISTRICT OF COLUMBIA

Mr. O'HARA of Minnesota. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Concurrent Resolution 238.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H. R. 3704) to provide for the incorporation, regulation, merger, consolidation, and dissolution of certain business corporations in the District of Columbia, the Clerk of the House is authorized and directed to make the following correction:

In the second sentence of section 36 of the bill strike out "at which is quorum" and insert in lieu thereof "at which a quorum."

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

CORRECTION OF RECORD

Mr. JOHNSON of Wisconsin. Mr. Speaker, my attention has been called to page 7129 of the RECORD for Wednesday, May 26, in which the gentleman from Wisconsin [Mr. LAIRD] had the RECORD corrected to show that the bill, H. R. 9267, was introduced at the request of the entire Wisconsin congressional delegation. I ask unanimous consent that the RECORD further show that this request, as I understood it, was not an endorsement of the proposed legislation by the balance of the members of the Wisconsin delegation, but that the gentleman from Wisconsin [Mr. LAIRD] introduced the bill so that those members of the delegation who had not read the bill could study the same and decide whether they would support the same or not. It is in no way an endorsement of the proposed legislation as far as I am concerned and at this time I am studying H. R. 9267 and am seeking the views of dairy leaders and others in my district who are also studying the same.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

INTERNATIONAL LABOR ORGANIZATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 407)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs, and ordered to be printed:

To the Congress of the United States:

In accordance with the obligations of the United States of America as a member of the International Labor Organization I transmit for the consideration of the Congress an authentic text of a convention (No. 102) concerning minimum standards of social security, adopted on June 28, 1952 by the International Labor Conference at its 35th session, held at Geneva from June 4 to June 28, 1952.

I transmit also the report of the Acting Secretary of State with regard to the convention, together with a copy of a letter from the Secretary of Labor to the Secretary of State, setting forth the coordinated view of the interested departments and agencies of the Executive branch of the Government with respect to the Convention.

Since, under the constitutional system of the United States, the subject matter of the convention is appropriate in part for action by the States and in part for action by the Federal Government the convention is regarded, in accordance with article 19, paragraph 7 (b), of the constitution of the International Labor Organization, as not suitable for ratification but rather for referral to the appropriate Federal and State authorities for their consideration.

I am sending texts of the convention to the Secretary of the Interior in order that they may be transmitted to the Governments of Alaska, Guam, Hawaii, and the Virgin Islands for such action as may be deemed suitable. I am also transmitting the convention to the Secretary of the Interior for appropriate action and advice with regard to American Samoa, and to the Secretary of the Interior and the Secretary of the Navy for appropriate action and advice with regard to those areas of the Trust Territory of the Pacific Islands under their respective jurisdictions.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 28, 1954.*

(Enclosures: 1. Authentic text of Convention No. 102. 2. Report of the Acting Secretary of State. 3. Letter from the Secretary of Labor (copy).)

INTERNATIONAL LABOR ORGANIZATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 406)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs, and ordered to be printed:

To the Congress of the United States:

In accordance with the obligations of the United States of America as a member of the International Labor Organization I transmit herewith authentic texts of a recommendation (No. 91) concerning collective agreements and a recommendation (No. 92) concerning voluntary conciliation and arbitration, both of which were adopted on June 29, 1951, by the International Labor Conference at its 34th session, held at Geneva from June 6 to June 29, 1951.

I transmit also the report of the Acting Secretary of State with regard to the two recommendations, together with a copy of a letter from the Secretary of Labor to the Secretary of State setting forth the coordinated view of the interested departments and agencies of the executive branch of the Government with respect to the recommendations. I particularly invite the attention of the Congress to the recommendation of those departments and agencies that no legislative action be taken, for the reasons set forth in the above-mentioned letter of the Secretary of Labor.

For action and advice with respect to American Samoa and the Trust Territory of the Pacific Islands (excluding the northern Mariana Islands with the exception of Rota), and for transmission to the governments of Alaska, Guam, Hawaii, and the Virgin Islands in order that those governments may give consideration to the enactment of legislation or other action, I am sending texts of the recommendations to the Secretary of the Interior. Also, I am transmitting the texts of the recommendations to the Secretary of the Navy for such action and advice as may be suitable with respect to that portion of the trust territory which includes the northern Mariana Islands except Rota.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 28, 1954.*

(Enclosures: 1. Authentic text of Recommendation No. 91. 2. Authentic text of Recommendation No. 92. 3. Report of the Acting Secretary of State. 4. Letter from the Secretary of Labor (copy).)

RECESS

The SPEAKER. The Chair declares the House in recess, subject to the call of the Chair.

Accordingly (at 12 o'clock and 11 minutes p. m.) the House stood in recess subject to the call of the Chair.

JOINT MEETING OF THE TWO HOUSES OF CONGRESS TO HEAR AN ADDRESS BY HIS IMPERIAL MAJESTY, HAILE SELASSIE I, EMPEROR OF ETHIOPIA

The SPEAKER of the House of Representatives presided.

At 12 o'clock and 20 minutes p. m. the Doorkeeper announced the Vice President and Members of the United States Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. On the part of the House the Chair appoints as members of the committee to escort His Imperial Majesty, Haile Selassie I, Emperor of Ethiopia, into the Chamber the gentleman from Illinois, Mr. ALLEN; the gentleman from Texas, Mr. RAYBURN; the gentleman from Illinois, Mr. CHIPERFIELD; and the gentleman from Illinois, Mr. GORDON.

The VICE PRESIDENT. On the part of the Senate the Chair appoints as members of the committee of escort the Senator from California, Mr. KNOWLAND; the Senator from Kentucky, Mr. CLEMENTS; the Senator from Wisconsin, Mr. WILEY; and the Senator from Rhode Island, Mr. GREEN.

The Doorkeeper announced the following guests, who entered the Hall of the House of Representatives and took the seats reserved for them:

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

The Chief Justice and Associate Justices of the United States Supreme Court.

The members of the President's Cabinet.

At 12 o'clock and 30 minutes p. m. the Doorkeeper announced His Imperial Majesty, Haile Selassie I, Emperor of Ethiopia.

His Imperial Majesty, Haile Selassie I, Emperor of Ethiopia, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk. [Applause, the Members rising.]

The SPEAKER. Members of the Congress, it is my great pleasure and distinguished honor to present to you the Emperor of a great and ancient people, and the stalwart friend of the United States, His Imperial Majesty, Haile Selassie I, Emperor of Ethiopia. [Applause, the Members rising.]

ADDRESS OF HIS IMPERIAL MAJESTY, HAILE SELASSIE I, EMPEROR OF ETHIOPIA

His Imperial Majesty, HAILE SELASSIE I, Emperor of Ethiopia. Mr. Speaker, Mr. President, honorable Members of Congress, I count it a privilege to address what is one of the greatest parliaments in the world today—where the forces that make great one of the most powerful of nations have been and are being brought to bear and where issues of worldwide importance have been decided.

The extent of that power and influence and the rapidity with which you have reached such a summit of importance for the rest of the world are unparalleled in world history and beggar all conceivable comparisons. Two hundred years ago today, as I am speaking, Gen. George Washington won the battle of Fort Necessity, a victory which was but a step in the gradual forging together of the United States. What a phenomenal progress has been made in that interval of 200 years, an interval which—you may pardon me as representative of one of the most ancient nations in the world—is surely but a surprisingly short passage of time.

So great are your power and wealth that the budget of a single American city often equals that of an entire nation.

As in the case of other countries, you gave us lend-lease assistance during the war and, at present, both mutual security and technical assistance. Yet, so vast are your power and resources that even after deducting all expenses of the Federal Government, you have met the costs of this assistance in one quarter of an hour—15 minutes—of your annual production.

Of what interest is it to you then, you may well ask, that I, the head of what must be for you a small and remote country, should appear before you in the midst of your deliberations? I do not take it upon myself to point out why Ethiopia is important to the United States—that you can best judge for yourselves, but, rather, to explain to you with brevity, the circumstances which make Ethiopia a significant factor in world politics. Since so much of world politics is, today, influenced by the decisions which you, Members of Congress, reach, here in these halls, it is, perhaps, not unimportant that I set out these considerations for you.

A moment ago, I remarked that, for you, Ethiopia must appear to be a small and remote country. Of course, both of these terms are purely relative. In fact, so far as size is concerned, Ethiopia has exactly the area and population of your entire Pacific far west consisting of the States of California, Oregon, Washington, and also Idaho. We are remote, perhaps, only in the sense that we enjoy a secure position on the high plateau of East Africa protected by the Red Sea and our mountain fastnesses. However, by the numerous airlines that link us with the rest of the world, it is possible to arrive in Washington from Addis Ababa in less than 2 days.

By one of those strange parallels of history, Ethiopia and a certain well-known country of the Far East who both enjoy highly defensible and strategic positions in their respective areas of the world, both for similar reasons, simultaneously, at the beginning of the 17th century, entered upon a 200-year period of isolation. As in the case of the other country, that isolation came to an end in the latter half of the 19th century, with this difference that, upon abandoning her policy of isolation, Ethiopia was immediately called upon to defend against tremendous odds her thousand-year-old independence. Indeed, so bitter has been this struggle against foreign aggrandizement that were it not for our persistence and for the enormous social, economic, and material advances that Ethiopia has made in the interval, and particularly since the close of the last war, Ethiopia might very well have returned to her policy of isolation.

In consequence, in many respects, and particularly since the last World War, Ethiopia has become a new frontier of widely expanding opportunities, notwithstanding the tremendous setback which we suffered in the unprovoked invasion of our country 19 years ago and the long years of unaided struggle against an infinitely stronger enemy. The last 7 years have seen the quadrupling of our foreign trade, currency, and foreign exchange holdings. Holdings of American dollars have increased 10 times over. The Ethiopian dollar has become the only United States dollar-based currency in the Middle East today. The assets of our national bank of issue have increased 1,000 percent. Blessed with what is perhaps the most fertile soil in Africa, well-watered, and with a wide variety of climates ranging from the temperate on the plateau, to the tropical in the valleys, Ethiopia can grow throughout the year crops normally raised only in widely separated areas of the earth's surface. Since the war, Ethiopia has become the granary of the Middle East, as well as the only exporter of meat, cereals, and vegetables. Whereas at the end of the war, every educational facility had been destroyed, today, schools are springing up throughout the land, the enrollment has quadrupled and, as in the pioneer days in the United States, and indeed, I presume, as in the lives of many of the distinguished Members of Congress here present, schoolchildren, in their zeal for education, take all sorts of work in order to earn money to purchase textbooks and to pursue their education.

Finally, through the return in 1952 of its historic ports on the Red Sea and of the long-lost territory of Eritrea, Ethiopia has not only regained access to the sea, but has been one of the few states in the postwar world to have regained lost territory pursuant to postwar treaties and in application of peaceful methods.

We have thus become a land of expanding opportunities where the American pioneering spirit, ingenuity and technical abilities have been and will continue to be welcomed.

A thousand year old history of struggles to defend the territorial integrity of our country, the long fight for liberation two decades ago and the recent campaign in Korea have given our army an esprit de corps and a fighting spirit that, I believe, can stand, without misgiving, for comparison. Today, our fighting forces are among the largest and best trained in the Middle East.

The struggle for liberation served to strengthen the forces of national consciousness and unity and since that time we have made significant advances in social progress. Unlike many other countries, Ethiopia has long been a nation of small, rather than of large, landowners. Moreover, a profoundly democratic tradition has assured in the past, as it assures today, the rise to the high-

est posts of responsibility in the Government, of men of the humblest of origins.

It is but natural, therefore, that a state which has existed for 3,000 years, which has regained its independence by the blood of its patriots, which commands the allegiance and loyalty of even its most lowly subjects, and which enjoys an unusually sound economy, should have a regime of marked stability on that area of the world were stability is so frequently absent today.

Such is the state of Ethiopia today about which I am speaking. It is against this background that I wish to talk to you of Ethiopia as a factor in world politics. Her geographic location is of great significance, with her long shoreline and its archipelago of hundreds of islands. Ethiopia occupies a unique position on the most constricted but important of strategic lines of communications in the world, that which passes through the Red Sea. She also lies on the other most strategic line of communication in the world, namely, the world band of telecommunications which, because of natural phenomena, circles the world at the Equator.

However, in yet a perhaps broader sense is Ethiopia's geographical position of significance. Through her location on the shores of the Red Sea and in the horn of East Africa, Ethiopia has profound historical ties with the rest of the Middle East as well as with Africa. In this respect she stands in a completely unique position. Her culture and social structure were founded in the mingling of her original culture and civilization with the Hamitic and Semitic migrations into Africa from the Arabian Peninsula, and, in fact, today, our language, Amharic, is a member of that large family of Hamitic and Semitic tongues and, therefore, intimately related to Hebrew and Arabic. Indeed, at one time Ethiopia extended to both sides of the Red Sea as well as north to upper Egypt. It was, therefore, not without reason that, during the Middle Ages the Emperor was known as "he who maintains order between the Christians and the Moslems." A profound comprehension of and sympathy with the other states of the Middle East naturally inspires Ethiopian national policies.

On the other hand, 3,000 years of history make of Ethiopia a profoundly African state in all that term implies. In the United Nations, she has been to the forefront in the defense of Africa's racial, economic, and social interests.

Finally, both culturally and geographically, Ethiopia serves to a unique degree as the link between the Middle East and Africa. Situated in the horn of Africa, and along the shores of the Red Sea, with the desert area of Africa to the north and west, it is but natural that Ethiopia should be the filter through which the ideas and influences of the Continent of Africa should pass to the East and vice versa.

Thus, our social and political outlook and orientation became important not only in terms of Middle Eastern and African but also, in terms of world politics—and this leads me to point to a factor which I consider to be of unique significance. We have a profound orientation toward the West. One consideration alone, although there are others, would suffice to explain this result. The two Americas and the continent of Europe together constitute exactly one-third of the land masses of the world. It is in this one-third that are concentrated the peoples of the Christian faith. With but rare exceptions Christianity does not extend beyond the confines of the Mediterranean. Here, I find it significant that, in point of fact, in this remaining two-thirds of the earth's surface, Ethiopia is the state having the largest Christian population and is by far the largest Christian state in the Middle East. In fact, Ethiopia is unique among the nations of the world in that it is, today, the one remaining Christian state than can trace her history unbroken as a Christian polity from the days when the Roman Empire itself was still a vigorous reality.

The strength of the Christian tradition has been of vital significance in our national history, and as a force for the unification of the Empire of Ethiopia. It is this force which gives us, among the other countries of the Middle East, a profound orientation toward the West. We read the same Bible. We speak a common spiritual language.

It is this heritage of ideals and principles that has excluded from our conscious, indeed, from our unconscious processes, the possibility of compromising with those principles which we hold sacred. We have sought to remain faithful to the principle of respect for the rights of others, and the right of each people to an independent existence. We, like you, are profoundly opposed to the un-Christian use of force and are, as you, attached to a concept of the pacific settlement of disputes. Our lone struggle before the outbreak of the last world catastrophe as, indeed, our recent participation in the combined efforts and the glorious comradeship in arms in Korea have marked us, like you, in giving more than lipservice to these ideals. It is your deep comprehension of our ideals and struggles in which it has been my privilege to lead, at times not without heartbreak, my beloved people, and our common comradeship in arms that have laid a very sure and lasting basis for friendship between a great and a small country.

Last year, we concluded with you a new treaty of friendship, commerce, and navigation designed to assure to American business enterprise expanded opportunities in Ethiopia. Our dollar-based currency is also there to assure the ready return to the United States of the profits of their investments. We have entrusted to American enterprise the development of our civil aviation which has surpassed all expectations. To American enterprise we have confided the exploitation of our oil resources as well as of our gold deposits. Although my country is 8,000 miles removed from the eastern seaboard of the United States, United States exports to Ethiopia have, notwithstanding this heavy handicap, pushed forward to the forefront in Ethiopia.

Conversely, the United States stands in first rank of countries to whom we export. Ethiopia which has, from the Province of Kaffa, given the world the name and product of coffee, produces on her high plateau one of the finest mocha coffees in the world. The coffee which you drink attains its unique and pleasant American flavor in part, at least, through the added mixture of Ethiopian coffee. American shoes are made, in part at least, from Ethiopian goatskins which are principally exported to the United States.

On the other hand, you have given us valuable support, not only in lend-lease assistance during the war, and today through mutual-security and technical-assistants agreements, but you have also powerfully aided us in obtaining rectification of long-standing injustices. If, today, the brothers of Ethiopia stand finally united under the Crown and if Ethiopia has regained her shoreline on the Red Sea, it has been due, in no small measure to the contribution of the United States of America. I am happy to take this occasion to express to you, the Congress, which has approved this assistance, the sincere and lasting appreciation of my people.

This collaboration with the West and with the United States in particular has taken yet broader forms. There is our military collaboration based on the mutual-security program. If we leave aside Greece and Turkey as belonging to the North Atlantic group, Ethiopia has been the only state of the Middle East to follow the example of the United States in sending forces to Korea for the defense of collective security.

In so doing, Ethiopia has been inspired by a vision which is broader than her preoccupation with regional policies or advantages. Nearly two decades ago, I personally assumed before history the responsibility of placing the fate of my beloved people on the issue of collective security, for surely, at that time and for the first time in world history, that issue was posed in all its clarity. My searchings of conscience convinced me of the rightness of my course and if, after untold sufferings and, indeed, unaided resistance at the time of aggression, we now see the final vindication of that principle in our joint action in Korea, I can only be thankful that God gave me strength to persist in our faith until the moment of its recent glorious vindication.

We do not view this principle as an extenuation for failing to defend one's homeland to the last drop of one's blood, and, indeed, our own struggle during the last two decades bear testimony to our conviction that in matters of collective security as of Providence, "God helps him who helps himself." However, we feel that nowhere can the call for aid against aggression be refused by any state, large or small. It is either a universal principle or it is no principle at all. It cannot admit of regional application or be of regional responsibility. That is why we, like you, have sent troops halfway around the world to Korea. We must face that responsibility for its application wherever it may arise in these troubled hours of world history. Faithful to her traditions and outlook and to the sacred memory of her patriots who fell in Ethiopia and in Korea in defense

of that principle, Ethiopia cannot do otherwise.

The world has ceaselessly sought for and striven to apply some system for assuring the peace of the world. Many solutions have been proposed and many have failed. Today the system which we have advocated and with which the name of Ethiopia is inseparably associated has, after her sacrifices of two decades ago, and her recent sacrifices with the United States and others in Korea, finally demonstrated its worth. However, no system, not even that of collective security, can succeed unless there is not only a firm determination to apply it universally both in space and time, but also whatever be the cost. Having successfully applied the system of collective security in Korea, we must now, wherever in the world the peace is threatened, pursue its application more resolutely than ever and with courageous acceptance of its burdens. We have the sacred duty to our children to spare them the sacrifices which we have known. I call upon the world for determination fearlessly to apply and to accept—as you and as we have accepted them—the sacrifices of collective security.

It is here that our common Christian heritage unites two peoples across the globe in a community of ideals and endeavor. Ethiopia seeks only to affirm and broaden that cooperation between peace-loving nations. [Applause, the Members rising.]

(After reading the first two paragraphs in English, Emperor Haile Selassie said: "Gentlemen, I deeply admire your rich and wonderful language. I would like to continue speaking in English. To do so, however, would take too much of your time and I could not open my heart to you as I can in my own tongue. So with your permission I will continue in Amharic. You can follow my remarks in the English text, copies of which have been distributed to you."

(Emperor Haile Selassie delivered the rest of his address in the Amharic language.)

At 1 o'clock and 7 minutes p. m., His Imperial Majesty, the Emperor of Ethiopia, accompanied by the committee of escort, retired from the Chamber.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet.

The Chief Justice and the Associate Justices of the Supreme Court.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

JOINT MEETING DISSOLVED

The SPEAKER. The purposes of the joint meeting having been accomplished, the Chair declares the joint meeting of the two Houses now dissolved.

Thereupon (at 1 o'clock and 9 minutes p. m.) the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 1 o'clock and 10 minutes p. m.

PROCEEDINGS DURING THE RECESS

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

SPECIAL ORDER GRANTED

Mr. MILLER of Kansas asked and was given permission to address the House for 30 minutes on Tuesday, June 1, after the completion of the legislative business of the day and any special orders heretofore entered.

FAIR-TRADE PRACTICES

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, on Wednesday, May 26, I introduced a bill, H. R. 9354, which is as follows:

Be it enacted, etc., That Public Law 212, 63d Congress, following section 3, be amended by adding the following subsections:

"SEC. 3. (a) It shall be deemed an unfair trade practice and against the public interest for any person engaged in commerce in connection with the granting of any franchise or distribution right to demand any contract with any retail dealer requiring such dealer to accept goods, wares, merchandise, machinery, supplies, or other commodities not ordered by such retail dealer.

"(b) The withdrawal by any person engaged in commerce of any franchise or distribution rights of any retail dealer because of failure to order or failure to accept without order any goods, wares, machinery, supplies, or other commodities in excess of need as determined by such retail dealer shall be unlawful."

This bill speaks for itself, but I would like to discuss the basis on which I have offered such measure.

In recent months I have noticed that most of the larger automobile companies have made many statements to the effect that 1953 was one of the greatest years automobile manufacturers have had. The total number of cars produced has been stressed in such articles. At the time these releases were made to the press, several months into 1954, I learned that on River Road in this area there were in storage more than 300 new 1953 models of one of the more popular makes of cars. At the same time there were approximately 170 new 1953 model cars in storage in sight of the Capitol, the product of another major manufacturer of automobiles which also makes many other appliances and equipment. As late as March 25 of this year the local dealers carried in Washington papers advertisement of 132 brand new 1953 models of still another popular make of automobile at a discount of $720 to $1,980 below list price. These occurrences all happened well into the year 1954 and at a time when these statements were being made to the press by the manufacturers.

I do not know why local retailers had that carryover of new cars. It may be that the local distributors or retail dealers bought the cars at a discount and were pleased with the situation, but it did call to my mind the situation which existed in the 1930's. Not that the present situation is too bad, but I do believe there is enough evidence at present to warrant the Congress to act to prevent what happened in the late 1920's and early thirties.

At that time several of the larger manufacturers of automobiles, when times began to get tight, insisted that their local retail dealers order automobiles many, many months in advance and take many more cars than they wished or needed, or could sell profitably. These advance orders had to include extra heavy units of automobiles, for which there was no market in my area.

One of the major manufacturers of cars broke every one of his dealers, of whom I knew, in my State in that period by loading on such dealers automobiles which the dealer could not sell at reasonable terms; and all the assets of such dealers were pulled into the manufacturing company in Michigan and the retail dealers went into bankruptcy. The manufacturer remained strong financially.

Later I had an opportunity to study the dealer contracts. Under the terms of the contracts, as I recall, the dealer was given a franchise to sell the manufacturers products in a particular area. But this does not mean an exclusive franchise to sell. The manufacturer only contracted to deliver to no one except the dealer with the franchise in that area. That one little right was all that kept such contract from being unilateral. Otherwise the contract was one-sided in favor of the manufacturer. As I recall, the company did not guarantee to deliver a single unit, but the dealer had to agree to accept units and to order as much as a year in advance, all for the protection of the manufacturer.

At a time when extra large automobiles had no market at all in my region, dealers had to take heavy units of such automobiles in order to get any cars at all. This had disastrous effects and as I say, in the case of one major make of car, it broke all retail dealers in Mississippi of whom I knew. That situation prevailed generally over the country. It is my understanding such contracts have not been changed in any substantial way since that time.

Since I have been in the Congress I have had occasion to try to help dealers in my district, who were the local distributors for one of the major farm machinery lines, to hold their franchise which the company threatened to cancel. While it was not admitted, from a study of the facts it was apparent that the franchises were being canceled, primarily, because such dealers would not go in debt to put up a prototye or ex-

pensive building in a new location as insisted upon by the manufacturer. Doubtless the same situation has existed in various other lines.

Mr. Speaker, I know that no major company sets out to ruin the retailers of its product but, judging by the past, should conditions get tight to the point where it becomes a question as to who is going to be pressed financially, under the type of dealer contract which most local distributors have the man placed in financial straits first is going to be the retail dealer or distributor; and this will be brought about by the manufacturer under present contracts. The dealer's franchise is his means of making a living and under pressure from the manufacturer he will order well in advance even though he is not guaranteed the delivery of a single unit. Then with hope that his condition will improve he will yield to pressure to order well in advance, even when there is no market for such product in his area.

Judging by the past he will accept large units, with little or no markets, in order to get what he thinks he can sell. All of this is a part of a package delivery demanded by the manufacturer.

The illustrations I have used to point out the need for congressional action are the ones I know about. In recent months other complaints at practices in the automotive industry have been pointed up in House Joint Resolution 484 by Congressman CRUMPACKER. Also, as early as 1939, the Federal Trade Commission, in House Document No. 468, 76th Congress, 1st session, after exhaustive hearings made the following recommendations:

> It is recommended that present unfair practices be abated to the end that dealers have (a) less restriction upon the management of their own enterprises; (b) quota requirements and shipments of cars based upon mutual agreement; (c) equitable liquidation in the event of contract termination by the manufacturer; (d) contracts definite as to the mutual rights and obligations of the manufacturers and the dealers, including specific provision that the contract will be continued for a definite term unless terminated by breach of reasonable conditions recited therein.

In conclusion, Mr. Speaker, may I point out that by section 4 of Public Law 212 of the 63d Congress, which my bill would amend, any individual who may be injured or threatened with injury by actions which I would make against the public interest, is authorized to go into the Federal court and obtain an injunction to prevent the action from being taken.

Several States have tried to meet this problem in recent years, notably Rhode Island, where manufacturers must qualify with a State agency to do business in the State and the State can then cancel the right of such manufacturer to do business in the State if they do the things prohibited under my bill.

I called this statute to the attention of friends in the legislature of my State of Mississippi. In recent weeks the State legislature has passed such a measure. That is one way to meet the issue, of course. However, I hope this Congress will act on a national basis. Now is the time, in advance of trouble.

The bill which I have introduced is not unfair, and it will give some degree of protection to retail dealers and distributors. It will let those in an industry somewhat ride together as against the manufacturer being able to squeeze every dollar out of the distributor so as to maintain the home company in a strong financial condition. I hope the committee will see fit to have early hearings on this measure and that the Congress will pass it.

MEMORIAL DAY

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, Sunday, May 30, is a day on which all of us might well pause momentarily from the hurry and rush of daily existence in a spirit of contemplation and reverence. It is a day on which Americans, of every extraction and religious persuasion, honor their dear, gallant dead. It is Memorial Day.

Memorial Day, or Decoration Day, as it is sometimes known, was first officially celebrated as a national holiday on May 30, 1868, at the order of the Commander in Chief of the Grand Army of the Republic. It was meant to honor the memory of soldiers killed in the War Between the States. The number of those so honored has swelled through the years; the day now serves as an official remembrance of all American soldiers who have given their lives in battle, here and in foreign duty.

In this year of 1954, Memorial Day comes to us with an enlarged significance. Not in the memory of man or of history has the human race faced such difficulty or crisis. Never before have problems seemed so grave, nor their solution so apparently impossible. Brother set against brother, nation against nation, the field of conflict daily widens. The minions of tyranny and oppression appear to gain ground by the hour in their mad race to overwhelm, by lies and trickery, what they have failed to subjugate by force and arms. Never in the annals of civilization have freemen faced such a cunning and resourceful foe. As never before must we rededicate our lives and ourselves to the first principles upon which our great Nation was founded.

This is an occasion on which we honor our sons who have given their most priceless possession—their lives—in defense of what they most sought to preserve—an America, free. We honor, as best a grateful nation can, their gold-star mothers, whose strength and example these sons so heroically emulated.

But in the hearts of true Americans on Memorial Day, as on every day, the memory of these sons lingers on—in the happy laughter of a tiny child as he fashions castles of stone in his box of sand—in the excited murmur of proud parents at high-school graduation time—in the haunting concerto of a robin as he chirps beneath the window of a Kansas farmhouse on a chilly spring morning—in everything that is clean and decent and honorable; in everything that is American.

No one needed to explain to these boys the meaning of love, fidelity, patriotism. They knew. As if through a mist we see them pass before our eyes in uncounted legions, sighing, whispering, crying, "Remember." "Remember Chancellorsville, Gettysburg, Belleau Woods, Anzio, Normandy, Tarawa, Heartbreak Ridge."

"Remember us; remember what we did. And yet we can help you no more."

"Remember you are freedom's last outpost."

America has always prided herself in that in times of anguish and distress she can call forth from within her limitless borders the strength to meet the moment, the men to meet the hour.

And yet, since our country's founding, when has the need been greater than now? When have the words of men and the treaties of nations meant less? When has the doctrine of the fatherhood of God and the brotherhood of man met with greater rebuke?

Truly might we pray, as did a poet of another year:

> God give us men. A time like this demands
> Strong minds, great hearts, true faith, and ready hands,
> Men whom the lust of office does not kill,
> Men whom the spoils of office cannot buy,
> Men who possess opinions and a will,
> Men who have honor, men who will not lie.

Such men as these come once in a blue moon. America has urgent need for them. And find them she must.

Let our minds stray once again, on this Memorial Day, to the rows of crosses, immaculately white, which line, with unspeakable eloquence, the national cemeteries of our land and the far corners of the earth—the final repose of gallant sons.

Shall it be true, as Thomas Jefferson said, that—

> The tree of liberty must be refreshed from time to time with the blood of patriots and tyrants.

On this day will the peoples of the world take to their breast the lesson that history has tried time and again to teach, that men were created to live as brothers, and as little children to love one another?

Will we Americans, on Memorial Day, in the presence of these hallowed dead, arouse ourselves from the slumber into which we have fallen?

We will, on this Memorial Day, I am sure, take to heart afresh the example of these gallant dead, so that come what may in time to come, "They shall not have died in vain."

REOPENING TRADE WITH COMMUNIST CHINA

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, because of the sharp differences of opinion that exist in our country and among our allies on the whole question of east-west trade, including that of expanding or, in our case, resuming trade with Communist China, I undertook recently to examine this subject in some detail. What are the possibilities? The difficulties? The advantages and disadvantages? I should like to report here some of my findings and the convictions based on them. Much of what I say was included in an address given at the World Trade Luncheon at the Waldorf-Astoria in New York City on May 19, 1954, under the title "The Significance for Foreign Trade of Communist Conquests in Asia."

Mr. Speaker, it may seem almost irrelevant to talk about the problems and prospects of foreign trade in a world whose most obvious charactertistic is insecurity and uncertainty. For example, in Asia the immediate question that absorbs our attention just now is, What is to happen in Indochina next week or next month?

But is it not more important to consider how to keep the free countries free so that we can expand or at least maintain the trade we have with them, rather than to speculate about possible expansion of trade with countries already conquered by the Communists?

Why has not the West had the will and the unity necessary to prevent these Communist conquests? One reason, I believe, is because we have failed to appreciate what our predicament is likely to be if we allow further expansion of Communist areas.

The report on east-west trade released recently by the Foreign Operations Administration covers far more adequately than I could the facts and trends to be found in this trade. So I want to discuss not so much the figures of trade, but rather the philosophy of trade with those parts of the world which have come under Communist control or are threatened by it.

I

Let us begin by consulting that hard-headed student of political and economic world movements—Josef Stalin. During the last year of his life, 1952, he issued three major public statements. All dealt with various phases of what he called "the deepening general crisis of the world capitalist system." All the steps taken by his successors in the Kremlin, which some people have hopefully regarded as deviations from Stalin's policies, are in reality faithful execution of the tactical line he laid down.

Stalin said that the crisis for capitalism had been caused by the "falling away of the Soviet Union from the capitalist system" in World War I—and the falling away of the "European and Asian people's democracies" during and following World War II. He then posed the question, "Is the general crisis only a political, or only an economic crisis?" This is his answer:

> Neither the one, nor the other. It is a general, i. e., all-round crisis of the world capitalist system, embracing both the economic and the political spheres * * *.
>
> The economic consequence of the existence of two opposite camps [the camp of socialism and the camp of capitalism] was that the single all-embracing world market disintegrated, so that now we have two parallel world markets, confronting one another.
>
> * * * * *
>
> It follows from this that the sphere of exploitation of the world's resources by the major capitalist countries (USA, Britain, and France) will not expand, but contract; that their opportunities for sales in the world market will deteriorate, and that their industries will be operating more and more below capacity.

From this he drew the conclusion that a deepening depression in the "capitalist" world is certain, and that "wars between capitalistic countries" are inevitable as each struggles to gain a larger share of the remaining shrunken world market.

Now no one can deny that the Communist world has been steadily gaining in Asia during the last decade while the western powers seem at times to be pulling apart. It would be foolhardy indeed to ignore the possibility that history might prove Stalin correct—if we were to be as shortsighted as he assumed, and were to concentrate on building up trade with our enemies instead of with our friends.

What we need as we examine this question of trade with Communist countries is not so much a New Look as a Long Look. Otherwise, the industrialized countries of the West may fall for the tempting trade bait the Communists hold out—for the present. They may grab for hoped-for short-term gains, even though the Communists themselves have made clear on countless occasions that their unwavering purposes are:

First, to get military and industrial equipment and supplies which they cannot yet obtain within the Communist bloc—not in order that they can trade more with us, but so that they can become self-sufficient and not need to trade with us at all;

Second, to induce countries to become more and more dependent upon trade with the Soviet bloc, and therefore at its mercy;

Third, to take advantage of a favorable price situation which they cannot match even by exploitation of their satellites;

Fourth, to divide the capitalistic powers;

Fifth, to weaken and eventually to conquer all non-Communist countries.

II

The possibility of expanding trade with the Soviet bloc is especially alluring just now, as Stalin predicted it would be, because the free-world market has been contracted by Communist conquests at the very time when our own productive capacity is most expanded. During World War II we built up a productive capacity in excess of what we at home could consume in peacetime, or at least more than we could pay for. As soon after the war as we began to catch up with pent-up civilian needs, our shipments abroad under the Marshall plan and for the Korean war caused still further expansion of our agricultural and industrial plant.

Now we must either reduce our plant to the level of existing markets, which would mean putting men and women out of work at the time soldiers are being demobilized and we need more, not fewer jobs; or, we must find new markets for our expanded productive capacity. There are only two places to develop such new markets—at home and abroad.

Expansion at home has been phenomenal. But with all the domestic expansion conceivable, the American market alone simply cannot be enough to keep the American farmer and manufacturer and laborer at full employment. We must, therefore, lay long-range plans to increase our markets abroad.

But, at the same time, other countries, particularly in Western Europe, whose industrial plants we have so largely rebuilt under Marshall plan aid are catching up with their domestic demands. They also need larger foreign markets to keep their plants and workers busy.

Where is the greatest undeveloped potential for such expanded foreign trade? The obvious answer would seem to be Asia, where half the people of the world live. They are just beginning their industrial revolution. They are just learning to use machines to increase their production, raise their standard of living, and increase their purchasing power. They need and want what the industrialized countries have to offer them, especially technical assistance and engineering, industrial machinery, thousands of miles of trunk railways and highways, automobiles, trucks, and buses. The list is endless.

The unchanging objective of the Communists—as was Japan's before them—is to seize control of these Asian peoples, under the slogan of "liberation," reduce their standards of living to subsistences levels, and build a vast industrial complex, based on captured raw materials, western machinery (as much as possible from their European satellites like Czechoslovakia and East Germany) and slave labor. If successful, they could flood the world's markets with commodities at costs below those at which the West can produce them. Such an enslaved Orient would be an almost unbeatable competitor.

On the other hand, a free Orient can become a huge market. People who are free and at peace want most of all to raise their own standards of living. They turn their industry to producing consumer goods for themselves—food and clothing and housing first, and gradually, as their purchasing power increases, automobiles, radios, refrigerators, and so forth. America has an enormous stake in helping these peoples remain free and in helping them develop an enlarging, expanding economy, with new industries, more jobs, higher wages, greater purchasing power, more sales, and then more industries to start the cycle over again.

III

But to develop such a favorable trade situation, certain minimum conditions must be fulfilled:

First, the economies must complement each other, directly or through multilateral trade. Each country must have either money or goods that others want. If it were free, Asia's economy, almost in toto, would complement, rather than compete with ours. Its people produce a great many commodities which we need and with which they can pay for the items they want from the West. If this were the only condition, the trade prospects would be good.

But a second condition is political security and stability. One cannot enter into a contract with a firm in a foreign land, or even with its government, unless there is reasonable certainty that goods can go and come, that media of exchange will be stable and convertible, that war or revolution will not be breaking out, and that commercial relations will not be interrupted by the other government, no matter how economically profitable, as a means of furthering its political objectives.

In a time of political insecurity or danger of war, no prudent nation can permit itself to become too dependent on foreign sources for essential commodities from which it might be cut off.

The prospect in the Far East for satisfying this condition of political security and stability is close to zero.

Mr. Stalin said:

> The mightiest ally of the Soviet Union is to have strife, conflicts, and wars in every other country.

Communist tactics in stirring up strife and conflicts in other countries are completely fluid and subject to reversal without notice. But from the standpoint of the Long Look they are ruthlessly consistent. When winning, as at Dien Bien Phu, the Communists press mercilessly; when losing, as in Korea, they assume the posture of peace, propose truce talks, and dangle the promise of unlimited trade. Then as soon as they have succeeded in dividing, disarming, or buying off their opponents, the terms of trade become impossibly difficult again.

What hope is there of substantial long-range trade under such circumstances? It must be almost on a hit-and-run basis. Furthermore, the larger the trade becomes, the more dangerous is the position of the nation that relies on it. It puts itself more and more at the mercy of the enemy.

A third minimum condition might be called mutuality—a common philosophy with respect to trade. All parties must accept and abide by the same set of rules.

The British have been characterized as a nation of shopkeepers. In a real sense that is a fair description of the Western World—and of most of the free world. It is reflected in a broad pattern of economic philosophy and conduct. The laws and courts protect the trader under accepted codes of commerce.

Against this philosophy is pitted the power of Communist state organizations and national monopolies that have as their single objective the strengthening of the state. The businessman from the West can seldom match their bargaining power which is used without scruples to obtain advantage for the state.

Our objectives in free world trade are to improve the lot of our people; to better relations between the countries involved; to promote peace and prosperity in the world; and in the process earn a profit much of which becomes capital for further expansion of production and trade with resulting further improvement of living standards.

But none of these is an objective of a Communist regime, nor can it be. They cannot trade under the accepted rules of the free world without ceasing to be Communist. They cannot cease to be Communist without their whole movement collapsing.

Communists of necessity must carry on trade, not for commercial reasons as do we, but for political reasons. Trade is primarily a weapon of Communist imperialism, to be expanded or contracted, to be directed here or shifted there, as those at the top determine to be expedient in promoting the world revolution.

A striking illustration was the action of the Chinese Communist regime in exporting millions of tons of rice—even though Chinese people in two famine-stricken provinces were starving—in exchange for rubber from Ceylon at considerably higher than the world market price. Human beings do not count in the Communist world, except as they can be used to further the objectives of the state.

IV

Fewer businessmen in the West would be deceived by Communist trade maneuvers if they understood that the Soviet bloc's representatives are not plain businessmen like themselves, though they often try to act like that. They are representatives of government organizations tightly controlled by their Communist rulers whose purposes are political. This leads inevitably to such difficulties as the following:

First. Spokesmen and negotiators for the Communists frequently make attractive offers and promises but later prove unwilling to sign contracts in accordance with these offers. Such offers are made partly for propaganda purposes with intent to deceive. This was clearly the case at the Moscow Economic Conference in April 1952 when the U. S. S. R. offered to more than triple its billion-dollar trade with the West in 2 or 3 years. A year later, the 1 billion was not up 300 percent, but had dropped about 40 percent.

Second. Communist countries have proved unreliable as markets or sources of supply, even in the short run. Experience in many countries shows that trade contracts may be terminated arbitrarily despite satisfactory performance on the part of Western trade partners. The ups and downs of Communist purchases in the Australian wool market are a case in point. Often this is done systematically; dependence on trade with the Soviet bloc is created, then termination is used as a form of pressure tactic. Last year, when Pakistan appeared to be veering toward the free world, Communist China cut its purchases of Pakistan cotton from approximately $84 million in 1952 to about $7 million in 1953.

Third. Communist planners direct all their economic efforts, including foreign trade, toward self-sufficiency. This is clearly seen in their writings and in actual performance. The U. S. S. R. has the longest history as a Communist country. Its peak trade was in 1929–33. In the late thirties it fell to about half, and the postwar trade volume was still lower, despite the large-scale increases in Soviet total output since 1928. In 1953 the whole bloc—including Communist China—did less than $3 billion of trade with the rest of the world.

A number of writers who take a more optimistic view about trade with Communist China point to continued existence of private industry and trade within that country. But where such does exist, it is only on sufferance of the government and will be extinguished when it has served its purpose. This has never been denied by the Chinese Communist leaders. On the contrary, they have said on numerous occasions that complete nationalization of industries and collectivization of agriculture have to come, but in stages—which means just as fast as they feel themselves strong enough. Why should we help them do it faster?

V

If the ruthless use of trade as a political weapon were not enough to discourage the Western businessman, he should take a long look at the difficulties and disadvantages from a strictly commercial standpoint.

First. Communist countries are afflicted with shortages and production problems and have difficulty supplying exports to pay for the imports they want. Western European countries have found themselves consistently forced to extend credit, to exert pressure to obtain payment, and they may end up by accepting goods they do not want to avoid taking a loss on debts—as the Austrians, for example, have discovered in dealing with Hungary. The London Economist in February reported that Sweden, which has long taken the lead in developing East-West trade, has recently refused to supply the Czechs with more iron ore because of unsatisfactory payments.

Second. Communist export prices tend to be high, and are sometimes raised abruptly to take advantage of a favorable market. Poland, especially, has been noted for such tactics.

Third. Continual complaints about the quality of products from Soviet bloc countries are heard. This is especially true of industrial goods, but also applies to raw materials and foodstuffs. Recent Soviet petroleum shipments to Egypt proved to be so filled with extraneous matter that the costs of its use were greatly increased.

Fourth. Communist countries are noted for poor performance in deliveries

which are often delayed and sometimes never come through. Occasionally delivery has been delayed on purpose to get concessions not included in the original agreement.

Fifth. Communist trade representatives are often hard to deal with. They usually have to consult with their home offices before agreeing to terms, which causes unreasonable stubbornness and long delays. Currently they are under orders to act more conciliatory and friendly than in the past, but there is no slightest evidence that this will last; and it does not prevent bureaucratic rigidity. A shipbuilding firm in Falkenberg, Sweden, was forced into bankruptcy as a result of difficulties encountered in fufilling a Soviet order for 10 fishing boats.

Although trade between China and the outside world was never very large, some optimists profess to believe that the Communists' present 5-year plan will offer great opportunity for profitable trade with the West. But if they will study the plan they will find that the urge for industrialization arises from the determination to improve China's military posture, not the needs of its people.

During 1952 and the first part of 1953 Communist China was overextended in Korea and anxious to sow dissension among the allied powers in order to get more favorable truce terms. So it started its so-called trade offensive.

A good many western traders rushed to Peiping, and others, including some Americans, journeyed to Moscow. But only a few months later when the Communists had managed to extricate themselves from the unprofitable operation in Korea which they could not win, and shifted their efforts to the far more promising field of Indochina, the trade offensive had accomplished much of its obviously diversionary purpose and the glittering prospects of trade with Communist China began to fade.

A British trade organization, the China Association, said in December 1953:

> There is no doubt but that the potentialities have been greatly exaggerated in the public mind, partly as a result of the superficial successes of the various unofficial trade missions which have paid visits to Peiping this year. This overeagerness has unfortunately been reflected in an increasing severity of the terms which China now demands.

Despite all these difficulties, there are those who find it hard to resist the attraction of China as a potential market, because it is proving so difficult for the free world to work out acceptable trade patterns within itself. But the more the free world ties itself to the Soviet orbit, the less likely its members are to move toward greater international trade among themselves, which is the way that offers by far the greater possibilities.

VI

There are two other situations in Asia which we should mention because of the special attractions and weaknesses they present to the Communists. Everyone understands the reasons for the Communist drive into southeast Asia—Indochina, Thailand, Burma, and Malaya. That is where the riches of Asia are—rubber, tin and other metals, oil, and rice surpluses.

But Japan is also a particularly desirable Communist target because of its industrial capacity. It is also particularly vulnerable because of its lack of rice, iron ore, coking coal, oil, and many other essential materials. It simply cannot maintain its solvency or even its independence unless it has access to markets where it can sell its manufactured products in exchange for food supplies and raw materials. The three main areas with which it might conceivably develop such trade relations are: Southeast Asia, the United States, and mainland China. Japan has been unable to regain its former markets in southeast Asia because of popular hostility resulting from Japanese occupation during the war, unsettled reparations accounts, and efforts by European countries, particularly the United Kingdom, to keep Japan out of those markets. Britain needs and wants them for itself—as Stalin predicted would be the case.

Unless the United States is willing to continue underwriting the Japanese economy in an amount approaching a billion dollars a year, or to permit greater Japanese trade with ourselves, Japan has no choice except to expand its trade with Communist China. The latter will not help Japan out of its dire predicament, no matter how profitable the trade would be to China itself, unless Japan is willing to break with the United States. Chou En-lai has just reiterated this demand bluntly at Geneva.

That would give the Soviet bloc, in addition to the gigantic manpower and resources of the China mainland which it already controls, the Japanese workshop, the best in Asia.

The difficulties we face today in trying to check Communist expansion in Indochina are small indeed compared to the problem we will face should Japan's industrial might come under Communist control.

There are no ways to prevent such a disaster except to devise means to keep southeast Asia free, reduce barriers to Japanese trade with the free world, and intensify pressures on Communist China itself until the hold of its tyrannical regime is weakened, loosened, and eventually broken.

The Asia mainland can live without Japan; Japan cannot live indefinitely without the mainland.

Unless ways are found to return China to the free world, Japan must almost certainly wind up in the Communist world.

I am fully aware of the difficulties in returning China to the free world; but any other course presents still greater difficulties.

VII

How then shall we deal with Communist forces on the march in Asia? How can we prevent new conquests and overcome those already accomplished?

There are no easy solutions. But it seems to me we must begin by ending the illusions that have led us into one pitfall after another.

One illusion is that by expanding trade with the Communist bloc we can convert Communists into capitalists. Of all the possibilities this is the least likely. Why should they desert when they are winning?

It is like the woman who imagines the way to reform a brute is to marry him. It never works, but some still try it. If the Communists really want our hand in a workable trade relationship, let them show good intent by reforming first.

A second illusion is that by increasing trade with the Chinese Communists we can detach them from the Russian Communists, or can drive a wedge between Peiping and Moscow, or can make a Tito out of Mao Tse-tung.

But why should Mao move away from the Kremlin if he can have all the advantages of trade with the Western World in addition to those of closest relations with the Soviet bloc? Besides, does anyone believe the hard-headed men in the Kremlin would be moving heaven and earth to get Communist China accepted in respectable society if that would lead or enable China to break with Moscow and thereby wreck its whole world movement?

Mao conceivably might pull away from Moscow if he were compelled to in order to get absolutely essential goods—that is, if he began to lose in China. The first aim of our foreign policy in Asia should be directed to making him lose. The way to do that is to make him fail, not to help him win. The best hope of creating friction between China and the Soviet Union is to keep the Chinese Reds locked in the Russian bear's arms. The nearer they come to smothering, the greater likelihood of their breaking away.

A third illusion we should end is that trade with Communist China can assume the vast proportions some have glowingly predicted, and thus substantially meet the needs of the industrialized countries for larger markets. If the Chinese want to improve their trade relations as some would have you believe, why do they not start correcting the abuses imposed on foreign traders already there? Until they are willing to do the most elementary things necessary for carrying on civilized trade and intercourse, why should we walk into any more blind alleys?

VIII

In addition to determining what policies we should not follow with respect to Communist countries in Asia—because too undependable economically and undesirable politically—we must ask, What are the policies that we ought to adopt and pursue?

It is unfortunate, but inescapable, that since the Communist bloc makes its economic policies completely subservient to its political objectives, we, too, must put political considerations first. At the least, we cannot afford trade policies that defeat our foreign policy.

The immediate objective of our foreign policy in Asia must be to prevent any further gains there by the Kremlin. To achieve that objective:

First. We must recognize that what is at stake in Asia is the peace and possi-

ble survival of the free world, not just its trade.

Second. We must not let the Reds win any more economic victories. That means we must resist resumption of trade with them. If they are not our enemies, why do we draft and arm men to be ready to fight them? If they are our enemies, how can anyone suggest we help them become stronger?

Third. We must not let them win any more diplomatic victories. Admission of Communist China to the United Nations would be the greatest possible diplomatic victory. Free Asia will crumble once it becomes convinced the Communists are going to win. Admission to the U. N. would mean to the peoples of Asia, and should mean to us, that the Reds have already won.

Fourth. We must not let the Communists win any more political victories. For America to intervene alone in Indochina, for example, would enable the Reds to convince millions not that we are helping Asian peoples to defend their own freedom but that we are helping defend French colonialism, which the people who have been under it hate worse than they hate the Communist imperialism which they have not yet been under.

Fifth. We must not let them win any more military victories. This requires that we get at last the Pacific Pact which the Congress called for in 1949—an alliance of the free nations of southeast Asia and the Pacific to resist further Communist expansion. To develop in the Asian peoples now threatened the will to fight as the South Koreans did, they must know it is for their own freedom. They will not believe it is for their freedom unless the alliance has as its nucleus genuinely independent Asian and Pacific nations (of which the United States is one), supported by European powers; rather than a nucleus of the former colonial nations of Europe, to be supported by the people of Asia.

Sixth. On one positive side, we must give greater encouragement and assistance to the free Chinese on Formosa to enable them to maintain a symbol of national freedom and, as a preliminary, to smuggle agents and suitable supplies to the China mainland in order to keep hope alive and to enable the resistance forces to do to the Reds exactly what the Reds did to the Nationalists—destroy communications, isolate the cities, disrupt the economy. That is, when the Chinese Communists are in trouble at home, we must do all we can to keep them in trouble, not help them out of it.

Seventh. We must, above all, do our best to help the free countries of Asia remain free by becoming stronger. The great expansion of trade in Asia which we need, is not to be found in Communist China. It is in the non-Communist areas around China. We must seek to apply there more effectively the same philosophy of an expanding economy and reduced trade barriers which are responsible for America's own huge internal trade. Let us concentrate on expanding the $148 billion of trade last year within the existing free world rather than jeopardize that for the less than $3 billion of trade between the free world and the whole Soviet bloc, including three-quarters of a billion with Communist China.

Eighth. We must always weigh the possible but uncertain economic benefits of trade with Communist tyrannies against the certain political and psychological losses. To build up trade with the Chinese Communists would give enormous benefits to our enemies; it would not bring substantial economic or other benefits to ourselves or our allies in the West; and it would do very great injury to one ally that we generally seem to forget—the ally which, in my book, is the most important of all because the most dependable, and in a position to do the enemy most damage—namely, the nearly eight hundred million oppressed peoples behind the Iron Curtain who know Communist tyranny for what it is and silently resist it. We must not betray their hopes or weaken their resolve or undercut their position by any act that would increase the strength of Communists anywhere.

When there is already such determined opposition behind the Iron Curtain as was demonstrated by the revolt in East Germany last June and by the decision of Communist prisoners of war in Korea to refuse to return even to their homes and families in enslaved China, there is reason for great hope, not despair—if we in the free world will prove steadfast.

In the last analysis the decision we must make on this trade issue is a moral decision. Shall we put our faith for the future in the millions of oppressed peoples? Or in deals with their oppressors?

We cannot win our enemies by letting down our friends and loyal allies. On the contrary, the best way to influence our enemies is to stand steadfastly by our friends, especially those who are already fighting the enemy from within and may make it unnecessary for the rest of us to fight it from without.

If we take the Long Look, there can be no question of the decision we and other free peoples will make.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 232. An act to provide for the conveyance to the State of Indiana of certain surplus real property situated in Marion County, Ind.;

H. R. 2512. An act to amend the act entitled "An act to provide for the purchase of public lands for home and other sites," approved June 1, 1938 (52 Stat. 609), as amended; and

H. R. 6452. An act for the relief of Mrs. Josette L. St. Marie.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. PRICE in two instances.

Mr. BONNER and to include extraneous matter.

Mr. ASPINALL.

Mr. HILLELSON and to include extraneous matter.

Mr. PROUTY.

Mr. CANFIELD (at the request of Mr. ALLEN of Illinois) and to include extraneous matter.

ADJOURNMENT

Mr. ALLEN of Illinois. Mr. Speaker, I move the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 12 minutes p. m.), pursuant to its previous order, the House adjourned until Tuesday, June 1, 1954, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1576. A letter from the Secretary of the Air Force, transmitting a draft of legislation entitled "A bill to provide for the relief of certain members of the Armed Forces who were required to pay certain transportation charges covering shipment of their household goods and personal effects upon return from overseas, and for other purposes"; to the Committee on Armed Services.

1577. A letter from the Secretary of State, transmitting a draft of proposed legislation entitled "A bill to authorize certain officers and employees of the Department of State and the Foreign Service to carry firearms"; to the Committee on Foreign Affairs.

1578. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report that proceedings have been finally concluded with respect to the following claim: *The Natchez Tribe of Indians, and Wahlanetah Scott, Nancy Raven, members of said tribe of Indians and for the use and benefit of all members of said Natchez Tribe of Indians, claimants, v. The United States of America, claimee* (Docket No. 365); to the Committee on Interior and Insular Affairs.

1579. A letter from the Assistant Secretary of the Interior, transmitting a draft of legislation entitled "A bill to authorize the Secretary of the Interior to investigate and report to the Congress on the conservation, development, and utilization of the water resources of Alaska"; to the Committee on Interior and Insular Affairs.

1580. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 26, 1953, submitting a report, together with accompanying papers and an illustration, on a review of reports on Neah Bay, Wash., with a view to determining if the existing project should be modified in any way at this time; also with a view to determining the amount of erosion damage caused by the construction of the breakwater and the advisability of making reparations therefor. This investigation was requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on June 7, 1945 (H. Doc. No. 404); to the Committee on Public Works, and ordered to be printed with illustrations.

1581. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated April 28, 1954, submitting a report, together with accompanying papers and an illustration, on a review of report on Fall River Harbor, Mass., requested by a resolution of the

Committee on Public Works, House of Representatives, adopted on July 6, 1949 (H. Doc. No. 405); to the Committee on Public Works and ordered to be printed with one illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. ROGERS of Massachusetts: Committee on Veterans' Affairs. H. R. 9020. A bill to provide increases in the monthly rates of compensation and pension payable to certain veterans and their dependents; with amendment (Rept. No. 1685). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOEVEN: Committee on Agriculture. S. 1399. An act to authorize the Secretary of Agriculture to sell certain improvements on national forest land in Arizona to the Salt River Valley Water Users Association, and for other purposes; with amendment (Rept. No. 1686). Referred to the Committee of the Whole House on the State of the Union.

Mr. HILL: Committee on Agriculture. S. 3050. An act to amend the Agricultural Adjustment Act of 1938, as amended; without amendment (Rept. No. 1687). Referred to the Committee of the Whole House on the State of the Union.

Mr. HILLINGS: Committee on the Judiciary. H. R. 6113. A bill to amend title 18 of the United States Code, so as to increase the penalties applicable to the smuggling of goods into the United States; without amendment (Rept. No. 1688). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOPE: Committee on Agriculture. H. R. 8386. A bill to make the provisions of the act of August 28, 1937, relating to the conservation of water resources in the arid and semiarid areas of the United States, applicable to the entire United States, and to increase and revise the limitation on aid available under the provisions of the said act, and for other purposes; with amendment (Rept. No. 1689). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOFFMAN of Michigan: Committee on Government Operations. H. R. 8753. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to establish and operate motor vehicle pools and systems and to provide office furniture and furnishings when agencies are moved to new locations, to direct the Administrator to report the unauthorized use of Government motor vehicles, and to authorize the United States Civil Service Commission to regulate operators of Government-owned motor vehicles, and for other purposes; with amendment (Rept. No. 1690). Referred to the Committee of the Whole House on the State of the Union.

Mr. HILLINGS: Committee on the Judiciary. H. R. 8008. A bill to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941; with amendment (Rept. No. 1691). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOEVEN: Committee on Agriculture. House Joint Resolution 458. Joint resolution to authorize and direct the Secretary of Agriculture to quitclaim retained rights in a certain tract of land to the Board of Education of Irwin County, Ga., and for other purposes; without amendment (Rept. No. 1692). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONAS of Illinois: Committee on the Judiciary. House Joint Resolution 243. Joint resolution to amend the pledge of allegiance to the flag of the United States of America; with amendment (Rept. No. 1693). Referred to the House Calendar.

Mr. VELDE: Committee on Un-American Activities. Report on organized communism in the United States; without amendment (Rept. No. 1694). Referred to the Committee of the Whole House on the State of the Union.

Mrs. BOLTON and Mr. RICHARDS: Committee on Foreign Affairs. Report of the eighth session of the Seventh General Assembly pursuant to House Resolution 113, 83d Congress; without amendment (Rept. No. 1695). Referred to the Committee of the Whole House on the State of the Union.

Mr. REED of New York: Committee on Ways and Means. H. R. 9366. A bill to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes; without amendment (Rept. No 1698). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOEVEN: Committee on Agriculture. S. 1400. An act to permit the Secretary of Agriculture to release the reversionary rights of the United States in and to a tract of land located in Wake County, N. C.; without amendment (Rept. No. 1696). Referred to the Committee of the Whole House.

Mr. HOEVEN: Committee on Agriculture. H. R. 6263. A bill to authorize the Secretary of Agriculture to convey certain lands in Alaska to the Rotary Club of Ketchikan, Alaska; with amendment (Rept. No. 1697). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. REED of New York:

H. R. 9366. A bill to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. BISHOP:

H. R. 9367. A bill to amend the Tariff Act of 1930 so as to provide a permanent procedure for adjustment of tariff rates on a selective basis, to regulate the flow of imported articles on a basis of fair competition with domestic articles, and for other purposes; to the Committee on Ways and Means.

By Mr. CUNNINGHAM:

H. R. 9368. A bill to direct the Secretary of the Army to convey certain property located in Polk County, Iowa, and described as Camp Dodge, to the State of Iowa; to the Committee on Armed Services.

By Mr. DORN of South Carolina:

H. R. 9369. A bill to amend the Tariff Act of 1930 so as to provide a permanent procedure for adjustment of tariff rates on a selective basis, to regulate the flow of imported articles on a basis of fair competition with domestic articles, and for other purposes; to the Committee on Ways and Means.

By Mr. EDMONDSON:

H. R. 9370. A bill granting the consent of Congress to the States of Arkansas and Oklahoma to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States; to the Committee on Public Works.

By Mr. HALE:

H. R. 9371. A bill to repeal section 10 of the act entitled "An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes," approved June 30, 1936 (the so-called Walsh-Healey Act); to the Committee on the Judiciary.

H. R. 9372. A bill to increase the national minimum wage to $1 an hour; to the Committee on Education and Labor.

By Mr. HARRIS:

H. R. 9373. A bill to provide for Federal financial assistance to the States in the construction of public elementary and secondary school facilities, and for other purposes; to the Committee on Education and Labor.

By Mr. KARSTEN of Missouri:

H. R. 9374. A bill authorizing the construction of certain public works on the Mississippi River for the protection of St. Louis, Mo.; to the Committee on Public Works.

By Mr. KEARNS:

H. R. 9375. A bill to authorize the Commissioners of the District of Columbia to designate employees of the District to protect life and property in and on the buildings and grounds of any institution located upon property outside of the District of Columbia acquired by the United States for District sanitoriums, hospitals, training schools and other institutions; to the Committee on the District of Columbia.

By Mr. OSMERS:

H. R. 9376. A bill to exempt from duty under paragraph 372 of the Tariff Act of 1930 certain crawler-type diesel tractors imported into Puerto Rico for agricultural use; to the Committee on Ways and Means.

By Mr. SHORT:

H. R. 9377. A bill to further amend title II of the Career Compensation Act of 1949, as amended, to provide for the computation of reenlistment bonuses for members of the uniformed services; to the Committee on Armed Services.

By Mrs. SULLIVAN:

H. R. 9378. A bill authorizing the construction of certain public works on the Mississippi River for the protection of St. Louis, Mo.; to the Committee on Public Works.

By Mr. TRIMBLE:

H. R. 9379. A bill granting the consent of Congress to the States of Arkansas and Oklahoma, to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States; to the Committee on Public Works.

By Mr. CELLER:

H. Res. 563. Resolution providing for a code of fair procedure for House committees; to the Committee on Rules.

By Mr. HOWELL:

H. Res. 564. Resolution providing for a code of fair procedure for the committees of the House of Representatives; to the Committee on Rules.

By Mr. RHODES of Pennsylvania:

H. Res. 565. Resolution providing for a code of fair committee procedure; to the Committee on Rules.

By Mr. ROOSEVELT:

H. Res. 566. Resolution providing for a code of fair procedure for the committees of the House of Representatives; to the Committee on Rules.

By Mr. YATES:

H. Res. 567. Resolution providing for a code of fair procedure for committees of the House of Representatives; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. HESELTON: Resolutions of the General Court of the Commonwealth of Massachusetts, memorializing the Congress of the United States in favor of the adoption of the resolutions to add the words "under God" to the pledge of allegiance to the flag; to the Committee on the Judiciary.

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, relative to memorializing the Congress of the United States in favor of the adoption of the resolution to add the words "under God" to the pledge of allegiance to the flag; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of New Jersey, memorializing the President and the Congress of the United States relative to joint resolution No. 6 with regard to returning to the State of New Jersey and other States sufficient moneys for the administration of employment security; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Virginia, memorializing the President and the Congress of the United States relative to transmitting certified copies of the interstate civil defense compacts between the Commonwealth of Virginia and the States of Colorado, Ohio, Texas, and West Virginia; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLEY:

H. R. 9380. A bill for the relief of Nazzarena Giannantoni, nee Nazzarena Sabatini, also known as Nazzacena Sabatini; Anna Sabatini Nazzarena Giannantonio Sabatini; Giannantoni Nazzarena; Nazzarena Giannantonio; to the Committee on the Judiciary.

H. R. 9381. A bill for the relief of Nisan Sarkis Giritliyan; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 9382. A bill for the relief of Giuseppe Amato; to the Committee on the Judiciary.

By Mr. MACHROWICZ:

H. R. 9383. A bill for the relief of George S. Zambrzycki; to the Committee on the Judiciary.

By Mr. ROONEY:

H. R. 9384. A bill for the relief of Kieran Patrick Kenny; to the Committee on the Judiciary.

By Mr. YORTY:

H. R. 9385. A bill for the relief of Ka Tim Lee, Veng Tang Wong Lee, and William Cleveland Lee; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

953. By Mr. ADAIR: Petition of the members of Women's Society of World Service of Evangelical United Brethren Church and Christian Service Guild of Kendallville, Ind., expressing a deep concern for the right TV programs, and protesting the liquor, drinking, and smoking advertisements; also the degrading scenes in many an otherwise fine program. Also would like action taken on scanty attire worn on many programs. Urge support of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

954. Also, petition of the people of Steuben County, Ind., want beer and wine advertising off radio and TV because of its evil influence on our children and others. Urge support of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

955. Also, petition of Mrs. Otis Starr and other citizens of Poneto, Bluffton, and Keystone, Ind., urging the passage of the Bryson bill; to the Committee on Interstate and Foreign Commerce.

956. By Mr. BEAMER: Petition of Teamsters' Local Union, No. 759, Kokomo, Ind., and Joint Council No. 69 of Indiana, urging recognition of the trucking industry as a prime hauler of United States mails on a par with other forms of transportation; to the Committee on Post Office and Civil Service.

957. By Mr. FORAND: Petition of Charles H. Fitzsimmons of Newport, R. I., and 61 others urging enactment of the bill, H. R. 8863, to amend Civil Service Retirement Act so as to provide for employees of the executive and judicial branches of the Government benefits similar to those employees of the legislative branch; to the Committee on Post Office and Civil Service.

958. By Mr. HESELTON: Petition of Mrs. Hazel Bellefeuille and others of Greenfield, Mass., in support of H. R. 1227, the so-called Bryson bill; to the Committee on Interstate and Foreign Commerce.

959. By the SPEAKER: Petition of John J. Basak and others, Richmond Hill, N. Y., relative to being in support of House Joint Resolution 243, to incorporate the words "under God" in the pledge of allegiance to the flag of the United States; to the Committee on the Judiciary.

960. By Mr. GRAHAM: Petition of members of the Perry S. Gaston Post, No. 343, American Legion of New Castle, Pa.; opposing the policy adopted by the Department of Defense in closing the files of some of the prisoners of war taken by the North Korean Communists; to the Committee on Armed Services.

961. Also, petition of 49 members of the Wurtemburg WCTU, deploring the advertising of alcoholic beverages on radio and television, where it can be seen and heard by our children and in the magazines and daily papers, where it is read by our children; to the Committee on Interstate and Foreign Commerce.

962. By Mr. HOSMER: Petition of Mrs. Anna C. LaMothe and other constituents of the 18th Congressional District of California in re restoration of rights and privileges of the Armed Forces and their dependents; to the Committee on Armed Services.

963. Also, petition of Mrs. Dorothy M. Lynn and other residents of California in re rights and privileges of the Armed Forces and their dependents; to the Committee on Armed Services.

EXTENSIONS OF REMARKS

"Bennington" Heroism

EXTENSION OF REMARKS

OF

HON. WINSTON L. PROUTY

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Friday, May 28, 1954

Mr. PROUTY. Mr. Speaker, all of America received with profound shock the news reports of the tragedy aboard the aircraft carrier *Bennington*. The carrier named for a historic battle of the Revolution won by Green Mountain farmers has a special place in the hearts of us Vermonters, and we find the courage of the carrier crew reminiscent of the spirit of the patriots at Bennington so many years ago.

How appropriate at this time to ask ourselves anew:

How much will a man endure for an ideal?

How long will he lie side by side with death and not know fear?

These questions were answered in 1777 when a raggle-taggle band of Vermont farmers led by Gen. John Stark defeated the British troops fighting to capture supplies at Bennington, Vt. Facing almost certain disaster, the Vermont woodsmen, ill-equipped for battle, gave America a victory which made possible the triumph for independence at Saratoga. Every schoolboy knows the word "Bennington" as a symbol of courage and faith in the higher aspirations of mankind.

How much will a man endure for an ideal?

How long will he lie side by side with death and not know fear?

Only yesterday these questions were answered for us again as explosions and fire aboard the aircraft carrier *Bennington* wrenched life from nearly 100 men and inflicted injury on many more. From the first explosion until the last man left the ship, the men of the *Bennington* fought through smoke, flames, and red-hot steel to rescue their comrades.

Man's love for man was never more nobly demonstrated when crew members groped their way through deadly fumes, across passages choked with twisted steel, to find the wounded. Lieutenant Gage, an officer of the *Bennington*, reporting for the rescue parties, said: "We were able to get to all of the men. After we had taken out all we could find, we checked to see that nobody had been overlooked."

Bennington, a name ennobled by the courage of Vermonters during the Revolution, was given a new luster by the officers and men of the carrier *Bennington*.

Vermont holds out its heart to the families of those who lost their lives in yesterday's fateful accident, and most especially to the family of Lt. Cyron M. Barber, of Bennington, and Chief Warrant Officer Stanley L. Capistrand, of Burlington.

How much will a man endure for an ideal?

How long will he lie side by side with death and not know fear?

The Bennington men of 1777 and 1954 knew the answers to these questions, and all who pass by the tall gray stone shaft in Bennington will be aware of the double meaning which the battle monument there shall forever possess.

Proposed Transfer of Army Procurement Agency From New York to Philadelphia

EXTENSION OF REMARKS
OF
HON. HERBERT C. BONNER
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Friday, May 28, 1954

Mr. BONNER. Mr. Speaker, I have been interested in the battle that has been raging between the delegations from New York and Philadelphia over the proposed transfer of the Army procurement establishment from New York to Philadelphia. The transfer means the expenditure of a great sum of money, the disruption of the homes of 1,200 families and the removal of a purchasing office from the center of the textile industry.

The important matter that is involved has not been brought to the attention of Congress. In 1945 the Secretaries of the Army and Navy placed their procurement agencies together in one building in New York as a physical move toward necessary integration. The war experience had shown that the two Departments were consistently buying against each other and that taxpayers were losing millions of dollars through the inefficiencies that resulted.

In the spring of 1951 the so-called Bonner committee visited the purchasing offices in New York and found that while they were together in the same building, they were working in a very ununited way or as they termed it on a "collaborative" basis. As a result of our hearings in 1951 and again in 1952 and the work of the Hébert committee, the Department of Defense established a joint clothing, textile, and apparel agency in New York. This was intended as a further move toward integration. It should be recalled that the Department of Defense, through the Munitions Board, had been working for several years to establish a single procurement agency for these materials, but after years of wrangling, a joint agency was established. This agency never really got started and, of course, accomplished very little. I have been reliably advised that the agency failed to standardize on specifications for clothing items which our committee found were badly needed. We had found that each service had its bakers' caps, aprons, underwear, socks, and so forth, and that great savings could have been made in standardizing on specifications as well as standardizing in procurement.

Last year the armed services were successful in getting the Senate Appropriation Committee to declare that the Joint Procurement Agency had been unsuccessful and funds were denied for its further existence. The move now under foot will be a complete undoing of the work toward integration that has been underway since 1945.

I want to call your attention, Mr. Speaker, to some of the stakes that are involved in the procurement and distribution of clothing in the military service. On February 5, 1954, the Honorable Harold Pearson, Deputy Under Secretary of the Army, and one of the most enlightened and fearless officials that we ever met in the Department of Defense, testified before the House Subcommittee on Appropriations with respect to the fiscal year 1955 program of the Army. On page 207 of the hearings Mr. Pearson indicated that they had the objective in the Army of reducing the $1,045,000,000 clothing inventory of the Army to $200 million. Mr. Pearson then stated, and I quote:

> Now I puzzled a great deal how I could illustrate the physical effect of an $845 million reduction in inventory. It is just a number when it gets up that high. But it still has physical dimensions. Finally, we stumbled upon an idea, and have brought along for discussion here an aerial photograph of the Richmond, Va., depot.
>
> This is the largest branch depot in the Army, and the Army's second largest depot, the only larger one being a general depot at Columbus. It has some 30-odd immense warehouse and shed buildings in the area containing over 5 million square feet, and housed at June 1 of this year $473 million worth of merchandise. In other words, we are talking about accomplishing in one line of merchandise in the Army inventory—and this is a fully coordinated Army picture—an inventory liquidation almost twice as great as the total contents of this jammed-to-the-rafters Richmond, Va., depot. This is just one line of merchandise that we are talking about.

In other words, Mr. Speaker, the surplus clothing in the Army alone would fill two depots of 60 or more warehouses containing over 10 million square feet of space. I might remind you that such space is worth $8 or $10 a foot and that it takes hundreds of people to supervise and manage such a depot system. It should be borne in mind that Mr. Pearson was speaking only about one class of items in one of the three departments.

Further in his testimony Mr. Pearson stated, and I quote:

> I have expressed for the past 2 years the consistent belief that the Army, with good supply management and timely disposal of surplus stocks, could mothball 20 of its existing 73 depots.

He states further, and I quote:

> We have built $300 million worth of depots in the United States during the 3 years of Korean action. Improved supply management could close every one we have built.

Mr. Speaker, this is only a partial picture of the inefficiencies in the supply systems of the Department of Defense. Many people have investigated and reported upon this situation for years. When we consider that two-thirds of all the tax dollars are going into the support of the Department of Defense and we have such waste and ineffectiveness as is here indicated by a responsible official, the time has certainly come when we should take definite action.

The testimony of Mr. Pearson and others shows that the services do not know what they have on hand before they go into the market separately to buy more. Unneeded supplies are bought and added to existing surpluses. Items are not standardized so several kinds are bought when one would do. The depot systems are not large enough to hold all the material so hundreds of millions of dollars worth of new unneeded depots are built to store material which later is declared surplus and sold for 5 or 6 cents on the dollar.

I have noted in the CONGRESSIONAL RECORD of May 25 that Senators LEHMAN and KENNEDY have proposed an amendment to forbid the use of any money for the transfer of the Army Procurement Agency from New York to Philadelphia. Since the House has failed to act on this matter, I have under consideration the introduction of a House concurrent resolution which would prevent the transfer of the Army Procurement Agency until the Hoover Commission has had an opportunity to study thoroughly the sorry procurement, specifications, standards, cataloging, warehousing and distribution of clothing in the military services. Mr. Speaker, the matter is of such importance that I hope and expect that every Member of this body will support such a resolution.

I want to add two encouraging notes, Mr. Speaker. First, the Army and Marine Corps are, as a result of the work of the Harden subcommittee, studying to see if they should close their clothing manufacturing plants at Philadelphia. Reports are due in early August and this is another reason for not moving the Army Procurement Office. The second encouraging point is that Harold Pearson became the Assistant Director of the Budget on May 1 where he can exercise his talents and courage to great advantage.

Testimony Regarding the George-Barden Appropriations for Vocational Education

EXTENSION OF REMARKS
OF
HON. JEFFREY P. HILLELSON
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Friday, May 28, 1954

Mr. HILLELSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following testimony given by me before the Appropriations Subcommittee on Health, Education, and Welfare concerning the George-Barden appropriations for vocational education:

> Mr. Chairman and members of the committee, I appreciate the opportunity to appear here today in order to give the facts concerning my State of Missouri in relation to appropriations that are necessary for the continued work of vocational education. Following are some of the facts which I should like to call to your attention:

1. The 2-year drought has reduced the income of people in rural Missouri and for this reason it is difficult for them to pay additional school taxes.

2. Because the Governor vetoed a supplementary appropriation of $9½ million for the schools, State funds to operate school programs are already critically short. If Federal funds are curtailed, this will make the general school situation even worse.

3. The program of reorganization of school districts, leading to larger school service areas and hence better school facilities for all the children, is continuing in the State at a rapid rate. About the first demand which a reorganized district makes on the State Department of Education is for the allocation of State and Federal funds for vocational programs. In an effort to comply with these requests, reimbursements to local schools have been progressively reduced over the years, resulting in the reduction of teachers' salaries and the loss of vocational teachers.

4. Each year finds a larger number of youth in our public schools and one of their chief interests, and that of their parents, is in vocational education through which they can prepare to earn a living when they enter the world of work.

5. Many business and industrial establishments are calling on the schools to expand their programs of adult education. In order to meet this need and those explained above, we shall need more George-Barden funds, not less.

During the postwar years vocational education has been neglected in a way, in favor of expenditures for defense and foreign aid. While the George-Barden Act of 1946 authorizes an expenditure of over $29 million for vocation education Congress has always appropriated less, leaving the schools short by several million dollars.

I hope that the committee will see fit to recommend appropriations for the full amount this year.

Armenian Independence Anniversary

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, May 28, 1954

Mr. PRICE. Mr. Speaker, on every May 28 Armenians who today live outside of their fatherland in democratic countries celebrate the independence of Armenia, which was established in 1918.

On March 3, 1918, Soviet Russia signed the treaty of peace with Germany and Turkey at Brest-Litovsk, and ceded to Turkey not only the provinces of Turkish Armenia occupied by the Russian forces but also the region of Kars and Ardahan in Russian Armenia.

Turkey, taking full advantage of the absence of the Russian Army, began its invasion of the Caucasus with larger forces. Since more than 200,000 Armenians had already been taken into central Russia during the war to fight against the Germans, the Armenians were able to raise only a small army and yet fought valiantly against the Turkish Army. Their heroic stand at last rewarded them with decisive victories. Thus, the Independent Republic of Armenia was established on May 28, 1918.

A democratic government was established in Armenia with a parliament and executive cabinet. During this crucial period, Armenia was constantly and generously helped by the United States which sent food, clothing, medical supplies, and had several benevolent missions operating in Armenia.

The legislative, executive, and judicial organs were established and were soon functioning smoothly and efficiently. Over 1,500 schools and colleges were opened throughout the land. Housing and irrigation projects were effected. Hospitals, churches, theaters were built.

On August 10, 1920, at Sevres, France, a treaty was signed by the Western Allies, the envoys of the Republic of Armenia and Turkey. This treaty, which has since been known as the Sevres Treaty, meant the official recognition of the Republic of Armenia by the Allies and Turkey and provided that the settlement of the Armeno-Turkish boundaries be left up to President Woodrow Wilson. President Wilson delimited the Armenian boundaries on November 22, 1920.

But all hopes of freedom were smashed when the Red army invaded Armenia and subdued the young republic on December 2, 1920. A heroic stand was made after the occupation in the month of February 1921. Under overwhelming military odds the republic fell and has since been under the Soviet yoke as one of the so-called 16 independent republics that form the present Soviet Union.

Armenia is today once more under Soviet oppression. The people of Armenia are forbidden with the threat of death to celebrate the anniversary of their national independence day, May 28. However, the Armenians of Diaspora continue to celebrate this historic day every year, confident that the United States will emerge victorious out of the present world struggle for freedom, and that this victory will enable Armenia to regain her independence and see the realization of her just claims.

The Flammable-Fabrics Law

EXTENSION OF REMARKS
OF
HON. GORDON CANFIELD
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Friday, May 28, 1954

Mr. CANFIELD. Mr. Speaker, the Legislative Daily of the Chamber of Commerce of the United States today reports as follows:

FLAMMABLES

The Federal Trade Commission issued some technical rules to implement the new flammable-fabrics law which becomes effective July 1.

The rules, and the law, are designed to keep off the market highly flammable and dangerous articles of wearing apparel.

FTC Chairman Edward F. Howrey said the rules will carry out the intent of Congress to protect the public but the industry will be able to live with them.

Howrey cautioned the public that the new rules do not mean that all wearing apparel must be fireproof, flameproof, or even fire resistant. He explained that the law merely forbids the sale of fabrics which are especially hazardous.

Under the caption, "Teacher Dies of Burns from Flaming Negligee," the Associated Press carried the following story, datelined Baltimore, May 29:

TEACHER DIES OF BURNS FROM FLAMING NEGLIGEE

BALTIMORE, May 29.—Miss Flora Corey, 52-year-old teacher whose negligee caught fire and engulfed her in flames Thursday, died today at Mercy Hospital.

Police found a freshly lighted cigarette and a lighter in the apartment.

A night watchman, attracted by her screams, found her standing in the doorway of her apartment, her clothing ablaze. He smothered the flames with a coat but the woman suffered second- and third-degree burns over her entire body.

As one of the sponsors of the Flammable Fabrics Act of 1953, which will go into effect next month, I am disturbed no end over current efforts that are being made to weaken the standards set up in the act after years of painstaking study by the National Bureau of Standards in cooperation with industry. And now I learn that a national organization of importers is contending that the effective date of this protective act should be postponed for 1 year because some businessmen have heavy inventories of these goods which will be regarded as highly flammable under the terms of the act.

I firmly believe the new law will save thousands of our American people both young and old, from serious and even fatal injuries if given a chance and I shall continue to resist all efforts to weaken the law or postpone its operation.

H. R. 9430

EXTENSION OF REMARKS
OF
HON. WAYNE N. ASPINALL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Friday, May 28, 1954

Mr. ASPINALL. Mr. Speaker, I wish at this time to add my name to the roll of those Members who joined with our able and forward-looking colleague, AIME J. FORAND, of Rhode Island, in introducing H. R. 9430. This bill, to provide for unemployment reinsurance grants to the States and to revise, extend and improve the unemployment insurance program, has been introduced to meet a pressing need in revitalizing this established program so that it can continue to fill its place in our antidepression program.

Careful analysts of our social and economic structure have come to agree that this program is a most worthwhile built-in stabilizer in our kit of tools to meet periods of slack in our great free economic system. The virtue of this program is its very anticyclical and automatic operation. When the level of operation is high and employment rolls

are full, a balance is diverted into this fund for unemployment relief. When, on the contrary as things are now and the level of operation slacks off, then this reserve purchasing power returns to the economy in the form of sustaining purchasing power until the slack can be taken up in the employment situation.

However, with the passage of time and changes in the economic scene and in the general price level, it is now necessary to make certain adjustments in this program and I am happy to join in this effort to see these necessary changes adopted by the Congress.

Reds Violate Korean Truce

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, May 28, 1954

Mr. PRICE. Mr. Speaker, recent reports indicate the strong possibility that the Free World Allies in Korea are furnishing the Communists with vital military information while getting little or none in return.

While the Allies, including the United States, are trying to live up to the terms of the Korean Armistice, the Communists on the Neutral Nations Supervisory Commission are not allowing investigation of 40 United States charges of armistice violations.

Is it possible that the reason for the Communist violation of the terms of the truce is that they are building up their troop and air strength in North Korea? The answer seems obvious. In the words of an editorial in the East St. Louis (Ill.) Journal:

> Until the Communists in North Korea * * * are ready to play the game of military inspection honestly, it is foolish to continue to provide vital information to the Commission.

I include in the RECORD the full editorial from the East St. Louis Journal of May 23, 1954:

REDS VIOLATE TRUCE

Today in Korea the United Nations is acting in good faith by living up to the terms of the armistice while the Communists violate the truce continually.

The American Eighth Army recently said as much in providing the Neutral Nations Supervisory Commission with daily reports of the amount of equipment and the number of troops in Korea.

Compare this with the Communist behavior. The two neutral nations on the Commission—Sweden and Switzerland—recently have charged that the Communist members of the group—Czechoslovakia and Poland—are blocking inspections in North Korea.

This means that the Communist members of the Commission are blocking the investigation of 40 American charges of specific armistice violations—troops and air buildup in North Korea.

Thus the truce-inspection system is working south of the 38th parallel, but not in North Korea.

Why then should the Allies report that 47,321 troops have been pulled out of South Korea since the truce was signed 9 months ago? Or, why should the Reds know that the United Nations has 400 fewer combat planes and 500 fewer tanks in South Korea today?

Why should the Allies give the neutral commission any military information—information that goes directly to the North Koreans and Chinese Communists by way of the Czechs and Poles?

Until the Communists in North Korea and on the Neutral Nations Commission are ready to play the game of military inspection honestly, it is foolish to continue to provide vital information to the Commission.

SENATE

TUESDAY, JUNE 1, 1954

(Legislative day of Thursday, May 13, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, unto the hills of Thy grace and glory we lift the expectant eyes of our faith, for from Thee, who art our refuge and strength, our help cometh. Thou hast cast our lot in testing days, when Thou art sifting out the souls of men before Thy judgment seat. As we hush our thoughts to stillness we would school our spirits in sincerity and truth, as we wait before Thee who knowest the secrets of our hearts.

We pause at this wayside altar, not just to bow our spirits in a passing gesture of devotion and then go on our busy way with lives empty of Thee; rather, we come to ask Thy presence and Thy guidance as this day we face the stress of decisions, the strain of toil, the weight of burdens, and the call of duty. Despite the brutalities of man, keep love's banners floating o'er us as we march breast forward in the fight twixt the darkness and the light, keeping step in the ranks of those who do justly, love mercy, and walk humbly with their God. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Friday, May 28, 1954, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 8367) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1955, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DAVIS of Wisconsin, Mr. HAND, Mr. CEDERBERG, Mr. TABER, Mr. CANNON, Mr. RABAUT, and Mr. RILEY were appointed managers on the part of the House at the conference.

LEAVE OF ABSENCE

On request of Mr. JOHNSON of Texas, and by unanimous consent, Mr. MCCARRAN was excused from attending the sessions of the Senate this week.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that following a quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER FOR CALL OF THE CALENDAR

Mr. KNOWLAND. Mr. President, I ask unanimous consent that following the morning hour and a brief executive session there may be a call of the calendar for the consideration of bills to which there is no objection, beginning at the point where the Senate left off at the last call of the calendar, with the addition of Calendar No. 1152, a bill (S. 42) to provide for attorneys' liens in proceedings before the court or other departments and agencies of the United States, and Calendar No. 1179, a bill (H. R. 887) for the relief of Mr. and Mrs. Edward Levandoski.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF UNITED STATES SOLDIERS' HOME

A letter from the Secretary of the Army, transmitting, pursuant to law, a report of the United States Soldiers' Home, for the fiscal year 1953, together with a copy of the report of annual inspection, 1953 (with accompanying papers); to the Committee on the Armed Services.

REPORT OF COOPERATION WITH MEXICO IN CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE

A letter from the Acting Secretary of Agriculture, transmitting, pursuant to law, a confidential report on the cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease for the month of March, 1954 (with an ac-

companying report); to the Committee on Agriculture and Forestry.

REPORT ON PROVISION OF WAR-RISK, MARINE, AND LIABILITY INSURANCE

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the provision of war-risk insurance and certain marine and liability insurance for the American public, as of March 31, 1954 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

ADMINISTRATION OF PUBLIC AIRPORTS IN ALASKA

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to improve the administration of the public airports in the Territory of Alaska (with an accompanying paper); to the Committee on Interstate and Foreign Commerce.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of Louisiana; to the Committee on Finance:

"House Concurrent Resolution 17

"Whereas the Congress of the United States will be considering major farm legislation in 1954, which may result in changes in the existing Sugar Act as it relates to quota allocations for the domestic cane area; and

"Whereas of the total domestic allocation the domestic cane area receives only 11 percent of the total alloted 4,444,000 short tons which is 3½ times less than the allocation to the beet area and less than half that alloted to Puerto Rico or Hawaii; and

"Whereas our quota of 500,000 short tons was only 6.1 percent of the 1953 estimate of the consumption in the United States; and

"Whereas we produced 604,000 tons in 1952 and 635,000 tons in 1953; and

"Whereas marketing quotas were imposed on 1953 marketings at a time when the sugar had already been produced and, in the case of Florida, after most of the sugar had been marketed; and

"Whereas even though acreage for 1954 has been restricted, we could conceivably find ourselves in a more serious position at the time we market the 1954 crop; and

"Whereas we have produced more than 20 percent, or more than 100,000 tons, above our quota for the past few years; and

"Whereas we have been relieved of the seriousness of this situation by the fact that the deficit in the beet area during these 2 years was considerably more than our total excess production; and

"Whereas such a chance situation cannot be relied on for the future; and

"Whereas domestic consumer's sugar needs can and should be met in greater part by domestic producers; and

"Whereas, as our population increases, allowances for increased domestic production should be specific and earmarked; and

"Whereas there is a real need for specific legislation that adequately insures fair and equitable distribution to various producer segments, both domestic and foreign; and

"Whereas there are two sources for relief in this situation, namely: (1) from allocations to countries trading with the United States and covered in the Sugar Act, and (2) population increase dedication: Therefore be it

"Resolved by the House of Representatives of the State of Louisiana (the Senate concurring), That the Legislature of the State of Louisiana favors and urges immediate upward revision of the domestic sugarcane quota as provided for in the 1948 Sugar Act, as amended, that would more adequately reflect production of recent years and at the same time would be in keeping with present production levels; be it further

"Resolved by the House of Representatives of the State of Louisiana (the Senate concurring), That copies of this resolution be forwarded to the President of the United States, the House of Representatives and the Senate of the United States Congress, the Secretary of Agriculture, and the Secretary of State."

A resolution adopted by the San Gabriel Valley Parlor No. 281, California, National Daughters of the Golden West, protesting against the admission of Red China into the United Nations; to the Committee on Foreign Relations.

A resolution adopted by the board of directors of the Lodi District Grape Growers Association, Inc., Lodi, Calif., protesting against the enactment of House bill 8860, extending the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended; to the Committee on Finance.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. BARRETT, from the Committee on Interior and Insular Affairs:

S. 2027. A bill authorizing the Secretary of the Interior to issue quitclaim deeds to the States for certain lands; with an amendment (Rept. No. 1477).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SALTONSTALL (by request):

S. 3537. A bill for the relief of Luigi Amabello; and

S. 3538. A bill for the relief of Agostino Cavallarin; to the Committee on the Judiciary.

S. 3539. A bill to further amend title II of the Career Compensation Act of 1949, as amended, to provide for the computation of reenlistment bonuses for members of the uniformed services; to the Committee on Armed Services.

(See the remarks of Mr. SALTONSTALL when he introduced the last above named bill, which appear under a separate heading.)

By Mr. MORSE:

S. 3540. A bill for the relief of Aldo Timossi; to the Committee on the Judiciary.

By Mr. SALTONSTALL:

S. J. Res. 163. Joint resolution to provide for investigating the feasibility of establishing a coordinated local, State, and Federal program in the city of Boston, Mass., and general vicinity thereof, for the purpose of preserving the historic properties, objects, and buildings in that area; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. SALTONSTALL when he introduced the above joint resolution, which appear under a separate heading.)

AMENDMENT OF CAREER COMPENSATION ACT RELATING TO COMPUTATION OF REENLISTMENT BONUSES

Mr. SALTONSTALL. Mr. President, by request, I introduce for appropriate reference a bill which is urgently recommended by the Department of Defense. The bill proposes to adjust reenlistment bonuses as one measure for halting the disturbing downtrend of reenlistment rates in the Armed Forces.

In view of the importance of the bill to the Department of Defense the Committee on Armed Services will begin hearings on the proposed legislation on Thursday at 10 a. m.

I ask that the accompanying letter of transmittal explaining the purpose of the bill together with a sectional analysis, be printed in the RECORD immediately following the listing of bills introduced.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter of transmittal and sectional analysis will be printed in the RECORD.

The bill (S. 3539) to further amend title II of the Career Compensation Act of 1949, as amended, to provide for the computation of reenlistment bonuses for members of the uniformed services, introduced by Mr. SALTONSTALL, by request, was received, read twice by its title, and referred to the Committee on Armed Services.

The letter of transmittal and sectional analysis accompanying the bill are as follows:

DEPARTMENT OF THE AIR FORCE,
Washington, May 24, 1954.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: There is enclosed herewith a draft of legislation to further amend title II of the Career Compensation Act of 1949, as amended, to provide for the computation of reenlistment bonuses for members of the uniformed services, and a sectional analysis thereof.

This proposal is a part of the Department of Defense legislative program for 1954. The Bureau of the Budget has advised that it has no objection to the presentation of the proposal for the consideration of the Congress and enactment would be in accord with the program of the President. The Department of the Air Force has been designated as the representative of the Department of Defense for this legislation. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of this proposed legislation is to further amend title II of the Career Compensation Act of 1949 by adding a new section 208 which would authorize payment of reenlistment bonuses to be computed according to the basic pay of the grade held at the time of separation and the period of reenlistment entered upon. A proportionately larger bonus would be payable for a first reenlistment than for subsequent reenlistments. The cumulative maximum amount of reenlistment bonuses payable to any one person would be limited to $2,000 payable in increments over a period of 20 years.

Current law authorizes reenlistment bonus payments based upon length of reenlistment contract only. Reenlistment bonus payments are authorized until the member reaches 30 years' service provided the number of bonus payments does not exceed 4. The maximum amount payable is $1,440.

The enactment of the proposed legislation will be advantageous to the member and to the Government. The skill and other qualifications of the member are recognized since the bonus is computed, in part on the grade the member achieved during his prior enlistment. The advantage to be gained by the Government will be retention of the member who has gained his skill and competence at Government expense. This retention of qualified personnel will promote stability, decrease training costs, and increase the efficiency and performance capability of the

service. Payment of a larger bonus for a longer term contract furnishes further opportunity for the Government to realize greater dividends from its investment in training and equipment.

A most important feature of this proposed bill is the authorization for payment of a greater reenlistment bonus at time of first reenlistment. The end of the initial enlistment marks a significant milestone in the member's career. He is faced at this critical point with the necessity to make the decision whether to continue in a service career or to seek employment in civil life. At this point in his career he has little time invested in the service. Attractive civilian pursuits which afford greater immediate monetary compensation than the military appeal very strongly to him. Conversely, the Government has a large investment in the member with very few years of productivity realized.

An example of a computation utilizing the principles advanced in the proposed bill as compared to the bonus payable under present law is shown below. This computation assumes that the enlisted man will have achieved the grade of E–4 in his first enlistment of 4 years, advanced to the grade of E–5 in his first 6-year reenlistment and further advanced to grade E–6 in his second 6-year reenlistment. Example:

Six-year reenlistments

	For 1st reenlistment	For 2d reenlistment	For 3d reenlistment	For 4th reenlistment	Total
Present scale....	$360	$360	$360	$360	$1,440
Proposed scale..	780	703	[1] 296	[2] None	1,779

[1] The member would be eligible for a bonus computed as for a reenlistment of only 4 years as any greater period would exceed 20 years' total service.
[2] The member would not be eligible for any bonus having passed 20 years' service.

The optimum length of reenlistment contract of 6 years multiplied by the maximum of four reenlistment bonus payments authorized was used to demonstrate the maximum amount payable under current law. Any other combination of reenlistment contracts would have as a result a lesser total amount payable. The grade of E–4 was considered as representative of the average grade among the services which would be reached upon completion of 4 years' service. For this reason, the first reenlistment bonus payment of the proposed scale was shown based on pay grade E–4 with a one grade advancement expected during each subsequent 6 year reenlistment. The services are authorized to accept reenlistments of 2, 3, 4, 5, and 6 years as well as an unspecified or indefinite period of reenlistment. Combinations of length of reenlistment contract, grade at time of initial reenlistment or advancement during a reenlistment period different than the one shown in the scale could decrease or increase the total amount payable.

Another difference between present law and the proposed bill is the reduction of the period of eligibility for the bonus from 30 to 20 years. It is felt that as the member accrues retirement equity, less incentive is required to assure his remaining in the service.

This bill would also amend section 207, title II, of the Career Compensation Act of 1949, by adding a savings clause which will permit an enlisted member now serving on active duty in a uniformed service to elect a reenlistment bonus computed under the present law or computed under the proposed section 208, if he is otherwise qualified. The proposed section 208 would apply to anyone originally entering a uniformed service after the effective date of this amendatory act and to those members serving on active duty on that date who elect, as to their first or any subsequent reenlistment, to receive a bonus computed under the provisions of that section. However, once a member has received a reenlistment bonus computed under section 208, all subsequent reenlistment bonuses paid that member must be computed under that section. The purpose of the savings clause is to prevent any breach of faith with members of the Armed Forces who may stand to lose monetary benefits under the proposed law with its limitations.

COST AND BUDGET DATA

It is estimated that enactment of this proposed legislation would result in an increased budgetary requirement for reenlistment bonus for the Department of Defense as follows:

Fiscal year 1955---------- $67,921,598

Sincerely yours,

HAROLD E. TALBOTT.

SECTIONAL ANALYSIS OF A BILL TO FURTHER AMEND TITLE II OF THE CAREER COMPENSATION ACT OF 1949, AS AMENDED, TO PROVIDE FOR THE COMPUTATION OF REENLISTMENT BONUSES FOR MEMBERS OF THE UNIFORMED SERVICES

Section 1 amends section 207 of the Career Compensation Act of 1949 to limit its applicability to present members of the uniformed services, and those members who are discharged or released from active duty not more than 90 days before the enactment of this amendatory act and who reenlist within 90 days after discharge or release from active duty, who do not elect to be covered by the new section 208 of the Career Compensation Act of 1949 which would be added by section 2 of the bill.

Section 2 amends title II of the Career Compensation Act of 1949 by adding a new section 208.

Subsection (a) authorizes the payment, according to a table, of a reenlistment bonus to a member of a uniformed service who reenlists in the service concerned within 90 days after his discharge. The main features of the table are that a member receives a proportionately greater bonus for his first reenlistment than for a subsequent one, and the amount of the bonus depends upon the grade achieved by the member during his prior enlistment. Further, no reenlistment bonus may be paid to a member in pay grade E–1 or E–2 upon his second reenlistment, or to a member in pay grade E–1, E–2, or E–3 upon his third or subsequent reenlistment.

Subsection (b): Clause (1) provides that no bonus may be paid to a member who reenlists during his prescribed period of basic recruit training. This means that a member who, while undergoing basic recruit training, is discharged to enlist in the service concerned is not entitled to be paid a bonus under subsection (a) for that particular enlistment. The prohibition does not apply to any enlistment entered into by that member after completing his prescribed period of basic recruit training, and it does not apply to any member who, because of his peculiar skill, education, or training, is not required to undergo the recruit training, or boot camp, which is required of most members upon original enlistment or induction. As used herein, basic recruit training is the training furnished to an enlistee or inductee after initial processing and before assignment to a technical or specialized school, ship, division, or other such unit. As the period of basic recruit training varies from service to service, it is not feasible to further specify the time period during which the prohibition applies.

Clause (2) provides that no bonus may be paid to a member who reenlists after completing a total of 20 years of active Federal service, and that any bonus payable to a member who reenlists before completing a total of 20 years of such service is computed by using as a multiplier in the table in subsection (a) only that number of years for which the member reenlists, which, when added to his previous service, totals 20 years.

Subsection (c) provides that the total cumulative reenlistment bonus which may be paid to a member is $2,000.

Subsection (d) provides that an officer who reenlists in the service concerned within 90 days after his release from active duty as an officer is entitled to a bonus if he served in an enlisted status in the service concerned immediately before his service as an officer. In such a case, however, the bonus is computed by employing the basic pay of the grade in which the officer is enlisted, rather than the grade from which he was discharged, in the table in subsection (a).

Subsection (e) defines reenlistment for the purposes of this section.

Subsection (f) provides that a member who voluntarily, or because of his own misconduct, does not complete an enlistment for which he was paid a bonus shall, under regulations approved by the Secretary of Defense or by the Secretary of the Treasury if the member is in the Coast Guard, refund that percentage of the bonus that the unexpired part of his enlistment is of the total enlistment period for which the bonus was paid.

Subsection (g) authorizes the Secretary concerned to prescribe regulations for the administration of the provisions of this act in his department.

PRESERVATION OF CERTAIN HISTORIC PROPERTIES, BOSTON, MASS.

Mr. SALTONSTALL. Mr. President, I introduce for appropriate reference a joint resolution providing for an investigation of the feasibility of establishing a coordinated local, State, Federal program in the city of Boston, Mass., and general vicinity, for the purpose of preserving the historic properties and buildings in that area. It becomes particularly important at the present time in connection with the Old North Church, from which the signals were given at the time of the battles of Lexington and Concord. It is also important in connection with other historic buildings and properties in and about the city of Boston.

The joint resolution (S. J. Res. 163) to provide for investigating the feasibility of establishing a coordinated local, State, and Federal program in the city of Boston, Mass., and general vicinity thereof, for the purpose of preserving the historic properties, objects, and buildings in that area, introduced by Mr. SALTONSTALL, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

CREATION OF CERTAIN UNITED STATES JUDGESHIPS—AMENDMENTS

Mr. LANGER submitted amendments, intended to be proposed by him, to the bill (S. 2910) providing for the creation of certain United States judgeships, and for other purposes, which were ordered to lie on the table and to be printed.

COLLECTION OF CERTAIN INDEBTEDNESS RESULTING FROM ERRONEOUS PAYMENTS—AMENDMENT

Mr. COOPER submitted an amendment, intended to be proposed by him, to

the bill (S. 2728) to authorize the collection of indebtedness of military and civilian personnel resulting from erroneous payments, and for other purposes, which was ordered to lie on the table and to be printed.

VOCATIONAL REHABILITATION—LETTERS AND RESOLUTION

Mr. WILEY. Mr. President, down through the years I have always been glad to give my strong support to the drive to rehabilitate the Nation's physically handicapped.

To me it is a tragic social waste to allow men and women, youngsters and adults, to sit in idleness merely because of some affliction or disability.

The handicapped, with a minimum of retraining, can be helped to pay their own way; can contribute to national wealth and income; can regain their own morale; can live happy, contented, fruitful lives.

To ignore the needs of the handicapped by appropriating grossly insufficient funds is a great and tragic social waste which, as President Eisenhower has pointed out, cannot be tolerated. Our budget is admittedly limited, but rehabilitation helps produce tax revenue.

These facts have been pointed out by a great many noted authorities including, for example, the eminent medical writer for the New York Times, Dr. Howard A. Rusk, who in eloquent article after article, down through the years, has proved the economic and psychological and vocational miracles which sound rehabilitation can accomplish.

At the grassroots of America, our people are deeply interested in this overall issue.

I send to the desk two expressions which I received just the other day. One is from the executive secretary of the Wisconsin Association for Vocational and Adult Education. The other is from the Wisconsin Association for the Disabled.

I ask unanimous consent that both of these fine messages be printed at this point in the body of the RECORD.

There being no objection, the letters and resolution were ordered to be printed in the RECORD, as follows:

ASSOCIATION FOR VOCATIONAL AND ADULT EDUCATION,
Madison, Wis., May 26, 1954.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: It has come to my attention the Health Subcommittee of the Senate Committee on Labor and Public Welfare under the chairmanship of Senator PURTELL, is considering bill S. 2759 at the present time, which has to do with the Federal-State program of vocational rehabilitation.

At our 18th annual meeting recently held at Wausau, this matter was considered and discussed which resulted in the adoption of the attached resolution.

Those of us who have been connected with vocational and adult education for many years, know of the economic and social benefits which have resulted from this program and we, therefore, moved to write you about it.

We hope you will give favorable consideration and approval to the amendments of this bill, which would establish a 65 percent pivot point and a 60 percent floor for the Federal share of expenditures in the States. We also hope you can give your favorable reaction to Senator PURTELL'S committee. We believe the adequate financing of this program is essential if the handicapped of this country are to receive the service the basic acts anticipate.

We have been gratified by the interest and action of this administration in expanding rehabilitation services and we want to assure you we will cooperate fully in our State in developing a better public understanding on the purposes of bill S. 2759 as amended.

Yours very truly,

C. D. REJAHL,
Executive Secretary.

Whereas the program of vocational rehabilitation offers services which will prepare a handicapped person for gainful employment by restoring him to the fullest physical, mental, social, vocational, and economic usefulness of which he is capable; and

Whereas it is generally estimated that the annual increment of the disabled needing rehabilitation services is between 250,000 and 300,000 per year, and only 65,000 are being rehabilitated annually at the present time; and

Whereas the history of the State and Federal program of vocational rehabilitation has demonstrated an effective working relationship in this program; and

Whereas it is believed that the continued responsibility of the Federal Government and the States for expanded rehabilitation services is necessary and that continued progress in the future is dependent upon the following:

1. The State-Federal program of rehabilitation being maintained and strengthened.

2. The availability of funds with which special rehabilitation facilities can be constructed.

3. The encouragement, financial and otherwise, of persons to be trained in the various professional rehabilitation areas.

4. The removal of certain restrictions in the present Vocational Rehabilitation Act that keep the State agencies from doing a complete job: Therefore be it

Resolved, That the Wisconsin Association for Vocational and Adult Education, meeting in Wausau, Wis., Saturday, May 8, 1954, request the Wisconsin Members of Congress, the Governor of the State of Wisconsin, the members of the Wisconsin State Legislature give consideration to legislation which will provide an effective working relationship and sufficient funds to carry out the program of vocational rehabilitation; and be it further

Resolved, That a copy of this resolution be sent to all Wisconsin Members of Congress, the Governor of the State of Wisconsin, and members of the Wisconsin State Legislature.

WISCONSIN ASSOCIATION FOR THE DISABLED,
Madison, Wis., May 27, 1954.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: It has come to our attention that bill S. 2759 is under consideration by the Health Subcommittee of the Senate Committee on Health and Public Welfare.

As executive secretary of this statewide organization dedicated to the problems of the handicapped, I want to endorse the amendments proposed on financing the rehabilitation services in the States which establishes a 65 percent pivot point and a 60 percent floor for the Federal share of rehabilitation expenditures in the States.

We note with pleasure the interest of the administration in expanding rehabilitation in the States, and we want to assure you we will lend every support in making the program effective in our own State.

Very truly yours,

KENNETH L. SVEE,
Executive Secretary.

THE LATEST PHASE OF THE McCARTHY INQUIRY

Mr. LEHMAN. Mr. President, yesterday I issued a statement to the press on the latest phase of the McCarthy inquiry. I ask unanimous consent to have this statement, entitled "The Real Issues—The Senate Must Act," inserted in the body of the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LEHMAN ON LATEST PHASE OF MCCARTHY INQUIRY

THE REAL ISSUES—THE SENATE MUST ACT

Last week's McCARTHY hearings brought into public view for the first time additional shocking implications of McCarthyism.

President Eisenhower and the executive branch of the Government have at last been impelled to take note of at least one of these implications—the anarchistic thesis that Senator MCCARTHY, or anyone else who undertakes to carry on investigations, has the right to violate the law or to induce others to violate the law.

Under the terms of this thesis, Senator MCCARTHY claims unqualified authority to decide what is right not only for himself, but for the entire Nation, notwithstanding any laws or even the Constitution.

Senator MCCARTHY has publicly appealed to all Government employes to defy and violate all of our security laws and regulations. He was presumptuous enough to offer to absolve all Government employes of any guilt for wrong-doing in violating the laws.

Senator MCCARTHY thus has the effrontery to offer to all Americans his own conscience and judgment as the sole and ultimate guide and standard of loyalty. By so doing he challenges the entire basis of law and Government. He threatens to subvert Government by law and replace it with government by MCCARTHY.

At long last the executive branch has taken up the challenge. After long months of seeking to avoid the real issues, the White House has been forced to recognize at least one of them.

And I am glad to note that leading figures on the Republican side of the aisle in the Senate have, at last, taken their stand, too.

This is especially gratifying to me as one who for 4 years has sought to arouse the Congress and the country to the dangers of McCarthyism.

I hope the President will continue with all his strength to defend the executive prerogatives and the constitutional balance of power against encroachment and will take all possible steps to dispel the fog of fear which has during the past 2 years enveloped the Government service.

I hope, too, that the President will undertake to defend not only the powers of his office but also the liberties of the American people now so sorely threatened by the philosophy and evil practices of McCarthyism.

On Capitol Hill I hope the leaders of the Senate of both parties will accept the primary responsibility that is theirs.

And finally, I am convinced that the Senate as a whole must soon itself proceed to take such positive, punitive and remedial action as is warranted in the light of the facts.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business, to act on the nomination under the heading "New Report" on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to consider executive business.

The VICE PRESIDENT. If there be no reports of committees, the clerk will proceed to state the nomination under the heading "New Report" on the calendar.

MISSISSIPPI RIVER COMMISSION

The Chief Clerk read the nomination of Egbert Alfred Smith, of Illinois, to be a member of the Mississippi River Commission.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE BUSINESS

Mr. KNOWLAND. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

THE CALENDAR

The VICE PRESIDENT. Pursuant to the previous order the calendar will now be called for the consideration of measures to which there is no objection, beginning at the point where the previous call was concluded, with the exception of two items on the calendar which were ordered to be included in this call of the calendar. The first of these is Calendar No. 1152, Senate bill 42.

BILL PASSED TO FOOT OF CALENDAR

The bill (S. 42) to provide for attorneys' liens in proceedings before the courts or other departments and agencies of the United States was announced as first in order.

Mr. SCHOEPPEL. Mr. President, I suggest that the bill go to the foot of the calendar, to be called up after the other items on the calendar have been disposed of.

The VICE PRESIDENT. Without objection, the bill will go to the foot of the calendar.

MR. AND MRS. EDWARD LEVANDOSKI

The bill (H. R. 887) for the relief of Mr. and Mrs. Edward Levandoski was considered, ordered to a third reading, read the third time, and passed.

WILLMORE ENGINEERING CO.

Mr. KNOWLAND. Mr. President, I have a request from the Senator from Maryland [Mr. BUTLER] with respect to Calendar No. 1473, House bill 7258. The Senator from Maryland has an appointment at the White House. I ask whether, as a matter of courtesy, it would be agreeable to both calendar committees to consider that bill at this time?

The VICE PRESIDENT. Is there objection? The Chair hears none. The bill will be stated by title for information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 7258) for the relief of the Willmore Engineering Co.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. CHAVEZ. Mr. President, may we have an explanation of the bill?

Mr. BUTLER of Maryland. I shall be glad to give the Senator an explanation of the bill.

The Willmore Engineering Co. performed services for the Government in 1943, 1944, 1945, in the emergency shipbuilding program essential to the prosecution of the war.

A series of erroneous administrative actions obstructed payment for these services which were performed in good faith, pursuant to an unusual wartime emergency necessity, which abrogated the possibility of usual time consuming formal procurement procedures, in the interest of immediate performance by Willmore Engineering Co.

The usual administrative procedures and judicial processes have proved to be inadequate in this situation.

The Secretary of Commerce has carefully reviewed the facts pertaining to the Willmore Engineering Co. claim and has recommended the enactment of H. R. 7258, which fairly provides for arbitration as the best practicable solution. The Secretary of Commerce is officially quoted as follows:

Please be advised that we have carefully reviewed the facts regarding this situation. We believe that the relief provided by the bill is fully justified by these facts and we, therefore, have no objection to the enactment of this bill. In fact, we wish to indicate our specific approval of this bill which fairly provides for arbitration so as to determine any amounts required to satisfy the obligation of the Government to the company.

The letter from which I have quoted is a part of the report which accompanies the bill.

The purpose of the amendment of the Senate Judiciary Committee to H. R. 7258, as indicated, is to provide for a Board of Arbitration of three United States district court judges instead of one arbitrator.

The Bureau of the Budget interposes no objection.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 7258) for the relief of the Willmore Engineering Co., which had been reported from the Committee on the Judiciary with an amendment, on page 1, after the enacting clause, to strike out:

That the chief judge of the United States District Court for the District of Columbia shall appoint an arbitrator who shall, after having heard the evidence, determine and certify to the Secretary of the Treasury any amount which in his judgment would be required to satisfy any obligations of the United States to the Willmore Engineering Co., for services and expenses in connection with its contract if any with the United States for production of winches for transport vessels necessary to the prosecution of World War II, pursuant to special emergency authorizations and commitments under war powers, for which it is alleged the United States has failed to provide adequate payment. To the extent not inconsistent with this act, the provisions of the United States Arbitration Act, as amended, shall govern. The compensation of the arbitrator and other costs arising in the arbitration of this case shall be fixed and assessed by the said chief judge.

And in lieu thereof to insert the following:

That the chief judge of the United States Court of Appeals for the District of Columbia Circuit shall appoint a Board of Arbitrators, consisting of three United States district judges, to hear, determine, and make such findings as they may deem appropriate as to the liability, if any, either legal or equitable, of the United States upon the claim of the Willmore Engineering Co. for compensation for services performed and expenses incurred in the production for the United States Maritime Commission of winches for transport vessels necessary to the prosecution of World War II, pursuant to special emergency authorizations and commitments under war powers, for which the claimant alleges the United States has failed to provide adequate payment. In the event of a finding by the Board of liability on the part of the United States to the Willmore Engineering Co., it shall certify to the Secretary of the Treasury the amount necessary to discharge such liability. To the extent not inconsistent with this act, the provisions of title 9 of the United States Code shall be applicable with respect to proceedings under this act. Any costs arising in the arbitration of this case shall be fixed and assessed by the said chief judge.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ESTATE OF CARLOS M. COCHRAN

The bill (S. 820) for the relief of the estate of Carlos M. Cochran was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Carlos M. Cochran, late of Miami, Fla., the sum of $5,000. Payment of such sum shall be in full settlement of all claims of such estate against the United States on account of the death of the said Carlos M. Cochran in line of duty, while he was serving as private, first class, in the military forces of the United States (XC-3119193), when he was shot by a sentry at the north auxiliary gate on Highway Numbered 98 at Tyndall Field, Fla., on December 19, 1942: *Provided*, That no part of the amount appropriated in this

act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

LT. COL. ROLLINS S. EMMERICH

The bill (S. 1203) for the relief of Lt. Col. Rollins S. Emmerich was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lt. Col. Rollins S. Emmerich of Alexandria, Va., the sum of $221.49 in full satisfaction of his claim against the United States for reimbursement of expenses incurred by him in transporting his private automobile from Pusan, Korea, to Kobe, Japan, in conection with the evacuation of Korea by American personnel ordered by the United States Ambassador to Korea on June 27, 1950: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

MARY GOODYEAR BROWN

The bill (S. 1332) for the relief of Mary Goodyear Brown was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Mary Goodyear Brown, who lost United States citizenship under the provisions of section 401 (e) of the Nationality Act of 1940, may be naturalized by taking, prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said act. From and after naturalization under this act, the said Mary Goodyear Brown shall have the same citizenship status as that which existed immediately prior to its loss.

RELIEF OF FEDERAL REPUBLIC OF GERMANY—BILL PASSED TO FOOT OF CALENDAR

The bill (S. 1573) for the relief of the Federal Republic of Germany was announced as next in order.

Mr. COOPER. Mr. President, I ask that the bill go to the foot of the calendar.

The VICE PRESIDENT. Without objection, the bill will be passed to the foot of the calendar.

ALTON BRAMER

The bill (S. 1634) for the relief of Alton Bramer was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Alton Bramer, Grand Portage, Minn., a forest guard in the employ of the Bureau of Indian Affairs, Consolidated Chippewa Agency, Cass Lake, Minn., the sum of $2,768.90. Such sum represents the value of certain personal property owned by the said Alton Bramer and lost on February 5, 1947, when the Grand Portage ranger cottage and office, Grand Portage, Minn., occupied by the said Alton Bramer, was destroyed by fire originating from an undetermined cause: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be fined in any sum not exceeding $1,000.

CHARLES PEROULAS

The bill (S. 1798) for the relief of Charles Peroulas was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Charles Peroulas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MOJSZE HILDESHAIM AND ITA HILDESHAIM

The bill (S. 1833) for the relief of Mojsze Hildeshaim and Ita Hildeshaim was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mojsze Hildeshaim and Ita Hildeshaim shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

SISTER ANTONELLA MARIE GUTTERRES (THEREZA MARIA GUTTERRES)

The bill (S. 1858) for the relief of Sister Antonella Marie Gutterres (Thereza Maria Gutterres) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sister Antonella Marie Gutterres (Thereza Maria Gutterres) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MICHELA AURUCCI

The bill (S. 1940) for the relief of Michela Aurucci was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Michela Aurucci shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

JOSEPH ROBIN GRONINGER

The bill (S. 2036) for the relief of Joseph Robin Groninger was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Joseph Robin Groninger shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

LOUISE RUSSU SOZANSKI

The bill (S. 2044) for the relief of Louise Russu Sozanski was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Louise Russu Sozanski shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ANTHONY BENITO ESTELLA, NATIVIDAD ESTELLA, ANTONIO JUAN ESTELLA, AND VIRGINIA ARACELI ESTELLA

The bill (S. 2067) for the relief of Anthony Benito Estella, Natividad Estella, Antonio Juan Estella, and Virginia Araceli Estella was considered, ordered

to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Anthony Benito Estella, Natividad Estella, Antonio Juan Estella, and Virginia Araceli Estella shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota for the first year that such quota is available.

LUCY PERSONIUS

The bill (S. 2101) for the relief of Lucy Personius was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Lucy Personius, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Glen C. Personius, citizens of the United States.

BORYS NAUMENKO

The bill (S. 2121) for the relief of Borys Naumenko was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Borys Naumenko shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

GUISEPPI CASTROGIOVANNI, HIS WIFE AND CHILD

The bill (S. 2200) for the relief of Guiseppi Castrogiovanni, his wife and child, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Guiseppi Castrogiovanni, his wife and child, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

WALTER P. SYLVESTER

The bill (S. 2266) for the relief of Walter P. Sylvester was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the limitation upon the time for filing claims under section 20 of the Federal Employees' Compensation Act, Walter P. Sylvester, of Rutland, Mass., may, within 6 months after the date of enactment of this act, file a claim under such section for compensation for disability incurred by him as a result of an injury sustained while he was employed at the Boston Naval Shipyard from June 1943 to January 1945.

INGE KRARUP

The bill (S. 2280) for the relief of Inge Krarup was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Inge Krarup shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

KATHERINA PICERKONA AND HER MINOR SON, HELMUT

The bill (S. 2301) for the relief of Katherina Picerkona and her minor son, Helmut, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Katherina Picerkona and her minor son, Helmut, the fiance and minor child of Arnold Dickey, a citizen of the United States, shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months: *Provided*, That the administrative authorities find that the said Katherina Pickerkona is coming to the United States with a bona fide intention of being married to the said Arnold Dickey and that they are found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Katherina Picerkona, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons does occur within 3 months after the entry of the said Katherina Picerkona and her minor son, Helmut, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Katherina Picerkona and her minor son as of the date of the payment by them of the required visa fees.

PAUL SHOJI AWAJI (PAUL MILBURN SIMPSON)

The bill (S. 2352) for the relief of Paul Shoji Awaji (Paul Milburn Simpson) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of section 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Paul Shoji Awaji (Paul Milburn Simpson) shall be held and considered to be the natural-born alien child of Capt. and Mrs. LaVaughan L. Simpson, citizens of the United States.

KARL ULLSTEIN

The bill (S. 2369) for the relief of Karl Ullstein was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Karl Ullstein, a naturalized citizen of the United States, shall be permitted to reside in Germany until January 1960 without losing his United States citizenship under section 352 (a) of such act.

BERTA HELLMICH

The bill (S. 2461) for the relief of Berta Hellmich was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Berta Hellmich, the fiance of Alfred Martin, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Berta Hellmich is coming to the United States with a bona fide intention of being married to the said Alfred Martin and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Berta Hellmich, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Berta Hellmich, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Berta Hellmich as of the date of the payment by her of the required visa fee.

JOSEPH V. CRIMI, FATHER OF THE MINOR CHILD JOSEPH CRIMI

The bill (S. 2553) for the relief of Joseph V. Crimi, father of the minor child Joseph Crimi, was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. GORE. Mr. President, the bill appears to be altogether meritorious, but there are some questions involved. The first question is why the accident involved was not made the subject of a tort claim before the Court of Claims. I wonder whether the distinguished senior Senator from Massachusetts would explain the bill.

Mr. SALTONSTALL. The purpose of the bill is to compensate a child who was run over by a truck operated by a post-office employee. At the time the child was playing in the street, and, as I understand, the truck backed into the child, as a result of which the child received very serious injuries. The nature of the case is very fully described in the committee report accompanying the bill.

The jury in the case awarded the child $13,352.82. The Liberty Mutual Insurance Co., the insurer of the vehicle, paid $5,000 of the judgment, leaving a balance due of approximately $8,500, including

some interest. The automobile involved in the accident was a station wagon operated under contract with the Boston post office. It was owned by a regular employee of the post office and was being driven by a temporary employee of the post office. The report also contains a letter from Mr. C. R. Hook, Acting Postmaster General, which describes the facts approximately as I have stated them.

The report also contains a very full letter on the subject from the boy's lawyer, and also several letters from doctors.

I believe it is a proper case for payment, inasmuch as the vehicle was driven by an employee of the post office. I hope the bill may be passed.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I gladly yield.

Mr. GORE. Why was this action not brought within the time limit during which it could have been properly brought in the Court of Claims?

Mr. SALTONSTALL. It is my understanding, again from reading the report, which is the substance of my information, that a similar bill, which was introduced by Representative McCORMACK, has been passed by the House. I talked with Representative McCORMACK about his bill, and I was informed that the fact that the vehicle was being operated by a post-office employee was not discovered until just before the case was tried in court.

Mr. GORE. Representative McCORMACK also talked with me about the case. Many equities lie in favor of the injured child. The one question in my mind was as to why the action was not brought in the Court of Claims. However, whatever fault may lie, I do not believe it should be held against the injured child. Therefore, I shall not object to the bill.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 2553) for the relief of Joseph V. Crimi, father of the minor child Joseph Crimi, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Joseph V. Crimi, father of the minor child, Joseph Crimi, of Boston, Mass., the sum of $8,500. The payment of such sum shall be in full settlement of all claims of the said Joseph V. Crimi and Joseph Crimi arising out of personal injuries sustained by the said Joseph Crimi in Boston on August 5, 1949, when he was struck by a privately owned automobile being used under contract by the United States Post Office for the delivery of parcel post. Such sum represents the unsatisfied portion of the judgments on such claims obtained in the Superior Court in Boston against the owner and the operator of such automobile, plus interest and costs: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

PAOLINO BERCHIELLI, HIS WIFE LEDA, AND DAUGHTER ALBA

The bill (S. 2594) for the relief of Paolino Berchielli, his wife Leda, and daughter Alba was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Paolino Berchielli, his wife Leda, and daughter Alba, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

DR. HELEN MARIA ROBERTS

The bill (S. 3196) for the relief of Dr. Helen Maria Roberts (Helen Maria Rebalska) was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. GORE. Mr. President, the report on the bill contains remarkably little information. It does not give the age of the beneficiary, and it does not give the circumstances surrounding the admission into this country of the person involved. I ask for an explanation of the bill.

The VICE PRESIDENT. An explanation is requested.

Mr. GORE. Mr. President, the author of the bill is not in the Chamber. Therefore I ask that the bill go to the foot of the calendar, and that it be called later.

The VICE PRESIDENT. Without objection, the bill will be passed to the foot of the calendar.

Mr. DIRKSEN subsequently said: Mr. President, I ask unanimous consent that the Senate return to the consideration of Calendar No. 1416, Senate bill 3196, for the relief of Dr. Helen Maria Roberts (Helen Maria Rebalska).

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois?

There being no objection, the Senate proceeded to consider the bill.

Mr. DIRKSEN. The distinguished Senator from Tennessee [Mr. GORE] asked for an explanation of the bill, and I am very happy to comply with his request.

The person in question is a native of Poland who was evacuated to Scotland during World War II, and who did some special work in medicine in Scotland and then came to the United States.

Her only living relative, who is her mother, is, I believe, a citizen and resident of the United States. Dr. Roberts has had a rather superior training in the field of pediatrics and dermatology, and has been assigned to an instructorship in the school of medicine at Loyola University in Chicago. Her qualifications are such that she is a definite asset to medical science in the United States. So there is before the Senate a request in the form of a private bill for a modification of the statute.

Dr. Roberts came into the United States originally as a student at the University of Wisconsin Hospital. That status was a private status. She could become an exchange student, and the bill now before the Senate is a bill to provide the status of permanent resident. This is necessary because she must be in a citizenship status, or have a petition filed for such status, before she can assume the duties to which she has been assigned at Loyola University.

Mr. GORE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. GORE. What was the date of her entry?

Mr. DIRKSEN. As I recall, it was about 5 years ago. I do not have the exact date before me. I think the report indicates it, but it is in my mind that her entry was at least 5 years ago.

Mr. GORE. So far as I have been able to ascertain, such date is not contained in the report. This seems to me to be a worthy case. I congratulate the Senator upon his explanation and sponsorship of the bill. It was for the purpose of placing in the RECORD the facts in the case that I asked for the explanation. I shall not object to the passage of the bill.

Mr. DIRKSEN. I think the request of the Senator from Tennessee was very proper, Mr. President, and I am glad to have made the explanation.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 3196) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purpose of the Immigration and Nationality Act, Dr. Helen Maria Roberts (Helen Maria Rebalska) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of her last entry into the United States, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

JOHN ENEPEKIDES, HIS WIFE ANNA, AND HIS SON, GEORGE

The Senate proceeded to consider the bill (S. 2156) for the relief of John Enepekides, his wife, Anna, and his son, George, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That the provision in the second sentence of subsection (c) of section 316 of the Immigration and Nationality Act, waiving the requirements of subsection (b) for an uninterrupted period of at least 1 year of physical presence in the United States, shall

be applicable to John Enepekides, his wife, Anna, and his son, George.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ALFIO FERRARA

The Senate proceeded to consider the bill (S. 2264) for the relief of Alfio Ferrara, which had been reported from the Committee on the Judiciary with an amendment, in line 7, after the word "act", to strike out the comma and "upon payment of the required visa fee", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Alfio Ferrara shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BARBARA HERTA GESCHWANDTNER

The Senate proceeded to consider the bill (S. 2960) for the relief of Barbara Herta Geschwandtner, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Barbara Herta Geschwandtner may be admitted to the United States for permanent residence if otherwise admissible under that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act: *And provided further*, That she marries her citizen fiancé, Corp. Marvin C. Drum, within 6 months following the date of enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AUGUSTE IDA ANGELI

The Senate proceeded to consider the bill (S. 2965) for the relief of Auguste Ida Angeli, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Auguste Ida Angeli may be admitted to the United States for permanent residence if otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act: *And provided further*, That her marriage to her United States citizen fiancé, Sgt. Richard D. Colegrove, shall occur not later than 6 months following the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ISHI WASHBURN AND JERRY WENDELL WASHBURN

The Senate proceeded to consider bill (S. 986) for the relief of Ishi Washburn and Jerry Wendell Washburn, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Mrs. Ishi Washburn shall be held and considered to be eligible for nonquota immigrant status if she is found admissible to the United States under the provisions of that act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mrs. Ishi Washburn."

MRS. KEIKO INOUYE

The bill (H. R. 689) for the relief of Mrs. Keiko Inouye was considered, ordered to a third reading, read the third time, and passed.

HAROLD DONAGHY BISHOP

The bill (H. R. 737) for the relief of Harold Donaghy Bishop was considered, ordered to a third reading, read the third time, and passed.

SISTER ISABEL (PURIFICACION MONTEMAYOR MACEO)

The bill (H. R. 807) for the relief of Sister Isabel (Purificacion Montemayor Maceo) was considered, ordered to a third reading, read a third time, and passed.

ABUL K. BARIK

The bill (H. R. 897) for the relief of Abul K. Barik was considered, ordered to a third reading, read the third time, and passed.

MARTHA FARAH

The bill (H. R. 1144) for the relief of Martha Farah was considered, ordered to a third reading, read the third time, and passed.

ALWINE REICHENBAUCH

The bill (H. R. 1348) for the relief of Alwine Reichenbauch was considered, ordered to a third reading, read the third time, and passed.

SAHAG VARTANIAN

The bill (H. R. 1509) for the relief of Sahag Vartanian was considered, ordered to a third reading, read the third time, and passed.

MONTGOMERY OF SAN FRANCISCO, INC.

The bill (H. R. 1905) for the relief of Montgomery of San Francisco, Inc., was considered, ordered to a third reading, read the third time, and passed.

PRAVOMIL VACLAV MALY AND JARMILA MALY

The bill (H. R. 3145) for the relief of Pravomil Vaclav Maly and Jarmila Maly was considered, ordered to a third reading, read the third time, and passed.

HERSCHEL D. REAGAN

The bill (H. R. 5933) for the relief of Herschel D. Reagan was considered, ordered to a third reading, read the third time, and passed.

ITO YUKIKO

The bill (S. 2366) for the relief of Ito Yukiko was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Ito Yukiko, the fiance of A2c. Robert L. Taylor, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months, if the administrative authorities find (1) that the said Ito Yukiko is coming to the United States with a bona fide intention of being married to the said A2c. Robert L. Taylor and (2) that she is otherwise admissible under the Immigration and Nationality Act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Ito Yukiko, she shall be required to depart from the United States and, upon failure to do so, shall be deported in accordance with the provisions of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Ito Yukiko, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Ito Yukiko as of the date of the payment by her of the required visa fee.

DISPOSAL OF PAID POSTAL SAVINGS CERTIFICATES

The Senate proceeded to consider the bill (H. R. 7371) to provide for the disposal of paid postal savings certificates, which had been reported from the Committee on Post Office and Civil Service with amendments, on page 1, line 10, after the word "paid," to strike out "except in those cases where it is established that payment in fact has been made, by reason of fraud or misrepresentation, to a person not entitled thereto"; and on page 2, line 5, after the word "Department", to strike out "except in those cases where it is established that payment in fact has been made, by reason of fraud or misrepresentation, to a person not entitled thereto."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF INTERNAL SECURITY ACT OF 1950, AS AMENDED—BILL PASSED TO FOOT OF CALENDAR

The bill (S. 2766) to amend section 7 (d) of the Internal Security Act of 1950, as amended, was announced as next in order.

Mr. COOPER. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER (Mr. BUTLER of Maryland in the chair). An explanation has been requested.

Mr. COOPER. Mr. President, I do not see the chairman of the committee present at this time. Therefore I ask unanimous consent that the bill may be passed to the foot of the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF PUBLIC LAW 157, 81ST CONGRESS

The joint resolution (H. J. Res. 481) to amend the act of July 5, 1949 (Public Law 157, 81st Cong.), was considered, ordered to a third reading, read the third time, and passed.

MEMORIAL TO THE MEMORY OF MOHANDAS K. GANDHI

The joint resolution (H. J. Res. 508) to extend the time for the erection of a memorial to the memory of Mohandas K. Gandhi was considered, ordered to a third reading, read the third time, and passed.

OPERATION OF TIN SMELTER AT TEXAS CITY, TEX.

The concurrent resolution (S. Con. Res. 79) to express the sense of the Congress on continuing the operation of a tin smelter at Texas City, Tex., and to investigate the need of a permanent domestic tin-smelting industry and the adequacy of our strategic stockpile of tin was announced as next in order.

Mr. COOPER. Mr. President, may we have an explanation of the concurrent resolution?

Mr. JOHNSON of Texas. Mr. President, this Senate concurrent resolution, and Senate Resolution 254, which is next on the calendar, were both reported unanimously by the full Committee on Armed Services. Since these are interrelated resolutions, I should like to explain them together.

Because the plans and actions of the administration have been based upon a determination to close the smelter at the end of this month, prompt action on these resolutions by the Senate is of vital importance.

Adoption of these resolutions by the Senate will make it clear beyond any possibility of doubt or uncertainty that the existing law, which requires continued operation of the American tin smelter, will not be changed by this Congress.

It will, I believe, even before favorable action by the House, effectively reflect the desire of Congress to continue the operation of this smelter for at least 1 additional year and until a thorough investigation of the question can be made. Accordingly, I should expect that, if it has not already done so, the administration will, after the action of the Senate today, immediately take steps to purchase ores with which to operate the smelter and to cancel notices of dismissal to employees.

I have spoken before on the floor of the tremendous importance both to American security and to the American economy of the Texas City smelter. I will not attempt to enlarge upon that today.

I think every Member here feels as I do that with world conditions as they are—with the whole of South Asia a puzzling enigma—with the strange goings-on in Guatemala—with the reports of the customary Communist antics coming out of the Geneva Conference—this is no time for the United States to make itself vulnerable with respect to a most important critical and strategic metal. Certainly we should take no steps to close down this smelter without making the thorough investigation which the 80th Congress declared to be essential in the public interest.

That is all the resolutions which are presently before the Senate accomplish. We are not making a permanent decision today. We are simply taking the necessary steps to provide ourselves with the full information upon which such a decision of the Congress can be based.

Section 1 of Senate Concurrent Resolution 79 simply expresses the sense of Congress that the American tin smelter shall be continued in operation until at least June 30, 1955, under the provisions of existing law. This law permits the smelter to be operated by the Government or by private operators under lease. It also furnishes ample authority for the Government to stockpile the tin metal produced or to sell it commercially, whichever is deemed more in the public interest.

Section 2, because of the pending liquidation of the Reconstruction Finance Corporation, simply expresses the will of Congress that the responsibility of exercising the powers with respect to the tin smelter be transferred by the President to any governmental agency he selects.

Section 3 directs the making of the investigation required by section 1 (c) of Public Law 125, 80th Congress. Section 1 (c) reads:

> (c) It is necessary in the public interest and to promote the common defense that Congress make a thorough study and investigation regarding the advisability of the maintenance on a permanent basis of a domestic tin-smelting industry and to study the availability of supplies of tin adequate to meet the industrial, military, and naval requirements of the Nation in time of national emergency.

That study has, of course, not yet been made. Section 3 of this concurrent resolution provides for its being made and a report being submitted to the Congress prior to March 15, 1955.

Because the Armed Services Committee wanted the House of Representatives to have complete freedom in determining the question of who should make the investigation, section 3 of the concurrent resolution simply specifies that it shall be made by an appropriate committee or committees of the Congress to be designated by subsequent resolution. That subsequent resolution for the Senate is Senate Resolution 254, which I will discuss in a moment. Under this section, the House is free to rely upon the Senate investigation or set up any committee it selects to make an independent investigation for that body.

Section 4 establishes April 30, 1955, as a desirable deadline for legislative action by Congress upon the reports of the investigating committees. Action by this date is deemed necessary and desirable to assure the executive branch sufficient notice of the decision of Congress to enable them to take whatever steps are necessary to carry out that decision. Section 4 also stands as a demonstration of the good faith of Congress that the solution to this problem is not to be delayed.

By the 30th of April next year we should all be fully informed as to all the considerations respecting a permanent domestic tin-smelting industry. I can see no reason why final legislative action cannot be taken by that date.

Senate Resolution 254 establishes the committee to make the tin-smelter investigation for the Senate. Because of the long history of mutual interest and responsibility in this activity of the Senate Committees on Armed Services and Banking and Currency, the resolution constitutes these committees, acting jointly, as the committee to make the study.

No new funds and no new staffs are authorized. The newly constituted committee is given all of the essential power required by investigating committees to act effectively. The costs of the investigation will be borne equally by the committees. Expenditures will be made from authorizations already in existence for expenditures out of the contingent fund of the Senate. Under the resolution, the committees will be able to establish a mutually acceptable subcommittee if they desire to take this course of action.

In summary, I believe these resolutions add up simply to this: The administration, which has expressed a desire to close the tin smelter, has requested the Congress to express its views on the question. These resolutions represent our determination that the decision to close the tin smelter should not be made without a full investigation of the question as required under existing law.

That is all the resolutions seek to accomplish. The smelter will be kept open until the investigation can be completed. The investigation will be made by the Armed Services and Banking and Currency Committees for the Senate and a report submitted by March 15, 1955. By April 30, 1955, the decision of Congress on this question should be a matter of legislative history.

I think these resolutions represent the only sound and logical course of action we can take on a matter of such vital importance to the welfare of our country. An attempt to make a final decision on the future of the smelter without full and adequate information would be foolhardy and could entail serious and irreparable harm to the interests of the United States.

I hope that all of my colleagues will share my own conviction that immediate adoption of these resolutions is essential. I strongly urge the adoption of both Senate Concurrent Resolution 79 and Senate Resolution 254.

Mr. FULBRIGHT. Mr. President, I wish to associate myself with the remarks of the Senator from Texas. I am a member of the Banking and Currency Committee which previously considered this matter, and I completely agree that this is a proper resolution, that it should be agreed to, and that the entire subject should be studied. It may be that the Government will be relieved of any obligations to operate the smelter, because some private company may undertake its operation.

The PRESIDING OFFICER. Is there objection to the consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the resolution (S. Con. Res. 79) to express the sense of the Congress on continuing the operation of a tin smelter at Texas City, Tex., and to investigate the need of a permanent domestic tin-smelting industry and the adequacy of our strategic stockpile of tin, which had been reported from the Committee on Armed Services with an amendment to strike out all after the resolving clause and insert:

That it is the sense of the Congress that the Government tin smelter at Texas City, Tex., should be continued in operation at least until June 30, 1955, under the provisions of section 2 of Public Law 125, Eightieth Congress.

SEC. 2. It is the further sense of the Congress that the President, pursuant to the authority contained in Public Law 125, Eightieth Congress, and Public Law 163, Eighty-third Congress, should transfer at the earliest practicable date all functions, powers, duties, and authority under Public Law 125, Eightieth Congress, as amended (the tin program), from the Reconstruction Finance Corporation to such officer, agency, or instrumentality of the United States as the President may designate.

SEC. 3. It is the further sense of the Congress that pursuant to section 1 (c) of Public law 125, 80th Congress, an appropriate committee or committees of the Congress shall be designated pursuant to a subsequent resolution to conduct the study and investigation of the matters with respect to tin which were determined by section 1 (c) to be required in the public interest and in promotion of the common defense. Such study shall be concluded and a report with respect thereto filed with each House of Congress no later than March 15, 1955.

SEC. 4. It is the further sense of the Congress that the Congress should, after consideration of the reports filed pursuant to section 3 of this resolution, but not later than April 30, 1955, adopt appropriate legislation with respect to the tin program of the United States.

The amendment was agreed to.

The concurrent resolution, as amended was agreed to.

INVESTIGATION OF TIN SMELTING IN THE UNITED STATES

The resolution (S. Res. 254) to authorize committees on Armed Services and Banking and Currency, acting jointly, to investigate tin smelting in the United States and its relation to national defense was considered and agreed to, as follows:

Resolved, That the Committee on Armed Services of the Senate and the Committee on Banking and Currency of the Senate, acting jointly, are hereby constituted as a committee for the purpose of conducting, and the committee so constituted is directed to conduct a study and investigation of the matters with respect to tin which were determined by section 1 (c) of Public Law 125, 80th Congress, and Senate Concurrent Resolution 79, 83d Congress, to be required to be studied and investigated by the Congress in the public interest and in promotion of the common defense. For the purposes of conducting such study and investigation, the committee so constituted by this resolution shall have all of the powers conferred upon standing committees of the Senate by section 134 (a) of the Legislative Reorganization Act of 1946, as amended; except that any expenses incurred by the committee so constituted shall be payable only from funds heretofore authorized to be expended from the contingent fund of the Senate by the standing committees composing the committee constituted by this resolution. The study and investigation of the committee constituted by this section shall be completed and a report with respect thereto filed with the Senate not later than March 15, 1955.

COLUMBIA HOSPITAL OF RICHLAND COUNTY, S. C.

The Senate proceeded to consider the bill (H. R. 6477) for the relief of the Columbia Hospital of Richland County, S. C., which had been reported from the Committee on the Judiciary with amendments, on page 3, line 8, after the word "Treasury", to strike out "and"; in line 9, after the word "Welfare", to insert "and the Administrator of Veterans' Affairs"; in line 11, after the word "to", to strike out "effect" and insert "assist in"; line 16, after the word "Welfare", to insert "or the Veterans' Administration"; in line 21, after the word "Service", to insert "or the Veterans' Administration, as the case may be. There are authorized to be appropriated to the Secretary of the Treasury for each fiscal year such sums as may be necessary to enable the Secretary to reimburse the Public Health Service or the Veterans' Administration, as the case may be, for care and treatment provided under the authority of this subsection."; on page 4, line 3, to insert "(d)" at the beginning of the line; in line 16, after the word "Service", to strike out "as provided for in this subsection" and insert "or the Veterans' Administration, as provided for in subsection (c)"; in line 18, to change the subsection letter from "(d)" to "(e)"; in line 20, after the word "and", where it first occurs, to strike out "(c)" and insert "(d)"; in line 22, after the word "Service", to insert "or the Veterans' Administration"; on page 5, line 3, to change the subsection letter from "(e)" to "(f)"; in line 9, after the word "notwithstanding", to insert "nor shall any sum appropriated in this act be paid to such agent or attorney with respect to amounts accrued after the date of enactment of this act," and in line 12, after the word "this", to strike out "act" and insert "subsection."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

INCREASE IN LIMIT OF EXPENDITURES FOR COMMITTEE ON ARMED SERVICES

The resolution (S. Res. 255) increasing the limit of expenditures for hearing before the Committee on Armed Services was announced as next in order.

Mr. KNOWLAND. Mr. President, under the procedure followed in the Senate, I think the proper action on the resolution would be to refer it to the Committee on Rules and Administration.

The PRESIDING OFFICER. Without objection, Senate Resolution 255 will be referred to the Committee on Rules and Administration.

APPOINTMENT OF DEPUTY UNITED STATES MARSHALS—BILL PASSED OVER

The bill (S. 44) to provide for the appointment of Deputy United States Marshals without regard to the provisions of the civil service laws and regulations, was announced as next in order.

Mr. SMATHERS. Mr. President, by request, I ask that the bill go over.

The PRESIDING OFFICER. On objection, the bill will be passed over.

HERMINE LORENZ

The bill (S. 2034) for the relief of Hermine Lorenz was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Hermine Lorenz shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

OFFICE EXPENSES FOR UNITED STATES COMMISSIONERS

The bill (S. 2204) to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) the catchline to section 633 of title 28, United States Code, is amended so that the catchline will read as follows:

"§ 633. Fees and expenses."

(b) That section 633 of title 28, United States Code, is amended by adding at the end thereof a new subsection (c), reading as follows:

"(c) United States Commissioners who are required to devote full time to the performance of the duties of the office, as determined by the Director of the Administrative Office of the United States Courts under the supervision and direction of the Judicial Conference of the United States and who do not engage in the practice of the law, shall be allowed their actual and necessary office expenses, including the compensation of a necessary clerical assistant. Such office ex-

pense shall be determined and paid and such compensation shall be fixed and paid by the Director of the Administrative Office of the United States Courts under the provisions of section 604 of this title."

(c) The analysis of chapter 43 of title 28, United States Code, immediately preceding section 631 of such title, is amended so that item 633 in such analysis will read as follows:

"633. Fees and expenses."

LUCIA MEZILGOGLOU

The bill (S. 2222) for the relief of Lucia Mezilgoglou was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Lucia Mezilgoglou shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

LIMITATION ON POWER OF A JUSTICE OR JUDGE TO GRANT STAYS OF EXECUTION IN CERTAIN CASES—BILL PASSED OVER

The bill (S. 2373) to limit in certain cases the power of a single justice or judge of the United States to grant a stay of execution or sentence in connection with a habeas corpus proceeding or other proceeding collaterally attacking the conviction of any person was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SMATHERS. Mr. President, I wonder if we might have an explanation of the bill.

Mr. LANGER. The bill would limit, in certain cases, the power of a single justice or judge of the United States to grant a stay of execution or sentence in connection with a habeas corpus proceeding, or other proceeding collaterally attacking the conviction of any person.

I think I can give a short explanation. The bill arose from the fact that the case of a person who was prosecuted in a State court went to the Supreme Court of a State, and the Supreme Court of the State held that the person should be executed. Out of a clear sky, a Federal judge granted a stay of execution. The bill would limit the power of a Federal judge to grant a stay of execution in a case perculiarly and entirely within the jurisdiction of a State court.

Mr. JOHNSTON of South Carolina. I might add, Mr. President, that the committee, after having heard the facts in the case, were unanimous in reporting the bill favorably.

Mr. LANGER. The Senator is correct. I can give a further explanation of the bill, if the Senator from Florida so desires.

Mr. SMATHERS. I should like to have an additional explanation of the bill.

Mr. LANGER. The bill would add to title 28, United States Code, a new section 2256 to provide that in connection with any habeas corpus proceeding or other collateral attack upon the conviction of any person, which conviction has been affirmed by the highest court of a State, a stay of execution or sentence shall be granted only by the concurrent action of the majority of the circuit judges of a circuit, or of the justices of the United States who are in active service within their respective jurisdictions.

The new section also would provide that a stay of execution or sentence in connection with any habeas corpus proceeding or other proceeding collaterally attacking the conviction of a person obtained in a district court and affirmed by the Supreme Court of the United States, or with respect to which the Supreme Court has denied certiorari, shall be granted only by, first, the judge who presided at the trial in which the conviction was obtained; or, second, the concurrent action of a majority of the circuit judges of a circuit who are in active service; or, third, the concurrent action of a majority of the justices of the United States also in active service.

The proposed new section contains an "escape clause" providing that nothing therein shall limit the power of any justice of the United States or any circuit or district judge to stay the execution of a sentence of death in connection with any habeas corpus proceeding, if it appears that such sentence will be carried out before such proceeding can be disposed of, and that such stay is essential to the proper disposition thereof.

The basic purpose of the proposed legislation is to remove possibility for a multiplicity of stays on the basis of petitions presenting no new points.

The Department of Justice has indicated it has no objection to the proposed legislation. The Department said it was "A matter of policy concerning which the Department prefers to make on recommendation."

The Judiciary Committee was unanimously in favor of this bill.

Mr. COOPER. Mr. President, I appreciate the explanation given by the distinguished Senator from North Dakota, but I desire to examine the bill myself, so I ask that it go over.

The PRESIDING OFFICER. The bill will be passed over.

ERIKA GISELA OSTERAA

The bill (S. 2820) for the relief of Mrs. Erika Gisela Osteraa was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Erika Gisela Osteraa shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

PROHIBITION OF FALSE ADVERTISING, ETC., IN CONNECTION WITH ARMED FORCES EXCHANGE SERVICES

The Senate proceeded to consider the bill (S. 1751) to prohibit false advertising or misuse of names indicating the various exchange services of the Armed Forces which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 13, after the word "Service", to strike out "shall be fined not more than $1,000 or imprisoned not more than one year, or both" and insert "shall be fined not more than $500 or imprisoned not more than six months, or both", so as to make the bill read:

Be it enacted, etc., That chapter 33 of title 18, United States Code, be amended, by adding at the end thereof the following new section:

"§ 712. False adverising or misuse of names indicating the various exchange services of the Armed Forces.

"(a) whoever, except as authorized by the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, under regulations approved by the Secretary of Defense, uses the words "PX," "Post Exchange," "Armed Forces Exchange," "Army Exchange," "Air Force Exchange", "Army and Air Force Exchange," "Army and Air Force Exchange Service," "Navy Exchange," "Ship Stores," "Ship Stores Ashore," or "Marine Corps Exchange" as part of the business or firm name of a person, corporation, partnership, business trust, association, or other business entity, or

"Whoever falsely advertises or represents by any device whatsoever or publishes or displays any sign, symbol, or advertisement reasonably calculated to convey the impression that he or it has some connection with or indorsement, authorization, or approval by the Army and Air Force Exchange Service, the Navy Ship Store Office, or the Marine Corps Exchange Service shall be fined not more than $500 or imprisoned not more than 6 months, or both.

"(b) A violation of subsection (a) may be enjoined at the suit of the United States Attorney, upon complaint by any duly authorized representative of any department or agency of the United States."

SEC. 2. The analysis of chapter 33 immediately preceding section 701 of title 18 is amended by adding at the end thereof:

"712. False advertising or misuse of names indicating the various exchange services of the Armed Forces."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXEMPTIONS OF CERTAIN CONTRACTS UNDER SECTION 433, TITLE 18, UNITED STATES CODE—BILL PASSED OVER

The bill (S. 2020) to amend section 433 of title 18, United States Code, relating to exemptions with respect to certain contracts, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. Over.

Mr. JOHNSTON of South Carolina. Mr. President, does the Senator from

Tennessee object to the present consideration of the bill?

Mr. GORE. I do.

Mr. JOHNSTON of South Carolina. Will the Senator withhold his objection?

Mr. GORE. I withhold my request that the bill go over.

Mr. JOHNSTON of South Carolina. Mr. President, this is a bill which would clarify the law. At the present time it is doubtful whether or not a Member of Congress can bid on property which is put up for sale and the bidding is open to all persons. The bill would not give a Member of Congress an unfair advantage over any other bidder. If my colleagues will recall, Representative JOHN L. MCMILLAN, of South Carolina, was involved in a case in which such a question was presented. During the course of the trial of the case, the judge stated that, according to the law, there was some doubt as to whether a Member of Congress had a right to bid on such property. The purpose of the bill is to eliminate such a doubt in the law, and give Members of Congress the same right to bid on such property as other people have.

Mr. GORE. I ask that the bill go over.

The PRESIDING OFFICER. The bill will go over.

LYDIA WICKENFELD BUTZ

The Senate proceeded to consider the bill (S. 2465) for the relief of Lydia Wickenfeld Butz, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Lydia Wickenfeld Butz may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INGEBORG BOGNER JOHNSON

The Senate proceed to consider the bill (S. 2493) for the relief of Ingeborg Bogner Johnson, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That for the purposes of the Immigration and Nationality Act, Ingeborg Bogner Johnson shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MICHIO YAMAMOTO

The Senate proceeded to consider the bill (S. 2677) for the relief of Michio Yamamoto, which had been reported from the Committee on the Judiciary with an amendment, in line 7, after the word "fee", to strike out "and head tax", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Michio Yamamoto shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WALTRAUT CLAASSEN

The Senate proceeded to consider the bill (S. 3126) for the relief of Waltraut Claassen, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Waltraut Claassen may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act: *And provided further*, That her marriage to her United States citizen fiancé, Sgt. Allen G. Stark, shall occur not later than 6 months following the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JURY COMMISSIONS FOR UNITED STATES DISTRICT COURTS

The bill (S. 959) to provide for a jury commission for each United States district court to regulate its compensation, to prescribe its duties, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SMATHERS. Mr. President, may we have an explanation of the bill?

Mr. LANGER. Mr. President, this is a bill to provide for a jury commission for each United States district court. The Conference of Senior Circuit Judges strongly supports the bill.

The Judicial Conference also strongly supports the bill. Hearings were held in April 1953, and Judge John Murphy, of the Middle District of Pennsylvania, represented the conference at the hearings.

The bill has been amended in accordance with suggestions made in the hearings, so as to make all its provisions effective at the same time, and so as to avoid the repeal of a portion of section 1865 of title 28, United States Code.

The bill is supported by the American Bar Association, as well as by the Judicial Conference.

It should be pointed out that the bill has nothing to do with the so-called blue-ribbon jury system. As Judge Murphy testified, there is nothing in the bill which would permit a hand-picked jury. The purpose of the bill is to have a jury wheel, and to have a large selection of numbers, so as to avoid having a hand-picked jury.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments, on page 2, line 11, after the word "services", to strike out "$5" and insert "$10"; on page 6, line 19, after the word "out", to strike out "all" and insert "the last ten words"; in line 21, after "Sec. 3.", to strike out "The provisions of paragraph (d) of section 1864 of the United States Code as amended by this act shall take effect three months after approval of this act. All other provisions of this act shall take effect upon approval thereof.", and insert "This act shall take effect ninety days after the date of approval thereof.", and on page 7, after line 8, to insert a new section, as follows:

SEC. 4. Section 198 of the code of laws for the District of Columbia (D. C. Code, sec. 11–1401), as amended, is hereby repealed.

So as to make the bill read:

Be it enacted, etc., That section 1864 of title 28 of the United States Code is hereby amended to read as follows:

"SEC. 1864. Jury commissioners and their compensation; manner of drawing jurors.

"(a) Appointment: Each district court of the United States shall appoint for the district one or more citizens of good standing residing in the district as jury commissioners to serve during the pleasure of the court. If more than one commissioner is appointed each shall be designated to serve in a particular part of the district except in the District of Columbia. Each such commissioner shall be a member of the principal political party in the district opposing that to which the clerk, or a duly qualified deputy clerk then acting for the clerk at the time of the appointment, is a member. In case of the absence or unavailability of any commissioner, another commissioner may be designated as above provided to act in his place.

"(b) Compensation: Each jury commissioner shall receive, as compensation for his services, $10 per day for each day or fraction thereof upon which he is actually and necessarily engaged in the performance of his official duties, to be paid upon certificate of a district judge of the district; but if the judge for the district, or if there be more than one judge, a majority of the district judges of any district is of the opinion that it is in the interest of the efficient operation of the jury system that one or more of the jury commissioners of the district should devote full time to the duties of that office, they may, with the approval of the Judicial Conference of the United States designate one or more commissioners so to act and the commissioners so designated shall devote their full time to the duties of the office and each shall receive in lieu of the compensation herein-

before provided, a salary to be fixed from time to time by the Judicial Conference at a rate which in the opinion of the Judicial Conference corresponds to that provided by the Classification Act of 1949, as amended, for positions in the executive branch with comparable responsibilities. In the event of no agreement by a majority of the district judges, the chief judge of the district shall make the designation referred to. Each commissioner shall receive his traveling and subsistence expenses within the limitations prescribed for clerks of district courts while absent from his designated post of duty on official business.

"(c) Duties: The clerk of the district court and the commissioners shall constitute the jury commission for the district, or, if more than one commissioner has been appointed, the clerk and that commissioner who has been designated to serve in a particular part of the district shall constitute the jury commission for that part of the district. In the performance of all the duties of their office, the jury commissioners shall act subject to the instructions of the chief judge of the district, and the administration in each district of this and other laws relating to the selection of jurors in the district courts shall be subject to his direction. With the approval of the chief judge the jury commission may designate deputy clerks and other employees in the office of the clerk of the court to assist them in the performance of their duties and under their direction to perform such of the detailed duties of the commission as in the opinion of the chief judge can be assigned to them. It shall be the duty of the commission, under the supervision of the chief judge, and subject to the requirements of sections 1861, 1862, and 1863 of this title, to select without reference to party affiliation the names of qualified persons who may be called to serve as jurors in the district court and who in their opinion are intelligent, honest, fair-minded, of good reputation, and capable of rendering satisfactory service, and to keep suitable records regarding them. The commission shall have the power to transmit to prospective jurors questionnaires approved by the chief judge and to issue to prospective jurors subpenas enforceable by the district court, for the purpose of determining whether any person is qualified to be selected as a juror. They, and those duly assigned to assist them, may conduct personal examinations of or interviews with prospective jurors, subject to the direction of the chief judge. The commission may administer oaths to prospective jurors and witnesses and use such other procedures as may seem to the court conducive to securing full information regarding the qualifications of persons to serve as jurors in the district court. Each district court may, in its discretion, use either the questionnaire or personal interview system, or both, in determining the qualifications of jurors. Any of the powers or duties conferred upon the chief judge in this subsection may be delegated by him to another judge of the district: *Provided, however,* That where part of a district by agreement or order of court is assigned to one particular judge and he customarily holds court there, as to such part, he shall perform the functions and fulfill the duties conferred upon the chief judge in this subsection as to such part of the district.

"(d) Drawing: It shall also be the duty of the jury commission, upon order of the district judge subject to whose instruction it acts, to arrange for the drawing of names of persons selected pursuant to subsection (c) of this section to serve as grand and petit jurors in the district court and, except as otherwise permitted by section 1866 of this title, no person shall serve as a juror whose name is not so drawn. The names shall be drawn from a box, wheel, or similar device that will insure that the drawing is by chance, containing at the time of the commencement of each drawing the names of not less than 300 persons selected as provided in subsection (c) of this section. Names shall be drawn publicly by the clerk or a deputy and a jury commissioner, or by a judge and jury commissioner, or by a judge and the clerk or a deputy.

"(e) Special provisions as to District of Columbia: This act shall apply to the United States District Court for the District of Columbia, subject to the following provisions:

"The said court shall designate a judge thereof who shall have the powers and duties hereinbefore prescribed for chief judges, except that said court shall appoint jury commissioners, without regard to their political affiliations or beliefs, and determine and certify as to the need for a full-time jury commissioner. Any judge of said court may impanel a grand jury, appoint the foreman thereof, and distribute, assign, and reassign petit jurors for service in any division of said court.

"The jury commissioners of the District of Columbia shall select and keep a separate list of persons to be drawn as jurors in condemnation proceedings brought by the United States or the District of Columbia, who shall have the qualifications of petit jurors and in addition thereto such special qualifications as may be prescribed by law.

"Jurors for the municipal and juvenile courts shall be drawn from the same lists as jurors for the district court."

SEC. 2. Section 1865 of title 28 of the United States Code is hereby amended by striking out the last 10 words of the concluding sentence of subsection (a) thereof.

SEC. 3. This act shall take effect 90 days after the date of approval thereof. The jury commissioners to whom this act applies who are holding office at the time of its approval shall continue their functions under existing law until the entire act has become effective, when their powers and duties shall cease and determine. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry the provisions of this act into effect.

SEC. 4. Section 198 of the code of laws for the District of Columbia (D. C. Code, sec. 11–1401), as amended, is hereby repealed.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOHN L. DE MONTIGNY

The Senate proceeded to consider the bill (S. 1183) for the relief of John L. De Montigny, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 5, after the name "John L.", to strike out "DeMontigny" and insert "de Montigny"; in line 7, after the words "sum of", to strike out "$384.84" and insert "$384.75"; and in line 8, after the name "John L.", to strike out "DeMontigny" and insert "de Montigny", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John L. de Montigny, sergeant, United States Army (US 55057148), Grand Forks, N. Dak., the sum of $384.75, in full settlement of all claims of the said John L. de Montigny against the United States for reimbursement of amounts collected from him by the United States as a result of certain overpayments which were made by the United States pursuant to a class Q allotment: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of John L. de Montigny."

ERTOGROUL OSMAN AND MEHMED FAHREDDIN

The Senate proceeded to consider the bill (S. 2618) for the relief of Ertogroul Osman and Mehmed Fahreddin, which had been reported from the Committee on the Judiciary with amendments, at the beginning of line 5, to strike out "and Mehmed Fahreddin"; in the same line, after the word "who", to strike out "were" and insert "was", and in line 8, after the word "provided", to strike out "they are" and insert "he is", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (22) of the Immigration and Nationality Act, Ertogroul Osman, who was granted permanent residence in the United States by an act of Congress approved October 31, 1951, may be readmitted to the United States for permanent residence provided he is admissible under all other provisions of the Immigration and Nationality Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Ertogroul Osman."

REFERENCE OF SENATE BILL 2429 TO THE UNITED STATES COURT OF CLAIMS

The resolution (S. Res. 257) to refer S. 2429, a private bill to the United States Court of Claims for a report was considered and agreed to, as follows:

Resolved, That the bill (S. 2429) entitled, "A bill for the relief of certain American employees of the former Shanghai Municipal Council," now pending in the Senate, together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same, in accordance with the provisions of said sections, and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any legally or equitably due from the United States to the claimants.

OBSERVANCE OF THE ONE HUNDREDTH ANNIVERSARY OF BEREA COLLEGE, BEREA, KY.

The concurrent resolution (S. Con. Res. 67) extending best wishes to Berea

College, Berea, Ky., upon the observance in 1955 of the 100th anniversary of its founding was announced as next in order.

Mr. CLEMENTS. Mr. President, the House of Representatives has adopted House Concurrent Resolution 206, which is a resolution identical with Senate Concurrent Resolution 67. I ask that House Concurrent Resolution 206 be substituted for Senate Concurrent Resolution 67 and be now considered.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the concurrent resolution (H. Con. Res. 206) extending best wishes of the Government and people of the United States to Berea College, in Berea, Ky.

Mr. JOHNSTON of South Carolina. Mr. President, do I correctly understand that the language of the Senate concurrent resolution is to be substituted for the House concurrent resolution? The Senate committee made some amendments to the concurrent resolution.

Mr. CLEMENTS. Mr. President, the resolution was amended in the Senate committee to conform exactly to the House concurrent resolution. The House concurrent resolution as agreed to is identical with the Senate concurrent resolution as reported.

The PRESIDING OFFICER. It is the understanding of the Chair that the House concurrent resolution has been substituted for the Senate concurrent resolution.

Mr. CLEMENTS. That is correct. The House concurrent resolution is exactly the same as the Senate concurrent resolution as amended and reported.

Mr. JOHNSTON of South Carolina. If that be true, I have no objection.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Did I understand the suggestion of the Senator from Kentucky to be that the Senate agree to the House concurrent resolution, because of the time element involved, and the desire to have the resolution agreed to before the anniversary, and that the Senator is now suggesting that the House language be substituted in the Senate concurrent resolution?

Mr. CLEMENTS. Mr. President, the facts are——

Mr. JOHNSTON of South Carolina. Mr. President, to clarify the situation, I wish to make a suggestion.

Mr. CLEMENTS. Mr. President, will the Senator from South Carolina withhold his suggestion until I can make a statement?

Mr. JOHNSTON of South Carolina. I withhold my request.

Mr. CLEMENTS. Mr. President, the situation is that the Senate committee amended the Senate concurrent resolution so as to make it conform identically to the House concurrent resolution as agreed to in the House; so by the action taken by the Senate a few moments ago, the Senate is now considering a House concurrent resolution which is identical with the Senate concurrent resolution as amended and reported by the Senate committee.

Mr. COOPER. Mr. President, I rise merely to congratulate my colleague for submitting the concurrent resolution of congratulations and best wishes to Berea College. I am glad that it is about to be agreed to by the Senate. Berea College is a notable institution of learning in our State of Kentucky, and ranks, I think, with the best in the Nation. Established before the War Between the States, it has rendered in the century of its existence a unique and distinguished service. Berea College is situated in Madison County, near the line which divides the section known as the bluegrass from the mountains in the eastern part of the State.

In all the years since the founding of the institution, Berea College served effectively the young men and women of the mountain and bluegrass sections of Kentucky and in recent years students from the Appalachian States and from foreign countries. The college instituted a unique system of instruction, a combination of work and study which has been followed by many other colleges throughout the country. I also think Berea College is notable in that it was the first institution of learning in the South to inaugurate a nonsegregated system, shortly after the Civil War. The State of Kentucky nullified by legislation the action of the college. The college has had a succession of distinguished presidents. Dr. Francis S. Hutchins is now its able president and his father, Dr. William Hutchins, was one of its greatest leaders.

Again I wish to congratulate the senior Senator from Kentucky, my colleague, for his graciousness in submitting the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to House Concurrent Resolution 206.

The concurrrent resolution was agreed to.

The preamble was agreed to.

The PRESIDING OFFICER. Without objection, Senate Concurrent Resolution 67 is indefinitely postponed.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 39) proposing an amendment to the Constitution of the United States to enable the Congress, in aid of the common defense, to function effectively in time of emergency or disaster was announced as next in order.

Mr. KNOWLAND. Mr. President, under our standing operating procedure, a joint resolution proposing a constitutional amendment obviously should not be passed during the call of the calendar, inasmuch as a yea-and-nay vote is required on all such matters, as in the case of treaties. Therefore I ask that the joint resolution be passed over.

The PRESIDING OFFICER. The joint resolution will be passed over.

MRS. ROMOLA NIJINSKY AND PAUL BOHUS-VILAGOSI

The bill (H. R. 675) for the relief of Mrs. Romola Nijinsky and Paul Bohus-Vilagosi was considered, ordered to a third reading, read the third time, and passed.

MRS. ROSE KACZMARCZYK

The bill (H. R. 898) for the relief of Mrs. Rose Kaczmarczyk was considered, ordered to a third reading, read the third time, and passed.

HELGA ROSSMANN AND HER CHILD

The bill (H. R. 1465) for the relief of Helga Rossmann and her child was considered, ordered to a third reading, read the third time, and passed.

ANTONIO MESSINA

The bill (H. R. 1657) for the relief of Antonio Messina was considered, ordered to a third reading, read the third time, and passed.

REV. ROGER KNUTSEN

The bill (H. R. 1699) for the relief of Rev. Roger Knutsen was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 2566) to amend the Contract Settlement Act of 1944 so as to establish a time limitation upon the filing of certain claims thereunder was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. Mr. President, reserving the right to object, let me say that no report on the bill is available; therefore, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

RUTH IRENE LEDERMANN

The bill (H. R. 3006) for the relief of Ruth Irene Ledermann was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF ANNA I. R. WELLS, DECEASED, AND OTHERS—BILL PASSED OVER

The bill (H. R. 3573) for the relief of the estate of Anna I. R. Wells, deceased, and others, was announced as next in order.

Mr. GORE. Let the bill go over.

The PRESIDING OFFICER. Objection being heard, the bill will go over.

Mr. HOLLAND. Mr. President, I did not hear which Senator requested that the bill be passed over.

Mr. GORE. I asked that the bill go over.

Mr. HOLLAND. Will the Senator from Tennessee please withhold his request until I can explain the bill?

Mr. GORE. Yes.

Mr. HOLLAND. Mr. President, this bill, H. R. 3573, represents an attempt to procure the repayment to four heirs of a deceased Florida citizen of estate

taxes that were overpaid without any fault being involved.

There were two partners, the Rosasco brothers; and when they died, their estates were both handled by a reputable bank in Pensacola, which filed the estate tax returns on the understanding that the partnership assets were held equally by each of the partners.

Later, a question arose in the State court, upon the filing of a suit by the heirs of one of the brothers, as to whether that assumption was correct. Finally, some years later, the State court decided that instead of sharing equally, half and half, the two brothers shared on the basis of 87.35 percent for one and 12.65 percent for the other. At that time the claim for refund was made.

The Treasury held that the claim for refund was correct, and that the Treasury had collected a sum in excess of $22,400 more than it was entitled to collect. The Treasury had assessed that amount against the estate of the other brother, and had collected it. However, the Treasury held that it could not refund the entire amount which was overcollected, but that it could refund only approximately $3,000, because of the statute of limitations. The Treasury refunded the amount of $3,000-plus, which had been paid on a supplemental return within the 3 years, but took the position that it could not refund the remaining $22,400.

Mr. President, I feel that this is a just claim. The Secretary of the Treasury has admitted it is a just claim, and that the Federal Government has collected, to be exact, $22,446.26 to which it is not entitled. The Secretary of the Treasury does not wish to have that amount refunded, because he thinks the Federal Government should properly assert the statute of limitations against citizens in such cases.

I feel that it would be a monstrous thing for the Federal Government to insist upon the application of the statute of limitations when no claim could be made within the 3-year period because the matter was still pending in the State court.

So I hope the distinguished Senator from Tennessee will withhold his objection, so that this righteous claim can be recognized and so that payment can be allowed.

Mr. GORE. Mr. President, will the Senator from Florida yield at this point?

Mr. HOLLAND. I yield.

Mr. GORE. The Senator from Florida pleads very forcefully and eloquently the equity of this case. Of course, the statute of limitations is in itself arbitrary. An arbitrary date is fixed and, as a consequence, operates in some respects arbitrarily. However, it seems to me that if we are to have a statute of limitations, it should operate. If we find that in every case in which the Government is the gainer, as a result of the statute of limitations the Government thereby is in possession of moneys to which it is not entitled, and therefore the moneys should be returned, the statute of limitations will become a one-way street and will operate effectively against the Government, but ineffectively on behalf of the Government.

I believe the date involved in this case would be significant, and I do not have it in mind.

Mr. HOLLAND. Mr. President, if the distinguished Senator from Tennessee will examine page 2 of the Senate report, and, in particular, the paragraph in the middle of the page, I believe it will answer the very proper question he has in mind. I shall read that paragraph:

> In commenting on this legislation in its report to the committee, the Treasury Department states that it does not favor enactment of the bill. The basis of the opposition of the Department apparently is that the statute of limitations is a sound policy which on occasion operates against the Government and on other occasion operates against the taxpayer. This may be true, but the fact remains that the Government has in this instance collected $22,446.26 to which it was not entitled. It is also clear—

This is the point that I make particularly—

> that the estate of William S. Rosasco, Sr., could not have been aware that he had any claim for refund of the estate taxes which had been paid until a Florida court rendered its decision altering the division of the value of the partnership assets. In such a situation, the committee feels it is inequitable for the Government to insist upon the observance of a legal procedural bar, for while the statute of limitations is normally utilized to penalize the delinquent, no evidence of delinquency is present in this claim. Consequently, the committee recommends favorable consideration of this legislation.

The committee has affirmatively found that the claimant was not chargeable with any delinquency whatsoever under the conditions obtaining.

If the Senator from Tennessee will refer, likewise, to page 5 of the report on the bill, in the fourth item of a memorandum printed as part of the report, he will notice that the closing four lines of that item read as follows:

> The overpayment of the estate taxes by the estate of W. S. Rosasco, Sr., and the payment of the additional assessment by the estate of A. T. Rosasco, after the court decision in 1950, has resulted in the United States collecting double taxes on the same property.

In other words, after the decision of the State court, the Federal officials collected on this part of the estate, which otherwise would not have been collected upon. They had previously collected on this same inheritance from the other brother's estate. So now they are in position of having collected twice. Yet, because of the fact that 3 years elapsed while the litigation was in process, the second estate is not in position to reclaim its overpayment.

It seems to me that in this case a very gross inequity will be accomplished unless Congress rectifies a situation from which the Government has profited, but in which it has refused to return to the W. S. Rosasco estate what admittedly was an overpayment.

Mr. GORE. Mr. President, again I compliment the Senator from Florida upon his eloquent pleading of the equities involved in this case. I cannot be sure of the equities without knowing the date when the suit was filed. The record does not disclose just when the suit in the State court was filed, except that in September 1949 there is a record of a court order demanding the production of certain records of the partnership. It is interesting to note that had the eventual determination of this case been such that the other brother would have been entitled to the 87 percent, the statute of limitations would then have barred the Government from making collection.

Because of the uncertainty of the equities involved I ask that the bill be passed over, but that it be called at the next call of the calendar. In the meantime I shall be glad to confer with the distinguished senior Senator from Florida, who seems familiar with the case, and who always has the public interest very much at heart.

Mr. HOLLAND. I thank the distinguished Senator from Tennessee.

The PRESIDING OFFICER. The bill will be passed over.

BILL PASSED OVER

The bill (H. R. 3907) for the relief of Jean Sutherland was announced as next in order.

Mr. SMATHERS. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

PAUL D. BANNING, CHIEF DISBURSING OFFICER, AND OTHERS

The bill (H. R. 5210) for the relief of Paul D. Banning, chief disbursing officer, and others, was considered, ordered to a third reading, read the third time, and passed.

LEON H. CALLAWAY AND OTHERS

The bill (H. R. 5616) for the relief of Leon H. Callaway and others was considered, ordered to a third reading, read the third time, and passed.

HENRY C. BUSH AND OTHER FOREIGN SERVICE OFFICERS

The bill (H. R. 5765) for the relief of Henry C. Bush and other Foreign Service officers was considered, ordered to a third reading, read the third time, and passed.

ENTRY OF PHILIPPINE TRADERS

The Senate proceeded to consider the bill (H. R. 8092) to facilitate the entry of Philippine traders, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 7, after the word "him", to strike out "shall" and insert "may"; and in line 10, after the word "be", to strike out "issued a visa and admitted into the United States under the provisions of" and insert "considered to be classifiable as a nonimmigrant under."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF INTERSTATE COMMERCE ACT REGARDING MOTOR VEHICLES

The bill (S. 3185) to amend the Interstate Commerce Act in order to make

the compliance with certain State filing requirements unnecessary with respect to mortgages, leases, equipment trust agreements, conditional sale agreements and other instruments evidencing the mortgage, lease conditional sale, or bailment of motor vehicles sold to or owned by certain carriers subject to such act was announced as next in order.

Mr. SMATHERS. Mr. President, may we have an explanation of the bill?

Mr. SCHOEPPEL. Mr. President, this bill would make it unnecessary to comply with multiple State filing requirements with respect to instruments evidencing a lien on motor vehicles owned by a motor, railroad, or water carrier subject to the Interstate Commerce Act, provided the filing requirements are complied with in the State where the vehicle is domiciled.

Motor vehicles engaged in interstate commerce travel through many and sometimes all the States of the Union; and many carriers have numerous terminals located throughout many States. Every State has its own laws with reference to conditional sales contracts, chattel mortgages, and other lien instruments pertaining to personal property. Some of the States do not recognize as being valid contracts or instruments executed in other States.

Some States require refiling in their respective State upon the removal of personal property to any one of such States without any provision as to the length of time the property may remain in such State without constituting removal to that State. Therefore, it becomes difficult, if not impossible, to determine just where a contract covering a vehicle used in interstate commerce must be filed in order that the contract may be valid in every State.

In some States, mortgages cannot be extended beyond 5 years. Therefore, the mortgage executed and valid, for example, in the State of Ohio for an indefinite period of time upon a motor vehicle used in interstate commerce and necessarily going into or passing through Illinois might not be good against a third party in Illinois beyond 5 years from the date of its original filing. In other States, a contract is good without filing. In Louisiana a conditional sales contract is invalid except where the contract is executed and extended, at the time of its execution, to be performed in a State other than Louisiana and subsequently the property is moved to Louisiana.

Because of these different and varied requirements in the respective States, and because of the transit character of equipment which is used in interstate commerce, a great deal of confusion exists, as to when, where, and how these lien instruments must be filed to constitute a valid and first lien instrument in all States against this equipment.

The pending bill has been designed for the purpose of establishing the necessary machinery whereby a manufacturer may comply with the filing requirements in the State where the purchaser is domiciled or where the equipment is intended to be kept at the time it is purchased.

After the aforementioned conditions are met, no other filing would be necessary to make the instruments valid in all States.

The bill should assist all carriers purchasing equipment as well as manufacturers selling equipment. No opposition was expressed by any Government departments, including the ICC, the Treasury Department, the General Accounting Office, and the Securities and Exchange Commission; and no one else has objected to date.

Mr. SMATHERS. Mr. President, I wonder if the Senator can tell us how the bill originated, and what was the need for it?

Mr. SCHOEPPEL. In answer to the question of the distinguished Senator from Florida, let me say that the bill was introduced by the Senator from Ohio [Mr. BRICKER], who is chairman of the Committee on Interstate and Foreign Commerce. I understand that it was introduced by request, in order to clarify some of the discrepancies which were noted in the various States with respect to the types of instruments filed to protect liens, by many of those having automotive equipment for sale.

Mr. SMATHERS. I take it it is the Senator's opinion, as well as the opinion of the committee as a whole, that the bill would clarify rather than confuse the present situation, which is obviously very complicated?

Mr. SCHOEPPEL. That is true.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce with amendments, on page 1, after line 3, to strike out:

(1) Before the comma following "safety of operation and equipment" in section 202 (c) insert "and the provisions of section 213 relative to the validity of certain credit instruments."

On page 2, at the begining of line 1, to strike out "(2)"; in line 7, after the word "a", where it occurs the first time, to strike out "motor carrier subject to this part, a carrier by railroad subject to part I, or a water carrier subject to part III, if" and insert "motor, rail, and water carrier subject to any provision of this act, if"; at the begining of line 11, to strike out "(1)"; in line 14, after the word "instrument", to strike out "(a)"; in line 16, after the word "office", to strike out "and (b) in the State in which performance of such instrument was, at the time of its execution, intended, and"; and at the beginning of line 19, to strike out "(2) all applicable provisions of sections 20a and 214 of this act have been complied with", so as to make the bill read:

Be it enacted, etc., That the Interstate Commerce Act is amended as follows:

After section 212 insert the following new section:

"VALIDITY OF CERTAIN CREDIT INSTRUMENTS

"SEC. 213. Any mortgage, lease, equipment trust agreement, conditional sale agreement, or other instrument evidencing the lease, conditional sale, or bailment of one or more motor vehicles to, or evidencing a lien on one or more motor vehicles owned by, a motor, rail, and water carrier subject to any provision of this act, if such instrument is valid and enforcible against creditors and mortgagees of and purchasers from the mortgagor, trustees, lessee, bailee, or buyer named in such instrument in the State in which such mortgagor, trustee, lessee, bailee, or buyer resides or, if a corporation or association, has its principal office, shall be valid and enforcible without further filing or recording in any State against any person or persons to the same extent that such instrument would be enforcible against such person or persons if the filing and recording statutes of such State applicable to such instrument had been complied with, notwithstanding any State law to the contrary."

The amendments were agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. SCHOEPPEL. Mr. President, I send to the desk a clarifying amendment on page 2, line 11.

The PRESIDING OFFICER. The amendment offered by the Senator from Kansas will be stated.

The LEGISLATIVE CLERK. On page 2, line 11, after the word "valid", it is proposed to strike out "and" and insert "or."

Mr. SCHOEPPEL. Mr. President, the amendment is thought to be necessary solely for purposes of clarification.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PAYMENT OF DEATH GRATUITY TO DEPENDENTS OF PERSONS IN ARMED FORCES

The bill (S. 3525) to further amend the provisions of the acts authorizing payment of 6 months' death gratuity to widow, child or dependent relative of persons in the Armed Forces was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of December 17, 1919 (41 Stat. 367) as amended (10 U. S. C. 903), authorizing the payment of a 6 months' death gratuity upon the death of certain Army personnel is further amended by adding the following new sentence at the end thereof: "The terms 'parent' and 'relative,' as used herein, include a stepparent, parent by adoption, or any person, including a former stepparent, who last stood in loco parentis to such officer or enlisted man at any time prior to his entry into military service for a continuous period of not less than 5 years during the minority of such officer or enlisted man."

SEC. 2. The act of June 4, 1920 (41 Stat. 824), as amended (34 U. S. C. 943) authorizing the payment of a 6 months' death gratuity upon the death of certain Naval and Marine Corps personnel, is further amended by adding the following new sentence at the end thereof: "The terms 'parent' and 'relative,' as used herein, include a stepparent, parent by adoption, or any person, including a former stepparent, who last stood in loco parentis to such officer or enlisted man at any time prior to his entry into military service for a continuous period of not less than 5 years during the minority of such officer or enlisted man."

SEC. 3. The provisions of this act shall apply likewise in all cases where a 6 months'

death gratuity is now or may hereafter be authorized by law to be paid upon the death of other persons on the same basis as provided in the said act of December 17, 1919, as amended, or the said act of June 4, 1920, as amended.

SEC. 4. The provisions of this act shall apply in all cases of death occurring on and after December 7, 1941, but nothing contained herein shall be construed to authorize any payment of death gratuity when payment on account of death of the decedent shall have been made to any person entitled thereto under the provisions of law in effect at the time of such payment.

TEMPORARY APPOINTMENT OF CERTAIN OFFICERS OF THE NAVY

The bill (S. 3524) to affirm the temporary appointment of certain officers of the Navy, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Officer Personnel Act of 1947, as amended, is further amended—

(a) Adding to section 304 a new subsection (t) as follows:

"(t) The President is authorized to affirm within 1 year after the enactment of this amendatory act the temporary appointment of an officer serving in a grade by virtue of temporary appointment therein under the act of July 24, 1941 (55 Stat. 603), as amended, except that this authority shall not apply to temporary appointments which by their terms are of limited duration. Upon affirmation the appointment shall thereafter be considered as having been effected under authority contained in this act and service in grade under the affirmed appointment shall be computed from the date of the appointment to the grade made under the act of July 24, 1941 (55 Stat. 603), as amended. Affirmations made under this subsection shall not be subject to qualification by examination. All affirmations of temporary appointments in grades below that of rear admiral effected under this subsection shall be regarded as having been made with the advice and consent of the Senate. The date of rank and registered number of an officer concerned may be readjusted as necessary to maintain for him the precedence evidenced by his position on the appropriate lineal list."

(b) Adding to section 312 new subsections (l) and (m) as follows:

"(l) Officers of the grades of lieutenant or lieutenant (junior grade) except lieutenants of the Nurse Corps, who after March 29, 1951, have twice been considered for selection for promotions under the act of July 24, 1941 (55 Stat. 603), as amended, and who on the date of enactment of this amendatory act have not been recommended for promotion may be honorably discharged from the Navy as soon as practicable if they request discharge within a period of 6 months after the date of enactment of this amendatory act. Such officers upon discharge pursuant to the provisions of this subsection shall be entitled to receive a lump-sum payment computed as prescribed in subsection (h) of this section.

"(m) The acceptance of a lump-sum payment under subsections (h) or (l) of this section shall not deprive a person of any retirement benefits from the Government to which he would otherwise become entitled, but there shall be deducted from such retirement benefits to such a person such portion thereof as is attributable to the active service in respect of which lump-sum payment shall have been made to him under subsections (h) or (l) until the total of the deductions so made equals the total of such lump-sum payment."

(c) Adding to section 314 a new subsection (v) as follows:

"(v) The provisions of subsection 304 (t) relating to the affirmation of temporary appointments made under the act of July 24, 1941 (55 Stat. 603), as amended, shall not apply to officers of the Marine Corps."

CONSTRUCTION OF NAVAL VESSELS—BILL PASSED OVER

The bill (H. R. 8571) to authorize the construction of naval vessels, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SMATHERS. Mr. President, may we have an explanation of the bill?

Mr. SALTONSTALL. Mr. President, the bill proposes to do two things. First, it would authorize the Navy to undertake the construction of or to acquire and convert a total of 16,000 tons in the mine-warfare and sub-patrol categories.

Second, it would increase the appropriation authority under the basic naval ship construction statute from $350 million to $400 million.

With relation to the additional eight small ships, the money is already in the budget for them. No additional funds will be required. What we wish to do is to place them in the authorized category. We want to be sure that they are authorized, so that the money can be properly appropriated.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. WILLIAMS. Does the bill contain a provision that the contracts must be awarded, on the basis of competitive bids, to the lowest bidder?

Mr. SALTONSTALL. I am informed that that is standard Navy procedure.

Mr. WILLIAMS. Does the bill embody such a provision, so as to make the procedure mandatory?

Mr. SALTONSTALL. The pending bill merely authorizes the Navy, as a part of the 1950 program, to construct this type of ship before 1955. The purpose of the bill is to make it perfectly clear to the Committee on Appropriations that these ships have been authorized. The bill involves a new type of ship, newly developed, and not previously included in the 1950 program.

Mr. WILLIAMS. I may say to the Senator from Massachusetts that I am not objecting to the construction of that particular type of ship. I wonder whether in the awarding of a contract the contract must be awarded on the basis of competitive bidding to the lowest bidder. We had an instance only a few months ago of the Defense Department not awarding similar contracts to the lowest bidders, but awarding them to shipyards more or less on the basis of which shipyard needed the business most. Several million dollars represented the difference between the bid which was accepted and the lowest bid. I wonder whether the kind of provision I have in mind could not be written into the bill which the Senate is about to consider.

Mr. SALTONSTALL. There is no provision along that line contained in the bill. I should like to emphasize that we are talking about a new type of ship, and that probably it would not be possible to get competitive bids for the construction of that new type of ship.

Secondly, I will say to the Senator from Delaware, if it is decided to build the ships in naval shipyards, as opposed to having them built in private shipyards, competitive bids probably would not be asked for.

Mr. WILLIAMS. I am not objecting to the building of this new type of ship, if the Navy wishes to construct them in a naval shipyard, or if there is a question about obtaining competitive bids. However, I think that if competitive bids are submitted the Navy should accept the lowest responsible bid.

Mr. SALTONSTALL. I will say to my friend from Delaware that the question he raises did not arise in the hearings in connection with the bill because we did not believe it was before the committee. The question before the committee was one involving an entirely new type of ship, which had not beeen included in the original 1950 program, and of having such new type of ship included in that program. An authorization for the expenditure of additional money is not involved. The money has already been authorized. It is merely a question of authorizing the construction of a new type of ship, a type which I understand has never been constructed.

Mr. WILLIAMS. I will say to the Senator from Massachusetts that I have no objection to granting the authority proposed, if he believes it is necessary to grant it. However, I feel there should be added to the bill a provision whereby the Navy should first solicit bids, and if two or more bids can be obtained from responsible bidders the Navy should accept the lowest bid from the lowest responsible bidder. I believe it is absolutely necessary to add such a provision. Although it may be the standard rule of procedure to ask for bids, we also know that such a rule has not been followed in recent months. Therefore, I insist that such a provision be added to the pending bill.

Mr. SALTONSTALL. If that is done in connection with the bill, I point out to the Senator from Delaware that there are numerous statutes regarding the construction of ships which also would have to be amended in ways that I cannot foresee at the present time. As I understand, when we authorize the construction of a battleship or of an aircraft carrier, or of any other type of ship, the authority is granted in an authorization act. The letting of contracts is an entirely different matter, which comes up at an entirely different time. The bill conforms to the ordinary procedure which has been adhered to for many years.

Mr. WILLIAMS. It is true that the procedure is the ordinary procedure, but under such ordinary procedure we have lost a great deal of money in the past few years.

Mr. SALTONSTALL. I cannot agree at all with the Senator on that point.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. BUTLER of Maryland. I should like to supplement the remarks of the Senator from Massachusetts by saying that the Senator from Delaware must look upon the Navy procurement program as a defense program, and upon the American shipbuilding facilities as defense facilities. If we are to maintain an adequate base for expansion purposes in time of emergency, we must have a minimum amount of shipbuilding capacity.

I have been conducting hearings for more than a year on this subject, and the Department of Defense, the Navy Department, and the Department of Commerce all seem to agree that we must have a certain minimum capacity for the production of ships. Ships are very vital in time of war and in time of emergency. If one shipyard is overcrowded and another shipyard, which is essential to the national defense will close down unless it gets an order, it would be silly indeed for the sake of saving a few dollars to close down a facility which may have to be reactivated shortly thereafter at a cost of many million dollars. Under the law the Department of Defense has discretion in placing contracts, to the end that minimum facilities may be kept in operation.

Mr. WILLIAMS. I will say to the Senator from Maryland that we are not speaking about a few dollars. The case to which I referred happened only a few months ago and involved a difference of $8 million on the construction of 2 or 3 ships. If we are to build ships because they are needed in the name of defense, I am willing to provide for their construction and that they be constructed in American shipyards. However, if we are to start a work-relief program, to fill the needs of employment in various sections of the country, let us say so.

Mr. BUTLER of Maryland. It is not that at all. We need the ships and we need a minimum standby capacity for the construction of ships. We need the capacity just as much as we need the ships. The Department of Defense has found it to be a very dangerous practice to reduce shipbuilding facilities below a certain minimum. I believe we have reached the minimum and therefore we must give some thought to keeping the shipyards of our country in operation, even though in connection with a given contract the taxpayers may have to pay a little more money immediately, because in the long run they will save a great deal of money by reason of the fact that the shipbuilding facilities will be available when needed.

Mr. WILLIAMS. I see no disadvantage to the taxpayers in putting a provision in the bill that if the Government has bids from two responsible bidders it must accept the lowest bid, and that both bids be made by American shipyards.

Mr. BUTLER of Maryland. That is contrary to law. Under the law the Department of Defense has the right to allocate a contract, in the interest of national defense, to a yard other than the yard which has submitted the lowest bid. That is a good and salutary policy, which is in the interest of national defense, and we should continue the policy.

Mr. LANGER. Mr. President, the senior Senator from North Dakota is entirely satisfied that the bill should not be passed on the call of the calendar. He objects.

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). Objection is heard, and the bill will be passed over.

COMPENSATION OF CERTAIN EMPLOYEES

The bill (H. R. 7554) to provide for compensation of certain employees on days when departments or establishments of the Government are closed by administrative order was considered, ordered to a third reading, read the third time, and passed.

VOTING BY MEMBERS OF ARMED FORCES

The Senate proceeded to consider the bill (S. 1654) to amend the act entitled "An act to provide for a method of voting in time of war, by members of the land and naval forces absent from the place of their residence," approved September 16, 1942, as amended, which had been reported from the Committee on Rules and Administration with amendments, on page 2, line 14, after the numerals "209", to insert "(a)"; and on page 3, beginning with line 7, to insert:

SEC. 6. Sections 208, 209 (a), 210 (a), and 210 (b), of such act (50 U. S. C. 328, 329, 330) are amended by inserting in each such section the words "the Secretary of the Air Force," following the words "Secretary of the Navy,"; sections 209 (d) and 211 of such act (50 U. S. C. 329, 331) are amended by inserting in each such section the words "Air Force," after the word "Navy,"; and section 403 of such act (50 U. S. C. 353) is amended by substituting the words ", Navy and Air Force" for the words "and Navy."

So as to make the bill read:

Be it enacted, etc., That section 201 of the act entitled "An act to provide for a method of voting in time of war, by members of the land and naval forces absent from their place of their residence," approved September 16, 1942, as amended (50 U. S. C. 321) is amended by inserting after "with the Armed Forces of the United States," the following: "and the wife of each such person who is absent from the place of her residence because of the service of such person,".

SEC. 2. Section 202 (b) of such act is amended by inserting after the words "their service" the words "or the service of their husbands."

SEC. 3. Section 205 (a) of such act (50 U. S. C. 325) is amended by striking out the first line of item 4 of the form contained therein and inserting in lieu thereof the following:

"(4) (I am) (My husband is) serving (check appropriate blank)—."

SEC. 4. (a) Section 208 of such act (50 U. S. C. 328) is amended by adding at the end of item 5 of the form contained therein the following:

"(d) Wives of members of the Armed forces _____

"(e) Wives of members of the merchant marine _____

"(f) Wives of civilians outside the United States officially attached to and serving with the Armed Forces _____."

(b) Such section is further amended by adding at the end of item 6 of such form the following:

"(4) Wives of members of the Armed Forces _____

"(5) Wives of members of the merchant marine _____

"(6) Wives of civilians outside the United States officially attached to and serving with the Armed Forces _____."

SEC. 5. (a) Section 209 (a) of such act (50 U. S. C. 329 (a)) is amended by inserting after "with the Armed Forces of the United States," the following: "and where the wives of such persons are absent from the places of their residence and are residing with their husbands shall, wherever practicable, cause such post cards to be made available to such wives."

(b) Section 209 (b) of such act (50 U. S. C 329 (b)) is amended by striking out the first line of item 2 of the form contained therein and inserting in lieu thereof the following:

"(2) I am a citizen of the United States and (I am) (my husband is) serving—."

SEC. 6. Sections 208, 209 (a), 210 (a), and 210 (b), of such act (50 U. S. C. 328, 329, 330) are amended by inserting in each such section the words "the Secretary of the Air Force," following the words "Secretary of the Navy,"; sections 209 (d) and 211 of such act (50 U. S. C. 329, 331) are amended by inserting in each such section the words "Air Force," after the word "Navy,"; and section 403 of such act (50 U. S. C. 353) is amended by substituting the words ", Navy and Air Force" for the words "and Navy."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 8487) to amend the act of June 19, 1948, to provide for censuses of manufactures, mineral industries, and other businesses, relating to the year 1954, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. Mr. President, no reports have been supplied in connection with Calendar No. 1482, H. R. 8487; Calendar No. 1483, H. R. 2226; and Calendar No. 1484, H. R. 5913. Therefore, I ask that those bills be passed over.

The PRESIDING OFFICER. Objection is heard, and H. R. 8487, H. R. 2226, and H. R. 5913 are passed over.

PROVISION FOR HOUSING, ETC.—BILL PASSED OVER

The bill (H. R. 7839) to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, was announced as next in order.

Mr. KNOWLAND. Obviously this is a bill which should not be passed on call of the calendar. It involves housing legislation, which we intend to take up on Thursday of this week. Therefore, I ask that the bill go over.

The PRESIDING OFFICER. The bill will go over.

AMENDMENT OF RAILROAD RETIREMENT ACT OF 1937—BILL PASSED OVER

The bill (S. 2178) to amend the Railroad Retirement Act of 1937, as amended, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. By request, I ask that the bill go over.

The PRESIDING OFFICER. By request, the bill goes over.

Mr. GORE. I believe that concludes the call of the calendar, with the exception of bills passed to the foot of the calendar.

ATTORNEYS' LIENS IN PROCEEDINGS BEFORE COURTS AND GOVERNMENT DEPARTMENTS AND AGENCIES

The PRESIDING OFFICER. The clerk will state the first bill placed at the foot of the calendar.

The LEGISLATIVE CLERK. A bill (S. 42) to provide for attorneys' liens in proceedings before the courts or other departments and agencies of the United States.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, I call up the amendment which is at the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

Mr. LANGER. I do not see the Senator from Illinois [Mr. DIRKSEN] in the Chamber.

Mr. HENDRICKSON. I ask that the clerk state the amendment.

Mr. LANGER. This is the first time I have read the amendment. I should like to ask a question of the Senator from Illinois.

The PRESIDING OFFICER. Does the Senator from New Jersey desire to have the amendment stated?

Mr. HENDRICKSON. I should like to have it stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof the following:

That chapter 125, title 28, United States Code, is hereby amended by adding immediately after section 1963 of such title a new section as follows:

"§ 1964. Attorney's charging lien in an action or other proceeding

"(a) From the commencement of an action, or other proceeding, in any court of the United States or before any department or agency of the United States, or the service of an answer containing counterclaim, an attorney-at-law whose appearance has been entered for a party shall have a lien upon his client's cause of action, claim, or counterclaim, which shall attach to money or other property due his client, or paid or delivered to such client, under any final determination, decision, judgment, or order in his client's favor in such action or proceeding, or under any settlement entered into between the parties either before or after final determination, decision, judgment, or order. Such lien shall attach to such money or property in whatever hands it may come, other than the hands of a bona fide purchaser or holder for value. The court in which the action or proceeding is brought, or the court in which a proceeding for judicial review may be brought if the proceeding be brought before any department or agency of the United States, or if no judicial review of such department or agency action is provided by law, any district court of the United States shall, upon petition of the client or attorney, determine and enforce such lien.

"(b) No statute forbidding or limiting the assignment of a claim against the United States or the creating or enforcement of a lien against money or other property seized or vested by the United States shall be deemed to apply to the lien established as aforesaid. Notwithstanding the provisions of subsection (a), no such lien shall attach to any money or other property in the hands of the Government unless written notice of such lien has been given to the department or agency before which the action or proceeding is pending, or which is a party to or interested in such proceeding. Any such lien shall attach only to so much of any money or other property in the hands of the Government as may be due the client after satisfaction of any valid counterclaims or offsets which may be asserted by the Government prior to the expiration of 60 days following the date of the final determination, decision, judgment, or order. The term 'action or other proceeding' as used in this section shall not be construed to include any claim for benefits of any kind provided for under any social insurance, retirement, pension, annuity or unemployment insurance system administered by any department or agency of the United States, or any application for a license (as defined in sec. 2 of the Administrative Procedure Act).

"(c) The lien created under this section shall attach only to money or other property due, paid, or delivered under any final determination, decision, judgment, or order hereafter rendered, or under any settlement hereafter entered into, in any action or other proceeding presently pending or hereafter commenced in any court of the United States or before any department or agency of the United States."

SEC. 2. The analysis of chapter 125 of title 28, United States Code, immediately following section 1963 of such title, is amended so as to read:

"1964. Attorney's charging lien in an action or other proceeding."

Mr. HENDRICKSON. Mr. President, I should like to make an explanation of the bill and the proposed amendment.

This is an amendment in the nature of a substitute for the bill (S. 42) to provide for attorneys' liens in proceedings before the courts or other departments and agencies of the United States. The changes which would be made by the amendment in the bill as reported by the committee are as follows:

The bill provides that an attorney's lien shall attach to "any verdict, report, determination, decision, judgment, or final order in his client's favor, and the proceeds thereof." Under the amendment, the lien would attach to "money or other property due his client, or paid or delivered to such client, under any final determination, decision, judgment, or order in his client's favor in such action or proceeding, or under any settlement entered into between the parties either before or after final determination, decision, judgment, or order."

It will be noted that the amendment makes a number of changes in the above-quoted provision of the bill. First, the words "verdict" and "report" are eliminated as unnecessary. Second, the word "final" is moved so that it will modify "determination, decision, and judgment" as well as "order." Third, instead of the lien attaching to a determination, decision, judgment, or order, as provided by the bill, the amendment provides that the lien will attach to money or other property due the client or paid or delivered to the client under the determination, decision, judgment, or order. Fourth, the bill provides that an attorney's lien will not be affected by a settlement. The amendment provides that where there is a settlement, the attorney's lien will attach to the proceeds thereof.

The bill contains a provision to the effect that the lien will attach to the proceeds of a determination, decision, judgment, or order "in whatever hands they may come." The amendment modifies this provision so as to make the lien ineffective against a bona fide purchaser or holder for value.

The amendment includes without change the language of the bill relating to determination and enforcement of an attorney's lien.

Section 2 of the bill is included in subsection (b) of the amendment without change, except that the words "money or other" are inserted before the word "property."

Subsection (b) of the amendment adds a requirement that notice be given of an attorney's lien where such lien would attach to money or other property in the hands of a Government agency. The next to the last sentence in subsection (b) subordinates an attorney's lien to a valid counterclaim or offset of the Government, but only if the Government has asserted its counterclaim or offset within 60 days after the date of the final determination, decision, judgment, or order. These changes are explicitly intended to meet any agency objections with respect to administrative difficulty under the language proposed to be amended.

As pointed out above, the bill provides in effect that an attorney's lien will attach to a determination, decision, or order in any action or other proceeding before any department or agency of the Government. Although this language is broad enough to cover every type of action taken by a Government agency, it is questionable whether it was intended to give an attorney a lien upon a license granted to his client by the Federal Communications Commission. Likewise, it is questionable whether the original bill was intended to apply to actions pursuant to claims for pensions, retirement benefits and the like. Accordingly a specific exclusion has been written into the amendment in the last sentence in subsection (b) with respect to proceedings pursuant to claims for benefits under a social insurance, retirement, pension, annuity, or unemployment insurance system administered by any department or agency of the

United States, and with respect to proceedings pursuant to applications for a license. The definition of license in the Administrative Procedure Act, referred to in such provision is as follows:

"License" includes the whole or part of any, agency, permit, certificate, approval registration, charter, membership, statutory exemption or other form of permission.

Section 3 of the bill provides that an attorney's lien will attach to a determination, decision, judgment, or order arising as a result of any action or other proceeding presently pending or hereafter commenced. The amendment provides that such a lien will attach only in the case of a final determination, decision, judgment, or order hereafter rendered, or a settlement hereafter entered into in a pending proceeding or in one hereafter commenced.

In addition to the above changes, Mr. President, the amendment makes certain technical changes designed to include all of the bill except the matter contained in section 4 within the new section 1964 of title 28, and to place that matter in a section 2 which will remain outside section 1964.

I should like to say, Mr. President, that the entire subject of the bill and the need for it have been carefully studied by the former chairman of the Committee on the Judiciary, the distinguished Senator from Nevada [Mr. McCARRAN], who was very much interested in the original bill. We, of the calendar committee, opposed the original bill and offered an amendment to it, in which the distinguished Senator from Nevada has joined as a cosponsor.

Mr. LANGER. Mr. President, when the bill first came before the committee, it was rejected almost unanimously. Thereafter, another bill was drafted, which was reported to the Senate. The amendment is something brand new. It has never been considered by the Committee on the Judiciary. Most certainly I wish to study it, at least until the time of the next call of the calendar, so I respectfully object and ask that the bill go over.

Mr. HENDRICKSON. I may say to the Senator from North Dakota that the amendment in the nature of a substitute has been studied very carefully by several members of the Committee on the Judiciary.

Mr. LANGER. It never was submitted to the full committee.

The PRESIDING OFFICER. The Senator from North Dakota objects, and the bill will be passed over.

RELIEF OF THE FEDERAL REPUBLIC OF GERMANY

The Senate proceeded to consider the bill (S. 1573) for the relief of the Federal Republic of Germany.

Mr. COOPER. Mr. President, I ask for an explanation of the bill.

Mr. LANGER. Mr. President, at the outbreak of World War II the premises and furnishings of the enemy governments in the United States were taken over by the State Department. In a majority of cases the premises were used by neutral governments to conduct the affairs of the belligerents in accordance with international law. The German Government property was in somewhat of a bad state of repair and was never actually used by the State Department. Because of the expense involved in maintaining the property, it was subsequently turned over to the Alien Property Custodian under the laws dealing with enemy assets in the United States.

After the war was over, these properties of the Third Reich were sold for approximately $300,000—a procedure unparalleled in our history.

Since it is impossible to return this property to the people of Germany, the committee is of the opinion that they should be recompensated in the manner provided for in this bill.

I might add that at the time the property was taken over by the Alien Property Custodian, I, together with the appraisers, went all over the property. We found that the chandeliers had been ripped out of the ceilings and the side walls and had been sold to someone in New York for $18,000. It was ascertained that it would cost a large sum of money to put the property in a good state of repair, and that the German Government, in view of that fact, already had bought property elsewhere in Washington on which to build a new embassy.

I objected at the time of the sale and made a lengthy speech upon the subject on the Senate floor. Nevertheless, the Attorney General recommended that the property be sold, and it was sold. The German Government is the only government whose property was sold, and the purpose of the bill is to enable the German Government to receive the same treatment as was received by the Japanese and other foreign governments after World War II.

The United States Government received $300,000, and the committee asks that that amount be returned. The State Department is strongly in favor of the bill because of public relations with Germany.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in order to enable the Federal Republic of Germany to acquire and maintain a German Embassy in the District of Columbia, the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $300,000 to the Federal Republic of Germany.

AMENDMENT OF INTERNAL SECURITY ACT OF 1950, AS AMENDED

The Senate proceeded to consider the bill (S. 2766) to amend section 7 (d) of the Internal Security Act of 1950, as amended which had been reported from the Committee on the Judiciary with amendments, on page 1, line 6, after "(6)", to strike out "a" and insert "A"; on page 2, line 7, after the word "the", to strike out "Communist action" and insert "Communist-action"; at the beginning of line 8, to strike out "Communist front" and insert "Communist-front"; in line 10, after the word "the", to strike out "Communist action" and insert "Communist-action"; and at the beginning of line 11, to strike out "Communist front" and insert "Communist-front", so as to make the bill read:

Be it enacted, etc., That section 7 (d) of the Internal Security Act of 1950, as amended (50 U. S. C. 786 (d)), is amended by adding after paragraph (5) the following:

"(6) A listing, in such form and detail as the Attorney General shall by regulation prescribe, of all printing presses and machines including but not limited to rotary presses, flatbed cylinder presses, platen presses, lithographs, offsets, photo-offsets, mimeograph machines, multigraph machines, multilith machines, duplicating machines, ditto machines, linotype machines, intertype machines, monotype machines, and all other types of printing presses, typesetting machines, or any mechanical devices used or intended to be used, or capable of being used, to produce or publish printed matter or material, which are in the possession, custody, ownership, or control of the Communist-action or Communist-front organization or its officers, members, affiliates, associates, group, or groups in which the Communist-action or Communist-front organization, its officers or members have an interest."

The PRESIDING OFFICER. The question is on agreeing to the amendments of the committee.

The amendments were agreed to.

Mr. COOPER. May we have an explanation of the bill?

Mr. LANGER. Mr. President, this bill amends the Internal Security Act of 1950 so as to provide that any organization required to register under that act as a Communist-action or Communist-front organization must also register all equipment for the printing or publication of any printed matter in the possession, custody, ownership, or control of such organization. The necessity for the legislation results from disclosures by hearings conducted by a task force of the Internal Security Subcommittee that Communist underground printing facilities have been secretly established in various sections of the country to print directives and other material for use by the Communist apparatus in this country. These clandestine printing operations constitute an integral part of the conspiratorial operation of the Communists in this country and the proposed legislation would bring these operations into the open to permit proper surveillance.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1955

The PRESIDING OFFICER. The call of the calendar having been completed, the Chair lays before the Senate the unfinished business, which is H. R. 8779.

The Senate resumed the consideration of the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, before suggesting the absence of a quorum, I desire to make a brief announcement of the business which is expected to come before the Senate during the remainder of the week, so far as the majority leader can now foresee the program.

I hope that action on the Agriculture appropriation bill will be completed today. There are then to be considered a number of bills, notice of some of which has been given previously, but which I desire to repeat for the benefit of the record and the information of the Senate. They are as follows:

Calendar 935, Senate bill 2728, to authorize the collection of indebtedness of military and civilian personnel resulting from erroneous payments, and for other purposes.

Calendar 936, Senate bill 361, to provide for renewal of and adjudgment of compensation under contracts for carrying mail on water routes.

Calendar 1376, H. R. 9004, to authorize the appointment as United States Commissioner, International Boundary and Water Commission, United States and Mexico, of Col. Leland Hazelton Hewitt, United States Army, and for other purposes. This bill is identical with Calendar 1334, Senate bill 3457.

Calendar 1193, H. R. 5416, to authorize the advancement of certain lieutenants on the retired list of the Navy.

In addition to the foregoing bills, it is proposed to take up Calendar No. 139, Senate bill 978, to amend the Interstate Commerce Act in order to expedite and facilitate the termination of railroad reorganization proceedings under section 77 of the Bankruptcy Act and to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes, as to which notice has previously been given; Calendar No. 1460, Senate Joint Resolution 39, proposing an amendment to the Constitution of the United States to enable the Congress, in aid of the common defense, to function effectively in time of emergency or disaster; Calendar No. 1443, Senate bill 44, to provide for the appointment of deputy United States marshals without regard to the provisions of the civil service laws and regulations; Calendar No. 1479, H. R. 8571, to authorize the construction of naval vessels, and for other purposes; Calendar No. 1486, Senate bill 2178, to amend the Railroad Retirement Act of 1937, as amended.

The bills will not necessarily be called up in the order in which I have stated them, but I desire to give advance notice to the Senate relative to them.

On Thursday it is proposed to take up the housing bill, which is Calendar No. 1485, H. R. 7839.

The other bills either will be taken up tomorrow or will be sandwiched in between other measures if a place may be found to consider them. Some of them might be taken up immediately following the completion of action on the housing bill, and before the consideration of the tax bill is begun. I hope that the tax bill may be ready by the end of next week.

Under the general understanding whereby the majority leader tries to give as much advance notice as possible to the Senate, I desired to give this advance notice of bills which are proposed to be taken up.

Calendar No. 1486, Senate bill 2178, to amend the Railroad Retirement Act of 1937, as amended, the last bill I mentioned, may be taken up as the first in the order of bills tomorrow, when the Senate has disposed of the unfinished business.

Mr. FLANDERS. Mr. President, has the absence of a quorum been suggested?

Mr. KNOWLAND. I was about to suggest the absence of a quorum, but if the Senator from Vermont desires to address the Senate now, I shall be glad to yield to him, unless he wishes to wait until after a quorum call has been had. Mr. President, I shall withhold the suggestion of the absence of a quorum until after the Senator from Vermont has spoken.

COLOSSAL INNOCENCE IN THE SENATE OF THE UNITED STATES

Mr. FLANDERS. Mr. President, I propose for a few minutes to address this body on the subject of the colossal innocence of the junior Senator from Wisconsin [Mr. MCCARTHY].

I am not using the word "innocence" in the meaning of freedom from guilt for no question of guilt is involved. Rather the meaning is that of the blithe heedlessness of the young, who blunder innocently into the most appalling situations, as they ramble through the world of adults. Perhaps the best illustration of this kind of innocence is to be found in a popular cartoon series published daily under the title "Dennis the Menace."

Our busy Senator does get us adults into all kinds of trouble. His constructive activities consist largely in pulling personalities out of the FBI files and displaying them under the television lights. This is certainly a labor-saving operation, but it is not his only activity. Besides this, and while doing this, he spreads division and confusion wherever he goes. Note, for instance, the foreboding he inspires in our fellow citizens of Jewish blood and faith. Among them this is well-nigh universal, in spite of the fact that some of his closest associates are Hebrews. In seeking the origin of this foreboding, I have been led to remember the part the Senator played in the investigation of the Malmedy massacres, and the strange tenderness he displayed for the Nazi ruffians involved.

Perhaps this would not have been enough to perpetuate foreboding, but his anticommunism so completely parallels that of Adolf Hitler as to strike fear into the heart of any defenseless minority. We should always remember, by the way, that communism, nazism, and other dictatorships resemble each other far more closely than any of them resembles the free world into which we were born, and in which we hope that our children and grandchildren will live.

It was not the Jews alone who had reason to be troubled. The former chief of staff of the Senator's committee, without a word of rebuke from his superior, charged the Protestant ministry with being, in effect, the center of Communist influence in this country. Here the attack was on a vigorous, indignant majority, and the chief of staff had to go.

But the ghost of religious intolerance was not laid. Clearer and clearer evidence came to light of the danger of setting church against church, Catholic against Protestant. At a recent communion breakfast of the New York police force, the Senator made a characteristic speech, blaming the Pentagon for not compelling the release of the remaining prisoners of the Chinese Communists. He did not say how this could be done short of renewing the war. Then he referred to his own proudest achievement—the detection of the pink dentist. Loud cheers from most of the audience—others silent.

Then Monsignor McCaffrey went into a eulogistic oration on the public service of our Senator. More cheers and silences.

Cardinal Spellman entered during the Monsignor's introduction and shook hands with our Senator. He arrived late and left early, but he did shake hands. Did this mean that the imprimatur of "nihil obstat" had been set by the church on these debonair campaigns to divide Americans from each other on religious lines? It looked like a pretty serious business.

But soon, thank God, from Chicago another voice was heard. It was that of a high and respected member of the Catholic Church, Bishop Sheil. He said that our Senator is doing more harm than good, and is dividing the United States instead of uniting it in a cause that of itself is supported by every good citizen. Continuing, the bishop said:

> An America which has lost faith in the integrity of the Government, the Army, the schools, the churches, the labor unions, and most of all an America whose citizens have lost faith in each other—such an America would not need to bother about being anti-Communist; it would have nothing to lose.
>
> Such an America—

He added—

> would have nothing to recommend it to freedom-loving men—nothing at all, not even the shining image of its victorious junior Senator from Wisconsin.

Thus it became evident that Dennis the Menace had driven his blundering ax deep into the heart of his own church.

His success in dividing his country and his church is paralleled by his unparalleled success in dividing his own party. While only a minority leader, his following is faithful and loud. This again raises uncomfortable comparisons with dictators elsewhere in the world. Not so long ago our Senator made one—just one—Republican speech. It was extreme, but it contained some painful truths. There were hopes that he might rejoin the party. But he soon dissipated these hopes, and instead resumed his ax-happy efforts to split it.

He has achieved the incredible success of persuading Republican Senators into a detailed and relentless search for some significant evidence of subversions in the Republican administration—and this in an election year. The search has no

limits in minuteness or altitude. It reaches into the White House itself.

The cooperating group in the Senate is not large. It is not completely hypnotized. It is led on by the pitiful hope that some magic means may be found whereby Dennis the Menace will be transformed into a Republican asset.

Meanwhile, the investigation goes on and on. There are new synthetic and irrelevant mysteries served up each day, like the baker's breakfast buns, delivered to the door hot out of the oven. But the committee has not yet dug into the real heart of the mystery. That mystery concerns the personal relationships of the Army private, the staff assistant, and the Senator.

This hubbub centers on the Army private. What is it really all about? His usefulness as an investigator is continually asserted, but never documented. Let him also be investigated. When he is released for committee work, what does he do hour by hour? Whom does he see? What material does he analyze? What does he report? These questions are important and unanswered.

Then, there is the relationship of the staff assistant to the Army private. It is natural that he should wish to retain the services of an able collaborator, but he seems to have an almost passionate anxiety to retain him. Why?

And, then, there is the Senator himself. At times he seems anxious to rid himself of the whole mess, and then again, at least in the presence of his assistant, he strongly supports the latter's efforts to keep the Army private's services available. Does the assistant have some hold on the Senator? Can it be that our Dennis, so effective in making trouble for his elders, has at last gotten into trouble himself? Does the committee plan to investigate the real issues at stake?

Let us now leave these interesting domestic details and look at the worldwide strategy of communism. Let us begin by remembering that a while ago the Senator from Maine [Mrs. SMITH] was denounced by the Moscow press as an enemy of the people—that is, of communism. I have myself been honored by the same accolade. If the junior Senator from Wisconsin has ever been attacked by Pravda, it has not come to my attention.

In every country in which communism has taken over, the beginning has been a successful campaign of division and confusion. Race is set against race, party against party, religion against religion, neighbor against neighbor, and child against parent. Until lately we have been free of that. We are so no longer.

We have marveled at the way in which the Soviet Government has won its military successes in Asia without risking its own resources or its own men. It has been willing to continue the conflict until the last Chinese Communist is killed.

What we are now seeing is another example of economy of effort and expansion of success in the conquest of this country for communism. The preliminary campaign is successfully under way. One of the characteristic elements of Communist and Fascist tyranny is at hand, as citizens are set to spy upon each other. Established and responsible government is besmirched. Religion is set against religion, race against race. Churches and parties are split asunder. All is division and confusion.

Were the junior Senator from Wisconsin in the pay of the Communists, he could not have done a better job for them.

This is colossal innocence, indeed.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BUSH in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. YOUNG. Mr. President, I shall take only a few minutes to explain the action of the Senate Appropriations Committee on the agricultural appropriation bill, House bill 8779. Our action was confined mostly to some readjustments.

Mr. President, I believe the House has sent to the Senate an excellent bill, to some extent because of amendments submitted on the floor of the House, and particularly because of the fine work done by the Subcommittee on Agricultural Appropriations of the House Appropriations Committee, headed by Representative H. CARL ANDERSEN, of Minnesota.

The amount of the bill as passed by the House of Representatives, was $720,102,654, or $21,360,841 in excess of the budget estimates of $698,741,813.

The bill as reported to the Senate includes increases totaling $5,617,120. That is the total of the increases voted by the Senate Appropriations Committee over the amounts voted by the House of Representatives—in short, a little more than $5,500,000.

On the other hand, the Senate Appropriations Committee has recommended decreases totaling $2,927,803—or a net increase of $2,689,317 over the amount of the bill as passed by the House of Representatives.

This amount is $157,339,968 below the appropriations for the fiscal year 1954.

The bill as reported to the Senate also recommends increasing the loan authorizations for production and subsistence loans under the Farmers' Home Administration by $2,500,000, to provide a total of $122,500,000 toward the demands for farm-operating loans to deserving farmers and stockmen who cannot secure credit from other sources.

With respect to this increase, I should like to give a little information as to the present program. During the fiscal year 1954 the Farmers' Home Administration made 71,518 loans. These were production and subsistence loans, totaling $138,073,451. Forty-seven percent of these loans went to World War I and II veterans, and I think a few to Korean veterans.

The largest increase in appropriations recommended is $1,750,000 for the agricultural adjustment programs, to provide a total of $41,750,000 for the work on acreage allotments and marketing quotas for tobacco, peanuts, wheat, cotton, and corn. The increase is needed in order to avoid undue delay, particularly in wheat and cotton, in issuing marketing quota cards to establish the quantity which the farmer can market without penalty.

The next largest increase is for the Forest Service, including control of forest pests, forest research and acquisition of lands, amounting to $1,457,300.

Research control programs are increased by $827,220, soil conservation is increased by $620,000 for nurseries and flood prevention, and crop insurance is increased by $500,000 for operations. Smaller increases are provided for marketing services and other offices of the Department.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. YOUNG. I am very happy to yield.

Mr. JOHNSON of Texas. I understood the Senator to say that the committee had increased the amount in the House bill for the Soil Conservation Service. I understand that a substantial part of that increase is to support the very fine flood-prevention work which is being done. Is that correct?

Mr. YOUNG. That is correct. Five hundred thousand was added to the appropriation for the 11 watershed projects.

Mr. JOHNSON of Texas. I commend the Senator and his committee for allowing an additional $500,000 for that program. How many projects are now being carried on?

Mr. YOUNG. Eleven.

Mr. JOHNSON of Texas. Two of those projects are in the Texas area. The local interests stand ready and willing to perform their cooperative part. The Soil Conservation Service has available people to do the technical work. The only slowdown is with respect to the funds in the agricultural appropriation bill. I assume the extra $500,000 will be allocated among the 11 projects according to the best judgment of those in charge of the program in the Department. Is that correct?

Mr. YOUNG. That is correct.

Mr. JOHNSON of Texas. I thank the Senator very much for his sympathetic consideration of our request in this particular field, and especially for the additional amount which has been allowed by the committee, as compared with the House bill.

Mr. YOUNG. I appreciate the Senator's comments. I know of his great interest in the program and his desire that the appropriation be much larger than it is. However, we have added $500,000, as the Senator has just stated.

The decreases recommended include $1,500,000 from payments to agricultural

experiment stations estimated to increase by $5,732,000 over 1954. The amount of the appropriation still left in the bill will be $4,200,000 more than the amount allowed last year for payments to State experiment stations.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. SCHOEPPEL. I should like to ask the distinguished Senator in charge of the bill whether he is referring to the appropriation on page 5, line 6 of the bill, which, as it came from the House originally, aggregated $11,500,000, which the committee has reduced to $10 million.

Mr. YOUNG. That is correct.

Mr. SCHOEPPEL. I should like to ask the Senator in charge of the bill whether there are other committee amendments which he desires to offer first, or whether an opportunity will be given to increase that amount. I will say very frankly to the Senator from North Dakota that the Senator from Kentucky [Mr. COOPER] and I intend to offer an amendment at the appropriate time to increase the amount from $10 million to $11,500,000, or to object to the committee amendment reducing the amount to $10 million. In offering our amendment I wish to follow whatever plan the Senator from North Dakota has in mind.

Mr. YOUNG. It is my intention to ask unanimous consent that all the committee amendments be considered en bloc, without foreclosing any Senator from offering any amendment such as the amendment the Senator has in mind, after the committee amendments have been adopted.

Mr. SCHOEPPEL. Very well. At the appropriate time I shall offer an amendment to increase the amount.

Mr. YOUNG. $1,200,000 has been cut from Farmers' Home Administration of the increase of $1,500,000 provided by the House, and $227,803 from the school-lunch program, to provide last year's amount of $83,236,197.

Adjustments are recommended in the research programs in order to give greater emphasis to the problems specified in the report, amounting to $555,000 to be absorbed within the budget estimate provided by the House.

For REA loans for electrification, the House had increased the new loan authorization to $100 million, with a contingency authorization of $35 million. Added to a carryover from 1954 of $49,919,203 and rescissions of prior year loans of $8 million, a total of $192,919,203 is made available for the fiscal year 1955.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a table showing the amount of money which has been made available for REA and the rural telephone program for the fiscal years 1953, 1954, and 1955.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Rural Electrification Administration—Loan programs, fiscal years 1953, 1954, and 1955

Item	Fiscal year 1953	Present estimate, fiscal year 1954	Present estimate, fiscal year 1955
Electrification:			
Loan authorization	$50,000,000	[1] $135,000,000	[2] $100,000,000
Portion of $45 million contingent authorization expected to be used in 1954		38,000,000	
Carryover from prior year	117,298,364	29,919,203	49,919,203
Rescissions during year of prior loans	27,593,501	12,000,000	8,000,000
Amount available for loans	194,891,865	214,919,203	157,919,203
Carryover into subsequent year	29,919,203	49,919,203	7,919,203
Electrification loan program	164,972,662	165,000,000	150,000,000
Telephone:			
Loan authorization	35,000,000	67,500,000	[3] 75,000,000
Supplemental authorization	7,500,000		
Carryover from prior year	476,000	7,092,500	3,592,500
Rescissions during year of prior loans		3,000,000	
Amount available for loans	42,976,000	77,592,500	78,592,500
Carryover into subsequent year	7,092,500	3,592,500	3,592,500
Telephone loan program	35,883,500	74,000,000	75,000,000
Total:			
Loan authorization	85,000,000	202,500,000	175,000,000
Portion of $45 million contingent authorization expected to be used in 1954		38,000,000	
Supplemental authorization	7,500,000		
Carryover from prior year	117,774,364	37,011,703	53,511,703
Rescissions during year of prior loans	27,593,501	15,000,000	8,000,000
Amount available for loans	237,867,865	292,511,703	236,511,703
Carryover into subsequent year	37,011,703	53,511,703	11,511,703
Total loan program	200,856,162	239,000,000	225,000,000

[1] Exclusive of $50 million contingent authorization.
[2] Regular authorization as passed by House of Representatives but excludes $35 million contingent authorization.
[3] Authorization as passed by House of Representatives.

Mr. YOUNG. With respect to diverted acres, language changes are recommended in connection with the advance authorization for the 1955 crop year, so as to make plans for the total authorization of $250 million, and so as to protect the distribution to the States of the $195 million for ACP payments.

Mr. President, I ask unanimous consent that the amendments of the committee be agreed to en bloc, and that the bill, thus amended, be considered as original text for the purpose of further amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

Under the heading "Department of Agriculture—Title I—Regular Activities—Agricultural Research Service—Salaries and Expenses," on page 3, line 8, after the name "Georgia", insert "and of which not to exceed $100,000 shall be available for the construction of a cotton-ginning laboratory in the Southeast, including acquisition of necessary lands."

On page 3, line 16, after the word "law", to strike out "$17,461,380" and insert "$17,819,600."

On page 4, line 13, after the word "products", to strike out "$14,190,000" and insert "$14,325,000."

Under the subhead "Payments to States, Hawaii, Alaska, and Puerto Rico", on page 5, at the beginning of line 6, to strike out "$11,500,000" and insert "$10,000,000"; and at the beginning of line 23, to strike out "$19,453,708" and insert "$17,953,708."

Under the subhead "Foot-and-Mouth and Other Contagious Disease of Animals and Poultry", on page 7, at the beginning of line 14, to strike out "$1,800,000" and insert "$2,134,000."

Under the subhead "Federal Extension Service", on page 8, line 14, after the word "agents", to strike out "$1,885,000" and insert "$2,000,000."

Under the subhead "Forest Service—Salaries and Expenses", on page 12, line 3, after "(7 U. S. C. 1010–1012)", to strike out "$30,132,700" and insert "$30,860,000."

On page 12, line 21, after the word "methods", to strike out "$2,650,000" and insert "$2,430,000"; on page 13, line 4, after "(16 U. S. C. Supp. V. 594–1—594–5)", to strike out "$2,150,000" and insert "$2,585,000"; at the beginning of line 5, to strike out "$1,750,000" and insert "$2,185,000"; and in line 8, after the word "conditions", to strike out "$4,800,000" and insert "$5,015,000."

On page 13, line 21, after the word "economics", to strike out "$6,528,500" and insert "$6,918,500."

Under the subhead "Acquisition of Lands for National Forests—Weeks Act," on page 15, line 5, after "(16 U. S. C. 513–519, 521)", to strike out "$75,000" and insert "$125,000."

Under the subhead "State and Private Forestry Cooperation," on page 16, line 22, after the word "industries", to strike out "$10,608,690" and insert "$10,683,690."

Under the subhead "Cooperative Range Improvements," on page 17, line 6, after "(16 U. S. C. 580h)", to strike out "$281,000" and insert "$500,000."

Under the subhead "Soil Conservation Service—Conservation Operations," on page 17, line 20, after the word "employees", to strike out "$58,965,671" and insert "$59,085,671."

Under the subhead "Flood Prevention," on page 20, line 6, after the word "expended", to strike out "$6,982,000" and insert "$7,482,000."

Under the subhead "Agricultural Conservation Program Service," on page 21, line 18, after "(16 U. S. C. 590g–590q)", to strike out "including not to exceed $6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States."

On page 23, line 9, after the word "administration", to strike out "but of this amount not more than $195,000,000 may be used until a final program has been adopted relative to the use of acreage diverted from production" and insert "but a program of only $195,000,000 shall be announced unless or

until the Secretary has announced, as a condition of eligibility for price support, limitations on the use of land being diverted from crops under acreage allotments in 1955."

On page 23, line 23, after the figures "$1,500", to insert a colon and *"Provided,* That the funds available for payments and grants from said sum of $195,000,000 shall be distributed among the several States in the same proportion as the original allocation of funds for payments and grants for the 1954 agricultural conservation program."

Under the subhead "Agricultural Marketing Service—Marketing Research and Service," on page 26, line 22, after the word "States", to strike out "$11,463,500" and insert "$11,675,500."

Under the subhead "School Lunch Program," on page 27, at the beginning of line 24, to strike out "$83,464,000" and insert "$83,236,197."

Under the subhead "Commodity Stabilization Service—Agricultural Adjustment Programs," on page 28, line 15, after "(7 U. S. C. 1301–1393)", to strike out "$40,000,000" and insert "$41,750,000."

Under the subhead "Sugar Act Program," on page 29, line 7, after the word "exceed", to strike out "$1,392,000" and insert "$1,440,000."

Under the subhead "Federal Crop Insurance Corporation," on page 29, line 14, after the word "expenses", to strike out "$5,700,000" and insert "$6,200,000."

Under the subhead "Farmers Home Administration—Loan Authorizations", on page 32, at the beginning of line 5, to strike out "$120,000,000" and insert "$122,500,000."

Under the subhead "Salaries and Expenses," on page 32, at the beginning of line 16, to strike out "$23,750,000" and insert "$22,550,000."

Under the subhead "Office of the Solicitor," on page 32, line 23, after the word "service", to strike out "$2,000,000" and insert "$2,060,000."

Under the subhead "Office of the Secretary," on page 33, line 14, after the word "Agriculture", to strike out "$2,050,000" and insert "$2,110,000."

Under the subhead "Office of Information," on page 33, line 25, after the word "Department", to strike out "$1,180,400" and insert "$1,196,000"; and on page 34, line 6, after the word "exceed", to strike out "$324,000" and insert "$537,000."

Under the heading "Title V—General Provisions," on page 39, line 13, after the word "exceed", to strike out "500" and insert "621."

On page 43, at the beginning of line 2, to insert "and Farm Credit Administration."

The PRESIDING OFFICER. That completes the committee amendments. The bill is open to further amendment.

Mr. SCHOEPPEL. Mr. President, on behalf of the Senator from Kentucky [Mr. COOPER] and myself, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Kansas, for himself and the Senator from Kentucky [Mr. COOPER], will be stated.

The LEGISLATIVE CLERK. On page 5, line 6, in lieu of the numerals proposed to be inserted by the committee, it is proposed to insert "$11,500,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. SCHOEPPEL].

Mr. SCHOEPPEL. Mr. President, I wish to commend the committee for the excellent manner in which it has gone through the bill. I know that the task was a difficult one. The committee has done a fine job.

However, I have the feeling that the amount of $1,500,000 should be restored for research purposes in the Department of Agriculture. To permit the amount recommended by the committee to stand would seriously restrict necessary research in connection with a great many agricultural problems now faced by the farmers. That statement is based upon a very careful analysis of conditions in this field which points to a much-needed increase in the research effort. Many directors of various State agricultural experiment stations have pointed out that, during the fiscal year 1955, 8 or 9 States will have provided for research activities and experimentations directed toward the solution of many of the serious problems which confront the agricultural economy, including, among others, crop conditions.

If we are to reduce appropriations—and I know many appropriations must be reduced if we are to arrive at a balanced budget—certainly there is one activity on which we should not skimp when it comes to appropriating money, and that is legitimate research, which is so vitally important, as has been demonstrated in the past few years. Surely we all have confidence in our agricultural college experiment stations and what they are doing and trying to do in the field of agricultural research.

I believe that if the amount recommended by the committee is permitted to stand many of the research projects which have been undertaken and which will hereafter be undertaken in connection with the farm program will be seriously impaired. Urgent proposals in the field of animal and plant diseases, utilization of agricultural products, human nutrition, will of necessity be curtailed.

I do not know exactly how the members of the Subcommittee on Agricultural Appropriations felt about the matter, but I am certain that restoring the amount to $11,500,000 would pay great dividends.

I do not care to labor the point, but I wish to say very definitely that if we reduce the appropriation we will cut the heart of some research projects which are very essential indeed.

I hope that the Committee on Appropriations, in its wisdom and judgment, will accept the amendment on behalf of myself and the Senator from Kentucky [Mr. COOPER].

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. SCHOEPPEL] on behalf of himself and the Senator from Kentucky [Mr. COOPER].

IMPLICATIONS AND GROWING FEAR OF ADMINISTRATION'S INDOCHINESE POLICIES

Mr. MORSE. Mr. President, I wish to take about 5 minutes on an entirely different subject. I have just concluded a week's trip across the country, during which I talked to a great many fellow Americans. I believe it to be important that a brief statement be placed in the RECORD today about the development in our country of a fear which, I regret to say, is well founded. There is a growing fear among our people that a military clique within the administration is bound and determined to take this country into war in Asia in the near future.

The American people by an overwhelming majority are rightly of the opinion that there have not been advanced by this administration any facts which justify American armed intervention which would result in the slaughtering of American boys in the jungles of Indochina. I believe it to be important that we stop and look and listen, and that there should be no repetition of some mistakes we have made in the field of American foreign policy during the past few months.

As a Member of the Senate, I wish to say to the Committee on Foreign Relations and to the Committee on Armed Services that those two committees have a tremendous obligation to the Senate and to the American people to call before them Admiral Radford and Admiral Carney, to examine them at great length, and to ascertain just what their ideas are and what evidence they have which would justify what many people feel is the flexing of war muscles on the part of those two admirals.

The United States needs to be very careful in seeing to it that there shall be no digression from its historic policy of nonaggression and that there shall not be followed a course of action which will cause millions of people in the so-called backward areas of the world to claim that, under the guise of democratic slogans, we seek to enforce colonial, imperialistic policies in the East.

No Member of the Senate is more aware than am I of the tremendous threat of communism to the free world. That is why, without a single exception in my 9 years in the Senate, I have stood up and fought for increases in our defense budget, because I believe that at all times we must keep ourselves in such a position of strength that Russia will know we can stop, and stop forthwith, any aggressive action on her part against ourselves or against our allies.

The argument that Indochina presents a problem similar to Korea needs analysis. It was in 1945, from my desk in the Senate, that I urged that Korea be placed under a United Nations trusteeship. It was in 1945 that I said in a speech on the floor of the Senate that if we did not recognize the provisional government of Korea and proceed to protect the freedom of Korea under the historic American principle of the right of weaker peoples to self-determination, there was a danger that Korea would fall as a ripe plum into Russia's lap.

Furthermore, in that speech I said if we did not follow the course of action of protecting the freedom of Korea, there was a danger that Korea would become a threat to the peace of Asia.

We did not follow that course of action. To the contrary, we joined with Russia in the partition of Korea along the 38th parallel on the basis of a military settlement with Russia. It was a settlement of military convenience. It was a serious mistake, as some of us suggested at the time.

I believe we are on the verge of making a similar mistake in southeastern Asia.

I am of the opinion that three forces prevented our moving with great haste into armed intervention in Indochina following the Vice President's speech, which, in my opinion, was a trial balloon sent up to see whether the American people would hastily approve of armed intervention in Indochina.

I believe one of the forces was the American press. Immediately following the Nixon speech, on the editorial pages of American newspapers a great many editors urged caution, as I urge caution now. A few radio and television commentators also challenged the Nixon speech and the suggestion of armed intervention in Indochina. Many editors asked the simple questions: What are the facts? What will be the status of Indochina if American armed intervention takes place? What will be the relation of Indochina to France if American armed intervention takes place?

Those questions still remain unanswered. There are those, as sincere in their support of armed intervention as I am in my opposition to armed intervention, in the absence of any facts which would justify a different view on my part, who seem to be of the opinion that we would solve the problem if we guaranteed Indochina independence now. Of course, independence now is essential, but it is not enough. Independence now is not going to save Indochina from the Communist threat, Mr. President, unless independence is accompanied with United Nations action which will provide for Indochina some form of trusteeship whereby clear notice will be served on Russia that the United Nations will protect Indochina in its right to self-government until such time as free elections can be held and Indochina can stand on its own feet as an independent nation. Merely to grant independence now, Mr. President, I submit, will not be enough, because I am satisfied that the Russian technique is so far advanced that she hopes to win at least a part of the Indochina area, no matter what action the United States may take unilaterally or bilaterally with France.

So, Mr. President, I think it is true that what we need to do is to move only through and as a part of the United Nations program.

Then, too, Mr. President, we need a great deal more evidence than we have in support of the assumption that, if chaos develops in Indochina, America is threatened in the Pacific. I happen to be one who believes that it is too easy to jump to the conclusion—and many sincere persons are jumping to that conclusion—that freedom in America and among our allies will be jeopardized if a chaotic condition should develop in that area of Asia. I am not yet ready, on the basis of anything I have heard from Radford or Carney or any others of the military clique, to vote to sacrifice thousands upon thousands of American boys in order to prevent what it is claimed will be a chaotic condition if communism moves into that area of the world with resulting danger to American freedom.

I am inclined to believe that Russia can spread out much too much, and I am of the opinion that she is already beginning to do so. I think we had better consider the great probability that Russia can become so thin, so far as her own defenses are concerned in that section of the world, that if we are willing to think and to act in terms of historic American policy, to proceed to fight communism on economic grounds and make plain to those so-called backward areas of the world which are being threatened by the Russian menace the advantages of economic freedom, the result will be the loss of that part of the world to Russia.

Mr. HUMPHREY. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. In a moment.

I raise my voice today, Mr. President, I think, in harmony with the thinking and with the fears of a great many Americans, in a plea to the Foreign Relations Committee and the Armed Services Committee of the Senate to proceed to find out every fact they can from these military leaders, who are talking in these days, sometimes by innuendo, in terms of intervention in Asia. I would have those two committees serve clear notice on the military that this is still a civilian government. We must make clear to the military that if we are to become involved in war we will become involved by civilian action, and that we shall not look kindly upon any activities on the part of the American military designed to create incidents which will get us into such a situation as will merely increase the probabilities and the possibilities of our getting into war.

I think it is of the utmost importance that we proceed to exercise all our civilian checks upon the American military and that due notice be served on the Radfords, the Carneys, and all the rest of the war-talking military that they had better come and talk to the appropriate committees of the Congress, and stop issuing statements to the American people which, in my judgment, are stirring up the kind of fear which I found in the American populace during the past week as I discussed questions of foreign policy in various parts of the country.

I close, Mr. President, by saying that I think Congress had better recognize its obligation to insist that this administration take Congress into its confidence and give us the facts and the information that justify the continuing innuendoes that may well lead to our participating in armed intervention in Indochina.

No one should be surprised, Mr. President, at the failure of the Geneva Conference. We played a part in that failure because, in my judgment, through our State Department, we did not lay the proper groundwork of planning for that Conference. I think most of us took judicial notice in advance of the convening of the Conference that it would be a failure. Yet, Mr. President, I think it is important that we insist on trying to narrow the area of disagreement between and among the allies before we sit down again in the future with the Machiavellian, the vicious, and the clever Russian propagandists who think and hope that they can drive wedges of discord between and among the allies, as they seem to have succeeded in doing to a remarkable degree at the Geneva Conference.

Mr. President, I am very much concerned about the talk in this country on the part of some of our political leaders as well as some of our military leaders, to the effect that we are going to lay down the terms in Asia and the rest of the world will have to follow those terms. Let us remember what the Asiatic child from the time he can understand folklore, from the time he can listen and understand, has drilled into him. It is the decades-old fear of western nations, with the result that the average Asiatic, both behind the iron curtain and on the free side of the iron curtain, fears western domination of Asia. They consider the West their No. 1 enemy.

Mr. President, if the United States and her allies believe they are going to stamp out that fear by armed intervention in Asia, then they forget the sad lessons of history. We, too, will fail to convince the Asiatics that they do not have to fear western domination, because, no matter how we dress it up in democratic labels and slogans, Mr. President, the Asiatics want none of western domination even though it be under the guise of United States support of French policy. England learned it. Consider how much smarter England has been in the field of Asiatic diplomacy than we are at the present time. Not so long ago England lost India, so far as India being a part of the British Commonwealth is concerned, and yet today England among the western powers is the most respected nation in the world, and we are one of the most disliked nations. We have lost the sympathy of India for the time being. I happen to be one who believes we lost it primarily because of the fumbling of the Secretary of State. But be that as it may, we certainly do not stand in good graces in India, and we must bring her back into the family of free nations, in my judgment, if we are going to have any hope of success in building up our prestige in Asia.

Mr. President, today I raise my voice in warning that, in my judgment, if Congress does not require from this administration the evidence and the facts that justify the warlike talk which is coming from such military leaders as Radford and Carney, there is great danger that we are likely to be catapulted into a war with Indochina, with the sacrifice of tens of thousands of our boys. I am sure history will prove it to be an unjustified and unnecessary war.

I now yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, first of all, I wish to commend the Senator from Oregon for his statement in which he pointed out something which is of the utmost importance, namely, that in Asia the western powers are not held in the highest esteem primarily because of the long history of colonialism. I think we have underestimated the impact and the importance of this very real political and psychological factor in the thinking of Asiatic peoples.

This leads me to make the observation to the distinguished Senator from

Oregon, as possibly being supplemental to his remarks, that in all the talk and negotiations on the part of our State Department concerning the Indochina war and the Indochinese problem, there are yet to be initiated conferences with the Asiatic nations themselves. I clarify that statement by saying that at the very time the Secretary of State talked about united action against the Communist revolution or Communist rebellion in Indochina, he had not consulted with a single Asiatic state, head of state, or foreign minister.

We saw the pattern of a great western power, the United States of America, deciding Asiatic policy with the two foremost colonial powers in the world, Great Britain and France. Those colonial powers have a tradition and a history of exploitation and of difficulty in the Asiatic area which do not endear them to the peoples of Asiatic countries, who are fighting and struggling for their independence.

It appears to me that if there is to be any form of Asiatic pact the first step in the very delicate negotiations which would lead to such a pact or alliance would be to have most frank and intimate consultations with the representatives of such nations as Indochina, Burma, Thailand, Ceylon, and, above all, India.

I think it ought to be made crystal clear that anything which transpires in southeast Asia, in terms of political developments, alliances, or a common front against Communist subversion and aggression, must include the full participation of the Government of India and the people of India. I know that many persons will say that Prime Minister Nehru is difficult to get along with. My only comment is that if he is difficult to get along with, there is no guarantee that someone who may succeed him in the years to come will be any less difficult. I am only suggesting that the United States Government had better do everything within its power to develop a friendly accord and relationship with the Government of India, rather than to implement the present tactics of setting the spirit of anti-Americanism at work in India.

I have recently had discussions with the very well known and eminent bishop of the Methodist Church in India, Bishop Pickett, who, by the way, is in this city. I had the privilege of having lunch with the bishop this noon, and the distinguished junior Senator from Oregon met the bishop at that time. Bishop Pickett has spent some 40 years in India, and has talked many times with the Prime Minister. Bishop Pickett has returned to the United States because, as he said, of a sense of urgency and of deep responsibility to speak to the American people about the developments in that area of the world.

The fact is that there is a growing anti-American feeling in India, which is getting to be almost out of control, not so much on the part of the Government, as on the part of the people. Why? Because, first, of the mutual security pact with Pakistan. I remind the Senate and the officials of the Government that after having secured the military-assistance pact, the Government of Pakistan, in East Pakistan, suffered one of the most severe political defeats in its history. The headlines over the weekend told of the violence which has occurred in East Pakistan. We have not solidified our strength in that area; we have jeopardized it. If we examine what is happening among the 350 million people of India, we find even greater difficulty developing there.

All I am saying, in line with what the distinguished Senator from Oregon has so well pointed out, is that there is no hope whatsoever of the United States of America doing the job alone in any area of the world such as Asia. Nothing could be a worse tragedy than for the people of the United States and their Government to try to take the full and sole responsibility to police every single area of the world in which there may be Communist violence and disturbance. The only possible hope of stability and peace in southeast Asia is for the Asiatics themselves to lead the great movement for stability and security in their own area with our support, and with the full support and under the auspices of the United Nations.

I may say to the Senator from Oregon that I think the time is long overdue when the problem should be placed before the United Nations. The official reason for not placing it there is that the French would protest. Why should the French protest? Because of Morocco, Tunisia, and Algeria. The truth is, whether the French protest or not, that there are Members of the Senate who will live to see the day when the question of Morocco, Tunisia, and Algeria will be before the United Nations, French resistance or no French resistance.

I consider it to be absolutely incumbent upon our Government, as the leading spokesman in the councils of the United Nations, to do everything it can to make certain that the United Nations takes the Indochina question under its advisement, and, under the rules of procedure within the United Nations, draws up a program and policy, as the Senator from Oregon has outlined, of trusteeship for independence and self-government in that area.

There will be those who will say that the Soviet Union will not permit such action. My answer is this: At least it should be tried; at least an attempt should be made; because without an attempt being made, there is only one of two alternatives left: The loss of all of Indochina to the Communists; or active military intervention on an almost unilateral basis. To me, either of those alternatives is intolerable.

I suggest that the Government of the United States proceed forthwith to do two things, as the Senator from Oregon has pointed out: Reaffirm our belief in the full independence of Indochina; and second, the responsibility of the United Nations to check aggression, violence, and rebellion in that area.

Finally, I think there are some words of encouragement to be said. I believe there are signs of encouragement. Gen. Bedell Smith, Under Secretary of State, who has been heading the American mission in Geneva, apparently has been doing a very creditable job. I have had great confidence in Gen. Bedell Smith. I think he understands the world situation very well. Despite the very poor beginning in Geneva, it appears to me that the Under Secretary of State is making a substantial advance. Recent press reports, especially a news item printed in the New York Times of last Friday, indicate that General Smith and the representative from India, Mr. V. K. Krishna Menon, have been working together, and there appears to be a meeting of the minds. I wish to pay my tribute to General Smith. I think he is a splendid officer of the Government, and that he has a close understanding of what is going on in the State Department. If he can proceed to inch along, we possibly have a chance to salvage something from the Geneva Conference, rather than to expect what seemed to be a few weeks ago a dismal defeat. I hope progress will be made.

Mr. HUMPHREY subsequently said: Mr. President, earlier today, in the colloquy between the Senator from Oregon [Mr. MORSE] and the junior Senator from Minnesota, I made reference to the commendable action and work of Gen. Bedell Smith at the Geneva Conference. At that time I referred to a newspaper story printed in the New York Times of Thursday, May 27, 1954. I did not have the clipping in my possession at that moment. I therefore ask unanimous consent to have printed in the RECORD at the point at which I engaged in colloquy with the Senator from Oregon, and where I referred to the work of Gen. Bedell Smith at the Geneva Conference, the story in the New York Times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INDIANS ARE MORE FRIENDLY TOWARD UNITED STATES POLICY IN ASIA—CLARIFICATION ON INDOCHINA BY DULLES AND COURSE AT GENEVA WINNING SUPPORT

(By Robert Trumbull)

NEW DELHI, INDIA, May 26.—Secretary of State Dulles' clarification yesterday of United States policy on Indochina advanced a significant recent trend here toward a friendlier appreciation of Washington's views.

Among the influential Indians it is felt that the United States has shown commendable elasticity in negotiations at Geneva, not only with the Communists but also with the allies, who sometimes differ with Washington.

Part of India's changed attitude may stem from the fact that two of Mr. Dulles points coincide with strong Indian views. These were his assertions that the United States was not prepared to defend colonialism but would act only for the defense of liberty and independence and that the United States would act in Indochina only if the U. N. gave Washington its moral sanction.

Indians concerned with foreign affairs feel that the United States, no less and perhaps more than the Communist powers, has shown a disposition to meet opposing points of view halfway at Geneva. Previously, Indian attitudes had been conditioned by what had been regarded here as excessive American rigidity.

GENERAL SMITH GAINS SUPPORT

The Indians are especially impressed because they are sympathetically aware of Mr. Dulles' delicate relations with Congress. It also is clear since Gen. Walter Bedell Smith

took over from the Secretary of State at Geneva that the Under Secretary's personality is more attractive to the Indians than Mr. Dulles', and this may be another factor in the changed atmosphere.

Apparently, the United States acquiescence in the move to draft India for a policing role in any Indochina truce also has pleased opinion here.

It would not be strictly accurate or fair to say that the Indian attitude toward the United States has undergone an overnight change. A subtle change became apparent shortly after the Colombo conference of Prime Ministers, where Jawaharlal Nehru of India had a chance to talk with his southeast Asian colleagues for the better part of a week. Three of the four other premiers—Mohammed Ali, of Pakistan, U Nu, of Burma, and Sir John Kotelawala, of Ceylon—offered strong views on the Communist menace of Mr. Nehru's neighbors, particularly Burma, the most immediately threatened.

In this same period, while Mr. Nehru was pressing for a ceasefire in Indochina, the Communist-led Viet Minh intensified its attacks there.

Mr. MORSE. Mr. President, I thank the distinguished Senator from Minnesota, and I wish to associate myself with the observations he has made by way of contribution to my remarks.

I do not think there is any doubt about the fact that the African possessions of France and the colonial policy she follows there can be anything but of negative worth. In respect to our relationships with France and Indochina, I think it would be a great mistake for the United States either to go it alone in Indochina, or to go arm in arm with France in Indochina, because if we do so we shall be associated with the idea of trying to support the colonial policies of France in north Africa.

There may not be a Member of the Senate who will live to see it, but history is going to live to see it. Sooner or later we can be certain that the colonial policies of France, or of any other nation, now applied to weaker peoples will die, because colonialism as a form of control of people within the world order is doomed. Only the passage of years remains for the doom to befall.

In the course of my remarks I started to name three things which, in my judgment, slowed up what seemed to me to be a clear march toward armed intervention in Indochina following the speech by the Vice President. I believe that if these three factors had not come into play American boys would be fighting in Indochina today.

I mentioned, first, the negative reaction which resulted on the part of a large segment of the American press, radio, and television. The American press is deserving of tremendous credit for hoisting a series of signal flags of warning urging a go slow policy, until, at least, all the facts were known. Also, those radio and television commentators who spoke out on this issue deserve our thanks.

The second factor was the bipartisan reaction on the part of Democrats and Republicans in the Congress of the United States, both in speeches in the Congress and outside Congress, for weeks immediately following the speech by the Vice President. By that means the American people were apprised of the necessity of the Congress getting more facts than it had been given at least up until that time, and there is still that necessity.

The third point was the political situation which developed in England. I am of the opinion that the critical attitude which developed within the British population and the strong opposition of the British Labor Party, which reflected itself in the bye-elections, in which foreign-policy issues played a very important role, had something to do with a change in the British attitude and the strengthening of the insistence of the British leaders that at least there should be delay until what happened at the Geneva conference could be known. As I said earlier, we are now in a position where we can take judicial notice of the fact that we are not going to be able to reach an honorable agreement at Geneva with the Russian leaders, who simply do not negotiate honorable agreements.

In closing, let me say I know of no fact which has been presented to the Senate—if it has been presented to the Senate Committee on Foreign Relations, the rest of the Senate is not apprised of it—which justifies the kind of statements which are emanating from some American military leaders. The speaking for this administration on foreign policy ought to be done by the President and the Secretary of State. The civilian check upon the administration ought to be handled by the Congress of the United States. That is why I have said today to the American people, "Beware; beware of these warlike statements coming from a group within the military in the United States Government." They sound like warmongers to me.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDING OFFICER (Mr. BUSH in the chair). The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. SCHOEPPEL] for himself and the Senator from Kentucky [Mr. COOPER].

Mr. COOPER. Mr. President. I have joined the distinguished Senator from Kansas [Mr. SCHOEPPEL] in offering an amendment which would increase the appropriation for Agricultural Research Service from $10 million to $11,500,000. The appropriation would be allocated to State agricultural experiment stations for research.

I should like to remind the Senate that for the past year and a half the Secretary of Agriculture, in many speeches, has insisted upon the great importance of research, at this time when a strong effort is being made to develop a better farm program. In developing a stronger farm program, it will be necessary to find new export markets for farm products, new uses for farm products, to develop better marketing methods, all necessary for the strengthening and stabilization of farm prices and the marketing of full farm production.

I should like to emphasize some of the research programs which are affected by the amendment offered by the distinguished Senator from Kansas and myself, and to which he has alluded. The State agricultural experiment stations would undertake about 800 studies if the sum of $11,500,000 recommended by the Secretary of Agriculture and the Bureau of the Budget is maintained. If the cut of $1½ million made by the Senate Appropriations Committee is allowed to stand, it will mean that a great many, perhaps 200 of these important research studies will be eliminated. The research proposed includes research in animal and plant diseases, and research in soil and water conservation and management, fields of research with which we are familiar. The programs also include research into problems connected with the marketing of agricultural products, the new uses of agricultural products, research directed to more efficient and economical systems of farm production, of planning and farm management. All of this is needed to secure more efficient production, lower farm costs to farmers and better stabilized farm prices.

The appropriation last year was $6 million. I am happy that the President, the Department of Agriculture, and the Bureau of the Budget recommended an increase of $5½ million over the appropriation of last year to a total of $11,500,000. I am pleased, too, that the House of Representatives sustained the recommendation of $11,500,000. The amount approved by the Senate Committee on Appropriations, that is, $10 million is $4 million more than the $6 million provided last year. Nevertheless, in view of the problems which now affect agriculture, in view of the fact that we are trying to develop new uses for agricultural products, larger markets at home and abroad, a reduction of costs of farming, I believe that in this important field of research we should accept the recommendation of the President and the Bureau of the Budget. I think we would be shortsighted if we did not do so. I believe the Senate should approve the amendment offered by the Senator from Kansas and myself and add $1,500,000 to the appropriation. A great part of the money which the Congress appropriates for the agricultural program is directed to current costs and action programs. The appropriation I urge is at once a current and a long-time program. It is a program whose effects will be felt not only this year and next year, but for many years in the future.

I earnestly urge the Senate to restore the $1½ million for Agricultural Research Service by State agricultural experiment stations.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. SCHOEPPEL] for himself and the Senator from Kentucky [Mr. COOPER].

Mr. YOUNG. Mr. President, in making the cut, the Senate Committee on Appropriations felt that an increase of

$4 million over the appropriation of last year was probably all the experiment stations could absorb, if they were to function in the best possible way. The committee felt there might be some waste of money if the appropriations were too greatly increased in 1 year. There was no increase last year, and very little in the way of increases in previous years. In the fiscal year 1950 the payments to experiment stations rose from $10,600,000 to $12,500,000. In 1952 the payments were increased to $12,700,000, and they stayed at that figure until 1954. In fact, the proposed increase in the pending bill is the first recommended since the fiscal year 1951.

I think the amount appropriated for a purpose such as that now being discussed should be left very largely to the judgment of the Members of the Senate. The committee feels it has been rather generous in the appropriation which it has recommended. If the Members of the Senate feel that more should be appropriated for the purpose, I certainly am not going to object too much.

Mr. HAYDEN. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield to the Senator from Arizona.

Mr. HAYDEN. I agree with what the chairman of the subcommittee has just stated. The committee is proposing to appropriate $4 million more in this bill than was made available for payments to State agriculture experiment stations last year. In other words, the same kind of work is presently being done with a Federal contribution of $6 million. The committee increased the amount to $10 million, which is a substantial increase.

In the judgment of the committee, the extra personnel qualified to do the work could not be readily obtained. For that reason, members of the committee felt it was simply in line with sound business principles to decrease the amount recommended by the House by $1½ million, while at the same time allowing a substantial increase for such work. Such a reduction will permit the use of $1½ million for purposes specified elsewhere in the bill. It is not good business to hand out money when, in one's own good judgment effective use could not be made of it.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield to the Senator from Kansas.

Mr. SCHOEPPEL. I may say to the distinguished Senator from Arizona that there is a feeling on the part of many of us that the additional funds requested are needed because numerous research projects have been programed, and a curtailment of the funds to the extent of $1½ million would cripple those projects. What I have stated does not happen to be alone my own judgment about the matter. Seemingly it comes from State departments and agricultural experiment stations in the various and sundry States which have been giving much thought and attention to the problem. Personally, it is my opinion that if there is to be skimping in some direction in this day and age, there are a thousand and one things on which we can skimp other than on research programs which go to the heart of many of the farmers' problems. I wish to commend the Senator from Arizona. I know he has been careful in considering budget matters and finance.

Mr. HAYDEN. Let me say to the Senator from Kansas that no member of the Committee on Appropriations has been more active in all the past years than I have been in supporting adequate appropriations for research purposes. But, Mr. President, I think there must be reason in all things. In this case an increase of $4 million—or from $6 million to $10 million—seems to me to be a reasonable increase in 1 year. Inasmuch as $6 million was appropriated last year, I cannot understand how this agency can program for this year expenditures of $11,500,000, unless it had some advance notice in the past few weeks, that the House of Representatives would vote for an appropriation in that amount, and then proceeded to make a program to fit it. Certainly the agency can just as easily make a program calling for the expenditure of $10 million.

I may say frankly that a good many of those interested in agriculture in my State have sent word to me that they would like to have the full amount voted, and I have no doubt that similar word has been received by other Members of the Senate.

On the other hand, I am trying to exercise my best judgment as one who feels that an increase of $4 million in 1 year is sufficient to make it possible to obtain ability and talent in research work. Research workers cannot be found by simply going out on the streets and looking for them. They have to be trained. I should like to see an increase of $4 million tried for 1 year.

The PRESIDING OFFICER (Mr. BARRETT in the chair). The question is on agreeing to the amendment submitted by the Senator from Kansas [Mr. SCHOEPPEL], on behalf of himself and the Senator from Kentucky [Mr. COOPER], on page 5, in line 6. [Putting the question.]

The Chair is in doubt. Those in favor of the amendment will please rise.

Mr. AIKEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. AIKEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AIKEN. Mr. President, I should like to say a few words regarding the amendment submitted by the Senator from Kansas [Mr. SCHOEPPEL], on behalf of himself and the Senator from Kentucky [Mr. COOPER].

First, I think the Appropriations Committee has done very good work on the agricultural appropriation bill. The subcommittee under the chairmanship of the Senator from North Dakota [Mr. YOUNG] devoted a great deal of time to the bill. While there may be a few items too large and a few items too small, on the whole it is a very good bill. As a member of the subcommittee on agricultural appropriations I had some qualms over the reduction of 1½ million dollars in the item for experiment stations. As I recall, the question was raised in the subcommittee as to whether the work which would require additional funds was programed. The additional funds represent a considerable increase over last year. No one seemed to know exactly whether the work was programed or not. The suggestion was made that perhaps a smaller appropriation this year and a larger one next year would be acceptable. The committee was very laudably trying to find places where it could eliminate some appropriations so as to make up for some increases which everyone seemed to think were advisable.

This morning I talked with the Assistant Secretary of Agriculture, Mr. Coke, who advised me that the use of the extra $1,500,000 had been programed. He pointed out a few places where we have perhaps overappropriated a little, and indicated that the Department would much rather have the money for the State experiment station work than to have some of the other funds which have been recommended. I reminded him that if we overappropriated in any place the Department need not feel called upon to spend all the money.

Had I known at the time the bill was reported that the Department had programed research work which would require an additional $1,500,000, I probably would have voted against reducing the appropriation for this item.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. FERGUSON. I also looked into the subject, and found the facts to be just as the Senator from Vermont has indicated. As I understand, the research program is conducted by the experiment stations. Is it correct to say that the money which would be added to this item would be for experimental work or research by the experiment stations?

Mr. AIKEN. The Senator is correct.

Mr. FERGUSON. That is what I understood. I wished to be certain on that point.

Can the distinguished Senator in charge of the bill advise us on that point, as to whether the increased amount requested is for research conducted by experiment stations in the States?

Mr. YOUNG. That is correct. This item represents payments to the States themselves for work to be carried on by State experiment stations.

Mr. FERGUSON. Is there any matching?

Mr. YOUNG. In some cases the States are matching to the extent of 2 or 3 to 1.

Mr. FERGUSON. So if the States are to use this money for research by experimen stations—and I am now informed by the Department that that is the case—the States will have to put up money of their own to help carry out the research program.

Mr. YOUNG. I do not think that is true in most cases, but the States and other institutions have been matching these funds to the extent of 2 or 3 to 1.

Mr. FERGUSON. Would any of the money appropriated by the Federal Government be matched?

Mr. YOUNG. I do not think it is required to be matched, but in all probability there will be matching funds.

Mr. AIKEN. Mr. President, in view of what I learned this morning I certainly would have no objection to the restoration of the funds for State experimental and research work. I have before me a table showing how each State would be affected by the cut of $1,500,000. For example, under the cut proposed by the Senate committee, Michigan would lose $30,133.26.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HAYDEN. Does the table show how much more Michigan would receive from the extra $4 million which is made available than it received last year?

Mr. AIKEN. Yes. Last year Michigan received $304,301.02. The House increased that appropriation so that Michigan would receive $414,780.76 for the coming year. The Senate committee version of the bill would cut the amount $30,000, making the total to be received by Michigan about $384,000. The increase, under the pending bill, would be from about $304,000 last year to $384,000 this year.

Mr. FERGUSON. An increase of $80,000.

Mr. AIKEN. However, there was a recommendation for a 25 percent increase in all funds.

Mr. HAYDEN. The subcommittee thought the increase from $6 million to $10 was a substantial increase in a single year.

Mr. AIKEN. It is.

Mr. HAYDEN. I do not understand what the Senator from Vermont means by "programing." It should require but a few minutes to divide any given figure among the States according to established rules.

Mr. AIKEN. I should like to explain what I mean by that expression. The Senator may recall that last year representatives of farm organizations came to Congress requesting $17 million more for research work. When we inquired of the Department of Agriculture what it would do with the $17 million, representatives of the Department stated that they did not know what the Department would do with it at that time, because no program had been laid out to use it.

I understand from a conversation this morning that the Department requested what was thought to be necessary to conduct some 800 research programs which the Department hoped to carry on this year. When the committee was considering the bill the other day, I did not have that information. I thought, as does the Senator from Arizona, that an increase of three or four million dollars was a considerable increase for 1 year.

I want the Department to have what money is necessary for the research work to be carried on in the experiment stations. Many Senators will recall that in 1946 we passed the Hope-Flannagan Act, which originated in the House, looking forward to considerable expansion in the field of research in marketing work by the Department of Agriculture. The Department never did go nearly so far in that direction as was authorized by the Congress. It never asked for as much money as the Congress would probably have been willing to give it at that time. This year the Department is asking for an increase of approximately $5 million. It is true that an increase of three or four million dollars would be a substantial increase. It is also true that if the Department could give us good value for the extra $1,500,000, it would probably be a wise investment.

Mr. RUSSELL. Mr. President, I yield to no other Member of this body in my belief in research in the field of agriculture. The distinguished Senator from Vermont has referred to the Hope-Flannagan Act, which, I believe, was passed in 1938. I am not exactly certain as to the date. It was my honor and privilege to handle that legislation on the floor of the Senate. At that time I was a member of the standing Committee on Agriculture and Forestry. I was also chairman of the Subcommittee on Agricultural Appropriations. We made very substantial increases in the appropriations for research the year after that act became a law, and in succeeding years.

Undoubtedly there are many worthwhile projects in the list to which the Senator from Vermont has referred. But, Mr. President, I am convinced that the $4 million increase provided in the pending bill over and above the amount appropriated last year for research and experimentation at State stations is adequate and ample, and that it would be wasteful and extravagant to add another $1,500,000. It requires more than projects to conduct research; it requires personnel and it requires highly trained and skilled personnel to carry on the research that is so important to agriculture and to our entire economy.

I should like to point out that the pending bill carries an increase of approximately $7½ million for the field work in extension. We are all familiar with the work in extension. Every county has its home demonstration agents. Every county employs men who work in the field with the farmers.

What does that increase in the appropriation mean? I do not have the figures before me as they appear in the budget breakdown, but it means that the Department of Agriculture must immediately find 4,000 or 5,000 trained agricultural workers, both male and female, to go into the field extension service.

I do not believe the Department of Agriculture can find that many trained, skilled, and educated workers who have degrees in agriculture.

On top of that it is proposed to add another million and a half dollars for the State experiment stations. The committee has already allowed $4 million more than the State experiment stations had in the current fiscal year.

These projects are desirable, but in my judgment, based largely on our experience with the Research and Marketing Act of 1938—I believe that was the year it was enacted, the years slide by so rapidly that I cannot keep track of them—we wasted a great deal of money which was appropriated for research simply because trained and skilled personnel were not available to do the work.

In my judgment we will not get anything like 100 cents return on every dollar we appropriate for this item because there will not be available the skilled personnel who would be required at the State experiment stations to do the work, in addition to the personnel that will be employed to augment the field work of the Extension Service.

The million and a half dollars can be eliminated from the bill without doing any violence to anyone anywhere, or to any project. Indeed, it is my considered judgment that the reduction will assure our getting more value for our money from the $4 million increase which the committee has allowed over the current year's appropriations.

If the Senate wishes to vote for the additional amount, by restoring the figure passed by the House, I shall not complain. I have generally stood on the floor of the Senate and voted for rather substantial appropriations for agriculture. However, it is my judgment that here is a million and a half dollars which we could well save and at the same time add real strength to the research work.

The arguments which have been made in favor of adding the million and a half dollars also overlook the fact that the committee itself has added a large number of research items to the bill. They are items which were not contemplated in the budget. We have added appropriations for research in the field of cereal crops, for example. We have added $50,000 for research in oats. We have added $100,000 for research in wheat. We have added $50,000 for research in corn. We have added $35,000 for research in barley. We have added $20,000 for research in flax. We have added $40,000 for research in rice. We have added $100,000 for research in cotton.

Those figures were not included in the budget. It must not be forgotten that it will also be necessary to find trained personnel to carry on that work. Trained graduates of agricultural institutions in the number required are not available.

Of course, the Senate can appropriate the additional funds if it wishes to do so, but in my judgment value will not be received for the extra dollars. In my opinion it is good business judgment for the Senate to reject the amendment.

Certainly $4 million is a large sum to assimilate in the experiment stations in 1 year. When we consider the other research items contained in the bill—I have not read all of them; and a great many were not included in the budget estimates—we find that the proposed reduction is not so real as it would seem to be.

I say that because the other research work would be carried on in conjunction with the State experiment stations. If we add one and a half million dollars, as is proposed, at least half of the money will not produce anything, and we will, in addition, so water down the

other valuable research projects as to impair the efficiency of the entire research program for the next year.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. COOPER. I should like to ask a question of the distinguished Senator from Georgia whose judgment on matters relating to agriculture I hold in the highest regard. I should like to ask the Senator, did the Department of Agriculture justify its figure of $11½ million.

Mr. RUSSELL. The department sought to justify it. Of course, whether it did justify it is a matter of opinion.

Mr. COOPER. It seems to me that the Department must have given consideration to the employment of necessary personnel when it recommended $11,500,000.

Mr. RUSSELL. This money is to be spent by the State experiment stations.

Mr. COOPER. I understand.

Mr. RUSSELL. I do not believe that the Department of Agriculture was asked questions about personnel. Of course, that is easy to understand, by the condition the bill is in. What happened was that the Department of Agriculture undertook to cut out a great many action programs all over the Nation. It proposed to cut out the Dutch elm action program, the citrus black fly program, the Hall scale eradication program, the insect detection and advisory service program, and other programs. It sought to counterbalance those reductions by large increases in the field of research. What happened? When the bill reached the floor of the House of Representatives, the House did not accept the reductions in the action programs. It restored practically every one of them. The programs which the House did not restore, the Senate committee restored. In that way the action programs have been maintained.

In addition, we have given the Department nearly all it asked for in connection with the research program.

The Department will not be able to get any personnel from the action programs, because Congress intends to carry them on. The various programs, such as the Japanese beetle program and the plant quarantine program, which the Department sought to cut, have been maintained.

In my opinion the Department did not justify the increase of $5½ million. That is the question the Senator from Kentucky asked me. Of course that is a matter of opinion. Others may hold a different view; and I doubt not that the State experiment stations hold a different view. Some of them have complained very vigorously about the reduction; but there can be no doubt that the very substantial increase can well stand this very modest reduction.

Mr. COOPER. Looking at the volume of hearing testimony, it seems to me that there are at least 100 pages of testimony which outline the Department's need in field research.

Mr. RUSSELL. The Department could have filled a thousand pages of testimony along that line. There is absolutely no limit to the compass of the field of research in agriculture. The Department of Agriculture could have submitted 5,000 pages of detailed research activities which would be desirable in the field of agriculture. However, it is my opinion, based on not a little experience with the subject, that if we gave the Department $25 million it could not carry on a substantially more efficient research program than it can carry on with the funds provided in the bill, because it is necessary also to get the personnel capable of doing the work.

Mr. COOPER. I have very great respect for the Senator's views on agricultural matters.

Mr. RUSSELL. I appreciate the Senator's statement.

Mr. COOPER. That is not the point at issue, it seems to me. The Senator spoke about action programs. I have always supported agricultural action programs, and I will do so in the future. I hold the belief, however, that for a long time there has been a definite need in our farm program for research which will look to the future and toward a long-term program. The $10 million freed by the Senate committee represents a raise of $4 million. But the raise from the original amount of approximately $6 million is not a very large sum when it is compared with the $700 million total of the agricultural appropriation bill.

Mr. RUSSELL. That is in addition to the research being done by the Department of Agriculture.

Mr. COOPER. These projects are pure research projects to be carried on by the State experiment stations and in the land-grant colleges. Again I say that at this time, when we are trying to develop new uses of farm products, better marketing methods, and lower costs of farm production, if the Department says it can justify $11,500,000, it is a matter of their judgment, and I think it would be wrong judgment to take away $1,500,000. If it is not used entirely this year, it would enable them to start their programs.

Mr. RUSSELL. An argument that the money would not be spent could hardly be sustained. I venture to say that if we gave them $5 million more they would find a way to spend it.

Mr. COOPER. I am making an argument for the research program.

Mr. RUSSELL. I do not yield to the Senator from Kentucky or to anyone else in my interest in the field of agricultural research. I would be willing to vote for a much larger sum if it could be properly expended, but when we have provided funds for the Field Extension Service, I do not think we can pyramid on top of that these other sums, because I do not believe the Department can find people to do the work at this time.

Mr. HOLLAND. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. HOLLAND. Is it not correct to say that the $5,500,000 additional for this particular group of programs would be used to finance approximately 800 new field projects?

Mr. RUSSELL. I have forgotten the exact number. It is something less than a thousand.

Mr. HOLLAND. And the reduced amount would curtail that number to about 600, would it not?

Mr. RUSSELL. I think that is approximately correct.

Mr. HOLLAND. Is it not correct to say that if this amendment should be rejected the larger program appearing in the House bill and the reduced program approved by the Senate committee would be considered in conference?

Mr. RUSSELL. That is correct.

Mr. HOLLAND. In that case, the Department of Agriculture would have a full opportunity more specifically to justify the projected increases in the field of research.

Mr. RUSSELL. It certainly would.

I might say, Mr. President, from my knowledge of those Senators who in the ordinary course of parliamentary procedure would be appointed as conferees on the part of the Senate, that if that argument were made and the House conferees insisted on the item, there is no question in my mind that the item would be accepted.

Mr. HOLLAND. I do not know of anyone who would be more sympathetic than would the distinguished Senator from Georgia [Mr. RUSSELL], the distinguished Senator from North Dakota [Mr. YOUNG], the distinguished Senator from Vermont [Mr. AIKEN], the distinguished Senator from Louisiana [Mr. ELLENDER], and other Senators, and I think we would be completely safe in leaving the case in their hands before the conference committee. I stand with the committee in the feeling that the fund is sufficient to expand the program.

Mr. RUSSELL. Mr. President, in my own behalf and in behalf of the other Senators mentioned by the Senator from Florida, I wish to express appreciation for the Senator's compliment.

Mr. AIKEN. Mr. President, let me say that the Department of Agriculture has indicated that the action of the subcommittee on agricultural appropriations in reducing by $1.5 million the provisions of the House bill for title I, section 9, of the Bankhead-Jones Act, will restrict seriously the initiation of necessary research on many critical critical problems facing the American farmer.

The Department memorandum has this to say:

> Based on a careful analysis of problems demanding increased research effort, directors of the several State agricultural experiment stations have outlined some 800 studies for activation during the 1955 fiscal year and aimed at the solution of these more urgent problems. While the full impact of this reduction in appropriations on the individual States cannot be fully predicted, it is certain that in terms of total volume of work some 200 or more of these lines of research will not be activated. If this reduction is sustained each experiment station director would have to determine how his research program must be adjusted downward. This would inevitably result in curtailed activity in some important problem areas.

The memorandum which I have received goes on to say:

> About 250 proposals covering urgently needed research on animal and plant diseases and insects were estimated to require in excess of $1,700,000.

Nearly 90 research proposals on problems in soil and water conservation and management from 44 States indicated a need for $560,000.

Problems related to marketing of agricultural products covered about 130 research proposals at an estimated cost of over $1 million.

Other equally urgent proposals covered research in field, forage, horticultural, and forest crop production and management; farm mechanization; utilization of agricultural products; human nutrition and home economics; and research on the development of more efficient systems of farm production.

Twenty-five percent of Bankhead-Jones, section 9, funds are designated as the Regional Research Fund. Reductions in this item would affect needed extension of program of regional research principally by eliminating proposed new research.

In terms of this cooperative regional research program, involving participation of two or more experiment stations on studies of problems extending across State lines, it seems certain that such important projected new work as studies of the chemistry and physiology of bloat in cattle, reducing weather hazards in farming, control of virus diseases of stone fruits, relation of pesticides to quality of product, control of forage insects, and certain areas of farm mangement cannot be activated as originally planned. It is within the framework of this total field of urgently needed research that the impact of reductions would be felt.

I do not wish to go into it word for word, Mr. President. I have told them that if they do not spend all the money, it should be returned to the Treasury at the end of the year.

I ask unanimous consent to have placed in the RECORD at this point a table from the Department of Agriculture which I requested to have prepared, showing distribution by States of payments to States for research for the fiscal year 1954, and estimates for the fiscal year 1955. The statement shows what the various States received, the increase in the House bill for 1955, and the decrease in the Senate bill for 1955.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Distribution by State of payments to States for research, fiscal year 1954, estimates for fiscal year 1955

State	1954	Increase 1955 (House bill)	Total 1955 (House bill)	Decrease 1955 (Senate committee bill)	State	1954	Increase 1955 (House bill)	Total 1955 (House bill)	Decrease 1955 (Senate committee bill)
Alabama	$311,446.59	$122,045.63	$433,492.22	$33,288.51	North Carolina	$411,907.61	$171,160.89	$583,068.50	$46,685.05
Alaska	121,013.61	24,087.44	145,101.05	6,569.28	North Dakota	169,131.43	48,089.39	217,220.82	13,116.19
Arizona	144,607.04	34,710.81	179,317.85	9,466.77	Ohio	353,958.08	133,012.93	486,971.01	36,279.25
Arkansas	266,682.69	101,287.53	367,970.22	27,615.25	Oklahoma	243,293.50	81,992.00	325,285.50	22,363.40
California	312,762.30	110,042.03	422,804.33	30,020.43	Oregon	183,105.20	53,052.07	236,157.27	14,467.43
Colorado	165,505.66	45,875.03	211,380.69	12,512.03	Pennsylvania	400,920.92	142,636.22	543,557.14	38,904.26
Connecticut	152,978.61	37,092.21	190,070.82	10,116.29	Puerto Rico	234,387.82	117,655.46	402,043.28	32,091.54
Delaware	125,038.44	26,646.06	151,684.50	7,267.22	Rhode Island	124,040.13	25,467.75	149,507.88	6,943.63
Florida	203,466.51	59,968.09	263,434.60	16,372.09	South Carolina	263,865.76	96,941.65	360,807.41	26,439.81
Georgia	326,190.47	126,305.23	452,495.70	34,450.31	South Dakota	168,399.51	47,564.66	215,964.17	12,973.06
Hawaii	135,388.16	32,014.58	167,402.74	8,731.66	Tennessee	322,229.98	128,274.74	450,504.72	34,987.58
Idaho	150,447.45	39,949.49	190,396.94	10,895.93	Texas	427,282.80	171,252.77	598,535.57	46,642.13
Illinois	316,773.33	116,686.52	433,459.85	31,826.36	Utah	138,460.26	32,964.39	171,424.65	8,990.59
Indiana	279,434.97	101,102.50	380,537.47	27,575.46	Vermont	138,343.92	32,504.86	170,848.78	8,865.22
Iowa	276,366.93	102,794.75	379,161.68	28,037.67	Virginia	298,100.49	109,530.60	407,631.09	29,874.52
Kansas	220,435.92	70,930.45	291,366.37	19,346.21	Washington	199,782.84	60,345.96	260,128.80	16,458.92
Kentucky	321,137.02	126,278.28	447,415.30	34,442.92	West Virginia	242,258.83	79,259.17	321,518.00	21,617.57
Louisiana	244,589.91	85,961.46	330,551.37	23,446.02	Wisconsin	273,859.24	101,383.40	375,242.64	27,652.56
Maine	156,570.79	40,608.43	197,179.22	11,052.15	Wyoming	128,901.42	28,635.28	157,536.70	7,809.80
Maryland	182,147.63	51,020.76	233,168.39	13,915.40					
Massachusetts	176,544.38	45,692.33	222,236.71	12,461.85	Total	11,773,707.91	3,959,999.62	15,733,707.53	1,079,999.62
Michigan	304,301.02	110,479.74	414,780.76	30,133.26	Unallotted	.09	.38	.47	.38
Minnesota	267,068.05	99,861.69	366,929.74	27,237.61	Regional research fund, sec. 9 (b) [1]	1,500,000.00	1,375,000.00	2,875,000.00	375,000.00
Mississippi	307,518.25	126,043.03	433,561.28	34,379.15	Allotments from Agricultural Marketing Act, sec. 204 (b) [2]	268,000.00	232,000.00	500,000.00	
Missouri	290,247.97	111,281.85	401,529.82	30,352.61					
Montana	149,510.55	38,047.68	187,558.23	10,377.12	Administration, sec. 9 (c)	180,000.00	165,000.00	345,000.00	45,000.00
Nebraska	199,537.08	62,510.72	262,047.80	17,049.72					
Nevada	119,752.03	24,123.48	143,875.51	6,579.16	Grand total	13,721,708.00	5,732,000.00	19,453,708.00	1,500,000.00
New Hampshire	134,586.20	30,454.20	165,040.40	8,305.88					
New Jersey	171,911.52	45,224.74	217,136.26	12,334.42					
New Mexico	148,557.73	38,069.57	186,627.30	10,383.01					
New York	318,959.36	111,079.12	430,038.48	30,296.36					

[1] These funds allotted to regional research projects recommended by the committee of 9, in accordance with procedures outlined in sec. 9 (b) 3, title I, of the Bankhead-Jones Act as amended.

[2] These funds allotted for matched fund marketing projects recommended by the Experiment Stations Marketing Research Advisory Committee and approved by the Department.

Source: U. S. Department of Agriculture Agricultural Research Service.

Mr. AIKEN. It has been pointed out, Mr. President, that if the reduction is made, it will go to conference, and it has also been pointed out that the conferees on the part of the Senate would be friendly to agriculture and to research, but it was not pointed out, I believe, that the conferees on the part of the House will very likely be those who did their best to cut research down to the bone and were overruled by the full House membership.

So, Mr. President, let us not be in the position of having an argument with those who tried so hard to cut research work pretty well down. Let us decide at this time whether we want to restore the $1½ million for cooperative work, for experiment stations, and so forth, and let us have a yea-and-nay vote on the question.

The PRESIDING OFFICER. The yeas and nays have been demanded. There is obviously a sufficient second, and the yeas and nays are ordered.

Mr. HUNT. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield.

Mr. HUNT. Would any of the $1,500,000 provided for in the amendment be available to soil analysis laboratories on federally owned land?

Mr. YOUNG. No, it would not. This is only for State agricultural experiment stations.

Mr. HUMPHREY subsequently said: Mr. President, I ask unanimous consent that just prior to the recorded vote on the amendment offered by the Senator from Kansas [Mr. SCHOEPPEL] in connection with agricultural research funds, a telegram which I received from the Minnesota Farm Bureau Federation be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

ST. PAUL, MINN., *June 1, 1954.*

Senator HUBERT HUMPHREY,
United States Senate:

We understand the Senate is voting today on appropriations for agricultural research, also that Senate Agriculture Committee has cut amount as approved by the House. On behalf of the Minnesota Farm Bureau please attempt to restore amount to the House level.

MINNESOTA FARM BUREAU FEDERATION,
J. L. MORTON, *President.*
J. DELBERT WELLS,
Secretary.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas for himself and on behalf of the Senator from Kentucky [Mr. COOPER]. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. YOUNG. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. YOUNG. Is a vote of "yea" a vote to increase the appropriation by $1,500,000?

The PRESIDING OFFICER. The Senator is correct.

The Chief Clerk proceeded to call the roll.

Mr. MAYBANK (when his name was called). On this vote I have a pair with the senior Senator from Mississippi [Mr. EASTLAND]. If he were present and voting, he would vote "yea"; if I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. SMATHERS (when his name was called). On this vote I have a pair with the junior Senator from Mississippi [Mr. STENNIS]. If he were present and voting, he would vote "yea"; if I were

permitted to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. CHAVEZ (when his name was called). On this vote I have a pair with the senior Senator from Oklahoma [Mr. KERR]. If he were present and voting, he would vote "yea"; if I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

The rollcall was concluded.

Mr. SALTONSTALL. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate. The Senator from New Jersey [Mr. SMITH] is absent on official business. The Senator from Nebraska [Mrs. BOWRING], the Senator from Indiana [Mr. CAPEHART], the Senator from Pennsylvania [Mr. DUFF], the Senator from California [Mr. KUCHEL], the Senator from New Hampshire [Mr. UPTON], the Senator from Idaho [Mr. WELKER], are necessarily absent. If present and voting the Senator from California [Mr. KUCHEL], the Senator from Idaho [Mr. WELKER], and the Senator from Indiana [Mr. CAPEHART] would each vote "yea."

Mr. CLEMENTS. I announce that the Senators from Mississippi [Mr. EASTLAND and Mr. STENNIS], the Senators from Rhode Island [Mr. GREEN and Mr. PASTORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Alabama [Mr. HILL], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oklahoma [Mr. KERR], the Senator from West Virginia [Mr. KILGORE], the Senator from North Carolina [Mr. LENNON], and the Senator from Washington [Mr. MAGNUSON], are absent on official business.

The Senator from Nevada [Mr. MCCARRAN] is absent by leave of the Senate.

I announce further that the Senator from Tennessee [Mr. KEFAUVER] is paired on this vote with the Senator from Massachusetts [Mr. KENNEDY]. If present and voting, the Senator from Tennessee would vote "yea," and the Senator from Massachusetts would vote "nay."

I announce also that if present and voting, the Senator from Alabama [Mr. HILL] would vote "yea."

The result was announced—yeas 51, nays 20, as follows:

YEAS—51

Aiken	Fulbright	McCarthy
Anderson	George	McClellan
Bennett	Gillette	Millikin
Bricker	Gore	Monroney
Burke	Hendrickson	Morse
Bush	Hickenlooper	Mundt
Butler, Nebr.	Humphrey	Murray
Carlson	Ives	Neely
Case	Jackson	Payne
Clements	Jenner	Potter
Cooper	Johnson, Tex.	Purtell
Daniel	Johnston, S. C.	Schoeppel
Douglas	Langer	Smith, Maine
Dworshak	Lehman	Sparkman
Ellender	Long	Symington
Ferguson	Malone	Watkins
Flanders	Mansfield	Wiley

NAYS—20

Barrett	Frear	Martin
Beall	Goldwater	Robertson
Bridges	Hayden	Russell
Butler, Md.	Holland	Saltonstall
Byrd	Hunt	Williams
Cordon	Johnson, Colo.	Young
Dirksen	Knowland	

NOT VOTING—24

Bowring	Chavez	Eastland
Capehart	Duff	Green
Hennings	Kuchel	Smathers
Hill	Lennon	Smith, N. J.
Kefauver	Magnuson	Stennis
Kennedy	Maybank	Thye
Kerr	McCarran	Upton
Kilgore	Pastore	Welker

So the amendment offered by Mr. SCHOEPPEL, for himself and Mr. COOPER, was agreed to.

Mr. SCHOEPPEL. Mr. President, since the amendment has been agreed to, it will become necessary to amend line 23 on page 5, wherein the committee amendment shows "$17,953,708." That figure will have to be changed to read "$19,453,708." I move that amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas [Mr. SCHOEPPEL].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. WILLIAMS. Mr. President, I call up the amendment, offered on behalf of myself and my colleague, the junior Senator from Delaware [Mr. FREAR], the senior Senator from Maryland [Mr. BUTLER], and the junior Senator from Maryland [Mr. BEALL], and I ask that the clerk state the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 42, after line 23, it is proposed to insert the following:

SEC. 510. No part of any appropriation contained in this or any other act, or of the funds available to any corporation or agency included in this act or available to any corporation or agency which utilizes funds appropriated or borrowed on the credit of the United States, shall be used to make or guarantee (1) any loan for the construction or acquisition of facilities for broiler production; or (2) any loan for the expansion of broiler production operations; or (3) any loan in excess of $3,000 for the continuation of broiler production operations or the repair of broiler production facilities.

Mr. WILLIAMS. Mr. President, it is well known by those connected with the agriculture and poultry industry that the broiler industry has been in a state of overproduction for the past 3 or 4 years as a result of rapid expansion during the war. In the past 2 or 3 years top officials of the Department of Agriculture have been going into the broiler production areas and urging a cutback in production. Persons who are familiar with the problem recognized this as being the proper advice. We recently discovered the ridiculous situation where certain top officials in the Department of Agriculture were urging a cut in production in order that farmers could bring their production more in line with the needs of consumption while at the same time in other areas five Government agencies were urging an expansion even to the extent that such agencies were financing and guaranteeing 100 percent of the loans both for the building of facilities and for the production of poultry.

In the beginning we were told that such loans would be of negligible amounts, running from about $2,000 to $3,000 and that they were made in order to assist some small producers who needed help. That theory has been exploded because it has been established that several loans have been made in excess of $50,000. Three loans for one individual were documented for $205,000, which certainly is not a small-time operation. This individual was operating under 5 different corporations.

The purpose of the amendment is merely to spell out that none of the funds provided for in this appropriation bill can be used to expand commercial broiler production when such industry is in overproduction. It would merely accomplish what the top officials of the Department of Agriculture have been saying; namely, that production should be brought under control.

It does not make sense to have a $10,000 or $15,000-a-year man in one area tell one group of farmers to cut back their operations and their production, while in another section of the country another official, sometimes from the same department, is telling the farmers to increase their production and encouraging them to expand and to obtain necessary financing from the Government.

A large number of these loans range from $25,000 to $50,000, and the agencies admit that there is nothing in their rules which prohibit a borrower from using more than one Government agency for credit.

There is no check between these agencies in most cases to determine the extent of the borrower's liabilities.

One agency frankly admits they have no inspection service to determine whether or not the funds are actually used for the purpose for which they are borrowed.

Mr. LANGER. Mr. President, will the Senator from Delaware yield to me?

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). Does the Senator from Delaware yield to the Senator from North Dakota?

Mr. WILLIAMS. I yield.

Mr. LANGER. Will the Senator from Delaware state the names of the five agencies to which he has referred?

Mr. WILLIAMS. I shall be glad to do so. One is the Farm Home Administration. The Farm Credit Administration is doing this under two different departments. Some farmers are obtaining such loans from the Intermediate Credit Bank by means of discount operations. The Veterans' Administration has been doing this under its housing program.

Our attention was also called to the fact—much to the surprise not only of ourselves but also of others who are interested in this matter—that this is being done under title I of the Federal Housing Act. Of course, that act is not dealt with by this amendment. However, under title I of the Federal Housing Act, loans up to $3,000 are made, and the officials of the Federal Housing Administration just claimed they helped only "the little fellow," although when we examined the act and the way it is being administered those officials readily admitted that the Government simply limits each loan to $3,000 and does not limit the number of loans any one applicant may receive—whether it be 50 or 100 different loans makes no difference insofar as that agency is concerned. The

officials of this agency say they do not have the slightest idea of the extent to which that has occurred; they have no records on that point; they said the only time they can document that condition is when loans are in default.

I now propose an amendment to correct this condition and stop the loose flow of Government money into an overexpanded industry.

Mr. AIKEN. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS. I yield.

Mr. AIKEN. How does the Senator from Delaware feel that his amendment would affect loans made by the production credit associations or the Federal land bank, in the case of a young man who wishes to go into the business of producing cabbages or chickens, and so forth?

Mr. WILLIAMS. The amendment is directed and confined exclusively to broiler production. So the amendment will not affect any of the nonrelated loans or any other loans handled by this agency. The amendment would affect the production credit associations only if they wish to discount the loans at the Intermediate Credit Bank, in which the Federal Government owns 100 percent of the stock, and, therefore, the bank is using the Government's money.

Mr. AIKEN. How would the Senator from Delaware determine which applicants were attempting to overexpand? Suppose an applicant was just coming of age and had not theretofore had to make a living for himself.

Mr. WILLIAMS. The Farmers' Home Administration already has the authority to take care of such situations. What we are trying to check here is the large-scale operator who is speculating with Government money. That is why a maximum limit of $3,000 is included in the amendment. In fact, that limit is already spelled out in the law as originally applied except now the officials say there is no limit on the number of $3,000 loans an applicant can obtain.

Furthermore, in the case of a young man who is starting in the farming industry—and I am perfectly willing to have the Government have a loaning authority to take care of such persons, why should such persons be encouraged to begin the construction of poultry houses and the production of an agricultural commodity which already is in oversupply, and selling below the cost of production. Several veterans have lost their new farms under such bad advice.

This amendment does not unduly restrict loans to an individual farmer who is operating his own farm. I have a great deal of sympathy for such persons, and I am perfectly willing to have the Government help individual farmers who get into trouble. But if a farmer wishes to run his neighbor's farm or the farms of half a dozen of his neighbors—as is now being done by means of the use of Government funds—then I think it is time to call a halt in such cases.

Mr. ANDERSON rose.

Mr. WILLIAMS. I yield to the Senator from New Mexico.

Mr. ANDERSON. Of course, I agree with the Senator from Delaware that we do not do a person a favor if we help him enter the broiler business at this time.

On the other hand, to reduce to its lowest terms the amendment of the Senator from Delaware, does not it mean that no more broiler factories would be developed in such cases?

Mr. WILLIAMS. That is true.

Mr. ANDERSON. At this time, the whole Delmarva peninsula has more broiler factories than it needs, has it not?

Mr. WILLIAMS. Yes.

Thus, Mr. President, to encourage overproduction makes no sense. We now have $6 billion of Government agricultural commodities hoarded or in storage. The amendment provides that the Government shall not engage in financing an already overexpanded industry.

No one is concerned with limited expansion on the part of individual farm owners. The poultry industry in the Delmarva peninsula developed into a great industry under private capital, and the farmers were making money until the Government began pouring millions into a lot of inefficient operations.

Mr. ANDERSON. I understand that the Senator's amendment is limited to individual operators.

Mr. WILLIAMS. That is correct, and the amendment applies only to broiler production and not to any other activities of the Department of Agriculture.

Mr. GEORGE. Mr. President, will the Senator from Delaware yield for a question?

Mr. WILLIAMS. I yield.

Mr. GEORGE. The Government has already made loans to broiler raisers, has it not?

Mr. WILLIAMS. That is correct.

Mr. GEORGE. Such loans have already been made to a number of persons, but I understand that now the Senator from Delaware wishes to prevent the making of such loans to any other persons.

Mr. WILLIAMS. I wish to prevent the making of first, second, or third loans to any individual for the purpose of expanding broiler production. Besides farmers are not the ones getting these large loans. I see no sense in having the Department of Agriculture make such loans to an overexpanded industry.

Mr. GEORGE. That is not the point. The point is that the Government has been making loans to broiler raisers, has it not?

Mr. WILLIAMS. That is correct.

Mr. GEORGE. The amendment now proposed by the Senator from Delaware would end that, and would say to all other broiler raisers, "You cannot obtain such a loan"—regardless of whether the proposed loan were well founded or not.

If the Senator from Delaware proposed to require that only sound loans be made, or if he proposed an overall limitation on the amount of loans to be made for this purpose to any one producer, I could see some reason and good judgment behind the proposal.

On the other hand, I cannot see any virtue in a proposal to say to a number of persons who already have been granted such loans, "You are all right, but hereafter anyone else who applies for such a loan will be refused."

Mr. WILLIAMS. However, that is not the way the situation has affected the poultry business, as the Senator from Georgia knows. The broiler business is a 16 weeks to 18 weeks proposition. Although it is true that the amendment will not require the calling of existing loans, nevertheless such loans liquidate in from 3 to 4 months, if they are good; and if they are not good, then it is just as well to ascertain that fact.

So it is not a case of ordering a freeze in the industry or saying to those who now operate it, "We will continue to finance you, but we will not finance any newcomers." That is not the point at all. If there is overproduction, why should the Government finance it at all? That is my point.

There are various agencies to assist individual farm owners if they are about to lose their farms. This amendment will not affect that particular operation.

Mr. GEORGE. But the point is that although these loans have been made to individuals who wished to produce broilers in the poultry industry, now it is proposed to have the Government say that no further loans of that sort will be made. Thus the Government would discriminate against newcomers to the industry whose justification for the making of such loans might be just as meritorious as those of the persons to whom such loans have previously been made.

Mr. WILLIAMS. No; there would not be discrimination against anyone. It is true that such loans have been made in the past 2 or 3 years, but it is also true that as a result of the expansion provided for in this case, there has been a demoralized industry in which no one has made any money.

Mr. GEORGE. Oh, I think some money has been made, or else no further loans, to make it possible for various other persons to engage in that business, would be desired.

I think what the Senator from Delaware is worried about is that some people in the United States rather want a monopoly. They already have Government loans. They are already operating. I must leave the Chamber to attend a committee meeting, but I wish to register my viewpoint against this method of dealing with citizens who wish to go into a certain line of business.

Mr. WILLIAMS. I may say to the Senator from Georgia that if I correctly understand the inference behind his statement, it is that, perhaps, my own State has a monopoly, or desires a monopoly of the existing loans, and wishes to prevent his State or some other State from receiving any such loans. For your information I point out that under the first program, the State of Delaware had no loans. None are in existence today. The Senator's own State has a total of 151 out of 523 such loans. So if there is a monopoly, let the Senator speak for his own State, and not for Delaware.

Mr. GEORGE. I do not want a monopoly.

Mr. WILLIAMS. That is fine.

Mr. GEORGE. But if there are 10 more persons there who wish to raise poultry, let them raise it, if they can

submit a good financial statement and obtain a loan.

Mr. WILLIAMS. If the Senator wants a situation in which loans are to be granted freely for an increase in the production of a crop which is already in oversupply, let us say definitely in this bill that such is the policy of Congress and reject my amendment, so that everyone will know what we are doing.

During the past 3 or 4 years we have received many complaints. My colleague [Mr. FREAR] and I have attended meetings at which many small farmers have stated that they were being forced out of business or that their business was being taken over, and they were being reduced to the status of tenants by some of the larger operators who are able to finance their operations with Government loans.

We have heard that complaint time and again. We have taken the question up with the departments affected, and they have consistently denied making any such loans. They now explain their position by saying, "We were not lending Government money. We are only a Government corporation, and so long as Congress does not appropriate the money the Government does not lose anything." That is absurd. The Government owns the stock in these corporations, and to the extent any loans are granted, or losses sustained, Government money is directly involved.

Mr. GEORGE. They may be unwise loans. Perhaps the loans should be limited in amount. But I do not believe in limiting loans as between citizens who are in the same business, or who want to go into the same business, and who should have the same opportunity to utilize a Federal loan.

Mr. WILLIAMS. There is nothing in this amendment which would discriminate between citizens who are already in the poultry business and those who are going into it tomorrow.

Mr. GEORGE. They could not obtain loans tomorrow if this amendment were adopted.

Mr. WILLIAMS. Neither could those who are already in the poultry business.

Mr. GEORGE. Perhaps there should be no further loans; but if we are not to have further loans, in addition to the loans already outstanding, why is this amendment necessary?

Mr. WILLIAMS. Because if it is not adopted, the loans will continue to be made.

Mr. GEORGE. Then the Senator wishes to allow one man to get a loan and prevent another man from obtaining a loan.

Mr. WILLIAMS. No. I know the Senator understands what we are seeking to do. We merely want to stop the practice of the Government's financing this particular industry througnout the country.

Our farmers on the Delmarva peninsula resent the fact that their money as taxpayers is being siphoned by the Government to other sections of the country to finance their competitors. I do not think it is right; but if the Congress disagrees with me, let us go on record so that everyone will know where we stand.

Mr. GEORGE. Very well. I merely wish to register my vote against the proposal.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. ANDERSON. Has not the development of the program of loans by the department for the construction of broiler factories been of rather recent origin? Is it not rather recent in its application?

Mr. WILLIAMS. It is recent. The program has developed only in the past 2 or 3 years.

Mr. ANDERSON. I think it is a very bad system of lending. I can see the propriety of supporting the individual farmer who happens to be going into the chicken business. Can the Senator from Delaware inform me whether or not I am correct in understanding that recently one of the large packers has been contemplating a very large plant on the peninsula, involving the installation of a highly mechanized broiler factory?

Mr. WILLIAMS. I do not know whether or not there is any Government financing involved in connection with the particular operation to which the Senator refers.

Mr. ANDERSON. I do not think there is any Government financing involved. Is not the tendency to build such plants with private capital?

Mr. WILLIAMS. The tendency in Georgia, as well as in the Delmarva peninsula since the end of World War II has been for control of the broiler industry to go into the hands of a relatively few. A half-million or a one-million broiler capacity is not at all unusual. The old method of producing them with an operation conducted by the individual farmer with a capacity of 10, 15, or 20 thousand on the farm, the farmer operating his own individual unit, has almost passed out of existence so far as our area is concerned; and I think that is likewise true in the State of the Senator from Georgia.

Mr. ANDERSON. I do not believe we can turn back the clock.

Mr. WILLIAMS. We certainly cannot.

Mr. ANDERSON. We cannot change the trend of industry, but it seems to me that we do not need to encourage that sort of thing with Government money.

Mr. WILLIAMS. That is my point. With respect to the individual farmer——

Mr. GEORGE. Mr. President, if the Senator will allow me to interpose, I remember that not too long ago we encouraged the cattle-raising industry.

Mr. ANDERSON. I am not objecting to the fact that Government money is made available for agricultural pursuits; but if we hade 10 million too many cattle I would not believe in trying to put a new area of the country into permanent pasture in order suddenly to increase the number of breeding herds in a situation in which the cattle population was already too large.

Mr. GEORGE. I think we had full production of beef cattle at the time. I am not objecting to what the Senator is talking about. My point is that I do not believe we should try to discriminate. I do not believe the Senator from Delaware should offer a discriminatory amendment and say that from now on we will make no further loans, if other citizens desire to go into the same business.

Mr. WILLIAMS. There is nothing discriminatory in this amendment, and there is no such intention. I would defend any agency of the Government for helping the individual farmer, the man who conducts the operation on the farm. If he gets into difficulty and cannot obtain local capital, and needs a little Government assistance in order to prevent the loss of his farm, even if the Government should lose a little money in that sort of program, I think the overall benefit to be derived from maintaining individual farm ownership more than compensates for the loss. But when it comes to financing the operations of one farmer who takes over a dózen or more farms of his neighbors, it should not be done with Government capital. If an individual farmer, by saving his money and working hard, can afford to buy his neighbor's farm, that is certainly a part of our system. But I do not think the Govermnment should ever reach the point where it uses the money of the taxpayers to enable one individual to take over all the operations of others in the community.

Mr. GEORGE. I do not think that is the case. The Government has been lending money to enable the small farmer to hold onto his little farm and still operate it as his own business.

Mr. WILLIAMS. I am familiar with how the program is administered. I have followed it through. I know that in one case a certain individual has $205,000 in Government loans. We followed that case through. That man is operating between 75 and 100 farms in his area. He has taken them all over. I do not mean that he owns all the farms, but he has taken over by means of cash rental the operations of those particular farms. I say that it is unsound business when the Government, with taxpayers' money, enables one individual to obtain the money with which to operate all his neighbors' farms. The loss to the Government is only one factor.

In the particular case to which I have referred—and I am following the cases through one at a time, because I understand them better in that way—a certain individual has substantial assets of his own. He could perhaps go to the bank and borrow the money. Instead, he has formed a different corporate structure. There is no real estate whatever in the corporation. The only thing the corporation is doing is operating with Government money. On the side this particular individual is using his other business facilities to sell his products to the Government-financed corporation. He is operating with Government money, money of the American taxpayers, who if there is a loss must suffer it. I think that is unsound. If 75 individual farmers were in trouble, and were obtaining loans, that would be entirely different. However, that is not the case on the Delmarva Peninsula, and it is not the case in Georgia.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. GEORGE. Why does not the Senator simply propose to limit the number of loans which can be made to any individual, directly or indirectly?

Mr. WILLIAMS. That is what I am trying to do.

Mr. GEORGE. No. The Senator is trying to cut off loans to worthy farmers who want to do the same thing their neighbors have done. Perhaps the original program was unwise.

Mr. WILLIAMS. If the Senator from Georgia can suggest better language than this language, which he thinks would more nearly accomplish the purpose, I should like to have him suggest it. The legislative counsel and the committee staff working together have drafted this language.

Let me say to the Senator in charge of the bill that I think the RECORD is very clear as to what we are trying to accomplish by this amendment. I certainly am not wedded to this particular language. If there are restrictive provisions in it, as the sponsor of the amendment—and I think I can speak for the cosponsors—I am not trying unduly to restrict the operations of the individual family farm unit. We are trying to stop the Government financing of the commercial broiler production. When the bill goes to conference, if the chairman of the committee and the other conferees find this language to be unduly restrictive, they can certainly correct it. I believe the legislative record shows very clearly what we are trying to accomplish.

Mr. YOUNG. I believe the Senator from Delaware has made out a very good case for his amendment. It may be that some agencies are making too liberal loans. I see no objection to taking his amendment to conference to find out what we can do about it. But I would remind the Senator that his amendment constitutes legislation on an appropriation bill and is subject to a point of order. If the point of order is not made, I shall be glad to take the amendment to conference.

Mr. WILLIAMS. I appreciate the Senator's attitude. I certainly hope the committee will take the amendment to conference, because I know that in our State our farmers are very much concerned by the fact that for the last year or two the poultry industry has been more or less a losing proposition. The farmers are not complaining about that fact because they realize they overexpanded during World War II, and to that extent it is their own problem to cut back their production.

We are dealing with an industry which has never asked for or had any Government support. It is about the only phase of farming which has never asked for Government support.

In the meeting to which I have referred, which was attended by several hundred farmers, it was made clear that they were not asking for Government support, but they did ask that the Government stop financing certain individuals who use Government money for the purpose of recklessly expanding their production while at the same time bankrupting individual units. They said their only choice was to rent their broiler houses to someone who was getting Government money.

I believe that to be an unsound practice. The principle behind all legislation passed on the floor of the Senate has been to encourage and to assist in the establishment of single farm units. I believe that is what we should continue to do.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, I send an amendment to the desk and ask to have it stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 30, line 2, it is proposed to strike out "$100,000,000" and to insert in lieu thereof "$135,000,000."

The PRESIDING OFFICER (Mr. BARRETT in the chair). The question is on agreeing to the amendment offered by the Senator from Illinois on behalf of himself and the Senator from Minnesota [Mr. HUMPHREY], the Senator from Iowa [Mr. GILLETTE], the Senator from Oregon [Mr. MORSE], and the Senator from Montana [Mr. MURRAY].

Mr. DOUGLAS. Mr. President, the amendment would increase new loan authorizations for the REA program by $35 million, making a total of $135 million, which is precisely the amount authorized last year.

The National Rural Electric Cooperative Association made a survey which showed that $249 million in new funds would be required to fulfill applications planned to be submitted and clean up $100 million of a $167 million backlog of applications.

Mr. President, I ask unanimous consent to insert at this point a letter from Mr. Clay Cochran, economist for the National Rural Electric Cooperative Association, to the chairman of the Agricultural Appropriations Subcommittee, Senator YOUNG, which appears at pages 1073–1074 of the Senate hearings.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION,
Washington, D. C., April 30, 1954.

Hon. MILTON R. YOUNG,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR YOUNG: At the hearing April 28, Senator ELLENDER asked that we break our request for REA electric loan funds down into purposes for which funds were requested. This letter is in response to Senator ELLENDER's request.

You will recall that we arrived at our request to your committee as follows:

REA backlog of electric loan applications Jan. 1, 1954	$167,000,000
Less estimated backlog at end of fiscal 1955	67,000,000
Balance to be loaned	100,000,000
Applications for electric loans by rural electric systems between Jan. 1, 1954, and June 30, 1955	$221,000,000
Total electric loan funds required	321,000,000
Less electric loan funds available to REA, Jan. 1, 1954 (plus REA's estimated $5 million rescissions of old loans)	122,000,000
New electric loan funds required	199,000,000
Plus funds to get around formula in the act and unforeseeable contingencies	50,000,000
Total new authorization requested by NRECA	249,000,000

Of the $221 million in new electric loan applications planned by the systems, the breakdown is as follows:

Purpose	Percent of total	Amount (millions)
(a) New distribution lines and connections	27	$60.0
(b) Heavying up present distribution lines and connections	24	52.5
(c) Transmission (33 kilovolts and larger)	10	19.8
(d) Generation	31	69.9
(e) Buildings	3	7.2
(f) Sec. 5 loans for consumer financing	1	2.4
(g) Other	4	9.1
Total	100	[1] 220.9

[1] Does not add to $221 million due to rounding.

We were also requested to submit a breakdown of planned electric loan applications by region. This information is set forth below:

	Amount of applications planned
Region I—Delaware, Maine, Maryland, New Hampshire, New Jersey, New York, Pennsylvania, North Carolina, Vermont, Virginia	$14,800,000
Region II—Florida, Georgia, South Carolina	15,800,000
Region III—Alabama, Kentucky, Mississippi, Tennessee	17,500,000
Region IV—Indiana, Michigan, Ohio, West Virginia	8,000,000
Region V—Illinois, Iowa, Wisconsin	42,200,000
Region VI—Minnesota, North Dakota, South Dakota	15,500,000
Region VII—Colorado, Kansas, Nebraska, Wyoming	$25,700,000
Region VIII—Arkansas, Louisiana, Missouri, Oklahoma	29,900,000
Region IX—Alaska, California, Idaho, Montana, Oregon, Utah, Washington	31,300,000
Region X—Arizona, New Mexico, Texas	19,900,000

NOTE.—Regional totals do not add to $221 million due to rounding.

Sincerely,

CLAY L. COCHRAN,
Economist.

Mr. DOUGLAS. This letter relates to plans for new applications by rural electric coops to backlog and shows that $249 million in new funds are actually needed. This takes into account expected applications for fiscal 1955 of $221 million, the leaving of a $67 million backlog at the end of fiscal 1955, and making available uncommitted carryovers.

In the face of this need of $249 million in new authorizations, the budget request was only $55 million. The House and Senate committees increased this amount to $100 million, but, despite this increase, the totals available would still be $35 million less than was authorized last year and only 40 percent of the total amounts needed.

I may say that in the past the estimates of the Rural Cooperative Association have proved to be conservative. The Association obtains its information from its various State cooperatives. That information consists of the amount of money which the cooperatives are planning to request.

I ask unanimous consent to have printed in the body of the RECORD at this point in my remarks a statistical table which shows the comparisons between the amounts which the co-ops have estimated would be asked for and the amounts which actually have been asked for. These figures indicate that in general the estimates of the rural cooperatives have been conservative and have actually understated the amounts which were later requested.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Applications estimated by the National Rural Electric Cooperative Association annual survey compared with application actually received by the REA—selected years

Period Jan. 1, 1949, through June 30, 1950:	
Applications which the rural electrics expect to make [1]	$368, 227, 400
Actual applications received at REA	563, 539, 395
Period Jan. 1, 1950, through June 30, 1951:	
Applications which the rural electrics expect to make [1]	284, 840, 738
Actual applications received at REA	379, 227, 201
Period Jan. 1, 1951, through June 30, 1952:	
Applications which the rural electrics expect to make [1]	193, 938, 639
Actual applications received at REA	232, 158, 885
Period Jan. 1, 1952, through June 30, 1953:	
Applications which the rural electrics expect to make [1]	153, 401, 468
Actual applications received at REA	314, 108, 286
Period Jan. 1, 1953, through June 30, 1954:	
Applications which the rural electrics expect to make [1]	194, 534, 247
Actual applications received at REA	[3] 209, 499, 854
Period Jan. 1, 1954, through June 30, 1955: [2]	
Applications which the rural electrics expect to make [1]	221, 000, 000

[1] According to National Rural Electric Cooperative Association annual survey.

[2] Through Apr. 2, 1954, only—3 months of period yet to go.

[3] Actual applications received at REA for this period are obviously not available at this time.

Source: Rural Electrification Magazine, May 1954, p. 3.

Mr. DOUGLAS. The evidence is quite clear that there is a large volume of requests for loans which will come in and which the present authorization, together with such carryovers as are now available, will not fill. Unless we increase the amounts, the total of $321,000,000 needed will be replaced by the total amounts available under the pending bill of only $192,919,203, broken down as follows:

Loan authorization	$100, 000, 000
Contingency authorization	35, 000, 000
Carryover from 1954	49, 919, 203
Rescissions of prior year loans	8, 000, 000
Total funds	192, 919, 203

I try to be guarded in my statements both on and off the floor of the Senate, and I do not wish to make unjust charges, but I should like to point out that there has been a steady contraction of the REA program during the past 2 years. On page 866 of the Senate hearings on the bill it is disclosed that the total amounts available for fiscal 1953—and these amounts were authorized in 1952 during the preceding administration—were approximately $245 million. For the current fiscal year, 1954—and that amount was appropriated last year under the present administration—a total amount of approximately $221 million was made available. The figures show a reduction of $24 million for fiscal year 1954, as compared with the preceding fiscal year. If we turn to the committee report for the amounts available under the pending appropriation bill, we note that the committee states that $193 million will be available.

Mr. WILEY. From what page is the Senator from Illinois reading?

Mr. DOUGLAS. The prior year figures were from page 866 of the hearings. Page 15 of the committee report gives the figure for fiscal 1955. The committee figure of $193 million is a reduction of $28 million below the amount provided last year and that, in turn, was a reduction of $24 million from the preceding year. Therefore, in the coming fiscal year the amount would be $52 million less than 2 years ago.

That indicates what is going on. It is my impression that the present administration of REA is not very enthusiastic about the program which it is being called upon to administer.

ADMINISTRATION CUTBACKS IN REA PROGRAM

The Bureau of the Budget submitted still lower figures and asked for new authorizations of only $55 million, which would have made the total available, with carryovers, of only about $148 million. Had the administration's recommendations been followed, we would have seen a decrease of $97 million, or a cut of nearly 40 percent below the amounts made available in the last year of the previous administration.

We all want to cut down on needless expenses. But these REA loans are repaid with interest. They are one of the best investments we can make. At the very least, we can authorize the same amounts which were made available last year, and increase the authorization by $35 million, which would be the effect of our amendment.

I know it will be stated that the reduction is justified by the fact that electricity has already been carried to all but 8 or 9 percent of the farms in the United States, and therefore the need for new lines is diminishing; hence the need for the suggested appropriations.

INCREASING DEMAND FOR ELECTRIC POWER ON THE FARMS

It does not seem to me that such an argument takes into account two facts. The first fact is that there is a large increase in the amount of power being used on each farm. As electricity is becoming more and more popular, additional uses are being developed. Whereas originally, perhaps, electricity was used merely for the lighting of the house and the barn, it is now being used for electric refrigerators, electric stoves, washing machines, mangles, ironers, dryers, water pumps, milking machines, cooling of milk, and a variety of other purposes. In fact, in one county of my State they are beginning to heat houses with electricity. The result is a great increase in the powerload, and the existing distribution lines constructed when the load was small are proving inadequate to carry the increased demands for power.

Therefore, there is great need for stronger lines and the boosting of existing lines so that the additional demands can be met. This will require additional loans. Every year the electric co-ops are selling more and more electricity. In fact their loads are doubling about every 4 years. This increasing demand for power, of course, means that there will have to be considerable construction done to heavy up lines and increase capacity to handle the ever-increasing loads. As the years progress, the co-ops will probably require more and more load funds for this purpose. Also it costs approximately 92 percent more to build a mile of electric line than it did in 1940.

REA'S NEED AUTHORIZATION FOR BETTER BARGAINING POSITION

There is a second factor, Mr. President, namely, that as the contracts with the private power companies expire, the question of external sources of generation must be faced, with possible increase in wholesale rates which will have to be paid to buy power from private companies. Since REA co-ops purchase 51 percent of their power from private companies, they must have—but are not getting—authority and funds to generate their own supply if the utilities should not expand to meet the requirements. If such authority is lacking they will be put in a price squeeze by their utilities suppliers. If they do not have the authority to build their own generators, the private utilities will have them over a barrel in negotiations for fair prices.

Therefore, even though the REA cooperatives do not actually construct generating stations and do not actually build heavy trunk transmission lines, the possibility that they can develop such lines gives them, in dealing with the private power companies, a bargaining weapon which enables them to get a lower wholesale power rate than would

otherwise be the case. So, Mr. President, it seems to me we need to continue our support of REA, both to enable the need for additional power to be met and also to provide the cooperatives with a bargaining weapon which they can use to get lower wholesale rates for power.

REA LOANS ARE SOUND INVESTMENTS

I do not think I need to remind this body, although perhaps it is not so well known in the country at large as it should be, that these funds are not appropriations of money. They are loans, and thus far virtually all of them have been repaid generally before the loans are due, and they are repaid with interest. As of December 31, 1952, the co-ops had repaid to REA $395,266,943, $52½ million of which were payments made in advance of the date they were due.

What I fear is that by steadily cutting down on the authorizations for REA, a ceiling will be placed upon the growth of the source and development of power for the farming regions of the country, and wholesale rates will rise because the farmers will not have alternative bargaining weapons. Interest rates will be greatly increased, and it is quite likely that agents of private utility companies will tell the cooperatives that they should sell out to the private companies. We may ultimately find, unless this trend is reversed, that the REA system in which we take such great pride has been swept away because of the prevention of growth and because, through increases in interest rates and in wholesale power rates, the costs have been vastly increased.

Therefore, Mr. President, I hope this amendment increasing the authorized loans by $35 million will be approved. I may say that this will restore the amount newly authorized to the same figure that was approved last year, namely, $135 million.

I have heard from certain eminent and public-spirited Senators the objection that even though we authorize these sums they will not be spent by the present administration.

Mr. President, I think it is about time we served notice upon the existing administration that the Congress of the United States believes in the rural electrification program, and that the Congress of the United States will not tolerate outside sabotage of the program.

It seems to me, therefore, that the approval of this added authorization would be a pretty clear notice to the officials of the Department of Agriculture and of the REA that we do not want them to drag their feet.

Mr. MAYBANK. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. MAYBANK. The distinguished Senator from Illinois is aware of the fact that we have told them that, and the Senator is also aware of the fact that $50 million is carried over.

Mr. DOUGLAS. I am quite well aware of that, but I think this will be a way of serving notice on them—

Mr. MAYBANK. I agree with the argument of the Senator, but some $50 million is carried over, and we asked them to dispense the loans which have been applied over a period of time.

Mr. DOUGLAS. Does the Senator agree with me that the REA administration has been dragging its feet in these matters?

Mr. MAYBANK. Yes, certainly.

Mr. DOUGLAS. Within the past year and a half?

Mr. MAYBANK. It might be a year and 7 months.

Mr. HUMPHREY. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. As I understand, the REA Administrator recently announced that he intends to loan between $150 million and $165 million this year, and, as I gather, the carryover, as well as the loan authorization and the contingent authorization, amount to the sum total of $192,919,203. Is that correct?

Mr. DOUGLAS. That is correct; but the REA national cooperatives estimate that for the coming year as a whole $249 million of new funds will be needed in order to take care of a part of the backlog and also new applications planned to be submitted. New applications are expected to be $221 million.

Mr. HUMPHREY. There is a need of $249 million of new funds. Is it not correct to say that the aggregate total of these applications exceeds the loan authorization ability of the REA, even under the action of the Senate committee?

Mr. DOUGLAS. Oh, yes. If we take the applications pending on April 1 and the applications which the REA cooperatives believe will be made during the coming year, a total of $321 million will be needed.

Mr. HUMPHREY. The National Rural Electrification Cooperatives legislative committee has made some recommendations in this area to the committees of Congress and to the membership of the cooperative association. Is it not true that that committee presented evidence to the effect that the REA borrowers planned to make applications for a total of approximately $220 million or $221 million during the period of January 1, 1954, to June 30, 1955? Is not that the figure that would be suggested as the result of the survey of the REA at the present time?

Mr. DOUGLAS. The Senator is correct. The general statement is on pages 1073 and 1074 of the Senate committee hearings on the bill.

Mr. HUMPHREY. There is also a backlog of applications amounting to $167 million.

Mr. DOUGLAS. That is correct.

Mr. HUMPHREY. And the testimony indicated that these applications for loans would require approximately a year for processing. In other words, there seems to be some delay in the processing of loan authorizations.

Mr. DOUGLAS. That is correct. While I do not know that it can be proved, there is a general feeling that the lag has increased in the past 16 months, and this is notably the case in the telephone program, in connection with which the applicants are whipped from pillar to post and compelled to go through all kinds of redtape, and then to resubmit their applications from time to time.

Mr. HUMPHREY. It is true also, is it not, that regardless of the amount which Congress may authorize in this area, it is all repayable with interest?

Mr. DOUGLAS. That is correct.

Mr. HUMPHREY. It is not as if we were digging a ditch or as if we were going to hire additional personnel requiring additional expenditure. What it amounts to is to have in the bank, so to speak, available funds so that there can be no log-jam in terms of applications and the proper authorization of the applications within the amount of money authorized by the Congress.

Mr. DOUGLAS. The Senator from Minnesota is completely correct. What is developing everywhere is a greater need for additional power on the farm, both to help the housewife in the kitchen, and also to help the farmer in the fields and in the barns.

Mr. HUMPHREY. Mr. President, will the Senator yield further on that point?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. In studying some of the REA cooperatives in my own State of Minnesota, I found that in the past 5 years the number of kilowatt hours of electrical energy used on the farm has, in many instances, doubled. As against a yearly average of, let us say, between 200 and 220 kilowatt hours in 1946 or 1947, the average now, in many instances, runs as high as from 475 to 525 kilowatt hours.

Mr. DOUGLAS. That is quite correct.

Mr. HUMPHREY. I had the pleasure of meeting in my office this morning Mr. Irving Clinton, manager of the Meeker County Rural Electric Cooperative Association, Litchfield, Minn., one of the finest rural electric cooperatives in our State. Mr. Clinton is an excellent manager. He entered the REA managerial field in 1935, even before the program was authorized by statute. A sum of money was set aside at that time by President Roosevelt under the emergency provisions, and the Meeker County Cooperative was one of the first REA cooperatives. In this particular instance, the number of kilowatt hours of electricity used has steadily increased.

Of course, the increased use of electricity requires heavier lines and newer equipment. It is due to this factor that many new applications are being attracted at the present time.

Mr. DOUGLAS. That is correct.

Mr. HUMPHREY. This, in turn, tends to provide more efficient service.

Mr. DOUGLAS. I may say that whereas a great many people, in the beginning, wondered if electricity was productive or a luxury, now I think it is being demonstrated that it more than earns its way. In the first place, it saves time both for the farmer and his wife, and time is productive. The time of the farmer, which was formerly absorbed in doing chores around the barn, can now be released for the producing of cash crops in the field.

Moreover, anyone who has been around a modern dairy farm knows how

impossible it would be to operate a modern dairy farm without electric milking machines and electric refrigeration of milk.

The chicken industry has been under discussion in the last few minutes. How can there be modern hatcheries without electric power and heat, and electricity for the pumping of water?

Similarly, the use of electricity has, of course, kept roses in the cheeks of farm women.

Mr. HUMPHREY. And that, of course, is a very desirable accomplishment of any program.

Mr. President, would the Senator from Illinois yield for a further observation?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. One of the complaints which has been made in recent months, or perhaps I should say within the past 2 or 3 years, in reference to the REA concerns the overloading of lines and transformers because of the number of new plants or the increased use of the REA system on the farms.

Returning to the point under discussion a moment ago, while it is true that approximately 90 percent or more of the American farms are electrified today, many of them are electrified in the most elementary manner. Especially when one considers more diversified agriculture does he find an increasing demand for electrical energy. This has placed a great burden upon existing facilities. Unless the REA generation and distribution systems can be kept modern, to enable them to meet the increased demand for power, the possibility of their being able to remain solvent and to perform service is limited. Therefore, once having made the great investment which this country has made in the REA—and I do not mean the taxpayers in general; I mean the REA users themselves, who have made a great investment in the REA—to protect this industry, like any other industry or producer, it is necessary to keep the plant modern. The way to keep the plant modern is by making loans which can be paid off on a long-term basis at interest; and the loans are available only through the Rural Electrification Administration.

It is to that end, I suggest, that we ought to be directing our attention today. When we limit the available funds, we limit the possibility and the probability of the local REA cooperative to give, first, service which is required; second, to give it on a continuous basis, so that it satisfies the customer; and, third, to give it at a price which will provide for the amortization of the loan and will provide for solvency of the enterprise.

Mr. DOUGLAS. The Senator from Minnesota is completely correct.

Mr. MORSE. Mr. President, I desire to make a brief statement in support of the amendment offered by the Senator from Illinois. I had prepared an amendment identical in objective with that offered by the Senator from Illinois, except that my amendment called for a considerable increase in funds over the amount provided in his amendment. My amendment called for $135 million.

I have spoken with a good many REA representatives and cooperative representatives. They were asking for an amount which was beyond any possible realm of submission, as I told them, so far as adoption by the Senate was concerned. They feel that $249 million is the amount they require in order to meet immediately the needs of the REA throughout the country.

I had a conference with the supporters of the Douglas amendment, and it seemed to me that their position was a reasonable one from the standpoint of meeting with success when they asked for an amount equal to the appropriation figure of last year. Therefore I proposed an increase to $135 million.

In support of the amendment, I wish to say that today the farm families of the United States are in trouble. Their costs of production and of living have increased, while their incomes have decreased. The rural electrification program has been a factor in reducing farm production costs and easing the physical burdens of the farm family.

I was interested in the observation made by the Senator from Illinois [Mr. DOUGLAS] in regard to the amount of time which is now saved in the doing of chores through the electrification of farms, leaving a longer period of time for the farmer to produce cash crops in the field. During my youth, my parents operated a dairy farm in Wisconsin. We milked from 25 to 35 cows, night and morning, and we milked them by hand, separating the cream with a hand separator. We churned the butter with a hand churn, and packed it and sold it on a butter route each Saturday.

Recently I returned to Wisconsin and visited the dairy farm now operated by my brother. The farm now has an electric separator and electric milkers. I said to him, good naturedly, "It is almost a luxury to work in this barn, in contrast to what you and I did for so long a time years ago, when we milked by the light of a kerosene lantern, night and morning, most of the year, and did all the work by hand."

The Senator from Illinois is quite correct in pointing out what the electrification of farms has done, not only in relieving farm families from the drudgery of the chores, but also in saving time, so that farmers can use their time for greater production on the farm.

In this time of distress, the REA program should be pursued aggressively.

The President's budget recommendations for fiscal 1955 do the reverse in the same manner that the administration's proposed appropriations for the fiscal year now coming to a close were inadequate a year ago.

For fiscal 1954 the administration requested $95 million in new electric loan funds which, with an expected carryover of $25 million resulting from the slowdown in the loan program last spring, would have allowed a total loan program this year of $120 million. Congress increased the amount of funds authorized to $180 million, including a $45 million loanable contingency fund. By rescissions of old loans, REA was in a position to make available a total of $225 million for fiscal 1954.

The Administrator pursued a policy for the greater part of this year geared to a total loan program of $135 million. Public criticism was undoubtedly a fact in the recent announcement that $150 to $165 million may be lent this year. Even these inadequate programs would not have been possible under the budget proposals of the administration. The Eisenhower budget proposal last year was inadequate upon the basis of pending and expected applications. Experience has proven it to have been far too low.

As the Members of the Senate know, REA loans are not in the nature of current expenditures. The money is not only repaid on time, but the rural electric co-ops have a magnificent record of repaying in advance of the time repayment becomes due.

The President's budget recommendations for the REA program for the coming year was again inadequate. It was based upon an expected carryover of $45 million from this year, plus $55 million in new electric loan funds, plus an estimated $5 million from recissions of old, unused loans, for a total of $105 million. Because of the late decision of the REA Administrator to make more loan funds available this year, the carryover of regular funds will be $15 to $30 million under the $45 million contemplated by the President's budget. As a result, the total loan funds available for fiscal 1955 under the budget recommendations would be $75 to $90 million. If contingency funds are drawn down to meet a $165 million program, the carryover would be increased. At this time there is no way of knowing by how much.

I am advised by REA that as of April 6, there was a nationwide total of 201 loan applications, totaling $160,689,000 pending. Three applications totaling $1,268,000 from my State were also on file.

If the REA does proceed with a stepped-up program this year and lends $165 million, it is estimated that at the end of this fiscal year there will be on hand $126 million unsatisfied loan applications. That is a significant figure, and it is the kind of figure that has caused such consternation within the ranks of co-ops within the REA. I want to repeat the statement. If the REA does proceed with a stepped-up program this year and lends $165 million, it is estimated that at the end of this fiscal year there will be on hand $126 million unsatisfied loan applications; and all the power asked for in these loan applications is needed by the farmers. Quite clearly the appropriation recommended by the administration for the 1955 fiscal year would be insufficient to meet the needs of applications on file at the close of this year, let alone new applications.

As the Senate knows, each State can receive in regular loans in any one year an amount that is proportionate to the State's percentage of unelectrified farms as compared with the national average. My State at the end of fiscal 1953, the last year for which figures are available, was the third highest in percentage of electrified farms, so that its proportionate share is comparatively low. Despite this fact, there is a continuing need in Oregon for funds to expand and heavy up electric co-op systems.

A great deal of work on the lines is required to enable them to carry the additional amounts of power to supply the need and demand for further electrical improvements on the farms. There is a need of having the lines heavy enough to get the power to farm areas where it is needed.

The nationwide needs of the electric co-ops remain great. In fact, the power policies of the administration have created greater burdens on co-ops. The administration program of no new starts on multipurpose dams has created pressure upon generating and transmission co-ops—known as G. and T. co-ops—to provide and augment power supplies. Administration curtailment of transmission lines has created new needs for co-ops to meet their needs in other ways.

The National Rural Electric Cooperative Association has polled its members on loan applications they expect to file this coming year. The NRECA has urged new loan funds of $254 million on the basis of the replies of its membership. That sum would enable the reduction of backlog by $100 million, and would insure that the 10 percent limitation would not prevent the granting of needed loans in heavy-demand areas.

The House bill raised the REA loan fund appropriation to $100 million, plus a $35 million contingency fund. This was a substantial improvement over the President's recommendations. The Senate Appropriations Committee made no change in the House bill in this respect. The amounts approved by the House will not be sufficient.

In view of the proven inadequacy of the Eisenhower administration's budget proposal for the current fiscal year, and the demonstrable inadequacy of its recommendations for next year, I urge the Senate to provide substantially greater loan funds for REA loans than proposed by the administration and provided for in the bill as it passed the House.

I would that the amendment of the Senator from Illinois provided for at least $175 million because in conference there would be some hope of raising the final figure to somewhere near the amount which was appropriated last year. But the Senator from Illinois has proposed an appropriation of $135 million, and I shall vote for it, hoping that the amendment will be agreed to, and that the Senate conferees will hold out for that minimum figure in conference, so that at least the amount appropriated this year will be the same as that which was appropriated last year.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from North Dakota.

Mr. LANGER. Is it not true that in the Southwestern Power Administration area there are still 3 million farmers who are not under REA?

Mr. MORSE. Oh, yes; there are many areas in the country which are still not under REA. I have spoken about the very fortunate situation in the State of Oregon, which is the third highest in percentage of electrified farms, although people of my State need much more power on their farms than they are able to get over present REA transmission lines. The Senator from North Dakota is quite correct. There are many areas where the farmers are not so fortunately situated as are the farmers of my State. They need to have the power made available to them, in the first place. I would much prefer to appropriate more than is being suggested, but at least let us do as well by the farmers as we did last year. As was brought out by the Senator from Minnesota and the Senator from Illinois, if the problem is one which affects the attitude of the Department of Agriculture toward the REA if it is a question of the administration's squeezing out the REA by not appropriating the necessary money to firm up transmission lines, which will result in the farmers having to get their power from private utility companies, let us find it out; but let us not try to solve that problem by not providing as much as last year's appropriation.

Mr. LANGER. As was brought out by the testimony in the hearings, while there is talk about the administration's being against a Federal monopoly of power, is it not true that the Federal Government produces only 18 percent of the total power production in this country, and it is utter nonsense to talk about Federal monopoly of power?

Mr. MORSE. Yes. The private utilities still own an overwhelming percentage of the power facilities of the Nation.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a letter dated May 27, 1954, written to the Administrator of REA and signed by Gus Norwood, executive secretary of the Northwest Public Power Association, which reinforces the argument I have made this afternoon as to the need of additional funds by REA so that they can firm up, heavy up, their powerlines.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NORTHWEST PUBLIC POWER ASSOCIATION,
Vancouver, Wash., May 27, 1954.

MR. ANCHER NELSEN,
Administrator, Rural Electrification Administration,
Washington, D. C.

DEAR ANCHER: The REA news release of May 21 relative to future load growth of REA borrower systems constitutes one of the greatest mistakes which I have seen made by the Rural Electrification Administration. The estimate that power needs of the REA borrower will "nearly double by 1963" is just about the understatement of the year. If the future policies of the Rural Electrification Administration are premised on this ridiculously low rate of growth, then this whole program is headed for serious trouble.

My purpose in writing you is, of course, to urge an immediate withdrawal of this news release and secondly, the making of an adequate study of the problem.

Now let me outline some indicators which cause us in the Pacific Northwest to view these estimates with alarm.

In the past 5 years the electric loads of REA borrowers have increased from 3.3 billion kilowatt hours in 1947 to 11.4 billion in 1952 or more than triple in these 5 years. During the past 10 years the increase has been tenfold. Yet for the next 10 years your news release can only predict that the load will "almost double."

Perhaps someone will claim that the program is leveling off. We know that and are allowing for it. Here is a case in point. In 1948 the Lincoln Electric Cooperative at Davenport, Wash., had 895 rural and residential consumers using an average of 7,436 kilowatt-hours or a total of 6,655,646 kilowatt-hours. In 1952 the 1,010 consumers averaged 10,306 kilowatt-hours or a total of 10,409,306 kilowatt-hours. This is an example of a mature or leveling-off cooperative. Yet in 4 years they had a 50 percent load growth. Just their additional use per consumer has jumped from 7,436 to 10,306 or 2,870 kilowatt-hours in 4 years. The increase alone is more than the total average power use for residential purposes in the Nation.

The 33d annual report of FPC for June 30, 1953, states on pages 61, 62, and 64:

	Peak load (million kilowatts)	Energy (billion kilowatt-hours)
1950	64.3	329
1953	83.6	443
1960 estimate	130.0	660
1975 estimate	365.0	1,860

A long-range idea of trends is shown in the load growth for the Nation from 37.2 billion kilowatt-hours in 1921 to 370.2 in 1951, a tenfold jump in 30 years.

The Paley Commission Report anticipates a load increase of 350 percent from 1950 to 1975. The FPC estimate of load increase from 1953 to 1975 is 320 percent yet REA in dealing with a more dynamic sector of the economy visualizes only a 200 percent load growth in the next 22 years from 1953 to 1975.

Prophecy, we all know, is hazardous and we have the right to be conservative in making estimates for the future. But a conservative approach from the viewpoint of an electric consumer is one which insures an adequate supply of power for all purposes and a reasonable reserve. A scarcity policy of too little and too late is not conservative from the standpoint of the public interest.

The load growth for REA borrowers in the State of Washington is estimated by REA to be only 18.6 percent over the next 10 years. We have had regionwide peak load growth of 21.2 percent in 1941, 14.2 percent in 1942, 20.9 percent in 1943–44, 18.2 percent in 1946–47, 14.3 percent in 1947–48, 11.6 percent in 1948–49, 14.5 percent in 1949–50, and 10.7 percent in 1950–51 and we are now in a period when many new generators are being installed. We have had annual regionwide load growth greater than the 18.6 percent from 338.7 million kilowatt-hours in 1953 to 402.0 in 1963 which your load estimator allowed for the State of Washington for a whole decade.

I very much hope for the sake of the whole REA program that this mess can be cleaned up. Obviously these low estimates are not a reasonable premise on which to plan the future of REA.

Best personal regards.

Sincerely,

NORTHWEST PUBLIC POWER ASSOCIATION,
GUS NORWOOD,
Executive Secretary.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Minnesota.

Mr. HUMPHREY. The Senator from Oregon has made the point of the need for firming or heavying up the power lines. Is it not fair to say that unless the REA cooperatives can keep their plants, distribution systems, and generating systems in such condition that they can handle the increased demand, the whole structure of REA in an area may be jeopardized? In other words, the

costs for power, supplies, and personnel will be increased so that the REA cooperatives will not be able to hold down the price to the consumer and at the same time liquidate their loans and pay the interest on them and have modern, up-to-date plants which can meet the load requirements of an expanding farm economy. Is that not correct?

Mr. MORSE. The Senator is absolutely correct, and has set forth one of the main objectives of my argument this afternoon.

Mr. HUMPHREY. The distinguished chairman of the subcommittee who handled the appropriation is present on the floor of the Senate at this time, and I should like, through the Senator from Oregon, to invite his attention to this matter.

I wonder whether the Senator from Oregon has considered the fact that recently mention has been made of the possibility of having constructed an atomic-energy pilot plant for the generation of REA power. In the committee report I did not notice any statement as to whether REA funds for loans, as well as the funds for administrative and technical services, could be used for the construction of an atomic-energy pilot plant for such a purpose. In some of the publications of the REA's, I have read that possibly a plant using atomic energy, for the purpose of generating heat and thus creating the necessary electric power, would be feasible.

Therefore, Mr. President, if the Senator from Oregon will permit me to do so, I should like to ask unanimous consent, without causing him to lose his right to the floor, to seek an answer to that question from the chairman of the subcommittee, the distinguished Senator from North Dakota [Mr. YOUNG].

Mr. MORSE. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota? The Chair hears none, and it is so ordered.

Mr. HUMPHREY. Mr. President, I now ask the question of the Senator from North Dakota: Is there, so far as he knows, any provision of law to prevent a rural electric cooperative from seeking, through the appropriate agency of the Government—in this instance, the Atomic Energy Commission—to obtain assistance for the development of a pilot plant using atomic energy, for the creation of electrical power?

Mr. YOUNG. My opinion is that it would be doubtful whether the REA would have authority to loan money for an experiment of that kind; but the Atomic Energy Commission certainly has funds it could use for that purpose. It would be my hope that the Atomic Energy Commission would give serious consideration to the development of a pilot plant, in order to ascertain what could be done by way of the generation of power for such purpose from atomic materials.

Mr. HUMPHREY. I appreciate the Senator's comment, because I am afraid that in this case we may become involved in the proverbial Government redtape. I can understand that the Atomic Energy Commission might agree to license a rural electric cooperative to build an atomic reactor plant for the purpose of developing electric energy. In short, in such case the Commission would agree to give help, by means of its technicians and scientists, in the development of such a plant. However, would it be possible for such a cooperative to obtain loans for that purpose from the funds appropriated in this measure? I think this is a very important point with which we must come to grips very soon.

Mr. YOUNG. I doubt that the Secretary of Agriculture or, in particular, the REA administrator would have such authority, although I have not checked very carefully the law on that point. Some work is now being done in that field, and I hope the Atomic Energy Commission will give serious consideration to this suggestion.

In this connection, I now read from page 15 of the committee's report:

> The committee feels that the amount recommended for salaries and expenses should be used by the Rural Electrification Administration to the extent necessary to provide adequate funds to handle new problems and developments in both the electrification and telephone programs, including the additional workload occasioned by the increased loan authorizations, and the giving of appropriate attention to the possibility of utilization of atomic energy for electric power generation in rural areas.

Mr. HUMPHREY. However, that language applies, as I understand, to the item of salaries and expenses; in short, it applies primarily to technical services.

Mr. YOUNG. That is correct.

Mr. HUMPHREY. I believe we would do well, this afternoon, to give careful thought to this matter, and possibly to write into the bill at this point clarifying language in order to expedite the making of progress in the use of atomic energy for the purpose of the generation of electrical energy. Would it not be possible, either in the report or in the bill itself, to insert language to the effect that nothing in this act shall prohibit the making of loans, by means of the use of the funds appropriated in this bill, or the authorization of the granting of loans, for the purpose of the development of an atomic-energy plant for the generation of electrical energy?

I believe we must seriously consider this matter, because within the next year the REA's will be making such requests of the agencies in Washington. One of the largest REA's in the entire Midwest, which has a service-distribution system in my State and in adjoining areas, has asked me whether a pilot plant for the generation of electrical energy, by means of the use of atomic materials, could be established in that area. The officials of that group have said to me, "We would have to obtain permission from the Government, of course, because all rights pertaining to the use of atomic energy are now in the hands of the Government, and no one can enter that business without obtaining permission from the Government." However, Mr. President, once the Atomic Energy Commission has authorized such an activity and has extended the assistance of its scientists and engineers, then the question will be, where will the funds with which to construct the plant be obtained?

My question is this: Under the provisions of this appropriation bill, should we not make it crystal clear that if the national REA or if a local REA cooperative were to obtain from the Atomic Energy Commission permission and its cooperation for the construction of a pilot plant of that sort, the rural electric cooperative where the pilot plant would be located could obtain from the REA a loan of funds for that purpose.

I hope the Senator from North Dakota will take this matter under advisement, and will give his leadership to it on the floor of the Senate. In that way I believe we would be making history, for there is no question that atomic energy is here to stay; and from the point of view of making use of atomic energy for peaceful purposes, I believe this is the place to begin in that endeavor.

So, Mr. President, if the Senator from North Dakota will accept such an amendment and will agree to take it to conference, I shall be glad to work with him on it, during the remainder of the debate this afternoon.

Mr. YOUNG. Mr. President, on this matter I am in complete accord with the Senator from Minnesota. However, it seems to me that such an amendment would be subject to a point of order, as legislation on an appropriation bill; and thus I believe it doubtful that such an amendment could be adopted.

We believe that the Atomic Energy Commission should cooperate to the fullest possible extent with the REA, in order to carry out the purpose the Senator from Minnesota has stated.

Mr. HUMPHREY. In other words, do I correctly understand that it is the belief of the Senator from North Dakota that the Atomic Energy Commission should cooperate in every possible way with the REA, in looking to the construction of such a pilot plant? In this connection, I should like the Senator from North Dakota to take into consideration the very practical matter that, regardless of what authority the REA would have in connection with the use of its own funds, the question would remain whether a local rural cooperative would be able to borrow money for such purposes from the REA.

I wish to make it clear in the basic law that since we authorize the making of such loans for plants which use oil or coal to produce steam for the generation of electrical energy, it would be permissible for such loans to be made for the construction of a pilot plant for the generation of electricity by means of the use of atomic materials—in short, through the use of atomic energy.

Mr. MORSE. Mr. President, at this point let me interrupt, if I may. I shall yield again to the Senators; but before doing so, since I see that the Senator from Alabama is about to leave the Chamber, and inasmuch as I wish to obtain his help in connection with this matter, let me say that the sponsors of the amendment are very desirous of having a yea-and-nay vote ordered on the question of agreeing to the amendment, because this issue is of great importance to our respective States.

Therefore, I ask for the courtesy and cooperation of Senators in helping us

obtain a yea-and-nay vote. I think there are a sufficient number of Senators present in the Chamber to order the yeas and nays, if they see fit to do so. I ask for the yeas and nays.

Mr. DOUGLAS. I suggest the absence of a quorum.

Mr. HUMPHREY. Mr. President, will the Senator withhold his suggestion of the absence of a quorum?

Mr. MORSE. I do not yield for a quorum call.

The PRESIDING OFFICER. The yeas and nays have been requested. Is the request sufficiently seconded?

The yeas and nays were ordered.

Mr. DOUGLAS. I withdraw my suggestion of the absence of a quorum.

Mr. HUMPHREY. Mr. President——

Mr. MORSE. Mr. President, I now yield, under the same conditions, to the Senator from Minnesota.

Mr. HUMPHREY. I thank the Senator from Oregon. Rather than continue the discussion with the Senator from North Dakota [Mr. YOUNG], who has participated with me in a friendly debate on the floor of the Senate, I prefer to talk with him for just a moment in the rear of the Senate Chamber. Perhaps we can arrive at a meeting of minds.

Mr. LEHMAN. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield to the Senator from New York.

Mr. LEHMAN. When the cooperatives of New York were first energized, in 1944, I believe, consumption was about 75 kilowatt-hours a month. Since then consumption has increased about fourfold—from 75 kilowatt-hours a month to approximately 300 kilowatt-hours a month. That increase has been made in the face of the fact that the rate in New York is among the highest in any State in the Union. Its cost of electricity purchased by rural electric cooperatives is 1.12 cents a kilowatt-hour, as compared to a cost of .32 cents in Washington and .38 cents a kilowatt-hour in Oregon.

The reason for the increase is that the use to which electricity is put by the cooperatives has been obviously greatly enlarged in the past 10 years. The greatly increased consumption and use of electricity on the farms has, of course, resulted in a need for strengthening the transmission lines to the farms and the electrical equipment on the farms, at very great expense. I am sure that the same condition prevails in every other State in the Union. I have no doubt that there has been approximately the same proportionate increase in consumption on farms in other States as there has been in New York.

So it is very clear that, in spite of the fact that so great a percentage of the area of each State has been energized, the need for loans and expenditures in order to finance the strengthening of the lines, in order to extend the possibility of making wider use of electrical current, not only will continue, but will increase. It has been shown this afternoon in the debate that the amount of loans requested and needed by the cooperatives in the various States of the Union far exceeds the amount now being made available in this bill. So I think if we are to carry on and extend this highly important work, a work which enhances the welfare, happiness, contentment, and prosperity, in the first place, of our farm population, and in the second place, of our general population, which is so dependent on the prosperity of the farm population, we certainly should, and I believe we must, make available larger sums than are proposed in the pending bill. Therefore I intend to support the amendment of the distinguished Senator from Illinois [Mr. DOUGLAS].

Mr. MORSE. We appreciate the support of the Senator from New York. In my judgment the argument he makes is unanswerable. Every point he brings out is factual. I think we have the duty of helping the REA's to heavy up their lines where they already have power, and we have the duty to take to farmers still living in darkness the electricity they need in order to reduce the burdens of farm life.

Mr. LANGER. Mr. President, I should like to find out, if I can, whether or not the amount which is proposed to be appropriated could be used for steam plants.

Mr. MORSE. The Senator from North Dakota asks whether the amount requested can be used for the government of steam power generating plants.

Mr. YOUNG. Yes. It could be used to make loans for steam plants.

Mr. LANGER. I wished to be certain.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. I thank the Senator from Oregon. He was following the colloquy between the Senator from North Dakota [Mr. YOUNG] and myself as to the possibility of joint action between the REA and the Atomic Energy Commission for the establishment of one or more pilot plants.

At this point I invite the attention of Senators to the May 1954 issue of the publication known as Rural Electrification Magazine, which is published in Washington, D. C. It contains an article beginning on page 13, entitled, "Transforming the Atom—Power for Rural Electrics." I ask unanimous consent that the article be printed in full at this point in the colloquy between the Senator from Oregon and myself.

Mr. MORSE. Mr. President, I join in that request.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TRANSFORMING THE ATOM—POWER FOR RURAL ELECTRICS

(By Robert Kabat)

The stakes in the development of nuclear power are tremendous. It is next to impossible to estimate the magnitude of the money involved—the Atomic Energy Commission alone has spent over $12 billion on the whole atomic-energy program.

There are many predictions of things to come in the field of nuclear power, and all indicate that the rural-electric systems must learn more about this program and participate more actively in it. Some of the predictions are that within 10 years 10 percent of the power generated will be nuclear power; that nuclear power could already be competitive in high fuel cost areas. Other predictions go so far as to say that within 10 years nuclear power will be competitive with hydropower.

FIVE-YEAR PROGRAM PLANNED

The AEC recently announced that it is embarking on a 5-year program to develop atomic reactors. This program is expected to cost $200 million, most of which will be paid by the Federal Government. In fact, it is stated in the congressional report on the 5-year program that "all cost estimates are conditional on annual congressional appropriations." Since the Federal Government is paying such a major share of these costs and has spent so much on the program in the past, it seems that the results of this development should be a part of the public domain, thereby benefiting all instead of just a few large private industrial companies and utilities.

The Joint Congressional Committee on Atomic Energy just concluded hearings on the 5-year reactor development program proposed by the AEC. The committee reported:

"The program outlined calls for financing primarily by the Government. Except for the pressurized water reactor, it consists of small, experimental reactors. All these units will produce technical and cost information which will make possible more accurate evaluation of the future of nuclear power. It is hoped that the new technology will encourage industry to take over an increasing share of the financing of further research and development and to consider with increasing favor the actual construction of pilot or full-scale powerplants."

"Private financing thus far has been only a small fraction of total reactor development costs."

"Economic evaluations by the Commission and its contractors show that the probability of producing electricity from nuclear fuel at a cost competitive with electricity from coal, oil, or gas is good. The estimates generally indicate that if the goal of economic nuclear power is pursued with vigor, costs can be brought down—in an established nuclear power industry—until the cost of electricity from nuclear fuel is about the same as the cost of electricity from conventional fuels, and this within a decade or two. This does not mean that such low-cost nuclear power will be obtained from the very first plants which might be built but that it may well come from succeeding plants which, as a result of experience with the first, it should be possible to construct and operate more economically."

Significantly, this statement points out that most of the financing has been furnished by the Federal Government and also that, except for the pressurized water reactor, the 5-year program calls for the construction of small reactors.

SYSTEMS FACE DUAL PROBLEM

The rural-electric systems face a dual problem in the field of nuclear power. One part of the problem concerns participation by the rural electric systems in the reactor development program and the other concerns proposed legislative changes in the Atomic Energy Act. Regarding the first part of the problem, it might be asked how the rural electric systems can actively engage in nuclear power development, perhaps even to the extent of having a nuclear powerplant constructed along the lines of a rural electric system. Or more immediately, how can the rural electrics participate in this 5-year program of reactor development proposed by the AEC? This article will deal only with these questions; the next article will deal with the problem of proposed legislative changes.

The second part of this dual problem faced by the rural electric systems is: Should the Atomic Energy Act be amended and if so, how? Are amendments needed to protect the interests of the rural electric systems? What

provisions are in the present act which insure that the benefits of nuclear power development financed primarily with Federal funds become available to the rural electric systems? The private power companies want the act amended to provide for private patents on nuclear power developments and private ownership of nuclear plants and fissionable materials. At the same time they want the Federal Government to assume most of the financial risk involved.

Representative W. STERLING COLE of New York, on April 15, 1954, and Senator HICKENLOOPER of Iowa, on April 19, 1954, introduced respectively H. R. 8862 and S. 3323 to amend the Atomic Energy Act to further private development of nuclear power. The interest of the rural electric systems in this legislation is to make sure that it does not prevent them from sharing in the benefits of nuclear power research and development financed primarily with public funds. In a succeeding article these proposed legislative changes will be discussed.

The first part of the problem which will be discussed here requires action by REA, the Atomic Energy Commission, the rural electric systems, and the Congress while the second part of the problem depends on action taken by the Congress in amending the Atomic Energy Act. But in any case, the rural electric systems must attempt to learn more about this promising new source of power and also take a more active part in the nuclear power research and development programs.

G-T'S EXPRESS INTEREST

Actually, several of the generation and transmission systems have expressed an interest in this development. Also, at least one statewide has indicated it is willing to contribute to the cost of hiring a part-time consultant on nuclear power. Such a consultant would be cleared for access to classified AEC information. He would present the specialized needs of the rural electric systems to the AEC and also inform the member systems about nuclear power developments. But none of the rural electric or local public systems have taken an active part in this program as yet.

COMPANIES PARTICIPATE

Although the private power companies have not been willing to actually finance the construction of a nuclear powerplant, they have actively participated in AEC research and development. This participation has usually taken place as a member of a study team composed of industrial firms, engineering companies, and several operating private utilities. These teams usually have worked in AEC installations under contracts with the AEC, contracts mainly financed by the AEC. There are 12 such study teams, on which 35 power companies and the TVA are participating.

One of the largest teams is the Dow Chemical-Detroit Edison team. This team is composed of 5 chemical and manufacturing industries, 3 engineering and construction firms, and the following 23 private power companies: Atlantic City Electric Co., the Cincinnati Gas & Electric Co., the Cleveland Electric Illuminating Co., Consolidated Edison Co. of New York, Inc., Consolidated Gas Electric Light and Power Co. of Baltimore, Consumers Power Co., the Detroit Edison Co., Metropolitan Edison Co., Pennsylvania Electric Co., the Hartford Electric Light Co., New England Electric System, Niagara Mohawk Power Corp., Philadelphia Electric Co., Potomac Electric Power Co., Public Service Electric and Gas Co., Rochester Gas and Electric Corp., the Southern Co., Alabama Power Co., Georgia Power Co., Gulf Power Co., Mississippi Power Co., the Toledo Edison Co., and Wisconsin Electric Power Co.

ORGANIZED IN 1951

This team, whose power company members have boasted of assets totaling $8.3 billion—approximately three times the total investment of all the rural electric systems—was organized in 1951. The AEC announced on April 16, 1954, that it has approved a proposal of this team "to begin a new phase of nuclear power investigations involving actual experiments and preliminary engineering * * * on a breeder reactor for the generation of electric power and other products * * *." This group of industrial giants plans to spend $2,300,000 on the project. The AEC will bear the expense of any part of the project which is of direct interest to the AEC and forms part of its approved program.

These utilities have faith in nuclear power and are making sure that their companies are informed about and receive the benefits of such development. But there is not one rural electric or local publicly owned system team working with the AEC on nuclear power development, not even one on a part-time basis. This statement is made with the full realization that the rural electric systems cannot hope to compete with the tremendous financial and personnel resources of these private companies. Nevertheless, they should safeguard their interests in this vital new source of energy with all the resources at their command.

Below there is a table showing the projects included in the 5-year power reactor development program proposed by the AEC and some of the characteristics of each project.

Probably the most interesting of the reactors listed in the table is the boiling-water reactor. This reactor would generate steam which would be fed directly to the turbines. It would eliminate the need for a heat exchanger outside the reactor and permit appreciable reduction in pumping power, which should lead to lower capital costs. This is typical of the progress being made which should result in lower and lower capital costs. Since the fuel is now lower in cost than conventional fuel (approximately 1 mill per kilowatt-hour as compared with an average of 3.4 mills per kilowatt-hour for steam generation), while the capital costs are considerably higher than conventional plants, any reduction in capital costs is extremely important.

In addition to this 5-year program, the AEC is now considering bids for the construction of a 1,000 kilowatt package reactor for the Army. This unit apparently will be mobile and is being constructed so it can be disassembled for shipment. It has been reported that the cost of this unit will be somewhat less than $3 million. Of course, these capital costs are not competitive, but if the day arrives when small units can be constructed and operated competitively, the rural electric systems may be able to have independent power sources.

Project	Estimated cost	Estimated completion date	Kilowatt capacity	To be constructed by—	Part of reactor cost to be paid by contractor
	Millions				
Pressurized-water reactor	$85	1957	Minimum 60,000	Westinghouse & Duquesne Light Co., Pittsburgh.	$5,000,000
Boiling-water reactor	17	1956	5,000	Not determined	
Sodium-graphite reactor	10	1955	20,000 kilowatts of heat, will not be equipped for generating electricity.	North American Aviation	2,500,000
Homogeneous-thorium reactor [1]	47	1958–59	16,000	Not determined	
Experimental breeder reactor	40	1958	170–15,000	do	

[1] This is to be preceded by homogeneous-reactor experiment No. 2 (HRE No. 2) with a heat output of approximately 3,000 kilowatts and to be completed in 1956.

PROGRAM OFFERS PROMISE

This 5-year program offers real promise for the rural electric systems. The size of the reactors which the AEC is planning to develop vary from a few kilowatts to 60,000 kilowatts or over. Since the rural electric systems usually require small units, it probably would be possible to satisfy some of their generating needs from this. It is also significant that of the two units which have already been awarded to private companies to construct, these companies are going to pay only a small part of the total estimated cost of the reactor. This cost pattern is typical of the amounts the private companies want to contribute to this development.

In fact, last summer in the hearings before the Joint Congressional Committee on Atomic Energy, witness after witness was asked if their company was prepared to come forward with definite financial plans for nuclear power development. Almost to a man they replied they were not prepared to offer such financial plans.

Typical of their replies is the following statement of Mr. Willis Gale, chairman of the board of Commonwealth Edison Co.: "As a regulated public utility, we are in no position to lose money on a venture into the uncertain field of atomic power. Any such loss would be borne by our stockholders who have nothing to gain financially if the venture were a success. We cannot, therefore, speculate in big figures on such a venture." Mr. W. L. Davidson, Director, Office of Industrial Development, Atomic Energy Commission, stated at the hearing: "It is exceedingly doubtful that any industrial group would be willing to underwrite the early construction of a nuclear power reactor, even assuming a revision of the act." (The revision of the Atomic Energy Act to permit private patents, private ownership of fissionable materials, etc.)

In other words, these utilities want the Government to assume the risk in developing atomic power, but they want to reap the benefits.

PILOT PLANT PARTNERSHIP

It is possible that the AEC could build one of these pilot plants on a partnership basis with REA and the rural electric systems. REA could make a loan to a system for a conventional generating plant where needed. The AEC would then pay the difference between this cost and the total cost of the atomic power plant. The AEC could certainly justify this as a contribution to the development of atomic power technology. Under such an arrangement the rural electric system may also be able to secure lower cost power than its present costs of generation because of the lower fuel costs.

But in order to do this REA would have to take an active interest in this development and also devote some of its personnel to the study of atomic power. REA has pioneered in many areas of rural electrification in order to make the benefits of central station electricity available to rural America at the lowest possible cost. One has only to remember their pioneering in the development of lower cost rural lines, meters with cyclometer registers, use of oil circuit reclosers and sectionalizers, etc. REA could

also pioneer anew by actively trying to further the development of atomic power and actively working for an REA–AEC-rural electric system partnership to make benefits of this new source of power available to rural America.

REA could perhaps set up a small task force of REA personnel who could obtain security clearance so as to have access to classified AEC information. This task force would be able to observe the studies being carried out by the AEC and the private industry-private utility study groups. They would then be in a position to evaluate this information for the consideration of REA and the rural electric systems. This would be performing an invaluable service for the farmers' electric systems, a service they could not readily provide themselves.

The 15th semiannual report of the AEC covering the period July–December 1953 states that the Federal Power Commission and the Departments of Interior and Commerce have personnel cleared for access to nuclear power information and also to provide liaison with the AEC. Also, the TVA and Bonneville Power Administration have such people, either as full-time employees or part-time consultants.

COMMITTEE RECEIVES CLEARANCE

Also, this same AEC report mentions that the National Association of Railroad and Utilities Commissioners has a committee on nuclear power which has received security clearance. According to the report, this committee will undertake a study of "economic and legislative problems of nuclear power." Members of this committee are: C. L. Doherty, president of the association and member of the South Dakota Public Utilities Commission; Henry B. Strong, Connecticut Public Utilities Commission; Henry McKay Cary, Missouri Public Service Commission; John H. McCarthy, Michigan Public Service Commission; George P. Steinmetz, chief engineer, Wisconsin Public Service Commission; and Charles W. Mors, general division engineer, California Public Utilities Commission, who is serving as secretary of the committee.

Therefore, there is a precedent for public groups to participate in AEC research and development of nuclear power. REA Administrator Ancher Nelsen has expressed an interest in such REA participation either through its own staff or the services of a consultant. All the rural electric systems will welcome the foresight displayed by REA in taking such a step. Once again REA will pioneer in the development of rural electrification.

Probably the REA Administrator would desire some directions from the House and Senate Appropriations Agriculture Subcommittees in order to use REA funds for exploring nuclear power developments, and also to consider the possibility of making a loan for such a plant along the lines of a rural electric system. Members of these two committees have expressed an interest in actually locating a pilot plant along the lines of a rural electric system. Representative H. CARL ANDERSEN, of Minnesota, the chairman of the House subcommittee, recently expressed such an interest to a manager of one of the g–t systems. Also, Senator YOUNG, of North Dakota, the chairman of the Senate subcommittee, expressed a similar interest. So did Senator MUNDT, of South Dakota. Senator MUNDT stated in a recent newspaper release that the location of a plant along the lines of a rural electric system would depend on the following factors:

1. "Comparative data on total and potential power needs and also data on need for firm power to support available secondary hydroelectric power."

2. "The cost factors in producing power at the present time. (Indications are a high-cost area may have preference.)"

3. "The capacity and willingness of local REA groups to cooperate with officials on the national level."

4. "Considerations of terrain and security essential to the construction and protection of an atomic power projects."

These subcommittees in the past have expressed real vision in their action on REA funds and activities. The rural electric systems can hope they will see fit to exert similar vision in this area of nuclear power development.

Finally, the Joint Congressional Committee on Atomic Energy and the independent offices subcommittees of both the House and Senate Appropriations Committees (which consider the AEC budgetary requests) would probably have to direct the AEC to proceed with the development of an atomic plant along the lines of one of the rural electric systems. The chairman of the joint committee is Representative W. STERLING COLE (New York). The Steuben Rural Electric Co-op is located in Representative COLE'S home town of Bath, N. Y. There is a subcommittee of the joint committee on research and development which would probably consider this matter first. The rural electric systems hope they will have an opportunity to present their views on this matter to this committee in the near future and that this committee will act favorably on their request.

Officials of the AEC have expressed an interest in such a partnership arrangement with REA and the local systems. If the REA Administrator is going to make a loan for a conventional generating plant, and the AEC is planning to construct an atomic plant of the same approximate capacity, the AEC could be relieved of the conventional costs involved because of the REA loan. This is somewhat similar to the arrangement between the Duquesne Light Co. and the AEC for the construction and operation of a 60,000 kilowatt pressurized water reactor. Duquesne Light Co. furnished the site for the project, will build and operate the conventional part of the generating plant (the reactor will replace only the fire pot and boiler of a conventional steam plant) and also furnish labor to operate the reactor. In addition to this, Duquesne Light will pay $5 million of the total development cost of $85 million, and will purchase steam power used in the turbines from AEC.

It certainly would be desirable for all these groups, REA, AEC, and the congressional committees, to consider the rural electric systems for the site of one of these pilot plants. The actual construction and operating costs of such a plant would be easier to measure because of the nonprofit operation of the rural electric system. This would present a real yardstick of the actual costs of nuclear power. The rural electric systems, on the whole, require smaller generating units than the private power companies. Therefore, smaller units such as those contemplated in the 5-year development program of the AEC could be adapted to the needs of the rural electric systems. The possibilities of a small, independent generating system on the lines of a rural electric system if the plant could be economically operated at a low load factor and quickly be brought to peak capacity when required are obvious. Apparently an atomic power reactor offers just such possibilities. Also, there is and always will be the need for new sources of power along the lines of the rural electric systems. Their power input, it is estimated, will increase 94 percent in the 10-year period 1953–63. Also, there is the ever present problem of high wholesale power costs. It seems only logical that a nuclear plant should be built in such an area where it can be competitive perhaps even now.

The immediate problem of the rural electric systems is how to get started with active participation in this 5-year program. NRECA is doing considerable work along these lines—conferences have been held and will continue to be held with REA and AEC officials, and appearances have been made before the congressional committees. Also, the National is carefully studying all releases of the AEC and hopes to have a committee of the staff and the systems cleared for access to AEC research on nuclear power. But a great deal depends on the interest rural electrics express in this matter and, as Senator MUNDT says, "the capacity and willingness of local REA groups to cooperate with officials on the national level." We have no doubt about either the capacity or the willingness of all the rural electric systems, who are anxious to make the promise of atomic power available to the folks of rural America.

Mr. HUMPHREY. The article contains the following pertinent paragraph:

It is possible that the AEC could build one of these pilot plants on a partnership basis with REA and the rural electric systems. REA could make a loan to a system for a conventional generating plant where needed. The AEC would then pay the difference between this cost and the total cost of the atomic powerplant. The AEC could certainly justify this as a contribution to the development of atomic power technology. Under such an arrangement the rural electric system may also be able to secure lower cost power than its present costs of generation because of the lower fuel costs.

After some discussion with the Senator from North Dakota [Mr. YOUNG], it appears clear to the junior Senator from Minnesota that there is no limitation in the present Rural Electrification Act as to the use of loan funds, pertaining to particular sources of power. In other words, electrical energy could be generated by gas, by fuel oil, by coal, or by hydroelectric generating facilities. Such loans could be made available in connection with whatever means was used for the generation of electrical energy units. Therefore, it is my understanding—and I speak only for myself—that there would be no limitation within the REA basic act itself, with respect to loans to be granted to a rural electric cooperative which might desire to work in cooperation with the Atomic Energy Commission in the construction of a pilot plant.

I ask unanimous consent to obtain the comments of the Senator from North Dakota on that point.

Mr. MORSE. I have no objection.

Mr. YOUNG. It would appear that the REA Administrator would have such authority. Although I have not checked the law, and cannot be absolutely certain, I am reasonably certain. Of course there would be a limitation on the amount of money which could be loaned. The REA could not lend $300 million, or even $100 million.

Mr. HUMPHREY. Of course.

Mr. YOUNG. It would be my hope that the REA Administrator would cooperate to the fullest possible extent with the Atomic Energy Commission in the development of electricity from atomic energy.

Mr. HUMPHREY. I thank the Senator from North Dakota, and I particularly thank the Senator from Oregon [Mr. MORSE]. We had discussed this question previously. He was very kind in yielding to me so that we could discuss

the subject more fully on the floor of the Senate.

Mr. MORSE. Mr. President, in closing my argument, I wish to thank my colleagues who have buttressed the position taken by the sponsors of the amendment. I sincerely hope that when we come to vote on it tomorrow we shall keep faith with the farmers of the country and give to the REA supporters the assistance they need, by increasing the appropriation in the bill by this relatively small amount.

TRIBUTE TO THE LATE SENATOR HOEY

Mr. SCHOEPPEL. Mr. President, on the 17th day of May of this year, the Commission on Intergovernmental Relations, now headed by Meyer Kestnbaum, Chairman, sent to me a resolution appertaining to the late distinguished Senator Clyde R. Hoey, of North Carolina. Senator Hoey was a member of the Intergovernmental Relations Commission. I ask unanimous consent that the resolution, which was unanimously adopted by the Commission, be incorporated in the body of the RECORD at this point in my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Honorable Clyde R. Hoey, senior Senator from the State of North Carolina, was an invaluable member of the Commission on Intergovernmental Relations; and

Whereas Senator Hoey brought to the Commission a broad grasp and deep understanding of the problems facing the Commission in the field of Federal-State relations; and

Whereas his wisdom and the rich experience of his long and distinguished career of devoted public service enriched the purposes and personal associations of the Commission; and

Whereas his passing has brought great loss and sorrow to his fellow members of the Commission: Now, therefore, be it

Resolved, That the Commission on Intergovernmental Relations tender to his family this expression of its esteem and affection.

Signed at Washington, D. C., this 17th day of May 1954, in behalf of the members of the Commission whose grateful remembrance of Senator Clyde R. Hoey shall remain forever constant.

MEYER KESTNBAUM,
Chairman.

TVA POWER FOR THE ATOMIC ENERGY COMMISSION

Mr. GORE. Mr. President, on April 22 I rose on the floor of the Senate to express certain reservations and apprehensions about reports of proposals and negotiations thereon by the Atomic Energy Commission and private utility interests with respect to a supply of power to the Atomic Energy Commission at its installations located in the Tennessee Valley. At that time, based upon the limited information available to me, I raised two fundamental questions upon which I felt a decision would vitally affect the public interest.

It was reported that the Atomic Energy Commission was considering a proposal for the purchase from private interests of 600,000 kilowatts of electricity at a price substantially higher than that at which this same electricity is currently being supplied by TVA under existing contracts. I questioned the wisdom of a purchase of electricity by AEC from private interests at a price in excess of that for which the electricity could be generated in facilities already owned by the Government.

It was further reported that the specific proposals under consideration did not call for construction of generating facilities at Paducah or at any place in the vicinity of Atomic Energy Commission installations. On the contrary, the proposal appeared to call for construction of generating facilities at or near Memphis, Tenn., a distance of some 200 miles from Paducah and a distance of some 400 miles from the next nearest AEC installation. I suggested that this report, if correct, would indicate that the proposals did not involve delivery of electricity to the Atomic Energy Commission at all. The proposed location of the new plant offered some clues as to the real purpose of the proposal. In my remarks on April 22, I made the following observation:

The purposes of this maneuver are not as difficult to ascertain as are the answers to the questions I have propounded. It is plain to me that the real purposes of this proposal are threefold: First, to strike a death blow forever at the proposed construction by TVA of the Fulton steam plant on the Mississippi River. Second, to lay claim to the supply of electricity to the Memphis TVA service area. Third, to furnish electricity to the TVA and have a subsidy paid to private power interests by the American taxpayers through the Atomic Energy Commission.

When I spoke on April 22 there was a paucity of information available about this matter. Little additional information about the details of the proposal have since become available. I can state, however, Mr. President, that developments since that time have done nothing to allay my apprehensions. In fact, such further information as has become available has served only to increase my doubts and substantiate my reservations as to the wisdom of the proposal or proposals.

Officials of the Bureau of the Budget were scheduled to appear before the Independent Offices Subcommittee of the Senate Appropriations Committee on April 26 to explain the details of the proposed contract and to make recommendations thereon. The subcommittee was then considering the TVA appropriation for fiscal 1955. If TVA was to be relieved of its obligation to furnish certain electricity to AEC, such fact was obviously material to a determination of the amount of TVA's appropriation.

A shortage of electric power in the Tennessee Valley beginning in 1957 has long been forecast. Calculations upon which this forecast has been based are now accepted as accurate by all concerned. Large additional facilities will be required to meet the demand for power for defense installations and for industrial, commercial, and residential consumers in the valley. As an illustration, by 1957, under present arrangements, the TVA will be furnishing to the Atomic Energy Commission more electric power than was consumed by any 1 of our 48 States in 1952, with the exception of the State of New York.

The administration has recognized the existence of this power shortage, and has implied that unless TVA's commitments to AEC were reduced, additional generating facilities would be required and this need would be reconsidered by the Bureau of the Budget and by Congress.

However, officials of the Bureau of the Budget did not appear on April 26. They have not yet appeared. The subcommittee, the full Committee on Appropriations, and the Senate have already acted on TVA's appropriation. No funds were provided for the construction of additional generating facilities which everyone now acknowledges will be required.

I am informed that officials from the Bureau of the Budget are now scheduled to appear before appropriate committees of the Congress on June 10 to report on the status of the negotiations to which I have referred. It is implied that if these negotiations are not successfully concluded, a supplemental appropriation bill for TVA will be considered by the Congress. But the time is growing short.

However, it is not my purpose in arising today merely to repeat the apprehensions I have previously stated. Other questions about the manner in which these negotiations are being conducted and by whom they are being conducted are even more disturbing.

In his budget message to the Congress earlier this year, the President stated:

Arrangements are being made to reduce, by the fall of 1957, existing commitments of TVA to the Atomic Energy Commission by 500,000 to 600,000 kilowatts.

The above passage from the President's message would appear to indicate that it was contemplated only that TVA would be relieved of its obligation to furnish 500,000 to 600,000 kilowatts of electricity to the AEC, thus freeing this amount for use elsewhere by TVA. Such an objective would ordinarily be accomplished by either of two means: (1) A reduction of AEC's requirements, or (2) the direct procurement of such an amount of electricity for its own needs by the AEC from other sources.

Nothing is said in the President's budget message about the purchase of 600,000 kilowatts of electricity from private sources by the TVA or by any other agency acting for the TVA. It is becoming obvious, however, that the latter is exactly what is now being considered and proposed. I hold here in my hand a copy of a so-called data sheet, prepared by the Atomic Energy Commission, which sets forth the detailed information to be required of those wishing to make a proposal to furnish this electric power to AEC. Some of the information contained in this data sheet is illuminating. The data sheet is labeled at the top of the first sheet as follows: "For Electric Power Requirements To Replace 600 Kilowatts of Firm Power Now Under Contract With TVA to the Atomic Energy Commission's Diffusion Plant at Paducah."

Mr. DOUGLAS. Mr. President, will the Senator from Tennessee yield for a question?

The PRESIDING OFFICER (Mr. COOPER in the chair). Does the Sena-

tor from Tennessee yield to the Senator from Illinois?

Mr. GORE. I yield.

Mr. DOUGLAS. The document to which the Senator from Tennessee refers is not classified, is it?

Mr. GORE. No; there is no such marking on the sheet. I am sure it is not classified.

Mr. DOUGLAS. So that the Senator is not violating any confidence of the AEC in making this information public?

Mr. GORE. I am sure I am not. This is a mimeographed data sheet.

Mr. DOUGLAS. The Senator from Tennessee has always been very careful about such matters, and I think it should be made a matter of public record that the Senator is conforming to strict standards of secrecy and classification at this time.

Mr. GORE. I thank the Senator from Illinois. I am sure I am not violating any secrecy, nor am I treading upon untrod land. The path seems to be well beaten.

In paragraph 1 the purpose of the proposals are set forth as follows:

For proposals to the Atomic Energy Commission leading to contractual arrangements for 600,000-kilowatts of firm power as replacement of firm power now under contract with TVA for a period not to exceed 25 years with provisions for 2 to 5-year extensions at the option of AEC.

Paragraph 2 sets forth the basic data for additional power supply. I read therefrom as follows:

Delivery to TVA for the account of AEC at points near or at Memphis, Tenn., for use in the Memphis area by TVA as a replacement of energy being delivered by TVA to the Paducah Gaseous Diffusion Plant.

If there ever were any doubts about the matter, Mr. President, those doubts are now resolved. This is not a proposal for delivery of power to AEC. It is a proposal looking toward the execution of a contract for delivery of power to TVA for use in the Memphis area. That is exactly what the data sheet shows. Aside from the merits, or lack thereof, of the proposal, a fundamental question is involved of which I feel that Congress should be fully aware. Simply stated, the question is this: By what authority does AEC negotiate a contract for delivery of power to TVA?

I have examined both the basic TVA Act and the Atomic Energy Commission Act of 1946 in search of any such authority. My search has been in vain.

The TVA Act is carried in title 16, United States Code. By the terms of the act, TVA is designated a "body corporate." It was created by the Congress as an independent agency of the United States. Section 831 (a) provides for a Board of Directors composed of three members appointed by the President with the advice and consent of the Senate. It is specifically provided that "the Board should direct the exercise of all the powers of the corporation." Among the general powers of the corporation as enumerated in section 831 (c) is the power to make contracts. The act makes it clear that management of TVA is vested in its Board of Directors pursuant to the terms of, and subject to the limitations of, acts of Congress. At no place in the act is there found any provision authorizing the Executive, the Budget Director, or any other agency, to dictate the manner in which the Board shall discharge its management functions. The act provides that the President from time to time shall make recommendations to the Congress for such legislation as he deems necessary to carry out the general purposes of the act, but the final authority rests with the Congress.

An examination of the Atomic Energy Act of 1946 discloses that the Commission was likewise created by the Congress as an independent agency. The management of the atomic energy program is vested in a Commission composed of members appointed by the President with the advice and consent of the Senate. These members are removable by the President only for inefficiency, neglect of duty, or malfeasance in office. At no place in the act, or in any amendments thereof, do I find any authority for the members of the Atomic Energy Commission to participate in the management of, or negotiate contracts for, any other agency of the Government. The Commission is directed to operate facilities for the production of fissionable materials and to engage in certain other activities. As a corollary function, the Commission is necessarily authorized to make contracts to fill its requirements for electric power and other commodities and services. The Commission was authorized, I think, to enter into a contract with TVA, which it did. Presumably it would also be authorized to rescind that contract, in accordance with conditions contained in the terms thereof, or providing such action is agreeable with the Board of Directors of TVA.

In the execution of contracts it is presumed that the Commission shall use sound business judgment, always holding the public interest paramount, I doubt that members of the Commission are exactly overjoyed at the prospects of paying a premium for electricity which they already have under contract on a firm basis. I doubt if they conceived this in the public interest. What, then, motivates them in paying more for electricity than they have already contracted to pay?

So far as I am able to ascertain, there is no directive that AEC enter into the negotiations to which I have referred other than that passage from the President's budget message which I have previously quoted. If there exists a directive from Congress, I am not aware of it. One gets the impression that AEC is proceeding on the basis of the directive of the Bureau of the Budget, which is, in practice, an arm of the Executive Office.

And so, Mr. President, a very fundamental question is involved. Congress has enacted legislation to create two independent agencies—TVA and AEC. Either they are independent in management functions or they are not.

I do not mean to imply that the executive department of the Government should remain completely aloof from the operation of these agencies. Not at all. If the executive believes that TVA or AEC should be operated in a manner different from that outlined by law, it should give voice to its recommendations by proposing appropriate legislation to the Congress.

Contrary to reports, it does not now appear that the amount of power supplied by TVA to AEC is to be reduced by even 1 kilowatt let alone 600,000 kilowatts. Not only is it suggested that TVA buy power from private sources, but it is proposed that it be bought at a price which will be higher than that at which this same power is to be resold by TVA. Apparently the premium on this power will be paid by AEC in the name of national security. In whatever name it should be done, it would be a subsidy borne by the taxpayers of the United States.

I suggest, Mr. President, that the TVA Act contemplates no such deal as that now being considered. If the executive department is of the opinion that the dismemberment of TVA's service area would be in the public interest, its spokesmen should say so clearly and properly by recommending appropriate legislation to the Congress. Or would this be asking too much?

I am disturbed, Mr. President, by this effort to alter the fundamental policies enumerated by the TVA Act through the medium of Executive directive. I am disturbed by this effort to utilize one independent agency to force upon another independent agency the will of the Executive, or of someone else.

Most important of all, these and related actions, if they are as I interpret them, appear seriously to reflect upon the independence and judgment of the Atomic Energy Commission. I do not hastily raise this question. I am fully aware of the high caliber of the men composing the Commission and of the importance of public confidence in them. As acting chairman of a House appropriations subcommittee, I conducted hearings on the AEC budget for 5 years. Although errors of judgment were occasionally reflected, as was to be expected, I was always firm in my confidence that the Commission was dedicated to the public interest and that the Commission was in truth an independent agency, in accordance with the law.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. DOUGLAS. I should like to say that in the concluding hours of the session of Congress in 1952, had it not been for the information which the distinguished junior Senator from Tennessee, who was then a Member of the House, brought to certain Members of the Senate, it is probable that the additional appropriation which the Atomic Energy Commission needed for its work would not have been granted.

I think the country owes to the Senator from Tennessee a great debt of gratitude for the effective work which he did behind the scenes in those hectic closing hours. I think the appropriation was finally approved by a majority of 1 at 3 o'clock in the morning, preceding the opening of the Republican convention. So if it had not been for the work of the junior Senator from Tennessee in the Capitol throughout the night, the Atomic Energy Commission would have

been deprived of the funds it needed in order to carry on some of its big expansion programs, which may mean the difference between survival and destruction if we should be so unfortunate as to have an atomic or a thermonuclear war.

Mr. GORE. I do not feel worthy of the very generous compliments of the distinguished and able senior Senator from Illinois, but I am, nevertheless, appreciative.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. HUMPHREY. I have just listened to the comment made by the distinguished Senator from Illinois. I recall that particular development very well myself. As I remember, twice the report on the appropriation for the Atomic Energy Commission was sent back to conference. I well recall, as a Member of the Senate, the information which the Senator from Tennessee, then a Representative from his State, gave to us, which was so helpful.

I merely wish to join with my colleague, the distinguished Senator from Illinois [Mr. DOUGLAS] in paying proper tribute to the Senator from Tennessee [Mr. GORE] and to say, further, in connection with all the talk about the hydrogen bomb development and the alleged slowness in getting it started, the critical moment was during the day and the night before final adjournment, because had the appropriation not been made at that time, the tests which have recently been made in the South Pacific would not have been possible.

The distinguished junior Senator from Tennessee has been closely identified with the Joint Committee on Atomic Energy and with the activities of the Atomic Energy Commission. I think it can honestly be said that it was a historic decision in which the Senator from Tennessee played a very major role.

I recall that at that time our late beloved colleague, Senator Brien McMahon, was in the hospital, and we were getting information from Senator McMahon, in his hospital bed. The two names which are most vivid in my memory are GORE and McMahon.

Mr. GORE. Mr. President, I am humbly grateful to my distinguished friend, the brilliant junior Senator from Minnesota. Again, I do not feel deserving of these generous compliments. I have, I acknowledge with pride, maintained a deep interest in and an active support of the atomic energy program. I doubt if Congress has considered, in our time, any question which is of such transcendent importance as is atomic energy. That is why I have raised the question this evening with misgivings.

One has but to consider the importance of atomic energy, in both its wartime and peacetime uses, to realize the disastrous consequences of an Atomic Energy Commission which becomes wobbly under pressure, or which loses its dedication to the paramountcy of the public interest.

In addition to the other stipulations previously referred to, subsection D of paragraph 2 of the AEC data sheet calls for a dependable back-up to permit year round operation at 600,000 kilowatts to provide for shut-down for normal maintenance operations.

The following subsection, subsection E, provides that "excess generating capacity may be used by supplier for sale to others or for own use when not needed by AEC provided reasonable credit accrues to AEC."

Mr. President, can it possibly be that the Atomic Energy Commission is party to a proposal tailor-made for one power company and one alone? I hesitate to think so. There are, nevertheless, some strange facts which need some explanation. For one thing, only the Mid-South Utilities combine has a dependable back-up of power in the Memphis area. For another, only a utility operating in the area has the possibility of utilizing excess generating capacity for own use when not needed by AEC in this area.

Thirdly, it is remarkably strange that the AEC would request submission of proposals to furnish power exclusively at a point from two to four hundred miles from the situs of its own needs.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. DOUGLAS. By that comment the Senator from Tennessee has struck a very sensitive nerve.

Mr. GORE. I hope it is not painful.

Mr. DOUGLAS. It is painful, but I hope it can be corrected. Apparently this is to be a new plant constructed in or near Memphis.

Mr. GORE. I have just read from the data sheet. Let me requote:

> Delivery to TVA for the account of AEC at points near or at Memphis, Tenn.

Mr. DOUGLAS. May I ask the Senator from Tennessee if there are any coal fields in western Tennessee or western Kentucky which are of appreciable size?

Mr. GORE. There are no coal fields at all, of which I am aware, in western Tennessee. There may be a little coal in western Kentucky, but coal is found mostly in eastern Kentucky and southern Illinois.

Mr. DOUGLAS. Paducah is directly opposite Illinois, on the Ohio River, and in part the power for Paducah is generated in Joppa, Ill., in the extreme southernmost portion of my State. We believe we have the best bituminous coal in the United States—certainly, at least, some of the best bituminous coal in the United States—within a range of 50 or 60 miles north of Paducah.

Probably there is as high a volume of unemployment among the miners of that region as there is in any other area of the country. The St. Louis Post-Dispatch in late February of this year said that at that time 15,000 persons, out of a total of 75,000, were unemployed in the labor area of Benton, West Frankfort, Harrisburg, and Murphysboro. That was 20-percent unemployment among the working force in that area.

Since that time the situation has become worse. Additional coal mines have been closed. The fluorspar mines in extreme southern Illinois, in Polk and Hardin Counties, have been closed. Manufacturing establishments have been closed.

If 15,000 persons were unemployed as of the end of February, it is my judgment that at least 5,000 or 6,000 more are unemployed now, and that the unemployment ratio, therefore, instead of being 20 percent, is more than 25 percent.

An abundant supply of coal lies within 50 or 60 miles of the Paducah gaseous diffusion plant. A supply of idle labor exists. Why is it that the Atomic Energy Commission wants to have the additional facilities constructed far away from the coal fields, and where, apparently, only one company could meet the standards which have been established?

Mr. GORE. The Senator from Illinois has asked a question which goes to the very heart of the proposal now being considered. I shall read again from the President's budget message.

The first time I heard of this proposition, it was in the President's budget message:

> Arrangements are being made to reduce, by the fall of 1957—

It did not say "replace"—

> existing commitments of TVA to the Atomic Energy Commission by 500,000 to 600,000 kilowatts.

I think it is fair to state that the President said in case those arrangements were not consummated, the budgetary requirements of the TVA would be reconsidered. Now, however, this data sheet does not call for the reduction of TVA's commitments. It, in effect, proposes that the Atomic Energy Commission will buy, for the account of TVA, for use by TVA, not at Paducah, not for use by the Atomic Energy Commission, but as we read in section (f), and I shall read the entire section——

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. GORE. I shall yield to the Senator from New Jersey, as soon as I read section (f):

> Delivery to TVA for the account of AEC at points near or at Memphis, Tenn., for use in the Memphis area by TVA as a replacement of energy being delivered by TVA to the Paducah gaseous diffusion plant.

So what we have considered here is not a supply of electricity to the Paducah plant—not at all; it is a supply of electricity to TVA, for use by TVA, and it says that it shall be used in the Memphis area. I find nothing in the law which authorizes the Atomic Energy Commission to make a contract for the TVA.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. GORE. I yield to the Senator from New Jersey.

Mr. HENDRICKSON. I was about to ask whether the Senator from Tennessee was going to put into the RECORD the entire data sheet at the conclusion of his remarks.

Mr. GORE. Yes; I shall do so at the conclusion of my remarks.

Let me ask again, Can it be possible that the Atomic Energy Commission is party to a proposal that is tailormade for one power company, and one alone?

Some strange facts appear. First, only the Mid-South Utilities Co. has a

dependable backup of power in the Memphis area. Second, only a utility operating in the area can utilize the excess power for its own uses. Third, the point which provoked, or, at least, touched the sensitive nerve of the senior Senator from Illinois, is that it is proposed to buy the power at a point from two to four hundred miles away from the nearest point of use.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. GORE. I yield to the Senator from Illinois.

Mr. DOUGLAS. It would be necessary to transport coal either from eastern Kentucky or from eastern Tennessee by rail to the Ohio River, down the Ohio River, and then down the Mississippi to Memphis, or from southern Illinois to shipping points on the Mississippi or the Ohio, and thence down the river. Is that not true?

Mr. GORE. I believe the nearest coal fields to the Memphis plant are located in southern Illinois and Kentucky.

Mr. DOUGLAS. And there would be appreciable shipping charges for such transportation, which would not have to be met if the new plant were to be located at or near the source of coal which is to be used for power. Is that not true?

Mr. GORE. I believe that is true. I do not wish in any way to lend too much encouragement to the able and lovable senior Senator from Illinois that this plant might be located in Illinois instead of in Tennessee. Nor do I wish to get into any argument, or provoke any argument, between the able Senator from Illinois and the distinguished junior Senator from Kentucky [Mr. COOPER], occupying the chair at this time, or the able Senators from Arkansas, or Senators from any other State. However, the question I raise is this: Why should the Federal Government pay more for power for its own use than it costs to produce the power in its own plants, particularly when the plants are already built?

TVA has built the Shawnee plant at Paducah, at the express request of the Atomic Energy Commission, to furnish power to the Atomic Energy Commission. It is furnishing that power now. Yet it is now proposed in lieu of that to buy power from another company at a higher price. The taxpayers of the United States would pay the subsidy.

I am not advised to what extent President Eisenhower is informed on the details of this bizarre performance which had its first public notice in his own budget message. I am not aware of the extent of consideration given it by the members of the Atomic Energy Commission. I am not advised as to the amount of collaboration, if any, between the Board of Directors of TVA and members of the Atomic Energy Commission. I am not advised to what extent the Bureau of the Budget may have undertaken usurpation of the functions of either the President or the two independent agencies involved. I am not advised to what extent private interests may have influenced this course of action. But, Mr. President, we need to know. I place in the RECORD today these facts of an incomplete story. I trust that in so doing I shall have performed a public service.

It is not my desire to make unjust charges. I have not done so. On the contrary, it is my genuine desire to be fair and reasonable, and to contribute to an ultimate and salutary solution of this problem.

There is no need to replace the power which TVA is now furnishing to the AEC. The people of the United States own both the atomic energy and the TVA plants. Both plants are operating satisfactorily. Contractual relations are on the highest and most satisfactory of terms. What is needed, then, Mr. President? The TVA is in dire need of additional generating capacity to supply the needs of the people of the area and of national defense.

As I said earlier, the demand on TVA for power for the AEC and other Federal projects alone by 1957, under present arrangements, will be more than 28 billion kilowatt-hours, which is more electricity than was used by any one of our 48 States in 1952 except 1. That is a stupendous amount of electricity. Yet, with our expanded atomic energy program, with our expanded hydrogen bomb program, the Congress is approaching its deadline for adjournment, and the Senate committee, to this day, has not had a report from the Bureau of the Budget on how this vital need is to be met. Time is growing short. It seems to me that the public interest requires early attention.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. HUMPHREY. The Senator is familiar with figures cited in the Paley commission's report on the natural resources of our country. In that report one of the items given priority consideration was the generation of adequate electric power, in view of the increased industrial use of electrical energy, the increased population, and the demands for defense and security on the part of our Government.

Does the Senator recall that in the period 1938–39, congressional hearings were held on the TVA and other public power projects, concerning the necessity for increased generating capacity? I believe those hearings are most revealing. At that time great pressure was brought to bear upon Congress to cease the development of the Nation's great public-power resources. Within a year before the entrance of the United States into World War II, a determined effort was made in the United States to limit the development of electrical energy, and at that time the United States had approximately a 38 to 40 percent surplus capacity for the generation of electrical energy. Yet we found that in World War II, without the TVA, we never would have been able to produce the bombers which gave our Nation the might and power in the air that were so necessary for victory.

Today the United States has less than a 15 percent margin over the present use of electrical energy, in respect to the total productive capacity. It appears to me that what the Senator from Tennessee is pointing out is not only of sectional importance, but also is of critical national importance, and very well could be of international importance, because if we were ever to falter even a little in keeping pace with the technological developments in atomic energy and nuclear energy, our Nation would be at the mercy of any adversary that might seek to overpower us—particularly the Soviet Union.

So I believe I correctly sense the concern of the Senator from Tennessee in regard to having the Atomic Energy Commission enter into such a contract, and, even more important, in regard to the necessity for such electrical energy, not only for the area being served, but primarily for the defense of the Nation. Do I correctly interpret the Senator's message?

Mr. GORE. I think the Senator from Minnesota has correctly interpreted my remarks, and I hope he is properly impressed by them. Electricity would certainly be the bottleneck to a future expansion of industry in the United States. That is particularly true of expansion of the atomic energy program, which, as I have already indicated, uses such fantastically large amounts of electricity.

In the Tennessee Valley there are not only the atomic-energy facilities at Oak Ridge and Paducah, but there are also the aluminum plants which supply the vital aluminum which was so necessary for the construction of airplanes during World War II—a situation to which the able Senator from Minnesota has already referred. In the valley there are also chemical and munitions plants of the most vital importance. Let me point out that under the law the first call upon TVA power is had by the Government of the United States. That is proper, and I would not change it. What looms ahead, then, if a national emergency demands that these atomic-energy plants and these munitions, chemical, and aluminum plants operate on a 24-hour basis at maximum capacity? That situation would mean that the TVA power would be used for that purpose, and I would want it to be used for that purpose. However, that would also mean a brownout or perhaps a blackout in connection with the use of electricity by other industries and by the people of the valley.

So, Mr. President, more electricity is needed and demanded. That is acknowledged by all. The present controversy is as to who will provide it and what will be paid for it.

The Atomic Energy Commission now is receiving power from the TVA's Shawnee plant, at Paducah. There is no need—in fact, the Atomic Energy Commission is not even proposing as the President's budget message did—for the TVA to be relieved of the obligation to furnish that power, and thus be able to use the power at other points. Instead, it is proposed that the AEC buy power for the TVA. Is not that rather strange?

The TVA's board of directors, so I have always believed, is capable of making its own contracts. If the TVA must contract for power, it should be free to contract with all the suppliers on the entire periphery of its service area.

But that is not the sensible way to proceed. The Government of the United States needs more power for its own use. Therefore, it should secure the power from its own plants, which experience has demonstrated can supply it at a cheaper rate than the private power companies can possibly supply it.

The distinguished Senator from Illinois referred to the Joppa plant, which, as pictured by some newspapers, was built somewhat in competition with the Shawnee plant. Some persons said that now that the TVA and the private power companies had begun to build plants side by side, the superiority of the private power industry would once and for all be demonstrated, and TVA would be shown to be an inefficient and labyrinthine bureaucracy.

However, it did not turn out that way, Mr. President. The TVA furnished power on the line first, from its Shawnee plant, while the Joppa plant was still under construction, and before it was actually put into use. Not only did the TVA's Shawnee plant furnish power first; but in connection with the construction of the plant, the TVA came very close to its estimates, in connection with the construction schedule, as to the cost and time of construction. On the other hand, the Joppa plant was away off on both scores. Furthermore, in the final analysis the Shawnee plant is now furnishing electricity to the Atomic Energy Commission at a lower rate than the Joppa plant is furnishing it, and thus there is a saving to the taxpayers of the United States.

But, Mr. President, that is not all. Included in the TVA rate is a sufficient amortization charge, so as to repay the entire cost of construction of the plant at the end of 40 years, after which the people of the United States will own the plant, which will be serviceable, it is expected, for far longer than that.

Mr. President, in view of that success story, and with the Government needing more power for its own plants, why cannot the Government secure the power from its own plants, and at a more reasonable rate?

Mr. HENDRICKSON. Mr. President, will the Senator from Tennessee yield to me?

Mr. GORE. I yield.

Mr. HENDRICKSON. In a part of the formal remarks of the distinguished Senator from Tennessee, I understood him to say that he was not making charges, but that he was placing before the Senate facts in relation to an incomplete story. Do I correctly recall what the Senator from Tennessee said?

Mr. GORE. I am sure the Senator from New Jersey is stating the matter with almost entire correctness; his memory is excellent.

Mr. HENDRICKSON. What did the Senator from Tennessee mean by his use of the words "an incomplete story."

Mr. GORE. I mean the contract has not been let. Congress has not yet adjourned. It is expected that the Bureau of the Budget finally will submit its recommendation to Congress, and that eventually the President will come around to fulfilling the promise in his own budget message, in which he said that unless these arrangements were consummated, the power requirements of the TVA would be reconsidered.

I point out to the Senator from New Jersey that a number of things which have transpired raise, to my mind, serious questions both as to the judgment of the Atomic Energy Commission and as to its independence in this course.

Why should the Atomic Energy Commission, an independent agency under the law, feel compelled, because of a paragraph in a budget message, to make a contract such as this tailor-made contract for one concern, calling for power at a point——

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. HENDRICKSON. What did the Senator call that document in his first reference to it? It certainly is not a contract, is it?

Mr. GORE. It is not a contract, and I hope it will never materialize into a contract. I shall ask unanimous consent to have it printed in the RECORD.

Mr. HENDRICKSON. The facts the Senator is discussing this afternoon are still rather vague, are they not? They are not firmed up in any sense.

Mr. GORE. I would not say that a formal data sheet requesting submission of proposals to the Atomic Energy Commission, reduced to black and white, is exactly vague. It has not been consummated. I hope it will not be consummated. I hope the public interest will eventually be recognized in this situation.

Mr. HENDRICKSON. I share that hope. I want the Senator to know that, and I should like the RECORD to show it.

Mr. GORE. I know the able Senator from New Jersey shares that hope, and I fully appreciate it. I have served with him with great pleasure. I have admired his action. I know that the paramountcy of the public welfare is ever foremost with him.

Mr. HENDRICKSON. I thank the Senator.

Mr. GORE. And I hope it will be with the Atomic Energy Commission. But what I cannot understand is this data sheet. Why should the Atomic Energy Commission lend itself to this kind of operation? There is nothing in the law which requires it to do so.

Mr. HENDRICKSON. I hope every Member of the Senate will study very carefully the data sheet which the Senator has said he wishes to make a part of the RECORD.

Mr. GORE. Mr. President, I now ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the data sheet of the Atomic Energy Commission.

There being no objection, the sheet was ordered to be printed in the RECORD, as follows:

DATA SHEET FOR ELECTRIC POWER REQUIREMENTS TO REPLACE 600 MEGAWATTS OF FIRM POWER NOW UNDER CONTRACT WITH TVA TO THE ATOMIC ENERGY COMMISSION'S DIFFUSION PLANT AT PADUCAH

1. Purpose: For proposals to the Atomic Energy Commission leading to contractual arrangements for 600,000 kilowatts of firm power as replacement of firm power now under contract with TVA for a period not to exceed 25 years with provisions for 2- to 5-year extensions at the option of AEC.

2. Basic data for additional power supply:

(a) Contract demand 600,000 kilowatts of firm required at the earliest reasonable date.

(b) Power factor, 93 percent.

(c) Load factor 70 to 98 percent.

(d) Dependable backup to permit year-round operation at 600,000 kilowatts to provide for shutdown for normal maintenance operations.

(e) Excess generating capacity may be used by supplier for sale to others or for own use when not needed by AEC provided reasonable credit accrues to AEC.

(f) Delivery to TVA for the account of AEC at points near or at Memphis, Tenn., for use in the Memphis area by TVA as a replacement of energy being delivered by TVA to the Paducah gaseous diffusion plant.

(g) For planning and estimating purposes, it is to be assumed that authorizations necessary for full-scale start of design, purchasing, and construction activities will be forthcoming within 60 days.

(h) It should be assumed that the AEC will extend to the power supplier such priorities assistance as is within the authority of the AEC to extend for procurement of materials and equipment necessary for construction of additional power plant facilities and transmission lines.

Proposals to be developed: A firm proposal should be presented under which 600,000 kilowatts firm power would be supplied. The following information should be included in the proposal:

(a) Contract terms including unit costs and any applicable escalation provisions of the permanent power supply to the Atomic Energy Commission. The method of unit cost calculation should be shown. Cancellation or minimum bill terms should be defined. All escalation except for fuel and taxes is to be limited to application of recognized indices. On construction costs we prefer a firm price with no escalation insofar as construction costs are concerned. We will, however, consider escalation provisions up or down based on recognized construction cost indices, or actual cost with a ceiling whereby a target cost is established and we participate 50–50 in decreases and increases to a maximum total cost increase of 9 percent above target price. If escalation is provided in the proposal AEC will require that it be permitted to exercise reasonable control over items affected by escalation such as design and construction.

(b) Schedule for firm power delivery based on attainable schedules for boiler and turbogenerator installation.

(c) Indication of site location for new powerplant facilities, that is, in the immediate locale of the point of utilization or at some distance. Economic and other factors considered in site determination.

(d) Indication as to the size, number, and type of generator and boiler units proposed for the new facilities with manufacturers guaranteed performance data.

(e) Corporate identification of group or individual firm submitting proposal. Include information on the following: (1) What organization would be utilized for design and construction of the plant or plants? (2) What organization will provide the nucleus of the staff required for operation of the plant or plants?

(f) Time schedule of steps to be taken by the organization before entering into a formal contract; e. g., incorporation (if new corporation is planned), SEC approval for necessary financing, approval of State utility commissions (if required), and FPC approval (if required).

(g) Indication of the source or sources from which coal will be obtained, the price at the mine, the price delivered at the site, showing B. t. u. value and cost/million B. t. u. and escalation factors, and the extent these prices are supported by firm offers.

4. It is desired that the proposal include information as follows:

A. Facilities to be provided:

(1) A description of the site of the plant to be constructed.

(2) A description of the plant facilities.

(3) A description of the transmission lines giving the type, size, and capacity and whether or not river crossings will be involved. In order to tie into the TVA system, the delivery voltage and transmission should be based on 161,000 volts.

B. Capital requirements:

(1) Production plant:

(a) Generating plant costs.

(b) Cost of step-up substation.

(c) Subtotal, cost of generating plant and step-up substation.

(d) Interest during construction generating plant and step-up substation.

(e) Cost of financing.

(f) Total cost, production plant.

(2) Transmission plant:

(a) Transmission line cost.

(b) Transmission line interest during construction.

(c) Subtotal, transmission line cost.

(d) Cost of financing.

(e) Total cost, transmission plant.

(3) Other:

(a) Working capital.

(b) Other capital required (describe).

(c) Total, other.

(4) Total capital requirements.

C. Funding:

(1) Indicate the amount of equity capital to be supplied and the rate of return before and after Federal income taxes.

(2) Indicate the amount of long-term debt and the period of amortization and interest rate, commitment fee during construction, and the names of institutional investors who may supply the required funds.

(3) Total funding.

D. Estimated annual charges to AEC and total for plant:

(1) Fixed charges, production plant (based on firm or target construction costs).

(a) Amortization.

(b) Interest on bonds.

(c) Return on equity.

(d) Insurance.

(e) Cost of replacements and a method of payment. Will such costs be included as part of the rate for power or will they be billed on an actual basis as they are made? In the latter case, AEC will require that a limitation be placed on the cost of replacements for which it will be liable.

(f) Total, fixed charges, production plant (exclusive of taxes).

(2) Production charges:

(a) Fixed operation.

(b) Fixed maintenance.

(c) Total, fixed operation and maintenance.

(d) Variable operation. Indicate cost for load factors of 70 to 98 percent.

(e) Variable maintenance. Indicate cost for load factors of 70 to 98 percent.

(f) Total, variable operation and maintenance.

(g) Total, operation and maintenance.

(h) Fuel. Indicate the cost of fuel delivered, the cost for transportation of fuel included in the estimate. Indicate the expected heat rate at the generator bus, at the high voltage bus and at the delivery point. Curves should be supplied if available.

(3) Other production charges. Indicate other charges not included above with full description and explanation.

(4) Total production charges.

(5) Fixed charges transmission plant.

(a) Amortization.

(b) Interest on bonds.

(c) Return on equity.

(d) Insurance.

(e) Replacements.

(f) Total, fixed charges, transmission plant.

(6) Transmission operation and maintenance.

(7) Total, transmission plant.

(8) General administrative.

(9) Total annual charges (exclusive of taxes).

(10) Taxes:

(a) Federal, give information supporting the estimate.

(b) State and local. Give information supporting the estimate.

(c) Total taxes.

(11) Total annual charges (including taxes).

RECESS

Mr. HENDRICKSON. Mr. President, if there be no further business, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 25 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, June 2, 1954, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate June 1 (legislative day of May 13), 1954:

MISSISSIPPI RIVER COMMISSION

Egbert Alfred Smith, to be a member of the Mississippi River Commission.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 1, 1954

The House met at 12 o'clock noon.

Rabbi Amos M. Bunim, Congregation Sons and Daughters of Israel, Brooklyn, N. Y., offered the following prayer:

Our Father in Heaven, bless this august body of men representing the freest people in your world.

Grant us divine guidance to legislate in the spirit of the truth that You have taught us—to set noble standards for this great democracy that the other inhabitants of Your earth may emulate, to interpret Your will in laws and mores that will make this world a happy habitat which You have intended in Your graciousness; so that the bounties You have planted in heaven and earth may be extended to the good of all Your children.

Guide us to legislate in the spirit of Your teachings and may we realize the prophetic blessing expressed in Deuteronomy, "For this is your wisdom and your understanding before the eyes of the nations that shall hear all these statutes and they will say 'indeed a wise people and understanding is this great nation.'"

Protect us against the enemies of our country who blaspheme Your name and threaten Your children on earth with oppression of streams of blood.

Bless this peace-loving Nation to be everlastingly founded on the pillars of civilization expressed in the ethics of our fathers, "on justice, on truth, and on peace" now and forevermore. Amen.

The Journal of the proceedings of Friday, May 28, 1954, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 238. Concurrent resolution providing authorization for a correction in the enrollment of the bill H. R. 3704.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5731. An act to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities to provide water for irrigation and domestic use from the Santa Margarita River, Calif., and the joint utilization of a dam and reservoir and other waterwork facilities by the Department of the Interior and the Department of the Navy, and for other purposes.

CIVIL FUNCTIONS, DEPARTMENT OF THE ARMY

Mr. DAVIS of Wisconsin. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8367) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1955, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. CANNON. Reserving the right to object, Mr. Speaker, may I ask is it the expectation of the gentleman that this bill will go to conference this week?

Mr. DAVIS of Wisconsin. We are not sure just when the bill will go to conference.

Mr. CANNON. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin? [After a pause.] The Chair hears none and appoints the following conferees: Mr. DAVIS of Wisconsin, Mr. HAND, Mr. CEDERBERG, Mr. TABER, Mr. CANNON, Mr. RABAUT, and Mr. RILEY.

COMMITTEE ON RULES

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

SPECIAL ORDER TRANSFERRED

Mr. MILLER of Kansas. Mr. Speaker, I ask unanimous consent that the special order granted me for today be transferred to Friday.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

SPECIAL ORDERS GRANTED

Mr. PATMAN asked and was given permission to address the House for 20 minutes on Wednesday and Thursday, following the legislative business of the day and any special orders heretofore entered; and to revise and extend his remarks in each instance and include certain extraneous matter.

AMENDING SOCIAL SECURITY ACT AND INTERNAL REVENUE ACT

Mr. BROWN of Ohio, from the Committee on Rules, reported the following privileged resolution (H. Res. 568, Rept. No. 1699), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means. Amendments offered by direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. BROWN of Ohio. Mr. Speaker, by unanimous consent recently granted, I call up the resolution (H. Res. 568) and ask for its immediate consideration.

The Clerk read the resolution (H. Res. 568) as above set out.

The SPEAKER. The gentleman from Ohio [Mr. BROWN] is recognized.

Mr. BROWN of Ohio. Mr. Speaker, I yield 30 minutes of the time to the gentleman from Virginia [Mr. SMITH], and yield myself such time as I may use.

Mr. Speaker, this House resolution will make in order the consideration of the bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes.

House Resolution 568, Mr. Speaker, provides for a closed rule, waiving points of order. Apparently this method has been pretty well established by precedent as the method of handling social-security legislation. The rule also provides for the consideration of amendments offered by the direction of the Committee on Ways and Means and one motion to recommit would be in order. Three hours of general debate on the bill are also provided.

Basically, Mr. Speaker, H. R. 9366 would extend old-age and survivors insurance coverage to about 10 million people who are presently excluded from the program.

Self-employed farm operators, professional self-employed people, which would include lawyers, dentists, architects, engineers, and accountants among other professional groups, as well as employees of State and local governments, domestic workers, and ministers, would all be included in this extended coverage of the old-age and survivors insurance program.

I might add, Mr. Speaker, it is my understanding that under the provisions of this bill schoolteachers and employees of various political subdivisions of States now covered by retirement systems of their own, would not be included under this bill unless, by a two-thirds majority they vote to come under the social-security law; and even in that event they would continue to receive benefits from their State or local retirement systems to which they might belong, and would also be entitled to social-security benefits, should they vote to join the Federal program.

Mr. Speaker, this bill that has come from the Committee on Ways and Means is a very important one and one that has taken months of study and hearings on the part of that committee and its staff. If this rule is adopted, the House will proceed expeditiously to the consideration of the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. MADDEN].

Mr. MADDEN. Mr. Speaker, the rule for H. R. 9366, known as the amendments to the Social Security Act, came before the Rules Committee this morning. Unfortunately, the members of the Rules Committee had very limited time to read the contents of the 122-page typewritten bill, setting out numerous changes and expansions in the present social-security law. I fully realize that the members of the Ways and Means Committee and also the subcommittee of the Ways and Means Committee, devoted almost 6 months in holding hearings and writing the present bill under consideration. I believe that the Members of Congress who are not members of the Ways and Means Committee should have a longer period of time to study the contents of this bill and also have the privilege of adding to, striking out, or changing the bill in any manner which the majority of the total membership of the House desires.

I am voting for the rule and also supporting this legislation because it brings about a too-long-delayed expansion in social-security coverage. This bill adds approximately 10 million persons to social-security coverage. The greater percentage of the increased coverage is made up of self-employed farm operators and workers. This bill also covers about 400,000 engaged in professions such as lawyers, dentists, architects, engineers, accountants, veterinarians, optometrists, ministers, and so forth. Physicians have been excluded by the Ways and Means Committee by reason of the desire of a great majority of that profession. Also policemen and firemen who have an adequate retirement system have been excluded by reason of the request from the various police and firemen organizations throughout the country. This bill also extends coverage to State and local government employees. This will include city, township, and county employees. These various local government employeees who have a retirement system, can be excluded if they so wish by a majority of their group voting and if two-thirds desire exclusion, they will be excluded from the social-security program. Approximately 250,000 domestic workers in private homes will also be included in this social-security program. The bill also will include workers engaged in various other lines of endeavor which heretofore have been omitted from the social-security program.

One of the outstanding features of this bill is that it is extending the old-age and survivors' insurance coverage. The details of the increases which will be extended to retired people and old-age insurance income are set out in detail in the report and also the bill which the members of the Ways and Means Committee can more fully explain when the bill is taken up for debate.

The provisions set out in this bill is a step in the right direction. The leadership of the Democratic Party has been fighting for social security and social-security expansion for the last 20 years. It is indeed encouraging to see some of the Republican Members who formerly have fought and opposed social-security expansion, to be following the policy which has been inaugurated by the Democratic Party and has been contained and set out in every Democratic platform for almost a quarter of a century. The adoption of this legislation will eventually bring about more security for the American home. It will also be a contributing factor to contentment and happiness among millions which eventually will prove to be one of our greatest weapons in curtailing the spread of communism.

Mr. ELLSWORTH. Mr. Speaker, I yield such time as he may desire to the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Speaker, I am voting for H. R. 9366 which is the bill to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors' insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits. I am doing so for the reason that in my judgment it does set forth some needed improvements in social-security legislation for the aged and disabled, but unfortunately it does not solve the entire problem nor cover the whole field.

Ever since the Social Security Act became law, from time to time the Congress has enacted amendments extending coverage to other groups of citizens and increasing the monthly payments. However it is still far short of covering the entire field of all citizens of the United States who should come within the protection of the social-security legislation. The monthly payments also, notwithstanding the several increases already adopted and those included in this bill, are far short of providing adequate allowances to permit the receipients to live in comfort and health and according to standards we have established here in the United States.

I have long advocated the enactment of legislation which would cover the entire field on a pay-as-you-go basis and would provide adequate annuities to the elderly people of America, dependent widows and the disabled and physically handicapped. I recently appeared before the Ways and Means Committee in support of my bill, H. R. 2446, which embodies the Townsend legislation, urging its adoption. If it were possible H. R. 9366 should be amended so as to include the provisions of H. R. 2446. But under the parliamentary setup that is impossible. This rule which will be adopted is a gag rule and no amendments will be permitted.

In appearing before the Ways and Means Committee in support of H. R. 2446 and its companion bill, H. R. 2447, I gave the arguments and reasons why, in my judgment, the approval of that legislation by the Ways and Means Committee should be given and that bill adopted by the Congress. As I told the Ways and Means Committee, it is of deep interest to note the decided trend toward the adoption of a universal, pay-as-you-go, old-age security program. Those of us who through the years have been fighting for a genuine pay-as-you-go program are very much encouraged by the trend of recent events which show public opinion increasingly supporting amendments of social security so as to make its coverage universal and place it on a pay-as-you-go basis.

As we all know, there is a large number of worthy aged citizens of the United States who are not covered by the provisions of existing social security legislation and who cannot qualify to come under it. Nevertheless the tax for its support, while contributed in the first instance through employers and employees, is in reality borne by everybody, and it is illogical and unsound to impose such a tax which protects only limited and special groups, as is now done. Under House bill 2446 all citizens would share in the benefits of the program.

While the President is to be commended for his recommendations for the extension of social security and increase of benefits—which every Congressman will agree are badly needed—the coverage still fails to take within its protective shield all those who are entitled to be covered, and the benefits, even increased by the recommendations of the President, are wholly insufficient to maintain the elderly people of America in decency and health according to American standards. It is not in any sense enough. The time has come for an overall, comprehensive social-security program, and the program presented by House bills 2446 and 2447 should receive the consideration of the Congress.

I wish to recall a statement by Ex-President Hoover, then Chairman of the Commission for the Organization of the Executive Department. He said:

> I wish to say at once that I strongly favor Government provisions for protection of the aged and their dependents. The problem before the Nation is to obtain a workable system, with a minimum of bureaucracy, adjusted to the economic strength of the country which gives assurance of security to this group. In my view, we have not yet found that system.

I feel that Ex-President Hoover's statement is every bit as applicable today as it was then. We do not yet have any such system.

In his message to this present Congress on social security, President Eisenhower urged expansion of coverage and stated that benefits provided by the present system are insufficient to combat destitution. Studies of his recommendations leave us convinced that coverage would still remain inadequate.

In fact, almost without exception qualified experts who have examined into the old-age-security problem facing our Nation have reported the deficiencies of the present system and need for major overhauling or substitution of a new system therefor. In the field of collective bargaining between labor and management, recent years have seen the development of private plans in industry the reserve funding of which already totals just about as much as the reserve fund of our OASI system. In the course of these collective bargaining sessions between management and labor, these private systems have been justified on the basis of the inadequacy of the OASI.

We in America can be justly proud of our achievements in the development of our industrial production. It enables us to stand in the forefront of all nations in the ability to produce food, clothing, shelter and other necessities of life in abundance—not only for our own people but to help other nations in need. This was a major factor in winning the war; and it remains a major factor in our international efforts to win the peace. However, with machine labor and mass production, we have found that many elderly people of America, by reason of the very success we have achieved in production, are deprived of remunerative employment in their declining years; and many of them are in dire need.

Existing economic and social conditions force upon us the complex question of security for the individual in our modern industrial civilization. Since 1919 the number of self-employed individuals in the United States has remained fairly constant at about 9 or 10 million. During the same period our total labor force has doubled. As our population and labor force have steadily grown, the percentage of self-employed has just as steadily declined. An ever increasing percent of our people come to old age and inability to continue in employment with no opportunity for self-employment.

The young and vigorous are on the payrolls of this machine age and the elderly citizens are relegated to the sidelines. As a result of this increasing unemployment of the aged, we are faced with the problem of social security to meet the needs for livelihood of this steadily increasing part of our population.

To meet this problem the 74th Congress passed Public Law 271 setting up the present social security program. Since that time this law has been studied repeatedly and amended repeatedly. It is now before you for further amendments which in many respects are more extensive than any of the past.

There are nearly 20 bills pending before this 83d Congress seeking to improve various features of this insufficient law. After practically 20 years, during which Congress has dealt with the social security problem on the basis of the present OASI system, can more conclusive evidence possibly be demanded that it is not, as it stands today, a satisfactory answer to the problem?

The failures and shortcomings of the present system are more than mere theoretical failures. What they mean is that millions of good Americans have lived out their elderly years under conditions of tragically unjust, economic hardships; and that up to this moment we still have done nothing to change that sorry state of affairs. It is time to realize that we are not going to solve the problem by continuing this same policy.

The problem of caring for the aged, the disabled and families bereft of their breadwinners, as seen today in the eyes of proponents of the Townsend plan, and others, is that there are many millions of such persons in need among us who are not now, and cannot in the future, be cared for in an honorable and just way by the present system of social security. Under the present system, millions of old folks and disabled people receive either hopelessly inadequate support, or no support at all. While there are millions of senior citizens too well off to get an old-age pension, they are too poor to live decently.

While comparison of the philosophy and objectives of the Townsend proposal and the present system shows them to have much in common, there are marked differences. Our proposal would give recognition to the past labors of the aged and would provide them dividends from the wealth they helped to create. It would give this as a matter of right without any direct relation to specific monetary contributions. The existing OASI program gives benefits as a matter of right, to carefully defined groups, but ties them to a principle of insurance—something that each prospective annuitant and his employer buy as they participate in the productive processes of the country. Finally, old-age assistance is provided for the aged who, because of inadequate OASI coverage or benefits, are in need and should be helped.

I believe that annuities should be offered with neither the stigma of charity nor of poverty. They should be offered

as dividends from the national wealth which every citizen helps to create. A system should be adopted to replace the complicated, arbitrary and inequitable provisions of existing law. It should be one which will have a stimulative effect upon our economy and one which will help to make jobs available to all the young who will replace the aged as the latter move into retirement at a decent standard of living.

A major defect in the present system is the smallness of individual payments and their failure to raise the aged to a decent standard of living. Present payments, averaging about $50 a month for insured workers, leave those with nothing else to depend on in an utterly impoverished condition; and these benefits fail miserably in raising the elderly as a group to anything resembling a fair comparison with prevailing American living standards. The old-age insurance program is based, in respect to the payments to recipients, upon the contributions made by the covered self-employed, employees and their employers. This principle damages the benefit rights of workers who encounter economic misfortunes in the course of their lives, thereby lessening benefits to the very people who are destined to need and deserve benefits the most when they reach retirement. Therefore, President Eisenhower's recommendation to ignore a worker's worst 4 years of employment for purposes of computing benefits is to be commended as a desirable improvement.

Another major and pathetic defect is that the present system attempts to measure, in terms of fixed dollars, benefits to be paid as long as 50 years in the future, to workers now just starting their working lives. Surely by now we have sufficient experience with the depreciating value of the dollar to realize the futility of attempting to determine a fixed dollar income for retirement 10, 20, or 50 years in advance. Annuitants today, with fixed incomes based on prewar values, are able to buy only about one-half of the food, clothing, and other necessities their meager annuities would have provided before the war. Changes in the purchasing power of the dollar are so great that the attempts of one generation to set minimum decent living standards for succeeding generations, in terms of fixed dollars, can be satisfactory only by chance.

In attempting to do this extremely difficult thing the present system requires keeping meticulous individual records of the wage and working activities of 75 to 100 million covered workers over periods of time running up to 50 years.

It is most difficult to continue under any system having such basic flaws and honestly hold forth any hope that the American people are ever going to have a satisfactory solution of their social-security problem. To do so is to delude ourselves and the public.

Earlier this year, we were all pleased to witness recognition of many shortcomings of the present system in President Eisenhower's message to Congress on social security. I certainly agree that millions more of our people should be covered under whatever system we have than are covered presently under OASI. I approve of extension of coverage; but I do not agree that the present system can provide adequate and secure coverage for all the American people who should be covered, unless the system is so drastically changed as virtually to repudiate its present principle in respect to coverage.

I was equally pleased to hear the President characterize the benefits provided for in the present law as insufficient to combat destitution. I certainly agree that benefits, under whatever social-security program we might have, should be much higher than those presently provided.

However, I certainly do not agree that increasing the minimum OASI benefits from $25 to $30 a month is enough of a contribution to combating destitution. We equally find agreement impossible on the point that increasing the maximum benefits from $85 to $98.50 a month is of general benefit when we realize that such benefits would go only to workers with an average earning record of a flawless $300 a month. It is clear to me that the same consideration is true regarding the proposed maximum of $108 monthly benefit to be based upon a flawless wage record in covered employment of $350 a month. What a stepdown of living standards, for a majority of our people will result, under the benefit formula inherent in OASI.

It is only a year ago that our great problem was to find ways of overcoming inflation. Now, we have, in the full sense, at least 4 million unemployed, costs of living still at their peak, and the great worry and problem is to combat deflation, recession, to prevent depression. Surpluses, resulting in unemployment, are gathering while we harbor a system of social security that fails adequately to amplify purchasing power among those very parts of our population where purchasing power is most inadequate; the aged, the incapacitated, the widowed mothers with dependent children, where purchasing power is pared right down to the very bone and often enough right into the marrow.

I am intensely interested in every possible improvement in any part of our social-security system, in any way that will, however slightly, help these people in need; but I do not accept these improvements as constituting the kind of progress in social security that the American people should have. It is on this basis that we press with all our ability for a program that will really solve this problem once and for all, and as soon as possible. It is on this basis that I press for the adoption of the Townsend program, for congressional action on social security through the identical bills, H. R. 2446 and 2447. It is high time to solve this problem.

The Townsend Plan is flexible. It would automatically change with changing conditions, changing living standards and purchasing power of the dollar, in terms of the real value of its benefits. We simply cannot see how any social security program can securely provide security for the people unless it is designed to operate in this way.

Because of the fact that no such program has ever been in operation, direct statistics do not exist, and it is not possible, precisely, to calculate the individual benefits that would be available under H. R. 2446. However, there do exist sufficient data on business operations and on our population to make a perfectly reasonable and sound estimate on the basis of conditions in recent years.

Continuous study of the program presented in H. R. 2446, over many years, enables us to calculate a gross income-tax rate that would obviously provide a desired amount of revenue under specified business conditions. This means that a given benefit goal, in terms of its relationship to general living standards, can be adopted and the needed tax rate established, so that the resulting benefits to individuals would then be set in a fixed ratio to general living standards and economic or business conditions. This completely overcomes the problem of benefits in terms of fixed dollar amounts which become utterly ineffective as prices, standards of living, and business conditions change.

These principles have been found necessary for adequate pensions among nations having much longer experience with social security than we have. The Social Security Bulletin of January 1954 features this question in a special article. It shows Sweden, after 40 years experience, adopting a cost-of-living adjustment in 1950 and, on top of it, a standard-of-living adjustment in 1953. Operating together, these two adjustments increased Swedish pensions 75 percent above their 1946 base period.

Townsend plan benefits would stay in step, maintaining their real value. It would only be the development of great changes, or after long periods of time, that adjustments would be needed; and then they would be mere adjustments in the light of solid and obvious needs. Once in operation, direct data by which to calculate precise benefit values and tax rates would be readily available at all times. The whole picture of social security, in this respect, would immediately and permanently become automatically available.

Since the amounts payable under the Townsend plan will be determined by subtracting administrative costs from tax receipts with the balance being wholly distributed in the form of benefits, there would be absolutely no surplus; there would be absolutely no debt. As far as social security is concerned, the budget would be balanced exactly. The opposite state of affairs that exists under the present OASI program is certainly thoroughly enough known to require no comment here.

It is obvious that administration of the Townsend plan would be tremendously less expensive than the cost of the present system; especially is this the case when we realize that the problem would be fully solved, while under the present program we are far from solving it.

The tax proposed to finance the Townsend plan is a gross income tax. Practically every argument that can be raised against this tax can be raised against nearly every other tax in force today. Two strong counterarguments, however,

do exist against the so-called regressive nature of the proposed tax. The first is that no tax should be considered apart from the use to which the revenues derived from the tax are to be put. While sales taxes, for example, are objectionable in respect to being regressive, the laudable purpose of the proposed tax overcomes this objection. It is apparent that persons in low-income groups will receive benefits at relatively small cost, while people in high-income groups will pay relatively more for the same benefits. Under the Townsend plan, all will receive the same benefits. Therefore, instead of the tax actually being regressive, its final effect is progressive. Furthermore, it is not improper to suppose that the taxes, to the extent that they are not dissipated by the positive stimulus that the currently paid benefits will have on the economy, will be borne willingly by all in the realization that by paying a tax today they will guarantee themselves an honorble annuity when they, too, are disabled or reach the age of 60. All individual, personal incomes in excess of $250 monthly will be taxed 2 percent. there will be no other deductions. The tax will be wholly justified by this direct and completely reliable benefit to every taxpayer upon qualifying.

The thought behind this proposal is this: We have repeatedly experienced the production of surpluses that could not be sold with the results of overproduction, underconsumption, and unemployment. Now, again, with industry having surfeited the postwar demand for goods long unavailable, with our rearmament and defense program leveling off, we are face to face with the same forces; surpluses are a looming and foreboding economic fact and unemployment has reached threatening proportions. The Townsend plan would help greatly by creating a new market which would buy up this accumulating surplus; it would keep industry going; it would prevent unemployment; simply everybody would benefit by escaping the great losses which these situations cause to just about everybody, big or small.

Early this year the Senate had quite an open discussion of agricultural surpluses, revealing the astronomical figures to which they had risen, with some 331 million pounds of butter, for example, in Government storage at that time. However, it has also become clear that agricultural surpluses are only a part of the picture. Right across the board of industry and business, accumulating inventories, failing demand and consequent unemployment—which further depreciates demand—have been mounting concerns. The construction of the Townsend bill has been dictated by the obvious fact that raising the tragically inferior living standards of the aged and other disabled citizens to general American standards would enable these millions of people to purchase and consume these otherwise recurring surpluses of every kind. It is our contention that a fully adequate social-security system of this design would, in the long run, not only solve the social-security problem once and for all, but would also have a steady, stimulative effect on our general economy which would benefit virtually everybody. The economic results would offset the theoretical costs of such a program, completely.

Under such conditions of stabilized prosperity, subject to the powerful forces of expansion and economic growth which we, as a Nation, have proven ourselves capable of, there would be a greater and more confident opportunity for every individual in our land to work, to earn, to risk and to invest without the plague of surpluses with their costs and losses constantly recurring. What other way is there ever to absorb our surpluses except to create the market that can buy them and use them?

This is no longer only the idea of the Townsend movement. In recent times, there has been a constantly growing demand for action to increase buying power in our economy. Even tax-reduction has been proposed for this purpose on the theory that more money would be left in consumers' hands. A very notable instance in the business world was the observation of Mr. T. V. Houser, vice president of the Sears, Roebuck & Co., in addressing the recent national convention of the National Retail Dry Goods Asssociation. He spoke of pension plans as permitting people to spend in a way that would not be "prudent if the protection afforded by these funds did not exist. The average family can more nearly use current income for the immediate enjoyment of better living standards. Families having to draw on such funds when extended illness or retirement comes have more current income for a sustained standard of living than would otherwise be the case." He further explained that pension plans bring about "an accumulated buying power, increasing year by year, which in previous decades did not exist at all."

Mr. Speaker, all of us have long been fully aware of the continuous receipt by Members of Congress of the endless flow of mail from constitutents, revealing the widespread, shameful shortcomings of the present act, especially emphasizing its failure to give any relief to millions of already aged people. This has been going on year after year.

In spite of the many efforts to improve this act by amendments, dissatisfaction has grown with the passage of time. As more and more people who have been basing great hopes on our social-security system have come to the point where they have had to depend on it for support, too often disappointment and disillusionment have been their rewards.

The further we go in our technological development in the field of production, the more critical and intense this whole problem is going to become. The President has said that we do not need to rely upon the demands of war and defense in order to have economic prosperity; and with this view nobody could possible agree more completely than we do. However, it is perfectly plain to us that the present social-security program offers too little toward this great ideal. It is equally clear to us that a sufficient social-security program will contribute tremendously to it.

Now, in approaching the end of these remarks, I wish to speak about the actual specifications of H. R. 2446. Our studies have shown us that there is a great gap between the average living standards of the American people as a whole and the living standards of the aged. Although we have a social-security program, operating at Federal, State, and local levels; although we have many thousands of private pension and welfare funds; Federal, State, and local retirement systems for public employees; the railroad-retirement system; life insurance; although we have all of the many efforts of the American people to provide for future security by saving and investment—and these complicated efforts are mighty, indeed, in their cost—yet the latest official data from the Census Bureau, showing the distribution of consumer income, reveal the elderly people still enduring income levels barely better than one-third of the national average. This is inclusive of all the income they receive in the form of benefits from any and all existing programs and resources.

H. R. 2446, based on the 2 percent gross income-tax it proposes, would provide benefits which would replace many of these programs now existing—such as OASI and OAA—and would, in addition, bring the elderly people to close equality of income with other groups. The aged as a group would no longer endure inferiority and dependency; they would be equal as a group and none of them would have less than the Townsend plan pension—close to $130 monthly as of 1952, or close to $140 monthly as of 1953. As it is, not only is the income average of the aged about one-third the general average, but over 25 percent of the aged are completely dependent having absolutely no money income from any source.

It is time to have done with poverty and despair as the final rewards of life. Let us have full freedom and equality for our aged and disabled, and with it let us have unprecedented prosperity.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, apparently some social-security legislation is necessary because in the last 10, 15, 20, or 30 years the situation in this country has become such that it is almost impossible for an individual to provide, as we did in days gone by, for his own old-age security. Farmers are to be forced in—doctors and some others kept out. Either all should be in or those who do not choose to be in should be left out. Of course, all who are unable to care for themselves—and that through no fault of their own—should be cared for.

I have heard considerable about unemployment lately and the necessity for a Federal program in order to create employment. But last week a constituent phoned me and said he was trying to get a Cadillac for his nephew but was unable to do so. He wanted to see if I could not talk to a sales agent down here and help out. At one time I had helped him get a Cadillac, not by contribution to any part of the purchase price but by talking to the general manager of a sales agency. I told him that I would try. So I called the agent and do you know what he told me? He said, "Now, do not go bothering about

this for it will take 6 months before your friend can get a Cadillac."

I guess Cadillacs are made up there in Michigan. I have heard my colleague from Detroit [Mr. RABAUT], a very distinguished and able Representative, talk about unemployment in Detroit. Now, what is the matter? Is General Motors getting too many Government contracts? Are they too far behind? Or why is it that this man with money to spend cannot get a Cadillac? You talk about giving people more money to increase their purchases. I wish somebody would find out about this so that this gentleman would quit asking me. He has money to spend. But he cannot get the car of his choice. I do not want to be investigated for using undue influence, even with General Motors. I do not know whether it is unemployment or what it is. I suggested they buy a Ford or a Chrysler or an Oldsmobile or go to the secondhand yards. I have been up and down the streets, seen car after car, hundreds of them, yes thousands of them, waiting for somebody to put in some gasoline and, if possible, drive it away.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Michigan.

Mr. RABAUT. I was just thinking that it might be a good idea to get that man's name and address because I think there are a few dealers he will hear from.

Mr. HOFFMAN of Michigan. Oh, the gentleman is looking for a commission. I want the credit for doing that if I can get it.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. LYLE].

Mr. LYLE. Mr. Speaker, I am opposed to this type of rule. Of course, I have no objection to the House considering a social-security bill. I am conscious of the fact that this great Committee on Ways and Means has labored very hard on this legislation, but we do violence to our own intelligence, to our own responsibilities, when we bring in a rule which disfranchises the Members of the Congress. The Members on the Democratic side of the Committee on Rules made the very simple request that this rule provide that any Member of this House might be able to offer an amendment striking any portion of this bill, not adding to it, not extending the field, but simply the privilege, as a United States Representative elected by the people, of offering an amendment to strike a portion of the bill which a Member might feel was not to the advantage of the American people. We were defeated. I have too much respect for you Members of this House on both sides to ask you to vote for a rule making in order a bill which you can do nothing about. You cannot even read it because it is too long.

It is wrong, gentlemen. I know it has been done under Democratic administrations. I thought it was wrong then. I know it has been done under Republican administrations. I still think it is wrong: 435 intelligent men and women, elected by the people, disfranchised by their own vote on this rule, throwing up their hands and saying "We cannot pass intelligently on this legislation unless you permit us simply to say 'Yes' or 'No'." I am opposed to that because I respect your intelligence and your responsibilities too highly.

Mr. ROGERS of Florida. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield to the gentleman from Florida.

Mr. ROGERS of Florida. I just want to say to the gentleman that he has always been mighty sound in his thinking on legislation, and I think he is eminently correct in opposing a rule where a Member of the House can offer no amendments. Now, there are several provisions in this bill that none of us will agree to, I think. They exempted in this bill physicians, but as to the dentists it is specific. The dentists do not want to come under the provisions of the bill any more than the doctors.

Mr. LYLE. The violence is not to the dentists but to the system of government which takes away the right of a Representative to pass intelligently upon sections of the bill.

Mr. ROGERS of Florida. I agree with that. This is just one concrete illustration. Now, some of you will have to vote for some bad parts in order to get some good parts in the bill.

Mr. LYLE. If you vote for the bill, you will vote for some of the parts you do not like.

Mr. SMITH of Virginia. Mr. Speaker, I yield 9 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, when this social security bill was up in 1949, along with other Members, I opposed what was termed a gag rule. I opposed that under a Democratic administration. I oppose it this morning under a Republican administration.

Mr. Speaker, I am in thorough accord with the gentleman who just preceded me, the distinguished gentleman from Texas, [Mr. LYLE]. Why should we in this House disfranchise ourselves so far in the consideration of this legislation when the other body will, no doubt, take as much as 2 or 3 or 4 weeks to consider this legislation?

Here is a bill of some 122 pages. The Committee on Ways and Means considered it for months. Then they brought it to the Rules Committee this morning and asked for a closed rule under which you cannot dot the i or cross the t. In addition to that, we are asked to waive the requirement of its lying over for an additional 24 hours before it may be considered by the House.

Why all the haste? The great Speaker sitting here is quoted in the press as saying that we will be ready to adjourn by July 1. The majority leader in the other body says we will get out around the 1st of August. The minority leader in the other body says we will get out around the 15th of August. In other words the House is a month or more ahead of the Senate on the adjournment schedule. Yet we are going to consider this bill all in 1 day, having run it through the Committee on Rules and put it through the hopper in 1 short day; and there will not be 2 Members of this body, other than the Ways and Means members—and I say this with no reflection upon anyone, because I will be 1 of them—who will have read that bill. The Members have not had an opportunity to read it. It has just been made available today.

Mr. Speaker, we are going to make a rubber stamp out of this House if we continue to legislate in this manner.

What are we going to do here today? We are going to pass this bill today, and I suspect I am going to vote for it. But I do not like the method of its consideration. We are going to pass it today, and then we may have a program tomorrow and we may not. But I will make the prediction, and I do not write any columns either, and I am not a prophet, but I make the prediction that this House will not be in session more than two-thirds of the time between now and adjournment. Yet we have to rush this thing through today. We are going to lose further caste as a legislative body if we continue to legislate in this manner.

My friend from Texas pointed out a moment ago that we tried to provide in the rules, in the committee for a little simple amendment as to whether you, representing your congressional district, could offer an amendment to strike out one little provision of this bill if you wanted to. But we were told that would be discrimination. The great Ways and Means Committee did some discriminating in the consideration of this bill. When the medical profession raised a great ruckus, it said, "All right, we will let you out." Well, as somebody else has pointed out here, we have heard from some people here who are raising some ruckus too. All I am asking, Mr. Speaker, in all good faith and in all good humor, and with ill will toward none, is that this House be given the opportunity to consider this matter under the regular procedure, and for that reason I am going to vote against the rule.

Mr. ELLSWORTH. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. SCOTT].

Mr. SCOTT. Mr. Speaker, I am not going to get into any controversy because I very well recognize that after all the tumult and shouting dies, most of the Members of the House are probably going to support this measure which regardless of the party which may be in power represents the desire of the citizens of this country who by their own contribution and the aid of the Federal Government under this system are entitled to expect a stable and continuing Government policy. This bill extends to approximately 10 million people, benefits of the Social Security System. It extends the coverage and it expands the benefits. It is part of the President's promise to the American people in his campaign and in his state of the Union message. This represents a keeping of that promise. I am for the rule and for the bill.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself the remaining time.

Mr. Speaker, this bill contains 122 pages. Obviously, Members of the House have no idea what is in it although they are called upon to vote for it and pass it today.

I asked for a copy of the bill when I arrived on the floor a few minutes ago,

and there were no copies available. Within the last few minutes they have been delivered from the Printing Office, and I have just obtained one of those copies.

This is an extension of the Democratic policy of social security. I differ with the gentleman from Pennsylvania [Mr. SCOTT], who has just addressed the House, saying that this was a part of President Eisenhower's program. This was a part of President Roosevelt's program and a part of President Truman's program. The difference between us is that under the Democratic program for social security it was recognized that it was a tremendously complicated subject, that it was a subject that would require years of practice and study, public acceptance, and gradual coverage. So we began in a small way to introduce the social-security program. I voted for it. We recognized, and I think the House and the country at that time recognized that it was a program that had to go by progressive stages; that it had to have the knowledge and approval of the general public before it could be successful and a permanent program.

The difference between us this morning and the Democratic policy is that while we have tried to carry on a progressive, gradual program that would make extended coverage over the years as the public became educated to social security, my friends this morning want to undertake to make the whole leap in 1 day. They want to cover the surface of the earth before we have an opportunity to educate the public to this program. I do not know why they should have concluded that we had to do it today; that we would not have time to debate it; that we would not have time to talk about who should be included, and would not have time to talk about the opportunity to offer amendments. We have got the whole week before us, but the program seems to be that it must be put through this day if it is ever going to be put through. Perhaps if this bill and this 100-page report were circulated sufficiently among the Members there might be some objections to the passage of this bill. Anyway, it must be put through today as a Republican program, as the result of a platform promise. I do not know why it has to be put through so suddenly and why the coverage had to be so extended, unless it is the fact that my friends on the left figure they might not be in control too long, and they had better get this thing over while they can.

I object to the feature of this bill that prohibits you from offering any amendment. I think that requires a little discussion and a little understanding. We all agree that on an ordinary tax bill it is not feasible or practical to write it on the floor of the House, and therefore we have adopted the theory that we have closed rules on tax bills. But all we asked for in the Rules Committee was that the individual Members of this House be given an opportunity to offer amendments to designate what classifications of persons should be included. You will note, if you have gotten far enough in this 100-page report, that under the compulsory program all professional classifications are included in this bill. They include lawyers, dentists, architects, engineers, accountants, funeral directors, osteopaths, chiropractors, veterinarians, naturopaths, whatever they are, ministers, and Christian Science practitioners. The funny thing about it is that they exempted doctors. I asked somebody if it was not a fact that the only reason they exempted doctors was that they made more noise than anybody else, and therefore they were exempted. The other professions, which perhaps did not know anything about it, are being included in this program and are forced to enter into this program against their will.

What I have asked—and I am going to pursue it further on the floor by asking that the previous question be voted down. The committee has put in these classifications. I am going to ask that the previous questions be voted down, and, if it is voted down, I shall offer this amendment that this shall be an exception to the closed rule and provide that any Member may offer an amendment to exclude any classification or occupation or to include an additional classification.

The reason for that is that there are some classifications that Members here on the floor think ought to be included, classifications that want to be included that are discriminated against and are not included. So why should not this House, which is supposed to do the legislating, why should they not have the opportunity not of amending the tax rate, not amending what the tax shall be, but just saying what classification shall be included and what classification shall be excluded?

Take the farmers; let us consider the farmer for a minute. The doctors know what is going on up here; they have their organization, and when something happens here that affects the doctor, you hear from them very quickly. Many of these old farmers out in the country do not belong to any of these farm organizations; they do not know what is being done for or to them. But if this bill passes, every farmer in your district if he makes as much as $400 a year is going to have to pay a social-security tax no matter whether he wants to come under or whether he does not want to come under, and that applies to every other classification in here.

I am just opposed to this compulsory inclusion in social security of any class of citizens. But that is not the question here this morning; the question is which of these classifications, or whether this House shall have the opportunity to say that we want to include this classification or we want to exclude this classification. So my proposal will be to let the House either enlarge the classifications or restrict the classifications.

It does seem to me that in a democratic body—although we have got to pass this bill it seems today—that in a democratic body such as the House of Representatives that the membership should at least have the opportunity to say what classification they want to include and what classification they wish to exclude.

This bill imposes a burden upon the already overburdened taxpayers of the country, because under this bill before this tax rate reaches its maturity there will be a tax of 8 percent upon employers and employees, upon farmers, domestics, and what have you. They raised the tax rate progressively in this bill so that a person of very moderate means may find himself in years to come confronted with a tax of somewhere between $250 or $300 a year on this social security. So you are putting quite a burden on the people.

This is not any little thing you are putting on the people of America, and it does seem to me that there ought to be full time for discussion, there ought to be full opportunity for amendment, especially as to the classifications to be included or excluded.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. ABERNETHY. I am interested in what the gentleman has had to say and I thoroughly agree with his views. Now may I ask the gentleman this question: Do I understand this bill to provide that every farmer in this country, of which there are about 7 million, will be forced under this program, if he earns as much as $400 a year?

Mr. SMITH of Virginia. Yes.

Mr. ABERNETHY. If it be that a farmer does not desire to come under it and he does not pay this tax, does that mean that an agent of the Federal Government will be out on his farm attaching his property for the purpose of forcing him into a program that he does not wish to participate in?

Mr. SMITH of Virginia. The same rule that affects the collection of other taxes will prevail in this case.

Mr. ABERNETHY. It means then that quite a raft of tax collectors will be raiding the farms of thousands of men in this country, farmers who definitely will not want to come under this program.

May I ask the gentleman a further question: Does this rule provide that no Member may offer an amendment to make the coverage voluntary?

Mr. SMITH of Virginia. Yes.

Mr. ABERNETHY. Such as making it voluntary for the farm people to come under the coverage?

Mr. SMITH of Virginia. What I tried to explain was this: This is what is known as a closed rule, sometimes called a gag rule. You cannot offer any amendments.

Mr. ABERNETHY. I think we are going to have a lot of Federal tax collectors working around the farms collecting taxes which of itself will probably increase the Federal payroll by two or three hundred thousand employees just for the purpose of collecting social-security taxes. They will be nothing but a common nuisance.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. I am not familiar with the provisions of this bill. Is it true that the owner of a farm will have to pay something to the Federal Government and that he comes under this?

Mr. SMITH of Virginia. Oh, yes, if he makes $400 a year or more.

Mr. HOFFMAN of Michigan. Suppose he does not work on the farm and the profit is $400?

Mr. SMITH of Virginia. If he rents his farm he does not have to come under it. That is if he rents his farm out.

Mr. HOFFMAN of Michigan. But he has to pay taxes on the upkeep and so forth.

Mr. SMITH of Virginia. If he is a farmer and makes $400 a year.

Mr. ABERNETHY. The only way we can get out of this parliamentary situation, this gag rule, and have the privilege of offering an amendment is to vote down the previous question?

Mr. SMITH of Virginia. Vote down the previous question and accept the amendment I shall offer; then you may vote to include or exclude any classification.

Mr. ELLSWORTH. Mr. Speaker, I yield 10 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, this sort of debate is not new on matters of this kind. I have been present here when the same arguments were made before. Undoubtedly they are made in good faith, in complete sincerity, and with a considerable degree of persuasiveness. However, the plain fact remains that for 15 years extensions of social security have been handled under this type of rule. I think it is completely understandable why that is done. This is a highly complicated piece of legislation and beyond that there is the matter of the necessity of actuarial soundness with respect to the bill as a whole.

The bill is built upon that basis. Problems of coverage and others involved in the consideration of actuarial soundness are involved. To undertake to rewrite the bill on the floor of the House would likely get us into the sort of situation that has convinced us over the years that tax bills from the Ways and Means Committee should be considered under closed rules.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Mississippi.

Mr. COLMER. I am sure that my distinguished friend does not want to mislead anybody. He would not do it, let us put it that way. But if the statement that he made that for 15 years this sort of bill has been considered under a closed rule is correct, then the information that I have is incorrect. The information I have is that only twice has it been considered that way.

Mr. HALLECK. No. I do not know where the gentleman got his information, but may I say, anticipating that something like this might develop, I had a check made by one of the employees of the House whose word the gentleman would not question or whose thoroughness the gentleman would not question. He is the source of my information.

Mr. COLMER. Mr. Speaker, will the gentleman yield for a brief statement?

Mr. HALLECK. Yes.

Mr. COLMER. May I just say to the gentleman that my information came from the same source.

Mr. HALLECK. I trust that the gentleman is not accusing me of misquoting the source.

Mr. COLMER. I certainly am not. What I meant to say was that my information came also from a trusted employee of the House.

Mr. HALLECK. Well, I have some very vivid recollections, too, of the manner in which we have approached these propositions. As the gentleman knows, I served on the Committee on Rules. I understand you can make a great speech about a closed rule and what an awful thing it is to have a closed rule, but recognizing the practicalities of the situation when I was in the minority on the Committee on Rules, I went along with many closed rules because it seemed to me to be the way to expedite the business of the House.

While I am talking about that, let me just say this to my friends who apparently think we should put this legislation off until the last week, that we all recognize this will have to go to the other body, hearings will need to be held, and it should be obvious to all of us that the quicker we get these measures over to the other body, why, the better chance we have to get action completed and adjourn in a reasonable time. It strikes me as being inconsistent, on occasion, to say that the House is not doing anything, the House of Representatives is not getting anything done, but here apparently it is suggested we are getting too much done.

In connection with the coverage, we already have 62 million people under the social-security program. Some people thought that when the Republicans won, we expected to come down here and repeal the social-security law. You know, that would be a little rough for me, because one of the first speeches I made in the House of Representatives was for the social-security proposal when it was first before the Congress. So, I would have to be doing a very, very wide turnaround in order to be for repeal. We might as well recognize the fact that the social-security program is here; it has become an integral part of our economy, and as far as I am concerned, as we extend its coverage, making it more nearly universal, then the better off we will be, because if you can get universal coverage, then you will no longer need the public-assistance program, because people will be taken care of under this program. To my mind, that is a desirable thing.

May I point out another thing? Everyone is paying for this program, whether you are getting the benefits or not. A part of it is in the cost of every automobile you buy or every tractor the farmer buys, the shoes you wear on your feet.

The gentleman from Virginia said that some people in the other professions do not know about what is going on with respect to this bill. It was my privilege just a week ago to be out in the great State of Ohio speaking before the Ohio State Bar Association. I did not press the matter of social-security legislation there in what I had to say, but while I was present the Ohio State Bar Association adopted a resolution, speaking for the lawyers of that State, asking that they be included in this program.

Mr. SECREST. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Ohio.

Mr. SECREST. I have read this report, and I think that these amendments are some of the finest ever proposed. I think the provision to include farmers is one that will meet with the approval of 90 percent of the farmers of this country, and I am going to vote for the bill in order to keep it from being whittled to death.

Mr. HALLECK. The gentleman from Virginia said he is going to ask the membership to vote down the previous question, which would mean that the rule then would be open for amendment. If the precedent that has been established, may I say again, for 15 years is to be upset, vote down the previous question. However, I do not believe that is going to be done. The great Committee on Ways and Means has worked diligently and carefully on this bill.

When they came along with various provisions, statements were made to the press as to what was being done, so I do not think it is quite fair to say that none of us knows what is in the bill. Whether you have read all the bill or not, every one of us has had an opportunity to become acquainted with what is in the bill and to know about it.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from New York.

Mr. JAVITS. I am strongly in favor of this bill. If we open it up for amendment, it could be much less modernized, rather than more; therefore, those of us who are in favor of the most modernization, should be against opening up this rule to amendment.

Mr. HALLECK. Whether it would make for more or less modernization, I do not know, but I do say that the committee has done a good job with this bill. I think it would be a mistake to throw it open for amendment on the floor. Certainly the people on my side of the aisle should not be too concerned about this rule, because we have been having this sort of rule for a long time. To my friends on the right I cannot conceive of their backing up on the program or the method of consideration that was established by them, backing up just because Republicans happen to be in power at this time.

Mr. REAMS. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Ohio.

Mr. REAMS. I have had correspondence from some doctors who want to come in under this program. Is the entire profession excluded?

Mr. HALLECK. As I understand it, the entire profession is excluded. Of course, it should be kept in mind that the minority has the right to make a motion to recommit if they wish. That motion may be as limited or as broad as anyone wants to make it. But that is a method that would be open, I might say to the gentleman from Ohio [Mr. REAMS], if one were opposed to the bill—of course,

he would have to be opposed to the bill to qualify to make a motion to recommit.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. MORANO. I have had messages from doctors indicating that they wanted to be excluded from the program.

Mr. HALLECK. Of course, we have had messages from both sides. May I conclude by saying, with particular reference to my colleagues on my side of the aisle, that in 1950 Republican Members of the House and Senate drafted a statement of principles and objectives. This was subsequently endorsed by the Republican National Committee and in essence it went into the 1952 platform. With respect to social responsibility we said this:

The obligation of Government to those in need has long been recognized. Recognizing the inequities and injustices of the present program of social security, we urge:

A. The extension of the coverage of the Federal old-age and survivors insurance program, reduction of eligibility requirements, and increase of benefits to a more generous level, with due regard to the tax burden on those who labor.

B. A thoroughgoing study of the program of more nearly universal coverage, including the principle of pay as you go.

This measure that is before us represents a compliance, a fulfillment of that promise that we made.

I say that the motion for the previous question should not be voted down, and that we should go on to the adoption of the rule and the adoption of the bill.

The SPEAKER. All time has expired.

Mr. ELLSWORTH. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on ordering the previous question.

The question was taken; and on a division (demanded by Mr. SMITH of Virginia) there were—ayes 112, noes 30.

Mr. ABERNETHY. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 270, nays 76, answered "present" 1, not voting 87, as follows:

[Roll No. 77]

YEAS—270

Adair	Bishop	Campbell
Addonizio	Boggs	Canfield
Allen, Calif.	Bolling	Cannon
Andresen, H. Carl	Bolton, Frances P.	Carnahan
Andresen, August H.	Bolton, Oliver P.	Carrigg
Angell	Bonin	Cederberg
Arends	Bosch	Chenoweth
Auchincloss	Bow	Chiperfield
Ayres	Bowler	Chudoff
Bailey	Boykin	Church
Baker	Brambiett	Clardy
Barrett	Bray	Clevenger
Bates	Brown, Ohio	Cole, Mo.
Beamer	Broyhill	Cole, N. Y.
Becker	Buchanan	Coon
Belcher	Budge	Cooper
Bennett, Mich.	Burdick	Coudert
Bentley	Busbey	Cretella
Bentsen	Byrd	Crosser
Berry	Byrne, Pa.	Crumpacker
Betts	Byrnes, Wis.	Cunningham
Blatnik	Camp	Curtis, Mass.
Boland	Carlyle	Curtis, Nebr.
Bonner	Celler	Dague
Brownson	Chelf	Davis, Wis.
Buckley	Condon	Dawson, Utah
Bush	Cooley	Deane
Carlyle	Corbett	Delaney
Celler	Cotton	Derounian
Chelf	Dawson, Ill.	Devereux
Condon	Dingell	D'Ewart
Cooley	Dodd	Dollinger
Corbett	Dolliver	Dondero
Cotton	Donohue	Donovan
Dawson, Ill.	Doyle	Dorn, N. Y.
Dingell	Durham	Eberharter
Dodd	Elliott	Edmondson
Dolliver	Engle	Ellsworth
Donohue	Fulton	Evins
Doyle	Gavin	Fallon
Durham	Gubser	Feighan
Elliott	Harris	Fenton
Engle	Harrison, Wyo.	Fine
Fulton	Hays, Ark.	Fino
Gavin	Hays, Ohio	Fogarty
Gubser	Hébert	Forand
Harris	Hiestand	Ford
Harrison, Wyo.	Hillings	Frelinghuysen
Hays, Ark.	Hoeven	Friedel
Hays, Ohio	Hoffman, Ill.	Gamble
Hébert	Holt	Garmatz
Hiestand	Hunter	Gary
Hillings	Jackson	George
Hoeven	James	Golden
Hoffman, Ill.	Johnson, Calif.	Goodwin
Holt	Jonas, Ill.	Gordon
Hunter	Jones, Mo.	Graham
Jackson	Kersten, Wis.	Granahan
James	Kilburn	Green
Johnson, Calif.	Kluczynski	Gregory
Jonas, Ill.	Krueger	Gross
Jones, Mo.	Latham	Gwinn
Kersten, Wis.	Lipscomb	Hagen, Calif.
Kilburn	Machrowicz	Hagen, Minn.
Kluczynski	Martin, Iowa	Hale
Krueger	Mason	Halleck
Latham	Miller, Calif.	Hand
Lipscomb	Morrison	Harden
Machrowicz	O'Hara, Minn.	Harrison, Nebr.
Martin, Iowa	Patterson	Hart
Mason	Phillips	Harvey
Miller, Calif.	Pilcher	Heller
Morrison	Powell	Herlong
O'Hara, Minn.	Preston	Heselton
Patterson	Price	Hess
Phillips	Prouty	Hill
Pilcher	Rabaut	Hillelson
Powell	Radwan	Hinshaw
Preston	Rains	Hoffman, Mich.
Price	Ray	Holifield
Prouty	Rayburn	Holmes
Rabaut	Reams	Holtzman
Radwan	Reece, Tenn.	Hope
Rains	Reed, Ill.	Horan
Ray	Reed, N. Y.	Hosmer
Rayburn	Rees, Kans.	Howell
Reams	Rhodes, Pa.	Hruska
Reece, Tenn.	Roberts	Hyde
Reed, Ill.	Robsion, Ky.	Javits
Reed, N. Y.	Rodino	Jenkins
Rees, Kans.	Rogers, Mass.	Jensen
Rhodes, Pa.	Sadlak	Johnson, Wis.
Roberts	St. George	
Robsion, Ky.	Saylor	
Rodino	Scherer	
Rogers, Mass.	Scott	
Sadlak	Scrivner	
St. George	Secrest	
Saylor	Seely-Brown	
Scherer	Shafer	
Scott	Sheehan	
Scrivner	Shelley	
Secrest	Sieminski	
Seely-Brown	Simpson, Ill.	
Shafer	Small	
Sheehan	Smith, Kans.	
Shelley	Spence	
Sieminski	Springer	
Simpson, Ill.	Stauffer	
Small	Stringfellow	
Smith, Kans.	Sullivan	
Spence	Taber	
Springer	Talle	
Stauffer	Taylor	
Stringfellow	Thomas	
Sullivan	Thompson, Mich.	
Taber	Tollefson	
Talle	Trimble	
Taylor	Van Pelt	
Thomas	Van Zandt	
Thompson, Mich.	Vinson	
Tollefson	Vorys	
Trimble	Vursell	
Van Pelt	Wainwright	
Van Zandt	Walter	
Vinson	Wampler	
Vorys	Warburton	
Vursell	Westland	
Wainwright	Wharton	
Walter	Wickersham	
Wampler	Widnall	
Warburton	Wier	
Westland	Wigglesworth	
Wharton	Williams, N. J.	
Wickersham	Williams, N. Y.	
Widnall	Wilson, Ind.	
Wier	Withrow	
Wigglesworth	Wolcott	
Williams, N. J.	Wolverton	
Williams, N. Y.	Young	
Wilson, Ind.	Zablocki	
Withrow		
Wolcott		
Wolverton		
Young		
Zablocki		

NAYS—76

Abbitt	Gathings	Pelly
Abernethy	Gentry	Poage
Albert	Grant	Priest
Alexander	Haley	Regan
Andrews	Hardy	Robeson, Va.
Aspinall	Harrison, Va.	Rogers, Fla.
Battle	Ikard	Rogers, Tex.
Bennett, Fla.	Jarman	Schenck
Brooks, La.	Jonas, N. C.	Selden
Brooks, Tex.	Jones, N. C.	Shuford
Brown, Ga.	Keating	Smith, Miss.
Burleson	Keogh	Smith, Va.
Chatham	Landrum	Steed
Colmer	Lanham	Teague
Curtis, Mo.	Lantaff	Thompson, La.
Davis, Ga.	Long	Thornberry
Davis, Tenn.	Lucas	Tuck
Dempsey	McCarthy	Watts
Dies	McMillan	Wheeler
Dorn, S. C.	Mahon	Whitten
Dowdy	Matthews	Williams, Miss.
Fernandez	Murray	Willis
Fisher	Norrell	Winstead
Forrester	Passman	Yates
Fountain	Patman	
Frazier	Patten	

ANSWERED "PRESENT"—1

Lyle

NOT VOTING—87

Allen, Ill.	Boland	Camp
Ashmore	Bonner	Carlyle
Barden	Brownson	Celler
Bender	Buckley	Chelf
Blatnik	Bush	Condon
Cooley	Holt	Rhodes, Ariz.
Corbett	Hunter	Richards
Cotton	Jackson	Riehlman
Dawson, Ill.	James	Riley
Dingell	Johnson, Calif.	Rivers
Dodd	Jonas, Ill.	Rogers, Colo.
Dolliver	Jones, Mo.	Rooney
Donohue	Kersten, Wis.	Roosevelt
Doyle	Kilburn	Scudder
Durham	Kluczynski	Sheppard
Elliott	Krueger	Short
Engle	Latham	Sikes
Fulton	Lipscomb	Simpson, Pa.
Gavin	Machrowicz	Smith, Wis.
Gubser	Martin, Iowa	Staggers
Harris	Mason	Sutton
Harrison, Wyo.	Miller, Calif.	Thompson, Tex.
Hays, Ark.	Morrison	Utt
Hays, Ohio	O'Hara, Minn.	Velde
Hébert	Patterson	Weichel
Hiestand	Phillips	Wilson, Calif.
Hillings	Pilcher	Wilson, Tex.
Hoeven	Powell	Yorty
Hoffman, Ill.	Preston	Younger

So the previous question was ordered.

The Clerk announced the following pairs:

On this vote:

Mr. Wilson of California for, with Mr. Utt against.

Mr. Engle for, with Mr. Mason against.

Mr. Roosevelt for, with Mr. Wilson of Texas against.

Mr. Celler for, with Mr. Sikes against.

Mr. Allen of Illinois for, with Mr. Lyle against.

Mr. Rivers for, with Mr. Hébert against.

Mr. Simpson of Pennsylvania for, with Mr. Rhodes of Arizona against.

Mr. Rooney for, with Mr. Pilcher against.

Mr. Hays of Arkansas for, with Mr. Ashmore against.

Until further notice:

Mr. Brownson with Mr. Morrison.
Mr. Bender with Mr. Miller of California.
Mr. Hoeven with Mr. Yorty.
Mr. Corbett with Mr. Dingell.
Mr. Bush with Mr. Dodd.
Mr. Hunter with Mr. Bonner.
Mr. Jackson with Mr. Camp.
Mr. Holt with Mr. Preston.
Mr. Hillings with Mr. Powell.
Mr. Hiestand with Mr. Doyle.
Mr. Younger with Mr. Buckley.
Mr. Velde with Mr. Kluczynski.
Mr. Short with Mr. Machrowicz.
Mr. Scudder with Mr. Hays of Ohio.
Mr. Jonas of Illinois with Mr. Boland.
Mr. Fulton with Mr. Donohue.
Mr. Gavin with Mr. Elliott.
Mr. Gubser with Mr. Riley.
Mr. Patterson with Mr. Sheppard.
Mr. Phillips with Mr. Staggers.
Mr. Riehlman with Mr. Sutton.
Mr. Lipscomb with Mr. Thompson of Texas.
Mr. Smith of Wisconsin with Mr. Jones of Missouri.
Mr. Hoffman of Illinois with Mr. Blatnik.
Mr. James with Mr. Barden.
Mr. Johnson with Mr. Carlyle.
Mr. O'Hara of Minnesota with Mr. Chelf.
Mr. Martin of Iowa with Mr. Condon.
Mr. Dolliver with Mr. Richards.
Mr. Harrison of Wyoming with Mr. Dawson of Illinois.
Mr. Latham with Mr. Durham.
Mr. Krueger with Mr. Cooley.
Mr. Kilburn with Mr. Harris.

Mr. WILLIS, Mr. DORN of South Carolina, and Mr. BROOKS of Texas changed their vote from "aye" to "nay."

Mr. LYLE. Mr. Speaker, I have a live pair with the gentleman from Illinois, Mr. ALLEN. If he were present, he would have voted "aye." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on H. R. 9366.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9366, with Mr. JENSEN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The Chair recognizes the gentleman from New York.

Mr. REED of New York. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, today the Members of the House will debate and, I believe, favorably act on H. R. 9366, the social-security amendments of 1954. With the convening of the 83d Congress and the new Republican administration assuming office in January 1953, many basic studies were undertaken with respect to programs which had been enacted into law over the years. One of these studies and reappraisals related to our social-security program, a program which had come into being under the aegis and guidance of a distinguished former Member of the House of Representatives whom we all respect and love. I refer, of course, to the Honorable Robert L. Doughton, an outstanding statesman and legislator who is now enjoying the retirement which he so fully deserves in his beautiful State of North Carolina.

Since this social-security program was first adopted by Congress in 1935 there have been five major amendatory acts approved by the Congress. These acts were intended to strengthen and improve the social-security program as experience demonstrated the feasibility of such improvements. Some of this legislation I have agreed with; others, for varying reasons which I stated at the time they were under consideration, I have opposed.

The consultants on social security, appointed as an advisory group by the distinguished and gracious Secretary of Health, Education, and Welfare, the Honorable Oveta Culp Hobby, undertook a comprehensive reexamination of our social-security laws. This consultant group submitted a report to the Secretary setting forth recommended changes and improvements in the existing law. These recommendations were embodied in the President's message on social security urging the Congress to adopt legislation accomplishing the principles set forth in the message. As chairman of the Ways and Means Committee, I introduced such legislation which was designated as H. R. 6812. Further departmental study pointed up the need for changes in the pending legislation with the result that H. R. 7199 was introduced to supersede the previous bill.

The Committee on Ways and Means undertook extensive public hearings on H. R. 7199, extending from April 1 to April 15. Upon the completion of these public hearings the committee spent several weeks in executive session developing suitable legislation to be presented to the House for debate and vote. This legislation, H. R. 9366, was reported by the committee on May 28, 1954, and is before us today.

Copies of the bill and report were distributed to each Member of the House of Representatives Saturday so that you would have the opportunity to familiarize yourself with the principal provisions of this important legislation.

Very briefly stated, H. R. 9366 would extend old-age and survivors insurance coverage to approximately 10 million persons who work during the course of a year in jobs now excluded from the program. Prudent and appropriate benefits increases are provided in the bill for the more than 6 million persons who are now on the benefit rolls and for the current workers who will retire in the future. The earnings limitation on beneficiaries under age 75—the so-called work clause—has been liberalized to permit our aged citizens to be more productive and to retain at the same time the principle of the old-age and survivors insurance program as providing primarily retirement benefits. Provision is made for the dropout of periods of up to 5 years of lowest earnings in computing an individual's average monthly wage. The benefit rights and insured status of disabled individuals are preserved by means of a disability freeze provision. Federal payments to States for old-age assistance, aid to dependent children, aid to the blind, and aid to the permanently and totally disabled will, for an additional year, be maintained under the matching formulas contained in the present law.

I would now like to address myself to developing in slightly greater detail the amendments contained in this legislation. I will do this by reference to major subject matter.

First. Extension of old-age and survivors insurance coverage:

Under the Social Security Act as originally enacted, about 6 out of 10 paid civilian jobs were included under coverage. Through subsequent amendments to the act coverage was further extended so that under present law about 8 out of 10 paid civilian jobs are included. About 62 million people now work in covered employment or covered self-employment during the course of the year. H. R. 9366 will extend coverage to about 10 million additional persons.

Through this extension of coverage we will establish a minimum floor of protection to assure continued self-sufficiency for our aged and their dependents, and for the dependent survivors of deceased workers. We will find through this development of nearly universal coverage fewer of our citizens compelled to rely on old-age assistance for their means of subsistence in retirement. By the end of 1953, 19 percent of our senior citizens were receiving old-age assistance compared with 34 percent receiving old-age and survivors insurance benefits, with an additional 13 percent eligible for such insurance benefits but not receiving them because they had not retired. The expanded coverage provided by H. R. 9366 will result in approximately 75 percent of all persons over 65 being eligible for insurance benefits by 1960 as compared to 47 percent at the present time. The particular groups which will have coverage extended to them by this bill include:

First. Professional self-employed persons, other than physicians, whose net earnings from professional self-employment total $400 or more in a year. Those professional self-employed groups who would be brought under the system are the professions now specifically excluded, such as lawyers, dentists, architects, and other self-employed groups enumerated in section 211 (c) (5) of the Social Security Act, as amended. It is estimated that approximately 400,000 persons will be brought under coverage as a result of this amendment.

Second. Self-employed farm operators whose net earnings from farm self-employment total $400 or more in a year. Under existing law net earnings from self-employment from any trade or business are excluded for purposes of determining old-age and survivors insurance coverage if such trade or business carried on by employees would constitute agricultural labor. H. R. 9366 repeals this exclusion with special provisions, together with the regular procedures now in effect, prescribing the method of determining covered farm self-employment earnings.

Under the special provisions, a self-employed farm operator who reports his income on a cash basis and who has a gross income not exceeding $1,800 a year could report for credit toward old-age and survivors insurance benefits either his actual net earnings from farm self-employment or 50 percent of such gross income. A farm operator whose gross income from self-employment is more than $1,800 could compute his actual net earnings or, if these net earnings were less than $900, he could, if he so elected, report $900. Otherwise, he would report his actual net income. If net earnings from self-employment, either actual or presumed, do not amount to as much as $400 in a given year, he pays no self-employment tax on such income and receives no credit toward benefits.

With this new reporting provision for farm operators we have developed a practical method for self-employed farmers to participate in the old-age and survivors insurance program. Rentals received in the form of crop shares like other rentals from real estate would be

excluded from gross income for social-security purposes.

Third. Farm workers: Present law contains "the regularity of service" factor in determining whether or not a farm worker is eligible for old-age and survivors credit. The employment test under existing law requires a farm worker to have worked for the employer continuously throughout an entire preceding calendar quarter. He is then regularly employed in each succeeding quarter if he does full-time agricultural work for one employer on as many as 60 days in that quarter and earns at least $50 in cash wages. The new coverage provisions affecting farm workers would require an employee to receive cash wages from one employer of at least $200 per year. Thus the bill elminates the present "regularly employed" test as a requirement for the coverage of agricultural labor. Under present law because of the restrictive and complicated criteria for determining coverage eligibility only 700,000 workers are receiving old-age and survivors insurance credits in farm work. The liberalized test would extend coverage to about 1.3 million farm workers.

Fourth. State and local employees: Public employees of a State or local government who participate in a governmental retirement program are, with a few exceptions, presently excluded from old-age and survivors insurance coverage. H. R. 9366 will extend a coverage option to these groups, other than policemen and firemen, provided, first, the State consents to such coverage; and second, the employees affected vote in favor of coming under the old-age and survivors insurance system in a secret written referendum. The referendum of the public employees would require that a majority of the eligible members of the system participate in the voting and that two-thirds of those voting favor coverage. The safeguards of requiring a vote of the majority of the eligible voters, with the further requirement that at least two-thirds of those voting must favor coverage were designed to assure a referendum that is representative of the wishes of the retirement system membership without making the qualifying conditions so restrictive as to make coverage impossible whenever an indifferent minority fails to vote. Through the extension of this coverage option we have permitted the affected State and local employees to express their own wishes as to whether or not they will participate in the old-age and survivors insurance program.

In my opinion, the employees of many States which already have in existence outstanding retirement programs will vote to oppose such participation. The employees of other States having less adequate retirement benefits from the State program will favor coverage. In approving this provision Congress in its wisdom will have legislated on a national level to make the coverage opportunity available on an elective group basis.

There is a provision in H. R. 9366 which states that it is the sense of Congress, in making coverage available to State and local retirement system members, that no rights nor entitlements under existing retirement systems will be impaired or reduced. This extension of old-age and survivors insurance coverage is intended to be optional additional protection and not an incentive to do away with State or local retirement systems.

An important provision affecting State and local employees deals with those public workers who are working in positions covered by a retirement system but who were in fact ineligible because of age or some other factor to participate in the retirement program. The bill provides for covering these employees other than policemen and firemen without a referendum. State consent to such coverage for these employees will still be required.

The bill also provides for covering without a referendum at any time prior to January 1, 1958, State or local employees who could not be included when their group was covered because they were then under a retirement system but later this system was dissolved by action taken prior to the enactment of this bill.

About 3½ million State and local employees are in positions covered by State and local retirement systems in the course of a year. There is no way to estimate at this time the proportion of that total number that may elect to avail itself of this coverage opportunity.

Fifth. Certain Federal employees: H. R. 9366 would extend coverage to all Federal employees who are not covered by a Federal retirement system with certain limited exceptions. In addition, employees of the Federal Home Loan Bank and employees of the Tennessee Valley Authority, both of which agencies already have retirement systems, would also be included in the program. Approximately 150,000 employees would receive coverage under this provision.

Sixth. Ministers and members of religious orders: The bill provides for the coverage of employed ministers and members of religious orders who have not taken a vow of poverty, under provisions similar to those affecting lay employees of nonprofit organizations. For the purposes of the law, ministerial employees and lay employees would be separate coverage groups, but ministerial employees of an organization could not be covered unless the lay employees were also covered.

Coverage would have to be preceded by the filing of a certificate by the employing organization indicating a willingness on the part of the organization for such coverage and at least two-thirds of its ministerial employees would have to certify their desire for coverage. Only those employees desiring coverage would be covered initially. Any minister or member of a religious order who is employed by the organization after coverage is initially undertaken would be covered automatically.

Self-employed ministers are covered on the same basis as other self-employed persons now covered under the present law. Self-employment income received by ministers would be reported on the same basis as income of any other self-employed individual if the income amounted to as much as $400 in a year. It is expected that approximately 250,000 ministers and members of religious orders will be affected by this provision.

Seventh. Domestic workers in private homes and others who perform work not in the course of the employer's business: Under present law coverage is granted to such categories of workers only if they are paid $50 in cash wages by an employer in a calendar quarter and they work 24 days or more in that quarter. As was done in the case of the previously mentioned farm workers, the regularity-of-service factor has been deleted as a coverage criteria for this category of employee.

H. R. 9366 will cover all domestic workers who work in nonfarm private homes and persons performing other types of service not in the course of the employer's trade or business who are paid $50 in cash wages by one employer in a calendar quarter. This simplified test of coverage will make approximately 250,000 additional workers eligible for old-age and survivors insurance coverage. The common law test in determining the existence of an employer-employee relationship would continue to govern whether a worker is serving as an employee or is a self-employed person.

Eighth. Home workers: Since 1937 old-age and survivors insurance coverage has been extended to homeworkers under the usual common law rules applicable in determining the existence of an employer-employee relationship. The 1950 amendments extended coverage to employees who did not have employee status under the usual common law rules if they worked according to statutory specifications and if their employers were subject to State licensing laws. There are at the present time approximately 16 States having licensing requirements for employers of home workers. This meant that home workers in those States having licensing laws were included under the old-age and survivors insurance program as employees, whereas workers doing similar work under substantially identical circumstances in the other States were excluded as employees.

H. R. 9366 eliminates the requirement of State licensing and extends coverage to all home workers as employees if they work according to specifications for the person for whom the work is done, on material and goods furnished by that person and are required to return the material or goods to him or his designee, provided they are paid cash wages of $50 or more during a calendar quarter by the employer. Thus, affected home workers are given coverage irrespective of the States in which they are located. It is expected that this provision will extend coverage to about 100,000 additional home workers.

Tenth. Employees engaged in fishing and related activities: Present law excludes from old-age and survivors insurance coverage, service performed by employees in fishing and similar activities unless the employment is performed in connection with commercial salmon or halibut fishing or on a vessel of more than 10 net tons. H. R. 9366 would cover employed fishermen, clam diggers, and so forth, who are now excluded.

It is expected that about 50,000 additional workers will be covered in the course of a year under this provision.

Eleventh. United States citizens employed outside of the United States by foreign subsidiaries of American companies: There are approximately 100,000 United States citizens who are employed outside the United States by foreign subsidiaries of parent American companies who will be eligible for coverage under this provision. H. R. 9366 will make coverage available to these American citizens at the option of the parent American company involved. The election on the part of the American employer is necessary because the United States cannot impose the employer's tax on the foreign subsidiary employer nor can it tax the parent organization because the worker is not technically an employee of the American company.

Under present law American citizens working for American employers in foreign countries are covered whereas those citizens working for a foreign subsidiary are excluded from coverage. This has resulted in an unwillingness on the part of certain employees to go abroad to work for foreign subsidiaries of American corporations. This amendment will eliminate the barrier to such overseas employment existing in present law.

Thirteenth. United States citizens employed by American employers on vessels and aircrafts of foreign registry: The Social Security Act amendments of 1950 extended old-age and survivors insurance coverage to all United States citizens working outside the United States for American employers, with the exception of American citizens employed by American employers on vessels and aircraft for foreign registry. The bill would correct this oversight by covering this small group of American citizens on the same basis as other American citizens working outside the United States for American employers.

The foregoing enumeration highlights the coverage changes which would be made in present law by H. R. 9366.

Because of these new coverage opportunities approximately 10 million American workers, their dependents and their survivors will receive the opportunity for the protection afforded under the old-age and survivors insurance program. With the enactment of this legislation we will have achieved substantially universal OASI coverage. As the system matures, we will have increasing numbers of retired workers receiving the retirement benefits to which they have contributed during their productive years.

II. CREDITABLE EARNINGS

Under present law the maximum amount of covered earnings considered for both tax and benefit purposes is $3,600 a year. H. R. 9366 would raise this amount to $4,200, effective January 1, 1955. The principal reason for this proposed increase is to maintain the concept that old-age and survivors insurance benefits should, within limits, reflect the worker's previous earnings. Over three-fifths of the male workers regularly covered under the program now earn more than the $3,600 wage base. Average annual full-time earnings in manufacturing industries in 1953 were about $4,000. The average for the mining industry was about $4,400, and for transportation was almost $4,400. By increasing the wage base to $4,200 we have approximately restored the same relationship between general earnings levels and the maximum wage base that existed in 1951.

III. AVERAGE MONTHLY WAGE

Under the bill, as under present law, an insured worker's average monthly wage determines his benefit amount. However, under present law, this average monthly wage is frequently reduced by periods of little or no earnings. This has resulted in benefit amounts often being substantially reduced below the level they would have been if the worker had been fully productive during the entire period of his coverage. The social-security amendments of 1954 contain a provision which allows for the dropout of up to 5 years of lowest earnings in computing the average monthly wage. In general, every individual who first qualified for benefits after the effective date, or who had at least 6 quarters of coverage after June 1953, or who qualified for a certain type of benefit recomputation after the effective date, could eliminate up to 4 years of lowest earnings from the computation of average monthly wage. If the worker had at least 20 quarters of coverage, he could eliminate an additional low year. This dropout of years of low earnings will be available to those workers covered in the past and those coming under coverage for the first time. The dropout provision eliminates the need for a new start for those who will be covered effective January 1, 1955. Through the 4-year dropout provision such newly covered persons will have their benefits based entirely on their covered earnings after 1954 and after accumulating 5 years of coverage they will be eligible for an additional 1-year dropout.

IV. INCREASE IN OASI BENEFITS

Covered workers will have their benefits increased by the drop-out provisions which I previously referred to and by the disability waiver of premium provisions which I will describe in subsequent paragraphs. In addition, H. R. 9366 contains adjustments in the conversion table and a new benefit formula related to the $4,200 wage base which will result in substantial increases in benefit levels. A benefit level thus established will represent a more realistic floor of protection for our aged citizens and survivors of deceased workers.

Benefit payments are increased for beneficiaries presently on the rolls as well as for workers who will retire in the future. For present beneficiaries the monthly benefit range will be increased from its present level of a minimum $25 and maximum $85 to a new minimum of $30 and a maximum of $98.50. For those coming on the rolls in the future the range of benefit payments will be from $30 to $108.50.

The present benefit formula takes into account 55 percent of the first $100 of average monthly wage and 15 percent of the next $200 of average monthly wage. The new benefit formula contained in H. R. 9366 will be based on 55 percent of the first $110 of average monthly wage and 20 percent of the next $240 of average monthly wage. Under the revised formula, benefits for an individual with average earnings of $350 a month will represent only 31 percent of his earnings before any increase for eligible dependents, as compared with 55 percent of earnings for workers in the very lowest group.

An individual who retires in the future who would have a higher monthly benefit under the conversion table than he would receive under the new benefit formula may have his benefit computed by the former method.

The 6.3 million present beneficiaries under the system will receive increases in benefits. These benefit increases are effected through the new conversion table provided in the bill. The minimum increase for retired workers will be $5, with a maximum increase of $13.50 and with corresponding proportionate increases for their dependents and for survivor beneficiaries. The maximum benefit of $98.50 for a retired worker available under the conversion table will be identical with the benefits for an average monthly wage of $300 when computed under the new benefit formula.

Dependents' and survivors' monthly benefits will be increased automatically consistent with the increases of primary insurance amounts. The maximum family benefit will be increased from its present level of $168.75 to $200 a month. Provision is also made in the bill that the maximum benefit limitation of 80 percent of average monthly wage will not have application when it will reduce family benefits below 1½ times the primary insurance amount so that a husband and wife or widow and child may receive full benefits. Finally, the bill provides that the minimum amount payable, where only one survivor beneficiary is drawing benefits on an insured individual's record, shall be $30 a month thus making it the same as the minimum primary insurance benefit. Lump-sum death payments will continue to be computed at 3 times the primary insurance amount with a maximum of $255 just as in present law.

V. IMPROVEMENT IN THE RETIREMENT TEST

Under present law the so-called work-clause provision allows earnings in covered employment up to $75 per month and earnings in covered self-employment up to $900 per annum without loss of benefits. Under present law it is possible to earn both the maximum in covered employment and the maximum in covered self-employment without any reductions in benefit payments. H. R. 9366 permits total earnings of up to $1,000 per year in covered and noncovered employment and self-employment without loss of benefits.

A worker will lose 1 month's benefit for each $80, or fraction thereof, in excess of $1,000 regardless of whether it is earned in covered or noncovered employment. In no case would a worker lose benefits for months in which he neither earned

more than $80 in wages nor rendered substantial services in self-employment. Beneficiaries residing in foreign countries will have their benefits suspended for any month in which they work on 7 or more days.

Under this new work clause test retired persons will have greater latitude in supplementing their benefit payments with part-time or intermittent regular work and will find that they are permitted to become more productive citizens. The combination of wage and self-employment earnings for retirement test purposes will eliminate the present discriminatory dual exemption.

Under the new test, wage earners will not lose a benefit each month they earn above a specified amount but will be able to take intermittent full-time work or more regular part-time work than at present without the loss of benefits or with the loss of only a few months' benefits, depending on what they earn. For example, a beneficiary could work throughout the year at $90 a month and lose only 1 month's benefit, whereas under present law he would lose all 12. As another example, a beneficiary could earn $300 a month for 3 months—such as at Christmas—without losing any benefits, whereas under present law he would lose 3 months' benefits.

VI. INSURED STATUS

H. R. 9366 provides an alternative method of determining fully insured status for an individual at the time of his death or attainment of age 65, whichever occurs sooner. If all the quarters elapsing after 1954 and up to that time are quarters of coverage, he is so insured, with the minimum requirement that at least 6 quarters after 1954 are quarters of coverage. In this way the bill succeeds in avoiding the requirement of a "new start" provision. We have avoided the "new start" provision because a succession of such new starts weakens the principle that benefits should be payable only on the basis of a substantial degree of covered employment.

VII. PRESERVATION OF BENEFIT RIGHTS FOR DISABLED

Provision is made in H. R. 9366 for the preservation of insured status and benefit entitlement for workers sustaining total disability which can be expected to be of long-continued and indefinite duration. Under present law periods of disability can operate to reduce a covered individual's average monthly wage and under certain circumstances can result in the workers having an insufficient number of quarters of covered employment or self-employment to be eligible for any benefits whatsoever. Such a disadvantage resulting from a period of extended total disability would be removed by the provisions in the bill which would prevent such periods of disability from reducing or denying retirement and survivor benefits.

The definition of disability for "waiver of premium" purposes applies only to those individuals who are totally disabled by illness, injury or other physical or mental impairment which can be expected to be of long-continued and indefinite duration. The impairment must be medically determinable and preclude the individual from performing any substantially gainful work. The individual would also be disabled, by definition, if he is blind within the meaning of that term as used in the bill. The person who does not meet the statutory definition, but nevertheless has a severe visual impairment would be in the same position as all other disabled persons.

A period of disability is defined as being a continuous period of not less than 6 full calendar months during which an individual is under a disability. An individual to take advantage of the disability freeze must at that time have not less than 6 quarters of coverage out of the preceding 13 quarters and have not less than 20 quarters of coverage in the preceding 10 years.

The earliest date on which a disability freeze application can be filed is January 1, 1955. A person will file an application for a disability freeze at the local office of the Department of Health, Education, and Welfare. He will be referred to the State agency responsible for making the disability determination. There will be two aspects in the disability evaluation. First, there must be a medically determinable impairment which is expected to be of long-continued and indefinite duration or to result in death. And, secondly, there must be a present inability to engage in substantially gainful work by reason of this impairment.

Following such a disability determination, the worker would have his old-age and survivors insurance rights protected and he would also be referred to the State vocational rehabilitation agency for rehabilitation.

I particularly approve of the provision of the bill calling for such reference to vocational rehabilitation. The disabled person will be promptly referred to such an agency to the end that the maximum number of disabled persons may be returned to productive activity.

Congress is presently considering an administration recommendation for the expansion of vocational rehabilitation services. I view with confidence the likelihood that we will find an increasing number of disabled American citizens returned to useful productive lives.

The disability freeze provision in the bill contains new safeguards which have been added to the proposal since it first came before the House in 1952. In my opinion, these safeguards eliminate many of the objections which have been made in the past to previous proposals. Determinations of disability will in large part be made by State agencies administering plans approved under the Vocational Rehabilitation Act. This will encourage rehabilitation contacts by disabled persons.

VIII. PAYMENT OF BENEFITS TO PERSONS RESIDING ABROAD

Under present law, old-age and survivors' insurance benefits may be paid to an insured worker, his dependents and survivors regardless of their country of residence, except for certain payments to those persons residing behind the Iron Curtain. Administrative difficulties have been encountered with respect to determining compliance with eligibility requirements such as the "work clause" provision, continuing dependency status, and so forth. This administrative difficulty is particularly prevalent in regard to payments made to dependents and survivors of insured workers. In many cases such dependents and survivors have never lived in the United States and they have had little or no personal contact with the insured worker.

Under the bill, the insured worker will continue to be eligible for benefits regardless of his place of residence. The bill does contain a provision, however, restricting the payment of dependents' and survivors benefits outside the United States.

Hereafter, persons becoming eligible for such secondary benefits will have to show a fairly substantial period of recent residence in the United States to be eligible for OASI payments. Such limitations will not apply in cases in which the insured person was currently insured on the basis of wage credits for services in the Armed Forces or on the basis of his earnings as an American citizen working abroad for an American employer or for a foreign subsidiary of an American company. The residence in the United States requirement would necessitate that a secondary beneficiary be a resident of the United States for 3 out of the 5 years just preceding eligibility for benefits with a slightly different test for a child under 3 years of age. This limitation would not be applicable to persons already on the benefit rolls.

IX. MISCELLANEOUS PROVISIONS

Persons who are illegally present in the United States, or who are under notice of deportation because of illegal entry, conviction of a crime, or subversive activity will not be eligible for benefits.

H. R. 9366 also contains new provisions for recomputation of benefit entitlement for persons who continue to work after reaching age 65. Under the proposed changes an individual may qualify for a benefit recomputation if he has been credited with covered earnings of $1,000 or more in a completed calendar year after 1953, provided 1 year has elapsed since the individual's benefit was last computed or recomputed.

X. ACTUARIAL ASPECTS

The Committee on Ways and Means in presenting this legislation to the House has carefully considered the actuarial aspects of the bill. The committee has continued in effect the tax schedule contained in present law for periods up through December 31, 1969. The scheduled rates on employer and employee in 1970 will be raised from 3¼ to 3½ percent and in 1975, and thereafter, the rate will be increased to 4 percent, with corresponding changes for the self-employed.

The dollar amount of increased cost in 1955 in the bill over the present act is about $600 million. The committee report beginning on page 26 presents the actuarial status of the social-security program as amended by H. R. 9366. I bring this information to your attention and will not dwell on it in my remarks. It is significant to note that according

to the intermediate estimate benefit payments plus administrative expenses are expected to be financed from contributions plus interest on the old-age and survivors insurance trust fund for at least the next 50 years. At that time the old-age and survivors insurance trust fund is expected to amount to over $100 billion.

The concept of actuarial soundness as applied to the OASI program differs to a considerable extent from this concept as applied to private insurance, although there are certain points of similarity, especially in connection with private pension plans. The most important difference arises because the OASI system can be assumed to be perpetual in nature, with a continuing flow of new entrants resulting from the compulsory nature of the program.

Accordingly, it may be said that the OASI system is actuarially sound if it is in actuarial balance, or, in other words, if the future contribution income plus the future interest receipts from the trust fund—including the existing amount at the present time—will exactly support the outgo for benefits and administrative expenses over the long-distant future. Quite obviously, future experience may be expected to differ from any actuarial assumptions made now but the intent of an actuarially sound, or self-supporting, system can be expressed in law if a contribution is developed so that according to an intermediate estimate the system is quite close to being in balance.

For a given cost estimate of future disbursements there could conceivably be developed a contribution schedule which would show exact balance. To do so, however, would require either fractional tax rates of odd amounts or increases in contribution rates at years which have no special significance. Any such procedure as this would, however, be highly artificial because it cannot be expected that long-range actuarial cost estimates can be completely precise.

Therefore, in actual practice it may be said that the program is in actuarial balance when the ultimate tax rate is quite close to that fractional one which would show exact self-support. The ultimate tax rate in both the 1950 and 1952 acts was fractionally short of what might be termed "the self-supporting ultimate rate." Furthermore, if the ultimate employer-employee rate had been increased by one-half percent, which is presumably the smallest practical increase, the system would have been "shown" as more than self-supporting. For practical reasons the Congress then decided that the rounded rate slightly below the self-supporting rate, rather than the one slightly above, was desirable. This procedure has been followed by the Committee on Ways and Means in connection with H. R. 9366. The system as amended under the bill is as nearly in actuarial balance as is practicable.

XI. PUBLIC ASSISTANCE AMENDMENTS

H. R. 9366 also makes certain amendments to the public assistance titles of the Social Security act. The bill extends to September 30, 1955, the matching formula for old-age assistance, aid to the blind, and aid to the totally and permanently disabled enacted in the Social Security Act amendments of 1952. This matching formula provides for the Federal Government to reimburse the States for four-fifths of the first $25 and one-half of the next $30 of monthly assistance payments made by a State to a person falling in one of the above categories. The present aid to dependent children matching formula is also continued for 1 year to September 30, 1955.

It is estimated that the cost of continuing such increased Federal payments will be $210 million for the 12-month period. The bill also extends for 2 years, to June 30, 1957, the provision of the Social Security Act which waives the needs test requirement for certain State plans for aid to the blind.

This completes my enumeration of the highlights of the Social Security Act Amendments of 1954. The presentation of this legislation to the House of Representatives represents a significant example of the legislative branch of the Federal Government working in close cooperation with the executive branch to prepare legislation promoting the welfare of our American citizens. It is appropriate at this time that the Members of the House of Representative will have an opportunity to cast their votes on the Social Security Amendments of 1954, H. R. 9366.

Mr. COOPER. Mr. Chairman, I yield myself 34 minutes.

Mr. Chairman, it is with pleasure that I join the chairman of the Committee on Ways and Means in paying a very deserved tribute to our former distinguished chairman, the gentleman from North Carolina, Hon. Robert L. Doughton. Mr. Doughton was the author of the original Social Security Act and took great pride in the program that has developed from the enactment of that legislation. Certainly the people of this country who are beneficiaries of this great program owe a lasting debt of gratitude to this distinguished statesman who served here with such great distinction for some 42 years. He served as chairman of the Committee on Ways and Means longer than any other man in the history of this country. So I think it is quite fitting and appropriate that today, when we are considering social-security legislation, we pause to pay a deserved tribute to Mr. Doughton.

Mr. Chairman, I support the pending bill. However, as is usually the case on major legislation such as this, there are a few provisions in the bill about which I have some misgivings. At the same time, the bill on the whole makes many constructive improvements in the social-security insurance system.

I am very pleased that the present administration fully endorses the basic principles of the system, and has recommended and supported the improvements proposed in the pending bill. I am also very pleased that the majority of my Republican colleagues on the committee are now endorsing and supporting improvements in the basic framework of the social-security insurance system. In the past, it will be recalled they have opposed many of the changes which the Democrats have attempted to make. I cannot resist pointing out that practically all of the improvements proposed in this bill have been proposed and supported by the Democrats over the years, and the record shows that the Republicans when they were in the minority opposed many of the improvements which they are now supporting. I am glad that they are now joining the Democrats in their support of these improvements.

SUMMARY OF THE PRINCIPAL PROVISIONS OF THE BILL—EXTENSION OF COVERAGE

The bill would extend coverage to about 10 million additional persons during the course of a year. The largest group which would be included are self-employed farm operators who have net earnings from their farming operations of $400 or more in a year. In an effort to make the reporting and filing of social-security taxes easy for the farmers, the bill contains a special provision whereby a farm operator who has a gross income of not more than $1,800 in a year could report for social-security purposes either his actual net earnings or 50 percent of his gross income. By permitting a farm operator this option, he would be relieved of the necessity of keeping a record of his expenses, computing depreciation, and so on. A farm operator who has a gross income from his farm operations of more than $1,800 would report his actual net earnings for social-security purposes. If his net earnings should be less than $900, he would have the option of reporting $900 as his income for such purposes. Rentals based on crop shares would be excluded from a farmer's gross income for social-security purposes. Self-employed farmers would pay social-security taxes at the rate of 3 percent, as is true in the case of all other self-employed persons. The effective date for coverage of self-employed farmers is January 1, 1955, the same date which is generally applicable to the other newly covered groups. The number covered would be about 3.6 million.

The bill would also extend coverage to about 1.3 million additional farmworkers. At the present time, only 700,000 such workers are covered. Under present law, only regularly employed farmworkers who are paid at least $50 in a quarter are covered. A regularly employed farmworker is defined as being one who has worked continuously for 1 employer for a calendar quarter and who continues working for the same employer on a full-time basis on at least 60 days in the following quarter. The extension of coverage to additional farmworkers is brought about by providing that a farmworker who is paid at least $200 in cash wages by one employer in a year will be covered. The earnings of farmworkers would be reported on an annual basis. Two quarters of credit would be given where the farmworker's annual earnings amount to $200 but less than $300; 3 quarters of coverage where they amount to $300 but are less than $400; and 4 quarters of coverage where they amount to $400 or more.

The presently excluded professional self-employed persons would be covered with the exception of physicians. The newly covered group would be lawyers, dentists, architects, engineers, accountants, funeral directors, osteopaths, chiropractors, veterinarians, naturopaths, optometrists, ministers, and Christian Science practitioners. About 400,000 are involved in this group. As in the case of other self-employed persons, these groups would only be covered if they have net earnings from self-employment of $400 or more in a year.

Employees of State and local governments who have retirement systems of their own, other than policemen and firemen, could be covered under voluntary agreements entered into between the States and the Federal Government, provided that a written referendum is held, a majority of the members under a particular retirement system voted, and two-thirds of those voting voted in favor of social-security coverage. In addition to requiring that State and local employees who have retirement systems must vote in favor of social-security coverage before it can be given them, the bill states that it is the policy of the Congress in making coverage available to these employees that the protection provided them by their own retirement systems not be impaired. As you know, at the present time employees of State and local governments who do not have retirement systems can be given social-security coverage by a voluntary agreement between the State and the Federal Government. There are about 3½ million people in the new group to whom coverage would be made available.

About 250,000 additional domestic workers in private homes would be covered by the elimination of the present 24-day test and requiring coverage if such workers receive at least $50 in cash wages from one employer in a calendar quarter.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. O'NEILL. I received a letter in my mail this morning that I think is very interesting. It says:

> I would like to bring to your attention and consideration an injustice which I feel now exists in relation to certain domestic workers.
>
> This refers to persons employed in their own home by another member of their family.
>
> At the present time if a member of a family because of illness of another member becomes an employee, rendering services in caring for the sick relative, under the supervision of the employer and doctor and is paid regular wages for such service, this is not considered as employment under the Social Security Act.
>
> It is determined as "services not rendered as an employee, but as services rendered on a cooperative arrangement based on family ties."
>
> After a thorough investigation is made and it is shown that the services were actually performed, the social-security tax deducted and the wages reported on the employee's income-tax returns, social security is denied.
>
> This determination is unfair and causes hardship to those who in good faith perform such service believing that their employment comes under the Social Security Act as applies to domestic workers.

I should like to know if that type of employee has been included in this category.

Mr. COOPER. As I understand the situation presented by the gentleman, there is no change made in that respect under the pending bill.

Mr. O'NEILL. I thank the gentleman.

Mr. COOPER. Ministers and members of religious orders—other than those who have taken a vow of poverty—could be given coverage on a voluntary basis in the same way lay employees may now be covered. In order to make this coverage available, the employing organization would have to file a certificate setting forth its desire for coverage of the minister and religious order employees, waiving its tax exemption for social-security tax purposes only, and stating that at least two-thirds of such individuals desire social-security coverage. About 250,000 are involved in this group. Those employees who do not sign the original certificate indicating a desire for coverage can be brought in later by filing a supplemental certificate. In the case of new ministers or members of a religious order who are employed by the particular organization after coverage has been elected, coverage would be automatic. As I have previously stated, self-employed ministers would be covered on the same basis as other self-employed persons provided they have net earnings of at least $400 in a year. In the case of fees and honorariums paid to employed ministers and members of religious orders, the particular employee would treat them as self-employment income for social-security tax purposes. The committee considered very carefully the suggestion of some of the church groups that ministers be allowed to participate in the social-security system as self-employed persons on an individual, voluntary basis. It was decided that voluntary coverage would lead to an adverse selection of risks and would impose an undue drain upon the trust fund. The bill provides that nothing in it shall be construed to mean that a minister is an employee of any organization for any purpose other than for social security.

Civilian employees of the Federal Government at the present time, generally speaking, are covered by social security if they are not covered by a Federal retirement system. The bill extends coverage to all Federal employees who are not now covered by retirement systems with the exception of the President, the Vice President, Members of Congress, employees in the legislative branch, and certain other small groups. The newly covered groups would include temporary field employees in the post-office service, census takers, and employees of Coast Guard post exchanges. In addition, two groups who have retirement systems would be covered. These are employees of district Federal home-loan banks and the Tennessee Valley Authority. It will be recalled that coverage has already been extended to employees of the Federal Reserve Board, who already have a retirement system. This group consists of about 150,000 employees.

United States citizens employed outside of the United States by foreign subsidiaries of American corporations, numbering about 100,000, would be covered on a voluntary basis, since the American corporation would have to agree to paying the social-security taxes. This is because the United States cannot impose the employer tax upon the foreign subsidiaries.

An additional 100,000 homeworkers would be covered as employees by removing the requirement in present law that they can only be covered in those States where they are subject to State licensing laws. These homeworkers, at the present time, are covered as self-employed persons if they have net earnings of $400 or more in a year. It is made clear in the report that the elimination of the licensing requirements is not intended to include homeworkers in a rural area who are not subject to any supervision or control by some one else, and who buy raw material and make and complete articles and sell them to a person, even though the article is made according to the specifications and the requirements of the purchaser.

Employees in the fishing and related industries who are now excluded from coverage would be covered. About 50,000 would be affected.

American citizens employed by American employers on vessels and aircraft of foreign registry would be covered. Very few are involved.

WAGE BASE

The wage base on which contributions are paid and benefits are computed would be raised from $3,600 to $4,200. The effective date of this provision would be January 1, 1955.

INCREASE IN BENEFITS

Benefits would be increased for those persons now on the rolls. The primary benefit amount of retired workers would be increased from a minimum of $5 to a maximum of $13.50. This would be accomplished by increasing the minimum benefit from $25 to $30 and the maximum benefit from $85 to $98.50. This provision would become effective the last day of the month following the month in which the bill is enacted.

A new benefit formula would be provided for persons who retire or die in the future. At the present time, benefits are determined under a formula which is applied to 55 percent of the first $100 of average monthly wages, plus 15 percent of the next $200. The proposed formula would be 55 percent of the first $110, and 20 percent of the next $240. The minimum payable to a retired worker would be $30, and the maximum $108.50.

The maximum monthly family benefit would be raised from $168.75 to $200. The present limitation on total family benefits, to the effect that they cannot exceed 80 percent of the worker's average monthly wage, could not reduce total family benefits below 1½ times the insured worker's primary benefit amount or $50, whichever is greater.

Lump-sum death benefit payments would be limited to the present maximum of $255.

The minimum amount payable where only one survivor is entitled to benefits would be made $30. This would have the effect of increasing benefits of survivors where the worker's benefit is at or near the minimum, since survivors' benefits are a proportion of the primary benefit amount—for example, three-fourths in the case of a widow.

DETERMINING OF AVERAGE MONTHLY WAGE

Under present law, the elapsed months are used as a divisor in determining the average monthly wage of a worker in order to in turn determine his benefits by the application of the benefit formula. This means that period in which a worker is not employed due to sickness, and so forth, reduce his average monthly wage and, in turn, his benefits.

The bill provides that there will be dropped, in determining the average monthly wage of a worker, his 4 years of lowest earnings, or 4 years in which he has no earnings. In the case of those workers who have 5 years of coverage—20 quarters—an additional year would be dropped in determining his average monthly wage, making a total of 5 years.

Another thing which the 4-year dropout accomplishes is to permit those persons who would be covered by social security for the first time to drop out the 4 years between January 1, 1951, and the effective date of the new coverage provisions, January 1, 1955. Otherwise, they would be penalized by a reduction in their average monthly wages.

LIMITATION ON THE EARNINGS OF BENEFICIARIES—THE WORK-CLAUSE PROVISION

At the present time, an employee loses his social-security insurance benefits if he earns $75 a month or more in covered employment. Self-employed persons are on an annual basis and will lose part or all of their benefits if they earn more than $900 in a year. The test applies only in those cases where earnings are in covered employment.

The bill puts the test, in the case of employees, on an annual basis, and would permit an employee or a self-employed person to earn as much as $1,000 in a year without any loss in benefits. It provides that earnings from noncovered employment would also cause a loss of benefits if they go over the $1,000 amount.

A beneficiary would lose 1 month's benefits for each $80 or fraction thereof of earnings in excess of $1,000.

ELIGIBILITY FOR BENEFITS

In order to be eligible for benefits under present law, a person must have worked at least one-half of the time beginning January 1, 1951, in covered employment, up until his death or reaching the age 65, provided he has at least six quarters of coverage.

As an alternative to this requirement and to take care of the newly covered groups, the bill provides that a person would be fully insured if all of the quarters beginning January 1, 1955, and up until the quarter of death or reaching the age 65, are quarters of coverage, provided the worker has at least six quarters of coverage beginning January 1, 1955.

The bill also makes eligible for benefits aged widows, widowed mothers, dependent parents and children of any person who died prior to September 1, 1950, provided the person had at least six quarters of coverage.

It will be recalled that the 1950 amendments to the social-security laws provided for this change in the eligibility requirements for these benefits in cases of persons who died on or after September 1, 1950. As a matter of equity, the committee felt that benefits should be made available also in these particular cases where the individual died prior to September 1, 1950.

FREEZE OF PERIODS OF DISABILITY

At the present time, each and every month which passes is used as a divisor in determining social-security insurance benefits, whether or not a worker is gainfully employed and whether or not his reason for not being employed is due to disability.

This means that the least that will happen to a worker is a reduction in his benefits, and in some cases he may lose completely his eligibility for benefits, due to his being disabled.

The bill provides that periods of disability will be ignored in determining both the size of a worker's benefits and his eligibility for them. This would be done by a so-called freeze of his periods of disability. In order to be eligible for such a freeze, a worker must have 6 quarters of coverage in the 13-quarter period ending with his disability, and in addition, 20 quarters of coverage in the 40-quarter period ending with his disability. His disability must also last for 6 months or more.

This provision is applicable in the past as well as in the future, provided the worker meets the time requirements specified.

It will be recalled that a similar provision passed the House in 1949, and again in 1952. The gentleman from New Jersey [Mr. KEAN] was the author of the provision which passed the House in 1952.

PUBLIC ASSISTANCE

In 1952, a revised matching formula for public assistance payments was adopted. The effect of this revised matching formula was to provide an additional Federal contribution toward payments to the needy aged, blind, and permanently and totally disabled, of up to $5, and toward payments to dependent children of up to $3. This present schedule is to expire on September 30, 1954. The bill extends it through September 30, 1955.

SOCIAL-SECURITY TAX RATES

The present schedule of increases in the social security tax rates through 1969 are maintained. The rate on employers and employees is scheduled to increase to 2½ percent in 1960 and to 3 percent in 1965 on each. The present schedule for the rate on each in 1970 and thereafter is 3¼ percent. The bill raises this to 3½ percent in 1970, and would make a further increase to 4 percent in 1975 and thereafter.

The rate of tax on self-employed persons is 1½ times the employee rate, and would reach a maximum of 6 percent in 1975 and thereafter under the bill.

Now I yield to the gentleman from New York.

Mr. KEATING. Would the gentleman explain what change, if any, is made in this bill with reference to municipal employees and their ability to come under the system? Or is there a change?

Mr. COOPER. There is no substantial change between the present law and what is provided in this bill where the employees do not already have a retirement system. As I endeavored to point out, the municipality, or the county, or the State work out a plan covering their employees, and then the State submits that plan to the Federal Government, Department of Health, Education, and Welfare, and if approved, of course, it goes into effect.

Where there is already a retirement system the employees can be given social-security coverage also by a voluntary agreement, provided a written referendum is held, a majority under the system vote, and two-thirds vote in favor of social security.

In practical effect it amounts to this: That if such a plan is adopted, and these employees come under social security, then the social security is the floor, and then their own private plans or individual plans are imposed on top of the floor of social security, as it is in the case of private pension plans of industry and plants throughout the country.

Mr. KEATING. Then what would be the remedy of municipal employees who are not now able to come under the system? Would their remedy be with the municipality or with the State system? Or how would they go about it? I have had a communication from a number of municipal employees who seem to be unable to qualify under social security, and I wondered what the appropriate advice to give them was.

Mr. COOPER. Would the gentleman from New Jersey [Mr. KEAN] care to answer the inquiry?

Mr. KEAN. I will try to.

I think what the gentleman from New York was talking about was those who are in pension systems. You remember the House in 1950 enacted a provision that they could come in with a two-thirds vote; but the Senate took it out of the bill when the bill was in the other body.

We have again put in a provision that those people who are in covered systems may come in with a two-thirds vote, but that a majority must vote. We have also provided that those who are in systems who are not thus covered, that is, those people who owing to illness or age were not able to qualify under a pension system and did not get it under the State or municipal pension system may come in under an agreement of the municipality with the State. The State makes the agreement with the United States.

Mr. KEATING. I thank the gentleman.

Mr. GATHINGS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. GATHINGS. I notice that this bill covers dentists but does not cover physicians. I am just wondering why it was that dentists were included and physicians were excluded.

Mr. COOPER. I will try to be as helpful as I can to the gentleman. The administration, of course, recommended extension of coverage including those covered in the bill, a number of which are professional people. Hearings were held. A difference of opinion developed among the dentists. Evidence was presented that some wanted to be covered; evidence was presented that some did not want to be covered. It was also pointed out that in the case of physicians, they do not retire at 65. They continue working, therefore they did not think it would be quite fair for them to be required to pay the tax when they did not expect to retire and get benefits. On the other hand, some evidence was presented that the dentists being on their feet working at their chairs it frequently resulted in their having to retire at an earlier age than physicians. I grant there was a difference of opinion. Some of them wanted to be covered, and some of them did not.

Mr. GATHINGS. The Arkansas dentists seem to feel they should be given the same treatment as the physicians.

Mr. COOPER. We have some evidence to that effect, and, as I say, there was evidence presented to the committee on both sides of the question. The bill includes all of the so-called professional groups except the physicians and evidence was presented that they did not retire at 65.

Mr. JONAS of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from North Carolina.

Mr. JONAS of North Carolina. Will the gentleman explain why the committee took firemen and policemen out of the act that applies to municipal employees?

Mr. COOPER. The firemen and policemen requested to be left out. The evidence presented to the committee was to the effect that, instead of working after they are 65, as the physicians state they do, the firemen and policemen have to retire much earlier than 65. The very nature of their employment is such that they do not continue as firemen and policemen until they are 65 in many cases and in many instances it was pointed out that they have retirement systems of their own which they prefer and they requested to be left out.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Kansas.

Mr. SCRIVNER. Will the gentleman explain for many of us who have had questions asked as to why it was necessary to make so many of these compulsory coverages; in other words why not your doctors voluntary or the farmers voluntary? Why was it necessary to make it compulsory?

Mr. COOPER. I will be glad to help the gentleman on that point. Bear in mind all of these benefits provided have to be paid for from the trust fund.

Mr. SCRIVNER. Yes.

Mr. COOPER. If it is based on an entirely voluntary system it means then that people will wait until they approach the time to be eligible for benefits before they elect to come under the system, thereby they will not have been paying in the past to help pay for the benefits they will receive. That means, then, that there would be a great drain on your trust fund which would result in your having to have a higher tax rate and more funds provided in your trust fund if you allow people—too many of them—to operate on a voluntary basis so that they may wait until near the time to begin receiving benefits before they elect to come under the system.

Mr. SCRIVNER. Some of them would undoubtedly draw more out of the fund than they contributed to it?

Mr. COOPER. That is one situation, yes.

Mr. SCRIVNER. I thank the gentleman for his explanation.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. I was interested in what the gentleman said about members of the medical profession not retiring after they become 65. Is it not true that members of the legal profession continue on after 65 in a majority of cases?

Mr. COOPER. No doubt many of them do.

Mr. COLE of Missouri. Could the gentleman tell me why the committee saw fit to make it compulsory so far as the legal profession is concerned to come under the act?

Mr. COOPER. Of course, as I pointed out a moment ago, the physicians presented evidence indicating that they did not retire at 65 and did not want to be included. There was a difference of opinion. There was evidence presented on both sides of the question with respect to these other professional groups.

Mr. COLE of Missouri. I thank the gentleman.

CONCLUSION

Mr. COOPER. Mr. Chairman, in addition to the principal provisions of the bill which I have touched upon, there are several minor and technical amendments which would be made.

As I stated at the outset, there are some provisions in the bill about which I have misgivings, but on the whole, this is a constructive bill which makes needed improvements in the social security insurance system. I am very happy that many of our Republican colleagues who have not been with us on this side of the aisle in the past are now supporting these improvements.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD.

Mr. CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. DINGELL. Mr. Chairman, the pending bill is a good one, insofar as it goes. It contains many improvements which I have long advocated and which I have proposed over the years in bills which I have introduced. This bill is a step forward, but there are several direly needed improvements which it does not make.

I am proud of my record in the Congress, and stand on it as one of the architects and builders of the social-security program. I am also proud to be recognized as one of the most active and ardent supporters of the program since its beginning.

H. R. 9366 is a vindication of this program. The fact that it is before us for consideration today is no mean victory, in view of the resurgence of the attacks by the traditional opponents of the social security insurance system upon the advent of the Republicans gaining control of the Congress. The victory today manifested in the improvements proposed in the pending bill is most gratifying to us who have long sought them.

One of my proudest accomplishments, if I may with modesty say so, in my many years in the Congress, is the improvements which have been made in the social security insurance system and of which I have been the original author. Even though my identity as such author has always been lost, in that under our procedure the bills which have improved the social security insurance system are always introduced at the direction of the committee by the chairman, the fact that they have become law is ample reward for the efforts which I and many of my colleagues have made. Substantially all of the improvements which were made by the 1950 amendments in the social-security laws were taken from bills which I had introduced prior to those amendments.

Since the many improvements which the Democrats have made in the social-security system have been in spite of Republican opposition, as the record clearly shows, it must be somewhat surprising to see the constructive improvements which are before us today being proposed by a Republican administration. The answer to this puzzle is very obvious. The social-security program is so popular and so well accepted throughout the country that the Republicans, in spite of their past sorry record on social security, have at last been forced to reflect this popularity in the pending bill. The credit belongs not to the Republicans and their supporters who have fought the pending improvements over the years, but to the working people of the country who have so clearly made their views known to the Congress.

It is unfortunate that the proposed improvements are still short of what many of us had hoped for. The reason that they were not made long ago is that the Republicans never saw fit to go along with the Democrats in their efforts to bring about a more liberal and realistic system.

As a matter of fact, many of the improvements in the pending bill would not be possible had it not been for the support of the Democratic members of the Committee on Ways and Means. A major provision in the pending bill, on which the increase in benefits depends and but for which many of the inequities which are being removed could not have been taken care of, is the increase in the wage base. Only five Republicans on the committee opposed retaining the present $3,600 wage base. You

can see that full credit for the increase in the wage base belongs to the Democrats.

Even the $4,200 wage base is pitifully inadequate. A group of Democrats joined together last July in sponsoring what has come to be popularly known as the Dingell-Lehman bill. I am gratified that some of the provisions of this bill are contained in the pending bill. For instance, the Dingell-Lehman bill called for a family maximum in benefits of $200, which is contained in the pending bill. The administration proposed a maximum of $190. The Dingell-Lehman bill would have provided a wage base of $6,000. Such a base is necessary in order to keep social-security insurance benefits on a par to what they were in 1939. Anything short of that amount falls short of carrying out the original purposes of the social-security insurance system. The Dingell-Lehman bill would base a worker's average monthly wage on earnings in his 10 best years. This would avoid having retirement or survivors' benefits dragged down by periods of unemployment or illness. The Dingell-Lehman bill would recognize long-term employment under the social-security system by increasing primary insurance benefit amounts by one-half of 1 percent for each year of coverage.

It is my belief that the goals set forth in the Dingell-Lehman bill helped to defeat the resurgence in attacks on the social-security system by the traditional opponents to the system who made their one last desperate effort to wreck the system when their Republican friends again came in control of the Congress. The Dingell-Lehman bill brought forth so much popular support from the American people that the administration and the Republican leadership decided that they would not dare to cripple the system.

Another provision of the Dingell-Lehman bill which came very close to being adopted in the pending bill is the increase in the maximum benefits for those persons now on the rolls from $85 to $98.50. Our bill would have increased these benefits by another 50 cents, to $99.

I am very concerned that the present bill does not increase the wage base above the proposed $4,200. As long ago as 1948, President Truman recommended that the wage base be increased to $4,800. That would have been a fairly realistic figure at that time. We all know that events since then have so changed that even a $4,800 wage base, which I then advocated, today is quite unrealistic. The more realistic $6,000 wage base proposed in the Dingell-Lehman bill would permit several needed improvements which are not contained in the pending bill.

By far the greatest shortcoming in the present system, in my opinion, is the lack of disability insurance benefits. These would be provided for in the Dingell-Lehman bill. I am happy that the pending bill does provide for a freeze of periods of disability, as would also be provided in the Dingell-Lehman bill, but this is only a part and the smallest part of the problem facing disabled workers. In most cases, a disabled worker is in much greater need of benefits which he can receive as a matter of right on his own wage record than is a worker upon reaching the retirement age of 65. The younger worker not only may have paid into the social-security system for many years, but he also is faced with financial demands upon his becoming disabled with which a person retiring is not faced. In most cases, the young worker will have young children to support, he will be buying his home, and getting himself established in a career. Becoming disabled at this period in his life not only can mean financial ruin as far as his business and family obligations are concerned, but added to this will be the burden of medical expenses. It is not much solace to him to say, "We recognize your plight to the extent that we will insure that you will not be penalized due to your periods of disability when you reach age 65." It is true that the public-assistance programs for the permanently and totally disabled are of some benefit, but this assistance is miserably inadequate in many cases and is based on a means test.

Much concern is being expressed in the Congress and throughout the country today about the problem of juvenile delinquency. What better means can we use to combat juvenile delinquency than to insure a secure home for our children? One of the means for doing this is to insure a disabled worker that upon his becoming disabled he will have a steady income as a matter of right.

Since almost anyone will admit that there is a need for the payment of disability insurance benefits, why do we not provide them? You know the answer as well as I—the insurance companies and the American Medical Association oppose them along with a few other selfish-interest groups. The insurance companies claim that they can adequately take care of disabled persons through their insurance. Did you ever take occasion to see what such insurance would cost you? Very few can afford it.

To a person not familiar with the American Medical Association, I am sure it would be difficult to conceive of any reason why they would oppose the payment of disability insurance benefits to the working people of the country. Since doctors are not even under the program and say they do not want under it—they have no interest, it would appear, one way or the other, except, you would think, a humanitarian interest in the welfare of others. I am sure that if we should bring to the person's attention the contentions of the American Medical Association that provision of the most direly needed benefits now missing from the social-security insurance system would lead to socialized medicine and let everyone know about this contention, the workers would revolt. How any responsible and respected organization can urge denying benefits to people where they have no direct interest whatever is beyond me.

Just think of the undue suffering and financial embarrassment and ruin which disabled workers of this country must face primarily because of the stand of the American Medical Association. Not only does the American Medical Association oppose the payment of disability insurance benefits, but they were even responsible for defeating the freeze provision on the floor of the House in 1952, and still oppose the freeze provision. Let me quote to you from the testimony of the representative of the American Medical Association before our committee this year during the hearings on social-security revision. He said:

> While we are pleased to note that this section of the bill includes a number of safeguards which did not appear in the bills which heretofore have been before this Congress, we are still constrained to oppose this portion of the bill because it most definitely would become an entering wedge for the regimentation of the medical profession by creating the mechanism for the adoption of a Federal cash permanent and total disability program, which in turn could lead to a full-fledged system of compulsory sickness insurance. The provisions in this bill cannot be appraised solely as an isolated, detached effort to provide some measure of aid to the disabled worker. We believe that this and every other step in the direction of a compulsory sickness insurance system must be opposed.

The insurance companies for many years have waiver-of-premiums provisions in their policies. No one would claim that their industry has been socialized. As to disability insurance benefits, we have for years had them for railroad workers, employees of the United States Government, and veterans. The experience with these programs has certainly demonstrated that there is no basis whatever for the contentions of the American Medical Association.

The Democrats when they were in control of the Committee on Ways and Means in 1949 reported a bill which passed the House which would have provided for disability insurance benefits. The Senate deleted this provision, and it did not become law.

I am pleased that my Republican colleagues have finally "got religion" and are now joining the Democrats in supporting improvements in the social security insurance system. I am concerned that these improvements in many cases amount to only a faltering step forward, but a forward step nevertheless. I shall continue my efforts to bring about the many additional improvements contained in the Dingell-Lehman bill.

Mr. KEATING. Mr. Chairman, I ask unanimous consent that my colleague the gentleman from New York [Mr. RIEHLMAN] may be permitted to extend his remarks at the conclusion of the address of the gentleman from Ohio [Mr. JENKINS].

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JENKINS. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, in a discussion of a bill of this sort, nobody is surprised at the fact that many of us do not understand it thoroughly. It is so complicated, so wide in its application and variations, that it is difficult for anyone, I think, to understand it thoroughly. He would be boasting if he would stand up and say, "I am an expert with reference to this legislation." You know, I would

like to be able to answer all your questions if I could. Heretofore when I have spoken on matters coming from the Committee on Ways and Means, I always had to apologize for the adoption of a closed rule. I do not like closed rules, and apparently you heard a lot of Members today who do not like closed rules. But this is a case, where I think a closed rule is justified, and I will tell you why. This bill was drafted with great care and after a long preparation. We had very extensive hearings before the committee, Government experts and Democrats and Republicans participating. Then the committee had a long session after this bill was first introduced, and a new bill was introduced, and finally when the committee took a vote the vote was unanimous except 1, and as I remember that member was not present. Out of 25 members of the Ways and Means Committee, the vote was practically unanimous. Much of the time indicating that the Democrats and the Republicans were agreed. But, we had come to the place where we thought this thing ought to be closed and we ought to come before Congress and present it for the consideration of the Congress and give it to you. There will be other Congresses again and then if we are wrong we will have a chance to change it, or some other Congress may change it.

Many of you were here, or maybe not so many, either, when we passed the first social security law. We passed that in 1935. I was a member of the committee at that time. You know, that bill did not provide for nearly as much as this bill does. That bill provided only for an old-age pension. Some of the States had old-age pensions at that time. We had one in Ohio. That is about all the first bill did, was to establish an old-age pension; in other words, to provide for the aged and the infirm. It was a fine thing to do. It was a great start. I voted for it. It would have been impossible then for you to have gotten anything like this kind of a bill, and let me give you a little illustration of what I tried myself. The gentleman from Massachusetts [Mr. McCORMACK], was a member of the committee at that time. When we had that bill up before the Ways and Means Committee I tried to include in it a provision for the blind. I made a fight to get the indigent blind included. And, who is there here or any place else who does not want to help the blind? But, our own Ways and Means Committee said, "No, we must not do that; we will be starting in on an old-age pension program, and we will have to carry that through." Well, I came over on the floor of the House and then when the bill came up for consideration, I made another plea for the blind, and I made the very best plea that I could. And, do you know that after a little while the magazines took it up and the newspapers took it up and by the time the bill got over to the Senate the Senate added my amendment and we included the poor blind folks. That is what we had to do then.

Now, then, we have come a long way and we have made majestic strides, and most of them have been acceptable, although I have not been very effective in my advocacy of some of them, because I was afraid and I am afraid now; I do not know what this big trust fund will come to or what will happen if we should find ourselves in a long, devastating war, whether we will have to dip into other funds—I do not know what we will have to do about that, but we cannot be too timid, we cannot be too fearful, we cannot let progress leave us, as it were, and we have to do our part.

Now, as I said before, we could not get the blind in for a long time but finally we did. Then we came to 1939, along about there, and we passed the OASI bill, that is, the old age and survivors insurance bill, and that is what it implies—old-age and survivors. We provided for the survivors, for the wives, and for the children. We built the system up gradually. To those who were most responsible for it should go the credit.

Many questions have been asked today as to why the physicians were taken out. You can blame that on me, if you want to. I made the motion in the committee that took them out. But do not be too hasty in blaming that on me, because nearly every member of the committee voted to take them out. We were all about of one mind about that. We had a pretty good reason for taking them out. But why did we not take the dentists out? I would have taken them out too. I am willing to take them out. But you cannot take everybody out and make the system work. Somebody has got to be in it and somebody has got to pay in order to make this go. I have often said that doctors do more for nothing than any other group. And I say that teachers do more for less than any other group. And that the Lord looks after the preachers. And that the lawyers look after themselves. I can say this and get away with it because I am a lawyer.

Let us go along a little further. We talk about policemen and firemen. Of course, back in the time when the first bill was introduced, I made a fight for them for an entirely different reason than the one that applies now. My reason was that policemen and firemen are public employees, in a very dangerous place politically and in every other way. They have the political boss to tell them what to do and their lives are not free altogether. I have been in favor of taking them out. This year they took them out and they said—and it was a better reason than I had—because a policeman has got no business being on a beat at night, if he is 65 years or older. It is not fair to him. It is not fair to compel a fireman to climb a long ladder 10 stories high if he is 60 or 65 years of age. They have got to quit when they are about 50 or 55. As I understand it they must retire when they are about 50. I was anxious to take them out from under this bill and I voted accordingly.

I see my good friend the gentleman from New York [Mr. KEOGH] over on the Democratic side there who has a remedy for all this and that would be H. R. 10, the Jenkins-Keogh bill, which would probably answer all of these questions of who should be included and who should be excluded. The Jenkins-Keogh bill would permit these various groups to organize themselves into an insurance plan that would take care of them. It would not be compulsory. But we cannot pass that bill today.

Let us take another group, the State and local employees which include the teachers.

Mr. SCHENCK. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to my colleague from Ohio who I am sure wants to ask me a question about that.

Mr. SCHENCK. I should like my colleague from Ohio to tell us something about the employees in local groups. I understand, for example, that teachers who are already under a State teachers' retirement program can vote to go under the social-security program also; is that correct?

Mr. JENKINS. Yes, they can if they wish. We left that open. I do not know what the law is in other States but, as the gentleman well knows, in our State we have a teachers' retirement fund. It is a very strong one. The teachers are very proud of it and they do not want to give it up. And they will not give it up. And they are not compelled to give it up under this bill, if they do not wish to, because they may come in under social security if they wish. We think that we have a very fair formula for that. I have the assurance from the representatives of the teachers' groups in Ohio that they will be satisfied with the provisions that are now in the bill, which provide that if they are permitted to have a referendum at which more than one-half of their number meet or participate in the way provided by the law, and where two-thirds or more of those who meet vote in favor of coming under the social-security system, then they may be included. If they decide to stay as they now are they can do so.

I am sure that our teachers in Ohio will be free to do as they wish. I cannot tell you what the law would be in every other State, because this social-security system cannot compel State compliance. A State is a sovereign unto itself.

Mr. SCHENCK. May I ask the gentleman if the teachers in one city vote to come under social security, does that bind the teachers in another city in the same State?

Mr. JENKINS. As the gentleman knows, the teachers in Ohio are bound together in an organization known as the School Employees Retirement System of Ohio. All the teachers who belong to this retirement system have been required to pay into a fund from which they would expect eventually to receive their retirement pay. The State of Ohio likewise would contribute into that same fund. This is a very large organization. No doubt there are thousands of teachers who belong to this system, and likewise the fund which has now been accumulated would be a very sizable fund. They and the State are all interested in this same proposition. The State wants to do what is best for the teachers, and the teachers want to do what is best for them. As I have already stated, those representing the school employees retirement system in Ohio may not have

made up their minds as to whether they want to come under a social-security system. If some of them decide that they wish to do so, and if others decide they do not wish to do so, then they can decide this question among themselves with the teachers in accordance with the plan set forth in this bill we are now considering. If one-half of those who would be interested in making the change would get their views together under a referendum, then two-thirds of that one-half could decide the matter. In other words, if two-thirds of the teachers of Ohio, meeting under a referendum call, would want to join the social-security system, they may do so, but if they vote not to join, then, of course, they will not be compelled to join.

On the other hand, if the teachers in Ohio—and probably all of them belong to the retirement system, decide to stay where they are and do nothing with reference to this bill we are now considering, they do not need to do anything. They can stay and continue in their present course.

Mr. Chairman, I should like to discuss the provision that calls for an increase in the earnings base from $3,600 to $4,200. There was strong opposition to this provision. I am inclined to support that view, but the membership of the committee was strongly in favor of making the increase.

Now, Mr. Chairman, naturally, from what I have said any Member of this body would be safe in guessing that I expect to vote for this bill. I have given it my very best consideration, and while I am not entirely satisfied with it, I learned long ago that in legislative matters the majority rules. No doubt many will say that the dentists should be excluded if the doctors were excluded. I would have been glad to vote that way, but that did not suit a majority of the committee. Likewise there are several other matters that might be very controversial. However, if this system is fairly administered and fairly worked out, it is sure to be of great benefit to many people who will need protection when old age overtakes them, and when accident or disease strikes them down. I feel sure that this House will pass this bill by an overwhelming vote and thereby approve the honest and faithful service which the members of the Ways and Means Committee on both sides have tried to render in connection with this proposed legislation.

Mr. RIEHLMAN. Mr. Chairman, I approve in general the provisions of the proposed social-security amendments of 1954 reported to the House by the Ways and Means Committee, and I commend the committee for this major contribution to our legislative program. The bill follows in all major respects the administration's recommendations for wider coverage and increased contributions in order to permit an increase in benefits under the old-age survivors insurance program. In the words of the esteemed chairman of the committee:

> The development of this legislation is a significant demonstration of the legislative and executive branches of the Federal Government working in close harmony to advance the welfare of the American public.

Old-age and survivors insurance would be extended to approximately 10 million persons now barred from the program, including farmers, many farm workers now excluded, and self-employed professional people with the exception of physicians. All State and city employees except the police and firemen would be made eligible on an optional basis. The committee estimates that this extension of coverage would result in benefits for 75 percent of all persons over 65 years of age by 1960, in contrast with the 47 percent of such people eligible for benefits at the present time. This significant extension of coverage to millions of persons not eligible for benefits at the present time should secure for the future an appropriate relationship between the old-age and survivors insurance program and the old-age assistance programs. The old-age and survivors insurance program, which is being extended, provides a floor of protection against dependency for the aged retired worker and his dependents and for the dependent survivors of workers who die. Old-age assistance programs are a secondary line of defense, which should and will be subordinated to cover only those relatively few cases where insurance plans are not feasible.

Monthly benefits would be raised at least $5 for all retired workers, and as much as $31 for some families. To make possible such an increase in benefits without creating an undue strain on our Federal finances, the bill would require gradually increasing contributions by both employers and employees as well as by the self-employed. I have consistently supported extension of coverage and reasonable increases in benefits to keep pace with rises in the cost of living, although I have just as consistently opposed any wholesale raids upon the public treasury to raise benefits indiscriminately to such heights that they would perilize our national economic stability and drive our private insurance companies and other financial institutions out of existence. I believe that the proposed amendments to the Social Security Act substantially correct the shortcomings of the system without exposing our national economy to these dangers.

I am particularly pleased by the provision of the proposed amendments which would permit all retired workers to earn as much as $1,000 a year without losing social-security benefits. At the present time, those persons less than 75 years of age are now disqualified for benefits in any month that they earn more than $75 as employees in jobs covered by social security insurance. This change in the law would permit continued gainful employment by those of our senior citizens still able and desiring continued activity, and encourages a contribution to our national product by such persons without depriving them of the benefits of social security.

Again, I commend the esteemed chairman of the Ways and Means Committee and his fellow committee members upon the careful study and consideration they have given to these most important proposed amendments.

Mr. COOPER. Mr. Chairman, I yield such time as she may desire to the gentlewoman from West Virginia [Mrs. KEE].

Mrs. KEE. Mr. Chairman, it is a tribute to the solid work which has gone into previous social-security legislation that this bill before us today is so noncontroversial.

I know of no organized opposition to the measure, even though it contains important improvements in the existing act. For instance, it raises benefits; it will mean higher payroll taxes for both employees and employers since $4,200 of each worker's pay would be subject to the tax rather than the present $3,600; and it provides also for a "freeze" for eligibility purposes for workers who become disabled before they are 65.

None of these changes are very revolutionary, of course. They are logical extensions of improvements which have been made by the Congress in 1952, 1950, and earlier. They are logical also in terms of the thinking which went into the original act—an act which has worked exceptionally well.

But I can remember, Mr. Chairman, when provisions such as are incorporated in H. R. 7199, and which will be passed today by the House with virtually no opposition, would have been fought savagely by some of the same people now supporting them. They would have been attacked as "socialism" or worse.

I think it is a tribute to the good sense of the American people as well as to the soundness of the earlier legislation that we have finally brought social security to this present position of being almost noncontroversial in the House of Representatives. For the people took to it immediately and supported it wholeheartedly down through all these years and refused to be diverted by the millions of dollars expended for propaganda in an effort to kill social security. They wouldn't stand for that.

We are now making it possible for farmers to come into the program. They certainly deserve to be covered, just as other self-employed groups are covered. They have been paying the social-security taxes on their own payrolls for hired hands, thus making their employees eligible for retirement benefits, while the farmers themselves remained unprotected. Yet no group of Americans works harder or is more vital to our economy and prosperity and happiness.

Clergymen, too, become eligible under this bill, and that is also a proper step. In most cases, the men of God have little opportunity to amass worldly riches and provide any substantial savings toward their later years.

Eventually, I think the doctors will want to come into the program, too, particularly as they study the provisions for survivorship benefits. While it is true that doctors in good health seldom retire at age 65, many overwork themselves at such a pace that they fail to conserve their own health while protecting the health of the rest of us. Since the medical profession has fought inclusion so vigorously, I do not think they should be forced into the program. But I think the individual doctor will want to study this whole matter carefully.

Most Americans now covered by social security want to see the program gradually improved over the years to approach more closely the needs of the retired individual or the family receiving these benefits. We know that this cannot be done overnight, particularly if the program is to remain sound and based on sound actuarial practices. There will still be a need for supplemental income from defense bonds or other savings or occasional part-time work. It is hard for any individual or family to live on social-security benefits. Those who must try to do so are often in very desperate difficulties, and so we must continually try to improve benefits as much as possible. The average benefit today for a retired single person is only $50 a month, for a retired couple only $86, and for the widow of a deceased worker with, say, 2 children under 18, the average monthly check is only $113. This is pitifully little on which to live. This bill will mean some increases in each case. I wish the increases were greater, as proposed by the bill introduced by the Democratic leadership in the Ways and Means Committee.

Obviously, we cannot consider this bill the answer to social-security needs. It is not enough. If it is the best we can do this year, then we must make up our minds to do more and have a better bill in the next Congress, and continually keep the program under study and constantly improve it.

Only then can we be sure we are building solidly for a better tomorrow for our wage earners, our professional people, our self-employed, and the great body of hard-working people who make up the American free-enterprise economy and the American free society.

Solid work has been done in this field in the 18 years since the first Social Security Act became law. But we must never stop improving so fundamental a part of our social laws.

Mr. COOPER. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Missouri [Mrs. SULLIVAN].

Mrs. SULLIVAN. Mr. Chairman, from time to time I have criticized the Eisenhower administration and the leadership of the Congress for their failure to act on important social problems facing the people of this country. I think those criticisms were more than justified. In instance after instance where the Government could act and act effectively to ease the suffering, the hardship experienced by many of our people as a result of economic dislocation and recession, there has been no action.

Since I have criticized the administration and the leadership of the Congress for this inaction, I think it only fair for me to give credit today to the President and to the leadership of the Congress for harkening to the need for a modernization of our social-security system. I am grateful that in this one area, at least, we are getting some necessary action of a kind which will help millions of individuals and families receiving social-security benefits.

The bill reported out by the House Ways and Means Committee does not go as far as I would like to see it go. The increased benefits are modest. While provision is made to save the social-security benefits at age 65 of workers who become disabled before that time, there is no effort here to make benefits available immediately to a worker of any age who becomes totally disabled. I think that is one of the necessary areas of new direction in social-security legislation.

The slight increase in the amount of outside income a social-security beneficiary can earn without losing his social-security payments is, I believe, another inadequacy in this bill. How can people live on social security? What we say to a beneficiary is, in effect: Here is some money on which you are to exist. We realize it is not enough. But if you go out and earn some money—if you earn over $1,000 a year—we will reduce your payments accordingly.

There may be very good reasons why the social-security system cannot pay full benefits to everyone at age 65 whether he retires or not, but I do think we have to provide a greater cushion—more leeway—on outside earnings than this very little amount of $1,000 a year. Once a man reaches 75, he draws his full social-security benefits whether he is working or not. Could not we perhaps lower that age requirement? In other words, we need a better answer, and we have not got it in this bill.

But even though this bill does not go as far as some of us would like it to go, it is a substantial improvement over the present social-security system and deserves support for its good motives and worthwhile improvements. Since there is no opportunity for us here on the House floor to amend the bill in any way whatsoever, we have then only the choice of voting for or against. Under those circumstances, I shall certainly support the bill. If any further improvements can be made to it in the Senate to liberalize it further along the lines proposed by our Democratic leaders on social-security legislation, I will be very grateful.

There is only one thought that I would like to leave with the House in connection with this legislation. It is this: A bill of this kind deals not with abstract ideas or special interests, it deals with people with families, with men and women who have reached the end of their working careers—careers which have spanned two frightful world wars, numerous panics and recessions, and a depression of unprecedented magnitude. It has been hard for most working people over those years to amass any sizable savings. These are the people we must be thinking about in this bill. These are the kind of people we must never forget, for they have been the backbone of America's great production and great achievements over the years.

Mr. COOPER. r. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. KELLEY].

Mr. KELLEY of Pennsylvania. Mr. Chairman, the people on social security will rejoice in the passage of this legislation because it gives them some sorely needed help. The increases in rents, food, and a lot of other things since the Eisenhower administration took office have practically wiped out the social-security increases we provided in 1952 and the situation is getting serious.

But what about the rest of the population? Only about 6 million are receiving any kind of social-security benefits. The rest of the people are going downhill economically because of joblessness, lower production, high prices, and yet nothing is being done to restore prosperity. The number of distressed communities keeps growing. In the coal areas we are experiencing not recession but depression.

President Eisenhower promised a dynamic, progressive program. This social-security bill looks like the whole program at this point. It appears to be about the only progressive thing which will come out of this Congress. Of course, it is a Democratic program, pure and simple, and if this were a Democratic Congress the bill before us would be a much better bill. But as long as this is all we can get this year, and since we cannot, under the rules, offer any amendments to it, why, of course, we will support it.

Now, let us get on with some more good legislation. The unemployment-compensation program needs overhauling, and I am glad that hearings are going to start on that at least. But what about my bill for public works to help alleviate unemployment and also to provide the schools and community facilities we need all over the country?

What about getting more of this surplus food to needy families? What about restoring farm prosperity? What about giving the people more opportunities for jobs? What about getting more purchasing power into their hands so that they can buy the things they need and thus stimulate business and stop this trend toward bankruptcy? What about tax relief for the lower-income groups instead of just for big business?

We are informed that the Congress plans to, or hopes to, adjourn in just 2 months. That does not leave much time for a dynamic, progressive program. Of course, it is enough time if all we are going to pass of a progressive nature is this Democratic-inspired social-security bill.

Unless we get busy, Mr. Chairman, we will be saying to the unemployed and the distressed and the small-business man who is in financial difficulties because his customers do not have any money to spend that the Republican Party is taking care of things in a new way—that is, it is telling the people: Just wait until you are 65 and you will have social security to fall back on.

A lot of people cannot wait until they are 65 in order to have some income, Mr. Chairman. They need paychecks, and they need them now.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. HOWELL].

Mr. HOWELL. Mr. Chairman, to the extent that it improves the present social-security system, the bill before the House today is a good step in the right direction. I think it will receive almost universal support here on the Democratic side of the House because it is in

line with policies we have supported over the years to expand and improve social security.

Many of us had hoped for further improvements in this legislation. We believe the administration has asked for too little, and the amendments it proposed are too modest. But in view of the difficulties the President had to contend with within his own party in getting even this modest improvement before us, and the pressures he faced—also within his party—to try to destroy the basic soundness of the reserve fund, I appreciate even this limited bill and I shall support it.

It does not begin to compare with the proposals which were made in a series of bills introduced by many of us in the minority. Instead of freezing the eventual social-security benefits of workers who are disabled before they reach 65, our bills would treat total disability as the equivalent of retirement and provide for immediate benefits.

Further, instead of basing benefits on a maximum income of $4,200 a year as this bill provides, we would go further and count in at least the first $4,800 of income a year, if not $6,000. That way, contributions to the fund would be higher, and benefits could be correspondingly greater, while still assuring the stability and soundness of the system actuarily. The facts show that 61 percent of the male working force covered by social security earns more than the present base of $3,600 a year, while 43 percent earns more than the proposed new base of $4,200. To cover in a larger proportion of their earnings, and base payroll taxes and benefits on the higher maximums, would not be out of line.

After all, if we believed in 1936 when the original act was passed that $3,000 was a fair maximum on which to base contributions and benefits, the equivalent today would be at least $6,000.

To the extent that the administration bill fails to approach these reasonable goals laid down in the bills introduced on the Democratic side of the aisle, I am sorry.

These, however, are generally differences in degree rather than in substance. The principles on which the social-security system are based have by now become almost universally accepted, so we no longer have to fight out the basic issues as we once had to.

On the other hand, it would be ridiculous to say that the final, perfect answer to old-age security has been found and put into effect. We are a long way from that. This bill, in keeping with improvements made to the program in 1950 and again in 1952, follows in the right path as far as it goes, even though, as I said, it does not go far enough.

INTEGRATED ATTACK NEEDED ON RECESSION PROBLEMS

The increases in social-security benefits provided for in this bill will be of substantial help to those hard-pressed citizens now over 65 who are attempting to live and make ends meet on their monthly benefit checks. Their plight has been a particularly difficult one, since the last increases were voted in 1942, for food prices, rents, utilities, and most other living costs have gone up in that period. The slight decrease in the Consumers' Price Index the past 2 months still leaves that index at a much higher figure than it was before the new administration raised interest rates, took off all controls, including local-option rent control, and otherwise followed steps it promised would lower rather than raise living costs. The opposite happened, of course.

Yet all this time economic activity has slowed down, production has declined, jobs have fallen off, in face of an ever-increasing labor force, and business failures have grown by leaps and bounds, particularly in small business.

So while this bill will benefit the 6 million persons presently on social-security rolls and those who retire in the future, the fact is that we need an overall and integrated attack on recession that will help 160 million Americans—many of them in real distress, due to unemployment and layoffs.

I am pleased that the Ways and Means Committee now plans to begin on June 8 consideration of the bills before it for an increase in unemployment-compensation benefits—a long overdue reform which should have been undertaken a year ago when evidences mounted of a downward trend in economic conditions. It is urgent that this matter be taken up quickly. Promises that we would see a great upsurge in employment and in economic levels in March, thus obviating any need for action on what the President called slambang economic measures, just never did materialize, of course. Now administration leaders talk of an upturn by Labor Day, or by next year. In the meantime, those who have lost their jobs through no fault of their own have been forced to try to get along on less than a minimum income for decent and respectable living, and thousands among those have used up all of their unemployment-compensation benefits and have gone off the rolls, still without employment.

WE DARE NOT BE COMPLACENT AS ECONOMY WORSENS

Under these circumstances, Mr. Chairman, we dare not be complacent. We dare not feel that in passing a bill like this providing a modest increase in social-security benefits for 6 million men, women, and children on the social-security rolls we are in any sense meeting the challenge of recession or taking big and imaginative strides toward reestablishing an atmosphere of full employment. For we are doing no such thing.

We are providing only a piecemeal approach to a very tiny segment of the whole problem of recession. What we are doing on social security is worthwhile, just as treating a hurt or a bruise or a cut is worthwhile. But the patient—our economy—is at present undernourished; it needs building up. It needs a heavy dose of vitamins in the form of an integrated economic program which will restore purchasing power, increase job opportunities, stimulate production and expansion, and otherwise get this country once again headed into a climate of full opportunity, full employment, and real prosperity for all.

This bill, as I said, is worthwhile as far as it goes, but in the absence of a full-scale attack on recession using the economic tools we have developed over the years, it is much too little. Will we wait to discover that until it is much too late?

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. FINE].

Mr. FINE. Mr. Chairman, I heartily endorse the proposed social-security amendments.

The men who led the Democratic Party and the Nation during the 20 years from 1933 to 1952 are responsible for a great many legislative advances. One of the most far-seeing and beneficial of these is the social security program.

During his first term in office, President Roosevelt established a cabinet committee on economic security. That committee recommended in its report, on January 15, 1935, that a program of economic security "must have as its primary aim the assurance of an adequate income to each human being in childhood, youth, middle age or old age—in sickness or in health. It must provide safeguards against destitution and dependency."

On August 14, 1935 the Social Security Act became law. It provided for several distinct programs, each one designed to meet a pressing need of the people. The Federal old-age and survivors insurance program established a system by which employed individuals could insure a retirement income for themselves or regular payments to their survivors in the event of untimely death. The unemployment-insurance program set up under the act helped provide a cushion against loss of employment. The act also called for Federal grants to States for assistance to the aged, the blind and disabled, and dependent children.

The Social Security Act did not set up a perfect system, but it did provide the basic foundation on which to build. Since 1935 the Social Security Act has been amended and improved on a number of occasions.

The bill we have before us today is another step in this gradual process of improving and extending our social-security system. I am sure it does not represent the final answer, but as far as it goes it is a worthy bill. This is exactly the kind of legislation that Democrats have been proposing and supporting for many years. It contains a number of improvements that Democrats are publicly advocating at the present time. In many ways, this is just the kind of social security bill that we used to get when we had a Democratic administration downtown. I see no reason why any good Democrat should not enthusiastically support it.

The unusual thing about this excellent bill is that it is endorsed by the Republican administration and probably will receive the support of most Republicans in the House. And that situation makes this a momentous and heart-warming occasion, for it indicates that the Republican Party is at last putting its stamp of approval on the Democratic social-security program.

It was not always this way. In 1935 Republicans in the House voted 95 to 1 to recommit the Social Security Act—

some of them even called it unconstitutional. The Republican Presidential candidate in 1936 called social security a cruel hoax and "a fraud on the workingman" and the Republican platform that year called for its repeal.

During the 80th Congress, the Republican Party excluded more than half a million persons from social-security protection, until the law was amended by a Democratic Congress in 1950 to cover them. In 1952, a majority of House Republicans voted against liberalizing social-security benefits, though most of them reversed this position on a later rollcall.

But all that is past. Today's events may well mean that the Republicans have changed their outlook, and instead of fighting the Democrats on social security will join us in working for a better program.

To my Democratic colleagues, I respectfully suggest that we accept the conversion of our Republican brethren with good grace. They are deserving of praise, not criticism, for their candor in publicly admitting the error of their previous ways. I hope we will not accuse our Republican friends of coattail riding on the program of Roosevelt and Truman, even though such a charge might seem merited. Let us instead be content to rejoice that they have finally seen the light.

And to my colleagues on the Republican side of the aisle, may I point out that you are on the right road, but you have a long journey yet before you. Many members of your party still oppose public housing, reciprocal trade, and other progressive Democratic programs. I want to remind you that there is more joy over one sinner who repents than over 99 just who do not need repentance. I congratulate you on what you have done on social security; when you are ready to bow to the inevitable march of progress on other issues, we will again welcome you with open arms.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from New Mexico [Mr. DEMPSEY].

Mr. DEMPSEY. Mr. Chairman, this legislation, which is brought before the House for the announced purpose of broadening and extending the provisions of the social-security program, contains one provision which has brought to my office many objections from members of the dental profession, asking one question which I have not been able to answer. They inquire, "Why are physicians being excluded from the provisions of this measure and the dentists included against their will?"

To my mind there is no reasonable answer to that question. In fact I find it impossible under a logical course of reasoning to understand why they should not be excluded along with the other professional group. Not one member of the dental profession has advised me he wishes to be included. I feel we should respect their desires just as we have those of the medical profession.

I believe that we are inconsistent when we attempt to exclude the doctor of medicine and include the doctor of dentistry in the provisions of this bill and are attempting to enact class legislation. Why not exclude both of those closely related professions?

I have never questioned the desirability of or the need for social security. It is one of the soundest economic programs our Nation has today. As one who strongly supported the original social-security bill in 1935 I am naturally firm in my belief that the Congress should do everything that will broaden and extend its benefits to everyone possible. I am supporting this bill, but deplore the closed rule under which it comes to the floor of the House and our inability to amend it for I firmly believe that if doctors of medicine are to be excluded from its provisions—with which I agree—so, also, should we take the same position with regard to doctors of dentistry.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Chairman, let me first say that I will support this bill to amend the Social Security Act. In fact, I believe I am on record as supporting every major change and improvement that is included in this bill. I am very glad to see the majority party accept the principles of social security and take this step toward the application of these principles to all persons who earn their living either as wage earners or independent operators of their own businesses. My only objection is that this step is too small, first, in making no provision for payments to totally disabled workers.

I am wholeheartedly in favor of freezing the benefit rights of these workers, but I also believe that the principle of social security is lacking so long as we fail to provide payments for those workers who are totally disabled for 6 months or more. The basic policy of the Social Security Act is that workers are disabled by age at 65. We know that this is not always true. Many workers are able to continue their earnings many years beyond this age. Other less fortunate workers, either because of the type of work they do or because they lack the physical stamina of the more fortunate ones, become disabled long before reaching the age of 65. I personally cannot believe in the policy of letting such individuals be solely dependent upon welfare programs, either public or private. I hope that the next Congress will see fit to make adequate provisions for those workers who become disabled before they reach the minimum retirement age of 65.

The second omission in these proposals is the failure to include a permanent policy for Federal participation in the State welfare programs. The extension from November 1954 to November 1955 of the so-called cost of living increases for the old-age pensioners under the State programs leaves this problem in the hands of the next Congress. I am not too averse to this action as I feel that the welfare of our aged, the blind, and the dependent children not covered by social security, if now neglected, will be in good hands during the session following the congressional elections of 1954. However, I am opposed to government by postponement and believe that it is the duty of this Congress to establish a permanent policy for Federal participation in the State welfare programs even if the policy may be changed next year or some ensuing year. Our failure to adopt a permanent policy on this broad national problem will not enhance the prestige of the 83d Congress.

There are other provisions, such as exclusion of amounts paid by a son to his father from the definition of wages under the Social Security Act, that may have been necessary in the early years of the program but are now detrimental. Such minor items should be given more careful study, and I regret that these minor improvements have not been included in this bill. Despite these omissions, even the major ones, these proposals both strengthen and broaden the Social Security Act and deserve the support of every Member here.

The increases in monthly retirement payments of $5 per month for those workers whose earnings have averaged $100 a month or less appear small, but they are very important to that large group of wage earners who, having passed the peak of their earning power before this act became effective, were forced to retire on $25 to $55 per month. The actual increases exceed $10 a month for that relatively small group whose average earnings since the act became effective were in excess of $225 per month. It has been very difficult to maintain an average rate of earnings of more than $225 per month when the annual ceiling was $250 per month. This group will become larger as the effects of the $300 per month ceiling, which became effective in January 1951, and the proposed $350 ceiling are reflected in future earnings.

I ask every Member present to support this bill as a solid step in the right direction and look forward to more and better improvements in the coming years.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Kentucky [Mr. WATTS].

Mr. WATTS. Mr. Chairman, I have asked for this time to commend the Ways and Means Committee for the excellent job it has done in bringing before the House H. R. 9366, an act to amend the Social Security Act. It is my intention to support this legislation wholeheartedly on final passage.

The changes made in our present social-security laws by H. R. 9366 are for the most part badly needed and very beneficial. However, I cannot help but believe it would have been much better for this resolution to have been considered on the floor of the House under an open rule rather than under a closed or so-called gag rule as in this case. Had the legislation been brought to the floor under an open rule, it would have been subject to amendment and the membership would have been permitted to have considered other changes in our present social-security laws and in this proposed piece of legislation. Under the closed rule, which I opposed in voting against the previous questions, the membership of the House is not permitted to offer or even consider any amendments to the bill irrespective of their merits. It is my

opinion that had those of us who advocated an open rule prevailed that the legislation could have been made better and more acceptable in several ways. However, the legislation is good legislation and deserves the support of the House.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. GRANAHAN].

Mr. GRANAHAN. Mr. Chairman, the social-security program was one of the greatest among many great achievements of the first 4 years in office of President Franklin D. Roosevelt. It recognized that it is difficult if not impossible for most workers to set aside enough money during their working years to assure anything distantly approaching an adequate retirement income when their years of employment are ended.

Under it, millions of elderly Americans—and also millions of dependents of deceased workers—are collecting monthly benefit checks not as a dole or a charity but as dividends resulting from the payments these workers and their employers have made into the fund during their working careers. As the program has continued, coverage has been broadened and more and more Americans have come under this system.

We can foresee the day when practically every American contributes to the social-security fund out of his earnings and is covered by the program upon retirement. We have been going in that direction in every bill Congress has passed over the years to improve the program, except in the 80th Congress when the Republican majority reduced coverage.

But as we expand the coverage and otherwise improve the Social Security Act, we should keep in mind, I believe, that social security benefits are far from sufficient to assure an adequate retirement income. The increase in the cost of living over the years has been particularly hard on social security beneficiaries. They have fallen steadily behind. In real income—in purchasing power—they are still behind what their retirement incomes would have provided back in the days the program was set up. And when they do get a raise in benefits, as happened in 1950 and again in 1952 and as would happen under this bill now before us, it comes usually well after the increase in the cost of living has already caused them extreme hardship and set them even further behind.

FURTHER INFLATION IN 1953 HURT SOCIAL SECURITY BENEFICIARIES

When we increased social security benefits in 1952, the cost of living had generally leveled off. Had we been able to maintain a stable cost of living, the social security pensioner would have been much better off than he is today.

Instead, however, we had a new spurt in living costs in 1953 when the new administration came into office, and it kept going up steadily well into this year, even though economic activity started to decline last July or August. The cost of living is still substantially over what it was a year ago. That has been a tragic situation for those dependent on social security for their income. It has been inadequate.

In this connection, Mr. Chairman, I would like to see some provision made for keeping social security benefits more closely in line with living costs, and not these long delays between the upswing in the cost of living and a change in benefits.

In 1939, a few years after the social-security system was started, a worker who had earned the maximum amount subject to the program could retire with a benefit of $46.80 a month. To have the same purchasing power today he would need over $90. Yet the maximum for a single person at present is only $85—and it was raised to that only 2 years ago.

Now of course it was impossible to live on $46.80 a month in 1939, and it is even more impossible to live on $85 today. The maximum for a family today is $168.50, and I would like to see any family get along on that.

ADMINISTRATION BILL IS TOO TIMID

Since the bill before the House today has been brought out of committee under a rule prohibiting amendments from the floor and giving the House only the alternatives of passing or rejecting it, our comments today can have no influence on the legislation except insofar as they reflect to the Senate the real sentiment of many of us here in the House.

That is why I want the record to show that while I am voting to pass this bill, I think it is much too timid in its approach to the serious economic problems of persons now on or soon to be on the social-security rolls.

I have joined in sponsoring legislation introduced by the Democratic leaders of the House Ways and Means Committee, including Congressman EBERHARTER of my own State of Pennsylvania, to raise these benefits much more than the Eisenhower administration's bill would do.

Since there is no way for us to vote for the Dingell-Eberharter bill as an amendment to this bill, I can only say that if the Senate, where Democratic Members are in the majority, passes a better bill than this one before us now, I will certainly vote to support that.

That is the only way, it seems to me, that we can get a better bill than this until we again have a Democratic Congress.

Mr. COOPER. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas [Mr. MILLS].

Mr. MILLS. Mr. Chairman, I ask unanimous consent that my colleague the gentleman from Arkansas [Mr. HARRIS] may extend his remarks immediately following those I shall make.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Chairman, after listening to the very splendid remarks of the gentleman from New York, the chairman of the committee [Mr. REED], the gentleman from Tennessee [Mr. COOPER], and the gentleman from Ohio [Mr. JENKINS], little remains to be said about the bill before the Committee today in the way of an explanation.

I find, however, that there is some concern existing in the minds of some members of the committee with respect to certain aspects of the coverage proposed under the bill. Let me see if I can clarify in just a minute or so the thinking of the members of the committee, the thinking of the people who proposed the program initially and those who now propose improvements in the program.

Social security was originally conceived, as I understand and I think I am right in my understanding, as a method of at least partially insuring people against the loss of jobs or job opportunities due to unemployment or due to advanced age. In the beginning, it was thought that, since this was a new program, it might well be better for all if the coverage were limited to those who were working for an employer. Thus, we went along for some period of time with a program which provided unemployment compensation for those employees of an employer who employed more than eight people and for those people who retired after reaching the age of 65 who had worked for an employer. As time went by, it became evident that the social-security insurance program conceived for employees only was a program worthy of extension to others. So, in 1950, amendments were passed by the Congress which provided extension of coverage to some 10 million people who were not then covered by title II of the social-security laws, the old-age and survivors insurance program. We did not include everyone at the time although the recommendation was that we include farmers and all professional people and farm labor and almost everyone who was not then included. We did not do that because, frankly, there was considerable opposition among the groups that the 1950 amendments finally did exclude.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. McCORMACK. The gentleman is giving a brief historical statement concerning this legislation. The original concept was based upon the theory of private insurance, and then you remember in the latter 1930's, we recognized the social implications and made the family unit the beneficiary.

Mr. MILLS. That is true. We added the survivor's benefits in the 1939 amendments.

Mr. BOW. Mr. Chairman, will the gentleman yield for just one question concerning farmers?

Mr. MILLS. I yield.

Mr. BOW. In the case of a farmer who passes the age of 65 and no longer works his farm, but has an interest in it, and whose income would be over $1,000 in profits or other produce of the farm, could he receive benefits or would he have to continue to pay into the fund?

Mr. MILLS. The farmer described by the gentleman from Ohio would receive benefits, if he is not actively and substantially engaged in farming. The fact that he receives an income from an investment in a farm would not exclude him from benefits at age 65. In other words, he might rent that farm to someone who actively carries on the farming operation and the proceeds from the

rental might accrue to him, but that would not bar him from receiving benefits from social security after he retired, and of course, he would not be paying social-security taxes.

Mr. BOW. Suppose the operation is carried on on a sharing basis?

Mr. MILLS. On a sharing basis also, under the definition of what the committee means by the word "rent," the same would apply. Share rentals would not preclude receipt of benefits. They would be treated just as cash rentals. The individual farmer would not be eligible for benefits at 65, if he continues to operate his farm as he has all of his life through the use of a few hired hands with his wife and children helping him. Such an individual would be described under the bill as continuing in his farming operation and would be under covered self-employment, and if he made more than $1,000 a year in net earnings and was between 65 and 75 years of age, he would not be entitled to benefits. If he does not render substantial services in operation of the farm he would be eligible for benefits.

Mr. BOW. I thank the gentleman.

Mr. MILLS. The gentleman from Ohio has directed my thought to farmers which was the subject I had in mind to discuss first. What is the position today with respect to farm coverage among the farm organizations who know and speak the thinking of the farm people? Two of the three great farm organizations have for some time said that it would be perfectly all right with the farmers for them to be included under social security, and that they should be included under social security. The remaining farm organization, the American Farm Bureau Federation, has consistently over a period of several years said that it was the opinion of the leadership of that organization and its membership that it would be well for us to wait for a while until we have had some more experience with coverage of the self-employed under social security, until the farmers can become better advised on social security, before we bring them under the program. Very frankly, it is my own personal opinion that the majority of farmers want to be included under social security. Otherwise I would not want to bring them in. I want to give you just a little bit of my own thinking on this. As the gentleman from New York well knows, and I refer to the chairman of the committee, farm organizations came before our committee this time. They expressed the views which I have just reiterated here. Several weeks have elapsed since the committee started the consideration of the original social security bill in this session of the Congress. We have had this new bill, H. R. 9366, before us for approximately a week.

There has been little, if any, protest received by Members of Congress from their own farm constituencies with respect to the provision of the bill that includes farmers under Social Security. I can understand the concern of some Members over whether or not their farm constituents want coverage but I am convinced that the majority of American farm people need and want protection against advancing old age and untimely death. I have had the opportunity while at home in the district I have the privilege of representing, of talking on numerous occasions with farm groups and with individual farmers with respect to the question of whether or not they preferred to be included under social security or opposed the idea. Those with whom I have had the privilege of discussing the matter have almost invariably said, "We prefer a program of social security which will permit us to receive something when we get 65 years of age, without regard to whether we need it at that point in life and which will permit our wives and children to be protected in case we die."

The way the situation operates today, if a farmer in your district or mine finds himself in destitute circumstances, through some economic adversity, or otherwise, he has no recourse except to ask for public assistance. There is no backlog of payments that have been made by him into a fund out of which he or his family can draw benefits without any questions being asked.

Why do we persevere in the assumption that the farmers of the United States are less advised than other groups in the United States, and cannot recognize a real advantage when one comes along, or a real benefit or a real profit when one comes along? It would have been better for them in the long run had they been included some time ago, because now they are faced with a higher rate of tax than they would have had to pay in 1950 or 1946.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. BOGGS. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. REED of New York. I am sure the gentleman remembers the splendid statement made by the distinguished Member from Ohio [Mr. SECREST]. He had taken a very exhaustive poll of the farmers of his particular district, and they were almost unanimous in favor of coming under coverage.

Mr. MILLS. I am glad the gentleman called that to my attention. I had not forgotten it. I intended to remark on the fact that the gentleman from Ohio [Mr. SECREST] did conduct such a survey, and the information he brought to the committee was most illuminating to the members of the committee who had not had an opportunity to have free access to people in the farm areas, and to discuss with them some of their problems and desires.

What does it do to the economy of a State, made up largely of farm people, and to the pride and self respect of farmers and their families when the farmers are not included and they have to look to public assistance rather than to a system of benefit payments as a matter of right? You find that in those States a great number of the people have a history of being farm laborers, tenant farmers, farm operators, or farm owners and have not been able to get social-security protection. Not only must they face a humiliating needs test to get assistance when adversity strikes, but there is also a heavy burden placed on existing taxpayers of a State because they have been excluded from social-security coverage.

The arguments I could make for inclusion of farmers are too many to make within the time allotted to me, but I do want to say that I fear that sometimes we proceed, when we do not hear from someone requesting something, on the basis that someone is not informed and does not want anything done affecting him. Just the other day I had a petition signed by a number of farmers—I do not know how many—from one small segment of my district, not including an entire county, but the individual who sent it to me had obtained the signature of every farmer he had contacted. It was not a protest, but petitioning me to be for the inclusion of farmers. I know there are some who do not want it, some who do not need it, some who will never be in a position of needing any outside security. But the percentage of those farm individuals who wish to be excluded is no greater than the percentage that now exists with respect to other self-employment and persons who would also be covered or are already covered in existing law.

Something has been said about doctors not being included. That is right. I do not think they should be included and I will tell you why. From a practical point of view I do not think they should be included. As Members of Congress we are often influenced with respect to our decision on national issues by examples that come from the local area we represent in Congress. From the experience I have had in my district and State there are very very few, if any, older doctors who do not continue to practice. They continue as they always have, maybe limited by physical handicap, but they continue to practice and I have never heard of any of them retiring.

This program is based largely upon the possibility of a situation arising where a person will have need for a retirement system. If a doctor is not going to retire, and doctors generally do not retire, they do not need retirement benefits.

The same thing may be said about dentists. However, I think, as the gentleman from Tennessee has pointed out, that there is a difference to some extent in the situation involved in the two professions. The dentists, as the gentleman from Tennessee pointed out, have to use their hands—there is one sitting before me; and if I make a misstatement, I will yield to him to correct me—they have to use their hands probably a lot more than the general practitioner uses his, and they perhaps are on their feet more than a doctor. Yes; there may be some justifiable difference. We were advised that the American Dental Association was opposed to coverage, but we know that some State dentists' organizations were for it. There was a general conflict of opinion among dentists. Certainly dentists, if they are not entitled to coverage or do not want to be included, will have an opportunity, a genuine opportunity, to express their

viewpoint to the Finance Committee of the Senate; and if there is merit in their position, certainly the Members of the Senate will be most patient and most considerate of their position.

On the whole, this is a very good bill. There are some things in it which disturb me, but, like every other piece of major legislation, we should look at this in the overall. I regret that time does not permit me to give a fuller discussion.

Mr. HARRIS. Mr. Chairman, the principle of social security was adopted several years ago and is now accepted by the American people as a progressive social and economic benefit. Congress has expanded this program since the original act more than 15 years ago. I have supported the amendments heretofore as providing insurance for our people when they reach the age of retirement and for other benefits for the average American citizen.

We have another bill reported by the Ways and Means Committee to expand the social-security program, extending coverage to an additional nine million or more persons. Some of these, I understand, on a voluntary basis. In addition, this bill, as we are informed, increases the benefits to retired workers.

I think from the experience from the 1950 act, it is generally felt that these additional people should have social-security benefits extended to them. I think this expansion covering these millions of additional people is generally accepted throughout the country. I am therefore, Mr. Chairman, supporting this bill which would expand the program and provide increased benefits.

It is interesting that the additional persons to be included in this system are some 4½ million of our farmers and farm workers. Certainly this group of people should have the benefit of this program in order that they can provide themselves with the necessities of life in their later years.

This additional coverage includes some 200,000 or more domestic servants and some 350,000 professionally self-employed. There are more than 3 million people employed by State and local governments already under retirement systems and some 250,000 ministers included on a voluntary basis. This is for obvious reasons.

I want to also commend the committee for its action in excluding the doctors' profession. Doctors cannot retire. It would be a rare experience for a doctor even in his late years in life to have an annual income of $1,000 or less. Therefore, they would be paying social-security tax with no chance in most instances of ever receiving any return or benefits from it.

A lot of people will receive much encouragement over increasing the minimum benefits from $25 to $30 per month as this bill provides. Also, the fact that the maximum is increased from $85 to $98.50 per month.

It is of some interest, of course, that the benefits that would accrue to those who retire after January 1, 1955, will range from a minimum of $30 per month to a maximum of $108.50. Also, the maximum family benefits is increased from $168.75 to $200 per month. In an expanding economy as we have, it is apparent that such action is thoroughly justified.

It is well known that to provide increased benefits, it will increase the cost. I, as many others, do not like to see increased taxes. Increasing the base to $4,200 per year that is taxable actually means a tax boost of $12 per year to the individual. Efforts have been made to reduce taxes. Nevertheless, for this program we must be realistic in providing the means and method of payment if the people are going to derive the benefits.

Of course, there appears to be no serious or organized objections to this bill, notwithstanding this increase in the taxable base. The present administration recommends it, the former Democratic administration recommended it. Therefore, these proposals have the general support of both of our major parties and is so commending it to the American people.

Mr. REED of New York. Mr. Chairman, I yield 20 minutes to the distinguished gentleman from New Jersey [Mr. KEAN].

Mr. KEAN. Mr. Chairman, I support this bill wholeheartedly. It carries out all of the basic recommendations made by President Eisenhower in his social-security message of January 14. It emphasizes his basic philosophy which is to be conservative in financial matters—but liberal in respect to human problems.

Included in it are provisions which I have advocated for many years.

It was in 1948 that I first introduced a bill which would grant that almost universal coverage provided here, for I have long felt that no social-security system could be sound with so many workers remaining uncovered. But the party in power would have none of it. They insisted on the piecemeal approach. So workers have continued to go in and out of covered employment and the result has been that benefits in many cases have been niggardly.

The need for substantial old age assistance payments by the Federal Government continued high and every time we wish to take in new groups we are faced with difficulties as to how to do so without impairing their future benefits.

Finally in this Republican bill, coverage does become almost universal. However, coverage of physicians was stricken from the bill by the committee. I am unable to see any justification in the philosophy that only physicians should be deprived of the benefits of this system.

Though it is my firm belief that the majority of doctors—in my area at least—do want to come into the system, why, even if they did not, should this comparatively small group be excluded?

At some future time when doctors fully understand the system they will undoubtedly clamor to be covered and when they do so it will be difficult to bring them in without some loss of their benefits, for certainly we cannot include a new start or put in a new drop-out provision for only 150,000 persons.

But enough of what is wrong in this bill. This slight mistake is overwhelmingly outweighed by the many improvements provided.

We have made coverage almost universal.

We have made possible inclusion of nearly all of the State and municipal employees who wish to be covered.

No longer will workers go in and out of covered employment and thus have so spotty a wage record that their benefits will be negligible.

We have increased benefits substantially for both those who retire in the future and those who have retired in the past so that they are more realistic with respect to present wage scales.

In my own State—New Jersey—residents covered by old-age and survivors insurance will receive an additional $20 million a year in benefits.

We have increased the maximum family benefits to take care of the children of those whose breadwinner has died.

We have provided a more liberal retirement test.

We have arranged that those who become totally disabled will not suffer loss in their wage record as a result, so that their social-security benefits will be based on their earnings when they had good health.

We have provided encouragement for these disabled to become rehabilitated.

No more will years of temporary illness or temporary unemployment reduce their benefits for the dropout will take care of this.

The Ways and Means Committee and the Eisenhower administration can be proud of what this bill does for the aged and their survivors.

Our committee gave very careful consideration to numerous proposals for radical changes in the social-security program. We carefully considered arguments advanced by advocates of these proposals and turned them down.

We accepted and strengthened the fundamental principles of the program advocated by President Eisenhower—that the system should be maintained on a contributory basis and that the benefits should be related to wages. All proposals for weakening the contributory insurance principle of the system were defeated.

A more detailed summary of the improvements in the bill follows. I quote in part from the committee report:

SUMMARY OF THE BILL

A. Old-age and survivors insurance

1. Extension of coverage: Old-age and survivors insurance coverage would be extended to approximately 9.5 million persons who work during the course of a year in jobs now excluded from the program. The groups brought into the program under the bill are as follows:

(a) Self-employed farm operators whose net earnings from farm self-employment total $400 or more in a year (about 3.6 million), $400 or more in a year (about 3.6 million), with a special provision to make it easier for low-income farm operators to compute their net earnings.

(b) Most professional self-employed persons now excluded whose net earnings from professional self-employment total $400 or more in a year, including lawyers, dentists, architects, engineers accountants, funeral directors, osteopaths, chiropractors, veterinarians, naturopaths, optometrists, ministers, and Christian Science practitioners (about 400,000). Self-employed physicians would remain excluded.

(c) Employees of State and local governments who are covered by State and local retirement systems (other than policemen and firemen), under voluntary agreements between the State and the Federal Government, if a majority of the members of the system vote in a referendum and two-thirds of those who vote favor coverage (about 3.5 million).

(d) Farm workers who are paid at least $200 by a given employer in a calendar year (about 1.3 million), with special provisions to make it easier for the farm employer to report his employees and to gear in the annual test with the quarterly insured status requirements.

(e) Domestic workers in private homes (and others who perform work not in the course of the employer's trade or business) who are paid $50 in cash wages by an employer in a calendar quarter but who do not meet the 24-day test in the present law (about 250,000).

(f) Ministers and members of religious orders employed by nonprofit organizations if the organization elects to cover them and if at least two-thirds of the ministers and members of religious orders employed by the organization elect to be covered (about 250,000).

(g) Most Federal employees not covered by retirement systems, including temporary employees in the field service of the Post Office Department, census-taking employees of the Bureau of the Census, civilian employees of Coast Guard post exchanges, and certain other groups, and also employees of district Federal home loan banks and of the Tennessee Valley Authority who have a retirement system (about 150,000).

(h) American citizens employed outside of the United States by foreign subsidiaries of American employers (about 100,000); they would be covered under voluntary agreements between the Federal Government and the parent American company.

(i) Home workers now excluded from employee coverage (although they may be covered as self-employed persons) because the services they perform are not subject to State licensing laws (about 100,000).

(j) Employees engaged in fishing and related activities (about 50,000) either on vessels of 10 net tons or less or on shore (other fishermen are now covered.)

(k) American citizens employed by American employers on vessels and aircraft of foreign registry.

2. Computation of average monthly wage: Up to 5 years in which earnings were lowest (or nonexistent) could be dropped from the computation of the average monthly wage. The computation would be simplified by the use of standard beginning-of-the-year starting and closing dates, with computations based on whole years.

3. Earnings base: The total annual earnings on which benefits would be computed and contributions paid is raised from $3,600 to $4,200.

4. Increase in benefits: (a) More than 6 million persons now on the benefit rolls would have their benefits increased. The average increase for retired workers would be about $6, with proportionate increases for dependents and survivors. The range in primary insurance amounts would be $30 to $98.50, as compared to $25 to $85 under present law.

(b) Persons who retire or die in the future would, in general, have their benefits computed by the following new formula: (i) 55 percent of the first $110 of average monthly wage (rather than $100, as in present law) plus 20 percent of the next $240 (rather than 15 percent of the next $200); (ii) the minimum monthly benefit amount for a retired worker would be $30, and the minimum amount payable to a survivor, where only one such person was entitled to benefits on the deceased insured person's earnings, would be $30; (iii) the maximum family benefit of $168.75 under existing law would be raised to $200; (iv) the provision in present law that total family benefits cannot exceed 80 percent of the worker's average monthly wage would be retained, but this provision would not reduce total family benefits below 1½ times the insured worker's primary insurance amount or $50, whichever is the greater; and (v) lump-sum death payments could not exceed $255.

5. Limitation on earnings of beneficiaries: The earnings limitation on beneficiaries under age 75 would be made the same for wage earners and self-employed persons. A beneficiary could earn as much as $1,000 in a year in any employment, covered or noncovered. He would lose 1 month's benefit for each unit of $80 (or fraction thereof) of earnings (covered or noncovered) in excess of $1,000, but in no case would he lose benefits for months in which he neither earned more than $80 nor rendered substantial services in self-employment. Beneficiaries residing in foreign countries would have their benefits suspended for any month in which they worked on 7 or more days.

6. Eligibility for benefits: (a) In addition to the present requirements for fully insured status, an individual would be fully insured if all the quarters elapsing after 1954 and up to the quarter of his death or attainment of age 65 were quarters of coverage, provided he had at least 6 quarters after 1954.

(b) Benefits would be paid to the surviving aged widow, widowed mother, and children, and parents of any individual who died prior to September 1, 1950, and had at least six quarters of coverage.

7. Preservation of benefit rights for disabled: The period during which an individual was totally disabled would be excluded in determining his insured status and the amount of benefits payable to him upon retirement or to his survivors in the event of his death. Determinations of disability would be made by State vocational rehabilitation agencies or other appropriate State agencies pursuant to agreements with the Secretary of Health, Education, and Welfare.

8. Recomputation of benefits for work after entitlement: An individual may have his benefit recomputed to take into account additional earnings after entitlement if he has covered earnings of at least $1,000 in a year after 1953 and after the year in which the individual's benefit was last computed.

9. Financing of OASI: Employers and employees will continue to share equally, with the rate on each being as follows:

Calendar years:	*Rate (percent)*
1954–59	2
1960–64	2½
1965–69	3
1970–74	3½
1975 and after	4

The self-employed would pay 1½ times the above rates.

B. Public assistance

1. The provisions of the 1952 amendments, presently scheduled to expire at the close of September 30, 1954, with respect to Federal payments to States for old-age assistance, aid to dependent children, aid to the blind, and aid to the permanently and totally disabled are extended through September 30, 1955.

GENERAL STATEMENT

Our committee considered all aspects of the old-age and survivors insurance program. We agree with the statement of President Eisenhower in his message to the Congress that—

Despite shortcomings which can be corrected, this system is basically sound. It should remain, as it has been, the cornerstone of the Government's programs to promote the economic security of the individual.

A major shortcoming of the program is its inadequate coverage. As long as coverage is not substantially universal, large numbers of people reaching age 65 will be either wholly without the protection the program affords or eligible for benefits which are reduced because they are based on only part of the individual's earnings. Our committee is recommending substantially universal coverage.

Extension of coverage is fundamental to securing for the future an appropriate relationship between the old-age and survivors insurance and the old-age assistance programs. Old-age and survivors insurance has responsibility for providing basic protection against dependency for the aged retired worker and his dependents and for the dependent survivors of workers who die. Old-age assistance is the second line of defense. After the extension of coverage in 1950, which brought some 10 million additional workers under the system, the percentage of aged receiving old-age and survivors insurance benefits increased rapidly while old-age assistance declined. In 1950, 225 out of every 1,000 aged persons in the country were receiving old-age assistance and 171 were receiving old-age and survivors insurance. By the end of 1953, 190 out of every 1,000 aged persons were receiving old-age assistance as compared to 344 receiving old-age and survivors insurance benefits. With the further extension of coverage recommended by the committee, it is estimated that 75 percent of all persons over 65 will be eligible for old-age insurance benefits by 1960 as compared to 47 percent at the present time.

The committee regards the extension of coverage to the farm population as of special significance. A little over one-half of the presently noncovered groups are farmers and farm workers. In counties where more than 50 percent of the population live on farms, 31 percent of the aged are now receiving old-age assistance and 13 percent old-age and survivors insurance. In nonfarm counties, on the other hand, only 17 percent receive old-age assistance while 36 percent receive old-age and survivors insurance benefits. These data graphically illustrate the fact that where coverage of the program is more complete, old-age assistance more nearly assumes its proper role as a supplementary program. With extension of old-age and survivors insurance coverage to farmers and farm workers, these workers will be building up their own old-age security by the contributions they make during their working years.

Another advantage of extending coverage to these and other groups now outside the system is that not only more of the aged but also more of the young widows and children will be receiving their benefits without a means test. Because their benefits flow from contributions, old-age and survivors insurance beneficiaries are able to maintain a sense of their own continued independence and of their dignity and worth as individuals, even though their support from earnings has been cut off by the retirement or death of the insured worker. The knowledge that benefits will be

paid irrespective of whether the individual is in need supports and stimulates his own thrift and initiative, since he can add his personal savings, pensions he may receive as a result of his work, and the insurance he buys for himself to the basic security he acquires under old-age and survivors insurance. His benefits are related to his past earnings and therefore to his contribution to the Nation's production. The conditions of eligibility and the method of computing benefits are determined by law and are legally enforceable. These basic characteristics of the program are in the best American tradition and consistent with the general economic incentives of a free enterprise system.

The protection afforded by the program may be considered adequate only when benefits are high enough so most beneficiaries will not have to apply for public assistance for the ordinary expenses of living. A first step in accomplishing this objective is to correct the conditions which result in very low benefits which some individuals receive under the program.

The committee's recommendations attack the root causes for most of these low benefits, through provisions assuring that benefits will more realistically reflect the individual's actual earnings on which he customarily depends for his support. Extension of coverage will in itself contribute to a more adequate level of benefits payments by assuring that all of an individual's earnings can be counted toward his benefit payments, regardless of his type of work. Further than this, allowance is made for disregarding limited periods of low or no earnings usually occasioned by short-term absence from covered work. Such periods should not be permitted to distort the level of earnings used as the basis for benefit computation.

Long periods of absence from covered work generally indicate that the individual has not been dependent on his own work earnings for support, and benefits are properly reduced or not paid under such circumstances. An important exception to this principle, however, is in the case of workers who are forced out of employment by reason of a total disability lasting for an extended period of time. The committee bill includes special provisions to prevent loss or reduction of benefit rights on acount of such disability. Prompt steps should also be taken to help disabled persons to return to self-supporting employment wherever possible. The special provisions included in the bill are expected to stimulate greater efforts in the State vocational rehabilitation programs by increasing the referral of handicapped persons to those programs.

The goal of providing reasonable protection through the benefits paid under the old-age and survivors insurance system further requires that the level of benefits be kept reasonably current with changes in economic conditions. Benefits need to be adjusted when wages and prices rise.

In recommending increased benefits, the committee has been conscious of the importance of preserving the wage-related character of the old-age and survivors insurance system, and of accomplishing these increases in such a way as to preserve a reasonable differential between minimum and maximum benefits related to differences in individual earnings. Differential wage payments in our economy reflect differences in individual productivity, differences in costs of living in the various sections of the country, and differences in individual standards of living. It is consistent with our type of economic system that the benefits under the social insurance system should reflect these differences.

Our committee was overwhelmingly of the belief that the program should continue to pay benefits to insured workers who are 65 years of age and over only when they are substantially retired from gainful employment. Our committee believes, however, that more recognition should be given to the value of retired workers of continuing to do some work to the extent they are able. Older people should be freer than at present to take part-time, intermittent, or seasonal work after they retire without losing their benefits. The bill contains, therefore, a more liberal and flexible test, applied on an annual basis, for wage earners as well as for self-employed persons. An increase in the amount that a retired worker may earn while continuing to receive his benefits is provided.

I am especially gratified that the bill includes so many of provisions which I have been recommending for a number of years. I introduced bills to improve the social-security program in the 80th Congress in 1948, again in 1949, 1950, 1952, 1953, and 1954. The bills I have introduced have provided for extended coverage, increased benefits, and a liberalized retirement test—all these are in the bill before the House today.

COVERAGE OF STATE AND LOCAL EMPLOYEES

The bill extends the opportunity for 3.5 million State and local employees to be covered under OASI. In general, the provisions are almost identical with those contained in the bill as originally introduced. However, there is one new provision which I proposed in the committee and which has been added, namely, to permit the coverage of persons who are in positions covered by a retirement system but who are not actually members of the retirement system. There are many such persons in New Jersey who because of age or other reasons cannot become members of a retirement system. Under the amendment included in the bill, they could obtain OASI coverage, irrespective of whether those in covered positions come under the OASI program.

WAIVER OF PREMIUM FOR DISABLED

I am especially proud of the fact that the bill includes a waiver of premium for persons who become totally disabled for an extended period of time. I introduced a bill with such a provision in 1952 and the House passed the provision in 1952. The provision did not become effective. Our committee has restudied the entire question and given consideration to the administrative problems and objections made to the proposal. We have ironed out the difficulties and have included a provision which the committee and the Department of Health, Education, and Welfare are convinced is sound and workable. The provision is one which will eliminate one of the basic defects in the present law.

I am convinced that the provision can be administered on an economical and efficient basis and will expedite rehabilitation of many disabled persons. Private insurance companies have had long experience in administering waiver of premium provisions. State vocational rehabilitation offices, State workmen's compensation agencies, and State welfare departments all have had experience in administering related programs and working out satisfactory relations with doctors and hospitals.

The following is a summary taken from the committee report of the waiver-of-premium provision in the bill:

SUMMARY OF PROVISIONS IN BILL FOR PRESERVATION OF BENEFIT RIGHTS FOR DISABLED

A. Need for disability freeze

Under present law old-age and survivors insurance rights are impaired or may be lost entirely when workers suffer periods of total disability before reaching retirement age. Unless the worker is already permanently insured when he becomes disabled, he may have lost his fully insured status when he reaches retirement age because the entire period of his disability is included in the elapsed time which is the basis for determining his insured status. When benefit amounts are computed, whether for retirement benefits or survivor's benefits, his total earnings throughout his working lifetime are generally divided by the total elapsed time, including any periods of total disability, in determining his average monthly wage, on which monthly benefits are based. A freeze of old-age and survivors insurance rights during total disability would remove this disadvantage by preventing such periods of total disability from reducing or extinguishing rights to retirement and survivors' benefits.

Such a freeze provision is analogous to the waiver of premium commonly used in life and annuity insurance policies and to maintain the protection of these policies for the duration of the policyholder's disability. One hundred and twenty life-insurance companies (many of the largest) operating in the United States offer a waiver-of-premium clause to both men and women carrying ordinary life insurance. One hundred and ten companies offer a waiver-of-premium clause in connection with term contracts. It has been estimated that about half of the standard ordinary life insurance issued currently is protected through waiver premium in the event of the disability of the insured.

B. Emphasis on rehabilitation

The committee recognizes the great advances in rehabilitation techniques made in recent years and appreciates the importance of rehabilitation efforts on behalf of disabled persons. It is a well-recognized truth that prompt referral of disabled persons for appropriate vocational rehabilitation services increases the effectiveness of such services and enhances the probability of success. The bill is framed to carry out your committee's objective that disabled individuals applying for disability determinations be promptly referred to State vocational rehabilitation agencies, to the end that as many disabled individuals as possible may be restored to gainful work.

C. Insured-status requirements

The insured-status requirements are intended to limit the freeze to individuals who have had a reasonably long as well as recent record of covered earnings. They operate to exclude those who have not established a

reasonably substantial attachment to the labor force and those who had left the labor force before becoming disabled. This provision is necessary to exclude individuals who had voluntarily retired from gainful activity, and had not been compelled to leave the labor force by reason of their disability.

D. Definition of disability

Only those individuals who are totally disabled by illness, injury, or other physical or mental impairment which can be expected to be of long-continued and indefinite duration may qualify for the freeze. The impairment must be medically determinable and preclude the individual from performing any substantially gainful work. Individuals who are blind, as measured by the prescribed test of blindness, are also deemed to be disabled for purposes of the freeze. Those who suffer impairment of vision sufficient to qualify under the general definition of disability may, however, be considered disabled even though they do not meet the prescribed test of blindness.

There are two aspects to disability evaluation: The physical or mental impairment must be (1) of a nature and degree of severity to justify consideration of its alleged casual connection with failure to obtain any substantially gainful work, and (2) it must actually result in loss of substantially gainful work (recognizing, of course, that efforts toward rehabilitation will not be considered to interrupt a spell of disability until the restoration of the individual is an accomplished fact). Standards for evaluating the severity of disabling conditions will be prepared by the Department. They will reflect the requirement that the individual be disabled not only for his usual work but also for any type of substantially gainful activity.

Disability must have lasted for 6 months before it may be considered for the freeze. This provision is intended to help exclude from consideration temporary conditions which terminate within 6 months.

In prescribing that the freeze apply only in the case of impairments "which can be expected to be of long-continued and indefinite duration" the committee seeks to assure that only long-lasting impairments are covered. At the end of the waiting period it will usually not be difficult to discern definite signs that the disability will terminate shortly or to decide that it will continue indefinitely. This provision is not inconsistent with efforts toward rehabilitation since it refers only to the duration of the impairment and does not require a prediction of future actual employment. Under this provision, an individual would not meet the definition of disability if he can, by reasonable effort and with safety to himself, achieve recovery or reduction of the harmful symptoms or handicapping effects of his condition.

E. Determination of disability

By and large, determinations of disability will be made by State agencies, administering plans approved under the Vocational Rehabilitation Act. This would serve the dual purpose of encouraging rehabilitation contacts by disabled persons and would offer the advantages of the medical and vocational case development undertaken routinely by the rehabilitation agencies. These agencies have well established relationships with the medical profession and would remove the major load of case development from the Department without undertaking any onerous responsibilities.

By agreement, the State agencies will apply the standards developed by the Department for evaluating severity of impairments for purposes of the freeze. This will promote equal treatment of all disabled individuals under the OASI system in all States.

In a relatively few cases where there is no agreement with a State or there is delay in obtaining agreement, disability determinations will be made by the Department. There may also be certain types or classes of cases which, because of their characteristics or their volume (e. g., the backlog), might be handled more effectively by the Department. The cost to these agencies for their services in making disability determinations will be met out of the trust fund.

F. Effective dates

January 1, 1955, has been specified as the earliest date a disability freeze application can be accepted in order to give the Department of Health, Education, and Welfare time to prepare its forms and procedures and negotiate necessary agreements with State agencies. An individual who files a freeze application before July 1, 1955, must, however, be alive and disabled on July 1, 1955, in order to get a period of disability.

Until July 1, 1957, a disability freeze application could establish a period of disability beginning on the earliest date the individual was disabled and met the covered work requirements described above. This means that an individual who was disabled as early as the fourth quarter of 1941 could establish a period of disability provided he was continuously disabled and filed a disability freeze application before July 1, 1957. Despite the administrative difficulties created, your committee feels that the large number of persons who have been totally disabled for several years before the enactment of this provision should be included in the group receiving the advantages of the freeze provision, but only for the period of disability continuing to the date of application.

Benefit increases for disabled individuals already on the benefit rolls would be payable beginning July 1955. Newly entitled persons would be able to have their benefits computed with the exclusion of a period of disability, beginning with the month of July 1955. Survivors of workers who died after having qualified for a period of disability would receive increased benefits.

A period of 6 months is provided between the earliest filing date and the effective month of benefit increases based on the freeze in order to avoid the premium on immediate filings after enactment. This will also promote administrative efficiency by spreading the initial peak workload of freeze applications.

FINANCING

Our committee considered the financial aspects of the program very carefully and is convinced that old-age and survivors insurance should continue to be a self-sustaining program and that the schedule of contribution rates should be such as reasonably can be expected to be sufficient to support the program indefinitely including interest earnings on the reserves.

The basic principle underlying the committee's thinking is that the program should be self-sustaining on the basis of contributions shared equally by employers and employees, with the maximum contributions required to be no higher than the value of the benefits provided for those covered workers who pay the maximum contributions. The present schedule of contribution rates was established with these policies in mind. Recent estimates based on changing conditions made by the Chief Actuary of the Social Security Administration indicated that the rates provided for under the present program in the distant future might in the distant future possibly fall about one-half of 1 percent short of meeting the objective of keeping the existing program as amended in 1950 and 1952 in actuarial balance. Later estimates, based upon more realistic and up-to-date interest rates, employment and earnings levels, may indicate that the present schedule of rates will not fall short of providing for a self-sustaining program. But we nevertheless felt it would be well to increase the contribution rates to avoid any possible charge that the program is not completely self-supporting.

The net effect of the changes in this bill, some of which would increase long-range costs and some of which would decrease them, is an increase in the long-range costs of the program by a little over one-half of 1 percent of covered payroll.

Although the increase in contribution rates from 3¼ percent each on employer and employee in 1970 and thereafter to 3½ percent each (with corresponding increases for the self-employed) as provided in the original bill would come close to meeting the costs of the amendments proposed in the bill we are now reporting, we believe that our policy should be one of utmost prudence in this area and that consequently the long-range schedule of old-age and survivors insurance contributions should be adjusted so as to meet fully the additional costs of the amendments now proposed and also to cover fully any deficiency which may exist in the financing of the present program. With this in mind we have proposed that the scheduled rates on employer and employee in 1970 be raised from 3¼ to 3½ percent and that in 1975 and thereafter the rate be increased to 4 percent.

PUBLIC ASSISTANCE

The bill amends the existing law by extending through September 30, 1955, the provisions of the 1952 amendments, presently scheduled to expire at the close of September 30, 1954, with respect to Federal payments to States for public-assistance programs. This extension will assure the States that they will continue to receive the $5 increase for old-age assistance which they have been getting the last 2 years. The Federal share in old-age assistance, aid to the blind, and aid to the permanently and totally disabled will continue to be four-fifths of the first $25 of a State's average monthly payment per recipient, plus one-half of the remainder within individual maximums of $55. For aid to dependent children the Federal share will continue to be four-fifths of the first $15 of a State's average monthly payment per recipient, plus one-half of the remainder within individual maximums of $30 for the adult, $30 for the first child, and $21 for each additional child in a family.

CONCLUSIONS

The substantial improvements included in the bill do not mean that we have made all the improvements that may be necessary or desirable in the future.

I hope that we will be able to give further consideration to the coverage of doctors.

Credits for military service expire June 30, 1955. I believe we might give consideration to extension of coverage of military service as contained in the proposal recommended by the Committee on Federal retirement.

After we have had experience with the liberalized retirement test in the bill, I hope we can give further consideration to additional improvements in the test.

We must also always keep in mind that the insurance program must be amended from time to time so as to keep pace with changing economic conditions. We must be sure that the benefits are realistic in terms of prevailing standards. We must see that the benefit formula, the minimum and maximum benefits and the maximum wage base are such that they make for an effective contributory insurance plan which realistically relates benefits to wages.

I believe that it is of vital importance for us to retain the contributory program and its wage related character. In this way, the system enables persons to receive benefits as a matter of right, in dignity and self-respect. The system reinforces the competitive and incentive aspects of our economy by relating benefits to the persons earnings. Within reasonable limits, the more a person earns, the more he receives in benefits. This is in harmony with our American concepts of personal initiative and responsibility. It provides for rewards in accordance with ability while at the same time recognizing the social responsibility for assuring a decent minimum to our retired aged and our widows and orphans.

Mr. SCHENCK. Mr. Chairman, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from Ohio.

Mr. SCHENCK. Mr. Chairman, if the teachers in one school district of a State elected to come under this program, it is not necessary to apply that universally all over the State?

Mr. KEAN. That is up to the State.

Mr. SCHENCK. Does the local school board, whether it may be a city board or a township or district board, or whatever it may be, also have to approve?

Mr. KEAN. That is again a State regulation. We deal only with the State. Our purpose is to refer it to groups so organized. Those groups will have to vote.

Mr. SCHENCK. You have set up in this bill a provision that the teachers may vote on the question?

Mr. KEAN. That is right.

Mr. SCHENCK. If the teachers do vote to go under this plan, is the approval of the board of education also necessary?

Mr. KEAN. The approval of the State is necessary.

Mr. SCHENCK. The State official?

Mr. KEAN. Yes.

Mr. SCHENCK. Now in the case of county employees who may work under several different directions—I mean, they may be under the county clerk, the auditor, the treasurer, and so on, each of whom may employ his own people and the employees are paid out of county funds—may certain officers go under the plan and other officers not go under the plan?

Mr. KEAN. The gentleman is talking about groups that are covered by public employees' retirement?

Mr. SCHENCK. Yes.

Mr. KEAN. It is up to the State to decide which group will be those who can vote.

Mr. SCHENCK. If they do elect to go under the program they must make the proper contributions?

Mr. KEAN. Yes. The State guarantees the contribution is made.

Mr. SCHENCK. Then they would receive 2 benefits if there are 2 benefits.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from New Jersey.

Mr. HAND. I hope the gentleman will forgive me for saying that I think he ought to be complimented for the long, hard, and intelligent work that he has done on this particular bill. I do not know of any Member of the House who has labored on it harder. In my opinion, the House recognizes the splendid work the gentleman has done.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from Ohio.

Mr. McGREGOR. It is my understanding that before any of the State organizations can come under this legislation, for instance, the teachers in the State of Ohio, it will require legislation by the State legislature?

Mr. KEAN. By the State of Ohio.

Mr. McGREGOR. I thank the gentleman.

Mr. BYRNES of Wisconsin. I think it should be pointed out it does not necessarily mean that the State legislature has to act. The Governor may.

Mr. KEAN. The State has to act. Probably under the Ohio laws the State legislature would have to act. It would in the case of New Jersey. It all depends on your State laws. The Federal Government did not want to deal with every little municipality and county in the State, so when we passed the original bill providing for coverage of municipal or State employees in 1950, we provided that we would deal only with the State and the State would deal with its own subdivisions.

Mr. McGREGOR. I think the gentleman answered me correctly, because in Ohio it would probably require State legislation.

Mr. McVEY. Mr. Chairman, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from Illinois.

Mr. McVEY. Does the gentleman mean, in the case of teachers, that they could come under the social-security law of the State or of the Nation?

Mr. KEAN. By referendum, by groups that wish to be covered. For instance, in our State, it might be a group in some certain community or the teachers in that community that, by a two-thirds vote, would wish to come in. If they did that, they would go to the State and ask the State to make a compact with the Federal Government.

Mr. McVEY. Would that be decided by communities?

Mr. KEAN. By a two-thirds vote.

Mr. McVEY. Of the community?

Mr. KEAN. No; of those to be covered.

Mr. McVEY. Of the teachers?

Mr. KEAN. That is right.

Mr. JONAS of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. KEAN. I yield.

Mr. JONAS of North Carolina. Did the committee give any consideration to relieving young women from losing the money they pay in after they work for a number of years and then marry and get out of the labor market?

Mr. KEAN. No. Of course, a lot of them get back into the labor market. It is perfectly true that some of the young women may work for 2 or 3 years and make some contributions into the social-security fund and then never get any benefits from it, but sometimes some of those benefits paid for at a younger age, especially if they become permanently insured, help them out when they reach the age of 65.

Mr. JONAS of North Carolina. Was any effort made to get the committee to consider that group of people?

Mr. KEAN. No. In the actuarial working out of this whole system it is always figured that there will be certain people who contribute and are covered at that time but who do not get the benefits of the insurance coverage. It is like term insurance. These young women probably had mothers to support. If they had died while they were covered under the social-security system there would have been some benefits for the surviving mother.

Do not forget that this survivors' insurance is one of the greatest parts of this whole social-security system. If one of these doctors who did not want to come in under the system would die at the age of 30 leaving 2 children under 18, his wife would have gotten $200 a month until the children reached 18. She would have collected $2,400 a year. If the children were only 2 and 3, she might have collected between $30,000 and $40,000. The doctors do not realize that or, as I said, they would have clamored to come in.

Mr. HAND. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HAND. Mr. Chairman, a moment ago I interrupted my colleague, the gentleman from New Jersey [Mr. KEAN], to pay him what I thought a very deserved compliment. I think there is no man in Congress who has worked harder than he to continually improve our social-security system. Indeed, the bill which is now before us represents in a very large measure the efforts he has made over a period of the last 6 or more years.

As is virtually always the case in legislative proposals, there are some further measures which could have been incorporated which would have pleased me, but on the whole, this is an excellent bill, a great improvement to the old-age and survivors insurance statute, and I am pleased to have the opportunity to support it and vote for it.

After the bill passes the House today, it will be referred to the Senate, and when finally adopted will certainly meet with President Eisenhower's hearty ap-

proval since the bill closely follows his program and his recommendation.

When the time comes that it is enacted into law, I hope to have the privilege of speaking on it again in some detail.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. BARRETT].

Mr. BARRETT. Mr. Chairman, most references to "isms" today are in a derogatory or defamatory sense. I believe there is one "ism" that we should all adopt, and that is humanitarianism. What greater act of humanitarianism can there be than taking care of the aged, infirm, and physically handicapped?

Because social security is being considered by the House of Representatives today, the people who elected us as their Representatives in Congress are under the misapprehension that as individual Members of Congress we have before us the opportunity to enact legislation which will eliminate concern about how the aged and needy of today and tomorrow will meet the expenses of the bare necessities of living. Unfortunately, this is not so. We are presented with a measure (H. R. 9366) which was prepared after more than a year of study and months of hearings, but ultimately drafted by the Administration and reported by the House Ways and Means Committee. We are given several hours to debate this bill, but have only the choice of voting for or against the bill as presented, but not permitted to offer amendments.

H. R. 9366 does have several desirable features which improve our existing old-age and survivors insurance program (OASI), which was originally adopted in 1935 and later had two minor amendments to increase benefits slightly. However, it falls very short of meeting the needs of aged persons who were born too soon to get under the original program. It does not make any provision for persons who are totally disabled before reaching the age of 65. Nor does it provide adequate increases for today's retired aged individuals to meet the increased cost of living since enactment of the original social-security legislation.

One of the commendable features of H. R. 9366 is that it extends old-age and survivors insurance coverage to an additional 10 million persons who work during the course of a year in jobs now excluded from the program. Also it increases the total annual earnings on which benefits would be computed and contributions paid from $3,600 to $4,200. The Democratic administration had proposed that this be increased to $6,000. The new method of computing benefits for persons who retire and for the survivors of those who die in the future results in insignificant increased payments to those beneficiaries of the program. There are several other additions to the social-security program, but these affect very few persons who fall in the average workingman category.

PROPOSED INCREASES NOT ADEQUATE

The average payment to today's social-security beneficiaries is $50 per month—minimum $25, maximum $85. It is hard to believe that the Congress has not before this time, in the face of inflation and increased cost of living, raised this mere pittance to an allowance to permit a decent standard of living for the aged and needy. H. R. 9366, which we are today given the opportunity to accept or reject, provides an average increase in monthly benefits of $6. In other words, the range in primary insurance amounts will now be from $30 to $98.50 per month, as compared with the present range of $25 to $85 per month. This can hardly be considered as corrective legislation. It seems to me to be mere sugar-coating for use as congressional campaign propaganda.

PRESENT AGED NOT INCLUDED

There is one group of our citizens who cannot even look forward to this meager increase in old-age benefits. That group is today's retired aged who, through no fault of their own, are not covered by old-age and survivors insurance because the program did not exist during their years of gainful employment. Our social-security program discriminates against the very group that has the greatest current need for the protection of OASI. It is only fair that we give equal consideration to today's retired aged by providing minimum benefits to them now. Our social-security program also ignores the widows of those now beyond retirement age who do not come under the present system. A majority of these former workers and their widows are entirely dependent on their children for all of their necessities of living, thus spreading poverty into two or several families.

EARNINGS OF BENEFICIARIES TOO LIMITED

The maximum outside income that a beneficiary of OASI under 75 years of age may earn is $1,000. The maximum amount of social-security benefits that an individual under 75 may receive is $1,182, making a maximum total income permissible after age 65 of $2,182. Hence, at the age when an individual's earning capacity decreases, even though he may be physically capable and prefer to continue in gainful employment, he is not entitled to receive the benefits toward which he has contributed for a major portion of his life, and on the other hand is prohibited by law from obtaining an income to meet the bare essentials of living. I do not believe there should be any limitation on the earned income of any person who has contributed to the social-security fund and is otherwise eligible to receive benefits.

BENEFITS FOR TOTALLY DISABLED

Another striking deficiency in the Administration's social-security bill is that it fails to provide benefits for totally disabled workers. If a person covered by OASI is permanently injured in an automobile accident or suffers a heart attack at the age of say 52, even though he or she has contributed to social security, neither the individual nor the family can collect any benefits from the Government until that person reaches the age of 65. The arbitrary retirement age of 65 disregards the human factor that some of us are forced to retire before that time for physical reasons, while other more fortunate men and women can continue to work well beyond any given age. In 1950 I voted in favor of a bill which included social-security benefits for the totally disabled. This bill passed the House of Representatives, but unfortunately it was not approved by the Senate. Today, we are not given the opportunity to reconsider this important part of social-security legislation because of H. R. 9366 being "closed" to amendments and this particular provision was not included in the Administration's social-security bill.

Mr. Speaker, the rapid rises in cost of living during and since World War II have distorted the structure of our social-security system. I am personally aware of hundreds of cases in South Philadelphia where the old folks are unable to manage on their meager social-security incomes. We are not achieving a truly protective system of social security under H. R. 9366, as it does not provide for a "security" income. I hope that our colleagues in the Senate will have the opportunity to amend this measure to provide greater benefits now and that when H. R. 9366 is returned to us from conference, we can feel that we have truly acted in the interest of humanitarianism by casting our votes in favor of it.

Mr. COOPER. Mr. Chairman, I yield 5 minutes to the gentleman from Rhode Island [Mr. FORAND].

Mr. FORAND. Mr. Chairman, I am happy to support the bill before us. I am happy to note particularly that so many of our Republican friends who have been fighting against the social-security system each time it came to the floor of the House have finally seen the light and are supporting this bill. It is a meritorious bill, although it really does not go far enough, but I realize that it is placing the stamp of approval on that which the Democrats have put on the books over the years and which the people generally have been asking for, have been supporting, and have been urging us to improve.

It is true that in the last campaign the Republicans made the statement that if they were elected to office they would improve the social-security system. This is a very feeble gesture on their part. There are some improvements but they are very limited.

I cite as one example the work clause. For years now I have been introducing legislation urging that the work clause be eliminated completely so that a person who has reached age 65 and is drawing benefits will not be penalized because he goes out and does a little work and earns a few dollars.

The gesture in this bill simply provides that instead of being permitted to earn $900 a year without the penalty features they can go up to $1,000, but if they go to $1,080, for the extra $80 they lose as a penalty a month's benefits. That is but one example.

One thing I am happy to see, and again it is only in a limited form, is that the so-called McFarland amendment is being extended for 1 year. That is the public assistance temporary increase of

$5, which was voted some years ago and which was scheduled to expire this coming September. Nothing was being done about renewing this legislation. The indications were that this particular provision would be permitted to expire in September, but after my May 4 introduction of a bill providing for its extension I noted that on one of the days that I was not present in the committee one of my good Republican friends offered such an amendment and it was included in the bill, so that this public assistance increase will be continued for 1 more year.

I want to make mention of one other fact, that is, that had it not been for the Democratic votes in the committee the wage base would not have been raised to $4,200 as it is in this bill. To the Democrats goes the credit for the increase in the wage base, and therefore to them goes the credit for the increase in benefits which is made possible under that $4,200 wage base.

Yes, Mr. Chairman, I am happy to support this bill. I hope that this is only the first step in the right direction that our Republican friends are taking insofar as social security is concerned.

Mr. COOPER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, I am witnessing today something which I never thought possible. The traditional opposition of the Republican Party to the social security insurance system from its very inception all the way through the last amendments which were made to it is historic and well known. The answer is obvious—they have been forced by the weight of public opinion into supporting the amendments proposed here today.

The social-security system, which was originated by the Democrats in 1935, has had every adjective in the book thrown at it. These have ranged from socialism to cruel hoax. Now they have finally realized that the social-security system is well accepted and very popular with the people, and so have been compelled to support improvements within the basic framework of the system.

I need only remind you that it was only last year that the President himself recommended that the social security tax rates be frozen at 1½ percent so as to put the program, in his words, "more nearly on a pay-as-you-go basis." It was freely predicted by prominent administration supporters as late as last summer that the Congress would freeze the rates. A fanfare of publicity was given to this proposed freeze, but when the people of the country rose up in arms and violently protested, the Republicans, against their own convictions, changed their minds and decided to allow the tax rate increase as provided for in the present law.

We all recall that the freezes in the social security tax rates in the past were sponsored by a Republican. The argument has always been that the rates should be frozen so as to reduce pressure for liberalized and more adequate benefits. These arguments have always been advanced by those who have traditionally opposed social security. And it was Republicans who always overwhelmingly voted for these freezes. In 1942 they voted 26 to 1 for the freeze in the Senate; in the early part of 1944, 28 to 1; and in the latter part of 1944, 26 to 3. In 1944, in the House they voted to adopt the freeze 165 to 6.

It is votes on indirect issues such as these which really show attitudes on social security. In recent years they have not dared make the direct attacks which they did in the beginning of the program. These indirect attacks, however, as we well know, can be just as detrimental to a sound social security program as direct attacks.

Despite the attitude of the now majority party as manifested in public records, they have claimed in late years that they are only interested in improving the program. We have just had a very recent experience with that in the Committee on Ways and Means. A recent press release by one of the most prominent of all of them expressed gratification that "the Republicans have been able to provide these substantial increases in benefits." It is my prediction here and now that this statement is an indication of things to come in the election campaigns this year, wherein credit for all the improvements in the pending bill will be sought by the present majority party. That is one reason I think it highly important that the people be reminded again of the record on social security.

Of many significant instances, let me relate just one. We know of the agitation and tremendous pressures brought in an attempt to hold the present wage base at $3,600. If these had succeeded, it would inevitably have meant lesser benefits. Without the traditional and, may I say, expected help from the Democrats on our committee, the benefit amounts would be considerably less than the bill now provides.

I am bringing these facts to your attention, and to the attention of the public, because I think it is only fair that you and the people know the truth about attitudes on social security. I invite your attention to a speech which I made on June 16, 1952, and appears in the CONGRESSIONAL RECORD, volume 98, part 6, pages 7300–7303, wherein I set forth in some detail the record of opposition to social security. The facts I have set forth there are enlightening. Among other things, I pointed out that when the social-security system was being established in 1935, every minority member of the Committee on Ways and Means signed a minority report claiming that the provision for what have now become known as old-age insurance benefits was unconstitutional; that they would in no way contribute to the relief of economic conditions and might, in fact, retard economic recovery; that they would impose a crushing burden upon industry and upon labor; that they would establish a bureaucracy in the field of insurance in competition with private business, and finally that they would destroy the old-age retirement systems set up by private industries. It is hard for us to conceive, in light of present day circumstances, of anyone having ever made such fantastic statements, but they are a matter of record which no one can deny.

In 1935, on the floor of the House, the then ranking minority member moved to strike out the provision for old-age benefits, and in support of the motion it was said by another prominent member of the committee:

> Now, my colleagues, you know that what you are attempting to do is unconstitutional, and you know that is the reason title II and title VIII ought to be eliminated from the bill. They are not relief provisions and they are not going to bring any relief to the destitute or needy now nor for years to come. It is more of your compulsory, arbitrary, program * * *. This title ought to be removed from the bill.

Equally strong in opposition in 1935 on the floor were practically all of the then minority, one of them contending it would enslave workers.

The fight against social security was an issue in the Presidential campaign in 1936. Presidential candidate Mr. Landon came out against the social-security program and termed it a cruel hoax. The Republican National Committee in 1936 purchased radio time to fight the social-security program, and through its industry committee, composed of representatives of big business, carried out a sneak attack on the program by inserting stuffers in the pay envelopes of workers in October of 1936 in an effort to frighten them into voting for the repeal of the program. The results of the 1936 Presidential election were a resounding defeat for them. But you must give them credit—they did not stop there. All sorts of false rumors were circulated. I particularly remember the ones that each person would have to wear a dog tag around his neck, and the suggestion that social-security numbers be tattooed on workers. The fight was even carried to the Supreme Court, where the contention that the program was unconstitutional was rejected by a decision in 1937.

This is typical of opposition throughout the years and which you will find documented in my speech in 1952, already referred to.

Incidentally, what are the results of the Special Subcommittee on Social Security established early in 1953 for the purpose of making an objective study of the program, and which was given $100,000 to spend. Probably by this time the $100,000 has been spent, but personally I have been unable to see any result or locate any report or recommendations.

However, I must congratulate the subcommittee because results appear to have put to rest some erroneous conceptions about the program which were seemingly gaining some slight acceptance.

Just 2 years ago, amendments to the social-security statutes were presented on the floor, and I believe all of you will remember that because of the one amendment which provided that a person under coverage who became totally disabled should not suffer a decrease in benefits, the bill was rejected. Rejection occurred simply because the then minority violently opposed this idea. I am glad that this once-rejected idea is now being wholeheartedly embraced by

those who were so violently opposed to it a short 2 years ago.

The measure before us today makes many needed improvements in the social-security program, although it does not go as far as I would like to see it go. It is my belief that the wage base should be increased to at least $4,800; that the work-clause test should be raised to $1,200 yearly; and that the greatest of all gaps in the program—lack of disability insurance benefits—should be filled at this time. Even with these shortcomings, I wholeheartedly support the bill.

All in all, I am indeed gratified that the present majority party has now seen the light and is following the lead and program espoused and advocated for so many years by the Democrats in Congress and by Presidents Harry S. Truman and Franklin D. Roosevelt. I heartily welcome their joinder with us and am happy over it for, as has been often said, "There is much joy in bringing the wayward into the fold."

Mr. Chairman, it occurred to me this morning that an incident of last week should be mentioned in the debate on this measure that is before us today. A certain gentleman, of whom I had scarcely heard before, and whom I am quite certain I have never met, gained headlines in the newspapers by proclaiming that the Democrats were now attempting to ride the coattails of President Eisenhower. I am wondering whether this measure now before us is evidence of the fact that the Republicans are now trying to ride the coattails of the Democratic program and the program for so many years advocated by President Roosevelt under the New Deal and by President Truman under the Fair Deal. Certainly no one will deny that they were strong advocates of the program which the Republicans are advocating today. Of course I give them credit for seeing the light, and I am very happy that they are joining with us, but I do not think that they should at this time attempt to take sole credit for all the improvements that are being actively supported today by both parties.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS of Nebraska. Mr. Chairman, many of us have long been interested in improving social security for all our aged citizens and for dependents and survivors. Social security—and I am here referring to title II of the act—is a program involving a tax on productive workers to provide funds for current benefits largely to those who because of advanced age can no longer support themselves, and also to those who because of death of the family breadwinner might otherwise be in need.

Under this bill, some 10 million more will now lend financial support to the program. Also that many workers may, by virtue of working in these newly covered occupations, gradually develop benefit rights for themselves, their dependents and survivors. This extension of coverage is a large step in the direction of making the program completely universal. Not until it is universal in all respects will we have achieved equal treatment for all our people.

This bill calls for an increase in the amount of earnings subject to the social security tax and on which the benefits are calculated. Moreover, the benefits have been increased. Since benefits are conceived as a so-called floor of protection to prevent need, I have felt that the increases should have been larger for those now receiving relatively small benefits. A very large proportion of our present aged now on the rolls are in this category. They are of advanced age, have been on the rolls for a number of years and hence have not reaped the advantage of the much higher wages of recent years. I wish more had been done for these worthy aged and without raising the wage base.

In our subcommittee hearings last year, several unfortunate and inequitable situations were brought to our attention. This bill corrects some of these. For example, under the present law widows and other survivors are entitled to benefits on the basis of as few as six quarters of coverage, provided the husband died after September 1, 1950. However, many widows and orphaned children are not entitled to benefits if the husband died prior to September 1, 1950, although he may have had many more than six quarters of coverage. This bill will correct this situation.

Under the present law, an eligible aged widow or aged dependent parent receives three-fourths of a primary benefit. Since the minimum primary benefit is $25 monthly, a substantial number of aged persons receive around $18 a month. Such a small amount cannot serve the social purpose that social-security benefits were designed for—that is, to prevent need. H. R. 9366 provides that the minimum benefit to a surviving family shall not be less than the minimum primary benefit, or $30 monthly called for in this measure.

I believe all of us look forward to the time when all our aged people and widowed mothers with dependent children will be eligible for these benefits paid without a means test. Reliance on old-age relief is more prevalent in the rural States because many nonindustrial workers and the self-employed were not under social security for many years after the system was started. Because of this bill, this situation will be corrected in time. I hope that some measure will be devised to accelerate this process. While some important improvements remain to be accomplished, I recommend the passage of H. R. 9366.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Nebraska. I yield.

Mr. BYRNES of Wisconsin. Mr. Chairman, I want to take this occasion to compliment the gentleman and the subcommittee of which he is chairman which during the course of last year held hearings on this great subject, the hearings were most thorough and complete and developed a great deal of much-needed information on this subject, which I think has been helpful to a better understanding of the whole system to the members of the committee, to those who are administrators of it, and to the public generally.

I think the gentleman is entitled to a great deal of credit for the vast work which he has done.

Mr. CURTIS of Nebraska. I thank the gentleman from Wisconsin.

Mr. KEAN. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Nebraska. I yield.

Mr. KEAN. I also would like to say that the amendment for those widows before 1950 and the amendment setting a $30 minimum referred to in your remarks were suggested by the gentleman from Nebraska.

Mr. CURTIS of Nebraska. I thank the gentleman.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Nebraska. I yield.

Mr. REED of New York. I wish to compliment the gentleman for the conduct of his subcommittee and the facts they brought out which were so helpful in the framing of this bill.

Mr. CURTIS of Nebraska. I thank the gentleman.

Mr. COOPER. Mr. Chairman, I yield 10 minutes to the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS. Mr. Chairman, social security as we think of it today is only one of nine programs set up under the Social Security Act of 1935. Of the 9, 4 are programs of public assistance to the needy, 3 are children's service programs, and 2 are social-insurance programs. Of these two, one is the unemployment insurance program operated jointly by the Federal Government and the States. The other is the old-age and survivors' insurance program. This is the program that is generally and commonly referred to as social security, or sometimes it is referred to as OASI. That is the program we are considering here today.

The OASI program was originally restricted to wage earners in private industry and commerce. In January 1951, through a broad revision of the law, it was extended to regularly employed domestic workers, to some agricultural employees and under certain conditions to employees in nonprofit institutions. Also brought under coverage at that time were self-employed apart from farm operators and professional people.

The system has been a matter of continuing study on the part of private groups as well as by the Committee on Ways and Means and the Senate Finance Committee. These studies have demonstrated the need for these basic amendments to the act which we are considering here today.

I think it is of some interest to take a look at the population trends in the United States of America, because they, of course, are vital in the determination of this legislation. At the turn of the century, 1900, the minimum age was just 23. At the time of the last census, 1950, it had risen to over 30 years. As a matter of fact, in the decade between 1940 and 1950 the very young group and the very old group showed decided increases.

In the older-age group the figures may be of interest to you. Persons 65 years old and over increased from a little over 1 million in 1870 to about 9 million in 1940. Over the 70-year period the rate of increase for this group—that is, those over 65—was almost 700 percent, and far exceeded that of any other group in our society.

Some interesting projections have been made by those who study population trends. At the present time, for instance, there are 7.3 million people over 65 in our population. This is expected to increase as follows: By 1960 there will be almost 9 million people over 70, by 1970 people over 70 years of age will number about 12 million in our population; by 1980 the figure is estimated at 14½ million, by 1990 almost 17 million, and by the year 2000 almost 19 million.

These figures, in my judgment, describe better than anything that I can say the need for the enactment of these comprehensive amendments. It means that because of better nutrition, a better way of life, better food, more opportunities, less hardship, better medicine, better treatment, or the fruits of the American way, if you will, our people are living longer, and, having lived longer, then the problem of sustaining them becomes great.

I was particularly interested in the remarks made by the gentleman from Arkansas [Mr. MILLS], when he spoke about the necessity for covering farmers, farm operators, and farm workers, and so on.

If you will take the trouble, as the members of the Ways and Means Committee have, to study the figures on old-age assistance, sometimes called old-age pensions, and if you will compare the number of recipients in agricultural States with the number of recipients in industrial States, you will immediately recognize the need for some type of universal coverage; otherwise we will have as long as we live the system of old-age assistance.

What does this mean? It means that a person over 65 must go to a local welfare office where that person certifies to poverty, and upon investigation by a social worker or some other duly appointed official of the State in question that person is either put on the old-age assistance rolls or is not put on. In any event, that person in most cases has contributed nothing, and depending upon whether or not she or he can qualify to a certain degree of poverty he or she will obtain the benefits. Now, the number has varied from State to State. My State has had a very liberal system, and one that I approve of. But the net effect of it is that something like 70 people out of every hundred over 65 years of age are receiving old-age assistance. The only answer to it is to extend this system to cover all of our people gainfully employed in whatever form of activity they make their living, and as the program advances, as the fund is built up, then we will not have the necessity for a pauper's oath, but each man and each woman, as he or she reaches the minimum age, will, by right, have the privilege of participating in this program.

So, I am happy, Mr. Chairman, to support this bill. I am happy that my Republican friends have adopted this program. I think that when the President used this language, which I shall read to you, he approved the work that the then majority party had done to bring about this program. I quote from the President when he said this:

> Despite shortcomings, which can be corrected, this system is basically sound.

Now, I presume that he was replying to all of the propaganda that we had had about abolishing the trust fund and establishing a pay-as-you-go system, so-called. I quote again:

> It should remain as it has been, the cornerstone of the Government's program to promote the economic security of the individual. In offering, as I here do, certain measures for the expansion and improvement of this system, I am determined to preserve its basic principles. The two most important are (1) it is a contributory system, with both the worker and his employer making payments during the years of active work, and (2) the benefits received are related in part to the individual's earnings. To these sound principles our system owes much of its wide national acceptance.

I am very happy, Mr. Chairman, that this bill incorporates those principles which have been in the law since 1935.

Mr. REED of New York. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Chairman, I am going to strike a discordant note. All the speeches to date have been on the subject of how to spend money. The primary function of the Committee on Ways and Means is to figure out how to get the money that we spend. I have been a great admirer of the system in the Congress which provides for legislative committees to figure out the program and then come before the House with an authorization bill. At a later time the same matter is referred to the Committee on Appropriations for the appropriate amount of money necessary under the authorization, and then a third committee, of course, functions in trying to figure out the ways and means of obtaining this money that has been authorized and appropriated. The social-security legislation, of course, in its early days incorporated all three into one, the authorization, the appropriation, and the finding of ways and means, and it was all referred to one committee. The tragedy here on the floor today—and I say tragedy—is the fact that the Committee on Ways and Means discusses how to spend money and talks about authorizing a program, and hardly a voice is raised as to where we are going to get that money.

Now, there was one little mention of how we are going to raise the money to do all these fine things that I myself will agree with, and I think I could get down here on the floor and picture human misery with the best of you, and how we might go about alleviating human misery, because God knows if we could I would be among those who would seek that goal. My question is, How do you do it? How, indeed, do you do it in this great society of ours that has produced such a high standard of living for our people? Believe me, I think it is through the private initiative and enterprise system, through encouraging the integrity of our own citizens. And so, indeed, the question comes before us—and that is not one of the things that we have been talking about—what we are going to do for our people; but my question is, How are we going to do it? Every one of the Members heard here one of the amendments that was put in the bill by the committee when it was found that some of these fine benefits we are going to give would make the program not actuarially sound, but not as actuarially sound as it has been in the past. I hope you will note that distinction, because constantly I have asked, Is the program actuarially sound in its inception? And, of course, the answer is, No; it is not; but it will be as actuarially sound as it is with all these benefits, with one exception. And that was taken care of by the amendment, because what did we do? The great Ways and Means Committee is here today recommending in this bill that we increase the tax rate. For 1954? No; for 1970 and for 1975. That is the way we are financing this program. That is, by taxing the future generations. And I say to you just where does this Congress in the year 1954 get the right or the privilege or the prerogative to tax our children and our grandchildren?

Indeed, that is what the whole program has been. That program, right now, for the people who are paying into social security, 87 million of them, is so actuarially unsound that $250 billion must come from another generation. That is the way we balance our books under this method of legislation. It is something to think about, and I am not going to dwell on it longer.

But I am going to say this, that a lot in this particular bill, in my opinion, is good; not because the program is fundamentally sound but simply because it eliminates a great many inequities.

Five-sixths of our people are now under the social-security program. The question before us was mainly this: are we going to continue to keep one-sixth out? If it is true that for every dollar paid in by a person in this generation they will get out $3, then why should five-sixths get the benefit to the exclusion of the other one-sixth? Or, if, indeed, this program is going to collapse, as it well might, unless we get down here and start thinking of ways and means, it will collapse by perhaps 1965. If it is that sort of thing, even then all of our population should be in it, not five-sixths with one-sixth excluded, but six-sixths.

Indeed, when our social-security subcommittee made its studies, we found that most of the inequities in the social-security system arose from the fact that five-sixths were in and one-sixth was out. And I was among those who were most ardent in trying to make this a total coverage so at least that particular feature of it would be eliminated. But I added one other thing—one important feature. I introduced a bill and tried to get it as an amendment into this particular bill; and had I gotten that amendment in a great deal of the ques-

tions that have been asked on the floor today would not be asked. My amendment simply said this: That if a person, any individual, whether he was a doctor or a lawyer or was self-employed or a laboring man—if he provides for his own social security through his own private program, then he is excused from social security. That would give the opportunity to any citizen in this country who sought to provide for his own security, which should be essentially a private endeavor—it would give him that opportunity and at the same time the Federal Government and our local governments would be protected against that person ever being a charge on the public, because my amendment required that he have an equivalent private program before he was excused from social security.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield.

Mr. ROGERS of Florida. I should like to ask the gentleman, how can he justify the limitation on the amount that a man may make after he retires if he makes it by being self-employed and does not compete in the labor market?

Mr. CURTIS of Missouri. I might answer that by saying that I do not justify it. I simply say that the theory behind social security, or one theory—they skip from theory to theory—one theory is to provide insurance for loss of earning capacity. If the man is actually earning money, whether he is self-employed or in the labor market as an employee, he has not experienced the disaster for which the insurance has been had.

Mr. ROGERS of Florida. But the gentleman believes, after a man has paid into the fund, he is entitled to receive the benefits?

Mr. CURTIS of Missouri. I might say that the people have not paid for it. That is the whole question. Future generations are going to pay for it. That man has paid part of it.

Mr. ROGERS of Florida. But those who have paid for it should be entitled to draw on it after they reach the age of 65; that is fundamental.

Mr. CURTIS of Missouri. It is not quite as fundamental as the gentleman might think. If this is indeed insurance it is to protect a person from loss of earnings, through reaching old age, or unemployment, or whatever it might be. If that is the purpose, then indeed the premium is paid for that, but if the person does not experience the culmination of the risk for which he is insuring himself then he should not be paid because he has not experienced the disaster. I think that is a logical theory.

Mr. ROGERS of Florida. If I go into private enterprise and take out insurance, when I become 65 years of age I can continue to go out and work and make as much as I want to. Why should there be any restriction on a man's benefits because of the fact he might make a little money from which he can enjoy some of the luxuries of life?

Mr. CURTIS of Missouri. I am simply stating the theory of the situation. The gentleman from Rhode Island commented on raising the wage limit, which I am interested in, too, and I am glad it was so raised. The labor leaders are the ones who have been the most ardent in opposing that increase because they want to keep this labor market free for their younger people coming up; and there is possibly some argument to that. I do not happen to agree with it.

I conclude my remarks by again emphasizing the fact that this is the Ways and Means Committee, which is supposed to be responsible to the rest of Congress for bringing out ways and means of financing these fine programs and having the courage to stand before the House when in its own honest judgment the ways and means have not been provided. The bill before us, however, does not make the program more actuarially unsound than it presently is. It does correct many inequities which should be corrected. In other ways it strengthens the program. I shall vote for it; but some day, my colleagues, some Ways and Means Committee, some Congress is going to have to dig into the real subject of how to finance what we have done. This present Congress is the only Congress which had the courage to allow the tax increase scheduled in the original legislation to remain. How many future Congresses will permit the tax increases scheduled on into 1975 and beyond to go into effect? How much reserve fund should we have—$18 billion or the two-hundred-billion-odd dollars we are liable to pay cut over and above the moneys we will take in from the present 87 million paying into the fund? These questions will have to be answered and it is of no avail to say that those who pose these questions are trying to wreck the program. Indeed, it is those who pose these questions who might save it.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Chairman, this is a revolutionary age in every land, and under every form of political expression.

Throughout a generation of economic upheavals and wars, as the patterns of the past explode in change or adapt themselves to progress, the need for security against destitution has become the major concern of all peoples.

This ferment is at work in the urgent appeals made by constituents to their Representatives in Congress. From veterans' affairs to labor legislation, from the problems of Government employees to farm-aid programs, there are separate but similar efforts to eliminate insecurity.

Each human being is worried by the haunting specter of poverty in his old age.

So strong is this demand for social security that even the Republican Party is forced to recognize it. In the showdown, Democrats will support this bill because we pioneered in this type of legislation. We shall try to make it better by extending coverage and increasing benefits, but if too much caution prevails we shall nevertheless support H. R. 9366, reserving the right to improve upon it at the next session of Congress.

The morale of our own people is dependent upon their confidence in the present and the future.

What they ask is not excessive.

Just insurance to protect them from the financial hazards of old age.

No reasonable person can deny them this fundamental right derived from their efforts in building the material power of this Nation.

There is also the voice of conscience that must be answered.

"Conscience" in Government?

A few may try to maintain that this is an old-fashioned concept.

One look at the international scene, however, with its shifting expediencies, should be enough to convince any realistic person that compromise with truth and justice invites disaster.

So long as old people in the United States have no income to maintain a decent standard of living, our struggle for the minds of men to convince them that the solutions arrived at by free men are superior to the promises of communism will suffer from lack of performance.

The issue is clear.

We must remedy the weaknesses within our own society before we can win the allegiance of others to freedom's way.

To each person, social security, worthy of the name, provides a protection in old age that he has earned.

In the larger context, it is a solid example of the ability to alleviate those tensions and provide for basic human needs that would do much to eliminate the causes of desperate unrest and war.

Opportunities for youth, steady employment through the high tide of life, and security in old age, all these are musts to make freedom succeed.

For ourselves and for others.

The social-security revision program we have under consideration is deserving of praise for the advances it makes and of condemnation for its shortcomings.

The minimum increase from $25 to $30 in primary benefits is meager. The raising of maximum benefits from $85 to $98.50 for present beneficiaries, other benefits proportionately, is better.

Although it seems to many of us that the minimum should be much higher, so that good people will not have to go begging for public assistance which makes a mockery of social security.

No society that rewards the bold with fortunes, and reluctantly gives a $30 bone per month to the laborer or the farmer whose working days are over, is in a position to meet the challenges of this century.

Economically, it is putting a premium on aggression.

How, then, can it expect its own people to comprehend and resist with full faith those other and deadly forms of aggression that menace us?

Halfhearted and begrudging concessions to the imperatives of our age will not suffice.

Raising the minimum $5 and bringing a few million more under coverage is a step forward, but such a timid one.

Especially when a forthright and upward revision of the wage tax base would finance complete coverage and adequate benefits in a sound and solvent manner.

It is gratifying to see more groups and individuals brought under the protection of the social-security program.

The House Ways and Means Committee, going beyond the administration's proposal, approved a 1975 tax rate of 8 percent, to be divided equally between employer and employee.

Twenty-one years from now.

A long time for some to wait for authentic benefits.

History is moving at a much faster tempo.

We did not have any social security 21 years ago.

Only the wreckage of the past in a world convulsing with change.

The people will not be put off by remote and abstract arguments.

They insist on progress that will not lag behind history.

H. R. 9366 will pass.

It represents some improvement, which is better than none.

The fact remains that the people of the United States need, want, and are still without the protection of genuine social security.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. MILLER].

Mr. MILLER of Kansas. Mr. Chairman, I wish to compliment the committee for the fine work that has been done on this bill which is not controversial in its nature, yet presented many difficult problems of application. I wish especially to compliment both the chairman and the ranking member of the committee for the fair, unbiased spirit in which they have cooperated. This bill, representing many weeks of hard work, is an example of what can be accomplished by intelligent, conscientious leadership of both political parties. I am one of the last to speak upon this bill, after having listened to nearly 3 hours of discussion by more than a dozen able Members of Congress. In all that discussion, I have not witnessed a single instance of partisan or political maneuvering. This bill is not perfect. No bill so comprehensive in nature and covering so broad a field could be perfect. But it is an improvement over the present law, as it should be, and it will be further improved in the future sessions of Congress. It has, at their own request, brought under coverage millions of people not heretofore enjoying the benefits of social security. It has increased the cost of coverage to make more secure those already covered. This is something that had to be done in any case, as social security is a business undertaking and must be on a business basis. Next to the United States Government this is the greatest business in the Nation. It must be actuarily sound. It is with great satisfaction that I support this bill.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman, I desire to thank Chairman REED and members of the House Ways and Means Committee for their courtesies in connection with the statement I presented to the committee on April 15, last. At that time I called attention to the fact that I had introduced several bills in the past designed to build a stronger and more protective social-security system. I pointed out that this purpose was being achieved by the splendid program outlined in the President's message of January 14, and documented so well by representatives of the Department of Health, Education, and Welfare.

I endorse the administration's goal of practically complete coverage not only because it will increase the protection of the system by adding about 10 million persons to its rolls, but because it will also overcome many of the inequities in the existing system. Workers who shift between covered and uncovered employment, for example, are now penalized in a number of ways. Sometimes they lose their right to a benefit entirely—and thus forfeit their tax contribution. Today any period spent outside of covered employment acts to decrease the amount of benefit. The 4-year dropout provision of the administration bill will remove part of this inequity. The wage credit freeze for the totally disabled will preserve their rights in this respect. But even more important, perhaps, is the fact that the existing penalties for working in uncovered employment are automatically removed if practically all jobs are covered.

I approve of the increases in the amount of benefits provided by the bill. For I am greatly concerned with the fact that the average old-age benefit in February 1954 was only $51.44 per month and that the average widow's benefit was even smaller, averaging only $41.74 per month. Let us remember, in looking at these pitiably small monthly amounts, that a recent survey of people receiving social-security benefits showed that 1 out of every 8 men, 1 out of every 6 women, and 1 out of every 4 aged widows had no other money income.

The improvement in the work clause which will result from placing it on an annual basis and increasing the amount of earnings allowed is, to my mind, of special importance. I have always been opposed to this provision, which, in effect, penalizes people for working. My own bill would remove it entirely. The administration bill is a long step in this direction and will remove many of the existing inequities in this respect.

I am confident that this Congress will act promptly to make the President's program a reality. For, as he said on January 14:

> The human problems of individual citizens are a proper and important concern of our Government.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from West Virginia [Mr. NEAL].

Mr. NEAL. Mr. Chairman, I expect to vote for this bill. In that it makes it easier for a larger group of deserving people to qualify for benefits, it is an improvement over the existing law. A great many persons who have had no opportunity to contribute from their earnings would, without the provisions in this bill, be left entirely without relief and at the mercy of old-age assistance, which, administered at the local level, is too often politically dominated. At present, Federal contribution is insufficient. The States do not uniformly contribute enough funds to complement Federal funds to provide a liveable income, hence the habit of local administrators to draw on federally provided OAA to make the OASI workable. Even then, too many recipients are unhappy because they do not participate uniformly.

It will be a long time before the old age group will be able to qualify for pensions solely through their contributions from wages. Until then we will still have many aged and disabled to care for through some other means. This, OAA does not do. The real need for relief is for that class of old and disabled persons who have no property nor any responsible relatives willing or able to make homes for and to properly care for them. It is one of the greatest tragedies of our social system that such a large number of these people live in slums and go half starved because of the pitifully meager relief allowed.

Furthermore, to the extent that the proposed broadening of the field of social security coverage will take care of some additional categories of our people when they shall have reached retirement age and can collect a monthly stipend to enable them to obtain the necessities of life, I favor the bill. However, I am convinced that the program does not go far enough, in that a great many of these individuals are now near that age, and who have not during the prior years made provision of shelter for themselves, and cannot do so without rental outlays or crowding in with relatives or strangers at some cost not covered by retirement benefits; that, therefore, the program should embrace some arrangement for housing for these people as a special group which may live out the remaining years of life free of the care and worry attendant upon the old age status. Because, the younger and working generation will, decade by decade, be sufficiently tax-burdened as to be entitled to whatever relief, in advance, that can now be spared them.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Connecticut [Mr. SADLAK].

Mr. SADLAK. Mr. Chairman, comprehensive explanatory statements of today's bill, H. R. 9366, amending the Social Security Act and the Internal Revenue Code, have been presented by my distinguished committee chairman, the gentleman from New York [Mr. REED], and the gentleman from Tennessee [Mr. COOPER], the ranking minority member. Added to these have been further fine remarks by my colleagues of the Ways and Means Committee and members of the Whole House on the State of the Union, each contributing worthwhile comments on this new bill which originally was introduced as H. R. 7199.

Prior to the hearings, during the time testimony was being taken and in the interim pending today's consideration on the floor, I had received many communications from my Connecticut constituency urging favorable action on the sections recommended in Mr. REED's original proposal which, in large measure were retained in this revised, so-called

clean bill incorporating clarifying language rather than additional sections.

I am particularly pleased with the new suggestion allowing an annual computation of earned wages by persons over 65 years of age and under 75. The present monthly basis has resulted in many severe penalties causing the forfeiture of subsequent checks because the monthly allowance of earning $75 had been exceeded by the annuitant in a part-time job. I sought to overcome this barrier by my bill to raise the monthly earning check to $100. The new provision raising the annual allowable wage income before loss of check to $1,000 and placing the earnings on an annual basis will relieve the refunding of later checks, especially where a very small amount of excess over the $75 monthly wage caused the return.

May I emphasize one other provision which brought much mail to my office and which has been resolved quite satisfactorily. I tried to afford every possible protection to the retirement systems of municipal and State employees. It was after much discussion, writing and rewriting that we finally hit upon the referendum provisions that pertain to this part of the legislation.

Mr. COOPER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. KEOGH].

Mr. KEOGH. Mr. Chairman, I shall not take any time to commend the majority for bringing out the pending bill. I shall leave that task, pleasurable as it is, to those far more capable, other than to observe that a legislature that extends the opportunity for providing for superannuation is a legislature that well serves its people.

Neither shall I spend any time with respect to the treatment accorded in the pending bill to the professional groups, other than to observe—and I am sure my friends on the committee will not mind my saying this, knowing that it is quite impersonal—that I have not been impressed with the arguments advanced for the inclusion of most professional groups and the exclusion of only one, for, Mr. Chairman, if the benefits of this system are as good as we believe them to be, they are good for all professional groups. I do, Mr. Chairman, hope to point out to this committee, as I will on every appropriate occasion, an obvious and glaring omission from the pending bill.

Mr. Chairman, until we have provided for the professional groups, for the self-employed, for their dependents, for their survivors, and for their now pensionless employees, a system of private, voluntary, restricted retirement insurance, our job will remain unfinished.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. KEOGH. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Has the gentleman any idea as to why the medical doctors were left out?

Mr. KEOGH. I have utilized the afternoon as well as I could in studying the report on the pending bill, and I am sorry to say that it gives no reason for their exclusion.

Mr. McCORMACK. Has the gentleman himself any knowledge of why that has been done?

Mr. KEOGH. I, perhaps, do have, but I do not think they are particularly relevant.

Mr. McCORMACK. They might be relevant. Would the gentleman care to express them for the RECORD?

Mr. KEOGH. I think I should prefer to hold that for some other time. I mean not to complicate the discussion on the pending bill and its omissions. Whether that group has been omitted for good reason or ill, we must recognize that their spokesmen were undoubtedly speaking for whom they thought were the vast majority of their profession. But, I say to you, Mr. Chairman, that no organization of professional men is in a position to speak for all those engaged in that profession, and I dare say that many of us will be hearing from those doctors within our districts who would like to provide social-security benefits for themselves, but even more important who would like to make certain that their widows and their children come under the social-security system. The important thing for us to do, closing as we are some gaps in our social-security system, is to give immediate attention to the need for providing a retirement system for all professional groups. Let me cite this example. Four men are graduated from a university the same year. Two are licensed to practice medicine and two are licensed to practice law. Dr. A becomes a full-time, paid employee of corporation Y. Dr. B becomes engaged in private practice. Lawyer C becomes a full-time, paid employee of the legal department of corporation X, and Lawyer D engages in private practice. Under the law, as it now stands, Dr. A immediately becomes eligible to qualify not only for social-security benefits, but for the pension system that has been set up by so many corporations, generally, on a noncontributory basis. Dr. B is not qualified either to obtain the benefits of social security nor is he able to provide for his superannuation when it comes, except out of his net income after taxes. Lawyer C is in the same position as Dr. A and Lawyer D, under this bill, will become eligible for social-security benefits. Mr. Chairman, the inequities are obvious and will be closed only by the enactment of the voluntary, restricted retirement system for all professional groups. I hope the committee will give early and favorable consideration to the pending bills which would make that possible.

Mr. REED of New York. Mr. Chairman, I yield such time as he may require to the gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Chairman, this bill improves the social-security program of the Federal Government. There are some aspects of the bill with which I disagree, and I must say very frankly that even with the enactment of the bill, the program of old-age and survivors insurance will be deficient and will contain serious inequities and unsolved problems.

The bill does make one very important step in the direction of establishing a sound social program for the retired aged. As I view it, one of the biggest defects in the present program is that it affects only a part of our people.

Governmental programs should be applicable to all of our people, not just to selected groups. For all intent and purposes, this bill provides for universal coverage. Practically all of tomorrow's retired aged will be eligible for the protection provided by this program. That is a real forward step. It will remove many of the inequities and problems created by the present system of partial coverage.

There is, however, one serious injustice that will be continued. There will still be one large group that will be ignored. I speak of today's retired aged.

Up until now the coverage of OASI has been restricted. Many of today's retired aged were denied the right to participate in the program. Many of the people who today are over 65 and have been retired because of age had no opportunity to come under the system. The vast majority of those who are today over the age of 70 were excluded from the program through no fault of their own. They were born too soon or the Congress acted too late to bring them within the program. There are slightly over 3½ million in this group of retired persons over 70 years of age who are ineligible for even the minimum benefits under OASI. Yet, Mr. Chairman, this is the very group that is most in need. These people were the hardest hit by the inflation of the last 12 years. Almost half of this group are today on relief. It is this group of people, over 70 years of age, that makes up 80 percent of our relief rolls. Can we say that we have a fair and just social program when we turn our backs on this part of our society and force them to go on relief while we provide benefits as a matter of right to other segments of our people? Of course not. Some of the people who are today drawing benefits as a matter of right have themselves contributed as little as $3 by way of social-security taxes. Many of the people who will draw minimum payments of $30 per month or couples who will receive $45 per month for life will have contributed under the system for a period of only a year and a half. The maximum contributed by any individual or couple that is today receiving the minimum benefit is $106. This constitutes a very fine line between those who are entitled to the benefits of the system and those who are ignored. It is too fine a line to be considered a legitimate distinction.

Argument is made that no benefits can be paid to those who have not contributed to the system. It is argued that the soundness of the system depends on relating the benefits to the contributions made. That may be all well and good, but remember this: Since 1950 we have gratuitously increased the benefits of persons already retired, and we are doing it again in this bill. These benefits will cost in excess of $11 billion. Nothing extra will have been contributed by the recipients of these increased

benefits. I do not find fault with the increases that are made, but I do find fault with the argument that the system cannot provide benefits which are unrelated to contributions. The fact of the matter is that we are doing it today for a select few.

It is my position that this system will never be just until we give consideration to today's retired aged. During the committee's consideration of this bill I proposed an amendment which would have given consideration to this group. I outlined the proposal to this House on May 20. The details will be found at page 6949 of the CONGRESSIONAL RECORD. I regret that the committee did not accept the proposal. I hope that the Senate will see the equity and justice of the proposal and will include it in the bill.

I have never been more serious in my life, Mr. Chairman. We must expand this system of old-age and survivors insurance to include today's uncovered retired aged. Of all our people, they have the greatest right to our attention and consideration. In the name of all that is honorable and just, please let us not ignore those who have contributed so much to the greatness of this Nation and the benefits which we today enjoy—our aged people.

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. BAKER].

Mr. BAKER. Mr. Chairman, I favor the enactment of H. R. 9366 as reported by the Ways and Means Committee.

In addition to substantially increasing benefits and liberalizing the so-called work clause, and other provisions of the old-age and survivors insurance system, this bill extends substantially universal coverage, which is of tremendous importance to the future of the entire social-security program. As pointed out in the committee report, a major shortcoming of the present program is its inadequate coverage.

I was a member of a subcommittee which conducted rather extensive hearings on this entire subject last fall. There are 6.3 million persons now on the benefit rolls. This bill will extend substantially increased benefits to those on OASI rolls at the present time. It would extend coverage to approximately 10 million additional persons. These are persons who now work in jobs presently excluded from the program: about 3.6 million farmers, about 400,000 professional self-employed persons, about 3½ million employees of State and local governments who are covered by local retirement systems, excluding policemen and firemen. Employees of State and local governments under this bill are permitted to come into the social-security system after an affirmative vote of two-thirds of the members, with the additional requirement that at least 50 percent of those eligible must participate in the election. About 1.3 million farmworkers who receive at least $200 a year from a given employer; about 250,000 domestic workers; about 250,000 ministers, upon an optional basis; about 150,000 Federal employees not covered by retirement systems, including employees of Tennessee Valley Authority, who do have a retirement system.

The average increase in benefits to be paid to presently retired workers would be about $6 per month, with the minimum monthly benefit increased from $25 to $30 per month. The maximum monthly family benefit of $168.75 would be increased by this bill to $200.

The work clause is substantially liberalized. Under the present law a beneficiary under the age of 75 cannot draw benefits if he earns more than $75 a month. Under H. R. 7199 a beneficiary can earn as much as $1,000 a year in any employment and would lose 1 month's benefit for each unit of $80—or fraction thereof—of earnings in excess of $1,000.

Benefits under this bill will be paid to a surviving aged widow, a widowed mother and children, or parents of an individual who died prior to September 1, 1950, and had at least six quarters of coverage. This cures an inequity which has long needed attention.

H. R. 9366 extends to individuals who are under extended total disability substantially the same benefits and privileges now enjoyed by persons insured under private life insurance with the waiver of premiums provision. This is a most salutary provision of the bill.

The bill extends for 1 additional year the temporary increase of $5 per month to old-age assistance recipients, aid to dependent children, aid to the blind, aid to the permanently and totally disabled. Without this amendment this $5 a month increase, adopted in 1952, would have expired on September 30, 1954.

In my judgment, this bill goes a long way in the right direction. I urge its passage.

Mr. COOPER. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. SECREST].

Mr. SECREST. Mr. Chairman, I want to say that I think the committee has done a wonderful job in the testimony they heard from many, many people and in the bill they have reported to this House.

Elimination of the 5 worst years in a worker's record in computing the amount that he is to receive is fair and just. Increasing the benefits for those who have retired and who will retire is needed, especially will it be needed by those who now receive a minimum of $25, and who will receive $30 under this bill.

Preservation of the benefit rights for disabled I think is very essential. Extending the coverage will strengthen the bill because now you will have 10 million more people who have an interest in seeing that this trust fund is not impaired by any future Congress.

I want to ask two questions, if I may, just for clarification in my own mind, of two points, and then I shall not use any more time. If a farmer 65 years of age, 70 or 75 years of age qualifies under social security, this bill, pays in his money for a year and a half, would he then be eligible for the minimum pension at least of $30?

Mr. COOPER. The answer is "Yes." He qualifies with six quarters of covered employment.

Mr. SECREST. He would be entitled to not less than $30 a month.

The second question I think as far as the group in Ohio is concerned and in which they are very much interested relates to State employees in Ohio. They have a very excellent retirement system. They are fearful that this might in some way jeopardize the system. They have the protection, of course, that half of them must vote to come under before they can and of that half at least two-thirds must vote affirmatively before they would be eligible for the program. If they vote to come under the program and if the State Legislature of Ohio takes such steps as are necessary to pay the State's share of contributions, the social security tax, and they do come under it, is there any reason why the State legislature if it wants to could not continue the State pension system and when these people are eligible to retire they would retire under both systems?

Mr. COOPER. None whatever.

Mr. SECREST. That is all I want to know. Then they have absolute protection and the only thing that could happen to any local or State employee if his State is willing to do so would be to give him two retirement pensions instead of one.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. SECREST. I yield.

Mr. REED of New York. Will not the gentleman please give the membership the benefit of his survey of the farmers of his district?

Mr. SECREST. I shall be glad to. I wrote to every single farmer in my district, and I have 15,100 farms; I wrote to every single one of them and asked if they wanted to be included in this social-security system. To date I have received replies from over 40 percent of those I wrote to, and of the replies received 9 to 1 say they want to come under the social-security system. This I think demonstrates very vividly that the farmers of this county want to be included and so expressed themselves when given an opportunity.

I talked to the editor of the largest farm magazine of this country. It has been interested in this question of social security. Letters come to the magazine from all over the United States, and those letters were 7 to 1 in favor of social security.

Mr. REED of New York. I thank the gentleman.

Mr. SECREST. I think the farmers want it without any question, and why would not the farmer want it, especially those who now could qualify in a year and a half and retire and the young ones can build up until they are old enough to retire and their retirement payment will be very substantially larger.

I think these are wonderful amendments and I hope this bill passes unanimously.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from West Virginia [Mr BYRD].

Mr. BYRD. Mr. Chairman, while the administration bill may improve the present law in some respects, it completely ignores three of the major deficiencies in our social-security sys-

tem. It fails to provide benefits for totally and permanently disabled workers; it has not lowered the eligibility age for recipients of old-age and survivors insurance; and it does not provide a lower eligibility age for widows, as it most certainly should.

An arbitrary retirement age, such as age 65, disregards the human factor that some people are forced to retire before that time for physical reasons. Owing to the fact that only one disablement in 20 is work-connected and thus covered by workmen's compensation—the other 19 people cannot qualify for disability benefits under social security. Not until we have provided benefits covering this exigency will we have achieved a truly protective system of social security in the United States.

The eligibility age for all recipients should be lowered to 60 years. Industrialization has restricted job opportunities for older workers. A number of studies in recent years show that employers may retain older workers already on their payrolls, but that many apply strict age limits in hiring new workers. Urban industrialism has shortened the worklife of most Americans, making age 60 a more realistic retirement age than 65. In 1890, about two-thirds of all men aged 65 and over were in the labor force. By 1940, this rate had dropped to about two-fifths. Even under the pressure of a wartime labor market, older workers were not hired until supplies of younger men were exhausted. These reasons are ample, in my opinion, to provide the incentive for action by the Congress in bringing into fruition legislation which will lower the eligibility age and which will be a step forward on the path of humanitarian progress.

I believe we should lower the eligibility age for widows to 55. There is a difference of about 2½ years between the age of husband and wife, on the average. In too many cases, the widow is denied the benefit at the time she most needs one, at the death of her husband. It is practically impossible for a widowed woman to obtain employment after age 50, even if she is able to work. Many widows, of course, have spent their lives making a home and raising a family and so have not had the opportunity to acquire technical or other skills which are required to hold a job today. Even those women who had worked before marriage, and who have wanted to return to a job after the death of their husbands, are finding that production processes or sales methods have changed so much that it is very difficult to find employment.

The widows of this country are now the victims of a real inequity, and the administration bill has failed to correct it.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. ZABLOCKI].

Mr. ZABLOCKI. Mr. Chairman, it is with sincere pleasure that I join with my colleagues in urging the full membership of this House to approve the bill before us, the 1954 amendments to the Social Security Act.

There is nothing novel or surprising about this legislation, except, perhaps, for the fact that today it is receiving some support from the elective members of the Republican Party. The social-security program was originated, extended, and improved periodically by the Democratic majority—at times over some very stiff opposition. Today, however, we witness many changes of heart.

The legislation before us proposes to make some needed changes in our Social Security Act. It proposes to extend the coverage of the program to 10 million persons who are not presently covered; it also suggested limited increases in the levels of benefits; it broadens the wage base for social-security contribution tax from $3,600 to $4,200; and, finally, it recommends a number of miscellaneous amendments to the present act.

These improvements have been suggested on many earlier occasions. Since they have been debated at length. I shall not use the limited time allotted to me in reviewing the arguments brought forth in support, as well as in opposition, to these various proposals. Instead, I should like to make a few brief comments on certain possible additional amendments to the Social Security Act, which are not included in the bill as it was reported to the House.

There are three improvements which I have particularly in mind. They pertain to the lowering of the retirement age, the extension of benefits to insured disabled workers and their dependents, and an increase in the work clause. These specific amendments do not exhaust the several ways in which our present social-security program could be improved, but they constitute an important step in that direction. They were proposed in my bill H. R. 3554, and I should like to comment on them.

In the first place, there is every indication that the present age requirement for social-security retirement should be carefully reappraised. This applies particularly to women, to wives and widows of insured workers, and to insured women workers. The present retirement age of 65 is creating hardship on many of them.

Let us consider, for instance, the case of a wife of an insured worker. Statistics show that the average age of a wife, in the case of older men, is 5 years less than that of their husbands. This means that, under the present law, supplemental wife's benefits may not be payable until the husband reaches the age of 70 and has been eligible for retirement for 5 years. This should certainly be remedied.

Then, too, women workers are generally considered as retiring earlier than men. Many private companies have pension plans which provide a retirement age of 60 for women. Our social-security program takes no cognizance of these facts. Under our present law, the retirement age for women is the same as for men—age 65.

This is one shortcoming of the present law which should be rectified. The retirement age—at least for women—ought to be carefully reviewed and lowered.

Secondly, let us look at the plight of a fully insured worker who becomes disabled before he reaches age 65. Under the present law, he has to wait until he reaches retirement age before he can draw benefits. The bill before us, while making certain provisions for the disabled workers, by stipulating that the months of total disability shall not count against them in the computation of their rates of benefits, does not strike at the heart of the problem: it makes no provision for the disabled worker and his family while they are in need and before they reach age 65.

I had proposed that totally disabled workers be granted those very same benefits which they would receive under ordinary circumstances upon reaching age 65. However, these benefits would commence shortly after the worker becomes totally disabled, regardless of his age at that time. In addition, it was my suggestion that the dependents of disabled workers be also considered in conjunction with this problem. Unfortunately, the bill before us has no provision of this type.

Then, finally, it has been my conviction that the present $75 a month limit on income earned in covered employment by retired persons below age 75 is extremely unrealistic. That limit should have been increased to at least $100 a month. The bill before us does not go that far: it merely increases the present limit of $75 per month—$900 per year—to $1,000 per year, compounded annually. While this proposal will bring some relief to our retired folks, the degree of relief will be small. A $1,200 a year limit, compounded annually, would be much more in line with the realities of today, particularly since the bill before this body proposes to do away with the distinction between covered and uncovered employment for these purposes.

Mr. Chairman, I shall not take up any more time at this point. I wish to reiterate, however, that while the legislation before us is not as comprehensive as could be wished for, it nevertheless represents a step toward the improvement of our social-security program along the lines conceived and outlined by the Democrats during the past 15 years.

It is my hope that this legislation will receive prompt approval from this House.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. Mr. Chairman, I am happy to be able to vote today for H. R. 9366. This extension of our social-security system to increase the amounts of present benefits to those now covered and to bring additional millions of Americans under coverage is long overdue. I am particularly happy over the action by the House today because of my gratification at noting that many of those Members who have consistently opposed past efforts to liberalize social-security benefits and coverage are among those supporting this bill. I am reasonably sure that were it not for the fact that those Members have now joined those of us who have fought for years for a really adequate program, the bill we have before us here would not have gone as far toward reaching that goal as H. R. 9366 does.

I know, Mr. Chairman, that the action of the House in passing H. R. 9366, as I am sure we will, will be reassuring to the great body of people who have been concerned as the the future of the Democratic social-security program under a Republican administration. The fact that this bill has emerged as a bipartisan measure, although nominally under the sponsorship of the present Republican majority of the Ways and Means Committee, should be sufficient proof that the majority in both of our great political parties now recognize the wisdom of the program. Let us hope that in future years, regardless of which party may control the Congress, the need for continued improvement of the social-security system will be similarly recognized and that this vital function of our Government, founded and fostered by Democratic administrations, will no longer be threatened by reactionary forces.

I speak of the need for future action because H. R. 9366, although it is another step forward, does not go far enough toward giving the American worker and his dependents sufficient protection against the time when his full earning power is diminished or lost through old age, disability, or death. The effort to reduce and eliminate the weaknesses still present in even the expanded program this bill provides must continue. While I do not have time to detail all of those weaknesses at this time, I am particularly sorry that H. R. 9366 did not go farther in increasing the general scale of benefits payments. Even with the small additional amounts we are providing here, on any realistic basis we cannot claim that the benefits provided are enough to support any individual or any family or to provide the barest minimum of the necessities of life without outside income. On the same basis, I feel very strongly that the $1,000 per year ceiling on outside earnings, although an improvement over the present $75 per month limitation, is still far too severe a limitation to impose. Even with maximum benefits from social security and an additional $1,000 from other sources, the struggle to maintain a decent standard of living will be far from easy. To reduce the incentive for an aged person to keep his self-respect and increase his earning power is, it seems to me, heartless and economically unwise.

To sum up, Mr. Chairman, I am voting for H. R. 9366 as a step in the right direction—but only one step which must be followed by many more.

Mr. REED of New York. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. KNOX].

Mr. KNOX. Mr. Chairman, I know we have a very limited amount of time left and I have asked for this brief period to pay my compliments to the subcommittee which made the exhaustive study of the overall question of social security.

The subcommittee report aided the Ways and Means Committee greatly in rewriting the social-security program.

I concur in the statements of my colleagues in support of this bill.

Mr. Chairman, I yield back the balance of my time.

Mr. COOPER. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. LONG].

DENTISTS IN SOCIAL SECURITY

Mr. LONG. Mr. Chairman, I want to call to the attention of the House today at least one discrimination contained in the bill H. R. 9366, outlining the proposed Social Security Act Amendments of 1954. I am sure that it will be of interest to every Member of this body. For in the section of the bill covering self-employed professional persons, the committee acceded to the expressed wishes of doctors by making them the sole exception to coverage among self-employed professional persons.

Doctors did not want coverage and the committee honored their wishes in the matter. Dentists did not want coverage, but they were covered by the bill. Now I am confident that there is one major reason why the wishes of dentists did not prevail with the committee, and that is because members of the association did not attempt to overwhelm them on this point with letters from all over the country, since their position was clear from the statement of their authorized representative who appeared before the committee. I am equally confident that the Senate will be fully informed by member dentists when the bill reaches that body for consideration. For as you know, the bill is to be considered by the House under a closed rule and will go to the Senate without amendment.

A man from my own State, Dr. J. Claude Earnest, of Monroe, La., appeared before the Ways and Means Committee on April 9, 1954, to oppose coverage of dentists. Dr. Earnest, I might add, is a member of the house of delegates of the American Dental Association and vice chairman of its council on legislation. Because his testimony indicates so conclusively that the opposition of the association is firm and considered, I insert it in full in the RECORD. It makes clear that, for more than 6 years the association has studied the matter openly, and with full participation on the part of some 93,000 member dentists throughout the country. The opposition to coverage under social security on the part of dentists then is a grassroots opposition, based on full knowledge of their own particular needs as they relate to the social-security system.

Dentists are opposed to coverage under social security, among other reasons, because of the particular conditions of their profession. For example, self-employed dentists do not normally retire, but continue to practice well beyond the normal retirement age until they die. The average age of death of dentists is 65 years and those who survive longer do not retire until the average age of 68. This means that the average dentist will be required to pay into a system from which he will never receive any benefits, and as a self-employed person, he will pay one and one-half the amount of the tax contribution paid by the average employed individual. For dentists, as for doctors, coverage under the system would mean payment of taxes—scheduled to rise from the present 3 percent to a high of 4⅞ percent by 1970—often without any return to them except for a lump-sum payment upon death.

Dentists want to be omitted from social security so they can invest their funds in retirement plans of their own choice from which they will receive at least a return upon their investment. On behalf of the dentists of this country, and especially those of my own State and region, who are violently opposed to inclusion, I call this matter to the attention of the House today, confident that the matter will be adjusted equitably before those amendments are finally enacted.

In speaking today, I am speaking as a representative of the American Dental Association.

The house of delegates of the American Dental Association meets something like our Congress here. It appoints committees. Those committees take up various subjects, consider them and report them back to the house of delegates where they are debated by men from every State in the Union. They come to some conclusion as to what they think should be done for the best interest of the dental profession.

This subject has been before the house of delegates four times. Each time they have considered it, they have voted that they do not want to be included in this program.

I cannot see, for the life of me, why the committee would put one group of doctors under social security, then take another group out. A dentist is a doctor just as much as is a physician, only his treatment is confined to the mouth. He operates, he gives treatment, he does everything that it is necessary to do so far as the teeth and the mouth are concerned, the oral cavity. Why, then, would you take a doctor, who is an M. D., out of this program just because he asks to be taken out, then when the dentists come before you with their representatives and ask you to take them out, you refuse to do that?

This idea of retirement has little to do with it, in my opinion. Very few dentists, in the really strict term, ever retire. Some of them go back to their homes. Maybe they do a little work there and make almost as much money as they did when they were in actual practice; but the majority of the dentists over this country do not want to be included in this. That is 80 percent of the dentists who are practicing dentistry in the United States of America. Surely that group should be able to speak for the large portion of dentists involved.

I know there are doctors who want to be in the program; I know there are dentists who want to be in the program; I know there are farmers who want to be out; I know there are those who want to be in; so we have to take the majority of those people and govern ourselves according to the desires and the wishes of the majority of the particular profession or trade. When 80 percent of the dentists have faith in their congress, in their meetings, and state that they do not want to be included in this

program, why, in good judgment, cannot the Congress take them out?

I am making these remarks hoping that someone in the Senate will look further into this matter and that we will be able to take the dentists out of the program and let them go along with the rest of the doctors.

While I realize there are some repetitions in my discussion, they were made for the purpose of emphasis.

I thank you very kindly.

TESTIMONY OF THE AMERICAN DENTAL ASSOCIATION BEFORE THE HOUSE WAYS AND MEANS COMMITTEE WITH RESPECT TO OLD-AGE AND SURVIVORS INSURANCE, H. R. 7199, 83D CONGRESS, PRESENTED APRIL 9, 1954

My name is J. Claude Earnest. I am a self-employed practicing dentist of Monroe, La. I am a member of the house of delegates of the American Dental Association and vice chairman of the association's council on legislation. I am here today to present to the Congress the views of the association with respect to the proposed inclusion of self-employed dentists in the old-age and survivors insurance system.

The present policy of the association was adopted by the house of delegates in 1949 and may be found on pages 265 and 266 of the transactions of the association for that year. It reads as follows:

"Whereas the house of delegates in 1948 directed the council on legislation to seek to have self-employed dentists included in the benefits of the old-age and survivors insurance program; and

"Whereas further study of this question has indicated that the expansion of the social-security system to self-employed persons upon presently proposed bases would tend to jeopardize the financial security of the country; and

"Whereas the real security of the professionally self-employed lies within the individual and in his contribution to the community rather than in any Government-sponsored system of old-age insurance: Now, therefore, be it

"Resolved, That the policy expressed by the 1948 house of delegates is hereby rescinded; and be it further

"Resolved, That the council on legislation is directed to seek amendments eliminating dentistry from any proposals to extend old-age and survivors insurance to the self-employed."

Permit me to give you some figures and to tell you something about the American Dental Association so that you may be able to evaluate our policy. There are, at the present time, in the United States, approximately 83,000 persons who are engaged in the practice of dentistry. There are approximately 10,000 others still living who have graduated from dental schools but who have either retired or turned to other occupations. For practical purposes, therefore, we may say there are 83,000 dentists in the United States. Of this number, 70,361, or 84.8 percent, are members of the American Dental Association. Obviously, therefore, the association has the right to speak for the dentists of this country.

You may be interested in the mechanics by which policies of the association are adopted. The policymaking body of the association is known as the house of delegates. It consists of elected representatives from every State, Territory, and possession of the United States. Members of the house of delegates are chosen within each State or Territory on the basis of number of members of the association in that State or Territory. No State has less than 1 delegate and the largest State, New York, has as many as 53. The house of delegates in 1953 numbered 394 members.

Matters come to the attention of the house of delegates from reports of the standing committees of the association (usually called councils), from recommendations of the trustees, from resolutions transmitted by State or local societies, and from resolutions proposed by individual members of the house. When a matter has come properly before the house of delegates it is referred to a reference committee which is similar to your own committees of Congress. Reference committees conduct open hearings just as you are conducting this one today. The time and place of the hearings are announced weeks in advance and any member of the association, whether a delegate or not, is free either to submit a communication to the committee or to appear before it in person to discuss his views with respect to any matter which has been referred to it. The committees ordinarily meet in open session for an entire day, holding both morning and afternoon sessions. At the close of the hearing, and after all have been heard who so desire, the committee, in executive session, considers the questions before it in the light of the information which has been presented. It then files a formal written report containing its recommendation to the house of delegates and the matter is then taken up and considered by the entire membership of that body. The resulting decision becomes policy of the association until revised, modified, or revoked by the house of delegates.

This question of including self-employed dentists in the old age and survivors insurance scheme has had the attention of the association's house of delegates five times. In 1948, in connection with the annual meeting of the association, the council on legislation sponsored an open forum on old age and survivors insurance, presenting Mr. Wilbur Cohen of the Federal Security Agency as a speaker to explain the provisions of the law, as it then existed and the provisions of the bill then pending before Congress which proposed to include self-employed persons. Of the more than 5000 dentists registered and in attendance at that meeting about 100 appeared at the forum. Following the forum, the informal sentiment of those present was favorable to including dentists in the OASI system. The council on legislation, therefore, submitted to the house of delegates a supplemental report recommending that the association support the pending measure. This recommendation was approved by the house of delegates.

The house of delegates in 1949 reconsidered this matter and adopted, without a dissenting vote, the resolution which I quoted earlier.

In 1950 the subject was not before the house of delegates specifically. The house, however, passed a resolution directing the association's council on insurance to make a study of insurance matters of interest to dentists, including old-age and survivors insurance. As part of its study the council sent a questionnaire to every seventh member on the active and life membership lists or to about 9,300 dentists. In response to the question, "Should Federal legislation be sought to include dentists under OASI?" 51.7 percent said "No" and 48.3 percent said "Yes."

The 1951 house of delegates had before it the results of this survey together with a resolution from the Massachusetts State Dental Society requesting the house to reverse the existing policy. More than 100 persons appeared before the reference committee and expressed their personal views. In its report, the reference committee stated that the views of those who appeared convinced the committee that the membership was about equally divided; that there was considerable misunderstanding of the provisions of the law and it recommended, therefore, that the entire matter be postponed for 1 year during which period, the State and local societies could attempt to inform their members concerning the law.

During the ensuing year the association prepared a kit of material setting forth in considerable detail information about the whole subject which kit was sent to each of the 53 constituent and 440 component societies. Most of these societies appointed their own special committee to study the question and to report to the membership. Many of the societies, in plenary session, heard the subject discussed pro and con by panels of experts including representatives of the Social Security Board and informed members of the bar.

After all of this study and debate, the subject was again considered by a reference committee of the house of delegates in 1952. At least 8 hours were devoted to public hearings following which the reference committee, which apparently had taken the temperature of the association through its hearings, once again recommended that the association oppose inclusion of dentists and once more the house of delegates reaffirmed its 1949 position.

In 1953 the Wisconsin State Dental Society sent a resolution to the house of delegates requesting it to reconsider the present policy. The house by a vote of 312 to 64 rejected the Wisconsin proposal and adopted the following resolution instead:

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"Resolved, That the house of delegates direct the council on legislation to present the Congress of the United States the association's policy of opposing the inclusion of members of the dental profession under the old-age and survivors insurance provisions of the Federal Social Security Act." (Transactions American Dental Association 1953, p. 224.)

I have set out this history of the proposal within the association so that you could see that American dentistry, through its formal organization, has studied this proposal for more than 6 years; has considered it openly, permitting all of the freedom of participation in the final decision on the part of members that citizens of the United States have with respect to the decisions of Congress but, nevertheless, has 4 times, in its most recent actions, rejected the idea of having self-employed dentists under old-age and survivors insurance.

Thus through action of their official body the dentists of the United States have consistently indicated that they do not desire to be included within the OASI scheme.

Except in unusual cases, dentists continue working throughout their lives. Since they cannot continue to work and simultaneously derive benefits from their contributions to this scheme, they prefer to be omitted from it so that they can invest their funds in retirement plans of their own choice from which they will receive, at least, the return of their investment.

The association respectfully requests that H. R. 7199 be amended to exclude the self-employed practice of dentistry from the list of types of employment covered by old-age and survivors insurance.

Mr. REED of New York. With reference to the dentists, the editorial staff of Dental Survey reported the results of a poll of dentists in its February 1951 issue. The interviewers asked dentists, "Would you like to have dentists included under provisions of the amended Social Security Act on the same basis as other self-employed persons?" The vote was 53 percent in favor of inclusion to 47 against.

The Ohio State Dental Society recently conducted a poll in which it found that on the basis of 1,685 returns the dentists voted 8 to 5 to be included under the provisions of the Social Security Act. That is taken from the Iowa Dental Bulletin, October 1953.

The committee can only depend very largely on the hearings and the polls that are taken to find out just how people feel in regard to this measure.

Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. OSTERTAG].

Mr. OSTERTAG. Mr. Chairman, the bill before us is a good bill. I applaud most of its provisions and I shall certainly vote for it. In fact, it is so good that I am at a loss to know, why it does not go further and correct more, if not all of the inequities of our social security program.

Its virtues have been amply extolled, and in the time allotted to me I shall not repeat them here, but shall direct my remarks to some of the serious flaws which the bill has ignored or dealt with, as I believe, inadequately.

One of the most important of these, in my judgment, is the wage ceiling in the social security act. The present bill relaxes it, to the extent of $100 a year, and puts wage earners on a par with the self-employed in computing penalties for exceeding it. It also relaxes the formula for deductions. In my judgment, however, the earnings ceiling is still an unrealistic provision, and constitutes a gross discrimination against those who are obliged to work after age 65, as contrasted with those who are able to retire on income from investments. We should get rid of this provision. Eventually, we shall have to get rid of it. Americans are shocked to be told in effect, by their own Government, that after age 65, they will be penalized for working, whereas, if they have independent incomes, or if they become drones and ride on the backs of other workers, they will be subsidized for it. That is what the wage ceiling now does. How long will we impose this noxious doctrine on our fellow countrymen? How long before we get rid of it? The elderly people will eventually blast the ceiling out of the act. Must we, as Gladstone said, wait for the day of dishonor to yield to necessity that which we refuse to yield to justice. I, for one, want to dissociate myself from any semblance of approval of this provision in the act. H. R. 9366 provides a variety of ways to evade the wage ceiling. The self-employed, professional people, the farmer, or the small-business man can virtually ignore it. It is only the low-wage earner, whose responsibilities are such that he is obliged to continue at fulltime employment who is really hurt by the provision. After age 65, he is boxed in like a man in a Chinese torture chamber.

Let us consider this individual for a moment. He has been paying into the system for 15 years, and is now 65. Let us say his benefit is above average—say $70 a month. His wife is 10 years his junior, but ill and unable to work. She is ineligible, however, for benefits. He cannot live and support her on $70 a month, and in order to meet their increasing medical costs by himself, he has no choice but to continue at his $50-a-week job. He urgently needs his social-security benefit, but if he continues at work, he will lose every cent of his benefits, although he will continue to be taxed for social security.

Now let us consider another individual who may be his next door neighbor. He was covered into social security in 1950 and retired in 1952. His earnings were high, and although he may have paid into the system for only 18 months instead of 15 years, he and his wife—who is also 65—have retired on social-security benefits of $127 a month, which, under this bill will be raised to approximately $148. Since he was fortunate enough to work for a company that provided industrial pensions for its employes, he also gets a pension of $3,000 a year, and he also has some income from investments he made over the years—something quite possible to the high-salaried worker, but difficult if not impossible for the low-income worker. This income does not count as earnings, however, and he is able to earn $1,000 a year over and above his social-security benefits and other income without loss of benefits. And if he is a farmer or small-business man, and can show that he has made no substantial contribution to his farm or business but has turned it over to others, he can derive any amount of outside income from it without losing his social-security benefits.

The inequity in this is so obvious that it cries out for correction. Yet we go on perpetrating it upon the elderly people of this country—and in some ways in the present bill making it more acute—and resort to flatulent sophistries to justify it.

I have pressed for 3 years now for removal of the wage ceiling at age 65 instead of age 75, as is now the law, but in the light of formidable opposition to such a step, introduced into this Congress two bills which would at least ameliorate the hardships caused by this provision. One would provide for a flexible wage ceiling, so that less-than-maximum beneficiaries could earn the difference between their benefits and the maximum payable to any individual under the law, plus $1,000 annually, without loss of benefits. This would at least enable the low beneficiary to equalize his income with that of the maximum beneficiary, through his own efforts, without being penalized by his Government for so doing.

The second measure takes cognizance of the fact that more than a million elderly people, who cannot afford to retire on their benefits and are obliged to continue at work, are not only deprived of benefits but continue to be taxed on their earnings for social-security purposes, although they will never receive one extra penny in benefits for the taxes thus extracted from them. They are not helped by the program. They are victimized by it.

I introduced a bill earlier this year which would at least recognize their added contributions to the system. It would provide for a 2 percent increase in their benefits, when they do retire, up to age 70, when the wage ceiling would be removed entirely, and they would be free to retire on their increased pension or continue at work, without being deprived of it.

I regarded both of these proposals as interim measures, pending the removal of the wage ceiling at 65. In the light of the relaxations and loopholes provided in the present bill, however, it seems evident that the ends of justice will be served only by complete removal of the wage ceiling.

Mr. Chairman, there are two other provisions sorely needed in our social-security system, and I am happy indeed to see that one of these has been incorporated in the present bill. I have been pressing for it for several years, but was always assured, heretofore, that it presented administrative difficulties that were insurmountable. Evidently, however, the insurmountable has been surmounted. I refer to the provision affecting survivors of workers who died before the 1950 amendments became effective. Heretofore, such survivors were ineligible for benefits unless the breadwinner had contributed to the social-security system for 24 quarters. After the 1950 amendments, survivors of covered workers were eligible for benefits after contributions of as little as six quarters. But the law was not retroactive, so that workers who had the lack of foresight to die before 1950 left their survivors without benefits. What a travesty on justice. There is among my constituents an elderly widow whose husband contributed to the social-security system for 21 quarters, but he had the bad judgment to die in 1949. She has therefore been ruled ineligible for benefits, although widows of workers who died after that date can and do receive survivors' benefits based on contributions for as little as 6 quarters. I have received mail from many widows in many parts of the country who have been discriminated against by this ill-conceived and unjust provision, and I am delighted that the bill before us contains amendments to correct it.

Unfortunately, there is one other inequity upon which the present measure is silent. Under the act as now written, an elderly woman who married a social-security beneficiary does not become eligible to receive benefits herself until 3 years after the marriage. If, as sometimes happens, she is the widow of a social-security beneficiary at the time of her remarriage, she loses her widow's benefits when she remarries, and she does not become eligible for a wife's benefits for 3 years. Moreover, if her second husband dies within a year of the marriage, she will lose all rights to all benefits from either marriage. Why? What is the rationale of such provisions?

Mr. Chairman, from one end of this country to the other, people are growing increasingly concerned about the problems of the aged. Medically, scientifically, socially, economically, we must concern ourselves with their problems, for this is a rapidly aging Nation. Everyone is agreed that it is of vital importance to keep our elderly people busy and useful within our society. It is not only undesirable, it is inhuman, to force them to become drones, and to penalize them for seeking to help themselves. Yet our

social-security system does just that. It penalizes them if they marry in old age, and it penalizes them through loss of benefits if they exceed the wage ceiling; and the less they have to fall back on in old age, and the greater their need, the more it penalizes them. Its effect is to reward those who need help least and deprive those who need it most. I refuse to believe that that was the intent of the Congress, but that is the effect of the law as it now operates. As a Government program, there is no justification, in my judgment, for such discriminatory provisions. I shall continue to press for correction of these inequities until they yield to justice.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. OSTERTAG. I yield to the gentleman from New York.

Mr. JAVITS. I would like to compliment the gentleman for leading this fight to take off this earning ceiling on the initiative of older people. I join in being a sponsor of the bill behind the gentleman's bill. I think the gentleman is waging a noble fight for the older citizens of our country, and they should be backed up 100 percent as all other Americans are.

Mr. OSTERTAG. I thank the gentleman.

Mr. COOPER. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. KLEIN].

Mr. KLEIN. Mr. Chairman, I rise at this point to commend the committee for bringing out this bill. I am in favor of it. I would agree with the previous speaker, that in some instances the bill does not go far enough. I do not believe we ought to limit elderly people in the amount they may make after they have reached the age of 65 and want to continue in employment. There is no reason why we should say, "If you make more than a certain amount you will forfeit what you get under the social-security system."

Not too long ago we heard a splendid colloquy and a fine address by my colleague from New York [Mr. KEOGH]. He was asked by the former majority leader, the gentleman from Massachusetts [Mr. MCCORMACK], the reason why doctors were excluded from this bill. That is something I would like to know myself. Judging by the mail that I have received from the doctors in my district, every one of them feels that he ought to be included. They feel that they are being discriminated against and, indeed, they are. We have included every type of professional man, every person self-employed, with the exception of the doctors. Why are they not included, particularly if they want to be? I know that the chairman of the committee has said that everybody who asked to be included was included. The AMA, however, which says that it speaks for the doctors, did not want to be included. That is another indication of the fact that the AMA feels that this is socialization. They are so afraid of that, that any time anything comes up which will benefit the average doctor, they are opposed to it.

I say, as I have said many times on this floor and in my committee, that the AMA does not represent the average doctor. The average doctor wants to be included. So while I do not blame the committee, I might say that I believe it was an oversight. I do not think they should have listened to this group who were ostensibly speaking for the majority of the practitioners but who actually were not. We should include these people who want to be included and as to whom there is no reason for exclusion. It is not a valid reason to say that a spokesman—who is actually not a spokesman—claiming to represent the doctors, is representing the average doctor, especially because, as I think, the average doctor is afraid to speak up for himself and against the AMA. So they are stuck with this. However, they ought to be included and I hope sometime we will approve an amendment that will bring them in.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. WOLVERTON], chairman of the Committee of Interstate and Foreign Commerce.

Mr. WOLVERTON. Mr. Chairman, I rise to commend the chairman and members of the Committee on Ways and Means for the consideration that has been given to improving the Social Security Act, and bringing this bill before the House to accomplish the purpose.

I shall support this bill, although I regret that in some particulars it has not gone as far as I would have liked it to do. However, we can expect that as further consideration is given to the subject that additional improvements will be made, particularly with reference to increased benefits. The cost of living has reached a point that the beneficiaries under the act find it impossible to make ends meet. Thus the increase provided for in this bill will to some extent, at least, be a help to those dependent upon monthly payments under the act.

Furthermore, the bill now before us also seeks to remedy what has seemed to me to be a glaring defect in the act, namely, its failure to cover all persons who are entitled to be included. This failure has caused considerable dissatisfaction and real hardship to a large portion of our people. This bill recommends substantially universal coverage.

The old-age and survivors insurance program now covers about 8 out of 10 of the Nation's jobs. The bill will extend coverage to about 10 million additional people who are not now covered. Specifically, coverage would be extended to about 3,600,000 farm operators; to about 400,000 people who are self-employed in the practice of certain professions—excepting physicians and who in my opinion should be included; about 3,500,000 employees of State and local governments under retirement systems subject, however, to voluntary agreements between the individual States and the Federal Government due to inability of the Federal Government, under the Constitution, to impose social-security taxes on the States; about 1,300,000 farm workers; about 250,000 domestic workers in private homes; about 150,000 Federal employees not covered by retirement systems; about 250,000 ministers and members of religious orders employed by nonprofit organizations if the organization elects to cover them and if at least two-thirds of such individuals elect to be covered; and certain even smaller groups.

Certain technical provisions for improvement of benefits will provide an increase for beneficiaries presently on the rolls as well as for those qualifying in the future. For present retired workers, monthly payments will range from $30 to $98.50, as compared with $25 to $85 under present law with the average increase in benefit amounts being about $6 per month. For those coming on the rolls in the future, the range of benefit payments, taking into account the increased earnings base, will be from a $30 minimum monthly benefit to a maximum $108.50. There is also a substantial change in making possible the right to earn a greater amount after retirement than is now permitted under existing law.

While the benefits have not been increased to the extent that I would have liked to see, yet I am highly pleased that at least 10 million additional persons have been brought within the act and will upon enactment of this bill be permitted to draw monthly benefits.

Mr. COOPER. Mr. Chairman, I yield to the gentleman from Mississippi [Mr. WINSTEAD].

Mr. WINSTEAD. Mr. Chairman, I take this time to make an inquiry about a type of case which arises but which I have not heard discussed here today; that is, the employment of a son by his father or of a father by his son. I know of a few such cases. I had a bill before the Ways and Means Committee on that subject, and there are a number of other such bills. I know the committee did not go into that particular type of case in this bill as you have advised me. However, I should like to have that explanation for the record as to just what the committee plans to do on that.

Mr. REED of New York. We did not change the present law on that at all.

Mr. COOPER. If the gentleman will yield, I may say further that, as stated by the chairman of the committee, the present law is not changed in that respect; however, it was considered by the committee and discussed at some length, and we have the assurance of the Department of Health, Education, and Welfare that further study will be given to that particular question.

Mr. WINSTEAD. I am glad to have that information in the record. I hope the committee will see to it a correction is made.

Now may I say that in this bill many new groups are included. Some individuals prefer to be in, other individuals do not. I had hoped we would have an open rule so we could offer amendments to make such inclusion on a voluntary basis. If we cannot do that here, I trust the other body which operates under different rules, will make such election possible.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Chairman, as many of you know, I have long been associated with various groups in the old-age pension field, including the Townsend organization and the American pension plan. I am sure you will agree with me that these pension groups are entitled to a lot of credit, for they are the pioneers in the effort to bring to the attention of the American people the general problem of old-age pensions.

For over 20 years the American people have been faced with the problem of old-age pensions and from that day until this, there has been a constant effort by pension groups and many of us in Congress to solve this distressing problem. In recent years these pension groups have had their forces augmented by organizations in the field of business and by persons in all walks of life who have come to recognize that the problem is national in scope and must be dealt with at the national level and without delay.

When Congress approved the Social Security Act, our Government accepted the responsibility to provide that segment of our population eligible for benefits with security in their declining years. Since the passage of the law, it has been amended in many ways to expand its coverage, liberalize its provisions, and increase its scale of benefits. Despite all these amendments, in my opinion, the elderly citizens of this Nation do not have adequate security.

I realize that in addition to the fact-finding studies made by the Curtis subcommittee that the House Ways and Means Committee has received over the period of the past several months a lot of information from experts in the field of social security. Therefore, what I recommend will be a repetition of information that I gave to the House Ways and Means Committee during hearings on this bill and I repeat it here because it represents the views of a cross-section of the citizenry of my congressional district.

During the 83d Congress I introduced the following bills designed to amend the Social Security Act:

H. R. 1853, a bill to provide that the eligibility age for old age and survivors insurance benefits be reduced from 65 to 60 years of age.

H. R. 1942, a bill to provide that voluntary agreements for the coverage of State and local employees may include positions covered by retirement systems, without forfeiting their rights to benefits in their own retirement systems.

H. R. 2150, a bill to amend title 2 of the Social Security Act to provide that any person covered under old age and survivors insurance shall be entitled to the same primary and survivors benefit rights during a period of disability as he would be entitled to had he attained retirement age on the initial date of such period of disability.

H. R. 3103, a bill to repeal the $75 work clause that applies to old-age and survivors benefit under title 2 of the Social Security Act.

H. R. 3105, a bill to provide every adult citizen with equal basic Federal social-security payments permitting retirement with benefits at age 60 and also covering total disability and for other purposes. This legislation is commonly referred to as the Townsend plan and was explained in detail to this committee on Saturday, April 10, by my colleague the gentleman from Oregon [Mr. ANGELL].

H. R. 8420, a bill to amend the Social Security Act to eliminate the retroactive limitation upon the period with respect to which certain widows and children of veterans may receive benefits thereunder.

Mr. Chairman, all of the bills I introduced were called to the attention of the House Ways and Means Committee when I appeared before that committee April 14, 1954.

In addition to the bills which I have introduced and which represent the thinking of a cross-section of the people in my congressional district, I would like to comment on the following summary of principal provisions of the committee bill now before us.

SUMMARY OF PRINCIPAL PROVISIONS OF THE BILL

A. Old-age and survivors insurance:

First. Extension of coverage: Old-age and survivors insurance coverage would be extended to approximately 10 million persons who work during the course of a year in jobs now excluded from the program. The groups brought into the program under the bill are as follows:

(a) Self-employed farm operators whose net earnings from farm self-employment total $400 or more in a year, with a special provision to make it easier for low-income farm operators to compute their net earnings—about 3.6 million.

(b) Professional self-employed persons now excluded, other than physicians, whose net earnings from professional self-employment total $400 or more in a year, including lawyers, dentists, architects, engineers, accountants, funeral directors, osteopaths, chiropractors, veterinarians, naturopaths, optometrists, ministers, and Christian Science practitioners—about 400,000.

(c) Employees of State and local governments who are covered by State and local retirement systems, other than policemen and firemen, under voluntary agreements between the State and the Federal Government, if a majority of the members of the system vote in a referendum and two-thirds of those who vote favor coverage—about 3.5 million.

(d) Farmworkers who are paid at least $200 by a given employer in a calendar year, with special provisions to coordinate the annual earnings test with the quarterly insured status requirements—about 1.3 million.

(e) Domestic workers in private nonfarm homes—and others who perform work not in the course of the employer's trade or business—who are paid $50 in cash wages by an employer in a calendar quarter but who do not meet the 24-day test required in the present law—about 250,000.

(f) Ministers and members of religious orders employed by nonprofit organizations if the organization elects to cover them and if at least two-thirds of such individuals elect to be covered—about 250,000.

(g) Most Federal employees not covered by retirement systems, including temporary employees in the field service of the Post Office Department, census-taking employees of the Bureau of the Census, civilian employees of Coast Guard post exchanges, and certain other groups, and also employees of district Federal Home Loan Banks and the Tennessee Valley Authority, who have retirement systems—about 150,000.

(h) American citizens employed outside of the United States by foreign subsidiaries of American employers, under voluntary agreements between the Federal Government and the parent American company—about 100,000.

(i) Those homeworkers who are now excluded from employee coverage (although they may now be covered as self-employed persons) because the services they perform are not subject to State licensing laws (about 100,000).

(j) Certain employees engaged in fishing and related activities, either on vessels of 10 net tons or less or on shore (about 50,000).

(k) American citizens employed by American employers on vessels and aircraft of foreign registry—very few people involved.

Second. Computation of average monthly wage: Up to 5 years in which earnings were lowest—or nonexistent—could be dropped from the computation of the average monthly wage.

Third. Earnings base: The total annual earnings on which benefits would be computed and contributions paid is raised from $3,600 to $4,200.

Fourth. Increase in benefits: (a) More than 6.3 million persons now on the benefit rolls would have their benefits increased. The average increase for retired workers would be about $6 a month, with proportionate increases for dependents and survivors. The range in primary insurance amounts would be $30 to $98.50 as compared to $25 to $85 under present law.

(b) Persons who retire or die in the future would, in general, have their benefits computed by the following new formula: (i) 55 percent of the first $110 of average monthly wage—rather than $100 as in present law—plus 20 percent of the next $240—rather than 15 percent of the next $200; (ii) the minimum monthly benefit amount for a retired worker would be $30, and the minimum amount payable where only one survivor is entitled to benefits on the deceased insured person's earnings, would be $30; (iii) the maximum monthly family benefit of $168.75 would be increased to $200; (iv) the provision of existing law that total family benefits cannot exceed 80 percent of the worker's average monthly wage would not reduce total family benefits below 1½ times the insured worker's primary insurance amount or $50, whichever is the greater; and (v) lump-sum death payments would not exceed $255, the maximum under existing law.

Fifth. Limitation on earnings of beneficiaries: The earnings limitation on beneficiaries under age 75 would be made the same for wage earners and self-employed persons. A beneficiary could earn as much as $1,000 in a year in any employment, covered or noncovered. He would lose 1 month's benefit for each unit of $80 (or fraction thereof) of earn-

ings (covered or noncovered) in excess of $1,000, but in no case would he lose benefits for months in which he neither earned more than $80 in wages nor rendered substantial services in self-employment. Beneficiaries residing in foreign countries would have their benefits suspended for any month in which they worked on 7 or more days.

Sixth. Eligibility for benefits: (a) As an alternative to the present requirements for fully insured status, an individual would be fully insured if all the quarters elapsing after 1954 and up to the quarter of his death or attainment of age 65 were quarters of coverage, provided he had at least 6 quarters of coverage after 1954.

(b) Benefits would be paid to the surviving aged widow, widowed mother, and children, or parents of any individual who died prior to September 1, 1950, and had at least 6 quarters of coverage.

Seventh. Preservation of benefit rights for disabled: The period during which an individual was under an extended total disability would be excluded in determining his insured status and the amount of benefits payable to him upon retirement or to his survivors in the event of his death. Only disabilities lasting more than 6 months would be taken into account. Determinations of disability would be made by State vocational rehabilitation agencies or other appropriate State agencies pursuant to agreements with the Secretary of Health, Education, and Welfare.

Eighth. Limitation on payments to persons outside the United States: Benefits to survivors or dependents would not be paid for any month in which such survivor or dependent resided outside the United States unless such survivor or dependent met certain requirements of residence in the United States or the insured individual on whose record the benefit is based was currently insured on the basis of military service wage credits or earnings as an American citizen employed abroad by an American employer.

Ninth. Deportation, and periods of unlawful residence: All benefits payable on the basis of an individual's wage record would be terminated upon notification by the Attorney General that the individual has been deported from the United States for certain specified causes. Earnings derived during periods of unlawful residence in the United States as determined by the Attorney General could not be used in determination of insured status or benefit amount.

Tenth. Recomputation of benefits for work after entitlement: An individual may have his benefit recomputed to take into account additional earnings after entitlement if he has covered earnings of at least $1,000 in a calendar year after 1953 and after the year in which his benefit was last computed.

Eleventh. Contribution rates: Employers and employees will continue to share equally, with the rates on each being as follows:

Calendar years:	Rate (percent)
1954–59	2
1960–64	2½
1965–69	3
1970–74	3½
1975 and after	4

The self-employed would pay 1½ times the above rates.

B. Public assistance:

First. The provisions of the 1952 amendments, presently scheduled to expire on September 30, 1954, with respect to temporary increases in Federal payments to States for old-age assistance, aid to dependent children, aid to the blind, and aid to the permanently and totally disabled are extended through September 30, 1955.

Second. The provisions of the 1950 amendments for approval of certain State plans for aid to the blind which did not meet the requirements of clause 8 of section 1002 (a) of the Social Security Act are extended from June 30, 1955, to June 30, 1957.

First, I want to commend the proviso that will extend social-security coverage to some ten and one-half million additional persons which include farmers, the professional self-employed groups, many additional farm hands, domestic workers, certain State and local government employees, and clergymen, on a voluntary-group basis. In my opinion, this is a step in the direction of providing security for many Americans heretofore denied social-security benefits.

It is commendable also that you have given recognition to the plight of the disabled by granting a waiver of premium provisions to protect the old-age and survivors insurance rights of persons when they become permanently and totally disabled. There are also other provisions of H. R. 9366 which meet with my approval.

Mr. Chairman, I do not wholly agree with that provision of the bill which on the average increases benefits by approximately $6 monthly for those now receiving benefits. In my opinion, the increase is too low and I am hopeful that at a future date the House Ways and Means Committee will further review the question of a further increase in benefits so that the benefit levels will keep pace with the cost of living.

One of the most serious injustices that was written into the original Social Security Act was the provision that placed a limitation of $14.99 monthly on the amount a person might earn without forfeiting his eligibility for earned benefits. Later the ceiling was increased to $50 and then $75 monthly. By H. R. 9366 the limitation is increased to $1,000 annually.

In my opinion, Mr. Chairman, I think that the ceiling on the amount a person may earn should be removed entirely because it penalizes an active retired person in good health by forcing him to give up the productive pattern of his life and relegates him to the rocking chair.

I am sure that every Member of this House will agree that this change of tempo is not good for an elderly person and in countless cases has hastened his death.

In all fairness to the retired person willing and able to work, I favor that he be permitted to do so without any strings attached.

Mr. Chairman, I would like for a moment to depart from the principal provisions of the bill to comment on the Railroad Retirement Act and its relationship to social security. H. R. 9366 will increase benefits on the average by about $6 monthly for those already retired.

Do you know that if this increase is granted the amount will be deducted from the monthly retirement benefits of railroad employees retired under the Railroad Retirement Act who are also entitled to earned social-security benefits.

This group comprises some 38,000 who are already adversely affected by the 1951 amendments to the Railroad Retirement Act which prohibits the payment of dual benefits.

Mr. Chairman, my bill H. R. 356, to amend the Railroad Retirement Act by repealing the restriction on dual benefits passed the House last July by an overwhelming vote and is now pending on the Senate Calendar. When this legislation was considered by the House, many of you recognized the validity of my argument that the prohibition against dual benefits abrogated a solemn contract and I am grateful to you for supporting my bill H. R. 356.

In concluding my statement, I want to mention again that H. R. 9366 is a step in the right direction of providing security for many Americans.

It is my hope that the House Committee on Ways and Means will immediately begin a study of H. R. 7200, a bill designed to amend the public-assistance provisions of the Social Security Act.

It is imperative that the entire field of public assistance be reviewed immediately because it is in this area of social security that there is wholesale inadequacy of benefits to a growing segment of our population.

I am of the opinion that until this situation is corrected in the field of public assistance the social-security law of our country will not—and cannot—be recognized as having solved the plight of the elderly citizens of this great Nation.

Mr. Chairman, since this bill is being considered under a closed rule which denies Members the right to offer amendments, I find myself in the position of having to vote for H. R. 9366 whether or not I approve of all its provisions.

As I mentioned, H. R. 9366 is a step in the right direction and I hope that the House Ways and Means Committee will continue its study in an effort to perfect the Social Security Act or write a new law that will give the elderly citizens of this Nation the security they are entitled to in the twilight of life.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. PHILBIN].

Mr. PHILBIN. Mr. Chairman, this bill is not all that I should like it to be, but on the whole it moves in the right direction and I will support it.

Since the first social security bill was enacted and I may point with considerable pride to my association with it in its origin and early development, it has been very apparent that there are distinct gaps in the coverage, and distinct inequalities in the entitlements.

The present bill seeks to extend the coverage to certain farmers, ministers of the Gospel, Federal employees, State and municipal employees, professional classes, domestic workers, and many others not now covered. Coverage is available to State and municipal employees on an optional basis.

The bill eliminates certain discriminations and inequalities in existing eligibility for coverage. Professional classes particularly benefit from its provisions in that current disparities relating to them are removed. Doctors are not covered by their own choice and decision.

Several obvious inequities remain to be dealt with such as the maintenance of a decent wage or earning ceiling. The present provision is un-American—a penalty and a discouragement upon initiative. The effect of the law moreover is to work discriminations and inconsistencies destructive of worker morale.

Another unjust provision of present law bars employment by relatives of relatives even in case of serious illness. This is neither fair nor helpful to a great many people. I hope it will be relieved at an early date.

I regret that time does not allow me to discuss the bill at length.

Since it is a step toward ultimate perfection of a salutary national law enacted by the Congress which has overwhelming support, I hope this bill will be passed by a very impressive vote.

It is with a sense of strong approval that I record myself in favor of the measure.

Mr. DAWSON of Utah. Mr. Chairman, it is with a good deal of enthusiasm that I rise in support of this measure.

One of the major inequities of the present social-security law is the unrealistic monthly earnings limitation that is placed upon our citizens who have earned the right to draw social-security benefits. For example under the present act if a retired worker wants to supplement his modest monthly social security payment by doing outside work he faces the loss of all his benefits in any month during which he earns more than $75. This unfair provision, in effect, sentences him to the odd-job field of employment, prohibits him from taking advantage of fulltime seasonal employment opportunities or leaves him with the choice of forfeiting benefits he earned and paid for prior to becoming 65 years of age. When it is considered that a similar person who draws supplemental income—no matter how great—from dividends, rents or interest runs no risk of losing benefits, the present act in this regard becomes even more discriminatory.

It is with pleasure, then, that I note that the committee in this bill has done something to correct this situation. Instead of being limited to outside earnings of $75 per month, the recipient of social security may earn up to $1,000 annually in outside covered employment. This will enable those now drawing benefits to increase their living standards by taking a more active part in utilizing the skills they have developed and still retain for many more productive years.

I also would like to make this further observation on the measure as a whole. I am proud to vote for it because it is sound legislation. We have increased and liberalized benefits, but we have provided for the cost of those benefits by increasing the contribution rates. Too many times in the past our programs have suffered from an election year expansiveness. We unhesitatingly and unethically dished out money with one hand and failed to have the necessary integrity of foresight to provide a sound financial basis for our generosity. This type of doubledealing, of course, resulted in the cancellation of the entire program. What was added in the amount of grants, was pilfered back through continued inflation that more than wiped out the effect of the dollar increase. This administration, as indicated in this measure, is determined that when an increase in benefits is made its necessary partner, adequate financing, also is provided. It is the honest way to deal with our people and I am happy to support the President's program.

WE WELCOME REPUBLICAN ENDORSEMENT OF SOCIAL SECURITY

Mr. LESINSKI. Mr. Chairman, since the Social Security Act was originally enacted back in 1936, this represents, I believe, the first time the leadership and the rank and file of the Republican Party in the Congress have not tried in one way or another to torpedo it or to water it down or to knock people off the rolls.

Instead, we are seeing the majority come forward with a bill which improves the system along lines we on the Democratic side have been urging, and have not found any unfavorable or harmful provisions in this measure. It is not as good a bill as I would like to see, but it is so much better than the last social security bill to come before the House when the Republicans were in control—in the 80th Congress—that I am glad to support it. It is a startling contrast with the 1936 Republican platform promise to repeal social security.

I would like to think that the Republican Party was getting more progressive and that it will now go forward to support other needed economic improvements. There is hope, at least, even if it did take it 18 years to get around to supporting social security.

What all this proves is that if we just have patience enough and wait long enough, the Republican Party in the Congress will finally learn to understand some of the needs of the people and might even do something about them. It will, that is, if the Democrats first show the Republicans how to do it and give them 18 years to think it over, as has happened on social security. Maybe in another 18 years the Republicans will even support good housing legislation.

Mr. BENNETT of Florida. Mr. Chairman, I had hoped by the last vote on this bill to secure amendments which would have improved this legislation; but as the matter now stands I feel that it would be a mistake not to pass the bill now as it is, despite our inability to improve it by amendment. It contains needed improvements in our social security system which should not be delayed in enactment. Therefore I urge the passage of this bill at the earliest possible moment.

Before I am seated I bring to the attention of the House an extremely interesting editorial from the Jacksonville Journal which points out that America is improving with regard to stability of marriages and the birth of children, two of the most important things in any civilization.

The editorial is as follows:

SEVEN NEW PROBLEMS BORN EVERY MINUTE

American marriages remain sound, America's birth rate is one of the highest in the world.

Twenty years ago those two statements would have sounded like stuff from which dreams are made.

During the dark years of the 1930's it was widely believed that the marriage rate was dwindling, there was concern expressd that sexual restraints were breaking down, everywhere the statement, "American marriage is going on the rocks" was heard.

Cosmopolitan magazine recently took a good look at American marriage and found that, contrary to the fears of two decades ago, today American marriages are stronger than ever before. It was a rough period 20 years ago, a period that strained the institution of marriage, but that institution survived very well. We have now become the most marrying people in the world. Our present marriage rate runs 93 percent of all those of marriageable age. Coupies are marrying earlier. The divorce rate has reached its peak and is now declining.

This solidity of American marriage is being reflected in the birth rate. It is hard to believe, in view of the dire predictions of the mid-1930's, that our population had reached its peak because of the declining birth rate, that today the rate is approaching that of teeming India. A child is born in this country every 8 seconds, 7 per minute. Last year there were 4 million births, only 1,500,000 deaths, a net gain in population of 2,500,000 in native-born alone. In just 4 years our population has jumped 15 million. Our population growth is 8 times that of Great Britain, of France, of Italy, or of Canada.

Instead of the cry of 20 years ago that this Nation faced suicide because of the declining marriage and birth rate, today we need to show some concern about how we're going to handle our burgeoning population. In a period of food surplus it seems strange to worry about shortages, but at the present rate we are going to have 30 million more mouths to feed in the next 10 years. We are going to need some planning on our school systems to handle the continuing baby boom when they get to be school age. Our people over 65 are growing by leaps and bounds as medical science stretches the average life span. There were 9 million over 65 in 1940; there are 13,600,000 today; there will possibly be over 20 million by 1975. And the oldsters present special problems, too.

We had better get busy with these problems, for every minute we delay 7 new problems are being born and 2 or 3 older problems are living to a riper old age.

Mr. BROOKS of Louisiana. This is a period of graduations. Young people throughout the Nation are graduating from high school and from college. It is a great thing in the lives of these young people to be able to receive their diplomas with the benediction of having successfully completed a long, arduous course of study in the public schools of the Nation. There are three outstanding events in the lives of every person; namely, birth, graduation and marriage. I have just returned from the graduation of my daughter, in the schools here, and

I am very proud of the fine scholastic record which she made.

I now leave the field of academic endeavor and turn to a more practical situation, the passage of this bill to amend the social-security law. This morning I voted against the motion for the previous question. I want to defeat the motion. If the motion ordering the previous question had been defeated, the House then would have been free to vote for amendments to this bill which is before us and which has for its purpose the amending of the social-security law. Certain groups wished to be included in the bill as presently drawn, and other groups wish to be excluded from the terms of the bill. My idea has been always that we should include within the terms of the social-security statute those groups which wished to be included and eliminate therefrom those groups which have no interest in being covered by social security.

A great many dentists have written me asking that they not be included in the terms of this statute. The amendment does include dentists. Other groups no doubt are equally as interested in being excluded from the terms of the bill but the failure to vote down the previous question earlier today gives us no opportunity to vote for any amendment whatsoever to the bill.

Because of this parliamentary situation, we have been gagged into accepting the bill as it is or rejecting it as it is. Between the two I am supporting the amended bill.

Social security as we know it in the United States is still on trial. It has been the law of the land for almost 20 years and so vast is it in scope and so multitudinous are its benefits that 50, and perhaps 100 years, must go by before we can truthfully reach a fair judgment as to the value of this type of legislation. I therefore want to build carefully, judiciously and yet progressively legislation which we can say over a period of years will have a chance to work out as being benign, helpful legislation for the vast majority of the people of the United States of America.

I think the real test of the value of social security is yet to come. I am going ahead in supporting this legislation. When a real serious depression comes, or if it should ever come again to the United States, the true value of social security will then be made fully known to our people. The test will then come as to whether the reserves set up under our system are adequate and whether the payments are sufficient to support our people properly in times of deep economic distress and to maintain the warp and woof of our national economic system when the stress and strain becomes greatest. The measure puts hope and courage into the hearts of the little people of America.

I do not look for any serious trouble in passage of the measure. I doubt that there will be a dozen votes against this. We are largely sold upon the necessity of some sort of legislation adding to the social-security system which we have given to the people of America.

Mr. FISHER. Mr. Chairman, it is regrettable that the pending measure, providing for an expansion of coverage of social security and an increase in the social-security tax, is before us on a closed rule. I voted this afternoon against the closed rule. Now we have no opportunity or right to even offer an amendment which we may think desirable. The only way a Member can protest the provisions which are considered undesirable is to vote against the measure. We cannot separate the desirable from the undesirable in expressing our views.

I call attention to the expansion feature which makes it compulsory that dentists, lawyers, veterinarians, farmers and ranchmen, as well as certain others, be included. These people are given no option. The inclusion is compulsory. The bill makes it a felony for anyone to refuse to participate, and pay—eventually—up to 6 percent of their income, in the case of the self-employed, up to $4,200 per year, into the social-security fund. They are given no option, no choice, no voice, no right to decide for themselves. We are called upon to make that decision for them here today. In regard to this compulsion, the Texas Dental Association, for example, in a telegram states that the dental profession in Texas is unalterably opposed to the compulsory provisions of the bill.

There are admittedly a number of inequities in the present law which need to be corrected. This measure contains some improvements in the present program but other inequities are not adequately dealt with. Again, Mr. Chairman, I voice my disappointment in the action of the House earlier today in refusing to permit amendments to the pending bill.

Mr. RHODES of Pennsylvania. Mr. Chairman, I intend to vote for this social-security bill, known as H. R. 9366. In my opinion, the proposal is a step in the right direction, but it is far from adequate. In view of the tremendous surplus of food and other essentials of life that are piling up in the Nation's warehouses, I can see no reason why retired persons should not have a greater opportunity to help consume this surplus. Added purchasing power in the hands of retired folks who depend on social-security checks would be put into consumer goods and services. It would be a stimulant for business and prosperity, as well as a measure of justice for deserving old folks.

The bill falls short in that it does not provide benefits for disabled persons at whatever age misfortune strikes. It is quite evident that a husband and father who becomes disabled at an early age is in far greater need at the time of disability than a man who reaches age 65 without becoming disabled. To make totally disabled persons eligible for social-security benefits would be doing justice to many unfortunate families who are now denied proper care. It would give children of disabled persons opportunities they should be entitled to but do not now enjoy. Furthermore, adequate purchasing power for such families would also contribute toward solving the challenging problem of abundance which seems to befuddle and confuse administration leaders and which has contributed so much to the present business decline.

Another provision which should have been incorporated is one which would reduce retirement age for both men and women. It is especially important that consideration be given to reduce the retirement age for women to at least 60 years. There is a lack of employment opportunities for widows over 50 years of age. It is virtually impossible for many of them to find jobs. For that reason I believe the Congress makes a mistake in not adopting the 60-year provision for women at this time.

This bill, which proposes to increase minimum benefits from $25 to $30 is inadequate in this respect also. Many of us feel that the amount should have been increased by at least another $5 per month. Even at $35 it is quite clear that the money will not go very far unless the retired person has an additional source of income.

If these proposals which I suggest would have been included we would have a much better social-security program, one which would have contributed substantially in blocking the present recession trend.

But when it is considered that the social-security program has been bitterly opposed ever since its enactment in 1935, the improvements proposed this year and now supported by old-time foes of this so-called welfare-state legislation, is indeed a great step forward.

Opponents of old-age pensions and social-security generally have been afraid to attack the program head on, but social security was the very heart of the hated welfare-state program, as GOP opponents of this New Deal-Fair Deal legislation liked to call it.

In 1936, Republican Presidential Candidate Landon proposed direct repeal of social security in his campaign. Even President Eisenhower, in his presidential campaign, referred to security as something to be had in a prison cell.

As late as a few months ago, social security was described as "a trojan horse within our walls" by George E. Morton of the Wisconsin Bar Association. Morton said:

> The social security of the National Government for real security of living in time of want or need, and as insurance for payment of which the tax is the premium is the greatest fraud that was ever perpetrated on the free people in the history of the world.

In December of 1953, the U. S. News & World Report questioned the safety of old-age security pensions. It raised doubts about the future of retirement checks. The magazine was playing up the point raised by the so-called investigating committee of the Congress, which studied social security. It referred to shaky security and questioned how much security there is in social security. The story also quoted Representative CARL CURTIS of Nebraska on the legality of social security. He questioned it on the grounds that there is no contract or binding commitment between the Government and millions of workers and their families.

Nation's Business of December 1953, an article by Leonard J. Calhoun, referred to social security, and said:

It's social but it's not security.

The Houston Post, the newspaper published by the husband of Mrs. Oveta Culp Hobby, Secretary of the Department of Health, Education, and Welfare, praised housewives of Marshall, Tex., for defying the social-security law by failure to pay social-security taxes for household servants.

There are still bitter foes of social security. But many old opponents, including Members of the Congress, have accepted social security as something that is here to stay. Perhaps some of them have decided that it is unwise to oppose such popular legislation which is now deeply entrenched in the hearts of American citizens and written into the laws of the land.

All of that shows that H. R. 9366 reflects a tremendous change on the part of ancient foes. This most controversial legislation of the past now becomes the most popular noncontroversial issue.

It was once said that social security and pensions for the aged would destroy initiative. Actually the progress which has been made on this vital legislation is a result of increasing interest and initiative on the part of the average citizen. People do not accept the theory in this age that any person should go hungry or without the necessities of life when we are blessed with abundance.

This same spirit of initiative will help correct inadequacies which remain. It will wipe out other evils which deny justice to our senior citizens who unfortunately did not have the opportunity for coverage under social security.

There is a great need for improvement in Federal legislation which now provides aid to the States for public assistance, aid to the blind, and other needy persons.

The means test employed by the States is morally and socially wrong. It destroys many family relationships. It is embarrassing and heartbreaking to many aged persons. The means test creates a burden to many families of young people. It is a serious problem which deserves the attention of the Congress.

A bill which I introduced would compel States to abolish the means test in order to receive contributions from the Federal Government for public-assistance programs. The Social Security Act should be amended to include such a provision. It would greatly improve inadequate State laws on public assistance.

There can be little doubt that Congress will take such steps in the future. It is unfortunate that there should be any delay. There are many shortcomings that I can see in the present bill but what is proposed is a forward step and will have my support.

Mr. DOLLINGER. Mr. Chairman, it is gratifying to have the opportunity to vote for the proposed social-security amendments now before us for consideration. The benefits provided will be a great boon to the millions dependent upon social security, and those who have suffered hardships because of lack of coverage under the law or insufficient payments in these days of high living costs.

The amendments are a step in the right direction, a reversal of the former policy of the Republicans who heretofore have opposed the program. There is much room for improvement but at least the value, soundness, and need for this great program of economic security have been recognized by its erstwhile enemies, who at one time advocated its repeal and did all they could to halt its progress.

It was in 1935 that the Social Security Act became law under the leadership of President Roosevelt. At that time the Republicans bitterly opposed the act; thereafter, they cut down on the coverage of the law and fought against liberalizing the benefits provided. The Democratic Party can take pride in the fact that under its leadership this great and beneficial program for workers was begun, that its leaders saw the need for safeguards against unemployment, destitution, and dependency, fought for the law, and won against powerful opposition. It is good to know that the Federal Government, under Democratic administration, recognized its duty to aid the States in caring for the aged, the blind, the disabled, and dependent children.

Under the present law, many employees upon becoming disabled, unemployed, or forced to retire, have found themselves without financial assistance of any kind because they were not covered by the act. The amendments before us extend the old-age and survivors insurance coverage to several hundred thousand workers. Among those are persons, in certain categories, employed in domestic service, those who perform services not in the course of their employer's business; seamen; ministers. Many other employee groups have asked for coverage under the law, and it is hoped that adequate protection will be given them before long.

We know that retired persons have been unable to exist on small pensions or retirement payments and have had to supplement their incomes by doing some kind of work. Under the present law, those retired on social-security pensions were permitted to earn only $75 a month—if they earned more, they would lose the social-security benefit for that month. They were penalized for trying to earn enough to meet the simplest needs of living. Now it is proposed that all retired persons be permitted to earn $1,000 a year without losing any pension benefits—and then to lose only a limited amount if they earn more than this total.

There has been a crying need for this change in the law—it will mean the difference between bare existence and decent living for many thousands of persons. Considering the high cost of living and tremendous taxes, this earning exemption should have been increased even more, and I shall continue to advocate liberalization of the law in this regard.

The amendments before us guarantee a minimum increase of at least $5 a month to all present beneficiaries. Pensions will be raised by amounts ranging from $5 to to $23.50 a month. Under the present law, payroll taxes apply to income up to $3,600 per year; this would be increased to $4,200 per year. The law also provides for increases in payments to widows and children getting survivors' benefits. It is also proposed to bring many groups of self-employed persons into the old-age insurance system. Self-employed persons have needed the protection of social security and it is hoped that the groups now omitted will receive favorable consideration soon, for they have proved their need for the assistance provided by the law.

As stated before, the Social Security Act constituted a great stride toward fulfilling our duty to those who could not care for themselves, who were without assurance of any income of any kind, who after years of hard work found themselves destitute. Its shortcomings have been apparent. The amendments before us will help. I am happy for all those who will receive adequate help and whose needs will now be taken care of. However, we must not lose sight of the fact that as the economic picture changes, more help must be given; that many thousands not now covered by the law need assistance.

Congress cannot afford to rest on its laurels after passage of these amendments—we must continue to work toward the day when all those who need protection under social security will be given it, when all the needy in our country will receive adequate benefits.

Mr. ADDONIZIO. Mr. Chairman, on Friday, May 28, the Ways and Means Committee of the House of Representatives reported out a bill described as the Social Security Act amendments of 1954. May I say that, in the beginning, any proposal for amendment of the Social Security Act must receive the closest attention which each one of us can give. For when we are legislating with respect to social security we are intimately concerned with the problem of nearly every family in this country. The letters from such families which come to my office every day are ample evidence that the existing system contains many inadequacies. Indeed, I am perfectly certain that we have a long way to go before we can be sure that the word "security" properly belongs in the title of our social-security system.

I am, then, concerned that we consider this legislation in the light of the situations of these families as we know of their unhappy circumstances from personal experience or through the letters from home. I am concerned with the plight of the aged men and women, the widows, and the mothers who write of their problems in the individual terms of trying to stretch their social-security income to meet today's costs of food, clothing, and shelter. It is, I think, only necessary to remind this Congress that the average benefit under social security today is around $50 per month—or $600 per year—to make the point that we are far from the goal of providing assurance against want through our social-security system.

The present bill is, in many respects, a short step in the right direction. It provides a slight increase in benefits. It contains a wage-credit freeze for persons who must retire from the labor

force because they are permanently and totally disabled—but this is a very short step ahead, in my opinion, because it fails to provide the much-needed benefits for disabled persons. It revises and liberalizes the work clause—or retirement test—so that those people who are able to work and able to find work can earn more substantial amounts without being penalized by losing their benefits because of that work. And it substantially extends the coverage of the social-security system.

We are told that coverage has been extended as substantially as is practical and possible at this time in order to meet the wishes of those occupation groups who now lack such protection. I hope this is true. For it is clear to me that, until we have achieved practically universal coverage—so that every family in the United States will have the assurance of social-security protection—we will not have conformed to the purposes of this genuinely sound social-insurance system.

How many people do you know who have lost their benefit rights entirely—or whose benefits have been substantially reduced because they worked for a considerable period of time in uncovered employment?

How many letters have you received from young widows with small children who found themselves alone and penniless as a result of the untimely death of the husband and father—because he was not working in covered employment? And remember that, if he had been covered, the social-security system would move in, in this time of great tragedy, to provide benefits not only for the young widow, but for each of the children under 18 years of age. In my mind, this one protection alone is justification for providing coverage for every worker in the United States.

I recall that, back in 1937 when the payroll tax first went into effect, many covered workers were concerned, and questioned the incidence of this payroll tax for an untried and sometimes misinterpreted social-security system. The warnings and protestations of that time have, as we know, all disappeared as the system has grown. The fact that the skeptics of those early days have been convinced of the essential soundness of the principles enunciated in that first social-security law was amply demonstrated at the recent hearings before the Ways and Means Committee when representatives of labor and industry, of insurance companies as well as of social-welfare organizations, all joined together in approval of the purpose of extending the coverage of social security substantially.

I am glad, therefore, that the bill, H. R. 9366, which has been reported for the consideration of this House increases the coverage of the social-security system by about 10 million persons. But I regret that action is feasible only under a closed rule, which will permit no amendments from the floor because I am convinced that it does not go far enough in certain other important respects.

I question, for example, whether the small increase in benefits which it provides will represent much help when it comes to meeting the living costs of today. When I am told that the committee's bill will provide an increase of from $5 to $7 per month in social-security benefits, I remember that the average benefit today is, as I have said, only around $50 per month. Can any of us really believe that by increasing this average to around $55 or $57 per month we shall actually have provided a form of basic security for the American people? I am not surprised, in view of these figures, that 1 in 6 men, 1 in 5 women, and 1 in 8 widows now receiving social-security benefits are forced to seek supplemental payments from public assistance programs in order to meet the barest of living expenses. And I remind this Congress that 1 in 8 men, 1 in 6 women, and 1 in 4 aged widows now receiving benefits have no other income. Let us not, then, imagine that we are, in this bill, providing any genuine or meaningful improvement of existing benefits. It will help a little—and for that reason, of course, I shall support the bill. But I am supremely aware of the fact that it is only a token gesture—a small step, as I have said, in the right direction. For my own part, I am looking forward to the day when we can genuinely liberalize the benefit schedule so that when we talk about social security we will mean real security for our old folks and for young widows and their children.

Another much-needed improvement which is completely ignored in this bill is a lowering of the eligibility age. Why is it, I wonder, that we have moved in the direction of bringing our social-security system up to date with the magnificent productivity of our time in most other respects—but we still cling to the eligibility age of 65 which was set arbitrarily almost two decades ago?

Meanwhile many other retirement plans have been adjusting their plans to allow for retirement at age 60 or, in some cases, to as low as age 55. This trend has grown in many industrial plans because of the realities of an industrial society—and in spite of the fact that most of these plans are geared into social security and must thus make special arrangements for the interval between their own earlier retirement age and age 65 when social-security benefits will be made available.

By lowering the retirement age to 60 years at least, we would be conforming with modern practice in private plans. I remind you that this Congress has accepted a lower retirement age in connection with certain other public programs approved by legislation. Workers under the railroad retirement system, for example, are eligible at age 60 with 30 years of service. By lowering the retirement age of social security to 60 years at least, we would be conforming with modern and enlightened pension planning. And, at the same time, we would simplify and improve the manner in which public and private plans, which have moved ahead to accept an earlier age, can be geared into social security.

Even more important, perhaps, is the fact that a lower retirement age would relieve destitution in many homes where the elderly breadwinner has been laid off or is unable to work but has not yet attained his or her 65th birthday. For such families our present system sets up a period of endurance on the sole ground that age should be the determining factor in providing retirement benefits. This inequity could be alleviated by providing a lower retirement age.

Let us be realistic about this matter. Such a provision would not mean that workers would be forced to retire at age 60 if they did not need to or want to. Retirement under social security is, of course, up to the individual. Indeed, the average worker today does not apply for benefits until he is 68 or 69 years of age—or about 4 years after he is eligible. Lowering the eligibility age to 60 years would not, then, mean that thousands of workers would retire prematurely from the labor force, as some would have us believe. But it would mean that many less fortunate workers between the ages of 60 and 65 who cannot work—either because they are sick or because no one will hire them—would not be forced to wait for 5 long years between their 60th and 65th birthdays before they are eligible for social-security benefits.

I am greatly concerned, moreover, with one feature of the bill which, to my mind, is a long step backward. I refer to the new provisions making certain limitations on the benefits which shall be paid to persons who have qualified for social insurance—and have made their own tax contribution—in the same way as everyone else under the system has done, but who choose to spend their years of retirement outside the United States. Under the proposed bill benefits to survivors or dependents of such persons would not be paid for any month in which they were living outside the United States unless they met certain residence requirements in the United States.

First of all, I call your attention to the fact that this section of the bill was added just before it was reported out of the Committee on Ways and Means. It was not contained in the bill H. R. 7199 which was considered at the hearings. There was no opportunity, therefore, to air this proposal in the public hearings in connection with the bill and to test its merits or lack of merits. It was just slipped in at the last minute, in a measure which is before this House under a closed rule so that there will be no opportunity to remove or revise it by amendment.

As I have said, this provision is to my mind a very serious step backward. For the first time in our social-security system, the principle that the right to benefits is an earned right is threatened. For if we begin by saying that the dependents and survivors of certain workers are not entitled to equal rights with other workers, we are establishing a precedent which can dangerously threaten the rights of all workers to benefits.

Let us be very clear about the fact that this is a contributory social insurance system, and that every worker who qualifies contributes his share to his retirement benefit. But by adopting this provision we would be establishing a category of second-class beneficiaries. We would be violating the principle of

equal benefits for equal work records which is very fundamental to our social-insurance system. We would establish a new and dangerous precedent that a worker must meet certain conditions beyond those which apply to his work record in qualifying for social security. Once such a precedent is accepted, the right to benefits will be subject to the whim or prejudice of any future Congress. For these reasons, among others, I feel certain that when the people of this country become aware of the implications of this new provision, it will be summarily removed and never written into law.

These are a few of the questions which deserve, then, the earnest considerations of all of us as we act upon the social security amendments of 1954. Let us be alert and concerned that any law which passes this session of Congress shall be, indeed, a genuine improvement of our social security system. None of us can doubt that there is great need for many improvements. We may have to accept the small steps forward contained in the present bill pending the day when we can make the more extensive improvements which will bring the system up to date and in line with the magnificent increase in our productive power. I shall support the improvements which this bill makes. But I am looking forward to the day when we can take a long step forward in improving social security in the United States.

Mr. DONOHUE. Mr. Chairman, I am very glad to speak once again in support of the expansion of our present social-security legislation.

As I have repeatedly stated on the floor of this House, over the past 8 years, if we cannot afford to give a concrete demonstration of the ability of this blessed country to reasonably provide for security of our older citizens' enjoyment of abundant American life, then we have no right to tell Communist followers that our democratic process is more inherently Christian than their pagan godless state of servile slavery.

In my firm judgement, adequate social-security legislation is a sound barrier against the advancing scourge of communistic propaganda and philosophy which is challenging us this very hour and is forcing us to fight for our very survival.

There are still a great many technical inequities in this measure that I hope will be adjusted in future consideration but since it is this bill or no bill I urge my colleagues to approve it without further delay. In substance it is a real step forward for those of us who have persistently advocated increased coverage and more liberal benefits.

This measure has many sound progressive features which, although many of us feel they do not go far enough, are nevertheless major improvements in the existing law. It lifts some of the penalty on those retired citizens, true Americans, who are ready and able to still perform valuable work. It enables them to earn $1,000 a year in outside income and not lose their social security benefits. Present law restricts outside income to $75 a month.

It increases benefits for persons now retired. The minimum payments would go up from $25 to $30 a month and the maximum from $85 to $98.50.

In determining a worker's average monthly wage, the 4 years in which his wages were lowest would be dropped. Benefits go up as the average monthly wage goes up.

The wage base which is subject to the social-security tax will be raised from $3,600 to $4,200 a year. In addition it proposes a freeze on old-age insurance benefits of persons who become disabled, so that upon reaching 65 a worker disabled would become eligible for retirement benefits at the amount he would have received had he been eligible for them when disabled.

In the overall analysis this bill strives to correct numerous inequalities that have been demonstrated from the testing ground of experience. It is a healthy indication that as time goes on this Congress will more and more recognize the obligation we have to our older citizens to remove, in a Christian spirit, the haunting and despairing darkness of fear of want that comes in the sunset of life to so many Americans through no fault of their own, other than generosity of their own families.

How much stronger, how much more resistant to Communist entreatment and intrigue this Nation will be when its citizens are assured that our great business system and our Government, working harmoniously together, have established a dignified, humane financial operation making them eligible to receive what every worthy working American deserves, namely, reasonable security in time of adversity and dire need.

Mr. Chairman, the major provisions of this bill are in the Christian democratic spirit upon which this country was founded and it is only by an enlargement and progression of that spirit this Nation can hope to endure in the face of the Communist challenge. Let us therefore enact this measure now and diligently work to improve it in the future.

Mr. RABAUT. Mr. Speaker, it is with a great deal of interest that I note the action taken by this House on Tuesday, June 1, in passing H. R. 9366, the Social Security Amendments of 1954. While the bill, as approved here, does not quite come up to the level that I had hoped it would, and does not embody all the suggestions and proposals which I outlined in my remarks of April 6, in the CONGRESSIONAL RECORD, it does indicate, at least to me, a genuine effort by Republicans and Democrats of this House, working together to put through and continue and better a program which has been the brain child of the Democrats, since the time of the first social-security legislation in this country, back in the mid-thirties.

In the RECORD of April 6, I asked that this House consider, in any legislation of this nature, the merits of a seven-point program which had been submitted on January 13, of this year, by a number of my Democratic colleagues and me, which would act to liberalize the present social-security system and to bring it more closely in line with living conditions as they are in this year of 1954. In all honesty, it is admitted that many of these points were incorporated in the bill as finally passed on June 1. Some of these proposals were watered down, and in their diluted condition, are in this bill H. R. 9366.

Social security, wisely handled and implemented with an anxious eye to the actuarial aspects of the program, can bring to the people of our country, especially to our aged and elder citizens, a new high of decent living and a new measure of contentment and well-being. Old-age assistance in this day and age, is more than a gratuity; it is an absolute necessity.

We have more old folks in this country than at any time in our history, and with the continuing rise in cost of living, they find that what they have will not, in many cases, afford them even the minimum requirements of ordinary living. This bill seeks to take these factors into consideration, providing a firm basis on which recipients of old-age and survivors insurance may provide for their future, and a means by which those receiving old-age assistance may meet their obligations and needs.

This is what the bill, H. R. 9366, as passed by the House will do:

It will extend old-age and survivors coverage to some 10 million persons who are now without basic retirement and survivors' protection. It will continue to provide, through contribution, to the States' funds for old-age-assistance payments to persons still remaining outside the insurance system. It makes available benefits to workers who become permanently and totally disabled, with waiver of premiums. It increases monthly payments of benefits.

The benefits will range in primary insurance amounts from $30 to $98.50 as compared to $25 to $85 under present law. This 20-percent rise, from $25 to $30, is a larger jump than cost-of-living figures would apparently justify.

The 2-percent contribution remains in effect.

The bill permits an employee, or a self-employed person, on social security, to earn up to $1,000 a year without loss in benefits, computed on a yearly basis. I had asked that this figure be put at $1,200 a year.

The bill provides that the present base of $3,600 on which contributions are collected and paid be raised to $4,200. It had been my request that the figure be raised to $4,800.

The social-security bill now goes to the Senate for consideration. It is my hope that wise and early action will be taken in that body on the bill. This will assure to our aged citizens—who in the past have exercised the great efforts that brought about developments here in America which we, in our generation, enjoy—a more complete and adequate protection than they are heirs to at the present time.

Mrs. BUCHANAN. Mr. Chairman, I am very happy to support the bill now before us. As some of my colleagues on this side of the aisle have already remarked, we are observing the pleasing spectacle of our Republican friends com-

ing, at long last, to the support of this humanitarian legislation dedicated to the welfare of all the people.

We have heard, increasingly of late, the question as to what has happened to the "great crusade." Now that is a good question, and I think the answer would have to be that it has suffered a fate similar to that of the other catchy slogans and has become just another empty phrase. So in this mood of disenchantment I think it is at least slightly reassuring to see some evidence of what our slogan-loving friends might well call the great conversion.

The original Social Security Act first became law in 1935. The Democratic Party has pointed to it with pride as that great landmark of social legislation recommended to the Congress by the great humanitarian, Franklin Delano Roosevelt, and passed by the Congress under his leadership. It has preserved and strengthened the family life of America. The theory behind this act, when it was passed in 1935, was that it would assure retired workers and their families enough money to live out their lives in comfort and independence. It is a little difficult today for us to realize that such an attempt to bring security into the life of the American worker was met with anguished cries of socialism.

Down through the years it became apparent that the act should be extended to cover more persons who were without basic retirement and survivors' protection and, further, that the benefits were too low. That is why I am so pleased with those provisions of H. R. 9366 which extend old-age and survivors insurance coverage to approximately 10 million persons who are presently excluded from the act. Unfortunately, the increase in benefits provided for in this bill is far too limited in this time of high living costs to meet the original purpose of the act.

There was legislation before the Ways and Means Committee introduced by my colleague, Congressman EBERHARTER, and other Democratic members of the committee, providing a more realistic increase in benefits and if it were possible I would vote for it today in preference to the benefit provisions of the present bill. In view of the legislative situation resulting from the closed rule under which we are operating today there is no possibility of an amendment and hence I am supporting the limited increase in benefits as the best we can obtain at the present time.

This is, then, Mr. Chairman, not the best of all possible bills but an encouraging step forward and a heartening recognition of the need for social security on the part of those who have opposed it most vigorously in the past.

Mr. VURSELL. Mr. Chairman, social security has become a fixed policy of the Government, and is closely woven into the economic welfare of millions of our citizens. Having become a great industrial nation, with over 60 million people employed, we find that a number of people cannot save enough during the earning period of their lives to provide the necessities of life, when their ability to do a day's work has passed, because of their age.

The purpose of social security is to provide, through small payments by the workers and a like small payment by their employers, a social security insurance fund which over a span of years will provide a small retirement fund for such workers, and certain of their dependents, which will help to partially provide the necessities of life when their earning period is over.

This bill, H. R. 9366, before us, will increase the benefits for those who are eligible. After many months of careful study by the Ways and Means Committee, reviewing the whole social security structure, the committee feels that their recommendations contained in this bill are justifiable and within the limits of the social security fund to sustain. For this reason, I heartily approve of this section of the bill.

The committee has also seen fit to eliminate those in the medical profession in the bill. This, in my judgment, is a wise move.

I am concerned and doubt the wisdom of the inclusion of self-employed farmers under social security. I think it would be a wiser decision to have given the farmers an opportunity to come under the social-security provisions of this bill by their own volition, making their own decision as to whether or not they desire to do so, rather than under the present provisions of the bill.

Inasmuch as we cannot amend the legislation before us, and inasmuch as the Senate, under its rules, can amend the legislation, I am supporting the bill before us with the hope that the Senate will give serious consideration to amending the bill when it reaches that body, making it optional to self-employed farmers whether or not they desire to come under the provisions of this legislation.

I am also hopeful that the same consideration will be given to certain other professional groups, including such groups as lawyers, dentists, and so forth. I feel that such groups should be allowed to make their own decision as to whether or not they want to avail themselves of the social-security provisions of this bill. I hope, and believe, the Senate will give more thorough consideration to these groups referred to along the line I have suggested, as I believe such changes would substantially improve the legislation.

Mr. BYRNE of Pennsylvania. Mr. Speaker, under leave to extend my remarks in the RECORD, I want to say that I am glad to be a Member of the 83d Congress, which has just passed by a very large majority the amended Social Security Act. For many years we Democrats have worked and voted for social legislation of this type. It makes us proud to see that our efforts have not gone unnoticed, particularly by our colleagues on the Republican side of the aisle. The bill which we have just passed is basically Democratic legislation. It has proved itself so well that even our Republican friends find it necessary to extend and enlarge it.

This legislation adds an estimated 10 million persons to the social-security rolls. Besides extending coverage to large new groups, the bill will provide for increased benefit payments, larger annual contributions by employers and employees, and a more liberal income for persons already under the program.

For the first time, farm owners and workers will be included, as well as many State and municipal employees, clergymen, and professional people such as dentists, lawyers, architects, and engineers. Schoolteachers, for example, would have the option of joining the social-security system, if they carry a vote to do so by a two-thirds majority. Social-security coverage would not prevent them from receiving benefits from their State or local retirement systems.

For the worker who has already retired, this bill raises the minimum monthly payments of social security from $25 to $30 and increases the maximum monthly payments from $85 to $98.50. These benefits would become effective 2 months after the bill becomes law and would affect approximately 6 million persons. Workers not yet retired may expect to receive up to $108.50 per month.

While the maximum annual wage on which benefits and taxes are based has been raised from $3,600 to $4,200, it was felt that a more equitable salary floor would have been $4,800. This proposal was defeated in committee.

There is a provision in this bill for retired persons receiving social security who accept employment to supplement their income from the social-security pension. At the present time, these persons lose their social-security benefits each month that they earn $75 or more. Under this bill, maximum earned income is placed on an annual basis, and this amount is fixed at $1,000. My colleagues and I hoped that the maximum income earned by a person receiving social security would be set at at least $1,200. However, we were unsuccessful in our efforts.

The Social Security Act which has passed the House admittedly has its defects. On the other hand, I am convinced that it will provide more benefits than ever before to many more people. It will be a welcome boon to many of my constituents. Let me note here that the original Social Security Act of 1936 has been amended five times. This is an indication that Congress has kept up with the times and has shown itself willing to correct inequities as they appear. I feel sure that should experience prove that this bill is inadequate, measures will be taken to adjust it to make adequate provision for all our people.

The CHAIRMAN. Under the rule, if there are no further requests for time the bill is considered as having been read for amendment. No amendments are in order to the bill except amendments offered by direction of the Committee on Ways and Means. Are there any committee amendments?

Mr. REED of New York. No, Mr. Chairman; there are no committee amendments.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. JENSEN, Chairman of the Committee

of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes, pursuant to House Resolution 568, he reported the bill back to the House.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. COOPER. On that I demand the yeas and nays, Mr. Speaker.

The yeas and nays were ordered.

The question was taken; and there were—yeas 356, nays 8, answered "present" 2, not voting 68, as follows:

[Roll No. 78]

YEAS—356

Abbitt	Chenoweth	Gentry
Abernethy	Chiperfield	George
Adair	Chudoff	Golden
Addonizio	Church	Goodwin
Albert	Ciardy	Gordon
Alexander	Clevenger	Graham
Allen, Calif.	Cole, Mo.	Granahan
Andersen, H. Carl	Cole, N. Y.	Grant
	Colmer	Green
Andresen, August H.	Coon	Gregory
	Cooper	Gross
Andrews	Coudert	Gwinn
Angell	Cretella	Hagen, Calif.
Arends	Crosser	Hagen, Minn.
Aspinall	Crumpacker	Hale
Auchincloss	Cunningham	Haley
Ayres	Curtis, Mass.	Halleck
Bailey	Curtis, Mo.	Hand
Baker	Curtis, Nebr.	Harden
Barrett	Dague	Hardy
Bates	Davis, Ga.	Harrison, Nebr.
Battle	Davis, Tenn.	Harrison, Va.
Beamer	Davis, Wis.	Harrison, Wyo.
Becker	Dawson, Ill.	Hart
Belcher	Dawson, Utah	Harvey
Bennett, Fla.	Deane	Hays, Ohio
Bennett, Mich.	Delaney	Heller
Bentley	Dempsey	Herlong
Bentsen	Derounian	Heselton
Berry	Devereux	Hess
Betts	D'Ewart	Hill
Bishop	Dies	Hillelson
Boggs	Dodd	Hinshaw
Boiling	Dollinger	Holifield
Bolton, Frances P.	Dondero	Holmes
	Donohue	Holtzman
Bolton, Oliver P.	Donovan	Hope
	Dorn, N. Y.	Horan
Bonin	Dorn, S. C.	Hosmer
Bosch	Dowdy	Howell
Bow	Durham	Hruska
Bowler	Eberharter	Hyde
Boykin	Edmondson	Ikard
Brambiett	Ellsworth	Jarman
Bray	Evins	Javits
Brooks, Tex.	Fallon	Jenkins
Brown, Ga.	Feighan	Jensen
Brown, Ohio	Fenton	Johnson, Wis.
Broyhill	Fernandez	Jonas, N. C.
Buchanan	Fine	Jones, Ala.
Budge	Fino	Jones, N. C.
Burdick	Fogarty	Judd
Busbey	Forand	Karsten, Mo.
Byrd	Ford	Kean
Byrne, Pa.	Forrester	Kearney
Byrnes, Wis.	Fountain	Kearns
Camp	Frazier	Keating
Campbell	Frelinghuysen	Kee
Canfield	Freidel	Kelley, Pa.
Cannon	Fulton	Kelly, N. Y.
Carnahan	Gamble	Keogh
Carrigg	Garmatz	Kersten, Wis.
Cederberg	Gary	Kilday
Celler	Gathings	King, Calif.
Chatham	Gavin	King, Pa.
Chelf	Kirwan	O'Brien, Ill.
Klein	O'Brien, Mich.	Sheehan
Knox	O'Brien, N. Y.	Shelley
Laird	O'Hara, Ill.	Short
Landrum	O'Konski	Shuford
Lane	O'Neill	Sieminski
Lanham	Osmers	Simpson, Ill.
Lantaff	Ostertag	Small
Latham	Passman	Smith, Miss.
LeCompte	Patman	Smith, Wis.
Lesinski	Patten	Spence
Long	Pattersen	Springer
Lovre	Pelly	Staggers
Lyle	Perkins	Stauffer
McCarthy	Pfost	Steed
McConnell	Philbin	Stringfellow
McCormack	Pilcher	Sullivan
McCulloch	Pillion	Taber
McDonough	Poage	Talle
McGregor	Poff	Taylor
McIntire	Polk	Thomas
McMillan	Price	Thompson, La.
McVey	Priest	Thompson, Mich.
Mack, Ill.	Prouty	Thornberry
Mack, Wash.	Rabaut	Tollefson
Madden	Radwan	Trimble
Magnuson	Rains	Van Pelt
Mahon	Ray	Van Zandt
Mailliard	Rayburn	Vinson
Marshall	Reams	Vorys
Matthews	Reece, Tenn.	Vursell
Meader	Reed, Ill.	Wainwright
Merrill	Reed, N. Y.	Walter
Merrow	Rees, Kans.	Wampler
Metcalf	Rhodes, Pa.	Warburton
Miller, Kans.	Roberts	Watts
Miller, Md.	Robsion, Ky.	Westland
Miller, Nebr.	Rodino	Wharton
Miller, N. Y.	Rogers, Colo.	Wheeler
Mills	Rogers, Fla.	Whitten
Mollohan	Rogers, Mass.	Wickersham
Morano	Rogers, Tex.	Widnall
Morgan	Rooney	Wier
Moss	Roosevelt	Wigglesworth
Moulder	Sadlak	Williams, Miss.
Multer	St. George	Williams, N. J.
Mumma	Saylor	Williams, N. Y.
Murray	Schenck	Willis
Natcher	Scherer	Wilson, Ind.
Neal	Scott	Winstead
Nelson	Scrivner	Withrow
Nicholson	Secrest	Wolverton
Norblad	Seely-Brown	Yates
Norrell	Selden	Young
Oakman	Shafer	Zablocki

NAYS—8

Burleson	Lucas	Smith, Kans.
Fisher	Regan	Teague
Hoffman, Mich.	Robeson, Va.	

ANSWERED "PRESENT"—2

Smith, Va.	Tuck

NOT VOTING—68

Allen, Ill.	Hays, Ark.	Phillips
Ashmore	Hébert	Powell
Barden	Hiestand	Preston
Bender	Hillings	Rhodes, Ariz.
Blatnik	Hoeven	Richards
Boland	Hoffman, Ill.	Riehlman
Bonner	Holt	Riley
Brooks, La.	Hunter	Rivers
Brownson	Jackson	Scudder
Buckley	James	Sheppard
Bush	Johnson, Calif.	Sikes
Carlyle	Jonas, Ill.	Simpson, Pa.
Condon	Jones, Mo.	Sutton
Cooley	Kilburn	Thompson, Tex.
Corbett	Kluczynski	Utt
Cotton	Krueger	Velde
Dingell	Lipscomb	Weichel
Dolliver	Machrowicz	Wilson, Calif.
Doyle	Martin, Iowa	Wilson, Tex.
Elliott	Mason	Wolcott
Engle	Miller, Calif.	Yorty
Gubser	Morrison	Younger
Harris	O'Hara, Minn.	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Wilson of California for, with Mr. Utt against.

Mr. Engel for, with Mr. Mason against.

Mr. Simpson of Pennsylvania for, with Mr. Wilson of Texas against.

Mr. Thompson of Texas for, with Mr. Rhodes of Arizona against.

Mr. Dingell for, with Mr. Smith of Virginia against.

Mr. Harris for, with Mr. Tuck against.

Mr. Allen of Illinois for, with Mr. Weichel against.

Until further notice:

Mr. Bender with Mr. Morrison.

Mr. Martin of Iowa with Mr. Hays of Arkansas.

Mr. Brownson with Mr. Hébert.

Mr. Hoeven with Mr. Buckley.

Mr. Hoffman of Illinois with Mr. Doyle.

Mr. Holt with Mr. Sikes.

Mr. Jackson with Mr. Ashmore.

Mr. Jonas of Illinois with Mr. Miller of California.

Mr. Hiestand with Mr. Yorty.

Mr. Wolcott with Mr. Sheppard.

Mr. Younger with Mr. Preston.

Mr. O'Hara of Minnesota with Mr. Kluczynski.

Mr. Lipscomb with Mr. Machrowicz.

Mr. Gubser with Mr. Riley.

Mr. Kilburn with Mr. Blatnik.

Mr. Phillips with Mr. Condon.

Mr. Velde with Mr. Bonner.

Mr. Scudder with Mr. Cooley.

Mr. Hillings with Mr. Brooks.

Mr. Corbett with Mr. Powell.

Mr. Cotton with Mr. Boland.

Mr. Johnson with Mr. Elliott.

Mr. James with Mr. Sutton.

Mr. Dolliver with Mr. Richards.

Mr. Hunter with Mr. Rivers.

Mr. Krueger with Mr. Jones of Missouri.

Mr. SMITH of Virginia. Mr. Speaker, I have a live pair with the gentleman from Michigan, Mr. DINGELL. If he were present, he would have voted "aye." I voted "nay." I withdraw my vote and vote "present."

Mr. TUCK. Mr. Speaker, I have a live pair with the gentleman from Arkansas, Mr. HARRIS. If he were present, he would have voted "aye." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. REED of New York. Mr. Speaker, I ask unanimous consent that all Members who so desire may extend their remarks in the RECORD immediately prior to the passage of H. R. 9366.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SPECIAL ORDER GRANTED

Mr. CANFIELD asked and was given permission to address the House today for 15 minutes, following any special orders heretofore entered.

PERSONAL EXPLANATION

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, if I had been present and could qualify to vote on H. R. 9366, I would have voted "yea." I was detained in another part of the building.

PROGRAM FOR TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, on tomorrow it is our plan to call up H. R. 8923 having to do with the Coosa River in Alabama. The bill has been reported by the Public Works Committee, I understand, unanimously. A rule has just been granted on it today. We shall dispose of it tomorrow.

RETIREMENT OF VICE ADM. MERLIN O'NEILL, COMMANDANT OF UNITED STATES COAST GUARD

The SPEAKER. Under previous order of the House, the gentleman from New Jersey [Mr. CANFIELD] is recognized for 15 minutes.

Mr. CANFIELD. Mr. Speaker, the retirement today of Vice Adm. Merlin O'Neill as Commandant of the United States Coast Guard is both a sad and a happy occasion. Congressional committees before which he appeared for so many years will sadly miss his lucid explanations of Coast Guard problems. But those of us who came to know and respect him, both as personal friend and as spokesman for the Coast Guard, can be only happy with him in his decision to seek rest and contentment after 33 years of distinguished, devoted and often arduous duty.

It is appropriate at this time that we take note of the high points of his outstanding service to the Coast Guard and to the Nation. Merlin O'Neill was born in North Kenova, Ohio on October 30, 1898. He was graduated from Morgan City High School, Morgan City, La., attended Western Kentucky State Normal School in 1916 and 1917 and prepared for the United States Coast Guard entrance examinations at Marion Institute, Marion, Ala., before his appointment as a cadet in July 1918.

Graduated and commissioned an ensign in March 1921, he began the traditional career of a Coast Guard officer—of sea duty interspersed with shore assignments.

His sea duty included 3 cruises as a junior officer on the Bering Sea patrol and, during World War II, as commanding officer for nearly 2 years of the U. S. S. *Leonard Wood*, an assault transport. During this time his ship took part in amphibious operations in North Africa and Sicily and the Gilbert and Marshall Islands. For his services during this assignment he was awarded the Legion of Merit and the Navy Unit Commendation.

Ashore, Admiral O'Neill served as an instructor at the Coast Guard Academy and as Commandant of cadets. His first assignment in Washington was in the Office of Operations in 1936. The next year he served as technical adviser to the United States delegation at the International Whaling Conference in London. He became the first director of the Coast Guard Auxiliary in 1939. After his duty aboard the *Leonard Wood* he became commanding officer in 1944 of the Coast Guard amphibious training unit at Camp Lejeune, N. C. In 1945 he returned to Coast Guard Headquarters in Washington as Assistant Chief, Finance and Supply Office.

In February 1946 he was nominated by President Truman for appointment as Assistant Commandant with the rank of rear admiral. He served in this capacity under Adm. Joseph F. Farley until he took office as Commandant on January 1, 1950.

During his nearly 4½ years as Commandant, Admiral O'Neill achieved marked success in obtaining closer cooperation between the Coast Guard—as the Government's maritime law enforcement agency—and shipowners and boatmen. He has insisted that the maintenance of safety and order in maritime navigation should not be limited to the strict enforcement of the law, but also should include a program of education among shipowners and boatmen and the enlistment of their cooperation and self-regulation in the prevention of marine casualties. This policy has resulted in numerous commonsense working agreements between the Coast Guard and the maritime industry, and at considerable saving of public funds.

As Admiral O'Neill leaves this great responsibility he must have a deep feeling of satisfaction in knowing that his duties will pass to the capable hands of Vice Adm. Alfred C. Richmond, who has been Assistant Commandant for the last 4 years.

The Nation and the Coast Guard are fortunate in thus having an officer of Admiral Richmond's wide experience and training to take over the duties of Commandant. As Assistant Commandant it fell to Admiral Richmond to appear frequently before our House Appropriations Committee and on such occasions he always impressed us with his candor and his intimate knowledge of the Coast Guard's intricate duties.

To both the retiring Commandant, Admiral O'Neill, and his successor, Admiral Richmond, go our best wishes.

I now present biographical sketches of Admiral O'Neill and Admiral Richmond:

VICE ADM. MERLIN O'NEILL, COMMANDANT, UNITED STATES COAST GUARD

Vice Admiral O'Neill, born in North Kenova, Ohio, on October 30, 1898, was graduated from Morgan City High School, Morgan City, La., attended Western Kentucky State Normal School in 1916–17, and prepared for the United States Coast Guard Academy entrance examinations at Marion Institute, Marion, Ala., before his appointment to the Coast Guard Academy as a cadet in July 1918.

Graduated and commissioned ensign in March 1921, he subsequently was promoted as follows: Lieutenant (jg.), November 14, 1921; lieutenant, September 10, 1925; lieutenant commander, March 7, 1929; commander, May 25, 1940; captain, December 10, 1942; commodore, August 1945; rear admiral, February 1, 1946; and vice admiral, January 1, 1950.

After graduation in 1921, Vice Admiral O'Neill joined the cutter *Gresham*, stationed in New York, N. Y. Detached from that vessel in April 1922, he served on the *Haida*, based at Seattle, Wash. From December 1923 to November 1924, he served aboard the cutter *Algonquin*. In those assignments Vice Admiral O'Neill made 3 Bering Sea patrol cruises, 2 aboard the *Haida* and 1 aboard the *Algonquin*.

Returning to the Atlantic coast via the cutter *Mojave*, he assisted in the reconditioning and equipping of the destroyer *Ericsson* at the Philadelphia Navy Yard before she was commissioned in May 1925, and served as her executive officer, succeeding to command in 1927.

For 3 years beginning in September 1927, Vice Admiral O'Neill served on the instruction staff of the Coast Guard Academy, New London, Conn. In November 1929, he became commandant of cadets, in addition to his regular instruction duties. While at the Academy, he took part in three summer practice cruises for cadets.

Detached in October 1930, he became commanding officer of the destroyer *Monaghan* at Boston, Mass. His next assignment, in January 1931, was command of the destroyer *Herndon*, from which he was detached 2 months later to take command of the destroyer *Cassin*. From June 1933 to October 1935 he commanded the cutter *Apache*.

Transferred to United States Coast Guard headquarters, Washington, D. C., his first assignment was in the Office of Operations. During May and June of 1937 he served as technical adviser to the United States delegation at the International Whaling Conference in London, England.

Vice Admiral O'Neill was the first Chief Director of the Coast Guard Auxiliary, which was formed in 1939 as an organization of small-craft owners, amateur radio station owners, and pilots of privately owned planes who volunteer to assist the Coast Guard.

Detached from headquarters in October 1942, he became the commanding officer of the U. S. S. *Leonard Wood*, an assault transport, and served in this capacity until May 1944. During this time his ship took part in amphibious operations in North Africa, Sicily, Gilbert Islands, and Marshall Islands. For his services during this assignment he was awarded the Legion of Merit and the Navy Unit Commendation (citations attached).

In July 1944, after a short period in the Fifth District Coast Guard Office, Norfolk, Va., Vice Admiral O'Neill was designated commanding officer of the Coast Guard amphibious training unit at Camp Lejeune, New River, N. C. In August, he was assigned as commander of the Baltimore Section, Fifth District, a command embracing the activities of Captain of the Port, Division of Marine Inspection, Pilot Stations, the Coast Guard Base, Subrecruiting Station, and Fort McHenry Training Station.

Early in 1945, he came to headquarters as Assistant Chief, Finance and Supply Officer, serving until August of that year, when he was promoted to Commodore and transferred to Norfolk, as Fifth District Coast Guard Officer. In February 1946, he was nominated by President Truman for appointment as Assistant Commandant of the Coast Guard with rank of Rear Admiral, in which capacity he served under Admiral Joseph F. Farley during the latter's term as Commandant. Admiral Farley retired on December 31, 1949.

Admiral O'Neill's nomination to succeed Admiral Farley as Commandant of the United States Coast Guard was announced by President Truman on October 12, 1949, and the Senate confirmed the nomination October 14, 1949. He took office as Commandant on January 1, 1950.

On December 21, 1953, President Eisenhower by and with the advice and consent of the Senate, confirmed his reappointment as Commandant of the Coast Guard for a second term. He took his oath of office on January 5, 1954.

He is a member of the American Legion, American Society of Naval Engineers, Society of Naval Architects and Marine Engineers, and the Newcomen Society.

Vice Admiral O'Neill married Esther E. Tuttle of New London, Conn., in January 1925. They have two daughters, Marilyn Lee O'Neill and Mrs. Richard T. Penn, Jr., wife of a Coast Guard officer.

Text of citations presented to Vice Admiral Merlin O'Neill, United States Coast Guard, Commandant, follows:

"LEGION OF MERIT

"For exceptionally meritorious conduct in the performance of outstanding services to the Government of the United States as commanding officer of the U. S. S. *Leonard Wood* during the amphibious invasion of the Island of Sicily. Valiantly fighting his ship during severe enemy bombing, Captain O'Neill successfully landed troops and equipment and brought the *Leonard Wood* through this engagement unscathed. By his expert seamanship, fine tactical skill and heroic devotion to duty, he contributed materially to our success in this vital operation.

"NAVY UNIT COMMENDATION—U. S. S. 'LEONARD WOOD'

"For exceptionally meritorious service in action against enemy aircraft, shore batteries, mines, and submarines. Operating in contact with the enemy and under attack, the U. S. S. *Leonard Wood* performed her duties as an attack transport, consistently maintaining a superior degree of efficiency in the performance of the assigned tasks and contributing materially to the development of the technique of amphibious warfare. Her courageous determination and effort were in keeping with the highest traditions of the United States Naval Service and reflect great credit on the United States Coast Guard."

REAR ADM. ALFRED C. RICHMOND, ASSISTANT COMMANDANT, UNITED STATES COAST GUARD

Rear Adm. Alfred Carroll Richmond, United States Coast Guard, was born on January 18, 1902, at Waterloo, Iowa. Moving to Virginia with his family when he was 10, he attended preparatory school in the Washington, D. C., area, and entered George Washington University at the age of 16 to study engineering. At the same time he was employed at the United States Naval Observatory.

In July 1922, having taken the competitive entrance examination, he accepted an appointment as a cadet at the Coast Guard Academy, New London, Conn., and in 1924 was graduated senior man in his class. Commissioned ensign on October 1, 1924, he subsequently was promoted in rank as follows: Lieutenant (jg.), October 1, 1926; lieutenant, October 1, 1928; lieutenant commander, October 16, 1932; commander, July 17, 1942; captain, June 1, 1943; and rear admiral, March 10, 1950, when he took the oath of office as Assistant Commandant.

From November 1924 to September 1926, he served as aide to the Commandant at Coast Guard Headquarters, Washington, D. C. During this assignment he performed temporary duty from May to July 1925 as an aide to the commanding officer of the special patrol force operating against rumrunners off New York, and the Special Service Squadron off the Massachusetts coast. He was commended for efficient service in this work.

In September 1926 he began a 2-year period of duty on the staff of the Coast Guard Academy. While on this assignment he served temporarily on the cutter *Mojave* from June to September 1927, and participated in the cadet practice cruise on the destroyer *Shaw* during the summer of 1928. In October 1928 he took a course at the Sperry Gyro Compass School, Brooklyn, N. Y., and then was assigned to the cutter *Pontchartrain* as navigator. His next assignment was aboard the destroyer *Wainwright*, where he served as executive officer from July to November of 1930.

Upon leaving the *Wainwright*, he reported for duty to the Coast Guard representative at the Philadelphia (Pa.) Navy Yard, and was assigned as executive officer to the destroyer *Herndon*, flagship of Division III, Destroyer Force, when that ship was placed in commission. In May 1932 he began duty in connection with small-arms training at Coast Guard detachments located in Cascade, Md., Camp Curtis Guild, Wakefield, Mass., and Quantico, Va. He returned to Coast Guard Headquarters in August of that year, and 2 months later became executive officer aboard the cutter *Haida*.

From September 1935 until May 1941, he served another tour of duty at headquarters. Assigned to a resident law course at George Washington University, he was awarded a degree of juris doctor with distinction in June 1938. Two months later he assumed duty in the office of operations, with collateral duty as assistant to the Engineer in Chief in preparing permanent land records for property held by the Government for Coast Guard use, and also aided in preparing certain law enforcement education material. In July 1939 he went to London, England, as representative of the Treasury Department, and to serve as a delegate of the United States at an International Whaling Conference.

In May 1941, he was ordered to Baltimore, Md., for duty in connection with outfitting the maritime service training ship *American Sailor*, and assumed command of this ship when it was placed in commission. While the *American Sailor* was stationed at Port Hueneme, Calif., he was given command of the maritime service training station there, in February 1942.

From October 1942 to February of the following year, he served as commanding officer of the cutter *Haida*, and then was attached to the staff of the district Coast Guard officer, Third Naval District, for duty in connection with merchant marine inspection. Among his duties were those of examining officer and hearing officer. Transferred overseas in July 1942, he became the senior Coast Guard officer at the United States Coast Guard Merchant Marine Hearing Unit in London.

He received the Bronze Star "for meritorious services as senior Coast Guard officer on the staff of the commander, United States Naval Forces in Europe" during and after the Normandy invasion. He assisted in organizing Coast Guard forces preparing for the invasion and contributed to the efficiency of the merchant marine ships sailing invasion routes.

The French Government also awarded him the Croix de Guerre "for exceptional services" rendered in the liberation of France.

In May 1945, he was assigned to duty at Headquarters as Chief, Supply Division. The following month he was designated Chief, Program Planning Division. In August he became Chief, Budgets and Requirements, and Assistant Chief, Planning and Control. On July 1, 1946, he was appointed Chief, Planning and Control Staff, and when headquarters was reorganized in 1951, he was designated Chief of Staff.

I *ear* Admiral and Mrs. Richmond, the former Gretchen C. Campbell, live at 2365 North Edgewood, Arlington, Va. They have two sons, John Mason, 17, and Alfred Carroll, Jr., 15.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. I am very glad to yield to the distinguished gentleman from Virginia [Mr. GARY] who, in yesteryear was chairman of the subcommittee handling Coast Guard funds. It was under his leadership that our committee made numerous on-the-spot investigations of the Coast Guard. I know that he, in those days, came to know very closely not only Admiral O'Neill, but his assistant, Admiral Richmond.

Mr. GARY. Mr. Speaker, I want to join the distinguished chairman of our subcommittee in this tribute to Admiral O'Neill. In my judgment, Admiral O'Neill has done a magnificent job.

The Coast Guard has been most fortunate in the type of officers who have commanded it. As a result, it has not only been an efficient organization, in my judgment, one of the most efficient organizations of the Government, but it has also been an economical organization. I sometimes think we do not do the Coast Guard justice in the appropriations we make for it, because frequently it is forced to operate on cast-off material from the Army and the Navy and the other services; yet it has gone forward and built an organization that is carrying on in a magnificent way today in many parts of the world.

This achievement has been due in no small part to the services of Admiral O'Neill. He is a man of genial personality. He has ingratiated himself with the personnel of the Coast Guard as well as with the Members of the Congress with whom he has come in contact. He has been thoroughly familiar with all phases of the work of the Coast Guard and has advanced its interests.

I am sorry to see him retire, yet I know he deserves a rest. I wish him Godspeed as he ceases his labors and I trust that he will enjoy the rest which he so richly merits.

Although we regret Admiral O'Neill's departure today, Mr. Speaker, we can at least rejoice that he is to be succeeded by another very able officer. Admiral Richmond, in my judgment, knows more about his department than any man in the entire Government of the United States. He carries the details of far-off places at his fingertips to a greater extent than any other person I know. One can ask him about a post on the tropical island of Palawon or in the frozen wastes of Alaska, and immediately he can give the answer as to just what the situation is at that particular post. I am sure he is going to do an excellent job. The Coast Guard had an exceptional team in Admiral O'Neill and Admiral Richmond. Part of the team is gone, but I am certain Admiral Richmond will carry on in an admirable manner and that the Coast Guard will go forward with the same progress it has made during the past years.

I thank my distinguished chairman for this opportunity to voice my views at this time.

Mr. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. I am very glad to yield now to the distinguished gentleman from Louisiana [Mr. BOGGS], who in his years in the House has been very friendly and very close to the Coast Guard leadership and its operations.

Mr. BOGGS. I thank the gentleman. I appreciate the remarks of my good friend from New Jersey.

Mr. Speaker, I should like to concur in what the gentleman from New Jersey

and the gentleman from Virginia have just said about the Coast Guard. I have had the privilege of representing in this body for some years a great maritime port. The Coast Guard has maintained its headquarters there for the eighth Coast Guard district. I think I may say to the gentleman from Virginia [Mr. GARY] and my distinguished friend the gentleman from New Jersey [Mr. CANFIELD] that there is no service in the Government from which the taxpayers get more for their dollar and more protection. This is an organization in which all of us have developed tremendous confidence.

I could talk at great length about the Coast Guard, but I wanted to emphasize what these two distinguished gentlemen have said.

Mr. CANFIELD. I thank the gentleman from Louisiana.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. I am now very glad to yield to the distinguished minority whip, the gentleman from Massachusetts [Mr. McCORMACK], who in his many years of service in the House of Representatives has been a great friend of the Coast Guard.

Mr. McCORMACK. I am very glad to have the opportunity of listening to the remarks made by my distinguished friends, the gentleman from New Jersey [Mr. CANFIELD], the gentleman from Virginia [Mr. GARY], and the gentleman from Louisiana [Mr. BOGGS], about the Coast Guard, and in particular with regard to Admiral O'Neill.

The Coast Guard is one of our great organizations. As the gentleman from Louisiana [Mr. BOGGS] said, we could talk for hours about it.

I am particularly pleased to express the very high regard I have for Admiral O'Neill. For years our relationship has been most cordial. Not only is he an outstanding man as far as knowledge connected with his chosen career is concerned, but he is a gentleman.

Admiral O'Neill has given to our Government the great part of his life, always rendering courageous and distinguished service. We all extend to him in his retirement our very best wishes and every happiness for many, many years to come.

May I say also that I have heard very fine comments about Admiral Richmond. There is no question but that he will carry on the great traditions of Admiral O'Neill and the Commandants of the Coast Guard who have preceded him. From Admiral Richmond I know the country will receive that high character of service that has made the Coast Guard so famous.

Mr. CANFIELD. I thank the gentleman from Massachusetts for his comments. I know the remarks made today will bring pleasure to both Admiral O'Neill and Admiral Richmond.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. HOWELL in two instances and to include extraneous matter.

Mr. CURTIS of Nebraska in two instances and to include extraneous matter.

Mr. EVINS.

Mr. PATMAN.

Mr. VORYS.

Mr. JENKINS and to revise and extend his remarks made in committee and include extraneous matter.

Mr. RODINO.

Mr. RADWAN.

Mr. HAGEN of Minnesota and to include extraneous matter.

Mr. SHEEHAN.

Mr. LONG to revise and extend his remarks made in Committee and to include extraneous matter.

Mr. SHAFER.

Mr. BYRNE of Pennsylvania.

Mr. BENNETT of Florida and to revise and extend his remarks made in Committee and include extraneous matter.

Mr. GRANAHAN and to include an address.

Mr. LESINSKI.

BILLS PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on May 27, 1954, present to the President, for his approval, bills of the House of the following titles:

H. R. 116. An act to amend title 18, United States Code, so as to prohibit the transportation of fireworks into any State in which the sale or use of such fireworks is prohibited;

H. R. 683. An act for the relief of George P. Smyrniotis;

H. R. 1026. An act to amend the Public Health Service Act, with respect to the provisions of certain medical and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service and for dependents and widows of officers and employees of such Service;

H. R. 2974. An act to extend the time for enrollment of the Indians of California, and for other purposes;

H. R. 3876. An act for the relief of Martha Schnauffer Shockley;

H. R. 7061. An act to prescribe and regulate the procedure for adoption in the District of Columbia; and

H. R. 7062. An act to amend the act of April 22, 1944, which regulates the placement of children in family homes in the District of Columbia.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 15 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 2, 1954, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1582. A communication from the President of the United States, transmitting proposed supplemental appropriations for public-works construction for the Department of Defense for the fiscal year 1955 in the amount of $1,100 million (H. Doc. No. 408); to the Committee on Appropriations and ordered to be printed.

1583. A letter from the Acting Comptroller General of the United States, transmitting part II of report on audit of Commodity Credit Corporation for the fiscal year ended June 30, 1952, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 409); to the Committee on Government Operations and ordered to be printed.

1584. A letter from the Acting Secretary of Agriculture, transmitting the report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease for the month of March 1954, pursuant to Public Law 8, 80th Congress; to the Committee on Agriculture.

1585. A letter from the Secretary of the Army, transmitting the Annual Report of the United States Soldiers' Home for the fiscal year 1953, together with a photostatic copy of the Report of Annual Inspection, 1953, pursuant to the act of Congress, approved March 3, 1883; to the Committee on Armed Services.

1586. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "a bill to improve the administration of the public airports in the Territory of Alaska"; to the Committee on Interstate and Foreign Commerce.

1587. A letter from the Secretary of Commerce transmitting the report of the activities on war-risk insurance and certain marine and liability insurance for the American public as of March 31, 1954, pursuant to Public Law 763, 81st Congress; to the Committee on Merchant Marine and Fisheries.

1588. A letter from the Attorney General transmitting the report on the administration and enforcement of the registration provisions of the Subversive Activities Control Act, for the period from June 1, 1953, through May 31, 1954, pursuant to section 9 (c) of the Subversive Activities Control Act; to the Committee on Un-American Activities.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROWN of Ohio: Committee on Rules. House Resolution 568. Resolution providing for consideration of H. R. 9366, a bill to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes; without amendment (Rept. No. 1699). Referred to the House Calendar.

Mr. TOLLEFSON: Committee on Merchant Marine and Fisheries. S. 2777. An act to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation; without amendment (Rept. No. 1700). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOLCOTT: Committee on Banking and Currency. H. R. 8729. A bill to amend section 14 (b) of the Federal Reserve Act, as amended; without amendment (Rept. No. 1701). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOLCOTT: Committee on Banking and Currency. H. R. 9143. A bill to repeal the provisions of section 16 of the Federal Reserve Act which prohibits a Federal Reserve bank from paying out notes of another

Federal Reserve bank; without amendment (Rept. No. 1702). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROWN of Ohio: Committee on Rules. House Resolution 572. Resolution for consideration of H. R. 8923, a bill to provide for the development of the Coosa River, Ala., and Ga.; without amendment (Rept. No. 1703). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONDON:

H. R. 9386. A bill to protect United States fishermen in their lawful operations on the high seas, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. CURTIS of Missouri:

H. R. 9387. A bill authorizing the construction of certain public works on the Mississippi River for the protection of St. Louis, Mo.; to the Committee on Public Works.

By Mr. CURTIS of Nebraska:

H. R. 9388. A bill to amend section 302 of the Revenue Act of 1950; to the Committee on Ways and Means.

By Mr. HILL:

H. R. 9389. A bill to increase the consumption of United States agricultural commodities in foreign countries, and for other purposes; to the Committee on Agriculture.

By Mr. HINSHAW:

H. R. 9390. A bill to extend certain civilian-internee and prisoner-of-war benefits under the War Claims Act of 1948, as amended, to civilian internees and American prisoners of war captured and held during the hostilities in Korea; to the Committee on Interstate and Foreign Commerce.

By Mr. MACK of Washington:

H. R. 9391. A bill to authorize modification of certain works of improvement on Grays Harbor, Wash., to provide an extension to the existing Westhaven Breakwater; to the Committee on Public Works.

By Mr. PATTERSON:

H. R. 9392. A bill to amend the Flammable Fabrics Act, so as to exempt from its application fabrics and wearing apparel which are not highly inflammable; to the Committee on Interstate and Foreign Commerce.

By Mrs. ROGERS of Massachusetts:

H. R. 9393. A bill to include certain service performed for Members of Congress as annuitable service under the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. SHEEHAN:

H. R. 9394. A bill to amend the Sugar Act of 1948 with respect to determination of sugar quotas; to the Committee on Agriculture.

By Mr. SPRINGER:

H. R. 9395. A bill to amend the laws granting education and training benefits to certain veterans to extend the period during which benefits may be offered; to the Committee on Veterans' Affairs.

By Mr. THORNBERRY:

H. R. 9396. A bill to amend Public Law 874, 81st Congress, so as to eliminate the 3 percent "absorption" requirement; to the Committee on Education and Labor.

By Mr. TOLLEFSON:

H. R. 9397. A bill to authorize the Secretary of the Treasury to transfer certain property to the Panama Canal Company, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MILLER of Nebraska (by request):

H. R. 9398. A bill to provide for the partition and distribution of the assets of the Ute Indian Tribe of the Uintah and Ouray Reservation in Utah between the mixed-blood and full-blood members thereof, and for the termination of Federal supervision over the property and persons of the mixed-blood members of said tribe, to provide a development program for the full-blood members of said tribe, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VORYS:

H. R. 9399. A bill to authorize certain officers and employees of the Department of State and the Foreign Service to carry firearms; to the Committee on Foreign Affairs.

By Mr. ALLEN of California:

H. J. Res. 535. Joint resolution to authorize the Secretary of Commerce to sell certain war-built passenger-cargo vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MAILLIARD:

H. J. Res. 536. Joint resolution to authorize the Secretary of Commerce to sell certain war-built passenger-cargo vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. PELLY:

H. J. Res. 537. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Fourth International Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes; to the Committee on Ways and Means.

By Mr. SHELLEY:

H. J. Res. 538. Joint resolution to authorize the Secretary of Commerce to sell certain war-built passenger-cargo vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. YORTY:

H. J. Res. 539. Joint resolution proposing an amendment to the Constitution of the United States with respect to the term of office of Members of the House of Representatives; to the Committee on the Judiciary.

By Mr. RODINO:

H. J. Res. 540. Joint resolution to constitute the Federal Civil Defense Administration an executive department, and for other purposes; to the Committee on Government Operations.

By Mr. CELLER:

H. Res. 569. Resolution authorizing the Attorney General to investigate alleged informers in Government service; to the Committee on the Judiciary.

By Mr. CHUDOFF:

H. Res. 570. Resolution providing for the payment of 6 months' salary and $350 funeral expenses to the estate of John Joseph Durkin, late an employee of the House of Representatives; to the Committee on House Administration.

By Mr. SCOTT:

H. Res. 571. Resolution to amend the rules of the House in respect to investigative procedure; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. CANFIELD: Joint resolution passed by the New Jersey Legislature memorializing the Congress of the United States to return to the State of New Jersey and other States sufficient moneys from taxes raised in the various States for the administration of employment security and to provide adequately for administration of the employment-security program in the State of New Jersey and the other States; to the Committee on Ways and Means.

By Mr. GOODWIN: Resolutions of the Massachusetts Legislature memorializing the Congress of the United States in favor of the adoption of the resolution to add the words "under God" to the pledge of allegiance to the flag; to the Committee on the Judiciary.

By Mr. HART: Joint Resolution No. 6, passed by the New Jersey Legislature, memorializing the Congress of the United States to return to the State of New Jersey and other States sufficient moneys for the administration of employment security; to the Committee on Ways and Means.

By the SPEAKER: Memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States relative to immediate upward revision of the domestic sugarcane quota as provided for in the 1948 Sugar Act, as amended; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DORN of New York:

H. R. 9400. A bill for the relief of Sally S. Shulman or Zeli Sholman; to the Committee on the Judiciary.

By Mr. ENGLE:

H. R. 9401. A bill for the relief of Frieda Quiring and Tina Quiring; to the Committee on the Judiciary.

By Mr. HAND:

H. R. 9402. A bill for the relief of Howard Rieck; to the Committee on the Judiciary.

By Mr. O'NEILL:

H. R. 9403. A bill for the relief of Garabed Papazian; to the Committee on the Judiciary.

By Mr. WAMPLER:

H. R. 9404. A bill for the relief of Mrs. Maria Johanna Van Hassel (Glenn) Banks; to the Committee on the Judiciary.

By Mr. WARBURTON:

H. R. 9405. A bill for the relief of Pingfong Ngo Chung; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

964. By Mr. CANFIELD: Resolution adopted on April 24, 1954, by the New Jersey State branch of the Women's International League for Peace and Freedom at its annual State meeting at New Brunswick, N. J., urging the House Committee on Foreign Affairs to hold open hearings on the Arends-Hays resolution on universal disarmament; to the Committee on Foreign Affairs.

965. By Mr. GAVIN: Petition of members of United Presbyterian Church, Utica, Pa., relative to H. R. 1227, the Bryson bill; to the Committee on Interstate and Foreign Commerce.

966. Also, petition of Maye A. Wells, Miss Phoebe Finley, Mrs. S. N. Fox, Mrs. Charles C. Burch, and other citizens of Warren, Pa., urging approval of H. R. 1227, the Bryson bill; to the Committee on Interstate and Foreign Commerce.

967. By Mr. GRAHAM: Petition of 43 members of the Central Union of Butler, Pa., urging passage of legislation to prohibit the transportation in interstate commerce of alcoholic-beverage advertising in newspapers, periodicals, etc., and its broadcasting over radio and television; to the Committee on Interstate and Foreign Commerce.

968. By Mr. HAGEN of Minnesota: Petition of Mrs. C. D. Mattson, of Clearbrook, Minn., and of 42 other residents and citizens of Clearbrook, Minn., urging favorable support of the Bryson bill, H. R. 1227, to prohibit the transportation in interstate commerce of alcoholic beverages, advertising in newspapers, periodicals, etc., and its broadcasting over radio and television; to the Committee on Interstate and Foreign Commerce.

969. Also, petition of Mrs. Jessie A. Zrust, of Greenbush, Minn., and of 16 other resi-

dents and citizens of Greenbush, Minn., urging favorable support of the Bryson bill, H. R. 1227, to prohibit the transportation in interstate commerce of alcoholic beverage advertising in newspapers, periodicals, etc., and its broadcasting over radio and television; to the Committee on Interstate and Foreign Commerce.

970. By Mr. JAVITS: Petition of Kenneth W. Taylor, chairman, social action committee, Riverside Guild, Riverside Church, New York, N. Y., and other voters resident of Greater New York and suburban areas that "positive steps be taken to avoid tactics of hysteria in congressional investigations and that all due protection be given to the constitutional rights of the American people"; to the Committee on Rules.

971. By Mr. KING of California: Petition of Mrs. Frances W. Schlenker representing a group requesting consideration of proposed legislation to bar advertising of alcoholic beverages; to the Committee on Interstate and Foreign Commerce.

972. By Mr. PHILBIN: Petition of Mrs. Marion Young and others favoring the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

973. Also, petition of Mrs. Miriam E. Bullock and others favoring the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

974. Also, petition of Rev. Lawrence O'Brien and others favoring the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

975. By the SPEAKER: Petition of the chairman, New York State Association of Refrigerated Warehouses, Elmira, N. Y., relative to a resolution on price supports passed at the 41st annual meeting of the New York State Association of Refrigerated Warehouses, held at Rochester, N. Y., May 13, 1954; to the Committee on Agriculture.

976. Also, petition of the city clerk, Cranston, R. I., relative to dredging and otherwise improving Pawtuxet Cove; to the Committee on Appropriations.

977. Also, petition of E. Swanson and others, Brooklyn, N. Y., relative to being in support of House Joint Resolution 243, to incorporate the words "under God" in the pledge of allegiance to the flag of the United States; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Armenian Independence: A Casualty of Big Power Disinterest and American Isolation After World War I

EXTENSION OF REMARKS
OF
HON. JOHN LESINSKI, JR.
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 1, 1954

Mr. LESINSKI. Mr. Speaker, the 28th of May was the 36th anniversary of the founding of the independent Republic of Armenia. Its independence was indeed brief—it was over, in fact, before the rest of the world got around to taking the first necessary steps to help the infant nation survive.

Armenia is today a "slave" republic in the vast Soviet prison system. The Soviets conquered and occupied Armenia late in 1920 in exactly the same way they later came to occupy Poland, Rumania, Hungary, Latvia, Estonia, Lithuania and the rest of today's Soviet Russian Empire.

Occupation and suppression has been nothing new to the Armenians. They have been the victims of almost every wave of conquest since the beginnings of history. Present-day Armenians have known only about 2 years of national freedom during their entire lives—from 1918 to 1920.

Isolationism in the United States immediately after World War I was an important factor in Armenia's tragic loss of liberty. It was not, of course, the only factor. Soviet expansionism even then was on the march. It took advantage of the big power disinterest of those days—the vacuum in the Near East—to move in on and destroy the young new republic.

The tragedy of this disaster was even more deplorable because the United States, through President Woodrow Wilson, had exercised tremendous influence originally in pointing the way to Armenian independence. This was the goal of one of Wilson's 14 points.

So great was the prestige of Woodrow Wilson that both Turkey and Armenia joined in requesting him to arbitrate and delineate their boundaries after the new republic was established. But Wilson had already lost his plan for assuring a free and independent Armenia—he lost it because Republicans were in control of the Senate of the United States at that time—and isolationism was in control in that party.

The United States had committed itself to assume a mandate over a newly established Armenia. But the Senate rejected this commitment, just as it rejected our commitment to join the League of Nations. The isolationists were in control.

Without this guaranty of American protection, the young nation was unable to withstand the combined assaults from both Soviet Russia and Turkey and finally succumbed to invasion and occupation.

The United States had been generous in extending relief to the Armenians under the American Relief Administration headed by Herbert Hoover, but with isolationist Republicans in control in the Senate no attention was paid to Wilson's plea:

> Have you thought of the sufferings of the Armenians? You poured out your money to help succor the Armenians after they suffered; now set your strength so that they shall never suffer again.

The proposal to join other Allied Powers in sending troops to Armenia when Turkey prepared to launch its attack on the new nation was pigeonholed in a Senate subcommittee headed by Senator Warren G. Harding, who was too busy at that time running for President to act on this matter.

After Harding became President, he made several pious protests about the treatment of Armenia but effectively prevented any action.

ARE WE RETURNING TO A DISASTROUS POLICY OF ISOLATION?

I cite these historical facts today, Mr. Speaker, not in partisan recrimination over something that happened a generation ago, when isolationism was dominant in the Republican Party, but to call attention to the fact that other nations will fall if isolationism should come back into style in the United States.

We have always been proud of the fact that the United States covets no territory of other nations. We came out of World War I without selfish aggrandizement, and we came out of World War II in the same noble tradition.

But the grabbing of territory, the annexation of peoples, the suppression of national liberty and sovereignty did occur in both instances on the part of other countries.

After World War I we turned our backs to this tragic and cruel spectacle. Are we turning our backs today? Are we getting tired of our worldwide responsibilities on behalf of freedom? Are we toying with the idea of again retreating to our own domestic sphere as a means of saving money?

There have been some disturbing signs of this trend in the past year. We must stand united against isolation.

We have many bitter lessons before us of the folly of isolation, including the loss to freedom of Armenia only 2 years after its emergence as an independent nation. As we observe Armenian Independence Day on May 28, we should again rededicate ourselves to the goal of freedom for all people, as the means of assuring our own freedom and of world peace.

Czechoslovak Uprisings Against Soviet Tyranny

EXTENSION OF REMARKS
OF
HON. JAMES A. BYRNE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 1, 1954

Mr. BYRNE of Pennsylvania. Mr. Speaker, it is my honor and privilege to rise today before this House and salute the brave and fearless people of Czechoslovakia who, 1 year ago today, rose up against their Soviet tyrants in revolt. The ramifications of their actions are well known. Uprisings and riots surged through Eastern Europe, culminating on June 17 in the revolt of the workers in East Berlin.

The Communist rulers, in a typically totalitarian move, had virtually wiped out the life's savings of the Czechoslovakian people. This had the additional result of raising prices to almost twice their previous level. In protest of this, workers at factories in Pilsen, Kladno, Ostrava, Handlova, and other

cities left their jobs and stormed through the cities, burning official papers and buildings, and destroying plant machinery. They were not quieted until, a week later, the Communists ordered the army into action.

Need I stress the importance of these facts. The unrest brewing behind the Iron Curtain was suspected. But nowhere was it thought that it would rise to such great proportions. Newspapers throughout the world screamed with black headlines; radio and television commentators could talk of little else. It was a psychological and political defeat for Soviet Russia.

We can and, in all honesty, we must pay tribute to our Czechoslovak friends. It is because of their courageous actions, done with full knowledge of the likelihood of Russian reprisals against them, that similar revolts followed. Hope was reborn in the hearts of millions subjugated by the Red masters. The people of the free world were awakened to the plight of their brethren behind the Iron Curtain; we were made conscious of the tremendous spirit and fortitude of these people, so much so that it is very vivid in our minds today.

We join today with our friends in Czechoslovakia, in the true spirit of freedom and democracy, in praying that the yoke of tyranny, dictatorship, and atheism may soon be lifted from their shoulders, and that they may in the very near future breathe again the air of a free Czechoslovakia.

The Hydrogen Bomb and Civil Defense

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 1, 1954

Mr. RODINO. Mr. Speaker, the development of the hydrogen bomb by the Soviet Union has had a tremendous impact on American military policy. During the years immediately following World War II the superiority of the Soviet Union in land forces was offset by the possession of the atomic bomb by the United States. The subsequent development of atomic and hydrogen weapons by both nations, however, has changed this condition entirely. The United States is now confronted with a potential enemy who possesses both the hydrogen bomb and superior land forces.

As a result of this development, the United States policy of deterring Soviet aggression by threatening to retaliate with atomic weapons must now provide for the possibility of Soviet counterretaliation. If the threat of Soviet counterretaliation offsets our threat of atomic-hydrogen retaliation in the first instance, then the free world is left at the mercy of the huge Communist land forces. Our task is to prove to the Soviet Union that we have the capacity and the determination to carry out the policy of "instant massive retaliation" in case of aggression. Only by doing this can we hope to deter the Soviet Union from committing aggression. Unless we are prepared to cope with the destruction of a possible hydrogen attack, we are openly inviting such an attack.

Demonstrating our preparedness to suffer the consequences of using the hydrogen bomb is not an easy task. Films, still pictures, and other data on the 1952 hydrogen bomb, recently made public by Atomic Energy Commission Chairman Lewis Strauss, reveal the appalling nature of this weapon. The destructive effect is tremendous—complete destruction over an area of 33 square miles, severe to moderate damage over 154 square miles, and light to unknown damage for 314 square miles. The fire and blast effects may be known to the Atomic Energy Commission and other authorities, but to the layman they are incalculable. The same is true with regard to radiation effects. It is significant that the Japanese fishing crew which suffered from radioactive ashes from the hydrogen explosion on March 1 of this year were 80 miles outside the designated danger zone. From this and other considerations it is clear that the destructive effects of the 1954 hydrogen bomb are even greater than those of the 1952 bomb. All the factors mentioned above with respect to the effects of the 1952 explosion should be increased when dealing in terms of the present bomb.

The realities of the hydrogen bomb, it seems to me, should be applied to all aspects of the United States defense program. Thus far it appears that we have applied the hydrogen bomb only to our offensive strategy—what we can do to the enemy—and have not applied these hydrogen-bomb data to our defensive strategy—what the enemy can do to us both before and after our offensive actions are launched. The principal defensive programs, continental air defenses and civil defense, have not been adequately coordinated with each other or with our offensive programs, on which our military strategy is primarily based.

The major weaknesses inherent in this lack of coordination are that, first, as mentioned above, our strategy of deterring aggression by demonstrating strength must be based on defensive strength as well as offensive strength; and, second, the strength of our civil-defense program is primarily dependent upon awareness of military plans and capabilities. In this former respect, it is axiomatic that the military, in order to have an understanding of our defensive strength, must be fully acquainted with our civil-defense program.

Regarding the second major weakness, there are several outstanding operational problems not always fully understood. First of all, if civil-defense authorities are to be able to plan for and put into operation a civil-defense program of any effectiveness at all, they must first know what they are to defend against. They must have access to the very best estimates of enemy capabilities and intentions. On the implementing level—and this includes the bulk of all civil-defense operations—measures taken to counteract enemy actions must be designed in view of specific needs. This means that civil-defense policy and tactics, as well as personnel training programs and equipment, must be based on a complete understanding of the weapons likely to be employed by the enemy, including the hydrogen bomb. This naturally requires the publication and dissemination of as much hydrogen bomb data as possible, consistent, of course, with security considerations.

Another important operational problem is that of coordinating military and civil-defense activities in time of emergency. At the present time there are two entirely different systems. Civil-defense agencies will receive from the military a warning of an impending attack, but from that point on civil-defense communications and control are separate from those of the military dealing with defensive military measures. The net result under this system, should an attack occur, would be to have two separate organized forces carrying on large-scale programs at the same time and, in many cases, in the same geographical areas. The resulting confusion would paralyze our community facilities and reduce the effectiveness of both the military and civilian programs.

An important factor contributing to this lack of integration is the present distribution of civil-defense functions between the Federal Government and the States. Under the terms of the Federal Civil Defense Act of 1950—approved January 12, 1951—the Federal Government carries on functions largely of an educational nature. Under the guidance of the Federal Civil Defense Administration, the States operates their own individual civil-defense programs. In many cases State programs are linked together by interstate mutual-aid compacts, negotiated with the consent of the Federal Government, but these compacts and the individual State programs have not produced an adequately coordinated national program.

The other major arm of our defensive program, the continental air defense system, is also beset with problems of a fundamental nature. Studies conducted during the past several years have produced a program which is expected to develop an effective radar warning and interceptor system by 1960. The dilemma here, however, is that by that date the chief threat to our cities will probably be guided missiles rather than piloted bombers. In the meantime, however, the program is not fully coordinated with the civil-defense program.

These conditions clearly indicate a need for greater integration within the civil defense and continental air-defense programs. They also point to the advisability of bringing these two programs together in a single system directly tied in with the rest of our military effort. What is more, this action must be taken immediately. Whatever shortcomings there are in our continental air-defense plans and whatever weaknesses are inherent in our civil-defense program should be fully understood at the highest military-policy levels. Every effort should be exerted to establish the best possible program at the present time, while planning also for that time in the

future when radically different measures will be required.

To implement these recommendations will require fundamental changes in our Defense Establishment, bringing about much greater Federal authority in the case of civil defense. Therefore, I am at this time introducing a joint resolution providing for these basic changes. According to the provisions of this resolution the desired integration of civil defense and other aspects of our defense program will be achieved through a Cabinet-level Department of Civil Defense, the Secretary of which will be a member of the National Security Council.

Creation of this Department of Civil Defense will enable the Federal Government to exert positive leadership in developing a realistic civil-defense program thoroughly integrated with our continental-defense system. In this manner a basic requirement of our broad military strategy will be met. The possibility of deterring Soviet aggression will be increased to the extent that we demonstrate our ability to minimize the disaster that could be caused by a Soviet hydrogen bomb attack on our cities. In view of our primary emphasis on deterring Soviet aggression, rather than destroying the Soviet Union, the provisions of this resolution should be given the utmost consideration.

Buffalo and the St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. EDMUND P. RADWAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 1, 1954

Mr. RADWAN. Mr. Speaker, although Buffalo has long opposed the St. Lawrence Seaway, I pointed out in my remarks before this body that earlier this year we accepted the St. Lawrence Seaway as inevitable. This, however, does not mean that we in the great western New York area should view the seaway with pessimism. There is every reason for optimism, and I want to set forth a few of those reasons.

At the present time three-fourths of Buffalo's waterborne tonnage is confined to two products—grain and steel. In our planning for the future we must take every step to keep what we have, that is preserve our present trade and industry in grain as well as steel, while promoting new tonnage. There is no doubt in my mind that our milling industry will stay in Buffalo and, rather than lose any part of it, Buffalo should expect some gain in activity. However, the greatest opportunity and gain will come in steel. At the present time the Buffalo area is the sixth largest steel center in the country. We are the largest steel center among those in close proximity to Labrador ore. It is this Labrador ore that will come down the St. Lawrence Seaway—and this was one of the principal reasons for passage of the seaway bill—and we are the closest and largest steel center to it. All finished steel products are almost always shipped out of the Buffalo area by rail. This means more business for the railroads and not less. Buffalo's steel industry is certain to reach great heights once the seaway will be in operation.

What about other trade? Buffalo is the eighth largest manufacturing center in the country, with a highly diversified area. Ocean freighters leaving Buffalo will be able to carry generators made at Westinghouse, big castings made at the Buffalo Forge Co., as well as hydraulic presses manufactured at Lake Erie Manufacturing Co., to Europe, South America, and other parts of the world. There are other manufactured products by other companies but I have only singled out those that come to my mind at the moment. The possibilities for our export trade from our diversified industries are enormous.

At the present time Buffalo and Detroit are the two largest trading points with Canada. Since the population across the border in our area is going to increase rapidly because of the St. Lawrence Seaway, our trade with Canada in the Buffalo area should be increased by leaps and bounds. As we export our products to Europe, we will be importing many of the products of mid-Europe, because Buffalo's background is such that products from European countries will find a very ready and interesting market in Buffalo for its population of recent European background.

The construction of the St. Lawrence Seaway itself will make for a lot of work on both sides of the border. This means more in dollar payrolls, much of which will be spent in the Buffalo area and contributing to our prosperity. While we now know that ships like the *Queen Elizabeth*, the *Queen Mary*, and the S. S. *United States* will not be able to come through to Buffalo, nevertheless, smaller passenger ships that now cross the Atlantic will be able to go from Buffalo to Europe and return. This is a long-range view, but the possibilities are there and should not be ignored when promotional plans are being made. Buffalo could become an important port of entry and passenger terminal.

I will conclude with the statement that we are strategically and favorably located. We are within a 500-mile radius of 50 percent of the population of America, and within that 500-mile radius we have 70 percent of the Canadian population which, as I stated before, is going to increase very rapidly with the St. Lawrence Seaway. We are losing nothing and we have everything to gain—so let us go Buffalo.

Loans or Grants

EXTENSION OF REMARKS
OF
HON. JOHN M. VORYS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 1, 1954

Mr. VORYS. Mr. Speaker, I wish to place in the RECORD a statement I filed today in the foreign-operations hearings in the House Committee on Foreign Affairs.

We are about to close our hearings. I had hoped that FOA or some other executive agency would support the President's announced policy on loans rather than grants for economic aid. Since this has not been done, I wish to do so.

This problem was given careful consideration by the Randall Commission, of which I had the privilege of being a member. The report of the Commission to the President and to the Congress included the following recommendations:

The Commission recommends that economic aid on a grant basis should be terminated as soon as possible.

In cases where our security is importantly involved, the Commission believes that moderate grants-in-aid may serve the national interest of the United States.

The Commission recommends further that where support is needed to maintain military forces to conduct military operations connected with our own security beyond the economic capacity of a country to sustain grants should be made, not loans. In other cases where substantial economic aid is necessary in the interest of the United States but cannot be obtained from private or international sources loans should be made, not grants.

The President endorsed these recommendations of the Randall Commission in his message to the Congress on foreign economic policy of the United States on March 30 of this year. The words of the President are as follows:

> I subscribe, therefore, to the principle that economic aid on a grant basis should be terminated as soon as possible, consistent with our national interest. In cases where support is needed to establish and equip military forces of other governments in the interest of our mutual defense, and where this is beyond the economic capacity of another country, our aid should be in the form of grants. As recognized by the Commission, there may be some cases in which modest amounts of grant aid to underdeveloped countries will importantly serve the interest of security. I further agree that in other situations where the interest of the United States requires that dollars not otherwise available to a country should be provided, such support to the maximum extent appropriate should be in the form of loans rather than grants.

This statement of policy which seems to be clear and simple apparently has been ignored by the various officials who have presented the fiscal year 1955 foreign operations program to us.

The working draft bill does not contain any provisions implementing the policy stated by the President which I have just read. The draft bill authorizes the provision of aid on either a grant basis or a loan basis as has been the case in previous years, but no directives whatever that loans should be made under any defined conditions. The matter is left entirely to the discretion of the administrator of the program. Experience has shown us that when a country can have a grant or a loan, it always chooses a grant, and when a foreign aid administrator has both grant and loan authority, he always chooses grants. The witnesses tell us that none of the projects

they wish to underwrite are sound enough for bankable loans but are sound enough for American grants. I question such judgment. In this country our Government has loaned billions of dollars to citizens on projects that were sound but not bankable, and the loans have been repaid. During the depression thousands of homes, farms, and businesses were saved in this way.

The opponents of loans for foreign aid include some strange bedfellows. Those who oppose all aid and those who want nothing but gifts join in saying that aid loans are substantially gifts anyway, and cause bad feelings. Experience shows that both groups are wrong in these arguments.

This committee, through provisions or amendments I have offered, has required a whole series of loans in aid bills. All of them were opposed by the executive branch. None of the loans were ever turned down by the other countries involved. None of these loans have been defaulted. None of them have caused hard feelings. Here is the record:

Loans required under ECA, MSA, and India wheat loan

Original ECA Act (Public Law 472, 80th Cong.)	$1,000,000,000
India Emergency Food Act of 1951 (Public Law 48, 82d Cong.)	190,000,000
Mutual Security Act of 1951 (Public Law 165, 82d Cong.) (10 percent of ECA assistance)	335,547,000
Total	1,525,547,000

Collections on these loans as of December 31, 1953

Principal, European ECA	$167,000
Interest, European ECA	42,755,000
Interest, Indian wheat	7,027,000
Total	49,949,000

As a matter of fact, since World War II, the United States has extended to foreign nations credits of $11,504,000,000. During this same postwar period the United States has collected from foreign nations $2,667,844,000 as repayment of principal and $1,059,375,000 in interest, a total of $3,727,219,000.

When former President Herbert Hoover appeared before our committee in 1947 he urged that we should never make outright gifts of our aid, but should always require an obligation from the receiver. He first suggested the counterpart device, which I put in on the House floor in 1947 over administration opposition, and which has been extremely useful ever since. As to loans, he pointed out that even though they might not be bankable loans, there were two great phychological differences between loans and grants: First, a person asking for a loan tries to make his proposition as good as possible, but someone asking for a grant tries to make his condition look as bad as possible, so he will not be asked to repay; second, a person asking for a loan knows that he might have to repay it and, therefore, asks for as little as possible, whereas someone asking for a grant asks for as much as possible.

In any case, we have found since World War II that loans do not make enemies, and grants do not necessarily make friends.

A loan with "the silly dollar sign" is the capitalistic way to express a collective obligation. A nation such as ours, with constantly diminishing natural resources, should make loans, not gifts, from these resources wherever this is possible. We do not need to be repaid next year, or the year after. We can wait for a number of years, when we will be importing an increasing amount of scarce materials. We can defer payment on our loans, if necessary, to make other loans more "bankable," as many individuals and companies did here in our country during the depression—and were finally repaid. But a nation with 6 percent of the world's resources, half the production, and double the debt of the rest of the world, should be making more loans, and fewer gifts.

I have made a rough estimate that at least $127 millions of the illustrative projects presented in the authorization requests are for capital items, such as railway equipment, power dams, irrigation systems, and so forth, that could be self-liquidating projects for bankable loans. In the present state of our budget, most of the amount authorized will be financed by adding to our national debt. Some of it could go into the national debt of other countries.

I suggest we bear the President's message in mind as we mark up this bill.

A New Departure in American Foreign Policy

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 1, 1954

Mr. SHAFER. Mr. Speaker, I have just read the Honorable KATHARINE ST. GEORGE's trenchant remarks with reference to House Concurrent Resolution 219, which I introduced last March 22, and her favorable comments with respect to the principles embodied in the so-called Private Enterprise Plan For Korea.

I take this opportunity to call the attention of my colleagues here in the House, and in the Senate, to the possibilities and potentialities inherent in two basic ideas or principles set forth in the Private Enterprise Plan For Korea.

I refer to the idea, first, of a reconstruction finance corporation, similar in purpose and general design, to our own structure of the same name. This RFC would be adequately financed by congressional appropriations, and set up under the laws and American-supervised control of those of our allies who would welcome such a lending organization, and who would be entitled to it by reason of their proven loyalty and devotion to the cause of world freedom.

The second idea endowed with interesting potentialities, is that of inducing some of our outstanding and most efficient American corporations to sponsor the construction and operation of counterpart factories in those countries qualified for the establishment of reconstruction finance corporations. Under this plan, each American parent corporation would receive a 25-percent permanent share of the equity stock in its new allied corporation, and provisions would be made to guarantee that the balance of 75 percent of such equity stock would ultimately be sold to the native men and management of these new corporations.

I am reliably informed that over the past decade we have granted to our friends and allies all over the world, about 60 billions of dollars in various forms of relief, arms, aid, reconstruction, and so forth. The worthy purpose of these vast expenditures of our precious natural resources and wealth, were to build up a formidable and united association of free nations which would combat the growing menace of communism.

I will not digress at this point to state my convictions as to how successful this venture has been. Each citizen can judge for himself in this respect. But, there is a growing conviction in our country that the time has come to take a new look—another look, if you please—to determine whether we can afford to continue such vast outlays. There is an urgent need to weigh the benefits we have received, in exchange for our 60 billion dollars. It is at this important juncture in our own, and in world affairs, that I submit this new and comparatively modest departure in American foreign policy. I mean, of course, the ideas I have just outlined for a series of Reconstruction Finance Corporations to be inaugurated within the realms of the stanchest allies.

Let me name several of those nations that I personally consider to be our most loyal allies. In these countries, the inauguration of this so-called private enterprise, or RFC plan, would, in my opinion, be welcome; and would prove particularly effective. First, of course, is our outstanding, fighting ally, the Republic of Korea. Then there are Formosa, the Philippine Republic, Greece, Turkey, Pakistan, and several of our South American neighbors. I am sure we will all agree that the courage, loyalty, and fighting spirit of each and every one of these allies, is beyond question of doubt.

To put it bluntly, the countries I have named are good risks, because they will stick with us through thick and thin. Now in seeking, as we must, to conserve our resources, of manpower and of minerals and metals, would it not be wise to build up the industrial power of these several nations, as swiftly as we can? And should we not concentrate the expenditure of our precious dollars upon those in whom we can surely trust, rather than upon those who will probably be among the missing when the chips are down?

In all of these nations I have named are rich and valuable natural resources waiting to be developed. But, of far greater importance, there are brave, hardy, and intelligent people, eager to be taught the world-famous American know-how. Those freedom-loving people are eager to grasp the golden opportunity of raising their standards of living to the hitherto undreamed of heights which the application of that famous

American know-how will positively guarantee.

This being the case, you may ask why not encourage private capital to undertake the vital task of building up the industrial power of these vital bastions of freedom? Why do we have to appropriate Government funds for this purpose?

My answer is threefold: First, because the primary consideration involved here is strategic rather than commercial. Second, because for this same reason the risk for private capital is too great to induce the investment of its savings. Third, because time is the essence of our world problem today. The expanding menace of communism does not allow the passage of time necessary for the normal development and growth of industry under a system of private investment.

I want to point out that it has been the rapid industrialization of Russia under communism that has led, and is leading, a number of undeveloped nations to accept communism and its risk of regimentation and government ownership. They accept this risk because they see no other way to accomplish swift industrialization.

Now, let me pose the question: Is not this private enterprise plan, with its Reconstruction Finance Corporation idea, the means and method through which the United States can offer our stanch Allies a rapid realization of industrialization that they need? And can we not, at the same time, offer them more than has ever been accomplished in Russia? We can, at the same time, avoid the Red terror and the appalling sacrifices suffered by the unfortunate Russian people.

I say we can. Furthermore, we can simultaneously establish "Little Americas" within all these nations where the principles of the private-enterprise plan may be applied. Now, what do I mean by "Little Americas"? I mean to say that the application of American know-how and American capital in underdeveloped regions can immeasurably raise the standards of living of all the people within them. I contend that this can be accomplished under a system of freedom and private enterprise and with great gain to us, both spiritually and materially.

What is it that the false prophets of Moscow promise to their people and to the people of their satellites? They promise them that communism will enable them, within a generation, to match the industrial power and wealth of America. That, indeed, has become the great world dream. All peoples everywhere have heard fabulous tales of the power and wealth of America, and of the freedom from oppression and from want that exists in these United States. And because they dream dreams of achieving these benefits for themselves, they are discontented with their hard lot in life, and are thus fertile fields for the false promises of communism.

Obviously we Americans cannot raise the living standards of all the people in the world, but we can raise the standards of living in those nations I have named and of a number of other nations in South America which are eligible for application of the private enterprise plan. And let me emphasize this fact, we can accomplish all this for a fraction of the $60 billion we have wasted throughout the world, and for which we seem to have reaped nothing but a harvest of hatred and ill will.

What I propose is no "giveaway" program. In the case of Korea, we are morally obligated to reconstruct, in that tragic land, the devastation wrought by our own incredibly stupid foreign policies. Now that job is going to be an expensive one and we cannot, in all probability, expect any repayment from the Korean people other than in the form of their loyalty and good will.

But, I submit, Korea is the exception to the rule, for I have not the slightest doubt that in a country of rich resources such as Turkey, a $2 billion Turkish Reconstruction Finance Corporation would, within 2 or 3 decades, return to this Government not only its original investment, but a handsome profit besides. And that, I am positive, is the way the Turkish people, or any other self-respecting, independent people, would want it to be.

Now what about our American corporations that would design, build, and operate counterpart enterprises in foreign lands, and would teach the local folks our American methods of manufacture? Have they not everything to gain and nothing to lose? Would the parent corporations fear the competition of their progeny? Well, I do not know whether you can compete with yourself, but I do know that competition is the life-blood of capitalism. I also know that an expanded production of goods means an expanded volume of trade between nations.

So, while our American corporations would be disseminating their knowledge and the good will that goes with it, they would, at the same time, be earning a profit commensurate with the services rendered. And again, I say, this is the way it should be.

Mr. Speaker, the time has come for the United States to cease practicing the preachings of communism. Stripped down to its bare fundamentals, Marxism is just the ageless old phony of "something for nothing," and that is exactly what America—supposedly the citadel of capitalism, has been practicing. We have given away $60 billion and, I repeat, we seem to have reaped a harvest of hatred and ill will. Now, if that is not "something for nothing" then what is?

So, Mr. Speaker, before concluding my remarks, with an enumeration of the advantages to the United States, inherent in the application of this Reconstruction Finance Corporation idea, to our stanchest allies, I say this: Let it be, henceforth, the sense of Congress and of the American people that we will neither sustain bankrupt socialist economies, with our hard-earned tax dollars, nor go bankrupt ourselves by giving away billions for nothing. Let us, rather, regain our own self-respect and the respect of the world by recalling and practicing this great Christian doctrine from St. Luke, chapter 10, 7th verse: "For the laborer is worthy of his hire."

And now, here is my enumeration of the advantages to the United States that are inherent in the private enterprise plan.

First. We will open the doors of economic opportunity to our faithful friends among the society of nations.

Second. We will liquidate the further failures of a foreign policy based upon the operation of an international poorhouse supported by American tax-dollar gifts.

Third. We will create pools of potential military might in areas where there is now nothing but military weakness.

Fourth. We will forge, on the anvil of international cooperation, those enduring friendships that can only be founded upon mutual trust, and proven performance.

Fifth. We will substitute the sound strategic principles of concentration for our present unsound strategy of waste and dispersion.

Sixth. In this program, the money we spend, will be money we lend, and the sums so spent will eventually return in kind.

Seventh. In this way we shall vindicate the superior value and the soundness of our system of private property, private enterprise, and personal freedoms.

Is Failure To Increase National Debt Causing Farmers and Government To Pay More in Interest Charges?

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 1, 1954

Mr. PATMAN. Mr. Speaker, when the question of increasing the national debt from $275 billion to $290 billion came before the House in 1953, I voted against it although it passed the House of Representatives and the bill is now in the Senate. The reason I voted against it was because at that time there was almost $9 billion in cash idle and unused in the commercial banks. I did not see any reason to permit this money to remain idle and borrow more money at the then high rate of interest. Therefore, I felt justified in opposing the increase until these idle funds were used. Now they have been substantially used and if it is necessary to raise the national debt it should be raised.

It is at least bordering on intellectual dishonesty for Members of Congress to vote appropriations in excess of the national debt limit and then refuse to increase the national debt limit to take care of the appropriations so voted. The administration is giving as an excuse for paying higher interest rates and also for filling up the portfolios of local banks to the extent that these banks are discouraged from making local loans, the fact that the Congress will not increase the national debt limit and it is forced upon them.

There is a difference in individuals, corporations, and States and cities being in debt and the Federal Government. It is highly desirable that the former pay their debts as rapidly as possible, but everyone who has studied the question knows that there is no likelihood of any decrease in our national debt. It is used as a vehicle to provide an adequate money supply. If we were to make a substantial payment on our national debt, it would be very deflationary. If we were to pay it off in a short period of time, it would cause a serious deflation. Our capitalistic system, which we all believe in and think it is the best system in the world, is based on debt. No debt, no money. If all debts were paid, we would not have enough money to do business and would be reduced to barter.

In an expanding economy in our country, it is necessary that our gross national product be increased 3 to 4 percent a year, in order to maintain reasonable prosperity. If we fail to increase our gross national product we will be unable to properly take care of the million new workers coming on the job every year and the million workers who are displaced by technological development. If we fail to increase the national debt limit and thereby fail to increase our gross national product, our country will soon find itself going backward instead of forward.

The best way to increase our gross national product is through debts created by local people and then paid off and go into debt again. The trend is now to permit the banks that have the privilege of creating or manufacturing the money to use it to buy Government riskless securities, thereby failing to encourage them to seek and make local loans.

In the June 1954 American Bankers Association magazine, Banking, there is an interesting article entitled "News for Country Banks." It discloses why it was necessary for the Treasury to sell certain loans to the banks in order to keep within the debt limit. It is as follows:

NEWS FOR COUNTRY BANKERS

(By Mary B. Leach)

CCC INTEREST RATE LOWERED

Despite warnings by members of the agricultural commission of the American Bankers Association that a reduction in the interest rate allowed banks for making Commodity Credit Corporation loans would tend to discourage them from originating and keeping these loans, the CCC last month reduced the banks' share of the loan rate to 1¾ percent. The overall rate was set at 2¼ percent, which includes a service charge of one-half of 1 percent.

The CCC loan rate paid by the farmers remained unchanged at 3 percent from 1941 to 1951. The interest allowance made by the CCC to banks during this 10-year period was 1½ percent. For the 1952 crop, CCC officials decided to increase the interest allowance to the banks to 2 percent by increasing the rate to the farmers from 3 percent to 3½ percent. While ABA representatives had been asking for this increase of allowance to banks, they did not seek it at the cost of raising the rate to the farmers. Rather, they felt that a division of 2 percent to the banks of the interest rate of 3 percent paid by the farmers would have been entirely fair.

In the fall of 1953, when the United States Treasury got close to the debt limit, a plan was evolved to offer certificates of interest to banks secured by commodity pools owned by the CCC. The rate on these certificates was 2½ percent, later 2¼ percent, and still later 2⅛ percent. But banks which originated the loans at the farm level got an interest allowance of 2½ percent, plus one-half of 1 percent for service charge, or a total rate of 3 percent out of the 4 percent rate paid by the farmers on 1953 crops. This increase has now been rescinded.

Commenting on the recent reduction to 1¾ percent, Jesse W. Tapp, executive vice president of the Bank of America N. T. & S. A., San Francisco, and chairman of the ABA Agricultural Commission, said that "the 1953 rate arrangement had served as a great impetus to the country banks not only to originate the CCC loans but to hold them, so that it became unnecessary for the Treasury to use its funds in the making of these price support loans."

Amendment of Sugar Act of 1948

EXTENSION OF REMARKS

OF

HON. TIMOTHY P. SHEEHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 1, 1954

Mr. SHEEHAN. Mr. Speaker, H. R. 9394, which I have introduced today, is for the purpose of producing a measure of protection for the sugar consumers within the United States and a level of supply consistent with requirements.

Out of our population of 160 million people in the United States, 140 million are urban or city residents. Most of the city people are willing to go along and help protect the basic farm products, yet when the average American housewife, who represents the consuming public, is paying too high a price for protecting any farm commodity, something must be done to give proper consideration to the housewife and to the consuming public. When Government officials, through legislative or executive policies, cause the American consumer to pay a higher price for commodities than other people, the American consumer is entitled to have some consideration in the matter.

It is important to note the increasing tonnage of cane sugar and beet sugar being used in various forms by the American consumer. According to official Department of Agriculture figures the quantity of sugar distributed to meet consumer requirements during the past 4 calendar years was as follows:

Calendar year	Total distribution (short tons, raw value)	Per capita (pounds, refined)
1950	8,279,000	102.0
1951	7,737,000	93.7
1952	8,104,000	96.5
1953	8,482,000	99.3

During the year 1954 the American consumer, including all types—household, industrial, and institutional—will require a cane and beet sugar supply well in excess of 8,400,000 short tons, raw value.

Of that substantial volume of this basic food commodity, it is generally estimated that about half is purchased for use in homes, while the other half is consumed in the form of processed food products, such as bread and other bakery products, canned foods, chocolate products, jams and jellies, frozen foods, confectionery, ice cream, soft drinks, and other products containing sugar. Therefore, it should be kept in mind that the existing controls on this basic commodity have far-reaching effects on our population and on many food-processing businesses throughout the country.

With the annual per capita consumption of sugar at about 100 pounds the legislation which governs supply, and therefore cost of sugar, must be given the most serious consideration, as every increase of 1 cent per pound means an added cost of about $160 million to the American people. Likewise, when we consider that raw sugar is purchased by other countries throughout the world at a cost average 2 to 2½ cents per pound lower than that paid by refiners in this country, we must recognize that American consumers, in effect, are subsidizing sugar producers and consumers in other countries at a rate of about $420 million each year. A difference of 2½ cents per pound is equivalent to $50 per short ton of sugar. Using the present level of annual United States use of 8,400,000 tons, this results in an annual cost of $420 million in excess of sugar price on the world market.

The legislative development of the sugar program under the Sugar Act of 1948, and its principal predecessors—the Sugar Act of 1937 and the Jones-Costigan Act of 1934—has been woefully lacking in the attention given to it by the consumer generally. Even a most cursory examination of the record of the hearings on those bills shows an almost complete absence to any attention of their legislative development on the part of the sugar consumers and sugar users through participation in those hearings. It is most fortunate that, under those circumstances, in our system of government, the members of congressional committees considering the legislation, the Congress, and the executive branch of the Government were able to and did embody in the legislation that philosophy which recognizes the importance of consumer interest. However, significant developments in the last few years make it appear necessary to modify existing sugar legislation so that the importance of the consumer and his interest is restated in its true perspective.

That question arises because of an apparent tendency to consider that legislation as of primary application only to sugar producers and sugar processors and of the continued efforts of such producers and processors to claim the primary benefits intended to come from such legislation as theirs, and theirs alone. On several occasions, and with increasing frequency, sugar producers and processors in appearing before congressional committees, and more often in appearances before the Secretary of Agriculture and his staff at the annual hearings held for the determination of United States consumption estimates, have indicated a serious disregard for the

sugar consumers, when it comes to the matter of sugar cost, and in support of their position usually cite section 201 of the current Sugar Act of 1948. Sugar producers and processors have seemed to take the position that section 201 of the Sugar Act requires the Secretary of Agriculture to establish a consumption estimate, and therefore the permitted supply, for the ensuing year significantly below probable requirements in order that such supply depressing action will result in an inflationary pressure on the price of sugar. On numerous occasions these interests have endeavored to impress on the Secretary that such action was required as a mandate to him from Congress under the terms of the Sugar Act.

Briefly, the general purpose of the Sugar Act of 1948 is stated to be "to protect the welfare of consumers and of those engaged in the domestic sugar industry by providing such supply as will be consumed at prices which will not be excessive to consumers and which will fairly and equitably maintain and protect the welfare of the domestic sugar industry."

Under section 201 of the 1948 Sugar Act, as it now reads, the Secretary of Agriculture, when determining the annual consumption estimate, takes into consideration six factors. It provides that in making this determination of annual requirements it shall use as a basis the quantity of direct-consumption sugar distributed during the 12-month period ending October 31 next preceding the calendar year for which the determination is being made, and shall make allowances for deficiency or surplus in inventories, for changes in population, and for changes in demand conditions. In addition to the previously referred-to basis and allowances, the Secretary shall take into consideration the relationship between prices at wholesale for refined sugar, that would result from such determination, and the general cost of living in the United States as compared with the relationship between prices at wholesale for refined sugar and the general cost of living in the United States obtaining during 1947 prior to the termination of price control of sugar as indicated by the Consumers' Price Index.

Section 201 of the Sugar Act effectively places the determination of the Nation's supply of sugar and the price of it in the hands of one man—the Secretary of Agriculture. And despite the numerous criteria set out in that section as the factors which he "shall use," and "shall make allowances for," and "shall take into consideration," it is abundantly clear that in making such determination a high degree of speculative uncertainty naturally exists, and that such uncertainty can readily result in serious error. As previously pointed out, action which results in an increase of 1 cent per pound in the cost of sugar to the American consumer involves a potential total increase in our annual cost of upward of $160 million.

It is because of these uncertainties and their inherent dangers that this bill is introduced. As conceived it is neither the desire nor purpose to change the fundamental objectives or goals of the 1948 Sugar Act. The objectives of this bill are limited specifically to revision of the existing section 201 which outlines the criteria used by the Secretary of Agriculture in setting an annual estimate of consumer requirements.

First, this bill eliminates from consideration by the Secretary of Agriculture, when determining the annual quota, that provision having to do with the general cost of living index obtained during 1947. Substituted in its place is the single provision that the annual quota so established shall not result in average prices for sugar in excess of those which will reflect to producers prices—including payments under title III of the Sugar Act—for sugar beets and sugar cane equal to not less than 75 percent nor more than 90 percent of the parity price therefor as determined under section 301 (a) of the Agricultural Adjustment Act of 1938, as amended. This principle, it seems to me, would be in agreement with President Eisenhower's farm program of a flexible parity policy.

Further, and supplementing the parity clause, this bill provides that in no event shall such determination be less than the annual average of the quantity of direct-consumption sugar distributed in the continental United States as indicated by the official statistics of the Department of Agriculture, during the 2 years ending October 31 next preceding the calendar year for which the determination is being made.

With respect to the parity provision here recommended it should be stated that for the year 1952 the estimated average price per ton received by farmers for both sugar beets and sugar cane, according to official statistics published by the Department of Agriculture, in table 6 of Sugar Reports No. 21, reached 92 percent of parity. Likewise, the same source estimated average sugar beet parity for 1953 at 100 percent and for sugar cane 98.5 percent. In consideration of the average parity supports for our other important agricultural commodities, it would appear that sugar is being accorded special treatment at the expense of United States consumers.

The concept of restraining the Secretary of Agriculture from setting an annual estimate below average usage during the 2 preceding years, as here proposed, is not new to sugar legislation. It reestablishes in this sugar-control legislation a previously existing guarantee by Congress that the American consumer shall have the full supply of sugar he needs, and which guarantee was eliminated when the Sugar Act of 1948 was enacted in favor of means for price control of sugar through supply manipulation. In the Sugar Act of 1934, and again in 1937, basis was provided for safeguarding the historical quantities of sugar required by consumers in a specified period; the former being on a representative-year basis, and the latter on a per capita consumption basis. Therefore, from the standpoint of consumer-users of sugar, and in view of the necessity of strengthening the criteria to be considered by the Secretary of Agriculture when establishing the annual quota, it would appear advisable to add this provision. Legislation of this type will go a long way in eliminating many of the uncertainties and inherent dangers to consumer interest which exist in the control of sugar under the Sugar Act as now written and which were not experienced when that safeguard was in prior acts.

In order that United States sugar consumers may receive the fairest of treatment and protection under our sugar legislation, H. R. 9394 should merit the most serious study and consideration.

Small-Business Loans

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 1, 1954

Mr. EVINS. Mr. Speaker, because of the expressed interest of a number of Members of the House, I am pleased to have obtained from the Small Business Administration and to present for the RECORD a summary of the lending activities of the SBA, created by nonpartisan action during the last session of the Congress.

The Small Business Act of 1953 declared the purposes of the Small Business Administration to be: first, to aid small firms in procuring Government contracts; second, to give technical and managerial assistance to small business; and, third, to provide financial assistance to small concerns to finance plant construction or expansion, buy equipment or facilities, supply working capital, and to provide capital to meet emergency conditions caused by catastrophe.

The small-business loan service has been the principal function of the agency receiving public attention since its creation. Figures on loans, applications, loans processed and loans approved are a good indication of the service being rendered by the Small Business Administration.

Through May 20, last, the regional offices of SBA have received 1,794 loan applications requesting a total of $109,576,206. The regional offices have forwarded 1,025 applications to the Washington office, the total amount having been requested in these applications being $63,456,059. The Washington office has acted upon 861 applications—involving $54,372,719—leaving 164 pending action in the Washington office.

As to the disposition of these applications I am advised that a total of 342 loans have been approved as of May 20 for the total amount of $20,050,260. Of these, 120 were direct loans, amounting to $6,441,360; and 222 were bank participation loans—totaling $13,608,900. The Small Business Administration has declined 519 applications involving requests totaling $30,624,860, and 172 applications requesting loans totaling $9,937,535 have been withdrawn by small business loan applicants. Total disbursements through May 27, 1954 represent 60 loans involving $3,193,735.55 for both direct and bank participating loans.

Man of Courage: Jefferson Davis

EXTENSION OF REMARKS
OF

HON. CHARLES E. BENNETT
OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 1, 1954

Mr. BENNETT of Florida. Mr. Speaker, on June 3, 1954, we will commemorate the birth of Jefferson Davis, president of the Confederate States of America. Although we agree that the United States are better off united in one Nation, we consider Davis as a symbol not only of the Confederacy but of the responsibilities and virtues of local self-government. We know that Davis was correct when he said the following words which are as important today as when he said them:

> The world has long suffered from the oppressions of government under the pretext of ruling by divine right, and excusing the invasion into private and domestic affairs on the plea of paternal care for the morals and good order of the people.

It took more than a bit of courage for a statesman to utter those words many years ago because it is always difficult to voice an opinion that centralized government should not supplant local responsibilities. It takes similar courage to voice such opinions today. In this little talk on Jefferson Davis it will be my purpose to speak of the courage of this great statesman and not to dwell on any particular philosophy which he voiced.

Davis was born 146 years ago in a two-room log house in eastern Kentucky. After the family, of modest means, moved about through several Southern States, Jeff was taken under the wing of an older brother in Mississippi, then almost a frontier State. His brother and he were industrious; and their planting activities brought an ever increasing prosperity. Jeff found time to get a scattered, but adequate basic education which was finally climaxed by graduation from West Point. It took a great degree of courage for a young man to attain his educational achievements despite the handicaps which might have made less determined people pursue other courses.

At West Point there was an incident which showed the physical courage of Jeff Davis. He was a member of a class which was studying explosives; and without warning one day a fuse was ignited to the peril of all of those present. It was Jefferson Davis who picked up the ignited explosive and threw it out of the window before it could do damage to others. Everyone else in the room including the teacher, fled for safety. This was an early example of the courage which Davis demonstrated throughout his entire lifetime.

After graduation from West Point, Davis served with distinction in the United States Army in the Black Hawk War and during this time met Miss Sarah Taylor, daughter of his commanding officer, Col. Zachary Taylor. This was occasioned despite the opposition of her father, who for some unknown reason was opposed to the match. It has been said that the reason was that Colonel Taylor did not wish for his daughter to marry a military man; and that this also was the reason for Davis resigning his commission. It seems to me that it took a portion of courage to marry Miss Taylor despite the opposition of her father. There soon occurred the first great tragedy of Davis' life; for the bride died from an attack of malaria a few months after the marriage. Davis then settled down at Briarfield, his extensive plantation in Mississippi and lived there the life of a planter and reclusive scholar for a number of years. In 1843, his first political campaign, he ran for the State Legislature of Mississippi and in so doing opposed the chief plank of his party, the proposed repudiation of State bonds. He was defeated for the legislature, but the race is of primary importance to us because it showed his courage in withstanding the political pressures which were upon him. Two years later he was elected to the United States Congress, despite his continued opposition to the repudiation issue of his party. This seems to me to demonstrate a political courage which was a counterpart of his personal, physical courage demonstrated at West Point.

Although Davis opposed the Mexican War, he later saw that it was inevitable; and when this occurred he resigned his position in Congress to become a colonel in the First Mississippi Regiment for active service in the 1848 war. Incidentally, he refused a commission as general in the United States Army on the theory that the United States Army did not have the right to give him this commission in a State organization, the Mississippi Volunteers.

In the Mexican War, Jefferson Davis demonstrated a physical courage which has few parallels in our history. In a crucial battle at Monterey, he led the forces to capture a fort and held it under hours of intensive fire from the enemy. His actions in this are described by his biographer, Landon Knight, in the following words:

> The strong fort redoubled its fire of grape, cannister, and musketry under which the American lines wavered and were about to break. Colonel Davis, seeing the crisis, without waiting for orders, placed himself at the head of the Mississippians and gave the order to charge. With prolonged cheers, his regiment swept forward through a storm of bullets and bursting shell, driving the Mexicans pell-mell back into the stone fort in the rear. In vain the defeated Mexicans sought to barricade the gate; Davis and McClung burst it open and, leading their men into the fort, completed its surrender. Its capture insured victory.

The high point of the service of Jefferson Davis in the Mexican War was reached at Buena Vista. This was where he made his famous stand against overwhelming odds. Under orders from him, his soldiers held their fire until at close range. Then the volley which they released was so great that the enemy fled, and the day was won for the United States forces. All of this took place despite a very severe wound which Davis received in the early part of the encounter. At the end of the battle he fell, unconscious, from his horse. The events at Buena Vista are described by his biographer, Knight, in the following words:

> Thus assailed on two sides by overwhelming numbers, the situation was truly critical; but Colonel Davis, forming the two regiments into the shape of a reentering angle, awaited the assault. They refused to give an inch and met every onslaught with a withering fire, which soon so cumbered the ground with the dead that it was with difficulty the living could move over it. At last, utterly demoralized by the awful carnage, the Mexican lines broke and fled from the field. Buena Vista was won.

After the successful culmination of the Mexican War, Colonel Davis was appointed to the United States Senate, later to become Secretary of War in President Pierce's Cabinet, and still later to serve again in the Senate. During this period of very difficult statesmanship for any southern leader, we find that he strongly urged that the South remain in the Union, though he felt, as an intellectual matter, that secession is constitutional. He expressed it in the following words:

> Remain in the Union, though the right to secede is constitutional; but it is not expedient to use that right. Contend for the rights of the States within the Union and under the old flag.

It took a degree of courage to maintain such a position because it satisfied neither the northern extremists nor the southern extremists. While he was Secretary of War, the war clouds were gathering between the sections of the country. Yet as to this responsibility of Secretary of War, no one could ever criticize his activities in that important leadership for our country. In fact, it has been said that he was, by far, the strongest Secretary of War that our country had ever had in its history down to that time; and he did many things to build up the strength of the United States from a military standpoint. He supervised the building of important forts, bridges, and other military defenses. He gave new impetus to the strengthening of West Point and the caliber of its teaching. He increased the size of the Army and made it more attractive for service personnel by increasing pay; and in many other ways he strengthened the defenses of the United States.

Before actual war broke out, he was serving again in the United States Senate. From this position he resigned when his home State, Mississippi, seceded from the Union. His speech in the Senate on that occasion was a classic. In it he said among other things:

> Senators, we recur to the principles upon which our Government was founded, and when you deny them and when you deny us the right to withdraw from a government which, thus perverted, threatens to be destructive to our rights, we but tread in the paths of our fathers when we proclaim our independence and take the hazard.

Upon resignation from the Senate, he had hoped to command the troops for Mississippi if a war was to follow, but he was drafted as an interim President

and finally as a permanent President. The closing sentence of his inaugural speech upon his election and inauguration as a permanent President was as follows:

With humble gratitude and adoration acknowledging the providence which has so visibly protected the Confederacy during its brief but eventful career, to Thee, O God, I trustingly commit myself and prayerfully invoke Thy blessings on my country and its cause.

In the conduct of affairs of the Confederacy, he had many opportunities to display his courage, and he never failed to do just that. Perhaps the greatest oration of his life was made on the steps of the African Church in Richmond, Va., when most of his hearers were in the depths of despair. He demonstrated clearly his courage in the presence of mounting unpopularity in the closing days of the conflict, doomed to defeat from the very beginning because of overwhelming odds. On that occasion he said:

Let us then unite our hands and hearts, lock our shields together, and we may well believe that before another summer solstice falls upon us it will be the enemy who will be asking us for conferences and occasions in which to make known our demands.

Davis had not been one of the hot-blooded zealots for secession or for war. He had advised more peaceful measures, but when the responsibility rested upon his shoulders to lead the South, he took the responsibility and did a magnificent job against overwhelming odds. Even in the darkest days he showed courage and devotion to responsibility and duty. His darkest personal days came with his being imprisoned after the end of the war. He was put in irons and later placed under indictment for treason. Some southerners would have welcomed his trial as it would have given Davis a chance to fight through the courts the question of the legality of secession which he and they believed to be implicit in the United States Constitution. But this would have been embarrassing to the North which felt that blood had now decided the question of secession forever, whatever might have been the proper interpretation of the words of the Constitution as it had been drafted. So the Federal Government dismissed the trial and Davis was freed after several years in prison. Dr. J. J. Craven, the surgeon for Fort Monroe, where he was imprisoned, said of Jefferson Davis:

The Psalms were his favorite portion of the book and he said: "There is sufficient evidence of their divine origin in the fact that only an intelligence which holds the life threads of the entire human family could have uttered in a single cry, every wish, joy, fear, exultation, hope, passion, and sorrow of the human heart."

I understand that in those most trying days he received his greatest comfort from reading the 26th Psalm which begins as follows:

Judge me, O Lord; for I have walked in mine integrity: I have trusted also in the Lord; therefore I shall not slide.

Examine me, O Lord, and prove me; try my reins and my heart. For thy lovingkindness is before mine eyes.

A study of the life of Jefferson Davis shows to everyone that he relied on God in all of his major decisions and that the courage which he so repeatedly demonstrated came from a conviction that he was doing what he should do under the circumstances with which he was confronted. Few men have had more trying responsibilities and I know of no one who has fulfilled them better.

In the closing days of his life Jefferson Davis was idolized by many who would keep alive the friction and discord between the sections of our country, so in his closing years he had a tendency to remain silent in the hope that his voice would not be distorted to create and keep alive unnecessary friction throughout the United States. However, there came an opportunity in these later years to speak an important speech at Mississippi City where he would have an opportunity to speak particularly to the youth of the South. With his words on that occasion I wish to close this talk with the thought in mind that an unusual degree of courage was involved in making the speech which included these words which are particularly applicable to us today:

The faces I see before me are those of young men: Had I not known this I would not have appeared before you.

Men in whose hands the destinies of the Southland lie: For love of her I break my silence to speak to you a few words of respectful admonition. The past is dead, let it bury its deeds, its hopes, its aspirations; before you lies a future—a future of expanding national glory, before which all the world shall stand amazed. Let me beseech you to lay aside all rancor, all bitter sectional feeling and to make your places in the ranks of those who will bring about the consummation devoutly to be wished—a reunited country.

Senate Committee Restores Not Eisenhower Program But Bigger, Better Democratic Public Housing Plan

EXTENSION OF REMARKS
OF
HON. WILLIAM T. GRANAHAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 1, 1954

Mr. GRANAHAN. Mr. Speaker, I am pleased by the action of the Senate Committee on Banking and Currency in voting to restore the public housing provisions of the Housing Act of 1949 in the housing legislation recently passed by the House. The House killed off all new public housing, rejecting the President's request for authorization to build 35,000 units a year for 4 years.

Many of the news stories commenting on the Senate committee's action carried headlines to the effect that the Senate committee restored the Eisenhower public housing goals. But that is not what happened.

Instead of limiting new public housing to only 35,000 units a year, as the President had requested, the Senate committee has restored the language of the Housing Act of 1949 so that the President can have authority to start up to 200,000 units a year.

What he does with that authority is, of course, up to him. He will have the final say, if the bill as amended by the Senate committee becomes law. He could then settle, if he wished, on only the tiny, inadequate program he has proposed of 35,000 units a year or he can go ahead with a large-scale attack on slums of the size and magnitude we need, and authorize the start of at least 135,000 units a year as contemplated in the 1949 act.

This is the type of program envisioned by the Democratic Congress in 1949 when the Housing Act was passed. It is still the kind of program most Democratic Members believe is necessary.

I sincerely hope this amendment becomes law—that is, restores the previous law which was crippled by Republican changes in recent years—and that the President uses the authority effectively.

Eighth Anniversary of the Republic of Italy

EXTENSION OF REMARKS
OF
HON. CHARLES R. HOWELL
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 1, 1954

Mr. HOWELL. Mr. Speaker, today we mark the eighth anniversary of the founding of the Republic of Italy. Founded in the aftermath of World War II, with its vast social and economic disorder, the republic has risen like the fabled Phoenix from the ashes.

The years since 1946 have not been easy ones. Internally, the process of orderly government has been seriously hampered by the presence of a strong Communist faction. Despite the frequent attempts of the Communists to sabotage the government, I believe it can be said of the republic that two outstanding characteristics of her post-war development are noteworthy. First the Italian people have decided to remain within the western bloc of democratic nations. Second, the Republic of Italy can be accounted a military and economic asset to the NATO alliance.

In any salute to the Italian Republic it is quite appropriate to mention the great influence exerted on the struggling republic by Americans of Italian descent. Our fellow citizens, during the desperate days following the war, gave generously of food and clothing so needed to maintain the spirit of the Italian people.

Nor should it ever be forgotten that along with the material gifts went constant exhortaticn to families and friends to return to the democratic ideals of the great Guiseppe Garibaldi. To a very large extent the presence of the Italian Republic in the democratic ranks is due to the efforts of the Italian-Americans. In paying tribute to our young sister republic, let us also pay tribute to the firm democratic ideals of the sons and daughters of Italy whom we are proud to call fellow Americans.

The Republican REA Record

EXTENSION OF REMARKS
OF

HON. CARL T. CURTIS

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 1, 1954

Mr. CURTIS of Nebraska. Mr. Speaker, the program of rural electrification is a program that is widely supported throughout the United States. It is a program that means a great deal to the farmers of America. It not only contributes very materially to the standard of living, but it is an important factor in production on our modern farms.

The present administration and the 83d Congress have an enviable record in strengthening and improving the REA program and in extending electricity to those rural areas not now being reached.

Mr. Speaker, I wish to call attention to some of the detailed accomplishments in the field of rural electrification.

MORE CONSUMERS GET SERVICE

Loans approved by this Administration during its first year will bring service to 180,500 consumers which is an increase of 37,300 over the year before.

MORE LOANS APPROVED

The present REA has made more electric loans and loaned more funds in its first year than the Truman administration did during the preceding 12 months.

	Loans	
	Number	Amount
This administration's 1st year (May 1, 1953, to May 1, 1954)	349	$181,118,100
Former administration (May 1, 1952, to May 1, 1953)	315	157,612,091

APPLICATIONS HANDLED FASTER

This administration has given borrowers better service and reduced paper work on loan applications. This is shown in the large reduction of the backlog of applications inherited by this administration:

Backlog when this administration took office	$220,288,416
Applications on hand Mar. 28, 1954	130,599,000
Reduction	89,689,416

HALF OF APPLICATIONS NEED MORE DATA

More than half of the electric loan applications now on file with REA cannot be acted upon by REA until more data of some kind or other is provided by the applicants.

For example, 22 applications or 12.6 percent of the total have feasibility problems and solutions to these problems must be worked out with the help of data from the applicant before REA can take action. Seventy-five applications or 42.9 percent of the total require information about power supply, rates, purpose of construction, financial statement and similar factors before REA can act.

This leaves 78 applications which are in various stages of active processing at the present time. Here is a tabulation summarizing status of all electric applications on hand.

Status of application	Applications		Amount	Percent
	Number	Percent		
Feasibility problem	22	12.6	$35,338,000	27.1
More information	75	42.9	39,713,800	30.4
In process	78	44.6	55,547,200	42.5
Total on hand	175	------	130,599,000	------

TREND OF APPLICATIONS DOWN

The trend of applications for electric loans from REA has been sharply downward since 1949, the peak postwar year.

The following table shows the dollar amount of applications received for electric loans since the 1949 peak:

Fiscal year:	*Total of applications received*
1949	$455,548,785
1950	335,397,810
1951	201,814,000
1952	150,936,950
1953	[1] 220,671,686
1954 (through May 28)	[2] 143,656,068

[1] The trend of applications was briefly reversed during November and December of 1952.

[2] This is through May 28—about 1 month before end of the fiscal year.

TREND OF LOANS APPROVED ALSO DOWN

The electric loan program hit its peak in 1949 and for several years thereafter dropped substantially as the postwar construction program leveled off. Today over 91 percent of farms are electrified and applications now call for less funds for new connections and more for boosting system capacity.

Here is the record of loans approved in each fiscal year since 1947:

Fiscal year:	*Amount loaned electric borrowers*
1947	$253,217,000
1948	319,110,000
1949	449,317,700
1950	376,199,000
1951	221,815,000
1952	165,758,731
1953	164,972,662
1954	165,000,000

HOUSE PROVIDES $193 MILLION PROGRAM

The electric loan program recommended by the House Appropriations Committee and approved by the House provides $193 million for the 1955 fiscal year. Present estimates, based on applications received together with program experience, indicate loans needs will be about $150 million.

On the basis of the House action there thus would be a margin between funds authorized and funds estimated to be needed of more than $40 million.

Here is a breakdown of loan funds proposed for fiscal year 1955:

Electric loans

[In millions]

	1953	1954	1955	
			House	Senate
New authorization	50	135	100	135
Contingency	50	45	35	35
Carryover	117	30	50	50
Rescissions	28	12	8	8
Total	245	222	193	228

ADDITIONAL HALF BILLION ALREADY AVAILABLE

Borrowers presently have available to them about $438 million in unadvanced funds. These are loans which have already been approved—money in the bank—and which borrowers can draw down at any time they properly requisition the money.

Since 1949 advance of funds by REA also has declined:

Fiscal year:	*Amount advanced electric borrowers*
1949	$321,286,868
1950	286,658,652
1951	268,130,658
1952	227,574,029
1953	207,633,936
1954 (estimated)	185,000,000

This reflects the declining construction program of electric borrowers as they near completion of the distribution plant required for initial connection of all consumers in their service areas.

Here is a table showing the amount of unadvanced loan funds available, by States, as of April 30, 1954:

United States	$438,882,753
Alabama	10,494,075
Arizona	4,372,625
Arkansas	20,262,747
California	6,058,403
Colorado	10,964,340
Connecticut	0
Delaware	732,954
Florida	7,044,313
Georgia	16,215,147
Idaho	1,477,842
Illinois	7,665,322
Indiana	6,663,297
Iowa	17,183,793
Kansas	5,871,434
Kentucky	31,683,566
Louisiana	5,113,269
Maine	491,295
Maryland	4,084,896
Massachusetts	0
Michigan	14,148,925
Minnesota	15,247,458
Mississippi	16,627,146
Missouri	19,404,832
Montana	7,563,249
Nebraska	14,855,064
Nevada	26,739
New Hampshire	2,001,200
New Jersey	197,862
New Mexico	11,202,400
New York	401,607
North Carolina	17,215,720
North Dakota	7,518,124
Ohio	11,910,668
Oklahoma	12,559,961
Oregon	4,470,923
Pennsylvania	5,978,488
Rhode Island	0
South Carolina	11,354,238
South Dakota	9,208,911
Tennessee	12,047,138
Texas	26,241,186
Utah	1,101,421
Vermont	683,521
Virginia	10,177,484
Washington	5,402,965
West Virginia	129,642
Wisconsin	23,001,244
Wyoming	6,359,233
Alaska	12,088,085
Virgin Islands	1,874
Puerto Rico	3,376,000

POWER SUPPLY PROGRAM PUSHED

The Administration has worked sympathetically with its borrowers in solving power-supply problems. This is reflected in two items: (a) The percentage of loans made for generation and transmission facilities equals the long-

time level; (b) applications now on hand amount to $70,540,000. This represents a reduction of nearly $27 million in the backlog of generation and transmission loan applications since June 30, 1953.

TELEPHONE LOAN PROGRAM AT NEW HIGH

This Administration, as of June 4, 1954, has approved $63,635,000 this fiscal year. The full year total is expected to reach $74 million. This is nearly twice the $41 million program the year before. This year will be by far the biggest in the history of the telephone program. At the beginning of this fiscal year the cumulative total of loans made since the telephone program amendment was enacted in 1949 amounted to only $118 million.

TELEPHONE CONSTRUCTION SPEEDED UP

This year the Administration is advancing to borrowers about $30 million in contrast with $23,864,802 advanced during the previous year. Advances represent actual construction since loan funds are advanced to borrowers only as needed to pay for construction.

ADMINISTRATIVE COST CUT

While setting new records for providing service on loans to electric and telephone borrowers, this Administration has cut administrative costs by 10 percent. This has been accomplished in two ways: First, administrative processes have been streamlined, making possible savings and manpower. Second, borrowers have been permitted to handle for themselves many of the program responsibilities not affecting loan security.

The Problem of Communist Domination of a Few Labor Unions

EXTENSION OF REMARKS
OF
HON. CHARLES R. HOWELL
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 1, 1954

Mr. HOWELL. Mr. Speaker, on May 17, 1954, I introduced a bill designed to bring about a more effective enforcement of the non-Communist affidavit provisions of the Labor Management Relations Act.

My bill, H. R. 9158, provides the National Labor Relations Board with the power to declare that a non-Communist affidavit signed by a labor-union officer does not satisfy the requirements of compliance with the law under the following three conditions:

First. If an official of a labor union refuses to testify under oath whether he signed the non-Communist affidavit.

Second. If a labor-union official refuses to testify whether his signature under the non-Communist oath attested to a true statement of fact.

Third. If the union official has been convicted of perjury in executing the affidavit.

Therefore I am proposing simply to strengthen the hand of the NLRB in dealing with those few labor unions which are controlled by Communist officials. My bill in no way interferes with free trade unionism. It is designed to protect the national security of the United States by ridding certain unions of Communist officials.

It is well known that almost all labor-union officials are completely loyal to the United States. The free American labor unions have done a magnificent job of cleaning out Communists from the great unions of this Nation.

There remain a few entrenched Communist officials in certain unions who pose a threat to the national security, and under existing law, the NLRB is powerless to deal with the gross abuse of the non-Communist affidavit. The NLRB should be given the added power to declare under certain conditions there has not been compliance with the National Labor Relations Act and thus be able to withdraw its recognition of such a union as a bargaining agent.

Under unanimous consent, I include in the RECORD the following editorial on this subject which appeared in the newspaper, Hudson Dispatch, Union City, N. J., on May 21, 1954:

HOWELL WOULD RID UNIONS OF REDS

Democratic Representative CHARLES R. HOWELL, Fourth New Jersey District, who is seeking the seat in United States Senate being vacated by Senator ROBERT C. HENDRICKSON, Republican, is a long-time foe of communism. He has now come up with a plan to rid unions of Red leadership.

Mr. HOWELL has introduced a bill in House of Representatives that would give National Labor Relations Board the power to ignore unions which keep Communist officers in leadership positions.

If the measure becomes law, a union with such leadership would have to throw the Reds out within 30 days on order of NLRB. The peremptory order would be made possible simply by the failure of the union officers to comply with the anti-Communist provision of the Labor Act, which requires affidavits of loyalty from union officers. The Howell bill would empower the NLRB to declare a non-Communist affidavit signed by a union officer as unsatisfactory if that official refused to testify under oath that he had signed the affidavit, whether it was a true statement of fact, or if perjury were committed in executing the affidavit.

The bill would not give the NLRB power to conduct large-scale investigations into the validity of the affidavits, Mr. HOWELL explained. This is a Department of Justice function. But he added:

"Where an obvious abuse of the affidavit clause exists, however, the NLRB should be permitted to act. If a union officer refuses to say whether he signed the affidavit, or to affirm its validity, or his being convicted for perjury in connection with his signature of the oath, it seems clear the NLRB needs the power to declare there has not been compliance with the act, and thus withdraw its recognition of the union as a bargaining agent."

Since Mr. HOWELL has long been known as a friend of union labor and is being backed by many unions, both AFL and CIO, his bill is not aimed at the great majority of unions, which are thoroughly American. However, he wants to make sure that the small minority of unions that persits in maintaining Communist leadership through subterfuge, or otherwise, can no longer get away with flouting Taft-Hartley Act.

The bill looks like a good one that Congress should enact at this session.

Mr. Speaker, my bill, H. R. 9158, has met with general approval in my State of New Jersey. However, there has been at least one public and violent attack on my measure designed to rid labor unions of Red officials. I include at this point in my remarks a newspaper account of this attack upon my bill which appeared in the Trentonian, of Trenton, N. J., on May 19, 1954:

HOWELL'S ANTI-RED BILL IS SCORED BY UE LOCAL

A bill introduced in Congress this week by Congressman CHARLES R. HOWELL designed to close loopholes in dealing with Communist officials in unions was scored yesterday by officials of Local 409, United Electrical, Radio, and Machine Workers of America, UE.

William Bonafide, legislative chairman, and Anthony Lizzano, president, termed the measure as "McCarthyite antilabor legislation. It smacks of the kind of rule set up by the trade unions when the late Adolf Hitler came to power."

The union, an independent, was expelled from the CIO several years ago for alleged Communist activities.

Congressman HOWELL, who has one of the best prolabor records in Congress, said last night that he is preparing an answer to the criticism.

Mr. Speaker, anyone who takes the trouble to study my proposal will see that such attacks upon it are completely unjustified. My bill was not a hastily drawn proposal, but the result of long study of the problem of Communist control of certain labor unions. It is designed to aid labor unions and not hamper them. If passed by Congress, my bill will give the rank and file of those few unions under Communist leadership the incentive to replace officials who are not working in the interests of the United States of America.

I include in the RECORD at this point a newspaper account of my reply to those who have criticized this bill. It appeared in the Trentonian, Trenton, N. J., on May 20, 1954:

HOWELL DEFENDS ANTI-RED UNION BILL

WASHINGTON, May 19.—Congressman CHARLES R. HOWELL declared today that his recently introduced bill designed to weed out Communist union officials in no way will interfere with the rights of free labor unions. HOWELL replied to criticism yesterday of Local 409, United Electrical, Radio, and Machine Workers of America (UE), that the bill was against the tradition of free American trade unionism.

EXPELLED FROM CIO

The union, an independent, was expelled several years ago from the CIO because of alleged Communist activity by its leaders. It was the only labor organization that has protested to HOWELL about the bill, the Congressman explained.

"The one and only purpose of my bill is to eliminate Communist officers from control of certain labor unions," HOWELL declared. "It is a carefully prepared measure which will in no way interfere with the rights of free labor unions.

"The only individuals who have anything to fear are union officials who refuse to testify if the non-Communist oath is a true statement of fact or union officers who have been convicted of perjury in executing the affidavit.

"These are the groups and the only groups affected by the measure. It was sponsored in the upper House by Senators HUBERT H. HUMPHREY and PAUL H. DOUGLAS, and is the result of careful study of more than 2 years by a Senate Labor Committee headed by HUMPHREY.

"My bill is designed to protect the national security of the United States by strengthening the hand of the National Labor Relations Board in dealing with Communist domination of certain unions.

"I fail to understand the grounds for any objections to this bill," the Pennington Congressman declared.

Mr. Speaker, I believe my bill is a reasonable one and is in the best interests of the United States. I urge my colleagues to join with me in supporting H. R. 9158.

Centennial of the Territory of Nebraska

EXTENSION OF REMARKS
OF
HON. CARL T. CURTIS
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 1, 1954

Mr. CURTIS of Nebraska. Mr. Speaker, in this year of our Lord 1954, the State of Nebraska is celebrating its centennial as an organized territory of the United States. On May 30, 1954, President Franklin Pierce signed the Kansas-Nebraska bill, which organized as a territory the vast stretch of land between the Missouri River on the east, and the crest of the Rocky Mountains on the west, the present State of Oklahoma on the south, and the British Dominion of Canada on the north.

Gentlemen, the organizing and settling of the Nebraska Territory is one of the proudest records of achievement that our Nation can boast. The State of Nebraska has contributed many great men to its country. Men of great stature are common in Nebraska's history. And for every Nebraskan that was great, there have been thousands of Nebraskans whose work and love and sacrifice made that greatness possible.

In 1954, we can see that Nebraska's future holds much in store for its people and for its country. But today I want to study Nebraska's past, and to add my small words to the glory of known and unknown builders of a great State.

In its birth, Nebraska was an object of national strife. It was caught up in the momentous struggle between forces of proslavery and antislavery groups. The issues of the Missouri Compromise of 1820 and of the compromises of 1850 echoed again in the Halls of Congress as the Kansas-Nebraska bill was debated. The bill as passed in Congress and signed by President Pierce was a blow to antislavery forces, for it voided the earlier compromises and stated that the people of Nebraska would be left free to choose for themselves on the question of slavery.

In Congress and the rest of the Nation, the question of Nebraska was a question of a national policy on slavery. Also involved, in the minds of many people, was the Nation's commitments to the Indian tribes which still roamed over the prairies. But the people who moved West and settled in the lonely land across the wide Missouri were more interested in building a new land for themselves and their children.

The Lewis and Clark Expedition of the first years of the 19th century passed Nebraska without much attention on its trip up the Missouri River. In succeeding decades, the only white man who saw Nebraska were trappers, missionaries, and explorers. Only a few villages of any permanence whatever were established in the first half of the century.

Nebraska's first post office was established at Old Fort Kearney in present Kearney County in 1848. My colleagues in the House were kind enough to act favorably on a bill I introduced in 1948 which provided for the issuance of a commemorative stamp on the Fort Kearney Post Office Centennial.

In the 1850's the only communities in what is now Nebraska were the ones built along or near the Missouri River, including—from south to north—Rulo, Falls City, Brownville, Nebraska City, Plattsmouth, Omaha, Tekemah, and Dakota City. In the same decade villages were were begun at Fremont, Columbus, Grand Island, and Wood River along the Platte River, at West Point on the Elkhorn, and at Beatrice, Pawnee City, Humboldt, and Weeping Water in the southeastern part of the State.

Before 1870 immigrants and American settlers had founded communities at Auburn, Blair, Crete, Fairbury, Lincoln, Norfolk, Schuyler, Seward, Wahoo, York, and in the far west at North Platte and Sidney. Nebraska achieved statehood in 1867, and Lincoln had a State capital and a State university by 1871.

In the early 1870's the present cities of Hastings, Aurora, Kearney, O'Neill, and Superior were founded. Along the new railroad up the Elkhorn Valley and out to the Black Hills and Sand Hills sprung up Atkinson, Ainsworth, Valentine, Gordon, Rushville, and Chadron.

In the 1880's came the towns of Wayne, Broken Bow, McCook, Holdredge, South Sioux City, Lexington, Gering, and Ogallala. At this time, with the State's population over the 1 million mark for the first time, all parts of Nebraska were pretty well settled, except, of course, for the Sand Hills region which is still sparsely populated.

Several nationalities were dominant in the flood of immigrants who brought their families and cultures to settle and prosper in the fertile western plains.

German people set up a colony at Columbus in 1856, and in the next year farther west at Grand Island. Norfolk had its beginnings about 10 years later, in 1866. Germans largely settled Hall, Platte, Madison, Stanton, and Thayer Counties.

Thousands of Bohemian immigrants made their new homes in Nebraska. These people, who came from what is now Czechoslovakia, first located near Humboldt in the southeastern corner of the State, and later moved into Saline and Cuming Counties. Other Bohemian colonies were established around 1870 in Knox, Colfax, and Saunders Counties.

Swedes, of course, are well known and to be found in all sections of Nebraska. Our State has more than its share of Andersons, Swansons, Nelsons, Olsons, and Thompsons, and we are glad of it. The first sizable Swedish community was established at Kearney, and others followed at Saronville, Oakland, Axtell, Holdrege, and Wahoo. The Scandinavians settled Polk and Saunders Counties in the 1870's, and Phelps and Burt Counties in the following decade.

There were other nationalities, too. The Danes followed the Swedes and founded Blair and Dannebrog. The Irish settled in Holt and Greeley Counties. Russo-Germans moved first into Jefferson County, and later into Clay and Hamilton Counties. Dutch families settled south of Lincoln, and the French concentrated especially in Richardson, Nemaha, and Antelope Counties.

English and Scottish people, as well as settlers from the eastern United States, moved across the Missouri regularly throughout the period of Nebraska's early growth, and added their bit.

Nebraska is truly a "State out of many nations." Each of pioneer peoples contributed substantially to Nebraska's traditions of hard work, sound government, and self-reliance. These people gave to us a faith in Almighty God, a yearning for education, a sense of personal and public responsibility, a respect for constituted authority, and a love of the simple virtues of home and decent family living.

The Nebraskan of today, and indeed the American of today, owes a great debt to the remembered and unremembered thousands who built our homes, our churches, our schools, our cities, and our State. Each of us has a moral responsibility to try to repay that debt by remembering a motto on our beautiful statehouse to the effect that "eternal vigilance is the price of liberty."

Let us so live and work that our children will inherit from us a way of living comparable to that which we ourselves inherited from our parents.

Respect For Our Elders

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 1, 1954

Mr. HAGEN of Minnesota. Mr. Speaker, in our concern for taking on the problems of all the people of the world, we have showed a decided lack of respect for the elder citizens of America. As we send billions of dollars to foreign countries, our own old people are not getting enough money to live on. Instead of entering the sunset of life in a spirit of peace and security, many of these people must face the haunting fear of a constant struggle to maintain the barest sort of existence.

These are our senior citizens, those whose contributions of yesterday have built the great Nation of which we boast today. Is their reward to be that they are cast aside, forgotten, ignored, cast a few miserly crumbs in an attempt to silence their pleas for justice? Not as long as I am a Member of this Congress.

I have always supported legislation for adequate and fair pensions for our old people. I have voted to increase old

age benefits; to increase the coverage and payments of social security; I have worked unceasingly to bring about a better pension system and have cooperated with the Townsend movement to gain recognition and support for their improved plan and their suggestions to make the present social security more workable and beneficial to the older folks of our country.

What are the problems faced by the aged? They are many, but the basis for all their problems is that they simply do not get enough money to live on. They need better housing, more adequate medical and hospital care, more income to meet the ever increasing cost of living. These problems can all be solved if persons reaching 65 are assured of regular payments sufficient for modest American standards of living and of financial protection against the unpredictable emergencies.

I shall continue my fight for the right kind of pension program which guarantees sufficient income for our old people to be able to enjoy the fruits of their productive lives. This is their due for the great contributions they have made during their days of work and productivity. This is the respect we owe our elders, to assure them that we appreciate them and what they did toward the building of a greater and more prosperous America.

Respect for our elders means that their welfare must come ahead of concern for people in other lands, many of whom are only waiting the opportunity to help destroy America. Let us begin our good works at home by taking proper care of America's senior citizens. There is no question about being able to afford it; we cannot afford failure in seeing to it that the old people of America maintain their self-respect, their love of country, their reward for services well done.

SENATE

WEDNESDAY, JUNE 2, 1954

(Legislative day of Thursday, May 13, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, amid all the angry tensions of these days, our ears bombarded by the loud confusion of tongues, we turn to the blessed stillness of this oasis of peace and prayer, that our jaded souls may be restored by the still waters of Thy grace, that we may be sure of the source of our strength, and that our perspective may be kept true. In the midst of all the contentions which fret our souls, we thank Thee for the loveliness of nature's springtide garments and that June may be had by the poorest comer. We thank Thee, too, for the sacred and tender ties which bind us to those dearer than life itself. We are grateful for friends who trust us and who inspire us to be our truest selves.

And now, as with the tinted tapestry of dawn another day has been given us, a new day at whose doors love and opportunity await, help us so to number our days that we may apply our hearts unto wisdom. Save us this day from the unkind word and the unkind silence. May we put into the fugitive fragments of every day such quality of work as shall make us unashamed when the day is over and all the days are done. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 1, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 3725) for the relief of Curtis W. Strong.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6477) for the relief of the Columbia Hospital of Richland County, S. C.

The message further announced that the House had passed a bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the President pro tempore:

H. R. 675. An act for the relief of Mrs. Romola Nijinsky and Paul Bohus-Vilagosi;

H. R. 689. An act for the relief of Mrs. Keiko Inouye;

H. R. 737. An act for the relief of Harold Donaghy Bishop;

H. R. 807. An act for the relief of Sister Isabel (Purificacion Montemayor Maceo);

H. R. 887. An act for the relief of Mr. and Mrs. Edward Levandoski;

H. R. 897. An act for the relief of Abul K. Barik;

H. R. 898. An act for the relief of Mrs. Rose Kaczmarczyk;

H. R. 1144. An act for the relief of Martha Farah;

H. R. 1348. An act for the relief of Alwine Reichenbauch;

H. R. 1465. An act for the relief of Helga Rossmann and her child;

H. R. 1509. An act for the relief of Sahag Vartanian;

H. R. 1657. An act for the relief of Antonio Messina;

H. R. 1699. An act for the relief of Rev. Roger Knutsen;

H. R. 1905. An act for the relief of Montgomery of San Francisco, Inc.;

H. R. 3006. An act for the relief of Ruth Irene Ledermann;

H. R. 3145. An act for the relief of Pravomil Vaclav Maly and Jarmila Maly;

H. R. 3704. An act to provide for the incorporation, regulation, merger, consolidation, and dissolution of certain business corporations in the District of Columbia;

H. R. 5210. An act for the relief of Paul D. Banning, chief disbursing officer, and others;

H. R. 5616. An act for the relief of Leon H. Callaway and others;

H. R. 5765. An act for the relief of Henry C. Bush and other Foreign Service officers;

H. R. 5933. An act for the relief of Herschel D. Reagan;

H. R. 7554. An act to provide for compensation of certain employees on days when departments or establishments of the Government are closed by administrative order;

H. J. Res. 481. Joint resolution to amend the act of July 5, 1949 (Public Law 157, 81st Cong.); and

H. J. Res. 508. Joint resolution to extend the time for the erection of a memorial to the memory of Mohandas K. Gandhi.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mrs. SMITH of Maine, and by unanimous consent, a subcommittee of the Committee on Government Operations was authorized to meet this afternoon to take testimony during the session of the Senate.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that following a quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. KNOWLAND. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

A letter from the Acting Secretary of State, transmitting, pursuant to law, a report on United States contributions to international organizations, for the fiscal year 1953 (with an accompanying report); to the Committee on Foreign Relations.

REPORT ON ENFORCEMENT OF REGISTRATION PROVISIONS OF SUBVERSIVE CONTROL ACT

A letter from the Attorney General, transmitting, pursuant to law, a report on the administration and enforcement of the registration provisions of the Subversive Activities Control Act, for the period June 1, 1953, through May 31, 1954 (with an accompanying report); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

CANCELLATION OF CERTAIN CHARGES AGAINST INDIANS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a copy of an order canceling certain charges existing as debts due the United States by individual Indians and tribes of Indians (with accompanying papers); to the Committee on Interior and Insular Affairs.

AUDIT REPORT ON COMMODITY CREDIT CORPORATION

A letter from the Acting Comptroller General, transmitting, pursuant to law, part II of a report on audit of the Commodity Credit Corporation, for the fiscal year ended June 30, 1952 (with an accompanying report); to the Committee on Government Operations.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the Senate of the State of California; to the Committee on Post Office and Civil Service:

"Senate Resolution 20

"Resolution relative to memorializing the President of the United States for the dedication of the Nation's Christmas tree as a national shrine and for the issuance of a Nation's Christmas tree stamp

"Whereas the General Grant tree, growing in the Kings Canyon National Park, in Fresno County, Calif., was, at the request of the citizens of Sanger, Calif., on April 28, 1926, dedicated by the Federal Government as the Nation's Christmas tree; and

"Whereas Sanger, Calif., was on October 1, 1949, recognized by the Post Office Department as the Nation's Christmas tree city; and

"Whereas because of such dedication, because of the work done, and because of the interest shown by the citizens of Sanger, Calif., the Nation's Christmas tree has become known not only nationally but also internationally; and

"Whereas citizens throughout the United States and the world have requested that the Nation's Christmas tree be made the subject of a permanent commemorative stamp; and

"Whereas the issuance of a permanent commemorative Nation's Christmas tree stamp of the denomination of the first-class postage rate would greatly increase the revenues of the Federal Government, improve the postal service, increase travel to the Kings Canyon National Park, and stress the spiritual values which have made this Nation great: Now, therefore, be it

"*Resolved by the Senate of the State of California*, That the Senate of the State of California respectfully memorializes the President of the United States to move the proper officials of the Federal Government to dedicate the Nation's Christmas tree as a national shrine and to issue a permanent commemorative Christmas stamp pursuant to such action; and be it further

"*Resolved*, That the secretary of the senate be hereby directed to prepare and to transmit suitable copies of this resolution to the President and the Vice President of the United States, the Postmaster General, and to each Senator and Representative from California in the Congress of the United States.

"J. A. BEEK,
"*Secretary of the Senate.*"

Two resolutions adopted by the Grand Council of Virginia, Order Fraternal Americans, relating to communism, immigration, and naturalization; to the Committee on the Judiciary.

A resolution adopted by the Grand Council of Virginia, Order of Fraternal Americans, relating to the protection of State laws; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SMITH of New Jersey, from the Committee on Labor and Public Welfare:

S. Res. 251. Resolution to provide additional funds for the Committee on Labor and Public Welfare; without amendment (Rept. No. 1478).

By Mr. GOLDWATER, from the Committee on Labor and Public Welfare:

S. 2719. A bill to prevent persons who engage in activities contrary to the interest of the United States from pursuing a course of education or training in a foreign country under the Servicemen's Readjustment Act of 1944; without amendment (Rept. No. 1479); and

H. R. 8044. A bill to extend the authorization for funds for the hospitalization of certain veterans in the Philippines; with an amendment (Rept. No. 1480).

By Mr. COOPER, from the Committee on Labor and Public Welfare:

H. R. 6655. A bill to amend the charter of the Columbia Institution for the Deaf, change its name, define its corporate powers, and provide for its organization and administration, and for other purposes; without amendment.

By Mr. CARLSON, from the Committee on Post Office and Civil Service:

S. 1244. A bill relating to the renewal of contracts for the carrying of mail on star routes; with an amendment (Rept. No. 1481).

By Mr. BUTLER of Nebraska, from the Committee on Interior and Insular Affairs, without amendment:

S. 3318. A bill to provide for a continuance of civil government for the Trust Territory of the Pacific Islands (Rept. No. 1482);

H. R. 2016. A bill to authorize the Secretary of the Interior to sell certain land to the Board of National Missions of the Presbyterian Church in the United States of America (Rept. No. 1483);

H. R. 2848. A bill to amend section 89 of the Hawaiian Organic Act, as amended (Rept. No. 1484);

H. R. 2849. A bill to amend the act entitled "An act to authorize the transfer of land from the War Department to the Territory of Hawaii," approved June 19, 1936 (Rept. No. 1485);

H. R. 5831. A bill to enable the Hawaiian Homes Commission of the Territory of Hawaii to exchange available lands as designated by the Hawaiian Homes Commission Act, 1920, for other publicly owned lands (Rept. No. 1486);

H. R. 5833. A bill to authorize the commissioner of public lands of the Territory of Hawaii to exchange certain public lands for private lands of equal value required for school purposes (Rept. No. 1487);

H. R. 5840. A bill to authorize the Hawaiian Homes Commission to exchange certain Hawaiian Homes Commission land and certain easements for certain privately owned lands (Rept. No. 1488);

H. R. 6328. A bill authorizing the exchange of certain public lands in the vicinity of Waimea, County of Hawaii, in the Territory of Hawaii for certain privately owned lands (Rept. No. 1489);

H. R. 6888. A bill to amend sections 201 (a) and 207 (a) of the Hawaiian Homes Commission Act (Rept. No. 1492); and

H. R. 6890. A bill to approve Act No. 27 of the Session Laws of 1951 of the Territory of Hawaii, entitled "An act to amend Act 24 of the Session Laws of Hawaii, 1927, as ratified by the act of Congress of March 2, 1928, so as to extend the electric light and power franchise granted by said act to cover the entire districts of Waimea and Koloa on the island of Kauai, T. H." (Rept. No. 1490).

By Mr. BUTLER of Nebraska, from the Committee on Interior and Insular Affairs, with an amendment:

H. R. 2844. A bill providing that the ratification of the Revenue Bond Act of 1935, enacted by the Legislature of the Territory of Hawaii, shall apply to all amendments of said act made by said legislature to and including the acts of the 1953 regular session of said legislature, and to all extensions of the period for issuance and delivery of revenue bonds thereunder, heretofore, or hereafter enacted by said legislature (Rept. No. 1491).

By Mr. BUTLER of Nebraska, from the Committee on Interior and Insular Affairs, with amendments:

S. 2900. A bill to authorize the sale of certain lands in Alaska to the Harding Lake Camp, Inc., of Fairbanks, Alaska, for use as a youth camp and related purposes (Rept. No. 1493); and

S. 3336. A bill to promote the apportionment of the waters of the Columbia River and tributaries for irrigation and other purposes by including the State of Nevada among the States authorized to negotiate a compact providing for such apportionment (Rept. No. 1494).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PAYNE (for himself and Mrs. SMITH of Maine):

S. 3541. A bill to establish in the Library of Congress a Library of Weekly Newspapers; to the Committee on Rules and Administration.

(See the remarks of Mr. PAYNE when he introduced the above bill, which appear under a separate heading.)

By Mr. BRICKER:

S. 3542. A bill to prohibit transmission of certain gambling information in interstate and foreign commerce by communications facilities; to the Committee on Interstate and Foreign Commerce.

By Mr. CLEMENTS:

S. 3543. A bill to provide survivor benefits for widows of Justices of the Supreme Court of the United States; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 3544. A bill to prohibit the acceptance by United States justices and judges of certain awards; to the Committee on the Judiciary.

By Mr. ELLENDER:

S. 3545. A bill to remove Patna rice from the free list; to the Committee on Finance.

By Mr. BUTLER of Maryland (for himself, Mr. CORDON, Mr. PAYNE, Mr. POTTER, Mr. LONG, Mr. SMITH of New Jersey, Mr. HENDRICKSON, Mr. KENNEDY, and Mr. SALTONSTALL):

S. 3546. A bill to provide an immediate program for the modernization and improve-

ment of such merchant-type vessels in the reserve fleet as are necessary for national defense; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. BUTLER of Maryland when he introduced the above bill, which appear under a separate heading.)

By Mr. HENDRICKSON:

S. 3547. A bill to terminate or limit those activities of the Government which are conducted in competition with private enterprise, to establish the Anti-Government Competition Board, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. HENDRICKSON when he introduced the above bill, which appear under a separate heading.)

By Mr. COOPER (by request):

S. 3548. A bill to amend the Veterans' Readjustment Assistance Act of 1952, to provide for an educational cost grant to institutions of higher learning, and for other purposes; to the Committee on Labor and Public Welfare.

LIBRARY OF WEEKLY NEWSPAPERS

Mr. PAYNE. Mr. President, there are between 9,000 and 10,000 weekly newspapers published in the United States today. The Library of Congress receives only about 200 of these newspapers and is preserving only about 25.

The weekly newspapers of this Nation provide one of the best available sources of historical information of the life and times of our people. For the most part, these weekly newspapers are published in the small towns which constitute the backbone of our American way of life. In order that a greater number of the weekly newspapers may be preserved and made available for historical purposes it is proposed that a Library of Weekly Newspapers be established within the Library of Congress. It would be the purpose of this library to preserve on microfilm not only weekly newspapers being currently published but also to microfilm and make available for reference use pioneer weekly newspapers now in private and library collections. Such a library would provide a permanent and safe depository for this great source of historical material.

On behalf of my colleague, the senior Senator from Maine [Mrs. SMITH] and myself, I introduce a bill to provide for the establishment of a Library of Weekly Newspapers within the Library of Congress, and request that it be received and appropriately referred.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3541) to establish in the Library of Congress a Library of Weekly Newspapers, introduced by Mr. PAYNE (for himself and Mrs. SMITH of Maine), was received, read twice by its title, and referred to the Committee on Rules and Administration.

HOUSING ACT OF 1954—AMENDMENT

Mr. BYRD submitted an amendment, intended to be proposed by him, to the bill (H. R. 7839) to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, which was ordered to lie on the table and to be printed.

HOUSE BILL REFERRED

The bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes, was read twice by its title and referred to the Committee on Finance.

OFFICE EXPENSES FOR UNITED STATES COMMISSIONERS—MOTION TO RECONSIDER BILL

Mr. BARRETT. Mr. President, I enter a motion to reconsider the vote by which the bill (S. 2204) to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses, was passed yesterday; and I move that the House of Representatives be requested to return to the Senate the engrossed bill.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Wyoming.

The motion was agreed to.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Oregon will state it.

Mr. MORSE. Will the Chair explain to the Senator from Oregon what business was just transacted? I could not hear.

The VICE PRESIDENT. The Senator from Wyoming moved that the House of Representatives be requested to return to the Senate the engrossed copy of Senate bill 2204, which was passed on yesterday by the Senate. In connection with this matter, the Senator from Wyoming has entered a motion to reconsider the vote by which the bill was passed by the Senate.

Mr. MORSE. Then, Mr. President, I understand that the purpose in requesting the House of Representatives to return to the Senate the engrossed copy of the bill is to make it possible for the Senate to act on a motion to reconsider. The Senate did not agree to the motion to reconsider; did it?

The VICE PRESIDENT. No.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. SMITH of New Jersey, from the Committee on Labor and Public Welfare:

Donald Hamilton McLaughlin, of California, and sundry other persons, to be members of the National Science Board, National Science Foundation; and

Fred W. Morse, Jr., and sundry other candidates for personnel action in the Regular Corps of the Public Health Service.

PRESIDENT EISENHOWER'S FARM PROGRAM — RESOLUTION OF FREDERICK, MD., CHAMBER OF COMMERCE

Mr. BEALL. Mr. President, the farm program outlined by President Eisenhower, and recommended by Secretary Benson, has been severely criticized by some persons, usually for partisan purposes.

The farmers in Maryland, with whom I have been in contact, have never expressed any criticism of the Eisenhower administration's recommendations; and, in fact, they have praised Secretary Benson and his program. Maryland farmers are expecting the Congress to act favorably on the Eisenhower farm program, and believe that their best interests will be served by that program.

One of the most articulate letters I have received was from the Frederick Chamber of Commerce, which wrote that its members have been studying the Eisenhower farm program and the bills pending in the House and Senate Committees on Agriculture.

I think it very pertinent to point out that, unlike many other chambers of commerce, composed essentially of businessmen, the Frederick Chamber has in its membership many actual, working farmers. They are not gentlemen farmers, but are real farmers and earn their living by farming. They are intimately familiar with farm problems and know what is best for them.

The letter, signed by Clyde M. Roney, who is a farmer and a very able and capable one, and also president of the chamber, states, in part:

As a result of this study, conducted among our ablest agriculture and dairy farmers, a resolution was drafted and submitted to the Frederick Chamber's national affairs committee and its board of directors, where in both instances it was unanimously approved.

A copy of the resolution is enclosed, and you are urged to exert your influence in getting the needed and desired legislative proposal before the bodies of Congress for early consideration.

Mr. President, I know of no better way to bring this resolution to the attention of the Congress than by reading it into the RECORD; and with your permission, I shall do so.

The resolution adopted by the Frederick Chamber of Commerce reads as follows:

Whereas the farmers of the country are caught in a situation of increasing production costs and lower prices for their products; and

Whereas a new farm program is being considered by the Federal Government;

Therefore we urge early action by Congress on this important matter.

We believe that an adequate farm program should contain the following features:

1. In general we feel that commodity prices should stand on their own feet with a minimum of Government price support and controls.

2. That price supports should be variable and adjusted in accordance with supply and needs.

3. We emphasize the obvious need for continuing and increased funds for research as a means of finding additional uses and markets for farm products.

4. Any change from present price supports should be gradual to make changes less drastic on individual farmers and less disturbing to the over-all economy of the country.

5. In any program dealing with the surplus production of dairy products, any market which has not contributed to the surplus will be exempt from any program reducing production, until such time as the particular market contributes to the surplus.

6. When production controls are in effect the use of diverted acres should be controlled by the Secretary of Agriculture.

7. We favor the modernized parity formula in figuring price supports for farm commodities.

We urge you as a Member of Congress to take appropriate steps to obtain early and appropriate action embracing the principles herein set forth.

MEHRL H. RAMSBURG,
Chairman, Agricultural Committee.
RAYMOND C. BREHAUT,
Chairman, National Affairs Committee.

Mr. President, farming in Maryland is a multi-million-dollar industry; and so our businessmen, civic organizations, and industries are equally interested in the welfare and prosperity of our farmers.

There are 36,107 farms in Maryland, containing 2,285,117 acres; and the crops produced range from apples to corn, tobacco, vegetables, dairy farming, and, in fact, almost every conceivable farm commodity.

I have received letters from, and talked personally with, many of the farmers in my State, and they are expecting action by this Congress on the President's farm program.

The letter and resolution from the Frederick Chamber of Commerce are typical of other expressions I have received, and, in my opinion, are most representative of the opinions of the people in Maryland.

PROPOSED REVISION OF ORGANIC ACT OF THE VIRGIN ISLANDS

Mr. BUTLER of Nebraska. Mr. President, on May 17, the Senate passed Senate bill 3378, a bill drafted and reported by the Senate Committee on Interior and Insular Affairs to revise the Organic Act of the Virgin Islands of the United States. Passage of this measure was the culmination of several years of study, and of several hearings and investigations in the Virgin Islands, both by the House and Senate committees.

The committee has received a great many letters and telegrams from many highly responsible citizens of the Virgin Islands expressing unequivocal support for S. 3378. On the other hand, we also have received a number of communications, some of them highly peremptory in tone, demanding changes.

Both the Washington Post and Times Herald and the New York Times have published letters of protest, much of it founded upon a lack of understanding of the overall situation with respect to the Virgin Islands.

H. R. 5181, a measure generally similar to S. 3378, has been favorably reported by the House committee and is pending on the House Calendar. In an effort to clarify the issues and increase general knowledge and understanding with respect to the Virgin Islands I ask to have appear in the body of the RECORD a letter published in the Washington Post and Times Herald on May 18 criticising the bill and a letter of reply thereto which appeared in the same newspaper on May 31.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of May 18, 1954]

GOVERNMENT OF THE VIRGIN ISLANDS

Senate bill 3378, to provide a revised organic act for the Virgin Islands, is now being considered by the United States Senate. While this bill grants certain economic benefits to the people of the Virgin Islands, it would at the same time curtail certain powers which are now vested in the legislative branch of the Government. In a referendum held throughout the islands last year the people expressed themselves in favor of petitioning the Congress to grant them the right to elect the Governor, to elect a Resident Commissioner to represent them in the House of Representatives of the United States Congress, and to provide certain economic benefits.

The bill now before the Senate would provide some of the economic benefits but the major measures for the advancement of self-government have not been included. To the contrary many of the rights and powers now vested in the legislative branch of the government of the Territory have been severely curtailed. As delegates duly elected by the Legislative Assembly of the Virgin Islands to express the views of the people on the revised organic act we are desirous of having certain amendments made to Senate bill 3378 which would provide at least a minimum advancement in self-government for this American Territory.

Our proposed amendments are as follows:

(1) Elimination of the Presidential veto which is a clear limitation of the legislative power. Passage of legislation over the veto of the Governor should make it law in order that the will of the people might prevail.

2. Removal of the limitation on the elector in the exercise of the franchise. There is a provision in Senate bill 3378 which provides that each elector shall only vote for 2 of the 6 representatives at large. This is a curtailment of the franchise of the people. At the present time the electors may vote for all the members of the legislature. This provision as it now stands in Senate bill 3378 would result in fragmentation of representation and would prevent the establishment of the two-party system which has been the basis of political progress in continental United States.

3. Reorganization of executive departments with approval of the legislature. The bill provides for the reorganization of the executive departments by the governor without the approval of the legislature. At the present time the legislature has the power to approve any reorganization of the executive departments, and there is no logical reason why it should be deprived of this power. Besides, this is a power vested in all State legislatures. Since the legislature must provide the appropriations for the proper functioning of the executive departments, it is simple justice that the legislature should also participate in the organization of the departments.

4. Government comptroller under supervision of governor. The bill provides for a government comptroller who should have exclusive jurisdiction over all the accounts, records, and funds of the government. This office is being set up as an independent agency, the comptroller to be appointed by the Secretary of the Interior outside the control of the governor. We agree with the establishment of the office of a comptroller, but we feel that this should be set up as another executive department under the control of the governor in compliance with the principle that all officials in the executive branch should be responsible to the chief executive. Furthermore, the governor, appointed by the President of the United States, serves as the representative of the United States Government in the Islands. We see no need to set up another independent Federal official who would serve as governor of finance. This is a duplication of powers which may create unnecessary complications.

The people of the Virgin Islands are ready for a full measure of self-government, including the right to elect the governor and a resident commissioner. However, if we cannot obtain all of these measures at the same time we submit that the changes enumerated above constitute the minimum advance to which we are entitled.

The people of the Virgin Islands are proud to be American citizens. Our sons volunteered in the Armed Forces, and at our request the Selective Service Act was extended to the Virgin Islands. Thereby we shed our blood with yours on the battlefield, fighting together for the principles for which our Nation stands. We are a devoted and loyal people, willing to make any sacrifice necessary. There are no subversives in our islands, and no alien ideology has raised its ugly head. Help us to keep it this way. We want to enjoy all the responsibilities and privileges which first-class American citizenship entails. We are not afraid to shoulder the responsibilities, but we also desire to have the privileges that go along with first-class American citizenship. We sincerely hope that our views will be considered sympathetically and favorably by the Congress and the people of the United States.

VALDEMAR A. HILL,
HERBERT H. HEYWOOD,
Delegates, Virgin Islands Legislative Assembly.
WASHINGTON.

[From the Washington Post and Times Herald of May 31, 1954]

GOVERNING THE VIRGIN ISLANDS

As chairman of the Senate Committee which has primary responsibility for proposed legislation revising the Organic Act of the Virgin Islands, I have studied with great interest the letter of protest published in your issue of May 18, signed by Valdemar A. Hill and Herbert Heywood as Delegates of the Virgin Islands Legislative Assembly. Mr. Hill is not, of course, a member of the Virgin Islands Legislative Assembly, but until very recently was a Federal job holder in the islands. However, for the purposes of this letter I do not question his right to speak for one of the groups there.

The 1952 United States Census report estimates the population of the Virgin Islands at 24,000. This population figure is important in the light both of the amounts of mainland taxpayers' money that has been expended in the islands and the proposals of the legislative assembly for governmental reorganization. The land area is about 85,000 acres, of which approximately 20,000 are considered cropland by the United States Department of Agriculture. Less than one-half of this cropland area, however, is under cultivation, and an overwhelmingly large part of that fraction is in sugarcane on nonirrigated land. The islands contain no mineral resources, and except for tourism

and rum manufacture, there are no industries.

However, the Virgin Islands are a tourist paradise, combining Old World charm (they were Danish for some 2½ centuries prior to World War I) and New World comfort with a well-nigh perfect tropical climate and unparalleled recreational facilities.

Beginning with the purchase of the Virgin Islands from Denmark in 1917, more than $82 million has been appropriated out of the Federal Treasury for nonmilitary expenditures in the islands.

At the time of the purchase, local self-government consisted of colonial councils, composed partially of appointed and partially of elected residents who had to meet a property qualification as did all of the electorate. The councils were advisers to the Governor appointed by the Danish crown and they served without compensation, membership being deemed a civic honor. The organic act of 1936, which the proposed legislation would replace, adapted many features of the Danish colonial system and superimposed on them certain provisions characteristic of some of the highly paternalistic legislation of the mid-1930's.

Legislative costs for the 25,000 people of the Virgin Islands last year amounted to just short of $100,000. And last year the mainland taxpayers contributed $745,000 in direct deficit appropriations to the running expenses of the local government, plus more than $300,000 for the central administration * * * the salaries of the Governor and his staff, the two superintendents of education, the two heads of health departments, public works, and the like.

In all, the mainland taxpayers contributed approximately $6 million last year to the government of the 25,000 Virgin Islanders.

While the mainland taxpayer was contributing $6 million to the Virgin Islands, no citizen of the Virgin Islands was making any contribution whatever to the Federal Treasury. All Federal income taxes collected from Virgin Islands residents were covered into the insular treasuries and appropriated by the local legislature, as were all custom duties.

However, one of the greatest evils in the present system is the fact that under the 1936 Organic Act the legislature passes on each and every appointment regardless of how menial it may be on the one hand, or how highly skilled and technical on the other. Literally, the governor of the Virgin Islands cannot hire a man to sweep the floors of his office without getting the approval of the local legislature. This inevitably has led to politicking in appointments on occasion.

As to the four specific objections of Messrs. Hill and Heywood, the Virgin Islands are in precisely the same status as Guam with respect to the Presidential veto. I do not find any instance in which the Presidential veto power has had to be exercised with respect to an act of the Guam legislature, whereas, on nine separate occasions since 1945 the Virgin Islands legislature has overridden the governor's veto, and on 8 of these 9 occasions the President has sustained the governor.

As to the second objection either the Assembly delegates do not understand the present law, or I do not. Section 6 of the 1936 act provides that the members of the municipal council must be chosen by electoral districts, with two councilmen at large from St. Croix and two from St. Thomas. Voters can vote only for the councilmen representing the geographical district in which they live, and for the at-large members. As I read section 5 of S. 3378, substantially the same plan is followed for the election of the unicameral legislature, namely representation by geographical district and by members at large, with the electors voting for both.

As to the governor's authority to reorganize the executive branch, I believe that the present topheavy, overlapping expensive bureaucracy that has grown up under the present system is the best answer to the objection. While it is true that the legislature must provide the appropriations, it is equally true that the mainland taxpayer is paying by far the greater part of the bill for local government in the Virgin Islands.

The fourth objection goes to the organization of the government comptroller's office. I believe it would defeat the essential watchdog character of the office if the comptroller were to be just another member of the governor's staff. He is directly responsible to the Secretary of the Interior, to whose department the appropriations for the Virgin Islands are made. Separation from the direct control of the office of the Chief Executive is in accord with established procedures on the mainland.

In general, S. 3378 provides the people of the Virgin Islands with the opportunity to attain a far greater degree of true self-government—the independence that comes from standing on one's own feet and facing up to the responsibilities of American citizenship as well as demanding all of its privileges and rights. While I do not believe that the Congress can solve the problems of the Virgin Islands merely by the passage of another law in Washington, I do believe that S. 3378 will be of substantial help to the excellent governor chosen by President Eisenhower, the Honorable Archie A. Alexander. Enactment of S. 3378 or similar legislation is necessary for the governor to do the job that must be done in the Virgin Islands if the people are ever to progress beyond the stage of being, in substance, wards of the Federal Government.

HUGH BUTLER,
United States Senator from Nebraska,
Chairman of the Senate Committee
on Interior and Insular Affairs.
WASHINGTON.

THE EXECUTIVE-McCARTHY CONTEST

Mr. SMITH of New Jersey. Mr. President, over the past weekend I was absent from Washington. Certain developments in the McCarthy-Army hearing and a statement by the distinguished junior Senator from Wisconsin [Mr. McCARTHY] disturbed me to the extent that I felt it necessary to make a public statement. There is always danger that our public statements may be misconstrued if quoted only in part.

Therefore, I ask unanimous consent to publish in the body of the RECORD the full statement which I dictated from my home in Princeton, N. J., on Saturday, May 29, 1954.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SMITH OF NEW JERSEY

PRINCETON, N. J., May 29.—As a Member of the United States Senate, I am deeply shocked by the statement Friday by my colleague, the junior Senator from Wisconsin, defying the President of the United States. I have endeavored, objectively, to follow the McCarthy-Army hearings without prejudice or prejudgment. That, I believe, is the duty of all Members of the Senate who may be called upon later to act on the outcome of these proceedings.

But the statement of the junior Senator from Wisconsin is to me beyond belief. His implication that he as an individual can call for disclosures of classified or confidential information from the executive department must be based on a misunderstanding by him of his authority.

The junior Senator from Wisconsin is 1 of 96 Senators. He serves on a committee of the Senate only by authority of the entire Senate. Every member of that committee is entitled to access to all evidence and all information that the chairman is entitled to receive. We cannot tolerate one-man government either in the executive or in our legislative bodies.

There is no executive-legislative contest for power before the country today. There is an Executive-McCarthy contest and that is quite a different thing. The Senator, as an individual, has no authority, expressed or implied, to demand or receive classified information or executive confidences from executive employees.

As a Member of the Senate, with equal authority with the junior Senator from Wisconsin, I protest with all the vigor at my command any senatorial defiance of the Executive in this crisis. I will have no part in it. If there is any constitutional contest as has been alleged, between the Executive and the Senate, then the position of the Senate in the matter must be determined by appropriate Senate action and not by one-man action.

PROPOSED INCREASE IN UNITED STATES CONTRIBUTION TO THE BUDGET OF THE WORLD HEALTH ORGANIZATION

Mr. WILEY. Mr. President, on May 25 the junior Senator from Arizona [Mr. GOLDWATER] inserted in the CONGRESSIONAL RECORD an article from the Wall Street Journal commenting upon the action of the World Health Organization in approving a budget which would have the effect of increasing the contribution of the United States to the WHO by some $350,000. In order that the full story might be presented to the Senate, I initiated a request to the Department of State, asking for an explanation of this matter. On May 28 Mr. Thruston B. Morton addressed to me a letter describing the action of the World Health Organization. I ask unanimous consent that the letter from Mr. Morton and its enclosure be inserted in the RECORD. I particularly call attention to the portion of the letter in which it is stated that the approval of both Houses of Congress will be required before the contribution made by the United States can be increased.

There being no objection, the letter and enclosure were ordered to be printed in the RECORD, as follows:

MAY 28, 1954.

The Honorable ALEXANDER WILEY,
Chairman, Committee on Foreign
Relations, United States Senate.

DEAR SENATOR WILEY: Enclosed is a statement concerning the action of the Seventh World Health Assembly, just completed, on the budget of the Organization for 1955, which has been requested by Mr. Carl Marcy of your staff. The World Health Organization budget, as you know, results in a United States assessment for 1955 beyond the existing statutory ceiling of $3 million.

I hope this will meet your needs. We shall be glad to supply any further information that you may desire.

Sincerely yours,

THRUSTON B. MORTON,
Assistant Secretary.

(Enclosure: Statement on World Health Organization budget.)

1955 BUDGET OF THE WORLD HEALTH ORGANIZATION AND THE UNITED STATES ASSESSMENT

At the Seventh World Health Assembly, recently concluded in Geneva, Switzerland, the World Health Organization (WHO) approved a total assessment for the calendar year 1955 of $10,049,360 as compared with the 1954 figure of $8,963,000. The United States delegation made every effort at every stage of the proceedings in the assembly to hold the budget to a figure not exceeding $9 million, and the United States voted against the budget as passed.

As a result of the assembly's action, the assessments of all member countries in the World Health Organization (some 80 countries) will be increased. The United States assessment for 1955, which is 33⅓ percent of the total, will amount to approximately $3,348,000, or $348,000 in excess of the existing statutory limit of $3 million on our annual contributions to the regular budget of the World Health Organization. Since any United States payment to the World Health Organization for calendar year 1955 will be made from United States fiscal year 1956 funds, the action of the health assembly will not affect appropriations for fiscal year 1955. Therefore there is ample time for a thorough consideration by the Congress of the proper action to be taken in regard to the United States contribution to this organization.

United States participation in the World Health Organization was authorized by Public Law 643, 80th Congress, as amended by Public Law 806, 81st Congress, after review and approval by both Houses of the Congress. Since this legislation, as amended, contains the statutory limitation mentioned above, it will not be possible for the United States to meet that portion of the assessment which exceeds $3 million without further amendment of this legislation, and such amendment would require approval by both Houses of the Congress.

The assessment budget of $10,049,360 finally adopted by the health assembly was about half-way between the figure of $9 million proposed by the United States and the figure of $11,111,000 which had been proposed by the director general and the executive board. The United States strongly opposed any budget that would carry the United States assessment over the statutory limitation of $3 million. However, at the committee stage the United States delegation's proposal of a $9 million budget failed by a vote of 24 in favor, 38 against, with 4 abstentions. The United States reintroduced its proposal in the plenary session with no better result. At the committee stage the assembly in fact approved the full $11,111,000 figure requested by the director general by a narrow vote, but in the plenary session it was possible to overturn this action, and a compromise figure of $10,049,360 was carried by a vote of 28 in favor, 24 opposed including the United States, and 7 abstaining.

The attitude of the majority who took this decision was that the World Health Organization had exercised noteworthy economy and restraint in its whole fiscal policy and for 3 years the World Health Organization assessment budget had, under United States pressure, been kept at approximately $9 million on account of the United States ceiling. These governments considered that some amount of growth in the size of the World Health Organization's health programs was necessary and timely. Not only are other governments contributing two-thirds of the regular budget of the World Health Organization, but those who are receiving World Health Organization assistance contribute in addition sizable sums toward the implementation of the projects within their respective countries. These governments felt that the efforts being made to meet international health needs justified additional expenditures on the part of the total membership of the organization.

The legislative history of the statutory ceiling on the United States contribution to the World Health Organization indicates that the Congress did not intend to freeze for all time the amount this Government might find it in the national interest to provide for the support of the World Health Organization. The record indicates that the intent of the Congress was to regularize the means by which it might review and reassess the program and objectives of the organization and the results of our participation therein.

In 1947, the Congress placed a ceiling of $1,920,000 on the United States contribution to the World Health Organization in the joint resolution which authorized United States membership in the World Health Organization. When the World Health Organization undertook larger responsibilities which called for a larger contribution from the United States in 1950, the Congress inquired into the organization's program and development and determined that an increase in the ceiling was justified and in the United States interest. In the light of the known circumstances at that time, the ceiling was fixed at $3 million.

The representatives of the United States at the session of the health assembly just concuded, made clear the fact that there is a legislative ceiling and that it is for Congress to determine whether or not that ceiling is to be revised.

THE CRISIS IN ASIA—DECLARATION BY EXECUTIVE COUNCIL, AMERICAN FEDERATION OF LABOR

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a declaration entitled "The Crisis in Asia," issued on May 19 by the executive council of the American Federation of Labor.

There being no objection, the declaration was ordered to be printed in the RECORD, as follows:

THE CRISIS IN ASIA

DECLARATION BY EXECUTIVE COUNCIL, A. F. OF L.

Because some democratic powers have failed to recognize the real nature of the Chinese Communist dictatorship and its pivotal role in Moscow's drive for world domination, the international situation has deteriorated seriously in recent months. Furthermore, by discontinuing its immediate postwar policy of granting national independence and equal treatment to colonial peoples, the prestige and position of Western democracy have been gravely weakened especially in Asia and Africa. Thus have the Communists been enabled to save their puppet regime in North Korea and to pervert the yearning of the people of Indochina for national independence into a decisive phase of the Soviet campaign to conquer southeast Asia and dominate the world.

Against this background of events, must we now view the indecision and division in Western diplomacy and Molotov's machinations and maneuvers at the Geneva Conference. Under these circumstances, the executive council of the A. F. of L. declares that the fate and freedom of Indochina are now the concern and responsibility not only of the Vietnamese, not only of France or the United States, but of the entire free world, of liberty-loving people everywhere. Realizing the urgency of American initiative at this critical hour, we call upon our Government to be unsparing in its efforts to rally the greatest support of the Vietnamese people and secure the broadest collective international action for assuring the full national independence of Indochina and halting the tide of Communist conquest. Toward thus furthering the cause of world peace and freedom, we suggest action by our Government along the following lines:

1. In view of the fact that, after the United Nations repelled Communist aggression in Korea, massive military support was rushed by the Moscow-Peiping axis from the Korean front to their Viet Minh puppets, there should immediately be convoked a special session of the United Nations General Assembly to mobilize maximum world support for ending the war in Indochina, safeguarding its national independence and territorial integrity, and helping its reconstruction.

2. At this special session of the U. N. General Assembly, the United States representatives should insist on full application of the principle of free elections in Indochina—just as firmly as our Government has insisted on its genuine application in relation to Korea and Germany.

3. Within the provisions of the U. N. Charter for regional defense organizations, our Government should seek to build a Pacific alliance for peace and freedom which would include all freedom-loving peoples willing to join it.

4. America should likewise encourage and assist the free nations of Asia not yet ready to join the aforementioned alliance to develop their own effective resistance to Communist subversion of their democratic institutions and to organize united action to prevent Moscow-Peiping aggression against their national independence and territorial integrity.

5. Toward implementing the complete national sovereignty of the Vietnamese and toward proving that democracy and not communism can help them meet their needs, the United States and its democratic allies should give a practical demonstration of their sincere interest in the economic as well as political advancement of the people by transferring the foreign investment in Indochina (about $300 million) to the Vietnamese people as aid to the reconstruction of their war-ravaged land. Until such time as a democratically elected national government has been established, this transferred interest should be held in trust and administered by an international commission representing Pakistan, Thailand, Burma, India, and the Philippines for the purpose of improving the working and living conditions of the people of Indochina.

6. Congress should grant President Eisenhower standby authority to take all measures he may require for helping to train a Vietnam National Army and build a Pacific alliance for peace and freedom strong enough to hasten the end of the war in Indochina, assure its national independence, and protect the free nations of Asia against further imperialist aggression and expansion by the Moscow-Peiping axis. In this connection, we emphasize that a strong united front of the democracies—demonstrated in immediate positive steps for collective action—would serve to improve the prospects of making the Soviet bloc less intransigeant and thereby increase the likelihood of reasonable armistice terms. The policy of postponing until after the Geneva conclave, steps for attaining such collective action by the democracies only serves to encourage Soviet aggression and utterly unacceptable armistice terms in Indochina. The great task of the peaceful and freedom-loving nations is, therefore, to mobilize maximum military strength and insure the strongest resistance during the Geneva negotiations and not afterward when a reasonable negotiated settlement would no longer be possible because of allied weakness and disunity. We must not lose sight of the fact that, given the present disarray in the democratic camp, the Communists are taking while the conferees are talking. History provides overwhelming proof that in dealing

with totalitarian aggression—whether it be Nazi or Communist—democratic weakness and wavering breed war while democratic strength and united action block war. Fear of displeasing the Communist warlords during the Geneva Conference can lead only to disastrous appeasement, that is, to aggravating still more gravely the danger of a world conflagration.

7. Finally, we appeal to our Government to impress strongly upon France and Britain the urgency of learning from the costly experience in Indochina. Let our allies act now to break with their colonialist policies and practices—especially in Egypt, Morocco, and Tunisia—before the Communist agents of Soviet imperialism come into these crucial areas in full force to distort and destroy the national and democratic aspirations of these peoples. Once these peoples have gained their full national independence, equality, and democracy, they will have something really worth while to fight for and become our loyal allies in preventing another world war, preserving peace, and promoting freedom and social and economic progress.

WAR AND STRATEGY—EDITORIAL FROM THE WASHINGTON POST AND TIMES HERALD AND LETTER TO THE EDITOR

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an excellent editorial entitled "Whose Job Is Strategy?" which appeared in this morning's Washington Post and Times Herald. I wish to associate myself with the comments contained in the editorial. I ask unanimous consent to have printed in connection with the editorial a letter from Edward M. Glick, addressed to the editor of the Washington Post and Times Herald, and printed in today's issue of that publication, under the headline "Total War."

There being no objection, the editorial and letter were ordered to be printed in the RECORD, as follows:

WHOSE JOB IS STRATEGY?

We agree with our correspondent in an adjoining column about Admiral Carney's speech of last week. Hitherto the admiral has been rated as a moderate, but it looks as if he has swung over to the Radford school of thought. Perhaps the adherents of the Carney thesis would not call themselves preventive warriors. But the idea running all through the speech is that a preventive showdown is inevitable, nay urgent—that is, before the Soviet bloc captures any more real estate.

When will the military men get it through their heads that real estate per se does not necessarily add to power, let alone produce victory? The Japanese proved this lesson to the satisfaction of all participants in and all students of the Pacific war, including Admirals Nimitz and Sherman. So we cannot agree that the Carney criterion in the East-West conflict is one of arithmetic.

To be sure, the country needs, as Admiral Carney says, an overall strategy or, as Capt. Liddell Hart puts it, a grand strategy. Admiral Carney, however, seems to be asking the public for one. The retort to his "wake up, America," will be "wake up, yourself." It was precisely for the purpose of formulating a grand strategy that the National Security Council was established. President Eisenhower revised it when he came to power, but that there is little plan and less agreement has been perfectly obvious ever since the conference at Geneva opened.

TOTAL WAR

Adm. Robert B. Carney, Chief of Naval Operations, on May 27 told a New York audience that we must soon choose either to fight or to submit to Communist expansion. On the same day, columnist David Lawrence reported from Geneva that the outcome of the conference there would determine whether we were to have peace or global war. And a day later, the Alsops wrote of elements in the administration which are talking of a preventive showdown with the Soviet Union.

This all-or-nothing attitude suggests a complete lack of confidence in diplomacy and an ostrichlike disregard of the fact that total war is neither compatible with any reasonable semblance of national security nor with the survival of civilization as we know it. Total war means the massive destruction of the H- and A-bombs of which we have no monopoly.

But if the all-or-nothing school is guilty of myopia, those administration spokesmen who have led the American people to believe that the new diplomacy could accomplish massive results in short order are equally guilty. This is not the era of earth-shaking diplomatic decisions nor of major territorial allocations made at the conference table. This is the era of slow, tedious, painstaking efforts to make minute diplomatic gains which—over an extremely long period of time—may be the difference between survival and chaos for our American democracy.

No startling agreements or diplomatic coups are going to come out of Geneva, and we should be foolish to expect them. Diplomacy is and always has been the tool of power, and it must conform to the existing power pattern. That pattern is such as to put diplomacy in a straitjacket unlike any it has ever had to wear in the past.

An important limiting factor today lies in the polarization of power. Any strategic gain made by the Communist bloc is our loss, and the opposite is also true. The few remaining neutrals, separately or together, lack the power with which to impose drastic demands upon either Washington or Moscow.

The days when several big powers could sit down at the conference table and satisfy each other by dividing up a piece of sizable real estate in the Middle or the Far East are gone. One does not set up a buffer state or a zone of influence in diplomatic discussion. Today, one discusses how best to keep an existing buffer state or existing zones of influence from becoming the tinderboxes of expanding military conflict.

Today, diplomacy has almost no flexibility in the territorial sense.

A second limiting factor lies in the inability of either Washington or Moscow to conduct a major diplomatic or political offensive unilaterally. We must consult with and work with our allies because our survival and theirs are irrevocably linked in the face of the Communist menace. And the Soviet Union, though a totalitarian tryanny, cannot twist Communist China around its finger as if it were a satellite. Communist China is much too potent for that.

A third limiting factor lies in the very existence of the H- and A-bombs, and in the fact that both the Russians and ourselves have them. In the old days, a major power could sail a naval flotilla along the coast of a smaller nation and convince the latter of the need to cooperate at the conference table. In short, a threat of force was often sound diplomacy.

Not so today. When Mr. Dulles faces Mr. Molotov at the conference table, each realizes that the other possesses the total weapon, that the unleashing of that weapon could mean mutual destruction and that no diplomatic triumphs are to be won by the threat of waging a cheap war. There is no longer any such thing as a cheap war. There is only bloody, drawnout, localized conflict or mass global annihilation.

Mankind's best hope for survival and this Nation's best hope for security continue to lie in maintaining our great strength—internal and external—and in using the slow processes of diplomacy with tact, patience, and wisdom. The use of diplomatic tools such as technical aid and propaganda is equally vital.

Diplomatic maneuver is and will remain a long, hard road. It may well be accompanied by further local defense commitments on our part. And we would be well-advised to accept the fact that diplomacy will achieve no major, short-term shifts in territorial control or in power potential so long as the present polarized power pattern exists.

EDWARD M. GLICK.

WEST HYATTSVILLE, MD.

HILLMAN FOUNDATION AWARD TO MR. JUSTICE DOUGLAS FOR MERITORIOUS PUBLIC SERVICE

Mr. DOUGLAS. Mr. President, last week during the course of debate references were made to an award which Mr. Justice William O. Douglas had received from the Sidney Hillman Foundation. I am sure the references were made without malice, and on the basis of printed statements. I have received a letter from Mr. Justice Douglas, a paragraph of which I should like to have printed in the body of the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

I notice in the CONGRESSIONAL RECORD for May 27, 1954, at page 7255, a speech by Senator EASTLAND, in which he said that I had accepted an award of $1,000 from the Sidney Hillman Foundation. I did receive the Sidney Hillman award and made a speech at the dinner in the Statler Hotel, a copy of which I enclose. I thought you might be interested in knowing that I did not take the $1,000 award. But after considerable discussion with Madam Pandit and the Indian Ambassador and others, I worked out an arrangement whereby the Sidney Hillman Foundation sent that $1,000 to Prime Minister Nehru in India for the training of young Indian labor-union leaders. There was considerable publicity in the press about it at the time.

WILLIAM O. DOUGLAS.

Mr. DOUGLAS. This letter makes it clear that the award of $1,000 was not received by Justice Douglas, but that he asked to have the award sent by the Sidney Hillman Foundation to Prime Minister Nehru of India, to be used for the education of an Indian labor leader in anti-Communist activities. I wish to have the RECORD show that Justice Douglas himself did not profit in the slightest degree from this award.

I also ask unanimous consent that the text of the address which Justice Douglas delivered when he received the Sidney Hillman Foundation award be printed in the RECORD. I think this will show that what Justice Douglas was emphasizing was the need for bringing the labor movement of southeast Asia into the democratic camp, firmly allied against the Communists. He pointed to the success which had been achieved in this direction in Burma, and hoped that similar consequences would follow

in India. The transfer of the $1,000 award which he made was for this purpose.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Sidney Hillman—a statesman from the ranks of American labor—started his career with an underground revolutionary role in czarist Russia. The labor movement, an illegal one in Russia, was one to which Hillman as a young man was quickly drawn. At 16 he was working with outlawed trade-union leaders. He helped put on demonstrations and was jailed for his activities. When he gained his freedom, he went underground as a labor organizer and political leader, and finally fled to England when further work was impossible.

Thus, he came to America from the conspiratorial environment of Russia. But he soon discovered that America was not a land where one had to go underground to champion the rights of man. Sidney Hillman, unlike the Communists, did not try to adapt the art of Russian conspiracy to the problems of this Nation. When he reached these shores, he left behind him not only the country of his birth, but its political techniques as well. As someone put it, he substituted Hart Schaffner & Marx for Karl Marx. He used traditional American methods to solve American labor problems. And he was as responsible as any leader for the success American labor has had in reaching maturity.

By the maturity of American labor I mean more than its collective-bargaining abilities, more than its achievements in raising the standard of living of the workers, more than the responsible roles it plays in the life of the Nation. American labor has been a foremost spokesman for democratic ideals. It has been a leading champion of the rights of man. When civil liberties have been threatened, labor has been among the first to protest. When social injustices have appeared, labor has been increasingly alert to speak out.

There is another way too in which American labor has shown maturity. It has adopted Sidney Hillman's main precepts—that class warfare is not man's manifest destiny, that labor and management can be partners in vast undertakings, that Karl Marx did not offer the solutions to our problems. I believe that most of American labor today is convinced that peace and prosperity on this earth are realizable objectives, that a human welfare state is wholly compatible with a capitalistic system of free enterprise.

American labor did not learn these lessons quickly. Its councils were sometimes divided by advocates of the Marxist creed. But it adopted a radicalism that is indigenous to our people and laid out its programs within the confines of the United States Constitution. As a result, American labor has been a powerful cohesive force in the Nation.

The force and influence of American labor are needed not only in councils that fashion our foreign and domestic policies but in the troubled spots of the world. Specifically, labor leadership with experience in the American tradition can make a profound contribution in Asia. While some work is presently being done in that direction, much more could profitably be done.

The labor movement in Asia is in its infancy. In some places labor unions have until recently been outlawed, as they were in Czarist Russia. Thus, it was only in the summer of 1952 that labor unions became legal organizations in Indochina by the decree of the Emperor, Bao Dai. They are also practically brand new in Burma, for until recent years they had only a halting and uncertain existence. Where unions have bare beginnings, there are of course no trained leaders. Sometimes that has resulted in the Communists taking over, as the case of Malaya illustrates.

The Chinese Communists, who led the underground movement in Malaya during the Japanese occupation, emerged from the jungle at the end of World War II to perfect, in a very short time, a powerful organization of Malayan labor. In a few months they had practically every type of labor unionized and had united the unions in an overall Communist-controlled federation. In 2 years they had organized nearly 300 unions with a total membership of about 200,000, which embraced about one-fifth of all the workers of Malaya—an astounding achievement when it is remembered that prior to 1945 Malayan labor unions were virtually nonexistent. About two-thirds of these labor unions were dominated by the Communists. These were the key unions and they were so strong that their strikes could bring all of Malaya to a halt. And once or twice in the spring of 1948 they did just that.

Measures were taken by the Labor government in England to counteract that Communist influence. It decided to promote trade unions that were free from the Communist taint. In 1946 John A. Brazier, a locomotive engineer, was brought from London to Kusla Lumpur for that purpose. Brazier has spent his life in the trade union movement. I saw him in Malaya and came to admire and respect him. He is a natural leader of men. Like Sidney Hillman, he knows how to inspire men, unite them, and fill them with zeal. Like Hillman, his methods are open, not conspiratorial; he has rejected the techniques taught by Lenin and Stalin. When Brazier reached Malaya in 1946, the Communists already had the union movement under tight control. He had no existing organization to work with. He had to start from scratch with men who knew little or nothing of trade unionism.

Brazier worked wonders. In 18 months he organized many non-Communist unions and had them in a fair competitive position with key Communist unions. As a matter of fact, his education of labor on Communist tactics was so effective that in the first 6 months of 1948 the Communist unions lost about half their membership. The magnitude of his educational program is indicated by the fact that it had to be conducted in four languages—English, Malay, Tamil, and Chinese.

At that point the British tightened up on the regulation of unions and outlawed the Communist Party. It was then that the Communist union leaders went into the jungle. That was the summer of 1948, since which time civil war has been raging. But, meanwhile, Brazier went about his work. By the summer of 1952, he had organized about 120,000 workers into unions.

I saw some of the officials of these unions, talked with them, and came to know the magnitude of their job. The head of the rubber tappers union is a 30-year-old Indian, J. P. Narayanan—one of Brazier's proteges, a man whose influence is on the side of the free world and whose voice will be an important one in shaping Asian policies in the years ahead. These Malayan labor leaders face all the difficulties that American labor faced in its early years. At one time in our history it was not unusual for a labor leader to be denounced as an anarchist or a Socialist. Today, it is common in Malaya to hear a Britisher managing a rubber estate or a Chinese running a tin mine to denounce all labor leaders as Communists.

Malayan labor not only carries that burden; it also faces the threats of Communist terror. That threat is not an idle one. The Communists strike with vengeance against Brazier's men. In 1952 they killed 13 of his union officers. These were mostly men who were making the rounds of rubber plantations collecting dues. One victim was a 40-year-old Indian by the name of Subrammaniam. While he was collecting dues this year from the rubber tappers near Kuala Lumpur, the guerrillas swarmed out of the jungle and seized him. They tied him to a rubber tree, his hands above his head, and bound them fast to the trunk. They called the tappers and fieldworkers to gather around. They then cut off his hands with a sharp machete, pointing out that that will happen to any hands that collect money for the imperialists.

Brazier is trying to teach Malayan labor what Hillman helped teach American labor—that management and labor have a common cause to serve and that class warfare need not be the fate of man. He has had great success to date. He has inculcated the democratic tradition in Malayan labor ranks. He has demonstrated that even illiterate, uninformed, downtrodden, and exploited people (as Malayan labor certainly has been) need not be victims of the Communist cause, that they can be saved from the fate of battalions that preach hate, intolerance, and class warfare.

The experience in Burma has been similar. Burma has been as severely torn by civil war as any nation in the world. Following the grant of its independence from England in 1948 large and powerful dissident elements (mostly but not exclusively communistic) seized large areas of the country and held them. They had their own courts, they collected taxes, they passed laws, they formed labor unions, and they imposed a tight regime on the people. Rangoon and Mandalay were largely islands that were isolated from the rest of the country.

The government of Prime Minister U Nu has worked wonders. It has not outlawed the Communist Party nor its front, the Burmese Workers and Peasants Party. It has, however, met force with force and adopted a broad program of economic and social reconstruction, which it calls the welfare state.

Labor has received a charter of liberty written into the Burmese Constitution. The constitution makes it the duty of the state to secure to workers the right of association, to limit their hours of work, and to insure them annual holidays and an improvement in their working conditions. It undertakes to guarantee the right to work and the right to maintenance on account of old age or sickness or loss of capacity to work and the right to rest and leisure. In contrast to these guaranties, it has a provision, strange to us, which authorizes the state to impose compulsory service for public purposes without any discrimination on grounds of birth, race, religion, or class.

Some of Burma's labor leaders have been educated by Brazier in Malaya. Others have been educated by cold experience, some by American experts. The labor movement in Burma is young and the leadership is not yet steeped in the traditions of trade unionism. But it has swung sharply away from the Communist school of thought. There are today about 70,000 workers, or 30 percent of Burma's labor, organized in trade unions. Of these 70,000 union members the Communist unions claim only 2,000. The Communist influence in the government of U Nu is negligible. In the elections of last year, they won less than 4 percent of the seats in the parliament.

There is a complex of reasons for the decline of the Communist influence in Burma. The Burmese labor front is one of them. The attitudes and practices of labor in Burma illustrate that the Marxist doctrine of the inevitability of class warfare is no enduring principle even for a people living under Russia's shadow, that a human welfare state offers opportunities no Marxist state can duplicate, that labor can be a powerful, cohesive force in uniting a people under program that makes human dignity, human worth, and civil liberties the aim and object of government.

The philosophy which Sidney Hillman espoused is shaping the destiny of the peoples of Asia who never heard his name. American labor traditions are beginning to be honored in the miserable labor lines of Asia. The effect on feudal Asia promises to be revolutionary. For the foremost teaching of the American labor leader is that once the conspiracy theory of government is rejected, men of good will can design a system that leaves room for all the vast diversities man needs, if he is to realize the destiny God has fashioned for him.

SLUM CLEARANCE AND URBAN REDEVELOPMENT PROGRAM UNDER THE HOUSING AND HOME FINANCE AGENCY

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD two letters which I, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, have written to the Honorable Albert M. Cole, Administrator of the Housing and Home Finance Agency, requesting certain information.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MAY 26, 1954.

Hon. ALBERT M. COLE,
Administrator, Housing and Home Finance Agency, Washington, D. C.

MY DEAR MR. COLE: As chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, and acting under authority of section 601 of the Revenue Act of 1941, I am requesting at your earliest convenience the following information with respect to the slum clearance and urban redevelopment program under the Housing and Home Finance Agency pursuant to the Housing Act of 1949:

1. Total Federal grant authorizations, commitments, and disbursement in dollars under this program to date.

2. Total Federal loan authorizations, commitments, and advancements in dollars under this program to date.

3. Total number of projects approved to date, with estimates as to (a) the total ultimate cost to the Federal Government in grants, (b) the ultimate total of Federal loans they will acquire, and (c) the ultimate total of new capital outlays by local governments they will require.

4. The extent to which Federal Housing Administration has insured loans for projects located in slum-clearance and redevelopment areas where the Federal Government has paid or will pay two-thirds or more of the net cost (loss); and identification of slum-clearance and urban-redevelopment projects where there are or will be structures for which FHA has insured loans under any of its dozen or more programs.

5. A statement as to the legality of Federal payment of more than two-thirds of the net cost (loss) on one or more slum-clearance and urban-redevelopment projects under a given local public agency having still other projects under its jurisdiction, providing the aggregate Federal payments on all the projects do not exceed two-thirds of the net cost (loss) on all the projects; and identification of any projects where this has occurred or may be expected.

6. A statement as to whether any loans are being made under section 102 (b) for public buildings and facilities in open project areas; with identification of any recently approved.

7. A statement as to the possibility that "local public agencies" are charging or may charge the cost of schools, firehouses, libraries, and other municipal buildings, including coliseums, stadiums, swimming pools, etc., into the gross cost of a slum-clearance and redevelopment project in such a manner as to require the Federal Government to subsidize them by means of paying two-thirds of the net cost (loss) on all projects under the local public agency.

8. A statement as to the extent to which the Federal Government would subsidize the proposed new New York Coliseum in the Columbus Circle project through its loss grant for the land, etc.; and a statement as to whether the Housing and Home Finance Agency has concurred in this proposed use of land in this project.

9. The Housing and Home Finance Agency, according to the Slum Clearance Manual, page 2, part 2, chapter 7, section 1, will concur in fair but not unreasonable prices for the acquisition of land, and require local public agencies to prevent excessive prices for the acquisiton of land. Is there a formal requirement in the law or in HHFA policies or regulations for fair but not excessively low sale prices for disposition of the land?

10. The Washington Square Southeast Slum Clearance Report by the New York Committee on Slum Clearance, dated August 1953, page 57, under the heading "Acquisition Appraisal," says that in this project acquisition of the property would cost an average of $19.88 per square foot. The same report, on page 59, under the heading "Resale Appraisal," says it has been estimated that the resale of the land in its present condition would average approximately $9.47 per square foot or $12.47 per square foot if cleared. Has the Housing and Home Finance Agency concurred in the development of this project at these purchase and sale averages, or otherwise?

11. Under what specific language in the law would the Housing and Home Finance Agency concur in a project, such as the one in Alexandria, Va., where private property would be taken from one private owner for disposition to another private owner strictly for commercial or industrial use?

12. A statement, based on the experience of the Housing and Home Finance Agency, as to the extent to which "the local public agencies," for all practical purposes, act independently of local governmental bodies which are responsible to the people in fixing purchase and sale prices.

13. A statement as to the extent to which the Housing and Home Finance Agency has drafted, or used its influence in the drafting of, enabling acts for passage by State legislatures, ordinances for passage by local governments, resolutions, etc., for adoption by "local public agencies," city governments, etc., as described on page IX of the Slum Clearance and Urban Redevelopment Manual published by the HHFA, Office of the Administrator.

14. A statement as to whether the Housing and Home Finance Agency encourages or condones the organization of local and State housing and redevelopment officials.

Very truly yours,

HARRY F. BYRD, *Chairman.*

MAY 28, 1954.

Hon. ALBERT M. COLE,
Administrator, Housing and Home Finance Agency, Washington, D. C.

MY DEAR MR. COLE: This letter may be regarded as an extension of my letter to you dated May 26, 1954, requesting information with respect to the Federal slum clearance and urban redevelopment program.

As chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, and acting under authority of section 601 of the Revenue Act of 1941, I am requesting at your earliest convenience the following additional information with respect to the slum clearance and urban redevelopment program under the Housing and Home Finance Agency pursuant to the Housing Act of 1949:

1. A statement based on your best information as to whether prices paid for the purchase of land have been increased in any instances to avoid litigation.

2. The number and location of cases which have required court action along with a statement as to the question involved, and the disposition or status in each case.

3. A statement as to the safeguards established by Housing and Home Finance Agency to preclude collusion and other exploitation of the program; and a list of collusion or exploitation cases known to date.

4. A statement as to whether there is any Housing and Home Finance Agency policy with respect to preference as between redevelopment by local and outside interests.

5. An estimate of the percentage of area taken under this program which has been and is to be utilized for residential housing, commercial establishments, industrial plants, strictly public buildings for free common use, such as schools, firehouses, police stations, etc., for institutional use, such as colleges, libraries, etc., recreational and exhibit use, such as playgrounds, swimming pools, stadiums, coliseums, etc.

6. An estimate of expenditures to date by (a) the Federal Government, (b) State governments, and (c) local governments on projects which have been abandoned and which apparently will not materialize.

Very truly yours,

HARRY F. BYRD, *Chairman.*

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1955

The PRESIDING OFFICER (Mr. BEALL in the chair). The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

Mr. MANSFIELD. Mr. President, I should like to ask the distinguished chairman of the Subcommittee on Agricultural Appropriations whether the pending appropriation bill contains any provision relative to the mosquito project on the Milk River in Montana. I cannot find any reference to the project in the bill; neither can I find any reference to it in the hearings.

Mr. YOUNG. I am happy to inform the Senator from Montana that there is an item in the bill under the heading "Agricultural Research Service," at page 2, line 24 of the bill, which includes approximately $5,000, to provide one man for research studies with respect to the disposal of excess irrigation water in the Milk River Valley, Mont. I believe that will take care of the situation to which the Senator from Montana has referred.

Mr. MANSFIELD. I thank the Senator. My question has been answered fully and satisfactorily.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] on behalf of himself and other Senators.

Mr. MONRONEY. Mr. President, I wish to speak briefly in behalf of the pending amendment, the purpose of which is to restore the amount of money which is now available to the Rural Electrification Administration under this year's appropriation.

I know of no program which Congress has devised that meets with such overwhelming approval on the part of the

people it serves, the farmers of the Nation, as does rural electrification.

Mr. President, the rural-electrification program not only meets with the practically unanimous approval of the farmers of the Nation whom it serves on the far-stretched lines through the 48 States, but it meets with the universal approval of most of the business communities and other segments of our economy which have learned about this great development and the purpose which it serves.

When the program was started in 1936, 90 percent of the farm homes of America were in the darkness of the 19th century. Kerosene lamps, old wells with cranks, and lack of any modern improvements were not the exception on the American farm but the rule. In a few short years we have changed that situation. Today, instead of 90 percent of the farm homes being in the darkness of the 19th century, more than 90 percent of them are in the brilliant, electric-lighted era of the 20th century. Not only has the program changed the way of life of the typical American farmer, but it has removed the drudgery that killed in their youth many of the farm wives of America. The modern conveniences now available in farm homes through the REA program rival the modern appliances found in city homes.

In the development of the REA program there have been created more than $2½ billion worth of new construction because this program was brought into being. New lines have been built. Construction work was done by private industry and by private contractors. All of it contributes to the flow into rural areas of industrial goods which are produced in factories in Detroit, Pittsburgh, Schenectady, and in other great industrial centers of our America.

For every $1 of the $2½ billion which were made available through low-interest loans, there have been created more than $10 in new business which have gone into homes and on the farms for appliances and modern machinery. All this would not have been possible had not the Government had the courage and foresight to inaugurate the REA program.

On every rural electrification co-op I know of the demand for power is growing heavier and heavier. Farmers not only use electricity to provide labor-saving conveniences in their homes, but they use it in many forms, such as electrical machinery, in the production of food and fiber.

As a result, hundreds of thousands of miles of lines which originally were built to carry the small amount of electricity which at one time was adequate to supply the needs of the farmers must be rewired; heavier wire and heavier posts and larger transformers must be provided in order that the lines may be able to meet the new demand which has been created by the REA program.

At this point in the REA program I believe it would be pennywise and pound-foolish to fail to appropriate the same amount of money for REA which was appropriated last year. That would be the effect of our action if we turned down the Douglas amendment, which would add $35 million to the REA bank, so to speak, for the purpose of lending the money for qualified projects and for the expansion and modernization and improvement of the existing REA systems.

Mr. President, it should be noted that the REA program does not cost the Government any money. The money that is loaned is being returned at 2 percent interest. I know the Senate is as proud as I am of the fact that the REA loans are being paid back ahead of time. We are losing practically no money by way of default on REA loans. Moreover, the amounts that have been repaid in advance of the due dates on such loans aggregate several million dollars.

Therefore I do not believe we should restrict the administration of REA under Mr. Nelson, who is doing the best job possible in trying to expand rural electrification and in providing the sinews in the form of electric current and power which the farmers need and for which they are waiting.

Therefore, since the money can be loaned only to REA's which qualify under the pattern which has been followed for many years, I believe the $35 million in additional funds should be added to the bill. If REA's do not need nor qualify for loans, the money will be returned to the Federal Government. However, if Congress should adjourn, and it should develop that REA is $35 million short of the actual needs of the cooperatives, we would be postponing for a year at least meeting of the vital needs of our farms for electricity. Therefore I hope that the Senate today will restore the amount provided in last year's appropriations by approving the Douglas amendment.

In that way we shall be able to continue to tell the farmers of America that we are proud of the job they are doing in operating the farm-owned and farm-managed electric systems, as they are proud of the fact that they have been able in many cases to pay back the money loaned to them before the loans were due for repayment.

Mr. STENNIS. Mr. President, seldom does the Senate have before it a proposal which is so sound as is appropriation of funds for REA. In the first place, it does not involve the spending of money but the mere lending of money. In the next place, the money does not have to be used. It is not loaned unless there is a reasonable need in the case of a given project. The program goes to the very heart of our economy not only as it affects our rural population but also the electrical manufacturing industry—the manufacturers of wires and appliances and facilities of all kinds.

Furthermore the program makes the farmers, who constitute a most important segment of our economy, greater producers because of the use of more electrical machinery, and brings to them a new way of life. This means much to all the rural areas, particularly the South, and especially Mississippi, which on an area basis and on a population basis has benefited more than has any other State in the Union.

I have noticed that after some of the REA's became well established they also became a little slow in wanting to extend the lines. It is just as dark beyond the end of the line at this time as it was before the advent of REA. The persons who live in that area need the electrical facilities the hot wires would make available to them. They need just as much a better way of life, a better outlook, and better preparation for life as do those who have such electrical facilities. I think Congress should encourage the Administrator and, right on down the line, the operators, managers of the local REA's, and the boards of directors to go forward, while conditions permit, and extend the lines to the farthest reasonable point to which they can be carried and thus tie in our entire economy and our people with this movement.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Mississsippi yield?

Mr. STENNIS. I yield.

Mr. JOHNSTON of South Carolina. Is it not a fact that every cent which has been expended for rural electrification has been paid back with interest in every instance?

Mr. STENNIS. The Senator is correct. It has proved to be one of the soundest business propositions in America. A few years ago it was thought to be unsound from a financial standpoint.

Mr. JOHNSTON of South Carolina. And in paying its own way, so to speak, it has helped to build up our country a great deal. Is not that correct?

Mr. STENNIS. The Senator is entirely correct. I do not think there is anything comparable to what has been accomplished through the activities of the REA.

Mr. JOHNSTON of South Carolina. It has also accomplished the saving of millions of dollars' worth of produce on the farms which heretofore has gone to ruin.

Mr. STENNIS. The Senator is correct. The farmer raises food and has a deep-freeze unit in which the food is stored for the winter season. Almost all my friends have deep-freeze units.

I remember, Mr. President, when I was in the Mississippi Legislature, in 1928, I was a member of a subcommittee having to do with public utilities. I was fully convinced that the idea of extending lines out into rural areas was unsound and almost unthinkable. We now see what has been done. But still the argument is made that we must not extend too far into sparsely settled areas, or we will encumber our agencies with a load which they will not be able to carry. The way to build up those very areas is to extend the lines.

When I was home last week I was told that the people of the rural areas now have everything the town folks have except telephones, and they are on their way to getting telephones. That statement was made by one of the leaders who helped to build up the community.

Mr. President, if the money is not needed, it does not have to be used. No one is taking a chance. It will be paid back if it is used.

I think we should agree to the amendment of the Senator from Illinois and should thank the Senator from Illinois for offering the amendment.

Mr. HILL. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. HILL. I wish to commend the Senator for his statement and to associate myself with him in his advocacy of the amendment offered by the distinguished Senator from Illinois.

I can recall very well an occasion a good many years ago when the House Committee on Military Affairs was considering what was then called Muscle Shoals and is now called TVA. The committee went into the question of rural electrification. There were some representatives of some of the private power companies before the committee. Someone asked them, "Why do you not extend the lines out into the rural areas?" The answer was that it was impossible. The record shows that it is not impossible. The loans have been paid back very promptly. Many of them have been paid back ahead of time. Is not that correct?

Mr. STENNIS. The Senator from Alabama is entirely correct.

Mr. HILL. Let me ask the Senator—and I am sure his answer will be yes—is it not a fact that one of the most important factors in the conservation of our soil and in diversified agriculture and wise land use has been rural electrification? So far as our section is concerned, nothing his contributed more toward making possible the diversification of agriculture and the rebuilding and conserving of our soil than has the REA.

Mr. STENNIS. The Senator is entirely correct. The results of rural electrification are reflected in the schools of the area, in the churches, in the home life, and in all phases of the economy. Rural electrification has contributed greatly to our progress of soil conservation and diversification which bring yearly and lasting benefits to our Nation.

I will say to the Senator from Alabama that I flew over his fine State yesterday, and as I looked down on one community after another I thought about the Senator's long fight for the improvement of the whole area, particularly his fight for rural electrification.

Mr. HILL. Rural electrification has brought refrigeration to the farmers, which has made it possible for them to raise crops which could not successfully be raised in the old days. Nothing has done more than has rural electrification to enable the farmers to get away from the old one-crop system, which did so much to deplete our soil.

Mr. STENNIS. The Senator is entirely correct. The deep-freeze unit is found in the most humble homes.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. JOHNSTON of South Carolina. Does the Senator recall what percentage of rural homes were electrified in 1935?

Mr. STENNIS. The Senator, I think, has more accurate figures on that subject than I have. I know the percentage was very small.

Mr. JOHNSTON of South Carolina. I think that in Alabama, South Carolina, and Mississippi only 5 percent of rural homes had electricity in 1935. I think those States today have rural electrification to the extent of 85 percent.

Mr. STENNIS. I thank the Senator from South Carolina for his contribution.

Mr. EASTLAND. Mr. President, will the junior Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. EASTLAND. My colleague well knows that not only has the rural electrification program cost the Federal Government nothing but it has brought the comforts of modern living to the rural areas of the country.

Mr. STENNIS. The Senator is eminently correct.

Mr. EASTLAND. Washing machines, deep-freezers, and all the luxuries of modern life have been made available to rural areas.

Mr. STENNIS. And it has added to the general economy because of the increased activities of industries it has made possible.

Mr. EASTLAND. I desire to associate myself with the very fine remarks the Senator has made, and I certainly endorse the amendment offered by the Senator from Illinois.

Mr. STENNIS. I appreciate the statement of my colleague.

Mr. President, I yield the floor.

Mr. KEFAUVER. Mr. President, I hope the Senate will agree to the amendment offered yesterday by the Senator from Illinois for himself and other Senators to add $35 million to the appropriation for REA.

I wish to congratulate the distinguished Senator from Illinois for sponsoring this amendment. In fact, he scrutinizes all appropriation bills very carefully and has offered many amendments proposing reductions in appropriations, even though a project or projects in his own State might thereby be adversely affected. The fact that he now feels the REA is entitled to an additional $35 million in the public interest commends the amendment very highly. In this era of multi-billion-dollar expenditures, the additional appropriation seems very small, indeed.

It is not unusual, for instance, for the Department of Defense to contract for some item of armament at more than the entire cost of the REA program for a year. Yet when something like this loan appropriation comes up here in the Congress, we strain and labor over it as if we were destroying the financial solvency of the Nation.

Let us put this REA appropriation in perspective, Mr. President.

Aside from the seven or eight million dollars for salaries and administrative expenses, the money we appropriate for the Rural Electrification Administration goes into a loan fund. In no sense is it a handout or a generous gift to the 1,000 or more rural cooperatives.

Every dime of the money we appropriate for those loans will be paid back into the Treasury of the United States with interest, over periods prescribed by the Congress in the original REA Act.

All that is being sought today is $135 million for this worthwhile, self-liquidating loan program, exactly the same amount as was appropriated last year. In itself, it is little enough.

If Congress were to appropriate enough to cover all of the applications for loans on hand, and also those expected to be made during the next fiscal year, it would be necessary to appropriate $321 million.

For months, I have been pointing out that officials in charge of the REA do not seem to be sympathetic to the principles on which the agency was founded nearly 20 years ago. They have dragged their feet in making loans which Congress expressly authorized, and at the end of this fiscal year there will be almost $50 million left over.

At the same time, there will be a backlog of applications amounting to $67 million.

I am convinced that, had it not been for the complaints which some Senators have made on the floor and elsewhere, REA officials would not have made as many loans as they did.

It seems clear that there is a deliberate attempt to constrict and limit the operations of the agency, and to curtail its service to the locally owned and operated cooperatives which are scattered across the length and breadth of the Nation.

As was pointed out on the floor yesterday, the $192,919,203 Senate committee recommendation for REA was $28 million below the amount provided for REA last year, which in turn was a $24 million reduction from the preceding year.

If the Bureau of the Budget had its way, the amount appropriated would be even lower this year. The Bureau asked for only $55 million of new appropriations, which the House of Representatives wisely raised to $100 million.

The Senate, if it has the same consciousness of the needs of a great program as it has had in the past, will further increase the amount to $135 million, as proposed in the Douglas amendment.

Mr. President, I appreciated the excellent remarks made by the distinguished junior Senator from Mississippi [Mr. STENNIS] with reference to the value of the TVA to the REA operation in his State. I may say that in the State which I have the honor to represent, together with my colleague the distinguished junior Senator from Tennessee [Mr. GORE], the REA program has worked well. The local people take great interest in the operation of REA cooperatives. When loan applications are submitted, they are considered closely before being sent to Washington.

Even though almost 90 percent of the farms of Tennessee are now electrified, there are still pending many sound applications for REA loans. Many persons who want electricity are unable to obtain it.

Not only are the REA loans a sound investment for the Federal Government, in that the money is returned with interest, but they are a sound investment in fuller employment among all the people of the Nation, because with the building of REA lines come the salesmen who sell electrical appliances, including refrigerators, milking machines, television sets, radios, and many other articles of a laborsaving nature and for enjoyment by persons who live in rural areas. The wider distribution of electrical products

means greater employment in factories in all sections of the Nation. It means a developing, growing America.

I know of no way in which money could be better invested, not only to help the persons who will be served by the REA powerlines, but also to help keep employment at a high level in the factories of the Nation, than to increase the appropriation in accordance with the amendment offered by the distinguished Senator from Illinois [Mr. DOUGLAS].

The PRESIDING OFFICER (Mr. BEALL in the chair). The question is on agreeing to the amendment offered by the Senator from Illinois.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	George	Martin
Anderson	Gillette	Maybank
Barrett	Goldwater	McCarthy
Beall	Gore	McClellan
Bennett	Green	Millikin
Bowring	Hayden	Monroney
Bricker	Hendrickson	Morse
Bridges	Hennings	Mundt
Burke	Hickenlooper	Murray
Bush	Hill	Neely
Butler, Md.	Holland	Pastore
Butler, Nebr.	Humphrey	Payne
Byrd	Hunt	Potter
Carlson	Ives	Purtell
Case	Jackson	Robertson
Clements	Jenner	Russell
Cooper	Johnson, Colo.	Saltonstall
Cordon	Johnson, Tex.	Schoeppel
Daniel	Johnston, S. C.	Smith, Maine
Dirksen	Kefauver	Smith, N. J.
Douglas	Kennedy	Sparkman
Duff	Kilgore	Stennis
Dworshak	Knowland	Symington
Eastland	Langer	Watkins
Ellender	Lehman	Welker
Ferguson	Lennon	Wiley
Flanders	Long	Williams
Frear	Malone	Young
Fulbright	Mansfield	

Mr. SALTONSTALL. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART], the Senator from California [Mr. KUCHEL], and the Senator from New Hampshire [Mr. UPTON] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Oklahoma [Mr. KERR], the Senator from Washington [Mr. MAGNUSON], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Nevada [Mr. MCCARRAN] is absent by leave of the Senate.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Illinois for himself and other Senators. On this question the yeas and nays have been ordered.

Mr. YOUNG. Mr. President, there certainly is no intention on the part of the Republican administration to cripple the REA program. It has always looked with great favor upon that program.

In the 80th Congress, when the Republicans controlled the Congress, there was a carryover of $93,969,227 of REA funds on July 1, 1948. That was after the first year of the Republican Congress. On July 1, 1949, the second year of the Republican Congress, there was a carryover of $45,100,430.

In connection with the pending bill the Bureau of the Budget recommended $55 million in new loaning authority for the REA and $35 million in contingency fund authorizations. The House of Representatives voted to increase that amount by $45 million.

Together with the loaning authority and the carryovers, the REA will have available in funds for the fiscal year 1955, $192,919,203, as compared with $221,919,203 for the present fiscal year, and two hundred-and-forty-four-odd-million dollars for the fiscal year 1953.

Mr. President, in the fiscal year 1953, before the present administration, the REA actually loaned $164,972,662. In the fiscal year 1954, it is estimated that the loans will be $165 million. It is also estimated that next year the REA will loan $150 million.

Mr. President, in my opinion, the present Administrator is doing a pretty good job.

At this time I should like to read briefly from the hearings, to give an indication of what the Administrator is doing to dispose of the existing applications for loans. From page 865 of the hearings before the Agricultural Appropriations Subcommittee of the Senate Appropriations Committee, I read the following statement by the REA Administrator:

> The applications on hand have been reduced during the past year. On April 6, 1954, there were 201 electric loan applications on hand totaling approximately $161 million; the total of electric loan applications on hand 1 year earlier was approximately $214 million.

So, Mr. President, it is apparent that the present Administrator is proceeding effectively in the effort to clean up the present loan applications. He believes this bill carries sufficient funds to enable the REA to operate satisfactorily for another year. I share that belief. If I had not thought so, in the committee I would have made an effort to have this appropriation increased, as I did last year. Last year the Senate increased these funds by $15 million.

Mr. President, I shall vote for the amendment, for two reasons: First, if the additional funds are allowed, the Administrator will not have to loan all the money unless there is a demand for it, and if he does loan it all, the loans will be repaid to the Treasury of the United States. Second, yesterday during the consideration of this appropriation bill, the leadership on this side completely ignored the decision of the Appropriations Committee and voted to increase by $1,500,000 the funds for experiment station research. Yet the Appropriations Committee was unanimous in agreeing that the appropriation recommended by it would be sufficient for payments to the States for research, and not one objection was raised.

Therefore, Mr. President, in order to be fair to all the agricultural interests, I shall vote for the amendment to increase the loaning authority to REA, even though I believe all of it will not be necessary.

Mr. KNOWLAND. Mr. President, will the Senator from North Dakota yield to me?

Mr. YOUNG. I yield.

Mr. KNOWLAND. I am not sure to whom the statement of the Senator from North Dakota was directed, when he said the leadership had completely ignored the decision or recommendation of the agricultural appropriations subcommittee of the Senate Appropriations Committee, because the majority leader, who is a member of the Appropriations Committee, supported the position both of the subcommittee and of the full committee; and the yea-and-nay vote will show that he did.

Let me say I was impressed by the remarks of the distinguished Senator from Georgia [Mr. RUSSELL], the distinguished Senator from Arizona [Mr. HAYDEN], and other Senators, to the effect that if there was ever a case when $1,500,000 of additional funds could be saved, this was the case. I think that was also the view of a number of the other members of the committee, and certainly it was the view of the distinguished senior Senator from New Hampshire [Mr. BRIDGES], the chairman of the full committee, who also voted against the amendment to increase the amount.

So I do not know just whom the Senator from North Dakota has in mind when he refers to the leadership. At any rate, the majority leader supported the committee.

Mr. YOUNG. Mr. President, let me say to my good friend, the senior Senator from California, that I believe he is doing a good job as floor leader, and I had no reference to him. I should have made my remarks plainer. I had reference to the chairman of the Republican Policy Committee and most of the Republican Senators who are chairmen of Senate committees, none of whom consulted with me first before departing from the action taken by the committee.

Mr. HAYDEN. Mr. President, will the Senator from North Dakota yield to me?

Mr. YOUNG. I yield.

Mr. HAYDEN. In the committee, I voted not to increase the amount of the appropriation for the Rural Electrification Administration. I so voted on the assumption that the bill as it was, contained ample funds to carry on all the work in prospect for next year.

Mr. YOUNG. I think that is true. I repeat that there will be approximately $193 million of loaning authority, carryovers, and rescissions for this year, as against $221 million in the fiscal year 1954, and $244 million the year before.

Let me say again that in the fiscal year 1953, one-hundred-and-sixty-four-odd million dollars was loaned; and for the fiscal year 1954, the estimate is that $165 million will be loaned; and the estimate for loans during the next fiscal year is $150 million.

Mr. HAYDEN. In order to loan the additional amount of money that is now proposed to be provided by the bill, it certainly will be necessary to increase the administrative force, because, instead of having a force of the size of the one last year, when $165 million was

loaned, the pending bill provides even less money than last year for administrative expenses. If the proposal to increase the amount available for loans is adopted, is it also proposed to increase the funds for salaries and administrative expenses, so the additional loans can be made?

Mr. YOUNG. No, because the REA already has $200,000 more than it thinks it needs; and I believe that, with economies, the REA will be able to do much more work with less money.

Mr. HAYDEN. I do not think so. I think it logically follows that if the amount of money that is expected to be loaned is increased—in other words, if there is a legitimate reason to make an increase in that amount—then there is an equally legitimate reason for increasing the amount of the appropriation for administration, so the money can be loaned. I do not think we can get away from that point.

Mr. KNOWLAND. Mr. President, I shall not take more than 5 minutes of the time of the Senate; but before the yea-and-nay vote is taken on the question of agreeing to the amendment of the Senator from Illinois, I think the Senate should have a very clear view of the situation.

The report of the House Appropriations Committee states that the amount recommended by it, together with an estimated carryover of $45 million, probable recissions of $5 million, and the contingency fund of $35 million, will make a total of $185 million available for electrification loans during the coming year. Of course, the appropriation bill applies to a 12-month period.

In both the subcommittee on agricultural appropriations and the full Senate Commitee on Appropriations, all the Members have a vital interest in the rural electrification program; and during the 9 years I have been a Member of the Senate, I have supported the appropriations for the REA program, I believe all Members of the Senate recognize that it is a very important and a sound program, and that electricity should be supplied to the rural areas, inasmuch as the urban areas already have it.

But, Mr. President, based on the facts presented to the committee and based on the loans made last year and the year before and the estimated loans for this year, I submit that the bill provides an adequate amount to take care of that situation.

As I have pointed out, the appropriation is made for a 12-month period. If during the next 6 months it is found that the REA has received more loan applications than it can take care of, I personally will support, and I am sure the Appropriations Committee will support, the appropriation of additional funds, by means of a supplemental appropriation bill, next year. But it seems to me, on the basis of the record which is before us, and on the basis of the loans which have been made, and which the Administrator says in his judgment will need to be made this year, that it is not logical at this time to increase the amount by $35 million. Congress will be back here in January. If the Administrator is wrong, if the statement of facts which has been presented is not correct, we shall then be able to make an additional appropriation for loans at that time.

For the reasons stated, though I have supported the REA program, I do not believe it is sound at this time to increase the amount recommended by the Appropriations Committee, all of whose members have been interested in the development and expansion of the REA program.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from West Virginia.

Mr. KILGORE. The loans made under the REA program are not necessarily spread evenly over a period of 12 months. The loans are made as the need appears, are they not?

Mr. KNOWLAND. That is correct.

Mr. KILGORE. Therefore, if the entire amount appropriated were loaned in 6 or 7 months, it would be possible for Congress to appropriate additional money for loans.

Mr. KNOWLAND. In the normal procedures the entire amount is not loaned in the first month, or even the first 6 months. The fact of the matter is, as pointed out by the chairman of the subcommittee, that a total of $164 million was loaned in 1953; $165 million in 1954; and the estimate was $150 million for the next year. There are more than adequate funds provided in the bill which has been reported from the Appropriations Committee by a unanimous vote.

Mr. KILGORE. The point I make is this: The loaning power of the REA is not limited to one-twelfth of the total amount each month. The REA might loan the entire amount in a period of much less than a year.

Mr. KNOWLAND. Theoretically the Senator is correct, but as a practical matter that is not how the program operates.

Mr. KILGORE. But if such a condition should arise, it would be possible for the Congress, when the need arose, to enact a supplemental bill to take care of the shortage. Is not that correct?

Mr. KNOWLAND. That is correct. Likewise, a banking institution might, in 1 month, lend all it was allowed to lend under the law, but normally that does not happen.

Mr. CORDON. Mr. President, as a member of the Appropriations Committee, I naturally follow, in my thinking, the action determined upon by the committee in its various sessions. I vary from that course when in my opinion the action is wrong. In this instance I shall follow it, because in my judgment it is correct. It is in line with all the known facts.

If this amendment were directed to the one place in the bill where it might do some good, I should be inclined to vote for it. It is directed to that figure in the bill which is required to be distributed according to a formula. That formula is predicated upon the relative need for power in the rural areas of the several States. In my own State, for example, where more than 98 percent of our rural areas are electrified, the addition of this $35 million to the $100 million would be of no consequence whatever. It would be of no consequence in any State where electrification is somewhere near the 100-percent level. Strange as it may seem, in cases in which that is not true, we find instances of money which has been available heretofore not being used. The record indicates that in the areas where the greatest need for power exists, there has been the least use of the borrowing authority which has been provided under the act.

In my own State of Oregon—and I call attention to it because it is in some respects unusual—while we have one of the highest percentages of electrification among the 48 States, there is now, under the New Look in connection with the building of public works, a possibility that public bodies may join in a cooperative or partnership effort, in the construction of hydroelectric projects involving multiple-purpose dams, where the greater investment is in the hydroelectric aspect of the structures. In that field our people could use money. They could use a line of credit; but they will not have a line of credit, because they are now too near the 100 percent electrified level.

If this $35 million were to be added to the $35 million in line 4 on page 30, it would be available anywhere in the United States where it might be needed. I would be happy to support it in that event. That figure represents the money that can be loaned when there are requests for money beyond the apportionment figure. The figure of $100 million, of course, is fixed. It follows a formula, and the maximum amount in each case is set under that formula. If the State does not use it, that is that.

Over the years this committee has tried to do a fair job in this field. I think it has done it. The record of what has been accomplished in the United States in the field of electrification of rural areas is itself the best answer to the question as to whether or not a good job has been done. The figures which the committee has recommended to the Senate are sound figures. They are based upon experience, based upon all the knowledge of the facts, and based upon the best projections which can be made into the future. They represent a sum total beyond any amount that will be needed in the coming fiscal year for rural electrification purposes. There might be a difference with respect to the nonformula moneys. Otherwise, I say to my colleagues that this is a sound figure. It is an adequate figure; and the position of the committee ought to be sustained.

Mr. FERGUSON. Mr. President, in connection with this particular amendment, I communicated with the Department in the past few minutes. The acting head of the agency advises me that the $100 million in line 2, on page 30, is a sufficient sum to carry on operations in this field. That was the amount placed in the bill on the floor of the House.

The acting head of the agency also advises me that the additional sum of $35

million could not be used if it were appropriated. That being so, I see no reason why we should vote an additional $35 million. I cannot vote for it. If under any circumstances this sum could be used, let me say that at the beginning of each new session of Congress there are always supplemental appropriation bills. If the agency were able to use the money—and representatives of the agency have stated that it cannot be used—it could certainly be included in a supplemental appropriation bill at a later date. Therefore, I shall vote against the amendment.

Mr. MORSE. Mr. President, I wish to make brief comment on the pending amendment, in addition to what I said yesterday on the floor of the Senate. We are dealing here with a question of fact. I have never thought it sensible to argue about questions of fact when all it is necessary to do is to determine what the facts are.

We have before us a conflict in representations by the REA. Apparently the REA tells one thing to one Senator and another thing to another Senator. I checked with the REA and, as I said in my speech yesterday, REA advised me that as of April 6 there were pending 201 loan applications—and we are talking about loan applications under the so-called formula—totaling $160,689,000.

As I pointed out yesterday, three of those applications, for more than a million dollars, came from my own State of Oregon. What has happened during the past year is that the Administrator of REA has been dragging his feet on the whole matter of filling loan applications under the formula. There is a feeling throughout REA organizations that the Administrator of REA has not looked kindly upon heavying up lines which need to be heavied up in the States where heavier lines are needed to carry the increased power wanted by REA users.

I believe my colleague [Mr. CORDON] in his comments is quite correct when he points out that on page 30, line 3, of the bill the amount of $35 million, which is provided for operations outside the formula, is too small. I have an amendment awaiting introduction which I shall offer later today to increase that amount.

However, there is also a great need to increase the $100 million appropriation contained in the pending bill for the so-called formula loans, if the REA is to get on with the job of speeding up the granting of loans. There is not sufficient money available in the appropriation to meet the pending applications under the formula. The situation will become worse as the months go by. Here is a chance for us to help the farmers in the States where a low percentage of farms are electrified. Then by my subsequent amendment we can help the farmers heavy up their lines in the States where there is a high percentage of electrified farms.

I have heard the argument made time after time that if in the main appropriation bill we do not appropriate enough money we can always appropriate additional funds in a supplemental appropriation bill. Mr. President, I do not believe in legislating by postponement. Now is the time to appropriate the money. A clear case has been made for the additional sum asked for by the Douglas amendment.

As the Senator from Oklahoma [Mr. MONRONEY] said, we propose to put the money in the REA bank. If the REA does not use the money it will not cost the Government anything. At least we shall have fulfilled our obligation to the farmers of the country by putting the money in the bank, so to speak, from which the REA can draw it out, if the applications for loans are justified on their merits.

I agree with the Senator from North Dakota [Mr. YOUNG] that REA has plenty of cushion in its appropriation so far as administrative costs are concerned, and that therefore it can take care of the applications within the present administrative budget of REA.

Mr. KNOWLAND. Mr. President, will the Senator from Oregon yield?

The PRESIDING OFFICER (Mr. CASE in the chair). Does the Senator from Oregon yield to the Senator from California?

Mr. MORSE. I yield to the majority leader.

Mr. KNOWLAND. As I understand the Senator's statement, in checking with REA he was told that REA had the number of applications on file that he mentioned and that it would require about $160 million to fill the applications.

Mr. MORSE. That was as of April 6.

Mr. KNOWLAND. As was pointed out by the Senator from North Dakota [Mr. YOUNG], and from the figures I put in the RECORD, REA would have, with carryovers and rescissions, between $185 million and $192 million with which to take care of the loans.

Mr. MORSE. Mr. President, as I pointed out yesterday in my speech, it is perfectly clear that REA will have almost $260 million in applications for loans before the end of the year. That is why I said I thought the amount included in the Douglas amendment was entirely too small. There is no question that REA will exceed the figure the Senator from California mentioned before the year is over. The figure I used was the figure of April 6. I thought I ought at least to go as far as the Douglas amendment goes and urge giving to REA the amount we appropriated last year. Then, as my colleague pointed out—and I say he is right on this point—we ought to increase the amount of money that would be available outside the formula.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. DOUGLAS. In view of the comment of the Senator from California, the distinguished majority leader, that as of April there were only $162 million in applications pending, whereas the pending bill, in its present form, would provide $193 million in funds, is it not true that during the coming year there will be a large volume of new applications coming into REA?

Mr. MORSE. That is what the REA cooperatives all over the country advised us when they urged us at least to adopt an amendment with a figure as small as the Douglas amendment contains.

Mr. DOUGLAS. Is it not also true that the REA co-ops estimate, on the basis of a survey made covering the entire country, that there will be $249 million in applications made during the current year, and that this amount will be added to the $167 million in applications now pending? Therefore the proposal which I am making will take care of only a fraction of the total requests. Is that correct?

Mr. MORSE. The group of co-op representatives with whom I met yesterday—and I believe the Senator from Illinois had a discussion with them also—said the applications would amount at least to $260 million.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] for himself and other Senators. On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. YOUNG. Mr. President, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, a table prepared by the staff of the Committee on Appropriations with respect to REA funds.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Rural Electrification Administration—Total loan funds available

ELECTRIFICATION LOANS

	1953	1954	House bill 1955
New authorization	$50,000,000	$135,000,000	$100,000,000
Contingency authorization	50,000,000	45,000,000	35,000,000
Carryover from prior year	117,298,364	29,919,203	49,919,203
Recissions of prior-year loans	27,593,501	12,000,000	8,000,000
Total	244,891,865	221,919,203	192,919,203
Estimated amount loaned or to be loaned (as of May 24, 1954)	164,972,662	165,000,000	150,000,000

TELEPHONE LOANS

New authorization	$35,000,000	$67,500,000	$75,000,000
Supplemental authorization	7,500,000		
Carryover from prior year	476,000	7,092,500	3,592,500
Recissions of prior-year loans		3,000,000	
Total	42,976,000	77,592,500	78,592,500
Estimated amount loaned or to be loaned (as of May 24, 1954)	35,883,500	74,000,000	75,000,000

Mr. AIKEN. Mr. President, I have been a very strong supporter of rural electrification since 1935. I believe I was working for rural electrification in the days when some of its fervent advocates of today were wondering whether the program was good for the country.

I watched rural electrification grow, and I have seen the good it has done. It has helped to bring quick freezers and refrigerators and many other modern conveniences to the farm. I watched it grow during the first 5 years of its existence. It did not grow too fast, but probably it grew as fast as it could under the circumstances. Then war came, and there was not much done for a few years.

After the war ended, and the 80th Congress came into being, that Congress, ridiculed as it has been, appropriated more money for rural electrification in the United States than any other Congress before or since. It appropriated as much money in 2 years as had been appropriated in the previous 13 years.

That helped rural electrification get on its way again. The 81st Congress appropriated, not quite so much as the 80th Congress, but somewhere near that amount, and the work went on its way again.

We started with only about 35 percent of the farms of America electrified, and we were up to 70 or 80 percent 3 or 4 years ago. The figure is more than 90 percent at the present time.

The 82d Congress made an appropriation for rural electrification, which may have been an inadequate one. Then much to my surprise I found that the White House had ordered a slowdown in rural electrification work in 1951 and 1952.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. AIKEN. I shall yield after I have submitted the evidence which proves what I say.

On May 19, 1953, Mr. Clyde Ellis, executive manager of the National Rural Electric Cooperative Association, appeared before the Subcommittee on Agricultural Appropriations of the Senate and made this statement:

> Here is another thing we want to call your attention to. We learned this year to our amazement and to our disappointment, some time along about January, that the REA Administrator had agreed with the Bureau of the Budget or with the Budget Director last fall not to lend more than $165 million in this fiscal year, irrespective of the amount appropriated by the Congress. Lest I not be misunderstood I want to say we understand it was almost a directive on the part of the Bureau of the Budget—

The Bureau of the Budget is an agency of the President, let it be known—

> It was almost a directive on the part of the Bureau of the Budget, but was agreed to by the REA Administrator—and I imagine he was somewhat helpless in the situation—

The Administrator at the time was Claude Wickard, and the President was Harry Truman—

> I imagine he was somewhat helpless in the situation—that REA would not lend for rural electrification purposes more than $165 million this year, no matter how much money was available. We did not know that until January.
>
> We did not know it until REA began to tell our systems in certain areas that it did not have enough money to lend them.
>
> Senator ELLENDER. Although it was appropriated.
>
> Mr. ELLIS. Yes; although it was appreciated—

"Appreciated" is obviously a misspelling—

counting the contingency fund, counting the contingency, Senator ELLENDER. We did not know that the contingency was not loanable until about that time. Here is where we stand at this moment. That has happened again. We understand that REA is on record with the Bureau of the Budget now not to spend, or not to lend for rural electrification purposes in excess of $120 million in the next fiscal year.

That was the agreement between Claude Wickard and Harry Truman—not to lend more than $120 million in the next fiscal year.

> That includes the $95 million which was requested by the budget plus an anticipated $25 million carryover.
>
> My reason in saying that to you is that if the House action stands it is possible that REA will still consider itself bound by its commitment to the budget not to lend in excess of $120 million during the next fiscal year, no matter how much Congress appropriates.
>
> Our appeal to you is to do something here in language in your committee report or on the floor to relieve REA of that commitment to the Bureau of the Budget.
>
> Senator AIKEN. Well, is the President authorized to withhold loans to the REA with discretion the same as he is authorized to hold up appropriations for public works? Is that under that law? What authority is that?
>
> Mr. ELLIS. I do not know, Senator AIKEN.

Mr. President, in view of the very obvious attempt to show that the Republicans are opposed to the REA, I merely wish to make it clear that the Republican 80th Congress appropriated more for REA than any Congress ever did before or since, and that the slowdown in the REA work was not ordered by Dwight Eisenhower; it was ordered by Harry Truman.

Mr. DOUGLAS. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I do not care to yield at this time. I wish to point out that all this fervency in behalf of REA comes at a rather peculiar time. The Committee on Appropriations has been holding hearings for weeks, and I have not seen or heard, and there is nowhere in the record any evidence to show that the orators who have expressed themselves so fervently on the Senate floor today and yesterday have appeared before that committee in behalf of the REA.

The Senator from Illinois [Mr. DOUGLAS] did not appear before the Appropriations Committee in behalf of REA.

I did not see the junior Senator from Minnesota [Mr. HUMPHREY] there. He is not recorded as having said a word before the committee.

There is no record that the junior Senator from Oklahoma [Mr. MONRONEY] asked for increased funds for REA.

There is no record that the senior Senator from Tennessee [Mr. KEFAUVER] asked for increased consideration for REA.

There is no record that the Senator from Oregon [Mr. MORSE] asked for any consideration for REA before the committee.

I do not think there is any record of any of those who have spoken so fervently for the REA today having made any effort to testify before the committee to request the money which they now ask from the Appropriations Committee itself.

As I say, Mr. President, if anyone has supported REA more ardently than I have over the past 19 years I do not know who he can be. I attended the first meeting in St. Louis at which the National Rural Electrification Association was organized. I have always voted for every dollar I thought the agency could use. I worked as hard as I could to get the rural telephone bill out of committee, and we got it out with more Republican support than Democratic. I voted for all the money that could be feasibly used for that purpose. If it should take another $500 million to do the work today I would vote for that amount. If I thought it would take $35 million more to do the work today, I would vote for that sum.

Mr. President, I did vote yesterday to restore the funds for the State experiment stations. I was a member of the Subcommittee on Agricultural Appropriations, and I did make some reservations in that committee. I ascertained afterward that the money was needed But I made no reservations as to REA, because I did not think it was necessary to appropriate more money. I relied explicitly upon the judgment of the Senator from North Dakota [Mr. YOUNG], the chairman of the subcommittee, and on the judgment of the junior Senator from Georgia [Mr. RUSSELL]. I knew they were stanch friends of the REA and that they would recommend whatever money was necessary. Anyone who seeks to give the impression that the Senator from North Dakota or the Senator from Georgia is not a friend of the REA either must be very stupid or is overcome by political anxiety. Lest I be misunderstood, let me say that I am not accusing any of our friends across the aisle of being stupid.

Mr. DOUGLAS. Mr. President, will the Senator from Vermont yield before he becomes overcome by political anxiety?

Mr. AIKEN. Mr. President, I shall vote for the bill as it stands, basing my vote on the judgment of two of the best friends rural electrification ever had in this country, the Senator from North Dakota and the Senator from Georgia. If I thought for a moment that the REA really needed additional money with which to do its work during the coming year I would vote for every dollar necessary, and probably for a few million dollars more.

It has been suggested that there is a great backlog of applications. There is not a very big backlog of applications. Thanks to the very efficient work of Mr. Nelsen, the Administrator, the backlog of applications has been reduced to 201, amounting to a total of $161 million. A

year ago there was a backlog of applications amounting to $214 million. Everyone knows that there are always applications. That has been the case for years. There are applications for loans from persons who know perfectly well that the loans will not be granted and that the REA has no idea of granting them. They probably would never pay out if they were granted.

So I think, Mr. President, that Mr. Nelsen has done an admirable job in the past year in keeping up the work with reference to rural electric lines. His work has exceeded that which was done previous to his taking over. I think he has done efficient work in reducing the backlog of applications for loans in 1 year's time.

I now yield to the Senator from Illinois.

Mr. DOUGLAS. May I ask the Senator from Vermont to withhold his vote on the pending request for the yeas and nays until I have had a chance to reply, because, once the Senate has voted on the pending amendment, all debate will cease. I ask the Senator, as a matter of courtesy, if he will be willing to withhold his vote, upon the conclusion of his address, until I have had an opportunity to reply.

Mr. AIKEN. I shall be glad to do so. I always like to listen to the distinguished Senator from Illinois. I sometimes wonder why he favors reducing appropriations at one time, and increasing them at another time. But I am always glad to listen to him. Usually he makes logical arguments.

Mr. DOUGLAS. I had not intended to speak on the matter today, because I tried to develop it thoroughly yesterday, as appears from my statement on pages 7403, 7404, and 7405 of the RECORD. But the speech by the distinguished majority leader, and the somewhat extraordinary speech by the distinguished senior Senator from Vermont, for whom I have a great deal of personal affection, compel me to make a reply.

I was not interested in the question as to who had supported REA or who had opposed REA. Senators on this side of the aisle always have been very proud that the Democratic Party originated it and have carried it through. But I did not make any comments yesterday about that, and I did not point the finger of scorn at any members of the Committee on Appropriations because of their feeling that the appropriation should not be increased.

I suppose there is no Member of the Senate who has praised the distinguished senior Senator from Vermont more than I have. I have done it publicly, in magazine articles, and among friends in Vermont. I have done it all over the country. I can truthfully say that I have a great deal of respect for the distinguished Senator from Vermont, as have all other Senators. That respect still continues despite what I think were certain gratuitous inferences which the Senator left in his remarks and which, in the light of cold print, he may wish to withdraw.

I am not interested in the question of who did what in 1952, although I think that if the Senator from Vermont will think about it he will realize that in 1952 the United States was engaged in a war in Korea. It was necessary to conserve copper, which was needed for shell cartridges and other ammunition. It was necessary at that time to conserve metals. The ruling which President Truman made restricting applications to and loans from REA was made as a war measure. Also I had never thought the Democratic Party was in power either in May or January of 1953. I think our good friend has got some of his dates mixed up.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. AIKEN. I might remind the Senator from Illinois that during the war the extension of electricity to the farms was considered to be one of the most valuable war measures.

Mr. DOUGLAS. It was considered valuable, but everything had to be fitted into the general war plan; and because of the shortage of copper for shell casings and for ammunition, there was some necessity for the conservation of copper.

Mr. AIKEN. Regardless of the situation, I pointed out that factor primarily to show that it was not the present administration which caused the cutback in rural electrification work. I will admit that it was not a serious cutback. Yet the lines have been extended now, and there is not the urgency that there was 15 years ago.

Mr. DOUGLAS. Since the Senator has gone back historically, I think he should also look at the RECORD of yesterday, where I produced figures on the amounts available for REA in recent years.

I pointed out that the 82d Congress, which was a Democratic Congress, appropriated funds which, together with funds on hand, made $245 million available for REA purposes for the year 1952–53.

Last year, when the new administration began, even with the increase which the House and Senate gave to the very low figures submitted, not by the old Bureau of the Budget, but by the new Bureau of the Budget, under Mr. Dodge, presumably reflecting the policy of the administration, the total funds available were approximately $221 million, or a decrease of $24 million from the amount available in the preceding year.

This year the Bureau of the Budget requested only $55 million, which would have meant that the Federal total funds available would have been only $147 million. This amount was increased by the House by $45 million, so the funds available would be $193 million. But even this amount is some $53 million less than was made available by Congress 2 years ago.

I do not wish to make partisan charges. I think the distinguished Senator from Vermont, upon sober reflection, when he consults his conscience at night, will agree that, on the whole, the existing administration, under Mr. Nelsen, has not been particularly friendly to the REA. This feeling is shown by most of the boards of directors of REA cooperatives throughout the country. They feel that their applications are still taking a long time to be acted upon and that efforts are being made to cripple them by, first, not letting them keep up their lines to provide for increased use of electricity; second, denying them funds for generating and transmission which they need for bargaining purposes with the private utilities in the wholesale purchase of power; and third, trying to force up the interest rate on the loans.

It is true that this tacit sabotage is greater in the case of rural telephones than it is in the case of the electric lines themselves, but it is still evident in the case of the electric lines.

I think we are having to deal, on the whole, with an administration which is very lethargic in this entire matter. This is indicated by the fact that the administration has submitted a budget, presumably with the consent of REA, of only $55 million.

The Senator from Vermont has said, in effect, that those of us who have been advocating the increase have lost our day in court because we did not appear before the committee. I should like to remind the Senator from Vermont that the National Rural Electric Cooperative Association appeared, and it was thought that the case of the cooperatives was being adequately represented by that association.

Mr. AIKEN. Does the Senator mean that the Democratic Party was adequately represented by Clyde Ellis?

Mr. DOUGLAS. I am saying that the REA case was adequately represented by Clyde Ellis. The Senator from Vermont is taking an extremely partisan point of view about the matter. I have not used the words "Democratic" or "Republican" in this respect; but the Senator from Vermont is making this a partisan matter. I hope he will not continue to do so.

Mr. AIKEN. I very much resent the apparent attempt of the Democrats to use the cooperative organization of the NRECA as a political front. I resent efforts to use any cooperative organization for political purposes.

Mr. DOUGLAS. We are not using the REA cooperatives as a political front. The REA cooperatives belong to the farmers of the United States. If Senators on the other side of the aisle choose to aline themselves in opposition to that group, that is done by their own free choice. It is he and those who act similarly who are injecting politics into this discussion. Is it their guilty consciences which are speaking out?

Mr. AIKEN. Is not that what the Senator from Illinois and his colleagues are trying to do now? Are they not trying to make it appear that the Republicans are opposed to the REA?

Mr. DOUGLAS. The Senator and his colleagues can remove that impression by the very simple device of voting for the increased appropriation provided by my amendment.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. COOPER. Did I understand correctly the distinguished Senator from Illinois to say that it was the opinion of the Rural Electric Cooperatives that Mr. Nelsen is not friendly to them?

Mr. DOUGLAS. That is correct.

Mr. COOPER. I should like to say, in rejoinder, that I do not agree with his statement. In illustration I point to a situation in my own State of Kentucky. The Eastern Kentucky Electrical Cooperative, serving a large number of local cooperatives, had before the REA, for many years, an application for funds. I do not say that the funds asked by their application had been withheld arbitrarily, by the predecessor of Mr. Nelson, because a number of factors made it impossible, for a time, to grant or lend funds to the cooperative. A war was in progress; suits were pending in court; and a decision had to be made by the Public Service Commission of Kentucky. But nevertheless, I believe the previous administration did not take vigorous action to secure the release of funds to the Eastern Kentucky Cooperative. The fund involved, altogether, about $25 million.

When Mr. Nelsen came into office he went to work to clear these difficulties and in a short time released about $12 million—a part of the requested fund. Since that time Mr. Nelson has worked continuously and conscientiously to secure the release of the remainder of the fund, some $15 million. It is my understanding that this action will soon be taken.

I think it is the opinion of the Kentucky cooperatives and their members that Mr. Nelsen has worked diligently and speedily in the case of the Kentucky cooperative. This case is not the only case in my own State in which he has rendered good service to REA and the people of Kentucky.

Mr. DOUGLAS. The junior Senator from Kentucky undoubtedly has very great persuasion, and there may be a very natural tendency on the part of Mr. Nelsen to be of assistance to the junior Senator from Kentucky, as well as to the farmers of eastern Kentucky.

Mr. COOPER. I have been interested in the situation; I have worked to secure the release of funds to Kentucky. But the point I wish to make is that Mr. Nelsen has moved much faster than his predecessor moved. I would like to say also to the Senator from Illinois that I shall vote for the amendment of the Senator from Illinois, to increase loan authorizations to coperatives from $100 million to $135 million.

Mr. DOUGLAS. I welcome the Senator's statement.

Mr. COOPER. But I do not agree with the statement that Mr. Nelsen has not been a friend to the cooperatives.

Mr. DOUGLAS. I am very glad the Senator from Kentucky has spoken. It is always proper for a Senator to rise in defense of a man who he thinks is being unjustly criticized. The Senator from Kentucky shows a high sense of honor in that respect.

Mr. President, more funds are needed not merely to continue the existence of REA, but to "beef" up existing lines in order to provide new sources of power, and also to provide power which can be used as a weapon with which to put into effect lower wholesale prices for power.

Mr. MORSE. Mr. President, I wish to make a very brief statement by way of comment on the speech made by the Senator from Vermont [Mr. AIKEN]. I think he knows that those of us who have been fighting in the Senate to advance the legitimate rights of the REA were just as opposed to the so-called stop order of the Truman administration, which resulted in the freezing of funds, as was the Senator from Vermont. I thought then it was a mistake; I think so now. However, I still hold to the point of view that two wrongs do not make a right. The fact is that this is not a partisan matter. The issue is whether or not we are going to be fair to the legitimate interests of the REA. I think my good friend from Vermont shows some evidence of political sensitivity when he brings into the debate the issue as to whether or not the Republicans are taking one stand and the Democrats are taking another stand on REA needs. What we ought to do is look at the facts and see how much money the REA's need in order to meet their legitimate requirements.

The fact is that, so far as the last 16 months are concerned, the REA's have not received budgets from the present administration which would provide them with the transmission lines they need, and which would give them the new generating starts they need, so that the power can be brought to additional farms. Also they have not received sufficient appropriations from this administration to meet their needs for heavying up their transmission lines and other facilities.

The Senator from Vermont can make a partisan issue out of that if he wants to; I simply state it as a fact. The fact is that neither the budget of last year, nor of this year, contained adequate provision for the funds REA needs, nor the funds for the new starts which are needed, not only for the REA's, but for other electric-power groups.

We cannot get away from the fact that there are before the REA loan applications for more than $160 million which have not been processed. I have every reason to believe that the co-op and REA representatives who have been in Washington in recent days, meeting with some of us and discussing the problem, are quite right when they point out that applications for many more millions of dollars are going to be filed during the next few months. The funds to meet such obligations are not provided for in the pending appropriation bill.

It is an old, bewhiskered practice in the Senate when the Appropriations Committee has pending on the floor an appropriation bill and Senators find anything in the bill with which they disagree, to make a perverted argumentative use of the doctrine of estoppel. The argument of estoppel seems to be applied against any Senator who doesn't appear before the Appropriations Committee and testify on some issue even though he has not the slightest knowledge that some particular issue is before the Appropriations Committee or that the Appropriations Committee is going to follow what a given Senator later discovers was an unwise policy on that issue. I am surprised that the Senator from Vermont [Mr. AIKEN] would make such a fallacious argument as he has made in his obvious attempt to reflect negatively on a group of us in the Senate simply because we did not appear before the Appropriations Committee and object there to the committee's failure to recommend what we consider to be an adequate sum for REA.

When one considers the length of the appropriation bills, and also considers the multitude of issues which come before the Appropriations Committee, the Senator from Vermont must realize that there is not a colleague on the floor of the Senate, who is not a member of the Appropriations Committee, who can begin to keep abreast of the issues before the Appropriations Committee. Furthermore no Senator who is not a member of the Appropriations Committee has the time to keep himself informed as to what is going on within committee hearings of the Appropriations Committee. When the committee reports a bill as a committee of the Senate, it is responsible to the Senate, and Members of the Senate have the duty of analyzing the report. If a Senator finds in a report on an appropriation bill something he thinks is not desirable he has the duty as a Senator then and there to offer an amendment to the bill as reported by the Committee on Appropriations. That is what the Senator from Illinois is doing.

Let me say, Mr. President, that I shall continue to oppose the idea which seems to be developing in the Senate that when the Committee on Appropriations reports a bill, God has reported to the Senate and no one ought to raise any question as to what the Appropriations Committee proposes. The Appropriations Committee is a child of the Senate and it is the duty of the Senate to correct its erring ways when it is wrong.

There is now before the Senate a bill reported by the Appropriations Committee which many of us find to be, in our opinion, deficient in respect to the money appropriated for REA. We are carrying out our senatorial duty of offering amendments, presenting arguments, voting on the amendments, and letting a majority of our colleagues decide what should be done. I am surprised that any Senator would suggest that we are estopped because we did not appear before the committee and object to something we did not know it was going to do.

Mr. President, I have one more point which I should like to make. It seems to me that what we ought to do is to eliminate the political sensitivity and the partisan criticisms that have crept into this debate, and ask ourselves this simple question: Are the REA and the co-ops receiving the support they should in this bill?

Are we willing to dismiss summarily all of the arguments for more funds which the REA groups and co-op groups are making on this issue? As for me, I am satisfied that the REA and co-op groups have proved their case against the recommendation of our own Appropriations Committee.

I have not any doubt that the Senator from Kentucky has reported quite accurately the favorable action which was taken in Kentucky in regard to one co-op organization. However, I am going to offer this testimony that does not

bear him out on a national level. In recent months I have attended the national REA convention at Miami. I have attended a convention of co-ops in St. Paul, at which there appeared co-op delegates from Montana, North and South Dakota, Minnesota, and Wyoming. I have attended also in recent months a very large co-op convention in Iowa. At each one of these co-op and REA conventions I was besieged with criticisms of Nelsen's running of the REA. I save seldom heard such a bombardment of criticisms of a public official as I heard at this series of conventions of REA's and co-ops.

As I said earlier in my remarks today, the representatives of the co-ops and REA's told me that Nelsen was dragging his feet on their applications; that he was discouraging applications. They told me he was really discouraging the rapid development of REA. They told me he was favoring the private utilities' schemes to weaken REA.

Mr. President, I shall form my judgment on the basis of the testimony I heard at those conventions. I am satisfied factually that the bill before the Senate does not provide enough money for the operations of the REA under the so-called formula, and that the bill does not provide enough money in the item which appears on line 3, page 30 of the bill. To that item I shall offer an amendment after the Senate acts on the pending amendment.

We have now before us the simple issue: Are we going to try to put in the REA bank, so-called, enough money so that the applications can be processed quickly if Nelsen has the will to do it? If the applications do not stand the test of examination, then the money is not going to be used. But we should seek to right a wrong which was done, starting in the Truman administration, and which has grown worse in the present administration. We should increase the loan money available to REA's so that not a single REA serving the electric power needs of the farmers of Americans will suffer the rejection of a single sound loan application on the basis of any alibi by this administration that Congress did not authorize sufficient loan funds.

Mr. BRIDGES. Mr. President, I might say to the distinguished Senator from Oregon that this is the first time I have heard the Committee on Appropriations referred to as almost being God. Since the Senator separates us and puts us on the human basis, we accept his statement that we do speak with some authority, having spent days, weeks, and months of study on all these questions. Our judgment is not infallible, by any means, but it is based on considerable study. While I do not pose as an authority, the figures certainly show that there is available this year for the REA $192,919,203.

The distinguished Senator from Michigan [Mr. FERGUSON] told me he talked with the Administrator, and has been advised that in the present programing there is not a possibility that the REA can use the $35 million.

The estimate of the Bureau of the Budget was $55 million. The House provided $100 million. The Senate committee has gone into the question carefully, and has arrived at a recommendation which it believes will make available to the REA $192 million, which amount the committee thinks will meet all its needs.

I wish to say that I was amazed to have the Senator from Illinois [Mr. DOUGLAS] sponsor the amendment, because he poses as a great advocate of economy. So, Mr. President, whenever he proposes a wild-spending amendment, such as the one now before the Senate, I am always shocked and surprised.

Mr. DOUGLAS. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. Certainly.

Mr. DOUGLAS. Is it not true that this item is not for an appropriation, but is merely for an authorization or a loan which will later be repaid with interest?

Mr. BRIDGES. That is true in theory, of course, as the Senator from Illinois well knows. Nevertheless, the amendment calls for increasing, by that amount, this item in the appropriation bill, and I am always surprised to see the Senator from Illinois associated with such a proposal.

Mr. President, I hope the amendment will be rejected.

Mr. LANGER. Mr. President, I intend to vote for the amendment, and I shall do so upon the record.

A few minutes ago we heard it stated that in the 80th Congress more money was appropriated for this purpose than at any other time. That is true; but I call attention to the fact that the testimony of Mr. Wickard, before the Committee on Post Office and Civil Service, when an investigation was made to determine whether there was any politics in operation of the REA, was that there was $700,000 less for administrative expenses that year, with the result that 172 engineers lost their jobs. As a consequence, North Dakota, South Dakota, and Minnesota had only one engineer. Everyone who knows anything about the REA is aware that every line has to be surveyed. Before we were through, we got back 68 of those engineers, according to Mr. Wickard.

I wish to say, very briefly, that, so far as I am concerned, I am willing to accept the opinion of the 6,000 REA men who met at Miami, Fla., and there unanimously adopted resolutions; and I now ask unanimous consent to have those resolutions printed at this point in the RECORD, as a part of my remarks.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

EXHIBIT C

RESOLUTION ADOPTED AT THE 12TH ANNUAL MEETING, NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION, MIAMI, FLA., JANUARY 13, 1954

Whereas on Tuesday of this week the Assistant Secretary of the Interior, Fred G. Aandahl, by direct statement and implication, charged that our executive manager, Clyde T. Ellis, together with others, was exploiting this association for the purpose of promoting a Federal Government monopoly of the electric power business in America; and

Whereas such charge has absolutely no basis in fact; and

Whereas on the contrary, the facts, as Mr. Aandahl surely knows, are that this association, its member cooperatives, its individual officers and board members, and particularly its executive manager, Clyde T. Ellis, are and always have been unreservedly opposed to all forms of monopoly, whether public, Government, or private: Now, therefore, we, the members of the National Rural Electric Cooperative Association, in national meeting duly assembled, do hereby

Resolve, That we resent and will vigorously oppose Mr. Aandahl or any other person or persons who attempt by such charges to regulate our thinking, to divide our interests, and to destroy our unity; and be it further

Resolved, That the members of this association do here and now approve, confirm, and commend the past actions of our national board of directors, our officers, and our executive manager, Clyde T. Ellis; and that we shall continue to stand firmly and unequivocally behind them to the end that, through their service, the welfare of the rural people of America will be advanced and improved, and our democratic way of life thereby strengthened.

Mr. LANGER. That was the one that arose spontaneously from the people there.

Here is the one that came from the resolutions committee:

"EXHIBIT D

"RESOLUTION UNANIMOUSLY ADOPTED AT NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION, 12TH ANNUAL MEETING, JANUARY 14, 1954, MIAMI, FLA.

"Whereas we have heard with interest and respect the statement made by Fred G. Aandahl, Assistant Secretary of the Interior, issued for release January 12, 1954, and presented at this annual meeting of members, which seems to take out of context the quotation made by Executive Manager Clyde T. Ellis, relating to the area of the Pacific Northwest and is a completely factual statement there, and uses the statement to imply the same was made with national application; and

"Whereas the construction given by the Assistant Secretary is a distortion of the whole statement, when he says, 'I am deeply disturbed when I see those who even at this early stage are crusaders for a Federal power monopoly try to use the rural electric cooperatives and their associations to foster Federal monopoly,' by implication and apparent intent charges this organization, its member systems, and its executive manager with the intent and purpose of creating a Federal power monopoly; and

"Whereas this apparent charge and implication was immediately, personally, and directly refuted by the executive manager for himself, and for this association, and its members in this meeting; and

"Whereas the long established policy and practice of this association and its executive manager has been to prevent a monopoly of electric power by either public or private interests for the benefit of all the people: Now, therefore, be it

"*Resolved*, That we do categorically deny and repudiate the implication made that the National Rural Electric Cooperative Association, its members, or its executive manager, have been 'crusaders for Federal power monopoly' since the implication is unwarranted, unfair, and completely without factual basis; and be it further

"*Resolved*, That we do commend and uphold, without reservation, our executive manager for his consistent and long-established endeavor to prevent monopoly on the part of any entity, in the vital field of electric power, and to him we do extend our

undivided support in the continuation of that endeavor; and be it further

"*Resolved*, That we do state to Assistant Secretary Aandahl and any others who might, under misunderstanding of our purposes, express similar conclusions, that it is the intent and the compelling purpose of this association and its members and personnel to cooperate fully with the Department of the Interior, and we solicit the study and understanding of our long established and effective effort and interest for a fuller development and use of electrical power throughout the country with monopoly to none."

Mr. LANGER. Then the final resolution bearing upon the policy and criteria:

"EXHIBIT E

"RESOLUTION ADOPTED AT THE 12TH ANNUAL MEETING, NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION, MIAMI, FLA., JANUARY 14, 1954

"Whereas the new Interior power policy for the country and the new Missouri Basin power marketing criteria—which is an extension of that policy in the Missouri Basin—strike at the heart of the rural-electrification program in every State where the rural-electric systems now purchase, or expect to purchase in the future, federally generated power; and

"Whereas the new Interior power policy calls for the building only of multipurpose dams which others will not build—which means the choice sites will go to the commercial power companies, and calls for the building of fewer transmission lines—which means that the power companies will buy more of the power at the bus bar to the exclusion of the rural electrics; and

"Whereas the marketing criteria started as an all-out attack to the extent that the claimed powers of the Secretary of the Interior would allow, and even as revised under date of December 11, 1953, still constitute an apparent, deliberate, and direct attack upon the preference clauses of Federal marketing statutes, which are so important to the farmers of this country; and

"Whereas the criteria will cause irreparable damage to our rural-electric systems by—

"(1) Arbitrarily limiting the amount of firm power available to preference customers to an inefficiently low standard, thereby also reducing Government revenues at the expense of the preferred customers and the Government;

"(2) Refusing to give preferred customers contractual protection without the payment of penalties so heavy that it would destroy the financial stability of many rural systems;

"(3) Providing for long-term contracts with nonpreference customers without a withdrawal clause, in abrogation of preference rights granted by law to our rural systems;

"(4) Limiting the area of service and thereby making it impossible for some preference customers ever to receive any Government marketed power;

"(5) Officially ending the postage-stamp rate which provided that all customers pay the same price regardless of distance from the dam; and

"(6) Introducing a minimum annual capacity charge that is both unnecessary for the protection of the Government and costly to the rural-electric systems; and

"Whereas the Department of the Interior has also announced that it will not continue its long-established policy of insisting that the cost of power produced in multipurpose projects be determined on an incremental cost or equitable proportionate cost basis, but will leave cost allocations to the agencies which build the projects—meaning higher cost to the rural electrics because of formulas applied by the other agencies; and

"Whereas these changes in well-established power policies which have operated successfully in the past are unwarranted and have been adopted without consultation with the chosen representatives of the people and rural systems involved and, therefore, constitute an apparent deliberate attempt to damage our rural system: Now, therefore, be it

"*Resolved*, That we, the delegates to the annual meeting of the National Rural Electric Cooperative Association, meeting in Miami, Fla., January 14, 1954, strongly condemn this new policy and marketing criteria of the Department of the Interior; and that we pledge ourselves to use every effort to defeat this attempt to cripple our fine program; and that we do hereby request the Secretary of the Interior to withdraw immediately the policy and marketing criteria and to make no changes in established power policies affecting our rural systems without prior consultation with the representatives of the rural systems chosen by them for that purpose. The secretary is instructed to send copies of this resolution to (1) the President of the United States, (2) every Member of Congress, and (3) the Secretary of the Interior."

Mr. LANGER. Mr. President, I am also perfectly willing to proceed on the basis of the resolutions adopted by the American Public Power Association, in annual convention at Chicago, Ill., on May 6, 1954. I now ask unanimous consent to have those resolutions printed at this point in the RECORD as a part of my remarks.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

AMERICAN PUBLIC POWER ASSOCIATION, RESOLUTIONS ADOPTED MAY 6, 1954, AT ANNUAL CONVENTION, CHICAGO, ILL.

RESOLUTION 1. PREFERENCE-OWNER'S CLAUSE

Whereas the principle of preference or owner's purchase rights in this sale of electric power from Federal dams to public agencies and cooperatives was originally provided for in the Reclamation Act of 1906, and said principle has been repeatedly reaffirmed in Federal legislation enacted at various times since that date; and

Whereas the American Public Power Association has consistently endorsed that principle under which savings made possible by this provision have been directly to the benefit of the ultimate consumer; and

Whereas there has been and is developing a concerted and planned effort, among those who would discredit this preference or owner's right, and to eliminate it from the many sections of the law to the detriment of the ultimate consumer and the public generally; and

Whereas there has been and is developing a program under which the Federal Power Commission licenses State power authorities to develop power from federally licensed waterways and does not include in said licenses a provision for the maintenance of the said principle of preference or owner's rights of public agencies and cooperatives to purchase electric power so produced; and

Whereas in the issuance of said licenses without this provision it is obvious that the so-called public preference or owner's rights to publicly developed power from federally licensed waterways is being eliminated by administrative action in direct violation of the principle which the Congress has so many times asserted should be carried out in order that there may be the most widespread benefit to the ultimate consumer: Now, therefore, be it

Resolved, (1) That the American Public Power Association, representing over 700 local public power agencies and associations, reaffirms and restates its belief in the fundamental soundness of the public preference or owner's rights to publicly developed electricity, from federally licensed waterways, and (2) that the association urges that appropriate legislation be enacted by the Congress requiring the Federal Power Commission to include in such licenses granted to public agencies a provision for the maintenance and carrying out of these preference or owner's rights in the marketing and sale of electricity so produced.

RESOLUTION 2. ST. LAWRENCE RIVER

Whereas in the New York-New England area the cost of purchased power to municipally and other publicly and cooperatively owned utilities is among the highest in the United States; and

Whereas the Federal Power Commission has granted a license to the New York State Power Authority for the development of the hydroelectric power potentialities of the International Rapids section of the St. Lawrence River; and

Whereas the granting of this license by the Federal Power Commission to the New York State Power Authority did not include a provision that in the sale of power from this federally licensed power resource a preference or owner's right be granted to public agencies and cooperatives; and

Whereas the New York State Power Authority has thus far declined to provide in its program for the sale of this publicly generated power from a publicly owned resource preference in the sale of power to public agencies and cooperatives: Now, therefore, be it

Resolved, (1) That the American Public Power Association urges that in the marketing of the power to be produced from the St. Lawrence River by the New York State Power Authority preference in such sale be granted to public agencies and cooperatives to the end that there may be the most widespread benefit to the ultimate consumer of this publicly owned power resource and (2) that a copy of this resolution be sent to the New York State Power Authority and to the Governor of the State of New York.

RESOLUTION 3. NIAGARA FALLS

Whereas there is now being considered by the United States Senate legislation to permit increased use of Niagara Falls waters in a new hydroelectric project with a capacity of 1,300,000 kilowatts on the United States side of this international stream; and

Whereas this legislation so being considered has been passed by the House of Representatives turning this valuable public resource over to private electric power companies; and

Whereas unless this legislation is amended so as to provide for this development by a public agency with a requirement that a preference or owner's right be provided in the sale and marketing of the power to be produced, valuable public benefits will be lost: Now, therefore, be it

Resolved, (1) That the American Public Power Association urges the Senate of the Congress of the United States to amend said legislation to provide for the development of this public power resource by a public agency and (2) that a requirement be included in said legislation to provide a preference or owner's right in the purchase of the electricity so produced by the public agency.

RESOLUTION 4. TENNESSEE VALLEY SERVICE AREA

Whereas for over 20 years the Tennessee Valley Authority, an agency of the Federal Government, has been the sole supplier of electricity to an area of over 80,000 square miles, in which live over 8 million people; and

Whereas in this area over 150 municipal and cooperative power distributors bring to the people of this area the benefits of federally produced, low-cost electric power; and

Whereas the Nation itself for the purposes of national defense consumes directly over 50 percent of the power produced by the

Tennessee Valley Authority, and nearly one-half of the remaining 50 percent of the power produced goes to supply basic defense material industries whose establishment and development has been largely influenced by the needs of national defense; and

Whereas the Nation itself has been benefited financially in the national defense program from the availability of this federally-developed, low-cost electric power, both by hydro and steam power producing facilities; and

Whereas there is a need for additional power generating facilities beyond those now authorized by the Congress to be installed by the Tennessee Valley Authority in order to serve the continually growing defense needs supplied by the area, and the growing needs of those in the area solely dependent upon the Tennessee Valley Authority as a source of their electric power supply; and

Whereas the House of Representatives in legislation recently passed has not included provision for the installation of much needed additional generating facilities; and

Whereas said legislation with respect to the future power supply of the Tennessee Valley service area by the Tennessee Valley Authority is now being considered by the Senate of the Congress of the United States: Now, therefore, be it

Resolved, That the American Public Power Association urges that the Senate of the United States include in such legislation regarding the Tennessee Valley Authority a provision for the installation of much needed additional generating facilities.

RESOLUTION 5. RATEMAKING AND COST ALLOCATION CRITERIA IN THE FEDERAL POWER PROGRAM

Whereas the Federal power program is governed by a wide variety of laws which are in turn administered by the several Federal power agencies; and

Whereas these laws fail to provide uniform and precise policies and criteria for determining such elements of Federal wholesale power rates as the following:

(1) Allocation of the costs of multiple-purpose projects to each of the functions served;

(2) Determination of the length of the period during which repayment must be made;

(3) Rate of interest to be paid;

(4) Allowance for downstream benefits;

(5) Allowance for previously accumulated surpluses;

(6) Handling of subsidies to nonpower purposes; and

(7) Handling of the interest component at power projects involving irrigation; and

Whereas even under a single law as interpreted at different times by the same agency there has developed a wide no man's land between the interpretation of the law by different political administrations: Now, therefore, be it

Resolved, That our board of directors and officers be urged to take the leadership in cooperation with other public service associations and groups in the preparation of proposals for legislation to make more certain the criteria which determines Federal wholesale power rates.

RESOLUTION 6. ROOM COOLERS, AIR CONDITIONERS

Whereas with the recent boom in the sale of individual room coolers and air conditioners for use in homes or offices, additional voltage and power factor problems have developed in distribution systems; and

Whereas manufacturers of such equipment claim their hesitancy in applying power-factor correcting devices has been due to the fear of an increased cost for their product in what is a highly competitive market: Now, therefore, be it

Resolved, That the American Public Power Association urges that the manufacturers of the above-mentioned individual room coolers and air conditioners provide their equipment with capacitors or other power-factor correcting devices so that the operating power factor of such equipment will not be less than 90 percent; and further, that all motors used in this type of equipment in excess of one-half horsepower shall be connected for use on 230-volt equivalent circuits only.

RESOLUTION 7. COOPERATION WITH FEDERAL POWER COMMISSION

Whereas the Federal Power Commission is publishing each year a most valuable study on operating statistics of public power systems; and

Whereas this project was initially published by the American Public Power Association and then at our suggestion was undertaken by the Federal Power Commission; and

Whereas the full effectiveness of this annual publication is not being realized because many publicly owned utilities are not sending back the questionnaires of the Federal Power Commission, which return is on a strictly voluntary basis, and involves no submission to the jurisdiction of the Federal Power Commission: Now, therefore, be it

Resolved, That we commend this report to all public power systems; and secondly, that we urge all public power utilities to assist in the betterment of this report by voluntarily responding to the FPC questionnaire.

RESOLUTION 8. INTEREST COMPONENT, COLLBRAN FORMULA

Whereas the American Public Power Association, composed of the principal locally owned public power systems of the United States, has a direct concern in the standard of financial operations established for Federal power projects, as any public discredit resulting from uneconomic Federal power policies reflects in a degree upon the locally owned public power systems; and

Whereas the American Public Power Association disapproves the Federal power practice of diverting from the Federal Treasury the interest component of revenues derived from the power investment portion of Bureau of Reclamation projects, and using the interest so collected for retirement of capital amounts invested in irrigation projects instead of for paying interest on the resulting national debt; and

Whereas the Collbran formula proposed by the Bureau of Reclamation indirectly effects the same result, by postponing the commencement of repayment of the irrigation investment until the power investment is first retired, and is equally unsound; and

Whereas in the aggregate the sums involved in diversion of the interest component and Collbran formula would require the replacement through added taxes of many billions of dollars for the numerous reclamation projects now proposed; and

Whereas this association has been on record since 1946 as not opposing a reasonable subsidy to irrigation from power revenues, but insists as a matter of principle and sound economics, that any irrigation subsidy believed to be in the public interest should be clearly set forth and be specifically recognized and approved as such in authorization of the project by the Congress; and

Whereas as stated in this association's statement of power policy, total capital costs paid from power revenues shall not exceed the amount for which a comparable supply of power could have been developed had irrigation not been one of the purposes of the project: Now, therefore, be it

Resolved, that the American Public Power Association condemns these practices and recommends that they not be employed in future Reclamation Bureau projects. This recommendation is made in the best interests of the American taxpayer, of the public power industry, and of the public it serves. Adoption of such a reform would avoid a concealed subsidy, the benefits of which go to only a limited number of persons at the expense of the Federal Treasury.

RESOLUTION 8 (A). EXCESSIVE SUBSIDIES TO RECLAMATION

Resolved, That the American Public Power Association is opposed to the increasing burden which is being placed upon the power users in order to subsidize irrigation projects. In some projects recently proposed by the Bureau of Reclamation the irrigators are required to pay less than 15 percent of the costs allocated to irrigation, and the power users are required to pay more than 85 percent thereof plus all the costs allocated to power. In other cases the subsidy to be exacted from the power users would amount to the equivalent of nearly $100,000 for each 160-acre farm. This practice is not in the public interest.

This association's declaration of "Federal power policy" states that when irrigation is one of the joint purposes of a project, power revenues may be used to pay that portion of the capital costs properly chargeable to irrigation which is beyond the ability of the irrigators to pay, but that the total capital costs to be paid from power revenues shall never exceed the amount for which a comparable supply of power could have been developed had irrigation not been one of the purposes of the project. This formula concedes fair and adequate subsidies to irrigation from the power users. If a reclamation project is sufficiently meritorious to justify greater subsidies, they should be fully disclosed, and paid from the General Treasury.

RESOLUTION 9. STATE-OWNED POWER AUTHORITIES

Whereas among the several States of our Nation State-owned and administered power authorities have been established in order that the public may receive the benefits of low-cost power and be protected from the activities and high electric rates of the private-power monopoly; and

Whereas in other additional States citizen-directed movements toward the establishment of State-owned power authorities are being considered and carried forward; and

Whereas there has been and is being carried on by privately owned power companies a campaign to prevent such action, the end result of which would be to deny the citizens of the several States an opportunity to decide upon its merits the question of whether an individual State should establish a State-owned power authority; and

Whereas in the State of Idaho private-power companies are carrying on such a campaign now to prevent a decision upon its merits by the people of said State as to whether they should have a State-owned power authority and further making a personal attack upon those who would allow for such a decision to be made by the people: Now, therefore, be it

Resolved, (1) That the American Public Power Association condemns such actions by the private-power company monopolies as bordering upon being corrupt and unfair practices; and (2) that the right of the people in a proper and legal manner to place such matters upon the ballot must be jealously guarded and not prevented by the actions of the privately owned power monopolists.

RESOLUTION 10. ACCELERATED AMORTIZATION BENEFITS

Whereas the Federal accelerated tax amortization program has, in effect, resulted in interest-free loans to the privately owned power monopoly exceeding $800 million, with ultimate benefits flowing to these companies in excess of $2,800,000,000; and

Whereas this ultimate benefit to the privately owned power monopoly exceeds the total cost of all Federal power facilities, including the Bonneville Power Administration and the Tennessee Valley Authority, both

of which investments are repayable to the Federal Treasury from the earnings of these systems; and

Whereas the private-power monopoly industry has and is carrying on a program designed to influence the American people to believe that public-power operations of American Public Power Association members and others are tax subsidized, while their operations pay their own way without any form of Government aid: Now, therefore, be it

Resolved, That we commend this information to the attention of Members of Congress, State and Federal regulatory bodies, and to our American Public Power Association members, in order that the information may be appropriately utilized to procure lower wholesale power rates, which such utility benefits should permit, and to counter and offset private-power monopoly statements and campaigns that insinuate and state American Public Power Association members benefit from tax subsidies, while private-power monopoly companies pay their own way without any form of Government aid.

RESOLUTION 11. FEDERAL-STATE HIGHWAY BUILDING

Whereas a continuing program of Federal and State highway building makes it necessary to remove and relocate local public agency electric system facilities; and

Whereas the costs of moving and changing such facilities have been in the past absorbed by the local public agencies involved; and

Whereas these relocations are often only temporary; and

Whereas a hardship is often placed upon the local public agencies in absorbing these costs: Now, therefore, be it

Resolved, That the American Public Power Association recommends that the Congress provide funds to reimburse the local municipalities for the expense of relocation of local public agencies facilities along highway rights-of-way, when such action is made necessary by the Federal-State highway building program.

RESOLUTION 12. AMENDMENT OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

Whereas a bill, H. R. 8202, has been introduced in the Congress for the purpose of changing the definition of electric utilities in the Public Utility Holding Company Act of 1935 so as to exempt from Securities and Exchange Commission regulation such supergenerating corporations as the Ohio Valley Power Co., Electric Energy, Inc., and Pacific Northwest Power Co., which are wholly owned by electric utility companies; and

Whereas the enactment of H. R. 8202 may become a gateway for exempting a considerable percentage of generating investment of private utilities by artificially encouraging the formation of such separate generating corporations for the purpose of dodging regulation; and

Whereas to permit such exemption may encourage a return to certain holding company practices and financial manipulations of 25 years ago: Now, therefore, be it

Resolved, That the American Public Power Association, in order that the public interest may be best protected, urges that H. R. 8202 not be passed by the Congress.

RESOLUTION 13. LANGER MONOPOLY SUBCOMMITTEE INVESTIGATION OF POWER POLICY

Whereas the Department of the Interior Missouri Basin power marketing criteria, as announced in September 1953, placed in jeopardy the contractual and other legal rights of citizen-owned electric systems of the Missouri Basin; and

Whereas the Senate Subcommittee on Antitrust and Monopoly Legislation under the chairmanship of Senator WILLIAM LANGER, has recently held hearings on the Missouri Basin power marketing criteria in connection with an investigation into monopolistic practices in the power industry which investigation resulted in an appreciable modification of such criteria; and

Whereas the last full-scale investigation of the electric power monopoly was conducted in the period 1927 to 1935 and resulted in many fruitful reforms of the utility business; and

Whereas there are many indications that a thorough investigation of electric utility monopoly practices and an investigation of governmental policies with respect to electric power would be beneficial: Now, therefore, be it

Resolved, (1) That the American Public Power Association commends the Senate Subcommittee on Antitrust and Monopoly Legislation for such action and that we extend our compliments to Senator LANGER and his staff; and (2) that we request the subcommittee to continue and to extend its power monopoly investigation.

RESOLUTION 14. INTERIOR DEPARTMENT CENTRALIZATION OF POWER AGENCY CONTROL

Whereas the American Public Power Association consistently has endorsed the maximum amount of local control and home rule; and

Whereas this association believes that, consistent with sound operating practices and Federal statutes, the maximum amount of administrative authority should be vested in those Federal power agencies which are within the service areas of the respective agencies; and

Whereas there is a growing tendency of the Department of the Interior to centralize control of Federal power marketing agencies in Washington, in direct opposition to the announced policy of the present administration to provide more local autonomy and control: Now, therefore, be it

Resolved, That the American Public Power Association condemns the practice of withdrawing authority from those power agencies located in the areas they serve and instead centralizing such authority in Washington.

RESOLUTION 15. STATEMENTS OF GENERAL ELECTRIC AND WESTINGHOUSE COMPANIES

Whereas it has come to the attention of the American Public Power Association that the General Electric Co. and the Westinghouse Electric Corp. have published advertisements or issued public statements in opposition to public power development; and

Whereas the more than 700 locally owned public power systems which are members of this association have purchased and are purchasing hundreds of millions of dollars worth of equipment from these two companies; and

Whereas the declaration of these companies in opposition to public power were grossly improper and inaccurate; and

Whereas the campaign with which these companies have thus alined themselves is sponsored by the private electric power monopolies in the attempted destruction of local public ownership represented by this association: Now, therefore, be it

Resolved, (1) That the American Public Power Association condemns the statements of the General Electric Co., and the Westinghouse Electric Corp. attacking public power, asserts that such statements damage the interests of local public agencies which are substantial customers of those companies, and declares its resentment of this unjustifiable conduct and (2) that the general manager of this association is directed to transmit a copy of this resolution to the president of each of said companies and to the management of each of the public power systems represented in this association.

RESOLUTION 16. ABANDONMENT OF PRUDENT INVESTMENT RATE BASE

Whereas the Federal Power Commission has, in the past, consistently held that utility rates should be based upon the prudent investment theory; and

Whereas the Commission, in Opinion No. 269, Docket No. 1116, released on April 15, 1954, in the matter of Panhandle Eastern Pipe Line Co., allowed gas well-head prices to be based upon "fair field value" without regard to the cost of production; and

Whereas this policy will encourage increased prices of gas in the field and removes the FPC as an effective check on the present alarming rising gas prices; and

Whereas many of our member utilities are now using gas as a major fuel and through this action of FPC are almost certainly facing a substantial increase in fuel costs: Now, therefore, be it

Resolved, (1) That this association go on record as being opposed to the abandonment of the prudent investment rate base as an abdication of the responsibility of FPC and (2) that we urge the FPC to reconsider the policy expressed in this decision, or that the Congress take appropriate action to require the FPC to follow the prudent investment rate base.

RESOLUTION 17. PROPOSED AMENDMENTS TO ATOMIC ENERGY ACT

Whereas, in the words of the Congress of the United States, "it is reasonable to anticipate" that the use of atomic energy "will cause profound changes in our present way of life"; and

Whereas in the words of President Eisenhower, "consideration of fairness require some mechanism to assure that the limited number of companies, which as Government contractors now have access to the program, cannot build a patent monopoly which would exclude others desiring to enter the field"; and

Whereas to the ordinary American citizen aware of the billions of dollars of public funds which have been expended in basic research in this field, it is literally unthinkable that his Government would permit the creation of such a "patent monopoly"; and

Whereas there is now pending before the Congress a bill (H. R. 8862) which would so amend the Atomic Energy Act as not merely to permit but to invite the creation of precisely such a monopoly: Now, therefore, it is hereby

Resolved by the American Public Power Association in convention assembled, That the provisions of this bill (H. R. 8862), insofar as they deal with patents and permit or encourage a monopoly, are not only subversive of the public welfare; they are so obviously designed to serve individual private interests at the expense of the general welfare as to require their total rejection, and the president of this association is authorized and directed to designate one or more representatives to appear before any committee of the Congress considering this legislation, to express the opposition of this association to every proposal therein contained dealing with the subject of patents and monopolies.

RESOLUTION 18. C. A. OLIVER

Whereas Mr. C. A. Oliver, of Taunton, Mass., has given effective leadership and wise counsel to the association during his term as president; and

Whereas Mr. Oliver has been untiring in his efforts in behalf of the association, having traveled widely and extensively in representing the association at committee meetings and conventions of other organizations; and

Whereas the association has made an outstanding record of progress during Mr. Oliver's term as president: Now, therefore, be it

Resolved, That the American Public Power Association expresses its sincere appreciation to Mr. Oliver for his leadership of the association during the past year and the notable

success which has been reflected upon the association as a result of his presidency.

RESOLUTION 19. EXPRESSION OF APPRECIATION

Whereas Tacoma City Light again has made Mr. George Childs, of its staff, available to serve as registration and finance chairman of the 11th annual convention of the American Public Power Association; and

Whereas Mr. Childs has been ably assisted by representatives of the Chicago Convention Bureau and by members of the staff of the department of water, light, and power of Springfield, Ill.: Now, therefore, be it

Resolved, That this association expresses its wholehearted appreciation to Tacoma City Light, Mr. Childs, the Convention Bureau, and to the representatives of the department of water, light, and power of Springfield for their invaluable assistance in making this convention a success.

RESOLUTION 20. ILLINOIS MUNICIPAL ELECTRIC UTILITIES ASSOCIATION

Whereas the Illinois Municipal Electric Utilities Association has been host to the American Public Power Association at its 11th annual convention in Chicago; and

Whereas the officers and representatives of member utilities of the Illinois Municipal Electric Utilities Association have been gracious in their hospitality to the American Public Power Association and have arranged an excellent entertainment program and other events for the convention; and

Whereas great assistance has been rendered the association by the local convention planning committee, of which the cochairmen are John Hunter, S. T. Anderson, and Byron Schroeder: Now, therefore, be it

Resolved, That the American Public Power Association expresses its sincere appreciation to the Illinois Municipal Electric Utilities Association, the cochairmen of the local convention planning committee, and to the ladies' committee for the excellent programs they have arranged for the American Public Power Association's 11th annual convention.

Mr. LANGER. Mr. President, in my opinion, any Senator who reads the resolutions which were adopted at Miami, Fla., or the resolutions which were adopted at Chicago, Ill., on May 6, 1954, will support the amendment which has been submitted by the Senator from Illinois and other Senators. I only regret that I was absent at the time when the amendment was submitted, so that I was unable to be a cosponsor of it, along with the Senator from Illinois.

Mr. DOUGLAS. Mr. President, before the yeas and nays are taken on the question of agreeing to the amendment, I ask that the name of the distinguished senior Senator from North Dakota [Mr. LANGER] be added as a cosponsor of the amendment.

Mr. LANGER. I thank the Senator from Illinois.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment submitted by the Senator from Illinois [Mr. DOUGLAS] on behalf of himself and other Senators.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HAYDEN (when his name was called). On this vote, I have a pair with the senior Senator from Washington [Mr. MAGNUSON], who, if present and voting, would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. ROBERTSON (when his name was called). On this vote, I have a pair with the senior Senator from Oklahoma [Mr. KERR], who, if present and voting, would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. GREEN (after having voted in the negative). Mr. President, when my name was called, I voted "nay." I have learned that a pair arrangement has been made with the Senator from New Mexico [Mr. CHAVEZ], who, if present and voting, would vote "yea." Therefore, I withdraw my vote.

Mr. PASTORE. Mr. President, on this vote, I have a pair with the junior Senator from Florida [Mr. SMATHERS], who, if present and voting, would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. GORE. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Tennessee is recorded as voting in the affirmative.

Mr. LONG. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Louisiana is recorded as voting in the affirmative.

Mr. DANIEL. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Texas is recorded as having voted in the affirmative.

Mr. SALTONSTALL. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART], the Senator from California [Mr. KUCHEL], and the Senator from New Hampshire [Mr. UPTON] are necessarily absent.

If present and voting, the Senator from Minnesota [Mr. THYE] would vote "yea," and the Senator from New Hampshire [Mr. UPTON] would vote "nay."

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Oklahoma [Mr. KERR], the Senator from Washington [Mr. MAGNUSON], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Nevada [Mr. MCCARRAN] is absent by leave of the Senate.

The result was announced—yeas 42, nays 40, as follows:

YEAS—42

Anderson	Holland	Maybank
Burke	Humphrey	McClellan
Clements	Hunt	Monroney
Cooper	Jackson	Morse
Daniel	Johnson, Colo.	Mundt
Douglas	Johnson, Tex.	Murray
Eastland	Johnston, S. C.	Neely
Ellender	Kefauver	Russell
Fulbright	Kilgore	Schoeppel
George	Langer	Sparkman
Gillette	Lehman	Stennis
Gore	Lennon	Symington
Hennings	Long	Wiley
Hill	Mansfield	Young

NAYS—40

Aiken	Byrd	Goldwater
Barrett	Carlson	Hendrickson
Beall	Case	Hickenlooper
Bennett	Cordon	Ives
Bowring	Dirksen	Jenner
Bricker	Duff	Kennedy
Bridges	Dworshak	Knowland
Bush	Ferguson	Malone
Butler, Md.	Flanders	Martin
Butler, Nebr.	Frear	McCarthy
Millikin	Saltonstall	Welker
Payne	Smith, Maine	Williams
Potter	Smith, N. J.	
Purtell	Watkins	

NOT VOTING—13

Capehart	Kuchel	Smathers
Chavez	Magnuson	Thye
Green	McCarran	Upton
Hayden	Pastore	
Kerr	Robertson	

So the amendment offered by Mr. DOUGLAS, on behalf of himself and other Senators, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS, Mr. MORSE, and Mr. LONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DOUGLAS. I move to reconsider the vote by which the amendment was agreed to.

Mr. MORSE. Mr. President, I move to lay that motion on the table.

Mr. KNOWLAND. I ask for the yeas and nays on the motion to lay on the table.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon [Mr. MORSE] to lay on the table the motion of the Senator from Illinois [Mr. DOUGLAS], to reconsider the vote by which the so-called Douglas amendment was agreed to. On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. BUSH. Mr. President, what is the question before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider the vote by which the Douglas amendment was agreed to.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DOUGLAS. I ask that the Presiding Officer state the question before the Senate.

The PRESIDING OFFICER. The yeas and nays have been ordered on the motion to lay on the table the motion to reconsider the vote by which the Douglas amendment was agreed to.

The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREEN (when his name was called). On this vote I have a pair with the senior Senator from New Mexico [Mr. CHAVEZ]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

Mr. ROBERTSON (when his name was called). On this vote I have a pair with the senior Senator from Oklahoma [Mr. KERR]. If he were present and voting he would vote "yea." If I were permitted to vote I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. FLANDERS. Mr. President, am I recorded as having voted?

The PRESIDING OFFICER. The Senator from Vermont is recorded as having voted in the negative.

Mr. BRIDGES. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from New Hampshire is recorded as having voted in the negative.

Mr. FERGUSON. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Michigan is recorded as having voted in the negative.

Mr. GOLDWATER. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Arizona is recorded as having voted in the negative.

Mr. PURTELL. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Connecticut is recorded as having voted in the negative.

Mr. PAYNE. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Maine is recorded as having voted in the negative.

Mr. BEALL. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Maryland is recorded as having voted in the negative.

Mrs. SMITH of Maine. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Maine is recorded as having voted in the negative.

Mr. HENDRICKSON. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from New Jersey is recorded as having voted in the negative.

Mr. BUSH. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Connecticut is recorded as having voted in the negative.

Mr. SALTONSTALL. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate.

The Senator from Utah [Mr. BENNETT] is absent on official business.

The Senator from Indiana [Mr. CAPEHART], the Senator from California [Mr. KUCHEL], and the Senator from New Hampshire [Mr. UPTON] are necessarily absent.

If present and voting, the Senator from Utah [Mr. BENNETT] and the Senator from New Hampshire [Mr. UPTON] would each vote "nay."

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Iowa [Mr. GILLETTE], the Senator from Oklahoma [Mr. KERR], the Senator from Washington [Mr. MAGNUSON], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Nevada [Mr. MCCARRAN] is absent by leave of the Senate.

I announce further that if present and voting, the Senator from Iowa [Mr. GILLETTE], the Senator from Washington [Mr. MAGNUSON], and the Senator from Florida [Mr. SMATHERS] would each vote "yea."

The result was announced—yeas 43, nays 39, as follows:

YEAS—43

Anderson	Douglas	Gore
Burke	Eastland	Hayden
Clements	Ellender	Hennings
Cooper	Fulbright	Hill
Daniel	George	Holland
Humphrey	Lehman	Neely
Hunt	Lennon	Pastore
Jackson	Long	Russell
Johnson, Colo.	Mansfield	Sparkman
Johnson, Tex.	Maybank	Stennis
Johnston, S. C.	McClellan	Symington
Kefauver	Monroney	Wiley
Kennedy	Morse	Young
Kilgore	Mundt	
Langer	Murray	

NAYS—39

Aiken	Dirksen	Martin
Barrett	Duff	McCarthy
Beall	Dworshak	Millikin
Bowring	Ferguson	Payne
Bricker	Flanders	Potter
Bridges	Frear	Purtell
Bush	Goldwater	Saltonstall
Butler, Md.	Hendrickson	Schoeppel
Butler, Nebr.	Hickenlooper	Smith, Maine
Byrd	Ives	Smith, N. J.
Carlson	Jenner	Watkins
Case	Knowland	Welker
Cordon	Malone	Williams

NOT VOTING—13

Bennett	Kerr	Smathers
Capehart	Kuchel	Thye
Chavez	Magnuson	Upton
Gillette	McCarran	
Green	Robertson	

So the motion to lay on the table was agreed to.

Mr. YOUNG. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a number of telegrams I have received from REA cooperatives, in support of the amendment which was approved a few minutes ago by the Senate.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *June 2, 1954.*

Senator MILTON R. YOUNG,
Senate Office Building:

Need for additional REA funds is real. Whole program is endangered if adequate safeguards at moment are not met. Respectfully urge, in name of our 2 million members, your support for Douglas amendment, increasing loan funds $35 million. As you know, this appropriation is not an expenditure. So far the REA record is good. We urgently hope, with your help, it will continue to be.

WALLACE CAMPBELL,
Cooperative League of the United States of America.

RUTLAND, N. DAK., *June 2, 1954.*

Senator MILTON R. YOUNG,
United States Senate:

Strongly urge your support of the amendment for $35 million additional funds for REA to meet pending needs.

OBED A. WYUM,
National Director for North Dakota, NRECA.

WILLISTON, N. DAK., *June 2, 1954.*

Senator MILTON YOUNG,
Senate Office Building:

We urge approval of $35 million increase in REA appropriation as proposed by Douglas, Humphrey, and Gillette amendment. This is not a nonrecoverable expenditure but is a sound investment in our American agriculture which will be repaid to the United States Treasury, with interest.

WILLIAMS ELECTRIC CO.,
S. A. FORSETH, *Manager.*

MILNOR, N. DAK.,
June 2, 1954.

Senator MILTON YOUNG,
United States Senate:

Urge you support $249 million appropriation recommended by NRECA for REA.

RSR ELECTRIC CO-OP, BELINSKY.

GRAND FORKS, N. DAK.,
June 2, 1954.

Senator MILTON R. YOUNG,
United States Senate:

Respectfully request your support of $35 million amendment REA funds.

NODAK ELECTRIC CO-OP,
RALPH DIEHL, *President.*

KINDRED, N. DAK.,
June 2, 1954.

Senator MILTON R. YOUNG,
Senate Office Building:

Directors and 6,400 members request your favorable consideration of the Douglas-Humphrey-Gillette amendment to REA appropriations. Curtailment of funds would jeopardize REA program all applicants now receiving service. Demands exceed tremendously the expected load. Funds will be needed to increase the capacity of our present system.

CASS COUNTY ELECTRIC CO-OP, INC.

DICKINSON, N. DAK.,
June 2, 1954.

Hon. MILTON YOUNG,
United States Senator, Senate Building:

DEAR MILT: We sincerely urge your support of amendment to increase electric loan funds.

WEST PLAINS ELECTRIC CO-OP,
A. L. SHJEFLO, *Manager.*

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. LONG. Mr. President, I have an amendment at the desk which I should like to call up.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Louisiana.

The LEGISLATIVE CLERK. On page 27, line 24, it is proposed to strike out all of lines 24, 25, and 26, and to insert "$93,236,197."

Mr. LONG. Mr. President, I do not believe it will take long to discuss the amendment. I shall explain it briefly and should like to have the yeas and nays ordered on it.

This amendment proposes to add $10 million for the school-lunch program by striking lines 24 through 26, on page 27, and to permit $10 million to be used for nonfood assistance to the school-lunch program. I understand there is some precedent for the language in the bill as reported by the committee, which provides that no part of the appropriation for school lunches shall be used for nonfood assistance.

On page 27, Mr. President, reading lines 24 through 26, Senators will see that the bill as reported to the Senate contains language which came over from the House providing that no part of the school-lunch funds shall be used for nonfood assistance.

Under my amendment $10 million may be used to match funds provided by the States for nonfood assistance for the school-lunch program. I should like to point out that under existing circumstances there is a great need for the States to acquire adequate storage and warehousing facilities for the school-lunch program.

We were told last year that the Secretary of Agriculture was doing all he could to remove surplus beef from the market for the benefit of the school-lunch program. The Secretary of Agriculture paid approximately 7 cents a

pound for much of the beef on the hoof. By the time the canner was paid, the beef was costing a great deal more than that. The canned beef was not as palatable as fresh beef would be. It was not as satisfactory for the school-lunch program as beef would have been if it were kept in cold storage or frozen. But many States did not have the necessary facilities to handle beef which had not been canned. Therefore, the cost turned out to be approximately five times as much as it would have been if an adequate system had been used to keep the beef in cold storage or frozen until it was used.

The State which I have the honor to represent has a very elaborate system of cold-storage warehouses and various facilities to handle surplus commodities. It is unfortunately true that most of the States do not have adequate facilities to take care of the surplus commodities which are available. I inquired last year of the Secretary of Agriculture to ascertain why he did not remove more surplus commodities from the market and channel them into the school lunch program. I found that one of the answers was that the States did not have adequate facilities to provide for them; they did not have adequate facilities for the handling of butter, powdered milk, and various other commodities.

It was wisely foreseen that there would be need for the Federal Government to match funds provided by the States, and a formula was provided for giving nonfood aid to the school lunch program.

I notice that the law provided as follows:

Such payments in any fiscal year during the period from 1951 to 1955, inclusive, shall be made upon condition that each dollar thereof will be so matched by one and one-half dollars.

That would mean, in effect, that every time a Federal dollar is applied to nonfood assistance, the State will have to match it with $1.50.

It is further provided:

And for any fiscal year thereafter—

Meaning after 1955—

Such payment shall be made on condition that each dollar will be matched by $3.

In other words, Mr. President, starting next year, any assistance to the nonfood phase of the school-lunch program will have to be made by a 3-to-1 contribution of funds from the State governments. That seems to me to be a rather modest and yet a wise way to aid the program and to make more progress in extending and improving it.

The amount recommended by the committee is the same amount which was made available last year to the school lunch program. In this day of enormous surpluses of agricultural commodities, many which are perishable commodities, we should expand and improve the school-lunch program rather than simply being content to go along year after year with inadequate facilities and an inadequate program.

For that reason, Mr. President, I hope the Senate will provide $10 million to assist the States in acquiring facilities for the school lunch program.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield?

The PRESIDING OFFICER (Mr. WILEY in the chair). Does the Senator from Louisiana yield to the Senator from Minnesota?

Mr. LONG. I yield.

Mr. HUMPHREY. The Senator has been commenting on two aspects of the program, the food-purchase area, or a part of it, and the necessary modern facilities to carry out the program. I had hoped the Senator would mention in some detail the growth in school population. What disturbs me is that the amount recommended in the bill is the same as it was last year. I remind the Senate that since that time 2 million more children are in school, and there will be more and more children every year in the foreseeable future. The amount recommended has been the standard figure for the past 4 or 5 years. As the school population grows it does not seem to me that we are providing an adequate appropriation if we base it on the figures of last year. If the same number of children are in school in the coming year the appropriation might be justified, provided it can be shown that it was adequate last year. In my own State there are 27,000 more children in elementary school this year than there were last year, and there is a large group coming up in the following years, because the postwar babies are now becoming the kindergarten and first- and second-grade children in the elementary schools. It is in those schools that the program is of such great significance.

I wish to cooperate, and I shall support the Senator from Louisiana in his determined effort to improve the program. He has always led the fight in the Senate in connection with this particular activity, and I commend him for it. But I suggest that even the part of the program which is in the food-purchase area should be increased. Therefore, I wish to ask the Senator from Louisiana a question. Does he plan to offer an amendment simply to strike out the proviso which reads:

Provided, That no part of this appropriation shall be used for nonfood assistance under section 5 of said act.

Or does the Senator intend to offer an amendment to increase the overall sum of money?

Mr. LONG. So far as I can determine from studying the hearings and the other information available to me, there will be far more surplus-food commodities available this year than there have been in years past. The Senator from Minnesota well knows, for example, that in the great midwestern section of the Nation an almost unlimited surplus of dairy products is available for distribution by the Secretary of Agriculture for such purposes as this.

The objection I make is that, by and large, most States cannot handle butter because they cannot store it.

I believe funds should be provided to help the States acquire facilities to enable them to use the surplus commodities. Powdered milk is in great surplus today. If the States had the facilities to handle it, much of the surplus could be disposed of.

Beef is in surplus today, but the difficulty of disposing of it is that it is not desirable to use 34-cent canned beef. Frozen beef is preferred because it is much more palatable and desirable for school purposes. But, because of a lack of storage facilities, most schools cannot use it.

I recall one incident in Louisiana which might interest the Senator from Minnesota, who I know has heard me state that I have had some connection with the school lunch program in my State. I believe Louisiana is ahead of perhaps any other State with respect to the amount of money which is channeled into school lunch programs, to make better lunches available for school children.

Because of acquiring considerable warehousing and storage facilities, Louisiana can often-times handle commodities which other States cannot use.

The Department of Agriculture found that in order to protect the prices of commodities for farmers, it was necessary to buy carloads of turkeys and other perishable meats. The Department found that most States could not handle such shipments, because the States do not have the facilities to refrigerate the turkeys and other commodities.

But Louisiana simply said, "Send us all you have."

Louisiana is able to do this because it has the facilities. Nevertheless, even Louisiana can use such of these funds which can be made available to the State in order to provide facilities to enable the development of a better school-lunch program. I am certain that if Louisiana needs such a program, it is needed in other States, also.

Mr. HUMPHREY. Many times the school-lunch program facilities are incapable of handling the large bulk of perishable commodities and bulk packages which are made available by the Department of Agriculture under Commodity Credit Corporation activities. Therefore, I certainly agree with the Senator from Louisiana that there is need for improved facilities. But I wish to suggest to the Senator that as the appropriation measure now stands, $83,236,197 is earmarked for food purposes entirely. The proviso reads as follows:

Provided, That no part of this appropriation shall be used for nonfood assistance under section 5 of said act.

If the proviso were eliminated, the bill would then, unless the total figure were increased, limit the amount of money to be made available for the school population.

Mr. LONG. The Senator from Minnesota is correct.

Mr. HUMPHREY. Therefore, it is my hope, and I make this as a suggestion to the Senator from Louisiana, that rather than to weaken the food-purchase aspect of the program, and at the same time to take care of the facilities provision of the program, the total figure be increased. Do I understand that that is the purpose of the Senator's amendment?

Mr. LONG. My amendment would increase the amount of funds by $10 mil-

lion, and it would provide that this sum should be made available to supply additional facilities and to pay for various nonfood costs of the school-lunch program.

Mr. HUMPHREY. I do not have a printed copy of the Senator's amendment. I know that he has always been interested in the food aspects of the program, as well as in the facilities which are necessary for such a program.

One type of food which is not available in surplus, strange as it may seem, is fluid milk. I think my colleagues will be interested to know that in some communities in the State of Minnesota, where there has been experimentation with the availability of fluid milk as a free drink to the school children, the consumption of milk has increased as much as from 300 to 400 percent. There are communities in which, for example, the Kiwanis Club, or the local bank, or some business group, has sponsored for a period of a month or two months the distribution of free milk by means of automatic, sanitary milk dispensers. The consumption of milk in such instances has increased as much as from 300 to 400 percent.

It appears to me that a program dedicated to the health and dietary needs of our children should take into consideration the abundance of fluid milk in the United States.

A part of the answer to the dairy surplus problem—in fact, a part of the answer to the butter surplus and cheese surplus problems—is to drink milk; and who can better drink milk than children? Instead of processing milk into butter and cheese, let it be processed into the flesh and bone of young bodies. That can be done under this program.

Mr. LONG. The Senator from Minnesota will find that the experience in the State of Louisiana corroborates the statement he has made. When Louisiana undertook to have a major school lunch program and to provide school children with good school lunches, including milk, at a very low price, it was found that the consumption of milk doubled in many parishes of Louisiana. In some parishes, I believe, the milk consumption has more than doubled.

The result has been that Louisiana, which has always been a deficit producing area, has become a considerable milk-producing State, and still we are importing more milk than ever before.

If it is desired to find some way in which to solve the problem of the milk surplus, the way is to teach the children the value of milk and to channel it into the school-lunch program.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. AIKEN. Is it intended that the additional $10 million which the Senator from Louisiana proposes to add to the school-lunch appropriation, shall be used for the purchase of milk?

Mr. LONG. No; it is intended that it shall be used for nonfood assistance to the program. I had in mind in offering the amendment that the act provides, in section 5, that the Federal Government shall match the funds provided by the States for nonfood assistance.

The point I have been making is that many States—I think most of them—do not have adequate facilities for handling the surplus commodities which are made available to them. That is the reason why so much beef must be canned before it can be utilized in the school-lunch programs of the various States.

In Louisiana, all the beef which is sent to our school-lunch program can be disposed of without having to can any of it. In Louisiana it is kept frozen in the cold storage facilities. But most States are not in a position to handle surplus commodities because they do not have adequate facilities for the storage of perishable commodities.

Many States which would like to expand their school-lunch programs do not have adequate facilities for lunchrooms, and lunchroom equipment.

My proposal is that Congress simply appropriate the amount authorized under section 5 of the School Lunch Act, which is $10 million a year.

Mr. AIKEN. Does the Senator propose to appropriate $10 million in addition to the $83,236,197?

Mr. LONG. That is correct.

Mr. AIKEN. I agree that the proper facilities should be provided, but I notice that the amount available for the school-lunch program during the coming year, is almost exactly $100 million more than was available 2 years ago.

Mr. LONG. How much?

Mr. AIKEN. Almost exactly $100 million more than was available for fiscal 1953.

Each year there has been approximately $67 million in cash payments to the States, $15 million for the purchase of section 6 commodities.

For fiscal 1953, there was used $51 million of section 32 funds. For this fiscal year, fiscal 1954, there was used $123 million. It is estimated that $150 million of section 32 funds will go into the school-lunch program for the fiscal year 1955. That makes $233 million, as compared with $133 million 2 years ago.

Mr. LONG. Of course, as the Senator knows, section 32 funds, to which he is referring, are used for the purchase of surplus commodities. If the quantity of surplus commodities increases, naturally it will be possible to channel more surplus commodities into the school-lunch program.

The point I made last year, when there were enormous surpluses, was why could not more of these commodities be utilized in the school-lunch program, and why did it cost 34 cents for a pound of beef when the Secretary of Agriculture was buying it for 7 cents a pound? One of the reasons for the high cost was that the beef was being canned.

I am proposing in my amendment that the schools expand their facilities so that they can handle the additional surplus food which can be used in the school-lunch program. The schools need such facilities. When there is being made available another $100 million worth of surplus commodities, which is only a fraction of the total amount of surpluses, sufficient funds should be provided to help the schools acquire facilities to utilize such surplus commodities.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. The Senator from Louisiana has given an illustration of the use of beef. Is it not true that if the schools had had proper facilities for utilizing beef, they could have used four times as much as they did use?

Mr. LONG. The Senator from South Carolina is entirely correct. By the time the beef was processed, it cost much more than the 7 cents a pound which the Secretary of Agriculture paid for it, but it certainly would not have cost 34 cents a pound if it had not been necessary to can the beef.

Mr. JOHNSTON of South Carolina. The beef cost many times more than it should have.

Mr. LONG. And the beef would have been much more palatable than the sort of gristle which the Secretary of Agriculture was having put into cans.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Wyoming.

Mr. HUNT. I wish to associate myself with the distinguished Senator from Louisiana, and to express my regret that there has been written into the bill the provision that no part of the appropriation shall be used for nonfood assistance.

I am speaking primarily from personal contact with the problem a few years ago, when the schools in my State were unable to accept certain food, especially vegetables, fruits, butter, and various other items which were made available to them. Such foods could not be accepted because there were only two places where surplus commodities were received, and we had the experience that the commodities, when transported by trucks for distribution, froze overnight. On more than one occasion it was necessary to refuse to accept carload lots of surplus commodities, which were needed very badly. I might say that we had the experience in my State not only of having fruits and vegetables frozen on the trucks, but there was also a great deal of spoilage. In such cases there is involved the expense of shipping and handling the foods, and then no value is derived from them.

I am sure my State could well profit by having provided a receiving place where there could be cold-storage as well as dry-storage facilities. That would greatly advance our program.

If the Senator from Louisiana is agreeable, I would be willing to limit the $10 million solely to facilities for the handling of the surplus commodities. As the amendment of the Senator from Louisiana now reads, I think some of the funds could be utilized for assistance in the school lunchrooms. I would be happy to see the provision limited to facilities altogether, which I believe would be more helpful.

Mr. LONG. I would have no objection to such a limitation. If the Senator would care to offer an amendment to carry out such a purpose, I would have

no objection to it. I believe the greatest need at the present time is acquiring the facilities with which to handle the school-lunch programs and the surplus commodities which can be made available for that purpose. Nevertheless, I wish to point out to my colleagues that I believe in leaving it to the wise discretion of the States to determine how the money can best be used. In that event the States will see that the money is wisely used.

So far as surplus commodities are concerned, I have one protest about the operation of the school-lunch program. The program has been directed to the benefit of the farmers and not enough to the benefit of the children. While I am in favor of helping the farmers, I am also in favor of helping the children. There has been too great a desire to remove commodities from the market without seeing to it that the children get the benefit of the commodities. Obviously, when the food spoils, the children are denied the benefit of it, even though surpluses are removed from the market. We should be aiding the schools to provide facilities to handle the commodities.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Oregon.

Mr. MORSE. I am very happy to associate myself with the remarks of the Senator from Louisiana. I speak as one who has had some experience with the school-lunch program, having been for 2 years president of a parent-teachers association, and having been an active member of parent-teachers associations for many years.

The need for improvement in the school-lunch program can be well buttressed with facts. In the program more attention should be paid to a balanced diet, because there has been an overemphasis on surplus food without sufficient consideration being given to planning the diet which the children would get. There has, as well, been a considerable amount of waste in regard to the program.

In my judgment, the adoption of the Senator's amendment would greatly improve the school-lunch program, and I am very happy to support it.

Mr. LONG. I thank the Senator from Oregon. I know of his deep interest in the program. I believe the money provided for in my proposal would be wisely spent and would serve a good purpose.

Mr. President, I know that there is present on the floor of the Senate at this time only a small number of Senators, but I nevertheless ask for the yeas and nays on the amendment.

The PRESIDING OFFICER (Mr. CARLSON in the chair). The yeas and nays are demanded. Is there a sufficient second?

The yeas and nays were not ordered.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I now ask that the yeas and nays be ordered on the question of agreeing to my amendment.

The yeas and nays were ordered.

USE OF FHA FUNDS FOR SWIMMING POOL CONSTRUCTION

Mr. MAYBANK. Mr. President, will the Senator from North Dakota yield to me?

Mr. YOUNG. I am glad to yield.

Mr. MAYBANK. I appreciate the courtesy of the Senator from North Dakota in yielding to me, for I realize the strain he has been under, in connection with the agricultural appropriations bill, and I also appreciate the very fine job he had done in that connection.

Mr. President, my attention has been called to an advertisement which appears today in the Wall Street Journal. With the permission of the Senator from North Dakota, if I may have it, I wish to call the attention of the Senate to what still is going on in the FHA, under title I—although, after all the recent revelations of alleged corruption in the FHA, I thought the present administration claimed to have issued regulations stopping this sort of thing. I am glad the Senator from Virginia [Mr. BYRD] is now in the Chamber, so that he will hear what I have to say.

Mr. President, I now read from page 5 of the Wall Street Journal:

ENJOY A SWIMMING POOL IN YOUR OWN YARD—COMPLETELY INSTALLED FOR $2,500 IN 3 DAYS

You can have your own 18 foot by 36 foot swimming pool, in any of 6 attractive shapes, for less than the price of the family car. Constructed of reinforced concrete, the pool comes complete with all fittings, piping, and concrete steps—is designed to last a lifetime. FHA financed and approved. Filtration and accessories at slight extra cost.

EAST COAST SWIMMING POOL CO.
VALLEY STREAM, N. Y.

So, Mr. President, the construction of swimming pools is still being financed under title I of the FHA Act. The FHA, title I, funds are supposed to be used in connection with the repair and modernization of homes. In this case, the use of those funds for the construction of swimming pools is supposed to be for the improvement of the homes, but is really for the benefit of such corporations as the East Coast Swimming Pool Co., of 56 Lynwood Drive, Valley Stream, N. Y., and whatever lending institution is backing this company with Government guaranteed loans.

Mr. President, I assume that the advertisement is a legitimate one, because it appears in the Wall Street Journal, a publication with an excellent reputation.

I thank the Senator from North Dakota for yielding to me.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Louisiana [Mr. LONG].

Mr. YOUNG. Mr. President, I regret that I shall have to oppose the amendment submitted by my good friend, the Senator from Louisiana [Mr. LONG]. As this appropriation item now stands, it will provide Federal funds of nearly $230 million. The amendment submitted by the Senator from Louisiana would, of course, make $10 million available for the school-lunch program, for the purchase of facilities and equipment, as I understand.

Since the inception of the school-lunch program, so far as I am able to ascertain, the restrictive provision appearing in lines 24, 25, and 26 on page 27 has been out of the bill for only 1 year. The equipment purchases did not work very well, according to my information.

Since 1948, at least, a provision has been carried in the appropriation bill prohibiting the Department of Agriculture from spending any of the school-lunch funds to buy equipment. I think practically all those who are interested in the school-lunch program favor the bill as it is at present. I think they are quite happy with it.

Several groups appeared before the Senate Subcommittee on Appropriations when we held our hearings. Three persons, representing the three largest organizations in the United States, who appear every year, and who take a great interest in this program, were satisfied with the program as is. They were Mrs. Ada Barnett Stough, executive director of the American Parents Committee, Inc.; Mrs. Richard G. Radue, representing the National Congress of Parents and Teachers; and Harvey Allen, representing the New York City Board of Education.

These three groups were strongly in favor of the bill as it came from the House. I think it would be a mistake to adopt the amendment offered by my friend from Louisiana.

Mr. LONG. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. LONG. Is the Senator familiar with the fact that when the Secretary of Agriculture undertook to purchase beef to aid the farmers and relieve the surplus of beef on the market last year he had to can all that beef because the schools did not have adequate cold-storage facilities? I am pleased to say that the State of Louisiana would take all the frozen beef he could supply. I understand most States do not have facilities to handle beef unless it is canned. Therefore, canned beef was about the best the Secretary of Agriculture could provide for the school-lunch program. My amendment is designed to relieve that situation by providing the schools with the necessary facilities to receive surplus commodities.

Mr. YOUNG. The objective is very laudable, but I believe that in almost no instance would it be feasible to purchase cattle, slaughter them, and send the beef to the various schools of the Nation for

them to store and cook. I think if we were to carry on a program of that kind it would be necessary to can the beef at a packing plant.

Mr. LONG. I should like to inform the Senator that it is entirely feasible to carry on such a program in the State of Louisiana, because the State of Louisiana has made great strides in providing the sort of facilities it would be well to have throughout the Nation. Louisiana would like to have more of such facilities, if it had the money to provide them. I believe the Senator will find that we are perhaps ahead of every other State in the Union in that field. I am sure that if Louisiana could use such facilities, any other State could do so.

Mr. YOUNG. Mr. President, I hope the amendment will be defeated.

The PRESIDING OFFICER (Mr. CARLSON in the chair). The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. LONG]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate.

The Senator from Utah [Mr. BENNETT], the Senator from Oregon [Mr. CORDON], and the Senator from Wisconsin [Mr. WILEY[are absent on official business.

The Senator from Indiana [Mr. CAPEHART], the Senator from California [Mr. KUCHEL], and the Senator from New Hampshire [Mr. UPTON] are necessarily absent.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from New Hampshire [Mr. UPTON], and the Senator from Oregon [Mr. CORDON] would each vote "nay," while the Senator from Wisconsin [Mr. WILEY] would vote "yea."

Mr. CLEMENTS. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Oklahoma [Mr. KERR], the Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MAGNUSON], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Nevada [Mr. MCCARRAN] is absent by leave of the Senate.

I also announce that if present and voting, the Senator from Arkansas [Mr. FULBRIGHT] the Senator from Oklahoma [Mr. KERR], the Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MAGNUSON], and the Senator from Florida [Mr. SMATHERS] would each vote "yea."

The result was announced—yeas 39, nays 43, as follows:

YEAS—39

Anderson	Hennings	Lennon
Burke	Hill	Long
Clements	Holland	Mansfield
Cooper	Humphrey	McClellan
Daniel	Hunt	Monroney
Douglas	Jackson	Morse
Duff	Johnson, Colo.	Murray
Eastland	Johnson, Tex.	Neely
Frear	Johnston, S. C.	Pastore
George	Kefauver	Russell
Gillette	Kennedy	Sparkman
Gore	Langer	Stennis
Green	Lehman	Symington

NAYS—43

Aiken	Ellender	Mundt
Barrett	Ferguson	Payne
Beall	Flanders	Potter
Bowring	Goldwater	Purtell
Bricker	Hayden	Robertson
Bridges	Hendrickson	Saltonstall
Bush	Hickenlooper	Schoeppel
Butler, Md.	Ives	Smith, Maine
Butler, Nebr.	Jenner	Smith, N. J.
Byrd	Knowland	Watkins
Carlson	Malone	Welker
Case	Martin	Williams
Chavez	Maybank	Young
Dirksen	McCarthy	
Dworshak	Millikin	

NOT VOTING—13

Bennett	Kilgore	Thye
Capehart	Kuchel	Upton
Cordon	Magnuson	Wiley
Fulbright	McCarran	
Kerr	Smathers	

So, Mr. LONG's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MORSE. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The CHIEF CLERK. On page 30, line 4, it is proposed to strike out "$35,000,000" and to insert in lieu thereof "$70,000,000."

Mr. MORSE. Mr. President, my argument in support of the amendment will be brief. As I pointed out yesterday in my speech in support of the Douglas amendment, each State can receive in regular loans in any one year an amount that is proportionate to the State's percentage of unelectrified farms as compared with the national average.

My State, at the end of fiscal 1953, the last year for which figures are available, was the third highest in percentage of electrified farms, so that, so far as getting money for new loans for unelectrified farms is concerned, its proportionate share would be comparatively low. Despite this fact, as I pointed out yesterday, there is a continuing need in Oregon for funds to expand and heavy up electric co-op systems. The Douglas amendment would not be of great assistance to REA's in the State of Oregon. We need money with which to heavy up our lines, because most of our farms are already electrified, and our percentage under the so-called formula is necessarily low because our percentage of electrified farms is very high.

Therefore, I would supplement what my colleague [Mr. CORDON] said this afternoon by pointing out that in the pending bill we need two types of funds. There is need for funds in those areas where there is a low percentage of electrified farms. The States in which such areas are located have the highest claim under the formula on loans from REA, in order to supply power for the benefit of farmers where no power presently exists.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from South Carolina.

Mr. MAYBANK. Does the Senator's amendment provide for an increase in the overall authorization?

Mr. MORSE. Yes; there would be an increase of $35 million.

Mr. MAYBANK. $35 million?

Mr. MORSE. That is correct. The amendment pertains to the second category of loans which are needed.

We need an increase in funds to meet applications from States, such as my State, which already have a very high percentage of electrified farms and in which the REA transmission lines are not sufficiently heavy to meet the new power demands which those farms require because of the greater use of electricity by them.

What has happened, Mr. President, is that many of the REA's have installed transmission lines which carry a very small load, but, nevertheless, they fall under the formula. Those farms are classified as electrified farms, but they all need much more power. Many of the farmers could use triple the power they now have, but the REA lines are not sufficiently heavy to carry the extra power.

Here, again, Mr. President, it seems to me there are two pertinent facts we should consider when we pass judgment on whether an amendment of this type should be adopted. First, is there a need for the power? There is no question about the fact, that many REA's are seeking to have applications favorably passed upon in order to heavy up their lines because of the tremendous consumer demand for power in their areas. What is happening to those REA's? They are being subjected to a great deal of criticism by the farmers being serviced by them. The farmers say, "There must be something wrong with the system. We want more power, and you are not bringing the power to us."

I have been told by REA representatives that that situation is being used by private utilities which are seeking to undermine REA service. They are saying, "What did we tell you? You cannot expect efficient service from the REA."

Of course, they do not point out that the REA does not have the necessary funds under this formula to make it possible to loan the money needed in order to heavy up their lines.

The second very pertinent fact I would have the Senate keep in mind is that it is easy to say, "Here is MORSE proposing an increase of $35 million."

What I am proposing is that we make available $35 million to the REA's so they can supply improved service to the farmers who will repay the loans with interest. As the Senator from Illinois pointed out in connection with his amendment, many loans are being repaid even in advance of the due date.

The last point I wish to make in support of my amendment is that the power is needed from the standpoint of the national economy. It is needed from the standpoint of agricultural economy. With farm prices falling, Mr. President, we need to do all we can to help the farmer improve his production, and to help him improve his cost situation on the farm. This can be done by supplying him with more power.

I am not asking in effect for an increase in the appropriation in the sense

that this money will be spent and the taxpayers will not get it back. Furthermore, let me make clear that it is permissive. Let us look at the language on page 30 of the bill:

And additional amounts, not to exceed—

Seventy million dollars under my amendment—

for the rural-electrification program, may be borrowed under the same terms and conditions to the extent that such additional amounts are required during the fiscal year 1955, under the then existing conditions, for the expeditious and orderly development of the program.

It is permissive language, Mr. President. It leaves it up to the REA to pass judgment in accordance with its wise discretion on each application that comes within the $70 million of loan money for which I provide in my amendment. To use the figure of speech used by the Senator from Oklahoma earlier today, all I am proposing is that we put the money in the REA bank, so to speak, so that the REA can draw upon it, provided the Director of the REA, as the president of the bank, figuratively speaking, decides that the loan requested is sound and desirable.

Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD a series of telegrams I have received on the REA issue.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

COQUILLE, OREG., *June 2, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

We urge your support on $35 million amendment to REA loan funds.

COOS CURRY ELECTRIC COOPERATIVE, INC.,
BRUCE SHAVERE,
Manager.

VERNONIA, OREG., *June 2, 1954.*

Senator WAYNE MORSE,
United States Senate:

We respectfully urge your undivided support to the $35 million REA generation and transmission loan.

WEST OREGON ELECTRIC CO-OP,
GUY I. THOMAS,
Manager.

EUGENE, OREG., *June 2, 1954.*

WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Know we can depend on you to support $35 million generation and transmission amendment to REA loan fund bill up for Senate vote tomorrow. Appreciate, too, your partnership attitude. Many thanks.

THE LANE COUNTY ELECTRIC COOPERATIVE,
GLEN R. SAWYER, *Manager.*

WASHINGTON, D. C., *June 2, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Strongly urge your vote and utmost efforts today to pass Douglas-Gillette-Humphrey amendment adding $35 million to REA loan authorization. Even this is far from adequate for realistically meeting cooperatives' power supply requirements in view of recent curtailments in Federal power programs.

JAMES G. PATTON,
President, National Farmers Union.

WASHINGTON, D. C., *June 1, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

This is an appeal to you to support more REA loan funds in the agriculture appropriations bill than is recommended by the committee. As testified to by NRECA witnesses, unless a larger item is approved, the opportunity of rural electric systems to form generation and transmission cooperatives to generate their own power will virtually cease to exist and power company wholesale rates to the rural electrics will go up as a result, we believe. Please note particularly the testimony of Floyd Jones, Clay Cochran, and Lewis Amend in the printed hearings. NRECA made careful survey of all systems and determined that $249 million in new funds is necessary to carry the rural electrification program forward through the next fiscal year. Any authorization not needed would, of course, not be used. We would appreciate your support.

CLYDE T. ELLIS,
Executive Manager, National Rural Electric Cooperative Association.

Mr. MORSE. Mr. President, this is such a very important issue in the States in which there is need for more money for loaning purposes outside the formula, that I hope I may have the cooperation of the Senate in obtaining a yea-and-nay vote on this amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays are demanded. Is there a sufficient second?

The yeas and nays were not ordered.

Mr. MORSE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	Maybank
Anderson	Gore	McCarthy
Barrett	Green	McClellan
Beall	Hayden	Millikin
Bennett	Hendrickson	Monroney
Bowring	Hennings	Morse
Bricker	Hickenlooper	Mundt
Bridges	Hill	Murray
Burke	Holland	Neely
Bush	Humphrey	Pastore
Butler, Md.	Hunt	Payne
Butler, Nebr.	Ives	Potter
Byrd	Jackson	Purtell
Carlson	Jenner	Robertson
Case	Johnson, Colo.	Russell
Chavez	Johnson, Tex.	Saltonstall
Clements	Johnston, S. C.	Schoeppel
Cooper	Kefauver	Smith, Maine
Daniel	Kennedy	Smith, N. J.
Dirksen	Kilgore	Sparkman
Douglas	Knowland	Stennis
Duff	Langer	Symington
Dworshak	Lehman	Watkins
Eastland	Lennon	Welker
Ellender	Long	Wiley
Ferguson	Malone	Williams
Frear	Mansfield	Young
Fulbright	Martin	

The PRESIDING OFFICER. A quorum is present.

Mr. MORSE. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. YOUNG. Mr. President, reluctantly, I shall have to oppose the amendment offered by my good friend from Oregon. I think the bill now provides about all the money the REA can use for about 2 years. The bill as reported provided $192 million, which included lending authority, carryover, and rescission. By the amendment offered by the Senator from Illinois, which has been agreed to, the REA was granted another $35 million, which now gives it $227 million in lending authority.

The National Rural Electric Cooperative Association asked only for $45 million for the contingency fund, and there is $35 million in that fund now.

I think the National Rural Electric Cooperative Association should be very happy to get all the money which has been made available. Certainly, in the testimony of its representatives, much more emphasis was placed on the basic lending authority than on the contingency fund.

Mr. President, I hope the amendment will not be agreed to.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oregon [Mr. MORSE]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate. The Senator from Oregon [Mr. CORDON] is absent on official business. The Senator from Indiana [Mr. CAPEHART], the Senator from Vermont [Mr. FLANDERS], the Senator from California [Mr. KUCHEL], and the Senator from New Hampshire [Mr. UPTON] are necessarily absent.

If present and voting the Senator from New Hampshire [Mr. UPTON] would vote nay and the Senator from Oregon [Mr. CORDON] would vote yea.

Mr. CLEMENTS. I announce that the Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Oklahoma [Mr. KERR], the Senator from Washington [Mr. MAGNUSON], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Nevada [Mr. MCCARRAN] is absent by leave of the Senate.

The result was announced—yeas 22, nays 61, as follows:

YEAS—22

Case	Johnston, S. C.	Morse
Douglas	Kefauver	Murray
Gore	Kilgore	Neely
Green	Langer	Sparkman
Hennings	Lehman	Symington
Hill	Long	Wiley
Humphrey	Mansfield	
Jackson	Monroney	

NAYS—61

Aiken	Eastland	McCarthy
Anderson	Ellender	McClellan
Barrett	Ferguson	Millikin
Beall	Frear	Mundt
Bennett	Fulbright	Pastore
Bowring	Goldwater	Payne
Bricker	Hayden	Potter
Bridges	Hendrickson	Purtell
Burke	Hickenlooper	Robertson
Bush	Holland	Russell
Butler, Md.	Hunt	Saltonstall
Butler, Nebr.	Ives	Schoeppel
Byrd	Jenner	Smith, Maine
Carlson	Johnson, Colo.	Smith, N. J.
Chavez	Johnson, Tex.	Stennis
Clements	Kennedy	Watkins
Cooper	Knowland	Welker
Daniel	Lennon	Williams
Dirksen	Malone	Young
Duff	Martin	
Dworshak	Maybank	

NOT VOTING—12

Capehart	Gillette	McCarran
Cordon	Kerr	Smathers
Flanders	Kuchel	Thye
George	Magnuson	Upton

So, Mr. MORSE's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MONRONEY. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 19, in line 13, it is proposed to strike out "$5,000,000" and to insert in lieu thereof "$7,000,000."

Mr. MONRONEY. Mr. President, this amendment is a very simple one. It seeks to increase by $2 million the appropriation for watershed protection. We seek to have the appropriation for this item made $7 million, instead of the appropriation of $5 million now carried in the bill.

Mr. President, the purpose of the amendment is to carry out at an accelerated pace the 62 upstream-flood-control projects which Congress started last year. This item is a very important one in the budget. In fact, the President of the United States in his inaugural address and in his message to the Congress has stressed the importance of upstream flood control, which no longer is an experiment, for over a period of more than 14 years we have been building these structures in the small tributaries to the main-artery rivers. Unfortunately, because of the meager appropriations Congress has made, none of these are more than a fraction completed.

In the watersheds in the creek areas which have been so treated the upstream-flood-control methods have already proved a tremendous success. In my own State there occur cloudbursts exceeding 10 inches of rainfall in a few hours. In the creek watersheds which have been successfully treated by upstream flood-control methods, soil conservation, check dams, gully plugs, and the other technical engineering which goes into upstream flood control, we have eliminated floods from those tremendous cloudbursts.

Members of the Senate know that more than 50 percent of the flood damage occurs in the agricultural area. It is not merely floods at intervals of 25 years or 50 years that damage farmlands and wash away hundreds of millions of dollars' worth of crops. Floods are an annual occurrence on the small tributaries of our great rivers.

Every cent of the upstream-flood-control money is spent not only to further soil conservation, which is largely the core of upstream flood control, but to gear into the soil-conservation program terracing, grass outlets, contour plowing, and other land treatment. By gearing that program into a series of small reservoirs and check dams, we are able to prevent the rise of the tributaries of the great streams of the country, and thereby reduce the necessity for the major main-stem dams which are built solely to control floods.

Last week in the civil functions bill the Senate approved without question appropriations of more than $319 million for the Army engineers. Most of that money is spent on major flood control projects, the main-stem dams on our rivers. The total which is provided in this bill for upstream flood control is approximately $12,500,000. Of this amount, approximately $7½ million goes to the 11 watershed flood prevention projects which have been authorized since 1940. The increase of $2 million which I am asking in the appropriation bill by my amendment would apply to the 62 new projects which were authorized by the Congress last year, and on which work has only begun. If we are to accelerate this program and get it into gear, for the protection of cities and towns, and particularly rural areas, which are flooded year after year by devastating floods from small creek overflow, we must not starve the program. We must put some money into this work so as to furnish a basis for hope that we are going into the program with the funds which it deserves if we are to get the job done.

It seems to me that every dollar spent on this type of flood control will eliminate the need for an expenditure of approximately $10 on flood control downstream. When it is considered that the farmer's share, or the upstream flood control share, for which we are asking an appropriation, is only $1 out of every $90 spent for major structures, I think it is small indeed.

There was appropriated last year for the 62 projects to which I have referred, $5 million. This year, $5 million was appropriated. That makes a total of $10 million which the Congress has put up for the projects now under way. If we do not raise the amount, we shall be providing, for 62 projects, only $161,000 for each project, for a 2-year span of work.

I am sure that every Member of this august body will recognize that precious little construction work can be seriously undertaken if we reduce appropriations for upstream flood control to an average of $161,000 for each project.

This part of the flood-control program has been repeatedly stressed by the administration. It has been endorsed by the Secretary of Agriculture. It was approved by both Houses of Congress last year, when this undertaking was started. It seems to me that in view of those facts, we should add the $2 million now, so that the job may be started in a decent and satisfactory manner. If we do not do it this year, we shall further delay the time when we can see this useful and valuable conservation method, which has so long been advocated by the friends of the soil, placed in operation. It will be delayed for many more years to come.

I earnestly hope that the distinguished chairman of the subcommittee, who has been very friendly to this type of program, will see fit to take my amendment to conference. I believe the House will accede to this slight increase.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. MONRONEY].

Mr. YOUNG. Mr. President, this is one of the finest programs in America, as my distinguished friend from Oklahoma has just stated. Soil conservation district supervisors work without pay. They do a great amount of work the year around. I do not know of any group in America who are more earnestly dedicated to an important job, namely, that of preserving our soil and water for future generations.

However, this program is just getting under way in the pilot plants. I realize that some additional money is necessary. In fact, the subcommittee had increased the amount $500,000, but as a result of certain adjustments that increase was stricken from the bill in the full committee.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. JOHNSON of Texas. Does the Senator know of anything more basic or important to the Nation than the preservation of our soil and water? That is exactly what this program is accomplishing, is it not?

Mr. YOUNG. That is correct.

I should like to ask the Senator from Oklahoma if he will not reduce somewhat the amount of money sought by his amendment, so that it may be taken to conference without the necessity of a record vote.

Mr. MONRONEY. I am willing to reduce it to $1 million. I do not think it would be useful to put less than that amount in the bill, because there are involved 62 projects. It seems to me that if we put less than $1 million in the bill, we might as well not even consider the $500,000. It is necessary that this program get under way. The President has made it a distinct part of his program.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. YOUNG. I am glad to yield.

Mr. KNOWLAND. I hope we have not reached the point where anything less than $1 million is considered to be merely small change. I think $500,000, which the distinguished chairman of the subcommittee has indicated he might be prepared to accept, is still a considerable amount of money.

Mr. MONRONEY. I do not disagree with the Senator, but I have seen compromises involving tens of millions of dollars in connection with major downstream dams. We are not talking about one project. We are talking about funds for 62 projects. They are projects which were instituted by the Republican administration last year. The items came over from the House, and the program was started. Let us not try to kid the farmers of America by saying that we are going to undertake upstream flood control and then not furnish the funds with which to put the program into operation. The people who are affected wish to see the work done in their lifetime.

I agree with the Senator from California that $500,000 or $1 million is a considerable sum of money. However, if we divide $1 million among 62 projects, the program, which I think is so vital to the success of an effort designed to prevent the pyramiding cost of annual flood damage which occurs on many of the small tributary streams, will not be accelerated.

Mr. KNOWLAND. I had hoped to avoid the necessity for several more yea-and-nay votes. I had hoped that the Senator would be willing to modify his amendment so as to provide for an appropriation of $500,000. I suggest that if the item were to go to conference with the enthusiastic approval of the committee, it might fare much better in conference than if a larger figure were placed in the bill, with no enthusiasm on the part of the conferees.

Mr. MONRONEY. I am fully appreciative of the difficulties in conference, but I think I had better stand fast and attempt to obtain a record vote on the request for $2 million, rather than limit it to $500,000, because the effect of an expenditure of $500,000 divided among 62 pilot projects, would not be discernible. We cannot spread $500,000 over 62 projects and give any effective indication that the Congress is in earnest when it says it believes in upstream flood control.

Mr. YOUNG. I should like to say to my friend from Oklahoma that yesterday by an amendment the Senate added a million and a half dollars for research. That is a program which many of us favor, but we reluctantly voted against the amendment.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. BRIDGES. I should like to explain to the Senator from Oklahoma, who is a very able and intelligent appraiser of legislation, that this is a pilot-plant operation. It was not contained in the budget last year. It was put in by Congress and started by Congress. When we did that, we agreed to limit it purely to a pilot operation, with the thought in mind that if it proved to be a success and it was desired to expand, specific legislation would be enacted for that purpose.

That is the situation today. There is now pending in Congress, according to the testimony, legislation which would authorize the introduction of a general program along that line. The attitude of the committee was that we were proceeding with a pilot operation and that we did not want to get the program off the track, so to speak, as a pilot operation.

The Senator from New Hampshire and the Senator from North Dakota, as chairman, respectively, of the Committee on Appropriations and of the Subcommittee on Agricultural Appropriations, are in a difficult situation.

First of all, I believe in backing up the committee. I am sorry that some of the members of the committee have not gone along on the matter. While I do not say that the committee is next to God, as the Senator from Oregon [Mr. MORSE] suggested, I believe the members of the committee are able men, that they work very hard, and that they intelligently approach the problems before the committee.

So far as I am concerned, and so far as my understanding of the committee's attitude is concerned, this is a pilot operation. We do not want it to expand over all the country at this time. Such an expansion is a matter for organized effort, with respect to which legislation will have to be passed. It must be remembered that this is a pilot operation.

Mr. YOUNG. Mr. President, so far as I, as the chairman of the subcommittee am concerned, I would be willing to take to conference an amendment increasing the amount by $1,000,000.

Mr. MONRONEY. I thank the Senator. I shall modify my amendment accordingly. Mr. President, in accordance with the suggestion of the distinguished chairman of the Subcommittee on Agricultural Appropriations, I modify my amendment to read "$6,000,000" instead of "$7,000,000."

The PRESIDING OFFICER. The Senator from Oklahoma modifies his amendment accordingly. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. MONRONEY], as modified.

The amendment as modified was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. EASTLAND. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 27, line 5, after the numerals "1946", it is proposed to insert a colon and the following proviso:

Provided, That the Secretary shall establish two additional cotton classing offices in the southern half of Mississippi, one to be located at Prentiss, in Jefferson Davis County, and one to be located at Hattiesburg in Forrest County: *Provided further*, That the Secretary shall establish an additional cotton classing office at Batesville, Panola County, in the northern half of Mississippi.

Mr. EASTLAND. Mr. President, I ask the distinguished chairman of the Committee on Appropriations to take the amendment to conference. It merely provides for three additional classing offices for the classing of cotton for Government loans. There is not a classing office within miles of the proposed locations.

Mr. YOUNG. Is any additional appropriation involved?

Mr. EASTLAND. No additional appropriation is involved.

Mr. YOUNG. Does the Senator from Mississippi believe the establishment of such offices is absolutely necessary?

Mr. EASTLAND. I know that to be the fact.

Mr. YOUNG. I see no objection to taking the amendment to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Mississippi [Mr. EASTLAND].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. YOUNG. Mr. President, I ask unanimous consent that the order for the engrossment of the amendments and the third reading of the bill may be rescinded, so that the Senator from Idaho [Mr. WELKER] may offer an amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota? Without objection, it is so ordered.

Mr. WELKER. Mr. President, I send the amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 12, line 21, it is proposed to strike out "$2,430,000" and insert in lieu thereof "$2,490,000"; and on page 13, line 8, to strike out "$5,015,000" and insert in lieu thereof "$5,075,000."

Mr. WELKER. Mr. President, the amendment involves the sum of $60,000. In checking the agricultural appropriations for 1955, particularly the item under forest tests, I discovered that an item of $60,000 had not been included. The $60,000 was previously appropriated to provide technical supervision and leadership for the white-pine blister-rust-control program, which is conducted on State and private lands. By the recent reorganization of the Department of Agriculture, the Bureau of Entomology, which originally handled white-pine blister-rust control, has been integrated with the United States Forest Service. Through this integration the item of technical supervision and leadership has been overlooked for cooperative work on State and private lands. There are 12 professionally trained individuals who are now on the payroll and who will have to be dropped as of July 1 if these funds are not made available, and the control program itself would suffer through the lack of leadership and proper guidance.

It is my understanding that at the present time the State and private agencies are providing some $75,000 a year for blister-rust-control work. I do not believe it to be in the interest of all concerned to lose these 12 well-trained employees at this time and leave the cooperative white-pine blister-rust-control program without the proper leadership.

I ask the distinguished chairman of the committee to take the amendment to conference. The amount was included in the bill in past years, and everyone who lives in a State where white pine grows knows the merits of having proper leadership so that the pests which are destroying the white-pine timber stands throughout the land may be exterminated.

Mr. YOUNG. Mr. President, I may say to the Senator from Idaho that the control of the white pine blister rust has been consolidated in the bill with the forest pest control work, resulting in a reduction of $271,354 in the appropriation for 1954. The $60,000 was evidently omitted as a result of such consolidation. Therefore, I believe the Senator from Idaho is correct in saying that there will be a reduction of $60,000 in this control work.

Under the estimates of the Bureau of the Budget a great amount of this control work was eliminated. The House Committee on Appropriations reinstated

much of the work, more was reinstated on the floor of the House, and the Senate Committee on Appropriations reinstated practically all the appropriations for the control of pests and plant diseases. This is the only remaining item.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. WELKER. Based upon the Senator's long experience in the handling of this type of legislation, and realizing that some persons might object, does not the Senator feel that we would be penny-wise and dollar foolish if we dropped these 12 men who must direct and who have the skill to direct this program which will save the white pine timber of the Nation?

Mr. YOUNG. I am not much of a forester, but, after listening to the testimony before the committee, it seems to me that this work is very important for the preservation of the forests of Idaho and other forests in that general area.

Mr. WELKER. I hope the Senator can see fit to take the amendment to conference.

Mr. BRIDGES. Mr. President, the committee gave very careful consideration to these various items. It readjusted, as the Senator from North Dakota has said, the general items for this purpose. It so happened that perhaps more emphasis was placed on other pests and plant diseases than on the white-pine blister rust. The committee received countrywide pressure with reference to these provisions. Certainly, it is not in any way the intention of the committee to lessen the effectiveness of the work to eradicate white-pine blister rust. The forests are one of the last great natural resources we have which, by proper attention, will increase as an asset as the years go by.

As chairman of the full committee, I should be glad to take the amendment to conference.

Mr. WELKER. Mr. President, will the Senator from New Hampshire yield before the Senator from Oregon [Mr. MORSE] leaves the floor?

Mr. BRIDGES. I yield.

Mr. MORSE. Mr. President, I thought it was all settled.

Mr. WELKER. I am certain that the junior Senator from Oregon, the senior Senator from Oregon, and the chairman of the Committee on Agriculture and Forestry are aware of the danger which faces our white-pine timber stands, and I believe they will agree with me that the $60,000 should be restored to the bill.

Mr. MORSE. Mr. President, when I heard the chairman of the Appropriations Committee say he would take the amendment to conference, I knew the battle had been won, and I was not going to waste any ammunition.

Mr. YOUNG. Mr. President, I am perfectly willing to take the amendment to conference with the understanding that if we can make some adjustments without increasing the amount I shall be glad to do so.

Mr. WELKER. I thank the Senator very much.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Idaho [Mr. WELKER].

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1955, and for other purposes."

Mr. YOUNG. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. YOUNG, Mr. FERGUSON, Mr. MCCARTHY, Mr. MUNDT, Mr. AIKEN, Mr. RUSSELL, Mr. HAYDEN, and Mr. MCCARRAN conferees on the part of the Senate.

AMENDMENT OF RAILROAD RETIREMENT ACT OF 1937, AS AMENDED

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1486, Senate bill 2178.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 2178) to amend the Railroad Retirement Act of 1937, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with an amendment.

EMERGENCY SHIP-REPAIR LEGISLATION

Mr. BUTLER of Maryland. Mr. President, in a statement made on the floor on May 11, I called attention to the depressed condition of many of the Nation's shipyards. Pending ship-construction legislation, I pointed out, would not result in new construction contracts this year in time to prevent many of the yards from closing down, with resultant disposal of their skilled design and technical workers.

An emergency program was urgent, I declared, otherwise the end of the year would find the vital mobilization potential of the shipbuilding industry far below Defense requirements, almost nonexistent, in fact.

I suggested, therefore, the desirability of taking a number of strategic merchant vessels from the laid-up national defense Reserve fleet—vessels that would surely be needed at the first impact of war or emergency, and placing them promptly in the key shipyards for whatever work might be needed to put them in readiness for immediate use.

In line with this suggestion, the Water Transportation Subcommittee held two public hearings, on May 19 and May 26, to develop factual data on which to base necessary legislation. At the first of these hearings, the president of the Shipbuilders Council of America, officials of seven leading ship construction and ship repair yards, and representatives of maritime labor were unanimous in predicting that, in the absence of new work in the months immediately ahead, the major portion of the country's shipyards would be closed, or employment down to such low levels as to render the country highly vulnerable in case of sudden emergency.

Need for the type of program such as had been proposed was supported by the testimony of Government departments, represented by the Maritime Administration, Louis L. Rothschild, and Rear Adm. B. E. Manseau, Acting Chief of the Navy's Bureau of Ships.

Mr. Rothschild told the subcommittee that a joint maritime-Navy review of the latest mobilization requirements for vessels in the reserve fleet indicate there are 205 ships which "any reserve fleet repair program must include as a minimum." In the event of full mobilization, he said, the need for these vessels would be "immediate and urgent." If any program is undertaken, the Maritime Administration emphasized, "we would propose to give this particular group of ships a very high priority."

The estimated cost of the repair and conversion work on these 205 ships, including the breaking out and towing, was put at $45 million by Mr. Rothschild. This work would provide, he estimated, from 4,200- to 5,000-man years of employment to ship production workers. Of the 205 ships, 92 presently are in the reserve fleet on the east coast, 32 on the gulf coast, and 81 on the west coast.

Admiral Manseau, who was pinch-hitting for Rear Adm. Wilson D. Leggett, Jr., Chief of the Bureau of Ships, declared:

> The proposed emergency program would benefit the distressed shipbuilding and ship repair industry and, at the same time would augment the strength-in-being of our reserve merchant fleet.

Previously, Admiral Leggett had warned our subcommittee at public hearings, that the shipbuilding industry is not prepared today to meet the sudden challenge of a full-scale emergency. No new orders for oceangoing ships were placed in 1953. It would appear that the shipbuilding potential of our country must be supported by some interim, emergency measure such as an emergency construction program.

> It is not my responsibility—

The admiral continued—

> to recommend what such a program should be. For the provision of minimum workload in the shipyards, however, the program should start at the earliest possible time and consist of at least 20 ships annually.

So the admiral and our subcommittee are thinking along the same lines.

Accordingly, Mr. President, I am introducing today for myself and the senior Senator from Massachusetts [Mr. SALTONSTALL], the junior Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. CORDON], the Senator from Maine [Mr. PAYNE], the Senator from Michigan [Mr. POTTER], the senior Senator from New Jersey [Mr. SMITH], the junior Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Louisiana [Mr. LONG], a bill whose purpose is to provide an immediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense.

The necessary hearings having been held, it is our hope that the bill can be cleared with the Government departments with the utmost dispatch.

The Director of the Bureau of the Budget, in a letter to me under date of May 27, 1954, has already advised me that the President has authorized him to state that the executive department will cooperate fully in developing constructive solutions to shipbuilding problems, and a possible program for repairs of reserve fleet ships.

The situation is critical, and time is of the essence. I earnestly solicit the support of all Senators when the bill is brought to the floor.

There being no objection, the bill (S. 3546) to provide an immediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense, introduced by Mr. BUTLER of Maryland (for himself, Mr. CORDON, Mr. PAYNE, Mr. POTTER, Mr. LONG, Mr. SMITH of New Jersey, Mr. HENDRICKSON, Mr. KENNEDY, and Mr. SALTONSTALL), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

REIMBURSEMENT OF EXPENSES OF VAL R. LORWIN IN HIS DEFENSE AGAINST FALSE CHARGES OF COMMUNIST ACTIVITIES

Mr. KEFAUVER. Mr. President, for myself and on behalf of the senior Senator from Missouri [Mr. HENNINGS], I had intended to introduce a bill to reimburse Mr. Val R. Lorwin for the expenses he incurred in defending himself against false accusations.

Last week Mr. Warren Olney, Assistant Attorney General in charge of the Criminal Division of the Department of Justice, asked that the case against Mr. Lorwin be dismissed, admitting that the Department had no case against him. Mr. Olney, in his appearance before District Judge Edward M. Curran, also admitted that the indictment of Lorwin had been based on false statements.

Mr. Olney said that there was "never any basis for the statement" by a trial attorney for the Justice Department before the grand jury that two FBI informants existed to identify Lorwin as a Communist.

I want to compliment Mr. Olney on his effort at fair play.

Mr. President, the bill that I intended to introduce would have covered only Mr. Lorwin's actual expenses in his long fight to clear his name of the charges which the Justice Department now admits are false and unfounded. We cannot, of course, reimburse him or his wife for the years of worry that they have endured. That was their contribution toward the good fight which we all must wage against the un-American influences prevalent in our society which thrive upon false accusations and false accusers.

Mr. President, the Government was party to Mr. Lorwin's persecution. Therefore, it is only fair and just that we do what we can to recompense him.

We all owe a debt of gratitude toward him. He might have quietly resigned, and have been spared the humiliation, the expense, and the troubled years.

But he did not. He fought—as those who believe in liberty and justice should fight.

I hope that his action will be an inspiration to others in the same boat. I had hoped that by the passage of a bill reimbursing him, we of the Senate would show that we still believe in the traditions of justice which abhor false accusers and false accusations.

Mr. President, I am not introducing the bill and I wish to explain why.

I had my office call Mr. Lorwin's attorney to determine the proper amount of expenses. A little later Mr. Lorwin called and talked to my assistant. I have never heard of a more honest man.

He said that he wondered about the advisability of such a bill for two reasons. In the first place, he said, he would not want anyone to be under the impression that the monetary loss was the important thing. In the second place, he said that he had been aided by contributions, many of them from persons whom he did not know. He said that if he were repaid, he would want to try to find the contributors and return their contributions. He indicated that might not be possible.

He spoke of possibly working out some kind of fundamental reform, by which all persons accused and cleared by loyalty boards hereafter would be reimbursed for their expenses. But he indicated that he, as an individual, would not want better treatment than the many others who have been similarly accused and cleared.

I am abiding by his wishes. I think that this man has shown us we ought to undertake our responsibilities as Senators. We ought to work out that fundamental reform. We ought to have some way of assessing the costs against the anonymous false informers. That we do not seem to have. In its absence, I am working on a bill to effect the fundamental reform, to treat the defense of Government employees against false accusations as an expense incident to Government. I shall introduce it when it has been completed. I hope the proper committees will consider it favorably.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. KEFAUVER. I very happily yield to the distinguished chairman of the Committee on the Judiciary.

Mr. LANGER. I assume the Senator is familiar with the fact that the Senator from Missouri [Mr. HENNINGS] has asked for a complete investigation of the Lorwin case.

Mr. KEFAUVER. Yes, I am familiar with that fact. I think the Senator from Missouri has performed a commendable public service in asking that the Lorwin case and other cases of that kind be investigated by the Senate Committee on the Judiciary.

Mr. LANGER. Do I gather correctly from the reply of the distinguished Senator from Tennessee that he believes such an investigation should be made?

Mr. KEFAUVER. I certainly do; and as a member of the Committee on the Judiciary, I shall join in asking that such an investigation be made.

Mr. LANGER. In view of what the Senator from Tennessee has just said, does he believe that other cases should be included in the investigation, or should the investigation deal only with the Lorwin case specifically?

Mr. KEFAUVER. I think that other cases, of which the Lorwin case is typical, should be included. I believe that is the import of the statement by the Senator from Missouri in connection with the matter. I hope that his resolution may be given early consideration by the chairman of the Committee on the Judiciary, the distinguished Senator from North Dakota [Mr. LANGER], who has always been in the front ranks of those who have tried to protect the interests, the character, and the reputation of little people.

Mr. LANGER. I thank the Senator from Tennessee.

JUVENILE DELINQUENCY IN ALBUQUERQUE, N. MEX.

Mr. ANDERSON. Mr. President, there appeared recently in one of our national magazines an article dealing with juvenile delinquency and accusing the citizens of Albuquerque, N. Mex., of civic delinquency in the way they handle their juvenile problems.

I have received from Judge Edwin L. Swope, one of the three district judges sitting in the Second Judicial District, a letter which gives a very clear picture of the situation at Albuquerque and, in my opinion, of great interest to those people who are concerned with the problem of juvenile delinquency.

Judge Swope has had a splendid career on the bench in the courts of the Second Judicial District. He has had strong endorsement from the civic-minded groups and his letter reveals his complete familiarity with our problem. I ask unanimous consent that his leter be printed in full at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF NEW MEXICO,
SECOND JUDICIAL DISTRICT COURT,
DIVISION 3,
Albuquerque, May 29, 1954.

Hon. CLINTON P. ANDERSON,
United States Senator,
Washington, D. C.

DEAR SENATOR ANDERSON: An article appearing in a recent issue of a nationwide publication accuses the citizens of Albuquerque, N. Mex., along with those of a number of other cities throughout the country, of civic delinquency in connection with han-

dling juvenile problems. No doubt this article will serve a good purpose if it brings about changes in some localities in their methods of dealing with the juvenile problem. But, to one who knows the facts concerning the situation in Albuquerque, the accusation is very unfair. As you know, Albuquerque is one of the, if not the, fastest growing cities in the United States. During the past 10 years it has grown from a town of 35,000 people to a city of over 150,000. At the present time, the population is increasing every month. This rapid and steady increase in our population has resulted in our authorities being confronted with a series of new and different problems every month. One of these problems has been a normal increase in juvenile delinquency which has resulted from the increase in population. This increase has made it necessary, in order to take care of the problem, that we change our facilities and methods of dealing with it from those of a town to those of a city in a short period of time.

In 1949, 1,279 juveniles were arrested in Albuquerque for various offenses; in 1950, 1,443 were arrested; in 1951 there were 2,124 arrests; in 1952, 2,177 were arrested; and in 1953 there were 1,817. You will note that in 1951 there was an alarming increase of 681 juvenile arrests, but that in 1952 we had an increase of only 53 cases and in 1953 there was a decrease of 360 cases. This is very significant because there was a substantial increase in the population of Albuquerque both in 1952 and 1953. And, in spite of the 1953 increase, Albuquerque was one of the few cities in the country showing a decrease in delinquency in 1953. In most places, delinquency hit a new high that year.

The healthy situation which exists in Albuquerque has resulted from the close cooperation of our law-enforcement agencies, school authorities, civic and welfare groups, our probation department, and the juvenile court.

Some of the things that have been done by these agencies in the past 3 years to combat the juvenile delinquency problem are as follows:

Some time ago it became evident to me, because of the steady increase in our population, that we needed a Boys' Club here. I pointed this out to various civic organizations and wrote to the regional director of the Boys' Clubs of America asking him to come to Albuquerque and help us organize one. A short time later he came to Albuquerque, met with various civic leaders, who thereafter enthusiastically devoted their time and energy to the project and, as a result, a building was rented, a supervisor employed, and we had a Boys' Club. The club was such a success that the rented building soon proved to be too small and a new building is now under construction, thanks to the generosity of the citizens of Albuquerque. Furthermore, the Boys' Club is now sponsored by the Albuquerque Community Chest, Inc.

The members of the Fraternal Order of Police also noted that there were a number of underprivileged youngsters in Albuquerque who were unable to attend a camp during the summer months. So they got busy and now, mainly as a result of the efforts of our police department and the donations made by many local people, including contractors, building material suppliers, labor unions, architects, etc., a camp that will accommodate hundreds of boys this summer will soon open. It has all the necessary facilities, such as, a dormitory, kitchen, dining room, large outside patio, swimming pool, basketball and baseball courts, picnic grounds, etc., all under the direction of a paid qualified director. And it should also be mentioned here that the local YMCA and YWCA sponsor summer camps in the mountains near here for both boys and girls and that hundreds attend these camps. This is only one of their many and varied programs. The Boy Scouts, Girl Scouts, Camp Fire Girls, and the 4–H Clubs also are doing an outstanding job here.

In checking the annual reports of our juvenile court, we found that about one-third of all the youngsters arrested were arrested for traffic violations, so a juvenile traffic school was organized under the supervision of the juvenile court, with the cooperation of the police and sheriff's departments, the city schools, the State traffic safety committee, the Federal Government, and the probation department of our juvenile court. The school is one of the finest in the country. All juvenile traffic violators are required to attend classes each Saturday for a period of 6 weeks and to pass an examination at the end of the course. When a youngster completes this course, he or she should be one of the finest drivers in the country.

The instructors are all experts donating their time, many devices, including motion pictures, brake-testing machines, an automobile, etc., have been donated to the school. The classes are held in one of the courtrooms and the school is so popular that many youngsters who are not required to do so attend it. In the future there should be a substantial reduction in juvenile traffic violations.

With the growth of Albuquerque and New Mexico we also found that we were in need of legislation making it possible to set up a modern statewide probation system for both juveniles and adults and also adequate juvenile detention homes. A study was made and proposed legislation drafted and with the cooperation of the Albuquerque Council of Social Agencies, the American Legion, the League of Women Voters, various other individuals, and our local representatives in the legislature the proposed legislation was enacted into law. We now have an excellent probation law in New Mexico and every county in the State is in a position to establish a juvenile detention home if it so desires.

And, speaking of juvenile detention homes, the only home in New Mexico is located in Albuquerque. The plant is a modern, up-to-date one, it is even air cooled. Because of the continued growth of Albuquerque, we may have to enlarge both the home and its functions. A committee of Albuquerque citizens has been appointed by the court to study this matter and make proper recommendations.

A year ago when the court called it to the attention of the city commission that we needed a modern midnight curfew law for juveniles, the law was enacted a few days later. This curfew law, which is being properly enforced by our law-enforcement officers, has the support of almost everyone here and has been an important factor in preventing delinquency.

Our schools in Albuquerque are among the finest in the country. As a matter of fact, a larger percentage of the tax money paid by the citizens of Albuquerque and New Mexico is spent by them on the schools than is spent for that purpose by the citizens of any other State in the Union. As a result, our school teachers are well paid and well qualified and our school buildings are among the best. The schools here also have an excellent summer recreation program and their close cooperation with the juvenile court has resulted in a substantial reduction in delinquency.

One of the ways to prevent delinquency is to obtain employment for older boys and girls who need it. With this in mind, I suggested that a youth-employment service be established here. The project was undertaken by a number of energetic Albuquerque men and women who succeeded in establishing a youth-employment service which is now sponsored by the Bernalillo County Community Council. It is doing a wonderful job.

The juvenile court here follows the procedure followed by the finest juvenile courts in the country. A study was made of the better courts before the procedure was established. Our court is primarily interested in ascertaining in each case what caused that child to get into trouble and in doing everything possible to remove that or those causes. All hearings are conducted in an informal manner in the judge's office, each case is investigated by our probation office prior to the hearing and a followup is provided after the hearing, if it is thought necessary. A sympathetic approach is followed and no boy or girl is sent to the reform schools unless such action is deemed necessary to protect the public. The emphasis is on rehabilitation and not on punishment. As juvenile court judge, I have heard approximately 4,000 cases during the past 5 years and not one of my decisions has been appealed to the supreme court. It is true that in New Mexico the juvenile court judge is also the district court judge and must perform the duties of both offices. This raises a question as to whether we now need a full-time juvenile court judge. In this connection, I have asked the Albuquerque Bar Association to make an investigation and make whatever recommendations are indicated.

One of our problems has been that the tax money has not kept up with the steady increase in population. There are many things that we have been unable to do because of lack of funds. However, as soon as the funds are made available, the needed steps are taken. For instance, because of lack of money, we have been unable to appoint as many probation officers as we need. However, those who have been appointed are well qualified and industrious and, as soon as more money is made available, more qualified officers will be appointed.

It is obvious from the above that the citizens and officials of Albuquerque are doing an excellent job. They are certainly not guilty of any civic delinquency in connection with the juvenile problem. Every possible step is being taken here to prevent juvenile delinquency and to rehabilitate juveniles who have become delinquents. The reason thousands of people are coming to Albuquerque and staying is because it is a good city in which to live, make your home, and raise your children. Albuquerque is a fine, progressive city in every way.

Very sincerely yours,

EDWIN L. SWOPE,
District Judge and Judge of the Juvenile Court.

GOVERNMENT ACTIVITIES CONDUCTED IN COMPETITION WITH PRIVATE ENTERPRISE—PROPOSED ANTI-GOVERNMENT COMPETITION BOARD

Mr. HENDRICKSON. Mr. President, on April 14 of this year, my colleague from New Jersey, Representative FRANK C. OSMERS, JR., introduced a bill aimed at correcting what to my mind is an important inequity.

I have been requested to offer a companion bill in the Senate, and Mr. President, in view of the importance of the issue involved, I do so most gladly.

I introduce for appropriate reference a bill to terminate or limit those activities of the Government which are conducted in competition with private enterprise, and to establish the Anti-Government Competition Board.

Section 2 of the bill, a declaration of policy, is briefly explanatory of the situation which now exists and which, in

my opinion, should and must be corrected before we go too far down the road to socialism.

I quote from section 2, as follows:

> The strength of this Nation rests on the free enterprise economic system.
>
> The framers of the Constitution of the United States never intended that this Government should compete with its people in the carrying on of business activity.
>
> This Government is now engaged in over 100 business-type activities in competition with its people, such as the operation of hotels, railroads, tugboats, and banks; the manufacture of paint, rope, chain, fertilizer, ice cream, rum, clothing, spectacles, and false teeth; coffee roasting; radio and telecommunications, and many others.
>
> Such Government competition tends to destroy initiative on the part of the people and to restrict the normal growth and expansion of private enterprise.
>
> It further deprives the people of opportunities for private employment and enterprise thereby reducing their ability to pay taxes without which the Government cannot exist.
>
> It is the declared policy of the Congress that the Government shall get out and stay out of business-type competition with its people wherever consistent with the national health and security.

Mr. President, the Senate Select Committee on Small Business, of which I am honored to be a member, has long had occasion to view with grave apprehension the unwarranted encroachment of many departments and agencies of Government into numerous fields of private enterprise.

The list of these bureaucratic enterprises is amazingly long, and it has been amazingly well hidden from public view, even though its demands upon the public funds have been enormous over the years and threaten to be vastly more so in the future.

The situation can be corrected only if we quickly call a halt, and return to taxpaying business the opportunity and the right to take over the billions of dollars of business which is now being exempted by unfair Government competition.

In a vast majority of cases no reasonable excuse exists for permitting Government business competition to continue.

Abraham Lincoln once said in his great wisdom:

> The legitimate object of Government is to do for the people what needs to be done, but which they cannot, by individual effort, do at all, or do so well, for themselves.

I can find scarcely a single item of Government's competitive-type businesses that cannot be done better, and at less expense, by taxpaying private enterprise and free labor.

For instance, the Navy makes rope at a plant in Boston, and has done so for well over a hundred years. But it cannot make enough to supply its needs; therefore, it buys the rest of its requirements in the open market.

It is well known that the rope on which someone pays Federal income taxes is fully the equal of the rope which the Navy makes at its tax-free, hundred-year-old ropewalk.

The Army makes spectacles at a shop in St. Louis, with subsidiary shops in Tokyo, Okinawa, Korea, Alaska, and other Pacific points.

Are there, it may be asked, no private opticians who could make eyeglasses for soldiers?

Indeed there are—and most of them are little businesses which would welcome the opportunity to take over this Army business and to pay income tax on the profits which might result.

I commend to your attention, Mr. President, a recent listing of activities included in the first increment of commercial and industrial facilities now being reviewed under Department of Defense Instruction 4100.16.

You may be astonished, Mr. President, as I have been, to learn that the Army has 41 laundries and dry-cleaning plants, the Navy has 36 and the Air Force has 18; that the Army has 52 bakeries, the Navy has 18 and the Air Force has 4; that the services have also such wholly extraneous enterprises as motion-picture studios, coffee-roasting plants, scrap-metal baling plants, clothing reclamation shops, and ice-cream factories whose avowed purpose, at least in part, is to sell ice cream to soldiers in their hours off duty—in direct competition, mind you, with the corner grocer or druggist who is trying to make a living.

There is no question in my mind, Mr. President, that a free labor force, working for free enterprise, bargaining freely and collectively with their employers, is in a better economic position and better able to benefit from the fruits of its labors than a competitive labor force working for an expanding bureaucratic government, which, in many instances, is prohibited from bargaining collectively.

I feel certain that when we reach final consideration of the question, we shall find employers and employees united in the effort to get the Federal Government out of all competitive-type business activities.

In a somewhat different category, Government has banks, lending agencies, and financial institutions of all kinds competing directly with taxpaying commercial and industrial banks.

The Senate Committee on Government Operations published a few months ago the Audit Reports of Government Corporations and Agencies, a startling disclosure of further bureaucratic invasion into the field of private business.

There are now, according to the committee, 78 Government corporations and agencies doing business; and not until 1945 were most of them required to keep a business-type budget or to have their accounts officially audited—a shocking situation, Mr. President.

We know from the testimony of witnesses who have appeared before the Select Committee on Small Business, some of the ridiculous aspects of the aluminum sweating plants that are operated by the Navy and the Air Force. We have published a report that tells the whole sad story.

But the inefficiency of Government in business is no better exemplified anywhere, I believe, than in the sale of a whole field of airplanes to a scrap processor who found enough gasoline in the tanks to recoup the whole amount of his purchase price.

Estimates of the sale value of the Government's commercial and financial enterprises to private owners vary from twenty-five to forty billion dollars or more—a very substantial sum, in any event, which might well be applied to the reduction of the national debt, with tremendous savings in interest and appropriations, the creation of magnificent sums of new tax revenue, and what may well be a more lasting benefit to our economy—the protection and preservation of thousands upon thousands of small businesses which today can barely exist in the face of the creeping socialism of a ruthless bureaucracy.

The bill which I am introducing proposes to establish a small Board to hear the complaints of businessmen who are being interfered with by Government competition; to recommend the disposal of unneeded Government plants and facilities; and to pass judgment upon the proposals of Federal departments and agencies to start new businesses under Government agencies, to be supported by the tax payments of small-business men with whom Government will immediately be in competition.

The Board will be composed of the Secretary of Commerce, the Comptroller General of the United States, and the Director of the Bureau of the Budget, or their duly designated deputies.

If this proposal is adopted by the Congress, I believe, Mr. President, that little or no further legislation will be required.

For the most part, Government has been put into business by the executive departments. It can be taken out of business by the self-same executive departments, without the intervention or direction of congressional action.

We have proof of that statement in the recent sale of the Mississippi Barge Lines by the Department of Commerce, and by the closing of certain sawmills, a clothing factory, scrap metal processing yards, and other facilities by the Department of Defense.

It is high time that Government got out of business. Once out, it will be our watchdog duty to see that competition of this subsidized variety is never permitted to come into being again.

The bill I introduce carries the sentence: "The strength of this Nation rests on the free enterprise economic system."

Government competition has no part in that system.

Mr. President, I send to the desk for appropriate reference the bill to which I have referred, and I now yield the floor.

There being no objection, the bill (S. 3547) to terminate or limit those activities of the Government which are conducted in competition with private enterprise, to establish the Anti-Government Competition Board, and for other purposes, introduced by Mr. HENDRICKSON, was received, read twice by its title, and referred to the Committee on Government Operations.

FINDINGS AND RECOMMENDATION OF PERSONNEL SECURITY BOARD IN THE CASE OF DR. J. ROBERT OPPENHEIMER

Mr. HICKENLOOPER. I am about to ask unanimous consent to have printed

in the RECORD as a part of my remarks the findings of the so-called Gray panel in connection with the security hearings on Dr. J. Robert Oppenheimer. I may say I am motivated to do so at this moment because of the fact that late yesterday evening Dr. Oppenheimer and his counsel saw fit to release to the press and to the public information and statements of their own on this matter.

In the main, the statements have been published in several newspapers, but I think, for the information of the Congress and of the public generally, they should be now included in the body of the RECORD.

Mr. President, I call attention to the fact that, under the security provisions and Executive regulations, a panel was selected, headed by Mr. Gray, to examine into the security situation and qualifications of Dr. J. Robert Oppenheimer. That panel has been meeting for a considerable period of time, and finally arrived at a conclusion and filed its findings with the Atomic Energy Commission on last Friday evening.

As has been noted, there were 3 prominent citizens on the panel, and by a vote of 2 to 1—they found that Dr. Oppenheimer should not be restored to a Q clearance classification for the receipt of restricted data.

I feel that unfortunately, in many of the reports regarding the hearing, as I read them in the press today, the full, rounded facts were not given any prominence. The most prominent headline stated that the loyalty of Dr. Oppenheimer was not questioned, and that seemed to be the major emphasis. The fact is that the hearing was a security hearing, and in a matter involving security, several other factors in addition to loyalty are to be taken into consideration.

I think a reading of the finding of the panel, as set forth by the board, will disclose that Dr. Oppenheimer had shown on occasions in the past that he was not reliable so far as his word was concerned. The board states frankly that, in his own words, he had been found guilty of furnishing to investigating agencies of the Government a "tissue of lies" in regard to certain matters; that he not only had had extensive association with Communists and with fellow travelers, but that he had belonged to Communist-front organizations in substantial number; that he had contributed substantial amounts of money from time to time to Communist groups and Communist activities; that his association with known Communists and with fellow travelers had continued down to as late as December of last year, and that he had not ceased such association.

Furthermore, in connection with the promotion and development of the hydrogen bomb project, while he was originally opposed to it, the panel in their decision stated that one of the important and vital things which motivated them was the fact that after the President of United States had determined, in 1950, that it would be the policy of the United States and of the Atomic Energy Commission to go forward vigorously with the development of the hydrogen bomb program, Dr. Oppenheimer in effect failed to lend vigorous support to that announced program of the Government, and failed to indicate to other scientists that he proposed to go ahead vigorously in support of that program.

Mr. President, I shall not discuss further this matter. I do not comment either one way or the other on the merits or the demerits of the decision of the panel. The matter is not finished. The recommendations of the panel eventually will go to the Atomic Energy Commission, which will decide the matter finally. I do not adversely criticize nor do I necessarily agree with the findings of the panel. I wish to remain completely neutral until the processes of the security inquiries have been gone through with, as prescribed by Executive order.

But, Mr. President, inasmuch as this matter was released unilaterally by Dr. Oppenheimer, on yesterday, with his own statement of views or with a statement of his attorney's views, I believe the public is entitled to have published in the CONGRESSIONAL RECORD the entire report, recommendations, and findings of the Gray panel, including the majority report by Mr. Gray and Mr. Thomas A. Morgan and the minority report of the third member, Mr. W. V. Evans, who disagreed. Therefore, Mr. President, I ask unanimous consent that the report, dated May 27, 1954, and including the report of the majority of the panel and the dissent by the minority member, may be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., May 27, 1954.

Subject: Findings and recommendations of the Personnel Security Board in the case of Dr. J. Robert Oppenheimer.

Mr. K. D. NICHOLS,
General Manager, United States Atomic Energy Commission,
Washington, D. C.

DEAR MR. NICHOLS: On December 23, 1953, Dr. J. Robert Oppenheimer was notified by letter that his security clearance had been suspended. He was furnished a list of items of derogatory information and was advised of his rights to a hearing under AEC procedures. On March 4, 1954, Dr. Oppenheimer requested that he be afforded a hearing. A hearing has been conducted by the Board appointed by you for this purpose, and we submit our findings and recommendation.

Dr. Ward V. Evans dissents from the recommendation of the majority of the Board, and his minority report is attached. He specifically subscribes to the "findings" of the majority of the Board, and to a portion of the material entitled "Significance of the Findings."

INTRODUCTION

It must be understood that in our world in which the survival of free institutions and of individual rights is at stake, every person must in his own way be a guardian of the national security. It also must be clear that, in the exercise of this stewardship, individuals and institutions must protect, preserve, and defend those human values for which we exist as a nation, as a government, and as a way of life.

The hard requirements of security, and the assertion of freedoms, together thrust upon us a dilemma not easily resolved. In the present international situation our security measures exist, in the ultimate analysis, to protect our free institutions and traditions against repressive totalitarianism and its inevitable denial of human values. Thoughtful Americans find themselves uneasy, however, about those policies which must be adopted and those actions which must be taken in the interests of national security, and which at the same time pose a threat to our ideals. This Board has been conscious of these conflicts, presenting as they do some of the grave problems of our times, and has sought to consider them in an atmosphere of decency and safety.

We share the hope that some day we may return to happier times when our free institutions are not threatened and a peaceful and just world order is not such a compelling principal preoccupation. Then security will cease to be a central issue; man's conduct as a citizen will be measured only in the terms of the requirements of our national society; there will be no undue restraints upon freedom of mind and action; and loyalty and security as concepts will cease to have restrictive implications.

This state of affairs seems not to be a matter of early hope. As we meet the present peril, and seek to overcome it, we must realize that at no time can the interests of the protection of all our people be less than paramount to all other considerations. Indeed, action which in some cases may seem to be a denial of the freedoms which our security barriers are erected to protect, may rather be a fulfillment of these freedoms. For, if in our zeal to protect our institutions against our measures to secure them, we lay them open to destruction, we will have lost them all, and will have gained only the empty satisfaction of a meaningless exercise.

We are acutely aware that in a very real sense this case puts the security system of the United States on trial, both as to procedures and as to substance. This notion has been strongly urged upon us by those who recommend clearance for Dr. J. Robert Oppenheimer, and no doubt a similar view is taken by those who feel he should not be cleared.

If we understand the two points of view, they may be stated as follows: There are those who apprehend that our program for security at this point in history consists of an uneasy mixture of fear, prejudice, and arbitrary judgments. They feel that reason and fairness and justice have abdicated and their places have been taken by hysteria and repression. They, thus, believe that security procedures are necessarily without probity and that national sanity and balance can be served only by a finding in favor of the individual concerned. On the other hand, there is a strong belief that in recent times our Government has been less than unyielding toward the problem of communism, and that loose and pliable attitudes regarding loyalty and security have prevailed to the danger of our society and its institutions. Thus, they feel that this proceeding presents the unrelinquishable opportunity for a demonstration against communism, almost regardless of the facts developed about the conduct and sympathies of Dr. Oppenheimer.

We find ourselves in agreement with much that underlies both points of view. We believe that the people of our country can be reassured by this proceeding that it is possible to conduct an investigation in calmness, in fairness, in disregard of public clamor and private pressures, and with dignity. We believe that it has been demonstrated that the Government can search its own soul and the soul of an individual whose relationship to his government is in question with full protection of the rights and interests of both. We believe that loyalty and security can be examined within the frameworks of the traditional and inviolable principles of American justice.

The Board approached its task in the spirit of inquiry, not that of a trial. The

Board worked long and arduously. It has heard 40 witnesses including Dr. J. Robert Oppenheimer and compiled over 3,000 pages of testimony in addition to having read the same amount of file material.

Dr. Oppenheimer has been represented by counsel, usually four in number, at all times in the course of the proceedings. He has confronted every witness appearing before the Board, with the privilege of cross-examination. He is familiar with the contents of every relevant document, which was made available to the Board, except those which under governmental necessity cannot be disclosed, such as reports of the Federal Bureau of Investigation. He has, in his own words, received patient and courteous consideration at the hands of the Board. The Board has, in the words of his chief counsel, displayed fairness in the conduct of the hearings. And, finally, perhaps it should be said that the investigation has been conducted under the auspices of the responsible agency which has the obligation of decision.

As it considered substance, the Board has allowed sympathetic consideration for the individual to go hand in hand with an understanding of the necessities for a clear, realistic, and rugged attitude toward subversion, possible subversion, or indeed broader implications of security.

It was with all these considerations in mind that we approached our task.

PROCEDURES GOVERNING THE HEARING

This proceeding is based upon the Atomic Energy Act of 1946; upon the Atomic Energy Commission's published Security Clearance Procedures, dated September 12, 1950; and Personnel Security Clearance Criteria for Determining Eligibility, dated November 17, 1950; and upon Executive Order No. 10450, dated April 27, 1953.

Subparagraphs (ii) and (iv) of section 10 (b) (5) (B) of the Atomic Energy Act provide that, except as authorized by the Commission in case of emergency, no individual shall be employed by the Commission until the Civil Service Commission or (in certain instances) the Federal Bureau of Investigation shall have made an investigation and report to the Commission on the character, associations, and loyalty of such individual.

The AEC published procedures provide, among other things, for written notice to the individual (1) listing the items of derogatory information and (2) explaining his rights (a) to reply in writing to the information set forth in the Commission's letter, (b) to request a hearing before a Personnel Security Board, (c) to challenge the appointment of the members of the Board for cause, (d) to be present for the duration of the hearing, (e) to be represented by counsel of his own choosing, and (f) to present evidence in his own behalf through witnesses, or by documents, or by both. The Commission's Procedures further provide that in the event of a a recommendation for a denial of security clearance, the individual shall be immediately notified of that fact and of his right to request a review of his case by the AEC Personnel Security Review Board, with the right to submit a brief to that Board before the case goes to the General Manager for final determination.

The AEC published criteria establish the uniform standards to be applied in determining eligibility for clearance. These criteria, which of course, are binding on this Board, provide that it is the responsibility of the Atomic Energy Commission to determine whether the common defense or security will be endangered by granting security clearance.

The Executive order requires the head of each department and agency of the Government to establish and maintain within the department or agency an effective program to insure that the employment and retention in employment of any civilian officer or employee within the department or agency is clearly consistent with the interests of the national security. The Executive order further provides that information on this issue shall relate, but shall not be limited, to certain categories of information set forth in the order.

FINDINGS

In compliance with section 4.16 (c) of the Commission's security clearance procedures, the Board makes the following specific findings as to the allegations contained in Mr. K. D. Nichols' letter of December 23, 1953, to Dr. J. Robert Oppenheimer:

"1. It was reported that in 1940 you were listed as a sponsor of the Friends of the Chinese People, an organization which was characterized in 1944 by the House Committee on Un-American Activities as a Communist-front organization."

The Board concludes that this allegation is true.

Dr. Oppenheimer in his answer replied that he had no recollection of the Friends of the Chinese People, or of what, if any, his connection with this organization was.

The Board had before it a 4-page pamphlet (undated) entitled "American Friends of the Chinese People." The fourth page contains a list of sponsors which includes Prof. J. R. Oppenheimer.

"2. It was further reported that in 1940 your name was included on a letterhead of the American Committee for Democracy and Intellectual Freedom as a member of its National Executive Committee. The American Committee for Democracy and Intellectual Freedom was characterized in 1942 by the House Committee on Un-American Activities as a Communist-front which defended Communist teachers, and in 1943 it was characterized as subversive and Un-American by a special subcommittee of the House Committee on Appropriations."

The Board concludes that this allegation is true.

Dr. Oppenheimer testified before the Board to having joined the American Committee for Democracy and Intellectual Freedom in 1937. He said that it then stood as a protest against what had happened to intellectuals and professionals in Germany. The Board had before it a letterhead of the American Committee for Democracy and Intellectual Freedom. The letterhead contains a printed list of the national executive committee, which includes Prof. J. R. Oppenheimer. Dr. Oppenheimer testified that he supposed he accepted membership on this executive committee although he did not meet with it.

Dr. Oppenheimer stated in his personnel security questionnaire, which he executed on April 28, 1942, for the purpose of obtaining a clearance for work on the atomic program, that he had joined the "American Committee for Democratic Intellectual Freedom" in 1937 and was still a member on the date the PSQ was executed. He testified that he did not know how long after that he continued to be a member; that, in any event, he was not active thereafter.

"3. It was further reported that in 1938 you were a member of the Western Council of the Consumers Union. The Consumers Union was cited in 1944 by the House Committee on Un-American Activities as a Communist front headed by the Communist Arthur Kallet."

The Board concludes that this allegation is true.

Dr. Oppenheimer in his answer stated that for perhaps a year he had been a member of the Western Council of the Consumers Union. In his personnel security questionnaire, which he executed on April 28, 1942, Dr. Oppenheimer stated that he had been a member of the Consumers Union (Western) in 1938–39.

The Board had before it a photostat of a four-page pamphlet (undated) entitled "Western Consumers Union," containing a list of Western sponsors, which included the name "Dr. Robert J. Oppenheimer, internationally known physicist at the University of California."

"4. It was further reported that you stated in 1943 that you were not a Communist, but had probably belonged to every Communist-front organization on the west coast and had signed many petitions in which Communists were interested."

The Board concludes that this statement was made by Dr. Oppenheimer, and the Board had before it considerable evidence indicating Dr. Oppenheimer's membership in, and association with, Communist-front organizations and activities on the west coast. However, Dr. Oppenheimer, in his answer, claimed that the quotation was not true and that if he had said anything along the lines quoted, it was a half-jocular overstatement.

The Board had before it a memorandum, dated September 14, 1943, prepared by Lt. Col. John Lansdale, Jr., who was then head of Security and Intelligence for the Manhattan District, which reported "Oppenheimer categorically stated (to General Groves) that he himself was not a Communist and never had been, but stated that he had probably belonged to every Communist-front organization on the west coast and signed many petitions concerning matters in which Communists were interested."

The Board also had before it a transcript of an interview between Colonel Lansdale and Dr. Oppenheimer on September 12, 1943, which reflected that Colonel Lansdale had asked Dr. Oppenheimer, "You've probably belonged to every front organization on the coast," to which Dr. Oppenheimer replied, "Just about." The transcript further records that Dr. Oppenheimer also stated that he thought he would have been considered at one time a fellow traveler and that "my association with these things was very brief and very intense."

Dr. Oppenheimer in his testimony defined fellow traveler as "someone who accepted part of the public program of the Communist Party, who was willing to work with and associate with Communists, but who was not a member of the party." He testified to having been a fellow traveler from late 1936 or early 1937, with his interest beginning to taper off after 1939, and with very little interest after 1942. He further stated that within the framework of his definition of a fellow traveler, he would not have considered himself as such after 1942.

He further stated that with respect to things that the Communists were doing, in which he still had an interest, it was not until 1946 that it was clear to him that he would not collaborate with Communists no matter how much he sympathized with what they pretended to represent.

"5. It was reported that in 1943 and previously you were intimately associated with Dr. Jean Tatlock, a member of the Communist Party in San Francisco, and that Dr. Tatlock was partially responsible for your association with Communist-front groups."

The Board concludes that this allegation is true.

Dr. Oppenheimer in his testimony before this Board admitted having associated with Jean Tatlock from 1936 until 1943. He stated that he saw her only rarely between 1939 and 1943, but admitted that the association was intimate. He admitted having seen Jean Tatlock under most intimate circumstances in June or July of 1943, during the time when he was Director of the Los Alamos Laboratory, and admitted that he knew she had been a Communist and that there was not any reason for him to believe that she was not at that time still a Communist. He named several Communists, Communist functionaries, or Communist

sympathizers whom he had met through Jean Tatlock, or as a result of his association with her.

"6. It was reported that your wife, Katherine Puening Oppenheimer, was formerly the wife of Joseph Dallet, a member of the Communist Party, who was killed in Spain in 1937 fighting for the Spanish Republican Army."

The Board concludes that this allegation is true.

Mrs. Oppenheimer testified that she was married to Joseph Dallet from 1934 until he was killed in Spain, fighting for the Spanish Republican Army in 1937.

Mrs. Oppenheimer admitted knowing that Dallet was a member of the Communist Party and was actively engaging in Communist Party activities.

"7. It was further reported that during the period of her association with Joseph Dallet, your wife became a member of the Communist Party. The Communist Party has been designated by the Attorney General as a subversive organization which seeks to alter the form of government of the United States by unconstitutional means, within the purview of Executive Order 9835 and Executive Order 10450."

The Board concludes that this allegation is true.

Mrs. Oppenheimer testified to having been a member of the Communist Party from about 1934 to June 1936 and having engaged in Communist Party activities in the Youngstown, Ohio, area.

"8. It was reported that your brother, Frank Friedman Oppenheimer, became a member of the Communist Party in 1936 and has served as a party organizer and as educational director of the professional section of the Communist Party in Los Angeles County."

The Board concludes that this allegation is true.

Dr. Frank Friedman Oppenheimer admitted in testimony before the Committee on Un-American Activities of the House of Representatives, on June 14, 1949, that he had been a member of the Communist Party from about 1937 until the early spring of 1941. He testified that he joined under the name of Frank Folsom.

From information before it, the Board concludes that Dr. Frank Oppenheimer had served as a party organizer and as educational director of the professional section of the Communist Party in Los Angeles County.

"9. It was further reported that your brother's wife, Jackie Oppenheimer, was a member of the Communist Party in 1938."

The Board concludes that this allegation is true.

Mrs. Jacquenette Oppenheimer, in testimony before the Committee on Un-American Activities, House of Representatives, on June 14, 1949, admitted having been a member of the Communist Party from 1937 until the spring of 1941.

"10. And that in August 1944 Jackie Oppenheimer assisted in the organization of the East Bay branch of the California Labor School."

On the basis of information before it, the Board concludes that this allegation is true.

"11. It was further reported that in 1945 Frank and Jackie Oppenheimer were invited to an informal reception at the Russian consulate, that this invitation was extended by the American-Russian Institute of San Francisco and was for the purpose of introducing famous American scientists to Russian scientists who were delegates to the United Nations Conference on International Organization being held at San Francisco at that time, and that Frank Oppenheimer accepted this invitation."

On the basis of information before it, the Board concludes that this allegation is true.

"12. It was further reported that Frank Oppenheimer agreed to give a 6-week course on The Social Implications of Modern Scientific Development at the California Labor School, beginning May 9, 1946. The American-Russian Institute of San Francisco and the California Labor School have been cited by the Attorney General as Communist organizations within the purview of Executive Order 9835 and Executive Order 10450."

On the basis of information before it, the Board concludes that this allegation is true.

"13. It was reported that you have associated with members and officials of the Communist Party, including Isaac Folkoff, Steve Nelson, Rudy Lambert, Kenneth May, Jack Manley, and Thomas Addis."

The Board concludes that this allegation is substantially true.

Dr. Oppenheimer in his answer and in his testimony admitted having associated with Isaac Folkoff, Steve Nelson, Rudy Lambert, Kenneth May, and Thomas Addis. He testified that he knew at the time of his association with them that Folkoff, Nelson, Lambert, and May were Communist Party functionaries, and that Addis was either a Communist or close to one. He admitted that his associations with these persons continued until 1942. There was no evidence before the Board with respect to an association with Jack Manley.

Dr. Oppenheimer testified that he made contributions to the Spanish War and Spanish relief through Isaac Folkoff and Thomas Addis. He testified that he had seen Lambert on half a dozen occasions, and that he discussed such contributions once or twice at luncheon with Lambert and Folkoff.

Dr. Oppenheimer testified that Steve Nelson and his family visited his home on several occasions, the last being probably in 1942; that such visits lasted a few hours; that he had met Steve Nelson through his (Oppenheimer's) wife since Nelson had befriended her in Paris at the time of Dallet's death; that he had nothing in common with Nelson "except an affection for my wife."

"14. It was reported that you were a subscriber to the Daily People's World, a west-coast Communist newspaper, in 1941 and 1942."

The Board concludes that this allegation is true.

Dr. Oppenheimer testified that he has subscribed to the People's World for several years. He could not recall when the subscription expired and stated that he did not believe he had canceled the subscription. He testified that he knew the Daily People's World was the west-coast Communist newspaper.

"15. It was reported in 1950 that you stated to an agent of the Federal Bureau of Investigation that you had in the past made contributions to Communist-front organizations, although at the time you did not know of Communist Party control or extent of infiltration of these groups. You further stated to an agent of the Federal Bureau of Investigation that some of these contributions were made through Isaac Folkoff, whom you knew to be a leading Communist Party functionary because you had been told that this was the most effective and direct way of helping these groups."

The Board finds that Dr. Oppenheimer made the statements attributed to him by the Federal Bureau of Investigation.

The Board concludes that Dr. Oppenheimer in the past made contributions to Communist-front organizations and that some of these contributions were made through Isaac Folkoff, a leading Communist Party functionary.

Dr. Oppenheimer testified that he contributed to Spanish causes through Communist Party channels from the winter of 1937–38 until early in 1942. He said that he had contributed more than $500 and less than $1,000 each year during this period. He testified that he made the contributions in cash, and in explaining how these contributions came to an end he said (in referring to Pearl Harbor) that he "didn't like to continue a clandestine operation of any kind at a time when I saw myself with the possibility or prospect of getting more deeply involved in the war."

Dr. Oppenheimer in his answer admitted making the contributions through Thomas Addis and Isaac Folkoff. He testified that he knew Addis was a Communist or very close to a Communist. He knew that Folkoff was connected with the Communist Party. In addition, Dr. Oppenheimer admitted having contributed about $100 in cash to the strike fund of one of the major strikes of "Bridges' union" about 1937 or 1938.

"16. It was reported that you attended a housewarming party at the home of Kenneth and Ruth May on September 20, 1941, for which there was an admission charge for the benefit of the People's World, and that at this party you were in the company of Joseph W. Weinberg and Clarence Hiskey, who were alleged to be members of the Communist Party and to have engaged in espionage on behalf of the Soviet Union. It was further reported that you informed officials of the United States Department of Justice in 1942 that you had no recollection that you had attended such a party, but that since it would have been in character for you to have attended such a party, you would not deny that you were there."

The Board concludes on the basis of information before it, that it was probable that Dr. Oppenheimer attended the housewarming party at the home of Kenneth and Ruth May. The Board concludes that Dr. Oppenheimer made the statements to the United States Department of Justice officials attributed to him.

Dr. Oppenheimer did not deny having attended such a party and testified that he knew Kenneth May. He denied knowing Hiskey but testified that he, Oppenheimer, was at parties at which Weinberg was present.

"17. It was reported that you attended a closed meeting of the professional section of the Communist Party of Alameda County, Calif., which was held in the latter part of July or early August 1941, at your residence, 19 Kenilworth Court, Berkeley, Calif., for the purpose of hearings an explanation of a change in Communist Party policy. It was further reported that you denied that you attended such a meeting and that such a meeting was held in your home."

The Board is of the opinion that the evidence with respect to this meeting is inconclusive. The Board finds that Dr. Oppenheimer did deny that he attended such a meeting and that such a meeting was held in his home.

"18. It was reported that you stated to an agent of the Federal Bureau of Investigation in 1950 that you attended a meeting in 1940 or 1941, which may have taken place at the home of Haakon Chevalier, which was addressed by William Schneiderman, whom you knew to be a leading functionary of the Communist Party. In testimony in 1950 before the California State Senate Committee on Un-American Activities, Haakon Chevalier was identified as a member of the Communist Party in the San Francisco area in the early 1940's."

The Board finds that Dr. Oppenheimer made the statements attributed to him by the Federal Bureau of Investigation.

Dr. Oppenheimer testified that on December 1, 1940, he attended an evening meeting at the home of Haakon Chevalier at which perhaps 20 people were present and at which William Schneiderman, secretary of the Communist Party in California, gave a talk about the Communist Party line. He testified that he thought that possibly Isaac Folkoff, Dr. Addis, and Rudy Lambert were there.

He also testified that "after the end of 1940" he attended a similar meeting at the home of Louise Bransten, "a Communist sympathizer," at which some of the same

people were present and at which Schneiderman also spoke and expounded the Communist Party line.

Dr. Oppenheimer testified that sometime between 1937 and 1939 as a "guest" he attended a Communist Party meeting at the home of his brother, Frank.

"19. It was reported that you have consistently denied that you have ever been a member of the Communist Party. It was further reported that you stated to a representative of the Federal Bureau of Investigation in 1946 that you had a change of mind regarding the policies and politics of the Soviet Union about the time of the signing of the Soviet-German pact in 1939. It was further reported that during 1950 you stated to a representative of the Federal Bureau of Investigation that you had never attended a closed meeting of the Communist Party; and that at the time of the Russo-Finnish war and the subsequent break between Germany and Russia in 1941, you realized the Communist Party infiltration tactics into the alleged anti-Fascist groups and became fed up with the whole thing and lost what little interest you had."

Dr. Oppenheimer testified that he had never been a member of the Communist Party. The Board finds that Dr. Oppenheimer made the statements attributed to him by the Federal Bureau of Investigation.

It was further reported, however, that:

"19. (a) Prior to April 1942 you had contributed $150 per month to the Communist Party in the San Francisco area, and that the last such payment was apparently made in April 1942, immediately before your entry into the atomic bomb project."

The Board concludes on the basis of testimony and other information before it that Dr. Oppenheimer made periodic contributions through Communist Party functionaries to the Communist Party in the San Francisco area in amounts aggregating not less than $500 nor more than $1,000 a year during a period of approximately 4 years ending in April 1942. As of April 1942, Dr. Oppenheimer had been for several months participating in Government atomic energy research activities. He executed a questionnaire for Government clearance on April 28, 1942, and subsequently assumed full-time duties with the atomic energy project.

"19. (b) During the period 1942–45 various officials of the Communist Party, including Dr. Hannah Peters, organizer of the professional section of the Communist Party, Alameda County, Calif., Bernadette Doyle, secretary of the Alameda County Communist Party, Steve Nelson, David Adelson, Paul Pinsky, Jack Manley, and Katrina Sandow are reported to have made statements indicating that you were then a member of the Communist Party; that you could not be active in the party at that time; that your name should be removed from the party mailing list and not mentioned in any way; that you had talked the atomic bomb question over with party members during this period; and that several years prior to 1945 you had told Steve Nelson that the Army was working on an atomic bomb."

The Board finds that during the period 1942–45, Dr. Hannah Peters, Bernadette Doyle, Steve Nelson, Jack Manley, and Katrina Sandow made statements indicating that Dr. Oppenheimer was then a member of the Communist Party, and that the other statements attributed to officials of the Communist Party in this allegation were made by one or more of them. The Board does not find on the basis of information available to it that such statements were made by David Adelson and Paul Pinsky.

"19. (c) You stated in August of 1943 that you did not want anybody working for you on the project who was a member of the Communist Party, since 'one always had a question of divided loyalty' and the discipline of the Communist Party was very severe and not compatible with complete loyalty to the project. You further stated at that time that you were referring only to present membership in the Communist Party and not to people who have been members of the party. You stated further that you knew several individuals then at Los Alamos who had been members of the Communist Party. You did not, however, identify such former members of the Communist Party to the appropriate authorities. It was also reported that during the period 1942–45 you were responsible for the employment on the atomic-bomb project of individuals who were members of the Communist Party or closely associated with activities of the Communist Party, including Giovanni Rossi Lomanitz, Joseph W. Weinberg, David Bohm, Max Bernard Friedman, and David Hawkins. In the case of Giovanni Rossi Lomanitz, you urged him to work on the project, although you stated that you knew he had been very much of a Red when he first came to the University of California and that you emphasized to him that he must forego all political activity if he came on to the project. In August 1943 you protested against the termination of his deferment and requested that he be returned to the project after his entry into the military service."

The Board concludes that Dr. Oppenheimer did state in 1943 that he did not want anybody working for him on the project who was a member of the Communist Party, since "one always had a question of divided loyalty" and the discipline of the Communist Party was very severe and not compatible with complete loyalty to the project. He further stated at that time he was referring only to present membership in the Communist Party and not to people who had been members of the party. He stated further that he knew several individuals then at Los Alamos who had been members of the Communist Party. He did not, however, identify such former members of the Communist Party to the appropriate authorities.

The Board concludes that Dr. Oppenheimer was responsible for the employment on the atom bomb project of Giovanni Rossi Lomanitz at Berkeley and David Hawkins at Los Alamos.

The Board concludes that Dr. Oppenheimer asked for the transfer of David Bohm to Los Alamos, although Bohm was closely associated with the Communist Party. In his answer, Dr. Oppenheimer admitted that while at Berkeley he had assigned David Bohm to a problem of basic science having a bearing on atomic research.

Dr. Oppenheimer testified that he understood that Hawkins had left-wing associations; and that Hawkins "talked about philosophy in a way that indicated an interest and understanding and limited approval anyway of Engels."

The Board does not conclude that Dr. Oppenheimer was responsible for the employment of Friedmann or Weinberg on the Atomic Energy Program.

Dr. Oppenheimer testified that Joseph W. Weinberg was a graduate student of his; that he had heard that Weinberg had been a member of the Young Communist League before coming to Berkeley and the Board had before it a transcript of a conversation with Dr. Oppenheimer indicating that at least by August 1943, he knew Weinberg to be a member of the Communist Party and that he "suspected that before but was not sure." Weinberg gave Oppenheimer as a reference at the time he (Weinberg) obtained employment at the Radiation Laboratory on April 22, 1943.

Dr. Oppenheimer testified that he asked General Groves for the transfer of David Bohm to Los Alamos in 1943, but was told by General Groves that he could not be transferred since he had relatives in Nazi Germany. In March 1944, after a conversation with Bohm at Berkeley (a surveillance report indicated that the talk took place at a sidewalk meeting) he checked with the Security Officer at Los Alamos to see whether the objections to Bohm still obtained.

Dr. Oppenheimer testified that he thought that in 1946 or 1947 he helped Bohm get a job as assistant professor of physics at Princeton. He testified that he happened to meet Bohm and Lomanitz on the street in Princeton in 1949 just prior to their testifying before the House Committee on Un-American Activities; that he said that "they should tell the truth"; that he later saw Bohm at Princeton and attended a farewell party for him in Princeton; that he would, if asked, have written a letter of recommendation for Bohm as a competent physicist in connection with a job in Brazil, although he knew and worried about Bohm having pleaded the fifth amendment when he testified.

The Board finds that Dr. Oppenheimer did urge Lomanitz to work on the project although he knew he had been very much a "Red" when he first came to the University of California and, in fact, during his attendance at the university, and that Dr. Oppenheimer later stated to a Manhattan district official that he had warned Lomanitz that he must forego all political activity if he came to the project. The Board finds further that in August 1943, Dr. Oppenheimer protested against the termination of Lomanitz' deferment and urgently requested that he be returned to the project after his entry into the military service. It appears from the testimony that Dr. Oppenheimer first learned of the impending induction of Lomanitz in a letter from Dr. E. U. Condon who wrote to him "about it in a great sense of outrage."

"20. It was reported that you stated to representatives of the Federal Bureau of Investigation on September 5, 1946, that you had attended a meeting in the East Bay and a meeting in San Francisco at which there were present persons definitely identified with the Communist Party. When asked the purpose of the East Bay meeting and the identity of those in attendance, you declined to answer on the ground that this had no bearing on the matter of interest being discussed."

The Board concludes that this allegation is true. The Board finds that Dr. Oppenheimer did attend a meeting in the East Bay and a meeting in San Francisco (see item 18 above) at which there were present persons definitely identified with the Communist Party and that when he was asked about this meeting by representatives of the Federal Bureau of Investigation on September 5, 1946, he declined to answer on the ground that this had no bearing on the matter of interest being discussed.

The Board finds that Dr. Oppenheimer advised representatives of the FBI of this meeting in a subsequent interview in 1950.

"21. It was reported that you attended a meeting at the home of Frank Oppenheimer on January 1, 1946, with David Adelson and Paul Pinsky, both of whom were members of the Communist Party. It was further reported that you analyzed some material which Pinsky hoped to take up with the legislative convention in Sacramento, Calif."

The Board concludes that this allegation is true.

"22. It was reported in 1946 that you were listed as vice chairman on the letterhead of the Independent Citizens Committee of the Arts, Sciences, and Professions, Inc., which has been cited as a Communist front by the House Committee on Un-American Activities."

The Board concludes that this allegation is true, although the Board finds that Dr. Oppenheimer advised the organization in a letter on October 11, 1946, that he was not in accord with its policy and wished to resign. He wrote again on December 2, 1946, insisting upon resignation. The resignation was accepted on December 10, 1946.

"23. It was reported that prior to March 1, 1943, possibly 3 months prior, Peter Ivanov, secretary at the Soviet consulate, San Francisco, approached George Charles Eltenton for the purpose of obtaining information regarding work being done at the Radiation Laboratory for the use of Soviet scientists; that George Charles Eltenton subsequently requested Haakon Chevalier to approach you concerning this matter; that Haakon Chevalier thereupon approached you, either directly or through your brother, Frank Friedman Oppenheimer, in connection with this matter; and that Haakon Chevalier finally advised George Charles Eltenton that there was no chance whatsoever of obtaining the information. It was further reported that you did not report this episode to the appropriate authorities until several months after its occurrence; that when you initially discussed this matter with the appropriate authorities on August 26, 1943, you did not identify yourself as the person who had been approached, and you refused to identify Haakon Chevalier as the individual who had made the approach on behalf of George Charles Eltenton; and that it was not until several months later, when you were ordered by a superior to do so, that you so identified Haakon Chevalier. It was further reported that upon your return to Berkeley, following your separation from the Los Alamos project, you were visited by the Chevaliers on several occasions; and that your wife was in contact with Haakon and Barbara Chevalier in 1946 and 1947."

The Board concludes that this allegation is substantially true.

The Board had before it a recording of a conversation between Dr. Oppenheimer and Lt. Col. Boris T. Pash, War Department intelligence officer, who had the responsibility for investigating subversive activities at the Radiation Laboratory, University of California at Berkeley. This conversation took place on August 26, 1943, at the Radiation Laboratory.

It was on this occasion that Dr. Oppenheimer reported the incident to Government authorities. He named Eltenton, but refused to identify Chevalier. He also stated that the unnamed contact (Chevalier) had approached three persons on the atomic project and in the course of the interview mentioned other factors, such as the use of microfilm or other means and the involvement of the Russian consulate.

The Board also had before it a transcript of a conversation between Dr. Oppenheimer and Lieutenant Colonel Lansdale, which records that on September 12, 1943, Dr. Oppenheimer again refused to name Chevalier but reported the involvement of three others.

It was not until December 1943 that Dr. Oppenheimer, after being told by General Groves that he would be ordered to divulge the identity of the contact, reported the name of Chevalier. However, the record shows that having been told of the identity of Chevalier by Dr. Oppenheimer, the Manhatten District officials were still of the opinion that Chevalier had contacted three employees on the atomic project.

Dr. Oppenheimer, in his answer, stated that his friend, Haakon Chevalier, with his wife, visited him at his home on Eagle Hill probably in early 1943. He stated further that during the visit Chevalier came into the kitchen and told him that George Eltenton had spoken to him of the possibility of transmitting technical information to Soviet scientists. Dr. Oppenheimer said that he made some strong remark to the effect that this sounded terribly wrong to him, and the discussion ended there.

Dr. Oppenheimer's answer further states that nothing in his long-standing friendship would have led him to believe that Chevalier was actually seeking information, and he was certain that Chevalier had no idea of the work on which Dr. Oppenheimer was engaged.

Dr. Oppenheimer testified that the detailed story of the Chevalier incident which he told to Colonel Pash on August 26, 1943, and affirmed to Colonel Lansdale on September 12, 1943, was false in certain material respects. Dr. Oppenheimer testified that this story was a "cock and bull story"; that "the whole thing was a pure fabrication except for the one name, Eltenton." He said that his only explanation for lying was that he "was an idiot," and he "was reluctant to mention Chevalier," and "no doubt somewhat reluctant to mention myself." He admitted on cross-examination, however, that if the story he told Colonel Pash had been true, it would have shown that Chevalier "was deeply involved"; that it was not just a casual conversation; that Chevalier was not an innocent contact; and that it was a criminal conspiracy.

Dr. Oppenheimer admitted that if this story to Colonel Pash had been true, it made things look very bad for both Chevalier and himself. He acknowledged that he thought the request for information by Eltenton was treasonable. He admitted that he knew when he talked to Colonel Pash that his falsification impeded Colonel Pash's investigation.

Dr. Oppenheimer testified that in June or July of 1946 shortly after Chevalier was interviewed by the FBI about the Eltenton-Chevalier incident, Chevalier came to Oppenheimer's home in Berkeley and told Oppenheimer about the interview; that Chevalier said the FBI had pressed him about whether he talked to anyone besides Oppenheimer; that quite awhile later Dr. Oppenheimer was interviewed by the FBI about the same matter, and at this time he knew from Chevalier substantially what Chevalier had said to the FBI about the incident.

Dr. Oppenheimer testified that he recalled getting a letter from Chevalier in 1950 asking him about Dr. Oppenheimer's testimony before the House Un-American Activities Committee concerning the Chevalier-Eltenton incident. He responded, giving Chevalier a summary of what he, Dr. Oppenheimer, had testified. This letter was later used by Chevalier in support of his application for a passport. Dr. Oppenheimer further testified that at about that time, Chevalier came to Princeton and spent 2 days with Dr. Oppenheimer, discussing Chevalier's personal affairs and that he also then mentioned the matter of his passport. Dr. Oppenheimer said that on this occasion he recommended to Chevalier a lawyer named Joseph Fanelli, who, cross-examination disclosed, was the attorney who represented Joseph Weinberg at his trial for perjury. Dr. Oppenheimer testified that he did not know Mr. Fanelli at this time but he had represented Frank Oppenheimer at his appearance before the House Committee on Un-American Activities.

Dr. Oppenheimer testified further that in December of 1953, when he and Mrs. Oppenheimer were in Paris, they had dinner with Dr. and Mrs. Chevalier and, on the following day, went with the Chevaliers to visit a Dr. Malraux. According to Dr. Oppenheimer, Dr. Malraux had given a speech at a "Spanish Relief" meeting in California at which Chevalier presided in about 1938. Dr. Oppenheimer said that since that time, Malraux had undergone "rather major political changes"; that "Malraux became a violent supporter of DeGaulle and his great brainman and deserted politics and went into purely philosophic and literary work." It appears also that subsequent to his meeting with Dr. Oppenheimer in Paris in December 1953, Chevalier wrote a letter to an official of the United States Embassy in Paris, reading as follows:

"My friend—and yours—Robert Oppenheimer, gave me your name when he was up for dinner here in our apartment early last December, and urged me to get in touch with you if a personal problem of mine which I discussed with him became pressing. He gave me to understand that I could speak to you with the same frankness and fullness as I have with him, and he with me, during the 15 years of our friendship.

"I should not have presumed to follow up such a suggestion if it had come from anyone else. But, as you know, Opje never tosses off such a suggestion lightly.

"If you are in Paris, or will be in the near future, I should, then, like to see you informally and discuss the problem.

"On rereading what I have written, I have a feeling that I have made the thing sound more formidable than it really is. It's just a decision that I have to make, which is fairly important to me, and which Opje in his grandfatherly way suggested that I shouldn't make before consulting you.

"Very sincerely,

"HAAKON CHEVALIER."

Dr. Oppenheimer testified that the problem which was bothering Chevalier and his wife was that Chevalier was employed as a translator for UNESCO, and he understood that if he continued this work as an American citizen, he would have to be cleared after investigation, and he was doubtful as to whether he would be cleared. He did not wish to renounce his American citizenship but did wish to keep his job, and he was in a conflict about it. Dr. Oppenheimer in his testimony denied going to the American Embassy to assist Dr. Chevalier in getting a passport to return to the United States although he admitted having had lunch with the official in question.

Dr. Oppenheimer also denied discussing with the official in question or anyone else the matter of Chevalier's passport.

Dr. Oppenheimer in his testimony has stated that his association with Chevalier has continued and that he still considers him to be his friend.

"24. It was reported that in 1945 you expressed the view that 'there is a reasonable possibility that it (the hydrogen bomb) can be made,' but that the feasibility of the hydrogen bomb did not appear, on theoretical grounds, as certain as the fission bomb appeared certain, on theoretical grounds, when the Los Alamos Laboratory was started; and that in the autumn of 1949 the General Advisory Committee expressed the view that 'an imaginative and concerted attack on the problem has a better than even chance of producing the weapon within 5 years.' It was further reported that in the autumn 1949, and subsequently, you strongly opposed the development of the hydrogen bomb: (1) on moral grounds, (2) by claiming that it was not feasible, (3) by claiming that there were insufficient facilities and scientific personnel to carry on the development, and (4) that it was not politically desirable. It was further reported that even after it was determined, as a matter of national policy, to proceed with development of a hydrogen bomb, you continued to oppose the project and declined to cooperate fully in the project. It was further reported you departed from your proper role as an advisor to the Commission by causing the distribution, separately and in private, to top personnel at Los Alamos of the majority and minority reports of the General Advisory Committee on development of the hydrogen bomb for the purpose of trying to turn such top personnel against the development of the hydrogen bomb. It was further reported that you were instrumental in persuading other outstanding scientists not to work on the hydrogen bomb project, and that the opposition to the hydrogen bomb, of which you are most experienced, most powerful, and most effective member, has definitely slowed down its development."

In order to assess the influence of Dr. Oppenheimer on the thermonuclear program, it has been necessary for the Board not only to consider the testimony but also to examine many documents and records, most of which

are classified. Without disclosing the contents of classified documents, the Board makes the following findings, which it believes to be a sufficient reference to this allegation.

The Board confirms that in 1945 Dr. Oppenheimer expressed the view that "there is reasonable possibility that it (the hydrogen bomb) can be made," but that the feasibility of the hydrogen bomb did not appear, on theoretical grounds, as certain as the fission bomb appeared certain, on theoretical grounds, when the Los Alamos Laboratory was started; and that in August of 1949, the General Advisory Committee expressed the view that "an imaginative and concerted attack on the problem has a better than even chance of producing the weapon within 5 years."

With respect to Dr. Oppenheimer's attitude and activities in relation to the hydrogen bomb in World War II, the evidence shows that Dr. Oppenheimer during this period had no misgivings about a program looking to thermonuclear development and, indeed, during the latter part of the war, he recorded his support of prompt and vigorous action in this connection. When asked under cross-examination whether he would have opposed dropping an H-bomb on Hiroshima, he replied that "It would make no sense," and when asked "Why?" replied, "The target is too small." He testified further under cross-examination that he believed he would have opposed the dropping of an H-bomb on Japan because of moral scruples although he did not oppose the dropping of an A-bomb on the same grounds. During the postwar period, Dr. Oppenheimer favored, and in fact urged, continued research in the thermonuclear field and seemed to express considerable interest in results that were from time to time discussed with him. However, he was aware that the efforts being put forth in this endeavor were relatively meager and he knew that if research were continued at the same pace, there would be little likelihood of success for many years. Testimony in this connection indicated that there was a feeling on his part that it was more important to go forward with a program for the production of a wider range of atomic bombs.

The Board finds further that in the autumn of 1949, and subsequently, Dr. Oppenheimer strongly opposed the development of the hydrogen bomb on moral grounds; on grounds that it was not politically desirable; he expressed the view that there were insufficient facilities and scientific personnel to carry on the development without seriously interfering with the orderly development of the program for fission bombs; and until the late spring of 1951, he questioned the feasibility of the hydrogen bomb efforts then in progress.

Dr. Oppenheimer testified that what he was opposing in the fall of 1949 was only a "crash program" in the development and production of thermonuclear weapons. In this connection, Dr. Oppenheimer contended that the main question relating to thermonuclear weapons presented to the GAC at its meeting of October 29, 1949, was whether or not the United States should undertake such a crash program. The Board does not believe that Dr. Oppenheimer was entirely candid with the Board in attempting to establish this impression. The record reflects that Dr. Oppenheimer expressed the opinion in writing that the "superbomb should never be produced," and that the commitment to this effect should be unqualified. Moreover, the alternatives available to the GAC were not a choice between an "all-out effort" and no effort at all; there was a middle course which might have been considered.

The Board further concludes that after it was determined, as a matter of national policy (January 31, 1950) to proceed with development of a hydrogen bomb, Dr. Oppenheimer did not oppose the project in a positive or open manner, nor did he decline to cooperate in the project. However, Dr. Oppenheimer is recognized in scientific circles as one of the foremost leaders in the atomic-energy field and he has had considerable influence on the "policy direction" of the atomic program. The Board finds that his views in opposition to the development of the H-bomb as expressed in 1949 became widely known among scientists, and since he did not make it known that he had abandoned these views, his attitude undoubtedly had an adverse effect on recruitment of scientists and the progress of the scientific effort in this field. In other words, the Board finds, that if Dr. Oppenheimer had enthusiastically supported the thermonuclear program either before or after the determination of national policy, the H-bomb project would have been pursued with considerably more vigor, thus increasing the possibility of earlier success in this field.

The Board finds that Dr. Oppenheimer was not responsible for the distribution, separately and in private, to top personnel at Los Alamos of the majority and minority reports of the General Advisory Committee on development of the hydrogen bomb, but that such distribution was made on the direction of the then General Manager of the Atomic Energy Commission, Carroll L. Wilson, apparently in order to prepare the personnel at Los Alamos to discuss the matter with the chairman of the Joint Committee on Atomic Energy of the Congress.

The Board does not find that Dr. Oppenheimer urged other scientists not to work on the program. However, enthusiastic support on his part would perhaps have encouraged other leading scientists to work on the program.

Because of technical questions involved, the Board is unable to make a categorical finding as to whether the opposition of the hydrogen bomb has definitely slowed down its development. The Board concludes that the opposition to the H-bomb by many persons connected with the atomic energy program, of which Dr. Oppenheimer was the most experienced, most powerful, and most effective member did delay the initiation of concerted effort which led to the development of a thermonuclear weapon.

GENERAL CONSIDERATIONS

We do not believe that our findings with respect to the letter of notification provide a full and automatic answer to the categorical question posed to us in these proceedings. Only the dimensions of the problem have perhaps been defined. On the one hand, we find no evidence of disloyalty. Indeed, we have before us much responsible and positive evidence of the loyalty and love of country of the individual concerned. On the other hand, we do not believe that it has been demonstrated that Dr. Oppenheimer has been blameless in the matter of conduct, character, and association.

We could in good conscience, we believe, conclude our difficult undertaking by a brief, clear, and conclusive recommendation to the General Manager of the Commission in the following terms: There can be no tampering with the national security, which in times of peril must be absolute, and without concessions for reasons of admiration, gratitude, reward, sympathy, or charity. Any doubts whatsoever must be resolved in favor of the national security. The material and evidence presented to this Board leave reasonable doubts with respect to the individual concerned. We, therefore, do not recommend reinstatement of clearance.

It seemed to us that an alternative recommendation would be possible, if we were allowed to exercise mature practical judgment without the rigid circumscription of regulations and criteria established for us.

In good sense, it could be recommended that Dr. Oppenheimer simply not be used as a consultant, and that therefore there exists no need for a categorical answer to the difficult question posed by the regulations, since there would be no need for access to classified material.

The Board would prefer to report a finding of this nature. We have had a desire to reconcile the hard requirements of security with the compelling urge to avoid harm to a talented citizen.

The Board questioned why the Commission chose to revoke Dr. Oppenheimer's clearance and did not follow the alternative course of declining to make use of his services, assuming it had serious questions in the area of security. To many, this would seem the preferable line of action. We think that the answer of the Commission to this question is pertinent to this recital. It seemed clear that other agencies of Government were extending clearance to Dr. Oppenheimer on the strength of AEC clearance, which in many quarters is supposed to be an approval of the highest order. Furthermore, it was explained that without the positive act of withdrawal of access, he would continue to receive classified reports on Atomic Energy activities as a consultant, even though his services were not specifically and currently engaged. Finally it is said that were his clearance continued, his services would be available to, and probably would be used by, AEC contractors. It is noted that most AEC work is carried on by contractors. Withdrawal of clearance and Dr. Oppenheimer's request for a hearing precipitated this proceeding.

In view of the fact that we must address ourselves to security, we feel constrained to examine some of the great issues and problems brought into focus by the case. Many of these are perhaps more important than the outcome of this inquiry. We believe their examination is a necessary precondition to its disposition on security grounds.

What, within the framework of this case, is meant by loyalty?

Because of widespread confusions and misapprehensions about the security system of the United States, the Board feels that it must state some considerations with respect to loyalty. If a person is considered a security risk in terms of loyalty, the fact or possibility of active disloyalty is assumed, which would involve conduct giving some sort of aid and comfort to a foreign power. The Communist Party is an international conspiracy organized in support of the Soviet Union. It should then be clear that (1) a member of the Communist Party is automatically barred from a position of trust with the United States Government; (2) a fellow traveler must be declared ineligible for such a position of trust, such a person being described as one who perhaps may not be subject to party discipline, but who is sufficiently close to the party, or sympathetic with its aims, purposes, and methods that danger inheres in the situation; (3) any person whose absolute loyalty to the United States is in question, aside from present or former Communist affiliations or associations, should be rejected for Government service; (4) a person whose former status would be encompassed in 1, 2, or 3 above, has the burden of proof of change in position and attitude which must be so clearly borne by him as to leave no reasonable doubt in the minds of those who are called upon to make a governmental decision in the case. If he fails in this demonstration, he must be considered a security risk and denied access to classified information.

One of the important issues presented in cases of this sort is that of rehabilitation.

Stated in the context of this proceeding, must we accept the principle that once a Communist, always a Communist, once a fellow traveler, always a fellow traveler? Can an individual who has been a member of the Communist Party, or closely enough associated with it to make the difference un-

important at a later time, so comport himself personally, so clearly have demonstrated a renunciation of interest and sympathy, so unequivocally have displayed a zeal for his country and its security as to overcome the necessary presumptions of security risk? We, as a Board, firmly believe that this can be the case, and, if we may be permitted something in the nature of a dictum, we believe that this principle should be a part of the security policy of the United States Government. The necessary but harsh requirements of security should not deny a man the right to have made a mistake if its recurrence is so remote a possibility as to permit a comfortable prediction as to the sanity and correctness of future conduct.

This Board has been conscious of the atmosphere of the time in which Dr. Oppenheimer's clearcut Communist affiliations occurred. We have considered his activities against the background of the pervasive disillusionment among many of our people arising out of the effects of the great depression and the perhaps normal tendency of a humanitarian to turn to an organization which seemed to him to be espousing primarily humanitarian causes. We recognize what may have seemed to be at the time a beckoning toward a better social order. We know that many academic people and other intellectuals, honest and moral though they were, misinterpreted the talk, aims, and purposes of the Communist Party and its affiliated organizations. We are aware that the fact that the Soviet Union was an ally during some of those years cannot be overlooked. This intellectual exercise has, we think, not been inappropriate because we recognize that 1943 conduct cannot be judged solely in the light of 1954 conditions. At the same time, it must be remembered that standards and procedures of 1943 should not be controlling today.

Another vital question is, Can an individual be loyal to the United States and, nevertheless, be considered a security risk?

Because the security interests of this country may be endangered by involuntary act, as well as by positive conduct of a disloyal nature, personal weaknesses of an individual may constitute him a security risk. These would include inordinate use of alcohol or drugs, personal indiscretion (in the sense of careless talk), homosexuality, emotional instability, tendency to yield to pressures of others, unusual attachment for foreign systems. The presence of any of these items would support a finding of security risk, even though in every case accompanied by a deep love of country.

There remains also an aspect of the security system which perhaps has had insufficient public attention. This is the protection and support of the entire system itself. It must include an understanding and an acceptance of security measures adopted by responsible Government agencies. It must include an active cooperation with all agencies of Government properly and reasonably concerned with the security of our country. It must involve a subordination of personal judgment as to the security status of an individual as against a professional judgment in the light of standards and procedures when they have been clearly established by appropriate process. It must entail a wholehearted commitment to the preservation of the security system and the avoidance of conduct tending to confuse or obstruct.

The Board would assert the right of any citizen to be in disagreement with security measures and any other expressed policies of Government. This is all a part of the right of dissent which must be preserved for our people. But the question arises whether an individual who does not accept and abide by the security system should be a part of it.

In this connection, we should acknowledge that in the early war years very few people were aware of the full implications of security or security measures which needed to be undertaken. Even many of those in the military services found themselves for a time in a new field. This was a new concept under strange and alien pressures. We believe that no person should now be held accountable for lack of full knowledgeability in the early years of the war. However, those who have been associated with it during the war years and subsequently and who have been exposed repeatedly to security measures, should not fail to understand the need for their full support of the system.

Another major question posed by these proceedings is whether we should take calculated risks where the national security is involved.

It has been urged upon us that where there is lingering doubt about the security status of an individual in the absence of a finding of disloyalty or a tendency toward indiscretion, we should take a calculated risk in granting clearance to such an individual if he is a man of great attainments and capacity and has rendered outstanding services.

Within the framework of our national philosophy which rests in large part upon the declaration that all men are equal before the bar of justice, can we apply one test to an individual, however brilliant his capacities and however magnificent his contributions, and another test to an individual with more mundane capabilities and lesser contributions? In other words, can a different test for security purposes be justified in the case of the brilliant technical consultant than in the case of the stenographer or clerk? It seems to us that such a distinction can be justified only on the ground of critical national need and that otherwise there can be but one standard for all.

We acknowledge that the national necessity may at times require the taking of a calculated risk. Such a calculated risk was taken in the employment and retention of Dr. Oppenheimer as Director of the Los Alamos Laboratory during the war years, on the ground of the overriding need for his services. The officer in charge has said that, had he found the risk becoming a danger, he would have felt impelled to open up the whole project and throw security to the winds rather than lose the talents of the individual. Again, wartime exigencies demanded the use of Nazi scientists before the issues with Germany were settled.

What we have learned in this inquiry makes the present application of this principle inappropriate in the instant case. Notwithstanding the undoubted and unparalleled contributions of Dr. Oppenheimer to the atomic energy program, it appears that his services as a consultant were used by the Atomic Energy Commission during the entire year of 1953 for a period approximating only 2½ days' time. We conclude, therefore, that our recommendation should not be based upon such principle, overriding all other considerations.

Another major issue which has been highlighted by this inquiry is whether a moral principle akin to double jeopardy in the traditional legal sense should have a place in the jurisprudence of security.

We properly ask ourselves the question: How many times may the same circumstances of a man's life be examined with a view toward determination of his security status? Once a responsible agency of the Government has made an evaluation, should this not be a bar to later and similar consideration by the same or another agency in the absence of newly discovered evidence or developments. This is an important consideration and the Board has undertaken to examine it with care.

It must be made clear to the public by the Government that its employees and consultants are not to be subject to repeated and capricious reviews of their loyalty or security status. In general, this board believes that responsible prior clearance should be given great weight and should be virtually considered a settled matter in cases where there is manifestly no new material or developments of consequence. We would not urge this as an absolute principle, however, for the reason that the criminal law concept referred to is for the protection of the individual whereas security measures are for the protection of the country, whose interests should never be foreclosed.

There seems to be a widespread view that such a principle should apply in the case at hand. It has been suggested that the clearance by the Manhattan Engineering District and the subsequent action of the AEC in 1947 should be controlling. We believe this not to be sound.

In the first place, we must acknowledge the important difference between an administrative review of files not involving the personal appearance of the employee and of which he is probably not aware, and a hearing before the board at which the employee appears and at which testimony is taken. This is the first occasion of review of this case by a personnel security board. Indeed, this is the only time that all of the available evidence regarding Dr. Oppenheimer has been correlated and presented in a package. This latter fact suggests the second reason why Dr. Oppenheimer is not being placed in double jeopardy in a moral sense by this proceeding. It was necessary to the national security that material information not considered in previous clearances be studied.

Third, new developments have occurred since the granting of previous clearances. Among these are changed national and international circumstances and new security standards and criteria which have been published in the interim. We refer specifically to the AEC criteria published since 1947 and the Executive order of the President of April 27, 1953.

It must be recalled that the Manhattan District criteria were primarily loyalty and discretion. Such records as are available with respect to the AEC clearance in 1947 indicate that in general it was based in large part upon the earlier clearance by the Manhattan Engineering District, upon a finding of loyalty service to the country, and the risk to the program in the loss of services of the individual.

Fourth, viewed against the background of earlier history, the conduct of the individual subsequently to 1947 has been such as to raise questions of security risk.

Another major issue prompted by these proceedings concerns itself with the extent of the right of a citizen to continued employment by his Government because of loyal and distinguished accomplishment in Government service.

There are those who seem deeply convinced that Dr. Oppenheimer has a right to continued employment, in view of his previous contributions and in the light of his brilliant capabilities. Citizens of this country have many inalienable rights, but it is clear that Government service is a privilege and not a right. This principle was simply, but effectively, stated by Oliver Wendell Holmes:

"The petitioner may have a constitutional right to talk politics, but he has no constitutional right to be a policeman."

We deem it, therefore, to be within the power of Government in the absence of civil-service requirement or contractual relationships to terminate employment of a consultant at any time.

A major question which has repeatedly emerged in our deliberations is whether in determining the security status of an individual who is a scientist, the Government must take into account the reactions of, and the possible impact upon, all other scientists.

The Board takes cognizance of the serious alarm expressed to it by witnesses and frequently adverted to in the public press that denial of clearance to Dr. Oppenheimer would do serious harm in the scientific community. This is a matter of vital concern to the Government and the people.

We should express our considered view that, because the loyalty or security risk status of a scientist or any other intellectual may be brought into question, scientists and intellectuals are ill-advised to assert that a reasonable and sane inquiry constitutes an attack upon scientists and intellectuals generally. This Board would deplore deeply any notion that scientists are under attack in this country and that prudent study of any individual's conduct and character within the necessary demands of the national security could be either in fact or in appearance a reflection of anti-intellectualism.

The Board has taken note of the fact that in some cases of this sort groups of scientists have tended toward an almost professional opposition to any inquiry about a member of the group. They thus, by moving in a body to the defense of one of their number, give currency, credence, and support to a notion that they, as a group, are under attack. A decision of a board of this sort, whether favorable or unfavorable to the individual whose case is before it, should be considered neither as an exoneration of all scientists from imputations of security risk nor a determination that all scientists are suspect.

We know that scientists, with their unusual talents, are loyal citizens, and, for every pertinent purpose, normal human beings. We must believe that they, the young and the old and all between, will understand that a responsible government must make responsible decisions. If scientists should believe that such a decision in government, however distasteful with respect to an individual, must be applicable to his whole profession, they misapprehend their own duties and obligations as citizens.

In this connection, the Board has been impressed, and in many ways heartened by the manner in which many scientists have sprung to the defense of one whom many felt was under unfair attack. This is important and encouraging when one is concerned with the vitality of our society. However, the Board feels constrained to express its concern that in this solidarity there have been attitudes so uncompromising in support of science in general, and Dr. Oppenheimer in particular, that some witnesses have, in our judgment, allowed their convictions to supersede what might reasonably have been their recollections.

One important consideration brought into focus by this case is the role of scientists as advisers in the formulation of Government policy.

We must address ourselves to the natural constraints and the particular difficulties inherent in the AEC program itself. As a Nation we find it necessary to delegate temporary authority with respect to the conduct of the program and the policies to be followed to duly elected representatives and appointive officials as provided for by our Constitution and laws. For the most part, these representatives and officials are not capable of passing judgment on technical matters and, therefore, appropriately look to specialists for advice. We must take notice of the current and inevitable amplification of influence which attaches to those giving advice under these circumstances. These specialists have an exponential amplification of influence which is vastly greater than that of the individual citizen.

It must be understood that such specialists did not, as scientists, deliberately create this condition. For example, Dr. Oppenheimer served his Government because it sought him. The impact of his influence was felt immediately and increased progressively as his services were used. The Nation owes these scientists, we believe, a great debt of gratitude for loyal and magnificent service. This is particularly true with respect to Dr. Oppenheimer.

A question can properly be raised about advice of specialists relating to moral, military, and political issues, under circumstances which lend such advice an undue and in some cases decisive weight. Caution must be expressed with respect to judgments which go beyond areas of special and particular competence.

Any man, whether specialist or layman, of course, must have the right to express his deep moral convictions; must have the privilege of voicing his deepest doubts. We can understand the emotional involvement of any scientist who contributed to the development of atomic energy and thus helped to unleash upon the world a force which could be destructive of civilization. Perhaps no American can be entirely guilt free, and yet, these weapons did not bring peace nor lessen the threats to the survival of our free institutions. Emotional involvement in the current crisis, like all other things, must yield to the security of the Nation.

Dr. Oppenheimer himself testified, "I felt perhaps quite wrongly that having played an active part in promoting a revolution in warfare, I needed to be as responsible as I could with regard to what came of this revolution."

We have no doubt that other distinguished and devoted scientists have found themselves beset by a similar conflict.

It is vitally important that Government and scientists alike understand the need for and value of the advice of competent technicians. This need is a present and a continuing one. Yet, those officials in Government who are responsible for the security of the country must be certain that the advice which they seriously seek appropriately reflects special competence on the one hand, and scundly based conviction on the other, uncolored and uninfluenced by considerations of an emotional character.

In evaluating advice from a specialist which departs from the area of his specialty, Government officials charged with the military posture of our country must also be certain that underlying any advice is a genuine conviction that this country cannot in the interest of security have less than the strongest possible offensive capabilities in a time of national danger.

SIGNIFICANCE OF THE FINDINGS OF THE BOARD

The facts referred to in General Nichols' letter fall clearly into two major areas of concern. The first of these, which is represented by items 1 through 23, involves primarily Dr. Oppenheimer's Communist connections in the earlier years and continued associations arising out of those connections.

The second major area of concern is related to Dr. Oppenheimer's attitudes and activities with respect to the development of the hydrogen bomb.

The Board has found the allegations in the first part of the Commission letter to be substantially true, and attaches the following significance to the findings: There remains little doubt that, from late 1936 or early 1937 to probably April 1942, Dr. Oppenheimer was deeply involved with many people who were active Communists. The record would suggest that the involvement was something more than an intellectual and sympathetic interest in the professed aims of the Communist Party. Although Communist functionaries during this period considered Dr. Oppenheimer to be a Communist, there is no evidence that he was a member of the party in the strict sense of the word.

Using Dr. Oppenheimer's own characterization of his status during that period, he seems to have been an active fellow traveler. According to him, his sympathies with the Communists seem to have begun to taper off somewhat after 1939, and very much more so after 1942. However, it is not unreasonable to conclude from material presented to this Board that Dr. Oppenheimer's activities ceased as of about the time he executed his personnel-security questionnaire in April 1942. He seems to have had the view at that time and subsequently that current involvement with Communist activities was incompatible with service to the Government. However, it also would appear that he felt that former Communist Party membership was of little consequence if the individual concerned was personally trustworthy.

Dr. Oppenheimer's sympathetic interests seemed to have continued beyond 1942 in a diluted and diminishing state until 1946, at which time we find the first affirmative action on his part which would indicate complete rejection. In October 1946, he tendered his resignation from the Independent Citizens Committee of the Arts, Sciences, and Professions, Inc., and he now says it was at this time that he finally realized that he could not collaborate with the Communists, whatever their aims and professed interests. We would prefer to have found an affirmative action at an earlier date.

The Board takes a most serious view of these earlier involvements. Had they occurred in very recent years, we would have found them to be controlling and, in any event, they must be taken into account in evaluating subsequent conduct and attitudes.

The facts before us establish a pattern of conduct falling within the following personnel-security clearance criteria: Category A, including instances in which there are grounds sufficient to establish a reasonable belief that an individual or his spouse has (1) committed or attempted to commit or aided or abetted another who committed or attempted to commit any act of sabotage, espionage, treason, or sedition. (2) Establish an association with espionage agents of a foreign nation. * * * (3) Held membership or joined any organization which had been declared by the Attorney General to be * * * Communist, subversive * * *. These criteria under the AEC procedures establish a presumption of security risk.

The Board believes, however, that there is no indication of disloyalty on the part of Dr. Oppenheimer by reason of any present Communist affiliation, despite Dr. Oppenheimer's poor judgment in continuing some of his past associations into the present. Furthermore, the Board had before it eloquent and convincing testimony of Dr. Oppenheimer's deep devotion to his country in recent years and a multitude of evidence with respect to active service in all sorts of governmental undertakings to which he was repeatedly called as a participant and as a consultant.

We feel that Dr. Oppenheimer is convinced that the earlier involvements were serious errors and today would consider them an indication of disloyalty. The conclusion of this Board is that Dr. Oppenheimer is a loyal citizen.

With respect to the second portion of General Nichols' letter, the Board believes that Dr. Oppenheimer's opposition to the hydrogen bomb and his related conduct in the post-war period until April 1951, involved no lack of loyalty to the United States or attachment to the Soviet Union. The Board was impressed by the fact that even those who were critical of Dr. Oppenheimer's judgment and activities or lack of activities, without exception, testified to their belief in his loyalty.

The Board concludes that any possible implications to the contrary which might have been read into the second part of General Nichols' letter are not supported by any material which the Board has seen.

The Board wishes to make clear that in attempting to arrive at its findings and their

significance with respect to the hydrogen bomb, it has in no way sought to appraise the technical judgments of those who were concerned with the program.[1]

We cannot dismiss the matter of Dr. Oppenheimer's relationship to the development of the hydrogen bomb simply with the finding that his conduct was not motivated by disloyalty, because it is our conclusion that, whatever the motivation, the security interests of the United States were affected.

We believe that, had Dr. Oppenheimer given his enthusiastic support to the program, a concerted effort would have been initiated at an earlier date.

Following the President's decision, he did not show the enthusiastic support for the program which might have been expected of the chief atomic adviser to the Government under the circumstances. Indeed, a failure to communicate an abandonment of his earlier position undoubtedly had an effect upon other scientists. It is our feeling that Dr. Oppenheimer's influence in the atomic scientific circles with respect to the hydrogen bomb was far greater than he would have led this Board to believe in his testimony before the Board. The Board has reluctantly concluded that Dr. Oppenheimer's candor left much to be desired in his discussions with the Board of his attitude and position in the entire chronology of the hydrogen bomb problem.

We must make it clear that we do not question Dr. Oppenheimer's right to the opinions he held with respect to the development of this weapon. They were shared by other competent and devoted individuals, both in and out of Government. We are willing to assume that they were motivated by deep moral conviction. We are concerned, however, that he may have departed his role as scientific adviser to exercise highly persuasive influence in matters in which his convictions were not necessarily a reflection of technical judgment, and also not necessarily related to the protection of the strongest offensive military interests of the country.

In the course of the proceedings, there developed other facts which raised questions of such serious import as to give us concern about whether the retention of Dr. Oppenheimer's services would be clearly consistent with the security interests of the United States.

It must be said that Dr. Oppenheimer seems to have had a high degree of discretion reflecting an unusual ability to keep to himself vital secrets. However, we do find suggestions of a tendency to be coerced, or at least influenced, in conduct over a period of years.

By his own testimony, Dr. Oppenheimer was led to protest the induction into military service of Giovanni Rossi Lomanitz in 1943 by the outraged intercession of Dr. Condon. It is to be remembered that, at this time, Dr. Oppenheimer knew of Lomanitz' connections and of his indiscretions. In 1949 Dr. Oppenheimer appeared in executive session before the House Un-American Activities Committee, and at that time was asked about his friend, Dr. Bernard Peters. Dr. Oppenheimer confirmed the substance of an interview with the security officer which took place during the war years and in which he had characterized Dr. Peters as a dangerous Red and former Communist. This testimony soon appeared in the Rochester, N. Y., newspapers. At this time Dr. Peters was on the staff of the University of Rochester. Dr. Oppenheimer, as a result of protestations by Dr. Condon, by Dr. Peters himself, and by other scientists, then wrote a letter for publication to the Rochester newspaper, which, in effect, repudiated his testimony given in secret session. His testimony before this Board indicated that he failed to appreciate the great impropriety of making statements of one character in a secret session and of a different character for publication, and that he believed that the important thing was to protect Dr. Peters' professional status. In that episode Dr. Condon's letter, which has appeared in the press, contained a severe attack on Dr. Oppenheimer. Nevertheless he now testifies that he is prepared to support Dr. Condon in the loyalty investigation of the latter.

Executive Order 10450 in listing criteria to be taken into account in cases of this sort indicates in part the following:

"Section 8 (a) (1) (i): Any behavior, activities, or associations which tend to show that the individual is not reliable or trustworthy.

"(v) Any facts which furnish reason to believe that the individual may be subject to coercion, influence, or pressure which may cause him to act contrary to the best interest of the national security."

Whether the incidents referred to clearly indicate a susceptibility to influence or coercion within the meaning of the criteria or whether they simply reflect very bad judgment, they clearly raise the question of Dr. Oppenheimer's understanding, acceptance, and enthusiastic support of the security system. Beginning with the Chevalier incident, he has repeatedly exercised an arrogance of his own judgment with respect to the loyalty and reliability of other citizens to an extent which has frustrated and at times impeded the workings of the system. In an interview with agents of the FBI in 1946, which in good part concerned itself with questions about Chevalier, when asked about a meeting which Dr. Oppenheimer had attended at which Communists and Communist sympathizers were in attendance, he declined to discuss it on the ground that it was irrelevant, although the meeting itself was held in Chevalier's home. In a subsequent interview, he declined to discuss people he had known to be Communists.

Indeed, in the course of this proceeding, Dr. Oppenheimer recalled pertinent details with respect to Communist meetings and with respect to individuals with Communist connections which he had never previously disclosed in the many interviews with Government authorities, in spite of the fact that he had been interviewed regarding such matters.

In 1946 or 1947, he assisted David Bohm in getting a position at Princeton and, at least on a casual basis, continued his associations with Bohm after he had reason to know of Bohm's security status. He testified that today he would give Bohm a letter of recommendation as a physicist, and, although not asked whether he would also raise questions about Bohm's security status, he in no way indicated that this was a matter of serious import to him.

While his meeting with Lomanitz and Bohm immediately prior to their appearance before the House Un-American Activities Committee in 1949, at which time both plead the fifth amendment, may have been a casual one as he testified, he nevertheless discussed with them their testimony before that committee.

Moreover, his current associations with Dr. Chevalier, as discussed in detail in item No. 23, are, we believe, of a high degree of significance. It is not important to determine that Dr. Oppenheimer discussed with Chevalier matters of concern to the security of the United States. What is important is that Chevalier's Communist background and activities were known to Dr. Oppenheimer. While he says he believes Chevalier is not now a Communist, his association with him, on what could not be considered a casual basis, is not the kind of thing that our security system permits on the part of one who customarily has access to information of the highest classification.

Loyalty to one's friends is one of the noblest of qualities. Being loyal to one's friends above reasonable obligations to the country and to the security system, however, is not clearly consistent with the interests of security.

We are aware that in these instances Dr. Oppenheimer may have been sincere in his interpretation that the security interests of the country were not disserved; we must, however, take a most serious view of this kind of continuing judgment.

We are constrained to make a final comment about General Nichols' letter. Unfortunately, in the press accounts in which the letter was printed in full, item No. 24, which consisted of 1 paragraph, was broken down into 4 paragraphs. Many thoughtful people, as a result, felt that the implication of one or more of these paragraphs as they appeared in the press standing alone was that the letter sought to initiate proceedings which would impugn a man on the ground of his holding and forcefully expressing strong opinions. It is regrettable that the language of the letter or the way in which it publicly appeared, might have given any credence to such an interpretation. In any event, the Board wishes strongly to record its profound and positive view that no man should be tried for the expression of his opinions.

RECOMMENDATION

In arriving at our recommendation we have sought to address ourselves to the whole question before us and not to consider the problem as a fragmented one either in terms of specific criteria or in terms of any period in Dr. Oppenheimer's life, or to consider loyalty, character, and associations separately.

However, of course, the most serious finding which this Board could make as a result of these proceedings would be that of disloyalty on the part of Dr. Oppenheimer to his country. For that reason, we have given particular attention to the question of his loyalty, and we have come to a clear conclusion, which should be reassuring to the people of this country, that he is a loyal citizen. If this were the only consideration, therefore, we would recommend that the reinstatement of his clearance would not be a danger to the common defense and security.

We have, however, been unable to arrive at the conclusion that it would be clearly consistent with the security interests of the United States to reinstate Dr. Oppenheimer's clearance and, therefore, do not so recommend.

The following considerations have been controlling in leading us to our conclusion:

1. We find that Dr. Oppenheimer's continuing conduct and associations have reflected a serious disregard for the requirements of the security system.

2. We have found a susceptibility to influence which could have serious implications for the security interests of the country.

3. We find his conduct in the hydrogen-bomb program sufficiently disturbing as to raise a doubt as to whether his future participation, if characterized by the same attitudes in a Government program relating to the national defense, would be clearly consistent with the best interests of security.

4. We have regretfully concluded that Dr. Oppenheimer has been less than candid in several instances in his testimony before this Board.

Respectfully submitted.

GORDON GRAY, *Chairman.*
THOMAS A. MORGAN.

MINORITY REPORT OF DR. WARD V. EVANS

I have reached the conclusion that Dr. J. Robert Oppenheimer's clearance should be reinstated and am submitting a minority report in accordance with AEC procedure.

[1] This is the end of p. 32 referred to in the minority report of Dr. Ward V. Evans.

The Board, appointed by the Commission, has worked long and arduously on the Oppenheimer case. We have heard 40 witnesses and have taken some 3,000 pages of testimony in addition to having read a similar number of pages of file material. We have examined carefully the notification letter to Dr. Oppenheimer from Mr. Nichols of December 23, 1953, and all other relevant material.

I am in perfect agreement with the majority report of its "findings" with respect to the allegations in Mr. Nichols' letter and I am in agreement with the statement of the Board concerning the significance of its "findings" to the end of page 32.[1] I also agree with the last paragraph of this section in which the Board makes a final comment on Mr. Nichols' letter. I do not, however, think it necessary to go into any philosophical discussion to prove points not found in Mr. Nichols' letter.

The derogatory information in this letter consisting of 24 items has all been substantiated except for 1 item. This refers to a Communist meeting held in Dr. Oppenheimer's home, which he is supposed to have attended.

On the basis of this finding, the Board would have to say that Dr. Oppenheimer should not be cleared.

But this is not all.

Most of this derogatory information was in the hands of the Commission when Dr. Oppenheimer was cleared in 1947. They apparently were aware of his associations and his left-wing policies; yet they cleared him. They took a chance on him because of his special talents and he continued to do a good job. Now when the job is done, we are asked to investigate him for practically the same derogatory information. He did his job in a thorough and painstaking manner. There is not the slightest vestige of information before this Board that would indicate that Dr. Oppenheimer is not a loyal citizen of his country. He hates Russia. He had communistic friends, it is true. He still has some. However, the evidence indicates that he has fewer of them than he had in 1947. He is not as naive as he was then. He has more judgment; no one on the Board doubts his loyalty—even the witnesses adverse to him admit that—and he is certainly less of a security risk than he was in 1947, when he was cleared. To deny him clearance now for what he was cleared for in 1947, when we must know he is less of a security risk now than he was then, seems to be hardly the procedure to be adopted in a free country.

We don't have to go out of our way and invent something to prove that the principle of "double jeopardy" does not apply here. This is not our function, and it is not our function to rewrite any clearance rules. The fact remains he is being investigated twice for the same things. Furthermore, we don't have to dig deeply to find other ways that he may be a security risk outside of loyalty, character, and association. He is loyal, we agree on that. There is, in my estimation, nothing wrong with his character. During the early years of his life, Dr. Oppenheimer devoted himself to study and did not vote or become interested in political matters until he was almost 30. Then, in his ignorance, he embraced many subversive organizations.

His judgment was bad in some cases, and most excellent in others but, in my estimation, it is better now than it was in 1947 and to damn him now and ruin his career and his service, I cannot do it.

His statements in cross examination show him to be still naive, but extremely honest and such statements work to his benefit in my estimation. All people are somewhat of a security risk. I don't think we have to go out of our way to point out how this man might be a security risk.

[1] The reference is to p. 32 of the typewritten document.

Dr. Oppenheimer in one place in his testimony said that he had told a tissue of lies. What he had said was not a tissue of lies; there was one lie. He said on one occasion that he had not heard from Dr. Seaborg, when in fact he had a letter from Dr. Seaborg. In my opinion he had forgotten about the letter or he would never have made this statement for he would have known that the Government had the letter. I do not consider that he lied in this case. He stated that he would have recommended David Bohm as a physicist to Brazil, if asked. I think I would have recommended Bohm as a physicist. Dr. Oppenheimer was not asked if he would have added that Bohm was a Communist. In recent years he went to see Chevalier in Paris. I don't like this, but I cannot condemn him on this ground. I don't like his about face in the matter of Dr. Peters, but I don't think it subversive or disloyal.

He did not hinder the development of the H-bomb and there is absolutely nothing in the testimony to show that he did.

First he was in favor of it in 1944. There is no indication that this opinion changed until 1945. After 1945 he did not favor it for some years perhaps on moral, political, or technical grounds. Only time will prove whether he was wrong on the moral and political grounds. After the Presidential directive of January 31, 1950, he worked on this project. If his opposition to the H-bomb caused any people not to work on it, it was because of his intellectual prominence and influence over scientific people and not because of any subversive tendencies.

I personally think that our failure to clear Dr. Oppenheimer will be a black mark on the escutcheon of our country. His witnesses are a considerable segment of the scientific backbone of our Nation and they endorse him. I am worried about the effect an improper decision may have on the scientific development in our country. Nuclear physics is new in our country. Most of our authorities in this field came from overseas. They are with us now. Dr. Oppenheimer got most of his education abroad. We have taken hold of this new development in a very great way. There is no predicting where and how far it may go and what its future potentialities may be. I would very much regret any action to retard or hinder this new scientific development.

I would like to add that this opinion was written before the Bulletin of the Atomic Scientists came out with its statement concerning the Oppenheimer case.

This is my opinion as a citizen of a free country.

I suggest that Dr. Oppenheimer's clearance be restored.

WARD V. EVANS.

PUBLIC POWER VERSUS PRIVATE POWER—LETTER FROM GOVERNOR OF TENNESSEE

Mr. LANGER. Mr. President, I wish to read into the RECORD, at this point, a telegram I have received from the Governor of Tennessee, Hon. Frank G. Clement, sent to me as chairman of the Anti-Monopoly Subcommittee of the Senate Judiciary Committee:

Mr. Chairman, since April of last year, when as a citizen of the valley and governor of the most vitally affected State, I conferred with certain high officials of the National Government about appropriations for TVA, succeeding events, and my discoveries about them, have brought me anxiety, distress, and virtual dismay over the character of the opposition revealed. What those of us, seeking adequate provision for TVA's future have encountered, fragment by fragment and piece by piece, to our puzzlement, we have put together to our great alarm. We have now arrived at a shocking conclusion. In a conspiracy against the American people without parallel in our history, this country is being subjected—and has been for several years now—to a continental rain of twisted words from every kind of publicity media, supplied by the highest-priced propaganda mills open to fire. This conspiracy is aimed at nothing less than destroying public power as a competitive force in the field of electric utility monopoly. And it is being carried out by concerted, organized effort and monopolistic action of gigantic proportion. TVA is the target center of this total war. It used to be cynically said that you couldn't convict a million dollars in this country. There has been some inflation of the currency since then, but a hundred million dollars—especially when those millions are used to hire some of our national media of communication—even now may cause men of reputed courage to hesitate. That is the size of the Hessian onslaught against TVA and other public-power projects of our Federal Government, the evidence indicates. What is even more manifest is that money in quantity spent with our professional media of propaganda, can hoodwink well-intentioned and honest men even in our national leadership, and the prestige and respectability of some of the deluded front men and fellow travelers of the giant conspiracy are such as to make the task of investigation difficult and even dangerous for the investigators. Yet, if the hazards are great, so are the rewards for those of us who value American liberty and the welfare and prosperity of the American people. Your committee has already received evidence of some of the fragments of this continental conspiracy, from spokesmen of our rural cooperatives and some western public-power groups. Let me urge you, however, to focus your interest on TVA, which, as I have said, is the target center of the giant plot. There can be no more fitting or important case for your investigation at this time. Your inquiry should comprehend the resources, aims, and activities of the principal trade organizations of the private power companies of this country, including the National Association of Electric Companies public information program, the Edison Electric Institute, the National Tax Equality Association, the electric companies advertising program, and others. And it must also include certain officials and agencies of the National Government itself to comprehend this sinister enterprise which has found voice through high spokesmen, not merely political leaders and journals, and magazines of national reputation, but even textbooks now in use in our colleges and schools. As official spokesman for Tennessee, I have encountered some pieces of the pattern of action to put away public power. To support this contention, I would like to testify with regard to interviews I have had with certain Federal officials. And I would cite to you the significant insistence of the private power companies surrounding the valley that they be allowed to supply the future demands of customers in TVA territory. I have knowledge of other evidence. I will welcome the opportunity to testify before your committee and to assist in bringing such additional evidence before it as I may be able. It is my great desire to assist your group in obtaining every bit of evidence that will throw any light on the monopolistic conspiracy which we believe seeks the destruction of public power as a competitive force in this country today.

Respectfully yours,

FRANK G. CLEMENT,
Governor of Tennessee.

Mr. President, to that telegram I have replied by inviting Governor Clement and any other persons who may be interested in the problem of public power

to appear before the Antimonopoly Subcommittee of the Judiciary Committee.

AMENDMENT OF RAILROAD RETIREMENT ACT OF 1937, AS AMENDED

The Senate resumed the consideration of the bill (S. 2178) to amend the Railroad Retirement Act of 1937, as amended.

Mr. COOPER obtained the floor.

Mr. SMITH of New Jersey. Mr. President, will the Senator from Kentucky yield to me?

Mr. COOPER. I yield.

Mr. SMITH of New Jersey. I understand that the distinguished Senator from Kentucky is about to explain the bill (S. 2178) to amend the Railroad Retirement Act of 1937, as amended, which was reported on May 28 by the junior Senator from Arizona [Mr. GOLDWATER], the bill itself having been introduced by the senior Senator from New Hampshire [Mr. BRIDGES].

Mr. COOPER. That is correct.

Mr. SMITH of New Jersey. Mr. President, will the Senator from Kentucky yield to me at this point, in order to permit me to suggest the absence of a quorum?

Mr. COOPER. I yield for that purpose.

Mr. SMITH of New Jersey. Then, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). The absence of a quorum having been suggested, the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. SMITH of New Jersey. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOPER. Mr. President, the pending bill, Senate bill 2178, would amend the Railroad Retirement Act of 1937, as amended, by repealing the last paragraph of section 3 (b) thereof, commonly called the dual-benefit provision, and would be effective as of October 30, 1951, the date this program became a part of the law.

At this point I ask unanimous consent to have printed in the RECORD as a part of my remarks the last paragraph of the section of the Railroad Retirement Act to which I have referred, namely, section 3 (B).

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

> The retirement annuity or pension of an individual, and the annuity of his spouse, if any, shall be reduced, beginning with the month in which such individual is, or on proper application would be, entitled to an old-age insurance benefit under the Social Security Act, as follows: (i) in the case of the individual's retirement annuity, by that portion of such annuity which is based on his years of service and compensation before 1937, or by the amount of such old-age insurance benefit, whichever is less, (ii) in the case of the individual's pension by the amount of such old-age insurance benefit, and (iii) in the case of the spouse's annuity, to one-half the individual's retirement annuity or pension as reduced pursuant to clause (i) or clause (ii) of this paragraph: *Provided, however,* That, in the case of any individual receiving or entitled to receive an annuity or pension on the day prior to the date of enactment of this paragraph, the reductions required by this paragraph shall not operate to reduce the sum of (A) the retirement annuity or pension of the individual, (B) the spouse's annuity, if any, and (C) the benefits under the Social Security Act which the individual and his family receive or are entitled to receive on the basis of his wages, to an amount less than such sum was before the enactment of this paragraph.

Mr. COOPER. A companion bill to Senate bill 2178—namely, House bill 356—was introduced in the House by our distinguished colleague Representative JAMES VAN ZANDT, of Pennsylvania. He was very active in its support, and the bill was passed in the House, after debate on the call of the Consent Calendar.

Hearings on the Senate bill, which was introduced by the distinguished Senator from New Hampshire [Mr. BRIDGES] were conducted by a subcommittee of the Committee on Labor and Public Welfare under the leadership of the late Senator Dwight Griswold of Nebraska.

The hearings continued for several weeks. It is my recollection that they began in March. The bill has been almost constantly under discussion, either in the subcommittee or the full committee, since that time.

During the hearings Senator Griswold insisted, with his characteristic conscientiousness and thoroughness, that the fullest hearings and consideration be accorded the bill. After his untimely and unfortunate death, the Senator from Arizona [Mr. GOLDWATER] became chairman of the subcommittee and reported the pending bill. As one of the members of the subcommittee who participated in the hearings, I am now presenting the bill.

The reason which led to the consideration of the bill and its favorable report should, I think, be explained, because the bill affects a large body of railroad workers and their families. There are approximately 540,000 persons eligible for annuities under the Railroad Retirement Act; 280,000 of them are actual railroad workers.

The restriction in the Railroad Retirement Act which the bill is intended to remove is known as the dual-benefit clause. When comprehensive law was enacted in 1951, Public Law 234, of the 82d Congress, to provide additional and more liberal benefits to railroad annuitants and their survivors, this restrictive provision was inserted. Its effect may be briefly described as follows:

Under the act, railroad workers or their survivors eligible for annuities under the Railroad Retirement Act, are permitted to receive annuities both under the Railroad Retirement Act and under the Old Age and Survivors Insurance Act, commonly known as the Social Security Act, if they had creditable service after 1937.

But making a distinction, the bill provided that workers who had creditable service before 1937 could not receive annuities under both systems. It provided that such a railroad employee was not eligible to receive annuities in full from both retirement systems. It required that there should be deducted from the total annuities payable to him a sum equal to the amount which otherwise he would have been entitled to receive from social security or under the Railroad Retirement Act, whichever might be smaller.

It is the purpose of the bill to place on the same basis all those eligible under the Railroad Retirement Act to receive annuities. It will enable all railroad employees or survivors to receive annuities under both the Railroad Retirement Act and the Old Age and Survivors Insurance Act, if they have creditable service.

I think it should be said, so that the record may be clear, a group of railroad employees did not favor the passage of the bill.

Representatives of the nonoperating unions appeared in opposition to the bill. There would be no charge or cost to the Federal Government if this bill is enacted. It is supported by payments of the employees and the railroads. It will, however, increase the charges upon the funds of the Railroad Retirement Act.

It was argued by those who opposed the bill that its enactment would make the railroad retirement fund actuarially unsound.

The evidence on the question as to whether the increased charges will make the fund actuarially unsound was not decisive. The best that can be adduced from the evidence is that at some point in the future, perhaps 50 years, the fund might be exhausted.

In this connection it should be pointed out, that when the comprehensive act of 1951 was passed it was reported then that the enactment of that bill would create a prospective deficit in the Railroad Retirement Act.

Taking into consideration all the facts, the committee made the decision, as had been made by the House committee and by the House, that there was not any immediate prospect, or probability that the fund may become actuarially unsound. It is quite doubtful.

Taking into consideration the difference in the treatment accorded railroad workers who had creditable service before 1937, and those with creditable service after 1937, under the present Railroad Retirement Act, the committee felt it was equitable to remove the existing restriction and to place all railroad workers on the same basis.

It may be pointed out that the restriction works most unfavorably against the oldest employees of railroads. Many of them, although eligible for retirement, cannot retire, because they know that their annuities under the Railroad Retirement Act are not sufficient to provide for their needs. They continue to work past the age of retirement.

If the older railroad workers could retire with adequate annuities, employment for some of the younger men would be provided. It is possible that the enactment of the pending bill may in some cases provide an additional inducement to faithful railroad employees to retire which would bring about increased employment opportunities.

All that I can say further is, after long consideration, and after taking into account all the arguments presented, the committee considered this an equitable bill and reported it favorably for passage.

I am sorry that all of the members of the committee are not present on the floor to vote on the bill. We have had a quorum call. We have made every effort to lay the matter before the full Senate, so that it will not be said that a full opportunity to vote was not given. We have done this because the bill is an important one to over 500,000 railroad employees. There is no finer group of American citizens.

Again I wish to pay tribute to the late Senator Griswold for his conscientious and painstaking work on the bill.

Mr. SMITH of New Jersey and Mr. BRIDGES addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield; and if so, to whom?

Mr. COOPER. I yield first to the Senator from New Jersey, the distinguished and able chairman of the Committee on Labor and Public Welfare.

Mr. SMITH of New Jersey. Mr. President, as chairman of the Committee on Labor and Public Welfare I desire to commend the members of the subcommittee, who spent many hours in studying the subject in an effort to find a sound solution to this very difficult problem. I wish to pay special tribute to the late Senator Griswold, who had the matter in charge. I believe I am correct in saying that he favored the passage of the bill and he so reported just before he passed away.

Mr. COOPER. He was very strongly in favor of the bill.

Mr. SMITH of New Jersey. When a new subcommittee, under the chairmanship of the distinguished Senator from Arizona [Mr. GOLDWATER], assumed charge of the matter, I understand it took up the work where the subcommittee under the late Senator Griswold had concluded its work. The new subcommittee had the benefit of the research the late Senator Griswold had done and the excellent work the prior subcommittee had done. I may state further that the bill was unanimously reported by the subcommittee to the full committee. I wish to say that it was reported by the full committee without a recorded objection. The Senator from New Hampshire [Mr. BRIDGES], of course, originally filed his bill, and we dealt with his bill in committee.

Am I correct in my understanding that if the pending bill is passed, under our procedure the House bill will be substituted for the bill which is now before the Senate?

Mr. COOPER. That is the proper procedure. I should like to say also, so that the RECORD may be clear, that after the subcommittee reported favorably the pending bill to the full committee, the matter was discussed by the full committee, and efforts were made over a period of at least 2 months to secure agreement between the operating unions and the nonoperating unions. I am certain the distinguished chairman of the Committee on Labor and Public Welfare will agree with me that the committee postponed action for many weeks in the hope that some agreement could be reached between the operating unions and the nonoperating unions.

Mr. SMITH of New Jersey. I can say that every opportunity was given by the full committee to all parties concerned in an effort to get agreement on a formula to which all could agree. It was only after the committee had received written communications, which are in the record, to the effect that agreement could not be had, that we felt we should act on the matter. Since the committee acted on the bill it has been reported that objection had been waived, and that there was no further objection to the passage of the bill as reported by the Senator from Kentucky. I have later information that that report may not be correct.

Mr. COOPER. I cannot say that the objections of the group of railroad workers to whom I referred have been withdrawn. I know of no objection in the committee.

I yield the floor.

Mr. BRIDGES. Mr. President, I shall take only a moment of the Senate's time. It is a very simple but a very justified bill that is now before the Senate. It is a companion bill to the bill sponsored and supported by the distinguished Representative from Pennsylvania, Mr. VAN ZANDT, who has made a long study of this type of legislation and who is a very patriotic citizen.

The pending bill, as the distinguished Senator from Kentucky has stated, has had the study of the subcommittee to the fullest extent.

Simply stated, the bill repeals section 3 (b), commonly known as the dual-benefit section of the Railroad Retirement Act. That provision of the Railroad Retirement Act prohibits a retired railroad employee from receiving annuities under both the Railroad Retirement Act and the Social Security Act.

If a retired railroad worker is receiving a pension under the Railroad Retirement Act and has worked under and has been a member of the social security system, and has paid the social security taxes and has earned a social security annuity and is receiving, or is entitled to receive, an annuity under the social security system, the amount of that annuity is deducted from his railroad retirement annuity.

That is a very unusual arrangement, Mr. President. It is a unique provision. No other pension system I know of penalizes its annuitants in a similar manner. If a man is receiving a pension, for example, under the civil service retirement system, he is allowed to receive that pension and any other annuity he may have earned and is entitled to receive.

It is interesting to note that if a railroad employee receives a pension in addition to his railroad retirement pension from any other source except socal security, no reduction is made in his railroad retirement annuity. Only in this case is the exception made.

I believe the bill would correct a wrong and an injustice, and I believe it should have the support of all Members of the Senate.

I commend the members of the subcommittee. I see on the floor the distinguished Senator from Arizona [Mr. GOLDWATER] and the distinguished Senator from Kentucky [Mr. COOPER]. I wish to commend also the other members of the subcommittee who are not present today, the Senator from New Hampshire [Mr. UPTON] and other Senators. I believe the bill should have the support of the Senate.

I ask unanimous consent to have printed in the RECORD at this point a few letters which I have received in support of the bill.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NASHUA, N. H., *July 14, 1953.*

Hon. H. STYLES BRIDGES,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Because I have contributed to both the social security and the railroad retirement funds I am greatly interested in your bill, S. 2178. I have always believed that as both social security and the railroad retirement have my same social security number, they were lumped together and never realized that this had been changed in 1951.

Anything that you can do to pass your bill will be greatly appreciated by me.

Very truly yours,

RAYMOND FIELD,
Member, Brotherhood Railway Clerks, Beacon Lodge, No. 37.

BOSTON, MASS., *July 27, 1953.*

Senator S. BRIDGES,
Senate Office Building:

House passed H. R. 356. Will you please have Senate accept House hearings and pass your bill, S. 2178, railroad retirement.

C. E. BOYCE,
President, Lodge 461, B. of L. F. and E.
WOODSVILLE, N. H.

MANCHESTER, N. H., *July 14, 1953.*

Mr. H. STYLES BRIDGES.

MY DEAR SENATOR: I am writing you relative to S. 2178 which you have introduced. I am voicing the feelings of the thousands of railroad workers in New Hampshire who come under the Railroad Retirement Act. You know that in your study of the 1951 amendments that the railroad transportation worker was denied benefits for which he was taxed, and yet were being enjoyed by many others.

We all pray that you get prompt action on S. 2178 or H. R. 356, both of which we heartily favor and have either one passed by your noble Senate. Thanking you for all you have done in the past, I remain

Yours respectfully,

CHARLES S. FISHER.

NATIONAL ASSOCIATION OF RETIRED AND VETERAN RAILWAY EMPLOYEES,
Cincinnati, Ohio, May 17, 1954.

Hon. Senator STYLES BRIDGES,
Senator, State of New Hampshire,
Senate Building, Washington, D. C.

MY DEAR SENATOR BRIDGES: I take this means to thank you for sponsoring bill S. 2178, and I understand that the bill has been O. K.'d by the full subcommittee and that the bill will now go to the Senate for a vote.

On behalf of our unit in Cincinnati of 800 members, we hope that this bill will not be delayed much longer, since H. R. 356 passed the House of Representatives last year.

Depriving about 38,000 railroaders of the dual benefit which they earned has been a hardship to a great many; and if anything can be done to expedite this bill which you will recommend, we will be glad to do so.

We have written our Senators JOHN W. BRICKER and THOMAS A. BURKE, of the State of Ohio, and asked them to support your bill in our behalf.

I might state to you my specific case on this restricted dual benefit. I paid into social security 14 years and 11 months, also in the Railroad Retirement Act the same amount of time. My social-security benefits were $31.50 and my railroad retirement benefits were $117.55. Of course, the $31.50 is deducted from my railroad retirement benefits, and I get $86.50 instead of the full amount, $117.55, and, understand, I paid into both of them 14 years and 11 months.

We have many in our Cincinnati unit in the same category, and I know you will admit if we received both of them it would not be enough to live on these days.

Again I want to thank you for sponsoring S. 2178, and I know our pensioners will never forget you for coming to their aid at this time.

I will be pleased to hear from you as to what you think is the prospect of having this bill passed in the near future.

Sincerely yours,

HARRY F. FRITSCH,
Secretary.

BROTHERHOOD OF RAILROAD TRAINMEN,
Woodsville, N. H., July 15, 1953.

Senator STYLES BRIDGES,
Senate Office Building,
Washington, D. C.

DEAR SIR: Wish to thank you for introducing bill S. 2178, to amend the Railroad Retirement Act correcting an unjust provision of the 1951 amendments whereby social security benefits are deducted from a man's railroad retirement.

Would appreciate it very much if you will use your great influence in the Senate for the early passage of this bill or H. R. 356.

Sincerely,

E. F. GALLAGHER,
B. & M. Railway Conductor (40 years' service).

MANCHESTER, N. H., *July 14, 1953.*

Hon. Senator STYLES BRIDGES,

DEAR SIR: Have just been informed that you are sponsoring a bill S. 2178, very similar to Congressman VAN ZANDT's bill H. R. 356. I sincerely hope that one or the other of these bills will be passed, at this session, as there are over 30,000 retired railroad men who are in need of your assistance in remedying the injustice done them when the Railroad Retirement Act was amended in October 1951.

Sincerely,

JOE HEROEUX.

ORDER OF RAILWAY CONDUCTORS,
BROTHERHOOD OF RAILROAD TRAINMEN,
Washington, D. C., July 9, 1953.

Hon. STYLES BRIDGES,
Senate Office Building,
Washington, D. C.

DEAR SENATOR BRIDGES: There is enclosed a copy of the report of the House Committee on Interstate and Foreign Commerce recommending the enactment of H. R. 356 to amend section 3 (b) of the Railroad Retirement Act by striking out the last paragraph thereof effective as of October 30, 1951. This bill is identical to S. 2178 by Senator BRIDGES.

There is also enclosed a memorandum giving our reasons for seeking this legislation, which is actively supported by the Brotherhood of Locomotive Engineers, the Brotherhood of Locomotive Firemen and Enginemen, the Order of Railway Conductors, and the Brotherhood of Railroad Trainmen. The undersigned have been authorized to speak for the two enginemen organizations.

The 1951 amendments wrote into the act a provision that never had been in the act before, and which provides that "the railroad annuity or pension of an individual and the annuity of his spouse, if any, shall be reduced beginning with the month with which such an individual is, or on proper application, would be entitled to an old age insurance benefit under the Social Security Act." This is the so-called social-security offset or social security dual benefit clause, and has worked a hardship on more than 30,000 retired railroad workers.

We urgently urge your support of this legislation.

Respectfully,

W. D. JOHNSON,
Vice President, and National Legislative Representative, Order of Railway Conductors.
HARRY SEE,
National Legislative Representative, Brotherhood of Railroad Trainmen.

MEMORANDUM IN SUPPORT OF H. R. 356 AND S. 2178

Our reasons for desiring the repeal of the provisions of the Railroad Retirement Act, which reduces the amount of a railroad annuity or pension where the individual or his spouse is (or on proper application would be) entitled to certain insurance benefits under the Social Security Act, are as follows, and have been set forth in part by the Legislative Reference Service of the Library of Congress and are printed in the May 5, 1953 CONGRESSIONAL RECORD as part of the remarks of Senator ED JOHNSON of Colorado:

1. It makes a discrimination contrary to the spirit of the 1937 act, which was careful to give full credit for prior service, a concept continued in subsequent amendments, which increased benefits and protection, without such a discrimination until 1951.

2. It applies a penalty retroactively against workers who, in good faith, and according to existing law, have sought to increase their retirement income by supplementing their railroad annuity with a social security benefit toward which they have also contributed.

3. It discourages workers from continuing in employment covered by social security after age 65, because they must pay the payroll tax under social security even though it may not increase their combined benefit income.

4. It imposes an indirect work clause penalty for engaging in employment, covered by social security, after age 65.

5. The objection to meeting costs in this manner is that it discriminates retroactively against a selected group of beneficiaries, creating a group of "second class" annuitants.

Always in the past when the Railroad Retirement Act has been amended it has been done so in such a manner as to be beneficial to retired railroad employees but the amendment enacted in 1951 was harmful to more than 30,000 railroad employees and their spouses.

The Railroad Retirement Act, as you know, is entirely self-supporting. This amendment does not add any cost to the Government. This clause in the law is the only one in any self-supporting retirement system which penalizes the thrifty workers who choose to pay to receive dual benefits providing for a more decent old age.

CONCORD LODGE NO. 537,
BROTHERHOOD OF RAILROAD TRAINMEN,
July 15, 1953.

Hon. H. STYLES BRIDGES,
Senate Office Building,
Washington, D. C.

DEAR SENATOR BRIDGES: It has been called to our attention that you have introduced bill S. 2178 to amend the Railroad Retirement Act to eliminate the provision which prohibits payment of both railroad retirement and social security to a pensioner.

We cannot stress too strongly the injustice of the present law. Several cases are known to the members of this organization in this locality where this deduction from the railroad pension of the amount of the social security benefit has worked a great hardship on the pensioner. Therefore, we wish to advise that we favor your amendment and urge that you take prompt action to see that either your bill or H. R. 356 is passed by the Senate since this amendment will affect thousands of railroad men throughout the country, many of whom might have applied for their pensions had it not been for this deduction.

Sincerely yours,

H. J. JONES,
Secretary.

NASHUA, N. H., *July 14, 1953.*

Hon. H. STYLES BRIDGES,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I am very much interested in the passage of your bill S. 2178 as I have both Social Security and Railroad Retirement and I always assumed these amounts that I have contributed were lumped together so that my pension would include both the Social Security and the Railroad Retirement payments.

I certainly am very much in favor of your bill, S. 2178, and will appreciate anything you may be able to do to see that this bill is passed.

Very truly yours,

ERNEST D. LANDRY,
Member of Brotherhood Railroad Trainmen, Merrimack Lodge No. 266.

CONCORD, N. H., *March 13, 1954.*

Hon. STYLES BRIDGES,
Senator, Senate Office Building,
Washington, D. C.

DEAR SENATOR BRIDGES: As legislative representative for the Ladies Auxiliary to the Brotherhood of Railroad Trainmen I am writing to you and Senator Upton requesting that you vote favorable on Senate bill 2178 and H. R. 356 to amend section 3-b of the Railroad Retirement Act.

With kindest personal regards, I am,

Respectfully yours,

ANNE M. LOVEJOY,
Legislative Representative, L. A. to B. R. T. No. 130.

FORT WORTH, TEX., *May 24, 1954.*

The Honorable STYLES BRIDGES,
Senate Office Building,
Washington, D. C.

DEAR SENATOR BRIDGES: Today's Trainmen News carries the good news that you have introduced in the Senate bill S. 2178 (the Senate version of H. R. 356). I wish to express my heartfelt thanks to you as I am one of the many who are suffering from the injustice this bill will rectify.

I retired in 1943 when I was 65 as I was suffering with stomach ulcers, and when I was better, I worked at different times, as much as I was able, to help with the manpower shortage and to supplement my retirement benefits. I qualified for the minimum social security which has been taken from me by deducting it from my railroad retirement. I am in great need of this added small amount now since I have crippling arthritis.

Again thank you.

Most sincerely yours,

HUGH C. SLOAN.

MANCHESTER, N. H., *July 13, 1953.*

Hon. H. STYLES BRIDGES.

DEAR SENATOR: I understand you are sponsoring a bill S. 2178, relative to the Railroad Retirement Act which is practically the same as Congressman VAN ZANDT's bill H. R. 356.

I greatly appreciate the interest you are both taking to remedy the gross injustice which was done to retired railroad men, when the retirement bill was amended in October 1951, which meant a loss to my wife and I of about $58 a month, it has worked a great hardship on us, which I hope will be remedied at an early date.

Will you kindly send me a copy of your bill and oblige,

Yours very truly,

C. E. TROTT.

Mr. WELKER. Mr. President, I commend the wisdom and the ability of the late Senator Griswold, who did most of the work in connection with the bill, and I also commend my distinguished colleague from Arizona [Mr. GOLDWATER], who carried on that work thereafter, and my distinguished colleague from Kentucky [Mr. COOPER], who is handling the bill on the floor.

Mr. President, the railroad workers whom I know are just about as high-class individuals as any I have ever met at any place or at any time, and it is my conviction that many thousands of retired railroad workers have been done a terrible injustice by the provisions of section 3 (b) which prevent them from receiving their just entitlement under the Railroad Retirement Act.

The 38,000 retired personnel are, in my opinion, entitled to their full retirement annuities after they become eligible for social-security benefits for which they have made their payments diligently.

There are, I think, approximately 540,000 railway workers throughout the Nation who are interested in this proposed legislation, who labored for years in the railroad industry, who made their payments, and who have become eligible for retirement compensation. It is my information that those thousands of retired railway workers are the only group of pensioners restricted from receiving their full retirement benefits at the time they are eligible for social-security benefits.

I do not wish to detain the Senate any further. The many railway workers in my State and throughout the Nation will certainly appreciate the passage of the bill.

Mr. GOLDWATER. Mr. President, I wish to commend my colleague, the Senator from Kentucky [Mr. COOPER] for the diligent and effective work he has done in connection with this measure.

It has received most careful consideration, not only from the subcommittee, under the late Senator Griswold, but from the committee as a whole. While at first there were some disagreements regarding the bill, they have been ironed out.

The correction this bill makes in the existing law is long overdue. I wish to read one paragraph from a letter from a retired engineer of the Pennsylvania Railroad Co.:

When I retired on December 31, 1942, after over 40 years of service with the railroad, I was given an annuity of $93.87 per month which through subsequent increases of 20 percent and a later increase of 15 percent raised my annuity to $129.80 which was immediately reduced to $98.30 by deducting the amount of my social security, $31.50, and I know of other retired men who have been reduced up to nearly $60 per month.

I wanted to read that excerpt into the RECORD to show the inequity being done under the language of the law which we are now about to correct. It is not intended to deny any retired railroad worker the things he has earned and to which he is entitled.

I commend my colleagues on both sides of the aisle for their work in connection with the bill.

Mr. LANGER. Mr. President, with reference to the pending bill, I wish to read a telegram which I received from T. C. Carroll, president of the Brotherhood of Maintenance of Way Employees. The telegram which is dated June 2, 1954, reads as follows:

WASHINGTON, D. C., *June 2, 1954.*

Senator WILLIAM LANGER,
United States Senate,
Washington, D. C.:

This telegram pertains to S. 2178 repealing section 3 (b) of the Railroad Retirement Act. Approximately 540,000 individuals, including 280,000 retired employees, now receive benefits under that act, but of the 34,500 now affected by the dual-benefit restriction only a comparatively small percentage are protesting the restriction. In 1951, it developed that liberalizing amendments being considered by Congress might make the system actuarially unsound unless compensating provisions were included. All the standard railroad labor organizations approved section 3 (b) as one of these offsetting provisions to obtain the amendments. Almost immediately some of them began a movement to have section 3 (b) repealed, and H. R. 356 originated in the House. In December 1953 all the standard railroad labor organizations approved a substitute to H. R. 356 which I introduced at hearings on February 17, 1954, before the Senate Committee on Labor and Public Welfare (see page 132 of hearings). In January 1954 three of the transportation organizations withdrew from the agreement to support this substitute (pages 125 and 135 of hearings). On two subsequent occasions, the first one at the request of the chairman of the Senate Committee on Labor and Public Welfare, representatives of Railway Labor Executives Association made honest efforts to reach an agreement with representatives of the four transportation organizations, but they would not recede one iota from their position that they would support nothing other than H. R. 356. The chairman of the Senate committee advised April 1, 1954, by letter, that the committee would not act on any pending railroad-retirement legislation until disposition had been made of H. R. 356. The chairman of Railway Labor Executives Association made a report to the chairman of the committee of our efforts and failure to reach an agreement. On May 14 the Senate committee ordered a favorable report on S. 2178, which contains the language of H. R. 356. We feel that this capitulation to those who wish to take advantage of the opportunity to draw full benefits under both the Railroad Retirement and Social Security Acts places a tremendous financial burden, and we think an unjust burden, of $385 million on railroad workers and the railroads, who are paying the tax to support the railroad retirement system. Those affected by the dual-benefit restriction have paid little, if any, tax into the railroad-retirement system, and certainly they have paid very small taxes to the social-security system, having taken advantage of the 1950 new-start clause under the Social Security Act. Their annuities have been materially increased since the Railroad Retirement Act was first passed, and in each instance those on the retirement rolls were given the benefit of the increases regardless of the amount of tax they may have contributed to the system. Their position is much more advantageous than that of railroad workers who though qualified for retirement remain at work and those who retire when qualified but do not obtain employment under social-security coverage. We think it is too much to place a further burden on present and future railroad workers through the enactment of S. 2178 or similar bills, and on behalf of the 250,000 workers represented on United States railroads by my brotherhood, I respectfully request that you vote against this measure.

T. C. CARROLL,
President, Brotherhood of Maintenance of Way Employees.

Mr. President, I am not a member of the committee. The appropriate committees have studied the matter fully and completely. I bring this telegram to the attention of the Members of the Senate, because I believe any telegram sent by T. C. Carroll, president of the Brotherhood of Maintenance-of-Way Employees, is worthy of consideration. I have no doubt that the members of the Committee on Labor and Public Welfare have studied the matter, and the information in the telegram undoubtedly has received their full attention.

Mr. COOPER. Mr. President, I thank my good friend the distinguished Senator from North Dakota for reading the telegram. The committee considered all the matters which are the subject of the telegram which has just been read. It was only after long delays and attempts to get the opposing group to agree that the committee recommended the passage of the bill.

Mr. President, there is pending before the Committee on Labor and Public Welfare, House bill 356, which is identical to the Senate bill which is now before the Senate. In the interest of expediting the enactment of the legislation, it would be advisable to consider and pass H. R. 356 in lieu of the Senate bill. Therefore I ask unanimous consent that the Committee on Labor and Public Welfare be discharged from further consideration of House bill 356 and that the House bill be considered and passed in lieu of Senate bill 2178.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Committee on Labor and Public Welfare is discharged from the further consideration of House bill 356. Is there objection to the present consideration of the House bill?

There being no objection, the bill (H. R. 356) to amend the Railroad Retirement Act of 1937, as amended, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2178 is indefinitely postponed.

COLLECTION OF INDEBTEDNESS OF MILITARY AND CIVILIAN PERSONNEL

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 935, Senate bill 2728, to authorize the collection of indebtedness of military and civilian personnel resulting from erroneous payments, and for other purposes.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 2728) to authorize the collection of indebtedness of military and civilian personnel resulting from erroneous payments, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. COOPER. Mr. President, there is an amendment which has been printed and is lying on the table, and which I intend to offer.

Mr. KNOWLAND. Mr. President, it is not my intention to have the bill considered tonight.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. CARLSON. Did I understand the Senator from California to say that he did not intend to have the bill acted on this afternoon?

Mr. KNOWLAND. The bill has been made the unfinished business, and will be taken up tomorrow immediately following the morning hour, ahead of the housing legislation or any other major legislation.

I think, under the circumstances, since I have given notice that no action would be taken on additional bills tonight, it might be just as well to hold the amendment to the bill at the desk.

Mr. CARLSON. I thank the Senator from California.

RECESS

Mr. KNOWLAND. Mr. President, if there is no further business to be considered, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 53 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 3, 1954, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 2 (legislative day of May 13), 1954:

IN THE NAVY

The following-named (Naval ROTC) to be ensigns in the Navy, subject to qualification therefor as provided by law:

Gerald H. Smith, Jr.
Edwin C. Welch, Jr.

Wilbur K. Brown (Naval ROTC) to be ensign in the Navy as previously nominated and confirmed, to correct name, subject to qualification therefor as provided by law.

The following-named Reserve officers to be lieutenants (junior grade) in the Medical Corps in the Navy, subject to qualification therefor as provided by law:

Richard E. Brewster
Richard G. Davis
Daniel C. Good

William R. Walker, midshipman (Naval Academy), to be ensign in the Navy as previously nominated and confirmed, to correct name, subject to qualification therefor as provided by law.

Sylvester S. Wisniewski (Naval ROTC) to be ensign in the Navy as previously nominated, to correct name, subject to qualification therefor as provided by law.

Richard R. Smith (Reserve officer) to be lieutenant (junior grade) in the Chaplain Corps in the Navy, subject to qualification therefor as provided by law.

The following-named officers to be lieutenants (junior grade) in the Navy (special-duty officers) subject to qualification therefor as provided by law:

William F. Cole, Jr. — William E. Merritt III
James W. Corley — Leo F. O'Brien
John F. X. Finn, Jr. — Lawrence E. Phillips

IN THE NAVY AND MARINE CORPS

David C. Jenkins, midshipman (Naval Academy), to be second lieutenant in the Marine Corps, in lieu of ensign in the Navy as previously nominated and confirmed, subject to qualification therefor as provided by law.

Robert W. Eich (Naval ROTC) to be ensign in the Navy, subject to qualification therefor as provided by law.

James R. Stewart, Jr. (Naval ROTC) to be second lieutenant in the Marine Corps, subject to qualification therefor as provided by law.

The following-named Reserve officers to be second lieutenants in the Marine Corps, subject to qualification therefor as provided by law:

Leon N. Angelo — William E. Miller
Joseph A. Como — Lyndon L. Pearson
Bernard W. Hungerford

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 2, 1954

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, of whose bountiful grace we have all received, grant that throughout this entire day we may have the blessing of Thy presence and power which will make us equal to every task and responsibility.

What more do we need for strength and support, for faith and courage than the joyous and triumphant assurance of Thy greatness and goodness.

May our minds and hearts be inspired with the supreme ambition to do Thy will more perfectly and to begin each day with the prayer, "What wilt Thou have me be and do?"

Help us to play our part bravely in the adventure of life and to follow faithfully the ways which Thou hast marked out for us.

Hear us in the name of the Christ who is the way, the truth, and the life. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills, joint resolutions, and a concurrent resolution of the House of the following titles:

H. R. 675. An act for the relief of Mrs. Romola Nijinsky and Paul Bohus-Vilagosi;

H. R. 689. An act for the relief of Mrs. Keiko Inouye;

H. R. 737. An act for the relief of Harold Donaghy Bishop;

H. R. 807. An act for the relief of Sister Isabel (Purificacion Montemayor Maceo);

H. R. 887. An act for the relief of Mr. and Mrs. Edward Levandoski;

H. R. 897. An act for the relief of Abul K. Barik;

H. R. 898. An act for the relief of Mrs. Rose Kaczmarczyk;

H. R. 1144. An act for the relief of Martha Farah;

H. R. 1348. An act for the relief of Alwine Reichenbauch;

H. R. 1465. An act for the relief of Helga Rossmann and her child;

H. R. 1509. An act for the relief of Sahag Vartanian;

H. R. 1657. An act for the relief of Antonio Messina;

H. R. 1699. An act for the relief of Rev. Roger Knutsen;

H. R. 1905. An act for the relief of Montgomery of San Francisco, Inc.;

H. R. 3006. An act for the relief of Ruth Irene Ledermann;

H. R. 3145. An act for the relief of Pravomil Vaclav Maly and Jarmila Maly;

H. R. 5210. An act for the relief of Paul D. Banning, chief disbursing officer, and others;

H. R. 5616. An act for the relief of Leon H. Callaway and others;

H. R. 5765. An act for the relief of Henry C. Bush and other Foreign Service officers;

H. R. 5933. An act for the relief of Herschel D. Reagan;

H. R. 7554. An act to provide for compensation of certain employees on days when departments or establishments of the Government are closed by administrative order;

H. J. Res. 481. Joint resolution to amend the act of July 5, 1949 (Public Law 157, 81st Cong.);

H. J. Res. 508. Joint resolution to extend the time for the erection of a memorial to the memory of Mohandas K. Gandhi; and

H. Con. Res. 206. Concurrent resolution extending best wishes of the Government and people of the United States to Berea College, in Berea, Ky.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 6477. An act for the relief of the Columbia Hospital of Richland County, S. C.;

H. R. 7258. An act for the relief of Willmore Engineering Co.;

H. R. 7371. An act to provide for the disposal of paid postal-savings certificates; and

H. R. 8092. An act to facilitate the entry of Philippine traders.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 820. An act for the relief of the estate of Carlos M. Cochran;

S. 959. An act to provide for a jury commission for each United States district court, to regulate its compensation, to prescribe its duties, and for other purposes;

S. 986. An act for the relief of Mrs. Ishi Washburn;

S. 1183. An act for the relief of John L. de Montigny;

S. 1203. An act for the relief of Lt. Col. Rollins S. Emmerich;

S. 1332. An act for the relief of Mary Goodyear Brown;

S. 1573. An act for the relief of the Federal Republic of Germany;

S. 1634. An act for the relief of Alton Bramer;

S. 1654. An act to amend the act entitled "An act to provide for a method of voting in time of war, by members of the land and naval forces absent from the place of their residence," approved September 16, 1942, as amended;

S. 1751. An act to prohibit false advertising or misuse of names indicating the various exchange services of the Armed Forces;

S. 1798. An act for the relief of Charles Peroulas;

S. 1833. An act for the relief of Mojsze Hildeshaim and Ita Hildeshaim;

S. 1858. An act for the relief of Sister Antonella Marie Gutterres (Theresa Maria Gutteres);

S. 1940. An act for the relief of Michela Aurucci;

S. 2034. An act for the relief of Hermine Lorenz;

S. 2036. An act for the relief of Joseph Robin Groninger;

S. 2044. An act for the relief of Louise Russu Sozanski;

S. 2067. An act for the relief of Anthony Benito Estella, Natividad Estella, Antonio Juan Estella, and Virginia Araceli Estella;

S. 2101. An act for the relief of Lucy Parsonius;

S. 2121. An act for the relief of Borys Naumenko;

S. 2156. An act for the relief of John Enepekides, his wife, Anna, and his son, George;

S. 2200. An act for the relief of Guiseppi Castrogiovanni, his wife and child;

S. 2204. An act to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses;

S. 2222. An act for the relief of Lucia Mezilgogiou;

S. 2264. An act for the relief of Alfio Ferrara;

S. 2266. An act for the relief of Walter P. Sylvester;

S. 2280. An act for the relief of Inge Krarup;

S. 2301. An act for the relief of Katherina Picerkona and her minor son, Helmut;

S. 2352. An act for the relief of Paul Shoji Awaji (Paul Milburn Simpson);

S. 2366. An act for the relief of Ito Yukiko;

S. 2369. An act for the relief of Karl Ullstein;

S. 2461. An act for the relief of Berta Hellmich;

S. 2465. An act for the relief of Lydia Wickenfeld Butz;

S. 2493. An act for the relief of Ingeborg Bogner Johnson;

S. 2553. An act for the relief of Joseph V. Crimi, father of the minor child, Joseph Crimi;

S. 2594. An act for the relief of Paolino Berchielli, his wife Leda, and daughter Alba;

S. 2618. An act for the relief of Ertogroul Osman;

S. 2677. An act for the relief of Michio Yamamoto;

S. 2766. An act to amend section 7 (d) of the Internal Security Act of 1950, as amended;

S. 2820. An act for the relief of Mrs. Erika Gisela Osteraa;

S. 2960. An act for the relief of Barbara Herta Geschwandtner;

S. 2965. An act for the relief of Auguste Ida Angeli;

S. 3126. An act for the relief of Waltraut Claassen;

S. 3185. An act to amend the Interstate Commerce Act in order to make the compliance with certain State filing requirements unnecessary with respect to mortgages, leases, equipment trust agreements, conditional-sale agreements, and other instruments evidencing the mortgage, lease, conditional sale, or bailment of motor vehicles sold to or owned by certain carriers subject to such act;

S. 3196. An act for the relief of Dr. Helen Maria Roberts (Helen Maria Rebalska);

S. 3524. An act to affirm the temporary appointments of certain officers of the Navy, and for other purposes;

S. 3525. An act to further amend the provisions of the act authorizing the payment of 6 months' death gratuity to widow, child, or dependent relative of persons in the Armed Forces; and

S. Con. Res. 79. Concurrent resolution to express the sense of the Senate on continuing the operation of the tin smelter at Texas City, Tex., and to investigate the need of a permanent domestic tin-smelting industry and the adequacy of our strategic stockpile of tin.

COMMITTEE TO ATTEND CEREMONIES OF 200TH ANNIVERSARY OF THE CONGRESS OF 1754

The SPEAKER. The Chair lays on the desk a communication which the Clerk will read.

The Clerk read the communication, as follows:

JUNE 1, 1954.

Hon. JOSEPH W. MARTIN, JR.,
The Speaker's Office,
The Capitol, Washington, D. C.

DEAR MR. SPEAKER: Because I find I cannot be at Albany, N. Y., on the date of the celebration of the 200th anniversary of the Congress of 1754, I am respectfully submitting my resignation from the committee named to attend the ceremonies.

Respectfully yours,
JOHN W. HESELTON.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

SHIPMENT OF ARMS TO GUATEMALA

Mr. REAMS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. REAMS. Mr. Speaker, Secretary of State Dulles emphasized the obvious danger of permitting Communist Russia to place large shipments of arms from behind the Iron Curtain in Guatemala. President James Monroe, 130 years ago, made a statement which has been followed as the Monroe Doctrine. This declared that the United States would not permit further colonization by European governments on the Western Hemisphere. This shipment of arms to Guatemala is a direct violation of the spirit of the Monroe Doctrine. It is an arrogant, dangerous, and presumptuous move on the part of Russia to establish a bridgehead on this continent. Mr. Dulles admitted that one objective of this shipment of arms to Guatemala might be to build up a strong point, a Communist bastion, in the canal area. I have not advocated sending troops to Indochina, but I definitely and strongly express the opinion that we cannot sit idly by and permit Guatemala to be made a Russian stronghold. I believe this Government should advise Russia that any further shipments of arms into this hemisphere will be either confiscated or sunk. The Guatemalan government insists that it is not a colony of the United States and we can proudly agree with that. We should make it known to the world that we do not intend that Moscow should begin with its colonization of this hemisphere in Guatemala. The Soviet already has 800 million people under its autocratic rule. We can help prevent war if we will take a positive stand on any further shipment of arms or troops into Central America.

SOCIAL SECURITY,

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ELLIOTT. Mr. Speaker, I returned to Washington this morning after having spent yesterday in Alabama, where I went to vote in the June 1 runoff primary election.

I had not expected the House to pass the amendments to the social-security law until today. I was torn between two duties—that of exercising my privilege to vote in the Alabama election, and that of staying here so as to be present during every single minute of consideration given to the social-security bill, H. R. 9366. Had I been present yesterday, I would, of course, have voted for this bill.

I do think that the new social-security amendments make a wonderful contribution to the desire of all Americans for a reasonable degree of security in old age.

I am particularly pleased that the bill provides for a system of coverage for our farmers. The coverage applies to farm owners and operators and farm laborers. This is a great step forward. It is one that I have been deeply interested in since coming to Congress. I have had the pleasure of discussing the problem and advocating social-security coverage for farmers in tens of speeches in the Seventh Congressional District of Alabama. The farmers of our district are ready for social security. They are entitled to its benefits.

The Seventh Congressional District of Alabama is a rural district. It has more than 30,000 individual farms. Social security for those who man these farms, whether they be owners, operators, or employees will mean a great deal to our district.

I am likewise happy that the bill provided for coverage for the school teachers of America. They richly deserve the benefits of the bill.

Among the many deserving groups covered by the amendments to the law are our ministers of religion.

When the House Commitee on Ways and Means had this bill under consideration I had the privilege of appearing before it urging coverage of farmers, ministers, and school teachers, and other deserving groups. During the 83d Congress alone, I myself have introduced six bills that provided for revision of our social-security system. Many of my recommendations have been embodied in the amendments we have just adopted. This is very gratifying.

This bill is another landmark of the strength of America. Its emphasis is

upon the well being of the individual. It is a good long step toward old-age security for all Americans.

SPECIAL ORDER GRANTED

Mr. SAYLOR asked and was given permission to address the House for 30 minutes on Thursday, June 3, following the legislative business of the day and any special orders heretofore entered.

PERMISSION TO FILE REPORT ON H. R. 9315

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a report on the bill H. R. 9315.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

DEVELOPMENT OF COOSA RIVER, ALA. AND GA.

Mr. ELLSWORTH. Mr. Speaker, I call up the resolution (H. Res. 572) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8923) to provide for the development of the Coosa River, Ala. and Ga. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. ELLSWORTH. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH], and at this time I yield myself such time as I may desire.

Mr. Speaker, I urge the adoption of House Resolution 572, which will make in order the consideration of the bill (H. R. 8923) to provide for the development of the Coosa River, Ala. and Ga.

House Resolution 572 provides for an open rule with 1 hour of general debate on the bill itself.

Mr. Speaker, this bill that we are asking be considered here today is one of nine other identical bills introduced to provide for the development of the Coosa River, Ala. and Ga., for electric power. This bill has the support of practically every member of the Alabama delegation and it was brought out at the meeting before the Rules Committee that representatives of Government agencies, farm and business groups, and civic leaders all were in favor of the objectives outlined in this bill.

Specifically, Mr. Speaker, H. R. 8923 proposes to suspend the authorization of the comprehensive plan for the Alabama-Coosa River and tributaries as provided in the River and Harbor Act of March 2, 1945. This bill would permit development of the Coosa River for electric power under a license issued pursuant to the Federal Power Act and in accordance with additional requirements as contained in the bill.

Mr. Speaker, the proposed plan for the development of the Coosa River would specifically provide that if the project were not undertaken during the period of time specified in the bill, the authorization relating to the Coosa River provided for in the act of March 1945, would have the same status as before enactment of the bill into law so far as the uncompleted projects are concerned.

The plan for the development of this river, Mr. Speaker, envisions a series of dams and it is planned that these dams would provide for a continuous series of pools and would include basic provisions for the future construction of navigation facilities. It is also planned that the maximum flood-control storage, economically feasible, would also be included in the construction of this project.

Mr. Speaker, I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. Mr. Speaker, I yield 7 minutes to the gentleman from Montana [Mr. METCALF].

Mr. METCALF. Mr. Speaker, the other day the House had for its consideration H. R. 7664, a bill to provide for the modification of the plan for the development of water resources of the Columbia River and its tributaries. This comprehensive plan is contained in H. R. 531, 81st Congress. H. R. 7664 modified the plan to permit Grant County Public Utility District of Grant County, Wash., to develop the Priest Rapids site for the generation of hydroelectric power.

The gentleman from Washington [Mr. MAGNUSON], the author of an identical companion bill, H. R. 7665, was among those who testified in behalf of the bill at the hearings. All the witnesses pointed to the tremendous power potential of the Columbia basin and the need for the development of hydroelectric power to alleviate the growing power shortage in that area. Congressman MAGNUSON said that in his opinion several years would be gained in expediting the development of hydroelectric power in the Northwest if the proposal in H. R. 7664 and H. R. 7665 was adopted.

He said:

Approval of this legislation by the Congress would enable the Grant County Public Utility District to begin producing power by 1959 or 1960, at least 5 or 6 years earlier than it appears we could have power from Priest Rapids through a Corps of Engineers project.

He continued:

I want to emphasize that approval of this legislation would not involve any conflict with the broad plan of Federal resources development, which I strongly favor. Approval of the legislation, instead would be an adjunct to and would supplement the Federal power program.

I had some misgivings about the Priest Rapids proposal at the time it was before the House, but I, too, am anxious to expedite the development of the Columbia River and its tributaries and as speedily as possible begin to supply the ever-growing demand for power in the Columbia Basin. On the premise that this was a local action keyed in and coordinated with the comprehensive plan for the development of the water resources of the Columbia River Basin, I did not raise my voice in opposition.

In an address delivered to the Pacific Northwest Trade Association in Spokane, Wash., last December, Under Secretary of the Interior Ralph A. Tudor called for a partnership between the Federal Government and local interests. He deplored what he called a trend to centralize everything in Washington and in the Federal Government. Then Secretary Tudor declared that—

The time has come to be more explicit and define what is meant by this partnership.

In spelling out the partnership arrangement, without setting out any precise formula, Secretary Tudor pointed to the Northwest power pool and said that this pooling of power by the Federal Government, the local public utilities, and the various private utilities through the Bonneville Power Administration had gained the area between 500,000 and 600,000 kilowatts of extra capacity. He then called for an extension of the partnership above and beyond the generation and distribution of power and said that it must be carried into the financing and construction of water-storage reservoirs, power, generating plants, both steam and hydro, and to the fields so vital to the economy. The Priest Rapids project was one of the examples Mr. Tudor used.

It would even be appropriate, I think, to consider the propriety of the Federal Government financing any flood-control features of this project by direct appropriation.

Another example given of the proposed partnership was the original proposal for Hoover Dam whereby the power-generating facilities were to have been installed and operated by local interests after the Federal Government had built the dam.

Apparently then the new power partnership program as far as I can glean it from the examples given was for the Congress to appropriate money for the engineering surveys, test borings, to ascertain site locations and conduct surveys of economic feasibility. Congress would also appropriate funds for nonreimbursable features such as fish ladders, navigation aids, flood control, storage, and then private utilities or public utility districts would build the profit earning part of the dam.

On an individual basis there are many dam sites in the Northwest that can be developed by such an arrangement without violating the comprehensive program. Priest Rapids may be such a project. But to many of us it could be justified only on the basis laid down by Congressman MAGNUSON in his testimony before the Committee on Public Works.

But now a new element has been interjected in our water resource policy. On May 25, President Eisenhower spoke

to the convention of the National Rivers and Harbors Congress. President Eisenhower said:

> I have become convinced that before very long, America will look upon water as its single greatest resource.

In the West we have looked upon water as our greatest natural resource for many years. The President continued:

> Now, as an old soldier, I have a horror of piecemeal action. There are among you old soldiers who have attended Fort Leavenworth and have heard of all the lessons they taught us and the criticism of doing things piecemeal. I learned that, and I believe it. So when a project is proposed that seems to me to be unrelated to all of the necessities of a river valley or of a slope in which it is located, I am very cold and unsympathetic. I believe that we have got to go to the Continental Divide and say—from there on down to the sea, studying where each drop of water falls—what we are going to do with it until it reaches the sea. I believe that any lesser survey of our water resources, our water uses, and our water control, is completely piecemeal, and we should reject it.

Now, when President Eisenhower talks about going to the Continental Divide, he is going up into my district where the Missouri rises on one slope and the Columbia's principal tributaries rise on the other slope. And if each project must be studied in its relationship to the necessities of the river valley then all projects on the Missouri River or the Columbia have a relationship to the development of western Montana.

I have long advocated regional development of water resources. I have deplored the centralization of control over the Missouri and the Columbia in the departments of Defense and Interior and Agriculture and sought to have the control moved out to the river basins affected. So I agree with the principle that the President has enunciated.

But if the new policy is to scrutinize every project with regard to its impact on the entire region then the premise that such a project as Priest Rapids or Cougar Dam will not interfere with the comprehensive development of the river falls.

The question arises, is this partnership program that President Eisenhower's administration has advanced part of this national policy? If so our Federal power policy has been fundamentally altered and broader hearings should be held on such bills as the one we are considering today and the Priest Rapids and Cougar Dam bills already through the House and the John Day project recently introduced.

In his talk to the Rivers and Harbors Congress the President announced the appointment of a Cabinet committee consisting of the Secretaries of Defense, Interior, and Agriculture to coordinate with such bodies as this—Rivers and Harbors Congress—with the Hoover Commission, and with Members of Congress, to devise on behalf of the executive departments a broad water program that will cover this continent from ocean to ocean and from the Canadian border to Mexico.

With the President's admitted abhorrence of piecemeal legislation no action should be taken until that broad water program is formulated. If the so-called partnership policy is to be a part of that broad water program we should hear from the TVA, from the Southwest, from the Northeast, and from all the other river basins that will be affected by such a national policy.

If the partnership is not part of the national policy then this is piecemeal legislation and this and other similar bills materially changing our present power and resources policy should be shelved pending the action of the Cabinet Committee.

Nor need such waiting cause undue delay. The Secretary of the Interior has in his files the following surveys made since the end of World War II:

BUREAU OF RECLAMATION

Columbia River Basin: House Document No. 473, 81st Congress, volumes 1 and 2.

The Colorado River: Department of the Interior, March 1946, Basin series; also House Document No. 119, 80th Congress, 1st session.

Missouri River Basin: Senate Document No. 191, 78th Congress.

Central Valley Basin: Senate Document No. 113, 81st Congress.

Washita River Subbasin: House Document No. 219, 83d Congress.

Alaska reconstruction report: House Document No. 197, 82d Congress.

Cachuma Unit-Santa Barbara County project: House Document No. 587, 80th Congress, 2d session.

The Secretary of Agriculture has:

DEPARTMENT OF AGRICULTURE—AUTHORIZED

Survey of the Buffalo Creek watershed, New York: House Document No. 574, 78th Congress, 2d session.

Middle Colorado River watershed, Texas: House Document No. 270, 78th Congress, 1st session.

Survey of the Coosa River, Tenn. and Ga.: House Document No. 236, 78th Congress, 1st session.

Report on survey of the Little Tallahatchee, Miss.: House Document No. 892, 77th Congress, 2d session.

Survey report for the Los Angeles River watershed, California: House Document No. 426, 77th Congress, 1st session.

Potomac River Drainage Basin, Va., W. Va., Md., and Pa.: House Document No. 269, 78th Congress, 1st session.

Survey report on Santa Ynez River watershed, California: House Document No. 518, 78th Congress, 2d session.

Survey report on the Trinity River watershed, Texas: House Document No. 708, 77th Congress, 2d session.

Report on survey of Washita River watershed, Texas and Oklahoma: House Document No. 275, 78th Congress, 1st session.

Report on survey of Yazoo River watershed, Mississippi: House Document No. 564, 78th Congress, 2d session.

Missouri River Basin agricultural program: House Document No. 373, 81st Congress, 1st session.

Supplemental Missouri River Basin agricultural program, July 3, 1952: House Document No. 530, 82d Congress, 2d session.

Green River watershed, Kentucky and Tennessee: House Document No. 261, 82d Congress, 1st session.

Interim survey report, Grand-Neosho River watershed, Kentucky, Arkansas, Missouri, and Oklahoma: House Document No. 388, 82d Congress, 2d session.

Survey report by Agriculture Department on Pee Dee River watershed, Virginia, North Carolina, and South Carolina: House Document No. 395, 82d Congress, 2d session.

Survey report by Agriculture Department on Brazos River watershed, Texas: House Document No. 396, 82d Congress, 2d session.

Survey report by Agriculture Department on Queen Creek watershed, Arizona: House Document No. 397, 82d Congress, 2d session.

Survey report by Agriculture Department on Sny watershed, Illinois: House Document No. 398, 82d Congress, 2d session.

Delaware River watershed, New York, Pennsylvania, New Jersey, Delaware, and Maryland: House Document No. 405, 82d Congress, 2d session.

Scioto River watershed, Ohio: House Document No. 409, 82d Congress, 2d session.

Pecos River watershed, New Mexico and Texas: House Document No. 475, 82d Congress, 2d session.

Survey report of Youghiogheny River watershed, Pennsylvania, Maryland, and West Virginia: House Document No. 39, 83d Congress, 1st session.

Survey report of Savannah River watershed, North Carolina, South Carolina, and Georgia: House Document No. 40, 83d Congress, 1st session.

Sevier Lake watershed, Utah: House Document No. 406, 82d Congress, 2d session.

The Secretary of Defense has:

UNITED STATES ARMY CORPS OF ENGINEERS

Potomac River, Md., Va., Pa., W. Va.; House Document No. 622, 79th Congress.

Rappahannock River, Va.: House Document No. 119, 80th Congress.

James River, Va.: House Document No. 207, 80th Congress.

Central and southern Florida: House Document No. 643, 80th Congress.

Red River of the North, N. Dak., S. Dak., and Minn.; House Document No. 185, 81st Congress.

Rio Grande, N. Mex.: House Document No. 243, 81st Congress.

Sacramento-San Joaquin River Basin, Calif.: House Document No. 367, 81st Congress.

Columbia River Basin: House Document No. 531, 81st Congress.

Kansas River Basin, Ky. and Mo.: House Document No. 642, 81st Congress.

Osage River Basin, Ky. and Mo.: House Document No. 549, 81st Congress.

Brazos River, Tex.: House Document No. 535, 81st Congress.

Cumberland River, Ky. and Tenn.: House Document No. 81, 83d Congress.

The Cabinet committee also has the benefit of the groundwork laid by recent studies by the President's Water Resources Policy Commission. In 1950, this group released A Water Policy for the American People and Ten Rivers in America's Future, following an extensive study.

Another study was Missouri: Land and Water, the 1953 report of the Missouri Basin Survey Commission. Six

Members of this Congress were members of this commission, including the gentleman from Colorado [Mr. ASPINALL], the gentleman from Kansas [Mr. HOPE], the gentleman from Arkansas [Mr. TRIMBLE], my distinguished colleague, the senior Senator from Montana, Senator MURRAY, the senior Senator from Missouri, Senator HENNINGS, and the junior Senator from North Dakota Senator YOUNG.

For about 2 years, both by Presidential directive and resolution of Congress, a comprehensive survey of the New York-New England area has been going forward under the direction of Col. H. H. Frech, New York district engineer of the Corps of Engineers.

The legislation now before us providing for the development of the Coosa River is in the same category. The authors of the nine identical bills have expressed the urgent need for the development of hydroelectric power on the Coosa River, a need that is just as urgent as is ours in the Northwest. As a result of the administration policy of no new starts on multiple-purpose dam projects and a slowdown on old starts, it appears that the only way to get some of these needed hydroelectric projects underway is to proceed in this way.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. METCALF. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. If I heard the gentleman correctly, he said it was the administration's policy that there would be no new starts on public works and reclamation projects. I would call the gentleman's attention to the fact that five new starts have been approved by the Interior Department and the Budget Bureau in irrigation; they have approved the upper Colorado River project which is a power and irrigation project. So I hope the gentleman will correct his remarks relative to the policy of the administration that there shall be no new starts. There will presently be before this body a bill from the other body which contains the new starts that I have mentioned with the exception of the upper Colorado River.

Mr. METCALF. I thank the distinguished chairman of the Interior Committee for that comment. That means that the administration policy that was laid down that there were to be no new starts has been at least partially changed, so that we are to have some new starts as outlined by the distinguished gentleman from Nebraska.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield further?

Mr. METCALF. I yield.

Mr. MILLER of Nebraska. During the war, of course, the policy was in effect that there would be no new starts. It was in effect last year, too, and under a previous administration. But this Congress saw fit to write in several new starts and as far as I know now that policy as to no new starts is not in effect at this time.

Mr. METCALF. I agree, but it was the policy all last year that there were to be no new starts under this administration.

The authors of some of the bills have participated in the formulation of our public power development, have helped in the legislation that has made TVA the great national institution that it is. Confronted by a slowdown of public power there was no other way to achieve the necessary river development except to turn to this partnership expedient.

This Cabinet committee can dust off the leather covered embossed copies of the reports in their office and using the data from these surveys and studies can formulate the broad water program the President wants.

There are other questions that must be answered in this new comprehensive national water resource program. What is going to happen to the preference clause under partnership dams?

The Missouri marketing criteria was an administration power policy statement last August that has been since modified, but how does this fit in with the new national program? Are the REA's again going to have a fight for survival?

What about allocation of storage benefits for upstream and downstream dams? This is a very complex question and if this partnership program is going to be a part of our national water resource policy then far more extensive hearings should be held than have been held to date.

This is far from a complete list of the questions involved. These are only cited as examples of the departures from accepted and established water resources policy that will be made without a complete understanding of the overall effect of such departures.

In individual cases such partnership has sound justification. The case before us today must be regarded as such a case and not a precedent for adopting the partnership arrangement as a broad water resource policy nationally.

And while I am joining President Eisenhower in urging that Congress refrain from piecemeal legislation that might impair a national policy I also urge the administration to heed the President's admonition. I hope that a storage site at Hells Canyon is not given away to the detriment of some future maximum uses of the water resources of the Snake River.

Mr. SMITH of Virginia. Mr. Speaker, I yield such time as he may desire to the gentleman from Wisconsin [Mr. JOHNSON].

Mr. JOHNSON of Wisconsin. Mr. Speaker, I arise at this point in opposition to H. R. 8929. Although this bill does not in any way affect the Ninth District of Wisconsin which I represent, I feel very strongly about this measure, since my district has probably the greatest concentration of REA consumers in any district of the United States. I believe that anything that affects REA and TVA in this Nation should be opposed by me on the floor of the House if I am to properly represent the people of my district.

When I campaigned for office last fall, I promised the people of the Ninth District of Wisconsin that I would support the total REA and TVA program and I feel that I cannot sit idly by at this time and not rise in opposition to the proposed legislation before the House. I am vitally concerned with the entire picture of the public power program and do not want to see any encroachment on this program which means so much to the people of my district and the other areas served by REA cooperatives and TVA.

I am flatly opposed to H. R. 8929 for I firmly believe it is a giveaway to a power company which will result in inefficient and incomplete development of power in the State of Alabama. If this bill is passed, I view it as another opening wedge by the power companies, with the aid of the present administration, to destroy the traditional Federal power program without even coming out into the open against it. It is a cleverly contrived coverup which on the surface may look to be in the interest of the public power program. I realize that because of the urgent need for power, and the failure of the Federal Government to develop the Coosa River area, the REA cooperatives of Alabama have gone along with the proposed bill and have asked their Congressmen, who are good friends of mine, to support H. R. 8929. I feel sure, however, that if they had waited another 7 months until the Democrats are returned to power that I and others who feel as I do would have supported legislation to develop the Coosa River area as the Corps of Engineers had proposed.

A significant point about the Coosa River is that it would deauthorize an existing Federal project at Howell Mill Shoals and permit the Alabama Power Co. to apply for a license to develop that project. Alabama Power admit that they will produce only about one-third of the power from that project that the Corps of Engineers had planned to produce—72,000 kilowatt-hours under the Alabama plan versus 200,000 kilowatt-hours under the Corps of Engineers plan. The Alabama Power Co. is a subsidiary of the Southern Co. which also controls the Georgia Power Co. The Georgia Power Co. is moving heaven and earth to destroy the preference rights of the rural electrification cooperatives in Georgia. First, Georgia Power attempts to destroy the cooperatives' rights to power from the Federal project at Clark Hill. Under H. R. 8929, the same company indirectly would destroy preference by simply taking over and constructing an authorized Federal project.

I would like to call your attention to an emerging pattern of legislation in the electric power field which is of utmost concern to all electric consumers, and refer to four other bills in various stages of progress now pending before Congress, which propose to authorize construction of power projects by agencies other than the Federal Government. In every case these bills are either the result of the failure of the Federal Government to proceed with the development of resources at a reasonable rate, or are justified on that ground.

S. 2920–H. R. 7815, the Cougar Dam bills: These bills propose a partnership arrangement between the city of Eugene, Oreg., and the Federal Government with ownership of the power facilities and the

power going to the city of Eugene. This bill also contains a bad cost allocation formula.

H. R. 7070, the Rocky Reach bill: This bill was introduced to permit a Washington State public utility district to build a dam on the Columbia and feed the power into the Bonneville system. I have been informed that this is the most justifiable of all proposals, but it apparently is not going to pass.

S. 1793; H. R. 7664, the Priest Rapids bills: These bills provide that Grant County public utility district or a combination of public utility districts or an operating agency of the Washington State power body may construct a dam at Priest Rapids. The House amended this bill to provide that the FPC should control the disposition of power among the Northwest States if a dispute should arise. As a result of this amendment, Senators JACKSON and MAGNUSON, of Washington have announced their intention of amending the bill in the Senate to provide that preference apply to all power over and above the needs of the constructing agency.

S. 3510; H. R. 9307, the John Day bills: These bills were introduced this week providing for construction of a mainstem dam on the Columbia by municipalities, cooperatives, public utility districts, or private companies. It is a real partnership bill which would result in Federal contributions for the nonreimbursable features and local contribution of cost of part or all of the power facilities. The local unit putting up money gets title to a proportionate share of the power.

It is most significant that all of these bills affect Federal power policy, and some of them affect it drastically, but the changing of the policy is proceeding piecemeal, a strategy difficult to deal with.

Considered separately, all of these bills have some favorable and some unfavorable features. Considered as a whole, they add up to a pretty sinister picture, even though such projects as Priest Rapids were proposed in good faith by friends of REA and TVA to meet a real need, and I do not intend my remarks to be interpreted as casting aspersions on the sponsors or supporters of the bills. Nevertheless, I do want to point out that the Federal power policy is being made on a piecemeal basis; extremely important principles are being hamstrung; and the partnership is being pushed with great vigor. For these reasons, I think we should be extremely careful in considering these measures, I believe we should look at the long-range policy of Federal power and constantly keep as our goal the strengthening of this vital public power program.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, while politics is a hard game, and anyone who enters into it must expect criticism, the kind of attack made on Congressman SAM YORTY, of California, is clearly outside the political arena. The attack in the pamphlet issued under the signature of a person by the name of Dockweiler is an attempted smear that is not only mean and vicious, but constitutes a falsehood. There is no person in the United States who stands for real Americanism and who is a more vigorous opponent of communism than the gentleman from California [Mr. YORTY]. Years before he came to Congress, as a member of the California Legislature, SAM YORTY showed his opposition to and contempt for communism by introducing a resolution that established a special committee to investigate communism in California. He was the first chairman of that committee, serving with ability and courage. In the Congress he has repeatedly shown his opposition to this vicious world-killer destructive movement. The Communists not only fear but hate SAM YORTY. As a Member of the Congress he has been a strong advocate of a powerful military force on land, on sea, and in the air. He stands for not only a powerful offensive military force but also for the most effective defensive military force possible to protect our people and our cities against air attack.

Mr. Speaker, the gentleman from California [Mr. YORTY] recognizes the sinister meaning and force of communism. He knows that the only thing Communists respect is what they fear, and that is power and strength, spiritual, military and otherwise, greater than they possess.

The contemptible piece of political literature directed as him is nothing but a pack of innuendos, distortions, half-truths, and lies. The intent is to appeal to the emotions and fears of the voters of California for the purpose of affecting a primary and an election.

If this is going to be the pattern of Republican candidates, with unlimited money, in an effort to buy elections through putting fear into the minds of our people, then the country is going to witness one of the most contemptible political campaigns in its history this fall: Anything to get votes. Buy them when possible. Put fear into the minds of people. Create disunity, if necessary. Anything to win an election.

I am satisfied that the people will not be fooled by any such campaign. I have too much confidence in the judgment, the decency, and the commonsense of the American people that they will fall for any such campaign.

In the case of the gentleman from California [Mr. YORTY], I will be greatly surprised if the people of California will allow the Republican candidate for United States Senator, through this individual named Dockweiler and others, to get away with this un-American type of campaign. The average American, no matter where he may live, wants fairness, even in a political campaign.

The average American resents and condemns smears of any kind, particularly those attacking the patriotism of a fine American like Congressman YORTY.

The people of California in their resentment of indecency in politics are like the people of my State and other States of the Union.

The most effective way they can show their resentment of this un-American attack is by voting for Congressman YORTY on primary day, June 8 and on election day, next November 2.

This attack is politics at its worst. The people of California have the opportunity at the polls to repudiate this kind of campaigning, and serve notice on all candidates in California and elsewhere that while they expect them to fight hard, they also expect them to fight clean.

On April 21, 1954, I wrote Mr. YORTY the following letter:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
OFFICE OF THE DEMOCRATIC WHIP,
Washington, D. C., April 21, 1954.

HON. SAM YORTY,
Los Angeles, Calif.

DEAR SAM: During your period of service in the National House of Representatives, you have represented your people with outstanding ability and courage and in an honorable and trustworthy manner. Your keen insight of the world situation and the necessity for strong defense, both offensively and defensively, is clearly evidenced by the great fight you made last year for a 143 air wing group.

The fact that the Republicans now stand for a 137 air wing group, shows that you and our party were right last year and the Republicans were wrong.

You recognize, as I do, the necessity of strength and power, because that is the only thing that the Communists fear. Peace through strength has always been the policy of the Democratic Party.

In the field of domestic affairs your outlook has always been sound and progressive. You are truly a "people's man." The confidence and respect the Democratic leadership and your other colleagues have for you is clearly evidenced by the important committee assignments you have received, as well as other important assignments in connection with the debate of important bills in the House of Representatives.

You are well equipped in all respects, which includes the fine experience you have had in Congress to date, to ably and effectively represent your great State in the United States Senate. In that body, you will bring honor to California and strength to our Nation. These are days when our country needs men of ability and courage in the Congress of the United States. Your public record is one of outstanding ability and of great courage.

In electing you to the United States Senate, the people of California can do so with complete confidence that your service in that body will reflect credit upon them. On your record you deserve to be elected. I am confident that the people of your great State, recognizing your fine capacity, will elect you next fall to represent them in the next Senate.

With kind personal regards, I am,
Sincerely yours,
JOHN W. MCCORMACK,
Democratic Whip.

Mr. SMITH of Virginia. Mr. Speaker, I have no further requests for time.

Mr. ELLSWORTH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. DONDERO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8923) to provide for the development of the Coosa River, Ala. and Ga.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House

on the State of the Union for the consideration of the bill H. R. 8923 with Mr. COLE of Missouri in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. DONDERO. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this is not an ordinary bill. It is an extraordinary measure. One like it rarely comes to the floor of this House. I am very much in favor of this bill.

The purpose of the bill is to deauthorize certain projects or hydrodams on the Coosa River in Alabama, five of them, and turn them over to private enterprise. This measure comes from the Committee on Public Works unanimously, with the exception of one, the gentleman from Alabama, our colleague, Mr. ROBERT JONES.

The entire Alabama delegation introduced like bills as the one before the House, H. R. 8923. They are enthusiastically in favor of it. The Governor of the State of Alabama wrote a letter to me, as chairman of the committee, urging that this bill pass and that the purpose of the bill be approved.

The purpose of the bill is to give the Alabama Power Co. an opportunity to file an application with the Federal Power Commission for a license to develop the power on the Coosa River in the 5 dams or 5 projects proposed. The committee was told by witnesses before it that so far as Alabama was concerned, there was no opposition to it. No one appeared before our committee in opposition. I understand that both Senators in the other body are also in favor of the passage of this bill. What it does is take the Federal Government out of a public project that amounts to $100 million and gives an opportunity to private enterprise through the Alabama Power Co. to do that work, namely, develop the power. If it is done, and I hope it will be done, that project will form a basis of revenue for the State of Alabama as well as for the Federal Government. In other words, it places back in the hands of private enterprise the right and the opportunity to develop this resource.

I am informed and the committee was informed that power is badly needed in that part of Alabama, namely, the eastern part of the State, and that the Alabama Power Co. is ready, able, and willing to do so and through its president appeared before our committee and asked that they be given the opportunity to develop this resource. It ought to be done. It recognizes the tradition and the principle which made this Nation what it is, namely, private enterprise. Whenever we can take the Government out of a project of this kind and save the Treasury the necessity of spending $100 million by letting private enterprise do it, it ought to be done by the United States, and ought to be done enthusiastically.

I wish more bills of this nature could be brought before this Congress. I am sure the American people will applaud what we do here when we change the idea of having the Government do everything and let the citizens of the Nation have the opportunity of developing these resources.

I know that the argument is raised, and I have heard it many times, that this being a natural resource it belongs to all the people and all the people will be benefited by it. In my judgment, there is only one way, whether it is power at Niagara or in Alabama, by which all of the people can benefit from this kind of natural resource, and that is from the tax dollar that is paid by private enterprise into the Federal Treasury. Then all of the people of the Nation really benefit from that resource, and in no other way. We in Michigan do not benefit from the power developed at Niagara, but we could benefit by the dollar that private enterprise would pay into the Treasury if private enterprise is permitted to develop that project.

So, Mr. Chairman, I hope this bill will have the unanimous approval of the House, and that it will be passed quickly.

Mr. TRIMBLE. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. RAINS].

Mr. RAINS. Mr. Chairman, the bill before us today, as the gentleman from Michigan [Mr. DONDERO] just said, is a unique and unusual bill.

This exact bill was introduced here in the House by myself and by Mr. ROBERTS, Mr. ANDREWS, Mr. SELDEN, Mr. ELLIOTT, Mr. GRANT, Mr. BATTLE, and Mr. BOYKIN, of Alabama, and by the gentleman from Georgia [Mr. LANHAM], and in the Senate by Alabama's two able and distinguished United States Senators, Senators HILL and SPARKMAN.

This bill adequately protects the public interest. If it did not we would not be supporting it. The bill provides for the development of the Coosa River, a river which has its beginning in the hometown of our distinguished colleage, HENDERSON LANHAM, in Rome, Ga. It flows through my congressional district and then through the congressional districts of Mr. ROBERTS, Mr. SELDEN, and Mr. GRANT, and from there into the Alabama River and Mobile Bay.

The Coosa River may not be well known to you, but it is the second greatest undeveloped waterway in America. It is not a small stream, it is a great river. It has great electric-power potential. It has good navigation potential. In 1945, on March 2, the rivers and harbors bill passed the Congress providing a comprehensive plan for development of the river by the United States engineers. No specific dams were set forth in the first comprehensive plan. Over all of the years, Members of the Alabama and Georgia delegation have appeared before the appropriate committees of the House in an effort to get money to develop this much needed river system. For a number of years, we met with no success, and regardless of any belief or viewpoint or philosophy, and I speak as one who is an ardent supporter of TVA, as you know, we are up against cold, hard facts of having a river developed or not having it developed. I see some of my esteemed friends, before whom we have appeared time after time in the Committee on Civil Functions, and before whom we have pleaded with tears in our eyes for the development of this great river system. As much as we want this river system developed, if this was the simple turning over of a great natural resource to any private utility without the proper safeguards for the people for its use, we would not be in favor of it, but this bill carries the safeguards necessary to protect the public interest.

We have put many safeguards on this bill. They are set out section by section in the report—and I should say to you that this bill was written over many long months of conferences between the United States engineers and Members of the Alabama and Georgia delegations. When we were first approached about this legislation, the Members of the Congress from the State of Alabama and Mr. LANHAM made the statement that we would support the bill only if it met with the approval of the Corps of Engineers. I can say to you that a great deal of the verbiage and the language in this bill for the protection of the people's interest relating to flood control and navigation facilities is in the language of the Corps of United States Engineers, and it meets with their approval as the testimony in the hearings shows.

It is expected that if this authorization is suspended to permit a private utility to file an application for power development on this river, it will mean the building of five dams, the dams to be located in Alabama and in the districts represented by myself and my colleagues from Alabama, Mr. ROBERTS and Mr. SELDEN. It is expected the dams will provide, I believe, 240,000 kilowatts of electricity and that the private utility will be required to provide flood control and basic navigation features. I should say that the navigation features in the original authorization are not suspended by this bill, and that, in general, the public interest will be completely protected. In Alabama, there is a great power shortage. It is expected that if these 5 dams are built, and we have in the bill a time schedule requiring that all the dams be built within 10 years or else the river will revert back to its original status, but it is expected that the power generated at these 5 dams would only constitute about 25 percent of the anticipated needs of the private utility, which is expected to construct the dams. In other words, there is a great need through this section of Alabama for power development. I should like to tell you, and I could include it in the RECORD except that it is too bulky, a tremendous list of organizations labor unions, civic clubs, and agricultural groups who favor this bill. In other words, I say frankly on the floor of the House that if there is anybody in the State of Alabama who is opposed to it, the members of the Alabama delegation have not heard from them. There was a time when the REA association in Alabama opposed this development by a resolution. Later on the Association of Electric Cooperatives in Alabama wrote or sent telegrams to each of the members of the Alabama delegation withdrawing objections.

Mr. JONAS of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. JONAS of North Carolina. The bill does not contemplate the expenditure of any Federal funds, does it?

Mr. RAINS. I am glad to say to my distinguished friend that this bill does not contemplate the expenditure of one single dollar of Federal funds. Instead, it will mean in taxes to the State of Alabama schools alone about $3 million. In addition to that, it will mean taxes for the Federal Treasury.

The river that we have before us today has suffered for 80 years without development. Members of Congress, my predecessors, as far back as 80 years, were making speeches on this floor urging the development of this river. The people in that area, Members of Congress from that area, and from our State have come to the conclusion that this is the only way we can get it developed. We believe we have the public interest protected in this bill, and we believe it will mean a long step forward in the growth and development of this great section of our great State.

So I say again, many of you know my record in connection with these matters; that if this bill did not protect the public interest, if this bill in any way was injuriously affecting the TVA, I would not support it. I have a district that has both TVA and private power, so as a result I am fair to each. I have come to the conclusion that it is to the best interests of the people we represent, and the Nation, that this bill be passed, and the members of the Alabama delegation agree with me.

Mr. Chairman, the prospective licensee and the utility which will construct these dams under this legislation, is the Alabama Power Co. The chairman of the board of the Alabama Power Co. is the Honorable Thomas W. Martin, an outstanding Alabamian who has contributed much to the growth and development of our State. Mr. Martin appeared before the House Public Works Committee, and testified in support of this legislation. His remarks to the Committee on Public Works are so informative and enlightening I include them herewith for the RECORD:

Mr. Chairman, the Alabama Power Co. was organized under the laws of Alabama in 1906 by William Patrick Lay, of Gadsden, Ala. Soon after the company was organized Congressman John D. Burnett, of Gadsden, sponsored and secured passage of an act by Congress entitled "An act permitting the erection of a dam across the Coosa River, Ala., at a place selected for lock No. 12 on said river." By this act the consent of Congress was expressly granted to Alabama Power Co.

Lock 12, now known as Lay Dam in honor of William Patrick Lay, was begun under that act and completed in 1914, with a total present capacity of 81,000 kilowatts.

There was a long delay after the completion of Lay Dam in the construction of hydroplants. The company, however, sought the consent of Congress in 1912 to build at lock 18 on the Coosa. The act was passed by Congress but vetoed by President Taft on the ground, among others, that such developments should await the passage by Congress of a general act.

In 1923, under a license granted by Federal Power Commission on June 27, 1921, the company completed the construction of Mitchell Dam, 14 miles downstream from Lay Dam, which has present capacity of 72,500 kilowatts.

A third plant on the Coosa River, 18 miles downstream from Mitchell Dam at the site designated as lock 18, and now known as Jordan Dam, was completed in 1928, with 4 units and a capacity of 100,000 kilowatts. This plant was also built under a license granted by the Federal Power Commission on November 7, 1925.

The Tallapoosa River, which merges with the Coosa River below Wetumpka, Ala., to form the Alabama River, was not neglected during this period of development of the Coosa. In 1926, Martin Dam, built under a license from the Federal Power Commission dated June 9, 1923, was completed and has present capacity of 154,200 kilowatts.

In July 1928 Yates Dam, 7 miles below Martin Dam, was completed with total capacity of 32,000 kilowatts, and in December 1930 Thurlow Dam, 3 miles below Yates Dam, was completed with total capacity of 50,000 kilowatts.

Martin Dam creates a large storage reservoir of water which is released in dry seasons and with the two downstream plants of Yates and Thurlow generated a total of 836 million kilowatt-hours in 1953.

At the present time the total installed capacity of the 3 hydroelectric plants on the Coosa River and the 3 plants on the Tallapoosa River is 489,700 kilowatts.

Thus you will see that 5 of the company's hydroelectric plants were built in the 10-year period 1921–30, 2 of which are on the Coosa River and 3 on the Tallapoosa River, at a total cost of $48,700,000.

Since 1930 we have not constructed any new hydro plants but have installed two additional units in existing plants of a total capacity of 75,200 kilowatts.

I am attaching to this statement a map of the system of Alabama Power Co., showing the location of its present hydro and steam plants, and of its principal transmission lines.

The additional plants we seek to build on the Coosa River will have an ultimate capacity of 359,500 kilowatts and will generate something in excess of 1,300,000,000 kilowatt-hours. From this map you will see that Alabama Power Co. has a transmission network reaching every part of its service area, with power plants feeding into the system at various locations, and loads taken off at various points. The physical characteristics of the system are such that power from new generation can readily be absorbed into any part of the system and delivered to the power markets, wherever located.

On November 12, 1953, the company filed with the Federal Power Commission an application for a preliminary permit to build five additional dams and power plants on the Coosa River. We made this application because we understand that it is the policy of the Federal Government to encourage the development of waterways like the Coosa River by private capital and under that policy the company is willing to undertake the job of completing a program begun by it on the river many years ago.

Before the preliminary permit can be granted, it will be necessary for the Congress to restore to the Federal Power Commission jurisdiction over the development of the Coosa River. If a preliminary permit is granted by the Federal Power Commission the company will, after engineering studies have been made and the required data are assembled, file an application for a Federal license to construct the project.

The locations of the proposed dams are not definite as it is necessary to make extensive surveys and geological studies and borings before final locations are established. The company already owns some of the land on the river in the area proposed to be developed.

The development proposed by the company will use the full available undeveloped head, will make navigation possible when the necessary locks are provided by the Government, will provide for a measure of flood control.

Public reaction to the company's announcement of its plan to undertake this development has been enthusiastic. Newspaper comment has been favorable, and scores of organizations have passed resolutions of endorsement.

The Coosa-Alabama Rivers Improvement Association is actively interested in the completion of the company's program for the Coosa River, which began before the turn of the century. The president of that association, Everett Lay, son of the founder, William Patrick Lay, is present, and will, with the consent of the committee, present a brief statement.

The plan of development will, we believe, provide substantially all of the benefits which are considered to be desirable in a river-development program.

In addition to the generation of electricity and providing navigation and flood control, the creation of lakes with known water levels will enable us to develop a plan which will bring about the maximum beauty and usefulness of the Coosa River watershed. The plants will be operated under the direction of the War Department in such a manner so as to provide a regular flow for the benefit of navigation, and the lakes to be formed will provide additional recreational facilities and homesites for those who prefer water sports. Forest lands which will come into company ownership will be managed according to most modern forestry practice.

The company's program will provide additional State and county taxes, of which a large portion will go directly to the State's educational trust fund through payment of hydroelectric generation taxes.

Seven counties in Alabama in which the dams and reservoirs will be located will benefit through additional ad valorem taxes; part of one reservoir will be located in Georgia, taxes from which will also benefit that State. In addition, each county of the State of Alabama will receive its share of the educational trust fund. Full Federal taxes will be paid on revenues derived from the sale of power from these plants.

Power generated by the proposed dams and other plants of the company will be sold at rates approved by Alabama Public Service Commission.

The company's application for this permit is part of a continuing program of development of the resources of Alabama. While the capacity to be installed in the proposed Coosa River plants is substantial, it represents only about 25 percent of the capacity that will be needed during the period of development of the river to meet the anticipated load growth in the company's service areas.

Further extensive additions to the company's steam generating capacity, requiring large tonnages of coal, will be necessary to assure a continuing source of dependable power for the development anticipated. At the present rate of growth of the system it will require the installation of more than 100,000 kilowatts annually to meet the power needs of the area.

The South is one of the fastest growing areas in the United States. In fact, economic factors indicate that the South is growing at a faster rate than the Nation as a whole, and the area in which we operate is growing at a faster rate than the rest of the South.

The important thing is that these economic indicators show that conditions in the South are fast changing. That is, we in the South are coming nearer and nearer to the national averages in the important economic and social factors that count for so much.

Economic analysis made before the end of World War II indicated that the end of the war would be followed by a considerable ex-

pansion of industry in Alabama and the South. It was felt that such expansion would require very large amounts of electric power. In recognition of the company's responsibility to be ready to supply more power as needed, we provided new facilities from 1941 through 1953 costing $221 million.

During the next 3 years—1954–56, inclusive—the company's expansion program will require an estimated $105,570,000 (not including the Coosa River program), making a total of more than $326 million since 1941.

It may be of interest to point out that the company recently sold an issue of $17 million of its 30-year first mortgage bonds at an interest cost to the company of 3.0856 percent, thus indicating the credit position of the company in the money markets.

The sale of kilowatt-hours has more than doubled every 10 years and may well reach 25 billion kilowatt-hours annually by 1975, compared with 6 billion sold in 1953.

Planned expansions still are plans subject to constant revision to meet growth of industry and the overall economic development of the area.

The company must constantly gear itself to meet the continuing population increase and the industrial, commercial, and agricultural development which we anticipate.

No one can look ahead with certainty, yet in order to plan effectively, we must constantly evaluate the long-term outlook.

We are confident that the economic forces responsible for our rising standard of living will continue to operate in the years ahead. The effect of technological developments, of an expanding population and labor force, and of vigorous consumer demand will be reflected in ever higher levels of production, employment, and income.

Mr. FALLON. Mr. Chairman, I yield 8 minutes to the gentleman from Alabama [Mr. ROBERTS].

Mr. ROBERTS. Mr. Chairman, I am not at all sure that I can add a great deal to what has been said by my distinguished colleague and friend [Mr. RAINS]. I think he has done a thorough job of analyzing the bill which is before you today. But I hope if I can be helpful that I can tell you a little bit about this wonderful stream which flows through more of my district than any other of the districts affected in Alabama.

The headwaters of this river are in the State of Georgia, in Floyd County I believe, or at least in the district represented by the gentleman from Georgia [Mr. LANHAM], and is formed by the confluence of the Costanaula and Etowah Rivers. It then flows a distance of about 250 miles from Rome, Ga., down through a portion of Mr. RAINS' district and forms the western boundary of four of the counties in the Fourth District of Alabama and the eastern boundary of 1 county in that same district which I have the honor to represent.

One statement made by Mr. RAINS was that the bill before us, H. R. 8293, would deauthorize the act of March 2, 1945. I beg to disagree with that interpretation, because to my mind I think this bill before us today simply suspends that portion of the act of March 2, 1945, having to do with the production of hydroelectric power. It leaves intact the portions of the March 2, 1945 act which have to do with navigation and flood control. Adequate safeguards are contained in the present bill, in that the basic features of navigation and flood control must be provided in the construction of these five dams by the power company. This river has been the subject of a study by the Corps of Engineers for at least the past 80 years. They have made many reports about the development of this river, and it is a great river. In the President's Water Resources Policy Commission report of 1950 it was referred to as 1 of the 10 great rivers of this country.

It is great not only from the standpoint of its volume, its capacity for the production of power, but it is great also because of the section it serves. That section is a highly industrialized area of this country where in the last 10 years there have been tremendous population growths. My native county, Calhoun, had an increase in 1950 over 1940 of almost 25 percent; and the neighboring county of Talladega showed an increase of 23 percent.

The section through which this river flows is rich in mineral deposits, in timber resources, and it has a large number of steel mills and a large segment of the textile industry. It contains many chemical plants, and one of the greatest newsprint factories in the counry is located on the banks of the Coosa River.

We need this power. In the Southeastern Power Administration's report of 1950 it was pointed out that there are no reserves of power in this area. We need it and we feel that this bill lends itself to the development that the river has had in the past, in that this same Alabama Power Co. has already constructed six dams on the Coosa River and its tributaries. Three of those dams, like Mitchell, Lay, and Jordan, are in the Fourth District of Alabama, and three other dams on the Tallapoosa which is a tributary of the Coosa, are in the district represented by the gentleman from Alabama [Mr. ANDREWS].

The people of Alabama are for this bill; I am convinced of that because I have had resolutions from practically every public body, every civic organization, and almost everybody in that section. It will give us $100 million worth of development not in the distant future, but now. It will provide employment for our people. We have four cities in this region that have been declared distress areas by the Labor Department. It will give taxes to our schools; and with the problem which the Supreme Court has recently placed upon our shoulders we certainly need additional funds in our area. Not only that, but also the taxes from the generation of power will go into the tax coffers of the Federal Government as well as of the State of Alabama.

This is a good bill. It is a good piece of legislation; it is the best example that I have seen since I have been in Congress of an opportunity afforded private enterprise properly supervised and watched, if you want to use that term, by the Federal Government to see that the Federal Government's interest and the public interest are adequately and properly protected. This bill contains every safeguard that I believe any piece of legislation could have. It will not allow any private utility to tie up the development of the stream, for it provides that the first dam must be constructed and completed within a 5-year period and that the five dams must all be completed within 10 years from the date of commencement of construction of the first dam. What could be fairer?

Question has been raised about its endangering the TVA. I certainly agree with my friend from Alabama [Mr. RAINS], that it will not. If I thought it would be, I would not be for it. But I am one of those people who believe there is room in this country for a certain amount of public power and room in this country for the development of power by private interests. So I say to you today that we in Alabama believe we are coming here and offering you a chance at this time to vote in the interest of the public, in the interest of the Federal Government and certainly in the interest of the people of the State of Alabama as a whole.

Mr. FALLON. Mr. Chairman, I yield 7 minutes to the gentleman from Alabama [Mr. SELDEN].

Mr. SELDEN. Mr. Chairman, the people I have the privilege to represent are vitally interested in the further development of the Coosa River, as this river forms the greater part of the eastern boundary of Alabama's Sixth Congressional District.

For more than a century, efforts have been made to develop the Coosa River. As early as 1823 the Tennessee General Assembly took up the matter of a canal to connect Mobile Bay with the Tennessee River via the Coosa, and called upon Georgia and Alabama to cooperate. The Alabama General Assembly answered Tennessee by approving the Coosa route on May 20, 1823. A few months later Alabama approved the chartering of the Coosa Navigation Co. to improve and develop the Coosa River.

Since that time, countless efforts have been made to develop the potentialities of this waterway. As early as 1872 the Federal Government instituted the first improvement program on the Coosa. The plans called for development of navigation on this river from Rome, Ga., to Gadsden, Ala., by the building of 31 low-lift locks and dams. However, only four locks were built on the upper end of the rapids below Rome, and in 1890 the Government abandoned its program.

Later the Alabama Power Co. obtained permission from the Federal Government to build three dams on the Coosa River. The first of these was Lay Dam, which was authorized by an act of Congress in 1907. Construction of this dam was completed in 1914. In 1921 the Federal Power Commission granted a license for construction of Mitchell Dam and 2 years later this dam was ready for use. Jordan Dam, the third of the three dams, was licensed by the FPC in 1923 and completed in 1926. These dams, the only ones on the Coosa River at the present time, have been operated as a source of electric power by the Alabama Power Co. since their construction.

Two of the three dams now on the Coosa River are located between Chilton and Coosa Counties, and Chilton County is 1 of the 8 counties I have the privilege of representing. The fact that the county officials of Chilton County have already strongly endorsed the Alabama Power Co.'s plan to build additional dams is certainly evidence that

they are well satisfied with the operation of the dams already on the Coosa River.

In the River and Harbor Act of 1945, Congress vested authority for the further development of the Coosa exclusively in the United States Corps of Engineers. As a result, the Federal Power Commission was deprived of the authority to issue the license that the Alabama Power Co. must obtain in order for them to construct additional dams on the Coosa Waterway.

Although the members of the Alabama delegation in Congress have worked relentlessly in an effort to secure an appropriation so that the Corps of Engineers might begin construction on locks and dams for the Coosa, none has been forthcoming. This has been due primarily, I believe, to the tremendous cost involved. Prospects for appropriations by the Federal Government at any time in the near future are certainly none too bright.

Last fall the Alabama Power Co. announced publicly that they were willing to construct five additional dams on the Coosa River to be financed by private capital. In November of last year, the Alabama Power Co. filed with the Federal Power Commission an application for a preliminary permit. So that the Federal Power Commission may act on this application, it will be necessary for Congress to pass the legislation now before the House.

I favor the construction of these additional dams by the Alabama Power Co., and I joined with seven of my colleagues from Alabama in introducing identical legislation that will make the construction of these dams possible. I did so for the following reasons:

First. Alabama's present need for additional electric power will be answered, and at no extra cost to the taxpayers.

Second. The construction of the proposed dams will give added impetus to the economic development of the Coosa River Valley.

Third. Additional county, State, and Federal taxes will be provided. Seven counties in which the dams and reservoirs will be located will benefit materially through additional ad valorem taxes. The State of Alabama will benefit as revenue will go directly to the State's educational trust fund through payment of hydroelectric generation taxes. Each county in the State will receive its share of the educational trust fund. Also, full Federal taxes will be paid on revenues derived from the sale of power from these plants.

Fourth. The lakes to be formed by the construction of these dams will provide additional recreation facilities and homesites.

Fifth. By reducing the cost of the overall development of the river, the possibility of obtaining Federal funds for the addition of navigational facilities will be enhanced. The bill under consideration specifically requires that the power company "shall include basic provisions for the future economical construction of navigation facilities."

Certainly this legislation will be favored by all who wish to encourage the development of our waterways by private capital. To those who prefer the development of our waterways exclusively by Federal funds, let me make two observations. First, the only development that has been made on the Coosa River to date are the three dams built by private capital. Second, we have no choice at the present time between the use of Federal funds and the use of private capital in the further development of this waterway. The choice is between development by private capital or no development at all.

The legislation before you today has been carefully considered by the Chief of Engineers. It is my understanding that, in his opinion, this legislation contains the necessary provisions to adequately protect the Federal interests.

I have received resolutions from every corner of my congressional district as well as from all over Alabama endorsing the power company's proposal. Favorable endorsements from the Sixth Congressional District of Alabama include the following: Greensboro City Council; Eutaw Chamber of Commerce; Columbiana Kiwanis Club; mayor, city of Uniontown; Chilton County Chamber of Commerce; Clanton Kiwanis Club; Hale County Board of Revenue; Perry County Court of Commissioners; president, Livingston State Teachers College; Eutaw Lions Club; Marion City Council; Clanton City Council; Greensboro Rotary Club; Clanton Lions Club; Tuscaloosa Chamber of Commerce; Livingston Commercial Club; Eutaw City Council; Perry County Board of Education; mayor, city of Columbiana; York Town Council; Chilton County Board of Revenue.

The fact that both Alabama Senators, eight Members of the House from Alabama, and the only Member from Georgia whose district is affected, have introduced identical legislation that will make it possible for the Alabama Power Co. to go forward with its proposal, is certainly evidence that a great majority of the people of our State favor this legislation. I therefore respectfully urge the adoption of the bill, H. R. 8923, now before the House.

Mr. FALLON. Mr. Chairman, I yield 7 minutes to the gentleman from Georgia [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, I am glad to join my distinguished and good friends from Alabama in urging you to adopt this bill. I grew up on the banks of the Coosa and the Oostanaula Rivers. And, if you will permit me, the class in geography begun by my friend, KENNETH ROBERTS, will take up again and we will learn a little more about these rivers. As they have told you, the Coosa has its source right in the heart of the city of Rome, where the Etowah and the Oostanaula Rivers meet. The Oostanaula is formed by the Conasauga and the Coosawattee Rivers. I know those names are a mouthful, but they are all good Indian names. These rivers all have their sources right in the heart of the old Cherokee Indian nation, and that is why the rivers bear these names. I learned to swim in the Oostanaula River. When I was a boy we did not have these fine swimming pools—indoor and outdoor pools. When we learned to swim we had to shuck off our clothes and jump in the river or have somebody throw us in, and thus we learned to swim.

I remember, too, as a boy that the steamboats used to ply the Coosa between Rome, my home town and Gadsden, that of my good friend, ALBERT RAINS. Long since those boats have gone the way of most of the old fashioned stern wheel steamboats. Because we have not taken care of our land, our surface soil, the river has so filled up that navigation is no longer possible.

But, I want to talk to you about the future of navigation on this river from Rome to the Gulf. Already there is a 9-foot channel from the Gulf up to Wetumpka, Ala. In the overall survey of this river system, the engineers recomended that eventually a 9-foot channel be built from Rome to Wetumpka. As the gentleman from Alabama [Mr. RAINS] has already told you, this bill does not take away from the engineers the duty, responsibility and right to construct the locks and to go ahead with plans for the navigation of this stream; and as he has also told you, this bill provides that, if we do not go ahead with the navigation of the stream at this time, the power dams be so constructed by the power company that at a later date in the most economical fashion, the locks and the other features of navigation can be added.

We, at Rome, are very much interested in the navigation of this stream and I put you on notice that while this bill does not obligate the Government to spend any money whatsoever—that as the work proceeds, we are going to ask that money be provided to build these dams.

This is an unusual bill, and an unusual proceeding. But to me it is the finest example that I know of, of the cooperation between private enterprise and the Federal Government, a philosophy in which I believe. My idea is that the Federal Government ought not to go into competition with private enterprise where private enterprise can and will do the job. I know that there are some river developments such as the Tennessee, where the capital required was so great that private enterprise could not do it and since it had to be done in a hurry the Government had to undertake the development. So there came into being the TVA. I am in favor of the TVA and I am in favor of the Government's stepping in whenever there is a feasible project and private enterprise cannot or will not do it. But in this case private enterprise is ready and willing, has arranged for the financing and will go ahead with the project. Then the Federal Government by providing for navigation can cooperate with private enterprise in the development of this river system.

Mr. Chairman, much has been said about socialism and that we are on the road to socialism in America. In my opinion that is not true. Twenty years ago we did adopt many social welfare measures that might be called socialism, but that the times required. We have continued with and expanded these programs and now the Republican Party has adopted them as part of the party's

program. So they must be sound and if they are socialism then the Republican administration has adopted socialism. But since I have been a Member of Congress I do not recall a single bill for which I have been asked to vote that started us out again on the road toward socialism. We have continued these social welfare measures but since I came to the 80th Congress I cannot recall a single socialistic measure adopted by the Congress. Think back over it and see if I am not correct about that. I am sure that in America we have gone past the danger of socialism and into a period of cooperation between private enterprise and the Federal Government. And this bill is a good illustration of how the two may cooperate for the public welfare.

I hope that the Committee will endorse this bill, and the House pass it.

Mr. DONDERO. Mr. Chairman, I yield 15 minutes of my time to the gentleman from Maryland [Mr. FALLON].

Mr. FALLON. I thank the gentleman from Michigan. I yield myself 1 minute at this time.

Mr. FALLON. Mr. Chairman, I take this minute just to say that the Democratic side of the committee was almost unanimously in favor of this bill. I myself feel that this is the kind of bill I could favor and if all of the bills coming from our committee were like this, I would favor them, where we take the Federal Government out of business that rightfully belongs to private development. It was first authorized by the Federal Government with $60 million to be spent on this river. We are turning this project over to private enterprise, who are prepared to spend $100 million.

I think that is a step in the right direction. I agree with it both in principle and philosophy. I might say to the Members of Congress that if you have any projects of this kind that have been authorized, and you feel that you want to do the same thing as the people of Alabama, you certainly have a friend in court as far as I am concerned.

Mr. Chairman, I now yield 5 minutes to the gentleman from Alabama [Mr. BATTLE].

Mr. BATTLE. Mr. Chairman and Members of the House, I am delighted to have the opportunity to speak for a bill that will not cost the Federal Government any money, so I rise at this time in support of H. R. 8923, introduced by the gentleman from Alabama [Mr. RAINS].

I have supported this program from the beginning. I introduced a similar bill, H. R. 8929, and other members of the Alabama delegation have done likewise.

It is my firm belief, Mr. Chairman, that there is plenty of room for private and public development of our river systems both in Alabama and in the United States.

To me, this is a good example of a time when private enterprise can and will do a job, and certainly it should be encouraged. Oddly enough, it is a time when the Government cannot or will not do the job.

Mr. Chairman, the development of the Coosa River by the Alabama Power Co. will mean new jobs, new industries, and more taxes for our local, our State and our Federal Governments.

I have always supported the Tennessee Valley Authority. In my opinion, there is no conflict whatsoever with the interest of the people in this great area and the legislation before us today. The Tennessee Valley Authority will continue its great military and economic contributions to Alabama and the Nation. I will continue to support this great development.

In conclusion, Mr. Chairman, may I say that this is a good bill, with adequate Federal protection for the public's interest. I sincerely urge its passage.

Mr. FALLON. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. ANDREWS].

Mr. ANDREWS. Mr. Chairman, there is not much I can add to what has been said about the bill that is before the committee at this time. I introduced a similar bill. In my opinion, this is a good bill and should be passed by the House.

The Coosa River is a great natural asset to the State of Alabama and to the Nation. In 1945 Congress authorized the development of the Coosa River as a multipurpose project, power, navigation, and flood control. Since that time there has been not one thin dime spent on the construction of any of the projects authorized in 1945.

An authorization without an appropriation is not worth anything. As a matter of fact, at the present time I think there is a backlog of over $10 billions in authorizations. It is almost impossible to get an appropriation from this House to begin construction of a new project regardless of how worthy the project is. The committee year after year adopts a hard, fast, arbitrary rule that if there has not been construction there will be no additional money appropriated.

This is a very, very unique bill. For 20 years the people of Alabama have been trying to develop the Coosa River, to build dams to harness the water to produce hydroelectricity.

Time and again they came to the Congress begging and pleading for an appropriation, and they were told that they did not meet the conditions of the rule that had been laid down by the Subcommittee on Civil Functions of the Committee on Appropriations. "It is a new project," they said, "and, therefore, you are not entitled to any money under our rule." So bearing that fact in mind, the people of Alabama began to seek other ways and means of developing that great, natural resource of the Coosa River. Who is it asking permission to develop this river? The Alabama Power Co. It is an Alabama corporation owned principally by Alabamians. We almost have a family affair here before us today in this bill. We have Alabamians asking the Congress of the United States to permit them to do for themselves without cost to the Federal Government, something that the Federal Government has not done and, in my opinion, cannot do for many, many years to come. With a national debt of approximately $275 billion, the appropriations for new civil functions get less and less each year. Now we have an opportunity to develop this great river to the advantage of the State of Alabama and of the United States. As has been pointed out here, if this bill becomes law, the Alabama Power Co. will spend $100 million in developing that river. That will create jobs for our people. That will add to the present inadequate supply of hydroelectricity in our section. It will be a very good source of tax revenue both for our State and the Nation.

Mr. FALLON. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Chairman, I am happy to have the privilege of speaking in behalf of this bill, which when passed will have the effect of immediately authorizing the building of five dams on the Coosa River at a total cost of $100 million. I am assured that construction of the first dam will begin about 1 year after this bill becomes law. The 1 year lapse of time is necessary in order that detailed engineering may be done in preparation to build. The engineering work will begin right away.

Mr. Chairman, I think all of us who have studied the resources of our Nation, and particularly our water resources, are inclined to feel that if we are to go forward and develop those resources, we must encourage willingness to develop them wherever it is found. Here we have an Alabama company, with the financial resources, the technical skills, and a backlog of experience that is willing to undertake the development of the Coosa River. All we have to do is pass the bill before us, and that development will start. I trust that the House will pass the bill overwhelmingly. This is the first instance that has come to my attention where private capital has come in and agreed to do the necessary job for the benefit of the people of one of our great river valleys. We can encourage this development by passing this bill. No expenditure of moneys by the Federal Government is called for.

I represent a district that has both public and private power. All of Cullman, and a lesser part of Franklin and Winston Counties draw their electric power from the Tennessee Valley Authority. I happen to be one of those who believes that the TVA has contributed greatly to the development and well-being of north Alabama. Its contributions in World War II, its reservoir of power for atomic energy development, its yardstick characteristics are most important. I would not knowingly hurt TVA. If I thought this bill would hurt TVA I would not support it.

Also, Mr. Chairman, the district which I represent has several wide awake rural electric cooperatives that distribute electric power to their customers. I would not want to see these organizations hurt in any way. The gentleman from Alabama [Mr. RAINS] has pointed out this morning that the association of electric cooperatives in Alabama has given study to this bill and has notified every Member of Congress from Alabama that it does not oppose this bill.

Six counties of the Seventh Congressional District of Alabama draw their electric energy from the Alabama Power

Co. Parts of two others do likewise. The Alabama Power Co. has established a record of extensions of its lines and services to rural people in its service area that gives justification for pride. In my home county of Walker, the Alabama Power Co. owns and operates the largest privately owned steam-electric generating plant in the entire Southeast. This plant last year used over 1¼ million tons of coal produced in Walker County. Its operations there are a basic part of the economy of that area. These operations demonstrate efficiency in the good American tradition. This is the company that will build the Coosa Dams if we pass the bill before us.

Mr. Chairman, Alabama as a State has more miles of rivers and streams than any other single State in the Union. If I were to detail the rivers that traverse the congressional district I have the honor to represent, there would be about a dozen of them.

I made a statement not long ago, and I think it is true, that if Alabama were to continue to receive development of her streams at the rate they have been developed in the 175 years of this Nation's history, it would take another 500 years to fully develop those streams.

Mr. Chairman, Alabama can ill afford to wait another 500 years for the development of its streams. They should be developed now. They should be developed for the use and benefit of the people who live in that great State and the people of this Nation. We should encourage private capital to develop them wherever it will do so.

I know of nothing Alabama needs today so much as it does the jobs that the construction of these five dams will bring directly and indirectly to Alabama. I believe it will bring 10,000 new jobs, and that in face of the fact that Alabama has today several of its communities on the distressed list, so far as unemployment is concerned. Four of those communities, as has been mentioned, are located within the Coosa River Valley. The construction of these dams will take the biting edge off of this unemployment.

I know something about unemployment, Mr. Chairman. I represent a district in Alabama that is the most seriously affected by unemployment of all areas in the entire South. My home county has been receiving surplus agricultural commodities for the past several months. I say to you that this business of unemployment is one that we have to reckon with, and whenever we find an industry, whenever we find a utility, or whenever we find anybody else that is willing to develop one of our streams and bring employment to the people of the area through which the stream flows, and if the public interests are adequately protected, I can see no reason to object to that development.

That brings me to this point that I want to mention, that is, that this bill has, as I count them, a total of eight protective clauses that inure to the benefit of the public in the area where these dams will be located. I wish I had time to read them. They are before you in this bill.

I know of no concerted opposition to this bill. It should pass overwhelmingly.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. FALLON. Mr. Chairman, I have no further requests for time.

Mr. DONDERO. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That in connection with the comprehensive program for the development of the water resources of the Alabama-Coosa River and tributaries, authorized by the Rivers and Harbors Act, approved March 2, 1945 (59 Stat. 10), it is hereby declared to be the policy of the Congress, where private interests are considering applying for authority to undertake the development of resources covered by such authorization, that the power from such development shall be considered primarily for the benefit of the people of the section as a whole and shall be sold to assure the widest possible use, particularly by domestic and rural consumers, and at the lowest possible cost.

SEC. 2. The authorization of the comprehensive plan for the Alabama-Coosa River and tributaries, as provided in the Rivers and Harbors Act, approved March 2, 1945, insofar as it provides for the development of the Coosa River, is hereby suspended to permit the development of the Coosa River, Ala. and Ga., by a series of dams in accordance with the conditions of a license, if issued, pursuant to the Federal Power Act and in accordance with the provisions and requirements of this act.

SEC. 3. The series of dams, together with the existing hydroelectric power dams on the Coosa River, shall, in the judgment of the Federal Power Commission, be best adapted to the comprehensive plan for the development of the Coosa River for the use or benefit of interstate commerce, for the improvement and utilization of water-power development, and for other beneficial public uses, including recreational purposes.

SEC. 4. The dams constructed by the licensee shall provide a substantially continuous series of pools and shall include basic provisions for the future economical construction of navigation facilities.

SEC. 5. The license relating to such development shall require the maximum flood-control storage which is economically feasible with respect to past floods of record but in no event shall such flood-control storage be less than that required to compensate for the effects of valley storage displaced by the proposed reservoirs of the licensee; or less in quantity and effectiveness than the amount of flood-control storage which could feasibly be provided by the currently authorized Federal multiple-purpose project at Howell Mill Shoals constructed to elevation 490, with surcharge storage to elevation 495.

SEC. 6. Before a license is issued, the applicant for the license shall submit a report on the details of its plan of development to the Federal Power Commission.

SEC. 7. The Chief of Engineers shall review any plan of development submitted to the Federal Power Commission for the purpose of acquiring a license and shall make recommendations with respect to such plan to such Commission with particular regard to flood control and navigation, and its adaptability to the comprehensive plan for the entire basin development.

SEC. 8. The license may provide for the construction of the series of dams in sequence on the condition that the dam or dams providing the maximum flood-control benefits shall be constructed first unless a different order of construction is approved by the Secretary of the Army.

SEC. 9. The operation and maintenance of the dams shall be subject to reasonable rules and regulations of the Secretary of the Army in the interest of flood control and navigation.

SEC. 10. An allocation of cost of flood control provided in addition to that required to compensate for displaced valley storage and of cost of navigation shall be approved by the Federal Power Commission, taking into consideration recommendations of the Chief of Engineers based upon flood control and navigation benefits estimated by the Chief of Engineers.

SEC. 11. If the Federal Power Commission shall issue a license under this act, the Commission shall simultaneously make a full report to the Public Works Committees of the Senate and House of Representatives of the Congress, setting out the major provisions and conditions inserted in such license, and a copy of the Commission's report shall forthwith be submitted to the Chief of Engineers who shall review the same and promptly submit to said committee his views as to whether the major provisions and conditions in such license are adaptable to the comprehensive plan. In the event the Congress by legislative enactment adopts a policy of compensating such licensees for navigation and flood-control costs, any such allocated navigation and flood-control costs are hereby authorized to be compensated through annual contributions by the United States.

SEC. 12. Unless it is beyond the reasonable control of a licensee acting in good faith and exercising due diligence: (1) an application for a preliminary permit under the Federal Power Act relating to the development of the Coosa River shall be prosecuted with reasonable diligence before the Federal Power Commission; (2) an application for a license to construct such dams shall be filed with such Commission within 2 years after the date of the enactment of this act; (3) construction of 1 such dam shall be commenced within a period of 1 year subsequent to the date of the issuance of a license by such Commission; (4) at least 1 such dam and its powerplant shall be completed and in operation in accordance with the terms of the license within 5 years from the date of the issuance of such license by such Commission; and (5) the remaining dams included in the license issued by such Commission shall be completed within 10 years from the date of the commencement of construction of the first dam, subject to the provisions of section 13 of the Federal Power Act: *Provided*, That if any of such conditions are not fulfilled, or if the Commission denies the application for a license, the authorization relating to the Alabama-Coosa River provided for in the act, approved March 2, 1945, shall have the same status as it would have had if this act had not been enacted, so far as the uncompleted project works are concerned, and the Federal Government shall have, under the provisions of section 13 and section 26 of the Federal Power Act, the right of sale and acquisition of the works completed under the license issued and all other rights provided under said sections.

SEC. 13. Nothing in this act shall be deemed to affect in any way the authorization of the development of the Alabama-Coosa River and tributaries other than that portion of the development involving projects on the Coosa River or the authority of the Federal Power Commission to issue a license for the complete development of the Coosa River by States or municipalities under section 7 (a) of the Federal Power Act or to find under section 7 (b) of said act that the development should be undertaken by the United States itself.

Mr. DONDERO (interrupting the reading). Mr. Chairman, I ask unanimous consent that the bill may be considered as read, printed in the RECORD, and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments:

Page 2, line 7, following the word "River" and before the comma, insert the words "for the development of electric power."

Page 5, line 25, change the comma to a semicolon and strike out all the language beginning with the word "and", down to and including the word "sections" on page 6, line 4, and insert in lieu the following: "in which event the outstanding license may be terminated or revoked and the uncompleted and completed project works may be sold or acquired by the United States as provided in sections 13 and 26 of the Federal Power Act."

The committee amendments were agreed to.

The CHAIRMAN. Are there further amendments? [After a pause.] There being no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COLE of Missouri, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 8923) to provide for the development of the Coosa River, Ala. and Ga., pursuant to House Resolution 572, he reported the bill back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL PERMISSION TO REVISE AND EXTEND

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend or revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GRANT. Mr. Speaker, the bill before us today, H. R. 8923, which bears the name of Congressman RAINS, is designed to suspend the operation of the Rivers and Harbors Act of March 2, 1945, to enable a private utility to apply to the Federal Power Commission for a permit to construct five power dams on the Coosa River.

As the upper portion of the Alabama-Coosa River system, which roughly extends from Rome, Ga., to Mobile, Ala., a distance of more than 650 miles, the Coosa River has its headwaters at Rome and is formed by the confluence of the Etowah and Oostanala Rivers, originating in the northwest corner of the State of Georgia. The river flows in a southwesterly direction through Cherokee and Etowah Counties, then southerly until it meets the Tallapoosa River above Montgomery, Ala. Here it becomes the Alabama River, which after a course of several hundred miles flows into the Mobile River for a short and direct route to the Gulf of Mexico. The Alabama River west of Montgomery forms the northern boundary of my congressional district, and at no place in its progress to the gulf is it as much as a county from my district.

According to no less an authority than the book Ten Rivers in America, published by the President's Water Resources Policy Commission in 1950, the Coosa River is one of the most important rivers in this country yet undeveloped. It has a fall comparable to that of the Tennessee River, and at its point of greatest discharge near Montgomery, it equals in capacity of flow that of the Tennessee River.

Extensive study and work have gone into the comprehensive plan which the Corps of Engineers over a long period of time has prepared. In 1934 the Corps of Engineers filed the 308 report, recommending the construction of three multipurpose dams and a flood control dam with a provision for locks. This construction would provide a navigable channel upstream from Mobile, Ala., to Rome, Ga. The act of March 2, 1945, gave definite form and considerable meaning to the 308 report in authorizing the recommended construction.

After persistent efforts for the last 9 years by the Alabama delegation in Congress to obtain the necessary Federal funds to carry out this construction program had been of no avail, in November 1953, the Alabama Power Co. filed an application with the Federal Power Commission for a temporary permit to build five dams within a 10-year period. For the Alabama Power Co., a reliable and progessive private utility, to be granted this permit it will be necessary to enact H. R. 8923 into law.

In expressing their wholehearted approval of this piece of legislation, the people of Alabama are intelligently aware of its various provisions. For example, they know that the power developed is to be used in the section providing the generation and that it will be sold to all consumers at the lowest possible cost; that the basic features for navigation and flood control, under the supervision of the Secretary of the Army, are to be provided; that the first dam must be completed within 5 years of the date of the issuance of the permit and that the other four must be completed within 10 years of the date construction begins on the first one; and that facilities for all types of outdoor recreation will be assured. The people of Alabama have taken into due account the declaration of Maj. Gen. B. L. Robinson, Deputy Chief, Corps of Engineers, that the provisions of this bill are satisfactory to him and they adequately protect the Federal interest.

Being a member of the Committee on Agriculture of the House, which has charge of REA legislation, it has been my pleasure to support legislation that would bring to the farmers of the Nation adequate electric power at a price they could afford to pay. I know what electric power means to the rural people of my section. When these dams are completed, it will enable the affected REA cooperatives to firm up their power and to secure an abundance at a low price.

H. R. 8923 is somewhat unique in that it represents the finest effort toward cooperation between private business and the Federal Government that has been reported to this floor in many years. At no cost to the American taxpayer but by industrial genius, the Coosa River Valley will be able to harvest manifold and far-reaching results. The Alabama Power Co. will spend an approximate $100 million to furnish electric power to bolster an inadequate reserve and to attract new industry to a region in which the Labor Department has already designated "distress areas." During the construction phase of the dams alone, the demand for labor will be a boon to the valley. And following the dams will come steam plants using Alabama coal and contributing much to the revitalizing of an industry in which we now find thousands of unemployed miners. Education in the State of Alabama will appreciably benefit from an estimated $3 million tax per annum on the physical real property of the company. The foregoing are some of the most obvious effects of the development of the Coosa River, but by no means are they to be considered the maximum.

Although the proposed five dams will be constructed in the congressional districts of Congressmen RAINS, ROBERTS, and SELDEN, it is quite evident that the consequences of the project will be happily felt in my district. The residents of the Second Alabama Congressional District have recognized this circumstance and have earnestly urged the Congress' favorable consideration of the bill before you today. I trust that the Congress will join this unanimity of purpose and provide the necessary legislation with the least possible delay.

Mr. FALLON. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MCCORMACK] may revise and extend the remarks he made during consideration of the rule on the bill just passed and include therein a letter written by himself.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

AMERICANS FOR DEMOCRATIC ACTION

The SPEAKER pro tempore (Mr. CANFIELD). Under previous order of the House, the gentleman from Michigan [Mr. CLARDY] is recognized for 60 minutes.

Mr. CLARDY. Mr. Speaker, America is being destroyed from within. American principles and American ideals are being betrayed by subterfuge and deception. This betrayal of the American way of life is spearheaded by a little group of reactionary radicals masquerading as liberals. Unless America soon awakens, this little band of determined Marxists will have completed a bloodless revolution without parallel. Unless the Trojan-horse methods of this group are exposed and understood, America will

soon find her liberty and her independence gone forever.

With the lamps of liberty going out one by one all over the world we must not make the mistake of assuming that ours will not flicker out before the same winds that have brought darkness all over the world. Unless we quickly awaken to our danger—unless we identify our real enemies and understand their Trojan-horse tactics we will be led to our own destruction.

A short time ago, J. Edgar Hoover warned that those who masquerade as "liberals" can be more dangerous to this Nation than outright Communists. He said:

> The pseudo-liberal can be more destructive than the known Communist because of the esteem which his cloak of respectability invites.

One of these groups of leftwingers masquerading as liberals is masterminding the assault on our system. That is the Trojan horse I shall discuss.

This Trojan-horse outfit calls itself Americans for Democratic Action. It has been called the Socialist politburo. That accurately describes it. It is the planning body for the whole Socialist movement. It is the American Fabian society. Day in and day out it is engaged in selling Socialist ideas on a large scale. Its propaganda is daily poured out through newspapers, the radio, television, magazines, speeches, pamphlets, and every other medium available. Like their English cousins it never admits that it is selling socialism. It double-talks about planned economy and social reforms. Its program tells us it would make over America in the image of Marx.

A few weeks ago Americans for Democratic Action—ADA—had one of its annual powwows out in Chicago. In lashing out at all who are at least trying to do something concrete and effective against the Communist threat in our midst, the speakers at that meeting made the broad and undocumented claim that they had "inflicted great and decisive defeats on the Communists in the United States." Now they have been continually saying this ever since a group of leftwing self-styled liberals started ADA out of the ashes of another very radical outfit called UDA—Union for Democratic Action. I have read their propaganda sheets and watched their actions and listened to the words of the members ever since they opened shop. And so it seems to me about time to go to the record so we can learn just how they have gone about inflicting these "great and decisive defeats on Communists in the United States." Then it is up to you to form your own judgment.

This organization of fake liberals—this Trojan horse—this ADA—whose antecedents, history, and program I shall lay before you has, in my opinion, done as much and probably more than any other group in the Nation to foster and promote many of the aims of the Communist Party—even as it loudly protested that it was anti-Communist. It is selling socialism under the guise of liberalism. It is practicing the greatest deception of the century.

What I am about to say is not guess or deduction—it is just a plain recital of cold facts. The evidence I present is not something said by an enemy of the organization I am discussing—it is evidence taken from the official publications of the group itself. Bear this in mind as the story unfolds. But now to the details.

ADA has advocated the proposition that no one should be permitted to question, much less interfere with, the claimed right of Communists to teach your children in our public schools. This group has earnestly argued that it is almost a constitutional right of a teacher to be a member of the Communist Party and to teach our youth the tenets of the Communist conspiracy without interference.

Now, lest you think my interpretation of their policies and their beliefs on this sensitive subject is unjustified, let me summon up the statements they have made, let me quote the exact language they use. At one time they said:

> We condemn increasing restrictions upon teachers and students because of their opinion of public questions on political affiliations. We subscribe to the right of teachers to full freedom of research and publication, to promote full and free discussion in the classroom, to organize freely in their own interests, to join and to participate freely in political organizations of their choice and to speak freely on any subject they may choose.

At a still later date—June 1953—they repeated and strengthened that statement of position. They said:

> We support the rights of teachers and students to full freedom of research, discussion, expression, organization, and publication. * * * Former membership in a Fascist or Communist Party, or refusal to testify under the fifth amendment, should not be automatic grounds to disqualify a teacher.

Can there be any doubt about where they stand on this issue? Will anyone dare dispute me when I say that they want every teacher to have the right to be a member of the Communist Party and to teach communism to our youth? Is this one of the great and decisive defeats they have inflicted on Communists in the United States?

Having taken the position that the teacher should be allowed to be a Communist and teach communism, they then tackle the problem from the student's side. They tell us that our children should be free to join the Communist movement. They strongly condemn any effort to ban Communist organizations from our school campuses. They contend that Communists have just as much right to organize the youth of our Nation—your children—as any other group.

And again, lest you question my interpretation of the plain facts, let me read their own words. They say:

> We endorse the student bill of rights advocated by Students for Democratic Action. Recent banning of Communist student organizations on college campuses forces us to affirm most strongly the right of Communist student organizations to organize on an equal basis with other student organizations to organize and hear any speaker of their choice.

There it is spelled out in plain English—an advocacy of the right of Communists to invade the educational system and to take over the education of our youth. Is this another of the great and decisive defeats they have inflicted on the Communists in the United States?

And they do not even think that students educated at the expense of the taxpayer should be required to pass a loyalty test. They openly argue that Communists should be educated at the expense of the taxpayer—that no one should question them about their loyalty. Once again, so that there may be no question about the evidence, I give you their own words. They say:

> We oppose loyalty tests for recipients of Government fellowships or scholarships except in connection with projects which affect national security.

In other words, it is all right with them if 99 percent owe their primary allegiance to Russia and the Communist policy of destruction. Again, I ask, Is this another of the great and decisive defeats they have inflicted on the Communists in the United States?

Everyone knows, or should know, that the Communist or leftwing radio commentators and those in the entertainment field have prostituted their art in the promotion of their socialistic ideas. Reports by the Un-American Activities Committee prove this. Whenever anyone dares stand up and challenge their leftwing views, an avalanche of criticism is launched—the claim is always made that freedom of speech, the right of a free press, and other things are being destroyed. They simply do not want free speech for anyone except themselves. So I call your attention to something ADA said last year. They said:

> We oppose the censorship of books, movies, or other forms of communication or entertainment on the grounds of political or religious affiliations of the author or participants.

Now what ADA really means when they talk about the political affiliations of an author or participant is that they simply do not want anyone to raise a voice in protest against something said or done by Communists. They plainly say they want Communists to have the right to pour forth Communist propaganda in the movies, the plays, the columns, the books, and over the air without exposure and without criticism.

While they use the word censorship, that is just a smear word they employ to get across the idea that no one should criticize Communist propaganda. For to them any exposure of Communist sources is censorship. They know the public will reject their ideas if they are known to be of Communist origin—hence their frantic screaming against all exposures. What they really want is an ironclad censorship of the ideas of everyone else. What they really want is to suppress free speech for everyone except themselves. Is this another of the great and decisive defeats they have inflicted on the Communists in the United States?

But now to move on to another sensitive field—that of government. This organization opposes loyalty tests for all government employees. ADA contends that only those employees who are in extremely sensitive positions should have to have their primary loyalty and obligation to this country. But

again, lest someone think I am doing violence to their views, let me quote their own language. They say:

> Loyalty tests should be eliminated in those agencies and positions which do not clearly affect national security.

Now the first problem would be to decide just what positions do clearly affect national security. Under their definition this would be less than 1 percent of the total. In other words, it is all right with them if 99 percent of our Government employees are members of the Communist Party. It is all right with them if 99 percent of those on the Federal payroll owe their first allegiance to a foreign government dedicated to the destruction of America and her freedom.

But that is not all on the subject by any means. Some two years after they made the statement just quoted they said:

> We propose that no loyalty investigation be conducted by any government, State or Federal, for any agency or position which does not clearly affect the national security.

Thus, as you can see, they finally reached the point where they were urging that Communists be guaranteed the right to serve in at least 99 percent of all Federal and State positions. Knowing as we do how much harm a single Communist can cause, this advocacy of Communists in government seems almost beyond belief. Again, I ask, Is this another of the great and decisive defeats they have inflicted on the Communists in the United States?

Now one of the primary objectives of the Communists is to seize upon the minds of our youth. This has been true since the beginning of the conspiracy. The strategy of the Communists is certainly being helped by this cooperative spirit. No matter how many words may be spilled in angry reply, the plain fact is that this organization's position on these things is identical with that of Communists. Certainly it cannot be argued that they are fighting the Communists on these issues. No matter what the intentions, the result is to give aid and comfort to the Communist cause. No amount of explanation can change this fact.

And now lest there be any doubt about this, let us look at another stand they take. We find them irrevocably committed to the proposition that the Communist Party should never be stricken from the ballot. On this issue they speak both shortly and directly. They say in their own words:

> We oppose any legislation outlawing any political party.

There it is in clear and unmistakable language. They are willing to have the Communist Party treated as though it was an honest political party instead of a criminal conspiracy—a conspiracy fostered and directed from the Kremlin—a conspiracy devoted to the destruction of our way of life and all we hold dear.

Some two years after that expression of tenderness toward the Communist Party, they reiterated their stand and stated that they oppose legislation directly or indirectly outlawing any political party. They were not, therefore, saying something accidentally the first time. Their second utterance reiterated and strengthened their first statement. They want the Communist Party to continue as a live and active force in America. What a truly great and decisive defeat for communism in the United States.

Their agreement with the Communist Party line is not confined to the domestic scene. They have told us more than once that the interests of America and Russia can be reconciled without difficulty. They do not understand—or, at least, that is their pretense—that the principal Communist article of faitn is that communism can only survive through the destruction of the free world. Yet this group, in an apparent effort to confuse and confound, first admit that communism does pose a grave threat, but then use the Communist Party line to offset that admission. Let me give you their exact language. They say:

> We do not despair of the possibility of existing peaceably in the same world with the U. S. S. R.

They then go on with words almost identical with those we find in outright Communist publications. They argue that we can get along with the Communists if we will only change our own economic system.

Here we find a fundamental that explains much. The Communists from the beginning have said that communism and capitalism cannot exist side by side. Anyone who today tries to tell us the fairy story that this cardinal principle of the Communist conspiracy has been abandoned is either naive or engaging in deception. I cannot believe that the mental level of those who make the policy of ADA is so low that they do not understand the truth. But, assuming that they actually believe this fable, does it not tell us why they follow the line they do? If ADA can believe that the leopard has changed its spots—if ADA really thinks communism and capitalism can live side by side in peace, despite the words and deeds of the Communists to the contrary—then it is easy to see how ADA can swallow the rest of this line I have thus far discussed.

But if ADA does know the truth—if ADA does admit that the Communist world is dedicated to our destruction—then what shall we say of them? I leave that for your consideration. But what does this do to their boast of inflicting "great and decisive" defeats on Communists in the United States?

This group has also argued that Red China be recognized. They say in their own words:

> We believe that sooner or later we will be compelled to establish diplomatic relations with the Mao Tse-tung regime as the effective government of China, however much we detest its devotion to totalitarianism.

In other words, we should accept Communist conquest wherever it may have been successful. Is this the way they have inflicted great and decisive defeat on the Communists?

When the fate of China hung by a thread, these people—as individuals and as members of groups—were heard mouthing the Lattimore line about how the Chinese Communists were not Communist at all—they were just agrarian reformers. How much they contributed to the shove that sent China reeling into the Russian camp no one can tell. But it is my guess their help was considerable. They are at least being consistent when they argue for recognition of Red China.

Now, of course, some of this outfit's most bitter attacks have been directed against all the committees investigating Communists and communism. They have long sought the abolition of the House Un-American Activities Committee. On that score they say:

> While we recognize the right of Congress to conduct investigations, the House Un-American Activities Committee has proved itself a threat to freedom of political opinion. We, therefore, call for its abolition.

I shall not trouble to quote the many attacks they have made on the other congressional committees. They just do not like to have anyone prying into the activities of the traitors in our midst. Like many other anti-anti-Communists, they give lipservice to the idea that communism is bad—and then proceed to do a hatchet job on everyone fighting to preserve our Nation from destruction from within. Mr. Hoover put it this way:

> It is an established fact that whenever one has dared to expose the Communist threat he has invited upon himself the adroit and skilled talents of experts of character assassination.

That has been ADA's specialty—they have continually vilified everyone who dares expose the aims and plans and methods of the Communists.

Now I have just barely scratched the surface on this subject of how they have paralleled much of the Communist position. I could go on for a long, long time detailing their stand on a great many other things wherein they have almost exactly followed the Communist Party line. I give you just a few more examples without discussion.

They fought against the adoption of the Subversive Control Act, calling it a dangerous and futile attempt to repress the Communists—as though repressing Communists was a bad thing. I regard it an act of self-defense. They urged withdrawal of our recognition of the Chiang Kai-shek government. They opposed adoption of the Smith Act, under which many Communists now have been convicted—41 since the present administration took over; 72 in all, and 7 more about to be indicted, for a total of 112. They pilloried the FBI for daring to bring Judith Coplon to trial, saying:

> It has given the public a chance to see how silly an FBI report can really be.

They have urged a continuation of diplomatic relations with all the Communist nations. They have opposed the rearmament of Germany. These, and many other things, have made up the real policy and attitude of ADA toward Communists and communism.

I have called your attention to this rather long list of specific things ADA stands for so that you may contrast these incontrovertible facts with ADA's repeated assertion that it is violently opposed to communism. If they have ever

openly attacked the Communist Party position on any subject, it has not been called to my attention. They have contented themselves with relatively mild generalizations, and in the very next breath have urged the program I have thus far detailed. They deny the existance of an internal threat and speak softly about the problem in far-off lands.

I challenge anyone to name a single Communist tracked down and exposed by ADA. While I can cite many instances where ADA members have defended Communists exposed by others, I have never found them on the firing line where Communists were being uncovered. I have never found them exposing Communist fronts or denouncing Communist propaganda. They have reserved their attacks for those of us really engaged in the thankless job they would have you believe they are engaged in. Almost every utterance they make fairly bristles with thunderous denunciations of all of us engaged in carrying the fight to the enemy.

ADA talks about having made a great and heroic fight against communism in the United States. Well, they have made the battle a bloodless one. ADA had never wounded, let alone decapitated, a single Communist. It has never even wounded the feelings of a Communist—or those of a fellow traveler. Its self-proclaimed great and heroic fight with communism has apparently been carried on in the belief that the really effective way to fight the Communist cause is to kill it with kindness.

ADA undoubtedly has its quota of outright Communists just like any other organization. But I am not reviewing their position on the Communist issue in any effort to prove that it is either a Communist or a Communist-front organization. I have discussed the specific stands they have taken just to let you see that like beauty, their opposition to communism is only skin deep. I have discussed these things because they make such a tremendous point of the claim that they are anti-Communists. I have discussed these things to show that the Communist Party line is being sold Americans under another brand name by an outfit that would deceive us into believing that they are genuinely anti-Communist. If embracing a large segment of the Communist Party line makes one anti-Communist, then they qualify.

But the real point I want to make is that ADA is a Trojan horse infiltrating our lines for the purpose of selling us socialism. Of course, it is not a crime to do that. Indeed, it's not even a crime to be a member of the Communist Party. But it is a fraud upon the American public for ADA to follow the line of deceit it employs. It is a leftwing outfit parading before the public as a nonpartisan disinterested group merely trying to preserve what they call democracy. My prime purpose today is to let you see that they are not what they would have you believe—my prime purpose is to demonstrate that they are the equivalent of the British Fabian Socialists—that ADA is indeed a Trojan horse.

I need not remind you that England has been brought to her knees largely through the efforts of a little band of Socialist plotters—the Fabian Socialists. They put over their ideas piecemeal and through the Trojan-horse device. ADA has modeled its methods after their English cousins. Now to illustrate my point.

ADA has leftwing parentage. One of the most vociferous of its apologists and members has called ADA's predecessor a leftwing group. He said:

> The Union for Democratic Action is one leftwing group which has sought to combat confusion and corruption coming inevitably in the wake of Communist penetration.

Its national chairman, Mr. Reinhold Niebuhr, once observed:

> I do not believe in the slogan "My country right or wrong"—particularly when it isn't even my country.

You will find this on page 96 of the July 29, 1946, issue of Life magazine.

Admittedly this predecessor of ADA numbered some Communists among its members. And it cannot be denied that all the balance were extreme leftwingers. The research director for UDA in its early years was a Communist. Listen to something he wrote in a book entitled "The Decline of American Capitalism"—he said:

> American civilization depends upon Communist revolution and given the dominant economic position of the United States, the victory of the American working class will make a mighty contribution to the building of world socialism and a new world of civilization (p. 600).

If there remains any lingering doubt, then listen to this statement of position. At the very beginning they said there must be "basic economic changes and new social arrangements. These changes are to be in the outworn capitalistic relations which have been allowed to continue to prevail in the Democratic countries. Specific changes to be made in time are the socialization of the great banks and of large industries."

Many of the leaders in UDA belonged to organizations which have been declared subversive by the Attorney General. There cannot be any doubt about it being a leftwing group.

On January 4, 1947, Dr. Reinhold Niebuhr convened more than 100 members of UDA at Washington. When that meeting broke up the first steps were underway for the formation of Americans for Democratic Action. Having that kind of parentage, it ought to be pretty obvious on its face that Americans for Democratic Action is leftwing in the most extreme sense. Even if I had not given you its stand on the very many issues I have thus far discussed, it ought to be self-evident that the laws of heredity would compel the conclusion I have reached.

ADA has consistently advocated big government. It has consistently advocated the socialist idea we call statism. It looks to Government for solution of every problem confronting the individual. It favors Government subsidies without limit. It has favored Government entering into practically every phase of public life. Socialistic ideas dominate all it says.

ADA's favorite word of self-praise is the word "liberal." ADA has confused an extension of state power with liberalism. I need not remind you that the original liberal thinkers like Locke, Adam Smith, De Tocqueville, and Montesquieu stood for the exact opposite. ADA and others like it, have perverted the word "liberalism" to mean "socialism"—although I sometimes think they do not know what they mean.

ADA's tolerance of Communists and communism in our midst, as clearly evidenced by the specific quotations I have given you from their platforms, may stem from their lack of understanding of Communist philosophy. They seem totally unaware of the fact that communism demands the destruction of all other societies—that its cardinal policy is one of constant attack from within wherever it may gain a foothold. ADA and all other leftwingers refuse to recognize the fact that fifth columns are an integral part of communism.

ADA sometimes speaks of communism beyond our shores as dangerous—but it cannot see or sense the presence of a grave threat in our own land. They would have us believe that there is no Communist threat in our midst. They continually speak of the threat of communism in America as a phantom. They continually deride those who are trying to alert the Nation to the terrible danger of communism. They seek to lull the Nation into believing there is no internal danger. They have never admitted the guilt of Alger Hiss. If we followed their advice the Communist conspiracy would soon take over.

And ADA and all the other leftwingers have another blind spot. They make the crazy assumption that communism is winning people on its own merits—despite the fact that every shred of evidence proves the contrary. They seem unable to discern that people instinctively flee from the Communist tyranny whenever possible. Germany ought to be a convincing example. I witnessed the flight from East to West only last fall. Yes, ADA and its cohorts continue to propagate the false idea that the only way to combat communism is to create what they call a better social and economic order—all the while benevolently smiling on the efforts of the Communist conspiracy in our midst.

ADA continually waxes indignant over the exposure of Communists—but never against proved cases of infiltration and subversion. They never grow indignant at traitors even when exposed. They occasionally have a word or two to say in general terms of disapproval of communism, but never do they attack a Hiss, a Remington, or a Lattimore. In fact they have been found speaking for the defense.

Of course, like all the leftwingers, ADA overlooks the fact that once in power, the Communists would liquidate all those who do not absolutely conform. And among the first to go would be the Socialists—the group the Communists regard as too soft and too easy.

And it should not be forgotten that communism is merely a practical application of socialism. As we know, the very term "U. S. S. R." stands for Union of Soviet Socialist Republics. And we know that the only practical difference between socialism and communism is in

the method to be used in gaining power. The Socialists talk about gaining the dictatorship of the proletariat by letting us forge our own chains. The Communists are more coldly practical. All the way from Marx, Lenin, and Stalin, down to Malenkov, the Communists brutally say that violent bloody revolution is the only way to put socialism into practice.

I am sure all of you are familiar with the words of Marx, Lenin, and Stalin, and with the language of the manifesto. But something was said before the House Judiciary Committee recently that brings my point down to today. This witness is the legislative chairman of the New York Communist Party. He said:

> The fundamental and long-range aim of the Communist Party of the United States is socialism. We state that and we state that very frankly.

May we never forget this for it is the key to ADA's plan and work. Consciously or not they are building the foundation for the communization of this Nation.

The muddy fuzzy thinking of this leftwing group is evident in its official publications and in the continual barrage of vituperation they pour out against anyone and everyone who dares differ with their ideas. Unconsciously they are continually betraying the leftwing character of their philosophy. Last year in the thousands of words they spilled about foreign policy we find this choice language:

> We urge the extension of technical assistance and economic and social aid in the struggle against poverty, landlordism, disease, and ignorance.

Note particularly the betrayal of their socialistic attitude in the use of that one word "landlordism." Throughout their literature and speeches we find many other instances of self-betrayal of this kind. Throughout their utterances, they let us see that they want to completely socialize the Nation and the world. Unconsciously they are betraying the Socialist idea that ownership of property by the individual is a social sin.

And they are extreme internationalists. They are one-worlders. At their very first convention they talked of strengthening of the United Nations and its eventual displacement by a world government. I do not have time today to bring you the very many concrete bits of evidence on this they have placed at our disposal; this will have to be reserved for some future occasion. But that statement made at the outset tells the whole story. They would surrender our destiny to the dictates of an envious and socialistic world.

There is another citation from something they said last year that ought never to be forgotten. The discovery that a great many Communists were on the United Nations staff and that efforts were being made to remove them angered the ADA bigwigs no end. They wanted those people kept on the payroll, and they resented America's demands that they be removed. Listen to what they had to say:

> We deplore any nation's pressure on the Secretariat of the United Nations or its specialized agencies which threaten their exclusively international character or impair the authority of the charter of the Secretary-General. Such checks of American employees as may seem desirable should be made only upon the request of the Secretary-General or of the executive heads of United Nations specialized agencies.

In short, these one-world advocates think it horrible for this Nation to object to American Communists serving on the staff of those representing us. Need I say more?

Of course, as you would expect, they favor a completely socialized medical profession. They have pulled out all the stops on that for some time. And quite naturally, they favor a socialized power system extending from coast to coast in a series of regional duplicates of TVA. If there is any part of the Socialist program they have left out of their platform, I have not been able to discover it.

It may be of interest to you to know that during the last British election, they lined up solidly with the British Socialist Party. They literally prayed for a Socialist victory in Britain.

But this has gone on at a greater length than I had originally intended. A few more points and I am done. I wish I had time to critically analyze the membership list—especially the list of those who formed the organization. If there is anyone in the group not politically far left of center, I have been unable to find him. But there is one short list I want to discuss because of the importance from a propaganda standpoint of the individuals in that group.

Every day our newspapers carry columns voicing the ADA line. Every day many radio programs do the same thing. And now television has been invaded in the same fashion. Of course, it is not advertised as ADA propaganda—they do not label it socialistic claptrap. It is put forth as unbiased honest reporting.

It may surprise some people therefore to learn that this continual spouting of leftwing ideas, originated and sponsored by ADA, is not entirely accidental. The reason so much leftwing propaganda is being thrown at us every day is because quite a few of the columnists and radio and television commentators are members of Americans for Democratic Action. Since the public generally is not aware of this fact, their leftwing programs are not recognized for what they are. They are in effect selling us socialism bit by bit under the sponsorship of American business. They are advocating policies that can only end up in destruction of American free enterprise as we know it. Yet, because no one seems to take the time to look into their background, they have induced American business to pay for the propagation of ADA leftwing ideas.

Now don't misunderstand me. They have a perfect right to say anything they please and to believe what they will. What I do not like is the fact that this Trojan horse brigade is literally getting away with murder because these men cleverly camouflage the socialist doctrines they advocate in much the same way that the Communists practice their cunning methods of salesmanship. I have no complaint about their saying anything that they wish. I just want to make sure that the American people know about the background and philosophy and the socialistic leanings of these patent medicine peddlers. In this speech I am simply tearing off the mask. I am letting you see their true colors.

I recognize that the mere mention of the name of a leftwing commentator or writer will bring forth a torrent of abuse and the false charge that I am seeking to suppress free speech or that I am trying to muzzle the press. I know it is like attacking a hornet's nest to even mention one of those folks unfavorably. They will make the false charge that I am gunning for every member of press, radio, and television.

I recognize the fact that all but a very few of those in these professions are honest, patriotic citizens doing a good job of impartial reporting. The small number of those poisoning the wells of information, exert an influence, however, all out of proportion to their number. In this they are, unhappily, aided by some rightwing editors, publishers, producers, and sponsors who furnish these leftwingers the outlets they must have if they are to succeed. I am afraid all too many of those who publish or produce the propaganda for these "lefties" pay far too little attention to the content of the work of these Trojan horses. I wish they would awaken to the fact that they are equally responsible along with these leftwing people for the promotion of a drift toward outright socialism—the last thing they, the editors and publishers, really want.

Now in giving you the names of some of the men who put out this daily barrage of propaganda, I do not want it inferred that I am calling them Communists. Nor do I want anyone to think this list is complete or exhaustive—for it is far from that. These are just examples—you can think of many more, I am sure. But I do want you to understand that since they were among the founders of ADA, they are, in my opinion, extreme leftwingers—they are in my judgment Socialists whether they are willing to admit it or not, for they are certainly advocating socialism.

Among this group will be found Marquis Childs, Elmer Davis, Joseph Alsop, Stewart Alsop, Thomas Stokes, and James Wechsler. These men were all part of the committee of the whole which emerged from the Union of Democratic Action and which organized ADA.

Elmer Davis, for example, headed up a wartime bureau that had more Communists in its employ than any other Government agency. And what is even more important, these people were protected and kept on the payroll despite exposure. Davis has fought bitterly against all investigations into communism. He continually uses the standard clichés the Communists use—but I do not think he is any more than a fuzzy-minded planned economy advocate. He is a Socialist who does not have the slightest understanding of where he is heading the Nation with his claptrap.

The others are about the same type. Some even pretend to be anti-Communists. But I would hate to entrust our defense against communism to any one of the crew. These men are all typical ADA members. Years ago I heard

Childs praise Sweden's socialistic program—and he has not changed in the intervening years. The less I say about the Alsops, Stokes, and Wechslers the better—but they are just as far to the left as the others.

There are many others I would like to name but that also will have to be delayed. But I cannot conclude without mentioning that Mennen Williams, Governor of Michigan, has been named as a member—and has been supported by ADA. And his signal-caller, Walter Reuther, is also part of the team. So also is Adlai Stevenson.

But to come back to this group of left-wingers—this group of ADA members—this propaganda front—writing columns and appearing on radio and television programs. The cumulative effect of their continuous barrage against the things many of us stand for is bound to have a tremendous effect. Not knowing of their background and purposes, their utterances are accepted by many as the unbiased viewpoint of impartial observers. Their membership in ADA is, I suspect, known only to a small fraction of one percent of those who read or listen to them.

They pose as liberals. They are continually applying that term to each other in a sort of mutual admiration society performance. And so I think it is high time the public was made fully aware of the fact that these gentlemen are left-wing members of a leftwing outfit doing their best to sell socialism to America. They are the kind of fake liberals Mr. Hoover must have meant when he said they could be more destructive than the known Communist because of their cloak of respectability.

These fake liberals, instead of discussing the concrete facts I have cited from the official documents of ADA will, I am sure, limit their remarks to personalities and to a discussion of everything under the sun except the incontestable facts I have laid before you. They will indulge in the kind of smear campaign we see in the papers and hear on the radio day after day. But under no circumstances will they come to grips with the specific citations I have given you. If they mention them at all, they will merely use them as a point of departure. For they cannot deny that ADA has officially said the things I have quoted. They may attempt to explain or interpret—but they cannot dodge the fact that ADA's platform and propaganda contains the things I have revealed.

They will indignantly shout that they are not Socialists—despite the fact that the evidence proves otherwise. They will use every artifice they can summon up to divert attention from the fact they are leftwingers. But in reading what they write or listening to what they say, remember they advocate all or most of these things: First, teachers should be allowed to be Communists and to teach communism; second, students should be allowed to belong to the Communist Party; third, loyalty tests should be abolished; fourth, the Communist Party should remain on the ballot; fifth, they deny or at least ignore the fact that the Communist Party is irrevocably dedicated to destroying us; sixth, Red China should be recognized; seventh, they contributed to China's downfall; eighth, they would abolish congressional investigations into communism; ninth, they opposed the Subversive Control Act; tenth, they opposed the Smith Act—in fact they have been against every measure to cripple the Communists in our midst; eleventh, they would destroy the FBI; twelfth, they have denounced everyone doing anything effective in combating communism, and they have never been guilty of exposing or catching a Communist.

These and the very many socialistic schemes they have advocated should be kept in mind evaluating what they say or do. They are entitled to say anything they wish—but let us remember that they are speaking or writing from a left-wing—a socialist viewpoint. Let us not be taken in by their Trojan-horse tactics.

This Nation will never knowingly accept socialism. The Fabian Socialists in England knew they could never sell their program if it was clearly labeled for what it was—socialism. And so they hid behind false labels. They put over its program through concealment and deception.

Their counterparts here have profited from that lesson. These men of press, radio, television and books are the salesmen. They cloak their left-wing ideas with receptive words and false phrases. They never admit that a socialistic America is their goal. But if they continue unhindered a few more years they will reach that goal. That is why it is important for us to know them for what they are.

Mr. Hoover spoke of otherwise respectable and seemingly intelligent people who perhaps unknowingly aid the Communist cause more effectively than the Communists themselves. My experience and the past work of my Committee tells me this is all too true. I sometimes wonder if all the ADA members are as unknowing as they try to appear. But, regardless, there can be no doubt about the fact that any organization that stands for the things I have recited is doing more for the Communist cause than the Communists can do for themselves.

With the leftwingers organized and in action is it not time for those of us who still believe in America and the American system to think about doing a little organizing ourselves? Is it not time for those of us who do not believe in a planned economy—socialism—to begin to fight the corrosive forces that seek to destroy our system and replace it with Marxian Socialism?

If we slumber on just a little longer, it will be too late. Experience shows us that we are rapidly approaching the point of no return. I call upon all who value our heritage to join in a nation-wide campaign to resell our people the once commonly held belief in the American way of life. I call upon you to fight as hard to repossess and defend the great truths upon which our Nation was founded as did our forefathers in winning them for us. I see no other way to save us from the fate that overtook all other great nations of history.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. CLARDY. I yield.

Mr. O'HARA of Illinois. I chanced to hear the gentleman's reference to the word "landlordism." As I understood the gentleman, he defined it as one owning real property. Did I understand correctly?

Mr. CLARDY. I did not give any definition at all. I merely cited the language and pointed out what I thought of it.

Mr. O'HARA of Illinois. I understood the gentleman to say that one who criticized landlordism was objecting to the private ownership of property.

Mr. CLARDY. That is exactly what ADA stands for, as the gentleman would know if he had read all their stuff as I have, from the time it was first organized.

Mr. O'HARA of Illinois. I was interested because I am interested in words, and I like to see the proper and exact word used in the proper place. Being uncertain, I went to consult Webster's Dictionary. I think the gentleman will be interested in this:

> Landlordism: The system or doctrine of the ownership of the soil being vested in one who leases it to cultivators.

I thought the gentleman would be interested in knowing that landlordism is a term covering the use to which land is put, especially as it concerns the legitimate rights of the people who do the actual work of cultivating the land. The factor of the right to own private property does not enter to any extent, even remotely, in the contemplation of the accepted definition of landlordism. Landlordism at one time was the great burning issue in Ireland. Absentee landlordism was the occasion of a righteous uprising of the common people of Ireland, who, as tenants, tilled the soil. I trust the distinguished gentleman from Michigan, who shares with me the pride of Irish blood, would not imply that the Irish patriots were Communists or Fabrian Socialists because they opposed landlordism.

I merely wanted to call the gentleman's attention to Webster's definition.

Mr. CLARDY. I wish the gentleman would explain that to the ADA. Maybe they could pick out a better word.

Mr. O'HARA of Illinois. I would not wish to trespass on the gentleman's time. This is his special order. My interest is in keeping words to the proper dictionary definition.

I might say this: It so happens that Michigan is my native State. I am very proud of Michigan.

Mr. CLARDY. I thank the gentleman.

Mr. O'HARA of Illinois. I do not like to see my respected friend from Michigan, a great Congressman, on a political occasion, and I take it his speech was a political occasion——

Mr. CLARDY. The gentleman is entirely wrong.

Mr. O'HARA of Illinois. Throw slurs at a great Governor of Michigan.

Mr. CLARDY. Does the gentleman deny that he is a member of ADA?

Mr. O'HARA of Illinois. I do not know of what organizations, if any other than the Democratic Party, the brilliant and liberal Governor of Michigan is a member.

Mr. CLARDY. If the gentleman wants to defend him, the gentleman is entitled to do so. But mine was not a political speech.

Mr. O'HARA of Illinois. I have never thought it my business to inquire into the church, the club, or the other associations and affiliations of my friends and fellow Americans.

Mr. CLARDY. The gentleman saw him on television at the last Democratic Convention, I trust?

Mr. O'HARA of Illinois. Unfortunately I do not see much television, and if I had acquired the habit, what has been happening recently would have driven me away from it forever. I might add that at the present time there is a suspicion in some minds that television is destroying the once noble party that was born in the gentleman's State. I am afraid it is now too late for the gentleman to save the day.

Mr. CLARDY. Let us postpone that decision until November.

COLUMBIA HOSPITAL OF RICHLAND COUNTY, S. C.

Mr. JONAS of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6477) for the relief of the Columbia Hospital, of Richland County with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, line 9, strike out "Treasury and" and insert "Treasury."

Page 3, line 10, after "Welfare", insert "and the Administrator of Veterans' Affairs."

Page 3, line 12, strike out "effect" and insert "assist in."

Page 3, line 16, after "Welfare", insert "or the Veterans' Administration."

Page 3, line 20, after "Service", insert "or the Veterans' Administration, as the case may be. There are authorized to be appropriated to the Secretary of the Treasury for each fiscal year such sums as may be necessary to enable the Secretary to reimburse the Public Health Service or the Veterans' Administration, as the case may be, for care and treatment provided under the authority in this subsection."

Page 3, line 21, begin new paragraph and preceding "The" insert "(d)."

Page 4, line 10, strike out "as provided for in this subsection" and insert "or the Veterans' Administration, as provided for in subsection (c)."

Page 4, line 11, strike out "(d)" and insert "(e)."

Page 4, line 13, strike out "(c)" and insert "(d)."

Page 4, line 15, after "Service", insert "or the Veterans' Administration."

Page 4, line 20, strike out "(e)" and insert "(f)."

Page 5, line 1, after "ing", insert ", nor shall any sum appropriated in this act be paid to such agent or attorney with respect to amounts accrued after the date of enactment of this act."

Page 5, line 1, strike out "act" and insert "subsection."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

WILLMORE ENGINEERING CO.

Mr. JONAS of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7258) for the relief of the Willmore Engineering Co. with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, strike out all after line 2 over to and including line 8 on page 2, and insert "That the chief judge of the United States Court of Appeals for the District of Columbia Circuit shall appoint a Board of Arbitrators, consisting of three United States district judges, to hear, determine, and make such findings as they may deem appropriate as to the liability, if any, either legal or equitable, of the United States upon the claim of the Willmore Engineering Co. for compensation for services performed and expenses incurred in the production for the United States Maritime Commission of winches for transport vessels necessary to the prosecution of World War II, pursuant to special emergency authorizations and commitments under war powers, for which the claimant alleges the United States has failed to provide adequate payment. In the event of a finding by the Board of liability on the part of the United States to the Willmore Engineering Co., it shall certify to the Secretary of the Treasury the amount necessary to discharge such liability. To the extent not inconsistent with this act, the provisions of title 9 of the United States Code shall be applicable with respect to proceedings under this act. Any costs arising in the arbitration of this case shall be fixed and assessed by the said chief judge."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

CURTIS W. STRONG

Mr. JONAS of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3725) for the relief of Curtis W. Strong with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 4, strike out all after "1951." down to and including "doctors" in line 9 and insert "The payment of the sums specified heretofore shall be in full settlement of his claim for loss of pay due to the negligence of the United States Army doctors."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendment was concurred in; and a motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. PATMAN asked and was given permission to address the House for 20 minutes tomorrow, following the legislative program of the day and the conclusion of special orders heretofore granted.

IMPORTATION OF FOREIGN OIL—A DANGER TO THE DOMESTIC OIL INDUSTRY

The SPEAKER. Under previous order of the House, the gentleman from Oklahoma [Mr. JARMAN] is recognized for 5 minutes.

Mr. JARMAN. Mr. Speaker, on Tuesday, May 25, I addressed this House on the danger of foreign oil importation to the domestic oil industry. I should like to call to your attention the fact that on that same day the Oklahoma State Corporation Commission approved an order reducing crude-oil production in Oklahoma for June to some 430,000 barrels daily—the lowest average per well allowable in the history of proration in my State. I shall again remind you that this 40-percent cut, together with the mounting stocks of crude oil, has taken place while the General Services Administration exempts the oil industry from the Buy American Act on the basis "that crude petroleum is not produced in the United States in sufficient and reasonably available commercial quantities."

In my speech on May 25, I warned something would have to give if foreign oil, produced without regard to conservation laws similar to those governing domestic production, continues to enter this country in ever-increasing amounts. The Oklahoma Corporation Commission has demonstrated far more graphically than any words on the subject that domestic oil production is doing the giving.

Congress must assure our own industry a ratio of domestic peacetime markets if it expects a performance in any future armed conflict comparable to the magnificent job done by the American oil industry in World War II. A glut of foreign oil is no incentive to domestic oil to maintain and expand its own capacity.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks was granted to:

Mr. AYRES.

Mr. HYDE and to include a statement.

Mr. RODINO.

Mr. PILLION and to include extraneous matter.

Mrs. ROGERS of Massachusetts and to include a copy of the bill H. R. 9395 by the gentleman from Illinois [Mr. SPRINGER].

Mr. METCALF to revise and extend the remarks he made during consideration of the Coosa River bill and include a list of projects which were authorized by the various departments.

Mr. SIEMINSKI.

Mr. ELLIOTT to revise and extend the remarks he made in the Committee of the Whole today and include extraneous matter.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 520. An act for the relief of the estate of Carlos M. Cochran; to the Committee on the Judiciary.

S. 959. An act to provide for a jury commission for each United States district court, to regulate its compensation, to prescribe its duties, and for other purposes; to the Committee on the Judiciary.

S. 986. An act for the relief of Mrs. Ishi Washburn; to the Committee on the Judiciary.

S. 1183. An act for the relief of John L. de Montigny; to the Committee on the Judiciary.

S. 1203. An act for the relief of Lt. Col. Rollins S. Emmerich; to the Committee on the Judiciary.

S. 1332. An act for the relief of Mary Goodyear Brown; to the Committee on the Judiciary.

S. 1573. An act for the relief of the Federal Republic of Germany; to the Committee on Foreign Affairs.

S. 1634. An act for the relief of Alton Bramer; to the Committee on the Judiciary.

S. 1654. An act to amend the act entitled "An act to provide for a method of voting in time of war, by members of the land and naval forces absent from the place of their residence," approved September 16, 1942, as amended; to the Committee on House Administration.

S. 1751. An act to prohibit false advertising or misuse of names indicating the various exchange services of the Armed Forces; to the Committee on the Judiciary.

S. 1798. An act for the relief of Charles Peroulas; to the Committee on the Judiciary.

S. 1833. An act for the relief of Mojsze Hildeshaim and Ita Hildeshaim; to the Committee on the Judiciary.

S. 1858. An act for the relief of Sister Antonella Marie Gutterres (Theresa Maria Gutteres); to the Committee on the Judiciary.

S. 1940. An act for the relief of Michela Aurucci; to the Committee on the Judiciary.

S. 2034. An act for the relief of Hermine Lorenz; to the Committee on the Judiciary.

S. 2036. An act for the relief of Joseph Robin Groninger; to the Committee on the Judiciary.

S. 2044. An act for the relief of Louise Russu Sozanski; to the Committee on the Judiciary.

S. 2067. An act for the relief of Anthony Benito Estella, Natividad Estella, Antonio Juan Estella, and Virginia Araceli Estella; to the Committee on the Judiciary.

S. 2101. An act for the relief of Lucy Personius; to the Committee on the Judiciary.

S. 2121. An act for the relief of Borys Naumenko; to the Committee on the Judiciary.

S. 2156. An act for the relief of John Enepekides, his wife, Anna, and his son, George; to the Committee on the Judiciary.

S. 2200. An act for the relief of Guiseppi Castrogiovanni, his wife and child; to the Committee on the Judiciary.

S. 2222. An act for the relief of Lucia Mezilgoglou; to the Committee on the Judiciary.

S. 2264. An act for the relief of Alfio Ferrara; to the Committee on the Judiciary.

S. 2266. An act for the relief of Walter P. Sylvester; to the Committee on the Judiciary.

S. 2280. An act for the relief of Inge Krarup; to the Committee on the Judiciary.

S. 2301. An act for the relief of Katherina Picerkona and her minor son, Helmut; to the Committee on the Judiciary.

S. 2352. An act for the relief of Paul Shoji Awaji (Paul Milburn Simpson); to the Committee on the Judiciary.

S. 2366. An act for the relief of Ito Yukiko; to the Committee on the Judiciary.

S. 2369. An act for the relief of Karl Ullstein; to the Committee on the Judiciary.

S. 2461. An act for the relief of Berta Hellmich; to the Committee on the Judiciary.

S. 2465. An act for the relief of Lydia Wickenfeld Butz; to the Committee on the Judiciary.

S. 2493. An act for the relief of Ingeborg Borgner Johnson; to the Committee on the Judiciary.

S. 2553. An act for the relief of Joseph V. Crimi, father of the minor child, Joseph Crimi; to the Committee on the Judiciary.

S. 2594. An act for the relief of Paolino Berchielli, his wife Leda, and daughter Alba; to the Committee on the Judiciary.

S. 2618. An act for the relief of Ertogroul Osman; to the Committee on the Judiciary

S. 2677. An act for the relief of Michio Yamamoto; to the Committee on the Judiciary.

S. 2766. An act to amend section 7 (d) of the Internal Security Act of 1950, as amended; to the Committee on Un-American Activities.

S. 2820. An act for the relief of Mrs. Erika Gisela Osteraa; to the Committee on the Judiciary.

S. 2960. An act for the relief of Barbara Herta Geschwandtner; to the Committee on the Judiciary.

S. 2965. An act for the relief of Auguste Ida Angeli; to the Committee on the Judiciary.

S. 3126. An act for the relief of Waltraut Claassen; to the Committee on the Judiciary.

S. 3185. An act to amend the Interstate Commerce Act in order to make the compliance with certain State filing requirements unnecessary with respect to mortgages, leases, equipment-trust agreements, conditional-sale agreements, and other instruments evidencing the mortgage, lease, conditional sale, or bailment of motor vehicles sold to or owned by certain carriers subject to such act; to the Committee on Interstate and Foreign Commerce.

S. 3196. An act for the relief of Dr. Helen Maria Roberts (Helen Maria Rebalska); to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 689. An act for the relief of Mrs. Keiko Inouye;

H. R. 675. An act for the relief of Mrs. Romola Nijinsky and Paul Bohus-Vilagosi;

H. R. 737. An act for the relief of Harold Donaghy Bishop;

H. R. 807. An act for the relief of Sister Isabel (Purificacion Montemayor Macao);

H. R. 887. An act for the relief of Mr. and Mrs. Edward Levandoski;

H. R. 897. An act for the relief of Abul K. Barik;

H. R. 898. An act for the relief of Mrs. Rose Kaczmarczyk;

H. R. 1144. An act for the relief of Martha Farah;

H. R. 1348. An act for the relief of Alwine Reichenbauch;

H. R. 1465. An act for the relief of Helga Rossmann and her child;

H. R. 1509. An act for the relief of Sahag Vartanian.

H. R. 1657. An act for the relief of Antonio Messina;

H. R. 1699. An act for the relief of Rev. Roger Knutsen;

H. R. 1905. An act for the relief of Montgomery of San Francisco, Inc.;

H. R. 3006. An act for the relief of Ruth Irene Ledermann;

H. R. 3145. An act for the relief of Pravomil Vaclav Maly and Jarmila Maly;

H. R. 3704. An act to provide for the incorporation, regulation, merger, consolidation, and dissolution of certain business corporations in the District of Columbia;

H. R. 5210. An act for the relief of Paul D. Banning, chief disbursing officer, and others;

H. R. 5616. An act for the relief of Leon H. Callaway and others;

H. R. 5765. An act for the relief of Henry C. Bush and other Foreign Service officers;

H. R. 5933. An act for the relief of Herschel D. Reagan;

H. R. 7554. An act to provide for compensation of certain employees on days when departments or establishments of the Government are closed by administrative order;

H. J. Res. 481. Joint resolution to amend the act of July 5, 1949 (Public Law 157, 81st Cong.); and

H. J. Res. 508. Joint resolution to extend the time for the erection of a memorial to the memory of Mohandas K. Gandhi.

BILLS PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 232. An act to provide for the conveyance to the State of Indiana of certain surplus real property situated in Marion County, Ind.;

H. R. 675. An act for the relief of Mrs. Romola Nijinsky and Paul Bohus-Vilagosi;

H. R. 689. An act for the relief of Mrs. Keiko Inouye;

H. R. 737. An act for the relief of Harold Donaghy Bishop;

H. R. 807. An act for the relief of Sister Isabel (Purificacion Montemayor Maceo);

H. R. 887. An act for the relief of Mr. and Mrs. Edward Levandoski;

H. R. 897. An act for the relief of Abul K. Barik;

H. R. 898. An act for the relief of Mrs. Rose Kaczmarczyk;

H. R. 1144. An act for the relief of Martha Farah;

H. R. 1348. An act for the relief of Alwine Reichenbauch;

H. R. 1465. An act for the relief of Helga Rossmann and her child;

H. R. 1509. An act for the relief of Sahag Vartanian;

H. R. 1657. An act for the relief of Antonio Messina;

H. R. 1699. An act for the relief of Rev. Roger Knutsen;

H. R. 1905. An act for the relief of Montgomery of San Francisco, Inc.;

H. R. 2512. An act to amend the act entitled "An act to provide for the purchase of public lands for home and other sites," approved June 1, 1938 (52 Stat. 609), as amended;

H. R. 3006. An act for the relief of Ruth Irene Ledermann;

H. R. 3145. An act for the relief of Pravomil Vaclav Maly and Jarmila Maly;

H. R. 3704. An act to provide for the incorporation, regulation, merger, consolidation, and dissolution of certain business corporations in the District of Columbia;

H. R. 5210. An act for the relief of Paul D. Banning, chief disbursing officer, and others;

H. R. 5616. An act for the relief of Leon H. Callaway and others;

H. R. 5765. An act for the relief of Henry C. Bush and other Foreign Service officers;

H. R. 5933. An act for the relief of Herschel D. Reagan;

H. R. 6452. An act for the relief of Mrs. Josette L. St. Marie;

H. R. 7554. An act to provide for compensation of certain employees on days when departments or establishments of the Government are closed by administrative order;

H. J. Res. 481. Joint resolution to amend the act of July 5, 1949 (Public Law 157, 81st Cong.); and

H. J. Res. 508. Joint resolution to extend the time for the erection of a memorial to the memory of Mohandas K. Gandhi.

ADJOURNMENT

Mr. JONAS of Illinois. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 26 minutes p. m.) the House adjourned until tomorrow, Thursday, June 3, 1954, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1589. A letter from the Acting Secretary of State, transmitting the second report on the extent and disposition of United States contributions to international organizations for the fiscal year 1953, pursuant to section 2 of Public Law 806, 81st Congress (H. Doc. No. 410); to the Committee on Foreign Affairs and ordered to be printed.

1590. A letter from the Assistant Secretary of the Interior, transmitting a copy of an order canceling certain charges existing as debts due the United States by individual Indians and tribes of Indians based upon the recommendation of the Commissioner of Indian Affairs, pursuant to the act of July 1, 1932 (47 Stat. 564); to the Committee on Interior and Insular Affairs.

1591. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

1592. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1)) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. ROGERS of Massachusetts: Committee on Veterans' Affairs. H. R. 9395. A bill to amend the laws granting education and training benefits to certain veterans to extend the period during which such benefits may be offered; with amendment (Rept. No. 1704); referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARDEN:

H. R. 9406. A bill to provide for the conveyance of certain real property to the town of Beaufort, N. C.; to the Committee on Government Operations.

By Mr. BURDICK:

H. R. 9407. A bill to amend the Refugee Relief Act of 1953 to provide that certain former members of the Polish armed forces residing in the British Isles may be admitted to the United States without presenting the certificate of readmission required by section 7 (d) of that act; to the Committee on the Judiciary.

By Mr. EDMONDSON:

H. R. 9408. A bill granting the consent of Congress to the States of Kansas and Oklahoma to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States; to the Committee on Public Works.

By Mr. HAND (by request):

H. R. 9409. A bill to amend the Army and Air Force Vitalization and Retirement Equalization Act of 1948, approved June 29, 1948; to the Committee on Armed Services.

By Mr. HERLONG:

H. R. 9410. A bill to allow the use of certain property in Volusia County, Fla., for civil-defense purposes without payment of compensation to the United States; to the Committee on Armed Services.

By Mr. HOPE:

H. R. 9411. A bill to promote the agriculture of the United States by assisting in market development for United States commodities and the acquiring of useful information regarding agriculture in foreign countries and its diffusion in the United States, and for other purposes; to the Committee on Agriculture.

By Mr. JONAS of Illinois:

H. R. 9412. A bill to appropriate money for the construction of the Calumet-Sag Channel, Ill., and for other purposes; to the Committee on Appropriations.

By Mr. LECOMPTE:

H. R. 9413. A bill to reorganize the Capitol Police force in order to increase its efficiency in the performance of its duties; to the Committee on House Administration.

By Mr. MILLER of Kansas:

H. R. 9414. A bill granting the consent of Congress to the States of Kansas and Oklahoma to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States; to the Committee on Public Works.

By Mr. MILLER of Maryland:

H. R. 9415. A bill to provide an immediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense; to the Committee on Merchant Marine and Fisheries.

By Mr. MILLER of Nebraska:

H. R. 9416. A bill to provide for the establishment of the Booker T. Washington National Monument; to the Committee on Interior and Insular Affairs.

By Mr. PERKINS:

H. R. 9417. A bill to expedite the construction of needed public works and other facilities in areas of substantial unemployment; to the Committee on Public Works.

By Mr. THOMPSON of Louisiana:

H. R. 9418. A bill to remove Patna rice from the free list; to the Committee on Ways and Means.

By Mr. YOUNG:

H. R. 9419. A bill to amend the Soil Conservation and Domestic Allotment Act; to the Committee on Agriculture.

By Mr. MAGNUSON:

H. J. Res. 541. Joint resolution to authorize the Secretary of Commerce to sell certain war-built passenger-cargo vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MILLER of California:

H. J. Res. 542. Joint resolution to authorize the Secretary of Commerce to sell certain war-built passenger-cargo vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ADDONIZIO:

H. Res. 573. Resolution providing a code of fair procedure for the committees of the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DODD (by request):

H. R. 9420. A bill for the relief of Ana De Moura Lopes; to the Committee on the Judiciary.

By Mr. DOLLINGER:

H. R. 9421. A bill for the relief of Aurelio (Mitjans) Amor (also known as Aurelio Amor Mitjans); to the Committee on the Judiciary.

By Mr. GWINN:

H. R. 9422. A bill for the relief of Zbigniew Joseph Birtus; to the Committee on the Judiciary.

By Mr. HOLMES:

H. R. 9423. A bill for the relief of Jose Gallardo; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 9424. A bill for the relief of Mr. Giovanni Pane; to the Committee on the Judiciary.

By Mr. MUMMA:

H. R. 9425. A bill for the relief of Ingrid Samson; to the Committee on the Judiciary.

By Mr. ROONEY (by request):

H. R. 9426. A bill for the relief of Albino Braiuca; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

978. By Mr. HAGEN of Minnesota: Petition of Mrs. Melvin Bergeson of Fertile, Minn. and of 26 other residents and citizens of Fertile, Winger, McIntosh, and Gary, Minn., urging favorable support of the Bryson bill, H. R. 1227, to prohibit the transportation in interstate commerce of alcoholic beverages, advertising in newspapers, periodicals, etc., and its broadcasting over radio and television; to the Committee on Interstate and Foreign Commerce.

979. Also, petition of Mrs. S. A. Aas of Fertile, Minn., and of 15 other residents and citizens of Fertile, Minn., urging favorable support of the Bryson bill, H. R. 1227, to prohibit the transportation in interstate commerce of alcoholic beverages, advertising in newspapers, periodicals, etc., and its broadcasting over radio and television; to the Committee on Interstate and Foreign Commerce.

980. By Mr. HAYS of Arkansas: Petition of R. M. Lord and others, members of Central District Dental Society, State of Arkansas, urging the Congress of the United States to defeat H. R. 2341 which would prohibit Federal, State, or municipal agencies from treating public water with any fluoride compound; to the Committee on Interstate and Foreign Commerce.

981. By the SPEAKER: Petition of the National Society of the Daughters of the American Revolution, Washington, D. C., petitioning consideration of their resolutions adopted by the 63d Continental Congress, National Society, Daughters of the American Revolution, April 19–23, 1954; to the Committee on the Judiciary.

982. Also, petition of the chairman, Bronx Conference for Democratic Rights, Bronx, N. Y., petitioning consideration of their resolution with reference to investigating committee procedures; to the Committee on Rules.

983. Also, petition of Mrs Beula Hunt, Orlando, Fla., requesting passage of H. R. 2446 and H. R. 2447, proposed social-security legislation known as the Townsend plan; to the Committee on Ways and Means.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, Seventy-ninth Congress, title III, Regulation of Lobbying Act, section 308 (b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received for the first calendar quarter of 1954.

QUARTERLY REPORTS

The following quarterly reports were submitted for the first calendar quarter 1954:

(NOTE.—The form used for reports is reproduced below. In the interest of economy questions are not repeated, only the answers are printed and are indicated by their respective letter and number. Also for economy in the RECORD, lengthy answers are abridged.)

File two copies with the Secretary of the Senate and file three copies with the Clerk of the House of Representatives.
This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.
Place an "X" below the appropriate letter or figure in the box at the right of the "Report" heading below:
"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.
"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19------	REPORT PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT	P	QUARTER			
			1st	2d	3d	4th
		(Mark one square only)				

NOTE ON ITEM "A".—(a) In General: This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee," state in Item "B" the name, address, and nature of business of the "employer." (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee.")
(ii) "Employer".—To file as an "employer," write "None" as answer to Item "B."
(b) Separate Reports.—An agent or employee should not attempt to combine his Report with the employer's Report.
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING.—(1) State name, address, and nature of business; (2) if this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—Section 302 (e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place ☐ an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. *If* this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this Item "C 4" and fill out Items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

NOTE ON ITEM "D".—(a) *In General.* The term 'contribution' includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302 (a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $_____Dues and assessments
2. $_____Gifts of money or anything of value
3. $_____Printed or duplicated matter received as a gift
4. $_____Receipts from sale of printed or duplicated matter

5. $_____Received for services (e. g., salary, fee, etc.)
6. $_____TOTAL for this Quarter (Add items "1" through "5")

7. $_____Received during previous Quarters of calendar year
8. $_____TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302 (a).

9. $_____TOTAL now owed to others on account of loans
10. $_____Borrowed from others during this Quarter
11. $_____Repaid to others during this Quarter

12. $_____"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more (from Jan. 1 through this Quarter)

13. Have there been such contributors? Please answer "yes" or "no": _____
14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through _____, 19____)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N. Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302 (b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $_____Public relations and advertising services
2. $_____Wages, salaries, fees, commissions (other than item "1")
3. $_____Gifts or contributions made during Quarter
4. $_____Printed or duplicated matter, including distribution cost
5. $_____Office overhead (rent, supplies, utilities, etc.)
6. $_____Telephone and telegraph
7. $_____Travel, food, lodging, and entertainment
8. $_____All other expenditures

9. $_____TOTAL for this Quarter (Add "1" through "8")
10. $_____Expended during previous Quarters of calendar year

11. $_____TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302 (b).

12. $_____TOTAL now owed to person filing
13. $_____Lent to others during this Quarter
14. $_____Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates*	*Name and Address of Recipient—Purpose*
$1,750.00	7–11:	Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshblanks Bill."
$2,400.00	7–15, 8–15, 9–15:	Britten & Blatten, 3127 Gremlin Bldg., Washington, D. C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL	

A. J. Carson Adkerson, 976 National Press Building, Washington, D. C.
C. (2) Amendment to Contract Settlement Act.

A. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
C. (2) Generally, any legislation which will affect the aircraft industry.
D. (6) $4,768.13.
E. (2) $3,750; (4) $66.48; (7) $951.65; (9) $4,768.13; (15).[1]

A. W. L. Allen, 5913 Georgia Avenue NW., Washington, D. C.
B. The Commercial Telegraphers' Union, International (AFL), 5913 Georgia Avenue NW., Washington, D. C.
C. (2) Legislation which will or may affect members of organized labor.

A. Allied Wool Industry Committee, 414 Pacific National Life Building, Salt Lake City, Utah.
C. (2) S. 2911, H. R. 7775, S. 2313, S. 2548, H. R. 6787, and S. 2862.
D. (6) $2,592.
E. (1) $2,000; (9) $2,000.

A. W. R. Allstetter, 616 Investment Building, Washington, D. C.
B. The National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C.
C. (2) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy.
D. (6) $125.

A. Thomas H. Alphin, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
C. (2) All bills (Senate and House).
D. (6) $620.
E. (7) $27.04; (9) $27.04.

A. Amalgamated Association of Street, Electric Railway and Motor Coach Employes of America, AFL, 1214 Griswold Street, Detroit, Mich.
E. (7) $321.40; (9) $321.40.

A. Joseph Amann, 711 West Lake Street, Minneapolis, Minn.
B. Engineers and Scientists of America, 711 West Lake Street, Minneapolis, Minn.
C. (2) Any legislation affecting the interests of professional engineers and other members of affiliated units.
E. (7) $158.96.

A. American Association of University Women, 1634 I Street NW., Washington, D. C.
C. (2).[1]
E. (2) $710; (4) $19.95; (6) $1.50; (8) $5.50; (9) $736.95.

A. American Cancer Society, 47 Beaver Street, New York City, N. Y.
C. (2) Appropriations for public health.
E. (1) $4,999.98; (7) $1,462.37; (9) $6,462.35.

A. American Cotton Manufacturers Institute, Inc., 203–A Liberty Life Building, Charlotte, N. C.
C. (2) Legislation affecting the cotton-textile industry, including tariffs, corporate taxes, price and production controls.
D. (6) $2,098.51.
E. (2) $1,890.95; (4) $10.19; (5) $64.49; (6) $12.64; (7) $120.24; (9) $2,098.51; (15).[1]

A. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill., and 261 Constitution Avenue NW., Washington, D. C.
C. (2) Legislation affecting agriculture. (3) Nations' Agriculture.
D. (6) $59,648.
E. (2) $19,770; (4) $3,620; (5) $1,971; (6) $685; (7) $570; (9) $26,616; (15).[1]

A. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
C. (2) Legislation affecting the interests of working people. (3) American Federationist.
E. (1) $5,777.65; (2) $15,558.70; (4) $3,921.50; (5) $864.80; (9) $27,616.65; (15).[1]

A. American Federation of the Physically Handicapped, 1370 National Press Building, Washington, D. C.
C. (2) To establish the Federal Agency for Handicapped and tax exemptions for handicapped and for those who support handicapped who cannot care for themselves.
E. (2) $1,000; (4) $500; (6) $150; (7) $100; (8) $1,000; (9) $2,750.

A. American Fur Industries Tax Committee, Room 332 Munsey Building, Washington, D. C.
C. (2) Any and all legislation directly or indirectly affecting the fur industry.
D. (6) $12,550.
E. (2) $3,750; (5) $743.52; (6) $337.51; (7) $2,408.34; (9) $7,239.37.

A. American Hospital Association, 18 East Division Street, Chicago, Ill.
C. (2) All legislation which may affect the ability of hospitals to render good care or which may affect care for the American people. (3).[1]
D. (6) $11,868.02.
E. (2) $6,212.58; (4) $203.10; (5) $1,313.50; (6) $441.39; (7) $523.89; (8) $1,848.56; (9) $10,543.02; (15).[1]

A. American Hotel Association, 221 West 57th Street, New York, N. Y.
C. (2) All bills and statutes of interest to the hotel industry.
D. (6) $130,731.90.
E.[1]

A. American Legion, National Headquarters, 700 North Pennsylvania Street, Indianapolis, Ind.
C. (2).[1] (3) American Legion magazine, Merchant Marine Bulletin, and Air Review.
D. (6) $55,560.48.
E. (1) $4,713.86; (2) $10,353.32; (4) $2,290.37; (5) $1,477.78; (6) $290.28; (7) $3,358.77; (9) $22,484.38.

A. American Library Association, 50 East Huron Street, Chicago, Ill.
C. (2).[1]
D. (6) $241.70.
E. (2) $2,541.28; (5) $759.08; (6) $224.43; (7) $12.50; (8) $13.75; (9) $3,551.04; (15).[1]

A. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
C. (2) All existing and prospective legislation which may affect the life insurance business.
D. (6) $8,267.92.
E. (2) $6,067.35; (5) $941.99; (7) $1,258.58; (9) $8,267.92; (15).[1]

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
C. (2) The general legislative interest is to advance the science and art of medicine.[1]
D. (6) $15,000.
E. (2) $6,425.06; (4) $684.73; (5) $1,360.32; (6) $262.16; (7) $339.24; (8) $1,058.62; (9) $10,130.13; (15).[1]

A. American National Cattlemen's Association, 515 Cooper Building, Denver, Colo.
C. (2) Supported or opposed legislation affecting the cattle industry. (3) The American Cattle Producer.
D. (6) $57,146.55.
E. (2) $6,950; (6) $109.53; (7) $1,564.91; (8) $978.71; (9) $9,603.15.

A. American Optometric Association, Inc., Development Fund (legislative), care of Dr. Leo G. Miller, 420 Sharp Building, Lincoln, Nebr.
C. (2) Legislation in the health field affecting the practice of optometry.[1]
D. (6) $4,192.
E. (2) $2,580; (6) $20.23; (7) $14.70; (8) $20; (9) $2,634.93.

A. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
C. (2) Bills affecting the public health.
D. (6) $497.
E. (2) $375; (5) $69; (6) $53; (9) $497.

A. American Paper & Pulp Association, 122 East 42d Street, New York, N. Y.
C. (2) Legislative interests are those affecting the pulp and paper industry, its operation, properties, and practices.
D. (6) $895.
E. (6) $170; (7) $225; (9) $395.

A. American Parents Committee, Inc., 132 Third Street SE., Washington, D. C., and 52 Vanderbilt Avenue, New York, N. Y.
C. (2) Support of Federal aid for school construction, etc.[1]
D. (6) $16,533.69.
E. (2) $1,315.67; (4) $1,974.54; (5) $167.50; (6) $72.92; (8) $16,525.17; (9) $20,055.80.

A. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
C. (2) Legislation affecting the petroleum industry.
D. (6) $35,577.
E. (2) $7,031; (5) $3,400; (6) $444; (8) $1,301; (9) $12,176; (15).[1]

A. American Pyrotechnics Association, 56 Boylston Street, Brockton, Mass.
C. (2) Pending proposed legislation affecting the fireworks industry.
D. (6) $7,859.
E. (1) $4,520.77; (9) $4,520.77.

A. American Pulpwood Association, 220 East 42d Street, New York, N. Y.
C. (2) Legislative interests are those affecting the pulpwood industry, its operations, properties, and practices.

A. American Retail Federation, 1625 I Street NW., Washington, D. C.
C. (2).[1]
D. (6) $39,290.20.
E. (2) $8,750; (4) $152.29; (5) $773.33; (6) $422.83; (7) $261.04; (9) $10,359.49.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $1,965.23.
E. (2) $737.50; (4) $267.01; (5) $362.50; (6) $72.10; (7) $526.12; (9) $1,965.23; (15).[1]

A. American Tariff League, Inc., 19 West 44th Street, New York, N. Y.
C. (2) Any legislation pertaining to tariff or foreign trade.

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[1] Not printed. Filed with Clerk and Secretary.

D. (6) $20,443.42.
E. (1) $2,605.94; (2) $9,279; (4) $13,017.44; (5) $1,460.63; (6) $241.74; (7) $222.47; (8) $2,920.40; (9) $29,747.62; (15).[1]

A. American Textile Machinery Association, 93 Grand Street, Worcester, Mass.
C. (2) Legislative matters affecting the textile machinery industry.[1]
D. (6) $197.12.
E. (2) $900; (8) $104.81; (9) $1,004.81; (15).[1]

A. American Tramp Shipowners Association, Inc., 11 Broadway, New York, N. Y.
C. (2) Interested in amending existing shipping legislation in order to extend operating and construction differential subsidies to American-flag vessels engaged in so-called tramp trades.
D. (6) $13,950.
E. (1) $12,674.12; (2) $2,080.80; (4) $1,266.25; (5) $403.73; (6) $52.39; (7) $696.69; (8) $311.85; (9) $17,485.83; (15).[1]

A. American Veterans of World War II, 1710 Rhode Island Avenue NW., Washington, D. C.
C. (2) Concerned with veterans' legislation, military legislation, general welfare, and Americanism programs. (3) National AMVET.
E. (9) $1,125.

A. America's Wage Earners' Protective Conference, 815 15th Street NW., Washington, D. C.
C. (2) Tariff.
D. (6) $3,400.
E. (2) $3,231.10; (8) $25.75; (9) $3,256.85; (15).[1]

A. Angelina and Neches River Railroad Co., Keltys, Tex., et al.[1]
C. (2) Generally legislation affecting Texas railroads.
E. (2) $5,000.01; (8) $1,622.63; (9) $6,622.63.

A. Richard H. Anthony, 19 West 44th Street, New York, N. Y.
B. The American Tariff League, Inc., 19 West 44th Street, New York, N. Y.
C. (2) Any legislation pertaining to tariff or foreign trade.
D. (6) $3,125.
E. (7) $143.73; (9) $143.73.

A. John R. Arent, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, and so forth.
D. (6) $900.
E. (7) $60.95; (9) $60.95.

A. Hector M. Aring, 826 Woodward Building, Washington, D. C.
B. Johns-Manville Corp., 22 East 40th Street, New York, N. Y.
C. (2) Tax bill, housing bill, Hawaii statehood, social security.
D. (6) $1,250.
E. (9) $624.54.

A. Arkansas Railroad Committee, 1115 Boyle Building, Little Rock, Ark.
B. Class I railroads operating in the State of Arkansas.
C. (2) Generally legislation affecting Arkansas railroads.
D. (6) $3,000.
E. (7) $3363.16; (9) $3363.16.

[1] Not printed. Filed with Clerk and Secretary.

A. W. C. Arnold, 200 Colman Building, Seattle, Wash.
B. Alaska Salmon Industry, Inc., 200 Colman Building, Seattle, Wash.

A. Arthritis and Rheumatism Foundation, 23 West 45th Street, New York, N. Y.
C. (2) Appropriations for Public Health.
E. (1) $900; (7) $263.22; (9) $1,163.22.

A. Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.
C. (2) All legislation affecting the business of general contracting.

A. Associated Third-Class Mail Users, Room 502, 1406 G Street NW., Washington, D. C.
C. (2) All legislation relating to postal laws and regulations.
D. (6) $22,201.58.
E. (2) $4,680; (4) $1,119.97; (5) $634.88; (6) $221.11; (7) $1,117.68; (9) $7,773.64; (15).[1]

A. Association of American Physicians and Surgeons, Inc., 360 North Michigan Avenue, Chicago, Ill.
C. (2) The association concerns itself with only proposed legislation affecting physicians and surgeons in the practice of their profession.
D. (6) $1,500.
E. (4) $1,500; (9) $1,500.

A. Association of American Railroads, 929 Transportation Building, Washington, D. C.
C. (2) Support legislation believed to be in their interest and in the interest of a sound national transportation policy, and oppose legislation contrary to such interest.[1] (3).[1]
D. (6) $56,832.14.
E. (2) $39,293.58; (3) $25; (4) $4,464.48; (5) $6,009.96; (6) $573.66; (7) $1,006.01; (8) $5,459.45; (9) $56,832.14; (15).[1]

A. Association of American Ship Owners, 90 Broad Street, New York, N. Y.

A. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
C. (2) Legislation affecting casualty and surety companies. (3) Casualty and Surety Journal.
D. (6) $1,982.48.
E. (2) $1,456.26; (4) $88.94; (5) $132.70; (6) $28.85; (7) $80.77; (8) $194.96; (9) $1,982.48.

A. Association of Western Railways, 474 Union Station Building, Chicago, Ill.
C. (2) Legislative proposals which do or may affect western railroads.

A. Awalt, Clark & Sparks, 822 Connecticut Avenue, Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2) All legislation that might affect member electric utility companies.[1]
D. (6) $6,250.
E. (6) $1.09; (7) $33.39; (9) $34.48.

A. Charles E. Babcock, Route 4, Box 73, Vienna, Va.
B. Junior Order United American Mechanics of the United States of America.
C. (2) Control of immigration; improvement of free public schools; suppression of communism.
D. (6) $249.99.
E. (5) $54; (6) $3.20; (7) $20.05; (8) $1; (9) $78.25.

[1] Not printed. Filed with Clerk and Secretary.

A. John A. Baker, 1404 New York Avenue NW., Washington, D. C.
B. Farmers Educational and Cooperative Union of America, 1417 California, Denver, Colo., and 1404 New York Avenue NW., Washington, D. C.
C. (2) Legislation on matters of interest to the National Farmers Union.

A. J. H. Ballew, Nashville, Tenn.
B. Southern States Industrial Council, Stahlman Building, Nashville, Tenn.
C. (2) Support of legislation favorable to free-enterprise system and opposition to legislation unfavorable to that system.
D. (6) $2,250.

A. Hartman Barber, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express, and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
C. (2) Interested in all legislation affecting labor, especially railroad labor.
D. (6) $1,904.19.
E. (6) $95.01; (7) $60.99; (8) $383.49; (9) $539.49.

A. Fowler W. Barker, 17 Dupont Circle, Washington, D. C.
B. Association of Professional Photogrammetrists, 17 Dupont Circle, Washington, D. C.
C. (2) Appropriation bills for mapping and surveying agencies of the United States Government.
D. (6) $5,750.
E. (1) $50; (4) $426; (6) $3; (9) $479.

A. Joel Barlow, 701 Union Trust Building, Washington, D. C.
B. Hudson Bay Mining and Smelting Co., Ltd., 500 Royal Bank Building, Winnipeg, Manitoba, Canada, et al.[1]
C. (2) Revenue revision.
E. (4) $34.40; (6) $9.94; (9) $44.34.

A. Joel Barlow, 701 Union Trust Building, Washington, D. C.
B. National Machine Tool Builders' Association, 10525 Carnegie Avenue, Cleveland, Ohio.
C. (2) Any legislation affecting machine tool industry.

A. Arthur R. Barnett, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2) All legislation that might affect its members as electric utilities.
D. (6) $4,699.98.
E. (6) $13.90; (7) $386.98; (8) $55.83; (9) $456.71.

A. Irvin L. Barney, Room 412, Railway Labor Building, 10 Independence Avenue, Washington, D. C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
C. (2) Legislation of interest to railroad employees and labor in general.
D. (6) $2,424.99.

A. A. K. Barta, 810 18th Street NW., Washington, D. C.
B. The Proprietary Association, 810 18th Street NW., Washington, D. C.
C. (2) Measures affecting the proprietary medicines industry.
E. (7) $125; (9) $125.

A. J. A. Beirne, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.

[1] Not printed. Filed with Clerk and Secretary.

C. (2) Legislative matters affecting the interests of the membership of the union.

A. Rachel Bell.

B. Legislative Committee of the Committee for a National Trade Policy, 1025 Connecticut Avenue NW., Washington, D. C.

C. (2) Legislation relating to foreign economic policy (Trade Agreements Act).

E. (2) $1,500; (9) $1,500.

A. Julia D. Bennett, Hotel Congressional, Washington, D. C.

B. American Library Association, 50 East Huron Street, Chicago, Ill.

C. (2) Interested in legislation affecting libraries and librarians.

E. (2) $1,511.20; (4) $80.34; (5) $5.65; (7) $27; (8) $39.95; (9) $1,664.14.

A. Ernest H. Benson, 10 Independence Avenue SW., Washington, D. C.

B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.

C. (2) All legislation affecting railroad employees and labor in general.

D. (6) $4,500.

A. Mrs. Louella Miller Berg, 1634 I Street NW., Washington, D. C.

B. American Association of University Women, 1634 I Street NW., Washington, D. C.

C. (2)[1]

D. (6) $710.

A. Tell Berna, 2071 East 102d Street, Cleveland, Ohio.

B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.

C. (2) Any legislation affecting machine-tool industry.

A. Sam B. Berrong, 1214 Griswold Street, Detroit, Mich.

B. Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, 1214 Griswold Street, Detroit, Mich.

C. (2) Laws, proposed laws, and proposed amendments to laws affecting the interests of the members of the Amalgamated throughout the United States.

E. (6) $4.95; (7) $283.60; (8) $32.85; (9) $321.40.

A. J. Raymond Berry, 85 John Street, New York, N. Y.

B. National Board of Fire Underwriters, 85 John Street, New York, N. Y.

C. (2) Legislation affecting stock fire insurance companies.

D. (6) $100.

E. (5) $126; (7) $27.85; (9) $153.85.

A. Helen Berthelot, 1808 Adams Mill Road NW., Washington, D. C.

B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.

C. (2) Legislative matters affecting the interests of the membership of this union.

D. (6) $2,214.04.

E. (2) $1,924.92; (5) $7.95; (7) $231.82; (8) $49.35; (9) $2,214.04.

A. Joe Betts, 261 Constitution Avenue NW., Washington, D. C.

B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.

C. (2)[1].

D. (6) $1,365.

E. (7) $86.39; (9) $86.39.

A. Andrew J. Biemiller, 901 Massachusetts Avenue NW., Washington, D. C.

B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.

[1] Not printed. Filed with Clerk and Secretary.

C. (2) Bills affecting the welfare of the country generally, and specifically bills affecting workers.

D. (6) $2,400.

E. (6) $22.75; (7) $282; (8) $63.25; (9) $368.

A. Walter J. Bierwagen, 900 F Street NW., Washington, D. C.

B. Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, 1214 Griswold Street, Detroit, Mich.

C. (2) Laws, proposed laws, and proposed amendments to laws affecting the interests of the members of the Amalgamated throughout the United States.

A. Bigham, Englar, Jones & Houston, 99 John Street, New York, N. Y., and 932 Shoreham Building, Washington, D. C.

B. The American Institute of Marine Underwriters, the Association of Marine Underwriters of the United States, American Cargo War Risk Reinsurance Exchange, American Marine Hull Insurance Syndicate.

C. (2) Legislation affecting the insurance of ships and their cargoes against marine risks; reparations; subrogation.

E. (5) $58; (6) $5; (7) $30; (9) $93.

A. Henry Bison, Jr., 917 15th Street NW., Washington, D. C.

B. National Association of Retail Grocers, 360 North Michigan Avenue, Chicago, Ill.

C. (2) Legislation affecting the business enterprises of independent retail grocers.

D. (6) $1,133.60.

E. (5) $90; (6) $11; (7) $32.60; (9) $133.60.

A. John H. Bivins, 50 West 50th Street, New York, N. Y.

B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.

C. (2) Legislation affecting the petroleum industry (Federal-aid highway legislation—excise tax bill during first quarter covered by this report).

D. (6) $887.25.

A. James C. Black, 1625 K Street NW., Washington, D. C.

B. Republic Steel Corp., Republic Building, Cleveland, Ohio.

C. (2) Legislation affecting employer.

D. (6) $600.

E. (7) $500; (9) $500.

A. Wm. Rhea Blake, 162 Madison Avenue, Memphis, Tenn.

B. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.

C. (2) Legislation affecting the raw cotton industry as will promote the purposes for which the council is organized.

D. (6) $250.

E. (7) $130.36; (9) $130.36.

A. Charles B. Blankenship, 1808 Adams Mill Road NW., Washington, D. C.

B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.

C. (2) Legislative matters affecting the interests of the membership of this union.

D. (6) $2,746.39.

E. (2) $1,999.98; (6) $2.25; (7) $429.02; (8) $315.14; (9) $2,746.39.

A. Chester F. Bletch, 1756 K Street NW., Washington, D. C.

B. Maryland & Virginia Milk Producers Association, Inc.

A. Blumberg, Miller, Singer & Heppen, 350 Fifth Avenue, New York, N. Y.

B. Cigar Manufacturers' Association of America, 350 Fifth Avenue, New York, N. Y.

C. (2) Revision and reduction of excise taxes on cigars, and the statute involved in section 2000 of the Internal Revenue Code.

A. John N. Bohannon, 75 Macon Avenue, Asheville, N. C., 1028 Connecticut Avenue NW., Washington, D. C.

B. Consolidated Natural Gas Co., 30 Rockefeller Plaza, New York, N. Y.

D. (6) $4,500.

E. (5) $578.46; (6) $192.21; (7) $1,070.10; (9) $1,840.77.

A. Sanford H. Bolz, 927 15th Street NW., Washington, D. C.

B. American Jewish Congress, 15 East 84th Street, New York, N. Y.

C. (2) To oppose antisemitism and racism in all its forms and to defend civil rights incident thereto.

D. (6) $187.50.

A. Sanford H. Bolz, 927 15th Street NW., Washington, D. C.

B. Cigarette Lighter Manufacturers Association, Inc., 303 Fifth Avenue, New York, N. Y.

C. (2) Revision of method of collection of manufacturers excise tax on cigarette lighters.

E. (6) $0.30; (7) $3; (9) $3.30.

A. Joseph L. Borda, 918 16th Street, NW., Washington, D. C.

B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Robert T. Borth, 777 14th Street NW., Washington, D. C.

B. General Electric Co., 570 Lexington Avenue, New York, N. Y.

C. (2) Labor relations, wage and hour matters, controls over wages and salaries, and social security. (3).[1]

D. (6) $375.

E. (4) $112; (5) $130; (6) $5; (7) $84.50; (9) $331.50.

A. Benjamin E. Bowden, 10 Independence Avenue SW., Washington, D. C.

B. American Train Dispatchers Association, 10 East Huron Street, Chicago, Ill.

C. (2) All legislation concerning Railway employees.

D. (6) $1,050.

E. (6) $10.56; (7) $477.04; (9) $487.60.

A. R. B. Bowden, 600 Hibbs Building, Washington, D. C.

B. Grain and Feed Dealers National Association, 100 Merchants' Exchange Building, St. Louis, Mo.

C. (2) Legislation affecting the grain and feed trade.

D. (6) $89.46.

E. (7) $52.74; (9) $52.74.

A. Charles M. Boyer, 2517 Connecticut Avenue NW., Washington, D. C., and Justice M. Chambers, 2517 Connecticut Avenue NW., Washington, D. C.

B. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.

C. (2) Legislation for development of a military policy for the United States which will guarantee adequate national security. (3).[1]

A. Joseph E. Brady, 2347 Vine Street, Cincinnati, Ohio.

B. International Union of United Brewery, Flour, Cereal, Soft Drink and Distillery Workers of America, 2347 Vine Street, Cincinnati, Ohio.

[1] Not printed. Filed with Clerk and Secretary.

C. (2) All legislation involving or in the direction of national prohibition taxation of alcoholic beverages, etc.
E. (6) $45.98; (7) $104.72; (9) $150.70.

A. Harold P. Braman, 907 Ring Building, 18th and M Streets NW., Washington, D. C.
B. National Savings and Loan League, 907 Ring Building, 18th and M Streets NW., Washington, D. C.
C. (2) Support of bills to improve facilities of savings and loan associations for encouragement of thrift and home financing. Oppose legislation adverse to savings and loan associations.
D. (6) $450.

A. Harry R. Brashear, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
C. (2) Any legislation affecting transportation matters in which members of the association are interested.

A. Breed, Abbott & Morgan, 1317 F Street NW., Washington, D. C.
C. (2) S. 1850; a bill for the relief of Dr. John D. MacLennan.
D. (6) $500.

A. James M. Brewbaker, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. David F. Brinegar, 510 Goodrich Building, Phoenix, Ariz.
B. Central Arizona Project Association, 510 Goodrich Building, Phoenix, Ariz.
C. (2) Water and soil legislation affecting Arizona.
D. (6) $450.
E. (7) $65.22; (9) $65.22.

A. Homer L. Brinkley, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place, Washington, D. C.
C. (2) S. 3052—revision of farm program.
D. (6) $3,333.65.
E. (7) $315.40; (9) $315.40.

A. W. S. Bromley, 220 East 42d Street, New York, N. Y.
B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. C. R. Brown, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
C. (2) All bills to amend Railroad Retirement Act and bills affecting railway labor and labor in general.
D. (6) $1,432.23.

A. Carl Brown, 1627 Cadillac Tower, Detroit, Mich.
B. Foreman's Association of America, 1627 Cadillac Tower, Detroit, Mich.
C. (2) Proposed revision of Labor-Management Relations Act of 1947.
D. (6) $191.49.
E. (7) $191.49; (9) $191.49.

A. Brown, Lund & Fitzgerald, Washington Loan & Trust Building, Washington, D. C.
B. National Association of Electric Companies, Ring Building, 1200 18th Street NW., Washington, D. C.
C. (2) Any legislation that might affect the members of the NAEC.
D. (6) $8,499.99.
E. (2) $7,824.99; (5) $375; (8) $45.50; (9) $8,245.49; (15).[1]

A. Paul W. Brown, Department 731, 925 South Homan Avenue, Chicago, Ill.
B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill.
C. (2) Postal legislation.
D. (6) $445.58.
E. (6) $2.75; (7) $373.05; (9) $375.80.

A. Thad H. Brown, Jr., 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.
C. (2) Any legislation, local, State, or Federal, which relates to the television broadcasting industry.

A. John M. Brumm, 2212 M Street NW., Washington, D. C.
B. Committee for the Nation's Health, 2212 M Street NW., Washington, D. C.
C. (2) Interested in all legislation regarding National Health Insurance.
D. (6) $2,374.98.
E. (8) $21.85; (9) $21.85.

A. Henry H. Buckman, 4805 Dorset Avenue, Chevy Chase, Md.
B. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
C. (2) All legislation affecting river and harbor works, flood control, and other water use and conservation, and related subjects.
D. (6) $1,350.
E. (6) $9.54; (8) $19.57; (9) $29.11.

A. Henry H. Buckman, 4805 Dorset Avenue, Chevy Chase, Md.
B. The Vulcan Detinning Co., Sewaren, N. J.

A. George Bugbee, 18 East Division Street, Chicago, Ill.
B. American Hospital Association, 18 East Division Street, Chicago, Ill.
D. (6) $1,562.51.
E. (7) $403.90; (9) $403.90.

A. George J. Burger, 740 Washington Building, Washington, D. C., and 250 West 57th Street, New York, N. Y.
B. Burger Tire Consultant Service, 250 West 57th Street, New York, N. Y., and National Federation of Independent Business, 740 Washington Building, Washington, D. C.
C. (2) Interested in rubber tires bill, basing point legislation, antitrust law legislation, FTC quantity discount case, spare-tire monopoly, Senate Resolution 213, and all legislation affecting independent small business.
D. (6) $3,219.06.

A. Donald T. Burke, 1200 18th Street NW., Suite 510, Ring Building, Washington, D. C.
B. National Association of Electric Co., 1200 18th Street NW., Washington, D. C.
C. (2) All legislation that might affect its members as electric utilities.
D. (6) $1,875.
E. (7) $349.40; (8) $49.95; (9) $399.40.

A. Thomas H. Burke, 718 Jackson Place NW., Washington, D. C.
B. United Automobile, Aircraft and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit 14, Mich.
C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity and general welfare; oppose legislation detrimental to these objectives.
D. (6) $1,495.
E. (7) $962; (9) $962.

A. Burley and Dark Leaf Tobacco Export Association, Post Office Box 860, Lexington, Ky.
D. (7) $855.50.
E. (2) $3,381.92; (5) $581.97; (6) $117.92; (7) $316.11; (8) $664.13; (9) $5,062.05.

A. F. Hugh Burns, 821 Cafritz Building, Washington, D. C.
B. Great Lakes-St. Lawrence Association, 821 Cafritz Building, Washington, D. C.
C. (2) Participation by United States with Canada in construction of the St. Lawrence Seaway.
D. (6) $2,250.
E. (7) $186.80; (8) $150; (9) $336.80.

A. Robert M. Burr, 155 East 44th Street, New York, N. Y.
B. National Electrical Manufacturers Association, 155 East 44th Street, New York, N. Y.
C. (2) Legislation regarding excise taxes on electric refrigerators, electric ranges, electric water heaters, domestic electric appliances, commercial electric cooking equipment, electric fans, and legislation affecting imports of products into the United States.
D. (6) $427.

A. Orrin A. Burrows, 1200 15th Street NW., Washington, D. C.
B. International Brotherhood of Electrical Workers, 1200 15th Street NW., Washington, D. C.
C. (2) All legislation dealing with electrical workers in particular and labor in general, such as annual and sick leave, repeal of Whitten rider, Federal retirement, unemployment insurance and severance pay, and other liberal benefits for the workers.
D. (6) $2,874.99.

A. Eugene J. Butler, 1312 Massachusetts Avenue NW., Washington, D. C.
B. National Catholic Welfare Conference, 1312 Massachusetts Avenue NW., Washington, D. C.
C. All legislation affecting religious, charitable, and educational institutions and organizations.
D. (6) $2,750.
E. (7) $33.70; (9) $33.70.

A. Lawrence V. Byrnes, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Locomotive Engineers, B. of L. E. Building, Cleveland, Ohio.
C. (2) Legislation affecting labor and transportation.
D. (6) $3,313.50.

A. C. G. Caffrey, 1625 I Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, Inc., 203-A Liberty Life Building, Charlotte, N. C.
C. (2) Legislation to promote the advancement and the best interests of the cotton-textile industry.
D. (6) $760.20.
E. (6) $3; (7) $10; (8) $10; (9) $23.

A. James A. Campbell, room 716, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, Room 716, 900 F Street NW., Washington, D. C.
C. (2) All bills of interest to Federal Government employees and District of Columbia Government employees.
D. (6) $2,692.27.
E. (7) $269.22; (9) $269.22.

A. Canal Zone Central Labor Union and Metal Trades Council, Box 471, Balboa Heights, C. Z.
C. (2) Interested in all legislation affecting the welfare of United States citizens employed by United States Government agencies in the Canal Zone.
D. (6) $3,990.
E. (2) $1,800; (7) $1,800; (9) $3,600; (15)[1].

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[1] Not printed. Filed with Clerk and Secretary.

A. Julian W. Caplan, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.
C. (2) Legislation that affects retail trades.

A. John L. Carey, 270 Madison Avenue, New York, N. Y.
B. American Institute of Accountants, 270 Madison Avenue, New York, N. Y.
C. (2) Legislation affecting certified public accountants.
D. (6) $87.50.
E. (6) $10; (9) $10.

A. R. T. Carleton, Plymouth, Fla.
C. (2).[1]
E. (4) $19.38; (6) $7.92; (7) $75.89; (8) $0.38; (9) $103.57.

A. James K. Carr, 2101 K Street, Sacramento, Calif.
B. Sacramento Municipal Utility District, 2101 K Street, Sacramento, Calif.
C. (2) Matters pertaining to Central Valley project (California) which affect the interest of the Sacramento Municipal Utility District.
D. (6) $553.35.
E. (7) $14.50; (8) $251.50; (9) $266.

A. T. C. Carroll, 12050 Woodward Avenue, Detroit, Mich.
C. (2) Legislation of interest to railroad employees.

A. Henderson H. Carson, George Washington Inn, Washington, D. C., and 600 First National Bank Building, Canton 2, Ohio.
B. East Ohio Gas Co., 1405 East Sixth Street, Cleveland, Ohio.
C. (2) All legislation of interest to natural gas industries.
D. (6) $3,631.50.
E. (1) $168; (2) $53; (4) $2.10; (5) $4.73; (6) $79.47; (7) $267.80; (8) $56.90; (9) $631.50.

A. Albert E. Carter, 1026 16th Street NW., Washington, D. C.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
C. (2) Retained to represent the company before administrative agencies and commissions and on legislative matters affecting company's interest.
D. (6) $3,000.
E. (5) $634.66; (6) $29.70; (7) $357.60; (8) $9.80; (9) $1,031.76.

A. Clarence B. Carter, Post Office Box 798, New Haven, Conn.
B. Railroad Pension Conference, Post Office Box 798, New Haven, Conn.
C. (2) For H. R. 122.
E. (7) $4.30; (9) $4.30.

A. Benjamin F. Castle, 1625 I Street NW., Washington, D. C.
B. Milk Industry Foundation, 1625 I Street NW., Washington, D. C.
C. (2) Statutes or bills which affect the interests of milk dealers.

A. Larry Cates, 861 National Press Building, Washington, D. C.
B. Air Line Pilots Association, 55th Street and Cicero Avenue, Chicago, Ill.
C. (2) Aviation legislation, Railway Labor Act.
D. (6) $2,800.

A. Mark Catlin, Jr., Box 391, Appleton, Wis.
B. American Pyrotechnics Association, West Hanover, Mass.
C. (2) Legislation dealing with fireworks.
D. (6) $2,280.
E. (4) $7.50; (6) $77.27; (7) $2,156; (9) $2,240.77.

A. Central Arizona Project Association, 510 Goodrich Building, Phoenix, Ariz.
C. (2) Water and soil legislation affecting Arizona.
D. (6) $13,380.50.
E. (1) $50; (2) $5,407.50; (3) $250; (4) $524.86; (5) $1,131.16; (6) $169.68; (7) $461.74; (8) $70.89; (9) $8,065.83.

A. Central Electric & Gas Co., 144 South 12th Street, Lincoln, Nebr.
C. (2) Proposing an amendment to the Securities Act of 1933 to increase the exemption for small issues of securities.

A. Walter Chamblin, Jr., 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
C. (2) Promoting Senate Joint Resolution 87 and House Joint Resolution 289, a proposed Christian amendment to the Constitution of the United States. (3) The Christian Patriot.
D. (6) $4,926.96.
E. (1) $1,196; (2) $3,785.25; (4) $987.97; (5) $136.17; (6) $21.33; (7) $458.71; (9) $6,585.43.

A. Abiah A. Church, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.
C. (2) Any legislation—local, State, Federal, or international—which affects the broadcasting industry.

A. Cigar Manufacturers Association of America, 350 Fifth Avenue, New York, N. Y.
C. (2) Revision and reduction of excise taxes applicable to cigars.

A. Omer W. Clark, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, National Headquarters, 1423 East McMillan Street, Street, Cincinnati, Ohio.
C. (2) The DAV is interested in all legislation affecting war veterans, their dependents, and survivors of deceased veterans. (3) DAV Semimonthly.
E. (2) $230.77; (9) $230.77.

A. Robert M. Clark, 525 Shoreham Building, Washington, D. C.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill.
C. (2) Pending and prospective legislation affecting the interest of the railway company.
D. (6) $5,025.

A. Clear Channel Broadcasting Service, 532 Shoreham Building, Washington, D. C.
C. (2) Opposed to any proposed legislation calling for the duplication of class I-A clear-channel frequencies or the limitation of the power of class I-A standard broadcast stations; opposes ratification of the so-called NARBA agreement signed November 15, 1950.
E. (7) $123.41; (9) $123.41.

A. Herman Clott, 930 F Street NW., Washington, D. C.
B. International Union of Mine, Mill & Smelter Workers, Suite 412, Tabor Building, Denver, Colo.
C. (2) Support all legislation in the interest of membership of organization and for the advancement of interest of membership.
D. (6) $1,287.

A. Clay L. Cochran, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
C. (2) All legislation affecting the rural-electrification program. (3) Rural Electrification Magazine.
D. (6) $2,655.42.

A. Russell Coleman, 616 Investment Building, Washington, D. C.
B. The National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C.
C. (2) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy.
D. (6) $150.

A. Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.
B. Railroad companies as stated above.[1]
C. (2) All legislation both general and special that affects the above-named railroads.
E. (2) $350; (7) $76.20; (9) $26.20.

A. Colorado River Association, 306 West Third Street, Los Angeles, Calif.
C. (2) Opposing H. R. 2971, and any other legislation jeopardizing California's water rights on the Colorado River.
E. (2) $2,250; (4) $113; (5) $496.74; (6) $182.82; (7) $1,800; (9) $4,842.56; (15).[1]

A. Committee for Defense of the Constitution by Preserving the Treaty Power, 36 West 44th Street, New York, N. Y.
C. (2) Opposes any amendment to the Constitution which would change the traditional treatymaking power or hamper the President in his constitutional authority to conduct foreign affairs.
D. (6) $26,768.05; (11) $499.47.
E. (1) $1,700; (2) $2,386.33; (4) $16,268.70; (5) $1,474.28; (6) $653.65; (7) $494.12; (8) $1,925.01; (9) $24,902.09; (15).[1]

A. Committee on Laws, National Board of Fire Underwriters, 85 John Street, New York, N. Y.
C. (2) Legislation affecting stock fire-insurance companies.
E. (2) $5,300; (4) $250; (5) $378; (6) $5; (7) $212; (9) $6,145; (15).[1]

A. Committee for the Nation's Health, 2212 M Street NW., Washington, D. C.
C. (2) Interested in all legislation regarding national health insurance.
D. (6) $12,554.16.
E. (1) $1,972; (2) $6,608.37; (4) $744.64; (5) $1,657.30; (6) $135.66; (7) $205.44; (8) $30; (9) $11,403.41; (15).[1]

A. Committee for Pipe Line Companies, 35 East Wacker Drive, Chicago, Ill.
C. (2) To protect the legitimate interests of petroleum pipelines.
D. (6) $61,259.
E. (2) $4,998.11; (5) $692.93; (6) $278.38; (7) $862.67; (8) $2,271.95; (9) $9,104.04; (15).[1]

A. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.
C. (2) Legislative matters affecting the interests of the membership of the union. (3) CWA News.
D. (6) $462,063.43.
E. (2) $3,924.90; (5) $7.95; (6) $2.25; (7) $660.84; (8) $364.49; (9) $4,960.43.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Amana Refrigeration, Inc., Amana, Iowa.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Independent Advisory Committee to the Trucking Industry, Inc., successor to Truck-

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[1] Not printed. Filed with Clerk and Secretary.

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ing Industry National Defense Committee, Inc.
D. (6) $4,500.
E. (9) $376.89.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Salt Producers Association, 726 La Salle-Wacker Building, Chicago, Ill.

A. Lawrence R. Condon, 165 Broadway, New York, N. Y.
B. Estate of Mary Clark DeBrabant and Katherine C. Williams, 120 Broadway, New York, N. Y.
C. (2) Legislative interests relate to a possible revision of section 7 of the Technical Changes Act of 1949 (63 Stat. 895).
E. (2) $2,500; (9) $2,500.

A. John C. Cone, 815 15th Street NW., Washington, D. C.
B. Pan American World Airways System, 815 15th Street NW., Washington, D. C.
C. (2) Supporting or opposing any aviation legislation that might have a bearing on the operation of Pan American World Airways System.

A. Richard J. Congleton, 763 Broad Street, Newark, N. J.
B. Prudential Insurance Co. of America, 763 Broad Street, Newark, N. J.
C. (2) General interest in all legislation affecting the business of the company.
E. (7) $888.06; (9) $888.06.

A. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C.
C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity and general welfare; oppose legislation detrimental to these objectives.
D. (6) $18,458.36.
E. (2) $7,586.84; (3) $2,000; (4) $3,193.31; (5) $1,176.56; (6) $1,000; (7) $3,004.49; (8) $497.16; (9) $18,458.36; (15).[1]

A. Julian D. Conover, Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc.
D. (6) $2,500.
E. (6) $43.65; (7) $37.70; (9) $81.35.

A. J. Milton Cooper, 505 Washington Building, Washington, D. C.
B. National Association of Amusement Parks, Pools and Beaches, 203 North Wabash Avenue, Chicago, Ill.
C. (2) H. R. 8224.

A. J. Milton Cooper, 505 Washington Building, Washington, D. C.
B. National Coal Association, Southern Building, 15th and H Streets NW., Washington, D. C.
C. (2) Legislative interests are general in character and those affecting the coal industry.

A. J. Milton Cooper, 505 Washington Building, Washington, D. C.
B. Nation-Wide Trailer Rental System, 512 South Market Street, Wichita, Kans.
C. (2) Excise tax on utility trailers.

A. J. Milton Cooper, 505 Washington Building, Washington, D. C.
B. New York Stock Exchange, 11 Wall Street, New York, N. Y.
C. (2) Federal tax legislation affecting the interests of the New York Stock Exchange and its members.

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[1] Not printed. Filed with Clerk and Secretary.

A. Wilmer A. Cooper, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
C. (2).[1]
D. (6) $1,312.50.
E. (6) $2.20; (7) $70.38; (9) $72.58.

A. Cooperative League of the United States of America Association, Inc., 343 South Dearborn Street, Chicago, Ill.
C.[1]
D. (6) $3,125.
E. (2) $550; (5) $45; (6) $50; (7) $225; (8) $60; (9) $930.

A. Cordage Legislative Committee, 350 Madison Avenue, New York, N. Y.
D. (6) $150.

A. J. G. Corona, suite 101, 1405 G Street NW., Washington, D. C.
B. Western Union Telegraph Co., 60 Hudson Street, New York, N. Y.
C. (2) General legislative interests cover any legislative proposals affecting the interests of the telegraph company in addition to my administrative duties at the company's Capitol offices.
E. (7) $38.50; (9) $38.50.

A. John M. Costello, 3434 Porter Street NW., Washington, D. C.
B. American League for an Undivided Ireland, 122 East 42d Street, New York, N. Y.
C. (2) Any legislation which may help to effectuate the unification of all Ireland.
D. (6) $951.82.
E. (4) $4.59; (6) $37.84; (7) $36.99; (8) $122.40; (9) $201.82.

A. W. W. Coxe, 108 North Jefferson Street, Roanoke, Va.
B. Norfolk & Western Railway Co., 108 North Jefferson Street, Roanoke, Va.

A. M. F. Crass, Jr., 1625 I Street NW., Washington, D. C.
B. Manufacturing Chemists' Association, Inc., 1625 I Street NW., Washington, D. C.
C. (2) Any legislation affecting the chemical industry.
D. (6) $250.

A. A. M. Crawford, 718 Title and Trust Building, Phoenix, Ariz.
B. Southern Pacific Co., 65 Market Street, San Francisco, Calif., and Atchison, Topeka & Santa Fe Railway, 121 East Sixth Street, Los Angeles, Calif.
C. (2) In opposition to: St. Lawrence seaway and trip-leasing bill; in support of: time-lag bill and reduction of transportation taxes.
D. (6) $3,000.
E. (2) $1,150; (4) $157.08; (5) $918.14; (6) $193.39; (7) $1,381.38; (8) $793.99; (9) $4,593.98.

A. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
C. (2) Legislation affecting credit unions.
D. (6) $83,013.78.
E. (2) $491.67; (7) $6.10; (9) $497.77.

A. Robert A. Crichton, 1000 Vermont Avenue, Washington, D. C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
C. (2) All existing and prospective legislation which may affect the life-insurance business.
D. (6) $1,208.33.
E. (7) $350.75; (9) $350.75.

A. Edward B. Crosland, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.

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[1] Not printed. Filed with Clerk and Secretary.

C. (2) Matters affecting communications.[1]
D. (6) $6,000.

A. Leo J. Crowley, 540 Equitable Building, Denver, Colo.
B. Colorado Railroad Legislative Committee,[1] 615 C. A. Johnson Building, Denver, Colo.
C. (2) All legislation, both general and special, that affects the above-named railroads.[1]
D. (6) $826.20.
E. (2) $350; (7) $476.20; (9) $826.20.

A. John C. Cuneo, Post Office Box 1054, Modesto, Calif.
B. The Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio.
C. (2) The Townsend bills in Congress.
D. (6) $3,220.90.
E. (1) $864.50; (2) $63.88; (5) $588.97; (6) $99.14; (7) $134.94; (8) $81.98; (9) $1,833.41; (15).[1]

A. Ralph E. Curtiss, 944 Washington Building, Washington, D. C.
B. National Licensed Beverage Association, 420 Seventh Street, Racine, Wis.
C. (2) Any legislation affecting tavern and restaurant industry.
D. (6) $2,100.
E. (4) $40.65; (6) $17.63; (9) $58.28.

A. Bernard Cushman, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C.

A. Dairy Industry Committee, 519 Barr Building, Washington, D. C.
C. (2) Any legislation affecting the dairy industry.
D. (6) $4,050.

A. N. R. Danielian, 821 Cafritz Building, Washington, D. C.
B. Great Lakes-St. Lawrence Association, 821 Cafritz Building, Washington, D. C.
C. (2) S. 2150, participation by United States with Canada in construction of the St. Lawrence Seaway, proponent.
D. (6) $6,250.02.
E. (7) $223.89; (8) $212.70; (9) $436.59.

A. Paul J. Daugherty, Columbus, Ohio.
B. Ohio Chamber of Commerce, 820 Huntington Bank Building, Columbus, Ohio.
C. (2) Proposals in the field of taxation such as excise tax and Internal Revenue measures, old age and survivors insurance, and unemployment compensation administrative fund legislation, industrial development, and other management problems.
D. (6) $720.

A. Joan David, 1625 I Street NW., Washington, D. C.
B. National Committee on Parcel Post Size and Weight Limitations, 1625 I Street, NW., Washington, D. C.
C. (2) Parcel post size and weight limitations.
D. (6) $1,800.
E. (9) $132.07.

A. Charles W. Davis, 1 North LaSalle Street, Chicago, Ill.
B. John Stuart, 345 Merchandise Mart, Chicago, Ill.
C. (2) Provisions of 1954 revenue revision bill relating to corporate distributions and adjustments.
E. (6) $142.63; (7) $344.93; (9) $487.56.

A. Sherlock Davis, 1117 Barr Building, 910 17th Street NW., Washington, D. C.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.

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C. (2) Anything which pertains to sugar or trade with Cuba.

A. T. C. Davis, 230 Park Avenue, New York, N. Y.
B. Missouri Pacific Railroad Co., 25 Broad Street, New York, N. Y.
C. (2) S. 978 and any other legislation affecting Missouri Pacific Railroad Co.

A. Donald S. Dawson, 731 Washington Building, Washington, D. C.
B. Motor Carriers Leasing Conference, 4195 Central Avenue, Detroit, Mich.
C. (2) H. R. 3203 (trip leasing), for passage.
D. (6) $625.

A. B. B. Derrick, 1756 K Street NW., Washington, D. C.
B. Maryland and Virginia Milk Producers Association, Inc., 1756 K Street NW., Washington, D. C.

A. R. T. DeVany, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Ralph B. Dewey, 1425 K Street NW., Washington, D. C.
B. Pacific American Steamship Association, 16 California Street, San Francisco, Calif.
C. (2) Maritime matters.
D. (6) $2,500.
E. (2) $900; (3) $4; (4) $80.73; (5) $796.23; (6) $227.44; (9) $2008.40.

A. Cecil B. Dickson, 1600 I Street NW., Washington, D. C.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D. C.
C. (2) H. R. 4587 and legislation affecting the motion picture industry.
D. (6) $3,900.
E. (7) $1,300; (9) $1,300.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D. C.
B. Sacramento-Yolo Port District, 312 Court House, Sacramento, Calif.
C. (2) Legislation in support of the Sacramento Deep Water Channel project.
D. (6) 2,517.70.
E. (7) $14.90; (8) $102.80; (9) $117.70.

A. Disabled American Veterans, National Headquarters, 1423 East McMillan Street, Cincinnati, Ohio.
C. (2) Legislation affecting war veterans, their dependents and survivors of deceased veterans. (3) DAV Semi-Monthly.
E. (2) $3,032.65; (7) $165; (9) $3,197.65

A. Disabled Emergency Officers of the World Wars, 1604 K Street NW., Washington, D. C.
C. (2) All legislation affecting disabled veterans and their dependents, and survivors of deceased veterans.
E. (2) $2,750; (9) $2,750.

A. Walter L. Disbrow, 900 F Street NW., room 314, Washington D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., room 314, Washington, D. C.
C. (2) Retention and improvement of the Civil Service Retirement and United States Employees' Compensation Acts.[1]
D. (6) $1,254.79.

A. Wesley E. Disney, World Center Building, Washington, D. C.
B. Independent Natural Gas Association of America, World Center Building, Washington, D. C.
C. (2) General legislative interests include any matters affecting the natural gas industry.
D. (6) $1,666.66.

A. District Lodge No. 44, International Association of Machinists, 1029 Vermont Avenue NW., Washington, D. C.
C. (2) Legislation affecting working conditions of Government employees and incidentally organized labor in general.
D. (6) $13,196.90.
E. (2) $6,165.92; (4) $500; (5) $4,524.61; (6) $482.23; (7) $4,079.86; (8) $4,136.19; (9) $19,888.81; (15)[1]

A. Division 241, Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, 1608 West Van Buren Avenue, Chicago, Ill.
C. (2) Legislative interests include laws, proposed laws, and proposed amendments to laws affecting the interests of its members and their families.

A. Doherty, Rumble & Butler, E-1006 First National Bank Building, St. Paul., Minn.
B. Iron Ore Lessors Association, Inc., W-1451 First National Bank Building, St. Paul, Minn.
C. (2) Amendment of Internal Revenue Code.
E. (6) $73.38; (7) $151.56; (9) $224.95; (15).[1]

A. W. J. Donald, 155 East 44th Street, New York, N. Y.
B. National Electrical Manufacturers Association, 155 East 44th Street, New York, N. Y.
C. (2) Legislation regarding excise taxes on electric refrigerators, electric ranges, electric water heaters, domestic electric appliances, commercial electric cooking equipment, electric fans, and legislation with respect to amendment of the Labor Management Relations Act.
D. (6) $156.30.

A. James L. Donnelly, 39 South LaSalle Street, Chicago, Ill.
B. Illinois Manufacturers' Association, 39 South LaSalle Street, Chicago, Ill.
C. (2) All legislation of general interest to manufacturers. (3) Industrial Review.
E. (7) $370.87; (9) $670.87.

A. Robert F. Donoghue, 842 Wyatt Building, Washington, D. C.
B. Pacific American Tankship Association, 25 California Street, San Francisco, Calif.
C. (2) Legislation affecting the merchant marine, particularly the tanker division thereof.
D. (6) $1,625.

A. James J. Donohue, 610 Ring Building, Washington, D. C.
B. National Electrical Contractors Association, Inc., 610 Ring Building, Washington, D. C.
C. (2) Legislation that affects the building construction and electrical industries. (3) News Letter and Qualified Contractor magazine.

A. Thomas J. Donovan, 155 East 44th Street, New York, N. Y.
C. (2) Legislation affecting excise tax on alcoholic beverages.

A. J. Dewey Dorsett, 60 John Street, New York, N. Y.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
C. (2) Legislation affecting casualty and surety companies.
D. (6) $112.50.

A. C. L. Dorson, 900 F Street NW., room 314, Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
C. (2) Retention and improvement of the Civil Service Retirement and United States Employees' Compensation Acts.
D. (6) $1,176.80.
E. (7) $48.50; (9) $48.50.

A. John E. Dougherty, 211 Southern Building, 15th and H Streets NW., Washington, D. C.
B. The Pennsylvania Railroad Co., 1740 Suburban Station Building, Philadelphia, Pa.
C. (2) Any legislation affecting the interest of the Pennsylvania Railroad Co.

A. Robert E. Dougherty, 1319 18th Street NW., Washington, D. C.
B. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
C. (2) All legislation affecting the interest of the lumber manufacturing industry.
D. (6) $2,500.
E. (7) $56; (9) $56.

A. Mrs. Francis P. Douglas, 1026 17 Street NW., Washington, D. C.
B. League of Women Voters of the United States, 1026 17th Street NW., Washington, D. C.
D. (6) $600.
E. (7) $20.70; (9) $20.70.

A. James W. Douthat, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Fayette B. Dow, Munsey Building, Washington, D. C.
B. Committee for Pipe Line Companies, Tulsa, Okla.
C. (2) The committee is opposed to S. 3075 which if enacted would divorce pipelines; interested in an appropriation for the Interstate Commerce Commission adequate to enable it to perform its regulatory duties.

A. M. J. Dowd, El Centro, Calif.
B. Imperial Irrigation District, El Centro, Calif.

A. Adin M. Downer, Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
B. Veterans of Foreign Wars of the United States.
C. (2) Legislation affecting all veterans and their dependents.[1] (3) VFW magazine and VFW Legislative Newsletter.
D. (6) $1,750.
E. (7) $112.20; (9) $112.20.

A. Richard S. Doyle, 404 Transportation Building, Washington, D. C.
B. Fletcher Trust Co. and Jessie Reed Millis, executors of the estate of Fred Millis, deceased, Indianapolis, Ind.
C.[1]
D. (6) $8,750.
E. (6) $6.65; (7) $45.41; (9) $52.06.

A. W. A. Dozier, Jr., 17 Molton Street, Montgomery Ala.
B. Medical Association of the State of Alabama, 537 Dexter Avenue, Montgomery, Ala.
C. (2) All health matters covered by legislative action. (3) P. R. Notes.
D. (6) $1,800.
E. (4) $225; (9) $225.

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[1] Not printed. Filed with Clerk and Secretary.

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A. Stephen M. DuBrul, 5–141 General Motors Building, Detroit, Mich.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.
D. (6) $1,664.19.
E. (9) $1,664.19.

A. Read Dunn, Jr., 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.
C. (2) The National Cotton Council of America favors such action on any legislation affecting the raw cotton industry as will promote the purposes for which the council is organized.

A. William M. Dunn, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.
C. (2) Legislative matters affecting the interests of the membership of the union.

A. W. L. Dutton, 2651 16th Street NW., Washington, D. C.
B. Organization of Professional Employees of the United States Department of Agriculture, Post Office Box 381, Washington, D. C.
C. (2).[1]
D. (6) $135.

A. Henry I. Dworshak, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc.
D. (6) $900.
E. (7) $61.40; (9) $61.40.

A. Joseph L. Dwyer, 1625 K Street NW., Washington, D. C.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
C. (2) Legislation affecting the petroleum industry.
D. (6) $3,276.
E. (7) $583.28; (9) $583.28.

A. George E. Eaton, 907 Public Square Building, Cleveland, Ohio.
B. National Tool & Die Manufacturers Association, 907 Public Square Building, Cleveland, Ohio.
C. (2) Bills especially affecting the interests of contract tool and die shops, which are small businesses, including the extension of the Renegotiation Act, general tax revision, amendment of the Taft-Hartley Act.
D. (6) $125.

A. Herman Edelsberg, 1003 K Street NW., Washington, D. C.
B. Anti-Defamation League of B'nai B'rith, 212 Fifth Avenue, New York, N. Y.
C. (2) Supports legislation which promotes the civil rights of all Americans, and opposes undemocratic discrimination against any Americans.
D. (6) $140.
E. (7) $15; (9) $15.

A. Joseph H. Ehlers, 1026 17th Street NW., Washington, D. C.
B. American Society of Civil Engineers, 33 West 39th Street, New York, N. Y.
C. (2) Legislative interests relate to matters affecting the engineering profession. (3) Civil engineering.
D. (6) $2,500.
E. (4) $15; (5) $50; (9) $65.

A. Bernard H. Ehrlich, 1367 Connecticut Avenue NW., Washington, D. C.
B. National Association and Council of Business Schools, 418 Homer Building, 13th and F Streets NW., Washington, D. C.
C. (2) Legislative interests on all bills relating to the education and training of veterans and all other legislation affecting proprietary schools.
D. (6) $1,050.
E. (6) $43.26; (8) $60.25; (9) $103.51.

A. Oscar Elder, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.
C. (2) Any legislation—local, State, Federal, or international—which affects the broadcasting industry.

A. John Doyle Elliott, 305 Pennsylvania Avenue SE., Washington, D. C.
B. Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio.
C. (2) Enactment of H. R. 2446, 83d Congress, the Townsend plan.
D. (6) $910.

A. Clyde T. Ellis, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
C. (2) All legislation affecting the rural electrification program provided for under the REA Act of 1936, as amended. (3) Rural Electrification magazine.
D. (6) $4,969.07.

A. Otis H. Ellis, 1001 Connecticut Avenue NW., Washington, D. C.
B. National Oil Jobbers Council, Suite 708, Ferguson Building, Springfield, Ill.
C. (2) Legislation which might affect the business interests of independent oil jobbers.
D. (6) $4,500.

A. Newell W. Ellison, 701 Union Trust Building, Washington, D. C.
B. Theodore Roosevelt Association, 28 East 20th Street, New York, N. Y.
C. (2) General interest is to protect the rights of the Theodore Roosevelt Association under the act of May 21, 1932 (47 Stat. 163).
E. (4) $60.95; (6) $13.88; (8) $17.89; (9) $92.72.

A. John H. Else, 302 Ring Building, Washington, D. C.
B. National Retail Lumber Dealers Association, 302 Ring Building, Washington, D. C.
C. (2) Housing and labor legislation and all measures affecting retail lumber dealers.
D. (6) $3,050.
E. (7) $360; (9) $360.

A. Northcutt Ely, 1200 Tower Building, Washington, D. C.
B. American Public Power Association, 1757 K Street NW., Washington, D. C.
C. (2) Legislation affecting public-power projects generally.
D. (6) $2,138.14.
E. (7) $111.19; (8) $26.95; (9) $138.14.

A. Northcutt Ely, 1200 Tower Building, Washington, D. C.
B. Department of Water and Power of the City of Los Angeles, 207 South Broadway, Los Angeles, Calif.
C. (2) Conferences and reports to clients on legislation affecting the city's rights in the Colorado River and related matters, and legislation affecting public-power projects.
D. (6) $2,000.

A. Northcutt Ely, 1200 Tower Building, Washington, D. C.
B. East Bay Municipal Utility District, 512 Sixteenth Street, Oakland, Calif.
C. (2) Interior Department appropriations bill, 1955, and legislation affecting social-security coverage for municipal employees.
D. (6) $2,119.34.
E. (6) $10.88; (8) $8.46; (9) $19.34.

A. Northcutt Ely, 1200 Tower Building, Washington, D. C.
B. Imperial Irrigation District, El Centro, Calif.
C. (2) Conferences and reports to clients on legislation affecting the district's rights in the Colorado River and related matters.
D. (6) $2,100.

A. Northcutt Ely, 1200 Tower Building, Washington, D. C.
B. Six Agency Committee and Colorado River Board of California, 315 South Broadway, Los Angeles, Calif.
C. (2) Legislation affecting California's interest in the Colorado River and legislation relating to reclamation and water resources policies.
D. (6) $3,456.67.
E. (6) $29.06; (8) $67.61; (9) $96.67.

A. Northcutt Ely, 1200 Tower Building, Washington, D. C.
B. Water Project Authority of the State of California, Sacramento, Calif.
C. (2).[1]
D. (6) $2,402.90.
E. (7) $147.40; (8) $5.50; (9) $152.90.

A. Northcutt Ely, 1200 Tower Building, Washington, D. C.
B. Water Resources Board of the State of California, Sacramento, Calif.
C. (2) Army civil functions appropriations bill, 1955, and legislation affecting flood-control projects generally.

A. K. Blyth Emmons, 925 15th Street NW., Washington, D. C.
B. National Small Business Men's Association, Inc., 2834 Central Street, Evanston, Ill.
C. (2) All legislation pertaining to small business, either directly or indirectly. (3) Pulling Together.
D. (6) $2,475.
E. (7) $388.75; (9) $388.75.

A. Employers Labor Relations Information Committee, Inc., 33 East 48th Street, New York, N. Y.
C. (2) Legislation pertaining to labor-management relations.
D. (6) $149,793.54.
E. (1) $46,203.65; (2) $16,198.47; (4) $107.81; (5) $3,279.47; (6) $704.57; (7) $450; (8) $518.15; (9) $67,462.12; (15).[1]

A. Engineers and Scientists of America, 711 West Lake Street, Minneapolis, Minn.
C. (2) Any legislation affecting the interests of professional engineers and other members of affiliated units.

A. Herman Fakler, National Press Building, Washington, D. C.
B. Millers' National Federation, 309 West Jackson Boulevard, Chicago, Ill.
C. (2) H. R. 8418.

A. Edward Falck and Ruth M. Falck, doing business as Edward Falck & Co., 1625 I Street NW., Washington, D. C.
B. Southern California Gas Co., 810 South Flower Street, Los Angeles, Calif.
C. (2) All legislation of interest to the natural gas industry.
D. (6) $7,875.
E. (2) $1,800; (5) $1,350; (6) $298.15; (7) $638.36; (9) $4,086.51.

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A. Farmers Educational and Cooperative Union of America (National Farmers Union), 1417 California, Denver, Colo., and 1404 New York Avenue NW., Washington, D. C.
C. (2) The general legislative interests of this organization are all matters affecting the interests of farmers on matters which from time to time may be regarded by the board of directors as affecting the program of the National Farmers Union.
D.[1]
E.[1]

A. Joseph G. Feeney, 1209 Whitehall Building, 17 Battery Place, New York, N. Y.
B. National St. Lawrence Project Conference, 814 Transportation Building, Washington, D. C.
C. (2) Any legislation with reference to the St. Lawrence waterway and power project (opposed).
D. (6) $900.
E. (7) $751.65; (9) $751.65.

A. Harold E. Fellows, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.
C. (2) Registrant is interested in any legislation—local, State, Federal, or international—which affects the broadcasting industry.

A. John A. Ferguson, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
C. (2) Any legislation pertaining to natural gas.
D. (6) $3,750.

A. John H. Ferguson, 1025 Connecticut Avenue NW., Washington, D. C.
B. Legislative Committee of the Committee for a National Trade Policy, 1025 Connecticut Avenue NW., Washington, D. C.
C. (2) Legislation relating to foreign economic policy.
D. (6) $375.

A. Josiah Ferris, 510 Union Trust Building, Washington, D. C.
B. United States Sugar Corp., Clewiston, Fla., Fellsmere Sugar Producers Association, Fellsmere, Fla., American Sugar Cane League, New Orleans, La.

A. Maurice W. Fillius, 703 National Press Building, Washington, D. C.
B. National Association of Alcoholic Beverage Importers, Inc.
C. (2) Legislation affecting the alcoholic beverage importing industry.
D. (6) $375.

A. James Finucane, 1013 18th Street NW., Washington, D. C.
B. National Council for Prevention of War, 1013 18th Street NW., Washington, D. C.
C. (2) Bills affecting world peace.[1]
D. (6) $1,225.
E. (7) $115; (9) $115.

A. Adrian S. Fisher, 701 Union Trust Building, Washington, D. C.
B. Theodore Roosevelt Association, 28 East 20th Street, New York, N. Y.
C. (2) General interest is to protect the rights of the Theodore Roosevelt Association under the act of May 21, 1932 (47 Stat. 163).
E. (4) $60.95; (6) $13.88; (8) $17.89; (9) $92.72.

[1] Not printed. Filed with Clerk and Secretary.

A. Bernard M. Fitzgerald, Washington Loan and Trust Building, Washington, D. C.
B. National Association of Electric Companies, Ring Building, 1200 18th Street NW., Washington, D. C.
C. (2) Any legislation that might affect the members of the NAEC.
D. (6) $675.

A. Stephen Fitzgerald & Co., 502 Park Avenue, New York, N. Y.
B. Creole Petroleum Corp., 350 Fifth Avenue, New York, N. Y.
C. (2) Legislation which would impose import quotas or higher tariffs on shipments of Venezuelan oil to the United States.

A. Stephen Fitzgerald & Co., 502 Park Avenue, New York, N. Y.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2) Legislative questions which affect the interests of the public and of electric light and power companies.
D. (6) $15,000.
E. (4) $611.58; (6) $222.54; (7) $1,468.54; (8) $458.14; (9) $2,760.80.

A. F. Stuart Fitzpatrick, Chamber of Commerce of the United States, Washington, D. C.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.
C. (2) Legislation in the general field of public works, urban redevelopment, city planning, and housing.
D. (6) $4,375.

A. Roger Fleming, 261 Constitution Avenue NW., Washington, D. C.
B. American Farm Bureau Federation, 221 North LaSalle Street, Chicago, Ill.
C. (2).[1]
D. (6) $1,567.50.
E. (7) $58.70; (9) $58.70.

A. Donald G. Fletcher, 745 McKnight Building, Minneapolis, Minn.
B. Rust Prevention Association, 745 McKnight Building, Minneapolis, Minn.
C. (2) Legislation affecting funds for research on plant-disease control and crop improvement. Items in Agriculture Department budget affecting research and control work on black-stem rust through plant breeding and barberry eradication.
D. (6) $2,175.
E. (2) $463; (5) $270.64; (6) $64.45; (9) $798.09.

A. Fletcher Trust Co. and Jessie Reed Millis, executors estate of Fred Millis, deceased, Indianapolis, Ind.
C. (2).[1]
E. (2) $8,750; (6) $6.65; (7) $45.41; (9) $8,802.06.

A. Florida Citrus Mutual, Lakeland, Fla.
C. (2) Legislation furthering the interests of citrus growers.
E. (4) $19.38; (6) $7.92; (7) $75.89; (8) $0.38; (9) $103.57.

A. Florida Citrus Mutual (Legislative Fund), Lakeland, Fla.
C. (2) Legislation that affects the citrus industry.
E. (2) $2,471.88; (4) $19.38; (5) $40; (6) $7.92; (7) $151.79; (8) $0.76; (9) $2,691.73.

A. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
C. (2) Legislation affecting river and harbor works, flood control, and other water use and conservation, and related subjects.
E. (2) $1,350; (8) $29.11; (9) $1,379.11; (15).[1]

[1] Not printed. Filed with Clerk and Secretary.

A. Florida Railroad Association, 404 Midyette-Moor Building, Tallahassee, Fla.
B.[1]
C. (2) Proposed legislation of interest to members of Florida Railroad Association.
D. (6) $2,512.50.
E. (2) $1,875; (7) $521.69; (9) $2,396.69.

A. John J. Flynn, 734 15th Street NW., Washington, D. C.
B. International Union of Electrical, Radio and Machine Workers, 734 15th Street, NW., Washington, D. C.
C. (2) Legislation affecting the welfare and security of working men and women and their families.
D. (6) $1,425.
E. (7) $100; (9) $100.

A. Aaron L. Ford, Munsey Building, Washington, D. C., and Plaza Building, Jackson, Miss.
B. Otho F. Hipkins, 4316 Santiago Street, Tampa, Fla.
C. (2) Passage of a private bill, H. R. 4799, 83d Congress, 1st session.

A. Charles N. Ford, 910 17th Street NW., Washington, D. C.
B. Beauty and Barber Supply Institute, Inc., 19 West 44th Street, New York, N. Y.
C. (2) Passage of H. R. 8224, Excise Tax Reduction Act of 1954.

A. Mrs. J. A. Ford, 305 Pennsylvania Avenue SE., Washington, D. C.
B. Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio.
C. (2) H. R. 2446–2447; (3) The Townsend National Weekly.

A. J. Carter Fort, 929 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
C. (2) Legislation affecting transportation.
D. (6) $6,297.50.
E. (7) $151.48; (9) $151.48.

A. Foreman's Association of America (National), 1627 Cadillac Tower, Detroit, Mich.
C. (2) Proposed revision of Labor-Management Relations Act of 1947.
E. (2) $384.03; (7) $730.82; (9) $1,114.85.

A. Forest Farmers Association Cooperative, Post Office Box 7284, Station (C), Atlanta, Ga.
C. (2) Legislation introduced on forestry matters; 1955 Agricultural Appropriations bill. (3) The Forest Farmer.
E. (6) $13; (7) $233.35; (9) $246.35.

A. Chester C. Fosgate Co., Orlando, Fla.
C. (2) Legislation involving the sale, exchange, or conversion of land with unharvested crops thereon; H. R. 5597 and other legislation of similar import.
E. (4) $19.38; (6) $7.92; (7) $75.89; (8) $0.38; (9) $103.57.

A. Charles E. Foster, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, 1423 East McMillan Street, Cincinnati, Ohio.
C. (2) All legislation affecting war veterans, their dependents, and survivors of deceased veterans. (3) DAV.
E. (2) $1,814; (7) $165; (9) $1,799.40.

A. Ronald J. Foulis, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone and Telegraph Co., 195 Broadway, New York, N. Y.

[1] Not printed. Filed with Clerk and Secretary.

C. (2) Matters affecting communications, telephone excise taxes, income taxes, Federal-Aid Highway Act amendments, interception of telephone messages, labor laws, and the Communications Act of 1934, as amended.
D. (6) $4,000.

A. Joseph H. Francis, Room 332, Munsey Building, Washington, D. C.
B. American Fur Industries Tax Committee, Room 332, Munsey Building, Washington, D. C.
C. (2) Legislation directly or indirectly affecting the fur industry.
D. (6) $3,750.
E. (6) $125.75; (7) $2,408.34; (9) $2,534.09.

A. Robert Franklin, 2438 Tulare Street, Fresno, Calif.
B. Allied Wool Industry Committee, 414 Pacific National Life Building, Salt Lake City, Utah.
C. (2) Legislation affecting wool industry.
D. (6) $2,000.

A. Robert Franklin, 2438 Tulare Street, Fresno, Calif.
B. National Wool Growers Association, 414 Pacific National Life Building, Salt Lake City, Utah.
C. (2) Legislation affecting wool industry.
D. (6) $3,000.
E. (7) $1,456.57; (9) $1,456.57.

A. George H. Frates, 1163 National Press Building, Washington, D. C.
B. NARD.
C. (2) Legislation affecting retail druggists. (3) NARD Journal.
D. (6) $2,800.
E. (2) $675; (5) $399; (6) $50; (9) $1,124.

A. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
C. (2).[1]
D. (6) $12,970.12.
E. (2) $8,942.85; (3) $50; (4) $2,268.74; (5) $2,282.20; (6) $229.42; (7) $1,716.54; (8) $1,405.37; (9) $16,895.12; (15).[1]

A. George M. Fuller, 1319 18th Street NW., Washington, D. C.
B. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
C. (2) Legislation inimical to the interests of the lumber industry, American industry, and free enterprise.
D. (6) $4,299.98.
E. (7) $989.29; (9) $989.29.

A. Wallace H. Fulton, 1625 K Street NW., Washington, D. C.
B. National Association of Securities Dealers, Inc.
D. (6) $625.

A. John F. Gale, 616 Investment Building, Washington, D. C.
B. The National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C.
C. (2) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy.
D. (6) $25.

A. Lawrence H. Gall, Suite 501, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, Suite 501, 918 16th Street NW., Washington, D. C.
C. (2) Any legislation pertaining to natural gas.
D. (6) $1,450.

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[1] Not printed. Filed with Clerk and Secretary.

A. M. J. Galvin, 207 Union Depot Building, St. Paul, Minn.
B.[1]
C. (2) Legislation favorable to railroads.
D. (6) $500.
E. (7) $420.90; (9) $420.90; (15).[1]

A. Gwynn Garnett, 261 Constitution Avenue NW., Washington, D. C.
B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.
C. (2) Mutual security program (foreign aid), farm credit legislation.
D. (6) $1,229.17.
E. (7) $52.75; (9) $52.75.

A. Marion R. Garstang, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk. (3).[1]
D. (6) $2,611.44.
E. (7) $111.48; (9) $111.48.

A. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.
C. (2) Legislation which concerns or affects members of the Gas Appliance Manufacturers Association, Inc.
D. (6) $500.
E. (2) $500; (9) $500.

A. Gus F. Geissler.
B. Farmers Educational and Cooperative Union of America, 1417 California, Denver, Colo. (home office); 1404 New York Avenue NW., Washington, D. C. (legislative office).
C. (2) Legislation on matters of interest to the National Farmers Union.

A. General Electric Co., 570 Lexington Avenue, New York, N. Y.
E. (1) $48,432.05; (2) $706.50; (4) $26,671.12; (7) $314.75; (9) $76,124.42; (15).[1]

A. J. M. George, 165 Center Street, Winona, Minn.
B. The Interstate Manufacturers Association, 163–165 Center Street, Winona, Minn.
C. (2) H. R. 2685, H. R. 8353, S. 586, H. R. 7816, H. R. 3599, H. R. 7125, H. R. 6052, H. R. 5860.
D. (6) $1,500.

A. J. M. George, H. K. Brehmer, and C. S. McMahon, 165 Center Street, Winona, Minn.
B. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.
C. (2) H. R. 2685, H. R. 8353, S. 586, H. R. 7816, H. R. 3599, H. R. 7125, H. R. 6052, H. R. 5860.
D. (6) $3,000.

A. Leo E. George, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
C. (2) All legislation pertaining to the postal service and the welfare of postal and Federal employees. (3) Union Postal Clerk.
D. (6) $3,000.
E. (7) $200; (9) $200.

A. Stanley Gewirtz, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
C. (2) Legislation affecting welfare of airlines and air-transport industry.
E. (7) $38.65; (9) $38.65.

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[1] Not printed. Filed with Clerk and Secretary.

A. Walter A. Giblin, Room 412, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
C. (2) H. R. 356, H. R. 7840, S. 1911, S. 2930.
D. (6) $2,424.99.

A. Ernest Giddings, 1201 16th Street NW., Washington, D. C.
B. Legislation-Federal Relations Division of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
C. (2) Bills pending before the 83d Congress relating to public education.
D. (6) $1,358.
E. (7) $93.35; (9) $93.35.

A. Hugh V. Gittinger, Jr., 312 Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
B. Washington Real Estate Board, Inc., 312 Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
C. (2) All local measures affecting the District of Columbia are of interest.

A. George S. Goldstein, 930 F Street NW., Washington, D. C.
B. United Electrical, Radio & Machine Workers of America, 11 East 51st Street, New York, N. Y.
C. (2) Support all legislation favorable to national peace, security, democracy, prosperity, and the general welfare; oppose legislation detrimental to these objectives.

A. Nathaniel H. Goodrich, 1625 I Street NW., Washington, D. C.
B. American Jewish Committee, 386 Fourth Avenue, New York, N. Y.
C. (2) President's civil-rights program, congressional committee procedures, Baltic committee investigation, treatymaking power, immigration, genocide, and tax exemption of charitable organizations.
D. (6) $162.49.
E. (7) $4; (9) $4.

A. Dr. H. T. Gordon, Post Office Box 2214, Washington, D. C.
B. The Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio.
C. (2) Better social-security system, one that will provide an American standard of life for elderly and disabled citizens.
D. (6) $806.10.
E. (7) $390.50; (9) $390.50.

A. James J. Gormley, 260 St. John Avenue, Staten Island, N. Y.
B. Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, 1214 Griswold Street, Detroit, Mich.
C. (2) Laws, proposed laws, and proposed amendments to laws affecting the interests of the members of the Amalgamated throughout the United States.

A. Philip P. Gott, 221 North La Salle Street, Chicago, Ill.
B. National Confectioners' Association, 221 North La Salle Street, Chicago, Ill.
C. (2) Any legislative proposals affecting the confectionary industry.
D. (6) $1,000.

A. Lawrence L. Gourley, 1757 K Street NW., Suite 603, Washington, D. C.
B. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
C. (2) Bills affecting the public health.
D. (6) $375.

A. Government Employees' Council, 100 Indiana Avenue NW., Washington, D. C.
C. (2) All legislation that affects Government employees.
D. (6) $6,179.77.

E. (2) $3,534.53; (4) $530.66; (5) $845.16; (6) $140.33; (8) $466.14; (9) $5,513.32; (15).[1]

A. Grain and Feed Dealers National Association, 100 Merchants Exchange, St. Louis, Mo.
C. (2) Legislation affecting the grain and feed trade.
E. (2) $36.72; (7) $52.74; (9) $89.46.

A. Grand Lodge of the Brotherhood of Locomotive Firemen and Enginemen, 318–418 Keith Building, Cleveland, Ohio.
C. (2) To promote general interests of locomotive firemen and enginemen.
D. (6) $49.50.
E. (2) $4,025.28; (5) $1,000.82; (6) $154.15; (7) $1,474.69; (8) $32.09; (9) $6,687.03; (15).[1]

A. S. H. Grauten, 3743 Upton Street, Washington, D. C.
C. (2) Recognition of services of civilians, employed on the construction of the Panama Canal, by amending the act of May 29, 1944 (Public Law 319), 78th Congress.
E. (4) $28.09; (6) $3.52; (7) $20.25; (8) $1.14; (9) $53; (15).[1]

A. C. B. Gravitt, Jr., 1110 F Street NW., Washington, D. C.
B. National League of District Postmasters, 1110 F Street NW., Washington, D. C.
C. (2) Any legislation which affects the interests of postmasters. (3) The Postmasters Advocate.
D. (6) $1,700.

A. Great Lakes-St. Lawrence Association, 821 Cafritz Building, Washington, D. C.
C. (2) S. 2150—an act providing for creation of the St. Lawrence Seaway Development Corporation to construct part of the St. Lawrence Seaway in United States territory in the interest of the national security; etc. (3).[1]
D. (6) $85,568.46.
E. (1) $31,553.62; (2) $17,281.45; (4) $3,545.62; (5) $2,634.40; (6) $1,994.96; (7) $1,918.39; (8) $5,405.44; (9) $64,533.88; (15).[1]

A. Ernest W. Greene, 731 Investment Building, Washington, D. C.
B. Hawaiian Sugar Planters' Association, Post Office box 2450, Honolulu, T. H.

A. Francis Thornton Greene, 1701 K Street NW., Washington, D. C.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
C. (2).[1]
D. (6) $1,250.
E. (7) $379.97; (9) $379.97.

A. Jerry N. Griffin, 731 Washington Building, Washington, D. C.
B. National Coal Association, 15th and H Streets NW., Washington, D. C.
C. (2) Legislation which affects the coal industry.
D. (6) $1,200.

A. Weston B. Grimes, 436 Bowen Building, Washington, D. C.
B. Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn.
C. (2) Agriculture and the processing and transportation of the products thereof; tax legislation; legislation pertaining to imports and exports; Army civil functions appropriation bill; H. R. 8300—Revenue Code of 1954; S. 1990—CEA amendments; S. 2526—amend CCC Charter Act.
D. (6) $6,874.98.
E. (7) $1; (9) $1.

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[1] Not printed. Filed with Clerk and Secretary.

A. I. J. Gromfine, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C., and 11 South LaSalle Street, Chicago, Ill.
C. General legislative interests include laws, proposed laws, and proposed amendments to laws affecting the interests of members of labor organizations affiliated with AFL, and independent railroad labor organizations.

A. Gypsum Association, 20 North Wacker Drive, Chicago, Ill.
C. (2) For allowance of percentage depletion on gypsum—H. R. 8300.

A. Frank E. Haas, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.
C. (2) Legislation which affects western railroads.

A. Hugh F. Hall, 261 Constitution Avenue NW., Washington, D. C.
B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.
C. (2) Legislation on taxation; extension of coverage of old-age and survivors insurance; deduction for premiums paid into restricted pensions; farm program.
D. (6) $949.98.
E. (7) $24.45; (9) $24.45.

A. Radford Hall, 515 Cooper Building, Denver, Colo.
B. American National Cattlemen's Association, 515 Cooper Building, Denver, Colo.
C. (2) Legislation affecting the cattle industry, some appropriation bills, and support-price legislation.
D. (6) $2,550.
E. (6) $84.85; (7) $243.96; (8) $333.08; (9) $661.89.

A. E. C. Hallbeck, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
C. (2) All legislation pertaining to the postal service and the welfare of postal and Federal employees. (3) Federation News Service Bulletin.
D. (6) $3,354.12.
E. (7) $523.59; (9) $523.59.

A. Jess Halsted, 134 South La Salle Street, Chicago, Ill.
B. Gypsum Association, 20 North Wacker Drive, Chicago, Ill.
C. (2) For allowance of percentage depletion on gypsum, H. R. 8300.
E. (4) $14.95; (6) $30.83; (7) $2,128.68; (9) $2,174.46.

A. Harry G. Hamlet, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
C. (2) Any and all legislation pertinent to the rights, benefits, privileges and obligations of retired officers, male and female, Regular and Reserve, and their dependents and survivors, of whatever nature. (3) The Retired Officer.
D. (6) $250.

A. Joseph J. Hammer, 26 Broadway, New York, N. Y.
B. Socony-Vacuum Oil Co., Inc., 26 Broadway, New York, N. Y.
C. (2) Legislation of interest to the petroleum industry.
D. (6) $1,607.61.
E. (6) $19.80; (7) $462.81; (9) $482.61.

A. Ralph M. Hanneman, 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.
C. (2) Any legislation affecting the real estate industry.
D. (6) $899.78.
E. (6) $3.20; (7) $30.20; (8) $1.25; (9) $34.65.

A. William A. Hanscom, 1700 I Street NW., Suite 4, Washington, D. C.
B. Oil Workers International Union, 1840 California Street, Denver, Colo.
C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose legislation detrimental to those objectives.
D. (6) $2,055.
E. (7) $180; (9) $180.

A. Eugene J. Hardy, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Ralph W. Hardy, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.
C. (2) Registrant is interested in any legislation—local, State, Federal or international—which affects the broadcasting industry.

A. L. James Harmanson, Jr., 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place, Washington, D. C.
C. (2) Transportation, taxes, and antitrust legislation.
D. (6) $2,749.98.
E. (7) $214.77; (9) $214.77.

A. Winder R. Harris, 441 Washington Building, Washington, D. C.
B. Shipbuilders Council of America, 21 West Street, New York, N. Y.

A. Merwin K. Hart, 7501 Empire State Building, New York, N. Y.
B. National Economic Council, Inc., Empire State Building, New York, N. Y.
C. (2) Legislation that tends to support private enterprise and maintain American independence favored, and measures that work contrariwise opposed.
D. (6) $500.
E. (7) $83.40; (9) $83.40.

A. Stephen H. Hart, 520 Equitable Building, Denver, Colo.
B. National Livestock Tax Committee, 515 Cooper Building, Denver, Colo.
C. (2) Interested in general livestock tax matters.

A. Paul M. Hawkins, 1625 I Street NW., Washington, D. C.
B. American Retail Federation, 1625 I Street NW., Washington, D. C.
C. (2) All legislation and legislative proposals affecting the retail industry.[1]
D. (6) $3,375.
E. (7) $48.15; (9) $48.15.

A. Frank A. Hawthorne, 29453 Glenwood, Inkster, Mich.
B. Kaiser Chapter No. 20, Foreman's Association of America, care of 7010 Theisen Avenue, Dearborn, Mich.
C. (2) Proposed revision of Labor-Management Relations Act of 1947.
D. (6) $170.
E. (7) $170; (9) $170.

A. Edward B. Hayes, 135 South LaSalle Street, Chicago, Ill.
B. A. L. Mechling Barge Lines, Inc., 51 North Des Plaines Street, Joliet, Ill.

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[1] Not printed. Filed with Clerk and Secretary.

A. Kit H. Haynes, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
C. (3) Washington situation.
D. (6) $2,475.
E. (7) $50.37; (9) $50.37.

A. Joseph H. Hayes, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.
C. (2) Legislative proposals which may or do affect western railroads.

A. John C. Hazen, Suite 808, Sheraton Building, 711 14th Street NW., Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
C. (2).[1]
E. (7) $19.90; (8) $1.25; (9) $21.15.

A. Felix Hebert, 500 Turks Head Building, Providence, R. I.
B. Associated Factory Mutual Fire Insurance Companies, 1500 Turks Head Building, Providence, R. I.
C. (2) Amendment to Internal Revenue Code.
E. (9) $166.63.

A. K. W. Heberton, Room 101, 1405 G Street NW., Washington, D. C.
B. Western Union Telegraph Co., 60 Hudson Street, New York, N. Y.
C. (2) General legislative interests cover any legislative proposals affecting the interests of the telegraph company.
E. (7) $188.70; (9) $188.70.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N. Y.
B. American Parents Committee, Inc., 132 Third Street SE, Washington, D. C.
C. (2) Support of Federal aid for school construction, etc.[1]

A. Robert B. Heiney, 1133 20th Street NW., Washington, D. C.
B. National Canners Association, 1133 20th Street NW., Washington, D. C.
C. (2) Long-range plans for agriculture and other legislation directly affecting the food-canning industry, and opposition to mandatory marketing orders.
D. (6) $2,427.99.
E. (7) $103.46; (9) $103.46.

A. Kenneth G. Heisler, 907 Ring Building, 18th and M Streets NW., Washington, D. C.
B. National Savings and Loan League, 907 Ring Building, 18th and M Streets NW., Washington, D. C.
C. (2) Support of bills to improve facilities of savings and loan associations for encouragement of thrift and home financing; oppose legislation adverse to savings and loan associations.
D. (6) $375.

A. Maurice G. Herndon, 1002 Washington Loan and Trust Building, Washington, D. C.
B. National Association of Insurance Agents, 96 Fulton Street, New York, N. Y., and 1002 Washington Loan and Trust Building, Washington, D. C.
C. (2) Any legislation which affects directly or indirectly the interests of local property insurance agents. (3) The American Agency Bulletin.
D. (6) $142.90.
E. (7) $142.90; (9) $142.90.

[1] Not printed. Filed with Clerk and Secretary.

A. Ewart A. Hester, 432 Shoreham Building, Washington, D. C.
B. Offices of Clinton M. Hester, 432 Shoreham Building, Washington, D. C.
C. (2) Any and all proposed legislation affecting the brewing industry; the wool-trade industry, and the hothouse-vegetable industry.[1]
D. (6) $3,250.

A. W. J. Hickey, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $167.50.

A. M. F. Hicklin, 507 Bankers Trust Building Des Moines, Iowa.
B. Iowa Railway Committee, 507 Bankers Trust Building, Des Moines, Iowa.
C. (2) Legislation affecting the railroad industry.
E. (9) $502.31.

A. Ray C. Hinman, 26 Broadway, New York, N. Y.
B. Socony-Vacuum Oil Co., Inc., 26 Broadway, New York, N. Y.
C. (2) Legislation of interest to the petroleum industry.
D. (6) $1,250.

A. Frank N. Hoffmann, 1001 Connecticut Avenue NW., Washington, D. C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose all legislation detrimental to these objectives.
D. (6) $3,000.
E. (7) $3,200; (9) $3,200.

A. Robert L. Hogg, 1000 Vermont Avenue, Washington, D. C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
C. (2) All existing and prospective legislation which may affect the life-insurance business.
D. (6) $2,916.67.
E. (7) $907.83; (9) $907.83.

A. Charles M. Holloway, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
C. (2) Bills pending before the 83d Congress relating to public education.
D. (6) $69.65.

A. Fuller Holloway, 1000 Shoreham Building, Washington, D. C.
B. The Toilet Goods Association, Inc., 9 Rockefeller Plaza, New York, N. Y.
C. (2) Legislative interest involves all legislation relating primarily to the manufacture, distribution and sale of cosmetics and especially to legislative amendments to the Federal Food, Drug, and Cosmetic Act.
D. (6) $2,500.

A. Charles W. Holman, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk. (3) News for Dairy Co-ops.
D. (6) $4,125.

A. Oscar W. Holste, 163 South Benton Street, Palatine, Ill.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
C. (2) H. R. 356, S. 2930, H. R. 7840, and other legislation affecting railroad labor in general.
D. (6) $640.

[1] Not printed. Filed with Clerk and Secretary.

A. J. M. Hood, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $300.

A. J. George Hornett, 15067 Park Grove, Detroit, Mich.
B. Hudson Chapter No. 6, Foreman's Association of America, care of 16628 Chandler Park Drive, Detroit, Mich.
C. (2) Proposed revision of Labor Management Relations Act of 1947.
D. (6) $401.58.
E. (2) $155.62; (7) $245.96; (9) $401.58.

A. Jesse V. Horton, Post Office Box 2013, Washington, D. C.
B. National Association of Postal Supervisors, Post Office Box 2013, Washington, D. C.
C. (2) All legislation affecting postal employees, including supervisors, and the postal service. (3) The postal supervisor.
D. (6) $2,375.
E. (7) $173.74; (9) $173.74.

A. S. H. Howard, 1414 Evergreen Avenue, Millvale, Pittsburgh, Pa.
B. Brotherhood of Railroad Signalmen of America, 503 Wellington Avenue, Chicago, Ill.
C. (2) Legislation of interest to railway employees and labor in general.
D. (6) $600.

A. Harold K. Howe, 2480 16th Street NW., Washington, D. C.
B. American Institute of Laundering, Box 1187, Joliet, Ill.
C. (2) Legislation affecting the laundry industry and the members thereof.
D. (6) $2,649.99.
E. (2) $1,154; (7) $508.45; (9) $1,662.45.

A. Harold K. Howe, 205 Mills Building, Washington, D. C.
B. The Lawn Mower Institute, Inc., 205 Mills Building, Washington, D. C.
C. (2) All matters of interest to the lawn mower industry.
D. (6) $1,800.

A. Hudson, Creyke, Lipscomb and Gray, 400 Washington Building, Washington, D. C.
B.[1]
C. (2) To obtain relief for applicants for leases on submerged lands and for those persons whose activities led the Federal Government to assert title to submerged lands.

A. William T. Huff, 806 Connecticut Avenue, Washington, D. C.
B. Trans World Airlines, Inc., 10 Richards Road, Kansas City, Mo.
C. (2) All legislation of interest to air transport operations.
D. (6) $2,319.84.
E. (6) $2.40; (7) $242.40; (9) $244.80.

A. Raymond E. Hughes, 85 John Street, New York, N. Y.
B. National Board of Fire Underwriters, 85 John Street, New York, N. Y.
C. (2) Legislation affecting stock fire insurance companies.
D. (6) $200.
E. (5) $252; (6) $5; (7) $184.78; (9) $441.78.

[1] Not printed. Filed with Clerk and Secretary.

A. C. E. Huntley, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $250.

A. John M. Hurley, 515 Hoge Building, Seattle, Wash.
D. (6) $315.35.
E. (4) $37.86; (7) $491.41; (9) $529.27.

A. W. C. Hushing, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
C. (2) All bills affecting the welfare of the country generally, and specifically bills affecting workers.
D. (6) $2,769.
E. (6) $20.30; (7) $296.50; (8) $61.20; (9) $378.

A. Sam C. Hyatt, Hyattville, Wyo.
B. American National Cattlemen's Association, 515 Cooper Building, Denver, Colo.
C. (2) Supported or opposed legislation affecting the cattle industry.

A. Illinois Railroad Association, 33 South Clark Street, Chicago, Ill.
C. (2) Legislation affecting railroads.
D. (6) $3,750.
E. (2) $825; (9) $825.

A. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
C. (2) Any legislation pertaining to natural gas.
D. (6) $57,885.79.
E. (2) $7,200; (5) $375; (9) $7,575; (15).[1]

A. Indiana Tax Equality Committee, Inc., 2d Floor, Board of Trade Building, Indianapolis, Ind.
C. (2) Bills affecting equality of taxation.
D. (6) $10.
E. (9) $1.

A. Ingoldsby and Coles, 813 Washington Building, Washington, D. C.
B. The Committee for the Promotion of Tramp Shipping (now incorporated under the name of American Tramp Shipowners Association, Inc., 80 Broad Street, New York, N. Y.)
C. (2) The Committee is interested in amending existing shipping legislation in order to extend operating and construction differential subsidies to American flag vessels engaged in so-called tramp trades, and in other legislative matters affecting American-flag shipping.
D. (6) $10,000.
E. (6) $11.05; (7) $77.42; (9) $88.47.

A. Kenneth W. Ingwalson, 261 Constitution Avenue NW., Washington, D. C.
B. American Farm Bureau Federation, 221 North LaSalle Street, Chicago, Ill.
C. (2) Proposed legislation on the following matters has been supported or opposed: Government credit policies, education, agricultural appropriations, ACP payments, REA, Department of Agriculture reorganization, farm program.
D. (6) $197.91.

A. Institute of Scrap Iron and Steel, Inc., 1729 H Street NW., Washington, D. C.
C. (2).[1]
D. (6) $350.

A. International Association of Machinists, Machinists Building, Washington, D. C.
C. (2) The filing organization is interested in substantially all legislation affecting the socio-economic and political interests of the American working men.
D. (6) $2,150.
E. (1) $1,250; (4) $250; (5) $150; (6) $200; (7) $300; (9) $2,150.

A. International Union of Electrical, Radio and Machine Workers, 734 15th Street NW., Washington, D. C.
C. (2) Any and all legislation affecting the welfare and security of working men and women and their families.
E. (2) $1,425; (7) $100; (9) $1,525.

A. Inter-State Manufacturers Association, 163–165 Center Street, Winona, Minn.
C. (2) H. R. 2685, H. R. 8353, S. 586, H. R. 7816, H. R. 3599, H. R 7125; H R. 6052; H. R. 5860.
D. (6) $3,000.
E. (9) $20.70.

A. Iowa Associated Businessmen, Inc., 463 Westwood Drive, Ames, Iowa.
C. (2) Such bills as H. R. 1559, also H. R. 1988, H. R. 1177, and H. R. 5598, introduced in Congress, which call for real income-tax equality within the highly competitive field of business.
D. (6) $656.
E. (1) $25; (2) $882; (3) $4.81; (4) $27; (5) $59.22; (6) $5.05; (7) $16.80; (9) $1,-019.88 (16).[1]

A. Iron Ore Lessors Association, Inc., W–1481 First National Bank Building, St. Paul, Minn.
C. (2) Amendments of Internal Revenue Code.
D. (6) $3,366.40.
E. (2) $7,575; (4) $199.40; (6) $117.84; (7) $3,509.26; (9) $11,401.50.

A. Robert C. Jackson, 1625 I Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, Inc., 203–A Liberty Life Building, Charlotte, N. C.
C. (2).[1]
D. (6) $737.50.
E. (7) $97.24; (9) $97.24.

A. Seward H. Jacobi, 119 Monona Avenue, Madison, Wis.
B. Wisconsin State Chamber of Commerce, 119 Monona Avenue, Madison, Wis.
C. (2) All legislation affecting business and industry.
D. (6) $2,750.

A. C. Clinton James, 900 F Street NW., Washington, D. C.
B. District of Columbia Building and Loan League, Secretary's Office, 1 Thomas Circle, Washington, D. C.
C. (2) A nominal interest in Federal legislation affecting savings and loan business.
D. (6) $349.98.

A. Japanese American Citizens League, 1759 Sutter Street, San Francisco, Calif.
C. (2) To promote the welfare of persons of Japanese ancestry in the United States and Hawaii.
D. (6) $375.
E. (2) $300; (9) $300.

A. Ray L. Jenkins, 541 Washington Building, Washington, D. C.
B. Societe Internationale, Pour Participations Industrielles Et Commerciales, S. A., Peter Merianstr, 19 Besle Str., Switzerland.
C. (2) Any legislation affecting the client.

A. Peter Dierks Joers, Mountain Pine, Ark.
B. Dierks Lumber & Coal Co., 1006 Grand Avenue, Kansas City, Mo.
C. (2) Flood Control Act of 1945, Millwood Dam, and legislation affecting lumber industry.

A. Johns-Manville Corp., 22 East 40th Street, New York, N. Y.
C. (2) Tax bill, housing bill, Hawaii statehood, social security.
E. (2) $1,250; (8) $624.54; (9) $1,874.54.

A. Gilbert R. Johnson, 1208 Terminal Tower, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.
C. (2) Legislation relating to Great Lakes shipping.
D. (6) $3,750.
E. (9) $45.17.

A. J. P. Johnson, 17 Varick Street, New York, N. Y.
B. National Association of Refrigerated Warehouses.
C. (2) Unemployment taxes, expenditure control, competition, minimum wages, labor bills.

A. Reuben L. Johnson, Jr.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1417 California, Denver, Colo.; 1404 New York Avenue NW., Washington, D. C.
C. (2) Legislation on matters of interest to the National Farmers Union.

A. Vernon A. Johnson, 1000 Vermont Avenue NW., Washington, D. C.
B. Lockheed Aircraft Corp., Burbank, Calif.
C. (2) All legislation affecting aviation.
D. (6) $4,500.
E. (7) $1,155.14; (9) $1,155.14.

A. W. D. Johnson, 10 Independence Avenue SW., Washington, D. C.
B. Order of Railway Conductors, O. R. C. Building, Cedar Rapids, Iowa.
C. (2) St. Lawrence Seaway project and all legislation directly and indirectly affecting the interests of labor generally and employees of carriers under the Railway Labor Act, in particular.

A. Charles W. Jones, 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.
C. (2) The National Cotton Council of America favors such action on any legislation affecting the raw-cotton industry as will promote the purposes for which the council is organized.
D. (6) $525.
E. (7) $46.20; (9) $46.20.

A. Jones, Day, Cockley & Reavis, 1759 Union Commerce Building, Cleveland, Ohio, and 1135 Tower Building, Washington, D. C.
B. The H. A. Hanna Co., Leader Building, Cleveland, Ohio.
C. (2) S. 2150, to authorize the St. Lawrence Seaway project.
D. (6) $7,500.
E. (4) $22.15; (6) $7.37; (7) $59.85; (9) $89.37.

A. J. M. Jones, 414 Pacific National Life Building, Salt Lake City, Utah.
B. National Wool Growers Association, 414 Pacific National Life Building, Salt Lake City, Utah.
C. (2) S. 2911, H. R. 7775, S. 2313, S. 3548, H. R. 6787, and S. 2862.
D. (6) $2,500.
E. (6) $354; (7) $2,232.17; (8) $288.50; (9) $2,874.67.

A. L. Dan Jones, 1110 Ring Building, Washington, D. C.
B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C.

[1] Not printed. Filed with Clerk and Secretary.

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C. (2) Legislation that might affect the petroleum industry.
E. (9) $19.38.

A. Rowland Jones, Jr., 1625 I Street NW., Washington, D. C.
B. American Retail Federation, 1625 I Street NW., Washington, D. C.
C. (2) Legislation and legislative proposals affecting the retail industry.[1]
D. (6) $3,000.
E. (7) $209.89; (9) $209.89.

A. R. D. Keene, Winter Garden, Fla.
C. (2) H. R. 5597 and similar legislation.
E. (4) $19.38; (6) $7.92; (7) $75.89; (8) $0.38; (9) $103.57.

A. Francis V. Keesling, Jr., 315 Montgomery Street, San Francisco, Calif.
B. City and County of San Francisco, City Hall, San Francisco, Calif.
C. (2) Legislation of interest to the City and County of San Francisco.
D. (6) $3,000.
E. (5) $835; (6) $87.84; (7) $483.61; (8) $110.87; (9) $1,517.32.

A. Nathaniel S. Keith, 3212 Macomb Street NW., Washington, D. C.
B. Redevelopment Builders of New York, 110 East 42d Street, New York City, N. Y.
C. (2) In support of the Housing Act of 1954.
D. (6) $5,000.
E. (7) $40.35; (9) $40.35.

A. James P. Kem, 1625 K Street NW., Washington, D. C.
B. T. H. Mastin and Co., 1907 Grand Avenue, Kansas City, Mo.
C. (2) Sections of the 1954 revenue bill affecting taxation of partnerships.
D. (6) $2,500.

A. Elizabeth A. Kendall, 23 West Irving, Chevy Chase, Md.
C. (2) Any legislation related directly or indirectly to the development of the Antarctic Continent.
E. (4) $70; (6) $20; (8) $10; (9) $100; (15).[1]

A. Isaiah Leo Kenen, 302 Beechwood Road, Alexandria, Va.
B. American Zionist Council, 1737 H Street NW., Washington, D. C.

A. Harold L. Kennedy, 203 Commonwealth Building, Washington, D. C.
B. The Ohio Oil Co., Findlay, Ohio.
C. (2) Generally interested in all legislative matters that would affect the oil and gas industry.
D. (6) $500.
E. (2) $125; (5) $75; (7) $10; (9) $210.

A. Miles D. Kennedy, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
C. (2).[1] (3) American Legion magazine and Legislative Bulletin.
D. (6) $3,100.
E. (4) $7.65; (5) $25.50; (7) $123; (9) $156.15.

A. Ronald M. Ketcham, 1757 K Street NW., Washington, D. C.
B. Los Angeles Chamber of Commerce, 1151 South Broadway, Los Angeles, Calif.
D. (6) $2,750.
E. (2) $2,750; (9) $2,750.

A. Omar B. Ketchum, Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
B. Veterans of Foreign Wars of the United States.
C. (2).[1] (3) VFW magazine and VFW Legislative Newsletter.
D. (6) $3,000.
E. (7) $270; (9) $270.

A. Jeff Kibre, 930 F Street NW., Washington, D. C.
B. International Longshoremen's and Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif.
C. (2) General interest in legislation affecting trade unions and their members and the maritime industry as well.
E. (2) $300; (5) $106.67; (6) $54.33; (8) $37.33; (9) $498.33; (15).[1]

A. John A. Killick, 740 11th Street NW., Washington, D. C.
B. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
C. (2) S. 2404, posting of bonds for livestock purchasing; Taft-Hartley Act revision; tax law revision, H. R. 8300.
D. (6) $109.36.
E. (7) $30.74; (9) $30.74.

A. Vance N. Kirby, 122 South Michigan Avenue, Chicago, Ill.
B. Central Electric & Gas Co., 144 South 12th Street, Lincoln, Nebr.
C. (2) Proposing an amendment to the Securities Act of 1933 to increase the exemption for small issues of securities.

A. Vance N. Kirby, 122 South Michigan Avenue, Chicago, Ill.
B. The Peoples Gas Light & Coke Co., 122 South Michigan Avenue, Chicago, Ill.
C. (2) Proposing an amendment to the Internal Revenue Code to provide for adjusted original cost depreciation for income-tax purposes.

A. Clifton Kirkpatrick, 162 Madison Avenue, Memphis, Tenn.
B. National Cotton Council of America, Post-Office Box 18, Memphis, Tenn.
C. (2) The National Cotton Council of America favors such action on any legislation affecting the raw-cotton industry as will promote the purposes for which the council is organized.
D. (6) $360.
E. (7) $34.52; (9) $34.52.

A. C. W. Kitchen, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D. C.
C. (2) Interested in any legislation affecting the marketing and distribution of fresh fruits and vegetables, directly or indirectly.

A. Allan B. Kline, 221 North La Salle Street, Chicago, Ill.
B. American Farm Bureau Federation.
C. (2) Legislative matters in which the American Farm Bureau Federation is interested, primarily those matters affecting directly American agriculture.
D. (6) $1,250.

A. Robert E. Kline, Jr., 917 Munsey Building, Washington, D. C.
B. Palmer-Bee Co., Detroit, Mich.
C. (2) Bill for relief of Palmer-Bee Co.
E. (6) $12.54; (7) $164.55; (8) $0.50; (9) $177.59.

A. Clarence C. Klocksin, 1420 Mount Vernon Boulevard, Alexandria, Va.
B. The National Board of Fire Underwriters, 85 John Street, New York, N. Y.
C. (2) Legislation in Congress affecting the business of fire insurance, such as taxation, antitrust laws, etc.
D. (6) $5,000.

A. Burt L. Knowles, Munsey Building, Washington, D. C.
B. The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.
C. (2) Legislative developments of interest to association members.

A. John T. Koehler, 1039 Investment Building, Washington, D. C.
B. Embassy of Denmark, 2374 Massachusetts Avenue NW., Washington, D. C.
C. (2) Legislation authorizing final settlement of claims arising from the requisitioning of 40 Danish vessels by the United States in 1941.

A. John Kolanda, room 413, Railway Labor Building, 10 Independence Avenue SW., Washington, D. C.
B. Railway Employee's Department, A. F. of L., 220 South State Street, Chicago, Ill.
C. (2) All legislation of interest to railroad employees and labor in general.
D. (6) $1,999.98.

A. Herman C. Kruse, 245 Market Street, San Francisco, Calif.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
C. (2) Legislation affecting the gas and electric industry.
D. (6) $4,501.
E. (7) $3,937.68; (8) $416.57; (9) $4,354.25.

A. Lake Carriers Association, 905 Rockefeller Building, Cleveland, Ohio.

A. Horace R. Lamb, 15 Broad Street, New York, N. Y.
B. St. Regis Paper Co., 230 Park Avenue, New York, N. Y.
C. (2) A bill to authorize the Secretary of Defense, on behalf of the United States, to execute and deliver a deed to St. Regis Paper Co. conveying to said company certain rights in real property located in Jefferson County, N. Y., erroneously conveyed to the United States by said paper company.
E. (9) $10.24.

A. A. M. Lampley, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Locomotive Firemen and Enginemen, 318 Keith Building, Cleveland, Ohio.
C. (2) All legislation affecting labor organizations in general and railroad labor in particular. H. R. 356, to amend the Railroad Retirement Act (favor). H. R. 7840, to amend the Railroad Retirement Act (favor).
D. (6) $2,750.

A. Alfons Landa, 1000 Vermont Avenue NW., Washington, D. C.
B. Director of Independent Advisory Committee to the Trucking Industry, Inc., successor to Trucking Industry National Defense Committee, Inc.

A. Alfons Landa, 1000 Vermont Avenue NW., Washington, D. C.
B. Salt Producers Association, 726 LaSalle-Wacker Building, Chicago, Ill.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. American Fair Trade Council, 1434 West 11th Avenue, Gary, Ind.
D. (6) $500.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. National Patent Council, Inc., 1434 West 11th Avenue, Gary, Ind.
D. (6) $2,000.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. State Tax Association, Post Office Box 2559, Houston, Tex.
C. (2) Tax legislation.

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[1] Not printed. Filed with Clerk and Secretary.

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A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. Trinity Improvement Association, Inc., 1305 Commercial Standard Building, Fort Worth, Tex.
C. Legislative proposals and governmental programs, pertinent to objectives of Trinity Improvement Association.
D. (6) $975.

A. La Roe, Winn & Moerman, 743 Investment Building, Washington, D. C.
B. Eastern Meat Packers Association, Inc., Statler Hotel, New York, N. Y.
C. (2) S. 2404, posting bond in connection with purchases of livestock; Taft-Hartley Act; tax law revision.
D. (6) $1,500.
E. (5) $2,206.25; (7) $68.60; (8) $5.84; (9) $2,280.69.

A. La Roe, Winn & Moerman, 743 Investment Building, Washington, D. C.
B. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
C. (2) S. 2404, posting bond in connection with purchases of livestock; Taft-Hartley Act; tax law revision.
D. (6) $4,500.
E. (5) $2,206.25; (6) $36.58; (7) $235.56; (8) $470.89; (9) $2,949.28.

A. La Roe, Winn & Moerman, 743 Investment Building, Washington, D. C.
B. Waterways Council Opposed to Regulation Extension, 21 West Street, New York, N. Y.
C. (2) S. 3111.
E. (2) $650; (6) $18.35; (7) $126.05; (8) $9.85; (9) $804.25.

A. John V. Lawrence, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $7,500.
E. (7) $15.80; (9) $15.80.

A. League of Women Voters of the United States, 1026 17th Street NW., Washington, D. C.
C. (2).[1] (3).[1]
D. (6) $4,279.12.
E. (2) $600; (4) $2,928.27; (6) $19.02; (9) $3,547.29.

A. Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.
B. Committee of American Steamship Lines, 1701 K Street NW., Washington, D. C.
C. (2) Legislation affecting the United States merchant marine.
D. (6) $8,275.86.
E. (2) $573.39; (4) $1,883.08; (6) $91.35; (7) $381.66; (8) $1,346.38; (9) $4,275.86.

A. Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
C. (2) Legislation affecting the importation by the United States of sugar produced in Cuba.
D. (6) $2,288.92.
E. (4) $41.86; (6) $8.40; (8) $738.66; (9) $788.92.

A. James R. Lee, 604 Albee Building, 1426 G Street NW., Washington, D. C.
B. Water Heater Division, Gas Appliance Manufacturers Association, 60 East 42d Street, New York, N. Y.
C. (2) In general, legislation which concerns water heater manufacturers, particularly the excise tax.
D. (6) $500.
E. (5) $195; (6) $71.59; (7) $85.75; (9) $302.34.

[1] Not printed. Filed with Clerk and Secretary.

A. Legislative Committee of the Committee for a National Trade Policy, 1025 Connecticut Avenue NW., Washington, D. C.
C. (2) Legislation relating to foreign economic policy.
D. (6) $4,373.
E. (2) $2,375; (9) $2,375.

A. Legislative Committee of Office Equipment Manufacturers Institute, 777 14th Street NW., Washington, D. C.

A. Legislation-Federal Relations Division of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
C. (2) Bills pending before the 83d Congress relating to public education.
E. (2) $1,952.40; (4) $3,746.78; (5) $206.82; (6) $244.49; (7) $3,499.89; (9) $9,650.38; (15).[1]

A. G. E. Leighty, 10 Independence Avenue SW., Washington, D. C.
C. (2) All legislation of interest to railroad employees.

A. Dr. William N. Leonard, Railway Progress Building, Washington, D. C.
B. Federation for Railway Progress, Railway Progress Building, Washington, D. C.
C. (2) Transportation legislation.
D. (6) $500.

A. Liaison Committee of the Mechanical Specialty Contracting Industries, 610 Ring Building, Washington, D. C.
C. (2) Legislation affecting the mechanical specialty contracting industries.
D. (6) $8,410.02.
E. (2) $6,000; (4) $620; (7) $255.50; (8) $1,534.52; (9) $8,410.02; (15).[1]

A. Frederick J. Libby, 1013 18th Street NW., Washington, D. C.
B. National Council for Prevention of War, 1013 18th Street NW., Washington, D. C.
C. (2) Bills affecting world peace.[1]
D. (6) $1,398.41.
E. (7) $173.42; (9) $173.42.

A. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y., and 1000 Vermont Avenue NW., Washington, D. C.
C. (2) Legislation which might affect the welfare of policyholders and annuitants.[1]
D. (6) $5,494.45.
E. (2) $3,532.77; (5) $1,781.73; (6) $158.54; (7) $21.41; (9) $5,494.45.

A. Life Insurance Policyholders Protective Association, 116 Nassau Street, New York, N. Y.
C. (2) General education concerning the effect of inflation on the purchasing power of life insurance as it relates to Federal policies or measures deemed to be inflationary, or inflationary-retarding, in character. (3).[1]
D. (6) $8,755.98.
E. (2) $1,850.47; (4) $993.52; (5) $990.54; (6) $79.33; (7) $2,474.16; (9) $6,388.02; (15).[1]

A. Leo F. Lightner, 717 National Press Building, Washington, D. C.
B. Engineers and Scientists of America, 711 West Lake Street, Minneapolis, Minn.
C. (2) Any legislation affecting the interests of professional engineers and other members of affiliated units.

A. L. Blaine Liljenquist, 917 15th Street NW., Washington, D. C.
B. Western States Meat Packers Association, Inc., 604 Mission Street, San Francisco, Calif.

[2] Not printed. Filed with Clerk and Secretary.

C. (2) I support (or oppose) legislation affecting the livestock and meat industry.
D. (6) $2,583.36.
E. (7) $57.90; (9) $57.90.

A. John W. Lindsey, 1625 K Street NW., Washington, D. C.
B. National Association of Securities Dealers, Inc., 1625 K Street NW., Washington, D. C.
C. (2) S. 2846 and H. R. 7550.
D. (6) $375.

A. Esther Lipsen, Railway Progress Building, Washington, D. C.
B. Federation for Railway Progress, Railway Progress Building, Washington, D. C.
C. (2) Transportation legislation.
D. (6) $825.03.
E. (6) $35; (7) $146.59; (9) $181.59.

A. Robert G. Litschert, 1200 18th Street NW., Suite 510, Ring Building, Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2) Legislation that might affect its members as going electric utilities.[1]
D. (6) $3,300.
E. (6) $42.68; (7) $672.10; (8) $170.40; (9) $885.18; (15).[1]

A. Walter J. Little, 510 West Sixth Street, Los Angeles, Calif.
B. Major Steam Railroads of California.[1]
C. (2) In opposition to St. Lawrence Seaway; in support of repeal of excise transportation taxes and time-lag bill.
D. (6) $2,712.38.
E. (6) $16.85; (7) $1,000.82; (8) $24.75; (9) $1,042.42; (15).[1]

A. John M. Littlepage, 840 Investment Building, 15th and K Streets NW., Washington, D. C.
B. The American Tobacco Co., Inc., 111 Fifth Avenue, New York, N. Y.
C. (2) Any legislation affecting a company engaged in the manufacture and sale of tobacco products.

A. Mont Lock, 14704 Alma Avenue, Detroit, Mich.
B. Foreman's Association of America, 1627 Cadillac Tower, Detroit, Mich.
C. (2) Proposed revision of Labor Management Relations Act of 1947.
D. (6) $203.94.
E. (2) $84; (7) $119.94; (9) $203.94.

A. Gordon C. Locke, 643 Munsey Building, Washington, D. C.
B. Committee for Pipeline Cos., 35 East Wacker Drive, Chicago, Ill.
C. (2) Legislation favorable to the pipeline industry.
D. (6) $5,000.

A. Benjamin H. Long, 2746 Penobscot Building, Detroit, Mich.
B. Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.
C. (2) Legislation for payroll deductions, war damage, economic controls, taxation of fringe benefits, and hospital and health matters.
D. (6) $2,850.
E. (6) $74.16; (7) $537.74; (8) $8.05; (9) $619.95; (15).[1]

A. Lord, Day & Lord, 25 Broadway, New York, N. Y., and 500 Wyatt Building, Washington, D. C.
B. Agency of Canadian Car & Foundry Co., Ltd., 30 Broadway, New York, N. Y.
C. (2) Legislation having relation to World War I claims.

[3] Not printed. Filed with Clerk and Secretary.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y., and 500 Wyatt Building, Washington, D. C.
B. S. A. Healy Co., 61 Westchester Avenue, White Plains, N. Y.
C. (2) S. 1762.

A. Otto Lowe, 820 Woodward Building, Washington, D. C.
B. National Canners Association, 1133 20th Street, Washington, D. C.
C. (2) Legislation affecting canning of food products.
D. (6) $1,500.
E. (7) $500; (9) $500.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Acacia Mutual Life Insurance Co., Washington, D. C.
C. (2) In connection with Federal tax matters affecting life insurance companies.
D. (6) $750.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. American Finance Conference, 176 West Adams Street, Chicago, Ill.
C. (2) General legislation.
D. (6) $1,250.

A. James C. Lucas, 1625 I Street NW., Washington, D. C.
B. American Retail Federation, 1625 I Street NW., Washington, D. C.
C. (2) Legislation affecting retail industry.
D. (6) $750.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Revere Copper and Brass, Inc., 230 Park Avenue, New York, N. Y.
C. (2) Legislation providing for continuation of the suspension of certain import taxes on copper.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Adolph von Zedlitz, 100 Park Avenue, New York, N. Y.
C. (2) S. 155 and H. R. 3594, to amend section 32 of the Trading With the Enemy Act.

A. Gerald J. Lynch, 3000 Schaefer Road, Dearborn, Mich.
B. Ford Motor Co., Dearborn, Mich.

A. John C. Lynn, 261 Constitution Avenue NW., Washington, D. C.
B. American Farm Bureau Federation, 221 North LaSalle Street, Chicago, Ill.
C. (2).[1]
D. (6) $2,390.62.
E. (7) $103.90; (9) $103.90.

A. A. E. Lyon, 10 Independence Avenue SW., Washington, D. C.
C. (2) Any legislation affecting labor especially railroad labor.
(D). (6) $750.

A. Avery McBee, 610 Shoreham Building, Washington, D. C.
B. Hill & Knowlton, Inc.
C. (2) Legislation affecting aviation and the steel industry.

A. Robert J. McBride, 1424 16th Street NW., Washington, D. C.
B. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
C. (2) The general legislative interest is protection and fostering of the interest of federally regulated motor common carriers of general commodities.
D. (6) $1,477.38.

[1] Not printed. Filed with Clerk and Secretary.

A. John A. McCart, room 716, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, room 716, 900 F Street NW., Washington, D. C.
C. (2) All bills of interest to Federal Government employees and District of Columbia employees.
D. (6) $1,750.
E. (7) $16.90; (9) $16.90.

A. Frank J. McCarthy, 211 Southern Building, 15th and H Streets NW., Washington, D. C.
B. The Pennsylvania Railroad Co., 1740 Suburban Station Building, Philadelphia, Pa.

A. J. L. McCaskill, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
C. (2) Bills pending before the 83d Congress relating to public education.
D. (6) $466.25.
E. (7) $82.03; (9) $82.03.

A. McClure & Updike, 626 Washington Building, Washington, D. C.
B. Iron Ore Lessors Association, Inc., W-1481 First National Bank Building, St. Paul, Minn.
C. (2) Amendments of Internal Revenue Code.
D. (6) $6,000.
E. (2) $1.50; (6) $57.79; (7) $796.43; (9) $855.72; (15).[1]

A. Warren C. McClure, Mississippi Valley Association, Box 207, Camden, Ark.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $1,800.

A. Angus McDonald.
B. Farmers Educational and Cooperative Union of America, 1417 California, Denver, Colo., and 1404 New York Avenue NW., Washington, D. C.
C. (2) Legislation of interest to the National Farmers Union.

A. Edwin McElwain, 701 Union Trust Building, Washington, D. C.
B. National Machine Tool Builders' Association, 10525 Carnegie Avenue, Cleveland, Ohio.
C. (2) Any legislation affecting machine-tool industry.

A. Rev. A. J. McFarland, 126 North Sixth Street, Sterling, Kans.
B. The Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
C. (2) H. J. Res. 329 and S. J. Res. 57. (3) The Christian Patriot.
D. (6) $810.
E. (7) $250; (9) $250.

A. Ernest W. McFarland, LaSalle Building, 1028 Connecticut Avenue NW., Washington, D. C.
B. American Cable & Radio Corp.; RCA Communications, Inc.; and Western Union Telegraph Co., New York City.
D. (6) $7,500.

A. Thomas Edward McGrath, 4012 14th Street NW., Washington, D. C.
B. Taxpayers of United States of America, 4012 14th Street NW., Washington, D. C.
C. (2).[1]
D.[1]
E.[1]

A. M. C. McKercher, 3860 Lindell Boulevard, St. Louis, Mo.
B. The Order of Railroad Telegraphers, O. R. T. Building, St. Louis, Mo.

[1] Not printed. Filed with Clerk and Secretary

C. (2) Legislation affecting the welfare of railroad employees.
D. (6) $480.

A. Joseph V. McLaughlin, 1503 H Street NW., Washington, D. C.
B. Railway Express Agency, Inc., 219 East 42d Street, New York, N. Y.
C. (2) Legislation in connection with parcel post.
D. (6) $5,000.
E. (7) $991.56; (9) $991.56.

A. W. H. McMains, 1135 National Press Building, Washington, D. C.
B. Distilled Spirits Institute, 1135 National Press Building, Washington, D. C.
C. (2) Legislation affecting the domestic distilling industry.

A. Clarence M. McMillan, 1424 K Street NW., Washington, D. C.
B. National Candy Wholesalers Association, Inc., 1424 K Street NW., Washington, D. C.

A. Ralph J. McNair, 1000 Vermont Avenue, Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
C. (2) Legislation which might affect the welfare of policyholders and annuitants.
D. (6) $375.

A. Daniel J. McNamara, 1608 West Van Buren Avenue, Chicago, Ill.
B. Division 241, Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, 1608 West Van Buren Avenue, Chicago, Ill.
C. (2) Legislative interests include laws, proposed laws, and proposed amendments to laws affecting the interests of its members and their families.

A. Joseph F. McSparron, Machinists Building, Washington, D. C.
B. International Association of Machinists, Machinists Building, Washington, D. C.
C. (2) Legislation affecting the socio-economic and political interests of the American workingman, including all pending legislation dealing with railroad matters.
D. (6) $425.
E. (7) $240; (9) $240.

A. William P. MacCracken, Jr., 1152 National Press Building, Washington, D. C.
B. American Optometric Association, care Leo G. Miller, O. D., 420 Sharp Building, Lincoln, Nebr.
C. (2).[1]
D. (6) $2,580.
E. (6) $20.23; (7) $32.20; (8) $2.50; (9) $54.93.

A. James E. Mack, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Confectioners' Association, 221 North La Salle Street, Chicago, Ill.
C. (2) Legislation affecting the confectionery industry.
D. (6) $3,000.

A. A. W. Bruce Macnamee, 1701 K Street NW., Washington, D. C.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
C. (2) Support legislation favorable to the maintenance of the American merchant marine.
D. (6) $987.65.

A. James B. Madaris, 220 South Alfred Street, Alexandria, Va.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.

[1] Not printed. Filed with Clerk and Secretary.

C. (2) H. R. 356, H. R. 7840; S. 1911, S. 2930.
D. (6) $2,424.99.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. National Business Publications, Inc., 1001 15th Street NW., Washington, D. C.
C. (2) All legislation affecting the members of the above-named trade association.
D. (6) $1,800.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. National Coal Association, Southern Building, Washington, D. C.
C. (2) All legislation affecting the members of the above-named trade association.
D. (6) $2,600.
E. (6) $47; (7) $120.52; (9) $167.52.

A. Manufacturing Chemists' Association, Inc., 1625 I Street NW., Washington, D. C.
C. (2) Legislation affecting the chemical industry.
D. (6) $2,375.
E. (1) $500; (8) $1,875; (9) $2,375.

A. Olya Margolin, 1637 Massachusetts Avenue NW., Washington, D. C.
B. National Council of Jewish Women, 1 West 47th Street, New York, N. Y.
D. (6) $1,625.78.
E. (8) $60.85; (9) $60.85.

A. Rodney W. Markley, Jr., Wyatt Building, Washington, D. C.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $2,350.
E. (5) $1,370; (6) $100; (9) $1,470.

A. Winston W. Marsh, 777 14th Street NW., Washington, D. C.
B. The National Association of Independent Tire Dealers, Inc., 777 14th Street NW., Washington, D. C.
C. (2) Legislation which affects the interests of independent tire dealers; (3) Dealer News.
D. (6) $33.50.
E. (7) $2.50; (9) $2.50.

A. Fred T. Marshall, 1112–18 19th Street NW., Washington, D. C.
B. The B. F. Goodrich Co., 500 South Main Street, Akron, Ohio.
C. (2) Legislation affecting and of interest to the B. F. Goodrich Co.

A. J. Paull Marshall, 528 Union Trust Building, Washington, D. C.
B. East Washington Railway Co., Roosevelt Avenue and F Street, Seat Pleasant, Md.
C. (2) Legislation preventing the removal of the single track railroad now located and operated adjacent to Kenilworth Avenue by the Capital Transit Co.
D. (6) $500.

A. Robert F. Martin, 517 Wyatt Building, Washington, D. C.
B. Vitrified China Association, Inc., 517 Wyatt Building, Washington, D. C.

A. Maryland and Virginia Milk Producers Association, Inc., 1756 K Street NW., Washington, D. C.

A. Mike M. Masaoka, 1737 H Street NW., Washington, D. C.
B. Japanese American Citizens League, 1759 Sutter Street, San Francisco, Calif.
C. (2) Legislation affecting persons of Japanese ancestry in the United States and Hawaii.
D. (6) $300.
E. (8) $15; (9) $15.

A. Will Maslow, 15 East 84th Street, New York, N. Y.
B. American Jewish Congress, 15 East 84th Street, New York, N. Y.
C. (2) To oppose anti-Semitism and racism in all its forms and in connection therewith to defend incidental civil rights.
D. (6) $112.50.
E. (7) $50; (9) $50.

A. Walter J. Mason, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
C. (2) All bills affecting the welfare of the country generally, and specifically bills affecting workers.
D. (6) $2,400.
E. (6) $18.90; (7) $289.30; (8) $61.90; (9) $370.

A. P. H. Mathews, Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
C. (2) Support legislation in the interest of the railroads and in the interest of a sound national transportation policy.
D. (6) $4,749.99.
E. (7) $507.30; (9) $507.30; (15).[1]

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D. C.
B. National Association of Waste Material Dealers, Inc., 271 Madison Avenue, New York, N. Y.
C. (2) All legislation pertaining to or affecting the waste materials industry.

A. Cyrus H. Maxwell, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
C. (2) All bills relating to health and welfare.
D. (6) $625.
E. (7) $59.78; (9) $59.78.

A. Medical Association of the State of Alabama, 537 Dexter Avenue, Montgomery, Ala.
C. (2) All health matters covered by legislative action.
E. (2) $1,800; (4) $225; (9) $2,025.

A. The Medical Society of the District of Columbia, 1718 M Street NW., Washington, D. C.
C. (2) Legislation pertaining to the practice of medicine and all related services and that affecting the public health, including extension of social security into the field of the practice of medicine. (3) Medical Annals of the District of Columbia.
D. (6) $21,650.
E. (8) $21,650; (9) $21,650.

A. Merchants National Bank & Trust Co. of Syracuse, 216 South Warren Street, Syracuse, N. Y.
C. (2) Discontinuance of the postal-saving system and refund of earnings to member banks of the Federal Reserve System based on the maintenance of reserves requirement of the Federal Reserve System.
E. (7) $154.20; (9) $154.20.

A. William R. Merriam, Railway Progress Building, Washington, D. C.
B. Federation for Railway Progress, Railway Progress Building, Washington, D. C.
C. (2) Transportation legislation.
D. (6) $200.
E. (6) $10; (7) $60; (9) $70.

A. James Messer, Jr., 404 Midyette-Moor Building, Tallahassee, Fla.
B. Florida Railroad Association, 404 Midyette-Moor Building, Tallahassee, Fla.
C. (2) Proposed legislation of interest to members of Florida Railroad Association.
D. (6) $1,875.

[1] Not printed. Filed with Clerk and Secretary.

A. Ross A. Messer, room 512, Victor Building, 724 9th Street NW., Washington, D. C.
B. National Association of Post Office and General Services Maintenance Employees, Post Office Box 1611, Washington, D. C.
C. (2) All beneficial legislation affecting custodial employees of the Post Office and General Services Administration. (3) The Post Office and General Services Maintenance News.
D. (6) $500.
E. (7) $87.70; (8) $27.16; (9) $114.86.

A. J. T. Metcalf, 1002 L. and N. Building, Louisville, Ky.
E. (7) $352.57; (9) $352.57.

A. Clarence R. Miles, 1615 H. Street NW., Washington, D. C.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.
C. (2).[1]
D. (6) $1,312.
E. (7) $39.50; (9) $39.50.

A. Harold M. Miles, 65 Market Street, San Francisco, Calif.
B. Southern Pacific Co., 65 Market Street, San Francisco, Calif.
C. (2) All legislation affecting the major steam railroads.
D. (6) $275.

A. Milk Industry Foundation, 1625 I Street NW., Washington, D. C.
C. (2) Legislation which affects the interests of milk dealers.
D. (6) $1,500.
E. (3) $1,500; (9) $1,500; (15).[1]

A. Dale Miller, 372 Mayflower Hotel, Washington, D. C.
B. Dallas (Tex.) Chamber of Commerce.
C. (2) General legislation affecting Dallas and Texas, such as appropriations and revenue bills.
D. (6) $1,500.
E. (5) $101.17; (6) $45.31; (7) $704.66; (8) $48.86; (9) $900.

A. Dale Miller, 372 Mayflower Hotel, Washington, D. C.
B. Intracoastal Canal Association of Louisiana and Texas, Second National Bank Building, Houston, Tex.
C. (2) For adequate river and harbor authorizations and appropriations.
D. (6) $2,250.
E. (4) $21.22; (6) $26.44; (9) $47.66.

A. Dale Miller, 372 Mayflower Hotel, Washington, D. C.
B. Texas Gulf Sulphur Co., Newgulf, Tex., and New York, N. Y.
C. (2) General legislation affecting sulfur industry.
D. (6) $2,250.
E. (5) $882.10; (6) $161.29; (7) $451.96; (8) $8.50; (9) $1,503.85.

A. Paul I. Miller, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
C. (2).[1] (3) Washington Newsletter.
D. (6) $666.67.
E. (7) $15.23; (9) $15.23.

A. Millers' National Federation, 309 West Jackson Boulevard, Chicago, Ill.

A. John Minadeo, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
C. (2) H. R. 356, H. R. 7840; S. 1911, S. 2930.
D. (6) $970.

[1] Not printed. Filed with Clerk and Secretary.

A. Harry L. Moffett, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc.
D. (6) $1,250.
E. (6) $0.60; (7) $17.35; (9) $17.95.

A. Justus R. Moll, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C.

A. F. E. Mollin, 515 Cooper Building, Denver, Colo.
B. American National Cattlemen's Association, 515 Cooper Building, Denver, Colo.
C. (2) Supported or opposed legislation affecting the cattle industry.
D. (6) $4,400.
E. (6) $18.12; (7) $428.54; (8) $45.63; (9) $492.29.

A. Donald Montgomery, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
C. (2) Any and all bills and statutes of interest to the hotel industry.
D. (6) $1,875.
E. (7) $139.45; (9) $139.45.

A. James C. Moore, 1026 17th Street NW., Washington, D. C.
B. National Automobile Dealers Association, 1026 17th Street NW., Washington, D. C.
C. (2) Amendments to the Taft-Hartley Act affecting retail automobile and truck dealers.
D. (6) $4,500.
E. (8) $51; (9) $51.

A. George W. Morgan, 90 Broad Street, New York, N. Y.
B. Association of American Ship Owners, 90 Broad Street, New York, N. Y.
C. (2).[1]

A. The Morris Plan Corporation of America, 103 Park Avenue, New York, N. Y.
C. (2) Bank holding company bills and similar legislation.

A. Giles Morrow, Suite 610, 1111 E Street NW., Washington, D. C.
B. Freight Forwarders Institute.
C. (2).[1]
D. (6) $4,374.99.
E. (5) $126.93; (6) $5.21; (7) $12.90; (9) $145.04.

A. Harold G. Mosier, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
C. (2) Any legislation of interest to the aircraft manufacturing industry.
D. (6) $3,750.
E. (7) $880; (9) $880.

A. William J. Mougey, 802 Cafritz Building, Washington, D. C.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. T. H. Mullen, 711 14th Street NW., Washington, D. C.
B. American Paper & Pulp Association, 122 East 42d Street, New York, N. Y.
D. (6) $150.
E. (6) $20; (7) $25; (9) $45.

A. Allen P. Mullinnix, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
C. (2) Any and all legislation pertinent to the rights, benefits, privileges, and obligations of retired officers, male and female, Regular and Reserve, and their dependents and survivors. (3) The Retired Officer.
D. (6) $1,200.

A. Howard E. Munro, 901 Massachusetts Avenue NW., Washington, D. C.
B. Central Labor Union and Metal Trades Council of the Panama Canal Zone, Post Office Box 471, Balboa Heights, C. Z.
C. (2) All legislation affecting A. F. of L. union members employed on the Canal Zone.
D. (6) $1,800.
E. (3) $166.55; (5) $115.33; (6) $125.94; (7) $986.30; (9) $1,394.12.

A. Walter J. Munro, Hotel Washington, Washington, D. C.
B. Brotherhood of Railroad Trainmen.
C. (2) Advocating favorable labor legislation and opposing unfavorable labor legislation.

A. Dr. Emmett J. Murphy, 5737 13th Street NW., Washington, D. C.
B. National Chiropractic Insurance Co., Webster City, Iowa.
C. (2) Legislative interest of employer is to promote the welfare of its policyholders and prevent discrimination against the chiropractic profession.
D. (6) $300.
E. (9) $300.

A. Joseph F. Murphy, 125 Tuscarora Road, Buffalo, N. Y.
B. Foreman's Association of America, 1627 Cadillac Tower, Detroit, Mich.
C. (2) Proposed revision of Labor-Management Relations Act of 1947.
D. (6) $109.91.
E. (7) $109.91; (9) $109.91.

A. Ray Murphy, 60 John Street, New York, N. Y.
B. Association of Casualty & Surety Co.'s, 60 John Street, New York, N. Y.
C. (2) Legislation affecting casualty and surety companies.
D. (6) $112.50.

A. J. Walter Myers, Jr., Post Office Box 7284, Station C, Atlanta, Ga.
B. Forest Farmers Association Cooperative, Post Office Box 7284, Station C, Atlanta, Ga.
C. (2) 1955 agricultural appropriations bill. (3) The Forest Farmer.
E. (6) $13; (7) $233.35; (9) $246.35.

A. National Association & Council of Business Schools, 601 13th Street NW., Washington, D. C.
C. (2) Legislation concerning education of all kinds. (3) Business School News.
D. (6) $7,626.73.
E. (2) $1,050; (4) $25.45; (6) $43.26; (8) $60.28; (9) $1,178.98.

A. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.
C. (2) H. R. 2685, H. R. 8353, S. 586, H. R. 7816, H. R. 3599, H. R. 7215, H. R. 6052, H. R. 5860.
D. (6) $14,425.
E. (4) $75.96; (8) $3.54; (9) $79.50.

A. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2) Legislation that might affect members as going electric utilities.[1]
D. (6) $451,833.27.
E. (1) $18,661.89; (2) $80,573.76; (4) $3,376.41; (5) $8,284.76; (6) $2,229.84; (7) $9,961.36; (8) $4, 658.67; (9) $127,746.69; (15).[1]

A. National Association of Independent Tire Dealers, Inc., 777 14th Street NW., Washington, D. C.
C. (2) Statutes or bills which will affect the interests of independent tire dealers.[1] (3) Dealer News.
D. (6) $74.78.
E. (2) $33.50; (4) $38.78; (7) $2.50; (9) $74.78; (15).[1]

A. National Association of Insurance Agents, 96 Fulton Street, New York, N. Y.
C. (2) Any legislation which affects directly or indirectly, local property insurance agents, (3) American Agency Bulletin.
D. (6) $3,079.
E. (2) $3,378.48; (5) $887.52; (6) $257.27; (7) $142.90; (9) $4,666.17; (15).[1]

A. National Association of Margarine Manufacturers, 1028 Munsey Building, Washington, D. C.
C. (2) Interested in any legislation that may relate to margarine.
D. (6) $15.
E. (7) $15; (9) $15.

A. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.
C. (2) The general legislative interests consist of any legislation which the mutual savings banks have a legitimate interest in supporting or opposing.
D. (6) $553.89.
E. (2) $553.89; (9) $553.89; (15).[1]

A. National Association of Postal Supervisors, Post Office Box 2013, Washington, D. C.
C. (2) All legislation affecting postal employees, including supervisors, and the postal service. (3) The Postal Supervisor.
D. (6) $11,603.62.
E. (2) $2,375; (4) $2,604.22; (5) $300; (6) $10; (7) $173.74; (9) $5,462.96.

A. National Association of Postmasters, 1111 17th Street NW., Washington, D. C.
B. National Association of Postmasters.
D. (6) $71,303.60.
E. (2) $500; (5) $5; (9) $505.

A. National Association of Post Office & General Services Maintenance Employees, 724 Ninth Street NW., Washington, D. C.
C. (2) Beneficial legislation affecting postal employees and General Services employees, and post office custodial employees and GSA in PBS employees in particular. (3) The Post Office and General Services Maintenance News.
D. (6) $14,047.93.
E. (2) $687.05; (4) $266.65; (5) $155; (6) $9.80; (7) $87.70; (8) $27.16; (9) $1,233.36; (15).[1]

A. National Association of Real Estate Boards, its public relations department and its realtors Washington committee, 22 West Monroe Street, Chicago, Ill., and 1737 K Street NW., Washington, D. C.
C. (2) Any legislation affecting the real-estate industry.
D. (6) $61,711.58.
E. (1) $380.73; (2) $17,452.96; (4) $1,768.09; (5) $2,763.26; (6) $688.27; (7) $2,433.55; (8) $2,989.19; (9) $28,476.05; (15).[1]

A. National Association of Refrigerated Warehouses, 608 Tower Building, Washington, D. C.
C. (2) Unemployment taxes, expenditure control, competition, minimum wages, labor bills.

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[1] Not printed. Filed with Clerk and Secretary.

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A. National Association of Storekeeper-Gaugers, 1218 Locust Avenue, Baltimore 27, Md.
C. (2) All legislation affecting Federal classified employees, and that in particular which would affect our position—United States storekeeper-gaugers.
D. (6) $612.62.
E. (2) $500; (9) $500.

A. National Automobile Dealers Association, 1026 17th Street NW., Washington, D. C.
C. (2) Amendments to the Taft-Hartley Act affecting retail automobile and truck dealers.
E. (2) $4,500; (6) $95.05; (8) $51; (9) $4,646.05.

A. National Canners Association, 1133 20th Street NW., Washington, D. C.
C. (2) Long-range plans for agriculture and other legislation directly affecting the food canning industry, and opposition to mandatory marketing orders, title IV, S. 3052.
D. (6) $250,922.68.
E. (2) $3,927.99; (4) $136.03; (6) $10.38; (7) $354.52; (8) $234.52; (9) $4,663.44; (15).[1]

A. National Coal Association, 802 Southern Building, Washington, D. C.
C. (2) All measures affecting bituminous-coal industry.
D.[1] E.[1]

A. National Committee on Parcel Post Size and Weight Limitations, 1625 I Street NW., Washington, D. C.
C. (2) Parcel post size and weight limitations.
D. (6) $2,917.52.
E. (1) $600; (2) $1,811.07; (4) $1,022.12; (5) $195.74; (6) $195.74; (8) $105.28; (9) $3,929.95; (15).[1]

A. National Committee Shippers and Receivers, 100 West 31st Street, New York, N. Y.
C. (2) Section 402 (c) of the Interstate Commerce Act.
E. (5) $54.74; (6) $7.11; (9) $61.85.

A. National Conference for Repeal of Taxes on Transportation, care of D. G. Ward, Mathieson Building, Baltimore, Md.
C. (2) Legislation which will repeal the existing excise taxes on the transportation of persons and property.
D. (6) $600.
E. (5) $35.49; (9) $35.49.

A. National Council on Business Mail, Inc., 105 West Monroe Street, Chicago, Ill.
C. (2) All legislation relating to the postal service.
D. (6) $2,027.46.
E. (1) $1,500; (3) $100; (4) $16.46; (6) $8.58; (7) $324.41; (8) $78.01; (9) $2,027.46; (15).[1]

A. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
C. (2).[1]
D. (6) $31,811.25.
E. (2) $16,559.73; (3) $5,160; (4) $126.99; (5) $1,855.16; (6) $658.02; (7) $3,711.10; (8) $12,000; (9) $38,471; (15).[1]

A. National Council, Junior Order United American Mechanics, 3027 North Broad Street, Philadelphia, Pa.
C. (2) S. 3191, H. J. Res. 479, H. R. 8491, H. R. 8499, H. R. 8363, H. R. 8193. (3) The Junior American.

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[1] Not printed. Filed with Clerk and Secretary.

E. (2) $249.99; (4) $37.50; (7) $35; (9) $322.49.

A. National Council for Prevention of War, 1013 18th Street NW., Washington, D. C.
C. (2) Bills affecting world peace.[1] (3) Peace Action.
D. (6) $8,444.40.
E. (2) $4,790.54; (3) $81.96; (4) $1,003.64; (5) $1,258.30; (6) $155.72; (7) $410.42; (8) $1,311.50; (9) $9,012.08; (15).[1]

A. National Cotton Compress and Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.
C. All matters affecting the cotton compress and cotton warehouse industry.
D. (6) $349.17.
E. (2) $201.67; (5) $131.50; (6) $16; (9) $349.17.

A. National Cotton Council of America, post-office box 18, Memphis, Tenn.
C. (2) The National Cotton Council of America favors such action on any legislation affecting the raw cotton industry as will promote the purposes for which the council is organized.
D. (6) $3,227.77.
E. (2) $2,731.46; (5) $199.80; (6) $14.88; (7) 281.63; (9) 3,227.77; (15).[1]

A. National Economic Council, Inc., Empire State Building, New York, N. Y.
C. (2) Our legislative interests are in favor of any legislation that tends to support private enterprise and maintain American independence, and to oppose any measures that work contrariwise.
D. (6) $38,422.10.
E. (2) $12,825.25; (4) $5,402.21; (5) $4,706.78; (6) $2,956.57; (7) $3,559.30; (8) $635.43; (9) $30,085.54; (15).[1]

A. National Electrical Contractors Association, Inc., 1200 18th Street NW., Washington, D. C.
C. (2) Legislation that affects the building construction and electrical industries. (3) Qualified Contractor.

A. National Federation of Business and Professional Women's Clubs, Inc., 1790 Broadway, New York, N. Y.
C. (2) Legislation which affects the interests of women in business and the professions. (3) The Independent Woman.
D. (6) $25,988.31.
E. (2) $2,116.64; (4) $383.96; (5) $220; (6) $409.41; (7) $1,961.67; (8) $78.38; (9) $5,170.06; (15).[1]

A. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
C. (2) All legislation pertaining to postal service and the welfare of postal and Federal employees. (3) The Union Postal Clerk.
D. (6) $172,608.82.
E. (2) $17,609; (4) $7,266.32; (5) $350; (6) $1,998.50; (7) $135.57; (8) $3,975.11; (9) $21,365.30; (15).[1]

A. National Food Brokers Association, 527 Munsey Building, Washington, D. C.
C. (2).[1]
D. (6) $3,128.77.
E. (2) $1,000; (4) $1,847.59; (5) $30; (6) $20; (8) $231.18; (9) $3,128.77; (15).[1]

A. National Housing Conference, 1129 Vermont Avenue NW., Washington, D. C.
C. (2) Independent offices appropriation bill for fiscal year 1955, and in the proposed housing act of 1954.
D. (6) $12,918.

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[1] Not printed. Filed with Clerk and Secretary.

E. (2) $7,997.60; (3) $56; (4) $2,092.04; (5) $1,355.67; (6) $614.77; (7) $1,192.18; (8) $3,030.80; (9) $16,339.06; (15).[1]

A. National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
C. (2) S. 2404, posting of bonds for livestock purchasing; Taft-Hartley Act revision; tax law revision, H. R. 8300.
E. (1) $7.25; (2) $451.61; (3) $12.50; (4) $92.20; (5) $100.85; (6) $6.19; (7) $122.44; (8) $44.32; (9) $837.36; 15.[1]

A. National Institute of Diaper Services, 67 West 44th Street, New York, N. Y.
C. (2) Legislative interests to secure deduction for income tax purposes for amounts paid for antiseptic diaper service used to cure or prevent skin infection, in accordance with H. R. 5502.
D. (6) $11,376.64.
E. (2) $1,874.99; (4) $263.10; (6) $53.35; (7) $352.92; (8) $86.72; (9) $2,631.08.

A. National Labor-Management Council on Foreign Trade Policy, 815 15th Street NW., Washington, D. C.
C. (2) Tariff.
E. (2) $2,842.81; (3) $835.12; (4) $39.28; (5) $609.89; (6) $55.44; (7) $59.25; (8) $31; (9) $4,472.79; (15).[1]

A. National Live Stock Tax Committee, 515 Cooper Building, Denver, Colo.
D. (6) $1,027.

A. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
C. (2) All legislation affecting the interests of the lumber manufacturing industry. (3) Lumber letter.
D. (6) $6,584.57.
E. (2) $4,292.64; (4) $938.93; (7) $1,045.29; (8) $1,598.59; (9) $7,875.45; (15).[1]

A. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk. (3) News for Dairy Co-ops; the Alert and Legislative letter.
D. (6) $81,084.42.
E. (2) $40,674.97; (3) $6,538.65; (4) $16,349.48; (5) $8,954.77; (6) $1,921.95; (7) $4,429.57; (8) $4,932.91; (9) $83,802.30; (15).[1]

A. National Multiple Sclerosis Society, 270 Park Avenue, New York City, N. Y.
C. (2) Appropriations for public health.
E. (1) $600; (7) $175.50; (9) $775.50.

A. National Reclamation Association, 1119 National Press Building, Washington, D. C.
C. (2) All statutes relating to water and land conservation measures.
D. (6) $12,843.
E. (2) $5,413.70; (4) $1,797.80; (5) $1,000.79; (6) $189.20; (7) $822.36; (8) $1,249.24; (9) $10,464.09; (15).[1]

A. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
C. (2).[1] (3).[1]
D. (6) $4,125.
E. (2) $3,375; (4) $1,980.07; (5) $517.60; (7) $19.90; (8) $2.50; (9) $5,895.07; (15).[1]

A. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.
C. (2) Legislation that affects retail trades.

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[1] Not printed. Filed with Clerk and Secretary.

A. National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C.
C. (2) All matters pertaining to river and harbor improvement, flood control, navigation, irrigation-reclamation, soil and water conservation, and related subjects.
D. (6) $10,591.99.
E. (1) $20; (2) $3,352.40; (3) $20; (4) $303.37; (5) $286.70; (6) $60.48; (7) $1,860.98; (8) $813.05; (9) $6,716.98; (15).[1]

A. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
C. (2) All legislation affecting the rural electrification program provided for under the REA Act of 1936, as amended. (3) Rural Electrification magazine.
D. (6) $11,386.08.
E. (8) $11,386.08; (9) $11,386.08.

A. National St. Lawrence Project Conference, 814 Transportation Building, Washington, D. C.
C. (2) Any legislation with reference to the St. Lawrence Waterway and power project.
D. (6) $6,500.
E. (1) $2,021.42; (2) $9,432; (4) $7,776.19; (5) $782.38; '6) $678.20; (7) $2,399.12; (8) $201; (9) $23,291.31; (15).[1]

A. National Savings and Loan League, 907 Ring Building, 18th and M Streets NW., Washington, D. C.
C. (2) Support of bills to improve facilities of savings and loan associations for encouragement of thrift and home financing and oppose legislation adverse to savings and loan associations.
D. (6) $233,940.21.
E. (2) $825; (4) $967.37; (9) $1,792.37; (15).[1]

A. National Small Business Men's Association, 2834 Central Street, Evanston, Ill.
D. (6) $5,000.
E. (2) $4,597.92; (5) $1,537.29; (6) $138.59; (9) $6,273.80; (15).[1]

A. National Society of Professional Engineers, 1121 15th Street NW., Washington, D. C.
C. (2) All legislation affecting the interests of professional engineers.
D. (6) $118,458.75.
E. (2) $1,183; (4) $561.45; (9) $1,744.45; (15).[1]

A. National Tax Relief Coalition, Box 401, Greensboro, N. C.
C. (2) Tax limitation.
D. (6) $860.
E. (2) $375; (5) $235; (7) $250; (9) $860.

A. National Water Conservation Conference, 341 Suburban Station Building, Philadelphia, Pa.
C. (2) All legislation relative to development, utilization, and conservation of natural resources.
D. (6) $390.
E. (5) $410.40; (8) $46.02; (9) $456.42; (15).[1]

A. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $2,215.52.
E. (2) $1,100; (4) $41.50; (5) $234.18; (6) $52.42; (9) $1,428.10; (15).[1]

A. National Wool Growers Association, 414 Pacific National Life Building, Salt Lake City, Utah.
C. (2) S. 2911 and H. R. 7775; S. 2313; S. 2548 and H. R. 6787; and S. 2862.
D. (6) $6,790.
E. (1) $4,000; (2) $2,500; (6) $633.08; (7) $6,806.13; (8) $1,495.60; (9) $15,434.81; (15).[1]

A. Nationwide Committee of Industry, Agriculture, and Labor on Import-Export Policy, 815 15th Street NW., Room 424, Washington, D. C.
C. (2) Tariff legislation. (3).[1]

A. William S. Neal, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers.
C, D, and E.[1]

A. Nebraska Tax Equality Committee, Inc., 714 Stuart Building, Lincoln, Nebr.
C. (2) Legislation designed to bring about equality of taxation between private business and cooperatives.
D. (6) $75.
E. (2) $21; (8) $3,893.63; (9) $3,914.63; (15).[1]

A. Alan M. Nedry, 1001 Connecticut Avenue NW., Washington, D. C.
B. Otis H. Ellis, 1001 Connecticut Avenue NW., Washington, D. C.
C. (2) General legislative matters which might affect business interests of independent oil jobbers.
D. (6) $35.
E. (7) $15; (9) $15.

A. Samuel E. Neel, 1001 15th Street NW., Washington, D. C.
B. Mortgage Bankers Association of America, 111 West Washington Street, Chicago, Ill.
C. (2) Any legislation affecting the mortgage-banking industry.
D. (6) $6,157.16.
E. (2) $295.57; (4) $6.79; (5) $1,544.66; (6) $269.83; (7) $290.31; (9) $2,407.16.

A. G. W. Nelson, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.
C. (2) Legislation favorable to labor.

A. George R. Nelson, Machinists Building, Washington, D. C.
B. International Association of Machinists, Machinists Building, Washington, D. C.
C. (2) Legislation affecting the socio-economic and political interests of the American workingmen.
D. (6) $900.

A. Herbert U. Nelson, 22 West Monroe Street, Chicago, Ill., and 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill., and 1737 K Street NW., Washington, D. C.
C. (2) Legislation affecting the real-estate industry.
D. (6) $1,250.
E. (2) $226.83; (6) $38.85; (7) $657.67; (8) $666.18; (9) $1,589.53; (15).[1]

A. Nevada Railroad Association, 43 Sierra Street, Reno, Nev.
C. (2) Legislation affecting the interests of Nevada Railroads.
D. (6) $675.
E. (6) $26.53; (7) $522.70; (9) $549.23; (15).[1]

A. New York Stock Exchange, 11 Wall Street, New York, N. Y.
C. (2) Legislation affecting the interests of the New York Stock Exchange and its members.
E. (2) $3,000; (7) $396.38; (9) $3,396.38; (15)[1].

A. Russ Nixon, 930 F Street NW., Washington, D. C.
B. United Electrical, Radio, and Machine Workers of America, 11 East 51st Street, New York, N. Y.
C. (2) Legislation concerning national peace, security, democracy, prosperity, and the general welfare.

A. O. L. Norman, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companys, 1200 18th Street NW., Washington, D. C.
C. (2) Legislation that might affect its members as going electric utilities.
D. (6) $4,849.98.
E. (7) $124.90; (8) $15; (9) $139.90; (15.[1]

A. Harry E. Northam, 360 North Michigan Avenue, Chicago, Ill.
B. Association of American Physicians and Surgeons, Inc., 360 North Michigan Avenue, Chicago, Ill.
C. (2) Legislation affecting physicians and surgeons in the practice of their profession.

A. Northern Hemlock and Hardwood Manufacturers Association, Washington Building, Oshkosh, Wis.
C. (2) Legislation affecting the timber industries of Wisconsin and Michigan, taxation, forestry, and labor management relations.
D. (6) $100.
E. (8) $10; (9) $10.

A. F. B. Northrup, 1507 M Street NW., Washington, D. C.
B. National Cigar Leaf Tobacco Association, Inc., 1507 M Street NW., Washington, D. C.
C. (2) Legislation which might affect tobacco growers and dealers.
D. (6) $2,500.
E. (7) $147.85; (8) $4; (9) $151.85.

A. E. M. Norton, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk. (3) News for Dairy Co-ops; The Alert; legislative letter.
D. (6) $6,484.09.
E. (7) $109.12; (9) $109.12.

A. Charles E. Noyes, 270 Madison Avenue, New York, N. Y.
B. American Institute of Accountants, 270 Madison Avenue, New York, N. Y.
C. (2) Legislation affecting certified public accountants.
D. (6) $937.50.
E. (6) $40; (7) $87.66; (9) $127.66.

A. Donald W. Nyrop, 710 Ring Building, Washington, D. C.
B. Conference of Local Airlines, 710 Ring Building, Washington, D. C.
C. (2) Legislation which is in the interest of a sound national air-transport policy.
D. (6) $308.41.
E. (2) $275; (4) $25.41; (7) $8; (9) $308.41.

A. John Lord O'Brian, 701 Union Trust Building, Washington, D. C.
B. Theodore Roosevelt Association, 28 East 20th Street, New York, N. Y.
C. (2) General interest is to protect the rights of the Theodore Roosevelt Association under the act of May 21, 1932 (47 Stat. 163).
E. (4) $60.95; (6) $13.86; (8) $17.89; (9) $92.72.

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[1] Not printed. Filed with Clerk and Secretary.

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A. Edward H. O'Connor, 176 West Adams Street, Chicago, Ill.
C. (2) All bills proposing to amend the Social Security Act.
D. (6) $31,901.87.

A. Herbert R. O'Conor, 1701 K Street NW., Washington, D. C.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., 11 Broadway, New York, N. Y.
C, D, and E.[1]

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. National Association of Wool Manufacturers, 386 Fourth Avenue, New York, N. Y.
C. (2) Legislation having direct or specific impact on the wool-textile industry.
E. (6) $106.23; (8) $24.75; (9) $130.98.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. Wilbur-Ellis Co., Inc., 320 California Street, San Francisco, Calif.
C. (2) Legislation having direct or specific impact on any food products produced or handled by this company.
D. (6) $2,000.

A. Graeme O'Geran, 131 Orvilton Drive, Dewitt, N. Y.
B. Merchants National Bank and Trust Co., 214 South Warren Street, Syracuse, N. Y.
C. (2) Discontinuance of the postal savings system and refund of earnings to member banks of the Federal Reserve System based on the maintenance of reserves requirement of the Federal Reserve System.
E. (7) $154.20; (9) $154.20.

A. W. Raymond Ogg, 261 Constitution Avenue NW., Washington, D. C.
B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.
C. (2) Legislation authorizing sales of farm products for foreign currencies, Agricultural Foreign Service, Customs Simplification Act, extension of Reciprocal Trade Agreements Act, and related legislation.
D. (6) $1,237.50.
E. (7) $29.17; (9) $29.17.

A. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.
C. (2) Legislation affecting railroad interests.

A. Fred N. Oliver, 110 East 42d Street, New York, N. Y., and Investment Building, Washington, D. C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.
C. (2) Legislation which the mutual savings banks have an interest in opposing or supporting.

A. Clarence H. Olson, care of the American Legion, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
C. (2),[1] (3).[1]
D. (6) $2,250.
E. (7) $12.45; (9) $12.45.

A. Joseph C. O'Mahoney, 236 Southern Building, Washington, D. C.
B. William S. Davidson and citizens of Williams County and city of Williston, N. Dak., known as Upper Missouri Development Association.
C. (2) Legislation affecting construction of dams and reservoirs on interstate streams including appropriation bills and in support of legislation S. 1857 to amend certain statutes providing expeditious jurisdictional proceedings for the condemnation of lands for public purposes.
D. (6) $2,000.

A. Sam O'Neal, 211 National Press Building, Washington, D. C.
B. National Council on Business Mail, Inc., 105 West Monroe Street, Chicago, Ill.
C. (2) All legislation pertaining to postal rates and postal legislation.
D. (6) $1,500.
E. (7) $100; (8) $60; (9) $160.

A. Sam O'Neal, 211 National Press Building, Washington, D. C.
B. Power distributors information committee of Tennessee Valley Public Power Association, Sixth and Cherry Streets, Chattanooga, Tenn.
C. (2) All legislation pertaining to public power.
D. (6) $1,875.
E. (7) $100; (8) $60; (9) $160.

A. Order of Railway Conductors of America, O. R. C. Building, Cedar Rapids, Iowa.
E. (2) $2,125; (5) $1,085; (6) $65.01; (9) $3,275.01.

A. Organization of Professional Employees of the United States Department of Agriculture, Post Office Box 381, Washington, D. C.
C.[1]
D. (6) $248.90.
E. (2) $165.08; (4) $92.55; (9) $257.63; (15).[1]

A. Morris E. Osburn, Central Trust Building, Jefferson City, Mo.
B. Missouri Railroad Committee.
C. (2) S. 2150. Against St. Lawrence Seaway.
D. (6) $328.80.
E. (7) $690; (9) $690; (15).[1]

A. Thomas R. Owens, 718 Jackson Place NW., Washington, D. C.
B. United Rubber, Cork, Linoleum, and Plastic Workers of America, High at Mill Street, Akron, Ohio.
C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare.
D. (6) $1,560.
E. (7) $458; (9) $458.

A. Mrs. Theodor Oxholm, 20 East 93d Street, New York, N. Y.
B. Spokesmen for Children, 20 East 93d Street, New York, N. Y.
C. (2) Legislation for better laws for maternal and child health and welfare.
D. (6) $50.
E. (7) $50; (9) $50.

A. Pacific American Tankship Association, 25 California Street, San Francisco, Calif.
C. (2) Legislation affecting the merchant marine.
D. (6) $200.
E. (2) $1,625; (9) $1,625.

A. Lovell H. Parker, 611 Colorado Building, Washington, D. C.
B. National Coal Association and National Council of Coal Lessors, Washington, D. C.; Iron Ore Lessors Association of St. Paul, Minn.; Maryland Electronic Manufacturing Corp., College Park, Md.; and W. A. Sheaffer Pen Co., Fort Madison, Iowa.
C. (2) Tax legislation affecting the bituminous coal industry, the iron ore industry, and legislation dealing with excess-profits tax relief in hardship cases; also excise tax legislation affecting the pen and pencil industry.
D. (6) $2,750.

A. George P. Parrish, Charleston, W. Va.
B. West Virginia Railroad Association, Post Office Box 7, Charleston, W. Va.
C. (2) St. Lawrence Seaway.
D. (6) $3,249.99.
E. (7) $130.

A. James G. Patton.
B. Farmers Educational and Cooperative Union of America, 1417 California, Denver, Colo., and 1404 New York Avenue NW., Washington, D. C.
C. (2) Legislation on matters of interest to the National Farmers Union.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. Allstate Insurance Co., 7447 Skokie Boulevard, Skokie, Ill.
C. (2) Elimination of disparities in tax treatment between stock, mutual and reciprocal fire and casualty insurance companies.
E. (6) $6.55; (7) $43.79; (9) $50.35.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. Blue Cross Commission, 425 North Michigan, Chicago, Ill.
C. (2) Equitable tax treatment of payments made by employers for employee coverage and benefits received under prepaid hospitalization and medical plans.
D. (6) $5,000.
E. (6) $17.75; (9) $17.75.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. Estate of Mary Clark de Brabant and Katherine C. Williams, 120 Broadway, New York City, N. Y.
C. (2) Propose revision of section 7 of the Technical Changes Act of 1949, as amended.
E. (6) $3.75; (7) $16.35; (9) $20.10.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. Howard F. Knipp, 3401 South Hanover Street, Baltimore, Md.
C. (2) Amendment to the partnership provisions of the Internal Revenue Code to provide that a partnership's fiscal year does not terminate upon the death of a partner.

A. Albert A. Payne, 1737 K Street NW., Washington, D. C.
B. Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.
C. (2) Any legislation affecting the real-estate industry.
D. (6) $2,650.
E. (6) $40.23; (7) $198.99; (8) $44.95; (9) $284.17; (15).[1]

A. The Peoples Gas Light & Coke Co., 122 South Michigan Avenue, Chicago, Ill.
C. (2) Proposing an amendment to the Internal Revenue Code to provide for adjusted original cost depreciation for income-tax purposes.

A. J. Hardin Peterson, post office box 2097, Lakeland, Fla.
B. Florida Citrus Mutual, Lakeland, Fla.

[1] Not printed. Filed with Clerk and Secretary.

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C. (2) Legislation in the interests of citrus growers
D. (6) $19.38.
E. (4) $19.38; (6) $7.92; (7) $75.89; (8) $.38; (9) $103.57.

A. J. Hardin Peterson, Lakeland, Fla.
B. Florida Citrus Mutual (legislative fund), Lakeland, Fla.
C. (2) Legislation that affects the citrus industry.
D. (6) $2,491.26.
E. (4) $19.38; (5) $40; (6) $7.92; (7) $151.79; (8) $.76; (9) $219.85.

A. Albert T. Pierson, 54 Meadow Street, New Haven, Conn.
B. The New York, New Haven and Hartford Railroad Co., 54 Meadow Street, New Haven, Conn.
C. (2) Legislation which might affect the New Haven Railroad and its subsidiaries.
D. (6) $2,300.
E. (6) $6; (7) $181.35; (9) $187.35.

A. Albert Pike, 488 Madison Avenue, New York, N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
C. (2) Legislation which might affect the welfare of policyholders and annuitants.
D. (6) $57.50.

A. Rufus G. Poole, 1625 K Street NW., Washington, D. C.
B. National Automobile Dealers Association, 1026 17th Street NW., Washington, D. C.
C. (2) Amendments to the Taft-Hartley Act affecting retail automobile and truck dealers.
E. (6) $99.60; (7) $475.69; (8) $17.50; (9) $592.79; (15).[1]

A. Poole, Shroyer & Denbo, 1625 K Street NW., Washington, D. C.
B. The American Metal Co., Ltd., 61 Broadway, New York, N. Y.
C. (2) Any legislation directly affecting lead or zinc industry.
E. (6) $28.38; (7) $149.17; (8) $15.10; (9) $192.65; (15).[1]

A. Frank M. Porter, 50 West 50th Street, New York, N. Y.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.

A. Stanley I. Posner and Bernard H. Ehrlich, 1367 Connecticut Avenue NW., Washington, D. C.
B. National Institute of Diaper Services, 67 West 44th Street, New York, N. Y.
C. (2) Legislative interests to secure deduction for income tax purposes for amounts paid for antiseptic diaper service.
D. (6) $1,374.99.
E. (4) $224.01; (6) $53.35; (7) $352.92; (8) $86.70; (9) $716.98.

A. William I. Powell, Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc.
D. (6) $1,125.
E. (7) $16.40; (9) $16.40.

A. Homer V. Prater, Room 716, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, Room 716, 900 F Street NW., Washington, D. C.
C. (2) All bills of interest to Federal Government employees and District of Columbia employees.
D. (6) $1,750.
E. (7) $3.50; (9) $3.50.

A. John H. Pratt, 905 American Security Building, Washington, D. C.
B. Great Lakes-St. Lawrence Association, 821 Cafritz Building, Washington, D. C.
C. (2) Support of S. 2150 and related legislation.
D. (6) $2,664.41.
E. (8) $30.25; (9) $30.25.

A. William H. Press, 1616 K Street NW., Washington, D. C.
B. Washington Board of Trade, 1618 K Street NW., Washington, D. C.
C. (2) Legislation affecting the District of Columbia, of interest to the Washington Board of Trade.
D. (6) $4,500.
E.[1]

A. Murray Preston, 901 Hibbs Building, Washington, D. C.
B. Great Lakes-St. Lawrence Association, 821 Cafritz Building, Washington, D. C.
C. (2) Support of S. 2150.
D. (6) $2,062.50

A. Allen Pretzman, 50 West Broad Street, Columbus, Ohio.
B. Scioto-Sandusky Conservancy District, 50 West Broad Street, Columbus, Ohio.

A. Charles M. Price, 134 South La Salle Street, Chicago, Ill.
B. Gypsum Association, 20 North Wacker Drive, Chicago, Ill.
C. (2) For allowance of percentage depletion on gypsum.
E. (4) $68.80; (7) $46.96; (9) $115.76.

A. Harry E. Proctor, 1110 Investment Building, Washington, D. C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.
C. (2) S. 975, H. R. 7839, S. 2938.
D. (6) $321.
E. (7) $6.65; (9) $6.65.

A. The Proprietary Association, 810 18th Street NW., Washington, D. C.
C. (2) Measures affecting the proprietary medicines industry.
E. (8) $125; (9) $125.

A. The Prudential Insurance Company of America, 763 Broad Street, Newark, N. J.
C. (2) General interest in all legislation affecting the business of the company.
E. (2) $4,000; (7) $1,305.92; (9) $5,305.92.

A. Ganson Purcell, 910 17th Street NW., Washington, D. C.
B. Insular Lumber Co., 1406 Locust Street, Philadelphia, Pa.
C. (2) Legislation affecting foreign commerce of the United States, including tax and tariff.
E. (5) $3.63; (6) $5.45; (7) $19.11, (8) $28.19.

A. Alexander Purdon, 1701 K Street NW., Washington, D. C.
B. Committee of American Steamship Lines, 1701 K Street NW., Washington, D. C.
C. (2) Promotion and advancement of the American Merchant Marine.
D. (6) $750.
E. (7) $161.87; (9) $161.87.

A. C. J. Putt, 920 Jackson Street, Topeka, Kans.
B. The Atchison, Topeka and Santa Fe Railway Co., 920 Jackson Street, Topeka, Kans.
C. (2) Legislation affecting railroads.
E. (7) $339.78; (9) $339.78.

A. Luke C. Quinn, Jr., Room 607, 1001 Connecticut Avenue NW., Washington, D. C.
B. American Cancer Society, 47 Beaver Street, New York City; United Cerebral Palsy Associations, 369 Lexington Avenue, New York City; Arthritis and Rheumatism Foundation, 23 West 45th Street, New York City; National Multiple Sclerosis Society, 270 Park Avenue, New York City.
C. (2) Public Health. The specific interest is to present the need for adequate appropriations by the Federal Legislature for research in the fields of diseases which kill and disable people.
D. (6) $8,833.34.
E. (2) $844.98; (5) $1,367.59; (6) $260.74; (7) $2,174.26; (9) $4,647.57.

A. F. Miles Radigan, 1200 18th Street NW., (510), Washington, D. C.
B. National Association of Electric Companys, 1200 18th Street NW., Washington, D. C.
C. (2) Legislation that might affect going electric utilities.
D. (6) $1,800.
E. (7) $168.50; (9) $168.50.

A. Alex Radin, 1757 K Street NW., Washington, D. C.
B. American Public Power Association, 1757 K Street NW., Washington, D. C.
C. (2) Legislation affecting the generation, transmission, and distribution of electrical energy by local publicly owned electric systems, and the management and operation of such systems.
D. (6) $2,500.

A. Radio-Electronics-Television Manufacturers Association, 777 14th Street NW., Washington, D. C.
C. (2) Legislation relating directly or indirectly to the radio, television, and electronics industry.
E. (2) $5,264.29; (8) $1,584.26; (9) $6,848.55.

A. Railroad Pension Conference, Post Office Box 798, New Haven, Conn.
C. (2) For H. R. 122, to amend the Railroad Retirement Act of 1937.
D. (5) $118.55.
E. (4) $231.54; (5) $27.55; (7) $4.30; (8) $4.88; (9) $268.27.

A. Railway Labor Executives' Association, 10 Independence Avenue SW., Washington, D. C.
C. (2) Legislation affecting railroad labor.
D. and E.[1]

A. Alan T. Rains, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit and Vegetable Association, 777 14th Street NW., Washington, D. C.
C. (2) Legislation affecting the marketing and distribution of fresh fruits and vegetables, directly or indirectly.

A. DeWitt C. Ramsey, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
C. (2) Any legislation affecting the aviation industry.

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[1] Not printed. Filed with Clerk and Secretary.

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A. Donald J. Ramsey, 1612 I Street NW., Washington, D. C.
B. Silver Users Association, 1612 I Street NW., Washington, D. C.
C. (2) Legislation involving silver.
D. (6) $4,249.98.
E. (7) $656.37; (9) $656.37.

A. Stanley Rector, Washington Hotel, Washington, D. C.
B. Unemployment Benefit Advisors, Inc., Hotel Washington, Washington, D. C.
C. (2) The overall field of social security.
D. (6) $4,999.98.

A. Otie M. Reed, 777 14th Street NW., Washington, D. C.
B. National Creameries Association, 817 New York Building, St. Paul, Minn.
C. (2) Any legislation that may affect milk producers and dairy products manufacturing firms.
D. (6) $1,687.50.
E. (2) $1,687.50; (4) $368.67; (5) $150; (9) $2,206.17.

A. Regular Common Carrier Conference of the American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
C. (2) The general legislative interest is protection and fostering of the interest of Federally regulated motor common carriers of general commodities.
D. (6) $3,801.07.
E. (2) $2,250; (4) $948.69; (5) $100; (7) $502.38; (9) $3,801.07; (5).[1]

A. James Francis Reilly, 1625 K Street NW., Washington, D. C.
B. Potomac Electric Power Co., 929 E. Street NW., Washington, D. C.
C. (2) S. 1691 and H. R. 4830.
E. (6) $15; (7) $85; (8) $10; (9) $110.

A. Retail Jewelers Tax Committee, Inc., 597 Fifth Avenue, New York, N. Y.
C. (2) The general legislative interests of the corporation are to obtain repeal of the excise tax on jewelry and jewelry-store merchandise.
D. (6) $8,426.50.
E. (2) $7,682; (4) $1,011.47; (5) $1,178.11; (6) $245.99; (7) $5,800.67; (8) $2,801.12; (9) $18,719.36.

A. Retired Officers Association, 1616 I Street NW., Washington, D. C.
C. (2) Any and all legislation pertinent to the rights, benefits, privileges, and obligations of retired officers.[1] (3) The Retired Officer.
D. (6) $28,347.46.

A. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
C. (2) Retention and improvement of the Civil Service Retirement and United States Employees' Compensation Acts.
D. (6) $5,768.40.
E. (2) $3,004.07; (4) $503.63; (5) $544.77; (6) $31.36; (7) $48.50; (8) $962.47; (9) $5,094.80; (15).[1]

A. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.
C. (2) Legislation for development of a military policy for the United States which will guarantee adequate national security. (3) The Reserve Officer.

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[1] Not printed. Filed with Clerk and Secretary.

A. John Arthur Reynolds, 653 Cortland, Fresno, Calif.
B. Western Cotton Growers Association, 2201 F Street, Bakersfield, Calif.
C. (2) Securing equitable cotton-acreage allotment for California.
E. (2) $1,333.32; (6) $497.64; (7) $2,023.35; (8) $63.90; (9) $3,918.21.

A. Hubert M. Rhodes, 740 11th Street NW., Washington, D. C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
C. (2) Legislation affecting credit unions.
D. (6) $491.67.
E. (7) $6.10; (9) $6.10.

A. Roland Rice, 618 Perpetual Building, Washington, D. C.
B. Regular Common Carrier Conference of the American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
C. (2) The general legislative interest of registrant is the protection and fostering of the interests of federally regulated motor common carriers of general commodities.
D. (6) $900.

A. Siert F. Riepma, 1028 Munsey Building, Washington, D. C.
B. National Association of Margarine Manufacturers, 1028 Munsey Building, Washington, D. C.
C. (2) Interested in any legislation which may relate to margarine.
E. (7) $15; (9) $15.

A. John J. Riggle, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
C. (2) House Joint Resolution 355, Senate Joint Resolution 121, and S. 2911.
D. (6) $2,749.98.
E. (7) $27.95; (9) $27.95.

A. George D. Riley, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
C. (2) All bills affecting the welfare of the country generally, and specifically bills affecting workers.
D. (6) 2,400.
E. (6) $23.05; (7) $295; (8) $59.95; (9) $378.

A. E. W. Rising, 1215 16th Street NW., Washington, D. C.
B. National Water Conservation Conference.
C. (2) All legislation relative to development, utilization, and conservation of natural resources, including bills to authorize projects, and appropriations for construction of projects.
E. (2) $418.14; (4) $19.27; (5) $162; (6) $21.54; (9) $620.95.

A. E. W. Rising, 1215 16th Street NW., Washington, D. C.
B. Western Beet Growers Association, post-office box 742, Great Falls, Mont.
C. (2) Legislation that may affect or limit the right of the American farmer to grow and market sugar beets.
D. (6) $225.
E. (2) $45.11; (4) $56.49; (5) $69; (6) $16.12; (7) $160.72; (9) $347.44.

A. Paul H. Robbins, 1121 15th Street NW., Washington, D. C.
B. National Society of Professional Engineers, 1121 15th Street NW., Washington, D. C.
C. (2) All legislation affecting the interests of professional engineers. (3) Legislative Bulletin.
D. (6) $250.

A. Edward O. Rogers, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
C. (2) General legislative interests for the proper advancement of the airline industry.[1]
D. (5) $1,250.
E. (7) $470.77; (9) $470.77; (15).[1]

A. Frank W. Rogers, 1701 K Street NW., Washington, D. C.
B. Western Oil & Gas Association, 510 West Sixth Street, Los Angeles, Calif.
C. (2) Federal legislation affecting the petroleum industry in Washington, Oregon, California, Arizona, and Nevada.
D. (6) $3,000.

A. Watson Rogers, 527 Munsey Building, Washington, D. C.
B. National Food Brokers Association, 527 Munsey Building, Washington, D. C.
C. (2).[1]
D. (6) $1.000.

A. George B. Roscoe, 1200 18th Street NW., Washington, D. C.
B. National Electrical Contractors Association, Inc., 610 Ring Building, Washington, D. C.
C. (2) Legislation that affects the building construction and electrical industries.

A. Carlton H. Rose, 1025 Connecticut Avenue NW., Washington, D. C.
B. National Lead Co., 111 Broadway, New York, N. Y.
C. (2) Legislative interests are confined to legislation affecting the operation of National Lead Co., including the manufacture and sale of its products.

A. Roland H. Rowe, 400 Investment Building, Washington, D. C.
B. United States Wholesale Grocers' Association, Inc., 400 Investment Building, Washington, D. C.
C. (2) Legislation affecting the interests of wholesale grocers.[1]
D. (6) $68.97.
E. (9) $2.

A. Delbert L. Rucker, 616 Investment Building, Washington, D. C.
B. The National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C.
C. (2) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy.
D. (6) $25.

A. Albert R. Russell, 162 Madison Avenue, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.
C. (2) The National Cotton Council of America favors such action on any legislation affecting the raw cotton industry as will promote the purposes for which the council is organized.
D. (6) $120.
E. (7) $48; (9) $48.

A. Francis M. Russell, 1625 K Street NW., Washington, D. C.
B. National Broadcasting Co., Inc., 1625 K Street NW., Washington, D. C.
C. (2) Legislation affecting the National Broadcasting Co., Inc., and/or affiliated companies.
E. (7) $58.75; (9) $58.75.

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[1] Not printed. Filed with Clerk and Secretary.

A. M. O. Ryan, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
C. (2) Any and all bills and statutes of interest to the hotel industry.
D. (6) $3,750.
E. (7) $508.30; (9) $508.30.

A. William Henry Ryan, 1029 Vermont Avenue NW., Washington, D. C.
B. District No. 44, International Association of Machinists, 1029 Vermont Avenue NW., Washington, D. C.
C. (2) Legislation affecting working conditions of Government employees and incidentally organized labor in general.
D. (6) $1,749.99.
E. (7) $15; (9) $15.

A. Robert A. Saltzstein, 777 14th Street NW., Washington, D. C.
B. Smaller Magazines Postal Committee, 305 East 46th Street, New York, N. Y.
C. (2) Interested in matters affecting second-class postal rates.
D. (6) $1,250.01.
E. (2) $13.87; (4) $36.91; (6) $104.68; (7) $53.52; (8) $12.56; (9) $221.54; (15).[1]

A. Charles E. Sands, 4211 Second Street NW., Washington, D. C.
B. Hotel and Restaurant Employees and Bartenders International Union, 525 Walnut Street, Cincinnati, Ohio.
C. (2) Labor and social legislation.
E. (5) $111.25; (9) $111.25.

A. L. R. Sanford, 21 West Street, New York, N. Y.
B. Shipbuilders Council of America, 21 West Street, New York, NY.

A. John T. Sapienza, 701 Union Trust Building, Washington, D. C.
B. Fulton Land & Timber Co., 711 Orchard Road, Hagerstown, Md.
C. (2) Current revenue proposals.

A. John T. Sapienza, 701 Union Trust Building, Washington, D. C.
B. Hudson Bay Mining and Smelting Co., Ltd., 500 Royal Bank Building, Winnipeg, Manitoba, Canada, et al.[1]
C. (2) Current revenue revision.
E. (4) $34.40; (6) $9.94; (9) $44.34.

A. Harrison Sasscer, 1201 16th Street, NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association, of the United States, 1201 16th Street NW., Washington, D. C.
C. (2) Bills pending before the 83d Congress relating to public education.
D. (6) $58.50.
E. (7) $5; (9) $5.

A. Satterlee, Warfield & Stephens, 49 Wall Street, New York, N. Y.
B. American Nurses' Association, 2 Park Avenue, New York, N. Y.
C. (2) Legislation relating to nurses, nursing, or health.
D. (6) $3,800.

A. Stuart T. Saunders, 108 North Jefferson Street, Roanoke, Va.
B. Norfolk and Western Railway Co., 108 North Jefferson Street, Roanoke, Va.
C. (2) Against importation of residual oil.

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[1] Not printed. Filed with Clerk and Secretary.

A. Henry P. Schmidt, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express, and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
C. (2) Legislation affecting labor generally and railroad labor particularly.
D. (6) $740.

A. Schoene & Kramer, 1625 K Street NW., Washington, D. C.
B. Railway Labor Executives Association, 10 Independence Avenue SW., Washington, D. C.
C. (2) Against H. R. 356, for S. 2930, and H. R. 7840.

A. E. L. Schoenhals, 915 Kearns Building, Salt Lake City, Utah.
B. Tax Equality League of Utah, 915 Kearns Building, Salt Lake City, Utah.
C. (2) Repeal of Internal Revenue Code 101.
E. (9) $1,050.

A. Mildred Scott, 1370 National Press Building, Washington, D. C.
B. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.
C. (2) To establish the Federal agency for handicapped; tax exemptions for handicapped and for those who support handicapped who cannot care for themselves.
D. (6) $300.
E. (7) $25; (9) $25.

A. Durward Seals, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D. C.
C. (2) Interested in any legislation affecting the marketing and distribution of fresh fruits and vegetables, directly or indirectly.

A. Hollis M. Seavey, 532 Shoreham Building, Washington, D. C.
B. Clear Channel Broadcasting Service (CCBS); 532 Shoreham Building, Washington, D. C.
C. (2) Opposed to any proposed legislation calling for the duplication of class I–A clear channel frequencies or the limitation of the power of class I–A standard broadcast stations.
E. (7) $123.41; (9) $123.41.

A. James D. Secrest, 777 14th Street NW., Washington, D. C.
B. Radio-Electronics-Television Manufacturers Association, 777 14th Street NW., Washington, D. C.
C. (2) General legislative interests are those relating directly or indirectly to the radio, electronics, and television industry. Specific legislative interests are: Excise taxes and opposition to S. 24.

A. Harry See, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.
C. (2) Advocating favorable labor legislation and opposing unfavorable labor legislation.
E. (9) $31.35.

A. P. L. Shackelford, 206 Granville Drive, Silver Spring, Md.
B. Sheet Metal Workers' International Association, 642 Transportation Building, Washington, D. C.
C. (2) H. R. 356; S. 1911; H. R. 7840; S. 2930.
D. (6) $2,250.

A. A. Manning Shaw, Washington Loan and Trust Building, Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2) Any legislation that might affect the members of the NAEC.
D. (6) $5,419.98.

A. Mark R. Shaw, 114 Trenton Street, Melrose, Mass.
B. National Council for Prevention of War, 1013 18th Street, NW., Washington, D. C.
C. (2).[1]
E. (9) $41.50.

A. Leander I. Shelley, 30 Broad Street, New York, N. Y.
B. The Port of New York Authority, New York, N. Y.; American Association of Port Authorities, Washington, D. C.; Airport Operators Council, Washington, D. C.
C. (2).[1]
D. (6) $4,500.
E. (6) $6.06; (7) $349.95; (9) $356.01.

A. J. C. Shelton, 15251 Maplewood, East Detroit, Mich.
B. Foreman's Association of America, 1627 Cadillac Tower, Detroit, Mich.
C. (2) Proposed revision of Labor-Management Relations Act of 1947.
D. (6) $291.47.
E. (2) $131.41; (7) $160.06; (9) $291.47.

A. Bruce E. Shepherd, 488 Madison Avenue, New York N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
C. (2) Legislation which might affect the welfare of policyholders and annuitants.
D. (6) $120.

A. Robert H. Shields, 1001 Tower Building, Washington, D. C.
B. United States Beet Sugar Association, 1001 Tower Building, Washington, D. C.
C. (2) Interested in any legislation affecting sugar, particularly the Sugar Act of 1948 and related legislation.
D. (6) $10,000.

A. Earl C. Shively, 16 East Broad Street, Columbus, Ohio.
B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.
C. (2) Legislation affecting railroad interests.

A. Silver Users Association, 1612 I Street NW., Washington, D. C.
C. (2) S. 2555, to repeal certain legislation relating to the purchase of silver, and for other purposes.
D. (6) $29,615.
E. (2) $6,576.98; (5) $1,025.15; (6) $428.29; (7) $656.37; (8) $579.89; (9) $9,266.68.

A. Six Agency Committee, 315 South Broadway, Los Angeles, Calif.
C. (2) Legislation affecting California's interest in the Colorado River, and legislation relating to reclamation and water resources policies.
D. (6) $10,000.
E. (2) $3,000; (8) $96.67; (9) $3,096.67; (15).[1]

A. Stephen Slipher, 711 14th Street NW., Washington, D. C.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.

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[1] Not printed. Filed with Clerk and Secretary.

C. (2) Interested in legislation affecting savings and loan associations, housing, home financing, thrift, and financial institutions. (3) Washington Notes.
D. (6) $1,600.
E. (7) $39.70; (9) $39.70.

A. Smaller Magazines Postal Committee, 305 East 46th Street, New York, N. Y.
C. (2) Postal rate legislation.
D. (6) $5,453.
E. (2) $1,350.01; (4) $343.55; (5) $4.48; (6) $88.06; (7) $97.42; (8) $1.86; (9) $1,885.38; (15).[1]

A. Elizabeth A. Smart, 138 Constitution Avenue NW., Washington, D. C.
B. National Women's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
C. (2) Legislation dealing with alcohol, narcotics, international relations, women, and children.
D. (6) $601.02.
E. (5) $126.04; (6) $33.04; (9) $159.08.

A. Anthony W. Smith, 718 Jackson Place NW., Washington, D. C.
B. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C.
C. (2) Forestry, regional development, resource conservation, labor relations.

A. Carl K. Smith, 10 Independence Avenue SW., Washington, D. C.
B. International Brotherhood of Electrical Workers, 330 South Wells Street, Chicago, Ill.
C. (2) H. R. 356, S. 1911, H. R. 7840, S. 2930.
D. (6) $1,984.50.

A. George C. Smith, Jr., 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.
D. (6) $520.83.
E. (7) $4; (9) $4.

A. Harold O. Smith, Jr., 400 Investment Building, Washington, D. C.
B. United States Wholesale Grocers' Association, Inc., 400 Investment Building, Washington, D. C.

A. James R. Smith, 719 Omaha National Bank Building, Omaha, Nebr.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
C. (2) Legislation relating to river and harbor maintenance and improvement, the American merchant marine, soil conservation, flood control, regulation of domestic transportation.
D. (6) $2,350.
E. (9) $368.79.

A. Lloyd W. Smith, 416 Shoreham Building, Washington, D. C.
B. Chicago, Burlington & Quincy Railroad Co., 547 West Jackson Boulevard, Chicago, Ill. and Great Northern Railway Co., 175 East Fourth Street, St. Paul 1, Minn.
C. (2) Any legislation affecting directly or indirectly the Chicago Burlington & Quincy Railroad Co. and the Great Northern Railway Co.
D. (6) $3,500.

A. Purcell L. Smith, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

[1] Not printed. Filed with Clerk and Secretary.

C. (2) Legislation that might affect members as going electric utilities.[1]
D. (6) $12,499.98.
E. (7) $2,192.02; (9) $2,192.02; (15).[1]

A. Robert E. Smith, 116 Nassau Street, New York, N. Y.
B. Life Insurance Policyholders Protective Association, 116 Nassau Street, New York, N. Y.
C. (2) General education concerning the effect of inflation on the purchasing power of life insurance, as it relates to Federal policies or measures which are deemed to be inflationary, or inflationary-retarding, in character.
E. (7) $865.55; (9) $865.55.

A. Sylvester C. Smith, Jr., 763 Broad Street, Newark, N. J.
B. Prudential Insurance Co. of America, 763 Broad Street, Newark, N. J.
C. (2) Legislation affecting the business of the Company.

A. J. D. Snyder, 1040 La Salle Hotel, Chicago, Ill.
B. Illinois Railroad Association, Room 1526, 33 South Clark Street, Chicago, Ill.
C. (2) Legislation affecting railroads.
D. (6) $825.

A. J. Taylor Soop, room 413, 10 Independence Avenue SW., Washington, D. C.
B. International Brotherhood of Electrical Workers, 330 South Wells Street, Chicago, Ill.
C. (2) H. R. 356, S. 1911, H. R. 7840, S. 2930.
D. (6) $1,755.

A. Southern States Industrial Council, 1103 Stahlman Building, Nashville, Tenn.
C. (2) Legislation favorable to free enterprise system. (3) Southern States Industrial Bulletin.
D. (6) $48,480.50.
E. (2) $16,282.50; (4) $4,482.83; (5) $1,839.26; (6) $200.12; (7) $526.81; (8) $740.64; (9) $24,072.16; (15).[1]

A. Spence, Hotchkiss & Halpin, 40 Wall Street, New York N. Y.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
C. (2) Legislation to establish a national air policy.

A. Lyndon Spencer, 305 Rockefeller Building, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. Spokesmen for Children, Inc., 20 East 93d Street, New York, N. Y.
C. (2) Better laws for maternal and child health and welfare.
D. (6) $230.
E. (1) $50; (4) $18.05; (5) $52.69; (6) $9.31; (7) $100; (9) $230.05.

A. A. L. Spradling, 1214 Griswold Street, Detroit, Mich.
B. Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, 1214 Griswold Street, Detroit, Mich.
C. (2) Legislative interests include laws, proposed laws, and proposed amendments to laws affecting the interests of the members of the Amalgamated throughout the United States.

A. Thomas G. Stack, 1104 West 104th Place, Chicago, Ill.
B. National Railroad Pension Forum, Inc., 1104 West 104th Place, Chicago, Ill.

[1] Not printed. Filed with Clerk and Secretary.

C. (2) Interested in all bills pending before this Congress relative to increasing benefits for all railroad employees covered by the Railroad Retirement Act. (3) "Rail Pension News."
D. (6) $1,500.
E. (1) $214.50; (2) $1,500; (4) $2,800; (6) $62; (7) $613.59; (9) $5,190.09.

A. Howard M. Starling, 837 Washington Building, Washington, D. C.
B. Association of Casualty and Surety Cos., 60 John Street, New York, N. Y.
C. (2) Legislation affecting casualty and surety companies.
D. (6) $150.
E. (7) $8.75; (9) $8.75.

A. O. D. Steinback, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employes, 1015 Vine Street, Cincinnati, Ohio.
C. (2) Legislation affecting labor generally and railroad labor particularly.
D. (6) $620.

A. Mrs. Ned F. Stephens, Post Office Box 6234, Northwest Station, Washington, D. C.
C. (2) Health and nursing care of others; conditions in nursing homes, hospitals, and registries.

A. Charles T. Stewart, 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.
C. (2) Any legislation affecting the real estate industry.
D. (6) $3,725.35.
E. (7) $178.55; (8) $46.80; (9) $225.35; (15).[1]

A. Erskine Stewart, Suite 808, 711 14th Street NW., Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
C.[1]
D. (5) $375.
E. (8) $1.25; (9) $1.25.

A. Edwin L. Stoll, 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.
C. (2) Any legislation affecting the real estate industry.
D. (6) $2,604.19.
E. (6) $3.95; (7) $57.34; (8) $42.90; (9) $104.19; (15).[1]

A. Sterling F. Stoudenmire, Jr., 61 St. Joseph Street, Mobile, Ala.
B. Waterman Steamship Corp., 61 St. Joseph Street, Mobile, Ala.
C. (2) Legislation affecting the American merchant marine and transportation generally.
D. (6) $1,000.

A. Paul A. Strachan, 1370 National Press Building, Washington, D. C.
B. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.
C.[1]
D. (6) $700.
E. (7) $75; (9) $75.

A. O. R. Strackbein, 815 15th Street NW., Room 424, Washington, D. C.
C. (2) Tariff.
D. (6) $3,230.77.

[1] Not printed. Filed with Clerk and Secretary.

A. O. R. Strackbein, 815 15th Street NW., Room 424, Washington, D. C.
C. (2) Copyright convention bills.
D. (6) $625.

A. O. R. Strackbein, Room 424, 815 15th Street NW., Washington, D. C.
C. (2) Tariff.
D. (6) $1,625.

A. O. R. Strackbein, 815 15th Street NW., Washington, D. C.
C. (2) Tariff.

A. Arthur D. Strong, 1034 Midland Bank Building, Minneapolis, Minn.
B. Upper Mississippi Waterway Association, 1034 Midland Bank Building, Minneapolis, Minn.
C. (2) All legislation relating to the improvement and development of navigable waterways in the upper Mississippi River, together with legislation relating to flood control, conservation, pollution, recreation, fish and wildlife, including all legislation that has to do with the development of water resources of the upper Mississippi River and its tributaries.
D. (6) $1,622.70.

A. Arthur Sturgis, Jr., 1625 I Street NW., Washington, D. C.
B. American Retail Federation, 1625 I Street NW., Washington, D. C.
C. (2) All legislation affecting retail industry.
D. (6) $625.
E. (7) $3; (9) $3.

A. J. E. Sturrock, Post Office Box 2084, Capitol Station, Austin, Tex.
B. Texas Water Conservation Association, Post Office Box 2084, Capitol Station, Austin, Tex.
C. (2) All legislation concerning the development, conservation, protection, and utilization of Texas land and water resources through existing State and Federal agencies. (3) Texas Water.
D. (6) $1,500.
E. (2) $91.45; (5) $36.43; (6) $7.28; (7) $782.05; (8) $187.89; (9) $1,105.10; (15).[1]

A. Sullivan, Bernard, Shea & Kenney, 804 Ring Building, Washington, D. C.
C. (2) Proposed 1954 revisions of the Internal Revenue Code.
D. (6) $10,000.
E. (2) $2,500; (6) $5.94; (8) $3; (9) $2,508.94.

A. Francis M. Sullivan, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, 1423 East McMillan Street, Cincinnati, Ohio.
C. (2) Legislation affecting war veterans, their dependents, and survivors of deceased veterans. (3) DAV semimonthly.
D. (6) $822.48.

A. Noble J. Swearingen, 1790 Broadway, New York, N. Y.
B. National Tuberculosis Association, 1790 Broadway, New York, N. Y.
C. (2) Legislation affecting general public health, tuberculosis in particular.
D. (6) $673.40.
E. (4) $148.82; (6) $44.56; (7) $99.49; (9) $292.87; (15).[1]

A. Charles P. Taft, 1420 First National Bank Building, Cincinnati, Ohio.
B. Legislative Committee of the Committee for a National Trade Policy, 1025 Connecticut Avenue NW., Washington, D. C.
C. (2) Legislation relating to foreign economic policy.
D. (5) $500.

A. Tax Equality Committee of Kentucky, 310 Commerce Building, Louisville, Ky.
C. (2) Advocating revision of section 101, IRC.
D. (6) $442.50.
E. (1) $1,250; (2) $146.25; (4) $15.15; (5) $135; (8) $19.19; (9) $1,565.59; (15).[1]

A. Tax Equality League of Utah, 915 Kearns Building, Salt Lake City, Utah.
C. (2) Repeal of Internal Revenue Code, 101.
E. (5) $1,050; (9) $1,050.

A. Dwight D. Taylor, Jr., room 400, 918 16th Street NW., Washington, D. C.
B. American Airlines, Inc., room 400, 918 16th Street NW., Washington, D. C.
C. (2) Legislation affecting civil aviation.
D. (6) $2,875.
E. (7) $317; (9) $317.

A. Edward D. Taylor, 777 14th Street NW., Washington, D. C.
B. Office Equipment Manufacturers Institute, 777 14th Street NW., Washington, D. C.

A. Jay Taylor, 712 First National Bank Building, Amarillo, Tex.
B. American National Cattlemen's Association, 515 Cooper Building, Denver, Colo.
C. (2) Legislation affecting the cattle industry.

A. Randolph S. Taylor, 1507 M Street NW., Washington, D. C.
B. Burley and Dark Leaf Tobacco Export Association, Inc., 620 South Broadway, Lexington, Ky.
C. (2) All legislation which might affect tobacco growers, dealers, and warehousemen.
D. (6) $2,666.66.
E. (7) $154.06; (8) $10; (9) $164.06.

A. Tyre Taylor, 1112 Dupont Circle Building, Washington, D. C.
B. Southern States Industrial Council, Stahlman Building, Nashville, Tenn.
C. (2) Legislation favorable to the maintenance of a free enterprise system.
D. (5) $3,000.
E. (5) $336.75; (6) $55.96; (9) $392.71; (15).[1]

A. Marjorie L. Temple, Room 200, 1917 I Street NW., Washington, D. C.
B. National Federation of Business and Professional Women's Clubs, Inc., 1790 Broadway, New York, N. Y.
C. (2) Legislation which affect the interests of women in business and the professions. (3) Independent Woman.
D. (6) $25,988.31.
E. (2) $2,116.64; (4) $383.96; (5) $220; (6) $409.41; (7) $1,961.67; (8) $78.38; (9) $5,170.06.

A. Texas Water Conservation Association, 207 West 15th Street, Post Office Box 2084, Capital Station, Austin, Tex.
C. (2) Interest in all legislation concerning the development, conservation, protection, and utilization of Texas' land and water resources through existing State and State and Federal agencies. (3) Texas Water.
D. (6) $3,318.75.
E. (1) $474; (2) $1,902.60; (4) $1,072.46; (5) $316.05; (6) $266.94; (7) $606.52; (8) $1,678.25; (9) $6,316.82; (15).[1]

A. Chester C. Thompson, 1319 F Street NW., Washington, D. C.
B. The American Waterways Operators, Inc., 1319 F Street NW., Washington, D. C.
C. (2) All matters affecting barge and towing vessel industry and water transportation.
D. (6) $6,500.
E. (7) $274.85; (9) $274.85.

A. Eugene M. Thore, Life Insurance Association of America, 1000 Vermont Avenue, Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
C. (2) Legislation which might affect the welfare of policyholders and annuitants.
D. (6) $2,640.
E. (7) $21.41; (9) $21.41.

A. G. D. Tilghman, 1604 K Street NW., Washington, D. C.
B. Disabled Emergency Officers of the World Wars, 1604 K Street NW., Washington, D. C.
C. (2) General legislation pertaining to the pay of military personnel.
D. (6) $2,750.
E. (7) $48.50; (9) $48.50.

A. E. W. Tinker, 122 East 42d Street, New York, N. Y.
B. American Paper & Pulp Association, 122 East 42d Street, New York, N. Y. Unincorporated Trade Association.
C. (2) Legislative interests are those of employers.
D. (5) $500.
E. (6) $150; (7) $200; (9) $350.

A. William H. Tinney, 211 Southern Building, 15th and H Streets NW., Washington, D. C.
B. The Pennsylvania Railroad Co., 1740 Suburban Station Building, Philadelphia, Pa.
C. (2) Legislation affecting the Pennsylvania Railroad Co.

A. S. G. Tipton, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
C. (2) General legislative interests for the proper advancement of the airline industry in the public interests.
D. (6) $1,742.19.
E. (7) $33.75; (9) $33.75.

A. H. Willis Tobler, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk. (3) News for Dairy Co-ops, the Alert, Legislative Letter. D and E.[1]

A. John H. Todd, 1085 Shrine Building, Memphis, Tenn.
B. National Cotton Compress and Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.
C. (2) Legislation affecting the cotton compress and cotton warehouse industry.
D. (6) $166.67.

A. Wallace Townsend, 306 Commercial National Bank Building, Little Rock, Ark.
B. Southwestern Gas & Electric Co., Shreveport, La.
C. (2) Appropriation for the Southwestern Power Administration.
D. (6) $2,600.

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[1] Not printed. Filed with Clerk and Secretary.

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A. Matt Trigge, 261 Constitution Avenue NW., Washington, D. C.
B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.
C. (2) Repeal of resale price maintenance; immigration legislation; Mexican farm labor importation; transportation legislation; labor management legislation; Farm Labor Standards Act; watershed protection legislation; reclamation legislation; private use of Federal grazing land; St. Lawrence Seaway; ICC decision on prohibition of trip leasing; Department of Agriculture reorganization; fair trade.
D. (6) $1,943.76.
E. (7) $91.35; (9) $91.35.

A. Triple E Development Co., Dade City, Fla.
C. (2) Legislation furthering the interests of citrus growers.
E. (4) $19.38; (6) $7.92; (7) $75.89; (8) $0.38; (9) $103.57.

A. Harold J. Turner, Henry Building, Portland, Oreg.
B. Spokane, Portland & Seattle Railway Co., Southern Pacific Co., and Union Pacific Railroad Co., Henry Building, Portland, Oreg.
C. (2) All bills which directly affect railroads of Oregon.
D. and E.[1]

A. Unemployed Service Association, 623 Third Street NW., Washington, D. C.
C. (2) Legislation for unemployed people.

A. United Cerebral Palsy Associations, Inc., 369 Lexington Avenue, New York, N. Y.
C. (2) Appropriations for public health.
E. (1) $2,333.36; (7) $292.47; (9) $2,625.83.

A. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
C.[1]
D. (6) $8,201.88.
E. (1) $3,037.81; (4) $1,367.95; (9) $4,405.76; (15).[1]

A. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
C. and D.[1]
E. (2) $4,713.41; (4) $5,723.62; (5) $696.41; (6) $405.61; (7) $7,149.34; (8) $728.01; (9) $19,416.40; (15).[1]

A. Arvin E. Upton, 1826 Jefferson Place NW., Washington, D. C.
B. St. Regis Paper Co., 230 Park Avenue, New York, N. Y.
C. (2) Legislation to authorize the Secretary of Defense, on behalf of the United States, to execute and deliver a deed to St. Regis Paper Co., conveying to said company certain rights in real property located in Jefferson County, N. Y., erroneously conveyed to the United States by said paper company in a deed dated October 6, 1941, as a part of the lands acquired by the Government for Pine Camp Military Reservation, now known as Camp Drum.
E. (6) $5.05; (8) $2.60; (9) $7.65.

A. Vitrified China Association, Inc., 517 Wyatt Building, Washington, D. C.

A. H. Jerry Voorhis.
B. The Cooperative League of the United States of America Association, Inc., 343 South Dearborn Street, Chicago, Ill.
C. (2) All legislation affecting the health, welfare, and safety of the American people.

A. Vulcan Detinning Co., Sewaren, N. J.

A. B. H. Wallis, 1627 Cadillac Tower, Detroit, Mich.
B. Foreman's Association of America, 1627 Cadillac Tower, Detroit, Mich.
C. (2) Proposed revision of Labor-Management Relations Act of 1947.
D. (6) $318.04.
E. (2) $168.62; (7) $149.42; (9) $318.04.

A. Stephen M. Walter, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2) All legislation that might affect member companies as going electric utilities.[1]
D. (6) $5,974.98.
E. (7) $561.46; (8) $59.70; (9) $621.16.

A. Thomas G. Walters, 100 Indiana Avenue NW., Washington, D. C.
B. Government Employees' Council, 100 Indiana Avenue NW., Washington, D. C.
C. (2) Duties are to represent the member unions and the Government Employees Council on matters affecting them before the Congress.
D. (6) $2,625.

A. Quaife M. Ward, 1625 I Street NW., Washington, D. C.
B. American Retail Federation, 1625 I Street NW., Washington, D. C.
C. (2) Legislative proposals affecting the retail industry.[1]
D. (6) $1,000.

A. Milo J. Warner, 904 Nicholas Building, Toledo, Ohio.
B. The Prudential Insurance Co. of America, Newark, N. J.
C. (2) Legislation which may affect the interests of the mutual policyholders of the Prudential Insurance Co. of America.
D. (6) $4,000.
E. (7) $417.86; (9) $417.86.

A. Washington Board of Trade, 1616 K Street NW., Washington, D. C.
C. (2) Legislation affecting the District of Columbia of interest to the Washington Board of Trade.

A. Washington Home Rule Committee, Inc., 1717 Connecticut Avenue NW., Washington, D. C.
C. (2) S. 2413, a bill to provide local self-government for the District of Columbia.
D. (6) $3,446.
E. (2) $1,703.04; (4) $774.05; (5) $927.76; (6) $177.77; (8) $617.46; (9) $4,200.08; (15).[1]

A. Washington Real Estate Board, Inc., 312 Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
C. (2) All local measures affecting the District of Columbia are of interest.
E. (3) $500; (9) $500.

A. Vincent T. Wasilewski, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.
C. (2) Registrant is interested in any legislation—local, State, Federal, or international—which affects the broadcasting industry.

A. J. R. Watson, I. C. R. R. Passenger Station, Jackson, Miss.
B. Mississippi Railroad Association, Jackson, Miss.
C. Legislation affecting railroads in Mississippi.

A. Newton Patrick Weathersby, 1029 Vermont Avenue NW., Washington, D. C.
B. District Lodge No. 44, International Association of Machinists, 1029 Vermont Avenue NW., Washington, D. C.
C. (2) Legislation affecting working conditions of Government employees, and incidentally organized labor in general.
D. (6) $2,250.
E. (7) $25; (9) $25.

A. William H. Webb, 1720 M Street NW., Washington, D. C.
B. National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C.
C. (2) All matters pertaining to river and harbor improvement, flood control, navigation, irrigation, reclamation, soil and water conservation, and related subjects.
D. (6) $4,431.38.
E. (4) $380.40; (5) $5; (7) $25.50; (8) $157.65; (9) $568.55.

A. E. E. Webster, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
C. (2) All bills affecting railroad employees and labor in general.
D. (6) $1,514.13.

A. Wayne M. Welshaar, 1115 17th Street NW., Washington, D. C.
B. Aeronautical Training Society, 1115 17th Street NW., Washington, D. C.
C. (2) Registrant supports in principle, increased use of civil aviation know-how by the Armed Services through increased use of the contract method.

A. Don Welch, Post Office Box 231, Madill, Okla.
B. The seven railroads named in original declaration.
C. (2) The interests of the railroad industry generally.
D. (6) $1,266.54.
E. (7) $568.40; (9) $568.40.

A. John A. Wells, and/or Dwight, Royall, Harris, Koegel, and Caskey, 1000 Vermont Avenue NW., Washington, D. C.
B. New York State Temporary Commission to Study Federally Aided Welfare Programs, care of Nicholas Kelley, chairman, 70 Broadway, New York, N. Y.
D. (6) $6,566.65.
E. (2) $15; (6) $8.87; (7) $41.45; (9) $65.32.

A. Richard H. Wels, 551 Fifth Avenue, New York, N. Y.
B. Bowling Proprietors Association of America, Inc., 185 North Wabash Avenue, Chicago, Ill.
C. (2) All legislation affecting in any way the bowling industry.
D. (6) $112.29.
E. (6) $32.39; (7) $75; (9) $107.39.

A. William E. Welsh, 1119 National Press Building, Washington, D. C.
B. National Reclamation Association, 1119 National Press Building, Washington, D. C.
C. (2) Reclamation Act, 1902, and all amendatory and supplementary acts thereto; all other statutes relating to water and land conservation measures.
D. (6) $3,249.99.
E. (7) $444.87; (8) $73.60; (9) $518.47.

A. Wenchel, Schulman and Manning, 1625 K Street NW., Washington, D. C.
B. Estate of Mary Clark deBrabant and Katherine C. Williams, 120 Broadway, New York, N. Y.
C. (2) Legislative interests relative to a possible revision of section 7 of the Technical Changes Act of 1949 (63 Stat. 895).

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[1] Not printed. Filed with Clerk and Secretary.

[1] Not printed. Filed with Clerk and Secretary.

A. Charles F. West, Machinists Building, Washington, D. C.
B. International Association of Machinists, Machinists Building, Washington, D. C.
C. (2) All legislation affecting the social-economic and political interests of the American working man, including all pending legislation dealing with social security, national health, aid to physically handicapped, labor relations, displaced persons, etc.
D. (6) $500.

A. Western Cotton Growers Association of California, 2201 F Street, Bakersfield, Calif.
C. (2) Securing equitable cotton acreage allotment for California.
E. (2) $1,333.32; (6) $497.84; (7) $2,023.35; (8) $63; (9) $3,918.21.

A. George Y. Wheeler 2d, 1625 K Street NW., Washington, D. C.
B. National Broadcasting Co., Inc., 1625 K Street NW., Washington, D. C.
C. (2) Legislation affecting National Broadcasting Co., Inc., and/or its affiliated companies.
E. (9) $11.50.

A. Wheeler and Wheeler, 704 Southern Building, Washington, D. C.
B. Missouri Pacific Railroad Co., 25 Broad Street, New York, N. Y.
C. (2) The firm of Wheeler and Wheeler will act as legislative counsel for the above-named organization on any legislation affecting it.
E. (6) $20; (7) $40; (8) $15; (9) $75.

A. John C. White, 838 Transportation Building, Washington, D. C.
B. American Cotton Shippers Association, Cotton Exchange Building, Memphis, Tenn.
C. (2) Legislation affecting cotton and foreign trade.

A. Richard P. White, 635 Southern Building, Washington, D. C.
B. American Association of Nurserymen, Inc., 635 Southern Building, Washington, D. C.
C. (2) Any legislation affecting the nursery industry directly.
D. (6) $3,124.98.
E. (2) $31.25; (4) $27.78; (5) $14.46; (6) $3.73; (7) $7.52; (9) $84.74.

A. H. Leigh Whitelaw, 60 East 42d Street, New York, N. Y.
B. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.
C. (2) Any and all legislation particularly affecting the interests of manufacturers of gas appliances and equipment.

A. Louis E. Whyte, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
C. (2) Any legislation pertaining to natural gas.
D. (6) $750.

A. Claude C. Wild, Jr., 1625 K Street NW., Washington, D. C.
B. Mid-Continent Oil and Gas Association, 300 Tulsa Building, Tulsa, Okla.
C. (2) All legislative matters before the Congress that affect the oil and gas industries.
D. (6) $1,000.
E. (6) $25; (7) $25; (9) $50.

A. Wilkinson, Boyden, Cragun and Barker, 744 Jackson Place NW., Washington, D. C.
B. Arapahoe Indian Tribe, Wind River Reservation, Fort Washakie, Wyo.
C. (2) The employer is interested in all legislation affecting Indians or Indian tribes.

A. Franz O. Willenbucher, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
C. (2) Any and all legislation pertinent to the rights, benefits, privileges, and obligations of retired officers.[1] (3) The Retired Officer.
D. (6) $1,800.

A. Williams, Myers & Quiggle, 817 Munsey Building, Washington, D. C.
B. National Food Brokers Association, 527 Munsey Building, Washington, D. C.
C. (2) Opposition to legislation tending to destroy the effectiveness of the antitrust laws to the detriment of free competition.

A. C. J. S. Williamson, 421 Shoreham Building, Washington, D. C.
B. California State Chamber of Commerce, 350 Bush Street, San Francisco, Calif.
C. (2) My duties are to keep my head office advised regarding general major legislation and specific bills or regulations of interest to California economy.
D. (5) $2,952.
E. (2) $2,325; (7) $627.

A. Hugh S. Williamson, 1621 K Street NW., Washington, D. C.
B. Association of American Ship Owners, 90 Broad Street, New York, N. Y.
C. (2) Legislation with respect to maritime matters including river and harbor improvements (Columbia River and Redwood City Harbor), maritime training and biennial vessel inspection.

A. John C. Williamson, 1737 K Street NW., Washington, D. C.
B. Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.
C. (2) Any legislation affecting the real-estate industry.
D. (6) $3,550.
E. (6) $2.52; (7) $475.10; (9) $477.62; (15).[1]

A. Kenneth Williamson, Mills Building, 17th and Pennsylvania Avenue NW., Washington, D. C.
B. American Hospital Association, 18 East Division Street, Chicago, Ill.
D. (6) $1,712.58.
E. (9) $119.99.

A. James L. Wilmeth, 3027 North Broad Street, Philadelphia, Pa.
B. The National Council of the Junior Order of United American Mechanics of the United States of North America, Inc.
C. (2) H. R. 8193, H. R. 8363, H. R. 8499, H. R. 8491; S. 3191; House Joint Resolution 479. (3) Junior American.
D. (6) $72.50.
E. (4) $37.50; (7) $35; (9) $72.50.

A. E. Raymond Wilson, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
C. (2).[1]
D. (6) $1,875.
E. (6) $14.95; (7) $109.60; (9) $124.55.

A. Frank E. Wilson, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
C. (2) All bills relating to health and welfare.
D. (6) $900.
E. (7) $298.10; (9) $298.10.

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[1] Not printed. Filed with Clerk and Secretary.

A. Everett T. Winter, 1978 Railway Exchange Building, St. Louis, Mo.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
C. (2) Legislation relating to river and harbor maintenance and improvement; the American Merchant Marine; soil conservation; flood control; regulation of domestic transportation.
D. (6) $3,750.
E. (9) $482.32.

A. Theodore Wiprud, 1718 M Street NW., Washington, D. C.
B. The Medical Society of the District of Columbia, 1718 M Street NW., Washington, D. C.
C. (2) Society is interested in legislation pertaining to the practice of medicine and all related services and that affecting the public health, including extension of social security into the field of the practice of medicine. (3) Medical Annals of the District of Columbia.

A. Walter F. Woodul, Chronicle Building, Houston, Tex.
B. Angelina and Neches River Railroad Co., Keltys, Tex., et al.[1]
C. (2) Generally legislation affecting Texas railroads.
D. (6) $6,564.13.
E. (6) $99.63; (7) $1,420.20; (9) $11,519.83.

A. Walter F. Woodul, Chronicle Building, Houston, Tex.
B. Humble Oil and Refining Co., Houston, Tex.
C. (2) Legislation that may affect the oil and gas industry.
D. (6) $506.19.
E. (6) $49.81; (7) $710.81; (9) $795.91; (15).[1]

A. Frank K. Woolley, 261 Constitution Avenue NW., Washington, D. C.
B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.
C. (2).[1]
D. (6) $2,282.01.
E. (7) $101.04; (9) $101.04.

A. Edward W. Wootton, 900 National Press Building, Washington, D. C.
B. Wine Institute, 717 Market Street, San Francisco, Calif.
C. (2) Legislation affecting California wine and brandy industry.

A. Donald A. Young, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.
C. (2).[1]
D. (6) $1,750.
E. (6) $8.50; (7) $9.35; (9) $17.85.

A. J. Banks Young, 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.
C. (2) The National Cotton Council of America favors such action on any legislation affecting the raw cotton industry as will promote the purposes for which the council is organized.
D. (6) $1,080.

A. O. David Zimring, 11 South La Salle Street, Chicago, Ill., and 1001 Connecticut Avenue NW., Washington, D. C.
E. (2) $1,108.26; (7) $71.70; (8) $16.38; (9) $1,196.33; (15).[1]

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[1] Not printed. Filed with Clerk and Secretary.

REGISTRATIONS

The following registrations were submitted for the first calendar quarter 1954:

(NOTE.—The form used for registration is reproduced below. In the interest of economy, questions are not repeated, only the answers are printed, and are indicated by their respective letter and number. Also for economy in the RECORD, lengthy answers are abridged.)

FILE TWO COPIES WITH THE SECRETARY OF THE SENATE AND FILE THREE COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19------ ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

	QUARTER			
P	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:
1. State name, address, and nature of business.

2. If this Report is for an Employer, list names or agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302 (e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) Description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report. ←

AFFIDAVIT

[Omitted in printing]

PAGE 1 ←

A. Claris Adams, 1000 Vermont Avenue, Washington, D. C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
C. (2) All existing and prospective legislation which may affect the life insurance business.

A. American Veterans Committee, Inc., 1751 New Hampshire Avenue NW., Washington, D. C.
C. (2) Legislation affecting the general welfare, especially in the fields of international affairs, civil rights and liberties, and veterans' benefits. (4) $3,500 per year might be so allocated.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D. C.
B. Federal Republic of West Germany.
C. (2) Matters of general interest to Federal Republic of West Germany and its residents.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D. C.
B. Nicolas Reisini, 11 West 42d Street, New York, N. Y.
C. (2) S. 2518.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D. C.
B. Office of the Commissioner of Organized Baseball and the National Association of Professional Baseball.
C. (2) General legislation and taxation affecting organized baseball.

A. Association of Independent Food Dealers of America, 521 North Third Street, Minneapolis, Minn.
C. (2) Relief against brokerage monopoly.

A. Richard B. Barker and Robert J. Bird, 306 Southern Building, Washington, D. C.
B. Remington Rand, Inc., 305 Fourth Avenue, New York, N. Y.
C. (2) Revenue revision bill.

A. Joel Barlow, 701 Union Trust Building, Washington, D. C.
B. The Hudson Bay Mining and Smelting Co., Ltd., 500 Royal Bank Building, Winnipeg, Manitoba, et al.[1]
C. (2) Revenue revision.

A. Joel Barlow, 701 Union Trust Building, Washington, D. C.
B. International Nickel Co. of Canada, Ltd., 25 King Street West, Toronto, Ontario, Canada.
C. (2) Revenue revision.

A. Joel Barlow, 701 Union Trust Building, Washington, D. C.
B. Hiram Walker, Gooderham & Worts, Ltd., Walkerville, Ontario, Canada, et al.[1]
C. (2) Revenue revision.

A. J. Raymond Berry, 85 John Street, New York, N. Y.
B. The National Board of Fire Underwriters, 85 John Street, New York, N. Y.
C. (2) Bills affecting stock fire insurance business. (4) $100 per diem and expenses for time spent.

A. Robert J. Bird, 306 Southern Building, Washington, D. C.
B. Machinery Dealers National Association, 1346 Connecticut Avenue NW., Washington, D. C.
C. (2) H. R. 8300. (4) Retainer fee $1,000.

A. Henry Bison, Jr., 917 15th Street NW., Washington, D. C.
B. National Association of Retail Grocers, 360 North Michigan Avenue, Chicago, Ill.
C. (2) Legislation affecting client. (4) $150 per month.

A. Benjamin E. Bowden, 10 Independence Avenue SW., Washington, D. C.
B. American Train Dispatchers Association, 10 East Huron Street, Chicago, Ill.
C. (2) All legislation concerning railway employees.

A. David F. Brinegar, 510 Goodrich Building, Phoenix, Ariz.
B. Central Arizona Project Association, 510 Goodrich Building, Phoenix, Ariz.
C. (2) Central Arizona project and other water interests as they arise. (4) Actual expenses incurred on association business.

A. C. R. Brown, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
C. (2) All bills affecting railway labor and labor in general.

A. Carl Brown, 1627 Cadillac Tower, Detroit, Mich.
B. Foreman's Association of America, 1627 Cadillac Tower Building, Detroit, Mich.
C. (2) Amendment of Taft-Hartley Act. (4) Expenses actually incurred and reimbursement of time lost from work.

A. James Caldwell, Neopit, Wis.
B. Menominee Tribe of Indians, Menominee Indian Agency, Keshona, Wis.
C. (2) All legislation relating to Indian tribes. (4) $16 per day and $9 per diem.

A. Mark Catlin, Jr., Box 391, Appleton, Wis.
B. American Pyrotechnics Association, West Hanover, Mass.
C. (2) Legislation affecting the fireworks industry. (4) $100 per day and expenses.

A. Central Electric & Gas Co., 144 South 12th Street, Lincoln, Nebr.
C. (2) Proposing an amendment to the Securities Act of 1933 to increase the exemption for small issues of securities.

A. Omer W. Clark, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, 1423 East McMillan Street, Cincinnati, Ohio.
C. (2) All legislation affecting war veterans, their dependents, and survivors of deceased veterans. (3) DAV semimonthly.

A. Coal Producers' Committee on Underground Gas Storage Safety, care of W. G. Stevenson, Grant Building, Pittsburgh, Pa.
C. (2) Legislation pertaining to underground gas storage safety.

A. Clay L. Cochran, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
C. (2) All legislation affecting the rural electrification program.[1] (3) Rural Electrification Magazine.

A. Committee for Defense of the Constitution by Preserving the Treaty Power, 527 Lexington Avenue, New York, N. Y.
C. (2) Opposing S. J. Res. 1 and similar legislation. (4) Expenses approximately $1,000 per week.

A. Committee on Laws, National Board of Fire Underwriters, 85 John Street, New York, N. Y.
C. (2) Legislation affecting the stock fire insurance business.

A. Cooke & Beneman, 1632 K Street NW., Washington, D. C.
B. The J. R. Watkins Co., Winona, Minn.
C. (2) Proposed Revenue Code of 1954 (H. R. 8300).

A. J. Milton Cooper, 505 Washington Building, Washington, D. C.
B. National Association of Amusement Parks, Pools, and Beaches, 203 North Wabash Avenue, Chicago, Ill.
C. (2) H. R. 8224.

A. J. Milton Cooper, 505 Washington Building, Washington, D. C.
B. Sullivan, Bernard, Shea & Kenney, Ring Building, Washington, D. C.
C. (2) H. R. 8300. (4) Retainer fee of $2,500.

A. Charles L. Cowl, 1001 Connecticut Avenue NW., Washington, D. C.
B. United Steelworkers of America, 1600 Commonwealth Building, Pittsburgh, Pa.
C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare and oppose all legislation detrimental to these objectives.

A. Charles W. Davis, 1 North LaSalle Street, Chicago, Ill.
B. Clearing Industrial District, Inc., 38 South Dearborn Street, Chicago, Ill.
C. (2) Provisions of 1954 revenue revision bill relating to taxation of gains and losses upon sale of real property by dealers.

A. Charles W. Davis, 1 North LaSalle Street, Chicago, Ill.
B. John Stuart, 345 Merchandise Mart, Chicago, Ill.
C. (2) Provisions of 1954 revenue revision bill relating to corporate distributions and adjustments, including corporate liquidations. (4) $200 per day plus travel expenses.

A. Clarence E. Dawson, 821 15th Street NW., Washington, D. C.
B. Western Union Telegraph Co., 60 Hudson Street, New York, N. Y.
C. (2) Proposed Federal tax legislation affecting the interests of the Western Union Telegraph Co.

A. Donald S. Dawson, 731 Washington Building, Washington, D. C.
B. Motor Carriers Leasing Conference, 4195 Central Avenue, Detroit, Mich.
C. (2) H. R. 3203 (trip leasing), for passage. (4) $208.33 monthly and nominal expenses.

A. Ralph B. Dewey, 1625 K Street NW., Washington, D. C.
B. Pacific American Steamship Association, 16 California Street, San Francisco, Calif.
C. (2) Maritime matters. (4) Office and clerical, $6,000; salary, $9,000; entertainment, $1,000.

A. Gordon Dickie, Keshena, Wis.
B. Menominee Tribe of Indians, Menominee Indian Agency, Keshena, Wis.
C. (2) All legislation relating to Indian tribes. (4) $16 per day and $9 per diem.

A. Wesley E. Disney, World Center Building, Washington, D. C.
B. National Building Granite Quarries Association, 1028 Connecticut Avenue, Washington, D. C.
C. (2) Specific legislation is for percentage depletion in H. R. 8300, relating to granite and other minerals.

A. Robert G. Dunphy, 1757 K Street NW., Washington, D. C.
B. National Society of Public Accountants, 1757 K Street NW., Washington, D. C.

[1] Not printed. Filed with Clerk and Secretary.

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C. (2) All legislation affecting public accountants. (4) $583 per month and out-of-pocket expenses.

A. W. L. Dutton, 2651 16th Street NW., Washington, D. C.
B. Organization of Professional Employees of the United States Department of Agriculture, post-office box 381, Washington, D. C.
C. (2).[1] (4) $110 per month.

A. Stephen Fitzgerald & Co., 502 Park Avenue, New York, N. Y.
B. Creole Petroleum Corp., 350 Fifth Avenue, New York, N. Y.
C. (2) Legislation which would impose import quotas or higher tariffs on shipments of Venezuelan oil in the United States. (4).[1]

A. Florida Citrus Mutual, Lakeland, Fla.
C. (2) For favorable citrus legislation and against unfavorable. (4) $833.33 per month and expenses.

A. Charles N. Ford, 910 17th Street NW., Washington, D. C.
B. Beauty and Barber Supply Institute, Inc., 19 West 44th Street, New York, N. Y.
C. (2) Interested in securing repeal of excise taxes on toilet preparations. (4) $3,600 per annum.

A. Allie M. Frechette, Neopit, Wis.
B. Menominee Tribe of Indians, Menominee Indian Agency, Keshena, Wis.
C. (2) All legislation relating to Indian tribes. (4) $16 per day and $9 per diem.

A. Stanley Gewirtz, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
C. (2) Legislation affecting welfare of airlines and air transport industry. (4) Expenses only.

A. Walter A. Giblin, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
C. (2) H. R. 356, H. R. 7840.

A. James J. Gormley, 260 St. John Avenue, Staten Island, N. Y.
B. Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, A. F. L., 1214 Griswold Street, Detroit, Mich.
C. (2) Interests include laws, proposed laws, and proposed amendments to laws affecting the interests of the members of the Amalgamated throughout the United States.

A. S. H. Grauten, 3743 Upton Street NW., Washington, D. C.
C. (2) For H. R. 19 to amend Public Law 319, 78th Congress.

A. Price H. Green, Hotel Olds, Lansing, Mich.
B. Brotherhood of Locomotive Firemen and Enginemen, 318 Keith Building, Cleveland, Ohio.
C. (2) All legislation affecting organized labor generally and railroad labor unions in particular.

A. I. J. Gromfine, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C.
C. (2) Legislative interests include laws, proposed laws, and proposed amendments to laws affecting the interests of members of labor organizations affiliated with AFL and independent railroad labor organizations.

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[1] Not printed. Filed with Clerk and Secretary.

A. Eleanor M. Hadley, 1825 Jefferson Place NW., Washington, D. C.
B. American Association of Social Workers, 1 Park Avenue, New York, N. Y.
C. (2) Welfare field. (4) $7,000.

A. Charles D. Hamel, Lee I. Park, and Fuller Holloway, 1000 Shoreham Building, Washington, D. C.
B. New York Water Service Corp., 132 West 43d Street, New York, N. Y.
C. (2) Current revision of the Internal Revenue Code.

A. James Hatfield, 1627 Cadillac Tower, Detroit, Mich.
B. Foremen's Association of America, 1627 Cadillac Tower Building, Detroit, Mich.
C. (2) Amendment of Taft-Hartley Act, specifically to secure protection of foremen through S. 2650.

A. Frank Hawthorne, 1627 Cadillac Tower, Detroit, Mich.
B. Foreman's Association of America, 1627 Cadillac Tower Building, Detroit, Mich.
C. (2) Amendment of Taft-Hartley Act, specifically to secure protection of foremen through S. 2650.

A. Edward B. Hayes, Room 2500, 135 South La Salle Street, Chicago, Ill.
B. A. L. Mechling Barge Lines, Inc., 51 North Des Plaines Street, Joliet, Ill.
C. (2) All legislative activities relating to or affecting the transportation of commodities by water.

A. Patrick B. Healy, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk. (4) $8,500 and expenses.

A. C. B. Heinemann, Jr., 740 11th Street NW., Washington, D. C.
B. Omaha Live Stock Exchange and Omaha Live Stock Traders Exchange, Exchange Building, Omaha Stockyards, Omaha, Nebr.
C. (2) Matters of interest to livestock and meat industry. (4) $2,100 per year and expenses.

A. John R. Holden, 1710 Rhode Island Avenue NW., Washington, D. C.
B. AMVETS, 1710 Rhode Island Avenue NW., Washington, D. C.
C. (2) Concerned with veterans' legislation, military legislation, general welfare, and Americanism programs. (3) National paper named "National AMVET."

A. Oscar W. Holste, 163 South Banton Street, Palatine, Ill.
B. Brotherhood of Railway Clerks, 1015 Vine Street, Cincinnati, Ohio.
C. (2) Interested in all legislation affecting Railroad Retirement Act.

A. J. G. Hornett, 1627 Cadillac Tower, Detroit, Mich.
B. Foreman's Association of America, 1627 Cadillac Tower Building, Detroit, Mich.
C. (2) Amendment of Taft-Hartley Act, specifically to secure protection of foremen through S. 2650.

A. Mrs. Jency Price Houser, 1420 New York Avenue NW., Washington, D. C.
C. (2) Interested in helping to obtain housing designed for occupancy by single persons. (4) Annually, $1,000, estimated.

A. Raymond E. Hughes, 85 John Street, New York, N. Y.
B. National Board of Fire Underwriters, 85 John Street, New York, N. Y.
C. (2) Bills affecting stock fire insurance business. (4) $25 per diem and expenses.

A. International Union of Electrical, Radio, and Machine Workers, CIO, 734 15th Street NW., Washington, D. C.
C. (2) Any and all legislation affecting the welfare and security of workingmen and women and their families. (4) $5,700 per year.

A. Floyd E. Jacobs, Commerce Building, Kansas City, Mo.
B. T. H. Mastin & Co., 1907 Grand Avenue, Kansas City, Mo.
C. (2) Sections of the 1954 revenue bill affecting taxation of partnerships.

A. James P. Kem, 1625 K Street NW., Washington, D. C.
B. T. H. Mastin & Co., 1907 Grand Avenue, Kansas City, Mo.
C. (2) Sections of the 1954 revenue bill affecting taxation of partnerships.

A. Nathaniel S. Keith, 3212 Macomb Street NW., Washington, D. C.
B. Redevelopment Builders of New York, 110 East 42d Street, New York City, N. Y.
C. (2) In favor of certain redevelopment housing legislation. (4) $10,000 fee.

A. James E. Keys, 1757 K Street NW., Washington, D. C.
B. National Society of Public Accountants, 1757 K Street NW., Washington, D. C.
C. (2) All legislation affecting public accountants. (4) $750 per month and expenses.

A. John A. Killick, 740 11th Street NW., Washington, D. C.
B. The National Independent Meat Packers Association 740, 11th Street NW., Washington, D. C.
C. (2) General interest in legislation affecting meat packing industry. (4) $500 annually.

A. Vance N. Kirby, 122 South Michigan Avenue, Chicago, Ill.
B. The Central Electric & Gas Co., Lincoln, Nebr.
C. (2) Proposing an amendment to the Securities Act of 1933 to increase the exemption for small security issues.

A. Vance N. Kirby, 122 South Michigan Avenue, Chicago, Ill.
B. The Peoples Gas Light & Coke Co., 122 South Michigan Avenue, Chicago, Ill.
C. (2) Proposing an amendment to the Internal Revenue Code to provide for adjusted original cost depreciation for income-tax purposes.

A. Jesse L. Kirk, Klamath Agency, Oreg.
B. Klamath Tribe of Indians, Klamath Agency, Oreg.
C. (2) S. 2745 and H. R. 7320, as well as other bills relating to the Klamath Indian Tribe. (4) $15 per day and $9 per diem.

A. Clarence C. Klocksin, 1420 Mount Vernon Boulevard, Alexandria, Va.
B. The National Board of Fire Underwriters, 85 John Street, New York, N. Y.
C. (2) I will make reports to my employer on the introduction, status, and progress of legislation in the Congress relating to or affecting the business of fire insurance. (4) $5,000 fee.

A. Dan M. Lacy, 2 West 46th Street, New York, N. Y.
B. National Committee for the Universal Copyright Convention, 2 West 46th Street, New York, N. Y.
C. (2) Senate ratification of the Universal Copyright Convention and passage of H. R. 6670 and S. 2559.

A. J. Austin Latimer, 1420 New York Avenue NW., Washington, D. C.
B. National Association of Postmasters of the United States, 1111 17th Street NW., Washington, D. C.
C. (2) Legislation affecting postmasters. (3) Postmaster Gazette. (4) $500 per month for duration of Congress, thereafter $200 per month; overall limit $3,500.

A. Mont Lock, 1627 Cadillac Tower, Detroit, Mich.
B. Foremen's Association of America, 1627 Cadillac Tower Building, Detroit, Mich.
C. (2) Amendment of Taft-Hartley Act, specifically to secure protection of foremen through S. 2650. (4) $250 total.

A. Lucas and Thomas. 1025 Connecticut Avenue NW., Washington, D. C.
B. Revere Copper and Brass, Inc., 230 Park Avenue, New York, N. Y.
C. (2) Interested in enactment of legislation providing for continuation of the suspension of certain import taxes on copper. (4) $3,000 per year.

A. John J. Lyons, 3133 Connecticut Avenue NW., Washington, D. C.
B. Patent Equity Association, Inc., 5 Tudor Place, New York City, N. Y.
C. (2) In the interest of passage of H. R. 3534 and S. 2154. (4) $500 per month.

A. Edwin McElwain, 701 Union Trust Building, Washington, D. C.
B. National Machine Tool Builders' Association, 10525 Carnegie Avenue, Cleveland, Ohio.
C. (2) Any legislation affecting machine-tool industry.

A. Joseph A. McElwain, 500 Main Street, Deer Lodge, Mont.
B. Montana Power Co., Butte, Mont.
C. (2) All legislation affecting Montana Power Co. (4) $6,000.

A. Geneva F. McQuatters, 1917 I Street NW., Washington, D. C.
B. National Federation of Business and Professional Women's Clubs, Inc., 1819 Broadway, New York, N. Y.
C. (2) Passage of the Equal Rights Amendment. (4) $25 per day expenses.

A. William P. MacCracken, Jr., 1152 National Press Building, Washington, D. C.
B. Frankel Bros., 521 Fifth Avenue, New York, N. Y.
C. (2) H. R. 8300.

A. James B. Madaris, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
C. (2) H. R. 7840 and S. 2930.

A. Edwin G. Martin, 717 National Press Building, Washington, D. C.
B. Norton Co., Worcester, Mass.
C. (2) Tariff status of crude silicon carbide.

A. Merchants National Bank and Trust Co. of Syracuse, 216 South Warren Street, Syracuse, N. Y.
C. (2) Discontinuance of the Postal Savings System by H. R. 6939; refund of earnings to member banks of the Federal Reserve System based on the maintenance of reserve requirement of the Federal Reserve System. (4) Approximately $500.

A. Paul I. Miller, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
C. (2) United Nations Charter revision, civil liberties, and international trade. (3) Washington Newsletter. (4) $100 per quarter expenses and $333.33 per month compensation.

A. John Minadeo, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
C. (2) H. R. 7840 and S. 2930.

A. Donald Montgomery, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
C. (2) Any and all bills and statutes of interest to the hotel industry.

A. Monument Builders of America, 20 East Jackson Boulevard, Chicago, Ill.
C. (2) H. R. 1302 and S. 622. (4) $2,000.

A. James C. Moore, 1026 17th Street NW., Washington, D. C.
B. National Automobile Dealers Association, 1026 17th Street NW., Washington, D. C.
C. (2) Any legislation affecting retail automobile and truck dealers.

A. Arnold W. Mulhern, 152 West Wisconsin Avenue, Milwaukee, Wis.
B. National Board of Fur Farm Organizations, 152 West Wisconsin Avenue, Milwaukee, Wis.
C. (2) Legislation pertaining to fur farming. (4) $600 per year.

A. Joseph Murphy, 125 Tuscarora Road, Buffalo, N. Y.
B. Foreman's Association of America, 1627 Cadillac Tower Building, Detroit, Mich.
C. (2) Amendment of Taft-Hartley Act, specifically to secure protection of foremen through S. 2650. (4) $250 total.

A. Music Publishers' Association of the United States, Inc., 3 East 71st Street, New York, N. Y.
C. (2) Amendment of postal laws and regulations insofar as rates applicable to sheet music are concerned. (4) $5,000 expenses.

A. National Association of Postmasters of the United States, 1111 17th Street NW., Washington, D. C.
C. (2) Support or oppose legislation affecting postmasters. (4) $3,000 annually.

A. National Automobile Dealers Association, 1026 17th Street NW., Washington, D. C.
C. (2) Any legislation affecting retail automobile and truck dealers.

A. National Board of Fur Farm Organizations, 152 West Wisconsin Avenue, Milwaukee, Wis.
C. (2) The above organization is interested in all legislation pertaining to fur farming. (4) $600 per year.

A. National Committee of Shippers and Receivers, 100 West 31st Street, New York, N. Y.
C. (2) Section 402 (c) of the Interstate Commerce Act.

A. National Committee for the Universal Copyright Convention, 2 West 46th Street, New York, N. Y.
C. (2) The interest of the committee is in the Senate ratification of the Universal Copyright Convention and passage of H. R. 6670 and S. 2559.

A. National Conference for Repeal of Taxes on Transportation, c/o Donald G. Ward, Mathieson Building, Baltimore, Md.
C. (2) Legislation which will repeal the existing excise taxes on the transportation of persons and property.

A. National Society of Public Accountants, 1757 K Street NW., Washington, D. C.
C. (2) All legislation affecting public accountants. (4) $400 per year.

A. Alan M. Nedry, 1001 Connecticut Avenue NW., Washington, D. C.
B. Otis H. Ellis, General Counsel, National Oil Jobbers Council, 1001 Connecticut Avenue NW., Washington, D. C.
C. (2) Legislative matters which might affect business interests of independent oil jobbers. (4) $225 per quarter, expenses of $75 per quarter.

A. J. L. Nellis, Colorado Building, Washington, D. C.
B. Midwest Conference on Truck Reciprocity, 908 Colorado Building, Washington, D. C.
C. (2) Legislation affecting reciprocity between States for interstate motor carriers, including the Ayres resolution (H. Res. 407). (4) $800 per month fees and expenses.

A. Nordlinger, Riegelman, Benetar & Charney, 420 Lexington Avenue, New York, N. Y.
B. Webb & Knapp, Inc., New York, N. Y.

A. George L. Norris, 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.
C. (2) Any legislation affecting the real-estate industry. (4) $6,000 per year.

A. M. C. NorthCutt, 110 Highland Avenue, Fort Mitchell, Ky.
B. Brotherhood of Locomotive Firemen and Enginemen, 318 Keith Building, Cleveland, Ohio.
C. (2) All legislative affecting organized labor, and railroad labor in particular. (4) $15 per day salary and $15 per day expenses.

A. F. B. Northrup, 1507 M Street NW., Washington, D. C.
B. National Cigar Leaf Tobacco Association, Inc., 1507 M Street NW., Washington, D. C.
C. (2) All legislation which might affect tobacco growers and dealers. (4) $7,500 per annum salary and actual expenses incident to travel.

A. John A. O'Donnell, 830 Bowen Building, Washington, D. C.
B. Philippine-American War Damage Claimants, Bowen Building, Washington, D. C.
C. (2) Authorizing the payment of additional war damages in the Philippines (H. J. Res. 320).

A. John A. O'Donnell, 830 Bowen Building, Washington, D. C.
B. Philippine Steam Navigation Co., Compania Maritima, Manila, P. I.
C. (2) To provide for the rehabilitation of the interisland commerce of the Republic of the Philippines by authorizing the Department of Commerce to sell certain vessels to citizens of the Philippines (S. J. Res. 72).

A. Graeme O'Geran, 131 Orvilton Drive, Dewitt, N. Y.
B. Merchants National Bank and Trust Co. of Syracuse, 216 South Warren Street, Syracuse, N. Y.
C. (2) Supports the passage of H. R. 6939 which will discontinue the postal-savings system. (4) $500 expenses.

A. Lovell H. Parker, Colorado Building, Washington, D. C.
B. W. A. Sheaffer Pen Co., Fort Madison, Iowa.
C. (2) Tax legislation with respect to excise tax on mechanical pencils and fountain and ballpoint pens.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. Estate of Mary Clark de Brabant and Katherine C. Williams, 120 Broadway, New York City, N. Y.
C. (2) Propose revision of section 7 of the Technical Changes Act of 1949, as amended.

A. Peoples Gas Light and Coke Co., 122 South Michigan Avenue, Chicago, Ill.
C. (2) Proposing an amendment to the Internal Revenue Code to provide for adjusted original cost depreciation for income tax purposes.

A. J. Hardin Peterson, Lakeland, Fla.
B. Florida Citrus Mutual, Lakeland, Fla.
C. (2) For legislation favorable to the citrus industry and against legislation unfavorable to citrus industry. (4) $833.33 per month and expenses not to exceed $1,000.

A. Pierson and Ball, 1007 Ring Building, Washington, D. C.
B. Filipino Shipowners Association, 266 Juan Luna, Manila, P. I.
C. (2) Filipino Shipowners Association opposes passage of Senate Joint Resolution 72. (4) $5,000 retainer.

A. Rufus G. Poole, 1625 K Street NW., Washington, D. C.
B. National Automobile Dealers Association, 1026 17th Street NW., Washington, D. C.
C. (2) Legislation affecting retail automobile and truck dealers.

A. Poole, Shroyer & Denbo, 1625 K Street NW., Washington, D. C.
B. The American Metal Co., Ltd., 61 Broadway, New York, N. Y.
C. (2) Any legislation directly affecting lead or zinc industry.

A. Alexander Purdon, 1701 K Street NW., Washington, D. C.
B. Committee of American Steamship Lines, 1701 K Street NW., Washington, D. C.
C. (2) General activities in connection with the promotion and advancement of the American merchant marine.

A. Lawler B. Reeves, 1329 E Street NW., Washington, D. C.
B. United States Rubber Co., 1230 Avenue of the Americas, New York, N. Y.
C. (2) Legislation affecting interests of employer.

A. Nicolas Reisini, 11 West 42d Street, New York, N. Y.
C. (2) S. 2518.

A. John T. Sapienza, 701 Union Trust Building, Washington, D. C.
B. Fulton Land and Timber Co., 711 Orchard Road, Hagerstown, Md.
C. (2) Current revenue proposals.

A. Andrew E. Rice, 1751 New Hampshire Avenue NW., Washington, D. C.
B. American Veterans Committee, 1751 New Hampshire Avenue NW., Washington, D. C.
C. (2) Legislation affecting the general welfare, especially in the fields of international affairs, civil rights and liberties, and veterans' benefits. (4) $7,200 annually.

A. Charles A. Robinson, Jr., 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.

A. John T. Sapienza, 701 Union Trust Building, Washington, D. C.
B. Lessees of B. V. Hedrick Gravel & Sand Co., Lilesville, N. C.
C. (2) Depletion legislation, and in particular, the depletion provisions of H. R. 8300.

A. John T. Sapienza, 701 Union Trust Building, Washington, D. C.
B. The Hudson Bay Mining & Smelting Co., Ltd., 500 Royal Bank Building, Winnipeg, Manitoba, Canada.
C. (2) Current revenue revision.

A. John T. Sapienza, 701 Union Trust Building, Washington, D. C.
B. International Nickel Co. of Canada, Ltd., 25 King Street West, Toronto 1, Ontario, Canada.
C. (2) Current revenue revision.

A. John T. Sapienza, 701 Union Trust Building, Washington, D. C.
B. Hiram Walker, Gooderham & Worts, Ltd., Walkerville, Ontario, Canada, et al.[1]
C. (2) Current revenue revision.

A. Henry P. Schmidt, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railway & Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
C. (2) Interested in all legislation affecting labor—especially railroad labor.

A. Ed. D. Schorr, 33 North High Street, Columbus, Ohio.
B. The Coal Producers' Committee on Underground Gas Storage Safety, care of W. G. Stevenson, Grant Building, Pittsburgh, Pa.
C. (2) Legislation pertaining to underground gas storage safety.

A. Senator Tobey Fight Cancer Fund, 18 School Street, Concord, N. H.
C. (2) Congressional investigation of obstacles placed in the paths of independent cancer research men and groups in various parts of the country.

A. P. L. Shackelford, 10 Independence Avenue SW., Washington, D. C.
B. Sheet Metal Workers' International Association, Transportation Building, Washington, D. C.
C. (2) H. R. 7840 and S. 2930.

A. C. J. Shelton, 1627 Cadillac Tower, Detroit, Mich.
B. Foremen's Association of America, 1627 Cadillac Tower Building, Detroit, Mich.
C. (2) Amendment of Taft-Hartley Act, specifically to secure protection of foremen through S. 2650. (4) $250.

A. John J. Sheridan, 2929 Connecticut Avenue NW., Washington, D. C.
B. Patent Equity Association, Inc., 5 Tudor City Place, New York, N. Y.
C. (2) H. R. 3534 and S. 2154.

A. Carl K. Smith, 10 Independence Avenue SW., Washington, D. C.
B. International Brotherhood of Electrical Workers, 330 South Wells Street, Chicago, Ill.
C. (2) H. R. 7840 and S. 2930.

A. J. Taylor Soop, 10 Independence Avenue SW., Washington, D. C.
B. International Brotherhood of Electrical Workers, 330 South Wells Street, Chicago, Ill.
C. (2) H. R. 7840 and S. 2930.

A. O. D. Steinback, 2525 East Fifth Street, Charlotte, N. C.
B. Brotherhood of Railway Clerks, 1015 Vine Street, Cincinnati, Ohio.
C. (2) Interested in legislation affecting Railroad Retirement Act, especially H. R. 7840 and S. 2930.

A. Sullivan, Bernard, Shea & Kenney, 804 Ring Building, Washington, D. C.
B. An informal group, now being formed, of companies affected by the proposed revenue revision of 1954; Charles T. McDermott, Jr. 34 Mechanic Street, Worcester, Mass., is acting as chairman.
C. (2) Proposed 1954 revisions of the Internal Revenue Code. (4).[1]

A. Noble J. Swearingen, 1790 Broadway, New York, N. Y.
B. National Tuberculosis Association, 1790 Broadway, New York, N. Y.
C. (2) General legislative interest in legislation affecting public health and tuberculosis in particular. (4) $3,633 annually and travel expenses.

A. Jay Taylor, 712 First National Bank Building, Amarillo, Tex.
B. American National Cattlemen's Association, 515 Cooper Building, Denver, Colo.
C. (2) Legislation affecting cattle industry. (3) American Cattle Producer and Cow Business.

A. H. Willis Tobler, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk. (4) $9,500 per annum and actual expenses.

A. Richard F. Uhlmann, 1480 Board of Trade Building, Chicago, Ill.
C. (2) Interested in revision of tax law.

A. United States Rubber Co., 1230 Avenue of the Americas, New York, N. Y.
C. (2) Legislation dealing with labor matters, tariffs, internal revenue taxation, etc.

A. Arvin E. Upton, 1826 Jefferson Place NW., Washington, D. C.
B. St. Regis Paper Co., 230 Park Avenue, New York, N. Y.
C. (2).[1] (4).[1]

A. Weston Vernon, Jr., 15 Broad Street, New York, N. Y.
B. Western Union Telegraph Co., 60 Hudson Street, New York, N. Y.
C. (2) Proposed Federal tax legislation affecting the interests of the Western Union Telegraph Co.

A. R. C. Vinson, Dupont Circle Building, Washington, D. C.
B. Machinery Dealers National Association, Dupont Circle Building, Washington, D. C.
C. (2) Interested in the provisions of H. R. 8300 insofar as they affect depreciation on machine tools.

A. B. H. Wallis, 1627 Cadillac Tower, Detroit, Mich.
B. Foreman's Association of America, 1627 Cadillac Tower Building, Detroit, Mich.
C. (2) Amendment of Taft-Hartley Act, specifically to secure protection of foremen through S. 2650. (4) $250 expenses.

A. Waterways Council Opposed to Regulation Extension, care of David Wright, 21 West Street, New York, N. Y.
C. (2) S. 3111 and legislation related to regulation of bulk carriers.

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A. E. E. Webster, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
C. (2) All bills affecting railroad employees and labor in general.

A. Monroe Weso, Keshena, Wis.
B. Menominee Tribe of Indians, Menominee Indian Agency, Keshena, Wis.
C. (2) Legislation relating to Indian tribes. (4) $16 per day and $9 per diem.

A. Elizabeth Wickenden, 544 East 86th Street, New York, N. Y.
B. American Association of Social Workers, One Park Avenue, New York, N. Y.
C. (2) Social security and related welfare legislation. $50 per day for time spent.

A. Claude C. Wild, Jr., 1625 K Street NW., Washington, D. C.
B. Mid-Continent Oil & Gas Association.
C. (2) Legislative matters before the Congress that affect the oil and gas industries.

A. A. E. Wilkinson, 1511 K Street NW., Washington, D. C.
B. Anaconda Copper Mining Co., 616 Hennessy Building, Butte, Mont.
C. (2) In favor of legislation to suspend excise import tax on imported copper. (4) $1,000 per month.

A. Hugh S. Williamson, 1621 K Street NW., Washington, D. C.
B. Association of American Ship Owners, 90 Broad Street, New York, N. Y.

A. James M. Williamson, 1000 Shoreham Building, Washington, D. C.
B. The J. R. Watkins Co., Winona, Minn.
C. (2) Proposed Revenue Code of 1954 (H. R. 8300), seeking clarification of language regarding specially denatured alcohol.

A. Kenneth Williamson, Mills Building 17th and Pennsylvania Avenue NW., Washington, D. C.
B. American Hospital Association, 18 East Division Street, Chicago, Ill.
C. (2).[1] (4) $22,000 annually.

A. World Peace Plar, Wheaton, Minn.
B. Albert S. Falk, Wheaton, Minn.

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[1] Not printed. Filed with Clerk and Secretary.

EXTENSIONS OF REMARKS

Amendments to Railroad Retirement Act

EXTENSION OF REMARKS
OF
HON. DeWITT S. HYDE
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 2, 1954

Mr. HYDE. Mr. Speaker, I wish to include in the RECORD the following statement which I made before the Interstate and Foreign Commerce Committee regarding amendments to the Railroad Retirement Act:

Mr. Chairman, I would like to add my word in the support of legislation which will reduce the retirement age of railroad workers to 60 years or make it possible for a railroad man to retire at the end of 30 years of service with the railroad. Much of the work done by railroad workers is attended with the risk of life and limb and a good bit of the work is very hard on the workers physically. In addition to these reasons, the modernization of railroad equipment has eliminated many of the jobs on the railroads and has made it possible to do much more work with fewer men. Some of the benefits of this modernization should be passed along to the workers on the railroads. These benefits could take the form of reducing the retirement age or make possible retirement after 30 years' service. The benefit would be twofold; namely, the obvious one of earlier retirement, and, secondly, it would make more jobs available for the younger men.

I urgently request favorable consideration by your committee of legislation before you which will accomplish this result.

In addition, I understand that you also have legislation which will make it possible for the widows of retired railroad workers to receive their pension at the age of 60 instead of 65 as now provided by the law. This is good legislation and should be passed. The wives of many of the retired railroad workers are considerably younger than their husbands and have no means of support other than the income of their husbands. If their husbands die when they are at or near the age 60 there is practically no opportunity for them to earn a living and the result of the present law is that they are either dependent on private or public charity until they reach the age of 65. Actually, I think it would be preferable to make the widow's pension payable immediately upon her husband's death, but if this cannot be done, the age of retirement should at least be reduced to 60. I respectfully request the favorable consideration of your committee on this proposal.

Federal Housing Administration

EXTENSION OF REMARKS
OF
HON. WILLIAM H. AYRES
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 2, 1954

Mr. AYRES. Mr. Speaker, the recent disclosures of certain irregularities that have occurred in the past in connection with the Federal Housing Administration are creating alarm in the building and home improvement industries. I have been familiar with the program since 1936. Unless one has been close to the operation of FHA it is practically impossible to understand all of the ramifications. It has been an important factor in the national economy and it would be a very serious matter if it were to be discontinued or so regulated as to become inoperative.

The title I plan has offered a sound program of consumer lending and has been serving the hitherto largely unserved millions of Americans who have needed repair and improvements to their property. There is a serious housing shortage in our country today. There are literally millions of homes that need improving and repair. The title I program offers a simple and sound method of financing through which conscientious lenders, home improvement dealers, manufacturers and consumers have mutually benefited.

Even though there is a vast backlog of savings accounts, the American habit of installment buying is a vigorous stimulant to business. There is every indication that a large proportion of repair and home modernization will continue to be financed through the extension of credit.

The FHA title I program has made it possible for a number of banks who previously were not able to extend home improvement credit to do so, especially commercial banks and Federal savings and loan associations. These organizations were not allowed by law to make loans on FHA terms prior to the advent of the FHA title I plan. Many States passed special enabling legislation to permit this kind of lending if insured under the title I program.

Many banks have found FHA insured paper attractive as it is a very liquid asset highly approved by bank examiners and the Federal Reserve Bank. It has afforded them a way of increasing their business and broadening their service. It has attracted many new customers to their banks. From the observations I have made it has been well demonstrated that where reasonable credit judgment is exercised, the financial institution is virtually insured against 100 percent loss even though the present program provides for insurance of only 10 percent of the outstanding balances of accounts financed on the title I program.

Many of the present complaints with the FHA title I program are occasioned by the fact that good faith on the part of certain dealers and borrowers was not exercised and the failure of certain lending institutions to do a real policing job with respect to dealer malpractices.

In my opinion, there are sufficient regulations in force to properly police the title I program, however, one of the major problems has been on the part of certain lending institutions who failed to properly administer the rules and regulations and use due caution in the purchasing of paper, particularly in thoroughly investigating and properly appraising the integrity of the retail vendor. I know, as do so many others, the manner in which some customers have been abused in the past and I am fully aware that some unscrupulous companies have permitted the padding of transactions with the customer paying an excess of list prices and the retail company dividing this "pack" with salesmen obtaining it. Unquestionably, many of these transactions were financed by lending institutions carrying FHA title I loan insurance, thus in a very intangible way FHA might be termed responsible. In the past on various occasions, at an opportune time, I have pointed out to various bankers the hazards and fallacies of purchasing paper from unethical dealers with little or no tangible assets and background of a shady character. Many of these warnings went unheeded with an unfavorable result to the bank and the

customer. In spite of the vast amount of unfavorable publicity in connection with the title I program, it is my opinion that the abuses of the program are in a major part of a nature that can be easily corrected and small in proportion to the overall activity of title I. A recent survey of the banks in the large cities indicated very strongly that the abuses of the program were small in proportion to the activity generated in the area surveyed.

Some dealers have obtained completion certificates prior to the completion of a job and then have failed to complete the job to the customer's satisfaction and went ahead and discounted the deal with a lending institution. In view of the fact that the customer had signed a completion certificate, the lending institution forced the customer to pay in spite of the fact that the job was not completed, using the argument that the customer had participated in perpetrating "fraud" on the bank by certifying that the job was completed when it was not. Some dealers have represented to an unsuspecting customer that his installation of an improvement was to be used as a "model home" and that the customer would receive a commission on all jobs sold as a result of the use of his home as a "model home." Such commissions never materialized and the customer was forced to pay by the lending institution without the benefit of the commissions which he was led to believe he would receive in connection with his purchase. Everything possible should be done to correct such abuses as these.

Many banks years ago realized that they could not follow in the footsteps of certain lending organizations who were purchasing questionable FHA paper and limited their operations to good dealers and sound borrowers. They thought that any long-range thinking must be based on sound principles rather than temporary advantages and have done their best to avoid fly-by-night operators. FHA itself, in my opinion, has done a conscientious and admirable job. While I do not have the figures available, it is my understanding from reliable sources that it has produced millions of dollars in profit for the Government. FHA itself only enforces such restrictions and promulgates such regulations as it must to administer properly the law under which it operates. Early in 1953, at the suggestion of the Commissioner, a title I advisory committee was made up of representative principal bankers from San Francisco, Memphis, Detroit, New York, St. Paul, Louisville, and Chicago, was formed to assist in recommending certain regulations to eliminate and minimize irregularities which had come to the attention of various officials. As a result of the recommendations of this advisory committee, the FHA title I Commissioner instituted certain regulations which became effective December 1, 1953. In essence, the new regulations provided:

(A) That a dealer would assume full responsibility for the title I activity of all of his personnel; that ethical and proper selling practices would be followed, and that immediate attention would be given to all complaints involving materials, workmanship, or sales representation. A signed statement to this effect had to be filed with the financial institution discounting his paper along with an application from the dealer which set forth his background and financial condition.

This regulation was made a part of the United States Criminal Code and provided for a fine of not more than $5,000 or imprisonment of not more than 2 years or both.

(B) The dealer's completion certificate was revised to include the following certification:

First, the above work or materials constitute the entire consideration for which this loan is made; second, a copy of the contract or sales agreement has been delivered to the borrower and the above financial institution; third, this contract contains the whole agreement with the borrower; fourth, the borrower has not been given or promised a cash payment or rebate nor has it been represented to the borrower that he will receive a cash bonus or commission on future sales as an inducement for the consummation of this transaction; fifth, the work has been satisfactorily completed or materials delivered; sixth, the above certificate was signed by the borrower after such completion or delivery; seventh, the signatures hereon and on the note are genuine; eighth, all bills for labor or materials have been or will be paid.

If any of the above representations prove incorrect, the undersigned agrees to promptly repurchase the note from the financial institution or from the FHA as the case may be.

(C) The customer-completion certificate was also revised to include the following certifications:

I (we) certify that I (we) have not been given or promised a cash payment or rebate nor has it been represented to me (us) that I (we) will receive a cash bonus or commission on future sales as an inducement for the consummation of this transaction. I (we) understand that the selection of the dealer and the acceptance of the materials used and the work performed is my (our) responsibility and that neither the FHA nor the financial institution guarantees the material or the workmanship or inspects the work performed.

(D) The bank was required to mail to the borrower or personally deliver to the borrower written notice of approval of the application for credit on a form approved by the Commissioner. Such notice shall be directed to the borrower prior to disbursement of the loan and in no event less than 6 calendar days prior to such disbursement.

There is one further regulation which I would recommend in the interest of better control of the program and that is that a lending institution be limited to its own county and adjacent counties in the purchasing of paper as a bank operating too far from its base cannot properly investigate credit applications as it is not intimately acquainted with the local conditions and neighborhoods and cannot maintain the necessary collection follow-up in areas more than a day's distance away. Should the FHA limit their insurance to 85 or 90 percent of the total loan this requirement would have the effect of putting on the bankers some of the burden of making certain that loans are worthwhile and that an effective collection job is done. This would provide an incentive for a bank to do a conscientious job in handling title I loans.

From a dealers standpoint, the FHA title I program has provided financing in areas where it would not be available to the consumer if FHA was not participating in the financing. Certain areas would be virtually blacked out if it were not for title I as a number of the smaller banks are so situated as to be unable to finance without the title I program. The reserve for losses in individual banks is such that without the FHA program the bank would not find it profitable to handle consumer credit loans. Their reserves are so high that the reserve set up for consumer credit activity would be taxed to a point where the operation would be unprofitable. In my opinion, the title I program in effect takes the resources of one part of the country to develop other parts of the country where financial resources are limited or not made available to consumers in this type of activity.

The title I program has been a stabilizing factor insofar as interest rates are concerned. In areas where title I is not available consumers have been denied the privilege, in many instances, of financing their home improvements on a resonable program at reasonable interest rates. Some banks who do not have the title I plan charge as much as $9 per hundred per year to handle loans for home improvement and limit the period of repayment to as little as 18 months.

It seems to me that the Congress has gone investigation slaphappy. We cannot legislate people into being ethical. We can only pass laws to penalize those who are not.

I cannot speak as an authority on all other phases included in the FHA. I can only speak as such on title I.

Under existing law cases of fraud and misrepresentation can be turned over to the Justice Department for prosecution.

For the sake of the millions of Americans who want and are deserving of a better place in which to live let us hope that the other body in its wisdom will soon have the housing bill as passed by the House of Representatives ready.

Our Pledge of Allegiance

EXTENSION OF REMARKS
OF
HON. JOHN R. PILLION
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 2, 1954

Mr. PILLION. Mr. Speaker, I am pleased to include in the RECORD a statement given by me on May 5, 1954, before Subcommittee No. 5, of the House Committee on the Judiciary:

I appear here today in support of any and all bills that would serve to recognize the power and the universality of God in our pledge of allegiance. I am the sponsor of House Joint Resolution 334 which was introduced by me at the request of the membership of the American Legion of the County

of Erie in the State of New York. The County of Erie is comprised of the city of Buffalo and its suburban cities and towns. This bill would add the words "under God" after the words "one nation" in the pledge of allegiance.

Our western civilization is a product of the Christian-Judaic conception of the individuality and dignity of every human soul. The liberalism of our constitutional form of government, in turn, is the product and the beacon light of western civilization and its acceptance of one God with universal and supreme spiritual significance.

Since our flag is symbolic of our Nation, its constitutional government and the morality of our people, it is most appropriate that the concept of God be included in the recitations of the pledge of allegiance to our flag.

The inclusion of God in our pledge would acknowledge the dependence of our people, and our Government upon the moral direction and the restraints of religion.

At the same time, this action would serve to deny the atheistic and materialistic concept of communism. It would condemn the absolute and concentrated power of the communistic slave state with its attendant subservience of the individual.

Education and Training Benefits for Veterans

EXTENSION OF REMARKS
OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 2, 1954

Mrs. ROGERS of Massachusetts. Mr. Speaker, the purpose of this bill is to extend for 2 additional years the time for a veteran of service on or after June 25, 1950—Korean veterans—to initiate a course of education or training. Today a veteran must initiate his course by August 20, 1954, or 2 years after his discharge, whichever is the later. He must complete it within 7 years after his discharge. The first section of this bill would extend the time for initiating a course to 4 years from the date of discharge, and for the time for completion to 9 years from date of discharge. By this amendment the law is comparable, in this respect, to the provisions of Public Law 346 of the 78th Congress, the Servicemen's Readjustment Act, which provided education and training for the World War II group.

Sections 2 and 3 apply to the service-connected disabled group who take training under Public Law 16 of the 78th Congress or Public Law 894 of the 81st. The service-connected group receives training of such character and of such duration to permit them to regain their civilian aptitudes or to create new aptitudes to enable them to overcome the handicaps caused by their service-incurred disabilities and thus regain employability. As such, there is no initiation date, but there is an overall completion date for World War II veterans, July 25, 1956. Sections 2 and 3 extend this completion date from the present 9 years after termination of World War II to 13 years thereafter. In the case of the Korean veterans the extension is to 13 years after the termination of the basic service period which began June 27, 1950. These two sections cover only those veterans who have been prevented from pursuing their courses by reason of long illness or the two other compelling reasons specified in the bill.

The second category covered by sections 2 and 3 is the group of veterans, number unknown, who, upon discharge from the service, received a discharge of a character rendering the person ineligible for those benefits and who have subsequently followed the discharge review procedure provided under the Servicemen's Readjustment Act, the Legislative Reorganization Act, or otherwise had their discharges corrected by competent authority. In most instances the time within which vocational rehabilitation training may be begun and pursued to completion in World War II cases is past for those men, and thus legislation is needed to permit them now that they have discharges under other than dishonorable conditions to pursue their course.

The third category concerns the group of veterans who have not met the requirement as to the establishment of a compensable service-connected disability until a date which would not afford sufficient time to complete a course of vocational rehabilitation before the existing terminal date.

Similar extensions are provided in the bill for those Korean veterans who in the future may come within the foregoing categories.

Sections 2 and 3 relate exclusively to the service-connected groups. The only amendment to the bill is for the purpose of correcting a typographical error.

No estimate of cost can be furnished on this measure as indicated in the report of the Veterans' Administration, which follows:

JUNE 2, 1954.

Hon. EDITH NOURSE ROGERS,
Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, D. C.

DEAR MRS. ROGERS: This will refer to your request for a report by the Veterans' Administration on H. R. 9395, 83d Congress, "A bill to amend the laws granting education and training benefits to certain veterans to extend the period during which such benefits may be offered."

The purpose of the bill is (1) to extend the initiation and completion deadline for education and training under the Veterans' Readjustment Assistance Act of 1952 (Public Law 550, 83d Congress), and (2) to grant 4 additional years during which certain disabled veterans of World War II and the Korean service period who, for specific reasons, have been unable to commence or, if having commenced, to continue vocational rehabilitation training under Public Law 16, 78th Congress, as amended and extended.

Section 1 of the bill would amend the pertinent provision of title II of the Veterans' Readjustment Assistance Act to read as follows:

"SEC. 212. (a) No eligible veteran shall be entitled to initiate a program education or training under this title after August 20, 1954, or after [two] *four* years after his discharge or release from active service, whichever is later.

"(b) * * *.

"SEC. 213. No education or training shall be afforded an eligible veteran under this title beyond [seven] *nine* years after either his discharge or release from active service or the end of the basic service period, whichever is earlier."

The words enclosed in brackets would be deleted from existing law by the enactment of H. R. 9395 and the italicized language inserted in lieu thereof.

Thus the effect of the bill would be to extend the periods for initiating, and for completing, education and training under the act by 2 years each. It is noted, however, that the date August 20, 1954, would remain as the initial delimiting initiation date. It would, under the revised act, however, be applicable to only those very few Korean service veterans who were discharged on or before August 20, 1950. It is, of course, obvious that any persons who were subject to this date could have acquired only a very few days of entitlement to education and training under the act, those with substantial entitlement would presumably have the benefit of the proposed 4 year post-discharge initiation date.

As will be recalled the Veterans' Readjustment Assistance Act of 1952, which provided benefits for veterans of the Korean service period in the same general fields in which comparable benefits had previously been granted to veterans of World War II by the Servicemen's Readjustment Act of 1944, received extensive consideration prior to its enactment. Some of the provisions included were novel and were designed to avoid certain difficulties which had become manifest under the Servicemen's Readjustment Act. Other provisions were adopted which were substantially identical with the comparable provisions of the earlier act and confirmatory of the same underlying principles.

One principle thus carried forward to the new act was the concept that measures relating to the specific readjustment needs of veterans in returning to civilian life should be temporary in character. This principle is soundly based upon the purpose of the Veterans' Readjustment Assistance Act, which, as applied to education and training, was stated in section 102 as "providing vocational readjustment and restoring lost educational opportunities to those servicemen and women whose educational or vocational ambitions have been interrupted or impeded by reason of active service in the Armed Forces during a period of national emergency and for the purpose of aiding such persons in attaining the educational and training status which they might normally have aspired to and obtained had they not served their country."

The temporary character of this type of benefit is obviously a recognition of the fact that readjustment to civilian life should be accomplished by the veterans within a reasonably short time following service, and that the time element is an essential ingredient of the readjustment principle.

Sections 212 and 213 of the Veterans' Readjustment Assistance Act, however, are more than a reaffirmation of the temporary nature of the readjustment benefit. They designedly adopted the supplementary concept of the 1944 enactment that the foregoing readjustment principle needs to be implemented by a statutory requirement that the veteran must make his educational plans, complete all necessary arrangements, and actually commence the pursuit of his program within a fixed period of time. All of this is implicit in the term "initiate," as interpreted by the Veterans' Administration in connection with the Servicemen's Readjustment Act, and of which the Congress was fully apprised when it selected such term for incorporation in the delimiting date requirements of the Veterans' Readjustment Assistance Act.

To be consistent with this concept, and with the basic readjustment purpose, the delimiting period for initiating a program cannot be so short as to leave the veteran insufficient time for the deliberation needed for a wise choice of his objective and to make the necessary arrangements for enrolling in

the selected educational institution or training establishment. On the other hand, if the prescribed period is unduly lengthened, the readjustment purpose will tend to become obscured, and procrastination encouraged, most probably to the veteran's own detriment.

The instant bill does not appear to be designed to change the aforementioned principle, but would allow a more extensive period than that allowed by existing law during which the veteran could commence his program. It therefore poses the question of whether the 2-year delimiting initiation period of existing law is reasonable and adequate or whether a 4-year period (somewhat comparable to the requirement applicable to the World War II education and training program) should be allowed.

A review of the legislative history of this provision may be helpful. Title II of the Servicemen's Readjustment Act of 1944, as enacted June 22, 1944, provided that a course of education and training must be initiated not later than 2 years after discharge or the termination of World War II, whichever date was the later, and no training could be afforded beyond 7 years after the termination of such war. These 2- and 7-year periods were extended to 4 and 9 years, respectively, on December 28, 1945, by section 5, Public Law 268, 79th Congress. This extension was enacted at a time when the mass demobilization which followed World War II was already beginning to result in the crowding of the educational institutions of the country by the veterans who were seeking to enroll in unprecedented numbers. All efforts for a further extension of, and for exceptions to, these dates have thus far been rejected by the Congress.

The Veterans' Readjustment Assistance Act was enacted under circumstances which precluded the likelihood of a repetition of the demobilization of millions of persons within a relatively few months. Further, the educational facilities which had been expanded to accommodate the World War II veterans were becoming available through the constriction of the Servicemen's Readjustment Act program, as it entered its terminal stage. It is significant that all bills, introduced in the 82d Congress to provide a new education and training program for veterans of the Korean service period (as opposed to those which would have merely extended the Servicemen's Readjustment Act program) without exception, proposed 2- and 7-year delimiting periods.

The following extract from the report of the Veterans' Administration to the House Committee on Veterans' Affairs on an earlier bill (H. R. 5040, 82d Congress) is, we believe, indicative of contemporaneous thinking on the subject.

"In apparent recognition of the fact that readjustment to civilian life must be accomplished in a relatively short period of time after discharge or release from active duty, if it is to be effective, all persons would be required to initiate a course under this part within 2 years after such discharge. The terminal date for the program would be established as 7 years after the termination of the basic service period. As previously noted, these periods (2 years and 7 years, respectively) are identical with the periods originally established for part VIII.

"The conditions existing at the present time would not seem to portend a mass release of service personnel, such as occurred at the end of hostilities in World War II, so that the schools and other training establishments should be able to absorb all trainees under this part without the delays such as influenced the extension of the original limitation periods under part VIII from 2 and 7 years to 4 and 9 years, respectively, pursuant to Public Law 268, 79th Congress."

It would seem that the favorable situation envisioned above has not been materially altered by any development since the enactment of the Veterans' Readjustment Assistance Act of 1952. Hence, there is presented the basic question of whether there has been any demonstrated need for a period longer than the 2 years which the Congress so recently determined to be adequate and proper. It is true that the enrollments in certain types of training notably in institutional on-farm training have not reached the anticipated level. However, it would appear that where the interest and demand for on-farm training has been evidenced, such training has been provided and enrollments effected.

Section 2 of the bill is identical except for technical changes not here pertinent to H. R. 7210, 83d Congress, "A bill to extend the time during which vocational rehabilitation training may be afforded under Public Law 16, 78th Congress, as amended and extended, to certain disabled veterans who have been unable to pursue such training because of long illnesses or because of other reasons beyond their control."

It proposes to provide a limited extension of the period during which vocational rehabilitation training may be provided certain classes of those disabled veterans of World War II and of the Korean service period who are basically eligible for the benefit but whose entrance into training was delayed or prevented by reasons beyond their own control. Specifically it proposes to amend both Public Law 16, 78th Congress, as amended, and Public Law 894, 81st Congress, as amended, to provide such training to be extended for 4 additional years in the cases of persons who were unable to pursue vocational rehabilitation training to completion within the prescribed period because of one of the following conditions:

"(a) Such person had not attained, retained, or regained medical feasibility for training because of mental or physical disability;

"(b) Such person had not met the nature of discharge requirements of section 1503 of the Servicemen's Readjustment Act of 1944 (38 U. S. C. 697c) prior to a change, correction, or modification of a discharge or dismissal made pursuant to section 301 of the Servicemen's Readjustment Act of 1944, as amended (38 U. S. C. 693h), or the correction of a military or naval record made pursuant to section 207 of the Legislative Reorganization Act of 1946, as amended (5 U. S. C. 191a), or other corrective action by competent authority; or

"(c) Such person had not timely established the existence of compensable disability connected with or aggravated by service."

The Veterans' Administration submitted a report to your committee on H. R. 7210, 83d Congress, under date of April 2, 1954. The views and principles expressed in that report are equally applicable to section 2 of the instant bill and will not be repeated. For your convenience a copy of that report is enclosed herewith (Committee Print No. 230).

Attention is invited, however, to the fact that in the mentioned report on H. R. 7210 question was raised whether the language of the proposed exceptions might possibly be open to an argument that even though the disabling condition ceases to exist at a date when adequate time remained for the pursuit and completion of a suitable course of vocational rehabilitation training, an extension of the existing time limitation should be granted. It was suggested that to guard against such a contention appropriate language be included to bar any extension of the present time limitations in the case of a person having the last 5 years of the basic 9-year period available to commence and pursue training.

Further, it was also pointed out that since a terminal date for pursuing vocational rehabilitation training under the Public Law 894 extension has not been set; and since it is impossible at this time to predict when such a termination date will be set, persons whose eligibility is based upon service subsequent to June 27, 1950, will have staggered amounts of time in which to pursue and complete vocational rehabilitation training. The actual amount of time in any individual case would, of course, depend upon date of discharge. I wish, therefore, to invite special attention to my recommendation that the committee consider amending Public Law 894, 81st Congress, as amended, to provide that training must be completed by the date 9 years after discharge, or 9 years after the end of the basic service period, whichever is the earlier. Appropriate language could be included to assure all persons of 9 years subsequent to the enactment of such amendment in which to pursue and complete training. An amendment along the suggested lines would be consistent with the delimiting requirements of the educational and vocational assistance provision of the Veterans' Readjustment Assistance Act, which requirements are the subject of section 1 of the current bill.

As an overall matter, it is my view that both section 1 and section 2 of the present bill involve serious questions of policy, which in the last analysis must be resolved by the Congress.

No reliable estimate can be made of the cost which would be attributable to the enactment of this bill. Undoubtedly there would be additional cost for direct benefits in an extension of either the Public Law 550 education and training program or the Public Law 16 vocational rehabilitation training program; since persons who would not otherwise take advantage of these benefit programs could be expected to do so during the extended period. Moreover, there would be some ultimate additional expense in administrative costs resulting from the longer period in which both programs would be operative.

The Veterans' Administration has been advised by the Bureau of the Budget that it recommends against any extension of either the time limitations of title II of the Veterans' Readjustment Assistance Act or of the vocational rehabilitation training program.

Sincerely yours,

H. V. HIGLEY,
Administrator.

H. R. 9395

A bill to amend the laws granting education and training benefits to certain veterans to extend the period during which such benefits may be offered

Be it enacted, etc., That (a) section 212 (a) of the Veterans' Readjustment Assistance Act of 1952 is amended by striking out "two" and inserting "four" in lieu thereof.

(b) Section 213 of such act is amended by striking out "seven" and inserting "nine" in lieu thereof.

SEC. 2. The proviso in paragraph 1 of part VII of Veterans Regulation No. 1 (a) is amended by inserting before the period at the end thereof the following: ", except that '13 years' shall be substituted for '9 years' in the case of any otherwise eligible person who the Administrator determines to have been prevented from entering or, having entered, from completing, training under this part within such 9 years by reason of one of the following conditions:

"(a) Such person had not attained, retained, or regained medical feasibility for training because of mental or physical disability;

"(b) Such person had not met the nature of discharge requirements of section 1503 of the Servicemen's Readjustment Act of 1944 (38 U. S. C. 697c) prior to a change, correction, or modification of a discharge or dismissal made pursuant to section 301 of the Servicemen's Readjustment Act of 1944, as amended (38 U. S. C. 693h), or the correction of a military or naval record made pursuant to section 207 of the Legislative Reorganization Act of 1946, as amended (5

U. S. C. 191a), or other corrective action by competent authority; or

"(c) Such person had not timely established the existence of compensable disability connected with or aggravated by service.".

SEC. 3. That the act of December 28, 1950, as amended (38 U. S. C. 701a), is amended by inserting before the period at the end of clause (1) the following: "; except that 'thirteen years' shall be substituted for 'nine years' in the case of any otherwise eligible person whom the Administrator determines to have been prevented from entering or, having entered, from completing, training under this act within such 9 years by reason of one of the following conditions:

"(a) Such person had not attained, retained, or regained medical feasibility for training because of mental or physical disability;

"(b) Such person had not met the nature of discharge requirements of section 1503 of the Servicemen's Readjustment Act of 1944 (38 U. S. C. 697c) prior to a change, correction, or modification of a discharge or dismissal made pursuant to section 301 of the Servicemen's Readjustment Act of 1944, as amended (38 U. S. C. 693h), or the correction of a military or naval record made pursuant to section 207 of the Legislative Reorganization Act of 1946, as amended (5 U. S. C. 191a), or other corrective action by competent authority; or

"(c) Such person had not timely established the existence of compensable disability connected with or aggravated by service."

Tide Water Oil Co., of Bayonne, N. J., Might Well Be a Pace Setter in Granting Employees Transfer Accommodations

EXTENSION OF REMARKS
OF
HON. ALFRED D. SIEMINSKI
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 2, 1954

Mr. SIEMINSKI. Mr. Speaker, reports have it that the Tide Water Oil Co., of Bayonne, N. J., plans to pull up stakes and locate elsewhere.

The move will put many skilled and devoted employees who have lived, talked, eaten, and slept nothing but Tide Water all their lives out of work.

The question is, Will Tide Water rise to the mark and grant those of its workers who wish to follow it, transfer accommodations? This means a job in the new location for every qualified employee who makes the move. It means, too, keeping bread on the table of the worker's family.

Free enterprise? Sure. Industry in the United States can move anytime it likes. And it does not have to tell anyone why. It can slip into a community, spawn its profits, and then move on.

This is a request for the Tidewater Oil Co., Mr. Speaker, to become a pace setter in granting employees whom it would otherwise leave flat, transfer accommodations, to give them jobs in Tidewater's new location.

Do I hear someone say "No"? Why not? Going to a cheaper labor market, getting a better tax break? You may, for a short while. But Uncle Sam eventually catches up, because the people you leave flat who cannot get work, start collecting unemployment benefits, thus setting in train a series of local, State, and Federal aid measures. Some call this socialistic. Others say that you have socialism only when Uncle Sam pockets the profits or polices production. Tidewater is too smart to think it can kid itself long on that score. Oil people get good Federal tax breaks.

Free enterprise? Of course.

If Tidewater gives everyone the lift it can, it will have a pleasant hayride.

Tidewater Oil Co. is too smart to allow the Standard Oil Co. of New Jersey to outpace it too long in the field of worker transfer accommodations.

It is our earnest desire, Mr. Speaker, that the Tidewater Oil Co. may continue to operate with as many of the skilled and steadfast citizens of Bayonne on its payrolls as possible. Long may both prosper.

In Commemoration of the Birth of the Italian Republic

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 2, 1954

Mr. RODINO. Mr. Speaker, our understanding of a given situation may very well depend upon our perspective; that is to say, on whether we are looking back on the progress that has been made or whether we are looking ahead toward a particular goal that has been marked out. Our understanding is considerably improved, of course, if we can do both. I have recently had occasion to attempt to take this dual perspective in looking at Italy in order that I might come to a better understanding of Italy in 1954. Since this is an important occasion in Italy the time for commemoration of the birth of the Italian Republic 8 years ago, I would like to share my thoughts with you.

If we go back to the end of World War II, we find that Italy was in a state of political chaos. The failure of a totalitarian experiment had created a political vacuum. The only group ready to step into it was the united front of anti-Fascist parties, namely, Christian Democrats, Socialists, and Communists. These parties, suppressed by Mussolini, had united underground as the Committee of National Liberation. The Communists were well organized and more adequately financed than the others, and so they were in a position to demand and receive a place in the provisional government set up after the war.

Several Cabinets of the new Government formed and fell before December 1945. Italy's economic plight and the issue of whether the country was to remain a monarchy or become a republic contributed to this instability. However, in that month, December 1945, the Christian Democratic leader, Alcide de Gasperi, became Premier and managed to form a relatively stable Government. For a time his Cabinets included representatives of all the active liberation parties.

On June 2, 1946, a referendum settled the issue of monarch or republic in favor of a republic. The citizens of Italy had freely expressed their preference. In this act Italy provided evidence to the world that a country does not have to exchange a one authoritarian creed for another. This series of events in Italy is looked upon by western nations as one of the most significant following World War II. By the end of 1947 the new constitution had been approved and parliamentary elections followed. The constitution drafted by the constituent assembly provided for a Parliament made up of a Chamber of Deputies elected by popular vote for a term of 5 years and a Senate elected in the same way for a term of 6 years; a president to be elected by both houses for a 7-year term and a cabinet responsible to the Parliament.

In 1946 and 1947, the cooperative spirit that had at first animated the coalition government declined sharply at the same time that East-West tensions were growing. The Socialist Party was split on the issue of subservience to the Communist Party. In the 1948 elections a new coalition was formed and the Christian Democrats, right-wing Socialists, Liberals, and Republicans defeated the Communists. The Christian Democratic Party, broadly based, represents many opinions; it moves along the path of compromise. However, it has demonstrated on a number of occasions that it is not afraid to take action against any of its component groups. Alcide de Gasperi, head of the party, a man of political acumen and unquestionable integrity, built up a large personal following in Italy. After the 1953 elections, he was unable to form a new government, and so he resigned as Premier; however, as party secretary he continues to be influential.

The Communist Party in Italy has a rigidly disciplined, conspiratorial leadership. The U. S. S. R. is fully aware of Italy's strategic location and importance. Italy has, therefore, been one of the prime targets of Communist activity. The party, under the direction of Moscow has built up in Italy a very large Communist Party outside the Iron Curtain. Italy's top Communist leaders are shrewd, skillful politicians, as well versed in the techniques of Soviet propaganda as in the tactics of revolution.

However, in 1948 the Communist strikes, riots, and violence thoroughly alarmed the great mass of Italian voters. Prospects of Marshall plan aid brought stirrings of hope to the Italian people. They paid little attention to the Communist croakings about the economic disaster sure to come if Italy broke off trade with the Eastern European countries in favor of trade with the West. As a result of this election, the Christian Democrats had an absolute majority in the chamber and a near majority in the senate to last for 5 and 6 years. Thus firmly established, the De Gasperi government instituted reforms and helped

the country greatly on its road to recovery and progress.

Following the close election of 1953, De Gasperi was unable to form a new government that had the support of Parliament, with the result that there have been several Premiers in the interim. Nineteen hundred and fifty four has been called Italy's year of decision. It certainly bids fair to be a year of testing for the moderate democratic regime. The Communists blame the Government for all of Italy's problems and trials, and on the other hand distort to their own advantage whatever the Government accomplishes that is obviously helpful to the people.

However, for the Italians the rapid progress they have made in recent years is convincing evidence of what they believe can be accomplished in the future. In some respects the road which Italy has traveled since its postwar Government was set up has not been unlike those which other European countries have traveled, yet Italy even with her many economic problems has been singularly effective in the struggle to gain a firm economic and political footing.

Our own country has a deep and human interest in Italy. We have consistently supported Italy's integration with Western Europe through membership in the North Atlantic Treaty Organization and the European economic, defense, and political communities. As a nation that owes much to its own Italian population and heritage, this country has an abiding concern for Italy. And so it is with a great deal of gratitude and a feeling of sincere friendship that we pause to commemorate this anniversary—the eighth year of the Italian Republic.

SENATE

THURSDAY, JUNE 3, 1954

(Legislative day of Thursday, May 13, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Dr. Lawrence D. Folkemer, pastor, Lutheran Church of the Reformation, Washington, D. C., offered the following prayer:

Our Father, who art in heaven, convince us that Thou art also on earth; within us to enlighten us, around us to protect us, and above us to beckon us on to Thy holy will.

God of all truth, stir up within us a passion for truth that we may be delivered from the tyranny of all half-truths and vicious lies. So may we become messengers of truth.

Lord of all righteousness, grant us to know what is right and give us the courage to do it. So may we be cleansed of all self-righteousness and false humility.

Father of all love, the love that is in Christ Jesus, forgive us of all self-love and mean ambitions. So may we become breeders of compassion and understanding among our fellows. In Christ's name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 2, 1954, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, returned to the Senate, in compliance with its request, the bill (S. 2204) to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses.

The message announced that the House had agreed to the amendments of the Senate to the bill (H. R. 8092) to facilitate the entry of Philippine traders.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 7258) for the relief of the Willmore Engineering Co., asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. JONAS of Illinois, Mr. MILLER of New York, and Mr. LANE were appointed managers on the part of the House at the conference.

The message further announced that the House had passed a bill (H. R. 8923) to provide for the development of the Coosa River, Ala. and Ga., in which it requested the concurrence of the Senate.

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 356. An act to amend the Railroad Retirement Act of 1937, as amended;

H. R. 3725. An act for the relief of Curtis W. Strong; and

H. R. 6477. An act for the relief of the Columbia Hospital of Richland County, S. C.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that following a brief executive session and a quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business, for action on "New Reports."

The motion was agreed to; and the Senate proceeded to consider executive business.

The PRESIDENT pro tempore. If there be no reports of committees, the nominations on the Executive Calendar under the heading "New Reports" will be stated.

NATIONAL SCIENCE FOUNDATION

The Chief Clerk proceeded to read sundry nominations in the National Science Foundation.

Mr. KNOWLAND. Mr. President, I ask that the National Science Foundation nominations be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the National Science Foundation are confirmed en bloc.

UNITED STATES PUBLIC HEALTH SERVICE

The Chief Clerk proceeded to read sundry nominations in the United States Public Health Service.

Mr. KNOWLAND. Mr. President, I ask that the Public Health Service nominations be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the United States Public Health Service are confirmed en bloc.

Mr. KNOWLAND. I ask that the President be immediately notified of the nominations confirmed today.

The PRESIDENT pro tempore. Without objection, the President will be immediately notified.

CONFIRMATION OF NOMINATIONS IN THE NAVY AND MARINE CORPS

Mr. SALTONSTALL. Mr. President, from the Committee on Armed Services I report 23 nominations in the Navy and Marine Corps. These nominations all relate to young officers being appointed in the lowest grades, and in at least two specific cases if the nominations are not confirmed today by the Senate, these young men cannot be commissioned at the time their class at the Naval Academy graduates tomorrow.

I therefore ask unanimous consent that these nominations be confirmed at this time.

The PRESIDENT pro tempore. Is there objection? The Chair hears none. The clerk will state the nominations.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the reading of the nominations be dispensed with and that the nominations be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. KNOWLAND. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Morning business is now in order.

SOIL AND WATER CONSERVATION AND FLOOD CONTROL—STATEMENT OF POLICY OF KANSAS LIVESTOCK ASSOCIATION

Mr. CARLSON. Mr. President, the policy committee of the Kansas Livestock Association on soil and water conservation and flood control recently approved a statement of policy on this important matter.

During the past year most sections of Kansas suffered seriously from water shortage as a result of a lack of rainfall and water runoff. This situation seriously affected the livestock interests of our State and caused great concern to many of our communities and cities in regard to water supply.

The policy committee recommends that Congress approve and expand a program of control of water runoff at its source, and I was pleased yesterday that the Senate increased the appropriations for the watershed projects authorized last year by another $1 million.

It is my sincere hope that we may get early consideration of the so-called Hope-Aiken bill on watershed control.

I ask unanimous consent to have the statement of policy printed as a part of these remarks and then referred to the Senate Agriculture Committee.

There being no objection, the statement of policy was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

LIVESTOCK ASSOCIATION SOIL AND WATER CONSERVATION COMMITTEE—STATEMENT OF POLICY

Unless soil erosion on the watershed draining into a reservoir is stopped, or at least materially retarded, siltation results and the reservoir soon loses its effectiveness and, since the greatest loss to the Nation is the annual loss of top soil, we oppose the building of any large downstream dams until the watershed upstream from such proposed dams has received adequate soil and water conservation treatment.

Because this extremely heavy annual loss of our precious crop-producing topsoil on the millions of acres of productive Kansas land creates losses in dollars and cents far greater to the State, and the Nation as a whole, than the occasional spectacular, destructive floods, we, therefore, urge favorable action by the United States Senate on the Hope-Aiken Watershed bill, as approved by the House of Representatives. We believe this proposed legislation will greatly facilitate the reduction of this regular annual soil erosion loss.

FLOOD CONTROL AND WATER SUPPLY

Watershed treatment of headwater and tributary areas not only gives flood relief to hundreds of farms located in these areas, and provides vitally needed water storage, but may well provide as much or more flood protection for downstream farms and cities as large dams. We respectfully contend that—

1. Super dams curtail flood damage only in cities and on farms located in such valleys immediately below these dams. They, therefore, are not only of questionable value in controlling devastating floods in the valleys but are absolutely of no flood control value to the millions of acres of farm land tributary to the major streams.

2. We would also respectfully point out that they serve only the same very limited areas as a source of water supply, leaving barren those vast areas of farm and pasture land as well as hundreds of towns and cities outside of the valleys in which the large dams may be located. Critical city and stock water supply shortages during drought in these tributary areas affect many more people much oftener than those on main streams. The need is for adequate water storage over the entire area rather than to concentrate the supply in a few large reservoirs for the benefit of a relatively few downstream cities.

THE KANSAS LIVESTOCK ASSOCIATION COMMITTEE,
WM. LJUNGDAHL, *Menlo, Chairman.*
J. J. MOXLEY,
Council Grove, Vice Chairman.
W. I. BOONE, *Eureka.*
TAYLOR L. JONES, *Holcomb.*
GEORGE HILL, *Buffalo.*
STANLEY MARR, *Esbon.*
FRED GERMANN, *Manhattan.*
A. G. PICKETT, *Secretary.*

LEASING OF BOSTON (MASS.) ARMY BASE FACILITIES

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the city of Boston (Mass.) Council on May 17, 1954, in connection with H. R. 9099, relating to the leasing of the Boston, Mass., Army Base facilities.

There being no objection the resolution was ordered to be printed in the RECORD, as follows:

Resolved, That the members of the Boston City Council, in meeting assembled, desire to memorialize the Congress of the United States to favor the passage of H. R. 9099, and be it further

Resolved, That the members of the Great and General Court of the Commonwealth of Massachusetts be requested to favor the enactment of pending legislation which calls for the cooperation of the Commonwealth of Massachusetts with the Federal Government in the matter of leasing the Boston Army Base facilities to the Commonwealth of Massachusetts and the repairing of these facilities.

In city council May 17, 1954. Adopted.
Attest:

J. M. DUNLEA,
Assistant City Clerk.

FISHING INDUSTRY IN NEW BEDFORD, MASS.

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD a letter which Russell G. Browning, president, Kiwanis Club of New Bedford, Mass., forwarded to President Eisenhower on May 18, 1954, in connection with the fishing industry in New Bedford, Mass.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 18, 1954.

President DWIGHT D. EISENHOWER,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: Whereas the fishing industry in New Bedford, Mass., is the second largest industry in the city; and

Whereas a large proportion of the economy of the city is dependent upon the economy of the fishing industry; and

Whereas the request for a graduated quota system for the importation of ground fish fillets to this country is deemed to be a fair and just request: Be it therefore

Resolved, That the Kiwanis Club of New Bedford, Mass., unanimously requests that you, as President of the United States, act favorably upon the recommendations of the United States Tariff Commission, submitted to you by the Commission on May 7, 1954, which recommended relief for the domestic fishing industry from foreign competition.

Respectfully yours,

RUSSELL G. BROWNING,
President.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. AIKEN, from the Committee on Agriculture and Forestry, without amendment:

S. 2367. A bill to amend the act of June 29, 1935 (the Bankhead-Jones Act, as amended), to strengthen the conduct of research of the Department of Agriculture (Rept. No. 1495);

S. 2715. A bill to amend the Agricultural Adjustment Act of 1938, as amended (Rept. No. 1496);

S. 3207. A bill to amend section 8a (4) of the Commodity Exchange Act, as amended (Rept. No. 1497);

S. 3487. A bill to authorize the Central Bank for Cooperatives and the regional banks for cooperatives to issue consolidated debentures, and for other purposes (Rept. No. 1498);

H. R. 3097. A bill to authorize the transfer to the regents of the University of California, for agricultural purposes, of certain real property in Napa County, Calif. (Rept. No. 1499);

H. R. 4017. A bill to provide for the conveyance of certain land and improvements to the England Special School District of the State of Arkansas (Rept. No. 1500); and

S. J. Res. 134. Joint resolution to authorize and direct the Secretary of Agriculture to quitclaim retained rights in a certain tract of land to the Board of Education of Irwin County, Ga., and for other purposes (Rept. No. 1501).

By Mr. AIKEN, from the Committee on Agriculture and Forestry, with an amendment:

H. R. 6435. A bill to amend the Commodity Exchange Act (Rept. No. 1502).

By Mr. YOUNG, from the Committee on Agriculture and Forestry, without amendment:

H. R. 107. A bill to provide for the transfer of the site of the original Fort Buford, N. Dak., to the State of North Dakota (Rept. No. 1503).

By Mr. BRICKER, from the Committee on Banking and Currency, without amendment:

S. 3480. A bill to amend section 24 of the Federal Reserve Act, as amended (Rept. No. 1504); and

S. 3481. A bill to amend sections 23A and 24A of the Federal Reserve Act, as amended (Rept. No. 1505).

By Mr. CORDON, from the Committee on Appropriations:

H. R. 8680. A bill making appropriations for the Department of the Interior for the fiscal year ending June 30, 1955, and for other purposes; with amendments (Rept. No. 1506).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JENNER:

S. 3549. A bill for the relief of Michael Patrick Chamberlain; to the Committee on the Judiciary.

By Mr. BUTLER of Maryland:

S. 3550. A bill for the relief of Ingeborg Elisabeth Alt; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 3551. A bill to incorporate Wounded Combat Veterans, now known as The

Military Order of the Purple Heart; to the Committee on the Judiciary.

By Mr. BUTLER of Nebraska (by request):

S. 3552. A bill to authorize the Secretary of the Interior to investigate and report to the Congress on the conservation, development, and utilization of the water resources of Alaska; to the Commitee on Interior and Insular Affairs.

By Mr. DOUGLAS (for himself, Mr. KENNEDY, Mr. HUMPHREY, Mr. GREEN, Mr. KEFAUVER, Mr. KILGORE, Mr. MURRAY, Mr. NEELY, Mr. PASTORE, Mr. MORSE, Mr. MANSFIELD, and Mr. MAGNUSON):

S. 3553. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. DOUGLAS when he introduced the above bill, which appear under a separate heading.)

By Mr. KENNEDY:

S. 3554. A bill for the relief of Lucia Mary Ann Lucchesi Marchi; to the Committee on the Judiciary.

UNEMPLOYMENT INSURANCE PROGRAM

Mr. DOUGLAS. Mr. President, I ask unanimous consent to be permitted to speak for not to exceed 5 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. DOUGLAS. Mr. President, I send to the desk for introduction, proper reference, and printing in the RECORD a bill to liberalize unemployment compensation benefits. Joining me are the Senator from Massachusetts [Mr. KENNEDY], the Senator from Minnesota [Mr. HUMPHREY], the senior Senator from Rhode Island [Mr. GREEN], the Senator from Tennessee [Mr. KEFAUVER], the senior Senator from West Virginia [Mr. KILGORE], the senior Senator from Montana [Mr. MURRAY], the junior Senator from West Virginia [Mr. NEELY], the junior Senator from Rhode Island [Mr. PASTORE], the Senator from Oregon [Mr. MORSE], the junior Senator from Montana [Mr. MANSFIELD], and the Senator from Washington [Mr. MAGNUSON].

The bill (S. 3553) to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes, introduced by Mr. DOUGLAS (for himself and other Senators), was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Congress finds that (1) the systems of unemployment compensation as now constituted and administered throughout the several States are failing to carry out the purposes and objectives of employment stabilization and security against unemployment which were sought to be achieved by the enactment of the Social Security Act of 1935; (2) there are substantial categories of workers and employees who, though needful of the benefits afforded by unemployment compensation, are not covered for such benefits; (3) the amounts of unemployment compensation payable to unemployed persons who are covered are, in most cases, inadequate to provide the worker and his family with the basic necessities of life; (4) many, and in some cases, unreasonable terms and conditions are imposed upon eligibility to receive unemployment compensation, thus depriving many unemployed workers and their families of the benefits of unemployment compensation; and (5) there are great disparities between the States with respect to the terms and conditions under which workers may become eligible for unemployment compensation, as well as with respect to the amount of such compensation and the length of time for which it is paid. Therefore it is the purpose of the Congress, in order to achieve the goals of employment stabilization and security against unemployment, and in order to strengthen the economy and provide for the general welfare of the Nation, to extend to certain new categories of workers the benefits of unemployment compensation, to prescribe certain uniform minimum standards with respect to the terms and conditions under which unemployment compensation will be paid, as well as to the amounts and the length of time for which such compensation will be payable, and to otherwise extend, revise, and improve the unemployment compensation program.

SEC. 2. Section 1603 (a) of the Internal Revenue Code is amended by striking out paragraph (5), by redesignating paragraph (6) as paragraph (10), and by adding after paragraph (4) the following new paragraphs:

"(5) Compensation may be denied in such State to any eligible individual only under the following circumstances. Compensation may be denied to such an individual—

"(A) for a period not in excess of 4 weeks immediately following the week in which he (i) left suitable work without good cause, (ii) refused to accept suitable work without good cause, or (iii) was discharged for misconduct in connection with his work; or

"(B) for any week in which he left or lost his employment due to a stoppage of work which exists because of a strike at the place of his employment if such individual participated in or was directly interested in such strike or was a member of a grade or class of workers who were participating or directly interested in such strike unless such strike was occasioned by (i) the failure or refusal of the employer of such individual to conform to Federal or State laws pertaining to collective bargaining, wages, hours, or other conditions of work, or (ii) the failure of the employer of such individual to maintain for his employees wage rates, weekly earnings, hours, and other conditions of work not substantially less favorable than those prevailing for similar work in the locality;

"(C) for the first week of unemployment occurring within the benefit year;

"(D) for a period not in excess of 12 weeks immediately following the week in which he has been found, after an opportunity for a fair hearing, to have obtained, or to have sought to obtain, compensation by fraud, or willful misrepresentation of a material fact; and

"(E) for any week in which he is unable to work or is unavailable for suitable work. In determining whether work is suitable, in the case of any individual, there shall be taken into consideration the degree of risk, if any, involved in such work to the health, safety, and morals of such individual, his physical fitness for the work, his prior training and experience, his prior earnings, the length of time, if any, for which he has been unemployed, his prospects for obtaining work at his highest skill, the distance of such work from his residence, his prospects for obtaining local work, and such other factors regarding the acceptance or retention of work as would influence a reasonably prudent person in like or similar circumstances. Work shall not be deemed suitable for any individual if the availability of the work is due directly to a strike, lockout, or other labor dispute at the place where such work is available; or if the wage rate, weekly earnings, hours, or other conditions of the work and substantially less favorable to the individual than those prevailing for similar work in the locality; or if as a condition of holding employment the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

"(6) The maximum weekly compensation payable under such law shall be an amount equal to at least two-thirds of the average weekly wage earned by employees within such State, such average to be computed by the State agency of such State on July 1, 1955, and on July 1 of each succeeding year on the basis of the wages, including amounts excluded therefrom under section 1607 (b) (1), paid during the last full year for which necessary figures are available.

"(7) The weekly compensation payable to any individual shall be (A) the maximum weekly compensation payable under such law, or (B) an amount (exclusive of any compensation payable with respect to dependents) equal to at least one-half of such individual's average weekly wage as determined by the State agency, whichever is the lesser.

"(8) Compensation shall not be denied to any eligible individual for any week of total unemployment during his benefit year by reason of exhaustion or reduction of benefit rights or cancellation of his wage credit until he has been paid unemployment compensation for not less than 39 weeks during such year.

"(9) In order to be eligible to receive unemployment compensation benefits an individual shall not be required (A) if the State law provides for a qualifying requirement computed as a multiple of the amount of the individual's weekly unemployment compensation benefit, to have been paid, during his base period, more than 30 times the amount of his weekly unemployment compensation benefit; (B) if the State law provides for a qualifying requirement computed as a multiple of such individual's high quarter wages, to have been paid more than one and one-half times the amount of his high quarter wages; or (C) if the State law provides for a qualifying requirement based on weeks of employment, to have been employed by an employer for more than 20 weeks in his base period."

SEC. 3. (a) Subsection (a) of section 1607 of the Internal Revenue Code is amended to read as follows:

"(a) Employer: The term 'employer' means any person who, at any time during the taxable year, has one or more individuals in employment."

(b) The title to subchapter C of chapter (9) of the Internal Revenue Code is amended to read as follows:

"SUBCHAPTER C—UNEMPLOYMENT COMPENSATION TAX ON EMPLOYERS"

(c) Subsection (1) of section 1607 of the Internal Revenue Code is amended to read as follows:

"(1) Employee: The term 'employee' means—

"(1) any officer of a corporation; or

"(2) any individual who, under the usual common law rules applicable in determining the employer-employee relationship, has the status of an employee; or

"(3) any individual (other than an individual who is an employee under paragraph (1) or (2) of this subsection) who performs services for remuneration for any person—

"(A) as an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery products, beverages (other than milk), or laundry or dry-cleaning services, for his principal;

"(B) as a full-time life-insurance salesman;

"(C) as a homeworker performing work, according to specifications furnished by the person for whom the services are performed, on materials or goods furnished by such person which are required to be returned to such person or a person designated by him, if the performance of such services is sub-

ject to licensing requirements under the laws of the State in which such services are performed; or

"(D) as a traveling or city salesman, other than as an agent-driver or commission-driver, engaged upon a full-time basis in the solicitation on behalf of, and the transmission to, his principal (except for sideline sales activities on behalf of some other person) of orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments for merchandise for resale or supplies for use in their business operations; if the contract of service contemplates that substantially all of such services are to be performed personally by such individual; except that an individual shall not be included in the term 'employee' under the provisions of this paragraph if such individual has a substantial investment in facilities used in connection with the performance of such services (other than in facilities for transportation), or if the services are in the nature of a single transaction not part of a continuing relationship with the person for whom the services are performed."

(d) Section 1607 of the Internal Revenue Code is amended by adding at the end thereof the following new subsections:

"(o) Benefit year: The term 'benefit year' means the period prescribed by State law, but not in excess of 52 consecutive weeks, for which an eligible individual may receive weekly unemployment compensation benefits.

"(p) Base period: The term 'base period' means the period prescribed by State law beginning not prior to the first day of the fifth full calendar quarter immediately preceding the beginning of the benefit year.

"(q) High quarter wages: The term 'high quarter wages' means, in the case of any individual, the amount of wages (as defined by State law) paid to such individual in the calendar quarter of the base period for which his total wages were highest.

"(r) Average weekly wage: The term 'average weekly wage' means, in the case of any individual, the amount of wages (as defined by State law) paid to such individual during the period used for determining his compensation for a week of total unemployment (1) in case the period used is the calendar quarter in which such individual was paid his high quarter wages, divided by 13; or (2) if some other period is used, divided by the number of weeks, during the period used, in which he performed services in employment (as defined by State law)."

SEC. 4. (a) Section 1601 (b) of the Internal Revenue Code is amended to read as follows:

"(b) Additional credit: In addition to the credit allowed under subsection (a), a taxpayer may credit against the tax imposed by section 1600 for any taxable year (1) an amount, equal to the amount, if any, by which 2.7 percent exceeds the amount for which credit is allowed under subsection (a), if the contributions to a pooled fund required to be paid by him with respect to the taxable year are of a uniform rate imposed by State law on all employers, or (2) with respect to the unemployment compensation law of each State certified for the taxable year as provided in section 1602 (or with respect to any provisions thereof so certified), an amount equal to the amount, if any, by which the contributions required to be paid by him with respect to the taxable year were less than the contributions such taxpayer would have been required to pay if throughout the taxable year he had been subject under such State law to the highest rate applied thereunder in the taxable year to any person having individuals in his employ, or to a rate of 2.7 percent, whichever rate is lower."

(b) The first sentence of section 1602 (a) of the Internal Revenue Code is amended by inserting "(2)" after "section 1601 (b)."

UNEMPLOYMENT REINSURANCE

SEC. 5. Sections 301 and 302 of the Social Security Act, as amended, are amended to read as follows:

"FEDERAL UNEMPLOYMENT ACCOUNT

"SEC. 301. (a) There is hereby appropriated to the Federal Unemployment Account in the Unemployment Trust Fund for the fiscal year beginning July 1, 1955, and for each fiscal year thereafter, amounts equivalent to 100 percent of the taxes (including interest, penalties, and additions to the taxes) received during such period under the Federal Unemployment Tax Act and covered into the Treasury. There is also authorized to be appropriated to the Federal Unemployment Account such additional sums as may be required to carry out the purposes of this title.

"(b) (1) For the purpose of assisting the States in (A) the administration of their unemployment compensation laws (including administration pursuant to agreements under title IV of the Veterans' Readjustment Assistance Act of 1952), (B) the establishment and maintenance of a system of public employment offices in accordance with the provisions of the act of June 3, 1933 (48 Stat. 113), as amended, and (C) carrying into effect section 602 of the Servicemen's Readjustment Act of 1944 there is hereby authorized to be expended, for payments to the States, from the Federal Unemployment Account in the Unemployment Trust Fund for the fiscal year beginning July 1, 1955, and for each fiscal year thereafter, sums not to exceed the amounts specified by Congress in the appropriation act or acts for the Department of Labor for each such fiscal year.

"(2) In addition to the sums authorized to be expended under paragraph (1) of this subsection for the purpose of assisting the States in the administration of their unemployment compensation laws, there is hereby authorized to be expended from the Federal Unemployment Account for such purpose, as provided in section 302 (a) (2), for the fiscal year beginning July 1, 1955, and for each fiscal year thereafter, an amount not in excess of $25,000,000.

"(c) There is authorized to be expended from the Federal Unemployment Account for the fiscal year beginning July 1, 1955, and for each fiscal year thereafter, a sum not to exceed the amounts specified by Congress in the appropriation act or acts for the Department of Labor to be necessary for the administration by the Department of Labor of its functions under (1) the Federal Unemployment Tax Act, (2) this title and titles IX and XII of the Social Security Act, (3) the act of June 6, 1933 (48 Stat. 113), as amended, (4) title IV (except section 602) of the Servicemen's Readjustment Act of 1944, and (5) title IV of the Veterans' Readjustment Assistance Act of 1952.

"PAYMENTS TO STATES

"SEC. 302. (a) (1) The Secretary of Labor (hereafter referred to as the 'Secretary') shall from time to time certify to the Secretary of the Treasury for payment to each State which has an unemployment compensation law approved by the Secretary under the Federal Unemployment Tax Act such amounts as the Secretary determines to be necessary for the proper and efficient administration of such law during the fiscal year for which such payment is made. The Secretary's determination shall be based on (A) the population of the State; (B) an estimate of the number of persons covered by the State law and of the cost of proper and efficient administration of such law; and (C) such other factors as the Secretary finds relevant. The Secretary shall not certify for payment under this subsection in any fiscal year a total amount in excess of the amount specified for such purpose in the appropriation act or acts for the Department of Labor for such fiscal year.

"(2) If the Secretary determines that the amount specified in the appropriation act or acts for the Department of Labor for the purpose of assisting the States in administering their unemployment compensation laws is, because of changes in economic conditions which were unforeseen at the time such amount was specified, less than the amount necessary for the proper and efficient administration of such laws, he is authorized to certify to the Secretary of the Treasury for payment to the States for the administration of their unemployment compensation laws, in addition to the amounts authorized to be certified under paragraph (1), amounts the total of which shall not exceed the amount authorized to be expended by section 301 (b) (2).

"(b) The Secretary of the Treasury shall, upon receiving a certification under subsection (a), pay from the Federal Unemployment Account in the Unemployment Trust Fund, prior to audit or settlement by the General Accounting Office, in accordance with such certification."

SEC. 6. Title XII of the Social Security Act is amended to read as follows:

"TITLE XII—GRANTS TO STATE UNEMPLOYMENT FUND

"SEC. 1201. (a) (1) Except as provided in paragraph (2) and paragraph (3), a State shall be entitled to a reinsurance grant for any calendar quarter, commencing with the quarter beginning on July 1, 1955, if the balance in such State's unemployment fund on the last day of the preceding quarter is less than the amount of the compensation paid from such fund under the State unemployment compensation law during the 6 months' period ending on such last day.

"(2) A State shall not be entitled to a reinsurance grant for any calendar quarter commencing after the computation date for the first taxable year beginning after December 31, 1956, and prior to the computation date for the first taxable year beginning after December 31, 1961; if with respect to any taxable year beginning after December 31, 1956—

"(A) the balance in the State's unemployment fund on the computation date for such year was less than an amount equal to 6 percent of the most recent annual taxable payroll or less than the amount of the compensation paid from such fund under the State unemployment compensation law during the 2 years immediately preceding such date, whichever amount is greater; and

"(B) the minimum rate of contribution required to be paid into the State fund during such taxable year was less than 1.2 percent.

"(3) A State shall not be entitled to a reinsurance grant for any calendar quarter, commencing after the computation date for the first taxable year beginning after December 31, 1961, if with respect to any year within the 5 most recently completed taxable years—

"(A) the balance in the State's unemployment fund on the computation date for such year was less than an amount equal to 6 percent of the most recent annual taxable payroll or less than the amount of the compensation paid from such fund under the State unemployment compensation law during the 2 years immediately preceding such date, whichever amount is greater; and

"(B) the minimum rate of contribution required to be paid into the State fund during such taxable year was less than 1.2 percent.

"(4) A reinsurance grant shall be an amount estimated by the Secretary of Labor (hereafter referred to as the 'Secretary') to be equal to three-fourths of the excess of the compensation which will be payable under the provisions of the State unemployment compensation law during the calendar quarter for which such grant is made

over 2 percent of the taxable payroll for such quarter.

"(5) As used in this section, the term 'computation date' shall have the same meaning as when used in section 1602 of the Internal Revenue Code, as amended.

"(b) The Secretary is authorized and directed, on application of a State agency, to make findings as to whether the conditions entitled a State to a reinsurance grant provided for in subsection (a) hereof have been met, and if such conditions have been met, the Secretary is directed to certify to the Secretary of the Treasury, from time to time, the amount of such grant, reduced or increased, as the case may be, by any sum by which the Secretary finds that the amounts granted for any prior quarter were greater or less than the amounts to which the State was entitled for such quarter. The application of a State agency shall be made on such forms, and contain such information and data, fiscal and otherwise, concerning the operation and administration of the State law, as the Secretary deems necessary or relevant to the performance of his duties thereunder.

"(c) The Secretary of the Treasury shall, upon receiving a certification under subsection (b), make payment from the Federal Unemployment Account in the Unemployment Trust Fund, prior to audit or settlement by the General Accounting Office, in accordance with such certification.

"(d) All money paid to a State under this title shall be used solely for unemployment compensation benefits; and any money so paid which is not used for such purposes shall be returned to the Treasury and credited to the Federal Unemployment Account unless such State is eligible for a reinsurance grant."

SEC. 7. (a) The heading of title IX of the Social Security Act is amended to read as follows:

"TITLE IX—UNEMPLOYMENT COMPENSATION TAX ON EMPLOYERS"

(b) Section 904 (g) of the Social Security Act is hereby repealed.

(c) Clause (2) of the second sentence of section 904 (h) of the Social Security Act is amended to read as follows:

"(2) the excess of taxes collected under the Federal Unemployment Tax Act after June 30, 1946, and prior to July 1, 1955, over the unemployment administrative expenditures made after June 30, 1946, and prior to July 1, 1955."

(d) The third sentence of such section 904 (h) is hereby repealed.

SEC. 8. The amendments made by the preceding sections of this act shall be effective as of July 1, 1955.

TEMPORARY SUPPLEMENTATION OF UNEMPLOYMENT COMPENSATION

SEC. 9. (a) When used in this section—

(1) The term "State" includes the District of Columbia, Alaska, and Hawaii.

(2) The term "compensation" means cash benefits payable to individuals with respect to their unemployment, exclusive of any payments with respect to dependents.

(3) The term "State weekly benefit amount" means the amount of compensation to which an individual is entitled (exclusive of any portion thereof payable with respect to dependents) with respect to a week of total unemployment, under the provisions of a State unemployment compensation law.

(4) The term "adjusted weekly benefit amount" means the sum of (A) the State weekly benefit amount of an individual, and (B) any supplementary compensation payable with respect to a week of total unemployment under an agreement or regulation pursuant to this section.

(5) The term "benefit year" means the period prescribed by State law, but not in excess of 52 consecutive weeks, for which an eligible individual may receive weekly unemployment compensation benefits.

(6) The term "base period" means the first 4 of the last 5 full calendar quarters immediately preceding the beginning of the benefit year.

(7) The term "high quarter wages" means, in the case of any individual, the amount of wages (as defined by State law) paid to such individual in the calendar quarter of the base period for which his total wages were highest.

(8) The term "average weekly wage" means, in the case of any individual, the amount of wages (as defined by State law) paid to such individual during the period used for determining his compensation for a week of total unemployment (A) in case the period used is the calendar quarter in which such individual was paid his high quarter wages, divided by 13; or (B) if some other period is used, divided by the number of weeks, during the period used, in which he performed services in employment (as defined by State law).

(b) The Secretary of Labor (hereafter referred to as the "Secretary") is authorized on behalf of the United States to enter into agreements with any State, or with the unemployment compensation agency of any State, under which such State agency will make, as agent of the United States, payments of compensation on the basis provided in subsection (c) with respect to unemployment.

(c) Any such agreement shall provide—

(1) that such State agency shall pay every unemployed individual, eligible for compensation under the State unemployment compensation law or under this section, adjusted weekly benefit amounts equal to (A) two-thirds of the average weekly wage earned by employees within such State during the last full year for which necessary figures are available, or (B) an amount (exclusive of any compensation payable with respect to dependents) equal to not less than one-half of such individual's average weekly wage as determined by the State unemployment compensation agency, whichever is the lesser;

(2) that such State agency shall continue to pay adjusted weekly benefit amounts to any eligible individual during his benefit year, notwithstanding the exhaustion of his benefit right under State law, or reduction of his benefit rights or cancellation of his wage credit until he has been paid an amount equal to compensation for 39 weeks of total unemployment within a benefit year; and

(3) that compensation may be denied in such State to any otherwise eligible individual only under the following circumstances. Compensation may be denied to such an individual—

(A) for a period not in excess of 4 weeks immediately following the week in which he (i) left suitable work without good cause, (ii) refused to accept suitable work without good cause, or (iii) was discharged for misconduct in connection with his work; or

(B) for any week in which he left or lost his employment due to a stoppage of work which exists because of a strike at the place of his employment if such individual participated in or was directly interested in such strike or was a member of a grade or class of workers who were participating or directly interested in such strike unless such strike was occasioned by (i) the failure or refusal of the employer of such individual to conform to Federal or State laws pertaining to collective bargaining, wages, hours, or other conditions of work; or (ii) the failure of the employer of such individual to maintain for his employees wage rates, weekly earnings, hours, and other conditions of work not substantially less favorable than those prevailing for similar work in the locality;

(C) for the first week of unemployment occurring within the benefit year;

(D) for a period not in excess of 12 weeks immediately following the week in which he has been found, after an opportunity for a fair hearing, to have obtained, or to have sought to obtain, compensation by fraud, or willful misrepresentation of a material fact;

(E) for any week in which he is unable to work or is unavailable for work.

In determining whether work is suitable, in the case of any individual, there shall be taken into consideration the degree of risk, if any, involved in such work to the health, safety, and morals of such individual, his physical fitness for the work, his prior training and experience, his prior earnings, the length of time, if any, for which he has been unemployed, his prospects for obtaining work at his highest skill, the distance of such work from his residence, his prospects for obtaining local work, and such other factors regarding the acceptance or retention of work as would influence a reasonably prudent person in like or similar circumstances. Work shall not be deemed suitable for any individual if the availability of the work is due directly to a strike, lockout, or other labor dispute at the place where such work is available; or if the wage rate, weekly earnings, hours, or other conditions of the work are substantially less favorable to the individual than those prevailing for similar work in the locality; or if as a condition of holding employment the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization; and

(4) that in order to be eligible to receive unemployment compensation benefits an individual shall not be required (A) if the State law provides for a qualifying requirement computed as a multiple of the amount of the individual's weekly unemployment compensation benefit, to have been paid, during his base period, more than 30 times the amount of his weekly unemployment compensation benefit; (B) if the State law provides for a qualifying requirement computed as a multiple of such individual's high-quarter wages, to have been paid more than one and one-half times the amount of his high-quarter wages; or (C) if the State law provides for a qualifying requirement based on weeks of employment, to have been employed by an employer for more than 20 weeks in his base period.

(d) (1) No agreement under this section shall be effective before 60 days after the date of enactment of this act, or after July 1, 1955.

(2) Any agreement under this section shall provide that compensation otherwise payable to any individual under the State's unemployment compensation law will not be denied or reduced for any week by reason of any payment made pursuant to such agreement.

(e) (1) Each State entering into an agreement under this section shall be entitled to be paid by the United States an amount equal to the additional cost to the State of payments of compensation made under and in accordance with such agreement which would not have been incurred by the State except for the agreement.

(2) In making payments pursuant to this subsection, there shall be paid to the State, either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this section for each calendar quarter; reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar quarter were greater or less than the amounts which should have been paid to the State. The amount of such payments may be determined by such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency.

(3) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this subsection. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment, at the time or times fixed by the Secretary, in accordance with

such certification from funds appropriated to carry out the purposes of this section.

(4) All money paid to a State under this subsection shall be used solely for the purposes for which it is paid; and any money so paid which is not used for such purposes shall be returned to the Treasury, upon termination of the period for which the agreement is effective.

(5) An agreement under this section may require any officer or employee of the State certifying payments of disbursing funds pursuant to the agreement, or otherwise participating in its performance, to give a surety bond to the United States in such amount as the Secretary may deem necessary, and may provide for the payment of the cost of such bond from funds for carrying out the purposes of this section.

(6) No person designated by the Secretary, or designated pursuant to an agreement under this section, as a certifying officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to the payment of any compensation certified by him under this section.

(7) No disbursing officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this section if it was based upon a voucher signed by a certifying officer designated as provided in paragraph (6) of this subsection.

(f) (1) Determination of entitlement to supplementary payments of compensation made by a State unemployment compensation agency under an agreement under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in such manner and to such extent.

(2) For the purpose of payments made to a State under title III of the Social Security Act, as amended by this act, administration by the State agency of such State pursuant to an agreement under this section shall be deemed to be a part of the administration of the State unemployment compensation law.

(g) The agency administering the unemployment compensation law of any State shall furnish to the Secretary such information as the Secretary may find necessary or appropriate in carrying out the provisions of this section, and such information shall be deemed reports required by the Secretary for the purposes of paragraph (6) of subsection (a) of section 303 of the Social Security Act.

(h) There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this section.

SEC. 10. (a) Section 1603 (c) of the Internal Revenue Code is amended to read as follows:

"(c) Certification: On December 31 of each taxable year the Secretary of Labor shall certify to the Secretary each State whose law he has previously approved, except that he shall not certify any State which, after reasonable notice and opportunity for hearing to the State agency, the Secretary of Labor finds has changed its law so that it no longer contains the provisions specified in subsection (a) or has with respect to such taxable year failed to comply substantially with any such provision."

(b) Section 303 (b) of the Social Security Act is amended to read as follows:

"(b) Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that in the administration of the law there is—

"(1) a denial, in a substantial number of cases, of unemployment compensation to individuals entitled thereto under such law; or

"(2) a failure to comply substantially with any provision specified in subsection (a);

the Secretary of Labor shall notify such State agency that further payments will not be made to the State until he is satisfied that there is no longer any such denial or failure to comply. Until the Secretary of Labor is so satisfied, he shall make no further certification to the Secretary of the Treasury with respect to such State."

SEC. 11. This act may be cited as the "Unemployment Compensation Standards Act of 1954."

Mr. DOUGLAS. Mr. President, insured unemployment has doubled in the past 12 months. It is imperative that Congress take action to strengthen our vital unemployment compensation system. At present State laws are limited, both as to duration of benefits, and in the amount of the benefits. Moreover, there are excessively restrictive provisions conerning eligibility for benefits.

It is the purpose of the bill to produce a series of State laws which will be more effective in protecting the purchase power and the standard of living of the unemployed worker. If the provisions which we advocate were to be adopted the payments to jobless workers would increase from one-fourth to one-half a billion dollars a quarter over what is now being paid. Aggregate unemployment insurance benefits throughout the country are today being paid at the rate of more than $200 million a month. With total wage and salary payments declining at the rate of more than $12 billion a year, the addition of one or two billion dollars of purchasing power in increased unemployment insurance benefits is a necessary but exceedingly modest amount to help in propping up the national economy.

Under the terms of the bill which we are introducing, the maximum duration of benefit payments would be 39 weeks, as against 26 weeks in about half the States today, with some States still paying benefits only up to 16 weeks.

The original intent of the supporters of the Social Security Act of 1935 and the State laws enacted in conformity with that act was to provide unemployment compensation payments equal to at least 50 percent of full-time weekly wages up to a maximum of two-thirds of such wages. Now, however, payments have fallen behind wages and the cost of living. They average only one-third of wages. They are inadequate both in weekly amount and in number of weeks' duration. Legislatures have reduced contribution rates to hold down benefits, and have amended State laws so as to penalize and disqualify insured workers.

The proposed Federal Unemployment Compensation Standards Act would continue the present Federal-State unemployment compensation system. It would, however, correct inadequacies in the present State laws by imposing additional standards which States would have to meet as a condition of employers receiving credit against the Federal unemployment tax, and by establishing a system of reinsurance to aid depleted State reserves.

Such Federal standards would be effective July 1, 1955, allowing a sufficient period for all State legislatures to meet and enact necessary amendments to State laws. For the period of 30 or 60 days after passage to July 1, 1955, however, States would have to pay benefits at levels up to the benefit standards, with the Federal Government bearing 100 percent of the cost of such excess benefits.

I ask unanimous consent that an analysis of the bill, together with a comparison with the program of the administration, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the analysis and comparison were ordered to be printed in the RECORD, as follows:

The proposed bill has the following provisions:

I. BENEFITS

The maximum primary benefit payable under State laws shall be not less than 66⅔ percent of the State's average weekly wage. Subject to this maximum, each individual's primary benefit shall be not less than 50 percent of his weekly wages. (President Eisenhower and Secretary of Labor Mitchell on February 16, 1954 urged the States to adopt such standards. No State has done so.)

II. DURATION

Benefits shall be payable to all unemployed insured individuals for a period of not less than 39 weeks. (Twenty-two States now have 26 weeks; President Eisenhower and Secretary Mitchell urged the other 26 to do the same; only 1, Michigan, has acted to do so.)

III. DISQUALIFICATIONS

A. An individual who is able to work and available for suitable work may be disqualified only for the following reasons and for periods not in excess of those noted:

(a) Leaving suitable work without good cause (including good personal reasons); for a period not in excess of 4 weeks.

(b) Discharge for misconduct connected with the work; for a period not in excess of 4 weeks.

(c) Refusing suitable work without good cause (including good personal reasons); for a period not in excess of 4 weeks.

(d) For any week in which his unemployment is due to a stoppage of work which exists because of a strike at the unemployed worker's plant, provided that unemployment due to a strike occasioned by the following actions of the employer shall be compensated:

1. The failure or refusal of the employer to conform to Federal or State laws pertaining to collective bargaining or to wages, hours, or other conditions of work;

2. The employer's insistence on wages, hours, or other conditions of work less favorable than those prevailing for similar work in the locality.

B. Standards of suitability of work would be spelled out in the bill along the lines of the standards contained in section 1603 (a) (5) of the Internal Revenue Code. In addition, the bill would set forth general criteria which would have to be taken into account in determining whether the disqualification for refusing or leaving work should be applied.

IV. COVERAGE

Would be made virtually coextensive with the coverage of the old-age and survivors insurance program.

Employers who have one or more individuals in their employ at any time during the taxable year will be covered.

V. FINANCING

A. States would be permitted to provide for uniform rate reductions to all employers as well as individual experience-rated reductions.

B. Proceeds of the Federal Unemployment Tax Act will be earmarked in a Federal unemployment account in the Federal Treasury. Such account will be used for (a) paying the Federal and State administrative

expenses (including the establishment of contingency funds), and (b) reinsurance grants to those States who are in financial difficulty because of high rates of unemployment.

EISENHOWER ADMINISTRATION'S POSITION ON UNEMPLOYMENT COMPENSATION BENEFITS AND DURATION AND SUPPORTERS OF THAT POSITION

1. PRESIDENT EISENHOWER'S ECONOMIC REPORT

The report says:

"Unemployment insurance is a valuable first line of defense against recession. * * * But even as a first defense, the system needs reinforcement."

Among the specific proposals are:

(a) Benefits:

"It is suggested that the States raise these dollar maximums so that the payments to the great majority of the beneficiaries may equal at least half their regular earnings."

In order to provide the great majority of the workers benefits equal to at least half their wages, the maximum would have to be increased to a level substantially above 50 percent of the average wage.

(b) Duration:

"It is urged, therefore, that all of the States raise the potential duration of unemployment benefits to 26 weeks, and that they make the benefits available to all persons who have had a specified amount of covered employment or earnings."

2. SECRETARY OF LABOR MITCHELL'S LETTER TO STATE GOVERNORS DATED FEBRUARY 16, 1954

(a) Benefits:

"At its most recent meeting in January the Federal Advisory Council on Employment Security took action supporting the President's recommendations on improving weekly benefits. The Council recommended that in each State the maximum weekly benefit amount should be equal to at least 60 to 67 percent of the State's average weekly wage."

(b) Duration:

"The President has urged that all States provide 26 weeks of benefits uniformly to all eligible claimants, in order to assure that even in a minor business downturn most workers would remain protected by the program until they could find other jobs."

3. LETTER OF ASSISTANT SECRETARY OF LABOR ROCCO C. SICILIANO TO HEADS OF STATE UNEMPLOYMENT COMPENSATION AGENCIES DATED FEBRUARY 16, 1954

(a) Benefits:

"As also pointed out in the letter to your Governor a recent recommendation of the Federal Advisory Council, in line with the President's Economic Report, suggests as a ceiling on weekly benefits that weekly maximums be equal to 60 to 67 percent of the State's average weekly wage."

(b) Duration:

"By providing all eligible workers with 26 weeks of benefits, the effectiveness of the program in relieving unemployment distress and as a counterrecessionary device will be greatly strengthened."

4. FEDERAL ADVISORY COUNCIL RECOMMENDATION

(a) Benefits:

The Federal Advisory Council, a tripartite, labor-management-public body, recommended that—

"As expeditiously as possible the maximum weekly benefit in each State be raised to an amount not less than three-fifths to two-thirds of average weekly earnings in covered employment."

This recommendation was adopted after the Council had had presented to it and had rejected a proposal to relate benefits to take-home pay rather than average weekly earnings.

(b) Duration:

The Federal Advisory Council had also gone on record on an earlier occasion in favor of a uniform 26 weeks' duration for all unemployed workers.

5. NATIONAL CONFERENCE ON LABOR LEGISLATION

The 20th National Conference on State Labor Legislation convened by the Federal Government, with governors' delegates from State labor departments and organized labor in 41 States and Territories, unanimously adopted a resolution supporting President Eisenhower's recommendations with respect to unemployment compensation benefit levels and duration. The resolution said:

(a) "Maximum benefit amounts shall be not less than two-thirds of the average weekly wage in covered employment.

(b) "Duration of the period in which benefits shall be payable to eligible unemployed workers shall not be less than 26 weeks."

6. JOINT CONGRESSIONAL COMMITTEE ON THE ECONOMIC REPORT

The Joint Congressional Committee on the Economic Report, composed of both Democrats and Republicans from both Houses of Congress, was unanimously agreed on that part of the Committee's report which says:

"We commend the President's suggestion that the States should raise the potential duration of benefits and their dollar maximums on weekly benefits so that payments to the great majority of beneficiaries may be restored to a larger percentage relative to their regular earnings."

Illustrations of changes in State maximums that would result from the bill

State	Average weekly wages, 1952 [1]	Proposed maximum primary benefit based on 1952 figures (3/4 of col. 1)	Present maximum primary benefit (without dependents' allowances)
Alabama	$55.84	$37	$22.00
Alaska	119.08	79	35.00
Arizona	68.62	46	20.00
Arkansas	48.85	33	22.00
California	75.04	50	[2] 30.00
Colorado	67.39	45	28.00
Connecticut	72.81	49	30.00
Delaware	71.68	48	25.00
District of Columbia	65.28	44	20.00
Florida	56.89	38	20.00
Georgia	53.37	36	26.00
Hawaii	56.45	38	25.00
Idaho	63.48	42	25.00
Illinois	76.33	51	27.00
Indiana	73.07	49	27.00
Iowa	64.05	43	26.00
Kansas	67.45	45	28.00
Kentucky	62.13	41	28.00
Louisiana	59.09	39	25.00
Maine	57.90	39	27.00
Maryland	61.15	41	30.00
Massachusetts	62.71	42	25.00
Michigan	83.33	56	[2] 30.00
Minnesota	66.37	44	30.00
Mississippi	47.81	32	30.00
Missouri	66.56	44	25.00
Montana	64.52	43	23.00
Nebraska	60.93	41	26.00
Nevada	74.35	50	30.00
New Hampshire	56.98	38	30.00
New Jersey	74.36	50	30.00
New Mexico	63.06	42	30.00
New York	74.31	50	30.00
North Carolina	51.90	35	30.00
North Dakota	61.96	41	26.00
Ohio	74.57	50	30.00
Oklahoma	66.51	44	28.00
Oregon	73.47	49	25.00
Pennsylvania	66.08	44	30.00
Rhode Island	62.67	42	25.00
South Carolina	55.18	37	20.00
South Dakota	59.32	40	25.00
Tennessee	57.09	38	26.00
Texas	65.47	44	20.00
Utah	63.58	42	27.50
Vermont	60.61	40	25.00
Virginia	57.32	38	[2] 24.00
Washington	72.52	48	30.00
West Virginia	68.33	46	30.00
Wisconsin	71.50	48	33.00
Wyoming	64.15	43	30.00

[1] These are the figures which Secretary Mitchell sent to the States when he urged benefit increases. Under the bill, the Federal Bureau would seek to secure more uniform procedures by the States in calculating average weekly wages of covered workers.

[2] Enacted by State legislature in 1954.

HOUSE BILL REFERRED

The bill (H. R. 8923) to provide for the development of the Coosa River, Alabama and Georgia, was read twice by its title, and referred to the Committee on Public Works.

TWO HUNDREDTH ANNIVERSARY CELEBRATION OF COLUMBIA UNIVERSITY

Mr. SMITH of New Jersey. Mr. President, I ask unanimous consent that I may speak at this time for not to exceed 3 minutes to report on the bicentennial anniversary of Columbia University.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New Jersey? The Chair hears none, and the Senator from New Jersey may proceed.

Mr. SMITH of New Jersey. Mr. President, on Monday and Tuesday of this week, I had the high privilege of attending the 200th anniversary celebration of Columbia University.

Under date of August 8, last, House Joint Resolution 250 of the 83d Congress was signed by the President. This was a joint resolution authorizing the recognition of the 200th anniversary of the founding of Columbia University in the city of New York, and providing for the representation of the Government and the people of the United States in the observance of the anniversary. Mr. President, I ask unanimous consent at this point in my remarks to have printed in the RECORD the full text of the joint resolution.

There being no objection, the joint resolution (H. J. Res. 250, 83d Cong., 1st sess.) was ordered to be printed in the RECORD, as follows:

[Public Law 249, 83d Cong., ch. 403, 1st sess.]

House Joint Resolution 250

Joint resolution authorizing the recognition of the 200th anniversary of the founding of Columbia University in the city of New York and providing for the representation of the Government and people of the United States in the observance of this anniversary

Whereas King's College, chartered in 1754, was one of the earliest institutions of higher learning to be established in the American colonies; and its alumni, including such famous Americans as Alexander Hamilton, John Jay, Robert R. Livingston, and Governeur Morris, played a brilliant role in the struggle for American independence, in the formulation and adoption of the Constitution of the United States, and in the establishment of a new government dedicated to the liberty of man; and

Whereas King's College became Columbia University subsequent to the American Revolution and, in ensuing decades, has carried and enhanced the prestige of American scholarship and scientific research throughout the world and has contributed abundantly at home to the increase of learning, the betterment of the professions, and the enrichment of the community generally; and

Whereas Columbia University, over the years, has given to the United States from among those trained in its schools: Two Presidents, Theodore Roosevelt and Franklin D. Roosevelt; a Vice President, Daniel D. Tompkins; three Chief Justices, John Jay—first to hold that office—Charles Evans

Hughes, and Harlan Fiske Stone; and many other outstanding public servants in the legislative, executive, and judicial departments, as well as numberless distinguished citizens in all walks of life; and

Whereas the president emeritus of Columbia is now the President of the United States; and

Whereas there are to be held at New York City and other places, during 1954, ceremonies, convocations, and conferences commemorating this anniversary of Columbia University, at which illustrious scholars and personages from many lands will attend; and

Whereas the State and city of New York will be officially represented at these exercises; and

Whereas many activities connected with this anniversary will be devoted to furthering and exemplifying the affirmative values of the institutions of a people devoted to freedom: Therefore be it

Resolved, etc., That the Government of the people of the United States unite with Columbia University in the city of New York in a fitting observance of the 200th anniversary of its founding.

SEC. 2. There is hereby established a commission to be known as the United States Commission for the Bicentennial of Columbia University in the City of New York. This Commission shall consist of 15 Commissioners, as follows: The President of the United States and 4 persons appointed by him; the President of the Senate and 4 Members of the Senate appointed by him; and the Speaker of the House of Representatives and 4 Members of the House appointed by him.

SEC. 3. The Commission, on behalf of the United States, shall cooperate with the representatives of Columbia University, the State of New York, and the city of New York in the appropriate observance of Columbia University's bicentennial, and shall extend appropriate greetings and courtesies to representatives of foreign governments, to the delegates of foreign universities and other foreign learned bodies, and to foreign scholars and other individuals attending the celebrations as guests of Columbia University. The Commission is authorized in performing its functions under this section to utilize the services and facilities of the various agencies and instrumentalities of the United States, with the consent of such agencies and instrumentalities.

SEC. 4. The members of the Commission shall serve without compensation. They shall select a chairman and a secretary from among their number, but the President of the United States shall be honorary chairman of the Commission.

SEC. 5. Any vacancies occurring in the appointive membership of the Commission shall be filled in the same manner in which the original appointment was made.

Approved August 8, 1953.

Mr. SMITH of New Jersey. Mr. President, on September 18, 1953, Vice President NIXON appointed me, among other Members of the Senate, as a member of the United States Commission for the Bicentennial. Speaker MARTIN of the House appointed Members of that body. The President of the United States, the President of the Senate, and the Speaker of the House of Representatives are members of the Commission.

I was appointed by Vice President NIXON to represent the United States Commission and to extend the greetings of the Government and the people of the United States in the observance of this anniversary. I had the honor of performing this pleasant duty at the annual commencement exercises at Columbia University on Tuesday, June 1.

During this bicentennial year, Columbia University has held a series of round table conferences with leading educators from all over the United States and the world, at which conferences there has been fully explored the theme of the bicentennial, namely, "Man's right to knowledge and the free use thereof." Through these round table conferences, the vital importance of the dissemination of knowledge has been stressed, and special emphasis has been given to the fact that if man is to be free, we must exercise our right to know and we must use our knowledge in the cause of human freedom. This carries forward in our modern, complex, and dangerous world the important injunction of the Great Teacher, "Ye shall know the truth and the truth shall make you free."

Mr. President, it was a privilege for me to participate in the celebration on Tuesday last. I am sure my colleagues in the Senate will be interested to know that among the many persons from all over the world who there received honorary degrees, the following distinguished individuals, who either have been or are today in positions of high public responsibility in our Government, received the degree of doctor of laws:

The Honorable John Foster Dulles, Secretary of State.

The Honorable Oveta Culp Hobby, Secretary of the Department of Health, Education, and Welfare.

Gen. James A. Van Fleet, general of the United States Army, retired.

The Honorable Eugene Robert Black, President of the International Bank for Reconstruction and Development.

The Honorable Lewis M. Strauss, Chairman of the United States Atomic Energy Commission.

The Honorable William Averell Harriman.

Mr. President, on the evening before the commencement exercises, at a large dinner at the Waldorf-Astoria, in New York, the President of the United States delivered a memorable address to the assembly there gathered, some three or four thousand persons in number. In the course of his address, the President stressed some of the important points of our foreign policy. I ask unanimous consent to have the President's address printed at this point in the RECORD, as a part of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Toastmaster, President Kirk, members and friends of Columbia's family, representatives here of Columbia's great sister institutions of learning, fellow citizens and friends:

I have many regrets in memory occasioned by my leaving Columbia University, and I have a new one this evening, that I never had a chance to attend the classes of our toastmaster.

This occasion has for me particular significance because, for a time, I was intimately associated with those whose life-work is the education of America's youth. I am very proud that, through a brief span in Columbia's 200-year history, my name was closely joined with that of this great institution. For such expression of personal pride in an association with a home of learning, I have illustrious predecessors.

Thomas Jefferson, for one, at the end of his long life, preferred that posterity should think of him, not as the holder of high office, but for his relationship to the University of Virginia.

He held that the free flow of information was indispensable to the maintenance of liberty. He wrote that if he had to make a choice between a society without newspapers or newspapers without a government, he would prefer the latter. And, of the diffusion of knowledge among the people through schools, he said: "No other sure foundation can be devised for the preservation of freedom and of happiness."

A relentless foe of tyranny in every guise, Jefferson throughout his life was steadfast to a fundamental tenet of western society, proclaimed 2,000 years ago in the treasury of the Temple at Jerusalem, that the truth will make men free.

The pursuit of truth, its preservation and wide dissemination; the achievement of freedom, its defense and propagation; these purposes are woven into the American concept of education. The American university—neither the property of a favored class, nor an ivory tower where visionaries are sheltered from the test of practice—every American university fundamentally is dedicated to Columbia's bicentennial theme—"Man's right to knowledge and the free use thereof."

Those who chose the theme of this bicentennial could not have found a more American one. I say this with apology to scholars of all countries, lest they think that I might be deliberately narrowing a universal principle to a provincial application. But from the very beginning of the Republic, education of the people, freedom for the people—these interdependent purposes have been the core of the American dream.

Far from being fearful of ideas, the founders of the Republic feared only misguided efforts to suppress ideas.

No less profound was their faith in man's ability to use freedom, for the achievement of his own and his country's good. In the freedom of the individual, they saw an energy that could hurdle mountains, harness rivers, clear the wilderness, transform a continent.

So convinced, they proclaimed to all the world the revolutionary doctrine of the divine rights of the common man. That doctrine has ever since been the heart of the American faith. Emphatic rejection of this faith is the cardinal characteristic of the materialistic despotisms of our time.

In consequence, the world, once divided by oceans and mountain ranges, is now split by hostile concepts of man's character and nature. Physical barriers and their effects have been largely surmounted. But new barriers seem more insuperable than the old.

Two world camps, whose geographic boundaries in important areas are mutually shared, lie farther apart in motivation and conduct than the poles in space. One is dedicated to the freedom of the individual and to the right of all to live in peace, the other to the atheistic philosophy of materialism, and the effort to establish its sway over all the earth. Watching the two opposing camps are hundreds of millions still undecided in active loyalty.

Today, there is no more important knowledge for each of us to understand than the essential characteristics of this struggle.

One fact stands out stark and clear: Of all who inhabit the globe, only relatively small numbers—only a handful even in Russia itself—are fixed in their determination to dominate the world by force and fraud. Except for these groups in the several nations—mankind everywhere—those who still walk upright in freedom; those who hesitate in neutralism; those who must bow to communism—mankind everywhere hungers for freedom; for well-being; for peace. Now, how can a few men thwart the will of hundreds of millions?

Because, answering to no judge in conscience or in public opinion, they are engaged in a relentless and highly organized world campaign of deceit, subversion, and terrorism. And, opposed to them, there is no single, global effort to promote knowledge and cooperation.

They preach a material dogma that is abhorrent to us, a dogma coated with false promises. And they speak it with a single and a tireless voice, while the free world speaks with diverse tongues a message that demands from each responsibility, perseverance and sacrifice.

Our opponents focus all the weight of government on the single objective they have chosen as the next goal. The free world uses government for the furtherance of human happiness, a front so broad that forward movement is at times almost imperceptible.

To spread their falsehoods, the few who seek world domination possess a global organism ceaselessly engaged in carrying out the orders of their masters. To give the world the truth, the free nations rely largely on the volunteer efforts of individuals, efforts often weak because they are intermittent and uncoordinated.

Possibly in no other way do the Communists so clearly exhibit their fear of the free world achieving real unity as in their persistent efforts to divide and thereby weaken us. They exploit every difference of view among independent nations to make honest discussion falsely appear not as a valued characteristic of free systems but as indication of mutual hatreds and antagonisms. This doctrine of divide and conquer they apply not only as between nations, but among groups and individuals of the same nation. They ceaselessly attack our social, industrial, educational, and spiritual institutions, and encourage every type of internecine struggle of whatever kind.

It is very easy to become an unwitting tool or ally of such conniving. For example, there is no other subject or purpose in which Americans are so completely united as in their opposition to communism. Yet, my friends, and I say this sadly, is there any other subject that seems, at this moment, to be the cause of so much division among us as does the matter of defending our freedoms from Communist subversion? To this problem we must apply more knowledge and intellect and less prejudice and passion. Above all, we must not permit anyone to divert our attention from the main battle and to inspire quarrels that eventually find good citizens bitterly opposed to other good citizens, when basically all would like to be joined in effective opposition to communism.

Now, we must, of course, require from the governmental organizations set up for our internal and external security the utmost in vigilance, energy, and loyalty. We must make certain through constant examination that they are so performing their duties. Let us provide any additional laws or machinery necessary to protect America, remembering that protecting America includes also the protection of every American in his American rights. Let us not lose faith in our own institutions, and in the essential soundness of the American citizenry lest we, divided among ourselves, thus serve the interests and advance the purposes of those seeking to destroy us.

The Soviet Communists claim that their cause is timeless, possibly requiring an entire era to achieve desired results. But they know that the truth of freedom possesses an unchanging validity and a cumulative power as more millions learn of it. So the dictators seek to deny to the world the time and opportunity to learn the truth of both communism and freedom. The power-hungry few are therefore persistently aggressive.

In this situation, we, the American people, stand committed to two far-reaching policies—

First and foremost: We are dedicated to the building of a cooperative peace, based upon truth, justice, and fairness.

Second: To pursue this purpose effectively, we seek the strengthening of America and her friends in love of liberty, in knowledge and comprehension, in a dependable prosperity widely shared, and in a military posture adequate for security.

In these two policies there is no iota of aggression, no intent to exploit others or to deny them their rightful place and space in the world. This consideration of others, this dedication to a world filled with peaceful, self-respecting nations, finds its only opposition in militant totalitarianism.

If we are to work intelligently in the cause of freedom we must study and understand these factors in the world turmoil.

Even when so armed with knowledge, it is not easy for the free world's representatives to negotiate successfully with those who either cannot or will not see the truth or admit the existence of obvious fact.

But surely, even the men in the Kremlin must realize that before all mankind now lies a grand prospect of a far better life for everyone. Its achievement requires only that the scientists of every nation concentrate on the means to a plentiful life rather than on the tools of sudden death; that the millions now under arms be released to fruitful work; that industries of war be converted to the production of useful goods. We have sought and will seek to make this prospect a reality.

Knowledge of the efforts being made by our own Nation to lead the world to this goal is another item of information important to every citizen.

The present administration assumed office 16 months ago, fully aware of the ruthless manner in which the Communists negotiate, conscious of the undependability of their agreements. But we believed that this country's foreign policy must be dedicated to unremitting effort for the preservation of peace, within the enlightened self-interest and fundamental objectives of the United States. Partisan purposes, personal attitudes, all the pressures of lesser interests, we believed, had to be subordinated to this paramount goal.

We knew that every negotiation with the Communists would be fraught with traps and pitfalls but we knew, too, that positive, determined day-to-day toil would pay real dividends among the free nations. We sought a rebirth of trust among all nations—an enduring foundation for a cooperative peace—not a mere breathing space free from imminent crisis.

Every measure we have proposed has been conceived as a step toward this rebirth of trust. These proposals have included an honorable armistice in Korea, a free and united Germany, a liberated Austria, a secure Indochina and southeast Asia, atomic energy harnessed for peaceful purposes under international control.

The first has been achieved. The armistice in Korea, moreover, inaugurated a new principle of freedom—that prisoners of war are entitled to choose the side to which they wish to be released. In its impact on history, that one principle may weigh more than any battle of our time.

Negotiations to unify Germany have been, for the time being, at least, nullified by Soviet demands for a satellite climate in that country. With respect to Austria, the United States, Great Britain, and France agreed to accept state treaty terms which up to that moment had been acceptable to the Soviet Union. But once this acceptance was announced, the Soviet Union immediately invented new conditions which would enable it, for an indefinite period, to keep military occupation in Austria.

To such a plan we could not agree. Far better, this administration believes, that we end the discussion with the issue still unresolved than to compromise a principle or to accept an agreement whose price might be exacted in blood years hence.

In our effort to find the ways by which the miraculous inventiveness of man should not be dedicated to his death, but consecrated to his life, there have been written exchanges of views between the United States and the Soviet Union. Secretary of State Dulles has personally conferred both at Berlin and at Geneva with the Soviet Foreign Minister, Mr. Molotov. These have not been productive of the results we seek, but we, on our side, are continuing exchanges of views and consultations with the other free nations principally involved.

We intend to proceed with these and other like negotiations, confident in the merits of our cause, realistic in our appraisal of Soviet intention, and assured that our purposes and hopes will survive even the most frustrating series of talks.

To be successful, our peaceful purposes and hopes must, of course, be clad in obvious truth and constantly proclaimed to the world. Our actions must stand examination by every eye, friendly and hostile and doubtful. We must be forthright and patient in presenting them. Scarcely could we devise, for the cause of peace, a more fitting battle cry than the theme of the Columbia bicentennial: "Man's right to knowledge and the free use thereof."

Let us not, however, define truth or knowledge of the truth solely in the narrow terms of mere fact or statistic or mathematical equation. Wisdom and human understanding—a sense of proportion—are essential. Knowledge can give us nuclear fission; only wisdom and understanding can assure its application to human betterment rather than to human destruction.

In this light, the Columbia theme is a dynamic idea, a true offspring of the revolutionary doctrine proclaimed by our forefathers. We should preach it, and practice it, fearlessly.

Here tonight in this brilliant company and pleasant surroundings, we might easily take for granted, as assured through all time, the preservation and the free use of knowledge. Two hundred years of Columbia history and the existence of thousands of other institutions of learning in our country seem to give validity to such assurance. But can we be sure that possession of these values, even by ourselves, is as indestructible as it is priceless? The bleak history of a dozen nations insistently warns us differently.

Always and everywhere, even though they may never have experienced it, even though they know its values only in their instincts rather than in their minds, men have sought personal liberty, have fought for it, have died for it.

Nevertheless, within the past few decades, the whole philosophy of our Founding Fathers has been rejected by powerful men who control great areas of our planet. The revolutionary doctrines of our free society have not, to America's amazement, swept around the world. Rather, we have too often seen the counterattacks of fascism and of communism substitute for them the police state, with suppression of all liberties and free inquiry. We have too often seen education perverted into an instrument for the use and support of tyranny.

Beyond this, these few decades have seen science confer upon men technical processes whose colossal destructiveness, the virtual obliteration of space as a protective shield, has brought all of us to the front line of any new war.

Amid such alarms and uncertainties, doubters begin to lose faith in themselves, in their country, in their convictions. They begin to fear other people's ideas—every

new idea. They begin to talk about censoring the sources and the communication of ideas. They forget that truth is the bulwark of freedom, as suppression of truth is the weapon of dictatorship. We know that when censorship goes beyond the observance of common decency, or the protection of the Nation's obvious interests, it quickly becomes, for us, a deadly danger. It means conformity by compulsion in educational institutions; it means a controlled instead of a free press; it means the loss of human freedom.

The honest men and women among these would-be censors and regulators may merely forget that the price of their success would be the destruction of that way of life they want to preserve. But the dishonest and the disloyal know exactly what they are attempting to do—perverting and undermining a free society while falsely swearing allegiance to it.

Whenever, and for whatever alleged reason, people attempt to crush ideas, to mask their convictions, to view every neighbor as a possible enemy, to seek some kind of divining rod by which to test for conformity, a free society is in danger. Wherever man's right to knowledge and the use thereof is restricted, man's freedom in the same measure disappears.

Here in America we are descended in blood and in spirit from revolutionaries and rebels—men and women who dared to dissent from accepted doctrine. As their heirs, may we never confuse honest dissent with disloyal subversion.

Without exhaustive debate—even heated debate—of ideas and programs, free government would weaken and wither. But if we allow ourselves to be persuaded that every individual—or party—that takes issue with our own convictions is necessarily wicked or treasonous—then indeed we are approaching the end of freedom's road. We must unitedly and intelligently support the principles of Americanism.

Effective support of principles—like success in battle—requires calm and clear judgment, courage, faith, fortitude. Our dedication to truth and freedom, at home and abroad, does not require—and cannot tolerate—fear, threat, hysteria, and intimidation.

As we preach freedom to others, so we should practice it among ourselves. Then, strong in our own integrity, we will be continuing the revolutionary march of the Founding Fathers.

As they roused in mankind the determination to win political freedom from dynastic tyranny, we can ignite in mankind the will to win intellectual freedom from the false propaganda and enforced ignorance of Communist tyranny. Through knowledge and understanding, we will drive from the temple of freedom all who seek to establish over us thought control—whether they be agents of a foreign state or demagogues thirsty for personal power and public notice.

Truth can make men free. And where men are free to plan their lives, to govern themselves, to know the truth and to understand their fellowmen, we believe that there also is the will to live at peace.

Here, then, in spite of A-bombs, H-bombs, all the cruel destructiveness of modern war; in spite of terror, subversion, propaganda and bribery, we see the key to peace. That key is knowledge and understanding—and their constant use by men—everywhere.

Today, of course, we must have infantry—and planes and ships and artillery. Only so can we be sure of a tomorrow and the opportunity to continue the mobilization of spiritual and intellectual energies. But there is no time to waste if truth is to win the war for the minds of men. Here is the unending mission of the university—indeed of every educational institution of the free world—to find and spread the truth.

We send professors, scholars and students out to the schools of the free world, to promote understanding of us even as they grow in knowledge and in understanding of others. This practice must be accelerated.

We find room in our own schools for tens of thousands of young men and women from other lands who within the American community learn the truth about us and give understanding of their own people. This effort must be expanded.

The purposes of the free world must not be too limited. Our goal is not merely to react against inroads of Communist lies and attacks. That would be endless and profitless; the tactics of falsehood are limitless. We must join with our friends in a crusade of truth. We must make our aim the building of peace in justice and freedom. That is a worthy objective and a golden reward. Under God, the united energies of free people can attain it.

"The prospect now before us in America," wrote John Adams in 1765, "ought to engage the attention of every man of learning to matters of power and of right, that we may be neither led nor driven blindfolded to irretrievable destruction." And he ended by saying, "Let every sluice of knowledge be opened and set aflowing."

Tonight I think it fitting to repeat John Adams' exhortation, confident that, prompted by reason and armored by faith, we shall speed the advance of knowledge and liberty on their hand-in-hand journey along the avenue of the ages.

My friends, to each of you my thanks for the compliment you pay me in asking me to appear before you, to renew old associations and friendships. Thank you.

THE INDOCHINA SITUATION

Mr. KEFAUVER. Mr. President, within the past few days, solemn warnings about the military situation in Indochina have continued to be given the American people by important personages in this administration. We have had, within the past week, the statement of the Nation's chief naval officer that the free world faces even graver alternatives in Indochina than those that led us into Korea, 4 years ago this month.

Although he did not predict that a holocaust would come today or tomorrow, Adm. Robert B. Carney, the Chief of Naval Operations, told us that it might come far sooner than is generally realized. "The danger is imminent and it is increasing swiftly," he said.

There is no doubt that a few months ago the American people were confused by the situation in Indochina. Some of the same persons who now are expressing such deep concern were then confusing our people by statements of unwarranted optimism. But there seems to be no doubt whatsoever that our people are well aware of the crucial importance of the struggle in that area today.

What the American people need to be told now is what the policy of this administration is in relation to the war in Indochina. We have been informed that the United States does as a matter of fact have a concrete policy in regard to our participation in that struggle against the aggression of communism. But I do not know what that policy is. The American people do not know what that policy is.

Why is it that if such a policy does in fact exist the Congress and the American people have not been told what it is?

We are told that administration leaders are fearful of the possible reaction on the part of Congress and the people. Yet we know of no instance when, in the face of danger, either the Congress or the people of the United States ever failed to do their duty when they possessed the facts.

We are told that some leaders in the administration are fearful of the effects of more active participation by the United States in the war in Indochina on Republican election prospects.

To this I say that anything as serious as war has no business in politics. The decisions before this country are far too grave for them to wait on elections.

We have seen all too recently the effect of politics on war. The war in Korea became a political football. The decision to call a halt to it was largely a political decision and that decision led directly to the increased pressures in Indochina.

We are informed by a reliable newspaper that orders for the reimposition of controls on industry and commodities are all drawn up. We are told that the Office of Defense Mobilization is holding up the printing of 200 million ration books because of fear of public opinion. Doubtless these preparations are only common prudence. If this is the case they can be explained as such. The administration, however, tells the people nothing.

It is time the people knew what this country faces. It is past time for simple candor. If the administration will forget the generalities with which we have been so liberally supplied, and let the people know the precise alternatives and the means proposed to deal with them, it will have the support of the people. If the administration proposes to do what is necessary and what is right the Nation will back it, as in such circumstances the Nation always reacts.

Military leaders of five nations will convene here this week to determine the military possibilities in Indochina. Soon thereafter decisions will have to be made on higher levels as to the implementation of the conclusions reached by these military leaders.

We can only hope that when these decisions are made, that the governments of all the free nations of that part of Asia are included in our counsels. We can only hope that decisions involving increased intervention, if made, will be carried out in the framework of the United Nations. What is most important, however, is that the American people be told the truth and all the truth.

A limited intervention involving only naval and air forces has been widely predicted. If this is the case, the American people ought to be told, and must be told, what the chances are that such limited intervention can stay limited. They ought to be told what the chances are that greater intervention in Indochina may lead to the reopening of the war in Korea.

These are questions of such gravity, Mr. President, that it is not only foolhardy but dangerous in the extreme to keep the American people in darkness. The decisions which must be made,

sooner perhaps than many people believe, must be national decisions. Let the people of the United States have the truth, the simple truth. They can be counted on to do their duty. They always have.

COLLECTION OF INDEBTEDNESS OF MILITARY AND CIVILIAN PERSONNEL

The Senate resumed the consideration of the bill (S. 2728) to authorize the collection of indebtedness of military and civilian personnel resulting from erroneous payments, and for other purposes.

AMENDMENT TO CHARTER OF COLUMBIA INSTITUTION FOR THE DEAF

Mr. KNOWLAND. Mr. President, there is on the calendar a bill which should be passed before the 4th of the month, which is the anniversary date of the Columbia Institution for the Deaf. I have consulted with the minority leader. The bill is House bill 6655, Calendar No. 1491. I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1491, House bill 6655.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 6655) to amend the charter of the Columbia Institution for the Deaf, change its name, define its corporate powers, and provide for its organization and administration, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, the majority leader has discussed this matter with me. I think his request is a meritorious one. We have no objection to the consideration of the bill at this time, and I hope it can be passed, in order to meet the deadline.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from California?

There being no objection, the bill (H. R. 6655) was considered, ordered to a third reading, read the third time, and passed.

COLLECTION OF INDEBTEDNESS OF MILITARY AND CIVILIAN PERSONNEL

The Senate resumed the consideration of the bill (S. 2728) to authorize the collection of indebtedness of military and civilian personnel resulting from erroneous payments, and for other purposes.

Mr. CARLSON. Mr. President, Senate bill 2728, a bill to authorize the collection of indebtedness of military and civilian personnel resulting from erroneous payments, and for other purposes, comes before the Senate with a favorable report from the Committee on Post Office and Civil Service.

The purpose of this proposed legislation is to provide authority to the head of a department or agency to withhold from moneys due to employees of the United States, or any member of the Armed Forces or Reserve components thereof, amounts owed the United States as the result of erroneous payment made by a department, agency, or establishment. These overpayments would be collected by withholding in installments from the current basic pay account of the individual.

The need of this proposed legislation has been prompted by the delays in recovering erroneous payments made to Government personnel. This is especially true in the military forces where pay records and actual payment are often handled by different disbursement officers and often at different locations. Under existing regulations recovery of such amounts must now await the audit and disallowance of the General Accounting Office and are often so expensive that the collection proceedings are made ineffectual. It is believed that this proposed legislation will expedite collection of erroneous payments once they have been administratively determined but will not be conclusive on either the individual or the Government. The individual would not be deprived of his remedy to redress.

S. 2728 grants authority only to the Government to withhold current pay for erroneous payments.

Section 1 would permit the withholding of pay of any employee of the United States or any member of the Armed Forces, or a Reserve component thereof, where the Secretary of the department or head of the agency or establishment concerned determines that such person is indebted to the United States as the result of an erroneous payment made by the department, agency, or establishment. Such amount to be recovered would be accomplished by the collection of installments from the current pay account of the individual.

Section 2 provides for the issuance of departmental regulations by the Secretary or head of an agency or establishment. Such regulations shall be approved by the Secretary of the Treasury.

Section 3 authorizes the adjustment of the appropriation of the department or agency concerned at the end of the fiscal year so as to charge any net underpayments in individual pay accounts against the appropriations for the next fiscal year. The act of February 9, 1946 (60 Stat. 3; 31 U. S. C. 634a), which now permits the Department of the Navy to make similar adjustments, would be repealed.

Section 4 insures that this legislation would have no effect upon the act of May 22, 1928 (45 Stat. 698; U. S. C. 875a) relating to deductions from the pay of Army enlisted personnel for debts due the United States.

The Bureau of the Budget and the Comptroller General recommend favorable consideration of this legislation. It was also pointed out that this legislation would cause no apparent increase in the budgetary requirements insofar as the Department of Defense is concerned.

The PRESIDING OFFICER (Mr. BUTLER of Maryland in the chair). The bill is open to amendment.

Mr. CARLSON. Mr. President, the Senator from Kentucky [Mr. COOPER], who is necessarily absent from the Senate, has an amendment at the desk. I have discussed the amendment with him, and although I cannot accept it as a committee amendment, personally, I am willing to accept it. Therefore, if there is no objection, I shall be glad to have the amendment stated at this time.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 2, line 10, after the period, it is proposed to insert a new sentence as follows:

> The amount deducted for any period shall not exceed an amount equal to two-thirds of the pay from which the deduction is made, unless the deduction of a greater amount is necessary to effect collection within the period or anticipated period of active duty or employment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. GILLETTE. I should like to ask several questions with respect to the proposed legislation. As I understood the Senator from Kansas, the bill would provide for the deduction from payments to Federal employees, both military and civilian, of moneys paid to them erroneously.

Mr. CARLSON. The Senator is correct.

Mr. GILLETTE. Who makes the decision as to whether a payment has been erroneously made?

Mr. CARLSON. The department or agency head must determine that the indebtedness exists and that the payment was an erroneous payment. If the employee is dissatisfied he has the right of appeal to the General Accounting Office or to the Court of Claims.

Mr. GILLETTE. The employee has an appeal from what decision?

Mr. CARLSON. From the decision of the officer in charge of the agency or the head of the department.

Mr. GILLETTE. Let me put a hypothetical question to the Senator from Kansas. Let us suppose that in the case of a man in the military service certain payments have been made to one of his dependents, perhaps his wife, and the marriage has been dissolved by divorce, but by mistake the payments have gone to the wife, when, as a matter of fact, the man has made his mother the beneficiary. Does that mean that the man is responsible and that there must be deducted from his pay money which has been paid because of an error on the part of the department and that he must make double payment?

Mr. CARLSON. No; it will not mean that he will have to make a double payment. Under existing opinions of the Judge Advocate General recoupment cannot be made where the individual derived no benefit. At the present, evidence of erroneous payment is sent to the General Accounting Office, and after months of study a demand for payment is made on the individual and he is then forced to begin making restitution. Quite often he is no longer in the service of the Government. Frequently such a situation is very embarrassing and causes undue hardship. It would be

much better to give a civilian employee or a member of the military service the opportunity to clear up the matter while he was still in the service of the Government.

The suggested procedure will not cost the Government any more money. The idea of the bill is to take care of such situations while the employee is in a position to do so, instead of letting the matter wait until he is out of the service and has probably forgotten all about the payment. From the standpoint of the individual employee himself, I believe it will be of great benefit to him to have the matter cleared up while he is still in the military service or the civilian service of the Government.

Mr. GILLETTE. Is the Senator from Kansas convinced, and are the Senators who worked with him on the bill convinced, that the bill affords no opportunity to impose on an individual who disputes the claim that a payment was made erroneously?

Mr. CARLSON. The Senator from Kansas will state to the distinguished Senator from Iowa that we held two hearings on the pending bill, because I was as greatly concerned about the problem as is the distinguished Senator. The committee is convinced that it has taken all the precautions that are necessary to be taken in the situation.

Mr. GILLETTE. I thank the Senator.

The PRESIDING OFFICER. The bill is open to amendment. If there be no further amendment to be offered the question is on the engrossment and third reading of the bill.

The bill (S. 2728) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, when it is determined by the Secretary of the department concerned or the head of the agency or independent establishment concerned, or one of their designees, that an employee of the United States or any member of the Army, Navy, Air Force, Marine Corps, or Coast Guard, or a reserve component thereof, is indebted to the United States as the result of any erroneous payment made by the department, agency, or independent establishment concerned to or on behalf of any such person, the amount of the indebtedness may be collected in monthly installments, or at officially established regular pay period intervals, by deduction in reasonable amounts from the current pay account of such person. The deductions may be made only from basic compensation, basic pay, special pay, and incentive pay, retired pay, retainer pay, or in the case of persons not entitled to basic pay, other authorized pay. Collection shall be effected over a period not greater than the anticipated period of active duty or period of employment, as the case may be. The amount deducted for any period shall not exceed an amount equal to two-thirds of the pay from which the deduction is made, unless the deduction of a greater amount is necessary to effect collection within the period or anticipated period of active duty or employment. If such individual retires, resigns, or his employment or period of active duty is otherwise terminated before such adjustment has been completed, adjustment shall be made by decreasing subsequent payments, of whatever nature, due such person by the department, agency, or independent establishment concerned. Nothing in this section shall modify any existing law which provides for forfeiture of pay or allowances.

SEC. 2. Each Secretary of a department, or head of an agency or independent establishment, as appropriate, shall prescribe regulations to carry out the purposes of this act. Such regulations shall be approved by the Secretary of the Treasury. Regulations prescribed by the Secretaries of the Army, Navy, and Air Force shall be uniform for the military services insofar as practicable.

SEC. 3. (a) In accordance with settlement procedures prescribed by the Comptroller General of the United States, the Secretary of the department concerned or the head of the agency or independent establishment concerned is authorized to charge the net amount of the unpaid and overpaid balances occurring in individual pay accounts against the appropriation for the fiscal year in which the balances occurred, and from which the amount was payable, and the net amount shall be credited to and paid from the corresponding appropriation for the next succeeding fiscal year.

(b) The act of February 9, 1946 (ch. 2, 60 Stat. 3) is repealed.

SEC. 4. Nothing contained in this act shall be construed as repealing, amending, or modifying in any way the provisions of the act of May 22, 1928 (ch. 676, 45 Stat. 698).

RENEWAL AND ADJUSTMENT OF COMPENSATION FOR CARRYING MAIL ON WATER ROUTES

Mr. BUSH. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 936, Senate bill 361.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 361) to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut.

Mr. HOLLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUSH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). Without objection, it is so ordered.

The question is on agreeing to the motion of the Senator from Connecticut [Mr. BUSH] that the Senate proceed to the consideration of Senate bill 361, to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 361) to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes, which had been reported from the Committee on Post Office and Civil Service with an amendment.

Mr. BUTLER of Maryland. Mr. President, the purpose of this proposed legislation is to extend to contractors who carry mail on water the same provisions which now apply to star-route or screen vehicle contractors with regard to the renewal of contracts and adjustment of compensation thereunder.

The Postmaster General will be thus authorized to renew water-route contracts under the provisions which are now applicable to star-route and screen vehicle service contractors and which are designed to protect the contractors who have made considerable investment in equipment and have performed satisfactory service. Under such provisions, the Postmaster General may renew the contract without advertising the route for bids. Also, where a subcontractor has performed satisfactory service for a period of at least a year and the contractor fails to give notice within 90 days of his desire to renew the contract, the subcontractor may be awarded such contract. The bill further provides that the Postmaster General may in his discretion, with the consent of the contractor, readjust the compensation paid under the contract for increased or decreased cost occasioned by changed conditions during the term of the contract which could not have been anticipated at the time of the original or renewed contract.

Mr. President, the bill has the approval of the Postmaster General and of the Bureau of the Budget. I urge that the bill be passed.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The clerk will state the committee amendment.

The amendment of the Committee on Post Office and Civil Service was to strike out all after the enacting clause and insert:

That the last two paragraphs of section 3951 of the Revised Statutes, as amended (39 U. S. C. 434), are amended by striking out the words "star-route or screen vehicle service" wherever they appear in such paragraphs and inserting in lieu thereof the words "star-route, screen vehicle service, or water route."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. GORE. Mr. President, I am opposed to the passage of S. 361 in its present form. I feel that the amendment made by the committee at the suggestion of the Department of the Post Office is an unwarranted one and one which does not fall within the basic justifications for the existing statutes which permit negotiated renewals of existing contracts for star-route and screen-vehicle service contractors.

I believe that the bill in its original form which extended these privileges to the contractors and discretionary powers to the Postmaster General with respect only to inland water-route contractors was probably a sound extension. Broadening that extension to include water mail carriers out of the continental United States, and particularly those carriers operating between the United States and its noncontiguous Territories was a mistake.

In the committee's report on page 3 there is a tabulation which shows this. There are 94 inland water routes, involving contracts for mail carriage totaling $302,000. There are 24 mail routes outside the Continental United States involving contracts totaling $2,660,000. The effect of the committee amendment to this bill is to permit mail contracts to be made without public advertised bids for these 24 noncontinental water routes involving sums over eight times as great as the total for inland water-route carriers.

That was the purpose of the bill as originally introduced.

More significant, if the bill is passed as amended, the Postmaster General will have the discretion to renew existing individual contracts at prevailing rates which involve in excess of $1 million annually. Most of the star-route and screen-vehicle carrier contracts amount to only a few thousand dollars annually. Similarly, inland water-route carrier contracts are for very small annual sums. It is a far different thing to give the Postmaster General the discretionary power to renew contracts of this small size without publicly advertised bids than it is to give him that power with respect to million-dollar contracts.

I invite attention to the fact that, aside from the Department of the Post Office, the favorable reports of the Government agencies on the pending legislation were rendered only with respect to the bill as introduced, not as amended.

Mr. BUTLER of Maryland. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. BUTLER of Maryland. Did not the letter from the Director of the Budget approving the proposed legislation invite attention to the fact that it applied only to inland water carriers, and that it should be broadened to cover all water carriers?

Mr. GORE. As contained in the report, the recommendation for the passage of the bill by all the agencies affected other than the Post Office Department, I am informed, related only to the bill as introduced.

Mr. BUTLER of Maryland. On page 2 of the report, the last line of the letter from J. M. Dodge, Director of the Budget, has this to say:

> Your attention is directed to the term in the bills "inland water route" which may be subject to different interpretations. Under the more limiting interpretation, the legislation would result in discrimination against some contractors.

The contractors to whom he referred are the contractors operating between Hawaii and the mainland and the other places mentioned, are they not?

Mr. GORE. I did not gather from the language which the distinguished Senator read that it constituted a recommendation that the bill be amended to include million-dollar-contract carriers between continental United States and the Hawaiian Islands. True, the bill as introduced would result in different treatment. Whether that would be discriminatory, I am not sure.

Mr. BUTLER of Maryland. Mr. President, will the Senator from Tennessee yield further?

Mr. GORE. I yield.

Mr. BUTLER of Maryland. I read the next sentence of the letter from the Bureau of the Budget:

> As a matter of equity, this possible ambiguity should be resolved.

So the Director of the Budget is in favor of wiping out the inequity, which is exactly what the amendment proposes to do. It seems to me the argument of the Senator from Tennessee is that he is willing to wipe it out to a limited extent, but not to the full extent.

Mr. GORE. I would not say that is an accurate statement. What I have said is that I am willing to have the bill apply to star-route carriers and to small inland water-route carriers, but I see no necessity for extending the same principle to a million-dollar contract for an operation between Hawaii and the United States. I do not think it is necessary.

Mr. BUTLER of Maryland. It seems to me that, if the principle is a sound one, it can just as well be applied and just as safely applied to a million-dollar contract as it can to one of a lesser amount.

Mr. GORE. That would not necessarily follow. Is the Senator from Maryland opposed to public bidding in competition for Government contracts?

Mr. BUTLER of Maryland. Not in the slightest; but if the Senator from Tennessee will read the report, he will observe that the bill provides for better service; it protects an operator in the procurement and maintenance of his equipment and makes for much better mail service. I do not see that any harm can result from it.

Mr. GORE. I have no doubt that the bill, as amended, if passed, would provide protection to certain individuals. But what I am interested in is protecting the Treasury of the United States and protecting the interests of the people of the United States. I see no necessity, in order to protect a few individuals, to give the Postmaster General the authority to renew, without bidding, a contract for a million dollars a year.

Mr. BUTLER of Maryland. Mr. President, will the Senator from Tennessee further yield?

Mr. GORE. I yield.

Mr. BUTLER of Maryland. When the postal service is improved and made more available to the public generally, not merely a few people are helped; all the people of America are helped.

Mr. GORE. I favor improving the postal service, but I have seen no evidence that the service will be improved by eliminating competition in the case of the large contracts. If that be true, then the whole theory of the American competitive system is put to serious question.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. DOUGLAS. Am I correct in inferring from the report of the committee, on page 3, that the major sums of money involved are for routes between the United States and Hawaii and between the United States and Alaska?

Mr. GORE. I believe that to be true.

Mr. DOUGLAS. Do I correctly understand that one contract for transporting mail between the United States and Alaska, under present provisions, is at the rate of $1,120,309, and that the contract for handling mail between the United States and Hawaii is at the rate of $961,145?

Mr. GORE. That is true according to the record. I wish to read a quotation in the letter of the Acting Comptroller General of the United States, on page 4 of the report, as follows:

> "Since it appears that the powerboat service is not properly comparable with the star-route service, favorable consideration of the bill is not recommended."
>
> Similarly, it is the view of this Office that S. 361 and S. 533 should not be given favorable consideration.

Mr. DOUGLAS. That was a report made when the great Lindsay Warren was Comptroller General of the United States; was it not?

Mr. GORE. That is true.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. GORE. I yield to my distinguished colleague.

Mr. KEFAUVER. I wish to ask the distinguished junior Senator from Tennessee if it is not true, as appears on page 3 of the report, that the number of inland waterways apparently is 94, and that the amount involved under the contracts appears to be $302,436; and that, following them, are the big contracts, which have been added by amendment to the bill, covering routes other than inland waterways, from the United States to Alaska and from the United States to Hawaii. As I count them, there are 24 such routes.

It does not seem to me that it would be an onerous burden upon the Postmaster General to devise methods of advertising for bids in making contracts affecting only 24 routes. I certainly agree with the junior Senator from Tennessee that to do so would be greatly in the public interest.

Mr. GORE. I thank the Senator. If he will notice the table, as I read it, there are only four contract mail carriers to Alaska. I do not believe it would be a serious burden upon the Postmaster General to receive bids from those four carriers.

Mr. KEFAUVER. As to the 4 contracts to Alaska, 1 of which is for $1,120,309, and the 3 contracts to Hawaii, amounting to $961,145, does the Senator know of any legitimate reason, or any reason of policy, why the Postmaster General or anyone else should object to advertising for bids, in order to obtain the best possible rate for the 4 big contracts?

Mr. GORE. I have been unable to find any good reason given therefor.

Mr. KEFAUVER. Does not the Senator feel that eliminating competition in connection with the four contracts will, in the eyes of some people, subject the Postmaster General to the suspicion that perhaps he favors some particular contractor who might be interested in the contract and that, therefore, he does not wish to advertise to secure the proper competition?

Mr. GORE. If that be true, I shall insist upon holding the Postmaster General not only above but away beyond suspicion.

Mr. BUTLER of Maryland. I may say to the distinguished junior Senator from Tennessee, that I am the author of the bill. When it was first introduced, it covered only inland water routes. I am not a member of the committee. I had nothing whatsoever to do with the

amendment. So far as I am concerned, if the bill as passed covers the purposes for which it was originally introduced, I shall be happy. I am not here to say that the General Accounting Office is wrong, and that the Bureau of the Budget and the Post Office Department are right. What I am interested in is permitting small inland carriers to have the same opportunities as have the star route and screen-vehicle carriers.

Mr. GORE. I join with the distinguished Senator from Maryland in that view. If he will have adopted an amendment which will hold the bill to its original form, I will support it.

Mr. BUTLER of Maryland. I observe on the floor, the distinguished chairman of the Committee on Post Office and Civil Service. If such an amendment is acceptable to him, it is acceptable to me. I do not wish to have any misunderstanding as to the purpose of the bill or as to my motives at the time the bill was introduced.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. MONRONEY. I wish to corroborate what the distinguished senior Senator from Maryland has said. As I recall the testimony in the hearings before our committee, the entire purpose of the bill was to extend to small carriers who ply the inland waters, such as Chesapeake Bay and other bays and similar water routes, very small operators, who have their own equipment, who have served the routes for a long period of time, and who, in effect, are one-man operators, the same rights as have been extended to star-route carriers.

Mr. BUTLER of Maryland. The Senator from Oklahoma is correct.

Mr. MONRONEY. I do not remember how the broadening amendment got into the bill. It might have been under the guise of perfecting language, or something like that. But I know my concept of the bill was that it affected only screen routes and the other kinds of service which the senior Senator from Maryland has suggested.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. JOHNSTON of South Carolina. I wish to join in what the distinguished Senator from Oklahoma has said. I think the main objective was to care for the inland water routes. How the other water routes got into the bill I do not know. I do not object to the bill as it applies to the inland waterways.

Mr. BUTLER of Maryland. I think it only fair to make the statement on the floor of the Senate that my bill as originally introduced did not contemplate the steamship routes to noncontiguous areas; it contemplated only the small inland-water-route carriers.

Mr. JOHNSTON of South Carolina. I do not know whether any hearings were held on that point or not.

Mr. MONRONEY. The distinguished senior Senator from Maryland testified; and while a case was made in the hearings for the water routes before a subcommittee of the Committee on Post Office and Civil Service, I recall no discussion at the moment with respect to broadening the bill in any degree. That may have occurred at a time when I was not present.

Mr. BUTLER of Maryland. I can assure the Senator from Oklahoma that I do not know how that came about. It was not my amendment.

Mr. MONRONEY. Would it not be possible for the distinguished junior Senator from Tennessee to accomplish what the bill originally intended to provide by having the Senate reject the committee amendment, which expands the bill, and leaving the text of the bill as it was originally introduced?

Mr. GORE. That is what I think should be done. I am opposing the committee amendment.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. GORE. I yield to the distinguished chairman of the committee.

Mr. CARLSON. Mr. President, I think perhaps the situation can be clarified. Hearings on the bill were held under date of February 3, 1954, and a transcript made of the hearings. The question was thoroughly discussed.

In the final analysis, the word "inland" was deleted because it was felt, and it is a matter of record, that the language of the bill otherwise would discriminate against boats on inland waters in the Hawaiian Islands, Alaska, and in other places.

This is not the first time the question has been before the Senate. Senator O'Conor introduced a similar bill a few years ago, which passed the Senate. It was not passed by the House, because Members of that body thought the bill dealt with oceangoing mail. This time we are trying to eliminate from the bill reference to oceangoing mail. I do not wish to have that language in the bill. I am perfectly willing and agreeable to limit the bill to inland waters, but when that is done, boats using inland waters in Hawaii and Alaska would be discriminated against, and such waters are so distinguished in the bill, as the Senator has read.

The powerboat mail-carrying ships are ships used for carrying mail on waters in this country. Contracts with oceangoing liners are not involved.

I believe that we might as well accept the amendment, although if that is done, to my regret, we may discriminate against carriers in the inland waters of Hawaii, Puerto Rico, and Alaska. I think the amendment, if the Senator from Tennessee wishes to press the matter, might be deleted.

Mr. GORE. Mr. President, we all seem to agree that the amendment of the committee should not be adopted.

The PRESIDING OFFICER (Mr. BARRETT in the chair). The question is on agreeing to the amendment of the committee.

The amendment was rejected.

The PRESIDING OFFICER. If there are no further amendments to be offered, the question is on the engrossment and third reading of the bill.

The bill (S. 361) was ordered to be engrossed for a third reading, read the third time, and passed.

HOUSING ACT OF 1954

Mr. BUSH. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1485, which is House bill 7839.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 7839) to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities.

RECESS

Mr. BUSH. Mr. President, the distinguished Senator from Indiana [Mr. CAPEHART] who is in charge of the bill, is not in the Senate Chamber at the present time. The Senator from Indiana will make the opening statement, but he will not be present before 2 o'clock.

Unless Senators wish to speak on other matters, I shall make a motion that the Senate take a recess until 2 o'clock today. However, if any Senator wishes to speak, I shall withhold the motion.

If there be no such requests, I now move that the Senate stand in recess until 2 o'clock p. m.

The motion was agreed to; and (at 1 o'clock and 3 minutes p. m.) the Senate took a recess until 2 o'clock p. m.

On the expiration of the recess, the Senate reassembled and was called to order by the Presiding Officer (Mr. PAYNE in the chair).

MENOMINEE INDIAN TRIBE OF WISCONSIN—CONFERENCE REPORT

Mr. WATKINS. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2828) to amend the act of Congress of September 3, 1935 (49 Stat. 1085), as amended. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2828) to amend the act of Congress of September 3, 1935 (49 Stat. 1085), as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the House recede from its disagreement to the amendment of the Senate to the text of the bill, and agree to the same with an amendment, as follows: In lieu of the matter inserted by the Senate amendment, insert the following:

"That the purpose of this Act is to provide for orderly termination of Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin.

"SEC. 2. For the purposes of this Act—

"(a) 'Tribe' means the Menominee Indian Tribe of Wisconsin;

"(b) 'Secretary' means the Secretary of the Interior.

"SEC. 3. At midnight of the date of enactment of this Act the roll of the tribe maintained pursuant to the Act of June 15, 1934 (48 Stat. 965), as amended by the Act of July 14, 1939 (53 Stat. 1003), shall be closed and no child born thereafter shall be eligible for enrollment: *Provided*, That applicants for enrollment in the tribe shall have three months from the date the roll is closed in which to submit applications for enrollment: *Provided further*, That the tribe shall have three months thereafter in which to approve or disapprove any application for enrollment: *Provided further*, That any applicant whose application is not approved by the tribe within six months from the date of enactment of this Act may, within three months thereafter, file with the Secretary an appeal from the failure of the tribe to approve his application or from the disapproval of his application, as the case may be. The decision of the Secretary on such appeal shall be final and conclusive. When the Secretary has made decisions on all appeals, he shall issue and publish in the Federal Register a Proclamation of Final Closure of the roll of the tribe and the final roll of the members. Effective upon the date of such proclamation, the rights or beneficial interests of each person whose name appears on the roll shall constitute personal property and shall be evidenced by a certificate of beneficial interest which shall be issued by the tribe. Such interests shall be distributable in accordance with the laws of the State of Wisconsin. Such interests shall be alienable only in accordance with such regulations as may be adopted by the tribe.

"SEC. 4. Section 6 of the Act of June 15, 1934 (48 Stat. 965, 966) is hereby repealed.

"SEC. 5. The Secretary is authorized and directed, as soon as practicable after the passage of this Act, to pay from such funds as are deposited to the credit of the tribe in the Treasury of the United States $1,500 to each member of the tribe on the rolls of the tribe on the date of this Act. Any other person whose application for enrollment on the rolls of the tribe is subsequently approved, pursuant to the terms of section 3 hereof, shall, after enrollment, be paid a like sum of $1,500: *Provided*, That such payments shall be made first from any funds on deposit in the Treasury of the United States to the credit of the Menominee Indian Tribe drawing interest at the rate of 5 per centum, and thereafter from the Menominee judgment fund, symbol 14X7149.

"SEC. 6. The tribe is authorized to select and retain the services of qualified management specialists, including tax consultants, for the purpose of studying industrial programs on the Menominee Reservation and making such reports or recommendations, including appraisals of Menominee tribal property, as may be desired by the tribe, and to make other studies and reports as may be deemed necessary and desirable by the tribe in connection with the termination of Federal supervision as provided for hereinafter. Such reports shall be completed not later than December 31, 1957. Such specialists are to be retained under contracts entered into between them and authorized representatives of the tribe, subject to approval by the Secretary. Such amounts of Menominee tribal funds as may be required for this purpose shall be made available by the Secretary.

"SEC. 7. The tribe shall formulate and submit to the Secretary a plan or plans for the future control of the tribal property and service functions now conducted by or under the supervision of the United States, including, but not limited to, services in the fields of health, education, welfare, credit, roads, and law and order. The Secretary is authorized to provide such reasonable assistance as may be requested by officials of the tribe in the formulation of the plan or plans heretofore referred to, including necessary consultations with representatives of Federal departments and agencies, officials of the State of Wisconsin and political subdivisions thereof, and members of the tribe: *Provided*, That the responsibility of the United States to furnish all such supervision and services to the tribe and to the members thereof, because of their status as Indians, shall cease on December 31, 1958, or on such earlier date as may be agreed upon by the tribe and the Secretary.

"SEC. 8. The Secretary is hereby authorized and directed to transfer to the tribe, on December 31, 1958, or on such earlier date as may be agreed upon by the tribe and the Secretary, the title to all property, real and personal, held in trust by the United States for the tribe: *Provided, however*, That if the tribe obtains a charter for a corporation or otherwise organizes under the laws of a State or of the District of Columbia for the purpose, among any others, of taking title to all tribal lands and assets and enterprises owned by the tribe or held in trust by the United States for the tribe, and requests such transfer to be made to such corporation or organization, the Secretary shall make such transfer to such corporation or organization.

"SEC. 9. No distribution of the assets made under the provisions of this Act shall be subject to any Federal or State income tax: *Provided*, That so much of any cash distribution made hereunder as consists of a share of any interest earned on funds deposited in the Treasury of the United States pursuant to the Supplemental Appropriation Act, 1952 (65 Stat. 736, 754), shall not by virtue of this Act be exempt from individual income tax in the hands of the recipients for the year in which paid. Following any distribution of assets made under the provisions of this Act, such assets and any income derived therefrom in the hands of any individual, or any corporation or organization as provided in section 8 of this Act, shall be subject to the same taxes, State and Federal, as in the case of non-Indians, except that any valuation for purposes of Federal income tax on gains or losses shall take as the basis of the particular taxpayer the value of the property on the date title is transferred by the United States pursuant to section 8 of this Act.

"SEC. 10. When title to the property of the tribe has been transferred, as provided in section 8 of this Act, the Secretary shall publish in the Federal Register an appropriate proclamation of that fact. Thereafter individual members of the tribe shall not be entitled to any of the services performed by the United States for Indians because of their status as Indians, all statutes of the United States which affect Indians because of their status as Indians shall no longer be applicable to the members of the tribe, and the laws of the several States shall apply to the tribe and its members in the same manner as they apply to other citizens or persons within their jurisdiction. Nothing in this Act shall affect the status of the members of the tribe as citizens of the United States.

"SEC. 11. Prior to the transfer pursuant to section 8 of this Act, the Secretary shall protect the rights of members of the tribe who are less than eighteen years of age, non compos mentis, or in the opinion of the Secretary in need of assistance in conducting their affairs, by causing the appointment of guardians for such members in courts of competent jurisdiction, or by such other means as he may deem adequate.

"SEC. 12. The Secretary is authorized and directed to promulgate such rules and regulations as are necessary to effectuate the purposes of this Act.

"SEC. 13. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby."

And the Senate agree to the same.

Amend the title to read as follows: "To provide for a per capita distribution of Menominee tribal funds and authorize the withdrawal of the Menominee Tribe from Federal jurisdiction."

HUGH BUTLER,
ARTHUR V. WATKINS,
HENRY C. DWORSHAK,
CLINTON P. ANDERSON,
Managers on the Part of the Senate.

WESLEY A. D'EWART,
WILLIAM HENRY HARRISON,
E. Y. BERRY,
WAYNE N. ASPINALL,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. JOHNSON of Texas. Mr. President, the conference report is a unanimous report. The distinguished Senator from Utah [Mr. WATKINS] has discussed it with the majority leader [Mr. KNOWLAND] and with the minority leader. We have no objection, and hope the report will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

VISIT TO THE SENATE BY REPRESENTATIVES OF THE TURKISH REPUBLIC

Mr. WILEY. Mr. President, I have the distinct honor and privilege today, on behalf of the Senate, to welcome a group of distinguished representatives of the Turkish Republic, a nation which has our sincere friendship and admiration, a brave people.

In its brief 30-year history the Turkish Republic has earned for itself a position of esteem among the free nations of the world. Its people have a strong sense of patriotism and self-reliance, and stand firm in the face of threats from the Kremlin. Turkey is an active member of the United Nations and of NATO, and its adherence to the principle of collective security has been outstandingly demonstrated by the sacrifices of its gallant forces in Korea.

Mr. President, it gives me great pleasure to present to you and to the entire Senate a leader of the Turkish political party which a month ago was returned to power by an overwhelming majority of the electors. I present His Excellency Adnan Menderes, Prime Minister of the Turkish Republic. [Prolonged applause, Senators rising.]

Mr. President, there accompanies the Prime Minister, His Excellency Fatin Rustu Zorlu, Deputy Prime Minister. [Applause.]

There also accompanies him, His Excellency Etem Menderes, Minister of National Defense. [Applause.]

There also accompanies him, His Excellency Nuri Birgi, Under Secretary General of the Foreign Office. [Applause.]

Mr. President, we are also privileged to have in the Senate Chamber today His

Excellency Feridun C. Erkin, Ambassador from Turkey; and our own Ambassador to Turkey, Hon. Avra M. Warren. [Applause.]

Mr. KNOWLAND. Mr. President, I should like to join in the remarks of greeting which have been made by the distinguished chairman of the Foreign Relations Committee. I think all Americans, and in particular, all Members of the Congress of the United States, regardless of the side of the aisle on which they may sit, recognize that Turkey has been a great and true ally and one of the nations which is determined to help maintain a free world of freemen.

In the recent fighting in Korea the Republic of Turkey furnished one of the largest contingents in that collective security action to prevent Communist aggression from overcoming a small free nation, the Republic of Korea. I believe that all Americans, both those who were in the United States at the time and those who fought in the Korean war, can certify to the stout character and the great and valued friendship of the nation which is represented here today by her distinguished Prime Minister and members of his Cabinet. [Applause.]

Mr. JOHNSON of Texas. Mr. President, I wish to join with my colleagues, the distinguished majority leader, and the chairman of the Foreign Relations Committee of the Senate, in welcoming to this Chamber the distinguished Prime Minister of Turkey and members of his Cabinet. The feeling of the people of the United States for the people of Turkey is one of sincere admiration and profound respect.

It was under a Democratic administration that the Greek-Turkish aid policy was enunciated, but it was not a policy of the Democrats alone. On the contrary, it was a policy of all Americans, who believe in a free world and are willing to join and contribute strength to those who hold similar beliefs.

So, Mr. President, it is a high honor and a great privilege to have with us in this Chamber the distinguished Prime Minister of Turkey and members of his Cabinet. May mutual friendship between our countries long endure. [Applause.]

Mr. CAPEHART. Mr. President, I, too, wish to say that we appreciate very, very much the visit to the Senate today by the distinguished Prime Minister of Turkey and members of his Cabinet. We are very glad to welcome them. We wish them to know that we believe in them and wish to cooperate with them. In short, Mr. President, we wish to say to them, "We like the way you comb your hair." [Laughter.] We wish to be friends. [Applause.]

HOUSING ACT OF 1954

The Senate resumed the consideration of the bill (H. R. 7839) to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities.

Mr. CAPEHART obtained the floor.

Mr. KNOWLAND. Mr. President, will the Senator yield, so that I may suggest the absence of a quorum?

Mr. CAPEHART. I yield.

Mr. KNOWLAND. I suggest the absence of a quorum, with the understanding that the Senator from Indiana does not lose his right to the floor.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the amendment of the committee.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and insert an amendment in the nature of a substitute.

(For the amendment of the Committee on Banking and Currency, see pp. 7287 to 7303, CONGRESSIONAL RECORD of Friday, May 28, 1954.)

Mr. CAPEHART. Mr. President, on March 9 your committee, the Senate Committee on Banking and Currency, commenced hearings on the Housing Act of 1954. The hearings were extensive; they continued over the course of 5 weeks, and comprise 2,029 printed pages. Testimony was received from Government witnesses, experts in the fields of housing, mortgage financing, and numerous other persons and groups affected by the various provisions of the bill. After many, many hours of listening and deliberating, this bill, to aid in the preservation and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, was reported to the Senate.

Mr. President, I may say that in the committee the vote in favor of reporting the bill was unanimous, on the part of all 15 members.

Mr. MAYBANK. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. MAYBANK. In voting to report the bill to the Senate, there were reservations of the right to vote against any particular amendment or amendments, of course.

Mr. CAPEHART. Yes. Of course, every Senator has that right at all times; and a few members of the committee so stated in the committee.

Mr. MAYBANK. I mention that only because of the realization on the part of Senators on both sides of the aisle—and I think the distinguished chairman of the committee will agree with me—of the very important effect of this housing measure for the good of the country. We thought the bill should be reported to the Senate, so it could become law before many of the titles of the present Housing Act expire, this month. We cooperated 100 percent.

Let me say that I appreciate the statement the chairman of the committee has made.

Mr. CAPEHART. Of course, there were many features of the bill on which the committee members were divided. Many votes were taken in the course of the deliberations of the committee; and in many cases the members voted in opposite directions, some voting in favor of public housing and others voting against it. However, my point is that in the committee, when the time came to decide on reporting the bill to the Senate, the vote in favor of reporting it was unanimous, though, of course, that does not imply that either I or any other members of the committee personally agree with everything contained in the bill.

Mr. MAYBANK. Mr. President, will the Senator from Indiana yield further to me?

Mr. CAPEHART. I yield.

Mr. MAYBANK. I believe the distinguished chairman of the committee will agree with me when I say I think there was more disagreement regarding title I of the bill than there was regarding any of the other titles.

However, the chairman of the committee is eminently correct when he says that all members of the committee voted to report the bill to the Senate. On the other hand, as he has said, the members reserved the right to express their individual judgment on the various provisions of the bill. We voted to report the bill, so that it could be passed promptly and so there could be a conference with the House of Representatives in sufficient time. No doubt the conference will require some time, because there are such totally different views regarding various provisions of the bill. Does the chairman of the committee agree with me as to that?

Mr. CAPEHART. Yes.

Mr. President, the bill which has been reported to the Senate is a liberal one and a fair one, and in it every effort was made not only to promote and facilitate home ownership and to provide decent rental accommodations for our low-income and middle-income groups, but also to protect, first of all, the interest of the consumer and the homeowner.

The bill substantially follows the President's recommendations contained in his message to Congress on housing, on January 5, 1954. The President's recommendations were based, to a large extent, on the comprehensive findings and recommendations of the President's Advisory Committee on Housing.

The bill should facilitate and encourage the construction of more and better homes in our cities, suburbs, and farm areas for the moderate-income and low-income groups who are most in need of better housing. It should encourage the removal of slums in cities, and for the first time, should provide an organized and intelligent method to prevent the spread of the blight of slums.

Mr. President, I should like to comment for a moment on the provisions of the bill in regard to the elimination and prevention of slums. I believe these provisions are among the finest contained in the bill. In this bill we are, for the first time, attacking the roots of slums and seeking to preserve from the blight of slum areas and sections of cities that in the years to come, and perhaps before many years, otherwise will become slums. In short, by means of this bill we are

attempting to prevent the development of slums. The bill contains several excellent sections to that end. I believe this is one of the finest features of the bill, for if we can succeed in what we are trying to do in respect to preventing the development of slums, there will be no need in the years to come for public housing in the field of slum clearance.

The bill will establish an organized method of pooling the initiative, resources, and responsibilities of our major mortgage investment institutions for the purpose of providing a more even flow of housing funds, especially in areas which are unable to provide such funds from local sources. That is another feature of the bill which I like very much. A voluntary plan will be established by lenders to funnel money into areas where there is a shortage of money at any given time. I think the voluntary plan we have provided for in the bill will work effectively. It is another fine feature of the bill.

The bill will provide for the first time a Federal program which will stimulate and encourage a coordinate attack by local, State, and Federal governments and industry upon the smoke and air-pollution problem. That is another fine feature of the bill. It is a new feature. It represents an attempt to coordinate efforts and to obtain cooperation between local governments, State governments, and the Federal Government in the elimination of smoke and air pollution. That certainly is a Federal matter. When smoke rises into the air it travels over rivers and State lines. No State or community can handle the smoke problem without the cooperation of everyone. For the first time in the history of the Nation the Federal Government is taking an interest in trying to abate the smoke nuisance. It does no good to build new homes and then have them ruined by smoke. If we are to eliminate slums in cities, we shall likewise have to eliminate smoke and smog. To this end the bill provides a beginning in the direction of providing aid on the part of the Federal Government, in cooperation with local and State authorities.

Furthermore, defects and avenues of probable abuse in connection with existing and new housing programs, which were brought to the attention of the committee, were considered and by the addition of various provisions it is hoped that they will be eliminated.

IRREGULARITIES AND ABUSES

During the committee's deliberations on the bill, there were widely publicized charges that irregularities had been perpetrated under certain sections of the National Housing Act, particularly with reference to home improvement loans and multifamily rental projects.

Your committee immediately undertook an investigation to determine the type of such abuses and irregularities, with the primary purpose of eliminating, insofar as possible, their continuance under any of the provisions of the bill.

The heads of governmental agencies and interested parties representing borrowers, mortgagees, and the public who appeared before the committee were requested to give the committee the benefit of their advice concerning the abuses which had taken place in the past and what amendments were necessary to the bill as it passed the House to prevent the recurrence of similar abuses in the future. All constituent divisions of the Housing and Home Finance Agency, comprised of the Federal Housing Administration, Division of Slum Clearance and Urban Redevelopment, Public Housing Administration, the Home Loan Bank Board, Federal National Mortgage Association, and the Division of Community Facilities and Special Operations, were requested to review the subject and advise the committee in respect to the safeguards in the existing law, in the agency regulations, and in the administration of the law and regulations to see that the programs were fully protected against abuses and irregularities.

As a result of the hearings held by the committee and advice received from HHFA and FHA and constituent divisions certain changes were made in the bill to close all apparent loopholes in the various housing laws and their administration that came to the attention of the committee. The committee is undertaking an extensive and comprehensive investigation of the administration of the various housing acts to ferret out and discover the abuses and irregularities which apparently existed in the past. It is quite conceivable that this investigation will bring to light matters which will require future changes in the law and its administration. The committee is cooperating with the Housing and Home Finance Agency and, insofar as it is humanly possible, I assure this body that no further abuses and irregularities will be allowed to develop.

In that connection, let me say that after we had closed our hearings on the bill, and after the House had passed the bill, the alleged irregularities were disclosed in the press. That disclosure was initiated by the President of the United States, and following the disclosure, we immediately proceeded with hearings, and many hearings were held, as I have stated.

We have written into the bill what we believe to be sufficient safeguards against the occurrence of irregularities in the future. I desire to be perfectly frank. We are not certain that that will be the case. We did not have as much time as we possibly should have had to investigate the entire subject and hold public hearings. We did the best we could, and we think we did pretty well. We shall continue to investigate the subject during the remainder of the year, and we assure this body that when next January 1 rolls around, if by that time our investigation and study prove that we have not closed all the loopholes in the present law, we shall immediately come before the Senate with additional recommendations. It will be perhaps a little difficult to close all the loopholes in one effort. We shall have to study the situation very carefully. I am hopeful that Members of this body will accept our recommendations in the bill with respect to the loopholes.

We are not putting the bill forward as the last word. It may well be that it is not. However, we did have the benefit of some hearings on the subject.

COMMITTEE AMENDMENTS TO AVOID ABUSES

Your committee, as a result of its hearings on the alleged abuses and irregularities, adopted certain tightening amendments. In brief these amendments are:

First. The FHA property improvement and repair loan program, title I of the National Housing Act, was amended so that the lending institutions will be required to be coinsurers of each loan to the extent of 20 percent. The previous system provided 10-percent insurance on the aggregate amount of all loans of an institution, and for all practical purposes this provided the lender 100-percent protection against any loss. The coinsurance feature of this bill, it is believed, will make the lending institution more selective in its loans and thus provide protection for the borrowers.

The law under which we are operating at the moment, and the law under which we have been operating since 1934, namely, title I, provides for insurance by the Federal Government of 10 percent of the total amount of the loans. Thus, if a bank insured $1 million worth of title I loans, it would have a reserve fund of $100,000. Unless the losses were more than $100,000, the Government would take all the loss. For all practical purposes, that simply meant that the Federal Government was guaranteeing 100 percent of such loans. What we are recommending is that the lender absorb 20 percent of the loss on each individual loan. Under the old system, which has been in effect since 1934, it was 10 percent of the total loans made. The reserve pyramided. The more loans there were, the greater was the reserve. For example, if a bank did $1 million worth of business, it had a $100,000 reserve; and if the losses were $90,000, the Federal Government would take all the loss. If the losses were $100,000, the Federal Government would absorb the $100,000. Under the system proposed by the bill, if the losses were $100,000, the Federal Government would assume $80,000, and the lender would assume $20,000.

That is perhaps not the chief strength of our amendment. Its main strength lies in the fact that, with respect to each individual loan, the Government takes 80 percent of the loss and the bank, or the lender, 20 percent, which means that if the bank makes a single bad loan, the bank must absorb 20 percent of the loss, and the Federal Government will insure only 80 percent. We think that provision will probably eliminate most of the defects.

The type of eligible loans for improvements are, by this bill, limited to those which substantially protect or improve the basic livability and utility of the property. Such items as swimming pools and dog kennels will thus be eliminated from eligibility for loans.

I may say title I became law in 1934, approximately 18 years ago, and has been in the act ever since. It was in the act during World War II. There is no question at all in my mind that in 1934—and I was not a Member of Congress at the time—Congress intended

that FHA should insure only such improvements as had to do with the house, that is, with the basic livability and utility of the property; in other words, such improvements as a new roof, or new floors or ceilings, or painting, or other improvements affecting the house itself, and which the person living in a house ordinarily understands to be improvements or repairs. In other words, what was meant was the physical repairing of a house. That is all that I believe was intended to be insured under title I.

However, we were amazed to learn, from the testimony of the Director of the Agency, that there was a list covering between 500 and 600 items which the Agency was insuring. For example, it has been insuring fire-alarm systems, television antennas, swimming pools, and barbecue pits. I could go on and on with a listing of similar items.

It reached such a point that manufacturers would come to the agency with their products and ask FHA to insure them.

I do not believe that was the intention of Congress when it approved title I. According to the way the bill has been written by the committee, and with the instructions the committee would give to FHA, that sort of thing simply could not happen in the future. Such loans would be limited to home repairs, in the sense that we understand home repairs to be, and no frills would be permitted. FHA has been insuring durable goods of all kinds. I do not believe it was ever the intention of Congress to insure such items. I was amazed that FHA had been doing that sort of thing for many years. We have so tightened the provisions of the title that there can be no question at all that such loans are limited to what we call normal home repairs.

A number of other strengthening and consumer-protecting amendments, together with administrative rules recently adopted by FHA, should eliminate the abuses of sharp operators which have led to considerable criticism of this program.

Second. Cost certification amendments were added to all the sections of the Housing Act which appeared susceptible to the abuse of allowing the builder a windfall profit out of the proceeds of the mortgage loan. This new cost certification amendment requires that the mortgagor certify the actual cost of building the insured project, and further requires that the insured mortgage may be not more than the designated percentage of the cost allowed under the program. Any money received by the builder over and above this percentage must be applied to a reduction of the mortgage. All sections of the bill that provide in any manner for rental housing were amended to include this cost certification. These sections include 207, 213, 220, 221, 803, 903, and 908 of the Housing Act.

I do not believe there can be any question that we have completely eliminated the so-called windfall profits. As I said, the requirement to which I have referred has been written into all sections of the bill that pertain to the subject, and those sections include 207, 213, 220, 221, 803, 903, and 908 of the Housing Act.

In other words, on the completion of a project the builder must ascertain his cost and he must certify the costs to the FHA. Then the FHA will insure 80 percent, 85 percent, 90 percent, or 95 percent of the value based on the actual cost.

If the appraisal and commitment made by FHA in advance—and that practice of the FHA will be continued—should be more than the percentage of the actual cost, the mortgage would be reduced in that exact amount.

We believe this section of the act cannot be tightened any more than we have tightened it. Certainly it will eliminate all the so-called windfall profits. If we have not tightened it sufficiently—and we certainly intended to tighten it as much as it could possibly be tightened—and if anyone can tell us how we can tighten it even more, we shall be delighted to try to do so.

Mr. President, I do not believe it was ever the intention of Congress that under section 608 anyone should receive any windfall profits. By the way, section 608 became law in 1940, and was eliminated in 1950.

Third. In section 213, which is the cooperative-housing section, the basis for insurance is changed from "estimated replacement cost" in existing law to "estimated value," a much more conservative method of determining the mortgage amount FHA will insure.

Fourth. Provision is made for the certification by the builder or seller of FHA or VA sale housing that the dwelling was constructed in conformity with the plans and specifications.

In my opinion it is very important that attention be called to that fact. We have written into the bill a provision that the builder or seller of an FHA or CA sale house shall certify that the dwelling was constructed in conformity with the plans and specifications.

As Senators know, builders may go to an FHA office and submit plans and specifications for X number of houses. If the FHA office approves the plans and specifications, the builders are given a commitment under which the FHA will insure the mortgage when the homes are completed. We have written into the bill a provision that the builder must file with FHA a certification that the dwelling was constructed in conformity with the plans and specifications.

There were other amendments made to the bill, of a nature designed to eliminate and prevent various other abuses and irregularities in the administration of the several housing programs.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. SMITH of New Jersey. I may say that I am very much interested in the Senator's presentation. Many of us were very much concerned about the irregularities which have been reported, and I am glad to hear the presentation being made by the chairman of the committee, and his statement of how it is planned to correct such abuses and irregularities.

Mr. CAPEHART. I thank the Senator. We do not say that we have brought forth a perfect bill. I do not suppose it is a perfect bill. If we had had more time, we might have done a better job, although I doubt it. In any event we shall continue to study the problem, and we shall be back on January 1 to correct any omissions or errors on the part of the committee which may become apparent as a result of our further study.

We are interested in eliminating all possibility of any irregularity happening in the future. At the same time, we must give a great deal of thought, in handling this subject, that we do not kill FHA. I do not believe anyone wants to destroy FHA. I do not believe anyone wants to do anything which will hurt housing. On the other hand, as I said many times during the hearings, so far as I am concerned it would be better to have no housing at all than to obtain housing on a crooked basis. If we cannot get housing honestly, I would prefer that we make no provision for housing. Certainly, we do not want to see home builders fleeced. Therefore, I say it would be better to have people live in tents than to permit corruption to exist in the housing field. While there have been altogether too many irregularities, it must be remembered that in proportion to the total involved they represent a very small percentage. On the other hand, tens of thousands of builders and mortgagors and other honest people have benefited from the program. It is a case of a small dishonest minority creeping into a situation to spoil it for the majority.

Mr. President, I shall now make a brief summary of the bill.

FHA IMPROVEMENT AND REPAIR LOANS

First. Under the bill as reported, existing terms and maturities are continued—maximum amount $2,500, maturity 3 years, 32 days; multifamily—maximum amount $10,000, terms 7 years, 32 days.

In other words, Mr. President, the House increased the time to 5 years and 32 days and increased the amount from $2,500 to $3,000. We decided to leave the amount as it is in the present law, namely, $2,500, and to retain the time as it is in the existing law.

Second. It provides maximum insurance to lender of 80 percent of loss of each individual loan.

Third. It limits type of loans to improvements which substantially protect or improve the basic livability and utility of property.

Fourth. It incorporates certain consumer-protecting regulations recently adopted by the FHA.

One of those regulations is that a bank cannot advance money prior to the end of a 6-day waiting period. Banks have been loaning money on the same day the dealer brought in the signed papers. It is required that banks must certify that they have talked to the lender and they must have a certificate showing delivery or installation. There are other features involved on which I shall not elaborate at this time.

Fifth. It authorizes insured loans for the purchase of trailer coach mobile dwellings—maximum amount $6,000, maturity not to exceed 6 years, 20 percent downpayment by borrower, and insurance is limited to 75 percent of any loss.

FHA SALES HOUSING PROGRAM

It liberalizes present terms by allowing maximum ratio of loan to value up to 95 percent of first $8,000, and 75 percent in excess of $8,000. Extends maximum maturity to 30 years.

Mr. MAYBANK. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. MAYBANK. As the Senator knows, I must attend a meeting of the Appropriations Committee in a few moments, and I have not had an opportunity fully to study the liability of the Government in connection with the insurance outstanding. Am I incorrect in saying that, under section 608, there is outstanding approximately $33 billion at this time?

Mr. CAPEHART. It is approximately $30 billion.

Mr. MAYBANK. How much more liability does the Senator believe will accrue with reference to insurance under the pending bill?

Mr. CAPEHART. Two and a half billion dollars is the maximum amount under the law.

Mr. MAYBANK. It runs for many years, does it not?

Mr. CAPEHART. It runs from year to year, as Congress may authorize it.

Mr. MAYBANK. The Government has now guaranteed $33 billion. I wanted to have the figures clearly in my mind. The bill would add $2,500,000,000 more?

Mr. CAPEHART. That is correct.

Mr. MAYBANK. So the total is approximately $35½ billion.

Mr. CAPEHART. That is correct.

Mr. MONRONEY. Mr. President, will the Senator from Indiana further yield?

Mr. CAPEHART. I yield.

Mr. MONRONEY. Can the Senator tell us how much reserve has been created in the percentage that goes to FHA to pay possible loans?

Mr. CAPEHART. Approximately $250 million.

Mr. MONRONEY. That amount has been created as a reserve?

Mr. CAPEHART. Yes.

Mr. MAYBANK. Mr. President, will the Senator from Indiana further yield?

Mr. CAPEHART. I yield.

Mr. MAYBANK. I should like to say to the Senator from Oklahoma that I had no intention of criticizing the FHA program. I think it is a good program. If the Government had not guaranteed the loans, in many instances, the great mortgage companies and builders would never have constructed the tremendous amount of housing which has been built.

Mr. CAPEHART. Mr. President, under the bill in the FHA sales housing program present maximum loans on individual and 2-family houses are increased from $16,000 to $18,000; on 3-family houses from $20,500 to $24,000; on 4-family houses from $25,000 to $30,000.

Again, Mr. President, we are not only increasing the percentage of the loans, but we are likewise increasing the amount. That is why I said at the beginning that this is the most liberal housing bill which has ever been reported to the Senate. It is more liberal than any law on the subject we have had in the past.

It retains existing loan-to-value ratio on existing housing and reduces the maximum maturity of a loan on existing houses by 1 year for each year during the first 10 years following the completion of the dwelling.

As Senators know, the FHA has the right, under existing law, to insure old houses, and this bill would continue that right under a little different formula.

RENTAL AND COOPERATIVE HOUSING

New cost certification is extended to all rental type housing. Section 207 increases the per-room mortgage amount on elevator type structures from $2,000 to $2,400.

It removes $10,000 maximum mortgage amount.

As I stated a moment ago, we have eliminated the possibility of windfall profits.

Section 213 changes the basis for determining the mortgage amount from estimated replacement cost to estimated value.

The bill increases mortgage amounts from $1,850 up to $2,250 in nonveteran cooperatives. In elevator-type housing it allows up to $2,700 in nonveteran and $2,850 for veteran housing. If located in an urban redevelopment or renewal area, which area is also determined to be a high-cost area, the maximum mortgage limit can be increased by $1,000 per room.

There, again, the bill is more liberal than anything we have had in the past, because we have increased the amount.

HOUSING TO FACILITATE URBAN RENEWAL PROGRAM

Section 220 is a new section. Its purpose is to assist in rehabilitation of existing dwellings and construction of new dwellings in urban renewal areas.

It provides for a mortgage amount of 90 percent of the estimated value.

Maximum mortgage amount $2,250 per room and $2,700 for elevator type, with an increase in the maximum mortgage amount of $1,000 per room when it is determined to be in a high-cost area.

Loans on existing houses, where mortgage is held by a nonprofit or a governmental instrumentality, are the same as for-sale housing, except in the case of 4-family units there is allowed $30,000 plus $6,000 for each additional unit.

A new section, section 221, has been included in the bill. This new section is available to families displaced by slum clearance or governmental action where communities request it and an acceptable program is proposed. The section provides:

First. Loan to value ratio is 95 percent for new housing, and 90 percent on existing housing, except when mortgagor is nonprofit or governmental agency in which case loan may be for 95 percent on either new housing or existing housing.

Second. Mortgage amount not to exceed $7,600 for each house, $1,000 more in high-cost areas. Maturity of loan 30 years.

Third. Builder may be allowed 85-percent loan.

The original bill, as passed by the House, provided for a 100 percent guaranty and 40 years for maturity of loans. The Senate committee reduced the guaranty to 95 percent, and the maturity of loans to 30 years.

I might say in that respect, as I said in my opening remarks, that this provision affords an opportunity for Congress, in cooperation with cities and States, to prevent slums from development in the future. It is a new section, which permits the Federal Government, in cooperation with cities and the States, to rebuild a section of a city which has become blighted. Let me be a little more specific. Such situations occur in every city of the United States, both small and large. Residential areas exist in downtown sections, and when a city expands and the population moves from old houses to new houses in the suburbs, the old houses often become dilapidated. This situation exists in every community in the United States, no matter how large or how small it may be. Eventually, the older sections become slum areas.

What is sought to be done under the new section, in cooperation with the cities and the States, is to rehabilitate or rebuild the old houses and make them livable. The purpose is to clean up the older sections of cities and to prevent them from becoming slums. The Federal Government, in cooperation with cities and States, will be enabled to devise plans for the rehabilitation of the older areas. This section of the bill will become operative only when a city agrees to adopt acceptable ordinances and plans.

The section applies to multihome ownership as well as to individual home ownership.

In my judgment, this is one of the fine features of the bill, because it affords an opportunity to rehabilitate present slum areas and to prevent slums from developing in the future. Why wait until slum conditions exist? Let us eliminate the cause of slums. Then there will be no slums in the future. That is what is proposed to be accomplished by this new section of the bill. Whether it will be accomplished will depend on the experience which will result. In any event, an effort is being made toward this end, and I think with excellent prospects of success.

The proposal was particularly recommended by the President's commission and by the President himself. In fact, I know of no member of the committee who is opposed to it. The time of maturity has been reduced from 40 years to 30 years, and the amount of the guaranty has been reduced from 100 percent to 95 percent.

The next section, section 222, is a new section of the Housing Act. It permits servicemen and members of the United States Coast Guard to obtain 95 percent guaranteed FHA loans on homes, and further provides that the Department of Defense and the Secretary of the Treasury shall pay the insurance premiums on these homes.

What is sought to be done, and it is something new, is to place servicemen and members of the United States Coast Guard on the same basis as veterans. For example, when a veteran buys a home under the VA program, he gets better terms than does a person in the service under the FHA. So what is pro-

posed to be done is to place the person who is in the service and the member of the Coast Guard on exactly the same basis as the veteran, because the person in the service, while he is not yet a veteran, will some day be a veteran. The committee felt that persons in the armed services and in the Coast Guard should have the same privileges and should be placed on the same footing as persons who have been discharged. Under existing law, that has not been the case.

The next section relates to slum clearance and urban redevelopment.

All amendments are designed primarily to broaden and redirect the present programs for slum clearance and redevelopment so as to assist not only the communities in clearing their slums, as is presently provided, but to prevent their spread by rehabilitating and improving blighted, deteriorated, or deteriorating areas.

The criteria, terms, and definitions of title I of the Housing Act of 1949 are changed in accordance with the broader scope of the program. In these larger areas, known as urban renewal areas, there could be carried out—in addition to slum clearance and redevelopment now authorized—plans for voluntary repair and rehabilitation of buildings, clearance of deteriorated structures, and reconstruction of streets and other necessary improvements.

Requirements with respect to local responsibility and local action would be strengthened and increased.

Those are the things about which I was speaking a moment ago, when I said they were the finest features of the bill. Senators who have been critical, and may still be critical, of the 100-percent guaranty and of the 40 years maturity provision, and who may be critical, even, of the reduction to 95 percent and to 30 years, should remember that what is sought to be done in this instance is in the future to make unnecessary public housing and slums.

While it may seem exceptionally liberal, and possibly not good, common horsesense from a business standpoint, to provide even for a guaranty of 95 percent and a maturity of 30 years, it is necessary to look beyond that, because what we are seeking to do, if it will work, is to eliminate the need for public housing. That is the purpose of the section. When persons are forced out of their homes, as a result of slum-clearance programs or as a result of new street and highway programs, they will come under this particular section, which provides for long-term maturity and low downpayments.

The ⅔ to ⅓ formula for Federal local grants now in the law is not changed. However, in the gross project cost it is possible to include, in addition to the items now included, expenditures for carrying out plans for voluntary repair and rehabilitation and the acquisition of property for the broader purposes indicated above, as well as for the installation, construction, and reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary to carry out the urban renewal plan.

That is what I have been speaking about. This formula will enable cities, in cooperation with the Federal Government, to carry out plans for the rehabilitating of old houses and for the building of parks, playgrounds, and similar areas on the land from which slums are eliminated.

The next section is the public housing section.

First. The bill repeals the limitation in previous independent offices appropriation acts restricting the construction of housing units and restores the program to the provisions authorized by the Housing Act of 1949. These provisions set an overall limitation of 810,000 units for the life of the program. Remaining of this number are an estimated 617,000 units.

Second. Extends preference for admission to public housing to those displaced by governmental action.

Third. Ten percent payment in lieu of taxes made mandatory.

Fourth. Permits localities to charge full taxes, provided they make up difference in order to maintain local contribution equal to Federal contribution.

Fifth. After projects are amortized, net revenues will go proportionately to Federal and local governments on basis of contribution.

I might say that the bill as originally introduced contained no provision for public housing. The committee included in the bill the text of the provision in the 1949 act, which called for 810,000 public housing units to be built over a period of 5 years, and gave to the President the right to build as many public housing units as he deemed it advisable to build each year, provided not more than 200,000 units were built in any single year. Approximately 200,000 units have been built under that act, leaving approximately 600,000 to be built. If the provision remains in the act, it will mean that the President, in his discretion, can permit the building of not to exceed 200,000 public housing units each year, provided an appropriation can be secured to build them.

Mr. IVES. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield to the Senator from New York.

Mr. IVES. I have before me a tabulation which I should like to have unanimous consent to have printed in the RECORD at this point. The tabulation bears on public housing.

Mr. CAPEHART. I have no objection.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Public housing

Units authorized, 1949 act	[1] 810,000
Units built (through Apr. 30, 1954)	146,000
Units under construction or contracted for constructieon	59,000
Units eligible for construction, fiscal year, 1955	33,000
Units remaining under original authorization	572,000

Approximately 114,400 per annum through 1959.

[1] 135,000 per year, 6-year period.

Mr. IVES. The tabulation shows that the number of units authorized by the 1949 act was 810,000. There were supposed to be 135,000 units a year for a 6-year period.

The number of units built up to April 30, 1954, was 146,000.

The number of units under construction, or contracted for construction, was 59,000.

Added to those figures is another one which shows the number of units eligible for construction for the fiscal year 1955 to be a total of 33,000, which leaves a balance, under the original authorization, of 572,000.

Mr. CAPEHART. The difference between the figures cited by the Senator from New York and those which I have stated is accounted for by the fact that the Senator from New York is taking into consideration the units authorized, and I am not taking such figures into consideration. My figures are based on the units which have actually been completed.

Mr. IVES. Yes; I realize that.

Mr. CAPEHART. I have stated the public housing features of the bill. The bill limits the number of units for the life of the program to 810,000. Under the bill, the remaining number which can be permitted to be built is 617,000 units. However, it is up to the President whether the number of units built a year shall be zero or 200,000. In his message the President asked for 35,000 units a year, or a total of 140,000 units for the next 4 years.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield to the Senator from Connecticut.

Mr. BUSH. Will not the number of units constructed be in part determined by the appropriations provided by the Congress?

Mr. CAPEHART. Yes; the number will be determined by authorizations of Congress. In other words, even if the bill should become law, the Congress may choose not to appropriate any money for the purposes stated in the bill.

Mr. BUSH. So Congress will still control the number of units that will be constructed, will it not?

Mr. CAPEHART. Yes.

Mr. LEHMAN. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield to the Senator from New York.

Mr. LEHMAN. I realize that a limitation upon the number of units which may be constructed may be effected by the actions which may be taken by the Committees on Appropriations and Congress; but when the bill was being considered by the Committee on Banking and Currency the question arose as to whether or not the committee should restore the provisions of the 1949 act, which I think are considerably more liberal than the proposal made by the President of the United States. It was the unanimous decision at that time to restore the provision of the 1949 act which would permit the President to recommend new construction up to 200,000 units a year.

Mr. CAPEHART. That provision is in the bill.

Mr. LEHMAN. That question was discussed by the committee.

Mr. CAPEHART. That is correct, and that provision is contained in the pending bill, as I explained. The bill presently provides for the same number of public housing units a year mentioned by the Senator from New York.

Mr. President, I have completed my explanation of the public housing features of the bill. The House version contained no public housing feature, except that it permitted the finishing of approximately 35,000 units which have already been started, as provided in the appropriation act, rather than in the housing bill.

HOME LOAN BANK BOARD

First. The bill provides procedure for appointment of a conservator by the Home Loan Bank Board.

Second. It grants to the Federal Savings and Loan Insurance Corporation authority to terminate the insured status of an institution indulging in continued unsafe and unsound practices.

Third. It increases from $1,500 to $2,500 the maximum amount of uninsured loans that may be made by Federal savings and loan institutions.

VOLUNTARY HOME-CREDIT PROGRAM

Under the bill the Federal National Mortgage Association is continued on a standby basis, with authority to make advance commitments in accord with existing law and up to $15 million in Guam.

The bill creates a voluntary home credit program composed of representatives of financial institutions, builders, and the Government with the purpose of encouraging and facilitating the flow of mortgage credit for Government insured and guaranteed loans into remote areas and small communities through the voluntary cooperation and effort of private lending institutions.

I spoke about that a little earlier. The House version of the bill, as well as the bill which was introduced originally, created quite an elaborate new corporation for handling what we call secondary mortgages. Such a proposal has, I must say, considerable merit; but I believe that by unanimous vote, the members of the committee decided against creating the new corporation at this time. They considered that it would be well to try the voluntary system at least until next year.

The only reason for establishing the new corporation, or a "Fannie May," as we have known it in the past, would be in order to buy mortgages directly because private lenders might not or would not lend the money. The establishment of such a "Fannie May"—I am referring to the new corporation which the House included in its version of the bill—was advocated primarily because in certain sparsely populated areas or other sections of the country there is from time to time a shortage of money for lending purposes. In such event, it was supposed that the mortgage corporation to which I have referred, "Fannie May," would be able to buy mortgages directly in such areas; in other words, the Federal Government would buy the mortgages directly. There would be no necessity for doing that until such time as the local banking institutions, insurance companies, and other lending agencies could not or failed to buy the mortgages.

The committee in its version of the bill provided a voluntary plan, which, by the way, many facets of industry recommended, particularly the insurance companies. Under the voluntary plan, private institutions have agreed, if the bill becomes law, to cooperate in the program, and when it is ascertained that in a certain area or section of the United States persons are unable to sell mortgages, such private institutions will step in and buy them.

If the plan works, there will be no necessity for a new Government corporation. If the plan does not work, then I would say that next year Congress will again have to consider a secondary market for mortgages, because we all know that at the moment there is plenty of money available for all types of lending. There is much money available for lending in the United States at this moment, and there does not seem to be any shortage of money for any purpose.

URBAN PLANNING AND RESERVE OF PLANNED PUBLIC WORKS

The bill provides $5 million to the Housing and Home Finance Administrator to assist State, metropolitan, and regional agencies in urban planning for municipalities under 25,000. The Administrator would be authorized to assume 50 percent of the estimated cost of such planning.

Second. It provides $10 million to resume noninterest-bearing planning advances to local and State bodies for public works plans, repayable when construction is undertaken, in order that such works can be ready for construction if the economic situation should require it. I do not think that requires any comment.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield to the Senator from Oklahoma.

Mr. MONRONEY. Was that provision in the House version of the bill, or is that a new provision inserted by the Senate committee?

Mr. CAPEHART. That was in the original House bill.

MISCELLANEOUS PROVISIONS

First. The bill provides for a certification by a builder or seller of a FHA or VA insured or guaranteed single family, 2-, 3-, or 4-family residence that the dwelling was constructed in conformity with plans and specifications approved by the FHA or the VA.

I spoke about that a little earlier in my remarks. The provision simply means that the builder must certify that he will build the house according to the plans he originally submitted to FHA for its approval.

Second. It extends veterans' direct home-loan program for another year and increases the quarterly authorization from $25 million to $50 million.

Third. It provides for consideration to be given to the reduction of vulnerability of congested areas to enemy attack in carrying out housing programs.

Fourth. It extends the present farm home-loan program under title V of the 1949 act.

Mr. MONRONEY. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I am glad to yield.

Mr. MONRONEY. As I study title V, I am struck by the great disparity between the way Congress is treating rural families of the United States and the way it is treating families in the urban areas. I believe the distinguished chairman of the committee told the Senate, in answering a question asked by the distinguished Senator from South Carolina, that by passing this bill we shall have authorized approximately $35 billion of insurance for low-cost housing within urban areas. As I read the provisions of title V, if the maximum amount has been loaned, we shall be providing only approximately $100 million of farm housing financing a year.

Mr. BUSH. Mr. President, will the Senator from Indiana yield to me, to permit me to make an observation?

Mr. CAPEHART. I yield.

Mr. MONRONEY. I am glad to have the Senator from Connecticut make an observation, for I am seeking information.

Mr. BUSH. I suggest that there has been a misunderstanding in regard to the use of the $35 billion figure. It is the figure for the overall amount of all FHA insurance for all kinds of housing programs—not only for urban housing, but also for all other housing programs, including every kind of insurance that has been issued under both the FHA program and the Veterans' Administration program, combined.

Mr. MONRONEY. The distinguished Senator knows that very little of the FHA program has gone beyond the limits of the municipalities. It is the disparity between the $35 billion for urban areas and the pittance of a program for the rural areas, that I am calling attention to. I am trying to find out how large a program, if any, there has been and is to be, for the rural areas. All of us know that in many sections of the country rural housing is disgraceful. Certainly neither the Senate nor the House has given adequate attention to the development of a sound program in which the principle of insured mortgages can be made to work in connection with the construction or repair of farm homes; and when I refer to farm homes, I mean not only the residence of the farmer, but the entire farm plant.

Mr. BUSH. Mr. President, will the distinguished chairman of the committee yield further to me?

Mr. CAPEHART. I yield.

Mr. BUSH. I am not taking issue with the Senator from Oklahoma on his point that the amounts for farm areas and urban areas have not been equal. Of course the amount for the urban areas has been much greater. However, my point is that these insurance programs cover not only section 608, relating to the construction of apartment houses, but also the construction of all other kinds of housing.

Mr. MONRONEY. I am quite aware that not only section 608 housing, but also defense housing and remodeling are included. However, my point is that when the bill finally becomes operative, practically every dime of the $35 billion

of Government insurance will have been used for housing within city limits, regardless of whether it is low-cost housing or other housing, whereas the farms of the Nation have been completely neglected insofar as housing is concerned; and there has not been a program to enable the farmers to have an opportunity, under a Government-insured program, to rebuild farm homes and plants, so that, instead of being in their present neglected and somewhat disgraceful state of disrepair, they may become what they should be.

So I should like to be informed how much is to be received, under title V, by farm housing.

Mr. CAPEHART. Does the Senator from Oklahoma mean the number of years or the number of dollars?

Mr. MONRONEY. Either one.

Mr. CAPEHART. Does the Senator from Oklahoma mean how much has been loaned in the past?

Mr. MONRONEY. Yes, both in 1949 and since then.

Mr. CAPEHART. I do not have that information before me. However, from time to time Congress has authorized and appropriated funds for farm rehabilitation and farm loans; and in every instance, there has not been 1 year in which the full amount has been used. So when we wrote the pending measure, and included the amount we did, we were certain it was more than ample to cover all the loan requests that would be received.

Mr. MONRONEY. But my point is—and I am sure the distinguished chairman of the committee is missing it—that although we may have appropriated or authorized $100 million under title V, something is wrong with the housing program as it relates to the nonurban areas. Certainly the distinguished chairman of the committee, interested as he is in housing for all classes of the people, must agree about the need for improved housing on American farms; and for that purpose the farmers should have the benefit of a plan similar, as regards time and down payments, to the one offered city dwellers. Under such a plan, farmers would use many, many times the $100 million authorized in title V.

Mr. CAPEHART. I can be wrong, and I have been; but I do not believe I am wrong in this instance. If, later, I find I am wrong about it, I shall seek to correct the RECORD.

I repeat that for many years this provision has been a part of the act, as a farm housing plan. It goes back to 1949. At no time have the farmers themselves requested more than the amount Congress has authorized. I would not object at all to allowing an increased amount, but the amount here provided is more than any witness before the committee anticipated would be needed for the making of such loans.

Mr. MONRONEY. That is my very point, namely, that title V, as reenacted in the pending measure, will not be an effective one for reaching the problem of long-term, low-interest rate, low-cost financing of farm housing. If the farmers have not used the $100 million, it is not because the need does not exist for many, many times that amount, but because the operation of that provision, through the Department of Agriculture, is so far removed from the practical realities of a housing program for farmers similar to the one the FHA has developed for those who live in urban areas. So I think it is time for Congress to give some study to the matter.

The farmers need better housing, and they can pay for it on a 20-year or 25-year plan, if it is made comparable to the plan for urban housing, as respects the ease of closing and securing a mortgage, through the program which I believe Government insurance should provide, rather than by means of the direct loaning that has been done under title V.

Mr. CAPEHART. As the author of the bill, I shall be very glad to accept an amendment to make the amount $200 million, because unless there is a change in the attitude of the farmers, as compared with their attitude over the past months, they will not use that amount, anyway.

Mr. MONRONEY. I appreciate the generosity of the chairman of the committee and his understanding of the farm needs; but unless we find a way to gear the housing program to the needs of farmers and to make it as easy for farmers to finance their homes as it is for urban dwellers to finance theirs, we shall never "cross the bridge," regardless of whether we provide $200 million or $500 million.

Mr. CAPEHART. But at the present time a farmer can borrow what he needs for housing purposes at 4 percent, and for up to 33 years. It would not be possible to be much more liberal than that.

Mr. MONRONEY. But it is not effective, because of uncertainty and the operation of Government bureaucracy in connection with the processing of the applications. So the farmers do not find it as easy to obtain Government assistance in connection with housing as do those who live in urban areas.

Mr. CAPEHART. In short, I understand that the criticism the Senator from Oklahoma has is of the administration of the law, rather than of the law itself.

Mr. MONRONEY. No, my criticism goes also to the law. I believe that some way should be found whereby a $4,000 or $5,000 or $6,000 Government-insured loan could be made to farmers under title I of the National Housing Act.

Mr. CAPEHART. The farmers come under title I. Under title I, a farmer can borrow for the purpose of building a silo or to repair his home or to repair his barn or to do almost anything of that sort. Title I covers farmers.

Mr. MONRONEY. But can the Senator from Indiana tell me of any farm housing that has been constructed under title I of the National Housing Act? I know of no farm housing that has been constructed under title I.

Mr. IVES. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. In just a minute.

First, let me say to the Senator from Oklahoma that all the testimony we have received and all the recommendations that have been made to us have been to the effect that, although there was ample money, and ample facilities, and a low interest rate, and long terms were provided—all for the farmers to use—they have not been particularly interested.

Mr. MONRONEY. In order to obtain a long-term, low-interest rate for a $5,000 or $10,000 house, the farmer does not mortgage merely a plot of ground measuring 50 by 75 feet. In order to obtain a new house he must mortgage his entire 160 acres of land, his living, his livelihood. What I am saying is that some plan is needed which will enable the farmer to obtain low-cost, long-term, low-interest mortgage money on a basis comparable to that enjoyed by the city dweller, under a plan which will not require the farmer to put up 10, 20, or 50 times the amount of security his city neighbor is required to put up.

Mr. IVES. Mr. President, will the Senator yield to me?

Mr. CAPEHART. I yield.

Mr. IVES. In connection with the point being made by the distinguished Senator from Oklahoma, I think it should be emphasized that neither the National Farm Bureau Federation, the National Grange, the National Farmers' Union, nor any of the other farm organizations has appeared at any hearing that I know of requesting what the Senator from Oklahoma seems to desire.

Mr. CAPEHART. The farm organizations mentioned by the able Senator from New York were represented before the committee by witnesses who recommended that the committee should do exactly what it did.

Mr. MONRONEY. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. MONRONEY. I appreciate the fact that the Congress is continuing to extend a feeble reed to the farm families of America, but I say that a feeble reed is not sufficient. Farm-home financing is not on a basis comparable to that which city people enjoy.

If any use has been made of title I, if it is intended to serve the farmers on the same basis it serves the city man in building a house or rehabilitating or remodeling a house, why have the farmers not benefited from the program? If we can bring Government-insured mortgages to the farmer on the same basis, under title I, as is enjoyed by city people, we may be able to approach a real solution of our farm-housing problem.

Mr. CAPEHART. Farmers have participated under title I since 1934. Loans have been made under title I for repairing houses, barns, chicken coops, and machine sheds, and for building silos and many other structures. That program has been carried on since 1934, under title I. Such loans run for 36 months, or 3 years. They are nonsecured loans. No mortgage is required.

Mr. MONRONEY. For how long a time do the loans run?

Mr. CAPEHART. For 36 months.

Mr. MONRONEY. Is there not a provision under title I by which a city dweller can build a house and extend the payments over a longer period of time?

Mr. CAPEHART. Title I is the title which deals with repairs, and so forth,

Mr. MONRONEY. Are there not title I housing loans, as well?

Mr. CAPEHART. The Senator is speaking of section 8 of title I. That is the farm-housing program. That is the one we are now discussing.

Mr. MONRONEY. I am speaking of section 5. It seems to me that what the Congress needs to do, if we expect to enter into this program with full impact, is to stop shortchanging the farmers. When the junior Senator from Oklahoma was a member of the Banking and Currency Committee of the House, he insisted that we were shortchanging the farmers of America. We have been doing it for years, and we have not yet brought forth a decent, workable program.

Mr. CAPEHART. I agree with the able Senator that we have been shortchanging the farmers for years. There is no question about that. If we can be given just a little time to study the problem, we can perhaps offer some amendments to the act the better to serve farmers. However, we have been working on the problem for only about 16 months. I agree that for many years we have been shortchanging the farmers.

Mr. MONRONEY. If we can apply——

Mr. CAPEHART. If the Senator has an idea how we can better the situation at the moment, I shall be very happy to accept his amendment.

Mr. MONRONEY. I shall try to see if I can suggest language to provide the principle of Government-insured loans, instead of direct Government lending, for a limited program of home improvement, modernization, and even reconstruction, because I believe that until we begin to gear the farm-housing program into the same financial structure which has been so highly successful in the cities, the farmers will not participate in the program. It will be smothered in redtape by the direct lending authority.

Mr. CAPEHART. I agree with the able Senator. If he will prepare an amendment to accomplish what he has in mind, I shall be very happy to accept it.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. SPARKMAN. It seems to me that there may have been a little confusion a moment ago in connection with the subject of construction of homes under title I. There is one section, namely, section 8, which does allow for the construction of homes under title I. I assume that is the section to which the Senator from Oklahoma is making reference. That section is not primarily for farm housing, but when it was originally written into the act, it was assumed that it would be of the greatest value in the outer areas, in towns and cities in what might be called rural nonfarming areas. In such areas housing would not be built under the high requirements of conventional financing.

There is another part of the act which relates to farm housing. I assume the Senator from Oklahoma is familiar with it.

Mr. MONRONEY. That is title V.

Mr. SPARKMAN. Yes. Title V permits the kind of loan about which the Senator from Oklahoma has been talking.

Mr. MONRONEY. But that involves a direct Government loan. The farmer is confused by the red tape and the difficulties, whereas the city man can obtain his financing and his house over the counter, so to speak.

Mr. SPARKMAN. The Senator is correct, but there is one problem which we encounter with reference to farm housing which always must be reckoned with. The typical farm is under mortgage. The mortgage covers the entire farm. Of course, the Senator from Oklahoma well recognizes the fact that ordinarily when we speak of the value of a farm we mean the value of the land, rather than the value of the house. Moreover, farm housing includes not merely the residence, but all the farm buildings which are necessary to carry on farming operations. I assume that the majority of farms are under mortgage. When a mortgage is taken in the purchase of a farm there arises a difficulty in working out an FHA plan, because a second mortgage is involved. The farm housing program which we have devised would permit such second mortgage to the Government. It has been pretty well used by the farmers.

Mr. MONRONEY. This program has been in effect since 1949.

Mr. SPARKMAN. 1949 or 1950. It has been pretty well used.

Mr. MONRONEY. The distinguished chairman has said——

The PRESIDING OFFICER. The Senator from Indiana [Mr. CAPEHART] has the floor.

Mr. CAPEHART. Mr. President, let me read a list of items upon which the farmer can borrow without any mortgage whatsoever. I do so to show that in the past we have been quite liberal with the farmer, notwithstanding what the Senator from Oklahoma has said. The farmer can borrow for new construction of barns, poultry houses, silos, utility buildings, brooder houses, hog houses, tool sheds, greenhouses, dairy buildings, granaries, milkhouses, service buildings, smokehouses, stables, stalls, stanchions, tiling, and so forth.

Mr. MONRONEY. On 3-year paper. We are talking about giving 30 or 40 years to the city dweller for his financing, and we offer the farmer help on a 3-year basis.

Mr. CAPEHART. This is under title I.

Mr. MONRONEY. That is a 3-year plan, is it not?

Mr. CAPEHART. Yes; but under title V, which I was discussing, he can borrow on the basis of repayment in 33 years, at 4 percent interest.

Mr. MONRONEY. The point which the distinguished junior Senator from Alabama [Mr. SPARKMAN] has made is one with which we must concern ourselves. Many of the farm homes of America that need housing the most are under mortgage. Perhaps the mortgage represents only 25 percent of the value of the farm today, but the farmer is estopped from getting a loan to rebuild his house no matter how badly it needs rebuilding or repairs, unless he goes to the Government under a program which is designed for those who are unable to get home financing elsewhere.

Some way must be found, I may say to the distinguished chairman of the committee, by which the holder of a mortgage would have the right to waive 5 acres of the mortgage for a homestead site, and divide the ground on which the farm home stands, and thus permit the farmer to borrow on the homesite, instead of on the entire agricultural plant.

If a man in a city borrows $10,000 with which to build a house, he does not have to put up his bicycle shop or his cafe as security for the money he borrows to build his home. Yet it is demanded of the farmer that he put up his whole plant, including his home. Therefore, the farmer's security becomes many times higher than the security put up by the city man.

What I am pleading for is that in this bill, or in an early bill later, we must find a way whereby the farmers can have a parity of opportunity to improve farm housing. There is market on the farms for home builders, for standardized construction, and for all types of residential construction, and that market has not been scratched. Yet in many places we are overbuilding in the urban areas, and we will continue to overbuild in those areas, while we have not met the minimum needs of some 6 million farm homes throughout the country.

Mr. CAPEHART. We shall be very happy to accept an amendment if the Senator from Oklahoma will be good enough to prepare it.

SMOKE ELIMINATION AND AIR-POLLUTION PREVENTION—RESEARCH

The Secretary of Health, Education, and Welfare is directed to undertake and conduct a program of technical research and studies concerned with (a) the causes of air pollution, (b) devices and methods for prevention or elimination of air pollution, and (c) guidance and assistance to local communities in smoke abatement and air-pollution prevention and control. Up to $5 million would be authorized to be appropriated to carry out the research program.

LOANS

Loan program by HHFA in cooperation with private lending institutions to business enterprises to aid them in installation of air-pollution equipment.

Loan would only be made if it is determined that it would result in substantially reducing air pollution in community where device or structure is to be located and unless borrower is unable to obtain funds from private sources on reasonable terms. Must be a participating loan.

For the homeowner, FHA loan insurance could be used for purposes of home conversion and improvements which aid air-pollution prevention.

Mr. President, I merely wish to add that it is very necessary that something be done to eliminate the smog and smoke and air pollution in the United States. I do not believe it can be done entirely by the local communities. I believe it will require the joint effort of the local communities, the States, and the Federal Government.

Mr. President, that is a brief explanation of the pending bill. Unless Senators desire to ask me questions, so far as I am concerned the bill is now open for amendment.

Mr. IVES. Mr. President, in strongly supporting public-housing provisions as a part of any housing legislation which may be passed by the Senate, I would call to the attention of the Senate their great importance. These provisions are most necessary to implement the urgently needed slum clearance and urban redevelopment program which has been recommended by the President and his Advisory Committee on Housing and which also is contained in the pending bill. The vital need for public housing in conjunction with any slum clearance and urban redevelopment program was clearly understood by this committee.

It is worthy of note that this Advisory Committee on Housing, which represented every segment of the housing industry, recognized the basic need for the continuance of public housing at this time as an integral part of the housing program which it recommended to the President. The public-housing provisions in the pending bill are designed to meet this need and to help in realizing the broad objectives envisioned by the bill itself.

These provisions will not in any way foster competition between public and private housing. In fact, such competition is impossible because the rentals in public-housing projects must, of necessity, be far below the lowest rentals which any private housing must require. I understand that the median income of families who moved into public-housing projects during the last quarter of 1953 was only $1,825 per annum; obviously, such families cannot afford to live in decent private housing in many of our urban communities.

It has been stated that public-housing developments cause a loss in tax revenue to the communities in which they are located. This statement is based upon the premise that, in the absence of such public-housing developments, comparable private housing would be located on the same sites. But this is a false premise, because most public-housing projects are constructed in rehabilitated areas or in conjunction with the redevelopment of blighted areas. Thus, the communities do not lose revenue by this process. Furthermore, by such development the continuing decay which is taking place in many of our cities can be checked.

Of course, public housing does cost money, like everything else, and such costs must be borne by the taxpayer to the extent that he contributes a portion to the defraying of the rentals for his less fortunate neighbor. It has been estimated, however, that the annual cost for this purpose to a taxpayer earning $4,000 per year is less than the price of a package of cigarettes; surely, this is a small charge in comparison with the benefits which accrue to communities and to citizens who are forced to exist in the squalor of slums.

The significant importance of reclaiming and rehabilitating large areas in many of our communities has been well recognized by the President and his Advisory Committee. A substantial portion of the pending bill is designed to aid and encourage our communities in their efforts presumably to abolish their slums. Moreover, a vital part and purpose of such a program is the proper relocation of individuals living in slum areas, and these objectives can be attained only by the construction of housing which lies within their limited means.

All of us know that the present high cost of construction makes it impossible for builders to construct private rental housing in our larger metropolitan areas to meet the needs of tenants in the lower income brackets. The Public Housing Administration has pointed out that the median income of tenants in public housing projects is less than $2,000 per annum. In this connection I quote from the Advisory Committee's report:

> In 1951, the last year for which data are now available, one-half of the more than 35 million nonfarm families of 2 or more persons had incomes of less than $3,900. There were 3,800,000 families with incomes less than $1,500, and 8 million families who had $2,500 or less.

Clearly in many communities slum clearance and redevelopment programs must be coupled with the construction of public housing if the residents of blighted areas are to be relocated in decent housing.

Mr. LEHMAN. Mr. President, will the Senator yield for a question?

Mr. IVES. Certainly.

Mr. LEHMAN. Is it not a fact that, with the exception of the provision for public housing, which the committee incorporated in the bill now pending before the Senate, and, in lesser degree, with the exception of the provision contained in section 221, we are doing virtually nothing of a constructive character for the people who need governmental help most, namely, the people with very low incomes?

Mr. IVES. I think that is correct.

Mr. CAPEHART. Mr. President, will the Senator from New York yield?

Mr. IVES. I yield.

Mr. CAPEHART. Mr. President, I do not think I can agree with that statement at all. The House bill provided for 95-percent insurance on the first $10,000.

Mr. IVES. I think my colleague is speaking of the people in the very large metropolitan areas, whose incomes are so low that they are unable to take advantage of the other provisions of the bill. I think they are the ones to whom the junior Senator from New York has referred.

Mr. LEHMAN. Mr. President, will the Senator yield further?

Mr. IVES. I yield.

Mr. LEHMAN. My colleague from New York has stated what I had in mind very clearly. I made a separate statement, which is incorporated in the report of the committee, in which I pointed out that, while to a substantial degree we are taking care of persons with relatively satisfactory and livable incomes, we are doing very little, if anything, of a constructive nature for the people with low incomes, save through the reincorporation of the provisions of the Housing Act of 1949 in the pending bill, and in some slight degree—and I am not certain as to how it is going to work out—the provisions of section 221. They are the people who need help on a very substantial scale. Reference has been made to 35,000 housing units. I do not think 35,000 units will even begin to solve the problem. What we need in the bill is provision for a greater number of public housing units.

Mr. CAPEHART. Mr. President, will the Senator from New York yield?

Mr. IVES. I yield.

Mr. CAPEHART. The bill as it is written permits up to 610,000 public housing units, and allows the President to go up to 200,000 units a year. That is more than has ever been accomplished at any time in the past 10 or 15 years.

Mr. IVES. It would average about 142,000 units.

Mr. CAPEHART. I have to take exception to my able friend from New York. The bill permits 95-percent insurance, which means that a downpayment of only 5 percent need be made. If that is not taking care of the low-income group, I do not know what it is.

Mr. IVES. That cannot be done in a city like New York.

Mr. CAPEHART. My point is this: The able junior Senator from New York [Mr. LEHMAN] would like to leave the impression that this bill is not a liberal bill. It is more liberal than any bill ever before brought to the floor of the Senate, notwithstanding what my able friend may say. It does more for the low-income group, for the poor people, than has any bill ever before brought to the floor of the Senate.

Mr. LEHMAN. Mr. President, will my colleague yield further?

Mr. IVES. Before I yield again, I should like to point out that I quite agree with the distinguished Senator from Indiana. So far as I am aware, the bill as it now stands is by far the most liberal housing bill that has ever been before the Senate of the United States.

Mr. LEHMAN. Mr. President, will my colleague yield further?

Mr. IVES. I yield.

Mr. LEHMAN. I stated in my memorandum that this bill is an improvement, as it now stands, over the bill suggested by the administration, but that point of view is predicated on the assumption that so far as public housing is concerned the bill remains as it is at this time.

Mr. CAPEHART. Mr. President, I do not think the Senator has any right to assume that it will not.

Mr. LEHMAN. I am not assuming anything. I am simply saying that I have heard statements made that there would be an amendment offered to strike the number of public-housing units authorized by the bill. I have heard statements made that a substitute amendment would be submitted.

Mr. CAPEHART. There is an amendment lying on the desk which would definitely strike out public housing.

Mr. LEHMAN. If this bill is finally passed with the provisions of the Housing Act of 1949 intact, so far as they relate to public housing, I shall take the keenest pleasure in congratulating

the distinguished chairman of the Banking and Currency Committee.

Mr. CAPEHART. I only wanted to keep the RECORD straight, that this is the most liberal housing bill which has been presented to the Senate since such legislation was first undertaken back in 1934.

Mr. IVES. Mr. President, to continue my remarks after the interruption, I wish to emphasize the fact that unless Congress authorizes the continuation of a Federal public housing program at this time, the forward-looking and progressive slum clearance and urban redevelopment provisions contained in the pending bill will fall far short of the objectives for which they are presumably designed. Indeed, they will serve only as a sham and a delusion.

In this connection let us ask ourselves three questions which I hope Members of the Senate who are not present today will take the time to read in my remarks, because I consider them to be very fundamental in relation to the whole question of public housing generally.

The questions are as follows:

Is it our purpose merely to abolish slums in one area of a community in order that they may be reestablished in another area of the same community? Are we legislating primarily for the benefit of builders and owners or for the welfare of occupants? Is it our aim to enact a housing program which will be beneficial to the people generally or which will assist only a part of the people?

I believe it should be our purpose to legislate for the benefit of all the people. To this end a public-housing program must inevitably be a part of any overall slum clearance, rehabilitation, or redevelopment program which we may enact.

In recent months our attention has been directed dramatically to the problems of juvenile delinquency, communism, and disease. To a considerable extent these cancers in our society are produced and nourished in slums. And yet, if slums are to be eradicated, some amount of public housing is essential.

Furthermore, the public housing, which will accomplish this result, should not be a burden upon the taxpayer; in truth, it should lessen his burden. For the cost of policing juvenile delinquency and combating disease and communism, which are attributable to slums, must be far greater than would be the cost of public-housing projects which would eliminate slums once and for all.

For these reasons I urge, as strongly as possible, that the Senate approve the public-housing provisions contained in this bill as the bill now stands. I am strongly in favor of the provisions of the bill as they are.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MAYBANK. Mr. President, I call up my amendment 5-28-54-A and ask that it be read.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 208, beginning with line 19 it is proposed to strike out all through line 4 on page 209 and insert in lieu thereof the following:

(1) By adding at the end of section 10 thereof the following new subsection:

"( ) Notwithstanding any other provision of law, after the date of enactment of the Housing Act of 1954, the Authority shall not enter into any new agreements, contracts, or other arrangements, preliminary or otherwise, for any additional projects or dwelling units."

Mr. MAYBANK. Mr. President, over the entire span of my political life I have found a source of satisfaction in leading a continuous fight for improved housing standards for low income groups. Never have I drawn a color line in the extension of housing benefits. Never have I endorsed or supported any program which would extend housing benefits to one race while denying equal benefits to another. The decision on occupancy has been, in the past, the concern of local authority. This was proper. This is proper.

On May 24, 1954 the United States Supreme Court denied a petition for a writ of certiorari in the case of Housing Authority of the City and County of San Francisco against Banks. This action leaves in effect the lower court's decision that segregation in a public housing project by municipal ordinance is an infraction of the 14th amendment. In view of this action on the part of our highest tribunal, it is necessary for me to reappraise my position on our public housing program.

The right to establish and maintain separate facilities for the use of the white and colored races has been upheld on many occasions by the various courts. In numerous cases the United States Supreme Court has enunciated the principle that it is not an infraction of the 14th amendment for a State to require separate but equal accommodations for the two races. Similar verdicts among lower Federal courts are legion.

In the case of the legislative branch, the Congress also has expressed its understanding that occupancy of public housing projects should be the concern of local authorities. Efforts have been made in the past to introduce a concept different than this through legislative action. Antisegregation amendments to housing bills have been rejected on several occasions by a majority of the members of the Senate Committee on Banking and Currency. On April 21, 1949, an antisegregation amendment to the Housing Act of 1949 was brought to a vote in the Senate. It was recognized that such an amendment would make the public housing program inoperative, and on a rollcall vote the amendment was rejected 46 to 32.

On the basis of what appeared to be an understanding on the part of the legislative, the judicial, and the executive branches of the Government that occupancy was and should be handled by local authorities, according to local custom and tradition, I continued my wholehearted support of public housing.

Many important and far-reaching decisions have been written with regard to alleged infractions of the 14th amendment. No such decisions have brought the issue into clearer focus than these words from the oft-cited Plessy case:

> To this we may add that, when 17 States and the Congress of the United States have for more than three-quarters of a century required segregation of the races in the public schools, and when this has received the approval of the leading appellate courts of the country, including the unanimous approval of the Supreme Court of the United States (in *Gong Lum* v. *Rice, supra*), at a time when that Court included Chief Justice Taft and Justices Stone, Holmes, and Brandeis, it is a late day to say that such segregation is violative of fundamental constitutional rights.

For generations the Court ruled otherwise than it ruled in the recent decision, and the previous ruling was concurred in by such men as Chief Justice Taft; Mr. Justice Stone, later the Chief Justice; Mr. Justice Holmes, one of America's greatest jurists; and the brilliant Justice Brandeis. But, Mr. President, we now have a new Supreme Court.

I continue to quote from the Plessy case:

> It is hardly reasonable to suppose that legislative bodies over so wide a territory, including the Congress of the United States and great judges of high courts have knowingly defied the Constitution for so long a period or that they have acted in ignorance of the meaning of its provisions. The constitutional principle is the same now that it has been throughout this period; and if conditions have changed so that segregation is no longer wise, this is a matter for the legislatures and not for the courts. The members of the judiciary have no more right to read their ideas of sociology into the Constitution than their ideas of economics (98 F. Supp. 529, at 537).

These words, in my opinion, are as pertinent today as they were half a century ago.

Now that the Supreme Court has seen fit to reverse an acceptable and workable pattern under which we have lived, worked, and prospered, I am left, in good conscience, with no alternative.

I must oppose my own amendment to the housing law and thereby abandon a fight to which my energies and devotion have been dedicated for a quarter of a century, ever since the first public housing unit was built in my own State, and since the time I was appointed to the Public Works Administration under the Roosevelt administration, when the then Secretary Ickes was in charge of public works.

It will be my purpose to seek and ultimately find a more satisfactory answer to the need for low-rent housing facilities. In the meantime the Supreme Court has brought about the denial of much needed benefits to the people for whom they were primarily intended.

There will be no applications to Mr. Cole from Birmingham, Ala., Atlanta, Ga., Charleston, S. C., New Orleans, La., or Raleigh, N. C., and I doubt if there are going to be any from many other South-

ern States. I mention only those cities because they are near my own State.

The fundamental concept of States rights commands more than lipservice from one of my political philosophy. Where Federal aid is attended by coercion and a denial of sovereign rights reserved to the States under the Constitution when the Union was formed, then such aid must be refused and the power of the Federal Government removed in that instance.

This is a difficult period, a period of unprecedented strain, during which the whole fabric of a social order is beset by agitation and litigation.

I pray, with all my heart, Mr. President, that the good people—white and colored alike—who have labored long and earnestly to develop harmonious relations will continue to seek an equitable and just solution to the problem thrust upon them by the present Supreme Court.

Mr. KNOWLAND. Mr. President, while I have great respect for the Senator from South Carolina, who was formerly chairman of the Committee on Banking and Currency, I must rise to oppose the amendment, which would in effect strike from the bill all provisions relating to public housing. If the amendment of the Senator from South Carolina shall be defeated, as I hope it will be, I shall immediately then offer an amendment which will provide for 140,000 units, which was the recommendation of the President of the United States, based on 35,000 units a year for a 4-year period.

I hope the amendment of the Senator from South Carolina will be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina to the committee amendment.

The amendment to the amendment was rejected.

Mr. KNOWLAND. Mr. President, I send to the desk an amendment, which I offer on behalf of myself and the Senator from Massachusetts [Mr. SALTONSTALL], and I ask that the amendment be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 208, beginning with line 19, it is proposed to strike out through line 4 on page 209 and insert in lieu thereof the following:

(1) by striking out the period at the end of the third sentence of section 10 (e) thereof and inserting a colon and the following: "*Provided further*, That notwithstanding any other provisions of law, the provisions of this subsection and of section 9 hereof shall be in full force and effect: *And provided further*, That, until June 30, 1958, the authorization in this act (1) to enter into contracts for annual contributions shall (except for projects constructed or covered by a contract for annual contributions prior to the effective date of the Housing Act of 1954) be limited to contracts for not more than 35,000 dwelling units which amount shall be increased by 35,000 dwelling units on January 1 of the years 1955 and 1956, and (2) to authorize commencement of construction shall, after July 1, 1954, be limited to not more than 35,000 dwelling units which amount shall be increased by 35,000 dwelling units on July 1 of the years 1955, 1956, and 1957."

Mr. KNOWLAND obtained the floor.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from South Carolina.

Mr. MAYBANK. Is this a substitute for the amendment I proposed; or does it embody the President's plan?

Mr. KNOWLAND. It embodies the proposal which the President made in his message to the Congress.

Mr. MAYBANK. I understand. Do I further correctly understand that there will be a yea-and-nay vote on the amendment?

Mr. KNOWLAND. There will be, if it is desired.

Mr. MAYBANK. Mr. President, I ask for the yeas and nays, because I wish to have the votes recorded.

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, the amendment which I have offered is designed to carry out the recommendations of the President of the United States with respect to the volume of low-rent public housing for the next 4 years. In his message to the Congress on January 25, 1954, the President's statement recommended "that the Congress authorize construction, during the next 4 years of 140,000 units of new public housing to be built in annual increments of 35,000 units." Provisions with respect to this proposed program would be added by this amendment to section 401 of H. R. 7839.

Under the amendment the Public Housing Administration would authorize the construction of low-rent public housing after July 1, 1954, up to 35,000 dwelling units per annum during the fiscal years 1954 through 1957.

It should be noted that the 1953 Independent Offices Appropriation Act—Public Law 455, 82d Congress—and the 1954 Independent Offices Appropriation Act—Public Law 176, 83d Congress—prohibit the Public Housing Administration from entering into any new contracts for Federal assistance during any fiscal year subsequent to the fiscal year 1953. The language of the proposed amendment would in effect repeal these provisions in the two appropriations laws since they are inconsistent with the provisions which would be added to the basic low-rent-housing statute to carry out the President's program for the next 4 years.

Mr. MAYBANK and Mr. DOUGLAS addressed the Chair.

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). Does the Senator from California yield, and if so, to whom?

Mr. KNOWLAND. I yield first to the Senator from South Carolina.

Mr. MAYBANK. As I understand, the amendment offered by the Senator from California strikes from the bill that section which strikes the restrictive provisions contained in the independent offices bill?

Mr. KNOWLAND. That is correct.

Mr. MAYBANK. In the event the amendment of the Senator from California should be rejected, then we would go back——

Mr. KNOWLAND. To the 572,000 units.

Mr. MAYBANK. That is correct.

Mr. KNOWLAND. In other words, the proposed amendment calls for a maximum of 140,000 units, spread over a 4-year period, with an increment rate of 35,000 units for each of the 4 years.

Mr. MAYBANK. If the amendment of the Senator from California should be rejected, those Senators who oppose public housing would still have a chance to vote against the bill itself. Is that correct?

Mr. KNOWLAND. Yes.

Mr. MAYBANK. That is the parliamentary situation; is it not?

Mr. KNOWLAND. It would be up to the individual Senators to vote as they choose.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from Illinois.

Mr. DOUGLAS. I wonder if the distinguished Senator from California would further clarify the meaning of his amendment. The bill in its present form calls for the authorization of 572,000 units in 5 years. As I understand the proposal of the Senator from California, his amendment would strike out that provision and substitute instead a provision for 140,000 units in 4 years. Is that correct?

Mr. KNOWLAND. I think the Senator is incorrect when he says "in 5 years." Technically, I believe the 572,000 units provided for in the bill at the present time might theoretically be built at a total rate of not more than 200,000 units in any one year.

Mr. DOUGLAS. Does the Senator from California mean up to 200,000 units a year?

Mr. KNOWLAND. That is correct; not more than 200,000 units a year.

Mr. DOUGLAS. And not less than 50,000 units a year?

Mr. KNOWLAND. No; the final amount would depend on the appropriations.

Mr. MAYBANK. I beg the Senator's pardon. We do not appropriate for these houses, but the Government guarantees the bonds. I say that most respectfully, because I know a little about the bill. The number of units would depend upon the recommendations of the Bureau of the Budget and the request made by the President.

So what the Senator from California has substituted for my amendment is, in substance, the amendment I originally proposed except as to total authorization.

Mr. KNOWLAND. I am not familiar with that part of the background.

Mr. SALTONSTALL. Mr. President, will the Senator from California yield to me?

The PRESIDING OFFICER (Mr. IVES in the chair). Does the Senator from California yield to the Senator from Massachusetts?

Mr. KNOWLAND. I yield.

Mr. SALTONSTALL. Mr. President, I join in supporting the amendment of

the Senator from California, and I do so for several reasons. Although I am not a member of the Banking and Currency Committee that considered this measure, I am chairman of the Independent Offices Subcommittee of the Appropriations Committee, and in the subcommittee the housing question regularly arises. I have served on that subcommittee for the past 4 years.

The housing situation is approximately as follows: 2 years ago President Truman recommended, if I correctly recall, 75,000 housing units. The House, in the appropriation bill, completely ignored that recommendation, and did not make any provision of that sort. The Senate restored provision for 50,000 units. In conference the number was reduced to 35,000 units. Last year the final figure was continued at 20,000 after a very great difference of opinion, in the course of which the Senate refused to accept the conference report, the first time. The House finally agreed to a provision that 20,000 housing units should be built during this fiscal year, with no new contracts to be entered into, beyond those already made, for any new public housing units. The House also added a proviso to the effect that Mr. Cole, the Housing Administrator, should make an investigation, and report his findings on public housing to the Appropriations Committee by February 1 of this year.

President Eisenhower, in his budget message of this year, recommended that 35,000 units be constructed each year for the next 4 years.

The Subcommittee on Independent Offices Appropriations, of the House Appropriations Committee, included a limiting proviso intended to prohibit any further public housing. This was stricken on the floor of the House on a point of order. So the effect of the bill, as passed by the House—and subsequently by the Senate—was to permit the 33,000 units now under contract to go ahead in the fiscal year 1955.

The House also included in the appropriation bill the so-called Phillips rider which would have virtually stopped the present slum clearance and urban redevelopment program. This action, of course, would also have had some effect on the need for public housing.

The Senate Appropriations Committee completely eliminated the so-called Phillips rider, approved the 33,000 public housing units for the fiscal year 1955, and said that Congress should await the action of the Banking and Currency Committee as regards the future of the slum clearance and urban redevelopment program which is included in the pending housing bill.

That bill is now before us. The amendment on which I have joined the majority leader makes it possible for 35,000 units to be constructed during each of the next 4 years, under the President's plan, and nullifies the various riders which were attached to the appropriation bills during the past 2 years.

Mr. MAYBANK. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. MAYBANK. I wish to make it perfectly clear—certainly there is no use for anyone to "kid" himself about this matter—that what the Senator from Massachusetts has said is correct. In the case of the Phillips rider on the appropriation bill—the rider eliminating public housing—the Senator from Massachusetts voted against it, and so did I, and so did the Senator from Louisiana [Mr. ELLENDER] and other Senators.

The amendment I offered originally and which was supported by the Democrats—and I appreciate having the other Democratic Senators join me—before the Supreme Court rendered its decision repealed the so-called Phillips rider. I wish to make that perfectly plain. However, that did not make it possible in any one year for 800,000 or 600,000 units to be constructed. That merely gave the President of the United States and the Bureau of the Budget the right to recommend the number of units to be built.

The President recommended to the House, but his proposal was defeated, a plan for the construction of 35,000 units a year. That would be the effect of what I recommended in my original amendment, because I could not successfully direct the President of the United States or the Bureau of the Budget to request any particular number.

That is my understanding of what would be done. The President wrote a letter to the chairman to that effect, and the distinguished Senator from New York [Mr. IVES], who now is the Presiding Officer of the Senate, knows that is correct.

So I point out that the amendment submitted by the Senator from California [Mr. KNOWLAND] is, in effect, the same as the amendment I offered in the committee; and its adoption will not make a reduction in the annual authorization, because the final determination will be left to the President of the United States and the Bureau of the Budget.

So, Mr. President, all the Senators who favor public housing should vote against the amendment of the Senator from California.

Mr. LEHMAN. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. LEHMAN. Despite the fact that I am deeply grateful to the Senator from South Carolina [Mr. MAYBANK] for his unswerving and unwavering support of public housing over a period of many years—I wish to make that very clear—yet I must say I am very glad that the amendment he proposed has been defeated within the last few minutes.

Mr. President, I have listened to the discussion of the amendment submitted by the distinguished majority leader, the senior Senator from California [Mr. KNOWLAND]. I wish to say that, although I am heart and soul in favor of public housing, I shall vote against that amendment, for the reason that I consider it to be completely inadequate. I believe that Americans of small incomes need public housing to a far greater extent than 35,000 units a year.

The pending bill is an improvement over the bills which have heretofore come before the Senate; but, nevertheless, in this bill, as I pointed out an hour ago, we are doing very little indeed for those of low incomes, unless we take care of them by providing for the construction of a large number of public housing units. Section 221 will do them some good, but in my opinion the extent of the benefit they would derive from that section is very problematical.

The legislative situation in which we now find ourselves is that the committee amendment, as reported by the distinguished chairman of the Banking and Currency Committee, provides for a return to the provisions of the Public Housing Act of 1949, which gives the President the authority to recommend not less than 50,000 units and not more than 200,000 units, until the entire number originally authorized—the balance of which now remains at 572,000 units—is exhausted. Mr. President, I believe we should adhere to that provision. I do not believe we should be willing to compromise on 35,000 units, which, I repeat, would be completely inadequate for the purposes and the needs of those of low income, those who are entitled more than any others to receive help from their Government. The people of moderate incomes and those of larger incomes do not need governmental help to any great extent, except in a very few instances. But those who have incomes of less than $2,500 a year—and in some instances their incomes are considerably less than that—are the ones we should help.

So I hope the Senate will reject the amendment submitted by the distinguished majority leader, and thus will return to the provisions contained in the pending bill.

Mr. DOUGLAS. Mr. President, I wish to join the distinguished Senator from New York [Mr. LEHMAN] in his statement. Of course it is better for us to have 35,000 units a year for 4 years than for us to have none; but I should like to remind the Senate and the country that the bill, as it now stands, provides for 572,000 units, their construction to be distributed over a period of 5 years.

I come from a city where the housing problem is perhaps as acute as it is in any other city of the country. The city which I love is rotting away at the center from cancerous slums which are spreading outward. A major surgical operation is needed to clear these slums and those of other cities. As the senior Senator from New York [Mr. IVES] earlier remarked, when we clear the slums we must take care of the people who are displaced from them, namely, people whose incomes are low or who, because of their color, may not be able to find housing elsewhere.

Thirty-five thousand units a year will be totally inadequate to deal with this disease of our modern cities. So while I am grateful for a crumb, I hope we shall not abandon the proposal of the committee. I shall therefore vote against this amendment, because I am in favor of more adequate public housing. I hope very much that the amendment may be defeated and that we may stand on the proposal of the committee which will make possible a building rate in this field four times greater than that provided by the Knowland amendment.

Mr. BUSH. Mr. President, as a member of the committee, I certainly intend

to support the amendment proposed by the Senator from California. I congratulate him upon his brief but able presentation of the amendment.

This recommendation comes from the President of the United States after very careful study by a special commission appointed by him, representing all elements of the building and housing industry. The President based his recommendation upon a thorough study of the report of the commission, which made a complete survey of the entire situation over a period of several months. I believe that this recommendation should carry a great deal of weight, especially because it is a recommendation of the President of the United States, based upon a very careful study and consideration of the problem.

So, differing with my good friends who have just spoken, I hope that the amendment of the Senator from California will be agreed to.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	George	Maybank
Anderson	Gillette	McCarthy
Barrett	Goldwater	McClellan
Beall	Gore	Millikin
Bennett	Green	Monroney
Bowring	Hayden	Morse
Bricker	Hendrickson	Mundt
Bridges	Hickenlooper	Murray
Burke	Hill	Neely
Bush	Holland	Pastore
Butler, Md.	Humphrey	Payne
Butler, Nebr.	Hunt	Potter
Byrd	Ives	Purtell
Capehart	Jackson	Robertson
Carlson	Jenner	Russell
Case	Johnson, Colo.	Saltonstall
Clements	Johnson, Tex.	Schoeppel
Cordon	Johnston, S. C.	Smathers
Daniel	Kennedy	Smith, Maine
Dirksen	Kilgore	Smith, N. J.
Douglas	Knowland	Sparkman
Duff	Langer	Stennis
Dworshak	Lehman	Symington
Eastland	Lennon	Watkins
Ellender	Long	Williams
Ferguson	Malone	Young
Frear	Mansfield	
Fulbright	Martin	

Mr. SALTONSTALL. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. FLANDERS], the Senator from California [Mr. KUCHEL], the Senator from New Hampshire [Mr. UPTON], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNINGS], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], and the Senator from Washington [Mr. MAGNUSON] are absent on official business.

The Senator from Nevada [Mr. McCARRAN] is absent by leave of the Senate.

The PRESIDING OFFICER (Mr. IVES in the chair). A quorum is present. The question is on the amendment offered by the Senator from California [Mr. KNOWLAND].

Mr. DOUGLAS. Mr. President, on behalf of myself, the Senator from Oregon [Mr. MORSE], the Senator from West Virginia [Mr. NEELY], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Missouri [Mr. SYMINGTON], and the Senator from New York [Mr. LEHMAN], I offer to the amendment of the Senator from California [Mr. KNOWLAND] the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Illinois, for himself and other Senators, to the amendment of the Senator from California.

The LEGISLATIVE CLERK. In Mr. KNOWLAND's amendment wherever the number "thirty-five thousand" appears, it is proposed to strike out said figure and insert in lieu thereof "seventy-five thousand."

Mr. DOUGLAS. Mr. President, the amendment of the Senator from California [Mr. KNOWLAND] would authorize only 140,000 units in all. The amendment to the amendment would authorize 300,000 units. It is offered so that its sponsors and other Senators may show that they are affirmatively in favor of the public-housing program.

Mr. KNOWLAND. Mr. President, I hope the amendment offered by the Senator from Illinois to my amendment will be rejected. It doubles the number of units provided by my amendment and my amendment would carry out the recommendation of the President of the United States.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois, for himself and other Senators, to the amendment of the Senator from California [Mr. KNOWLAND].

The amendment to the amendment was rejected.

Mr. HUMPHREY subsequently said: Mr. President, I ask unanimous consent to have a statement printed in the RECORD at the point just prior to the vote on the Knowland amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT ON HOUSING BY SENATOR HUMPHREY

Millions of Americans are today without adequate housing. There is a need for the Congress to live up to its responsibilities and provide for the American people a comprehensive housing program which will combine the splendid advantages of private enterprise with the humane advantages of low-cost public housing. The bill which we are voting for today goes far to meet our need, but it remains woefully inadequate.

Our aim must be the building of 2 million housing units next year. We cannot remain static in our goals, for to remain static is to move backward in view of our growing population. We are being asked by the administration to be content with a 25-percent decline from the construction levels of 4 years ago. I am not content with that low level for I consider it to be a program to perpetuate the housing shortage—and this is not in the public interest. The Housing Act of 1949 provided a sensible middle ground for a low-cost housing program. It called for the building of 135,000 units a year. That provision is in the bill which was reported out by the Senate Banking and Currency Committee. It is that goal—which was good enough for us in 1949—which is today being undermined by the Knowland amendment.

The Knowland amendment, which is the pending business, would reduce our goal of 135,000 low-cost public housing units a year to the small figure of 35,000 units. It is a source of deep regret to me that the Senate a few moments ago rejected the Douglas amendment to the Knowland proposal which would have substituted the figure of 75,000 a year for the 35,000 level. I was a cosponsor of the Douglas amendment and deeply regret that it was defeated by a voice vote.

The choice the Senate now faces is to maintain the 1949 standard of 135,000 units or accept the Knowland amendment so as to reduce the program to the insignificant 35,000 figure. I oppose the Knowland amendment and shall vote against it. By my vote I will be asserting my belief in the necessity for an effective housing program for America.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment offered by the Senator from California. On this question the yeas and nays have been ordered, and the Secretary will call the roll.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Mr. President, by reason of the rapid statement of the question by the Presiding Officer, may I inquire whether the commas were correctly placed?

The PRESIDING OFFICER. The Chair would advise the Senator from Illinois that his inquiry is out of order.

The Secretary will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. FLANDERS], the Senator from California [Mr. KUCHEL], the Senator from New Hampshire [Mr. UPTON], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

If present and voting, the Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. FLANDERS], the Senator from California [Mr. KUCHEL], the Senator from New Hampshire [Mr. UPTON], the Senator from Idaho [Mr. WELKER], the Senator from Wisconsin [Mr. WILEY], and the Senator from Minnesota [Mr. THYE] would each vote "yea."

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNINGS], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], and the Senator from Washington [Mr. MAGNUSON] are absent on official business.

The Senator from Nevada [Mr. McCARRAN] is absent by leave of the Senate.

I announce further that the Senator from New Mexico [Mr. CHAVEZ] is paired on this vote with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from New Mexico would vote "nay," and the Senator from Tennessee would vote "yea."

I announce also that the Senator from Missouri [Mr. HENNINGS] is paired on

this vote with the Senator from Oklahoma [Mr. KERR]. If present and voting, the Senator from Missouri would vote "nay," and the Senator from Oklahoma would vote "yea."

The result was announced—yeas 66, nays 16, as follows:

YEAS—66

Aiken	Eastland	Malone
Anderson	Ellender	Martin
Barrett	Ferguson	McCarthy
Beall	Frear	McClellan
Bennett	Fulbright	Millikin
Bowring	George	Monroney
Bricker	Gillette	Mundt
Bridges	Goldwater	Pastore
Burke	Gore	Payne
Bush	Green	Potter
Butler, Md.	Hayden	Purtell
Butler, Nebr.	Hendrickson	Robertson
Byrd	Hickenlooper	Saltonstall
Capehart	Hill	Schoeppel
Carlson	Holland	Smathers
Case	Hunt	Smith, Maine
Clements	Jenner	Smith, N. J.
Cordon	Johnson, Colo.	Sparkman
Daniel	Johnson, Tex.	Stennis
Dirksen	Johnston, S. C.	Watkins
Duff	Knowland	Williams
Dworshak	Lennon	Young

NAYS—16

Douglas	Langer	Murray
Humphrey	Lehman	Neely
Ives	Long	Russell
Jackson	Mansfield	Symington
Kennedy	Maybank	
Kilgore	Morse	

NOT VOTING—13

Chavez	Kerr	Upton
Cooper	Kuchel	Welker
Flanders	Magnuson	Wiley
Hennings	McCarran	
Kefauver	Thye	

So Mr. KNOWLAND's amendment was agreed to.

Mr. FERGUSON. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. KNOWLAND. I move that the motion of the Senator from Michigan be laid on the table.

The motion to lay on the table was agreed to.

Mr. SALTONSTALL. Mr. President, I desire to ask the distinguished Senator from Indiana [Mr. CAPEHART], who is in charge of the bill, a question. Under section 129, is there authorization to the President to use the provisions of title III of the Defense Housing and Community Facilities and Services Act of 1951, as amended, for Federal aid in critical defense housing areas? I have in mind a location where the population is likely to continue to increase and which is designated as a critical housing area.

Mr. CAPEHART. The answer is "Yes," subject to an appropriation being made.

Mr. SALTONSTALL. I thank the Senator from Indiana.

Mr. BYRD obtained the floor.

Mr. CASE. Mr. President, will the Senator from Virginia yield, so that I may ask a few questions of the distinguished Senator from Indiana, the chairman of the Committee on Banking and Currency?

Mr. BYRD. I yield.

Mr. CASE. I make the inquiries because it has not been my privilege to be on the floor during the entire afternoon, because of my necessary attendance at a committee hearing.

Do I understand correctly that the bill provides for an extension of the military housing program, known as the Wherry housing program?

Mr. CAPEHART. The Senator is correct; it does.

Mr. CASE. Do I understand that the provisions of the amendment offered to the bill, giving protection to an individual against a contractor getting an insured loan for more than it costs to construct the housing, apply also to the Wherry housing program?

Mr. CAPEHART. They do.

Mr. CASE. I am glad to have that assurance as part of the record on the bill, because of some instances which have been brought to the attention of the Subcommittee on Real Estate and Military Construction. Since attention has been directed to such occurrences, within the past several days I have received either telephone calls or letters from four different States of the Union in which military housing of this nature has been constructed, and where the circumstances have led to a suggestion of the belief that irregularities have occurred.

Mr. CAPEHART. I suggest that the able Senator from South Dakota transmit such information to the Committee on Banking and Currency, because that committee is making investigations of cases of that type.

Mr. CASE. We shall be glad to cooperate with the Senator from Indiana in making such information available to his committee and also to the investigating subcommittee of the Committee on Armed Services.

We shall be glad to cooperate with the Committee on Banking and Currency in such matters, although in some cases, where direct questions relative to military housing are involved, since there is pending before the committee a military public works bill, which includes a proposal for military housing, it is felt that there is a direct responsibility resting upon our committee to handle such matters within the committee, and we intend to have such a study made by our own investigating staff.

Mr. MORSE. Mr. President, will the Senator from Virginia yield, so that I may address a question to the chairman of the Committee on Banking and Currency?

Mr. BYRD. I yield.

Mr. MORSE. I have not had time in which to apprise myself of the fact with regard to a complaint which was made to me about 15 minutes ago by an Oregon constituent, relative to the construction of Wherry housing projects.

May I ask the distinguished Senator from Indiana whether there is in the bill any provision whereby the Army may enter into a lease arrangement for the building of such houses by various concerns, the houses to be owned at the end of the term by the Government, but the builders of Wherry housing are to be placed in a secondary position, so far as the tenants are concerned, in that priority of tenancy will be given to the persons who live in the houses, under a lease arrangement with the Government?

Mr. CAPEHART. There is nothing in the bill that takes care of that.

Mr. MORSE. Is there any provision in the bill under which houses may be built on a lease arrangement with the Military Establishment, with the understanding that the rent for the houses will be applied to their purchase price, with the Government finally owning the houses?

Mr. CAPEHART. Under the original Wherry Act, houses which were built on Government land automatically belonged to the Government at the end of the term of the mortgage.

Mr. MORSE. I understand that, but I was advised by the constituent to whom I have referred that, to use his language, there is a "sleeper" provision in some housing bill.

Mr. CAPEHART. If there is, I wish the Senator from Oregon or his constituent would call it to our attention.

Mr. MORSE. He said he was going to get a memorandum for me overnight. I did not know the bill was coming up so quickly. I thought I ought to raise a signal flag.

Mr. BYRD. Mr. President, I ask that my amendment which is at the desk be stated.

The PRESIDING OFFICER. Does the Senator from Virginia desire to have the entire amendment read?

Mr. BYRD. I do not think that is necessary. However, I ask that it be printed and made part of the RECORD.

There being no objection, Mr. Byrd's amendment was ordered to be printed in the RECORD, as follows:

At the end of the bill add the following new title:

"TITLE X—PROVISIONS FOR RESPONSIBILITY AND FULL DISCLOSURE

"UNIFIED RESPONSIBILITY IN HOUSING AND HOME FINANCE ADMINISTRATOR

"SEC. 1001. (a) Notwithstanding any other provision of law, and subject to the provisions of subsection (b), the Administrator of the Housing and Home Finance Agency shall be responsible for the administration of the functions of such Agency and its constituent agencies, and for such purpose there are transferred to the Administrator all functions of all other officers of the Housing and Home Finance Agency and all functions of its constituent agencies and their officers and employees (including functions vested in such officers or employees or agencies, respectively, under other provisions of this act).

"(b) The Administrator of the Housing and Home Finance Agency may from time to time make such provisions as he shall deem appropriate authorizing the performance by any other officer, or by any agency or employee, of the Housing and Home Finance Agency or its constituent agencies of any function of the Administrator, including any function transferred to the Administrator by the provisions of this section. To that end the Administrator, without in any way relieving himself from final responsibility, may delegate any of his functions and powers to such officers, agents, or employees as he may designate, may authorize such successive redelegations of such functions and powers as he may deem desirable, and may make such rules and regulations as may be necessary to carry out his functions, powers, and duties.

"CERTIFICATION BY LENDER OF SOUNDNESS OF LOAN

"SEC. 1002. Every application for insurance under the National Housing Act, as amended, shall be accompanied by a certification of a prospective lender that on the basis of its own appraisal the lender believes the loan to be sound; except that in the case of an application for insurance by a financial in-

stitution under section 2 of the National Housing Act, as amended, the applicant shall certify that before making any loan contemplated in such section 2 it will make an independent determination that the loan is sound.

"RENT AND SALES FORMULAS TO INCLUDE COST FACTOR

"SEC. 1003. In any case in which the Federal Housing Administration or any other Government agency is authorized to regulate or restrict rents or sales on property with respect to which a loan has been insured under the National Housing Act, as amended, actual cost shall be included as a factor in any formula for the determination of rental rates or sales price.

"RECORDS

"SEC. 1004. Every person benefiting by participation (either directly as an insured lender or as a borrower, or as a public housing agency or local public agency, or indirectly as a builder or contractor) in any program under the National Housing Act, as amended, the United States Housing Act of 1937, as amended, or the Housing Act of 1949, as amended, shall to the extent his participation will enable him to do so, keep such records as the Housing and Home Finance Administrator may from time to time prescribe, in such manner as to fully disclose the disposition of the proceeds of any loan or grant, actual cost of any project under both prime and subcontracts, the full amount of the original loan or grant and supplemental loans or grants, and the amount of private capital used or local grants-in-aid made, and such other information as the Housing and Home Finance Administrator may deem necessary for the protection of the interests of the Government. Such records shall be kept in such form as to permit a speedy and effective audit.

"APPLICANTS FOR ASSISTANCE REQUIRED TO SUBMIT SPECIFICATIONS

"SEC. 1005. As a condition to the making of any loan or contribution or grant under the United States Housing Act of 1937, as amended, or the Housing Act of 1949, as amended, or the insurance of any loan under the National Housing Act, as amended, the Housing and Home Finance Administrator shall require that the applicant submit full specifications with respect to the housing unit or project the construction of which is to be assisted, or with respect to the acquisition of land or the development of facilities which is to be assisted, together with an itemization of costs, and the Administrator shall have authority to approve or disapprove (in whole or in part) or to modify any of such specifications or costs prior to approving any such loan or contribution or insurance of loan.

"FEDERAL INSPECTION

"SEC. 1006. Governmental assistance toward any housing construction, whether by way of grants, contributions, loans, or insurance of loans, under the National Housing Act, as amended, or the United States Housing Act of 1937, as amended, shall be conditioned upon a certification by an inspector to be appointed by the Housing and Home Finance Administrator that all specifications in such construction as to land, utilities, materials, workmanship, and engineering and construction have been met.

"AUDITS UNDER PUBLIC HOUSING ACT OF 1937; COMPTROLLER GENERAL

"SEC. 1007. All contracts entered into by the Public Housing Administration shall contain a clause to the effect that the Public Housing Administration shall have access to and the right to audit and examine any pertinent books, documents, papers, and records of any public-housing agency or its contractors or subcontractors that are pertinent to operations under the United States Housing Act of 1937; and the Comptroller General of the United States or any of his duly authorized representatives shall have the same authority to be exercised to the extent he deems necessary.

"AUDITS UNDER NATIONAL HOUSING ACT; COMPTROLLER GENERAL

"SEC. 1008. The Federal Housing Commissioner shall have access to and the right to audit and examine any pertinent books, documents, papers, and records of any mortgagor or mortgagee, or any person, firm, company, corporation, or organization who receives directly or indirectly any proceeds of an insured mortgage, that are pertinent to the issuance of certificates, financial statements, and reports required under the National Housing Act or regulations of the Commissioner; and the Comptroller General of the United States or any of his duly authorized representatives shall have the same authority as the Commissioner under this section to be exercised to the extent he deems necessary.

"AUTHORIZATION OF HOUSING AND HOME FINANCE AGENCY REQUIRED FOR ADVERTISEMENTS OF GOVERNMENT PARTICIPATION

"SEC. 1009. Section 709 of title 18 of the United States Code is amended by adding after the eighth paragraph thereof the following:

" 'Whoever advertises or represents in any manner whatsoever that any housing unit or project, with respect to which assistance has been granted under the National Housing Act, as amended, or the United States Housing Act of 1937, as amended, has been insured, guaranteed, approved, inspected, or appraised by the Housing and Home Finance Agency, or any constituent agency thereof, or its sale price or rental rate approved by any such agency, except upon written authorization of the Housing and Home Finance Administrator for use of the particular advertisement or representation; or.'

"REPORT TO CONGRESS OF INFORMATION ON HOUSING

"SEC. 1010. The Housing and Home Finance Administrator shall make an annual report to Congress containing pertinent information with respect to all housing and slum-clearance projects under his jurisdiction, including the amount of loans, contributions, and grants made or contracted for and other forms of assistance in the case of each such project (except sales of 1- to 4-family dwellings). Such information shall include costs for each project completed and in the case of supplemental insured loans shall specify the amount of the original loan and all supplements thereto."

Mr. BYRD. Mr. President, I wish to modify the language of the amendment. I desire to strike out section 1001. My reason for doing so is that the section relates to the reorganization plan relating to the Federal Housing Administration, which has been submitted, and the chairman of the committee, the Senator from Indiana [Mr. CAPEHART] thinks there should be hearings on that provision. I agree with that, and I desire to delete that section.

I also wish to delete section 1006, because I find the bill as reported by the committee, to which I did not have access until yesterday, contains practically the same provision.

I wish to modify my amendment further by deleting section 1008 for the same reason, that the subject matter of the amendment is covered in the bill as reported by the committee.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. BYRD. I yield to the Senator from Indiana.

Mr. CAPEHART. We shall be happy, with those deletions, to accept the amendment of the Senator from Virginia.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Virginia [Mr. BYRD], as modified.

The amendment, as modified, was agreed to, as follows:

CERTIFICATION BY LENDER OF SOUNDNESS OF LOAN

SEC. 914. Every application for insurance under the National Housing Act, as amended, shall be accompanied by a certification of a prospective lender that on the basis of its own appraisal the lender believes the loan to be sound; except that in the case of an application for insurance by a financial institution under section 2 of the National Housing Act, as amended, the applicant shall certify that before making any loan contemplated in such section 2 it will make an independent determination that the loan is sound.

RENT AND SALES FORMULAS TO INCLUDE COST FACTOR

SEC. 915. In any case in which the Federal Housing Administration or any other Government agency is authorized to regulate or restrict rents or sales on property with respect to which a loan has been insured under the National Housing Act, as amended, actual cost shall be included as a factor in any formula for the determination of rental rates or sales price.

RECORDS

SEC. 916. Every person benefiting by participation (either directly as an insured lender or as a borrower, or as a public housing agency or local public agency, or indirectly as a builder or contractor) in any program under the National Housing Act, as amended, the United States Housing Act of 1937, as amended, or the Housing Act of 1949, as amended, shall to the extent his participation will enable him to do so, keep such records as the Housing and Home Finance Administrator may from time to time prescribe, in such manner as to fully disclose the disposition of the proceeds of any loan or grant, actual cost of any project under both prime and subcontracts, the full amount of the original loan or grant and supplemental loans or grants, and the amount of private capital used or local grants-in-aid made, and such other information as the Housing and Home Finance Administrator may deem necessary for the protection of the interests of the Government. Such records shall be kept in such form as to permit a speedy and effective audit.

APPLICANTS FOR ASSISTANCE REQUIRED TO SUBMIT SPECIFICATIONS

SEC. 917. As a condition to the making of any loan or contribution or grant under the United States Housing Act of 1937, as amended, or the Housing Act of 1949, as amended, or the insurance of any loan under the National Housing Act, as amended, the Housing and Home Finance Administrator shall require that the applicant submit full specifications with respect to the housing unit or project the construction of which is to be assisted, or with respect to the acquisition of land or the development of facilities which is to be assisted, together with an itemization of costs, and the Administrator shall have authority to approve or disapprove (in whole or in part) or to modify any of such specifications or costs prior to approving any such loan or contribution or insurance of loan.

AUDITS UNDER PUBLIC HOUSING ACT OF 1937; COMPTROLLER GENERAL

SEC. 918. All contracts entered into by the Public Housing Administration shall contain a clause to the effect that the Public Housing Administration shall have access to and the right to audit and examine any pertinent books, documents, papers, and records of any public housing agency or its contractors or subcontractors that are pertinent to operations under the United States Housing Act of 1937; and the Comptroller General of the United States or any of his duly authorized representatives shall have the same authority to be exercised to the extent he deems necessary.

AUTHORIZATION OF HOUSING AND HOME FINANCE AGENCY REQUIRED FOR ADVERTISEMENTS OF GOVERNMENT PARTICIPATION

SEC. 919. Section 709 of title 18 of the United States Code is amended by adding after the eighth paragraph thereof the following:

"Whoever advertises or represents in any manner whatsoever that any housing unit or project, with respect to which assistance has been granted under the National Housing Act, as amended, or the United States Housing Act of 1937, as amended, has been insured, guaranteed, approved, inspected, or appraised by the Housing and Home Finance Agency, or any constituent agency thereof, or its sale price or rental rate approved by any such agency, except upon written authorization of the Housing and Home Finance Administrator for use of the particular advertisement or representation; or."

REPORT TO CONGRESS OF INFORMATION ON HOUSING

SEC. 920. The Housing and Home Finance Administrator shall make an annual report to Congress containing pertinent information with respect to all housing and slum-clearance projects under his jurisdiction, including the amount of loans, contributions, and grants made or contracted for and other forms of assistance in the case of each such project (except sales of 1 to 4 family dwellings). Such information shall include costs for each project completed and in the case of supplemental insured loans shall specify the amount of the original loan and all supplements thereto.

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement explanatory of the amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ITEMIZED DESCRIPTION OF AMENDMENT TO THE HOUSING BILL (H. R. 7839)

Section 914 requires every application for loan insurance to be accompanied by the certification of a prospective lender that, on the basis of its own independent appraisal, the lender believes the loan would be sound. In the case of applicants for insurance to cover losses from improvement and repair loans, they would certify in their application that they would make no loans without their own independent determination that the loans were sound. (This amendment has two purposes. It would give the Administrator an independent appraisal to check against his agency appraisal. It would place some responsibility on the lending institution.)

Section 915 requires that "actual cost" be included as a factor in any formula for the determination of rental rates or sales price for any property on which Federal agencies are authorized to regulate or restrict rents or sales. (This amendment is intended only for purposes of full disclosure. The requirement for inclusion of "actual costs" as a factor in the formula does not exclude other factors which should be considered. In previous formulas actual cost factor has been shown. Estimated replacement value, and other such language has been used.)

Section 916 requires recipients of insured loans, direct loans, and grants to keep records as prescribed by the Housing and Home Finance Agency Administrator in a manner fully to disclose the disposition of the proceeds and capable of effective audit. (Mr. Cole has admitted that records of the FHA do not readily disclose actual cost and other pertinent information. This amendment is another intended for purposes of full disclosure including actual cost.)

Section 918 gives the United States General Accounting Office permissive authority to audit the pertinent records and accounts of recipients of loans, insured loans, and grants. (It cannot be expected that the GAO can or will audit all of these accounts. It is intended as a full disclosure and safeguarding amendment of a permissive nature. It could be used in cases such as the 608 scandals. Two amendments are required: one to reach FHA insured loan recipients and the other to reach PHA and slum clearance direct loan and grant recipients.)

Section 917 requires applicants for loans (direct and insured) and grants to submit itemized specifications for proposed projects as a condition for consideration of the application and provides that the Administrator may accept the specifications as a whole or reject or modify any items. (This amendment is intended further to establish responsibility, and further contribute to full disclosure particularly with reference to costs. In addition, it would establish official specifications against which construction and building inspection could be made. It would provide also a basis for truthful representation of the property in advertising, etc.)

Section 919 requires written authorization from the Housing and Home Finance Agency Administrator for the advertising of any property for rent or sale as "insured, guaranteed, inspected, or appraised" by the HHFA or any of its constituent units.

Section 920 requires the Housing and Home Finance Agency Administrator to make a full report annually to Congress on housing projects under his jurisdiction. (The amendment takes into consideration the volume of the material to be covered and limits the actual cost, loan, and loan supplements information required to projects completed during the year. It is more general, requiring pertinent information with respect to the amount of loans, contributions, grants, contracts, and other forms of assistance on projects not completed during the year.)

Mr. MONRONEY. Mr. President, I have an amendment at the desk, and I ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment of the Senator from Oklahoma.

The CHIEF CLERK. On page 132, line 16, after the word "communities", it is proposed to insert a colon and the following:

Provided further, That under the foregoing provisions of this subsection the Commissioner is authorized to insure any mortgage issued with respect to the construction of a farm home on a plot of land 5 or more acres in size adjacent to a public highway, the total amount of insurance outstanding at any one time under this proviso not to exceed $100,000,000."

Mr. CAPEHART. Mr. President, we shall be very happy to accept the amendment offered by the Senator from Oklahoma.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma [Mr. MONRONEY].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be offered, the question is on agreeing to the committee amendment as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question now is, Shall the bill pass?

Mr. RUSSELL. Mr. President, very evidently there is not to be a record vote on the measure. A great many provisions of the proposed legislation meet with my hearty approval, but I wish to state for the RECORD that it contains other provisions which are repugnant to me. Since there will not be a yea-and-nay vote, I want the RECORD to show that I shall vote against the bill.

Mr. MAYBANK. Mr. President, I presume the yeas and nays have been requested on the passage of the bill. If not, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. MAYBANK. It is satisfactory to me if a sufficient number of Senators do not second the request for the yeas and nays. I desire, however, that the RECORD show clearly that I shall vote against the bill, because, as the distinguished Senator from Georgia has stated as to his position, there are certain sections of the bill which are absolutely repugnant to me.

I am aware, of course, that the conferees will work out a bill which will have to come back to the Senate to be voted upon. I presume my good friend, the chairman of the committee, the Senator from Indiana, will suggest to the Presiding Officer of the Senate, that when conferees are appointed, I be appointed one of them.

I wish to have the RECORD show that I am opposed to some sections of the bill, and, under present circumstances, I am entirely opposed to any public-housing provisions.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill (H. R. 7839) was passed.

Mr. CAPEHART. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. KNOWLAND. Mr. President, I move that the motion of the Senator from Indiana be laid on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from Indiana.

The motion to lay on the table was agreed to.

Mr. CAPEHART. Mr. President, I move that the Senate insist upon its amendment, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. GOLDWATER in the chair) appointed Mr. CAPEHART, Mr. BRICKER, Mr. IVES, Mr. BENNETT, Mr. MAYBANK, Mr. ROBERTSON, and Mr. SPARKMAN conferees on the part of the Senate.

TERMINATION OF RAILROAD REORGANIZATION PROCEEDINGS, ETC.

Mr. KNOWLAND. Mr. President, it is not expected that the Senate will consider any measure on which there will be voting tonight, but I move that the Senate proceed to the consideration of Calendar No. 139, which is Senate bill 978.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 978) to amend the Interstate Commerce Act in order to expedite and facilitate the termination of railroad reorganization proceedings under section 77 of the Bankruptcy Act and to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes, which had been reported from the Committee on Interstate and Foreign Commerce with amendments.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, for the information of the Senate, I may say that Senate bill 978 which is now the unfinished business, will be considered tomorrow. If and when that bill shall be disposed of, I shall then move that the Senate proceed to consider the following bills:

Calendar No. 1460, Senate Joint Resolution 39, proposing an amendment to the Constitution of the United States to enable the Congress, in aid of the common defense, to function effectively in time of emergency or disaster.

After that has been disposed of, it is expected that the Senate will proceed, on Monday of next week, to the consideration of H. R. 8680, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1955, and for other purposes, which was reported to the Senate today. Whether the Senate will reach the consideration of the appropriation bill on Monday or Tuesday, I do not know.

There are a number of other bills, concerning which I have given prior notice, which are expected to be considered; and they include Calendar No. 1479, H. R. 8571, a bill to authorize the construction of naval vessels, and for other purposes; and Calendar No. 1443, Senate bill 44, to provide for the appointment of deputy United States marshals, without regard to the provisions of the civil service laws and regulations—a bill about the consideration of which I had previously given notice; but at the request of the distinguished Senator from Kansas and the distinguished Senator from South Carolina, I shall postpone a request to have the bill taken up until I can have further consultation with them.

I hope that by Monday or Tuesday of next week I shall be able to advise with the minority leader in regard to other measures to be considered.

Mr. President, in giving the prior notice, I overlooked one bill to which I desire to call the attention of the Senators from New Mexico. It is a measure which we also hope to consider tomorow. I refer to House bill 9004, Calendar No. 1376, and the companion measure, Senate bill 3457, Calendar No. 1334, to authorize the appointment as United States Commissioner, International Boundary and Water Commission, United States and Mexico, of Col. Leland Hazleton Hewitt, United States Army, retired, and for other purposes. That measure is an important and urgent one, and we expect to take it up tomorrow.

Mr. ANDERSON. Mr. President, will the Senator from California advise us whether the bill relating to the United States Commissioner on the International Boundary and Water Commission will be brought up before, during, or after action by the Senate on the unfinished business, Senate bill 978, amending the Interstate Commerce Act in regard to the termination of railroad reorganization proceedings.

Mr. KNOWLAND. If agreeable to the Senate, I would ask that the unfinished business be laid aside, in order to have the Senate consider the bill authorizing the appointment of the United States Commissioner to the International Boundary and Water Commission; and for that purpose I would request unanimous consent. Of course, if during the consideration of that measure we were to encounter difficulties I would then hope to have that bill considered immediately following the disposition of the unfinished business, the bill relating to railroad reorganization proceedings.

Mr. ANDERSON. I thank the Senator from California.

Mr. NEELY. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. NEELY. Will the distinguished senior Senator from California inform us whether, in his opinion, there will be any important yea-and-nay votes on Monday?

Mr. KNOWLAND. Of course, if by that time we have acted on the other measures I have mentioned, and we reach the Interior Department appropriation bill, which was reported from the committee by unanimous vote, I believe, or substantially so, I shall have no way of knowing whether yea-and-nay votes will be requested in connection with that measure. Let me say that I know of no major controversies regarding it, at least insofar as the committee members are concerned; but, of course, I do not know what amendments may be submitted from the floor of the Senate, and on which yea-and-nay votes may be requested. However, aside from that measure, I do not know of any other measures on which yea-and-nay votes may be requested.

MILK-VENDING MACHINES—A KEY TO DAIRY PROSPERITY

Mr. WILEY. Mr. President, one of the keys to increased dairy consumption is to make milk and milk products more generally and conveniently available to our people. One of the means by which this can be achieved is by merchandising milk through vending machines.

In this June, Dairy Month, I believe it is appropriate that every encouragement be given to the automatic-merchandising industry to help sell milk through the modern machines which right now are distributing coffee, orange juice, and many other types of beverages.

In 1953, the automatic-vending industry sold over $1⅓ billion worth of products. It is estimated that if the dairy industry could duplicate the sales volume of coffee and soft drinks sold through vending machines, approximately 7¼ billion half-pint containers of milk and chocolate milk could be sold.

In this connection, I send to the desk the text of a brief statement I have made in response to an inquiry on this subject. I append the text of an article from the May 31 issue of the American Farm Bureau Newsletter, regarding a splendid experiment with dispensing milk through Ohio schools. I ask unanimous consent that both these items be printed at this point in the body of the RECORD.

There being no objection, the statement and article were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

The American dairy industry faces tremendous challenges and golden opportunities.

It has the chance now to improve its somewhat outdated distribution methods, and thereby tap vast new markets for its low-cost products. The end result will be to help eliminate the so-called dairy surplus which now exists and which is really artificial in relation to potential demand.

One of the most promising means for improvement of our dairy distribution system is in the form of milk-vending machines.

There have been great advances recently in the automatic vending industry. Every possible health safeguard is adequately incorporated into these new machines. Thus, any obsolete State or local ordinance which might otherwise interefere with automatic milk merchandising, should be promptly revised.

I urge this in the interest of increased consumption of dairy products and increased well-being for the American people.

A recent public opinion poll shows that fully one-third of the people of the United States do not use milk or milk products. There is every reason, therefore, why, by means of handy milk-vending machines in convenient locations, this vast potential market should be tapped. Get people into the milk-drinking, dairy-product-eating habit by having dairy products accessible—this is the basic need.

It is up to the dairy industry to lead in this effort, but it is up to all thinking Americans interested in the well-being of their countrymen to assist in this new type of forward-looking, cost-cutting merchandising.

[From American Farm Bureau Newsletter of May 31, 1954]

FARM BUREAU WOMEN PROMOTE GREATER USE OF MILK-VENDING MACHINES IN OHIO SCHOOLS

How would a Farm Bureau women's committee go about getting milk-vending machines into schools? Let's look at the experience of two groups in Ohio.

As a first step the Warren County Farm Bureau women's committee decided to get

some facts. They held a well-planned community meeting where experts on nutrition spoke of children's health needs. Representatives of schools and dairies discussed how to make more milk available to children.

Before the meeting closed, it was agreed that two dairies will each install a vending machine in a school next fall, and the county school superintendent will select the schools. If this trial is successful, more schools will follow suit. These schools already have lunch programs with milk available at noon.

SCHOOLS INTERESTED

The Farm Bureau women of Ashland County found good interest in the project, according to Mrs. Ralph Carpenter, chairman. Here is the procedure they followed:

1. The advisory councils discussed and approved the project. One value of this was that some local school board members who were council members or whose neighbors were council members were in on the discussion from the beginning.

2. The Farm Bureau women's committee wrote all school principals asking them to discuss with their boards the possibility of installing milk-vending machines. Within 2 weeks, 4 schools had replied. Three of these said, "Yes." All three have noon cafeteria service; each includes both grade and high schools. The fourth answered that children in their school can already get milk any time of the day from the cafeteria.

3. Dairies were contacted, and one agreed to set up the machines as soon as all principals have replied.

IS MORE MILK NEEDED?

Surveys show that people have been drinking a smaller average amount of fluid milk each year since 1945. This average is considerably short of what nutritionists recommend—and, of course, many individuals drink much less than this average figure.

At the Warren County meeting, the county health director stated that many children have wrong eating habits. "I would say that 20 percent are malnourished," he stated, and added that milk is one of the best foods. A local dentist said that 90 percent of children have cavities and that milk is one of the best foods for teeth.

Calcium is one of the nutrients most likely to be deficient in the average diet, according to a survey by Cornell University. "Increased milk consumption is the obvious remedy," a report from the university states.

ARE MACHINES EFFECTIVE?

Several experiments have shown that the vendors increase milk consumption. In a rural New York elementary school where no school lunch was available, three-fourths of the children patronized the vendor every day. Eight out of every nine took chocolate milk.

At a camp where the boys could have all the milk they wanted at meals they drank more between meals from the machine than during meals. For the season milk sales were nearly 1,700 half pints at a nickel, while 120 bottles of soft drinks at the same price were sold. Seven out of eight took chocolate milk.

The Warren County group plans a dairy stand at the fair, with proceeds to go to its child-health program. Wayne County Farm Bureau Co-op has had a milk-vending machine for some time.

To be successful, the machines must be placed in a good location where people can have access to them any time of the day. They must be kept in good operating condition and replenished regularly with high-quality milk.

Public-health authorities can be consulted about sanitation features. Problems in relation to disposal of cartons and sanitation around the machine need to be worked out with school people.

ECONOMIC APPROACH TO DESTROY THE WORKINGMAN AND INDEPENDENT BUSINESS—EXPIRATION OF THE 1934 TRADE AGREEMENTS ACT, AS AMENDED

Mr. MALONE. Mr. President, the economic approach to destroy the workingman and independent business of this Nation has made more headway than is generally supposed by our people. The foundation for this approach to average the standard of living of the people of the United States with the standards of living of the people of the European and Asiatic nations and to bring about one economic world, through control of the markets of the United States, was laid in the 1934 Trade Agreements Act.

Mr. President, the control of a nation's markets is the first move toward the economic control of that nation.

TRADE AGREEMENTS ACT

The 1934 Trade Agreements Act was first passed in 1934, extended for each succeeding 3 years until 1951, when it was extended for 2 years. Last year it was extended for 1 year. It will expire at midnight on June 12, 1954, unless Congress should again extend it.

Mr. President, by means of a simple act of Congress, the constitutional responsibility of the Congress, the legislative branch of the Government, to set the duties and excises, commonly known as tariffs or import fees, was transferred to the executive branch of the Government. That transfer of constitutional responsibility from the legislative branch to the executive branch laid the foundation for the General Agreement on Tariffs and Trade, which was organized in Geneva in 1945.

INTERNATIONAL TRADE ORGANIZATION

That pact led to organization of the International Trade Organization, which Congress refused to approve. It would have empowered the nations of the world to meet each year and divide the estimated production and the consumption between them.

THE INTERNATIONAL MATERIALS CONFERENCE

Following that refusal, our State Department spearheaded the formation of the International Materials Conference, to do the work for which the International Trade Organization was originally proposed.

AMERICAN MARKETS UNDER UNITED NATIONS CONTROL

Mr. President, recently a committee of the United Nations passed a resolution which would have the effect of placing the markets of the United States under international control. These successive moves are for the purpose of dividing the markets of the United States with the other nations of the world, under an all-out free-trade system.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, an article entitled "Reciprocal Trade Extension a Fight," written by George Rothwell Brown, one of the outstanding economic and political commentators of today, and published in the Times-Union, of Albany, N. Y., on May 25, 1954.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RECIPROCAL TRADE EXTENSION A FIGHT

(By George Rothwell Brown)

WASHINGTON.—Before President Eisenhower gets even a 1-year extension of the Reciprocal Trade Agreements Act through Congress he will know he has been in a fight.

The facts of New Deal free trade and giveaway are much better understood at the Capitol today than they were, and although there aren't as many sincere and convinced supporters of the American protective system in Senate and House as there should be, there are more today than were willing to stand up and be counted when Cordell Hull and Roosevelt were selling America down the river.

Two decades of foreign competition with American industry and labor have passed since the reciprocal trade agreements law first was enacted in 1934.

NEVER NORMAL

Since then it has never operated in a normal economic atmosphere. If it had it would long since have been shown up for the fraud that it is.

As it is the evil inherent in this law to the American way of living has been concealed from the people by two wars and the vast spending spree of the New Deal which ran all the way from WPA to the multibillion-dollar squanderbund of the Marshall plan, and Truman's point 4.

Under date of May 11 this reporter wrote that the Randall plan, for opening more American home markets to the products of foreign countries through still lower tariffs was as dead as a door nail.

The President has now reluctantly come to the same conclusion. Dead also as far as this session of Congress is concerned, is his recommendation for a 3-year extension of the Trade Agreements Act, erroneously called reciprocal since there has never been any reciprocity in this scheme for completing the picture of Uncle Sam as an international Santa Claus.

IKE WILL BE LUCKY

Today the President will be lucky if he is able to get the 1-year extension he is now asking for, before the June 12 deadline on which the trade law will expire unless Congress renews it.

The Ways and Means Committee of the House, where extension legislation will have to originate under the Constitution, has been more overburdened with taxation, social security, and other pressing problems than any similar committee at any time in the past.

If a 1-year bill should be finally reported to and passed by the House, and this is possible though by no means certain, a strong group of Senators including GEORGE MALONE of Nevada who is loaded for bear on this subject, may block it in the other body. At least MALONE is going to try.

On March 31 Senator MALONE in a speech in the Senate presented a summary of the Bureau of Employment Security listing nearly 100 cities and areas clear across the country that had been hard hit by the recession, as reflected in unemployment. Senator MALONE proceeded to demonstrate that these areas were in distress as a result of the impact of competitive imports.

AN UNDERSTATEMENT

The American lead and zinc industry, said Senator MALONE, is stricken, employment drastically reduced, and, he added, "the copper industry is badly mauled," which is an understatement that would satisfy even Ralph Waldo Emerson.

The heaviest attack on the Cordell Hull free-trade policy, now embraced by the Eisenhower administration, that has been made in Congress in 20 years, will be launched when and if the 1-year trade extension bill comes up for a vote.

Mr. MALONE. Mr. President, I now ask unanimous consent to have printed at this point in the RECORD an article entitled "Free Trade Versus Jobs," written by E. F. Tompkins, editor of the New York Journal-American. Mr. Tompkins is recognized as one of the outstanding editors of the Nation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Journal-American of June 2, 1954]

FREE TRADE VERSUS JOBS

(By E. F. Tompkins)

You are an American skilled worker earning American wages, no small part of which is withheld as income tax. And your family expenses are higher than ever before. So you need your well-paid job more than ever before.

Furthermore, you would like to reduce expenses by paying less for things that you purchase.

For example, would you like to buy cheaper hats?

Well, the free traders know how this can be accomplished—simply by reducing or abolishing the remnants of the American protective tariff system so as to reduce the American price of foreign goods.

This would permit low-wage foreign producers to sell more of their goods here—including hats.

DEPRESSED WAGES

In return, the free-trade interests could export more of their goods to foreign countries as "exchange" for our increased imports.

Sounds plausible? Yet the truth is, fewer American-made hats—and many other competitive articles—would be sold in the American home market—unless the American wage standard could be depressed to "compete" with foreign low levels.

And suppose you were a highly skilled hatmaker, working in Danbury, which—as our leading hatmaking community—has a very large number of such employees, engaged in the only craft they know.

How would you then like the free-trade theory?

About 15 million American workers—as well as their employers and communities—ought to know the Danbury facts; for these facts apply also to them.

The facts are available, in the files of congressional committees, and in the research records of the Nation-Wide Committee of Industry, Agriculture, and Labor on Import-Export Policy. Belonging to the committee are four associations of hat manufacturers and the Hatters, Cap, and Millinery Workers International Union, United, A. F. of L.

The facts have been told locally by the Danbury News-Times. That newspaper carries a front-page slogan—"Wear a Hat! Keep your neighbor working." And on April 3 the News-Times published a survey headlined, "Tariff Cuts Would Have Widespread Effect Here." The survey said:

"President Eisenhower has asked Congress for power to lower tariffs by 15 percent and more. What Congress does about it is vitally important to most people who live in Danbury.

"CLOSED FACTORIES

"For hatmakers have warned that lower tariffs will mean closing hat factories. * * *

"Why do local manufacturers have to worry about foreign competition? The answer is simple.

"Foreign hatmakers pay their workers so little that, unless trade barriers prevent them, they can undersell Americans in the domestic market."

And that, obviously, would soon destroy Danbury's most important industry.

But Danbury's danger is not merely a local danger. On March 6, Chairman Strackbein, of the Nation-Wide Committee, warned the Cincinnati World Affairs Institute:

"Fully a quarter of our industries and agriculture is vulnerable to import competition."

Last October, Congressman SIMPSON, of Pennsylvania, said of the free-trade advocates in "big business"—

"These leaders are advocating * * * policies which will turn many thriving cities and communities into ghost towns."

Mr. MALONE. Mr. President, no extension of the 1934 Trade Agreements Act is needed beyond June 12, 1954, since, if no extension act is passed by Congress, the regulation of the domestic economy, through adjustment of the duties, imposts, and excises, commonly called tariffs or import fees, will revert to the Tariff Commission, an agency of Congress under the Tariff Commission Act in accordance with article I, section 8, of the Constitution of the United States. Article I, section 8, of the Constitution fixes the regulation of foreign trade as a responsibility of the legislative branch of the Government, the Congress of the United States.

The Constitution fixes the responsibility of regulating the foreign policy in the executive branch of the Government, pointedly separating the responsibility of regulating foreign trade and the fixing of foreign policy.

The State Department spearheading the trade agreements and the division of our markets with the nations of the world for some fancied political advantage is the pressure behind the urging to extend the act.

EXTENSION TRADE AGREEMENTS ACT NOT NEEDED

Mr. President, when the 1934 Trade Agreements Act expires on June 12, the trade agreements already made will remain in full force and effect until and unless the President of the United States serves notice of cancellation on the nations with which such agreements have been made.

Therefore, there is no change as a result of the expiration of the 1934 Trade Agreements Act.

Mr. President, unless the President wants to further divide our markets with foreign nations he does not need an extension.

We should "let the water settle" beteen June 12 of this year and next January, when the President will submit to Congress his message on the state of the Union.

THE 1955 STATE OF THE UNION MESSAGE

At that time, January 1955, let him recommend what in his judgment should be done regarding foreign trade and the regulation of the domestic economy; and then let Congress take such action as it may see fit to take, in accordance with article I section 8 of the Constitution of the United States.

Let us return to government under three separate and distinct branches as set forth by the Constitution, written by men who knew what it was like to be governed by a dictator.

Three branches operated separately and as balances and checks upon each—to protect the people of this Nation.

CONSTRUCTION OF CERTAIN PUBLIC BUILDINGS BY PURCHASE CONTRACTS—CHANGE OF CONFEREE

Mr. MARTIN. Mr. President, I ask unanimous consent that the name of the Senator from Connecticut [Mr. BUSH] be substituted for the name of the Senator from California [Mr. KUCHEL], who is unavoidably detained, as a conferee on the bill (H. R. 6342) to amend the Public Buildings Act of 1949 to authorize the Administrator of General Services to acquire title to real property and to provide for the construction of certain public buildings thereon by executing purchase contracts; to extend the authority of the Postmaster General to lease quarters for post-office purposes, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania? The Chair hears none, and it is so ordered.

FEDERAL AID TO EDUCATION

Mr. HENDRICKSON. Mr. President, I am about to submit to the Cooper subcommittee of the Senate Committee on Labor and Public Welfare a statement in support of legislation authorizing Federal aid to education. I ask unanimous consent that a copy of this statement be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HENDRICKSON

It has never before been the practice of the junior Senator from New Jersey to appear before this—or any other committee—in support of legislation authorizing Federal aid to education.

To be sure, in conjunction with Senator CASE, of South Dakota, I introduced an amendment to turn over the funds derived from the vast underseas resources of the Outer Continental Shelf to the school systems of this Nation. This, Mr. Chairman, differed from the Hill amendment in the significant detail that the Case-Hendrickson amendment used the Federal Treasury as merely an agent, transferring these funds without strings to the States where the determination of educational functions traditionally resides.

Several factors have changed my thinking about these matters, particularly insofar as the legislation now before Senator COOPER's subcommittee authorizing Federal aid for school construction is concerned.

For some time I have been giving considerable thought to the connection between America's lack of adequate school facilities and our national crisis in juvenile delinquency. As chairman of the Senate Subcommittee To Investigate Juvenile Delinquency, I have heard many competent witnesses point out to the subcommittee delinquency causative factors, including the desperate shortage of classroom facilities.

I have not always been an advocate of Federal funds for school construction because there existed in my mind the possibility of Federal interference—should I say Federal encroachment—upon what many consider purely a State and local matter, the education of our youth.

But when I recall President Eisenhower saying "Our school system demands some prompt and effective help," there comes to my mind the testimony of those top-ranking experts, who, in effect, said to our subcommittee that unless the Federal Government helps out the States, and assists in the financing of modern schools that help us raise healthy and clear-minded youngsters, we will continue to have a school system greatly inadequate for the needs of America. Such a system, I am convinced, would tend to increase rather than retard juvenile delinquency. Therefore, I believe the purposes of S. 2779, or the other bills of similar intent, should be favorably considered.

It has been said that a convert is more devout than the old partisan. Here are a few cold facts that have made me change my mind. At this moment we need 345,000 new classrooms. An expenditure of $10 billion on new schools would merely permit us to catch up with our present needs.

This legislation asks the Federal Government to aid the States to the amount of approximately $100 million a year. While this sum is relatively small in relation to needs, it is at least a start in the right direction and could encourage the States to think in terms of what they themselves could add in the way of contribution toward the great need.

Certainly teachers and children who work and study in ramshackle, turn-of-the-century, or older, school structures are influenced by their outmoded environment. Dr. Samuel M. Brownell, United States Commissioner of Education, told our subcommittee that "70 percent of our classes number more than 30 students per class, and with such numbers teachers cannot give real individual attention to students." Many youngsters need wise counsel and individual attention from their teachers, lest they become unaware in the ways of the law and our society.

It seems to me there is the closest of links between delinquency and children out of school.

Said the Commissioner: "Approximately 95 percent of delinquents 17 years of age are out of school, 85 percent of 16 years of age are out of school, and 50 percent of delinquents 15 years of age are out of school."

Granted that truancy is one of the first delinquent acts of the troubled child, it is incumbent upon us to realize that overcrowded and dismal school "factories" are a major factor in providing these truant tendencies.

Commissioner Brownell scored a point when he stated that "A school may produce delinquency * * * some schools frustrate some pupils and set up situations causing delinquency, others fail to supply an interest—a release of tension or sense of security or satisfaction children need."

In closing I wish to quote from a majority opinion of the Supreme Court of my own State of New Jersey: "Our national hopes and destinies rest with our children and, fortunately, they are born both free and with promise for good. If along the way their freedom is lost and their goodness is not realized, society itself may be largely to blame. * * * Centuries of history indicate that the pathway lies not in unrelenting and vengeful punishment, but in persistently seeking and uprooting the causes of juvenile delinquency and in widening and strengthening the reformative process through socially enlightened movements."

I believe the type of legislation before your subcommittee represents a positive action of part of a socially enlightened movement which will one day enable us in America to say that we have adequate school facilities for every youngster in the land.

ORDER FOR RECESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ECONOMIC PROBLEMS OF NEW ENGLAND: THE NEED FOR PROMPT ACTION

Mr. KENNEDY. Mr. President, since my discussion before the Senate exactly 1 year ago of the economic problems of New England and their alleviation, considerable progress has been made in meeting those problems, including the organization of the 12 New England Senators in response to the call of the senior Senator from Massachusetts [Mr. SALTONSTALL] and myself. These 12 Senators, regardless of party, have been working faithfully on behalf of New England's needs.

But the disappointing failures to meet many of New England's economic needs, too easily overlooked in our drive for psychological confidence, cannot be justified by recent trends. In these 12 months since my Senate speeches, unemployment in New England—which is above the national average—has increased by more than 125 percent—as measured by the average weekly insured unemployment under State programs, May 1953 to May 1954—until insured unemployment has reached approximately 180,000. Manufacturing—March 1953 to March 1954, latest available Bureau of Labor Statistics surveys—has declined in all 6 New England States for a total loss of 133,000 jobs, highlighted by the 48,000 job decline in the textile industry which is now approximately 60 percent of its February 1951 strength. Our leather, shoe, rubber, apparel, and other nondurable goods industries have also declined; as have the more publicized machinery, metal, and other durable goods industries. New England's steel mills operated in the first quarter of 1954 at 62 percent of capacity, 30 percent less than a year ago. Reports from the New England Council and the Boston Federal Reserve Bank indicate that declining defense orders will increase the difficulties of New England's electronic, aircraft, shipbuilding, and equipment manufacturers.

The battle against recession is now more nationwide in scope than it was 1 year ago, and it involves many legislative issues to be discussed subsequently on this floor, including taxation, credit and interest, public works, housing, farm income, and world trade, in addition to the items which I shall mention; but permit me to outline those steps which the administration should take promptly in order to help restore prosperity in New England and other similarly situated areas.

First. Restore bid matching to Defense Manpower Policy No. 4, the program for channeling defense contracts to labor surplus areas: This program, both widely hailed and condemned when announced 6 months ago, has had only a negligible effect because of its elimination of the bid-matching features under which New England labor surplus areas had previously obtained $14 million in defense contracts. During the new policy's first full quarter of operation—Defense Department release based upon contracts of $25,000 value or more; $10,000 for Navy—not a single contract went to a New England labor surplus area as a result of this preference, and only two "distressed areas" in the rest of the country received contracts totaling only $163,159. Moreover, only two of New England's labor-surplus areas received any defense contracts at all in the first quarter; and New England's share of all defense contracts declined instead of increasing.

Second. Expand the application of the administration's new policy of tax amortization certificates of necessity for industries in labor-surplus areas: The delay in initiating this policy, the restrictions placed upon it, and the fact that it provided only an extra percentage for that declining number of industries already eligible for emergency amortization, have made this program of little value, and as of April 15, only 2 certificates under this policy had been awarded to 1 New England community, covering a capital investment of only $250,843. Only 10 such certificates were awarded throughout the entire country. During this same period under the regular tax amortization program, the number and value of certificates of necessity awarded to all firms in all New England States continued to lag behind New England's proportionate share and defense contribution.

Third. Revitalize and broaden the authority of the Small Business Administration: The establishment of this agency to strengthen the economy by aiding small business was of particular interest in New England, which has a higher proportion of small business than any other region in the United States, and where the rate of business failures is higher this year than last. But as a result of legislative ceilings and administrative delays, the Small Business Administration as of May 13 had approved in its 7½ months of operation only six loans, for a total of only $204,000, in all six New England States. Indeed, as of April 30, SBA had disbursed less than $1.2 million on 37 loans throughout the Nation, as compared with administrative expenses on March 30 totaling nearly $2.4 million.

Fourth. Eliminate discrimination and confusion in New England transportation rates: I have previously pointed out examples of such discrimination and confusion in rail, truck and ocean shipping rates, and this subject is now under review by the New England Senators Conference. ICC decisions during the past 12 months have intensified this situation. Division II of the Commission recently denied to New England, and its

railroads and ports, the opportunity to enjoy rates on iron ore shipped by rail to the interior steel-producing areas, comparable to the rates enjoyed by the ports of Philadelphia and Baltimore. In January, a Commission decision denied adequate service in intercoastal shipping between the port of Boston and the west coast. Other recent ICC decisions affecting shipments of New England goods by truck have continued this discrimination.

Fifth. Plug tax loopholes which contribute to improper industrial migration: The House Ways and Means Committee, in its deliberation on the tax revision bill, originally decided to plug one of the most flagrant of such loopholes by removing the immunity from industrial development bonds issued by States and municipalities in order to build tax-free factories as a lure to industry; but, the committee reversed this decision and instead voted to deny the use of rentals on such factories as business deductions. The Senate Finance Committee has now voted to eliminate even this substitute, which is ineffective whenever such factories are given or cheaply sold to the migrant industry. I am hopeful that the Senate committee or the Senate, with the administration's backing, will reinstate at least this modified version before the bill is finally passed, and that this unjustifiable abuse of public credit may be eliminated this year.

Sixth. Request legislative and administrative action to correct substandard wage competition: It is my hope that the President will reexamine his decision not to seek an increase in the minimum wage or to extend its coverage at this time; that his administration will ask Congress to modify or repeal the Fulbright amendment to the Walsh-Healey Act which has stymied effective application of adequate nationwide minima on defense contracts; and that the Department of Justice will act more vigorously in pending litigation under the Fulbright amendment which has delayed the adoption of realistic wage standards for the textile industry. I am particularly hopeful that this year's budget for labor's wage and hour enforcement division will rectify last year's error, when this budget was cut 27 percent below the previous appropriation, thus making it possible to inspect only 1 out of 22 establishments covered by the law, requiring the complete elimination of 8 southern regional offices, and making possible the review of wages in Puerto Rico only once in every 7 years for each industry.

Seventh. Initiate a program to revive the shipbuilding industry: Such a program, much discussed but not as yet forthcoming, is of particular interest in New England and other areas dependent upon this vital industry. An essential of such a program would be to make more effective those defense manpower policies applicable to the shipbuilding industry, inasmuch as the third *Forrestal*-type aircraft carrier was awarded to a shipyard with increasing employment and substantial naval projects, instead of the Fore River Shipyard at Quincy, Mass., where employment had already dropped by more than 25 percent, and where 7 out of its 10 shipbuilding ways will be idle by this fall.

Eighth. Support the Saltonstall-Kennedy bill to aid research and market development in the fishing industry: The active opposition by the Department of Agriculture with the approval of the Bureau of the Budget to this measure, which seeks only to allocate to our fishing industry its fair share of tariff receipts, has handicapped its passage without restrictive amendments. I am hopeful that the administration will reverse this position, and support this bill which is of great importance to New England's hundred-million-dollar fishing industry.

Ninth. Seek more effective social insurance against the ills of unemployment and forced retirement: In order to maintain community purchasing power and individual living standards, New England requires improvements in the existing social-security program, which improvements are only partly contained in the recommendations of the President, particularly with respect to our disabled citizens. It is especially important to strengthen our unemployment compensation program by extending coverage, providing Federal reinsurance for States with low reserves and by establishing through congressional action—not, as the President asked in vain, through individual State action—minimum standards for unemployment insurance benefits and their duration. As a first step, the administration should withdraw its support, even though it is substantially modified, of the House-passed Reed bill, which would undermine the basic strength of our jobless insurance program. The bill introduced by several other Senators and myself would far more adequately meet the needs of the New England area.

Tenth. Accord equal treatment to New England and all other areas in Federal programs, including those for resource development: Last year, the original budget request for the New England-New York Interagency Survey of Water Resources was set at $1,200,000 in order that that survey might be completed by the end of fiscal 1954, inasmuch as its original termination was fiscal 1952. The revised budget, however, when finally enacted into law, cut this figure exactly in half, thus delaying completion by at least another year. This stepchild treatment of New England by a Federal Government which has provided direct grants for the establishment of power facilities in other areas already enjoying cheaper power rates, should be reversed by the present administration, for the recommendations of the Budget Bureau and Army engineers are generally conclusive on such items. New England's share of the Army civil functions appropriation bill is less than that received by some 2 dozen individual States, practically all of whom contribute less in tax revenues than Massachusetts alone; and therefore the request for adequate funds with which to survey our potential resource development is not excessive.

It is my hope, Mr. President, that the administration will take prompt action on the 10-point program which I have outlined above, and that we in Congress—with the assistance of the 12 New England Senators who have indicated their active concern for these problems—will be able to follow through on legislation to restore economic strength and expand employment in New England and all other parts of the country.

Mr. HUMPHREY. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. HUMPHREY. It was my pleasure last year to listen to the Senator from Massachusetts when he presented his economic program for the region of our country of which he is so much a part and which he so ably represents, particularly his own State of Massachusetts. After listening to the remarks of the Senator from Massachusetts today, both on the floor of the Senate and for a moment while I was in the gallery with some guests, I wish to say that he has placed a challenge before the Congress of the United States. It is a challenge based on equity and equitable treatment. I believe it is incumbent upon us to take into consideration—and then to act on the basis of our consideration—a very serious economic problem that confronts one of the most productive and one of the finest areas of the United States, namely, the New England States.

Mr. KENNEDY. I do not know whether the distinguished Senator from Minnesota heard me say that several programs of benefit to the New England economy and of benefit to other distressed areas have been announced by the administration. I do not think that New England should get preferential treatment.

I referred to the announcement made by the administration last fall to the effect that the administration would channel defense programs to labor-surplus areas. I do not know whether the Senator heard me make the statement that we have gone along for some months under that policy, but in the first full quarter of operation not a single contract went to a New England surplus-labor area as a result of the announced preference policy, and only two distressed areas in the rest of the country received contracts, which totaled only $163,000.

The second point I wanted to make was that the administration announced the policy of tax-amortization certificates of necessity for industries in labor-surplus areas.

In the months during which this program has been in effect, only 2 certificates under that policy, covering only $250,000, have been awarded to one New England community, and only 10 such certificates have been awarded in the rest of the country.

The third point I wanted to make was that we heard a great many speeches made last year about revitalizing the Small Business Administration. The Small Business Administration, in the 7½ months of its operation, has made only 6 loans, for a total of $204,000, in all of the New England States. It has made only 37 loans, for a total of $1,200,000, in the rest of the country. On the other hand, its administrative expenses, in the same period, were $2,400,000, which is more than it has loaned. The program

is tremendously important to small business.

What I have pointed out this afternoon is extremely important, not only to New England, but to the entire country. We in Congress, of course, have a great responsibility, but we need leadership, not merely announcements of programs. We need leadership to further programs. We need not merely the facade, but the giving of actual help to the affected areas.

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. KENNEDY. I yield.

Mr. HUMPHREY. I believe the Senator from Massachusetts is making a very well-grounded analysis of practical problems and a well-founded statement of the failure to carry through on some very high-sounding and apparently well-motivated programs.

I have noticed that frequently a statement as to a program carries with it the hope of a great advance economically and socially in our country, but when the budget comes to Congress, it is something like a political zombie, in that the program has lost its soul.

Mr. KENNEDY. Exactly.

Mr. HUMPHREY. It simply is not carried through.

Mr. KENNEDY. As the Senator has undoubtedly noticed, for the wage-hour enforcement division—I know the Senator is familiar with this fact, because of his distinguished service on the Committee on Labor and Public Welfare—the appropriation is about 27 percent below the previous year's appropriation. It means that inspection is possible in only 1 out of every 22 establishments, which is certainly not adequate inspection or policing.

Tied to that cut, the adoption of the so-called Fulbright amendment to the Walsh-Healey Act has prevented sound, nationwide bidding for Government contracts.

The administration has taken no leadership and the Republican policy committees in the House and in the Senate—I do not wish to appear to be partisan about the matter—have made no recommendation of any kind to repeal that amendment. Until the Fulbright amendment is repealed, we will not have a genuine Walsh-Healey nationwide bidding on Government contracts.

Mr. HUMPHREY. It appears to me that in many areas there is a trimming down, or what is known as a readjustment. However, the readjustment is always downward. I represent an area in which there is somewhat of a balance between industry and agriculture. We, too, have our problems. Many of our defense plants—we do not have very many, but we do have a few defense plants in the State of Minnesota—are now suffering from offshore procurement, the offshore procurement being made in other countries, at a time when our plants are laying off workers.

Let us take a look at dairying, which is one of the basic industries of the Midwest. Our dairy industry is suffering at the rate of a three-and-a-half-million-dollar cash income loss every month.

The junior Senator from Minnesota has made an analysis of the most recent economic report. That report discusses the objectives and goals of the Employment Act of 1946. The Employment Act of 1946 imposes upon the President and his council of economic advisers the responsibility of pursuing the means and methods to attain maximum employment and maximum production and maximum income. Those are the objectives.

Yet in the economic report which was recently submitted—I believe it was in the early part of January or February 1954—there is no goal set for maximum production, maximum employment, and maximum income. There is an acknowledgment that there will have to be, according to the report, a tapering off.

How much has that tapering off cost us this year? It has cost us about $17 billion at a minimum, and possibly $20 billion. That is a loss. What I say, and what I believe the junior Senator from Massachusetts is pointing out, is that while glowing statements are made with respect to fine goals which we ought to reach, the leadership and determination to reach those goals is lacking.

One can consider almost any program. I heard the Senator from Massachusetts discuss minimum wages. In this day and age, in this period of high costs, and in the light of the impact of inflation during the Korean war period and during the postwar period, the minimum wage of 75 cents an hour is outdated. Unemployment compensation is totally inadequate. The unemployment-compensation laws have not been revised since 1938. They are totally inadequate in the 48 States at the national level.

Mr. KENNEDY. I am glad the Senator has mentioned that program, because there will shortly be before the Senate the Reed bill, which, in my opinion, fails to provide adequate assistance to those States which have unemployment problems. Even though they have taxed their manufacturers to the maximum limit, much higher, probably, than the national average, many of them are in danger of going bankrupt. I think that is particularly true in the State of Rhode Island. A tremendous sum of money has been collected and is about to be dissipated without any real attempt to provide protection for the States which suffer from chronic unemployment. I do not consider chronic unemployment to be a State problem. It is a national problem. After a State has met the minimum standards and has done the best it can, it seems to me we should develop a Federal program which will permit them to receive assistance. Unemployment is so tied up with the policies of the National Government that I do not think it can be considered to be solely the concern of the States.

Mr. HUMPHREY. I think the Senator is eminently correct. As to unemployment being a national problem, I think we have so recognized it by public law. We adopted a social-security program, which is clear and indisputable evidence that employment and unemployment are considered to be national in their scope. Certainly reinsurance on a national basis of unemployment funds of the several States would merit reconsideration by the Government.

We have heard a great deal of talk about moving with determination against any signs of recession. I recently read a speech delivered by an eminent economist from Harvard, in which he criticized the administration for its failure to take any action. He said that much of the problem had righted itself, on its own, so to speak, but that the administration did not take action.

We have an indication of what I call permitting to melt away some of the gains we have made through the housing bill which we have just passed. A bill was reported by the majority of the committee providing for 800,000 public-housing units in the next 6 years. Then we adopted an amendment for which neither the Senator from Massachusetts nor the Senator from Minnesota voted, to provide for a maximum of 35,000 housing units a year, cutting the number down from 800,000 to 140,000. Anyone who has looked over the housing needs of America, or of the needs in the National Capital, Washington, D. C., knows that 35,000 public-housing units would be inadequate. That number would not scratch the surface. There are many slum areas, and there is deterioration of physical property. We are not making very much advance when all we have as our goal is 35,000 public-housing units a year. In a nation of 161 million people, it is like a grain of sand on the desert or a drop of water in the ocean. It is a token expression. It indicates to me that the administration knew that public housing as a symbol and as an accepted public policy must be defended, but it did not want to do too much about it.

So we find ourselves with a housing measure providing for a maximum of 140,000 public housing units for the next few years. I submit that we could use half that number in the District of Columbia alone, in the Nation's Capital, where there are slums and blighted areas within a stone's throw of the Senate Chamber. The Washington Star, a newspaper which conducts a campaign of assistance to underprivileged children, has in its inside section this afternoon a picture of some of the slum housing in Washington. It runs a series of pictures of blighted areas in Washington, D. C. Such conditions are a national disgrace. We certainly should move ahead much more vigorously. That is why I was happy to be a cosponsor of the Douglas amendment providing for at least 75,000 housing units a year.

Time after time, instead of vigorous action, we see merely token action. Our problems will not be solved by token actions or by statements. They must be solved by militant action and by the kind of comprehensive program which the Senator from Massachusetts has so well pointed out in his series of speeches. I have listened to every one of his fine reports. New England is so closely related to the total economic well-being of America that I wanted to hear what the facts were. I think nothing would be more tragic than to treat our country as being composed of sections. It is an integrated nation. When we do something for one section we help the other sections. But we must see that each section profits and progresses under

Federal legislation and administrative action.

I wish to say publicly that as a repretative from the Midwest, a representative of the State of Minnesota, we are grateful for the support we have received from New England Senators, particularly from the junior Senator from Massachusetts, and other Senators. We know that many times the Senator from Massachusetts and other Senators have voted for measures which would be of no direct benefit to their particular States, but they have voted for them in the national interest. It will be a privilege to support and to work with the distinguished junior Senator from Massachusetts in the fulfillment of the goals which he has outlined as the immediate objective, and then we shall move along in further progress.

I again wish to commend the junior Senator from Massachusetts. As a spokesman for the interests of the country he is making a deep impression upon many of his colleagues.

Mr. KENNEDY. I am grateful to the Senator from Minnesota for his kind words. For some time the New England Senators have been attempting to have something done with reference to these problems, but there is a definite area of inaction which requires administration leadership which I do not think we have been receiving in the instances which I have mentioned. So I hope that before the Senate adjourns there will be recommendations from the executive branch of the Government along the lines which I have suggested.

I am very grateful to the Senator from Minnesota for his comments on the subject.

RECESS

Mr. FERGUSON. Mr. President, in accordance with the order previously entered, I move that the Senate now stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 47 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Friday, June 4, 1954, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 3 (legislative day of May 13), 1954:

NATIONAL SCIENCE FOUNDATION

To be members of the National Science Board, National Science Foundation, for term of 6 years expiring May 10, 1960

Donald Hamilton McLaughlin, of California. (Reappointment.)
George Wilhelm Merck, of New Jersey. (Reappointment.)
Joseph Chandler Morris, of Louisiana. (Reappointment.)
William Vermillion Houston, of Texas.
James Bernard Macelwane, of Missouri.
Douglas Whitaker, of California.
Theodore Martin Hesburgh, of Indiana.
Roger Adams, of Illinois.

UNITED STATES PUBLIC HEALTH SERVICE

The following candidates for appointment in the Regular Corps of the Public Health Service effective date of acceptance:

To be senior surgeons

Fred W. Morse, Jr.
John M. Whitney

To be assistant surgeons

Leslie R. Schroeder — Malvern C. Holland
Donald P. MacDonald — Joseph Rapaport
William K. Carlile

To be assistant sanitary engineer

Francis M. Crompton

To be senior assistant sanitarian

Charles E. Gerhardt

IN THE NAVY

The following-named (Naval ROTC) to be ensigns in the Navy, subject to qualification therefor as provided by law:

Gerald H. Smith, Jr.
Edwin C. Welch, Jr.

Wilbur K. Brown (Naval ROTC) to be ensign in the Navy as previously nominated and confirmed, to correct name, subject to qualification therefor as provided by law.

The following-named Reserve officers to be lieutenants (junior grade) in the Medical Corps in the Navy, subject to qualification therefor as provided by law:

Richard E. Brewster
Richard G. Davis
Daniel C. Good

William R. Walker, midshipman (Naval Academy), to be ensign in the Navy as previously nominated and confirmed, to correct name, subject to qualification therefor as provided by law.

Sylvester S. Wisniewski (Naval ROTC) to be ensign in the Navy as previously nominated, to correct name, subject to qualification therefor as provided by law.

Richard R. Smith (Reserve officer) to be lieutenant (junior grade) in the Chaplain Corps in the Navy, subject to qualification therefor as provided by law.

The following-named officers to be lieutenants (junior grade) in the Navy (special-duty officers) subject to qualification therefor as provided by law:

William F. Cole, Jr. — William E. Merritt III
James W. Corley — Leo F. O'Brien
John F. X Finn, Jr. — Lawrence E. Phillips

IN THE NAVY AND MARINE CORPS

David C. Jenkins, midshipman (Naval Academy), to be second lieutenant in the Marine Corps, in lieu of ensign in the Navy as previously nominated and confirmed, subject to qualification therefor as provided by law.

Robert W. Eich (Naval ROTC) to be ensign in the Navy, subject to qualification therefor as provided by law.

James R. Stewart, Jr. (Naval ROTC), to be second lieutenant in the Marine Corps, subject to qualification therefor as provided by law.

The following-named Reserve officers to be second lieutenants in the Marine Corps, subject to qualification therefor as provided by law:

Leon N. Angelo — William E. Miller
Joseph A. Como — Lyndon L. Pearson
Bernard W. Hungerford

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 3, 1954

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, in our daily task of building a better world, may we look upon mankind as a family and all men as brothers and children of God.

We penitently confess that our minds are frequently bound and clouded by conventional prejudices and false social standards of one kind and another, which keep us from a true understanding of the lofty moral values of human personality.

May the many barriers which prevent us from rightly valuing the worth of our fellow man be broken down and supplanted by a keener appreciation of the noble qualities in the life of all the members of the human family.

Grant that we may have a larger part in establishing a finer social order and a civilization in which men shall live together in the spirit of fraternity and friendship.

Hear us in the name of the Christ who went about doing good. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 356. An act to amend the Railroad Retirement Act of 1937, as amended.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8779. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. YOUNG, Mr. FERGUSON, Mr. MCCARTHY, Mr. MUNDT, Mr. AIKEN, Mr. RUSSELL, Mr. HAYDEN, and Mr. MCCARRAN to be the conferees on the part of the Senate.

The message also announced that the Senate had ordered that the Secretary request the House of Representatives to return to the Senate the following engrossed bill:

S. 2204. An act to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses.

DEPARTMENT OF LABOR, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE APPROPRIATION BILL, 1955

Mr. BUDGE. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tomorrow to file its report on the appropriation bills for the Department of Labor and for the Department of Health, Education, and Welfare.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. FOGARTY reserved all points of order on the bill.

NURSE GENEVIEVE DE GALARD-TERRAUBE

Mrs. FRANCES P. BOLTON. Mr. Speaker, I ask unanimous consent for

the present consideration of the resolution (H. Con. Res. 236) inviting Nurse Genevieve de Galard-Terraube to be an honored guest of the United States.

The Clerk read the resolution, as follows:

Whereas this year marks the 100th anniversary of Florence Nightingale's historic nursing of the wounded in the Crimean War; and

Whereas Nurse Genevieve de Galard-Terraube, officer of the Army of the Republic of France, in her ministering to the sick and wounded at Dien Bien Phu and her subsequent service to her comrades as prisoners of the Viet Minh has provided an example of the courage of a woman in battle and of the devotion of a nurse to her sworn duty which has been unsurpassed in this century; and

Whereas this inspiring woman is representative of the devotion to duty of soldiers of the Republic of France, which has been an ally of the United States for 178 years and whose people today are considered the warm friends of the people of the United States; and

Whereas Nurse Genevieve de Garlard-Terraube's example of fortitude in the face of supreme danger has changed the fall of Dien Bien Phu from a military reversal to a great psychological victory of the undefeatable principles of free mankind fighting the force of darkness; and

Whereas this nurse, known affectionately as The Angel of Dien Bien Phu embodies the finest attributes of free women accepting with men the full burden of living in our modern world: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Congress hereby extends to Nurse Genevieve de Galard-Terraube its warm congratulations for her gallant service and invites her, at the earliest time convenient to her and her country, to visit the United States as an honored guest.

The President is respectfully requested to transmit copies of this resolution to the Government of France, and to Nurse Genevieve de Galard-Terraube.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON]?

There was no objection.

The House concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

ENTRY OF PHILIPPINE TRADERS

Mr. REED of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8092) to facilitate the entry of Philippine traders, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Line 7, strike out "shall" and insert "may."

Lines 10 and 11, strike out "issued a visa and admitted into the United States under the provisions of" and insert "considered to be classifiable as a nonimmigrant under."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. WALTER. Mr. Speaker, reserving the right to object, is this the temporary measure that is designed to make it possible for Philippine traders to come to the United States pending an agreement which is now being negotiated between the two countries?

Mr. REED of Illinois. The gentleman is correct.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

COMMITTEE ON THE JUDICIARY

Mr. REED of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight to file several reports.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

COMMITTEE TO INVESTIGATE CONTRIBUTIONS TO THE SPREAD OF COMMUNISM

Mr. RAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RAY. Mr. Speaker, it is trite to say we live in dangerous times and that our whole way of life is threatened by powerful forces which openly seek its destruction. Our religion, our free-enterprise system, and our individual liberties are targets of constant attacks from sources inside as well as outside our country. We all recognize these dangers and the absolute necessity for placing our house in order and developing and maintaining the full strength of our economy and of our Armed Forces, and I think we all agree that economic and military preparedness are receiving skillful and energetic and patriotic attention.

But there is another vital phase of our national problem which I believe has not had and is not having the kind and degree of interest and action which it should have. Without regard to our diverse church affiliations, we know that our right to worship God in our own ways is our most important and our most cherished possession. The Communists' program would destroy that right—it is their target No. 1.

What are we doing about it? It takes very little study to develop the mortifying and serious fact that we are following at one and the same time two courses, each of which contradicts and works in opposition to the other. In our own country we are in effect promoting Communists' strength at the time we are making some progress toward limiting such strength as they have developed.

What are the facts? On the one hand we see a substantial number of Members of the Senate and the House, with their staffs, devoting full time to discovering, exposing, and denouncing Communists and those who are subject to Communist influence, and large numbers of others are working hard throughout the various departments of Government at the same job. I am not here criticizing any of those activities—far from it—such work must go on, and must produce results. No stone should be left unturned in the effort to eliminate Communists and communistic influences from all parts of our Government, and everywhere else they may be found. For present purposes I assume that such work is being carried on intelligently and vigorously and effectively—and in all respects in a way which will serve to strengthen and support our free-enterprise system and our individual liberties.

On the other side, however, we have a sorry spectacle. Prior to 1933, the Communists developed almost no strength in this country—due, as their members have testified, to their inability to bring into this country the money needed to carry out their plans to conduct subversive activities. When we recognized the Soviet in 1933, that financial difficulty disappeared and it has not been experienced since that date. Also since that date the Soviet Embassy and its subordinate consulates, to say nothing of various business organizations which have sprung up, have provided safe havens for many workers in that hostile cause.

Beyond that, nearly 10 years ago we had a large part in the creation of the United Nations, the drafting of its charter and the location of its headquarters in this country. I am and have been a supporter of the view that we should have an international forum and some form of United Nations organization. I have never thought its charter was the best instrument for the purposes. Neither have I thought that the best interests of this country were served by location of the United Nations headquarters here.

By its terms, the United Nations Charter may be amended at 10-year intervals. The first of those revision opportunities is at hand and we should be fully prepared to present carefully worked out proposals for amendments if we desire to improve that charter. There is widespread concern in many parts of our country that the United Nations organization, like our recognition of the Soviet, may be helping build up in this country those whose efforts are directed toward our undoing.

The Guatemalan episode is another cause for serious concern.

Taking all this together, it seems to me high time that we study that side of the picture carefully and thoroughly and with all possible speed. We should assemble the facts and determine definitely whether or not, and if so how, we are and have been helping our enemies to work for our destruction. And then we should decide what we should do and do whatever is called for in the best interests of our own country.

Therefore, I am introducing today a resolution authorizing and directing the Speaker to appoint a special committee of nine to investigate and determine the facts about the matters I have referred to, and to report to the House its recommendations as to the action which should be taken to protect the interests of the United States. I hope the resolution

will have wide and bipartisan support. We simply cannot go on building up and strengthening with the left hand that which we find it necessary to expose and destroy with the right hand. We should direct our main effort at the root of the trouble that besets us rather than at the fringes.

COMMITTEE TO INVESTIGATE CONTRIBUTIONS TO THE SPREAD OF COMMUNISM

Mr. DORN. Mr. Speaker. I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DORN of New York. Mr. Speaker, I joined the gentleman from New York [Mr. RAY] in introducing this resolution about which he spoke. I have been alarmed at the apparent contradictions resulting from our policies as we attempt to eliminate communism from our way of life, and at the same time do business with Communists and allow their spokesmen to enter into our midst and have diplomatic immunity while they are trying to destroy us.

The Communists did not get anywhere in our country until we recognized them in 1933 by recognizing Soviet Russia. Communism is the antithesis of religion, the antithesis of our way of life, the antithesis of our capitalistic system. It avowedly seeks to destroy us; yet we permit its representatives to work for its cause in our greatest city and in our Capital.

I am informed that at least $50 million is spent annually by the various branches of our Government to eliminate communism from our country. We could well spend part of this money to find out and to study whether or not all of our policies are in harmony and what to do about them if they are not in harmony.

UNITED STATES COMMISSIONERS

The SPEAKER laid before the House the following request from the Senate:

Ordered, That the Secretary request the House of Representatives to return to the Senate the engrossed bill (S. 2204) to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses.

The SPEAKER. Without objection, the request of the Senate will be complied with.

There was no objection.

SPECIAL ORDERS GRANTED

Mr. BROWN of Georgia asked and was given permission to address the House for 15 minutes on Monday, June 7, following any special orders heretofore granted.

Mr. JOHNSON of Wisconsin asked and was given permission to address the House today for 30 minutes, following any special orders heretofore entered.

Mrs. SULLIVAN asked and was given permission to address the House today for 15 minutes, following any special orders heretofore entered.

AMEND THE UNEMPLOYMENT COMPENSATION ACT

Mr. FORAND. Mr. Speaker. I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FORAND. Mr. Speaker, I am today introducing for myself and over 80 cosponsors a bill to amend the Unemployment Compensation Act so as to bring the benefits into line with the original intent of the basic act.

Our bill embodies many of the recommendations made by President Eisenhower and members of his administration to the Governors of the several States. As none of the States have acted on them, it is up to the Congress to do it and we who sponsor this bill hope to translate these recommendations into law.

I shall include in an extension of remarks to appear in today's RECORD:

First. A list of the cosponsors of the bill;

Second. A statement on the need for an Unemployment Compensation Standards Act;

Third. An explanation of what the bill provides;

Fourth. The administration's position on the subject;

Fifth. A summary of the bill; and

Sixth. The language of the bill itself.

AMEND THE UNEMPLOYMENT COMPENSATION ACT

Mr. FORAND. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ROOSEVELT] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, on April 14 I introduced H. R. 8837, a bill to enact what I have called the Anti-recession Act of 1954. Title 4 of that bill concerns itself with unemployment compensation. It is in many respects identical to the bill which has been introduced today by my distinguished colleague from Rhode Island. There is, however, one major difference which I would like to call to the attention of my colleagues.

Section 4 of the bill which the gentleman from Rhode Island [Mr. FORAND] has introduced, and which I have been privileged to cosponsor, amends section 1601 of the Internal Revenue Code so as to permit an employer additional credit against the Federal unemployment insurance tax if he has fulfilled his obligation under State law and whether or not the State law requires that he pay the full 2.7 percent provided for by the Internal Revenue Code.

Under present law, if a State wishes to levy an unemployment tax on employers lower than 2.7 percent, it may only do so by instituting a system which rates individual employers on the basis of their own labor turnover experience. A State which desires to levy a uniform rate of less than 2.7 percent on all employers is unable to do so. This amendment would permit a State to levy a uniform contribution rate of less than 2.7 percent, but it continues to permit a State which desires to maintain a system of individual employer experience rates to do so.

Mr. Speaker, I am opposed to individual employer experience ratings since I have seen how this system works in the State of New York. Under the so-called Hughes-Brees amendments to the New York unemployment-insurance law, enacted by the Republican State legislature and signed by our Republican Governor, individual accounts are maintained for each employer and individual rates are determined on the basis of his labor turnover experience. This practice has resulted in inducing employers to try to prevent a former employee from collecting the benefits that may be due him in order to maintain a reduced rate of contribution. This system in the State of New York has brought about a great deal of unnecessary litigation and has succeeded in defeating employees' claims rather than assisting them in collecting benefits.

I have agreed to support this section of Mr. FORAND's amendments only because I realize that to prohibit States from using individual employer experience rates might create real difficulty in the administration of the unemployment insurance program in the period which would necessarily elapse between the enactment of these amendments and the time the various State legislatures could amend their laws. However, I want to make it perfectly clear, Mr. Speaker, that although I support Mr. FORAND's amendments, and I am pleased to join with my many other colleagues in cosponsoring this worthwhile bill, I do not in any way lend my support to the system of individual experience rating and would hope that each of the legislatures would adopt the alternative which this bill would permit, namely, a uniform reduction of employers' taxes in those instances where the State fund can tolerate such a reduction without harm to the program.

CLEVELAND'S BASEBALL CLINIC FOR YOUNGSTERS

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, it was my pleasure last Saturday afternoon to watch the beaming eyes of nearly 3,000

youngsters in Cleveland Municipal Stadium watching the stars of the Cleveland and Detroit baseball teams giving exhibitions in the art of playing baseball, pitching, catching, hitting, running the bases, and fielding the ball in the infield and outfield. I would like to bring to the attention of the Members of the House the program that has taken place in my district during the last 6 weeks, and I feel that had other Members of the House been as privileged as I was they would suggest to the people in their district that civic boosters sponsor a similar program.

Under leave to extend my remarks, I wish to include a letter I received from the Cleveland Press Public Service Bureau which explains the organization of this wonderful program:

THE CLEVELAND PRESS,
June 2, 1954.

Mr. MICHAEL FEIGHAN,
House of Representatives,
Washington, D. C.

DEAR MR. FEIGHAN: Here is an outline of the baseball training project for boys which the Press cosponsored. We are very happy that you were able to visit the program at the stadium and appreciate your interest in it.

The youth spring baseball camp was a 6-week program devoted to teaching baseball fundamentals to boys in grades 4 through 12. It was sponsored by the Press, the Cleveland Coca-Cola Bottling Co., and local boards of education with the cooperation of the Cleveland Indians.

Plans were made in March. Representatives of the Press, Coca-Cola, and the Cleveland Board of Education went to the Indians' spring training camp in Tuscon, Ariz. There they prepared color slides and special recordings. The material was used to teach batting, pitching, outfielding, infielding, and catching. The slides showed members of the teams demonstrating fundamental steps. The records described the same material.

Centers were set up in 19 high schools in Cuyahoga County. Schools were chosen for their location, so that they would be accessible to the greatest number of youngsters. Originally only 16 centers were planned for, but heavy advance enrollment indicated that additional ones were needed.

Local school boards made school buildings available for the 2-hour sessions each Saturday morning.

Coca-Cola hired three high-school coaches to supervise the program at each center, and provided enough copies of the slides and records so that the same subject was being taught simultaneously at all 19 centers.

The Press provided publicty for the program and handled the enrollment by means of a coupon printed in the paper. The Press also prepared a baseball notebook. A page on each subject was distributed every week, and a binder to hold them was given to every boy.

The sixth and final session was held in Cleveland stadium where members of the Indians and the Detroit Tigers demonstrated baseball fundamentals.

Every boy also received a membership card identifying him as a member of the camp. The card will be used to admit the boys to a game between the Cleveland Indians and the Detroit Tigers on June 19.

The youth spring baseball camp began April 24 and continued through May 29. More than 4,000 boys enrolled in the program.

Sincerely,

TONY MASTROIANNI,
Press Public Service Bureau.

FOREIGN OPERATIONS PROGRAM

Mr. VORYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VORYS. Mr. Speaker, the Committee on Foreign Affairs is coming to the end of its hearings on the proposed legislation to extend the foreign operations program. I have been asked to announce that the committee has set aside Monday afternoon and Tuesday of next week for additional hearings during which Members of the House will be welcome to present their views and recommendations on the proposed legislation. The committee will also be glad to receive for the record, written statements of their views from Members who cannot be present in person at those meetings. It will be appreciated if those Members who desire to appear personally either Monday afternoon or Tuesday will notify the committee and submit advance copies of their statements as soon as possible.

I might add that while no bill to extend the foreign operations program has yet been formally introduced, Members may obtain copies of the tentative working draft bill from the committee offices, and may also examine page proofs of the hearings to date.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS

Mr. ARENDS. Mr. Speaker, I ask unanimous consent that the business on Calendar Wednesday next be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ADJOURNMENT OVER AND PROGRAM FOR NEXT WEEK

Mr. ARENDS. Mr. Speaker, I ask unanimouse consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, would the gentleman please announce the program for next week?

Mr. ARENDS. As of the present time, let me say to the minority whip, Monday we shall take up the Consent Calendar and Tuesday the Private Calendar. We shall begin debate on the appropriation bill for the Departments of Labor, and Health, Education, and Welfare. Inasmuch as there are two primaries on Tuesday next, should there be a rollcall vote, we will have that go over until Wednesday.

Mr. McCORMACK. May I suggest to the gentleman that one of the primaries is in California. We are all practical men. We know what the problems are. We know that California is a great way off. Would it be possible to have an understanding that if there is any rollcall vote, it will come on Thursday? Of course, whatever the majority leadership desires, I shall go along with. But I know from my own experience what the problems are and it is going to be difficult for some of the Members to get back on Wednesday. Why not have consideration of the bill under the 5-minute rule on Wednesday, and then, if there should be any rollcalls, have them on Thursday? That extra day would be important to some of the Members.

Mr. ARENDS. I see no reason why that could not be worked out. However, if there is no rollcall, we could complete the bill.

Mr. McCORMACK. Absolutely. But it is understood then that the acting majority leader now states that if there should be any rollcall it will go over until Thursday.

Mr. ARENDS. I think we can give that assurance, yes.

The SPEAKER. The Chair may say that can be arranged.

Mr. ARENDS. If there are any conference reports, they will be in order at any time and if there are any rules granted, we shall advise the minority side. At the present time, we have none.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. ARENDS]?

There was no objection.

WILLMORE ENGINEERING CO.

Mr. JONAS of Illinois. Mr. Speaker, I ask unanimous consent that the proceedings be vacated whereby the House on yesterday concurred in the Senate amendment to the bill (H. R. 7258) for the relief of the Willmore Engineering Co.; that we take that bill and the Senate amendment thereto from the Speaker's table, disagree to the Senate amendment, and ask for a conference with the Senate on the disagreeing votes of the two Houses.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. JONAS]? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. JONAS of Illinois, MILLER of New York, and LANE.

UNITED MINE WORKERS REHABILITATION PROGRAM

The SPEAKER. Under previous order of the House, the Chair recognizes the gentleman from Pennsylvania [Mr. SAYLOR] for 30 minutes.

Mr. SAYLOR. Mr. Speaker, the rehabilitated miners of my district and the Nation are grateful to the mine-safety movement and the subject is of such importance that it merits national attention. Other industries can profit by following the example of the coal industry in its devotion to safety standards. In like manner, other industries would do well to study the record of the United Mine Workers rehabilitation

program for those of its workers who have become victims of industrial accidents.

Today mining is considered a hazardous occupation, but not too many years ago, it was fearfully hazardous. America was a growing nation. Coal replaced wood as the principal source of heat for United States homes during the last century, and industry heaped further demands upon the men engaged in mining. From the 111 million tons of bituminous coal consumed in this country in 1890, demand rose to 212 million tons in the space of the 10 years that heralded the dawning of the new century. It took just a dozen years for that figure to double, and in 1918—the year that marked the end of World War I—America's mines produced a total of 568 million tons of bituminous coal.

But the record was a costly one. Hundreds upon hundreds of men, young and old, were killed and maimed in the effort to supply all the fuel that was needed in America's homes, hungry steel furnaces, speedy steam locomotives and amazingly new manufacturing enterprises.

Unfortunately, the prosperous hum of industry's spinning wheels was often so predominant that the wails of mine victims and their families could not be heard.

As time passed, a new safety consciousness began to prevail within and about the mines. The United Mine Workers of America took determined steps to improve conditions for their membership. Progressive mine operators directed increasingly more funds into equipment designed to prevent accidents and save lives. The United States Bureau of Mines set up standards of safe operation under engineering experts. Finally, research and development discovered new methods and facilities for making the mines safer.

The coal industry has come a long way—as its safety record will attest—in the past 2 or 3 decades. In January, the Secretary of the Interior, Mr. Douglas McKay, announced that a record low number of deaths occurred in the coal mines during 1953.

Miners have become one of the most safety conscious of all industrial groups. Their mine rescue teams are so efficient that metropolitan areas within proximity of the mines look to these teams for help whenever disastrous fires, floods, or other calamities strike. Their first aid teams are pointed to by national and local civil defense authorities as a model for other industrial and civic groups.

Despite all efforts of men, mine owners, and Federal and State mining bureaus, we still have our accidents in the coal industry. The human element in accidents can never be removed so long as men are needed to mine and transport to the surface the energy-bearing product of coal. Nevertheless mine-accident victims no longer face the future with such utter hopelessness as did their brethren of yesteryear. The United Mine Workers welfare fund, by its work in the rehabilitation field, now establishes and gives new hope, new life, and new opportunities to the men who are injured in the coal industry. In fact, it has also taken from the depths of despair many of those victims of an earlier era when mining conditions and methods that have since been condemned as conducive to the destruction of human life were the accepted practices.

The case of a young man who was injured during the period of transition immediately comes to mind. On October 14, 1940, Charlie Moore, who is from the congressional district which I represent, was injured by a rock fall in one of our mines. For 8 long years Charlie Moore lived the life of the hopeless and helpless, unable to care for himself and entirely dependent upon the assistance and patience of his devoted brothers.

On October 7, 1948, the United Mine Workers welfare and retirement fund sent him to the New York University Hospital and Institute of Physical Medicine and Rehabilitation to begin a program of physical restoration. This program began with the healing of his terrible bed sores, teaching him to use long leg braces and crutches, and to care for his daily needs.

Finally, in March of 1950, he was ready for discharge from the hospital. During his course of treatment, he was counseled by the State vocational rehabilitation representatives at the institute and by the organization, Just One Break. Through their combined efforts, Mr. Moore obtained a job as a disc jockey. Later, Mr. Henry Viscardi of Just One Break assisted him in securing a position with the United States Army at Fort Monmouth, where he is now employed as an artist illustrator and silk-screen specialist. The United States Army has produced a film to be shown all over the world of this accomplishment and demonstrates that being physically handicapped is not cause to abandon all hope.

I feel that, if it were not for the welfare and retirement fund, Charlie Moore would never again have become a useful citizen, but would have remained a charge upon his family, his friends, and his community for the remainder of his life.

As Mr. John L. Lewis, president of the United Mineworkers of America and a trustee of the miners' welfare fund, said in a letter to the President's Committee on Employment of the Physically Handicapped:

> Mr. Moore is an outstanding example of many who, through their own efforts, ability, initiative, motivation, retraining, and desire to become self-sufficient, have been able to secure employment and earn a living like normal individuals.

While I have used Charlie Moore as an example, I have other case histories in my files of other men from my district whose plight was just as pathetic, and where recovery has been just as remarkable.

Let us look further into the operations of the fund. I do not intend to go into the broad program of the fund and its meaning to more than a million and a half beneficiaries, because that has already received much publicity—but that part of the program which deals with the salvage of broken bodies has received very little consideration and, in my opinion, is one of the fund's great accomplishments.

Only a few years ago, it would have been possible to visit homes in the coal areas and find men so helpless they were unable to do even the simpliest things for themselves. How can you measure the tragedy which suddenly deprives a hard-working man of the ability to make his own way in the world? Workmen's compensation has been in effect for years, but far too often when the period of compensation ends, the patient is still in dire need of continuing care and little or no provision is made for making life endurable and useful in the years that lie ahead.

Injured men and their families were required to live on inadequate workmen's compensation during the period of convalescence; and even these amounts were often bitterly contested. This bleak outlook has been changed into a hopeful aspect through the welfare fund's program which last year spent $56,444,329 for hospital and medical care alone. The care of the disabled men was a substantial consideration in that expenditure.

Since 1946, more than 10,000 injured coal miners have been treated under this program of medical care and referred to State vocational agencies with the view to training them for useful jobs of all kinds in order that they may be self-sustaining. Careful estimates of the status of these men show that during the calendar year 1952, those who were employed earned more than $2½ million. Approximately 31.2 percent of those rehabilitated were able to return to jobs in coal mining, while many others are in occupations in almost every field of manual endeavor.

This experience serves to illustrate that, when properly trained and with their skills properly evaluated, the average handicapped person performs with outstanding efficiency. I am glad to state that the Pennsylvania Bureau of Rehabilitation has taken a leading role in providing specialized training and that the Williamsport Technical Institute in my State is unexcelled for its training and placement of handicapped persons. Several hundred coal miners alone have benefited from its curriculum and placement.

To give some idea of what is involved, more than 1,500 seriously disabled miners, many of whom were paraplegics, have been treated in selected medical centers where specialized rehabilitation service is provided. It must be remembered that, before the fund's program got into full swing, it was necessary to take men from their homes in distant places and remove them to centers located in leading cities. In each of these centers, a highly trained and competent specialist assumed the primary responsibility. It was immediately apparent that not one specialst, but a team of specialists, were required to perform the work essential

for the reclamation of bodies deteriorated to a degree that few physicians had ever witnessed before. A general surgeon, an orthopedic surgeon, a neurosurgeon, a plastic surgeon, an internist, a urologist, a roentgenologist, a neurologist, a doctor of physical medicine, a psychiatrist, and sometimes others were indispensable for the proper handling of a single case—and when required, they were furnished.

The worth of the project was described by an outstanding physician in the coal regions. He told of an especially severe case and then wrote:

He had lost everything mortal man ought to possess except the dignity of his soul. He made a delightful patient in spite of all his acute suffering. His behavior was invariably that of an aristocrat. The welfare fund has many things to its credit, but if it had only the physical rehabilitation of this splendid specimen, it would have justified itself.

Many new techniques have emerged from the treatment of fund patients. United States Surgeon General Leonard A. Scheele was moved to say:

I know of no single organization in the United States that has had a wider and more successful experience in rehabilitation of the severely disabled during the past 5 years than the United Mine Workers welfare and retirement fund.

Dr. Henry Kessler, a foremost authority in the field of physical rehabilitation whose medical center at West Orange, N. J., has treated close to 500 welfare fund disabled cases, speaks of the program "as helping pioneer new techniques of inestimable value and which have advanced the work in this field by many years." The head of New York University Institute of Physical Medicine and Rehabilitation, Dr. Howard A. Rusk, says the effort has served to "demonstrate the feasibility of rehabilitating the most severe types of long-chronic disability."

The results of this sort of teamwork is heartening when, human nature being what it is, it is so easy to pay lip service to the plight of others removed from the sphere of normal, useful activity. I think it is a very fine thing when an industry and a great union within that industry tackle so large a responsibility. Moreover, all this is done within the framework of private enterprise. Coal miners are digging their own welfare, not leaning on shovels provided by governmental largesse. It should inspire Federal and State agencies to collaborate sincerely with initiative of such high order.

Mr. WAMPLER. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I will be happy to yield to the gentleman from Virginia.

Mr. WAMPLER. I want to commend the gentleman from Pennsylvania for bringing to the attention of the House this very important subject matter. I know that he has for a long time been interested in the coal miners of the great State he represents. I have the honor and responsibility of representing about 17,000 coal miners from the great State of Virginia. I believe the program which the gentleman is discussing today has gone a long way toward helping industry and labor alike to solve a very difficult problem. As the gentleman has pointed out to the House, coal mining by its very nature is a very hazardous occupation. Not only are the coal miners subject to the possibility of bodily injury, but they are subject to certain respiratory diseases as well, incident to the work. I am proud of the work which the United Mine Workers have done in helping these coal miners who have been injured, in carrying out their program. I hope this program will continue to make useful citizens of those who have been injured as a result of accident, and that they will be better citizens thereby.

I again want to compliment the gentleman for bringing this matter to the attention of the House.

Mr. SAYLOR. I thank the gentleman from Virginia.

Mr. NEAL. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the distinguished doctor from West Virginia.

Mr. NEAL. As an interested citizen of the State of West Virginia, having noticed for a great many years the progress that has been made in the preparation for the care of miners, it is to me quite a pleasure to listen to the statements which the gentleman has made today in emphasizing the importance of this work that is being done in behalf of the mine workers of your State and mine. To me, one of the greatest things that is being done by the United Mine Workers is that of protecting those who have been injured by the preparation of the facilities for taking care of the families and the miners themselves, and the various hospitals that are being built in more or less outlying areas that have heretofore been lacking in hospital facilities. Those things help take care not only of the immediate needs of those who suffer, either from sickness or injury, but it is in line with the general progress that we see extending into the rural areas of our country, by making available hospital treatment and facilities for the care of our people generally.

I want to compliment the gentleman on this movement, because I think it is a wonderful movement, not only on the part of the United Mine Workers as an organization but on the part of the operators who help contribute to the fund, and to the public in general who is interested in the welfare of our people who are unfortunate.

Mr. SAYLOR. I thank you, Dr. NEAL, because you have called attention to another phase of the United Mine Workers welfare fund and that is the fact that the United Mine Workers, through their hospital program, are extending hospital facilities into areas where communities have heretofore had absolutely no hospitals or modern medical facilities and no possibility of attending to those who have been injured in any manner the members of their families or others in those isolated communities.

Mr. GOLDEN. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the distinguished gentleman from Kentucky.

Mr. GOLDEN. I wish to sincerely compliment the gentleman for his contribution today. I think the entire American people should begin to recognize the wonderful contribution to the health and safety of the miners that the welfare fund has made in recent years.

I have the honor of representing one of the large coal-mining districts in the United States. Some of the largest mines in the world are in southeastern Kentucky. I have seen this fund operate. I have seen the improvement not only in the miner himself but in his entire family, from a health standpoint. It has enabled the miner to have the very best medical, surgical, and hospital care. It has improved the hospitals throughout my section, and has brought to the very homes of the miners medical care that they have never had in the past. In addition to that, it has enabled those men who work so hard and who necessarily have to retire early, a reward for their work, and they can retire at the age of 60 and enjoy some of the fruits of their labor.

I wish to join my colleagues in complimenting the gentleman from Pennsylvania in bringing this to the attention of the American people.

Mr. BAKER. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to my good friend, the gentleman from Tennessee [Mr. BAKER].

Mr. BAKER. Mr. Speaker, I would like to add another expression of commendation to the gentleman from Pennsylvania for bringing this most important matter to the attention of the Congress and of the Nation. I represent a coal-mining district; I know something about the dangers the coal miners are subjected to. What they want is rehabilitation so they can go back to work, and that is what they get from this United Mine Workers relief and welfare fund.

And I would like to pay my respects to that great man who heads the United Mine Workers of America, John L. Lewis. He is a great American and a great patriot.

Mr. SAYLOR. I thank the gentleman from Tennessee.

Mr. BRAY. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. I wish to compliment the gentleman from Pennsylvania for this very fine discussion on the United Mine Workers welfare fund. This fund has done a fine thing and it would do more if we had more employment in the coalfields so more coal miners could be working. There should be something done to stop residual fuel oil from ruining the mining industry and putting those people out of work. The good that this welfare fund has done in the coal-mining districts is tremendous and stands as a monument to John L. Lewis.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to my friend and colleague, the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. I wish to commend my colleague from Pennsylvania on the fine statement he has made concerning the welfare fund program of the United Mine Workers. We who represent the coal areas of the country know of the great contribution that John L. Lewis, president of the United Mine Workers of America, through the welfare fund program has made to the workers in the coal mines of the Nation. Without the welfare fund program their problems would be many and more difficult to solve. I wish to again compliment my colleague, the gentleman from Pennsylvania [Mr. SAYLOR], for his fine tribute to the United Mine Workers of America and their president, John L. Lewis.

Mr. SAYLOR. I thank the gentleman.

Mr. BISHOP. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Illinois [Mr. BISHOP].

Mr. BISHOP. Coming from the great State of Illinois and representing one of the largest coal mine areas of the United States—and by the way the largest bituminous mine in the world is in the 25th Congressional District—having had an experience 2 years ago and then 4 years ago of having 2 of the largest mine disasters of all time in the 23rd and 25th Congressional Districts of Illinois, we are familiar with some of the things that have been done by the health and welfare fund of the United Mine Workers of America. As soon as the news of these disasters reached the world, representatives of the fund were on the scene aiding the widows and orphans with financial and medical assistance. Since this program was inaugurated thousands of paraplegic miners have "picked up their beds and walked." Men who had lain on a bed of pain for as many as 12 years were rehabilitated, taught a gainful employment, and became once more useful citizens. In the history of medicine never has a more useful, more necessary program been inaugurated.

The building of hospitals in the mining districts which have never known the benefits of modern medicine and surgery will always stand as a monument to this progressive and wholly American program.

I am sure that the gentleman's having called our attention to this wonderful achievement of America's coal miners will result in further progressive action by our citizens and our Government. Surely there is nothing more worth while in this world than that the sick be cured, the blind made to see, and the crippled be made to walk again.

Mr. BONIN. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to my friend and colleague from Pennsylvania.

Mr. BONIN. I am very happy to join with my colleague in this splendid statement that the gentleman has made to the House today. Representing the anthracite district of Pennsylvania, I am familiar with the fact that as a youngster I saw my father, who was in the undertaking business, bury on an average 2 or 3 every month of those good hard-working people, who gave their time and their effort to produce the energy to keep this country going. I still have two brothers who are in the undertaking business, but, fortunately, we have very, very few people who are actually being killed in the mines today.

This is all attributable to the fact that the health and welfare fund of the United Mine Workers has made the mining industry conscious of the fact that accidents can be avoided. May I say that this spendid statement on the gentleman's part perhaps will make America conscious of the fact that the United Mine Workers and their leaders have done a splendid job in order to preserve the safety and the lives of individuals employed in the coal mines.

Mr. SAYLOR. I thank the gentleman.

Mr. GOLDEN. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Kentucky.

Mr. GOLDEN. Our colleague from Indiana [Mr. BRAY] mentioned the importation of residual fuel oil from foreign countries. I think that has been one of the large contributing factors to unemployment in all of the coal mines of America. We all know that the major portion of this residual fuel oil comes from Venezuela, but we have been unable up to now to pass an act through Congress placing import duties and limitations on the bringing in to this country of fuel oil from Venezuela and other foreign countries. It has recently been called to my attention that Venezuela has import duties against our manufactured products and our agricultural products. If we are to maintain good trade relations with Venezuela, we better look at the facts and we had better begin to take care of our own unemployed people here in America.

Mr. SAYLOR. That, my good friend, I am happy to agree with.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. When the gentleman mentioned the fact that trade barriers have been erected by Venezuela against American products, it reminds me of the flood of foreign residual oil from Venezuela, and that while the people of Venezuela are living in luxury, the residents of the coal-mining areas in the United States are having to depend on public assistance and are virtually living in poverty.

Mr. SAYLOR. That is correct. I know that I and many Members who have spoken here have miners in their districts and those miners are recipients today of welfare assistance. They are being given surplus food by the United States and various welfare agencies because they are unemployed. Much of this unemployment is due to the flood of residual fuel oil which continues to flow unrestricted into the United States and is wrecking havoc in the coal-mining industry and in the entire country. That is a situation which I sincerely hope will be corrected.

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and also that all Members who have spoken on the above matter may have consent to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

WHAT IS HAPPENING TO YOUR DUCK STAMP MONEY, MR. DUCK HUNTER?

The SPEAKER pro tempore. Under special order heretofore entered, the gentleman from Wisconsin [Mr. JOHNSON] is recognized for 30 minutes.

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include a letter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, I want at this time to make a few remarks on the Interior Department appropriations bill, and particularly to that part which provides money for the Fish and Wildlife Service's waterfowl-management program.

This section of the appropriation bill took a working over from both the Bureau of the Budget and the Appropriations Committee before it came to us.

The Budget Bureau lopped off $652,000 for migratory waterfowl refuges, $110,000 from essential river basin studies designed to help locate land and water for refuges, $100,000 from law enforcement, and $101,000 from research into problems of wildlife management. Then the committee chopped off another $463,000.

Congressman LEE METCALF, of Montana, who has led many of the fights on conservation measures during my short tenure in Congress, tried to restore funds for the waterfowl program by offering an amendment to the bill which would increase the appropriation by $1,200,000 to a total appropriation of $7,337,000 and restore it to what it was under the last appropriation. He reminded the Congress that the Fish and Wildlife Service is the agency which deals with the valuable and popular fish and wildlife resources of our country, and that this appropriation will determine how well or how poorly the agency can carry out those responsibilities.

These cuts were made and carried through the House as more and more hunters take the field, and more private agricultural land is drained, leaving fewer nesting grounds for ducks. He also recalled that only 5 years ago the

sportsmen of this country came to Congress and asked that the price of the Federal duck stamp be increased from $1 to $2 to double the income to the Service for waterfowl management purposes.

This money is appropriated annually to the Fish and Wildlife Service to buy more waterfowl areas, to improve the refuges acquired with this money, to do a better job of law enforcement and to carry on basic research.

Just as funds are beginning to be available for a greatly expanded refuge purchase and development program as a result of this 5-year-old change, the administration cuts the program off at the pockets.

The Bureau of the Budget and the Appropriations Committee reduced Fish and Wildlife Service appropriations to the point where the only way the current level of administration can be attained in the year beginning next July 1 is for the Service to dip into the sportsmen's duck-stamp kitty for $1,200,000.

This is not what our duck hunters had in mind when they came to Congress 5 years ago and said: "Here is another $1 apiece—use it to assure a continuing supply of ducks."

I supported Congressman LEE METCALF, but the amendment lost by 24 votes. The only hope for this session of Congress is the Senate. I have already talked to several Senators and I am bringing this to the attention of the Members of the House at this time so that various Members interested in conservation can contact their Senators and ask their help in restoring this cut in the Interior Department appropriation bill, and also so duck hunters interested in seeing that their extra $1 is used for the purpose intended can contact their Senator so that this injustice can be corrected in the Senate. It is my opinion that we in Congress will have to form a conservation bloc if we are to succeed in representing conservation interests in our districts.

My attention has been called to a speech made before the Western Association of State Game and Fish Commissioners at Las Vegas, Nev., by Carl D. Shoemaker, conservation consultant, National Wildlife Federation, and general counsel for the International Association of Game, Fish, and Conservation Commissioners, which gives very concisely what has happened in the Duck Stamp Act since its enactment in 1934 until the present time. I commend it to my colleagues to read and study as it will give each of us a better understanding of what is happening to the duck-stamp money.

YOUR DUCK STAMP MONEY AND WHERE IT GOES

(By Carl D. Shoemaker, conservation consultant, National Wildlife Federation, and general counsel for the International Association of Game, Fish, and Conservation Commissioners)

Mr. Chairman, ladies, and gentlemen, it is always a pleasure to come back to the part of the country where I received my first indoctrination in this great movement to conserve our wildlife and other natural resources. I accept every invitation to attend your meetings—in fact, it has been said that I have hinted for some of them. One can hardly be blamed for doing it.

From July 1, 1952 to June 30, 1953, more than 2¼ million people in the United States bought duck stamps. In the preceding fiscal year 2,167,767 duck stamps were sold.

Since the Duck Stamp Act was enacted in 1934 the total receipts arising from their sale through June 30, 1953 have amounted to $35,839,551. With only a few exceptions, there has been a steady increase each year in the number of hunters and therefore in the amount of money covered into this fund.

I want you to keep this figure of thirty-five-million-eight-hundred-thousand - odd-dollars in mind.

WHY THE DUCK STAMP ACT CAME INTO EXISTENCE

The Migratory Bird Treaty was entered into between the United States and Canada in 1916. The enabling act went into effect in 1918. Even though waterfowl thus came under the protective wing of the Federal Government, their population steadily declined. This brought on much discussion during the twenties, and resulted in the introduction of a number of bills which finally came out of the hopper in 1929 as the Norbeck-Andresen Act.

Sportsmen throughout America were fearful that this sport would vanish unless some corrective measures were undertaken. These were crystalized in the Norbeck-Andresen Act, which set out in its title that it was "an act to more effectively meet the obligations of the United States under the migratory bird treaty with Great Britain by lessening the dangers threatening migratory game birds from drainage and other causes, by the acquisition of areas of land and of water to furnish in perpetuity reservations for the adequate protection of such birds; and authorizing appropriations for the establishment of such areas, their maintenance and improvement." I direct your attention to the fact that the only purpose outlined in the title of the bill is the acquisition of areas of land and of water to furnish in perpetuity reservations for the adequate protection of such birds."

This same act established the Migratory Bird Conservation Commission, the functions of which were to pass upon proposals for the purchase of refuges. It also authorized appropriations amounting to about $8 million for a period of 10 years, and thereafter annual appropriations of $200,000 for the refuge program.

As so frequently happens, an authorized appropriation does not mean money in the bank. Congress failed to make the appropriations which had been authorized and the refuge program almost came to a standstill. By 1932 the waterfowl populations had declined to almost an all-time low. The Senate Wildlife Committee held a hearing on this shortage of ducks and geese. Out of it came the duck-stamp bill. It took 2 years to pass this legislation, and it became effective in 1934. It will be intertesting to note the language of the title of this Duck Stamp Act. It is clear and specific. It says that it is "An act to supplement and support the Migratory Bird Conservation Act (the Norbeck-Andresen Act) by providing funds for the acquisition of areas for use as migratory bird sanctuaries, refuges, and breeding grounds, for developing and administering such areas, and for the protection of certain migratory birds, for the enforcement of the Migratory Bird Treaty Act, and regulations thereunder." Mark well the wording in the title that the act was "to provide funds for the acquisition of areas for use as migratory bird sanctuaries, refuges, and breeding grounds, for developing and administering such areas."

The waterfowl hunters of this country were 99.44 percent back of this bill. They were willing to tax themselves in order to preserve this magnificent sport of waterfowling. Not less than 90 percent of the duck-stamp money was to be used to acquire land and develop refuges. The money for the acquisition program was to be expended through the Migratory Bird Conservation Commission set up in the Norbeck-Andresen Act.

Each year the Migratory Bird Conservation Commission, according to the law, was required to file with the Congress a report on its activities and how the money was expended. Let me give here a few brief excerpts from the reports of this Commission to the Congress. During these years Henry A. Wallace, Secretary of Agriculture and Chairman of the Commission, made the reports to the Honorable SAMUEL RAYBURN as Speaker of the House. They were printed and filed. The first report after the Duck Stamp Act became law was filed on February 19, 1935.

Although the Duck Stamp Act had been in existence for only a few months at the time this report was made, no mention of it is found in the report. Mr. Wallace, however, did say that "It will be of interest to those concerned about remedial measures for the conservation of migratory waterfowl that during the latter months of this fiscal year $6 million was made available from several emergency appropriations with which to further the migratory-bird refuge program, and an additional $2,500,000 was put at the disposal of the Biological Survey for the development of new refuges being acquired with the emergency money and for work deemed necessary on existing refuges. The great mass of data that has been heretofore assembled on suitable areas for migratory-bird refuge purposes under the Migratory Bird Conservation Act program made a very substantial contribution to this emergency program."

On March 14, 1936, Mr. Wallace made the next report, in which he said:

"Under the provisions of the Migratory Bird Hunting Stamp Act (48 Stat. 451), however, $635,344 has been made available the further the purpose of the Migratory Bird Conservation Act. Of this amount $436,810 has been allotted for administration, development, and improvement of bird refuges. The balance, $198,534, has been expended for the enforcement and administration of this act. None has been used for land acquisitions."

I want to call your attention to the last sentence of this quota which says that "none (of this money) has been used for land acquisition."

On January 12, 1937, Mr. Wallace made the next report to the Congress, in which he said:

"The Migratory Bird Hunting Stamp Act of March 16, 1934, passed to supplement and support the Migratory Bird Conservation Act and to provide funds for the acquisition of lands, and for their development and administration, has, during the 2 years since its enactment, provided only $1,060,314, none of which has been expended for the purchase of land, but mostly for the development and administration of properties that have been acquired with other funds."

You will notice here the recurring words that none of the duck-stamp money had been expended for the purchase of land up to that time.

On February 12, 1938, Mr. Wallace filed his report with the Congress, in which he said:

"During the 3 years since the enactment of the Migratory Bird Hunting Stamp Act of March 16, 1934, proceeds deposited in the Treasury have aggregated only $1,676,787. None of this fund has been expended for the purchase of new lands, but most of it has gone for the development and administration of refuges acquired with other funds."

Again we find the same words, "No duck-stamp money was used for the purchase of land."

On January 17, 1939, Mr. Wallace filed another report with the Congress, in which he said:

"As in the fiscal year 1937, no emergency funds were made available for the acquisition of refuge lands in 1938. There was allocated, however, for the purchase of tracts on existing refuges, a sum of $75,000 from the proceeds of sales of migratory-bird hunting stamps. Part of the funds remaining in the $6 million appropriation provided under title VII of the act of June 15, 1935, was also available for rounding out existing refuges."

You will note that this is the first time that any mention is made of any sum being used out of the duck-stamp receipts for the purchase of land and then only $75,000 out of a total of $2,447,758, which represented the total duck-stamp sales up to that time. But the $75,000 used that year was for the purpose of buying tracts of existing refuges.

The next report to the Congress was made March 4, 1940, by the late Harold L. Ickes after the Biological Survey had been transferred to the Department of the Interior. In it he said:

"Two hundred thousand dollars of the revenue derived from the sales of stamps under the Migratory Bird Hunting Stamp Act of March 16, 1934, were allotted for the purchase of lands for the fiscal year 1939. Funds for wildlife-refuge tracts and intermingled tracts on migratory-waterfowl refuges were also made available from the balance of the $6 million emergency appropriation."

By that time the duck-stamp receipts had amounted to $3,456,766 and up to that date a total of $275,000 only had been set aside for acquisition of land. That is about 8 percent of the sportsmen's money devoted to the primary purpose for which it was intended.

There is an official explanation for this wide expanse between the money spent on the purchase of land and the total receipts supplied by the sportsmen. I need not tell you that our Government has a Bureau of the Budget headed by a Director which finally passes upon all requests for appropriations made by the several departments and agencies of the Government. Before this compilation is made, each department and each agency of a department must also prepare a budget. The Fish and Wildlife Service is no exception to this rule. It annually prepares for the Secretary of the Interior its requests for appropriations from the Congress. After the Fish and Wildlife Service has completed this task it goes to the Department budget head, where it can be slashed, remain as is, or increased. What goes on in these agency and departmental budget sessions are top secrets. When these budgets are pruned and whipped into shape in the Department, they are sent over to the Bureau of the Budget. There they are analyzed, put under the microscope, run through the wringer, and finally evolve in the budget of the United States in a book which weighs several pounds and sent to the Congress with the budget message of the President.

The Bureau of the Budget was established by law on June 10, 1921. Section 15, title 31, Federal Code, annotated, reads as follows:

"No estimate or request for an appropriation and no request for an increase in an item of any such estimate or request, and no recommendation as to how the revenue needs of the Government should be met, shall be submitted to Congress or any committee thereof by any officer or employee of any department or establishment, unless at the request of either House of Congress."

This pretty well buttons up the voice of anyone connected with any of the departments or agencies of the Government. Section 16 of the code gives the Budget Director almost unlimited powers over the finances of the various agencies of the Government. It reads as follows:

"The Bureau (of the Budget), under such rules and regulations as the President may prescribe, shall prepare the budget, and any supplemental or deficiency appropriations, and to this end shall have authority to assemble, correlate, revise, reduce, or increase the requests for appropriations of the several departments."

My purpose in including these quotes from the Bureau of the Budget Act is to show you that there are stringent regulations surrounding the preparation of these budgets. The Budget Director, in the final analysis, has the last word to say. Over the years he has been clothed with more power and influence than perhaps any other official of the Government outside of the White House, and in the Defense Department.

WHAT HAS THE BUREAU OF THE BUDGET DONE TO DUCK STAMP MONEY?

The Bureau of the Budget is not very friendly toward earmarked funds. It scrutinizes them very carefully. It has put the spotlight on the duck-stamp funds. It has seen them grow and without regard to their primary purpose it has said in effect, "Gentlemen, you are asking for money to buy land for refuges, to conduct research into waterfowl problems, to develop, operate, and maintain these refuges, and you want all of these funds to be taken out of the United States Treasury, through appropriations. We believe and feel that this duck-stamp money should be used in your agency to carry on a multiplicity of projects in which you can set up some work in connection with waterfowl. Therefore, we are cutting your recommendations for appropriations to conduct this research and to acquire land. It is our belief that the operation, maintenance, and development of the refuge program should come first, that research should come second and finally, a certain amount of these funds should be directed toward your general administrative expenses." While these are not the exact words that the budget uses, they nevertheless reflect the thinking and action of the Bureau with reference to fish and wildlife.

There is nothing in the record that I have been able to find that shows how much of a fight the Fish and Wildlife Service puts up to secure adequate direct appropriations and to retain the earmarked duck-stamp funds for its stated objectives, nor have I any information as to what the Interior Department has said to the Bureau of the Budget with respect to these matters.

The Duck Stamp Act provided originally that 10 percent should go for administration of the act and for enforcement. The Post Office Department has charged various sums for printing and distributing the stamps and transferring the receipts to the earmarked fund in the Treasury. Up to last year this averaged about $30,000 a year. Last year, however, the Post Office Department, in order to decrease its deficit in all directions, hiked the charge for its service to $155,000 for this fiscal year, or better than 5 times what was paid for the same service last year. While this is not extremely high compared with the anticipated receipts, which should run well over $4 million, nevertheless it is an item which has to be reckoned with. All that remains of the 10 percent each year over and above what is paid the Post Office Department goes to the enforcement of the regulations. Several years ago, as you know, this 10 percent was increased to 15 percent in order to give the Service more money for the employment of game protectors. This, of course, reduced by 5 percent the amount that could be used for land acquisition and development and operations of the refuges.

WHAT CONGRESS HAD TO SAY THIS YEAR ABOUT DUCK STAMP MONEY

I hope you will bear with me in all of these details, because they are background information for the statements that will appear later in this paper. I also want to say that all figures presented are taken from official records and all quotes are from official sources and reports.

The Interior Department appropriation bill was debated in the lower House of Congress on April 6 of this year. Somewhere, somehow, some Congressmen are taking an interest in what is happening to the duck stamp money. I am going to give you only a couple of excerpts from the CONGRESSIONAL RECORD of that date.

Congressman LEE METCALF, of Montana, started the ball rolling by offering an amendment which would bring up the Fish and Wildlife Service item of management of resources to $200,000 beyond what it received last year for the same item. This item had been cut by $863,000 over last year's appropriation. In the course of his remarks on his amendment he discussed the duck stamp money. Let me quote from the RECORD:

"Only 5 years ago, the sportsmen of this country, on their own initiative, recommended and the Congress adopted an amendment increasing the price of the duck stamp to $2, all of which is appropriated annually to the Fish and Wildlife Service to buy more waterfowl areas, improve the refuges acquired, do a better job of law enforcement, and carry on basic research into management problems. Now, as a result of that law, we find the Bureau of the Budget and the Appropriations Committee reducing regular funds to the point where these new sportsmen's dollars must go into maintaining the program which was financed by appropriations prior to that time. I have investigated the details of this situation, and I find the budget actions are a long way from those which the American sportsmen thought were going to happen when they voluntarily assessed themselves another dollar for the privilege of helping the duck situation. The Bureau of the Budget, in preparing next year's budget, lopped off of last year's amount $652,000 from the refuge item; $110,000 from essential river basin studies designed to help locate land and water for refuges; $100,000 from law enforcement; and $101,000 from research into problems of wildlife management. That comes to $963,000 taken out by the Bureau of the Budget. Now, the committee recommends a further reduction in the management item of $463,000 below the budget. Taking a fair share of around $125,000 out of this cut and applying it to the waterfowl management program, we find that in a single year, the Bureau of the Budget and the Appropriations Committee combined propose to reduce the waterfowl program by about $1,200,000.

"My point is this: The only way the same level of administration can be attained in the fiscal year 1955 is for the Service to take that $1,200,000 cut out of the sportsmen's kitty, just to keep going on an even keel. This, I am sure, is not what the Congress intended when they increased the price of the duck stamp from $1 to $2 at the request of the sportsmen themselves."

Congressman CLARK THOMPSON of Texas, the author of the bill to increase the duck-stamp price from $1 to $2, made some very telling remarks in this connection. He was at the time, chairman of the subcommittee which handled this legislation. He is, along with many other Congressmen, strong in his belief that the refuge program should not be gutted by diverting duck-stamp money into channels other than those provided for in the act. In his remarks on the floor, he said, and I quote:

"The principal purpose of the bill was to provide a means for more adequate development of the migratory waterfowl resources of the country.

"Reading from the basic legislation, I find that the moneys received for such stamps shall be received and set aside as a special fund to be known as the migratory bird

conservation fund. There is no other purpose provided for. I would like to ask the gentleman from Montana this question: Without your amendment will those funds be diverted from the purpose for which they were originally intended?"

"Mr. METCALF. Without my amendment those funds are going to be used for operation and administrative expenses that were previously paid for by appropriations of this Congress.

"Mr. THOMPSON of Texas. Then, the duck hunters, who have bought the stamps and who wrote in favor of the increase to every one of us who was here at that time, are not going to get what they thought they were getting when they bought the stamps unless this amendment is adopted. Under those conditions, I do not see how this House can do otherwise than adopt the amendment, because if they do not, they will break faith with all of these sportsmen.

"Mr. TOLLEFSON. Mr. Chairman, will the gentleman yield?

"Mr. THOMPSON of Texas. I yield to the gentleman from Washington.

"Mr. TOLLEFSON. The question comes to my mind that the legislation which the gentleman sponsored carried a provision which limited the amount of money out of the duck-stamp fund which could be used for administrative purposes and operation.

"Mr. THOMPSON of Texas. It did in this way. It was said in the basic act, to which mine was an amendment, that not less than 90 percent shall be available for the location, ascertainment, acquisition, administration, maintenance, and development of suitable areas for inviolate bird sanctuaries under the provisions of the Migratory Bird Conservation Act. That does not provide for general administrative expenses but only those incident to the areas in question."

"Mr. TOLLEFSON. Is it my understanding then that funds can be diverted to other purposes?"

"Mr. THOMPSON of Texas. Not as I understand the law, which the gentleman helped pass in that Congress.

"Mr. TOLLEFSON. I do not recall what the provisions in the law were, and I thought perhaps the gentleman could enlighten us.

"Mr. THOMPSON of Texas. They were not supposed to be diverted except for these purposes, and certainly general expenses for operating the Wildlife Service could not come under that head."

Congressman MELVIN PRICE, of Illinois, jumped into the debate and said:

"It was upon the recommendation of sportsmen that the so-called duck stamp was increased from $1 to $2. The main purpose of this raise was to buy larger and more waterfowl areas, to do a more efficient job of law enforcement, and to carry on vital and necessary basic research in this field. Now, as a result of the committee's cut, in part, much of these duck-stamp funds will have to go into the maintenance of this program. This goes directly against the will of the sportsmen who pressed for the increase of the stamp from $1 to $2. I ask this administration, will no more waterfowl areas be purchased? It is estimated that the waterfowl program has been cut by $1,200,000. It is clear that this amount will have to come out of the funds built up by the sportsmen from the higher priced $2 duck stamp. This was never the intention of sportsmen, nor the Congress."

I think these quotes from the CONGRESSIONAL RECORD should be ample to convince you that it was the intention of Congress when the Duck Stamp Act was originally passed and when it was amended 5 years ago—that the primary and major purpose of the act was to acquire lands for refuge purposes.

WHAT PUBLIC OFFICIALS HAVE SAID ABOUT THE REFUGE PROGRAM

As far back as 1922 Dr. E. W. Nelson, then head of the Biological Survey, in a hearing before the Department of Agriculture on February 16 and 17 of that year, said that migratory bird refuges are "the main object of this bill, which, as I understand it, is to provide such places permanently under charge of the Federal Government, in order that the large supply of wild fowl we are building up can be maintained."

Federal officials having to do with fish and wildlife administration were unanimous in voicing the need for acquiring refuges along the flight lanes of migratory birds. The Senate Wildlife Committee, headed by Senator Frederic C. Walcott, in its report on the waterfowl shortage in 1932; the President's committee of 1933 and 1934 composed of Tom Beck, Aldo Leopold, and J. N. Darling; Clark Salyer III in his pamphlet on the progress of wildlife management, 1935; J. N. Darling, Chief of the Bureau of Biological Survey in his report of 1935; Ira N. Gabrielson, Chief of the Bureau of Biological Survey in his report for 1936; Harold L. Sheldon in his pamphlet on wildlife and the land; Albert M. Day in his excellent book—all have voiced the need for the acquisition of areas for use as migratory bird sanctuaries, refuges, and breeding grounds. It is my conviction that if a poll should be taken of the more than 2 million people who purchase duck stamps they would agree and support wholeheartedly the conclusion of the officials mentioned above. There never was any suggestion or idea advanced by any of the sportsmen or by either the House or Senate committee which considered this legislation that this duck-stamp money was to be used for supporting any of the other activities of the Fish and Wildlife Service. The idea was sold to them and to the Congress that this money was to be used in the acquisition and development of new areas as breeding, resting, and feeding grounds along the flight lanes.

HOW THIS MONEY WAS ACTUALLY USED

Now we come to the main issue—how has this money been spent?

Nearly every year the Senate Committee on Government Operations either holds a hearing or asks for a report on Federal wildlife conservation activities. The latest one is for 1951, which was released on April 16, 1952, and is Senate Report No. 1457 of the 82d Congress, 2d session. On page 150 of this document there appears "a breakdown of acres and cost of lands acquired with duck-stamp funds." After this paper is presented, I do not want it to be said that I have not been entirely accurate. I have left out item f in the table below for the very simple reason that no money was spent on the acquisition of 1,794,482 acres. Item f reads as follows: "117 areas acquired at no land cost except expenses." There is no money involved in the cost of this per acre. This was almost entirely federally owned land or land which had been given as a gift to the Service. The table which I have just mentioned reads as follows, together with some explanatory references:

	Acres	Cost
"(a) The Sutter, Brigantine, Chincoteague, and Santa Ana units were acquired 100 percent	24,169	$208,419
(b) Parker River, Lagune Atascosa, and Horicon units to extent of more than 75 percent of area	56,816	874,625
(c) Willapa and Colusa more than 50 percent of area	6,151	128,121
(d) Purchase on 48 other units—less than 50 percent of area	108,306	980,142
(e) Acquisitions in process	8,091	136,447
Total	203,533	2,327,754

"In addition to the $2,327,754 spent for the actual purchase of land, an additional $1,678,666 was spent in connection with expenses involved in acquiring land and in the real-estate activities of the Service, making a total of $4,006,420 for lands work.

"The expenses involved in the real-estate activities of the Service are the examination and appraisal of units proposed for migratory waterfowl refuges, including a large proportion which are never acquired after all basic data have been considered. These costs also involve negotiations for lands, title-clearing activities, cost of abstract work, clearing of applications for rights-of-way, gas, oil, and mineral rights, costs involved in acquiring lands by gift, exchange and transfers from other governmental agencies, the survey of individual tracts, project boundaries, and the preparation and maintenance of maps and other record data.

"Excluding land purchases and their attendant real-estate expenses, the remainder of the duck-stamp moneys have been expended as follows:

"Receipts: Duck-stamp receipts, fiscal year 1935 through 1951		$26,909,141.00
"Expenditures:		
"Post Office Department	358,809.16	
"Enforcement of Migratory Bird Acts	2,038,551.21	
	2,397,360.37	
"Acquisition of land—appraisals, purchase surveys, and clearance of titles	4,006,420.16	
"Refuge development, management, and administration	13,598,468.39	
"Investigations pertaining to migratory waterfowl	1,623,803.49	
"Total	21,626,072.41	
"Unexpended balance	5,283,068.59	
"Total		26,909,141.00"

From 1935 to 1951, inclusive, out of the $26,909,141 which was received from the sale of duck stamps, only 203,533 acres were purchased at a total cost of $2,327,754. It must be noted also that in addition to the actual amount paid for the land, $1,678,666 more was spent in appraisals, purchase surveys, and clearance of title. In other words, this amounts to slightly over 72 cents additional for each dollar used to purchase the land.

For fiscal years 1952 and 1953 duck-stamp sales amounted to $8,930,410, making a total up to June 30, 1953, of $35,839,551. During these same 2 years 2 additional refuges were purchased in toto from duck-stamp money. One of them was the Monte Vista refuge in Colorado of approximately 2,300 acres, and the Shiawassee in Michigan amounting to slightly more than 9,100 acres. Other small tracts were purchased out of duck-stamp money during these 2 years to round out and fill in refuges which had heretofore been acquired either by duck-stamp money or other funds. The total acreage purchased in these 2 years amounted to 14,483 acres. This brought the total acreage acquired from duck-stamp funds from 1934 to 1953, inclusive, to 218,016 acres.

These 14,483 acres were acquired at a cost of $1,075,936, and this brings up the expenditure from the duck-stamp funds for the acquisition of refuges to $3,403,690. This represents the actual amount of money spent for the land.

Just as an aside and without making any comparison, the States under Pittman-Robertson projects and money purchased more than 200 tracts of waterfowl at a total cost of $4,950,000 plus. These tracts have an acreage of 394,043 and the average cost per acre was $12.57. Those figures are for the years 1938 to 1953, inclusive, which are the first 15 years of this Pittman-Robertson program.

A statement prepared by the Fish and Wildlife Service prior to April 12 of this year shows a table of expenditures by activities

from the duck-stamp receipts. This table follows. I have added two lines to it—one shows the unexpended and unobligated balance and the other the grand total of the duck-stamp receipts from the beginning of fiscal year 1935 through fiscal year 1953.

Expenditures by activities, migratory bird conservation fund (duck stamp)

Activity	Fiscal years 1935–53	Fiscal year, estimated, 1954	Total
Post Office Department [1] (printing and handling stamps)	$421, 557. 16	$155, 706	$577, 263. 16
Purchase of land for waterfowl refuges (including appraisals, purchase surveys, and clearance of titles)	5, 367, 124. 96	1, 125, 250	6, 492, 374. 96
Enforcement of migratory waterfowl regulations and waterfowl surveys	2, 999, 058. 56	610, 850	3, 609, 908. 56
Migratory waterfowl research	2, 274, 776. 66	747, 600	3, 022, 376. 66
Development and maintenance of migratory waterfowl refuges [2]	18, 479, 736. 10	2, 767, 050	21, 246, 786. 10
Total	29, 542, 253. 44	5, 406, 456	34, 948, 709. 44
Unexpended and unobligated balance			890, 841. 56
Grand total of duck stamp receipts from fiscal year 1935 to fiscal year 1953			35, 839, 551. 00

[1] The Post Office Department charges for printing and handling the stamps were increased in 1954. For fiscal year 1953 and a number of years previous thereto the charges were $32,000 a year.

[2] Includes development of waterfowl refuges acquired by gift, by reservation of public domain, by transfer from other Government agencies, and by purchase with duck stamp and other funds available for such purposes.

The expenditures estimated for fiscal year 1954 amount to $5,406,456. On this showing there would be a balance in the fund at the end of the fiscal year of eight-hundred-and-ninety-thousand-odd dollars, to which, of course, must be added the receipts for 1954 fiscal year.

Now, let us examine this report on expenditures in connection with the statement which I made just above showing that a grand total of 218,016 acres of land have been purchased out of duck-stamp funds at a total cost of $3,403,690. In the expenditure statement just above it shows that the cost of this land, plus appraisal, purchase surveys, and clearance of titles, amounts to $6,492,374. Therefore, the difference between these amounts is $3,088,684, which represents the appraisals, purchase surveys, and clearance of titles. This means, then, that for every dollar paid to the fellow who owned the land which was purchased for a refuge, it cost the Government another 95 cents plus to make the appraisal, negotiations, clearance of title, surveys, and other incidentals which go with their purchases.

The total for waterfowl research accounts for a little more than $3 million of the total fund, or a little less than 10 percent of the total expenditure.

The amount of money that can be spent for enforcement of the waterfowl regulations is fixed by law, first, at not more than 10 percent, less cost to the Post Office Department, and now 15 percent.

The big item is for the development and maintenance of migratory refuges. This has taken nearly $21¼ million.

There is no legal obstacle preventing the use of these funds in this manner by the Fish and Wildlife Service. The fact remains, however, that only six refuges have been purchased completely out of duck-stamp money. Others were purchased in greater or lesser degree from these funds. These constitute the purchase of privately owned lands in existing refuges or around their perimeter. I can understand the desire on the part of the Fish and Wildlife Service to get complete jurisdiction and control of the area within the exterior boundary of a refuge and that is the reason for all of these small purchases.

THE MIGRATORY BIRD CONSERVATION COMMISSION

All of the land purchased for refuges from duck-stamp money and all of the other refuges have to be approved by the Migratory Bird Conservation Commission provided for in the Norbeck-Andreson Act of 1929. During the thirties and early forties, property values were much lower than at the present time and the Commission almost invariably approved any project which was submitted to it by the Service. Since the last war, real-estate prices have gone up to the sky.

At the meeting of the Migratory Bird Conservation Commission held several months ago there were 10 or 11 projects listed involving the purchase of 4,942 acres of land, all of them to round out already existing refuges. The total amount that was to be paid to the owners was $379,296. The average cost was $76 per acre. However, when the projects were presented, the Commission approved only 767 acres, at a cost of $19,826. This is an average cost of $26-plus per acre. The reason for passing over the other projects was the apparent high cost of the land and the desire for more information in connection with the project. It is probable that at a meeting which will be held this week several of the other projects presented at the February meeting will be approved. This, however, will not increase the total acreage purchase by very much. At least, on one or two of the projects the options have expired, and it has not been possible to renew them. Some refuges have, of course, been purchased by direct appropriations by the Congress. The heyday of the acquisition of refuges was in the thirties and, more specifically, during 1934, 1935, 1936, 1937, 1938, and 1939. Such refuges as the Mattamiskeet in North Caroline, the Malheur Refuge in Oregon, and the Charles Sheldon Refuge in Nevada are among those procured during that time. Duck-stamp money made no contribution to these refuges. We must ever give thanks to "Ding" Darling for the herculean job he did on the refuge program. He started the bonfire and out of the ashes plucked money, acres, and manpower.

OTHER FUNDS AVAILABLE FOR THE REFUGE PROGRAM

Some years ago the Congress passed an act earmarking all receipts from the operation and management of the wildlife refuges under the jurisdiction of the Wildlife Service for use by the agency in maintaining, operating, and developing the refuges.

It may surprise you that the Fish and Wildlife Service carries on through leases and permit a large and extensive business in timber, the growing and cutting of hay, the grazing of livestock, general farming, and the production of oil.

Forestry operations during calendar year 1952 include pulpwood, posts, poles, Christmas trees, and ties; 447 permits in the same calendar year were devoted to the growing and cutting of hay; 750 permits were issued to graze livestock on the refuges. There were 603 farming permits issued, but most of these were for the purpose of growing food for the wildlife which frequented these refuges. In addition to the wildlife food, some cotton, sugarcane, and lespedeza hay were raised.

Oil wells are located upon several refuges, but the only one which pumps on a royalty basis is the Delta Refuge in Louisiana.

The following table shows the receipts from all refuges arising from these sources during the years indicated:

Timber permits (calendar year 1952)	$177, 188. 27
Hay permits (calendar year 1952)	48, 860. 85
Grazing permits (calendar year 1952)	293, 518. 32
Farming (calendar year 1952)	1, 075. 79
Royalties from oil (fiscal year 1952)	962, 623. 65
Total	1, 483, 266. 88

Twenty-five percent of all of these receipts is returned to the counties in which they arise. From this fund alone there is available for the use of the Fish and Wildlife Service about $1,100,000 each year, assuming that the receipts will remain fairly static.

Direct appropriations for the refuge program have been mighty slim and need not be set forth here. They are completely inadequate.

OBSERVATIONS

There can be no question that the sportsmen of this country have not received from their purchase of duck stamps what they expected to get. Whose fault is it? Has the Fish and Wildlife Service been negligent? Is the Interior Department budget to blame? Is the Bureau of the Budget responsible? Or is Congress at fault?

These are all $64 questions. Congress, with the vast increases in its business and the enormous problems it has to contend with relies largely upon what the budget presents in the way of the needs for governmental agency expenditures. Of course, there are times when the Congress upsets the budget and increases the recommended appropriations, and by the same token it quite frequently cuts deeper. For instance, the budget approved $380,000 for all research on birds and mammals for the next fiscal year. The Fish and Wildlife Service, you will note, is compelled to set up $747,600 for waterfowl research during the same period, this all out of duck-stamp money.

To those of us who are in the class of ordinary citizens and not Government officials, the door is closed to what takes place in the Fish and Wildlife Service budgetary planning and the same rule holds good in the Department of the Interior. We have to confine ourselves to the printed record of the President's yearly budget. We find here where the cuts have been made and where the virtual direction is given to use duck-stamp funds for all branches and divisions of the Fish and Wildlife Service where it is possible to set up a waterfowl project as a sound excuse for dipping into this fund.

It seems to me that the conservation groups as well as the sportsmen have been given no adequate knowledge or information on which we could base a presentation, both to the budget and to the Congress for adequate appropriations as in earlier years. Our voices have not been able to be heard because of a complete lack of the necessary data on which to base any sound argument.

It seems to me further that the Congress should make provision for the development and maintenance of the waterfowl refuges. When your Uncle Sam buys a post-office site, an airbase, a proving ground, or any other facility for the use of the Federal Government, or any one of its agencies, it makes annual appropriations for its maintenance and operation. Why should not this same policy prevail in regard to wildlife refuges?

The Fish and Wildlife Service has prepared a table showing expenditures in various categories out of the duck-stamp money from the beginning to 1956. The

table itself is too long to incorporate in this paper and I shall only give you the totals. Remember this includes from 1935 through fiscal 1956.

Post Office Department	$877,263.16
Purchase of land, including appraisals, etc	7,568,618.16
Management of the resource (enforcement)	4,519,270.24
Waterfowl research	3430,579.24
Development and maintenance of refuges	25,275,668.39
Engineering	563,561.09
River-basin studies	689,659.10
Total	44,701,331.44

There is a steady increase in practically every item, but the increases in most of the items except that of land are going up fast. In 1956 only $230,250 is set aside for land acquisition. Can it be possible that the refuge program is about completed? Certainly it costs more and more each year to maintain and operate as well as develop the existing refuges. Will the time come when duck-stamp money will be used for all other purposes except a modicum for land acquisition?

WHAT ARE THE ALTERNATIVES—CONCLUSION

If the Budget and the Congress continue to cut down on regular appropriations for the Fish and Wildlife Service in land acquisition, research, and refuge management, can we go back to the sportsmen and ask for an increase in the price of the duck stamp from its present rate of $2 to $3, $4 or $5 and earmark the increase or some percentage of the whole to the land-acquisition program? I know this will not be popular, but it is worth laying out on the table for consideration. Or shall we repeal the Duck Stamp Act and rely on the Budget and the Congress? I'm sure this won't do either.

Have we exhausted the power and influence of our sportsmen in the Congress to secure adequate appropriations to cover the withdrawal from the duck-stamp fund made necessary by the lack of these appropriations? I think not. A united effort on the part of the sportsmen and the conservation groups throughout the country to the Appropriation Committee ought to produce some substantial increase in these appropriations, in spite of any recommendation that the budget might make. Congress is responsive to sound arguments and reasons. We certainly have these on our side.

There is, furthermore, real comity existing between the Members of Congress and the various State game departments. You are home folks to them. They know of your work and your responsibility. They do not always know of your problems, but are willing to learn and understand them. In any drive on constructive wildlife legislation, your voice will be listened to with friendly understanding.

I believe that the Fish and Wildlife Service should be asked to prepare a report on the further needs of the refuge program. This report should cover all the wet lands along the coasts and the watered areas of the country. How many more refuge areas should be acquired to bring the program to a practical conclusion? Much of this data is already at hand. It would not require too much effort to put it together into cohesive and understanding form. We do know that there are continuing threats to drain these wet lands.

I assure you that in presenting this documentary material, I have not done so with any desire to be critical of the Fish and Wildlife Service and its various personnel during the time covered in this discussion. Each one in his own way has done his job as he saw it and I am sure that they have chafed at the bit because of the necessity for dipping into the duck-stamp money to do jobs for which appropriations should have been made.

I know of no better way to conclude this paper than to give you excerpts from three reports of the Fish and Wildlife Service. The first was made August 25, 1936, by Ira N. Gabrielson, then Chief of the Biological Survey and reads as follows:

"The Survey's program, while carrying no positive guaranty for the future of wildfowling, at least provides a more hopeful outlook on the situation. This program is based mainly on two very simple premises: To perpetuate the species and, incidentally, to provide for the future of the sport of wildfowling. We must have marshes where ducks can feed, rest, and breed, and areas where the birds can find suitable habitat in winter, and we must annually return an adequate breeding stock of all species to the nesting grounds."

Albert M. Day, Director of the Service in 1950, in his report for that year, said:

"Cost of development and operation (of the refuges) increased so rapidly that funds available from the migratory bird hunting stamp for land acquisition were critically reduced. * * * In the future, new waterfowl areas will be acquired throughout the country at critical points where land costs permit but emphasis must be placed also on proper development of existing refuges."

John L. Farley, the present Director of the Service, in his first annual report, said that "Acquisition of additional units in the National Wildlife Refuge system is becoming more difficult each year. Continued encroachment into the residual wetlands of the country by activities that discourage waterfowl use, such as agricultural drainage, industrial development, and oil and gas exploration, emphasizes the desirability of an accelerated land-acquisition program. Satisfactory progress has been made in refuge development with practically all operations being financed by proceeds from the $2 duck stamp and refuge receipts."

On these notes of optimism, I leave the situation with you.

Mr. METCALF. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Wisconsin. I yield to the gentleman from Montana.

Mr. METCALF. I compliment the gentleman from Wisconsin on the splendid statement he has made. Although he has been a Member of Congress only since last October, he has already demonstrated his alertness in always protecting the interests of the people of his district. This is a fine example. By calling attention to Mr. Shoemaker's splendid analysis of what has happened to the duck stamp funds, he is rendering a valuable service not only for the sportsmen of his district but is making available this information to the sportsmen and conservationists of the Nation.

A few more speeches such as the gentleman has made today may well result in the duck stamp money being returned to the funds where it belongs and used for the purpose for which it was originally intended.

THE COFFEE SHORTAGE HOAX

The SPEAKER pro tempore (Mr. VAN PELT). Under previous order of the House, the gentlewoman from Missouri [Mrs. SULLIVAN] is recognized for 15 minutes.

Mrs. SULLIVAN. Mr. Speaker, the coffee shortage has turned out to be a hoax. It is a hoax which has been swindling the American consumer out of an estimated $600 million a year in unnecessary increases in the price of coffee.

The facts which are now coming to light show that we have been taken. We have been the victims of a myth.

Since January 18, when I called to the attention of the House and to the administration and to the American people the alarming increases in coffee prices which I said at that time appeared to be attributable primarily to speculation and hoarding in anticipation of shortages, much has happened. The President announced that the Federal Trade Commission would make an investigation. That was nearly 5 months ago. A subcommittee of the Senate Banking and Currency Committee launched a much publicized investigation, but I have not heard anything from it lately. The Secretary of Agriculture has suggested people drink milk. Tours were arranged by Brazilian coffee interests to take clubwomen and editors through the frost areas of Brazil to show them why there has been such a shortage of coffee.

But meanwhile the price of coffee in the retail stores advanced week after week and day after day, and the coffee market in New York went wild as coffee futures prices soared. The cash price of coffee imports followed upward and jumped altogether from 58 cents a pound last November to 70 cents in late January, up to 82 cents in February, up to 93½ in March and 94½ cents in April. From 58 cents to 94½ cents in 6 months' time. It is now around 90 cents a pound—the import price of the green coffee bean.

I said in January that there was strong evidence that the frantic increase in coffee prices was the result of speculation and hoarding in anticipation of shortages rather than as a result of shortages.

The facts as reported by the Foreign Agricultural Service of the Department of Agriculture show that that is exactly what has happened. Prices were bid up in anticipation of shortages which did not exist and which did not occur and apparently will not occur:

The Department of Agriculture put it this way:

The potential short crop in 1954–55 in conjunction with greatly reduced carryover stocks have been the dominant factors in the marketing of the 1953–54 crop.

The marketing year is from July to July.

Now after acknowledging that it was in anticipation of shortages in the year beginning this coming July 1 that coffee prices in the United States shot up so drastically since last November, the Department then states:

Information received on weather conditions, acreages, and additional new plantings during the past few years lends credence to the belief that world production will not decline in 1954–55.

It further states:

That total coffee production of the Western Hemisphere nations should continue to rise despite the setback to Brazilian production.

Now all this indicates, Mr. Speaker, that the trigger which set off this frantic hoarding of coffee supplies—the anticipated shortages—was a false alarm. The lower production in Brazil apparently

is going to be made up by greater production elsewhere.

Meanwhile let us look at what actually happened on imports into the United States in the past year. I have stated on several occasions on the House floor that we seemed to be importing as much or more coffee than we were consuming. Now what does the Department of Agriculture say on this point?

They say:

In the 9 months, July 1953 to March 1954, the United States imported 16,600,000 bags of coffee (of about 132 pounds each), or 800,000 bags more than the imports for the comparable period of 1952–53.

I might say, Mr. Speaker, that coffee prices were pretty stable in that period compared to what has happened in this past year, yet, here the evidence shows we have imported an additional 800,000 bags or nearly 106 million pounds more than we did in the comparable period 1952–53. This further information is even more astounding in connection with the artificial price increase, for the Department of Agriculture says:

These imports during the current season—

That is from July 1953 to March 1954—

equal about 80 percent of annual requirements for the United States.

In 9 months or 75 percent of the year we have imported 80 percent of our annual requirements for coffee in the United States. Does that indicate the existence of a shortage? How is it with more coffee on hand than we had before, we are required to pay anywhere from $1.15 to $1.35 for a pound of our favorite brand of coffee? The answer appears clear—an artificial shortage resulting in a $600 million a year swindle of the American people.

As these facts become known, the price of coffee should come down, for there is no basis for its present astronomical level. But why has it been so difficult to get at these facts? Why has it been virtually impossible on the part of the Senate Banking and Currency Subcommittee to get at the facts long before this and expose the fraud? Why has it taken the Federal Trade Commission so many, many months to find out what appears to have been obvious right along—that this price increase which has cost the American housewife so dearly has been the result of speculation and hoarding in anticipation of shortages, real or imagined? When are we going to find out who profited from the artificial scarcity and the hoax of shortage and what windfall profits were made at the expense of the consumer? This situation would have been less likely to have occurred, Mr. Speaker, if the coffee exchange had been under the same regulations applying to other commodities. A bill to accomplish this was passed by the Senate by unanimous action months ago, but it has been buried in the House Committee on Agriculture. When are we going to take it up?

Despite the fact that coffee prices in the retail stores are at record levels, the Bureau of the Census has just reported that it is going to cease issuing monthly preliminary reports on coffee imports because there does not appear to be sufficient need for the information to justify the cost of preparing the reports. The House was good enough, Mr. Speaker, to agree to my amendment to the Commerce Department appropriation bill to require the Census Bureau beginning next month to collect regular statistics of the stocks of coffee on hand in the United States—presently a great gap in our information on this subject. I hope the Senate will agree to that amendment. Obviously, if the facts were generally known about the vast stocks of coffee on hand in the United States, it is inconceivable that the American people could have been swindled as they have been swindled since last November by the price increases which were put into effect in anticipation of reduced supplies beginning next month.

In conclusion, Mr. Speaker, I want to say that the extra $600 million a year we have been paying in unnecessary increases in the price of coffee has robbed the American people of necessary purchasing power at a time of business decline. It has taken coffee off the breakfast table in many American homes. It has been one of the worst examples of gouging the consumer which we have seen in this country in a long time. I am not sure what individuals or what business interests should be blamed personally and directly for this gouge. But I think it is up to our Government to find out. For I know that in a situation of this kind where we are completely dependent upon imports from abroad, the people do expect their Government to represent them and act in their behalf.

In this case our Government has sat with its hands folded and has done nothing. The Department of State washed its hands of the whole business in a letter to me on January 26 professing that there was nothing it could do about the matter.

Now the Department of Agriculture comes forward with the facts to show that the whole thing has been a fraud.

On behalf of the consumers of this country, Mr. Speaker, I want to voice the strongest protest of which I am capable against the official do-nothingness in this coffee situation which has cost us, as I said, about $600 million a year in artificial, unnecessary, unwarranted, unmoral, dishonest price increases for an article as generally used in the American household.

Mr. JOHNSON of Wisconsin. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield.

Mr. JOHNSON of Wisconsin. I commend the gentlewoman from Missouri [Mrs. SULLIVAN] for the wonderful fight she is making; this fight she has been making since the start of this session. I want to especially thank her on behalf of the coffee drinkers of the Ninth District of Wisconsin and especially the Americans of Scandinavian descent. I believe that probably my district is the largest coffee drinking district in the United States. If you come up into the rural towns in my district in Wisconsin at 10 o'clock in the morning and at 3 o'clock in the afternoon, you will find every businessman and everybody else out drinking coffee. I hope she will help us in the dairy fight that we are having, and if they do not bring the price of coffee down, I hope the gentlewoman will ask everybody to drink milk instead of coffee. As, of course, you know, we have a surplus of milk and dairy products in Wisconsin and Minnesota, and if everybody would drink a little more milk instead of coffee, I know the surplus would cease to exist. I recommend that all people dissatisfied with the price of coffee drink an extra glass of milk each day.

Mr. McCORMACK. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield.

Mr. McCORMACK. I congratulate the gentlewoman from Missouri [Mrs. SULLIVAN] not only for the able and effective speech which she has made today, but for the fine speech the gentlewoman made last January, as a result of which the country became alerted and became aware of the situation in regard to coffee. The speech of the gentlewoman today is a follow-up of her speech of last January, and shows that nothing has been done to date. It is an amazing situation when the people of America, as the gentlewoman from Missouri has so well said, and supported by the facts in her address, have been swindled and will continue to be swindled out of $600 million or more a year, without anything being done to date. The gentlewoman from Missouri [Mrs. SULLIVAN] has led a very able fight in this particular matter as well as in other matters, and her service in the House of Representatives reflects great credit upon the people of her district.

Mrs. SULLIVAN. I thank the gentleman from Massachusetts.

A MEASURE TO FACILITATE THE PERPETRATION OF FRAUD ON THE CONSUMING PUBLIC

Mr. MACK of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point and to include a letter and two resolutions.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MACK of Illinois. Mr. Speaker, the National Conference on Weights and Measures has recently labeled H. R. 8357 as a measure to facilitate the perpetration of a fraud on the consuming public. Approximately 3 weeks ago, on May 11, 1954, when the House was considering this bill to amend the Standard Container Act of 1928, I stood on the floor practically alone in opposition to this legislation. Among the reasons for my opposition to the bill, I stated that the proposed ⅜-bushel size would be deceptive in appearance in that it could easily be mistaken for the ½-bushel size by the consuming public.

My opinion in this respect has just recently been confirmed by the National Conference on Weights and Measures, which is a national body of weights and measures officials in State and local governments from all parts of the United States. In a resolution unanimously

adopted at its 39th national conference held in Washington, D. C., on May 21, 1954, at which 39 States were represented, including North and South Carolina, the conference went on record in opposition to H. R. 8357. The conference stated that the bill was not in the public interest because the contemplated ⅜-bushel basket was deceptive in appearance and that it would facilitate the perpetration of a fraud on the consuming public.

The National Conference on Weights and Measures is an organization comprised of State and municipal government officials throughout the United States which meets annually in Washington, D. C., under the sponsorship of the National Bureau of Standards. The objective of this organization is the promoting of uniformity in procedure and policy in the administration of weights and measures laws. The president of the Conference on Weights and Measures is the eminent Dr. A. V. Astin, Director of the National Bureau of Standards.

Mr. Speaker, I should like to include as part of my remarks two resolutions unanimously adopted by the National Conference on Weights and Measures with respect to H. R. 8357, which were forwarded to me along with a letter from Dr. Astin, its president:

UNITED STATES DEPARTMENT
OF COMMERCE, NATIONAL
BUREAU OF STANDARDS,
Washington, D. C., May 28, 1954.

The Honorable PETER F. MACK, JR.,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN MACK: In compliance with your request of May 25, we are enclosing copies of two resolutions adopted unanimously by the 39th National Conference on Weights and Measures with reference to H. R. 8357, a proposed bill to amend the United States Standard Container Act of 1928.

The National Conference on Weights and Measures had its beginning in January 1905, when, at the invitation of the National Bureau of Standards, a small group of men who either were already engaged in weights and measures administration or were interested in the subject gathered at the Bureau for a more or less informal consideration of how best to promote cooperation among all of the officials charged with the enforcement of weights and measures laws, to the end that the divergencies which then existed among the various jurisdictions in practically every phase of this service might be reduced, and the service, as a national institution, might be placed on a basis approaching uniformity, at least in its essential aspects.

The informal character of the organization has been preserved; that is, attendance at the meetings is not limited to a particular group, but the sessions are open to all who may be interested in any phase of weights and measures activity, and all may participate in the discussions.

The attendance during recent years has approximated 450, and includes State, county, and city weights and measures officials (a group comprising about 50 percent of those present), representatives of trade associations, railroads, businesses, and industries that have to do with the installation, maintenance, testing, or use of weighing or measuring equipment, representatives of manufacturers of commercial weighing and measuring devices, and others interested in the objects of the conference.

The National Conference on Weights and Measures is an unofficial organization in that it has no legal status and no authority to enforce its recommendations. Conference actions are recommended to the States and their political subdivisions for enactment, promulgation, or enforcement practice, as the case may be.

I should also point out that resolutions adopted by the National Conference on Weights and Measures do not necessarily reflect the official opinion of the National Bureau of Standards. When this Bureau is asked for comments on specific items of legislation, we refer such comments to the Office of the Secretary of Commerce and they are then incorporated in an official opinion of the Secretary of Commerce on the particular legislative matter. It is my understanding that the position of the Department of Commerce on H. R. 8357 was transmitted to Congressman CHARLES H. WOLVERTON on March 25, 1954.

If we can be of further service, please let us know.

Very truly yours,

A. V. ASTIN,
Director.

Whereas H. R. 8357, being an act to amend the Standard Container Act of May 21, 1928, is presently before the 83d Congress, 2d session; and

Whereas it is the considered opinion of the 39th National Conference on Weights and Measures, representing 39 States and the District of Columbia, in meeting assembled on the 21st day of May 1954, at Washington, D. C., that this proposed legislation is not in the public interest for the reason that the contemplated new ⅜-bushel-size container will tend to facilitate the perpetration of fraud in that the consuming public cannot readily distinguish the differences between this proposed new size of ⅜-bushel and the ½-bushel size heretofore authorized by the Standard Container Act of 1928 and may therefore be victimized by an unscrupulous vendor offering as and for ½ bushel a container of the size of ⅜ bushel: Therefore be it

Resolved, That this the 39th National Conference on Weights and Measures places itself on record as opposed to the enactment of said H. R. 8357.

REPRESENTATIVE AT SENATE HEARING

Whereas with respect to the resolution adopted by the 39th National Conference on Weights and Measures regarding H. R. 8357, it appears probable that a committee of the Senate of the United States may desire oral testimony from a member of this conference relative to the said resolution: Therefore be it

Resolved, That this 39th National Conference on Weights and Measures does appoint as its representative for this purpose Mr. John P. McBride, director of standards of the Commonwealth of Massachusetts; and be it further

Resolved, That if further hearings are held, Mr. McBride is authorized to attend and present testimony as the representative of this national conference, and the treasurer of the conference is authorized to reimburse Mr. McBride for the necessary expenses incidental to such representation.

ONLY DULY LICENSED LAWYERS SHOULD BE PERMITTED TO PRACTICE LAW

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, I have today introduced a bill which would prohibit the practice of law in the District of Columbia by anyone who is not duly licensed to practice law. It would also prohibit anyone appearing as an attorney at law in any court, or rendering legal services, or holding himself out to the public as being entitled to practice law.

The bill, if enacted would not apply with respect to the practice before any administrative agency, including the Tax Court.

It would make it unlawful for anyone not duly licensed to practice law to collect a fee, either directly or indirectly, for appearing as an attorney in any court, or for preparing deeds, mortgages, leases, and any other instruments affecting real estate or the disposition of property after death.

Any violation would be subject to a fine of $500 or imprisonment of not more than 1 year, or both.

This bill follows closely the law of the State of New York which condemns the drawing of papers and documents as the practice of law, by anyone other than those duly authorized and contains enforcement provisions which permit either criminal contempt proceedings to be brought against the offenders, or prosecution of the offenders for a misdemeanor.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. HYDE and to include extraneous matter.

Mr. FORAND and to include a copy of a bill and other extraneous matter.

Mr. O'HARA of Illinois in two instances and to include extraneous matter.

Mr. TRIMBLE.

Mrs. HARDEN (at the request of Mr. ARENDS) and to include additional matter.

Mr. HAYS of Arkansas (at the request of Mr. MCCORMACK) and to include additional matter.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 356. An act to amend the Railroad Retirement Act of 1937, as amended;

H. R. 3725. An act for the relief of Curtis W. Strong; and

H. R. 6477. An act for the relief of the Columbia Hospital of Richland County, S. C.

ADJOURNMENT

Mr. ARENDS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 4 minutes p. m.), under its previous order, the House adjourned until Monday, June 7, 1954, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1593. A letter from the Secretary of the Army, transmitting a draft of proposed leg-

islation entitled "A bill for the relief of Robert Burns DeWitt"; to the Committee on the Judiciary.

1594. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to the act approved July 1, 1948 (Public Law 863), amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

1595. A letter from the Secretary of the Air Force, transmitting a draft of legislation entitled "A bill to amend section 300 of the Servicemen's Readjustment Act of 1944 in relation to the entitlement of servicemen discharged or dismissed by court-martial to veterans' rights"; to the Committee on Veterans' Affairs.

1596. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated November 2, 1953, submitting a report, together with accompanying papers and illustrations, on a review of reports with a view to determining if it is advisable to construct a channel from Hatteras Inlet to Hatteras, N. C., at this time; and also a review of reports on Rollinson Channel, N. C., with a view to determining the advisability of providing breakwaters at the entrance to the harbor at the town of Hatteras, N. C. These investigations were requested by resolutions of the Committee on Rivers and Harbors, House of Representatives, and the Committee on Public Works, House of Representatives, adopted on June 19, 1945, and May 13, 1947, respectively (H. Doc. No. 411); to the Committee on Public Works and ordered to be printed, with illustrations.

1597. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated August 28, 1953, submitting a report, together with accompanying papers and an illustration, on a review of reports on Grays Harbor and Chehalis River, Wash., with a view to determining if it is advisable at this time to extend the 30-foot channel from Port Terminal No. 1 to Cosmopolis, requested by a resolution of the Committee on Public Works, House of Representatives, adopted on April 22, 1947 (H. Doc. No. 412); to the Committee on Public Works and ordered to be printed, with one illustration.

1598. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, dated January 21, 1954, submitting a report, together with accompanying papers and illustrations, on a review of reports on, and preliminary examinations and surveys of, Bayou Segnette Waterway, La., made pursuant to several congressional authorizations listed in the report (H. Doc. No. 413); to the Committee on Public Works and ordered to be printed, with two illustrations.

1599. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, dated November 12, 1953, submitting a report, together with accompanying papers and illustrations, on a partial preliminary examination and interim survey of harbors and rivers in Alaska. This interim report is submitted under the authority for a preliminary examination and survey of harbors and rivers in Alaska, with a view to determining the advisability of improvements in the interest of navigation, flood control, hydroelectric power, and related water uses, authorized by the Flood Control Act approved on June 30, 1948. It is also in final response to several congressional authorizations listed in the report (H. Doc. No. 414); to the Committee on Public Works and ordered to be printed, with two illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOPE: Committee on Agriculture. S. 1276. An act to amend the Bankhead-Jones Farm Tenant Act in order to increase the interest rate on loans made under title I of such act; with amendment (Rept. No. 1741). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOPE: Committee on Agriculture. H. R. 2762. A bill to amend the act of March 4, 1915 (38 Stat. 1086, 1101; 16 U. S. C. 497); with amendment (Rept. No. 1742). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOEVEN: Committee on Agriculture. H. R. 4928. A bill to authorize the Secretary of Agriculture to convey a certain parcel of land to the city of Clifton, N. J.; with amendment (Rept. No. 1743). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GRAHAM: Committee on the Judiciary. S. 171. An act for the relief of Mrs. Irma Benjamin; without amendment (Rept. No. 1705). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 234. An act for the relief of Thomas Szabo; without amendment (Rept. No. 1706). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 235. An act for the relief of Rev. Armando Fuoco; without amendment (Rept. No. 1707). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 347. An act for the relief of George Taipale; without amendment (Rept. No. 1708). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 366. An act for the relief of Sister Concepta (Ida Riegel); without amendment (Rept. No. 1709). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 428. An act for the relief of Dr. Chih Chiang Teng; without amendment (Rept. No. 1710). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 445. An act for the relief of Felicitos Valerina Margaret Hauke; without amendment (Rept. No. 1711). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 507. An act for the relief of Mrs. Eleanor Emilie Nell; without amendment (Rept. No. 1712). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 518. An act for the relief of Sister Marie Therese De Galzain; without amendment (Rept. No. 1713). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 552. An act for the relief of Anna Urwicz; without amendment (Rept. No. 1714). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 584. An act for the relief of Rosa Euler and her minor child; without amendment (Rept. No. 1715). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 614. An act for the relief of Eero and Tina and Karina Waskinen; without amendment (Rept. No. 1716). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 629. An act for the relief of Igor Michael Bogolepov (alias Ivar Nyman) and Margaret Johanna Bogolepov (alias Margaret Johanna Nyman); without amendment (Rept. No. 1717). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 653. An act for the relief of Metorima Shizuko; without amendment (Rept. No. 1718). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 662. An act for the relief of Julie Nicola Frangou; without amendment (Rept. No. 1719). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 740. An act for the relief of Santa Muciaccia (Sister Maria Fridiana), Teresa Saragaglia (Sister Maria Eutropia), and Caterina Isonni (Sister Maria Giovita); without amendment (Rept. No. 1720). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 757. An act for the relief of Frank Bastinelle; without amendment (Rept. No. 1721). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 769. An act for the relief of Mrs. Robert M. Roskos (formerly Maria E. Laedel); without amendment (Rept. No. 1722). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 809. An act for the relief of Vittoria Sperti; without amendment (Rept. No. 1723). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 860. An act for the relief of Juanita Andrada Lach and Leticia Androda Lach; without amendment (Rept. No. 1724). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 924. An act for the relief of Sofia B. Panagoulopoulos Kanell; without amendment (Rept. No. 1725'. Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 929. An act for the relief of Cleopatra Stavros Milionis; without amendment (Rept. No. 1726). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 930. An act for the relief of Martin Anthony Beekman; without amendment (Rept. No. 1727). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1073. An act for the relief of Mary Shizue Hirano; without amendment (Rept. No. 1728). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1112. An act for the relief of Letizia Maria Genoveffa Lo Bianco; without amendment (Rept. No. 1729). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1128. An act for the relief of Fermo Breda; without amendment (Rept. No. 1730). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1135. An act for the relief of Stamatios James Bratsanos; without amendment (Rept. No. 1731). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1155. An act for the relief of Giuseppe Bentivegna; without amendment (Rept No. 1732). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1156. An act for the relief of Dr. Jagannath P. Chawla; without amendment

(Rept. No. 1733). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1290. An act for the relief of Ruth Sonin; without amendment (Rept. No. 1734). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1296. An act for the relief of Elfriede Hall; without amendment (Rept. No. 1735). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1395. An act for the relief of Manasseh Moses Manoukian, Elize Manoukian, nee Kardzair, and Socrat Manoukian, also known as Socrates Manoukian; without amendment (Rept. No. 1736). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1430. An act for the relief of Ruth Johanna Heidenreich; without amendment (Rept. No. 1737). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1478. An act for the relief of Chung Keun Lee (Thung Kuen Lee); without amendment (Rept. No. 1738). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1594. An act for the relief of Berenice Catherine Montgomery; without amendment (Rept. No. 1739). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1661. An act for the relief of Erna Prange Blanke; without amendment (Rept. No. 1740). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1682. An act for the relief of Branimir V. Popovitch and Mila B. Popovitch; without amendment (Rept. No. 1744). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1696. An act for the relief of Dr. Mourad Arnoux; without amendment (Rept. No. 1745). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1734. An act for the relief of Rosa Stephan; without amendment (Rept. No. 1746). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1808. An act for the relief of Hildegard Monti; without amendment (Rept. No. 1747). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1955. An act for the relief of Giorgio Salvini Thompson; without amendment (Rept. No. 1748). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 2243. An act for the relief of Seiko Nagai and her minor child; without amendment (Rept. No. 1749). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 2360. An act for the relief of Jacob Vandenbergh; without amendment (Rept. No. 1750). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 2438. An act for the relief of Maria Teresa Rossi; without amendment (Rept. No. 1751). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 2596. An act for the relief of Lucy Mao Mei-Yee Li; without amendment (Rept. No. 1752). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. Senate Concurrent Resolution 75. Concurrent resolution favoring the suspension of deportation of certain aliens; with amendment (Rept. No. 1753). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. House Concurrent Resolution 227. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens; with amendment (Rept. No. 1754). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California (by request):

H. R. 9427. A bill to amend sections 246, 247, and 412 of the Canal Zone Code, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DONOVAN:

H. R. 9428. A bill to provide that certain former members of the Polish armed forces residing in the British Isles may be admitted to the United States under the Refugee Relief Act of 1953 without presenting the certificate of readmission required by section 7 (d) of that act; to the Committee on the Judiciary.

By Mr. DORN of New York (by request):

H. R. 9429. A bill to provide that certain expenses of the Panama Canal Company and the Canal Zone Government shall be paid from tolls, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. FORAND:

H. R. 9430. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment-insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. MULTER:

H. R. 9431. A bill relating to the practice of law in the District of Columbia; to the Committee on the District of Columbia.

By Mrs. ROGERS of Massachusetts:

H. R. 9432. A bill to provide an immediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense; to the Committee on Merchant Marine and Fisheries.

By Mrs. SULLIVAN (by request):

H. R. 9433. A bill to provide that certain expenses of the Panama Canal Company and the Canal Zone Government shall be paid from tolls, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. VAN PELT:

H. R. 9434. A bill to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for the maintenance of the Merchant Marine Academy; to the Committee on Merchant Marine and Fisheries.

By Mr. WILSON of Indiana:

H. R. 9435. A bill to remove the prohibition against payment of pensions to widows and children of deceased wartime veterans whose annual incomes exceed certain amounts; to the Committee on Veterans' Affairs.

By Mr. WOLVERTON (by request):

H. R. 9436. A bill to improve the administration of the public airports in the Territory of Alaska; to the Committee on Interstate and Foreign Commerce.

By Mr. RAY:

H. Res. 574. Resolution for the appointment of a Committee To Investigate Governmental Contributions to the Spread of Communism; to the Committee on Rules.

By Mr. DORN of New York:

H. Res. 575. Resolution for the appointment of a Committee To Investigate Governmental Contributions to the Spread of Communism; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California:

H. R. 9437. A bill for the relief of Kim Joong Yoon; to the Committee on the Judiciary.

By Mr. BENDER:

H. R. 9438. A bill for the relief of Mrs. Sonia (Sussel) Schulman; to the Committee on the Judiciary.

By Mr. DONOVAN:

H. R. 9439. A bill to adjust the status of a displaced person in the United States who does not meet all the requirements of section 4 of the Displaced Persons Act; to the Committee on the Judiciary.

By Mr. HERLONG:

H. R. 9440. A bill for the relief of Ingeborg Elizabeth Davis (nee Eisenreider); to the Committee on the Judiciary.

By Mr. JONAS of Illinois:

H. R. 9441. A bill for the relief of Bernard J. Hoffman, doing business under the trade name Pyro Guard Service Co.; to the Committee on the Judiciary.

By Mr. MAHON:

H. R. 9442. A bill for the relief of Viviane Lucienne Therese Felicie Renee Vennin Carter (Mrs. Billy Ray Carter); to the Committee on the Judiciary.

By Mr. RAY:

H. R. 9443. A bill for the relief of the legal guardian of Frederick Redmond; to the Committee on the Judiciary.

By Mr. REECE of Tennessee:

H. R. 9444. A bill conferring jurisdiction upon the United States District Court for the Eastern District of Tennessee to hear, determine, and render judgment upon any claim arising out of personal property damage sustained by the Security Feed & Seed Co., of Johnson City, Tenn.; to the Committee on the Judiciary.

By Mr. ROBERTS:

H. R. 9445. A bill for the relief of Mrs. Hester Bynum; to the Committee on the Judiciary.

By Mr. YORTY:

H. R. 9446. A bill for the relief of Jesus Ochoa-Tinajero; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

984. By Mr. HAGEN of Minnesota: Petition of Mrs. Robert McWaters of Crookston, Minn., and of 10 other residents and citizens of Crookston, Minn., urging favorable support of the Bryson bill, H. R. 1227, to prohibit the transportation in interstate commerce of alcoholic beverages, advertising in newspapers, periodicals, etc., and its broadcasting over radio and television; to the Committee on Interstate and Foreign Commerce.

985. By Mr. HESELTON: Petition of Mrs. Edmund M. Morgan and others of Northfield, Mass., urging support of H. R. 1227, the so-called Bryson bill; to the Committee on Interstate and Foreign Commerce.

986. By Mr. GOODWIN: Petition of G. Ernest Bell and others of Stoneham, Mass., urging the passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

987. Also, petition of Rev. Francis W. Hensley and others of Stoneham, Mass., urging the passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

988. By Mr. PHILBIN: Petition of Rev. Edwin S. Dahl and others favoring the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

989. Also, petition of Rev. George E. Foye and others favoring the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

990. By the SPEAKER: Petition of the peace committee, New England Conference of the Methodist Church, Melrose, Mass., urging full support for United Nations, economic aid, and universal disarmament; to the Committee on Foreign Affairs.

991. Also, petition of the State secretary, Grand Council of Virginia, Order Fraternal Americans, Harrisonburg, Va., petitioning consideration of their resolutions adopted at the annual session in Richmond, Va., May 17 and 18, 1954, dealing with communism, protection of State laws, and immigration and naturalization; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Federal Aid to Education in Federally Impacted Areas

EXTENSION OF REMARKS
OF
HON. DeWITT S. HYDE
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 3, 1954

Mr. HYDE. Mr. Speaker, I should like to urge upon the Congress the absolute necessity for the approval by this Congress of the maximum amount of funds possible for Federal aid for school construction in federally impacted areas.

In my own congressional district, which includes the impacted areas of Frederick County and Montgomery County, part of which borders the Nation's Capital, there is an urgent need for Federal financial assistance for school construction. For example, the school population in Montgomery County has increased almost 100 percent in the last 4 years. Most of this can be traced directly to the tremendous growth of Government in the last 15 years. An area such as this has practically no tax support from commerce and industry. It is absolutely essential that the Federal Government in such an area, where the Government itself is the business which has induced the rapid increase in population, bear part of the cost of constructing school facilities to take care of the families brought into the community.

I should also like to call to the attention of Congress the need for an early decision on the matter of payments in lieu of taxes to local governments on Federal property located throughout the States. This is the most realistic basis for help to those communities into which the business of Government brings large numbers of people for whom the local government must supply all the necessary services such as schools, streets, roads, drainage, sewers, police and fire protection, and the like.

The Government in Business—Paint Manufacturing

EXTENSION OF REMARKS
OF
HON. CECIL M. HARDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 3, 1954

Mrs. HARDEN. Mr. Speaker, I am pleased to direct the attention of the House to a report prepared by the Intergovernmental Relations Subcommittee, of which I have the honor to be chairman, on the subject of the Government in Business—Paint Manufacturing. The report was unanimously approved by the full Committee on Government Operations on May 19, 1954, and submitted to the House on May 25, 1954—House Report 1672. Following are the conclusions and recommendations included in the report:

The Navy alone of all Government agencies considers it necessary to manufacture paint. The Army, the Air Force, Coast Guard, Maritime Commission, and practically every important department or agency use paint to a considerable extent. These agencies buy their needs from industry.

The national industry production of paint is some 200 million gallons, with a value of $1,357,370,000 per year. The industry has tremendous capacity with more than 1,000 manufacturers scattered through every section of the United States.

The Navy's production even in wartime was only 3 percent of the national production. Except for a few items of plastic paints which are not now competitive, all Navy paints are in the competitive field and can be produced commercially.

Prior to May 1953, the Navy was heavily engaged in the manufacture of paint and was producing approximately 150 different types. In fiscal year 1953 the Navy produced 5,456,164 gallons, and its production in 1945 was 16,369,857 gallons. By directive issued by the Secretary of the Navy on May 28, 1953, production of paint was limited to 28 types, and it is expected that total gallonage for the fiscal year 1954 will not exceed 2,901,000 gallons. This is less than 1½ percent of the estimated 200 million gallons of paint annually produced by commercial manufacturers.

The Department of the Navy was well aware of this subcommittee's interest in its paint-manufacturing activities, but whether or not the subcommittee's interests stimulated the Secretary to issue his directive of May 28, 1953, the subcommittee was gratified that this action was taken administratively, but continued its investigation with respect to the remaining 28 types of paint which the Navy continued to manufacture.

The Navy contends that quality, particularly with respect to shipbottom paints, is of extreme importance, affecting the range, fuel consumption, preservation, and total operational effectiveness of the fleet. The subcommittee agrees. The Navy further contends that proper quality control can be achieved effectively and economically only if the Navy manufactures such paints itself. With this the subcommittee does not agree, being convinced that inspection and other supervisory procedures can effectively insure quality paints manufactured by private industry.

In House Report No. 1197, filed February 9, 1954, the Committee on Government Operations concluded that the burden was upon the Government to prove unusual circumstances as justification for engaging in the manufacture of items satisfactorily obtainable from private industries.

After detailed hearings and a careful consideration of the facts, the subcommittee concludes that the Navy should further restrict its paint-manufacturing operations.

The subcommittee recommends that manufacture of all paint items, except the plastics, shipbottom, and antifouling paints, which are covered by patent, should be discontinued as rapidly as is consistent with sound and economical practices and with due concern for maintaining uniformly high quality paint procured from commercial sources, and for relocation of affected personnel.

With respect to plastics, the Navy should endeavor to develop commercial sources in order to insure that requirements can be met and should, at the same time, progressively reduce its manufacture of this type of paint at the earliest date practicable.

The General Accounting Office has been requested to investigate and report to the subcommittee as to the history and development of the plastic paints, the contributions, if any, of the Government through funds, facilities, personnel, or otherwise, and whether or not the patent rights should be exclusively held by private individuals.

The Navy should continue intensive research activities on paints through an integrated program within the Department of Defense and in full cooperation with other interested agencies and the industry. Adequate testing facilities must be available to insure full contract compliance.

Mountain Home, Ark., High School

EXTENSION OF REMARKS
OF
HON. JAMES W. TRIMBLE
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 3, 1954

Mr. TRIMBLE. Mr. Speaker, the people of Baxter County, Ark., and all Arkansas for that matter, are proud of the graduating class of the Mountain Home High School who visited Washington this week.

The class with their sponsors, Ike Sharp, Mrs. Buna Linebarger, and Mrs. Rex Yerby, spent 3 days here visiting historic sites in and about the Nation's Capital. On Tuesday they visited Arlington, on Wednesday they visited the Capitol, sat in the hall of the House of Representatives where Congress meets and saw the House in session, visited the Senate, the Library of Congress, and the Supreme Court, where they had luncheon. In the afternoon they took the boat trip to Mount Vernon and visited the home and grounds of our first President. On Thursday they went to

the National Airport and witnessed the arrival of Turkish Prime Minister Adnan Menderes, visited the FBI, and the Smithsonian Institution.

All of us are proud of this fine, wholesome group of young Americans. They are a credit to their school and their country.

The members of the class are: Dale Tipton, Janette Pitts, Carl Yates, Wayne Treat, Joyce Sherman, Duane Treat, Anna Mae McCalmont, Mary Porter, Betty Morris, Velma Sue Bradley, Mary Sue Bowling, Ella Faye Hargrave, Rex McGuire, Jim Nelson, Danny Benedict, Johnny Perkins, Jerry Scott, Wanda Morris, Ruby Simpson, Bonnie Gillette, Gary Skiver, Earl Wall, James Rains, Frank Rapin, Roy Burns, Ruth Louise Baker, Russell Langston, Bob Fouts, Duane Pitchford, George Mayfield, Lester Butterfield, George Wicker, Normon Martin, Henry Shearer, Pat Boone, Johnna Lee Summers, Carmen Hattman, Arthaline Quick, Joan Paris, Mary Lou Gilliland, Joan Jordan, Richard Koop, Harley Harris, Bonnie Sinor, Lual Bell Pickens, Homer Bromund, Alice Mae Beane, Onis Gibson, Marilyn Duro, Marlys Dahlen, Reba Tilley, Carol Baer, Don Hubbell, David Owen, Betty Bolding, Shirley Hickman, Mary Marie Reynolds, Linda House Gladney, and Gerald Stevens.

The Honorable Lindsay C. Warren, an Inspiring Example for the Public Service

EXTENSION OF REMARKS
OF
HON. BROOKS HAYS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 3, 1954

Mr. HAYS of Arkansas. Mr. Speaker, the recent retirement of Hon. Lindsay C. Warren as Comptroller General draws attention to one of the finest careers which our Nation has produced, and many young men, both in the executive and legislative departments of the Government, find in his example a constant inspiration. His service in Washington, totaling almost 30 years, was divided about equally between the Congress and the General Accounting Office, and his record offers a convincing refutation of the cynical view that the rewards of Washington service are too meager to attract men of stature. It is true that many with an ambition to serve in the Federal Government have turned to other vocations, either through insufficient urging from within or because of unusual financial requirements. While it may be anticipated that public appreciation of the role of the civil servant will result in increased monetary rewards, it is unlikely that the disparity between incomes in the Government service and private business will be substantially reduced.

Foremost among the attractions that draw men of ability into the ranks of Government must be the satisfaction that goes with human service on a large scale. An occasional betrayal shocks us, but for every act of malfeasance there are thousands of faithful performances, and it is my opinion, Mr. Speaker, that public recognition of this quality in our Nation's life is on the increase. Lindsay Warren's career is monumental, and it has been properly acclaimed as outstanding; but that career's foundation was integrity, and in that sense it is typical of the Capital's legions who continue to find an honorable outlet in their Government's service.

Unemployment Compensation Standards Act of 1954

EXTENSION OF REMARKS
OF
HON. AIME J. FORAND
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 3, 1954

Mr. FORAND. Mr. Speaker, on behalf of myself and cosponsors, I am introducing today a bill to provide urgently needed amendments to our unemployment compensation laws.

The following Democratic Members of this House join me in sponsoring this bill:

Hon. HUGH J. ADDONIZIO, of New Jersey; Hon. CLEVELAND M. BAILEY, of West Virginia; Hon. WILLIAM A. BARRETT, of Pennsylvania; Hon. JOHN A. BLATNIK, of Minnesota; Hon. EDWARD P. BOLAND, of Massachusetts; Hon. RICHARD BOLLING, of Missouri; Hon. VERA BUCHANAN, of Pennsylvania; Hon. ROBERT C. BYRD, of West Virginia; Hon. JAMES A. BYRNE, of Pennsylvania; Hon. A. S. J. CARNAHAN, of Missouri; Hon. EMANUEL CELLER, of New York; Hon. EARL CHUDOFF, of Pennsylvania; Hon. ROBERT CROSSER, of Ohio; Hon. JOHN J. DEMPSEY, of New Mexico; Hon. JOHN G. DINGELL, of Michigan; Hon. THOMAS J. DODD, of Connecticut; Hon. HAROLD D. DONOHUE, of Massachusetts; Hon. HERMAN P. EBERHARTER, of Pennsylvania; Hon. MICHAEL A. FEIGHAN, of Ohio; Hon. SIDNEY A. FINE, of New York; Hon. JOHN E. FOGARTY, of Rhode Island; Hon. SAMUEL N. FRIEDEL, of Maryland; Hon. EDWARD A. GARMATZ, of Maryland; Hon. THOMAS S. GORDON, of Illinois; Hon. WILLIAM T. GRANAHAN, of Pennsylvania; Hon. WILLIAM J. GREEN, JR., of Pennsylvania; Hon. EDWARD J. HART, of New Jersey; Hon. WAYNE L. HAYS, of Ohio; Hon. CHET HOLIFIELD, of California; Hon. LESTER HOLTZMAN, of New York; Hon. CHARLES R. HOWELL, of New Jersey; Hon. LESTER R. JOHNSON, of Wisconsin; Hon. FRANK M. KARSTEN, of Missouri; Hon. ELIZABETH KEE, of West Virginia; Hon. AUGUSTINE B. KELLEY, of Pennsylvania; Hon. EDNA F. KELLY, of New York; Hon. EUGENE J. KEOGH, of New York; Hon. CECIL R. KING, of California; Hon. MICHAEL J. KIRWAN, of Ohio; Hon. ARTHUR G. KLEIN, of New York; Hon. THOMAS J. LANE, of Massachusetts; Hon. JOHN LESINSKI, JR., of Michigan; Hon. GEORGE S. LONG, of Louisiana; Hon. EUGENE J. MCCARTHY, of Minnesota; Hon. JOHN W. MCCORMACK, of Massachusetts; Hon. THADDEUS M. MACHROWICZ, of Michigan; Hon. PETER F. MACK, JR., of Illinois; Hon. RAY J. MADDEN, of Indiana; Hon. DON MAGNUSON, of Washington; Hon. LEE METCALF, of Montana; Hon. HOWARD S. MILLER, of Kansas; Hon. ROBERT H. MOLLOHAN, of West Virginia; Hon. MORGAN M. MOULDER, of Missouri; Hon. ABRAHAM J. MULTER, of New York; Hon. GEORGE D. O'BRIEN, of Michigan; Hon. LEO W. O'BRIEN, of New York; Hon. THOMAS J. O'BRIEN, of Illinois; Hon. BARRATT O'HARA, of Illinois; Hon. THOMAS P. O'NEILL, JR., of Massachusetts; Hon. OTTO E. PASSMAN, of Louisiana; Hon. CARL D. PERKINS, of Kentucky; Hon. GRACIE PFOST, of Idaho; Hon. PHILIP J. PHILBIN, of Massachusetts; Hon. JAMES G. POLK, of Ohio; Hon. MELVIN PRICE, of Illinois; Hon. LOUIS C. RABAUT, of Michigan; Hon. GEORGE M. RHODES, of Pennsylvania; Hon. PETER W. RODINO, JR., of New Jersey; Hon. BYRON G. ROGERS, of Colorado; Hon. JOHN J. ROONEY, of New York; Hon. FRANKLIN D. ROOSEVELT, of New York; Hon. ROBERT T. SECREST, of Ohio; Hon. JOHN F. SHELLEY, of California; Hon. ALFRED D. SIEMINSKI, of New Jersey; Hon. BRENT SPENCE, of Kentucky; Hon. HARLEY O. STAGGERS, of West Virginia; Hon. MRS. JOHN B. SULLIVAN, of Missouri; Hon. ROY W. WIER, of Minnesota; Hon. HARRISON A. WILLIAMS, of New Jersey; Hon. EDWIN E. WILLIS, of Louisiana; Hon. CLEMENT J. ZABLOCKI, of Wisconsin; Hon. GEORGE P. MILLER, of California.

We are agreed that the unemployment situation in the United States requires that action be taken now to cushion our economy against a trend that threatens to become a serious and prolonged period of unemployment resulting in a severe contraction of buying power, and eventually a curtailment of production.

Several Republicans have informed me that they favor this bill, but are reluctant to join us in sponsoring it, because they want to support an administration measure if one is introduced.

However, they have told me that within a few days they plan to introduce a bill similar to ours because they believe, as we do, that now is the time for action.

Chairman DANIEL A. REED announced on May 27 that the Committee on Ways and Means will hold public hearings on unemployment compensation beginning June 8. It is my hope that the committee will agree to include our bill in the list of bills on which the hearings will be held.

Under leave, already granted me, to extend my remarks, I include herewith, first, a statement on the need for an unemployment compensation standards bill; second, an explanation of what our bill provides; third, the administration's position in favor of amending existing law; fourth, a summary of our bill; and fifth, a copy of our bill.

THE NEED FOR A FEDERAL UNEMPLOYMENT COMPENSATION STANDARDS BILL

The original intent of the supporters of the Social Security Act of 1935 and of State laws enacted in conformity therewith was to provide unemployment com-

pensation payments equal to at least 50 percent of full-time weekly wages, up to a maximum of two-thirds of such wages, as provided in some State workmen's compensation laws enacted many years earlier.

The Federal-State system of unemployment compensation has strengthened and stabilized the national economy. It has promoted and provided for the general welfare by shoring up purchasing power in periods of adjustment, recession, and depression.

Now, however, payments have fallen behind wages and the cost of living. They average only one-third of wages. They are inadequate both in weekly amount and in number of weeks' duration. Employers eager to cut their contribution rates have prevailed on legislatures to hold down benefits, litter State laws with land mines to penalize and disqualify insured workers.

In order to implement the original purpose of the unemployment compensation title of the original Social Security Act of 1935 and the Employment Act of 1946, it is necessary to enact a Federal Unemployment Compensation Standards Act that will prevent unfair competition among States and employers. Such standards would govern minimum and maximum payments, number of weeks duration, and limit the levying of extended waiting periods, outright disqualification, and other requirements and penalties.

An outline of a bill I am introducing today with broad bipartisan support follows:

FEDERAL UNEMPLOYMENT COMPENSATION STANDARDS BILL

The proposed Federal unemployment compensation standards bill would continue the present Federal-State unemployment compensation system. It would, however, correct inadequacies in the present State laws by imposing additional standards which States would have to meet as a condition of employers getting credit against the Federal unemployment tax.

Such Federal standards would be effective July 1, 1955, allowing a sufficient period for all State legislatures to meet and enact necessary amendments to State laws.

For the period from 30 or 60 days after passage to July 1, 1955, however, States would have to pay benefits at levels up to the benefit standards with the Federal Government bearing 100 percent of the cost of such excess benefits.

The proposed bill should have the following provisions:

I. BENEFITS

The maximum primary benefit payable under State laws shall be not less than 66⅔ percent of the State's average weekly wage. Subject to this maximum, each individual's primary benefit shall be not less than 50 percent of his weekly wages. (President Eisenhower and Secretary of Labor Mitchell on February 16, 1954 urged the States to adopt such standards. No State has done so.)

II. DURATION

Benefits shall be payable to all unemployed insured individuals for a period of not less than 39 weeks. (Twenty-two States now have 26 weeks; President Eisenhower and Secretary Mitchell urged the other 26 to do the same; only 1, Michigan, has acted to do so.)

III. DISQUALIFICATIONS

A. An individual who is able to work and available for suitable work may be disqualified only for the following reasons and for periods not in excess of those noted:

(a) Leaving suitable work without good cause (including good personal reasons) for a period not in excess of 4 weeks;

(b) Discharge for misconduct connected with the work—for a period not in excess of 4 weeks;

(c) Refusing suitable work without good cause (including good personal reasons) for a period not in excess of 4 weeks;

(d) For any week in which his unemployment is due to a stoppage of work which exists because of a strike at the unemployed worker's plant, provided that unemployment due to a strike occasioned by the following actions of the employer shall be compensated:

(1) The failure or refusal of the employer to conform to Federal or State laws pertaining to collective bargaining or to wages, hours, or other conditions of work;

(2) The employer's insistence on wages, hours, or other conditions of work less favorable than those prevailing for similar work in the locality.

B. Standards of suitability of work are spelled out in the bill along the lines of the standards contained in section 1603 (a) (5) of the Internal Revenue Code. In addition, the bill sets forth general criteria which would have to be taken into account in determining whether the disqualification for refusing or leaving work should be applied.

IV. COVERAGE

Would be made virtually coextensive with the coverage of the old age and survivors insurance program.

A. Employers who have one or more individuals in their employ at any time during the taxable year will be covered.

B. Service performed for another shall be employment irrespective of whether the common law relationship of master and servant exists.

V. FINANCING

A. States would be permitted to provide for uniform rate reductions to all employers as well as individual experience-rated reductions.

B. Proceeds of the Federal Unemployment Tax Act will be earmarked in a Federal Unemployment account in the Federal Treasury. Such account will be used for (a) paying the Federal and State administrative expenses (including the establishment of a contingency fund) and (b) reinsurance grants to those States who are in financial difficulty because of high rates of unemployment.

(For a description of the current unemployment situation and the need for improved unemployment compensation standards, see Representative AIME J. FORAND'S speech "Unemployment Situation Requires Action Now," CONGRESSIONAL RECORD, May 3, 1954, pp. 5899–5901.)

APPENDIX A

EISENHOWER ADMINISTRATION'S POSITION ON UNEMPLOYMENT COMPENSATION BENEFITS AND DURATION AND SUPPORTERS OF THAT POSITION

1. President Eisenhower's Economic Report:

The report says: "Unemployment insurance is a valuable first line of defense against recession. * * * But even as a first defense, the system needs reinforcement."

Among the specific proposals are:

(a) Benefits: "It is suggested that the States raise these dollar maximums so that the payments to the great majority of the beneficiaries may equal at least half their regular earnings."

In order to provide the great majority of the workers benefits equal to at least half their wages, the maximums would have to be increased to a level substantially above 50 percent of the average wage.

(b) Duration: "It is urged, therefore, that all of the States raise the potential duration of unemployment benefits to 26 weeks, and that they make the benefits available to all persons who have had a specified amount of covered employment or earnings."

2. Secretary of Labor Mitchell's letter to State governors dated February 16, 1954:

(a) Benefits: "At its most recent meeting in January the Federal Advisory Council on Employment Security took action supporting the President's recommendations on improving weekly benefits. The Council recommended that in each State, the maximum weekly benefit amount should be equal to at least 60 to 67 percent of the State's average weekly wage."

(b) Duration: "The President has urged that all States provide 26 weeks of benefits uniformly to all eligible claimants, in order to assure that even in a minor business downturn most workers would remain protected by the program until they could find other jobs."

3. Letter of Assistant Secretary of Labor Rocco C. Siciliano to heads of State unemployment compensation agencies dated February 16, 1954:

(a) Benefits: "As also pointed out in the letter to your Governor a recent recommendation of the Federal Advisory Council, in line with the President's Economic Report, suggests as a ceiling on weekly benefits that weekly maximums be equal to 60 to 67 percent of the State's average weekly wage."

(b) Duration: "* * * by providing all eligible workers with 26 weeks of benefits, the effectiveness of the program in relieving unemployment distress and as a counter-recessionary device will be greatly strengthened."

4. Federal Advisory Council recommendation:

(a) Benefits: The Federal Advisory Council, a tripartite, labor-management-public body, recommend that "* * * as expeditiously as possible the maximum weekly benefit in each State be raised to an amount not less than three-fifths to two-thirds of average weekly earnings in covered employment."

This recommendation was adopted after the Council had had presented to it and had rejected a proposal to relate benefits to take-home pay rather than average weekly earnings.

(b) Duration: The Federal Advisory Council had also gone on record on an earlier occasion in favor of a uniform 26 weeks duration for all unemployed workers.

5. National Conference on Labor Legislation:

The 20th National Conference on State Labor Legislation convened by the Federal Government, with governors' delegates from State labor departments and organized labor in 41 States and Territories, unanimously adopted a resolution supporting President Eisenhower's recommendations with respect to unemployment compensation benefit levels and duration. The resolution said: (a) "* * * maximum benefit amounts shall be not less than two-thirds of the average weekly wage in covered employment"; (b) "duration of the period in which benefits shall be payable to eligible unemployed workers shall not be less than 26 weeks."

6. Joint Congressional Committee on the Economic Report.

The Joint Congressional Committee on the Economic Report, composed of both Democrats and Republicans from both Houses of Congress, was unanimously agreed on that part of the committee's report which says:

"We commend the President's suggestion that the States should raise the potential duration of benefits and their dollar maximums on weekly benefits so that payments to the great majority of beneficiaries may be restored to a larger percentage relative to their regular earnings."

But it is now plain that the States will not do what President Eisenhower recommends.

Unemployment is a national problem. National action is needed. The Congress must act now at least to do what President Eisenhower, Secretary Mitchell, the Federal Advisory Council, and the 1954 National Conference on Labor Legislation agree is necessary to strengthen purchasing power and the national economy and to go further in extending benefits to 39 weeks.

The time for action is now, before more ground is lost.

SUMMARY OF FEDERAL UNEMPLOYMENT COMPENSATION STANDARDS BILL

The bill's findings of fact and statement of purpose:

To provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment-insurance program, and for other purposes.

The Congress finds that—

(1) The systems of unemployment compensation as now constituted and administered throughout the several States are failing to carry out the purposes and objectives of employment stabilization and security against unemployment which were sought to be achieved by the enactment of the Social Security Act of 1935;

(2) There are substantial categories of workers and employees who, though needful of the benefits afforded by unemployment compensation, are not covered for such benefits;

(3) The amounts of unemployment compensation payable to unemployed persons who are covered are in most cases inadequate to provide the worker and his family with the basic necessities of life;

(4) Many and, in some cases, unreasonable terms and conditions are imposed upon eligibility to receive unemployment compensation, thus depriving many unemployed workers and their families of the benefits of unemployment compensation; and

(5) There are great disparities between the States with respect to the terms and conditions under which workers may become eligible for unemployment compensation as well as with respect to the amount of such compensation and the length of time for which it is paid.

Therefore, it is the purpose of the Congress in order to achieve the goals of employment stabilization and security against unemployment and in order to strengthen the economy and provide for the welfare of the Nation and to extend to certain new categories of workers the benefits of unemployment compensation, to prescribe certain uniform minimum standards with respect to the terms and conditions under which unemployment compensation will be paid as well as to the amounts and the length of time for which such compensation will be payable and to otherwise extend, revise, and improve the unemployment-compensation program.

Section 2 of the bill establishes additional standards which a State law must meet in order to be certified by the Secretary of Labor for the purpose of permitting credit against the Federal tax for employer contributions under the State law. The additional standards cover the following areas: (1) Eligibility and disqualification provisions of State law; (2) the maximum and minimum weekly benefit amounts provided by the State law; and (3) the duration for which benefits are payable under the State law.

1. ELIGIBILITY AND DISQUALIFICATION

Section 2 permits a State to disqualify an individual who has left suitable work or refused to accept suitable work without good cause or who was discharged for misconduct in connection with his work. It would also limit the period for which disqualification may be imposed in the above circumstances to the period of 4 weeks which follow the leaving, refusal, or discharge from work.

Federal provision of standards governing the reasons which may lead to disqualification under a State law is necessary in order to eliminate the recent trend in State disqualification provisions and to assure that disqualifications accomplish the purposes for which intended.

While disqualifications were originally intended to assure that benefits will be paid only to individuals whose unemployment is due to lack of work, employer pressures heightened by tax savings afforded under experience rating have resulted in disqualifications for many other reasons.

Similarly, the form of disqualification has shifted from the postponement of benefits for a limited period during which unemployment can be reasonably attributed to the claimant's own irresponsible action to unreasonably long periods during which continued unemployment can only be attributed to failure to secure suitable work.

In addition to postponing benefits for unreasonable periods, too many States now cancel wage credits—it has the effect of denying all benefits—to an individual who has committed a disqualifying act. It is for this reason that it is necessary to limit the period of disqualification as well as to limit the reasons therefor and preclude outright cancellation of wage credits.

In this area the Federal Advisory Council on Employment Security has recommended a limitation of the period of disqualification and the elimination of statutory provisions for cancellation of wage credits.

In the case of strikes, a State would be permitted to disqualify an individual who is unemployed because of such strike who is participating or who has a direct interest therein for any week in which his unemployment is due to the strike.

It would, however, preclude disqualification in cases where the employer locks out his employees during which period the unemployment is attributable to the employer's rather than the claimant's action as well as unemployment arising from strikes in which the claimant has not participated or in which the claimant has no direct or indirect interest. It also precludes disqualification if a strike is occasioned by reason of the employer's violation of law or his failure to meet prevailing working conditions.

In the case of fraud or willful misrepresentation States would be able to extend the disqualification of an individual from receiving benefits to 12 weeks.

The limitations of disqualification for fraud, which may be based on an administrative determination, to 12 weeks would not interfere with the authority of any State to impose criminal penalties for fraudulent acts.

2. WEEKLY BENEFIT AMOUNT

Section 2 requires that the maximum benefit under the State law be not less than an amount equal to two-thirds of the average weekly wage within such State. It also requires that subject to this maximum every individual receive a benefit equal to at least one-half of the individual's average weekly wage. In no case would an individual receive a benefit in excess of the State maximum.

Thus, if the average weekly wage in covered employment in State X is $66, the State law must provide a maximum weekly benefit of at least $40. An individual whose average weekly wage is less than $66 would be required to receive a weekly benefit of at least 50 percent of his own wage. The individual who earns $50 a week would only receive a weekly benefit of $25 a week. The individual who earns $60 a week would only receive $30 a week. In no case, however, would a State be required to pay anyone more than $40 weekly. Individuals who receive $80 a week would be entitled to the $40 but no individual who earns more would be paid a greater benefit.

The requirement that individuals be entitled to receive at least 50 percent of their average weekly wage as a necessary goal is consistent with the recommendations made by President Eisenhower in his economic report. As pointed out by Secretary of Labor Mitchell in his February 16 letter to the governors of all States, a weekly maximum along the lines recommended in this bill is necessary to accomplish the recommendations of the President. These standards have also been supported by the Federal Advisory Council, the National Conference on State Labor Legislation, as well as by the Joint Congressional Committee on the Economic Report which commended the President for his unemployment compensation recommendations (see appendix A).

In view of the inaction by State legislatures in meeting these goals, it is clear that if they are to be accomplished, congressional action along the lines recommended by this bill is necessary.

3. BENEFIT DURATION

Section 2 of the bill would require that all eligible individuals be entitled to benefits for at least 39 weeks of unemployment. This does not mean that every individual will automatically receive 39 weeks of benefits in a year. The bill requires that the individual be unemployed and that he be able and available for work during each week of unemployment.

With continued unemployment, the need for benefits of sufficient duration for all unemployed individuals is apparent. President Eisenhower also recommended that duration be uniformly extended for all claimants. While his recommendation was limited to duration of 26 weeks, the continuation of heavy unemployment since his recommendation in January and the continued increase in the number of persons exhausting the benefit rights indicate the present need for benefits for a duration of longer than 26 weeks.

Subsection (a) of section 3 of the bill extends the coverage of the Federal Unemployment Tax Act to employers of one or more individuals.

This amendment is consistent with the recommendations made by President Eisenhower. It does not mean that housewives who employ a domestic or a farmer employing one individual from time to time will have to pay unemployment contributions with respect to such individual. The present definition of employment which excludes domestic and agricultural service is not changed in this bill.

Consistent with the extension of coverage to employers of one or more, subsection (b) of section 3 amends the title of the Federal Unemployment Tax Act to eliminate reference to employers of eight or more.

Subsection (c) of section 3 amends the definition of employee to make it consistent with the definition contained in the old-age insurance provisions of the Social Security Act. It eliminates the requirement imposed by the 80th Congress limiting coverage only to individuals who are employed under the usual common-law rules applicable in determining the employer-employee relationship. This requirement was eliminated under the old-age insurance provisions of the Social Security Act in the amendments enacted by the 81st Congress in 1950.

Subsection (d) of section 3 adds definitions of benefit year, base period, high quarter wages and average weekly wage to the account. These definitions are necessary in order to avoid contravention by a State of the amendments proposed in subsection (a).

Section 4 would give additional freedom to the State in determining the methods of reducing employer's taxes under the State law below 2.7 percent. Under present law,

if a State wishes to impose a tax lower than 2.7 percent on employers, it may only do so by instituting a system which rates individual employers on the basis of their own experience. A State which desires to levy a uniform rate of less than 2.7 percent on all employers is now unable to do so.

This amendment would permit a State to levy a uniform contribution rate of less than 2.7 percent. It would also permit a State which desires to continue a system of individual employer experience rates to continue to do so. In short, it imposes no new Federal requirement; it relaxes the existing requirements.

Section 5 amends those provisions of the Social Security Act relating to grants to States for administration of State unemployment compensation laws by providing that all collections under the Federal Unemployment Tax Act are earmarked in the Federal Unemployment Account in the unemployment trust fund. This account was established by Congress in 1947.

Section 5 provides that all funds for administration of State laws, including contingency amounts which are to be expended only in the event of unforeseen changes in economic conditions, shall be charged against the Federal unemployment account. Unemployment compensation administrative expenditures of the Department of Labor shall be charged to the Federal unemployment account, instead of being charged against general funds of the Treasury.

Section 6 provides that a State whose accumulated funds for unemployment compensation has reached a precariously low condition will be entitled to a reinsurance grant from the Federal unemployment account. The amount of such grant will be limited to three-fourths of the excess by which compensation payable under such State law exceeds 2 percent of the State taxable payroll. In other words, only where unemployment benefits cannot be financed through a 2 percent contribution rate will the State receive any Federal grant. To the extent that its costs exceed 2 percent, it will still be required to finance one-fourth of the costs out of State funds.

In order, however, to avoid the possibility of a State permitting its fund to reach a precariously low condition in order to receive a Federal grant, the bill requires that as one of the conditions of eligibility that whenever a State's fund drops below 6 percent, it impose a minimum rate of contribution of at least 1.2 percent.

Section 7 changes title IX of the Social Security Act and makes certain technical changes in section 904 in order to achieve consistency with the substantive amendments proposed by the bill.

Section 8 of the bill provides that the above provisions extending coverage and establishing eligibility disqualification and benefit standards which must be met by State laws shall be effective as of July 1, 1955. This would permit the great majority of States to make the necessary statutory changes in their State unemployment compensation laws without the need for special sessions.

Section 9 of this bill provides that prior to July 1, 1955, when the Federal standards requiring higher benefits and longer duration, etc., become effective, a State may enter into an agreement whereby it will pay benefits as if its law included the required standards. The additional cost above those required under State law will be paid for by the Federal Government.

A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes

Be it enacted, etc., That the Congress finds that (1) the systems of unemployment compensation as now constituted and administered throughout the several States are failing to carry out the purposes and objectives of employment stabilization and security against unemployment which were sought to be achieved by the enactment of the Social Security Act of 1935; (2) there are substantial categories of workers and employees who, though needful of the benefit afforded by unemployment compensation, are not covered for such benefits; (3) the amounts of unemployment compensation payable to unemployed persons who are covered are, in most cases, inadequate to provide the worker and his family with the basic necessities of life; (4) many, and in some cases, unreasonable terms and conditions are imposed upon eligibility to receive unemployment compensation, thus depriving many unemployed workers and their families of the benefits of unemployment compensation; and (5) there are great disparities between the States with respect to the terms and conditions under which workers may become eligible for unemployment compensation, as well as with respect to the amount of such compensation and the length of time for which it is paid. Therefore it is the purpose of the Congress, in order to achieve the goals of employment stabilization and security against unemployment, and in order to strengthen the economy and provide for the general welfare of the Nation, to extend to certain new categories of workers the benefits of unemployment compensation, to prescribe certain uniform minimum standards with respect to the terms and conditions under which unemployment compensation will be paid, as well as to the amounts and the length of time for which such compensation will be payable, and to otherwise extend, revise, and improve the unemployment compensation program.

SEC. 2. Section 1603 (a) of the Internal Revenue Code is amended by striking out paragraph (5), by redesignating paragraph (6) as paragraph (10), and by adding after paragraph (4) the following new paragraphs:

"(5) Compensation may be denied in such State to any eligible individual only under the following circumstances. Compensation may be denied to such an individual—

"(A) for a period not in excess of 4 weeks immediately following the week in which he (i) left suitable work without good cause, (ii) refused to accept suitable work without good cause, or (iii) was discharged for misconduct in connection with his work; or

"(B) for any week in which he left or lost his employment due to a stoppage of work which exists because of a strike at the place of his employment if such individual participated in or was directly interested in such strike or was a member of a grade or class of workers who were participating or directly interested in such strike unless such strike was occasioned by (i) the failure or refusal of the employer of such individual to conform to Federal or State laws pertaining to collective bargaining, wages, hours, or other conditions of work, or (ii) the failure of the employer of such individual to maintain for his employees wage rates, weekly earnings, hours, and other conditions of work not substantially less favorable than those prevailing for similar work in the locality;

"(C) for the first week of unemployment occurring within the benefit year;

"(D) for a period not in excess of 12 weeks immediately following the week in which he has been found, after an opportunity for a fair hearing, to have obtained, or to have sought to obtain, compensation by fraud, or willful misrepresentation of a material fact;

"(E) for any week in which he is unable to work or is unavailable for suitable work.

In determining whether work is suitable, in the case of any individual, there shall be taken into consideration the degree of risk, if any, involved in such work to the health, safety, and morals of such individual, his physical fitness for the work his prior training and experience, his prior earnings, the length of time, if any, for which he has been unemployed, his prospects for obtaining work at his highest skill, the distance of such work from his residence, his prospects for obtaining local work, and such other factors regarding the acceptance or retention of work as would influence a reasonably prudent person in like or similar circumstances. Work shall not be deemed suitable for any individual if the availability of the work is due directly to a strike, lockout, or other labor dispute at the place where such work is available; or if the wage rate, weekly earnings, hours, or other conditions of the work are substantially less favorable to the individual than those prevailing for similar work in the locality; or if as a condition of holding employment the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

"(6) The maximum weekly compensation payable under such law shall be an amount equal to at least two-thirds of the average weekly wage earned by employees within such State, such average to be computed by the State agency of such State on July 1, 1955, and on July 1 of each succeeding year on the basis of the wages, including amounts excluded therefrom under section 1607 (b) (1), paid during the last full year for which necessary figures are available.

"(7) The weekly compensation payable to any individual shall be (A) the maximum weekly compensation payable under such law, or (B) an amount (exclusive of any compensation payable with respect to dependents) equal to at least one-half of such individual's average weekly wage as determined by the State agency, whichever is the lesser.

"(8) Compensation shall not be denied to any eligible individual for any week of total unemployment during his benefit year by reason of exhaustion or reduction of benefit rights or cancellation of his wage credit until he has been paid unemployment compensation for not less than 39 weeks during such year.

"(9) In order to be eligible to receive unemployment compensation benefits an individual shall not be required (A) if the State law provides for a qualifying requirement computed as a multiple of the amount of the individual's weekly unemployment compensation benefit, to have been paid, during his base period, more than 30 times the amount of his weekly unemployment compensation benefit; (B) if the State law provides for a qualifying requirement computed as a multiple of such individual's high quarter wages, to have been paid more than 1½ times the amount of his high quarter wages; or (C) if the State law provides for a qualifying requirement based on weeks of employment, to have been employed by an employer for more than 20 weeks in his base period."

SEC. 3. (a) Subsection (a) of section 1607 of the Internal Revenue Code is amended to read, as follows:

"(a) Employer: The term 'employer' means any person who, at any time during the taxable year, has one or more individuals in employment."

(b) The title to subchapter C of chapter (9) of the Internal Revenue Code is amended to read as follows: "Subchapter C: Unemployment Compensation Tax on Employers."

(c) Subsection (i) of section 1607 of the Internal Revenue Code is amended to read, as follows:

"(i) Employee: The term 'employee' means—

"(1) Any officer of a corporation; or

"(2) Any individual who, under the usual common law rules applicable in determining the employer-employee relationship, has the status of an employee; or

"(3) Any individual (other than an individual who is an employee under paragraph

(1) or (2) of this subsection) who performs services for remuneration for any person—

"(A) As an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery products, beverages (other than milk), or laundry or dry-cleaning services, for his principal;

"(B) As a full-time life insurance salesman;

"(C) As a home worker performing work, according to specifications furnished by the person for whom the services are performed, on materials or goods furnished by such person which are required to be returned to such person or a person designated by him, if the performance of such services is subject to licensing requirements under the laws of the State in which such services are performed; or

"(D) As a traveling or city salesman, other than as an agent-driver or commission-driver, engaged upon a full-time basis in the solicitation on behalf of, and the transmission to, his principal (except for sideline sales activities on behalf of some other person) of orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments for merchandise for resale or supplies for use in their business operations;

if the contract of service contemplates that substantially all of such services are to be performed personally by such individual; except that an individual shall not be included in the term "employee" under the provisions of this paragraph if such individual has a substantial investment in facilities used in connection with the performance of such services (other than in facilities for transportation), or if the services are in the nature of a single transaction not part of a continuing relationship with the person for whom the services are performed."

(d) Section 1607 of the Internal Revenue Code is amended by adding at the end thereof the following new subsections:

"(o) Benefit year: The term 'benefit year' means the period prescribed by State law, but not in excess of 52 consecutive weeks, for which an eligible individual may receive weekly unemployment compensation benefits.

"(p) Base period: The term 'base period' means the period prescribed by State law beginning not prior to the first day of the fifth full calendar quarter beginning of the benefit year.

"(q) High-quarter wages: The term 'high-quarter wages' means, in the case of any individual, the amount of wages (as defined by State law) paid to such individual in the calendar quarter of the base period for which his total wages were highest.

"(r) Average weekly wage: The term 'average weekly wage' means, in the case of any individual, the amount of wages (as defined by State law) paid to such individual during the period used for determining his compensation for a week of total unemployment (1) in case the period used is the calendar quarter in which such individual was paid his high-quarter wages, divided by 13; or (2) if some other period is used, divided by the number of weeks, during the period used, in which he performed services in employment (as defined by State law)."

SEC. 4. (a) Section 1601 (b) of the Internal Revenue Code is amended to read as follows:

"(b) Additional credit: In addition to the credit allowed under subsection (a), a taxpayer may credit against the tax imposed by section 1600 for any taxable year (1) an amount equal to the amount, if any, by which 2.7 percent exceeds the amount for which credit is allowed under subsection (a), if the contributions to a pooled fund required to be paid by him with respect to the taxable year are of a uniform rate imposed by State law on all employers, or (2) with respect to the unemployment compensation law of each State certified for the taxable year as provided in section 1602 (or with respect to any provisions thereof so certified), an amount equal to the amount, if any, by which the contributions required to be paid by him with respect to the taxable year were less than the contributions such taxpayer would have been required to pay if throughout the taxable year he had been subject under such State law to the highest rate applied thereunder in the taxable year to any person having individuals in his employ, or to a rate of 2.7 percent, whichever rate is lower."

(b) The first sentence of section 1602 (a) of the Internal Revenue Code is amended by inserting "(2)" after "section 1601 (b)."

UNEMPLOYMENT REINSURANCE

SEC. 5. Sections 301 and 302 of the Social Security Act, as amended, are amended to read as follows:

"FEDERAL UNEMPLOYMENT ACCOUNT

"SEC. 301. (a) There is hereby appropriated to the Federal Unemployment Account in the Unemployment Trust Fund for the fiscal year beginning July 1, 1955, and for each fiscal year thereafter, amounts equivalent to 100 percent of the taxes (including interest, penalties, and additions to the taxes) received during such period under the Federal Unemployment Tax Act and covered into the Treasury. There is also authorized to be appropriated to the Federal Unemployment Account such additional sums as may be required to carry out the purposes of this title.

"(b) (1) For the purpose of assisting the States in (A) the administration of their unemployment compensation laws (including administration pursuant to agreements under title IV of the Veterans' Readjustment Assistance Act of 1952), (B) the establishment and maintenance of a system of public employment offices in accordance with the provisions of the act of June 3, 1933 (48 Stat. 113), as amended, and (C) carrying into effect section 602 of the Servicemen's Readjustment Act of 1944 there is hereby authorized to be expended, for payments to the States, from the Federal unemployment account in the unemployment trust fund for the fiscal year beginning July 1, 1955, and for each fiscal year thereafter, sums not to exceed the amounts specified by Congress in the appropriation act or acts for the Department of Labor for each such fiscal year.

"(2) In addition to the sums authorized to be expended under paragraph (1) of this subsection for the purpose of assisting the States in the administration of their unemployment compensation laws, there is hereby authorized to be expended from the Federal Unemployment Account for such purpose, as provided in section 302 (a) (2), for the fiscal year beginning July 1, 1955, and for each fiscal year thereafter, an amount not in excess of $25 million.

"(c) There is authorized to be expended from the Federal Unemployment Account for the fiscal year beginning July 1, 1955, and for each fiscal year thereafter, a sum not to exceed the amounts specified by Congress in the appropriations act or acts for the Department of Labor to be necessary for the administration by the Department of Labor of its functions under (1) the Federal Unemployment Tax Act, (2) this title and titles IX and XII of the Social Security Act, (3) the act of June 6, 1933 (48 Stat. 113), as amended, (4) title IV (except section 602) of the Servicemen's Readjustment Act of 1944, and (5) title IV of the Veterans' Readjustment Assistance Act of 1952.

"PAYMENT TO STATES

"SEC. 302. (a) (1) The Secretary of Labor (hereafter referred to as the 'Secretary') shall from time to time certify to the Secretary of the Treasury for payment to each State which has an unemployment compensation law approved by the Secretary under the Federal Unemployment Tax Act such amounts as the Secretary determines to be necessary for the proper and efficient administration of such law during the fiscal year for which such payment is made. The Secretary's determination shall be based on (A) the population of the State; (B) an estimate of the number of persons covered by the State law and of the cost of proper and efficient administration of such law; and (C) such other factors as the Secretary finds relevant. The Secretary shall not certify for payment under this subsection in any fiscal year a total amount in excess of the amount specified for such purpose in the appropriation act or acts for the Department of Labor for such fiscal year.

"(2) If the Secretary determines that the amount specified in the appropriation act or acts for the Department of Labor for the purpose of assisting the States in administering their unemployment compensation laws is, because of changes in economic conditions which were unforeseen at the time such amount was specified, less than the amount necessary for the proper and efficient administration of such laws, he is authorized to certify to the Secretary of the Treasury for payment to the States for the administration of their unemployment compensation laws, in addition to the amounts authorized to be certified under paragraph (1), amounts the total of which shall not exceed the amount authorized to be expended by section 301 (b) (2).

"(b) The Secretary of the Treasury shall, upon receiving a certification under subsection (a), pay from the Federal unemployment account in the unemployment trust fund, prior to audit or settlement by the General Accounting Office, in accordance with such certification."

SEC. 6. Title XII of the Social Security Act is amended to read as follows:

"TITLE XII. GRANTS TO STATE UNEMPLOYMENT FUND

"SEC. 1201. (a) (1) Except as provided in paragraph (2) and paragraph (3), a State shall be entitled to a reinsurance grant for any calendar quarter, commencing with the quarter beginning on July 1, 1955, if the balance in such State's unemployment fund on the last day of the preceding quarter is less than the amount of the compensation paid from such fund under the State unemployment compensation law during the 6 months' period ending on such last day.

"(2) A State shall not be entitled to a reinsurance grant for any calendar quarter commencing after the computation date for the first taxable year beginning after December 31, 1956, and prior to the computation date for the first taxable year beginning after December 31, 1961, if with respect to any taxable year beginning after December 31, 1956—

"(A) the balance in the State's unemployment fund on the computation date for such year was less than an amount equal to 6 percent of the most recent annual taxable payroll or less than the amount of the compensation paid from such fund under the State unemployment compensation law during the 2 years immediately preceding such date, whichever amount is greater; and

"(B) the minimum rate of contribution required to be paid into the State fund during such taxable year was less than 1.2 percent.

"(3) A State shall not be entitled to a reinsurance grant for any calendar quarter, commencing after the computation date for the first taxable year beginning after December 31, 1961, if with respect to any year within the five most recently completed taxable years—

"(A) the balance in the State's unemployment fund on the computation date for such year was less than an amount equal to 6 percent of the most recent annual taxable payroll or less than the amount of the compensation paid from such fund under

the State unemployment compensation law during the 2 years immediately preceding such date, whichever amount is greater; and

"(B) the minimum rate of contribution required to be paid into the State fund during such taxable year was less than 1.2 percent.

"(4) A reinsurance grant shall be an amount estimated by the Secretary of Labor (hereafter referred to as the 'Secretary') to be equal to three-fourth of the excess of the compensation which will be payable under the provisions of the State unemployment compensation law during the calendar quarter for which such grant is made over 2 percent of the taxable payroll for such quarter.

"(5) As used in this section, the term 'computation date' shall have the same meaning as when used in section 1602 of the Internal Revenue Code, as amended.

"(b) The Secretary is authorized and directed, on application of a State agency, to make findings as to whether the conditions entitled a State to a reinsurance grant provided for in subsection (a) hereof have been met; and if such conditions have been met, the Secretary is directed to certify to the Secretary of the Treasury, from time to time, the amount of such grant, reduced or increased, as the case may be, by any sum by which the Secretary finds that the amounts granted for any prior quarter were greater or less than the amounts to which the State was entitled for such quarter. The application of a State agency shall be made on such forms, and contain such information and data, fiscal and otherwise, concerning the operation and administration of the State law, as the Secretary deems necessary or relevant to the performance of his duties thereunder.

"(c) The Secretary of the Treasury shall, upon receiving a certification under subsection (b), make payment from the Federal Unemployment Account in the Unemployment Trust Fund, prior to audit or settlement by the General Accounting Office, in accordance with such certification.

"(d) All money paid to a State under this title shall be used solely for unemployment-compensation benefits; and any money so paid which is not used for such purposes shall be returned to the Treasury and credited to the Federal unemployment account unless such State is eligible for a reinsurance grant."

SEC. 7. (a) The heading of title IX of the Social Security Act is amended to read as follows: "Title IX: Unemployment Compensation Tax on Employers."

(b) Section 904 (g) of the Social Security Act is hereby repealed.

(c) Clause (2) of the second sentence of section 904 (h) of the Social Security Act is amended to read as follows: "(2) the excess of taxes collected under the Federal Unemployment Tax Act after June 30, 1946, and prior to July 1, 1955, over the unemployment administrative expenditures made after June 30, 1946, and prior to July 1, 1955."

(d) The third sentence of such section 904 (h) is hereby repealed.

SEC. 8. The amendments made by the preceding sections of this act shall be effective as of July 1, 1955.

TEMPORARY SUPPLEMENTATION OF UNEMPLOYMENT COMPENSATION

SEC. 9. (a) When used in this section—

(1) The term "State" includes the District of Columbia, Alaska, and Hawaii.

(2) The term "compensation" means cash benefits payable to individuals with respect to their unemployment, exclusive of any payments with respect to dependents.

(3) The term "State weekly benefit amount" means the amount of compensation to which an individual is entitled (exclusive of any portion thereof payable with respect to dependents) with respect to a week of total unemployment, under the provisions of a State unemployment-compensation law.

(4) The term "adjusted weekly benefit amount" means the sum of (A) the State weekly benefit amount of an individual, and (B) any supplementary compensation payable with respect to a week of total unemployment under an agreement or regulation pursuant to this section.

(5) The term "benefit year" means the period prescribed by State law, but not in excess of 52 consecutive weeks, for which an eligible individual may receive weekly unemployment-compensation benefits.

(6) The term "base period" means the first four of the last five full calendar quarters immediately preceding the beginning of the benefit year.

(7) The term "high quarter wages" means, in the case of any individual, the amount of wages (as defined by State law) paid to such individual in the calendar quarter of the base period for which his total wages were highest.

(8) The term "average weekly wage" means, in the case of any individual, the amount of wages (as defined by State law) paid to such individual during the period used for determining his compensation for a week of total unemployment (A) in case the period used is the calendar quarter in which such individual was paid his high quarter wages, divided by 13, or (B) if some other period is used, divided by the number of weeks, during the period used, in which he performed services in employment (as defined by State law).

(b) The Secretary of Labor (hereafter referred to as the "Secretary") is authorized on behalf of the United States to enter into agreements with any State, or with the unemployment-compensation agency of any State, under which such State agency will make, as agent of the United States, payments of compensation on the basis provided in subsection (c) with respect to unemployment.

(c) Any such agreement shall provide—

(1) That such State agency shall pay every unemployed individual, eligible for compensation under the State unemployment-compensation law or under this section, adjusted weekly-benefit amounts equal to (A) two-thirds of the average weekly wage earned by employees within such State during the last full year for which necessary figures are available, or (B) an amount (exclusive of any compensation payable with respect to dependents) equal to not less than one-half of such individual's average weekly wage as determined by the State unemployment-compensation agency, whichever is the lesser;

(2) that such State agency shall continue to pay adjusted weekly benefit amounts to any eligible individual during his benefit year, notwithstanding the exhaustion of his benefit right under State law, or reduction of his benefit rights or cancellation of his wage credit until he has been paid an amount equal to compensation for 39 weeks of total unemployment within a benefit year; and

(3) that compensation may be denied in such State to any otherwise eligible individual only under the following circumstances. Compensation may be denied to such an individual—

(A) for a period not in excess of 4 weeks immediately following the week in which he (i) left suitable work without good cause, (ii) refused to accept suitable work without good cause, or (iii) was discharged for misconduct in connection with his work; or

(B) for any week in which he left or lost his employment due to a stoppage of work which exists because of a strike at the place of his employment if such individual participated in or was directly interested in such strike or was a member of a grade or class of workers who were participating or directly interested in such strike unless such strike was occasioned by (i) the failure or refusal of the employer of such individual to conform to Federal or State laws pertaining to collective bargaining, wages, hours, or other conditions of work, or (ii) the failure of the employer of such individual to maintain for his employees' wage rates, weekly earnings, hours, and other conditions of work not substantially less favorable than those prevailing for similar work in the locality;

(C) for the first week of unemployment occurring within the benefit year;

(D) for a period not in excess of 12 weeks immediately following the week in which he has been found, after an opportunity for a fair hearing, to have obtained, or to have sought to obtain, compensation by fraud, or willful misrepresentation of a material fact;

(E) for any week in which he is unable to work or is unavailable for work.

In determining whether work is suitable, in the case of any individual, there shall be taken into consideration the degree of risk, if any, involved in such work to the health, safety, and morals of such individual, his physical fitness for the work, his prior training and experience, his prior earnings, the length of time, if any, for which he has been unemployed, his prospects for obtaining work at his highest skill, the distance of such work from his residence, his prospects for obtaining local work, and such other factors regarding the acceptance or retention of work as would influence a reasonably prudent person in like or similar circumstances. Work shall not be deemed suitable for any individual if the availability of the work is due directly to a strike, lockout, or other labor dispute at the place where such work is available; or if the wage rate, weekly earnings, hours, or other conditions of the work are substantially less favorable to the individual than those prevailing for similar work in the locality; or if as a condition of holding employment the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

(4) That in order to be eligible to receive unemployment compensation benefits an individual shall not be required (A) if the State law provides for a qualifying requirement computed as a multiple of the amount of the individual's weekly unemployment compensation benefit, to have been paid, during his base period, more than 30 times the amount of his weekly unemployment compensation benefit; (B) if the State law provides for a qualifying requirement computed as a multiple of such individual's high quarter wages, to have been paid more than 1½ times the amount of his high quarter wages; or (C) if the State law provides for a qualifying requirement based on weeks of employment, to have been employed by an employer for more than 20 weeks in his base period.

(d) (1) No agreement under this section shall be effective before 60 days after the date of enactment of this act, or after July 1, 1955.

(2) Any agreement under this section shall provide that compensation otherwise payable to any individual under the State's unemployment compensation law will not be denied or reduced for any week by reason of any payment made pursuant to such agreement.

(e) (1) Each State entering into an agreement under this section shall be entitled to be paid by the United States an amount equal to the additional cost to the State of payments of compensation made under and in accordance with such agreement which would not have been incurred by the State except for the agreement.

(2) In making payments pursuant to this subsection, there shall be paid to the State, either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates

the State will be entitled to receive under this section for each calendar quarter; reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar quarter were greater or less than the amounts which should have been paid to the State. The amount of such payments may be determined by such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency.

(3) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this subsection. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment, at the time or times fixed by the Secretary, in accordance with such certification from funds appropriated to carry out the purposes of this section.

(4) All money paid to a State under this subsection shall be used solely for the purposes for which it is paid; and any money so paid which is not used for such purposes shall be returned to the Treasury, upon termination of the period for which the agreement is effective.

(5) An agreement under this section may require any officer or employee of the State certifying payments of disbursing funds pursuant to the agreement, or otherwise participating in its performance, to give a surety bond to the United States in such amount as the Secretary may deem necessary, and may provide for the payment of the cost of such bond from funds for carrying out the purposes of this section.

(6) No person designated by the Secretary, or designated pursuant to an agreement under this section, as a certifying officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to the payment of any compensation certified by him under this section.

(7) No disbursing officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this section if it was based upon a voucher signed by a certifying officer designated as provided in paragraph (6) of this subsection.

(f) (1) Determination of entitlement to supplementary payments of compensation made by a State unemployment compensation agency under an agreement under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in such manner and to such extent.

(2) For the purpose of payments made to a State under title III of the Social Security Act, as amended by this act, administration by the State agency of such State pursuant to an agreement under this section shall be deemed to be a part of the administration of the State unemployment compensation law.

(g) The agency administering the unemployment compensation law of any State shall furnish to the Secretary such information as the Secretary may find necessary or appropriate in carrying out the provisions of this section, and such information shall be deemed reports required by the Secretary for the purposes of paragraph (6) of subsection (a) of section 303 of the Social Security Act.

(h) There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this section.

SEC. 10. (a) Section 1603 (c) of the Internal Revenue Code is amended to read as follows:

"(c) Certification: On December 31 of each taxable year the Secretary of Labor shall certify to the secretary of each State whose law he has previously approved, except that he shall not certify any State which, after reasonable notice and opportunity for hearing to the State agency, the Secretary of Labor finds has changed its law so that it no longer contains the provisions specified in subsection (a) or has with respect to such taxable year failed to comply substantially with any such provision."

(b) Section 303 (b) of the Social Security Act is amended to read as follows:

"(b) Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that in the administration of the law there is—

"(1) a denial, in a substantial number of cases, of unemployment compensation to individuals entitled thereto under such law; or

"(2) a failure to comply substantially with any provision specified in subsection (a); the Secretary of Labor shall notify such State agency that further payments will not be made to the State until he is satisfied that there is no longer any such denial or failure to comply. Until the Secretary of Labor is so satisfied, he shall make no further certification to the Secretary of the Treasury with respect to such State."

SEC. 11. This act may be cited as the "Unemployment Compensation Standards Act of 1954."

Public Laws 359–364, Inclusive

EXTENSION OF REMARKS
OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 3, 1954

Mr. O'HARA of Illinois. Mr. Speaker, by unanimous consent, I am extending my remarks to include my report to my constituents in the Second District of Illinois on the new laws enacted by this Congress, as follows:

TWENTY-FIFTH REPORT ON LEGISLATION OF THE 83D CONGRESS

DEAR FRIEND: Up to May 26, 1954, a total of 365 bills passed by House and Senate of the 83d Congress (288 in the 1st session, 77 in the 2d session) had been signed by the President, thus becoming the laws of the land. On May 27 the President signed 6 other bills, on May 28, 7 more, and another on May 29.

Continuing from where we left off:

PUBLIC LAW 359

H. R. 6896, claims of war prisoners

This extends from April 9, 1953, to August 1, 1954, the time in which prisoners of war in World War II may present their claims for compensation at the rate of $1.50 a day for the period of enemy detention. Those eligible and who have not already applied may obtain forms for filing claims by writing the War Claims Commission, Washington, D. C.

The War Claims Commission, which will go out of existence at the end of March of 1955, was created by an act of the 81st Congress for which I cast your vote. Some 119,000 claims were filed by American prisoners of war, 74,000 by Philippine prisoners of war. It is estimated 16,000 American, 78,000 Filipino eligibles have not filed up to date. They (including certain survivors) should act promptly. The average individual payment to American war prisoners has been $549, to Filipinos $248. The money comes, not from American taxpayers, but from the sale of German and Japanese properties by the Alien Property Custodian.

The first chairman of the War Claims Commission was our late beloved neighbor from the Second District, Daniel F. Cleary. He literally worked himself to death in the accomplishment of one of the outstanding public services of our country. He now sleeps in Arlington Cemetery, a hero in war and in peace resting in the soil dedicated to American devotion and American heroism. The War Claims Commission, the bulk of its work accomplished before his passing is Dan Cleary's monument.

PUBLIC LAW 360

H. R. 6251, Shoshone Cavern National Monument

Here is an illustration of how Federal and municipal governments can cooperate to solve a problem in the public interest. In 1909 the United States set aside 210 acres for the establishment of the Shoshone Cavern National Monument. Being inaccessible, nothing further was done. Now the city of Cody, Wyo., is willing to take over. It will develop the area as a public park and construct an access road from the Cody-Yellowstone Highway. Public Law 360 authorizes the transfer of the land to Cody exclusively for that purpose. It adds up to the public getting the recreational and scenic delights originally intended, and the Federal Government saved the expense of upkeep.

PUBLIC LAW 361

H. R. 6549, Jefferson National Expansion Memorial

You will find interest in the authorization of a Jefferson National Expansion Memorial at St. Louis, Mo., but I suggest caution against immediate expectancy. Public Law 361 provides that the authorization of an appropriation is effective only when the Federal budget has been balanced.

The plan envisions a commanding riverfront memorial to commemorate the Louisiana Purchase of March 9, 1804, by President Thomas Jefferson. This purchase, as every schoolboy knows, marked the opening of the great western domain. In 1934 the Federal Government put $6,750,000, the city of St. Louis $2,250,000, into the development of the Old St. Louis area as an historic site. Litigation, World War II, then Korea held up further progress. Now it is the unbalanced budget.

Public Law 361, looking ahead to the glad day when Federal income will tab with Federal outgo, authorizes at that time an appropriation of $5 million for the completion of the memorial conditioned on St. Louis or other non-Federal sources matching each $3 with an additional $1.

PUBLIC LAW 362

H. R. 6988, University of Wyoming

In 1944 the United States granted 24 acres of land in the Shoshone Reclamation project to the University of Wyoming for exclusive use as an agricultural experiment station. Public Law 362 permits its exchange for a larger tract made necessary by the expansion of the university's farm experimental and research work. Part of the 24 acres traded will afford sites for new buildings for the Northwest Community College at Powell. Everyone benefits from the swap.

PUBLIC LAW 363

H. R. 8377, Columbia River Basin

This increases by $16 million the authorization for flood control and water power development in the Columbia River Basin in order to clear the way for an appropriation to continue the work now in progress on Dalles Dam in Oregon. Actually Public Law 363 is expected to save the Federal Government an anticipated revenue of $12 million from sale of hydroelectric power which

otherwise would be lost by a year's delay in construction.

The comprehensive program of the Corps of Army Engineers for the Columbia River Basin (draining 259,000 square miles on the Pacific slope) finally will reach an estimated $2 billion. Authorizations, however, are made as the work progresses and as of date totaled $267 million, of which $233 million had been appropriated. That left a balance of $34 million available for current appropriations, insufficient to continue the work now in progress. Public Law 363 made possible the orderly and uninterrupted continuance of the program necessary to the economic development of the great Northwest. Otherwise, the completion of Dalles Dam (with anticipated annual intake of $12 million) would have been delayed 1 year.

PUBLIC LAW 364

H. R. 8097, District of Columbia Public Works Act of 1954

Public Law 364 provides for the financing of a comprehensive public-works program which, among other items, includes (a) $35 million in new schools, (b) $46 million in a sewage system replacing an ancient and dangerous system, part of which is 99 years old, (c) $14 million for modernized hospitals, (d) $9 million for homes for the aged and for children and other welfare facilities, (e) $8 million for penal institutions, and (f) $16 million for expansion of facilities for recreation, sanitation, libraries, and public safety.

Article 1, section 8, clause 7 of our Constitution gives to the Congress the exclusive jurisdiction over 10 square miles (the District of Columbia) and all useful buildings thereon. Times have changed. The District of Columbia has become one large city with 52 percent of its 10 square miles tax exempt.

Public Law 364 increases by $9 million the annual contribution of the Federal Government. Taxation on real estate is fixed at a minimum of 2.20 percent on assessed value. Tax on accommodations to transients is increased from 2 to 3 percent, meaning that you and other visitors to Washington annually will chip in about $200,000 more to Washington's upkeep.

Public Law 364 also imposes a sales tax on groceries and on meals costing from 50 cents to $1.25, which is expected to yield $5 million a year. You will find my reasons for opposing this tax on page 3665 of the CONGRESSIONAL RECORD of March 22, 1954. I argued that the public works program should be carried forward, but the burden should not be placed on the worker's basket of groceries and the citizen trying to make both ends meet by budgeting on 50-cent dinners.

I voted to recommit the bill for the elimination of this unfair sales tax. This motion defeated, I voted for the final passage of the bill because of (a) the urgent need of the public works contemplated and (b) the prudency of undertaking needed public works at this time as some offset to growing unemployment.

Cordially and sincerely,

BARRATT O'HARA,
Member of Congress.

Public Laws 365 to 371, Inclusive

EXTENSION OF REMARKS
OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 3, 1954

Mr. O'HARA of Illinois. Mr. Speaker, by unanimous consent, I am extending my remarks to include my report on Public Laws 365 to 371, inclusive, to my constituents in the Second District of Illinois, as follows:

REPORT NO. 26 ON LEGISLATION OF THE 83D CONGRESS

DEAR FRIEND: Here are the new laws recently enacted at this session:

PUBLIC LAW 365

S. 2305, legislation for the District of Columbia

This adopts for the District of Columbia automobile financial responsibility legislation similar to that now in force in 43 States, including Illinois. Another instance in which the Congress serves in the capacity of a State legislature for the 10 square miles that comprise the District of Columbia.

PUBLIC LAW 366

S. 2120, toll bridge at Portsmouth, N. H.

In 1940 the Maine-New Hampshire Interstate Bridge Authority opened a toll bridge across the Piscataqua River at Portsmouth, N. H., the cost to be amortized within 45 years. The bridge now needs reconstruction and repairs. Public Law 366 gives the required authority of Congress. The cost of reconstruction is to be deemed a part of the original cost, period of amortization to remain unchanged.

PUBLIC LAW 367

H. R. 1433, equity to retired Naval personnel

Under this measure 111 retired enlisted men and warrant officers of the Navy (who were temporarily commissioned during the war) will receive a total of $206,819 in retirement pay from November of 1946 to the date of their restoration to enlisted or warrant officer status. It is the final windup in equity and good conscience of the mess occasioned by an unintended application of decision B–61122 of the Comptroller General of October 28, 1946. Previous legislation (Public Law 709, 80th Cong.) gave relief to most of the personnel affected including all from Army and Air Force. Public Law 367 merely applies retroactive features of the act of 1948 to bring the final 111 (all Naval) under coverage.

PUBLIC LAW 368

H. R. 2274, Civil Air Patrol

A law of the 80th Congress authorized the Air Force to furnish surplus or obsolete equipment to the Civil Air Patrol. Then came a law of the 81st Congress regulating the disposal of surplus property so that CAP was practically elbowed out. Public Law 368 of the 83d Congress sets everything right, authorizes issuance of supplies and equipment by the Air Force as needed and provides for expense of CAP personnel in time of war emergency. It enables the Department of Air Force to give a strengthened and deserved support to an Air Force auxiliary that frequently has proved itself.

Present membership of Civil Air Patrol is about 29,000 individuals over 18 (pilots, observers, radio operators) and about 49,000 cadets between 15 and 18 undergoing training in aviation education. Senior members of CAP privately own 5,700 aircraft, maintain 11,000 licensed radio stations. I was glad to cast your vote for CAP.

PUBLIC LAW 369

H. R. 5862: Canal Zone Corrosion Laboratory

The Canal Zone Corrosion Laboratory is used for long-range corrosion testing of metals and materials. Previously the Panama Canal Company has carried the expense of operation. Public Law 369 grants necessary authority for the transfer of the laboratory to the Navy. This clears the way for operation under Navy jurisdiction with the Navy, the Army and the Canal Company each contributing $15,000 annually for maintenance.

PUBLIC LAW 370

H. R. 7329: Cooking for the Army

This repeals section 1174 of the Revised Statutes, an antiquated law [enacted in 1877] charging the Surgeon General with responsibility over Army menus and requiring Army doctors to supervise the cooking for enlisted men. While the Medical Corps has the overall responsibility for health, doctors ceased many years ago to superintend the actual cooking. Since the establishment of cooks' and bakers' schools in 1905 the Quartermaster General has exercised the responsibility for food service supervision. Public Law 370, by repealing a law to which no one paid the slightest attention, makes it all legal. Deadwood laws that have ceased to be enforced discourage the proper respect for law.

PUBLIC LAW 371

H. R. 7328, aeronautics research construction program for 1955

Public Law 371 is important. It passed the House by voice, no vote being cast in opposition, and without debate other than explanatory remarks (pp. 2717–2719 of the CONGRESSIONAL RECORD of March 4, 1954) which you may wish to read if especially interested in aeronautics research, also House Committee Report No. 1206 and Senate Report No. 1283.

Purpose of Public Law 371 is to assure the continued supremacy of the United States in the air by authorizing the construction of additional aeronautic-research facilities by the National Advisory Committee for Aeronautics at a total cost not to exceed $5 million. These include (a) additional equipment at the Langley (high-speed, hydrodynamic) Laboratory at Hampton, Va., (b) alterations to supersonic tunnels at the Ames Laboratory at Moffett Field, Calif., and (c) alterations at supersonic tunnel, air drier for propulsion systems, air heater for altitude tests chambers, and rocket engine research facility at Lewis Flight Propulsion Laboratory at Cleveland, Ohio.

Someone has said that what we now are engaged in is a world race of scientists. This emphasizes the vital importance to our national defense of scientific research, especially in air application. Illustration of the tremendous progress American scientists have made possible: Flight of Major Yeager in December of 1953 at 1,600 miles an hour, a speed 2½ times greater than that of sound.

For 39 years the National Advisory Committee for Aeronautics has carried the responsibility for intensive study and research in this field. Today it operates 3 research centers, where some 7,000 scientists and supporting personnel are working round the clock to keep the United States always ahead in the world race of scientists.

PUBLIC LAW 372

Senate Joint Resolution 69, Ford's Theater

Public Law 372 looks toward the day when Ford's Theater in Washington will be reconstructed exactly as it appeared that fatal April 14 of 1865 when the Great Emancipator was felled by an assassin's bullet. It directs the Secretary of the Interior to prepare an estimate of the cost of reconstructing the stage, boxes, and scenic setting, also for making provision for housing the famous Oldroyd collection of relics. When the estimate of cost is furnished the Congress at some future date it then will be decided whether the project for this Lincoln memorial should be carried through.

PUBLIC LAW 373

H. R. 3598, merger of dam power projects

This authorizes the consolidation of the Parker Dam power project and the Davis Dam project and future operation as a single project to be known as the Parker-Davis project, Arizona-California-Nevada. Reason, economy in operation and administration. Thus the merger seems sensible to me. Parker Dam is midway between Hoover Dam and the city of Yuma. Davis Dam is located about 80 miles upstream (lower Colorado River) from Parker Dam.

Cordially and sincerely,

BARRATT O'HARA,
Member of Congress.

SENATE

FRIDAY, JUNE 4, 1954

(Legislative day of Thursday, May 13, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Bruce Hays Price, D. D., LL. D., pastor of First Baptist Church, Newport News, Va., offered the following prayer:

Our Father and our God, Thou who art in heaven, how wonderful are Thy works, how glorious is Thy majesty, and how tender is Thy loving care.

In the spirit of thanksgiving and gratitude we praise Thee for the material and spiritual blessings which Thou hast showered on this, our great Nation. For freedom of worship and other freedoms we enjoy under the protection of our Constitution, we are thankful. Hasten the day of the coming of equal justice under law for all our people regardless of party, race, or creed.

Almighty God, protect us from enemies abroad and from enemies among us who would destroy our government and the heritage that is dear to us. O righteous Lord, remove from the hearts of men hatred, envy, strife, jealousy, and prejudice. Give an abundance of Thy love, joy, peace, and good will. In the name of Jesus Christ our Saviour. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 3, 1954, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Tribbe, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the following concurrent resolution (H. Con. Res. 236) inviting Nurse Genevieve de Galard-Terraube to be an honored guest of the United States, in which it requested the concurrence of the Senate.

LEAVE OF ABSENCE

Mr. MAYBANK. Mr. President, I ask unanimous consent for permission to be absent from the Senate on Monday and Tuesday of next week.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. KNOWLAND, and by unanimous consent, the Subcommittee on Juvenile Delinquency of the Committee on the Judiciary was authorized to meet today during the session of the Senate.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that following the quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Morning business is now in order.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF SERVICEMEN'S READJUSTMENT ACT OF 1944, RELATING TO VETERANS' RIGHTS IN CERTAIN CASES

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to amend section 300 of the Servicemen's Readjustment Act of 1944 in relation to the entitlement of servicemen discharged or dismissed by court-martial to veterans' rights (with an accompanying paper); to the Committee on Finance.

LAWS ENACTED BY SECOND GUAM LEGISLATURE

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Second Guam Legislature (with accompanying papers); to the Committee on Interior and Insular Affairs.

ROBERT BURNS DEWITT

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Robert Burns DeWitt (with an accompanying paper); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending the deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

GRANTING OF APPLICATIONS OF CERTAIN ALIENS FOR PERMANENT RESIDENCE

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statment of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

PETITION

The PRESIDENT pro tempore laid before the Senate a resolution adopted by the Bronx, N. Y., Conference for Democratic Rights, relating to procedures of congressional investigating committees, which was referred to the Committee on Rules and Administration.

RESTRICTION OF BENEFITS TO VETERANS—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a resolution adopted by the Le Sueur County (Wis.) Council, the American Legion, opposing legislation which would restrict the present benefits to veterans, be printed in the body of the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Whereas certain individuals and associations are actively lobbying for the curtailing of non-service-connected benefits to which veterans are presently entitled; and

Whereas the need for medical treatment to veterans for non-service-connected disabilities increases with the increase of the number of veterans.

Now, therefore, after proper and due deliberation, we the members of the Le Sueur County Council, the American Legion, in regular meeting assembled this 24th day of February, 1954, at Le Center, Minn., by unanimous vote, go on record opposing any and all legislation that would in any way limit, hamper, or restrict the present benefits to which veterans are entitled; Be it further

Resolved, That the action taken by the Le Sueur County Council, the American Legion, be brought before the third district, Department of Minnesota, the American Legion at its annual meeting held at Forrest Lake, Minn., in 1954 for consideration and with the recommendation that said district adopt the resolution of the Le Sueur County Council, the American Legion, with the further recommendation that the resolution by the district be transmitted to the floor of the 1954 Department of Minnesota American Legion Convention for action thereon.

JAMES L. SUEL,
Commander, Le Sueur County Council, the American Legion.
RAYMOND J. SCHOENECKER,
Adjutant, Le Sueur County Council, the American Legion.

LIBERALIZED SOCIAL SECURITY—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a resolution adopted by Aerie No. 1460, Fraternal Order of Eagles, Faribault, Minn., favoring liberalized social security, be printed in the body of the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION FAVORING LIBERALIZED SOCIAL SECURITY

Whereas the Fraternal Order of Eagles was a leader in the campaign for enactment of the Social Security Act and the earlier campaigns for the passage of State old-age pension laws; and

Whereas the Fraternal Order of Eagles, by unanimous vote of delegates in national convention assembled, has urged the liberalization of the Social Security Act so as to extend the coverage to all workers and to expand the program to protect wage earners against all major hazards of life and to adjust payments to meet increased living costs; and

Whereas the President of the United States, Dwight D. Eisenhower, in his recent message to Congress, has urged that the Social Security Act be liberalized to provide that—

1. The minimum benefit for retired persons be increased from $25 to $30 per month, the maximum from $85 to $108.50.

2. Ten million additional persons be included in the security system.

3. The first $1,000 of annual earnings by retired persons be exempted from the regulations of the Social Security Act.

4. The "earnings base" for participants in the plan be raised from $3,600 to $4,200.

5. The 4 years of lowest income for such beneficiary be discarded in computing benefits; and

Whereas friends of social security, Democrats and Republicans, have endorsed the President's suggestions as a long step forward in providing adequate old-age security for all Americans: Now, therefore, be it

Resolved, That our aerie endorse the President's proposals for improving the Social Security Act, and respectfully urge the Congressman from our district and the United States Senators from our State to enact such recommendations into law.

Adopted this 8th day of February 1954.

FRANCIS E. MINNICK,
Worthy President, Faribault Aerie No. 1460.

Attest:

J. V. WILLIAMS,
Secretary.

POWER POLICY OF ADMINISTRATION—RESOLUTION OF OREGON STATE COUNCIL OF CARPENTERS, NEWPORT, OREG.

Mr. MORSE. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Oregon State Council of Carpenters convention at Newport, Oreg., pertaining to the so-called power policy of the present administration in the Pacific Northwest.

There being no objection, the resolution was referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

RESOLUTION X

Whereas the policy of the present administration and of Secretary of the Interior, Douglas McKay, is and will prove harmful to the development of the whole Northwest industrial program and expansion or opportunity for employment for the ever-expanding force of labor; and

Whereas the construction of Hells Canyon Dam is one of the main links in the full development of the Columbia Basin to its full and ultimate capacity for electric power, irrigation, transportation, flood control, and the many other useful benefits for the whole Northwest: Therefore be it

Resolved, That the Oregon State Council of Carpenters, convened at this convention at Newport, Oreg., April 22, 23, 24, 1954, do hereby very strongly protest the policy of the administration to permit the Idaho Power Co., to construct low level dams and thereby forever prohibit full utilization of the Snake and Columbia Rivers which will lead to higher rates for electric power to the whole of the Northwest; and be it further

Resolved, That a copy of this resolution be sent to the Oregon State Federation of Labor at its convention at Astoria, Oreg., to be held June 21–25, 1954, for endorsement and support; and be it further

Resolved, That a copy of this resolution be sent to the Senators and Representatives of Oregon in Congress.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUTLER of Nebraska (for himself and Mr. KUCHEL):

S. 3555. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division and the San Luis unit, west San Joaquin division of the Central Valley project, California; to the Committe on Interior and Insular Affairs.

(See the remarks of Mr. BUTLER of Nebraska when he introduced the above bill, which appear under a separate heading.)

By Mr. BUTLER of Maryland:

S. 3556. A bill to amend the Career Compensation Act of 1949 to provide advanced retired grade and increased severance pay, retired pay, retirement pay, retainer pay, or equivalent pay for certain members of the uniformed services who, while performing satisfactorily in time of war the duties of offices for which grades higher than those held by them were authorized, were recommended for promotion to such higher grades but were not so promoted, and for other purposes; to the Committee on Armed Services.

By Mr. FERGUSON:

S. 3557. A bill for the relief of Giuseppe Culcasi; to the Committee on the Judiciary.

By Mr. CASE (by request):

S. 3558. A bill to amend the act entitled "An act to provide for the better registration of births in the District of Columbia, and for other purposes," approved March 1, 1907; to the Committee on the District of Columbia.

By Mr. LANGER:

S. 3559. A bill to incorporate the Foundation of the Federal Bar Association; and

S. 3560. A bill for the relief of Mrs. Astri Gro Anderson; to the Committee on the Judiciary.

By Mr. BENNETT:

S. 3561. A bill authorizing the Administrator of Veterans' Affairs to convey certain property to the Armory Board, State of Utah; to the Committee on Finance.

CONSTRUCTION OF TRINITY RIVER DIVISION AND SAN LUIS UNIT OF CENTRAL VALLEY PROJECT, CALIFORNIA

Mr. BUTLER of Nebraska. Mr. President, on behalf of myself and the distinguished Senator from California [Mr. KUCHEL] I introduce a bill to authorize construction of the Trinity River division and the San Luis unit of the Central Valley project, California, and to maintain and operate these works as part of the Central Valley project.

By way of background, I may explain that the Trinity River project was authorized by administrative action last year. However, it is desired to provide congressional authorization for both the Trinity River division and the San Luis unit together, since these two works will be closely linked in their operation. The San Luis unit will use a part of the water from the Trinity Dam, and will also be heavily dependent upon the power from Trinity for pumping, since the project involves lifting the water for several hundred feet.

When completed, this proposal envisages the diversion of an annual average of approximately 700,000 acre-feet of water, and the construction of an installed power capacity of 233,000 kilowatts, to produce about 1 billion kilowatt-hours of electricity annually.

I request that the bill be referred to the appropriate committee for consideration, and ask unanimous consent that a statement prepared by the Senator from California [Mr. KUCHEL], my cosponsor on this bill, be printed at this point in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred, and, without objection, the statement will be printed in the RECORD.

The bill (S. 3555) to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division and the San Luis unit, west San Joaquin division of the Central Valley project, California, introduced by Mr. BUTLER of Nebraska (for himself and Mr. KUCHEL), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The statement of Mr. KUCHEL is as follows:

STATEMENT BY SENATOR KUCHEL ON THE TRINITY-SAN LUIS DEVELOPMENT

The Trinity-San Luis project bill today being introduced for appropriate reference authorizes the Secretary of the Interior to construct additional units of the Central Valley project, California, thereby expanding that project to furnish additional water for irrigation of some 600,000 acres of land in the Sacramento and San Joaquin Valleys. This is called to the attention of my colleagues because it is my hope that this proposal will be given early consideration by the Congress.

This addition to the present project comprises the Trinity River division and the San Luis unit of the West San Joaquin division, two developments which are closely related and should be considered for construction together. The San Luis unit is dependent upon the Trinity development to provide necessary pumping energy and to firm up its water supply. The Trinity, in addition to its tie-in with the San Luis unit, furnishes water for the authorized Sacramento Canals and provides a new source of electric power and energy to meet the ever-expanding power market in the area. The Trinity and San Luis combined make one of the best developments from an economic standpoint remaining in the West.

Construction of the Trinity-San Luis development is vital to future development in the Sacramento and Westside San Joaquin Valleys. Water for the Sacramento Canals

will be an absolute necessity within a very few years. The need for water in the San Luis area is fast approaching the critical stage. Where there is existing irrigation development, the water table is dropping rapidly. Some lands are going out of production and the whole area is in danger of reverting to desert. In some areas the water that is available for municipal use is unfit for drinking purposes and water has to be brought in by tank cars at a cost of $2,000 per acre-foot. The cost and poor quality of water in this area has limited the development of the towns and communities as well as agriculture.

The Trinity-San Luis development would add a new empire to California's economy and the whole State would profit greatly. It is not surprising, then, that there is united support for the development from one end of the great Central Valley to the other.

I deem it important that this measure come before the Senate at this time, although there may be particular provisions which should be adjusted or modified if and when the Senate Committee on Interior and Insular Affairs considers this legislation. It is desirable that the position of the State of California be fully considered as well as that of all people affected by this project. As I have previously stated there is wide support for this legislation, but all of its facets must be carefully explored. I know that the Senate Interior Committee will be receptive to further discussions and will report a sound measure. This will be a boon to California.

PRINTING OF ADDITIONAL COPIES OF HOUSE REPORT NO. 1256, RELATING TO JANUARY 1954 ECONOMIC REPORT OF THE PRESIDENT

Mr. CARLSON submitted the following resolution (S. Res. 259), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Joint Committee on the Economic Report 3,000 additional copies of House Report No. 1256, current Congress, entitled "Report of the Joint Committee on the Economic Report on the January 1954 Economic Report of the President."

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. CORDON submitted the following notices of motions to suspend the rule:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8680) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 13, after line 16, insert the following: ": *Provided further*, That the unexpended funds appropriated for Savage Rapids Dam rehabilitation in Public Law 470, 82d Congress, 2d session, shall be available for rehabilitation of appurtenant canal protective works."

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8680) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 13, after line 16, insert the following: ": *Provided further*, That not to exceed $45,000 of the unexpended funds heretofore appropriated for the Jamestown unit (North Dakota), Missouri River Basin project shall be available for public use and safety facilities at said unit."

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8680) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 13, after line 16, insert the following: ": *Provided*, That not to exceed $53,000 shall be available toward the emergency rehabilitation of the Avondale irrigation project, Idaho, to be repaid in full under conditions satisfactory to the Secretary of the Interior."

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8680) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 13, after line 16, insert the following: ": *Provided further*, That sums made available for increasing spillway capacity at Alamogordo Dam, Carlsbad project, New Mexico, for the purposes of removing the existing flood hazard, be nonreimbursable and nonreturnable."

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8680) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 13, after line 16, insert the following: ": *Provided further*, That not to exceed $297,000 shall be available toward the emergency rehabilitation of the Cresent Lake Dam project, Oregon, to be repaid in full under terms satisfactory to the Secretary of the Interior."

Mr. CORDON also submitted amendments intended to be proposed by him to the bill (H. R. 8680) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1955, and for other purposes, which were ordered to lie on the table and to be printed.

(For texts of amendments referred to, see the foregoing notices.)

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 236) inviting Nurse Genevieve de Galard-Terraube to be an honored guest of the United States, was referred to the Committee on Foreign Relations, as follows:

Whereas this year marks the 100th anniversary of Florence Nightingale's historic nursing of the wounded in the Crimean War; and

Whereas Nurse Genevieve de Galard-Terraube, officer of the Army of the Republic of France, in her ministering to the sick and wounded at Dien Bien Phu and her subsequent service to her comrades as prisoners of the Viet Minh has provided an example of the courage of a woman in battle and of the devotion of a nurse to her sworn duty which has been unsurpassed in this century; and

Whereas this inspiring woman is representative of the devotion to duty of soldiers of the Republic of France, which has been an ally of the United States for 178 years and whose people today are considered the warm friends of the people of the United States; and

Whereas Nurse Genevieve de Galard-Terraube's example of fortitude in the face of supreme danger has changed the fall of Dien Bien Phu from a military reversal to a great psychological victory of the undefeatable principles of free mankind fighting the forces of darkness; and

Whereas this nurse, known affectionately as "The Angel of Dien Bien Phu" embodies the finest attributes of free women accepting with men the full burden of living in our modern world: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Congress hereby extends to Nurse Genevieve de Galard-Terraube its warm congratulations for her gallant service and invites her, at the earliest time convenient to her and her country, to visit the United States as an honored guest.

The President is respectfully requested to transmit copies of this resolution to the Government of France, and to Nurse Genevieve de Galard-Terraube.

REPORT OF A COMMITTEE

Subsequently, Mr. WILEY, from the Committee on Foreign Relations, to which was referred the foregoing concurrent resolution (H. Con. Res. 236) inviting Nurse Genevieve de Galard-Terraube of the Republic of France to be an honored guest of the United States, reported it favorably without amendment and submitted a report (No. 1507) thereon.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of John C. Doerfer, of Wisconsin, to be a member of the Federal Communications Commission, which was referred to the Committee on Interstate and Foreign Commerce.

TERMINATION OF RAILROAD REORGANIZATION PROCEEDINGS, ETC.

The PRESIDENT pro tempore. If there is no further morning business, the Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill (S. 978) to amend the Interstate Commerce Act in order to expedite and facilitate the termination of railroad reorganization proceedings under section 77 of the Bankruptcy Act and to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes.

PROPOSED AMENDMENT TO CONSTITUTION TO ENABLE CONGRESS TO FUNCTION EFFECTIVELY IN TIME OF EMERGENCY OR DISASTER

Mr. KNOWLAND. Mr. President, at the request of the Senator from Arkansas [Mr. MCCLELLAN], who has been tied up in committee hearings, and who has requested that the unfinished business

not be taken up until Monday, and with the approval of the Senator from Colorado [Mr. JOHNSON], who is to handle that bill on the floor, at this time I move that the Senate proceed to the consideration of Senate Joint Resolution 39, Calendar No. 1460.

The PRESIDENT pro tempore. The joint resolution will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 39) proposing an amendment to the Constitution of the United States to enable the Congress, in aid of the common defense, to function effectively in time of emergency or disaster.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the joint resolution (S. J. Res. 39) proposing an amendment to the Constitution of the United States to enable the Congress, in aid of the common defense, to function effectively in time of emergency or disaster; which had been reported from the Committee on the Judiciary with an amendment.

Mr. KNOWLAND. Mr. President, I now suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	George	Monroney
Anderson	Gore	Murray
Barrett	Hayden	Neely
Beall	Hill	Pastore
Bennett	Holland	Payne
Bowring	Ives	Potter
Bridges	Johnson, Tex.	Schoeppel
Bush	Knowland	Smathers
Butler, Md.	Lehman	Smith, N. J.
Butler, Nebr.	Lennon	Watkins
Case	Long	Wiley
Cordon	Mansfield	Williams
Dirksen	Martin	Young
Ferguson	Maybank	

Mr. KNOWLAND. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate.

The Senator from Ohio [Mr. BRICKER] and the Senator from New Jersey [Mr. HENDRICKSON] are absent on official business.

The Senator from Vermont [Mr. FLANDERS], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from California [Mr. KUCHEL], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from New Hampshire [Mr. UPTON] are necessarily absent.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Texas [Mr. DANIEL], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Delaware [Mr. FREAR], the Senator from Missouri [Mr. HENNINGS], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Oklahoma [Mr. KERR] are absent on official business.

The Senator from Nevada [Mr. MCCARRAN] is absent by leave of the Senate.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). A quorum is not present.

Mr. KNOWLAND. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay Mr. BURKE, Mr. BYRD, Mr. CAPEHART, Mr. CARLSON, Mr. COOPER, Mr. DOUGLAS, Mr. DUFF, Mr. DWORSHAK, Mr. FULBRIGHT, Mr. GILLETTE, Mr. GOLDWATER, Mr. GREEN, Mr. HUMPHREY, Mr. HUNT, Mr. JACKSON, Mr. JENNER, Mr. JOHNSON of Colorado, Mr. KENNEDY, Mr. KILGORE, Mr. LANGER, Mr. MAGNUSON, Mr. MALONE, Mr. MCCARTHY, Mr. MCCLELLAN, Mr. MILLIKIN, Mr. MORSE, Mr. MUNDT, Mr. PURTELL, Mr. ROBERTSON, Mr. RUSSELL, Mrs. SMITH of Maine, Mr. SPARKMAN, Mr. STENNIS, Mr. SYMINGTON, and Mr. WELKER entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

Mr. KNOWLAND. Mr. President, the proposed constitutional amendment, Senate Joint Resolution 39, has been favorably reported by the Senate Committee on the Judiciary. It is not very long, so I desire to read it into the RECORD at this time, as follows:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. Whenever, by reason of the occurrence of acts of violence during any national emergency or national disaster, the total number of vacancies in the House of Representatives shall exceed 145, the Speaker of the House of Representatives shall so certify to the President. In case there is no Speaker, or in the event of the inability of the Speaker to discharge the powers and duties of his office, such certification shall be made by the Clerk of the House of Representatives, or, if there is no Clerk or he is unable to discharge the powers and duties of his office, by such person as may be chosen by majority vote of the remaining Members of the House present and voting. Upon receipt of such certificate, the President shall issue a proclamation declaring the facts recited in such certificate. The executive authority of each State shall then have power to make temporary appointments to fill any vacancies in the representation from his State in the House of Representatives which may exist at any time within 60 days after the issuance of such proclamation. Any person temporarily appointed to fill any such vacancy shall serve until the people fill the vacancy by election as provided for by article I, section 2, of the Constitution.

"SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States, as provided in the Constitution, within 7 years from the date of the submission hereof to the States by the Congress."

Mr. President, during my membership on the Joint Committee on Atomic Energy, and I have been a member of that committee since its inception in 1946, the tremendous scientific progress and potentialities for good or evil of nuclear fission have encouraged in me an increasing awareness, and a greater concern, over the destructive possibilities of atomic weapons.

Information the committee has received of the scientific advancement in this field by foreign interests, some of whom are hostile, has strengthened my conviction that we must now take the initiative in providing measures at this time for the protection and perpetuation of our republican or representative form of government.

For the first time in the history of our Nation, we must view the effect that scientific development in the field of weapons and warfare has made on our constitutional Republic.

The degree of destructive force, as well as the virtually complete annihilation, which an atomic attack could cause if launched at the seat of the Federal Government in Washington raises in my mind a critical question whether the Government itself, under its present authority, would be able to act effectively in the case of such an emergency.

In establishing a method of government which would best safeguard the public weal, the constitutional drafters produced the popular check and balance system and provided for tripartite authority composed of the executive, legislative, and judicial branches.

Members of the judiciary are appointed by the President, by and with the advice and consent of the Senate, and the functioning and perpetuation of the Supreme Court, as an example, would present no difficulty should a vacancy occur among its membership, or should its entire membership be killed by an atomic attack. If the executive authority existed and the Senate existed, the President could nominate Justices of the Supreme Court and other members of the Federal judiciary and the Senate could confirm the nominations.

So far as the executive branch of the Government is concerned, reasonable steps have been taken by law under the constitutional system to insure the Presidential succession. As the Senate and the public know, the succession passes from the President to the Vice President, to the Speaker of the House of Representatives, to the President pro tempore of the Senate, and then down through the members of the Cabinet, as provided in the law of Presidential succession, so there would be continuity of the Executive.

So far as the United States Senate is concerned, it is provided in the Federal Constitution—and I believe all State legislatures have now so provided—that the executive authority within a State can temporarily fill the vacancies either until the next general election or until such time as provisions of the State constitution itself may authorize. So even though the 96 Members of the Senate should be killed by an atomic attack, within a period of of a few days at the most, the governors of the several States could appoint successors, and the Senate would be in a position to function.

This is not true of the House of Representatives. Under the Federal Constitution, it is provided that in the event of a vacancy in the House, the vacancy shall

be filled by the governor or the executive authority of the State issuing a writ of election, which in effect means the calling of a special election to fill the vacancy.

I believe I am correct in saying that in all cases—at least, in all cases which have been called to my attention—at least 60 days are required before a special election can be held under the normal procedure in the election machinery of the several States. That would mean that 60 days might be required in which to reconstitute the House of Representatives.

I have felt for a long time that this is an Achilles heel in our constitutional system. While it is true that the Government of the United States would function, it would not be able to function in the normal constitutional manner because one House of Congress could not enact legislation and could not provide appropriations without the concurrence of the other House. Furthermore, under the Constitution, tax legislation must originate in the House of Representatives.

The proposed amendment is a form of insurance which, of course, we all hope will never have to be used, but, in view of the fact that we are on notice, at least, that it would be conceivably possible to eliminate the House of Representatives, or at least a substantial part of it, by a single attack on the Nation's Capital, I believe that we can no longer, as prudent citizens and as prudent Members of the House and the Senate, ignore that possibility.

I think it is extremely important to note that the proposed amendment has not only been considered by the Committee on the Judiciary of the Senate, but the question was also called to the attention of various agencies of the executive branch of the Government.

I have before me the hearing before the subcommittee of the Committee on the Judiciary which considered the joint resolution. On page 5 of the hearing appears a letter which I received from the National Security Council regarding its action. The communication, which is signed by Mr. Arthur S. Flemming, reads:

> Mr. Lay, executive secretary of the National Security Council, has submitted to us for reply your letter to the Council asking for its views on Senate Joint Resolution 39.
>
> We strongly favor action by the Congress to close this gap in our national security. While we do not think it would be appropriate for us to suggest the particular manner in which Congress should provide for its continuing effectiveness in the event of emergency, we agree that the proposal contained in the joint resolution which you introduced would accomplish the desired result.

The Administrator of Civil Defense appeared before the subcommittee and testified in support of the joint resolution.

The joint resolution which is now before the Senate is in some respects different from the one which was originally introduced. In my testimony before the subcommittee, I pointed out that there was no pride of authorship in the proposal. If suggestions could be made which it was felt might improve or amplify the proposed amendment, I believed that by all means they should be made and acted upon. As a result of such suggestions the original joint resolution was amended, and in the form it now appears represents the proposed amendment to the Constitution.

I consider it to be of such importance that the Senate should act upon the joint resolution and send it to the House of Representatives, and that the Senate should make an effort, which I, as one Senator, shall certainly do, to see that action on the proposal will be taken by the House of Representatives during the present session.

I wish to express my appreciation to the members of the Committee on the Judiciary, its chairman, and those who served on the subcommittee, particularly the Senator from Maryland [Mr. BUTLER], who participated in drafting some of the language of the joint resolution which is now before the Senate.

I also desire to express my appreciation to the Senator from South Dakota [Mr. CASE], who had a proposed amendment dealing with a slightly different phase of the problem. He also gave the committee the benefit of his testimony, and explained the importance of having the proposed constitutional amendment submitted to the States for their consideration.

Some years ago, when the question was first discussed, I found that there was a reluctance on the part of a great many persons, and a perfectly understandable one, to change the present constitutional procedure insofar as it relates to the normal day-by-day or year-by-year vacancies which may occur in the House of Representatives. Those persons did not want to disturb the present arrangement, which requires special elections to fill such vacancies.

The figure of 145 was finally arrived at, which is one-third of the entire membership of the House of Representatives. I must be frank to confess that the figure of 145 is somewhat arbitrary. It could be a lesser figure or a greater one, but that figure is one of such magnitude that if that many vacancies were created by an attack or disaster which might take place, it would invariably result in a number of the States of the Union having no representation at all in the House of Representatives.

Of course, if a majority of the Members of the House of Representatives were eliminated before they had a chance to meet and adopt rules, the question of a quorum might very well be raised, and the entire functioning of the legislative arm of the Government would be disrupted.

For the reasons I have given, and others, Madam President, I urge the favorable consideration by the Senate of the proposed constitutional amendment.

Mr. LEHMAN and Mr. CASE addressed the Chair.

The PRESIDING OFFICER (Mrs. BOWRING in the chair). The Senator from New York is recognized.

Mr. LEHMAN. Madam President, I rise to support very vigorously the amendment to the Constitution proposed by the distinguished majority leader. An extremely important question is presented. The proposed amendment has been very carefully and wisely drawn. I know that in the event of a vacancy existing or occurring in the representation of my own State of New York in the House of Representatives, the normal time which must elapse before a new Representative can be elected is approximately 60 days.

Of course, that situation, if multiplied by 145 Members of the House of Representatives who had lost their lives through a successful mass attack, would completely paralyze the operations of the Congress of the United States.

As the distinguished majority leader has pointed out, there need be no delay whatsoever in the appointment of a Senator to represent his State in the event of a vacancy. The Governor of my State—and I believe it is also true in the case of every other State of the Union—can make an appointment within 5 minutes of the time such a vacancy occurs. It would simply be a question of signing the appropriate papers and having them delivered to the proper place in Washington, where they could be accepted, and the new appointee sworn in to fulfill his duties.

I wish to compliment the distinguished majority leader, too, in that the proposed amendment does not nullify any provision of the Constitution. It merely proposes that the appointments made by the Governors shall simply temporarily fill the vacancies which may occur in the representation from their States, and thereafter the persons so appointed shall hold office only until special elections can be called by the Governors, as provided by article I, section 2, clause 4, of the Constitution.

I think that provision is a very wise one, and one which I believe should satisfy every person in the country. I hope very much that the joint resolution proposing the constitutional amendment, submitted by the distinguished majority leader, will prevail and will be passed promptly, not only by the Senate but by the House of Representatives.

Mr. CASE. Mr. President——

The PRESIDING OFFICER (Mr. AIKEN in the chair). The Senator from South Dakota.

Mr. CASE. Mr. President, the problem which is sought to be met by Senate Joint Resolution 39, which was introduced by the distinguished majority leader, the Senator from California [Mr. KNOWLAND], is one which the country should squarely face. The possibility of the nonfunctioning of the House of Representatives presents an urgent problem and is a real possibility in the days in which we live.

Because I believe the problem should be faced and the possibility of a break in the functioning of the House of Representatives should be met, I shall vote for passage of the joint resolution. However, I desire to raise some very sincere questions about the desirability of the method here proposed, or the mechanics suggested in the joint resolution.

In addition to the reasons cited by the distinguished Senator from California for facing this problem, there is another one, which was created by the change in the act relating to presidential succes-

sion. Under a law passed by Congress and signed by President Truman, the Speaker of the House of Representatives is now the next to the Vice President in line of succession to the Presidency, in case of the death of the President. Under present law, if the President should die and if he should be succeeded by the Vice President, and if the Vice President should die, then the Speaker of the House of Representatives would become President. When that measure was under discussion in the Congress, it was pointed out, in support of it, that the Speaker of the House of Representatives is the person in Government who most nearly represents a large number of votes by the people of the Nation.

The suggestion was made that, next to the Vice President, the President pro tempore of the Senate should be the next in succession to the Presidency; but, because the Speaker of the House of Representatives reflects in larger degree and more directly the sentiment of the people than does the President pro tempore of the Senate, the decision on the matter of presidential succession went in favor of the Speaker of the House of Representatives.

So, under present law, if both the President and the Vice President should be incapacitated or should die and if a vacancy existed in the Presidency, the Speaker of the House of Representatives would succeed, and would do so ahead of the members of the Cabinet. It will be recalled that, prior thereto, the order of succession passed from the Vice President to the Cabinet, under an act passed many years ago.

All that adds up to the fact that so long as there is a House of Representatives, we shall always have a President, regardless of whatever emergencies may arise, because so long as there is a House of Representatives, there can be a Speaker of the House. Thus, if the President and Vice President were wiped out, there would be a President, because the Speaker would succeed to the Presidency.

That adds to the urgency of considering the problem, it seems to me, because it is necessary that the House of Representatives, be a functioning body for that reason, and also because of the requirement that revenue bills must originate in the House and the House must act on other measures in which the concurrence of both Houses is essential. Under the present order of succession to the Presidency, the Speaker of the House of Representatives, under the Federal system, now has this new importance.

However, Mr. President, in my humble opinion the situation would be met better if we provided for the filling of vacancies in the House of Representatives in the same way that vacancies in the Senate are filled, to wit, by appointment by the Governor of the State until the vacancy is filled in the way the people of the particular State involved may direct by the act of its legislature.

I have previously introduced a joint resolution proposing a constitutional amendment to that effect; and a little later I shall read into the RECORD that joint resolution.

Mr. President, I wish to raise, for the RECORD and for consideration in connection with this matter, I hope, when it reaches the House of Representatives, some questions which occur to me as a result of my membership in the House of Representatives over a period of several years. These questions raise, I think, serious doubt as to the desirability of meeting the problem by the method proposed by the pending joint resolution.

In the first place, I raise a question as to limiting the filling of vacancies under the conditions which are set forth in the joint resolution, which reads in part:

> Whenever, by reason of the occurence of acts of violence during any national emergency or national disaster, the total number of vacancies in the House of Representatives shall exceed 145—

And so forth. That provision imposes several very serious conditions. In the first place, the vacancies must be due to the occurrence of acts of violence. In the second place, the vacancies must occur during a national emergency or national disaster. In the third place, the total number of vacancies must exceed 145.

Recently an act of violence occurred in the House of Representatives; and, as a result, five Members of the House of Representatives were incapacitated for carrying on their normal activities. That happened as the result of the random firing of several pistols. But suppose in that instance the participants had used hand grenades, instead of pistols. In that case it is conceivable that 100 Members of the House of Representatives might have been killed outright and 50 others might have been so seriously injured that they would have been incapacitated for several weeks, and would have had to be placed in hospitals. In that event, there would have been, because of an act of violence, 150 nonfunctioning Members of the House of Representatives—100 dead and 50 in the hospital. Yet the authority here proposed would then be inoperative, for unless 145 vacancies occurred, it could not be resorted to. The fact that 50 Members of the House of Representatives were not able to perform their functions, by reason of the injuries they had received and by reason of being in the hospital, would not create vacancies, for they would still be Members of the House of Representatives.

I have tried to determine in my mind why the number 145 was selected as the magical number by reason of which the condition which would be established would be sufficient to result in giving to the governors of the States the power to make temporary appointments to the House of Representatives. I wondered why the number 145, rather than some other number, was chosen.

As I recall, the Senator from California told me that he had conferred with some Members of the House of Representatives, and that some had suggested the number 145. That raised in my mind the historical background in connection with the number 145, inasmuch as at one time 145 signers were required on a discharge petition in the House of Representatives, in order to take a bill from a committee and force a vote on it in the House. However, that no longer is true, because the number was changed to 218, or a majority of the present membership of the House of Representatives, which is 435.

Mr. KNOWLAND. Mr. President, will the Senator from South Dakota yield to me?

Mr. CASE. I yield.

Mr. KNOWLAND. I think my statement was that when this matter was discussed, there had been some reluctance not only by some Members of the House of Representatives, but also by some Members of the Senate, and by the public generally, to have the amendment apply in the case of routine vacancies—if we can call the death of a Member routine; however, the Senator from South Dakota knows what I have in mind—such vacancies as occur each year when, as a result of accident or other causes, a certain number of Members die. The objection was to having the proposed new constitutional provision apply in such cases. It was felt that there should be at least a substantial number of vacancies, because otherwise, if there were perhaps only 15 or 20 vacancies, let us say, the House of Representatives could still function in every way.

As I pointed out, the number 145 is not claimed by anyone to be a magical number; there is no claim that the number 200 or the number 100 might not be selected. However, the reason for selecting the number 145 is that it happens to be precisely one-third of the membership of the House of Representatives, for three times 145 constitutes the present membership of the House of Representatives. So I think that number was selected merely to indicate that the situation would have to be an emergency or catastrophe of substantial proportions.

I may say to the Senator from South Dakota, if he will permit me to do so, that although there would be a disaster of major proportions if, as the Senator from South Dakota has suggested, half a dozen hand grenades were dropped in the House Chamber and, let us say, if 145 Members of the House were killed, yet I point out to the Senator from South Dakota that even under that type of disaster there would be involved no great problem in holding elections throughout the country. On the other hand, in the event of an atomic attack on the Nation' Capital, in which all or a substantial number of the membership of the House were lost, it would be highly unlikely that the Nation's Capital alone would be the only city subjected to attack. Therefore, we may assume, at least for the purposes of our discussion, that in the various States of the Union, particularly in the great communications centers, the ports, and the manufacturing and industrial centers, there would be a simultaneous enemy attack. It might be very difficult even to hold elections within a period of 60 days. So the emergency importance of being able to fill vacancies temporarily, until special elections could be held, would be much greater in the case of the type of enemy attack which I have described than in the case of a conspiracy merely to assassinate Members of the House or Senate.

Mr. CASE. Mr. President, I appreciate the observations of the Senator from California. I think they contribute to an understanding of the problem. I believe that the more the question is debated the more intelligent and workable will be the answer which the Congress will be able to give. The subject should be thoroughly debated, and the various possibilities should be explored, because once the joint resolution is passed by both the House and the Senate and goes to the States for ratification, the question of ratification will be decided upon the basis of the language of the proposed amendment as it stands. The States have no power to amend such a resolution submitted to them. The amending must be done either in the House or the Senate.

It is my feeling that since the proposal concerns the filling of vacancies in the House of Representatives, the thrashing out of the details and the solution of the various problems and contingencies might better be done in the House than in the Senate.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. CASE. I yield.

Mr. KNOWLAND. I do not disagree with that statement. It is certainly not the intention, in any sense of the word, as I am sure the Senator understands, either to take over the prerogatives of the House, or to say that the House should not have primary responsibility.

Such a proposal as the one before us has been introduced in the Senate on a number of occasions. No action has been taken by the House. Feeling deeply as I do that we must not, even in the event of an enemy attack, permit the constitutional functioning of the Government to be jeopardized, I thought that I should discharge my responsibility. In the event of such a contingency as I have suggested, for a period of time, at least, the legislative arm of the Government might be prevented from functioning as it was intended to function under the Constitution. In an effort to discharge my responsibility, I finally urged the committee to report the joint resolution so that action could be taken upon it at this session of the Congress.

Mr. CASE. I wholly concur in what the distinguished Senator from California has said. I second everything he has said as to the urgency of taking affirmative action.

I think there is a natural reluctance in the House of Representatives for Members of the House to initiate action which relates to their own service in the Congress. That reluctance applies to the question of whether the term of Members of the House should be 2 years or 4 years, as well as the question of whether vacancies should be filled by election or by appointment. There is a certain reluctance because, in connection with biennial elections, any action taken by the House might possibly be interpreted as self-serving.

In my opinion, it is appropriate that this action begin in the Senate, because in that case the House can consider the proposal without doing violence to the sense of modesty of its Members, and without the hesitancy which Members of the House might otherwise feel for any reason. However, I think the final determination of the specifications might well be made in the House, because Members of the House are more familiar with the parliamentary problems connected with the organization of the House than are Members of the Senate.

To return to the contingencies which have been suggested—and I do this not for the purpose of opposing the passage of the joint resolution but merely for the purpose of exploration, so that when the subject comes before the House of Representatives it will consider the various possibilities—I suggest that Members of the House consider the possibility of establishing, for filling vacancies in the House of Representatives, a system practically the same as that used in the case of the Senate, perhaps with the additional provision that appointments to vacancies in the House of Representatives shall be limited to 90 days, or to the date at which an election can take place and a successor can be elected, whichever might be the first to occur. In other words, if the election should take place within 90 days, the term of appointment would not be for 90 days. If it did not, the temporary term would run for 90 days, and then the governor would have to make a further appointment in case the electors had not acted. That system, I think, would preserve to the States the idea embodied in our constitutional system, of having Representatives in the House reflect current opinion in the districts which they represent.

It seems to me that if we were to arrive at that kind of answer, namely, the full right of appointment by the governor to fill vacancies, but limited to 90 days, or the date at which a successor is elected, we would then have the immediate filling of vacancies, regardless of whether the number of vacancies was 145 or 45.

The use of the figure 145 raises questions which, perhaps, in a national emergency, would not be given a political answer; but, nevertheless, the possibility of a political answer is raised. If no power of appointment were lodged in the governor until there were 145 vacancies, but such power came into existence when there were 145 vacancies, a sufficient number of appointments could be made to change the political control of the House of Representatives. Such a provision would confer upon the governors an unusual power. However, if the appointment were made by the governors whenever the vacancies occurred, such a system would be reflective of the political situation in the various States. Such power would correspond very closely to the power of appointment which governors have with respect to vacancies in State legislatures.

In my own State vacancies in the State's house of representatives are filled by appointment by the Governor. The condition in the Constitution for qualification for voting for Members of the House of Representatives is the qualification of electors for the most numerous branch of the State legislature. If in my State we are satisfied to allow vacancies in the State legislature to be filled by appointment by the Governor, it seems to me that a temporary appointment by the Governor to fill a vacancy in the House of Representatives, regardless of how the vacancy might occur, would not do violence to constitutional principles.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. CASE. I yield.

Mr. KNOWLAND. The Senator from South Dakota is performing a very valuable service in stimulating discussion of various points which the House of Representatives might very well consider. However, I submit that the unusual provision which his State has in its constitution, permitting the Governor to fill vacancies in one house of the State legislature would, on a national scale, be somewhat comparable to giving the President of the United States the power to fill vacancies in one House or the other of the Congress.

Mr. CASE. Of course, the governors have such power with respect to vacancies in the Senate.

Mr. KNOWLAND. I say, it would be comparable, on the national scene, to permitting the President to make appointments in the legislative body of the Nation, as the Governor, apparently, makes them in the legislative body of the Senator's State. I am not complaining about the constitutional provision of the Senator's State, but I am merely pointing out that I think the situation is a little unusual. I understand that several States have such a provision in their constitutions. However, I believe most of them require elections to be held.

The Senator from South Dakota has mentioned the point that the provision to which he refers does not require the Governor to appoint a person of the same political party as his predecessor. Of course, that is precisely the situation which exists at the present time with respect to the United States Senate. As the Senator knows, when the late majority leader, Senator Taft, died the vacancy was filled by the present Governor of Ohio, who is a Democrat. He appointed the present junior Senator from Ohio [Mr. BURKE] to fill the vacancy.

The action was entirely proper and within the powers and responsibilities and duties of the executive of that State.

Therefore, in the joint resolution we merely followed the same procedure and did not try to tie down and limit the power of the executives of the individual States, because we assumed that the legislature of each State would pass legislation on the subject to meet that particular phase of the problem.

I would have no particular objection to the procedure suggested by the Senator from South Dakota, but I submit to him that in the particular type of grave emergency we have been discussing today the partisan question would carry very little importance and very little weight, because if we were subjected to attack by atomic bombs Americans would close ranks, and the party affiliation of individual persons would not be of sufficient importance during the 60-day period to warrant the change the Senator from South Dakota is suggesting. However, I

would not have any objection if the House in its judgment desired to add the additional language suggested by the Senator from South Dakota.

Mr. CASE. Mr. President, of course, in bringing up that phase I suggested that in case of a national emergency such as we have in mind the partisan angle would not be of great moment. If we should ever have to face that kind of situation, and 145 Members of the House were wiped out by an act of violence during a national emergency, I believe that all the people of the United States would be of one mind for America and would think, first of all, as Americans. I have no doubt about that.

However, that suggests one possibility. It seems to me that one of the great difficulties in answering the problem is the contingency which I first suggested. The joint resolution is conditioned upon the occurrence of acts of violence as being responsible for vacancies exceeding 145 of the membership of the House. Let us assume that there were a half dozen vacancies in the House of Representatives. It is not uncommon to have 3 or 4 and perhaps even 5 vacancies at any given time. Let us suppose that an act of violence occurs, perhaps through the dropping of a bomb on the Capitol or the use of hand grenades in the House Chamber, in which case perhaps 130 Members would be killed. Let us assume further that there were already 5 vacancies existing and that perhaps 30 or 40 additional Members were injured as a result of the act of violence. In that event there could conceivably be more than a majority of the House of Representatives incapacitated, even though there were not 145 deaths. It is quite probable that if 100 persons were killed in one room as the result of the dropping of some kind of fragmentation bomb, the number of injured would exceed the number of those killed. The injured would not create vacancies; but, nevertheless, there would not be a majority of the House available, even though there were not 145 deaths as a result of the act of violence.

Consequently, it seems to me that the problem could be better met by vesting outright authority in the governor of each State to fill vacancies, whatever the cause of the vacancy, but with a limitation upon the term for which such vacancy appointment could be made, and with the express provision, coupled with the appointment, that the term would expire in any event upon the election of a successor.

When I raise these questions on the floor of the Senate, I do not raise them with the idea of trying to suggest what should be done on the floor of the Senate this afternoon. I raise them because I believe the contingencies ought to be explored soberly and by careful thinkers, who are acquainted with the precedents and the parliamentary problems of the House, who will sit down and with pencil and paper work out the mathematical situations that might arise, and come up with an answer that will meet all contingencies. I believe that a joint resolution proposing to meet the problem should be passed by the Senate and then be carefully explored by the House of Representatives.

Mr. KNOWLAND. Mr. President, will the Senator from South Dakota yield further?

Mr. CASE. I yield.

Mr. KNOWLAND. I should like to say that during the several years I have discussed an amendment of comparable character, although perhaps of different wording, with various individuals, the question has constantly arisen as to why the number should be fixed at 145, or at a majority of the House, before such a constitutional amendment would come into force. The House might very well consider that phase of the problem. But I wish to stress again for the RECORD that it was only when there was a loss of more than a third of the membership of the House that a situation would arise of sufficient magnitude to warrant such action as is now proposed.

I have heard it said by some Members of the House that once the House adopts its rule, a quorum consists of those who have been sworn and who are serving, and consequently if there were a loss of a majority of the House membership there could still be a quorum present.

I should like to say to the Senator from South Dakota, however, that if a majority of the House of Representatives were wiped out, it would be almost inevitable that a great many States of the Union would not be represented in the House. Therefore it seems to me that that phase of the matter alone would warrant the filling of vacancies until special elections could be held.

I wish also to call attention to the fact that should such an attack occur on the opening day of the session of a Congress, before the House had adopted its rules, a grave question with respect to a quorum being present would arise. The total membership of the House is 435, and under its normal procedure, as I understand it to be—I have not had the honor of serving in the other body, as has the distinguished Senator from South Dakota, although my father served in the House for a period of 12 years, from 1903 to 1915—if such a disaster took place on the opening day of the session, before the House had adopted its rules, a very grave question would arise as to whether a quorum was present, unless a majority of the Members were able to answer the rollcall.

Therefore that question should be—and I am sure it will be in the judgment of the House—given very careful examination, because I do not believe that the fact the House could still function, once its rules were adopted, would protect the House in the circumstances I have just described.

The Senate, unlike the House, is a continuing body. Our rules do not have to be adopted at the beginning of each session. They continue from one Congress to the next. As I understand—and the Senator from South Dakota can bear me out or correct me—that is not the situation in the House.

Mr. CASE. The Senator is correct.

Mr. KNOWLAND. The House is actually a new body each 2 years, and until it has adopted its rules, it has no rules.

Mr. CASE. The Senator from California is correct with respect to the organization of the House. When a new Congress is elected it consists of an entirely new membership. The first rollcall that takes place is called by the Clerk of the House of Representatives, who is an employe of the House and who remains its Clerk until his successor is elected. The first rollcall is called by the Clerk of the House. He calls the roll. He does not call it alphabetically by Members, but alphabetically by States. The first rollcall in the House of Representatives on the convening of a new Congress is a rollcall by States and of the persons whose names have been furnished to the Clerk by certificates of election from the several executive authorities in the States.

Before the House is formally organized the Clerk acts as the presiding officer of the House until a Speaker is elected. It is worthy of note that in 1849 it required 3 weeks and 63 ballots before the contest for Speaker could be decided. As late as 1923 a strong insurgent bloc prevented the election of a Speaker for 2 days.

If a majority of Members are present, the Speaker and other officers are elected, and then the House completes its organization, which includes adoption of the rules. The rules do not automatically carryover from one Congress to another in the House of Representatives as they do in the Senate.

Mr. President, that concludes the observations I wished to make on the subject. I urge the passage of the joint resolution in order that the question can be brought before the House of Representatives. I hope that there it will be fully explored. An amendment to the Constitution should not be adopted lightly, nor should it be submitted lightly to the States, because once before the States it is not subject to amendment or to reservations or modifications. They have to take it or leave it as it comes to them. Amendments to the Constitution should be as brief, in my judgment, as may be possible. They should not be subject to varying interpretations. They should be as clearcut as may be possible. They should be devoid of contingencies. They should be practically self-interpreting, I might say.

I hope that those who may review what has been said here this afternoon will take notice of the opinion of at least one Senator, that this is not suggested as something which may be taken or left as it comes to them, but that it should be carefully explored in committee and by individual Members of the House, and by them be given serious thought and consideration as to how it will work under varying conditions. Then, I hope before this Congress adjourns, the House will pass a resolution, so that the proposed constitutional amendment may be submitted to the States, because, even if we act at this time, the proposed amendment will not become effective until it has been ratified by three-fourths of the States of the Union. That will take some time. The contingencies against which we seek to guard may well develop in the uncertain world in which we live.

Mr. MONRONEY. Mr. President, will the Senator from South Dakota yield?

Mr. CASE. I yield.

Mr. MONRONEY. During the course of his remarks the distinguished Senator from South Dakota raised a point which I think is not only the concern of the House but is the concern of the Senate as well. We are thinking about a catastrophic stroke which might wipe out a large segment of the membership of the House of Representatives, and we are endeavoring to find a way of replacing them so that a quorum could operate in the other body. I am mindful of the fact that under the Constitution, the Governors of the States now have the right to fill vacancies in the Senate by appointment. But the point which the Senator has brought out also deals with cases of disability of Members of both the Senate or the House and their inability to attend the sessions. It might be possible that, because of injuries to a large number of Senators, and their necessary hospitalization in the event of such disaster, as has been mentioned, the Senate would also be rendered inoperative.

I am wondering whether either in this body or in the other body some attention should not be paid to filling through interim appointments vacancies caused by disability of Members, although vacancies do not actually exist except in the sense that a Representative or a Senator, though alive, may be incapable of carrying on his duties. Should not a method be provided whereby in both Houses vacancies occurring because of injuries may be filled without a requirement that those appointed be permanently appointed?

Mr. KNOWLAND. Mr. President, will the Senator from South Dakota yield?

Mr. CASE. I yield.

Mr. KNOWLAND. The Senator has mentioned a contingency which might very well occur. It becomes a far more complex problem than does filling a vacancy occasioned by death and where there is no question of a vacancy actually existing. We would then be confronted with the question of how long the disability might last, and there might be involved the question of proxies.

I am inclined to believe that that situation would not be fraught with the same danger as that with which a vacancy caused by death is fraught, because, if our country were under attack and Members were disabled to the extent that actually there could not be a quorum in one House or the other, I think, in the best interest of the country, they would resign—that is what I would do—if it were pointed out that the Senate could not function unless a sufficient number of Senators was present and the whole constitutional procedure would be tied up. I do not think there would be any problem with reference to getting the cooperation of patriotic Members of the House and the Senate to solve that difficulty.

Mr. MONRONEY. I am sure the point the Senator has made is entirely valid. If the Members were conscious and able to realize the crisis in which they found themselves, perhaps an arrangement could be made for the appointment of a substitute. I think the danger of injury is almost as great as is the danger of sudden death.

Mr. CASE. Mr. President, I now have before me the text of the joint resolution to which I have referred, and I wish to read it merely to put it into the RECORD at this point:

Resolved, etc., That the following article is proposed as an amendment to the Constitution of the United States, and shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. The fourth clause of section 2 of article I of the Constitution of the United States is amended by inserting before the period at the end thereof a colon and the following: '*Provided,* That the executive thereof shall have power to make temporary appointments for terms of not to exceed 90 days or until the people fill the vacancies by election as the legislature may direct'."

Mr. President, I submit the proposed joint resolution for consideration, because it seems to me it is the simplest way to meet an emergency situation. I think it is the shortest form in which the amendment might be written. It would make the filling of vacancies in the House of Representatives identical with the filling of vacancies in the Senate, except that temporary appointments would be limited to 90 days.

I again read the language that would be added to the Constitution:

Provided, That the executive thereof shall have power to make temporary appointments for terms of not to exceed 90 days or until the people fill the vacancies by election as the legislature may direct.

That would not call for the determination of any national emergency, or whether there were 145 deaths or 145 Members were incapacitated.

It would permit the prompt functioning of the House of Representatives under any and all circumstances. It would mean that there would always be a Speaker of the House of Representatives, ready and available to step into the position of the Presidency, should the unfortunate situation arise when both the Presidency and the Vice Presidency were vacant at one and the same time. I urge consideration of this possibility along with all other contingencies, in connection with the suggestions which may be made in the deliberations of the House of Representatives on this proposal.

Mr. COOPER. Mr. President, will the Senator yield for a question?

Mr. CASE. I yield.

Mr. COOPER. Does the Senator from South Dakota know whether in the hearings any evidence was developed as to the maximum time required by a State for the calling of a special election for a Member of the House of Representatives?

Mr. CASE. I do not recall any such evidence; I doubt if the question came up.

Mr. COOPER. As I take it, the purpose the Senator has in mind in suggesting that a temporary appointment shall end at the conclusion of a 90-day period is to prevent a long-term temporary appointment.

Mr. CASE. Yes. That question came up, and the Senator from Maryland [Mr. BUTLER] suggested that he thought the House of Representatives should not be allowed to get further away from the people or from the reflection of current opinion than was necessary, so the idea of a 90-day term was suggested.

Of course, if a State legislature did not wish to provide for a special election and did not desire to fill a vacancy within 90 days, then a new vacancy would arise; and I assume that under the language suggested in the measure, a governor could make another appointment for 90 days, thereby extending the appointment until the next regular election.

Mr. KNOWLAND. Mr. President, will the Senator from South Dakota yield?

Mr. CASE. I yield.

Mr. KNOWLAND. In answer to the question of the Senator from Kentucky, let me say that I have before me a few selected statutes relative to the filling of vacancies in the House of Representatives. The statutes are those of the States of Washington, Maryland, Massachusetts, Illinois, and Pennsylvania. The information in my possession indicates that, in most cases, the average length of time necessary to arrange for an election to fill a vacancy is about 90 days Theoretically, in some instances elections could be held, I believe, possibly within 40 days. That is about the shortest period I know of. I think in some cases, in the normal operation of the mechanics of holding elections, the time would run to more than 60 days, perhaps into the 90-day period; perhaps under that time.

In view of the pertinent question asked by the distinguished Senator from Kentucky, I ask unanimous consent that the excerpts from several State statutes may be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

STATE OF WASHINGTON, SECTIONS 29.68.080

Vacancies in the United States House of Representatives: Special election whenever there is a vacancy in the Office of Representatives, Congress of the United States, the Governor shall order a special election to fill the vacancy. He shall fix as the date for the special election a day not less than 25 days after the issuance of the writ. He shall fix as the date for the primary for nominating candidates for special election a day not less than 15 days after the issuance of the writ and not less than 10 days before the day fixed for holding special election.

ANNOTATED CODE OF MARYLAND, ARTICLE 33, SECTION 128

If a vacancy should occur by death, resignation, or otherwise at such a period as to make it necessary that a Representative in Congress from this State should be chosen before the regular time for such election, the Governor shall by proclamation direct that a special election be held to fill such vacancy, which proclamation shall require at least 20 days' notice of such election to be given by the supervisors of election to the sheriffs of the respective counties comprising the congressional district.

ANNOTATED LAWS OF MASSACHUSETTS, CHAPTER 54, SECTION 140

Representatives in Congress: Upon failure to choose a Representative in Congress or upon a vacancy in said office, the governor shall cause precepts to be issued to the Alder-

man in every city and the selectmen in every town in the District directing them to call an election on the day appointed therein for the election of such Representative.

SMITH-HURD, ILLINOIS ANNOTATED STATUTES, CHAPTER 46, SECTION 25–7

Representatives in Congress: When any vacancy shall occur in the office of Representative in Congress from this State, the governor shall issue a writ of election to the county clerks of the several counties in the district where the vacancy exists, appointing a day to hold a special election to fill such vacancies.

PURDON'S PENNSYLVANIA STATUTES ANNOTATED, TITLE 25, SECTION 2777

Special elections for Representatives of Congress: Whenever a vacancy shall occur or exist in the office of Representative in Congress from this State during a session of Congress or whenever such vacancy shall occur or exist at a time when the Members of Congress shall be required to meet at any time previous to the next general election the governor shall issue within 10 days after the happening of said vacancy, a writ of election to the proper county board of election and to the secretary of the commonwealth for a special election to fill such vacancy which election shall be held on a date named in said writ which shall not be less than 30 days after the issuance of said writ.

Mr. COOPER. Mr. President, will the Senator from South Dakota yield, so that I may ask a question of the distinguished Senator from California?

Mr. CASE. I yield.

Mr. COOPER. The Senator from South Dakota proposes to limit the time of temporary appoitments to 90 days. As I understand, the joint resolution which has been introduced by the distinguished majority leader does not fix any time limit. The Senator said that the matter has been discussed. Can the Senator from California state the reasons why a time limit was not included in the joint resolution?

Mr. KNOWLAND. Yes. The Senator from Kentucky was not present when I discussed the question earlier in the day. There is what I feel is a very good reason. The committee made some very constructive suggestions with respect to the situation.

Originally there had been a proposal that the governor might fill a vacancy under these contingencies for the unexpired term, which would be until the next general election, as is the case in a good many States when a person is appointed to fill a vacancy in the Senate.

The committee did not feel that it wanted to go that far, so it provided that the appointment could be made until the time when a special election could be held.

The committee then reverted to article I, section 2, of the Constitution, which provides as follows:

When vacancies happen in the representation from any State, the executive authority thereof shall issue writs of election to fill such vacancies.

This leaves the question to be decided according to State law. As the question of elections and election machinery is a very touchy one, and is under the control of the States, the committee did not wish to tamper with whatever the State legislatures and State governments might have provided in the way of holding special elections. Furthermore, the committee felt there might be several different types of disasters, some of which have been mentioned by the Senator from South Dakota, such as conspiracy to assassinate, the dropping of grenades from the galleries by cranks, and things of that sort, which had originally stirred up the interest in the proposed amendment. The feeling that such a provision was needed arose from the development of atomic weapons and the means to deliver them, a situation which did not exist at the time the Constitution was drafted.

It is highly unlikely that in the event of an enemy attack upon the Nation's Capital, Washington would be the only city which would be subject to attack. So, even though, in most cases, and perhaps as rapidly as possible, a State might be able to hold an election in 60 days, an enemy attack of the nature which I have described might be so disruptive that the election machinery of a State could not function within a 60-day period, which would normally be required. Therefore, the provision was made that the appointment would last until the State authorities could arrange for the holding of a special election.

Mr. COOPER. I should like to have the views of the distinguished majority leader on the proposal which has been offered by the distinguished Senator from South Dakota, which fixes a time limit on a temporary appointment.

Mr. KNOWLAND. As I understood, the Senator from South Dakota was not offering his proposal as an amendment at this time. He has been discussing, and I think quite properly so, certain suggestions which might be considered by the House committee, when the measure is received there, as to the possibility of limiting the time of appointment.

At present, I hope that the 90-day limitation will not be placed in the measure, for the reasons I have stated; but, upon reflection, perhaps all of us would agree that it would be desirable to include it.

Mr. COOPER. My question is still addressed to the distinguished Senator from South Dakota, and also to the distinguished majority leader. Article I, section 2, provides as follows:

When vacancies happen in the representation from any State, the executive authority thereof shall issue writs of election to fill such vacancies.

Until such elections are held, there cannot be, by the very nature of the Constitution, any mandatory authority in the Federal Government to order an election at any particular time. The language of this section clearly shows that to be true.

I think, however, because under existing conditions, there is no such authority as is now proposed by the joint resolution to enable the State chief executive ever to name a Member of the House of Representatives, there will never be a temptation on the part of the executive of a State to act unduly, because he knows he cannot now appoint a Representative, and will, therefore, probably call for an election to be held at the earliest possible time. I am certain we can believe that the chief executive of a State will always follow the spirit of the Constitution, and will call for a special election at an early date.

On the other hand, the joint resolution proposes a very extraordinary change in the Federal Constitution. Even though the reasons may be valid, and perhaps are valid, it does, for a time, take away from the people the right to name their nearest and most direct representatives. It seems to me that unless there is some strong reason adduced to the contrary, the suggestion made by the distinguished Senator from South Dakota [Mr. CASE], that there should be a limitation placed upon the time in which a temporary appointee could hold office, would be a valuable safeguard.

Mr. CASE. I might call the attention of the distinguished Senator from Kentucky to a colloquy which occurred at page 15 of the hearings before the committee. The Senator from Maryland [Mr. BUTLER], who is a member of the Committee on the Judiciary, spoke on the very point which the Senator from Kentucky has raised. I read as follows:

Senator BUTLER. I for one would be very opposed under any circumstances other than the most acute emergency to taking from the hands of the people the election of their representatives.

Senator CASE. This leaves it in the hands of the people, if I may point out, Mr. Chairman, because the appointments would be until the people fill the vacancies by elections as the legislature may direct. That is precisely what you do with the Senate vacancies now. There are some instances—I think in perhaps most instances—where the States let the Governor make the appointment until the next general election, but if the State wanted to, the State could provide that the appointments were for 90 days. The power would be left with the people through the State legislatures as to the length of the temporary appointments, and it seems to me that that meets the other point, that is, the desire to have this referendum, so to speak, when you have a vacancy in the House. You can still have them. It is entirely within the power of the States to determine how long the temporary appointment would be.

Senator BUTLER. Would the Senator be willing to put that in his amendment?

Senator CASE. To put in what?

Senator BUTLER. A specific time for which the appointment is made.

Senator CASE. For not to exceed 90 days? Yes; I would have no objection to that if, in the judgment of the committee, that was desirable.

The origin of the proposal to make the period 90 days was an effort to meet the question which the Senator from Maryland raised in the hearings, and which the Senator from Kentucky has raised on the floor of the Senate today. The suggestion was that the temporary appointment be limited to 90 days, or until the vacancy was filled by such election as the State legislature might provide.

Mr. President, I yield the floor.

Mr. FERGUSON. Mr. President——

The PRESIDING OFFICER (Mr. PURTELL in the chair). The Senator from Michigan.

Mr. FERGUSON. The Senate has before it a joint resolution proposing a constitutional amendment. As is provided by the Constitution, the people

have a right to amend it in order that it may serve them. Under article V of the Constitution one of the functions of the Senate and the House of Representatives is to propose amendments to the Constitution. Since it is provided that two-thirds of each House must vote in favor of a resolution proposing an amendment to the Constitution, it is obvious that it was intended that the Constitution should be an enduring charter of our Government, and that the people should be assured that there was sound basis for any proposed change in the Constitution.

Today we are faced with a problem, and I hope the enemies of our Republic will not take the pending proposal to amend the Constitution as a signal that we are disturbed or have become panicky by reason of their threats, that we anticipate that they are about to attack us, and therefore are afraid.

My thought is that the time to take action is before calamities can befall us. I think it is always well to lock the barn before the horse is stolen. Therefore, I believe the time has come when we must realize that we are living in a world of uncertainty. Otherwise, we would be like the ostrich who put his head in the sand and thought there was nothing about which to be disturbed.

All of us recognize that there are such things in the world as atomic and hydrogen bombs, and that it is within man's capability to produce airplanes which can fly long distances and carry such bombs.

The Members of the House of Representatives represent districts and the number of Representatives is fixed according to population. Therefore those who live in the districts in the respective States should have an opportunity, as soon as possible after such a calamity as some have suggested might occur, to elect Representatives to replace those incapacitated. Our Government could not function without the participation of both Houses of Congress.

I have received inquiries from citizens in the State of Michigan about the very problem now being discussed. They have asked me what would happen in the event a great number of Senators or Members of the House of Representatives were killed. There is a constitutional provision dealing with the filling of vacancies in the Senate. When there is a vacancy in the representation of any State in the Senate the executive of the State has the power and the authority to name a Senator to fill the vacancy. A person so designated can assume the duties of his office in a day, or as soon as he can arrive in Washington with his certificate. But that is not true with respect to vacancies occurring in the House of Representatives. Such a provision was not made in the case of Members of the House of Representatives. The Constitution provides that, in the event of vacancies occurring there, a special election shall be called, but there is a time interval involved.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from Maryland.

Mr. BUTLER of Maryland. Was not the basic purpose for making the distinction the fact that a Senator is really an ambassador from his State to the Federal Government?

Mr. FERGUSON. That is correct.

Mr. BUTLER of Maryland. Whereas a Member of the House of Representatives is really a representative of the people themselves, is he not?

Mr. FERGUSON. That is true.

Mr. KNOWLAND. Mr. President, will the Senator from Michigan yield further?

Mr. FERGUSON. I yield to the Senator from California.

Mr. KNOWLAND. Is not that situation due also, in part, because of the fact that originally, until the adoption of an amendment to the Constitution providing for the direct election of Senators, Members of the Senate were selected by the legislatures of the several States, so that in the event of a vacancy in the Senate the legislature itself would have filled the vacancy?

Mr. FERGUSON. That is correct; so there was a reason why our forefathers did not anticipate any problem in connection with the selection of Members of the Senate.

I think it is well to have the provision in the joint resolution that the proposed amendment shall apply in the event 145 Members of the House of Representatives, which is just one-third, are unable to act. Obviously, the people of the country would not want to have taken from them the right to elect Members of the House of Representatives, unless there was a grave emergency.

If one-third of the Members of the House of Representatives were killed or became incapacitated because of some calamity, and therefore the House was not capable of functioning, I am sure all will agree that means should be provided to enable the House to function, in order that Congress may serve the people and the Nation.

So the joint resolution proposing an amendment to the Constitution merely sets forth that, in the event of a great disaster happening, the Speaker, or some other proper official, shall certify that 145 Members of the House of Representatives can no longer act, and that there remain only two-thirds of the Members of the House. Thereupon the Chief Executive can notify the respective States, and the State chief executives can name persons to fill the vacancies in the interim until an election can be called according to the terms of the Constitution.

It will be recalled that a few months ago it happened in the Chamber of the House of Representatives that those who would destroy the free governments of man took certain steps to attack Members of one of those governments, but, through the grace of God, only five Members of the House were injured. All of us can conceive of a time when all the Members of this body could be wiped out in this Chamber, and the Senate would be incapacitated from functioning. The same thing could happen in the House of Representatives, or even to Members of both Houses during a joint session.

In the pending proposal, we are trying to meet a problem which could face us in the future. The eventuality is something which our forefathers could not have dreamed of; they could not have known it was possible to manufacture a hydrogen bomb, or any bomb, indeed, which would be sufficiently powerful to destroy as many as one-third of the membership of the House of Representatives.

It has been stated on the floor of the Senate, and I think it is worth repeating, that while there are two Senators from each State who represent the entire State, the part of the Government which is closest to the people back home is the House of Representatives.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from California.

Mr. KNOWLAND. Getting back to the remarks of the distinguished Senator from Kentucky, because I think the discussion fits into the debate at this point, I repeat that I believe the arbitrary figure of 90 days, or 60 days, or 120 days, was not adopted because of the very touchy feeling which exists in several States, relating to the States rights doctrine, that the legislatures and the people of the several States should be the ones to decide when the elections should be held. We did not wish to interfere with that.

Although we did have some information indicating that a good many of the States can hold an election within a 60-day period, there were also some indications, which have been brought to my attention, that some of the States in their normal processes take longer than 60 or even 90 days; some may take as long as 120 days—as an example—although I think that is a rather long time, normally. However, in that type of situation we felt that the Federal Government should not, in effect, send to the States a directive that they would have to comply with an arbitrary time limit that the Congress might set. We felt that, after all, the people of the States, through their legislatures, should have control; and if the governor of a State should, so to speak, sit on his hands and not take action, the people of the State, through their legislature, could make the appropriate and proper arrangement.

Mr. FERGUSON. Certainly that is true. For instance, the legislature might determine that the Governor had not acted in time, and therefore, the legislature might provide, by law, that an election be held. But I believe we should allow the States to determine how their Members of the House of Representatives—who are closely representative of the people of the States—should be elected and the manner of their appointment in an emergency.

Some persons may ask, "Why do not you use the same method that now applies in case 1, 2, 3, 4, or 5 Members of the House of Representatives are not able to function?" Mr. President, I do not feel that under those circumstances we should change the present constitutional arrangement. I believe we should make such a change only in the case of an emergency so great as to warrant our

asking the State executives to make such appointments in the interim.

Mr. BUTLER of Maryland. Mr. President, will the Senator from Michigan yield to me?

Mr. FERGUSON. I yield.

Mr. BUTLER of Maryland. I am sure save in the case of great emergency the Senator from Michigan would not wish to have the Congress act in any way to diminish in the slightest degree the right of the people to elect their representatives to the House of Representatives.

Mr. FERGUSON. That is correct. Such a step should be taken only in extreme circumstances; only in most unusual circumstances should even a small part of that right of the people be taken from them.

Incidentally, we recall that three-fourths of the State legislatures will have to approve this proposed constitutional amendment. Therefore, I think it is clear that we should make proper provision in the case of such an emergency as has been mentioned, not because we fear that our enemies will bring about such a catastrophe, but because we need insurance that, if it were to occur, the United States will remain a functioning entity. That is most important, because it would only be by virtue of those who believe in government by men, not by laws, that such a situation could develop. Therefore, we should take the proper steps to insure that a situation which would result in the destruction of the Government of the United States cannot develop.

So, Mr. President, the pending proposal will give the people the right of self-determination, through representatives of their own choice. The proposed change will apply for only a temporary period, in case of a great emergency. Only in that event would such an appointment be made by the Governor, or in whatever other way might be provided by the State legislature, until the holding of an election, under the State law, to fill the vacancy in the important position of Member of the House of Representatives.

Mr. President, I hope this measure will receive not only the favorable votes of two-thirds of the membership of the Senate, but will, indeed, receive the unanimous approval of the Senate, by means of a yea-and-nay vote, for that will be excellent evidence that we believe in a government of the people, by the people, and for the people, and that we wish to make sure that no calamity which may occur will ever remove sovereignty from the people and place it in the hands of a few.

Mr. BUTLER of Maryland. Mr. President, will the Senator from Michigan yield to me at this point?

Mr. FERGUSON. I yield.

Mr. BUTLER of Maryland. I was about to interject that even in time of dire emergency, we still want our Government to remain a government of the people.

Mr. FERGUSON. Yes. In that connection, all of us remember that after the First World War, when Germany was defeated, the Germans undertook to establish a republic, and placed their great military leader in charge of it. Mr. President, in the constitution the Germans adopted at that time, they wrote a provision that was the seed of their destruction, namely, a provision that the constitution would not apply in an emergency. Along came Adolf Hitler, an erstwhile paperhanger, as the man on horseback. He said, "I can run the country better than the Reichstag can. I know what the people need. We have an emergency. I will make decrees; we do not need laws." That one provision of the German constitution was the seed of the destruction of the German Republic; and the Second World War resulted in large measure because the people of Germany had not had experience in self-government, and because they had provided in their constitution that it should not apply in an emergency.

Mr. President, this proposed constitutional amendment is now before the Senate for the reason that we wish to have our Government avoid emergencies, and we wish the people of the United States to continue to have control of the Republic.

Mr. President, after Benjamin Franklin left the hall in which the Constitution of the United States was drafted, he was asked by a lady, "What kind of a government have you given us?" He replied, "We have given you a republic, if you can keep it." That challenge was laid down at the time our great Government was created. We have a republic if we can keep it. The step we now propose to take is for the purpose of enabling us to keep our Republic; in case a grave emergency develops, we wish to have our Republic survive and continue to be a government of laws, not of men.

There may be some complaint that we are amending the Constitution too frequently, but such a complaint should not unduly bother us, because we believe in growth and in realism and in the principles that underlie the Constitution and the great institutions we have developed, under which the powers of men have been released. The souls of men are responsible for the great land we have, and they have been free because of a government that allows them to be free.

Mr. COOPER. Mr. President, I wish to compliment the distinguished majority leader, the senior Senator from California [Mr. KNOWLAND], the distinguished chairman of the Judiciary Committee Senator LANGER, and its members, the distinguished Senator from South Dakota, Senator CASE, and other Members who have participated in the study of the proposed constitutional amendment, for their foresight in working to assure a functioning and constitutional Congress in any contingency which might develop.

The submission of the proposed constitutional amendment is a happy proof of our belief in and adherence to our system of government—a constitutional government. It expresses a concern that even if the gravest consequences should affect the membership of the Congress a constitutional method of meeting the contingency, and of preserving, what the distinguished senior Senator from Michigan, Senator FERGUSON, has so truly described as a government of laws, rather than a government of men. Mr. President, if the proposed constitutional amendment is adopted, although it does prescribe a change in the event of certain circumstances, in the concept of the character of a Member of the House of Representatives, as an appointed representative, rather than one elected by the people, yet the change would be an authorized constitutional amendment, and would be implemented by the laws of the States. It would be a change approved by law and not one accomplished by any personal edict.

I raise however one question, and it is the question I raised a few minutes ago. It was the purpose of the makers of the Constitution that Members of the House of Representatives should be representatives of the people, and directly elected by the people. The amendment we are considering would change that concept. For a limited time, at least, if there should ever be, unfortunately, the necessity to invoke the amendment, Members of the House of Representatives would sit, not by the vote of the people, but by nomination of the executive of a State.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. FERGUSON. Is it not true that the legislature could provide that an election should be held? So, if the legislature so desired, the appointment would be temporary, and only for the period during which there would otherwise be no representative in Congress.

Mr. COOPER. That is true. I support the amendment, but I point out again that I believe there is great merit in the proposal made by the distinguished Senator from South Dakota [Mr. CASE]. As I have said, the amendment proposes a radical change in the theory we have held that a Member of the House of Representatives must always be elected by the people. Now, we are proposing for the first time since the adoption of the Constitution, that Members of the House of Representatives—for a limited time in a period of emergency—shall not be elected by the vote of the people, but nominated by one man, the executive of a State. The reasons which make necessary such a change derive from circumstances which could not have been foreseen at the time of the adoption of the Constitution and can justify such temporary appointments. If the contingency which the amendment is proposing should occur, the situation with which we would have to deal would not be theoretical. Certainly vacancies in 145 seats in the House, for whatever reason, is no theoretical problem. Such a contingency would present the immediate problem of maintaining an orderly, functioning government.

Recognizing the dangers of such a situation and recognizing the necessity for provisions to avoid a paralysis of the Congress, I yet hold that believing strongly in the principle that Members of the House of Representatives should be elected by the people, we ought to determine whether or not the term of a

temporary appointment, in such circumstances, should be limited in some way. Arguments can be made against the proposal. It may be said that it would be impossible within a limited time to provide for the election of a Representative. If it were not possible, chaos and lack of a functioning government, which resulted from the original contingency, would continue. On the other hand, if a State is able to act at all toward calling elections, it seems to me that within a reasonable time—whether it be 60 days, 90 days, or 100 days—the vacancy could be filled by a vote of the people. Limits on the tenure of the temporary appointment should be provided.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. COOPER. In just a moment. I wish to respond to the argument made by the Senator from California a moment ago. He stated that the Congress ought not to direct the States when to call an election. Inferentially, of course, if a limitation on the tenure of an appointee is fixed in the amendment, it could be argued that the Federal Government is saying to the State, "You must enact election laws providing for an election within a specified time after a vacancy occurs."

My own theory is that if we authorize to the governors of the States the extraordinary power of appointment, a power which changes the concept of the status of Representatives, we can certainly limit the power by providing that the appointment may continue for only 90 days, or whatever time is determined. I admit that a time limitation raises various problems. I believe that if the joint resolution is passed in its present form and sent to the House of Representatives, further study should be given to this matter.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. KNOWLAND. I think both the Senator from Kentucky and the distinguished Senator from South Dakota [Mr. CASE] have correctly raised a question which should be given further study. I am frank to say that the reason why we did not include in the joint resolution a provision such as has been suggested was that, because of the general States rights doctrine, and the policy of not interfering in the election powers and the election machinery of the States, we thought a prolonged debate might develop on that issue, which would prevent or delay the adoption of an amendment which may be very vital to the constitutional functioning of the Government and the preservation of the legislative arm of the Government. We did not wish to be sidetracked on that issue.

I have no fundamental objection to the suggestion if some satisfactory formula can be devised. It may be that the House can obtain additional information. It may well be that no State requires more than 100 days, at the maximum, to hold an election. That may be a satisfactory reason for establishing some time limit. However, I believe that it would be better, following this colloquy on the floor of the Senate, to have the subject go to the House for further study rather than to try arbitrarily now to specify a time limit of 60, 90, 100, or 120 days. There might be valid objection to any time limit the Senate might establish at this stage.

Mr. COOPER. I entirely agree. I should say also that when such a proposed amendment is submitted to the States, three-fourths of the States will have to vote favorably upon it before it can become a part of the Constitution. It would be logical for the States at that time, recognizing their responsibility, to definitely establish their own procedures and their own course of action in case of emergency, to fill vacancies immediately in the House of Representatives by a vote of the people.

While I have no great fear that the spirit of article 1 of the Constitution and the amendment would be abused by any State, I think it important that we hold to the idea of a Representative in the Congress, elected by the people, as closely as possible even in case of emergency.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. KNOWLAND. Mr. President, pursuant to the standard operating procedure which has been adopted in the Senate both with respect to treaties and constitutional amendments, I intend to ask for the yeas and nays on final passage of the joint resolution, so that there may be a record vote.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, which will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all after the resolving clause and insert an amendment in the nature of a substitute, as follows:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. Whenever, by reason of the occurrence of acts of violence during any national emergency or national disaster, the total number of vacancies in the House of Representatives shall exceed 145, the Speaker of the House of Representatives shall so certify to the President. In case there is no Speaker, or in the event of the inability of the Speaker to discharge the powers and duties of his office, such certification shall be made by the Clerk of the House of Representatives, or, if there is no Clerk or he is unable to discharge the powers and duties of his office, by such person as may be chosen by majority vote of the remaining Members of the House present and voting. Upon receipt of such certificate, the President shall issue a proclamation declaring the facts recited in such certificate. The executive authority of each State shall then have power to make temporary appointments to fill any vacancies in the representation from his State in the House of Representatives which may exist at any time within 60 days after the issuance of such proclamation. Any person temporarily appointed to fill any such vacancy shall serve until the people fill the vacancy by election as provided for by article I, section 2, of the Constitution.

"SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States, as provided in the Constitution, within 7 years from the date of the submission hereof to the States by the Congress."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. GORE. Mr. President——

Mr. KNOWLAND. May we have the committee amendment adopted? This is not a vote on final passage of the joint resolution. On that question there will be a yea-and-nay vote.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment and third reading of the joint resolution.

Mr. KNOWLAND. Mr. President, on the final passage of the joint resolution I ask that the yeas and nays be ordered.

The yeas and nays were not ordered.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PURTELL in the chair). Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. Has the joint resolution been read the third time?

The PRESIDING OFFICER. The Chair informs the Senator from California that the joint resolution has not been read the third time. The question now is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The question is on the final passage of the joint resolution.

Mr. KNOWLAND. Mr. President, on the final passage, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. KNOWLAND. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate.

The Senator from Maryland [Mr. BEALL], the Senator from Ohio [Mr. BRICKER], and the Senator from New Jersey [Mr. HENDRICKSON] are absent on official business.

The Senator from Connecticut [Mr. BUSH], the Senator from Pennsylvania [Mr. DUFF], the Senator from Vermont [Mr. FLANDERS], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from California [Mr. KUCHEL], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from New Hampshire [Mr. UPTON], the Senator from Idaho [Mr. WELKER], and the Senator from North Dakota [Mr. YOUNG] are necessarily absent.

If present and voting, the Senator from Maryland [Mr. BEALL], the Senator from

Ohio [Mr. BRICKER], the Senator from Connecticut [Mr. BUSH], the Senator from Pennsylvania [Mr. DUFF], the Senator from Vermont [Mr. FLANDERS], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from California [Mr. KUCHEL], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from New Hampshire [Mr. UPTON], and the Senator from Idaho [Mr. WELKER] would each vote "yea."

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Texas [Mr. DANIEL], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Delaware [Mr. FREAR], the Senator from Missouri [Mr. HENNINGS], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Oklahoma [Mr. KERR] are absent on official business.

The Senator from Nevada [Mr. MCCARRAN] is absent by leave of the Senate.

I announce further that if present and voting, the Senator from Delaware [Mr. FREAR] and the Senator from Tennessee [Mr. KEFAUVER] would vote "yea."

The yeas and nays resulted—yeas 70, nays 1, as follows:

YEAS—70

Aiken	Green	McClellan
Anderson	Hayden	Millikin
Barrett	Hill	Monroney
Bennett	Holland	Morse
Bowring	Humphrey	Mundt
Bridges	Hunt	Murray
Burke	Ives	Neely
Butler, Md.	Jackson	Pastore
Butler, Nebr.	Jenner	Payne
Byrd	Johnson, Colo.	Potter
Capehart	Johnson, Tex.	Purtell
Carlson	Kennedy	Robertson
Case	Kilgore	Russell
Cooper	Knowland	Schoeppel
Cordon	Langer	Smathers
Dirksen	Lehman	Smith, Maine
Douglas	Lennon	Smith, N. J.
Dworshak	Long	Sparkman
Ferguson	Magnuson	Symington
Fulbright	Malone	Watkins
George	Mansfield	Wiley
Gillette	Martin	Williams
Goldwater	Maybank	
Gore	McCarthy	

NAYS—1

Stennis

NOT VOTING—24

Beall	Ellender	Kerr
Bricker	Flanders	Kuchel
Bush	Frear	McCarran
Chavez	Hendrickson	Saltonstall
Clements	Hennings	Thye
Daniel	Hickenlooper	Upton
Duff	Johnston, S. C.	Welker
Eastland	Kefauver	Young

The PRESIDING OFFICER. On this question the yeas are 70, the nays 1. Two-thirds of the Members present having voted in the affirmative, the joint resolution (S. J. Res. 39) proposing an amendment to the Constitution of the United States is passed.

DEPARTMENT OF INTERIOR APPROPRIATIONS, 1955

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar 1517, H. R. 8680, which is the Department of the Interior appropriation bill. For the information of the Senate, I may say it is not intended to have debate or voting on the bill today; it is merely desired to make it the unfinished business.

The PRESIDING OFFICER. The clerk will state the bill by title.

The CHIEF CLERK. A bill (H. R. 8680) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 8680) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1955, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, on Monday next it is proposed to have a call of the calendar of bills to which there is no objection, beginning at the point where the last call of the calendar was concluded. Following the call of the calendar, it is proposed to begin the consideration of the Department of the Interior appropriation bill.

On Monday, if action is completed on the Interior Department appropriation bill, it is proposed to take up the following bills:

Calendar No. 1376, H. R. 9004, to authorize the appointment as United States Commissioner, International Boundary and Water Commission, United States and Mexico, of Col. Leland Hazelton Hewitt, United States Army, and for other purposes; and its companion bill, Calendar No. 1334, S. 3457.

Calendar No. 1193, H. R. 5416, to authorize the advancement of certain lieutenants on the retired list of the Navy.

Prior notice has been given of the intention to consider these bills.

It is also proposed to call up Calendar No. 1447, S. 2373, to limit in certain cases the power of a single justice or judge of the United States to grant a stay of execution or sentence in connection with a habeas corpus proceeding or other proceeding collaterally attacking the conviction of any person.

There is an additional bill, which probably will not be taken up until Tuesday, even though the program I have outlined should be completed on Monday, and that is Calendar No. 1479, H. R. 8571, to authorize the construction of naval vessels, and for other purposes.

There is one bill which, at the request of the Senator from Arkansas [Mr. MCCLELLAN] and with the consent of the Senator from Colorado [Mr. JOHNSON], I agreed to continue from today until Monday. That is Calendar No. 139, Senate bill 978, to amend the Interstate Commerce Act in order to expedite and facilitate the termination of railroad reorganization proceedings under section 77 of the Bankruptcy Act and to require the Interstate Commerce Commission to consider, in stock modification plans, the assets of controlled or controlling stockholders, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. Does the Senator have any plans beyond Monday?

Mr. KNOWLAND. Only as the program I have outlined might extend beyond Tuesday. I think there will be another meeting of the Policy Committee on Tuesday. I believe the program I have outlined will keep the Senate fully occupied until Tuesday.

Mr. JOHNSON of Texas. Does the Senator have any late information as to the status of other appropriation bills?

Mr. KNOWLAND. I understand that the State, Justice, and Commerce appropriation bill is in the mark-up stage before the subcommittee today. The subcommittee is awaiting the return of several Senators who are out of the city before calling for a meeting of the full committee. I hope, however, that the meeting of the full committee will take place next week so that the State, Justice, and Commerce appropriation bill can be made ready, if not by next week, then at least by the Monday following.

As the distinguished Senator from Texas knows, there is now pending before the Committee on Foreign Relations the foreign aid authorization bill, which I hope will be reported at a reasonably early date.

I am not certain when the tax bill will be ready. I had hoped that it might be ready by the week beginning June 14. Whether it will be ready by that date or by the week of June 21, I am not prepared, at this time, to say, because much will depend upon when the committee makes its report.

Mr. JOHNSON of Texas. Can the Senator advise us as to the status of the Defense Department appropriation bill?

Mr. KNOWLAND. The hearings on the Defense Department appropriation bill are about concluded. I think the subcommittee is almost ready to mark up the bill and have it ready for action by the full committee within a reasonably short period of time.

With the exception of the Legislative and Judiciary appropriation bill, which is a relatively small bill to handle, there will then remain, as I recall, only the foreign aid appropriation bill and the District of Columbia appropriation bill.

Mr. JOHNSON of Texas. I thank the distinguished majority leader.

OBSERVANCE OF SWEDISH FLAG DAY, JUNE 6, 1954

Mr. HUMPHREY. Mr. President, Sunday, June 6, is Swedish Flag Day, a national holiday for the citizens of Sweden, and a day which will be observed with pride and fond memories by persons of Swedish descent throughout the world. It marks the 145th anniversary of the establishment of self-government in Sweden.

In the nearly one and one-half centuries since 1809 when Karl Johan Adlercreutz led the popular movement resulting in the adoption of the Regeringsformen, her first constitution, Sweden has not only achieved the full measure of democracy and political maturity, but

she has achieved one of the highest national living standards in the world. Her social welfare legislation is the model for other countries; her cooperative movement is applauded by farmers and workers throughout the world. The spirit of experimentation and moderation which has brought such a prosperous stability to Swedish economic life has been aptly termed "the middle way."

The people of the United States know this Swedish heritage from first hand. Her sons and daughters have brought its richness and vitality to the areas of the United States where they have settled, particularly the vast North Central region, including my home State of Minnesota. One does not live long in these areas, nor even visit them, without sensing the deep morality, the astonishing industry, and the immense zest for living which animate the daily lives of our American citizens of Swedish ancestry. This spirit, which so perfectly captures the simplest and best qualities in both Swedish and American national life, is ample justification for the pride which all persons of Swedish descent may feel on this June 6 as they celebrate Swedish Flag Day.

INVITATION TO NURSE GENEVIEVE DE GALARD-TERRAUBE TO VISIT THE UNITED STATES

Mr. WILEY. Mr. President, I desire to address a question to the distinguished Senator from California. There has come from the House House Concurrent Resolution 236, introduced by Representative BOLTON, which would extend an invitation to Nurse Genevieve de Galard-Terraube to be an honored guest of the United States. Nurse Galard-Terraube was the heroine of Dien Bien Phu. The membership of the Committee on Foreign Relations was canvassed and the House concurrent resolution was reported favorably today. I wonder if it could not be considered today, since I know of no objection to it.

Mr. KNOWLAND. Mr. President, I have consulted with the minority leader about House Concurrent Resolution 236, which has come over from the House, and which conveys an invitation to Nurse Genevieve de Galard-Terraube, who was an officer of the Republic of France at Dien Bien Phu during the siege of that fortress, to visit the United States.

It is agreeable to the minority leader that the concurrent resolution be considered at this time. The resolution was before the Committee on Foreign Relations, the members of that committee were consulted, and present consideration of the concurrent resolution has their approval.

Normally, following the usual procedure, which I hope will be adhered to generally, unless there are some unusual circumstances, of course, the resolution would go to the calendar and not be brought up until next week; but, because of the nature of the resolution, and the fact that the distinguished chairman of the Committee on Foreign Relations will not be present during the early part of next week, I ask that the concurrent resolution be considered at this time.

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). The clerk will read the concurrent resolution.

The Chief Clerk read the concurrent resolution (H. Con. Res. 236), as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress hereby extends to Nurse Genevieve de Galard-Terraube its warm congratulations for her gallant service and invites her, at the earliest time convenient to her and her country, to visit the United States as an honored guest.

The President is respectfully requested to transmit copies of this resolution to the Government of France, and to Nurse Genevieve de Galard-Terraube.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (H. Con. Res. 236) was considered and agreed to.

The preamble was agreed to.

WILLMORE ENGINEERING CO.

The PRESIDING OFFICER (Mr. PURTELL in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 7258) for the relief of the Willmore Engineering Co., and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. LANGER. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BUTLER of Maryland, Mr. WELKER, and Mr. KEFAUVER conferees on the part of the Senate.

PROPOSED RECESS TO MONDAY

Mr. KNOWLAND. Mr. President, I think the Senate should know that as soon as Senators conclude any remarks they may desire to make, or their requests for insertions in the RECORD, I plan to move to recess until Monday at 12 o'clock.

ERADICATION OF THE LITTERBUG

Mr. MORSE. Mr. President, my interest in the conservation of America's great natural resources of land, water, forests, and wildlife includes a relatively new conservation movement. One problem that was not very serious when Theodore Roosevelt and Gifford Pinchot aroused the Nation on conservation issues 50 years ago is that of the litterbug.

Litterbugs consist of those individuals who unthinkingly or carelessly desecrate the beauties of America with the abandoned refuse which is a byproduct of the "package age," and I think I should also say the "bottle age," Mr. President. As I drive along some of the highways in Virginia and Maryland, I sometimes wonder whether I am driving on a concrete highway or on a pavement of beer bottles and whisky bottles. It is rather disgusting to see how the highways of our neighboring States are being desecrated with so-called "dead soldiers".

I should like to call the attention of the Senate to an important public service being performed by the Izaak Walton League and a number of other organizations. They have undertaken a most commendable nationwide campaign to stop the littering of our Nation's highways, parks, and recreational areas with paper bags and wrappings, cans, bottles, and other kinds of trash.

I am pleased to report that the first organized attack on this problem came from my own State of Oregon, where the Oregon Izaak Walton League, led by the Portland Chapter, launched a campaign which has received national attention. This campaign has aroused the interest of industry. It is pleasing to note that can manufacturers, bottle makers, breweries, disposable tissue makers, chewing gum manufacturers, and others have joined the "keep American beautiful" program that was started in Portland, Oreg., a little over a year ago.

Mr. President, the Oregonian, of Portland, Oreg., on May 29, 1954, carried an editorial on the subject, and I ask unanimous consent that it be printed in the RECORD at this point in my remarks. The title of the editorial is, "Litterbugs at Bay."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LITTERBUGS AT BAY

It will be gratifying to Portland members of the Izaak Walton League that Reader's Digest in its current issue prints a strong appeal for suppression of the litterbug—genus Americanus who scatters tin cans, paper wrappers, pop bottles, and all the other used containers and junk of the modern packaged age along the roadsides and streams, in parks, forests, and even on lawns without a thought in the world for those who come after.

The article shows how the antilitterbug campaign is spreading nationally, with conservation and outdoors groups, container manufacturers, and oil companies now flocking in. Some hope is held out that the number of litterbugs may soon be reduced from that maximum assessment of the guilty: "All of us except the bedridden, the jailed, and the newly born."

But credit where credit is due. At no place does the article by William S. Dutton mention the Izaak Walton League of America which headed up the national drive; the Portland chapter of the league, where the antilitterburg and antivandalbug campaign started; Sam Moment, the Portland league member who thought up and whooped up the original drive; or the Oregonian which first printed Sam's stirring article on the shame to the Nation's outdoors and gave it editorial support.

But no one's feeling are hurt. The farther this antilitterbug war spreads, the better we in Portland will like it.

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed at this point in my remarks an article entitled "Are You a Litterbug?" appearing in the Reader's Digest for June 1954.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARE YOU A LITTERBUG?

(By William S. Dutton)

We Americans are both the cleanest and dirtiest of people. We use more bathtubs, soap, brooms, and germicides than any other nation; we pasteurize our milk, guard our

water, and abhor flies. Yet we litter our highways, parks, and beaches with beer cans, pop bottles, wastepaper, cigarette wrappers, and other junk, creating the most appalling mess known to civilized man.

A British visitor, after a horrified look at United States Highway No. 1 between Baltimore and the Nation's Capital, concluded that ours must be an economy of buy and throw away. For a stretch of 28 miles bottles, cans, and paper wrappers in the gutters advertised the names of our leading food, drink, and tobacco industries.

It is the same throughout the United States. Greybull is a town of 2,500 people on the Big Horn River in Wyoming. You might think that in those wide open spaces Greybull would be reasonably safe from "litterbugs." Yet when the Elks lodge offered Boy Scouts a penny for each beer can found along the roads entering town the youngsters picked up 7,400 cans in 1 afternoon.

A nationwide survey made during the past winter by a New York public-relations firm proved that no State is free from "litterbugging." Existing laws are too weak to stop it. Periodic cleanup drives help for a while, but they don't cure the plague.

Who are the guilty? Reports Howard Chase, who directed the survey: "All of us except the bedridden, the jailed, and the newly born."

The reason behind the mess is plain enough. In the old days there was little trash to strew. Most foodstuffs were sold from bins and barrels; ice cream was brought home in a dish and beer in a pail; wooden boxes and barrels made fine kindling. Even string and newspapers were saved. Folks didn't go far from home and knew their neighbors too well to dump garbage on their lawns.

Today the packaging era has engulfed us. Every trip to a store yields paper bags, cartons and boxes; cans, bottles, and jars.

When we outlawed the public drinking cup we created a blizzard of trash in paper cups. The old beer pail went down under a flood of bottles and cans. Soft drinks are now following beer into cans. So are frozen foods. After one use the cans—35 billion of them in 1953—must be disposed of somehow.

At the same time we have put tens of millions of people on wheels and turned them loose on 3 million miles of country roads. One midwestern farmer, after vainly appealing to public officials, gathered up the litter along his road and dumped it on the courthouse steps—an angry action which expressed the revulsion that is everywhere rising.

Penalties for littering are being boosted. They are up to $100 or jail in South Carolina, Nebraska, Indiana, and a few other States. The highway police of Ohio and New Jersey are under orders to round up litterbugs as summarily as they do speeders. Vermonters, fed up with having their tires cut by broken bottles, have prohibited the sale of beer in nonreturnable bottles, a law that the brewers are now fighting in the courts. There is talk of requiring large cash deposits on all beverage containers taken away from the place of sale.

Civic groups are at work. The National Council of State Garden Clubs, with allied women's groups including State Roadside Councils, is waging a national drive to end what it calls the great American disgrace. The emblem of the drive is a cartoon of an ugly bug strewing trash, with the slogan: Don't be a litterbug. Seals bearing the emblem are sold at cost for display on auto bumpers. Posters have been designed for schools and meeting places, and enameled metal signs for parks, roadside rests, and playgrounds.

The newest and what could be the most formidable antilitter recruit is Keep America Beautiful, Inc., whose headquarters are in New York City. KAB is largely the conception of William C. Stolk, president of the American Can Co., which makes about 40 percent of our mountainous tin-can output. Charter members are the trade associations representing the big manufacturers of cans, bottles, boxes, and paper containers. Joined with them are the beer, liquor, and wine industries.

These people intend to line up as copartners the makers of cigarettes, paper matches, chewing gum, tinned food, facial tissue, soft drinks, tinfoil, and cellophane—in short, every industry that contributes to litter—and also newspaper publishers and the automobile, rubber, and petroleum industries. The united action proposed by KAB, because it is based on protecting financial interests, may well be the decisive force in solving the litterbug problem.

A brewer told me: "Legally we're not responsible for the beer cans strewn along roads, but the cans bear our name and people hold us morally responsible. We're facing that fact."

If Keep America Beautiful plans are realized, the whole country will blaze with appeals before another year passes: antilitter reminders on cans, cups, bottles, cartons, and also in radio, TV, newspaper and magazine advertising. Realistic about the job ahead of it, KAB foresees years of unrelenting publicity if the littering habit is to be broken.

One scheme for ending roadside litter was first proposed by the garden clubs. It is to have every motorist carry a litterbag in the car and use it as he would a wastebasket at home. Service-station attendants would empty it as part of their routine.

The proposed bag is square-bottomed, of stout brown paper, about half the size of a marketing bag. A strong handle allows it to be hung easily inside the car door. Costing about one and a half cents in large quantities, it will last 3 months in average service. It is hoped that the big oil companies will sponsor the litterbag on a large enough scale to make it standard.

The National Park Service tried out the idea last summer. Guards presented each visiting car with a paper bag, explained its purpose and asked that it be returned upon leaving. The plan worked.

The Mid-Continent Oil Co. tried a similar plan in Tulsa, Okla. Its station operators gave a trash bag to each customer and assured him that any Mid-Continent station would be glad to empty it.

Some other oil companies, however, have shied from sponsoring any sort of trash bag, arguing that service-station owners might balk if asked to dump trash collections. But when the Iowa Petroleum Retailers Association put the trash-bag issue up to a vote, the group enthusiastically voted to assume the new chore provided a satisfactory bag is made available.

No doubt we will soon be carrying trash bags in cars as we do road maps. It will be a stubborn motorist who resists the appeals pressed on him from all sides. If every American recognizes his responsiility for keeping our country clean, litterbugging can be stopped.

LEASE-PURCHASE AGREEMENT—RESOLUTION OF THE CONDON (OREG.) COMMERCIAL CLUB

Mr. MORSE. Mr. President, I now wish to turn my attention to another matter. Usually I ask unanimous consent to have resolutions printed merely in the Appendix of the RECORD, but I think the one now before me is of sufficient significance, because it is such an exception to the rule, that I intend to make it the subject of a very brief speech, consisting for the most part of reading the resolution and commenting upon it.

The resolution, which was adopted by the Commercial Club of Condon, Oreg., refers to the question of the lease-purchase program which the Senate unfortunately adopted in the form of the Kuchel bill a short time ago. Over the objections of some of us, the lease-purchase bill was passed, a bill which some said would result in great waste, and in the taxpayers of the country paying more money than they needed to pay for public buildings, and paying for some public buildings which were not needed at all.

It will be remembered, Mr. President, that in that debate I pointed out the bill had many of the characteristics of a political grab bag. I charged that it would be used in part as a hidden campaign slush fund for politicians who might find themselves in political difficulty. I am very proud that I opposed the lease-purchase bill, along with the Senator from Virginia [Mr. BYRD], the Senator from Illinois [Mr. DOUGLAS], and other Senators, in opposition to what we considered to be a very uneconomical proposal for the construction of public buildings.

I supported the position taken by the Senator from Washington [Mr. MAGNUSON], who stated that, according to calculations which had been made, the buildings, on the average, would cost the taxpayers of the country about 40 percent more than such buildings needed to cost. We pointed out in the debate that the buildings not only would cost much more than if the Government itself constructed them, but the Government would not have control of the plans and designs of the buildings. We pointed out that the Kuchel bill amounted to putting Uncle Sam on an installment-plan basis when it came to constructing buildings which might be needed. We urged that the bill be defeated because the people of the country would not favor it once they knew the facts about it.

This is what the Condon, Oreg., Commercial Club of my State has to say about the application of the proposal to a proposed building in the State of Oregon:

Whereas the Portland (Oreg.) Journal of April 8, carried a news story on the front page indicating the House had approved and sent to the Senate an appropriation measure calling for an expenditure, under a lease-purchase agreement, of $43 million for additional public buildings for Oregon, which it is assumed means post offices and other public offices; and

Whereas Condon, Oreg., is listed for a building costing $215,000, which is one of the smallest of the 88 projects proposed; and

Whereas this cost seems to be about as far out of proportion to our needs in this community as does the proposed cost of buildings in the other communities listed; and

Whereas if the voters and taxpayers of Condon, Oreg., were called upon to approve an expenditure of this amount out of their own property-tax money, they would vote it down almost unanimously, as we believe, would every other Oregon community in like circumstances; and

Whereas both the Federal Government as a whole and the Post Office Department in particular have been operating at a deficit for many years and are, therefore, less able

to buy unnecessary facilities for any community than the community is itself; and

Whereas if our Government is ever to return to a normal economy and a balanced budget, it must be done by eliminating useless and unnecessary spending, which this measure appears to us to be; and

Whereas it is our opinion from the information at our disposal, that if this appropriation is necessary at all, it is far greater than present or foreseeable needs seem to indicate, and could be reduced by a very great amount: Now, therefore, be it

Resolved, That the Condon Commercial Club at a regular meeting and by unanimous approval, disapprove of this measure as we understand it, not only as it affects our own town of Condon, Oreg.; but also so far as it applies to all other 87 listed Oregon cities.

Furthermore, we urge that an investigation be made by appropriate authorities to determine if similar unwarranted expenditures are being contemplated for other States in the United States. If so, we wish to strongly voice our disapproval of those expenditures.

Furthermore, we urge that appropriate action be taken to recall and reconsider appropriation measures of this nature that have already been approved by Congress.

Furthermore, we desire that a copy of this resolution be sent to our Congressmen and Senators.

CONDON COMMERCIAL CLUB,
RALUY B. EATON,
President.
THOMAS H. BLESSINGTON,
Secretary.

Mr. President, I have read the resolution into the RECORD because I wish to give it the notice to which I believe it entitled. Certainly it merits a great deal of notice. I wish to commend the officers and members of the club for what I believe to be real statesmanship at the local, community level. They see through the wastes of the lease-purchase bill. The Senate did not fool them. They know what the result of this lease-purchase bill will be. It will result in imposing on the taxpayers of the Nation additional costs that cannot be justified.

So, Mr. President, I am proud to have in my State a group of businessmen who are not willing to sell their birthright for a mess of pottage, even though it takes the form of a post-office building which in cost far exceeds the needs of the community. The Condon Commercial Club expresses the kind of sentiment we need more of in our country if we are to check legislation of such wasteful character as, in my judgment, the lease-purchase bill constitutes.

Mr. President, I now desire to refer to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

THE OPPENHEIMER CASE

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at the conclusion of the very brief remarks I am about to make on the Oppenheimer case an article entitled "What Is Security?" written by Joseph and Stewart Alsop, and published in the Washington Post and Times Herald of June 4; and also an article entitled "The Oppenheimer Story," written by Roscoe Drummond, and published in the same newspaper.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits A and B.)

Mr. MORSE. Mr. President, I merely wish to say that as I read these two penetrating analyses by these very able commentators, I would that they had been on the board that passed judgment upon the Oppenheimer case, because I think that in their articles they come to the very essence of the case.

Mr. President, I am not prepared to pass final judgment on the Oppenheimer case while the matter is still pending before the Atomic Energy Commission. But I have great difficulty intellectually—as I know, from the cloakroom discussions, many of my colleagues have been having difficulty—in understanding how a finding could be made that there is no question about Dr. Oppenheimer's loyalty to the country, there is no question about his great contribution to atomic energy science, but still he is not given clearance.

Yet when we read the newspapers we discover that there are those who recognize that indiscretions or political immaturity have no bearing whatsoever on the mining of a mind that the scientists tell us is one of the keenest scientific minds among all our citizens. With the threat of communism what I believe it to be, and with the gap between Russian atomic power and the atomic power of the United States narrowing, so we are told, month by month, I think we are simply spiting ourselves if we deny to our Government the maximum contribution that this great scientific mind can make to his country.

From today's newspapers I notice that there are those in England who seem to think that if we do not want to mine this mind they are willing to mine it. I am greatly impressed by the reactions of scientists across the Nation to the schizophrenic majority report of the board that analyzed the Oppenheimer case. Its premises simply are split as a personality sometimes is split. The first part of the report certainly cannot be connected with the last part.

In this case, I think there is only one simple question, and the Alsop brothers bring it out in their article, and Roscoe Drummond brings it out in his. I state it now in my own language: Is it in the interest of scientific development in the United States, insofar as our atomic program is concerned, to continue to use the contributions of this scientific mind, in the body of a person who has demonstrated that he is, or has been on many, many occasions, politically immature? Should we lose that contribution merely because of some political indiscretions, so long as we have the finding that he is loyal to his Government?

Mr. President, I suggest that the appropriate congressional committee look into the question whether there is any factual basis for the rumor that, apparently, within the Atomic Energy Commission there are some personal conflicts between the Chairman of the Commission and Oppenheimer. I am disturbed about what I read in the press these days concerning an attempt on the part of some to vest in the head of the Atomic Energy Commission broad, sweeping, arbitrary, and unwarranted discretionary powers. I do not know a man in the United States, including the present head of the Atomic Energy Commission, Mr. Strauss, who is entitled to have any such power as that which is presently reported in the press as being proposed to be vested in him. I wish to say that here again we in the Congress have the duty of seeing to it that we give effective meaning to our system of checks and balances. We have the duty of constantly keeping the executive branch of our Government within check, just as the executive branch of the Government has the constitutional duty of seeing to it that the Congress does not exceed its legislative functions.

There is involved in the discussion of how much power Strauss should have the question of limiting the jurisdiction and discretion of the head of an agency which is the child of the Congress. Let us not forget that the Atomic Energy Commission is the child of the Congress. The Atomic Energy Commission has responsibilities to the Congress, and we, in turn, have certain duties and obligations with respect to the Atomic Energy Commission. In my judgment one of our duties is to keep a bridle on the head of the chairman of the Atomic Energy Commission, and a curb bit in his mouth, so to speak, so that we can rein him in when necessary.

I make these comments because I think there is some reason to believe that there is a connection between the Oppenheimer case and the reported proposal to give to Strauss, of the Atomic Energy Commission, unchecked, unbridled power. I propose, so far as my vote in the Senate is concerned, to compel the Atomic Energy Commision to operate on the basis of the good democratic principle of majority rule. I do not propose to give to the chairman of the Atomic Energy Commission what would be tantamount to a veto power over his colleagues.

Mr. KNOWLAND. Mr. President, I may say in passing, as a member of the Joint Committee on Atomic Energy, that I know of no proposal which is pending before the committee, or of any proposed legislation, which would give the chairman of the Commission a veto over his associates. The only thing, to my knowledge, which has been suggested so far as amendment is concerned, is to give the chairman of the Commission the same responsibilities that the chairman of every other commission—the Interstate Commerce Commission, the Federal Trade Commission, and all the others—has in relation to his associates, with respect to responsibility for certain administrative details. But he will neither have a veto power, nor will he have any greater vote than the one vote which each Commissioner has. Though there has been some discussion in the newspaper to the contrary, at least so far as I know, there has not been seriously proposed anything which would go as far as the Senator from Oregon apparently feels is under consideration.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. MORSE. The comments of the majority leader are very reassuring. I certainly think they justify further inquiry into this subject. I have read the newspapers. I have read the statements quoted in the press as to the power which would be given to the Atomic Energy Commission chairman. In my judgment those statements are subject to the interpretation that he would have very broad discretionary power to make decisions in which his colleagues would not have a voice.

Mr. KNOWLAND. I hope the Senator, in his usual thorough manner, will very carefully read both the record which I am sure he will do—and the proposed legislation when it comes before the Senate.

Mr. MORSE. I shall do so.

Mr. KNOWLAND. And also the recommendations of certain individuals who have studied this question. Mr. Acheson, I believe, was on the Hoover Commission. Certain others went into this phase of the problem. They recommended—I believe by practically a unanimous vote, if not a unanimous vote—this type of change, which was deemed necessary to put the Atomic Energy Commission on the same basis as other commissions.

Mr. MORSE. If the Senator from California will permit me one further word, I wish to say that there are various types of vetoes. When I refer to the veto power, I mean a veto which would exist in effect if we were to give to the chairman of the Atomic Energy Commission, under the guise of administrative authority, the power to determine policy, without the right of the majority of his colleagues to reverse him.

Mr. KNOWLAND. I will say to the Senator that, frankly, I know of no such proposal which has been made, or which has been seriously considered, to date, at least by the joint committee, in the hearings which are now in progress. Of course, as the Senator knows, the hearings are still in progress. The committee has not even reached the final stage of marking up the bill.

Mr. MORSE. One of the things which disturbed me the most was a story in the press quoting other members of the Commission in regard to their objections to the vesting of certain powers in the chairman which they thought would be vested—if I read the stories correctly—by the language now contained in the bill.

One of the functions of the Independent Party in the Senate is to raise the signal flags of warning when he finds such criticisms of the Chairman of the Atomic Energy Commission as have been appearing in the press recently. I know the other members of the Commission as well as I know the Chairman of the Commission. I have great confidence in them and respect for them. When they think the situation is serious enough to cause them to make statements of criticism as to proposals to increase the Chairman's powers which appear in the press, I feel that it is my duty to stand on the floor of the Senate and urge the committees of the Senate which have jurisdiction over the subject at least to look into it very carefully. We have a duty to see to it that no legislation is proposed which would give to the Chairman of the Commission what I have called broad, sweeping, discretionary powers.

Mr. KNOWLAND. I have seen a number of articles by certain columnists, and certain other newspaper articles which indicated that there was some move afoot to abolish the Commission and to have a one-man administrator, so to speak. I suppose they are speculative stories; but I will say frankly to the Senator that, at least up to date, I have not heard seriously proposed anything which would give any such sweeping power to the Chairman of that Commission.

Mr. MORSE. I thank the Senator.

EXHIBIT A

[From the Washington Post and Times Herald of June 4, 1954]

WHAT IS SECURITY?

(By Joseph and Stewart Alsop)

Just what the devil is national security? That is the question raised by the decision of the majority of the Board in the case of Dr. J. Robert Oppenheimer.

On the main point—the only point of any serious import—Gordon Gray and his colleagues gave their judgment strongly for the great physicist. They reviewed all the evidence against Dr. Oppenheimer. They subjected all his prewar political follies to the most meticulous examination. And they said three things with great positiveness and clarity.

First, this Nation "particularly owes" to Dr. Oppenheimer "a great debt of gratitude for loyal and magnificent service."

Second, Dr. Oppenheimer's repentance of past folly is undoubted. He is a "loyal citizen"; and his "loyalty and love of country" are attested by "much responsible and positive evidence." Again, the testimony as to his "deep devotion to his country" is both "eloquent and convincing."

Third. Dr. Oppenheimer "seems to have had a high degree of discretion reflecting an unusual ability to keep to himself vital secrets." There is not an atom of evidence that he at any time communicated any classified information whatever to any person not cleared to receive such information. There is of course no trace of evidence that Dr. Oppenheimer ever gave aid or comfort to the enemy in any shape or form.

After admitting all this, the two-man majority of the Gray Board then repaid this country's "great debt of gratitude for loyal and magnificent service" by classifying Dr. Oppenheimer as a security risk.

Their reasons for this incalculably grave action will appear misty, confusing, and inconclusive to anyone who reads the document without prejudice. All the majority's reasons were roundly rejected by the third member of the Board, Dr. Ward Evans, of Loyola University. Dr. Evans characterized the decision of the majority as a black mark on the escutcheon of the country.

That is where the case stands on the surface. But it is by no means where the case really stands, if you consider the broader context of this extraordinary decision. It is this broader context which makes one ask what security really is.

In brief, the Soviet Union is rapidly catching up to this country in weapons design and development. The first proof of this dread fact came when the Kremlin exploded its large, economy-size H-bomb, designed around the use of lithium hydride in the core. In this highly important instance, Soviet science actually surpassed American science. Our physicists and weaponeers had to scurry to achieve the version of the Russian design that the AEC recently tested in the Pacific.

There are other such proofs. There is the appearance of the new Soviet long-range jet bombers, 2 years ahead of the Pentagon schedule. There are the recent Soviet advances that we cannot match in the field of electronics, where we used to think we had a commanding lead. There is the mass of evidence that the Soviets are well ahead of us in the vital field of guided missiles.

These few grim facts that have slipped through the curtain of official secrecy mean one thing, and one thing only. We are in danger of losing the air-atomic supremacy that has been this country's whole defense in the postwar years. If we do not guard against this danger, the time may not be far off when this country will lie naked and exposed to the Kremlin's superior power.

Here is the real threat to the security of this Nation. And this threat is the true context of the decision in the Oppenheimer case.

Because of this threat, the country has urgent need of the talents of all the greatest American scientists. Not just their talents are required, either. Their enthusiastic and self-confident collaboration with the Government and one another, their dedicated and inspired work against time, are now essentials of American survival.

These are the larger requirements of American security. The Gray board mumbled something about them, and then forgot about them. Yet they have got to be considered. For what imperils this country more greatly: Dr. Oppenheimer's regrettable tendency to be contemptuous of Government flatfeet, or the loss to the Soviet Union of our lead in weapons development?

With that question staring them in the face, the majority of the Gray board have looked at the little things and not the big things. They have sacrificed the bellwether of the scientific flock, whose personal talents are quite valuable enough to justify a different decision. They have convinced the majority of other scientists that this sacrifice has been made to satisfy the personal spite of the Chairman of the Atomic Energy Commission, Adm. Lewis Strauss. They have endangered the whole partnership between science and Government.

For what scientist, and indeed, what ordinarily sensible man, will wish to serve a Government that is not content with unquestioned loyalty, perfect discretion, and vast and unrepaid past services? If you can still be a security risk when you have met these tests, the best thing to do is cultivate your cabbages until the end comes.

EXHIBIT B

[From the Washington Post and Times Herald of June 4, 1954]

THE OPPENHEIMER STORY

(By Roscoe Drummond)

The report of the special Security Board in the case of Dr. J. Robert Oppenheimer justifies these immediate conclusions:

That the Oppenheimer hearing has proved itself to be a veritable model of fairness, care, and determination to get at all the facts—judicial, orderly, thorough.

That the divided decision of the three-man Security Board, finding Dr. Oppenheimer loyal, discreet, but still unsuitable for clearance, leaves a final and large responsibility with the Atomic Energy Commission itself.

The issue now confronting the AEC is not a simple "yea" or "nay" to the security panel's majority verdict but requires new study and full judgment whether the 2-to-1 unsuitable-for-clearance decision is consistent with or substantially violates the 2 findings about Dr. Oppenheimer. In other words, should a Government consultant, even in a sensitive position, who is found loyal as leakproof, be deemed insecure?

Obviously 2 of the 3 honorable and intelligent members of the panel felt they should rule Dr. Oppenheimer insecure and there are aspects of the record to make their decision defensible. But there is a sufficiently visible, and to many a sufficiently large, hiatus between the Board's pro-Oppenheimer conclusions and its anti-Oppenheimer ruling to make it necessary for the Atomic Energy Commission to examine this hiatus.

President Eisenhower, I believe, took this view at his press conference earlier this week when he declined to comment on the Security Board action on the ground that the decision was still sub judice until the AEC rendered the final decision.

There are two things about this investigation which are reassuring to the country. the Security Board itself cited one of them; namely, its decision that Dr. Oppenheimer, who knows all the atomic and most of the hydrogen secrets, has demonstrated a record of unswerving loyalty and discretion. The other reassuring fact is the manner in which the Board conducted the hearing.

Dr. Oppenheimer was continuously represented by counsel, usually four in number, including John W. Davis and Lloyd K. Garrison. He confronted every witness appearing before the Board with the privilege of cross-examination. He knew in advance the derogatory information made against him and was familiar with the contents of relevant documents except a few which were classified. This was a security hearing at its model best.

The Board was made up of distinguished and reasonable men and its divided decision raises some reasonable questions which the AEC is now called upon to decide. The questions are these:

1. One reason the Board deemed Dr. Oppenheimer unsuitable for clearance is that "he did not show enthusiastic support" for the hydrogen bomb project, which he counseled against. But the Board also records "its profound and positive view that no man should be tried for the expression of his opinions." Is a consultant to be deemed a security risk because he holds to his convictions after his advice has not been followed? If consultants are to be required to become enthusiastic for projects they didn't believe in on penalty of being found security risks, doesn't that mean the Government is headed for a pretty weakminded body of consultants?

2. The Board found that Dr. Oppenheimer continued some personal associations with Communists or former Communists up to at least a year ago. But his whole conduct is described as "reflecting unusual ability to keep to himself vital secrets." Since the Board found him loyal and discreet, does his record gainsay the calculation that he is insecure?

3. The Board concluded that Dr. Oppenheimer's conduct in the hydrogen bomb decision adversely affected "the security interests of the United States." But the Board points out that his views were shared by other distinguished experts. His views may already have turned out totally wrong, but does this make him a security risk any more than the military experts who had in the past year advised against a crash program of continental defense?

It may very well be that Dr. Oppenheimer is not the kind of adviser which the Government wants or should have. If so, there is no reason why he shouldn't be instantly dropped. But there is a great deal of difference between dropping an atomic adviser whose advice you don't care for any more or because you think he is a greater handicap than a help, and dropping a loyal and discreet atomic adviser on the ground that he is a security risk. What isn't clear from the Board's report is whether it is really calling Dr. Oppenheimer a bad adviser or a security risk.

I am not assuming to resolve these questions on the side of Dr. Oppenheimer. But it does seem to me that they have been inescapably raised by the nature of the Security Board's reasoning and decision and will have to be examined and answered by the Atomic Energy Commission in rendering its own final decision.

ORDER FOR CALL OF THE CALENDAR ON MONDAY

Mr. KNOWLAND. Mr. President, I have consulted with the minority leader [Mr. JOHNSON of Texas], and I now ask unanimous consent that on Monday next, following the usual morning hour for the introduction of bills and joint resolutions, and the transaction of other routine business under the customary 2-minute limitation, there be a call of the calendar for the consideration of measures to which there is no objection, beginning at the point where the previous call was concluded, starting with Calendar No. 1487.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California? The Chair hears none, and it is so ordered.

RECESS TO MONDAY

Mr. KNOWLAND. Mr. President, if there be no further business to come before the Senate, I move that the Senate stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 3 o'clock and 27 minutes p. m.) the Senate took a recess until Monday, June 7, 1954, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate June 4 (legislative day of May 13), 1954:

FEDERAL COMMUNICATIONS COMMISSION

John C. Doerfer, of Wisconsin, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1954. (Reappointment.)

SENATE

MONDAY, JUNE 7, 1954

(Legislative day of Thursday, May 13, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Harry M. Crim, Th. D., Minister, Strasburg Presbyterian Church, Strasburg, Va., offered the following prayer:

Our Heavenly Father, we thank Thee for ideals of fairness and justice that prevail in America. May they never be lowered or weakened, but strengthened and elevated. Forgive us of all unfairness and injustice of which we may have been guilty.

Give us true humility; a loving, friendly, and useful way of life. Grant us to be faithful in performing promises, careful of our charges, and readily prepared for every good work.

Look upon us, and let the darkness of our souls vanish before the beams of Thy brightness. Fill us with holy love, and open to us the treasures of Thy wisdom. All our desires are known unto Thee; therefore perfect what Thou hast begun, and what the Spirit of God has awakened us to ask in prayer. We seek Thy face; turn not Thy face from us, but show us Thy glory. Then shall we know Thy plan and way of life for us. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 7, 1954.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. EDWARD MARTIN, a Senator from the State of Pennsylvania, to perform the duties of the Chair during my absence.

STYLES BRIDGES,
President pro tempore.

Mr. MARTIN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 4, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 8583) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PHILLIPS, Mr. COTTON, Mr. JONAS of North Carolina, Mr. KRUEGER, Mr. TABER, Mr. THOMAS, Mr. ANDREWS, Mr. YATES, and Mr. CANNON were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

H. R. 6655. An act to amend the charter of the Columbia Institution for the Deaf, change its name, define its corporate powers, and provide for its organization and administration, and for other purposes; and

H. R. 8092. An act to facilitate the entry of Philippine traders.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that following a quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KNOWLAND. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REPORT OF OFFICE OF ALIEN PROPERTY—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read; and, with the accompanying report, referred to the Committee on the Judiciary:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the annual report of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1953.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 7, 1954.*

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF FARM CREDIT ACT OF 1933 RELATING TO CERTAIN DIVIDENDS AND SECURITIES

A letter from the Governor, Farm Credit Administration, transmitting a draft of proposed legislation to authorize production credit associations to pay dividends on class A stock without paying dividends on class B stock, to pledge securities representing investments of their guaranty funds, and to pay dividends on class A or class C stock without regard to the provisions of section 22 of the Farm Credit Act of 1933, and to authorize production credit corporations to invest in class C stock of production credit associations without affecting the tax status of such associations, and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

GRANTING STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of Louisiana; to the Committee on Armed Services:

"Senate Concurrent Resolution 7

"Whereas the present world situation is critical; and

"Whereas it is imperative that we take every possible step to protect the security of this country; and

"Whereas the location of the State places it in a vital position in the general planning of the defense of this Nation; and

"Whereas after thorough investigation and much study of the situation the Department of Defense has decided to expand the Alvin Callender Airport situated in the New Orleans metropolitan area into an Air Force military training center; and

"Whereas such an airport would be used by the Air Force, the Navy and the National Guard to train the youth of this country for the defense of this country; and

"Whereas the location of such a base in the State will contribute to the defense and economy of the State of Louisiana: Therefore be it

"Resolved by the Senate of the State of Louisiana (the House concurring), That the Legislature of the State of Louisiana expresses approval of the action of the Secretary of Defense in selecting a site in Louisiana; be it further

"Resolved by the Senate of the State of Louisiana (the House concurring), That copies of this resolution be forwarded to the President of the United States, to Congressman F. EDWARD HÉBERT of the First Congressional District, to the House of Representatives and Senate of the Congress of the United States and to the Secretary of Defense.

"C. E. BARHAM,
"Lieutenant Governor and President of the Senate.

"C. C. AYURH,
"Speaker of the House of Representatives."

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Armed Services:

"Resolutions memorializing the Congress of the United States to reconsider any proposed curtailment of employment or work at the Boston Naval Shipyard

"Whereas the Boston Naval Shipyard draws its employees from every part of the Commonwealth, more particularly within a radius of 50 miles from Boston; and

"Whereas each community therein is in part affected by the financial stability of these employees; and

"Whereas it is proposed to lay off 800 men in the first quarter of the fiscal year, with further layoffs during said year, which will affect 154 trades and occupations and result in many professional and technical men and skilled mechanics seeking work in other States; and

"Whereas nine ships scheduled to be sent to Boston for repairs have been diverted to other shipyards; and

"Whereas there is a 25-percent reduction in the appropriation for the Boston Naval Shipyard, and any further cutback in work would increase unemployment in this area to an untenable degree: Therefore be it

"Resolved, That the Massachusetts Senate respectfully urges the Congress of the United States to take such action as may be necessary to compel the Department of Defense to maintain the present standard of employment and work at the Boston Naval Shipyard; and be it further

"Resolved, That copies of these resolutions be transmitted forthwith by the State secretary to the President of the United States, to the Presiding Officer of each branch of the Congress, to each Member thereof from this Commonwealth, to the Secretary of Defense, to the Secretary of the Navy, and to the Secretary of Labor."

A resolution adopted by Philadelphia Typographical Union, No. 2, Philadelphia, Pa., protesting against taxing union pensions; to the Committee on Finance.

A resolution adopted by the Baptist Ministers Union of Southern California, Duarte, Calif., expressing appreciation for the recent ruling of the Supreme Court of the United States relating to segregation in schools; to the Committee on the Judiciary.

Resolutions adopted by the California Federation of Women's Clubs, at Fresno, Calif., relating to Indian legislation; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Hawaiian Federation of Business and Professional Women's Clubs, favoring the granting of statehood to Hawaii; ordered to lie on the table.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. LANGER, from the Committee on the Judiciary, without amendment:

S. 23. A bill to make it unlawful for a member of a Communist organization to hold an office or employment with any labor organization, and to permit the discharge by employers of persons who are members of organizations designated as subversives by the Attorney General of the United States (Rept. No. 1508);

S. 1308. A bill for the relief of Leonard Hungerford (Rept. No. 1509);

S. 2176. A bill for the relief of Maly Braunstein and Aurelia Rappaport (Rept. No. 1510);

H. R. 707. A bill for the relief of Dr. Ignacy Adam, Mrs. Amalya Alexander Adam, and George Adam (Rept. No. 1511);

H. R. 758. A bill for the relief of Harry C. Barney (Rept. No. 1512);

H. R. 849. A bill for the relief of Mrs. Stella Rebner (Rept. No. 1513);

H. R. 2616. A bill for the relief of Generosa Bonet (Rept. No. 1514);

H. R. 3026. A bill for the relief of Barbara Gene Coster (Rept. No. 1515);

H. R. 3131. A bill for the relief of Wesley Howard Leahy (Rept. No. 1516);

H. R. 3249. A bill for the relief of Katharina Link (Rept. No. 1517); and

H. R. 4701. A bill for the relief of Josip Stanic (Rept. No. 1518).

By Mr. LANGER, from the Committee on the Judiciary, with an amendment:

S. 1845. A bill for the relief of Dr. Ian Yung-cheng Hu (Rept. No. 1519);

S. 2068. A bill for the relief of Francesco Marinelli (Rept. No. 1520);

S. 2147. A bill for the relief of Terrence Waller (Rept. No. 1521);

S. 2210. A bill for the relief of Frank (Franz) Homolka, Olga Homolka (nee Mandel), Adolf Homolka, Helga Maria Homolka, and Frieda Homolka (Rept. No. 1522);

S. 2693. A bill for the relief of Robert Lee Williams (Rept. No. 1523);

H. R. 2421. A bill for the relief of Frank L. McCartha (Rept. No. 1524); and

H. R. 3038. A bill for the relief of Mrs. Olympia Cue (Rept. No. 1525).

By Mr. LANGER, from the Committee on the Judiciary, with amendments:

S. 2592. A bill for the relief of Mrs. H. O'Kane (nee Mary A. Dancer) (Rept. No. 1526);

S. 3154. A bill to provide for the relief of Milton Beatty and others by providing for determination and settlement of certain

claims of former owners of lands and improvements purchased by the United States in connection with the Canyon Ferry Reservoir project, Montana (Rept. No. 1527);

H. R. 848. A bill for the relief of Nicholas Katem, Theodosia Katem, Basil Katem, and Josephine Katem (Rept. No. 1528); and

H. R. 5185. A bill for the relief of Klyce Motors, Inc. (Rept. No. 1529).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CASE:

S. 3562. A bill for the relief of the McMahon Co., Inc.; to the Committee on the Judiciary.

S. 3563 (by request). A bill to authorize the chief judge and the associate judges of the District Court for the District of Columbia to utilize the services of the qualified psychiatrist and the qualified psychologist appointed by the Commissioners of the District of Columbia under section 405 of the District of Columbia Law Enforcement Act of 1953; to the Committee on the District of Columbia.

By Mr. LANGER:

S. 3564. A bill for the relief of Giuseppe Romano;

S. 3565. A bill for the relief of Vittorio Giovanni Bandera;

S. 3566. A bill for the relief of Ciro Magliulo;

S. 3567. A bill for the relief of Giuseppe Merlini; and

S. 3568. A bill for the relief of Ciro Romano; to the Committee on the Judiciary.

By Mr. SMATHERS (by request):

S. 3569. A bill for the relief of Mrs. Lisa Lear; to the Committee on the Judiciary.

By Mr. WATKINS (by request):

S. 3570. A bill to authorize the sale of certain lands situated in Utah; to the Committee on Interior and Insular Affairs.

EXECUTIVE MESSAGES REFERRED

As in executive session.

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. LANGER, from the Committee on the Judiciary:

Ralph M. Freeman, of Michigan, to be United States district judge for the eastern district of Michigan;

W. Wallace Kent, of Michigan, to be United States district judge for the western district of Michigan;

John Burke Dennis, of Missouri, to be United States marshal for the western district of Missouri, vice Fred A. Canfil, deceased;

Joseph F. Job, of New Jersey, to be United States marshal for the district of New Jersey, vice William T. Brady, resigned; and

Kenner Wilburn Greer, of Oklahoma, to be United States marshal for the western district of Oklahoma, vice Rex Bryan Hawks, term expired.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BUTLER of Nebraska:

Statement concerning progress made by Rural Electrification Administration under the present administration.

ARTHUR S. ROSICHAN

Mr. LANGER. Mr. President, on May 27, 1954, a message was received that the House had disagreed to the amendment of the Senate to the bill (H. R. 3522) for the relief of Arthur S. Rosichan, and a conference was requested on the disagreeing votes of the two Houses thereon.

I ask the Chair to lay before the Senate the message from the House.

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 3522) for the relief of Arthur S. Rosichan and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. LANGER. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. WILEY, Mr. BUTLER of Maryland, and Mr. JOHNSTON of South Carolina conferees on the part of the Senate.

PETER PENOVIC, MILOS GRAHOVAC, AND NIKOLA MALJKOVIC

The ACTING PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 1432) for the relief of Peter Penovic, Milos Grahovac, and Nikola Maljkovic, which were, on page 1, line 4, strike out "Peter Penovic", and to amend the title so as to read: "An act for the relief of Milos Grahovac and Nikola Maljkovic."

Mr. WATKINS. Mr. President, on July 6, 1953, the Senate passed the bill S. 1432, for the relief of three natives of Yugoslavia. On April 6, 1954, the House passed the bill and amended it by deleting the name of Peter Penovic on the basis of certain information received by the House Committee on the Judiciary. A copy of the report furnished the House committee has now been furnished the Senate Committee on the Judiciary. On the basis of this information, I move that the Senate concur in the House amendments.

The motion was agreed to.

THE EXECUTION OF PRIVATE SLOVIK

Mr. WATKINS. Mr. President, every Member of Congress should read the editorial and book review which appeared in the Deseret News and Salt Lake Telegram of May 22, 1954. They provide some interesting historical material on the wartime execution of Pvt. Eddie D. Slovik, the only American shot for desertion since the Civil War.

In view of current worldwide developments, the unanswered question of General Riter's is one that should be pondered carefully by Members of Congress and our military officials.

Therefore, Mr. President, I ask unanimous consent to have printed in the body of the RECORD both the editorial and the book review.

There being no objection, the editorial and review were ordered to be printed in the RECORD, as follows:

MAN IN AN UNHONORED GRAVE

In a grave marked only by a number, in a secret cemetery in France, lie the remains of Eddie D. Slovik, the only American shot for military desertion since the Civil War. His case has been brought for the first time to public attention in a book now on the stands. Because a Utahan, Brig. Gen. Franklin Riter, was a link in the inexorable chain of events that led to the volley of M-1 rifle fire that ended Private Slovik's life, he was invited to write his review of the Slovik case.

At this distance in time and space, from the comfort of peacetime, it is easy to conclude that Private Slovik had a raw deal. Of the 10 million men in uniform during World War II, thousands deserted at one stage or another. A total of 2,864 were tried by general courts martial for desertion. Forty-nine of them were sentenced to death. Slovik alone faced the firing squad. Most, if not all, of the others are now free men.

"They're not shooting me for deserting the United States Army," Slovik said as his hands were being tied for the execution. "Thousands of guys have done that. They just need to make an example out of somebody and I'm it because I'm an ex-con. • • • They're shooting me for the bread and chewing gum I stole when I was 12 years old."

Slovik was at least partly right. An example was needed. The United States Army was in the middle of the war's bitterest fighting. Desertions threatened to ruin morale. Men knew—Slovik knew—that one way to save one's skin was to desert, to be tried and sent to prison for a year or two after the war's end. One execution would stop that and perhaps save the lives of thousands of brave, loyal men.

Slovik was chosen. Not, it seems clear, because of his dead-end-kid past. What more than anything else set Slovik apart from others who deserted was his unwisdom in making it so very clear in writing that conviction and imprisonment was just what he wanted. It was a challenge that an army caught in critical battle could not ignore.

General Riter, who was a reviewing officer and therefore is intimately acquainted with this tragic case, considers the facts from almost a lifetime of military and private legal experience. He has practiced law for many years in Salt Lake City, served more than 30 years in the Judge Advocate General's Corps, and is a veteran of both World Wars.

His review, which follows, brings a sobering insight not only into the Slovik case itself, but into the much broader problem of what is to be done with the sub-

standard citizen in military service. It is only one of many problems that must be answered by those who continue to try to impose upon the country a system of permanent universal military training.

PRIVATE SLOVIK'S EXECUTION—THE ONLY DEATH OF ITS KIND SINCE THE CIVIL WAR ASKS HOW MUCH CAN THE UNITED STATES DEMAND FROM A CITIZEN

(By Brig. Gen. Franklin Riter, JAGC, retired)

(The Execution of Private Slovik (William Bradford Huie. Duell, Sloan & Pearce, and the New Library of World Literature))

Pvt. Eddie D. Slovik, formerly Company G, 109th Infantry, 28th Infantry Division, as a penalty for desertion was shot to death by a firing squad on January 31, 1945, at Ste. Marie aux Mimes, France. He was charged with and tried before a court-martial of the 28th Infantry Division for violation of the 58th article of war (Code 1920).

The 58th Article of War denounced the crime of desertion by a member of the Armed Forces. It was an act of Congress governing the Army and was not a regulation of the War Department. He was found guilty by a general court-martial constituted and appointed by Maj. Gen. Norman D. Cota, who then commanded the 28th Infantry Division.

The trial was held on November 11, 1944, in Rotgen, Germany. The court sentenced Slovik to be executed by being shot to death. The method of execution bespoke an offense of a military nature and not a civil crime. Military personnel committing civil crimes, the penalty for which was death, were executed by hanging. There were 90 American soldiers executed in France, England, Belgium, and Germany for murder and rape.

Slovik was the only American soldier or officer executed for desertion since 1865, when Abraham Lincoln as Commander in Chief of the Army and Navy of the national forces confirmed a death sentence of a soldier and ordered execution of sentence. The fact that the United States had since engaged in the Spanish-American War and World War I without executing a deserter has not only impelled interest in the Slovik case but also has caused questions to be raised as to military justice procedure.

It is necessary that the reader understands clearly the judicial procedure operative during World War II as prescribed by Congress. A general court-martial was appointed under proper authority by the commanding general of the combat division.

The trial proceedings very closely resembled the trial of criminal offenses in civil courts.

Each authority having power to appoint a general court-martial had as a member of his special staff a staff judge advocate. The Judge Advocate General of the Army selected these men with great care. In World War II the vast majority of them were Reserve officers or men who had been commissioned directly from civil life, and they were judges or lawyers with substantial experience. The record of trial when completed and certified was delivered to this staff judge advocate whose duty it was to review and study it and make his written report to his commanding general, who had appointed the trial court. These reports were no casual affairs. Painstaking care was exercised in the preparation of them. The staff judge advocate pointed out to the commanding general errors in the trial, if any, which substantially affected the rights of the accused. While the commanding general was not absolutely bound by his recommendations, it was almost universal practice of generals to accept them.

Early in spring of 1942 President Roosevelt by executive order created the branch office of the Judge Advocate General with the European theater of operations and constituted an original board of review therein. The writer was the chairman of this original board of review and his associates were Col. Elwood W. Sargent, a practicing lawyer of Boston, Mass., and Maj. (now lieutenant colonel) Edward L. Stevens, Jr., a practicing attorney in New York City. The entire personnel of the board of review were Reserve officers with essentially civilian backgrounds.

At the time the Slovik case arose the assistant judge advocate general in charge of the branch office of the Judge Advocate General with the European theater of operations was Brig. Gen. Edwin C. McNeil, now retired and living in Washington, D. C. He was considered by Regular Army personnel and by the civilian legal profession familiar with military justice matters as the outstanding Regular Army legal expert, possessing an unusual knowledge and skill in this science.

In order to give the commanding general of the Army in the field (in this case General Eisenhower) proper legal advice not only as to military justice matters but also as to the many complicated legal questions arising out of the presence of the American Army in Europe, there was appointed on his staff a theater judge advocate. Brig. Gen. Edward C. Betts, now deceased, was appointed to that important position. His background also was essentially civilian. General Betts surrounded himself with men of outstanding ability. They were not amateur lawyers but men who possessed professional standing equal or superior to that of members of a large metropolitan law firm. Many of them today are law school professors of distinguished reputation and general counsel for large corporations. It was this legal department which General Eisenhower consulted in all legal matters. General Betts was a close personal friend of the writer and the writer has knowledge of the fact that in handling military justice matters for General Eisenhower there was the closest of cooperation between the two generals.

Where the sentence of the court required the dismissal of an officer or the imposition of a death sentence, and the appointing authority (in this instance General Cota) approved the sentence, it was his duty to forward the record of trial with the staff judge advocate's report and recommendation to General Eisenhower as commanding general of the Army in the field. In practice the record went to General Betts' office where it was assigned to the military justice section. Here commenced the second appellate review of the record.

In the Slovik case the record of trial shows that the recommendations of General Betts were result of the consolidated efforts of several of his office lawyers of outstanding reputation for ability and integrity. It was their duty to make a careful review of the record to determine if prejudicial errors existed. Finally the report of these officers was placed before General Betts, who in turn was authorized to recommend to General Eisenhower complete disapproval of the sentence or, on the other hand, to confirm it.

General Eisenhower had authority to confirm a sentence, set it aside completely or mitigate it by substituting imprisonment for the death sentence. In the Slovik case he confirmed the sentence of death. An examination of the record will clearly show that such decision was not a mere haphazard cursory decision, but the result of deliberate, fearless, and honest action of General Eisenhower.

It was then the duty of General Eisenhower to forward the record of trial with the recommendations of the staff judge advocate and of General Betts to the branch office of the Judge Advocate General with the European Theater of Operations. The Slovik record when it reached the branch office went directly to the undersigned as chairman of the board of review and he assigned it to Lieutenant Colonel Stevens for the original study and review. After long study, Lieutenant Colonel Stevens' opinion that the sentence was legal was unanimously adopted as the opinion of the board of review.

The board had no authority over the sentence if it were legal; neither did the assistant judge advocate general.

The record with the reviews of the staff judge advocate and the theater judge advocate and the opinion of the board of review then was placed before the assistant judge advocate general, General McNeil, for his action. General McNeil, in his endorsement, was the first to invite attention to the fact that if this death sentence were executed it would be the first death sentence for desertion since the days of Abraham Lincoln. Even at that point General Eisenhower had the right to extend clemency and mitigate the sentence. He chose to do otherwise and the record of trial containing General Eisenhower's confirmation of sentence was returned to General Cota as the appointing authority for execution.

The writer ventures the opinion (and he has always been positive in this thought) that there was no error in the trial and conviction of Slovik. Slovik received treatment equal to or even superior to that of a civilian sentenced to death in Federal court. The entire appellate procedure was characterized by earnestness and sincerity and those officers who held the record of trial legally sufficient to support the sentence did so after deliberate and well-informed action.

There is at least an implication in the Slovik book that the military justice processes are subject to criticism. Mr. Huie has been unusually fair in his treatment of this facet of the case. As a matter of fact he gives full credit for the conscientious efforts of the appellate reviewers. On the other hand a layman reading this book might immediately conclude that here is another example of the miscarriage of justice in military jurisprudence unless he has before him the foregoing explanation. The writer believes that the trial, conviction and appellate review in the Slovik case complied strictly with the law of Congress and was fair, just and honest.

The real question which Mr. Huie raises revolves about the fact that there were several hundred, even thousands of, convictions for desertion and cowardice on the battlefield in both World Wars wherein the deserters and cowards did not receive the death sentence. The writer would be guilty of an unjustified assumption if he attempted to explain the reasons for General Eisenhower's decision to allow the death sentence to stand in the Slovik case. He will not attempt to do so.

However, in justice to all concerned there are certain facts involved in the Slovik case which in the writer's opinion justified the death sentence. When Slovik went into the line as a replacement the American Army was engaged in a life and death struggle. Casualty lists were heavy, and at this stage of the war the Germans were proving themselves effective and powerful fighters. Slovik's desertion occurred before the Bulge, but the 28th Infantry Division, to which he was assigned, was desperately engaged in its drive against the Germans. It was short of personnel. It was notorious that there existed at this time a tremendous number of battleline desertions and of cases involving cowardice before the enemy. General Eisenhower was literally "scraping the bottom of the barrel" to find replacements and there was no assurance that he could replace all of the casualties.

Slovik's desertion came at this critical time. The evidence shows that he advisedly and deliberately made up his mind that he would not engage in combat. His written confession was a voluntary act on his part. It was not coerced. He had twice by his company commander been considered A. W. O. L., and the last time he wanted to be sure he would be charged with desertion. He inquired of his company commander if he would be charged as a deserter. Slovik's confession is one of the most perfidious documents in military annals. It was the cold-blooded action of a coward. It would well have served his purpose to have been sentenced to life imprisonment at Lewisburg. There he would have had good food and warm comfortable quarters.

Had General Eisenhower mitigated the death sentence in favor of life imprisonment he would have done exactly what Slovik planned and intended. In a situation of this kind where the fate of the American Army was at stake, some type of iron discipline became a necessity; otherwise the Army would become a mob. The great obligation of the general was to the brave and fearless fighters who carried the battle line forward to victory. He would have been guilty of gross sentimentality had he ignored the fact that thousands of better men than Slovik had given their lives and were dying each day. There was not only an obligation to the living battle soldier but also to the memory of those who had died.

There are some of us who believe that if a man is not willing to offer his life in defense of his American citizenship he is not worthy to possess it.

Mr. Huie also emphasizes the civilian record of Slovik as being the cause of imposing the death penalty upon him. His civilian record was a bad one, but it did not have the influence attributed to it by the author. Rather Mr. Huie presents a more difficult question which has bothered the writer for a number of years.

There is no question but what the Selective Service System is a fair, just, and democratic system of recruiting an army. It has its defects, but two major wars have proved its worth. It must never be forgotten, however, by its processes in World War II, good, bad, and indifferent men were gathered into the ranks. Brought into uniform were thousands of men of the caliber of Slovik who were moral and physical cowards; they had no conception of the obligations of citizenship; they sought only their own pleasures and conveniences and knew nothing of the gospel of sacrifice. They were no good either as soldiers or men. Great numbers of them jumped the boats at either Glasgow or Liverpool and immediately went into the underworld where they became the companions of criminals and prostitutes. Their journey to Europe only afforded them greater opportunity for extension of their latent criminal tendencies.

This class of men brought into the service by the Selective Service Act cost the American citizens millions of dollars.

The Army would have been glad to be rid of them. From the standpoint of combat, they should never have been recruited.

I am quite well aware of the problem this presents to fair-minded American citizens. It is grossly unfair that such a man be allowed a 4–F classification. He should be in the battle line. Otherwise the decent citizen is penalized. A certain number of them have been reclaimed by the Army and made fairly decent citizens, but the vast majority of them were petty criminals when they put on the uniform and were absolutely worthless as soldiers. Many of them became vicious criminals when they found criminal contacts in the slums of European cities. Others of them remained as they were, petty criminals who possessed no moral qualities and were fundamentally cowards. Most of them became deserters and cowards.

Mr. Huie's book is a fine book if it is read and understood against the factual background above described and if in particular the reader will sense the fundamental problem that it propounds. Shall we put petty criminals, worthless and lazy individuals possessing no moral values into the uniform along with the decent, brave soldier? Confessedly, I do not know the answer, but I know that in another war the problem will become more acute than ever.

The ACTING PRESIDENT pro tempore. If there are no further routine matters, morning business is concluded.

ORDER FOR CALL OF THE CALENDAR

Mr. KNOWLAND. Mr. President, pursuant to prior notice, the call of the calendar of measures to which there is no objection is to begin today with Calendar No. 1487, Senate bill 2027, in regard to the issuance of certain quitclaim deeds. However, I ask unanimous consent to have included in today's call of the calendar, House bill 8487, Calendar 1482, providing for censuses of manufactures, mineral industries, and other businesses; House bill 2226, Calendar 1483, relating to the pay of certain civilian employees of the Navy Department; and House bill 5913, Calendar 1484, to simplify the handling of postage on newspapers and periodicals. These were the last three bills on the last call of the calendar, but went over for the sole reason that at that time the reports on them were not available to the Senate. Of course, it has been our general procedure not to consider bills or other measures the reports on which are not available.

I also ask unanimous consent to have included in today's call of the calendar House bill 3573, Calendar 1468, for the relief of the estate of Anna I. R. Wells, deceased, and others. That bill went over, the last time, to the next call of the calendar, at the request of the distinguished Senator from Tennessee [Mr. GORE]. I also ask unanimous consent to have included in today's call of the calendar House bill 2566, Calendar 1466, to amend the Contract Settlement Act of 1944, in regard to a time limitation for the filing of certain claims. That bill also went over at the time of the last call of the calendar; I believe it went over because the report on it was not then available.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from California? Without objection, it is so ordered.

Under the order of the Senate, the clerk will proceed to call the bills and other measures on the calendar, beginning with those just ordered included.

TIME LIMITATION ON FILING OF CERTAIN CLAIMS—BILL PASSED OVER

The bill (H. R. 2566) to amend the Contract Settlement Act of 1944 so as to establish a time limitation upon the filing of certain claims thereunder was announced as first in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill? The Chair hears none.

Mr. KNOWLAND. Mr. President, may we have a brief explanation of the bill?

Mr. SCHOEPPEL. Mr. President, since the Senators who may make the explanation of the bill are not present at the moment, I suggest that the bill go to the foot of today's calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LEHMAN. Mr. President, will the Chair state again the number of this bill?

The ACTING PRESIDENT pro tempore. It is House bill 2566, Calendar No. 1466.

The next bill which is in order will be stated.

ESTATE OF ANNA I. R. WELLS, DECEASED, AND OTHERS

The bill (H. R. 3573) for the relief of the estate of Anna I. R. Wells, deceased, and others was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill? Without objection——

Mr. SCHOEPPEL. Mr. President, in accordance with a request which has been made, I should like to hear an explanation of the bill. I believe an explanation should be made because of certain phases of this measure. If an explanation is not to be had at this time, I ask unanimous consent that the bill be placed at the foot of today's calendar, in order to permit some Senator who is familiar with the bill to explain it.

The ACTING PRESIDENT pro tempore. Without objection——

Mr. GORE. Mr. President, if the Senator will withhold his request with respect to Calendar 1468, House bill 3573, I believe I can satisfy him.

Mr. SCHOEPPEL. Very well. I shall be glad to do so.

Mr. GORE. It was upon my request that the bill was passed over on the previous call of the calendar. I was not satisfied as to the equities devolving upon the claimants, because of a filing date. Since that time my mind has been satisfied as to that date. The records were presented to me. The record now appears to me to be clear. I believe the equities in behalf of the beneficiaries under the bill are plain to see.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the bill?

Mr. SCHOEPPEL. I have no objection.

There being no objection, the bill (H. R. 3573) was considered, ordered to a third reading, read the third time, and passed.

CENSUS OF MANUFACTURES, MINERAL INDUSTRIES, AND OTHER BUSINESSES

The bill (H. R. 8487) to amend the act of June 19, 1948, to provide for censuses of manufactures, mineral industries, and other businesses, relating to the year 1954, was considered, ordered to a third reading, read the third time, and passed.

Mr. CARLSON subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD following the passage of House bill 8487 a brief explanatory statement.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

H. R. 8487 is a companion bill to S. 3121 which provides for censuses of manufactures, mineral industries, and other businesses relating to the year 1954 by extending such censuses which were directed to be taken in the year 1954 relating to the year 1953 to that of censuses to be taken instead in 1955 relating to the year 1954.

H. R. 8487 passed the House of Representatives and was referred to the Senate Post Office and Civil Service Committee. The Senate Post Office and Civil Service Committee unanimously agreed to report H. R. 8487 to the Senate and recommend that the bill do pass.

Public Law 671 provided for a carefully planned and staggered program of censuses. That program was the product of years of experience in census taking and was formulated with the advice of numerous committees of informed users and suppliers of census figures.

Under this program calling for quinquennial censuses in a number of fields, the censuses of business, manufactures, and mineral industries were scheduled to cover the year 1953.

In view of the rapid turnover in business and management, it would be virtually impossible to collect the necessary data for the year 1953 at this late date.

Therefore, this legislation which has been requested by the Secretary of Commerce will provide for the taking of these censuses in 1955 covering the year 1954 by amending the basic census law which provides for such censuses to be taken in the year 1954 covering the year 1953. In effect, this bill will provide for a current rather than an outdated census. The original law shall remain in force to apply to succeeding cycles of censuses.

It is believed that these censuses are especially valuable to the small-business concern which is not of sufficient size to maintain its own statistical department. Such censuses are also most valuable to the Government in planning measures to combat results of fluctuations in the business cycle.

PAY OF CERTAIN CIVILIAN EMPLOYEES OF THE NAVY

The bill (H. R. 2226) to repeal the provision of the act of July 1, 1902 (32 Stat. 662), as amended, relating to pay of civilian employees of the Navy Department appointed for duty beyond the continental limits of the United States and in Alaska was considered, ordered to a third reading, read the third time, and passed.

Mr. CARLSON subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD following the passage of House bill 2226 a brief explanatory statement.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The purpose of H. R. 2226 is to repeal an authority provided by the act of July 1, 1902, which operates so as to prevent the Navy Department from following the same practices as other departments of the Government in setting the beginning date for salary payments to individuals appointed for duty outside the continental United States or in Alaska.

Under the provisions of the act of July 1, 1902, as amended (34 U. S. C. 506), civilian employees of the Department of the Navy appointed for duty beyond the continental United States may be paid compensation from the date of sailing from the United States and until the date of return. However, under regulations based upon section 7 of the act of August 2, 1946, Public Law 600 (60 Stat. 808), other departments of the Government pay salary to new appointees from place of actual residence to post of duty outside the United States and return.

The retention of the subject statutory provisions would continue in existence an inequitable restriction upon civilian appointees of the Department of the Navy. The committee therefore recommends the enactment of H. R. 2226.

The estimated cost to the Government as the result of the enactment of H. R. 2226 is $40,000 per year. This estimate is based on present employment and considering 3 days average travel time.

HANDLING OF POSTAGE ON NEWSPAPERS AND PERIODICALS

The bill (H. R. 5913) to simplify the handling of postage on newspapers and periodicals was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. McCARRAN. Mr. President, may I ask the number of the bill?

The ACTING PRESIDENT pro tempore. It is House bill 5913, Calendar No. 1484.

Mr. McCARRAN. We seem to be skipping around on the calendar, and not taking the bills in order. I ask that the bill be passed over.

Mr. CARLSON. Will the distinguished Senator from Nevada withhold his objection to Calendar No. 1484, House bill 5913? If there is any question about it I can clear up, I shall be most pleased to do so.

Mr. McCARRAN. If the Senator will give an explanation of the bill, perhaps I will withdraw the objection.

Mr. CARLSON. The purpose of House bill 5913 is to eliminate the requirement for the manual affixing of postage stamps to free-in-county newspapers and other publications of the second class when such publications are mailed for delivery by letter carriers. The process of affixing stamps is a manual procedure. As a matter of fact, the postage is paid in money, and there is absolutely no need for affixing stamps. I think this is a very commendable measure.

Mr. McCARRAN. I withdraw the objection.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 5913) was considered, ordered to a third reading, read the third time, and passed.

Mr. CARLSON subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD a brief explanation of House bill 5913.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The purpose of this proposed legislation is to eliminate the requirement for the manual affixing of postage stamps on free-in-county newspapers and other publications of the second class where such is mailed for distribution by letter carriers.

This existing requirement which requires the manual affixing of stamps has become obsolete as a result of authority granted to the Postmaster General allowing him to accept for transmission in the mails without postage stamps affixed, but by permit, quantities of not less than 300 identical pieces of second-class mail. Most publishers avail themselves of this alternative method and mail by bulk weight and it is only an occasional small publisher who mails less than the minimum 300 identical pieces who must comply with this outmoded requirement. The Post Office Department is recommending the passage of this legislation stated that the requirement entailed unnecessary work and expense to both the postal service and the publishers.

The Bureau of the Budget has no objection to this bill and it will result in no additional cost to the Government.

(For mailings of less than 300 identical pieces, the small publisher will still have to affix the postage stamps by regulations of the Department or purchase a permit which is of negligible cost, $10.)

ISSUANCE OF QUITCLAIM DEEDS TO THE STATES FOR CERTAIN LANDS—BILL PASSED TO FOOT OF CALENDAR

The bill (S. 2027) authorizing the Secretary of the Interior to issue quitclaim deeds to the States for certain lands was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. GORE. Mr. President, reserving the right to object, I ask for an explanation of the bill. I should particularly like to know the acreage of land involved.

Mr. BUTLER of Nebraska. Mr. President, before reading the brief explanation of the bill which I have before me, let me say that the proper bureau of the Department of the Interior was unable to tell us the amount of acreage directly affected. However, the explanation which I have before me may satisfy the Senator.

The purpose of this bill is to permit the Federal Government to clear titles to large acreages of land in the West which have been patented to the States or segregated for the States under the Carey Act.

For the information of those who are not familiar with the historical development of our land policies in the West, the Carey Act was an early act aimed at permitting the reclamation of arid lands through State and individual action. Under it considerable acreages were either patented to the States under certain restrictions or placed on segregation lists for ultimate patenting to the States and to the individuals who would bring water to those lands. However, some of the lands thus patented or segregated have been found to be unsuitable for irrigation, but in a great many cases such lands have been put to use for dry

farming and similar purposes. However, under existing law such lands cannot be patented outright to their present holders, since those holding them have never been able to comply with the requirement that such lands be irrigated. On the other hand, the lands cannot be returned into the hands of the United States Government since the States or the settlers have acquired certain rights.

This bill proposes to settle the whole problem by clearing the title to all lands patented to the States or on which final certificates have been issued to settlers. On the the other side, under this bill the States would be required to restore approximately 35,000 acres of segregated lands to which no individual has acquired any rights.

The committee believes that this is a sound piece of legislation to settle the status of these lands in a manner which is fair to all concerned.

The bill has the approval of the Department of the Interior and in fact it was drafted by the Department. There is no objection by the Bureau of the Budget.

No cost to the Federal Government is involved.

Mr. GORE. Mr. President, will the Senator yield?

Mr. BUTLER of Nebraska. I yield.

Mr. GORE. I find it a little difficult to resolve my doubts about the advisability of the bill, in view of the statement of the distinguished Senator from Nebraska. He told me in the beginning that the Department of the Interior was unable to give a reasonable estimate to the committee of the number of acres involved; yet in the Senator's statement he says that a very large acreage of land is involved.

Mr. BUTLER of Nebraska. That is true.

Mr. GORE. Would the Senator be willing to express an opinion or give an estimate as to the acreage involved?

Mr. BUTLER of Nebraska. I should like to have the explanation made by the Senator who introduced the bill. If the Senator from Tennessee will permit it, I suggest that the bill be passed to the foot of the calendar, so that an explanation may be made later by the Senator from Wyoming [Mr. BARRETT] who introduced the bill, and in whose State most of the Carey Act lands are located.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the bill will be passed to the foot of the calendar.

HOSPITALIZATION OF CERTAIN VETERANS IN THE PHILIPPINES

The bill (H. R. 8044) to extend the authorization for funds for the hospitalization of certain veterans in the Philippines was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. KNOWLAND. Mr. President, may we have a brief explanation of the bill?

Mr. GOLDWATER. Mr. President, House bill 8044 would extend for 5 years the authority of the American Government to bear a portion of the expenses incident to hospitalization and to reimburse the Republic of the Philippines for money expended for the hospitalization of veterans with service-connected disabilities who fought in behalf of the United States during World War II.

The bill was reported favorably by the House committee on March 24, 1954, with an amendment. After consultation with the Veterans' Administration a further amendment was suggested, which was included in a letter from the Administrator of Veterans' Affairs, approving the bill.

The Administrator of Veterans' Affairs, in his letter approving the bill, suggested that the committee give consideration to including provisions in the bill which would adopt the principle of progressively reduced grants in order to make it clear that the Philippine Government would be expected gradually to assume full responsibility for the hospitalization of the veterans covered by this proposed legislation. It was suggested that this principle, if adopted, would make determination coincide with the date—June 30, 1960—on which the Veterans' Administration regional office in the Philippines is scheduled to be closed under existing legislation.

The bill was considered by the subcommittee and recommended to the committee as a whole, which approved it and ordered it reported to the Senate.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with an amendment, to strike out all after the enacting clause and insert:

That section 4 of Public Law 865, 80th Congress, is hereby amended to read as follows:

"SEC. 4. Grants for expenses incident to hospitalization may be made for a period not to exceed 10 years to reimburse the Republic of the Philippines for moneys expended for such hospitalization: *Provided*, That the total of such grants for any 1 calendar year shall not exceed the following amounts: For any year prior to 1955, $3,285,000; for 1955, $3 million; for 1956, $2,500,000; for 1957, $2 million; for 1958, $1,500,000; and for 1959, $1 million."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PROHIBITION OF TRAINING OF VETERANS IN FOREIGN COUNTRIES IN CERTAIN CASES

The bill (S. 2719) to prevent persons who engage in activities contrary to the interest of the United States from pursuing a course of education or training in a foreign country under the Servicemen's Readjustment Act of 1944, was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, may we have an explanation of the bill?

Mr. GOLDWATER. Mr. President, the bill would permit the Administrator of Veterans' Affairs to discontinue the pursuance of a course of education or training by a veteran in a foreign country if the pursuit of such educational program or training were not in the best interest of the veteran or the United States.

All the bill seeks to do is to place legislation pertaining to World War II veterans in the same class as legislation pertaining to Korean veterans. The Korean veterans' law now permits to be done what the bill before the Senate would provide for World War II veterans. The bill would merely extend to World War II veterans the same provisions which now apply to Korean war veterans.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. GOLDWATER. I yield.

Mr. THYE. With respect to what kind of training would the bill place the Korean veteran in the same category as a World War II veteran? Does it relate to all types of educational programs?

Mr. GOLDWATER. The Senator from Minnesota is about 180 degrees off course. It would put World War II veterans in the same class as Korean war veterans. The Korean bill of rights, to use an often-used term——

Mr. THYE. I care not how many degrees I may be off course, so long as the Senator from Arizona gets to the right degree in the explanation of the bill.

Mr. GOLDWATER. If the Senator will allow me to do so I shall be glad to explain the bill. The Administrator of Veterans' Affairs has the right to discontinue any course of instruction which is being carried on by a Korean veteran in a foreign country if the Administrator feels that the pursuit of such a course of education is not in the best interest of the United States or of the trainee. The bill before the Senate would apply the same provision to World War II veterans as is now applied to Korean veterans?

Mr. THYE. To what type of program does the bill relate?

Mr. GOLDWATER. To all training that is taken by veterans of World War II in foreign countries.

Mr. THYE. Educational training or physical training, or what type of training?

Mr. GOLDWATER. Educational training.

Mr. THYE. That is what I wanted to clarify. The reason I asked the question is that there has been voiced considerable criticism of the training program for Korean veterans. I have letters on my desk which state that the GI training program of Korean war veterans is not so good as the program in force for World War II veterans. It is said that that situation pertains particularly to on-the-job training and the farm training program. That is the reason I asked the questions. The letters on my desk state that the program which is being administered for the benefit of the Korean war veterans is not being admin-

istered in so practicable and so effective a fashion as is the program for World War II veterans.

Mr. GOLDWATER. I may say to the Senator from Minnesota so that he may be better able to answer his constituents, that there are now being considered by the Subcommittee on Veterans' Affairs several bills pertaining to that subject, and it is hoped that we may be able to remove the inequities to which the Senator has referred.

Mr. THYE. As I understand, the Senator from Arizona states that the matter has also come to his attention and to the attention of his subcommittee, and that the inequities will be removed.

Mr. GOLDWATER. The subcommittee has heard the same complaints to which the Senator from Minnesota has referred, and the subcommittee is endeavoring to find ways of correcting the inequities.

Mr. THYE. I am glad I asked the questions.

Mr. GOLDWATER. I thank the Senator from Minnesota.

DELAY IN COMMISSIONING A CERTAIN NAVAL ACADEMY GRADUATE

Mr. MANSFIELD. Mr. President, no doubt many of my colleagues in the Senate have read in the newspapers over the weekend about the young man who graduated from the Naval Academy on last Friday, but at the same time his commission was held back because his Austrian-born father purchased an insurance policy 17 years ago from an organization now on the Attorney General's subversive list.

What is happening to our American way of life that a young man should be held responsible for something his father did in the interests of his family? In 1937 Andrew Yadlowsky, a janitor, was farsighted enough to try and do something for his family in order to provide future security so he purchased from the International Workers Order an insurance policy for his son, Peter, which included sick benefits. He purchased it from that organization because it was cheap and the most he could afford.

Hundreds of thousands of families today would not have the security of insurance were it not for small industrial policies which people can pay each week in the form of nickels, dimes and quarters. These people would never have insurance if they had to pay premiums of from five to a hundred dollars each month, quarterly or yearly. Their economic status simply is not such that they can afford to pay this kind of money for insurance.

In 1937 the IWO, about which I know nothing except what I have read in the newspapers, was not considered to be a subversive organization and according to information received from the Justice Department the IWO was not classified as a subversive organization under the Executive Order 9300 issued in 1943. However, in the November 24, 1947, Executive Order 9835 the IWO was included among those listed as subversive.

It seems to me that the shadow of doubt is being cast all too freely these days. Mr. Yadlowsky has stated he was not a member of the IWO in 1937 and he is not now, according to the newspaper reports. His son has never paid on the policy and he was only 6 years old at the time the policy was taken out.

Whether his father was right or wrong in what he did in 1937, it certainly should have no bearing on the loyalty of his son. The father has dropped the insurance since he has realized what a position it has placed his son in, losing the money he had invested in the policy.

Are our children who enter high school, military academies, and colleges throughout the Nation going to be submitted to this type of embarrassment because of something their parents or some member of their family did when they were mere children?

I do not know the facts of this case, but if they are as reported in the daily newspapers, there is a tragic thing happening to our country. Are we to sit back, day after day, and let such incidents occur and reoccur?

Is this another Radulovich case? I hope the Senate and House Armed Services Committees will investigate the situation. I am happy to note that the Senator from Tennessee [Mr. KEFAUVER] and Representative PRICE have indicated their intention of so doing.

Mr. President, I also ask unanimous consent to have printed in the RECORD as a part of my remarks, an article entitled "Dad Blames Self for Middie's Plight," published in the Washington Post and Times Herald of June 6, 1954.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DAD BLAMES SELF FOR MIDDIE'S PLIGHT

An Austrian-born janitor, shaken because the Navy has held back a commission from his Annapolis-graduated son, says he's to blame because he bought insurance 17 years ago from an organization now on the Attorney General's subversive list.

In halting sentences, Andrew Yadlowsky explained he was sold on a policy for his son, Peter, because members of the International Workers Order (IWO) told him it was cheap and that he could get sick benefits from it. Yadlowsky, a naturalized citizen, said he never belonged to the IWO.

"My son didn't know anything," said Yadlowsky in a telephone interview from his Jersey City, N. J., home, "and he has to suffer because I insured him * * * he never paid anything * * * he was 6 years old."

THREE COMMISSIONS WITHHELD

Peter Yadlowsky graduated from the Naval Academy Friday along with 851 classmates. * * *

Yadlowsky said he was at Annapolis Friday and had discussed the situation. * * *

Yadlowsky related that he bought the IWO insurance about 1937. "I wanted the sick benefits," he said. "I paid cheap and I thought I would be all right and now I have trouble." He added that he dropped the insurance when the Government began its check on his son.

"Please do something to help," he pleaded. "I feel so badly for I didn't know anything. I just took the insurance."

PROHIBITION OF TRAINING OF VETERANS IN FOREIGN COUNTRIES IN CERTAIN CASES

The PRESIDING OFFICER. Is there objection to the present consideration of Calendar No. 1489, S. 2719?

There being no objection, the bill (S. 2719) to prevent persons who engage in activities contrary to the interest of the United States from pursuing a course of education or training in a foreign country under the Servicemen's Readjustment Act of 1944 was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subparagraph (3) (a) of part VIII, Veterans Regulation No. 1 (a), as amended, is hereby amended by deleting the period at the end thereof and inserting the following: ": *And provided further,* That the Administrator in his discretion may deny or discontinue the pursuit of a course under this part by any veteran in a foreign educational or training institution, if he finds that the pursuit of such course is not for the best interest of the veteran or the Government."

ADDITIONAL FUNDS FOR THE COMMITTEE ON LABOR AND PUBLIC WELFARE—RESOLUTION REFERRED TO COMMITTEE ON RULES AND ADMINISTRATION

The resolution (S. Res. 251) to provide additional funds for the Committee on Labor and Public Welfare was announced as next in order.

Mr. KNOWLAND. Mr. President, this is a resolution which in the orderly course of events should be considered by the Committee on Rules and Administration. Therefore, I move that the resolution be referred to the Committee on Rules and Administration.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to; and the resolution (S. Res. 251) was referred to the Committee on Rules and Administration.

RENEWAL OF CONTRACTS FOR CARRYING OF MAIL ON STAR ROUTES

The bill (S. 1244) relating to the renewal of contracts for the carrying of mail on star routes was announced as next in order.

Mr. CASE. Mr. President, I should like to have a statement from the Chairman of the Committee on Post Office and Civil Service as to what the bill proposes to do. There are many star-route carriers in my State, and I should like to have an explanation to send to them.

Mr. CARLSON. I should be most happy to tell the Senator what are the objectives of this bill.

The present law, section 434, title 39, United States Code, provides that the Postmaster General may renew contracts with subcontractors who have performed satisfactory service for a period of 1 year. S. 1244 is primarily a measure for protection of the contractor's family.

The purpose of this legislation is to make it possible for the Postmaster General to renew star-route or screen vehicle service contracts with subcontractors who have performed satisfactory service for 6 months rather than 1 year.

Under the present law the Postmaster General may, in his discretion, in all cases of regular contracts continue in force beyond its express terms for a period not exceeding 6 months. He may

also, at his discretion, renew such contract without advertising the route or contract for bid with the subcontractor then operating the route who has performed the services with satisfaction for a period of at least 1 year.

Example: Changing the present 1-year requirement for renewal of a subcontract would permit the Post Office Department to extend the contract with a widow whose husband contractor died between January 1 and June 30. This might avoid an extreme hardship case for the widow whose husband had purchased equipment to fulfill the contract. It would seem that considerable investment in equipment and the performance of satisfactory service would make this proposed change in the law beneficial to both the Post Office Department and the contractor.

The Post Office Department states that the bill would in no way increase the obligations to that Department and interpose no objection to the enactment of the bill.

The Bureau of the Budget also enters no objection to the bill.

It is for that reason that the committee reported the bill to the Senate.

Mr. CASE. I thank the Senator from Kansas.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 1244) was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted, etc., That the first sentence of the next to last paragraph of section 3951 of the revised statutes, as amended (39 U. S. C. 434), is amended by striking out the words "1 year" and inserting in lieu thereof the words "6 months."

The title was amended so as to read: "A bill relating to the renewal of star-route and screen vehicle service contracts."

BILL PASSED OVER

The bill (H. R. 2848) to amend section 89 of the Hawaiian Organic Act, as amended, was announced as next in order.

Mr. GORE. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

TRANSFER OF LAND FROM THE WAR DEPARTMENT TO THE TERRITORY OF HAWAII

The bill (H. R. 2849) to amend the act entitled "An act to authorize the transfer of land from the War Department to the Territory of Hawaii," approved June 19, 1936, was considered, ordered to a third reading, read the third time, and passed.

EXCHANGE OF CERTAIN LANDS BY THE HAWAIIAN HOMES COMMISSION

The bill (H. R. 5831) to enable the Hawaiian Homes Commission of the Territory of Hawaii to exchange available lands as designated by the Hawaiian Homes Commission Act, 1920, for other publicly owned lands was considered, ordered to a third reading, read the third time, and passed.

EXCHANGE OF CERTAIN HAWAIIAN HOMES COMMISSION LAND—BILL PASSED OVER

The bill (H. R. 5840) to authorize the Hawaiian Homes Commission to exchange certain Hawaiian Homes Commission land and certain easements for certain privately owned land was announced as next in order.

Mr. GORE. Mr. President, I ask for an explanation of this bill, particularly whether or not a privately owned tap line easement is involved.

Mr. BUTLER of Nebraska. Mr. President, this bill is similar to the preceding bill, except that the authority granted by this bill permits the exchange of Hawaiian Homes Commission land for a certain tract of privately owned land. The exchange will permit the Commission to carry out in a more efficient manner its program of making lands available to those of native Hawaiian blood.

Adequate safeguards have been written into the bill. The bill is approved by the Department of the Interior and there is no objection by the Bureau of the Budget.

No cost to the Federal Government is involved.

Mr. GORE. Mr. President, it appears that a private tapline easement is being transferred by the pending bill. Does the Senator know whether or not that is the case?

Mr. BUTLER of Nebraska. There is nothing in the bill which indicates it to the chairman of the committee.

Mr. GORE. Mr. President, if the Senator will look at the title itself he will see that the bill is described as an act "to authorize the Hawaiian Homes Commission to exchange certain Hawaiian Homes Commission land and certain easements for certain privately owned land."

Mr. BUTLER of Nebraska. Yes.

Mr. GORE. The report also makes reference to it. It is not clear to me just what is being conveyed or transferred, or the occasion therefor.

Mr. BUTLER of Nebraska. The exchange is intended, at least, to be to the advantage of the Hawaiian Homes Commission.

So far as the bill relates to a privately owned line, it does not actually require the transfer, but merely authorizes and empowers the Hawaiian Homes Commission to transfer the land. The exchange is to be based upon a finding of three appraisers appointed by the Governor that the privately owned lands to be acquired are of a value equal to or greater than that of the public lands to be exchanged therefor.

Mr. GORE. I find entirely worthy the transfer of the lands, but there is still a question in my mind as to the necessity or desirability of transferring certain easements. I, therefore, ask that the bill go over to the next call of the calendar.

The ACTING PRESIDENT pro tempore. Without objection, the bill will be passed over.

EXCHANGE OF CERTAIN PUBLIC LANDS FOR PRIVATE LANDS IN HAWAII

The bill (H. R. 5833) to authorize the Commissioner of Public Lands of the Territory of Hawaii to exchange certain public lands for private lands of equal value required for school purposes was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 2844) providing that the ratification of the Revenue Bond Act of 1935, enacted by the legislature of the Territory of Hawaii, shall apply to all amendments of said act made by said legislature to and including the acts of the 1953 regular session of said legislature, and to all extensions of the period for issuance and delivery of revenue bonds thereunder, heretofore, or hereafter enacted by said legislature, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent that the bill be passed over to the next regular calendar call.

The ACTING PRESIDENT pro tempore. Without objection, the bill will be passed over.

AMENDMENT OF HAWAIIAN HOMES COMMISSION ACT

The bill (H. R. 6888) to amend sections 201 (a) and 207 (a) of the Hawaiian Homes Commission Act was considered, ordered to a third reading, read the third time, and passed.

EXCHANGE OF CERTAIN PUBLIC LANDS OF WAIMEA COUNTY, HAWAII

The bill (H. R. 6328) authorizing the exchange of certain public lands in the vicinity of Waimea County of Hawaii, in the Territory of Hawaii, for certain privately owned lands was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF ELECTRIC LIGHT AND POWER FRANCHISE ON THE ISLAND OF KAUAI

The bill (H. R. 6890) to approve act No. 27 of the Session Laws of 1951 of the Territory of Hawaii, entitled "An act to amend act 24 of the Session Laws of Hawaii 1927, as ratified by the Act of Congress of March 2, 1928, so as to extend the electric light and power franchise granted by said act to cover the entire districts of Waimea and Koloa on the Island of Kauai, Territory of Hawaii" was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2900) to authorize the sale of certain land in Alaska to the Harding Lake Camp, Inc., of Fairbanks, Alaska, for use as a youth camp, and related purposes, was announced as next in order.

Mr. GORE. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

SALE OF CERTAIN LAND TO THE BOARD OF NATIONAL MISSIONS OF THE PRESBYTERIAN CHURCH

The bill (H. R. 2016) to authorize the Secretary of the Interior to sell certain land to the Board of National Missions of the Presbyterian Church in the United States of America was considered, ordered to a third reading, read the third time, and passed.

CONTINUANCE OF CIVIL GOVERNMENT FOR THE TRUST TERRITORY OF THE PACIFIC ISLANDS

The bill (S. 3318) to provide for a continuance of civil government for the Trust Territory of the Pacific Islands was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Whereas, pursuant to the authority of Public Law 204, 80th Congress, approved July 18, 1947, the President approved a trusteeship agreement for the Trust Territory of the Pacific Islands between the United States Government and the Security Council of the United Nations; and

Whereas responsibility for civil administration of the trust territory was vested in the Secretary of the Navy by Executive Order No. 9875 of July 18, 1947; and

Whereas responsibility for such administration was transferred to the Secretary of the Interior, effective July 1, 1951, by Executive Order No. 10265 of June 29, 1951, as amended by Executive Order No. 10408 of November 10, 1952, and Executive Order No. 10470 of July 17, 1953: Therefore

Be it enacted, etc., That until Congress shall further provide for the government of the Trust Territory of the Pacific Islands, all executive, legislative, and judicial authority necessary for the civil administration of the trust territory shall continue to be vested in such person or persons and shall be exercised in such manner and through such agency or agencies as the President of the United States may direct or authorize.

SEC. 2. There are hereby authorized to be appropriated such sums, not in excess of $7,500,000 per year, as may be necessary to carry out the provisions of this act.

Mr. ELLENDER subsequently said: I ask unanimous consent to reconsider the vote by which Calendar 1504, S. 3318, was passed. This is a bill to provide for a continuance of civil government for the Trust Territory of the Pacific Islands. I desire to ask a few questions with respect to it.

Mr. KNOWLAND. Mr. President, would the distinguished Senator from Louisiana be willing to withhold his request for a moment? The distinguished Senator from Oregon [Mr. CORDON] is momentarily outside the Chamber.

Mr. ELLENDER. The distinguished senior Senator from Nebraska [Mr. BUTLER] who is chairman of the Committee on Interior and Insular Affairs is present; perhaps I can obtain from him an answer to the questions I wish to propound.

Mr. President, I again ask unanimous consent that the vote by which Calendar 1504, S. 3318, was passed be reconsidered.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. ELLENDER. Were any hearings held on the bill?

Mr. BUTLER of Nebraska. No, no hearings were held. I may say that there is no authorization for the appropriation, as I understand. The bill is to take care of a technical situation for the Committee on Appropriations.

Mr. ELLENDER. As I understand, the bill simply extends the existing law. Is my understanding correct?

Mr. BUTLER of Nebraska. The Senator is correct.

Mr. ELLENDER. I have been looking for a copy of the existing law. Has the authorization for appropriations to operate the civil governments in the Territories involved been increased?

Mr. BUTLER of Nebraska. My understanding is that under this authorization there is a limitation; under the old authorization there was no limitation.

Mr. ELLENDER. Is the Senator certain of that? Under a rule of the Senate, as I understand, if the existing law is proposed to be amended, that portion of the law to be amended is required to be printed in the report, and the new matter to be inserted is also required to be printed in the report. The report accompanying the pending bill does not comply with that rule.

Mr. BUTLER of Nebraska. I regret that I cannot answer the Senator's question directly. The whole purpose of the bill is to make it possible to provide essential civil government in the trust territory of the Pacific islands.

Mr. ELLENDER. I understand that it is to take care of the situation until Congress passes an act relative to the establishment of a permanent civil government in certain islands in the Pacific entrusted to us. Some Senators have felt that the amount being appropriated each year to operate the civil government in the trust territory has been encreasing. That is why I am seeking information.

Mr. BUTLER of Nebraska. I do not have before me the amount which is requested this time, but I am quite certain that the amount now being requested is less than was requested heretofore.

Mr. ELLENDER. Mr. President, may I have the attention of the distinguished senior Senator from Oregon?

Does the amount of money requested for the continuation of the civil government for the Trust Territory of the Pacific Islands this year represent an increase over the amounts previously requested?

Mr. CORDON. I cannot answer the Senator accurately. According to my memory, it is the same.

Mr. ELLENDER. As the Senator recalls, I think he brought up the question as to the renewal or the extension of the law, and I was interested in ascertaining the amount of the authorization.

Mr. CORDON. My memory tells me that the amount is the same. I do not wish to make a positive statement that it is exactly the same, when I am not certain.

Mr. ELLENDER. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. ELLENDER. Am I correct in my understanding of the rules of the Senate that when an existing law is amended or modified, the part of the act which is to be amended must be reprinted in the report accompanying the bill, and the changes must be shown?

The ACTING PRESIDENT pro tempore. According to the information given to the Chair, the Senator is correct.

Mr. ELLENDER. The report does not contain such information. That requirement has not been met in this case. That is why I am compelled to ask for information. It is not in the report at all, and I think it ought to be there to show exactly what is sought to be excluded from or added to the present law.

The ACTING PRESIDENT pro tempore. Does the Senator from Louisiana object to the consideration of the bill?

Mr. ELLENDER. Suppose we let the matter stand for a while so that we can get the information. I ask that the bill go to the foot of the calendar.

The ACTING PRESIDENT pro tempore. Without objection, the bill will go to the foot of the calendar.

Mr. ELLENDER subsequently said: Mr. President, I ask unanimous consent that Calendar No. 1504, S. 3318, a bill to provide for a continuance of civil government for the Trust Territory of the Pacific Islands, be considered at this time.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill.

Mr. ELLENDER. Mr. President, I have just learned from the distinguished Senator from Oregon that the amount of the authorization is the same as now exists in the law. Therefore, I withdraw any objection I may have had to the consideration of the bill.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 3318) was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

APPORTIONMENT OF WATERS OF THE COLUMBIA RIVER FOR IRRIGATION PURPOSES

The Senate proceeded to consider the bill (S. 3336) to promote the apportionment of the waters of the Columbia River and tributaries for irrigation and other purposes by including the State of Nevada among the States authorized to negotiate a compact providing for such apportionment, which had been reported from the Committee on Interior and Insular Affairs with an amendment, on page 1, line 10, after the name "Nevada", to insert a semicolon and the words "and after 'Oregon,' the following: 'Utah,' "; so as to make the bill read:

Be it enacted, etc., That the act entitled "An act granting the consent of Congress to the States of Idaho, Montana, Oregon, Washington, and Wyoming to negotiate and enter into a compact for the disposition, allocation, diversion, and apportionment of the waters of the Columbia River and its tributaries, and for other purposes," approved July 16, 1952 (66 Stat. 737), is amended by inserting after "Montana", the following: "Nevada,"; and after "Oregon," the following: "Utah."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to promote the apportionment of the waters of the Columbia River and tributaries for irrigation and other purposes by including the States of Nevada and Utah among the States authorized to negotiate a compact providing for such apportionment."

TRANSFER OF SITE OF FORT BUFORD, N. DAK., TO THE STATE OF NORTH DAKOTA

The bill (H. R. 107) to provide for the transfer of the site of the original Fort Buford, N. Dak., to the State of North Dakota was considered, ordered to a third reading, read the third time, and passed.

COMMODITY EXCHANGE ACT REGISTRATION FEES

The bill (S. 3207) to amend section 8a (4) of the Commodity Exchange Act, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 8a (4) of the Commodity Exchange Act, as amended (7 U. S. C. 12a (4)), is amended to read as follows:

"(4) to fix and establish from time to time reasonable fees and charges for registrations and renewals thereof and for copies of registration certificates; and."

FARM ACREAGE ALLOTMENTS ON PEANUTS

The bill (S. 2715) to amend the Agricultural Adjustment Act of 1938, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 359 (a) of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following new sentence:

"Notwithstanding the foregoing provisions of this subsection (a) or any other law, if the operator of a farm on which the acreage planted to peanuts exceeds the farm acreage allotment represents in writing that the acreage to be picked or threshed will not exceed the farm acreage allotment, the Secretary may authorize the issuance of a marketing card which will permit peanuts produced on the farm to be marketed free of penalty and the farm operator to be classified as a cooperator for the purposes of the price-support program and if peanuts are picked or threshed from an acreage in excess of the farm allotment for such farm, the farm operator and the other peanut producers on the farm shall be jointly and severally liable for the penalty on the poundage of excess peanuts at a rate equal to 75 percent of the basic price-support rate (calculated to the nearest tenth of a cent)."

RESEARCH ACTIVITIES OF THE DEPARTMENT OF AGRICULTURE

The bill (S. 2367) to amend the act of June 29, 1935 (the Bankhead-Jones Act), as amended, to strengthen the conduct of research of the Department of Agriculture was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. GORE. Mr. President, I ask for an explanation of the bill by the distinguished chairman of the Committee on Agriculture and Forestry, who is now on the floor. I desire to have assurance from him particularly that the bill will not displace trained and qualified personnel in the research branch of the Department of Agriculture.

Mr. AIKEN. I may answer the last part of the Senator's question first by stating that the bill will not have that effect at all.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. AIKEN. I yield.

Mr. GORE. A few days ago I voted, as did the Senator from Vermont, to support the budget estimate for research funds for the Department of Agriculture. Is the bill under consideration related to the amount of money appropriated for that purpose in the appropriation bill?

Mr. AIKEN. So far as I know, it is not related to it in any way. This bill was introduced long before the budget estimate was submitted.

Mr. GORE. It was said at that time by some persons that it would be impossible to obtain sufficient trained research personnel to utilize the budgetary amounts. Would it be possible, if the bill should be passed, that, by contract, the Department could utilize the Extension Service personnel?

Mr. AIKEN. I should not think so, because it is anticipated that most contracts made under this provision will be made with State experiment stations. I shall state briefly what the bill would accomplish.

It would permit appropriations for research work in the Department of Agriculture to be used to contract for research as provided in section 10 (a) of the Bankhead-Jones Act, which is now applicable only to marketing research. This authority has been used successfully in the case of marketing research and would facilitate other research if extended to it.

Contract research makes available personnel and equipment which would not otherwise be available, and saves the Government the expense of purchasing equipment needed only for special projects. The authority could be used only when it would result in the work being performed "more effectively, more rapidly, or at less cost than if performed by the Department of Agriculture."

Section 10 (a) of the Bankhead-Jones Act provides that contracts of this kind may extend up to 4 years, and appropriations obligated by such contracts may remain upon the books of the Treasury for not more than 5 fiscal years before being carried to the surplus fund and covered into the Treasury.

As I understand, in many cases State experiment stations have available facilities which the Department of Agriculture itself does not have. While the bill would permit contracting for the use of private facilities, it is anticipated that most contracts would be with State experiment stations for the use of their facilities in prosecuting research work over and above that which they might naturally do under their allocations under the regular appropriation.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. AIKEN. I yield.

Mr. GORE. To that extent, it seems to me that the bill does relate to the passage of the appropriation bill a few days ago, because it would authorize the Department of Agriculture to use the funds and to contract with qualified research agencies.

Mr. AIKEN. Yes. The Department could use funds appropriated by that bill to make contracts with such agencies.

Mr. GORE. Then, I find the bill to be entirely meritorious.

Mr. AIKEN. There has been no objection to the proposed legislation. It appeared to the committee to be meritorious.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 2367) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of June 29, 1935 (the Bankhead-Jones Act), as amended (7 U. S. C. 427–427j), is amended by adding at the end of section 10 thereof the following:

"(e) Appropriations for research work in the Department of Agriculture shall be available for accomplishing such purposes by contract through the means provided in subsection (a) hereof."

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (H. R. 6435) to amend the Commodity Exchange Act was announced as next in order.

Mr. GORE. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over. The bill (H. R. 4017) to provide for the conveyance of certain land and improvements to the England Special School District of the State of Arkansas was announced as next in order.

Mr. GORE. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 3097) to authorize the transfer to the regents of the University of California, for agricultural purposes, of certain real property in Napa County, Calif., was announced as next in order.

Mr. GORE. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 134) to authorize and direct the Secretary of Agriculture to quitclaim retained rights in a certain tract of land to the Board of Education of Irwin County, Ga., and for other purposes, was announced as next in order.

Mr. GORE. Over.

The ACTING PRESIDENT pro tempore. The joint resolution will be passed over.

BILL PASSED OVER TO NEXT CALENDAR CALL

The bill (S. 3487) to authorize the Central Bank for Cooperatives and the regional banks for cooperatives to issue

consolidated debentures and for other purposes, was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, over, by request.

The ACTING PRESIDENT pro tempore. By request, the bill will be passed over.

Mr. SCHOEPPEL subsequently said: Mr. President, during the call of the calendar, I requested that Calendar 1514, Senate bill 3487, be passed over. I now ask unanimous consent that the bill go over to the next call of the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF FEDERAL RESERVE ACT, AS AMENDED—BILLS PASSED OVER

The bill (S. 3480) to amend sec. 24 of the Federal Reserve Act, as amended, was announced as next in order.

Mr. KNOWLAND. Mr. President, may we have an explanation of the bill?

The ACTING PRESIDENT pro tempore. The Senator from California requests an explanation of the bill. An explanation does not appear to be forthcoming.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the bill be included in the next call of the calendar.

The ACTING PRESIDENT pro tempore. Without objection, the request of the Senator from California that Senate bill 3480 be included in the next call of the calendar, is agreed to.

The bill (S. 3481) to amend sections 23 (a) and 24 (a) of the Federal Reserve Act, as amended, was announced as next in order.

Mr. KNOWLAND. Mr. President, I make the same request with respect to this bill as I made to the previous bill.

The ACTING PRESIDENT pro tempore. The Senator from California requests that Senate bill 3481 be continued until the next call of the calendar. Is there objection? The Chair hears none, and it is so ordered.

TIME LIMITATION ON FILING OF CERTAIN CLAIMS

The bill (H. R. 2566) to amend the Contract Settlement Act of 1944 so as to establish a time limitation upon the filing of certain claims thereunder was announced as next in order.

The PRESIDING OFFICER (Mr. AIKEN in the chair). Is there objection to the present consideration of the bill?

Mr. GORE. Mr. President, I ask for an explanation.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. Is the Senate considering Calendar No. 1487, S. 2027, or Calendar No. 1466, H. R. 2566, both of which, as I understand, went to the foot of the calendar?

The PRESIDING OFFICER. The Senate is presently considering Calendar No. 1466, House bill 2566.

Mr. KNOWLAND. Mr. President, I ask that the bill go to the foot of the calendar until the chairman of the Committee on the Judiciary is able to give an explanation of it.

The PRESIDING OFFICER. The Chair will advise the Senator that the bill has already been placed at the foot of the calendar, and the question now is whether there is objection to the present consideration of the bill.

Mr. SCHOEPPEL. Mr. President, I understand that an explanation has been asked for. The chairman of the Committee on the Judiciary is not present in the Senate at this time. In order that there may not be any delay, I ask unanimous consent that the bill be passed over and called at the next regular calendar call.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ISSUANCE OF QUITCLAIM DEEDS TO STATES FOR CERTAIN LANDS

The bill (S. 2027) authorizing the Secretary of the Interior to issue quitclaim deeds to the States of certain lands was announced as next in order.

Mr. BUTLER of Nebraska. Mr. President, that is the bill which I requested go over until the Senator from Wyoming [Mr. BARRETT] could return to the Chamber.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2027) authorizing the Secretary of the Interior to issue quitclaim deeds to the States for certain lands, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That the Secretary of the Interior shall issue quitclaim deeds to the public-land States for all lands patented to such States under section 4 of the Carey Act of August 18, 1894 (43 U. S. C., sec. 641). He shall also issue a patent for all unpatented public lands within each State now segregated under that act for which the State issued final certificates or other evidence of right prior to June 1, 1953, or as to which equitable claims to the lands accrued prior to that date (by reason of cultivation or improvement of the lands for agricultural development purposes) for conveyance to the holders of such rights or claims, or to their heirs, successors, or assigns.

SEC. 2. The Secretary shall not issue such quitclaim deeds or patents to any State, however, unless that State files a proper application for the transfer of these lands within 3 years after the date of the enactment of this act.

SEC. 3. The application must include a list of all the lands which the State certifies should be transferred under the terms of section 1 of this act, the basis for the certification of each tract included, and a quitclaim or relinquishment of all right, title, and interest in the State to any and all other lands under the Carey Act. Such quitclaim or relinquishment by the State shall not affect any private rights obtained from the State prior to the enactment of this act.

SEC. 4. The quitclaim or relinquishment of all right, title, and interest by the State to any lands under this act shall not be effective until the Secretary has transferred the lands applied for under section 1 of this act. The Secretary shall provide for the administration and disposition under the public-land laws of the lands quitclaimed or relinquished by the States pursuant to this act.

Mr. BARRETT. Mr. President, in 1894 Congress enacted what was known as the Carey Act. That act, in the form of a bill, was introduced by Judge Joseph M. Carey, who was a Member of the Senate at that time from my own State of Wyoming.

The Carey act provided that about four million acres of desert land in the Western States should be set aside for settlement by homesteaders in tracts of 160 acres allotted to each settler. The purpose of the Carey Act was to irrigate these desert lands and to allow the States to manage the settlement of such lands and to assist the settlers in getting water to be applied to such lands.

For about 60 years the States in the West have been endeavoring to conform to the provisions of the Carey Act. We have now reached the point where all the water available for application on such lands has been exhausted. A large acreage, the exact amount of which is uncertain, is held in what is known as segregated lists. That land is still open for filing under the Carey Act. On the other hand, there have been patented to some of the States about 30 or 35 thousand acres of land, and the States have title to such lands. In some cases water is not available with which to irrigate these lands. In still other cases persons have established their homes on the land in the hope that they would obtain water, but have been unsuccessful.

The bill now pending is to straighten out the entire difficulty arising under the Carey Act in the first place, so that the title to the segregated lands shall be in the Federal Government without restriction. Under the present arrangement such lands are tied up with the restrictions of the Carey Act, and as a result the Federal Government cannot lease the lands for grazing purposes or for gas or oil exploration. Nor can the States do so. On the other hand, the lands which were patented to the States by the Federal Government, are in the same condition, because the requirements of the Carey Act have not been met. Water has not been applied to the lands patented to the States but not homesteaded.

The purpose of the bill is to bring the matter to a complete settlement, and have the States surrender to the Federal Government all the lands held on the segregated lists. Then the Federal Government will have exclusive control and dominion over such lands for grazing purposes, for leasing of the lands, for oil and gas exploration, and for other purposes. On the other hand, the 30,000 or 35,000 acres of land which are held under patent would go to the various States which already have patents for the land under the Carey Act.

The bill has been approved by the Department of the Interior and the Bureau of the Budget. There was no objection to the bill in the committee.

Mr. GORE. Mr. President, will the Senator yield?

Mr. BARRETT. I yield.

Mr. GORE. The distinguished Senator from Nebraska [Mr. BUTLER] informed the Senate that the Department of the Interior was unable to supply any estimate of the amount of land for which quitclaims would be conveyed under the bill.

Mr. BARRETT. I can say that the quitclaims, according to the information I have from the Department—and it appears in the report—are on not to exceed 35,000 acres.

The difficulty is over the segregated list. All that information is in the files of the various States, and I believe the land amounts to a rather large acreage—possibly 100,000 or even one-half million acres—which would be returned to the Federal Government.

However, the lands which would be quitclaimed to the States, and which are under patent to the States, total 35,000 acres.

Mr. GORE. No more than 35,000 acres will be affected by this bill; is that correct?

Mr. BARRETT. I will say to my colleague from Tennesssee that more is involved, and I should like to make myself clear on this point. The States have patents on 35,000 acres of land on which they have not been able, up to this time, to clear up all the provisions of the Carey Act. Under this bill the Federal Government will quitclaim its interest in the 35,000 acres of land.

On the other hand, there is a large body of land—I do not know the exact acreage, and the Department cannot ascertain it, although it may be in excess of one-half million acres—which is held by the various States under what is known as the segregated list. All that land will come back to the Federal Government.

Mr. GORE. Mr. President, will the Senator from Wyoming yield further to me?

Mr. BARRETT. I am glad to yield.

Mr. GORE. Would the interest of either the States or the Federal Government or the citizens involved be prejudiced if this bill were to go over until I can better inform myself regarding it?

Mr. BARRETT. I should not think so, I may say to the distinguished Senator from Tennessee, but at the same time the Department has been trying to get the information the Senator from Tennessee is requesting, and it is impossible to get it because it is involved in hundreds of different transactions between settlers in the various States and certain departments of the States affected.

I can say to my distinguished friend that the Bureau of Land Management, the Secretary of the Interior, and the Bureau of the Budget state specifically in the report that they would much prefer to have this matter handled in this fashion, because there would be interminable difficulties if the Federal Government attempted to settle the rights of hundreds or perhaps thousands of settlers on these lands. So the States are entitled to the consideration granted to them under this bill.

Mr. GORE. Mr. President, my respect and regard for the distinguished Senator from Wyoming, with whom it was my privilege to serve in the other body, would almost impel me to withhold objection. On the other hand, I am impelled to object because of a reluctance to proceed with a quitclaim of interest in land so indefinite in amount as is the land affected by this bill. I would prefer that we know more definitely what we are doing. Therefore——

Mr. BARRETT. Mr. President, if the Senator from Tennessee will permit me to make a further statement at this time, let me say there is no indefiniteness, insofar as the quitclaim from the Federal Government to the States is concerned. That is the only item in this connection that is definite and certain. The lands to which the States have a patent, and, under the bill, the lands to which the Federal Government would quitclaim its rights, amount to 35,000 acres of desert land.

The only indefinite figure is in the case of the lands held by the States under segregated lists which the States will surrender to the Federal Government. It is uncertain whether that land amounts to 50,000 or 100,000 or half a million acres. All the other lands which were under the Carey Act, in addition to these 35,000 acres, will come back to the Federal Government. Originally 4 million acres were set aside under the Carey Act. The total acreage which will come back to the Federal Government is indefinite; it is impossible for the executive departments to obtain the information. It would take a long time for the States to compile it. The purpose of this bill is simply to give the Federal Government the remainder of the land, whatever it may be—whether 50,000 or a million acres.

Mr. GORE. Would this bill operate, then, as a transfer?

Mr. BARRETT. Indeed, it would.

Mr. GORE. Do I correctly understand that the Senator from Wyoming states that the part of the interest of the Federal Government which is conveyed or transferred, or would be, by means of this bill, is definite and specific, and the departments and the Federal Government have approved it?

Mr. BARRETT. That is correct.

Mr. GORE. Do I further correctly understand that the indefinite part about which I was inquiring is the interest which would eventually come to the Federal Government?

Mr. BARRETT. That is correct.

Mr. GORE. Then, Mr. President, I have no objection.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

There being no objection, the Senate proceeded to consider the bill (S. 2027) authorizing the Secretary of the Interior to issue quitclaim deeds to the States for certain lands, which had been reported from the Committee on Interior and Insular Affairs with an amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JEAN SUTHERLAND

Mr. SMATHERS. Mr. President, before the call of the calendar is completed, I ask unanimous consent that the Senate now return to Calendar 1469, a bill to which I objected at the last call of the calendar. It is House bill 3907, for the relief of Jean Sutherland.

I may say that after consideration and discussion of the bill with other Senators, I have withdrawn my objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 3907) for the relief of Jean Sutherland, was considered, ordered to a third reading, read the third time, and passed.

DEPARTMENT OF THE INTERIOR APPROPRIATIONS, 1955

The ACTING PRESIDENT pro tempore. The call of the calendar having been completed, the Chair lays before the Senate the unfinished business, which is the bill (H. R. 8680) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1955, and for other purposes.

MAJ. GEN. FRANK R. McCOY

Mr. SMITH of New Jersey. Mr. President, those of us who had the great privilege of knowing Maj. Gen. Frank R. McCoy are deeply saddened by the news of his death last week. I have known Frank McCoy for some years, because I was an active director of the Foreign Policy Association during the period when he was president of that important organization. I feel that much of my great interest in foreign affairs is due to my contact with Frank McCoy and the inspiration that I felt from his leadership in all fields of public service.

His career is an outstanding one, starting really with the Spanish-American War, just after his graduation from West Point, in 1897.

General McCoy was born in Lewistown, Pa. He was the son of a Civil War general. He was a member of the late President Theodore Roosevelt's Rough Riders, and was wounded in the famous charge up San Juan Hill. For this courageous service he was awarded two Silver Star citations.

In 1900 he became an aide-de-camp to Gen. Leonard Wood, then Military Governor of Cuba. Shortly thereafter he became an aide to President Theodore Roosevelt, who sent him to investigate several proposed alternative routes for the Panama Canal.

In 1903 he again served as an aide to General Wood, who was then in the Philippines; and in 1906 he became an aide to President Theodore Roosevelt, and was appointed to the Peace Commission to Cuba.

In 1915–16 he commanded the cavalry patrol charged with keeping order along the Rio Grande. In World War I, in 1917, General McCoy served as general staff secretary to the American Expeditionary Forces; and he assumed command of the "Fighting 69th" in May 1918. For these services he was awarded the Distinguished Service Medal and several foreign decorations.

President Woodrow Wilson appointed him Chief of Staff of the American Mili-

tary Mission in Armenia. In 1923 he headed an American relief mission to Tokyo, after the Japanese earthquake. In 1927–28 he was appointed by President Coolidge to supervise the Nicaraguan elections.

In 1928 he headed the Seven-Nation Coalition Commission aimed to prevent the outbreak of war between Bolivia and Paraguay.

In 1932 President Hoover named him as the American member of the League of Nations Commission to inquire into the Japanese seizure of Manchuria. He retired from the Army in 1939.

From 1939 to 1945 he served brilliantly as president of the Foreign Policy Association, to which I have just now referred.

After the outbreak of World War II he was appointed by President Franklin Roosevelt to the Roberts committee investigating the attack on Pearl Harbor. In 1942 he headed the special military commission which tried and convicted the Nazi saboteurs who landed in Long Island and Florida.

From 1945 to 1949 he was Chairman of the Far Eastern Commission, which established political and economic policies for postwar Japan.

Mr. President, I know of no one who has served more Presidents directly and and who had the full confidence of more Presidents of the United States than General McCoy. He was a great public servant and I feel it appropriate that we should record this summary of his distinguished achievements.

Beyond that those of us who knew him looked upon him as a beloved personal friend. Mrs. Smith and I have known General McCoy and his beloved wife intimately during the time we have been in Washington and we both extend to her and other members of his family our deepest sympathy at this sad time.

Mr. President, I ask unanimous consent to publish in the RECORD at the close of my remarks an editorial which appeared in the New York Times of June 6, entitled "Gen. Frank McCoy," and also an editorial which appeared in the New York Herald Tribune of this morning, Monday, June 7, entitled, "Maj. Gen. Frank Ross McCoy." Both of these editorials add a well-deserved tribute to this distinguished soldier and statesman.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of June 6, 1954]

GEN. FRANK MCCOY

Judged simply in military terms, the long career of Gen. Frank McCoy, which came to a close with his death on Friday, was outstandingly brilliant. He was one of the best soldiers this country has produced. But military terms are far too restricted to describe his unusual service to his country. He was an able and always useful citizen.

Several of our Presidents used him as a diplomatic troubleshooter of the first rank. Time and again when a really sensitive mission was in prospect—as, for example, the Lytton survey in Manchuria—General McCoy was a first choice.

Beyond that, in capacities such as Chairman of the Foreign Policy Association, he made a solid contribution to the thinking of his fellow citizens. It was a joy to know him and it is a sorry understatement to say that he will be sorely missed.

[From the New York Herald Tribune of June 7, 1954]

MAJ. GEN. FRANK ROSS MCCOY

A fine mind, a gallant heart and steadfast allegiance to the highest concepts of duty made Maj. Gen. Frank Ross McCoy one of the great soldier-statesmen of his generation. In the postwar period, Americans have come to think of the military or naval officers who accomplishes a wide variety of civilian tasks as a recent phenomenon. General McCoy, however, was chosen for such services by every President since Theodore Roosevelt, in addition to achieving an exceptional record in combat.

Graduating from West Point in 1897, the young officer won wounds and decorations in the Spanish-American War a year later; he also laid the foundation of a lasting association with Leonard Wood—the commander of the Rough Riders in the Santiago campaign and military governor of Cuba after the end of hostilities. In World War I, General McCoy commanded a regiment close to the hearts of New Yorkers—the 165th, or, as it is better known, the Fighting 69th.

From the time when he assisted General Wood in the government of Cuba to his chairmanship of the Allied Far Eastern Commission, which performed a similar function for General MacArthur in Japan after World War II, General McCoy was given nonmilitary assignments in many difficult areas of the world. Armenia, Manchuria, Central and South America were among the regions where he rendered outstanding diplomatic service. This breadth of experience, no less than his warm but disciplined personality, explains the contribution to public understanding which he made as president of the Foreign Policy Association after his retirement from the Army. It also gives a measure of the debt which the Nation owes to an able and devoted citizen.

DEATH OF FORMER GOV. HAROLD G. HOFFMAN, OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. President, on Friday, June 4, in New York City, a former Governor of my State of New Jersey, Harold G. Hoffman, succumbed to a heart attack. I had known Harold Hoffman for many years and early came to love his endearing good humor and admire his prodigious capacity for work. He will be greatly missed by all citizens of New Jersey and by his legion of friends throughout the country.

Governor Hoffman was born in South Amboy, N. J., on February 7, 1896. While still in high school he became a correspondent for a number of local papers and soon added the New York Times to this list. Upon graduation he joined the staff of the Perth Amboy News, and soon became its assistant city editor. The day after the declaration of war on Germany in 1917 Harold Hoffman rounded up some of his eligible friends and enlisted in the New Jersey National Guard.

Graduating from Officers' Candidate School he rejoined his old regiment and sailed for France. There he fought at Verdun, the Meuse-Argonne and other decisive engagements, being promoted, on the battlefield, at the age of 21, to captain. Harold became widely known as the "Boy Captain."

Upon his return home from World War I Governor Hoffman entered the field of banking with his usual success. He was married in 1919 to Miss Lillie May Moss, a near neighbor in South Amboy. In 1923 he was elected as a State assemblyman, and while still serving in that capacity, elected mayor of South Amboy by a write-in vote. In 1926 Harold was elected to Congress from New Jersey's Third District, and served in that capacity for 4 years. He was then appointed State motor-vehicle commissioner and acted in this capacity until 1934, when, at the age of 38, he was elected Governor.

Upon leaving the governorship he became Director of the New Jersey Division of Employment Security, which post he held until his untimely death. However, responding as always to the needs of his country, Governor Hoffman took leave of absence from his post in 1942 and served in the Army Air Forces as a major and colonel for 4 years until 1946.

Mr. President, Harold Hoffman's public life was far from placid, and to many he was a controversial figure. He was one of those rare characters, however, who always maintained his good humor and constantly was seeking to do kindly things for both his friends and those who had been his opponents. He became well known for his leadership in the organization known as Circus Saints and Sinners, which introduced distinguished public figures to the friendly banter of friends and political opponents. Harold Hoffman's atmosphere was one of warm human friendship.

Mrs. Smith joins me in extending our deepest sympathy to Mrs. Hoffman and to his children.

POSTPONEMENT OF QUARTERMASTER AGENCY REMOVAL UNTIL COMPLETION OF HOOVER COMMISSION STUDY—AMENDMENT TO DEFENSE APPROPRIATION BILL

Mr. LEHMAN. Mr. President, on behalf of myself, my colleague from New York [Mr. IVES], and of the junior Senator from Massachusetts [Mr. KENNEDY], I send to the desk for appropriate reference an amendment to H. R. 8873, the defense appropriation bill directing the postponement of a proposed transfer of the Army's Quartermaster purchasing agency from New York City to Philadelphia. This amendment requires the proposed transfer to be suspended until a study now under way by the Commission on Organization of the Executive Branch of the Government has been completed.

Mr. President, I submitted another amendment on this same general subject, directed to the same end, on May 25. The amendment now offered approaches the matter from a second aspect which I had overlooked, but to which Representative BONNER, of North Carolina, called the attention of the House on May 28th.

I had hoped—and I still hope—that this matter could be explored by the appropriations committee of the Senate before being brought to the floor.

The Army, however, which is the responsible executive agency in this matter, appears intent to accomplish the transfer, to make it a fait accompli, before the Appropriations Committee of the Senate can give this question the attention it merits.

Since I submitted my first amendment, the Army has issued orders accelerating the schedule of the proposed move in an

effort to complete it before the committee can take it up. And now, I find, Mr. President, that this proposed move involves a problem which is being studied by the new Hoover Commission, the Commission on Organization of the Executive Branch of the Government. So I am introducing a second amendment, to which I should like to call the attention not only of the Appropriations Committee, but of the appropriate subcommittee of the Government Operations Committee.

While the proposed transfer seemed, superficially, to be a question of major concern only to the areas directly involved, it now seems that it involves an even larger aspect—the question of the integration of the procurement functions of the armed services, a question of the widest import to the Congress and the country.

I hope that the Army will not persist in its unseemly and unjustified haste to complete this transfer, but will await the completion of the studies which are indicated in my two amendments.

The establishment proposed to be transferred, Mr. President, is, as I have said, the Army Quartermaster Purchasing Agency, which has been located in New York since 1945, in a building which also houses the analogous purchasing agency of the Navy Department. I have been told that it was originally anticipated that in this building, the pertinent procurement functions of all the armed services would be conducted, in an integrated and coordinated way.

There is a much smaller Army Quartermaster purchasing agency located in Philadelphia, an establishment which may or may not be justified. It has been laying off some of its personnel. Suddenly it was announced that the purchasing agency establishment in New York, which employs about 1,500 people would move to Philadelphia to be consolidated with the establishment there which employs, at most, about 400 persons.

Does that make sense, Mr. President? On the surface, it certainly does not, to me.

First, there is the question of whether the Army is to be permitted to move its major establishments from one area to another without consultation with Congress. The location of the establishment has no security implications of which I am aware. It is a question of economy and efficiency in the procurement operations of the Army Department. This is a matter with which Congress has, I believe, a very direct concern. Whether the proposed transfer of this agency from New York to Philadelphia is, indeed, a sound move from the viewpoint of economy and efficiency can be established by a study of the facts and figures. But Congress has a right and a duty to consider other effects of such a move. The representatives in Congress of the area in question have a right to be satisfied that the transfer is truly in the national interest and is not unduly prejudicial to the local interest.

The fact of the matter is, however, that Congress has not been consulted in this matter. No congressional committee has had an opportunity to review this matter. Neither have the Members of the Congress from New York City and New York State been afforded an opportunity to consult with the officials of the Defense Department and to weigh this matter before the decision was made.

On hearing rumors during the spring of this year that this move was under consideration, I and other Members of the Congress from the New York area made inquiries at the Army Department. We were told that no such move was imminent, that only general consideration was being given to it, and that before the matter reached a determinative stage, ample opportunity would be given for consultation. No such opportunity was given. The decision was announced. Thereafter, some perfunctory justification, of an unsatisfactory nature, was furnished to members of the New York delegation.

When we indicated that the justification was completely unconvincing and asked for a delay in the proposed move until the matter could be studied, the Army Department, instead of acceding to our request, stepped up the schedule for the move.

On May 25, on behalf of myself and the Senator from Massachusetts [Mr. KENNEDY], I submitted an amendment to the defense appropriations bill to prevent the use of any of the funds contained in that bill for the proposed transfer. That amendment was referred to the Appropriations Subcommittee now considering the defense appropriations bill. Instead of preparing to justify this transfer to the Appropriations Subcommittee, the Army Department again stepped up the schedule for the move of the agency to Philadelphia. I am told that an effort is being made to begin the move this week.

Mr. President, I strongly resent the Army Department's attitude in this matter. I think it is unfair and improper. The attitude reflected in the events I have recounted do not inspire in me a sense of confidence in the officials of the Army Department. If the Department has ample justification for the transfer of this facility to Philadelphia, they should be ready, willing, and anxious to present that justification to the appropriate committees of Congress.

I do not believe they have that justification. The figures I have seen indicate that no saving whatever would be made. Indeed, the Government would be the loser even in terms of immediate dollars and cents. The efficiency of the procurement operation would be greatly handicapped. The established pattern of procurement laid down over a period of many years would be disrupted. The agency would be removing itself from the vicinity of the major sales outlets in the United States. The manufacturing firms in New York and New England which have been doing business with the Army purchasing agency would confront unjustified difficulties.

If the consolidation of the New York and Philadelphia establishments is called for, the logical place for the consolidation is in New York and not in Philadelphia. I understand that the cost of the physical transfer would be in the neighborhood of $250,000. This is a completely unjustified expenditure. Any projected economies which can be achieved by a consolidation can be better achieved by consolidating the Philadelphia agency with the New York agency in New York. It seems ridiculous to move the larger establishment to the smaller establishment instead of vice versa—especially in the light of the fact that the major sales outlets are in the New York area.

I shall not refer at any length to the hardships involved for the 1,600 present employees of the agency, with their homes and their roots in New York. If the best interests of the Government were served by this move, the individual hardships would, perhaps, be justified. But I see no evidence that the interests of the United States are being served.

Up to this point I have been speaking only of the Army's claim that the proposed move will result in a saving to the United States Government.

There is, however, the second factor—the factor to which my latest amendment is addressed and which was pointed out on the floor of the House by Representative BONNER, of North Carolina, on May 28. Representative BONNER has no vested interest whatever in the location of the quartermaster purchasing agency. He does have an interest, however, in the question of the integration of the purchasing activities of the armed services. In the 82d Congress he was chairman of a subcommittee of the Government Operations Committee which conducted a comprehensive survey of the purchasing functions of the armed services and which strongly advocated the integration of those activities.

Indeed, Mr. President, the savings to be achieved by the integration and the standardization of the purchasing activities of the Army, Navy, and Air Force were originally cited as among the major justifications for the establishment of the Defense Department.

I am no expert on this matter, but Representative BONNER reports that very little progress has been made on the integration of the purchasing activities of the three services. He states, moreover, that the proposed transfer of the Quartermaster purchasing agency from New York to Philadelphia is a move in exactly the opposite direction from that which ought to be pursued.

The waste, measured in millions of dollars, resulting from the lack of integration in the procurement activities of the armed services has been frequently brought to the attention of the Congress.

The Harden subcommittee of the House Government Operations Committee, and the Bonner subcommittee, conducted studies on this matter which illustrated only too graphically the senseless waste of Government money as a result of duplication and lack of standardization among the armed services.

It may be that some small saving could be achieved, in terms of rent, by the removal of the Quartermaster purchasing agency from New York to Philadelphia. I do not know the facts. But the expense involved would be enormous. The waste in terms of skilled and trained

personnel who would be forced to give up their jobs, because they are unwilling to leave New York, would be extravagant.

And who knows whether the Hoover Commission will not recommend that the Quartermaster agency move back to New York, or that the entire purchasing function of all three armed services be consolidated forthwith, in New York, or Philadelphia, or Chicago? It seems senseless for the Army to make this move at this time.

Moreover, Mr. President, we may be moving toward an international situation when all these purchasing agencies will be thrown suddenly into high gear. Is this a time to make a difficult and disruptive move, and to begin retraining an entire corps of personnel for this vital function?

Representative BONNER proposed, in his speech on the floor of the House on May 28, that the proposed move of the Quartermaster purchasing agency to Philadelphia be suspended until the new Hoover Commission of the so-called Commission on organization of the executive branch of the Government has had an opportunity to study this phase of the matter. That Commission is now engaged in a comprehensive review of the procurement functions of the Army, Navy, and Air Force, with a view to recommending measures that will promote greater efficiency, greater standardization, and more comprehensive integration.

The amendment I am submitting today is based on this new aspect of the matter.

Mr. President, I have always strongly supported proposals for reorganization designed to achieve greater efficiency in the conduct of the Government. I was a strong advocate and supporter of the work of the original Hoover Commission. Last year I supported the creation of the new Commission on Organization of the Executive Branch of the Government.

One of the most important duties of this new Hoover Commission is to study and recommend improvements in the present procurement programs and agencies of the Armed Forces, with particular reference to the procurement and distribution of clothing. Facts which have been brought out repeatedly by committees of this Congress have pointed to the amazing clothing inventories of the Army and the resulting cost to the taxpayer.

A few days ago I read a statement made by an authoritative source to the effect that today the inventories of clothing and textiles amounted to more than a billion dollars. In the opinion of this authoritative source the inventory could be reduced by more than $800 million and brought to the level of $200 million without in the slightest degree affecting the efficiency or the serviceability of the agency involved.

Mr. President, orderly government, efficient administration, and sheer common sense should impel the Army to await the report of the Hoover Commission on this entire subject before proceeding with the proposed move to Philadelphia. Therefore, it is my fervent hope that the amendment I have submitted today will be acted upon speedily.

I ask unanimous consent that the amendment be printed in the RECORD.

There being no objection, the amendment submitted by Mr. LEHMAN (for himself, Mr. IVES, and Mr. KENNEDY) was received, referred to the Committee on Appropriations, ordered to be printed, and to be printed in the RECORD, as follows:

At the appropriate place insert the following language:

"No funds available under this appropriation or any other appropriation available to the Department of the Army shall be used to transfer the Quartermaster Purchasing Office from New York, N. Y., to Philadelphia, Pa., or elsewhere until the Commission on Organization of the Executive Branch of the Government makes a complete study of the procurement, including specifications standards, storage, and issue and disposal of textiles, apparel, footwear, and related items, in the armed services, and recommends that such a transfer be made."

Mr. LEHMAN. Mr. President, on behalf of myself, my colleague, the senior Senator from New York [Mr. IVES], and the Senator from Massachusetts [Mr. KENNEDY], I now submit for appropriate action a resolution to express the sense of the Senate relative to transfer of the Quartermaster Purchasing Agency Office from New York to Philadelphia or elsewhere pending a study.

There being no objection, the resolution (S. Res. 260), submitted by Mr. LEHMAN (for himself, Mr. IVES, and Mr. KENNEDY), was received and referred to the Committee on Armed Services, as follows:

Resolved That it is the sense of the Senate that the Department of the Army suspend forthwith the proposed transfer of the Quartermaster Purchasing Agency Office from New York, N. Y., to Philadelphia, Pa., or elsewhere, until the Commission on Organization of the Executive Branch of the Government shall have completed its current study of procurement practices, including specifications standards, and of related matters such as storage and issue and disposal of textiles, apparel, footwear, and related items, in the armed services; and that upon the completion of said study the transfer of the Quartermaster Purchasing Agency facilities from New York to Philadelphia shall be further reviewed by the Committees on Government Operations of the Senate and House of Representatives, in the light of the recommendations of said Commission.

THE DECISION OF THE SUPREME COURT IN THE PHILLIPS PETROLEUM CO. CASE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed in the RECORD the majority opinion of the Supreme Court and the concurring and dissenting opinions in the Phillips Petroleum Co. case, rendered today.

There being no objection, the opinions were ordered to be printed in the RECORD, as follows:

PHILLIPS PETROLEUM CO., PETITIONER *v.* STATE OF WISCONSIN ET AL., NO. 280; STATE OF TEXAS ET AL., PETITIONERS *v.* STATE OF WISCONSIN ET AL., NO. 281; FEDERAL POWER COMMISSION, PETITIONER *v.* STATE OF WISCONSIN, PUBLIC SERVICE COMMISSION OF WISCONSIN ET AL, NO. 418

Mr. Justice Minton delivered the opinion of the Court.

These cases present a common question concerning the jurisdiction of the Federal Power Commission over the rates charged by a natural-gas producer and gatherer in the sale in interstate commerce of such gas for resale. All three cases are an outgrowth of the same proceeding before the Power Commission and involve the same facts and issues.

The Phillips Petroleum Co.[1] is a large integrated oil company which also engages in the production, gathering, processing, and sale of natural gas. We are here concerned only with the natural-gas operations. Phillips is known as an "independent" natural-gas producer in that it does not engage in the interstate transmission of gas from the producing fields to consumer markets and is not affiliated with any interstate natural-gas pipeline company. As revealed by the record before us, however, Phillips does sell natural gas to 5 interstate pipeline transmission companies which transport and resell the gas to consumers and local distributing companies in 14 States.

Approximately 50 percent of this gas is produced by Phillips and the remainder is purchased from other producers. A substantial part is casinghead gas—i. e., produced in connection with the production of oil. The gas flows from the producing wells in most instances at well pressure, through a network of converging pipelines of progressively larger size to 1 of 12 processing plants, where extractable products and impurities are removed. Of the 9 such networks of pipelines involved in these cases, 5 are located entirely in Texas, 1 in Oklahoma, 1 in New Mexico, and 2 extend into both Texas and Oklahoma. After processing is completed, the gas flows from the processing plant through an outlet pipe, of varying lengths up to a few hundred feet, to a delivery point where the gas is sold and delivered to an interstate pipeline company. The gas then continues its flow through the interstate pipeline system until delivered in other States.

The Federal Power Commission, on October 28, 1948, instituted an investigation to determine whether Phillips is a natural-gas company within the jurisdiction of the Commission, and if so, whether its natural-gas rates are unjust or unreasonable. In extensive hearings before an examiner, the facts described above were developed, as well as much additional information. An intermediate decision having been dispensed with, the Commission issued an opinion and order in which it held that Phillips is not a natural-gas company within the meaning of that term as used in the Natural Gas Act,[2] and therefore is not within the Commission's jurisdiction over rates.[3] Consequently, the Commission did not proceed to investigate the reasonableness of the rates charged by Phillips. On appeals, the decision of the Commission was reversed by the Court of Appeals for the District of Columbia, one judge dissenting (92 U. S. App. D. C. 284, 205 F. 2d 706). We granted certiorari (346 U. S. 934–935).

The Power Commission is authorized by section 4 of the Natural Gas Act to regulate the "rates and charges made, demanded, or received by any natural-gas company for or in connection with the transportation or sale of natural gas subject to the jurisdiction of the Commission * * *." "Natural-gas company" is defined by section 2 (6) of the act to mean "a person engaged in the transportation of natural gas in interstate commerce, or the sale in interstate commerce of such

[1] Hereinafter referred to as Phillips.

[2] 52 Stat. 821, as amended, 15 U. S. C., sec. 717 et seq.

[3] 10 F. P. C. 246. One Commissioner concurred in the decision and one dissented.

gas for resale." The jurisdiction of the Commission is set forth in section 1 (b) as follows:

"The provisions of this act shall apply to the transportation of natural gas in interstate commerce, to the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use, and to natural-gas companies engaged in such transportation or sale, but shall not apply to any other transportation or sale of natural gas or to the local distribution of natural gas or to the facilities used for such distribution or to the production or gathering of natural gas."

Petitioners admit that Phillips engages in "the sale in interstate commerce of natural gas for resale," as, of course, they must. *Interstate Natural Gas Co.* v. *Federal Power Commission* (331 U. S. 682, 687–689); cf. *Michigan-Wisconsin Pipe Line Co.* v. *Culvert* (347 U. S. 157, 166–168). They contend, however, that the affirmative grant of jurisdiction over such sales in the first clause of section 1 (b) is limited by the negative second clause of the section. In particular, the contention is made that the sales by Phillips are a part of the "production or gathering of natural gas" to which the Commission's jurisdiction expressly does not extend.

We do not agree. In our view, the statutory language, the pertinent legislative history, and the past decisions of this Court all support the conclusion of the Court of Appeals that Phillips is a natural-gas company within the meaning of that term as defined in the Natural Gas Act, and that its sales in interstate commerce of natural gas for resale are subject to the jurisdiction of and regulation by the Federal Power Commission.

The Commission found that Phillips' sales are part of the production and gathering process, or are "at least an exempt incident thereof."[4] This determination appears to have been based primarily on the Commission's reading of legislative history and its interpretation of certain decisions of this Court. Also, there is some testimony in the record to the effect that the meaning of "gathering" commonly accepted in the natural-gas industry comprehends the sales incident to the physical activity of collecting and processing the gas. Petitioners contend that the Commission's finding has a reasonable basis in law and is supported by substantial evidence of record and therefore should be accepted by the courts, particularly since the Commission has "consistently" interpreted the Act as not conferring jurisdiction over companies such as Phillips.[5] See *Gray* v. *Powell* (314 U. S. 402); *Labor Board* v. *Hearst Publications, Inc.* (322 U. S. 111). We are of the opinion, however, that the finding is without adequate basis in law, and that production and gathering, in the sense that those terms are used in section 1 (b) end before the sales by Phillips occur.

In *Federal Power Commission* v. *Panhandle Eastern Pipe Line Co.* (337 U. S. 498, 505), we observed that the "natural and clear meaning" of the phrase "production or gathering of natural gas" is that it encompasses "the producing properties and gathering facilities of a natural-gas company." Similarly, in *Colorado Interstate Gas Co.* v. *Federal Power Commission* (324 U. S. 581, 598), we stated that "[t]ransportation and sale do not include production or gathering," and indicated that the "production or gathering" exemption applies to the physical activities, facilities, and properties used in the production and gathering of natural gas. *Id.*, at 602–603. See also *Federal Power Commission* v. *Hope Natural Gas Co.* (320 U. S. 591, 612–615); *Peoples Natural Gas Co.* v. *Federal Power Commission* (75 U. S. App. D. C. 235, 127 F. 2d 153); cf. *United States* v. *Public Utilities Commission* (345 U. S. 295, 307–311.[6]

Even more directly in point is our decision in *Interstate Natural Gas Co.* v. *Federal Power Commission* (331 U. S. 682). The Interstate Co. produced or purchased natural gas which it in turn sold and delivered to three interstate pipeline companies, all the activities occurring within the same State. We noted that "[e]xceptions to the primary grant of jurisdiction in the section [1 (b)] are to be strictly construed,"[7] id., at 690–691, and held that section 1 (b) conferred jurisdiction over such sales on the Federal Power Commission, stating:

"Petitioner asserts • • • that the sales to the three pipeline companies are a part of the gathering process and consequently not within the Commission's power of regulation. This basic contention has given rise to a great many subsidiary questions such as whether the sales were made from petitioner's gathering lines or from petitioner's transmission lines and whether the gathering process continued to the points of sale or was, as the Commission found, completed at some point prior to surrender of custody and passage of title. We have found it unnecessary to resolve those issues. The gas moved by petitioner to the points of sale consisted of gas produced from petitioner's wells commingled with that produced and gathered by other companies and introduced into petitioner's pipeline system during the course of the movement. By the time the sales are consummated, nothing further in the gathering process remains to be done. We have held that these sales are in interstate commerce. It cannot be doubted that their regulation is predominantly a matter of national, as contrasted to local, concern. All the gas sold in these transactions is destined for consumption in States other than Louisiana. Unreasonable charges exacted at this stage of the interstate movement become perpetuated in large part in fixed items of costs which must be covered by rates charged subsequent purchasers of the gas, including the ultimate consumer. It was to avoid such situations that the Natural Gas Act was passed." (Id., at 692–693.)

Petitioners attempt to distinguish the Interstate case on the grounds that the Interstate Co. transported the gas in its pipelines after completion of gathering and before sale, and that the Interstate Co. was affiliated with an interstate pipeline company and therefore subject to Commission jurisdiction in any event. This Court, however, refused to rely on such refinements[8] and instead based its decision in Interstate on the broader ground that sales in interstate commerce for resale by producers to interstate pipeline companies do not come within the production or gathering exemption.

The Interstate case is also said to be distinguishable in that it did not involve an asserted conflict with State regulation, and Federal control was not opposed by the State authorities, while in the instant cases there are said to be conflicting State regulations, and Federal jurisdiction is vigorously opposed by the producing States. The short answer to this contention is that the jurisdiction of the Federal Power Commission was not intended to vary from State to State, depending upon the degree of State regulation and of State opposition to Federal control. We expressly rejected any implication to the contrary, in the Interstate case (331 U. S., at 691–692). See *Federal Power Commission* v. *Hope Natural Gas Co., supra*, at 607–615.

The cases discussed above supply a ready answer to the determination of the Commission and also to petitioners' suggestion that production or gathering should be construed to mean the business of production and gathering, with the sale of the product considered as an integral part of such business. We see no reason to depart from our previous decisions, especially since they are consistent with the language and legislative history of the Natural Gas Act.

In general, petitioners contend that Congress intended to regulate only the interstate pipeline companies since certain alleged excesses of those companies were the evil which brought about the legislation. If such were the case, we have difficulty in perceiving why the Commission's jurisdiction over the transportation or sale for resale in interstate commerce of natural gas is granted in the disjunctive. It would have sufficed to give the Commission jurisdiction over only those natural-gas companies that engage in "transportation" or "transportation and sale for resale" in interstate commerce, if only interstate pipeline companies were intended to be covered.[9] See *Federal Power Commission* v. *East Ohio Gas Co.* (338 U. S. 464, 468).

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[4] 10 F. P. C. 246, 278.

[5] The consistency of the Commission in this regard may be questioned. Compare: *Columbian Fuel Corp.* (2 F. P. C. 200), with *Interstate Natural Gas Co.* (3 F. P. C. 416); Brief for Federal Power Commission, *Interstate Natural Gas Co.* v. *Federal Power Commission* (156 F. 2d 949), with brief for Federal Power Commission, *Interstate Natural Gas Co.* v. *Federal Power Commission* (331 U. S. 682); Federal Power Commission Order No. 139 (12 Fed. Reg. 5585), with Federal Power Commission Order No. 154 (15 Fed. Reg. 4633). See Scanlan, Administrative Abnegation in the Face of Congressional Coercion: The Interstate Natural Gas Company Affairs (23 Notre Dame Law 173); (note, 59 Yale L. J. 1468, 1479–1484). And, for that matter, even consistent error is still error.

[6] Referring to the taking of natural gas by purchasing interstate pipeline companies at the outlet of processing plants, we recently observed that the pipeline companies obviously "are not engaged in 'gathering gas' within the meaning of that term in its ordinary usage • • •" *Michigan-Wisconsin Pipe Line Co.* v. *Calvert* (347 U. S. 157, 164).

[7] The committee reports on the bill enacted as the Natural Gas Act, H. R. 6586, 75th Cong., 1st sess., reveal that a construction of the "production or gathering" exemption which would substantially limit the affirmative grant of jurisdiction to the Commission was not contemplated. After quoting the exemptive clause of section 1 (b), the House Report states that "The quoted words are not actually necessary, as the matters specified therein could not be said fairly to be covered by the language affirmatively stating the jurisdiction of the Commission, but similar language was in previous bills, and, rather than invite the contention, however unfounded, that the elimination of the negative language would broaden the scope of the act, the committee has included it in this bill." (H. Rept. No. 709, 75th Cong., 1st sess., 3.) The Senate report adopted and reprinted the House report on the bill. (S. Rept. No. 1162, 75th Cong., 1st sess.)

[8] Despite the fact that they were urged by the Commission as a basis for decision. Brief for Federal Power Commission, *Interstate Natural Gas Co.* v. *Federal Power Commission* (331 U. S. 682).

[9] Just such wording was suggested to and rejected by the House committee considering enactment of the Natural Gas Act, by the chairman of the State of New York Department of Public Service, Public Service Commission. Hearings before House Committee on Interstate and Foreign Commerce on H. R. 4008, 75th Cong., 1st sess., 146–157. An earlier bill, H. R. 11662, 74th Cong., 2d sess., would have limited the jurisdiction of the Power Commission to "the transportation of natural gas in high-pressure mains in interstate commerce and to natural-gas companies engaged in such transportation • • •."

Rather, we believe that the legislative history indicates a congressional intent to give the Commission jurisdiction over the rates of all wholesales of natural gas in interstate commerce, whether by a pipeline company or not and whether occurring before, during or after transmission by an interstate pipeline company.[10] There can be no dispute that the overriding congressional purpose was to plug the "gap" in regulation of natural-gas companies resulting from judicial decisions prohibiting, on Federal constitutional grounds, State regulation of many of the interstate commerce aspects of the natural-gas business.[11] A significant part of this gap was created by cases [12] holding that "the regulation of wholesale rates of gas and electric energy moving in interstate commerce is beyond the constitutional powers of the States." *Interstate Natural Gas Co.* v. *Federal Power Commission, supra,* at 689. The committee reports on the bill that became the Natural Gas Act specifically referred to two of these cases and to the necessity of Federal regulation to occupy the hiatus created by them.[13] Thus, we are satisfied that Congress sought to regulate wholesales of natural gas occurring at both ends of the interstate transmission systems.

Petitioners cite our recent decisions in *Cities Service Gas Co.* v. *Peerless Oil & Gas Co.* (340 U. S. 179) and *Phillips Petroleum Co.* v. *Oklahoma* (340 U. S. 190) as authority for the proposition that the States may regulate the sales in question here and, hence, that such sales are not within the gap which the Natural Gas Act was intended to fill. Those cases upheld as Constitutional State minimum price orders, justified as conservation measures, applying to sales of natural gas in interstate commerce. But it is well settled that the gap referred to is that thought to exist at the time the Natural Gas Act was passed, and the jurisdiction of the Commission is not affected by subsequent decisions of this Court which have somewhat loosened the Constitutional restrictions on State activities affecting interstate commerce, in the absence of conflicting Federal regulation (*Illinois Natural Gas Co.* v. *Central Illinois Public Service Co.* (314 U. S. 498, 508); *Federal Power Commission* v. *East Ohio Gas Co., supra,* at 472). The Federal Power Commission did not participate in the Cities Service and Phillips Petroleum cases. The appellants there did not assert a possible conflict with Federal authority under the Natural Gas Act, and consequently we expressly refused to consider at that time "[w]hether the Gas Act authorizes the Power Commission to set field prices on sales by independent producers, or leaves that function to the States * * *." 340 U. S., at 188–189.

Regulation of the sales in interstate commerce for resale made by a so-called independent natural-gas producer is not essentially different from regulation of such sales when made by an affiliate of an interstate pipeline company. In both cases, the rates charged may have a direct and substantial effect on the price paid by the ultimate consumers. Protection of consumers against exploitation at the hands of natural-gas companies was the primary aim of the Natural Gas Act. *Federal Power Commission* v. *Hope Natural Gas Co., supra,* at 610. Attempts to weaken this protection by amendatory legislation exempting independent natural-gas producers from Federal regulation have repeatedly failed,[14] and we refuse to achieve the same result by a strained interpretation of the existing statutory language.

The judgment is affirmed.

Mr. Justice Jackson took no part in the consideration or decision of these cases.

Much of the legislative history advanced in support of petitioners' position was developed in connection with this bill, including the testimony of Dozier A. DeVane, Solicitor of the Federal Power Commission. Because of the much different jurisdictional provision of H. R. 11662, such testimony has little relevance here.

[10] The bill on which were held the hearings leading to the passage of the Natural Gas Act, H. R. 4008, 75th Cong., 1st sess., as introduced provided in sec. 1 (b), for Commission jurisdiction over the sale of natural gas in interstate commerce "for resale to the public." Similarly, "natural-gas company" was defined, in sec. 2 (5), as including a person engaged in the sale of natural gas in interstate commerce "for resale to the public." The general solicitor of the National Association of Railroad and Utilities Commissioners suggested that the language be changed in a manner almost identical to that contained in the Natural Gas Act. Referring to the proposed changes, he commented that "Another is designed to make certain that the bill will apply to all intercompany sales of natural gas at wholesale, even though the sale be from one company to another company which will resell to another corporation before the gas is finally sold to the public." Hearings before House Committee on Interstate and Foreign Commerce on H. R. 4008, 75th Cong., 1st sess., 22.

See also id., at 141–143.

[11] *Federal Power Commission* v. *East Ohio Gas Co.* (338 U. S. 464, 472–473); *Federal Power Commission* v. *Panhandle Eastern Pipe Line Co.* (337 U. S. 498, 502–504); *Panhandle Eastern Pipe Line Co.* v. *Public Service Commission* (332 U. S. 507, 514–521); *Interstate Natural Gas Co.* v. *Federal Power Commission* (331 U. S. 682, 689–693); *Colorado Interstate Gas Co.* v. *Federal Power Commission* (324 U. S. 581, 599–600); *Federal Power Commission* v. *Hope Natural Gas Co.* (320 U. S. 591, 609–610); *Illinois Natural Gas Co.* v. *Central Illinois Public Service Co.* (314 U. S. 498, 506–508).

[12] *Missouri* v. *Kansas Natural Gas Co.* (265 U. S. 298); *Public Utilities Commission* v. *Attleboro Steam & Electric Co.* (273 U. S. 83); *State Corporation Commission* v. *Wichita Gas Co.* (290 U. S. 561). Cf. *Dahnke-Walker Milling Co.* v. *Bondurant* (257 U. S. 282); *Lemke* v. *Farmers Grain Co.* (258 U. S. 50); *Shafer* v. *Farmers Grain Co.* (268 U. S. 189). And see *Jersey Central Power & Light Co.* v. *Federal Power Commission* (319 U. S. 61, 69).

[13] "The States have, of course, for many years regulated sales of natural gas to consumers in intrastate transactions. The States have also been able to regulate sales to consumers even though such sales are in interstate commerce, such sales being considered local in character and in the absence of congressional prohibition subject to State regulation. * * * There is no intention in enacting the present legislation to disturb the States in their exercise of such jurisdiction. However, in the case of sales for resale, or so-called wholesale sales, in interstate commerce (for example, sales by producing companies to distributing companies) the legal situation is different. Such transactions have been considered to be not local in character and, even in the absence of Congressional action, not subject to State regulation. (See *Missouri* v. *Kansas Gas Co.* (1924), (265 U. S. 298), and *Public Service Commission* v. *Attleboro Steam & Electric Co.* (1927), (273 U. S. 83)). The basic purpose of the present legislation is to occupy this field in which the Supreme Court has held that the States may not act." (H. Rept. No. 709, 75th Cong., 1st sess. 1–2; S. Rept. No. 1162, 75th Cong., 1st sess. 1–2.)

[14] Among the bills introduced in recent Congresses to restrict the existing jurisdiction of the Federal Power Commission over natural-gas producers are: H. R. 4051, 80th Cong., first sess.; H. R. 4099, 80th Cong., first sess.; H. R. 1758, 81st Cong., first sess.; and S. 1498, 81st Cong., first sess.

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Mr. Justice Frankfurter, concurring.

While I join the opinion of the Court, one consideration leading to the Court's conclusion is for me so decisive that I deem it appropriate to give it emphasis.

Section 1 (b) is not to be construed on its face. It comes to us with an authoritative gloss. We must construe it as though Congress had, in words, added to the present text of section 1 (b) some such language as the following:

"However, since sales for resale, or so-called 'wholesale sales,' in interstate commerce are not local in character and are constitutionally not subject to State regulation (see *Missouri* v. *Kansas Gas Co.* (265 U. S. 298) and *Public Utilities Commission* v. *Attleboro Steam & Electric Co.* (273 U. S. 83)), the basic purpose of the legislation is to occupy this field in which the States may not act."

The section must be read with such an interpolation because Congress said specifically that the Natural Gas Act was designed to cover the situations which the two cited cases held to be outside the competence of State regulation. (H. Rept. No. 709, 75th Cong., 1st sess. 1–2; S. Rept. No. 1162, 75th Cong., 1st sess. 102.)[15]

To be sure, the Kansas Gas case excluded the business of piping gas by a supply company in one State to distributing companies in another; and the Attleboro case involved the transmission of electric current by a producing company which took it from one State to the boundary of another State and there sold it to a distributing company for resale in the other State. In this case the sale by Phillips was made in Texas to interstate pipeline transmission companies, which transported the gas for resale to distributing companies and consumers in other States. But this fact—that Phillips itself did not pipe the gas to the State boundary or directly into another States—does not in the slightest alter the constitutional applicability of the Attleboro doctrine to the situation before us. The fact that the continuous transmission is not by facilities of Phillips but by the facilities of Phillips connecting with pipelines transmitting gas into other States does not change the interstate character of the transaction. For that rea-

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[15] "The States have, of course, for many years regulated sales of natural gas to consumers in intrastate transactions. The States have also been able to regulate sales to consumers even though such sales are in interstate commerce, such sales being considered local in character and in the absence of congressional prohibition subject to State regulation. (See *Pennsylvania Gas Co.* v. *Public Service Commission* (1920) (252 U. S. 23).) There is no intention in enacting the present legislation to disturb the States in their exercise of such jurisdiction. However, in the case of sales for resale, or so-called wholesale sales, in interstate commerce (for example, sales by producing companies to distributing companies) the legal situation is different. Such transactions have been considered to be not local in character and, even in the absence of congressional action, not subject to State regulation. (See *Missouri* v. *Kansas Gas Co.* (1924) (265 U. S. 298) and *Public Service Commission* v. *Attleboro Steam & Electric Co.* (1927) (273 U. S. 83).) The basic purpose of the present legislation is to occupy this field in which the Supreme Court has held that the States may not act." H. Rept. No. 709, 75th Cong., 1st sess. 1–2.

son, the decision in *Attleboro* (273 U. S. at 86), relying on *Peoples Gas Co.* v. *Public Service Commission* (270 U. S. 550) barred State regulation.

It may well be that if the problem in the Attleboro case came before the Court today, the constitutional doctrine there laid down would not be found compelling. This is immaterial. Congress did not leave it to the determination of this Court whether an Attleboro situation is subject to State regulation. It wrote the doctrine of the Attleboro case into the Natural Gas Act and said in effect that an Attleboro situation was to be taken over by Federal regulation and was not to be left to the fluctuation of adjudications under the commerce clause.

PHILLIPS PETROLEUM CO., PETITIONER *v.* STATE OF WISCONSIN, ET AL., NO. 280; STATE OF TEXAS, ET AL., PETITIONERS *v.* STATE OF WISCONSIN, ET AL., NO. 281; FEDERAL POWER COMMISSION, PETITIONER *v.* STATE OF WISCONSIN, PUBLIC SERVICE COMMISSION OF WISCONSIN, ET AL., NO. 418

Mr. Justice Douglas, dissenting.

The question is whether sales of natural gas by an independent producer at the mouth of an interstate pipeline are subject to regulation by the Federal Power Commission under the Natural Gas Act of 1938. This is a question the Court has never decided. It is indeed one on which we expressly reserved decision in *Interstate Natural Gas Co.* v. *Federal Power Commission* (331 U. S. 682, 690, n. 18).

There is much to be said from the national point of view for regulating sales at both ends of these interstate pipelines. The power of Congress to do so is unquestioned. Whether it did so by the Natural Gas Act of 1938 is a political and legal controversy that has raged in the Commission and in the Congress for some years. The question is not free from doubts. For while section 1 (b) of the act makes the regulatory provisions applicable "to the sale in interstate commerce of natural gas for resale for ultimate public consumption," it also makes them inapplicable "to the production or gathering of natural gas."

The sale by this independent producer is a "sale in interstate commerce * * * for resale." It is also an integral part of "the production or gathering of natural gas," as Mr. Justice Clark makes clear in his opinion, for it is the end phase of the producing and gathering process. So we must make a choice; and the choice is not an easy one.

The legislative history is not helpful. Congress was concerned with interstate pipelines, not with independent producers, as the thoughtful comment in 59 Yale Law Journal 1468 points out. If one can judge by the reports of the Federal Trade Commission that preceded the act (S. Doc. No. 92, pt. 84–A, 70th Cong., 1st sess.), and the hearings and debates in Congress on the bills that evolved into the act, little or no consideration was given to the need of regulating the sales by independent producers to the pipelines. The gap to be filled was that existing before the pipelines were brought under regulation—sales to distributors along the pipelines, as the opinion of Mr. Justice Clark demonstrates.

That was the view of the Commission in a decision that followed on the heels of the act. (*Columbian Fuel Corp.* (2 F. P. C. 200, 207).) That decision exempted from regulation an independent producer to whom Phillips is in all material respects comparable. It was a decision made by men intimately familiar with the background and history of the act—Leland Olds, Basil Manly, Claude L. Draper, and Clyde L. Seavey. One Commissioner, John W. Scott, dissented. That construction of the act by the Commission has persisted from that time. (See *Billings Gas Co.* (2 F. P. C. 288); *The Fin-Ker Oil & Gas Production Co.* (6 F. P. C. 92); *Tennessee Gas & Transmission Co.* (6 F. P. C. 98) down to its decision in the present case (10 F. P. C. 246).)

This construction by the Commission, especially since it was contemporaneous (*United States* v. *American Trucking Assns.* (310 U. S. 534, 539)) and long continued (*Federal Power Commission* v. *Panhandle Eastern Pipe Line Co.* (337 U. S. 498, 513)) is entitled to great weight. Other obtuse questions no less legal in character than the terms "production or gathering" of gas have been entrusted to the administrative agency charged with the regulation. (See *Shields* v. *Utah Idaho Central R. Co.* (305 U. S. 177); *Sunshine Anthracite Coal Co.* v. *Adkins* (310 U. S. 381); *Gray* v. *Powell* (314 U. S. 402).)

There are practical considerations which buttress that position and lead me to conclude that we should not reverse the Commission in the present case. If Phillips' sales can be regulated, then the Commission can set a rate base for Phillips. A rate base for Phillips must of necessity include all of Phillips' producing and gathering properties; and supervision over its operating expenses necessarily includes supervision over its producing and gathering expenses. We held in *Colorado Interstate Gas Co.* v. *Federal Power Commission* (324 U. S. 581) that the Commission's control extended that far in the case of an interstate pipeline company which owned producing and gathering properties. And so it had to be, if regulation of the pipelines that owned their own gas supplies was to be effective. But an understanding of what regulation entails should lead to a different result in this case. The fastening of rate regulation on this independent producer brings "the production or gathering of natural gas" under effective Federal control, in spite of the fact that Congress has made that phase of the natural gas business exempt from regulation. The effect is certain to be profound. The price at which the independent producer can sell his gas determines the price he is able or willing to pay for it (if he buys from other wells). The sales price determines his profits. And his profits and the profits of all the other gatherers, whose gas moves into the interstate pipelines, have profound effects on the rate of production, the methods of production, the old wells that are continued in production, the new ones explored, etc. Regulating the price at which the independent producer can sell his gas regulates his business in the most vital way any business can be regulated. That regulation largely nullifies the exemption granted by Congress.

There is much to be said in terms of policy for the position of Commissioner Scott, who dissented the first time the Commission ruled it had no jurisdiction over these sales. But the history and language of the act are against it. If that ground is to be taken, the battle should be won in Congress, not here. Regulation of the business of producing and gathering natural gas involves considerations of which we know little and with which we are not competent to deal.

PHILLIPS PETROLEUM COMPANY, PETITIONER, *v.* STATE OF WISCONSIN, ET AL., NO. 280; STATE OF TEXAS, ET AL., PETITIONERS, *v.* STATE OF WISCONSIN, ET AL., NO. 281; FEDERAL POWER COMMISSION, PETITIONER *v.* STATE OF WISCONSIN, PUBLIC SERVICE COMMISSION OF WISCONSIN, ET AL., NO. 418

Mr. Justice Clark, with whom Mr. Justice Burton concurs, dissenting.

Perhaps Congress should have included control over the production and gathering of natural gas among the powers it gave the Federal Power Commission in the Natural Gas Act, but this Congress did not do. On the contrary, Congress provided that the act "shall not apply * * * to the production or gathering of natural gas." Language could not express a clearer command, but the majority renders this language almost entirely nugatory by holding that the rates charged by a wholly independent producer and gatherer may be regulated by the Federal Power Commission. Nor does the Court stop there, for in the sweep of the opinion "the rates of all wholesales of natural gas in interstate commerce, whether by pipeline company or not and whether occurring before, during, or after transmission by an interstate pipeline company" are covered under the act (p. —, supra). On its face, this language brings every gas operator, from the smallest producer to the largest pipepline, under Federal regulatory control. In so doing, the Court acts contrary to the intention of the Congress, the understanding of the States, and that of the Federal Power Commission itself. The Federal Power Commission is thereby thrust into the regulatory domain traditionally reserved to the States.

The natural gas industry, like ancient Gaul, is divided into three parts. These parts are production and gathering, interstate transmission by pipeline, and distribution to consumers by local distribution companies. A business unit may perform more than one of these functions—typically, production and gathering in addition to interstate transmission. But Phillips' natural gas operations are confined exclusively to the first part—production and gathering. It has no interstate transmission or high-pressure trunk lines and does not sell to distribution companies; and it does not, of course, distribute to the ultimate consumer. Its nine gathering systems merely bring the gas from its own and other producers' wells to its central plants in the producing fields so it can be rendered usable as fuel. Since there are no facilities for storage the amount of gas, other than casinghead,[16] produced and gathered each day depends on the day-to-day demands of the interstate pipelines, which in turn depend on weather and other conditions in consuming areas. Gas wells are cut on and off as the market demand for the gas requires. Gathering takes place by well pressure forcing the gas through numerous small pipes connecting each well with the central gathering plant or processing station. It is there that the gas first comes to a common "header" and is processed for use as fuel. The processing of the gas at this central gathering plant is necessary to remove hydrocarbons, hydrogen sulphide and other foreign elements in order to permit its use as fuel. The plant operates only while the wells are producing. All of Phillips' operations, including the acreage from which the wells produce the gas, the wells themselves, the lines that connect with each of them and run to the central plant, form a closely knit unit that is entirely local to the field involved. After processing, the gas is immediately delivered to the interstate pipelines under long-term sales contracts.

The Commission found that "(t)hough technically consummated in interstate commerce, these sales (by Phillips to the pipelines) are made 'during the course of production and gathering,'" and that the sales "are so closely connected with the local incidents of (production and gathering) as to render rate regulation by this Commis-

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[16] Casinghead gas is produced with oil and furnishes the pressure under which the latter is brought to the surface. The gas cannot be shut off without closing down the oil production and it therefore is produced, regardless of demand, since the primary recovery is oil. If there are no available purchasers the gas is flared (burned). In some fields as much as one-third of the casinghead gas is still flared since no market is immediately available. Sound conservation practice dictates that, whenever possible, casinghead gas be used to satisfy demand before natural gas wells are turned on.

sion inconsistent or a substantial interference with the exercise by the affected States of their regulatory functions." We believe that this finding is correct and that it should be approved by the Court.

If there be any doubt that Congress thought the "production and gathering" exemption saved Phillips' sales from Federal Power Commission regulation, the act's legislative history removes it. The solicitor of the Commission, Mr. Dozier DeVane, at hearings in connection with a predecessor of the bill that finally became the Natural Gas Act, testified that the Federal Power Commission would have no jurisdiction over the rates for natural gas "that are paid in the gathering field." (Hearings before Subcommittee of Committee on Interstate and Foreign Commerce on H. R. 11662, 74th Cong., 2d sess., p. 28 (1937).) The bill, he said, "does not attempt to regulate the gathering rates or the gathering business." Id., 34. See also, id., 42–43. The bill about which Mr. DeVane testified has been described as "substantially similar to the Natural Gas Act," and his views have been treated as authoritative by this Court. (*Federal Power Commission* v. *Panhandle Eastern Pipe Line Co.* (337 U. S. 498, 505, n. 7 (1949)). See also *Federal Power Commission* v. *East Ohio Gas Co.* (338 U. S. 464, 472, n. 12 (1950)). In the face of this as well as the Federal Power Commission's adherence to the DeVane views ever since its first cases on the subject, *Columbian Fuel Corp.* (2 F. P. C. 200 (1940)), *Billings Gas Co.* (2 F. P. C. 288 (1940)), and in the absence of any specific matter in the act's legislative history refuting the DeVane views, the Court today erroneously finds that "DeVane's testimony has little relevance here." (P. —, note 9, supra.)

There is no dispute that Congress intended the Natural Gas Act to close the gap created by decisions of this Court barring State regulation of certain interstate gas sales. The legislative history of the act refers to two decisions. (*Missouri* v. *Kansas Natural Gas Co.* (265 U. S. 298 (1924)); *Public Utilities Commission* v. *Attleboro Steam & Electric Co.* (273 U. S. 83 (1927).) See House Resolution Report No. 709, 75th Congress, 1st session, pages 1–2 (1937). But these cases had nothing to do with sales to interstate pipelines by wholly independent, unintegrated, and unaffiliated producers and gatherers, such as Phillips. Neither of the companies involved in those cases was engaged exclusively in production and gathering; both were producing and transportation companies, Kansas of natural gas, Attleboro of electricity; both Kansas and Attleboro sold to distributing companies in the course of interstate transmission. Thus, when the House Report, id., 1–2, expressed the act's aim to regulate wholesales such as sales by producing companies to distributing companies, and immediately thereafter cited the Kansas and Attleboro cases, the report's unmistakable reference was to sales by an integrated producer-pipeline to the local distributor. It could not refer to an independent producer and gatherer because, first, such an independent never sells to local distributors and, secondly, the two cited cases do not support a reference to such independents. That Congress aimed at abuses resulting in the gap at the end of the transmission process by integrated and unintegrated pipelines and not at abuses prior to transmission is clear from the final report of the Federal Trade Commission to the Senate on malpractices in the natural gas industry (S. Doc. No. 92, 70th Cong., 1st sess. (1935)). This report was the stimulus for Federal intervention in the industry. The Federal Trade Commission outlined the abuses in the industry which the gap made the States powerless to prevent; the abuses were by monopolistically situated pipelines which gouged the consumer by charging local distribution companies unreasonable rates. The Federal Trade Commission did not find abusive pricing by independent producers and gatherers; if anything, the independents at the producing end of the pipelines were likewise the victims of monopolistic practices by the pipelines.

And our decisions have certainly indicated that the "gap" was at the distribution end of the transmission process. Thus, in *Federal Power Commission* v. *Hope Natural Gas Co.* (320 U. S. 591 (1944)), the Court observed that "the Federal Power Commission was given no authority over 'the production or gathering of natural gas'" and that the producing States had the power "to protect the interests of those who sell their gas to the interstate operator." (Id., 612–613, 614.) Five years later, in *Federal Power Commission* v. *Panhandle Eastern Pipe Line Co.*, *supra*, the Court said its approval of the Commission's inclusion of the cost of production and gathering facilities of an interstate pipeline in the latter's rate base "is not at precedent for regulation of any part of production or marketing." (337 U. S. at 506.)

By today's decision, the Court restricts the phrase "production and gathering" to "the physical activities, facilities, and properties" used in production and gathering. Such a gloss strips the words of their substance. If the Congress so intended, then it left for State regulation only a mass of empty pipe, vacant processing plants and thousands of hollow wells with scarecrow derricks, monuments to this new extension of Federal power. It was not so understood. The States have been for over 35 years and are now enforcing regulatory laws covering production and gathering, including pricing, proration of gas, ratable taking, unitization of fields, processing of casinghead gas including priority over other gases, well spacing, repressuring, abandonment of wells, marginal area development, and other devices. Everyone is fully aware of the direct relationship of price and conservation. (*Federal Power Commission* v. *Panhandle Eastern Pipe Line Co.*, *supra*, at 507.) And the power of the States to regulate the producer's and gatherer's prices has been upheld in this Court. (*Cities Service Gas Co.* v. *Peerless Oil & Gas Co.* (340 U. S. 179 (1950)); *Phillips Petroleum Co.* v. *Oklahoma* (340 U. S. 190 (1950).) There can be no doubt, as the Commission has found, that Federal regulation of production and gathering will collide and substantially interfere with and hinder the enforcement of these State regulatory measures. We cannot square this result with the House report on this act which states that the subsequently enacted bill "is so drawn as to complement and in no manner usurp State regulatory authority." (H. Rept. No. 709, supra, at 2.)

The majority rely heavily on *Interstate Natural Gas Co.* v. *Federal Power Commission* (331 U. S. 682 (1947)) to support their position. To be sure, there is language in that case which on its face seems to govern the present case. (*Id.*, 692–693.) But that case involved a materially different fact situation. The Interstate Gas Co. was already subject to Federal Power Commission jurisdiction because of its interstate pipeline operations; and the company was affiliated with one of the pipelines to which it sold. In addition, the Court emphasized the fact that in Interstate no claim to State regulatory authority was made. Indeed, the Interstate Co. had successfully resisted State attempts to regulate. Hence there was no possibility of conflict in that case; either the Federal Power Commission moved in or Interstate would have remained unregulated. But perhaps a more significant factual distinction in terms of the Court's reasoning in that case rests in the fact that of the total volume of gas Interstate sold, roughly 42 percent had been purchased from others who had produced and gathered it. This 42 percent was almost enough to supply all the needs of the three interstate pipelines to which Interstate sold. And the 42 percent, already gathered and processed, moved into and through Interstate's branch, trunk, and main trunk lines. In short, Interstate was the equivalent of a middleman between gatherers and the pipelines for almost all the gas it sold to the pipelines and performed the function of transporting the gas it purchased from other gatherers through its branch trunk, and main trunk lines. Phillips performs no such middleman or transmission function. In addition, the late Chief Justice Vinson in that case specifically stated that: "We express no opinion as to the validity of the jurisdictional tests employed by the Commission in these cases *Columbian* and *Billings*, *supra*" (331 U. S., at 690–691, n. 18). Since it was in those cases that the Federal Power Commission established the policy of declining jurisdiction over the rates charged by wholly independent producers and gatherers, it is difficult to see how Interstate can control the present case.

If we look to Interstate for guidance, we would do better to focus on the following words of the late Chief Justice:

"Clearly, among the powers thus reserved to the States is the power to regulate the physical production and gathering of natural gas in the interests of conservation or of any other consideration of legitimate local concern. It was the intention of Congress to give the States full freedom in these matters. Thus, where sales, though technically consummated in interstate commerce, are made during the course of production and gathering and are so closely connected with the local incidents of that process as to render rate regulation by the Federal Power Commission inconsistent or a substantial interference with the exercise of the State of its regulatory functions, the jurisdiction of the Federal Power Commission does not attach" (331 U. S. at 690).

Even a cursory examination of Phillips' operations reveals how completely local they are and how incidental to them are its sales to the pipelines. Moreover, Federal regulation of these sales means an inevitable clash with a complex of State regulatory action, including minimum pricing. These were matters found by the Federal Power Commission in language obviously patterned after the above quotation. The clear import of the cited words is that Federal Power Commission jurisdiction "does not attach" in such a situation.

In the words of Mr. Justice Jackson, we believe "that observance of good faith with the States requires that we interpret this act as it was represented at the time they urged its enactment, as its terms read, and as we have, until today, declared it, viz, to supplement but not to supplant State regulation" (*Federal Power Commission* v. *East Ohio Gas Co.*, *supra*, at 490).

Mr. JOHNSON of Texas. Mr. President, the Supreme Court has just handed down its decision in the Phillips case, and it is a shocking one.

By a majority of 5 to 3, the Court has overruled all of the legislative history of the Natural Gas Act. It has turned upside down the conditions under which nearly 2,300 natural gas producers have been operating in good faith for a number of years.

The majority decision so obviously flies in the face of congressional intent and of past decisions that it is inconceivable it could have been made.

There can be no doubt that Congress never intended the Federal regulation of natural gas at the wellhead. The debates can be searched in vane for any contrary indication.

This principle has been reaffirmed by Congress. It has been the official policy of the Federal Power Commission.

Now, at this late date five members of the Supreme Court have decided to rewrite both legislation and history. It is difficult, if not impossible, to understand such reasoning.

I have not yet had an opportunity to study in detail this amazing decision. An appropriate course of action is still unclear.

But we must, it seems to me, go into this matter thoroughly and take the necessary steps to assure ourselves that it is Congress—and not the Supreme Court—that makes our laws.

In this day, when we have so many commissions making studies of various subjects in the public interest, I believe it is indicated that perhaps the President should immediately call upon representatives of the public, of the Federal Power Commission, and of industry to make a complete and thorough study of this decision and its wide ramifications, with the thought that perhaps a course can be determined whereby recommendations will be submitted to Congress at the earliest possible date. I think it is in the public interest that both the executive department and Congress, which are concerned with this vital question, should conduct a study and that the proper recommendation be made. I hope Congress will consider the subject matter at the earliest possible moment.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 251. An act to amend section 1923 (a) of title 28, United States Code, relating to docket fees;

S. 1823. An act to allow credit in connection with certain homestead entries for military or naval service rendered during the Korean conflict, and for other purposes;

S. 2761. An act to approve repayment contracts negotiated with the Hermiston and West Extension Irrigation Districts, Oregon, and to authorize their execution, and for other purposes;

S. 2773. An act to amend the act entitled "An act to provide for the transportation and distribution of mails on motor-vehicle routes," approved July 11, 1940 (54 Stat. 756);

S. 3090. An act to authorize the transmission and disposition by the Secretary of the Interior of electric energy generated at Falcon Dam on the Rio Grande;

S. 3446. An act to amend the act of January 6, 1951 (64 Stat. 1221), by authorizing certain rehabilitation at the United States Military Academy; and

S. 3524. An act to affirm the temporary appointments of certain officers of the Navy, and for other purposes.

DEPARTMENT OF THE INTERIOR APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8680) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1955, and for other purposes.

Mr. PAYNE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BARRETT in the chair). The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PAYNE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CORDON. Mr. President, with respect to the appropriation bill for the Department of the Interior, H. R. 8680, I ask unanimous consent that the amendments to the bill and the additions recommended by the committee be agreed to en bloc, and that the bill as thus amended be considered as the original text, for the purpose of further amendments, and for points of order with respect to recommended substantive law.

The PRESIDING OFFICER. Is there objection?

Mr. STENNIS. Mr. President, so that I may be certain in regard to the effect of the unanimous-consent request, which I expect to agree to, I understand that it does not preclude the offering of any amendments from the floor, even though they might carry figures which may have been included in the committee amendments. Is that correct?

Mr. CORDON. The Senator from Mississippi is correct. The purpose of the request is to expedite the consideration of the bill itself. If we were to take up the amendments singly, then any change in the amendments as recommended by the committee, if agreed to, would preclude further changes, which might be very advisable. By handling the matter in this way, the committee amendments are made a part of the original text of the bill, and amendments may be offered to the amendments.

Mr. STENNIS. I thank the Senator from Oregon. I have no objection to his request.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSON of Texas. Mr. President, reserving the right to object, I desire to call the attention of the chairman of the subcommittee to page 28, paragraph 2, of the bill, because it will be necessary for me to be away from the floor.

On page 28, line 10, the Senate committee, in an amendment, has raised the amount from $225,000 to $300,000 in the construction item for the Fish and Wildlife Service. As the distinguished chairman of the subcommittee will recall, the House allowed $225,000 for this particular construction. In the House committee report there appears the following:

> In addition, $35,000 is to be used for improvements and repairs at the Inks Dam Hatchery near Bennett, Tex.

I may say that "Bennett' is a misprint; it should be Burnet, Tex.

This is the situation, as I understand it: Of the $225,000 the House has said that $35,000 shall be used for the Inks Dam Hatchery, Burnet, Tex. The Senate has raised the amount in that item, and I think very properly so, by $75,000.

But the administrative officials of the Fish and Wildlife Service say that since the Senate committee report does not specify Inks Dam Hatchery, and since the report provides that the amount is referable to the budget estimate, they would conclude in the absence of any further amendment or legislative history, that of the $300,000 which the Senate is proposing, which is $75,000 more than the House allowed, the $35,000 for Inks Dam Hatchery was not included. I wish to clarify that point with the distinguished chairman of the subcommittee, because I know what his purposes were.

Mr. CORDON. I am happy to engage in this colloquy, and I do so with the thought that the statement now being made on behalf of the committee—and I know that the committee concurs in it, because the matter was discussed at length in committee hearings—will aid the department in understanding the purposes of the committee with respect to the particular amendment, and that the Senate will understand the views of the committee at this time, when the Senate is acting upon the particular item.

As I understand the practice in connection with appropriation bills, when the House in the report of its committee recommends the earmarking of a certain amount of funds for a certain project, the recommendation is taken as a directive by the administrative agency, insofar as that can be done.

I understand further that if the Senate, acting upon the same bill and the same item joins with the House in such a recommendation, generally speaking the executive department will deem that to be an absolute mandate.

In this instance, the House earmarked certain funds for the hatchery in Texas. The Senate did not join in that specific recommendation. The Senate raised the appropriation to the amount requested in the budget estimate, but the Senate committee did not indicate, expressly or otherwise, or at least not intentionally otherwise, that in setting that figure it was excluding the action recommended by the House. Neither, on the other hand, was it requiring adherence to the program which had been set forth by the Department in its request for the appropriation.

It was our view that under those circumstances the department was at full liberty to follow the direction of the House, and, in order to do that, to make any changes necessary with respect to the other items; or if it found the exigencies of the occasion to be such that it could not do so, it was not absolutely bound to do it.

Mr. JOHNSON of Texas. I thank the Senator from Oregon. May I ask if that opinion is shared by the ranking minority member of the committee?

Mr. HAYDEN. Obviously, since a smaller amount, $225,000, has been appropriated by the House, with a specific direction for expenditure on a fish hatchery in Texas, and a larger amount is now allowed by the Senate, it seems to me that commonsense indicates that

the likelihood of obtaining the hatchery is very much improved, particularly in view of the fact that the question will have to be settled in conference between the two Houses, and there will be a very definite understanding in the committee of conference.

Mr. JOHNSON of Texas. That is the point which I raise. I do not want to take any chances. The chances may not be very good in the executive department.

Mr. HAYDEN. I am not talking about taking chances in the executive department; I am speaking of the fact that the Senate must come to an agreement with the House as to how the $300,000 is to be expended. If in the conference report it is indicated that the hatchery in Texas is to be built, then the matter certainly is double riveted.

Mr. JOHNSON of Texas. Is there anything in the Senate action raising the amount to $300,000 which would nullify the statement in the House report that $35,000 should be used for improvements and repairs at the Inks Dam hatchery in Burnet, Tex.?

Mr. CORDON. I answer in the negative, definitely.

Mr. HAYDEN. I concur in the answer in the negative, definitely.

Mr. JOHNSON of Texas. Then it was the understanding of the Senate committee and of the chairman of the subcommittee that when the fund was raised by $75,000, it was intended that there should be money provided to take care of the $35,000 expenditure at Inks Dam, Tex. Is that correct?

Mr. CORDON. That is correct. The matter was discussed at length.

Mr. JOHNSON of Texas. I thank the Senator from Orgeon for the interest he has taken in this minor matter. The entire State of Texas is not concerned about it, but the particular area concerned covers six of the largest lakes in Texas, and the people of that locality are intensely interested in the project. Their representative appeared before the committee, and the committee was receptive to the project, and included a statement with respect to it in the report.

The officials in the executive department have told me that unless the intention is made abundantly clear, not only that the House intended the $35,000 for this purpose, but also that the Senate so intended, they would feel disposed to follow some other budget items which they had, and it might result in the exclusion of Inks Dam Hatchery.

I am glad to have the distinguished Senator from Oregon and the distinguished Senator from Arizona confirm the fact that $35,000 was to have been used from the $225,000 as the House reported the bill, and is to be used from the $300,000, as the Senate has amended the bill for the Inks Dam Hatchery.

Mr. President, I wish now to commend in the strongest terms the action of the Interior Subcommittee of the Committee on Appropriations and the full committee with respect to two other matters of particular importance to my State of Texas—although their importance is by no means confined to that State.

I refer to restoration of the full appropriation asked by the Bureau of the Budget for enforcement of the Connally Hot Oil Act and restoration of funds that will enable the Bureau of Mines to continue operations of the Wichita Falls, Tex., office of the Oil and Gas Division.

It was my privilege to place before members of the Interior Subcommittee statements urging the wisdom of these two actions.

No large amount of money is involved in either case. But, as I endeavored to show by presenting facts and figures to the Interior Subcommittee, work of great and widespread import is involved.

The House bill reduced the appropriation for enforcement of the Connally Hot Oil Act to $125,000 from the $150,000 included in the budget. This slash, if allowed to stand, would badly cripple efforts to enforce laws governing the movement of oil in interstate commerce.

The Wichita Falls office of the Oil and Gas Division is engaged in practical research into methods of increasing tremendously the amount of oil that can be produced from fields which, to all intents and purposes, have become exhausted so far as traditional methods of extraction are concerned.

Hundreds of millions of barrels of petroleum have become recoverable, which otherwise would have remained underground, as a result of the work of the Wichita Falls office of the Oil and Gas Division.

Under the appropriation provided in the House bill, it would be necessary to close down this office. The result would be a great financial loss, not only to producers and royalty owners but also in taxes to the Federal Government.

In each of these cases, it seemed to me that false economy of the most flagrant type was involved.

The Interior subcommittee and the full Appropriations Committee have acted with realistic wisdom, in my opinion, in recommending appropriations that will insure continued enforcement of the Connally Hot Oil Act and carry forward the valuable work of the Wichita Falls office of the Oil and Gas Division.

I hope and believe the Senate will act in accordance with these recommendations.

Mr. CLEMENTS. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. I am glad to yield.

Mr. CLEMENTS. I dislike to impose upon the chairman of the subcommittee at this time, when probably he would prefer to proceed with his statement about the bill in the regular way.

Mr. CORDON. I can assure the distinguished Senator from Kentucky that there is no imposition at all.

Mr. CLEMENTS. This may be the last time the question will be under discussion during the consideration of the bill. I am very much interested in the $35,000 appropriation for the hatchery in the State of my distinguished friend from Texas. Is not this the situation: If the position of the Senate prevails, the Department of the Interior would have $300,000, under the bill, with which to carry out such construction as it might see fit, with the estimates totaling $335,000?

Mr. CORDON. The Senator is absolutely correct.

Mr. CLEMENTS. Is it correct to state that that $35,000 could be obtained from projects in any State, such as Texas, Kentucky, or the Territory of Alaska, if the Senator's position should prevail?

Mr. CORDON. The Senate committee has not earmarked a nickel of the money. There was a direction contained in the report of the committee of the House of Representatives. The Senate has not negatived that direction in any respect; it has simply increased the appropriation for the particular item under discussion to the full amount requested by the Department, without in anywise indicating, so far as the Senate is concerned, that it is going to direct the Department what it shall do with the money. The Senate knows that the Department will generally stay within the following conditions, first, its program as sent to the two Houses of Congress, second, any request by the House; or, third, any request made by the Senate.

The Senate has made no request. The House has made a request. The possible program becomes increased by $35,000, but the amount of the appropriation remains at a point where something must give—$35,000 worth.

Mr. CLEMENTS. Is it the view of the Senator from Oregon that no one of the projects will suffer to any appreciable extent if the $300,000 appropriation is concurred in?

Mr. CORDON. That is my own judgment. In the first place, construction costs are on a downward trend. It may well be that the construction of the Inks Dam hatchery in Texas may be completed for about $25,000 or $25,500. If so, the difference will be available for other purposes. That is true of every item of construction mentioned, with the possible exception of construction in Alaska, and to some extent it would be true there.

Mr. CLEMENTS. Is my understanding correct that if the amount of $300,000 is agreed to, none of the projects would be left uncompleted?

Mr. CORDON. I doubt that all of the projects would be completed, unless the present downward trend of construction costs continues. I think that somewhere some projects will be somewhat less than completed.

Mr. JOHNSON of Texas. The Inks Dam project contemplates an eventual overall expenditure of about $90,000, but the House felt that an appropriation of $35,000 was essential at the present time.

Mr. CORDON. My thought about that is that a segment of a complete project was contemplated, and was deemed that it would take $35,000 to complete that segment. If the project could be completed for less than that amount, I think the Department's purpose would be to use the amount remaining for other projects.

Mr. CLEMENTS. That is what I had in mind when I used the term "completed."

Mr. KEFAUVER. Mr. President——

Mr. CASE. Mr. President, reserving the right to object——

Mr. CORDON. I shall yield in a moment.

Mr. CASE. Mr. President, who has the floor? Is there not a unanimous-consent request pending? I ask that as a point of order.

The PRESIDING OFFICER. There is a unanimous consent request pending that the committee amendments be agreed to en bloc.

Mr. CASE. Mr. President, reserving the right to object, and I shall not object——

Mr. KEFAUVER. Mr. President, I thought the distinguished Senator from Oregon had yielded to me.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

Mr. KEFAUVER. I thought the Senator from Oregon had yielded to me. However, I do not mind standing aside so that the Senator from South Dakota can have the floor, if he will not take too long.

The PRESIDING OFFICER. The Senator from Oregon has the floor. To whom does he yield?

Mr. CORDON. Mr. President, I would assume that a reservation of a right to object would carry with it the right to the floor on the part of any Senator who desired to speak. In any event, I hope I can answer the inquiries of both Senators.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. Has the unanimous consent request been acted on?

The PRESIDING OFFICER. No.

Mr. JOHNSON of Texas. Does not each Member of the Senate who desires to speak on the request have a right to recognition and to object?

The PRESIDING OFFICER. Yes; any Senator has the right to object. The Senator from Oregon has the floor.

Mr. CORDON. Mr. President, when a unanimous consent request has been made, there is nothing to do but wait until all objections to the request have been heard.

Mr. KEFAUVER. Mr. President, I had asked the Senator from Oregon to yield to me. I should like to reserve the right to object for the purpose of getting the Senator from Oregon to yield to me, because I desire to inquire about a fish hatchery project.

The PRESIDING OFFICER. The Senator from South Dakota has asked for recognition.

Mr. KEFAUVER. I was on my feet a considerable time before the Senator from South Dakota requested the floor, but if he has been recognized, I shall withhold my inquiry.

Mr. CASE. The Senator from Tennessee happened to have his back to me and of course could not see, but I think I was standing a considerable time before the Senator from Tennessee requested recognition. However, if the Senator from Tennessee wishes to ask questions about the fish hatchery, for the purpose of continuity I am willing to yield the floor and let the Senator from Tennessee be recognized.

The Senator from South Dakota sought the floor because he has to attend a meeting of the subcommittee on military construction which is waiting for me to appear so that we can hear testimony which will be taken from 2 o'clock on. I had hoped to make a few remarks and then leave, so that I would not keep the entire group waiting. However, in view of the fact that the Senator from Tennessee wishes to discuss the fish hatchery, I am willing to yield, for the purpose of continuity in the RECORD.

Mr. KEFAUVER. I do desire to discuss the fish hatchery appropriation, but I do not wish to delay the Senator from South Dakota. If it can be understood that I can engage in colloquy with the Senator from Oregon after the Senator from South Dakota has spoken, I shall be glad to wait.

Mr. CASE. I appreciate the courtesy of the Senator from Tennessee.

I wished to address a couple of questions to the Senator from Oregon, who is chairman of the subcommittee. First, with respect to the bill as a whole, I should like to say that I think the subcommittee has done an excellent job, and I particularly refer to the provision for research into and utilization of saline water. That program got under way last year. I think it is an excellent program, and that it offers a possibility of saving a great deal of money for the benefit of the general economy. There is no greater problem in our domestic economy than that of adequate supplies for industry, agriculture, and municipal use.

Mr. CORDON. I assure the Senator from South Dakota that the committee feels the same way about it. That particular subject engaged the attention of the committee probably for more time, in relation to the amount of money involved, than any other item in the bill.

Mr. CASE. I greatly appreciate the constructive action by the committee in allowing the full budget estimate of $400,000 for the research program on saline water.

Next, Mr. President, I wish to ask a question jointly for my colleague, the senior Senator from South Dakota [Mr. MUNDT] and myself with respect to the funds available for investigation in the Missouri River Basin. As I understand, the item for the Missouri River Basin, under the Bureau of Reclamation, includes funds for studies and investigations and that there may be a small balance on hand. I am particularly interested in having the bureau apply some of that money to investigating the possibilities of reclamation on the White River, which is a tributary of the Missouri River, and for rehabilitation of a dam project on Willow Creek, which is likewise a tributary, or a subtributary, of the Missouri River. Willow Creek runs into the James, and the James into the Missouri. I wonder if the Senator will agree that the application of these funds for investigation and studies is within the discretion of the Bureau of Reclamation so that they can be applied to investigation of the projects I have mentioned? Can these funds be applied to studies of the tributaries and subtributaries of the Missouri River, for the general purposes of the Missouri River Basin program?

Mr. CORDON. The chairman of the subcommittee is in entire agreement with the Senator from South Dakota with respect to the discretion vested in the department in the matter of investigation. While representatives of the department ordinarily submit an outline of the program, the item under discussion was deemed by the appropriations subcommittee to be one of the flexible appropriations in the bill so far as the geographical locations of the investigation are concerned. That must be so because of the changes involved from time to time. New information will become available, and the Bureau of Reclamation must have the flexibility necessary to meet the vicissitudes of any particular situation.

Mr. CASE. Mr. President, I appreciate the statement the chairman of the subcommittee has made and thank him in behalf of my colleague as well as myself. His statement agrees with my understanding, and I think it is consistent with the original intent and purpose of the authorization for the Missouri River Basin program.

The last subject I wish to mention is the probating of the estates of Indians on reservations. I should like to ask the Senator from Oregon whether consideration was given to the growing problem of probating the estates of Indians on Indian reservations. In my own State, where there are several Indian reservations, the probating of the estates is piling up. For instance, on the Pine Ridge Reservation, in a report dated May 17, 1954, Mr. Reifel, the superintendent, states that—

> Right now this agency has nearly 600 cases of unprobated estates. There are many tracts of lands with a large number of heirs. The leasing or selling of this land runs into all kinds of difficulties in getting the heirs to sign up.

I understand that last year although the Indian service increased the number of estates handled, the unprobated estates increased by approximately 300, or from approximately 2,600 to approximately 2,900. It could not keep up much less catch up.

In answer to a query from Representative BERRY, of South Dakota, to the Bureau of Indian Affairs, the hearing examiner in a letter dated June 1, says:

> Since it will not be possible for me to hold hearings in the field this year, due to the necessity for finishing the large number of cases previously heard, I have arranged to conduct hearings in Pierre next July 20 to September 30 for parties who have urgent cases and are willing to come in with their witnesses.

Mr. President, that means that Indians with an interest in an estate will have to travel several hundred miles in order to reach the point where the examiner will be present, in the hope that they will be able to submit testimony regarding an estate in which the amount of their interest may be relatively small—perhaps merely a few dollars. It also means that only a few cases, at best, will be taken

care of. The Indians will have to travel at their own expense to reach this one point. In my State there are 8 different Indian reservations and many people will have to travel several hundred miles and be there on one of the few days when they can be heard. The cost will exceed their interests in hundreds of cases.

I believe the amount of the appropriation should be increased so that examiners can go to the agency headquarters and catch up on this work. I wonder what consideration the committee has given to the possibility of increasing the item for that purpose.

Mr. CORDON. The committee heard the testimony of the Department on the subject. The amount involved, as recommended, is $166,930—confessedly wholly insufficient to do the job in any one of the States that have a large Indian population. I think the Senator from South Dakota is as well aware as are the members of the committee that the probate procedure with respect to Indian trust property is handled under Federal law, not under State law. I am of the opinion that we could advance this matter very materially if the probating of estates in this particular field were permitted, at least concurrently, under State law, so they could be handled in each of the several counties. I do not know that the Department has given any consideration to that question. Until this year I had never considered it seriously because I did not realize the extent to which the Department was behind in this probate work.

I hope that the subcommittee of the Senate Committee on Interior and Insular Affairs dealing with Indian problems will take up the matter and make a sufficient examination into the situation in all the States having Indian populations, and then will submit a report in such form as to aid both the Department and the committee in connection with action in this field.

No serious consideration was given to an increase in this item. Consideration was not given because of lack of information as to how far such an increase should go and as to whether there was some short cut in the probate proceedings, particularly in respect to chattels of impermanent title. Of course, in the case of land, there must be a record; but there is also a distribution of personal property.

I am hopeful that there can be some short cuts that will make it possible to expedite the work, to the end that the Department can catch up with it.

Mr. CASE. I share the hope of the Senator from Oregon that the entire problem may be studied by the legislative committee. I also share with him the hope that before long a real solution may be achieved by permitting Indian estates to be probated in the county courts. Obviously, in dealing with trust lands and the inheritance of trust interest, the problem becomes increasingly complex the longer probate is delayed. If a probate is delayed for a year or two, and if some of the heirs die in the interval, the remaining interests become even more fractionated, until finally there is a veritable spider's web. The land becomes idle because of the difficulty in getting action when the heirs are undetermined and when their shares become so badly fractionated.

Mr. CORDON. Not infrequently an Indian has some allotted trust lands in a given county, and has, out of his own funds, purchased some fee land. When he passes away, under estate law his estate must be probated in order to clear the title to the land held in fee. It would be no trick at all to let the probate extend to the trust land in such case or in any case where the probate involves the title to land.

Mr. CASE. I understand that the Senator from Utah [Mr. WATKINS], who, I believe, is chairman of the Interior subcommittee dealing with Indian legislation, is going to conduct some hearings on proposed legislation of this sort; and I further understand that he hopes to encourage the Bureau of the Budget to send a supplemental estimate to the Appropriations Committee. I hereby express the hope that the supplemental estimate may be submitted, and that when it is, the Appropriations Committee will give it sympathetic consideration, so that the situation will not become any worse, but will be handled as best it can be until the passage of legislation which will transfer some of this probate work to the States, perhaps concurrently, as the Senator from Oregon has suggested.

Mr. CORDON. With what I have said to the Senator from South Dakota, he can rest assured that sympathetic and careful consideration will be given the matter.

Mr. CASE. I thank the Senator from Oregon. I also thank the Senator from Tennessee [Mr. KEFAUVER] for permitting me to carry on this colloquy at this time.

Mr. KEFAUVER. Mr. President, I should like to ask the distinguished chairman of the subcommittee a few questions about the appropriation for the Federal fish hatchery at Erwin, Tenn.

Some time ago I sent the distinguished Senator from Oregon a letter and some other information which I had received, both from the Department of the Interior and others, with reference to the Federal fish hatchery at Erwin. I now have before me a letter dated May 24, 1954, from Mr. John L. Farley, Director of the Fish and Wildlife Service. In the letter he points out the importance of the hatchery and states that it is an old hatchery, constructed in 1899; that it is surrounded by Federal land; that a large part of the trout waters in this area are under Federal control; that the hatchery is very necessary; and that it has been allowed to deteriorate greatly.

I now quote from his letter:

> A construction program designed to modernize and expand facilities at the Erwin station, to increase the operating efficiency, production of fish, and appearance of the unit, will cost an estimated $243,000. Such a program would provide new raceways and ponds for rearing fish, repair the water supply reservoir, supply and drainage lines, and modernize other installations.
>
> The Fish and Wildlife Service operates 92 fish hatcheries located throughout the Nation and many of these hatcheries are as old, if not older, than the one at Erwin. Less than $300,000 is provided in the annual appropriation for the cost of maintenance at all Federal hatcheries. It can readily be seen that maintenance funds currently available to the Service are not adequate to finance the large improvement program needed at Erwin and other hatcheries. However, the Erwin station will receive its apportionment of the funds that are appropriated for maintenance items at Federal fish-cultural stations for the fiscal year of 1955. But the amount of those funds, according to the present outlook, will be a few thousand dollars, and only the more urgent minor repairs can be taken care of during the coming fiscal year.

I have received a number of letters from others interested in the Erwin hatchery. I know the Senate committee has increased the amount by $75,000 over what the House allowed. I should like to ask the Senator from Oregon if, in view of the situation at this hatchery, and probably others throughout the Nation, a small additional allowance for the purpose of modernizing these hatcheries would be in the public interest?

Mr. CORDON. The Senator from Oregon suggests to the Senator from Tennessee that, as indicated in Mr. Farley's letter in the case of a great number of Federal hatcheries scattered throughout the United States substantially the same situation as that indicated at the Erwin hatchery prevails. It is my hope that we can obtain a survey and some action on the part of the Department, through the Bureau of the Budget, looking toward the appropriation of a sum of money which will enable the Department to improve conditions at all hatcheries. The committee would feel that it was doing a disservice if it attempted to earmark maintenance funds—and that, in substance, is what is proposed here—in one area at the expense of others. What is needed first is rehabilitation.

The situation complained of has been allowed to persist for a great number of years. A sizable sum of money is needed in order to make the present capacity real instead of imaginary.

Mr. KEFAUVER. I wish to make it clear to the Senator that I am not asking for special treatment for the Erwin hatchery, although, in view of the fact that it is so badly rundown, I think the Department, with whatever appropriation it has, should give it serious consideration. But since many of the hatcheries are in a similar situation, I wonder if the Senator would agree to take to conference an amendment increasing the amount by $25,000 or $50,000, which would enable the Department to accomplish a little more in discharging a very necessary function.

Mr. CORDON. The Senator from Oregon has every sympathy in the world for the situation which exists. He feels, however, that to attempt to make appropriations on the floor of the Senate in so broad a field as is this, in which the same situation exists throughout the United States, would not be a good appropriative process, if the Senator will pardon the observation.

The Senator from Oregon hopes that the subject may come before the committee in the regular way, with all the available information, rather than to limit action to a particular hatchery,

with respect to which the Senator from Tennessee is very properly presenting the situation. The hatchery is in his State. He has an obligation to the people there. So certainly no criticism is being leveled at the Senator. Rather, my statement is intended to be commendatory and most complimentary. However, the subcommittee, in dealing with the situation everywhere would, I am sure, join its chairman in expressing the hope that we shall not open the bill in order to take care of one of a great number of conditions which are substantially the same.

Mr. KEFAUVER. Mr. President, will the Senator further yield?

Mr. CORDON. I yield.

Mr. KEFAUVER. The Senate committee, upon the basis of the showing made as to the Erwin hatchery and others throughout the Nation, has increased the appropriation by $75,000 over the House figure.

Mr. CORDON. I think this comes under a different category.

Mr. KEFAUVER. This is under "Construction."

Mr. CORDON. If we should undertake to provide major rehabilitation or increased capacity, of course, we would enter the field of construction. However, ordinary maintenance, and the type of repair which comes under that head, is found in the item "Management of resources." The appropriation last year was $7 million. The budget estimate this year was $6,600,000. The House allowed $6,137,000, and the Senate committee recommends $6,465,000.

Mr. KEFAUVER. That is an increase of approximately $340,000 for management.

Mr. CORDON. Yes. Let me say to the Senator that, in truth, our recommendation was the budget figure. The reason it does not appear to be the budget figure is that a portion of the amount for Missouri Basin activities was placed in this item, and was later taken out of this item and placed in "Rehabilitation and construction," in the Missouri Basin. The amount here represents the full estimate of the Department.

Mr. KEFAUVER. I see a footnote to the effect that the Missouri Basin activities were taken out of this appropriation and put in another one.

Mr. CORDON. That is correct.

Mr. KEFAUVER. So, under "Management of resources," the committee has increased the appropriation somewhat over the House figure—about $440,000.

Mr. CORDON. The Senator is correct.

Mr. KEFAUVER. Some of the Erwin work undoubtedly would come under "Construction." So there is a $75,000 increase under "Construction," also, is there not?

Mr. CORDON. That is correct. There is an increase from $225,000 to $300,000.

Mr. KEFAUVER. Is it the feeling of the chairman of the subcommittee that, with these additional funds, together with the amount recommended by the House, consideration will be given to the rehabilitation and construction needs of the fish hatchery at Erwin, Tenn., to which I have been referring?

Mr. CORDON. The Senator from Oregon is reasonably certain that that will be the case, particularly in view of the fact that there has been correspondence with the Department and with the Director of the Fish and Wildlife Service. That, of course, brings the subject to our attention at a very psychological time. However, the Senator from Oregon would be less than frank if he did not say to the Senator from Tennessee that there is little hope, if any, that there can be any construction funds for the Erwin hatchery this year out of this appropriation. I am speaking of construction, as distinguished from maintenance.

Mr. KEFAUVER. That is a matter which would be left up to the Department.

Mr. CORDON. It is left up to the Department; that is correct.

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the two letters to which I have referred, which point out the condition of the hatchery at Erwin, Tenn. One is from John L. Farley, Director of the Fish and Wildlife Service, to Representative REECE, and the other is a letter addressed to me by Earle Hendren, a leading citizen and the head of several organizations interested in the hatchery at Erwin, Tenn.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
FISH AND WILDLIFE SERVICE,
Washington D. C., May 4, 1954.

Hon. B. CARROLL REECE,
House of Representatives,
Washington, D. C.

MY DEAR MR. REECE: This is in reply to your letter that was received April 26, with which you enclosed a letter from Mr. Doyle Moore, Erwin, Tenn., concerning the need for an improvement program at the Federal fish hatchery located at Erwin.

The Erwin, Tenn., Federal fish hatchery was established in 1899. Inasmuch as the buildings and fish-cultural facilities were constructed more than 50 years ago and as the installations were not designed for present-day fish-cultural practices, an improvement and modernization program is needed at the hatchery. This hatchery is called upon to furnish trout for stocking a large area comprising parts of Tennessee, Virginia, and North Carolina. A large percentage of the trout waters in this area is on lands under Federal control, and the station is operated in close cooperation with the States, especially the State of Tennessee, to correlate the management and stocking of trout waters.

Funds in the amount of $44,500 were provided in 1950 and 1951 for the construction of a cold-storage and food preservation building, garage, and shop building, and repairs to the buildings at Erwin. However, fishing pressure has continued to increase during the last 10 years and the hatchery was not planned to produce the great numbers of legal-sized trout that are necessary for maintaining trout populations in the area. A construction program designed to modernize and expand facilities at the Erwin station to increase the operating efficiency, production of fish, and appearance of the unit will cost an estimated $243,000. Such a program would provide new raceways and ponds for rearing fish, repair the water supply reservoir, supply and drainage lines, and modernize other installations.

The Fish and Wildlife Service operates 92 fish hatcheries located throughout the Nation and many of these hatcheries are as old if not older than the one at Erwin. Less than $300,000 is provided in the annual appropriation for the cost of maintenance at all Federal hatcheries. It can readily be seen that maintenance funds currently available to the Service are not adequate to finance the large improvement program needed at Erwin and other hatcheries. However, the Erwin station will receive its apportionment of the funds that are appropriated for maintenance items at Federal fish-cultural stations for the fiscal year of 1955. But the amount of those funds, according to the present outlook, will be a few thousand dollars and only the more urgent minor repairs can be taken care of during the coming fiscal year.

We appreciate the interest that you and your constituents are showing in the activities of the Federal fish hatchery at Erwin, and we shall be glad to provide any further information that you may need.

Mr. Moore's letter is being returned for your files.

Sincerely yours,
JOHN L. FARLEY, *Director.*

CAPITOL AMUSEMENTS, INC.,
Erwin, Tenn., April 23, 1954.

Senator ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.

DEAR ESTES: The director of Erwin Kiwanis Club recently appointed a committee with me as chairman to visit the United States Fish Hatchery located at the outskirts of Erwin and make inspection thereof and submit to you recommendations for renovations and improvements that are absolutely necessary for the operation, maintenance, and appearence of this property.

Our committee visited the fish hatchery April 10 and found it in the most deplorable condition that can be imagined. It was surprising as well as disgusting to find the property owned and operated by the Federal Government in such a disgraceful and deplorable condition. All of which is due to insufficient appropriations in the past to maintain the property in a decent manner.

At one time this fish hatchery was a show place of Unicoi County, efficiently operated by the Department of the Interior Fish and Wildlife Service for the good of conservation throughout this area. Visitors came for miles to see it.

Our committee after consultation with Mr. Clifford Morefield, superintendent of the fishery, respectfully submit the following recommendations for improvement and renovation:

1. Repair dam at spring so that loss of water can be eliminated at that point.

2. Construct raceways, or provide drainage fields so as to stop the heating of water in the upper ponds.

3. Replace all broken pipelines and concrete pools, engineering the work in accordance with accepted modern construction.

4. Provide adequate hatching facilities for the production load now being required. This will involve replacing the hatchery which was removed and disposed of.

5. Surface the road down the hill from the highway to reduce the expense of upkeep.

6. Repair or replace buildings now dilapidated and too expensive to maintain.

7. Construct pools and raceways on lower property to fully utilize the supply of water.

8. Exploit the recreational opportunities offered by the location and the longstanding local interest in the property. This to be decided by person making the proposal that this above work be carried out.

It was necessary for the writer to be in Nashville following our committee inspection on the above date and before I had the opportunity to confer with you we were informed that a reduction of $300,000 in appropriations was planned by Department of the Interior of Fish and Wildlife Service which if became a law would not only eliminate any chance of improvement but would probably result in the closing of the fishery entirely. I have since been informed that the House has consented to the above-mentioned reduction and the only possible chance of saving our fishery from being abandoned would be action of the Senate.

The citizens in this entire area are concerned and upset, especially the Tennessee Conservation League, and as a citizen, a committeeman from Kiwanis Club, and spokesman for a multitude of your friends, I respectfully urge you to come to our rescue and do everything in your power not only to restore or maintain the present appropriation for fish hatchery, but if possible, arrange for additional funds to be made available for repairs and renewals thus preventing total abandonment and deterioration of a valuable Federal Government asset in this area.

Sincerely,

EARLE HENDREN.

P. S.—The above recommendation in substance concerning improvements are on file with the Department of the Interior of Fish and Wildlife Service in Washington.

Mr. STENNIS. Mr. President, will the Senator from Oregon yield?

The PRESIDING OFFICER (Mr. SMITH of New Jersey in the chair). Does the Senator from Oregon yield to the Senator from Mississippi?

Mr. CORDON. I do not have the floor. There is pending a unanimous-consent request. When it is acted on, I shall be more than happy to go forward; or I shall go forward now, if the Senator from Mississippi wishes to ask me a question.

Mr. STENNIS. I must attend a committee meeting, but I do not wish to delay the consideration of the unanimous-consent request.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Oregon?

Mr. THYE. Mr. President, reserving the right to object, I should like to ask a few questions before I agree to the unanimous-consent request which is now before the Senate.

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Mississippi?

Mr. STENNIS. I merely wanted as ask some questions of the Senator from Oregon.

Mr. THYE. Mr. President, that is what I wanted to do. However, if the Senator from Mississippi wishes to proceed, he may do so. I merely wanted to ask a question or two before the Senate agrees to the unanimous-consent request.

Mr. CORDON. I yield to the Senator from Mississippi.

Mr. STENNIS. I desire to invite the Senator's attention to page 24 of the committee report, particularly to the paragraph headed "Natchez Trace Parkway." The last sentence of the paragraph reads:

The committee is of the view that funds for additional paving is a proper program to be provided under the contract authority provision of the Federal Aid Highway Act of 1954.

I should like to ask the Senator from Oregon to express his opinion with reference to the contract authority, particularly whether it applies to the Natchez Trace Parkway, and to state whether the statement in the report is a recommendation that the Department of the Interior and the Bureau of the Budget consider including the Natchez Trace Parkway in the Federal Aid Highway Act of 1954.

I ask that question because the committee has seen fit to leave out a House amendment which added $500,000 in construction funds for this parkway, which has been partially constructed. Some of the roadbed has been built, and there is urgent need of continuation of the construction program. I would appreciate the Senator's views and his recommendation.

Mr. CORDON. I am glad to answer the Senator's question. This matter was gone into very carefully by the committee, not only with respect to this particular parkway, but with respect to parkways generally throughout the United States.

The Senator from Mississippi will recall that a short time ago at this session of Congress there was passed the National Federal Highway Act of 1954, which included authorization of funds for parkways, and that the bill went a step further in the field of parkway construction than Congress had theretofore gone in the history of parkway legislation, in that contract authorization was provided for funds for work on the parkways of the United States.

The committee, seeking to hold these appropriations within reasonable limits and at the same time to provide a sound program throughout the United States, so far as it could within our limited knowledge and capacity, felt that with respect to parkways in general the authorization for contracts to be let prior to funds being appropriated was intended to do the very thing the House sought to do when it increased the budget recommendations for the Natchez Trace Parkway from $100,000 to $500,000.

We felt that if we would stay within the limits of the recommendations of the Bureau of the Budget and then call the attention of the Department to the circumstances existing throughout the country with relation to the deplorable condition of some of our parkways, which in many instances need original construction, and so forth, we might advance in time, and insure in fact, a sound parkway construction program.

I am happy to report to the Senator from Mississippi that I have been in touch with the Department of the Interior and have been advised what the Department is doing in that field. The Senator's interest in the Natchez Trace Parkway entitles him to know that the Natchez Trace Parkway is included in the program to an extent even greater than the House recommended.

Mr. STENNIS. I certainly thank the Senator from Oregon for his very fine statement and the very encouraging support he is giving to the proposition. As I understand clearly, the committee of which the Senator from Oregon is chairman, did not reject the idea of construction funds for this parkway at all.

Mr. CORDON. Not at all.

Mr. STENNIS. It merely pointed out the method the committee believes will insure a certainty and rapidity of construction which is lacking in the old system.

Mr. CORDON. The Senator is correct.

Mr. KEFAUVER. Mr. President, will the Senator yield further?

Mr. CORDON. I yield.

Mr. KEFAUVER. I should like to ask another question about the Natchez Trace Parkway, while we are on that subject. I appreciate the statement of the chairman of the committee with reference to the Natchez Trace Parkway, a part of which is located in the State of Tennessee, and therefore I am very much interested in it, as is the distinguished Senator from Mississippi [Mr. STENNIS].

I understand the feeling of the chairman of the committee is that under the contract authority of the Federal-Aid Highway Act of 1954 there is a good chance that even more rapid progress may be made in the development of the Natchez Trace Parkway than would be the case if it were handled as a part of the Interior Department's program.

Mr. CORDON. That is very definitely the fact. There can be no question about it.

Mr. KEFAUVER. Does the Senator from Oregon believe that it is to the advantage of the construction of the Natchez Trace Parkway that it be included under the contract authority of the Federal-Aid Highway Act of 1954, instead of being the subject of an appropriation in the pending appropriation bill?

Mr. CORDON. That is definitely so. I am not at all certain that the present authorization in the act, after allocations throughout the United States have been made, will be adequate to complete the project, but at any time funds are exhausted, we can always take further action. I believe I can assure the Senator that the Natchez Trace Parkway will be far more advanced in this way than it could be through funds appropriated in the pending bill.

Mr. STENNIS. Mr. President, I again thank the Senator from Oregon. If the program goes through it will appear in a supplemental appropriation bill, as I understand.

Mr. CORDON. That is correct.

Mr. STENNIS. Which the Senator believes would come before us in the not too distant future.

Mr. CORDON. We shall have a supplemental appropriation bill before us sometime during the current month. As the Senator from Mississippi knows, there will be a deficiency appropriation bill before the Senate in the first part of the coming year.

Mr. STENNIS. I thank the Senator from Oregon. Relying on his statement, I shall not offer an amendment, but express my thanks again for the chairman's consideration.

Mr. KEFAUVER. There is no question, is there, in the mind of the Senator from Oregon, and in the minds of those with whom he has conferred, that parkway road construction of this kind is appropriately included in the Federal-Aid Highway Act of 1954?

Mr. CORDON. None whatever.

Mr. THYE. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. THYE. I should like to inquire about the appropriations for Indian educational contracts, the foster home care and welfare of Indian children, and the tuberculosis care of Indians in the State of Minnesota. My understanding is that $300,000 is to be appropriated for educational contracts for the State of Minnesota, $110,000 for foster home care and welfare, and $346,000 for the tuberculosis care of Indians.

Mr. CORDON. I am having the clerk check the items one by one. I believe the Senator is correct, but until the items are located in the justification, I cannot be certain. Three hundred thousand dollars is allocated for the State of Minnesota.

Mr. THYE. For Indian educational contracts?

Mr. CORDON. The Senator is correct.

Mr. THYE. And $110,000 for foster home care and welfare?

Mr. CORDON. That is correct.

Mr. THYE. How much is appropriated for tuberculosis care of the Indians?

Mr. CORDON. We do not have a breakdown of that figure in the justification.

Mr. THYE. From the standpoint of the State of Minnesota, there is no reason to believe that, as the justification indicated in the hearing, the amount mentioned is not the needed amount, and that that amount will be made available?

Mr. CORDON. The Senator is correct.

The committee has recommended to the Senate approval of the complete budget figure for this item, and that will carry with it the program as it was outlined by the Department of the Interior officials who were before the committee with, of course, such changes as varying conditions may make necessary.

Mr. THYE. There is one other question I should like to ask. It relates to the construction of a transmission line from Big Bend, Huron, Watertown, and on to Granite Falls, in Minnesota, so that electric current may be transmitted from the installations on the Missouri River into the State of Minnesota, where the present existing utility transmission lines could pick it up and make it available to the consumers in Minnesota.

There is, without question, a fund provided which will be available for the construction of such transmission lines. Is that correct?

Mr. CORDON. The Senator is correct. It was deemed by the committee to be of sufficient importance to have especial mention in the report.

Mr. THYE. Mr. President, I wish to thank the chairman of the committee for a job well done. It has required a tremendous amount of work to prepare the subcommittee report.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Oregon [Mr. CORDON] that the committee amendments be considered and agreed to en bloc? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

Under the heading "Title I—Department of the Interior—Office of the Secretary—Enforcement of Connally Hot Oil Act," on page 2, line 5, after "(15 U. S. C. 715)", to strike out "$125,000" and insert "$150,000."

Under the subhead "Operation and Maintenance, Southwestern Power Administration," on page 2, line 19, after the word "area", to strike out "$625,000" and insert "$2,337,000."

Under the subhead "Research in the Utilization of Saline Water," on page 3, line 2, to strike out "$255,000" and insert "$400,000."

Under the subhead "Oil and Gas Division," on page 3, line 8, after the word "gas", to strike out "$100,000" and insert "$300,000."

Under the subhead "Emergency Flood and Storm Repairs," on page 3, line 16, after the figures "$100,000", to strike out the comma and "to remain available until June 30, 1955."

On page 3, after line 17, to insert:

"OFFICE OF THE SOLICITOR

"For necessary expenses of the Office of the Solicitor, $2,469,000, to be derived by transfer from other appropriations made in this act in the sums and in the manner set forth in Senate Report No. 1506, 83d Congress, and in addition, not to exceed $100,000 shall be transferred from other accounts and made a part of this appropriation."

Under the subhead "Bonneville Power Administration—Construction," on page 4, line 14, after the word "expended", to strike out "$18,915,000" and insert "$26,300,000"; and in line 15, after the amendment just above stated, to strike out the colon and *"Provided,* That, during the current fiscal year, not more than $6 million of the funds available under this appropriation heading shall be used for personal services and not more than $500,000 shall be used for travel expenses."

Under the subhead "Operation and Maintenance," on page 4, line 22, after the word "energy", to strike out "$5,000,000" and insert "$6,600,000."

Under the subhead "Bureau of Land Management—Management of Lands and Resources," on page 5, line 20, after the word "Management", to strike out "$11,483,000" and insert "$12,413,000."

Under the subhead "Construction," on page 6, line 9, after the word "expended", to strike out "$2,000,000" and insert "$3,000,000"; and in line 13, after the word "sum", to strike out "and, in addition, amounts available for operation and maintenance of such access roads under the appropriation 'Management of lands and resources' are" and insert "is."

Under the subhead "Administrative Provisions," on page 7, line 6, after the word "construction", to strike out "and operation and maintenance."

Under the subhead "Bureau of Indian Affairs—Health, Education, and Welfare Services," on page 8, line 12, after the word "museums", to strike out "$52,000,000" and insert "$60,700,000"; and in line 13, after the amendment just above stated, to strike out the comma and "of which not more than $28,500,000 shall be available for personal services."

Under the subhead "Resources Management," on page 8, line 22, after the word "law", to strike out "$12,592,910" and insert "$13,169,580."

Under the subhead "Construction," on page 9, line 7, after the word *"Provided"*, to strike out "That, during the current fiscal year, not more than $3,500,000 of the funds available under this appropriation heading shall be available for personal services: *Provided further."*

Under the subhead "General Administrative Expenses" on page 10, line 6, after the word "offices", to strike out "$2,750,000" and insert "$2,875,000."

Under the subhead "Bureau of Reclamation—General Investigations," on page 12, line 20, after the word "expended", to strike out "$3,000,000" and insert "$3,559,000"; in the same line after the word "which", to strike out "$2,400,000" and insert "$2,931,546"; and in line 22, after the word "and", to strike out "$500,000" and insert "$527,454."

Under the subhead "Construction and Rehabilitation," on page 13, line 11, after the word "expended", to strike out "$114,479,700" and insert "$132,977,127"; in the same line, after the word "which", to strike out "$55,626,197" and insert "$63,339,559"; and in line 12, after the word "fund", to strike out the colon and *"Provided,* That, during the current fiscal year, not more than $24,000,000 of the funds available under this appropriation heading shall be available for personal services and not more than $800,000 shall be available for travel."

On page 13, line 16, after the word "travel" in the part intended to be stricken, to insert a colon and *"Provided,* That not to exceed $53,000 shall be available toward the emergency rehabilitation of the Avondale irrigation project, Idaho, to be repaid in full under conditions satisfactory to the Secretary of the Interior: *Provided, further,* That not to exceed $297,000 shall be available toward the emergency rehabilitation of the Crescent Lake Dam project, Oregon, to be repaid in full under conditions satisfactory to the Secretary of the Interior: *Provided further,* That sums made available for increasing spillway capacity at Alamogordo Dam, Carlsbad project, New Mexico, for the purpose of removing the existing flood hazard, be nonreimbursable and nonreturnable: *Provided further,* That the unexpended funds appropriated for Savage Rapids Dam rehabilitation in Public Law 470, 82d Congress, 2d session, shall be available for rehabilitation of appurtenant canal protective works: *Provided further,* That not to exceed $45,000 of the unexpended funds heretofore appropriated for the Jamestown unit (North Dakota), Missouri River Basin project, shall be available for public use and safety facilities at said unit."

On page 15, line 6, after the word "customer", to strike out the colon and *"Provided further,* That in order to promote agreement among the States of Nebraska, Wyoming, and Colorado, and to avoid any possible alteration of existing vested water rights, no part of this or of any prior appropriation shall be used for construction or for further commitment for construction of the Glendo unit or any feature thereof, until a definite plan report thereon has been completed, reviewed by the States of Nebraska, Wyoming, and Colorado, and approved by Congress."

Under the subhead "Operation and Maintenance," on page 15, line 26, after the word "law", to strike out "$19,000,000" and insert "$23,154,000"; and in the same line, after the word "which", to strike out "$15,757,222" and insert "$19,911,222."

Under the subhead "General Administrative Expenses," on page 16, line 17, after the word "Reclamation", to strike out "$3,500,000" and insert "$4,300,000."

Under the subhead "Administrative Provisions," on page 17, line 19, after the word "for", to insert "purchase of one aircraft."

Under the subhead "Geological Survey—Surveys, Investigations, and Research," on page 21, line 3, after the word "activities",

to strike out "$25,362,685" and insert "$25,860,000."

On page 21, line 16, after "Washington, D. C.", to strike out the comma and "subject to the enactment of lease-purchase or other authorizing legislation."

Under the subhead "Bureau of Mines—Conservation and Development of Mineral Resources," on page 23, line 1, after the word "owner", to strike out "$12,564,000" and insert "$13,650,000."

Under the subhead "General Administrative Expenses," on page 23, line 18, after the word "offices", to strike out "$850,000" and insert "$1,200,000"; and in the same line, after the amendment just above stated, to strike out the colon and "*Provided*, That no part of this appropriation shall be used in connection with maintenance of regional offices in which the total expenditure for personal services of employees in administrative positions exceeds one-half the expenditure for such purpose in the fiscal year 1954."

Under the subhead "National Park Service—Management and Protection," on page 25, line 12, after the word "Basin", to strike out "$9,000,000" and insert "$9,250,000."

Under the subhead "Maintenance and Rehabilitation of Physical Facilities," on page 25, at the beginning of line 21, to strike out $8,000,000" and insert "$8,850,000"; and in the same line, after the amendment just above stated, to strike out the semicolon and "*Provided*, That none of the funds herein appropriated shall be used for maintenance of roads, other than national parkways, outside the boundaries of national parks and monuments."

Under the subhead "Construction," on page 26, line 7, after the word "expended", to strike out "$8,056,099" and insert "$8,512,099."

Under the subhead "General Administrative Expenses," on page 26, line 11, after the word "offices", to strike out "$900,000" and insert "$1,268,000"; and in the same line, after the amendment just above stated, to strike out the colon and "*Provided*, That not more than a total of $500,000 from appropriations to the National Park Service in this act shall be available for the payment of personal services in regional offices."

Under the subhead "Fish and Wildlife Service—Management of Resources," on page 27, line 10, after the word "Service", to strike out "$6,137,000" and insert "$6,465,000"; and in line 11, after the amendment just above stated, to strike out the comma and "of which not more than $4,250,000 shall be available for personal services and not more than $250,000 shall be available for travel."

Under the subhead "Investigations of Resources," on page 28, line 2, after the word "law", to strike out "$4,027,000" and insert $4,127,000"; and in line 3, after the word "exceed", to strike out "$250,000" and insert "$400,000."

Under the subhead "Construction," on page 28, line 10, after the word "expended", to strike out "$225,000" and insert "$300,000."

Under the subhead "General Administrative Expenses," on page 28, line 14, after the word "offices", to strike out "$725,000" and insert "$775,000."

Under the subhead "Administrative Provisions," on page 29, at the beginning of line 1, to strike out "3" and insert "6."

Under the subhead "Office of Territories—Administration of Territories," on page 30, line 11, after the word "houses", to strike out "$3,234,471" and insert "$3,575,000."

On page 30, after line 19, to insert:

"TRUST TERRITORIES OF THE PACIFIC ISLANDS

"For expenses necessary for the Department of the Interior in administration of the Trust Territories of the Pacific Islands pursuant to the Trusteeship Agreement approved by Public Law 204, 80th Congress, including the expenses of the High Commissioner of the Trust Territory of the Pacific Islands; compensation and expenses of the judiciary of the Trust Territory of the Pacific Islands; grants to the Trust Territory of the Pacific Islands in addition to local revenues, for support of governmental functions: $5 million: *Provided*, That all financial transactions of the Trust Territory, including such transactions of all agencies or instrumentalities established or utilized by such trust territory, shall be audited by the General Accounting Office in accordance with the provisions of the Budget and Accounting Act, 1921 (42 Stat. 23), as amended, and the Accounting and Auditing Act of 1950 (64 Stat. 34): *Provided further*, That the government of the Trust Territory of the Pacific Islands is authorized to make purchases through the General Services Administration: *Provided further*, That appropriations available for the administration of the Trust Territory of the Pacific Islands, may be expended for the purchase, charter, maintenance, and operation of aircraft and surface vessels for official purposes and for commercial transportation purposes found by the Secretary to be necessary in carrying out the provisions of article 6 (2) of the Trusteeship Agreement approved by Public Law 204, 80th Congress."

Under the subhead "Alaska Public Works," on page 32, at the beginning of line 1, to strike out "$5 million" and insert "$9,500,000."

Under the subhead "Construction of Roads, Alaska," on page 32, line 7, after the word "otherwise," to strike out "$7 million" and insert "$9,940,000."

Under the subhead "Operation and Maintenance of Roads, Alaska," on page 32, line 11, after the word "trails," to strike out "$3 million" and insert "$3,500,000."

Under the subhead "Construction, Alaska Railroad," on page 32, line 25, after the word "expended", to strike out "$7,494,000" and insert "$5,400,000."

Under the subhead "Alaska Railroad Revolving Fund," on page 33, line 17, after the word "exceed," to strike out "$13,000" and insert "$14,000"; and in line 19, after the word "than", to strike out "$11,000" and insert "$12,500."

"VIRGIN ISLANDS PUBLIC WORKS

"For an additional amount to carry out the provisions of the act of December 20, 1944 (58 Stat. 827), $885,000: *Provided*, That the estimated project costs specified in said act of December 20, 1944, shall not constitute limitations on amounts that may be expended for such projects."

Under the subhead "Administration, Department of the Interior—Salaries and Expenses," on page 34, line 6, after the word "service", to strike out "$2,200,000" and insert "$2,330,000."

Under the subhead "General Provisions," on page 36, line 12, after "SEC. 107.", to strike out "The" and insert "Funds appropriated in this title shall be available for the purchase of not to exceed 627 passenger motor vehicles (including 1 at not to exceed $2,750) of which 600 shall be for replacement only; and the."

On page 36, line 20, after the word "exceed", to strike out "$100,000" and insert "$250,000".

Under the heading "Title II—Virgin Islands Corporation—Grants," on page 38, line 4, after the word "law", to strike out "$439,924" and insert "$682,000."

Under the heading "Title V—Reductions in Appropriations—Bureau of Reclamation," on page 41, line 2, after "Construction and Rehabilitation", to strike out "All-American Canal, Coachella Division, $230,000."

Mr. MAGNUSON. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. I yield.

Mr. MAGNUSON. While the bill appropriates no money for the so-called Snohomish-Kitsap line, in the report of the committee on page 9 the fact is mentioned that there is available $2 million for that work. The interested parties could not get together to agree on what they were going to do. I wish the RECORD to show that the committee finally said to those in charge, "Decide on something, and come before us." They did that while the hearings were being held, and the committee recommended that $2 million be available.

Mr. CORDON. The Senator is correct. I think it was a wise decision that was made, and there is no reason why construction should not proceed without any delay whatever.

Mr. MAGNUSON. There is one other item which does not specifically appear in the appropriation bill. It is referred to on page 23 of the report under the heading "Maintenance and Rehabilitation of Physical Facilities." I think the committee was in entire agreement that of the total amount allowed for roads and trails, $86,500 may be used for the purpose of keeping the road from Narada Falls to Paradise Valley in Mt. Rainier National Park open for winter use.

Mr. CORDON. That is correct. It happens to be one of the areas within a national park where there is all-season use, with perhaps as great use in midwinter by skiing enthusiasts, as even in midsummer.

Mr. MAGNUSON. I wished the record to be clear as to the general intent of the committee with reference to the use of that amount of the overall fund.

With reference to the Columbia Basin project, the committee did increase the amount $3 million over the House allowance for construction.

Mr. CORDON. That increase, I believe, was above the budget allowance.

Mr. MAGNUSON. Yes; for the simple reason, after hearing a great deal of testimony, the committee came to the conclusion that with this extra amount there could be an orderly procedure in the development and completion of that project, and that, therefore, it would be false economy not to allow sufficient funds to go ahead with the program.

Mr. CORDON. That was the view of the committee.

Mr. MAGNUSON. Mr. President, while I am on my feet I wish to say that in my State of Washington, because of the power, reclamation, and hydroelectric development in that area, there is great interest in the Interior Department appropriation bill. As a member of the subcommittee, I am sure I speak for the people of the State of Washington in expressing my appreciation to the other members of the subcommittee for their consideration of all the items and for the conclusions to which they came with reference to the matter.

Mr. WATKINS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WATKINS. What is the parliamentary situation?

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. WATKINS. Have the committee amendments been agreed to?

The PRESIDING OFFICER. The committee amendments have been agreed to.

Mr. CORDON. Mr. President, do I have the floor?

The PRESIDING OFFICER. The Senator from Oregon has the floor.

Mr. CORDON. I should like to make a very short statement for the benefit of the record, and then I shall yield the floor, of course.

The PRESIDING OFFICER. The Senator may proceed.

Mr. CORDON. Mr. President, the amount of money provided for in this bill by the House is $364,337,989. The net amount added by the Senate is $63,263,017. The total amount of the bill as reported to the Senate is $427,601.006.

The amount of the 1955 budget estimates is $427,751,110.

The amount of the 1954 appropriations, including the Supplemental Appropriation Act, 1954, and the Third Supplemental Appropriation Act, 1954, is $439,363,050.

The bill as reported to the Senate is under the budget estimate by $150,104, and under the appropriations for the fiscal year 1954 by $11,762,004.

Mr. President, the committee worked long and hard on this bill. It is a money bill of the Congress which affects in its entirety the interior domestic economy of the continental United States and the interior domestic economy of the Territories and insular possessions. It is to a very great extent in the nature of a housekeeping bill. We have endeavored to be reasonably forward looking without being extravagant. We have felt that there was an obligation on the United States to protect the property of its citizens; that that obligation went to proper maintenance, proper overseeing, proper management of the assets; and this bill reflects the best judgment of the committee in that field.

The committee has found it necessary, Mr. President, in some instances to recommend amendments the net result of which is some change in existing substantive law. With respect to each of those amendments there has been filed a proposed amendment and notice to suspend the rule, so that each of them can be considered if there be any question in the mind of any Member of the Senate as to either the propriety of the action of the committee or the necessity for the amendment, and the chairman will be happy to act as the Senate shall indicate.

Mr. WATKINS. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. I shall be happy to yield to the Senator from Utah.

Mr. WATKINS. Mr. President, after having examined the bill and the report, I feel that the committee has done excellent work in arriving at figures which meet the recommendations of the Bureau of the Budget and the needs of the country. However, in connection with some of the programs, particularly that with respect to the education of certain Indians, recently, since the budget estimates came to Congress, there have been developments which necessitate some changes. I refer to the program for the Navaho Indians.

A number of years ago Congress authorized a rehabilitation program to be conducted over a 10-year period. The problem has been accentuated by the large number of Indians on the Navaho reservation who could never go to school. It is estimated now that there are at least 13,000 Navahos who will not have an opportunity to go to school this year, next year, or in the years following, unless something is done to enlarge the program for their education.

The rehabilitation proposal directed the Indian Bureau to get busy and develop a program which would afford all Indian children an opportunity to attend school. In the course of working out the program, a project of mobile education was devised. Trailers are taken into the remote areas of the reservation, and small schools are set up in the form of fabricated structures. In that area, education is brought to the Indian families. That project is underway, and I believe money is included in the bill to take care of it.

Mr. CORDON. The Senator is correct.

Mr. WATKINS. But 13,000 Navaho Indians still are not in school. A program has been developed to take care in adjacent white communities of 8,000 of the young children. It has been a long process to get the white communities to agree to allow the Indian children to attend the white schools, but the facilities, especially in the form of schoolrooms, are not available to take care of such a large number. In order to take care of them, it was necessary to make arrangements with the white communities to furnish facilities.

At one stage, it was thought that it could be done under a public law which authorized the appropriation of money for areas where the United States owned all the property, or where the Government had a defense program. But we who were interested in the matter were advised that the persons who were to be educated actually had to live in the area before the money would be available. Under the Navaho Rehabilitation Act, it is thought there is ample authority for the appropriation.

I am wondering if the committee considered the request in the statement I filed with it with respect to the particular program for $3,300,000 to be used by the Indian Bureau for the making of contracts with school districts, so that the school districts could enlarge their facilities in order to take care of the education of Indian children whom it is proposed to send to existing white schools.

Mr. CORDON. First, before answering the Senator's question, I may say that the Senator from Utah has spent much time and has worked hard for a period of years in a continued, consistent, and intelligent effort to solve what is termed the Indian problem. Of all the governmental adventures and experiences of the United States, it is the opinion, I believe, of practically all students of our Government that it has made its greatest failure in the handling of the Indian problem. Before I address myself directly to the question asked by the Senator from Utah, I wish to take this opportunity to compliment him on the work he has been doing and on the fact that there appears to be at least some light breaking through the clouds, and some hope for real achievement in this field.

Addressing myself to his question, I say, first, yes, the committee considered the matter. The Senator from Utah, of course, knows that the committee gave it some consideration, because he appeared personally and subjected himself to questioning, to some extent. He filed a comprehensive written statement, and added to it an oral statement.

For the purposes set forth, however, the committee did not recommend any increase in dollars in the bill, having in mind that a program of this character should be presented with more particularity to the committee in advance of any appropriative effort. Otherwise the committee would have added a very considerable amount in dollars without having any kind of record to support such action. We believe every Committee on Appropriations should have such a record.

The committee felt that this was a proper matter to be held over for consideration in a supplemental appropriation bill which will be considered during the current month. At that time we feel we can go into the subject in detail, and can determine not only the minimum amount of money which is necessary—and I stress both minimum and necessary—and we can determine the extent to which planning has gone forward, so as to indicate a knowledge on the part of those who will be charged with the program that it is sound, and that the expenditure will be made in such a manner as will do the most good for the beneficiaries, while at the same time it will be as economical as possible for the taxpayers. Those things, we feel, should be contained as fully as possible in the record, while the Senator from Utah, gave the committee a good background, and had all the background material essential, he had not had the time—and, of course, he did not know that it was necessary—to develop a program in detail, such as the committee requests always of the executive department.

Mr. WATKINS. I may say to the Senator from Oregon that we did not have time to go to the Bureau of the Budget and obtain an estimate and to work out the details, because we discovered, too late, that under the public law mentioned it had been held that the money could not be used for this purpose, unless the Indians lived in the defense area and therefore Indian children who lived on the reservation would have to go to the schools in white communities.

I think a very fine program has been developed, and that Commissioner Emmons and Mr. Beck, of his staff, have

done an excellent job in enlisting the support of the white communities near by in the educational program.

Many of us have been puzzled for years about finding places on the reservation where schools could be built, not because of a lack of ground, but because of a lack of water and the unavailability of roads on which the Indian children might travel to the schools.

We have now found that we will probably make greater progress, at less cost to the United States, by sending many of the 13,000 Indian children to white schools in neighboring communities. It is an educational program which is designed to have the inhabitants of the white communities take the Indian children into their schools. Those of us who have been interested in the program were very hopeful that at this session of Congress sufficient funds could be provided to get the program underway. If that is not done, the white communities will lose interest. Some of them have already agreed to take Indian children into their schools this year. It is a rather big problem for some country schools, but if it can be achieved, it will afford an excellent education for the Indian children who live in that region. I think this is one of the best programs that has been devised for the benefit of the Indians who live in the isolated areas.

I was interested in the Senator's statement that a supplemental bill would soon be under consideration by the Senate. I assume it is already underway in the committee.

Mr. CORDON. It is.

Mr. WATKINS. Does the Senator believe that it will come before Congress in time to provide the funds at this session, so that the work can continue. It is necessary to begin a year in advance to prepare the buildings.

Mr. CORDON. There is no question in the world about the bill being considered this month. It contains a number of very important items, and will unquestionably be before the House very shortly.

Whether a budget estimate can be obtained for it, I do not know. If not, in the interim I hope that the Department, or the Department with the Senator's aid, may work out a plan which will be sufficiently complete so that, on its face, it will indicate a well reasoned, practical program to carry out the basic purposes of providing education for the additional 8,000 Indian children.

I may say also to the Senator from Utah that this is one time when I have found no criticism among any informed people anywhere with respect to this particular new adventure in Indian education. Everyone seems to favor it.

Mr. WATKINS. We have not heard of anyone who is opposed to the plan. At least it would be an improvement for the Indians.

I observe the Senator from Arizona [Mr. GOLDWATER] on his feet, so I shall ask other questions later.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. GOLDWATER. First, I desire to join in the remarks made by the distinguished Senator from Utah, when he spoke so highly of the work being done by the committee. The work of the committee is very vital to my State, especially to the Indian population. I know of the many long hours which the Senator from Oregon, and also the other members of the subcommittee and of the entire committee have devoted to the bill, and I extend my appreciation to them for the work which has been done.

I wish to call particular attention to the fact that the committee is adding to the appropriation $5,514,680 for education and health purposes, to be used by the Indian Bureau. I have said repeatedly during the present administration that for the first time in my life I see not merely a small ray of sunshine peeping through the dark clouds, but, rather, a large area of blue lighted up, indicative of a feeling that the Indians are American citizens together with the rest of us, and that they have coming to them those things which other people have.

Many Senators might ask, Why do not the individual States take care of the Indian children and educate them? If the same conditions were found in the Western States which obtain in the East, where the Indians have title to their own land and are taxed, I would say we could do it; but in the State of Arizona, where the Indian population is in excess of 75,000, only a meager amount is available for the education of the Indian children.

I should like to address a few remarks to the status of the Navahos, because the Navaho Tribe contains the largest number of pureblood Indians in my State, and therefore, presents the greatest problem. The Indians live on a reservation comprising 16 million acres, which area is greater in size than some of the Eastern States. They live in seminomadic conditions; that is, they wander around. Wherever grass grows for their sheep, there go the Navahos. They do not live in towns; they live isolated, in family groups.

Therefore, to the Navaho is due the credit for the development of the trailer school. The trailer school is composed of five separate trailers for one school, and it will take care of about 24 students, the living quarters of the teacher and provide room for the preparation of the food for the noonday meal which the Indian children eat at school. The trailer school has been a great step forward, because through the use of the trailer the school goes to the Indians, instead of the Indians having to travel to the school.

A compilation of the census shows that in January 1953, there were 27,063 Navaho children of school age. The 1952–53 enrollment, in the fall of 1952, showed only 13,767 attending school. That represents a change for the better because the enrollment in 1942–43 was only 5,916. In January of 1953 there were 59 Indian service schools in the Navaho area. Eight of them were day schools, and 51 boarding schools. There were only 259 teachers for all the children in these schools. At the present time 44,000 Navahos cannot speak or read the English langage. When they live in a highly civilized section with white people, they must learn to speak the language and write it before they can progress satisfactorily and improve their condition. Their language is verbal; there is no way of writing it down; and the only way to educate them is to teach them our own language.

That statement will complete my remarks. I do not wish to ask any questions because the Senator answered the question that it was my intention to ask, concerning future appropriations to effectuate the education of the Indians through payments by the Government to local communities for use of the schools for that purpose.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a statement issued by the State of Arizona entitled "Is the State of Arizona Responsible for the Education of Reservation Indians?" with attached tables.

There being no objection, the statement and tables were ordered to be printed in the RECORD, as follows:

IS THE STATE OF ARIZONA RESPONSIBLE FOR THE EDUCATION OF RESERVATION INDIANS?

THE PROBLEM

There exists within the State of Arizona numerous Indian Reservations, the principal ones of which are the Hopi, Navaho, Hualapai, Papago, San Carlos, Pima, and the Colorado River agency resettlement area.

Under the terms of certain treaties entered into between the Government of the United States and the various tribal councils prior to the year 1871, the United States assumed responsibility for the education of the children of reservation Indians. That obligation has been discharged with widely varying degrees of devotion to duty and still more widely varying degrees of success. The quality of the educational opportunities made available to tribal children is the subject of heated controversy between the various tribal councils and the United States Indian Service.

With no attempt being made to pass upon the validity of conflicting claims, it can safely be said that in recent years the United States Indian Service has embarked upon a policy of encouraging the attendance of Indian children in the public schools, a policy that seems to have the wholehearted support of the tribal governments.

As long as the number of Indian children in public schools remained small little attention was given to the matter. The Indian Service reimbursed the school districts, at least in part, for the services extended the children of tribesmen and the public schools found their Indian students well behaved and good students, even though often handicapped by prior lapses in their attendance at school.

Attendance at public school where the Indian child was obliged to meet his counterpart of a lighter shade on an equal footing and work together in all the activities involved in public education went far toward integrating the Indian child into what we call American life. The plan was considered a success both by the Indian Service and the Indians themselves.

There came a time, however, when the patrons of certain public schools began to wonder if the Indian children were being integrated into the American way of things or the English-speaking children were being integrated into the tribal life due to the great proportion of Indian children in attendance.

A decision of the Arizona Supreme Court in the case of *Harrison et al.* v. *Laveen* (67 Ariz. 337, Pac. Rep. (2), 196–456) declared the reservation Indian a citizen of the State and a duly qualified elector, at least insofar as residence was concerned. This naturally led some to wonder if this same line of reasoning could not be extended to the point where it could be said that the child of an Indian citizen was entitled to education in a public school. This sort of reasoning could lead to some serious results if it were applied to the reservations of the State for on those reservations property belonging to an Indian is not subject to tax, neither is the State sales tax applied there. It would not require much imagination to visualize a condition wherein the property taxpaying citizen and the sales taxpaying citizen of the State would find himself obligated to absorb the cost of educating the children of these "reservation citizens" who are themselves exempt from all taxes.

At least on two reservations of the State it seems that a representative of the State Department of Public Instruction has encouraged our Indian citizens to ask the State and the county of their residence to provide public-school facilities on the reservation. An Associated Press release from Window Rock, Ariz., appeared in the Bisbee Daily Review, December 2, 1952, which read as follows:

"NEW SCHOOLS SLATED FOR HOPI INDIANS

"WINDOW ROCK.—Allan G. Harper, director of the Navaho Agency, has announced plans to construct new schools at Ganado and Fort Defiance, Ariz.

"The proposed Ganado institution will cost an estimated $1 million. The Fort Defiance school is expected to be comparable in size and cost.

"Funds for both schools have been allocated and bids are being received for the drilling of wells. The buildings will be ready for use by the 1953 fall term.

"The Ganado school is designed to accommodate 524 elementary children, the Fort Defiance school, 500 elementary and 60 high school students.

"Money for the construction has been set aside under Public Law 815. The schools will be operated as public schools and staffed by Apache County."

This press release may not be entirely accurate but, at least, it may be the shadow that speaks of things to come.

The current situation

In order to ascertain the financial status of this problem of Indian education, data has been assembled and tabulated showing the average daily attendance of Indian children in all public schools of the State reporting more than one Indian student in average daily attendance. We are indebted to Mr. Myron Holbert, assistant superintendent of public instruction, for the data on Indian attendance and the amount of money contributed by the Indian Service to the various public-school districts.

United States contribution to Indian education in Arizona public schools

District No.	Name	Indian average daily attendance [1]	Total average daily attendance [2]	Received from Indian Service [1]	Total current expenditures [2]	Percent of Indians in attendance	Percent of cost paid for Indians	Received per Indian in average daily attendance	Per capita cost (all pupils)	Assessed valuation of district [3]
	Apache County:									
	Elementary:									
24	Chinle	39.34	42	$2,288.00	$7,428.59	93.66	30.79	$58.15	$176.87	$137,671
19	Ganado	15.18	35	1,000.00	6,872.95	43.37	14.55	65.87	196.37	430,530
10	Klagetoh	9.60	16	500.00	3,468.52	60.00	14.41	52.08	216.78	N. A.
3	Maverick-Eager	10.23	181	400.00	4o,543.28	5.65	.87	39.10	251.62	654,621
23	McNary	51.26	397	1,900.00	70,433.07	12.91	2.69	37.06	177.41	952,172
18	Puerco	160.45	223	19,093.25	57,977.13	71.95	32.92	118.99	259.98	4,370,962
8	Window Rock	224.15	285	12,500.00	45,615.43	78.64	27.40	55.76	160.05	371,947
	High school: Total Apache County Union High School	16.67	386	5,642.00	197,620.71	4.31	2.85	338.45	511.97	10,289,598
64	Cochise County: Pomerene (elementary)	5.63	62	None	25,094.86	9.08	0	0	404.75	1,244,479
	Coconino County:									
	Elementary:									
5	Chevelon Butte	1.35	8	None	4,120.80	16.87	0	0	515.10	(4)
1	Flagstaff	129.23	1,838	5,000.00	375,132.16	7.03	1.33	38.69	204.09	16,507,948
4	Grand Canyon	22.13	85	1,500.00	24,777.33	26.03	6.05	67.78	291.49	(5)
15	Tuba City	42.71	60	2,300.00	13,289.40	71.18	17.30	53.85	221.49	(5)
1	High school: Flagstaff	10.46	438	None	167,489.84	2.38	0	0	382.39	16,507,948
	Gila County:									
	Elementary:									
1	Globe	7.00	1,337	375.00	223,914.80	.52	.16	53.57	167.47	2,682,704
40	Miami	28.39	1,889	1,000.00	432,695.97	1.50	.23	35.22	229.06	32,766,912
20	Rice	7.24	19	None	9,835.80	38.10	0	0	517.67	1,287,619
	High school:									
1	Globe	3.54	424	None	144,046.03	.83	(	)	339.73	2,682,704
40	Miami	2.78	422	None	167,978.65	.65	(	)	398.05	32,766,912
	Graham County:									
	Elementary:									
12	Central	5.10	72	100.00	14,791.27	7.08	.67	19.60	205.43	264,812
7	Fort Thomas	18.13	127	1,462.05	33,510.00	14.27	4.36	80.64	263.85	2,539,508
6	Pima	7.96	312	800.00	49,945.16	2.55	1.60	100.50	160.08	974,295
1	Safford	5.75	966	1,800.00	172,547.78	.59	1.04	313.04	178.62	3,722,696
5	Solomonville	5.30	255	625.00	75,045.05	2.07	.83	117.92	294.29	2,127,896
4	Thatcher	31.06	377	2,550.00	61,079.02	8.23	4.17	82.09	162.01	956,529
7	High school: Fort Thomas	11.37	51	1,399.95	43,261.84	22.29	3.23	123.12	848.27	2,546,886
	Greenlee County:									
	Elementary:									
45	Eagle	3.68	15	None	4,427.97	24.53	0	0	295.19	142,015
18	Morenci	37.08	1,460	None	289,208.55	2.53	0	0	198.08	82,933,000
	Maricopa County:									
	Elementary:									
47	Arlington	12.21	109	None	43,523.78	11.20	0	0	399.30	3,526,296
80	Chandler	13.12	1,408	1,175.00	270,494.10	.93	.43	89.55	192.11	7,102,090
24	Gila Bend	1.82	147	None	55,389.70	1.23	0	0	376.80	1,135,802
59	Laveen	17.72	142	2,201.00	62,400.00	12.47	3.52	124.20	439.43	899,865
4	Mesa	56.67	4,126	4,200.00	879,688.65	1.37	.47	74.11	213.20	14,007,526
8	Osborn	33.23	3,027	1,340.00	741,854.22	1.09	.18	40.32	245.07	25,224,936
1	Phoenix	79.66	10,568	590.00	2,968,754.40	.75	.19	7.40	280.91	100,256,597
49	Palo Verde	5.10	205	169.60	55,000.00	2.48	.3	33.25	268.29	1,015,508
48	Scottsdale	22.98	995	1,975.00	200,232.87	2.30	.98	85.94	201.23	7,735,568
94	Theba	26.79	49	350.00	9,661.68	54.67	3.62	13.06	197.17	1,469,861
6	Washington	15.98	2,197	2,113.80	408,153.16	.72	.51	132.27	185.77	9,242,220
	High school:									
80	Chandler	6.59	454	1,049.99	145,835.28	1.45	.71	159.33	321.22	7,102,090
4	Mesa	14.01	1,260	1,500.00	419,542.01	1.11	.35	107.06	332.96	14,007,526
	North Phoenix	3.10								
	Phoenix Tech	.33	8,201	400.00	3,510,203.63	.22	.01	22.22	428.02	209,254,095
	Phoenix Union	14.57								
48	Scottsdale	6.68	253	1,500.00	117,127.43	2.64	1.28	224.55	462.95	7,735,568
	Mohave County:									
	Elementary:									
4	Kingman	9.83	623	None	167,004.94	1.57	0	0	268.06	8,184,902
10	Moccasin	13.52	24	1,725.00	4,739.71	56.33	36.39	127.58	197.48	104,905
22	Valentine	9.90	19	None	3,566.51	52.10	0	0	187.71	1,425,889

[1] From the records of Myron Holbert, assistant superintendent of public instruction.
[2] From the 21st biennial report of the State superintendent of public instruction.
[3] From Arizona Property Tax Rates, Arizona Tax Research Association.
[4] Included with Williams.
[5] Included with Flagstaff.

United States contribution to Indian education in Arizona public schools—Continued

District No.	Name	Indian average daily attendance	Total average daily attendance	Received from Indian Service	Total current expenditures	Percent of Indians in attendance	Percent of cost paid for Indians	Received per Indian in average daily attendance	Per capita cost (all pupils)	Assessed valuation of district
	Navajo County:									
	Elementary:									
11	Clay Springs	4.94	44	None	$5,630.39	11.23	0	0	$127.96	$39,920
23	Heber	3.01	69	None	15,043.50	4.36	0	0	218.02	40,629
3	Holbrook	14.53	504	500.00	119,348.59	2.88	.41	$34.41	236.80	4,494,023
27	Kayenta	6.85	9	$1,198.51	3,161.70	76.11	37.90	174.96	351.30	N. A.
2	Joseph City	6.77	91	None	32,897.93	7.43	0	0	361.51	1,250,829
25	Keams Canyon	37.58	53	2,800.00	9,576.55	70.90	29.23	74.50	180.68	N. A.
18	Manila	4.17	13	None	3,540.22	32.07	0	0	272.32	492,606
10	Showlow	17.47	181	1,585.70	35,877.50	9.65	4.41	90.76	198.21	525,766
20	Whiteriver	36.99	74	3,750	12,037.66	49.98	31.15	101.37	162.67	N. A.
1	Winslow	79.80	1,295	4,500.00	273,298.60	6.16	1.64	56.39	211.04	5,382,237
	Pima County:									
	Elementary:									
15	Ajo	159.57	1,154	316.80	237,339.04	13.82	.13	1.98	205.66	46,403,796
39	Continental	13.95	63	1,100.00	17,424.45	22.14	6.31	78.85	276.57	722,623
40	Indian Oasis	10.44	30	800.00	6,463.14	34.8	12.37	76.62	215.43	40,260
1	Tucson	61.55	13,950	2,100.00	3,352,897.49	.44	.06	34.11	240.35	76,564,679
	High School:									
15	Ajo	13.51	330	None	113,700.98	4.09	0	0	344.54	46,403,796
1	Tucson	8.61	3,826	500.00	1,389,315.98	.22	.03	58.07	363.12	76,564,679
	Pinal County:									
	Elementary:									
4	Casa Grande	33.04	1,519	2,000.00	302,700.80	2.17	.66	60.53	199.27	9,532,187
21	Coolidge	93.90	1,738	4,000.00	311,637.28	5.40	1.28	42.59	179.30	6,180,015
1	Florence	18.08	582	400.00	123,872.99	3.10	.32	22.12	212.84	3,560,295
20	Maricopa	23.27	212	1,400.00	40,596.02	10.97	3.44	60.16	191.49	2,747,938
33	Picacho	44.64	229	3,667.20	76,140.95	19.49	4.81	82.15	332.49	2,535,842
18	Sacaton	6.72	16	500.00	5,289.08	42.00	9.45	74.40	330.56	824,264
24	Stanfield	33.06	578	1,200.00	118,107.68	5.71	1.01	36.29	204.33	2,259,934
15	Superior	10.82	851	100.00	131,862.46	1.27	.07	9.24	154.95	7,233,267
	High schools:									
	UHS Casa Grande	15.71	367	3,000.00	221,769.76	4.28	1.35	190.96	604.27	17,816,070
	UHS Coolidge	20.43	336	1,950.00	122,414.28	6.08	1.59	95.44	364.32	6,180,015
	Yavapai County:									
	Elementary:									
	Yavapai Supt			500.00						
26	Beaver Creek	2.69	11	200.00	4,428.49	24.45	4.51	74.34	402.59	242,129
28	Camp Verde	20.32	129	3,800.00	35,774.32	15.75	10.62	187.00	277.32	1,087,749
38	Nelson	3.78	13	None	5,968.90	29.07	0	0	459.14	530,075
1	Prescott	17.49	1,695	1,150.00	363,647.03	1.03	.31	65.75	214.54	9,014,943
40	Seligman	15.60	111	1,049.92	32,834.82	14.05	3.19	67.30	295.80	4,430,314
3	Verde	29.21	417	1,000.00	127,884.41	7.00	.78	34.23	306.67	2,319,038
	High schools:									
28	Camp Verde	4.86	39	None	25,560.81	12.46	0	0	655.40	1,087,749
1	Prescott	1.87	615	None	230,679.73	.30	0	0	375.08	9,014,943
40	Seligman	6.61	43	4,338.44	32,815.59	15.37	13.22	656.34	763.15	4,430,314
3	Verde	3.50	145	None	68,225.76	2.41	0	0	470.52	2,319,038
	Yuma County:									
	Elementary:									
17	Mohawk Valley	7.87	75	None	39,700.85	10.49	0	0	529.34	3,415,980
27	Parker	178.18	488	26,594.14	109,436.82	36.51	24.30	149.25	224.25	1,592,550
	High school: Northern Yuma County	33.81	160	5,500.00	87,485.25	21.13	6.28	162.67	546.78	9,533,995

Mr. WATKINS. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. I yield to the Senator from Utah.

Mr. WATKINS. I invite the attention of the Senator from Oregon to a request which was made by me for an increase in the appropriation to take care of Indian heirship cases and other problems which arise when Indians die, and the question of the distribution of their property comes up. As I recall, nearly 3,000 such cases now remain to be decided, under the procedure in effect, and under the present appropriation it is almost impossible to catch up with the backlog of cases, and only barely possible to keep up with the current work.

This matter was called to the attention of the committee after the budget estimate had been sent to the commitee. I hope members of the committee have had an opportunity to familiarize themselves with the problem. I believe the chairman of the subcommittee is well advised on the subject, because there are Indians in his State, and I called the matter to his attention in connection with the liberation or termination bills by which certain tribes will be given full freedom, allowed to control and manage their own lands, and be taken from under the guardianship of the United States. That increases to a considerable extent the problems of the States in which those Indians live.

One of the objections on the part of the States involved is that they will then be saddled with thousands of additional heirship cases in which there will have to be determinations, and that the States will have to increase the number of State judges in the areas where the Indians live. The States feel that is an obligation of the Federal Government, and that the Federal Government should make either a direct appropriation to the States, or increase the appropriation of the Indian Bureau to enable it to employ a large enough staff of lawyers so that, under its procedure, which is well established, the personnel will be able to act, and bring the calendar of cases up to date.

Was the subcommittee sympathetic to the request which I made on behalf of the Indian Affairs Subcommittee and the Indian Bureau? I know the request was turned down. I am merely trying to ascertain if there was any real objection so that the matter may be discussed and cleared up. The States have had an increased burden because of the failure of Congress to do its duty in the past.

Mr. CORDON. I do not wish to be facetious, but I shall merely say that the request was turned down sympathetically. The subcommittee felt it had gone as far as it could go at this time, when it increased the amount appropriated by the House by $45,000, which brought the appropriation up to the budget estimate. The subcommittee is aware of what is involved in getting the job done. It is a task which confronts a number of States, particularly the public-land States westward of the Mississippi. In many of them it is a big job. In connection with working out the problem. I think—and here I am speaking my own thought—that the Bureau of Indian Affairs ought to give consideration to the question whether in part the deciding of such probate matters should not rest in the States themselves. Certainly if the program to raise the Indian from the status of a ward to that of an American citizen is fruitful—and we hope it will be—the day is not too far away when title to all Indian lands will be subject to State law, and, therefore, the regular State probate law will apply. I hope it may be

possible to handle some of the work in that fashion.

Mr. WATKINS. What we need is additional appropriations, so as to provide enough legal teams to take care of the probate cases for the Indians, so that the backlog of cases can be handled. That is one of the problems which was discussed recently in negotiations with the States involved.

Mr. CORDON. Another thought I wish to leave with the Senator from Utah is that there should be some short method by which title to chattels can be determined. There is no need to have an ordinary probate proceeding in connection with anything except lands, as to which, of course, there is perpetuity of title. I had hoped there would be a request for an appropriation predicated upon getting the entire job done, with such changes in the law as are essential for the least money and most expeditiously.

I wish to say, as one member of the committee—and when I make this statement, I believe I voice the views of the committee—that this is one of the instances in which the committee would even go to the extent of arrogating to itself legislative as well as appropriation authority, if we could move forward more rapidly.

However, in this bill we did not do anything on that score, because we had rather long sessions, day after day for 5 weeks, as I recall. In view of the action we were faced with in connection with maintaining what we considered a sound overall program, it seemed to us that to attempt to build this case above the one made by the Bureau of the Budget would be too big a chore in the time available to us. I make that statement frankly and honestly.

Mr. WATKINS. I had intended to offer an amendment to increase the amount available for the construction of facilities for the educational program of the Navahos, and also an amendment to increase the amount of money available to the Indian Bureau to carry on the probating of the estates of Indians who had had allotments made to them. But I shall not offer those amendments at this time.

I appreciate very much the sympathetic attitude of the Senate Appropriations Committee and, particularly, of the Subcommittee on Interior Department Appropriations.

However, I now give notice that we shall bring the amendments to the attention of the appropriate subcommittee of the Appropriations Committee, in order that they may go into the supplemental appropriation bill, and the funds may be made available with which to advance the educational program for these Indian children, who never again will have an educational opportunity if we do not give it to them now, because they will become older and will not then attend school. We also wish to have the subcommittee clear up the problem affecting the various Indian families who cannot obtain title to fractionated lands.

I appreciate very much the remarks of the Senator from Oregon about the probating of estates in connection with titles, and his suggestion about shortcuts. As he knows, we hope to have some amendments to submit, to take care of that situation.

Mr. President, I now ask unanimous consent to have printed at this point in the RECORD a statement in connection with each of these two problems, namely, the educational program and the fractionated, heirship lands.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

NAVAHO EDUCATION FUNDS—STATEMENT BY SENATOR WATKINS

As chairman of the joint committee established to advise the Congress on the development and progress of the Navaho-Hopi rehabilitation program, authorized by Congress under the act of April 19, 1950 (64 Stat. 44), I have watched with increasing interest the planning of the Bureau of Indian Affairs, under its new Commissioner, Mr. Emmons, to implement this program. I am aware of the interest of the Senate Committee and the House Appropriation Committee in this program through hearings on a supplemental estimate for an expanded Navaho educational program submitted to this committee for consideration in Senate Document No. 113.

This program provides for the education of almost 8,000 of the 13,000 Navaho Indian children who now have no opportunity to attend school. I believe that you will agree that this is the type of program that the Congress had in mind when authorizing this rehabilitation program and one that can be accomplished because of its logic and simplicity in design. Also, I am sure that those committtees are aware, as I am, that such a program could not be successful without the full cooperation of the non-Indian communities surrounding this vast reservation area. Furthermore, the enrollment of Navaho Indian pupils in public schools in towns near the reservation where living and feeding facilities are available offers opportunities and advatages far more important than the obvious economic advantages. It offers opportunities and advantages to both the Indian and non-Indian communities in solving problems of integration through mutual interest in a requirement basic to both groups—that of education opportunities for their children.

Another reason for my enthusiasm about this program is the cooperative spirit exhibited by the community leaders in the towns surrounding the Navaho Reservation, which is fundamental and so essential in reaching the ultimate goal envisioned through the long-range Rehabilitation Act, and the moderate cost of the proposed program.

I have learned recently that that part of the program that contemplates the use of public schools in towns surrounding the reservation is in jeopardy because of a ruling by the Health, Education, and Welfare Department that funds appropriated under Public Law 246, 83d Congress, 1st session (which amended Public Law 815, 64 Stat. 967), an act to provide aid to school districts for the construction of school facilities in areas affected by Federal activities, cannot be made available to assist the school districts willing to assist in this program. The Commissioner of Education has informed me that Public Law 815 money cannot be made available to these districts without legislation amending the act because the present act does not provide for aid to school districts which require financial assistance as a result of accepting children from outside the districts.

The plans of the Bureau were based on the premise that such funds would be available to the districts accepting Indian children from the Navaho Reservation to provide for the additional classroom space needed. I feel that we cannot afford to lose the opportunity and advantages offered by this program, especially in view of the rapid increase in the number of Navaho children out of school, and for this reason I have discussed other alternatives with officials of the Office of Education and the Bureau of Indian Affairs. Time is now too short before the next school year to expect the enactment of an amendment to Public Law 246. Therefore, the only alternative is to provide the necessary assistance through appropriations to the Bureau of Indian Affairs.

Appropriations for this purpose are authorized in the Navaho-Hopi Rehabilitation Act which provides in part that "* * * The Secretary of the Interior is hereby authorized and directed to undertake, within the limits of funds from time to time appropriate pursuant to this act, a program of basic improvement for the conservation and development of the resources of the Navaho and Hopi Indians, the more productive employment of their manpower, and the supplying of means to be used in their rehabilitation, whether on or off the Navaho and Hopi Indian Reservations." It is my opinion that this is ample authority for appropriations to aid the school districts cooperating with the Bureau of Indian Affairs in providing the necessary school facilities to increase educational opportunities for Navaho youngsters, and as a sponsor of the Navaho-Hopi Rehabilitation Act, I am familiar with the legislative history of that act. However, the Bureau is without funds to carry out the above purposes of this Act.

I am appearing before the Senate to ask that it favorably consider the appropriation of $3,300,000 to the Bureau of Indian Affairs to aid public school districts surrounding the Navaho Reservation in providing school facilities for an additional 3,000 Navaho children. This represents the number of Navaho pupils that can be enrolled in public schools in towns surrounding the reservation during the next two school years, 1,000 of whom can be enrolled during the next school year if funds are made available in time. The sum of $3,300,000 is based on the enrollment of 3,000 children at a per capita cost of $1,100 per pupil for the construction of the necessary facilities. Operating funds for the 1,000 children to attend these public schools during the next school year are included in the supplemental estimate submitted to the Appropriation Committee in Senate Document No. 113.

The addition of the $3,300,000 for the construction of school facilities will exceed the construction estimate submitted to the Congress by only $637,000. This comparatively small increase in the budget estimate is due to a reduction of $2,663,000 by the House which the Bureau did not ask this committee to restore.

H. R. 8680 as reported by the Appropriations Committee gives an appropriation of $4,535,425 for the operation and maintenance of educational facilities for the Navaho Indians alone. That sum appears as part of the approximate $60 million on page 8 of the bill. This figure of $4½ million includes moneys for such items as the rentals of dormitories, the operational costs of such dormitories and the necessary personnel to manage them, plus the tuition to be paid to the State school districts for approximately 1,000 Navaho children who have heretofore never been able to attend school.

The 1,000 students, it is contemplated, will be educated off the reservation in facilities provided by the communities surrounding the reservation. An additional 2,000 students will be brought into these off-reservation communities for education in the fall of 1955. Specifically the breakdown is as follows: Cortez, Colo., will not take any students this year, but will take 250 students in the fall of 1955; Farmington, N. Mex.—no students this year but 500 students in fall of 1955; Aztec, N. Mex.—120 students this fall and the same in 1955; Gallup, N. Mex.—300

students this fall and a total of 600 in fall of 1955; Richfield, Utah—120 students this fall and a total of 300 in the fall of 1955; Holbrook, Ariz.—120 this fall and a total of 240 in 1955; the Mission School at Holbrook will take 50 students this fall and the same number in 1955; Winslow, Ariz.—180 this fall and a total of 300 in 1955; Snowflake, Ariz.—120 this fall and the same number the following year; Flagstaff, Ariz., does not have facilities for any students this fall, but will provide for 500 in 1955.

By adding these figures you'll see that by this program we will put 1,010 students in non-Indian schools off the reservation and that total will be raised to 2,980 students in September of 1955. We are unable to place more than 1,000 students this fall because there simply is not space available in those communities at the present time to accommodate more than have been noted above.

These communities cannot build facilities to provide for these Indian students because the Indian children coming from a geographic area outside the boundaries of the State school districts make it impossible for the districts to tax or bond for this purpose. Likewise due to the fact that the Indian children do not live within the school district we are unable to obtain construction funds under Public Law 815 as amended and we therefore must rely on the authority contained in the Navaho-Hopi Rehabilitation Act and we must likewise appeal now that the funds be provided as part of the Interior appropriation bill.

This request if granted will provide the necessary funds to contract with the State school districts for construction of classroom facilities at an average cost of $1,100 per student. The construction of similar school facilities on the Navaho Reservation based upon available figures runs between $5,000 and $10,000 per capita, thus it is readily evident that this program will be a great savings.

Once these facilities are provided by the off-reservation communities the cost of education will include only payment to the school district of the tuition, boarding, and housing of the student which is presently figured at approximately $925 per year.

The need for this stepped-up reservation program on the Navaho Reservation is emphasized by the following facts and figures: In 1950 there were approximately 28,000 Navaho Indian children of school age, few of which were then attending school. In 1953 there were 14,000 of these children in school and the plan proposed by the Department of Interior is to include an additional 7,946 by the end of 1954. However, in order to make space available for this additional 7,946 we must provide the facilities for the additional 1,000 which we seek to educate off the reservation.

By the fall of 1955 it will be possible to offer education to every Navaho child who will attend school. Our problem of educating the Navaho children is complicated by the fact that with the increased acceptance of modern medical advice the Navaho children born on the reservation exceed the death rate by approximately 1,200 per year. Unless we affirmatively and realistically attack this educational problem the backlog will soon be so great as to preclude any possible solution.

Probation of Indian Estates Including Allotted Lands in Trust—Statement by Senator Watkins

The various acts of Congress for the allotment of land to Indians, such as the General Allotment Act of February 8, 1887 (24 Stat. 388; 25 U. S. C. 348), and several special allotment acts, provided that the United States shall hold the allotted land in trust for the use and benefit of the allottee, or, in case of his decease, for his heirs according to the laws of the State where the land is located. Where an Indian to whom an allotment of land has been made dies before the expiration of the trust period and before the issuance of a fee patent, by the act of June 25, 1910 (36 Stat. 855; 25 U. S. C. 372), as amended by the act of February 14, 1913 (37 Stat. 678; 25 U. S. C. 373), the Congress imposed upon the Secretary of the Interior the duty of determining the heirs to or devisees of the allotment in departmentally conducted inheritance proceedings affecting restricted allotted lands and other restricted property of an Indian allottee (except Indians of the Five Civilized Tribes and the Osage Nation).

The Department of the Interior now employs nine examiners of inheritance to carry out these statutorily imposed responsibilities of the Secretary of the Interior for the probate of these estates. Each examiner has a clerical assistant. The examiners conduct hearings for both testate and intestate Indian estates on the various reservations.

On the basis of the records made in those hearings, the examiners then issue orders determining the heirs or approving wills and for the distribution of the estate to the heirs and devisees. In effect, these examiners serve as probate judges, and their decisions may be appealed by any aggrieved person to the Secretary of the Interior. By order 2509, as revised (17 F. R. 6793), the Secretary delegated his authority with respect to such appeals to the Solicitor of the Department of the Interior.

Over many years, as a result of budgetary limitations, there has developed a steadily increasing backlog of pending and undecided cases in the probate of these restricted Indian estates. Since the accession rate of new cases at least approximates the present rate of disposal, this backlog cannot be eliminated without a marked increase in the budgetary sum of $121,930 which was made for these probate services in fiscal year 1954 which ends on June 30, 1954.

In October 1953 the Honorable Orme Lewis, Assistant Secretary of the Interior, appointed a survey team of three outstanding business executives to study the Bureau of Indian Affairs and to make recommendations for a more efficient and effective organization and improved operating procedures. In the survey-team report of January 1954 the second of the 10 major recommendations affecting the Bureau's functional activities is one reading as follows:

"The Bureau should develop a program, with the cooperation of Congress and the Bureau of the Budget, to accomplish early disposition of the backlog of cases involving probate administration of Indian trust property."

The report goes on to show that during fiscal year 1953, in addition to other duties, probate personnel of the Department of the Interior concluded 1,241 original probate cases, acted on 33 petitions for rehearing or reopening of probate cases, and modified 210 prior decisions; that in spite of these accomplishments the close of fiscal year 1953 added 1 more year of retrogression, rather than progress, in the probate department; and that the present organization and operation has not been able to keep pace with the workload is perhaps best illustrated by the use of readily available statistics.

Statistics in this report for the close of fiscal years 1952 and 1953, in the probate of these Indian estates, together with new cases arising in 1953, and cases disposed of in the same year, show that on June 30, 1952, there was a backlog of 2,679 pending and undecided cases. Although decisions were issued in 1,241 cases during fiscal year 1953, nevertheless, on June 30, 1953, 1 year later, there was a backlog of 2,987 pending and undecided cases.

In short, as disclosed by the report, during fiscal year 1953 this already enormous backlog of pending and undecided cases increased by 308. Applying the factor of 1,241 cases per annum indicated by 1953 accomplishments against the 2,987 backlog, it is readily seen that a nearly 2½-year backlog exists, apart from the annual new caseload. Put another way, present personnel have been able to dispose of approximately 100 cases per month; if present personnel concentrated only on backlog, 30 months' time would be required, while additional new cases accumulated at a rate in excess of 100 per month.

I have a copy of the statistical table in the report of the survey team, showing, by the headquarters of the probate districts into which the Indian country has been divided for administrative purposes, the details of the formidable backlog which has been created by the past budgetary limitations. I also have a list showing the Indian reservations that are included in each Indian probate district. I attach these two tables at the end of this statement.

If it should be asked why the rate of issuance of decisions by the examiners cannot be increased, it should be understood that in the typical case the Indians are not represented by counsel even in some of those involving estates which are substantial in amount, and the examiner of necessity performs many functions which in the probate of non-Indian estates would normally be performed by the administrator or executor or his attorney. The performance of such functions obviously affects the rate of decision of the examiners.

The report of the survey team states that it concurs wholeheartedly in a statement by the Bureau Chief Counsel that unless action is taken to correct this condition, it gives every indication of becoming progressively worse. That statement reads in part as follows:

"The inordinate delays in the distribution of a decedent Indian's trust or restricted trust estates, which are typically inevitable in their departmental probate, are patently unfair to the heirs and devisees. Public protest would compel their correction in the probate by State courts of the estate of a non-Indian decedent. Apart from that fact, these delays adversely affect the utilization of Indian lands, as the interests of heirs and devisees therein become increasingly fractionated, and increase the Bureau's problems in the administration of Indian affairs."

The proposed budget for the Bureau of Indian Affairs for Resources Management for fiscal year 1955 appropriates only an additional $45,000, above the $121,930 provided for in the budget for fiscal year 1954. Such a small increase would permit the employment of only 4 additional examiners and related clerical assistants. In my judgment such a small increase is entirely inadequate to clean up this backlog in the foreseeable future.

An appropriation of $170,000 for each of the next 3 fiscal years, in addition to the approximately $122,000 now spent for Indian probate administration, should be sufficient to eliminate this backlog over a 3-year period. I believe that such a budgetary approach is preferable to that of appropriating a sum such as $600,000 in the expectation that it would then be possible to eliminate the backlog in a single fiscal year. Under title 25, United States Code, sections 372 and 373 the trust or restricted estate of a decedent Indian descends or is distributed in accordance with the laws of the State wherein the property is located. Hence an examiner of inheritance must be familiar with the State laws applicable to the descent and distribution of the property of a decedent in the particular State in which the property is located.

Consequently, for all practical purposes the examiner of inheritance must be a person trained in the law, and it will be necessary to recruit and train persons with legal training for any additional positions of examiners of inheritance. Under the Administrative Procedures Act of June 11, 1946 (60 Stat. 237), as amended (5 U. S. C. 1001 and

succeeding sections), examiners of inheritance must be appointed from registers of hearing officers maintained by the Civil Service Commission.

I was informed that the present regulations do not require that the person be a lawyer to be placed on the register as a hearing examiner. Because probate is though a comparatively simple procedure it does require legal training in order to assure that the State law in each particular case is strictly complied with.

The success or failure of this program to clear up this backlog of probate cases is dependent on immediate commencement, and that does not leave time for the education of personnel not acquainted with the descent and distribution laws of the Western Indian States. We must provide authority to employ local attorneys to solve this problem. For these reasons, I propose, as part of this amendment, to exempt the appointment of these people from the provisions of the Administrative Procedures Act.

It will be more efficient to carry out the program to eliminate the backlog of Indian probate work by three successive appropriations of $170,000 each, in addition to the sum of approximately $121,930, now normally appropriated for Indian probate. Put another way, for the next 3 years the appropriations for the Bureau of Indian Affairs for Resources Management should include about $291,000 for probate purposes.

The fees for the probate of these estates are fixed by statute (42 Stat. 1174, 1185; 25 E. S. C. 377), and these receipts go into the Treasury of the United States. For example, the latest available figures show that probate fees totaling $47,752 were collected during the fiscal year 1953 as against appropriations of approximately $122,000 for the same period for the Department's statutory probate responsibilities. Hence it is apparent that a substantial proportion of the additional appropriation necessary to clean up this tremendous backlog will ultimately be returned in the form of fees to the Treasury.

Backlog of Indian probate cases by probate district headquarters

Probate district headquarters	Backlog, June 30, 1952	New cases, 1953	Concluded, 1953	Hearings completed awaiting writeup, June 30, 1953	Further hearings necessary, June 30, 1953	Backlog, June 30, 1953
Billings	159	88	135	88	5	112
Bismarck	241	202	195	18	103	248
Carson City	335	328	207	126	240	366
Minneapolis	266	221	175	0	312	312
Phoenix	621	224	164	38	32	681
Pierre	581	144	155	234	336	570
Portland [1]	358	314	151	183	111	521
Shawnee [2]	118	118	59	6	171	177
Total	2,679	1,549	1,241	693	1,310	2,987

[1] Includes Alaska for statistical purposes.
[2] No final figures.

LIST OF INDIAN RESERVATIONS IN EACH INDIAN PROBATE DISTRICT

BILLINGS, MONT.

Blackfeet Agency, Browning, Mont., and all subagencies and tribes.

Flathead Agency, Dixon, Mont., and all subagencies and tribes.

Crow Agency, Crow Agency, Mont., and all subagencies and tribes.

Northern Cheyenne Agency, Lame Deer, Mont., and all subagencies and tribes.

Fort Belknap Agency, Harlem, Mont., and all subagencies and tribes.

Wind River Agency, Fort Washakie, Wyo., and all subagencies and tribes.

Northern Idaho Agency, Fort Lapwai, Idaho, and all subagencies and tribes.

BISMARCK, N. DAK.

Fort Berthold Agency, Newtown, N. Dak., and all subagencies and tribes.

Turtle Mountain Consolidated Agency, Belcourt, N. Dak., and all subagencies and tribes.

Standing Rock Agency, Fort Yates, N. Dak., and all subagencies and tribes.

Cheyenne River Agency, Cheyenne Agency, S. Dak., and all subagencies and tribes.

Fort Peck Agency, Poplar, Mont., and all subagencies and tribes.

CARSON CITY, NEV.

State of California, except Fort Yuma subagency, area director, Sacramento, Calif.

Nevada Agency, Stewart, Nev., and all subagencies and tribes.

Fort Hall Agency, Fort Hall, Idaho, and all subagencies and tribes.

Klamath Agency, Klamath Agency, Oreg., and all subagencies and tribes.

Uintah and Ouray Agency, Fort Duchesne, Utah, and all subagencies and tribes.

MINNEAPOLIS, MINN.

Consolidated Chippewa Agency, Cass Lake, Minn., and all subagencies and tribes.

Red Lake Agency, Red Lake, Minn., and all subagencies and tribes.

Sisseton Area Field Office, Sisseton, S. Dak., and all subagencies and tribes.

Flandreau School, Flandreau, S. Dak., and all subagencies and tribes.

Great Lakes Area Field Office, Ashland, Wis., and all tribes.

Winnebago Agency, Winnebago, Nebr., and all subagencies and tribes.

PHOENIX, ARIZ.

Colorado River Agency, Parker, Ariz., and all subagencies and tribes, and Fort Yuma subagency, California.

Fort Apache Agency, Whiteriver, Ariz., and all subagencies and tribes.

Hopi Agency, Keams Canyon, Ariz., and all subagencies and tribes.

Navajo Agency, Window Rock, Ariz., and all subagencies and tribes.

Pima area field office, Sacaton, Ariz., and all tribes.

San Carlos Agency, San Carlos, Ariz., and all subagencies and tribes.

Papago Agency, Sells, Ariz., and all subagencies and tribes.

Jicarilla Agency, Dulce, N. Mex., and all subagencies and tribes.

Mescalero Agency, Muscalero, N. Mex., and all subagencies and tribes.

United Pueblos Agency, Albuquerque, N. Mex., and all subagencies and tribes.

Consolidated Ute Agency, Ignacio, Colo., and all subagencies and tribes.

PIERRE, S. DAK.

Crow and Creek Agency, Fort Thompson, S. Dak., and all subagencies and tribes.

Pine Ridge Agency, Pine Ridge, S. Dak., and all subagencies and tribes.

Rosebud Agency, Rosebud, S. Dak., and all subagencies and tribes.

Sioux Indian claims for taking ponies by United States Army.

PORTLAND, OREG.

Colville Agency, Nespelem, Wash., and all subagencies and tribes.

Western Washington Agency, Everett, Wash., and all subagencies and tribes.

Grand Ronde-Siletz subagency, Portland, Oreg., and all tribes.

Yakima Agency, Toppenish, Wash., and all subagencies and tribes.

Chemawa School, Chemawa, Oreg., and all subagencies and tribes.

Umatilla Agency, Pendleton, Oreg., and all subagencies and tribes.

Warm Springs Agency, Warm Springs, Oreg., and all subagencies and tribes.

SHAWNEE, OKLA.

Quapaw Subagency, Miami, Okla.

Anadarko area office, Anadarko, Okla., and all subagencies and tribes.

Potawatomi area field office, Horton, Kans., Loyal Shawnee war claims.

Absentee Shawnee war claims.

Mr. WATKINS. Mr. President, I shall not offer the amendments to which I have referred; but again I serve notice that we shall appear before the subcommittee with a budget estimate to take care of each of these situations, because I believe that in the orderly procedure in connection with these matters, it is possible to take care of them.

Mr. CORDON. Mr. President, I wish to express appreciation on the part of the subcommittee and also the full committee for the action of the Senator from Utah in withholding the amendments. I assure him that the committee will give proper consideration to these matters, in connection with the supplemental bill.

In closing, Mr. President, I desire to express my appreciation to the members of the subcommittee for the diligent work they have done in connection with the bill, and I particularly express my appreciation to the senior Senator from Arizona [Mr. HAYDEN], who has had more experience in this field than has any other Member of the Senate, and therefore he is very definitely the most valuable.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The bill is open to further amendment. Are there further amendments to be submitted?

Mr. MANSFIELD. Mr. President, I wish to ask a few questions of the distinguished chairman of the subcommittee.

First, I desire to express to him my sincere appreciation of the courtesy and kindness he showed me when I appeared before the subcommittee, and I desire to thank him for what he and his subcommittee have done in connection with the various projects in my State.

Insofar as the Moorhead Dam is concerned, the bill contains the following proviso:

Provided further, That no part of this or prior appropriations shall be used for construction, nor for further commitments to construction of Moorehead Dam and Reservoir, Mont., or any feature thereof until a definite plan report thereon has been completed, reviewed by the States of Wyoming and Montana, and approved by the Congress.

I should like to ask the chairman of the subcommittee what is meant by the language "reviewed by the States of Wyoming and Montana" relative to the proposed Moorhead Dam and Reservoir project.

Mr. CORDON. Our subcommittee had before it no information as to whether the reviews by the States of Wyoming and Montana had been completed, or what they were, or of any action that had been taken by the Congress or by any committee of the Congress, so far as this matter was concerned. Therefore, under the circumstances, there was no action the committee could take.

Mr. BARRETT. Mr. President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I yield for a question.

Mr. BARRETT. I may say to the distinguished Senator from Montana that, according to my information the provisions of the Flood Control Act of 1944 have not been complied with, and the matter has not been submitted to the States of Montana, Wyoming, and North Dakota. Consequently, under the provisions of that act, it would be inappropriate for the committee to report such an appropriation.

Mr. MANSFIELD. I simply wished to know what the picture as of this time was insofar as the Moorhead project was concerned. I thank the Senator from Wyoming.

Mr. President, I ask the chairman of the subcommittee if he can inform us as to the present status of the Yellowtail Dam, in the Crow Indian Reservation, in southeastern Montana?

Mr. CORDON. So far as the subcommittee is concerned there was nothing in the budget about that item.

Mr. MANSFIELD. I see.

Mr. CORDON. I know that project has been in dispute for a great number of years, but nothing in regard to it was submitted to the committee.

Mr. MANSFIELD. Can the chairman of the subcommittee inform the Senate of the status under the pending appropriation bill of the Bonneville office in Kalispell, Mont.?

Mr. CORDON. The amount of the budget item was allowed for Bonneville, and there is no reason for the elimination of the office at Kalispell, unless it is done by the administrator in connection with the budget; and as to that I cannot answer.

Mr. MANSFIELD. Of course, the chairman of the subcommittee knows that only $30,000 is required to run the office at Kalispell, which is the one located farthest from the headquarters of Bonneville and in a new area, where it is doing $2 million worth of business a year. It is our hope that Kalispell will not be discriminated against in favor of some larger place. We think that the amount mentioned by me is a very small one to carry on the activities there.

Mr. CORDON. Mr. President, I am not speaking for the committee, because the committee did not discuss the subject, but I should like to say for myself—and I believe I can say that the committee is in agreement with me—that I can see no reason for closing that office. Bonneville is rendering a service for the people of the Pacific Northwest; and the service should be as broad, geographically, and otherwise, as the necessities of the area require.

Mr. MANSFIELD. The Senator's statement is very reassuring.

Can the Senator tell me what the status of the Helena Valley unit is at the present time? I refer to the proposal to irrigate the area in the vicinity of Helena, Mont.

Mr. CORDON. The Helena unit, as of the moment, is quiescent. It is not in this bill. It will be taken up in connection with the supplemental bill. The committee simply had too much on its hands to take on those additional budget estimates. We gave them a look-see and decided that we could handle them better if we had more time, in connection with a supplemental appropriation bill. The Senator discussed some of the matters in connection therewith. There was certain testimony in the hearings on this subject. We shall endeavor to obtain full information, and action will be had in connection with the coming supplemental appropriation bill.

Mr. MANSFIELD. I gather that, for the time being, at least, the Helena Valley unit is gone, but I hope it will not be forgotten in the future.

Mr. CORDON. It will not be forgotten.

Mr. MANSFIELD. So far as the Missouri-Souris project is concerned, the Senator from Oregon will remember that there have been divergent groups in Montana, both for and against that particular project. I notice at the top of page 19 of the committee report the following statement:

> Within the amount allowed for "Missouri River Basin investigations" a reasonable amount may be used to continue such investigations in this area that the Bureau of Reclamation deems proper.

I take it the committee means by that statement that a certain amount, if approved by the Bureau, can be used to carry on an investigation of the feasibility of the Missouri-Souris project.

Mr. CORDON. That is correct.

PLAINS INDIAN MUSEUM

Mr. MANSFIELD. I now wish to discuss the Plains Indian Museum, and to express publicly my thanks to the chairman of the subcommittee and the full committee, in connection with the hearings on this subject, for the great service they have rendered the people of Montana and, as a matter of fact, the people of America, in the preservation of the Americana lodged in the museum on the Blackfeet Reservation in northwestern Montana.

At this point in the consideration of the appropriations for the Interior Department as reported out of the committee, I would like to discuss the budget cut in the funds for the operation of museums under the jurisdiction of the Bureau of Indian Affairs, more particularly in regard to the Plains Indian Museum at Browning, Mont.

I have proposed the following amendment: On page 8, line 13, strike out $60,700,000 and insert in lieu thereof "$60,705,730, of which $21,730 shall be available only for the Plains Indian Museum at Browning, Mont." This amendment will restore funds necessary to maintain the museum as it has been in the past. These funds provide for a curator, an assistant curator, a janitor, utilities, and upkeep.

The Museum of the Plains Indian, located near the eastern entrance to Glacier Park in Montana, is one of the few depositories of original Americana in the Nation and is of great importance historically to the State and Nation as well as a tourist attraction. During recent months there has been a movement to change the character and purpose of this museum and the Interior Department appropriations bill we are now debating proposes a cut in the museum's operational funds which will cut down the efficiency and number of the research staff to one.

A movement was begun in October 1953 to transfer the museum from the Bureau of Indian Affairs to the Indian Arts and Crafts Board. Early objections to the transfer were quieted by statements to the effect that this transfer would not affect the museum at Browning in any appreciable way. Within the past few weeks the local people have realized that the transfer would turn the museum into a curio and souvenir shop with a merchandising expert in charge. Under the proposed plan, the Plains Indian Museum would lose all of its identity as a showplace for exhibits of the early plains Indian of America. Under the guidance of the curator these displays are frequently changed and added to, in order to maintain interest. Under the proposed plan this would be lost.

There are superb collections on loan to the museum from the Smithsonian Institution, the Great Northern Railway Co., and many other collectors. Under the supervision of the arts and crafts board there would not be a curator in charge of the museum and as a result the collectors were preparing to take their collections from Browning. They have no intention of leaving rare artifacts and other materials in the hands of untrained people who are primarily interested in merchandising.

During recent years the museum has been under the curatorship of Claude Schaeffer, who has done a great deal of research with the Indians, and has resulted in a large number of publications of tremendous importance in the fields of anthropology, archeology, and ethnology. He has been able to collect materials of great value and he has uncovered new and completely unexploited areas of knowledge about the Indians. Under the proposed transfer all of this would be lost and a merchandising specialist and salesman would be running the museum.

The officials who have suggested the transfer have shown a great lack of knowledge of the situation in making their decision. They knew little about how a museum operates and what it accomplishes. They exhibit a profound ignorance of Montana, Montana Indians, and Montana sentiments. Someone even suggested that the new plan would make the Plains Indian Museum available to the public the year around. They obviously have never been in Montana, it is almost impossible to get into this area once winter has set in. Under the present plan research is carried on during the winter months.

Within recent weeks the people of Montana have expressed vigorous opposition to this transfer and so the Commissioner of Indian Affairs rescinded

the order last week. The problem of turning the museum into a curio shop has been temporarily solved but now it is necessary to insure an adequate appropriation to enable the museum to operate effectively during the coming fiscal year. The Plains Indian Museum now operates with a budget of approximately $21,000.

A possible solution to the problem might be for the State of Montana to take over active operation or to have the museum transferred to the National Park Service. Since the Montana Legislature does not meet until next year and the Park Service does not at the present time have sufficient funds to take over the operation, it is imperative that the museum be granted sufficient funds so that it can continue to operate efficiently as it has in the past.

Mr. President, at this point in my remarks I wish to insert a copy of my letter to the National Park Service suggesting that they take over the operation of the Plains Indian Museum.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
May 28, 1954.

CONRAD L. WIRTH,
Director, National Park Service, Department of the Interior, Washington, D. C.

DEAR MR. WIRTH: In the past several days I have received a great many communications relative to the Plains Indian Museum at Browning, Mont. The Bureau of Indian Affairs had issued an order some time back to transfer the museum from the Educational Unit to the Board of Arts and Crafts; however, the people in Montana vigorously opposed this transfer, and the Commissioner of Indian Affairs rescinded the order just this week. The museum will be retained as is until July 1, and in the new fiscal year it will be operated under the Educational Unit of the Bureau of Indian Affairs, but until the appropriation is made, there will be a question as to whether or not both the curator and his assistant will be retained.

My purpose in writing to you is to make inquiry of your division relative to one of the suggestions which have been submitted to me during the course of my conversations with people in Montana. Several people have suggested that perhaps the National Park Service should take this museum over and operate it. I feel sure that you are familiar with the museum, and, of course, I am very much interested in seeing that this original Americana is retained. There are several collections which have been loaned by the Great Northern Railroad and by individuals in Montana to the museum, and it is not only of national importance but of international importance. It is my understanding that individuals all over the world have made inquiries concerning this particular museum because they have been so impressed by it that they would like to have similar museums started in their own countries respecting their own historical background. In view of the fact that this museum is very close to Glacier National Park, I am making inquiry to see what you think of the proposal that the National Park Service take over the operation of this museum as is.

I have talked with Mr. Emmons, Commissioner of Indian Affairs, relative to a proposal which also has been submitted to have the State of Montana take over the museum. I have told Commissioner Emmons that such a proposal could be submitted to the State legislature, but my offhand opinion would be that the State would maintain that this is a Federal project and should be maintained as such.

It is my assumption that the Bureau of Indian Affairs would like for someone to take over the museum, and if this is the case, I would appreciate having your reaction to the proposal that the National Park Service do so. I am taking the liberty of sending a copy of this letter to Commissioner Emmons so that he will know of this suggestion.

With best personal wishes, I am,

Sincerely yours,

MIKE MANSFIELD.

Mr. MANSFIELD. This museum has been temporarily saved from the fate of becoming a dubious commercial venture under the Indian Arts and Crafts Board. Now we must see that it is set up on a satisfactory and sound basis.

As I have already stated, protests in all parts of Montana have grown rapidly and have only recently come to the attention of the proper individuals. It seems that the picture was being deliberately obscured until the disintegration of the museum was almost a reality.

As an example, J. L. Sherburne, of Browning, who has part of his collection on loan to the museum, did not know of the proposed change until he stopped at the museum early in May of this year and discovered the curator packing up some of the exhibits. Mr. Sherburne told me that he questioned Dr. Schaeffer as to why the boxes were packed, and Dr. Schaeffer said that he and his assistant, Mr. Keogh, had received notices as of April 9 that they were fired and they were getting ready to leave. Mr. Sherburne also told me that when Mr. Davis, a director of the Indian Arts and Crafts Board, was in Browning that he ran into a great deal of protest, and during his particular conversation with him Mr. Sherburne stated he asked Mr. Davis "who he was." Davis replied that "he was a manufacturer of the jewels of gift merchandise." Mr. Sherburne then questioned him as to who specifically was going to take over the museum under the transfer, and Mr. Davis replied that they would be people who were also connected with the manufacture of merchandise.

While the curator and his assistant received their dismissal notices, the people were being reassured from Washington to the effect that all was well and that the museum would actually be enlarged and improved under the Indian Arts and Crafts Board.

I contacted the Department of the Interior immediately upon learning of the situation and, receiving no answer, I pressed further for an immediate answer to my questions about the transfer and appropriations in a letter, dated May 25, but as yet I still have not received a reply.

It is difficult to understand this type of economy. The foremost consideration should be given to the maintenance of the Plains Indian Museum as a museum and operated as such with a competent staff.

Before any future action is taken in transferring the museum to the State of Montana, the National Park Service, or to any other agency, the entire Montana congressional delegation should be fully informed, and any decision should comply with the views of the majority.

Mr. President, at this point in my remarks I wish to insert into the RECORD copies of letters I sent to the Secretary of the Interior, the Senate Appropriations Committee, and the National Park Service in protest to the curtailment of the activities of the Plains Indian Museum at Browning, Mont.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
May 6, 1954.

Hon. DOUGLAS MCKAY,
Secretary of the Interior,
Washington, D. C.

DEAR MR. SECRETARY: With regard to the appropriation for the Plains Indian Museum at Browning, Mont., will say that it is my understanding that there is a proposal to transfer the appropriation from the Interior Department to the Indian Bureau of Arts and Crafts.

Would you please advise me if such a proposal is under active consideration and, if so, just what the status of the museum will be under such a transfer. May I hear from you immediately on this matter so that I will have this information before the Appropriations bill comes to the Senate floor for consideration?

Thanking you and with best personal wishes, I am,

Sincerely yours,

MIKE MANSFIELD.

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
May 25, 1954.

Hon. DOUGLAS MCKAY,
Secretary of the Interior,
Washington, D. C.

DEAR MR. SECRETARY: On May 6th I wrote to you relative to the Plains Indian Museum at Browning, Mont., at which time I raised the question whether or not a proposal to transfer this museum to the Board of Arts and Crafts had been considered and, if so, what was the status of the proposed transfer. To date I have not received an answer from you on this, but in view of the information which has been called to my attention within the past 2 days, I am writing at this time to request that you give me an answer to this letter immediately due to the fact that the appropriation bill for Interior is expected to be considered by the Senate very shortly.

It is my understanding unofficially that your Department has made a decision to transfer the Plains Indian Museum to the jurisdiction of the Board of Arts and Crafts, that the present personnel of curator and assistant curator will be eliminated, and that a man trained only in merchandising will be in charge of the museum to operate it as a curio shop. I have received innumerable protests within the past 24 hours to such a proposed transfer because the people in my State feel that this transfer will mean the demise of the museum as such and that the collection of arts will be in the hands of untrained people who are primarily interested in merchandising. It has also been told to me that the individuals who have loaned their collections to the museum will withdraw them because they do not want to leave their material in the hands of people who are not trained in the fields of anthropology, archeology, and ethnology. Would you therefore advise me if your Department has made the decision to transfer this museum to the Board of Arts and Crafts? If such a decision has been approved—when—and when is it to be effective?

It is my understanding that the museum was a WPA project. Would you advise me what is the present status of the law author-

izing the construction; that is, was there a specific law authorizing the specific construction of the building at Browning to be used as a museum? If the law provides that this be administered as a museum, under what authority has the Department acted in its decision—assuming it has been made? If it were a WPA project, as I have been informed, was the land on which it was built Federal land or was it State land? Also, how do the agreements read between the Bureau of Indian Affairs and the individuals who loaned their collections of art to the museum?

It has been called to my attention that Mr. Davis, of the Board of Arts and Crafts, has stated that the transfer would "make available the museum on a year-round basis to the general public." It is my understanding that the general public does not visit Browning once winter has set in, and this transfer would not make it any more accessible to the general public on a year-round basis. The general public only goes to that area during the summer months.

It is also my understanding that Mr. Davis has misrepresented the sentiments of Montanans to the people in the Department. I have received innumerable protests from individuals throughout the whole State to this transfer, and therefore I would like to have an answer to this letter immediately, as I desire to have all this information prior to the time the appropriation bill for the Interior Department is brought to the Senate floor. As you know, the bill is now being marked up in committee, and it is expected that it will be reported very shortly; and due to the numerous protests I have received, it is my intention to see that the protests from Montana are given every consideration by the Congress.

Thanking you and with best personal wishes, I am,

Sincerely yours,

MIKE MANSFIELD.

MAY 25, 1954.

Hon. GUY CORDON,
Chairman, Subcommittee on Interior Appropriations, Senate Committee on Appropriations,
Washington, D. C.

DEAR MR. CHAIRMAN: This will supplement my testimony before your subcommittee a few weeks ago. At that time I requested that your committee appropriate the necessary funds for the present personnel at the Plains Museum at Browning, Mont.; that it not be transferred to the Arts and Crafts Board; and that its name not be changed. Since I appeared before your committee I have received many communications which go into far more detail concerning this museum, and I would like to bring this information to your attention prior to the completion of the marking up of the appropriations bill. I understand that your subcommittee did not complete its markup yesterday, and therefore I am taking the liberty of getting this letter to you immediately.

I would like to request that the Appropriations Committee appropriate sufficient funds to maintain this museum as a museum, with its name remaining the same and that it not be transferred to the Arts and Crafts Board, where it will be turned into a souvenir store. At this particular museum many fine collections of exhibits have been loaned by the Great Northern Railroad and by private individuals with a definite commitment that they would be displayed under the management of a museum curator. It is my understanding that if this transfer is made there will not be a proper curator and that these individuals who have loaned their exhibits will withdraw them from the museum. The museum has given an opportunity to many of our citizens to learn more about our early American history and our Indians. I cannot stress too strongly how important it is to retain this original Americana. It is the belief of everyone in Montana that it should be maintained as such.

It has also come to my attention that perhaps a proposal may be submitted to the State of Montana to take this museum over in the event the Federal Government should not desire to maintain it as a museum. However, due to the fact that the Montana State Legislature will not be in session until next January, nothing can be done on this suggestion. I would therefore like to request that your subcommittee amend the bill as passed by the House and provide for the necessary funds for the curator and his assistant and eliminate the language transferring it to the Board of Arts and Crafts and changing its name.

I would also like to mention that it has been called to my attention that Mr. J. Edward Davis, who was out at Browning, has returned to Washington and made the statement that everyone in Montana has agreed to the proposed transfer. It is my understanding that Mr. Davis has misrepresented the facts and that the people in Montana are not in favor of this transfer. Upon receipt of such information given to me yesterday over the telephone, I discussed this matter personally with Senator MAGNUSON and gave him what information I could at that time.

I urge that your committee give this matter your most earnest consideration due to the fact that misrepresentations have been made at this time.

With best personal wishes, I am,

Sincerely yours,

MIKE MANSFIELD.

Mr. MANSFIELD. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, editorials and articles published in newspapers of Montana.

There being no objection, the editorials and articles were ordered to be printed in the RECORD, as follows:

[From the Ekalaka (Mont.) Eagle of May 21, 1954]

SOME STRANGE IDEAS ON ECONOMY

If there is anything to the rumor that the Department of the Interior has been ordered to junk the Museum of the Plains Indians at Browning, we are "agin" it on the grounds that this idea of economy can be carried too far.

During the last few months, we have been curiously bedeviled with some of the antics of the Post Office Department, which incidentally do not originate at the grassroots. And the excuse for this has been economy, which we couldn't understand, anyway. At least, it didn't look economical. But we haven't said anything, in the hopes that it might be. And we suppose the McCARTHY expense has been necessary, or at least slightly hard to dodge, although we hope there are still more important things to spend the taxpayers' money on. Maybe Summerfield, the Postmaster General, has a worthwhile point when he uses the taxpayers' time to tell the country that the Democrats really started the invasion of Korea after all.

If we lived in Browning we could very reasonably be accused of having a pecuniary interest in the museum. As it is, we merely agree with another editor, who doesn't live in Browning either, "That the museum is too valuable to lose."

Irvin Hutchinson recently stated in his Liberty County Times: "Two hours in that museum will give any kid a better understanding of Indian life in this area before the white man than all the textbooks or teachers can give in a year's schooling. What's more, adults who have theoretically completed their education can learn a great deal from a visit to the museum. Nowhere in school will one be given a better insight into this phase of our history."

Although we are 500 miles away, we loudly agree with this series of statements, and call for some revision in just what "economy" must mean to some people.

[From the Daily Missoulian, Missoula, Mont., of May 26, 1954]

D'EWART REPORTS MUSEUM WILL CONTINUE

MALTA.—Representative WESLEY A. D'EWART, Republican of Montana, said here Tuesday night the Museum of the Plains Indian at Browning will continue to operate as presently.

D'EWART said he received information from Washington that the Federal Government has no intention of closing the museum.

D'EWART said Government plans are to continue operation of the museum until the State legislature meets in January. At that time the Department of the Interior will offer the institution to the State of Montana as an addition to its existing historical department.

He said the museum's curator, Dr. Claude Schaeffer, also will be maintained. He added that neither Schaeffer nor his assistant had been relieved.

The Senate Appropriations Committee is considering transferring appropriation for museum operations from the Indian Bureau's Education Division to the Arts and Crafts Division.

D'EWART was here to address the Phillips County Young Republican Club.

CENTER OF CONTROVERSY

WASHINGTON.—The Plains Museum of the Indian Bureau at Browning, Mont., was a center of controversy Tuesday.

Senator MANSFIELD, Democrat, of Montana, asked the Senate Appropriations Committee to provide sufficient funds for operation of the museum and to prevent its transfer from the Indian Bureau's Education Division to the Arts and Crafts Division.

MANSFIELD, in a letter to the committee, expressed concern that if the transfer takes place the museum will be "turned into a souvenir store" and that valuable Indian exhibits now displayed there by the Great Northern Railroad and some individuals may be withdrawn.

J. E. Davis, head of the Indian Bureau Arts and Crafts Division, told a reporter that such fears are groundless and are based upon unfounded rumors.

He said the museum has been ordered placed under the Arts and Crafts Division, effective as of July 1, but that it will be maintained as a museum exactly as it has been in the past.

Davis added that he could see no reason to believe that any privately owned exhibits would be withdrawn.

The transfer, he said, was ordered because the Arts and Crafts Division was set up to administer such functions of the bureau as its museums.

Davis said a cut in budget requests for personnel at the museum would be "equivalent to the salary of one official." The museum now employes a curator and assistant curator, along with some services personnel.

In his letter to the committee MANSFIELD said:

"The museum has given an opportunity to many of our citizens to learn more about our early American history and our Indians. I cannot stress too strongly how important it is to retain this original Americana. It is the belief of everyone in Montana that it should be maintained as such."

[From the Great Falls (Mont.) Tribune of May 28, 1954]

SAVE-MUSEUM LEADERS TO KEEP STANDBY WATCH

BROWNING.—Relieved by Indian Commissioner Glenn L. Emmons' announcement Wednesday that the Plains Indian Museum would be kept within the Bureau's education department, and not transferred to Interior Department's Arts and Crafts Board, leaders in the "Save-the-Museum" fight indicated Thursday they will not relax their efforts to head off future tampering with administration of the institution.

Emmons wired Gov. J. Hugo Aronson status of the museum would remain unchanged "until Montana decides whether it wants to assume operation." He added, however, that the Bureau may be forced to dismiss some museum employees after July 1. This, the friends of the museum say, must not happen.

The museum staff consists of the curator, Dr. Claude Schaeffer, an ethnologist and expert on regional lore, and Thomas Keogh, assistant curator. Both were notified several months ago by J. Edward Davis, chairman of the Arts and Crafts Board, that their jobs would be terminated July 1.

Montana friends of the museum became aroused only a few weeks ago, when Dr. Schaeffer and Keogh were seen crating some of the priceless loan exhibits for which they had assumed responsibility. The Browning and Great Falls Chambers of Commerce sent letters of protest to Representative Wesley A. D'EWART and other members of the Montana congressional delegation.

Swift action by Representative MIKE MANSFIELD is given much credit here for the Indian Bureau's action to restoring the museum to the Bureau's education department and taking it out of the hands of the Arts and Crafts Board, which is independent of the Bureau although within the Interior Department.

MANSFIELD wrote Senator GUY CORDON, chairman of the Senate Subcommittee on Interior Appropriations, and to Secretary Douglas McKay, requesting that sufficient funds be appropriated to maintain the museum in its present status. The Senator pointed out that Montana's legislature does not meet until next January, and nothing can be done until then about transferring jurisdiction of the Plains Indians Museum from Federal to State administration.

James J. Flaherty, former president of the Great Falls Chamber of Commerce, wrote Senator JAMES E. MURRAY that "The Plains Indians Museum should be left as it is. The curator, Dr. Claude Schaeffer, is nationally recognized as a student and expert in the history of the Plains Indians. Why someone wants to destroy this and turn this historical museum into a curio shop is beyond my power of comprehension."

H. H. Cloke, superintendent of Browning schools, supported by the full membership of the Browning school board, wrote to Senator MANSFIELD:

"To make a merchandise mart of our sustainingly valuable museum would be like converting the Old North Church into a beer tavern. One hour's expense of the McCarthy-Army hearings would maintain our museum for some time."

K. Ross Toole, director of the Historical Society of Montana, wrote in a letter to Senator MANSFIELD:

"Various statements have been released to the effect that the proposed transfer (from the Indian Bureau to the Arts and Crafts Board) would not affect the museum * * * in any appreciable way. This is sheer nonsense. The transfer will mean the demise of the museum as such."

Of Dr. Schaeffer, Toole wrote:

"Because the Indians know and trust Claude Schaeffer, and because they know he is a trained ethnologist, he has been able to collect material from them of great value. He has been able to uncover new and completely unexploited areas of knowledge about the Indians. And all this reflects in the excellence of the museum—one of the finest of its kind in the Nation.

"It is the substance of the museum that will be destroyed by the transfer to the Arts and Crafts Board. The loss of Dr. Schaeffer will completely disrupt the continuity and expertness that has marked the running of the museum from the beginning. Loss of the historical, archeological, and anthropological wealth will exceed any contemplated economy. The Indians themselves are disgruntled and upset. They do not want a high-pressure salesman running the museum."

As for the economy claim of those seeking to change the museum's administration, annual appropriation for the museum is less than $20,000. "Save the museum" campaigners claim the man scheduled by the Arts and Crafts Board to succeed Schaeffer as head of the museum, a former New York banker named Robert Hart, was scheduled to receive a larger salary than is being paid to Schaeffer.

[From the Great Falls (Mont.) Tribune of May 28, 1954]

INDIAN BUREAU STILL SHIRKS MUSEUM RESPONSIBILITY

Aside from anything the next Montana Legislature might be willing to do to repair a shirking of important responsibility by an agency of Federal Government, Wednesday's announcement from Washington regarding the Browning museum was of the same stripe as the previous sad handling of the museum case by the Indian Bureau.

Indian Commissioner Emmons, says a United Press dispatch, has ordered this Museum of the Plains Indians kept within the Bureau's Department of Education "until Montana decides whether it wants to assume operation of the museum."

In other words, the Indian Bureau, in the face of widespread protests, hasn't changed its original intention to abandon the museum, but is willing to delay the dismantling process for a few months if Montana wants to take over its financial and operating functions.

The further statement by Commissioner Emmons that "the Bureau may be forced to dismiss some museum employees after July 1" is highly disturbing. That would come at the height of the Glacier Park tourist season and at least 6 months before it would be possible for Montana to take legislative action to save the important museum attractions to park visitors. Such action on the part of the Indian Bureau would seem both inconsiderate and unwise. In comparison to the damage that would be done the money the Bureau would save is a petty consideration.

We still believe that the Interior Department should continue to operate the Browning museum. And that now is a matter for decision by Congress. In view of the unsympathetic attitude that has been shown by the Indian Bureau, we believe it would be better to transfer the operation of this museum, along with required funds, from the Indian Bureau to the National Park Service. The Park Service has capable curator personnel and we are confident that it also has sympathetic appreciation of the importance of museums, as differing from curio and trinket shops.

[From the Billings (Mont.) Gazette of May 28, 1954]

TOOLE REQUESTS DETAILS OF PLANS—BROWNING MUSEUM UNDER DISCUSSION

HELENA.—K. Ross Toole, director of the Montana Historical Society, Thursday, asked the Bureau of Indian Affairs to spell out in full detail its future plans for continuing the Plains Indian Museum at Browning.

Toole, adding more fuel to the fire over transfer of the museum to the Federal Arts and Crafts Division of the Bureau from the Education Division, said the State historical society and chamber of commerce express hope that there will be full clarification of the entire matter.

He said it had been confused in recent weeks.

"Our primary interest as of now is to save one of the finest small museums in the country," he said.

"If, however, the Plains Indian Museum cannot continue to operate as the fine institution it has been with Federal funds, and if an effort is made to give it to the State, it would appear that provisions for such will have to be made by the next Montana Legislature," he added.

Toole said that if the State of Montana would accept the museum "the Historical Society of Montana will do everything in its power to staff and operate (the museum) in the best possible manner in the public interest."

The State chamber of commerce and the historical society said Thursday they were gratified by the news from Glenn L. Emmons Wednesday night that the prospective change * * * would not take place.

Emmons said that the Indian museum would remain under its present direction for the time being until Montana lawmakers decide if they want the State to take it over.

OFFERED TO STATE

MALTA.—The Department of the Interior plans to offer the Plains Indian Museum at Browning to Montana as an addition to its existing historical department in January, Representative WESLEY A. D'EWART, Republican, of Montana, announced.

D'EWART said the Federal Indian Commissioner, Glenn Emmons, told him the Indian Bureau would continue in the meantime to operate the museum without change except for a reduction in staff due to a reduced appropriation.

The Congressman said the status quo would be maintained at least until the Montana Legislature convenes in January. He said he talked with Emmons by telephone Tuesday night.

D'EWART said Dr. Claude Schaeffer will be retained as the museum's curator. He added that neither Schaeffer nor his assistant had been relieved.

Meanwhile, Senator MIKE MANSFIELD, Democrat, of Montana, asked the Senate Appropriations Committee to provide sufficient funds for operation of the museum and to prevent its transfer from the Indian Bureau's Education Division to the Arts and Crafts Division.

MANSFIELD told the committee in a letter that if the transfer takes place the museum would be turned into a souvenir store and that valuable Indian exhibits now displayed there by the Great Northern Railway and some individuals may be withdrawn.

However, J. E. Davis, head of the Indian Bureau Arts and Crafts Division, told a reporter that such fears are groundless and are based upon unfounded rumors.

He said the museum has been ordered placed under the Arts and Crafts Division, effective July 1, but that it will be maintained as a museum exactly as it has been in the past.

He said the transfer was ordered because the Arts and Crafts Division was set up to administer such functions of the Bureau as its museums.

Davis said a cut in budget requests for personnel at the museum would be equivalent to the salary of one official. The museum now employs a curator and assistant curator, along with some services personnel.

[From the Billings (Mont.) Gazette of May 26, 1954]

DISPUTE FLARES OVER TRANFER PLAN FOR INDIAN MUSEUM AT BROWNING

HELENA.—A crossfire of opinion flared up Tuesday in two Montana cities and the Na-

tion's Capital over transfer of the Plains Indian Museum at Browning to the Arts and Crafts Division of the Bureau of Indian Affairs.

The museum is presently under management of the Education Division of the Federal Bureau, but a bill in the Senate Appropriations Committee in Washington would transfer museum control to the Arts and Crafts Division.

Representative WESLEY D'EWART, Republican, of Montana, in Chinook for a luncheon said he favors the transfer because the Arts and Crafts Division is the logical place for the management of the museum.

The museum, located just west of Browning on the Blackfoot Reservation and visited annually by approximately 50,000 tourists, depicts the way of life of the Plains Indians.

D'Ewart said that the transfer will enable the museum to sell Indian craft and have a merchandiser managing it.

In Helena, K. Ross Toole, who Monday issued a strong protest to the transfer, said in answer to D'EWART'S statements:

"I disagree profoundly with Representative D'EWART and request that he look further into the situation.

"There is much more here than meets the eye. A museum cannot be successfully operated as a museum without a trained museum man and not a merchandiser on the spot managing the museum.

"The transfer of the Browning museum to the Indian Arts and Crafts Board will destroy the substance of the museum. Considerable damage has already been done at the museum because of the mistaken belief that merchandising people can likewise maintain a museum based on anthropological research."

"I heartily agree with K. Ross Toole," Montana Superintendent of Public Instruction Mary M. Condon said.

Senator WARREN G. MAGNUSON, Democrat, of Washington, chairman of the Senate Appropriations Committee, wired Miss Condon that he had temporarily held up action on the Indian museum.

"I cannot help but agree with the people who have donated crafts and materials of history to the great museum, if they take them out of the museum it becomes a curio shop," Miss Condon said.

"The valuable historical material at the museum could be damaged by some curio salesman that the transfer will bring in," she added.

MAGNUSON was contacted to halt the Senate action by the staffs of Montana Senators JAMES E. MURRAY and MIKE MANSFIELD.

Toole said Claude Schaeffer had been fired as curator at the museum. D'EWART said, "As far as I know Dr. Schaeffer is still the curator. If he was fired nobody told me about it."

The Montana Chamber of Commerce also sent telegrams to all the members of the Senate Appropriations Committee protesting the transfer of the museum.

The Arts and Crafts Association of the Blackfoot Tribal Council formed a resolution which was forwarded to Gov. J. Hugo Aronson.

The resolution said that the transfer of the museum would be a great calamity.

"We urge the Government to reconsider the changing of the museum as an economy measure and retain the curator, Dr. Schaeffer."

Toole said the large Frank B. Linderman collection of history will be taken out of the museum if the transfer is made. Linderman was a noted Montana author and Indian researcher.

Toole, in a letter to Senator MAGNUSON Tuesday, said that a superb collection of authentic artifacts and Indian material has been loaned to the museum for display and research.

"The donors are already flocking to the museum—Indian and white alike—to remove this material because they will not leave it in the hands of people who are not trained in museum work," said Toole.

"A very substantial collection of historical Indian records and tribal council records will be removed from the museum and therefore will be lost for research purposes if the merchandisers take over," he added.

The Blackfeet Indians, whom the transfer is supposed to aid under the Government plans, are violently opposed to it, Toole said.

The tribal council has offered to pay Dr. Schaeffer's salary from tribal funds, if he somehow can be kept on.

Toole said, "The continuity and productive liaison which has been built up by trained curators with the Indians for over 20 years is being destroyed in one fell swoop. This can hardly be termed an economy.

"Quite the contrary, it is a profligate waste."

Mr. MANSFIELD. Mr. President, I offer an amendment.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 8, line 13, it is proposed to strike out "$60,709,000" and insert in lieu thereof "$60,705,730, of which $21,730 shall be available only for the Plains Indian Museum at Browning, Mont."

The PRESIDING OFFICER (Mr. PAYNE in the chair). The question is on agreeing to the amendment offered by the Senator from Montana.

Mr. CORDON. Mr. President, I do not like to object to an amendment of this kind. I voice the hope that when I have concluded my presentation of the case the distinguished Senator from Montana will consider withdrawing his amendment. The item under consideration appropriates $60,700,000, not $1 of which is earmarked. It is all intended for use in connection with the health, education, and welfare services of the Bureau of Indian Affairs throughout the United States. Among other items included in the figure is an amount for the Browning Museum, which has just been discussed by the Senator from Montana.

The Senator from Montana had a very proper fear earlier in the appropriation history of the Interior Department that the museum might be converted from a museum into an arts and crafts store, in which Indian articles might be purchased by tourists, and that the identity and the value of the institution as a museum and as a repository of items of historic significance in Indian history might be dissipated.

The committee was interested in that particular subject, and the amount of money which was restored provides for the operation of the museum as a museum.

One member of the museum would be detached under the proposed appropriation, but he is not connected with the operation of the museum as a historical Indian museum. He is in charge of the arts and crafts division of the museum. The item in the budget reads as follows:

The tentative plan is that the staff would be reduced by elimination of the position of production specialist (arts and crafts). This could be subject to change as a result of an intensive study of museum operations which is now underway. In any event, it is not anticipated that the reduction will affect the public use of the museum.

I am sure that the position taken by the committee will have its effect on the Interior Department so far as the perpetuity of the museum as a historical museum is concerned. I hope what I am saying will be read and considered by the appropriate officials of the Department of the Interior. If it is not considered, I say to the Senator from Montana that I shall join him in doing what can be done to have it considered.

Mr. MANSFIELD. Mr. President, in view of the statement just made by the distinguished chairman of the Subcommittee on Interior Department Appropriations, I shall comply with his request, and I withdraw my amendment.

However, I hope that what he and the committee started this year will be carried through to a finish in an attempt to make sure that this museum, which is of great historic value, is not turned into an arts and crafts shop or a jewelry-manufacturing shop; that the Americana and the Indian articles contained therein will be kept intact; and that some degree of permanency will be given to this Indian museum, because it is of great interest to all the citizens of our country.

I thank the chairman for his kind remarks, and I withdraw my amendment.

The PRESIDING OFFICER. The Senator from Montana withdraws his amendment.

Mr. CORDON. I am appreciative of the Senator's action. I assure him that, so far as the committee is concerned, it has the same interest he has in perpetuating the museum in his home State of Montana.

Mr. HUMPHREY. Mr. President, I should like to address some remarks for a few moments to a portion of the pending appropriation bill which concerns itself with the activities of the Bureau of Reclamation in the Missouri River Basin.

I particularly direct my attention to the item on page 13, under the heading "Construction and Rehabilitation," which is referred to in the report at page 19.

Mr. President, I shall offer an amendment at the appropriate time, but prior to offering the amendment I should like to make a brief explanation.

For a considerable period of time the State of Minnesota has been vitally interested in obtaining the recognition it deserves in securing hydroelectric power from the Missouri River Basin. We are very much pleased that in recent years we have had some acknowledgment of this desire by the Committee on Appropriations through the allocation of funds for the construction of a high-voltage transmission line from Watertown, S. Dak., to Granite Falls, Minn. This transmission line makes it possible to utilize power from the Missouri River Basin through the so-called South Dakota grid system.

What I have in mind now in discussing this matter with my colleagues is the tying together of both the North Dakota and the South Dakota grid systems with the loop in Minnesota.

I regret that I do not have my map with me. However, Watertown, S. Dak., is almost on a straight line west of Granite Falls, Minn.

Looking to the north from Granite Falls, we see Benson, Minn., and Fergus Falls, and in a diagonal direction we see Fargo, N. Dak.

It is a very natural development, because as the present situation stands, the transmission line which comes from Watertown, S. Dak., into Granite Falls is more like a spur line than a part of a grid system. It is literally like a spear projecting into the State of Minnesota, but stopping at the substation at Granite Falls.

As the chairman, the distinguished senior Senator from Oregon, knows, the Missouri River hydroelectric system will best be able to serve the area when the grid system is fully integrated. I recognize that there are different stages of construction of the dams on the Missouri River, for example, the Fort Randall Dam, the Oahe Dam, and the dam at Gavin's Point, which are the main reclamation hydroelectric power projects. The greatest amount of work has already taken place at Fort Randall. The Oahe Dam is still in the secondary stages of construction.

With that as a background, I make an appeal for what I consider to be sensible, economical construction.

In my State we are very fortunate in that there really is no conflict between our private utilities and our cooperatives with regard to the Missouri Basin hydroelectric power. The statement which I have prepared will be, I think, a very revealing story to some of my colleagues who have had conflicts in their States.

We in Minnesota have asked for very little, but, unfortunately, we have been granted much less.

Included in the Interior appropriation bill is a start toward the high voltage transmission grid we need, but it is only half a loaf when a full loaf is needed. In fact, as I have measured it, I would say it is about one-third of a loaf, with the crusts having been removed.

Let me review briefly the background of our fight to get hydroelectric power into western Minnesota.

About 3 years ago, at this time, the rural electric cooperatives of Minnesota faced a rather severe shortage of wholesale energy with which to serve their ever-increasing farm loads. At that time I appeared before our Appropriations Subcommittee with many representatives of the rural electric cooperatives in Minnesota and asked for funds with which to allow the Bureau of Reclamation to construct a rather comprehensive transmission network in western and southern Minnesota in advance of the availability of Missouri Basin hydroelectric energy.

Mr. President, I digress from my manuscript for a moment to point out that there are a number of generating steam plants owned by rural electric cooperatives in Minnesota, and those steam plants wanted a grid system by which they could pool their energy because it is very uneconomical to build a large generating plant in one part of the State which does not use all of the electricity it generates and to have another steam plant in another part of the State which has a shortage of electrical output. In view of the fact that plans had been made by the Bureau of Reclamation to establish a high-voltage grid system in western and southern Minnesota, the rural electric cooperatives felt it was economically desirable and sensible to build a grid system and then let the rural electric cooperatives pool their energy on this grid system until such time as the Missouri River hydroelectric power was available. That made good sense. The rural electric cooperatives were in a quandary as to whether to build more generating capacity, which would have been very expensive, or to await the time when the hydroelectric power would be available from the Missouri River, or, to take the third alternative, to pool the surplus power which they had, which surplus was not doing any good.

The plan at that time was to construct the Bureau transmission system ahead of schedule so that the cooperatives would be able to utilize it on a self-liquidating basis for the integration of their existing thermal generating facilities. This plan would have provided the cooperatives with additional interim power pending the availability of Missouri River hydro capacity. It was planned that when Missouri River power became available, the Bureau's transmission system would then be in readiness to deliver energy to load centers of preference customers in that portion of Minnesota lying within the Missouri Basin marketing area.

The plan of 3 years ago, however, was strongly opposed by private-utility groups in Minnesota, and no funds were allocated by the committee for construction of transmission facilities in Minnesota. Subsequent to the committee action, I sponsored an amendment on the floor of the Senate to achieve the same purpose. However, the amendment was defeated on a rollcall vote.

During the period between hearings on the fiscal 1952 and fiscal 1953 Interior appropriations bills, the private utility companies, the cooperatives, and the municipalities of Minnesota conducted lengthy and very fruitful negotiations out of which emerged a second comprehensive plan for the delivery of Missouri Basin power into Minnesota—a plan which was then, and is now, acceptable to not only the preference customers, but to the great power companies of my State as well.

In fact, Mr. President, all the representatives of these particular producers and distributors have been before the committee to testify as to their needs not only this year, but in preceding years.

The original version of this new plan which was uniformly supported by the power distribution agencies of Minnesota, provided that the Bureau of Reclamation would build a 230-kv. transmission line from the Bureau's terminal at Fargo, N. Dak. to Fergus Falls, Minn., thence to Benson and Granite Falls, Minn., thence to Mankato and Jackson, Minn., and back to the existing transmission grid in South Dakota. This plan would have furnished power to the principal load centers in western Minnesota where it could have been picked up by the existing transmission of utility companies and delivered to preference customers under a wheeling agreement.

I believe the sum of money included for the whole line is approximately $3,200,000. It may be slightly over that amount.

However, we have never been successful in securing appropriations for a real Bureau of Reclamation high-voltage grid in western Minnesota such as the one contemplated by the comprehensive plan. Last year the Congress did, however, provide funds for initiation of a transmission line from Big Bend in South Dakota, to Granite Falls, Minn. We are grateful for the progress that has been made in the construction of this line, and are also grateful that funds to continue its construction are contained in the present Interior Department appropriation bill for fiscal 1955.

However, we feel that this line alone will be insufficient, and the cooperatives and power companies of Minnesota testified before the subcommittee that they would like to see the 230 kilovolt transmission line now under construction from Big Bend, S. Dak., to Granite Falls, Minn., extended northward through Benson and Fergus Falls, Minn., and thence westward to Fargo, N. Dak., where it would interconnect with the existing North Dakota transmission system of the Bureau of Reclamation.

I repeat, Mr. President, the existing North Dakota transmission system of the Bureau of Reclamation.

According to testimony which was offered before the subcommittee by the engineering consultant of the 20 cooperatives in western Minnesota, the 3 highest fuel-cost load centers in the entire area are Granite Falls, Benson, and Fergus Falls, Minn. We feel, therefore, that this particular line should be extended northward to include Benson and Fergus Falls, so that Missouri Basin power can be made directly available at these points to reduce the overall cost of wholesale energy to the electric cooperatives.

The line northward and westward from Granite Falls, Minn., to Fargo, N. Dak., would also provide a second tie-line between the Bureau of Reclamation's system in North and South Dakota, thereby assuring a greater flexibility of power flow between the Bureau's hydro generation and the large thermal capacity of power companies and G-T cooperatives in Minnesota and the Dakotas.

Mr. President, I digress to point out that this is a sensible, frugal, practical, economical project. The present system is costly, wasteful, and inefficient. The present system, even with the transmission line going to Granite Falls, does not make for a regularity or continuity of sufficient electrical energy to handle the load. The present system costs the private utility companies thousands upon thousands of dollars for extra fuel, and, at the same time, does not furnish the necessary electric energy at high-load periods. The picture is that the South Dakota grid system is being completed, and the North Dakota grid system, a tremendous grid, is completed, or at least its initial stages are completed, to form a grid from these two systems, which are integrated, and that they make a direct line from Watertown, S. Dak., to Granite Falls, Minn., a distance of about 120

miles; and that from Granite Falls, Minn., there is a tie-in on a diagonal to the southwest from Sioux Falls, S. Dak., with the Northern Power Co. generating plant, and a new transmission line which that private utility has constructed from Sioux Falls to Granite Falls, tying in South Dakota power with the Granite Falls, Minn., substation.

What is wrong? What is wrong is the great center of power at Fargo, N. Dak., which could be tied in with the Granite Falls transmission line.

In that area there is, for example, the Otter Tail Power Co., the Northern States Power Co., and large rural electric cooperatives. All the power companies and cooperatives are in the situation of having either surplus electrical energy or deficits, depending on the load at various seasons of the year or particular periods of time.

I realize that money cannot be obtained to do all this work at once, but I am seeking to initiate the construction of a line which would go on a diagonal, assuming this to be the State of Minnesota, from the city of Granite Falls to Benson and Fergus Falls, so as to tie together the grid systems of North Dakota, South Dakota, and the very small grid system in western Minnesota. This would literally save the consumers of electrical energy in my State hundreds of thousands of dollars. It would save the private utilities hundreds of thousands of dollars. It would pool the surplus capacities of some of our rural electric cooperative generation transmission plants with those of the private utilities with the hydroelectric power which is available from the Missouri Basin.

I am happy to be able to report that every single private utility recognizes, through their engineering and financial advisers, their boards of directors, and their managers, that this will mean hundreds of thousands of dollars of savings to them, which can be passed along to the consumers.

The rural electric cooperatives in that area find themselves with surplus producing units which could be balanced off if we had the beginnings of a grid system.

I might point out that this is not some utopian scheme to show that we can get Missouri River power into Minnesota. This is a considered, well-planned, well-thought-out, economically feasible transmission-grid extension, which means solvency, profit, and lower cost to producers and to consumers.

Such a line also would insure greater reliability of service to the Granite Falls substation, which, if served by the line between Big Bend, S. Dak., and Granite Falls, Minn., only, would be subject to outages at any time a fault occurred on the single transmission line serving it. This is already one of our real problems.

In short, the Granite Falls to Fargo transmission system, which can be visualized as a half moon or a half circle, would provide dual protection and dual fuel to Granite Falls, Fergus Falls, and Benson substations. In other words, the privately owned steam plants and the steam plants of the REA would be tied into the same transmission system, which ultimately would bring hydroelectric energy.

I repeat that not only would there be the advantages of continuity of regular, firm power, but, as the representatives of the cooperatives and the private utilities have said, the so-called secondary power could be firmed up through pooling thermal energy—that is, steam-plant energy—so that there would be regular continuity of electrical energy output which could serve thousands and thousands more consumers, and would provide a real economic base for the private companies, and would provide much better service for the REA and its consumers.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HAYDEN. From what the Senator from Minnesota has said, I am convinced that he is presenting a very fair proposition, one which, I think, ultimately will be undertaken. But the Senator, by asking the committee to add funds to the bill at this time, places the Senate conferees in a most difficult position, because the bill as reported now crowds the budget limit.

I have no doubt at all that in another year or at another time this project can well be considered, but there is no immediate urgency for it since the dams which would produce the power on the Missouri River have not yet been completed. For a long-range scheme, the Senator, it seems to me, has presented a very excellent argument and sound reasoning.

From what I have heard of the testimony, the Senator is accurate in saying that he is joined in the request by all interested parties, whether they be cooperatives, State, or local authorities, or private utilities, or persons. That being true, it seems to me there is every reason to believe that in due time the Bureau of Reclamation will present budget estimates and will consider the project.

But I doubt that the Senator can get anywhere with it this year. Because of the many other amendments contained in the bill I am afraid that if his suggestion were adopted, it would encounter great difficulty in conference. So I hope the Senator will not impose an undue burden upon the committee.

Mr. HUMPHREY. The distinguished Senator from Arizona has been very helpful, and I wish to thank not only him, but also the chairman of the subcommittee, the distinguished Senator from Oregon [Mr. CORDON], and all other members of the committee. I realize that the Senate committee certainly has done a good job in terms of the transmission system, as it pertains to bringing the system into the market place. I know the committee has raised the amount considerably above the amount provided by the House. Since the figures are contained in the report, there is no need for me to refer to them again.

But I should like to make my case, because if ever I saw a project which makes economical sense, I think I am talking about one now. It is the kind of a program which really adds up to dollars for both producers and consumers, in terms of savings and in terms of better financial operation and better physical plant operation.

My intention, I may say to the Senator from Arizona, was to ask that in the bill, on page 13, line 11, where the figure "$132,977,127" appears, which relates to the construction figures for all these many projects, there be added $400,000 simply as a beginning. It would mean a great deal to our REA and private utilities to have an assurance at this time that the work is planned to be done. I have faith that if the project is pursued long enough, and it is demonstrated that we are proceeding with a reasonable and logical program, the work cannot be turned aside.

Again, I may point out that this is based upon the power from the Oahe Dam. Even if the Oahe Dam power does not come in until 1960, which I believe is the contemplated date, and I do not think it will come in sooner—even if that power were delayed until 1960, because of both budgetary and construction problems, by tying in the grid, and making almost a third loop from South Dakota, North Dakota, and the half moon, so to speak, in western Minnesota, there will be a pool, or there will be made possible, in an engineering sense, the pooling of surplus thermo capacity, that is, steam plant capacity, both from REA and from private utilities. These great organizations are now ready and waiting for contracts.

I simply cannot help believing that we would save—and the people of my State are taxpayers, too—more than $400,000. I think I have some figures which indicate what would be saved each year.

So, from my point of view, the early construction of this line, even ahead of the completion of the hydroelectric generating facilities at Oahe Dam, would be, I know, a wise, prudent financial investment.

I shall ask my very considerate colleagues to bear with me for a moment or two longer. I know that they have given months of thought to the bill. I certainly do not envy them their responsibility of going through hundreds and hundreds of pages of the hearings. I note in the copies before me that there are almost 1,700 pages of the hearings, a good part of it, by the way, devoted to such items as hydroelectric generation facilities.

In the most kindly and considerate manner, I should like to urge upon these two able and distinguished statesmen in the Senate, the Senator from Oregon and the Senator from Arizona, that a feather in the hand is better than one in the bush. We are not even asking for the whole bird; we would like to feel that we were close to the bird, at least. The way it is now, we have a part of the birdhouse, but we do not have the bird. It would make us feel wonderful if we could see a feather. At least we would know there were birds in sight.

I should now like to press my case. In so doing, by the way, because of the reasonableness of the distinguished Senators to whom I am addressing my remarks, I think something in their sensitive mentalities, which are excellent, and in their kindly souls, should make them realize that, although the junior Senator

from Minnesota is not necessarily persuasive, yet in this instance is very right, and because he is right, maybe they should give assurance to the people of the great area in the Midwest that the contemplated work will be done; and also to pay tribute, by action, to what I consider to be one of the most cooperative enterprises of which I have ever known in the hydroelectric field.

I am referring to a situation where, by cooperation between private companies and REA's instead of burying the hatchet in each other's backs, they have buried the hatchet in the sand. The hatchet was put down in the sand, like one of the ships which we have read was discovered in the sands of Egypt. I do not remember the name of the ship, but it was intended to take the soul of a departed ruler to heaven. We are talking now about practical, sensible engineering projects which come about from people sitting down at the table and talking them through, rather than throwing chairs at one another.

I now yield to the Senator from Oregon.

Mr. CORDON. I appreciate the Senator's yielding to me. I shall confine my remarks to joining with my senior colleague on the subcommittee, the Senator from Arizona [Mr. HAYDEN].

During the years we have battled over many of these appropriation items. With respect to the area covering the States of Minnesota and the two Dakotas, which will get its power from dams on the Missouri, if I remember correctly, and I believe I do, the committee originated the appropriation which has resulted in a continuance of work on the line westward to Granite Falls and the Watertown line. The committee also originated an appropriation for the very line which the Senator has been discussing. But, unfortunately, we were unable to maintain it in the appropriation bill. This year there has been recommended for that area and for transmission lines about $2 million more than the House has provided.

Incidentally, the record indicates that representatives of the REA who appeared before the committee, while expressing disappointment that the work was not going ahead more rapidly than it has been, very definitely approved of the program which is now provided for in the bill.

Mr. HUMPHREY. The Senator from Oregon is correct.

Mr. CORDON. I hope the Senator from Minnesota will not press his amendment at this time. We have no objection to working out a sound bill. The committee has recommended approximately $100,000 more than was originally intended, and there is included about $27 million more than was provided for in the bill when it came before the subcommittee. Members of the committee are not proud of the fact that we are recommending additional expenditures of money, but they are certainly proud of the fact that they are not recommending the expenditure of money which is not justified so far as every dime of it is concerned. If it could be done, the committee would recommend the appropriation of more money than the bill now provides, for which it would get full value.

As the Senator knows, projects of the character he urges must be authorized step by step. I am sure the members of the committee feel, as the Senator from Arizona has expressed himself, and as the Senator from Oregon is now expressing himself, that we have gone about as far as we can hope to go if we are to maintain sound, overall results both before the Senate and later in the conference.

The Senator from Minnesota has outlined a project with which the committee is familiar, and in time it will be authorized. I am sure of that. However, I do not believe the program itself would be helped if such projects were to be included in the bill at this time.

Mr. HUMPHREY. Is it not true that a year or 2 years ago the Senate did make an appropriation for this purpose, but the appropriation was lost in conference?

Mr. CORDON. The Senator is correct.

Mr. HUMPHREY. I believe an appropriation for such a purpose was provided two times.

Mr. CORDON. I recall one. I think the second appropriation had to do with the beginning of the second line.

Mr. HUMPHREY. At least once, through the wisdom and judgment of the committee, the full development of the transmission line was authorized.

Mr. CORDON. The Senator is correct.

Mr. HUMPHREY. I want the RECORD to be perfectly clear that we are not asking for the moon with cheese sandwiches in it. We have trimmed the program down to the basic minimum. I think it is fair to say the program is as practical and as feasible in an engineering way as any program which has been presented to the committee.

Mr. HAYDEN. Mr. President, I do not wish to argue with the Senator from Minnesota about the merits of his proposal. The point is that once we tried to provide for such a program on a big scale and did not succeed. Taking one project at a time, we shall be able to get budget approval. Such projects are coming along. The question is whether we are to load a bill down with projects which will not be approved in the end, and with which we will have great difficulty in conference. The trouble is that by insisting upon such projects, we run the risk of losing some other very important ones.

The committee has been faced with the problem of adding considerable sums of money for projects which have been progressing at a faster rate than was anticipated, because the contractors have been working ahead of schedule. It would be foolish and bad business to shut down such programs with the expectation of resuming them at a later time. We would lose time, money, and revenue if they were not completed. Under the circumstances, according to the testimony before the committee, the members felt fully justified in appropriating additional amounts of money for such projects.

I think it would be unwise, on top of such additional expenditures, to ask for additional appropriations for other projects. I am not saying the Senator from Minnesota is not perfectly right; I think he has a case. I have no doubt that if such projects are taken up step by step, his project will be approved. I think the lines to which the Senator from Minnesota is referring will be in those areas by the time the power is available.

Mr. HUMPHREY. I yield to the Senator from Oregon, and I thank the Senator from Arizona.

Mr. CORDON. The Senator from Minnesota was correct in his statement; the committee did authorize the line twice, once in a regular appropriation bill and once in a supplemental appropriation bill.

Mr. HUMPHREY. I am merely asking that it be tried once again. I know that the House of Representatives conferees sometimes take a dim view of such matters, but occasionally a beam of light shineth through.

I wish to correct the RECORD. In my earlier reference to a ship found in Egypt, I meant to say that the ship found was a solar ship. I am of the opinion that there might be some such discovery in the general conference over the Interior appropriations bill. I may say to my colleagues that I cannot help feeling that when there is a bad program and a sort of weak project, one may run into trouble in conference; but when one has a good program, a pretty sound one, and when the parties who would be affected, private and public, are literally in uniform agreement, one has a pretty good chance of stating a strong and effective case.

I know the Senate conferees cannot always have their way; but I wish to make a suggestion to my distinguished and learned colleagues. I digress long enough to point out that I cannot imagine two better conferees than the Senator from Oregon [Mr. CORDON] and the Senator from Arizona [Mr. HAYDEN]; if there is no experience there, it does not exist in the Senate, when it comes to conferring with the House of Representatives. I have so much confidence and faith in them that if we adopt an amendment calling for an additional $400,000, I am fairly sure they will be able to have the conferees allow $200,000. The Yankee spirit in my soul tells me that that would not be so bad. A little higgling and jiggling in conference would not be so bad in principle. We might lose a little of the exterior decorations, but not the core of the matter.

Mr. President, with that statement of confidence in the Senators who, I am sure, will be among the conferees, I hope that as I conclude my statement, I may get the green light or, to put the matter more bluntly, the wink of either the left eye or the right eye which will indicate to me, "Thou has persuaded me, sir"—or, if not persuaded, at least slightly convinced.

So, Mr. President, as I conclude my remarks, I shall keep one eye turned toward the Senator from Oregon and the Senator from Arizona. Of course it will be a little difficult for me to read with only one eye. [Laughter.]

Mr. President, the opinion has been expressed that construction of the

Granite Falls to Fargo line would not be economically feasible until the Oahe project on the Missouri River comes on the line about 1960. This may be true from the standpoint of available firm power flowing eastward from the Missouri River Basin system; but it is the opinion of the cooperatives' engineering firm that the line can be justified from the standpoint of improving reliability of service to the Granite Falls substation, providing initial service to the Benson and Fergus Falls substation, and, most important, providing a circuit over which the Bureau of Reclamation will be able to firm up secondary and dump energy. It is the opinion of some experts that secondary and dump energy from the Missouri Basin projects will have to be sold for approximately 1 mill per kilowatt hour, but if that could be firmed up with the over 1-million kilowatts of thermal power that exists in the eastern part of the Missouri Basin—most of which, by the way, is in Minnesota, with the exception of the two big plants at Watertown, and Sioux Falls—it might be possible to sell many of the same kilowatt hours at 5.5 mills per kilowatt hour.

The cooperatives in Minnesota that are requesting construction of these transmission facilities purchased some 225 million kilowatt hours in 1953, at a cost of some $2,900,000. This is an average cost of 13 mills per kilowatt hour, paid by the cooperatives at wholesale for their energy.

Mr. President, I know that the present Presiding Officer of the Senate, the junior Senator from Maine [Mr. PAYNE], will have sympathy with me, because our REA power costs are, I believe, only second to Maine's; I believe Maine has rather high electrical energy costs. The average cost in these western Minnesota areas is 13 mills per kilowatt-hour, paid by the cooperatives at wholesale. This is one of the highest wholesale energy rates paid by the cooperatives anywhere in the country; and if the power had been purchased from the Bureau of Reclamation at the presently established 5.5 mill rate, these cooperatives would have realized a saving of $1,700,000 on present business, all of which could have been passed on to their consumers, all consumers being taxpayers, and all taxpayers contributing to the Federal Government, from whence the revenue for appropriation bills is received. In other words I wish to make it quite clear that projects such as the ones we are discussing are not expenditures. It is an expenditure when one purchases something that is literally of no use. It is an investment, particularly, when one purchases or constructs something that yields sufficient return not only to pay for the cost of construction, plus interest, but also to relieve the consumer of considerable cost. The project for which I am pleading not only is self-liquidating, but it will relieve the consumers of very heavy cost. In 1 year, an estimated $1,700,000 would have been saved by the REA cooperatives in the area I have described, if this transmission and power system had been available. In 1960 the increased loads of these cooperatives will enable them to save some $3,600,000 a year, if the Bureau of Reclamation power is made available to them by that time.

Mr. President, why am I pressing this matter now? If the Oahe Dam, which will create electrical energy, becomes available in 1960, and if that grid system is prepared, in the first year the energy goes through that system we shall save an estimated $3,600,000—in that 1 year; and every year that system is not ready, we shall lose $3,600,000. I am not interested in seeing frugal, hard-working people lose $3,600,000 a year which should be theirs, in terms of savings, through a well-planned and well-engineered electrical system.

I have continually supported the appropriation of construction funds for the building of these great Missouri basin hydroelectric plants, and I think it is fair to say that I have steadfastly supported my colleagues from the other States of the basin in their attempts to secure adequate transmission facilities to bring this low-cost energy to the preference customers in their States. We had hoped that this year the committee would recommend funds to continue construction of the transmission line from Big Bend to Huron to Watertown to Granite Falls, Minn., and would, in addition, help us to obtain a start on a transmission line from Granite Falls northward to Benson and Fergus Falls, and westward to Fargo, N. Dak. The bill provides $3,820,603 for the first phase, but, as has been pointed out, nothing for extension of the transmission loop to Benson, Fergus Falls, and westward to Fargo.

The 20 cooperatives of Minnesota that will receive much of the benefits if these lines are constructed, have a total membership of some 80,000 families. The municipalities and other customers in the area increase this figure to a total of approximately 180,000 families in all. I wish to reiterate that the comprehensive program I have outlined, which provides for the Bureau of Reclamation to build the backbone 230-kilovolt facilities, and which will utilize the transmission and subtransmission facilities of existing power companies, cooperatives, and municipalities in Minnesota, to deliver Missouri basin energy from the Bureau substations to the preference customers, is economically sound. It is as economically sound as any project possibly could be—not only to the Government, not only to the taxpayers, but also to the consumers as well as the producers and distributors of electrical energy. The plan will involve a far lower expenditure by the Federal Government than would be incurred by the building of a Federal transmission and subtransmission network to deliver power directly to the load centers of all the preference customers in the affected area.

Mr. President, now I have completed my statement on that matter; and I look toward the Senator from Oregon. I have seen a twinkle in his eye, but it was not "the green light." I am going to ask the distinguished Senator from Oregon whether he will be willing to take to conference an amendment for, let us say, $200,000, so as at least to indicate the willingness of the Senate to initiate this extension of transmission facilities.

Mr. CORDON. Mr. President, I always like to cooperate with my colleagues in the Senate, particularly in connection with matters coming under the Interior Department, having to do with material development.

In the committee we have spent many weeks on this bill. We have, I believe, a balanced bill—balanced as between geographical areas, so far as that can be done in a bill of this character, and balanced as to the nature of the projects. It is about as heavy, in dollars, as ought to enter into the overall dollar appropriations of this country this year. Under the circumstances, and in view of the fact that, generally speaking, in the Senator's own area there was recognition of the problems which I have just discussed, with no urging in behalf of further beginning of the construction in the area, I again express the hope that my colleague, having made a case—and a good case—and having, I believe, advanced the interest of the project on the floor of the Senate as far as it could be advanced by taking it to conference at this late date, if not further, will not press the amendment.

Mr. HUMPHREY. Mr. President, I will say to the chairman of the subcommittee that I realize the extensive work which has gone into the preparation of the bill. I surely would be an ingrate if I did not express appreciation for the consideration which has already been given to the construction of the 230-kilovolt line to Granite Falls. Both the Senator from Arizona and the Senator from Oregon know how strongly I feel about the importance of the development of this line. I shall have to rely upon the good will, the good judgment, and the very obvious practical good sense of our colleagues to see to it that this program is carried forward. Therefore I shall not press the amendment to a vote.

Since we have gone on record twice in favor of this line, I feel that we should let the record in the Senate for this program stand, in terms of desirability.

I have one hopeful and prayerful thought in this connection. As the Oahe Dam proceeds with its development, as we watch it move from its preliminary to its secondary stages, and into final construction, we should determine now to move ahead with the tying in of the remainder of the transmission line. I think I correctly interpret the remarks of the two Senators to the effect that this line is a long range, practical and desirable project; second, that according to the testimony to which Senators have listened, it has the united support of all interested parties; and third, in view of the testimony which Senators have heard, it is deemed an economically feasible project, both on the part of the Government and on the part of producers, distributors, and consumers of electricity in that area. Am I correct?

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HAYDEN. One of the strongest arguments that can be made in favor of this project is that there are bound to be large quantities of dumped power when the dams are completed, and that

the steam power would be made available by this connection to help firm up the power. Therefore the Government would profit from the project. We have found that to be absolutely true in the area of the Southwest Power Administration, and in many other parts of the Nation. That being the fact, it seems to me it is irresistible. But it will be 6 years before there is any dumped power. There is time, in the interval to consider, one at a time, the things which must be done. I am confident that in the end we shall have the project, and have it on time.

Mr. HUMPHREY. I thank the Senator. I know that we shall proceed in an orderly manner. Therefore I shall not at this moment press the amendment.

I thank the Senator from Oregon and the Senator from Arizona for their helpfulness in the discussion.

THE NATIONAL PARKS

Mr. President, a second item in which I am deeply interested is the national parks. I have been concerned about the National Park Service budget in this bill. The National Park Service has no direct economic relationship to the area which I in part represent in the Senate. However, the National Park Service, in its facilities, its administration, its personnel, and its construction and rehabilitation program, is of great importance to the people of the United States.

Something has happened in this country which I personally do not like. I am not at all opposed to people being able to spend 3 months in Miami, Fla. There are more Cadillacs to the block in that area than there are in most other communities. I have never been against people enjoying the luxuries of life. In fact, I enjoy them myself whenever they are obtainable. Nor am I against people having all the wonders of modern science and technology.

But I am of the opinion that if some people are privileged to have 2 months on a yacht, other people ought to be able to have 2 weeks in a park. I am of the opinion that we have set in motion in this Congress—and this is not a recent development; it has been going on for some time—a program of disregard for the people's playgrounds. I have discussed this subject previously in the United States Senate. My family travels in the national parks. We once lived for 2 weeks in the Yellowstone National Park. The three children, Mom, and Dad went to Yellowstone Park in a Plymouth station wagon and had the time of their lives. But I am ashamed of the fact that the Congress is not half as much interested in Yellowstone National Park as it is in building officers' clubs and golf courses.

It is time for us to become interested in protecting the people's playgrounds. I have asked the Legislative Reference Service of the Library of Congress to do a little research on this question. We in the Senate have the good fortune occasionally to make it appear as though we knew all the facts. This is made possible because of the excellent help we receive from the Legislative Reference Service in the Library of Congress. I am also indebted to the New York Times for a series of articles on the national parks, beginning on April 6 and continuing through April 7, 8, and 9. These articles tell what is going on in the national parks.

I also requested the Library of Congress to make a review of appropriations for the National Park Service for the fiscal years 1951, 1952, 1953, 1954, and 1955. In 1951 we appropriated $36,110,700; in 1952, $28,248,564; in 1953, $33,162,330; in 1954, $33,853,850. May I ask the Senator from Oregon what is the final figure for the National Park Service in all areas for 1955?

Mr. CORDON. Let me suggest to the Senator, before I give him a direct answer to his question, that on page 638 of the hearings will be found the total national park appropriations, beginning with 1941 and continuing down to date.

The committee also took advantage of all sources of information and, so far as possible, arrogated to itself that vast knowledge. The figure for this year is $27,880,000.

Mr. HUMPHREY. I thank the Senator.

Mr. President, what has been happening in this country? Let us go back to 1941. It is perfectly obvious that during the war years, 1942, 1943, 1944, appropriations for the National Park Service were reduced. That reduction continued through the fiscal year 1945. Starting in 1946, as I read the totals on page 638 of the hearings, we got the appropriation up to $21 million; in 1947, to $25 million; in 1948, to $29,800,000; in 1949, to $31 million; in 1950, to $33 million.

Mr. President, it costs more to provide vehicles for the national parks. It costs more to take care of the roads in the national parks. It costs more to hire personnel in the national parks. It costs more for every item of equipment and service that the Government uses in the national parks.

Mr. CORDON. Mr. President, will the Senator yield at that point?

Mr. HUMPHREY. I yield.

Mr. CORDON. I believe the Senator ought to have in mind, in considering the overall park program, that as a result of action taken by Congress at this session, by the passage of the National Highway Act, a special appropriation is available in the form of contract authority for the construction of parkways. That was not considered in any of the figures I have given to the Senator from Minnesota. The committee called attention to that fact in its report, and urged the use of that contract authority in parkway construction in various parts of the United States. That fact does not show up in the totals I have given the Senator.

Mr. HUMPHREY. Yes. That parkway construction authorization, however, is generally for thoroughfares and through highways in the parks.

Mr. CORDON. Main highways.

Mr. HUMPHREY. Yes.

Mr. CORDON. To any highway which is designated as a parkway, and that goes down to about trail level.

Mr. CASE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CASE. I appreciate what the Senator from Minnesota has said with reference to the importance of taking care of our national parks and also what the Senator from Oregon has just stated with reference to the authorization for highways. I wish at this point to stress what was done in the public roads bill, recently passed by Congress.

The last time I was in Yellowstone Park the road that is known as the South road, past the Tetons, was in a very disgraceful condition. It was full of chuck holes, and it needed attention.

Mr. BARRETT. Mr. President, will the Senator yield at that point?

Mr. CASE. I do not have the floor.

Mr. HUMPHREY. Mr. President, provided I do not lose the floor I yield to the Senator from Wyoming so that he may address the Senator from South Dakota.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARRETT. There is no question about the fact that a great deal of work needs to be done in Yellowstone National Park. However, the road which the Senator from South Dakota mentioned has been put into good order by being reconstructed.

I believe more money should be provided for facilities, so that people will not have to sleep in their cars all night. Thousands of people come into the park every year, and they will commence coming during this month, and will continue to come until about the first of September. Many of them are unable to obtain sleeping accommodations for themselves and their children during the night, and are consequently forced to sleep in their cars.

In that respect a great deal of work needs to be done in Yellowstone Park and in other national parks, in order to take care of the millions of people who want to see the beauties of nature which the parks afford.

Mr. HUMPHREY. Mr. President, the Senator from Wyoming is looking at a living example of one who enjoyed sleeping in his car 25 years ago. I hesitate to make the confession now, but for some reason or other I do not feel completely well the next morning if I try to sleep in my car now.

Mr. President, it is a national tragedy that the Government of the United States actually spends far less today, in 1954, for the Park Service than it spent in 1933, in terms of the number of people that go into the parks.

I shall give some figures later on in connection with that point. What is happening to America? What is wrong with Congress today? Do we not know that there are 50 million automobiles on the roads of America? Do we not know that people get paid vacations? Do we not know that we advertise the beauties of our parks and ask people to go to the parks? Do we not know that the parks are inadequately policed and inadequately staffed, and that they contain improper and inadequate facilities?

Mr. President, I am here to say that there are a great many items in the budget we can talk about. I can take Senators to a Federal installation in my State of Minnesota where only a handful of people are permitted to play on a

large golf course which is maintained with public funds.

When we get into public parks, however, we find that mom and dad and the kids do not even have clean facilities. Certainly there ought to be more police protection to make safe the trails and highways. I have traveled in the parks. I am not talking from imagination. I have spent a great deal of time with the four little Humphreys in our national parks.

Mr. President, the park programs are in reverse. I rise today to protest what I consider to be the failure of the Congress to protect the people's interests in these playgrounds.

We have all kinds of concessions in our tax laws for people who can afford to take fancy vacations in fancy hotels, but at the same time we do not even provide decent housing units for families who visit our national parks. I have been there, Mr. President.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. BARRETT. I understood the Senator from Minnesota to say that he slept in his car a great many times 25 years ago. However, I doubt very much that he slept in his car in Yellowstone National Park. I can say to the Senator that most of the people who stay in the cabins in Yellowstone National Park must get up during the night to start a fire, in order to keep warm. Sleeping in a car in Yellowstone Park is a great deal different from sleeping in a car anywhere else in the country, I will say to the Senator from Minnesota.

Mr. HUMPHREY. Twenty-five years ago the Senator from Minnesota could not afford to drive to Yellowstone National Park, I may say to the Senator from Wyoming. I did drive there a few years ago, and I have been waiting for this day. When I returned I wrote a letter to Conrad Wirth, the head of the Park Service.

Whenever I am able to do so I drive my family to a national park.

I may say that the National Park Service also supervises the Statue of Liberty. I could make several suggestions with respect to improving the administration of the Statue of Liberty and other national monuments. At times thousands of people stand in line at these monuments without anyone protecting the public installations. A little imagination would go far in improving the public administration of monuments and in helping people understand the monuments. Tape recordings could be used, and lectures could be given. For example, let us consider the Gettysburg National Monument, and the kind of facilities provided there. One would think we were nothing put peasants in this great, rich America, which can afford to build race tracks and night clubs and other places, but can afford only $27,880,000 for 150 million people. The remaining million apparently can take care of themselves, and they can go somewhere else for vacations. I am speaking for the 150 million people. I am talking about people who need a little attention, and I am of the opinion that the Park Service is the forgotten child of our Government. I am about ready to submit some figures to prove what I am saying. I first yield to the Senator from South Dakota.

Mr. CASE. I, too, enjoy our national parks, and I have been interested in hearing of the experiences of the junior Senator from Minnesota in Yellowstone National Park. My memory of Yellowstone National Park goes back farther in time than does the memory of the junior Senator from Minnesota, and much farther than I actually like to recall. During my freshman year in college I spent a summer at the Shaw-Powell Camp in the park. It was during the summer of 1915. I may say that that was the first year in which automobiles were permitted to enter Yellowstone National Park, and then only commencing about the first of August, as I recall. It was the year of the Panama-Pacific Exposition in San Francisco, as the Senator from California [Mr. KNOWLAND] no doubt recalls. A great many automobiles were trying to make the transcontinental tour in going to San Francisco, and there was a great demand that they be permitted to go into Yellowstone National Park during the month of August.

The junior Senator from South Dakota recalls some of the fears expressed by those who carried freight and by the draggers of the dude-wagons, that when automobiles came in they would force the horses off the highway. So the freighters were put on duty at night so that there would be as little conflict as might be possible. Building a fire was not a thing to be avoided. It was a part of the experience. We got a little wood at the central camp and put it into a little stove and got heat in that way.

We are doing something for the national parks, and I am glad to stress what has been done by this Congress in the Highway Act which was recently signed by the President. We took, I think, the most definite step in the field of highways in national parks that has been taken in many, many years.

During the hearings on the public-roads bill, I was chairman of the Public Works Subcommittee on Roads, and we developed considerable testimony regarding the great increase in traffic in national parks. During the war there were approximately 5 million visitors annually in the national parks. The number increased to 45 million last year. The Bureau of the Budget has been battling with budgetary problems in the past few years since the war, and it has been holding down appropriations. Although the authorizations were for $10 million, I believe, for park roads and trails and for parkways over a period of years, because of the budgetary limits we appropriated some three and one-half million to five million dollars. We found the program was so far behind that the National Park Service was spending as much as $2,000 a mile in order to maintain some of the old park roads, whereas the maintenance costs on some of the newer roads were as low as $200 or $300 a mile.

So the Public Works Subcommittee on Roads reported the bill to the Senate, and the Senate passed it. The House concurred in it.

We provided contract authorizations for park roads and trails the same as were in effect for road authorizations in the States. We have long recognized that the State highway authorities have to know how much money will be available for matching, so they can provide appropriate amounts.

So, Mr. President, this year the Congress did, I think, the biggest thing for park roads that has ever been done by approving the recommendation of the Senate Subcommittee on Roads in providing $12½ million for park roads and trails and $11 million for parkways, and giving wide contract authority. We did not limit the contract authority to 2 years for which road bills ordinarily establish authorizations for primary and secondary systems. The contract authority was made applicable to the fiscal year 1955, so that, starting July 1, 1954, the Park Service has authority to contract for $12½ million for park roads and trails for the fiscal year 1955, and again for 1956 and 1957.

Those park roads and trails are the roads inside the national parks. We made the authorization for them $11 million, which is a very definite increase. It also applies to parkways. It includes such things as the Washington-to-Baltimore Parkway, for example, or the parkway to the Blue Ridge, the correct name of which I do not now recall. The $12½ million represents approximately 4 times as much as was available in the past fiscal year.

I have been informed that if they can use the money for 2 or 3 years they can really accomplish something in the parks. I feel confident that the Park Service is at this time working on plans for which they expect to put the contract authority to work.

I might say, Mr. President, that at the same time we also established contract authority for the Forest Service in the amount of $24 million for forest roads and trails, with $22½ million for forest highways. The national forests represent an asset comparable to national parks for recreational purposes. The Forest Service will be able to contract for the building of roads, trails, and highways through the national forests.

I sympathize with the desire to make more funds available for facilities in the parks, but I think the RECORD should include what I have said with reference to parkways, forest roads, trails, and highways, that this Congress has done more for highway construction in the parks and forests than has any other Congress for many, many years.

Mr. BARRETT. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. BARRETT. I should like to ask the Senator from South Dakota if, in his judgment, it is mandatory for the Bureau of Public Roads to contract for the construction of forest highways and national park roads upon request of the Forest Service and the National Park Service. In other words, what I should like to know is whether there are any

strings attached by which the money cannot be used by these various agencies.

Mr. CASE. The authority is established for them to use it. I do not know of any way Congress has ever discovered to make an agency actually spend money. I recall that in 1946 money was appropriated for flood control and rivers and harbors projects, and the Bureau of the Budget and the President impounded the funds at that time, so that money which was actually appropriated was not used.

Mr. BARRETT. I understand the Park Service and the Forest Service do not themselves contract for the construction of highways, but make their requests of the Bureau of Public Roads and that agency, in turn, makes the actual contracts.

Mr. CASE. The roads for the National Park Service and for the Forest Service are built by the Bureau of Public Roads.

Mr. BARRETT. I think the Senator is correct. But if the Forest Service and the National Park Service should request the construction of roads that would increase the costs for the years 1955, 1956, and 1957, would the Bureau of Public Roads have any authority to fail to make contracts?

Mr. CASE. No. I think they would go ahead and make the contracts. The only thing that could interfere would be an executive directive not to use the funds.

Mr. HUMPHREY. Mr. President, I should like to ask the Senator from South Dakota how much cash is available for this purpose?

Mr. CASE. The entire amount of the authorization is available. It is more than an authorization. It is an authorization with contract authority. I might say that heretofore there was authorization, but for the Park Service the authorization was effective only to the extent to which appropriations were made, and the thing which disturbed the committee when we conducted the hearings—and I think the Senator from Mississippi [Mr. STENNIS] who is on his feet will confirm this—was that it was developed that there was a balance of approximately $48 million in authorizations for which no appropriations had been made, running over a period of years.

It was expressly to get away from that situation that the committee this year included a provision for contract authority, so that the Service would have the authority to contract the money, and then an appropriation would follow, just as automatically as an appropriation follows in the case of apportionments to the various States under the Federal primary and secondary systems.

Mr. STENNIS. Mr. President, I wish to commend the distinguished Senator from Minnesota for very forcefully bringing to the attention of Senators and the public in general the situation with respect to our national parks. I think his protest is well stated and is certainly valid, particularly with reference to the fact that the national parks are the people's playgrounds.

I do not come from an area which is blessed with a great number of national parks. The Senators from the West, who are so familiar with these matters, look after the problems the very best they can.

I think they have a good program started now, as was explained by the Senator from South Dakota [Mr. CASE] who is chairman of the subcommittee which wrote the provision in the highway act, and the Senator from Oregon, who is chairman of the Subcommittee on Interior Department Appropriations, and whose committee has also adopted the idea of obtaining tangible results by recommending that the program actually be put into operation. Assurances have been made this afternoon by the distinguished Senator from Oregon, as I understand, that the appropriate departments of the Government really are going into a program of this kind.

I come from an area which does not have national parks, but we have an area called the Natchez Trace. I traveled along the few miles of the Trace which have been completed, and was amazed to see the thousands upon thousands of people who come there on a weekend simply to have a picnic lunch, to find a place to stop and rest and let their children play under the large trees, or to see the scenery. They enjoy healthful recreation, and it does not cost them anything. As the same time, the road itself serves as a very fine highway and an artery of traffic.

I commend the distinguished Senator from Minnesota and other Senators for their effective efforts toward improving our Park Service and of finding ways to put our parks within the reach of more and more people.

Mr. HUMPHREY. I thank the distinguished Senator from Mississippi, who always shows deep and sincere interest in the matter of protecting our public lands and improving our public services.

Let me thank also the distinguished Senator from South Dakota for his distinct contribution to this discussion.

I do not believe the Park Service program has been discussed sufficiently in the Senate. It seems to me that at times we fail to give proper consideration to some of the important programs which mean so much in our harried, busy lives.

I should like to have Senators know that in 1939, for example, $26,034,697 was appropriated for the Park Service, exclusive of the Civilian Conservation Corps, Works Progress Administration, and other Federal activities which were being conducted in our parks.

I think it is fair to say—at least, I say this from my own personal observation—that many of our national forests and parks are deteriorating, when we consider the progress which was made by the men in the CCC camps in a few years, which otherwise would have taken perhaps a hundred years. Many of the forest lands today in our great national parks are not in good condition.

I have talked to dozens of Park Service personnel. I have stopped my car and questioned them, and I have sat with them in their offices. I have talked with the forest rangers in the great national forests. Mr. President, I say that we are fighting a losing battle with our present appropriations.

Mr. Wirth, who, by the way, is the distinguished son of the former head of the Minneapolis Park Service, has told me that the city of Minneapolis spends one twenty-fifth the amount of the total Federal budget for national parks. My home city of Minneapolis has one of the finest city park services in America. Minneapolis spends more than a million dollars a year on the upkeep of its city parks. We give our people a chance to have a little fun.

I am happy to say that we have a very nice community, and we are proud of our parks.

Mr. Wirth testified before the Senate committee and said:

> We greatly need millions of dollars for construction work to provide facilities needed to take care of a 25-million increase in visitors since the war, but we must first take care of the existing facilities. We request that the entire amounts included in the budget be appropriated for our annual operating needs, which are greater than ever before and are increasing.

What did the distinguished Secretary of the Interior recommend? He recommended to the Bureau of the Budget something over $34,647,000. That was his recommendation to the Bureau of the Budget. He was familiar with the needs of the Park Service. In fact, the Secretary of the Interior is reported to have spoken to the President about the situation, when the President was somewhat upset by articles about the Park Service which appeared in the press. I can well imagine that the President would be concerned about this. He likes people, and he is concerned about their well being and their welfare. I desire to quote from an article written by Mr. William M. Blair, a well-known correspondent who sits in the press gallery very often, and published in the New York Times of April 9, 1954. Mr. Blair said:

> There is a keen awareness on Capitol Hill and at the White House of the deterioration that has taken place in the national parks. When a recent article highly critical of the condition of the parks appeared, President Eisenhower summoned his Secretary of the Interior, Douglas McKay.
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> Said the Secretary to the President:
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> "I do not think we have done too badly. I would like to have money for the parks, but I do not think it is in the cards at this moment. So the thing to do is to have the (House Appropriations) committee see what they think.
>
> "I would like to have $50 million for the parks, but we just don't have it."
>
> The House committee took a lopped $2,500,000 off the President's request of $28,468,000—and the request was about $5 million below the appropriations in the current budget.

Mr. President, the budget request was for $28,468,000. Secretary McKay's request to the Bureau of the Budget was for $37,647,000. We are getting readjusted—readjusted downward from $37,647,000 to the $28,468,000 which the President recommended, and thence to the Senate figure of $27,880,000.

The present population of the United States is about 161 million. I remind my colleagues that next year, by the time the budget goes into effect, it will be 163 million. Every time we think about the population for 1 second, there are more people. If we think about it for 1 minute, there will be 300 more persons go-

ing to the national parks. Not only are the trees growing in the parks, but the people are growing who will be going to look at the trees. The population growth factor has a great impact upon the need for improved facilities in our national parks and the proper use of the parks.

The New York Times article continues as follows:

Park Service officials wonder about the effect of the cut in the face of an expected record 50 million visitors total this year.

Mr. President, almost a third of the total population of the United States will go to the national parks this year; yet Congress plans to appropriate this year only about $2,500,000 more than it appropriated in 1939. Since 1939, I gather, according to the arguments I have heard from time to time in the Senate, the value of the dollar has depreciated at least 50 percent, while costs have gone up. Let us face up to the situation. Costs have gone up. Yet Congress is moving in retreat. We are not protecting the Park Service. What we are doing today is simply holding old things together. During the 1930's the visitor load grew from 6 million to 21 million annually. During the war, it dropped back to 6 million. By 1946 the visitor load was back to 21 million. Last year it reached 46 million. This year it will go to 50 million, according to estimates of the Park Service.

The Park Service operates today with 26 percent of the amount of labor it had in 1941. I hope the people of the United States realize that in our great generosity we are today providing for one-fourth of the man-hours of protection in the parks for the 50 million people who will visit the parks in 1954, that was provided in 1941, when only 6 million people visited the parks. In 1954 we have available to service 50 million people one-fourth the man-hours which were provided to service 6 million people in 1941.

That is why I am speaking about the Park Service. I continue to read from the New York Times article by Mr. William M. Blair:

The Park Service estimates that $2 billion is poured into the Nation's economic stream by visitors to the parks, but the great bulk of this money goes to the communities near the parks. The parks take in $4 million in fees, which go into the Federal Treasury.

So when it comes to appropriating $27,880,000, let it be remembered that $4 million is paid back into the Federal Treasury by fees, reducing the net expenditure to $23,880,000. I continue to read:

The Park Service has a $500 million backlog of construction.

Mr. President, the construction appropriations for 1953–54 were $13,916,000; the House Appropriations Committee recommendations for 1954–55 were $8,056,099. The Senate appropriation for construction in this fiscal year was $8,512,000.

The article continues:

The Park Service estimates that it is costing $700 to $800 a mile a year to maintain some national park roads. If these roads had been properly surfaced, it adds, the cost of maintenance would be $300 to $400.

We are pleased. At least, we are going to have roads in the parks. We are going after good roads. More people will visit the parks. Where are they going to sleep? What about drinking-water facilities? What about sanitary facilities? What about Park Service attendants? What about the administrative officers of such parks? I submit there is much room for improvement.

The New York Times carried an article about Yellowstone Park in its issue of April 6, 1954. This is about the oldest park in the country. I believe it is the largest national park. I read:

The Nation's oldest and largest national park is expected to be engulfed soon by the first of more than a million visitors.

On hand to greet them this season will be 80 permanent and seasonal park rangers and 36 permanent and temporary park naturalists. This will be 17 fewer than were on hand in the summer of 1937, when only 499,242 visitors came to stare at the geysers and the bears.

We are going to have 17 fewer park rangers in 1954, this summer, than there were in 1937. In 1937 about a half million visitors went to the park, and this year it is estimated there will be more than a million visitors. By some this is called economy. I call it overlooking what are the plain necessities of an adequate park administration.

This year's budget for maintaining the park and in paying its uniformed and civilian operating personnel will be about four times as great as that of 1937.

But since the end of World War II the costs of these services have increased by two and a half times, and funds available for construction and replacement of facilities have been but a fraction of what park officials say is needed.

Last year the visitors arrived in more than 400,000 automobiles. But of the 270 miles of main roads within the park, only 7 miles have been built since the end of the war. Of the remaining, 114 miles are surfaced with pavement of pre-1930 standards, and 73 are of pre-1940 standards. The remainder is either of pre-1920 standards or unfinished.

There are 9 bridges, all of them one-way, which were built by Army engineers between 1905 and 1915.

Those bridges ought to be dedicated as a part of a museum rather than as a part of the park.

All of them had to be shored up to prevent them from falling in.

There are about 15 miles of guard rails that are badly in need of repair.

When I commented on the fact that guard rail after guard rail was missing, I was told by the administrator of Yellowstone Park that there was no money to restore the guard rails.

In driving over those roads guard rails are very necessary to health and safety, particularly safety. That is particularly true with respect to those who come from the Plains States, where such mountains as exist in the western part of the country are not encountered. If no guard rails are provided the visitor may find himself with some of the bears down at the bottom of the valley.

Continuing, the April 6, 1954, New York Times article reads:

At the Fishing Bridge, on the lower end of Yellowstone Lake, water supply and sewage facilities have been operating at top capacity. But, under present budget plans, no money to expand them will be available until at least 1956.

I do not know how the people are going to be accommodated in that respect. There will be about a million people visiting the park this year. The water and sewerage facilities were overtaxed in 1951, 1952, and 1953. More people will be visiting the park this year. The problem will give the Public Health Service of the Government something to worry about.

I continue to read from the article:

Chief Ranger Otton Brown and his staff also were handicapped by a lack of modern communication facilities. Not a single official automobile is equipped with two-way radio.

What is wrong here? Our local county constable has a two-way radio in his automobile. One would think the Government of the United States was broke. We have more two-way radios than are needed somewhere in the storage facilities of the Government, and they have been paid for. The Armed Services have such radios. The trouble is that nobody around here seems to talk to anyone else to ascertain what is available. The police departments need two-way radios for police protection. They are needed for the same reasons in the parks.

The article continues:

The park's emergency radio network, used to supplement 600 miles of telephone lines, consists of equipment that dates back to 1934.

I hope we will never have to defend ourselves in the national parks.

During 1935 the park was hit by 91 fires, its largest number. Although $35,000 was provided last year for fire suppression specialists, Mr. Brown said the number of supervisory personnel to direct fire fighting was below the safety level.

"The Federal fiscal year begins in the middle of the park's busiest period. Park officials never are sure that funds appropriated in 1 fiscal year will be continued through the next and that they can finish the season with the same personnel with which they started.

They are going to get a jolt this year. Last year the Park Service received $33,853,850 for management and protection. This year it will get $27,880,099. This has nothing to do with the roads. It is for fire protection, health protection, safety protection, and management of the parks. This is for the fiscal year 1954, which ends on June 30, which is when the peak of the season starts in Yellowstone and other big parks.

Last year, in fiscal 1954, the amount appropriated was $8,869,550. What is appropriated this year for management and protection? The House appropriated $9 million. That represents an increase of approximately $150,000. For maintenance and rehabilitation of physical facilities, there was appropriated last year $8,300,000. This year the committee recommends $8,850,000. The real loss in this year's program is in construction.

Continuing the article reads:

Last year Mr. Brown planned to keep his temporary ranger force of 52 on duty until at least October 15. But the new budget reduced the funds for these men, and most had to be released on September 15.

With the hunting season beginning in surrounding States on that date, those remaining had to be assigned exclusively to patrol work. As a result, there was no one on hand to collect entrance fees. From September 15 until the snows came in October the park lost an estimated $47,000 in revenue. Ten thousand dollars in last year's budget would have permitted the collection of the $47,000, Mr. Brown said.

A good way to make money, Mr. President.

For the coming year, park officials requested $2,025,000 in new construction funds—

This is just for Yellowstone Park—

For the coming year, park officials requested $2,025,000 in new construction funds. They said that amount was needed to keep the park in minimum operating condition. In President Eisenhower's proposed budget, $328,000 has been allocated for new construction and $1,232,000 for operations and maintenance.

Mr. President, I ask unanimous consent to have all these articles from the New York Times, together with excerpts of the annual reports of the Director of the National Park Service for 1953 and 1952, printed in the RECORD at this point in my remarks.

There being no objection, the articles and excerpts were ordered to be printed in the RECORD, as follows:

NATIONAL PARKS

Following are the most pertinent excerpts from the New York Times series on the national parks of early April 1954.

New York Times, April 9, 1954 (article by William M. Blair):

"There is a keen awareness on Capitol Hill and at the White House of the deterioration that has taken place in the national parks. When a recent article highly critical of the condition of the parks appeared, President Eisenhower summoned his Secretary of the Interior, Douglas McKay.

"Said the Secretary to the President:

" 'I do not think we have done too badly. I would like to have more money for the parks, but I do not think it is in the cards at this moment. So, I think the thing to do is to have the (House Appropriations) committee take a look at this and see what they think.

" 'I would like to have $50 million for the parks, but we just don't have it.'

"The House committee took a look. It lopped $2,500,000 off the President's budget request of $28,468,000—and the request was about $5 million below the appropriations in the current budget. * * *

"Park service officials wonder about the effect of the cut in the face of an expected record 50 million visitor total this year. * * *

"During the 1930's the visitor load grew from 6 million to 21 million annually. During the war it dropped off to 6 million * * * By 1946 the visitor load was back up to 21 million and last year it reached 46 million. * * *

"The Park Service operates today with 24 percent of the man-year labor it had in 1941. It has difficulty attracting the personnel it wants. * * *

"The Park Service estimates that $2 billion is poured into the Nation's economic stream by visitors to the parks, but the great bulk of this money goes to the communities near the parks. The parks take in $4 million in fees, which go into the Federal Treasury.

"The Park Service has a $500 million backlog of construction. (The construction appropriations for 1953–54 were $13,916,000; the House Appropriations Committee recommendations for 1954–55 were $8,056,099.)

"The Park Service estimates that it is costing $700 to $800 a mile a year to maintain some national park roads. If these roads had been properly surfaced, it adds, the cost of maintenance would be $300 to $400. The roads break up year after year, it declares."

New York Times, April 5, 1954 (article by Gladwin Hill on Grand Canyon National Park):

"Aside from the camp ground, the park facilities will house at most 1,300 overnight visitors. The eating facilities will accommodate no more than 650 people at a time.

"Yet during several months of the year, any day may bring 7,000 visitors to the center. Some 836,000 people visited the 1,000 square-mile park last year and 85 percent of them came to this south rim center.

"The result of the gaping disparity between attendance and facilities is that for the last couple of years the National Park Service, questioning departing visitors, has found as many as 500 a night leaving the park for lack of overnight accommodations. (The nearest town is 60 miles away.)

"Many of them, perhaps, are better off doing so. In the cabin camp, if there had been room, they would have found superannuated bungalows that no main highway motel would dare offer these days. And the camp cafeteria, which represents about 25 percent of the south rim's restaurant capacity, while purveying palatable meals, is dreary, antiquated, and quite inadequate.

"Last year, funds forwarded to Washington, including $220,000 in car tolls and around $125,000 in concessioners' royalties and miscellaneous collections, totaled $345,000. Appropriations back to the park for operating and maintenance expenses totaled only $339,493.

"Just before World War II the park's annual budget figure was $143,220, supplemented by the free services of about 600 Civilian Conservation Corps personnel.

"For the current fiscal year, with this free manpower complement eliminated, and with the costs of all goods and services doubled or tripled over the prewar period, the appropriation was $363,559—less than 45 cents per visitor. * * *

"In addition to this budget, there was a $239,763 appropriation earmarked for road construction. This, however, did little more than dent the accumulated highway deficiencies of many years. About 92 percent of the park's visitors came by car and some of the entering roads still are narrow and, in places, hazardous. * * *

"During World War II—appropriations for rehabilitations work on the park plant were virtually suspended. Since the war, a nominal effort has been made to catch up. But the current allocation of $10,500 for rehabilitation represents the last increment of only $80,000 provided for this since the war.

"The park administers its 1,000 square miles and its 836,000 visitors a year with a permanent year-round staff of only 50 persons, including engineers, artisians, laborers, and stenographers. Fifty more are employed temporarily in the summer. * * *

"The park ranger staff is so scant that at present the south rim entrance station is not manned after 6 o'clock at night. Any visitor who wants to cheat the Federal Government out of $1 can do it by arriving and departing after that hour.

"Adequate Federal appropriations are essential to park development because private investment is geared to Federal provision of items like roads and utilities. Construction of the new cabin camp, for instance, depends on the installation by the Park Service of water and sewers. * * *

"The Park Service, in its efforts to get its appropriations on to a realistic postwar basis, has come up against Federal budget procedures which tend to hold a department's allowance for the current fiscal year inexorably down to what it was the preceding one.

"In the case of Grand Canyon National Park, the 1953–54 budget allotment actually was almost $11,000 less than for the preceding year."

New York Times, April 6, 1954 (article by Seth S. King on Yellowstone Park):

"The Nation's oldest and largest national park is expected to be engulfed soon by the first of more than a million visitors. * * *

"On hand to greet them this season will be 80 permanent and seasonal park rangers and 36 permanent and temporary park naturalists. This will be 17 fewer than were on hand in the summer of 1937, when only 499,242 visitors came to stare at the geysers and the bears.

"This year's budget for maintaining the park and paying its uniformed and civilian operating personnel will be about four times as great as that of 1937.

"But since the end of World War II the costs of these services have increased by two and a half times, and funds available for construction and replacement of facilities have been but a fraction of what park officials say is needed. * * *

"Last year the visitors arrived in more than 400,000 automobiles. But of the 270 miles of main roads within the park, only 7 miles have been built since the end of the war. Of the remainder, 114 miles are surfaced with pavement of pre-1930 standards and 73 are pre-1940 standards. The remainder is either of pre-1920 standards or unfinished.

"There are nine bridges, all of them one way, which were built by Army engineers between 1905 and 1915. All of them had to be shored up to prevent them from falling in.

"There are about 15 miles of guardrails that are badly in need of repair. At the Fishing Bridge, on the lower end of Yellowstone Lake, water supply and sewage facilities have been operating at top capacity. But, under present budget plans, no money to expand them will be available until at least 1056. * * *"

Chief Ranger Otton Brown and his staff also were handicapped by a lack of modern communication facilities. Not a single official automobile is equipped with two-way radio. The park's emergency radio network, used to supplement 600 miles of telephone lines, consists of equipment that dates back to 1934.

During 1953 the park was hit by 91 fires, its largest number. Although $35,000 was provided last year for fire suppression specialists, Mr. Brown said the number of supervisory personnel to direct fire fighting was below the safety level. * * *

The Federal fiscal year begins * * * in the middle of the park's busiest period. Park officials never are sure that funds appropriteed in 1 fiscal year will be continued through the next and that they can finish the season with the same personnel with which they started.

"Last year Mr. Brown planned to keep his temporary ranger force of 52 on duty until at least October 15. But the new budget reduced the funds for these men, and most had to be released on September 15.

"With the hunting season beginning in surrounding States on that date, those remaining had to be assigned exclusively to patrol work. As a result, there was no one on hand to collect entrance fees. From September 15 until the snows came in October the park lost an estimated $47,000 in revenue. Ten thousand dollars in last year's budget would have permitted the collection of the $47,000, Mr. Brown said. * * *

"For the coming year, park officials requested $2,025,000 in new construction funds. They said that amount was needed to keep the park in 'minimum operating condition.' In President Eisenhower's proposed budget, $328,000 has been allocated for new construction and $1,232,000 for operations and maintenance."

New York Times, April 7, 1954 (article by John Popham on Great Smoky Park):

"The hard core of the problem is simply this:

"Great Smoky is the country's foremost national park in terms of the number of visitors per season, yet its annual budget allotments must be spread so thin to meet the necessary expansion of facilities that public services have become inadequate.

"Furthermore, the park system's basic operations plant, including roads, trails, bridges, ranger stations, and in-park quarters, in large measure has reached the point of deterioration where maintenance funds no longer have a realistic meaning. * * *

"In 1941 the park had 1,310,101 visitors. After a wartime lull the park again reached the million-visitor figure in 1946. In 1952 it had 2,295,428 visitors, and in 1953 there were 2,322,152. * * *

"The park staff, which operates on the governmental 40-hour week, in effect is confronted with a 70-hour workweek as far as rendering adequate service to the public is concerned.

"Yet * * * the park this season will have fewer man-hours per week of employment in management and protection services than it had in 1941. * * *

"Last year Great Smoky had 1 million more visitors but 209 fewer man-hours a week of employment than in 1941. Yet in 1953 the staff had to handle 20 miles more of primary roads, 2 additional campgrounds, 2 historical developments, one museum exhibit and also had to patrol and protect 40,000 additional acres of lands. * * *

"The park has 200 wooden bridges on 150 miles of secondary roads. * * *

"These bridges were built, for the most part, some 18 to 20 years ago. They have had no major repairs until the last 2 or 3 years and most of them now need new substructures. The park engineer said that 40 of the bridges were now unusable and all the rest were in need of considerable repair.

"There are 542 miles of foot and horse trails. About 200 miles of them will be in good condition for visitors by July 1, but the remainder will require additional work that the park staff will not be able to provide when the visitation reaches its midseason peak.

"There are 133 miles of primary roads. * * *

"The overriding problem concerns Highway 441 and its 14.8-mile stretch on the North Carolina side. Twelve miles of this road are in very bad condition, involve for the most part a steep grade with washboard characteristics and carry four times the traffic they were designed for in the first place.

"The park's 1940 fiscal year budget appropriation for management, protection, and maintenance was $97,797. The 1955 fiscal year budget * * * calls for $421,513 in the same categories. * * *

"In 1940 standard costs were like this: Ranger, $1,200 a year; laborer, 30 cents an hour, automobile mechanic, 60 cents an hour; typewriter, $77.50; pickup truck, $700 to $800; gasoline, 9.6 cents a gallon.

"In 1954 standard costs for the same items are: Ranger, $3,214 a year; laborer, $1.05 an hour; automobile mechanic, $2.10 an hour; typewriter, $135; pickup truck, $1,300 to $1,400; gasoline, 23 to 24 cents a gallon."

(The article then points out that low appropriations have necessitated hiring seasonal, temporary help. This help is unsatisfactory—it has to leave at the end of the summer before the peak season is over, it takes time to train, etc.)

"Park officials estimate that it would take at least $3 million in construction funds to bring Great Smoky's operations plant back to its 1940 status."

(The 1955 request of the administration for construction funds is $231,700.)

(The article also discusses the dangers of lowered morale of the personnel. Rents on their accommodations have been raised, their hours are far longer than they are paid for, rangers' wives often man communications gratis.)

New York Times, April 8, 1954 (article by Lawrence E. Davies on Yosemite):

"Problems * * * include the following:

"Providing campgrounds and sanitation facilities for the 15,000 to 20,000 campers that sometimes invade the park in a single day.

"Modernizing and maintaining roads, trails, and Government-owned buildings. The Park Service's administration building is now receiving its first coat of paint in 15 years.

"Attracting the right kind of young men for careers in the Park Service.

"Keeping rangers and other permanent employees happy with their present salaries and often inadequate Government housing. * * *

"Yosemite now attracts close to 1 million visitors annually. * * *

"To administer and operate the park, Superintendent Preston and his men received a total of $971,560 for this fiscal year. * * * This is a reduction of $35,472 from the figure for the preceding year. They see no likelihood of getting more for the 1954–55 fiscal year.

"In 1941 Yosemite drew 594,062 visitors. Last year the number was 969,225.

"In 1941 it operated with a permanent ranger force of 23 with a temporary summer force of 46 more. Now * * * budget permits him only 20 rangers on permanent status and his schedule for this summer calls for 48 on a temporary basis. * * *

"Common labor here has been drawing $1.58 an hour, which is 5 cents more than a summer ranger receives. This differential promises soon to grow larger. * * *

"Yosemite pays about two-thirds of its way. In contrast to the $971,560 appropriated last year, it paid back into the Federal Treasury $663,000.

(Remainder of the article describes how roads and other facilities are badly in need of repair.)

ANNUAL REPORT OF THE DIRECTOR OF THE NATIONAL PARK SERVICE

1953

As was pointed out in hearings before the Appropriations Committee of the House of Representatives, the service operated, during 1953, with 25 percent less manpower than it did in the 1941 fiscal year, yet had 10 percent more areas to maintain, far greater responsibilities, and more than twice the number of visitors to be protected and served.

The 1952 calendar year saw the largest travel in the history of the National Park System and now, at the end of the first 6 months of 1953, travel is again soaring.

1952

Nearly 37,000,000 visitors were recorded.

From the standpoint of good public business, the long-deficient budgets are a deeply serious matter. Be it a scenic highway or a park building, or a private sidewalk or a home, patch upon patch is a poor and wasteful practice. Scarcely less objectionable is service to the public which, because of inadequate personnel, has to be diluted to the point that few visitors are able to realize the satisfactions it is intended to provide. Certainly the immediate result of inadequate financial support is to substract seriously from the people's enjoyment of the parks and contribute to the gradual destruction of the areas. Through it, we are risking the loss of Americans' pride in the great places of their country.

As of June 30, 1949, capital investment in the highways of the system was $191 million; the maintenance estimate for 1953 is 2.2 percent of that investment.

Approximately 3,900,000 acres of the lands administered by the Service have been badly eroded or seriously depleted by erosion and prior misuse. The problem acreage needs protective and corrective work which, it is estimated, would cost about $4,317,450. Of this, more than $1,685,000 is needed for immediate correction alone of areas having severe and critical erosion.

The 1952 appropriation carried $91,200 for this work.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point in my remarks a tabulation showing the budget estimates and appropriations for the National Park Service from 1951 to 1955.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

National Park Service budget estimates and appropriations,[1] 1951–55

Park Service account [2]	Management and protection	Maintenance and rehabilitation	Construction	Construction (liquidation of contract)	General administrative expenses	Total, National Park Service
1951:						
Estimate	$7,855,000	$7,470,000	$22,767,000	----------	$1,314,500	$39,406,500
Appropriation	7,818,700	7,460,000	19,517,500	----------	1,314,500	36,110,700
1952:						
Estimate	8,176,000	7,396,500	11,975,000	----------	1,284,500	28,832,000
Appropriation	8,175,000	7,448,790	11,370,000	----------	1,254,774	28,248,564
1953:						
Estimate	8,791,000	8,004,000	12,750,000	----------	1,360,000	30,905,000
Appropriation	8,786,550	8,003,370	15,030,410	----------	1,342,000	33,162,330
1954:						
Estimate	10,000,000	9,200,000	17,919,000	$1,500,000	1,400,000	40,019,000
Appropriation	8,869,550	8,300,000	13,916,300	1,500,000	1,268,000	33,853,850
1955:						
Estimate	9,750,000	8,850,000	8,600,000	----------	1,268,000	28,468,000
Appropriation [3]	----------	----------	----------	----------	----------	27,880,000

[1] Includes regular annual and supplemental appropriations.
[2] As established beginning fiscal year 1951.
[3] Not available.

Source: The Budget of the U. S. Government, 1950 to 1955, inclusive.

Mr. HUMPHREY. Mr. President, as I conclude, let me say that there are new national parks being added to our great national park system. More responsibility is being thrown on the National Park Service personnel, and they will have a larger area to supervise. More care must be taken in relation to facilities, roads, housing, forests, rivers, and streams in order that the visitors may enjoy the parks.

I am emphasizing that the $27,880,000 which is being authorized to be appropriated is totally inadequate for the Park Service. I realize this is not the time to go through each item of the Park Service budget.

As I said at the beginning of my remarks, the National Park Service has very little responsibility in the State I in part represent. But each Senator has a responsibility for all other States, as well; and I am of the opinion that what we need to do in this case is to increase the funds available both for management and protection on the part of the National Park Service, and for maintenance and rehabilitation of physical facilities, and for construction. I hope I shall receive the cooperation of all Senators who represent the States in which national parks are located, and I hope to receive the consideration of the Appropriations Committee in connection with a supplemental budget estimate, so as at least to bring these budget estimates up to the standard proposed by the Bureau of the Budget—which is only a few hundred thousand dollars more—and, furthermore, up to the standard proposed by the Secretary of the Interior.

Mr. President, at this moment I shall not submit an amendment. I wish to consult with legislative counsel about the appropriate place in the bill for such an amendment.

I shall appreciate very much having from the chairman of the subcommittee an explanation as to why more funds were not allocated; and I should like to ask whether population factors and highway vehicle numbers were taken into consideration. Finally, I wish to ask the chairman of the subcommittee whether he really believes that the sum of money provided by the bill is adequate to rehabilitate the broken-down facilities and to begin a forward movement to reclaim some of the loss that occurred during the war years, when there was no construction, and when our National Parks were literally allowed to "go by the board," for the budgets were down to a basic minimum—or $9 million; and in the postwar years, no new construction has occurred.

So, Mr. President, rather than skip over this item of the appropriation bill, I should like to have an explanation as to why so small an amount of money was provided. Can the chairman of the committee tell me what justification the committee has for providing, for example, only $9,250,000 for maintenance and protection on the part of the National Park Service?

Mr. CORDON. Mr. President, will the Senator from Minnesota yield to me?

The PRESIDING OFFICER (Mr. UPTON in the chair). Does the Senator from Minnesota yield to the Senator from Oregon?

Mr. HUMPHREY. I yield.

Mr. CORDON. I assume that the Senator from Minnesota has taken advantage of the opportunity to go through the hearings.

Mr. HUMPHREY. Yes; I have examined the hearings on the National Park Service, and, what is more, I have personally consulted with members of the National Park Service.

Mr. CORDON. Then the Senator from Minnesota is at least as fully advised as I am.

Mr. President, we who are charged with the responsibility of handling the money bills for the Congress are always face to face with the knowledge that there is not sufficient money to go around. Every day we have beaten into our ears charges that we are taking, for governmental purposes, too much of the earned dollar. We have the knowledge, at least, that is to be found in the newspapers, and also the knowledge that is to be picked up on the floor of the Senate, with respect to the hearings going on in connection, not with appropriation bills, but with revenue bills. We have before us a record of a country which has borrowed itself almost to the limit of borrowing. We feel that we realize we have an obligation, as we serve on this subcommittee, so to integrate the bill that is reported from our subcommittee to the full committee, with the bill that comes from the Subcommittee on Agricultural Appropriations, and the bill that comes from the Subcommittee on State, Justice, and Commerce Appropriations, and the bill that comes from the Subcommittee on Independent Offices Appropriations, and so forth, that the total will be somewhere near what the people can stand. We realize that in this country the only hope we have is to have an expanding economy that will increase production and thus will increase the ability to provide funds for such projects as the ones handled by the National Park Service.

So, Mr. President, when we come to this particular appropriation, it happens that on the subcommittee we have the Senator from Washington [Mr. MAGNUSON], who now sits on my left, the senior Senator from Arizona [Mr. HAYDEN], from a State in which is located one of the great national parks of the country, and other Senators. We have serving on the committee a number of Senators who have personal knowledge, not only of the conditions within the parks, but of the history of the parks—Senators who know personally of the necessities of the park regions and the parkways, the access roads, the roads and trails within the parks, and so forth.

So I can only say to my colleague that I realize that we do not spend as many dollars as could profitably be spent within our national parks. I also say that we are not spending the dollars we might profitably spend on surveying the unsurveyed face of the Nation. We have not spent the money that needs to be spent on contouring the surface of the Nation. We have not spent the money that needs to be spent to determine the mineral content of the area we call the United States of America. We have not been able to find the money with which to build, or to aid in the building of, the needed schoolhouses, hospitals, arterial highways, and so forth.

Mr. President, after service on this committee, we learn that the entire job cannot be done in 1 year. We find that the world was not created in 1 day. We know that we must pick and choose, and must spread our dollars as thin as we can to maintain, insofar as we can, the essential services the people of the United States demand of their Government.

Let me say to my colleague, the Senator from Minnesota, that the national parks have, as a result of that situation, not had the treatment that he would have them receive or that the chairman of the subcommittee would like to have them receive. I cannot answer with respect to any given item, and say that we have given to it every consideration that might have some bearing upon the adequacy of the appropriation for it.

The subcommittee had before it all the data with respect to the numbers of persons visiting the parks, and, generally, the amount of the capital investment and the amount of maintenance money in proportion to the basic capital investment, and other matters.

In the case of each of the requests submitted to us, we have voted for the amount of appropriation which, in our collective judgment, we believed proper. If it be true that we have been niggardly, I can only assure my colleague that it is not because of any concerted desire to be so.

Mr. HUMPHREY. I thank the Senator.

Mr. CHAVEZ. Mr. President——

Mr. HUMPHREY. Just a moment. I shall be glad to yield in a moment.

I am not in any way admonishing the Appropriations Committee. I am happy that the chairman of the subcommittee has had an opportunity to make a statement. The real purpose of the junior Senator from Minnesota in taking the time of the Senate this afternoon to speak about the Park Service is to sound a clarion call for a little more attention to the Park Service. I am not talking about the Park Service as an administrative agency. I am talking about the employment of competent, trained personnel, and the provision of good facilities to make our parks and our recreation areas really the people's playgrounds, as they ought to be.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from New Mexico.

Mr. CHAVEZ. I thank the Senator from Minnesota for having made a great contribution in the interest of the people of the United States.

I wish to go a little further than did the Senator from Oregon. As I look over the various items in this appropriation bill I know that he is correct when he states that he would have liked to provide more funds for various activities. We have been niggardly with the Indian Bureau. We have been niggardly with the Reclamation Service. We have been niggardly with the Southwest Power Administration and the Southeast Power Administration——

Mr. HUMPHREY. And the Minnesota transmission lines.

Mr. CHAVEZ. And the Minnesota transmission lines. The reason is as stated by the Senator from Oregon. In my opinion that condition will continue until we pay as much attention to the needs of the people of the United States as we do to the needs of people outside the United States.

Yesterday I noticed in the press that the Secretary of State had appeared before one of the standing committees of the Senate in an effort to obtain authority for the use $1 billion at a certain spot alone. When we consider the other billions of dollars which have been poured

out, we can readily see that if we used only one-half or one-quarter of that amount in order to develop the ideas which the Senator from Minnesota has in mind, and actually create wealth in the United States, we would be far better off. Every power line creates wealth. Every reclamation project creates wealth. We should do the right thing by the Indians. They can create wealth too, if they are only given what they are entitled to have.

We shall not be able to create such wealth until we get down to stern reality and spend the money in the United States.

Mr. HUMPHREY. I thank the Senator from New Mexico.

Mr. President, I have one final question to discuss with the chairman of the subcommittee. I notice that under public law, or according to tradition, in the appropriations for the Fish and Wildlife Service the duck stamp funds are allocated for the purpose of game refuges and care thereof, and the extension of game refuges.

Mr. CORDON. That is correct.

Mr. HUMPHREY. Did the Senate committee change what the House had done in terms of using the part of the duck stamp dollars which was taken over into "administration"? Was that taken back, so that it can be used for purposes of land development and extension of game refuges?

Mr. CORDON. We adopted the program set forth in the budget estimate itself. There is a portion which goes for administration. There always has been.

Mr. HUMPHREY. It is increasing, is it not?

Mr. MAGNUSON. It is fixed by law.

Mr. CORDON. I do not believe it is fixed as a definite percentage by law. The purposes are named, without there being a specific allocation.

Mr. HUMPHREY. That is my understanding. I understand that the broad purposes for the use of the duck stamp funds are outlined in public law. The main purpose of the duck stamp tax was for conservation. At one time sportsmen came to the Congress as organized groups and asked that this money be collected, and that it be dedicated for the protection of flyways, for game refuges, and so forth. This item means a great deal to our sportsmen, our rod and gun clubs, our conservation groups, and those areas of America where there are duck flyways, and where sports activities are of great importance.

I have just returned from my own State. I was asked to meet with a number of conservation groups, particularly the officers of rod and gun clubs. The word I have is that a very sizable portion of the funds derived from the duck stamp tax, which should be allocated to the purchase of new game refuge land or the protection of flyways, is now going into administrative costs.

Mr. CORDON. I shall be happy to give the Senator the figures. This year, out of the Migratory Bird Conservation Account——

Mr. HUMPHREY. That is the duck stamp fund?

Mr. CORDON. That is correct. Out of that account $500,000 more will go into operation and maintenance than was the case last year. The definite appropriation for Management of Resources is $1,652,000. The amount which must be appropriated and paid from taxes is $1 million. The other $652,000 will be realized from what is technically termed the permanent indefinite appropriation. In other words, it is taken from the duck stamp fund. The act originally creating the fund gives authority for the use of the fund for maintenance. No percentage is specified. However, the Senator is absolutely correct in saying that when the duck stamp tax was raised from $1 to $2, those who asked for the increase, sportsmen and representatives of sportsmen's organizations, who would pay the bill if the increase were made, made their case predicated upon the proposition that more money should be invested, or rather, more areas managed for wildlife conservation than we had. As I understand—and I can say to the Senator only what has been said to me—in many instances we encounter situations in which the cost of very desirable areas is so much greater, from the capital investment standpoint, than the benefits which could accrue that there is a very grave question as to whether there should be a further capital investment or a more intensive use of the areas we already have. I think it is a matter of judgment.

Mr. HUMPHREY. It is an honest controversy.

Mr. CORDON. There are sharp differences as to which approach is correct. I believe that, generally speaking, we are getting good conservation management and a higher level of law enforcement. I am always pleased to see the level of law observance raised as the result of voluntary cooperative effort on the part of sportsmen's organizations.

So far as I can, I have answered the question asked by the Senator from Minnesota.

Mr. HUMPHREY. I thank the Senator. Let me say, in sharp protest, that I think the trend in the field of conservation of wildlife is in the wrong direction.

These funds, so far as the junior Senator from Minnesota understands them, were primarily to be dedicated to the express purpose of improving the conservation program and the expansion of the protective grounds of fowl wildlife. I have had very vigorous protests from sportsmen and conservation groups in the State of Minnesota, and I want those sportsmen and conservation groups to know that it is the view of the junior Senator from Minnesota that these funds should be used to improve the present game refuges and to expand them, instead of being used as a substitute for or in lieu of appropriated funds for administration and personnel.

Mr. JOHNSON of Texas. Mr. President, at this point I should like to express my personal congratulations to the Senate Appropriations Committee for the splendid job they have done on this bill.

I particularly want to commend their good judgment on restoring the full $400,000 sum for research into the conversion of salt water to fresh water. It would be difficult to think of a better use to which that money could be put.

We have reached a point in the development of our Nation where very serious consideration must be given to the pressure of individual, industrial, and agricultural needs upon our water resources. We have passed the time when we can afford to be complacent.

In my own State of Texas we have been feeling the impact of the water problem in an acute form for a number of years. Although at the moment the Texas drought has been broken; it has done serious damage, and we have no assurance that it will not recur.

In most sections of the United States we are not accustomed to living with a water ceiling. But the ceiling is there. Our population is expanding and with that expansion there is an ever-growing need for industrial and agricultural production to keep pace with human demands.

At the present time, we are confronted with agricultural surpluses. But our population experts tell us that those surpluses could easily become deficits within a decade or two. At the present time our industrial potential is enormous. But our population experts tell us that it will be entirely inadequate within 25 years. The drain upon both our surface and underground water supplies has been heavy in recent years. There is no source that now can be considered "inexhaustible" except the ocean itself.

The immediate objective is to find means of producing great quantities of fresh water from salt water at costs that would make the project practical. Experts estimate that this can be done now for somewhere between 30 cents and a dollar per thousand gallons. This is probably too expensive for irrigation purposes. But there may be emergency situations in which it would already be practical to use such water for municipal and industrial purposes.

There are vast areas of our country—particularly in Texas and the Southwest—that could be tremendously productive both industrially and agriculturally if only they had access to water. The research that would be financed by these funds could open up those areas and benefit our whole Nation—not only ourselves but those who come after us.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. SALTONSTALL. As one who come from a State which lies adjacent to salt water, I merely wish to say that the project the Senator from Texas has mentioned is equally important and equally beneficial to a State which lies adjacent to salt water, from the standpoint of industrial uses, as well as the use of salt water for agricultural uses.

Mr. JOHNSON of Texas. I have no doubt that is the fact.

Mr. BARRETT. I wish to join in the statement of the distinguished minority leader. His statement is very well taken.

Mr. BUTLER of Nebraska. Mr. President, I too, should like to join the distinguished minority leader in his statement. Although Nebraska is located about as far from salt water as any State can possibly be located, we are perfectly willing that States which are close to salt water should get whatever advantage they can. I only wish that they had as much fresh water as we in Nebraska have.

Mr. JOHNSON of Texas. I thank the Senator for his statement. It is characteristic of his very generous approach to our national problems.

Mr. BARRETT. Mr. President, on behalf of myself and the distinguished Senator from Nebraska [Mr. BUTLER] I offer an amendment which I ask to have stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 15, line 6, after the word "customer", it is proposed to insert the following: "*Provided further*, That a definite plan report on the Glendo unit having been completed, reviewed, and approved May 19, 1953, by the States of Nebraska, Wyoming, and Colorado as required by the Interior Department Appropriation Act, 1954, and thereafter approved by the Secretary of the Interior on February 19, 1954, and subsequently on April 2, 1954, transmitted to the Congress, said report is hereby approved; construction and operation of said unit is authorized in accordance therewith and with the modified decree of the Supreme Court in *Nebraska* v. *Wyoming* (345 U. S. 891) and, through integration with other Federal works in the Missouri Basin, with the financial objective of returning its reimbursable costs during a 50-year payment period."

Mr. BARRETT. Mr. President, the amendment is offered for insertion in the bill in lieu of the language stricken on page 15.

The language on page 15 has been contained in appropriation bills for several years. It required the States of Colorado, Wyoming, and Nebraska to enter into an agreement with the Bureau of Reclamation, representing the Department of the Interior, on the Glendo project in Wyoming. It required a definite plan report to be submitted to the States and approved by the States in accordance with the Flood Control Act of 1944, and thereafter to be submitted to Congress.

Mr. President, the States have considered the Glendo unit as submitted by the Bureau of Reclamation. Each of the States, Colorado, Wyoming, and Nebraska, has approved the plan report for the Glendo project.

I have before me a letter dated November 2, 1953, which was submitted to the States, and which the Commissioner of Reclamation submitted to the Secretary of the Interior. On February 19 the Secretary of the Interior approved it, and a day or two later he submitted it to Congress.

I also have before me copies of letters from the Governors of Colorado, Wyoming, and Nebraska, consenting to the revised plan for the Glendo project. I ask unanimous consent that the letters be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

STATE OF WYOMING,
EXECUTIVE DEPARTMENT,
Cheyenne, March 5, 1953.

Hon. DOUGLAS MCKAY,
Secretary of the Interior,
Washington, D. C.

DEAR SECRETARY: Enclosed herewith is a letter covering Wyoming's formal review and comments of the definite plan report for development of the Glendo unit of the Missouri River Basin project as modified by the December 1952 report of the United States Bureau of Reclamation.

Sincerely yours,

C. J. "DOC" ROGERS,
Governor.

STATE OF WYOMING,
STATE ENGINEER'S OFFICE,
Cheyenne, March 4, 1953.

Hon. C. J. "DOC" ROGERS,
Governor, Cheyenne, Wyo.

DEAR GOVERNOR ROGERS: Agreeable with your request, I have reviewed the definite plan report for development of the Glendo unit of the Missouri River Basin project as modified by the December 1952 report of the United States Bureau of Reclamation, and offer comments for your information, as follows:

1. Glendo unit, Oregon Trail division, North Platte River district, Missouri River Basin project was originally authorized by the 1944 Flood Control Act.

The plan as modified consists of Glendo Dam and powerplant 4.5 miles southeast of Glendo, and the Fremont Canyon powerplant between the backwater of Alcova Reservoir and Pathfinder Dam. The total area inundated by Glendo Reservoir will be 23,009 acres, of which about 3,000 acres are irrigated. The water rights for the irrigated area can be transferred to other lands without loss of priority.

2. Glendo Reservoir will have a capacity of 800,000 acre-feet, allocated as follows:

	Acre-feet
Irrigation	100,000
Power	310,000
Flood control	275,000
Sediment control	115,000

Plus a surcharge capacity of 288,000 acre-feet. Total capacity when routing spillway designed flood is 1,088,000 acre-feet.

3. The Glendo Reservoir project has been in process of investigation for about 15 years.

4. Hearings were held to determine the desires of the people of the basin before approval by the Natural Resource Board.

5. Glendo and Fremont Canyon powerplants will supply existing and future power needs in Wyoming, Colorado, and Nebraska. Glendo plant would be operated mainly during the irrigation season. The Fremont plant will operate the entire year.

6. The 1950 cost estimate for the Glendo unit (Glendo and Fremont Canyon) was $42,073,000 and the 1952 revised estimate is $50,859,000.

7. Flood-control benefits are increased in the revised estimate from $229,000 to $250,400 annually, plus an annual allowance of $7,000 for scheduling flood-control operations.

8. Fish and wildlife benefits in the amount of $47,900 annually are allocated as nonreimbursable.

9. In accord with the tri-State agreement storage water from Glendo Reservoir will be available for irrigation use in Nebraska in the amount of 25,000 acre-feet and in Wyoming in the amount of 15,000 acre-feet.

10. The benefit-cost ratio in the modified plan is 1.4 to 1.

11. A stipulation between the States of Colorado, Nebraska, and Wyoming with reference to modification of the 1945 Supreme Court decree depends on approval of permit for construction of Glendo Reservoir by the Wyoming State engineer.

12. At this point I wish to mention the fact that the formula used in computing transportation losses of stored water in the river from Alcova to Guernsey Reservoir is not satisfactory to Wyoming. We believe the actual loss is much more than allowed by the formula.

We suggest that a committee of engineers be appointed at an early date to make a comprehensive study of this item, together with the reservoir evaporation losses mentioned in paragraph 11, page 4, of the supplemental report with the object in view of correcting the present formula to make the transportation charge to conform with the actual transportation loss. I suggest one engineer from each of the States of Nebraska and Wyoming, and one from the Bureau of Reclamation. (Colorado is not interested in this item.)

13. At the recent legislative session a bill was passed authorizing the State engineer to approve a permit for construction of Glendo Reservoir. This permit was granted under date of March 4, 1953.

14. In view of the foregoing, I recommend that you approve the Bureau of Reclamation definite plan report for the Glendo unit on behalf of the State of Wyoming and so notify the Secretary of the Interior of the United States, and send copies to the Governors of Colorado and Nebraska and directors of region No. 7, United States Bureau of Reclamation.

Respectfully submitted.

L. C. BISHOP,
State Engineer and Interstate Streams Commissioner.

UNITED STATES
DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, D. C., November 2, 1953.

The SECRETARY OF THE INTERIOR.

SIR: This report on the Glendo unit, Wyoming, of the Missouri River Basin project has been prepared in accordance with the provision of the Interior Department Appropriation Act, 1954, relating thereto. It incorporates, with modifications discussed below, the accompanying report of the regional director, Bureau of Reclamation, Denver, Colo., dated December 31, 1952.

The Glendo unit would consist of the Glendo Dam, Reservoir, and powerplant on the North Platte River about 4.5 miles southeast of the town of Glendo, Wyo., and the Fremont Canyon powerplant at the backwaters of the Alcova Reservoir upstream on the North Platte River. The Glendo Reservoir would be valuable for irrigation, flood control, sediment storage, and reregulation of releases from upstream powerplants. The Fremont Canyon power development, although located a considerable distance upstream, has been made a part of the Glendo unit as its operation is made possible by and is dependent upon reregulation of its water releases in the Glendo Reservoir. The Fremont Canyon and Glendo powerplants would supply existing and expanding needs for power in Wyoming, Colorado, and Nebraska, for commercial, industrial, and domestic use and for irrigation pumping. Other related purposes which would be served include pollution abatement, fish, and wildlife conservation and propagation, and improvement of the quality of municipal, domestic, and industrial water.

The estimated construction cost of the Glendo unit is $50,859,000 at current prices, of which $41,684,000 is tentatively allocated to power and irrigation and would be returned to the United States and $9,175,000 is allocated to flood control and fish and wildlife and would be nonreimbursable. Before construction of the project is initiated, further consideration will be given to the allocation of project costs and the allocations revised, as may be necessary, to reflect cost allocation procedures that may be agreed upon by all agencies of the executive branch.

The Glendo unit analysis for payout purposes, as presented in the regional director's report, considers the unit on the basis of its financial integration with the Missouri River Basin project, assigns a proportionate share of the basinwide transmission system costs to the Glendo unit, and suballocates a part of the Glendo power investment to irrigation pumping even though, in the market area of the North Platte River power system, only a few additional transmission facilities

would be required to deliver Glendo unit power to load centers and there is no Federal project irrigation pumping load. As a member of the power system of the overall project, the Glendo unit costs, along with other power costs of the overall project, would be repaid within a period of 50 years by revenues from the overall Missouri River Basin project.

This is the first report on a unit of the Missouri Basin project transmitted under my sponsorship. The regional director's report was prepared in accordance with previously existing policies. As above indicated, it contains references to payout analyses and other matters which affect not only the Glendo unit, but also the entire Missouri River Basin project. Without stopping here to reexamine the bases of such previously existing policies in terms of their application specifically to the Missouri River Basin project including the Glendo unit, and without commitment as to whether and to what extent such bases may be modified as a result of the general review of such matters now in progress, the feasibility of the Glendo unit as a part of the Missouri River Basin project follows from the fact that the unit, as is hereinafter demonstrated, is individually, both economically and financially, feasible. We are therefore, justified in proceeding with the unit at this time and because there is a pressing need for this unit, I so recommend.

Assuming the same type of power loading as for the Glendo unit hydroplants operating independently, an alternative small fuel plant providing comparable amounts of energy is estimated to cost approximately 7.4 mills per kilowatt-hour for firm energy under Federal financing and more under private financing where higher interest rates, taxes, and dividends are involved. At the present time, firm power is being sold by the Department of the Interior in the Glendo area under interim contracts which produce average revenues of approximately 7.0 mills per kilowatt-hour. A study following closely the procedures set forth in Bureau of the Budget circular A–47 and analyzing the Glendo unit on an individual basis disclosed that the cost of firm energy would be less than either of the above amounts. In this study the allocation to power was the amount derived in the regional director's supplemental report by use of the alternative justifiable expenditure method only, and interest during construction was added as a part of the total power investment. The study showed that the Glendo power investment of $42,779,000 (including $2,250,000 interest during construction) would be amortized in 50 years with interest at 2½ percent at average rates of 6.75 mills per kilowatt-hour for firm energy and 3.0 mills for secondary energy. Of the irrigation allocation of $3,152,000, it is anticipated that $1,125,000 could be repaid over a 50-year period by revenues from the sale of an average of 15,000 acre-feet of irrigation water annually and that the balance could be repaid by raising the firm power rate from 6.75 mills per kilowatt-hour to 6.9 mills or by extending the power payments for 2 years.

A reservoir at the Glendo site was authorized as a part of the Missouri River Basin project by the Flood Control Act of 1944 (act of Dec. 22, 1944, 60 Stat. 887). In the modified plan set forth herein the reservoir capacity has been increased and power facilities have been included. The Interior Department Appropriation Act for 1949 included funds for starting construction of Glendo Dam. However, the appropriation acts for 1950 through 1954 contained the following proviso:

"That in order to promote agreement among the States of Nebraska, Wyoming, and Colorado, and to avoid any possible alteration of existing vested water rights, no part of this or of any prior appropriation shall be used for construction or for further commitment for construction of the Glendo unit or any feature thereof, until a definite plan report thereon has been completed, reviewed by the States of Nebraska, Wyoming, and Colorado, and approved by Congress."

This report has been prepared for submission to the Congress pursuant to this provision.

Review of the Glendo plan by the three States dates back to May 1951, when they were furnished a preliminary draft of the report. During this review, negotiations were carried on among the States and the United States relative to modification of the decree entered by the United States Supreme Court in the case of *Nebraska* v. *Wyoming* (325 U. S., 589, 665 (1945)), concerning the use of water of the North Platte River. The negotiations culminated in a stipulation executed by all parties which recognizes, among other things, the present conditions of water supply in the North Platte Basin and the need for modification of the 1945 decree. It also contains certain provisions relating to the operation of Glendo Reservoir if it is constructed. An order modifying the 1945 decree was entered by the Supreme Court on June 15, 1953. This project report is compatible with the order.

On February 27, 1953, copies of the final draft of the report of the regional director were transmitted to the States of Colorado, Nebraska, and Wyoming for their review. The views and comments of the three States that have been received express their approval of the plan. Copies of the comments are attached.

As a multiple-purpose development, the Glendo unit will be operated in accordance with the above-mentioned decree as now amended and so as to provide maximum benefits to irrigation, flood control, power generation, fish and wildlife conservation and propagation, pollution abatement, and other purposes. The recommendations of the Fish and Wildlife Service will be observed within the limitations imposed by State and Federal laws.

I recommend that you approve and adopt this report as your report on the Glendo unit of the Missouri River Basin project.

Respectfully,

W. A. DEXHEIMER,
Commissioner.

Approved and adopted February 19, 1954, on the basis of its being economically independent of other parts of the Missouri Basin project.

DOUGLAS MCKAY,
Secretary of the Interior.

MARCH 31, 1953.

Hon. DOUGLAS MCKAY,
Secretary of the Interior,
Washington, D. C.

DEAR SIR: A copy of the final draft of the definite plan report on the Glendo unit, Wyo., of the Missouri River Basin project, dated December 1952 has been transmitted by the regional director, region 7, United States Bureau of Reclamation, to the Governor of the State of Colorado for formal review and comments.

A preliminary draft of a report on this unit was transmitted to the State of Colorado on May 2, 1951. As a result of subsequent discussions between representatives of the interested States and the Federal Government, some revised pages were prepared and transmitted under date of August 15, 1951.

Following such transmittal, negotiations were carried on between the States of Nebraska, Wyoming, and Colorado, and the United States, relative to modification of the decree entered on October 8, 1945, by the United States Supreme Court concerning the use of water of the North Platte River. The negotiations resulted in a recognition of the present conditions of water supply in the North Platte Basin and a stipulation regarding modification of the existing decree. The plan of operation of the Glendo unit proposed in the definite plan report of the regional director, as supplemented under date of December 31, 1952, is compatible with such stipulation.

The State of Colorado approves the plan of the report with respect to the reregulation of releases through upstream powerplants for the purpose of increasing both total and firm energy available to the North Platte River Basin power system, and also with respect to the impoundment of natural flow waters in Glendo Reservoir to be used to supply annually 25,000 acre-feet for the irrigation of lands in the basin of the North Platte River in western Nebraska and 15,000 acre-feet for the irrigation of lands in the basin below Guernsey Reservoir in Wyoming; provided that the construction and operation of the Glendo unit shall not impose any demand above Seminoe Reservoir which might preclude expansion of water uses within the North Platte River Basin in Colorado or effect the regimen of the natural flow of the North Platte River above Pathfinder Dam.

Colorado also concurs in conclusions of the report that, in addition to such purposes of power production and irrigation, the construction of the Glendo unit would provide substantial storage capacity for the control of floods, decrease the sediment inflow into Guernsey Reservoir and prolong the useful life of that facility, improve the quality of water in the channel of the North Platte River below Alcova Reservoir during the nonirrigation season, and also provide improvements in fishery values and recreational opportunities.

Respectfully submitted.

DAN THORNTON,
Governor, State of Colorado.
IVAN C. CRAWFORD,
Director, Colorado Water Conservation Board.

STATE OF NEBRASKA,
Lincoln, May 14, 1953.

Hon. ROBERT B. CROSBY,
Governor of Nebraska, Lincoln, Nebr.

DEAR GOVERNOR CROSBY: Under date of February 27, 1953, Mr. Avery A. Batson transmitted to you a copy of his final draft of the definite plan report on the Glendo unit, Missouri River Basin project, dated December 1952, and he requested that you forward your formal review comments on the report to the Secretary of the Interior.

The proposed Glendo project was included in Senate Document 191, which was approved in 1944 by the 78th Congress as a part of the Pick-Sloan plan. As therein approved, the Glendo Reservoir would have had a capacity of 150,000 acre-feet of water and it would have been used for irrigation purposes, including replacement of capacity lost to silt in the existing Guernsey Reservoir, a few miles downstream. In 1947 the Bureau of Reclamation requested an appropriation to start construction of the Glendo Dam for a reservoir of some 600,000 acre-feet capacity, to be operated in the interest of irrigation, power, flood control, and other purposes. Because some Nebraska water appropriators felt that their water rights would be jeopardized by the construction and operation of the Glendo project, Nebraska appeared before the Appropriations Committee of the House and succeeded in blocking the appropriation. We were instrumental in blocking similar requests in 1948 and 1949. Since then, planning funds for Glendo have been granted with the provision that there would be no construction started until the States of Colorado, Wyoming, and Nebraska and the Bureau of Reclamation had agreed upon a plan of construction and operation of the unit.

The Glendo unit as presented in the definite plan report would consist of the Glendo Dam, Reservoir, and powerplant on the North Platte River about 5 miles southeast of Glendo, Wyo., and the Fremont Canyon powerplant just upstream from the Alcova Reservoir. The Glendo Reservoir

would have a capacity of 800,000 acre-feet, excluding surcharge, of which 100,000 acre-feet would be for irrigation, 425,000 acre-feet for sediment control and power, and 275,000 acre-feet for flood control. The installed capacity of the Glendo powerplant would be 24,000 kilowatts and that of the Fremont Canyon 48,000 kilowatts. The annual increased generation attributable to the Glendo unit would be about 310,000,000 kilowatt-hours. The total cost of the unit, 1952 prices, is estimated at about $51 million. The benefit-cost ratio is estimated at 1.4 to 1. The principal benefit will result from power production through the use of Glendo Reservoir to restore Pathfinder Reservoir storage water en route for use on lands in the North Platte Valley between Guernsey, Wyo., and Bridgeport, Nebr.

You are aware of the stipulation for modification of the United States Supreme Court decree in *Nebraska* v. *Wyoming, et al.*, which was signed on January 14, 1953, by representatives of the three States and the United States after negotiations lasting more than a year. This stipulation provides, among other things, for the operation of the Glendo Reservoir in the event it is constructed. The Nebraska water appropriators whose interests might be affected by the Glendo project were kept advised throughout the negotiations and they have indicated their approval of the terms of the stipulation. I have reviewed certain provisions of the final draft of the report with Mr. Bert Overcash, assistant attorney general, who was Nebraska's legal representative in the negotiations, and it appears that the requirements of the stipulation insofar as they refer to Glendo Reservoir have been substantially met.

Under the stipulation and as outlined in the report, not to exceed 40,000 acre-feet, plus the evaporation therefrom, of the natural flow occurring in the North Platte River at the proposed Glendo Reservoir may be stored therein during any water year. The water so stored may be used only to the extent of 15,000 acre-feet annually in Wyoming and 25,000 acre-feet annully in Nebraska for the irrigation of lands downstream from Guernsey Reservoir which do not now have permanent contracts for the use of Pathfinder Reservoir storage water. Any portion of the 40,000 acre-feet remaining in the Glendo Reservoir on September 30 of any year may be carried over and allowed to accumulate but at no time shall the total natural flow stored for irrigation in Glendo Reservoir exceed 100,000 acre-feet. The stipulation provides that the regimen of the natural flow of the North Platte River below Pathfinder Dam shall not be changed by Glendo operation except as to the 40,000 acre-feet just referred to. All other inflow to Glendo Reservoir, except Pathfinder Reservoir storage water and except excessive flows which may be temporarily detained to prevent downstream damage, must therefore be passed through Glendo Dam as it occurs so that it may be delivered to appropriators in order of priority, as it is now. It is anticipated that in order to effectuate the stipulation present detailed procedures for the operation of the North Platte River under the Supreme Court decree will be modified by mutual agreement among the water officials of Wyoming and Nebraska, and representatives of the United States Bureau of Reclamation and the Corps of Engineers to cover the storage of water in Glendo Reservoir, including the initial filling of the power pool, and the routing of natural flow through Glendo Dam.

It appears that the construction and operation of the Glendo unit will be beneficial to the people of Nebraska and the region. Since a satisfactory agreement has been reached among the interested States and the Bureau of Reclamation as to the operation of the project there is no apparent reason why Nebraska should not fully support the project. It is assumed that the congressional appropriations for the Glendo unit will expressly recognize and give effect to the stipulation of the parties as controlling the operation of Glendo Reservoir and preserving the rights of the respective parties. It is also assumed in approving the Glendo Unit definite plan report that all of the requirements of the stipulation regarding amendment of the United States Supreme Court decree in *Nebraska* v. *Wyoming, et al.*, have been, or will be, met, including a valid and effective permit for Glendo Reservoir approved by the State of Wyoming and permitting the use of Glendo Reservoir storage water in Nebraska. It is also assumed that such stipulation as now executed will be approved by the Supreme Court of the United States.

I recommend that you approve the report on behalf of the State of Nebraska upon the basis of the foregoing statements and assumptions, and that you so notify the Secretary of the Interior, sending copies of your approving letter to the Governors of Colorado and Wyoming, and to Avery A. Batson, director of region No. 7, United States Bureau of Reclamation.

Respectfully,

DAN S. JONES, Jr.,
Chief, Bureau of Irrigation, Water Power and Drainage.

STATE OF NEBRASKA,
Lincoln, May 19, 1953.

The Honorable DOUGLAS MCKAY,
Secretary of the Interior,
Washington, D. C.

DEAR SIR: The final draft of the definite plan report on the Glendo unit, Missouri River Basin project, transmitted with letter of Mr. Avery A. Batson, regional director, region No. 7, United States Bureau of Reclamation, under date of February 27, 1953, was referred to Mr. Dan S. Jones, Jr., Chief, Bureau of Irrigation, Water Power and Drainage, for review.

A report has been made to me by Mr. Jones, copy of which is enclosed, as a basis for my comment and approval.

I hereby approve the above-described report on behalf of the State of Nebraska.

Sincerely,

ROBERT B. CROSBY.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. BARRETT. I yield.

Mr. HAYDEN. I do not quite understand the necessity for the amendment. My understanding is that when we adopted the Missouri Basin idea of complete reclamation in that area, we not only included power development, but also all possible irrigation development. If that be true, then this project was authorized under the general act which authorized the construction of projects in the Missouri Basin.

What we did in past years was to say to the States referred to, "You cannot act on that authorization because you have not agreed." In other words, when the States have agreed the language of the act becomes inoperative, and that leaves the project in the same status as any other project. I do not understand, therefore, the necessity for making a special authorization for this project in the appropriation bill.

Mr. BARRETT. I may say to my distinguished friend from Arizona that it is true that the Glendo project was authorized by Senate Document No. 191, at the time the Flood Control Act of 1944 was passed.

After the project was authorized the Bureau of Reclamation and the Secretary of the Interior changed the plans. Instead of having a smaller reservoir there they wanted a larger reservoir so that they could control and regulate the river, and in that way more water would be available for Nebraska.

In addition, they provided for two power projects. That whole area is desperately short of power. Therefore there is a power project not only at the Glendo Dam but also at Fremont Lake, which is a part of the North Platte River, which is being regulated by the new Glendo Dam.

The State of Nebraska was very fearful that it might lose some of its rights to water because of the construction of the Glendo Dam, and for that reason the Senators and Representatives from Nebraska insisted upon this language going into the bill. They insisted that the revised plan for the Glendo Dam be detailed and submitted to the various States and to have the States approve them, and then thereafter have the Secretary of the Interior submit the revised plans to the Congress. That is precisely what they did.

Mr. HAYDEN. I understand that.

Mr. BARRETT. I wish also to invite the distinguished Senator's attention to the fact that in the hearings, at page 1403, the chairman of the Interior and Insular Affairs Committee of the House, Representative A. L. MILLER, had printed a letter addressed to the Senator from Oregon [Mr. CORDON], inviting attention to the facts which I have enumerated, and enclosing a resolution from the House committee to the effect that the definite plan submitted by the Secretary of the Interior to the various States, approved by them, and sent to the Congress, should be approved. That is what we are endeavoring to do here.

Mr. HAYDEN. That is the regular procedure. If there is already authority for a project in the Missouri Basin area, if it is desired to modify it to some extent, it seems to me that under the existing law the Secretary of the Interior has authority to make the modification. He certainly would have it if a resolution were adopted by the House Committee on Public Lands, as we used to call it, or by the Senate committee. That is a legislative matter which belongs within the jurisdiction of the committee. I do not like to see the Senate Committee on Appropriations including in this bill legislation which does not belong in it.

Mr. BARRETT. I might agree with the Senator if the Appropriations Committee had not by and for itself in the first instance raised the question.

Mr. HAYDEN. No; that is not the way we did it. We said there was authority which might be exercised by the Secretary of the Interior under the authorization for the project. Nebraska did not want that. Therefore, we said, "We will stop anything being done by saying we have no authority affirmatively to authorize anything." That authority should come from the committee of which the Senator from Nebraska [Mr. BUTLER] is chairman.

Mr. BARRETT. The Senator is correct, except that the committee went further and said that action should be taken unless and until certain things were done, namely, that a definite plan was submitted to the States, approved by

them, and thereafter approved by the Congress.

Mr. HAYDEN. A prohibition against any action being taken until certain things are done is one thing, but saying that something shall be done is legislation in an appropriation bill, without a hearing.

Mr. BARRETT. I might say to my distinguished colleague that I invited attention to the fact that the House committee did having a hearing on the matter and did approve it, and that the Senate committee has had a hearing on the subject. There was no conclusion, that I know of, on the matter, although no objection was made at the time.

Mr. HAYDEN. Mr. President, I must object to a legislative provision of this kind being included in the appropriation bill. Not having had a hearing before our own committee, not knowing the facts, not having developed the situation, to attempt to legislate in an appropriation bill in this manner is not the proper way to proceed.

Mr. BARRETT. Mr. President, it seems to me that if the Appropriations Committee directs the Bureau and the States to do certain things, then the States do the things which the Appropriations Committee requires shall be done, certainly the Appropriations Committee could just as well say that everything is done; and that is precisely what the Secretary of the Interior has said to the Congress.

Mr. HAYDEN. He now has authority under the law to adopt the project. He can adopt this project tomorrow, if he wants to do so, and certainly he can adopt it if the Senate Committee on Interior and Insular Affairs says so.

Mr. ELLENDER. Mr. President, will the Senator from Wyoming yield?

Mr. BARRETT. I yield.

Mr. ELLENDER. I should like to differ with my good friend from Arizona. It strikes me that that is within the functions of the Committee on Public Works. Once the plans are submitted, they must go before the Public Works Committee, or, in this case, the Committee on Interior and Insular Affairs, in order to have them authorized.

Mr. HAYDEN. This is a reclamation project.

Mr. ELLENDER. I understand that. But Congress is being asked to approve a report and on it to authorize the project. It strikes me that that is the function of the Public Works Committee or, in this case, the Committee on Interior and Insular Affairs.

Mr. BARRETT. The only difference is that, as the Senator from Arizona points out, this project has been authorized heretofore. It was authorized in 1944 under Senate Document 191.

Mr. ELLENDER. To what committee did the matter go for the authorization?

Mr. BARRETT. It went to the Committee on Interior and Insular Affairs. The Appropriations Committee itself directed certain things to be done: First, that the Secretary of the Interior submit a detailed plan and report to the States and have them approve it, and then that the matter should be submitted to the Congress. That was the reason why these steps were taken. The States of Wyoming and Colorado are in complete agreement, and they have approved the project. They have approved all the various provisions for the REA project there, the power project.

Mr. ELLENDER. In what respect do the plans now submitted differ from those which were adopted in 1944?

Mr. BARRETT. They are materially different. The plans have been changed from a small project to store 150,000 acre-feet of water to one which will store 800,000 acre-feet. They have been changed from no power in the 1944 act to two power projects, one at Fremont Lake and one at Glendo. The project will pay out dollar for dollar because of the power developed.

Mr. ELLENDER. The statement just made, in my humble opinion, justifies the position I have taken, that the plan should go back to the Committee on Interior and Insular Affairs, since it has been changed very vitally.

Mr. BARRETT. That is a debatable question. The Secretary of the Interior may have the right to proceed.

Mr. HAYDEN. I have heard it stated that whatever authority the Secretary has in that respect should be taken away from him and be vested in congressional committees. Maybe I overstated the case, but I must insist that we should not legislate upon a project of this magnitude on an appropriation bill without a hearing, and I must make that point of order against legislation on an appropriation bill.

The PRESIDING OFFICER. Will the Senator from Arizona state his point of order.

Mr. HAYDEN. The point of order is that the amendment offered by the Senator from Wyoming is legislative in character and, therefore, cannot be included in an appropriation bill.

Mr. BARRETT. Mr. President, I agree that, technically speaking, the amendment would be legislation on an appropriation bill, but, in view of the fact that the committee of the House and the committee of the Senate have by resolution considered the matter and raised no objection whatsoever—in fact, have directed the committee to approve the language authorizing the project—and in view of the fact that the Appropriations Committee, in the first instance raised the question and required the States to go to considerable trouble, it seems to me that the committee itself could with good grace say that everything has been done that is required to be done. But it is legislation on an appropriation bill.

The PRESIDING OFFICER. Does the Senator from Wyoming withdraw his amendment?

Mr. BARRETT. Under the conditions, I will withdraw my amendment.

The PRESIDING OFFICER. The Senator from Wyoming withdraws his amendment.

The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 8680) was read the third time and passed.

Mr. CORDON. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. CORDON, Mr. YOUNG, Mr. KNOWLAND, Mr. HAYDEN, and Mr. MCCARRAN conferees on the part of the Senate.

APPOINTMENT OF COL. LELAND HAZELTON HEWITT TO INTERNATIONAL BOUNDARY AND WATER COMMISSION OF THE UNITED STATES AND MEXICO

Mr. SALTONSTALL. Mr. President, I move that the Senate proceed to the consideration of Calendar 1376 (H. R. 9004) to authorize the appointment as United States Commissioner, International Boundary and Water Commission, United States and Mexico, of Col. Leland Hazelton Hewitt, United States Army, retired, and for other purposes.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 9004), to authorize the appointment as United States Commissioner, International Boundary and Water Commission, United States and Mexico, of Col. Leland Hazelton Hewitt, United States Army, retired, and for other purposes.

Mr. SALTONSTALL. Mr. President, if the motion be agreed to, the bill will not be considered further tonight, but will remain the unfinished business for tomorrow.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to; and the State proceeded to consider the bill.

EDITORIAL COMMENT WITH RESPECT TO THE CRISIS IN INDOCHINA

Mr. MORSE. Mr. President, I have a series of insertions I desire to make in the RECORD.

First, I ask unanimous consent to have printed in the RECORD two editorials published in recent issues of a great newspaper, the St. Louis Post-Dispatch, one dated Wednesday, May 5, 1954, and the other dated Sunday, May 9, 1954. The two editorials relate to the Indochina situation and, in my judgment, are a complete answer to some statements made by administration spokesmen over the weekend, which are causing many persons in the United States to believe that the administration is still moving in the direction of bringing us into a war in Indochina.

The editorial of May 5 is entitled "A War To Stay Out Of," and I commend a reading of it to the Members of the Senate.

The other editorial is entitled "Temporary Reassurance," and bears upon one of the statements made by Mr. Dulles, who makes so many conflicting statements that it is difficult to know exactly where he stands on the Indochina issue.

But in this particular statement he was saying things which seemed to give reassurance that the administration is not on a war march into Asia.

Because I have spoken on the subject several times on the floor of the Senate, and because I still think it is the most vital issue facing the American people, surpassing in importance all other issues combined, I desire to make these two editorials a part of a short speech this afternoon on the subject, and, therefore, to incorporate them in the body of the RECORD.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Orogon?

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the St. Louis Post-Dispatch of May 5, 1954]

A WAR TO STAY OUT OF

The time has come for each citizen of the United States to decide what he thinks his Government in Washington should do or not do about the war in Indochina.

If the citizen has not yet made up his mind on this question, he actually may not have very long to do it in. Military authorities have expected the fall of Dien Bien Phu momentarily for several weeks. It may collapse at any minute. If it does surrender, the Communist-supported rebels will win the biggest prize of the war—a bag of some 12,000 French and Vietnamese troops.

Quickly in the train of that loss to the West may come a series of fast-moving events including perhaps: fall of the Laniel government followed by a political crisis in France; suspension of the Geneva conference; demand in France that the war be ended if the United States does not take it over; decision in Washington as to whether our troops are to be sent to Indochina to prop up the French.

It then would be too late for the American people to make up their minds about the Indochinese war. Any decision to stay out should be made now, in advance, while there is indisputably time for that decision to make itself heard and effective.

As of now there is uncertainty and confusion with respect to policy in Washington on Indochina. At last week's press conference, President Eisenhower said that this country has gone as far as it can go under the mutual assistance pact. As he said, we have sent technical assistance. We have provided money. We have moved in equipment. But he also said that it would not be acceptable to us to see the anti-Communist defense of the Indochinese area crumble and disappear.

How would our nonacceptance be established? The President did not say that we would demonstrate our nonacceptance by putting troops in Indochina. But significantly he has not repudiated Vice President NIXON's off-the-record statement to the American Society of Newspaper Editors that Indochina must be held for the West even if it required this country to send troops there to hold it.

That troop statement still stands as Eisenhower administration policy insofar as Mr. NIXON who often presides at meetings of the National Security Council, speaks for the White House.

Whether Indochina is the first of a row of upended dominoes, to use the President's figure of speech, the French colony, as the map shows, occupies a key relationship to southeast Asia. If Indochina falls to the Communists, then Red China will in effect have a common boundary with Thailand—and beyond Thailand and Burma lies India. The desirability of keeping the manpower and resources of that vast area out of the Communist orbit does not need to be argued. It will be a blow to the West if Communist infiltration becomes easy. It will be a bulwark to the free world if southeast Asia remains outside the control of communism.

To the end that Indochina may not fall before the Communist sickle, the United States has been for many months largely keeping up the French-Viet Namese cause. We are said to be bearing now about 80 percent of the cost of the war. Our world-traveling emissaries—Vice President Nixon, Secretary Dulles and former Gov. Adlai Stevenson—have put their efforts into the struggle.

The United States Information Service, including the Voice of America, has sought to convince the Asian natives that they will be better off on the side of the Western nations than under Communist tyranny. Notwithstanding the shortcomings in our practice of what we preach, let this appeal be greatly increased and let the French do their proper part belatedly by granting freedom to the peoples of Indochina.

But if southeast Asia is important to the free world, why not go into Indochina with troops, as Vice President Nixon has said may be necessary?

Indochina must be judged on its own set of facts. What we are called on to do at this time is to decide about Indochina. We are not called on at this moment to decide about the whole of southeast Asia.

The one most fundamental fact about the war in Indochina is that it is a war which started nearly 8 years ago as a revolt against French colonial misrule. The natives rose up against white governors whom they regarded as oppressors. They did this before the Communists had defeated Chiang Kai-shek on the Chinese mainland. Thus the outside Communist support that the Viet Minh rebels now enjoy was insinuated into a war that was wholly native in its origin. The French still regard the war as a civil rebellion and it is for that reason that this war has never been taken up at the U. N.

To be sure the war in Indochina has changed a very great deal since its inception as a native revolt. The Chinese Communists saw in Indochina an opportunity to identify themselves with a popular uprising. They shrewdly attached themselves to the Indochinese struggle to throw off white colonial rulers.

The consequence is that more and more support for the Viet Minh has come from Peiping and that more and more the war has developed into a contest between communism on the one hand and the French, as representatives of the free world, on the other.

The United States is compelled, therefore, to take into account both the native origin of the Indochinese war and the substantial extent to which the Viet Minh side has been taken over by the Chinese Communists.

The differences between the Indochinese war and the war in Korea, which was a United Nations war, are so clear that they need only be mentioned. The United States and the other free world nations in the U. N. took their stand in Korea because the North Korean Communists were guilty of a naked military aggression. By force of arms the Communist invaders crossed a boundary set by the U. N. between North Korea and the Republic of Korea.

Had the U. N. not stood by the Korean Republic, which it had created, the U. N. would have rendered itself utterly meaningless. The U. N. would have gone the way of the League of Nations which failed to guarantee the principle of popular self-determination after its proclamation by Woodrow Wilson in his famous 14 points.

Wilson's great principle was tersely restated by President Eisenhower in a historic address on American foreign policy in April 1953, when Mr. Eisenhower said: "Any nation's right to a form of government and an economic system of its own choosing is inalienable." So saying the President reiterated one of the basic tenents in the U. N. Charter, signed at San Francisco nearly a decade ago.

This acknowledged and respected right of nations to governments and leaders of their own choosing caused the United States to enter the Korean war. Now that same right stands between us and entry into the Indochinese war. We could not take over this colonial war, of which the people of France long ago grew sick and tired, without placing ourselves not only against the Viet Minh rebels but also all the Indochinese natives who are so determined to govern themselves.

Entry into the Indochinese war would not only take the United States into a conflict where basic principle would be against us. It would also, in effect, revive our recent war in Asia—for which a peace has not yet been concluded—in an area that would be far more difficult for our Armed Forces. We were able to use nearby Japan as a base for the war in Korea.

The map shows that the nearest bases to Indochina would be Formosa, the Philippines, and Singapore—all much farther from Indochina than Japan is from Korea. The supply lines to Korea were long and wearing, but those to Indochina would be much longer and much harder to maintain.

Entry of the United States in Indochina with troops would, in our judgment, almost certainly bring Communist China into the fighting with full force of arms. Americans then would be fighting Chinese in direct conflict with President Eisenhower's 1952 pledge to get American forces out of war in the Orient so that Asians themselves might settle Asian disputes.

The Kremlin then could watch with grim satisfaction while the life and treasure and substance of the United States were poured into a stooge war. For whether or not the Soviets could stay out of such a war, a long, exhausting struggle between the United States and China in the jungles of southeast Asia would put our economic system under heaviest strain. Moscow could hope for the internal collapse, which it so confidently predicts, of capitalism in the United States.

Gen. Omar Bradley, one of the great military leaders of World War II and Chairman of the Joint Chiefs of Staff until replaced by Admiral Radford, said 2 years ago that a general war in Asia involving the United States would be "the wrong war, in the wrong place, at the wrong time."

The present thinking of our top military planners was stated in last Sunday's Post-Dispatch by our military analyst, Brig. Gen. Thomas R. Phillips, retired. He wrote that the Defense Department's planners "believe that war with China, direct or second-hand through Indochina, should be avoided at all costs. Once involved in China, with Russian resources and manpower untouched, the really vital area of Western Europe could be lost while the United States was trying to extricate itself from the mud and jungles of the Far East."

Assume, however, that the United States were to disregard the basic right of self-determination in Indochina. Assume that we went to war on the side of French colonialism. Assume that Russia did not join the fighting and that eventually we were able somehow to subdue the Chinese Communists. What then?

Would we maintain a long military occupation in China as we have in Germany? Would we keep thousands of troops in China for years as we have kept troops in Europe, in Japan, and in Korea? Would we appropriate the billions of dollars that would be required to feed and clothe and house the masses of Chinese war victims? Would we, after fighting the Asians, thus seek to win their good will? And, if we would do it, could we do it?

There are risks in the seemingly inevitable collapse in Indochina, grave risks. We

should do all we can to persuade the French to grant full freedom to the native peoples and thus prepare the way for the most satisfactory settlement possible.

We can and should use this as an opportunity to proclaim the fundamental philosophy of the free world—the dignity of individual man, the right to choose and the sanctity of democratic elections—in contrast with the iron rule of communism.

We can and should make clear that our decision not to go to war in Indochina is a decision for Indochina alone.

We can and should make clear that we stand firm in our determination to resist Communist aggression aimed at conquest of the free world.

The risks that go with entering this war are limitless. At their worst they include atomic warfare and the destruction of the civilized world. Those are risks to be run if the United States is attacked or if we are required to go to war to defend allied forces in Europe. But they are not risks to be indulged in to support a discredited colonial regime in the jungles of Indochina.

Already our Government has taken steps that could lead down the road toward all-out involvement. These steps include the dispatch of plane maintenance crews, the delivery of fighting aircraft, and the establishment of an airlift to ferry French troop replacements. Each of these steps has been taken, so we believe, with the best of intentions. But each in its way has been a warlike act. Each might well have been countered by the Chinese Communists with more warlike acts by them on the other side.

The Post-Dispatch does not question President Eisenhower's ability as a military leader or his experience in world affairs. On the contrary, we readily recognize these as primary among the qualities for which he was so overwhelmingly elected the Nation's Chief Executive. But Dwight D. Eisenhower, like every President before him, needs the benefit of public opinion to help him in the wise conduct of his heavily burdened office.

To that constructive end, we state it as our profound conviction that the Indochinese war is a war to stay out of.

Let Washington take no more steps that may have the effect of edging us closer to military engagement in Indochina.

Let our Government end the warlike acts that can now be charged against us by the Indochinese rebels.

Let there be no more hasty, irresponsible statements about Indochina by our public officials.

Instead, let us, with our allies, in the President's own words, "do what we can to work out a practical way of getting along" in the world.

[From the St. Louis Post-Dispatch of May 9, 1954]

TEMPORARY REASSURANCE

Secretary Dulles Friday night reassured many Americans who had feared that the fall of Dien Bien Phu might bring pressure for immediate military intervention in Indochina. Mr. Dulles said the present conditions there "do not provide a suitable basis" for the use of American Armed Forces.

The possibility of future intervention, however, still exists. Mr. Dulles went on to say that if the Geneva conference fails to produce an Indochina peace—or if it produces the wrong kind of peace—then "the need will be even more urgent to create the conditions for united action in the defense of the area."

He made it clear that this united action "might involve the use of armed force." But he attached two conditions which offer assurance against precipitate action by the executive branch. He promised that no military action would be taken "without the support of Congress," and he promised that none would be taken without "an adequate collective effort" by other nations concerned in southeast Asia.

Offering thus at least a temporary surcease from the danger of expanded war in southeast Asia, Mr. Dulles nonetheless indicated that his basic approach to the problem of that area has not changed. He reiterated the stand he took on March 29, in the speech which so alarmed our allies that Mr. Dulles flew to London and Paris to explain it.

In St. Louis last September, Mr. Dulles had warned that Chinese aggression in Indochina would result in consequences that might not be confined to that land. In New York on March 29, noting that the Chinese had stopped short of open aggression, he went one step farther by saying that "the imposition on southeast Asia of (communism) by whatever means would be a grave threat to the whole free community * * * to be met by united action."

The phrase "by whatever means" appeared to imply that the same sort of military action that would be appropriate to resist open Communist aggression (as in Korea) would also be appropriate to put down native rebellions supported by the Communists, as in Indochina.

This would be a dangerous rule to follow, for it could commit us in some cases to the use of military force in violation of the right of self-determination which all peoples, under the U. N. Charter and our own political philosophy, are entitled to enjoy.

It was to defend the right of self-determination that the United States used military force to repel aggression in Korea, but the same principle deprives us of the right to enter the Indochina war on the side of a colonial power ranged against a popularly supported liberation movement.

It is of the highest importance, therefore, that any collective defense of southeast Asia which the United States joins should, in Mr. Dulles' words, "recognize fully the aspirations and cultures of the Asian peoples." We can proceed only as far and as fast as the peoples of that area themselves are willing to go. We would be wise, also, not to expect military solutions for all Asian problems.

Indonesia is perhaps the richest prize of the whole southeast Asian area, and yet Mr. Dulles never includes Indonesia as a possible member of the NATO-type pact. At the same time Indonesia has one of the strongest Communist movements among all the nations in the area.

If a defense pact would solve the problem of communism in Asia, then it ought to be applied to Indonesia above all. When Mr. Dulles skips over that land, he is implicitly acknowledging that a security pact which organizes defenses against external aggression will not meet the problem of internal Communist rebellions.

That is why a security pact alone should not be expected to do the whole job of safeguarding Asia from Communist threats. Our policy should also look to the creation of conditions in which Communist-inspired rebellion cannot flourish.

The security pact and other long-term defenses against communism in Asia, however, are for the future. For the present the key to the problem is the Geneva Conference, where talks on Indochina have gotten underway. May that Conference open the door to a peace which forecloses any possibility of expanded warfare in Asia.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD, following these remarks, the May 29, 1954, issue of the Kiplinger Washington Letter, which relates to the situation in Indochina. I wish to make note of what the Kiplinger Letter says.

I may say that I have read the Kiplinger Letter for a long time past. I think it is remarkably accurate in prediction and in advising its clients as to what is to come in connection with a great many issues in our country. The issue of May 29, on the Indochina issue, is one which the Members of the Senate should read with some care, because I think we shall be called upon either in this session, or in a special session of Congress, to make some decisions as to how far we will go with the administration in its march toward war.

It is interesting to note that in this letter, Kiplinger had the following to say:

Regarding Indochina and the prospects for United States involvement:

Situation is a bit worse, is now slightly beyond the 50–50 line, which is another way of saying that we probably will be drawn in deeper. Probably, rather than surely—for there are still some hopes of peace, but the hopes are thinner than they were—the ways out cloudier.

To show why, let us give you the substance of some interviews which we have had this week with high policymaking men in our Government, plus what our correspondents hear in private talks—U. N., London, Geneva.

Will Geneva produce a peace plan for Indochina? Probably no. On this point there is still a lingering hope, but it's getting weak.

How long will it take to know? Well, the Communists are trying to string out the talks at Geneva and postpone a showdown or a breakdown, for this gives them time to rearrange their fighting forces in Indochina and be in stronger position to talk tough and dictate their own terms.

The letter then goes to the question:

Has the United States promised to intervene? No, not officially as yet. The United States spokesmen explain that they cannot promise without Congress, but they have given the British to understand that United States probably will, just as soon as some multilateral agreement on alliance has been reached.

Will the United States go it alone in Indochina? No; definitely not. This was told to us only 3 days ago by several very high sources, and the same word has been passed along to the British, French, others, to rid them of their hidden wish that they could pass the job to the United States. Obviously the United States would have to do the lion's share of any fighting, and also supply the bulk of the materials, but we insist on an alliance.

The letter continues to discuss some of the information which is reported by Kiplinger, at least, to be given to him by high American officials. But what worries me, and what I do not like about the situation, Mr. President, is the information that apparently there are those in the administration who are looking only for an alliance of form. If they can get an alliance of form, rather than of substance, then the United States will take part in the conflict, and, as has been reported to Kiplinger, will provide most of the material and will do most of the fighting.

I say on the floor of the Senate this afternoon, as I have said heretofore, Mr. President, that the administration has not advanced the information yet which would justify armed intervention in Indochina. I repeat the plea I made last week, that we had better have a United Nations alliance and let it decide. Let me add, in view of what Kiplinger has to say, that it had better be an alliance of substance and not of form.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon? The Chair hears none.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, *May 29, 1954.*

DEAR SIR: Regarding Indochina and the prospects for United States involvement:

Situation is a bit worse, is now slightly beyond the 50–50 line, which is another way of saying that we probably will be drawn in deeper. Probably, rather than surely • • • for there are still some hopes of peace, but the hopes are thinner than they were • • • the ways out cloudier.

To show why, let us give you the substance of some interviews which we have had this week with high policymaking men in our Government, plus what our correespondents hear in private talks • • • U. N., London, Geneva.

Will Geneva produce a peace plan for Indochina? Probably not. On this point there is still a lingering hope, but it's getting weak.

How long will it take to know? Well, the Communists are trying to string out the talks at Geneva and postpone a showdown or a breakdown, for this gives them time to rearrange their fighting forces in Indochina and be in stronger position to talk tough and dictate their own terms.

But the British think of talking only 2 weeks more, and then they think they will know whether the Communists really want a cease-fire, or whether they are stringing our side along and just playing for time. In light of this the British are preparing to revise their own position.

Will the British come in? Yes, almost a flat yes, in the event that Geneva does not show signs of opening up a settlement • • • very soon. The definite word has not been passed by officials of the British Government, but United States representatives have been given a strong impression at Geneva that Britain may not wait to join until the conference is formally over.

Has the United States promised to intervene? No, not officially as yet. The United States spokesmen explain that they can not promise without Congress, but they have given the British to understand that United States probably will, just as soon as some multilateral agreement on alliance has been reached.

Will the United States go it alone in Indochina? No; definitely not. This was told to us only 3 days ago by several very high sources, and the same word has been passed along to the British, French, and others, to rid them of their hidden wish that they could pass the job to the United States. Obviously the United States would have to do the lion's share of any fighting, and also supply the bulk of materials, but we insist on an alliance.

When will the whole issue go to Congress? Don't know for sure, but we think in about a month. And will Congress approve the alliance? We think yes • • • after much bickering, yelling, and more educational work.

When may some armed action be taken in Indochina? By fall. That is, if Red armies are to be stopped, and most of Indochina saved. The need is immediate, but United States won't agree to act before an alliance.

By fall may mean before fall if the alliance gets fixed up. That depends largely upon the British, and now the British are moving. This increases the chance of early United States involvement in a shooting war.

And if a shooting war, what forces would go in? Military plans still call for Navy and Air Force first, to aid the French and the natives. At the same time military men admit that ground troops might be needed, although not at first, and not for the foreseeable future. British Navy and British Air Force, which are good, would fight under allied command. Military cooperation already is being discussed apart from diplomatics.

Members of Congress are being educated in small, quiet groups. They are being told substantially this: The allies must stick together, and if they don't challenge communism in southeast Asia at this very time, it means inevitable expansion of Communist rule to almost all of Asia. Also, the economic strengthening of Communist nations by the materials which they would get from Indochina. Also ports for Russian submarines, and these could roam the seas to the south and become a menace to all.

Vote in Congress would be on a treaty of alliance for southeast Asia, not an explicit vote on war or no war. Members could vote for an alliance without necessarily voting for war, a point in favor of treaty approval. Then the executive branch of the Government could implement the alliance by sending fighting forces and approval of Congress would be implied.

Semisecrecy about all this: The Members of Congress and others are advised not to talk when they leave the conferences on Indochina. They are told that the situation is so grave and delicate in the world that public talk would interfere with current diplomatic negotiations. So they don't talk, and this accounts for a lack of public understanding.

It is our observation that most people simply do not yet believe the hints of war danger. They think perhaps it is mere sensationalism, or a scarecrow to frighten. In our judgment it is not these things.

Would our industry suffer by a cutoff of stuff from Indochina? We have been studying the commodities which are now imported from there, and it looks to us as if they are not essential to our economic health.

Rubber, tin, zinc, tungsten, manganese come from Indochina, and we need them, but we can get them elsewhere, so no great harm done. But these things would help to build up the economies of Red nations. World markets in the commodities would be upset, prices affected, but we wouldn't go to war to protect the markets or to get the materials.

So the war, if it comes, won't be primarily for economic reasons, but for international political reasons to curb expansion of communism. And this angle is always added: To prevent a bigger war later (perhaps). To prevent another case like Manchuria, Ethiopia, Rhineland, Munich.

Controls, if war: We told you the story, with the "ifs" and "ands," in last week's letter and that still stands. Restudy it if you wish.

One more step: To line up executives to handle controls if: There's a plan in the works, and it has already made a little progress, but is not yet ready for any general public announcement or invitation.

The idea is to establish a civilian reserve corps of executives willing to volunteer to come to Washington and take preliminary training, then to enlist and be subject to call, under a gentleman's agreement. Top-rank business executives are being sought, presidents of companies or ranking officers. We'll write you more about this in future letters.

New excess-profits tax, if Indochina? Administration says "no," no plans for it, would prefer higher regular rates if change is needed. But pressure will arise. Excess-profits tax sounds good, is popular.

Construction is going at top speed, may set new record for year. The actual dollars spent so far are only slightly above last year's peak, but contracts awarded are far ahead, indicate even bigger gains in fall.

Stores, office, warehouses will gain most, up perhaps a third.

Schools and colleges, big plus this year, both public and private.

Churches: More and more are being built. Hospitals, about level.

Roadbuilding will be stimulated by bigger grants of Federal aid.

Toll roads also on the rise, but may taper off late in the year.

Factory building is declining, but less than had been expected.

Military construction is off, may be cut even more this year. If business gets much softer, the Government has a huge backlog all ready, more than 4 billions in construction that can be started up in a hurry.

So construction is still a business strong point.

High-tariff protectionists are winning first round in the battle over extension of trade agreements law. The White House and State Department wanted freer trade, without exempting any industries. Business groups, backed by Congressmen and Commerce Department, plugged for more protection, on such things as watches, scientific instruments, bicycles, pottery, hat felt, gloves, lead, zinc, copper, textiles, hardwood plywood, etc.

So the administration reluctantly agreed to continue law as is, in the hope of getting part of its program next year, after elections.

Behind the fight over tax-exempt foundations are two issues:

Liberal leanings of such groups as Ford, Carnegie, Rockefeller. They are progressive, and some people construe this to be socialistic.

Politics: Many supporters of foundations, such as Paul Hoffman, backed Eisenhower against Taft in 1952, and Taft men are still riled up.

Some foundations may be wasteful, funds come easy and go easy, contributed mainly by wealthy men who are trying to avoid estate taxes. But Congress sees no reason to tighten up on tax exemption, and won't.

Radio-active tuna fish: Fresh rumors that new supplies from Japan are harmful are not true, canners and Government agents screen them carefully.

Uranium ore a new cure-all: Food and Drug Administration says no truth to it, so it is beginning to crack down on mail-order sellers who so advertise.

Egg shampoo: Some brands contain only a tiny amount of real egg, so Food and Drug is grabbing them as gyps and prosecuting manufacturers.

Fireworks: Law forbidding shipment to States that prohibit them isn't effective until July 1. Most shipments over by then. Noisy Fourth.

Best-selling Government books, pamphlets: List and prices of some 450, covering all sorts of popular subjects, has just come off the press. For a copy, write Superintendent of Documents, Washington 25, D. C., and ask for Government Best Sellers for 1954. Free. Always a great scramble for it.

Cost of "fringe benefits" is rising: Vacations, holidays, etc. Some 300 companies report the increase was about 18 percent from 1951 to 1953, and a preliminary analysis of their experience and costs is now available. If you want to compare your own costs, write United States Chamber of Commerce, Washington, D. C., and ask for Fringe Benefits, 1953. Price is 25 cents.

John Lewis got control of a Washington bank, Hamilton National. A group headed by him already controls another, National Bank of Washington. Now the two may merge to make the second largest bank in Washington.

Credit reports can be made available to Lewis unions via banks, their own private reports, but not such reports as Dun & Bradstreet's.

Other unions plan to buy bank stocks, hoping to acquire control. It's an open secret among labor leaders and they explain it this way: Unions have excess funds to be invested, like corporation surplus funds. Some bank stocks yield good returns. In addition, unions can get an "in" by having their men sit on bank boards and get inside facts on business to aid in union bargaining; also, can try to get banks to favor companies

which have good union records. A banking alliance of labor and capital.

May be well for you to watch out for the trend in your own city.

Atom electric power is about 5 years away at competitive rates. This was the substance of talk among 400 industrial men here this week to swap ideas and plans on atomic power. Formerly they thought 10 years.

Other new practical uses for atom recently disclosed:

Better keeping meat: The scientists are now perfecting a process to pasteurize or purify meat, so that it will stay fresh in stores—for weeks instead of days—without discoloration—or change of flavor.

Potatoes: New radiation keeps them fresh for many months longer.

Rust-free oats are under experimentation—helpful to farmers.

All these are still in the experimental stage, but moving fast. In due course, firmer findings shall tell you when and where to get them.

Negro issue in politics: Democrats planned attack on Republicans with claim of weak Republican record on civil rights, notably on Negroes. Suddenly the Democrats have added up the score of the Eisenhower regime, and find it better than they thought, and a good lure for Negro votes:

Antidiscrimination clauses in government contracts and enforced.

Segregation in District of Columbia restaurants and theaters abolished.

Integration in District of Columbia schools being pushed to finish in a year.

No segregation in Army-Navy facilities, veterans hospitals, etc.

Many more Negroes in high-level Government jobs.

The Negro vote in big cities, North and East, is often crucial. Labor union politicians have been hoping to swing it Democratic in fall, but now they aren't so sure, and as politicians they are disconsolate.

Stiffer wage demands on account of possible war in Indochina: Word is being passed down the line from union leaders here in Washington to move fast on wage demands, and to get their fair share in a hurry.

You may soon notice this push in your own local union dealings.

How high may defense spending go if trouble comes in Indochina and in Central America? Many wild exaggerated reports are circulating. The Government budget men tell us they figure on less than five billions a year. That would be a dose of stimulant, but not enough to start up inflation. Still, at this time the situation is iffy and uncertain, must be watched.

Business seems to be generally sideways, very slow rate of slide. Whether an upturn soon depends upon Indochina decision a month off.

Yours very truly,

THE KIPLINGER WASHINGTON AGENCY,
W. N. KIPLINGER.

SUPREME COURT DECISION ON NON-SEGREGATION

Mr. MORSE. Mr. President, next I wish to have printed in the body of the RECORD, as a part of my short speech, an editorial entitled "More Powerful Than All the Bombs," published in the St. Louis Post-Dispatch of Tuesday, May 18, 1954.

I offer the editorial as my rebuttal to a speech made in the United States Senate on May 27 by the distinguished senior Senator from Mississippi [Mr. EASTLAND], a speech in which he unquestionably spoke out of the sincerity of his convictions, but a speech containing many premises with which I completely disagree. I certainly disagree with the Senator from Mississippi in his attacks on the members of the Supreme Court of the United States, as set forth in the speech, particularly his pinpointing his attack on Justices Douglas, Black, Minton, Reed, and Frankfurter. Those great Justices need no defense from anyone, but I think the fine editorial published in the St. Louis Post Dispatch, which I have just asked to have printed in the RECORD as a part of my remarks, is a devastating rebuttal of the speech of the Senator from Mississippi.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the St. Louis-Post-Dispatch of May 18, 1954]

MORE POWERFUL THAN ALL THE BOMBS

Read the names of the Chief Justice of the United States and the eight Associate Justices—read them and the States from which they were elevated to the Supreme Court:

Earl Warren, California.
Hugo L. Black, Alabama.
Stanley F. Reed, Kentucky.
Felix Frankfurter, Massachusetts.
William O. Douglas, Connecticut.
Robert H. Jackson, New York.
Harold H. Burton, Ohio.
Tom C. Clark, Texas.
Sherman Minton, Indiana.

Three southerners. Three easterners. Two middle westerners. One far westerner. One of the three appointed as an Easterner, born in the northern Middle West and reared in the Pacific Northwest.

Five appointed by Franklin D. Roosevelt, 3 by Harry S. Truman and 1 by Dwight D. Eisenhower over a span of almost 20 years. Men who have held high legislative or executive office as Democrats and men who have held high office as Republicans.

Read these nine names and know that they will be associated as long as this Republic stands with a great and just act of judicial statesmanship—the unanimous outlawing of segregation, on the basis of race, from public education in the United States.

There is no need to try to say now just how historic this decision is. There is no point in evaluating it today as the most momentous since the Dred Scott slave case decision, handed down almost a century ago, on the eve of the Civil War. Although that would not be overstatement, it is enough to say the words read by Chief Justice Warren for himself and his colleagues are of transcendent importance.

The Chief Justice's words will have their impact in one way or other on every community in every State. Their import will flow in less time than we are apt to think around the world.

For it is not just the States of South Carolina, Virginia, Kansas and Delaware, and the District of Columbia, in which the associated test cases arose, that are affected.

It is not just other States like Missouri which have had a constitutional or legal requirement of separate educational systems for the two races. It is not just cities such as St. Louis that have followed the same practice and that now will need to accommodate themselves to a principle of justice and fairness which they long ago should have applied themselves.

The greater significance is the affirmation in the eyes of millions of people in India, Pakistan, and Africa, in China, Japan, and Burma, in Indochina, Thailand, and Indonesia that the pledge in the United States of the worth and dignity of the humblest individual means exactly what it says.

Had this decision gone the other way the loss to the free world in its struggle against Communist encroachment would have been incalculable. Nine men in Washington have given us a victory that no number of divisions, arms, and bombs could ever have won.

But it is not a victory of the present Supreme Court alone by any means. Justice John Marshall Harlan was one of the victors. When he cried out nearly 60 years ago against the injustice of the decision in *Plessy* v. *Ferguson*—the Jim Crow railroad car case—it was in lone dissent. When he denied "that any legislative body or judicial tribunal may have regard to the race of citizens when the civil rights of those citizens are involved." he spoke for only himself on the Supreme Court.

When that old Civil War veteran said in 1896 "the thin disguise of 'equal' accommodations for passengers in railroad coaches will not mislead anyone, nor atone for the wrong this day done," when he said "the Constitution is color blind," he raised his voice and lifted his eyes in an appeal that was to be heard and adopted a half century later.

The victors includes also the countless citizens like the late Oswald Garrison Villard who worked through their lives to eliminate discrimination because of color. They include the Walter Whites, the Eleanor Roosevelts, the Roger Baldwins and all the others of both races in and out of organizations such as the National Association for the Advancement of Colored People, the Urban League, and the American Civil Liberties Union who have believed that the accident of birth was no test of anyone's rights and have applied that belief day in and day out when it was unpopular to do so.

There are many other victors—the patient mothers and fathers who, throughout the years, paid taxes but could not have their children educated in their home States as the children of white parents were educated; the Negro lawyers, Messrs. Marshall, Hayes, and Nabrit, who took these cases, prepared them carefully and argued earnestly against both prejudice and skilled legal talent on the other side; the many lower court judges who helped in advancing the question in its varying forms from bench to bench. These—all these are victors.

But the great body of victors are the people of the United States. Through their Supreme Court they have now thrown onto the junkheap one of the worst frauds ever devised—the spurious notion that in a democracy education could be separate and, at the same time, equal.

A long line of decisions has now been discarded, including Missouri's 1938 Gaines case, which led this State into the unfortunate and wasteful error of setting up a separate tax-supported law school for Negro students. The faults of the mythical separate but equal concept are set forth in a Ford Foundation book, The Negro and the Schools, by Harry S. Ashmore, executive editor of the Arkansas Gazette, and published by the University of North Carolina Press, through notable coincidence on the very day the Supreme Court acted.

This declaration of basic principle in conformity with the Constitution does not solve the problem in all its aspects. But it puts the matter of solution squarely before those whose responsibility it is.

There is work to do now in St. Louis, throughout Missouri, in the 21 States that have either required segregation or have permitted it in varying degrees, in the other States that have prohibited segregation but have winked at the practice.

The Supreme Court has used the best of judgment in allowing an interval in which to thresh out the means of applying the principle that it proclaims.

Neither Governor Byrnes of South Carolina nor Governor Talmadge of Georgia can truthfully say that the decision is being rammed down his throat. For still further argument are asked next fall on the timing of the decree, the question of a special master

to recommend specific terms and the possibility that implementation may be through the lower Federal courts.

In the next 3 months many communities will begin to put their educational houses in order and by the start of the new school year in September the decision doubtless will have won a notable approval. The prospect is that with the passage of time acceptance will grow wider and wider until this decision is applied in practice everywhere under the Stars and Stripes. Thus has the Supreme Court combined statesmanship with judicial rectitude.

We may wish that this decision had been handed down long ago. We may wish that the accommodations that now must be worked out were already achieved. We may wish that all who are to be affected in the school systems were already provided for according to their merits and qualifications. But that is not the way of social progress. Advance takes time.

Today the principle of true equality in education is at last the law of the land. That is gain so great that our day sends a note ringing back clear and strong to the times of Lincoln and Jefferson and their historic blows to make men free.

Yes, back to Lincoln and Jefferson—and also farther ahead than anyone can now see.

OREGON'S STAKE IN CHEAP POWER

Mr. MORSE. Mr. President, I had intended to speak on the subject of power this afternoon, but because of the lateness of the hour, I shall not do so. In lieu thereof, I ask unanimous consent to have printed in the body of the RECORD the text of a statewide broadcast which I made in my State on May 28 on the subject Oregon's Stake in Cheap Power.

There being no objection, the text of the broadcast was ordered to be printed in the RECORD, as follows:

OREGON'S STAKE IN CHEAP POWER

(Speech by Senator WAYNE MORSE,[1] Portland, Oreg., May 28, 1954)

Fellow Oregonians, during the past few days I have enjoyed being back home reporting to the people of Oregon concerning our natural resources problems. Everywhere I have found businessmen, farmers, and working people greatly disturbed about the future power development in the Pacific Northwest.

They have every right to be worried because the Eisenhower administration is doing great damage to a sound Federal power policy that was born out of the statesmanship of some far-seeing liberals of the past few decades.

It is a shocking thing that the present administration has turned its back on the sound natural resource conservation and development program of such great liberal Republicans as Teddy Roosevelt, Gifford Pinchot, Bob La Follette, Hiram Johnson, William Borah, Charles McNary, and the great George W. Norris.

On the Democratic side were such sound conservationists and supporters of public power as Barkley, Hill, Murray, Hayden, O'Mahoney, Lehman, Dill, Magnuson, and Jackson, and many others.

Under the leadership of Franklin Roosevelt, the conservation policies and public power development program of such far-seeing liberals as I have just mentioned became a reality in part through the great multiple-purpose dams of the Pacific Northwest and the Tennessee Valley and elsewhere in the country. In spite of his reactionary detractors, the fact is that Roosevelt was the first President who helped McNary, Norris, Dill, and the others in their fight to develop the public power resources of the streams of America.

The private utility monopoly has never liked it. It clipped their coupon-clipping. It has forced them, under the competition of a public power yardstick, to charge more reasonable electric power rates. We, in the Pacific Northwest, should never forget that we would not be the beneficiaries of cheap electric power today except for the vision and dedication to the public interest of a group of liberals in both parties who fought to protect and to develop the people's heritage in their own natural resources.

They were always bitterly opposed by reactionary Republican political machines which for decades in our country have been controlled by and have served monopolistic groups. Such selfish groups have sought to exploit and politically steal the wealth of natural resources belonging to all of the people. Sometimes it has been the big lumber interests; other times the railroads or combinations of eastern corporate financial holdings companies that had looked upon the West as an economic colony or satellite to be exploited. Today we find the oil interests and private utilities conducting a predatory economic killing of the people's rights in their own natural resources.

Great sums of money are being spent by these greedy interests in a propaganda campaign to fool the people about how best to develop our natural resources for the common good. Catchy, emotional slogans such as "creeping socialism" and plausible labels such as "local partnerships" are being coined in the hope that through their deceptive political advertising techniques they can dupe the people into supporting a giveaway of much of the people's wealth in their own natural resources.

Once again another historic fight must be waged against reactionary politicians who are serving as the political handmaidens and political fronters of those big business interests who want to raid our natural resources. Once our people come to know the facts about the grab-bag policies of those who are seeking to give away our natural resources, I am convinced they will vote a resounding repudiation of the administration's program.

In this report to you tonight on the power issue, as your Senator, I would have you give much thought to the question "What does cheap power mean to us in Oregon and throughout the Pacific Northwest?"

Cheap electric power has begun the transformation of our area and brought new opportunities to thousands of our people. In the last 20 years we have made a good start in transferring our greatest resource—our rivers—into wealth for the benefit of all the people of the Pacific Northwest. The future of the program that has accomplished so much is clouded. Unless we make full use of our successful experience, we may waste the potentials of our streams and jeopardize the economy of our region.

You all know the story of the Trojan horse. When Troy was besieged by Greek armies its stout walls withstood all attacks. Ulysses contrived a plan of offering a gift to the Trojans of an enormous wooden horse in which were concealed armed Greek soldiers. The Trojans, thinking it to be a peace offering, accepted the gift and rolled the horse through their gates and into their citadel. They were massacred.

This is the origin of the old saying, "Beware the Greeks bearing gifts."

I say to the people of Oregon today, "Beware the private utilities bearing gifts." Beware even when the private utility's offer is made through the Secretary of the Interior.

They are offering the people of the Pacific Northwest a new so-called partnership for the development of the streams of our area which are the common property of all the people.

SUCCESSFUL PARTNERSHIP IN THE LAST TWO DECADES

During the last 20 years Federal power development has eased the burdens of the farm and city family, and brought light where there has been darkness and made possible work-saving appliances to do back-breaking labor.

Because of public power more than 90 percent of the farms of Oregon are electrified. Because of public power at low rates, new industry has come into our region. This has meant new jobs, new payrolls, vast new purchasing power, more tax revenues for all levels of Government.

BENEFITS OF PUBLIC POWER

From 1939 to 1950 power output in Oregon increased four times over. Total wages and salaries in manufacturing increased fivefold. During this period public power output in Oregon increased by 3¾ million kilowatt-hours. This was more than eight times greater than the increase in private utility generation.

The history of the private utilities in America shows a simple fact. They have been willing to serve only the most profitable existing markets at the highest possible rates. Public power has brought electric energy to outlying sections that private utilities were unwilling to serve. Public power has created demand and economic activity by the simple process of suplying large blocs of power at reasonable rates. Public dams and transmission lines have been a magnet attracting private enterprise.

OUR RIVERS BELONG TO ALL THE PEOPLE

The streams of America cannot be bought and sold. They belong to every citizen in the United States and their children for generations to come. Flowing water is one of our great natural resources. The Pacific Northwest is fortunate in having 40 percent of the national potential of hydroelectric power. Its development has only begun.

When we store behind a dam the people's water so that it can generate electricity we have created something of great value. To deliver it without charge to private utilities is to give it away. Even if they install the generating equipment in a dam they are not buying the flowing water—they are taking it.

The people have first claim upon the water that belongs to all of us.

THE PEOPLE SHOULD BENEFIT FROM THE PEOPLE'S RESOURCES

For that reason we have in the Bonneville Power Act, the Flood Control Acts, and other Federal laws the provision that nonprofit and public bodies should have first preference in purchasing publicly generated power. The municipal plants, and people's utility districts, and rural electric co-ops belong to the local citizens of our State.

They are, and have been, the actual partners of the Federal Government in distributing public power. These local groups have received power transmitted over lines built with public funds.

It is only right and fair that the public should have first call upon the benefits of these dams and transmission lines. That right must be protected from the administration's attempt to scuttle it. The people of Oregon have received the benefits of public power by getting more power, better service and cheaper rates than ever provided by private utilities through the exercise of the public preference clause. That clause is one of the monuments to Charles McNary's leadership in the passage of the Bonneville Act.

MORE POWER—LOWER RATES

Don't forget that the highest cost power in the country is found in the Northeast—where there is no public power.

Experience over the last 50 years shows that local rate regulation has little or no

[1] Certain portions of this text were not used in the broadcast because of time considerations.

effect in keeping power rates down. State regulatory bodies have been too subject to the political pressures of monopolies. But public power as a yardstick, not only lowers rates, but spurs the private utilities into providing better service.

Residential and rural consumers in Oregon use twice as much power at one-half the unit rate of the average consumer throughout the country according to private utility statistics. The region by region comparison shows that the people of Oregon are in an even better position.

CHEAP POWER FOR INDUSTRIAL DEVELOPMENT

Of prime importance is the service and rates enjoyed by industry. Without low-cost power available in large amounts our area could not compete with the rest of the Nation because of distance and high freight rates in the West.

PRIVATE UTILITIES HAVE PROSPERED

The private utilities have prospered in this area. The Portland General Electric Co. generated 2.6 percent of the kilowatt-hours produced in the Northwest during the year ending June 30, 1953. It received from the Northwest power pool 70 percent of its system requirements. Through June 1953 (the latest figures I have) the private utilities received more power from the pool than publicly owned utilities.

THE NORTHWEST POWER POOL

The Northwest power pool has meant greater efficiency and lower cost in the distribution of power. By interconnecting all the major generating facilities in the region, it has prevented waste. At different times of the year power production is greater at some facilities than at others. On the other hand, power needs vary from season to season and even within a single day throughout our area. Interconnection—the pooling of power—makes it possible to take power from where it is available to where it is required. If this were not possible, millions of kilowatt-hours would go unused and unsold and rates would be higher.

WHAT IS "PARTNERSHIP" PROVISION FOR INTEGRATION?

Does the new partnership program being merchandised by the Secretary of the Interior, the former Governor of Oregon, contain iron-clad guaranties that the principles of interconnection and integration will be preserved? He neglected to make any mention of it in his statewide broadcast on May 10. And I can tell you that no such assurance was made by the Idaho Power Co. witnesses when asked about this before the Federal Power Commission.

There is another vital aspect of integration. As we all know, streamflow affects power output. Government dams regulate streamflow so that there is maximum flood control and power output throughout the Columbia Basin system. If the Idaho Power Co. is permitted to build its three small dams in the Hells Canyon area, the Government will lose control over water regulation because the private utility would understandably operate its facilities for its own maximum benefit.

And, who would have the last word on streamflow and power output at the proposed partnership dams where the taxpayers build the dams and the private utilities install and operate the generating facilities?

Did the Secretary tell you anything about that? The bills introduced by the other Senator from Oregon leave integration for negotiation, after passage of the legislation. This is not a petty, technical point. As my good friend, Dick Neuberger, has pointed out so rightly, water and power integration are the heart of a regional system of generation flood control and navigation.

PAYING THE UTILITIES FOR THE PUBLIC'S WATER

The only step made by this administration in regard to integration has been the introduction of a bill, recommended by President Eisenhower in his state of the Union message, to have the Federal Government pay private utilities for any incidental downstream benefits that may result from their private dams. The private utilities do not pay the Government for the privilege of using the public's streams to generate power for profit. Now it is proposed by the administration to pay the private utilities for downstream benefits from the flow of the public's water. Is there no end to this administration's payoff to big business?

BONNEVILLE POWER ADMINISTRATION AUTHORITY REDUCED

The Secretary of the Interior sought to reassure the people of Oregon that the Bonneville Administration would continue to perform its functions of marketing power from Federal dams in the Columbia Basin. Its important planning functions for future power loads have been cut in the last year by staff reductions and by a recent order.

INTEGRATION OF POWER IS BEING IMPERILED

Did the Secretary tell you that on April 7 of this year he amended an order that had been in force for a decade so that it is not now known whether Bonneville Power Administration will market the power from new Federal dams, if there are any new starts, and from the so-called partnership projects? Did he mention that his new order places in doubt whether power from Hungry Horse Dam will be marketed with the normal preference to public and nonprofit agencies?

The order which the Secretary amended had given the Bonneville Power Administration the authority to interconnect and integrate power from all projects as they came on the line. The new April 7 order withdrew that authority for future projects. This action threatens systemwide integration. It threatens the past policy of postage stamp rates under which power was pooled for delivery at all points within the Columbia Basin at low, uniform rates. Unless we return to full-scale integration, new high-cost projects will result in higher rates in the areas served by the new projects and waste and inefficiency in their operation.

The Secretary's reassurances seem to be at odds with his actions.

THE PACIFIC NORTHWEST NEEDS LIBBY AND HELLS CANYON DAMS' POWER AND STORAGE

Isn't it odd that the only reference the Secretary of Interior made to a high Hells Canyon Dam was critical? It was also misleading. He said that the administration was hoping to make a start on Libby Dam in Montana. I am all for that and have continually urged the administration to resume the negotiations with Canada which the Eisenhower administration broke off last year. It is my hunch that the administration's new-found interest in reopening negotiations with Canada on Libby Dam is a recognition that its power policies to date are proving to be a political boomerang. By all means let's have Libby Dam, but the United States must reach agreement on the sharing of Libby's benefits with Canada because a large part of its reservoir would be within Canadian boundaries. Negotiations and planning will take a long time. The administration has let a year go by and is making a belated effort now. This is what the Secretary said about Libby:

"No other proposed single dam in the Columbia River system will provide for generation of as much salable power at site and downstream or afford as much flood-control benefit. It is very much better than the proposed high Hells Canyon Dam and less expensive."

The simple truth is we need the vast storage of both Libby and a high dam at Hells Canyon. Libby would be on the Kootenai feeding into the upper Columbia River; Hells Canyon would be on the upper Snake. Both would provide downstream power benefits by controlling waterflow. Both would increase firm power output on the main stem of the Columbia. But Hells Canyon would benefit four downstream authorized Snake River dams that Libby would not affect. Shortly after the Secretary of the Interior withdrew from the Hells Canyon case, I said in the Senate about these four Snake River dams which are authorized but not financed:

"Lower Granite has a potential of 170,000 kilowatts, 54,000 of which would result from integration with Hells Canyon—that is approximately one-third of the total. We have the same situation in regard to Little Goose—68,000 kilowatts—again approximately one-third dependent upon Hells Canyon. Lower Monumental and Ice Harbor are in the same category. * * *

"Can't you just see the Secretary testifying at hearings next year or the year after, that in the interests of economy, construction of these dams would not be warranted because the original potential which might have warranted the cost could not be realized? Why? Because Hells Canyon would not be available to boost their output by one-half of their unintegrated prime kilowatt capability."

In Senate hearings the Army engineers testified that the cost-benefit ratio of Ice Harbor without the storage that Hells Canyon would provide makes that installation unfeasible. It would be laughable, if it were not so serious, that the administration is readying plans to make up for the Hells Canyon storage loss by recommending four dams which, with the small Idaho power storage, would make up the deficit. These so-called substitutes were originally proposed, in one form or another, as additional facilities to Hells Canyon.

When he withdrew from the Hells Canyon hearings, the Secretary of the Interior suggested that a Mountain Sheep Dam could be substituted for high Hells Canyon. But, a high Mountain Sheep Dam has proven not to be feasible because of rock defects at the site. Now the Department is readying plans for 2 lower dams in the Mountain Sheep area plus 2 other partnership projects—Penny Cliffs and Bruce's Eddy. The Mountain Sheep substitute now has a two-dam substitute—and we have wasted time and money that should have been devoted to preparing Hells Canyon for construction and power generation.

To compare Hells Canyon and Libby and to suggest a choice between them is as appropriate as comparing the benefits of a man's right and left lung. Both are needed just as we in the Pacific Northwest need both Libby and Hells Canyon.

LACK OF ADMINISTRATION LEADERSHIP

In an attempt to explain the failure of the administration to make a single new start in the Pacific Northwest, the Secretary said that because of the national debt Congress could not be expected to appropriate funds for multipurpose dams.

This is a startling confession from the spokesman of the Great Crusade whose commander was supposed to bring such vigorous and inspiring leadership to the Nation.

Did the President or the Secretary make the slightest attempt, did they try even once to demonstrate to Congress the defense considerations or economic requirements for rapid development of our hydroelectric resources? Not at all. From the outset they alibied that Congress would refuse funds. Given effective leadership and a clear presentation of the facts showing that Government multipurpose dams are a sound self-liquidating capital investment, I am convinced the Congress would support, not reject, building such dams. I do not find a majority of Senators blind to the fact that a sound public works program in any part of the country helps the country as a whole.

And don't forget when we get through building these public dams the whole country owns them, not private monopolies.

In an attempt to explain his Hells Canyon withdrawal, Secretary McKay said that this project "has been twice rejected by Congress." At best this is an overstatement. Authorization of the project standing alone by itself has never been voted upon by Congress. In one session, Hells Canyon was included with other items as a package which was not acted upon favorably. And in another Congress there were hearings and no vote. For the past two sessions of Congress my bill for constructing Hells Canyon Dam has been pending before the Senate, but I have not received the slightest help in support of it from the other Senator from Oregon although a large number of other Senators have joined in cosponsoring my bill.

Many of my colleagues in the Senate fully understand the importance of adequate cheap power to preparedness and the health of an expanding economy. Many of them are fully persuaded of the wisdom of investing in these great capital assets which pay their own way.

Did the President attempt to lead his party on this issue? He did not. So long as the administration fails to exercise leadership of the Pacific Northwest will not have a chance of a new multi-purpose start. Instead of pushing for authorization and quick completion of Hells Canyon, the administration first withdrew support for it, then indicated opposition to it—as the Secretary did here in Portland last June. And in April of this year it made its opposition clear in a report to the Senate Interior Committee.

That kind of leadership leads only one way—backward.

What is the cost of these projects that is so staggering to the limited imagination of these administration "leaders"?

To carry forward the planning of John Day Dam next year would cost all of $700,000. To start Ice Harbor next year would cost $3½ million. The two small so-called partnership projects could be gotten under way as Federal projects, I am advised by the staff of the Senate Public Works Committee, for about $1 million each for the first year.

As the President and the Secretary know, multi-purpose projects pay for themselves. Power costs are repaid in 40 or 50 years. Their full costs including navigation, flood control, irrigation, and the other so-called nonreimbursable items, are completely paid up during the useful life of the dams—and then some.

But, this is what the Secretary said to you:

"Under the partnership, the people get flood control and also much needed power. And the cost of installing the power facilities is not added to the national debt."

That is a misleading statement because in the long run you, the people, pay for the so-called partnership dams.

The private utilities do not have the cash on hand to invest in these partnership dams. They must borrow the money, just as the Federal Government does to make investments. But the Federal borrowing can be done at lower interest rates. Who will pay the difference—the rate payers. The difference in power cost may make the difference between the expansion and creation of new industry and economic stagation. Industry that is attracted to our area comes here because of low power rates. Even if we get power sooner—and I will have more to say about that in a minute—it may be too costly to draw industry, which brings payrolls, jobs, and purchasing power.

Furthermore, don't believe the sweet talk that private utilities pay full taxes. Why then have they applied for $1¾ billion of tax amortization certificates which help them defer taxes and benefit from decreases in tax rates, such as the decrease that went into effect this year. Don't forget that the hand-out of tax amortization certificates results in saving the utilities great sums of money in interest cost. They take away from the United States Treasury and, therefore, from your pocket millions of dollars of interest money because of delayed tax payments. It has become one of the not too concealed giveaways to big business.

Why the Idaho Power Co. has already filed for such certificates for their three low dams in the Hells Canyon area—before a permit is even issued. How much of a certificate does the company seek?—$40 million—the largest single application filed up to the time it was submitted.

These certificates postpone the tax collections and thereby increase the national debt. Every taxpayer in America pays the freight.

BENDING THE YARDSTICK

With less public power and more private utility control, the yardstick effect of public generation and transmission cannot help but be decreased. This means that rates will tend to go up.

But not only will the yardstick be bent out of shape, the Federal Power Commission now has authority to pass upon private utility rate schedules. You have read that five private utilities which operate in the Pacific Northwest have filed papers in Salem setting up a joint corporation for operating generating facilities at so-called partnership projects.

This new corporation is designed to acquire generating facilities, transmission lines and the like. Whose, you may ask? It seems that those belonging to all of the people are the object of their affections.

FOR SALE SIGNS?

The Secretary of Interior told you that there are no "for sale" signs on Government power projects. He said the negotiations for sale of the Federal Central Valley project to California concerns is an unusual situation.

But last year, he wrote to the Governor of California that "authorizing legislation would in all probability have to be general and broad enough so that it would provide for similar sale and transfer anywhere in the United States."

AN EXAMPLE OF PARTNERSHIP

Let us look at an example of partnership. The Bonneville Power Administration was building a transmission line to bring BPA power into Klamath Falls, which now gets its power for Copco.

Last year at this time BPA had built half the line, acquired all the necessary land, cleared the rest of the right-of-way and delivered construction materials to the points needed. The Interior Department opened negotiations for sale of the right-of-way and material to Copco. The other Senator from Oregon reported the Department's appropriation bill to the Senate with this proviso:

"In allowing $895,000 for this item, the committee does so with the understanding that in the event additional or substitute facilities are constructed by the California-Oregon Power Co., such portion of the funds allowed to Bonneville Power Administration and not used in construction of this facility will not be otherwise obligated."

What happened? The sale was agreed upon. Copco didn't pay for the materials, but took them under an agreement that it would give BPA material of equal value as required.

BPA had planned to put power on the line into Klamath Falls in December 1953—last year. Well, Copco built the line but not with the specifications planned by BPA. As a result, the power could not be delivered into Klamath Falls. The company tried to save some money refused at first to take the advice of BPA engineers, and finally had to reverse itself. Bonneville power, courtesy of Copco, was undelivered in Klamath Falls until a few days ago.

So Copco is getting cheap power from Bonneville and selling it at its usual high rate; in fact, it got a rate increase last fall. And it prevented public power from being transmitted by public lines, thereby cutting off the threat of co-op competition.

Now it seems that BPA may build a line instead of Copco to Nickel Mountain to provide low-cost power for a commercial operation of the Hanna Co.—Secretary of Treasury Humphrey's outfit. For some reason that I think should be explained, the following appears in the minutes of the BPA executive committee meeting of December 1, 1953:

"However, the Department (Interior) has informed EPA that approval must be obtained from California-Oregon Power Co. before the line can be built."

There is more and more evidence that the Department of Interior, which should be serving the people, is being run by the private utilities for the private utilities.

THE BONNEVELLE 20-YEAR CONTRACTS

Last fall the Secretary approved 20-year contracts with five private utilities. In effect, these contracts gave first priority for firm power coming into the northwest pool for the next 10 years to these companies. The contracts sharply restricted power supplies for industry, yes, private enterprise, and public bodies.

And the power of the Bonneville Administrator to review and prevent unreasonable or discriminatory rates by the private utilities as provided in the Bonneville Act was surrendered.

The contract provides that if the Administrator finds that the private utility is charging unreasonable and discriminatory rates, and if the private utility does not come to the mourners' bench voluntarily and confess that it is sinning, the Administrator may give 4 years' notice of cancellation of the contract.

These contracts gave the private utilities of the Pacific Northwest a hammerlock on the public power production of the Columbia Basin.

The Secretary of Interior handed over power that belongs to the people to the private utilities for 20 years to come. This was pretty high-handed for a nonelected official. The legality of these contracts is questionable. At the very least, they do violence to the spirit of the preference clause. Worst of all, they are a blow at industrial expansion in our region.

OREGON'S RISKS

Let me warn the people of Oregon that they are running a grave risk with small and dubious returns as the incentive.

The "partnership" projects for which bills are now pending in Congress would have an installed capacity of about 120,000 kilowatts. Compare this with 900,000 kilowatts for high Hells Canyon. The two small projects have relatively small water storage which will be devoted mostly to flood control. As a result, the firm power output of the proposed partnership projects would be much smaller than their nameplate capacity.

As you know, there has been considerable sentiment in the State of Washington that power generated within its boundaries should serve customers within that State first. Some of the largest existing projects are in Washington. The proposed Oregon partnership projects are about the last ones that can be built within our State. Proposed "partnership" projects in Washington have much greater power potentials. Priest Rapids, as an example, would generate 1.2 million kilowatts and later, with the addition of upstream storage, over 1½ million kilowatts.

JOHN DAY: 50–50 COSTS; 90 TO 10 BENEFITS

This week the Senate passed an appropriation bill which provides funds for readying John Day Dam for construction. I had urged the Senate Appropriations Committee to recommend these funds and introduced an amendment, cosponsored by the Senators

from Washington and Montana, to add John Day funds to the bill. It will take about 2 years to complete final planning.

John Day Dam is one of the key projects for flood control, navigation and power proposed by the Army 308 report for comprehensive maximum development of the Columbia Basin. It will be one of the great power producers on the Columbia.

A few days ago, the other Senator from Oregon introduced a so-called partnership bill for this project in line with a proposal made by the Portland General Electric Co. The dam will cost about $320 million. The company and the Senator propose that the Government pay about half the cost.

In fact, the bill provides for a smaller dam than that recommended in the 308 report, thereby reducing the flood control function of the dam.

The administration is playing fast and loose with the 308 report. It is playing fast and loose with the plans for comprehensive development. It is undercutting the Northwest Power Pool. Instead of an integrated system for power and flood control and other important functions, it is proposed to substitute a Rube Goldberg plan which will make John Day power more expensive than from the integrated system.

The reduction in John Day flood control, of course, would increase the portion of the costs chargeable to power. The Army Engineers advise me that the project would be essentially like McNary Dam where the proposed power costs are over 90 percent of the total.

So under this so-called partnership, the Federal Government is being asked to pay for 50 percent of the project, the utilities would pay 50 percent—but the power costs would be about 90 percent of the $320 million total. Further, the power partners by putting up half the money would get a priority on all the power. Nice business for the private utilities if they can get by with it.

The so-called partners would get all the power and share it in proportion to their contributions. It is clear that the private utility which urges this program will be getting the lion's share of the power. Over a 50-year period the United States will be repaid the remainder of power costs from power generated in large part with public funds.

First it was Hells Canyon, then Paradise Falls, then Cougar and Green Peter—now John Day. Each is being carved out of the comprehensive plan for maximum development.

Oregon and the Pacific Northwest need power. There is no valid reason for not continuing the integrated program under Federal leadership that has already accomplished so much. We should not—we must not—scramble after the bait of a few projects only to find we have surrendered full use of our streams and gotten less and higher-cost power.

Now, if groups in Oregon seek to appropriate power generated in our State with first call upon it for users in our State, we will only encourage and provide excuses to those who advocate similar action in the State of Washington. That State is way ahead of us in power development and has a greater power potential. If we permit ourselves to get into that kind of competition, we will lose.

The so-called partnership projects proposed for Oregon are not very costly when compared with the large multipurpose projects built and remaining to be built. Federal funds will be required before they can be begun. The Federal Government's share will be much greater than that of the agency or utility providing the generating equipment.

The partnership proposals will not necessarily speed up the day of construction and completion of the dams. They require special legislation replanning, negotiation, and then all the problems they raise may remain unsolved.

And a further warning: Your representatives in Washington have been able in the past to persuade southern and midwestern and eastern Senators and Congressmen on power and flood-control projects because they could be told and understood that multipurpose dams were needed to develop resources belonging to all of the people for the benefit of the people.

They already are anxious about local profiteering and special-interest benefits. Under the so-called partnership plan Federal funds will still be required. Indications are that the new questions raised by partnership may slow rather than speed congressional appropriations.

The administration has abandoned the high road of Federal construction of multipurpose dams and Federal integration of power distribution on a basinwide program. The Secretary of the Interior pointed to the low road—a supposed shortcut to more electric power. The shortcut may well prove to be a blind alley for Oregon.

The Secretary of the Interior has displayed the riches which he says lie at the end of the shortcut.

Let the people of Oregon beware the Secretary of the Interior bearing the private utilities' gifts.

I have made this report to you because I think you should be warned of some of the serious political dangers facing your stake in cheap power today. My pledge to you is that I shall continue in the Senate to oppose the administration's weakening of our well-proven and sound Federal public-power program. Our stake in cheap power calls for the construction by the Federal Government of not only Hells Canyon and Libby Dams but the other multiple-purpose dams recommended in the Army engineers comprehensive Columbia River Basin 308 report. We must not permit this administration to scuttle full development of the maximum power potential of our rivers by dividing our ranks with Trojan horses parading as private utility partnerships.

ADDRESS BY SENATOR SALTONSTALL AT DEDICATION OF MEMORIAL TO THE LATE SENATOR DAVID I. WALSH, OF MASSACHUSETTS

Mr. SALTONSTALL. Mr. President, yesterday in Boston there was unveiled, with appropriately dignified ceremonies, a statue in honor of the late United States Senator David I. Walsh, of Massachusetts. I had the honor to be the speaker at the dedication. I ask unanimous consent to have printed in the body of the RECORD the brief remarks which I made on that occasion. I do so because the late Senator, former Governor, and former legislator, was a citizen of our State for whom many, many persons in Massachusetts had respect and affection.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

DAVID I. WALSH—SPEECH BY SENATOR SALTONSTALL AT DEDICATION OF WALSH MEMORIAL ON ESPLANADE, BOSTON, MASS., SUNDAY, JUNE 6, 1954

On a gray October day 22 years ago, the late Senator David Ignatius Walsh unveiled a memorial on the State House grounds to his predecessor and colleague, Henry Cabot Lodge. Today the honor falls to me as the colleague and successor of David Ignatius Walsh to speak at the unveiling of a memorial to him. I do this with pride and satisfaction, for he was, to use a phrase which he first used as valedictorian at Holy Cross College in June of 1893, in the finest sense a "citizen patriot."

David Ignatius Walsh, the second youngest of 10 children of James and Bridget Walsh, was born on November 11, 1872, in Leominster, Mass. His father, who made his livelihood as a combmaker, died while David was still a child. The lad worked as a cashboy in a store and carried lunches to workmen to make his living.

David's older sister, Catherine, who was a textile worker and a dressmaker, provided largely for his education. After attending the public schools in Clinton, young Walsh was graduated from Holy Cross College in 1893 and from Boston College Law School in 1897 and was admitted to the Massachusetts bar the same year. While in college, Walsh had the unusual distinction of being not only president, but also valedictorian of his class. These two honors were also his in law school.

His interest in politics was roused during his college years. He was chairman of the Democratic Town Committee in Clinton from 1895 to 1900, and helped write his party's platform for many years prior to his death. He was also interested in civic affairs and served as moderator of the town meetings from 1898 to 1900.

In 1900 and again in 1901 he was elected to the Massachusetts State Legislature. Here he became interested in the fight for labor. As a member of the State legislature, he was author of a law by which the State had to pay weekly wages to its officers so that any one could afford to hold public office. This same law provided for the regulation of employment of laborers on public works.

In 1907 he ran for lieutenant governor, but was defeated. He was renominated in 1912 and was elected in 1913, thus becoming the first Democrat to be elected to that position in almost 90 years. The following year, 1914, he was elected governor—one of the youngest men, and the first son of parents who arrived in this country as immigrants ever to hold that officer—and served two 1-year terms.

Walsh was elected to the United States Senate in 1918. Here, again, he was the first Democrat to represent Massachusetts in the United States Senate since before the Civil War.

He served in the Senate for a total of 26 years. Only two Senators from Massachusetts have served longer—George F. Hoar, who served a few months longer than Walsh, and Henry Cabot Lodge, Sr., who served for 31 years.

Ever a champion of the less fortunate among his fellow citizens, David I. Walsh in his second gubernatorial inaugural address called up the Commonwealth of Massachusetts to provide for State-supported university extension courses. He said:

"We have long been accustomed to point with pride to the educational institutions and advantages of our Commonwealth, • • • It is rather startling, therefore, to be reminded, as we have been of late, • • • that many States have far outstripped us already in offering to the mass of their citizens • • • free opportunities to secure training. • • •

"Massachusetts • • • liberal to the verge of extravagance in meeting the educational needs of the fortunate minority where parents are in easy circumstances, owes no less to every child of the tenements, the factory, and the farm, and to every adult • • • who by economic conditions have been obliged to give to manual labor the years of childhood which should have been sacred to mental and physical preparation for civic usefulness and vocational success."

In the 40 years since these words were spoken, there have been tremendous advances in public education. Today, indeed, the enrollment of our colleges alone is higher than was high-school enrollment then. No small part of these advances has been the

result of the spirit expressed by Walsh in the passage I have quoted from his second inaugural address.

During his many years in the Senate, Walsh was chairman and an outstanding member of several committees. His contributions as chairman of the Committee on Education and Labor were especially noteworthy. In that capacity he sponsored, among other bills, the wage and hour law and the United States housing law. He was coauthor of the Walsh-Healey Government Contracts Act, which provided that bidders on large Government contracts must pay prevailing wages.

He early perceived and long fought for the right of labor to organize on its own terms, and he would have taken great satisfaction in seeing how deeply imbedded in our institions has become acceptance of this right. Today the principle of collective bargaining is no longer in question. The problem which still challenges us is that of perfecting the means by which the technique of collective bargaining can be made a fairer and more effective instrument for harmonizing with the larger public welfare the interests both of those who manage and those who work in industry. Senator Walsh, if he were alive today, would bring to this effort not only his lifelong concern for improving the lot of the workingman but his far-seeing recognition that in the long run the welfare of the workingman and the welfare of the public are inseparable.

In addition to his service on the Committee on Education and Labor, Senator Walsh was also a member and later chairman of the Senate Committee on Naval Affairs. He will always be remembered as the proponent of a strong 2-ocean Navy. For 20 long years he strove in the face of apathy and economy for this goal. In May of 1938 this fight was climaxed by the adoption of a bill appropriating $1½ billion for new naval vessels, and on June 1, 1941, he had the satisfaction of attending at Philadelphia the launching of the 35,000-ton battleship *Washington*, the first capital ship added to the United States fleet since the Washington Disarmament Conference of 1921.

It was my privilege to serve with Senator Walsh on the Naval Affairs Committee. This was, in fact, my first major committee assignment, unusual in that two Senators from the same State thus became members of the same committee. It has now fallen to me to preside over the committee which has succeeded the old Committee on Naval Affairs and in this capacity I owe much to what I learned from David I. Walsh. He was a fair and firm presiding officer, and his wise chairmanship of the committee contributed much to the high-level policy decisions which helped us win the war.

A deeply religious man, David I Walsh was at the same time a champion of religious liberty. Speaking on Boston Common on June 1, 1930, at the celebration of the 300th anniversary of the founding of the Massachusetts Bay Colony, he said:

"The progress of mankind through the centuries has given to us many priceless heritages. Outstanding among them all is what we call religious liberty, a short expression of two words, yet it covers a vast area of human experience and accumulated human wisdom * * *. Religious liberty is the result of a cause, and that cause is tolerance—the outgrowth of the long struggle of mankind with religious persecutions. It is the standing victory for human dignity and human liberty won by the common man after the centuries he and his children had groaned under a contrary concept of States rights and duty.

"It is the same spirit of tolerance that achieved religious freedom that alone can preserve religious freedom in the world."

Throughout a long and notable career, Senator Walsh served his State and his Nation faithfully and unceasingly. He was a warm and sympathetic friend. He never forgot a friendly act, and his greatest delight was to be able to repay such an act in kind. His many years of public service, his profound knowledge of government, his courage and good humor endeared him to his friends and colleagues everywhere. We who were counted among his friends treasure his memory.

Senator Walsh deserves the gratitude of his State and Nation. This memorial which we are dedicating today will long stand as a symbol of that gratitude.

RECESS

Mr. SALTONSTALL. Mr. President, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 2 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 8, 1954, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 7 (legislative day of May 13), 1954:

FEDERAL HOUSING ADMINISTRATION

Norman P. Mason, of Massachusetts, to be Federal Housing Commissioner.

IN THE ARMY

The following-named persons for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Philip A. Brummit, O4012893.
Gerald H. Buchanan, O1883064.
Otis L. Cox, O2104898.
Herbert F. Hardy, Jr.
Robert H. Maxson, Jr.
Melvin E. Meister, O4017142.
Raymond R. Stommel, O4017181.

The following-named distinguished military student for appointment in the Medical Service Corps, Regular Army of the United States, effective June 15, 1954, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Ludgero S. A. Gomez, Jr.

The following-named distinguished military students for appointment in the Regular Army of the United States, effective June 15, 1954, in the grade of second lieutenant, under the provisions of section 506 of the Officers Personnel Act of 1947 (Public Law 381, 80th Cong.):

Kenneth N. Adams
Robert W. Altland
James H. Anderson
Peter B. Ashby
Donald M. Babers
John S. Bace
William R. Bailey
Martin A. Ball
Richard A. Baum
Earl K. Beck
Gary R. Bill
William C. Boden
William C. Bradley
Joseph P. Burn
John C. Burnett
William F. Burns
Jose Collazo, O1888834
Terence C. Corning
Henry G. Davis
Ubaldo del Toro
Thomas F. Des Champs
James W. Dillon
Robert F. Dunn
Patrick L. Feore, Jr.
Daniel J. Fischer
Edward J. Fisher III
William F. Fitz-Patrick
John J. Fossett
James D. Fraher
Santiago A. Garcia
George R. Giles
Ellis H. Hamlett
Richard E. Hauck
Joseph P. Keene
George S. Kepner
Glenn Kohler
Robert H. McHaney
John A. Milani
John A. Mooneyham
William E. Mullin
Maurice R. Norton
Salvatore W. Nunziata
William G. O'Leksy
Leonard E. Pacha
Don L. Parker
Henry A. Passarelli, Jr.
Clarence A. Patnode, Jr.
Vincent T. Pellegrino
James W. Poarch, O4000232
Jake H. Privette
Robert J. Richards
Eduardo deJesus Rivera
Thomas G. Salyers
Jewel W. Satterfield
Herbert J. Scholz, Jr.
Robert J. Schwarz
Joseph R. Scott
Donald D. Screen
Peter B. Seevers
Leonard W. Sloan
Robert J. Smith
James E. Stallard III
Ben W. Stutts
Gerson J. Subotky
John R. Travis
Norman H. Ulmer, Jr.
Joseph J. Vuono
Francis J. Walter, Jr.
Robert T. Willey
Charles A. Williams
Raymond F. Yost
Raymond H. Young
Andrew T. Zahn

The following-named person for appointment in the Army Nurse Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of Public Law 36, 80th Congress, as amended by Public Law 37, 83d Congress:

Margaret M. Griffith, N792520.

IN THE AIR FORCE

The following-named persons for appointment in the Regular Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947); title II, Public Law 365, 80th Congress (Army-Navy-Public Health Service Medical Officer Procurement Act of 1947); and section 307 (b), Public Law 150, 82d Congress (Air Force Organization Act of 1951), with a view to designation for the performance of duties as indicated:

To be lieutenant colonel, USAF (Medical)

James G. Langford, AO1695919.

To be majors, USAF (Medical)

William W. Hart, AO2260322.
Stephen J. Rudolph, Jr., AO1745442.
Charles A. Veatch, AO985586.

To be captains, USAF (Medical)

Harry R. Bratt, AO725668.
Paul W. Musgrave, AO2213196.
Leland E. Noll, AO2241254.
Robert B. W. Smith, AO1906192.
Arthur E. Weigel, AO965881.
Robert W. Zellmer, AO2240851.

To be captains, USAF (Dental)

Harrison J. Hannon, O989536.
Lester W. Raab, AO2213611.
William D. Riley, Jr., AO1906273.

To be first lieutenants, USAF (Medical)

Charles H. Bausman, Jr., AO3000126.
John M. Connolly, AO1893355.
Perry F. Crawford.
William F. Denny.
David H. Draper, AO2240369.
William C. Finlay.
John D. Gallagher.
Dudley B. Houle.
Kelvin D. Kable, AO779152.
Robert H. Lang, AO2261395.
Gerald H. Mahaffey, AO759483.
Frank L. Mahan, AO2261364.
Martin N. Malachowsky.
William G. Malette, AO941288.
Glenn D. Moak, AO2261044.
Marvin G. Newby, AO2261431.
Theodore W. Richey, AO2261204.
Hubert W. Smoak, Jr.
James H. Stuteville, AO650945.
Ernest H. Teagle.
James M. Thompson, AO840425.
David A. Turner, AO2240399.
James R. Upp, AO2261698.
Raymond O. Waters, AO789222.
Frederick W. Wiese, AO389846.
David F. Wolter, AO755615.

To be first lieutenants, USAF (Dental)

Burton C. Bickford, AO2060768.
Norman C. Gadbois, AO2067981.
Charles A. Jenkins, Jr., AO2260108.
Edward G. Johnson, AO1906573.
William L. Keefer, Jr., O1892536.
Edward F. Miller, AO814521.

The following-named persons for appointment in the Regular Air Force, in the grades

indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947):

To be first lieutenants

Shuford M. Alexander, Jr., AO692627.
Donald W. Bennett, AO1860268.
Paul A. Butler, AO1912333.
Vincent S. Cahill, Jr., AO2061216.
Robert J. DeLacy, AO1860572.
William L. Evans, Jr., AO1849666.
Galen C. Fox, AO1860681.
Arnold Friedman, AO1910867.
William F. Goeken, AO2070971.
Daniel E. Guidice, AO2009039.
Joseph R. Guth, AO2078528.
Laird Guttersen, AO942028.
Spencer Hall, Jr., AO774137.
Clayton L. Henderson, AO714084.
Stephen B. Hicks, AO1856707.
Frank S. Hussey, Jr., AO719665.
Joubert S. McCrea, Jr., AO713834.
Gabriel C. Olsen, AO1857355.
John A. Powers, AO671590.
Everett E. Pritchard, Jr., AO1846844.
Channing L. Purdy, AO837973.
LaVern G. Reilly, AO1855094.
Jack E. Shinn, AO785901.
William H. Shivar, AO707337.
George M. Simpson, AO1846950.
Charles O. Smith, AO2221786.
Lloyd E. Sunderland, AO757401.
William C. Watts, AO722235.
Willard C. Wiggins, Jr., AO841880.
Earl L. Willems, AO1866080.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 7, 1954

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Infinite and eternal God, may our whole life during this day be brought into oneness with Thy spirit and Thy divine purposes.

Give us a clear vision of the blessedness we may achieve for ourselves and all mankind by courageously accepting and following the principles and ideals of democracy.

Grant that we may give the spirit of democracy that larger geographical and numerical expansion which is inherent in the truths that it proclaims.

Inspire us with a sincere desire to cultivate and bring to fruition those noble moral and spiritual aspirations and values which thou hast planted within the soul of humanity.

In Christ's name we offer our prayer. Amen.

The Journal of the proceedings of Thursday, June 3, 1954, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On May 29, 1954:

H. R. 6374. An act to revise certain laws relating to warrant officers of the Army, Navy, Air Force, Marine Corps, and Coast Guard, and for other purposes.

On June 1, 1954:

H. R. 7786. An act to honor veterans on the 11th day of November of each year, a day dedicated to world peace.

On June 3, 1954:

H. R. 1705. An act authorizing the Secretary of the Interior to issue a patent in fee to Jesse Bell;

H. R. 1769. An act for the relief of Mrs. Oscar F. Brown;

H. R. 2022. An act for the relief of Don B. Whelan;

H. R. 3041. An act to authorize the Secretary of the Interior to transfer to Frederick W. Lee the right, title, and interest of the United States in and to a certain invention;

H. R. 4231. An act to authorize appointments to the United States Military Academy and United States Naval Academy of sons of certain individuals who were killed in action or who died or shall die as a result of active service in World War I, World War II, or between the period beginning June 27, 1950, and ending on a date proclaimed by the President or the Congress;

H. R. 4940. An act to provide for the redemption of District of Columbia tax stamps;

H. R. 4961. An act for the relief of Mrs. James J. O'Rourke;

H. R. 4996. An act for the relief of Col. Henry M. Denning and others;

H. R. 7308. An act to repeal section 307 of title III of the Federal Civil Defense Act of 1950, as amended; and

H. R. 7541. An act to promote the national defense by including a representative of the Department of Defense as a member of the National Advisory Committee for Aeronautics.

On June 4, 1954:

H. R. 116. An act to amend title 18, United States Code, so as to prohibit the transportation of fireworks into any State in which the sale or use of such fireworks is prohibited;

H. R. 232. An act to provide for the conveyance to the State of Indiana of certain surplus real property situated in Marion County, Ind.;

H. R. 1345. An act for the relief of John Lampropoulos;

H. R. 1772. An act for the relief of Kenneth R. Kleinman;

H. R. 1815. An act to amend the Recreation Act of June 14, 1926, to include other public purposes and to permit nonprofit organizations to purchase or lease public lands for certain purposes;

H. R. 2225. An act to provide for sundry administrative matters affecting the Federal Government, particularly the Army, Navy, Air Force, and State Department, and for other purposes;

H. R. 2433. An act for the relief of the legal guardian of Raymond Gibson, a minor; and

H. R. 5772. An act for the relief of Robert E. Leibbrand and Rose Leibbrand.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill and concurrent resolution of the House of the following titles:

H. R. 6655. An act to amend the charter of the Columbia Institution for the Deaf, change its name, define its corporate powers, and provide for its organization and administration, and for other purposes; and

H. Con. Res. 236. Concurrent resolution inviting Nurse Genevieve de Galard-Terraube to be an honored guest of the United States.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 361. An act to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes;

S. 2728. An act to authorize the collection of indebtedness of military and civilian personnel resulting from erroneous payments, and for other purposes; and

S. J. Res. 39. Joint resolution proposing an amendment to the Constitution of the United States to enable the Congress, in aid of the common defense, to function effectively in time of emergency or disaster.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7839. An act to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities.

The message also announced that the Senate insists upon its amendments to the foregoing bill; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CAPEHART, Mr. BRICKER, Mr. IVES, Mr. BENNETT, M. MAYBANK, Mr. ROBERTSON, and Mr. SPARKMAN to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 7258) entitled "An act for the relief of the Willmore Engineering Co.," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BUTLER of Maryland, Mr. WELKER, and Mr. KEFAUVER to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2828) entitled "An act to amend the act of Congress of September 3, 1935 (49 Stat. 1085), as amended."

SOCIAL SECURITY AMENDMENTS OF 1954

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, on June 1, 1954, the House of Representatives passed H. R. 9366, the Social Security Amendments of 1954, which will assure that our presently retired workers and those citizens who will retire in the future will be more adequately provided for under the old-age and survivors insurance program. One of the effects of this legislation will be that the 6.3 million persons who are now receiving old-age and survivors insurance benefits will be granted an increase in such benefits amounting to $600 million in the first 12 months that the increase is effective. Ten million Americans who are now denied the protection afforded by the social-security program will be eligible to work toward the retirement benefits and survivorship rights that are available under this system.

H. R. 9366 represents the results of many weeks of work by the Committee on Ways and Means. During the first session of the 83d Congress, I introduced

H. R. 6812, which embodied the recommendations of the President for changing our social-security laws. Because of revisions to that legislation which were considered desirable, I introduced H. R. 7199. The Committee on Ways and Means held lengthy public hearings and then carefully considered H. R. 7199 in thorough executive sessions. Upon the completion of those executive sessions, a clean bill was introduced, H. R. 9366, which contained the social-security amendments approved by the committee. It was H. R. 9366 which passed the House on June 1.

I do not propose to reiterate the many laudatory amendments H. R. 9366 will make in our social-security laws. The provisions of that legislation were thoroughly debated by the House at the time of its floor consideration. However, for the information of the Members of Congress and for the public, I would like to insert in the RECORD at this point a comparative analysis of present law and the changes proposed thereto by H. R. 7199 and H. R. 9366. I ask unanimous consent that permission be granted to print this material in the RECORD at this point to supplement my remarks of June 1 on H. R. 9366.

In closing, I would like to congratulate the Members of the House on both sides of the aisle for their very constructive vote on this important part of the President's legislative program.

Comparison of provisions of present law, H. R. 7199 and H. R. 9366

Item	Present law	H. R. 7199	H. R. 9366
I. COVERAGE		The following coverage provisions are, in general, effective Jan 1, 1955.	The following coverage provisions are, in general, effective Jan. 1, 1955.
A. Self-employed	Covers all self-employed for years in which they have net earnings from self-employment of $400 or more except: (1) Specified professional groups—physicians, lawyers, dentists, osteopaths, veterinarians, chiropractors, naturopaths, optometrists, architects, Christian Science practitioners, professional engineers, funeral directors, and certain public accountants. (2) Farm operators.	Same as present law except: (1) Covers professional groups now excluded. (2) Covers farm operators on same basis as other self-employed persons, except for a special provision that makes it easier for low-income farmers to compute their net earnings—farmers whose annual gross earnings are $1,800 or less may report either their actual net earnings or 50 percent of their gross earnings; farmers whose annual gross earnings are over $1,800 may report either their actual net earnings or, if their actual net earnings are less than $900, they may report $900.	Same as present law except: (1) Covers professional groups now excluded, other than physicians. (2) Covers farm operators as in H. R. 7199 except that the special reporting provision for low income farmers is limited to those reporting on a cash receipt and disbursement basis.
	(3) Public officials, employee newsboys under age 18, and ministers.	(3) No change.	(3) Covers self-employed ministers. Continues exclusion of public officials and employee newsboys under age 18.
	(4) Certain types of income, such as dividends, interest, and rentals from real estate, unless received by dealers in real estate and securities in the course of business dealings.	(4) No change.	(4) Continues present exclusion and in addition excludes rental income paid in crop shares.
	(5) Certain gains and losses, such as sale of capital asset.	(5) Excludes certain coal royalties which are now covered under the Social Security Act but excluded under the Internal Revenue Code.	(5) Excludes certain coal royalties as in H. R. 7199.
B. Employees in commerce and industry.	Covers all employees except:	Same as present law except:	Same as present law except:
	(1) Fishermen not employed on vessels of more than 10 net tons and not engaged in commercial halibut or salmon fishing.	(1) Covers all fishermen now excluded.	(1) Covers all fishermen as in H. R. 7199.
	(2) Domestic service performed by students in local college clubs and fraternities.	(2) No change.	(2) No change.
	(3) Certain close relatives working for members of family.	(3) No change.	(3) No change.
	(4) Certain students, student nurses, and interns.	(4) Covers interns.	(4) No change from present law.
	(5) Newsboys under 18.	(5) No change.	(5) No change.
	(6) Certain homeworkers who are not subject to State licensing laws.	(6) Homeworkers who are not subject to State licensing laws are covered on the same basis as those who are.	(6) Covers homeworkers as in H. R. 7199.
C. Agricultural workers	Covers only those who are "regularly employed" by 1 employer and who receive cash wages of $50 or more in a calendar quarter from that employer. In general, after a farmworker has worked for 1 employer continuously for an entire calendar quarter, he is "regularly employed" in the next quarter and in succeeding quarters if he works for that employer on a fulltime basis for at least 60 days during the quarter.	Covers agricultural workers who are paid $50 or more in cash wages by an employer during a calendar quarter.	Covers agricultural workers who are paid $200 or more in cash wages by an employer in a calendar year.
	The following are specifically excluded from coverage: (1) Mexican contract workers. (2) Workers in cotton ginning and gum naval stores.	(1) No change. (2) Workers in cotton ginning and gum naval stores covered as agricultural workers.	(1) No change. (2) Like H. R. 7199, covers these workers as agricultural workers.
	(3) Noncash remuneration for agricultural work.	(3) No change.	(3) No change.
D. Domestic workers in private homes.	Covers only those workers in nonfarm homes who work for a single employer on at least 24 days and are paid at least $50 in cash wages by that employer during a calendar quarter.	Covers all domestic workers in nonfarm homes who are paid $50 or more in cash wages by an employer during a calendar quarter.	Covers domestic workers as in H. R. 7199.
	Noncash remuneration is excluded.	No change.	No change.
E. Work not in the course of the employer's trade or business.	Covers such work if the individual works for a single employer on at least 24 days and is paid at least $50 in cash wages by that employer during a calendar quarter.	Covers such work if the individual is paid $50 or more in cash wages by an employer during a calendar quarter.	Covers such work as in H. R. 7199.
	Noncash remuneration is excluded.	No change.	No change.

Comparison of provisions of present law, H. R. 7199 and H. R. 9366—Continued

Item	Present law	H. R. 7199	H. R. 9366
I. COVERAGE—continued			
F. State and local government employees.	Covers State and local government employees (except those specified below) provided individual State enters into an agreement with Federal Government.	Same as present law except:	Same as present law except:
	Following employees are excluded: (1) Employees who are in positions covered under a State or local retirement system (other than the Wisconsin retirement fund) at the time coverage is made applicable to the coverage group to which they belong.	(1) Makes coverage available, by means of Federal-State agreements, to employees in positions covered by a State or local retirement system (except policemen and firemen) provided a vote is held among the active members of the system and at least ⅔ of those voting vote in favor of coverage.	(1) Makes coverage available, by means of Federal-State agreements, to employees in positions covered by a State or local retirement system (except policemen and firemen) provided a referendum is held in which the majority of eligible employees under the retirement system vote and at least ⅔ of those voting vote in favor of coverage. In addition employees whose positions are covered by a retirement system but who are not themselves eligible for membership in the system could be covered without a referendum. Employees in positions which were covered by a retirement system on the date the agreement was made applicable to the coverage group but which, by reason of action taken prior to the date of enactment of the bill, are no longer covered by a retirement system on the date when the agreement is made applicable to such services, may also be covered without a referendum at any time prior to Jan. 1, 1958.
	(2) Individuals employed on work relief projects.	(2) No change.	(2) No change.
	(3) Patients and inmates of institutions who perform work for such institutions.	(3) No change.	(3) No change.
	Employees of certain State and local transportation systems taken over from private ownership after 1936 are covered compulsorily (no Federal-State agreement necessary).	No change.	No change.
	State entering into agreement cannot cover employees in most occupational groups which are specifically excluded by general coverage provisions of the law but has option of covering any agricultural workers and students who are in this category. State also has the option of covering or excluding employees in any class of elective position, part-time positions, and fee-basis positions, and emergency services.	No change.	Same as present law except that State could, when bringing in groups of employees other than members of retirement systems, exclude those in positions covered by retirement systems, but ineligible for membership. Effective as of Jan. 1, 1951, certain civilian employees of State National Guard units are deemed to be employees of the State and a separate coverage group.
G. Employees of nonprofit organizations.	Covers employees of certain nonprofit organizations which file a certificate showing that the organization waives exemption from social-security tax and that at least ¾ of employees have signed in favor of coverage, except that the following employees are specifically excluded from coverage:	Same as present law except:	Same as present law except:
	(1) Ministers and members of religious orders.	(1) Covers ministers and those mem-members of religious orders who are not required to take a vow of poverty, provided the employing organization elects coverage for clergymen and at least ⅔ of the employed clergymen sign a certificate indicating that they favor coverage. (Clergymen could not be covered unless the organization covers its lay employees also; separate certificates required for clergymen and lay employees.)	(1) Covers these persons as in H. R. 7199.
	(2) Persons employed by the organization when coverage begins who do not sign the original, or a supplemental, certificate before the 1st wage report is due.	(2) Persons who were in the employ of the organization when coverage began but who did not sign the original, or a supplemental, certificate before the 1st wage report was due are covered for any quarter after they file a supplemental certificate.	(2) Covers these persons as in H. R. 7199.
	(3) Employees of any organization exempt from income tax earning less than $50 in a calendar quarter.	(3) No change.	(3) No change.
H. Federal civilian employees	Covers employees of the Federal Government and its instrumentalitie who are not covered under a Federal staff retirement system, except certain elective officials, certain policymaking committee members and other numerically small categories of employees.	Same as present law except:	Same as present law except:
	Among the small categories of employees who are excluded even though they are not covered by a Federal staff retirement system are temporary employees in the Post Office Department, employees of Federal home loan banks, and certain employees of Coast Guard exchanges.	Covers temporary employees in the field service of the Post Office Department, employees of Federal home loan banks, and certain employees of Coast Guard exchanges.	Covers these groups of employees as in H. R. 7199, and covers also temporary census-taking employees of the Bureau of the Census; contract and fee-basis employees; $12-a-year employees; certain policymaking committee members; patient-employees of Government hospitals; and employees under the TVA retirement system.
I. Members of Armed Forces	Not covered under the regular contributory provisions of the program but granted social security wage credits of $160 per month for active service in the Armed Forces during the World War II period (Sept. 16, 1940-July 24, 1947) and for the postwar period (July 25, 1947-June 30, 1955). These wage credits are not given if benefits are payable to veteran under a Federal program other than those administered by the Veterans' Administration.	Same as present law.	Same as present law.
J. Railroad employees	Covered jointly under the railroad retirement and OASI programs.	Same as present law.	Same as present law.

Comparison of provisions of present law, H. R. 7199 and H. R. 9366—Continued

Item	Present law	H. R. 7199	H. R. 9366
I. COVERAGE—continued			
K. Geographical scope	Covers persons within continental United States, Alaska, Hawaii, Puerto Rico, and Virgin Islands regardless of citizenship or residence except: (1) Nonresident aliens engaged in self-employment. (2) Employees of foreign governments and their instrumentalities. (3) Employees of international organizations entitled to certain privileges under the International Organizations Immunities Act.	Same as present law.	Same as present law.
	Coverage in other areas is limited to: (1) American citizens either self-employed or employed by an American employer (except on vessels and aircraft of foreign registry).	Same as present law except: (1) Covers American citizens employed by an American employer on vessels and aircraft of foreign registry.	Same as present law except: (1) Covers American citizens employed by an American employer on vessels and aircraft of foreign registry as in H. R. 7199. In addition makes coverage available to citizens of the United States employed outside the United States by foreign subsidiaries of American corporations under voluntary agreements between the Federal Government and the parent American company.
	(2) All persons employed on American vessels and aircraft.	(2) No change.	(2) No change.
II. CREDITABLE EARNINGS	All remuneration for services in covered work is covered except: (1) Earnings in excess of $3,600.	Same as present law except: (1) Earnings in excess of $4,200, rather than earnings in excess of $3,600 as in present law, are excluded, effective Jan. 1, 1955.	Same as present law except: (1) Earnings in excess of $4,200 are excluded, as in H. R. 7199.
	(2) Certain types of payments for retirement and payments under a plan or system providing benefits on account of sickness or accident disability, etc.	(2) No change.	(2) No change.
	(3) Sick pay under certain circumstances.	(3) No change.	(3) No change.
	(4) Payment by the employer of the employee tax under the Federal Insurance Contributions Act or under a State unemployment compensation law.	(4) No change.	(4) No change.
III. INSURED STATUS			
A. Fully insured	1 quarter of coverage (acquired at any time after 1936) for every 2 calendar quarters elapsing after 1950 (or after quarter in which age 21 was attained, if later) and before quarter of death or attainment of age 65, whichever first occurs. For persons who died before September 1950, elapsed time is counted from 1936. Minimum requirement 6 quarters of coverage; maximum 40.	No change (see sec. IX for preservation of benefit rights of permanently and totally disabled).	See sec. IX for preservation of benefit rights of permanently and totally disabled. Otherwise same as present law except: (1) As alternative to present requirements: Individual fully insured if he has quarters of coverage in all quarters after 1954 and before July 1956 or, if later (i) the quarter of death or (ii) attainment of age 65 whichever occurs first. (2) Deaths before Sept. 1, 1950: For purposes of survivor benefits (other than for former wife divorced), individual who died before Sept. 1, 1950, with at least 6 quarters of coverage is fully insured.
B. Currently insured	6 quarters of coverage within 13 quarters ending with quarter of death or entitlement to old-age insurance benefits (defined as primary insurance benefits before 1950 amendments).	No change.	Additional point of determination is quarter of first eligibility for old-age insurance benefits (see sec. VII).
Quarter of coverage defined	(1) Quarter in which individual received at least $50 in wages or was credited with at least $100 of self-employment income.	(1) Same as present law.	(1) Same as present law.
	(2) Each quarter in any calendar year in which wages are $3,600 or more and each quarter in a taxable year in which combined wages and self-employment income equal $3,600.	(2) After 1954, each quarter in any calendar year in which wages are $4,200 or more, and each quarter in a taxable year in which combined wages and self-employment income equal $4,200.	(2) Same as H. R. 7199. In addition, provision made for crediting quarters of coverage on the basis of annual amounts of wages received for agricultural labor as follows: $400 or more paid in a calendar year, credited with 4 quarters of coverage; $300–$399.99, credited with 3 quarters of coverage; $200–$299.99, credited with 2 quarters of coverage. (Agricultural wages of less than $200 from an employer not covered.)
	(3) Four quarters of coverage credited for minimum $400 of self-employment income for year.	(3) Same as present law.	(3) Same as present law.
	(4) No quarter counted as quarter of coverage before it begins, or after the quarter of death.	(4) Same as present law.	(4) Same as present law.
IV. BENEFIT CATEGORIES			
A. Old age	Payable at age 65 to fully insured individual.	No change.	No change.
B. Wife	Payable to wife of old-age beneficiary if at least age 65 or has in her care a child entitled to benefits on her husband's record.	No change.	No change.
C. Husband	Payable to husband of old-age beneficiary at age 65 if wife currently insured at time of her entitlement and she was furnishing half his support.	No change.	No change.
D. Child	Payable to unmarried child under age 18 of old-age beneficiary or of individual who died either currently or fully insured, if child deemed dependent on such person.	No change.	No change.
E. Widow	Payable at age 65 to widow of fully insured worker.	No change.	No change.
F. Widower	Payable at age 65 to widower of woman who died both full and currently insured, if she was furnishing at least half his support.	No change.	No change.

Comparison of provisions of present law, H. R. 7199 and H. R. 9366—Continued

Item	Present law	H. R. 7199	H. R. 9366
IV. BENEFIT CATEGORIES—con.			
G. Mother	Payable to widow or former wife divorced of worker who died either fully or currently insured, if she has in her care an entitled child of the worker. Former wife divorced must have been receiving half her support from deceased pursuant to court order or agreement, and the child must be her child entitled to benefits on the former husband's wage record.	No change.	No change.
H. Parent	Payable at age 65 to parent of deceased full insured worker, if worker had furnished half or more of parent's support, and was not survived by widow, widower, or child eligible for benefits on his record.	No change.	No change.
I. Lump sum	Payable on death of fully or currently insured worker to widow or widower living with the worker at the time of his death, or if not such spouse survives, as reimbursement for funeral expenses.	No change.	No change.
V. BENEFIT AMOUNTS			
A. Benefit formula	An individual may have his benefit computed under the following methods provided he meets the conditions therein prescribed. If more than one method is applicable, the one yielding the higher benefit amount will be used.	After the close of the month following the month of enactment, an individual may have his benefit computed under the following methods provided he meets the conditions therein prescribed. If more than one method is applicable, the one yielding the highest benefit amount will be used.	Same as H. R. 7199.
	(1) 55 percent of the 1st $100 of AMW plus 15 percent of the next $200, based on AMW after 1950, or after age 22, if later. (Formula provided by 1952 amendments.) *Condition:* 6 quarters of coverage after 1950.	(1) 55 percent of the first $110 of AMW plus 20 percent of the next $240, based on AMW after 1950, or after age 22, if later. *Conditions:* (*a*) 6 quarters of coverage after June 1953, or (*b*) First eligible for OAIB after effective date, or dies after effective date and before eligible for OAIB, provided he has 6 quarters of coverage after 1950.	
	(2) 1939 benefit formula (40 percent of 1st $50 of AMW plus 10 percent of next $200, plus 1 percent of the sum thus obtained for each year of coverage prior to 1951, based on AMW after 1936). The amount obtained is increased by the conversion table in present law. See C below.	(2) (*a*) 1952 benefit formula (see present law (1)) with benefit amount increased through conversion table in the bill. *Condition:* 6 quarters of coverage after 1950. (*b*) 1939 benefit formula (see present law (2)) with benefit amount increased through conversion table in the bill.	
B. Drop-out of low years	No provision	In computing AMW under A (1) and A (2) (b), above, up to 4 years of lowest (or no) earnings may be dropped. To be eligible for a drop-out under A (2) (b) must meet conditions specified in A (1) (b) above, except the one relating to 6 quarters of coverage after 1950.	Same as H. R. 7199 except that up to 5 years may be dropped if individual has 20 quarters of coverage.
		The drop-out provision is also applicable to benefit recomputations under certain circumstances after the effective date.	Same as H. R. 7199.
		If any years of low earnings are dropped, at least 2 years must be used in the computation.	Minimum of 18 months used in computation. Technical amendments to provide standard annual starting and closing dates for periods over which average monthly wage is computed. Special midyear closing date in 1956 permitted for deaths or entitlements in that year, if individual has 6 quarters of coverage after 1954.
C. On rolls prior to effective date	(1) For persons on rolls prior to 1952 amendments whose benefits were computed under 1939 formula, primary insurance amount was determined by means of a conversion table. Examples of the increase in benefits resulting under the conversion table are shown below:	(1) Retired workers on the rolls prior to the effective date of the bill, whether their primary insurance amount was computed by the benefit formula in present law or through the old conversion table, will have their benefits for months following the month after month of enactment increased by a new conversion table as shown below:	(1) Same as H. R. 7199.
	If primary insurance benefit under 1939 law was— / The present primary insurance amount is—	If present primary insurance amount is— / New primary insurance amount would be—	Same as H. R. 7199.
	$10 — $25.00	$25.00 — $30.00	
	$15 — $35.00	$35.00 — $40.00	
	$20 — $42.00	$42.00 — $47.00	
	$25 — $52.40	$52.40 — $57.40	
	$30 — $60.80	$60.80 — $66.30	
	$35 — $66.60	$66.60 — $73.90	
	$40 — $72.00	$72.00 — $81.10	
	$45 or over — $77.10	$77.10 — $88.50	
		$81.00 — $93.10	
		$85.00 — $98.50	
	(2) Dependents given proportionate increases, subject to family maximum provisions.	(2) Dependents given proportionate increases, subject to family maximum provisions.	(2) Same as H. R. 7199.
D. Minimum primary insurance amount.	$25	$30, after month following month of enactment.	Same as H. R. 7199.
E. Maximum family benefits	(1) The maximum amount payable on a single wage record is the lesser of $168.75 or 80 percent of the insured person's average monthly wage. The 80-percent limitation, however, cannot reduce the total family benefits below $45.	(1) Effective after the last day of the month following month of enactment, the absolute dollar maximum is raised to $190, and the amount below which the 80-percent limitation cannot reduce total family benefits is raised to $50.	(1) Dollar maximum raised to $200. The 80 percent maximum cannot reduce total family benefits below the larger of $50 or 1½ times the primary insurance amount.
	(2) Reductions necessary to bring total family benefits within the applicable limitations are made proportionately against all benefits except the insured worker's benefit, which is never reduced.	(2) Same as present law.	(2) Same as present law.

Comparison of provisions of present law, H. R. 7199 and H. R. 9366—Continued

Item	Present law	H. R. 7199	H. R. 9366
V. BENEFIT AMOUNTS—con.			
F. Dependents' and survivors' benefits.	(Subject to maximum limitations on total family benefits.)	(Subject to maximum limitations on total family benefits.)	(Subject to maximum limitations on total family benefits.)
1. Wife or husband of old-age beneficiary.	½ of primary insurance amount.	Same as present law.	Same as present law.
2. Child of living old-age beneficiary.	½ of primary insurance amount.	Same as present law.	Same as present law.
3. Widow, widower, former wife divorced, or parent of deceased insured person.	¾ of primary insurance amount.	Same as present law.	Same as present law, except minimum benefit is $30 if individual is sole beneficiary entitled.
4. Child of deceased insured person.	If only 1 child is entitled, ¾ of primary insurance amount. If more than 1 child entitled, each child gets ½ of primary insurance amount plus an equal share in an additional ¼ of primary insurance amount.	Same as present law.	Same as present law, except minimum is $30 if a child is sole beneficiary entitled.
5. Lump-sum death payment.	3 times the primary insurance amount.	Same as present law.	Same as present law, except that statutory maximum of $255 is provided.
G. Retroactive application for benefits.	Benefits payable retroactively for 6 months prior to month of application.	Retroactive period extended to 12 months for application filed after month following month of enactment (but period may not extend back further than 5 months prior to month of enactment).	Same as H. R. 7199.
H. Recomputation of benefits after entitlement.	(1) *Work recomputations.* Recomputation if individual has 6 quarters of coverage after 1950 and 12 benefit suspensions on account of work within a 3-year period after 1950 and after last computation or recomputation. Persons age 75 and over eligible for one recomputation to base benefits on earnings since 1950.	(1) No change.	(1) *Work recomputations.* Recomputation if individual has 6 quarters of coverage after 1950 and $1,000 of earnings in calendar year after 1953 and after year of individual's last computation or recomputation. Applies also for beneficiaries age 75 and over.
	(2) *Other.* Recomputation to permit use of closing date 2 quarters later than date used in initial computation.	(2) No change.	(2) *Other.* Technical amendments necessitated by standard beginning-of-the-year closing dates in initial computations.
VI. RETIREMENT TEST			
	1. Applies only to covered work.	1. Applies to noncovered as well as to covered work.	Same as H. R. 7199.
	2. *Separate tests for employed and self-employed persons.* (a) *Employed persons* No benefit is payable to a beneficiary under age 75 (or to any dependent drawing on his record) for any month in which he earns wages of more than $75 in *covered* employment. Penalties imposed for failure to report wages of more than $75 prior to accepting a benefit for the second month following the month in which the earnings occurred. (b) *Self-employed persons* 1 month's benefit is withheld from the beneficiary under age 75 (and from any dependent drawing on his record) for each unit of $75 (or fraction thereof) by which annual *covered* net earnings exceed $900. However, benefits are not withheld for any month in which the self-employed person did not render "substantial services" in a covered trade or business. Where the taxable year is less than 12 months, the basic exempt amount is reduced in proportion to the number of months in the taxable year. Individuals required to file annual reports of net earnings from self-employment in excess of $75 times the number of months in the year. Reports must be filed on or before the 15th day of the 3d month following the close of the year. Penalties imposed for failure to file timely reports. Estimates of net earnings (and other information) may be requested from the beneficiary during the course of the year. Temporary suspensions of benefits may be made during the course of the year, until it is determined whether deductions apply.	2. *Same annual test of earnings for both employed and self-employed persons.* 1 month's benefit withheld from the beneficiary under age 75 (and from any dependent drawing on his record) for each unit of $80 (or fraction thereof) by which annual earnings from *both covered and noncovered employment and self-employment* exceed $1,000. However, benefits not withheld for any month during which the individual neither rendered services for wages in excess of $80 nor rendered substantial services in a trade or business. Where the taxable year is less than 12 months, the basic exempt amount is reduced in proportion to the number of months in the taxable year. Individuals required to file annual reports of earnings under circumstances similar to those now applicable to the self-employed. Penalties imposed for failure to file timely reports of earnings, unless the failure to file on time was for "good cause." Estimates of earnings (and other information) may be requested from the beneficiary during the course of the year. Temporary suspensions of benefits, similar to those now applicable to the self-employed, may be made during the course of a year until it is determined whether deductions apply. These provisions effective for taxable years beginning after 1954.	Same as H. R. 7199.
	3. *No test for noncovered work outside the United States.*	3. *Test for noncovered work outside the United States.* Deductions made from the benefits for any month in which a beneficiary under age 75 engages in a noncovered remunerative activity (whether employment or self-employment) outside the United States on 7 or more calendar days. If deductions are made for any month for this reason, deductions also made from the benefits of any dependent drawing benefits on the basis of the individual's wage record. Penalty provisions apply to failure to make timely reports of work on 7 or more days, unless the failure to report on time was due to "good cause." Provisions effective for months after December 1954.	Same as H. R. 7199.
	4. Benefits are not suspended because of work or earnings for months during which the beneficiary is age 75 or over.	4. Same as present law.	Same as present law.

Comparison of provisions of present law, H. R. 7199 and H. R. 9366—Continued

Item	Present law	H. R. 7199	H. R. 9366
VII. DEDUCTIONS FROM BENEFITS OF DEPENDENTS AND SURVIVORS RESIDING ABROAD	No provision	No provision	Benefits for dependents and survivors not payable for months beneficiary resides outside United States, unless (a) beneficiary met certain requirements as to prior residence in the United States, or, (b) insured person on whose record the beneficiary is entitled was currently insured at death, first eligibility for old-age insurance benefits or at entitlement on basis of military service wage credits or covered earnings outside the United States.
VIII. DISQUALIFYING PROVISIONS			
A. Earnings during unlawful residence in United States.	No provision	No provision	Earnings during periods of unlawful residence as determined by the Attorney General shall not be used in determination of insured status or benefit amount.
B. Termination of benefits upon deportation.	No provision	No provision	Benefits payable on individual's record would be terminated upon notification by the Attorney General of the individual's deportation because of illegal entry, conviction of a crime, or subversive activity.
IX. DISABILITY "FREEZE"			
A. Effect of provision	No provision [NOTE.—An inoperative provision similar to disability freeze in H. R. 7199 was included in sec. 3 of Public Law 590, Social Security Act amendments of 1952.]	When an individual for whom a period of disability has been established dies or retires his period of disability will be disregarded in determining his insured status and in figuring any benefits due him or his family. The "drop-out" provision (see sec. V B) will apply after a period of disability has been excluded from consideration.	Same as H. R. 7199, except as noted:
B. Eligibility requirements		(1) An individual must have a physical or mental impairment which can be expected to be of long-continued and indefinite duration or to result in death. The impairment must be medically determinable and must preclude the disabled person from engaging in any substantially gainful work. An individual is disabled, within the meaning of the law, if he is blind as that term is defined. (2) A period of disability cannot exist unless it has lasted at least 6 full calendar months. (3) An individual must have acquired at least 20 quarters of coverage out of the last 40 calendar quarters ending with the quarter in which the period of disability begins. In addition, he must have acquired 6 quarters of coverage out of the last 13 calendar quarters ending with the quarter in which the period of disability begins. (4) He must be alive and still disabled at the time application for a period of disability is filed.	
C. Effective dates		(1) Apr. 1, 1955, is the first day on which a disability "freeze" application may be accepted. (2) July 1955 is the first month for which an individual can be paid a benefit computed with the exclusion of a period of disability. (3) All applications filed before July 1, 1957, are fully retroactive, insofar as the start of a period of disability is concerned, i. e., the period of disability extends from the earliest date on which the individual was disabled and meet the quarters of coverage requirements described in B (3). (4) For applications filed after June 30, 1957, retroactivity of the period of disability is limited to 1 year.	(1) Jan. 1, 1955, is the first day on which a disability "freeze" application may be accepted. The individual must be living, however, on July 1, 1955, to establish a period of disability.
D. Disability determinations		(1) The Secretary is directed to enter into contractual agreements under which State vocational rehabilitation agencies or other appropriate State agencies will make determinations of disability. (2) The Secretary is authorized to make determinations of disability for individuals who are not covered by State agreements. (3) The Secretary may, on his own motion, review a State agency determination that a disability exists and may, as a result of such review, find that no disability exists or that the disability began later than determined by the State agency. (4) Any individual who is dissatisfied with a determination, whether made by a State agency or by the Secretary, has the right to a hearing and to judicial review, as provided in present law.	
E. Administrative expenses		Appropriations are authorized from the trust fund to reimburse State agencies for necessary costs incurred in making disability determinations.	
F. Rehabilitation		The policy of Congress is stated that disabled persons applying for the disability freeze be promptly referred to vocational rehabilitation agencies for necessary rehabilitation services.	

Comparison of provisions of present law, H. R. 7199 and H. R. 9366—Continued

Item	Present law	H. R. 7199	H. R. 9366
IX. DISABILITY FREEZE—con.			
G. Military service credits and railroad compensation.			Technical amendments are included to permit using (a) wage credits for service in the Armed Forces and (b) railroad compensation, for purposes of determinating an individual's eligibility for a period of disability.
X. FINANCING			
A. Maximum taxable amount	$3,600 a year.	$4,200 a year after 1954.	$4,200 a year after 1954.
B. Tax rates	Years: 1951–53: Employee 1½%, Employer 1½%, Self-employed 2¼%; 1954–59: 2, 2, 3; 1960–64: 2½, 2½, 3¾; 1965–69: 3, 3, 4½; 1970 and thereafter: 3¼, 3¼, 4⅞	Years: 1951–53: Same as present law; 1954–59: Same as present law; 1960–64: Same as present law; 1965–69: Same as present law; 1970 and thereafter: 3½%, 3½%, 5¼%	Years: 1951–53: Same as present law; 1954–59: Same as present law; 1960–64: Same as present law; 1965–69: Same as present law; 1970–74: 3½%, 3½%, 5¼%; 1975 and thereafter: 4, 4, 6
PUBLIC ASSISTANCE			
A. Temporary extension of 1952 matching formula.	Temporary increase in Federal matching shares for State public assistance programs expires Sept. 30, 1954. Under such temporary increase, formula for old age assistance, aid to the blind, and aid to the permanently and totally disabled is ⅘ of the first $25 plus ½ of the remainder up to a maximum of $55. Under such temporary increase, formula for aid to dependent children is ⅘ of the first $15 plus ½ of the remainder within individual maximums of $30 for the adult, $30 for the first child, and $21 for each additional child in a family.	Same as present law.	Expiration date postponed until Sept. 30, 1955.
B. Temporary extension of special 1950 provisions relating to State aid-to-the-blind plans.	Temporary provision for approval of certain State plans for aid to the blind which do not meet requirements of clause 8 of sec. 1002 (a) of Social Security Act expires June 30, 1955.	Same as present law.	Expiration date postponed until June 30, 1957.

MILK AND DAIRY PRODUCTS IN INTERSTATE AND FOREIGN COMMERCE

Mr. BOW. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Speaker, I have today introduced a bill to provide an adequate balanced and orderly flow of milk and dairy products in interstate and foreign commerce to stabilize prices of milks and dairy products; to impose a stabilization fee on the marketing of milk and butterfat; and for other purposes.

I would like to address myself briefly on this proposed legislation. My bill is identical with one introduced on March 22 by my distinguished colleague, JACK WESTLAND. A similar bill was introduced on March 18 in the Senate by Senator KARL MUNDT, of South Dakota.

This bill contains the proposal of the National Milk Producers Federation, known as the self-help proposal, and it has had hearings before the Agriculture Committees of the Senate and House and the special Dairy Subcommittee of the House Agriculture Committee.

Briefly, it proposes the establishment of a 15-member Dairy Stabilization Board appointed by the President of the United States from a group of 45 nominees who would be selected from the ranks of dairy farmers in the 15 dairy districts representative of the production pattern for the Nation. The Board is authorized and directed to stabilize prices of milk and butterfat to producers.

The proposal authorizes the Board: to determine annually the levels at which prices would be established; to determine the production and consumption estimates through statistics available in the Department of Agriculture; to purchase surplus dairy products at prices which would return to producers the prevailing stabilization level; to remove such products from the ordinary and usual channels of domestic consumption; to determine annually stabilization fees to be charged against producers of milk and butterfat in accordance with the estimated requirements of the program, and to encourage expanded consumption of milk and dairy products both in domestic and offshore markets.

There is, already, ample precedent in law for all of the functions contemplated for this Board with powers and liabilities similar to those of the Commodity Credit Corporation.

Under the proposed legislation, the Federal Government would participate in the operation of the program only to the extent that dairy imports or increased production of milk and butterfat on diverted acres contribute to a surplus of dairy products. Such imports or increased production would have to be purchased by the CCC.

To provide the initial capital for the Boards operation, it is proposed that authority be granted to borrow up to $500 million from the CCC or private lenders. There is, again, ample authority in law for such borrowing and the record of farm repayment of such funds is excellent.

I join my distinguished colleagues in urging speed on this legislation. As you all know, there is an immediate crisis in the dairy picture. The Government is presently embarrassed by the presence of the dairy stocks it has on hand as a result of its attempt to operate a price-support program. Dairy farmers are financially embarrassed because the Government program is failing to return to them the announced level of price support.

This proposal would take the Government out of the dairy business and permit farmers to finance, manage, and control their own program. That is an objective in which the Members of this Congress should join. It is an objective which have already received wide public approval. I urge your active support for the proposal.

SPECIAL ORDERS GRANTED

Mr. LONG asked and was given permission to address the House for 30 minutes today, following the legislative business of the day and any special orders heretofore entered.

Mr. BAILEY asked and was given permission to address the House for 10 minutes today, following the legislative business of the day and any special orders heretofore entered.

Mr. PATMAN asked and was given permission to address the House for 30 minutes today, following the legislative business of the day and any special orders heretofore entered, to revise and extend and to include extraneous matter; also to address the House for 15 minutes on Wednesday and for 15 minutes on Thursday following any special orders heretofore entered for those days.

Mr. MADDEN (at the request of Mr. O'HARA of Illinois) was given permission to address the House for 20 minutes tomorrow and 20 minutes on Wednesday, following the legislative business of the day and any special orders heretofore entered.

PUBLIC HOUSING PROGRAM

Mr. ADDONIZIO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ADDONIZIO. Mr. Speaker, the Senate approval of the public housing program, even though on a disappointingly limited basis, is gratifying to those of us who feel that this is one of the most pressing issues before the Nation. It is my earnest hope that the House will accept the Senate public housing provision so that the fight on slums can go forward. The slum situation throughout the country is a disgrace and unworthy of the American people. I ask the opponents of the program to read the following correspondence from a constituent of mine in Newark. She has just moved into a public housing project in Newark after enduring for years the following conditions outlined in her first letter to me in March:

I am the mother of five children and I have to move from where I live. I have been here since 1951. I have looked everywhere for a place. I am living in an awful place. The man will not fix it up and I have to burn the light all night to keep the rats away from my baby. They are eating my clothes too. I would try to fix it myself but I have to get out anyway so I have to find a place to go for my kid's sake. My husband looks every day after work but he can't find a place for us. I need a decent place to bring my children up and this place is too small and very hard to keep warm. So Mrs. Sanders, that's the lady upstairs decided to ask you if there was anything you could do for us as she has to move too and she has 6 children home and 1 in the service. Living like this is awful and no one wants children. It seems it is either that or the rent is so high that you wouldn't be able to survive so I don't know what to do. It keeps me upset all the time and the man keeps saying he is going to put us out and we want to go but we have no place to go.

I referred her to the Public Housing Authority in Newark where the capable staff under Mr. Samuel Warrence, director of relocation, promptly processed her application. She has now written me the following letter which presents the case for the public-housing program in a vivid fashion. I am glad this deserving mother can bring up her children in decent surroundings, and I hope that the countless other families still in her former predicament will have a similar opportunity. In Newark alone there are over 4,000 eligible families on the waiting list. Mrs. Mitchell's second letter read:

I want to thank you for everything you did for me and Mrs. Sanders. We were desperate and at the end of our rope. I never thought that I would be sitting up here where I can smell clean air without going outside. It is so clean and new and nice here. No rats, no leaky tubs, no runny bathroom. I feel like I am still dreaming. Mr. ADDONIZIO, I could never tell you how I feel. After where I used to live and where I live now—it is heaven on earth. Everyone is so nice and friendly, too. I am so grateful to you for making all this possible for us, we, the little people. I only hope we can prove worthy of it. If there is anything we can do for you at any time in any way just let me know. I know there isn't much we could do. We will scrub floors or something. But that's something I just want you to know—that I am grateful to you from the bottom of my heart. My children even feel the difference. They are so proud of their own room. I don't have to worry so much over them anymore. They stay home and right outside where I can see them. And I can take a bath in the bathroom without rats and freezing to death, too. You will never know, Mr. ADDONIZIO, what it was like nor what it means to me to be here. Please accept my thanks and may God bless you and make more men like you.

GEORGE Y. HARVEY

Mr. CANNON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, the board of trustees and the faculty of Southeastern University announce that the honorary degree of doctor of laws will be conferred on George Y. Harvey, clerk of the Committee on Appropriations of the House of Representatives, at its graduating exercises on June 9, 1954.

No honor could be more worthily conferred. As clerk of the Committee on Appropriations of the House, Mr. Harvey is one of a comparatively brief list of eminent men who have served in that capacity since the establishment of the committee in 1865, including Robert J. Stevens, 1865; James C. Courts, 1884; Marcellus C. Sheild, 1916; John C. Pugh, 1945; and George Y. Harvey, 1947.

Like his predecessors, Mr. Harvey has served under both Democratic and Republican control of the House in what is probably one of the most responsible and exacting positions on the Hill, if not in the entire Government.

The award of the degree of doctor of laws by the university is an appropriate recognition of the distinguished service he has rendered the Congress and the country.

THEODORE W. CARLSON—VETO MESSAGE (H. DOC. NO. 426)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I am returning herewith without my approval H. R. 3109, 83d Congress, "An act for the relief of Theodore W. Carlson."

The bill proposes to grant to Theodore W. Carlson all of the rights, benefits, and privileges which are granted to persons who served on active duty with the United States Army during World War II, and who were honorably discharged from such service after having suffered permanent total loss of vision in one eye as a result of such service.

The evidence discloses that Theodore W. Carlson served in the Army of the United States from February 1941 to October 1941, and from February 1942 to November 1945. In February 1947, he filed a claim for service-connected disability compensation with the Veterans' Administration, alleging an eye condition. In developing that claim, he contended that in February 1945, a foreign body blew into his right eye and had inflamed and infected it; that he was treated at his unit's dispensary and experienced some relief; that in July or August 1945, the eye condition returned, and he lost the sight in that eye for a short period of time; and that when he again visited the dispensary, he was instructed to apply warm applications, which again resulted in some improvement. In this connection, the medical records of the Army do not confirm the alleged treatment for his eye condition, and when discharged, the veteran claimed no injury to his right eye and the physical examination at that time disclosed no pathology of the eye. Mr. Carlson also claimed that after discharge he suffered recurring periods of blindness, and beginning in August 1947, his sight in that eye was limited to light perception only. He submitted affidavits from his private physicians stating that he was treated on several occasions from December 1945 to August 1947 for moderate inflammation of the eye, and that in November 1947, a diagnosis of retinal detachment and tear involving the macular area of the right eye was established. A third physician stated in 1950 that his examination disclosed an old retinal detachment in the right eye and that it was possible that this could have been produced by injury to the eye while Mr. Carlson was in service.

Since 1947 the veteran's claim for service-connected disability compensation has been very carefully considered on numerous occasions by Veterans' Administration rating boards and at least five times by the Board of Veterans' Appeals. After each consideration it was concluded that the eye disability was not shown to have been incurred in or aggravated by his military service.

The question at issue in this case is basically one of medical judgment, and should not be overruled by private legislation. The possibility raised by the last mentioned physician that Mr. Carlson's eye condition of retinal detachment could have been produced by injury to the eye while he was in service has been considered by the Veterans' Administration. However, based on sound and accepted medical principles, they have held that the evidence does not permit a conclusion that the separated retina initially diagnosed in November 1947 was due either to the inflammatory eye disease first treated approximately 2 years earlier or causally related to trauma allegedly caused by a foreign body being blown in Mr. Carlson's eye during service.

I consider it unwise to set aside the principles and rules of administration prescribed in the general laws governing veterans' benefit programs. Uniformity and equality of treatment to all who are similarly situated must be the steadfast rule if the Federal programs for veterans and their dependents are to be operated successfully. Moreover, in my opinion the present case does not warrant preferred treatment. Further, I

am informed that this would be the first case in which a World War II veteran would, in effect, be placed on the compensation rolls by special legislation. Since there are well over a half million veterans of World War II alone whose claims for disability compensation have been denied in accordance with public laws because the disabilities for which compensation is claimed were not incurred in or aggravated by their military service, approval of this bill would constitute a far-reaching precedent, which I cannot justify.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 7, 1954.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Without objection, the bill and message will be referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

MRS. ANN ELIZABETH CAULK—VETO MESSAGE (H. DOC. NO. 427)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I am returning herewith without my approval H. R. 4532, 83d Congress, "An act for the relief of Mrs. Ann Elizabeth Caulk."

The bill would authorize and direct the Secretary of the Treasury to pay to Mrs. Ann Elizabeth Caulk the sum of $1,682.80 in full settlement of all her claims against the United States for non-service-connected death pension she would have received if the claim she filed on March 29, 1948, had been considered as having been filed on April 1, 1944.

David H. Caulk, a veteran of honorable service in the Spanish-American War, married the claimant on November 7, 1931, and died of a non-service-connected cause 12 days later. Mrs. Caulk's claim for death pension filed December 31, 1931, was denied for the reason that she had not married the veteran prior to the then applicable marriage delimiting date, September 1, 1922. Effective April 1, 1944, the delimiting date was extended by law to January 1, 1938, rendering Mrs. Caulk potentially eligible for death pension benefits to which she was previously not entitled. However, she did not file a new claim for death pension until March 29, 1948, and under the law, pension benefits were paid prospectively from that date.

It appears that favorable action by the committees which consider H. R. 4532 was based on the theory that the delay in filing claim was due to ignorance of the law on the part of Mrs. Caulk. This reason applied with equal force to many other claimants. Her case certainly arouses one's sympathy, but to prefer it for special treatment to the exclusion of other similar cases would be unwarranted and discriminatory. Further, approval of the bill might serve as a precedent for similar legislation in other cases.

I am opposed to setting aside the principles and rules of administration prescribed in the public laws governing veterans' benefit programs. Uniformity and equality of treatment to all who are similarly situated must be the steadfast rule if the Federal programs for veterans and their dependents are to be operated successfully. Approval of H. R. 4532 would not be in keeping with these principles.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 7, 1954.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Without objection, the bill and message will be referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

OFFICE OF ALIEN PROPERTY, DEPARTMENT OF JUSTICE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the annual report of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1953.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 7, 1954.*

EXECUTIVE OFFICE AND INDEPENDENT EXECUTIVE BUREAUS, BOARDS, COMMISSIONS, CORPORATIONS, AGENCIES AND OFFICES APPROPRIATION BILL, 1955

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8583) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes, with the Senate amendments thereto, disagree to the amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. PHILLIPS, Mr. COTTON, Mr. JONAS of North Carolina, Mr. KRUEGER, Mr. TABER, Mr. THOMAS, Mr. ANDREWS, Mr. YATES, Mr. CANNON.

MENOMINEE TRIBE OF INDIANS

Mr. MILLER of Nebraska submitted a conference report and statement on the bill (H. R. 2828) to amend the act of Congress of September 3, 1935 (49 Stat. 1085), as amended.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

TAX REFUNDS ON CIGARETTES LOST IN THE FLOODS OF 1951

The Clerk called the first bill, H. R. 4319, to authorize tax refunds on cigarettes lost in the floods of 1951.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CITY OF CHANDLER, OKLA.

The Clerk called the bill (H. R. 1081) to amend the act of February 15, 1923, to release certain rights and interests of the United States in and to certain lands conveyed to the city of Chandler, Okla., and for other purposes.

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent that this bill be stricken from the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

EXTENDING EMERGENCY FOREIGN MERCHANT VESSEL ACQUISITION

The Clerk called the bill (H. R. 6318) to extend emergency foreign merchant vessel acquisition and operating authority of Public Law 101, 77th Congress, and for other purposes.

Mr. FORD. Mr. Speaker, on the basis of the recommendation of the acting chairman of the committee that had jurisdiction of this bill, I ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

TRANSPORTATION AND DISTRIBUTION OF MAILS ON MOTOR-VEHICLE ROUTES

The Clerk called the bill (S. 2773) to amend the act entitled "An act to provide for the transportation and distribution of mails on motor-vehicle routes," approved July 11, 1940 (54 Stat. 756).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to provide for the transportation and distribution of mails on motor-vehicle routes," approved July 11, 1940 (54 Stat. 756), is hereby amended by striking out that part which precedes the first proviso and by inserting, in lieu thereof, the following: "The Postmaster General is authorized to use Government-owned motor vehicles or contract for carrying the mails and postal transportation clerks on routes between points where in his judgment, conditions justify the operation of such service

in motor vehicles especially designed and equipped for the distribution of mail en route:".

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTABLISHMENT OF OFFICE OF COMMISSIONER OF REFUGEES

The Clerk called the bill (S. 1766) to establish the Office of Commissioner of Refugees.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMENDING REVISED STATUTES 4426

The Clerk called the bill (H. R. 8647) to amend Revised Statutes 4426.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Revised Statutes 4426, as amended, is further amended by inserting a colon and the following before the period at the end of the third sentence: "*Provided, however*, That, no vessel registered or licensed as a vessel of the United States of 15 gross tons or less on December 31, 1953, shall be deemed to be subject to the provisions of this section notwithstanding the fact that such vessel may thereafter be found to have a tonnage in excess of 15 gross tons, unless such finding results from an alteration in the length, breadth, or depth affected after such date."

With the following committee amendments:

Page 1, line 6, insert "until June 30, 1956."

Page 2, line 2, strike out the words "such date" and insert "December 31, 1953."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STATUTORY AWARD FOR CERTAIN SERVICE-CONNECTED DISABILITIES

The Clerk called the bill (H. R. 7712) to amend the veterans' regulations to provide an increased statutory rate of compensation for veterans suffering the loss or loss of use of an eye in combination with the loss or loss of use of a limb.

Mr. FORD. Mr. Speaker, inasmuch as the Veterans' Administration is opposed to the enactment of this legislation, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

STATUTORY AWARD FOR LOSS OF BUTTOCKS

The Clerk called the bill (H. R. 7851) to amend the veterans' regulations to provide additional compensation for veterans having the service-incurred disability of loss or loss of use of both buttocks.

Mr. FORD. Mr. Speaker, this bill is likewise opposed by the Veterans' Administration. Consequently, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mrs. ROGERS of Massachusetts. Mr. Speaker, reserving the right to object, I do not think the Veterans' Administration realized, when it set up its disapproval, how few would be involved. It would only involve a few men who will have to spend the rest of their lives lying on their stomachs. They are very pathetic and severe cases. Will the gentleman let me telephone the VA so that we can take it up later? They are pathetic cases. They spend their lives lying on their stomachs.

Mr. FORD. I would say to the gentlewoman from Massachusetts it would seem to me that we should have a written statement from the Veterans' Administration nullifying their previous opposition to the enactment of this legislation. I therefore suggest that the bill be passed over without prejudice until the next Consent Calendar Day when she can submit such a statement from the Veterans' Administration.

Mrs. ROGERS of Massachusetts. I may be able to get that this afternoon. I think the report was made in error, and I do not think they realized fully what it means.

Mr. FORD. I would request that the bill be passed over until we do receive such a statement from the Veterans' Administration.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

BENEFITS FOR CERTAIN VETERANS OF WOMEN'S AUXILIARY CORPS

The Clerk called the bill (H. R. 8041) to provide benefits under the laws administered by the Veterans' Administration based upon service in the Women's Army Auxiliary Corps under certain conditions.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any person who served for at least 90 days in the Women's Army Auxiliary Corps who prior to the establishment of the Women's Army Corps was honorably discharged for disability rendering her physically unfit to perform further service in the Women's Army Auxiliary Corps or in the Women's Army Corps shall be deemed to have been in the active military service during such period of service for the purposes of laws administered by the Veterans' Administration. No monetary benefits shall accrue by reason of this act for any period prior to the date of enactment and compensation or pension shall not be payable by virtue of this act concurrently with United States employees' compensation based on the same service. Any person eligible for compensation or pension by reason of this act who is also eligible for compensation benefits provided by the United States Employees' Compensation Act of 1917, as amended, shall elect which benefit she shall receive.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAYMENTS TO GERMAN AND JAPANESE CITIZENS

The Clerk called the bill (H. R. 8488) to restore eligibility of certain citizens or subjects of Germany or Japan to receive benefits under veterans' laws.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any person who, but for the last proviso of the act entitled "An act to provide for the payment of pension or other benefits withheld from persons for the period they were residing in countries occupied by enemy forces in World War II," approved August 7, 1946 (Public Law 622, 79th Congress), would be entitled to compensation or pension benefits payable under laws administered by the Veterans' Administration shall be entitled to such benefits from the date of enactment of this act, if claim therefor is filed within 1 year after such date, or from the date of claim, if claim therefor is filed more than 1 year after such date.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMPENSATION FOR DISABILITY ON WAY TO INDUCTION

The Clerk called the bill (H. R. 8970) to authorize certain veterans' benefits for persons disabled in connection with reporting for final acceptance, induction, or entry into the active military or naval service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph IV, part II, Veterans Regulation No. 1 (a), as amended, as added by Public Law 300, 78th Congress, May 11, 1944, is hereby redesignated paragraph "V," and is amended by deleting the words "termination of the present hostilities" following the words "prior to," and inserting in lieu thereof the following: "January 1, 1947, or on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress."

SEC. 2. Compensation shall not be paid for any period prior to the date of enactment of this act to any person whose eligibility for compensation is established solely by virtue of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASED PENSIONS FOR MEDAL OF HONOR HOLDERS

The Clerk called the bill (H. R. 8900) to increase the rate of special pension payable to certain persons awarded the Medal of Honor.

Mr. FORD. Mr. Speaker, this bill is opposed by the Department of the Army. Therefore, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

TRANSFER OF LAND TO MUSKOGEE, OKLA.

The Clerk called the bill (H. R. 8983) to provide for the conveyance of certain lands by the United States to the city of Muskogee, Okla.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, I wonder if some member of the committee would advise me whether it is their intention to offer an amendment in keeping with the recommendation of the Veterans' Administration.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Section 2, I understand, has already taken care of that.

Mr. BYRNES of Wisconsin. There is still an amendment needed in order to make sure that this land that is transferred will be used for a purpose not inimical to the operation of the veterans' hospital that adjoins it. It is just to make sure that the use of this land does not interfere with the proper operation of the hospital. The Veterans' Administration has advised the committee that an amendment should be offered in order to take care of that situation. I wonder if the gentlewoman could tell me whether she has prepared that amendment or not.

Mrs. ROGERS of Massachusetts. The author of the bill is not here, but I think he would have no objection to it.

Mr. BYRNES of Wisconsin. Mr. Speaker, under the circumstances I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PAYMENT OF 6 MONTHS' DEATH GRATUITY TO WIDOW, CHILD, OR DEPENDENT RELATIVE OF PERSONS IN THE ARMED FORCES

The Clerk called the bill (H. R. 1426) to further amend the provisions of the acts authorizing payment of 6 months' death gratuity to widow, child, or dependent relative of persons in the Armed Forces.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of December 17, 1919 (41 Stat. 367), as amended (10 U. S. C. 903), authorizing the payment of a 6 months' death gratuity upon the death of certain Army personnel is further amended by changing the period at the end thereof to a colon and adding thereto the following: "*And provided further*, That the words 'relative' and 'parent', as used herein, shall include a person who has stood in loco parentis to the decedent at any time prior to entry into active service for a period of not less than 1 year.

SEC. 2. The act of June 4, 1920 (41 Stat. 824), as amended (34 U. S. C. 943), authorizing the payment of a 6 months' death gratuity upon the death of certain naval and Marine Corps personnel, is further amended by changing the period at the end thereof to a colon and adding thereto the following: "*And provided further*, That the words 'relative' and 'parent', as used herein, shall include a person who has stood in loco parentis to the decedent at any time prior to the entry into active service for a period of not less than 1 year.

SEC. 3. The provisions of this act shall apply likewise in all cases where a 6 months' death gratuity is now or may hereafter be authorized by law to be paid upon the death of other persons on the same basis as provided in the said act of December 17, 1919, as amended, or the said act of June 4, 1920, as amended.

SEC. 4. The provisions of this act shall apply in all cases of death occurring on and after June 27, 1950, but nothing contained herein shall be construed to authorize any payment of death gratuity when payment on account of death of the decedent shall have been made to any person entitled thereto under the provisions of law in effect at the time of such payment.

With the following committee amendments:

Page 1, line 6, after "by", strike out the balance of the paragraph down to and including line 2 on page and insert "adding the following new sentence at the end thereof: 'The terms "parent" and "relative," as used herein, include a stepparent, parent by adoption, or any person, including a former stepparent, who last stood in loco parentis to such officer or enlisted man at any time prior to his entry into military service for a continuous period of not less than 5 years during the minority of such officer or enlisted man'."

Page 2, line 13, after the word "by", strike out the remainder of the paragraph down to and including "year" in line 19 and insert "adding the following new sentence at the end thereof: 'The term "parent" and "relative," as used herein, include a stepparent, parent by adoption, or any person, including a former stepparent, who last stood in loco parentis to such officer or enlisted man at any time prior to his entry into military service for a continuous period of not less than 5 years during the minority of such officer or enlisted man'."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OFFICER PROCUREMENT ACT FOR THE NAVY AND MARINE CORPS

The Clerk called the bill (H. R. 6725) to extend the authority for the appointment of certain officers in the Regular Navy and Marine Corps.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, I see that the chairman of the Committee on the Armed Services is on the floor and I should like to ask the distinguished gentleman why the bill is limited to July 1, 1955. I am aware of the desirable purposes of the bill, but it entered my mind that confining this to 1 year would make the period perhaps too short. Would the gentleman object to an amendment making the date July 1, 1956?

Mr. SHORT. Mr. Speaker, the only objection that we would have is that the Department asked only for a temporary extension or until July 1, 1955, in order that we might make a further study. An overall study is being made.

Mr. McCORMACK. The world is in a very uncertain state today. My thought would be that it might be better for us to be on the side of broader powers.

Mr. SHORT. The gentleman need not have any fears on that ground because we will not need until July 1955 to study this. If we made it July 1956 we might perhaps have to repeal it next year.

Mr. McCORMACK. Of course, the gentleman from Missouri [Mr. SHORT] realizes as well as I do that when we begin with a new Congress it takes longer to organize, to get the committees functioning. I am not going to object, I am going to accept the gentleman's recommendation, but the thought did enter my mind that if we were to make it 1956 it would provide more elasticity and give a longer period in which effectively to carry out the purposes desired and meet any contingency that might arise.

Mr. SHORT. Of course, this applies only to the Navy and the Marine Corps. The Army also wants this authority. An overall study is being made. I think perhaps the Bureau of the Budget would object to extending it to 1956.

I might say that the author of the bill is not here but, as I recall, we granted the request which the committee thought reasonable. I do not think there is any need to extend it beyond July 1, 1955.

Mr. McCORMACK. The gentleman I am sure has in mind the thought that is running through my mind.

Mr. SHORT. That is correct, but the Department says that that is all the time they need.

Mr. McCORMACK. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (d) of section 5 of the act of April 18, 1946 (60 Stat. 92), as amended (34 U. S. C. 15), is amended to read as follows:

"(d) Except as provided in subsection (b) the authority granted by this section shall expire on July 1, 1954."

With the following committee amendments:

Strike out all after the enacting clause and insert in lieu thereof the following: "That sections 5 (a) and 5 (c) of the act of April 18, 1946 (60 Stat. 92), as amended (34 U. S. C. 15), are hereby reenacted and amended so as to extend the authority granted therein to July 1, 1955, and by deleting in the first sentence of section 5 (a) the words 'in the Regular Navy and Marine Corps, respectively,' and inserting in lieu thereof the words 'not above lieutenant in the Regular Navy and captain in the Regular Marine Corps,'.

"SEC. 2. A person permanently appointed in the Regular Navy or Regular Marine Corps, under the authority of this act, may also be temporarily appointed to a higher grade appropriate to the lineal position assigned, and

such temporary appointment shall be regarded as having been effected pursuant to the law under which officers of the Regular Navy and Regular Marine Corps having comparable lineal position were temporarily appointed to such higher grade."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to reenact the authority for the appointment of certain officers of the Regular Navy and Marine Corps."

A motion to reconsider was laid on the table.

CITY OF GULFPORT AND HARRISON COUNTY, MISS.

The Clerk called the bill (H. R. 8456) to provide for the conveyance of certain hospital supplies and equipment of the United States to the city of Gulfport and to Harrison County, Miss.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized and directed to convey without consideration to the city of Gulfport, Miss., a municipal corporation, and to the Board of Supervisors of Harrison County, Miss., acting for and on behalf of the Supervisors' Districts Nos. 2, 3, and 4, and the New Hope, Poplar Head, and West Creek Election Districts of Supervisors' District No. 5, all in Harrison County, Miss., for use in the Memorial Hospital at Gulfport, Miss., all of the personal property and equipment the use of which was granted to the city of Gulfport, Miss., and the county of Harrison, Miss., by a revocable permit executed for the United States on August 19, 1947, under the direction of the Secretary of the Navy.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AFFIRMING TEMPORARY APPOINTMENTS OF CERTAIN OFFICERS OF THE NAVY

The Clerk called the bill (H. R. 8635) to affirm the temporary appointments of certain officers of the Navy, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that an identical Senate bill, S. 3524, be considered in lieu of the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Officer Personnel Act of 1947, as amended, is further amended—

(a) Adding to section 304 a new subsection (t) as follows:

"(t) The President is authorized to affirm within 1 year after the enactment of this amendatory act the temporary appointment of an officer serving in a grade by virtue of temporary appointment therein under the act of July 24, 1941 (55 Stat. 633), as amended, except that this authority shall not apply to temporary appointments which by their terms are of limited duration. Upon affirmation the appointment shall thereafter be considered as having been effected under authority contained in this act and service in grade under the affirmed appointment shall be computed from the date of the appointment to the grade made under the act of July 24, 1941 (55 Stat. 603), as amended. Affirmations made under this subsection shall not be subject to qualification by examination. All affirmations of temporary appointments in grades below that of rear admiral effected under this subsection shall be regarded as having been made with the advice and consent of the Senate. The date of rank and registered number of an officer concerned may be readjusted as necessary to maintain for him the precedence evidenced by his position on the appropriate lineal list."

(b) Adding to section 312 new subsections (l) and (m) as follows:

"(l) Officers of the grades of lieutenant or lieutenant (junior grade) except lieutenants of the Nurse Corps, who after March 29, 1951, have twice been considered for selection for promotions under the act of July 24, 1941 (55 Stat. 603), as amended, and who on the date of enactment of this amendatory act have not been recommended for promotion may be honorably discharged from the Navy as soon as practicable if they request discharge within a period of 6 months after the date of enactment of this amendatory act. Such officers upon discharge pursuant to the provisions of this subsection shall be entitled to receive a lump-sum payment computed as prescribed in subsection (h) of this section.

"(m) The acceptance of a lump-sum payment under subsections (h) or (l) of this section shall not deprive a person of any retirement benefits from the Government to which he would otherwise become entitled, but there shall be deducted from such retirement benefits to such a person such portion thereof as is attributable to the active service in respect of which lump-sum payment shall have been made to him under subsections (h) or (l) until the total of the deductions so made equals the total of such lump-sum payment."

(c) Adding to section 314 a new subsection (v) as follows:

"(v) The provisions of subsection 304 (t) relating to the affirmation of temporary appointments made under the act of July 24, 1941 (55 Stat. 603) as amended, shall not apply to officers of the Marine Corps."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 8635) was laid on the table.

UNITED STATES MILITARY ACADEMY

The Clerk called the bill (S. 3446) to amend the act of January 6, 1951 (64 Stat. 1221), by authorizing certain rehabilitation at the United States Military Academy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 101, title I, of the act approved January 6, 1951 (64 Stat. 1221), is hereby amended by inserting immediately following the words "Facilities for Army Field Force stations, $79,722,525" a comma and the following: "of which $497,000 shall be available for the repair, rehabilitation, and modification of cadet barracks, buildings Nos. 737 and 747 at the United States Military Academy, N. Y."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASING RETIRED PAY OF CERTAIN MEMBERS OF THE FORMER LIGHTHOUSE SERVICE

The Clerk called the bill (H. R. 1843) to increase the retired pay of certain members of the former Lighthouse Service.

Mr. FORD. Mr. Speaker, there apparently is no cost estimate on this proposed legislation. Until that is supplied, I feel that we ought to pass the bill over without prejudice; therefore, I submit that unanimous-consent request.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AMENDMENT OF INTERSTATE COMMERCE ACT

The Clerk called the bill (H. R. 7468) to amend section 203 (a) of the Interstate Commerce Act so as to authorize regulation, for purposes of safety and protection of the public, of motor-carrier transportation between points in foreign countries, insofar as such transportation takes place within the United States.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DEANE. Reserving the right to object, Mr. Speaker, and I shall not object, I notice the gentleman from Michigan [Mr. BENNETT], the author of this bill, is on the floor. May I ask him to explain the purpose of this legislation? I respect the gentleman's views, and I am sure that the House will be glad to hear from him at this time.

Mr. BENNETT of Michigan. This bill makes applicable certain provisions of the Interstate Commerce Act to certain foreign motor carriers which, in the course of performing transportation of persons or property, operate over highways in some parts of the United States, but which at the present time are not subject to regulation by the Interstate Commerce Commission in any respect.

Under this bill, these foreign motor carriers would have to comply with the Commission's requirements as to the qualifications and maximum hours of service of employees, and safety of operation and equipment. It also requires these truckers to carry the necessary insurance that our own carriers are required to carry for the protection of the public. It further requires a resident agent in each State so that in the event one of our citizens is injured he may serve process on such agent.

During recent years, there has been a steady growth in the number of Canadian motor carriers which have been using our highways although these carriers have neither origin nor destination in the United States. The State of Michigan, particularly, has been affected by such traffic. There are also a substantial

number of Canadian vehicles and some Mexican vehicles which operate through other parts of the United States.

This bill provides for the regulation of such carriers in certain respects, as I have indicated, for purposes of safety and the protection of our citizens.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. DEANE. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. As I understand, most, if not all, of the States have laws relating to safety, and an important part of such laws is that operators of trucks cannot operate more than a certain number of hours within each 24. It is found that these provisions do not apply to operators of trucks coming from other countries, in this case, Canada. This bill is designed to meet a limited but important field in connection with the safety of the lives of pedestrians and others using our highways.

I may say to my friend from North Carolina that I think the bill has a most desirable objective and is one that should be enacted into law as quickly as possible.

Mr. BENNETT of Michigan. I thank the gentleman.

Mr. DEANE. I thank the gentleman, and withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph (11) of section 203 (a) of the Interstate Commerce Act is amended by adding at the end thereof the following new sentence: "The term 'foreign commerce' also includes transportation between places in a foreign country, or between a place in one foreign country and a place in another foreign country, insofar as such transportation takes place within the United States, but only for purposes of the application thereto of the following provisions of this part: Section 215 (which relates to insurance for the protection of the public), section 221 (which relates to designation of an agent for service of process), and those provisions of section 204 which relate to qualifications and maximum hours of service of employees and safety of operation and equipment.

With the following committee amendment:

Page 2, line 1, after "of", strike out lines 2 to 8, inclusive, down to and including the word "equipment" and insert the following: "the application, to carriers engaged in such transportation, of the following provisions of this part: Section 215 (which relates to insurance for the protection of the public), section 221 (which relates to designation of an agent for service of process), and those provisions of section 204 which relate to qualifications and maximum hours of service of employees and safety of operations and equipment.

"SEC. 2. Section 215 of the Interstate Commerce Act is amended by adding at the end thereof the following sentence: "The Commission may prescribe, with respect to motor carriers operating within the United States in the course of engaging in transportation between places in a foreign country or between a place in one foreign country and a place in another foreign country, such reasonable regulations concerning security for the protection of the public as the Commission is authorized, by this section, to prescribe for other motor carriers.'

"SEC. 3. Subsection (c) of section 221 of the Interstate Commerce Act is amended to read as follows:

"'(c) Every motor carrier (including any motor carrier operating within the United States in the course of engaging in transportation between places in a foreign country or between a place in one foreign country and a place in another foreign country) shall also file with the board of each State in which it operates a designation in writing of the name and post-office address of a person in such State upon whom process issued by or under the authority of any court having jurisdiction of the subject matter may be served in any proceeding at law or equity brought against such carrier. Such designation may from time to time be changed by like writing similarly filed. In the event such carrier fails to file such designation, service may be made upon any agent of such motor carrier within such State.'"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "A bill to amend certain provisions of part II of the Interstate Commerce Act so as to authorize regulation, for purposes of safety and protection of the public, of certain motor-carrier transportation between points in foreign countries, insofar as such transportation takes place within the United States."

A motion to reconsider was laid on the table.

AMENDING SHIP MORTGAGE ACT, 1920

The Clerk called the bill (H. R. 6276) to amend the Ship Mortgage Act, 1920, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 30, subsection K, of the act of June 5, 1920, as amended, known as the Ship Mortgage Act, 1920 (41 Stat. 1003), is hereby amended by adding at the end of subsection K the following provision:

"Foreign ship mortgages: As used in subsections K, L, M, and N of this section, the term 'preferred mortgage' shall include, in addition to a preferred mortgage made pursuant to the provisions of this section, any mortgage, hypothecation, or similar charge created as security upon any documented foreign vessel (other than a towboat, barge, scow, lighter, car float, canal boat, or tank vessel, of less than 200 gross tons) if such mortgage, hypothecation, or similar charge has been duly and validly executed in accordance with the laws of the foreign nation under the laws of which the vessel is documented and has been duly registered in accordance with such laws in a public register either at the port of registry of the vessel or at a central office; and the term 'preferred mortgage lien' shall also include the lien of such mortgage, hypothecation, or similar charge: *Provided, however*, That such 'preferred mortgage lien' in the case of a foreign vessel shall also be subordinate to maritime liens for repairs, supplies, towage, use of drydock or marine railway, or other necessaries, performed or supplied in the United States."

With the following committee amendment:

Page 2, line 14, after the words "or other necessaries", insert a comma and the words "performed or supplied in the United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RESTORING THE SHARE OF THE NET REVENUES FROM THE SHOSHONE POWERPLANT TO THE SHOSHONE IRRIGATION DISTRICT

The Clerk called the bill (H. R. 6893) to restore to the Shoshone Irrigation District the share of the net revenues from the Shoshone powerplant to which it is entitled under its contract with the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That 21 percent of the annual net revenues from the Shoshone powerplant of the Shoshone irrigation project which have accrued and which may accrue shall be credited in accordance with section 31 of the contract entitled "Contract with the Shoshone Irrigation District, providing for transfer of management of the irrigation works of the Garland division and for repayment of construction costs upon a crop basis" (entered into between the United States and the Shoshone district on November 4, 1926), as follows:

(a) The Secretary of the Interior shall credit the sum of $504,000 (representing 21 percent of the net revenues from the Shoshone powerplant for the period beginning with the date of completion of such powerplant and ending December 31, 1953) on the annual installment project construction charges of such district for the calendar year 1954 and subsequent calendar year so far as the credit of $504,000 will go.

(b) Twenty-one percent of the annual net revenues from the Shoshone powerplant accruing for the calendar year 1954 and subsequent years shall be credited each year as they accrue toward the payment of any construction charges which remain unpaid after the application of $504,000 of net revenues as provided in subsection (a).

(c) Whenever all construction charges assessed against any individual tract have been fully paid, or whenever the credits as provided for in this act and apportioned to any individual tract are sufficient to pay out the entire construction charges assessed against such individual tract, the remainder of any apportionment and subsequent apportionments to such tract of the net revenues provided for under this act shall be applied to the payment of operation and maintenance charges assessed against such tract.

(d) When all obligations of the Shoshone Irrigation District to the United States have been fully paid, 21 percent of the net annual earnings of the Shoshone powerplant shall be paid to the Shoshone Irrigation District to be utilized as the district may direct.

SEC. 2. Net revenues realized from the Shoshone powerplant shall be announced each year by the Secretary of the Interior in a written statement to be sent to the Shoshone Irrigation District.

SEC. 3. All laws and parts of laws inconsistent with this act are hereby repealed to the extent of such inconsistency.

With the following committee amendment:

Strike everything after the enacting clause and substitute the following: "That the Secretary of the Interior is authorized, on behalf of the United States to enter into a contract with the Shoshone Irrigation Dis-

trict, Wyoming, containing appropriate provisions whereby

"(a) the United States shall pay to the district the sum of $426,000, which sum shall be expended by the district only for purposes of construction and maintenance and to meet yearly current expenses, all as part of its annual budgets as adjudicated by the appropriate court of the State of Wyoming in the manner provided by the applicable laws of the State;

"(b) the district relinquishes and releases any and all of its claims, demands, and causes of action against the United States, from whatever cause or for whatever reason arising, with respect to any revenues heretofore or hereafter realized from, or with respect to control over power facilities of the Shoshone Federal reclamation project heretofore or hereafter constructed, including the Shoshone powerplant;

"(c) there are effected changes, modifications, and financial adjustments in the district's contract with the United States dated November 4, 1926, to the extent required by a finding, based upon reclassifications of the lands of the Garland division, Shoshone Federal reclamation project, that 35,950.44 acres of the lands in said division are irrigable and that 413.06 acres, formerly classified as irrigable, are now included in drain rights-of-way. Construction charges against the said 413.06 acres shall continue to be included in the contractual obligation of the district and in the accounts of the Garland division, but the existing repayment contract of the district may be amended to relieve such lands from the future assessment by the district. The provisions of this subsection shall be effective as of January 1, 1953;

"(d) the district's obligation with respect to payment of its share of the cost of storage works of the Shoshone reclamation project is fixed at $340,500, which amount the district shall continue to pay, along with other portions of the construction charge obligation except as otherwise provided in this act, in accordance with the terms and conditions of its contract of November 4, 1926, aforesaid;

"(e) the district's obligation under its contract of November 4, 1926, aforesaid is reduced, to the extent that such reduction has not already been made, by that portion of the unexpended balances of construction charges heretofore authorized and duly announced or promulgated which the Secretary, taking account of all lands to which said charges were applicable when they were announced or promulgated, shall determine is the ratable share of those balances applicable to the irrigable lands of the district and to the lands of the district, formerly classified as irrigable, which are now included in drain rights-of-way as hereinbefore provided. No part of the cost of Shoshone powerplant, its distribution system, or any appurtenant features of said powerplant shall be charged against the district or landowners therein.

"SEC. 2. The proviso affecting the application of net revenues of the Shoshone powerplant, as contained in the act of March 4, 1929 (45 Stat. 1562, 1592), and the act of April 9, 1938 (52 Stat. 210), are hereby modified to the extent necessary to permit $426,000 of the net revenues of the Shoshone powerplant to be applied compatibly with the provisions of this act.

"SEC. 3. No landowner or entryman holding land found by the reclassifications aforesaid to be permanently unproductive shall be entitled to credit from, or refund by, the United States for construction or other charges which, prior to the effective date of subsection (c), section 1, of this act, had been paid or become due and payable on account of such land. Any water right appurtenant to said lands which has been acquired under the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) shall cease and the water supply heretofore used or required to satisfy such right shall be available for disposition by the Secretary under those laws, but the water users on the Garland division shall have a preference right to the use of such water.

"SEC. 4. If a contract in accordance with the provisions of subsections (a), (b), and (d) of section 1 of this act shall not have been entered into within 2 years from the date of its enactment, the authority to enter into such a contract granted by this act shall cease to be operative and shall be of no further force or effect.

"SEC. 5. There is authorized to be appropriated, out of the reclamation fund, the sum of $426,000 for the purpose of making payment to the Shoshone Irrigation District in accordance with the provisions of the contract authorized by subsections (a), (b), and (d) of section 1 of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to provide for a payment to the Shoshone Irrigation District of a share of the net revenues from the Shoshone powerplant, and for other purposes."

A motion to reconsider was laid on the table.

IMPROVING PROGRAM OF EMERGENCY LOANS

The Clerk called the bill (H. R. 8748) to amend the act of April 6, 1949, as amended by the act of July 14, 1953, to improve the program of emergency loans, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 (a) of the act of April 6, 1949 (63 Stat. 43), as amended, is further amended by adding at the end of the first sentence of said subsection the following:

"Until December 31, 1954, the Secretary is also authorized to make emergency loans for any agricultural purposes, except for refinancing of existing indebtedness, aggregating not to exceed $15 million to farmers and stockmen in any area or areas where the Secretary determines that there is a need for such credit which cannot be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers' Home Administration under its regular programs, under other provisions of this act, or other responsible sources."

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"Until June 30, 1955, the Secretary of Agriculture is authorized to make emergency loans for any agricultural purposes, except for refinancing of existing indebtedness, aggregating not to exceed $15 million to farmers and stockmen in any area or areas where the Secretary determines that there is a need for such credit which cannot be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers' Home Administration under its regular programs or under the Act of April 6, 1949, or other responsible sources.

"SEC. 2. Loans under this act shall (1) be made only to individuals or partnerships actively engaged in the operation of farms or ranches and shall not exceed $15,000 in the case of any one loan and not to exceed $20,000 to any one borrower, (2) be made at such rates of interest and on such terms and conditions as the Secretary shall prescribe for such area or areas, and (3) be secured by the personal obligation and available security of the producer or producers.

"SEC. 3. The Secretary may utilize the revolving fund created by section 84 of the Farm Credit Act of 1933, as amended (12 U. S. C. 1148a), for making loans under this act, and for administrative expenses in connection with such loans. Sums received by the Secretary from the liquidation of loans made under this act shall be added to and become a part of the said revolving fund."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to provide emergency credit."

A motion to reconsider was laid on the table.

AMENDING SECTION 1923 (A) OF TITLE 28, UNITED STATES CODE

The Clerk called the bill (S. 251) to amend section 1923 (a) of title 28, United States Code, relating to docket fees.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first item listed in section 1923 (a) of title 28, United States Code, is amended to read as follows:

"$20 on trial or final hearing (including a default judgment whether entered by the court or by the clerk) in civil, criminal, or admiralty cases, except that in cases of admiralty and maritime jurisdiction where the libellant recovers less than $50 the proctor's docket fee shall be $10."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING THE FEDERAL DECLARATORY JUDGMENTS ACT

The Clerk called the bill (H. R. 1975) to extend the Federal Declaratory Judgments Act, as amended, to the Territory of Alaska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the power granted to, and the procedure prescribed for, the courts of the United States by the provisions of the act of June 14, 1934 (48 Stat. 955, ch. 512; 28 U. S. C. A., sec. 400), as amended, relating to declaratory judgments, is hereby extended to the District Court of the District of Alaska, as to cases arising under laws locally applicable as well as to cases of the class that may be tried and determined by the courts of the United States under the provisions of the act above mentioned.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"The first sentence of section 2201 of title 28, United States Code, is amended by inserting after the words 'any court in the United States' the words 'and the District Court for the Territory of Alaska', so that the section will read as follows:

"'§ 2201. Creation of remedy

"'In a case of actual controversy within its jurisdiction, except with respect to Federal taxes, any court of the United States and the District Court for the Territory of Alaska, upon the filing of an appropriate pleading, may declare the rights and other

legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought.'"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to amend section 2201 of title 28, United States Code, to extend the Federal Declaratory Judgments Act to the Territory of Alaska."

A motion to reconsider was laid on the table.

PERMITTING REGISTRATION OF JUDGMENTS IN OR FROM THE DISTRICT COURT FOR THE TERRITORY OF ALASKA

The Clerk called the bill (H. R. 1976) to amend title 28, United States Code, to permit the registration of judgments in or from the District Court for the Territory of Alaska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1963 of title 28, United States Code, is hereby amended to read as follows:

"A judgment in an action for the recovery of money or property now or hereafter entered in any district court which has become final by appeal or expiration of time for appeal may be registered in any other district by filing therein a certified copy of such judgment. A judgment so rendered shall have the same effect as a judgment of the district court of the district where registered and may be enforced in like manner.

"A certified copy of the satisfaction of any judgment in whole or in part may be registered in like manner in any district in which the judgment is a lien.

"For the purpose of this section only, 'district' as used herein shall include the Territory of Alaska, and 'district court' as used herein shall include the District Court for the Territory of Alaska."

With the following committee amendments:

1. On page 1, line 10, substitute "registered" for "rendered."

2. On page 2, line 6, insert a comma after the word "only."

The amendments are clerical only. The first amendment conforms the bill to existing law insofar as it concerns the word "registered." The second amendment inserts a comma so that the sentence may be more easily understood.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO APPROVE REPAYMENT CONTRACT NEGOTIATED WITH THE ROZA IRRIGATION DISTRICT, YAKIMA PROJECT, WASHINGTON

The Clerk called the bill (H. R. 6487) to approve the repayment contract negotiated with the Roza Irrigation District, Yakima project, Washington, and to authorize its execution, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the repayment contract negotiated as provided in subsection (a) of section 7 of the Reclamation Project Act of 1939 (53 Stat. 1187) by the Secretary of the Interior with the Roza Irrigation District, and substantially in the form approved by the electors of that district at a water users election held on May 29, 1953, is approved and the Secretary is authorized to execute it on behalf of the United States.

SEC. 2. This act is declared to be part of the Federal reclamation laws as those laws are defined in the Reclamation Project Act of 1939 (53 Stat. 1187).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPROVE REPAYMENT CONTRACTS NEGOTIATED WITH HERMISTON AND WEST EXTENSION IRRIGATION DISTRICTS, OREGON

The Clerk called the bill (H. R. 7194) to approve repayment contracts negotiated with the Hermiston and West Extension Irrigation Districts, Oregon, and to authorize their execution, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, Senate bill 2761, to approve repayment contracts negotiated with the Hermiston and West Extension Irrigation Districts, Oregon, and to authorize their execution, and for other purposes, is similar to the bill H. R. 7194. The difference does not go to the merits of the bill. Therefore I ask unanimous consent that the bill S. 2761 be submitted for the bill H. R. 7194.

The SPEAKER. Is there objection to the request of the gentleman from Iowa [Mr. CUNNINGHAM]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the repayment contracts negotiated as provided in subsection (a) of section 7 of the Reclamation Project Act of 1939 (53 Stat. 1187) by the Secretary of the Interior with the Hermiston Irrigation District dated September 9, 1952, and the West Extension Irrigation District dated September 6, 1952, are approved and the Secretary is authorized to execute them on behalf of the United States.

SEC. 2. The reclassifications of the lands of the Hermiston Irrigation District and the West Extension Irrigation District of the Umatilla project, Oregon, made in accordance with the provisions of section 8 of the Reclamation Project Act of 1939 and approved by the boards of directors of the irrigation districts, are approved. The Secretary, upon execution of said contracts, is authorized to charge off as a permanent loss to the reclamation fund all costs of the Umatilla project except the amounts provided for return to the United States in the contracts approved in section 1 of this act or in other outstanding contracts, but no adjustment shall be made by the United States by reason thereof with any individual by way of refund of or credit on sums heretofore paid, repaid, returned, or due or payable to the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 7194) was laid on the table.

PROVIDING FOR THE COMMITMENT AND CARE OF THE MENTALLY ILL OF ALASKA

The Clerk called the bill (H. R. 8009) to provide for the commitment and care of the mentally ill of Alaska, and for other purposes.

Mr. SAYLOR. Mr. Speaker, reserving the right to object. I ask unanimous consent that this bill be taken from the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

REVISING THE ORGANIC ACT OF THE VIRGIN ISLANDS

The Clerk called the bill (H. R. 5181) to revise the Organic Act of the Virgin Islands of the United States.

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent that this bill be taken from the Consent Calendar. We have asked for a rule on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

ALLOWING CREDIT IN CONNECTION WITH CERTAIN HOMESTEAD ENTRIES FOR MILITARY OR NAVAL SERVICE RENDERED DURING KOREAN CONFLICT

The Clerk called the bill (S. 1823) to allow credit in connection with certain homestead entries for military or naval service rendered during the Korean conflict, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) in the first sentence of the first section of the act of September 27, 1944, as amended (43 U. S. C. 279–284), is amended to read as follows: "That any person who has served in the military or naval forces of the United States for a period of at least 90 days at any time on or after September 16, 1940, and prior to the termination of the Korean conflict as determined by Presidential proclamation or concurrent resolution of the Congress, and is honorably discharged from the military or naval forces and who makes homestead entry subsequent to such discharge shall have the period of such service, not exceeding 2 years, construed to be equivalent to residence and cultivation upon the land for the same length of time."

(b) The proviso at the end of the first section of such act is amended to read as follows: *"Provided,* That such compliance shall include bona fide cultivation of at least one-eighth of the area entered under the homestead laws: *Provided further,* That no person who has served in the military or naval forces of the United States for a period of at least 90 days at any time on or after September 16, 1940, and prior to the termination of the Korean conflict as determined by Presidential proclamation or concurrent resolution of the Congress, and is honorably discharged shall be disqualified from making

homestead entry or from any other benefits of this act merely by reason of not having reached the age of 21 years."

(c) Section 4 of such act is amended by striking out "10 years" and inserting in lieu thereof "15 years."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADMINISTRATIVE JURISDICTION OF CERTAIN PUBLIC LANDS IN OREGON

The Clerk called the bill (H. R. 5958) relating to the administrative jurisdiction of certain public lands in the State of Oregon, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Reserving the right to object, Mr. Speaker, and I do not intend to object, but I would like to ask the chairman of the committee or the author of the bill, the gentleman from Oregon [Mr. ELLSWORTH], to explain it.

Mr. ELLSWORTH. Mr. Speaker, this bill involves only some federally owned lands in the State of Oregon. The purpose of the bill, and it is agreed to by both departments concerned, is to settle a dispute between the Department of Agriculture, Forest Service, and the Department of the Interior, Bureau of Land Management, concerning the administrative jurisdiction over some 470,000 acres of land in the State of Oregon which are a part of a revested railroad land grant.

This dispute has been going on now for nearly 12 years. The management of the area concerned has been injured as a result of this dispute. Proper forestry on this land cannot go forward until it is determined by the Congress which agency shall have jurisdiction over these lands.

Mr. CUNNINGHAM. May I ask the gentleman what in his opinion will be the cost of the administration of this bill, provided it is enacted? I notice there are some 462,000 acres, and that the bill authorizes appropriations of such sums of money as may be needed to carry out the purposes of the act. I appreciate that it might be a small amount or it might run into quite an amount of money. Could the gentleman give us any idea of what it would cost?

Mr. ELLSWORTH. Actually, I doubt that there would be any additional cost to the Federal Government as a result of this legislation. The purpose of that authorization section is essentially to make it legally possible for the Forest Service and the Bureau of Land Management to expend some funds appropriated to them for their general operating purposes, to be used to work out this exchange arrangement. The additional cost will be probably nothing, because both departments have inventories of the property, and it is a relatively simple matter.

Mr. CUNNINGHAM. It will require the employment of no additional help, other than they now have?

Mr. ELLSWORTH. I would not think so.

Mr. CUNNINGHAM. I withdraw my reservation of objection, Mr. Speaker.

Mr. WICKERSHAM. Mr. Speaker, reserving the right to object, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. ELLSWORTH. Reserving the right to object, Mr. Speaker, if the gentleman from Oklahoma has any question regarding the bill and would be willing, if questions were answered to his satisfaction, to let the bill pass, I would appreciate it.

Mr. WICKERSHAM. I am doing this on behalf of two colleagues, and I insist on the request.

Mr. MILLER of Nebraska. I wonder if the gentleman would permit the bill to be taken off the calendar and have a rule granted. I think it is of enough importance to have some action immediately.

I ask unanimous consent, Mr. Speaker, that the bill be taken from the calendar.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska, that the bill be stricken from the Consent Calendar?

There was no objection.

AUTHORIZING TRANSMISSION AND DISPOSITION OF ELECTRIC ENERGY GENERATED AT FALCON DAM ON THE RIO GRANDE

The Clerk called the bill (H. R. 8328) to authorize the transmission and disposition by the Secretary of the Interior of electric energy generated at Falcon Dam on the Rio Grande.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Reserving the right to object, Mr. Speaker, this bill would authorize the Secretary to transmit this electric energy. I have no objection to it, but I was wondering if the chairman could advise us as to what is happening to this electricity that is being generated today.

Mr. MILLER of Nebraska. This bill is a legislative bill. The gentleman from Texas [Mr. BENTSEN] is familiar with all the details. I yield to him.

Mr. BENTSEN. Mr. Speaker, we have had this bill before Congress for about 2 years. The dam has been constructed and in the meantime the Congress has failed to act. Pending the legislation they are not able to sell the power. It simply means the Government is losing quite a sum of money every month until we give them authorization.

Mr. BYRNES of Wisconsin. You mean that even though all the generating facilities are there, they are not using them because they cannot sell the electricity that might be produced?

Mr. BENTSEN. They have been waiting for some time for the Congress to act, and we have unanimously passed it out of the committee.

Mr. BYRNES of Wisconsin. Mr. Speaker, I withdraw my objection.

Mr. McCORMACK. Mr. Speaker, reserving the right to object, I would like to inquire of the author of the bill, or of a member of the committee, if this bill in any way changes or is in conflict with our present power policy.

Mr. BENTSEN. Mr. Speaker, it is not in any way in conflict with the present power policy; in fact, the committee felt that the language of the 1944 Flood Control Act has been construed as broad enough to include the preference groups. The committee has specifically incorporated the language of the 1939 Reclamation Act to insure that there will be no departure from existing Federal law in the marketing of the Falcon power or energy to preference customers.

Mr. McCORMACK. I noticed that. I congratulate the committee for specifically putting that in the bill. But outside of municipalities and public corporations or agencies and also cooperatives and other nonprofit organizations, and so forth, as provided in the bill, if there is any excess power how is it to be disposed of?

Mr. BENTSEN. Under the reclamation law of 1939 and the other reclamation acts.

Mr. McCORMACK. Mr. Speaker, with the assurance there is no difference than under existing law, I withdraw my reservation of the objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the electric power and energy generated at Falcon Dam, an international storage reservoir project constructed on the Rio Grande pursuant to the treaty of February 3, 1944, between the United States and Mexico (treaty series 994), which is made available to the United States under the provisions of said treaty and under such special agreements as may be concluded between the two Governments pursuant to the provisions of said treaty and not required in the operation of such international project, all as determined by the Commissioner of the United States Section, International Boundary and Water Commission, shall be delivered to the Secretary of the Interior (hereinafter referred to as the Secretary) who shall transmit and dispose of such power and energy in such manner as to encourage the most widespread use thereof at the lowest possible rates to consumers consistent with sound business principles, the rate schedules to become effective upon confirmation and approval by the Federal Power Commission. Rate schedules shall be drawn having regard to the recovery (upon the basis of the application of such rate schedules to the capacity of the electric facilities of the project) of the cost of producing and transmitting such electric energy, including the amortization of the capital investment allocated to power by the Secretary, in collaboration with the Secretary of State, over a reasonable period of years. Preference in the sale of such power and energy shall be given to public bodies and cooperatives. The Secretary is authorized, from funds to be appropriated by the Congress, to construct or acquire, by purchase or other agreement, only such transmission lines and related facilities as may be necessary in order to make the power and energy generated at said project available in wholesale quantities for sale on

fair and reasonable terms and conditions to facilities owned by the Federal Government, public bodies, cooperatives, and privately owned companies.

SEC. 2. All receipts from the sale of electric power and energy disposed of by the Secretary pursuant to this act shall be covered into the Treasury of the United States to the credit of miscellaneous receipts as shall also moneys received from the Government of Mexico for any energy which might be delivered to that Government by the United States section of the International Boundary and Water Commission pursuant to any special agreement concluded in accordance with article 19 of the said treaty.

SEC. 3. The Secretary is authorized to perform any and all acts, including the acquisition of rights and property, and to enter into such agreements as may be appropriate for the purpose of carrying out the provisions of this act applicable to him; and with respect to construction and supply contracts and the acquisition, exchange, and disposition of lands and other property, and the relocation thereof, the Secretary shall have the same authority which he has under sections 12 and 14 of the Reclamation Project Act of 1939.

With the following committee amendment:

Page 2, lines 17 and 18, strike the words "Preference in the sale of such power and energy shall be given to public bodies and cooperatives." and insert in lieu thereof: "Preference in the sale or lease of such electric power and energy shall be given to municipalities and other public corporations or agencies; and also to cooperatives and other nonprofit organizations financed in whole or in part by loans made pursuant to the Rural Electrification Act of 1936 and any amendments thereof."

Mr. MILLER of Nebraska. Mr. Speaker, Senate bill 3090 is similar to the House bill and spells out the power preference clause. The Senate bill was reported out unanimously. I would ask unanimous consent to substitute the bill S. 3090 for the bill H. R. 8328.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the electric power and energy generated at Falcon Dam, an international storage reservoir project constructed on the Rio Grande pursuant to the treaty of February 3, 1944, between the United States and Mexico (Treaty Series 994), which is made available to the United States under the provisions of said treaty and under such special agreements as may be concluded between the two Governments pursuant to the provisions of said treaty and not required in the operation of such international project, all as determined by the Commissioner of the United States Section, International Boundary and Water Commission, shall be delivered to the Secretary of the Interior (hereinafter referred to as the Secretary) who shall transmit and dispose of such power and energy in such manner as to encourage the most widespread use thereof at the lowest possible rates to consumers consistent with sound business principles, the rate schedules to become effective upon confirmation and approval by the Federal Power Commission. Rate schedules shall be drawn having regard to the recovery (upon the basis of the application of such rate schedules to the capacity of the electric facilities of the project) of the cost of producing and transmitting such electric energy, including the amortization of the capital investment allocated to power by the Secretary, in collaboration with the Secretary of State, over a reasonable period of years. Preference in the sale of such power and energy shall be given to public bodies and cooperatives. The Secretary is authorized, from funds to be appropriated by the Congress, to construct or acquire, by purchase or other agreement, only such transmission lines and related facilities as may be necessary in order to make the power and energy generated at said project available in wholesale quantities for sale on fair and reasonable terms and conditions to facilities owned by the Federal Government, public bodies, cooperatives, and privately owned companies.

SEC. 2. All receipts from the sale of electric power and energy disposed of by the Secretary pursuant to this act shall be covered into the Treasury of the United States to the credit of miscellaneous receipts as shall also moneys received from the Government of Mexico for any energy which might be delivered to that Government by the United States Section of the International Boundary and Water Commission pursuant to any special agreement concluded in accordance with article 19 of the said treaty.

SEC. 3. The Secretary is authorized to perform any and all acts, including the acquisition of rights and property, and to enter into such agreements as may be appropriate for the purpose of carrying out the provisions of this act applicable to him; and with respect to construction and supply contracts and the acquisition, exchange, and disposition of lands and other property, and the relocation thereof, the Secretary shall have the same authority which he has under section 12 and 14 of the Reclamation Project Act of 1939.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the bill H. R. 8328 was laid on the table.

ERECTION OF MEMORIAL GIFT FROM THE PEOPLE OF THE NETHERLANDS

The Clerk called the resolution (H. J. Res. 356) authorizing the Secretary of the Interior to authorize erection of a memorial gift from the people of the Netherlands.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That the Secretary of the Interior is authorized to grant authority to the Government of the Netherlands to erect a memorial carillon tower and install carillon bells on public ground under the administration of the Secretary of the Interior, as a gift to the people of the United States from the people of the Netherlands in gratitude for the generosity of the people of the United States for the aid and assistance rendered to the people of the Netherlands in times of national emergency.

SEC. 2. The design and site of such memorial shall be approved by the Secretary of the Interior, and the National Capital Planning Commission, and the United States shall be put to no expense in or by the erection of this memorial.

SEC. 3. The authority conferred pursuant to this joint resolution shall lapse unless (1) the erection of such memorial is commenced within 5 years after the date of the passage of this joint resolution, and (2) prior to its commencement funds are certified available in an amount sufficient, in the judgment of the Secretary of the Interior, to insure completion of the memorial.

With the following committee amendment:

Page 1, lines 3 and 4, strike the words "That the Secretary of the Interior is authorized to grant authority to the Government of the Netherlands" and insert in lieu thereof the words "That the Government of the Netherlands is authorized."

Page 2, lines 1 and 2, strike the words "and the National Capital Planning Commission."

The committee amendment was agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the resolution was amended so as to read: "Joint resolution authorizing the erection of a memorial gift from the people of the Netherlands."

A motion to reconsider was laid on the table.

TO GRANT CERTAIN APPEALS BY THE UNITED STATES

The Clerk called the bill (H. R. 7404) to amend section 3731 of title 18 of the United States Code relating to appeals by the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3731 of title 18 of the United States Code is amended by inserting after the fifth paragraph of such section (relating to appeal by the United States from the district courts to a court of appeals) the following new paragraph:

"From a decision sustaining a motion to suppress evidence, when the defendant has not been put in jeopardy."

With the following committee amendment:

On page 1, line 8, strike out the comma and the words "when the defendant has not been put in jeopardy."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF IMPROVEMENTS ON NATIONAL FOREST LAND IN ARIZONA

The Clerk called the bill (S. 1399) to authorize the Secretary of Agriculture to sell certain improvements on national forest land in Arizona to the Salt River Valley Water Users Association, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is hereby authorized in his discretion to sell to the Salt River Valley Water Users Association of Arizona, for cash, at a fair appraised value to be determined by him, the following described improvements on national forest lands situated in an unsurveyed portion of township 4 north, range 12 east, Gila and Salt River Meridian, estimated to be within the southwest quarter of the northeast quarter of section 20 of that township in Gila County, State of Arizona.

All buildings and other physical improvements owned by the United States and under the administration of the Forest Service, De-

partment of Agriculture, situated at the reclamation settlement of Roosevelt, Ariz.

The proceeds of such sale or sales shall, if sufficient for the purpose, be available to the Secretary of Agriculture for the development and improvement of a Forest Service ranger station located elsewhere in the Tonto National Forest. If the development and improvement of such ranger station cannot be accomplished without the use of funds in excess of such proceeds, such proceeds shall be covered into the Treasury as miscellaneous receipts.

With the following committee amendments:

Page 1, line 11, strike out the period at the end of the sentence and insert in lieu thereof a colon.

Page 2, line 1, strike out "All" and insert in lieu thereof "all."

Page 2, lines 8 and 9, strike out the word "station" wherever it appears in each line and substitute the word "dwelling."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOBACCO MARKETING PENALTY INCREASE

The Clerk called the bill (S. 3050) to amend the Agricultural Adjustment Act of 1938, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, I understand the gentleman from North Carolina intends to offer an amendment. I am not familiar with the amendment. I would request that before we consider the bill the gentleman from North Carolina inform us as to whether or not his amendment has been cleared with the Committee on Agriculture.

Mr. DEANE. I would say to the gentleman from Michigan [Mr. FORD] that I have not been able to talk with the gentleman from Kansas [Mr. HOPE], but I am advised by Members from the tobacco-growing States on both sides of the aisle that the amendment is satisfactory.

Mr. WATTS. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Kentucky.

Mr. WATTS. Mr. Speaker, I introduced a similar bill in the House on this subject. I have not spoken to the gentleman from Kansas [Mr. HOPE] in reference to this matter, but I have spoken to other folks who are interested in the bill, and they are not opposed to the amendment that will be offered.

Mr. FORD. In light of the assurances that have been given that the proposed amendment has been cleared with parties interested in agriculture, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first sentence of section 314 (a) of the Agricultural Adjustment Act of 1938, as amended, is hereby amended to read as follows: "The marketing of any kind of tobacco in excess of the marketing quota for the farm on which the tobacco is produced shall be subject to a penalty of 50 percent of the average market price (calculated to the nearest whole cent) for such kind of tobacco for the immediately preceding marketing year."

This amendment shall become effective October 1, 1954, except that in the case of flue-cured tobacco such amendment shall become effective July 1, 1954.

Mr. DEANE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DEANE: Page 1, line 11, after the word "effective", strike "October 1" and insert "December 1."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASING PENALTIES FOR SMUGGLING

The Clerk called the bill (H. R. 6113) to amend title 18 of the United States Code, so as to increase the penalties applicable to the smuggling of goods into the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 545 of title 18, United States Code, is amended by striking out "$5,000" and inserting in lieu thereof "$10,000", and by striking out "two years" and inserting in lieu thereof "five years."

SEC. 2. The amendments made by the first section of this act shall apply only with respect to offenses committed on and after the date of the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING TITLE II, FIRST WAR POWERS ACT, 1941

The Clerk called the bill (H. R. 8008) to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

QUITCLAIM DEED TO LANDS IN IRWIN COUNTY, GA.

The Clerk called the joint resolution (H. J. Res. 458) to authorize and direct the Secretary of Agriculture to quitclaim retained rights in a certain tract of land to the board of education of Irwin County, Ga., and for other purposes.

There being no objection, the Clerk read the House joint resolution, as follows:

Resolved, etc., That the Secretary of Agriculture is authorized and directed to execute and deliver to the board of education of Irwin County, Ga., its successors and assigns, a quitclaim deed conveying and releasing into the said board of education of Irwin County, Ga., its successors and assigns, all of the right, title, and interest of the United States of America in and to that certain tract of land containing eight and forty-eight one-thousands acres, more or less, in Irwin County, Ga., and more particularly described in the quitclaim deed from the United States of America to the board of education of Irwin County, Ga., dated December 6, 1945, and recorded on December 19, 1945, in deed book 19, pages 428–429, in the office of the clerk of the Superior Court of Irwin County, Ga.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES

The Clerk called the joint resolution (H. J. Res. 243) to amend the pledge of allegiance to the flag of the United States of America.

The SPEAKER. Is there objection to the present consideration of the House joint resolution?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, Senate Joint Resolution 126 is similar to House Joint Resolution 243. The differences between the two do not go to the merits of the bill at all. I ask unanimous consent, therefore, that Senate Joint Resolution 126 be substituted for House Joint Resolution 243.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. OLIVER P. BOLTON. Mr. Speaker, reserving the right to object, but I shall not object, I want to take this opportunity to express my satisfaction that the other body as well as the members of the House Committee on the Judiciary have seen fit to report to the floor of this body for action today a proposal to amend the pledge of allegiance to the flag in the manner which I suggested in House Joint Resolution 383. The fact that both this and the other body will adopt the wording which I recommended is naturally exceedingly gratifying. The significant import of our action today, however, is that we are officially recognizing once again this Nation's adherence to our belief in a divine spirit, and that henceforth millions of our citizens will be acknowledging this belief every time they pledge allegiance to our flag.

It is particularly significant, also, that we take this action at this time. If, as I understand we are to do, we adopt Senate Joint Resolution 126 as a substitute for the bill under consideration, this measure will be ready for our President's signature by Flag Day next week.

It comes at a time when throughout our land and throughout the world some people express doubt, yes, doubt and even fear, regarding the future. They see the storm clouds blowing up on the horizon and sometimes not the sun behind. They see arrayed against this Nation, and the way of life which it represents, a dictatorial policy that recognizes no God and no divinity in man. Under communism, men are mere cogs

in a machine, without rights, without souls, without future, without hope.

Our Nation has long recognized that if we are to survive this challenge of materialism, of selfishness, of immorality, it will only be with the help of a power greater than our own.

Our Founding Fathers, who guided this Nation through many perilous storms were not afraid to declare their faith in God and their dependence upon that faith to meet the supreme challenges which they faced. The Government which they established here upon the North American Continent recognized that men are created by God and endowed by Him with certain unalienable rights. To protect those rights and to make certain that those who govern this Nation respect those rights, they created a constitutional form of government that has endured for 165 years—a republic in which the rights of the individual are protected under law. One hundred and seventy-six years ago today at a meeting of a Continental Congress in Independence Hall the first resolution "That these United Colonies are, and of right ought to be, free and independent States," was first introduced. How fitting that we here today should take action to once more affirm our belief in the unalienable rights of man and the guidance of a divine spirit.

Once again we are proclaiming to the world that there is hope, that there is a future worth planning for, and that the flag which flies over our land is a symbol of a nation and of a people under God.

Mr. RABAUT. Mr. Speaker, reserving the right to object——

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. I asked that the Senate joint resolution be substituted for the House joint resolution. The gentleman is the author of the House joint resolution. Has he any objection to the substitution?

Mr. RABAUT. Yes; I am opposed to the substitution and I would like to give my reasons for my opposition to the substitute.

It was on April 3, 1953, that I first received a letter from a gentleman in Brooklyn who suggested that the words "under God" be placed in the pledge of allegiance to the flag. On April 20, 1953, I introduced House Joint Resolution 243 to place the words "under God" in the pledge of allegiance, so that it would read "one Nation under God."

On February 7, 1954, the Reverend George M. Docherty, of the New York Avenue Presbyterian Church, in his sermon, with the President of the United States in attendance, spoke on the subject of Lincoln's Gettysburg Address, and urged that the words "under God" be added to the pledge of allegiance to the flag.

On February 10, 1954, Senate Joint Resolution 126, to amend the pledge of allegiance to include the phrase "under God" after the word "indivisible", was introduced so that it would read "one Nation indivisible under God." Now, mind you, that was 10 months after the original bill was introduced in the House.

On April 5, 1954, the Senate Committee on the Judiciary met and decided to postpone action indefinitely on Senate Joint Resolution 126.

On May 5, 1954, I appeared before Subcommittee No. 5 of the House Committee on the Judiciary in support of House Joint Resolution 243. The subcommittee unanimously reported the resolution favorably to the full committee. That afternoon I addressed the House, commented on the background of the pledge, gave my reasons for introducing it, and announced the unanimous report of the subcommittee.

On May 10, 1954, the Senate Committee on the Judiciary favorably reported Senate Joint Resolution 126—just 5 days after the committee on the House acted, after it was laid aside for an indefinite period—with an amendment which changed the wording to conform with the language of the original resolution, House Joint Resolution 243; namely, "one Nation under God, indivisible."

On May 11, 1954, the very next day, the Senate passed the resolution and sent it to the House, where it was referred to the Committee on the Judiciary.

On May 20, 1954, the House Committee on the Judiciary discussed both resolutions and agreed to continue consideration to the next executive session.

On May 28, 1954, the committee reported the House resolution to the House, and that is the resolution that is before the House today. The Senate resolution is not before the House. The Senate resolution is before the Committee on the Judiciary of the House.

Now, there were 17 bills dropped into the hopper on this important subject, 1 of which was a Senate resolution in the other body.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. Since the Senate resolution has already passed, and in order to expedite the matter, is there any fundamental difference between the 2 resolutions whereby 1 should not be substituted for the other?

Mr. RABAUT. No. It is just a question of championship for the House position, 16 to 1. Sixteen Members of this House have placed resolutions in the hopper. It happens that my resolution was the granddaddy of them all, and I see no reason why we should not pass the House resolution, and for that reason I object to a change.

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS of Louisiana. Mr. Speaker, this measure is more than one of passing importance. It goes to the very fundamentals of life and creation. It recognizes that all things which we have in the way of life, liberty, constitutional government, and rights of man are held by us under the divine benediction of the Almighty. There is a hope and a hereafter in these two words and they, of course, should be included in the pledge of allegiance to Old Glory.

I have worked for the day when our pledge of allegiance would be thus modified. I have wondered why the Senate committee which deliberated on this matter at first vacillated and finally acted in approving the change. I am now anxious that this measure be finally passed.

Free nations today battle for their very existence in many parts of the world. Communism with its siren voice of false appeal is heard round the world and many peoples and many nations fall prey to these false headlights on the shores of time. One thing separates free peoples of the Western World from the rabid Communist, and this one thing is a belief in God. In adding this one phrase to our pledge of allegiance to our flag, we in effect declare openly that we denounce the pagan doctrine of communism and declare "under God" in favor of free government and a free world.

Mr. EBERHARTER. Mr. Speaker, further reserving the right to object, I want to commend the gentleman from Ohio [Mr. OLIVER P. BOLTON] and particularly congratulate the gentleman from Michigan [Mr. RABAUT], on the position he has taken, and furthermore to congratulate him as being the person who originally placed the resolution before the House adding the words "under God."

It will be recalled by the Members here today that for many years the pledge of allegiance was extensively used throughout the United States, but it was never the official pledge of allegiance to the flag of the United States of America until about 7 or 8 years ago when I introduced a resolution in the House which made it by law, by statute, the official pledge of allegiance to the flag of the United States of America. So when the gentleman from Michigan [Mr. RABAUT] introduced his resolution to add those two words "under God" I was consulted about the matter by other persons who were interested, as well as by the gentleman from Michigan [Mr. RABAUT] and, of course, I have my wholehearted support to the idea.

I agree with the position taken by the gentleman from Michigan [Mr. RABAUT] and I hope the House will see fit unanimously to pass this resolution amending the official pledge of allegiance to the flag of the United States of America.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HALLECK. Mr. Speaker, reserving the right to object, I do this for the purpose of presenting a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. As I understand it, if the gentleman from Michigan [Mr. RABAUT] persists in his objection to the substitution of the Senate bill, then if this bill is passed without objection, the House will have passed a bill which will

go over to the other body and the measure already passed by the other body will still be here waiting action.

The SPEAKER. The gentleman is correct.

Mr. HALLECK. In other words, the gentleman's refusal to permit the substitution of the Senate bill might result in a situation where neither one of these bills would become law.

The SPEAKER. That could be because this subject matter would then have to be passed upon by the Senate.

Mr. RABAUT. Mr. Speaker, will the gentleman yield to me?

Mr. HALLECK. I yield to the gentleman under my reservation of objection.

Mr. RABAUT. I have taken into consideration the fact that time is of the essence in these bills, but, as I have already stated, after due notice was given by a subcommittee of the House Judiciary Committee in unanimously reporting favorably the original bill of the 16 bills on this subject introduced in the House, not until then did the Senate take up Senate Joint Resolution 126 in the other body.

It is my purpose to make a recitation of the authorship of those 16 bills introduced in the House in my extension of remarks. I was hoping that the Senate could act quickly on this original bill, after the House passed it so that the President could sign it on or before Flag Day, which is the 14th of June. That was my purpose.

The gentleman may say that I am trying to delay the matter, but I am only acting in championing the action of the House.

Mr. HALLECK. Of course, we could all make a determination as to whose championing was involved, but that is beside the point. I take it that the gentleman, as the author of one of these bills, would be interested in getting some legislation passed.

Mr. RABAUT. I would be.

Mr. HALLECK. The expeditious way to be sure that something is done would be to substitute the Senate bill. If the gentleman persists in his objection, and if nothing comes of this proposed legislation, he will have to take the responsibility for that.

Mr. RABAUT. I shall take the responsibility. The first bill, House Joint Resolution 243, was introduced by me on April 20, 1953. At this point I would like to name the other Members of Congress who introduced bills on this subject in 1954. The names of the Representatives follow:

JOHN R. PILLION, New York; WILLIAM E. MILLER, New York; CHARLES G. OAKMAN, Michigan; OLIVER P. BOLTON, Ohio; MELVIN R. LAIRD, Wisconsin; PETER W. RODINO, JR., New Jersey; FRANCIS E. DORN, New York; HUGH J. ADDONIZIO, New Jersey; WILLIAM T. GRANAHAN, Pennsylvania; BARRATT O'HARA, Illinois; THOMAS J. LANE, Massachusetts; JOHN P. SAYLOR, Pennsylvania; JOHN J. ROONEY, New York; JOHN E. FOGARTY, Rhode Island; HOMER D. ANGELL, Oregon; and FRAZIER REAMS, Ohio.

Senator HOMER FERGUSON, Michigan, introduced a bill in the Senate on February 10, 1954.

By the addition of the phrase "under God" to the pledge the consciousness of the American people will be more alerted to the true meaning of our country and its form of government. In this full awareness, we will, I believe, be strengthened for the conflict now facing us and more determined to preserve precious heritage.

More importantly, the children of our land, in the daily recitation of the pledge in school, will be daily impressed with a true understanding of our way of life and its origins. As they grow and advance in this understanding they will assume the responsibilities of self-government equipped to carry on the traditions that have been given us. Fortify our youth in their allegiance to the flag by their dedication to "one nation under God."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. OAKMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. OAKMAN. Mr. Speaker, reserving the right to object, but with no intention to object, I should like to comment at this point. My distinguished colleague the gentleman from Michigan [Mr. RABAUT] has mentioned his priority of introduction of his bill. That is definitely correct so far as the 83d Congress is concerned. Early in 1954 there were two other similar bills introduced. On Sunday, February 7, I attended the New York Avenue Presbyterian Church, which was the church of Abraham Lincoln. In the congregation sat the President of the United States and his family. The minister, the Reverend Dr. Docherty, had as the subject of his sermon Under God. He went on to say that there was something missing in the present Pledge of Allegiance to the Flag. After he had mused on the subject, he concluded it was because the words "under God" were missing.

I came before the House of Representatives the next day and introduced a resolution, but for weeks after that I did not know that my distinguished colleague the gentleman from Michigan [Mr. RABAUT] had introduced a previous resolution on the same subject. Following the introduction of my resolution, there were a dozen other similar resolutions introduced. The day that I introduced my resolution I called the distinguished senior Senator from Michigan and asked him if he would not join me in a companion resolution in the Senate. He replied that he would be delighted to introduce a similar resolution in the other body. He used the exact wording and terminology of the resolution that I had introduced in the House.

Mr. Speaker, the language and punctuation of the resolution before us today is identical to the language of a resolution which originated and was introduced by my distinguished colleague, the gentleman from Ohio [Mr. OLIVER O. BOLTON].

But the gentleman from Ohio has no pride of authorship, he simply wants to see a joint resolution adopted by the Congress and signed into law by our President.

Certainly I have no objection to the joint resolution of our distinguished colleague the gentleman from Michigan [Mr. RABAUT]. I would be happy to see this resolution pass the House if my colleague would agree to the substitution of Senate Joint Resolution 126, after the passage of his sponsored House Joint Resolution 243, in order that that resolution might then go to the President of the United States and be signed into law and be effective before Flag Day.

I sincerely ask my distinguished colleague the gentleman from Michigan [Mr. RABAUT] to waive the pride of authorship. This is a grave and universal subject. I believe it is important to many individuals. I believe it gives additional meaning to the spiritual defense of our Nation. In this spirit, I ask my colleague the gentleman from Michigan [Mr. RABAUT] if he will not withdraw his objection.

Mr. Speaker, pledge of allegiance is not a confession of faith. It is an affirmation of loyalty to a nation symbolized by its flag.

American Legion's "Back to God" appeal marked Four Chaplains Day, commemorating the four military chaplains who heroically gave their lives for others when the troopship *Dorchester* was sunk in 1943.

President Eisenhower joined with Bishop Fulton J. Sheen, Dr. Norman Vincent Peale, Rabbi Norman Salit, and American Legion Commander Arthur J. Connell.

The President declared that "all the history of America" bears witness to the truth that "in time of test or trial we instinctively turn to God." "Today, as then"—Gettysburg—"there is need for positive acts of renewed recognition that faith is our surest strength, our greatest resource."

Dr. Peale declared:

Our country will remain strong only as we remain religious.

Bishop Sheen:

If we are to keep our rights and liberties, then we must also keep our God.

Rabbi Salit:

If we can teach our children to live by the concepts of the fatherhood of God and the brotherhood of man, we can redeem them from moral failure.

Gettysburg address delivered by Lincoln: "That this Nation under God" on November 19, 1863, dedicating cemetery.

Regaining our reverence for God we in America in this 20th century can rediscover our own value and the solid basis on which it rests.

Mr. Speaker, the United States Supreme Court ruled that—

This is a religious Nation. (The rector, church, wardens, and vestrymen of the Church of the Holy Trinity, *Plffs in Err.* v. *United States* 1892, 143 U. S. 457).)

Excerpts from preambles of 47 State constitutions recognize God.

Every coin of our realm is inscribed "In God we trust."

The first constitution for the complete self-government of the people under its jurisdiction was made in America in the year 1620. It was called the Mayflower Compact—its opening sentence, "In the name of God. Amen."

Four years before the Declaration of Independence, we find George Mason arguing to the General Court of Virginia that—

All acts of legislature apparently contrary to natural right and justice are, in our laws, and must be in the nature of things, considered as void. The laws of nature are the laws of God, whose authority can be superseded by no power on earth.

William Penn:

Those people who are not governed by God will be ruled by tyrants.

* * * * *

Our American forefathers knew that God must be in the government of any people in order to insure them against despotism. This practical formula for the protection of human liberty became an integral part of the American political tradition. The official conjunction of the laws of God with the constitutions and laws of the land is the basic and controlling ingredient of Americanism.

Declaration of Independence:

We hold these truths to be self-evident: that all men are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed.

Mr. Speaker, a pastor in my district in Detroit writes:

If only more and more of our leaders were imbued with the realization that it is God alone who can make America strong and great, then the future of our country would be bright indeed.

Alexis de Tocqueville, the French traveler, upon arrival in this country more than a century ago:

Upon my arrival in the United States, the religious aspect of the country was the first thing that struck my attention.

UNIVERSITY OF DETROIT,
Detroit, Mich., March 2, 1954.

The Honorable CHARLES G. OAKMAN,
Member of Congress of the United States, House of Representatives, Washington, D. C.

DEAR CONGRESSMAN OAKMAN: House Joint Resolution 371 (83d Cong., 2d sess.), introduced by you in the House of Representatives on February 8, 1954, is most commendable.

The first sentence of section 7 of the joint resolution (36 U. S. C., sec. 172), as amended, "one Nation indivisible under God," is a realistic recognition of the theological and philosophical truth—the existence of a Supreme Being.

This amendment is in full accord with the spiritual quality and the living historical tradition of the American Nation. Only in the recent past Justice Douglas, speaking for the majority of the United States Supreme Court, stated: "We are a religious people whose institutions presuppose a Supreme Being." (*Zorach* v. *Clauson* (343 U. S. 306, 1952).) More than a century ago Alexis de Tocqueville, the French traveler, was prompted to remark: "Upon my arrival in the United States, the religious aspect of the country was the first thing that struck my attention." (Democracy in America, pt. 1, ch. XVII.)

Religious spirit has given essential cohesion to the American Nation, lending immeasurable strength to its social and political institutions and life. This quality has emanated from the character of the great majority of those who reached these shores and who have educated their children in the love of God and country.

But the nature of leadership we must not pass over lightly. From the Founding Fathers to this day, the Nation was blessed with not a few statesmen who were philosophers as well as political leaders. In thought, in word, and in action they recognized that in the life of the Nation—just as in the life of the individual—material progress has transitory meaning only if divorced from spiritual and moral values.

Not the least among these statesmen-philosophers was Abraham Lincoln who "With malice toward none, with charity for all" advocated and—when the necessity arose—fought for a Nation united, indivisible in which the Judeo-Christian concepts of liberty, equality and brotherhood should forever be preserved.

Fundamentally House Joint Resolution 371 rests on the recognition of the theological and philosophical truth: "one Nation indivisible under God." The preamble to the resolution gives it added strength. It offers the resolution to commemorate the 145th anniversary of the birth of Abraham Lincoln, the man to whose leadership this Nation under God owes its "new birth of freedom." The preamble gives additional reasons for the amendment: the traditional, living religious spirit of the Nation as professed by two elected Chief Executives a century apart, Abraham Lincoln and Dwight D. Eisenhower.

Lastly, House Joint Resolution 371 enjoys clarity and simplicity by referring merely to the relevant passages: "One Nation indivisible"—"one Nation indivisible under God."

Sincerely yours,

DR. TIBOR PAYZS,
Chairman, Department of Political Science; Director, Center for Human Relations.

COPY OF RESOLUTION ADOPTED BY LLOYD H. GREEN POST, NO. 147, THE AMERICAN LEGION, DEPARTMENT OF MICHIGAN, AT NORTHVILLE, MICH., MARCH 9, 1954

Whereas the American Legion has always believed in the allegiance to God as a Supreme being; and

Whereas the preamble to the Constitution of the American Legion affirms such faith by beginning with the words "for God and country"; and

Whereas the Honorable CHARLES OAKMAN has introduced in the Congress of the United States a bill to include the words "under God" in the allegiance to the flag: Therefore, be it

Resolved by the members of Lloyd H. Green Post, No. 147, American Legion, at a meeting held this 9th day of March, 1954, That they hereby heartily commend Hon. CHARLES OAKMAN, Representative in Congress from the Seventeenth District, for this timely bill.

Further, that a copy of this resolution be mailed to the Honorable CHARLES OAKMAN, and also a copy sent to the other American Legion posts in the 17th District for their consideration, and a copy of the 17th District for consideration at their next meeting.

CATHOLIC WAR VETERANS
OF THE UNITED STATES OF AMERICA,
WAYNE COUNTY CHAPTER,
April 27, 1954.

Whereas a resolution has been introduced into the United States Senate, being titled Senate Joint Resolution 126, to provide for the addition of the words "under God" used by Abraham Lincoln in his Gettysburg Address, be added to the pledge of allegiance to the flag; and

Whereas, Father James Keller, M. M., director of the Christophers, has, in the Christopher News Notes, No. 59, dated May 1954, recommended immediate action, either by writing or wiring your Senators and Congressmen, to support the addition of these two words—"under God"—thus giving additional meaning to the spiritual defense of our Nation, as inscribed in the Declaration of Independence, adopted by the Continental Congress, in Philadelphia, on July 4, 1776, "that they are endowed by their Creator": Now therefore, be it

Resolved, That Wayne County Chapter, the Catholic War Veterans, support Senate Joint Resolution No. 126, and urge all members of this Wayne County chapter, to write or wire your two United States Senators, namely, the Honorable HOMER FERGUSON, the Honorable CHARLES POTTER, and the United States Representatives, of the United States Congress, who represent you and your congressional district; and further

Resolved, That copies of this resolution, be transmitted to the two United States Senators, from Michigan, and to each of the Members of the United States House of Representatives, who are members thereof, from the Congressional Districts of Wayne County, Mich.

Adopted and approved:

WAYNE COUNTY CHAPTER,
CATHOLIC WAR VETERANS.

RESOLUTION BY SUPERVISOR KIRBY, MAY 18, 1954

Whereas it is our basic concept of the philosophy of government for free people that no nation can long endure on this earth without divine guidance; and

Whereas this belief, as forcefully expressed by Abraham Lincoln in his immortal speech dedicating the battlefield at Gettysburg, is again being reaffirmed by action of Senate of the United States in the second session of the 83d Congress in Senate Joint Resolution 126, which proposes revising the text of the pledge of allegiance to our flag to read "one Nation indivisible under God": Now, therefore, be it

Resolved, That the Wayne County Board of Supervisors this 18th day of May 1954, earnestly endorses the Senate's revision of the pledge of allegiance and urges the Congressmen from Wayne County to support the passage of Senate Resolution 126 in the House; and be it further

Resolved, That the clerk of this board of supervisors be, and he hereby is, directed to send a copy of this resolution to each Member of the Michigan delegation in Congress.

Mr. KEATING. Mr. Speaker, reserving the right to object, and I shall not object, there are a few observations I desire to make regarding this legislation. I enthusiastically support this bill because I feel strongly that we cannot too often be reminded of the spiritual values which alone have permanence and which have played so prominent a part in the life, history, and traditions of this Republic. When the forces of anti-God and antireligion so persistently spread their dangerous and insidious propaganda, it is wholesome for us to have constantly brought to our minds the fact that, mighty and essential as armed strength may be, it is the strength of the spirit and the moral force generated by the righteousness of our cause and the purity of our motives to which we must ultimately look for salvation from destruction and for triumph over the evil forces that beset us. History

is replete with instances where nations have perished for failure to recognize these simple truths.

Nevertheless, desirable as this particular amendment to the pledge of allegiance may be, I believe it is appropriate to call attention to the impropriety of projecting the Congress of the United States too far into this field of rewriting American literature. The pledge of allegiance is a priceless gem of American prose, comparable in many respects to Lincoln's Gettysburg Address. True, the Congress has already seen fit to assume jurisdiction over the pledge by previous changes in wording, and now is about to make another change. But I think in the future we should tread very lightly in this field.

A warning was sounded to me, very properly, by the devoted son of the distinguished author of the pledge of allegiance, Francis Bellamy, whom I have the honor to number among my constituents and personal friends. He is David Bellamy, of 64 Barrington Street, Rochester, N. Y. His literary father is a graduate of the University of Rochester in the class of 1876.

Mr. Bellamy points out quite correctly that the pledge earned its place in literature and in the hearts of people because of its completeness, simplicity, and perfection of style, and that its value is in the simple manner in which it has expressed its singleness of purpose. He asks what other classic in American literature has been altered by Congress, to which I have been forced to reply that I know of none.

Therefore, while I feel sure the change now suggested will and should receive unanimous favor in this Congress, I do think we should move with extreme caution in this field.

Here is the story of the origin of the pledge of allegiance as related by the author and transmitted to me by the author's son:

THE PLEDGE OF ALLEGIANCE TO THE FLAG

(A brief synopsis of the story of the origin of the pledge taken from the detailed narrative by Francis Bellamy, author of the pledge)

At the beginning of the nineties patriotism and national feeling was at a low ebb. The patriotic ardor of the Civil War was an old story. The country was then in a period of dazzling prosperity and the chase for what was called the nimble dollar was most in people's minds. The time was ripe for a reawakening of simple Americanism and the leaders in the new movement rightly felt that patriotic education should begin in the public schools.

I was at that time with the Youth's Companion, of Boston, doing work with James B. Upham, a member of the firm. Mr. Upham felt that a flag should be on every schoolhouse. The Youth's Companion fostered a plan of selling flags to schools through the children themselves, at cost, which was so successful that 25,000 schools acquired flags in 1 year.

Mr. Upham also had a greater scheme, the result of which was that every school in the land on a certain day would have a flag raising, under most impressive conditions. The day was to be Columbus Day, 1892—the 400th anniversary of the discovery of America. Mr. Upham declared that that day should mark a new consecration of patriotism and to that end conceived the National Columbian celebration. I was made chairman of the executive committee for that work and immediately began to enlist the support of not only the superintendents of education in all the States, but also worked with Governors, Congressmen, and even the President of the United States. The result was a universal holiday declared for Columbus Day, 1892, by proclamation of Benjamin Harrison.

Of course there had to be an official program for universal use in all the schools. It had to be more than a list of exercises. The ritual must be prepared with simplicity and dignity. An ode, rich in feeling and diction, was written by Edna Dean Proctor. There was also an oration suitable for declamation.

Of course the nub of the program was to be the raising of the flag, with a salute to the flag recited by the pupils in unison. That was the rub. There was not a satisfactory enough form for this salute. The Balch salute, which ran—

"I give my heart and my hand to my country—
One country, one language, one flag"—

seemed too juvenile and lacking in dignity. Mr. Upham and I spent many hours in considering the revision of this salute. Each one suggested that the other write a new salute. It was my thought that a vow of loyalty or allegiance to the flag should be the dominant idea. I especially stressed the word "allegiance." So Mr. Upham told me to try it out on that line.

It was on a warm evening in August 1892, in my office in Boston, that I shut myself in my room alone to formulate the actual pledge. Beginning with the new word "allegiance," I first decided that "pledge" was a better school word than "vow" or "swear"; and that the first person singular should be used, and that "my" flag was preferable to "the."

When those first words, "I pledge allegiance to my flag" looked up at me from the scratch paper, the start appeared promising. Then for the further reach: should it be "country," "Nation," or "Republic"? That was hard. "Republic" won because it distinguished the form of government chosen by the fathers and established by the Revolution. The true reason for allegiance to the flag is the "Republic for which it stands."

Now how should the vista be widened so as to teach the national fundamentals? I laid down my pencil and tried to pass our history in review. It took in the sayings of Washington, the arguments of Hamilton, the Webster-Hayne debate, the speeches of Seward and Lincoln, the Civil War. After many attempts all that pictured struggle reduced itself to three words, "One Nation, indivisible." To reach that compact brevity, conveying the facts of a single nationality and of an indivisibility both of States and of common interests, was, as I recall, the most arduous phase of the task, and the discarded experiments at phrasing overflowed the scrap basket.

But what of the present and future of this indivisible Nation here presented for allegiance? What were the old and fought-out issues which always will be issues to be fought for? Especially, what were the basic national doctrines bearing upon the acute questions already agitating the public mind? Here was a temptation to repeat the historic slogan of the French Revolution, imported by Jefferson, "liberty, fraternity, equality." But that was rather quickly rejected, as fraternity was too remote of realization, and as equality was a dubious word. What doctrines, then, would everybody agree upon as the basis of Americanism? "Liberty and justice" were surely basic, were undebatable, and were all that any one Nation could handle. If they were exercised for all they involved the spirit of equality and fraternity. So that final line came with a cheering rush. As a clincher it seemed to assemble the past and to promise the future.

That, I remember, is how the sequence of the ideas grew and how the words were found, on that August night with the cooling Boston sea breeze coming into the window.

I called for Mr. Upham and repeated it to him with full emphasis. He liked it. His colleagues on the Youth's Companion also approved of it and it was printed in the official program.

That is the story of how these famous 23 words came to be written. In later years the word "to my flag" were changed to "to the flag of the United States of America" because of the large number of foreign children in the schools. This enlargement was probably done with good reason, but it did injure the rhythmic balance of the original composition.

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, reserving the right to object, I have a profound interest in this subject matter stemming from the fact that some 2,000 or perhaps 3,000 of my constitutents wrote me in support of this joint resolution. Those who wrote me came from all walks of life. Many were children.

It was by far the largest mail that I have received on any subject during the months of the 83d Congress. It reflected a spiritual awakening in our country, the universality and the depth of which may never have been surpassed. I was profoundly moved, Mr. Speaker, at this evidence so clear that none could miss its significance that in time of atomic peril and of evil-portending foreign and domestic problems the American people were resting their fears in a quiet faith in God.

Faith in God, Mr. Speaker, has never been misplaced. House Joint Resolution 243 is a proclamation to all the world and to ourselves, ever to keep us mindful and prayerful, that the United States of America is in truth and in the acknowledged fact, a "Nation under God."

Frankly, because of my engrossment in other legislative matters, which I thought important, I had given little thought to this resolution until that flood of some 2,000 to 3,000 letters poured into my office. Responding to the earnestness, sincerity, and religious spirit which the writers expressed, I telephoned the Judiciary Committee of the other body to which Senate Joint Resolution 126 had been referred. There I learned that no action was contemplated on the measure.

Because I did not want the earnest people who had written me to be disappointed, I introduced House Joint Resolution 514, which is similar to Senate Joint Resolution 126, thus becoming one of the House sponsors of the proposed legislation.

On May 1, 1954, I appeared before a subcommittee of the House Judiciary

Committee. There I discovered that there were other resolutions on the subject introduced by distinguished Members of the House, including House Joint Resolution 243, which the gentleman from Michigan [Mr. RABAUT] had fathered in the very early weeks of the first session. LOUIS RABAUT has been a Member of this body for many years. He is beloved by every Member on both sides of the aisle. He is a deeply religious man and all the earnest sincerity of his character and the drive of his dynamic ability have been contributed day and night since early 1953 to advancing this cause.

Mr. Speaker, I think it is to the everlasting credit of the subcommittee that it voted out Mr. RABAUT's resolution with the unanimous recommendation of the committee members. It is to the credit of the sponsors of the other resolutions that all graciously conceded that the resolution on the subject first to be introduced in the Congress should be the one to get the nod. Moreover, Mr. Speaker, it was all in keeping with the spirit of the resolution, the spirit of reverence, and of faith in God, far above the domain of human trivialities and vanities.

Doubtless spurred on by the action of the House subcommittee, the committee of the other body reconsidered and reported Senate Joint Resolution 126 on May 10. The next day the other body passed Senate Joint Resolution 126.

Later the full House Judiciary Committee met, having before it Senate Joint Resolution 126 and some 16 House bills. It is to the credit of this committee that it reported out the resolution of the gentleman from Michigan [Mr. RABAUT] despite the fact that Mr. RABAUT is a Democrat and the authors of other measures, all of which were introduced long after Mr. RABAUT's measure, were Republicans.

It has been suggested by the majority leader that the House should give way to the other body. I respectfully suggest that what we are engaged in today is a sacred mission. One who truly does the work of God practices self-abnegation. This is the time for party abnegation.

The gentleman from Michigan [Mr. RABAUT] put House Joint Resolution 243 in the hopper months before the introduction of a similar measure in the other body. That fact should determine our course. In the performance of a sacred mission only a sense of what is right and fair can chart the way. I have the faith that the distinguished and God-fearing Members of the other body will concur with our action.

In closing, Mr. Speaker, I would stress what I have written all the people whose letters flooded my office. This victory for God and country is their victory. It was their letters, and those of countless thousands of others, from all parts of the Nation, that poured into other congressional offices, that brought the dawning of this happy day when the House of Representatives of the Congress of the United States, without a dissenting vote, declared this land of ours indeed a Nation under God.

Mr. WOLVERTON. Mr. Speaker, reserving the right to object, and, of course, I shall not object, because I am in favor of the resolution.

Mr. Speaker, I can readily understand the desire upon the part of Members to assume authorship of a resolution of this character. However, it seems to me that the important thing is not who was the first to suggest the change, but to recognize that this resolution represents the sentiment and the desire of the entire membership, and, therefore, should be immediately adopted in the most expeditious manner possible so as to enable it to have Presidential approval in time for use on Flag Day, June 14, of this present year.

PURPOSE

The purpose of the pending bill is to amend the pledge of allegiance to the flag of the United States, by adding the words "under God" so as to make it read, in appropriate part, "one Nation under God, indivisible."

The act of June 22, 1942 (ch. 435, 56 Stat. 1074; amended December 22, 1952, U. S. C. 36:172), as amended, relates to rules and customs pertaining to the display and use of the flag of the United States of America. Section 7 of the Flag Code as codified by Congress contains the pledge of allegiance to the flag, as follows:

> I pledge allegiance to the flag of the United States of America and to the Republic for which it stands, one Nation indivisible, with liberty and justice for all.

Thus, with the adoption of the proposed amendment, it will read:

> I pledge allegiance to the flag of the United States of America and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

WIDESPREAD INTEREST AND APPROVAL

Since the introduction of the resolution to amend the pledge of allegiance to the flag by the insertion of the words "under God," the Members of Congress have received innumerable petitions, letters and telegrams from individuals from all over this land of ours endorsing the amendment, and, likewise resolutions of approval from religious, fraternal and patriotic organizations. It seems to have struck a note of universal approval, indicating an underlying acknowledgement of our indebtedness to God and our dependence upon Him. This is indeed encouraging in times such as these in which we now live.

At this moment of our history the principles underlying our American Government and the American way of life are under attack by a system that does not believe in God. A system that denies the existence of God. Our American Government is founded on the concept of the individuality and the dignity of the human being. Underlying this concept is the belief that every human being has been created by God and endowed by Him with certain inalienable rights which no civil authority may usurp. Thus, the inclusion of God in our pledge of allegiance rightly and most appropriately acknowledges the dependence of our people and our Government upon that divinity that rules over the destinies of nations as well as individuals. Furthermore, it sets at naught the communistic theory that the State takes precedence over the individual, and, plainly denies the atheistic and materialistic concepts of communism with its attendant subservience of the individual.

GOD'S PART IN SHAPING OUR COURSE AS A NATION

As we look back over the history of the years, during which we have risen from a weak struggling Nation striving for a place among the nations of the world, to the greatest on the face of the earth, we cannot help but be impressed with the fact that back of all the patriotism and high ideals of those who have served this country, there has been a divinity that has truly shaped our end.

EARLY COLONISTS—STRONG RELIGIOUS BELIEFS

The early colonists who came to these shores were men and women of strong religious beliefs, moral and upright. Men and women who wove into the laws and customs of our early governments the moral and religious beliefs that actuated their personal lives. Nothing could make more plain their intention to make this a Christian Nation than to study the early statutes and laws of our several colonies. They are impressive in the clear and unmistakable acceptance of religious principles as the foundation of government, and, the rule and guide for official conduct. It is not strange that under these circumstances that strength of character, both public and private, produced a kind of society that formed a solid foundation for the new nation that was to arise.

STRUGGLE FOR INDEPENDENCE—OBSTACLES

In the struggle for independence the obstacles to be overcome would have been insurmountable except for the assistance of the Divine Hand, which works out the destinies of nations as well as of individuals. Consider the difficulties which were encountered. There was no actual unity such as we have today. Instead of 1 single government there were 13 different sovereignties not only independent of each other with conflicting interests, but envious of each other and with little, if any, confidence in the other. There was no army, no navy, and no actual credit which could be pledged to secure the necessaries of war. The adversary was one of the strongest nations of the world and had all of these. How was it possible for men, though actuated by the highest and best order of patriotism of any time, to overcome obstacles such as these? The real source of their strength was that which was indicated in the words of Patrick Henry, in his famous oration The Call to Arms. He said:

> Besides, sir, we shall not fight our battles alone. There is a just God who presides over the destinies of nations and who shall raise up friends to fight our battles for us.

The God of nations who helped in bringing to a successful conclusion the war of independence, has never ceased to control the destiny of this great Nation, and I trust He never will.

SUPREME COURT HAS RULED THAT AMERICA IS A RELIGIOUS NATION

The Supreme Court ruled in 1892 that "this is a religious Nation"—(*Church of the Holy Trinity* v. *United States* (1892) 143 U. S. 457, 470). It reiterated this holding, more recently (1951), when it stated:

We are a religious people whose institutions presuppose a supreme being. (*Zorach* v. *Clauson* ((1951) 343 U. S. 306, 313).)

These words by our Supreme Court are true in a very fundamental and realistic sense. As I have already stated, from the time of our earliest history our peoples and our institutions have reflected the traditional concept that our Nation was founded on a fundamental belief in God. For example, our Colonial forebears recognized the inherent truth that any government must look to God to survive and prosper. In the year 1620, the Mayflower compact, a document which contained the first constitution in America for complete self-government, declared in the opening sentence "In the name of God. Amen." This was an open recognition, by our forebears, of the need for the official conjunction of the laws of God with the laws of the land.

It was William Penn who said:

Those people who are not governed by God will be ruled by tyrants.

Four years before the Declaration of Independence, we find George Mason arguing to the General Court of Virginia that—

All acts of legislature apparently contrary to the natural rights and justice are, in our laws, and must be in the nature of things considered as void. The laws of nature are the laws of God, whose authority can be superseded by no power on earth.

On July 4, 1776, our Founding Fathers proclaimed our Declaration of Independence which no less than four times refers to the existence of the Creator. It states in part:

When in the course of human events, it becomes necessary for one people to dissolve the political bands which have connected them with another, and to assume among the powers of the earth, the separate and equal station to which the Laws of Nature and of Nature's God entitle them, a decent respect to the opinions of mankind requires that they should declare the causes which impel them to the separation.

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.

This same document appeals to "the Supreme Judge of the world" that this Nation be free, and pledges our Nation to support the Declaration "with a firm reliance on the protection of divine providence."

Throughout our history, the statements of our great national leaders have been filed with reference to God. Our Presidents have not failed to recognize the supremacy of God in our national destinies.

The archives indicate that on November 20, 1861, the then Secretary of the Treasury wrote the Director of the Mint, stating in part:

No nation can be strong except in the strength of God or safe except in His defense. The trust of our people in God should be declared on our national coins.

During the Presidency of Abraham Lincoln, the Congress passed the act of April 22, 1864, directing that the inscription "In God we trust" be placed on our coins. This avowal of faith has been imprinted on billions and billions of coins during the last 90 years.

If this declaration is desirable on our coins, it is not even more appropriate in relation to the pledge of allegiance to our flag and country?

Later at Gettysburg on November 19, 1863, Lincoln said:

That we here highly resolve that these dead shall not have died in vain; that this Nation, under God, shall have a new birth of freedom, and that government of the people, by the people, for the people shall not perish from the earth.

Recently President Eisenhower joined with Bishop Fulton J. Sheen, Dr. Norman Vincent Peale, Rabbi Norman Salit, and the American Legion commander, Arthur J. Connell, in the American Legion's Back to God appeal in connection with its Four Chaplains' Day, commemorating the four military chaplains who heroically gave their lives when the troopship *Dorchester* was sunk in 1943. The President declared that "all the history of America" bears witness to the truth that "in time of test or trial we instinctively turn to God." "Today, as then"—Gettysburg—"there is need for positve acts of renewed recognition that faith is our surest strength, our greatest resource."

ORIGIN OF RESOLUTION

United States Senator HOMER FERGUSON, who introduced the resolution in the Senate, in explaining its origin, stated in a letter to Senator WILLIAM LANGER, chairman, Judiciary Committee, the introduction of this joint resolution was suggested to him by a sermon given recently by the Reverend George M. Docherty, of Washington, D. C., who is pastor of the New York Presbyterian Church at which Lincoln worshipped. Dr. Docherty discussed the pledge of allegiance in these words:

I could sit down and brood upon it, going over each word slowly in my mind. And I came to a strange conclusion. There was something missing in the pledge, and that which was missing was the characteristic and definitive factor in the American way of life. Indeed, apart from the mention of the phrase, "the United States of America," it could be the pledge of any republic. In fact, I could hear little Moscovites repeat a similar pledge to their hammer-and-sickle flag in Moscow with equal solemnity. Russia is also a republic, that claims to have overthrown the tyranny of kingship. Russia also claims to be indivisible.

Dr. Docherty's remarks highlight one of the greatest differences between the free world and the Communists, a belief in God. The spiritual bankruptcy of the Communists is one of our strongest weapons in the struggle for men's minds and this resolution gives us a new means of using that weapon.

NEED FOR THIS LEGISLATION

The use of the phrase "under God" in the pledge of allegiance to the flag sets forth in a mere two words, but, very strong and meaningful words, the fundamental faith and belief of America in the overruling providence of God and our dependence at all times upon Him.

The recitation of this acknowledgment that God is the foundation of our Nation will be of incalculable value, all through the years, of ever keeping vividly before our people, including our children who from earliest childhood, pledge their allegiance to the flag, that the real source of our strength in the future, as in the past, is God.

The adoption of this resolution now before the House is the duty of every Member.

Mr. RODINO. Mr. Speaker, reserving the right to object, and I shall not object, I would like to say as a member of the subcommittee of the Committee on the Judiciary which passed on this resolution, which is presently before us that I, too, authored a similar resolution as a companion bill to that offered by the gentleman from Michigan [Mr. RABAUT]. I wish to commend the gentleman for having initiated this type of legislation. I believe it is an important step.

Mr. Speaker, the rallying cry of the supporters of the resolution to amend the pledge of allegiance to the flag by adding the words "under God," should be the words said to have been spoken by the Father of our Country, George Washington, during a discussion at the Constitutional Convention:

Let us raise a standard to which the wise and honest can repair. The event is in the hand of God.

Since the days of Constantine and his standard, "In this sign thou shalt conquer," nations and governments have relied for their strength on trust in God, and, in peace and war, have placed their confidence in a resolution to do His will. Those nations and governments, from Julian the Apostate to Hitler, who have arrayed their forces against God have had short and bloody histories, and have gone down to disastrous defeat. Both officially and unofficially, the Government and people of America have recognized the necessity of doing the will of God as we see it, and of relying for our strength and welfare on the protection of His divine providence, from earliest colonial times to the present. Our founders and great Presidents and military leaders have been men of strong religious convictions and devotion, and the most rousing slogans of our warfare call upon this spirit, from "In the name of the great Jehovah and the Continental Congress," to "Praise the Lord and pass the ammunition."

I am firmly of the opinion that our Founding Fathers, reverent men as they were, never intended, by the separation of church and State, to make our Government Godless in all its aspects and operations. They meant to prevent any established church—any provision of law that could raise one form of religion to a position of preference over others.

The motto, "In God we trust," proclaimed in our National Anthem and stamped on our coins, expresses the constant attitude of the American people.

The determination on the part of the American people to give immediate and unmistakable expression to this attitude is a ground-swell that seems to be reaching the proportions of a tidal wave. The resolution before the House at this moment is the succinct declaration of this attitude, in two admirably chosen words. These two words are, as you know, taken from the Gettysburg Address, and represent the characteristic feeling of Abraham Lincoln, who towers today in our imaginations as typical of all that is best in America. To insert these two words in the pledge would be to take our stand today on the holy ground occupied by our ancestors and by the soldiers who have died in our wars. Though a completely peaceful act, it would be the most forceful possible defiance of the militant atheism and "dialectical materialism" that are identified with Russian and international communism.

Indications of the feeling of the people have recently been reflected in such phenomena as the movement to place the words, "In God we trust," on all coins of the United States, and to proclaim that motto also on our stamps. Another strong indication that we wish now, with no ambiguity or reservation, to place ourselves under the rule and care of God, is the recent enactment of the bill providing for a place of worship in the Capitol itself. We Members of Congress, sensitive as we rightly are to the feelings of our constituents, and to the feelings of the people of the United States generally, would never have dared to take such action, whatever our private convictions, had we not been sure of enthusiastic popular support. Our private convictions could have been served adequately by our private devotions; but we felt and acted on the popular urge to give expression to the conviction that our deliberations should be publicly and tangibly submitted to the guidance of God, by the installation of a place of prayer, at the center of the Capitol Building, for the use of Senators and Representatives.

Let us join together, Protestant, Jew, and Catholic, in taking this action, in the spirit expressed by the words of David the Psalmist:

He that dwelleth in the aid of the Most High, shall abide under the protection of the God of Heaven.

He shall say to the Lord: Thou art my protector and my refuge: my God, in Him will I trust.

For He hath delivered me from the snare of the hunters; and from the sharp word.

He will overshadow thee with His shoulders: and under His wings thou shalt trust.

His truth shall compass thee with a shield: thou shalt not be afraid of the terror of the night.

Of the arrow that flieth in the day, of the business that walketh about in the dark: of invasion, or of the noonday devil.

* * * Because Thou, O Lord, are my hope: Thou hast made the Most High thy refuge.

Mr. OLIVER P. BOLTON. Mr. Speaker, reserving the right to object, I merely want to point out to the House that it is true, as the gentleman from Michigan [Mr. OAKMAN] stated that the only resolution introduced here in the House which corresponds to the wording of the resolution passed by the other body happens to bear my name. The gentleman from Michigan [Mr. RABAUT] deserves a tremendous amount of acclaim in the House and credit for having first introduced the resolution in this session of the Congress. Mr. Speaker, I say to you this is not a measure which should be a contest of pride between one body and the other body. I think it is a question which we are agreed upon as one which is desirable for the future of this country. As I pointed out in the extension of my remarks, I believe this is a question which comes at a time in the world when we do well to once more publicly and officially affirm our faith, and it proves that there is hope and there is a future in which we believe. I can only say that I hope regardless of the wording or what punctuation is used in this measure that we take such action here today and this week that this measure may receive the most speedy attention, so that the President may have it for his consideration prior to Flag Day next Monday.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. OLIVER P. BOLTON. I yield.

Mr. HALLECK. Of course, the way to get that done is to substitute the Senate bill. That is the way to assure action. No one can be certain there will be action otherwise, and as a matter of fact if one were intent on the accomplishment of the legislation, then certainly there should be no objection to substituting the Senate bill because there are some 14 or 15 Members here who have introduced similar resolutions and pride of authorship should not stand in the way of the accomplishment of the legislation.

Mr. OLIVER P. BOLTON. I thank the gentleman.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. OLIVER P. BOLTON. I yield.

Mr. CUNNINGHAM. Is it not true that the gentleman has a bill of his own and that he has examined both bills, and is it not true that the gentleman's bill, the bill which has passed the Senate, and the bill of the gentleman from Michigan [Mr. RABAUT] would accomplish exactly the same purpose? Regardless of which one is adopted there will be some new wording in the pledge of allegiance to the flag?

Mr. OLIVER P. BOLTON. The only difference, may I say in answer to the gentleman, is the difference of a comma and what emphasis one puts upon punctuation; yes, sir.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. OLIVER P. BOLTON. I yield.

Mr. DONDERO. There comes to my mind an incident in history which bears on the words we are discussing here.

Seward suggested to Lincoln that he write into the Gettysburg Address two words, "under God"—"that this Nation under God might have a new birth of freedom."

Mr. FORRESTER. Mr. Speaker, will the gentleman yield?

Mr. OLIVER P. BOLTON. I yield to the gentleman from Georgia.

Mr. FORRESTER. On what date did the gentleman introduce his bill?

Mr. OLIVER P. BOLTON. I introduced it early in 1953. I do not remember the day.

Mr. RABAUT. February 18, 1954.

Mr. OLIVER P. BOLTON. I thank the gentleman for the correction. It was this year. The gentleman informs me it was in February.

Mr. FORRESTER. The bill which is now before the House came before the Committee on the Judiciary. I was a member of the subcommtitee. At that time it was my determination that the Rabaut bill antedated all other bills by approximately 1 year. Is that true?

Mr. OLIVER P. BOLTON. There is no question about that, and the gentleman deserves every credit for it.

Mr. FORRESTER. Then there is no question on earth except that the Rabaut bill is the complete inspiration for this bill in its entirety and, as I say, antedates all other bills by approximately 1 year.

Mr. OLIVER P. BOLTON. I cannot agree with the gentleman that it was the inspiration for the bill which was taken up in the Senate and also similar bills which were introduced in the House, because of the statement already made by the other gentleman from Michigan [Mr. OAKMAN].

Mr. FORRESTER. Your bill having been introduced approximately 12 months later, is not the only difference between your bill and the Rabaut bill the placing of a comma? It is identical language except that you put in one comma.

Mr. OLIVER P. BOLTON. No. It is the other way around.

Mr. FORRESTER. In other words, you took out one comma?

Mr. OLIVER P. BOLTON. I object to that. I did not include a comma which the gentleman from Michigan [Mr. RABAUT], had in his bill.

Mr. FORRESTER. Other than that it is identical.

Mr. OLIVER P. BOLTON. The words "under God" are very much identical, regardless of how you write them.

Mr. FORRESTER. But you placed it at another point.

Mr. OLIVER P. BOLTON. I do not believe the placing of a comma after the word "Nation" modifies it.

Mr. FORRESTER. Irrespective of the comma, the language in the two are identical.

Mr. OLIVER P. BOLTON. Two words used identically are I would say identical.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. OLIVER P. BOLTON. I yield.

Mr. HOFFMAN of Michigan. A parliamentary inquiry, Mr. Speaker. Is it permissible to add to the Senate bill the names of all of those in the House who introduced similar legislation?

The SPEAKER. It would not be.

Mr. HALE. Mr. Speaker, will the gentleman yield?

Mr. OLIVER P. BOLTON. I yield.

Mr. HALE. I happened to introduce a similar resolution in the 82d Congress, so possibly I have some claim of priority. But I certainly waive it. I am not interested in personalities in this matter. The constructive thing to do in a parliamentary way is to substitute the Senate bill. I hope all endorsers of this bill will acquiesce.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. OLIVER P. BOLTON. I yield briefly.

Mr. HOFFMAN of Michigan. I have been thinking since listening to all this debate of offering a similar resolution. Is there any procedure by which it could be postponed so that the House Members might all introduce such a resolution?

Mr. OLIVER P. BOLTON. I would hesitate to even suggest that, inasmuch as my interest is seeing that this measure is accepted by the House and becomes law as speedily as possible without regard to partisanship, personalities, or pride of authorship.

Mr. HOFFMAN of Michigan. I understand that.

Mr. DORN of New York. Mr. Speaker, reserving the right to object, I do not object, but I wish to call the attention of the House, regardless of what other new resolutions we will debate, it was a gentleman from Brooklyn, N. Y., who originally inspired the first bill that was introduced here, Mr. H. Joseph Mahoney, of 82 Rutland Road, Brooklyn, N. Y.

I withdraw my reservation of objection, Mr. Speaker.

Mr. O'HARA of Illinois. Mr. Speaker, reserving the right to object, which assuredly I will not, I wish to take this occasion of stressing my great interest in this measure and of suggesting that any opposition to the passage of H. R. 8900, if there is such, must stem from a misunderstanding of what it proposes to do. The measure has been before previous Congresses, and for reasons difficult to understand has been overlooked.

My own interest was awakened in the 81st Congress during a conversation with Capt. Joe McCarthy, one of the outstanding heroes of World War II, a constituent of mine in the Second District of Illinois, a warm personal friend and now serving with great distinction as a captain in the fire department of the city of Chicago. Captain McCarthy belongs to that rare and glorified group who wear the Congressional Medal of Honor. I learned from Captain McCarthy that under an act of 1916 a monthly pension of $10 a month was awarded Congressional Medal of Honor recipients who had reached the age of 65 as recognition "in a modest way of startling deeds of individual daring and audacious heroism in the face of mortal danger when war is on, deeds that give soul to an army and character to a country."

I also learned from Captain McCarthy that there are those who in their youth had won the Medal of Honor by deeds of surpassing courage far beyond the call of duty, are now passed 65 and are in real need. Everyone knows that $10 today is a pittance compared with what $10 stood for in 1916 in the way of food, shelter, and clothing. Prices, wages, everything have gone up, except the allowance a grateful country gives to her sons who dared death far beyond the call of duty and are entitled to wear the Medal of Honor.

The Committee on Armed Services is to be commended for reporting this bill with a favorable recommendation despite the adverse report from the Secretary of War. The Department of the Army bases its objection on the argument that the passage of this bill would be to ascribe a monetary value to an act of heroism. The Committee on Armed Services puts this argument to shame by observing that comparable honors given by foreign governments carry with them more perquisites and benefits than is true for Americans who have received the highest honor available to men in the Armed Forces. The Committee declares in its reports that the increased pension is fully warranted by the outstanding, unusual and distinguished services rendered to the Nation by each and every holder of the Congressional Medal of Honor.

Mr. Speaker, there are less than 400 living holders of the Medal of Honor, and of course all of these are not eligible to pension because many have not reached the age of 65. I for one could not sleep with my conscience if my concept of economy in the spending of the many billions of dollars we appropriate was to deny the pittance required by this bill to the aged men who in war and in their youth withheld from their country nothing in courage and in the challenge of danger.

I cannot agree that the passage of this bill would be to ascribe a money value to honor. But there is involved the quality of honor. Nothing can take their honors from the wearers of the Medal of Honor. It is our honor about which I am concerned.

Mr. LAIRD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. LAIRD. Mr. Speaker, on May 5, 1954, I appeared before a subcommittee of the House Judiciary Committee in support of House Joint Resolution 479, amending the joint resolution of June 22, 1942, with respect to the pledge of allegiance to the flag. I pointed out that this year our country celebrated the 145th anniversary of the birth of Abraham Lincoln. President Lincoln recognized that only under God could this Nation win a new birth of freedom. I would like to quote the last sentence from President Lincoln's Gettysburg Address:

> It is rather for us to be dedicated to the great task remaining before us—that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion—that we here highly resolve that these dead shall not have died in vain—that this Nation, under God, shall have a new birth of freedom—and that government of the people, by the people, for the people, shall not perish from the earth.

The State of Wisconsin and 46 other States recognize in the preambles of their constitutions the authority of Almighty God.

I can only say that the importance of favorable action of the House on House Joint Resolution 243, which is the resolution now before us similar to the one introduced by me and other Members, cannot be overemphasized.

Mr. ADDONIZIO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ADDONIZIO. Mr. Speaker, it is with true conviction that I wish to speak in behalf of House Joint Resolution 243, which would add the words "under God" to the pledge of allegiance to our flag.

We, who take the pledge of allegiance to the flag of the United States of America and raise our eyes toward that symbol of our faith, should bear in mind that our citizenship is of no real value to us unless our hearts speak in accord with our lips; and unless we can open our souls before God and before Him conscientiously say, "I am an American."

If we remain true to our allegiance; uphold and obey our laws; strive without malice and vindictiveness for the things we know to be right; live and work for the American principles of freedom, justice, and equity—then our lives will be a constant vindication of our faith and citizenship will be a credit to us. No matter what our religious belief or affiliation, we have embraced the common faith of America.

Upon every coin of our Nation, down to the last penny, we impress the words "In God we trust." As God is the symbol of liberty to America, we believe that America is the symbol of liberty to all men. Ours was the first Nation to recognize the equality of all before the law and the inalienable rights of the individual.

The glory, beauty, and simplicity of our flag stirs us through sheer force of design. The flag symbolizes our aspirations and achievements as Americans—our struggles and sacrifices—our devotion to the ideals expressed in the Declaration of Independence.

Independence as a way of life is no longer something to wonder about. Faith in the things George Washington stood for has made independence work for Americans for more than 150 years. Holding to that faith will make independence work—always.

The amendment to the pledge of allegiance to the flag, by inserting the words "under God," is a simple device by which we can verbally proclaim our intense desire to continue this land as "one Nation, under God, indivisible." We are a fortunate Nation. We were fortunate in our origin, in the principles which we cherish, and in the institutions which we cherish.

If we look back upon all the chapters of our history—the crisis of independence and the days of nation making—we see clearly that we have survived as a Nation "under God." Through the minds of all the founders of America, varied as they were in time, character, and place,

ran one stream—a vivid consciousness of God. Many were outspoken about this consciousness. For none of them however, was this consciousness a realization of a brandnew thing. For all, it was more a new expression of things already felt and believed in the past. It was their heritage, as today it is ours.

This consciousness of God and of strong religious principles was a fundamental part of the childhood and manhood of the men who settled our shores, and of the men, who 150 years later, founded our Republic.

Our true spiritual religion has come down through the ages in the face of every kind of opposition. It has survived every form of antagonism.

In the shadow of the flag there is no room for false patriotism. It would be a fine thing to pause before Old Glory and repeat:

I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

In this way we would prove to the world there is no limitation on our faith, no abridgment of our fidelity. We would demonstrate that we are dedicated to the cause of liberty, justice, and human equality, which are man's own heritage from God.

In the shadow of the flag there is no room for preferment, place, or position. Behold the host from ages past, Americans all, who through their belief in "one nation under God" gave their possessions, abilities, and their lives that America might live. There are among this group the sturdy figures of Washington, Adams, Jefferson, and Lincoln. They backed up their allegiance in giving their all.

The role that God has played in our national life has filled volumes. Never before in our national history have so many diverse groups enjoyed such a complete measure of religious freedom as exists in the United States today. But it is even more inspiring to realize that these religious groups are all working "under God" in their own ways, to help solve the problems which characterize our troubled era.

I have not specifically mentioned the millions of school children who daily repeat the pledge of allegiance. A child's belief in spiritual values is beautiful to behold. Why should we deprive our youth of the chance to express their convictions? "As the twig is bent, the tree is inclined."

As our pioneer ancestors wrested their clearings from the woods they felt something more than the thrill of mere physical conquest. They saw little communities grow into commonwealths, and they felt a kinship to the Creator. They felt and spoke of God. Let us speak of Him.

The SPEAKER. Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That section 7 of the joint resolution entitled "Joint resolution to codify and emphasize existing rules and customs pertaining to the display and use of the flag of the United States of America," approved June 22, 1942, as amended (36 U. S. C., sec. 172), is amended to read as follows:

"SEC. 7. The following is designated as the pledge of allegiance to the flag: 'I pledge allegiance to the flag of the United States of America and to the Republic for which it stands, one Nation, under God, indivisible, with liberty and justice for all.' Such pledge should be rendered by standing with the right hand over the heart. However, civilians will always show full respect to the flag when the pledge is given by merely standing at attention, men removing the headdress. Persons in uniform shall render the military salute."

With the following committee amendment:

On page 2, line 1, strike out "Nation," and insert "Nation".

The committee amendment was agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That completes the call of the Consent Calendar today.

GOVERNMENT TIN SMELTER AT TEXAS CITY, TEX.

Mr. SHORT. Mr. Speaker, I ask unanimous consent that the Committee on the Armed Services be discharged from the consideration of House Concurrent Resolution 237, to express the sense of the Congress on continuing the operation of a tin smelter at Texas City, Tex., and to investigate the need of a permanent domestic tin-smelting industry and the adequacy of our strategic stockpile of tin, and that the resolution be rereferred to the Committee on Banking and Currency.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

HOUSING ACT AMENDMENTS OF 1954

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7839) to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, with a Senate amendment thereto, and agree to the conference asked by the Senate on the disagreeing votes of the two Houses.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. FISHER. Mr. Speaker, I object.

RETURN OF CERTAIN LANDS TO MUSKOGEE, OKLA.

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to return to Calendar No. 361, H. R. 8938, to provide for the conveyance of certain lands by the United States to the city of Muskogee, Okla., to discuss an amendment with the objector, the gentleman from Wisconsin [Mr. BYRNES].

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, I yield to the gentleman.

Mr. EDMONDSON. Mr. Speaker, I had stepped from the floor for a moment when this bill was called. I understand there is an objection to the bill on the ground of failure to protect the interest of the Veterans' Administration in the future use of this land once it has been returned to the city of Muskogee, which gave it to the Veterans' Administration for hospital uses, to which it has never been put.

I have discussed this amendment with the Veterans' Administration and I believe it is satisfied with it.

I would like to find out of the gentleman from Wisconsin if he has some additional requirement to add to the amendment?

Mr. BYRNES of Wisconsin. Mr. Speaker, in their report on this legislation, the Veterans' Administration called attention to the fact that by this legislation we were conveying property adjoining a Veterans' Administration hospital to the city of Muskogee, Okla. They, in their report, said they thought there should be some protection that in any future use of this land it would be put to such use as would not interfere with or be inimical to the operation of the Veterans' Administration hospital.

What I suggest to the gentleman is that an amendment be presented which would make sure that the Hospital Bureau of the Veterans' Administration will be protected against a use of the land that might not be in the best interest of the inmates of the hospital; and I think that could be done only by a reversionary clause that would provide that the land would revert to the Federal Government if it were put to some use not consistent with the operation of the hospital.

I would suggest that the gentleman from Oklahoma use the technical draftsmen to draft an amendment of that nature.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield further?

Mr. BYRNES of Wisconsin. Certainly.

Mr. EDMONDSON. I had understood in discussing this originally with the gentleman that if the language acceptable to the Veterans' Administration were presented it would be agreeable to the gentleman. May I proceed on that premise?

Mr. BYRNES of Wisconsin. If the Veterans' Administration is satisfied; I would like to make sure, though, that it was in accordance with Veterans' Administration policy and that they approved the amendment.

I am simply asking, Mr. Speaker, that this bill go over to the next call of the Consent Calendar. In the meantime, they can get clearance from the Veteran's Administration and then I am sure everybody will be satisfied.

I have no objection to the basic proposition of reconveying this property to the city; my objection simply has to do with making sure that the Veterans' Administration is satisfied.

Mr. EDMONDSON. If the gentleman will yield further I think our only disagreement on this matter is a legal one as to the sufficiency of the language. I would like to get a statement from the gentleman that he will be satisfied if the Veterans' Administration legal department is satisfied with the language.

Mr. BYRNES of Wisconsin. Surely; I am not an unreasonable man.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield.

Mr. McCORMACK. Assuming that the last observation of my friend is complied with in regard to the amendment could it not be taken up by unanimous consent without waiting for the next call of the Consent Calendar? In other words, if the gentleman from Oklahoma satisfies the gentleman from Wisconsin, then the leadership could bring it up by unanimous consent.

Mr. BYRNES of Wisconsin. I assume that would be merely a matter of clearing it with the leadership as we do in the case of any other consent request.

Mr. EDMONDSON. Mr. Speaker, I withdraw my request.

SPECIAL ORDER GRANTED

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent on behalf of the gentleman from Ohio [Mr. FEIGHAN], that he may address the House today for 15 minutes following any special orders heretofore entered, that he may be permitted to revise and extend his remarks and include four articles.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

INVESTIGATION OF THE U. S. S. "BENNINGTON" DISASTER

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House, to revise and extend my remarks and include a communication sent the chairman of the Committee on Armed Services by the Secretary of the Navy.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, on May 26 I introduced House Resolution 560 which directed the Secretary of the Navy to furnish full and complete facts concerning the explosion on the aircraft carrier *Bennington*. You all know that this was a very horrible disaster. So far 100 have died and 250 were very badly injured.

I went down into the United States carrier *Leyte* just after that explosion took place at Boston, and I realize the horror of that tragedy and the importance of seeing to it, if possible, that such things would not occur again. There was an investigation made of that disaster and certain findings were made. Some felt sabotage was involved. I was one of those who felt that there was even though the board of inquiry did not.

Then on the 26th of May came this horrible *Bennington* disaster, which was even worse than the previous one. So I requested in my resolution that attention be given to the possibility of sabotage.

I have in my hand a letter that was sent to the chairman of the Committee on Armed Services by the Secretary of the Navy, in which they request more time to make this investigation. Due to this fact I shall not press for passage of my resolution at this time because apparently they are doing everything they can to get the information.

The letter from Secretary of the Navy C. S. Thomas to Hon. DEWEY SHORT, chairman, Committee on Armed Services, follows:

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, June 4, 1954.

Hon. DEWEY SHORT,
Chairman, Committee on Armed Services, House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: This is in reference to your letter of May 27, 1954, to the Secretary of Defense in regard to House Resolution 560, a privileged resolution directing the Secretary of the Navy to furnish full and complete facts concerning the explosion on the aircraft carrier *Bennington* on May 26, 1954.

The disaster which occurred on the U. S. S. *Bennington*, on May 26, 1954, is under investigation by a Naval Court of Inquiry, and under study by eminently qualified civilian and military technical personnel. Evidence at present indicates that the disaster was caused by an explosion and fire in the vicinity of the port catapult engine. The cause of the explosion has not yet been determined. Hydraulic catapults of design similar to that of the *Bennington* have been in use for many years, involving tens of thousands of aircraft launchings, with only one previous serious casualty, that on the U. S. S. *Leyte* in October 1953. The explosion on the *Bennington* occurred after completion of launching of a number of aircraft. There has been no evidence to date of any sabotage, or other malicious acts, in connection with the *Bennington* disaster, but this possibility is by no means being overlooked. Every possible cause will be most minutely investigated and corrective action will be most vigorously prosecuted.

The personnel casualties resulting from this disaster numbered 101 dead and 118 injured as of June 3, 1954. There was also extensive damage to the interior of the ship as the result of the explosion and fire.

Pending completion of the current investigation, the Department of the Navy has placed limitations on the use of catapults, has emphasized meticulous observance of all possible safety precautions, and has implemented all practicable measures indicated by the facts now known in order to eliminate the possibility of a recurrence of this disaster.

Although it is impossible at this time to say with reliable accuracy when the investigation by the Navy Court of Inquiry and the necessary reviews of its finding will be completed, you are assured that these actions will proceed as expeditiously as possible and that a complete report of all facts which are established will be forwarded to your committee on the earliest practicable date.

Sincerely yours,

C. S. THOMAS,
Secretary of the Navy.

H. R. 9020

Mr. McCORMACK. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I would like to ask a question or two of the gentlewoman in reference to another bill, H. R. 9020, which means a lot to the veterans of our country. It is a bill to increase by 10 percent the service-connected compensation received by service-connected veterans. I want to congratulate the gentlewoman from Massachusetts and the members of her committee for reporting this bill.

I am wondering, though, if the gentlewoman can give me any information as to when the bill might be brought up in the House for consideration?

Mrs. ROGERS of Massachusetts. I thank the distinguished gentleman. I cannot give the gentleman any definite information. There are certain increases in compensation, as the gentleman knows, for widows and pensions of nonservice-connected cases in H. R. 9020. I have requested a rule verbally and sent a letter and asked various leaders for early consideration of the bill to the chairman of the Rules Committee, but I understand that has not been located as yet. I have already sent another written request. I would have preferred H. R. 9020 as it was originally drawn, but the committee finally voted the amended form of H. R. 9020 as being more likely to become law. I have some indications that favorable consideration may be given. I certainly hope so, because among other things the cost of living has increased considerably. It is very hard for the veterans to get along on the compensation that they receive. Letters from the service organizations and many veterans requesting favorable passage have poured in to us.

Mr. McCORMACK. I hope the Committee on Rules will act favorably very quickly on the rule, because it certainly is legislation that is timely and appropriate, and it should be brought up as quickly as possible.

As a part of my remarks, Mr. Speaker, I ask unanimous consent to include at this point in the RECORD a letter I received from Mr. Arthur J. Connell, National Commander, American Legion, together with enclosures.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

(The letter and enclosures are as follows:)

THE AMERICAN LEGION,
Washington, D. C., June 2, 1954.

The Honorable JOHN W. McCORMACK,
Democratic Whip, House of Representatives, Washington, D. C.

MY DEAR MR. McCORMACK: The American Legion is most anxious to have the House Rules Committee grant a rule on H. R. 9020, a bill to provide increases in the monthly rates of compensation and pension payable to certain veterans and their dependents. This bill was unanimously reported by the House Veterans' Affairs Committee on May 28, 1954.

Enclosed please find an anlysis of the bill prepared by the Veterans' Affairs Committee.

Attached also is copy of a statement in the May 31, 1954, issue of the New York

Times, which would indicate the bill may not be cleared by the Rules Committee. I hope this is not true.

Having only recently returned from an extended trip throughout the United States, I say to you with all sincerity there is great need to adjust the benefits scale to a point comparable to the cost of living today. The American Legion's requests along these lines have been modest indeed. Simple justice and equity call for a leveling out of the inequities in existing legislation providing benefits for disabled veterans and the dependents of those who have died. They have their share of a common problem, which is how to make a fixed income meet the demands created by a constantly increasing cost of living.

Appreciating as I do your interest in the welfare of our disabled veterans, I urge you to request the Rules Committee to grant a rule on this bill so that it may be brought out on the floor of the House for early consideration.

With warm personal regards, I am,

Sincerely yours,

ARTHUR J. CONNELL,
National Commander.

COMMITTEE ON VETERANS' AFFAIRS,
HOUSE OF REPRESENTATIVES,
EDITH NOURSE ROGERS, *Chairman.*

INCREASED RATES OF COMPENSATION AND PENSION, H. R. 9020

Title: To provide increases in the monthly rates of compensation and pension payable to certain veterans and their dependents.

Mr. RADWAN. Introduced and referred May 5, 1954.

Analysis: Provides the increases in service-connected compensation and non-service-connected pension as indicated in the tables which follow:

Veterans' compensation—All wars

	Present law war service-connected rates, Veterans Regula-1 (a), as amended, pt. 1	H. R. 9020	Present law peacetime service-connected rates, Veterans Regulation 1 (a), as amended, pt. II	H. R. 9020
(a) 10 percent disability	$15.75	$17.00	$12.60	$14.00
(b) 20 percent disability	31.50	35.00	25.20	28.00
(c) 30 percent disability	47.25	52.00	37.80	42.00
(d) 40 percent disability	63.00	69.00	50.40	55.00
(e) 50 percent disability	86.25	95.00	69.00	76.00
(f) 60 percent disability	103.50	114.00	82.80	91.00
(g) 70 percent disability	120.75	133.00	96.60	106.00
(h) 80 percent disability	138.00	152.00	110.40	122.00
(i) 90 percent disability	155.25	171.00	124.20	137.00
(j) Total disability	172.50	190.00	138.00	152.00
(k) Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand, or blindness of 1 eye, having only light perception, rates (a) to (j) increased monthly by	47.00	47.00	37.60	37.60
Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand, or blindness of 1 eye, having only light perception, in addition to requirement for any of rates in (l) to (n), rate increased monthly for each loss or loss of use by	[1] 47.00	[1] 47.00	[2] 37.60	[2] 37.60
(l) Anatomical loss, or loss of use of both hands, or both feet, or 1 hand and 1 foot, or blind both eyes with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, monthly compensation	266.00	293.00	212.80	234.00
(m) Anatomical loss, or loss of use of 2 extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, monthly compensation	313.00	344.00	250.40	275.00
(n) Anatomical loss of 2 extremities so near shoulder or hip as to prevent use of prosthetic appliance, or suffered anatomical loss of both eyes, monthly compensation	353.00	388.00	282.40	310.00
(o) Suffered disability under conditions which would entitle him to 2 or more rates in (l) to (n), no condition being considered twice, or suffered total deafness in combination with total blindness with 5/200 visual acuity or less, monthly compensation	400.00	440.00	320.00	352.00
(p) In event disabled person's service-incurred disabilities exceed requirements for any of rates prescribed, Administrator, in his discretion, may allow next higher rate, or intermediate rate, but in no event in excess of	400.00	440.00	320.00	352.00
(q) Minimum rate for arrested tuberculosis	67.00	67.00	53.60	53.60

[1] But in no event to exceed $440.
[2] But in no event to exceed $352.

Section 2 increases the rate of compensation for widows without children from $75 to $87 monthly. Dependent parents are increased from $60 to $75, and where two parents are living, from $35 to $40 each.

Veterans' pension

INDIAN WARS

	Law	H. R. 9020
30 days or more service or through campaign in connection with or in zone of active Indian hostilities—Rates:		
⅓o disability or more	$96.75	$100
Age 62 or over	96.75	100
Aid and attendance	129.00	135

CIVIL WAR

90 days or more service or discharge for disability incurred in line of duty:		
Rate	$96.75	$100
Aid and attendance	129.00	135

SPANISH-AMERICAN WAR, PHILIPPINE INSURRECTION, AND BOXER REBELLION

(Service pension laws in effect Mar. 19, 1933, reenacted by Public Law 269, 74th Cong., Aug. 13, 1935, as modified or amended)

90 days or more service or discharge for disability incurred in line of duty—Rates:		
⅓o disability or more	$96.75	$100
Age 62 or over	96.75	100
Aid and attendance	129.00	135
70 days or more service but less than 90 days—Rates:		
⅓o disability or more	64.50	68
Age 62 or over	64.50	68
Aid and attendance	83.85	87

WORLD WAR I, WORLD WAR II, AND SERVICE ON OR AFTER JUNE 27, 1950

90 days or more service or discharge for disability incurred in line of duty. In active service before cessation of hostilities—Rates:		
Permanent and total	$63	$68
Rated permanent and total for continuous period of 10 years or reaches age 65 years	75	80
Aid and attendance	129	135

Dependents' pension

For non-service-connected deaths	Widow		Widow age 70		If widow was wife of veteran during service		Widow, 1 child	
	Law	H. R. 9020	Law	H. R. 9020	Law	H. R. 9020	Law	H. R. 9020
Service on or after June 27, 1950, World War II, World War I	$48.00	$54					$60.00	$67.50
Spanish-American War, Philippine Insurrection, Boxer Rebellion:								
Act of May 1, 1926, as amended	51.60	58			$64.50	$71	$59.34 72.24	66.00 79.00
Sec. 1, Public Law 144, 78th Cong., July 13, 1943								
Civil War, Indian wars	38.70	58	$51.60	$58	64.50	71	46.44 59.34 72.24	66.00 79.00
Mexican War	50.00	58						

For non-service-connected deaths	Each additional child		No widow, 1 child		No widow, 2 children		No widow, 3 children		Each additional child	
	Law	H. R. 9020	Law	H. R. 9020	Law	H. R. 9020	Law	H. R. 9020	Law	H. R. 9020
Service on or after June 27, 1950, World War II, World War I	$7.20	$8	$26.00	$29	$39.00	$44	$52.00	$58.50	$7.20	$8
Spanish-American War, Philippine Insurrection, Boxer Rebellion:										
Act of May 1, 1926, as amended	7.74	8	59.34	66	67.08	74	74.82	82.00	7.74	8
Sec. 1, Public Law 144, 78th Cong., July 13, 1943			26.00	29	39.00	44	52.00	58.50	7.20	8
Civil War, Indian wars	7.74	8	46.44	66	54.18	74	61.92	82.00	7.74	8
Mexican War										

Cost: First year, $231,722,000.
Reported: May 28, 1954; Report 1685.

[From the New York Times of June 1, 1954]

RISE IN VETERANS' AID IS FACING SIDETRACK

WASHINGTON, May 31.—A recommended $231,722,000 annual increase in veterans' pensions and compensation payments appeared likely today to get lost in the congressional adjournment rush.

The increase would benefit all except a few of the 3,676,872 ex-servicemen on Veterans' Administration rolls March 31 and their dependents. It was unanimously approved by the House Veterans' Affairs Committee last week.

Government economy and time appear to stand in its way, however. Committee members predicted that it would be passed overwhelmingly by the House if it came to a vote. First, however, it must clear the Rules Committee and there are indications it will not surmount this hurdle, since the House leadership is committed to economy.

House leaders have not made any promises to the chairman of the Veterans' Affairs Committee, EDITH NOURSE ROGERS, Republican of Massachusetts. The Rules Committee chairman, LEO E. ALLEN, Republican of Illinois, said that it would undoubtedly want to hold hearings on the bill, but no hearings have been scheduled.

Unless the House passes the bill soon the chances of getting it through the Senate are slim.

The bill would increase compensation checks to veterans disabled in service by 10 percent. It would give specific increases to veterans drawing benefits solely on the basis of having been in service.

Mrs. ROGERS of Massachusetts. We have passed legislation taking in more people under social security, and we have other persons on the Government payroll who have had an increase in salary and still others under consideration, such as the postal people, and I am sure that the Congress will want to do something for the veterans.

Mr. Speaker, I ask unanimous consent that the Committee on Armed Services be discharged from further consideration of the resolution (H. Res. 560) and that the resolution be laid on the table.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

ESTABLISH A FORMULA OF SALARY INCREASES

Mr. MOSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MOSS. Mr. Speaker, the House Committee on Post Office and Civil Service, of which I am a member, will start work this week on the important assignment of establishing a formula of salary increases for the classified employees of the Federal Government—the 1 million white-collar workers who keep our Government machinery going.

It was been widely rumored that the committee will report out a bill providing only a 5-percent wage raise for these classified and CPC employees. This amount would certainly be an improvement over the recommendations of the administration presented to the committee. But it certainly would be completely inadequate to meet the basic needs of the Federal employees in the metropolitan areas of our Nation where living costs are high and where salaries in the competitive labor market are well above the levels of Federal employment.

I have checked carefully and found that in cities such as Washington, New York, San Francisco, my own home of Sacramento, and many other places we are not now paying—nor would we be under the 5-percent proposal—salaries designed to attract and hold the best trained persons on Federal jobs. The fine men and women who have made a career of Federal service are to be highly complimented for their character and loyalty when they continue to work for substandard wages.

Any Member of this House can determine the fact that the classified employees are getting substandard pay by checking their salaries against those paid the so-called wage board, or blue-collar, Government workers whose salaries are set by comparing competitive labor costs in their area of employment. In far too many instances, the classified employee who supervises a group of blue collar workers is paid a lower salary than the workers he supervises. The blue-collar workers whose salaries are set by area wage boards certainly are not overpaid, for their salaries reflect economic conditions of their competitive labor market; rather, their salaries prove the total inadequacy of the wages paid the classified, or white-collar, employee.

The complete study of methods to set classified salaries on a basis comparable to salaries paid in each competitive labor market cannot be made at this late hour in the present session of Congress. Whatever this Congress does about classified salaries, it will be little more than a necessary expedient. I urge, therefore, two items for consideration of my colleagues on the House Post Office and Civil Service Committee and for all Members of the House of Representatives.

First, we should approve a bill giving the classified employees a pay increase at least equal to the 7 percent raise granted Post Office Department employees in the bill already reported out by the House Post Office and Civil Service Committee. It is my fervent hope the House will pass the Post Office pay bill, H. R. 9245, for the committee has spent months of study working out an

adequate measure. I hope, also, the committee and the House will adopt the Post Office pay pattern for the other inadequately paid Government employees.

A community with a large number of Federal employees has its economy adversely affected to the extent that Federal wages are substandard. An individual's buying power, in excess of income for the bare necessities of existence, creates the demand for the products of our farms and factories and stimulates the business of a community.

The second item I wish to urge for careful consideration by the House Post Office and Civil Service Committee and for all House Members is a recommendation that the committee begin a complete study of the basis of comparison which can be used to arrive at honestly equitable Federal salaries. Such a study should recognize the higher living costs and higher competitive salaries in the metropolitan areas where there is the greatest concentration of Federal employees. There can be no economy in paying substandard salaries—salaries insufficient to attract the best trained persons to the career of Federal service.

In my own State of California we have a model civil-service system and we long ago recognized the merit of paying career Government employees salaries equal in all respects to salaries paid workers on comparable Government and private jobs. The success of the civil-service system in California is the best commendation I can offer for the soundness of the pay program I am advocating.

When the Government, in the role of an employer, hires labor and talent, we should pay a going rate measured on competitive standards in the area of employment. That should be the guiding principle for setting present salaries and for establishing a future pattern for Federal pay. Our Government cannot afford the luxury of being miserly with those who carry on its business.

WORLD TRADE FOUNDATION

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I find it necessary to once again advise my colleagues in the House of the activities of a new lobby group that just recently set up for business in the city of Washington, known as the World Trade Foundation, William J. Barnhart, director, with offices in the National Press Building. I have before me releases from this new propaganda agency aimed at justifying the provisions of the reciprocal trade agrement that allows this country to be flooded by unlimited amounts of residual fuel oil from Venezuela.

I find, Mr. Speaker, on investigation of the clerk of the Senate and the Clerk of the House that this group has failed to comply with the lobby law and has not registered either with the Senate or with the House. It is my intention to demand action by the Attorney General's office unless this group immediately registers.

SPECIAL ORDER GRANTED

Mr. MILLER of Kansas asked and was given permission to address the House for 30 minutes tomorrow, at the conclusion of the legislative program and any special orders heretofore entered.

IMPORTANCE OF VOCATIONAL EDUCATION PROGRAM

The SPEAKER pro tempore (Mr. CANFIELD). Under previous order of the House, the gentleman from Georgia [Mr. BROWN] is recognized for 15 minutes.

Mr. BROWN of Georgia. Mr. Speaker, it is my understanding that the Labor, Health, Education, and Welfare appropriation bill will be considered on the floor tomorrow. I desire to discuss some of the provisions of this bill, especially vocational education and the importance of this program.

It is a well known fact that the economic and social well-being of a community, state, or nation is dependent upon the skill, knowledge, and productive capacity of its people. People are not born with skills and knowledge. They must be trained.

Since the passage of the Smith-Hughes Act in 1917 it has been my opportunity to witness the growth and development in my State of one of the truly magnificent educational programs this country or the world has known. I am referring to our program of vocational education in agriculture, in homemaking, in trades, and industry, and in distribution; magnificent to me because it reaches down to the masses—the poor folks who cannot go to college and those who do not even finish high school—and it teaches them to make a living with their hands. I am a great believer in helping people help themselves, and certainly that is what vocational education does.

When we were drawn into World War II, we saw the tremendous importance of this kind of education to the security of our country. Vocational education trained hundreds of thousands of workers for places in the assembly lines which produced weapons and machines for war. In my State vocational agriculture teachers conducted adult classes in the production and conservation of food for home use which resulted in the processing of as high as 13.4 million pints a year of meats, fruits, and vegetables by over 69,000 farm families in community food preservation centers which the teachers supervised. Similarly, these same teachers held classes in the maintenance and repair of farm equipment. They helped keep the tractors and plows and harrows that could not be replaced operating far beyond their normal lifetime.

We saw the value of vocational education during that fight for our very existence, and while the knowledge was still fresh in our minds, Congress in 1946 passed the George-Barden Act authorizing an appropriation of $29,300,000 which would have enabled a further expansion of federally aided vocational education programs. But we never got around to appropriating the full amount. One reason was that we had an acute shortage of teachers because of the big vocational training program for veterans. Now we have plenty of teachers, and I am convinced that this is the time to appropriate a full $29,300,000 as authorized by the George-Barden Act and face up to the challenging and profitable task of training the 75 percent of our young people who will never get to college. Learning a trade or skill, indeed, a vocation, is the only way that these people can find the security for which we all strive. And as we help these individuals achieve security we have more security for our Nation and our treasured way of life.

My friends, I am for economy in government. But when we skimp and cut corners at the expense of the boys and girls in whose hands rests the future of this country, I say that we are saving coppers and throwing away pure gold. Vocational education is just about the best investment this Nation can make.

Some of our leaders believe the responsibility for vocational education should be returned entirely to the States. This would jeopardize an educational program that has been built through 36 years of experience and hard work. The appropriations for Federal aid to vocational education for fiscal 1953 were approximately 5 percent less than in 1951; and in the same 2 years the number of students enrolled in Federally aided vocational classes declined 9.6 percent. It is simple arithmetic that as we reduce Federal funds we are cutting down on the number of students reached. The States thus far have failed to take up the slack.

We must not overlook the fact that many of our States—and Georgia is one of these—are spending about as much for education as they can afford. The only way they can put more money into vocational education is to take funds away from elementary grades or other phases of the high-school program where the need is equally great. In Georgia 53 percent of the total State budget this year is for education.

I admit that the funds for vocational education which will be appropriated by the Congress represent a relatively small amount of the total which will be spent in the States for vocational education. But these funds serve the tremendously important function of insuring in all States minimum standards for vocational education. Frankly, if Federal aid should ever be discontinued, we shall run the risk of allowing our vocational training programs to be discontinued or to deteriorate into purely academic classes. We cannot afford such a backward step.

Rather, a more sound approach and one that I am sure would reflect to the everlasting credit of this Congress will be to appropriate a full $29,300,000 and thereby stimulate and encourage the States to expand their programs of vocational education to the maximum of their abilities.

We need vocational education more than ever before, and we need more of it. This is an age of machinery, atomic power, and rapid technological advancement. The House has recognized this

by voting an appropriation of $86,265,708 for agricultural research, which is an increase of roughly 10 percent over last year. Certainly, this is a commendable action, and especially so when we stop to consider that in the next 25 years, according to the Midcentury Conference on Resources for the Future, our needs for food and nonwood fibers are going to increase 40 to 50 percent, and we can plant only 10 percent more land. The additional production must come, it would appear, through the greater productivity that is achieved through research and improved farm technology. But let us be consistent. What good is research if we have no effective means of passing the information on to farmers and getting them to use it?

Time has shown that vocational agriculture as taught in the public high schools is the most practical, down-to-earth system of organized instruction ever devised for disseminating to farmers and prospective farmers the findings of our agricultural experiment stations and other research groups. To be sure, we need more agricultural research, but we shall do well to remember that the findings of research must be taught and applied if they are to influence farm production. Research and education go hand in hand.

Last October it was my privilege to attend the annual rally of Future Farmers of America in my State. These teenage boys met in the Municipal Auditorium in Macon and during their program I was thrilled and deeply touched when the degree of honorary Georgia planter was conferred upon me. I was impressed and proud to observe the manner in which the officers conducted that meeting, and I was proud to sit on the platform with an 18-year-old youth who was named star Georgia planter from a group of over 300 boys who received that degree.

I know you will be interested in the story of Donald Clark as he told it, because it is a shining example of vocational agriculture and FFA working together to train good farmers and good citizens. Donald entered Mount Vernon-Ailey High School in 1949. This is his story in his own words, and I quote:

> My daddy is a wildlife ranger, and he doesn't have time for farming. When I started taking vocational agriculture 5 years ago, a sharecropper was working our place with mules. Daddy was like a lot of other farmers. He didn't believe much in these newfangled ideas. He got his seed corn out of the crib, and when pulling time came he got 12 and maybe 15 bushels to the acre.
>
> That first year of my FFA work Daddy let me have 5 acres to plant in cotton, corn, and peanuts. I made enough money working out to buy a purebred gilt. That was my beginning.
>
> In the 5 years since, Daddy and I have come a long way with the help of what I've learned in vocational agriculture. I do the farming and he does the ranging. We use his salary to pay the family living expenses. Out of what I've made we're paying $500 a year on the place; we've bought a tractor with all the equipment we need for our crops; and we've bought a farm truck. All the rest that I've made out of the farm has been put back into the farm for improvements.
>
> Last year we had 70 acres in cultivation. We had 10 acres of cotton and we picked 10 bales. We had 35 acres of corn, 7 acres of peanuts, and 3 acres of tobacco. In 5 years our corn yields have tripled, and Daddy will be the first to tell you that these newfangled hybrids are pretty good after all.
>
> We've balanced our farming operation by adding livestock. We have 22 beef cattle. One of these is a registered Hereford bull. And we have 48 hogs. We plant temporary grazing crops and we're fertilizing our common bermuda-grass pastures this year.
>
> We have built up our land and our crop yields through better management. For example, we follow a definite rotation plan. We turn under everything that is left on the land after harvest. We're using more fertilizer than ever before.
>
> I believe agriculture and FFA connected together offer everything for a farm boy like me.

It is my observation that FFA and its sister organization for vocational homemaking students, the Future Homemakers of America, must be numbered among this country's best leadership training and character-building organizations.

It concerns me that we evidence little hesitation in voting liberal increases in funds for foreign-aid education programs, and in the next moment talk of reduced funds for vocational education in our own country. Appropriations for foreign-aid education programs increased from $28,007,000 in fiscal 1951 to $78,930,032 in fiscal 1953. If we can afford nearly $79 million for foreign-aid education in a program that last year served only 15,410 individuals, then certainly we can afford and we must give the much smaller sum of $29,300,000 for vocational education of our own in a program that last year reached 3,039,347 persons.

Land-grant colleges have done a splendid job of providing vocational training at college grade and should have the continued support of the Federal Government. Federal support means more than just the amount of money made available for land-grant colleges. The same is true for vocational education of less than college grade. We must see to it that vocational education at the college level and the level less than college grade continues to receive financial and moral support from the Federal Government.

We want vocational education to be provided for college students and for the more than 75 percent of our people who cannot or do not attend college.

My last point is in the nature of a simple, direct, blunt warning. People who are in a position to know tell us that Russia is engaged in a massive vocational education program aimed at training its people to become efficient producers. We can ill afford to jeopardize our own vocational training program; rather, we should concentrate on its expansion as a vital factor in the personal security of our people and in the security of the Nation and the way of life we treasure.

Therefore, I urge appropriation of the full $29,300,000 authorized for vocational education by the George-Barden Act.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from West Virginia.

Mr. BAILEY. May I compliment the distinguished gentleman from Georgia on his remarks. I join him in saying that this is one of the outstanding educational programs. I might add that the earnings from the 4–H Club programs in vocational education in West Virginia exceeded $1 million last year. I do not know of any program that comes as near to the American home and to the American boys and girls in their proper training as the vocational program.

I again thank the gentleman from Georgia.

Mr. BROWN of Georgia. I thank the gentleman.

HOW A FORMER PAGE IN CONGRESS MET TWO GREAT AMERICAN PRESIDENTS

The SPEAKER pro tempore (Mr. CANFIELD). Under previous order of the House, the gentleman from Louisiana [Mr. LONG] is recognized for 20 minutes.

Mr. LONG. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a related article.

The SPEAKER. Is there objection to the request of the gentleman from Louisiania?

There was no objection.

Mr. LONG. Mr. Speaker, my attention was centered a few days ago upon a story or an article written by one of our present, great Americans, who when he was a page in this very United States Congress some 40 years ago, had a burning desire in his heart to meet and shake hands with the President of the United States. The story revealing the intelligent steps taken by that young, 16-year-old page, I feel, is an inspiration to every young man serving as a page in this Congress today.

The young page to whom I refer is now known as Ernest G. Albright, the anticommunism crusader from Shawnee, Okla. I have had the privilege of knowing Ernest G. Albright practically all of his life. He is one of our veterans of World War I, disabled in that terrible conflict, who has spent a large part of his time in veteran's hospitals. But that he was wide awake to the dangers that would threaten our American way of life, if communism secured a foothold in America, is proven by the fact that Mr. Albright is the author of an anticommunism plaque, entitled "The Truth About Communism, the Enemy of Freedom," and that he is the founder and president of the anticommunism educational crusade that has resulted in the placement of this educational plaque in many thousands of schoolrooms in Oklahoma City, Tulsa, and throughout the State of Oklahoma.

For this successful introduction of an anticommunism program that can and will be the greatest bulwark of defense of freedom in America, Mr. Albright was awarded the George Washington Medal of Honor, by the Freedom's Foundation

at Valley Forge, Pa., in 1951, for his anti-communism-school-plaque program.

A FORMER PAGE IN THE UNITED STATES CONGRESS TELLS HOW HE MET TWO GREAT AMERICAN PRESIDENTS: WOODROW WILSON AND DWIGHT D. EISENHOWER

(By Ernest G. Albright, Shawnee, Okla.)

In 1953 I had one of the most exciting and pleasant surprises of my life. I had come to Washington to attend the ceremonies of the swearing in as a Member of Congress my good friend Dr. GEORGE S. LONG (brother of the late Senator Huey P. Long) from the Eighth Congressional District of Louisiana.

Dr. LONG had given me a beautifully engraved invitation to the inauguration ceremonies of our new President, Dwight D. Eisenhower; however, 2 days before the big show I found myself a patient at the Veterans' Hospital (Mt. Alto) with a bad case of the flu. I did get to hear the ceremonies over my hospital bed set radio and enjoyed every moment of it. But I did want to see and hear our great new President as Ike was my choice for President.

Well, on October 12, I not only saw the President but shook his hand and received a warm smile and a word of greeting from him. This makes two great Presidents that I have met during my 58 years living in this great land of ours.

The first was that great statesman, educator, and philosopher, President Woodrow Wilson. It was on a bright spring morning in 1913 while a page on the floor of the House of Representatives, working under the patronage of the Honorable William H. (Alfalfa Bill) Murray, that I sat spellbound listening to President Woodrow Wilson delivering his message on the state of the Union to a joint session of Congress. It was on that day that I made up my mind to meet and shake the hand of President Wilson.

I had learned that when an important bill passed the Congress the Chief Clerk of the House, with approval of the Speaker appointed a special messenger to take the engrossed bill to the White House for the President's approval or veto.

When Senator Robert L. Owen (Oklahoma) and Congressman Carter Glass (Virginia) introduced the Federal Reserve banking bill creating the 12 Federal Reserve banks I at once set out to be appointed the special messenger to take the measure to the White House. I felt sure that once I got into the White House I might by chance talk my way in to meet the President. I got up a petition addressed to the Honorable South Trimble, Chief Clerk of the House, asking that I be appointed. I took the petition to Congressman Murray, got his approval and signature and then called upon each of the other members of the Oklahoma delegation which were: The Honorable Scott Ferris, of Lawton, Okla.; the Honorable James S. Davenport, of Vinita, Okla.; the Honorable Joseph B. Thompson, of Pauls Valley, Okla.; the Honorable Claude Weaver, of Oklahoma City, Okla.; the Honorable Bird S. McGuire, of Pawnee, Okla.; the Honorable Dick T. Morgan, of Woodward, Okla.; and the Honorable Charles D. Carter, of Ardmore, Okla. I then called upon Senator Robert L. Owen and Senator Thomas P. Gore and they both gave me their endorsement.

Armed with the endorsement of the entire Oklahoma delegation, I filed the petition with the Honorable South Trimble, Chief Clerk of the House. I then began a quiet, watchful waiting period. I secured a copy of the bill and followed every step of its enactment through both Houses of Congress, attending all public hearings on the measure.

I remember how the Honorable William G. McAdoo, the Secretary of the Treasury, fought so hard for its enactment and how the big Wall Street bankers fought to kill the bill. Finally, it passed both Houses of Congress and was sent to the enrolling and engrossing committee to be prepared for delivery to the White House. The day it was signed by Speaker Champ Clark, of the House of Representatives, and the Honorable Vice President and President of the Senate, Thomas R. Marshall, I followed the messenger to the Chief Clerk's office, where I waited until Mr. Trimble had it all sealed and locked ready to go to the White House.

Mr. Trimble saw me sitting in his office and called to me, "Well, son, I was just getting ready to call Joe Sinnott's office [the Honorable Joe Sinnott, Doorkeeper], for you." Up to this moment I had not learned that I had been appointed to the important assignment. "Son," Mr. Trimble began, "you are a very lucky boy. I have been Chief Clerk of the House for several years, and this is the first time that I have been petitioned to appoint a special messenger to take a bill to the White House. We generally leave that appointment up to the Speaker, but when I took your petition with the endorsement of your Oklahoma delegation to the Speaker, he not only approved the appointment but said for me to tell you that any young man who has the determination and ambition to work so hard to be appointed messenger to the White House is to be congratulated."

It was a warm winter morning on December 15, 1913, that found me riding on an open streetcar up Pennsylvania Avenue dressed up in my best Sunday-go-to-meeting suit, carrying a long tube containing the engrossed Federal Reserve bill which, when signed by the President, would create the 12 Federal Reserve banks.

I arrived at the White House around 11:30 a. m. As I entered I found myself in a big room and was almost blinded from the glare of the bright lights coming from the big chandelier which hung from the ceiling of the room. As I stood there looking at the beautiful sight, in my boyish mind it looked as if I were looking at a million diamonds sparkling like stars in heaven. To my right I saw a sign which said "Information" and behind the desk sat an old, white-haired Negro who reminded one of days long ago.

As I approached the old colored man he greeted me with a big grin which showed his white teeth and said, "Well now, bless my soul, is you all from the Halls of Congress" as he noticed the long tube I was carrying. "Yes," I said, "I am a special messenger from the House of Representatives and I have here the engrossed Federal Reserve bill."

The kindly old Negro said, "Follow me," we went into a large room where several clerks were busy with White House work. Soon we entered a door marked "Mr. Tumulty" where the kindly old colored man presented me to the Secretary to the President with all the solemn dignity as if I were being presented to a king. "Mr. Secretary," he began, "I have the honor of presenting to you at this time Master Ernest Albright, a page from the Halls of Congress of the United States of America, with a special and important message for the President of the United States." He gave Mr. Tumulty a low bow and me a big grin and left me with Mr. Tumulty, who took the tube and signed the large "book" from the Clerk of the House and then he turned to me and said, "Young man, you have brought to the W ite House a very important and history-making document and I congratulate you."

I saw the Secretary was a very busy man and I had been told that the President's Cabinet was meeting that morning so I shook hands with and thanked Mr. Tumulty and he entered the door marked "Cabinet." I looked around and found a chair out of the way and sat down to wait until I could get a chance to tell Mr. Tumulty of my great ambition to meet the President. I must have sat there for some 30 minutes when the door to the Cabinet room opened and I could hear the members laughing and talking. I could hear one voice that sounded familiar and as soon as the men came out, dressed in their high silk hats and long tails, I recognized the voice as coming from that great beloved statesman and commoner, the Honorable William Jennings Bryan, Secretary of State. As Mr. Bryan came out he passed right by where I was sitting and gave me one of those big warm smiles that had made him so famous throughout the Nation.

Other members of the Cabinet were: The Honorable William G. McAdoo, Secretary of the Treasury; the Honorable Lindley M. Garrison, Secretary of War; the Honorable James C. McReynolds, Attorney General; the Honorable Albert S. Burleson, Postmaster General; the Honorable Josephus Daniels, Secretary of the Navy; the Honorable Frank R. Lane, Secretary of Interior; the Honorable Davis F. Huston, Secretary of Agriculture; and the Honorable William C. Redfield, Secretary of Commerce.

After the members of the Cabinet left and the room became quiet I saw Mr. Tumulty looking at me as it were the first time that he had noticed me sitting in his office. He got up and came over and said, "Well, son, was there something else you wanted?" I just stood there trying to remember the speech I had all made up to tell Mr. Tumulty—but I was completely numb and speechless, but soon I recovered from my fright, and said, "I am from Oklahoma. I am a page in the House under Congressman William H. Murray"—I then went on to tell the Secretary how I had heard the President speak before the joint session of Congress and how I had campaigned to get appointed the special messenger to bring the Federal Reserve Act to the White House in the hope of getting a chance to meet President Woodrow Wilson, how I had gotten up the petition and received the entire endorsement of the Oklahoma delegation in Congress and how Speaker Champ Clark had approved the appointment and congratulated me on my great ambition to meet and shake the hand of the President. Mr. Tumulty heard me out and then with a kind fatherly voice said, "My dear boy, I know just how you feel and I do wish there were some way that I could help you, but the President is too busy today to give any of his time to see anyone," he called my attention to several Members of Congress who were waiting to see the President, but who were soon to be told that their appointments would have to be postponed. I just stood there looking at Mr. Tumulty and soon the tears began to run down my cheeks and I saw Mr. Tumulty look at his watch and then turning to me he put his hand on my arm and said, "Son you sit down there for a little while and let me see." He went over to his desk, picked up some papers and disappeared through the door marked "Mr. President." I had done some praying during my young life, but never before had I asked God to help me as I did on that spring day in the White House of our great Nation.

Within a few minutes the door opened and there stood Mr. Tumulty smiling and waving for me to enter. I tried to be calm but I almost knocked over a pedestal holding a bust of President George Washington in reaching the door.

As we entered the President's chambers I could see the rays of sunshine beaming from the open window and from the garden outside the President's office I could hear the joyous and sweet music of the song birds bringing their glad tidings into the room.

There before my eyes, sitting behind a big and beautiful desk, surrounded with the American flag and flags of other nations throughout the world, sat the man of my dreams, Woodrow Wilson, the President of the United States of America. The President was reading with his pen in hand. Mr. Tumulty and I stood before the President's desk until he had finished reading and had signed the document. Then the President

looked up and Mr. Tumulty said, "Mr. President, I wish to present Master Ernest Albright from Oklahoma, and a page in the House of Representatives, who has just brought the engrossed Federal Reserve bill to the White House."

The President arose smiling and took my hand, giving me a warm grip, and as I looked into his kind blue eyes all the fear left me and I felt as if I were shaking hands with an old friend, one who understood the feelings of a boy away from home and mother. As the President still held my hand he said, "It is good to meet such a bright young man who has worked so hard to meet his President. Who is your Congressman?" he asked. "Mr. President, I have the honor of serving as page in Congress to a great American, the Honorable William A. Murray, Congressman at large from Oklahoma." Then the President said, "Yes, 'Alfalfa Bill' Murray is a great American and a great statesman. I think he is one of the most brilliant men in Congress." (Later Bill Murray broke with the President over the war issue.)

The President then put his hand on my shoulder and said, "Son, what are you planning to do after you have finished your education and are ready to face the world? (President Wilson was always interested in education, having been president of Princeton before becoming Governor of New Jersey.) What is your greatest ambition?"

In answering the President's question I drew back my shoulders and looking him straight in the eye said, "Mr. President, my greatest ambition is to some day become a United States Senator from Oklahoma." The President, with his hand still on my shoulder, looked at me for a second and then said, "May God bless you, my boy. That is a great ambition and I hope some day you will realize your dreams." I then told the President goodby and expressed my everlasting gratitude to Mr. Tumulty for his kindness. I then walked out of the White House, down the long path that leads to the big gate, and gave the guard my pass. Across the street was the Lafayette Square Park, I crossed Pensylvania Avenue and took a seat on one of the famous benches where many of our statesmen have sat studying the problems of the Nation. I sat there for some time with my thoughts and it was then that I asked God to help me prepare myself to someday serve my country in Washington. That was 40 years ago.

Now for the story of how I met another great American President, that great soldier-statesman, President Dwight D. Eisenhower. On October 21 in the fall of 1953, some 400 civic, educational, industrial, and religious leaders of the Nation, representing every phase of our American way of life met in the beautiful Mayflower Hotel in Washington as special guests of the Crusade for Freedom, sponsored by the American Heritage foundation, with the Honorable Henry Ford II as its chairman. The conference had the personal approval of President Eisenhower. At that time, not being the head of any organization, I was not included on the official guest roster which was printed on the program.

A few weeks prior to the conference I had attended, along with Congressman GEORGE S. LONG, the All-American Anti-Communism Conference and had met Mr. Claude B. Hellmann, past president of the Kiwanis International, and he had asked me to attend the Crusade for Freedom conference as his guest, but he also informed me that I could not attend the official dinner as only the official invited guests whose names appeared on the program would be admitted. However, he said that there would be several open meetings which he thought I might like to sit in on as an observer.

I showed up at the Mayflower Hotel early on the morning of the opening of the conference and did have the great pleasure of attending several of the open meetings which I enjoyed very much. During the day I ran across my old friend the Honorable Judge Earl T. James from Oklahoma who had just been elected as the grand exaulted ruler of the Order of Elks of America. I had the honor of taking him to Mr. Hellmann's room, where these two great American leaders met for the first time. Later in the day Mr. Hellmann informed me that Mr. James had been called away and had left the capitol on a plane for California.

Mr. Hellmann suggested that I use Mr. James' invitation so I could get to attend the banquet. He said that due to the fact that Mr. James was an old friend of mine and was from my home State of Oklahoma that he was sure it would be all right for me to take his place at the dinner. Mr. Hellmann said all I had to do was follow him in the line when the time came to go into the ballroom and when we got to the girl who checked off the names just reply "Mr. James of Oklahoma," so when the time arrived I joined Mr. Hellmann in the line and after Mr. Hellman's name had been checked off the list I called out Earl James of Oklahoma. The young lady who was checking the names off did not even look up—she just checked Mr. James off the list and I followed Mr. Hellmann into the big ballroom.

I felt funny using the name of one of America's great leaders, but Mr. Hellmann was so anxious for me to see and meet and hear some of the Nation's great men and I felt sure that my good friend, Mr. James, would have approved my using his name so I could have this chance. The beautiful reception ballroom of the Mayflower Hotel is perhaps one of the greatest in the entire world. Mr. Hellmann at once began shaking hands with friends and soon was introducing me to them. Soon Mr. Hellmann said, "Ernest, let's move over near the diningroom door." He wanted to see the headwaiter as to see where the presidents of national organizations were to sit.

Mr. Hellmann had just remarked that it was too bad that the President of the United States was not in attendance as he had, along with Henry Ford, invited the leaders away from their busy lives to attend the conference and some had expressed great disappointment in not getting a chance to at least see their great President when a voice came over the loudspeaker, "Ladies and gentlemen, we have a very pleasant surprise for you. We are happy to announce that the President of the United States is on his way here to greet you." Well, everybody became excited and began looking from door to door to see which one the President would enter.

Mr. Hellmann saw a member of the White House staff enter one of the doors and turning to me he said, "Follow me, Ernest." We shoved and pushed our way over to the center of the room close to the door. Soon we could hear the cheering and clapping of hands and we knew that the President was about to enter. Everyone in the hall became very quiet, then all of a sudden the photographers' flash bulbs began popping and there was the President, Dwight D. Eisenhower, standing on the steps.

I thought he would just stand there and make a short talk, but soon I noticed the Secret Service men making a path down into the hall. Then came "Ike," smiling and waving to everybody, and he came right down the lane and stopped within a few feet of where Mr. Hellmann and I were standing. Mr. Hellmann turned to me and whispered, "Ernest, would you like to meet the President?" I said it would be a great honor. The President was shaking hands with some of the leaders he knew like Mr. Ford. Mr. Hellmann said, "If I can get his eye I think he will speak to me." (Mr. Hellmann was one of "Ike's" backers.) Soon the President turned around to face us and he at once noticed Mr. Hellmann and said, "Why, hello, Claude," and while Mr. Hellmann was still holding the President's hand he said, "Mr. President, I want you to meet Ernest Albright, of Oklahoma, a great American crusader against communism."

As I shook the hand of our great President Dwight D. Eisenhower he gave me a warm shake of the hand and a big smile and said, "Fine, fine." It was another great moment in my life for I had now shook the hand of two of the great Presidents of our glorious country. The President is a much younger looking man than his pictures show him to be and his energy is amazing.

As soon as the President had left the ballroom we all lined up to enter the big dining room to attend the Crusade for Freedom dinner. Each plate had a name card. I followed Mr. Hellmann. There were over 400 places with about 8 to each table. We went right up next to the main speakers table. This was the first time in my life that I had attended a dinner with such a cross section of American life. There sat Mr. Henry Ford II within a few feet of me. As we were seated Mr. Hellmann said, "Ernest, you will soon meet some of the leaders of our Nation." At our table were Mr. Claude B. Hellmann, immediate past president of Kiwanis International; Dr. Frank E. Wilson, president of the American Medical Association; Mrs. Leo J. Schaefer, president of the Federation of Women's Clubs of America; Mrs. Ellie H. Schell, national treasurer of the VFW; Mrs. Helen G. Irwin, president of the National Federation of Business and Professional Women's Clubs of America; and Dr. H. Truman Gordon, political economist; and myself.

Mr. Henry Ford II was chairman of the banquet and introduced the speakers. Besides Mr. Ford we heard: Mr. Walter B. Reuther, president of the CIO; the Honorable Joseph C. Drew, former Ambassador to Japan and President of the National Committee for Free Europe; the Honorable Mark S. Korowizc, former Polish delegation chairman to the United Nations and who quit the Communist-controlled country and asked and received asylum in the United States; and the Honorable Walter B. Smith, Under Secretary of State.

Attending this dinner with so many of our outstanding leaders of the great experiences of my life.

On November 18, 1953, I had the opportunity to repay Mr. Hellmann for his kindness when I was honored to be a guest of the Baltimore Kiwanis Club at which time I presented Mr. Hellmann one of my anti-Communist educational plaques, "The Truth About Communism, the Enemy of Freedom" which has for its purpose the teaching of our youth the danger of this evil ideology called communism to the American way of life.

RESIDUAL OIL

The SPEAKER pro tempore. Under previous order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 10 minutes.

Mr. BAILEY. Mr. Speaker, in view of statements made by many of its spokesmen, it is a reasonably safe assumption to say that the present administration believes that foreign economic policy is a part and parcel of foreign policy. This means that the administration intends to use the reciprocal trade agreement program—if it obtains the authority from the Congress—as an instrument of foreign policy.

We are faced, then, with something of a dilemma. We have been fed a steady diet of slogans and catch-phrases from the inception of the 1952 campaign

right down to this present moment. They add up to just so many clever words, but do not spell out policy.

I believe, however, that if we wade carefully through this maze of confusing slogans, we may see some glimmer of a basic foreign policy. The administration is opposed to aggression. I reach that conclusion only by indirection, however. The administration has pledged support to the United Nations, which was formed, in San Francisco, as an instrument for international joint action to retard aggression. Presumably then one part of our foreign policy is opposition to aggression, which is wrong whether it is Communist aggression or whether it flies the banner of some other ideology.

We have learned through bitter experience that dictatorships breed aggression, for the Hitlers, the Mussolinis and the Stalins of the world must use aggression to create outside diversion as well as to feed their own people with a false sense of accomplishment.

It follows, then, that when we use any instrumentality to build up a dictatorship, we are promoting the climate for aggression. Which brings us to a strange contradiction—among many contradictions—in the use of economic policy to further the ends of foreign policy.

Our reciprocal trade agreement with Venezuela benefits only Venezuela to the detriment of hundreds of thousands of our own coal miners, railroad workers, stockholders in coal and rails, as well as the butchers, bakers, and candlestick makers who service these other citizens.

It is a strange situation because in Venezuela we have a dictatorship which rules with an iron hand. If the Venezuelans want to be ruled in that manner, that is their business. But it is not to our best interests to build up their economy, except and only insofar as it is necessary for us to procure something which we cannot produce ourselves.

I shall not here quarrel with those who say that gasoline is one of these products.

I do quarrel, however, with those who say that residual fuel oil is such a product. This product—which is a waste byproduct that is carried for ballast and then dumped—has only a limited use. It is a substitute for coal, of which we have an ample supply, which becomes economically feasible to use because as a dumped product it can be sold at a very low price.

Thus it displaces many coal miners; it closes many mines; it displaces railroad workers who would normally haul the coal; and so the chain reaction goes.

It severely injured our economy, Mr. Speaker, and our own economy is the basis of the free world's struggle against totalitarianism. Can we continue to furnish military and economic aid to our allies all over the world, from Paris to Seoul, when our own economy is being steadily depressed? We cannot.

Yet we see the strange situation of an administration saying that foreign trade is an instrument of our foreign policy, and that same foreign trade on the one hand weakening our own ability to resist aggression and on the other hand benefiting only a dictatorship, when we know that such totalitarian governments breed and foment aggression.

Those of us concerned over this problem do not wish to cut off needed supplies of fuel to power jet aircraft and long-range bombers, but we do wish to place a limit on a waste byproduct. Such a ban would make little inroad in the income of the Venezuelan dictator; such a ban would not interfere with adequate fuel for bombers and fighters; such a ban would restore the earning power of many Americans and rebuild our own economy so that we may continue such economic and military aid as is necessary to combat the spread of totalitarianism.

THE FEDERAL OPEN MARKET COMMITTEE SHOULD BE REQUIRED TO SUPPORT GOVERNMENT BONDS AT PAR

The SPEAKER pro tempore (Mr. CANFIELD). Under the previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, prior to the so-called Treasury-Federal Reserve accord of February 1951 the Federal Reserve Board through its Open Market Committee was committeed to engage in open market purchases of Government bonds if necessary to support them at par value.

The so-called accord it is claimed by the Open Market Committee and the Board of Governors relieved the Federal Reserve of its obligation to support the Government bonds at par value. However, the Open Market Committee was still obligated to purchase Government securities to help cushion the impact upon the bond market of large Treasury refinancings or new issues even under the so-called accord. When the present administration took office Dr. W. Randolph Burgess, former chairman of the executive committee of the National City Bank of New York, newly appointed deputy to the Secretary of the Treasury in charge of debt management proclaimed the new policy of Treasury financing free from Federal Reserve assistance. Chairman William Martin, a captive by reason of two unfilled vacancies on the Federal Reserve Board, implemented Dr. Burgess' orders and since that date the Federal Open Market Committee has been prohibited from supporting the Government bond market by open market bond purchases.

SOLEMN GOVERNMENT COMMITMENT VIOLATED

When the Treasury-Federal Reserve accord was announced in early 1951 it mounted to an abandonment of a solemn commitment made by the System to support the 2½ percent yield level on long-term Government bonds for the foreseeable future. It left the Government bond market, unsecured, unsupported and unstable. It left the money-lenders free to manipulate the price of Government bonds and the rate of interest to be charged on all debt. With a $640 billion total debt—public and private—a one-quarter of 1 percent increase in interest rates can raise total interest payments by $1½ billion a year.

NEAR PANIC IN EARLY 1953

The policy of abandoning the Government bond was bound to have unfavorable repercussions. We are all familiar with the near panic that ensued in the Government bond market in 1953 when the 2½'s were permitted to fall to 89. Since the unhappy experience of 1953 some members of the Federal Reserve System are beginning to reexamine and reappraise the policy of abandoning support of the Government bond market. I refer particularly to the controversy between the president of the Federal Reserve Bank of New York, Mr. Allen Sproul, and Mr. William McChesney Martin, Chairman of the Board of Governors. Mr. Sproul has been advocating that the Federal Open Market Committee be permitted to resume purchases of Government bonds in the open market. I believe Mr. Sproul is on the right side. Chairman Martin has been insisting on implementing the policy dictated at the Treasury by Dr. Burgess, namely, that the Federal Reserve shall not interfere with the "freedom of the Government bond market." I believe Mr. Martin, the public member, is wrong.

At issue here, although Dr. Burgess has tried to obscure it with the "free market" issue, is whether the Federal Reserve has the responsibility for keeping down the cost of credit, as well as making credit generally available through the provisions of bank reserves.

JOURNAL OF COMMERCE EDITORIAL COMMENDED

In this connection, I commend to the Members a recent editorial in the New York Journal of Commerce on June 4, 1954, entitled "A Change in Open Market Policy?" I am inserting this editorial in my remarks. It is as follows:

A CHANGE IN OPEN MARKET POLICY?

Since Allen Sproul, president of the Federal Reserve Bank of New York, advocated in his speech before the annual convention of the New Jersey Bankers Association on May 6 that the open market operations of the Federal Reserve banks should include Government obligations other than Treasury bills, this problem has received considerable attention.

In recent years the open market operations of the Federal Reserve banks have been confined to the buying and selling of Treasury bills. This policy is based on the assumption that it is the sole purpose of open market operations to increase or to reduce reserve balances of the member banks in order to ease or tighten credit. The safest way to achieve this aim, it is asserted, is through the buying and selling of those Treasury obligations that are most nearly equivalent to money, namely bills.

Those who hold this view also argue that for the Federal Reserve System to buy other Government obligations would be interfering with the freedom of the Government bond market. Not only would it make the market more and more dependent on Federal Reserve support but it is also bound to lead to pegging of Government security prices. This would mean a return to the undesirable situation that existed prior to the Federal Reserve-Treasury accord in March 1951.

This contention does not seem to be based on solid ground. It is true that ordinarily it is sufficient for the Reserve System to buy and sell only Treasury bills. At times, however, it is to the interest of the economy as a whole for the Federal Reserve to engage in open market operations in obligations other than Treasury bills.

Such a situation actually prevails today. The spread between the yield on Treasury bills and that on longer-term securities today is wider than has been the case for sometime. Whereas last June the difference between the average yield on 2½ percent long-term Governments and the yield on Treasury bills was less than 0.9 percent, today the spread is about 1.85 percent.

This is partly a result of the fact that corporations invest their surplus funds primarily in Treasury bills, thus creating a constant demand for this type of security.

During the 3-week period from May 12 to June 2 the Federal Reserve banks, in order to provide the member banks with needed reserves, bought an additional $180 million of Treasury bills, thus further accentuating the demand. The result of this policy is that the yield on Treasury bills declined from 2.23 percent in June 1953 to 0.71 percent for the June 3, 1954, offering.

On the other hand, the market for long- and medium-term obligations has at times been characterized by confusion and sudden temporary declines. This is particularly true when large new issues are floated. For example, the 1⅞-percent, 4-year 9 month notes issued on May 17 went below par within a few days. Such experiences impair confidence in Government securities.

It is Mr. Sproul's contention that if the Federal Open Market Committee were to authorize operations in securities other than Treasury bills, "the Reserve banks could help to cushion the effect of massive maturities, new issues, or conversions of Treasury securities at times when unavoidable Government financing would otherwise disrupt temporarily the money and capital markets."

So far as the effects on the money market are concerned, it makes very little difference what type of securities the Federal Reserve banks buy or sell.

So far as the Government-bond market is concerned, however, it makes all the difference in the world whether the Reserve banks engage in open-market operations in all maturity ranges of the national debt.

The mere existence of a policy under which the Federal Reserve banks would be authorized to buy medium- and long-range Government securities would exercise a powerful favorable psychological effect on the Government-bond market. There are times when Federal Reserve open-market operations to assist Treasury financing would be helpful to the economy.

Moreover, the effectiveness of the Federal Reserve in influencing the credit structure and the level of interest rates would be enhanced if it operated in a broad market in Government securities.

Mr. Sproul's argument that "the central bank should exert its influence on the cost and availability of credit or capital, openly and directly as circumstances may require, in whatever areas of the market it can reach," is sound. It deserves the most careful consideration of the Reserve Board and the other members of the Federal Open Market Committee. This is particularly true at the present time.

In the first place, the current credit policies of the Reserve authorities are designed to maintain easy money conditions. Secondly, the Government is confronted with large refunding operations and the task of borrowing a great deal of money to meet its current deficit.

The adoption of Mr. Sproul's proposal would therefore not only be a considerable help to the money market but would also facilitate Treasury financing.

In the next 6 months the Treasury will have to refinance about $25 billion of the public debt as it falls due and it will have to raise $10 billion in new money. If the Treasury is going to borrow $35 billion in the next 6 months at the lowest possible cost to the taxpayer and at the same time carry out its objective of selling more of its securities to nonbank investors then we must restore some degree of certainty and confidence in the Government bond market.

Investors who were subjected to the gyrations of Government bond prices in April and May 1953 when the 2½ percent bond was allowed to fall in price to 89 cannot be blamed if their confidence in Government bonds as a secure investment has been shaken. Those who have been burned once remain twice shy. Yet under the present policy laid down by Dr. Burgess and implemented by Chairman Martin, of the Federal Reserve, the market for Government bonds is unsupported, which means it is unsecured and unstable.

LONG-TERM BONDS GOING DOWN AGAIN

In recent weeks revival of Treasury talk about a bond issue this fall plus the immobilization of the Federal Open Market Committee from making open market bond purchases has driven the 2½'s down below par again. These bonds are now selling at 98½ percent of their par value. Purchasers who responded to the Government's wartime appeal to purchase these bonds did so in the belief that they had the Government's commitment that these bonds, unlike the Liberty Bonds, would not be permitted to fluctuate below their par value.

MAKING A DICE GAME OUT OF GOVERNMENT BOND MARKET

Apart from the solemn commitment of the Government, surely this is not the time to subject businessmen once more to the uncertainty of guessing how far the price of securities, Government bonds, and of course other bonds and mortgages, are going to be allowed to drop. With the economy in the grip of a recession this uncertainty as to what the market value of assets as well as what the cost of interest is going to be next fall is bound to have an adverse psychological impact upon both lenders' and investors' decisions. The Burgess policy of a "free market for Government bonds" has already cost the taxpayer heavily and many unemployed workers their jobs. Only the bankers and speculators who profited from the higher rates and fluctuations in bond prices benefit from the Burgess policy. This policy makes a dice game out of the Government bond market.

We must return to a rational debt-management and monetary policy and abandon this doctrinaire insistence upon "free markets" when there can be no free market in Government bonds except at the cost of confusion, uncertainty and higher rates than are necessary to finance the public debt.

The job of the Federal Reserve in its open-market operations includes supporting and stabilizing the Government bond market. Contrary to Dr. Burgess and Chairman Martin the task of the Federal Reserve is to assist the Treasury through open-market operations whenever necessary, in its financing of the public debt. Finally the Federal Reserve has the responsibility of influencing the general level of interest rates and not to merely provide the banking system with reserves to enable it to increase its holdings of risk-free earning assets at a negligible cost.

The present policy of prohibiting the Federal Reserve Open Market Committee from engaging in open-market purchases of Government bonds may prevent the Federal Reserve from carrying out its function of helping make available at all times and at reasonable cost the credit required both by the public and private sectors of the economy.

MISTAKE IN NOT SUPPORTING BONDS AT PAR

Experience since early 1951 and especially in 1953 has shown that the Treasury-Federal Reserve accord which led to the abandonment of support of Government bonds at par was a mistake. Current conditions are appropriate for a resumption of the policy of supporting Government bonds at par. Support purchases will not only help implement the Federal Reserve's "easy money" policies but they will also enable the Treasury to carry out its heavy borrowings with a minimum of uncertainly and at low cost to the taxpayer. Finally it will protect the securities markets from any disrupting effects that may ensue from a Treasury bond offer made without Federal Reserve assistance.

A friend wrote me as follows:

MAY 10, 1954.

Federal Reserve statement of May 5 shows how ridiculously ineffective is the discount rate. Loans to banks only 139 million, probably all secured by Government obligations, while the member banks have loans and investments of about $120 billion which would be eligible. The percentage is 0.00108 percent.

Last year they had $792 million more loans, which was due to the fact that the 12 men with the consent of the Treasury "histed" the short-time Government rates high enough for the banks to buy such paper and then borrow from the Federal or other banks at a profit, and thus increase their capital structure, and save excess-profits taxes, which were based on capital and surplus and profits and borrowed money.

An interested reader of the CONGRESSIONAL RECORD wrote me:

MAY 13, 1954.

It looks like they are making of the Government market, a crap game, just like the stock market. Yet the Governments are security for our money at par. It certainly was a blunder to name a security dealer and stock exchange president as Chairman of the Federal, practically all of whose dealings are in Government securities. That is the reason I refer to him as William "Misfit" Martin.

I also enclose a clipping from the local paper in which Mr. Funston correctly says that there should be more equity financing than debt financing, this for the benefit for the various companies needing capital. But it also reminds me that sometime ago, you in one of your speeches called attention to folly of making it too easy and profitable (or apparently profitable) for the Government to pursue a policy calculated to get the little investor into the stock market. I forgot what was the subject of your speech, and it may have been the partial waving of taxes on dividends. You are exactly right. Investing in stocks is highly specialized and except for what some stock salesmen tell the average man, he would, on average,

have more chances in a crap game. At least he will understand the game better.

Do you remember when the Federal increased the discount rate just about the time Burgess came to the Treasury, how fast all the big banks increased their prime rates and since the discount rate has been reduced how few have reduced their prime (and other) rates?

The following letter was received from the correspondent:

MAY 20, 1954.

Referring to the resolution you discussed in re the parring of Government obligations by the Federal, I enclose 3 exhibits, which show the tremendous profits being made by some of the big banks and big security dealers due to the action of the 12 men in refusing to make available enough reserves to the banking system to finance the 3 billion-odd new paper recently put out by the Treasury.

The exhibits are the market quotations on the 18th, 19th, and 20th, the days after the banks had to put up reserves to cover the 2.2 billion new 1¼'s notes which the banks credited to the Treasury.

You will note that the market broke up to twelve thirty-seconds each on the 18th and 19th; and then went back up to fourteen thirty-seconds on the 20th, after the Federal had taken on a small amount of bills. When you bear in mind that when the combined drop in the 2 days was about twenty-five thirty-seconds, which equals about $7,656 per million you can guess what enormous profits have been made, while some suckers lost.

It is hard to imagine any 12 men with the power given them by Congress to allow the Government market to get into any shape where, in case of another war, nobody would buy the long bonds without a tremendous increase in the interest rate for the taxpayers to pay.

But, after all, they are no more foolish than the Congress who allows it.

Nothing like this could happen before they decided to repudiate all previous action, and not protect the bonds at par. This has certainly made a "juicy crap game market" for the big operators.

Mr. Speaker, I now turn to another part of this important subject concerning particularly the ownership of the Federal Reserve System and its ineffective auditing system. Also the failure of the agent or servant of Congress—the Federal Reserve System—to keep its master—the Congress properly and adequately informed.

WHO OWNS THE 12 FEDERAL RESERVE BANKS?—QUESTION DEFINITELY SETTLED—PRIVATE BANKS DO NOT OWN THEM. GOVERNMENT DOES OWN THEM—NO AUDIT BY CONGRESS OF THIS CONGRESSIONAL AGENCY IN 40 YEARS—HOW GOVERNMENT MONEY-ISSUING PRIVILEGES USED

Mr. Speaker, the Honorable CLARE HOFFMAN, chairman of the House Committee on Government Operations, called his committee together June 2, 1954, last week for hearings on H. R. 7602, a bill introduced by me to direct the Comptroller General to audit the Board of Governors of the Federal Reserve System, the Federal Open Market Committee, and the Federal Reserve banks. The hearing lasted from 10 in the morning until after 12 noon. My testimony consumed much over an hour and then the committee heard the Honorable William Martin, Jr., Chairman of the Board of Governors of the Federal Reserve System. The members of the committee, including the chairman, demonstrated a genuine interest and were very helpful through their questioning in getting the truth about the proposal, its desirability and its effects, in the public interest.

Since the hearings will not be resumed until after I have had an opportunity to inspect the audits that have been made during the past 40 years, and which will likely take a few weeks time—thereby postponing the printing of the record until the hearing is finished—I believe the hearing of last Wednesday should be made public. The only way I know is to have it printed in the CONGRESSIONAL RECORD. After conferring with the Honorable CLARE HOFFMAN, chairman of the committee, and receiving his consent, the full and complete hearing is inserted herewith. It is an uncorrected copy.

At this time, when every Member of Congress has individual responsibility for the workings of their economic system, there will likely be interest manifested in the testimony that was disclosed in this hearing.

MOST POWERFUL COMMITTEE IN UNITED STATES

Contrary to general belief, the Federal Reserve System is not owned by the private banks. The Board of Governors here in Washington, composed of seven members—all selected by the President and confirmed by the Senate—are charged with a public duty. The Open Market Committee, which is the most powerful committee in the United States and has more influence and power over the control and operations of our monetary and economic system than the Govment itself—including the United States Congress—is composed of 7 members of the Board of Governor and 5 members selected by the directors of the 12 Federal Reserve banks.

DIRECTORS OF FEDERAL RESERVE BANKS

The 12 Federal Reserve banks and 24 branches operate throughout the United States, each bank in a designated territory fixed by law. Each Federal Reserve bank is operated by nine directors. One of the directors, a banker, is elected by the largest banks in the Federal Reserve district; one a banker, by a medium-sized banks and one, a banker, by the smaller banks. Three directors—known as class B—are elected by the private commercial banks and, although they cannot be officers and employees of the banks as the first three, may be and usually are stockholders of banks. Chairman MARTIN says they cannot be stockholders but I am sure he is mistaken. The other three directors are appointed by the Board of Governors. Although they cannot be bankers at the time of their service as class C directors, two of them must be—according to law—men of tested banking experience. This naturally restricts their selection to directors seasoned and experienced in the banker's viewpoint. These 9 directors, 6 of them elected by the private banks, select the president of the bank and other officers. It is 5 of these presidents, selected by the private commercial banks, who serve on the Open Market Committee with the 7 members of the Board of Governors, making the 12-member committee.

ADMISSIONS AT HEARING

At this hearing, Chairman Martin of the Board of Governors admitted that I was right about the Government and not the private member banks owning the Federal Reserve System.

The reading of my testimony before the committee will disclose that I particularly made the following points to sustain my position that the Federal Reserve banks belong to the United States Government and do not belong to the private banks:

First. The Federal Reserve System, including the 12 banks, represent a central banking system for the United States. It has the power to create money. It operates solely on the Government's credit and on its power to create money.

Second. The so-called stock owned by private banks in the Federal Reserve banks is not stock at all. The word "stock" is a misnomer. It is an involuntary investment by a member bank of 3 percent of its capital. The bank making the investment, although calling it the misnamed stock, cannot sell it at all; neither can it be hypothecated. The bank receives 6-percent dividend each year on its investment in this so-called stock. This so-called stock amounts to about $265 million in the 12 banks. The amount of the stock is insignificant compared to the size of operations of the Federal Reserve System. It is not needed by the Federal Reserve System at all and is not used for any worthwhile or constructive purpose. It is intended to be psychological only, to make the bankers feel that they have an interest in the system and feel a duty or obligation to see that it is properly administered.

Third. The test of ownership of any property is determined by who will get the proceeds remaining after liquidation. The Federal Reserve Act provides that if a Federal Reserve Bank is liquidated, after its debts are paid—including the investment made by the bank in the so-called stock—the remainder goes into the Treasury of the United States and is the property of the United States Government.

Fourth. Congress never intended that the 12 banks would be owned by the private commercial banks. If so, that would place the Congress in the ridiculous position of making it possible for the System to be administered by the Board of Governors of seven members, who would receive their pay from private banks. The Board of Governors receive the money for their operating expenses by assessing each of the 12 Federal Reserve banks a proportionate amount sufficient for that purpose. It would be comparable to having an interstate commerce commission to fix freight rates and protect the public interest on matters involving railroad transportation, who would receive their salaries and other expenses from the railroads. Certainly Congress never intended any such situation to exist and would not approve any such situation.

EARNINGS OF THE SYSTEM

During the year 1953, according to the annual report of the Board of Governors,

the 12 Federal Reserve banks earned $513,037,000. It had current expenses of $113,515,000. Most of this was spent to aid and assist and for the benefit of the private commercial banks in clearing checks and other related expenses, which included salaries and expenses of 20,000 employees, postage, express, motion pictures, publications, books, and so forth. After a part of this was set aside to increase the surplus funds of Federal Reserve banks, $342,568,000 of these earnings were paid into the United States Treasury as interest on Federal Reserve notes. In other words, for the use of the Government's credit. A franchise tax would probably be a more appropriate name. In 1952 the System paid in to the United States Treasury $291,934,000.

The first question that is asked is, Where do the 12 Federal Reserve banks get their earnings? The answer may be obtained for the year 1953 in a table commencing on page 66 of the report. This table discloses that $497,454,961 of the earnings came from interest on Government securities; $15,276,054 from discount and advances; and about $290,000 from industrial loans and other sources. So, for all practical purposes the earnings came from interest on United States Government securities.

DID BANKS USE CAPITAL AND RESERVES?

The next question is, How did Federal Reserve banks get these Government securities—aggregating in value about $25,317,674,000? Did it use the $265 million so-called capital invested by the private banks? Did it use the reserve funds on deposit with the Federal Reserve banks by the private banks? The answer is, these 12 banks obtain these bonds through purchase by the Open Market Committee. In making the purchases the Government's credit was used, or Federal Reserve notes—printed money. So-called capital stock was not used, neither were the reserve funds of private banks used for that purpose.

THIS PART IS NOT MYSTERIOUS

It is possible that some parts of the monetary system are so intricate or mysterious that they cannot be understood, but not this particular part. It is very simple. The Open Market Committee, a Government agency, having in vaults subject to its disposal tens of billions of dollars' worth of new printed Federal Reserve notes—printed money—trade this printed money for United States Government securities that bear interest. It is just this simple. The Open Market Committee takes a Government promise to pay in the form of printed money—Federal Reserve notes, non-interest-bearing—and trades this Government promise to pay for another Government obligation that is also a promise to pay. The latter provides that the Government will pay interest on it. The result is that a Government agency has traded the United States Government's money for United States Government bonds, and keeps the bonds and collects the interest. Ordinarily, you would say that when an agent gives a check on his principal to pay a promissory note or debt of his principal the note or debt would be canceled. It is certainly unthinkable that in ordinary business transactions an agent would take the principal's money and pay a debt of the principal and then, instead of having the debt canceled, the agent keep it and require his principal to pay interest on the debt when due. That is exactly what the Open Market Committee does. It uses the Government's money to buy interest-bearing securities, keeps the securities, and collects over one-half billion dollars a year on them. The Federal Reserve notes are obligations of the United States. They are traded for other obligations of the United States. Since the purchased obligations are held and not canceled, the Government owes both on the $25 billion worth now held by the banks; the Government owes for them and also for the $25 billion worth of Federal Reserve notes used to purchase them. The latter are not charged up in arriving at the size of the national debt.

It will be noticed in the testimony, which I am inserting, that the Honorable CLARENCE BROWN, of Ohio, one of the ablest Members of this body, questioned me rather closely about my statements concerning the earnings of the banks, and so forth. Among the questions he asked and the statements he made are the following:

Mr. BROWN of Ohio. * * * What percentage of these salaries are paid out of tax funds? (p. 43).

Mr. BROWN of Ohio. * * * The facts are that not a penny of the salaries down there is paid out of tax money. Is that right? (p. 43).

Mr. BROWN of Ohio. * * * The fact of the matter is, the Federal Reserve System is not supported by tax funds. The people are not taxed for that. The banks themselves are taxed, aren't they? (pp. 44 and 45).

Mr. BROWN of Ohio. * * * I certainly do quarrel with any thought or idea that the taxpayers themselves, out of tax funds, are supporting the Federal Reserve System, paying the salaries you mention (p. 47).

Mr. BROWN of Ohio. * * * If you don't have any dealings with the Federal Reserve bank yourself, you don't pay a penny toward it. A lot of people in America don't pay 1 cent toward support of it. Now, they may if they use bank facilities pay something. That is the way it ought to be (p. 48).

I believe a careful reading of my replies to these statements and questions will reveal:

First. The salaries are paid out of public funds supplied by the taxpayers.

Second. The Federal Reserve is supported by tax money because the interest supplied by the taxpayers and collected by the Federal Reserve banks support them.

Third. Instead of the private member banks supporting the Federal Reserve the private member banks profit to the extend of $100 million a year from the Federal Reserve funds.

The transcript of the testimony is as follows:

H. R. 7602, TO DIRECT THE COMPTROLLER GENERAL TO AUDIT THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, THE FEDERAL OPEN MARKET COMMITTEE, AND THE FEDERAL RESERVE BANKS

UNITED STATES
HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D. C., Wednesday, June 2, 1954.

The committee met, pursuant to call, at 10 a. m., in room 1501, New House Office Building, Hon. CLARE E. HOFFMAN, chairman of the committee, presiding.

The CHAIRMAN. The committee will come to order.

We have with us this morning our distinguished colleague from Texas who served with so many years of distinction the people in the State of Texas as well as the Nation. We will hear Mr. PATMAN at this time.

STATEMENT OF HON. WRIGHT PATMAN, A REPRESENTATIVE IN CONGRESS FROM THE FIRST DISTRICT OF THE STATE OF TEXAS

Mr. PATMAN. Thank you, Mr. Chairman.

I appreciate more than I can tell you the opportunity to appear before your committee to support H. R. 7602.

The testimony I am now presenting was prepared and delivered to each member of this committee May the 29th, 1954.

I did not deliver it on that day because I was unable to reach the chairman. It was Saturday afternoon and, naturally, I didn't expect to find the chairman in his office at that time.

The CHAIRMAN. You did reach me Sunday morning, did you not?

Mr. PATMAN. I reached you Sunday morning.

The CHAIRMAN. In my office?

Mr. PATMAN. In your office, and it was very early, a little after 9 o'clock, on Sunday.

The CHAIRMAN. I am sorry Saturday I was having a meeting with a few Members of the House on the question of how far we should go with the present policymakers.

Mr. PATMAN. Anyway, I am not complaining. I am elated I was able to reach you Sunday and get your clearance.

Mr. KARSTEN. Off the record, I may say I met him on the way down here at 7 o'clock this morning.

The CHAIRMAN. I prefer to have it on the record.

Do you prefer to read your statement?

Mr. PATMAN. I suspect I better because I had tried to digest it. There are only about three parts to my statement.

The CHAIRMAN. Very well. Proceed in your own way, and we will reserve our questions until our colleague gets finished.

Mr. PATMAN. I shall be very glad to try to answer any questions propounded by any member of your distinguished committee.

It is my belief that a very bad precedent has been set by permitting the Federal Reserve System to operate independently within the Government and from the Government to the extent that Congress has not had an opportunity to become acquainted with its activities and the way its funds, which are public funds, are expended. To my mind, this matter involves a fundamental principle of government.

If the Federal Reserve System should be permitted to continue as it has continued in the past, many other agencies are entitled to the same privileges; and if and when they are granted to the other agencies equally entitled to them, the Congress will lose effective control of the Government and particularly its purse strings.

The Constitution, article I, section 8, clause 2, provides:

"The Congress shall have power * * * to coin money, regulate the value thereof."

Under this provision of the Constitution, the Supreme Court has held that to print money is to coin money; therefore, the power includes the printing of money, including Federal Reserve notes. Most of our money in use is in the form of Federal Reserve notes, which is paper money.

The Congress, in pursuance of this provision of the Constitution, has delegated the power over money and credit to the Board of Governors and the Open Market Committee of the Federal Reserve System.

The Board of Governors is here in Washington, D. C.

The Open Market Committee is operated in the Federal Reserve bank in New York City.

The 12 Federal Reserve banks in the 12 Federal Reserve districts of the United States are the agencies used as vehicles or facilities to carry out the orders of the Board of Governors and the Open Market Committee.

The most important powers in the System are delegated by the Congress to the Open Market Committee. It is this committee, composed of the 7 members of the Board of Governors and 5 presidents of Federal Reserve banks, who were selected by the private banks, that conduct and carry on the most important functions of the Federal Reserve System.

This committee has the power to trade noninterest-bearing Federal Reserve notes—printed money—for interest-bearing Government obligations. It has acquired in this manner about $25 billion of such securities.

This committee distributes these interest-bearing obligations among the 12 Federal Reserve banks in proportion to their size, the 12 banks being required to comply with all instructions of the Open Market Committee concerning the sale and purchase of United States Government securities.

The banks keep these bonds that the Open Market Committee buys for them with costless money and collect the interest annually.

Last year, the earnings of the System—practically all of it from interest on Government obligations so purchased—aggregated $513 million. The expenses of the System were paid, which amounted to about $135 million, and the remainder was distributed, about 10 percent, to the surplus funds of the 12 banks and 90 percent to the United States Treasury as a franchise tax, or interest, to the Government for the use of the Government's credit.

The Federal Reserve System was 40 years old December 23, 1953. During these 40 years the Bureau of Engraving and Printing has prepared and distributed to the Federal Reserve System about $140 billion in Federal Reserve notes—printed money. About $30 billion of these notes is still outstanding in the pockets and tills of the people and is in daily circulation, except some of it that is hoarded or has been destroyed.

The Federal Reserve banking system is set up as an agency or instrumentality of the Government, and it operates solely on the Government's credit through its power to create money, which includes the power to determine the volume of money, its value, interest rates and is charged with the duty of performing a public service, not organized for profit.

Contrary to reports, it is not owned in whole or in part by the private banks. Investments and reserves of the private member banks are not used by the System in its operations. It is a central bank owned and operated by the Government, as central banks in all countries are so conducted.

Under our form of Government, which I consider is a democracy in a Republic, it is contemplated that the House of Representatives, which is close to the people—not one of its Members appointed, all elected by the people every 2 years—has control of the purse strings of this Nation.

All departments of Government, including the legislative and those within the executive and the judicial branches, must secure money in the form of appropriations for their activities and operations from the Congress every year.

The officials of the Federal Reserve System deny that it is within the executive branch of the Government, but admit it is an agency of the Congress of the United States—the legislative branch. However, the System having the power to create money, without cost, and by Government interest-bearing securities has plenty of money of its own to pay its expenses, and during the 40 years of its existence has never been forced to call upon Congress for an appropriation.

The fact that the System does not need appropriations deprives the Congress of the privilege of being informed annually about its operations. Not only has the Congress been kept in the dark during these 40 years about what the System has been doing because it did not have to get any appropriation from Congress, the System has not during this time made adequate reports to the United States Congress—its master—as to what it was doing or the extent of its operations. You will notice I said "adequate reports." Otherwise, it would not be paying Federal annual salaries of $25,000, $50,000, and $60,000, which are clear out of proportion. Neither would the food bills for the officials and employees in the restaurants and cafeterias be subsidized up to 50 percent.

A hasty examination by this committee of the way and manner public funds are expended by the System will probably result in shocking disclosures.

About May 1, 1954, for the first time in the history of the System, an audit of the Board of Governors here in Washington was filed with the Banking and Currency Committees of the House and Senate. This audit fails to make adequate or satisfactory disclosures as to the operation of even the Board of Governors for the year 1953.

It does not purport to cover an audit of the 12 banks or the Open Market Committee.

The Open Market Committee, the most powerful committee in the United States, has never made any report of any kind to the United States Congress; yet its transactions involve $15 to $20 billion a year, and most of these huge transactions with a dozen companies.

These transactions are conducted by the President of the New York Federal Reserve Bank, a member of the Open Market Committee, having been delegated the power by a subcommittee of five members of the Open Market Committee.

These 5 members of the Open Market Committee were selected by the 12 members of the Open Market Committee, who had the power delegated to them by Congress. The Congress, of course, received its power from the 160 million people under the Constitution.

It is an approved industrial and commercial practice for auditors to be selected by someone—generally the shareholders—other than the management, whose accounts are to be audited. It is no reflection on the integrity of the accounting firm, but there is a tendency to take their cue and be beholden to the management which employs them. Insofar as the Federal Reserve System is concerned, outside auditors should be used, and their selection and instruction should come from the Congress rather than from the Board, whose accounts are to be audited.

During the past 40 years, it is insisted that each of the 12 Federal Reserve banks has been audited each year and the Board of Governors has been audited the last 2 years of the 40 years; but the auditors in each instance were selected by the Board itself, and any instructions given to the auditors were given by the Board of Governors.

It should be pointed out that not one of these audits, except the last one heretofore mentioned, has ever been filed with a committee of Congress or made available to any member of Congress for his inspection.

It is the object of the bill, which I have introduced—H. R. 7602—to require a complete audit of the Federal Reserve System by the Comptroller General.

The bill—page 3, lines 4 and 5—would conform to this recognized good practice that I have outlined above used by industrial and commercial concerns, authorizing the Comptroller General to employ by contract the professional services of firms, if this seems preferable, to perform the audit with its own employees. The result would be that the Comptroller General would prescribe the scope and instructions for an audit performed by outside auditors.

In addition to the many good reasons that are obvious for such an audit to be conducted in the public interest, within the past week, an outstanding reason has been brought to light. It has been disclosed that for 40 years each of the 12 Federal Reserve banks has been compelled to return to the bank of issue any Federal Reserve notes coming to it in the usual course of business.

In other words, the Federal Reserve bank at Richmond is compelled to bundle up and return immediately to each of the other 11 Federal Reserve banks any and all Federal Reserve notes coming to it, which were not issued by the Richmond bank.

It is estimated by the Chairman of the Board of Governors that this cost alone is $750,000 a year. It is unnecessary—in fact, it is almost silly—yet, for all these 40 years, the Government has been paying out up to three-quarters of a million dollars every year to perform a service that the Board of Governors now admits is expensive, useless, and unnecessary.

If the books of the banks had been properly audited by outside auditors, this wasteful expenditure would have been discovered more than 25 years ago and from $20 to $30 million would have been saved the taxpayers.

The Federal Reserve officials, admitting that this policy has required a wasteful expenditure, recently asked for an amendment to the law changing it. The Banking and Currency Committees of the House and Senate only last week voted out bills favorably to end this shameful waste of public funds.

The magnitude of the operations of the banks, which gives some idea of the volume of transactions into which error or misfeasance might creep, is suggested by the following figures for 1953:

Discounts and advances	$93,000,000,000
Currency and coin received and counted	30,100,000,000
U. S. Government checks handled	140,700,000,000
Other checks handled	885,700,000,000
Issues, redemptions and exchanges of U. S. Government securities	382,000,000,000
Funds transferred between regional banks	887,000,000,000

In fact, Mr. Chairman, it will aggregate from one to two trillion dollars a year.

A proper audit of the operations of the regional banks would not be limited to counting the petty cash or verifying the Government bonds. It should also look into the adequacy of the internal checks in the accounting systems and into the efficiency of procedures employed in handling the tremendous volume of transactions, which go through the regional banks. A report on the audit ought to state whether operations of the banks are efficient and state wherein improvements in organization, procedures or management might be possible.

With the help of the Legislative Reference Service of the Library of Congress, I am submitting information about the way other agencies of the Government are required to handle and account for public funds.

The following Federal agencies are, to a large extent, supported from the revenues of the enterprises operated or supervised by them or from the property they administer, but they must obtain special authorization to use moneys in their hands for designated purposes or, in some cases, for any purposes: Federal Housing Administration (15 U. S. C., 712a, Public Law 176, 83d Cong.); Home Loan Bank Board (15 U. S. C., 712a, Public Law 176, 83d Cong.); Office of Alien Property (Public Law 195, 83d Cong.); Commodity Credit Corporation (15 U. S. C., 712a, Public Law 156, 83d Cong.); Export-Import Bank of Washington (15 U. S. C., 712a, Public Law

207, 83d Cong.); Federal Crop Insurance Corporation (7 U. S. C., 1508, 1516, Public Law 156, 83d Cong.); Federal Farm Mortgage Corporation (15 U. S. C., 712a, Public Law 156, 83d Cong.); Federal Intermediate Credit Banks (Public Law 156, 83d Cong.); Federal National Mortgage Association (Public Law 176, 83d Cong.); Federal Prison Industries, Inc. (Public Law 195, 83d Cong.); Federal Savings & Loan Insurance Corporation (15 U. S. C., 712a, Public Law 176, 83d Cong.); Inland Waterways Corporation (Public Law 195, 83d Cong.); Panama Canal Company (Public Law 153, 83d Cong.); Production Credit Corporation (Public Law 156, 83d Cong.); Public Housing Administration (Public Law 176, 83d Cong.); Reconstruction Finance Corporation (15 U. S. C., 712a, Public Law 207, 83d Cong.); Virgin Islands Corporation (Public Law 172, 83d Cong.); Tennessee Valley Authority (16 U. S. C., 831h–2).

The following Federal agencies collect certain moneys, which are covered into the Treasury and which can be withdrawn only upon appropriation by Congress:

Attorney General: Aliens and immigrants; various receipts (8 U. S. C. 1356).

Department of Agriculture:

Farm Credit Administration, assessments for examination and supervision deposited in special fund in Treasury which is authorized to be appropriated for those purposes (12 U. S. C. 832).

Forest Service receipts (16 U. S. C. 580e).

Inspection fees, etc. (7 U. S. C. 78, 149, 161a, 395, 415d, 499n, 511e).

Rural Electrification Administration: Proceeds of loans, in certain circumstances (7 U. S. C. 903f).

Department of Commerce:

China Trade Act Corporation fees (15 U. S. C. 157).

Service and Publications, fees and charges (5 U. S. C. 606).

National Bureau of Standards, fees for tests, etc. (15 U. S. C. 276).

Patent Office fees (35 U. S. C. 42).

Department of Interior:

Electricity, sales from various power projects (16 U. S. C. 825s, 825s–1, 832j, 833i).

Geological Survey, sale of publications (43 U. S. C. 41).

Grazing fees (43 U. S. C. 315i).

Federal Power Commission:

Water power license fees and charges (16 U. S. C. 810).

Secretary of the Department of Health, Education, and Welfare:

Food inspection fees (21 U. S. C. 24, 46a).

Post Office Department:

Postal revenues (31 U. S. C. 495; 39 U. S. C. 786; cf. 39 U. S. C. 794a).

Securities and Exchange Commission:

Fees for registration of securities, national securities exchanges and qualifications of trust indentures (15 U. S. C. 77f, 77ggg, 78ee).

The following Federal agencies collect certain moneys, which they are permitted to use in accordance with law without special congressional authorization or appropriation:

Comptroller of the Currency:

Assessments for bank examinations (12 U. S. C. 481, 482).

Assessments against insolvent banks for expenses of liquidation (12 U. S. C. 196).

Reimbursement by Federal Reserve banks for expenses of note issue and redemption (12 U. S. C. 420).

Federal Deposit Insurance Corporation:

Premiums for deposit insurance (12 U. S. C. 1817).

Interest on investments (12 U. S. C. 1823).

Federal Reserve Board:

Assessments against Federal Reserve banks for expenses of Board (12 U. S. C. 243).

Home Loan Bank Board: Assessments for examination of financial institutions (24 C. F. R. 123.20, 12 U. S. C. 1439a).

Department of Agriculture: Charges for inspection and certification of certain farm products and license fees (7 U. S. C. 55, 499c, 585).

Department of Health, Education, and Welfare:

Federal Credit Union fees (12 U. S. C. 1756).

Fees for examination of seafood (21 U. S. C. 372a).

General Services Administration: Fees for testing commodities (5 U. S. C. 630g).

Of course, the Federal Deposit Insurance is audited by the Comptroller General, and some others, but they are all minor except the Federal Reserve.

There is now no limitation on the amount of public funds in possession of these banks that may be spent or on the purposes for which it may be spent. Congress usually has an opportunity to keep advised of the operations of a Federal agency by looking over its appropriations annually and by having access to an audit made by the Comptroller General. With the Federal Reserve System, the Congress does not have either way.

It has been stated in the reply by the Chairman of the Federal Reserve Board that it is likely that the independence of the system would be jeopardized by any kind of an audit. In answer to that, the White House, the President of the United States, must always get an appropriation from the Congress. The Congress looks over every item that is appropriated for the benefit of executive department and it is certainly an independent branch of our Government.

The judicial branch of our Government, from the Supreme Court on down, including the salaries of the Justices of the Supreme Court, is provided for by appropriations from the United States Congress, and it has certainly not destroyed the independence of the Supreme Court; neither has it destroyed the independence of the executive branch.

Therefore, I think the argument that it is likely to interfere with the independence of the Federal Reserve is a weak one, particularly for the reasons I have cited.

I respectfully submit that the Federal Reserve System, an agency of Congress, should be brought within the supervision and control of Congress—the master—to the extent that Congress will be made acquainted with its activities at all times and also to the extent that waste and extravagance will be discouraged.

The Federal Reserve System, as presently operated, is free from all restraints, limitations, and supervisions in the handling and expenditure of public funds required of other major agencies in the three branches of Government. It is operating more like a fourth branch of Government, which is repulsive to our form of government that recognizes the will of the people expressed through Congress.

It is my sincere belief that this audit should be authorized in the public interest and in accordance with our form of government in the careful handling and spending of public funds, which vitally affect all the people and particularly the taxpayers.

The CHAIRMAN. You stated, Mr. PATMAN, that the House Committee on Banking and Currency had reported out two bills.

Mr. PATMAN. Yes, sir. I mean one bill from each committee.

The CHAIRMAN. And where are those bills?

Mr. PATMAN. They are before the House now. I imagine the one from the House committee will be up the next few days, and, of course, the Senate has its bill before the Senate; but I don't think it has passed on it. They are identical bills.

The CHAIRMAN. Is the purpose to correct the situation to which you referred?

Mr. PATMAN. That is right. Seven hundred and fifty thousand dollars a year has been wasted over an unlimited number of years, and the people in charge of it have just now gotten around to asking for a change.

The CHAIRMAN. Does this bill of yours duplicate any provisions of those two?

Mr. PATMAN. It does not; no, sir.

The CHAIRMAN. This is an addition to the bill——

Mr. PATMAN. That particular bill, Mr. Chairman, just relieves the banks of the duty of what you might call in freight rates cross-hauling.

The Richmond bank is obligated if it gets notes from the Federal Reserve Bank of New York to send them right back to New York, or San Francisco right back to San Francisco, and all the other banks are charged with a similar duty.

In other words, one Federal Reserve bank out of the 12 cannot pay out the Federal Reserve notes, although they are all Government obligations and so state on their face, of another Federal Reserve bank.

There has never been a good reason for it. It should have been changed the second year of its operation, but for 40 years it was never brought to Congress' attention in a way that effective action was taken.

I understand when Senator DOUGLAS headed the committee of the joint committee that some suggestion was made that it ought to be changed. That was back several years ago, but they way the Federal Reserve should ask for changes is in its annual report, ask Congress to pass a law, which has never been done, as far as I have been able to find out, until in its 41st year it asked for a change to save $750,000 a year.

The CHAIRMAN. Mr. BROWN, do you have any questions?

Mr. BROWN of Ohio. Not at this time.

The CHAIRMAN. Mr. DAWSON.

Mr. DAWSON. I want to certainly compliment our colleague upon looking into this matter and bringing it to our attention. I have no questions to ask him. His statement has been very, very lucid.

Mr. PATMAN. Thank you.

The CHAIRMAN. Mrs. St. GEORGE.

Mrs. ST. GEORGE. No questions.

The CHAIRMAN. Mr. KARSTEN.

Mr. KARSTEN. Mr. Chairman, I have one or two questions.

Mr. PATMAN, on page 2 of your statement I notice you emphasize the words "adequate reports."

Mr. PATMAN. That is right.

Mr. KARSTEN. I wonder if you might elaborate on that a little.

Mr. PATMAN. Yes, sir.

The Federal Reserve system files a report every year with Congress. It is really more interesting for what it does not include than what it includes, and I don't think it is an adequate report at all. It does not cover the most important operation of the entire system, and that is the open market operation.

Mr. KARSTEN. That is the general statement.

Mr. PATMAN. That is right, and that is a group, the Open Market Committee, that is more powerful than the Congress of the United States. It is because the Congress has given it that power. It is composed of 7 members, when the vacancies are all filled, and 5 members selected by the private banks.

Those 12 members have more power than the United States Congress over our economic affairs here in the United States, and we have received no adequate reports from the Open Market Committee at all. In fact, we have never received any. I assume it goes into the report of the New York bank, since the New York bank runs the show, but we have never seen an audit of the New York bank, not in 40 years, 41 years nearly.

Mr. BROWN of Ohio. It is your desire to get these reports and adequate information

rather than to have Congress try to run the open market operation itself, Congressman?

Mr. PATMAN. That is right. I don't think Congress should try to run the open market operation.

Mr. BROWN of Ohio. You don't think Congress could, do you?

Mr. PATMAN. Yes; I do, but I don't think it would be good for Congress to do it.

Mr. BROWN of Ohio. I don't know anybody in Congress who has either the wisdom or judgment about financial affairs to run this open market thing, that is, of 435 members in the House.

Mr. PATMAN. All you have to do is delegate it, just like you do with everything else. You see, you have to delegate it to somebody.

Mr. BROWN of Ohio. That is the same old story, then. It is a question of whom you delegate it to.

Mr. PATMAN. That is right.

Mr. BROWN of Ohio. Congress, itself, wouldn't do it.

Mr. PATMAN. That is right.

Mr. BROWN of Ohio. What you want is a report of what is being done and what has been done?

Mr. PATMAN. That is right. In other words, what we have done is lost complete control. Normally you have two controls over an agency—one when they ask for appropriations. The Appropriations Committee looks over what they have done.

Mr. BROWN of Ohio. Are you referring to the Banking and Currency Committee of the House and the Banking and Currency Committee of the Senate, that if they had these reports they could properly interpret them and know what to do about it?

Mr. PATMAN. With the experts we have, I think we can determine it and come to some reasonable conclusion.

Mr. BROWN of Ohio. We would set up our own experts in addition to the Federal——

Mr. PATMAN. No; you could tell yourself. The gentleman from Ohio could very quickly tell what was wrong and what was right.

Mr. BROWN of Ohio. I can read a balance sheet.

Mr. PATMAN. That is right.

Mr. BROWN of Ohio. Which a great many bankers can't do, in spite of their reputation.

Mr. PATMAN. Yes.

Mr. BROWN of Ohio. I am not any smarter than any of the Members of Congress, but I doubt that a great many of the Members of Congress can actually and accurately interpret a balance sheet.

Mr. PATMAN. That is my reason, Congressman——

Mr. BROWN of Ohio. It is pretty difficult to do without a few years of experience.

Mr. PATMAN. For insisting upon a complete disclosure.

You see, it is the Congress, representing 160 million people, who delegated this power to 12 men. The Congress, composed of 531 Members of the House and Senate, 435 Members of the House and 96 Members of the Senate, had the power under the Constitution to do this. We couldn't do it—obviously we couldn't do it—so, we have delegated that power to 12 men. We have never seen them—at least all the Members at one time—and I want to tell you right now I know most of them, but we just don't keep up with them.

I think we made a mistake when we let private banks come in to run the show for the public interest. I think we made a mistake there, but certainly we should be made acquainted at all times with what they are doing, and we are not doing that.

Now, these 12 men have gone further. They have delegated the power to 5, the executive committee, and these 5 men have gone further. They have delegated the power to one, the president of the New York Bank, who runs the show, and that is where it is.

They do $15 and $20 billion worth of business a year, buying and selling Government bonds, and things like that, and get the money over here at the Bureau of Engraving and Printing.

Naturally, they just don't always deliver the printed money any time, but the obligation is there.

When they buy a million dollars worth of bonds, they, for all practical purposes, go to the Bureau of Engraving and Printing, get a million dollars in printed currency, and deliver it in return for the Government obligation.

In reality, that is the effect of it, although they might not actually put out the printed money, just give them credit for it and let them get it when they want it. That is the effect of it, just like a deposit in the bank, of course.

That is the reason I think we should have some supervision over this, so that we at least know what is going on.

The CHAIRMAN. Mrs. ST. GEORGE.

Mrs. ST. GEORGE. No questions.

The CHAIRMAN. Mr. MCCORMACK.

Mr. MCCORMACK. Mr. PATMAN, I notice in your statement, on page 2, you said:

"About May 1, 1954, for the first time in the history of the system, an audit of the Board of Governors here in Washington was filed with the Banking and Currency Committees of the House and Senate."

This bill here, in part, attempts to provide for an annual report, at least, doesn't it?

Mr. PATMAN. Yes, sir.

You see, that only includes, Mr. MCCORMACK, the Board of Governors.

Now, the Federal Reserve System is broken down, we will say, into three parts:

The Board of Governors

They are the people who run the show, that is, except the Open Market Committee. Their votes are offset in part sometimes by the representatives of private banks, but the Board of Governors is tops.

The Open Market Committee.—I guess you would consider them next, if not parallel.

Then the 12 Federal Reserve banks with the 24 branches.

This report, Mr. MCCORMACK, is only of the Board of Governors.

They have about $4 million which they received from the Federal Reserve banks for their operating expenses.

Mr. MCCORMACK. Do you know of any agency of Government that doesn't make a report of some kind?

Mr. PATMAN. No, sir; I do not, except the Federal Reserve banks and the Open Market operations.

Mr. MCCORMACK. The Open Market Operations Committee is a part of the Federal Reserve System?

Mr. PATMAN. It is a part of the Federal Reserve System and a part of the Government of the United States.

Mr. MCCORMACK. Now, even the courts make a report. We get a report each year from or through the representative of the courts about the activities of the courts, what they do, and their recommendations; isn't that right?

Mr. PATMAN. Yes, sir; and all the executive departments, although they are under the President, a separate branch of Government, must make a report, and they are audited.

Mr. MCCORMACK. Now, the question of independence: The independence of the court centers around the appointment of life, that is, independence of position, so they can have independence of thought and action.

Mr. PATMAN. That is right.

Mr. MCCORMACK. This bill of yours doesn't undertake to attack the tenure of office; is that right?

Mr. PATMAN. Not at all, or the independence of the system. A member of the Board of Governors is appointed for 14 years and is not eligible for reappointment so he has all the independence you can give him. He is just as independent as a Federal judge who is appointed for life.

Mr. MCCORMACK. Now, I notice the Government bonds dropped down to 1967 Victories, as I remember paying 2½ percent dropped to 89, $90. Can you give the committee any idea or any information as to just how that happened or what the operations were that brought that about?

Mr. PATMAN. I think I can, Mr. MCCORMACK.

It really started back under the Democrats in 1947, I believe it was, the early part of the year, when the Federal Reserve Board declared itself independent from the executive to the extent they went against the wishes of the executive branch of Government and let the three-eighths percent short-term securities increase. It had been held level, on an even keel, over a long period of time; but by releading that and letting that three-eighths of 1 percent rate go up and up and up, and it kept on doing that, until 1951, when the Federal Reserve became more independent, and at that time the executive wasn't in very high esteem in our country in some respects, and its popularity rating was a little bit lower than usual, and they had the courage to actually defy the Government of the United States.

Mr. BROWN of Ohio. Are they going to run this system on a Gallup-poll basis?

Mr. PATMAN. That did influence it. Actually, they did. They actually defied the President of the United States and said, "We are hereafter going to be on our own entirely, and we are not going to try to hold any rates. We are going to let Government bond rates go up," which meant that Government bonds must go down in price.

Mr. MCCORMACK. With the resultant change in interest?

Mr. PATMAN. That is right; and the 2½ percent you mentioned—they commenced going down, and about 1953 they were about 96—I think that is about right—and then when the policy came on in the early part of 1953 they really took a nosedive and they went down to 89.

Mr. MCCORMACK. Yes.

Mr. PATMAN. Eighty-nine; and, of course——

Mr. MCCORMACK. That is when they took the complete market support away?

Mr. PATMAN. That is right. They took the complete market support away, and they realized they made a mistake. They took an about-face. They reversed their action entirely. They commenced going the other way and, of course, that caused the bonds to go back up in price and the interest rates to go down.

The CHAIRMAN. Does that mean, if I may interrupt, that those who know what the Board intends to do know when to buy and when to sell?

Mr. PATMAN. It is a very lucrative business. It is very profitable to somebody.

I don't know what the score is, but it is operated there in New York City, in that New York bank, and I guess there are lots of people who have to do with it and, naturally, there are leaks that go on, which happens even here in Congress sometimes.

When these 3¼-percent bonds went down to 98½, and then they go up to a hundred and ten, there is a difference of $11.50 on a hundred-dollar bond and, with the 3¼ that he gets for the year, that is a difference of 14¾-percent profit in 1 year on a riskless United States Government bond.

You can't improve on that, by making money on riskless securities, and that is what the policy did, and somebody cleaned up on that in buying those bonds low and selling them high, of course.

Mr. MCCORMACK. Then the 1967 Victories went down to 89 or 90?

Mr. PATMAN. That is right; they did.

Mr. MCCORMACK. Coming back to the chairman's question, of course, there are

some people who have advance notice of what, I assume, the Open Market Committee is going to do.

They have an advisory committee, don't they?

Mr. PATMAN. They have a language all their own. You take, for instance, the discount rate, the rediscount rate. That doesn't amount to a thing in the world except it is psychological. When the banks increase the rediscount rate, that is an unconversational understanding with every bank in America—"We are going to have hard money; tighten up; tighten up"—and when they reduce that rediscount rate, that is an unconversational understanding in every bank in America—"Be easy; be easy."

Now, in reading these reports of bankers, I can't understand them because the language is written in a way that I don't understand them. I don't know whether other people do or not, but the policy, the monetary policy, of course, is usually embraced within the statements that are given out by people in authority, and naturally those people have some idea, I imagine, this is what is going to happen, whether the money is going to be easy or going to be hard, just as much so on the rediscount rate, which is just the plain and obvious way of letting them know.

The CHAIRMAN. Shouldn't there be some requirement that those who make the policy should either buy or sell within a stated period?

How otherwise can the average citizen be protected?

If I am to make the policy and I have a few dollars to invest, I can't lose, can I?

Mr. PATMAN. No. It is a crap game with loaded dice.

Mr. MCCORMACK. I think the chairman asked a very pertinent question there—not so much as to the members of the open committee, but there are others. There is an advisory committee.

Mr. PATMAN. You see, these Federal Reserve Board members—I feel sorry for them in a way. They are brilliant men. They are men of great ability, and fine character, and you couldn't pick out finer men in the country. I have no attack to make on them at all, but those seven members, when there are seven members, are surrounded by 24 of the most important and influential people in the United States of America—12 presidents of Federal Reserve banks and 12 members, 1 from each Federal Reserve district, representing the banks from each Federal Reserve district. There are 24 fellows looking right over the shoulders of these 7 fellows and helping them direct the affairs. There is nobody there to represent the public interest, except those 7 fellows; but they are surrounded by 24 who represent the selfish interest, I will say, because we are all more or less selfish. At least we have a self-interest.

Mr. BROWN of Ohio. Would the gentleman yield?

Mr. PATMAN. And it is just like the Interstate Commerce Commission being surrounded by the railroad operators, having the Pennsylvania, the B. & O., the C. & O., and the New York Central, and all of the rest of them looking right over their shoulder, helping them with the freight rates of the country. It is the same thing.

Mr. BROWNSON. This has been going on for a long time, hasn't it?

Mr. PATMAN. Yes, sir; a long time.

There is no political implication in this. I am not trying to pin it to any particular administration.

Mr. LANTAFF. Forty years.

Mr. IKARD. Forty years.

The CHAIRMAN. There are no political implications in this. You came in late. Mr. PATMAN said earlier this has been going on for 41 years.

Mr. BROWNSON. I read it in his statement. I would just like to have it in the record.

Mr. KARSTEN. Mr. Chairman, I would like to say I have been trying to get some political implications in here, and I might say for the record the Republican platform advocates:

"A Federal Reserve System exercising its functions in the money and credit system without pressure for political purposes from the Treasury or the White House."

Mr. BROWN of Ohio. All right; let's read the other platform, too.

Mr. KARSTEN. I did have a question I wanted to develop on this.

Mr. BROWN of Ohio. Let's read the Democratic platform, too. Then, after you get through with the Democratic platform let's see what the Socialist platform has to say about it.

The CHAIRMAN. It seems we are getting into the political end of it, aren't we?

It is all right with me.

Mr. MCCORMACK. I haven't——

The CHAIRMAN. The only thing I had in mind is that it wouldn't be necessary for us to raise our compensation if we could get this information as to what they intended to do. We could buy or sell——

Mr. BROWN of Ohio. Mr. Chairman, in order to preserve the usual bipartisan approach, I think we ought to have both platforms read.

Mr. KARSTEN. Let me ask my question first, if you will.

The CHAIRMAN. Will you yield to me for one other statement?

Then I won't have any more.

I have heard on the floor sometimes our colleague from Texas was giving us what is inaccurately termed hot air on this financial business, and now I am wondering if maybe that has been because some of us didn't understand what he is talking about, that is, we have no knowledge of the financial situation.

If that is in the nature of a confession, the record will still have it in when it is printed.

All right. Pardon me.

Mr. KARSTEN. I was trying to ascertain whether or not, in the opinion of the author of the bill, that legislation would strengthen the independence of the Board or would it weaken it, in your opinion?

Mr. PATMAN. It wouldn't do either, I wouldn't think, any more so than the same policy that is now in effect as to the other two branches of Government, the executive and the judicial. I don't think they are weakened, the independence of either is weakened, by getting their appropriations from Congress and having their books looked over by auditors.

Mr. MCCORMACK. This would simply give the General Accounting Office, which is an arm of the legislative branch, the authority to make an audit?

Mr. PATMAN. That is right.

Mr. MCCORMACK. And then to make a report to the Congress?

Mr. PATMAN. That is all; yes, sir.

Mr. MCCORMACK. The Federal Reserve Bank System is essentially Government-owned and controlled, isn't it?

Mr. PATMAN. It is a Government-owned and controlled system.

Now, I used to make a statement, which was a correct statement, but it didn't carry the right implication. I said all the stock of the 12 Federal Reserve banks was owned by private banks. That is a correct statement, but I happened to be chairman of an investigating committee, a subcommittee of the Joint Committee on the Economic Report, that looked into this system thoroughly and fully. It is now in three volumes. It is available, and that investigation disclosed convincingly that it is not stock at all. You call it stock, just like saying a dog has five legs by calling his tail a leg, but that doesn't make it a leg. He has still got four legs and a tail.

You call this stock, but it is not stock at all. It is just an involuntary investment—involuntary, I say—that is made by a member bank, equal to 3 percent of its capital structure, upon which it receives 6 percent annually and which is cumulative—6 percent.

Now, as evidence of the fact that it is not stock, the bank holding this certificate has no right to hypothecate it. It has no right to sell it. It has no right to vote it as such, because each banks votes regardless of the amount of stock.

Mr. BROWN of Ohio. Isn't that exactly the same sort of system that is conducted in connection with land bank loans?

Mr. PATMAN. I haven't compared them, Congressman.

Mr. BROWN of Ohio. I think you will find if a farmer wants to get a loan through a land bank that he has to buy some stock.

Mr. PATMAN. It is not exactly the same.

Mr. BROWN of Ohio. I don't know of any difference.

Mr. PATMAN. I can see a difference.

Mr. BROWN of Ohio. You haven't described it yet.

Mr. PATMAN. No.

Mr. BROWN of Ohio. I haven't seen any tail on it.

Mr. PATMAN. I can see the difference from what you say there. The difference depends on the amount of loan he gets.

Mr. BROWN of Ohio. That is right.

Mr. PATMAN. Here it is the capital structure of the bank.

Mr. BROWN of Ohio. Well, that is the same thing. One is the capital structure of the firm. The other is the capital structure of the bank. There is not much difference in that.

I am not a financier, but I can understand that.

Mr. PATMAN. As conclusive evidence and proof that these 12 banks are owned by the United States Government is the fact that the law itself says that in the event that 1 of these banks is liquidated, after the payment of the debts of the bank and the banks are reimbursed for their stock, with any interest, the remainder goes to the Treasury of the United States.

There is your test of ownership in any lawbook that you read or in any law school in the United States. That is the test of ownership as to who gets the balance after the creditors are paid.

Mr. BROWN of Ohio. Now, the Federal Reserve Act——

Mr. PATMAN. And the United States Government would get the benefit.

Mr. BROWN of Ohio. The Federal Reserve Act was passed and the Federal Reserve System set up in 1913; isn't that right?

Mr. PATMAN. December 23, 1913, is when the law was signed by President Wilson.

Mr. BROWN of Ohio. Yes.

As a whole, has it worked well or badly?

Mr. PATMAN. Generally, it has worked all right; worked fine.

Mr. BROWN of Ohio. I have always thought——

Mr. PATMAN. But a lot of amendments have been made, Congressman, and the Congress has never taken much interest in the Federal Reserve System, the members, for some reason or another, and I can understand it. They don't have the staff; they don't have any economists to help them, and they are not willing to go in there and put forth the effort and work to learn about it.

Lots of amendments have gone through that were never discussed on the floor of either House—never discussed, not a line in the RECORD about them—but they were amendments which made fundamental changes in the Federal Reserve Act.

Lots of changes have been made. I suspect there have been a hundred changes made in the Federal Reserve Act, and a lot of them are far reaching.

Mr. BROWN of Ohio. Most of those did go through the Banking and Currency Committee?

Mr. PATMAN. Yes; they did.

Mr. BROWN of Ohio. Did any go through while you were here?

Mr. PATMAN. Yes; some of them while I was here.

Mr. MCCORMACK. How many members are there on the Board of Governors?

Mr. PATMAN. Seven members when the Board is filled.

Mr. MCCORMACK. There are two vacancies now, are there?

Mr. PATMAN. Yes, and that is an unusual thing about those vacancies. You see, the law says the Executive shall—it doesn't say it may; it says "shall"—fill a vacancy, and there is one of these vacancies that happened during a preceding administration which wasn't filled. I don't know why. It was probably a year before the Democrats went out before the Republican administration came in, and it has remained unfilled. I don't understand that at all. Then there is one expiration January 31 of this year, and it is unfilled; but, of course, the obligation of the President to fill it is not the word "shall," like in this other vacancy, because there is somebody still holding on to the one that expired January 31.

Those vacancies on the Board give the members who have security on that Board—5 members to represent the public interest, and 5 members representing the banks—the power to control the volume of money and credit and interest rates in our country.

That is not a very good balance for the public interest, and I think those vacancies should be filled.

I took it upon myself—and I was presumptuous enough—to write President Eisenhower about it and suggested that he consider filling them, and he wrote me back—at least Mr. Adams did, his assistant—he was in a position to advise me that active consideration was being given now to the filling of these vacancies, and they should be filled soon, which I think is very heartening and encouraging information.

Mr. MCCORMACK. What is the background of the present members of the Board of Governors?

Mr. PATMAN. I think they all have banking background. Of course, Mr. Martin, the Chairman, used to be president of the New York Stock Exchange, too, in addition to his banking experience, which shouldn't disqualify him.

Mr. BROWN of Ohio. It should be of some benefit, shouldn't it?

Mr. PATMAN. Well, yes, and no. I wouldn't say it——

Mr. BROWN of Ohio. That is a pretty definite answer.

Mr. PATMAN. Would be a requirement.

Mr. MCDONOUGH. That is a good answer, yes or no.

Mr. OSMERS. They need him in the Senate hearing to testify.

Mr. MCCORMACK. How do the salaries paid by the Federal Reserve Bank compare with other Government agencies?

Mr. PATMAN. Well, they are clear out of line.

That is another example of what an agency will do if it gets footloose and fancy free. When it is on its own and has no limit or restriction, it takes the Government's money and spends it like it wants to.

Those salaries of Federal Reserve Bank presidents run up to twenty-five, thirty, forty, and $60,000 a year.

Now, that is out of line for Federal employees, and they are all Federal employees.

Mr. BROWN of Ohio. What part of the money——

Mr. PATMAN. And it would never have happened if Congress had any control.

Mr. BROWN of Ohio. What amount or what percentage of the funds expended by the Federal Reserve Bank actually comes out of the taxpayers' money?

Mr. PATMAN. It doesn't come out of the taxpayers' money, but the taxpayers have to pay more money.

Mr. BROWN of Ohio. Wait a minute. That isn't the question. You think they are paying more money because of the action in the sale price of bonds, this, that and the other thing, but I want to ask you the direct question: What percentage of these salaries are paid out of tax funds?

Mr. PATMAN. Well, it is not paid directly out of tax funds. It is paid out of public funds.

Mr. BROWN of Ohio. The facts are not a single penny of the salaries down there is paid out of tax money; is that right?

Mr. PATMAN. Well, you are right.

Mr. BROWN of Ohio. All right.

Mr. PATMAN. That is right, as far as actual tax money is concerned, but there is another verse that ought to be added there.

Mr. BROWN of Ohio. Now, it is not being paid out of tax money?

Mr. PATMAN. That is right.

Mr. BROWN of Ohio. To take your previous statement, you would assume they were setting their own salaries and the taxpayers were paying the freight.

Mr. PATMAN. Let me add another verse.

Mr. BROWN of Ohio. That isn't correct.

Mr. PATMAN. Let me add another verse and see if you won't agree with me.

Mr. BROWN of Ohio. We want to be sure the record is right.

Mr. PATMAN. All right. Let the record show this, Mr. BROWN: That the Federal Reserve must pay over into the Treasury 90 percent after its expenses are paid. In other words, that money is intercepted before—90 percent of it before, it would go back over into the Treasury, which would help the taxpayers, you will admit. Now, although it is not actual money that the taxpayers paid into that fund, it is public funds, nevertheless, that were collected by the use of the Government credit, as a mortgage on your salary and your home and——

Mr. BROWN of Ohio. You go around the barn to substantiate your position, but the fact of the matter is the Federal Reserve System is not supported by tax funds. The people are not taxed for that. The banks, themselves, are taxed, aren't they?

Mr. PATMAN. No; not directly.

There is a very interesting story how that commenced. You see, when the Federal Reserve banks were first organized, they charged the member banks to clear their checks and things like that, because they were lean; they were hungry. They had to have funds, and they started a rather novel procedure. They didn't have any open market committee, and a bank would decide, "Well, now, the Federal Reserve System, the Central Bank, has the power to create money. Why can't we trade this money for Government bonds and keep the bonds and draw the interest and have plenty of money to operate on?"

So, they started that, and all of them got to doing it.

Then they had to act separately.

Then they had a coordinating committee, and then, under the act of 1933, they set up officially, for the first time, the open market committee to operate for all the banks.

Now, of course, they have this 12-member board to operate on, to get money, so they wouldn't have to go to Congress.

They were about to have to go to Congress for appropriations and, naturally, these bankers are smart. You know, they are among our smartest people, and they began to find ways they could get their money without going to Congress, and they discovered that way, and now they own $25 billion worth of United States Government securities.

Mr. BROWN of Ohio. Now, the 1933 act was passed as a result of a Presidential request?

Mr. PATMAN. Sure I think that is right.

Mr. BROWN of Ohio. There was a special message to Congress on it, and at the request of the President it was passed very quickly.

Mr. PATMAN. That is right, and the ——

Mr. BROWN of Ohio. I have always considered, to be very frank with you, and I am not speaking politically particularly, the establishment of the Federal Reserve System as one of the great contributions the Government made by the Wilson administration——

Mr. PATMAN. It is a fine thing.

Mr. BROWN of Ohio. Under the Democratic Party; and, of course, I don't think we can help it or cure it by what may happen here or by getting into some other system and let the Government print paper money either.

Mr. PATMAN. No. I am not advocating that at all.

You know, at first, Mr. BROWN, the big bankers opposed the Federal Reserve System.

Mr. BROWN of Ohio. I understand that.

Mr. PATMAN. And one of the biggest banks in our Nation——

Mr. BROWN of Ohio. Carter Glass did a great job.

Mr. PATMAN. Spent years fighting the Federal Reserve System. That bank now has more to do with operating the Federal Reserve System than all the other banks in the United States.

You see, they got around to the Federal Reserve System. First they were against it.

Mr. BROWN of Ohio. I am not quarreling with you.

Mr. PATMAN. But a lot of substantial and far-reaching changes have been made.

Mr. BROWN of Ohio. I am not quarreling with you, with your thought or your hope or your desire to correct any situation which may exist that in the end costs the American people more money; but I certainly do quarrel with any thought or idea that the taxpayers, themselves, out of tax funds, are supporting the Federal Reserve System, paying the salaries that you mentioned.

Mr. PATMAN. They are, in a way, Mr. BROWN. You haven't considered this: that the taxpayers pay that interest that goes into the Federal Reserve banks.

Mr. BROWN of Ohio. I understand all that.

Mr. PATMAN. That is what pays these salaries.

Mr. BROWN of Ohio. If you didn't have the system, when the bonds were issued and just sold over the counter down here, you would have the same kind of interest rates, wouldn't you?

Now, you have the stock exchange set up, partially under Federal law, although very little of it is State law, but it does serve a purpose and it does charge for its activities and it does pay pretty good salaries.

In my opinion, some sort of system like it is necessary in our economic setup, as a great nation and as a great people, and there have been regulatory laws passed time after time, and I am perfectly willing to consider anything that will improve the present law; but I do think it is a system we need to maintain, and it is a system where it pays its own way and the taxpayers are not taxed as such.

Mr. PATMAN. Well, the taxpayers are paying it. After all——

Mr. BROWN of Ohio. If you don't have any dealings with the Federal Reserve banks yourself, you don't pay a penny toward it. A lot of people in America don't pay one cent toward the support of it.

Now, they may, if they use bank facilities, pay something. That is the way it ought to be.

Mr. PATMAN. Unless you say they don't get that interest.

You see, Federal Reserve banks collected about $600 million in interest last year. Who paid that interest? The taxpayers.

Mr. BROWN of Ohio. The same people who paid interest on bonds purchased by the insurance companies and bonds purchased directly by me from the Treasury, and by Mr. McCormack from the Treasury, and you and I through our deductions over there.

Mr. PATMAN. But there is this difference, Congressman: You see, they used our blanket mortgage, our blanket bond, in the form of a Federal Reserve note, which is also a security of this Government, that provides no interest. However, they used our obligation to trade for another obligation of ours.

Mr. BROWN of Ohio. If you didn't have that arrangement——

Mr. PATMAN. What is that?

Mr. BROWN of Ohio. If you did not have that arrangement, do you think you could have financed World War II?

Mr. PATMAN. We could have financed it by having some system. You don't necessarily have to have this system, although I think it is fine, and I am for it, strong for it; yes, there are other ways you can do it.

Mr. BROWN of Ohio. But the administration and the leaders of both parties at that time didn't find any other way.

Mr. PATMAN. They didn't have to. They had this good vehicle.

It is a fine vehicle. I am not trying to destroy it as a vehicle. It is a wonderful thing. I just think they ought to be accountable to Congress.

It is our agency, you see. We are the masters. They are the servants, and I think we have a right to get a report from them every year as to what they are doing.

Mr. BROWN of Ohio. I don't disagree particularly with that.

Mr. FOUNTAIN. Mr. PATMAN, I would like to ask this question: Getting back to the bill itself, do I understand for 40 years the only audits which these agencies have had have been audits by their own auditors or by auditors selected by them?

Mr. PATMAN. Exactly, with this one exception: I didn't know it until this morning when I read the testimony of the Comptroller General. He reminded me back in 1913 to 1933 that they did audit just the Federal Reserve Board's part only, which was a very small, insignificant part at that time, up till 1933. Since that time it hasn't been done at all; and I raised so much criticism about it, before this committee I was telling you about, that they took it upon themselves to go out and get a private auditor to audit the Board of Governors, and they audited it for 1952 and 1953. That is the only time, but they selected the auditors.

I don't know what instructions were given. Nobody knows what instructions were given at all, and they made a report, and that one report is filed.

Now, that is the first time in 40 years that a report has been made, and no report has ever been filed; and I say this: It is shocking information that no audit has ever been filed with the Congress of the United States or any Member of Congress permitted to see, so far as I know, any of the audits of the 12 Federal Reserve banks in the United States.

Mr. FOUNTAIN. Is there any other agency of our Government that operates in that manner?

Mr. PATMAN. Not one, to my knowledge.

Mr. MCDONOUGH. Mr. PATMAN, as I read your bill, you say this will provide for an audit for the year ending December 31, 1953. It doesn't say for every year thereafter.

Mr. PATMAN. Well, we have it to——

Mr. MCDONOUGH. It starts with December 31, 1953. Why do you start with December 31, 1953?

If you want an audit, why don't you want it every year?

Why are you starting with that year?

Mr. PATMAN. I do.

Mr. MCDONOUGH. What?

Mr. PATMAN. I do.

That is a defect in the bill. I see that has to be changed.

Mr. MCDONOUGH. This bill before this committee is merely for 1 year.

Mr. PATMAN. I think it should be audited really from the time it started on up until the end of December 1953. I think that is what——

Mr. MCDONOUGH. Now, you further say in your paragraph (c) here:

"In addition to other matters, the report shall include such comments and recommendations as the Comptroller General may deem advisable, including recommendations for attaining a more economical and efficient administration of the agencies audited."

Don't you think they are now efficiently and economically administered?

Mr. PATMAN. No; I don't.

Mr. MCDONOUGH. Or how much improvement do you think we can obtain by such an audit?

Mr. PATMAN. I think any concern should welcome an opportunity for a congressional committee to go over things and make suggestions to them.

Mr. MCDONOUGH. That is readily admitted; yes.

Mr. PATMAN. And I know there are savings which could be effected, and substantial savings.

Mr. MCDONOUGH. I see here in the testimony that Mr. Martin is going to read, or the statement he has filed with the committee, that Arthur Andersen has been called in to make an audit.

Mr. PATMAN. That is right.

Mr. MCDONOUGH. That is available for any member of Congress.

Mr. PATMAN. But what instructions were given?

You have just got the totals and the account to petty cash, and they have verified the totals. That doesn't give you any information.

Mr. MCDONOUGH. In other words——

Mr. PATMAN. Why didn't Arthur Andersen discover that $750,000 waste?

He didn't make any report on that.

You see, your auditors are no good unless you give them the right kind of instructions.

There is an outstanding example. Arthur Andersen audited the Board of Governors in 1952 and 1953; yet said nothing about this $750,000.

Arthur Andersen would have a good defense to that. He would say, "Why that is the 12 banks. That should be the place to discover that," and he wasn't authorized to audit any of the 12 banks.

You see, they were only audited by somebody selected by the Board itself, and we don't know what these auditors have said in the past. They might have made some good recommendations. We don't know.

Don't you think every year these audits of the 12 banks should be sent to the Congress, to the different committees, to let them find out what the auditors recommended?

If anything has been recommended, like saving $750,000 a year, the Congress could do something about it; but the Congress has never seen one of those audits—not one.

The CHAIRMAN. Mr. LANTAFF, do you have any questions?

Mr. LANTAFF. No questions.

The CHAIRMAN. Let's go down the line.

Mr. IKARD. I have a question.

Mr. PATMAN. I got in a little late and what I have to ask you may be repetitious. So, I would appreciate it if you just tell me so we will not be covering the same ground a second time.

To go back to the second page of your statement, with reference to this audit that Mr. McCormack mentioned, am I correct in my understanding that was an audit only of the top echelon, so to speak?

Mr. PATMAN. That is right.

Mr. IKARD. Of the Board of Governors?

Mr. PATMAN. Board of Governors.

I don't know whether you were here or not when we were talking about the ownership of the banks but, as further convincing evidence that no one can insist that the Federal Reserve banks belong to the private banks, it is a fact that the Board of Governors for its operations, which amount to about $4 million a year, including the salaries of its members, must get their pay from the 12 Federal Reserve banks by assessment.

Now, wouldn't it be a ridiculous thing for the private banks to have to pay a public body to perform the service for the public?

It would be just as ridiculous as the Interstate Commerce Commission getting its pay from the different railroads of the country. It would be the same situation.

So, that is further evidence that the Congress never intended that the private banks would own the Federal Reserve banks. It was never intended. It is not expressed anywhere in the books.

Mr. IKARD. Under this bill it is contemplated that there would be an audit of the 12 member banks?

Mr. PATMAN. That is right, and the Open Market Committee and the Board of Governors.

Mr. IKARD. Yes, sir.

Now, at the present time does your committee, the Banking and Currency Committee, have the authority or the right or do you examine the statements and audits and records of the 12 member banks?

Are those available to you?

Mr. PATMAN. Well, there was this situation: The right of the committee to examine those audits—at least they resisted the right of the joint committee. They finally said if we would come down there they would let us see the ones they wanted us to see, and I don't know whether that was all of them or part of them, or what; but that was not under very satisfactory circumstances, and I didn't propose, as a Member of Congress, to have a committee that I had anything to do with to go down to the Federal Reserve bank to beg them to let me see something that I felt like I, as a representative of the people, was entitled to see.

Mr. BROWN of Ohio. It might have been marked "Classified," and you couldn't have seen it.

Mr. PATMAN. It has been marked, for 40 years, "Classified," as far as the Members of the Congress are concerned.

Mr. IKARD. Does Congress have any supervisory control over the expenditures made by the Federal Reserve System?

Mr. PATMAN. Not at all. That is the reason they pay these enormous salaries of forty, fifty, and sixty thousand dollars a year.

Mr. IKARD. Is there any other case you know of where public funds, such as the ones here involved, are spent without any accounting to Congress?

Mr. PATMAN. I do not; no, sir. Congress keeps a pretty good—and I think this legislative system of ours, the House of Representatives, elected every 2 years—personally, I don't want to see it changed. People can change any dangerous trend in our Government, can make any corrections, every 2 years by electing a House. Every one of them is elected by the people. Not one of them is appointed, and the House has hold of the purse strings, through the constitutional amendment providing that a certain bill shall only originate in the House of Representatives.

Mr. IKARD. Along the discussion you and the gentleman from Ohio were having here a moment ago, it is my understanding you are not attacking the Federal Reserve System as such?

Mr. PATMAN. Not at all.

Mr. IKARD. This bill does not have anything to do with that?

Mr. PATMAN. No.

Mr. IKARD. It is simply a matter of audit and accounting; am I correct?

Mr. PATMAN. That is right. In other words, its purpose is to permit the Representatives of the people to be acquainted with agencies that they, themselves, have created to do a job that the Constitution requires the Congress to do.

Mr. IKARD. That was the point——

Mr. PATMAN. But the Congress has delegated that job, and now all we are asking is the privilege of seeing the books and seeing what our servant is doing. That is all in the world we are asking.

Mr. BROWN of Ohio. Let me ask you one other question: This Federal Reserve system actually handles the funds of the Federal Government itself?

Mr. PATMAN. Yes. In fact, you take all these items——

Mr. BROWN of Ohio. Wait a minute.

The money the Federal Reserve has control of is the money in the members banks, isn't it?

Mr. PATMAN. You see, there is a great misunderstanding there, Congressman.

Mr. BROWN of Ohio. That is what I would like for you to explain.

Mr. PATMAN. As an accommodation to the member banks, more so than to the Federal Reserve banks, the member banks under our fractional reserve system would be compelled to keep in their vaults a certain amount of money at all times as a reserve against the credit that they have issued.

The Federal Reserve System comes along and says, "Instead of you keeping that money there in your vault, you put it in the Federal Reserve bank."

That's reserves, and these reserves can't be used; otherwise, they would be doing double duty, if you used them for something else. They just stay there, idle and unused, as they should be, and as they would be if we returned to the old system of letting each bank keep its own.

Those reserves are not used, notwithstanding the fact that a representative of the American Bankers' Association testified before our committee that those reserves were used to buy United States Government bonds. That is not true.

Mr. BROWN of Ohio. But those reserves belong to the member banks.

Mr. PATMAN. They belong to the member banks. They are not used by the Federal Reserve for any purpose on earth, and I am sorry the American Bankers' Association has not made a correction of that erroneous testimony given by that official representative of the American Bankers' Association.

Mr. BROWN of Ohio. What public funds, what tax funds, does the Federal Reserve System have in it?

Mr. PATMAN. Well, wherever taxes are paid——

Mr. BROWN of Ohio. Well, I know it is paid through the local bank.

Mr. PATMAN. That is right.

Mr. BROWN of Ohio. The Federal Government has deposits with banks, just like the county governments or State governments have deposits when tax time comes around.

Mr. PATMAN. There is a big difference there, Congressman. You see, the local government actually checks on this.

Mr. BROWN of Ohio. Let's get back to the point.

Mr. PATMAN. All right.

Mr. BROWN of Ohio. Let's get back to the point.

Mr. PATMAN. Yes.

Mr. BROWN of Ohio. Is there any tax money in the Federal Reserve System itself?

Isn't it all a cooperative effort and the capital of that system and the money that is used there—not the service rendered to collect and pass money on up to the Federal trade, but isn't the money in the fund itself, in the financial capital of the Federal Reserve System—entirely based on contributions of local banks and members that go into the system?

Mr. PATMAN. I am glad you brought that up.

Mr. BROWN of Ohio. Is it?

Mr. PATMAN. I am glad you brought that up.

Mr. BROWN. Is it or is it not?

Mr. PATMAN. It is not.

Mr. BROWN of Ohio. Don't tell me about the American Bankers' Association.

Mr. PATMAN. It is not, and let me explain.

The capital of the Federal Reserve banks is the power to create money upon the credit of the Nation.

Mr. BROWN of Ohio. I don't quite follow you on the difference between capital and money. I am talking about the money.

Mr. PATMAN. Well, they don't use money. They create their money. They create their money. They manufacture their own money.

Mr. BROWN of Ohio. Well, you mean——

Mr. PATMAN. And they don't use any investments by member banks; any reserve of the member banks.

Mr. BROWN of Ohio. You mean a member bank—what you are driving at about creating money is where a member bank deposits bonds that it has purchased and then has the right to issue currency against that, just like you would against a mortgage; is that right?

Mr. PATMAN. Well, the Federal Reserve Bank itself creates the money. They don't need any bonds. They take the money and buy the bonds and keep the bonds and draw the interest. If General Motors owned a bond and a secretary of General Motors gave a check on General Motors for the bond you would think the debt created by the bond would be paid. That would be correct. But when the Government owes a bond, the Federal Reserve bank, a Government agency, gives some of the Government's money for the bond. The bond is not marked paid. It is a debt by the Federal Reserve bank and the interest collected on it each year.

It is a very lucrative business. That is where they get all this money to spend, as they want to, without any control by Congress.

Mr. BROWN of Ohio. But, actually, they deposit the bonds behind it as security for any notes?

Mr. PATMAN. The member banks do that.

Mr. BROWN of Ohio. Yes; that is right.

Mr. PATMAN. The member banks do that.

Mr. BROWN of Ohio. They deposit——

Mr. PATMAN. But the Federal Reserve System creates its own money.

The Federal Reserve System does not use any reserves of member banks. It does not use any capital that is paid in by member banks.

The entire capital paid in by member banks wouldn't amount to over one-half of 1 percent of the resources of the banks. It is nill. It is nothing.

Mr. BROWN of Ohio. Isn't it 3 percent?

Mr. PATMAN. Yes; that is the member bank investment.

Mr. BROWN of Ohio. Why do you get the one-half of 1 percent?

Mr. PATMAN. The capital paid into the Reserve banks compared to the resources of the Federal Reserve banks, I said.

Anyway, it is nothing. You just as well wipe that out. It doesn't mean anything.

You see, the Federal Reserve banks don't operate on that at all. They don't consider it.

Mr. BROWN of Ohio. Actually, you take the money you have in the bank, like deposits, and you go buy bonds; isn't that right?

Mr. PATMAN. Yes.

Mr. BROWN of Ohio. And then you deposit those bonds and borrow against them, that is, you are permitted to issue paper money up to a certain amount?

What is it, 90 percent?

Mr. PATMAN. Who do you mean by "you"?

Mr. BROWN of Ohio. I mean the banks; the member banks.

Mr. PATMAN. The member banks?

Mr. BROWN of Ohio. Yes.

Mr. PATMAN. They put up Government bonds.

Mr. BROWN of Ohio. Yes.

Mr. PATMAN. For reserves.

Mr. BROWN of Ohio. Just like I might buy Government bonds.

Mr. PATMAN. Not for reserves. I will change that.

Mr. BROWN of Ohio. I might take my bonds, the Government bonds, to the bank and borrow 90 percent of their face value from the banks.

Mr. PATMAN. Oh, the member bank can borrow a hundred percent on them even though they are selling for 89.

Mr. BROWN of Ohio. They don't loan quite that well.

They may down in Texas where they gamble a little. In Ohio they don't.

It is exactly the same arrangement, except the banks go to the Federal Reserve System and deposit——

Mr. PATMAN. Well, the Federal Reserve doesn't need any bonds.

Mr. BROWN of Ohio. It isn't what you need. Maybe I didn't need any money, but I can go do it if I want to.

Mr. PATMAN. You get into another field of the banking operations now. Let's move over into that field and see what they do. That is the member banks. They create money too. They manufacture money.

The CHAIRMAN. Suppose we get back to the bill.

As I understood you, you said this bill, if I remember it correctly, calls for an audit?

Mr. PATMAN. Yes, sir.

The CHAIRMAN. If I read it correctly, it does not call for an annual audit.

Mr. PATMAN. No.

The CHAIRMAN. Somebody said an annual audit.

Mr. PATMAN. I thought it did require an annual audit. I guess I wasn't careful enough to draw it. I would like to see it done every year.

The CHAIRMAN. All right.

Mr. WILLIAMS, do you have any questions?

Does anybody on the Republican side want to say anything?

Mr. WILLIAMS.

Mr. WILLIAMS of New Jersey. I had one question, Mr. Chairman.

Mr. PATMAN, there was some discussion yesterday that people with advance knowledge of open market policy are in a position to gain on the rise and fall of the bond market. Would the audit that this bill provides for disclose any individuals who might have gotten that information?

Mr. PATMAN. I wouldn't think so. I think——

Mr. WILLIAMS. Is the Banking and Currency Committee looking into that, if you know?

Mr. PATMAN. Not to my knowledge; no. In fact, I don't know that it is actually done, except I know this: That people who are experts in this line of business, I would think, could interpret the published statements that we all see to the extent that they would see the trend, easy money or hard money, and act accordingly and gain by it; and, naturally, in an open market operation, like the New York bank—I guess they have 50—maybe a hundred people, with probably several of them in the know as to what is going to happen, and if they are like congressional committees it leaks out.

Mr. BROWN of Ohio. Isn't that same thing true in the grain markets?

Mr. PATMAN. Sure it is.

Mr. BROWN of Ohio. And we get into the Department of Agriculture on cotton.

Mr. PATMAN. Sure it is, where you have more than 2 fellows, or even 1 sometimes.

The CHAIRMAN. Are there any more questions on the Republican side?

Mr. MCDONOUGH. Mr. PATMAN, has this question of the Open Market Committee and the Federal Reserve bank ever been discussed during any of the previous administrations?

Mr. PATMAN. Yes.

Mr. MCDONOUGH. Well, I mean——

Mr. PATMAN. Yes. I have——

Mr. MCDONOUGH. To the extent of submitting legislation or submitting a bill for consideration.

Mr. PATMAN. I have submitted a lot of bills.

Mr. MCDONOUGH. This evidently was not looked upon as necessary when the Federal Reserve bank was established, and for a number of years, certainly since 1914 on through, it has never been looked upon as a very urgent or necessary thing.

Now, why has it become so urgent and necessary at this point?

Mr. PATMAN. All right; I am glad to answer that. I am glad to answer that.

Although I am not obligated to help the opposing party, I want your party to succeed and I want President Eisenhower to succeed, and I want to be helpful.

The bill wasn't introduced for that purpose, but it serves your purpose well, your party, Mr. Chairman.

The CHAIRMAN. My party?

Mr. PATMAN. Yes.

When the Republicans came in, the first thing they wanted to do was to count that gold, wasn't it?

They wanted to make sure that gold was out there at Fort Knox, and it was on headlines all over the country—the gold was going to be counted—and, of course, when the report came in, it was about a half inch over in the classified columns and the laundry ads about all the gold was there.

Now, then, you didn't count the gold certificates. The gold certificates are in the hands of the Federal Reserve banks.

Why don't you count the gold certificates?

You don't know whether they are all there or not.

Now, you see, there is where you failed to make a proper check, and this is helping your administration.

Mr. MCDONOUGH. All right.

Mr. PATMAN. This is helping your administration because it is asking you to do something that will make a proper check that you haven't made a proper check on.

Mr. MCDONOUGH. You didn't oppose the audit of the gold at Fort Knox?

Mr. PATMAN. Oh, certainly not. I am in favor of disclosing anything.

Mr. MCDONOUGH. Mr. PATMAN, let me ask you this: Do you think this audit would influence beneficially the interest rate that people might have to pay?

Mr. PATMAN. No; I don't think it would. I think it would do this: It would require the people in charge to be more careful, knowing that more than bankers would be looking over their shoulders, that the public interest would be represented there, too.

Mr. MCDONOUGH. I know you are a low-interest man. You and I have worked together on the Banking and Currency Committee, and I listen to your sermons quite frequently.

Mr. MCCORMACK. So is your administration low interest now.

Mr. PATMAN. It was high, but they——

Mr. MCDONOUGH. He has always been a low-interest man.

In other words, that is not your purpose in this bill at all?

Mr. PATMAN. It has no reference to high money, high interest, or honest, hard times, or anything like that.

Mr. MCDONOUGH. You just want to find out if they are doing the right thing?

Mr. PATMAN. That is right.

Mr. MCDONOUGH. And the audit will reveal that?

Mr. PATMAN. That is right.

The CHAIRMAN. And he stated in the beginning this condition has existed for 41 years.

Mr. PATMAN. That is right, Mr. Chairman.

There is nothing political in this at all.

The CHAIRMAN. They don't charge it to Mr. Hoover and they don't charge it to General Eisenhower.

Mr. MCDONOUGH. It has existed longer under a Democratic administration than it has under the Republican administration.

Mr. PATMAN. Well, the people are responsible for that.

Mr. BROWN of Ohio. Sorry to say.

Mr. PATMAN. The people are responsible for that.

The CHAIRMAN. We have two other witnesses.

Does anyone else have any questions?

Mr. Brownson.

Mr. BROWNSON. Did this or similar legislation ever get to the point where the agencies were consulted as to their feeling about it in the past?

Mr. PATMAN. Yes. In the Joint Committee on Economic Report we interrogated them rather fully, and they oppose it. They oppose it on the ground that they are apprehensive that it would interfere with their independence and they don't want anything done that might interfere with their independence.

Mr. BROWNSON. Did the Bureau of Budget oppose it previously, as they do now?

Mr. PATMAN. I don't recall.

Why was the Bureau of the Budget consulted about this?

Why would they oppose it?

They won't have anything to do about this. It looks to me like they ought to be on my side.

The CHAIRMAN. There is a statement before you, prepared by the staff, showing the reports by the agencies, and you have the agency statements.

Mr. MCDONOUGH. The Bureau of the Budget statement says:

"The Bureau believes that this proposed legislation is unnecessary and undesirable."

Mr. PATMAN. Well, you know, the worst opponent of the Federal Reserve System was a fellow named Vanderlip, the head of the National City Bank of New York, and he fought it for years, unmercifully some people said; but after all these changes were made the National City Bank got on the side of the Federal Reserve, and the National City man is running the Bureau of the Budget now. He is Director. He is on loan from the National City now.

Mr. MCDONOUGH. I wondered whether the Bureau of the Budget had been consulted in the past and what their attitude had been.

Mr. PATMAN. Not to my knowledge, because I didn't think they had taken any issue against it. It looked to me like they would want any disclosure that might be made that might bring more funds into the Treasury.

Mr. MCDONOUGH. From the standpoint of the General Accounting Office—now, they have only so many people down there. They have only an appropriation of a certain amount of money.

Mr. PATMAN. This provides for paying it out of the surplus fund of the Federal Reserve banks.

Mr. MCDONOUGH. In other words, they can call on other people outside of civil service to take care of this?

Mr. PATMAN. Sure.

Mr. MCDONOUGH. Those are the only questions I had.

Mr. BROOKS of Texas. Mr. Chairman.

The CHAIRMAN. Mr. BROOKS.

Mr. BROOKS. Mr. Patman, I want to ask you one question while we are on the subject of Government financing: How much money does the Federal Government have on deposit at no interest with the Federal Reserve banks and other banks in the country?

Have you any idea what the amount of that is?

Mr. PATMAN. It would be all right, I think, if it was with the Federal Reserve banks because they check on it there; but in the 11,000 banks that you evidently refer to, those that have money on deposit, that averages three and four billion dollars all the time.

Now, those deposits—I am glad you mentioned that—are idle and unused. The Government can't touch them. The Government doesn't check on them. The Government can only use those deposits when they are called and put in the nearest Federal Reserve bank, and then checks can be given on them.

So, I think that is a great evil.

Mr. BROOKS of Texas. Three or four billion dollars?

Mr. PATMAN. Three or four right now.

Mr. BROOKS. And they can't write a check on it until they move it into the Federal Reserve System?

Mr. PATMAN. That is right, and the people are paying up to as high as 3¼ percent interest on money, and yet this money lies idle and unused.

Now, last year I opposed the increasing of the national debt limit, although I believe it is intellectually dishonest to vote for certain expenditures and then not vote to increase the debt limit to take care of them. I think that is intellectually dishonest, as far as I am concerned; but I opposed the raising of the national debt limit because they had nearly $9 billion of idle and unused money in banks, and I felt they should use that money first—and they have used it, and they haven't had to raise the debt limit by using those idle funds.

Mr. MCDONOUGH. Wasn't the argument made at that time that was the money necessary for current obligations?

Mr. PATMAN. It is not correct.

Mr. MCDONOUGH. What?

Mr. PATMAN. It is not correct. An analysis of that, Congressman, would show it is not correct at all.

The banks, you see, in buying Government bonds keep the money there some time or they collect taxes and other things, and the money accumulates there. It shouldn't be left there idle and unused. The Federal Reserve banks are the fiscal agency of this Government. It should go right into the Federal Reserve banks.

Mr. BROWN of Ohio. Won't that money actually be obligated?

Mr. PATMAN. Obligated to whom?

Mr. BROWN of Ohio. Obligated under contracts and other methods.

Mr. PATMAN. It certainly should be.

Mr. BROWN of Ohio. It was obligated, wasn't it?

Mr. PATMAN. It certainly should be.

Mr. BROWN. It was obligated.

Now, at the time of asking that debt limit be increased we had about $273½ billion, if I remember correctly, of debt that we owed. The money that was there was to pay off these obligations that we owed as a part of the debt, wasn't it, and part of it got in those banks in part of the process of tax collections, just like any other business operation?

Private business has the same thing. It has a permanent fund in the bank. Isn't that true?

Mr. PATMAN. Congressman, a year has elapsed since that time.

Mr. BROWN of Ohio. Yes.

Mr. PATMAN. And they haven't raised the debt limit.

Mr. BROWN of Ohio. That is right.

Mr. PATMAN. And we have still got between four and six billion dollars.

Mr. BROWN of Ohio. That is right. You have got to have a certain amount of money in the bank all the time.

Mr. PATMAN. You don't have to have any.

Mr. BROWN of Ohio. Just like any business.

Mr. PATMAN. You don't have to have any. It serves no purpose.

They have to have it in the Federal Reserve because they check on the Federal Reserve; but to have it in the private bank is like having it in your pocket or mine.

Mr. BROWN of Ohio. I would like to ask one other question, and then I am through.

Mr. DAWSON. At last. That is good.

Mr. BROWN. Well, it may be good or may not, Mr. Chairman, but I will ask the question, anyway.

Your Banking and Currency Committee has jurisdiction over this matter, as well as this committee?

Mr. PATMAN. It has jurisdiction over the Federal Reserve.

Mr. BROWN of Ohio. Yes.

Mr. PATMAN. But under the Reorganization Act, you see, this committee has powerful jurisdiction.

Mr. BROWN of Ohio. I am not talking about jurisdiction.

Mr. OSMERS. They have real jurisdiction; not paper jurisdiction.

Mr. BROWN of Ohio. I am asking whether the Banking and Currency Committee has jurisdiction over legislation of this type.

Mr. PATMAN. It has jurisdiction.

Mr. BROWN of Ohio. What action has your committee taken?

Have you tried to get action in your committee?

Mr. PATMAN. I have over a period of years.

Mr. BROWN of Ohio. And what has been the result?

Mr. PATMAN. Failed to get it.

Mr. BROWN of Ohio. You didn't get it.

Mr. PATMAN. Failed.

Mr. BROWN of Ohio. So, you used this approach to come to this committee?

Mr. PATMAN. No; I had no idea this bill was coming here. I am glad it did; but when I introduced this bill, I had no idea where it would go.

Mr. MCDONOUGH. Is this the first time you have introduced a bill to do this?

Mr. PATMAN. Exactly like that, yes.

Mr. MCDONOUGH. You have never introduced a bill which was referred to the Banking and Currency Committee to do this?

Mr. PATMAN. No. That is the only bill of that particular kind I have introduced.

The CHAIRMAN. I suggest we conclude this part of the hearing this morning and that Mr. PATMAN be at liberty to come again, if he wishes, because we have two other witnesses who are waiting.

Would that be all right with you, Mr. PATMAN?

Mr. PATMAN. Anything you say.

The CHAIRMAN. It isn't what I want to say. Whenever you want to come——

Mr. PATMAN. Whatever is the wish of the committee.

Mr. DAWSON. Mr. Chairman, I have one question.

The CHAIRMAN. Mr. DAWSON.

Mr. DAWSON. Mr. PATMAN, would you be willing to accept an amendment following "the year ending December 31, 1953," which would say "and each year thereafter"?

Mr. PATMAN. That is right.

Mr. DAWSON. Or any amendment which would make this a yearly audit?

Mr. PATMAN. That is right.

The CHAIRMAN. I want to thank you, Mr. PATMAN.

Mr. PATMAN. Thank you.

The CHAIRMAN. I don't know what the others have learned, but I have learned a great deal by your statement.

Mr. MCCORMACK. I understood Mr. PATMAN had not completed his statement.

The CHAIRMAN. That is right. When he wants to come again, it is all right with me.

Mr. MCCORMACK. Or if any members want him to come?

The CHAIRMAN. Yes, although if any of the members want him to come, it may be at some special day because we will have a program scheduled for the regular meeting Tuesday; but I will be glad to call a special meeting any time you suggest or that Mr. PATMAN wants it.

Mr. PATMAN. Thank you, sir.

I will be right here and I will be available.

The CHAIRMAN. The Honorable William Martin, Jr., Chairman of the Board of Governors.

STATEMENT OF HON. WILLIAM MARTIN, JR., CHAIRMAN, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Mr. MARTIN. I have a prepared statement, Mr. Chairman.

The CHAIRMAN. Do you want to submit that?

Mr. MARTIN. Well——

The CHAIRMAN. Would you like to read that or submit it?

If you care to submit it, and any of the members wish to ask questions, we can dispose of it very quickly.

Mr. MARTIN. All right. I will submit it.

The CHAIRMAN. All right. It will be received.

Do any of the members care to ask this witness any questions on this particular bill?

Mr. MCDONOUGH. Mr. Chairman, I think the statement ought to be read for the elucidation of the members of the committee on the philosophy of Mr. Martin.

Mr. LANTAFF. It is only three pages.

The CHAIRMAN. All right.

Mr. MCDONOUGH. I think it is much better.

The CHAIRMAN. All right; read it.

Mr. MARTIN. Mr. Chairman, I am here in response to a request from Chairman HOFFMAN to appear and testify on the bill H. R. 7602, which would direct the Comptroller General to make an audit for the year ending December 31, 1953, of the Board of Governors of the Federal Reserve System, the Federal Open Market Committee, and the Federal Reserve banks and their branches.

The Board of Governors recognizes the importance of budgetary and accounting procedures that will make for effective and efficient operation throughout the Federal Reserve System and is entirely in sympathy with the objectives sought in various proposals on the subject that have been advanced in the Congress. Fully effective procedures are already provided, however, and to superimpose a further budgetary and auditing review upon the existing procedures is neither necessary nor advisable.

The functions and responsibilities of the Board of Governors and the Federal Reserve banks are such that Congress has provided that they be carried out with independent discretion and judgment. Accordingly, the expenses of the Board and of the Federal Reserve banks are not subject to the budgetary and auditing control of any other agency of Government. The Board of Governors is the governmental supervisory agency of the reserve banking system and as such has responsibility for general supervision over expenditures at the Reserve banks, which include the great bulk of System expenditures. It also has direct responsibility for expenditures at the Board.

For many years the Board had its own accounts audited by representatives of the auditing departments of the seven nearest Federal Reserve Banks on a rotating basis. However, in order to avoid any question as to the impartiality of these audits, in 1952 the Board engaged the firm of Arthur Andersen & Co. to audit its accounts. The certificate of the audit for 1952 was included in the Board's annual report for that year. The firm has completed an audit of the Board's records for the year 1953 and a copy of its report has been sent to the congressional Banking and Currency Committees.

Manifestly, Federal Reserve operations should be conducted with maximum efficiency and economy. To that end Congress placed upon the Board of Governors, which is a part of the Government, direct responsibility for general supervision and periodic examination of the Federal Reserve banks.

The Federal Reserve Act also provides that each Federal Reserve bank should have a board of directors of nine men chosen from their respective districts. They are outstanding men in their communities, prominently identified with industry, commerce, agriculture, banking, and professional life, who bring to the Reserve banks their personal experience in applying high standards of efficiency in their fields of private enterprise.

It has thus been aptly said that the Federal Reserve combines advantages of governmental control with advantages of private business management.

The Board believes that the Congress has provided a sound, prudent, and adequate means of achieving efficiency and economy in Federal Reserve operations by combining in one agency, which of necessity is thoroughly informed concerning Federal Reserve bank operations, not only the authority to examine and audit, but also the power to put into effect through its supervisory authority any improvements the need for which is thus disclosed.

Legislation to superimpose a further audit of these operations by another Government agency would make for duplication and needless expense. Moreover, the audit might constitute an entering wedge in encroaching upon that independence of judgment which Congress has sought to safeguard. Such independence of judgment is indispensable in the determination and execution of impartial credit and monetary policy.

If through some measure of control over the finances of the Reserve banking system, another agency of Government could restrict operations which the System deemed necessary in performing its statutory functions, the resulting substitution of judgment could only result in a growing loss of effectiveness of the Reserve System.

In meeting its statutory responsibility of exercising general supervision over the Reserve banks, the Board constantly strives through budgetary measures, comparative cost studies, and similar methods to increase economy and efficiency of operations. In addition, its staff of examiners conducts a thorough and effective annual examination of each Federal Reserve bank and branch.

In order to be assured that its examination procedures meet the highest standards of commercial auditing procedures and techniques, the Board has adopted the policy of engaging a nationally recognized public accounting firm to accompany the examiners on one Federal Reserve bank examination each year for the purpose of reviewing and observing the procedures in actual use.

The Federal Open Market Committee by statute is exclusively a policymaking body and, therefore, does not handle any funds. However, the annual examination of the Federal Reserve Bank of New York, which is the bank designated to carry out System open market transactions for the 12 Federal Reserve banks, as directed by the Federal Open Market Committee, includes a comprehensive examination of the accounts relating to these transactions.

The Board believes enactment of the bill, H. R. 7602, would conflict with the fundamental purposes which Congress has sought to achieve in the Federal Reserve Act, and, therefore, would be contrary to the public interest.

Mrs. ST. GEORGE. Mr. Chairman, one question: I notice that in your testimony you state that the record made by Arthur Andersen & Co. has been sent to the congressional Banking and Currency Committees, which, of course, I didn't quite understand from the

previous testimony. Has this been done regularly or has it just been done recently?

Mr. MARTIN. It has been done just recently.

Mrs. ST. GEORGE. Just recently, and you have never had the slightest complaint from that committee; they have been perfectly satisfied with this audit?

Mr. MARTIN. I have had no complaints, except today.

Mrs. ST. GEORGE. I also noticed in the report of the Comptroller that he states it would be a very long and difficult thing for them to make an annual audit of this agency, and that I can very well believe. This audit must be quite a complicated thing to put over, isn't it?

Mr. MARTIN. It is.

Mrs. ST. GEORGE. It could hardly be done by amateurs, you would say?

Mr. MARTIN. That is right, and we believe we are one of the best audited and supervised and examined agencies that there is.

Mrs. ST. GEORGE. I am certainly very glad to hear that.

Mr. MARTIN. We take great pride in the Federal Reserve Board, in our examination function and in our auditing function and in correcting immediately situations that come to mind.

I would like to make a comment on the $750,000 of saving that Mr. PATMAN referred to.

Back in 1935 the Federal Reserve Board attempted to get that saving instituted. It was Senator Glass, who was certainly a zealous servant of the public, who felt there might still be some advantage in having the individual reserve bank's notes returned to the individual bank.

Now, as the system developed—and we called it to the attention of the Congress on four separate occasions since 1935 when it was stricken out of the bill—we have called to the attention of the Congress the fact that a saving could be effected in that instance, but if it were an idiotic provision, as Mr. PATMAN has said, then the Congress was responsible for the idiotic provision.

Mrs. ST. GEORGE. I think that is a good point.

Mr. MCCORMACK. Mr. Chairman.

The CHAIRMAN. Mr. MCCORMACK.

Mr. MCCORMACK. Mr. Martin, you lay stress upon independent discretion and judgment. That is the main emphasis you have advanced; is that right?

Mr. MARTIN. I lay great stress on that, Mr. MCCORMACK.

If you will permit me to go back into the early history of money, banking, and currency in this country, I would like to say that I agree with Mr. PATMAN that not enough attention is paid to the Federal Reserve System, because I consider it an extremely fundamental matter and I don't think enough attention is paid to it; but in the early days of this country the people that came to this country realized what could happen when currency was depreciated. They had had the heel of the despot upon them, so to speak, and they wanted to preserve the function of the currency completely immune, as far as possible, in those early days from Government encroachment, so that when the first bank of the United States was established in 1791 you had great difficulty in even permitting the Secretary of the Treasury to get access to its reports.

If you will look at the history of the Second Bank of the United States, you will see a recognition that there was some public interest in this note issue function, because the country was growing and maturing, and, so, the people, but very reluctantly, gave some authority to the Government to participate in the Second Bank of the United States by the appointment of some directors.

If you carry that on down to the Federal Reserve System, one of the reasons the bankers, the businessmen, and some political leaders opposed the establishment of the Federal Reserve System was that they were afraid that it would not be adequately safeguarded and that it would come under political domination or under private domination and, therefore, the debates in 1907 to 1913, which I think is some of the most interesting reading in congressional history, is all around the necessity of seeing that the money authority was kept free from private influence on one side and from political influence on the other side and that there would be established in this country not a central bank like the Bank of England, with branches, but a decentralized bank, consonant with the democratic institutions of this country; and, therefore, we had 12 central, regional institutions to serve the component parts of the country, and each of those banks was put in charge of a Board of Directors consisting of 9 men, 3 of these directors, and the democratic process of election for the directors was provided by—after all, this was a banking system—having the banks of the company take stock ownership in this system, not in the sense of proprietorship—Mr. PATMAN is completely right in that—but as a means of participating in the management of these banks.

This was not proprietorship, ownership, but it was a democratic device whereby 3 directors of the banks would be elected by the bankers, themselves, who were the lenders, 1 representing the medium banks, 1 the small banks, and 1 the large banks; and 3 of these directors would be elected by the business interests, who are the borrowers, those who are going to the banks to obtain credit, and they would not be permitted to be officers, directors, or stockholders of any bank, and they would be appointed by the Federal Reserve Board in Washington who would have a so-called noninterest in the direct sense, all of them representing the public interest.

Now, these men—if you will look at the list of them, we have succeeded in having extremely able men—are all men who are zealous in the auditing and examining function. They have a responsibility for it in each of the banks, and we have felt, as many foreign central bankers have said to me, that perhaps one of the most important items in the American economic scene is the way in which we have safeguarded the independent judgment within the Government, not independent of the Government but independence within the Government, of the Federal Reserve System.

Mr. MCCORMACK. Where does this bill conflict with that independence of judgment and discretion of judgment?

Mr. MARTIN. This bill is the opening wedge, in my opinion.

Mr. MCCORMACK. My question is: Where does it conflict?

You say "opening wedge." You are figuring something in the future. We have had that for so many years—everybody opposed to something, not that they are opposed to it but because they are afraid it is going to lead to something else.

My question, Mr. Martin, is: Where does this particular bill interfere with the independent discretion and judgment of the Board of Governors and the others that constitute the Federal Reserve System?

Mr. MARTIN. I wouldn't want to make any comment on the people who would be put on this activity, but one of the important reasons for having a Federal Reserve Board is that we are supposed to be current in this matter of examination and auditing of the reserve banking function and that that is a continuous process. This is not something that happens at one particular time.

Now, the list of agencies there—and I had the privilege of serving one of the agencies that is listed for 3 years as the head of it—is entirely different from the problem of reserve banking, which has to do with the note issue itself.

Now, we are limited in that note issue. We are limited by the Congress to not have outstanding more than 25 percent in gold or our note issue and our liabilities to the Reserve banks for the funds which are deposited with us can never exceed 25 percent in gold until the Congress changes those requirements.

Mr. MCCORMACK. I still haven't got an answer to my question.

Where will this particular bill, providing for an audit by an agency of the Congress of the United States, the Comptroller General, interfere with independent discretion and judgment?

That is what I would like to find out.

Mr. MARTIN. If the Comptroller General said the Federal Reserve Bank of St. Louis, let us say, didn't require these particular services, then I think it would interfere drastically with——

Mr. MCCORMACK. Require what particular services, for example?

Mr. MARTIN. The expenses attendant to facilitating the collection of checks, for one thing.

I don't know what they could say, but this is our full-time job.

Mr. MCCORMACK. To whom are you accountable now?

Mr. MARTIN. We are accountable to the Congress now, and we think we make extremely adequate reports.

I wish you would read the annual report with respect to the Open Market Committee. In our last annual report we have endeavored to lay out every aspect of our operations as best we can.

Now, what additional data is required, that is the point I am trying to——

Mr. MCCORMACK. Do you know any other agency—the Congress established the Federal Reserve System——

Mr. MARTIN. There is no other agency of the Government, Mr. MCCORMACK, in my judgment, that has similar responsibilities to the Federal Reserve System. We are the only agency directly connected with the currency, money function of the Government.

That is why, in the history of this country, you have had this evolution and this care to preserve the independence—we are not independent of the Government, but that our judgment will be exercised in a way that we will not nationalize the monetary system.

Mr. MCCORMACK. Well, independence in a democracy is independence of position—nobody in public life has that—to enable that calm, objective, independent judgment, free from the influences of emotionalism that comes across the horizon every once in awhile.

Mr. MARTIN. Exactly.

Mr. MCCORMACK. Does this bill interfere with your freedom in your responsibility position?

Mr. MARTIN. Well, you set up a duplicating body to examine and audit the individual Reserve banks.

Mr. MCCORMACK. Well——

Mr. MARTIN. I don't know that it would conflict, but it certainly can.

Mr. MCCORMACK. Well——

Mr. MARTIN. Then do you want the needless expense and the duplication?

Mr. MCCORMACK. Why should we have it with reference to the other agencies?

Mr. MARTIN. The other agencies are not currency.

Mr. MCCORMACK. They are not what?

Mr. MARTIN. They are not currency agencies.

Mr. MCCORMACK. Is there anything unique about a currency agency that makes any other agency of Government less sacred as far as the people are concerned, the American people and their representatives?

Mr. MARTIN. In the history of all the countries the central bank has had a different relationship than any other agency in all governments.

Mr. MCCORMACK. I am not satisfied yet on this main point of yours that the independent discretion and judgment of you and your associates would be affected by this bill. I can't see that. If you fear something in the future, I could see that; but then we would have to wait until the future arises.

Mr. MARTIN. No; I am not worried about the future.

If you will look at the history of central banks, you will find that this housekeeping function is intimately associated with their——

Mr. MCCORMACK. Let me ask a question that has concerned me: How is the hard-money policy, the implementation, carried out and the sudden shift to the easy-money policy? Who did that?

Mr. MARTIN. Oh, I would like to review that.

There is such a thing in markets as the law of supply and demand. When we financed World War II, we financed it in part through inflation.

I am not criticizing that, but there was latent inflation to the tune of 50 or 60 billion dollars that was there that could be controlled as long as we had the patriotism that would endorse price and wage controls and other controls that were essential.

We have not gotten away from the process of the market, and we had been struggling—I was in the Treasury for a little over 2 years, and the then Secretary of the Treasury was a very fine man, in my opinion, and I worked very closely with him—to restore to the market place some of the influence that had been taken away from it by 10 years of Government policy, so that we would not finance the Government by ignoring the forces of the market, and at a fixed rate of interest, because if you finance at a fixed rate of interest the Government then eventually you come to the point where you don't pay any interest at all and just eliminate the process.

Now, in the course of this the Treasury and the Federal Reserve had a disagreement. The disagreement was not as wide or as broad as appeared on the surface. It was more over detail than it was over a fundamental, but I would like to be able to say that the so-called Treasury-Federal Reserve accord was an act of statesmanship. I don't think it was. I think all that happened was that the law of supply and demand had caught up with us and both the Treasury and the Federal Reserve found, in order to maintain its fixed interest rate, we were like a man under Niagara Falls with an umbrella trying to keep from getting wet, and we didn't have to buy just a hundred million of Government securities, we had to buy billions and billions of them, and that was just, as one of my predecessors said, putting in motion the engine of inflation and depreciating our currency.

So, the Treasury and the Federal Reserve entered into an agreement to unpeg the Government bond market and thereby to restore——

Mr. BROWN of Ohio. When was that done?

Mr. MARTIN. That was done on March 1, 1951, Mr. BROWN, to restore to the market some of these forces that had been denied it.

Now, there were a lot of people who said that would have no influence, but the minute that occurred—and it was a very modest adjustment of interest rates—you immediately had the business process begin to work and people had to make a judgment of whether they wanted to take a loss on this security in order to take this mortgage at a higher rate of interest. In other words, the old business process of the market and the price mechanism working began to work once again.

Mr. MCCORMACK. Are you backing the market now?

Mr. MARTIN. We have never abdicated at any time our responsibility to supply reserves and absorb reserves in accord with the needs of the economy.

Mr. MCCORMACK. That is a rather broad statement. You can understand that; I can interpret it, but are you backing the market now, supporting Government purchasing?

Mr. MARTIN. We have been limiting our operations to short-term securities.

Mr. MCCORMACK. Yes, but that hasn't affected the market.

Mr. MARTIN. Well, that has, but that is not supporting the market. That is for the purpose of supplying reserves to the market.

Mr. MCCORMACK. It does have the effect of supporting the market, doesn't it?

Mr. MARTIN. It has the effect of supplying credit which can be used to support the market.

Mr. MCCORMACK. Well, we won't talk about——

Mr. MARTIN. It is not a direct support of the market.

Mr. MCCORMACK. Well, the effect of it then—we will get away from the intent; the effect——

Mr. MARTIN. It is not a direct effect.

Mr. MCCORMACK. I didn't say direct.

Mr. MARTIN. What I am trying to——

Mr. MCCORMACK. I didn't say direct. I said effect.

Mr. LANTAFF. It is an indirect effect that necessarily flows.

Mr. MARTIN. It is the flow of money and credit.

Mr. LANTAFF. Like the night the day, it follows; that indirection follows from your support of the short-term securities.

Mr. MARTIN. What we try to do—I have a visual mind, and I think of the money supply as a stream or a river. I have said this to the Banking and Currency Committee on a number of occasions, and we like to have that stream and river, the flow of money in credit, with a little ripple, but we don't want it to overflow its banks and we don't want it to dry up. We want it, if it is enlarged, to cut a roadbed for the stream that will be useful for the development and the progress of our economy.

Now, that is a difficult task, but it is what we are faced with in the managed currency.

The reason that the Congress came to the Federal Reserve Act was that the decisions of the market place were too drastic in terms of the money panics of 1880, 1890, 1907, to be left unfettered; and, therefore, with all these safeguards—and one of the principal safeguards that they put around the system is this independence, which must be earned and which you, the Congress, can take away from us——

Mr. MCDONOUGH. On the question of independence of judgment that Mr. MCCORMACK raised, I interpret this audit and your answer to mean this: That if an audit was made and, as a result of that audit, certain restrictions were applied and you had to conform to them, that would reduce the independence of judgment that you are now using to keep that stream in a steady flow.

Mr. MARTIN. That's correct.

Mr. MCDONOUGH. And for that reason you don't want the audit to bring about those restrictions. You don't know what restrictions they may propose.

Mr. MARTIN. No.

Mr. MCDONOUGH. Therefore, he takes the precaution of saying that the audit may, from a gold point of view, from a practical point of view, from a lack of knowledge of the facts, bring about a requirement that would interfere with the constant flow of credit and monetary policy of the Nation.

Now, that is my opinion of it. I am trying to answer the question, and that is the way I see it.

Mr. LANTAFF. Will the gentleman yield?

Mr. MCDONOUGH. There is just one other thing that comes to my mind that I know Mr. PATMAN has in the back of his head, and Mr. Martin can probably answer it better than anyone else; in the operation of the Open Market Committee, do you know of anyone at any time who is a member of that committee or anyone associated with any member of that committee, who has profited personally as a result of the knowledge that they had of what the Open Market Committee was going to do?

Mr. MARTIN. I know of no one. None of us deal in Government securities. I would immediately get rid of anybody in the system that dealt in Government securities.

Mr. MCDONOUGH. So that insofar as anyone using that as a means of knowing what is going to happen and profiting beneficially, there isn't any fact in it; there isn't any evidence?

Mr. MCCORMACK. That wasn't raised with respect to this gentleman and his associates.

Mr. MCDONOUGH. No. That was just a matter of curiosity on my part.

Mr. MCCORMACK. I have refrained from going into that field, which this bill doesn't cover.

I could ask him about the advisory committee, the private bankers, their associations, what knowledge they had of plans and the implementation thereof, the increase of interest, their knowledge of that, but——

Mr. MARTIN. I would like to answer as to the advisory committee.

Mr. MCCORMACK. I am not asking you that.

Mr. MARTIN. They have none.

Mr. MCCORMACK. I am asking that because that opens a field that would require a special investigation of its own kind to find out later on. Sometime later on it will come out, I suppose, who sold at 89 and 90, and who bought.

Mr. MCDONOUGH. That is right.

Mr. MCCORMACK. That will come out sometime.

Mr. MCDONOUGH. That came out in the grain investigation a few years ago.

Mr. MCCORMACK. I have confidence it will come out sometime.

Mr. MCDONOUGH. But the reason for the independence of judgment—the reason I brought that out was that I hoped to answer the question you asked.

Mr. LANTAFF. Mr. Chairman.

The CHAIRMAN. Yes.

Mr. LANTAFF. The question here of independence of judgment is one that I don't understand, Mr. Martin.

You say as a result of this audit that there may be certain requirements imposed on the Board which will sacrifice the independence that is now enjoyed in the public interest; isn't that right?

Mr. MARTIN. That is right.

Mr. LANTAFF. How do you understand it—that the Comptroller General would be able to make recommendations that would have the force and effect of a requirement, as far as you are concerned?

Is that your understanding?

Mr. MARTIN. I think that is circumscribing us.

Mr. LANTAFF. Wouldn't the recommendations be made to the Congress?

Mr. MCDONOUGH. Yes.

Mr. DAWSON. Yes.

Mr. MCDONOUGH. And result in legislation.

Mr. MARTIN. The responsibility——

Mr. LANTAFF. That is the point I wish to make.

Mr. DAWSON. That is just it.

Mr. LANTAFF. The Comptroller General makes an audit and makes recommendations to the Congress, and after all the only result to this would be that the Congress might take certain actions which they deemed to be in the best interests of the public, which the Board might not like.

Mr. BROWN of Ohio. He makes findings sometimes.

Mr. MCDONOUGH. Yes

Mr. LANTAFF. That is right, but the Comptroller General's audit of this system, nevertheless, would be in the form of recommendations and findings to the Congress.

Mr. MCDONOUGH. That is right.

Mr. LANTAFF. And the actual action on that could not be taken without a specific act or law passed by this Congress.

Mr. MCDONOUGH. That is right.

Mr. LANTAFF. So, the Comptroller General couldn't interfere with the independence of this Board.

Mr. MARTIN. Let me comment on that.

That is one reason I think the Congress was very wise in giving this authority to the Board of Governors. Our primary responsibility in one sense is auditing and examining, and if we find out something ought to be done, it is done immediately. The Comptroller General would have to wait until the next session of Congress to recommend it.

Mr. LANTAFF. Not necessarily, because you could do it and then the Comptroller General could say to the Congress, "Well, these steps have already been taken."

Mr. MARTIN. I disagree with you on that.

Mr. LANTAFF. On what basis?

Mr. MARTIN. What?

Mr. LANTAFF. If you find something wrong and the Comptroller General finds something wrong at the same time——

Mr. MARTIN. There are two of us doing the same thing.

Mr. LANTAFF. You say it would be 2 years.

Mr. MARTIN. No; I said the Comptroller General——

Mr. LANTAFF. It would still be your duty under the law to make those corrections that you discovered yourself.

It could possibly be the net result of the Comptroller's audit would be a finding on your part.

Mr. MARTIN. Your powers on your audit——

The CHAIRMAN. Just a minute, gentlemen.

Now, listen, the stenographer can only take one at a time.

Mr. MARTIN. I am sorry, Mr. Chairman.

The CHAIRMAN. So, if you will just try to get in——

Mr. MARTIN. All right.

The CHAIRMAN. One after the other instead of two at once——

Mr. LANTAFF. I think a good many agencies of Government have their internal audits. The Department of Defense does, within its own Comptroller's system that they have set up; but, nevertheless, the Congress through the Comptroller General, still audits the Department of Defense, to determine one thing: whether or not the laws enacted by the Congress are being carried out.

Now, in making that determination as to whether or not those laws are being carried out and whether or not maximum efficiency and economy is being achieved, how can that possibly interfere with the operations of the Board in view of the fact that any action taken to change the system has to be taken by the Congress?

Mr. MARTIN. Well, it is just a difference of opinion. I disagree with you.

Mr. LANTAFF. Tell me how it would.

I mean, your opinion is based on some facts. How would recommendations from the Comptroller General to the Congress interfere with the independence of the Federal Reserve System?

Mr. MARTIN. I didn't say in my answer that it would interfere. I said this would be the opening wedge.

Mr. LANTAFF. Opening wedge to what?

Mr. MARTIN. Mr. MCCORMACK says I am——

Mr. LANTAFF. Would it be the opening wedge to legislation by the Congress? Is that what you mean?

Mr. MARTIN. The opening wedge to having two people doing the some thing. There would be conflict.

The Comptroller General, in order to do this job, ought to build up a staff of individuals, such as we have, who will devote their full time and energies to following this flow of money and credit, day in and day out.

Mr. LANTAFF. By the same token——

Mr. MCCORMACK. You are not afraid of Congress, are you?

Mr. MARTIN. Not the slightest; no.

Mr. MCCORMACK. You are not afraid of the arm of Congress, the General Accounting Office, are you?

Mr. MARTIN. There are two different concepts there: The concept——

Mr. BROWN of Ohio. Will the gentleman yield?

Mr. MARTIN. All right.

Mr. MCCORMACK. Well, I asked a question.

Mr. BROWN of Ohio. Let's see if we can clarify your question and answer.

Mr. MCCORMACK. Well, I asked——

Mr. BROWN of Ohio. Isn't it a fact that the Congress set up two different agencies—one is the Comptroller General to check the ordinary department and agency of Government as an arm of the Congress; the other they have set up as this Federal Reserve Board itself to check the Federal Reserve System?

Mr. MARTIN. Yes.

Mr. BROWN of Ohio. You are charged with that because you are experts in the financial filed; is that right?

Mr. MARTIN. That is right.

Mr. BROWN of Ohio. And you are supposed to be making this check at the orders and direction of the Congress of the United States, expeditiously; is that correct?

Mr. MARTIN. That is right.

Mr. BROWN of Ohio. Now, the Comptroller General has a different job to do. He goes into these agencies like the Defense Department, who are not authorized directly to check themselves. They do that as a matter of form to kind of keep up with things, but we set up an entirely different agency to control the monetary system or, rather, the banking system of this country, and then we put you people at the top of it, supposed experts in the banking field and in the financial world, to do this for the Congress, to make these checks and balances all the way through, just as we have the Accounting Office, on the other hand.

Mr. LANTAFF. In other words, what you are saying is that the Federal Reserve Board is the arm of the Congress in this field?

Mr. BROWN of Ohio. Right.

Mr. LANTAFF. To check and double check?

Mr. BROWN of Ohio. That is right.

Mr. MCDONOUGH. That is right. This is just superimposing.

Mr. BROWN of Ohio. That is your whole banking system.

Mr. MCDONOUGH. This is superimposing

Mr. BROWN of Ohio. That is right. This is just putting one agency on top of the other.

Mr. MCDONOUGH. Superimposing.

Mr. BROWN of Ohio. Let me conclude.

I don't think anybody can object to having a proper check made of this whole thing.

Mr. MCDONOUGH. No.

Mr. BROWN of Ohio. And I think your Board should file a report with the Congress regularly and it should have its audit, and all that, but I do question the advisability of taking another agency and perhaps having conflicting reports or views or interpretations of what that audit means, which can be a rather serious situation.

Mr. MCDONOUGH. Without the current knowledge.

Mr. BROWN of Ohio. Right.

Mr. MCDONOUGH. Yes, sir.

Mr. BROWN of Ohio. Without being there on the job every day and knowing.

Mr. MCDONOUGH. That is right.

Mr. BROWN of Ohio. Now, we have gone so far with our Accounting Office that we have in the Defense Department a branch of the Accounting Office here that sits there day by day, because of necessity they have learned they can't wait for a year to make a decision and report to Congress.

So, actually, in all these agencies they have a representative of the Accounting Office and they run into them and say, "Now, is this permissible or not? Will you O. K. this? Will you approve this? If we spend this money or do this or that ahead of time, is it all right?"

So, actually the Accounting Office has developed—and I am for it; don't misunderstand—to where it is sort of a superimposed agency that sits on these different departments and different divisions of Government and kind of passes on what they can do and what they can't do at the moment.

Now, if you get the same situation on the Federal Reserve System, you would be in one splendid mess and you would have the kind of financial chaos in this country that the Wilson administration wisely moved in to correct.

Mr. IKARD. Mr. Chairman.

The CHAIRMAN. Yes, Mr. IKARD.

Mr. IKARD. Along the lines Mr. BROWN is talking, and certainly I don't think anyone wants to create a duplication of work here, do I understand your testimony to be that the audits of the 12 Reserve banks, and of the whole organization, are now available annually?

Mr. KARSTEN. To the Congress.

Mr. LANTAFF. The audits of the 12 member banks.

Mr. MARTIN. The 12 member banks.

We have two committees of the Congress, the House and Senate Banking and Currency Committees—and Mr. PATMAN, who I am glad is sitting over here when I say this, said I was thumbing my nose at the Congress when I said they should come up and look at some of the audits. The audits of some of the banks, which we can take out all of those reports that refer to names and individuals, one thing or another—if you would put them into general circulation, you would have a lot of material that I think is not really auditing and examining. I think that is the sort of work——

Mr. IKARD. Yes, Mr. MARTIN, I know; but if I may——

Mr. MARTIN. But any Member of the Congress—and I have said that to the chairman of either of the two committees who has requested these of me—if they want them, I will be willing to make them available, but not for general circulation.

Mr. IKARD. I understand that.

Mr. MARTIN. Our audit for general circulation, I want it to be known, will be a different type of audit than the sort of internal audit we have not developed.

Mr. IKARD. The thing I want to find out here: Are the audits, themselves, available to the Congress, to the committees of Congress that have the jurisdiction, or are the reports that have been appraised by the board?

I think there is a great deal of difference as to what Congress has available to them, and while I agree with you in principle that you must maintain your independence of every part of the Government, except the Congress, and I think you should remain responsible and dependent to it, of course, I think it is necessary that the Congress and the committees have the necessary information to deal with the problems that occur from time to time.

Now, to go back to my original question, what I want to know is whether or not they have available now, available to the committees, the actual audits?

Whether it is for private or committee use is of no concern—I mean to me personally—and in this question I can see why they might

be for executive use only in some instances; but is that information now available to the committees annually?

Mr. MARTIN. Well, we make a detailed annual report, Mr. IKARD.

Mr. IKARD. I am not talking about the report. I am talking about the audits, themselves.

The CHAIRMAN. Just a moment.

Now, Mr. MARTIN, the question is very simple.

Put it in one short sentence; let us get one answer and go on.

Mr. IKARD. I would like to know——

The CHAIRMAN. What you would like to know it: Are those audits available to the Members of the Congress?

Mr. IKARD. That is right.

The CHAIRMAN. They are or they aren't. Which is it?

Mr. MARTIN. They are available to the members of the House and Senate Banking and Currency Committees and to any other Member of this Congress, if they will come down and take a look at it. They are not for general circulation.

Mr. PILCHER. Come down and take a look at it?

Mr. MARTIN. That is right.

Mr. KARSTEN. That is the audit as distinguished from the report?

Mr. MARTIN. What is that?

Mr. KARSTEN. That is the audit as distinguished from the report?

Mr. MARTIN. That is right.

Mr. LANTAFF. Mr. Chairman.

The CHAIRMAN. That answers the question. They are not available unless you go down and ask for them.

Mr. MARTIN. I will be glad to have any Member of the Congress who would like to have them—I will be glad to have a member of our staff bring any or all of them up. They constitute a lot of material, but I do not want to put them in general circulation. I don't think that is the problem.

Mr. LANTAFF. Mr. Chairman.

The CHAIRMAN. All right, Mr. LANTAFF.

Mr. LANTAFF. Just one further question.

The CHAIRMAN. We have one more witness.

Mr. LANTAFF. This bill calls for an audit of the board of governors of the Federal Reserve System, the Federal Open Market Committee, and the Federal Reserve banks and their branches. In line with the question just asked, do I understand the Federal Reserve Board has those annual audits on record here and that those are the audits that we are referring to as being available?

Mr. MARTIN. They are right here at the Board in Washington.

Mr. LANTAFF. I mean all of the audits that are called for in this bill. In other words, do you have an annual audit made of the Federal Reserve banks and their branches, the Federal Open Market Committee and the Board of Governors of the Federal Reserve System?

Mr. MARTIN. We have. We have all of those.

Mr. LANTAFF. All of those audits are now provided for under your own regulations?

Mr. MARTIN. That is right.

Mr. LANTAFF. And all of those audits are available?

Mr. MARTIN. That is right.

Mr. LANTAFF. To Members of Congress, but not for general publications?

Mr. MARTIN. Not for general publication or circulation.

The CHAIRMAN. If that is all, we will call the next witness.

Mr. DAWSON. No. I would like to ask another question.

The CHAIRMAN. All right.

Mr. DAWSON. Is that the audit made by this Anderson & Co. that you employ?

Mr. MARTIN. Yes.

Mr. DAWSON. Is that the audit you are talking about?

Mr. MARTIN. That is correct, Mr. DAWSON.

Mr. DAWSON. Since they are available to us, what objection do you have that we delegate the job of looking them over for our benefit to the Comptroller?

Mr. OSMERS. That isn't what the bill calls for.

Mr. DAWSON. Just a minute.

Mr. OSMERS. Mr. Chairman, as I understand the bill, it doesn't provide for the Comptroller General to look over these audits. It requires the Comptroller General to make an audit.

Mr. DAWSON. I will come to that.

Mr. OSMERS. Am I correct in that?

Mr. DAWSON. That is not my question.

I want to know what objection there is to the Comptroller General looking these over.

That is the question I am asking.

Mr. MARTIN. I don't think the Congress can come to us to report to the Comptroller General.

The CHAIRMAN. No; no. He is asking you what objection you have to Congress asking the Comptroller General to look them over.

Mr. DAWSON. That is right.

The CHAIRMAN. What objection do you have to Congress asking the Comptroller General to look over these audits you have?

That is all he is asking.

Mr. MARTIN. If the appropriate officials of the Congress will request the Comptroller General to take a look at our audits and see whether we are doing a job on it or not, I wouldn't have the slightest objection.

Mr. DAWSON. I have never, Mr. Chairman, seen yet any branch or any department or any agency that wants to be examined by the Comptroller General.

We had that out 5 years ago with the Bureau of the Budget. Every branch of the executive department objected to it.

However, now that we are working together they find it is for the benefit of all.

Where there is anything wrong or anything to be done the Congress is advised.

Now, if an outside agency can make this audit at your suggestion, what objection do you have to the Comptroller General making the audit for our benefit, since you say we have a right to see the things?

Mr. MARTIN. You have the complete authority over us, Mr. Dawson.

Mr. DAWSON. We know that, but we are trying to get your views and why you object to certain procedures.

Mr. MARTIN. I object to them because I believe the integrity of the currency will be safeguarded——

Mr. DAWSON. That is said by every department. I have never seen one yet that didn't say the same thing.

Mr. MCDONOUGH. The integrity of the currency or the integrity of the department?

Mr. DAWSON. They all say the same thing, and have for years, whenever we have suggested the Comptroller General come in as an arm of the Congress.

Mr. MCDONOUGH. The integrity of the currency——

Mr. DAWSON. The integrity of the currency is a phase of life in our country over which Congress has the jurisdiction and assigning a job to an agency to look into it for us, as an arm we have established for that purpose, is not going to affect the work of this Board or of this system.

Mr. MCDONOUGH. In the statement filed with the committee by the Federal Deposit Insurance Corporation they state if an audit is made that the General Accounting Office should have access to reports of examination of insured banks or any other confidential information regarding insured banks or relating to the bank supervisory functions of the Board of Governors of the Federal Reserve System and the Federal Reserve banks. In other words, they are opposed to the audit and believe that confidential information should not be available to the General Accounting Office.

Mr. DAWSON. Not be available to the Members of the Congress?

Mr. LANTAFF. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. What?

Mr. LANTAFF. Will you yield for an observation?

Mr. DAWSON. Certainly.

Mr. LANTAFF. It seems to me, in view of the testimony this morning, both of Mr. PATMAN, the author of the bill, and of Mr. Martin, that probably we are all pretty close together in our thinking.

Now, Mr. PATMAN has observed that he has been unable to get these audits of the Federal Reserve banks and their branches and the Open Market Committee. Mr. Martin has stated he would send a staff member——

Mr. DAWSON. Unless he went down there personally.

Mr. LANTAFF. No. Mr. Martin stated he would send a staff member up and bring all these audits to any Member of the Congress.

In view of the fact we don't have a staff well versed in banking and currency, I wonder if the author of the bill would like to hold up action at this time on H. R. 7602 and take advantage of the offer made by Mr. Martin, and at that time it might be that we would have more information on which to intelligently act on this bill.

I wonder if I could direct that question to Mr. PATMAN.

The CHAIRMAN. It is all right with me.

Mr. PATMAN. May I answer it, Mr. Chairman?

The CHAIRMAN. Yes.

Mr. PATMAN. If they will deliver the audits——

The CHAIRMAN. In 2 minutes; if you can do it in 2 minutes.

Mr. PATMAN. I can do it in a minute and a half. I will give you a half-minute back.

If they will deliver the audits to the Banking and Currency Committee, in charge of the chairman, and let the experts there see them and let me see them in that committee, it will be perfectly all right to hold up this bill as far as I am concerned. Of course, I have no control over it until we look——

Mr. BROWN of Ohio. Mr. Chairman, I move we so do.

Mr. IKARD. Mr. Chairman.

The CHAIRMAN. Yes, sir.

Mr. IKARD. I would like to suggest the House is now in session and we adjourn this meeting and come back with that——

Mr. BROWN of Ohio. With that understanding.

The CHAIRMAN. Two o'clock.

As I understand it, the Texas members have someone they want to entertain.

Mr. IKARD. Yes, sir. We have three fellows leaving us.

Mr. BROWN of Ohio. Why do we have to come back at 2 o'clock if they have to look at these audits?

I move we suspend further hearings until Mr. PATMAN has a chance to see these audits.

The CHAIRMAN. We have other matters.

Mr. LANTAFF. I second that motion.

Mr. PATMAN. If they can do it in a reasonable time.

Mr. MCCORMACK. The members have other problems this afternoon.

Mr. BROWN of Ohio. Let's dispose of my motion first.

Mr. MCCORMACK. I have to go and speak at a convention here.

So, I think you ought to continue the meeting until some other time. If you have consideration of other matters——

Mr. MCDONOUGH. That wouldn't affect this motion, Mr. MCCORMACK.

We can postpone it for 3 or 4 days.

Mr. BROWN of Ohio. Postpone it until——

Mr. DAWSON. That has been seconded.

Mrs. CHURCH. Mr. Chairman.

The CHAIRMAN. Yes.

Mrs. CHURCH. Will the gentleman yield?

We have a subcommittee report on which we would like action before the next indefinite meeting, if we could have it.

Mr. OSMERS. How about a meeting Friday, Mr. Chairman?

The CHAIRMAN. Why don't we just let the further hearings on the Patman bill go over until the calling of a special hearing by the chairman, whenever it is indicated as convenient?

Mr. BROWN of Ohio. All right. That is all right with me as long as it is settled.

The CHAIRMAN. Then if other business must come before the committee we can dispose of it this afternoon, if you want to.

Mr. OSMERS. How about a meeting Friday morning, Mr. Chairman?

A lot of us have commitments for this afternoon.

The CHAIRMAN. Friday morning?

Mr. DAWSON. Next week, because according to the notice that came out for business this week it would be thought or most of us could reason we wouldn't be here after today, and I know I have made some commitments to be in Chicago, and I understand we have only one matter before the Congress, and that is a matter that is noncontroversial. So, I am suggesting we put it off until one day next week.

Mr. BROWN of Ohio. I think that is all right.

Mr. OSMERS. All right. Why don't you pick a day, Mr. Chairman?

The CHAIRMAN. What is that?

Mr. OSMERS. Why don't you pick a day next week, Mr. Chairman, for a meeting?

Mr. LANTAFF. How about tomorrow morning?

Mr. BROWN of Ohio. He is going away. A number of members are going away.

The CHAIRMAN. All right. What day do you want to meet?

Mr. DAWSON. Next Wednesday.

Mr. LANTAFF. Next Wednesday.

The CHAIRMAN. The only other question I had was that question of televising——

Mr. DAWSON. That can wait.

The CHAIRMAN. Does anybody else have anything?

Mr. BROWN of Ohio. I move we adjourn, Mr. Chairman.

The CHAIRMAN. All right.

(Whereupon, at 12:12 p. m., the hearing was adjourned, subject to call.)

MOSCOW REWRITES HISTORY OF UKRAINIAN - RUSSIAN RELATIONS—FAKE THESES ON 300TH ANNIVERSARY OF PEREYASLAV TREATY AND THE FAKE THESES OF THE RUSSIA FIRST CLIQUE IN UNITED STATES OF AMERICA

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 15 minutes.

Mr. FEIGHAN. Mr. Speaker, last January I was privileged to deliver an address over the Voice of America on the meaning and significance of the Moscow-sponsored celebration of the 300th anniversary of the Pereyaslav Treaty between Ukraine and Russia. The importance of this celebration may be gaged by the fact that it is being staged throughout the entire Russian Communist Empire. The treaty of military cooperation consummated by the 2 independent and sovereign states in 1654 was, in characteristic form, violated at the time by Russia to satisfy its traditional imperialist appetite. Today it is being propagandized by Moscow as signifying an organic reunion of Ukraine and Russia. This is pure fiction based on a gross distortion of East European history.

To any close observer of the tenuous relations existing between ethnic Russia and the non-Russian nations in the Soviet Union, this propaganda fanfare on the part of Moscow confirms further its dreaded fear of the forces of enlightened nationalism in Ukraine and in all the captive non-Russian nations in the empire. In the Theses on the Tercentenary of the Reunion of the Ukraine With Russia, 1654 to 1954, that it has prepared for indoctrination courses everywhere within the empire, Moscow concentrates on the reality of the historic aspiration and invincible will of the Ukrainian nation for independence, but deliberately disfigures it in a distorted framework of a completely rewritten history of Ukrainian-Russian relations. This practice is not a Russian Communist invention, for it has been a permanent institutional facet of Russian imperialism for over 500 years.

What is the capital of historic Ukraine—Kiev—in the theses the Russian Communists fabricate as one of the ancient cities of Russia; what are patriots fighting in the tradition of our early American separatists, they call bourgeois nationalists and paid agents of foreign bourgeoisie; what is the exploitation of an economic colony of imperialist Moscow, they describe as a tireless solicitude for the development of the national economy of Soviet Ukraine; what is a federation—U. S. S. R.—founded on conquests and force, they paint as the true path of the unification movement of all the peoples of the Soviet land; what is the racist big brother complex of domination, they call the great brotherly assistance of the Russian people; what is a vicious Russification of Ukrainian culture, they depict as the development of a genuine peoples' Socialist culture; what is Soviet Russian genocide of the Ukrainian Nation, they present as the Soviet ideology of the equality of races and nations?

> The decisive part in achieving the victory of socialism in the U. S. S. R. has been played by the great Russian people, the leading nation among all equal nations of our multinational Soviet State.

These are but a few examples of the series of distortions hooked to the real and continuous theme of Ukrainian national independence by these theses. I venture to state that any intelligent reader unfamiliar with the detailed history of Ukrainian-Russian relations can easily discern the deep Muscovite fear of Ukrainian nationalism in this document. I will go further to state that he will begin to recognize many of the same distortions and falsehoods being circulated by many Russian emigres and their Russia-first friends in this country. They, too, speak of the organic union of Russia and Ukraine in what they call Russia, an equivalent of the Soviet Union or the Russian Empire. They, too, tremble over the enlightened nationalism and the liberation of the non-Russian nations which they construe as the dismemberment of Russia. Like the Russian Communists, with whom they share the common denominator of traditional Russian imperialism, they spare no effort in condemning the patriotic fight of the Ukrainian and other non-Russian nationalists for the freedom and independence of their countries.

To make my point on this essential relationship between Moscow's theses and the theses circulated in this country by the Russia first interests, permit me to quote here just one piece of evidence from a mass of available evidence. Despite his great loss of fortune and the extermination of his kin, Alexander, the Grand Duke of Russia, writes the following:

> It was clear to me then, in the eventful summer of 1920, as it is now in the quieter days of 1933, that in scoring a decisive victory over the Poles the Soviet Government had done what any truly national government would have been obliged to do. However ironical it might appear that the unity of the Russian state had to be defended by the members of the Third Internationale, the fact remains that from that day on the Soviets were forced to pursue a purely national policy which happens to be the age-old policy introduced by Ivan the Terrible, crystallized by Peter the Great, and brought to a climax by Nicholas I: To defend the borders of the state at all costs and step by step to fight toward the natural frontier in the West. I feel certain that my sons will live to see the day when not only the nonsense of the independent Baltic Republics will be brought to an end but Bessarabia and Poland will be reconquered by Russia and a considerable remapping of the frontier will take place in the Far East. (Always a Grand Duke, 1933, pp. 129–130.)

Evidently the Duke's wish has been fulfilled, and he has Stalin and the murderers of his own kin to thank for it. Obviously it is not politically prudent for many of the Russia first elements in the United States to go as far as the duke has with respect to the Baltic nations and Poland. But they do go along with Moscow as far as the independence of Ukraine, White Ruthenia, Georgia, Armenia, Azerbaijan, North Caucasia, Moslem Turkestan and other non-Russian nations in the U. S. S. R. is concerned.

For example, the emigre Russian socialist, Mr. Abramovitch, writes:

> They—
>
> The Bolsheviks—
>
> are despots and tyrants, they are dictators and fire-spreaders; they are guilty of many crimes against the people save one: they did not dismember Russia. (Socialisticheski Vestnik (the Socialist Courier), Nos. 1–2, 1950.)

For him, Russia is the Russian Empire, now in the guise of the Soviet Union. Put in obverse form, it would be a crime, according to this anti-Communist Russian, to work for the liberation and independence of the non-Russian nations in the U. S. S. R.

Let us take another example who is more familiar to the Members of the Congress. Mr. Kerensky, in an article on Miliukov—Novy Zhurnal, No. V, 1943—writes:

> Russia, a geographical backbone of history, should exist in all her strength and power no matter who or how he is ruling her. From this come his (Miliukov's) testament for us: to be on watchful guard of Russia—no matter what her name is—absolutely, unconditionally, and to the last breath.

In the light of this we can appreciate why Mr. Kerensky on several occasions has uttered:

It is better to have a bad dictator than to cut the live body of Russia. (Quoted in the Ukrainian News (Neu-Ulm), West Germany, March 30, 1950.)

The dominant spirit and much of the content of the theses formulated recently by Red Moscow are the same spirit and theses of this typical brand of Russian anti-communism. This explains why one outstanding authority on Russian communism warns that—

It would be ludicrous to interpret the struggle against communism as a fight to preserve the Russian Empire. If Russians who claim to be anti-Communists refuse to extend the goal of freedom to non-Russians, then we must wonder whose side such Russians will be on when a showdown comes. (James Burnham, Containment or Liberation?, pp. 235–6.)

This warning cannot be ignored by us. As the Honorable Walter Bedell Smith has well observed, "Communism today is Great Russianism" and the "Theses on the Tercentenary of the Reunion of the Ukraine With Russia" are truly "Theses of Great Russianism" which, in greater or lesser part, are preached by the anti-Communist Russian émigrés in the free world today. Many of these individuals are supported by American foundations, some are operating in the Voice of America, many are engaged by the Central Intelligence Agency, an impressive number are teaching at the Army Language School, Presidio of Monterey, Calif., and many are nurtured with American funds by the American Committee for Liberation from Bolshevism. The question is "Who is working for whom?" and by way of congressional investigation, deserves a concrete, factual answer. Partaking of the same substance as Moscow, this breed of anticommunism stands to work more harm on the security of the United States than any labeled Communist agent.

I wish to append to my remarks certain authoritative comments on the latest Muscovite theses by the Ukrainian Bulletin, organ of the Ukrainian Congress Committee of America; those by Dr. Harry Schwartz, of the New York Times; also foreign comments on the theses and an informative article by John F. Stewart on The Treaty of Pereyaslav:

[From the Ukrainian Bulletin]

MOSCOW'S STRUGGLE FOR THE SOUL OF UKRAINE

Ever since the death of Stalin in March of 1953 Moscow has been engaged in a relentless struggle to capture the soul of the Ukrainian people. It was then evident that despite the long years of Russian terror, brutality and enslavement, the soul of the Ukrainian people was yet to be subdued.

At Stalin's funeral itself the three contending despots, Malenkov, Beria, and Molotov, jointly issued a unity call. They appealed to all the peoples of the U. S. S. R. to stick to Moscow, not to deviate from the line laid down by the "genial" leader. With this one necessary joint action out of the way, the arrest of Beria soon followed. With him fell his followers not only in Ukraine, but in Georgia, Azerbaijan, and the Baltic states. Beria, who momentarily had the upper hand immediately after Stalin's death, had lost no time in placing his men in various non-Russian republics in preparation for the showdown with Malenkov. It is now clear that he had sought to rally round him non-Russian Communist leaders, who had no particular reason to support Russian chauvinists and imperialists like Malenkov, Molotov, and Bulganin.

But Beria was no match for the Russian chauvinistic and nationalistic bloc. The Malenkov clique prevailed, and made no bones about what political course the Kremlin would follow thereafter.

CONCESSIONS TO UKRAINE

The process of the subjugation of the Ukrainian spirit, however, has undergone some modification. Two important developments have recently taken place in enslaved Ukraine:

1. The much-propagandized celebration of the 300th anniversary of the Treaty of Pereyaslav, this celebration featuring official theses in which the history of Ukraine is rewritten.

2. The transference to the Ukrainian Republic of the Crimea.

These developments have been widely interpreted as concessions on the part of Moscow to the Ukrainian people. Whatever other meaning they might have, one thing is certain: Russia is deeply concerned over the dependability of the Ukrainian people, and is employing every possible tactic, including that of mollification, in order to show the Ukrainians that it is Russia, and not the United States, which is the true friend of Ukraine.

THESES OF THE CENTRAL COMMITTEE

The falsification of Ukrainian-Russian relations from the time of the signing of the Treaty of Pereyaslav, which gave Russia a foothold in Ukraine, was discussed in this space a few weeks ago (cf. Ukraine and Russia: 300th Anniversary of Treaty of Pereyaslav, Feb. 1–15, 1954, issue of the Ukrainian Bulletin). Elsewhere in the present issue appear excerpts from the theses, which document the central committee of the Communist Party of the U. S. S. R. has released as an official signpost for Moscow's policy toward Ukraine.

By sheer weight of propaganda the Kremlin is trying to brainwash the Ukrainians into accepting the idea that they have achieved their national independence and sovereignty. Secondly, that this independence is a direct result of the alliance of the Ukrainians with the Russians 300 years ago. The Russians, so the theses say, helped the Ukrainians get rid of their treacherous feudal landlords and Vatican agents, and to establish their own independent state.

"Ukraine," the document goes on, "relied on economic and diplomatic aid from Russia. Caravans of grain, arms, war materiel, and manufactured metal items were sent from Russia to the Ukraine; Russian diplomats championed Ukrainian interests in negotiations with foreign states, and so on."

If only to go by the record, it is foregone that no living Ukrainian could possibly acquiesce to these outlandish fabrications emanating from Moscow.

Naturally, the theses, translated into English and other languages and distributed by TASS in Moscow on January 13, 1954, were also destined for foreign consumption. Fortunately, the world now knows only too well that Russia gives nothing to anyone, but takes everything and anything it manages to put its hands on.

The significance of the propaganda, however, is that the Russians are anticipating the Western Powers. One day soon the Western World will come to the inevitable conclusion that the Ukrainians must be encouraged and supported against Moscow. It will find itself promising the Ukrainians what Moscow will have been promising and propagandizing all alone.

In the same key is the latest gesture of the Kremlin—the transference of Crimea to the Ukrainian Republic. Klement Voroshilov openly declared that the move was dictated by virtue of the close economic relations and territorial proximity and as a friendly act of the Russian people toward the Ukrainian on the occasion of the 300th anniversary of the union of Ukraine with Russia.

The Ukrainians are aware, of course, that this move, too, is meant to placate them and to fool the free world as to the peaceful intentions of the Kremlin. They know that the Crimea is not a Russian territory, but Russian loot. They cannot forget that the Russians by heinous genocide actually eradicated the Crimean Tartars, original inhabitants of the region, as punishment for their disloyalty manifested during World War II.

It is true that there are now many Ukrainians in the Crimea. Some have settled there recently, others have come since the turn of the century. It is also known that for economic and strategic reasons the Crimea has always been an integral part of the Ukrainian mainland. But if no Ukrainians will believe that the latest proffer of Moscow is anything but a ruse, this will not prevent Moscow from trying and trying again to win over the Ukrainian soul. It cannot afford to do otherwise.

LESSON FOR THE WEST

The West, always late with too little in the arena of psychological warfare, has much to learn from these latest Russian machinations. It must acknowledge that since the Russians have been exerting themselves to hold the Ukrainians by diplomacy, ruse, and sheer force, Ukraine is of primary and immediate importance to us.

Is it not high time for the West, especially the United States, to mount a truly dynamic psychological warfare campaign by giving open encouragement to the Ukrainians and other non-Russians who resist Soviet Russian despotism and slavery?

When will we learn that the polished conference table reflects but the realities outside—and that the most important reality of all is the Achilles' heel of the Soviet Union, those preponderant millions of non-Russians?

The soul of Ukrainian people is ours for the taking—but we must at least extend our arms.

[From the New York Times of January 18, 1954]

(By Harry Schwartz)

A return to the Russification policy followed under Stalin is clearly apparent in the Soviet propaganda leading up to today's celebration of the 300th anniversary of the union of the Ukraine and Russia—diplomatic sources reported yesterday.

The present line glorifies the Great Russian part of the Soviet population once again as well as historic Russian dominance in what is now the Soviet Union, these sources added. This line is at the other extreme from the policy followed last spring, shortly before the late Lavrenti P. Beria was purged, when a number of high Communist leaders, notably the Communist leader of the Ukraine L. G. Melnikov, were purged for seeking to Russify non-Russian minorities.

The clearest evidence of this return to Stalin's policy seems to be given by the "Theses" on the history of Ukrainian-Russian relations issued last week by the Central Committee of the Communist Party of the Soviet Union. Diplomatic observers who have studied these "Theses" have concluded that they put the official imprimatur upon the Russian interpretation of this history, while rejecting the traditional Ukrainian view.

Among the doctrines now receiving official approval in the Theses are:

The Great Russians, not the Ukrainians, were the people who inhabited the Kievan Rus in the eleventh and twelfth centuries and later gave rise to the three major Slav peoples of the Soviet Union today, the Great Russians, Ukrainians, and Byelorussians.

The Ukrainian decision, ratified January 18, 1654, to unite with Russia was made voluntarily to save the Ukrainians from annihilation at the hands of Polish and Turkish invaders. The later union of the Ukrainians and Russians since that date has also been because of the Ukrainians' voluntary desire for such union. Ukrainian leaders who from time to time revolted against the Russian Czar, such as Hetman Ivan Mazepa in the early 18th century, were traitors to the Ukrainian people.

The leading historical force making for progress in Russian and Soviet history has been and by implication is the Great Russian proletariat.

Each of these theses have been challenged, in part or in whole, by many Ukrainian historians. In particular, it has often been asserted that when the Ukraine was united with Russia 300 years ago the Ukraine was supposed to retain a great deal of autonomy, but that by the second half of the 18th century the Ukrainians were reduced essentially to a subject people.

[From the Ukrainian Bulletin]

COMMENTS ON TREATY OF PEREYASLAV CELEBRATION IN BRITISH, GERMAN, ITALIAN, AND POLISH PRESS

I. BRITISH PRESS

(a) *The London Times*

In his article, Changes in the Ukraine, appearing in the January 15, 1954, issue of the London Times, Isaac Deutscher takes great pains to depict the Ukraine of a few centuries ago as a primitive people who could not escape dependence for any period of time to save their souls. Modern Ukraine, however, is something else again; under Soviet tutelage it has become mighty industrially and culturally.

Mr. Deutscher tries to straddle the issue of the modern Ukrainian nationalists thus:

"The Polish Ukraine was the homeland of an intense, truly fascist brand of Ukrainian nationalism which * * * terrorized and pillaged the lands between Lvov and Kiev. But in part the 'bourgeois nationalism' now denounced represented a more respectable mood, namely, the legitimate reaction of a culturally grown-up Ukraine against Moscow's Stalinist tutelage."

This observer doubts, as claimed by the Soviets, that the Treaty of Pereyaslav was the birthday of Ukrainian nationhood—an exaggeration—but does sense a present mood "which will continue to defy the old Tsarist and the recent Stalinist traditions of government and will demand Socialist equality."

(b) *The Economist*

The influential Economist of January 23, 1954, writes that the celebration of the union of Russia and Ukraine has for its purpose the strengthening of Russian domination in Ukraine, where after Stalin's death Beria stopped the process of Russification and tried to undermine the Russian influence. The gigantic economy of Ukraine has overall importance for Russia.

In commenting on the Treaty of Pereyaslav the author derides Russian historians who naively are trying to convince the world that the Ukrainians voluntarily submitted to Russian slavery.

(c) *The Manchester Guardian*

In an article entitled "The Story of Two Capitals," the author writes with sarcasm on those benefits which Ukraine received from Moscow after the conclusion of the Treaty of Pereyaslav, and concludes that Soviet propaganda, no matter how loud, would not be able to obliterate the ills inflicted by Russia upon Ukraine.

II. GERMAN PRESS

(a) *Rheinischer Merkur*

Walter Schenk wrote an extensive commentary (Ukrainian Policy of Malenkov) on the celebration of the 300th anniversary of the Treaty of Pereyaslav in Rheinischer Merkur of January 22, 1954. His arguments are solid and based on impartial historical sources. He observes that Ukrainian national consciousness is developing rapidly, and that the Soviets have not mastered difficulties in Ukraine.

(b) *Christ und Welt*

Herr W. Leitmueller in his article, Glory and Tragedy of Ukraine, which appeared in the January 28, 1954 issue of Christ und Welt, analyzes the present deplorable conditions in Ukraine in the light of the 300th anniversary of the Treaty of Pereyaslav.

A highly biased pro-Russian article appeared in the January 19, 1954, issue of Stuttgarter Zeitung by H. B., who follows the Russian imperial school of thought and hardly recognizes the existence of the non-Russian peoples in the USSR.

A more impartial study on the subject of Ukrainian-Russian relations came out of the press bureau Zeitspiegel, under the editorship of E. Ch. Schepke, an acknowledged authority on Eastern European problems. His analysis of Ukraine's enslavement by Russia since the conclusion of the Treaty of Pereyaslav 300 years ago is extremely accurate.

III. ITALIAN PRESS

Il Tempo and Il Messagero

During January 1954 the entire Italian press devoted much space to the 300th anniversary celebration of the Treaty of Pereyaslav. Two important Rome dailies, Il Tempo and Il Messagero, on January 19, 1954 contained extensive dispatches from their correspondents in Bonn. Ukrainian journalists presently in Germany held a press conference in Bonn at which they discussed the Treaty of Pereyaslav and the reasons for the much-acclaimed celebration throughout the Soviet orbit.

Il Giornale d'Italia, under the dateline of January 28, 1954, published an extremely enlightened analysis by Bruno Tedeski, in which he says:

"The Treaty of Pereyaslav was the strongest basis on which Russia rested her history as a great power. The Russian-Ukrainian union made a mother-terror out of mother-protector. From this time on Russia augmented and is augmenting now her strength and prestige. The gigantic coal mines of Ukraine were exploited by czarist industry and commerce, and the wheat of the immense black-soil land feeds even now 200 million people."

The entire article was well documented with historical facts, not to be confused with those usually proffered by the propaganda scholars of the Russian emigres.

IV. POLISH PRESS

(a) *Wiadomosci*

In treating the action of Moscow with regard to the Treaty of Pereyaslav, Wiadomosci, Polish literary review appearing in London, published an article, The Great Russian Banquet, in which it stated that the Ukrainian people are not rushing to celebrate the event.

(b) *Dziennik Polski*

Stefan Menkarski authored an extensive front-page article entitled "The Treaty of Pereyaslav—Instrument of Russian-Soviet Imperialism" in the January 30, 1954, issue of Dziennik Polski of London. Analyzing the theses of the Central Committee of the Communist Party of the U. S. S. R., he labeled them pure Russian imperialism and chauvinism. The author believes that the policy of Malenkov with respect to Ukraine is as nakedly chauvinist as it is anti-Ukrainian and anti-Western. He calls on the Ukrainians in the free world to unite with free Poles and other nationalities against the Russians.

THE TREATY OF PEREYASLAV—THE UKRAINIANS 300 YEARS' FIGHT AGAINST THE PERFIDIOUS MOSCOW ALLY

(By John F. Stewart)

Ukraine is a country in southeast Europe with the Black Sea as its southern frontier and with Russia in the northeast—Russia has no Black Sea coast. It is a country of 45 million virile people, with a long history, and, in earlier days, was the eastern bulwark of Western Christianity and civilization against attacks of semi-savages from the east. It has the misfortune, from some points of view, of being naturally extremely rich and valuable in soil, minerals, and strategic position; and so, through the centuries, it has been an object of greed on the part of neighboring countries, both west and east, and an object of attack.

In the end of 1653, it had been at war for 6 years with Poland, whose rulers tried to seize Ukrainian territory. Ukraine, which had driven the Poles out of the country after inflicting crushing defeats on them in many battles, became exhausted by this long struggle, while Poland, fortunate in possession of ample financial resources, was able to hire German mercenaries to go on fighting, as we did at Waterloo and in the American War of Independence, and in other places.

Becoming despondent, the Ukrainian Hetman, Bohden Khmelnytsky, sought round for allies, but, not finding those he wanted, in the end he approached the Tsar of Moscow—the present-day Russians have no right to that name, which they stole in quite recent times, and before this they were known as Muscovites and their land as Muscovy.

It cannot be too much emphasized that the Hetman's attitude was that of an ally, not one seeking domination by or incorporation into the Moscovite kingdom.

Ultimately, representatives of Ukraine and Muscovy met at a town in Ukraine, Pereyaslav, from which the ill-fated treaty takes its name. Terms were agreed, but were not put in writing till this was done in Moscow some 2 months later, when it was found that they had been falsified by Moscow in its own favor.

Even as it was, however, the treaty promised Ukraine full independence and noninterference in her internal affairs, and her ruler had the right of separate diplomatic relations with other countries; only the dynasty should be common to both countries. When the other insinuated terms became known to the Hetman's colleagues, they refused to accept the treaty, but the Muscovites were more wily than the Ukrainians, and managed to persuade them that any apparently oppressive conditions were only a formality, and Ukraine would remain as free as ever.

Shortly, the treaty, as the Ukrainians understood it, compelled the tsar to send military aid to Ukraine to assist in the war against the Poles. As is typically Muscovite, if only the British people would recognize this characteristic, Moscow broke every article of the treaty, and, instead of acting as an ally for a specific purpose, sent in its own people to occupy all key positions, supported them with troops, built fortresses for them, and more and more began to act as masters of a Muscovite province. Gradually, the Russians, to give them the name by which they are now better known, occupied the country, enslaved the Ukrainians, subordinated the Ukrainian Church to Moscow and confiscated all her properties, defamed the

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Ukrainian language and prohibited its use in public, and finally abolished the very name of Ukraine and converted it into a colony under the name of "Little Russia."

At various times the Russians have taken various views of Khmelnytsky, and for all the 300 years of the existence of the infamous treaty, various Russian jurists have excelled themselves in making the issues raised by the treaty unintelligible to the ordinary man or woman, but there is no advantage in trying to explain these mental gymnastics.

Khmelnytsky spent the few remaining years of his life in trying to recover the old complete independence, as he had realized at last that he had been completely tricked by the Russians, and, instead of gaining an ally, he had opened the gates of his country to a thief and destroyer.

But, however the Hetman and his immediate colleagues looked on the treaty, the arrangement with Russia was never accepted by the Ukrainian people, who have, for the 300 years, fought to throw off the Russian yoke as they are fighting today.

In fact, the first battle took place only 5 years after the signing of the treaty, when the Ukrainians severely defeated the Muscovites at Konotop. The next battle took place in 1709 at Poltava, when the Ukrainian Hetman I. Mazeppa joined with Charles XII of Sweden against Peter I of Russia. Fighting, more or less severe, continued until, in 1918, the Ukrainians reestablished their own independent government, but again Russian methods, this time aided by disastrously mistaken Western policy, led to Bolshevik occupation of Ukraine in 1920. But the fight goes on and the Ukrainian Insurgent Army (UPA) rejoices in the anniversary of Pereyaslav with arms and fixed resolve to win. Equally the underground political fight of the Ukrainian people—the whole people—is carried on without cessation in complete unity.

It may be mentioned that, on the accession of each succeeding Tsar of Moscow, the terms of the treaty were further falsified by the Russians so as to induce the world to believe that it was actually a treaty of union between Russia and Ukraine. In the mind of no single Ukrainian, high or low, has there ever been a shadow of a belief that there was ever a question of union. For centuries the Ukrainian people had been free and democratic, and they could even dismiss their ruler if he displeased them. They are a Western people, and any union or even collaboration with the people known as Russians is, to those who know them and their experiences, unthinkable. From the time they had the power the Russians treated the Ukrainians as slaves. For example, when Peter I, called "the Great," built his new capital of Petersburg (now Leningrad), he sent hundreds of thousands of the Ukrainians from the south to build it, and hundreds of thousands of them died of hunger, brutal treatment and exposure in the ice and marshes on which the capital was built. During Tsarist days a steady stream of Ukrainians were sent to exile in Siberia, but, when the Bolsheviks occupied Ukraine, the stream became a flood.

In 1925 began the mass deportations of Ukrainians to Siberia, under conditions of inhuman cruelty. In the first year or so it is estimated that 6 million were deported or shot outright. That this is not exaggerated is confirmed by the statements of German prisoners-of-war now being returned from Siberia to Germany. Collated reports give the number in the slave camps as over 20 millions, half of whom are Ukrainians.

To compel obedience to Moscow, in 1933 Moscow seized the food grown by the Ukrainians and deliberately starved to death at least 6 millions—men, women, and children. This is a fact so conclusively proved as to admit of no doubt.

The Ukrainian farmers objected to the collectivization schemes of the Bolsheviks.

When the Germans attacked Russia in 1941, and, for a time occupied Ukraine, here had been in various parts of the country rumors of earlier mass shootings and burials, and, in one town, Vynnytsia, the local Ukrainian authorities obtained permission to investigate them. In and around the year 1937, many people, both men and women, had mysteriously disappeared in the neighborhood, most of them without trace. In the few cases where the relatives had courage to ask the local Bolshevik authorities questions about the missing, they were told they had been sent to one place or another for purposes of labor and would ultimately return. In Vynnytsia, rumor pointed to there having been mysterious sounds during the nights of 1937 in the public park, which had been enclosed by a high wooden fence, and no one was admitted within this. Excavation was begun, and in a mass grave over 12,000 bodies of the missing men and women were found, all shot by pistol through the back of the head. A committee of the first European medical experts was brought to the scene, who examined the bodies, and came unanimously to the conclusion that the victims had been killed in and about the year 1937. As this was during the Russian occupation and before the outbreak of World War II, the Russians could not say, as they did on the discovery of the grave of several thousand murdered Polish officers at Katyn, that the perpetrators must have been the Germans. There are many Vynnytsias in Ukraine, but this example is enough. And, almost incredible as it may seem, after the burial, the Russians had constructed a very up-to-date Park of Rest and Culture over the grave, and had erected all sorts of amusement facilities for children, swings, roundabouts, and even a summer open-air theater. Can bestiality go further? The little children playing games on the graves of their fathers and mothers, brothers and sisters.

I am telling these 1 or 2 stories of what relations were between the Russians and the Ukrainians to throw some light on the intense propaganda now going on in relation to the Treaty of Pereyaslav, which the Russians claim as uniting freely Ukraine and Russia, and to celebrate which rejoicings on the most fantastic and elaborate scale have been going on in the U. S. S. R., and particularly in Ukraine, since January 18 of this year. The celebrations are to commemorate the treaty and the "boundless joy of the Ukrainian people at their union and devoted friendship with their brothers the Muscovites." It is in reality a question of "rejoice or be shot or sent to a slave camp." But, to those who know the Ukrainians, it is a certainty that they will disappoint Moscow, which will, however, succeed in getting the West to believe its propaganda. Indeed, there is little doubt that the Russians agreed in the end to the Berlin Conference and to ask for its postponement to January 24 so that the rejoicings could be in full swing and impress the West that the non-Russian peoples were happy and contented in their partnership in the great Soviet Union. Is it likely?

These accounts of the Treaty of Pereyaslav are taken from recorded history, and the events took place 300 years ago. But the treaty and the whole sequence of events can be duplicated by events which took place in our own day, and which show conclusively that Russian methods have never altered, whether they are applied by tsarists or Bolsheviks. These events I am now about to refer to also took place in the personal knowledge of the writer himself. During the interwar years, after experience of Soviet Russia, my professional work occasioned my being for a good part of each year in the three Baltic States of Estonia, Latvia, and Lithuania. I knew most of Europe, and these three little countries were, to me, the most peaceful, prosperous, and happy countries in the world. Their independence had been recognized by Russia among other countries, and they had treaties of friendship and nonaggression with Moscow, to which their behavior had been most correct. The Russo-German Pact of August 1939, which enabled Germany to start the war, had a secret clause by which Russia was to annihilate the independence of the Baltic States.

As a first step, Russia negotiated with them Treaties of Mutual Assistance, the Baltic versions of the Treaty of Pereyaslav. To give effect to this, the Russians then demanded facilities for stationing Red troops in the States to "defend them against aggression." The Baltic peoples were unable to resist this demand, and Molotov eulogized their mutual good feeling and relations. A little later he showed his hand in an interview he had with the Lithuanian Foreign Minister, who had offered some slight protest against some Russian actions. Here are his actual words. "We are assisting Germany, but only that that State may not collapse before the popular masses of the belligerents, exhausted by the war, rebel against their governments. * * * At that moment we will come to the rescue, by sending well-prepared fresh forces, and I think that, on the plains of Western Germany, possibly not far from the Rhine, the last battle will take place between the rotten bourgeoisie and the proletariat. That will decide the fate of Europe, and we hope that this battle will bring us victory." There you have age-long Russian policy and duplicity in a nutshell.

The people of Britain have been fed for centuries on what purported to be Russian history, but which was actually Russian propaganda. And even our so-called statesmen seem ignorant and they plan Berlin Conferences and meetings at the highest level, oblivious that no Russian Government has ever kept any agreement in its history. If they will just ponder Molotov's words they may begin to realize that Russia never intends to keep any agreement, and that it is useless to negotiate anything with her.

The treaties of Pereyaslav and the treaties of mutual assistance with the Baltic States are on all fours. They gave Moscow the excuse to enter these countries so as to help. They were designed for and ended in the annihilation of the independence of all, and of the murder and deportation to slavery of millions upon millions of their peoples and murder and torture incalculable.

And, at the time of writing this, Mr. Eden, no doubt on the instructions of Sir Winston Churchill, is promising Russia a guaranty against aggression and the extension of the existing British-Russian Treaty indefinitely. Do our leaders really wish to see Britain suffering the same fate as the other countries which had treaties of friendship with Moscow? For that would seem to be the outcome of every treaty Moscow has made with other countries in the past 300 years.

And, to the Ukrainians, while January 18 is a day of deep mourning, it is also a day of renewed and strengthened resolve to free their homeland from the alien oppressor.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. BROOKS of Louisiana and to include extraneous matter.

Mr. PRICE and to include extraneous matter.

Mrs. SULLIVAN and include a letter.

Mr. O'HARA of Illinois in two separate instances, in each to include extraneous matter.

Mr. WICKERSHAM and include extraneous matter.

Mrs. ROGERS of Massachusetts to revise and extend her remarks and include extraneous matter.

Mr. DAWSON of Utah.

Mr. BENDER in five instances and to include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. POFF (at the request of Mr. BOW) for Monday and Tuesday, June 7 through June 8, 1954, on account of official business.

SENATE BILL, JOINT RESOLUTION, AND A CONCURRENT RESOLUTION REFERRED

A bill, joint resolution, and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 361. An act to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes; to the Committee on Post Office and Civil Service.

S. J. Res. 39. Joint resolution proposing an amendment to the Constitution of the United States to enable the Congress, in aid of the common defense, to function effectively in time of emergency or disaster; to the Committee on the Judiciary.

S. Con. Res. 79. Concurrent resolution to express the sense of the Senate on continuing the operation of the tin smelter at Texas City, Tex., and to investigate the need of a permanent domestic tin-smelting industry and the adequacy of our strategic stockpile of tin; to the Committee on Banking and Currency.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6655. An act to amend the charter of the Columbia Institution for the Deaf, change its name, define its corporate powers, and provide for its organization and administration, and for other purposes; and

H. R. 8092. An act to facilitate the entry of Philippine traders.

BILLS PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on June 4, 1954, present to the President, for his approval, bills of the House of the following titles:

H. R. 356. An act to amend the Railroad Retirement Act of 1937, as amended;

H. R. 3725. An act for the relief of Curtis W. Strong; and

H. R. 6477. An act for the relief of the Columbia Hospital of Richland County, S. C.

ADJOURNMENT

Mr. BOW. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 53 minutes p. m.) the House adjourned until tomorrow, June 8, 1954, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1600. A communication from the President of the United States transmitting proposed draft language for the fiscal year 1955 for the refugee relief program (H. Doc. No. 422); to the Committee on Appropriations, and ordered to be printed.

1601. A letter from the Governor, Farm Credit Administration, transmitting a draft of a proposed bill entitled "A bill to authorize production credit associations to pay dividends on class A stock without paying dividends on class B stock, to pledge securities representing investments of their guaranty funds, and to pay dividends on class A or class C stock without regard to the provisions of section 22 of the Farm Credit Act of 1938, and to authorize production credit corporations to invest in class C stock of production credit associations without affecting the tax status of such associations, and for other purposes"; to the Committee on Agriculture.

1602. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of a bill entitled, "A bill to amend the act entitled 'An act to provide for the better registration of births in the District of Columbia, and for other purposes'," approved March 1, 1907; to the Committee on the District of Columbia.

1603. A letter from the Secretary, Panama Canal Company, transmitting reports by the Panama Canal Company on foreign excess property disposed of during 1952 and 1953, pursuant to title IV of Public Law 152, 81st Congress; to the Committee on Government Operations.

1604. A letter from the Acting Secretary of the Interior, transmitting 1 copy each of certain laws enacted by the Second Guam Legislature (2d regular and 2d special sessions) pursuant to section 19 of Public Law 630, 81st Congress; to the Committee on Interior and Insular Affairs.

1605. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

1606. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

1607. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 4, 1954, submitting a report, together with accompanying papers and illustrations, on a review of reports on Black Rock Channel and Tonawanda Harbor, N. Y., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on October 21, 1946 (H. Doc. No. 423); to the Committee on Public Works and ordered to be printed with three illustrations.

1608. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated August 11, 1953, submitting an interim report, together with accompanying papers and illustrations, on a survey of water levels of the Great Lakes—local flood-protection projects. This interim report is authorized by a resolution of the Committee on Public Works, House of Representatives, adopted on June 26, 1952, requesting a review of reports relating to the water levels of the Great Lakes, with a view to determining the property damage resulting from changes in levels of the Great Lakes and the feasibility of measures to prevent the recurrence of damages (H. Doc. No. 424); to the Committee on Public Works and ordered to be printed with three illustrations.

1609. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 22, 1954, submitting a report, together with accompanying papers and illustrations, on a review of reports on Willapa River and Harbor, and Naselle River, Wash., made pursuant to several congressional authorizations listed in the report (H. Doc. No. 425); to the Committee on Public Works and ordered to be printed with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of June 3, 1954, the following bills were reported on June 4, 1954:

Mr. BUSBEY: Committee on Appropriations. H. R. 9447. A bill making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related independent agencies, for the fiscal year ending June 30, 1955, and for other purposes; without amendment (Rept. No. 1756). Referred to the Committee of the Whole House on the State of the Union.

Mrs. BOLTON: Committee on Foreign Affairs. House Concurrent Resolution 236. Concurrent resolution inviting Nurse Genevieve de Galard-Terraube to be an honored guest of the United States; without amendment (Rept. No. 1755). Ordered to be printed.

[*Submitted June 7, 1954*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of Nebraska: Committee of Conference. H. R. 2828. A bill to amend the act of Congress of September 3, 1935 (49 Stat. 1085), as amended (Rept. No. 1757). Ordered to be printed.

Mr. REES of Kansas: Committee on Post Office and Civil Service. Report on appeals and grievance procedures in the Federal Government; without amendment (Rept. No. 1759). Referred to the Committee of the Whole House on the State of the Union.

Mr. REES of Kansas: Committee on Post Office and Civil Service. First intermediate report by the Subcommittee on Manpower Utilization; without amendment (Rept. No. 1760). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. S. 129. An act to amend the act of August 30, 1935 (49 Stat. 1059), authorizing the Chippewa Indians of Wisconsin to submit claims to the Court of Claims; without amendment (Rept. No. 1761). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. S. 2742. An act to amend the act of August 21, 1951, relating to certain payments out of Ute Indian tribal funds; without amendment (Rept. No. 1762). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 8026. A bill to provide for transfer of title to movable property to irrigation districts or water users' organizations under the Federal reclamation laws; with amendment (Rept. No. 1763). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 8634. A bill to amend section 22 of the Organic Act of Guam; with amendment (Rept. No. 1764). Referred to the Committee of the Whole House on the State of the Union.

Mr. SHAFER: Committee on Armed Services. H. R. 9005. A bill to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177); without amendment (Rept. No. 1765). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. S. 1301. An act authorizing the Secretary of the Interior to issue a patent in fee to Lucy Yarlott Othermedicine; with amendment (Rept. No. 1758). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, pursuant to the order of the House of June 3, 1954, the following bill was introduced on June 4, 1954.

By Mr. BUSBEY:

H. R. 9447. A bill making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related independent agencies, for the fiscal year ending June 30, 1955, and for other purposes; to the Committee on Appropriations.

[*Introduced and referred June 7, 1954*]

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAILEY:

H. R. 9448. A bill to amend the act of May 29, 1884, as amended, the act of February 2, 1903, as amended, the act of March 3, 1905, as amended, and the first proviso under the heading "General Expenses, Bureau of Animal Industry" in the act of June 30, 1914, as amended, to include all domestic animals within their provisions, and for other purposes; to the Committee on Agriculture.

By Mr. BENTSEN:

H. R. 9449. A bill to amend title 28 of the United States Code to provide that a term of the United States District Court for the Southern District of Texas (Brownsville Division) shall be held at Edinburg; to the Committee on the Judiciary.

By Mr. BOW:

H. R. 9450. A bill to provide an adequate, balanced, and orderly flow of milk and dairy products in interstate and foreign commerce, to stabilize prices of milk and dairy products, to impose a stabilization fee on the marketing of milk and butterfat, and for other purposes; to the Committee on Agriculture.

By Mr. CURTIS of Missouri:

H. R. 9451. A bill to exempt from tax admissions to certain rodeos and folk festivals, and assessments paid by club members for capital improvements; to the Committee on Ways and Means.

By Mr. DAWSON of Utah:

H. R. 9452. A bill to provide that where a Federal judge stays the execution of a State prisoner in a habeas corpus proceeding, the State shall be reimbursed for the resulting expenses of care and custody of the prisoner; to the Committee on the Judiciary.

H. R. 9453. A bill for the relief of the State of Utah; to the Committee on the Judiciary.

By Mr. HARRISON of Wyoming:

H. R. 9454. A bill to amend section 4 of the act of August 13, 1953, relating to the exchange of farm units on Federal irrigation projects; to the Committee on Interior and Insular Affairs.

By Mr. JAVITS:

H. R. 9455. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. KEATING:

H. R. 9456. A bill to amend section 1 of the act of January 2, 1951, prohibiting the transportation of gambling devices in interstate and foreign commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. MACK of Washington:

H. R. 9457. A bill to appropriate money for payment of the cost of altering and reconstructing the Interstate Bridge across the Columbia River between Portland, Oreg., and Vancouver, Wash.; to the Committee on Appropriations.

By Mr. MAGNUSON:

H. R. 9458. A bill to provide for the creation of an 11th judicial circuit to be comprised of Alaska, Idaho, Montana, Oregon, and Washington, and for the circuit judges constituting the 9th and 11th circuits; to the Committee on the Judiciary.

By Mr. MILLER of Nebraska (by request):

H. R. 9459. A bill to authorize the Secretary of the Interior to investigate and report to the Congress on the conservation, development, and utilization of the water resources of Alaska; to the Committee on Interior and Insular Affairs.

By Mr. O'KONSKI:

H. R. 9460. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. REED of Illinois:

H. R. 9461. A bill to provide for the settlement of claims of military personnel and civilian employees of the Federal Government for damage to, or loss, destruction, capture, or abandonment of personal property occurring incident to their service, and for other purposes; to the Committee on the Judiciary.

By Mr. REES of Kansas:

H. R. 9462. A bill to authorize the Civil Service Commission to make available group life insurance for civilian officers and employees in the Federal service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SHORT:

H. R. 9463. A bill to provide for family quarters for personnel of the Department of Defense and their dependents and to authorize a program for providing such family quarters, and for other purposes; to the Committee on Armed Services.

By Mr. WAMPLER:

H. R. 9464. A bill to amend the Veterans' Readjustment Assistance Act of 1952 to eliminate the requirement that education and training allowances payable to veterans pursuing institutional on-farm training under that act be periodically reduced; to the Committee on Veterans' Affairs.

By Mr. BAKER:

H. J. Res. 543. Joint resolution designating the period beginning on June 30 and extending through July 5 of each year, commencing with the year 1954, as National Hillbilly Homecoming Week; to the Committee on the Judiciary.

By Mr. PHILLIPS:

H. Res. 576. Resolution providing for the payment of 6 months' salary and $350 funeral expenses to Mrs. Marie E. Adams, widow of Donald G. Adams, late an employee of the House of Representatives; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. GOODWIN: Memorial of the Massachusetts Legislature to Congress to reconsider any proposed curtailment of employment or work at the Boston Naval Shipyard; to the Committee on Armed Services.

By Mr. HESELTON: Resolutions of the Massachusetts State Senate memorializing the Congress of the United States to reconsider any proposed curtailment of employment or work at the Boston Naval Shipyard; to the Committee on Armed Services.

By the SPEAKER: Memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States relative to expressing approval of the action of the Secretary of Defense in selecting a site regarding Alvin Callender Airport in Louisiana; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 9465. A bill for the relief of Francesco Augugliaro; to the Committee on the Judiciary.

By Mr. DURHAM:

H. R. 9466. A bill for the relief of Erminio Cobbe; to the Committee on the Judiciary.

By Mr. KERSTEN of Wisconsin:

H. R. 9467. A bill for the relief of Andreina Chang; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 9468. A bill authorizing the presentation of the Bronze Star Medal to Sidney Clinton Stern; to the Committee on Armed Services.

By Mr. MARTIN of Massachusetts:

H. R. 9469. A bill for the relief of Hildegard Herrmann; to the Committee on the Judiciary.

By Mr. PRICE:

H. R. 9470. A bill for the relief of Mrs. Anneliese Gotzelman Brown; to the Committee on the Judiciary.

H. R. 9471. A bill for the relief of Seu Shuit Wong; to the Committee on the Judiciary.

By Mr. REED of Illinois:

H. R. 9472. A bill for the relief of Robert Burns DeWitt; to the Committee on the Judiciary.

By Mr. ROONEY (by request):

H. R. 9473. A bill for the relief of Martha Fries Moskal; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

992. By Mr. GOODWIN: Petition of Rev. Richard H. Crawford and others of West Somerville, Mass., favoring the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

993. By Mr. HARRISON of Virginia: Petition of certain citizens of the counties of

Rockbridge and Shenandoah, Va., protesting excesses in advertising of alcoholic beverages by newspapers, periodicals, radio, and television, and urging prohibition of such advertising by approval of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

994. By the SPEAKER: Petition of the chairman, FEPC Committee of Missouri, St. Louis, Mo., relative to a meeting held by the members of the FEPC, and voted on a motion for a new political party by the name of Peoples Peace Party of Missouri, and that it be placed on the ballot carried overwhelmingly; to the Committee on House Administration.

995. Also, petition of the Hawaii Federation of Business and Professional Women's Clubs, Honolulu, T. H., urging the granting of immediate statehood to Hawaii; to the Committee on Interior and Insular Affairs.

996. Also, petition of Frank Prior and others, Brooklyn, N. Y., relative to being in support of House Joint Resolution 243, to incorporate the words "under God" in the pledge of allegiance to the flag of the United States; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Assumption by Federal District Courts of Jurisdiction in Cases Involving Condemned Killers

EXTENSION OF REMARKS
OF
HON. WILLIAM A. DAWSON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Monday, June 7, 1954

Mr. DAWSON of Utah. Mr. Speaker, today I introduced two pieces of legislation—a private and a public bill. Both are an outgrowth of an increasing tendency on the part of Federal district courts throughout the Nation to assume jurisdiction in cases involving condemned killers. In order that the Members will be familiar with the problem, I cite a specific case in Utah for which one of the measures, the private bill, seeks monetary relief.

Verne Alfred Braasch and Melvin LeRoy Sullivan were tried and convicted to death for the brutal holdup slaying of a gas-station attendant in Beaver, Utah, on October 22, 1949. The original execution date was February 16, 1950.

The execution was stayed when the defendants appealed to the Utah Supreme Court. Utah's highest court affirmed the conviction and subsequently considered three additional appeals for extraordinary writs and reviews, all of which were denied after careful study.

In addition, the two have twice petitioned the United States Supreme Court, and in each instance these petitions have been denied, the most recent one being October 19, 1953.

One could reasonably expect that these men had run their full legal course. Such is not the case, however.

Despite refusal of the United States Supreme Court to review the State's highest court decisions on the matter, the Federal district court assumed jurisdiction over the case on February 21, 1952, after the defendants filed for a writ of habeas corpus in his court. The district judge has retained jurisdiction of the case since that time and recently requested the filing of additional briefs by both the State and the defendants.

Certainly it is not my intention by these measures to cut down the legal remedies available to our citizens, including convicted killers such as Braasch and Sullivan. But I do believe that where such extended delays in the carrying out of sentences occurs that the Federal Government should bear the cost of maintaining the prisoners. If the Federal district court is going to assume the obligation of a court of last resort after all other remedies have been exhausted, then the concomitant expense of maintaining the defendants should be assumed at the same time.

Appropriations for Vocational Rehabilitation Fact Sheet

EXTENSION OF REMARKS
OF
HON. VICTOR WICKERSHAM
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 7, 1954

Mr. WICKERSHAM. Mr. Speaker, the current appropriation for vocational rehabilitation in the States is $23 million. Between 60,000 and 65,000 persons are being rehabilitated annually.

When the 1954 appropriation bill was in conference, restrictive language was added as follows:

Provided further, That the amount apportioned to a State for fiscal year 1955 shall not exceed $1 for each $0.75 contributed by the State for the same purpose.

The item was not in either House or Senate bill. It was not mentioned in the conference report. It was not explained at time of passage.

The administration has made clear its displeasure with the restrictive language. Legislation proposed by the President would repeal it and expand rehabilitation services. He has stated that he will ask Congress for a total of $28 million for vocational rehabilitation in 1955 if the legislation is passed. In putting $19,175,000 in the regular budget for vocational rehabilitation, he made it clear that this was the maximum amount that could be spent under the restriction and that this was the reason so small a sum was listed.

The House Committee has reported $21 million for vocational rehabilitation in the States for 1955. This is $2 million less than the 1954 appropriation. The restrictive language referred to in paragraph 2 is not repeated in the 1955 bill but is effective for 1955 in the absence of specific repeal.

Since legislatures in 35 States have not met this year, they have had no opportunity to replace lost Federal funds with State funds. It is estimated that the $2 million cut would result in 7,000 fewer rehabilitations in 1955. Ironically, if the restrictive language is not repealed in the appropriation act, or elsewhere, not even this amount of Federal funds could be used. $19 million would probably be the maximum.

Amendments will be offered on the floor: First, to increase the amount to be appropriated to $23 million, the amount available for 1954; and, second, to repeal the restrictive language.

Whether or not the House is allowed to vote on the amendment to repeal the restrictive language, it is extremely important that $23 million be appropriated by the House. Then, if the repeal is initiated by the Senate in the appropriation bill or is accomplished by the passage of new legislation to be reported by both House and Senate committee this week, the appropriation will be available to maintain the program at the 1954 level.

Will you please participate actively in efforts to prevent the proposed reduction in rehabilitation services to the handicapped? Ask for time when the amendments are considered by the House. Call upon the National Rehabilitation Association, or the rehabilitation people in your own State for additional information.

What's the Economic Picture Today?

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, May 24, 1954

Mr. BENDER. Mr. Speaker, some people enjoy the idea of rushing frantically into every situation with either legislation or executive action. The moment a difficulty arises anywhere they want to pass a bill or issue an order. Fortunately for the Nation, the legislative and executive branches of our Government are not so easily stampeded into precipitate action.

A few months ago, labor leaders were mobilizing for marches on Congress, for special legislative sessions. They were reviving old anti-Republican slogans and preparing to lay the blame on their traditional target, the GOP. A strange silence has suddenly fallen upon the "gloommongers." They have discovered national employment dropping, construction contracts rising, farm prices lifting, metal markets strengthening, and the whole picture one of new confidence in the prospects for future developments.

UNIVERSITY OF MICHIGAN LIBRARIES

With the construction of large new units by automobile manufacturers, air-conditioning companies, and other major industries, there can be little doubt that the country is betting on a good year of business activity all around.

Urgent Need for More Trained Medical Social Workers

EXTENSION OF REMARKS

OF

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 7, 1954

Mrs. SULLIVAN. Mr. Speaker, each day we are more aware of the fact that the health of our people is a first line of defense of the Nation. And that the men and women trained to fight disease and disabling accidents are truly defenders of the people when they serve the people's needs.

My own city of St. Louis has an excellent record of caring what happens to its sick people. It also has an unusually fine record of training young men and women for service in the medical and health professions. These young people are from not only St. Louis and the State of Missouri but from other States and some foreign countries. St. Louis University and Washington University, with their allied hospitals and clinics, are distinguished centers for medical and health training.

The people of St. Louis, as well as the doctors and professors, have helped to make St. Louis a progressive medical center. Almost 50 years ago—in 1910—a small group of women volunteers who helped manage the affairs of St. Louis Children's Hospital organized one of the first hospital social service departments in the country.

These women of St. Louis and the doctors at Children's Hospital realized that sick children need more than medicine and surgery. The kind of place the child went home to from the hospital, whether he had proper braces or other appliances, transportation to and from the hospital were some of the many things they saw as necessary to the child's recovery also. With money from their own purses and those of their friends, they established a social service department to help their young patients and their families.

Social service departments are not unusual in hospitals today, due in no small part to the pioneering in St. Louis. In this field, as in many others, St. Louis still leads the way.

That is one reason I am especially pleased to have a letter calling attention to the medical social work training facilities in St. Louis. Medical social workers are specially trained to work with doctors and nurses in hospitals, clinics, and other health services. This is one of the health professions which is not so well known but which needs many more trained persons.

I should like to take this opportunity to urge both young men and women to investigate further the training opportunities for this and other health professions at St. Louis University and Washington University in St. Louis. Miss Lewis' letter, which follows, gives more details about where such information can be secured.

Medical social work is not for the young man or woman who wants to get rich quick or who will not—or cannot—take time for specialized training. But it is the kind of career that puts young men and women into the ranks of the defenders of the people's health.

The above-mentioned letter follows:

WASHINGTON UNIVERSITY CLINICS
AND ALLIED HOSPITALS,
SOCIAL SERVICE DEPARTMENT,
St. Louis, Mo., June 1, 1954.

Representative LEONOR K. SULLIVAN,
House of Representatives,
United States Congress,
Washington, D. C.

DEAR MRS. SULLIVAN: Like all citizens of St. Louis, I am sure you are proud of the medical facilities of our city. I feel certain, too, that you are equally proud of the excellent opportunities St. Louis offers for professional training in the medical and health fields. I am writing to ask your help in making these facts better known to young men and women who plan training for medical and health service careers.

We are unusually fortunate in having two important teaching centers in St. Louis—Washington University and St. Louis University. Both offer students a wide choice of specialized professional training. For training in medical social work, my own profession, these two universities rank with the best in the country.

Those of us who received our medical social work training in St. Louis are especially eager that young people choosing a career consider the opportunities that St. Louis offers for professional training in our field.

The George Warren Brown School of Social Work at Washington University and the school of social work at St. Louis University give students the best possible combination of classroom instruction and actual work experience in the great teaching hospitals associated with the universities. The hospitals in St. Louis have pioneered in medical social work for almost 50 years.

Medical social work is an unusually attractive profession for the person who likes the medical atmosphere and who wants to help sick people return to health and normal life.

Many social workers today are valued members of the modern medical team in hospitals, clinics, and health agencies. We are trained particularly to work with doctors, nurses, and numerous medical specialists. It is our job to help patients handle social and economic problems that often complicate illness or retard recovery.

But the hard facts are that there are more medical social work jobs available than there are trained persons to fill them. One reason for this is that there are no short cuts for medical social work training. Two years of specialized postgraduate study after graduation from college are necessary.

The National Foundation for Infantile Paralysis, which, of course, is most interested in the care of polio victims, considers the shortage of medical social workers so serious that it has taken steps to help relieve the shortage. The Foundation has made a grant to the American Association of Medical Social Workers to help recruit at least 3,500 newly trained medical social workers by 1957.

Our two schools of social work in St. Louis can and should train a much larger number of medical social workers in the next few years. We have the know-how and we have the hospital facilities. We must do everything possible to keep pace with the growing health needs of the country.

I hope that many college students—and their parents—will explore further the possibilities of medical social work training in St. Louis. For more detailed information they should write to:

Benjamin E. Youngdahl, dean, the George Warren Brown School of Social Work, Washington University, St. Louis 5, Mo.

Rev. Aloysius H. Scheller, S.J., dean, School of Social Service, St. Louis University, 221 North Grand Boulevard, St. Louis 3, Mo.

American Association of Medical Social Workers, 1834 K Street NW., Washington 6, D. C.

As a medical social worker, I appreciate very much your interest and cooperation in making these facts known to young people who want to train for a career that is more than a job.

Sincerely yours,

MARY M. LEWIS
Director, Social Service Department, Washington University Clinics and Allied Hospitals; Chairman, St. Louis Chapter, American Association of Medical Social Workers.

American Way Finds Voice Abroad

EXTENSION OF REMARKS

OF

HON. GEORGE H. BENDER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 7, 1954

Mr. BENDER. Mr. Speaker, our American capitalistic system has been remarkably silent in its own cause in Europe on too many occasions. As a result, there are many countries which have developed the notion that our economic strength is due to our wealth. Because of our resources, our rich soil, and our great size, so runs the argument, we have achieved a living standard unequalled overseas.

The erroneous reasoning behind this proposition is clear to us, no matter how obscure the Communists try to make it. Other lands have resources equal, if not superior, to our own. At the International Labor Conference, an American employer delegate finally told the truth to a European audience. He told it without boastfulness, but simply as a matter of plain, down-to-earth fact. Our success in developing the American economy is due to, first, our competitive system; second, the determination of American business to give the people the most that can be furnished for their money; and third, the recognition that working people of all walks of life are the best customers we can have.

Our spokesman, William L. McGrath, president of the Williamson Heater Co., of Cincinnati, Ohio, did a job for the American way of life. What we need are more folks like him to prove the point that capitalism is the greatest producer ever devised by the mind of man. Given the chance, this way of life will put more of the good things in the hands of more people than any other system. We have proved it here. It can work just as well everywhere.

House Bill 8834

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 7, 1954

Mr. PRICE. Mr. Speaker, I have received so many requests for information concerning a bill which I introduced in the House recently—H. R. 8834—that I desire to make a brief explanation of the provisions of this bill for the benefit of the membership of the House.

H. R. 8834 provides for the payment of compensation to reinstated or restored persons in the Federal classified civil service when the grounds are that the removal or suspension was "unjustified or unwarranted" either as a result of the determination of the merits of the case or because of procedural error. Such pay shall cover the period during which such persons were removed or suspended and for which no compensation was received. The pay shall be at the rate at the time of such suspension or removal.

Requires that any person who is reduced in compensation under the Veterans' Preference Act of 1944, who, after answering the reasons advanced for such reduction or after an appeal to the Civil Service Commission as provided under such act, is restored to his former rate of compensation on the ground that such reduction was unjustified or unwarranted, either as a result of the determination of the merits of the case or because of procedural error, shall be paid an amount equal to the difference between (a) the amount of compensation he would have received during the period his rate of compensation was reduced if such reduction had not been made, and (b) the amount of compensation he actually received during such period. Effective as of April 1, 1951, amending United States Code, volume 5, section 652.

Progress Made by Rural Electrification Administration Under the Eisenhower Administration

EXTENSION OF REMARKS
OF
HON. HUGH BUTLER
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES
Monday, June 7, 1954

Mr. BUTLER of Nebraska. Mr. President, I ask unanimous consent to have printed in the RECORD a statement concerning the progress made by rural electrification under the present administration.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Republicans have always been and are today strong supporters of rural electrification.

Looking at the record itself, during the present Republican administration, the Rural Electrification Administration made 349 loans totaling $181,118,100. This was in the 12-month period from May 1953, when a Republican, Ancher Nelsen, was appointed by President Eisenhower to head the REA, to April 1954.

Contrast this with the preceding year under the Truman administration. From May 1952 to April 1953 the REA made 315 loans which totaled $157,612,091. The first year of Republican REA administration saw an increase in the number of loans by 34 over the peak year of Democratic administration loans, and these 34 loans amounted to about $25 million.

What is of particular interest to Nebraskans is the record of REA loans to this State. In the past year, Nebraska received the largest amount of money from REA for electric development of any State in the Union. This amounted to $16,918,000 in 14 loans to rural-electrification cooperatives. This was more than 8 percent of all money loaned during the first full year of Ancher Nelsen's administration. Wisconsin was second, with about $2 million less in loans than Nebraska received from May 1953 through April 1954. REA regulations forbid any single State from receiving more than 10 percent of the total amount available for loans. It can be seen that Nebraska came very close to this limit, and no other State topped it.

Belying recent Democratic charges, Administrator Nelsen has recommended, and President Eisenhower has approved, retention of the 2 percent interest rate on loans. In October 1953, Mr. Nelsen gave these reasons for not increasing the rate: "Approximately 91 percent of the Nation's farms are electrified. The remaining 9 percent, for the most part, are unusually difficult to reach from the standpoint of loan feasibility. Any increase in the interest rate would make the task even more difficult."

The REA Administrator added:

"Over the 18-year life of the program the interest collected from REA borrowers has been sufficient to cover the interest paid by the Treasury on long-term borrowings, and there has thus been no loss to the Government."

This position was endorsed by President Eisenhower in February when he announced the Republican administration was going to recommend that no change be made in the REA interest rate.

The Republican 80th Congress (1947–48) had a record of accomplishment in the field of rural electrification surpassed by no Democratic Congress before or since. That Congress provided $800 million for rural electrification loans to extend electricity to nearly a million farm homes. This sum was nearly twice as much as any previous Congress provided, and only $275 million less than the total amount provided for REA in the whole period prior to the 80th Congress.

During the 80th Congress President Truman's budget requests for rural electrification amounted to $725 million. The 80th Congress increased this sum to $800 million.

In the light of this record, recent Democratic charges of Republican opposition and obstruction to the rural electrification program cannot be considered other than deliberately false and misleading.

The fact is that the Republicans have vigorously supported funds for REA. On the other hand Republicans have opposed unnecessary expenditure of taxpayers' money to construct transmission lines where adequate facilities were available.

Commenting on the loan totals, Administrator Nelsen declared in a press statement May 6: "I have never thought the success of a Federal program should be measured in terms of how much money is dispensed. But I do think our record to date shows that we are meeting the loan needs in the electric and telephone programs. We are constantly simplifying our loan procedures in both programs so that we can give loan applicants faster service and operate the agency at less cost."

In a February 1954 speech at Jefferson City, Mo., Mr. Nelsen said, "Let's put these charges [against us] in proper perspective and look at them for a moment. * * * We intend to meet every valid loan need where soundness and feasibility can be established. Also, we are going to keep at the task of expediting the processing of loan applications."

Mr. Nelsen further emphasized this point in an address at Miami, Fla., on January 12, 1954, when he said, "There is not, as has been alleged in some quarters, any understanding, secret or otherwise, to limit the program or slow down the rate of lending. We intend to meet every valid loan need. Also, we are going to keep at the task of expediting the processing of loan applications. * * * We in REA accept the decision of Congress as establishing the blueprint for our lending program. The only limiting factors are the merit of the individual applications and the complexities of the problems presented by them."

On September 18, 1952, during the Presidential election campaign, General Eisenhower emphasized his support of REA in a speech at Omaha, Nebr. He said:

"The Republican Party favors a sound program of rural-electrification and rural-telephone service. The Republican 80th Congress made available for REA loans $800 million—the largest amount ever made available by any Congress. We regard REA as an investment in agriculture's future."

PLATFORM

Eisenhower's support of the REA program underscores the 1952 Republican platform, which states:

"We support the principle of bona fide farmer-owned, farmer-operated cooperatives and urge the further development of rural electrification and communication, with federally assisted production of power and facilities for distribution when these are not adequately available through private enterprise at fair rates."

Uncle Sam Shows Atoms for Peace

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, June 7, 1954

Mr. BENDER. Mr. Speaker, when President Eisenhower offered to organize an international effort to develop atomic energy for peaceful purposes, there was a loud silence from the Soviet Union. Fortunately, the rest of the world is far more interested in peace and prosperity than the Communists.

With or without Russia, our Government has decided to show the world. Our Public Information Service is planning a series of atomic shows this summer to demonstrate what we are doing to utilize this new power for peace. In South America and in Europe, the Atomic Energy Commission and those American industries which have been working under its direction will demonstrate a model of an atomic powerplant and show how cities may be illuminated, how ships may be propelled, and how medicine may be furthered through the use of atomic byproducts.

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The demonstrations will undoubtedly command prime attention wherever they are shown. High on the list will be the Brazilian world fair this summer, an exhibition in Rome, and another in Berlin. Even the title is suggestive of things to come, "The Hope of the Future." Here is a potential influence for world peace which must not fail.

Vocational Rehabilitation

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 7, 1954

Mr. O'HARA of Illinois. Mr. Speaker, later this week when we meet in Committee of the Whole to consider amendments to H. R. 9447, I shall rise to urge a more substantial appropriation for vocational rehabilitation for the handicapped than is provided in the bill as it comes from the committee.

An adequate program for vocational rehabilitation is not only humanitarian but it is good business. It restores to happy, productive living fellow citizens who would otherwise be a burden to themselves and the community.

The program of vocational rehabilitation was born during World War I. Paraplegics represent the problem well. As a result of World War I there were 400 paraplegics. One-third died before they reached the United States; one-third lasted a maximum of 3 months after their return; of the third third, 90 percent died during the first year after they had been stricken.

During World War II about 2,500 survived, thanks to antibiotics. They were strong men who had given the best of their bodies to their country. We owed to them all the assistance we could give to make the best of the remainder of their lives.

Because of the dynamic rehabilitation program established in veterans' hospitals, 1,763 of the original 2,500 are living in their own homes and driving their own automobiles. Eighty percent are either in school or on a job.

It is estimated that there are today 2 million persons unemployed, because of disability, who could be made employable through vocational rehabilitation. The origins of these disabilities are: congenital, employment accidents, other accidents, and disease. Public-assistance programs and charitable funds are both inadequate and expensive—expensive in terms of the taxpayers' dollar, and in terms of the waste of human material. Helping the disabled to obtain employment not only reduces State and Federal costs but provides sources of taxation for State and Federal Governments.

Dr. Howard Rusk, director of the Institute of Physical Medicine and Rehabilitation, New York, testified that at Bellevue Hospital in 1953 there were 147 patients with broken backs, 38 with broken necks—completely paralyzed, many of whom came from the Miners' Welfare Union; others from the State vocational rehabilitation program. Dr. Rusk testified that of the 147 with broken backs, 80 percent are now at work. Of the 38 with broken necks 50 percent are either in school or at work.

The investment in rehabilitation returns $10 for every $1 expended.

However, the program of rehabilitation is but the third phase: the training from bed to job. The first phase obviously is prevention; the second, medical and surgical care. For each of these steps there is need for specially trained doctors and research facilities. We need young doctors in this field trained and scattered about the country to head programs and hospitals which are begging for them, doctors and trained personnel who within a year could get 50,000 individuals out of hospitals and back into life. It is not a question, my colleagues, of whether we can afford it. Can we afford not to appropriate every dollar asked, for an investment in our fellow countrymen.

Question of the Week

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, May 24, 1954

Mr. BENDER. Mr. Speaker, news item: Pennsylvania Railroad installs 13th president in its 107 years of successful operation. President's father was Pennsy baggagemaster for 25 years. New president went to work on railroad after finishing high school.

Quaere: Can capitalism be so bad when it gives a man this kind of chance?

Public Laws 374 to 383, Inclusive

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 7, 1954

Mr. O'HARA of Illinois. Mr. Speaker, I am extending my remarks to include my 27th report on the legislation of the 83d Congress, as follows:

TWENTY-SEVENTH REPORT ON LEGISLATION OF THE 83D CONGRESS

DEAR FRIEND: There is at this writing every indication that leadership has decided on a quick windup of the business of the 83d Congress, with the House marking time the final weeks while the Senate catches up, and adjournment not later than the first of August. Administration forces, still widely divided but now assuming a less bellicose surface appearance, are patching up compromises (on the minimum basis) preparatory to calling it a day.

Big questions in everyone's mind here: (1) How close are we to world war III? (2) Can the recession be halted or at least the worst of the economic storm be delayed until 1955? Everyone is hopeful for the best, fearful of a swing toward fresh perils. Meanwhile the attitude of leadership seems to be: Wait and see what happens.

Up to now there have been 206 rollcalls (123 in the 1st sess., 83 in the 2d sess.). I am happy to report that good fortune has made it possible for your representative to answer all 206 rollcalls. I think you wish it that way.

Here are the new laws enacted since my last report:

PUBLIC LAW 374 (H. R. 7893): APPROPRIATIONS FOR TREASURY AND POST OFFICE DEPARTMENTS, EXPORT-IMPORT BANK, AND RECONSTRUCTION FINANCE CORPORATION

Appropriation bills will be covered in a separate and later report.

PUBLIC LAW 375 (H. R. 6186): PUBLIC LANDS LEASED FOR GRAZING

Under the Taylor Grazing Act public lands may be leased for grazing purposes. Public Law 375, which passed the House by consent, amends the act to give a preference right to a grazing lease to the original user of public land that was withdrawn from grazing purposes and later restored to such use.

PUBLIC LAW 376 (H. R. 6870): MARINE HOSPITAL AT NEW ORLEANS

Under an act of 1900 the switching, parking, or stopping of railroad trains was forbidden on or near the street passing through the property of the United States Public Health Service Hospital in New Orleans, formerly known as the marine hospital. The city of New Orleans now wishes to erect a wharf on the Mississippi River near the hospital property and to service it with a railroad spur requiring at times the switching of cars. The limitations in the act of 1900 stood in the way. Congress accommodated with Public Law 376, removing the limitations, but only after assurances from the Secretary of Health, Education, and Welfare that with the safeguards proposed there would be no adverse effect on the comfort, care, and treatment of patients at the hospital.

PUBLIC LAW 377 (H. R. 7057): HOMESTEADING IN EDEN

Tipoff to ambitious homesteaders: The Secretary of Agriculture is about to open certain public lands in the Eden irrigation project area in Wyoming to homestead entry, 5 percent cash down, mortgage to cover balance. Public Law 377 clears the way by permitting the Secretary of Agriculture to trade lands in the area under his jurisdiction for those under the jurisdiction of the Secretary of the Interior, an arrangement assuring the maximum utilization of the properties to be benefited by the irrigation.

PUBLIC LAW 378 (H. R. 2696): EXPLOSIONS AT PORT CHICAGO

This relates to California's Port Chicago, where you may recall there were explosions in the naval ammunition depot that figured in the headline news of 1944. Most of the damage claims have been settled. Public Law 378 provides a method for the settlement of the few remaining claims, totaling only some $25,000. It passed the House by consent on the unanimous recommendation of the Judiciary Committee, which is composed wholly of lawyers, some of them former judges.

PUBLIC LAW 379 (H. R. 6374): WARRANT OFFICERS IN THE ARMED SERVICES

Ex-service persons generally, I think, will approve of this legislation providing a statutory career plan for warrant officers similar to that covering commissioned officers. At present there are 39,847 warrant officers in service (Army, Navy, Marine Corps, Air, Coast Guard). Public Law 379 establishes 4 military grades (W–1, W–2, W–3, W–4) and makes

promotion mandatory after given periods of time. It will result in immediate promotions for some now in service, definite prospect ahead for others. The mandatory age for retirement is increased from 60 to 62 years.

PUBLIC LAW 380 (H. R. 7786): CHANGING ARMISTICE DAY TO VETERANS DAY

Armistice Day (November 11) was declared a legal holiday by an act of Congress in 1938. It was a holiday dedicated to the world peace then believed to have been assured by the sacrifices of World War I. But soon thereafter World War II and then the Korean conflict shattered the dream. Public Law 380, recommended by all the veteran organizations, merely changes the name of Armistice Day to Veterans Day. Hereafter November 11 will be a holiday dedicated both to world peace and to homage to veterans of all wars of our country.

PUBLIC LAW 381 (H. R. 4231): APPOINTMENT TO SERVICE ACADEMIES

Under existing law 40 appointments to West Point and Annapolis are available to sons of members of the Armed Forces (both men and women) who lost their lives in World Wars I and II. Public Law 381 extends the coverage to sons of members of the Armed Forces who were killed in action or died from disease since June 27, 1950, the commencement of the Korean action.

PUBLIC LAW 382 (H. R. 4940): REDEMPTION OF TAX STAMPS IN DISTRICT OF COLUMBIA

Another instance of the Congress of the United States serving as a combined State legislature and city council for Washington and the District of Columbia. Public Law 382 merely provides for the redemption of tax stamps damaged or destroyed (as by fire) after purchase. Congressman O'HARA of Minnesota, a ranking member of the District Committee, gets much mention in the Washington newspapers. Recently one of the newspapers here carried a highly complimentary first-page news story about a District activity of O'HARA of Minnesota illustrated with a photograph of O'HARA of Illinois.

PUBLIC LAW 383 (H. R. 7308): FEDERAL CIVIL DEFENSE

Title III of the Federal Civil Defense Act of 1950 provides that in case of attack or imminent attack the President may proclaim a state of emergency, afterward exercising certain emergency powers. This provision, however, continued only until June 30, 1954. Public Law 383 repeals the expiration date and extends the emergency powers indefinitely.

Reasons for the enactment (from Rept. No. 1340, House Committee on Armed Services): "It is believed that this country is in as much danger of enemy attack, if not more, than when Congress enacted the Federal Civil Defense Act (in 1950)."

Cordially and sincerely,

BARRATT O'HARA,
Member of Congress.

Question of the Week

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, June 7, 1954

Mr. BENDER. Mr. Speaker, have you placed your order for color TV yet? Sets will be out this autumn.

Quaere: How many citizens of the Soviet Union have even seen TV? How many are likely to see it in this generation? Any wonder Russia keeps its doors locked?

Statement of Hon. Overton Brooks, of Louisiana, Before the House Committee on Public Works

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 7, 1954

Mr. BROOKS of Louisiana. Mr. Speaker, on May 28, I appeared before the Committee on Public Works of the House of Representatives, headed by that distinguished American, the gentleman from Michigan [GEORGE A. DONDERO]. I appeared on that occasion as president of the National Rivers and Harbors Congress, and the statement I made was as to the work and the responsibilities of the National Rivers and Harbors Congress. Under unanimous consent, Mr. Speaker, I insert this statement in the RECORD under this extension of my remarks:

In beginning my statement I want to thank the committee for this opportunity of appearing before it in behalf of the National Rivers and Harbors Congress of which I am president.

In time of grave national emergencies such as involvement in war and the recent Korean emergency this congress has not held national conventions, it being recognized that in such times the development of our water resources, however desirable, must to some degree be subordinated to the primary national effort. Only this year has the congress resumed its conventions which were suspended throughout the Korean emergency. For this reason some members of this committee may be unfamiliar with the work and purposes of the National Rivers and Harbors Congress and it is appropriate that I state briefly the composition and purposes of this congress.

In the fall of 1901 a group of Congressmen and public spirited citizens, including public officials and engineers from all parts of the country, met at Johns Hopkins University in Baltimore and organized a nonprofit, nonpartisan organization which they named the National Rivers and Harbors Congress. The present membership is nationwide, being composed of State and city officials, chambers of commerce, waterway improvement associations, firms, and individuals located in every State in the Union, its Territories and insular possessions. All members of the United States Senate and House of Representatives are honorary members of the Rivers and Harbors Congress and many of them take an active part in the work of the organization.

Recommendations and resolutions adopted by the congress are presented by committees to the President of the United States, the Vice President, Speaker of the House of Representatives, the proper congressional committees, the Secretary of the Army, Secretary of the Interior, Commissioner of Reclamation, Chief of Army Engineers, and other appropriate officials and agencies.

The congress has for its purpose the promotion of continued improvement and development of the Nation's rivers, harbors, lakes, and water and land resources, and the investigation and approval of practical projects throughout the country. It provides a forum for discussion of all problems relating to land and water development and use, serves as a clearing house for coordinating the activities of local and sectional organizations, and affords a means for securing united action by all the interests concerned with the various phases of land and water conservation.

This congress is the country's oldest and largest water resources organization and occupies a unique position by reason of its close liaison with the governmental agencies, legislative and executive, responsible for these public works, and the personnel of its directorate and official staff.

It acts in an advisory capacity to the United States Congress and the Government agencies charged with matters pertaining to river and harbor development, flood control, irrigation and reclamation, soil and water conservation, and related subjects. Its work has been endorsed by every President of the United States from Theodore Roosevelt to date, as well as by Cabinet members, governors, and other high officials.

The primary purpose of the congress is, and always has been, to further sound and coordinated development of the Nation's water and land resources. It pioneered the struggle for the protection of our natural resources and has taken the leadership in this fight for more than half a century. Down through the years, the organization has cooperated closely with the United States Congress. Its permanent headquarters are maintained in Washington, D. C.

Since the congress has never concentrated its effort on 1 or 2 individual projects but instead has supported all projects found worthy by the Corps of Engineers and by the projects committee of the congress, it appears proper for me to make a few observations about our water resources programs generally.

All of our people are affected either directly or indirectly by waterway improvements for flood control and navigation. The large section of our people that are directly and vitally concerned with these improvements have been most patient during World War II, the cold war, and the Korean emergency. It became necessary during these national emergencies to restrict Federal public works to projects that were essential to prosecution of the war and to our national defense. However, experiences gained during these emergencies, the exactions made in heavy drains on our national resources, and the conditions that prevail in the aftermath of these emergencies, emphasize, as never before, the wisdom and necessity of employing all prudent measures for the conservation of our natural resources and the extensive development of them for their fullest utilization and benefit to the rapidly growing population of our Nation.

I am sure that members of this committee, like myself, have heard from these patient people located in our respective districts who, in urging greater progress on worthy projects, cannot resist drawing comparisons between the limited expenditures in their areas and the large expenditures we are making overseas. I think that these people have tried sympathetically to understand the necessity for helping to rehabilitate and develop the free world, but it is becoming increasingly difficult for them to understand how as a Nation we can afford to expend more money overseas than we do at home for such improvements. It is most difficult to give them a satisfactory explanation in the face of figures which indicate that in the last 5 years we have cut our water-resources development programs at home by one-third and at the same time greatly increased our participation in such programs overseas.

While this is a matter of appropriations and not the function of this committee, it can be shown that the same tendency has developed in connection with authorizations

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which are the function of this committee. Whereas it used to be customary to have an authorization bill for these improvements about every other year it has now been 4 years since the last authorization bill was enacted and as I understand an effort is being made to hold to a minimum the bill now under consideration.

Expenditures of Government may be classified in several different categories. Expenditures for many functions, although essential to Government operations or administration policies, do not yield dividends in tangible material values. Other expenses of Government properly come within the category of capital investments just as private enterprise makes investments in equipment, plants, and expansions for greater efficiency and increased production. While recent foreign expenditures are definitely in the first category, expenditures for flood control, reclamation, and navigation improvements are just as definitely in the second category. Many such projects yield substantial returns to the Government on the investments made and, in fact, are self-liquidating in the course of a very few years. Many others enhance our national wealth and increase the annual income and thus broaden our tax base. They contribute to a higher national income and standard of living for the individual citizen and to increased tax revenues to the Nation, State, county, and municipalities. It would therefore appear to be highly reactionary and injurious to the Nation for the Congress to deny reasonable authorizations and appropriations to keep this program active and progressing.

Of equal importance to expanding our waterway improvements is the matter of replacement or maintenance of the improvements already constructed. In the recent years of lean appropriations, maintenance of our deepwater harbors, of our canalized rivers and of our intracoastal waterways has been seriously curtailed. As a matter of fact, we are operating important navigation arteries on which the traffic is steadily increasing, where in some instances the navigation works are 30 to 50 years old and have had only minimum maintenance. This committee has had brought before it replacement for substitute projects that would eliminate some of these antiquated works and it is sincerely hoped that the committee will not be hesitant in authorizing such replacements. In the light of commercial statistics that indicate that these waterways are steadily increasing in usefulness to this Nation, it would be the height of folly to not maintain them or make the necessary replacements when maintenance is no longer economical.

In this connection the large number of our people so vitally concerned in waterway improvements cannot help but observe that in this year when economy and conservatism are "catch words" this committee has just recently reported a highway bill which practically doubles the Federal contribution to annual highway programs. With deference, I must point out that our deepwater harbors, our intracoastal waterways, our Great Lakes, and our navigable rivers are also means of trnsportation. In the past 25 years the tonnages of waterborne commerce have increased sixfold and better. This is a fact that we can ill afford to ignore since the benefits derived from low-cost transportation affect the pocketbooks of each and every one of us.

There is a corollary phase to the construction, operation, and maintenance of waterway improvements that bears mentioning at this time. This phase is the survey and study program which should be carried on continuously if we are to move ahead with sound programs. Unfortunately over the last 10 years we have advanced this program in spurts, alternately pushing and then curtailing such activities. In the same manner that it was not practical to develop cross-country railroad and highway systems to their present status in one undertaking, so it was not possible to develop the ultimate plan for water resources in one undertaking. Single track railroads and dirt highways have gradually been replaced by double tracking and by multiple-lane highways as such improvements were warranted. Similarly deeper channels have been dug and navigation facilities have been and should be extended as warranted. To progressively improve either of these programs requires that surveys and studies be carried forward constantly. The National Rivers and Harbors Congress urges that this committee view realistically the necessity for authorization of such a survey program.

The national policy for the conservation and development of water resources is a matter of broad national interest involving the Federal Government, States, their political subdivisions, corporate entities, and individual citizens. This committee has important responsibilities in the formation of the national water policy and I ask its indulgence while I speak briefly on this important subject. This activity and policy have been studied intensively in recent years by various commissions appointed by the President under congressional authority, by the Federal executive agencies and by non-Federal organizations.

Establishment of clear national policy on all of the varied aspects of water resources development is most difficult. Existing policy has been developed over many years as a result of congressional legislation, administrative action by Federal agencies, and adjustments to meet national and local needs. It is neither prudent nor possible to make drastic changes in this policy situation. Such action would adversely affect strongly entrenched public opinion, political views, and institutions and would threaten the long established relationships between the Federal Government, States, and private individuals. It appears, therefore, that a gradual but steady approach toward improvement is necessary.

Past consideration of this matter has generally been directed primarily at organization or reorganization of Federal executive agencies and functions as a solution to difficulties and conflicts alleged to be inherent in water resource development. To a large extent the basic importance of a clearly defined Federal water resources policy, as a means of eliminating conflicts and duplications, has been overlooked. While it is not claimed that clear definition of national policy would solve all difficulties or make unnecessary a critical examination of organizational and procedural matters, it seems obvious that these difficulties will not be removed through reorganization alone. This observation is in general agreement with the findings of the special subcommittee of this committee in its report of December 5, 1952, on the civil-functions program.

Areas of potential conflicts in our water and land resources programs, that could be largely eliminated by the formulation and adoption of a well-defined water policy include (1) the extent of Federal interest and its corollary, appropriate local cooperation, (2) evaluation of costs and benefits on a uniform and sound basis, (3) comparable programs for the several types of improvements without preferential treatment for any particular type, and (4) adequate appropriations following authorizations in logical sequence. As stated earlier a number of studies on these matters have been made in recent years and I do not presume to give the answers in this short statement. However, these questions can be resolved gradually by this committee far better than by scrambling the agencies that are doing a magnificent job considering the circumstances under which they are required to operate.

What is the limit of Federal interest in the improvement, development, and utilization of our natural land and water resources? How far should it extend? The National Rivers and Harbors Congress tries to analyze proposals and willingly lends its support to Federal participation in economically justified projects that have broad national aspects irrespective of to whom the benefits may accrue as set forth in the policy of the 1936 act. There is no question about the Federal interest in alleviating the disastrous floods that have occurred in the Mississippi Valley, the Ohio and Missouri Basins, and elsewhere in major portions of the country. We are not reluctant to support the major drainage works that augment the benefits of these basin plans. On the other hand we are as zealous as the United States Congress to avoid handing windfalls to individuals by land enhancement, purely local flood protection, or drainage of individual properties and farms. It is at this point where we must consider the corollary of extent of local cooperation. In the well-known budget circular A–47 an attempt was made to delineate these fields and now this circular is under reconsideration by the Bureau of the Budget. This committee could make a genuine contribution to orderly progress by establishing the policy in this respect to be followed by all executive agencies in prosecuting improvements of land and water resources.

Similarly in connection with navigation projects, since the beginning there has been no question about Federal interest and participation in work on our major harbors and navigable channels; but a distinction should probably be drawn between these works of national benefit and small local harbors for recreation. Also this reasoning should apply to small upstream flood prevention works in connection with land management improvements. In all of these matters it would greatly facilitate uniform and just treatment if the Congress would establish the extent of Federal interest and the requirements of local cooperation to be used uniformly by all agencies of the Government engaged in such improvements.

The second item I mentioned refers to uniform evaluation of the cost and benefits in arriving at the justification for land and water resources projects. Obviously the benefits from improvements of our land and water resources cannot be evaluated in a different manner for each type of improvement without arriving at unsound and unrealistic conclusions. The so-called benefit-cost ratio becomes misleading and even worthless unless it is computed on basic assumptions and facts that are not varied by the executive agencies computing such ratios.

A third area of conflicts that we feel the Congress might correct concerns comparable programs for the development of our natural resources. Let us assume that there are worthy projects in all of these programs that are being and should be undertaken by the Federal Government for the benefit of the Nation. However, it seems perfectly obvious, that we cannot maintain a well-balanced program for the improvement and utilization of such resources if every few years one of these programs receives preferential treatment over all others. If, as we believe, there is good in all of these programs they should progress uniformly on economically justified schedules.

The fourth and last area of conflict that I mentioned involves the matter of appropriations following upon authorizations in a more logical sequence. This is probably the most difficult area to correct since we waiver between sponsoring the establishment of backlogs of worthy projects on the one hand and on the other hand urge concentration of limited funds toward the completion of works that have been underway for some time. It appears to be rather useless for this committee to continue authorizing

projects while the administration continues its attitude of prohibiting or limiting new starts. Large sections of our people observe with displeasure that some projects that have been thoroughly justified and approved by law remain on the books for years while some recently authorized projects with equal, but no better, justification will be initiated almost immediately upon authorization. It is a fallacy to believe that there is any economy in alternately mobilizing and demobilizing the engineering talent and plant required to prosecute these programs. I am sure you will agree that steady progress on these programs with adequate appropriations following authorization in a more logical sequence will assure greater economy in the long run.

I want again to thank the committee for its time and to assure it that the National Rivers and Harbors Congress stands ready and willing to give whatever assistance it can to the committee and to the Congress generally to further sound and coordinated development of the Nation's water and land resources.

I thank you.

SENATE

TUESDAY, JUNE 8, 1954

(Legislative day of Thursday, May 13, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, may the hush of Thy presence in this hallowed moment move our spirits to praise and penitence, as all other voices are stilled that Thine may be heard. As we pause at the footstool of Thy grace our hearts are both bowed with awe and lifted up with hope. In a world where evil seems so rampant may our contribution to these troubled times be a life purged of self, of impurity and hatred, moved by compassion and concern for all mankind. Amid all the pollution may our own motives be a part of the cleansing salt of the earth. In the darkness may our spirits be as the candles of the Lord. May the great causes that will mold the future into the pattern of Thy desire and design, that will heal the world's hurts and rebuild the waste places, challenge the best that is in us, as we serve our brief day in such an age as this.

We beseech Thee so to direct, sanctify, and govern all that is said and done here that the decisions which emerge from the deliberations of this body may hasten Thy kingdom's coming. May there be nothing in our day's work of which, when evening comes, we shall have cause to be ashamed. We ask it in the name of that Holy One who is the way and the truth and the life. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 7, 1954, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 1426. An act to further amend the provisions of the acts authorizing payment of 6 months' death gratuity to widow, child, or dependent relative of persons in the Armed Forces;

H. R. 1975. An act to amend section 2201 of title 28, United States Code, to extend the Federal Declaratory Judgments Act to the Territory of Alaska;

H. R. 1976. An act to amend title 28, United States Code, to permit the registration of judgments in or from the District Court for the Territory of Alaska;

H. R. 6113. An act to amend title 18 of the United States Code, so as to increase the penalties applicable to the smuggling of goods into the United States;

H. R. 6276. An act to amend the Ship Mortgage Act, 1920, as amended;

H. R. 6487. An act to approve the repayment contract negotiated with the Roza Irrigation District, Yakima project, Washington, and to authorize its execution, and for other purposes;

H. R. 6725. An act to reenact the authority for the appointment of certain officers of the Regular Navy and Marine Corps;

H. R. 6893. An act to provide for a payment to the Shoshone Irrigation District of a share of the net revenues from the Shoshone powerplant, and for other purposes;

H. R. 7404. An act to amend section 3731 of title 18 of the United States Code relating to appeals by the United States;

H. R. 7468. An act to amend certain provisions of part II of the Interstate Commerce Act so as to authorize regulation, for purposes of safety and protection of the public, of certain motor carrier transportation between points in foreign countries, insofar as such transportation takes place within the United States;

H. R. 8041. An act to provide benefits under the laws administered by the Veterans' Administration based upon service in the Women's Army Auxiliary Corps under certain conditions;

H. R. 8456. An act to provide for the conveyance of certain hospital supplies and equipment of the United States to the city of Gulfport and to Harrison County, Miss.;

H. R. 8488. An act to restore eligibility of certain citizens or subjects of Germany or Japan to receive benefits under veterans' laws;

H. R. 8647. An act to amend Revised Statutes 4426;

H. R. 8748. An act to provide emergency credit;

H. R. 8790. An act to authorize certain veterans' benefits for persons disabled in connection with reporting for final acceptance, induction, or entry into the active military or naval service;

H. J. Res. 243. Joint resolution to amend the pledge of allegiance to the flag of the United States of America;

H. J. Res. 356. Joint resolution authorizing the erection of a memorial gift from the people of the Netherlands; and

H. J. Res. 458. Joint resolution to authorize and direct the Secretary of Agriculture to quitclaim retained rights in a certain tract of land to the Board of Education of Irwin County, Ga., and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 251. An act to amend section 1923 (a) of title 28, United States Code, relating to docket fees;

S. 1432. An act for the relief of Milos Grahovac and Nikola Malijkovic;

S. 1623. An act to allow credit in connection with certain homestead entries for military or naval service rendered during the Korean conflict, and for other purposes;

S. 2761. An act to approve repayment contracts negotiated with the Hermiston and West Extension Irrigation Districts, Oregon, and to authorize their execution, and for other purposes;

S. 2773. An act to amend the act entitled "An act to provide for the transportation and distribution of mails on motor-vehicle routes," approved July 11, 1940 (54 Stat. 756);

S. 3090. An act to authorize the transmission and disposition by the Secretary of the Interior of electric energy generated at Falcon Dam on the Rio Grande;

S. 3446. An act to amend the act of January 6, 1951 (64 Stat. 1221), by authorizing certain rehabilitation at the United States Military Academy;

S. 3524. An act to affirm the temporary appointments of certain officers of the Navy, and for other purposes;

H. R. 107. An act to provide for the transfer of the site of the original Fort Buford, N. Dak., to the State of North Dakota;

H. R. 2016. An act to authorize the Secretary of the Interior to sell certain land to the Board of National Missions of the Presbyterian Church in the United States of America;

H. R. 2226. An act to repeal the provision of the act of July 1, 1902 (32 Stat. 662), as amended, relating to pay of civilian employees of the Navy Department appointed for duty beyond the continental limits of the United States and in Alaska;

H. R. 2849. An act to amend the act entitled "An act to authorize the transfer of land from the War Department to the Territory of Hawaii," approved June 19, 1936;

H. R. 3573. An act for the relief of the estate of Anna I. R. Wells, deceased, and others;

H. R. 3907. An act for the relief of Jean Sutherland;

H. R. 5831. An act to enable the Hawaiian Home Commission of the Territory of Hawaii to exchange available lands as designated by the Hawaiian Homes Commission Act, 1920, for other publicly owned lands;

H. R. 5833. An act to authorize the commissioner of public lands of the Territory of Hawaii to exchange certain public lands for private lands of equal value required for school purposes;

H. R. 5913. An act to simplify the handling of postage on newspapers and periodicals;

H. R. 6328. An act authorizing the exchange of certain public lands in the vicinity of Waimea, county of Hawaii, in the Territory of Hawaii for certain privately owned lands;

H. R. 6888. An act to amend section 201 (a) of the Hawaiian Homes Commission Act;

H. R. 6890. An act to approve Act No. 27 of the Session Laws of 1951 of the Territory of Hawaii, entitled "An act to amend Act 24 of the Session Laws of Hawaii, 1927, as ratified by the act of Congress of March 2, 1928, so as to extend the electric light and power franchise granted by said act to cover the entire districts of Waimea and Koloa on the island of Kauai, T. H."; and

H. R. 8487. An act to amend the act of June 19, 1948, to provide for censuses of manufactures, mineral industries, and other businesses, relating to the year 1954.

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ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that following a brief executive session for the consideration of new reports on the calendar, and a quorum call, there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business, for action on new reports.

The motion was agreed to; and the Senate proceeded to consider executive business.

The VICE PRESIDENT. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED STATES DISTRICT JUDGES

The Chief Clerk read the nomination of Ralph M. Freeman to be a United States district judge for the eastern district of Michigan.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of W. Wallace Kent to be a United States district judge for the western district of Michigan.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES MARSHALS

The Chief Clerk read the nomination of John Burke Dennis to be United States marshal for the western district of Missouri.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Joseph F. Job to be United States marshal for the district of New Jersey.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Kenner Wilburn Greer to be United States marshal for the western district of Oklahoma.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. KNOWLAND. Mr. President, I ask that the President be immediately notified of the nominations confirmed today.

The VICE PRESIDENT. Without objection, the President will be immediately notified.

RALPH M. FREEMAN AND W. WALLACE KENT

Mr. LANGER. Mr. President, I particularly wish to call the attention of the Senate to the two distinguished men who have been nominated and confirmed by the Senate to be United States district judges in the State of Michigan. I do not believe that the Committee on the Judiciary, in the last 13 years, has ever acted on the nominations of two men from a State who are better qualified than the two whose nominations to be United States district judges have just been confirmed, and I wish to compliment the Senators from Michigan.

Mr. FERGUSON. Mr. President, I wish to thank the Senator from North Dakota. My colleague the junior Senator from Michigan [Mr. POTTER] and I spent considerable time on the question of the selection of United States judges for the State of Michigan. We both realize the great importance of having qualified men appointed to the bench in the positions these gentleman are to fill. I feel, as does the junior Senator from Michigan, that Mr. Ralph M. Freeman and Mr. W. Wallace Kent, who have been nominated and confirmed as district judges in Michigan, are well qualified, and will make distinguished judges. They are young men and will probably remain on the bench for many years. I again wish to thank the distinguished chairman of the Committee on the Judiciary for his remarks.

LEGISLATIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Routine business is now in order.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON PAYMENT OF CLAIMS ARISING FROM CORRECTION OF MILITARY OR NAVAL RECORDS

A letter from the Acting Secretary of Defense, transmitting, pursuant to law, a report on the payment of claims arising from the correction of military or naval records, for the period July 1, 1953, through December 31, 1953 (with an accompanying report); to the Committee on the Judiciary.

AMENDMENT OF TITLE 18, UNITED STATES CODE, RELATING TO PENALTIES FOR MALICIOUS DAMAGE TO PRIVATE COMMUNICATIONS FACILITIES

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to amend section 1362 of title 18 of the United States Code to provide penalties for malicious damage to private communications facilities (with an accompanying paper); to the Committee on the Judiciary.

EXTENSION OF CERTAIN WAR-RISK HAZARD AND DETENTION BENEFITS

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, as amended, relating to war-risk hazard and detention benefits until July 1, 1955 (with an accompanying paper); to the Committee on the Judiciary.

REPORT OF BACKLOG OF PENDING APPLICATIONS AND HEARING CASES, FEDERAL COMMUNICATIONS COMMISSION

A letter from the Chairman, Federal Communications Commission, transmitting, pursuant to law, a report on backlog of pending applications and hearing cases in that Commission as of April 30, 1954 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

AUDIT REPORT ON BUREAU OF MINES AND DEFENSE MINERALS EXPLORATION ADMINISTRATION, DEPARTMENT OF THE INTERIOR

A letter from the Acting Comptroller General, transmitting, pursuant to law, an audit report on the Bureau of Mines and Defense Minerals Exploration Administration, Department of the Interior, for the fiscal year ended June 30, 1953 (with an accompanying report); to the Committee on Government Operations.

CURTAILMENT OF EMPLOYMENT IN BOSTON NAVAL SHIPYARD—RESOLUTION OF GENERAL COURT OF MASSACHUSETTS

Mr. SALTONSTALL. Mr. President, on behalf of my colleague, the junior Senator from Massachusetts [Mr. KENNEDY], and myself, I ask unanimous consent that there be appropriately referred and printed in the RECORD a resolution adopted by the Massachusetts General Court memorializing the Congress of the United States to reconsider any proposed curtailment of employment or work in the Boston Naval Shipyard.

There being no objection, the resolution was referred to the Committee on Armed Services; and, under the rule, ordered to be printed in the RECORD.

(See resolution printed in full when laid before the Senate by the Vice President on June 7, 1954, p. 7675, CONGRESSIONAL RECORD.)

ACTIONS OF COMMUNIST GOVERNMENT OF RUMANIA AGAINST JEWS—RESOLUTION OF JEWISH COMMUNITY COUNCIL, BOSTON, MASS.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred, a resolution of the Jewish Community Council in Boston, Mass., adopted June 1, relative to the action of the Communist Government of Rumania against the Jews.

There being no objection, the resolution was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

JEWISH COMMUNITY COUNCIL,
Boston, Mass., June 3, 1954.

The Honorable LEVERETT SALTONSTALL,
United States Senate.

MY DEAR SENATOR SALTONSTALL: We believe you will be interested in the following resolution, passed June 1, at the annual meeting of the Jewish Community Council and reflecting the sentiment of the thousands of

members of the 22 large organizations comprising this council:

"Recent revelations regarding the reign of terror conducted by the Communist Government of Rumania against Jews have shocked many in the free world. We record our deep sorrow and indignation over this newest manifestation of anti-Jewish persecution behind the Iron Curtain. Dispatches indicate that hundreds of Rumanian Zionists and Jewish community leaders have been arrested and flung into jail without trial solely because they have assisted their brethren to emigrate to Israel. These martyrs in the universal struggle against oppression are being punished for their courageous efforts to free fellow Jews from Rumanian enslavement. We call upon the free world to seek their release from the grip of totalitarian brutality."

Respectfully yours,

LEWIS H. WEINSTEIN,
President.

PROBLEMS OF FEDERAL COURTS IN NEW JERSEY—RESOLUTION OF NEW JERSEY STATE BAR ASSOCIATION

Mr. HENDRICKSON. Mr. President, on Saturday, May 1, 1954, the New Jersey Bar Association held its annual convention at Atlantic City. On that day a resolution was offered by Hon. James D. Carpenter, of Jersey City, one of the leading members of the New Jersey Bar Association, treating with the problems which confront the Federal courts in New Jersey. I ask unanimous consent that the resolution be printed in full in the body of the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

RESOLUTION RE APPOINTMENT OF ADDITIONAL FEDERAL JUDGE

Whereas Senate bill 15 in the United States Senate providing for the appointment of additional circuit and district judges was pending in the Congress of the United States for more than a year, and Report No. 224 of the Judiciary Committee to the Senate accompanying said bill stated:

"The aim of this type of legislation is to provide speedy and efficient disposition of the litigation before the Federal courts in an effort to adequately serve the public."

And under the title "District of New Jersey" contained the statement:

"Despite concerted efforts on the parts of Chief Judge Forman and the other judges during the past year and a half, the court has been unable to reduce the number of civil cases pending. As of June 30, 1952, there were pending 1,199 cases"; and

Whereas the clerk of the District Court of the United States for the District of New Jersey, under date of April 26, 1954, reported that at that time there were pending in the District Court of the United States for the District of New Jersey 1,243 civil cases and 255 criminal cases, and that the length of time from commencement of a civil case (whether jury or nonjury) to trial, is about 1 year; and

Whereas Senate bill 15 became law on February 10, 1954, and the vacancy created by said bill has not been filled, and the number of pending cases in said court is increasing; and

Whereas despite most diligent efforts on the part of the present judges suitors in said court are not receiving that "speedy and efficient disposition of the litigation before the Federal courts" referred to in said committee report, and an additional judge in said court is urgently needed: Therefore be it

Resolved by the New Jersey State Bar Association in convention assembled, That the President of the United States be and he hereby is requested to fill, as promptly as possible the vacancy now existing in the District Court of the United States for the District of New Jersey; be it further

Resolved, That the secretary of this association promptly send a certified copy of this resolution to the President at the White House; a copy to the Honorable Herbert Brownell, Jr., Attorney General of the United States, at the Department of Justice, Washington, D. C.; a copy to the Honorable H. Alexander Smith, and a copy to the Honorable Robert C. Hendrickson, United States Senators from this State.

Mr. HENDRICKSON. I request that the Secretary of the Senate transmit a copy of the resolution to the appropriate committee of the House of Representatives.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. BUTLER of Nebraska, from the Committee on Interior and Insular Affairs:

H. R. 3915. A bill to permit the mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development, and for other purposes; with amendments (Rept. No. 1532); and

H. R. 3986. A bill to authorize the appropriation of additional funds to complete the International Peace Garden, North Dakota; without amendment (Rept. No. 1533).

By Mr. WATKINS, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 303. A bill to transfer the maintenance and operation of hospital and health facilities for Indians to the Public Health Service, and for other purposes (Rept. No. 1530); and

H. R. 6173. A bill to provide for the use of the tribal funds of the Southern Ute Tribe of the Southern Ute Reservation, to authorize a per capita payment out of such funds, and for other purposes (Rept. No. 1531).

ADDITIONAL REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES — CIVIL EMPLOYMENT IN EXECUTIVE BRANCH

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit an additional report on civilian employment in the executive branch of the Federal Government for the month of April 1954, and, in accordance with the practice of several years' standing, I request that it be printed in the body of the RECORD as a part of my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

Executive agencies of the Federal Government reported regular civilian employment in the month of April totaling 2,335,296. This was a net reduction of 4,841 as compared with employment reported for the preceding month of March.

Civilian employment as reported by employing agencies of the Federal Government by months in the current fiscal year 1954, which began July 1, follows:

Month	Employment	Decrease
July	2,454,714	14,926
August	2,431,430	23,284
September	2,401,810	29,620
October	2,372,745	29,065
November	2,367,330	5,415
December	2,357,294	10,036
January	2,346,892	10,402
February	2,340,962	5,930
March	2,340,137	825
April	2,335,296	4,841

These figures show that during the 10 months of fiscal year 1954 civilian employment was reduced by 134,344. April was the 21st consecutive month in which net reductions were reported.

Civilian employment by the Department of Defense continued to decrease during April, dropping 4,797 to a total of 1,157,531. Employment by the civilian agencies decreased during the month from 1,177,809 to 1,177,765—a decrease of 44.

Major decreases were reported by the Department of the Treasury with 1,739, Veterans' Administration with 1,141, Department of Agriculture with 884, the Department of the Army with 3,110, and the Department of the Navy with 3,531. Major increases were reported by Post Office Department with 1,827, the Department of the Interior with 1,149, Foreign Operations Administration with 438, Tennessee Valley Authority with 321, and Department of the Air Force with 1,843.

Employment outside continental United States increased 749, and inside continental United States civilian employment decreased 5,590.

These figures are from reports certified by the agencies, as compiled today by the Joint Committee on Reduction of Nonessential Federal Expenditures.

FOREIGN NATIONALS

The total of 2,335,296 civilian employees certified to the committee by executive agencies in their regular monthly personnel reports included some foreign nationals employed in United States Government activities abroad, but in addition to these there were 408,505 foreign nationals working for United States military agencies overseas during the month of April who were not counted in the usual personnel report. The number employed in March was 412,284. A breakdown of this employment for April follows:

Country	Total	Army	Air Force	Navy
Germany	118,020	97,167	18,903	1,950
Japan	173,806	113,672	42,362	17,772
Korea	99,673	90,967	8,706	----
Libya	197	----	197	----
Ryukyus	15,752	11,280	4,318	154
Saudi Arabia	411	----	411	----
Trinidad	646	----	----	646
Total	408,505	313,086	74,897	20,522

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 8, 1954, he presented to the President of the United States the following enrolled bills:

S. 251. An act to amend section 1923 (a) of title 28, United States Code, relating to docket fees;

S. 1432. An act for the relief of Milos Grahovac and Nikola Malijkovic;

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S. 1823. An act to allow credit in connection with certain homestead entries for military or naval service rendered during the Korean conflict, and for other purposes;

S. 2761. An act to approve repayment contracts negotiated with the Hermiston and West Extension Irrigation Districts, Oregon, and to authorize their execution, and for other purposes;

S. 2773. An act to amend the act entitled "An act to provide for the transportation and distribution of mails on motor-vehicle routes," approved July 11, 1940 (54 Stat. 756);

S. 3090. An act to authorize the transmission and disposition by the Secretary of the Interior of electric energy generated at Falcon Dam on the Rio Grande;

S. 3446. An act to amend the act of January 6, 1951 (64 Stat. 1221), by authorizing certain rehabilitation at the United States Military Academy; and

S. 3524. An act to affirm the temporary appointments of certain officers of the Navy, and for other purposes.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KEFAUVER:

S. 3571. A bill to amend the act entitled "An act to establish a Department of Medicine and Surgery in the Veterans' Administration," approved January 3, 1946, so as to provide for the restoration of sick leave credits to certain personnel previously transferred to the department established by such act; to the Committee on Labor and Public Welfare.

S. 3572. A bill to amend the Agricultural Act of 1949, as amended, so as to extend for 2 additional years the requirement that prices of basic agricultural commodities be supported at 90 percent of parity; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. KEFAUVER when he introduced the last above-named bill, which appear under a separate heading.)

By Mr. SALTONSTALL (by request):

S. 3573. A bill to amend the Career Compensation Act of 1949, as amended, to authorize incentive pay for personnel engaged in the hazardous duty of helium-oxygen diving;

S. 3574. A bill to amend the Career Compensation Act of 1949, as amended, to authorize incentive pay for personnel engaged in the hazardous duty of serving as low-pressure chamber inside instructors or subjects for acceleration studies; and

S. 3575. A bill to provide for the relief of certain members of the Armed Forces who were required to pay certain transportation charges covering shipment of their household goods and personal effects upon return from overseas, and for other purposes; to the Committee on Armed Services.

(See the remarks of Mr. SALTONSTALL when he introduced the above bills, which appear under a separate heading.)

By Mr. McCARRAN:

S. 3576. A bill for the relief of Santiago Landa Arrizabalaga; and

S. 3577. A bill for the relief of Milos Knezevich; to the Committee on the Judiciary.

By Mr. SMATHERS:

S. 3578. A bill to permit retired members of the uniformed services to revoke elections made under the Uniformed Services Contingency Option Act of 1953 in certain cases where the elections were made because of mathematical errors or misinformation; to the Committee on Armed Services.

By Mr. BUSH:

S. 3579. A bill for the relief of Hsi-Lin Tung;

S. 3580. A bill for the relief of Vincenzo Santagata; and

S. 3581. A bill for the relief of Fillipo Mastroianni; to the Committee on the Judiciary.

By Mr. WELKER:

S. 3582. A bill for the relief of Col. David W. Stonecliffe, United States Marine Corps; to the Committee on the Judiciary.

By Mr. HUNT:

S. 3583. A bill to amend section 4 of the act of August 13, 1953, relating to the exchange of farm units on Federal irrigation projects; to the Committee on Interior and Insular Affairs.

By Mr. McCARRAN:

S. 3584. A bill for the relief of Giuseppe Petrielli; to the Committee on the Judiciary.

FARM PRICE SUPPORTS

Mr. KEFAUVER. Mr. President, I introduce for appropriate reference a bill to extend the present 90 percent farm-price support program for another 2 years. We simply cannot afford the blow to the farmers of this Nation of a drop to 75 percent of parity at the present time, in the face of declining prices for farm products and steadily firm or rising prices for everything the farmer has to buy. Farm income is now roughly $800 per year, as against an average per capita income of $1,600 for the nonfarmers. This disparity is increasing. This is not healthy for the Nation. It is manifestly unfair to the farmer.

Mr. President, I am fully aware and readily admit, that a 90 percent program may not be the final answer to the farm problem. However, this is certainly no time to be changing it, in the face of a declining economy generally. If we do we will drive down the farmer's income. He, in turn, will not be able to make his customary purchases. The merchants will therefore find their incomes down. Inventories will back up on their shelves. They will cut their orders to manufacturers. And the manufacturers will start laying off their labor.

This cycle has already begun. Word from my home State of Tennessee already shows dropping farm prices, lessening sales, and increasing unemployment. The more momentum we allow this cycle to get, the harder it will be to stop.

Let us take this first step to stop it. Let us let the farmers know that they will have the same farm program for at least 2 more years. Then let us turn our attention to more fundamental aids—to an increase in research and development, with the emphasis on new and additional uses for foods; toward an increase in the school-lunch program; toward increased foreign trade in foods and foodstuffs; and toward the use of these foodstuffs and agricultural commodities in our foreign-aid programs.

I think the bill introduced by Senator KERR, which I am cosponsoring, providing for a food certificate plan to the recipients of old-age assistance to the extent of 10 percent of the amount provided for them is a meritorious one.

There is so much, Mr. President, that we can do to relieve ourselves of surpluses without wrecking the farm economy in the process that I think we should take this first step and at least buy the time that is necessary to work out the more fundamental reforms.

The psychological effect of stabilizing farm prices at 75 percent of parity, which would be the result of the Benson sliding-scale plan, would be ruinous to the farm economy. It would soon become accepted as the fair value of farm products, which is unfair. The farmer is entitled to be on an equal footing with labor and business, and I shall continue to fight toward this end.

The bill (S. 3572) to amend the Agricultural Act of 1949, as amended, so as to extend for 2 additional years the requirement that prices of basic agricultural commodities be supported at 90 percent of parity, introduced by Mr. KEFAUVER, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

PROPOSED LEGISLATION FOR ARMED FORCES

Mr. SALTONSTALL. Mr. President, by request, I introduced for appropriate reference three bills recommended by the Department of Defense.

I ask unanimous consent that the accompanying letters of transmittal explaining the purpose of these bills be printed in the CONGRESSIONAL RECORD immediately following the listing of bills introduced.

The VICE PRESIDENT. The bills will be received and appropriately referred; and, without objection, the letters accompanying the bills will be printed in the RECORD, as requested by the Senator from Massachusetts.

The bills introduced by Mr. SALTONSTALL, by request, were received, read twice by their titles, and referred to the Committee on Armed Services, as follows:

S. 3573. A bill to amend the Career Compensation Act of 1949, as amended, to authorize incentive pay for personnel engaged in the hazardous duty of helium-oxygen diving.

The letter accompanying Senate bill 3573 is as follows:

DEPARTMENT OF THE NAVY,
Washington, D. C., April 27, 1954.

Hon. RICHARD M. NIXON,
President of the Senate,
United States Senate,
Washington, D. C.

MY DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation "to amend the Career Compensation Act of 1949, as amended, to authorize incentive pay for personnel engaged in the hazardous duty of helium-oxygen diving."

This proposal is part of the Department of Defense legislative program for 1954. The responsibility for representing the Department of Defense on this legislation has been delegated to this Department by the Office of the Secretary of Defense.

PURPOSE OF THE LEGISLATION

The purpose of this proposed legislation is to authorize incentive pay under the Career Compensation Act of 1949 for personnel engaged in the hazardous duty of deep-sea diving using helium-oxygen as a breathing medium.

The use of helium-oxygen permits diving to greater depths than with compressed air. Divers qualified in the use of helium-oxygen as a breathing medium are assigned duty with the 10 submarine-rescue vessels of the Navy where they are employed in salvage and repair operations for the fleet. Diving

using helium-oxygen has always been recognized as a hazardous operation. On deep-sea dives with helium-oxygen the incidence of decompression sickness (bends) is increased and many cases have occurred while the diver is still in the water decompressing, which rarely occurs when using compressed air. The carbon dioxide absorbent used in helium-oxygen diving is shell natron and, as shell natron is very caustic, there is always the possibility of burns occurring if water accidentally comes in contact with it. While decompressing in the open sea pure oxygen is utilized at 50 and 40 feet after a helium-oxygen dive to assist the diver in eliminating more helium. This also increases the hazards as occasionally oxygen poisoning occurs at these depths.

Naval personnel while training for qualifications as helium-oxygen divers at the Navy Deep Sea Diving School are entitled, under the Career Compensation Act, to incentive pay for hazardous duty, officers receiving $100 a month and enlisted men $50 a month. When, however, they have completed this training and are assigned duty on board the submarine-rescue vessels this incentive pay ceases and the enlisted men receive the same special pay for diving duty as is provided for the ordinary diver, while the officers receive no special pay. When engaged in actual salvage or repair operations in depths of over 90 feet these officers and enlisted men are both eligible for special pay of $5 an hour, but neither officers nor enlisted men are entitled to this special pay during practice operations which, on many occasions, are equally as hazardous as actual salvage or repair operations. Thus, although the technique of helium-oxygen diving once acquired must be maintained by practice under conditions approximately those that may be encountered while diving on actual salvage or repair operations, there is no incentive for personnel to maintain their proficiency in this unusually hazardous field of diving. Enactment of this proposed legislation would permit the payment of incentive pay of $100 a month for officers and $50 a month for enlisted men when assigned to duty involving the use of helium-oxygen in the execution of deep-sea diving. The special pay of $5 an hour authorized by section 205 (b) of the Career Compensation Act would be retained for these divers when participating in actual salvage operations in order not to decrease their total pay as compared to the total pay they now receive when participating in those operations.

The civilian commission appointed by the Secretary of Defense to study incentive-hazardous duty and special pay for the military services has recommended incentive-hazardous duty pay for helium-oxygen divers at the rate which this proposed legislation would provide.

COST AND BUDGET DATA

It is estimated that the enactment of this proposed legislation would result in an increased cost to the Government of approximately $63,600 annually. This figure represents incentive pay of $100 a month for 30 officers, $50 a month for 10 hospital corpsmen, and an average increase of $15 a month for 20 master divers and 100 divers, first class. Members of this latter group now receive an average of $35 a month for diving duty and salvage operations under sections 205 (a) and 205 (b) of the Career Compensation Act.

The Department of the Navy has been advised by the Bureau of the Budget that there would be no objection to the submission of the proposed legislation to the Congress. The Department of the Navy, on behalf of the Department of Defense, recommends that the proposal be enacted by the Congress.

Sincerely yours,

R. B. ANDERSON,
Secretary of the Navy.

S. 3574. A bill to amend the Career Compensation Act of 1949, as amended, to authorize incentive pay for personnel engaged in the hazardous duty of serving as low-pressure chamber inside instructors or subjects for acceleration studies.

The letter accompanying Senate bill 3574 is as follows:

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, D. C., April 6, 1954.

Hon. RICHARD M. NIXON,
President of the Senate,
United States Senate,
Washington, D. C.

MY DEAR MR. PRESIDENT: There is enclosed a draft of legislation, "To amend the Career Compensation Act of 1949, as amended, to authorize incentive pay for personnel engaged in the hazardous duty of serving as low-pressure chamber inside instructors, or subjects for acceleration studies."

This proposal is a part of the Department of Defense legislative program for 1954. The responsibility for representing the Department of Defense on this legislation has been delegated to this Department by the Office of the Secretary of Defense.

PURPOSE OF THE LEGISLATION

The purpose of this proposed legislation is to authorize incentive pay under the Career Compensation Act of 1949 for personnel engaged in the hazardous duty of serving as low-pressure chamber inside instructors or subjects for acceleration studies.

The low-pressure chamber is a device that is used to simulate the atmospheric environment to which aircrews are exposed during actual flights. Pilots and aircrewmen are indoctrinated in this chamber in the physiological effects of high altitude on man with particular reference to personal air-borne equipment. When a simulated ascent to altitude is made in the low-pressure chamber an aviation technician or officer is assigned as inside instructor. The inside instructor must carry out demonstrations from time to time emphasizing the hazards of inadequate protection at altitude. In addition, he is often called upon to act as a subject for specialized physiological experiments conducted at research and training institutions. Reducing and changing atmospheric pressures may give rise to serious complications caused by aeroembolism or the "bends" which occurs when bubbles of nitrogen are liberated in the tissues and small vessels of the body resulting is severe and temporarily crippling joint pain, collapse of a section of a lung, or even paralysis followed by complete neurocirculatory collapse and in some cases death. Many inside instructors have been forced to discontinue such work because of physical disability due to recurrent aeroembolism, visual changes, and other complaints.

The human centrifuge consists of a cab or gondola suspended at the end of an arm which describes a circular path in a horizontal plane. As rotation occurs about a vertical axis centrifugal force is applied to an individual seated in the cab or gondola. The men who serve as subjects on the human centrifuge are exposed frequently to physical discomfort under conditions of varied potential and real dangers to health and even life itself. Possibility ever exists that for a given individual the safe pressures within the vessels of the chest may be exceeded as accelerative forces are increased resulting in the rupture of the overstressed structure. Each run on the centrifuge causes a temporary alteration in the physiological process of the body. Repeated exposures of this nature can be expected to leave residual effects. It may be noted that the physical stresses imposed in these runs causing marked fatigue, vertigo, vomiting, et cetera, are far in excess of the stresses experienced by occupants of aircraft in flight. The overall knowledge of the effects of acceleration is small and many experiments are designed to investigate in what areas these potential dangers lie. This work will undoubtedly extend and increase the ranges of stress, discomfort, and danger which already are at a significant level.

The crash deceleration sled and ejection seat towers are devices for studying the physiology of linear deceleration and acceleration, respectively. All that has been said concerning hazards in the preceding paragraph regarding the centrifuge (curvilinear acceleration) can be repeated here. The sled is being used to develop protective retaining harnesses and seating to assure maximum survival in crashes. The tower is being used in the development of upward as well as downward ejection seats for escape from high-speed aircraft.

It is intended to restrict by regulation incentive pay to those individuals who are exposed to a significant extent to the hazards involved in research on accelerative forces. Thus, subjects riding high "G" research ejection seat towers would receive incentive pay, but the instructors in charge of mobile ejection seat training towers would not receive incentive pay. In the case of low-pressure chambers, this distinction cannot be made. All duly assigned persons who repeatedly serve as inside instructors are exposed to hazard, the minimum degree of which is justification for incentive pay would again be subject to regulation.

It is the uncertainty and unpredictability of these deleterious effects on the subject, notwithstanding precautionary measures, that makes the outlook of repeated runs in the low-pressure chamber or the human acceleration devices a task which is approached with some anxiety. A knowledge of the actual and potential hazards which exist is believed to be responsible for the lack of activation on the part of qualified medical technicians to volunteer for the necessary work in the low-pressure chamber. For the same reason, it has become most difficult to recruit volunteers as subjects for the human acceleration experiments, thereby delaying the completion of important research projects. Entitlement to incentive pay for personnel who volunteer and are accepted for such inherently dangerous duties is considered to be not only fully justified but also necessary to attract a sufficient number of volunteers to insure continued progress in the scientific studies which must be made.

Enactment of this proposed legislation would permit the payment of incentive pay of $100 a month for officers and $50 a month for enlisted men when ordered to hazardous duty, either as low-pressure chamber inside instructors or as human acceleration experimental subjects.

COST AND BUDGET DATA

It is estimated that the enactment of this proposed legislation would result in an increased cost to the Government of approximately $225,000 annually. This figure represents incentive pay of $100 a month for 39 officers as low-pressure chamber inside instructors, 4 officers as human centrifuge subjects, 2 officers as crash deceleration subjects, and 1 officer as high "G" research ejection seat tower subject. It also includes $50 a month for 261 enlisted personnel as low-pressure chamber inside instructors, 16 enlisted personnel as human centrifuge subjects, 4 enlisted personnel as crash deceleration subjects, and 2 enlisted personnel as high "G" research ejection seat tower subjects.

The Department of the Navy has been advised by the Bureau of the Budget that there would be no objection to the submission of the proposed legislation to the Congress. The Department of the Navy, on behalf of the Department of Defense, recommends that the proposal be enacted by the Congress.

Sincerely yours,

THOMAS S. GATES, Jr.,
Acting Secretary of the Navy.

THE GIFT OF MICHIGAN LIBRARIES

S. 3575. A bill to provide for the relief of certain members of the Armed Forces who were required to pay certain transportation charges covering shipment of their household goods and personal effects upon return from overseas, and for other purposes.

The letter accompanying Senate bill 3575 is as follows:

DEPARTMENT OF THE AIR FORCE,
Washington, May 26, 1954.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: There is enclosed a draft of legislation, "To provide for the relief of certain members of the Armed Forces who were required to pay certain transportation charges covering shipment of their household goods and personal effects upon return from overseas, and for other purposes."

This proposed legislation is a part of the Department of Defense legislative program for 1954, and the Bureau of the Budget interposes no objection to submission of this proposal.

The responsibility for representing the Department of Defense on this legislation has been delegated to this Department by the Office of the Secretary of Defense. The Department of the Air Force, on behalf of the Department of Defense, recommends that the proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of this proposed legislation is to afford relief for certain military personnel who, on their return from an overseas or Alaskan tour of duty, were charged with transportation, packing, crating, temporary storage, drayage, and unpacking of household goods and personal effects for poundage in excess of 9,000 pounds net.

Certain provisions of the Joint Travel Regulations covering weight limitations on shipments of household goods, established pursuant to the Career Compensation Act of 1949, were limited by the Appropriation Acts of 1953 and 1954.

Section 632 of Public Law 488, 82d Congress (Department of Defense Appropriation Act, 1953), provides that no part of any appropriation contained in that act shall be available to expense of transportation, packing, crating, temporary storage, drayage, and unpacking of household goods and personal effects in excess of an average of 5,000 pounds net, such average to be based on the total number of shipments authorized for permanent change of station during the previous fiscal year, but not exceeding 9,000 pounds net in any one shipment.

Section 629 of Public Law 179, 83d Congress (Department of Defense Appropriation Act, 1954), while retaining the weight limitations of 5,000 and 9,000 pounds net, differs from section 632 of Public Law 488, 82d Congress, in that the qualification as to average, "such average to be based upon the total number of shipments authorized for permanent change of station during the previous fiscal year," is omitted. Further, the limitations imposed in section 629 are not "applicable in the case of members transferred to or serving in stations outside the continental United States or in Alaska under orders relieving them from a duty station within the United States prior to July 10, 1952, and who are returned to the United States under orders relieving them from a duty station beyond the United States or in Alaska on or after July 1, 1953." In other words, personnel who meet the above stated requirements will not be affected by the 5,000- or 9,000-pound limitations but are limited by the provisions of the joint travel regulations established in accordance with the Career Compensation Act of 1949.

While section 629, Public Law 179, 83d Congress, offers relief not afforded in section 632, Public Law 488, 82d Congress, certain inequities have arisen from its application. This proposal would remove these inequities. Under section 629 personnel who complete their overseas or Alaskan tour and return to the States under orders relieving them from duty on 1 July 1953 are protected under the saving provision of that section; personnel who were ordered overseas prior to 10 July 1952 but who returned on 30 June 1953, or earlier, are not so protected. In the first case, the transportation, crating, etc. (if within the limiting provisions of the joint travel regulations) are paid for by the Government; in the second case the individual must reimburse the Government for poundage in excess of 9,000 pounds net. The individual required to make such reimbursement had, in good faith, shipped household goods to the overseas or Alaskan theater in accordance with joint travel regulations then in effect. In some cases personnel for whom relief is sought are members of the Reserve who were recalled to active duty, had their household goods shipped at Government expense, were led to believe the return shipment would be at Government expense, and have since been called upon to defray part of the cost of the return shipment when being returned to an inactive duty status. Actions of this nature lend support to the charge that the services are constantly changing the conditions of service from those in effect at the time military personnel came on active duty.

While the military departments have not considered the 9,000-pound limitation to be applicable to intratheater moves of personnel who were not subject to the limitation on their overseas shipment, the proposal does empressly exempt such moves from the limitation.

COST AND BUDGET DATA

If this proposal is enacted during fiscal year 1954, it is estimated that the following increased costs will result: Army, $50,000; Navy, $13,000; Marine Corps, $500; Air Force, $5,000; total, $68,500. These amounts can be absorbed within the funds available for fiscal year 1954.

Sincerely yours,

HAROLD E. TALBOTT.

OFFICIAL SEALS FOR USE OF SPEAKER OF THE HOUSE OF REPRESENTATIVES AND PRESIDENT PRO TEMPORE OF THE SENATE

Mr. BRIDGES submitted the following concurrent resolution (S. Con. Res. 85), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That hereafter the Speaker of the House of Representatives and the President pro tempore of the Senate are authorized to adopt and use an official seal of their respective offices.

SEC. 2. Expenses incident to the designing and procurement of such seals shall be paid from the contingent funds of the respective Houses upon vouchers signed by the Speaker of the House of Representatives or the President pro tempore of the Senate, as the case may be.

SEC. 3. Descriptions and illustrations of the seals adopted pursuant to this concurrent resolution shall be transmitted to the General Services Administration for publication in the Federal Register.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED OR PLACED ON CALENDAR

The following bills and joint resolutions were severally read twice by their titles and referred as indicated:

H. R. 1975. An act to amend section 2201 of title 28, United States Code, to extend the Federal Declaratory Judgments Act to the Territory of Alaska;

H. R. 1976. An act to amend title 28, United States Code, to permit the registration of judgments in or from the district court for the Territory of Alaska;

H. R. 6113. An act to amend title 18 of the United States Code, so as to increase the penalties applicable to the smuggling of goods into the United States; and

H. R. 7404. An act to amend section 3731 of title 18 of the United States Code relating to appeals by the United States; to the Committee on the Judiciary.

H. R. 6276. An act to amend the Ship Mortgage Act, 1920, as amended;

H. R. 7468. An act to amend certain provisions of part II of the Interstate Commerce Act so as to authorize regulation, for purposes of safety and protection of the public, of certain motor-carrier transportation between points in foreign countries, insofar as such transportation takes place within the United States; and

H. R. 8647. An act to amend Revised Statutes 4426; to the Committee on Interstate and Foreign Commerce.

H. R. 6487. An act to approve the repayment contract negotiated with the Roza Irrigation District, Yakima project, Washington, and to authorize its execution, and for other purposes;

H. R. 6893. An act to provide for a payment to the Shoshone Irrigation District of a share of the net revenues from the Shoshone powerplant, and for other purposes; and

H. J. Res. 356. Joint resolution authorizing the erection of a memorial gift from the people of the Netherlands; to the Committee on Interior and Insular Affairs.

H. R. 6725. An act to reenact the authority for the appointment of certain officers of the Regular Navy and Marine Corps; and

H. R. 8456. An act to provide for the conveyance of certain hospital supplies and equipment of the United States to the city of Gulfport and to Harrison County, Miss.; to the Committee on Armed Services.

H. R. 8041. An act to provide benefits under the laws administered by the Veterans' Administration based upon service in the Women's Army Auxiliary Corps under certain conditions;

H. R. 8488. An act to restore eligibility of certain citizens or subjects of Germany or Japan to receive benefits under veterans' laws; and

H. R. 8790. An act to authorize certain veterans' benefits for persons disabled in connection with reporting for final acceptance, induction, or entry into the active military or naval service; to the Committee on Finance; and

H. R. 8748. An act to provide emergency credit; to the Committee on Agriculture and Forestry.

H. J. Res. 458. Joint resolution to authorize and direct the Secretary of Agriculture to quitclaim retained rights in a certain tract of land to the Board of Education of Irwin County, Ga., and for other purposes; placed on the calendar.

NOTICE OF HEARING BY SUBCOMMITTEE ON WATER TRANSPORTATION OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. BUTLER of Maryland. Mr. President, in order that all interested parties who might wish to testify will have ample time to prepare their statements, I announce that the Senate Water Transportation Subcommittee of the Committee on Interstate and Foreign Commerce will hold a public hearing on

Wednesday, June 16, 2:30 p. m., at which three bills will be considered:

First. S. 1763, to amend section 4482 of the Revised Statutes, as amended (46 U. S. C. 475), relating to life preservers for river steamers.

Second. H. R. 8538, to provide for the revocation or denial of merchant marine documents to persons involved in certain narcotics violations.

Third. Senate Joint Resolution 67, to repeal certain World War II laws relating to return of fishing vessels, and so forth.

This hearing will be held in room F-41 of the Capitol.

On this Wednesday afternoon, June 9, the Water Transportation Subcommittee will hold a public hearing on Senate Joint Resolution 161, to authorize the sale of certain vessels to American President Lines. This hearing will be in room G-16 of the Capitol at 2:30 p. m.

NOTICE OF HEARING ON S. 1752, TO ESTABLISH GOOD FAITH AS A DEFENSE IN CERTAIN CASES

Mr. LANGER. Mr. President, on behalf of a subcommittee of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, July 1, 1954, at 10 a. m., in room 424, Senate Office Building, on S. 1752, a bill to establish good faith as a defense in certain cases. At the indicated time and place all persons interested in the proposed legislation may make such representations as may be pertinent. The subcommittee consists of myself, chairman.

NOTICE OF HEARING ON H. R. 2237, TO INCREASE CRIMINAL PENALTIES UNDER THE SHERMAN ANTITRUST ACT

Mr. LANGER. Mr. President, on behalf of the standing Subcommittee on Antitrust and Monopoly Legislation of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Friday, July 2, 1954, at 10 a. m., in room 424, Senate Office Building on H. R. 2237, a bill to increase criminal penalties under the Sherman Antitrust Act. At the indicated time and place all persons interested in the proposed legislation may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Illinois [Mr. DIRKSEN], the Senator from West Virginia [Mr. KILGORE], and the Senator from Tennessee [Mr. KEFAUVER].

SALE OF CERTAIN IMPROVEMENTS ON NATIONAL FOREST LAND IN ARIZONA

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1399) to authorize the Secretary of Agriculture to sell certain improvements on national forest land in Arizona to the Salt River Valley Water Users Association, and for other purposes, which were on page 1, line 11, to strike out "Arizona." and insert "Arizona:"; on page 2, line 1, to strike out "All" and insert "all"; on page 2, line 8, to strike out "station" and insert "dwelling"; and on page 2, line 9, to strike out "station" and insert "dwelling."

Mr. HAYDEN. Mr. President, as set forth in the report of the House Committee on Agriculture, since the enactment of the bill by the Senate it has been discovered that a building belonging to the Forest Service and which the Forest Service intended to move from its present location to become a part of the new ranger station cannot be moved to the new location because of weight limitations on a bridge across an intervening stream. Therefore I move that the Senate concur in the amendments of the House.

The motion was agreed to.

TWO HUNDRED AND FIFTIETH ANNIVERSARY OF FOUNDING OF TOWN OF SUTTON, MASS.

Mr. SALTONSTALL. Mr. President, on September 3, 4, 5, and 6, 1954, the town of Sutton, Mass., will celebrate the 250th anniversary of its founding. On May 15, 1704, the Governor and General Assembly of the Province of Massachusetts did "freely, fully, and absolutely grant, ratify, and confirm unto" a small group of persons "a certain tract of land purchased of John Wampus, alias White & Co., Indians" for a township to be called Sutton.

The earliest settlers established the town meeting form of government, and from the beginning made careful provisions for religious training and school instruction for the children. Sutton still holds well-attended and enthusiastic town meetings.

Sutton's voters have always taken a keen interest in State affairs, having sent 58 citizens to the Massachusetts Legislature.

Town records show the names of 215 Revolutionary soldiers and 65 Minute Men who answered the call to arms. During the Civil, Spanish, and World War I conflicts, 185 men donned the uniform. Sutton is proud of over 305 men and women who saw service in World War II and in Korea and gives particular honor to those among them who made the supreme sacrifice for their country.

Long known as an agricultural town, Sutton supplies superior dairy products, fruit, and poultry to a widespread area.

The town's scenic beauty and excellent roads have induced many city dwellers to build new homes on Sutton's rolling hills and the town has many sites of historical interest, including the birthplace of Gen. Rufus Putnam.

The town of Sutton exemplifies the finest traditions of our way of life. The strength of our political liberty, opportunity to develop our individual capacities, and fredom of worship rest on communities like Sutton. I congratulate its citizens on their 250th anniversary. May the town afford many more generations of Americans a fine place in which to live and to rear their families.

TREASURY DEPARTMENT POLICY CONCERNING CAREER EMPLOYEES

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter in the nature of a complaint, which I have received from a Government employee, regarding a policy recently inaugurated by the Treasury Department concerning career employees. The name of the writer has, for manifest reasons, been withheld.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *June 1, 1954.*

Hon. M. M. NEELY,
United States Senate,
Washington, D. C.

DEAR SENATOR NEELY: Several months ago the Treasury Department inaugurated a personnel policy which strikes at the heart of the career system. This plan, if permitted to continue, may affect the job of every Government employee and eventually, of every worker in the Nation.

In a press release numbered H-396 and dated for the morning papers of February 13, 1954, the Treasury announced a permanent changeover to offset printing in the production of $25 denomination Series "E" Savings Bonds, which formerly had been printed from steel engraved plates. The new program, it was revealed, would require a reduction in the number of plate printers and other employees, involving about 40 persons.

The very real danger of counterfeiting inherent in the printing of bonds by offset is recognized by the Treasury Department, which made it clear that banks and other paying agents would not be held liable for any spurious offset bonds they might cash. Until they had been given this assurance of release from liability, many banks were on the verge of refusing to cash bonds which had been printed by the offset process.

The plate printers involved in this changeover are all skilled workers, journeymen who have been plying their trade for years. Many of them gave up homes and jobs in other parts of the country to move to Washington and accept employment with the Bureau of Engraving and Printing.

The shocking and insidious feature of the Treasury's new policy is that not one of the skilled journeymen affected by the reduction in force will ever have a chance to return to his old job. This was made very clear in the announcement, which stated: "The Bureau will fill future vacancies in plate printer positions by reinstating, in the order of their seniority as apprentices, members of the Bureau's former apprentice training program before hiring plate printers from the outside."

This ruling has grave implications for the career system. It means that a skilled worker who loses his job in a reduction in force is doomed to permanent unemployment as far as the Federal Government is concerned. Instead of being reinstated as soon as work becomes available, an apprentice will be hired to fill his place.

Thousands of experienced men are presently at work in the Government Printing Office, Navy Yards, and arsenals throughout the Nation. In the name of economy, are we to condemn these men to unemployment because the pay scale for apprentices is lower than the wages they received?

Is this decision to be the forerunner of an all-out effort to wreck the career system in Government and to undermine union seniority in private industry? Whatever may be the motives which prompted this new policy, its full significance should be clear to Government employees, trade union members, and all friends of the career merit system.

UNIVERSITY OF MICHIGAN LIBRARIES

Plate printing is a highly specialized trade. It has survived chiefly because documents produced by this process have never been successfully counterfeited. The Plate Printers Union, which is directly concerned with this ruling, is numerically a small organization and since it is denied the right to strike, it is not equipped to fight the Treasury Department's vicious ruling. But the precedent established here is fraught with such peril that all other trade unions should heed the warning.

It is obvious that if the present administration proposes to extend this practice, associations of Federal employees and organizations like the American Federation of Labor and the Congress of Industrial Organizations may be directly and adversely affected. Every young person should have the right to learn the trade of his choice. But what incentive can there be to the apprentice if after he learns his trade and becomes a skilled journeyman, he is supplanted by another learner?

The public interest demands that this policy be changed so that the career system may be preserved.

Very sincerely yours.

DEATH OF FORMER GOV. HAROLD G. HOFFMAN, OF NEW JERSEY

Mr. HENDRICKSON. Mr. President, yesterday my distinguished colleague the senior Senator from New Jersey [Mr. SMITH] paid a just and fitting tribute to the late Governor Hoffman, of New Jersey, whose sudden passing on last Friday was a shock to all the people of New Jersey.

I wish to take this opportunity to associate myself with everything the distinguished senior Senator from New Jersey had to say about Mr. Hoffman. I knew the Governor intimately. I had served with him in the New Jersey Senate when we were both clerks. I was clerk to the majority and he was secretary to the president of the New Jersey Senate. Later I served in the Senate when he was Governor of New Jersey—one of the most trying periods in our State's history.

He had some stormy periods in his political life, but he survived them all well. He was a man of great courage and fine humor. He was a great son of New Jersey and distinguished soldier in two wars. We shall miss him sorely. I join with my senior colleague, who yesterday extended his deepest sympathy to Mrs. Hoffman and the other members of the Hoffman family. The Hendricksons join with the other friends of Harold Hoffman as they express their sorrow.

PRICE SUPPORTS AND THE SOURCES OF FARM INCOME

Mr. FERGUSON. Mr. President, I ask unanimous consent that I may speak at this time for approximately 5 minutes on a matter relating to the farm program.

The VICE PRESIDENT. Without objection, the Senator from Michigan may proceed.

Mr. FERGUSON. Mr. President, during recent months, most of the debate on the farm question has centered about the question of flexible price supports for the six basic commodities—wheat, cotton, corn, tobacco, peanuts, and rice.

The President has recommended that the present law, which provides for flexible supports on these crops next year, be permitted to become effective as scheduled. In the case of tobacco, supports would remain at 90 percent because of rigid production controls which growers have been willing to accept.

While the six basic commodities have been getting most of the headlines, the fact is that they actually account for only 23 percent of the cash marketing receipts of the Nation's farmers. In many States, the percentage of farm income from the basics is negligible. These supports actually add to farm production costs by maintaining feed grain prices at artificially high prices.

The United States Department of Agriculture today has released a series of charts which show that farmers have a far greater financial stake in commodities which either are not price supported at all or are under flexible price supports, than they do in the six so-called basic crops. At this point, I ask unanimous consent to have incorporated as a part of my remarks a tabulation based upon these Department of Agriculture charts. The table shows, by States, what percentage of farm income is derived from the basic crops and from various other sources. Let me say that it would not be possible to have the charts printed in the RECORD; therefore, I am requesting that a tabulation based upon the charts be printed.

There being no objection the table was ordered to be printed in the RECORD, as follows:

Cash receipts from specified farm commodities as percent of cash farm receipts, by States, 1952

State	Percent of cash farm receipts from farm marketings of commodities with no support [1]	Percent of cash farm receipts from basic commodities		Percent of cash farm receipts from livestock, dairy products, and poultry for which supported feeds are an element of cost	Percent of cash farm receipts from nonsupported commodities and dairy products [3]
		Including tobacco [2]	Excluding tobacco		
Maine	84	(4)	(4)	49	99
New Hampshire	72	(4)	(4)	83	100
Vermont	32	(4)	(4)	89	100
Massachusetts	72	4	(4)	68	96
Rhode Island	66	(4)	(4)	68	100
Connecticut	63	12	(4)	68	88
New York	53	2	2	68	96
New Jersey	78	2	2	64	98
Pennsylvania	59	6	5	77	93
Ohio	57	15	14	68	79
Indiana	61	15	14	68	74
Illinois	55	21	21	60	65
Michigan	55	10	10	63	85
Wisconsin	46	1	1	87	97
Minnesota	59	7	7	73	79
Iowa	79	8	8	84	86
Missouri	63	14	14	71	76
North Dakota	30	44	44	32	38
South Dakota	68	17	17	71	74
Nebraska	67	24	24	69	72
Kansas	48	42	42	52	55
Delaware	81	8	8	78	90
Maryland	58	15	7	69	84
Virginia	57	27	9	54	71
West Virginia	77	3	2	79	96
North Carolina	24	67	19	22	29
South Carolina	31	59	36	23	35
Georgia	48	42	32	39	54
Florida	83	7	2	26	91
Kentucky	45	40	4	52	58
Tennessee	40	40	26	48	55
Alabama	43	45	45	37	49
Mississippi	27	53	53	29	35
Arkansas	33	49	49	34	39
Louisiana	30	50	50	27	37
Oklahoma	53	36	36	56	61
Texas	45	39	39	45	51
Montana	50	40	40	47	54
Idaho	58	18	18	41	69
Wyoming	74	7	7	72	78
Colorado	71	16	16	62	76
New Mexico	60	26	26	56	65
Arizona	48	39	39	29	52
Utah	71	7	7	70	86
Nevada	87	(4)	(4)	79	95
Washington	60	24	24	35	73
Oregon	67	12	12	43	81
California	67	13	13	38	79
United States	56	23	20	56	70

[1] Includes meat animals, poultry and eggs, vegetables, fruits, and nuts, and miscellaneous crops.
[2] Wheat, corn, cotton, rice, peanuts, and tobacco.
[3] Most of the purchases of dairy products for price support are concentrated in 5 States—Wisconsin, Minnesota, Illinois, Missouri, and Iowa—with Nebraska and New York ranking next.
[4] Less than 1 percent.

Source: Agricultural Marketing Service.

Mr. FERGUSON. Mr. President, I may also point out that the great bulk of our price-support operations today involve only a few of the basic commodities. Roughly $5 billion of the $6.3 billion which Commodity Credit Corporation has invested in price supports is tied up in wheat, corn, cotton, and tobacco.

Wheat loans and inventories account for approximately $2¼ billion; cotton, $1.3 billion; corn, $1.2 billion; and tobacco, $275 million. While these few selected crops receive the bulk of the price-support protection, 56 percent of our farm marketings are not under price supports of any kind. Producers of hogs, cattle, poultry, eggs, and fresh fruits and vegetables not only have no direct price support, but generally they have indicated that they do not want such a program.

In my own State of Michigan, only 10 percent of all farm income is derived from basic commodities. Fifty-five percent of Michigan's farm income is supplied by products which enjoy no price supports at all. Other crops already supported on a flexible basis—mainly dairy products—account for the remaining 35 percent.

I note that in the great farm State of Iowa, only 8 percent of farmers' cash marketing receipts comes from the basic commodities. In Minnesota, the figure is 7 percent, and in Wisconsin, only 1 percent. In fact, there are only 12 States in which farmers get 40 percent or more of their income from the basic commodities. On the other hand, there are 33 States in which farmers get more than half of their income from crops which are not under any kind of direct price supports.

These figures certainly indicate that we have been assigning to price supports—and particularly price supports on the six basic commodities—an importance vastly out of proportion to their real significance.

All the evidence indicates that both the Government and the farmers themselves have gotten into serious difficulties only on the commodities which have been supported at 90 percent of parity. This is itself is a convincing argument for more flexibility in our farm program, along the lines recommended by the President.

THE PRICE-SUPPORT PROGRAM

Mr. HOLLAND. Mr. President, I have noted with a great deal of interest the statement placed in the RECORD by the distinguished senior Senator from Michigan [Mr. FERGUSON] relative to the agricultural price-support structure and program.

I am glad indeed that the Senator from Michigan has called attention to the fact that only 23 percent of the value of agricultural production of the Nation is represented by the basic crops, and that 56 percent of all agricultural production has no price support of any sort whatsoever.

The compilation by States showing what the situation is in each State is very interesting. At the same time, I wish to comment briefly in the RECORD on the showing as it relates only to the State of Florida.

That compilation, which I understand from the Senator from Michigan was prepared by the Department of Agriculture, shows that 83 percent of the total agricultural production of Florida receives no price support of any kind whatsoever from the Federal Government, and that only 17 percent receives price supports of any kind, of which only 7 percent is contained within the so-called basic crops, which have the 90 percent rigid price support benefits.

Mr. President, when there is taken away from that 7 percent the value of tobacco produced in Florida, there is left only 2 percent of Florida's total agricultural production, which is subject to the 90 percent basic support price.

Every proposed revision of the program that I have seen has recognized the fact that tobacco is in a situation peculiar to itself, and that, because of its importance to the Nation and the States from the revenue standpoint, by reason of which it must be thoroughly controlled, and because it relates to such a small amount of acreage, it is entitled to the continuation of the 90 percent rigid support program.

Mr. President, not only does such a very small percentage, as shown by this table, of the agricultural production of Florida come within any price support structure, but it is also true that our three most important crops, namely, citrus fruits, livestock, and winter vegetables, not only have no price support structure, but do not want any price support structure, and are asking only to be left out of any new price support program.

At the same time, as taxpayers our Florida people have a very real concern, with a program which is placing undue emphasis upon a few selected crops which are piling up at an alarming rate in Government warehouses. It is difficult to justify the continuation of a program which has failed to stabilize prices of some of these basic commodities despite the huge outlay of Government funds.

It has been pointed out by the Senator from Michigan that we have nearly $2¼ billion invested in wheat price support operations—more than one-third of all the funds committed to all farm price support programs. Despite price supports at 90 percent of parity, the Department of Agriculture reports that as of May 15 farmers were receiving an average of only 80 percent of parity for wheat.

Therefore, it should be clear why it is that not only in our State, but in other States as well, there is grave objection to the continuation of 90 percent price supports, which have caused the accumulation of such huge surpluses and which apparently are on the way to cause even greater surpluses, unless Congress is willing to deal with the subject in a realistic way and impose flexible price supports along with a reasonable set-aside program and a sound program to deal with diverted acreage, of which we already have nearly 30 million acres.

Surely it ought to be a danger flag to our people and to Congress to note that it is only with relation to the crops which have 90 percent price supports that we have any serious surplus problem.

I certainly hope that Senators will carefully study the table which has been placed in the RECORD by the senior Senator from Michigan, and note for themselves that the concentration of heavy price supports on a relatively few commodities is sure to hurt other industries, and that we should certainly adopt a more realistic approach to the problem during the currrent session of Congress.

Mr. BARRETT subsequently said: Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD a statement I have prepared on price supports.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BARRETT

I have before me the Department of Agriculture tabulations referred to by the Senator from Michigan.

In my own State of Wyoming, cash receipts from nonsupported commodities, principally livestock, make up 74 percent of the total farm income. A similar situation exists in most of the neighboring States.

Only 7 percent of Wyoming's farm income is derived from the basic commodities which claim most of the attention in our consideration of the farm situation. Certainly these basic commodities are important to the people who produce them. They are of great importance to the farm economy in several States. But there are other commodities which account for a far larger part of our national farm income.

I believe it is dangerous to assume that a program which places most of the emphasis upon just six farm commodities will solve the entire agricultural problem. Yet I am afraid that some of the advocates of continued 90-percent supports for the basics are basing their arguments on such a premise.

I agree completely with the statement of the Senator from Michigan that producers of many nonsupported farm commodities do not look with favor upon any move to extend Government price supports to their products. This is particularly true of the cattle industry.

We have come through a period of serious readjustment in cattle prices. But the important thing is that we came through it with cattlemen, rather than the Government in control of the industry. Cattle prices have moved considerably higher during recent months and except for the possibility of drought the outlook is good. I am convinced that the situation would not have been straightened out as simply and effectively if the Government had succumbed to the pleas of some elements for a price-support program on live cattle.

The PRESIDING OFFICER (Mr. BUTLER of Maryland in the chair). Is there any further morning business to be transacted?

Mr. THYE. Mr. President——

The PRESIDING OFFICER. The Senator from Minnesota.

FARM STABILITY VITAL TO NATION'S WELL-BEING

Mr. THYE. Mr. President, as we approach the closing weeks of this session of Congress we realize that one of the most important decisions yet to be made relates to agricultural legislation. It is vital that we examine the economic situation of the American farmer at this time, because it is clear to everyone that what the present Congress does, or does not do, with reference to the farm program will have a profound effect upon the well-being and stability of the whole country.

In an address at a six-county Dairy Day program at Anoka, Minn., on June 3, I outlined the reasons why I favor continuing the mandatory level of 90-percent price supports on the basic commodities at this time, and why I believe Congress must correct the drastic action of the Secretary of Agriculture in reducing the price-support levels for dairy products to the minimum permitted under the present law.

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I ask unanimous consent that the prepared text of this address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FARM INCOME DROPS

(Address by Senator THYE at six-county Dairy Day program, Anoka, Minn., June 3, 1954)

The needs of American agriculture, as a basic industry, and the requirements of a sound farm program, as a national economic necessity, have many important phases. President Eisenhower has presented a program to Congress covering many of these problems, and there is a large area of agreement regarding them, both in Congress and among agricultural leaders.

As we have examined these needs, from the point of view of both our immediate situation and our long-range objectives, we have found the debate centering more and more on the question of whether or not the present program of price supports at 90 percent of parity on basic commodities should be continued or a flexible program put into effect at the end of this year. We need to bring that point of controversy into correct perspective. We need to look at the facts and draw our conclusions from them.

My own position on this point can be simply stated. I favor continuing the mandatory level of 90 percent price supports for the 6 basic agricultural commodities for the present. I consider unwise the action of the Secretary of Agriculture in reducing the level of price supports for dairy products from 90 percent to 75 percent on April 1, and I have urged Congress to act by writing into the law a provision that would prevent such a drastic change in a single marketing year. The full effect of the drop in the dairy price-support level has not yet been felt by the producer, but I am convinced it will prove serious unless it is modified.

My conclusions are based first on the present economic condition of the farmer, and, secondly, on the firm conviction that if we are to have an orderly program and prevent the liquidation of many farmers we must first bring our surpluses into manageable proportions and establish a basis that will permit farmers to bring their production into better balance in cooperation with the Government.

Many of our newspapers have printed adverse editorial comment concerning the mandatory price-support program. They, and other observers, have become alarmed at the extent of Government inventories of farm commodities resulting from the price-support program. "We cannot go on this way," they have said, "and we must put the flexible price-support program into effect at once." I respect this point of view, but I do not believe it is based upon a full consideration of what may happen to our farm economy if there is a further slide downward of the farmer's income. Furthermore, I do not believe that the facts will support another contention often heard that the price-support program is responsible for high prices which the consumer must pay for food. This contention is irresponsible and untrue.

We must not forget that our American farmers brought their production to a high level during the war period to meet the needs of this country and its allies for food and fiber that were essential to winning the war. We must not forget that it was at the Government's urging and encouragement that a high level of production was maintained during the defense buildup. Farming is by nature an industry, quite unlike manufacturing, where it is not possible to control or balance the units of production except over a considerable period of time. It was only last fall, during the planting season of winter wheat that the Government took steps to provide for acreage allotments for wheat, a program in which farmers by direct vote agreed to cooperate in order to reduce the surplus in this basic crop. It has only been this past spring that similar programs for corn and cotton, two other basic crops, have been inaugurated. And meanwhile we have not built our exports nor established a program to use our surplus food to meet our own domestic needs or the requirements of areas in the world where scarcity exists. All of these are steps which in my opinion must come ahead of any action that will upset or dislocate the parity price support program now in effect in this country.

In considering what it would mean, just to the farmers alone, if the downward trend in farm income is accelerated because of an unwise shift in the levels of price support which have prevailed during these periods when full production on the farm has been so essential to the well-being of this country, let us take a look at the situation. Our American farmers, in general, have suffered a very serious drop in their net income. In 1947, when the realized gross income of farm operators was slightly over $34 billion, the net income was $16,774,000,000 Last year the realized gross farm income was near $35 billion, but the net income of farmers was only $12,800,000,000. That means there was a drop of about $4 billion in the annual net return of farmers in spite of the larger gross income, all due to the fact that farmers' operating costs were $5 billion higher last year than in a comparable 12-month period 7 years ago.

Farmers' income is not keeping pace with the national income. The percentage of the national income originating in agriculture was only 6 percent in 1953, the lowest percentage ever recorded. It was 7.1 percent in 1952. The lowest previous figure to these was for 1932 when it was 7.3 percent. By contrast it was 11.6 percent in 1947.

The Department of Agriculture only recently announced that this Nation's farmers earned 9 percent less money last year than the year before, while at the same time city dwellers' income increased in total by more than 6 percent.

FARM SHARE OF FOOD DOLLAR LOW

Another development that seems serious to me is the fact that the farmer who grows the food is today getting less of the consumer's food dollar than at any time in the last 12 years. In fact, the farmer was actually receiving only about 45 cents of the consumer's food dollar in 1953. That is the lowest the farmer's share of the consumer's food dollar has been since World War II, and in fact the lowest since 1941, when it was 44 cents. The high point in this period was 53 cents in 1945.

In other words, the costs of processing, distributing, and selling are taking more of the consumer's food dollar, and the producer on the farm is getting less for the basic product. These statistics alone prove that if food prices to the consumer are too high, that is not due to what the farmer gets because the farmer's share is growing less and less. As a matter of fact food prices today are low relative to wages, and it is largely as a result of the high level of production of our American farmer that workers can buy substantially more food with an hour's labor than in any earlier period in our history.

As an example of this I have recently had an opportunity to examine some authentic figures furnished me by the legislative reference service of the Library of Congress relative to what the returns of an hour of factory labor would purchase in 1953 in contrast with 1929. Such an hour of factory labor would have purchased in December of last year 2.2 pounds of butter, against only 1 pound that could have been bought in 1929 for an hour's wages. That is 120 percent more butter for an hour's work. The factory workman for an hour's work would have had enough to buy twice as much milk last year as he could have purchased for the same amount of labor a quarter century ago. He could have bought more than twice as much cheese, and the costs of other foods are in similar proportions.

I have already cited some of the unfavorable trends in real farm income which I believe place the farm family in a difficult situation and which if they continue would offer a serious threat to an expanding and stable economy. A further index to the agricultural situation today is provided by the figure on farm indebtedness. The farm mortgage debt in 1945—which was the lowest in the 40-year period from 1914 to the present—was $4,760,000,000. It has risen every year since that time until today it stands at an estimated $7,800,000,000. That is an increase of nearly 63 percent in the farm mortgage debt in the past 8 years. When I think of the credit situation, and what could happen if we had any kind of a recession in agriculture, I am particularly concerned about the young man who has gone into farming which today requires such a large capital investment in equipment, and I am reminded of the tragic conditions in the depression years of the early thirties when foreclosure of farm mortgages reached the highest peak in the history of this country.

MUST HEED WARNING SIGNALS

The American people have reason to be concerned about these economic warning signals that are today apparent in agriculture. A further serious downward trend could upset the whole of our national economy. It is a well-established fact, which needs no restatement, that if the farmer is in economic trouble that difficulty would soon be reflected in every business, in every industry, in the pay envelope of every worker in this country. In fact, only if we maintain this Nation's economy in balance, with every important segment sharing fairly in the national income, can we have real national prosperity and well-being.

The point I am trying to make, with reference to why I think we should not change the basis of the price-support program at this time, is that we must avoid unnecessary disrupting factors which could start a train of events of serious import to our economy. Drastic fluctuations in policy must be avoided. The President himself has made clear his belief in that viewpoint when he said: "Adjustment to a new farm program must be accomplished gradually in the interest of the Nation's farming population and in the interest of the economy of the Nation as a whole."

In the face of this basic consideration, we have been confronted with the order of the Secretary of Agriculture in reducing from 90 percent to 75 percent the price-support level for milk for manufacture and butterfat sold by farmers during the marketing year beginning April 1. It has been stated that the Secretary of Agriculture had no alternative under the Agricultural Act of 1949 but to reduce the level of price support from the maximum to the minimum in view of the surplus of dairy products and the extent of these commodities in Government warehouses. Twenty-five members of the Senate have joined me in a bill to limit to 5 percent in any marketing year the production in the parity support level of milk, butterfat and their products, and to relate the supports for dairy products to those given so-called basic crops. It has been my feeling that the intent of Congress should be made clear and that this action should not be delayed, and in keeping with that conclusion I also offered an amendment to the wool-marketing bill which would have prevented a drop in the price-support level for dairy products below 85 percent for the current year. I shall continue to work for the adoption of provisions along these lines because it is my firm belief that in view of the general farm income situation which I

have cited, our 4 million dairy farmers who derive all or part of their cash income from the sale of dairy products face serious economic hardship under the drastic change in the price-support level which has been put into effect by the Secretary of Agriculture.

As in the past year, when dairy farmers received only 84 percent of parity notwithstanding the price-support level of 90 percent, the support level establishes the selling price for dairy farmers, they will suffer a loss of approximately $600 million in income. Capital-asset losses, which might be a disastrous hardship to younger farmers just starting out, could bring the total losses to our dairymen to well over a billion dollars in the next year. Most of the income losses will be felt by dairy farmers in the surplus areas where the market is governed by the price of manufactured items like butter and cheese, whereas the producers supplying the large fluid-milk markets of the eastern cities will not be as seriously affected.

It is obvious that further decline in the purchasing power of dairy farmers in Minnesota, Iowa, Wisconsin, Indiana, Michigan, Ohio, New York, Pennsylvania, and the New England States, where dairying is a major source of our income, could well be disastrous. I intend to do everything within my power to prevent it.

SOLVE SURPLUS PROBLEM FIRST

Much has been said about the cost of the farm program, especially the price-support phases of it. We have complete accounting of section 32 funds expenditures beginning with the first year of their authorization, 1936, and Commodity Credit Corporation losses on price-supporting programs for the entire period of its operation. For the entire period, ending June 30, 1953, these expenditures and these losses, including administrative costs, together amounted to $3.8 billion. During this same period the value of farm products marketed totaled $335 billion. That means that the actual total cost of price supports to date is about 1 percent of the value of the crops and livestock marketed. Considering the value to the agricultural economy and the importance of full production to the entire Nation in war and in peace this is actually a very small investment to insure agricultural stability.

So far as I am concerned, I will not be a party to the liquidation of the American farmer. I would rather spend a relatively small sum now in maintaining a stable agricultural economy than to have to spend the huge sums of money that would be required to reestablish a public works program such as we knew in the depression years of the 1930's in order to give employment to large numbers of our citizens. We should regard whatever we spend for the farm program as an investment in the basic needs of this country, and we should not look upon the relatively small surpluses which occur from time to time as anything but a benefit and a blessing when considered from the point of view of the food needs of people in our own country and abroad.

In urging, as I do, that we leave the level of price supports unchanged for the time being, our primary concern is to prevent any further disastrous drop in farm income. Coupled with this, we must bring our surpluses into manageable proportions. We have already taken preliminary steps to balance the acreage planted to wheat, cotton, and corn in relation to the needs and the supply on hand. I have introduced a bill to set up a program for the use of acres diverted from production by marketing quotas or acreage allotments.

In the use of Government-owned farm products we must find new outlets, particularly in the use of these foods for the school lunch program, to improve the dietary needs of our own people, and to make these surplus products available to the people of other countries where the needs are so great. I have introduced a bill to provide for transfer of portions of surplus agricultural commodities to voluntary agencies abroad for distribution in friendly countries.

The third factor which we must consider is the serious loss of farm exports. They must be built up again through proper commercial channels. We must develop selling techniques. In this program the dairy industry particularly has a great opportunity for it has products to sell of the greatest nutritive value and benefit to mankind.

Our full farm production and our plentiful supplies are rich blessings. We have the know-how to deal with the problems created by the surpluses. We have been slow to do so, but that is a fundamental responsibility in the discharge of which our Government must assume intelligent and resourceful leadership.

Our farm people can and must fully share in the economic benefits which we consider to be the American standard. Only then can our agriculture contribute, as it has so ably demonstrated it can contribute, to the well-being of our country and to world peace and stability.

ORDER OF BUSINESS

Mr. GORE obtained the floor.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Tennessee may yield to me for the purpose of suggesting the absence of a quorum, with the understanding that he will retain his right to the floor.

The PRESIDING OFFICER. The Senate is still in the morning hour.

Mr. GORE. I did not rise to speak during the morning hour. I understood that the morning hour had been concluded.

The PRESIDING OFFICER. The Chair asked whether the morning business had been concluded and then recognized the Senator from Minnesota [Mr. THYE]. The Senate is still conducting morning business.

Mr. JOHNSON of Texas. I did not understand that there was any further morning business to be transacted.

APPOINTMENT OF COL. LEHLAND HAZELTON HEWITT TO INTERNATIONAL BOUNDARY AND WATER COMMISSION OF THE UNITED STATES AND MEXICO

The PRESIDING OFFICER. Is there any further morning business to be transacted? If not, the Chair lays before the Senate the unfinished business, which the Secretary will state by title.

The LEGISLATIVE CLERK. The bill (H. R. 9004) to authorize the appointment as United States Commissioner, International Boundary and Water Commission, United States and Mexico, of Col. Lehland Hazelton Hewitt, United States Army, retired, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I renew my request for a quorum call.

The PRESIDING OFFICER. Is there objection to the unanimous consent of the Senator from Texas? The Chair hears none, and the Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	George	Pastore
Anderson	Goldwater	Payne
Bowring	Gore	Robertson
Bridges	Hendrickson	Russell
Butler, Md.	Hill	Saltonstall
Capehart	Johnson, Tex.	Schoeppel
Case	Kefauver	Smathers
Chavez	Knowland	Sparkman
Clements	Lennon	Stennis
Cordon	Long	Thye
Dworshak	Mansfield	Upton
Ellender	Martin	Williams
Ferguson	McCarran	
Frear	Monroney	

Mr. SALTONSTALL. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Michigan [Mr. POTTER] are absent on official business.

The Senator from California [Mr. KUCHEL], the Senator from Wisconsin [Mr. WILEY], and the Senator from North Dakota [Mr. YOUNG] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Ohio [Mr. BURKE], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], and the Senator from South Carolina [Mr. JOHNSTON] are absent on official business.

The Senator from Wyoming [Mr. HUNT] is necessarily absent.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate.

The PRESIDING OFFICER (Mr. BUTLER of Maryland in the chair). A quorum is not present.

Mr. PAYNE. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. BARRETT, Mr. BEALL, Mr. BENNETT, Mr. BRICKER, Mr. BUSH, Mr. BUTLER of Nebraska, Mr. BYRD, Mr. CARLSON, Mr. DANIEL, Mr. DIRKSEN, Mr. DUFF, Mr. FLANDERS, Mr. FULBRIGHT, Mr. GILLETTE, Mr. GREEN, Mr. HAYDEN, Mr. HENNINGS, Mr. HICKENLOOPER, Mr. HOLLAND, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. JENNER, Mr. JOHNSON of Colorado, Mr. KENNEDY, Mr. KERR, Mr. KILGORE, Mr. LANGER, Mr. LEHMAN, Mr. MAGNUSON, Mr. MALONE, Mr. McCARTHY, Mr. McCLELLAN, Mr. MILLIKIN, Mr. MORSE, Mr. MUNDT, Mr. MURRAY, Mr. NEELY, Mr. PURTELL, Mrs. SMITH of Maine, Mr. SMITH of New Jersey, Mr. SYMINGTON, Mr. WATKINS, and Mr. WELKER entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the following bills and joint resolution of the Senate:

S. 144. An act for the relief of the Cavalier County Fair Association;

S. 857. An act for the relief of the legal guardian of Robert L. Hilton, a minor;

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S. 1400. An act to permit the Secretary of Agriculture to release the reversionary rights of the United States in and to a tract of land located in Wake County, N. C.;

S. 1794. An act to reimburse the South Dakota State Hospital for the Insane for the care of Indian patients; and

S. J. Res. 119. Joint resolution to validate conveyance of a 40-acre tract in Okaloosa County, Fla.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2828) to amend the act of Congress of September 3, 1935 (49 Stat. 1085), as amended.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H. R. 8044) to extend the authorization for funds for the hospitalization of certain veterans in the Philippines.

VISIT TO THE SENATE BY FORMER SENATOR ASHURST, OF ARIZONA

Mr. GOLDWATER. Mr. President, I rise to a matter of personal privilege.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. GOLDWATER. Mr. President, when Arizona became a member of the Union in 1912, she selected two men to represent her in the Senate of the United States: Marcus Aurelius Smith, who has since passed on to his reward; and Henry Fountain Ashurst. It is my distinct honor and privilege to introduce the Members of this body and to call the attention of the Presiding Officer to the gentleman whom we are honored to have with us in this Chamber at this time, Henry Fountain Ashurst, Arizona's first Senator.

[Applause, Senators rising.]

The PRESIDING OFFICER. Senator Ashurst, the present occupant of the chair is certainly delighted to have you return to this Chamber and to see you in your old seat in the Senate. He has heard the junior Senator from Arizona [Mr. GOLDWATER] speak most highly of you; indeed, he sent the Chair a copy of one of your eloquent speeches, which was read with a great deal of pleasure. The Chair welcomes you back to your old home.

Mr. ASHURST. Thank you.

Mr. GORE. Mr. President, I wish to join in the expression of warm greetings on the return visit to the Senate of former Senator Ashurst.

THE RECIPROCAL TRADE AGREEMENTS ACT

Mr. GORE. Mr. President, once again the authority for a program vital to the welfare of this Nation is drawing to a close. In 4 days the Reciprocal Trade Agreements Act will expire, and I am advised that hearings for its extension have not even been scheduled. Failure to extend the act before it expires will not necessarily mean that trade agreements we have in effect with our allies will be scrapped at midnight on June 12. However, such failure could have adverse effects upon our friends in other nations.

The United States is the center of the economic system of the free world. We in this country account for half the total production of non-Communist countries. We are the world's largest exporter and its largest importer. The economies of the free nations of the world are based upon our economy, and our friends watch us closely for any hint of change in our way of doing business. Failure to extend the reciprocal trade-agreements law before it expires is almost certain to cause a nervousness in free world markets—a fear that the United States is swinging toward a return to Smoot-Hawley days.

Though the administration may sincerely disavow the intent to turn back the clock to trade practices of the late twenties and early thirties, there is just enough protectionist talk abroad in this land to feed the fears of our allies. The steps we take here can mean the difference between survival and disaster to them; so until the deed is done, until the Reciprocal Trade Agreements Act is extended, they cannot but worry and move to retrench. Failure to extend the act, in my opinion, will place a strain upon our international commerce at a time when we can ill afford it; at a time when Russia is moving boldly with every imperialistic economic trick in the book to capture our markets in the free world. Failure to extend may tempt some of our allies to grasp the Soviet trade lure now being dangled before them.

Surely a refresher glance at recent history will convince the Senate of the United States that we should not turn back to the trade policies which followed World War I, and which promoted the worst economic depression in modern times.

Of course, many causes contributed to that great disaster, but chief among them were the international trade policies pursued by our country and other nations of the world following World War I. That war had left a wake of suffering and destruction, a legacy of profound maladjustments and dislocations. Reconstruction demanded the fullest use of the natural resources of the world and the achievements of science and technology. These resources and this technology could have been brought to bear on the reconstruction problem through vigorous and mutually advantageous trade among nations. But this trade did not occur. Instead, our Nation and others embarked upon the road of narrow economic nationalism. We and others built a constantly expanding network of disruptive trade restriction which piled new and more painful dislocations upon the problems already produced by the war.

For a time the seriousness of the situation was obscured by the reckless international borrowing and lending which took place for more than a decade following the war. But a structure built on such a shoddy foundation was bound to collapse sooner or later, and collapse it did, spreading economic ruin and depression throughout the world.

Even in the face of this disaster, however, the statesmen of the world, those of our own country included, made the fatal blunder of trying to cure our ills by increasing the dosage of the very poison that had brought our downfall—by resorting to a still more exaggerated protectionism. Trade barriers of every kind multiplied, and as a result unsalable surpluses piled up everywhere.

Such was the situation in 1933. Emergency action was indicated, and a man from the hill country of Tennessee, a fellow townsman of mine, former Secretary of State Cordell Hull, strode forward boldly to prescribe a new medicine for a sick world. In 1934 he proposed the reciprocal trade-agreements formula to the Congress.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. GORE. I yield to the distinguished Senator from Texas.

Mr. JOHNSON of Texas. Will the Senator from Tennessee agree that the enlightened policies inaugurated by the former Secretary of State, Cordell Hull, have not only benefited the economies of our foreign friends, but have materially contributed to the tremendous economic growth of this country?

Mr. GORE. I think they have; yes, indeed. I think the policies have been mutually helpful, and the record shows that there has been a vast expansion of trade between the United States and the countries with which we have reciprocal trade agreements. Of course, world trade has expanded in many respects, but it has done so more especially as a result of the reciprocal trade-agreements program.

Mr. JOHNSON of Texas. I believe the Senator from Tennessee stated that about 20 years ago Secretary of State Cordell Hull formulated the program and brought it into existence. Does the Senator know of any program during the past 20 years which has contributed more to the prosperity which this Nation has enjoyed?

Mr. GORE. I do not, nor do I know of any other program which has contributed as much.

Mr. JOHNSON of Texas. I thank the Senator for yielding to me.

Mr. GORE. I thank the Senator from Texas for his contribution.

Cordell Hull reasoned that our economy could be bolstered by selling our surpluses abroad; that exports and imports are interdependent; that nations cannot sell without buying. He explained that to induce other nations to lower their barriers to our products, we must stand ready to reciprocate. He asked the Congress to give the President authority to make reciprocal agreements with other countries for the mutual reduction of impediments to trade, and the 73d Congress gave that authority in the form of the Reciprocal Trade Agreements Act. That act, with amendments, has been in force ever since, and the foreign commerce of this country has increased to an extent undreamed of by even the most optimistic in 1934.

Our sales abroad had hit a low mark of $1.6 billion in 1932; but thanks to the theory and success of reciprocal trade agreements, they have grown year by year, until they reached the alltime high of $15,764,169,749 last year. Of, course, not all this increase is attributable to reciprocal trade agreements, but exports

have risen more sharply—as I said a few moments ago, to the distinguished minority leader—to nations with whom we have agreements than to those with whom we have not concluded accords.

The trade agreements program was enacted for the express purpose of expanding our exports, through the reduction of trade barriers in other countries. Its aim, too, was to increase and facilitate trade among other nations. It has done so.

However, for the past few years—the years following World War II—this program of itself has been insufficient to fill the needs of world trade.

At the end of World War II, many nations, formerly good customers of ours, lay devastated. To a large extent these countries had to liquidate their holdings abroad to carry on the war, and at the end of the war they found themselves in a perilous situation. They could not produce what they needed, and they did not have funds to buy what they needed from us. In addition to their destitution, they were faced with a new threat—Russian communism.

To our everlasting credit, we recognized that our safety was inextricably bound up with theirs, and that it was to our advantage to help rebuild their industries and agriculture, to help shore up their tottering economies. We came forward with the Marshall plan and other plans for economic aid and military assistance. To date we have spent more than $60 billion in economic and military aid to help other nations—east and west—on the road to recovery.

Though their recovery is remarkable, some of their economies are still shaky, and their currencies are not yet freely convertible. Others are under direct threat of Communist economic and military aggression.

On the credit side, the productive capacity of these nations has been restored, and they are eager to resume two-way trade. They must have trade; otherwise, the industry and the agriculture they have rebuilt will stagnate. With some, the choice is trade or starvation.

An objective look at the situation indicates there are three potential sources of trade for these nations. They are, in order of importance: First, with the United States of America; second with other non-Communist nations; third, with the Communist world. Russia in particular, and the Communist world generally, has taken a leaf from the capitalist book, and has gone on a trade offensive. Russia has sent trading missions into markets we have enjoyed for years, and these missions are promising fabulous bargains to those who will trade with the Kremlin.

A recent Reuters dispatch describes the interest allied businessmen are showing in the Russian trade offensive. According to this dispatch, a night plane which flies three times a week from Helsinki, Finland, to Moscow is becoming known as the "businessman's special." On this plane, western traders are flocking to accept Russian invitations to talk trade. In these trade talks the Russians have offered British industry contracts for machinery, raw materials, and consumer goods worth $1,120,000,000, with prospects of orders spaced out until 1957.

France, which last year doubled her 1952 volume of trade with Russia, has been promised further expansion of business.

Norway, Sweden, and Belgium have already signed new trade pacts with the Kremlin.

Finland has been given a Soviet loan in gold, dollars, and other foreign currencies, and talks are under way on new trade agreements between the two nations.

Argentina has sent a delegation to Moscow to buy machinery and to discuss export possibilities.

Egypt is studying the prospects of selling cotton and other products to the Reds, in exchange for heavy equipment. Other trade delegations have arrived in Moscow from Israel, India, Italy, and Greece, and Russia has issued invitations to delegations from Asian nations, including Ceylon, Japan, Malaya, and Indonesia. She has even offered to pay the expenses of these invited delegations.

Russia has indicated she wants to buy ships, equipment for expanding heavy industry, consumer goods, and agricultural equipment. She wants to sell grain, manganese, and chrome ores, cars, timber, cellulose, anthracite, pig iron, asbestos, furs, tobacco, petroleum, cotton, wool, and precious metals.

Of course, we in this country also want to sell grain. Our Commodity Credit Corporation warehouses are bulging with surpluses. We also want to export cotton, cars, wool, and tobacco. In 1952, we exported 48.4 percent of our wheat supply, and last year our wheat exports dropped to 24.5 percent. During the same 2 years, cotton exports dropped from 36.6 percent of the crop to 20.4 percent; tobacco—in which my distinguished colleage, the able senior Senator from Kentucky [Mr. CLEMENTS], and I are very much interested—dropped from 25.1 percent to 22.2 percent; rice went from 57.9 percent to 55.7 percent. In these items our producers depend heavily upon exports to show a profit, and the Russians are trying to cut into our markets. Red propagandists have been harping on the theme that trade with the dollar world is threatened by crisis and contracting markets, while, they say, the planned Russian economy offers stable markets.

What happens, Mr. President, if Russia is successful in wooing our allies into greatly expanded trade? First of all, we lose customers, and Russia acquires them. We lose markets which have been absorbing much of the surplus of our economy; many of our producers lose prosperity, and many of our workers lose employment. Second, in any country where Russia can establish trade of any major economic importance, she immediately expands her political influence. Tempting offers in areas of unemployment or threatened unemployment would be a powerful influence in softening the interpretation of what is, and what is not, strategic trade. There is no doubt that economic ties are pipelines of political influence.

Red China, too, has been busy offering tempting trade concessions and applying pressure for stepped-up trade. Already Red China has concluded trade agreements with Ceylon, Chile, Finland, France, the United Kingdom, India, Indonesia, Italy, Japan, the Netherlands, Pakistan, Switzerland, and Western Germany. The Chinese Reds, like Russia, are moving relentlessly to broaden the scope and step up the intensity of trade with these nations, and to negotiate trade agreements with other nations of the free world.

Japan is under especially heavy pressure, not only from her own precarious economic position, but also from a concerted Red trade drive.

Can we logically insist that our friends refuse to trade with the Reds, and at the same time refuse to make it possible for them to trade with us? No; there is no logic in that position.

Are we willing to give up to the Reds markets we have built up abroad, without even so much as a struggle to keep them? That does not sound much like the fierce competition of the free-enterprise system we have been hearing so much about, and of which I think we are justifiably proud.

Fortunately, we do not have to take that course. We are in a position to establish a lasting majority trade relationship with all free nations. But I doubt that it is in our power to decree that our allies shall trade with neither America nor the Russians. It is a simple law of economics that there must be more trade. And let us not forget that political friendship follows the trade routes.

Mr. MANSFIELD. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. MANSFIELD. Can the Senator tell the Senate just how dependent we are on foreign imports today for the purpose of maintaining our own security? If I may elaborate a little further, it is my understanding that at the present time we must import, if we are to be secure, more than 50 percent of our needs in a strategic sense. Can the Senator expand on that point?

Mr. GORE. I appreciate the contributing thought of my able and distinguished friend from Montana. It so happens that when he and I were serving in the other body together, I was on a subcommitee of the House Appropriations Committee handling the stockpiling of strategic supplies. We had highly confidential lists during World War II. Therefore, I had every opportunity to know how desperately important imports are to this country.

For example, we must import a large amount of our tungsten, cadmium, tin, manganese, nickel, chromite, industrial diamonds, and quartz crystals. We must import most of our uranium, upon which both the atomic and the hydrogen weapons programs are based. Is that sufficient indication?

Mr. MANSFIELD. Yes. The distinguished Senator from Tennessee has made the point which I hoped he would make, that we cannot live alone economically, but that we must live with the rest of the world, because just as other nations are dependent on us, so

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we are dependent on them, to perhaps as great a degree.

Mr. GORE. The United States cannot stand alone economically or militarily and be safe in a world in which an international conspiracy is driving hard for economic domination, political domination, and military supremacy. I know that the distinguished Senator from Montana understands that I gave only a partial list of the strategic supplies which must necessarily be obtained in foreign countries. The list is a long one. Some of the most vital items I have not mentioned.

We have reached a crossroads in our foreign trade where we must decide the course we are to take. For decades we have been the world's largest creditor nation. Every year since 1880 our exports have exceeded our imports. The dollar gap reached the staggering total of $10.3 billion in 1944, then began to drop off until it was down to $1.4 billion in 1950. Most of this decline in the dollar gap between 1944 and 1950 is a result of our foreign aid programs. However, since 1950 we have been reducing the extent of our foreign aid, and the dollar gap has grown until last year it amounted to $4.89 billion. I think it is no longer wise for this country to try to fill in the dollar gap in the free world balance of payments by foreign-aid doles. Neither our taxpayers nor the countries involved want doles to continue. Both we and they want trade, not aid.

It is likely that we shall have to continue military aid to some of our allies for some time, but I believe the time has come to reduce economic aid to an irreducible minimum. How, then, is the dollar gap to be filled? To my mind there is only one feasible answer: To increase and expand trade among the free nations of the world. But trade is a two-way street.

If we are to sell to our allies what they must have to thrive and prosper, then we must allow them to increase sales of their surpluses and earn more dollars in the American market.

I am well aware that any proposal to increase imports will bring protests from the protectionist interests of some segments of American business. We shall be told in anguished tones that this business or that will be driven out of existence if imports are increased ever so slightly. The American free enterprise businessman is supposed to be the most efficient operator in the world; and I believe he is. He is supposed to thrive and grow prosperous on competition; and I believe competition is healthy. But some of them quake in their boots at the thought of a little competition from some of our small allies. For those segments of American industry, free enterprise and competition are fine on the domestic front, but not on an international basis. The American free enterprise system has fathered some tough operators who can fight efficiently and effectively for domestic and international markets on a no-holds-barred basis. But it has also fathered some who run to Uncle Sam to fight their battles over the smallest foreign competition.

The fact is that in most lines, the surplus production of any one of our allies is but a drop in the bucket when compared to our economy. Our economy is the strongest in the world, and our production is the greatest. In most lines of production we are well able to stand the competition.

However, we do have a few lines of production in which we do not enjoy comparative production advantages. In these cases a substantial increase in competitive exports may prove injurious to them. These facts I frankly recognize. But I also realize that there are relatively few of these industries, all relatively small. Alongside these facts must be measured the overall necessity—of trade with our friends of the free world.

I believe the facts show that substantial increases can be made in our imports, on a selective basis, without injury to the American economy.

What we must keep in the forefront of our minds is that the United States economy is a very, very large economy, and that, in comparison, the economies of our allies are very small. Everything we do in this country in the economic sphere has repercussions abroad in multiplied effect. The slightest economic recession here is feared by our allies because the backwash upon them, relatively speaking, is a tidal wave. The inverse is true as to prosperity here. It creates a tremendous uplift abroad. Because of this disproportionate effect, even the smallest of concessions made by the United States, in relation to our economy, means a lot to our allies.

Mr. HUMPHREY. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield to the distinguished Senator from Minnesota.

Mr. HUMPHREY. I have heard an analogy made which I believe is appropriate to what the Senator is outlining today. To explain the relationship of the United States economy to Western Europe, it was said that when the United States catches cold, Western Europe gets pneumonia. I believe that analogy indicates the very sensitive nature of the relationship of the American economy to the Western European economy. In other words, Europe is very sensitive to what we do. The Senator from Tennessee is absolutely correct when he points out that there is involved not only an internal problem for our own country but one that has world-wide ramifications.

Mr. GORE. I thank the Senator very much. He has illustrated what I have been trying to indicate in my remarks.

Because of this fact, I believe it is possible for the United States to lower duties on a number of items that are imported in negligible quantities, when compared with our production and our market. We could, for example lower duties and guarantee to the countries of Western Europe and Japan substantially increased shipments to us percentagewise, with the assurance that we would not interfere with those imports. To be specific, we could tell these countries that on certain items we would not invoke the escape clause so long as imports of an item did not exceed, say, 5 percent of domestic production.

A recent authoritative study shows that imports of 70 items on our tariff list do not exceed 5 percent of our domestic production. Of these 70 items, imports of 40 did not exceed 1 percent of our domestic production. Yet in some cases the duties on these very same items are prohibitive, ranging as high as 150 percent on an ad valorem basis.

I submit that we can well afford to allow some of these products to be imported in large quantities without damaging the American economy or domestic producers. It seems to me that if any industry claims that anything less than 95 percent or 99 percent of the home market means injury, that industry has some proving to do.

Mr. KEFAUVER. Mr. President, will the Senator yield at that point?

Mr. GORE. I am happy to yield to my distinguished colleague from Tennessee.

Mr. KEFAUVER. The Senator's speech is a very timely one, because while we hear a great deal about the necessity of increasing foreign trade, very little has been done about it.

On the question of whether our own industry can stand increased imports and whether, as a matter of fact, it would not be beneficial for the overall business of this Nation to have increased imports, has it not been the experience during the normal years of operation under the reciprocal trade agreements program, when Mr. Cordell Hull was Secretary of State, that by increasing imports slightly American production and business increased very substantially?

Mr. GORE. I believe the answer to the distinguished Senator's question is "Yes." It not only benefited the bilateral trade, but it also spread among the nations of the free world. As the distinguished Senator knows, because he has made a study of the reciprocal trade agreement program, the program envisions not only an increase in trade on a bilateral basis, but also concessions and trade benefits spread to the community of nations. Therefore, when trade is increased between two nations, as a result of the reciprocal trade agreements, its benefits are spread throughout the community of free nations.

Mr. KEFAUVER. In other words, the Senator means that increasing imports, let us say, from Norway, will likely mean that Norway will buy something from Sweden, and that Sweden, in order to make that article, must in turn buy some products from the United States. In that way there is a fanning out, resulting in help to all the nations involved.

Mr. GORE. Yes; the most-favored-nations clause is indeed an effective and integral part of the reciprocal trade agreement program. As I said earlier, the economy of the United States is the center of the free world economy. It is of such magnitude and its market is so large that if our country practices a restrictive policy the smaller countries are forced in self-defense to do likewise.

Mr. KEFAUVER. Will the Senator yield for a further question?

Mr. GORE. I yield.

Mr. KEFAUVER. All of us have read the statement made by Mr. Franco, the dictator of Spain, to the effect that the time had come, in his opinion, for the free nations of the world to place an absolute embargo upon any of the free nations which trade with Communist nations. Does not the Senator feel that the best way to stop trade with Communist nations is for the free nations, with the United States taking the lead, to have an affirmative program of their own, so that their trade policies will not stifle trade and in that way force some of the free nations to trade with countries behind the Iron Curtain?

Mr. GORE. That is indeed the fact. It may sound very good to some to read a statement or a proposal that the free world should completely stop trade with Iron Curtain countries. However, how would such a proposal operate in the case of a country like Sweden, which must have coal from Poland, when she is offered a trade agreement by which she can sell her surpluses and obtain coal from Poland? Coal is available in the United States. Coal is available for export from the State which the distinguished Senator and I have the honor to represent. However, how can Sweden buy American coal and pay the wages of American coal miners, unless she can gain some dollars somewhere? It is all very well and good for Mr. Franco to make the proposal, but again I come back to the point that for some nations trade is a stark necessity; they must either trade or starve, or they must either trade or suffer from cold.

Mr. KEFAUVER. Is it not undoubtedly true that most of the free nations would rather trade with us or with some other free nation? Trade they must; but if we are not going to make it possible for them to trade with us, then, of necessity, and as a matter of survival, they must look elsewhere.

Mr. GORE. I think the Senator is eminently correct. As I said earlier, I doubt if it is within the power of the United States to decree that the nations which must trade in order to live must trade neither with the Iron Curtain countries nor with us. If we expect them to refrain from economic ties and friendships or from following the trade routes into the Communist world, it seems to me we must make it possible for them to trade with the United States and the other free nations of the world.

Mr. KEFAUVER. From both sides of the aisle, for 2 or 3 years, we have been hearing the slogan "trade, not aid." We have been hearing about the necessity of extending the reciprocal trade-agreements program not only for a year, but for several years, so that our friends may know what our program will be. We have been hearing all kinds of organizations, businesses, and labor talking about enlarging and extending trade and setting the pace for trade among free nations of the world, but up to this point it does not seem that the administration has done very much about it.

I, for one, wish to express my gratitude to the distinguished junior Senator from Tennessee, and other Senators who are actively pushing the proposal which the administration has favored, and I would observe that this is another instance of Democratic cooperation in helping the administration to put over a program for which we have all been calling and which we all desire.

Mr. GORE. Fortunately, there are things we can do. There are means we can take which, instead of hurting the United States, will help both the United States and other nations.

In numerous instances, just a small increase in imports, in terms of the percentage of our production, would mean a terrific difference in the balance-of-payment situation for the country involved. In several cases where imports supply less than 1 percent of our market, an increase to 5 percent of our market would mean an increase of 300 to 400 percent in exports from Western Europe.

This, Mr. President, is not sleight of hand. It is simply a recognition of the fact that our economy is so big, and the economies of our allies are so small in comparison, that we can, without injury to ourselves, give our allies a terrific boost, reduce foreign aid without dislocating their economies, and at the same time greatly strengthen our own and the free world economy.

Mr. HUMPHREY. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. HUMPHREY. First of all, I wish again to congratulate the Senator from Tennessee on his very splendid presentation. It is not simply a good presentation, but it provides very thoughtful and important material which has needed to be discussed in the Senate Chamber for a long time.

About a year ago I made some comments on the question of world trade. I have just been checking back through some of the old CONGRESSIONAL RECORDS of that period. As the Senator from Tennessee knows, while we were conducting a very hard fought election campaign in our country in 1952, leaders of the Communist nations were called into a meeting in Moscow known as the 19th International Congress of the Communist Party. That meeting took place at a very well chosen time, because the American mind, the American press, and American public opinion were concentrated upon the election. Yet, in Moscow, plans were drawn for a change in Soviet tactics, particularly in the area of trade.

From the two basic speeches at that meeting two decisions were reached. One speech was given by Mr. Malenkov who spoke for 5½ hours. He would have possessed credentials for a good Senator in that instance. The other speech was made by Mr. Stalin. That speech was a 25,000-word treatise entitled "The Economics of Bolshevism."

The two thoughts and the programs which came out of those two speeches were, number one, for Mr. Malenkov, that it is the supreme objective of the Soviet Union to divide the United States from her Allies, or to divide her Allies from the United States, and as a supplemental point, to weaken the North Atlantic Treaty Organization and put America on the defensive in terms of our economic relationships throughout the world.

The second point, which came out of Mr. Stalin's address, was that the Soviet Union must wage a relentless—and these are the words—"a relentless economic war against the United States in trade relationships." That was in September of 1952.

In April of 1953 there was a meeting in Moscow which was laughed at in many of the American journals. It apparently was not too much thought of in high places in Government. That meeting was the first of the trade conferences which the Soviets sponsored. We did not hear very much about it except as it came through the grapevine from a number of people who denied that they had any purpose in being there except to see how chilly it was in Moscow in April.

Then there was a meeting in Vienna, Austria, of the International Chamber of Commerce. Who does the Senator think were the most honored guests there? Representatives of the Soviet Union and the Soviet trade delegations.

I make this statement only in connection with the remarks of the Senator from Tennessee, that our economic relationships are more important than our military relationships.

The tragedy of the American policy is that it spends too little time on the issue of economic policy. We have been led to believe that if we get people to sign a piece of paper saying we are allies, that is all there is to it, whereas, as the Senator from Tennessee has pointed out so well, once we establish economic patterns and trade relations, political friendship follows. That is just as true today as it was in the time of Aristotle. Aristotle, in his book entitled "Politics," pointed out 2,500 years ago that politics and economics are inseparable and that trade, economics, and political relationships tend to blend and tie peoples together.

What the junior Senator from Tennessee has been saying is that the Soviet Union, international communism, is making progress not only by providing a larger, bigger air force, which has been referred to on this floor, and not only by putting us on the defensive in the Far East, but is making progress in a field in which we should be experts.

How many new trade agreements has this country made in the past year?

Mr. GORE. I know of none.

Mr. HUMPHREY. Does the Senator wish to know why? It is because when we passed the Reciprocal Trade Agreement Extension Act a year ago, in order to get it through the Congress, the Secretary of State said in testimony that if we would only pass it, nothing would be done under it. In other words, we were going to put up the sign, but no business would be done inside. The lights would be turned on, but there would be nothing on the shelves.

It is about time we started to coordinate our foreign policy in terms of its political implications, its military and security aspects, its economic relationships, and its information relationships.

We have an information program which has been practically half-wrecked

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by untimely and unwise investigations which have demoralized it. We have a New Look program and a "smaller bang for the buck," and I think it is fair to ask anyone what is our foreign policy. I should like to ask any living American—in fact, I should like to call upon some of the great dead—what is the American foreign policy in the Far East? There is certainly no one in the Congress who knows what it is, because we have not been informed.

Mr. MORSE. Mr. President, will the Senator from Tennessee yield for one question?

Mr. GORE. I yield.

Mr. MORSE. If I am not mistaken, the junior Senator from Minnesota is a member of the Committee on Foreign Relations. Does he mean to say that he is asking what the foreign policy program is?

Mr. HUMPHREY. I mean to say that that is exactly what I am doing. I may not be the best informed member of the committee. I will plead to that weakness. But men of great repute and fame have frankly said that we do not have a foreign policy in the Far East. If we do have one, it is one of the closest guarded secrets of this administration or of any other. It is marked, "Top Secret. Classified Information."

I conclude by saying to the distinguished Senator from Tennessee that it is impossible to have a foreign policy unless there is included within it the economic aspects. The Senator is eminently correct in saying that such a foreign policy can be formulated with much less pain and much less cost than in the manner we are pursuing.

Mr. MORSE. Mr. President, will the Senator from Tennessee yield once more?

Mr. GORE. In a moment.

I thank the Senator from Minnesota for his contribution. There have been instances during this year and last year when I did not find it possible to support the administration; but there have been many other instances in which I have found it possible to support the administration. I come now to an area in which I can give wholehearted support to the recommendations of the President.

I yield to the Senator from Oregon.

Mr. MORSE. With the same understanding, that I may ask the distinguished junior Senator from Minnesota a question.

Mr. GORE. I hope the Senator from Oregon will make his remarks brief, because it is necessary for me to leave the Chamber shortly.

Mr. MORSE. I think it is the same plane which I shall have to catch.

I am disturbed about what the Senator from Minnesota has said. I ask him this question: As a member of the Committee on Foreign Relations of the United States Senate, did he read in yesterday's Washington Post and Times-Herald the alleged account, in chronological order, of conferences at a high level between the administration and foreign diplomats? If he did, was he, as a member of the Committee on Foreign Relations, aware of any of those steps at the time they were alleged to have been taken?

Mr. HUMPHREY. I am familiar with the article to which the Senator from Oregon refers. I hesitate to confess that I was not aware of the conferences, but that does not mean that there may not have been some persons who were aware of them. However, I was not aware of them.

I only say—and I say it not in a spirit of acrimony but in a spirit of deep concern for our country—that there is not a clear-cut, well-defined policy on the part of this Government in the Far East, in the southeast Asiatic areas, and even in areas of Africa. In fact, I think what our policy may be or is in South America is somewhat dubious. I know what it is in Western Europe: a policy of collective security in an area which needs to be firmed up.

Mr. GORE. I appreciate the contributions of the distinguished Senator from Minnesota and the distinguished Senator from Oregon on foreign policy. The burden of my thought is on economic foreign policy. I know there are various areas of agreement and disagreement, but I believe that I am coming to one area in which there is agreement, particularly on this side of the aisle.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. MONRONEY. I wish to associate myself with the splendid remarks and timely warning which the distinguished junior Senator from Tennessee is giving to the country. After the United States has spent untold billions of dollars to help to restore the production facilities and to build up the production of Western Europe by some 80 or 90 percent, I believe we shall find our great help in reconstructing their facilities working to our disadvantage, because we have left the European countries in a position of being all dressed up with no place to go.

We have shown them, through their delegations which have come to America, how to package goods for the American market. We have advised them how to market their goods, and we have advised them on selling arrangements. Then we find that, instead of having a trade policy which will enable them to hope to obtain enough dollars to pay for the materials which they buy from us, we are lifting our tariff walls to a high point.

Mr. GORE. I thank the Senator from Oklahoma. I agree with him that we can easily admit to our market larger quantities of certain products.

Mr. MONRONEY. Two cents out of every dollar of American trade would balance the books of the free world and would give the countries of the free world hope for full production under a free enterprise capitalistic system. That would not only strengthen those countries, but it would also strengthen America. It would frustrate an attack by an E-bomb, which could be more deadly than an H-bomb or an A-bomb. The economic bomb, which the distinguished junior Senator from Minnesota spoke of, will have, I fear, greater repercussions on the freedom of the world if Russia recognizes that in order to have free world trade, it is necessary for the free countries to find markets for their goods. Yet the United States sits back, unprepared, and even unwilling to follow through on even the modest program which the President announced and sent to Congress. Such a course could enable Soviet Russia to take over the trade of the free world without firing a single shot.

Mr. GORE. I thank the distinguished Senator from Oklahoma for his enlightening comments. I am certain he is aware of the fact that of 89 commodities, our imports of which are less than 10 percent of our domestic production, our exports of many are greater than our imports. I think those industries can hardly claim to be sick because of competition. Fortunately, President Eisenhower recommended a course of action on March 30, when he asked for a 3-year extension of the Reciprocal Trade Agreements Act, along with some cautious amendments which he hoped would expand our international trade. He made this request after a thorough study of the situation by the Randall Commission.

I was not sympathetic with the agreement reached and the understanding stated by Secretary Dulles a year ago, to the effect that if an extension were granted, the power would not be used. I recognized, and I think it was fair to have recognized, that the administration was newly in power, and that it deserved some time for study. Therefore, I voted for the 1-year extension of the Reciprocal Trade Agreements Act, in the knowledge that, by so doing, the name and spirit of the act would be preserved, even though it was understood that the power would not be used.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. JOHNSON of Texas. Is not the Senator from Tennessee sounding a warning that the Nation is in grave danger of permitting a few, but highly vocal, private industries to determine the Nation's trade policy?

Mr. GORE. I am, indeed. I am indebted to the Senator from Texas, who has pointed up the situation with language more persuasive than that which I have employed.

Mr. JOHNSON of Texas. Is not this a case of the economic tail wagging the economic dog?

Mr. GORE. Again, the distinguished senior Senator from Texas has expressed himself in an inimitable way. Not only am I sounding that warning, but I also wish to point out with what success those to whom he referred already have met.

Even though the Randall Commission made its report—and I think the administration, as I have said, was entitled to have a tariff study made—and even though the President had made his recommendation to Congress, the high-protection group has won its first engagement without so much as a skirmish.

Mr. JOHNSON of Texas. Mr. President, will the Senator further yield?

Mr. GORE. I yield.

Mr. JOHNSON of Texas. What the Senator is saying, in effect, is that unless Congress takes action, we shall be letting the fears of the few determine the destiny of the many. Is that not correct?

Mr. GORE. Indeed, that is so. The high protectionist group, as I have said, won the first engagement without a skirmish. I am sorry that the President so easily gave in. I should have much preferred that he had restated his position of March 30 and had stuck by his guns. He would have had my support. He still will have my support for his trade recommendations. They do not go so far as I think they should have gone, but they are a step in the right direction.

I say that our foreign trade policy is too important to be sacrificed without a struggle. The high protectionist group is now attempting to drive a harder bargain. It is seeking to get another agreement which will allow a 1-year extension of the act, provided the administration agrees that it will not enter into any new trade treaties. I shall not sit still or stand still and permit that to happen, insofar as I can help to prevent it. I think our foreign-trade policy is too important for that kind of shabby treatment.

Mr. JOHNSON of Texas. I wish to commend the Senator upon the statement he is making today. I am not aware of any inquiries having been made, and perhaps it is of no interest to the administration. But I am certain that the Senator from Tennessee speaks for a great number of other Senators on this side of the aisle when he assures the President that if he desires to carry through a realistic foreign-trade program, as he has suggested in earlier messages, we stand ready to support him.

Mr. GORE. I thank the distinguished minority leader for that statement. I believe the Senator is correct. I believe that the Democrats can muster substantial unanimity in support of the President's foreign trade policy, and I am now preparing a bill, to submit as an amendment to the next bill reported by the Senate Committee on Finance, to put into effect the President's foreign trade recommendations, provided the majority leader cannot give us specific assurance that the Senate will be privileged to vote upon this important matter. Of course, before my amendment is offered, I shall want to discuss with the minority leader and other Members on the minority side the advisability of offering such an amendment. I appreciate the encouragement of the distinguished minority leader. I may say also that a number of other Senators have already expressed to me words of encouragement, and assured me of their support.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. GORE. I yield to the Senator from Oklahoma.

Mr. MONRONEY. Is it not a fact that this Nation now faces perhaps the greatest trade offensive the Communists have ever undertaken? In other words, until recently, the Russians have been the economic isolationists of the world, but today the Russians are on the economic offensive to open the vast markets of the Soviet-dominated areas of the world, or are at least promising to open them, as a propaganda weapon. Is that not a fact?

Mr. GORE. The Russians are not only promising such trade markets, but they are actually making fabulous offers of trade, and such offers are already being taken advantage of.

Mr. MONRONEY. And to meet that trade competition, which is entirely new from the Communist side, and which we have not had to face in the past, we are asked not only to retreat from the program of a 3-year extension of the reciprocal trade agreements act with a 5-percent reduction in our tariffs under such trade agreements, but we are offered an extension of only 1 year, without any reduction in our tariffs. Everyone knows that practically all the negotiable reductions have previously been made. Can a nation so great as ours, with a market which is desired beyond all other markets in the world, hope to win a trade war on a year's basis? Foreign trade offensives are not won in a brief interval by saying, "We cannot promise you anything for the future, and you can be sure you can have only for another year what you have had for years." Secondly, nations must make plans for production far ahead of time, because production is not achieved overnight, and, therefore, they will have to look in another direction than in the direction of this country for friendly alliances with regard to future trade.

Mr. STENNIS. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. Before I yield to the distinguished Senator from Mississippi, I should like to answer my able friend from Oklahoma by quoting what the President said in his message to Congress on March 30. At that time he was recommending what he described as the "minimum" which he considered to be "essential." Let me read only a paragraph from the message of the President:

> Unless we are prepared to adopt the policies I have recommended to expand export and import trade and increase the flow of our capital into foreign investments, our friends abroad may be discouraged in their effort to reestablish a free market for their currencies. If we fail in our trade policy, we may fail in all. Our domestic employment, our standard of living, our security, and the solidarity of the free world—all are involved.

Is that not an answer to the sentiment expressed by the Senator from Oklahoma?

Mr. MONRONEY. It is.

Mr. GORE. And I agree with that sentiment. Unless the Senate is afforded by the majority, the opportunity of voting on such a measure, I shall undertake to afford such an opportunity to the Senate.

I now yield to the Senator from Mississippi.

Mr. STENNIS. On my part, I certainly wish to thank the Senator from Tennessee for bringing this important subject matter so forcefully to the attention of the Senate and the country. I am furthermore pleased with the announcement of the Senator from Tennessee that he has prepared an amendment so that the matter can be brought before the Senate, if it is not otherwise presented, although it is hoped the majority leader will offer such an opportunity, because this is really not a party matter.

The thoughts I am about to express are from the standpoint of one who is a member of the Committee on Armed Services. That committee deals daily with military problems. It is now having a hearing on a billion-dollar construction program. The Committee on Appropriations will request billions of dollars for military purposes. This country is tied up in military alliances with other countries all over the world. More forcefully every day I realize that these military alliances cannot possibly be effective or enduring, and do not have a chance to serve their purposes, unless they are supported by economic alliances, whether formal or not, which will cause trade to ebb and flow between the nations of the free world.

The Senator from Tennessee has spoken about a battle for survival. I think the battle is in progress right now. The basic battle for survival of the free world will not be fought with shooting irons, but with the very economic weapons the Senator from Tennessee is so ably discussing. Like it or not, so far as our Nation is concerned, we are going to have to yield to the necessity of having more foreign trade; otherwise, we will literally drive into the arms of our potential enemies nations with which we are allied militarily in order that they may survive in the trade world. That is the weak spot and the sore spot of our program, as I see it.

Mr. GORE. Does the Senator think we should lose, by default, to economic aggression the goal which we are spending billions of dollars to defend militarily?

Mr. STENNIS. No; and the point is that we are losing in the economic battle. We are losing because of our failure to take the initiative and affirmative action. It is a negative attitude which we have displayed in not getting busy and opening more widely the channels of trade between the free nations. The policy of doing nothing about it is carrying us downward at a rapid rate.

I wish to commend the Senator from Tennessee. I think the subject matter is in good hands. I hope he presses his amendment.

Mr. GORE. I thank the distinguished Senator for his fine remarks, and I appreciate his compliment, although I do not feel deserving of it.

Mr. LONG. Mr. President, will the Senator yield?

Mr. GORE. I yield to the Senator from Louisiana.

Mr. LONG. The point that is distressing to the junior Senator from Louisiana, who is a member of the Committee on Finance, the committee charged with considering any changes in the Reciprocal Trade Agreements Act, is the fact that there is no administration-supported bill on the subject before the committee. Can the Senator from Tennessee tell me whether there is such a bill before the appropriate committee of the House of Representatives?

Mr. GORE. I believe a bill on the subject has been introduced by Representative KEAN, of New Jersey, and is being considered by the appropriate committee of the House. I am not able

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to tell the Senator about the status of the bill, but I think that, pretty generally, the bill introduced by Representative KEAN follows the recommendations of the President. However, the House committee has not asked for hearings on the bill, and, as the distinguished junior Senator from Louisiana has said, no bill has even been introduced in the Senate, and we find ourselves now in the month of June.

Mr. LONG. As a member of the Finance Committee, I have received a large amount of mail from various protectionist groups who generally do not subscribe to the theory of expanded foreign trade, and there is already evidence of opposition to any recommendation the President would care to make for expanded foreign trade.

Inasmuch as the House has not even begun to hold hearings or to hear witnesses on the subject, it does not seem that much time remains for Congress to study this matter. I believe that the operation of the time element almost forecloses the committees from properly considering the subject during the remainder of the present session.

I had hoped that a bill on the subject would be before the Senate Finance Committee and that the committee would have a chance to study it. If we are to have any opportunity to change the present law or to do anything other than merely extend it, probably it will be necessary to proceed by way of submitting an amendment to one of the bills that reaches the floor of the Senate because I see no prospect of having the Senate pass, during the remaining days of this session, a bill to expand or improve our foreign trade, if the normal processes of legislation are followed.

Mr. GORE. Mr. President, like the able junior Senator from Louisiana, I had hoped the majority leadership would find a way to make it possible for the Senate to vote at this session on the President's foreign-trade recommendations. I have followed, as has he, the practice of supporting the President's recommendations whenever I have believed his program to be good. I believe his recommendations on foreign trade to be in the right direction and I should like to support them by my vote. As I have indicated, I believe it will be possible for us to do so in connection with the vote on a bill reported by the committee on which the distinguished junior Senator from Louisiana serves.

I am presently preparing a bill embodying President Eisenhower's foreign-trade recommendations, and in the event the majority party leadership is unable to give assurances that it will provide the Senate with an opportunity to vote on them, I shall further discuss with my colleagues on the minority side of the aisle the wisdom of offering this bill as an amendment to the next bill reported out of the Senate Finance Committee. Several of my colleagues have already offered their encouragement and support. I am hopeful that there will be substantial Democratic unanimity in this move.

I do not believe we can afford now to lose by default to Communist trade aggression that which we have spent billions to defend militarily, for, in the words of the President, "If we fail in our trade policy, we may fail in all."

Mr. MANSFIELD. Mr. President, will the Senator from Tennessee yield to me?

The PRESIDING OFFICER (Mr. UPTON in the chair). Does the Senator from Tennessee yield to the Senator from Montana?

Mr. GORE. I yield.

Mr. MANSFIELD. I recall hearing the Senator from Tennessee refer, in the course of his fine and, I may say, overdue speech, to the fabulous values the Russians are offering European and other countries to engage in trade with them.

Speaking of fabulous values, let me inquire whether the Senator from Tennessee recalls that, in days gone by, the Russians used to do the same thing for the same objective, by means of what used to be called "dumping" in the various markets of the world—in short, selling commodities for little or nothing, merely for the purpose of acquiring a toe-hold.

Mr. GORE. I recall very well what the Senator from Montana has referred to, and it is a matter of great importance.

Mr. MANSFIELD. Does the Senator from Tennessee agree that today one of the reasons for the solidity of most, or at least a considerable part, of the currencies of the European countries is that the Soviet Union has dumped many tons of gold into them, in return for products the Russians desire?

Mr. GORE. I believe the record indisputably shows that to be true.

Mr. MANSFIELD. Is not that an indication of the importance of the point that has been brought out by the distinguished Senator from Tennessee and the distinguished Senator from Minnesota, as to how serious the economic offensive on the part of the Soviet Union is? If that is so, certainly we had better wake up and devise ways and means to meet it.

Mr. GORE. Not only is it an indication, but I should like to point out the result. Let me read to the Senator from Montana a list of the nations with whom the Soviet Union already has concluded trade agreements: Argentina, Canada, Denmark, Egypt, Finland, France, the United Kingdom, Greece, Iceland, India, Iran, Italy, Norway, Sweden, and Western Germany; and a few moments ago I also cited a long list of nations with whom Red China already had concluded trade agreements.

Mr. FULBRIGHT. Mr. President, will the Senator from Tennessee yield to me?

Mr. GORE. I yield.

Mr. FULBRIGHT. I wish to compliment the Senator from Tennessee for once again bringing this matter to the attention of the Senate. As the successor to Cordell Hull, it is very appropriate that he should do so.

Mr. GORE. I thank the Senator from Arkansas.

Mr. FULBRIGHT. I wish to ask a few questions in connection with this matter.

In what manner does the Senator from Tennessee think we shall have an opportunity actually to vote on the question he has raised?

Mr. GORE. Before the Senator from Arkansas entered the Chamber, I had indulged in the expression of a hope that the majority party leadership will make it possible for the Senate to vote on this question. But I had also suggested that I was in the process of preparing a bill embodying the President's recommendations on trade; and if it is agreeable to my colleagues of the minority, I propose to offer that bill as an amendment to the next bill reported to the Senate by the Finance Committee.

Mr. FULBRIGHT. That is what I am interested in, because such a measure will have to be submitted as an amendment to a bill that is before the Senate, will it not?

Mr. GORE. Yes, unless some arrangements about which I am not yet advised are made.

Mr. FULBRIGHT. I understand that the chairman of the committee is not kindly disposed toward the Randall Commission report or the President's program with regard to foreign trade. Is that not correct?

Mr. GORE. I have read notices and articles to that effect. But, fortunately, there are 96 Members of the United States Senate; and this question is one of importance not only to every State represented by those 96, but also to the entire free world. I do not think we can dismiss it or let it lie untouched or unacted upon because of the opposition of one or a few Senators or small groups of our society.

Mr. FULBRIGHT. I agree with the Senator from Tennessee. I merely wished to make it plain where the responsibility for the failure to report such a bill lies, and to point out that the only approach the Senator from Tennessee has is by way of offering such an amendment to a bill reported by the committee, because the other 95 Senators cannot report a bill from the Finance Committee, can they?

Mr. GORE. That is true.

Mr. FULBRIGHT. In the committee we spent all morning listening to testimony on the foreign-aid bill. In the opinion of the Senator from Tennessee, what is the relationship between the foreign-aid bill and the measure he is discussing?

Mr. GORE. I have already discussed that subject. To state it briefly again, unless we are willing to trade with our allies or unless we are willing to extend aid to them, at least some of them face the stark necessity of choosing between trade with someone else or starvation. I think that, of necessity, we must open to them the opportunity for trade with the United States and we must facilitate trade among the other free nations, or else they will fall victim to the economic offensive and the trade aggression of the Communist world.

Mr. FULBRIGHT. I agree with the Senator from Tennessee about that.

I should like to have the Senator from Tennessee emphasize again—I know he has already alluded to this point—that although we assume that none of us want the free world to be driven behind the Iron Curtain, yet the question is, What is the alternative? The only alter-

native I can see is the lowering of trade barriers by the United States. Is not that true?

Mr. GORE. Plus facilitating trade among the other free nations of the world. More trade by our allies with us means more trade among them.

Mr. FULBRIGHT. I agree.

Mr. GORE. Of course, trade with the United States of America is first and most important, so far as that is concerned.

Mr. FULBRIGHT. Yes; and a lack of trade with us is the first cause of imbalance in their economic programs. In other words, one of the main causes of difficulty for the economic programs of the other free countries is the deficit or gap between the United States dollar or the Canadian dollar and the currencies of the other free nations.

Mr. GORE. That is correct.

Mr. FULBRIGHT. And the only alternative we have to extending aid to them is to trade with them, unless we wish them to go behind the Iron Curtain. Is not that correct?

Mr. GORE. It certainly is correct. I think we have three choices: To continue aid, to trade, or to lose customers to the Russians. If we lose our customers and allies to the economic offensive of the Communist world, we also give the Communist world a readymade means of penetration and political influence.

Mr. FULBRIGHT. Is it not true that at this late date, even aid is not so acceptable as it was 5 years ago? In other words, when the countries of Western Europe were coming out of the war, and at the time when they were virtually down on their backs, there was some excuse for the acceptance by them of direct aid from the United States. But now those countries are doing fairly well; and, in a sense, it is demoralizing to them to continue to accept gifts, inasmuch as they are quite able to trade with us and to produce the things we need, and could use, and would have, if we would only remove the barriers to trade. Is not that so?

Mr. GORE. I agree with the Senator. I do not desire aid to be continued. I do not believe our taxpayers desire aid to be continued. I remember that a year ago the distinguished, able, and illustrious senior Senator from Georgia [Mr. GEORGE] expressed that opinion on the floor of the Senate and indicated that the bill then pending was the last economic aid bill for which he expected to vote.

Mr. FULBRIGHT. I was coming to that point. Director Stassen was the first witness to appear before our committee. I have always supported foreign aid bills, as practically every other Senator on this side of the aisle has done, and as the majority of the Senate have done for many years. However, I now have the feeling that to continue supporting that program is to delay the day when we must face up to the foreign-trade problem, the question of simplifying our import regulations and lowering our tariffs. I am beginning to find myself thinking along the line that if I continue to support foreign aid I shall be only affording an easy way out, an easy way for this country to avoid making a decision with regard to trade. It will be a great deal more difficult to enact a foreign-aid program this year for that reason, among others.

Mr. GORE. Would the Senator think it would be a sound analogy to say that it is tantamount to continuing the administration of a sedative when the time for permanent cure has been reached?

Mr. FULBRIGHT. I consider that to be a very good analogy. The longer we continue to extend aid, the longer we keep the patient alive without resorting to the real cure, which is a greater flow of trade among the free countries. I think the Senator's analogy is very good. I shall be glad to support his bill or amendment. I think it will have to be an amendment, because I do not think a bill could be reported in time for action in this Congress. I should be glad to introduce such a bill, or to support such a bill if it should ever come to a vote.

Mr. GORE. I think I shall afford the Senator an opportunity to cosponsor my amendment.

Mr. FULBRIGHT. I shall be glad to do so.

Mr. GORE. I appreciate the contribution of my able and distinguished friend and neighbor from Arkansas.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. GORE. I yield to my friend and colleague from Washington.

Mr. MAGNUSON. The Senator has quoted the President of the United States, in a statement on March 30. He said:

> Our domestic employment, our standard of living, our security, and the solidarity of the free world—all are involved.

I wonder if the Senator agrees with me that the failure to act on the very important question to which the Senator has referred might add to unemployment in our country. Unemployment is rising. It is now above 3 million, and probably actually 5 million.

Mr. GORE. I think it has already added to it, and that failure to act will add further to it.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. GORE. I yield to my distinguished friend from Alabama.

Mr. SPARKMAN. It is true that earlier this year—and perhaps in statements even as far back as last year—the President recommended a rather vigorous foreign trade policy, and I think held out hopes to our people, and to peoples in other areas of the world, that we might sponsor a trade program which would bring about many of the desired results. The President is not urging that sort of program at the present time, is he?

Mr. GORE. I believe his recommendation to the Congress on March 30 contained that sort of program. At least it recommended steps in that direction, but on May 20, according to the press, the President agreed to a 1-year extension of the Reciprocal Trade Agreements Act.

Mr. SPARKMAN. A simple extension of the Reciprocal Trade Agreements Act.

Mr. GORE. Yes, according to the press. I now understand that a harder bargain, a tougher deal, is being driven by the high protectionist group; namely, an agreement to give a simple 1-year extension, provided the President and the Secretary of State agree that they will not use the power thus delegated.

Mr. SPARKMAN. I think perhaps the Senator has answered fairly well the next question I was about to ask, and that is whether or not, under the proposal which is now before us, according to press reports, to which the majority in Congress and the President apparently have agreed, there is any hope of accomplishing the things which we thought were to be accomplished under the fine, new, bold program which the President had earlier proposed.

Mr. FULBRIGHT. The dynamic program?

Mr. SPARKMAN. New and dynamic.

Mr. GORE. I would not wish to rule out the hope of action, because judging from expressions of encouragement and support on the floor of the Senate today, and other such expressions which I have heard, I think the prospects of adoption of an amendment to the tax bill are very good.

Mr. SPARKMAN. Let me say to the able Senator from Tennessee that I agree with him. I certainly commend him for making this proposal. I wish to say to him now that when his bill is ready I shall be very happy to have him add my name as one of the sponsors, because I believe he is offering a proposal which means much, not only to this country, but to the entire free world.

The point I am trying to make is this: Under the proposal of the administration, as it now stands, there would be a simple 1-year extension of the Reciprocal Trade Agreements Act. Under such an extension, could we hope for these changes to take place?

Mr. GORE. I do not think so. It seems to me our allies would have no choice but to act hesitantly; and when they act hesitantly, with the bait of Communist trade dangled before them, they will retrench in their trade with us, and be very much tempted to accept, as many of them are already accepting, the bait held before them.

Mr. SPARKMAN. Is it not true that the power, the strength, and the capability of the Reciprocal Trade Agreements Act have been pretty well used up already?

Mr. GORE. I believe that is true. I should like to see a 3-year extension of the Reciprocal Trade Agreements Act, as requested by the President, but I do not believe that, in itself, would be sufficient. We must go further, in order to meet the tremendous economic offensive which is now being waged by the nations behind the Iron Curtain.

Mr. SPARKMAN. Something was said here a few minutes ago about the trade relations between the Iron Curtain countries and some of the free countries. It is my understanding that Russia, working through her satellites, has been building up a considerable trade activity with a great many of the free countries by contracts for work to be done. I do not know whether this is true or not, but I understand that she has had a great deal of shipbuilding done in Italy, in payment for which she has shipped coal

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to Italy. Coal is something which Italy must have. Her people can work for it, whereas they do not have the dollars with which to buy it from the United States, even though they could get it more cheaply from the United States.

That example could be multiplied dozens of times, with respect to various commodities which we could easily supply if we had a proper trade program which would remove many of the barriers which now exist.

Mr. GORE. For what purpose does the distinguished Senator from Alabama think Russia might plan to use the large number of ships she is now trying to purchase?

Mr. SPARKMAN. I think the question answers itself. I believe we know. We certainly know that she is busy getting those ships. She is building up a tremendous merchant marine, and she is doing it by having people in many of the free countries build the ships in return for commodities which they must have.

Mr. GORE. And while Russia is succeeding in gaining our customers, what are we doing to meet the threat?

Mr. SPARKMAN. We are doing nothing. It is proposed that there be a continuance of the Reciprocal Trade Agreements Act for 1 year—probably loaded down with restrictions which would prevent its being used even to the limited degree it might otherwise be used.

I am talking only about things I have heard. I do not know these to be facts, but my understanding is, going back to the example of Italy building ships in return for coal, and the price for that coal is the equivalent of about $28 a ton, whereas she could buy it from us for $18 or $20 a ton if she had the dollars with which to pay it. It is much easier for her to work it out and pay a premium of $8 or $10 a ton for it. It is simply impossible for her to obtain the dollars, of course.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. MAGNUSON. Getting back to my theme, I wish to say that almost 170,000 people are on the relief rolls of West Virginia because of the coal situation.

Mr. SPARKMAN. In my State there are depressed areas because of the coal situation, and into some of those areas the Government is sending surplus food products because the coal miners there are out of work.

Mr. FULBRIGHT. Mr. President, will the Senator from Tennessee yield further?

Mr. GORE. I yield.

Mr. FULBRIGHT. The Senator from Alabama must realize that one reason Italy has no dollars is that we made it impossible for Italy to send us her cheese, when we passed section 104 of the Production Act about 2 years ago.

Mr. SPARKMAN. Denmark can be cited as an example of that situation. Denmark, too, must have coal and wheat. She cannot get them from us.

Mr. FULBRIGHT. Not only have we not loosened up and liberalized the terms of the Reciprocal Trade Agreements Act, but by specific action, such as the embargo on cheese in the case of Italy, we have made it even harder for other countries to trade with us than was the case under the original Reciprocal Trade Agreements Act.

Mr. GORE. Mr. President, I appreciate the contributions of my colleagues and neighbors, the junior Senators from Arkansas and Alabama, and other Senators. I shall close by again quoting one sentence from the President's special foreign-trade message:

If we fail in our trade policy, we may fail in all.

ORDER OF BUSINESS

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. UPTON in the chair). The Senator from California will state it.

Mr. KNOWLAND. What is the pending business before the Senate?

The PRESIDING OFFICER. House bill 9004, to authorize the appointment as United States Commissioner, International Boundary and Water Commission, United States and Mexico, of Col. Leland Hazelton Hewitt, United States Army, retired, and for other purposes, is the unfinished business before the Senate.

EMPLOYMENT BY UNITED STATES COMMISSIONER FOR THE DISTRICT OF COLUMBIA OF SECRETARIAL AND CLERICAL ASSISTANTS

Mr. BARRETT. Mr. President, I ask unanimous consent that the Senate reconsider the votes by which the bill (S. 2204) to provide that United States Commissioners who are required to devote full time to the duties of the office may be allowed necessary office expenses, was ordered to be engrossed for a third reading, read the third time, and passed be reconsidered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

Mr. JOHNSON of Texas. It is my understanding that the Senator will offer an amendment.

Mr. BARRETT. The Senator from Texas is correct. The amendment has been agreed upon between the Committee on the District of Columbia and the Committee on the Judiciary. That is what I have been informed by the clerk of the Committee on the District of Columbia.

Mr. JOHNSON of Texas. I thank the Senator. I have no objection.

The PRESIDING OFFICER. Without objection, the votes are reconsidered.

The bill is before the Senate and open to amendment.

Mr. BARRETT. Mr. President, I offer an amendment.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to add a new section, as follows:

SEC. 2. The amendment made by the first section of this act shall not apply to any United States Commissioner for the District of Columbia, and this act shall not be deemed to modify, supersede, or repeal the provisions of section 403 of the District of Columbia Law Enforcement Act of 1953.

Mr. BARRETT. Mr. President, the purpose of this amendment is to prevent any confusion as to the intent of Congress with regard to the office expenses of the United States Commissioner for the District of Columbia.

Last year the Congress passed the District of Columbia Law Enforcement Act of 1953, section 403 of which provides as follows:

Each United States Commissioner for the District may employ secretarial and clerical assistants in such number and incur such other expenses as the District court considers necessary.

The bill before us, S. 2204, seeks to make similar provision for all United States Commissioners, but does it in a somewhat different manner. It provides that necessary office expenses shall be allowed United States Commissioners who are required to devote full time to the duties of the office. The expenses would be allowed by the Director of the Administrative Office of the United States courts.

The District Committees of the Senate and the House, meeting jointly, gave this matter very thorough consideration last year. We were advised of the recommendation of the Judicial Conference on the matter—a recommendation which led to the introduction and reporting of S. 2204 by the Judiciary Committee. Our committee took a somewhat different approach to the problem for the District—different from that recommended by the Judicial Conference—because of the special nature of the courts and of the United States Commissioner's office in the District.

As Senators are aware, the Federal courts in the District of Columbia perform not only the usual functions of United States district courts but also handle cases that in the States would come before State courts. By the same token, the United States Commissioner for the District has the same broader duties—broader than those of the United States commissioners in other districts.

He also has some special duties and functions. For example, the United States Commissioner here is secretary of the law-enforcement council of the District and is responsible for preparing the minutes of their meetings and handling the office work of that council.

Pursuant to the law passed last year for the District, the district court here has allowed the United States Commissioner for the District of Columbia two assistants—a GS–9 and GS–6. If the provisions of S. 2204 were applied to the local situation, the Commissioner would be limited to one assistant. It would also make it impossible for the Commissioner here to practice any law, and although the present Commissioner does devote by far the largest part of his time to the duties of that office, he does maintain a small private practice, although he does not go into court. This is considered desirable because a United States Commissioner has no retirement benefits and must be in a position to return to

private practice if his public service is at any time terminated.

Finally, if the provisions of S. 2204 were applied locally, the allowance of these office expenses would be transferred from the local district court—which knows these problems firsthand—to a Federal official who probably would be inclined to apply a national, uniform policy to the District situation that might not meet the peculiar needs of this jurisdiction.

For these reasons, Mr. President, I ask that S. 2204 be amended by adding a new section to make clear that the provisions of this act shall not apply to a United States Commissioner for the District of Columbia and shall not be deemed to modify, supersede, or repeal the provisions of section 403 of the District of Columbia Law Enforcement Act of 1953.

I am advised that the amendment is acceptable to the senior Senator from North Dakota and the senior Senator from Nevada, and I ask that it be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. BARRETT].

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, for the information of the Senate I desire to make a statement. During the next several days, after the Senate has completed consideration of the unfinished business, H. R. 9004, to authorize the appointment as United States Commissioner, International Boundary and Water Commission, of Col. Leland Hazelton Hewitt, and of the bill which the Senate will consider immediately after the unfinished business has been disposed of, Calendar No. 139, S. 978, to amend the Interstate Commerce Act, in order to expedite and facilitate the termination of railroad reorganization proceedings under section 77 of the Bankruptcy Act and to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes, a series of bills will be considered. I have given notice of such consideration to the minority leader. The bills will not necessarily be taken up in the order in which I shall state them, but I hope we may be able to dispose of all of them during the next several days.

The bills are:

Calendar No. 1514, S. 3487, to authorize the Central Bank for Cooperatives and the regional banks for cooperatives to issue consolidated debentures, and for other purposes.

Calendar No. 1515, S. 3480, to amend section 24 of the Federal Reserve Act, as amended.

Calendar No. 1516, S. 3481, to amend sections 23A and 24A of the Federal Reserve Act, as amended.

Calendar No. 1493, H. R. 2848, to amend section 89 of the Hawaiian Organic Act, as amended.

Calendar No. 1447, S. 2373, to limit in certain cases the power of a single justice or judge of the United States to grant a stay of execution or sentence in connection with a habeas corpus proceeding or other proceeding collaterally attacking the conviction of any person.

Calendar No. 1510, H. R. 6435, to amend the Commodity Exchange Act.

Calendar No. 1512, H. R. 3097, to authorize the transfer to the regents of the University of California, for agricultural purposes, of certain real property in Napa County, Calif.

Calendar No. 1193, H. R. 5416, to authorize the advancement of certain lieutenants on the retired list of the Navy.

Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER (Mrs. BOWRING in the chair). Without objection, it is so ordered.

APPOINTMENT OF COL. LELAND HAZELTON HEWITT TO INTERNATIONAL BOUNDARY AND WATER COMMISSION OF THE UNITED STATES AND MEXICO

The Senate resumed the consideration of the bill (H. R. 9004) to authorize the appointment as United States Commissioner, International Boundary and Water Commission, United States and Mexico, of Col. Leland Hazelton Hewitt, United States Army, retired, and for other purposes.

Mr. KNOWLAND. Mr. President, in the absence of the chairman of the Foreign Relations Committee [Mr. WILEY], I am handling the bill which was reported by the Committee on Foreign Relations. The bill authorizes the appointment of Col. Leland Hazelton Hewitt, United States Army, retired, as a Commissioner on the International Boundary and Water Commission, United States and Mexico. Special authorization is required because of the provisions of the act of July 31, 1844, which bars retired officers of the armed services with retirement pay of more than $2,500 to other public offices to which compensation is attached. The pending bill would except Colonel Hewitt from the provisions of the act of July 31, 1844, with compensation in lieu of his retirement pay, and without prejudice to his rights as a retired officer.

According to the Defense Department, this will cause no increase in the budgetary requirements for the Defense Department.

The bill was proposed in a letter, dated April 13, 1954, addressed by the Secretary of the Army, to the President of the Senate, and the bill was referred to the committee on April 14, 1954. The committee, on May 12, ordered the bill reported favorably to the Senate, without objection.

There is a similar Senate bill, but we are taking up the companion House bill, which is H. R. 9004, which went through the House Armed Services Committee and was approved by the House.

As to the biographical background of Colonel Hewitt, he was born in Northwood, Iowa, October 11, 1894. He attended Iowa State College from 1912 to 1915, at which time he left to enter the United States Military Academy. He graduated from the Military Academy with a bachelor of science degree in 1918; he also graduated from the Massachusetts Institute of Technology with a bachelor of science degree in civil engineering in 1921. He graduated from the Army Engineer School in 1928, and the Army Command and General Staff School in 1936. Among his important assignments were those of Assistant District Engineer, Washington, D. C., and District Engineer, Washington, D. C., from 1929 to 1934. He was the recorder of the Beach Erosion Board from 1929 to 1934. From 1939 to 1942 he was assistant and district engineer in Galveston, Tex.; from 1943 to 1946 he was air engineer, Fifth Air Force, and chief engineer, Far East Air Force. He was the district engineer, Seattle, Wash., from 1946 to 1949. During this period, he was the chairman of the Columbia River Engineering Committee of the International Joint Commission. He was also a member of the Kootinai River Board of Control and the Osoyoos River Board of Control. These boards were under the International Joint Commission and supervised the flow of water across the international boundary between the United States and Canada. He was the Army engineer for the United States Army in the Caribbean from 1949 to 1952 and had intimate contact with personnel of Latin American ancestry during this period. He was division engineer, New England division, Boston, Mass., from 1952 to 1954, at which time he was engaged in a large military construction program amounting to over $250 million. At this time he was also a member of the Engineering Board of the St. Johns River, also a member of the Engineering Board of the St. Croix River under the International Joint Commission. He was the president of the Beach Erosion Board from 1952 to 1954.

The Department of State is very anxious that this proposed legislation be passed. The work of the International Board is being delayed because of the vacancy now existing. I hope the Senate will give the bill its approval.

Mr. CHAVEZ. Mr. President, with reference to the statement by the Senator from California that the Board is unable to function because no appointment has been made, I would say that the last Boundary Commissioner retired on February 1, and the President of the United States could, the next day, have appointed another Boundary Commissioner so that the Boundary Commission could continue to function.

Mr. KNOWLAND. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. KNOWLAND. I think, unless I misstated myself, I said the work of the Boundary Commission is handicapped by not having a Commissioner appointed. I do not say that no work is going on, but

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I think the Commission should be a full Commission.

Mr. CHAVEZ. There is no question about that, and it could have been a full Commission the next day after the retirement of the last Commissioner, which was on the 1st of February. The only reason the vacancy was not filled was because of the need to have special legislation passed in order than an Army officer might be appointed.

A Boundary Commissioner could have been appointed as far back as the 2d of February when the former Commissioner retired. But, no, it was desired to take care of a particular person who had retired from the Army. There was little thought in this particular instance, Madam President, of the responsibility of the position. The State Department is supposed to want this man, but it appears peculiar that the recommendation or the letter submitting his name to the Congress of the United States was not written by the State Department, but by a person who does not want the legislative branch to interfere in any way, shape, or form with the executive department. Bear in mind that so far as this position is concerned, this officer can be appointed, and that is all right with us, but it takes more than a good engineer to perform the particular job of Boundary Commissioner on the Mexican border. There is more to it than protecting the pension of a retired Army officer. The man who is to be a Boundary Commissioner will deal not so much with engineering as with matters of policy relating to a friendly nation.

There is nothing in the RECORD, or even in what the Senator from California has read from the hearings, which would indicate that this particular person, whom I have met once—and I would say he is a good engineer—has either the capability or the state of mind to deal in a diplomatic way with a friendly nation. There is more to the situation than being able to dig a ditch or to award a million-dollar contract for flood protection.

Some very fine persons have been members of the Boundary Commission. The last one was Lawrence M. Lawson, a citizen of the State of the distinguished Senator from California. He was the Commissioner for many years. He was so good that his retirement period was extended in order that he might continue his excellent work.

This is a position which requires a knowledge of the border. It is necessary to have a knowledge of the psychology not only of the Mexican people but also of all Latin Americans. In this position it is necessary to have much patience. It is not necessary to send an army to the border, to throw its weight around, in order to have good relations between two friendly nations. This is a position which should be filled by a civilian. I do not care where he may come from, whether it be California, Arizona, New Mexico, or Texas, provided he understands the purpose of his position.

There are two objections to this nomination, and they are in no way whatsoever personal. I take it for granted that Colonel Hewitt is an engineer.

One of those who testified on his behalf, a general, was an engineer. It happened that the Senator from South Dakota [Mr. CASE], the Senator from Florida [Mr. HOLLAND], the Senator from Mississippi [Mr. STENNIS], and I were in Portland, Oreg., last fall. On one evening we addressed him as Colonel Itschner; the next morning we congratulated him on being a general. He testified on behalf of Colonel Hewitt, so I know Colonel Hewitt is a good man.

I know that for many years Army engineers have been assigned to the committees considering civil functions legislation, and they do excellent work. In my opinion, they are the best men for engineering assignments; they are professionally qualified. But simply because the gentleman in question happens to be a good Army engineer does not in any way, shape, or form, in my opinion, qualify him to hold a diplomatic post, which is what this position is, purely and simply. The engineering phase is possibly 10 percent of the entire work; and the Commission has an engineering staff for that purpose. The office is located at El Paso, Tex., which is practically adjoining my State. As a matter of fact, the power plant for El Paso is within the State of New Mexico.

Mr. President, let us not make a mistake. I know conditions along the border. Colonel Hewitt might be the best person in the world for the position, but we do not, up to this moment, know that to be so. All I ask is that the committee determine that in addition to being a first-class engineer, who was educated at West Point, and who has the ability to handle the engineering features of the work, he is also capable of filling a position which is sensitive in the extreme in its affect on all of Latin America.

If Senators do not think the United States needs friends in Latin America now, let them read some of the publications from that region. There happens to be trouble now in Guatemala. In my opinion, it is not exclusively a matter of communism. Sometimes it is a matter of starvation and exploitation, and actually of depriving people of their rights in their own countries.

There is also trouble in Honduras. Why? In my opinion, it is due to poverty and starvation.

There is trouble, likewise, in Chile. Possibly it is because the Anaconda Copper Co. does not want the American State Department and the Government of Chile to reach an agreement on certain matters.

Trouble appears to be brewing in many parts of Latin America. I do not want to see any trouble occur along the Mexican border.

Colonel Hewitt might be the best man in the world for the position, but is it necessary to have an Army man? I think it would be wrong to do so. In my opinion it is not proper to have an Army man in a position of this nature, no matter how good he may be. The feeling and the impression are given that the Army is trying to throw its weight around, not that the State Department is trying to get along with a friendly neighbor.

It is my purpose at the appropriate time to move that the bill be recommitted, so that inquiries may be made as to the state of mind of Colonel Hewitt with reference to dealings with a friendly nation, and whether, from that standpoint, not merely from the standpoint of ability as an engineer, he will be able to perform the duties of the office as they should be performed. I do not think that would be asking too much.

I believe the Senator from California [Mr. KNOWLAND] and the Senator from New Jersey [Mr. SMITH] will admit that there is nothing whatsoever in the record or the hearings to indicate that Colonel Hewitt, aside from being an engineer, could do a good job in a diplomatic post. That is what is involved. It is not a question of engineering; it is a question of getting along in a diplomatic way with a friendly nation.

If it is necessary to appoint an engineer, why not go to the border to select one? There is an engineer of just as high rank, who was born and reared in Las Cruces, N. Mex., 40 miles from the border. He is stationed at Dallas, Tex., and was next in line to Brigadier General Prentiss, who is now the Engineer Commissioner of the District of Columbia. He has known the border, the Mexican people, and the American businessmen along the border all his life, as did his father before him.

There is another officer, Colonel Cruce, who was retired about a year ago. He was so efficient that the Corps of Engineers placed him in charge of its Philadelphia office, which had jurisdiction along the Delaware River, Delaware Bay, and the area as far south as Hampton Roads. He knows the border.

But, Mr. President, I still think we should not have this type of person as a boundary commissioner. It irritates me to note that the Commission is not functioning because no one has been appointed to fill the vacancy. Even this person could have been appointed, if responsibility had been accepted where it belongs. But no; it was desired to wait until Congress enacted legislation. Heretofore no legislation has been necessary in order to appoint a boundary commissioner. We have had Mr. Tom Gable, from my State of New Mexico; Col. Dalbert Freeman; former Governor Curry, of New Mexico; and for the past 20 years, Mr. Lawrence M. Lawson.

The President has said that the State Department needs an American Boundary Commissioner on the border, and the President has the appointing power. So the reason, if any, why the Commission is not functioning is not the fault of Congress. The difficulty is simply that it was desired to have this particular man, who is a retired Army officer. What business is it of the Army as to whom the State Department recommends to be a Boundary Commissioner? The State Department never recommended Colonel Hewitt, but the State Department said it would accept him.

Senators know how these matters are handled. If a particular person is desired, no member of a department of the Government is likely to object to the recommendations of another department.

Let me say to the Senate that this is not an Army position. It does not belong

to the Army; it belongs to the State Department. Legislative action is not needed, not even for confirmation of the appointment. We have heard of Secretary Stevens complaining about the experience of the executive department with the legislative branch in respect to matters with which he was connected officially. Many complaints were made, to the extent that the President of the United States has said, "No talking."

Who was it that recommended this man? Was it the State Department, under whose jurisdiction he must officiate? Or was it the Army?

On April 3, 1954, a letter was addressed to the Honorable JOSEPH W. MARTIN, Speaker of the House of Representatives, whom we all admire, respect, and love. It reads as follows:

DEAR MR. SPEAKER: There is forwarded herewith a draft of legislation authorizing the appointment as United States Commissioner, International Boundary and Water Commission, United States and Mexico, of Col. Leland Hazleton Hewitt, United States Army, retired, and for other purposes.

This proposal has been approved by the Bureau of the Budget. The Department of the Army on behalf of the Secretary of Defense recommends that it be enacted by the Congress.

What has the Army or the Secretary of Defense to do with the boundary Commission as between the United States and Mexico?

Mr. KNOWLAND. Madam President, will the Senator yield?

The PRESIDING OFFICER (Mrs. BOWRING in the chair). Does the Senator from New Mexico yield to the Senator from California?

Mr. CHAVEZ. I yield.

Mr. KNOWLAND. The Senator from New Mexico knows very well why the Department of the Army sent the letter. It happens that Colonel Hewitt was connected with the Army. There is a statute which provides that a retired officer or an active officer cannot take advantage of an appointment without violation of the dual compensation act, unless there is specific legislation authorizing such appointment. As the distinguished Senator knows, the Army otherwise would have nothing to do with the case. The recommendation came to the Senate from the President of the United States, who feels that Colonel Hewitt has the qualifications to make a fine member of the International Boundary and Water Commission.

Persons may differ about some of the appointments which the President of the United States may make. I do not think the President would send the name of a person to the Senate unless he felt such person was qualified to fill a particular position.

The office here involved is not a patronage job, in the normal sense of the word. Undoubtedly, the Senator from New Mexico may have in mind a dozen people in New Mexico who would fit into the position. We in California might have in mind many persons well qualified, since our State boundary touches the Mexican border. Persons from Arizona or Texas might also have candidates in mind. The nominee in question happens to come from the State of Texas. That fact certainly should not be held against him. He has had widespread experience. He is a man who has served in various areas of the world, including service as a district engineer in Texas and other sections of the country, as I read in his biographical sketch.

I never laid eyes on Colonel Hewitt until he came into my office a week or two ago, after the Senator from New Mexico indicated there would be some opposition to the confirmation of his nomination. I did have an opportunity to talk with him. I believe him to be sincere, and likewise diplomatic. He did not in the slightest give me the impression of being a man who would try to throw his weight around. I am willing to take the recommendation of the President of the United States. The Senator from New Mexico has not raised a question as to Colonel Hewitt's integrity, ability, loyalty, or general background.

Mr. CHAVEZ. The Senator is correct.

Mr. KNOWLAND. The Senator from New Mexico has stated that perhaps there is a colonel in the State of New Mexico, or in some other State, who might be a better selection. It is not the Senator's responsibility to make the selection; it is the responsibility of the President of the United States.

Mr. CHAVEZ. Madam President, I am not going to let the Senator from California, even if he is the majority leader, put words in my mouth. I did not say we had persons in New Mexico we should like to see fill the position. I merely stated that if it is the type of appointment I consider it to be, we have some candidates, too. Let me tell the Senator from California that I feel, and I shall feel it to my dying day, that, while it may not be ordinary patronage, it certainly is Army patronage.

The only reason the nomination has been made in this manner is that it was desired to take care of this particular man, so he could have his cake and eat it, too. If the man is so wonderful, even as an engineer, he should not have been retired. After all, Uncle Sam educated him. He went to West Point at the expense of the American people. But he is retired now, and should stay retired. If he is so well qualified as to handle a difficult job like that of a boundary commissioner, he should not have been retired.

Speaking of politics, the Senator from California knows as well as I do that the average Senator and Representative in Congress is an amateur compared to the departmental politicians in both parties, whether the Democrats or the Republicans are in power. They are the ones who really play politics. Generally, they are interested only in appropriations. After that, Members of Congress on both sides of the aisle are to them nothing but nuisances. So what is the use of fooling ourselves. I am not interested in that aspect of the question at all; but I think the Senate is entitled to ascertain from the gentleman in question further information. I am sure he is a gentleman and a good engineer. I have known him since the days of General Markham, as I have known many Army engineers favorably, generally, and well, but in a touchy, sensitive position such as that of a boundary commissioner, I think it would be only fair that the Senate be advised that from the standpoint of temperament, the man would be a satisfactory commissioner. Can the Senator tell us anything about his temperament? Can the Senator tell us whether he might have any racial feelings? Can the Senator tell us what the colonel knows about the problems involved in the Boundary Commission's work? There is nothing in the record along that line. I am not opposed to this man personally in any way, but I think the Senate should at least postpone action in order that the committee may have an opportunity to call the gentleman before it and ask him how he feels about such matters. It would not take more than a half hour.

Mr. LONG. Madam President, will the Senator yield?

Mr. CHAVEZ. I yield to the Senator from Louisiana.

Mr. LONG. The question which occured to me with regard to the pending bill is that it would seem to me to be necessary to make a case for it and establish that there is no other person qualified to fill the position. It is one for which I should think a considerable number of persons in all sections of the country could qualify. Why should a special bill be passed unless no other persons are qualified for the job?

Mr. CHAVEZ. The reason for the proposed legislation is the lack of patronage on our side of the aisle. The patronage is all on the other side of the aisle.

Mr. LONG. Can the Senator from New Mexico advise us if it has been established that there are no persons available for immediate appointment to the Commission?

Mr. CHAVEZ. There certainly have been other persons available and qualified, under the law and under the customs which exist. Can anyone deny that, after Colonel Lawson retired on the 1st of February, the President of the United States, with the advice of and after investigation by the State Department could have said, "Here is Colonel Jim whom I can appoint; here is Tom Smith; here is someone from Nebraska; here is someone from another State"? But a written complaint is made that the Commission is not functioning because it lacks one Commissioner. If the Senate passes the bill in order that the person now under discussion may be appointed, it will be establishing a precedent.

Mr. LONG. Madam President, will the Senator yield further?

Mr. CHAVEZ. I yield.

Mr. LONG. Is the Senator familiar with the bill which was passed by the Senate about 3 or 4 years ago, at the time of a disastrous defeat in Korea, when the appointment of General Marshall was authorized as Secretary of Defense, although he was a military man?

Mr. CHAVEZ. Yes.

Mr. LONG. The Senator may recall that the reason for the enactment of such legislation was that the Nation's faith in its top command had been shaken, and it was desired that the man who had been Chief of Staff during World War II should become Secretary of Defense, so that he could help restore

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public confidence in the entire Government at that time.

Mr. CHAVEZ. That is correct, and nothing was stated to the effect that such action would establish a precedent making it necessary for Congress to enact special legislation in order that a particular person might hold a particular job.

Mr. LONG. The enactment of such legislation at that time was based on the affirmative proof, or certainly on the allegation, buttressed by considerable proof, that the Nation needed Gen. George Marshall as the Secretary of Defense, and for that reason Congress should change the law which had theretofore forbidden any military man to be Secretary of Defense.

Mr. CHAVEZ. Those were the reasons, as I understood them, but it was also indicated that there was a special situation. It was the circumstance of the moment which made it necessary for Congress to act in that instance, and it was not with the idea of taking care of a particular Army officer so that he could eat his cake and have it too, after he retired from the Army.

Mr. LONG. The Senator well knows, does he not, that at that time no one raised the question of General Marshall's receiving retirement pay? It was for the good of the Nation that it was desired to have appointed a man who was specially qualified for a position which we felt very few, if any, other Americans would be qualified to fill at that moment.

Mr. CHAVEZ. Yes.

Madam President, Colonel Hewitt might be the best possible person to be appointed to this position. My objection goes to the method proposed to be followed in this instance. Certainly Senators are entitled to all the available information, so as to be able to determine whether Colonel Hewitt is capable of serving in this very sensitive position.

Mr. PAYNE. Madam President, will the Senator from New Mexico yield to me?

Mr. CHAVEZ. I yield.

Mr. PAYNE. In view of the fact that the Senator from New Mexico has asked about the ability of Colonel Hewitt——

Mr. CHAVEZ. But not as an engineer.

Mr. PAYNE. Not as an engineer, but in regard to his tolerance, understanding, and ability to handle overall situations——

Mr. CHAVEZ. Especially this one, which is sensitive, and is diplomatic in nature.

Mr. PAYNE. Under the circumstances, let me say to my distinguished friend, the Senator from New Mexico——

Mr. CHAVEZ. First, Madam President, let me say that I would not in any way, shape, or form question the integrity, honesty, engineering training, or sincerity of purpose of Colonel Hewitt. I simply am not quite satisfied in my own mind that he is qualified to handle work of this particular type, which is not engineering in nature. There is nothing in the record to indicate that he is qualified to handle it. I hope it will be possible to produce evidence to show that he is qualified for this position, because there is nothing personal in my approach to this matter.

Mr. PAYNE. Madam President, let me say that it so happens that the gentleman in question was the resident engineer in charge of the New England area; and during the time when I served as Governor of Maine, I had occasion to come in contact with him on numerous occasions.

In all my contacts with him I found him to be most understanding and willing to listen and to use reason and to work out on a logical basis the problems faced by those in the entire area. I gained a definitely favorable opinion of him. It is my sincere belief that in any kind of work he might undertake he will continue to be the same type of person I found him to be.

Furthermore, he is exceptionally and highly qualified in matters pertaining to water-control work and all engineering factors in connection therewith.

Over and above all that, Madam President, and by far the most important, he is entitled to the highest respect on the part of all those who come in contact with him. I believe the Senator from New Mexico would realize that fact, if he were able to be in touch with him and to have a chance to work with him on matters affecting the boundary problems with Mexico.

Mr. CHAVEZ. Madam President, I am positive that every word uttered by the Senator from Maine is correct.

Let me say that I consider seriously all appointments which may affect the relationships with our neighbors to the south. I should like to have serve in this position a person of the type the Senator from Maine has just outlined. But there is nothing in the record to indicate that Colonel Hewitt even understands the problem involved in dealing with foreign nations.

After all, will it make any difference if this matter goes over until we are able to obtain the necessary information? In half an hour we could ascertain whether Colonel Hewitt has any tendency to discriminate on account of race. I hasten to add that I wish him to be firm in taking our side and in protecting our interests along the border, no matter how small they may be, even as small as the point of a needle—which is about what is involved in this matter, which relates to a dispute over a little piece of land along the Rio Grande, near El Paso—a dispute that should have been settled years ago.

Mr. PAYNE. Madam President, if the Senator from New Mexico will yield further to me, all I can say is that, although no one can vouch for what a man, regardless of who he may be, will be in the future in filling any job, yet I judge a man on the basis of his past accomplishments and his ability at all times to carry out assignments in a diplomatic and sound manner, in the interest of the Nation. That has been Colonel Hewitt's record in every position in which he has served. I had opportunity to judge Colonel Hewitt in many instances; and on every occasion I found him to be of that type—a very humble and very fine and conscientious public servant.

Mr. CHAVEZ. Madam President, let me say that I know the Army engineers about as well as does any other Member of this body. The ones with whom I have come in contact have been of the type described by the Senator from Maine—generally well trained and generally trying to act in such a way as to maintain good relations with the neighboring countries. Such engineers have served in my State again and again; and no doubt all the Army engineers are of the same high type, regardless of whether they serve in Alaska, on the Pacific coast, in Dallas, Tex.; where there is a regional office; in Los Angeles, where there is also a regional office, or elsewhere. I deal with them almost daily, and I know they are of the type the Senator from Maine has just described.

On the other hand, I do not know that even men of that type would necessarily fit into a sensitive position such as the one here involved.

Certainly I believe it would be possible to find out in a very few minutes, upon questioning Colonel Hewitt, what his qualifications are. On the other hand, the record does not contain anything to indicate that he is prepared to do diplomatic work. Of course, he is prepared to do a fine engineering job; no one denies that.

Mr. MAGNUSON. Madam President, will the Senator from New Mexico yield to me?

Mr. CHAVEZ. I yield.

Mr. MAGNUSON. I think the Senator from New Mexico has raised a very important point. I do not know Colonel Hewitt. I imagine he is well qualified, as our friend, the distinguished junior Senator from Maine, has said.

On the other hand, I have just read the report. Apparently this matter came up as the result of a letter to the committee; and then the bill was reported.

As the Senator from New Mexico has said, the job involved is a very important one. It is most important to me, because, as the Senator from New Mexico knows, there is in the western part of Montana what is known as the Libby Dam site. I believe the Senator from New Mexico has heard of it.

Mr. CHAVEZ. Yes; I have.

Mr. MAGNUSON. The International Boundary Commission has been discussing with Canada for perhaps 20 years matters affecting Libby Dam. We do not seem able to solve the problem, which involves the question of public power and private power and water storage for the entire Columbia River and all the dams downstream. Probably 1 million kilowatts of power are involved.

If I had known of this matter, I would have wished to inquire—and I am sure the Senators from Montana would join me on this point, if they were on the floor—as to how the colonel proposes to proceed in the case of the Libby Dam site, which I assume will be one of his quasi-diplomatic jobs.

Mr. CHAVEZ. No; that matter is not involved in this case.

Mr. MAGNUSON. I beg the Senator's pardon; I assumed that this appointment related to that work.

Mr. CHAVEZ. No; there are separate commissions in each case.

Mr. ANDERSON. Madam President, I desire to support the position taken on this question by my colleague, the

senior Senator from New Mexico [Mr. CHAVEZ].

I also wish to explain that I have met Colonel Hewitt only once; and I found him to be a pleasant person to visit with, and I am sure he is a very competent and fine gentleman. The way this matter was handled surprised some of us. I had supposed that we would have time to consider Senate bill 3457 or the House bill. Senate bill 3457 was introduced on May 13, reported on May 13, and was ready for the attention of Congress on May 13. As a matter of fact, all that happened was that there was a very brief meeting. Colonel Hewitt showed up with a letter indicating that it was desired to appoint him. The committee looked at the letter and immediately reported the bill, making it possible for him to be appointed.

I say, as my colleague [Mr. CHAVEZ] has said, that we can look through the record without finding very much about where Colonel Hewitt stands with respect to problems in the international field.

I have before me the full committee hearing on House bill 9004, which is the bill now before the Senate. The House hearing was held on Friday, May 14.

There has been some talk about delaying the work on the border. Actually the term of Mr. Lawson expired on February 14, and any day from that day on a recommendation could have come to this body, but for 3 solid months there was no recommendation of any kind.

Mr. CHAVEZ. Madam President, will my colleague yield to me?

Mr. ANDERSON. I yield.

Mr. CHAVEZ. It would not even be necessary to ask this body to confirm a nomination. A Commissioner could be appointed and immediately go to work.

Mr. ANDERSON. That is correct. Under ordinary circumstances, an appointment could have been made prior to the 1st of February. Certainly it could have been made on the 14th of February. It could have been made on almost any day from that day on.

I have a little humorous interest in this situation. It happens to be one of the few instances in which the Republicans of my State consulted me on the subject of patronage. The citizens of my State wanted that job for one of their own people. A delegation came to see me in January 1953 and said that about the best job they thought they could get their hands on was the job of Commissioner on the border. They asked me, "How much does the job pay?"

I said, "$14,000."

They said, "That is a fine job. How do we get it?"

I said, "The man who has it has had it since the days of President Lincoln or President Grant. No one could move him. He is an absolute fixture. He is a wonderful gentleman. Everyone likes Mr. Lawson. You could not get him out of that job, and I would not help you."

Still they persisted. I said, "You could not get this job. It is not political patronage. You could not possibly get Mr. Lawson out of the job. He knows the river. He knows the people of Mexico. They have full trust in him. He will never be moved as long as he lives."

He was good enough to stay through Republican and Democratic administrations. He has been on the border since 1917. Of course, when a man stays in one spot from 1917 on, in a position of great responsibility, he comes to know the job pretty well.

I thought I would read the House hearings and see what the House committee developed as to the reason for removing this wonderful gentleman, who all of us thought was a fixture and who had served under both Republican and Democratic administrations without question. The hearing is printed and available. It can be obtained by anyone who wishes to look at it. If one reads from page 4015 through page 4019, he can see what the hearing consisted of. Finally, on page 4020, we reach the point where Colonel Hewitt comes into the discussion. Previously, not a word had been said about Colonel Hewitt, so far as he was concerned.

There was discussion of certain statutes which were in conflict, but there was no comment from the colonel himself as to what he believed, what he wanted to do, and why he wanted this position. Finally there was some direct testimony from him. Let me show the Senate how convincing and forthright he was on this matter. The chairman said:

> Colonel Hewitt, I wish you would stand so the committee might see you.

Colonel Hewitt replied:

> Thank you, sir.

The chairman continued:

> We appreciate your coming here.

Colonel Hewitt replied:

> Thank you.

That is the sum and substance of all the comments made at all times, and in all places, as to the reason why Colonel Hewitt would like to be taken from the retired list and given this position of honor and trust.

Frankly, we were a little surprised when this nomination was submitted. It is not traditional, by any means, I suppose, that Members of the Senate in the affected States are given an opportunity to know who is being appointed to this position. The appointment is not subject to confirmation. I do not know whether any Senator was ever consulted with respect to Mr. Lawson, but I know that Mr. Lawson, if he had been presented as a witness before any committee, would have been able to testify that he has conducted that job throughout the years without regard to partisan considerations, and solely in order to make sure that our relationships with the Mexican Government are pleasant.

Mr. CHAVEZ. Madam President, will my colleague yield to me?

Mr. ANDERSON. I yield.

Mr. CHAVEZ. Heretofore appointments have been made directly by the President, at the suggestion of the State Department. The only reason this bill is before us is that it is desired to give Colonel Hewitt special attention in connection with his private affairs.

Mr. ANDERSON. That seems to be correct. Heretofore appointments to this position has always been regarded by the State Department as a part of the Department's responsibilities.

Mr. KNOWLAND. Madam President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. KNOWLAND. The Senator has mentioned the predecessor. I agree with everything the Senator has said about the ability of Commissioner Lawson whose term has expired, his long service, and his knowledge of the conditions. As a matter of fact, as I am sure the Senator very well knows, he had passed the mandatory retirement age. Because of his high standing, a year or two ago the Senator from California and, I believe, Senators from other border States, either through a joint letter or through individual letters, recommended to the President that the mandatory retirement provision be waived for 1 year. I think the matter came up a second time. The last time it was waived both the President and the State Department indicated that they felt that that was the last time the mandatory retirement provision should be waived. I think there is considerable justification for their position.

So there is no lack of appreciation or recognition of the job which the predecessor has done. As I say, the Senator from California joined with other Senators in urging that the waiver be extended for at least 1 year—I believe for several years. However, the time finally came to appoint a successor.

Apparently the President of the United States, who, as executive head of the Government, has the responsibility, looked around and recommended Colonel Hewitt because he had confidence in him.

That does not mean that there is no one else who could have done the job. However, this is not a patronage job, in the normal sense of that word. It is not a position which affects only one State in the Union. It affects 4 or 5 States along the border, as well as our relations with a foreign country. The President of the United States, who directs our foreign policy, has the responsibility of appointing ambassadors. This position of United States Commissioner relates to an international commission. I am satisfied that the President would not have submitted the name of Colonel Hewitt unless he felt that he had all the qualifications to fill this particular position. When I say that, I say it in no disparagement of the people of California, Arizona, New Mexico, or Texas. I have no doubt that there are others whom either the present President of the United States or some other President might appoint, who would be at least equally well qualified. I have no doubt that if we had the responsibility of filling the position we could find a person equally well qualified. But, of course, it does not happen to be our responsibility to make the appointment. It is the responsibility of the President.

Normally this appointment would not come before the Senate. It does not require Senate confirmation.

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After having looked over the field, the President felt that Colonel Hewitt would do the job which the President has the responsibility to have done. The only reason this proposed legislation is before the Senate is that in this particular case it was necessary to deal with the question of Colonel Hewitt drawing dual compensation.

Mr. CHAVEZ. Madam President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. CHAVEZ. Could not the President have appointed Colonel Hewitt the day after Mr. Lawson retired, and obtained his services without seeking special legislation from the Congress?

Mr. ANDERSON. Surely, on the same basis that I understand Colonel Freeman had been willing to accept the position, namely, that he would waive the special privileges thereafter.

Let me say to the distinguished majority leader that I did not mean by any means to suggest that he or anyone else had belittled the fine qualities of Mr. Lawson. Neither do I. I point out to the majority leader that heretofore a number of Senators have discussed this position. We have joined in letters suggesting that Mr. Lawson be retained. It seems to me that when a successor to Mr. Lawson was being selected, the executive department could have consulted Senators from the States along the border. The officials of the Government could have said, "We have decided to dispense with Mr. Lawson's services. We do not intend to extend his term of duty any longer in that responsibility, and we would like to appoint an Army officer who we think is eminently qualified for the position." I believe that might have been followed by a request from Senators who come from States along the border to sit down and have a visit with Colonel Hewitt. I believe we would have found, as I have personally found, that he is an able and a pleasant and a distinguished person. We might even have been tempted to say that it looks all right to us, or we might have hesitated and we might have said, "Why do we have to have an Army engineer?" In other words, we would have had a chance to visit with the gentleman and find out what his ideas were about the border, how familiar he was with the border, what he knew about the river and the history of the river, what he knew about the Emory survey and about the surveys that followed it, and what he knew generally about the changes in the Rio Grande River which have taken place during the past 100 years.

APPOINTMENT OF COMMISSIONER, UNITED STATES-MEXICO BOUNDARY

Mr. MALONE. Madam President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. MALONE. I should like to say for the benefit of the record, if not for the benefit of the distinguished Senator from New Mexico, who is familiar with the facts, that when Colonel Hewitt was appointed out of a clear sky about 2 months ago I phoned the White House and asked who Mr. Hewitt was, and indicated that the States in the basin should be consulted, or at least notified, before the appointment was final.

Madam President, that is a very powerful Commission. I should like to say further that the junior Senator from Nevada served for 8½ years on the Colorado River Commision as a member from Nevada. During that time legislation authorizing the Boulder, or Hoover Dam was passed, and we built that dam. We made a complete study of the water supply and power possibilities of the Colorado River.

The report will be found in Senate Document 186 of 1928. I was the editor of that document, but other State engineers assisted in furnishing data. When I resigned my job on the Commission—and I resigned as State Engineer of Nevada in 1935—I warned the Colorado commissions that the Boundary Commission was a very powerful commission and that it could make a treaty giving Colorado water away; and it did.

Mr. ANDERSON. It did. I am glad the Senator from Nevada has brought out that fact.

Mr. MALONE. I should like to say further to the distinguished Senator from New Mexico that I had been off of the Colorado River Commission of Nevada for some time when this treaty was made.

I remember that Governor Osborn and I called on President Roosevelt to present him with the first copy of the industrial survey of the 11 Western States—and the Senator from New Mexico is entirely familiar with that survey, because he assisted me in the work. Out of the blue sky, after we had been with the President for about a half hour, President Roosevelt said, "This morning I signed a treaty with Mexico giving Mexico a million and a half acre-feet of water."

Governor Osborn jumped about a foot when he heard the President say that.

Mr. ANDERSON. I believe the Senator from Nevada should identify Governor Osborn as the former Governor of the great State of Arizona.

Mr. MALONE. That is correct. He was Governor of Arizona. He died of a rare malady in his prime. He was a very fine man. We went back to the little office that I had here, and cried on each other's shoulder for a while. We had heard it in the President's office, and we could not announce it. Finally the Governor went home and I went home. Then we tried to stop the treaty on the floor of the Senate, but we could not do it, neither one of us being a Member of this body.

I walked over a lot of the land in Mexico in 1927 and 1928 before I wrote the report, and the people in Mexico have never irrigated more than 30,000 acres at one time. They would irrigate one 30,000-acre portion, or a 20,000-acre portion, and then move the water around more. Finally they had probably utilized a maximum of 750,000 acre-feet in any 1 year.

Before we had the Hoover Dam storage the river used to run as low as 2,000 second-feet of water for the Imperial Valley and Mexico combined in the dry part of the year.

Therefore 700,000 acre-feet or 750,000 acre-feet was estimated as the most that they had ever used.

They were given twice as much water as they ever used in the treaty proposed by Mr. Lawson. That irreparably injured the river basin.

Madam President, that is a dangerous job for a man who does not know his business.

Mr. ANDERSON. I am sure the Senator from Nevada is correct. That is why my colleague, the senior Senator from New Mexico, is suggesting that perhaps the man under consideration ought to give us a chance to interrogate him.

Mr. MALONE. He may be the best man in the world, but he does not know this job, and no one was consulted. However, I had intended not to object to him, because I had a visit with him and no one evidently had noticed the appointment.

Mr. CHAVEZ. Madam President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. CHAVEZ. No Senator can deny that not one question was asked as to his qualifications.

Mr. ANDERSON. There is no question that he has ever been asked about his qualifications. The only reason I object is that if this were a nomination which would have to come before the Senate for confirmation we would have a chance to ask him questions. However, if he is to be appointed and his appointment is not to come before the Senate for confirmation, then this unusual opportunity should be afforded us to find out something about him.

I agree with the distinguished Senator from Nevada that we did grant Colorado River water to Mexico by treaty, and that that granting of water is now causing a great deal of trouble in connection with the Colorado River.

When the original Colorado River compact was signed at Santa Fe, N. Mex., a long time ago—30 or more years ago—very few people at that time thought there would be any question about the division of the first amount of water to be delivered under the Colorado River compact. That compact provided that 7½ million acre-feet should go to the States of the upper division and 7½ million acre-feet to the States of the lower division. An additional 1 million acre-feet of water is involved in the Gila River in Arizona that may or may not belong in the Colorado River division.

That question was not settled clearly in the compact entered into at Santa Fe. Why not? Because the river at that time seemed to have 30 million acre-feet of water, and there seemed to be enough water to permit delivering 16 million acre-feet of water from a river containing 30 million acre-feet of water.

However, the river has been running less than 15 million acre-feet of water during many recent years. It is a serious problem. There are those who would like to have a chance to find out what Colonel Hewitt knows about the history of the Colorado River compact, what he knows about the Rio Grande compact under which we again guarantee to deliver water to the Republic of Mexico and under which the State of Texas gets a certain amount of water and the State of New Mexico is a sort of residual lega-

tee, in that it gets what is left, which is not nearly enough.

We should like to know whether a new treaty is to be made with Mexico which might be intended to give away another little share of our water.

Mr. MALONE. Madam President, I should like to say to the distinguished Senator from New Mexico—and this is not any news to him, but I say it especially for the RECORD—when a man is taken from the humid East, where the problem is to get the water off the land and to put it back into the stream—floods are the problem—and put in an area where the problem is to get the water out of the stream and to put it on the land, he does not understand the real seriousness of the problem. It is hardly fair to a man like that to put him into an area which is entirely foreign to his training. I wish to say, again, that I have had a long talk with the appointee, and I was not going to object to his appointment, although I was shocked when I heard he had been recommended without consultation with any of the representatives of the Colorado compact States. The Senate has an interest in the seven-State compact. I notice the recommendation of this man was made by Mr. Robert T. Stevens. Who is the man and what experience has he had?—or Mr. Stevens, for that matter.

Mr. ANDERSON. I have heard of him. I wish to say, however, that, in fairness to Colonel Hewitt, I think it must be said that he has lived at El Paso. He was stationed for a short time at Fort Bliss. He had two short tours of duty there. I do not say he is wholly unfamiliar with our section of the country because he was also in the Galveston district with the Corps of Engineers, and he could not have served in that district without becoming somewhat acquainted with our water problems.

The position of Commissioner on the Mexican Boundary Commission is of such great importance to the boundary States and to the Colorado compact States that, so far as I know, the tour of duty of the officers who have been in charge there has always been extended after consultation with the Senators from the affected States. I do not think the preceding Commissioner ever had his tour of duty extended without consulting with Senators from Texas, New Mexico, Arizona, Nevada, and the other States involved. At this time when the fight between California and Arizona over the waters of the Colorado River is before the Supreme Court, and when the conflict between the State of Texas and the State of New Mexico over the waters of the Rio Grande is in court, I think it would not be wise to have this individual appointed without some committee hearings. Let us give him an opportunity to say something more than the five words he has said. They are not enough.

I intend to support the motion, which I understand my colleague proposes to make, that the bill be recommitted and that the committee be invited to hold a hearing on the question of Colonel Hewitt's qualifications. We will then have a chance to see how the situation may develop. I think we may come to the conclusion that Colonel Hewitt is as excellent a man as could be appointed. If so, we shall all join in voting for the proposed legislation. Certainly, the people who live where water is the very lifeblood of their economy need to be given an opportunity to find out where this man stands on some of the water questions, what his engineering experience has been, what his irrigation experience has been, and what his experience has been with reference to streams like the Rio Grande which meanders and moves back and forth, one day being in Mexico and another day in the United States. I think we should have an opportunity to talk with him about these things. I do not, by any stretch of the imagination, think he is an evil person. I believe he is a good man and that he is well educated. I think we may decide that he can do a good job. But I do not believe this position is one which should be loosely tossed around. I do not think a man's name should be sent to the committee on May 13, and that on that date the committee should meet for a few minutes and then place his name before the Senate with a favorable report and expect us to act upon it without any more information than we now have. I think the bill should be sent back to the committee.

Mr. CHAVEZ. Madam President, I move that the bill be recommitted to the Committee on Foreign Relations for further consideration.

Mr. KNOWLAND. Madam President, I move that that motion be laid on the table, and I request the yeas and nays on the motion to table.

The PRESIDING OFFICER. On the motion of the Senator from California to lay on the table the motion of the Senator from New Mexico, the yeas and nays are demanded.

The yeas and nays were not ordered.

Mr. KNOWLAND. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Anderson	Gore	Malone
Barrett	Green	Murray
Bowring	Hayden	Pastore
Bridges	Hickenlooper	Payne
Chavez	Holland	Purtell
Clements	Johnson, Colo.	Saltonstall
Cordon	Johnson, Tex.	Schoeppel
Daniel	Knowland	Smith, N. J.
Duff	Lehman	Upton
Ellender	Lennon	Williams
Ferguson	Magnuson	

Mr. SALTONSTALL. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Michigan [Mr. POTTER] are absent on official business. The Senator from Maryland [Mr. BUTLER], the Senator from California [Mr. KUCHEL], the Senator from Wisconsin [Mr. WILEY], and the Senator from North Dakota [Mr. YOUNG] are necessarily absent.

The PRESIDING OFFICER (Mr. PAYNE in the chair). A quorum is not present.

Mr. KNOWLAND. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of the absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. AIKEN, Mr. BEALL, Mr. BENNETT, Mr. BRICKER, Mr. BUSH, Mr. BUTLER of Nebraska, Mr. BYRD, Mr. CAPEHART, Mr. CARLSON, Mr. CASE, Mr. DIRKSEN, Mr. DWORSHAK, Mr. FLANDERS, Mr. FREAR, Mr. FULBRIGHT, Mr. GEORGE, Mr. GILLETTE, Mr. GOLDWATER, Mr. HENDRICKSON, Mr. HENNINGS, Mr. HILL, Mr. HUMPHREY, Mr. HUNT, Mr. IVES, Mr. JACKSON, Mr. KEFAUVER, Mr. KENNEDY, Mr. KERR, Mr. KILGORE, Mr. LANGER, Mr. LONG, Mr. MANSFIELD, Mr. MARTIN, Mr. MCCARRAN, Mr. MCCARTHY, Mr. MCCLELLAN, Mr. MILLIKIN, Mr. MONRONEY, Mr. MUNDT, Mr. NEELY, Mr. ROBERTSON, Mr. RUSSELL, Mr. SMATHERS, Mrs. SMITH of Maine, Mr. SPARKMAN, Mr. STENNIS, Mr. SYMINGTON, Mr. THYE, Mr. WATKINS, and Mr. WELKER entered the Chamber, and answered to their names.

The PRESIDING OFFICER. A quorum is present.

Mr. KNOWLAND. Mr. President, I desire to withdraw my motion to lay on the table the motion to recommit.

The PRESIDING OFFICER. The Senator from California has that right, and the motion to lay on the table is withdrawn.

Mr. KNOWLAND. Mr. President, in view of the fact that so many Senators were detained by committee meetings, I wish to make a brief statement, which will take not more than 3 minutes.

The pending bill deals with the International Boundary Commission. There are two companion bills: Senate bill 3457, Calendar No. 1334; and House bill 9004, Calendar No. 1376; both authorizing the appointment as United States Commissioner, International Boundary and Water Commission, United States and Mexico, of Col. Leland Hazleton Hewitt, United States Army, retired.

House bill 9004 is now under consideration. The companion measure, Senate bill 3457, is in precisely the same language and was unanimously reported to the Senate by the Foreign Relations Committee.

Mr. President, enactment of the bill is necessary only because the President of the United States, in order to fill a vacancy on the International Boundary Commission, appointed Colonel Hewitt, a retired Army officer, who has had a long and distinguished career as a district engineer in various assignments, including Texas, the New England area, and the Pacific coast area.

This measure comes to us because the former Commissioner, who had had a long and distinguished career, had reached the mandatory retirement age, and on several occasions the time for his mandatory retirement had been extended.

It is important that this measure be passed so that the Commission can proceed with its work.

So far as I know, no Member of the Senate has questioned either the integrity, ability, or loyalty of Colonel Hewitt,

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who, as I have said, has had a long and distinguished career.

The only question—raised by the Senator from New Mexico [Mr. CHAVEZ]—is whether Colonel Hewitt has other attributes which the Senator from New Mexico believes might be necessary on the part of one serving on an international boundary commission.

The distinguished junior Senator from Maine [Mr. PAYNE] knew Colonel Hewitt at the time when the colonel was resident engineer in charge of the New England area, at which time the Senator from Maine was Governor of that State. He has pointed out that Colonel Hewitt, while serving as resident engineer in charge of the New England area, dealt very well and very successfully and diplomatically with the persons with whom he came in contact and successfully and effectively performed the duties assigned to him.

Mr. President, this measure comes to us with the approval of the Department of State. A few minutes ago Mr. Wilcox, the Chief of Staff of the Foreign Relations Committee, handed me the following memorandum:

We have called the Mexican Desk in the Department of State. They say, and may be quoted, that the Department of State supports the legislation for the selection of Colonel Hewitt.

Mr. President, the Army is interested in the passage of this measure only for the reason that Colonel Hewitt is a retired Army officer. Otherwise the Army would have no part whatsoever in this procedure. This is not a nomination which would normally come to the Senate. The President of the United States might have selected some other person, and the appointment would not even have come to the Senate for discussion, debate, or confirmation. This is not a confirmation procedure. This is a case in which the President, in the discharge of his responsibilities, has selected a man who he thinks is eminently qualified. In order that there may be no violation of the dual compensation law, and in order that Colonel Hewitt may not suffer hardship after his term as Commissioner expires by being foreclosed from receiving retirement benefits, the bill provides that he shall receive compensation as an International Boundary Commissioner only during the time he serves as such, and when he retires from that position, he shall be entitled to whatever retirement compensation he would be normally entitled to receive from the Army.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. ROBERTSON. Does not the present situation involve the development of certain waterpower in Texas, for which an outstanding engineer is urgently needed?

Mr. KNOWLAND. This position deals with the entire boundary situation.

Mr. ROBERTSON. I understand.

Mr. KNOWLAND. As the Senator knows, the States of California, Arizona, New Mexico, and Texas all abut the Mexican border. This is not a patronage situation, in the normal sense of the word. It involves primarily an engineering problem. However, I am quite frank to admit that the Commissioner will have to deal with a Commissioner from the other side of the border.

Mr. ROBERTSON. But Colonel Hewitt is an engineer, is he not?

Mr. KNOWLAND. He is an outstanding engineer, and has been so recognized.

Under the circumstances I have briefly outlined, I hope the Senate will not recommit the bill to the Foreign Relations Committee, from which it has been reported unanimously. If the proposed legislation is enacted it will then be the responsibility of the President to nominate the Commissioner.

Mr. CHAVEZ. Mr. President, it is not so easy as the Senator from California would have the Senate believe. It is true that the Foreign Relations Committee reported the bill favorably. The bill was introduced on May 13, and was reported favorably on the same day.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. KNOWLAND. That is simply not in keeping with the facts. The bill was forwarded to the Senate under date of April 13, and a letter was addressed to the President of the Senate, Vice President NIXON, on April 13 by the Secretary of the Army. The bill was not reported to the Senate until May 13, as will be shown by the report of the committee. The bill is Calendar No. 1334. The report to accompany the bill shows that it was reported on May 13, a month after it was forwarded to the Senate.

Mr. CHAVEZ. I hold in my hand Senate bill 3457. I read from the report:

Mr. WILEY, from the Committee on Foreign Relations, submitted the following report (to accompany S. 3457).

The bill was then ordered to be placed on the calendar.

Mr. ANDERSON. Mr. President, will my colleague yield to me?

Mr. CHAVEZ. I yield.

Mr. ANDERSON. I would appreciate it if my colleague would ask the Secretary of the Senate when the bill was introduced. The statement has just been made that it was introduced in April. It was introduced on May 13. I ask for the official record.

Mr. KNOWLAND. Mr. President, I hold in my hand the letter which came to the President of the Senate, Vice President NIXON, from the Secretary of the Army, Mr. Robert T. Stevens. The letter is dated April 13, 1954, and reads as follows:

DEPARTMENT OF THE ARMY,
Washington, D. C., April 13, 1954.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation to authorize the appointment as United States Commissioner, International Boundary and Water Commission, United States and Mexico, of Col. Leland Hazelton Hewitt, United States Army, retired, and for other purposes.

This proposal has been approved by the Bureau of the Budget. The Department of the Army on behalf of the Secretary of Defense recommends that it be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The proposed legislation is designed to authorize Col. Leland Hazelton Hewitt to accept the said position without waiving any rights or privileges he may have as a retired officer of the United States Army. He shall, however, receive the compensation provided for the said office in lieu of retired pay to which he would be entitled as a retired officer of the United States Army. Due to Colonel Hewitt's outstanding qualifications, the President of the United States desires to appoint him as United States Commissioner of said International Boundary and Water Commission. However, this appointment, which is in the best interest of the Government, is precluded by certain provisions of law.

Colonel Hewitt is barred from this appointment by the act of July 31, 1894, which, with certain exceptions, requires a special authorization for a retired officer of the Armed Forces with retired pay of $2,500 or more per annum to hold a civilian office. The proposed legislation would exempt him from this limitation and provide that while serving in the civilian position he will receive the pay of that position in lieu of retired pay without prejudice to his status as a retired officer.

The nature of the duties of the United States Commissioner, International Boundary and Water Commission, United States and Mexico, are such that they require a man of Colonel Hewitt's experience and ability. He was graduated from the United States Military Academy in 1918 and Massachusetts Institute of Technology in 1921. Colonel Hewitt's duties and responsibilities with the Corps of Engineers, particularly in their civil engineering functions, have made him eminently qualified for this commission.

COST AND BUDGET DATA

The enactment of this proposal will cause no apparent increase in the budgetary requirements for the Department of Defense.

Sincerely yours,

ROBERT T. STEVENS,
Secretary of the Army.

So the bill came to the President of the Senate on April 13.

Mr. CHAVEZ. Mr. President, I have the floor.

Mr. KNOWLAND. If the Senator will yield to me to answer that point, on the 14th of April, as appears on page 4,791 of the CONGRESSIONAL RECORD, in the middle column, under Executive Communications, this communication was received in the Senate.

Mr. CHAVEZ. That may be so; but so far as the record of the committee is concerned with respect to the bill now before the Senate, all we have is a brief report submitted by the Senator from Wisconsin [Mr. WILEY], dated May 13, to accompany the bill, which was introduced May 13. That is all we have. If anything was inserted in the RECORD, or if some communication was sent to the Vice President, those concerned kept it to themselves.

Mr. KNOWLAND. Mr. President, the RECORD does not support such a statement. It is quite a serious charge to make, to say that the Vice President received a letter and kept it to himself. The RECORD shows the receipt of the letter on April 14, the day after the letter was dated by the Secretary of the Army. It came officially to the Senate of the United States, and in the normal course was listed under Executive Communications in the CONGRESSIONAL RECORD of April 14, which was a month before the committee reported the bill to the Senate. There is nothing either irregular or unusual about that situation.

Mr. CHAVEZ. I do not think there is anything irregular or unusual about it. The only irregular or unusual thing about this case is the effort to take care of a particular man in the Army in this way.

If the President of the United States had wanted to appoint Colonel Hewitt, he could have done so directly after Mr. Lawson retired on the 14th of February of this year. The law is to this effect: There is an authorization for an International Boundary and Water Commission, as between Mexico and the United States. The President has the right of appointment, and heretofore he has appointed. If he has not made an appointment in this instance up until now, no one is to blame. No motives are questioned. But no appointment has been made. The State Department is endeavoring to take care of this particular Army officer. This is not Army business in any sense of the word. It involves diplomatic relations between two friendly countries, Mexico and the United States. It involves the waters of 7 States in 1 instance, and 3 States in another. The people of those States would like to know how Colonel Hewitt feels about friendly relations with foreign people. I believe we are entitled to a little more information than merely that he is a good engineer. My good friend from Texas, who is walking out of the Chamber now, is a very good Senator, but I do not know whether he would make a good banker.

Mr. JOHNSON of Texas. I thank the distinguished Senator for his compliment.

Mr. CHAVEZ. Colonel Hewitt may be a very good engineer, but in this particular position we do not need an engineer so much. The engineering feature relates only to taking care of the water that belongs to the American people. Aside from that feature there is no question of engineering involved in an appointment to the Boundary Commission. It is a matter of patience and intelligence, and a knowledge of the people the Commissioner must deal with.

I have before me the committee report. What does it say? It reads:

PURPOSE OF BILL

This bill authorizes the appointment of Col. Leland Hazelton Hewitt, United States Army, retired, as United States Commissioner on the International Boundary and Water Commission, United States and Mexico.

Special authorization is required because of the provisions of the act of July 31, 1894, which bar retired officers of the armed services with retired pay of more than $2,500 from other public offices to which compensation is attached. The pending bill will exempt Colonel Hewitt from this limitation and permit him to accept the salary of United States Commissioner in lieu of his retired pay, without prejudice to his rights as a retired officer.

Mr. KILGORE. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I shall be glad to yield in a moment. I have no objection to Colonel Hewitt's protecting his retirement pay. I should like to know whether he is qualified to be a commissioner. The bill, if passed, would take care of the compensation of Colonel Hewitt. The bill does not say whether he would be a good commissioner—whether he knows anything about the job, whether he knows anything about the border, whether he is acquainted with the psychology and reaction of the Mexicans, whether he knows how much water Nevada is entitled to, or how much water Arizona or California or Utah or Colorado or New Mexico or Wyoming or Texas is entitled to.

Nothing whatever is said about those questions.

Mr. President, this is a sensitive position. It involves more than actual engineering knowledge. It involves dealing with friendly people. It involves acting in such a way that a military man will not throw his weight around, so to speak, in trying to impress upon friendly people how strong we are.

The commissioner should be what commissioners have been in the past. The position should be filled by a civilian. It should be a civilian position. We have had good civilians in that position in the past.

No one should try to tell us that we did not have a chance to appoint him. Let the appointment be made the way it has been made in the past.

The President could have appointed Colonel Hewitt months ago. However, in order to give this officer a special privilege, legislation is introduced to give him the job. Legislation is not required. Colonel Hewitt could be appointed without the benefit of legislation.

Mr. President, I have heard talk about patronage. This is pure and simple patronage. Why was the appointment recommended by Secretary Stevens? I should think that Secretary Stevens would have enough trouble of his own with the Senator from Wisconsin [Mr. MCCARTHY] without worrying as to who should be appointed commissioner on the Boundary Commission.

I have heard complaints of late that the legislative branch of the Government is interfering with the executive branch. Now we have before us an attempt by the executive branch of the Government to interfere with the legislative branch.

The position is not under the Army and not under the Secretary of the Army but is under the Department of State.

I am satisfied that the man is a good engineer, but before I vote to enable him to take this position I should like to know whether he would be a good Commissioner. I have some questions I should like to ask of him. There is not one word in the record as to whether he knows anything about the Mexican border, and whether he knows anything about the psychology of the Mexican people. All I ask is that the bill be recommitted to the committee so that some questions can be asked of him. He may be the best man in the world, but, so far as the record is concerned, all we know is that he graduated from West Point. Many other men have graduated from West Point, and many of them are good engineers.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. KILGORE. Is it not a fact that the Boundary Commission employs engineers?

Mr. CHAVEZ. It has a staff of engineers, and they are just as good engineers as any other engineers in the world.

Mr. KILGORE. Therefore the primary requisite for this position is not necessarily a knowledge of engineering.

Mr. CHAVEZ. That is correct. Ninety percent of the work of the Commission has nothing whatever to do with engineering. The Commission has a staff of engineers and they have had a staff of engineers for years. The river was channelized in Texas and New Mexico some time ago, and it was done by the Army engineers.

Mr. DANIEL. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. DANIEL. Is it not true that the Commissioner must be an engineer, under the law which created the Boundary Commission, and under the treaty?

Mr. CHAVEZ. I cannot be positive about that.

Mr. DANIEL. It is my information that he must be an engineer. I understood that possibly the Senator from New Mexico preferred an engineer who has also served in our State, Col. Delbert Freeman, whose name has been mentioned on the floor.

Mr. CHAVEZ. It is not a question of who is to be appointed. If it is to be an engineer it should be an engineer who is acquainted with the border in Texas, New Mexico, Arizona, and California. I believe such a man would fit better into the picture and into the scheme of things and would be better able to get along with the people below the border. It takes more than engineering knowledge to handle that job.

Mr. DANIEL. I should like to say to the Senator from New Mexico that both of the men whose names have been mentioned, Colonel Hewitt and Colonel Freeman, have served in Texas, and they have served on the border. I know both of them. They are both well qualified. If I were to make a choice between them, because my personal acquaintance with Colonel Freeman has been over a longer period than my acquaintance with Colonel Hewitt, I would agree with the Senator from New Mexico and choose Colonel Freeman.

However, since both of them are fully qualified and the President has made his choice, and that choice is Colonel Hewitt, I intend to vote for the pending bill in order to make it possible for Colonel Hewitt to serve on the Commission without drawing his retirement pay as an Army officer. That is the only issue now before us. He should not drow both salaries, and this bill so provides.

I share the Senator's high regard for Colonel Freeman, and hope that he will be called to similar service in the future, and preferably in our section of the country.

Mr. CHAVEZ. I do not know whether that is correct. I am not necessarily objecting to Colonel Hewitt, but I should like to know—and the Senate as a whole should know—a little more about Colonel Hewitt than merely that he is a good

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engineer. I should like to know his state of mind. I should like to know about his ability to deal with friendly people. All my motion would do would be to have the bill go back to committee so that we may find out something about the man. There is nothing in the record. I will say to the Senator from Texas, which shows that even one question was asked about the Boundary Commission's work with reference to international matters. Every question that was asked of Colonel Hewitt, and all the testimony that was given in behalf of Colonel Hewitt, was with reference to his engineering training and experience, which we all admit is good. However, there is more to the job than being a good engineer. The Senator from Texas knows that sometimes things are a little touchy along the border. There can be no question about that.

I want to know all about the man who is appointed, whether he be an engineer or otherwise. I wish to know whether he is of a state of mind to be firm and to protect all our rights and to take care of our interests, but, at the same time, able to get along with the people with whom he is dealing. That is all I had in mind in moving to recommit the bill.

Let us be blunt about it. He may have racial prejudice. If the Senate thinks we are getting along south of the border as well as many people think we are, we had better have another thought. We are having our troubles with Guatemala. It is not all one-sided. The people there are not all Communists. There may be a little exploitation by foreign interests.

We are having trouble in Honduras. They are not all Communists. There may be a little exploitation by foreign powers and foreign interests there. In order to get rid of communism we should take a little interest in feeding the people or seeing that they are fed by those who are exploiting them.

Everything is not well in Chile. I know the differences between the diplomatic agencies and the Anaconda Copper Co.

So, Mr. President, all these questions are involved.

Mr. President, let us ask this appointee this question: "Are you going to throw your weight around because you used to be an Army colonel, or are you going to do your job properly for Uncle Sam?"

Mr. KNOWLAND. Mr. President, I originally made a motion to lay on the table the motion of the Senator from New Mexico to recommit the bill, but because of the number of Senators who were absent from the Chamber, I did not want to foreclose discussion. I now ask that the yeas and nays be ordered on the motion to recommit, and I hope the Senate will vote against the motion.

The PRESIDING OFFICER. On the motion to recommit the yeas and nays are requested.

The yeas and nays were ordered.

THE BOUNDARY COMMISSION PERSONNEL

Mr. MALONE. Mr. President, I should like to ask the distinguished Senator from California a question.

Mr. KNOWLAND. I shall be glad to try to answer the Senator's question.

Mr. MALONE. I heard the letter read, but I did not hear the name of the person who signed the letter.

Mr. KNOWLAND. The Secretary of the Army, Mr. Stevens.

Mr. MALONE. The Secretary said Colonel Hewitt is well qualified for the position to which he has been appointed. From what State does Colonel Hewitt come?

Mr. KNOWLAND. I do not have before me the biographical material which I read. I think the official reporter has it.

Mr. MALONE. He is from Massachusetts, is he not?

Mr. KNOWLAND. He has lived in Massachusetts. He has been district engineer at El Paso. Like a great many Army officers, he has lived in many sections of the country.

Mr. MALONE. This is a very important position. The previous commissioner Mr. Lawson, signed a treaty with Mexico without consulting the States affected, giving that nation 1,500,000 acre feet of water annually from the Colorado River which was twice what they had ever utilized.

Mr. KNOWLAND. I may say to the Senator that Colonel Hewitt was born in Northwood, Iowa.

Mr. MALONE. When a man is transferred from a humid country such as Iowa to an arid country, or vice versa, he does not have the experience he needs. He probably can learn in time if he is a proper person. In a humid country the problem is to get water off of the land and into the streams. In the arid region the problem is to get the water out of the streams and onto the land in order to raise crops. The people in the East never understand the importance which we attach to water in the West.

I left the Colorado River Commission of Nevada in 1935 and went back to my engineering practice. I warned the commissions in those States to watch the Boundary Commission, because it had the power to take the water away from the basin and give it to Mexico.

I shall not go into that subject again; it was discussed in the earlier debate. We know Mexico has never used more than 750,000 acre-feet at any time. It never raised crops on more than 30,000 acres in any one year. In 1927 I went to Mexico and reviewed the land and wrote a report on it, which is still in existence. However in 1946 we awakened to find that Mr. Lawson and his committee had given Mexico 1½ million acre-feet of water in a treaty—twice the amount of water Mexico had ever before used in one year. It caused a shortage of water in the Colorado River Basin.

There is 10 times the land in the 7 States of the basin than there is water to irrigate.

The President can appoint anyone without sending the name to the Senate. But he did send this name to the Senate, which gives me the opportunity to say what I have in mind.

I telephoned the White House when I saw the name in the newspapers a few months ago. If they recorded that conversation they can understand it at any time they play it back. I said just what I am now saying. They said, "All right; we will hold it up for a while."

Finally Colonel Hewitt had breakfast with me and I had a long talk with him. He is a fine man, but he does not know anything about the river. He told me he did not. I do not intend to vote against him, but this should be a warning that when commissioners are appointed for a particular job, this one, for example, they should have consulted the Colorado River Commissions of the seven basin States.

When I was State engineer of Nevada the late Senator Oddie and the late Senator Key Pitman were Members of the Senate. The Senate approved the compact of the 7 Colorado River Basin States and, later the Boulder Dam Project Act requiring 5 States to approve the compact before a dam could be constructed. When the people want to build public projects they come to the Congress, but otherwise the basin runs its business.

Mr. President, when we send a man from a humid area into an arid area he has no idea about the problems involved. If authority is in the hands of the wrong man, the basin can be badly hurt. That possibility is not confined to the Colorado River alone.

I am not blaming the present President of the United States. He is one of the finest men I have ever met. But when we are talking about a man who can affect the lifeblood of the West with reference to producing power and putting water on the land, it is very important to choose the right person.

So there are persons like Mr. Lawson, who was the chairman, who would make a mistake in a treaty. I would not know Mr. Lawson if he walked into the Senate Chamber, but I shall never forget him, because his actions hurt forever the lower Colorado River Basin. I doubt that he even knew what he was doing. I say they should be qualified. Letters should be sent to the governors of the States affected before such appointments are made.

Mr. President, I have no candidate whom I desire to have appointed to this position. It does not make any difference at all to me who is appointed, so long as it is someone who understands what he is doing.

The Mexican water treaty gave to Mexico an additional 750,000 acre feet of water annually above what they had ever used. That is 750,000 acres of land covered with water to the depth of 1 foot. The treaty came before the Senate for approval. I spent $150 in telephoning Senators with reference to the matter, but I did not get anywhere. Had I been on the Senate floor when the treaty came up for consideration, the tracks in the carpet in the Chamber would have been three inches deep before I sat down or the treaty would have been defeated.

But the Senate approved the treaty. I shall vote to confirm this man but it is not the way to treat any section of the country.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico [Mr.

CHAVEZ] to recommit the bill to the Committee on Foreign Relations.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. CHAVEZ. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New Mexico will state it.

Mr. CHAVEZ. As I understand, Senators who favor recommitting the bill will vote "yea"; Senators who are opposed to recommitting the bill will vote "nay." Is that correct?

The PRESIDING OFFICER. The Senator from New Mexico is correct.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Illinois [Mr. DIRKSEN], the Senator from Michigan [Mr. POTTER], and the Senator from Kentucky [Mr. COOPER] are absent on official business.

The Senator from Maryland [Mr. BUTLER], the Senator from California [Mr. KUCHEL], the Senator from Wisconsin [Mr. WILEY], and the Senator from North Dakota [Mr. YOUNG] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Ohio [Mr. BURKE], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Arizona [Mr. HAYDEN], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Oklahoma [Mr. KERR] are absent on official business.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate.

I announce further that if present and voting, the Senator from Iowa [Mr. GILLETTE] would vote "nay."

The result was announced—yeas 18, nays 59, as follows:

YEAS—18

Anderson	Kennedy	Murray
Chavez	Kilgore	Neely
Clements	Lehman	Russell
Gore	Long	Smathers
Hennings	Magnuson	Sparkman
Hill	Monroney	Symington

NAYS—59

Aiken	Frear	McCarran
Barrett	Fulbright	McCarthy
Beall	Goldwater	McClellan
Bennettt	Green	Millikin
Bowring	Hendrickson	Mundt
Bricker	Hickenlooper	Pastore
Bridges	Holland	Payne
Bush	Humphrey	Purtell
Butler, Nebr.	Hunt	Robertson
Byrd	Ives	Saltonstall
Capehart	Jackson	Schoeppel
Carlson	Jenner	Smith, Maine
Case	Johnson, Colo.	Smith, N. J.
Cordon	Johnson, Tex.	Stennis
Daniel	Knowland	Thye
Duff	Langer	Upton
Dworshak	Lennon	Watkins
Ellender	Malone	Welker
Ferguson	Mansfield	Williams
Flanders	Martin	

NOT VOTING—18

Burke	George	Kuchel
Butler, Md.	Gillette	Maybank
Cooper	Hayden	Morse
Dirksen	Johnston, S. C.	Potter
Douglas	Kefauver	Wiley
Eastland	Kerr	Young

So the motion of Mr. CHAVEZ to recommit was rejected.

The PRESIDING OFFICER (Mr. UPTON in the chair). The bill is open to amendment. If there are no amendments to be offered, the question is on the third reading of the bill.

The bill (H. R. 9004) was ordered to a third reading, was read the third time, and passed.

Mr. FERGUSON. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. KNOWLAND. Mr. President, I move that the motion of the Senator from Michigan be laid on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from Michigan.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Without objection, Senate bill 3457 is indefinitely postponed.

TERMINATION OF RAILROAD REORGANIZATION PROCEEDINGS

Mr. KNOWLAND. Mr. President, for the information of the Senate, let me say that I intend to move that the Senate proceed to the consideration of Senate bill 978, but because of the lateness of the hour, unless the distinguished senior Senator from Colorado [Mr. JOHNSON], one of the two coauthors of the bill, wishes to make an opening statement, it is not intended that there will be any voting or debate on the bill tonight, because I understand there are a number of minor measures to be considered, and there will be some requests for insertions in the RECORD. However, the bill will be proceeded with when the Senate convenes tomorrow.

With that explanation, I move that the Senate proceed to the consideration of Senate bill 978.

The motion was agreed to, and the Senate proceeded to consider the bill (S. 978) to amend the Interstate Commerce Act in order to expedite and facilitate the termination of railroad reorganization proceedings under section 77 of the Bankruptcy Act and to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes, which had been reported from the Committee on Interstate and Foreign Commerce with amendments.

AMENDMENT OF PLEDGE OF ALLEGIANCE TO THE FLAG

Mr. FERGUSON. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House Joint Resolution 243, which came to the Senate this afternoon from the House.

The PRESIDING OFFICER laid before the Senate the joint resolution (H. J. Res. 243) to amend the pledge of allegiance to the flag of the United States of America, which was read twice by its title.

Mr. KNOWLAND. Mr. President, as I understand this is the joint resolution which the Senator from Michigan discussed with the majority and minority leaders, and which is the companion joint resolution to the one which the Senate passed a few day ago by unanimous vote?

Mr. FERGUSON. That is correct.

I ask unanimous consent that the joint resolution not be referred to the Committee on the Judiciary, but that the Senate proceed to its consideration at this time. I introduced Senate Joint Resolution 126 to amend the Pledge of Allegiance to the flag by adding the words "under God" after the word "Nation." The Senate passed the joint resolution, which then went to the House prior to the vote in the Judiciary Committee of the House on the House joint resolution. Instead of reporting the measure which had passed the Senate, Senate Joint Resolution 126, the House committee reported House joint resolution 243, which is now before the Senate. I ask unanimous consent that the House joint resolution be stated at this time.

The PRESIDING OFFICER. The clerk will read the joint resolution.

The Chief Clerk read the joint resolution, as follows:

Resolved, etc., That section 7 of the joint resolution entitled "Joint resolution to codify and emphasize existing rules and customs pertaining to the display and use of the flag of the United States of America," approved June 22, 1942, as amended (36 U. S. C., sec. 172), is amended to read as follows:

"SEC. 7. The following is designated as the pledge of allegiance to the flag: 'I pledge allegiance to the flag of the United States of America and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.' Such pledge should be rendered by standing with the right hand over the heart. However, civilians will always show full respect to the flag when the pledge is given by merely standing at attention, men removing the headdress. Persons in uniform shall render the military salute."

Mr. FERGUSON. Mr. President, the words which are significant in the proposed legislation are the words "under God," which are inserted after the word "Nation." Normally, the House would have passed the Senate joint resolution and under the usual normal procedure, the Senate would insist upon its joint resolution being passed, since it passed the Senate before the House acted. But because of the nature and significance of the proposal, I hope the Senate will not insist upon the normal procedure, but will pass the House joint resolution and clear it for the President, especially in view of the fact that the two joint resolutions are the same.

Mr. President, I think this measure should be passed immediately, without regard to the question of who is its author. I believe it to be of great importance that we as a Nation recognize a higher power than ourselves in the guidance of our existence. This joint resolution recognizes that we believe there is a Divine Power, and that we, our children, and children's children should always recognize it, as we do also in engraving the words "In God We Trust" over the principal entrance to this Chamber.

PROCEEDINGS OF MINNIGAN LIBRARIES

I believe we should trust in God and we should recognize that God is guiding our destiny and the hopes and aspirations of this Nation.

Therefore, I hope the House joint resolution will be passed immediately. The 14th of June is Flag Day, and it is very desirable, in my opinion, to have the President sign this measure before then.

Of course, our action in this case should not be regarded as a precedent affecting future action by the House of Representatives on other measures. So I believe we should be willing to have the House joint resolution passed immediately.

Therefore, Mr. President, I ask unanimous consent for the present consideration of House Joint Resolution 243, and I hope it will be passed by the unanimous vote of the Senate.

Mr. McCARRAN. Mr. President, will the Senator from Michigan yield to me?

Mr. FERGUSON. I am glad to yield.

Mr. McCARRAN. As the Senator from Michigan knows, the Judiciary Committee considered the Senate joint resolution, and unanimously voted to report it.

Mr. FERGUSON. Yes.

Mr. McCARRAN. And that joint resolution was unanimously passed by the Senate and went to the House of Representatives.

Mr. FERGUSON. That is correct.

Mr. McCARRAN. A similar joint resolution was introduced in the House of Representatives, was reported by the House Judiciary Committee, was passed on yesterday by the House, and is now before the Senate.

Mr. FERGUSON. That is correct.

Mr. McCARRAN. Under ordinary circumstances, the House of Representatives would have acted on the joint resolution that had been passed by the Senate.

Mr. FERGUSON. That is correct.

Mr. McCARRAN. However, the matter of procedure seems to me to be immaterial, in view of the nature of this measure.

Mr. FERGUSON. I agree.

Mr. McCARRAN. Therefore, I join the Senator from Michigan in the request that the House joint resolution be considered and passed at this time, even though the Senate joint resolution has previously been passed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Michigan?

There being no objection, the joint resolution (H. J. Res. 243) to amend the pledge of allegiance to the flag of the United States of America was considered, ordered to a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 2828) to provide for a per capita distribution of Menominee tribal funds and authorize the withdrawal of the Menominee Tribe from Federal jurisdiction, and it was signed by the President pro tempore.

THE NIAGARA POWER DEVELOPMENT BILL

Mr. LEHMAN. Mr. President, I regret the decision, by a close vote, to report favorably the Case bill for Niagara power development. Without the essential safeguards of the public and consumer interest, it is a giveaway different in degree but not in kind from the Miller-Capehart private monopoly bill.

The several close votes in the Public Works Committee make a vigorous and perhaps lengthy floor fight inevitable.

I am pleased that my bill for public development with safeguards of the public interest attracted substantial support in the committee. I hope to substitute it on the floor, or, at least, to attach the essential safeguards to the Case bill.

It must be borne in mind that even after the Senate acts, if it acts, this matter must go to conference. The House has already approved the undisguised private monopoly giveaway.

The Senate and the public will need to exercise every vigilance, and to insist on an all-out defense of the public interest, lest we add Niagara Falls to the list of Federal giveaways of our natural resources approved by this Congress.

LOOPHOLES IN THE RETIREMENT LAWS

Mr. WILLIAMS. Mr. President, on January 20, 1954, and again on January 28, 1954, as appearing in the CONGRESSIONAL RECORD on pages 474 and 933, the Senator from Kansas [Mr. SCHOEPPEL] and I referred to a case where an employee of the United States Government, upon reaching the age of retirement, had taken advantage of a loophole in our retirement laws whereby he withdrew $8,911.23 from a Government retirement fund, paid $63 into another Government retirement fund, and thereby increased his retirement benefits from approximately $1,900 to over $2,700.

This was accomplished by the simple procedure of the gentleman's resigning from the TVA, where he had been employed for 18 years, withdrawing all his contributions plus interest—totaling $8,911.23—from that fund, and then 3 days later being employed by the Department of Agriculture at a newly created job for approximately 2 months, during which time he contributed $63 to the Civil Service Retirement Fund. He then retired with a pension of $2,748, plus survivorship benefits of $1,488 for his wife, instead of a pension of $1,918.10.

This case was referred to the Comptroller General, with a request that it be reviewed by his office and a ruling submitted as to the legality of the procedure. Under date of March 12, 1954, I received a reply, signed by Mr. Frank H. Weitzel, Acting Comptroller General, in which the legality of this procedure was upheld. However, while ruling that this is a loophole in our retirement laws, whereby the Government can be defrauded of millions of dollars, the Acting Comptroller General pointed out that in this one instance there is a possibility that the Government may recover its funds.

The Acting Comptroller General, Mr. Weitzel, in his report stated that—

> Aside from the question of creditable service under the Civil Service Retirement Act for time spent under another retirement system, there is one aspect of the instant case with which this Office is not fully satisfied. That is, whether the duration of the employment of Mr. * * * in the Department of Agriculture might have been such as to exclude him from operation of the Civil Service Retirement Act under Executive Order No. 9154, dated May 1, 1942, issued pursuant to the act (5 U. S. C. 693b). Accordingly, a letter has been addressed to the Civil Service Commission for a report on that phase of the matter and you will be kept informed of any developments in regard thereto.

Thus, while there is a possibility that in this particular instance recovery of the Government's loss may be possible, nevertheless, that does not diminish the need of an immediate correction in our existing laws under which this loophole exists, because, according to the ruling of the Comptroller General, if the employees of the other agencies transfer to bona fide Civil Service employment, they can take advantage of the loophole in exactly the same manner as was attempted by the employee in this case.

It is my understanding that the only basis for any question regarding the legality of this particular case is the fact that the job to which he was assigned in the Department of Agriculture was a newly created one on the date of his employment, and one which was abolished on the date of his retirement, about 60 days thereafter.

I fully recognize that there are thousands of Government employees who would not stoop to this indirect method of raiding the public treasury. However, as demonstrated in this case, there are those who would take advantage of any loophole in our laws. Both to prevent the abuse and to safeguard the retirement funds of thousands of more conscientious employees, I urge that the Senate Committee on Post Office and Civil Service give immediate attention to reporting necessary proposed legislation to correct this practice.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the letter from the Acting Comptroller General, in which he upholds the legality of the procedure, but also questions the propriety of this particular case, and states that there may be a method by which the payment of these retirement benefits can be stopped.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, May 12, 1954.

Hon. JOHN J. WILLIAMS,
United States Senate.

DEAR SENATOR: Further reference is made to your letter of February 18, 1954, acknowledged March 4, furnishing copies of statements made by you in the United States Senate on January 20 and 28, 1954, relative

to the civil-service retirement case involving Mr. ———. You request that this Office consider the facts furnished by you concerning the case and to advise you fully whether the retirement pay authorized is within the law.

From the information furnished by you as well as other information obtained from the Civil Service Commission it appears that, after having contributed only $63 to the retirement fund covering a short period of employment (April 28, 1952, to June 30, 1952), Mr. ——— is in receipt of a life annuity under the Civil Service Retirement Act of $2,748 per annum with a right in his wife to receive an annuity of $1,488 per annum if she survives him.

The annuity is predicated on service of the employee in the Department of Agriculture from February 1, 1915, to September 15, 1934, during which he was not subject to any retirement act and made no retirement contribution; service in the Tennessee Valley Authority from September 17, 1934, to April 25, 1952, during which the employee was under the retirement system applicable to that agency and from which he withdrew his contributions of $7,883.61, plus interest of $1,027.62, upon his resignation from the Tennessee Valley Authority on April 25, 1952; and further service during his short period of reemployment in the Department of Agriculture. The employee became subject to the Civil Service Retirement Act for the first time when his last appointment in the Department of Agriculture became effective and deductions from his salary for retirement purposes were made covering the period April 28, 1952, to June 30, 1952, his services having been terminated on the latter date.

Section 3 of the Civil Service Retirement Act of May 29, 1930, as amended (5 U. S. C. 693), provides, generally, that such act shall apply to all officers and employees in the executive, legislative, and judicial branches of the Government, except for employees who may be subject to another retirement system. Also, in section 5 (5 U. S. C. 707), it is provided that the aggregate period of service which forms the basis for an annuity under the act shall be computed from the date of original employment whether as an unclassified or classified officer or employee in the civil service of the United States including service at different times in one or more departments, branches or independent offices, or the legislative branch of the Government.

Under section 17 of the act (5 U. S. C. 709), the Civil Service Commission is authorized and directed to perform any and all acts and to issue rules and regulations as may be necessary for carrying out the provisions of the act. In chapter R5–23 of the Federal Personnel Manual, containing instructions of the Civil Service Commission, it is provided that service under other Federal civilian retirement systems may be credited under the Civil Service Retirement Act if the employee is not receiving any benefits under such system, and in chapter R5–21 service in the Tennessee Valley Authority specifically is listed as creditable under the act.

In regard to deposits to cover past creditable service, it is spelled out in the act (secs. 7 and 12) that if an employee previously has obtained a refund from the civil-service retirement fund upon separation from the service or because of transfer to another position not under the act, he must, upon reemployment, redeposit all amounts refunded to him with interest before becoming entitled to any credit for the service covered thereby. If an employee becomes subject to the act for the first time he may receive full credit for prior service not under the act by making appropriate deposits or he may elect to receive partial credit therefor without deposit by electing to take a reduction in his annuity of 10 percent of the required deposit. However, the act is silent as to how service under another civil-service retirement system shall be treated, that is, whether a deposit should be made to the civil-service retirement fund before any credit for such service may be allowed—the employee having withdrawn his contributions to the other retirement system—or whether he may elect to take a reduced annuity in lieu of depositing any amount in the civil-service retirement fund. While the Civil Service Commission apparently has not issued any regulation applicable to deposits covering service under another civilian retirement system, it informally has been ascertained from that agency that it has been the practice to treat all service under a different civilian retirement system, where the employee has withdrawn his contributions to that system and no longer is subject thereto, as service not subject to the Civil Service Retirement Act, which thus permits the employee to elect to take a reduced annuity in lieu of making any deposit to the civil-service retirement fund.

In the absence of any provision in the Civil Service Retirement Act controlling in matters similar to that here involved, and since the Civil Service Commission has determined that civilian service under another retirement system is creditable in the manner set forth above—that agency being charged with administration of the act—there is perceived no basis for questioning the legality of the action taken in permitting Mr. ——— to take a reduced annuity in lieu of making a deposit into the civil service retirement fund to cover the service rendered in the Tennessee Valley Authority.

Aside from the question of creditable service under the Civil Service Retirement Act for time spent under another retirement system, there is one aspect of the instant case with which this office is not fully satisfied. That is, whether the duration of the employment of Mr. ——— in the Department of Agriculture might have been such as to exclude him from operation of the Civil Service Retirement Act under Executive Order No. 9154, dated May 1, 1942, issued pursuant to the act (5 U. S. C. 693b). Accordingly, a letter has been addressed to the Civil Service Commission for a report on that phase of the matter and you will be kept informed of any developments in regard thereto.

Sincerely,

FRANK H. WEITZEL,
Acting Comptroller General of the United States.

RECESS

Mr. SALTONSTALL. Mr. President, I move that the Senate stand in recess until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 19 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, June 9, 1954, at 12 o'clock meridian.

CONFIRMATION

Executive nominations confirmed by the Senate June 8 (legislative day of May 13), 1954:

UNITED STATES DISTRICT JUDGES

Ralph M. Freeman to be United States district judge for the eastern district of Michigan. (New position.)

W. Wallace Kent to be United States district judge for the western district of Michigan. (New position.)

UNITED STATES MARSHALS

John Burke Dennis to be United States marshal for the western district of Missouri.

Joseph F. Job to be United States marshal for the district of New Jersey.

Kenner Wilburn Greer to be United States marshal for the western district of Oklahoma.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 8, 1954

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the guiding intelligence in the life of men and of nations, may all the deliberations and decisions of this day give clear and unmistakable testimony to our supreme ambition to do Thy holy will devotedly and courageously.

Grant that in our search for the right solution to our many difficult problems we may yield our finite spirits, in humility and obedience, to the leading of Thy divine spirit, assured that Thou wilt guide us rightly.

May we daily remind ourselves of our sacred oath of office and that we have solemnly sworn to support and defend the Constitution of the United States against all enemies, foreign and domestic; that we will bear true faith and allegiance to the same; that we have taken this obligation freely, without any mental reservation or purpose of evasion; and that we will well and faithfully discharge the duties of the office on which we have entered.

So help us God, in the name of our blessed Lord and Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 107. An act to provide for the transfer of the site of the original Fort Buford, N. Dak., to the State of North Dakota;

H. R. 2016. An act to authorize the Secretary of the Interior to sell certain land to the board of national missions of the Presbyterian Church in the United States of America;

H. R. 2226. An act to repeal the provision of the act of July 1, 1902 (32 Stat. 662), as amended, relating to pay of civilian employees of the Navy Department appointed for duty beyond the continental limits of the United States and in Alaska;

H. R. 2849. An act to amend the act entitled "An act to authorize the transfer of land from the War Department to the Territory of Hawaii," approved June 19, 1936;

H. R. 3573. An act for the relief of the estate of Anna I. R. Wells, deceased, and others;

H. R. 3907. An act for the relief of Jean Sutherland;

H. R. 5831. An act to enable the Hawaiian Homes Commission of the Territory of Hawaii to exchange available lands as designated by the Hawaiian Homes Commission Act, 1920, for other publicly owned lands;

H. R. 5833. An act to authorize the commissioner of public lands of the Territory of Hawaii to exchange certain public lands for private lands of equal value required for school purposes;

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H. R. 5913. An act to simplify the handling of postage on newspapers and periodicals;

H. R. 6328. An act authorizing the exchange of certain public lands in the vicinity of Waimea, county of Hawaii, in the Territory of Hawaii for certain privately owned lands;

H. R. 6888. An act to amend sections 201 (a) and 207 (a) of the Hawaiian Homes Commission Act;

H. R. 6890. An act to approve Act No. 27 of the Session Laws of 1951 of the Territory of Hawaii, entitled "An act to amend Act 24 of the Session Laws of Hawaii 1927, as ratified by the act of Congress of March 2, 1928, so as to extend the electric light and power franchise granted by said act to cover the entire districts of Waimea and Koloa on the island of Kauai, T. H."; and

H. R. 8487. An act to amend the act of June 19, 1948, to provide for censuses of manufactures, mineral industries, and other businesses, relating to the year 1954.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1244. An act relating to the renewal of star route and screen vehicle service contracts;

S. 2027. An act authorizing the Secretary of the Interior to issue quitclaim deeds to the States for certain lands;

S. 2367. An act to amend the act of June 29, 1935 (the Bankhead-Jones Act), as amended, to strengthen the conduct of research of the Department of Agriculture;

S. 2715. An act to amend the Agricultural Adjustment Act of 1938, as amended;

S. 2719. An act to prevent persons who engage in activities contrary to the interest of the United States from pursuing a course of education or training in a foreign country under the Servicemen's Readjustment Act of 1944;

S. 3207. An act to amend section 8a (4) of the Commodity Exchange Act, as amended;

S. 3318. An act to provide for a continuance of civil government for the Trust Territory of the Pacific Islands; and

S. 3336. An act to promote the apportionment of the waters of the Columbia River and tributaries for irrigation and other purposes by including the States of Nevada and Utah among the States authorized to negotiate a compact providing for such apportionment.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8044. An act to extend the authorization for funds for the hospitalization of certain veterans in the Philippines.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1432. An act for the relief of Peter Penovic, Milos Grahovac, and Nikola Maljkovic.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8680. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1955, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CORDON, Mr. YOUNG, Mr. KNOWLAND, Mr. HAYDEN, and Mr. MCCARRAN to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 3522) entitled "An act for the relief of Arthur S. Rosichan," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. WILEY, Mr. BUTLER of Maryland, and Mr. JOHNSTON of South Carolina to be the conferees on the part of the Senate.

RESIGNATION AS MEMBER OF JOINT CONGRESSIONAL COMMITTEE

The SPEAKER laid before the House the following communication, which was read:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 7, 1954.

Hon. JOSEPH W. MARTIN, JR.,
Speaker, House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: I hereby submit my resignation as a member of the joint congressional committee appointed to participate in the celebration of the 200th anniversary of the Congress of 1754, held at Albany, N. Y., June 23 and 24, 1954.

Respectfully,

NORRIS COTTON.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

FREE TO JOIN

Mr. LUCAS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, to revise and extend my remarks, and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LUCAS. Mr. Speaker, the Weatherford Democrat, one of the leading newpapers in my congressional district, recently published an editorial which every Member of Congress should read. It is entitled "Free To Join" and it makes pertinent reference to the decision in the Santa Fe case ruling that the closed shop in the railroad industry violates constitutional principles. This is particularly gratifying to me because I was one of but 52 Members in the House who voted against this legislation, and I will be watching the actions of the higher courts as this case goes up on appeal.

I do not believe that any workman should be compelled to pay union dues in order to make a living for his family.

Therefore I take pleasure in calling to the attention of the Congress this very enlightening editorial in the Weatherford Democrat:

FREE TO JOIN

Writing in the May 17 issue of the Freeman, James R. Morris, a University of Chicago economist and specialist on labor unions, deals in considerable detail with a case which, in the view of many, may prove to be a milestone in the tangled history of labor legislation. The case is that of *Sandsberry* v. *Santa Fe*, and Mr. Morris' article carries the descriptive title "The Right to Work."

Curiously enough, as Mr. Morris points out, "the Supreme Court never has ruled on the constitutionality of compulsory union membership as a condition of employment." Now there are several cases involving the issue which may reach that tribunal. And one of the most significant of these, Mr. Morris states, is *Sandsberry* v. *Santa Fe*.

Under the original Railway Labor Act, passed in 1932, compulsory union membership was prohibited—any railroad worker was free to join or not join, as he chose. In 1951, Congress amended the act to make the union shop permissible. The Santa Fe Railway opposed the demands of the unions in this regard, even though threatened with a strike. Then, in 1953, 13 Santa Fe employees went into the 108th District Court of Texas and asked for a permanent injunction against a union shop agreement between the Santa Fe and the unions, on the grounds that such an agreement would deprive them of rights guaranteed under both Federal and State constitutions.

The jury held for the plaintiffs and against the unions. Last February 6 the judge, E. C. Nelson, granted the desired injunction and, additionally, enjoined the unions from striking to coerce the Santa Fe into signing a union shop contract. It is Judge Nelson's reasoning which, Mr. Morris writes, "was based upon the jury's findings of fact as well as upon the court's conclusions of law," that is of exceptional interest and significance.

Judge Nelson held that the section of the revised Railway Labor Act which legalized the union shop is beyond the power of Congress, and is a violation of the 1st, 5th, 9th, 10th, and 13th amendments to the United States Constitution.

He held also the Texas right-to-work law valid and applicable. He said Congress' right to regulate interstate commerce "does not mean that Congress has the right to regulate matters that have no essential relation to interstate commerce." He emphasized that his decision was in no way an attack on labor unions, which are "recognized as necessary and proper" but that to require membership in any organization as a condition of the right to work "is repugnant to American concepts of individual freedom."

Finally, and perhaps most important of all, Judge Nelson drew an analogy between the old, and long-outlawed "yellow dog" contracts and union-shop contracts. Here he said: "The evidence indicates that there was a period of union busting and head busting and of 'yellow dog' contracts. That was wrong, but that time, thank God, has passed. And it is just as wrong now that the unions should endeavor to compel men and women to join a union at the price of holding their jobs. The right answer is that they must be free to join or not to join, as they as individual persons choose to do."

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

VALIDATING CONVEYANCE OF A 40-ACRE TRACT IN OKALOOSA COUNTY, FLA.

The Clerk called the resolution (S. J. Res. 119) to validate conveyance of a 40-acre tract in Okaloosa County, Fla.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That the execution and delivery of the quitclaim deed from the United States of America to J. C. Thames and

Monie Thames, his wife, under date of September 12, 1945, filed for record in the office of the clerk of the circuit court of Okaloosa County, Fla., on September 28, 1945, at 1 o'clock postmeridian, and recorded in volume 45 at page 314 of the deed record in said office, and the execution and delivery of the quitclaim deed to minerals from the United States of America to Morris Aughtman and Estelle Aughtman, his wife, under date of August 14, 1952, filed for record in the office of the clerk of the Circuit Court of Okaloosa County, Fla., on August 21, 1952, at 1 o'clock postmeridian, and recorded in volume 88 at pages 158–159 of the deed record in said office, be, and the same are hereby confirmed, ratified, and validated as of the respective dates of their execution and delivery, insofar as they relate to the southwest quarter of the southwest quarter of section 27, township 6 north, range 24 west, Okaloosa County, Fla.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAVALIER COUNTY FAIR ASSOCIATION

The Clerk called the bill (S. 144) for the relief of the Cavalier County Fair Association.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Cavalier County Fair Association, of Langdon, N. Dak., the sum of $1,852, in full satisfaction of its claim against the United States for reimbursement for such amount paid to the United States in July 1951 for certain materials received from the War Assets Administration in 1946, which the association understood it was to receive without payment: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT L. HILTON

The Clerk called the bill (S. 857) for the relief of the legal guardian of Robert L. Hilton, a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Robert L. Hilton, a minor, of Silver Spring, Md., the sum of $10,000 in full settlement of all claims against the United States for personal injuries, pain, and suffering, and facial disfigurement sustained by the said Robert L. Hilton on April 6, 1952, when he was severely injured on the Fort Devens Military Reservation, Mass., by the explosion of a phosphorus grenade which had been found near the reception center on said military reservation and thereafter exploded by a small child with whom the said Robert L. Hilton was playing: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SOUTH DAKOTA STATE HOSPITAL

The Clerk called the bill (S. 1794) to reimburse the South Dakota State Hospital for the Insane for the care of Indian patients.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the South Dakota State Hospital for the Insane, Yankton, S. Dak., the sum of $8,124.29, in full satisfaction of its claim against the United States for compensation for services furnished Indian patients from the Rosebud and Pine Ridge Indian Agencies: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LT. HAYDEN R. FORD

The Clerk called the bill (S. 2450) for the relief of Lt. Hayden R. Ford.

Mr. BONIN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

FREDERICKTOWN LEAD CO.

The Clerk called the resolution (H. Res. 520) providing for sending to the United States Court of Claims the bill (H. R. 2156) for the relief of the Fredericktown Lead Co.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 2156) entitled "A bill for the relief of the Fredericktown Lead Co., of Fredericktown, Mo.," together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELECTRIC FERRIES, INC., OF NEW YORK

The Clerk called the resolution (H. Res. 545) providing for sending to the United States Court of Claims the bill (H. R. 5587) for the relief of Electric Ferries, Inc., of New York, as agent and trustee of the stockholders of Southern Transportation Co. of New York.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 5587) entitled "A bill for the relief of Electric Ferries, Inc., of New York, as agent and trustee of the stockholders of Southern Transportation Co. of New York," together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNION OIL COMPANY OF CALIFORNIA AND THE MATSON NAVIGATION CO.

The Clerk called the resolution (H. Res. 546) providing for sending to the United States Court of Claims the bill (H. R. 1950) for the relief of Union Oil Company of California and the Matson Navigation Co.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 1950) entitled "A bill for the relief of the Union Oil Company of California and the Matson Navigation Co.," together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PALMER-BEE CO.

The Clerk called the resolution (H. Res. 547) providing for sending to the

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United States Court of Claims the bill (H. R. 2042) for the relief of Palmer-Bee Co.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 2042) entitled "A bill for the relief of Palmer-Bee Co., together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. VALERIE M. SCHMIEDEKE

The Clerk called the bill (H. R. 1185) for the relief of Mrs. Valerie M. Schmiedeke.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That the late Cleo Earl Schmiedeke, XC-3150921, who died in action on January 29, 1943, shall be held and considered to have had in effect at the time of his death, national service life insurance in the amount of $9,000, and the Administrator of Veterans' Affairs shall pay such insurance to Mrs. Valerie M. Schmiedeke, Denver, Colo., widow of the said Cleo Earl Schmiedeke. The said Cleo Earl Schmiedeke applied for such national service life insurance in 1942 while serving aboard the U. S. S. *Chicago*, but the record of such application was subsequently lost.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWARDS MANUFACTURING CO., INC.

The Clerk called the bill (H. R. 1962) for the relief of the Edwards Manufacturing Co., Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be and is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $14,730.49 to the Edwards Manufacturing Co., Inc., of Cincinnati, in full settlement of all claims against the United States as reimbursement for losses sustained as a result of Navy contract No. NOrd-10093.

With the following committee amendments:

Line 5, strike out "$14,730.49" and insert in lieu thereof "$6,850."

At the end of the bill add ": *Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NICHOLAS MATOOK

The Clerk called the bill (H. R. 2781) for the relief of Nicholas Matook.

Mr. BONIN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

E. C. MILLS

The Clerk called the bill (H. R. 3216) for the relief of E. C. Mills.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,732.39 to E. C. Mills, of Richlands, N. C., in full settlement of all claims against the United States, representing a refund of income tax erroneously collected from him on August 15, 1944, and April 3, 1945, by the Bureau of Internal Revenue: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDGAR A. BELLEAU, SR.

The Clerk called the bill (H. R. 3273) for the relief of Edgar A. Belleau, Sr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Edgar A. Belleau, Sr., of 55 Western Avenue, Cohoes, N. Y., be and he is hereby relieved of the liability to refund to the United States Government the sum of $1,209. Such sum represents the amount the Government is claiming from said Edgar A. Belleau, Sr., as a result of his hospitalization in veterans' hospitals, to which his service did not entitle him.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN B. DANIEL, INC.

The Clerk called the bill (H. R. 3384) for the relief of John B. Daniel, Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the last sentence of section 3250 (1) (5) of the Internal Revenue Code (relating to the time for filing claims for drawback in the case of distilled spirits used for nonbeverage purposes), the time for filing the claim of John B. Daniel, Inc., of Atlanta, Ga., for drawback under such section 3250 (1) (5) for the first calendar quarter of 1952 shall be the 90-day period which begins on the day on which this act is enacted. By reason of the death of the employee responsible for filing drawback claims, the claim of the said John B. Daniel, Inc., was filed 2 weeks after the expiration of the 3-month period for filing allowed by the last sentence of such section.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORG GAHN AND MARGARETE GAHN

The Clerk called the bill (H. R. 3820) for the relief of Georg Gahn and Margarete Gahn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Alien Property Custodian be, and he is hereby, authorized and directed to pay to Georg Gahn $6,537.07 and to Margarete Gahn $6,537.08. Such amounts represent the distributive share of George Gahn and Margarete Gahn under the will of their deceased sister, Lena Steeger, who died in Massachusetts on August 9, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LYMAN CHALKLEY

The Clerk called the bill (H. R. 4531) for the relief of Lyman Chalkley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lyman Chalkley, Prince Georges County, Md., the sum of $747.36. The payment of such sum shall be in full settlement of all claims of the said Lyman Chalkley against the United States for compensation for services performed by him during the period beginning August 28, 1952, and ending on September 30, 1952, while he was employed as a consultant in the Department of State without legal authority, through error on the part of personnel officials of that Department. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 1, strike out "personnel officials" and insert "an official."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FLORIDA STATE HOSPITAL

The Clerk called the bill (H. R. 4580) for the relief of the Florida State Hospital.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Florida State Hospital, at Chattahoochee, Fla., the sum of $142, in full settlement of its claim against the United States for reimbursement of a portion of the proceeds of a national service life insurance dividend erroneously issued by the Veterans' Administration in favor of Charles Bowes, an incompetent veteran under the care of the said Florida State Hospital, and erroneously spent by the veteran for his own personal needs: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE ELDRED MORGAN

The Clerk called the bill (H. R. 5086) for the relief of George Eldred Morgan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George Eldred Morgan, LaGrange, Ill., the sum of $362.74, as reimbursement for medical expenses incurred while on leave of 10 days from the United States Navy during July 1945. The payment of such claim shall be in full settlement of all claims of said George Eldred Morgan against the United States on account of medical, hospital, and other expenses incurred as a result of such illness: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT LEON ROHR

The Clerk called the bill (H. R. 5092) for the relief of Robert Leon Rohr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert Leon Rohr, Dayton, Ohio, the sum of $1,730.90. The payment of such sum shall be in full settlement of all claims of the said Robert Leon Rohr against the United States for damages arising out of his recall to active duty in September 1950 as a member of the United States Naval Reserve, after his enlistment had expired. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROCCO FORGIONE

The Clerk called the bill (H. R. 5489) for the relief of Rocco Forgione.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rocco Forgione, Waterbury, Conn., the sum of $94.56. The payment of such sum shall be in full settlement of all claims of the said Rocco Forgione against the United States for refund of income tax for the calendar year 1941 (plus penalty and interest thereon) which he was required to pay, on April 19, 1944, in spite of the fact that his income tax for such calendar year had been fully paid on March 13, 1942. The records of the Bureau of Internal Revenue erroneously failed to show the original payment of such tax, and the said Rocco Forgione was unable to locate the receipt for such original payment until the time for filing claim for refund had expired: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES PHILIP COYLE

The Clerk called the bill (H. R. 6332) for the relief of James Philip Coyle.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for purposes of computing increases in pay for length of service, James Philip Coyle, chief water tender, United States Navy, retired, shall be credited, in addition to any other service to which he may be entitled, with service for the period August 9, 1919, to and including September 21, 1922. Credit for this additional service shall be effective as of July 20, 1938.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of James Philip Coyle."

A motion to reconsider was laid on the table.

CLIFFORD OESTERLEI

The Clerk called the bill (H. R. 6383) for the relief of Clifford Oesterlei.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clifford Oesterlei, of St. Louis, Mo., the sum of $442.60. Such sum represents the amount of settlement and costs for which the said Clifford Oesterlei was compelled to pay in settlement out of court of a civil action brought against him as the result of an accident which occurred on July 5, 1951, and which involved a United States mail truck being driven by the said Clifford Oesterlei, a regular carrier in the United States Post Office, St. Louis, Mo. Such sum shall be paid only on condition that the said Clifford Oesterlei shall use such sum, or so much thereof as may be necessary, to pay such settlement and costs in full: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RALEIGH HILL

The Clerk called the bill (H. R. 6529) for the relief of Raleigh Hill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the Administrator of Veterans' Affairs is authorized and directed to pay the unpaid proceeds of the national service life insurance of the late Walter H. Nichols, Jr. (serial No. 34547976), who was killed in action April 8, 1945, to Raleigh Hill, of Miami, Fla., the uncle of the late Walter H. Nichols, Jr., and the designated beneficiary of such insurance. The claim of Raleigh Hill for payment as beneficiary of such insurance has been disallowed on the ground he did not stand in loco parentis to the insured within the meaning of the National Service Life Insurance Act of 1940, as amended. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third

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time, and passed, and a motion to reconsider was laid on the table.

DANIEL D. POLAND

The Clerk called the bill (H. R. 6566) for the relief of Daniel D. Poland.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the 1-year limitation of time contained in the first proviso of subsection (d) of section 303 of the Federal Employees' Compensation Act Amendments of 1949 (63 Stat. 867) is hereby waived in favor of Daniel D. Poland, of Lincoln, Ala., with respect to his claim for compensation under the provisions of the Federal Employees' Compensation Act for the loss of the distal phalanx of his left thumb because of an accident at the Anniston Ordnance Depot, Anniston, Ala., on November 4, 1948, if he files a claim for such compensation with the Bureau of Employees' Compensation, Department of Labor, within 60 days after the date of enactment of this act.

With the following committee amendment:

At the end of bill add the following: "*Provided*, That no benefits except medical expenses shall accrue prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GUERDON PLUMLEY

The Clerk called the bill (H. R. 6967) for the relief of Guerdon Plumley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Guerdon Plumley, Richmond Hill, N. Y., the sum of $542.50. Such sum represents the amount of the judgment and costs for which the said Guerdon Plumley was held liable to Abraham Appelbaum in a civil action in the courts of the State of New York. This civil action arose out of an accident which occurred on April 1, 1951, at 10:44 o'clock antemeridian between an automobile owned by the said Abraham Appelbaum and a United States mail truck driven by the said Guerdon Plumley, a garageman-driver in the New York post office motor vehicle service. Such sum shall be paid only on condition that Guerdon Plumley shall use such sum or so much thereof as is necessary to pay such judgment and costs in full: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. GEORGE A. MEFFAN

The Clerk called the bill (H. R. 7031) for the relief of Mrs. George A. Meffan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the Federal Employees' Compensation Act, as amended and supplemented (5 U. S. C., secs. 765–770), are hereby waived in favor of Mrs. George A. Meffan. Notwithstanding section 302 of the Federal Employees' Compensation Act Amendments of 1949 insofar as such section relates to payment of sums pursuant to private relief legislation, the Bureau of Employees' Compensation, Department of Labor, is authorized and directed to receive, consider, and determine any claim of the said Mrs. George A. Meffan for compensation for the death of George A. Meffan, late husband of the said Mrs. George A. Meffan and former United States marshal for the district of Idaho, who died on July 31, 1940, of gunshot wounds received in line of duty near Boise, Idaho, under the remaining provisions of the Federal Employees' Compensation Act, as amended and supplemented, as if such death had occurred on or after December 7, 1941, as required by section 303 (f) (1) of the Federal Employees' Compensation Act Amendments of 1949, if such claim is filed with the Bureau of Employees' Compensation not later than 6 months after the date of enactment of this act. No benefits shall accrue by reason of the enactment of this act for any period prior to the date of its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

S. SGT. FRANK C. MAXWELL

The Clerk called the bill (H. R. 7835) for the relief of S. Sgt. Frank C. Maxwell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $3,604.25 to S. Sgt. Frank C. Maxwell, of 3535th Maintenance Squadron, Mather Air Force Base, Calif., in full settlement of all claims against the United States for losses sustained by him on account of the destruction by fire of his household goods and personal effects at Whittier, Alaska, on June 17, 1953, for which he has not heretofore been compensated: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$3,604.25" and insert in lieu thereof "$1,103.00."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

G. F. ALLEN ET AL.

The Clerk called the bill (H. R. 8697) for the relief of G. F. Allen and others.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, not to exceed the sum of $2,661.18, of which amount (a) not to exceed the sum of $525.18 shall be credited in the accounts of G. F. Allen, deceased, former Chief Disbursing Officer, Treasury Department; not to exceed the sum of $1,065.78 shall be credited in the accounts of E. J. Brennan, former Chief Disbursing Officer, Treasury Department; not to exceed the sum of $792.26 shall be credited in the accounts of Paul D. Banning, Chief Disbursing Officer, Treasury Department; not to exceed the sum of $107.36 shall be credited in the accounts of Loren W. Looker, regional disbursing officer, Kansas City, Mo.; not to exceed the sum of $40.80 shall be credited in the accounts of C. A. Wood, regional disbursing officer, Atlanta, Ga.; not to exceed the sum of $75 shall be credited in the accounts of I. Carrico, regional disbursing officer, Cleveland, Ohio; not to exceed the sum of $24.80 shall be credited in the accounts of Don Iler, regional disbursing officer, New York, N. Y., such credits being allowed to adjust certain overpayments in such accounts as may be outstanding on date of enactment of this act; and (b) not to exceed the stated sums shall be paid to the following-named employees of the Internal Revenue Service at Cleveland, Ohio, in reimbursement for amounts paid by them from their personal funds on account of counterfeit Federal Reserve bank notes accepted by them while in the discharge of their official duties: James D. Marple, $20, and Mrs. Clara Longbrake, $10.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RICHARD A. KURTH

The Clerk called the bill (H. R. 1364) for the relief of Richard A. Kurth.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army be, and he is hereby, authorized and directed to adjust the accounts of C. W. O. Richard A. Kurth, Army of the United States, retired (Army Serial No. W2000106), so as (1) to pay to him retirement pay in the grade of warrant officer junior grade with over 30 years' service for the period from May 25, 1946, to June 28, 1948, inclusive, and (2) to pay to him retirement pay in the grade of chief warrant officer with over 30 years' service from and after June 29, 1948; and that when the accounts of the said C. W. O. Richard A. Kurth are so adjusted there be paid to him by the Secretary of the Army any balance of retirement pay found to be due him from and after May 25, 1946, out of the current appropriations for the payment of retired pay and retirement pay of military personnel on the retired list of the Army.

With the following committee amendment:

Strike out everything after the enacting clause and substitute the following: "That W. O. Richard A. Kurth, Army of the United States, retired (Army serial No. W–2000106), is hereby relieved of all liability to pay to the United States the sum of $1,423.39. Such sum repreesents the total of certain amounts which the Department of the Army has determined were erroneously paid to the said W. O. Richard A. Kurth during the period from May 25, 1946, to December 31, 1950, inclusive, as a result of errors made in the computation of his retirement pay.

"SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated to the said W. O. Richard A. Kurth an amount equal to the aggregate of the amounts paid by him, or which have been withheld from sums otherwise due him, in partial satisfaction of such claim of the United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF HOUSING PROJECTS TO UNIVERSITY OF CALIFORNIA

The Clerk called the bill (H. R. 6773) to provide for the conveyance of certain housing projects to the University of California.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of any other law, the Housing and Home Finance Administrator is authorized and directed to sell to the University of California, at fair market value as determined by him, all of the properties, including land, comprising war housing projects CAL-4041 and 4042 known as Canyon Crest Homes located in Riverside County, Calif.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. CECIL NORTON BROY

The Clerk called the bill (H. R. 7886) for the relief of Mrs. Cecil Norton Broy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any funds or property of the Government of Germany or of nationals of Germany and in the possession or under the control of the Government of the United States, or of funds or property of the Government of Germany or of nationals of Germany which may hereafter come into possession or under the control of the Government of the United States, the amount of $10,000 to Mrs. Cecil Norton Broy to compensate her for the death of her husband, Charles Clinton Broy, who died as the result of an injury sustained on August 29, 1940, when struck by a train operated by the Imperial German Government and the German National Railways at a railroad crossing in Bergheim, Germany, from which fatal injury he died September 23, 1943, which injury was caused through the gross negligence of the servants, agents, and employees in charge of said train, and while said Charles Clinton Broy was serving his country as a consular officer located at Brussels, Belgium, and while he was in the discharge of his official duties, and while returning from a conference of consular officers at Cologne, Germany, made necessary by the invasion of France and Belgium by Germany, and held for the protection of interests of the United States of America.

With the following committee amendment:

Strike out everything after the enacting clause, and substitute the following: "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $3,000 to Mrs. Cecil Norton Broy, of Arlington, Va. Such sum shall be in full settlement of all claims of Mrs. Cecil Norton Broy against the United States for medical and hospital expenses incurred by her husband, Charles Clinton Broy, as a result of his having been struck by a train operated by the Imperial German Government and the German National Railways at a railroad crossing in Bergheim, Germany, on August 29, 1940, while he was an employee of the United States Government in the diplomatic service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMITTING RELEASE OF REVERSIONARY RIGHTS OF UNITED STATES IN LAND LOCATED IN WAKE COUNTY, N. C.

The Clerk called the bill (S. 1400) to permit the Secretary of Agriculture to release the reversionary rights of the United States in and to a tract of land located in Wake County, N. C.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture, upon the written consent of the North Carolina Rural Rehabilitation Corp., is authorized and directed to transfer by quitclaim deed, without consideration, to the present trustees of the Fuquay Springs, N. C., Post 116 of the American Legion, all of the right, title, and interest remaining in the United States of America in and to a tract or parcel of land containing forty-five and four one-thousandths acres and more particularly described in a previous conveyance by the United States of America to the State Board of Education of the State of North Carolina by deed dated April 28, 1941, and recorded August 30, 1941, in book 868, page 171, of the records in the office of the Register of Deeds of Wake County, N. C.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF LANDS IN ALASKA TO ROTARY CLUB OF KETCHIKAN

The Clerk called the bill (H. R. 6263) to authorize the Secretary of Agriculture to convey certain lands in Alaska to the Rotary Club of Ketchikan, Alaska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized to convey by quitclaim deed to the Rotary Club of Ketchikan, Alaska, all right, title, and interest of the United States in and to that certain tract of land donated to the United States of America by said Rotary Club of Ketchikan, Alaska, by deed dated March 12, 1942, recorded in the land records of district 8, division No. 1, Territory of Alaska, on March 20, 1942, in volume S of deeds, at page 574, except a strip of land 7 feet in width located along the northeasterly boundary of said tract.

With the following committee amendments:

Page 1, line 4, after the word "Alaska", insert the words "for use of public purposes."

Page 1, line 12, at the end the sentence add the following: "Such land shall be conveyed on the express condition that if at any time the said lands shall cease to be used for public purposes title thereto shall revert to and become vested in the United States of America."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. SMITH of Wisconsin. Mr. Speaker, the balance of the bills on the calendar are not to be called today. No reports have been filed.

The SPEAKER. If the committee is not prepared, the gentleman may ask unanimous consent that the further reading of the calendar be dispensed with.

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that further reading of the bills on the Private Calendar be dispensed with.

The SPEAKER. Is there objection?

There was no objection.

TRADING WITH THE ENEMY ACT

Mr. CURTIS of Nebraska. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS of Nebraska. Mr. Speaker, I am today introducing a bill to amend the Trading With the Enemy Act. The number that has been assigned to my bill is H. R. 9475. My bill is a companion bill to an earlier one introduced by the gentlewoman from New York [Mrs. ST. GEORGE].

The purpose of this bill is to bring about the return of private property of individual German citizens and the estates and trusts of American citizens which have been taken by our Government. I believe that the action of this Congress of some years ago in regard to this matter was in error and that we should at this time undertake to rectify that.

It is my understanding that our Secretary of State, the Honorable John Foster Dulles, has taken the position that private property of enemy citizens must not be confiscated, but held inviolate. This position is certainly sound, right, and in accord with American tradition. After all, the property in question is not enemy property within the strict sense of the word, nor is it enemy property within the spirit of the Trading With the Enemy Act.

Mr. Speaker, I hope that the interested departments can report favorably on this bill so that action can be taken in this Congress.

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TOBACCO MARKETING PENALTY INCREASE

Mr. DEANE of North Carolina. Mr. Speaker, I ask unanimous consent to vacate the proceedings whereby the bill (S. 3050) to amend the Agricultural Adjustment Act of 1938, as amended, was amended, read a third time and passed on yesterday, for the purpose of offering a corrective amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The SPEAKER. The Clerk will report the amendment offered by the gentleman from North Carolina.

The Clerk read as follows:

Amendment offered by Mr. DEANE: On page 1, line 13, strike out "July 1, 1954" and insert "July 1, 1955."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

AMENDING ACT OF CONGRESS OF SEPTEMBER 3, 1935 (49 STAT. 1085), AS AMENDED

Mr. MILLER of Nebraska. Mr. Speaker, I call up the conference report on the bill (H. R. 2828) to amend the act of Congress of September 3, 1935 (49 Stat. 1085), as amended, and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1757)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2828) to amend the act of Congress of September 3, 1935 (49 Stat. 1085), as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill, and agree to the same with an amendment as follows:

In lieu of the matter inserted by the Senate amendment insert the following: "That the purpose of this Act is to provide for orderly termination of Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin.

"SEC. 2. For the purposes of this Act—

"(a) 'Tribe' means the Menominee Indian Tribe of Wisconsin;

"(b) 'Secretary' means the Secretary of the Interior.

"SEC. 3. At midnight of the date of enactment of this Act the roll of the tribe maintained pursuant to the Act of June 15, 1934 (48 Stat. 965), as amended by the Act of July 14, 1939 (53 Stat. 1003), shall be closed and no child born thereafter shall be eligible for enrollment: *Provided*, That applicants for enrollment in the tribe shall have three months from the date the roll is closed in which to submit applications for enrollment: *Provided further*, That the tribe shall have three months thereafter in which to approve or disapprove any application for enrollment: *Provided further*, That any applicant whose application is not approved by the tribe within six months from the date of enactment of this Act may, within three months thereafter, file with the Secretary an appeal from the failure of the tribe to approve his application or from the disapproval of his application, as the case may be. The decision of the Secretary on such appeal shall be final and conclusive. When the Secretary has made decisions on all appeals, he shall issue and publish in the Federal Register a Proclamation of Final Closure of the roll of the tribe and the final roll of the members. Effective upon the date of such proclamation, the rights or beneficial interests of each person whose name appears on the roll shall constitute personal property and shall be evidenced by a certificate of beneficial interest which shall be issued by the tribe. Such interests shall be distributable in accordance with the laws of the State of Wisconsin. Such interests shall be alienable only in accordance with such regulations as may be adopted by the tribe.

"SEC. 4. Section 6 of the Act of June 15, 1934 (48 Stat. 965, 966) is hereby repealed.

"SEC. 5. The Secretary is authorized and directed, as soon as practicable after the passage of this Act, to pay from such funds as are deposited to the credit of the tribe in the Treasury of the United States $1,500 to each member of the tribe on the rolls of the tribe on the date of this Act. Any other person whose application for enrollment on the rolls of the tribe is subsequently approved, pursuant to the terms of section 3 hereof, shall, after enrollment, be paid a like sum of $1,500: *Provided*, That such payments shall be made first from any funds on deposit in the Treasury of the United States to the credit of the Menominee Indian Tribe drawing interest at the rate of 5 per centum, and thereafter from the Menominee judgment fund, symbol 14X7142.

"SEC. 6. The tribe is authorized to select and retain the services of qualified management specialists, including tax consultants, for the purpose of studying industrial programs on the Menominee Reservation and making such reports or recommendations, including appraisals of Menominee tribal property, as may be desired by the tribe, and to make other studies and reports as may be deemed necessary and desirable by the tribe in connection with the termination of Federal supervision as provided for hereinafter. Such reports shall be completed not later than December 31, 1957. Such specialists are to be retained under contracts entered into between them and authorized representatives of the tribe, subject to approval by the Secretary. Such amounts of Menominee tribal funds as may be required for this purpose shall be made available by the Secretary.

"SEC. 7. The tribe shall formulate and submit to the Secretary a plan or plans for the future control of the tribal property and service functions now conducted by or under the supervision of the United States, including, but not limited to, services in the fields of health, education, welfare, credit, roads, and law and order. The Secretary is authorized to provide such reasonable assistance as may be requested by officials of the tribe in the formulation of the plan or plans heretofore referred to, including necessary consultations with representatives of Federal departments and agencies, officials of the State of Wisconsin and political subdivisions thereof, and members of the tribe: *Provided*, That the responsibility of the United States to furnish all such supervision and services to the tribe and to the members thereof, because of their status as Indians, shall cease on December 31, 1958, or on such earlier date as may be agreed upon by the tribe and the Secretary.

"SEC. 8. The Secretary is hereby authorized and directed to transfer to the tribe, on December 31, 1958, or on such earlier date as may be agreed upon by the tribe and the Secretary, the title to all property, real and personal, held in trust by the United States for the tribe: *Provided, however*, That if the tribe obtains a charter for a corporation or otherwise organizes under the laws of a State or of the District of Columbia for the purpose, among any others, of taking title to all tribal lands and assets and enterprises owned by the tribe or held in trust by the United States for the tribe, and requests such transfer to be made to such corporation or organization, the Secretary shall make such transfer to such corporation or organization.

"SEC. 9. No distribution of the assets made under the provisions of this Act shall be subject to any Federal or State income tax: *Provided*, That so much of any cash distribution made hereunder as consists of a share of any interest earned on funds deposited in the Treasury of the United States pursuant to the Supplemental Appropriation Act, 1952 (65 Stat. 736, 754), shall not by virtue of this Act be exempt from individual income tax in the hands of the recipients for the year in which paid. Following any distribution of assets made under the provisions of this Act, such assets and any income derived therefrom in the hands of any individual, or any corporation or organization as provided in section 8 of this Act, shall be subject to the same taxes, State and Federal, as in the case of non-Indians, except that any valuation for purposes of Federal income tax on gains or losses shall take as the basis of the particular taxpayer the value of the property on the date title is transferred by the United States pursuant to section 8 of this Act.

"SEC. 10. When title to the property of the tribe has been transferred, as provided in section 8 of this Act, the Secretary shall publish in the Federal Register an appropriate proclamation of that fact. Thereafter individual members of the tribe shall not be entitled to any of the services performed by the United States for Indians because of their status as Indians, all statutes of the United States which affect Indians because of their status as Indians shall no longer be applicable to the members of the tribe, and the laws of the several States shall apply to the tribe and its members in the same manner as they apply to other citizens or persons within their jurisdiction. Nothing in this Act shall affect the status of the members of the tribe as citizens of the United States.

"SEC. 11. Prior to the transfer pursuant to section 8 of this Act, the Secretary shall protect the rights of members of the tribe who are less than 18 years of age, non compos mentis, or in the opinion of the Secretary in need of assistance in conducting their affairs, by causing the appointment of guardians for such members in courts of competent jurisdiction, or by such other means as he may deem adequate.

"SEC. 12. The Secretary is authorized and directed to promulgate such rules and regulations as are necessary to effectuate the purposes of this Act.

"SEC. 13. If any provision of this Act, or the application thereof to any person or cir-

cumstance, is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same with an amendment as follows:

Amend the title to read: "To provide for a per capita distribution of Menominee tribal funds and authorize the withdrawal of the Menominee Tribe from Federal jurisdiction."

And the Senate agree to the same.

WESLEY A. D'EWART,
WILLIAM HENRY HARRISON,
E. Y. BERRY,
WAYNE N. ASPINALL,
Managers on the Part of the House.

HUGH BUTLER,
ARTHUR V. WATKINS,
HENRY C. DWORSHAK,
CLINTON P. ANDERSON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two houses on the amendments of the Senate to the bill (H. R. 2828) amending the act of Congress of September 3, 1935 (49 Stat. 1085), as amended, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to the amendments to the text and title of the bill:

BACKGROUND HISTORY OF THE LEGISLATION

As introduced in the House on February 9, 1953, H. R. 2828 had as its purpose authorizing and directing the Secretary of the Interior to make individual per capita payments of $1,500 to enrolled members of the Menominee Tribe of Indians of Wisconsin. The sources of such payments were certain trust funds credited to the tribe and deposited in the Treasury of the United States.

As reported by the House Committee on Interior and Insular Affairs, H. R. 2828 contained one amendment which required all such payments to be first made from funds drawing interest at the rate of 5 percent, and thereafter from what is known as the Menominee judgment fund. In this form, the House, on May 19, 1953, passed the bill.

On July 24, 1953, the Senate passed H. R. 2828 with amendments providing generally for termination of Federal supervision over tribal assets and the members of the tribe. Provision was made for closing of tribal rolls, and appeal procedure from such closure, involving in all a period of not more than 180 days after the effective date of the act. A per capita payment of $1,500 was authorized. Amendments by the Senate operated to vest as personal property the rights and interests of enrolled members, with provision made for issuance by the tribe of a certificate evidencing such personal property ownership.

The Senate version further: would have required tribal financing of all operations from the effective date of the Act forward; provided for income-tax exemption on distribution of assets, with the qualification that no exemption was prescribed for that portion of the distribution representing interest earned on the tribal judgment from the date of judgment entry; established the date of transfer as the acquisition date for purposes of future capital gains or losses computation under internal revenue laws; and provided for cooperation of the Secretary of the Interior in management and tax-study reports, and in planning for future tribal control of tribal property and service functions.

To effect its principal purpose, the Senate bill made it mandatory that Federal responsibility and supervision—both as to furnishing service as to management and tax-study reports, and in planning for future tribal control of tribal property and service functions.

To effect its principal purpose, the Senate bill made it mandatory that Federal responsibility and supervision—both as to furnishing of services and as to management of tribal property for the Menominee Tribe—would cease as of December 31, 1956.

RESULTS OF ORIGINAL CONFERENCE

On July 27, 1953, the House disagreed to the Senate amendments, and requested a conference; on the same day the Senate agreed to go to conference, which was held on July 29, 1953. The statement of the managers on the part of the House was contained in House Report No. 1034, 83d Congress, 1st session.

In recommending that the House recede from its disagreement to the Senate amendment to H. R. 2828, House conferees pointed out that on July 15, 1953, the House Committee on Interior and Insular Affairs unanimously reported House Concurrent Resolution 108 to the Speaker. This resolution requested the Secretary of the Interior to report to Congress, not later than January 1, 1954, his recommendations for such legislation as in his judgment would be necessary to free from Federal supervision and control and from all disabilities and limitations specially applicable to several tribes of Indians named therein, including the Menominee Tribe of Wisconsin.

At the time H. R. 2828 was first considered by the House Subcommittee on Indian Affairs and the full committee, legislation aimed to accomplish the purposes of House Concurrent Resolution 108 had not been developed. In recommending adoption of the Senate version after conference, your conferees asserted their belief that the Senate amendment accomplished the purposes of House Concurrent Resolution 108 with respect to the Menominee Tribe.

On July 30, 1953, the Senate approved the original conference report and, on August 1, 1953, after substantial discussion on the House floor, the House rejected it.

SUBSEQUENT DEVELOPMENTS

Following rejection of the original conference report by the House, it was informally agreed that during the recess of Congress an attempt would be made to reconcile opposing views on the proposed legislation. To that end, H. R. 7135 was introduced on January 11, 1954, and S. 2813 on January 25, 1954. These were companion bills having as their intent the same general purpose as H. R. 2828 as amended by the Senate, but containing substantive provisions differing primarily in timing, procedure, and the assumption of financial obligations by the tribe.

On March 10, 11, and 12, 1954, hearings were held by a joint Senate-House Subcommittee on Indian Affairs, on H. R. 7135, S. 2813, and their relationship to the amended version of H. R. 2828. Testimony of members of the Wisconsin delegation in Congress, representatives of the State of Wisconsin, the Menominee tribal delegation, and the Department of the Interior was taken, with informal conferences following.

In view of the discussions as to substantive amendments deemed desirable, and the agreement to proposed amendments by State, tribal, and departmental representatives, a conference committee print reflecting such agreement was prepared and made available for consideration by representatives of all interested groups. Following this, the House, on May 20, 1954, again requested a conference, to which the Senate agreed.

On June 3, 1954, your managers, together with those on the part of the Senate, had before them in conference the committee print referred to in the preceding paragraph, and, with the exception of minor typographical and clarifying amendments, voted to recommend to the House adoption of an amendment to the text and title of H. R. 2828 embodying the provisions of the conference committee print.

EXPLANATION OF PROPOSED AMENDMENT TO H. R. 2828

Section 1—Purpose: Declares the purpose to be providing for orderly termination of Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin.

Section 2—Definitions: Defines "Tribe" and "Secretary."

Section 3—Roll, property rights: Establishes procedure and timing for closure of the tribal roll, appeal therefrom, and effect of closure on property rights of members.

Statutory closure authority: Provides for closure of the roll maintained pursuant to act of June 15, 1934 (48 Stat. 965), as amended by the act of July 14, 1939 (53 Stat. 1003).

Effective date of closure: At midnight of effective date of this act, with children born thereafter ineligible for enrollment; provision is made for an additional 3-month period following closure for making of additional applications, followed by a 3-month period during which the tribe will approve or disapprove additional applications.

Right of appeal: Any applicant whose application is not approved within 6 months from the date of the act may, within 90 days thereafter, file with the Secretary of the Interior an appeal from the failure of the tribe to approve his application or from the disapproval of his application. Secretary's decision is final and conclusive.

Proclamation of roll closure: Following decision on all appeals, the Secretary shall publish in the Federal Register a proclamation of final closure of the rolls of the tribe, together with the final membership roll.

Certificates of interest: Presently, all property of the tribe, both real and personal, is tribal property; there are no allotments on the reservation. Whatever interest a member has heretofore held in the tribal estate has only been a life interest. He could not devise it, bequeath it, or sell it.

This section provides that, effective upon the date of the proclamation provided for, the rights or beneficial interests of each person whose name appears on the roll shall constitute personal property, to be evidenced by a certificate of beneficial interest which shall be issued by the tribe. Such interests shall be distributable in accordance with the laws of the State of Wisconsin, but shall be alienable only in accordance with regulations to be adopted by the tribe.

Section 4—Repealer clause: Specifically repeals section 6 of the act of June 15, 1934, supra, which provided for a judicial review by the United States District Court for the Eastern District of Wisconsin of secretarial actions in enrollment cases. The procedural provisions of the act of June 15, 1934, have been impliedly repeated by the act of July 14, 1939, as the procedural provisions of the two acts stand in irreconcilable contradiction to each other. Thus, this section specifically clarifies the intent to make final secretarial decisions on appeal of enrollment applications.

This section, read together with the enrollment provisions of section 3, above, are intended to maintain existing standards of eligibility spelled out in the 1934 act, as amended in 1939, as enrollment standards for the purposes of establishment of the final roll here contemplated.

Section 5—Per capita payment: This section provides for payment, as soon as practicable after passage of this act, of individual per capita payments of $1,500 to each member enrolled on the date of the act; provision is made for payment of a like sum to any other person whose application is

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subsequently approved, as provided for in section 3.

Requirement that Menominee trust funds drawing interest at 5 percent be first used is retained, with payments thereafter to be made from the Menominee judgment fund.

Section 6—Management, tax studies, reports: Provision is made for the tribe to select and contract for, subject to secretarial approval, the services of management specialists, including tax consultant, for the purpose of studying the tribe's resources and industrial programs—all aimed at determining taxloads and resultant effects on tribal assets, and of the various management problems that would confront the tribe after termination of Federal supervision. Such services and reports are to be paid for from tribal funds.

Reporting deadline: The proposed amendment established December 31, 1957, as the deadline for completion of such reports, and to that extent differs from the amendment recommended in the original conference report, which established December 30, 1954, as the deadline.

Section 7—Termination of Federal supervision and services: The tribe, with assistance of the Secretary, is to prepare a plan or plans for future control of tribal property and service functions now under Federal supervision. Provision is made for necessary consultations with Federal agencies and State officials. This language is intended to permit maximum cooperation at all levels, to include coming upon the reservation proper by State representatives for the purposes of property appraisals, timber cruises, and the like.

Responsibility of the United States to furnish all such supervision and services to the Menominee Tribe and its members, because of their status as Indians, shall cease as of December 31, 1958, or earlier if agreed to by the tribe and the Secretary. The amendment recommended in the original conference report set such termination date at December 31, 1956—2 years earlier than the present recommendation.

Section 8—Transfer of tribal property: The Secretary is authorized and directed to transfer to the tribe, not later than December 31, 1958, all tribal property, real and personal, held in trust by the United States. If the tribe incorporates or otherwise organizes under State or District of Columbia law, the Secretary shall upon request make transfer to such organization.

Section 9—Tax provisions: No income tax, State or Federal, shall be payable on distribution of assets, except that this exemption shall not operate with respect to such portion of the distribution as may represent interest earned on judgment funds from the date of judgment entry—July 14, 1950. Following distribution, assets and income therefrom will be subject to the same State and Federal taxes as in the case of non-Indians, except that for the purpose of future capital gains and losses computation, date of transfer will constitute the valuation base date.

Section 10—Effect of transfer of tribal property: When provisions of section 8 have been complied with, the Secretary is directed to proclaim such fact in the Federal Register. Thereafter, individual members shall not be entitled to services performed by the United States for Indians because of their status as Indians; United States statutes applicable to such persons are declared to be no longer applicable; and the laws of the several States become operative in the same manner as to non-Indians.

It is declared that nothing in the act shall affect the status of tribal members as citizens of the United States.

Section 11—Protection of minors, incompetents: This section requires the Secretary, prior to December 31, 1958, to protect minors, or persons otherwise not competent to handle their own affairs, through appointment of guardians, or by such other means as he may deem adequate.

This language is understood to apply and be operative to all rights of such persons, including per capita payments due minors and incompetents who are enrolled members, or may be found to be eligible, as provided for in sections 3 and 5 of this act.

Section 12—Secretarial authority: Section directs and authorizes the Secretary to promulgate necessary rules and regulations to effectuate the purposes of this act.

Section 13—Severability clause: Provides for continued operation and application of remainder of act in the event some provision is held invalid.

NOTE.—It will be observed that the amendment recommended in the original conference report requiring tribal financing of all Federal services from date of enactment—Section 5 in the originally recommended amendment—has not been carried forward in the present amendment.

AMENDMENT OF TITLE: This recommended amendment to the title reflects the recommended amendments to the original text of H. R. 2828.

WESLEY A. D'EWART,
WILLIAM HENRY HARRISON,
E. Y. BERRY,
WAYNE N. ASPINALL,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to; and a motion to reconsider was laid on the table.

THE LATE HONORABLE MAURY MAVERICK

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KILDAY. Mr. Speaker, it is my sad duty to inform the House of the death on yesterday afternoon of a distinguished former Member of this body, the Honorable Maury Maverick, of San Antonio, Tex.

Mr. Maverick served as a Member of this body during the 74th and 75th Congresses, from 1935 to 1939. He was a strong advocate of the causes he espoused. He was no compromiser on principle. He was an able, strong, and worthy opponent. Those he agreed with and those he disagreed with mourn his untimely passing.

Mr. Maverick was born in San Antonio, Tex., October 23, 1895. He was educated in the public schools of San Antonio, the Virginia Military Institute, and the University of Texas. He was admitted to the bar at the age of 20. He served as an infantry officer in World War I and was very severely wounded on October 4, 1918. He was cited for gallantry in action and extremely meritorious service, was awarded the Silver Star and the Purple Heart.

At the age of 23 he became president of the San Antonio Bar Association. In 1929 he was elected tax collector of Bexar County and was reelected in 1931. He was elected to the 74th and 75th Congresses; and, subsequently, from 1939 to 1941 he served as mayor of his native city of San Antonio.

During World War II he served on the War Production Board and as head of the Smaller War Plants Corporation.

Mr. Maverick is survived by his wife, by his son, and by his daughter. All those who disagreed and all those who agreed with him extend to his family their heartfelt sympathy at his untimely passing, which marks the termination of a brilliant career at a rather early age.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. KILDAY. I yield to the minority leader.

Mr. RAYBURN. I was saddened this morning when I read in the paper of the passing of our old friend, Mr. Maury Maverick, and when I say "old friend" I mean that, because he and I were friends throughout the years we knew each other.

As my colleague from that district has just said, many people agreed with Maury Maverick, and many others disagreed with him. He was a fighter, but he was a fair fighter. He was a highly intelligent and an intensely patriotic American citizen. He had a wonderful life, a useful life, and, by his temperament, it was an exciting life. We will not see many more of his kind.

I loved him, and he knew how to give love and friendship in return for love and friendship.

To his very able and brilliant wife, a lovely woman, and to his son and to his daughter I extend my deepest and most heartfelt sympathy.

(On request of Mr. KILDAY, and by unanimous consent, all Members were given permission to extend their remarks on the life, character, and public service of the late Hon. Maury Maverick.)

Mr. PATMAN. Mr. Speaker, I was very sorry to learn about the passing of the Honorable Maury Maverick.

Maury enjoyed an active and wholesome life. I had the privilege of serving with him a number of years in the Congress; he was one of the most courageous and forthright men I have ever known. Even though he was standing alone, if he believed that he was right, he did not hesitate to announce himself on any proposal involving the public interest. It often happened that Maury's minority views later became recognized as majority views. He was always a crusader for what he believed was right and particularly in behalf of those proposals involving our national interests.

He was a patriotic man and one of the few who carried the scars of battle to his grave because of his devoted and courageous service to his country and in time of war and on the battlefield. Maury suffered intense, excruciating pain from gunshot wounds received upon the field of battle for many, many years as he was confined to hospital beds.

Maury was not only an original person, he was very versatile and always thinking of constructive things to do and doing them in the interest of all the people.

Maury Maverick is gone, but many of the fine and good things of life he inspired and encouraged will continue on.

There are two kinds of crusaders in our country: One kind that is always in

a construction gang, crusading for something that is good and helpful to all the people; the other type crusader belongs to a wrecking crew, who is always thinking of self and becoming a party to things that are destructive. Maury was always in the construction gang and never in the wrecking crew.

Our country suffered a tremendous loss in the loss of Maury Maverick, who was one of America's greatest patriots—one of our greatest Americans.

Mr. HAYS of Arkansas. Mr. Speaker, in the passing of Maury Maverick America loses a dynamic leader, a sincere earnest friend of all who needed help—a great Texan and a great patriot. It was my privilege to work with him in agricultural programs before my election to the Congress and I came to appreciate those qualities which brought distinction to him and to his family. I am grieved to learn of his untimely death.

Mr. LYLE. Mr. Speaker, Maury Maverick was many things to many people, but to all men he was dynamic and personable. All will regret his untimely death. He brought vigor and life to every undertaking in which he engaged, and with few exceptions, he brought accomplishments.

He was at all times a controversial figure, but always a good public official.

Maury Maverick was shockingly frank, but refreshingly candid. He was a man of original thought, and never afraid to look ahead. Texas and the Nation will miss this unusual individualist.

COMMITTEE ON EDUCATION AND LABOR

Mr. ARENDS. Mr. Speaker, I ask unanimous consent that a subcommittee of the Committee on Education and Labor may have permission to sit during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. ARENDS]?

There was no objection.

SIMPLIFICATION OF TARIFF SCHEDULES

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include an analysis of the Customs Simplification Act of 1954.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Speaker, I have today introduced H. R. 9476, a bill designed, first, to provide for the simplification of tariff schedules; second, to improve procedures for classifying articles not specifically enumerated in the tariff schedules; third, to improve procedures under the Antidumping Act of 1921; and, fourth, to close loopholes and remove conflicts and obsolete provisions in administrative provisions of the customs laws.

A beginning was made last year, in the Customs Simplification Act of 1953, in removing from the customs statutes provisions that caused unnecessary difficulty and delay in customs procedures. I am advised that this act has contributed greatly to the ability of the customs service, without increasing personnel, to reverse the trend of constantly rising backlogs of unliquidated entries, which had been continuous since the war, and to make great strides within the last 6 months toward getting on a current basis.

In his message of March 30, 1954, on foreign economic policy, the President pointed out that there is much more to be done in this direction and urged prompt action. This bill is intended to carry out these recommendations.

Title I directs the Tariff Commission, on the basis of a thorough study, to propose within 2 years a revision of the commodity classification schedule, for the purpose of reflecting changes in the character of imports since 1930, eliminating anomalies of classification, and simplifying the application of the classification schedules. Where, in this process, a rate is revised, either by consolidating the classification of separate commodities or by revising the form of the rate, the revised rate must produce the same amount of duty as the old rates, within specified tolerance. A peril-point provision is included, as well as a prohibition of transfers to the free list, or of any action inconsistent with section 22 of the Agricultural Adjustment Act. After the Tariff Commission has made its preliminary reclassification, adequate public hearings will be held. At the conclusion of these hearings, the Tariff Commission will revise its recommendations and submit them to the President. The President is then authorized to secure the necessary consents to the revised rates from the foreign nations with which the United States has trade agreements, and, having done so, to transmit the proposed schedules to Congress. If they are not disapproved as a unit by a majority of the authorized membership of either House of Congress within 60 days of submission, the President may proclaim the effectiveness of the new classification schedules.

Title II of the bill improves and simplifies the standards for classification of articles not specifically enumerated in the present tariff schedules.

Title III, which deals with the antidumping law, is intended to remove a possibility of unfair retroactivity which is interfering with the administration of the law, and to transfer the determination of injury to American industry required by the law from the Treasury to the Tariff Commission, which is better equipped to make that determination.

Title IV closes loopholes that have developed in tariffs on imports from insular possessions. Title V eliminates duplication between the Tariff and Trade-Mark Acts regarding the import of trade-marked articles. Title VI repeals obsolete administrative provisions of the Tariff Act; and title VII cures certain difficulties in its enforcement and administrative provisions. These provisions are further explained in the section-by-section analysis of the bill which I include as a part of my remarks.

This bill will, I am convinced, advance the President's program by carrying forward the work begun last year of simplifying customs procedures and tariff administration; and I intend to press for action on it at this session of Congress.

ANALYSIS OF THE CUSTOMS SIMPLIFICATION ACT OF 1954

TITLE I—REVISION OF CUSTOMS TARIFF SCHEDULES

Recent legislative proposals to amend the Tariff Act of 1930 have been directed at eliminating delay and uncertainty existing under that law as interpreted by the courts. The Customs Simplification Act of 1953 corrected a number of causes for such delay in the ordinary customs administrative processes. H. R. 6584, of this Congress, is designed to alleviate many of the uncertainties and reasons for delay in the standards and procedure for valuation of goods subject to ad valorem duties.

This leaves for consideration, among other things, the uncertainties and delays in the administration of the customs laws arising in connection with the determination of the proper classification of an imported article. A principal difficulty encountered by both experienced and inexperienced importers is the complexity and lack of systematic statement found in the tariff schedules as enacted in 1930 and since modified by statute and by actions under the flexible-tariff provisions and the trade-agreements program. These schedules today are conglomerations of provisions which have been carried from tariff act to tariff act for over 50 years, provisions newly devised in 1930 or in 1922, and provisions devised to meet the exigencies of duty changes in trade-agreement negotiations or otherwise. The result is a tangled web of provisions in which similar thoughts are expressed in different styles, in which there is a lack of system, in which many persons find serious anomalies and ambiguities and in which administrative officials encounter frequent uncertainties.

Title I of this bill is proposed to correct this difficulty. Section 102 (a) directs the Tariff Commission to undertake a study of the classification schedules of the tariff law for the purpose of publishing in the Federal Register within 2 years a proposed revision and consolidation of such classification schedules. These revised tariff schedules are (1) to reflect changes which have occurred in the character of import trade since 1930, (2) to eliminate anomalies in the present classification schedules, and (3) to simplify, to the extent practicable, the determination and application of tariff classifications to particular imports. Subsections (b) and (c) of section 102 specify standards which confine the discretion of the Tariff Commission in its determination of rates revised either by consolidation of commodity classifications or by changes in form. Any such revised rates must be fixed so that in the judgment of the Commission they will result in the collection of the same amount of duties as would have been collected under the old rate or rates based upon imports of the commodities in question for the calendar years 1952 and 1953. To permit the consolidation of the revised rates in a simplified rate system and to avoid the use of more complicated rates the Commission is further directed to allow such a tolerance as will result in the establishment of each revised rate at the nearest multiple as stated in the bill. Any modification of rates which would cause or threaten serious injury to domestic industry or have the effect of transferring any article between the dutiable and free lists is prohibited.

Section 103 specifies that the Tariff Commission shall hold public hearings beginning not less than 60 days after publication of the proposed tariff schedules in the Federal Register.

After completion of these hearings the Tariff Commission is to modify its proposed schedules as it deems appropriate, prepare

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revisions of schedules of trade-agreement concessions, and transmit them to the President with a report detailing the changes and data upon which they are based. Section 104 provides that this report shall be made within 6 months after the close of the hearings provided for in section 103.

Section 105 gives the President authorization to negotiate the revised trade-agreement schedules with trade-agreement countries. The President at any time may terminate further action under this title either because the recommendations do not accomplish the purposes of the act or because further action would be contrary to the national interest. If the President finds it necessary in the course of negotiation to reject particular recommendations of the Tariff Commission, he may do so, reverting to the preexisting rates as to those items. In the alternative, if only one article in a new consolidated provision is found undesirable, he may eliminate that article from the consolidation, leave it at its preexisting rate, and request the Tariff Commission to find a new consolidated rate for the remaining articles. Within 1 year these negotiations are to be completed and the revised tariff schedules then transmitted to the Congress.

Section 106 authorizes the President to proclaim the revised rates 60 days following their presentation to Congress, unless either House of Congress has in that time passed a disapproving resolution by a majority of its authorized membership.

Section 107 specifies the application of the general rates and the maximum rates in the new tariff schedules. Roughly speaking, the general rates take the place of present trade-agreement rates and the maximum rates will be substituted for non-trade-agreement rates. This revision will not affect the existing authority of the President to increase rates of duty under escape-clause procedures, except that in the event of a withdrawal of a concession the new maximum rate shall be substituted for the rate now prescribed by statute.

Section 108 is a saving clause for all action under section 22 of the Agricultural Adjustment Act.

Section 109 authorizes the Tariff Commission to make rules and regulations to carry out its functions under this title.

Section 110 authorizes the appropriation of such amounts as are necessary to permit the Commission to perform these new duties.

TITLE II—TARIFF CLASSIFICATION OF UNENUMERATED ARTICLES

This title is submitted to simplify the problem of classifying articles not enumerated in our tariff schedules.

Imported articles not specifically enumerated in the schedules of the Tariff Act of 1930 now are classified under the so-called basket clause in paragraph 1558. Paragraph 1559, however, states an exception to this general rule and authorizes the classification of unenumerated articles by similitude, either in material, quality, texture, or use, and also provides for classification of unenumerated articles manufactured of two or more materials at the rate chargeable if the article were wholly composed of the component material of chief value.

To eliminate some of the complexities of this provision, section 201 would delete the mixed materials clause. It would also provide a single test for the classification of nonenumerated articles at the rate applicable to the enumerated articles to which it is most similar in use. In the event that such an article should be equally similar in use to two or more enumerated articles it would then be classified at the rate of duty applicable to that one of such articles which is most resembled in terms of material of composition.

This proposal will result in simplification of existing procedures. It is expected, however, that in the course of the Tariff Commission's consideration of new tariff schedules under title I additional proposals may be developed for recommendation to the Congress which would further simplify this paragraph.

TITLE III—AMENDMENTS TO ANTIDUMPING ACT, 1921

This part of the bill is intended to correct an inequitable situation which has developed under the administration of the antidumping law of 1921. Under the law an antidumping duty may be imposed against any importation subject to, and unappraised at the time of, a finding of dumping. In some cases imports which have not been appraised for a number of years because of difficulties entirely unrelated to the question of dumping are nevertheless subject to the dumping duty. This retroactive feature of the present law would be corrected by the provision that duty would be applicable only to unappraised entries which had been entered within 60 days before the question of dumping was first presented to the Secretary of the Treasury.

This title would also transfer the injury determination under the dumping law to the Tariff Commission and provide that it be made within 3 months. Such a determination is foreign to the usual activities of the Treasury Department but is comparable to functions performed by the Tariff Commission under other provisions of law.

TITLE IV—IMPORTATIONS FROM INSULAR POSSESSIONS

Titles IV, V, VI, and VII are technical amendments, designed to remedy certain inconsistencies, repeal obsolete measures, and provide for more efficient enforcement of the tariff act.

Section 401 of the bill would add a new section to title III of the Tariff Act of 1930 to provide for the duty status of importations from the insular possessions of the United States. The new section would provide for all articles imported from the insular possessions of the United States, except Puerto Rico, to be dutiable at the same rate as are importations from foreign countries, except those which (1) are of native growth or product or (2) are manufactured in such possession and contain 50 percent or less of foreign materials or (3) are articles previously imported into the United States with full payment of duties and taxes and have been shipped from the United States directly to the possession without remission, refund or drawback of such duties or taxes. This proposal would result in equal treatment for all the insular possessions of the United States. Under existing law all products of Guam are duty free whereas products of the Virgin Islands are subject to duty if they contain over 20 percent of foreign materials.

TITLE V—PROHIBITED IMPORTATIONS

Section 501 of the bill would incorporate into a revised section 526 of the Tariff Act of 1930 (19 U. S. C. 1526), certain provisions now found in section 526 and in section 42 of the Trade-Mark Act of 1946 (15 U. S. C. 1124). These two sections of law duplicate each other in part, and it is believed that one of the sections should be amended to include substantive provisions of the other and that the other should be repealed.

To accomplish that purpose, section 42 of the Trademark Act would be repealed, and section 526 of the Tariff Act would be amended so as to provide for the recording of trade names with the Treasury Department as now provided in section 42.

Section 501 of the bill would also amend section 526 by providing that noncommercial importations (particularly tourists' importations) entered free of duty under certain provisions of the Tariff Act would be exempt from the restriction on articles bearing recorded trademarks.

TITLE VI—OBSOLETE PROVISIONS OF THE CUSTOMS LAWS

Title VI is devoted to the repeal of a number of obsolete provisions of the Tariff Act.

The reasons that the provisions repealed by section 601 are obsolete, inoperative, or unnecessary are:

Sections 12, 13, 14, and 15 of title 19, United States Code (subsecs. 1, 2, 3, and 4 of sec. 601 of the bill), provide for appointment by the Secretary of the Treasury of a limited number of special agents for the purposes of checking the accounts of collectors and other customs officers for the prevention and detection of frauds upon the revenue, and for the better guarding against frauds upon the revenue authorize appointment of special agents to reside in foreign territory. The title "special agent" is no longer used in the Customs Service (see U. S. C., 1952 edition, title 5, sec. 281b (c)). The customs agents who, among other functions, perform the functions formerly exercised by the special agents now are appointed and serve under the operation of the Classification Act like other customs employees.

Sections 16, 17, and 18 of title 19, United States Code (subsec. 5, 6, and 7) are survivals of a statute enacted July 27, 1866 (ch. 284, secs. 4, 5, 8, 14 Stat. 303), to reorganize the office of the customs appraiser at New York. Section 16, prescribing qualifications and a special oath for examiners at New York only, is superfluous since placement standards for the position are fixed in accordance with the Classification Act by the Civil Service Commission, and the oath requirement is met by the provisions of section 1757, Revised Statutes (U. S. C., 1952 edition, title 5, sec. 16), applicable to all Federal officers. Section 17, prohibiting employees in the office of the appraiser at New York from engaging or being employed in any commercial activity is discriminatory against this group of employees. Its repeal would leave such employees subject to the same restrictions on outside employment as other like employees. Section 18, relating to the duties applicable to the appraiser and assistant appraiser at New York, was originally enacted as a saving clause when a special statute was enacted to reorganize the office of the customs appraiser at New York (act of July 27, 1866, supra) but it now serves no useful purpose, since all duties of appraisers are prescribed by section 500, Tariff Act of 1930 (U. S. C., 1952 edition, title 19, sec. 1500).

Sections 21, 22, 23, 24, 26, and 27 (subsecs. 8, 9, 10, 11, 12, and 13) of title 19, United States Code, prescribe special oaths of office for the officers enumerated therein and designate persons who may administer such oaths. These provisions are unnecessary, since a form of oath for all Government officers is prescribed by Revised Statutes 1557, supra. The number of copies of oaths of office to be required and their disposition can readily be prescribed by regulation, and since an employee may not receive his salary until the oath of office is taken, there seems to be no purpose in prescribing a penalty for failure to take the oath. As to the designation of persons to administer the oaths, section 16a of title 5, United States Code, gives authority, to persons designated in writing by the head of an executive department, to administer the oath of office. The above sections are therefore unnecessary and obsolete.

In addition, section 26 of title 19 is obsolete (as is also sec. 379, infra, for similar reasons) in that it relates to special examiners of drugs, medicine, and chemicals, officers who are no longer appointed. The Food and Drug Administration now performs the functions formerly exercised by the special examiner of drugs, medicines, and chemicals (see U. S. C., 1952 ed., title 21, sec. 381). For these reasons, these sections should be repealed.

Section 28 of title 19, United States Code (subsec. 14), providing that the headquarters of the customs district in Florida shall be at Tampa, is unnecessary and serves no practical purpose. It is the only statutory provision expressly designating the situs of the headquarters of a customs district and there are 45 such districts. Section 1 of the act of August 1, 1914, as amended (U. S. C., 1952 edition, title 19, sec. 2), vests authority in the President to, among other things, change from time to time the location of the headquarters customs collection district. By Executive Order 10289 of September 17, 1951, the President designated and empowered the Secretary of the Treasury to perform this function.

Section 40 of title 19, United States Code (subsec. 15) prescribes the duties of the surveyor of customs. The title of surveyor of customs has been discontinued, except at the port of New York, and the duties there performed are those which are usually handled at any seaport by the officer in charge of the activities performed for the collector outside of the customhouse. The act of July 5, 1932 (U. S. C., 1952 edition, title 19, sec. 5a) abolished the offices of surveyor of customs at all other ports and their duties were transferred to career employees under the collector. Many of the functions prescribed by section 40 for the surveyor at New York have been obsolete for years and are no longer performed by that officer. This section should be repealed as obsolete.

Section 53 of title 19, United States Code (subsec. 16), which provides for the apportionment of compensation according to the time served, is believed to be obsolete in view of the act of June 30, 1945 (U. S. C., 1952 edition, title 5, sec. 944), which established the basic workweek, pay periods, and pay computation methods for all full-time officers and employees in the executive branch of the Government.

Sections 54 and 57 of title 19 (subsecs. 17 and 20) which relate to the furnishing of blank forms, books, stationery, blank manifests for sale, et cetera, are obsolete. Section 54 is superseded by provisions of the act of June 30, 1949 (U. S. C., 1952 edition, title 40, sec. 481), with respect to procurement of supplies by the General Services Administration. Section 57 is obsolete because in lieu of payment of compensation out of commissions and fees, collectors of customs are now on a fixed-salary basis under the plan of reorganization of the Customs Service authorized by the act of August 24, 1912 (37 Stat. 434).

Section 55 of title 19 (subsec. 18) provides that collectors of customs, and comptrollers and surveyors performing the functions of collectors, shall render quarterly accounts to the Secretary of the Treasury of fines collected, moneys received as rents, et cetera. These functions are presently being performed under authority of other statutes and this section is unnecessary.

Section 56 of title 19 (subsec. 19), which relates to additional hours of service at public stores in New York, was made obsolete by the Federal Employees Pay Act of 1945, as amended (U. S. C., 1952 edition, title 5, secs. 901–954), which provides for the establishment of a basic administrative workweek and for overtime compensation at prescribed rates.

Section 59 of title 19 (subsec. 21) prescribes requirements, related to section 57, supra, which date back to the time when the compensation of customs officers was primarily the proceeds of the specific fees fixed by law. Many of the functions for which fees were fixed are no longer performed. While it is believed that a table of the rates of fees demandable by law should be posted in a conspicious place in each customhouse, convenient for public inspection, and a receipt should be given for all fees paid, this is rather a matter for handling under existing regulatory authority without statutory prescription of impracticable and inflexible requirements.

Section 61 of title 19 (subsec. 22) is inoperative and obsolete. Revised Statutes 2580, from which it was derived, authorized the Secretary of the Treasury to appoint inspectors at San Antonio, Eagle Pass, and other places in Texas, at an annual salary of $2,500 to report to the Secretary of the Treasury semiannually on goods exported to Mexico. Regular customs offices are now established at necessary ports, stations, and places along the Texas-Mexican border whose officers inspect and supervise imports, as well as exports, to the extent required.

Section 62 of title 19 (subsec. 23), which was intended as a means of maintaining discipline among customs officers, authorizes suspension from duty for neglect or minor delinquency. The procedures which have been and will be followed in regard to the conduct of customs officers and employees are those prescribed in section 863, title 5, United States Code, and the regulations of the Civil Service Commission.

Section 67 of title 19 (subsec. 24), which provides for a report to each session of the Congress by the Secretary on customhouse business is inoperative and unnecessary. The Secretary submits an annual report to the Congress in accordance with sections 262, 264, and 265, title 5, United States Code, substantially superseding the requirements of this more limited provision of the customs laws.

Section 379 of title 19 (subsec. 25) provides a method for preventing importation of adulterated drugs, etc. (see sec. 26, supra) at ports where there is no special examiner of drugs. As indicated in commenting on section 26, supra, special examiners of drugs are no longer appointed and the provisions of this section are inoperative, functions with relation to spurious or adulterated foods, drugs, or cosmetics now being handled by the Food and Drug Administration of the Department of Health, Education, and Welfare under United States Code, 1952 edition, title 31, section 321, et seq. The section is obsolete and inoperative and should be repealed.

Section 390 of title 19 (subsec. 26), which provides for the adoption of a hydrometer for use in ascertaining the proof of liquors, is unnecessary. The hydrometer in use by Customs is the same as that which is approved for use of the Internal Revenue Service under United States Code, 1952 edition, title 26, section 2808. The standards for spirits are the same as those applicable to spirits of domestic manufacture under paragraph 811 of the Tariff Act of 1930, as amended (U. S. C., 1952 ed., title 19, sec. 1001, par. 811).

Section 494 of title 19 (subsec. 27), which provides for the seizure of merchandise as security for fines imposed under the provisions of section 12 of the act of June 22, 1874 (18 Stat. 188), an ancestor provision of section 591 of the Tariff Act of 1930 (U. S. C., 1952 edition, title 19, sec. 1591), now superseded in turn by section 542 of title 18 of the code, is obsolete and unnecessary. The 1874 provisions relating to unlawful importation have been repealed and this particular provision thereof is no longer operative.

Section 542 of title 19 (subsec. 28) authorizes the Secretary of the Treasury to use elsewhere as the exigencies of the service require, the motorboat provided for Corpus Christi, Tex. No motorboat is now provided or needed for Corpus Christi and there has been none for many years. The provision is obsolete.

Section 549 of title 31 of the code (subsec. 29) directs the comptrollers of customs and surveyors, registers of land offices, and superintendents of mint to examine the books and accounts of their depositaries, collectors, and treasurers and to make a report to the Secretary of the Treasury. The functions referred to are performed by the Comptroller General under the Budget and Accounting Act of 1921 (42 Stat. 23 (U. S. C., 1952 edition, title 31, secs. 41–58)), and, therefore, section 549 is now obsolete.

Section 711 (7) of title 31 (subsec. 30) authorizes a permanent appropriation for the repayment to importers of the excess of deposits for unascertained customs duties, or duties or other moneys paid under protest. This section has been superseded by a permanent indefinite appropriation covering all refunds of customs collections or receipts authorized by law. (See act of June 30, 1949, ch. 286, 63 Stat. 360.)

Subsection 31 of section 601 of the draft bill will repeal that part of the act of September 30, 1890 (ch. 1126, 26 Stat. 511 (formerly codified as U. S. C., title 19, sec. 30)), which provides that such clerks and inspectors as the Secretary may designate shall be authorized to administer oaths of office. This section is related to sections 21, 22, 23, 24, 26, and 27 of title 19, which also are proposed to be repealed, supra. The section is obsolete and should be repealed.

Section 602 of the bill seeks to amend subsection (f) of section 500 of the Tariff Act of 1930 (U. S. C., 1952 ed., title 19, sec. 1500 (f)), which provides for the designation of an acting appraiser at ports where there is no appraiser and requires that such acting appraiser take the oath provided in section 21, title 19, supra. It is proposed to repeal the requirement that the acting appraiser take the special oath provided in said section 500 (f) since the provision for that oath is being repealed by subsection 8 of section 601 of this bill. The oath prescribed by section 1757 of the Revised Statutes (U. S. C., 1952 ed., title 5, sec. 16) will be sufficient.

Section 603 of the bill proposes to amend section 583 of the Tariff Act of 1930 (U. S. C., 1952 ed., title 19, sec. 1583). Section 583 provides that the customs or Coast Guard officer's certification regarding the inspection of the manifest required by that section shall be made on "the back of" the original manifest. The manifest forms now in use have the space for such certification on the front. The procedural detail as to place of certification on a manifest is a minor one that should be left to administrative regulation, and it is proposed to delete the language "the back of" in that section.

TITLE VII—CUSTOMS ADMINISTRATIVE PROVISIONS

Section 701 of the bill provides for the repeal of section 3062 of the Revised Statutes, as amended (U. S. C., 1952 ed., title 19, sec. 483), relating to forfeitures and penalties for aiding unlawful importation, and in lieu thereof proposes for insertion in the Tariff Act of 1930, where it more properly belongs, a revised provision which makes no important change in substance but more clearly expresses the intent.

Subsection (a) of section 3062 is aimed at the forfeiture of conveyances and equipment used in connection with the unlawful importation of merchandise, but its language is not entirely clear in that respect. Subsection (b) of Revised Statutes 3062 is limited in application to cases in which the value of the merchandise unlawfully introduced exceeds $100. It is believed that this limitation should be removed so that cases involving petty smuggling may be settled administratively by the assessment of a penalty equal to the value of the goods rather than by criminal action, which is the only possible action under this subsection when the value of the merchandise is $100 or less. It is believed that the criminal sanction should be eliminated, since it is a practical duplication of United States Code, title 18, sec. 545.

Section 702 would amend section 451 of the Tariff Act of 1930, as amended (U. S. C.,

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1952 edition, title 19, sec. 1451), which requires that, in all cases where a party in interest requests the service of customs officers or employees in connection with unlading at night, or on Sunday or a holiday, a bond shall be given to indemnify the United States for any loss or liability which may occur or be occasioned by reason of the granting of a special license to unlade and to pay the compensation of customs officers and employees assigned to duty in connection with the unlading. The sole condition of the form of bond used in connection with requests for overtime services is that the principal shall pay promptly on demand the compensation and expense of customs officers and employees assigned to such overtime services pursuant to the request. The proposed amendment would permit the deposit of sufficient money to cover the costs of such service in lieu of the filing of the bond. The same provision is also made with respect to other night, Sunday, and holiday services requested under this section. It is believed that the proposed amendment will improve public relations and permit the simplification of customs procedures while, at the same time, it will provide adequate control over the collection of overtime compensation and expenses.

Section 703 of the bill relates to section 581 of the Tariff Act of 1930 (U. S. C., 1952 edition, title 19, sec. 1581), which contains authority for the boarding of vessels and vehicles. Subsection (a) of section 581 provides that under the circumstances therein described a customs officer may "hail and stop such vessel or vehicle and use all necessary force to compel compliance"; and subsection (d) provides a penalty against the master in the event that a vessel fails to come to a stop and makes it the duty of customs officers to pursue such vessels. The proposed amendment to section 581 (d) would provide a penalty against the owner, operator, or person in charge of the vessel as well as the master. It is believed that such a penalty is an essential enforcement measure. The proposed amendment would also delete the provision for pursuit as unnecessary.

Section 704 of the bill would amend section 605 of the Tariff Act of 1930 (U. S. C. 1952 ed., title 19, sec. 1605) which provides that seized property shall be stored in the customs collection district where it is seized, and shall remain in the judicial district of seizure in order that the district court may have jurisdiction when condemnation proceedings are instituted. *The Ann* ((1815) 9 Cranch (13 U. S.) 288); *The Rio Grande* ((1874) 23 Wall. (90 U. S.) 458). The amendment to section 605 proposed by section 704 of the bill would permit the Secretary to store such seized property in such places as he considers more convenient and appropriate, whether or not within the judicial district in which the property was seized. The amendment further provides that the storage of the property outside the judicial district in which it was seized shall in no way affect the jurisdiction of the court over such property.

There are occasions when there are no facilities or places to store and maintain seized property in the judicial district of seizure, but the Customs Service or the Government has storage facilities in an adjacent judicial district where the seizures may be adequately and economically stored and safeguarded pending forfeiture and disposition thereof. As a customs collection district may include only a part of a State in which there are several judicial districts, or a collection district may cover a number of States, it is sometimes desirable to store seized property at the nearest customhouse or Government facility in the same collection district which may be in another judicial district or in an adjacent customs district which may be in another State.

Section 705 of the bill would amend sections 607, 610, and 612 of the tariff act (U. S. C., 1952 edition, title 19, secs. 1607, 1610, and 1612) so as to permit summary forfeiture and disposition of seized property valued at not in excess of $2,500. Under existing law, summary forfeiture is permitted in cases involving not in excess of $1,000. It is believed that the increase from $1,000 to $2,500 is appropriate because of the change in the value of the dollar since the tariff act was enacted.

Section 706 would amend section 545 of title 18 of the United States Code under which smuggled merchandise may be forfeited to the United States. Under that section the Government may not recover the value of goods illegally introduced into the commerce of the country (*National Atlas Elevator Company* v. *United States* (CCA 8th, 1938), 97 Fed. 2d 940). The amendment proposed by section 706 of the bill would permit the forfeiture of the value of merchandise imported contrary to law to be recovered from persons involved or implicated therein when such merchandise is not available for seizure.

HOSPITALIZATION OF CERTAIN VETERANS IN THE PHILIPPINES

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8044) to extend the authorization for funds for the hospitalization of certain veterans in the Philippines, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That section 4 of Public Law 865, 80th Congress, is hereby amended to read as follows:

" 'SEC. 4. Grants for expenses incident to hospitalization may be made for a period not to exceed 10 years to reimburse the Republic of the Philippines for moneys expended for such hospitalization: *Provided*, That the total of such grants for any 1 calendar year shall not exceed the following amounts: For any year prior to 1955, $3,285,000; for 1955, $3,000,000; for 1956, $2,500,000; for 1957, $2,000,000; for 1958, $1,500,000; and for 1959 $1,000,000'."

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE, AND RELATED INDEPENDENT AGENCIES APPROPRIATION BILL, 1955

Mr. BUSBEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9447) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related independent agencies, for the fiscal year ending June 30, 1955, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to 4 hours, the time to be equally controlled by the gentleman from Rhode Island [Mr. FOGARTY] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9447, with Mr. NICHOLSON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. BUSBEY. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the requests of the Departments of Labor and Health, Education, and Welfare and related independent agencies totaled $1,965,285,261, a decrease of $285,904,000 from the amount appropriated for the fiscal year 1954. The committee has reduced the total of the requests by $16,339,250, and recommends a total appropriation of $1,948,946,011, which is $302,243,250 less than the amount appropriated for 1954.

Mr. Chairman, under permission previously granted in the House, I desire to insert at this point a table from page 2 of our committee report that shows similar information for each of the Departments and related independent agencies:

Department or agency	Appropriations, 1954	Budget estimates, 1955	Bill for 1955	Bill for 1955 compared with—	
				Appropriations, 1954	Budget estimates, 1955
Department of Labor	$310,233,000	$299,635,000	$298,704,000	−$11,529,000	−$931,000
Department of Health, Education, and Welfare	1,927,432,261	1,652,509,261	1,637,615,011	−289,817,250	−14,894,250
National Labor Relations Board	9,125,000	8,700,000	8,400,000	−725,000	−300,000
National Mediation Board	1,189,000	1,261,000	1,217,000	+28,000	−44,000
Railroad Retirement Board	[6,207,000]	[6,108,000]	[6,108,000]	[−99,000]	
Federal Mediation and Conciliation Service	3,210,000	3,180,000	3,010,000	−200,000	−170,000
Total	2,251,189,261	1,965,285,261	1,948,946,011	−302,243,250	−16,339,250

In the Department of Labor, salaries and expenses for the Office of the Secretary, the bill includes $1,300,000, a reduction of $55,000 from the request and $50,000 from the appropriation for 1954. The only reduction of consequence in that particular office was taken in the Office of International Labor Affairs.

If you will refer to the hearings, you will see that we explored this situation rather thoroughly, and the committee thought this cut was very fully justified.

In speaking of the Department of Labor, I think it is well to call to the attention of the committee that, last year, there were many crocodile tears shed

over what were reported to be drastic cuts in salary and expense items for the Department of Labor; but, strange as it may seem, when the Department of Labor came in this year with their budget requests for appropriations, they were almost identical with what was allowed the Department of Labor last year by the Congress.

For the Bureau of Labor Standards, salaries and expenses, the committee has recommended $655,000, a reduction of $115,000 from the request and $45,000 from the appropriation for 1954. Of the $115,000 reduction, $100,000 is accounted for in the request for additional Federal personnel to handle the problems of migrant labor. Last year they requested $185,000 for the same project, and this year they reduced it $85,000 and asked for $100,000.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. Yes; I yield to the gentleman from West Virginia.

Mr. BAILEY. Did the gentleman give due consideration to the fact that the extensive unemployment throughout the country has increased the demand for appropriations in this field, to handle migratory labor?

Mr. BUSBEY. There was no testimony before the committee to that effect.

Mr. BAILEY. The situation would be quite different if we had full employment. We have considerable unemployment and the question is of getting the people from places where there are no jobs to places where there are jobs. It occurs to me that this is one item that could not well be cut.

Mr. BUSBEY I appreciate the thought of the gentleman from West Virginia, but this problem pertains mainly to the migrant labor in the agricultural fields—the farm labor that moves from State to State, following the harvesting season from the South to the North.

Mr. BAILEY. Not necessarily. It would apply to any migratory labor, would it not?

Mr. BUSBEY. The testimony was that this program was for the migratory farm laborers. I will say to the gentleman from West Virginia that this problem of migrant labor is being handled at the present time by the Children's Bureau; the Bureau of Labor Standards; the Office of Education; the Department of Agriculture; the Bureau of Employment Security through their grants to States; and the Wage and Hour Division has its nose under the tent to some extent. Also, the Public Health Service is doing work on the problems of migrant labor.

About 2 weeks ago, Mrs. Hobby, the Secretary of the Department of Health, Education, and Welfare, opened what I believe was known as the East Coast Conference on migrant labor.

So, I believe there should be a determination at a high level concerning who is going to handle the problems of the migrant laborers. As it is now, every agency is trying to get into the show.

Mr. BAILEY. If the gentleman will yield further, may I ask, is it not true that this has been traditionally an activity of the Department of Labor and that the participation of the other bureaus in this problem has been more recent?

Mr. BUSBEY. I do not know of any testimony to that effect. The Department of Agriculture, I think, has participated in this activity for the last several years.

Mr. BAILEY. Is any part of the funds in this item that has to do with migratory labor devoted to the Mexican wetback labor problem?

Mr. BUSBEY. No; this has nothing whatever to do with the Mexican farm-labor program.

Mr. BAILEY. This is an internal problem?

Mr. BUSBEY. This is an internal problem, concerned with our own migrant labor here in the United States; that is correct.

On page 387 of the hearings, in the testimony of Dr. Eliot, the head of the Children's Bureau, we find:

> Many States and localities are interested in their migrant problem and are willing to do their share, provided the communities from which the migrants come and to which they go will do theirs also. The Children's Bureau, working with the Office of Education and the Public Health Service, is proposing an east coast project, the core of which is help to the States along the east coast migratory stream to pool their plans and coordinate their services.
>
> The first step in carrying out this proposal will be a meeting of the public and voluntary agencies from the various States involved. Such a meeting is planned for the spring of 1954 and is expected to provide an opportunity for cooperative interstate planning in health, education, and welfare for these migrant children.

The gentleman from West Virginia may be correct that the Department of Labor would be the proper department to handle this problem, but if they are going to handle it, let us not have all these other agencies handling it also.

I, as chairman of the committee, was swamped with communications from people in every State of the Nation, who wanted the $100,000 in the bill. I desire to give a little bit of advice to whoever it was that inspired this pressure campaign. I resented the manner in which the pressure campaign was handled, because it was quite evident that the vast majority of the people who sent the letters knew nothing about the problem in any way, shape, manner, nor form. They were not familiar with the situation, but were sending those letters merely at the instigation of someone else. None of the letters gave any good reasons why the $100,000 should be appropriated for this program.

Frankly, I am very happy to sit down, at any time, with any individual, or delegation from any organization, regardless of whom it may be, to discuss items that are in the appropriation bill handled by the subcommittee of which I am the chairman. I like to receive letters from people who have taken the time to study a problem, know something about it, and can give reasons for their requests, but I do not appreciate pressure mail. If they want to try it again, I will tell them in advance they had better save their postage.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from New Mexico, a member of the committee.

Mr. FERNANDEZ. I just want to say that the chairman is not the only one who received those hundreds and hundreds of letters from all over the United States. The other members of the committee did also, and I assume other Members of Congress. But I do want to say I did not resent any of them; in fact, I appreciated them, perhaps because I agree with them.

Mr. BUSBEY. The gentleman is, of course, entitled to his own opinion on pressure mail; as I am entitled to mine.

Let me speak briefly of the Bureau of Apprenticeship. There was a great deal of interest in that last year, as you may recall. This bill includes $3,100,000, or a decrease of only $115,000 from the amount requested, and $130,000 from the appropriation for 1954.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from West Virginia.

Mr. BAILEY. I have scores of protests against a reduction in this particular item, and they are coming from Legion posts, posts of the Veterans of Foreign Wars, and from at least three of the major labor groups. They say that this is a fine program, and they do not want it curtailed in any extent. The more forcible statements came from the Legion posts and from the Veterans of Foreign Wars who are participating in the training of veterans in this apprenticeship work. I do not know to what extent they pressured the chairman of the committee, but they certainly put the pressure on several Members of the Congress. I have scores of requests to pay particular attention to this item. Would the gentleman give us some reason as to why this cut was made?

Mr. BUSBEY. I would be very happy to. First of all, I wish to assure the gentleman I have not received pressure mail from anyone on this item. I agree with the gentleman from West Virginia [Mr. BAILEY] 100 percent in his statement that it is a fine program. It is. I think the Bureau of Apprenticeship has been doing a very excellent job. The cut here recommended is so small percentagewise that it will not jeopardize the splendid program in any way. I do not believe that the gentleman from West Virginia has as much confidence in the present administration as I have. I think many of these programs can be administered just as efficiently with a little less money. Somewhere along the line, we have to work a little harder to improve the efficiency of these Government operations.

Mr. BAILEY. I think that attitude is a very desirable one.

Mr. BUSBEY. I think, too, it is very desirable that the industries and labor unions and the States become a little more active in this program.

Mr. BAILEY. Does the gentleman remember how much this item was cut in the 1954 budget? It appears to me that there was a pretty heavy cut last year.

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Mr. BUSBEY. Yes, I think it was a rather heavy cut—a few hundred thousand dollars, as I recall offhand, but I do not have the figures here before me.

Mr. BAILEY. That is one reason why I am protesting at this time that perhaps successive cuts of that kind may destroy the program or at least injure it.

Mr. BUSBEY. I would not have voted for this decrease if I thought for a minute that it would destroy the program.

As to the Bureau of Employment Security, there is recommended in the bill $4,650,000 for salaries and expenses, a reduction of $110,000 from the request, and $650,000 from the appropriation for 1954. The amount recommended includes $1,100,000 for the Veterans' Employment Service, which is the same amount appropriated for the year 1954, but $400,000 above the amount recommended in the budget. It is the committee's opinion that the amount recommended is about the minimum necessary for an effective VES program. When the time comes that the program is not needed, it should be eliminated entirely; but to appropriate for the abbreviated and ineffective program proposed by the budget would have been a waste of funds. This program has been cut during the past few years from $2,650,600 in 1947 down to $1,100,000. In most of the States, the personnel is down to one man and a clerk. This is one program that the veterans' organizations throughout the country are very jealous of, and I concur in their position. I was a member of the Veterans' Legislative Committee in the 78th Congress that wrote this provision into the GI bill.

It was the one thing on which all veterans' organizations were united. With the Korean veterans coming back and the situation as it is, I think it is more important than ever that this program be continued. In the judgment of the committee $1,100,000, which is the amount they had last year, is the minimum for an effective program.

For grants to States for unemployment compensation and employment service administration, the bill includes $216,400,000, the total amount requested, and an increase of $12,095,000 above the amount appropriated for 1954. The amount allowed is composed of $200 million as a base amount, and $16,400,000 as a contingency fund. The base amount is equal to the total amount estimated to be expended in 1954, and is provided on the premise that the total workload of 1955 will be equal to the total workload of 1954.

In recognition of the uncertainties involved in predicting this workload, the committee is providing a contingency fund considerably larger than has been provided in past years. The committee has not allowed the requested authority to use the contingency fund to defray the costs of State salary increases. The language of the bill will provide for a continuation of the 1954 policy of requiring that any salary increases be absorbed.

For unemployment compensation for veterans, the bill includes $55,600,000, the amount of the budget request. We have been informally advised that there is a supplemental request of a sizable amount in the process of being submitted by the Bureau of the Budget. This is one of those items in the bill, like so many others, which is specified by law, and which the committee and the Congress have no control over, unless the Congress wants to change the authorizing law. I have no doubt that the supplemental request will be adopted by the Congress.

The bill includes $1,521,000 for the Mexican farm labor program, a reduction of $225,000 from the request, and $207,000 from the amount appropriated in 1954. The amount approved is the full amount requested, except that no funds are included to cover the cost of medical examinations, estimated to be $225,000. After the budget was prepared, the Comptroller General ruled that these costs are legal charges against the revolving fund, supported by fees charged the growers who use this labor; thus, there is no need to include funds for that purpose in this appropriation.

There is no change of any significance for the Bureau of Employees' Compensation, Bureau of Labor Statistics, nor Women's Bureau.

For the Wage and Hour Division, the bill included $6 million, a reduction of $233,000 from the request and $250,000 from the amount appropriated for 1954.

For the Department of Health, Education, and Welfare, this bill includes $1,637,615,011; a reduction of $14,894,250 from the request and $289,817,250 from the appropriations for 1954.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield.

Mr. CORBETT. I wish to make an inquiry. What effect will this reduction in the appropriation have on the number of investigators examining possible violations of wage-hour legislation?

Mr. BUSBEY. That, I think, is something like quoting an economist. You know, you can quote an economist, who is an outstanding authority, on one side of an economic question; then you can find an economist of equal reputation, who is on the other side. I am sure the gentleman could quote authorities on both sides as to what effect this would have on the number of investigations.

The Wage and Hour Division, I am glad to say, has made some real economies; they have worked out a simplification of their forms, and they have worked out a simplification of the method of reporting investigations. They are now working on further procedural changes which will result in economies. They are doing an excellent job along that line, and I think they can do a good job of enforcing these laws with the funds allowed.

Mr. CORBETT. Is it not correct that the figure approved by the subcommittee is approximately $250,000 less than the amount approved last year and $233,000 less than the budget request?

Mr. BUSBEY. Yes, that is right.

Mr. CORBETT. My point is this—and I am strictly still asking for information—is it not very likely true that the intent and purpose of Congress in passing these laws is in jeopardy when they do not have sufficient investigators to perhaps make sufficient spot checks on violations? Would not the ordinary industry that is complying with this law appreciate having their competitors required to comply also?

Mr. BUSBEY. Yes; I think the gentleman is right. That is like a candidate I knew who was running for office. His platform was that he was against sin and for pure drinking water. That is a foregone conclusion. But labor is organized today, and the representatives of labor unions are very vigilant in these matters. With the law becoming better known to the employers than it was before, I do not believe this reduction will hurt the program very much, even if they applied the whole cut to the investigators and none to their regional offices and to the Washington office. It would amount to only about 40 investigators out of several hundred, if the whole cut were applied to this group of employees.

Mr. CORBETT. That is the point of information. I am not quarreling with the gentleman as of today. The gentleman did use the figures, perhaps the one I am most interested in is your estimate that there would be a reduction of only 40 investigators.

Mr. BUSBEY. Yes, that is my estimate.

Mr. CORBETT. What would that do based on your figures? You started out in the paragraph by saying you did not know and then ended up by saying that it would be about 40 out of a thousand.

Mr. BUSBEY. What do you mean?

Mr. CORBETT. How much of a reduction would result from the reduction in the appropriation.

Mr. BUSBEY. I must have misunderstood you earlier. I thought you asked about the reduction that would have to be made in the number of investigations, rather than the number of investigators. Of course all of the reduction should not be applied against the investigators. I think there are some of the grades CS–13, 14, and 15 who could be dispensed with; some of the clerical help could be dispensed with; and some administrative help here in Washington could be eliminated.

Mr. CORBETT. We have here a typical analogy with the situation in the Internal Revenue Service: That if you have fewer investigators you are going to have more chiseling and less money coming into the Treasury, although in this situation it is not a matter of money coming into the Treasury, but the enforcement of laws which the Congress has said was to become the policy.

Mr. BUSBEY. Yes, but there have been times when they spent a lot of time investigating small shops, that in my humble opinion, was not necessary, in order to build up statistics.

Mr. CORBETT. I thank the gentleman.

Mr. BUSBEY. Mr. Chairman, getting back to the Department of Health, Education, and Welfare, the greater part of the reduction that is shown for that Department will likely be added later. I am frank to admit it, because it is due to the fact that the so-called McFarland amendment is to expire on Sep-

tember 30 of this year. It is my understanding that a bill is pending, and is likely to pass, which will reinstate the McFarland amendment for another year. If that bill does pass, we will, of necessity, have to entertain and pass a supplemental bill to make up that deficiency.

I cannot pass over the item for the American Printing House for the Blind without a brief comment, even though the appropriation is very small, and is the same as last year. I had the privilege of spending a day last summer, after Congress adjourned, in the American Printing House for the Blind at Louisville, Ky. It was one of the greatest thrills and greatest treats I have ever had. I suggest that any Member of Congress who passes through Louisville should take time to go through that plant. The work they are doing is really remarkable. I do not know if the Membership is acquainted with this fact or not, but the Reader's Digest has contributed the major part of the money for the expansion of this worthwhile institution. Every month, they print some 225,000 copies of the Reader's Digest in braille, which reach sightless people the same day as the printed copies go on the newsstands. They are doing remarkable things down there, and I hope all of you will be able to visit that institution at some time.

For the Columbia Institution for the Deaf, the bill includes $410,000 for salaries and expenses, the full amount of the request, and the same amount as appropriated in 1954. The bill also includes a construction item for $259,000, which is an increase of $19,000 over the request and $218,000 over the amount appropriated in 1954. There was a request for $240,000 for a library-classroom building that is needed very badly. This was approved, and an additional amount of $19,000 was put in the bill by the committee to renovate a building as a stopgap measure to get a little extra gymnasium space that is needed very badly. The committee, as stated in its report, considered this only a stopgap. We also stated in the report that we believe it is time a building program for this institution be presented to the Congress; so that gradually, year by year, we can make this into a first-class institution, because it is the only institution of its kind in the world. The old dilapidated buildings that they are housed in at the present time are a disgrace, and I, for one, hope that they can present a program next year that will outline to the Congress a plan for presentable buildings.

Mr. THORNBERRY. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I am very happy to yield to the gentleman from Texas [Mr. THORNBERRY].

Mr. THORNBERRY. I would like to say to the chairman that I am very grateful to him and to the members of his committee for the interest they are taking in what has been known as the Columbia Institution for the Deaf, which will be known as Gallaudet College. I was very much interested in the statement contained in the report about the desire of the committee for a future building program and by the statement which the chairman has just made. I want to concur in what he said about the great need out there. As the chairman has indicated, the buildings are dilapidated; there have been no buildings constructed out there since 1917, and before that, 1870. As I understand, the chairman's feeling is that the Department of Health, Education, and Welfare and the Budget ought to entertain and receive from them long-range construction plans so that they can start, over a period of 10 years, to build a modern plant and make it a first-class senior college for the education of the deaf.

Mr. BUSBEY. Those are exactly my feelings.

Mr. THORNBERRY. What I want to do, and I think what the gentleman has suggested, is to get over to the Department and the Budget the feeling of this committee, as Representatives of the Congress, that we expect to be done for Gallaudet what was done for Howard University. Over a period of years, since the last building was built at Gallaudet College, over $25 million has been spent for the construction of buildings at Howard University. I think that is fine, but I think the Congress should do for this school what they have done for Howard University. I appreciate the gentleman's interest.

Mr. BUSBEY. The gentleman from Texas knows, of course, that I cannot speak for the Congress, but I would say that is a correct evaluation of my thinking.

Mr. Chairman, I take this opportunity to thank the gentleman from Texas [Mr. THORNBERRY] for coming before our committee and making a fine presentation. He has a very keen interest in this institution, as has our colleague, the gentleman from California [Mr. PHILLIPS]. If I am not mistaken, both of these gentlemen are on the board of the institution. Is that not correct?

Mr. THORNBERRY. Yes.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. It might be well to express our congratulations at this point to Dr. THORNBERRY, because he was honored in that there was conferred on him last Saturday the honorary degree of doctor of laws by this Columbia institution of learning.

Mr. BUSBEY. I am sure all our colleagues join in congratulating Dr. THORNBERRY.

The next item is the Food and Drug Administration. That was reduced only $100,000 from the $5,200,000 request.

For Freedmen's Hospital, salaries and expenses, the full amount of the request was allowed, $2,880,000. That is a reduction of $224,000 from the amount appropriated for 1954. The reduction below the appropriation for 1954 is more than counterbalanced by an estimated increase in reimbursements. The total amount estimated to be received from all sources in 1955, including this appropriation, is $4 million; compared with $3,905,350 for 1954.

I desire to say a little about Freedmen's Hospital. They have a very, very acute problem out there, and I only wish I had the ability to find the solution. I visited the hospital and went over it from top to bottom. The conditions are deplorable. The nurses have to work at a desk just outside of a washroom—a washroom that is not very presentable. The hospital is not laid out correctly. It is a very old building, as you know. I would hesitate to recommend spending additional money on this building, because I do not believe you could possibly make it what would be considered, under today's standards, a first-class hospital. But something must be done, and it should be done in the near future. I am not making any specific recommendation, but am just calling attention to the problem. I think somebody should be working to find a satisfactory solution.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Connecticut.

Mr. MORANO. This is quite a different subject than the one the gentleman is discussing. I have had a number of telegrams from my district asking me to vote for an amendment to be offered by Mr. FOGARTY which would propose to increase the appropriation for vocational rehabilitation by some $26 million. Would the gentleman care to explain what is involved there, at this point?

Mr. BUSBEY. I think that question should be directed to the gentleman from Rhode Island [Mr. FOGARTY] when he takes the floor, which will be in a very few minutes. As a matter of fact, this is the first I have heard of his offering an amendment of that kind. I cannot comment on something about which I have no knowledge. But I am going to comment on the item of vocational rehabilitation and the formula that was written into the bill last year, when I come to that part of the report.

Mr. MORANO. Would the gentleman care to explain what the administration's proposal was for this?

Mr. BUSBEY. We will reach that item in a very few minutes. If the gentleman will withhold his question until that time, I shall appreciate it.

Mr. MORANO. I should be glad to do that.

Mr. BUSBEY. I shall be glad to explore the question thoroughly with him then.

For salaries and expenses of Howard University, the bill includes $2,720,000, an increase of $200,000 above the request, and $185,000 above the appropriation for 1954.

I should like to tell you just a little bit about the situation there, because I am very much concerned about it. I had the pleasure of visiting the university on several occasions, after action on the appropriation last year. One day in particular, I made a rather thorough inspection of the powerplant and the other buildings at the university.

As you may recall, last year we had quite a discussion on the floor of the House concerning the committee's elimination of an item of $150,000 for a turbogenerator that would have been used to furnish additional electricity to

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the new buildings that are under construction at the university. It was the committee's opinion then, and I think since then it has been concurred in by the General Services Administration and the people at Howard University, that, under the system we have worked out, the turbogenerator will not be necessary, and they will be in a much better position to furnish heat and electricity to the buildings at Howard University. The powerplant is in very bad condition. They had 17 breakdowns last year. In order to put the powerplant back into good condition to supply heat to the buildings, there is an item of $100,000 in this bill.

They made a plea that they need a generating plant, as well as the substation, for use of the students of the engineering school. A program has been worked out whereby they can have this plant for the school and also have a hookup with the Potomac Electric Power Co.; so that they will purchase their additional electricity needs from that company.

To install this electric switchboard will cost approximately $100,000. To work the old electric generating plant, an expenditure of $85,000 at least would be necessary for a new switchboard and gearbox; so for $15,000 additional they can have this electric generating plant that is out there now, which will generate and carry up to 1,000 kilowatts, operating for the present buildings. If anything should happen to this particular generating plant, all they have to do is to throw the switch and they are cut into Potomac Electric Power Co. for the entire workload.

Mr. JONAS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield.

Mr. JONAS of Illinois. I have this observation to make in connection with the statement of the chairman. I realize that such institutions as the Columbia Institution for the Blind, Freedmen's Hospital, and Howard University all have single functions. They do not operate as a unit, like other institutions throughout the length and breadth of the land. I am sure the gentleman has made a fine study of the conditions that exist there. He and the committee are to be commended on the high quality of the work they are doing.

To revert to the question of the Food and Drug Administration, and may I say that the chairman gives every indication of having made a careful study of this, may I inquire in connection with the curtailment of apropriations when you reduce the personnel in such an administration whether there is danger that proper inspection cannot be made by the various bureaus, especially in this day of technical progress when synthetic products are being produced and the public could easily be defrauded. Is there any danger along that line?

Mr. BUSBEY. I think the gentleman from Illinois is justified in raising the question. Frankly, if I thought there was any danger, I would not vote for a penny of reduction. I do think there are a great many activities they are carrying on that properly belong to other departments. I have in my file in the office, and it is a very voluminous file, information to the effect that men in the Food and Drug Administration have spent a great deal of time chasing around the country trying to get witnesses against a certain spring water company, because, they claim, the company's advertising is misleading. I may not be right; but at least it is an honest judgment on my part that when it comes to something like that, the Federal Trade Commission is the proper body to have jurisdiction over it, if it is important that any Federal agency spend the taxpayers' money on it.

A great deal of time and funds are used on things like that. Of course, this cut amounts to less than 2 percent. Most of the departments of the Federal Government, for the past 20 years, have been expanding and expanding and expanding. There was never any thought of contracting and getting some reduction in personnel. Now, we go back home and we talk about economy and we talk about reducing personnel, but when do we put this into effect? I do not believe this $100,000 would hurt the essential inspections of the Food and Drug Administration one iota.

Mr. JONAS of Illinois. Mr. Chairman, I have no further questions to ask the gentleman, but with the gentleman's experience on the committee and with the experience of the committee, if he is willing to go on record as indicating that there is every reason to believe that this will not curtail the activities of this department or interfere with its operations, then I think we have an answer to this important question.

Mr. BUSBEY. That is my opinion.

Mr. JONAS of Illinois. I appreciate the gentleman's statement.

Mr. BUSBEY. This is certainly not a drastic cut.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield.

Mr. EVINS. I am not familiar with the details of the case to which the gentleman refers, but for the record, I think, it might well be made clear that the Food and Drug Administration has jurisdiction over labeling of products which are falsely or improperly advertised whereas the Federal Trade Commission has statutory jurisdiction over advertising.

Mr. BUSBEY. That is correct.

Mr. EVINS. So the Food and Drug Administration would have jurisdiction over improper labeling.

Mr. BUSBEY. That is correct.

Now I would like to get back to the discussion of the appropriations for Howard University.

The bill includes $1,150,000 for liquidation of contract authority for buildings. This is an increase of $900,000 above the request, and $1,150,000 above the amount appropriated for 1954. The budget included $250,000 to provide funds for making final payments for construction of the biology-greenhouse building, which is scheduled for completion in fiscal year 1955. Congress has authorized the University to incur obligations and to enter into contracts for the construction of four additional buildings, a law building, an administration building, a men's dormitory, and an auditorium and fine-arts building. The obligational authority granted for these buildings is now impounded by the Bureau of the Budget and no plans for release were included in the budget. This authority was granted in June 1948 for the auditorium and fine-arts building, and in June 1949 for the other three. Since that time the existing buildings have, of course, deteriorated still more, so the current need is even greater than at the time Congress authorized this construction. On the basis of recommendations made by the president of the university and a very thorough survey and inspection of the existing buildings by the chairman of the subcommittee, it appears that the most urgent need is for the law building and the administration building. The committee has therefore included $200,000 and $700,000, respectively, for these two buildings. This will provide sufficient funds to cover actual expenditures estimated for 1955.

The Congress has a duty and an obligation to see that Howard University becomes a first class, A–1, university as soon as possible, all factors considered. This is not only my hope, but I propose to do my part in making this goal a reality. The program that was laid out for Howard University some years ago has been on dead center for several years. The increase in funds recommended by the committee will get the program off of dead center and moving in the right direction. Let us keep it moving in that direction until the entire building program is completed and a faculty provided that will make Howard University one of our outstanding institutions of higher education in the United States.

I desire to express my sincere appreciation to my committee for accepting my recommendations for Howard University. Without their cooperation and assistance, the required additional appropriations would not be possible.

In addition, I wish to thank Mr. Russell Larmon, Assistant Secretary for Health, Education, and Welfare, for his suggestions and cooperation that were such an important part in this program. His sympathetic, understanding interest and counsel at all times were very valuable, and deeply appreciated.

I said at the commencement exercises, and I repeat here today in the House of Representatives, that I know of no president of a university or college in the United States who is more devoted and dedicated to his institution than is Dr. Mordecai Johnson, of Howard University. He has worked day and night for 28 years to bring Howard University to where it is today. I hope it is God's will that he remain as the head of Howard University to see his program brought to a successful conclusion.

With reference to the Office of Education, I will just hit the high spots.

For salaries and expenses, the bill includes $2,900,000, a reduction of $300,000 from the request and the same as the amount appropriated for 1954. An increase of $200,000 was included in the original budget submission. It was pri-

marily for the purpose of providing additional personnel and printing and binding funds for increased publications activities. The committee questions the need for the quantity of publications currently being produced, and certainly was not favorably impressed with the arguments for an increase. The remaining $100,000 of increase was requested as a supplement to the budget for work in connection with the school assistance programs—payments to school districts and assistance for school construction. The 1954 budget contains more funds for this purpose than have been provided for any previous year. The committee believes that amount is fully adequate.

For payments to school districts, the bill includes $55 million, a reduction of $3,500,000 from the request, and $17,350,000 from the amount appropriated for 1954. The committee was informed that the request for $58,500,000 took into account all savings which are estimated to result from changes in the basic legislation governing the program, but that the request was based on a continuation of Federal activities at the same level. It appears to the committee to be obvious that defense and other Federal activities are being, at least slightly, reduced. This will be reflected in a reduction in the requirements for funds under this program. The reduction of approximately 6 percent should leave an ample amount to pay all eligible applicants in full.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. I recall that last year some cuts were proposed in the bill with reference to Howard University. In the report it was indicated that enrollment was falling off rather sadly. What is the situation there now?

Mr. BUSBEY. The enrollment is not as high as it was during the war years when they had the influx of GI's, but my personal opinion is that you cannot look at this thing from an overall enrollment standpoint. As soon as these new buildings get into operation and they get the staff and equipment, I am sure the enrollment will increase. I have no hesitancy in going on record to that effect.

Mr. SMITH of Virginia. I think the House was disturbed last year by your report that the enrollment was decreasing and it seemed to indicate that the school was drying up. Has that trend changed?

Mr. BUSBEY. I think there are other factors to be taken into consideration than this drop in enrollment.

Mr. SMITH of Virginia. How does it compare this year with last year?

Mr. BUSBEY. The enrollment for 1954 is exactly the same as 1953; namely, 3,119.

Mr. SMITH of Virginia. I thank the gentleman.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield.

Mr. COLE of Missouri. As the gentleman knows, I am very much interested in the program for the promotion and further development of vocational education. I notice that your committee has recommended a reduction of $298,750 in this appropriation for next fiscal year as compared with the amount allowed this fiscal year. I wonder if the gentleman would care to discuss that, and the reasons for it. I will say that this program is a very successful program in my district; and, as the gentleman knows, the George-Barden Act authorizes an appropriation of $29,300,000 for the program. Would the gentleman tell me why this was reduced as it was?

Mr. BUSBEY. You will see that the amount allowed this fiscal year is exactly the amount that was available last year. We enacted Public Law 286 last year, requiring each agency to pay for its penalty mail, but authorizing transfers between appropriations for the purpose of covering these costs. The Department of Health, Education, and Welfare took $298,750 from the vocational education appropriation to transfer to other programs in the Department to pay for this penalty mail. That left $18,374,511, the exact amount in the bill for 1955.

I agree with the gentleman that this is not only one of the best programs, but one of the best operated program that we have in the country. I know the interest of the gentleman in this program, and I am sure it is shared by all of the Members of this body.

Mr. COLE of Missouri. I hope the time will soon come when we can provide funds for increasing and expanding this program, because it is a good program.

Mr. McVEY. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Illinois.

Mr. McVEY. I certainly thank the chairman of the subcommittee for the interest he has shown in vocational education. I know that the same amount is appropriated for the next year that they had during the current year. Does the amount appropriated provide for all the facilities now offered by the vocational education program?

Mr. BUSBEY. The same facilities as last year.

Mr. McVEY. Did not the Office of Education ask for any additional money?

Mr. BUSBEY. They did send up a supplemental request which brought it up to the amount of last year's appropriations.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Michigan.

Mr. DONDERO. I received a telegram this morning stating that it was $6 million less than what the Graham-Barden Act called for. Is there any foundation to that?

Mr. BUSBEY. Yes; I think there is some foundation for it. It is analogous to the case where we appropriate $65 million for hospital construction, when $150 million is authorized.

Mr. DONDERO. But over all they are given the same amount as they got last year.

Mr. BUSBEY. Yes.

Mr. GOLDEN. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield.

Mr. GOLDEN. I think the gentleman knows I have been interested in this program for quite a long time.

Mr. BUSBEY. You certainly have. I will say that the gentleman has contacted me and consulted with me and advised me on many occasions.

Mr. GOLDEN. I am very much gratified to hear the chairman of this subcommittee say that there is no curtailment of the program. It has been very successful in my district and I would hate to see any curtailment of one of the best programs we have ever had.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Kentucky [Mr. PERKINS], who has always been keenly interested in this program.

Mr. PERKINS. Mr. Chairman, I am well aware of the gentleman's interest in vocational education, but I still feel that the amount is inadequate. However, the quesion I want to put to the gentleman concerns vocational rehabilitation.

Mr. BUSBEY. Will the gentleman be so kind as to wait until I get to that item in the report?

Mr. PERKINS. Certainly, if the gentleman so desires.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Illinois.

Mr. YATES. Does the gentleman intend to discuss later the grants to States for maternal and child welfare?

Mr. BUSBEY. Yes.

Mr. PERKINS. Then a question on that subject at this time the gentleman feels would be inappropriate?

Mr. BUSBEY. It would not be inappropriate, but I would prefer that the gentleman wait until I reach that item.

If you will look back in the table, you will find an item that was carried last year for school construction that is not carried this year. But in addition, you will find asistance to school construction, and I assure you it is one and the same item. During our hearings, I tried to get an explanation of why the language was changed, but I was not very successful. As it was set up in the budget, it is known not as "school construction" but "assistance for school construction" this year. The bill authorizes $70 million, a reduction of $4 million from the request, but the same as was appropriated for 1954.

I suppose somebody could question the reduction; likewise we can question the $74 million that was requested. I am frank to admit that it was a guess on the part of the Department; it is a guess on the part of the committee. The reason for that is that they have a great many applications that have not been processed. Until they are processed, they do not know exactly what will be needed. Knowing the thinking of the House of Representatives, I am sure that if, after these applications have been processed, they should find that the reduction was too much, the House will appropriate the

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money that is needed to take care of those applications.

So let us be honest about it; theirs was a guess; ours was a guess; and I do not think they guessed too low.

Now we get down to the subject that interests many of us—vocational rehabilitation. The bill includes $21 million, an increase of $1,825,000 above the request, and a reducton of $2 million below the amount appropriated in 1954.

The request of $19,175,000 was calculated to be the maximum that the States would match under the provision that not more than $1 of Federal funds may be granted for each 75 cents of State funds provided for the same purpose. By the time of the hearings it was estimated that the States will provide sufficient funds to match $20 million. If the States increased the amount now foreseeable by $750,000, they would be able to match $21 million and thus make a total of $36,750,000 available for the program, which amount is almost exactly equal to the amount available in 1954. The committee is sure that it was the intention of Congress, in placing the matching provision in the 1954 appropriation language, not to reduce the program, but to encourage the States to contribute a more nearly equal share in the financing of the program. With this in mind, the committee is recommending an increase of $1,825,000 over the request, hoping and believing that the States will match this amount.

Basic legislative proposals have been submitted to the Congress which would make considerable changes in the total program for vocational rehabilitation and would provide special State matching formulas. Since these proposals are now being studied by the proper legislative committees, this committee has not included any new language in the bill regarding State matching. The committee is of the opinion, however, that the States should eventually match Federal funds at least dollar for dollar.

With reference to the formula, some Members have contacted me and asked about this so-called Busbey amendment. Your constituents are giving the subcommittee chairman, Mr. BUSBEY, a little too much credit, because it is not the Busbey amendment at all. I did favor the provision when it came up for action last year, and I still favor it. So that it will be on the record and clear once and for all, the Subcommittee on Appropriations for Labor, and Health, Education, and Welfare in the House of Representatives did not recommend that formula. It was not in the bill when it passed the House of Representatives; part of it was written in the bill after it got to the Senate, and the rest was added in conference. The people who call it the Busbey amendment are giving me credit which I do not deserve.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. Of course, if the gentleman had proposed the amendment in the subcommittee and had reported it to the House, it would have been subject to a point of order.

Mr. BUSBEY. That is correct.

Mr. Chairman, there has been a lot of agitation to rescind this particular provision. I know of no way that it can be taken out in the House of Representatives, because if such an amendment were offered, I am afraid it would be subject to a point of order.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield further?

Mr. BUSBEY. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. I think the matter should be made clear that what the conference committee did last year actually was to change the basic law by that amendment.

Mr. BUSBEY. I am sure the gentleman is correct.

Mr. FERNANDEZ. If we now attempt to change it back here, it will be subject to a point of order because it will again be changing basic law.

Mr. BUSBEY. That is also correct.

Let me call your attention to the fact that there is pending in the Congress at the present time a 5-year overall rehabilitation program of the Department of Health, Education, and Welfare. When that is passed, and I think it will pass, then the basic law will again be changed and the formula will be changed also.

Mr. Chairman, I did want to go into quite a bit of discussion on the Public Health Service program and other activities in the bill but my time is running short and I know my good friend, the gentleman from Rhode Island [Mr. FOGARTY] is eager to take the floor. I will therefore ask that I be permitted to finish my remarks without interruption, and I will try to cover briefly the remaining items in the bill.

The first item under the Public Health Service is "assistance to States, general."

The bill includes $13 million, a reduction of $4,665,500 from the request, and $250,000 from the amount appropriated for 1954. There was some reticence, on the part of the Public Health Service and departmental witnesses, to discuss candidly the method used in arriving at the estimate for this appropriation. It was clear, however, that there was a definite connection between the reductions of $1,976,500 in grants budgeted for venereal disease control and $2,275,000 in grants budgeted for tuberculosis control, and the increase of $4,251,500 in grants under this item. The committee looks with strong disfavor on such lumping of these grants. If a disease for which special grants have been provided is on the decline, those grants should be reduced or eliminated, rather than being transferred to a general fund. On the other hand, if a disease is of sufficient national importance for the Federal Government to make grants-in-aid for its control, then the Congress should have control over the amount of such grants for that specific disease. The committee acted on the 3 appropriations discussed above, on the basis of the internal appropriation structure for 1954, rather than the consolidated approach used in the budget for 1955. Thus, $3,200,000 of the $4,665,500 reduction made from the request for this item was restored to the appropriations for venereal disease control and tuberculosis control.

Grants to States for public-health purposes are included in six separate appropriations. Since each of these appropriations also includes funds for direct operations of the Public Health Service, it is not possible to determine the amount of such grants from the bill. I will, therefore, place in the RECORD a table to show the amount included in the bill compared with the 1954 appropriation, and the request for 1955:

Appropriation	1954 appropriations	1955 revised estimates	1955 bill
Assistance to States, general	$10,135,000	$14,386,500	$9,725,000
Control of venereal diseases	1,976,500		700,000
Control of tuberculosis	4,275,000	2,000,000	4,275,000
Salaries, expenses, and grants, National Cancer Institute	2,250,000	2,250,000	2,250,000
Mental health activities	2,325,000	2,325,000	2,325,000
Salaries, expenses, and grants, National Heart Institute	1,125,000	1,125,000	1,125,000
Total	22,086,500	22,086,500	20,400,000

I will skip over some of those items where there is no major change nor controversy, but I must make a few comments about hospital-construction grants.

The bill includes $65 million, a reduction of $10 million from the request and the same as the amount appropriated for 1954. The Congress now has before it proposed legislation which would authorize appropriations totaling $180 million over a 3-year period for construction of special types of hospitals and related facilities. In view of this, the Department included only $50 million in the budget transmitted to Congress in January. Then, on May 11, a supplemental request of $25 million was transmitted. The only reason that the Department was able to give for this 50 percent increase was that Congress was so slow in acting on their proposed new legislation that they were not going to be able to use the first year's $60 million, and the supplemental was to replace what they would not be able to spend on the new program. To the committee, this sounded more like an excuse than a reason. In the absence of an emergency, Congress seldom acts hurriedly on such an important legislative proposal as the extensive amendments proposed by the Department to the Hospital Construction Act. The committee does not believe that those at the head of the Department are so naive as to think otherwise. There was absolutely no testimony given the committee to indicate that a greater need for Federal hospital construction funds for this program exists now than existed a year ago when the Congress provided $65 million.

I will not spend time discussing each of the National Institutes of Health, individually. The bill includes $73,393,000, an increase of $2,265,000 above the request, and $2,240,000 above the amount appropriated for 1954. The table which I will insert in the RECORD sets forth the committee's recommendations compared with the request and the appropriations for 1954:

Agency and item	Appropriations, 1954	Estimates, 1955	Recommended in bill for 1955	Bill compared with—	
				1954 appropriation	1955 estimates
Operating expenses	$4,675,000	$4,675,000	$4,675,000		
National Cancer Institute	20,237,000	19,730,000	20,237,000		+$507,000
Mental health activities	12,095,000	12,460,000	12,460,000	+$365,000	
National Heart Institute	15,168,000	14,570,000	15,168,000		+598,000
Dental health activities	1,740,000	1,730,000	1,740,000		+10,000
Arthritis and metabolic disease activities	7,000,000	7,270,000	7,270,000	+270,000	
Microbiology activities	5,738,000	5,930,000	5,930,000	+192,000	
Neurology and blindness activities	4,500,000	4,763,000	5,913,000	+1,413,000	+1,150,000
Total, National Institutes of Health	71,153,000	71,128,000	73,393,000	+2,240,000	+2,265,000

As can be seen from the table, the increases above the budget estimates, recommended by the committee are, with one exception, to restore cuts. The committee would be the first to recommend reductions in these funds, or the elimination of Federal appropriations for these programs, if it were shown that we can now prevent or cure these diseases, or that the incidence of these diseases is substantially declining. In all the voluminous testimony received by the committee, there was no indication that any of these things has happened. It was demonstrated that advances have been made in gaining a much better understanding of the problems involved, which should provide a basis for greater advances in finding preventatives and cures for these dread diseases. To start cutting back, right at the time when the prospect for really great discoveries is the brightest, seems very shortsighted.

A concrete example of what really great discoveries may be in the offing has apparently been produced by the Neurology and Blindness Institute. The committee was told by Dr. Bailey, director of that institute, of the discovery of a substance called glutamine, which has been used with such success in the treatment of 10 very serious cases of epilepsy, that he believes it to have more promise for effectiveness than did streptomycin for the treatment of tuberculosis and ACTH and cortisone for the treatment of rheumatoid arthritis. It was stated to the committee, by one authority in this field, that if this one discovery proved as effective as preliminary tests indicate it to be, it will, just from a financial point of view, be worth more to the Nation than the entire cost of all of the National Institutes since their beginning. Dr. Bailey estimated that it would require a minimum of $1 million to complete tests and to pave the way for commerical production of this product. The committee, therefore, has included $750,000 more than the budget request to cover a portion of this cost, and will expect the institute to provide, from the base appropriation, any reasonable additional amounts needed.

The committee has also included an additional $400,000 above the amount requested for the Neurology and Blindness Institute to initiate a research program on blindness. The committee was very surprised to learn that the Clinical Center program for blindness is, to quote the Director, "a sort of a standby program." This problem is certainly important enough to warrant much more than a standby program at the Clinical Center.

The National Institutes of Health predoctorate fellowship program was transferred, in the 1954 budget, to the National Science Foundation. This was accomplished by a transfer, in the President's budget, of $390,000 from the NIH. This amount of money was intended to provide approximately 200 predoctorate fellowships. The committee was advised that, as a result of this shift, approximately 140 fewer such fellowships were granted than would have been granted had the program remained in NIH. The committee is quite disturbed about this precipitous decline in so vital a program and desires that the NIH use funds provided in the bill, to reinstitute this program in 1955 on a scale which will make up the loss that has occurred. The committee further desires that in 1956 the part of this program remaining in the National Science Foundation be returned to the National Institutes of Health.

I should comment on the action taken on the Office of the Secretary, but I believe the rest of the remaining items should not require comment, in view of the time remaining for debate, unless there are questions concerning them. For the Office of the Secretary the committee has allowed $1,075,000 plus a transfer of $171,000 from the old-age and survivors insurance trust fund. This, in total, is $75,000 less than the amount of $1,321,000 appropriated for 1954. However, during 1954 numerous transfers were made from other funds of the Department in order to provide for activities in the Secretary's office. Such transfers are estimated to total approximately $300,000 in 1954. The committee has placed a limitation of $200,000 on such transfers for 1955 and will expect the budget for 1956 to be prepared on the basis that all activities will be appropriated for directly.

The bill includes a total of $2,125,000 for salaries and expenses, Office of Field Services, a reduction of $185,000 from the request, and $85,000 from the amount appropriated for 1954. A provision has been included in the bill to provide not less than $850,000 for the Grant-in-Aid Audit Division. This is an increase of $125,000 for that Division, whose very important work of auditing the expenditure of billions of Federal dollars is now far from current and steadily falling further behind. The value of these audits is very greatly diminished as a result of their being delayed, in some cases 2 years or more after the expenditures being audited. In the opinion of the committee, the reduction provided for the field services activities under this appropriation can be absorbed at no detriment to the Department's programs.

I wish to make it crystal clear that it is the desire of the committee that the increase of $125,000 for the Grant-in-Aid Audit Division be used exclusively for the employment of additional field auditors and payment of their traveling expenses. In other words, the committee does not expect the Grant-in-Aid Audit Division to be charged with any expenses from the Field Services Division that have not been customary charges in the past.

In addition, I am sure the committee will look with disfavor on the idea of closing regional offices to absorb any reduction in appropriations.

It was quite evident from the hearings that the methods used in handling exceptions, by the Federal auditors, to payments to State agencies is cumbersome, time consuming, and very inefficient. The committee strongly recommends that the present procedures be reviewed, by other than the program people, with the thought in mind that audit exceptions be handled directly from the State level to the headquarters in Washington and if not resolved between the Grant-in-Aid Audit Division and the constituent involved, be referred directly to the Office of the Secretary.

Before giving up the floor I desire to say this: First of all, I do not believe anyone could have enjoyed working with his colleagues on the subcommittee as much as I have. I wish especially to pay by respects to the ranking minority member of the subcommittee, who was the chairman of the subcommittee for 4 years, a man who has served on the committee 8 years, the gentleman from Rhode Island [Mr. FOGARTY]. His knowledge and experience on this subcommittee have meant a great deal to me and to the committee. I wish to state publicly that I personally appreciate his cooperation and his splendid work that has meant so much to this committee, particularly in the field of the health programs. I assure you that I share his feelings on these programs of research at the National Institutes of Health in cancer, heart, mental, arthritis, microbiology, neurology, blindness, and the other research programs they carry on. I am not going to say something I would like to, because I know that he would appreciate very much telling the House the story of the new product they have developed out there, glutamine, which seems to be the answer to the cure of epilepsy; and with that I am going to leave it to the gentleman from Rhode Island.

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But before sitting down I desire also to pay my respects to the clerk of our committee, Mr. Robert Moyer, who has been a tower of strength. Very frankly, I do not know what I would have done without him. He has been unselfish with his time. He has made a conscientious and thorough study of these items—a task which no Member of Congress could possibly do, and take care of all his other activities and chores. I am extremely grateful to Mr. Moyer.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Kentucky.

Mr. PERKINS. I would like to ask the distinguished gentleman from Illinois how his committee justified a cut in vocational rehabilitation in the amount of $2,035,500, since we have more than 2 million people today that could be rehabilitated, and since we have an additional 225,000 coming on every year and at the present time only rehabilitating approximately 60,000 a year. How do you justify the cut under the circumstances?

Mr. BUSBEY. Under the formula there will not be a cut if the States match the amount in the bill under the 75 cents–$1 formula.

Mr. FOGARTY. Mr. Chairman, I yield myself 60 minutes.

Mr. Chairman and members of the Committee, I think I should make reference to the fact that a year ago when we appeared before this committee to justify the appropriation for the Departments of Labor and Health, Education, and Welfare, and related independent agencies, it was with good fortune that we had in the chair at that time my distinguished neighbor and outstanding Congressman, the gentleman from Massachusetts [Mr. NICHOLSON]. I think, because of his fair rulings and his presence in the chair, it was one of the reasons why we were so successful last year in getting a good bill adopted by the House. And I am very happy to see him here again. I know he is going to be just as fair, and I am sure we are going to get a good bill this year.

Mr. Chairman, I have served on this committee for the past 8 years. I do not believe in those 8 years that we have gone into an appropriation bill any more thoroughly than we did this year. That is one of the reasons we are so late in reporting this bill to the House.

I want to say for the RECORD that the chairman of the committee, Mr. BUSBEY, of Illinois, has been one of the fairest chairmen I have ever worked under. He has been extremely fair to every witness who appeared before the committee. He has been very fair to those of us on the minority side. If there was any Member of the House of Representatives who appeared before our committee, or anyone from the Department of Labor or the Department of Health, Education, and Welfare who appeared before the committee who did not make a full and complete résumé of his activities, it was his fault and not the fault of the chairman or of the committee itself.

I should like to say a word about the clerk of our committee. This is the fourth or fifth year he has been with the committee. As the chairman of the committee has already stated, he is one of the best clerks we have on the Committee on Appropriations and in my opinion is worth more than any special investigator who could be hired by the Committee on Appropriations, for the Congress or for the committee itself. I am speaking, of course, of Bob Moyer.

Mr. Chairman, I think we have a pretty good bill this year although there are some places where I do think we have cut too much. In the Department of Labor, as you will notice, the first cut was $55,000 in the Office of the Secretary. I believe all of that cut was taken out of International Labor Affairs. The next sizable cut appears in the Bureau of Labor Standards where the Department, for the third year in a row, asked an appropriation of $100,000 or more to deal with the problem of migratory farm workers of this country. I am referring to those American citizens who are migratory farm workers.

It was testified before our committee 3 years ago that when Herbert Hoover was President, in the late twenties or early thirties, he appointed a commission to study the conditions of these migratory workers. That commission reported back at that time that the conditions under which these migratory workers were living in the States where that help was used was indescribable. The conditions were worse than anybody could describe. After Herbert Hoover came Franklin Roosevelt and he, as President, appointed another commission to make a thorough study of these same conditions. His commission reported the same findings as the commission that was appoined by Herbert Hoover. Harry Truman appointed another commission when he was President and his commission reported the same findings; that something should be done for these workers to improve their living conditions in the various States.

Three years ago the first request was made of this committee to appropriate something over $100,000 to make a study and recommendations to the various States, as to how to handle this particular program. This is the third year in a row that such an appropriation has been requested and it is the third year in a row that it has been turned down.

The President of the United States, General Eisenhower, said only a few months ago that while he is President of the United States he does not want to see any second-class citizens in this country. Neither do I. I do not think any Member of this House wants to see what we would term a second-class citizen. But if there is such a thing as a third-class citizen or a fourth-class citizen, certainly the migratory farm workers of this country would come in that class. We have second-, third-, and fourth-class citizens in the domestic migratory farm workers.

Until the time the Congress does something about it, you are going to allow these workers and their children to live under conditions you would not allow an animal to live under in your own home town or on your own farm or in your own home. In some of these States and communities these people are not wanted, they are not liked. They are shunned in every respect. Until the Federal Government does something about it, those conditions are going to prevail. I think it is the responsibility of this Congress to initiate this action, to appropriate this $100,000 this year to make a start in this field, because if we do not it is our fault and the responsibility, I think, lies on our shoulders for not doing it.

The next sizable cut is a cut of $110,000 in the Bureau of Employment Security. That cut of $110,000 is misleading, for this reason: In the salaries and expenses item in connection with the Bureau of Employment Security we have provision for the Veterans' Employment Service. Cuts were made in that division over the past 2 or 3 years on the basis that employment was high and we did not need these contact workers in all the States because of high employment in the country. However, during the past year or two, because unemployment has grown and there are many unemployed veterans at the present time, we had a unanimous agreement in the committee that we should raise the funds for the Veterans' Employment Service from some $700,000 to $1,100,000, which we did.

In agreeing to that raise, I did not expect we were going to penalize the Employment Services Administration here in Washington to the tune of $400,000 in order to build up the Veterans' Employment Service, and that is what we have done. So instead of there being a $110,000 cut, as shown in your report, this is actually a cut of over $500,000 in the Employment Services salaries and expenses here in Washington.

As a member of this committee, I cannot see any logic in making a cut like that, because it was only a few years ago we passed a bill here in Congress, I think unanimously, to provide unemployment compensation for the war veterans returning from Korea. That program was to be administered by the Bureau of Employment Security here in Washington. This year they have asked for $56,600,000 for unemployment compensation to these veterans. I understand there is also a request before the Bureau of the Budget at the present time for an additional $88 million, which would be about $140 million that would have to be paid out to these Korean veterans in unemployment compensation by the people in the employment services here in Washington.

When this program was adopted a year or two ago, we told them to absorb the administrative cost of this new program, which they did. Now, after we have asked them to absorb the cost of this administrative program, the funds are being doubled, their work load is going up, and we come in here and ask the Congress to help the committee justify a cut of $500,000 in the Employment Service. It just does not add up to me. At the same time in the grants-to-States, we have over $200 million and on top of that, they have pending at the present time a supplemental for the next fiscal year of over $40 million in State grants. In the unemployment compensation

program, and yet with that additional of over $40 million, we are asking the Employment Service to take a cut of over $500,000. It just does not make sense to be cutting a program like that on the one hand and asking them to take the increased work loads on the other hand. I understand at the same time that there is a budget request for $90,000 additional for salaries and expenses. Here we are in effect today—this committee, this Congress or this House, cutting the employment services by $500,000 when they are before the Bureau of the Budget asking for an additional $90,000 for 1955. What sense does that make? It does not make any sense to me.

With reference to the grants-to-State item, we have left that as is, but we have made a contingency fund out of the $216 million of $16,400,000. But in the bill we had last year, we asked the States to absorb all salary costs or increases. I think that is an unfair thing to ask the States to do. It was not in the original law, and I do not think it was ever the intent of Congress to make the States, out of their own funds, pay for all salary increases in the administration of these unemployment compensation laws because this fund is not a drain on the Federal Treasury. This money is the three-tenths of 1 percent which is paid by the employers into the Federal Treasury as a fund to be paid to compensate for the administration of these grants in the various States. As a result of the collection of that three-tenths of 1 percent, the Federal Government is making a profit of about $60 million a year. Why in the world do we come in here and ask that the State grants be held to that minimum when, in effect, they belong back in those States—these funds do not belong in the Federal Treasury—these funds are collected for the purposes of administering this law and to be turned back to the States—and it was the intent of Congress when this bill was passed that those funds also go for the paying of all salary increases in the States—as I was saying, why we should make that recommendation, I do not understand. I do not think we have a right as members of the Committee on Appropriations to come in here repealing or amending existing law as we are here by demanding that the States assume this liability which is not theirs in the first place.

The next cut is in the Wage and Hour Division. Last year the largest cut in the Department of Labor was against the Wage and Hour Division of the Department of Labor. I think the reason for this was mainly because it is an enforcement agency. It enforces the Fair Labor Standards Act, with its minimum wage and overtime laws and the very important child-labor provisions. This year we are appropriating an even $6 million. It was testified in our committee this year that the Division will have collected in this fiscal year over $8 million in back wages which were owed to employees. In other words, because of the administration of this program—I do not remember the number of employees involved—but employees are going to get back $8 million, or $2 million more than the total cost of the program.

The cut last year meant that they had to close 3 regional offices and 22 district offices. I do not recall at the present time the number of investigators who will be separated this time nor the number of offices that will have to be closed because of this severe cut of over $200,000. I have always maintained, as a member of this Appropriations Committee, that if we do not like a particular law, if we do not like the Fair Labor Standards Act, if we are against the wage-and-hour law, if we are against the 75-cent minimum-wage law, if we are against the child-labor provisions of this act, we ought to be men enough to come in and ask that the act be repealed through the proper legislative methods of Congress, and not by these back-door attempts, cutting appropriations. We should not amend the law by cutting the appropriations to such an extent that they cannot be enforced and by such action, in effect, amend or repeal the law in a roundabout way.

Mrs. FRANCES P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mrs. FRANCES P. BOLTON. I am a little confused by your remarks. I understood what you said about the wages of 8 million having been given back to the workers and yet you felt that was a good thing.

Mr. FOGARTY. Oh, yes.

Mrs. FRANCES P. BOLTON. If that was done in spite of the very heavy cut, it would suggest there was greater efficiency in spite of the cut.

Mr. FOGARTY. Perhaps I misled the gentlewoman from Ohio. But the facts showed there were 16 million owed, of which only 8 million was returned to employees to whom it was due. The point I have been trying to make is that this indicates that some violations of the law are not being corrected because of a lack of investigators. A sum of $16 million in wages owed employees due to failure to pay a minimum wage or to properly pay overtime shows that some firms are taking an unfair competitive advantage over other law-abiding concerns. In my opinion, the way to correct this is to provide a sufficient staff to this agency to assure that all intentional violators of the law will be brought into line.

Mrs. FRANCES P. BOLTON. I thank the gentleman. I was quite confused.

Mr. FOGARTY. I thank the gentlewoman for bringing that to my attention, because it is a good point.

With reference to the Department of Health, Education, and Welfare, the chairman did a good job in explaining the item for the American Printing House for the Blind, and Columbia Institution for the Deaf. I yield to the gentleman from Texas on the item for Columbia Institution for the Deaf, because I told him I would at the time I reached that part of the bill.

Mr. THORNBERRY. I thank the gentleman. A moment ago I addressed the chairman of the subcommittee, and I wanted to ask the gentleman from Rhode Island, as the ranking minority member of the committee, with reference to this item. In the committee report I notice the committee states it is the strong desire of the committee to bring in plans for the construction of these buildings. Is it the gentleman's idea that the Department of Health, Education, and Welfare, and the Bureau of the Budget would entertain from the institution or from the school a request for plans and for buildings that are badly needed at that institution?

Mr. FOGARTY. I do. I think I expressed those thoughts in the hearings, that they should come up with some definite type of program, like that for instance which was developed at Howard University, a 5-year or a 10-year program, because I remember very well when the committee agreed to the 10-year program at Howard University, and we watched the results of that program. If we are ever going to get anything done at this university, we must urge the Department to do more than they have in the past, because they have never come up with a recommendation to this committee for such an extensive program that we have talked about this year. I thank the gentleman from Texas for bringing this to the attention of the House, and the remarks of the gentleman from Illinois, the chairman of the committee, Mr. BUSBEY, and I thoroughly agree with his remarks. I hope that the Department of Health, Education, and Welfare will next year come before us with some kind of a definite program so that we can make that a first-class educational institution.

Mr. THORNBERRY. I certainly thank the gentleman from Rhode Island, and I appreciate what the committee is doing.

Mr. FOGARTY. Now the next cut that I think was too large was the cut in the Food and Drug Administration. Someone asked about this cut in the Food and Drug Administration. This cut of $100,000 from the budget allowance for the Food and Drug Administration amounts to about 2 percent of the current funds. It means that the American public will get 2 percent less protection in services under the food and drug law against dangerous foods, drugs, and cosmetics which menace the public health; against filthy, decomposed, and polluted foods unfit for human consumption; and against cheats and frauds such as the sale of worthless remedies for serious diseases, or the substitution of margarine for butter, or the pumping of water into dressed poultry as a makeweight.

It means that the inspection of factories and warehouses producing or storing these commodities will be reduced from an estimated 7,800 in the current year to about 7,650. It would reduce the rate of inspection of the 96,000 establishments subject to the law from 8.1 percent each year to about 7.9 percent, or in other words, the average length of time between visits would be increased from 12.3 years to 12.5 years.

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Of the many tons of filthy and polluted food seized every day several would escape detection under a reduced program and would go on the consumer's table.

These reductions would not be so significant if present operations were adequate. Last year Food and Drug appropriations were cut 8.1 percent, resulting in cutbacks in work on sanitation, severe cutback of work on frauds, and in failure to keep pace with needed health work. Even before that, data submitted to the committee showed that the Food and Drug Administration examined, either through factory inspection or the examination of representative samples, less than one-tenth of 1 percent of the total production of foods and drugs. This contrasts with what the Government is doing to protect the Nation's meat supply by appropriating nearly three times as much to the Department of Agriculture for the enforcement of the Meat Inspection Act and to provide for that service about 3,000 employees. The Food, Drug, and Cosmetic Act applies to all other foods and to all drugs, cosmetics, and therapeutic devices, the consumer hazards from which are several times as great as those from meat and meat food products. Yet at its peak in fiscal 1951, before these cuts totaling nearly 10 percent were made, the enforcement personnel of the Food and Drug Administration was only 944.

Establishments producing meat and meat products are under continuous inspection. All foods produced therein are subject to rigid scrutiny. Yet establishments subject to the food and drug law are visited on the average of once in every 12½ years and now we are proposing to visit them even less frequently.

The trend toward less and less inspection of these vital commodities to insure their integrity and safety is fraught with such peril, particularly with the rapid increase in the number and kinds of food being produced and the creation of new miracle drugs, all of which have their hazards, that we must recognize as a matter of self-protection the value of this service. It is just as essential to our welfare as the work of the FBI. Certainly the public would gain far more than its cost even if the present annual levy of 3¼ cents per capita to support this service were multiplied several times.

To come in here this year and ask this Administration to take another cut of $100,000 does not make sense to me, and I do not think it makes sense to the American people.

Mr. JONAS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Illinois.

Mr. JONAS of Illinois. The gentleman may recall that I made inquiry about this subject when the chairman of your committee had the floor. Probably the gentleman from Rhode Island could tell us or enlighten us to some extent at least in this regard: If we had a cut last year of $600,000—and the gentleman has stated that we did—what were the repercussions by reason of that cut? Did the Department function less efficiently? Or did we get into the situation the gentleman has explained we might get into if we fail to have enough inspectors to be a deterrent to the quacks, fakers, food adulterators, and synthetic medicine dispensers? Was last year's cut too drastic?

Mr. FOGARTY. It was testified before the committee that they had to make a cut in the number of drugs investigated, in the number of frauds exposed; and it was in the fraud area the gentleman mentioned last where the largest cut came. We cut the appropriation over 8 percent last year and the biggest cut was applied against the frauds that exist in the country at the present time.

Mr. JONAS of Illinois. What was the incentive, then, for cutting the appropriation another $100,000 this year if you just about balanced out with your $600,000 cut last year?

Mr. FOGARTY. I think I explained my position. I cannot see any sense in it at all. I was at the hearings and as far as I know there was no justification at all in the hearings for cutting this one dime. In my opinion, we should have restored the $500,000 or $600,000 cut that we made last year.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Illinois.

Mr. YATES. This Congress passed a law in the last session which permitted the Pure Food and Drug Administration to make certain inspections that had been barred by the Supreme Court of the United States. What use is such a statute if we deprive the Pure Food and Drug Administration of the money necessary for making these inspections?

Mr. FOGARTY. The law does not mean anything. That is the answer.

The next cut that I thought was too much was in salaries and expenses in the Department of Education. Why in the world we cut that item by $300,000, I do not know. They had a supplemental bill before us for $100,000 for 1955. So we not only cut out the $100,000 that they requested in the supplemental but we also cut them another $200,000 or $300,000 under what they asked for.

Mr. Chairman, if I had faith in the appointees that are made by the President of the United States, I think I would back them up with the necessary amount of money to function properly. I refer particularly to Dr. Brownell, Commissioner of Education. Based on his appearance before our committee, he appears to be an outstanding educator. I think he is a good administrator; he is doing a fine job and I think he wants to do a good job for education. He testified before our committee that he could not get along with less money than he presently has. He testified before the committee that he wants to do a good job for education; that he needed these funds to do it; yet without any justification in the hearings at all we come along and say, "We think you can get along with $300,000 less than you are getting along with at the present time."

Here is a man who has only been in office 5 or 6 months, since last fall. He was named Commissioner around September of last year. He has to take care of these White House conferences on education involved in the bills we passed a couple of weeks ago.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Idaho.

Mr. BUDGE. The gentleman stated that the Commissioner of Education said he could not get along with less funds than he has now. It is my understanding this bill calls for exactly the same funds as were provided for fiscal year 1954, is that not correct?

Mr. FOGARTY. Maybe I said he could not get along with less funds than he has at the present time. What I should have said was that he stated he could not get along with less than he was asking for in 1955.

They tell me that the Bureau of the Budget is pretty rough down there, yet they allowed them approximately $3,100,000, and again this year while we were considering this bill they allowed another $100,000 for salaries and expenses. We did not pay any attention to that at all. We just cut out the $100,000 and then took out another $200,000. I listened very attentively to Dr. Brownell. I think he made a good presentation on the problems of education in this country. Unless we have the proper leadership at the Federal level in this country and give men like Dr. Brownell, who is Commissioner of Education, the tools to work with, the educational standards in this country are going to continue to go downhill. They will not stabilize nor will they get to where we want them.

As far as funds for Public Laws 874 and 815 are concerned, it is a guess on our part. I agree with the chairman it is also probably a guess on the part of the department because these laws were tightened up in the last Congress. I think they were tightened up too much. I think there should be some changes made in the existing law. I think the absorption clause of 3 percent should be changed by the proper legislative committee because I think it is very unfair in these federally impacted areas. But, there is nothing we can do about it, as an Appropriations Committee, to change that absorption formula or existing law. As the chairman said, when these applications have been presented and O. K.'d, then it will be up to the Congress to appropriate sufficient funds to pay 100 percent of all these entitlements under the law.

Take the Office of Vocational Rehabilitation. There has been considerable talk about that to date. I was not here last year when the conference report was adopted; I was not one of the conferees. Had I been, I would never have agreed to the formula that was put in by the Senate making the States put up 75 cents for every dollar appropriated by the Federal Government as a matching fund in the vocational rehabilitation grant program. I have said now for 8 years in a row that of all the programs in the Government this is one of the most important that I know of. It has been testified before our committee year after year after year that for every dollar that we appropriate in Federal funds the Federal Government receives $10

back. Now, if we are economy minded and we want to make some money for the Federal Government, we should not be cutting this appropriation or agreeing to this restrictive language. We ought to be doubling this appropriation if we can get $10 back for every $1 we appropriate. For 8 years now I have never heard a Member of the Congress or a witness before our committee dispute the claim that we get back $10 for every one appropriated; in fact, every witness that I heard talk about that claim said that it was on the conservative side; that a more liberal estimate would be $15 for every $1 we expended. Now, if we want to make money for the Federal Government, here is one way to cut down the Federal budget by increasing the fund for vocational rehabilitation. The chairman stated awhile ago that he does not see how we can do it now because this amendment was agreed to in conference last year, speaking of this 75 cents for $1 formula. He does not see how we can change it now. Well, my answer to that is that the House never had a chance to vote on that amendment. It should have been given a chance to vote and express its opinion on that amendment. I will have tomorrow at the desk an amendment that will repeal, in effect, that restrictive language. I do not expect we will know until the amendment is offered tomorrow whether it is going to be germane and in order. But, I am hoping that it will be so that the House will be able to vote on this particular formula, because when the conferees agreed to the Senate formula last year they were agreeing to change the basic law. All I want to do tomorrow is to offer an amendment that will get us back to the basic law, and if the amendment is accepted, I will then offer an amendment to increase this fund from $21 million to $23 million to get us back to where we are at this year's level. When Miss Switzer was before the committee I asked her this question: How much more money would it take to rehabilitate 5,000 more people. She claimed that this year they expected to rehabilitate 65,000 people, but with this restrictive language in the bill requiring the States to put up 75 cents for every dollar, it means that about 6,000 people less will be rehabilitated in the coming year or only 59,000 people instead of 65,000. That is what that amendment means.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to my chairman.

Mr. BUSBEY. Of course, the gentleman's statement would be true if the States did not come up to the matching formula. But if they did, they would be able to rehabilitate the same number next year as they rehabilitate this year; is that not correct?

Mr. FOGARTY. I agree with the chairman. But the fact is that we have no reason to believe that any State is going to match these funds to the extent to which we are appropriating them—that is $21 million today. I am not willing to stand here and take the chance on something like that. I am not willing to stand here and take the chance on restrictive language that we have placed in the bill, under which language we deny rehabilitation rights to about 6,000 people in this country in the coming year. Unless we repeal that restrictive language, that is what I am afraid will happen. That over 5,000 people will not be rehabilitated, and instead of the number being 65,000, we will be down to less than 60,000.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. WALTER. How could a State like Pennsylvania, for example, match this fund when its legislature is not in session?

Mr. PERKINS. That is the point; more than half of them are not in session.

Mr. FOGARTY. It cannot; but on the other hand, the statement was made a year ago that something should be done about some of these matching formulas. Around that time the President had appointed a Committee on Federal-State Relations, and I thought they were coming up with an overall program of Federal-State matching in these grants-in-aid programs. As everyone knows that committee has bogged down. Until that committee reports or until we get something definite, I think we ought to stick with the original law as it was passed and get rid of this restrictive language. If we are going to do something and change the law, then we ought to say that in 2 years or 3 years from now—of course, we cannot bind another Congress either; but we can say, in effect, that 2 or 3 years from now we believe that a formula like this should go into effect. That would give the States some advance notice.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. WALTER. The States have had a warning of the possibility of the adoption of language of this sort, have they?

Mr. FOGARTY. I do not believe they have, because I did not know about it until January of this year. I was not here last year when this language was adopted by the conferees.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the chairman, yes.

Mr. BUSBEY. In line with the comment of the gentleman from Pennsylvania [Mr. WALTER], it was put into the 1954 bill, and it was set out very plainly that it would not take effect until 1955. That takes care of the warning to the States. As to the other question that the State legislatures are not in session this year or some of them are not in session—in fact, most of them are not; that is true—there is no year when you can put anything like that into effect. They may say, "Why don't we wait until next year?" What would be the situation next year? If we wait until next year all the State legislatures will have met and adjourned before we get an appropriation bill through the House of Representatives. So there is no right year. Pick any year you want and you have the same problem confronting you.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. MORANO. What does the gentleman propose in addition to removing the restrictive language? Does he propose to increase the amount from $21 million to some other figure and, if so, to what figure?

Mr. FOGARTY. If the language is found to be in order and we are able to remove that restrictive language under the amendment that I will offer here, then I will offer an amendment to increase the amount of $21 million to $23 million, to bring it back to what they have in this fiscal year and keep the program as is.

Mr. MORANO. If the amendment is not in order, then what does the gentleman propose to do?

Mr. FOGARTY. Then it will be up to the Senate. The Senate can still do something about it. I asked Miss Switzer if 65,000 people would be rehabilitated, how much it would cost the Federal Government to rehabilitate 5,000 more. The answer was $3 million. It would cost us $3 million to rehabilitate 5,000 more in this program. In a year the Federal Government would receive back $1 million of the cost, and at the end of 3 years the Federal Government would have been repaid the $3 million it cost to rehabilitate those 5,000 people, and 5,000 people would have been rehabilitated and the Federal Government would have been paid off in a program like that. If that program does not make sense there is no program in the Federal Government that makes sense. If that program does not spell economy in the operations of our Government, I do not know what spells economy.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Tennessee.

Mr. PRIEST. In the gentleman's opinion, would not the suggestion the gentleman made a moment ago about the removal of the restrictive language for the time being but giving notice that the formula the gentleman referred to might be worked out over a period of 2 or 3 years answer the statement made by the chairman of the subcommittee, the gentleman from Illinois [Mr. BUSBEY], that there was no fit time to do it from the States' viewpoint? If a period of 3 years is proposed to work out a formula, that does provide a specific, definite time for working out such a formula.

Mr. FOGARTY. All I can say to that is, in my opinion, this language should never have been agreed to by the House. It should never have been put in there by the Senate. It was amending existing law. We ought to get rid of it. We ought to get back to the original law and then wait and see what happens to the new legislative proposals that have been proposed in this field by the present administration.

Mr. PRIEST. May I say to the distinguished gentleman that I concur fully with his viewpoint in that respect.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

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Mr. FOGARTY. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Will the gentleman tell us whether this restrictive provision put in by the conferees last year was ever requested by the administration?

Mr. FOGARTY. No; it was not requested by the administration. As I understand, someone in the Office of Vocational Rehabilitation volunteered to save some money by making this a closed-end appropriation, but I understand the Senate insisted, "Let us go further than that and make this further restriction by making the States pay 75 cents to every dollar." As a result, many States are going to be penalized.

Mr. CANFIELD. Does the gentleman perhaps know the attitude of the administration on the provision at this time?

Mr. FOGARTY. I think that Miss Switzer, who administers this program, testified to the effect that she would like to see it removed from the bill. I think the hearings would bear that out.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I would like to express my personal appreciation to the gentleman for the remarks he has made in connection with the need for additional funds for the vocational rehabilitation program and vocational education, and also the necessity for eliminating this restrictive language.

May I say further I would like to be associated with his remarks on the incredibility of a cut in employment security funds at a time when we have a mounting problem with regard to the unemployment areas in this country now. To me, it is incredible that we would cut the amount of money available for that program and that problem at this time.

Mr. FOGARTY. I thank the gentleman.

Now we go into the Public Health Service.

For 4 or 5 years now, maybe longer than that, the Bureau of the Budget and the administration have been trying to foster assistance to States, generally, and to get us out of the field of categorical grants such as those for tuberculosis, venereal disease control, and others. This year they did the same thing. They cut down the grants to States for venereal disease control from $5 million to $2,300,000, and the grants to States for tuberculosis from $6 million to $3,500,000.

Then they came back later on with a supplemental for assistance to States, general. But I am very happy to say that the committee was in full agreement on the provision that we keep these figures in categorical line items so that when we are appropriating funds for venereal disease control and tuberculosis control programs, we know what the funds are being spent for. In any other way, we would not know what they are being spent for. So we have changed the recommendations of the Bureau of the Budget in this respect, and have put back in the venereal disease control program $700,000 and in the tuberculosis program $2,500,000 and subtracted that from the assistance to States in general. I hope, as one member of this committee, that when the Bureau of the Budget and the administration consider this item again they do not attempt again next year to lump all these programs into one item. If they do, we will just have to take corrective action again.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. SPRINGER. The gentleman is familiar with the fact that a bill has already passed through this body which allows the States to shift these funds from one item to another to take advantage of this particular program which the Department has recommended. Is that not true?

Mr. FOGARTY. That is true. It has passed the House and is now in the other body. I, for one, hope that bill does not become a law because it weakens the public health program.

Mr. SPRINGER. May I say to the gentleman—and I certainly respect his view—many of the States are requesting that this be done in order to allow them to emphasize a particular program which they feel is of great need to them. For instance, in many of the States venereal disease has been practically brought under control of the local health authorities, and where it is not particularly needed in some States I know it is true where they would like to emphasize TB or cancer or some of these other programs where they are allowed to shift funds from one program to another. Does the gentleman not believe that there is some merit to that?

Mr. FOGARTY. I think there are arguments on both sides. But there are many health officers in this country who might be enthusiastic about cancer or heart disease or TB, and they might spend three-quarters of what they get on one of those programs, and we would not know what they were spending the money for until the year after it had been spent. That is the basic fallacy in such a procedure.

Mr. SPRINGER. I agree with the gentleman that that is true, but I do believe that there is merit in that because the local State authority balances the funds as they believe it to be best. I think the gentleman is also familiar with the fact that under the pending bill each one of the States must set up a plan so that the Federal Government knows that these moneys are expended and how it is being spent. There must be some kind of general overall plan, I believe, which will give us in this country in years to come a more uniform plan for improving health along the lines set out in these particular items.

Mr. FOGARTY. We will have to deal with that program if, and when, it becomes a law.

Mr. Chairman, the next item I want to refer to is the item of hospital construction, the so-called Hill-Burton hospital-construction program. In 1946, the Hill-Burton Act was passed. It was originated in the other body by Senator HILL and Senator Burton who is now on the Supreme Court. It was a bipartisan bill. There were no politics in it. It passed by a unanimous vote and when it came to the House, it passed here by a unanimous vote. The program worked so well that in 1949, the act was amended and extended, and the authorization was doubled from $75 million a year to $150 million a year. In 1950, or 1951, we gave the full appropriation of $150 million. That was the only year this was done because we were then getting into the Korean conflict. It was cut back after that to $75 million. Last year, the House cut the figure back for the first time from $75 million to $50 million, the biggest cut this program has ever suffered. The Senate then raised it to $75 million. I think you will remember the vote we had last year to raise this from $50 million to $75 million, which lost on a rollcall vote by six votes. I am very happy to say that every Member of Congress who voted for that $75 million last year has been vindicated, because the administration this year asked for $50 million and then came back with a supplemental for $25 million, making the request this year for $75 million. So every Member who voted for this amendment last year has found out they were justified by the action of the administration in making the request that we appropriate $75 million this year for hospital construction.

When we look at the hearings, there is nothing that justifies this cut. In fact, the hearings justify an increase. We could spend $250 million this year on applications that have already been approved for the construction of hospital facilities in this country. If the Secretary of Health, Education, and Welfare would come before our committee and say, "We are gradually meeting the needs of hospital beds in the country; we are about even on this line of safety," then perhaps we could cut back. But the facts are that because of obsolescence in all hospitals we cannot even maintain our present level without the Federal program. There is no way of keeping up with the increased need today. We are running behind about 3,000 hospital beds a year at the present time.

Mr. JONAS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. JONAS of Illinois. I am in full accord with the position of the gentleman relative to the cut. I have heard no argument to justify a reduction of a single dollar from that recommended by the administration, namely, $75 million. I think it might be some news to the Members that if we left the appropriation at $65 million, $51 million of that amount has already been spoken for in connection with construction projects throughout the various States. Therefore, I say to the gentleman now that I expect to offer an amendment to restore this sum from $65 million to $75 million, and I know that I can justify my position in that respect.

Mr. FOGARTY. I will say to the gentleman that the Secretary of Health, Education, and Welfare testified before our committee that there is still a short-

age of over 600,000 beds in this country at the present time; that we need to construct about 36,000 beds a year to keep up with the increase in population. The population is increasing about 2½ million each year. With all the prepaid health insurance plans, new methods of surgery, and other advances in medical fields, the people are getting more hospital-minded, and as a result there is more of a demand for hospital beds today than there has ever been before. Unless we do something about it we are not going to meet that demand.

I think the history of this act will show that when the Federal Government participated in the construction of these hospitals it also brought along more private funds with it. As Federal funds went down, private funds went down.

So this program has not only been a program that provided 100,000 beds, it has also stimulated private groups throughout the entire country to do more than they would have done if we did not have the Hill-Burton Act.

I do not know of a program that is more effective than this program. There is no politics in it; it is nonpartisan, and it is a States rights program; it is a program that gives to the States at the local level the right to determine where these hospitals are to be built, to determine how big they are to be. They raise the matching funds at the community or State level, and I think it has been one of the best-run programs in the Government.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I wish to ask the gentleman a question for clarification.

I want to say for the information of the gentleman that I am in favor of the original budget request of $75 million; but I understand the committee's position to be that legislation is being proposed to make $180 million available for hospital purposes over a 3-year period. Should we pass this legislation would that in any way defer the facilities which might be provided under the provisions which were discussed this morning?

Mr. FOGARTY. I think I can explain that. The administration this year asked for the appropriation of $50 million. There is still an authorization of $150 million, but they only asked an appropriation of $50 million. Later they came to this House with legislation which they called a new bill. I think the chairman of our committee, the gentleman from Illinois [Mr. BUSBEY] made the statement, and I agree with him, that it should not have been a new bill but should have been an amendment to the Hill-Burton Act, and I think he was right—they came to the House with legislation that authorized $62,500,000 this first year for the construction of hospital facilities for the treatment of chronic diseases, nursing homes, diagnostic treatment centers, and rehabilitation facilities. It is a 3-year program totaling $180 million, approximately. What happened is that the bill has been hung up, the legislation has not been approved, and we do not have a dime of the $62,500,000.

However, the administration—I presume thinking they would not get that bill this year—said, "We had better come out and ask for $25 million more in the event we do not get the authorization legislation through for the $180 million 3-year program;" and that is the reason they asked us to appropriate $25 million additional to the $50 million which would make it $75 million.

Mr. FRELINGHUYSEN. But if the additional legislation were passed authorizing $180 million in a 3-year period, the additional $25 million would not be necessary; is that correct?

Mr. FOGARTY. No. It would still be necessary because the $25 million goes for general hospital construction.

As I understand, the intent of the new legislation was to pinpoint the necessity of providing facilities for the treatment of chronic diseases, pinpoint it at the State level to get them to come up with a program.

Mr. HARRIS. Mr. Chairman, if the gentleman will yield, perhaps I can clarify the matter a little.

Mr. FOGARTY. I yield to the gentleman from Arkansas.

Mr. HARRIS. There is no overlapping whatsoever in reference to the bill that passed the House for additional hospital construction for these particular types of diseases, that is nursing homes and so forth. There is some overlapping with reference to rehabilitation and mental hospital beds. There is no overlapping whatsoever in the matter of the general hospital beds.

As a result, since the Hill-Burton Act as now authorized applied mostly to the general hospital construction program that would have no effect whatsoever on this program. The $75 million would still be needed. It is just a question of whether or not we are going to try to provide these additional beds for general hospital construction under this program.

Our committee was very careful to try to make it clear that this new hospital construction program would in no way interfere with the Hill-Burton Act or with the hospital construction program that has been under way since 1945.

Mr. FRELINGHUYSEN. I thank the gentleman very much for his very clear answer to my question.

Mr. FOGARTY. Mr. Chairman, during the years of my service in the Congress I have been and will continue to be an ardent supporter of measures to strengthen the health programs in our Nation.

In 1946 when the Hospital Survey and Construction—Hill-Burton—Act was passed by the 79th Congress it was because of a great demonstrated need for hospital beds and the resulting services. The testimony of all the leading authorities from the hospital and health field boiled down to two basic facts: One, we do not have enough hospitals and services; and, two, we need financial help from the Federal Government to match local funds to build hospitals. The Congress responded on a bipartisan basis and has continued to support this Hill-Burton program on a bipartisan basis in both Houses.

In 1949, after several years of operation, it was recognized that appreciable inroads were not being made on the bed deficit which had accumulated during the 20 previous years of economic depression and then a world war. Again on a bipartisan basis the Congress extended the life of the program and doubled the annual authorization for appropriation from $75 million to $150 million.

Because of the necessity for budgetary restriction, occasioned by the Korean and international situations, the $150 million appropriation was only available to the States for 1 year. In addition, the factor of inflation in recent years has not helped in the struggle to meet the ever increased bed need.

Last year this 83d Congress appropriated only $65 million, the lowest level yet attained. It was last year, too, that this Congress extended the duration of the program for 2 more years without changing it in any way. I point out, for the sake of emphasis, that the basic authorization for $150 million annually was not changed.

This program is providing for over 100,000 beds to date. It is producing results, but it must overcome several ever present factors which work against acquiring adequate hospital beds. These are the factors of first, an annual population increase in excess of 2½ million people; second, the constant loss of hospital beds through obsolescence. In the general hospital category, alone, we are losing in excess of 6,000 beds each year through depreciation and obsolescence. These factors, alone, account for an annual need of at least 36,000 beds, without regard to the great accumulated deficit.

At the present time the States are reporting a bed shortage from 700,000 to over 800,000. An appropriation of $65 million is inadequate and our Nation will continue to fall behind. I have observed that as the Federal assistance drops off so, too, does hospital construction done without Federal aid drop off in recent years.

Two other observations may be made. While we, as a Nation and under this program in particular, are making noteworthy progress in fulfilling the need for general hospital beds, the progress in the other categories is extremely slow, particularly in the mental disease and chronic disease categories. There is little possibility of ever effectively meeting these needs without a Federal construction incentive. The other observation I should like to mention is the fact that there is a backlog of actual projects reported by the States which could utilize immediately $270 million in Federal funds for the 1955 fiscal year; and over $400 million in 1956 and 1957.

As a bare minimum the appropriation for next year should be $75 million for construction purposes. This would be one-half of the amount authorized in the basic law and would be fully in accord with the recommendations made by the President to the Congress on May

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11, 1954, when the President requested $75 million for this phase of the program.

I do think that adequate funds should be provided for the administration of this program at the Federal level. An increase to $75 million in construction grants should carry with it an increase in the salaries and expenses item.

It is essential that sufficient funds be provided to support the wishes of Congress to have this job on behalf of our peoples' health well done.

Department of Health, Education, and Welfare, Public Health Service, Division of Hospital Facilities—tentative allotments to the States and Territories for the fiscal year ending June 30, 1955, under the Public Health Service Act (title VI), as amended

STATE AND TERRITORY	Allotment [1]
Total	$75,000,000
Alabama	2,677,734
Arizona	495,535
Arkansas	1,611,213
California	3,227,864
Colorado	642,266
Connecticut	556,536
Delaware	[2] 200,000
District of Columbia	[2] 200,000
Florida	1,962,624
Georgia	2,730,542
Idaho	324,745
Illinois	2,393,572
Indiana	1,765,095
Iowa	1,187,406
Kansas	1,008,424
Kentucky	2,312,917
Louisiana	2,045,225
Maine	534,266
Maryland	957,924
Massachusetts	1,721,001
Michigan	2,466,128
Minnesota	1,512,226
Mississippi	2,112,250
Missouri	1,885,012
Montana	228,439
Nebraska	610,536
Nevada	[2] 200,000
New Hampshire	272,980
New Jersey	1,493,828
New Mexico	469,317
New York	3,345,920
North Carolina	3,321,117
North Dakota	321,691
Ohio	2,963,822
Oklahoma	1,475,431
Oregon	644,128
Pennsylvania	4,181,319
Rhode Island	311,934
South Carolina	1,864,828
South Dakota	330,108
Tennessee	2,546,569
Texas	4,477,016
Utah	399,750
Vermont	221,214
Virginia	2,232,848
Washington	859,830
West Virginia	1,328,849
Wisconsin	1,514,311
Wyoming	[2] 200,000
Alaska	[2] 200,000
Hawaii	227,620
Puerto Rico	2,197,543
Virgin Islands	23,537

[1] Based on:

(a) Total population of the continental United States as of July 1, 1953, and Territories as of July 1, 1952, as estimated by Bureau of the Census.

(b) Allotment percentages for the fiscal years 1954 and 1955, as promulgated in the Federal Register, September 5, 1952.

[2] Minimum allotments of $200,000 as specified in the Public Health Service Act (title VI), as amended.

Department of Health, Education, and Welfare, Public Health Service, Division of Hospital Facilities—Tentative allotments to the States and Territories for the fiscal year ending June 30, 1955 under the Public Health Service Act (title VI), as amended on the basis of a $65 million appropriation, H. R. 9447

STATE AND TERRITORY	Allotment [1]
Total	$65,000,000
Alabama	2,315,357
Arizona	428,474
Arkansas	1,393,169
California	2,791,039
Colorado	555,348
Connecticut	481,220
Delaware	[2] 200,000
District of Columbia	[2] 200,000
Florida	1,697,023
Georgia	2,361,019
Idaho	280,798
Illinois	2,073,974
Indiana	1,526,226
Iowa	1,026,715
Kansas	871,954
Kentucky	1,999,911
Louisiana	1,768,446
Maine	461,964
Maryland	828,289
Massachusetts	1,488,099
Michigan	2,132,388
Minnesota	1,307,577
Mississippi	1,826,409
Missouri	1,629,915
Montana	[2] 200,000
Nebraska	527,913
Navada	[2] 200,000
New Hampshire	236,038
New Jersey	1,291,669
New Mexico	405,804
New York	2,893,118
North Carolina	2,871,672
North Dakota	278,157
Ohio	2,562,730
Oklahoma	1,275,762
Oregon	556,958
Pennsylvania	3,615,464
Rhode Island	269,720
South Carolina	1,612,462
South Dakota	285,435
Tennessee	2,201,943
Texas	3,871,144
Utah	345,652
Vermont	[2] 200,000
Virginia	1,930,677
Washington	743,470
West Virginia	1,149,017
Wisconsin	1,309,380
Wyoming	[2] 200,000
Alaska	[2] 200,000
Hawaii	[2] 200,000
Puerto Rico	1,900,150
Virgin Islands	20,351

[1] Based on:

(a) Total population of the continental United States as of July 1, 1953 and Territories as of July 1, 1952, as estimated by Bureau of the Census.

(b) Allotment percentages for the fiscal years 1954 and 1955, as promulgated in the Federal Register, September 5, 1952.

[2] Minimum allotments of $200,000 as specified in the Public Health Service Act (title VI), as amended.

Mr. HARRIS. If the gentleman will yield further, I want to compliment the distinguished gentleman for his support of this program.

The CHAIRMAN. The gentleman from Rhode Island has consumed 1 hour.

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to proceed for 10 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman has been one of the most outstanding supporters of this program in the interest of the general public, and it is a very fine outstanding program that has proven its worth.

I want to compliment the committee for the consideration the committee has given to this program. I wondered, however, since the gentleman from Illinois [Mr. JONAS] has indicated that he was going to offer an amendment to increase the amount to the budget figure, I have wondered whether the gentleman from Rhode Island did not have in mind offering an amendment to increase it to the budget figure of $75 million.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from New York.

Mr. JAVITS. As I understand it, the gentleman from Illinois will offer that amendment. I am very hopeful he will have broad support on both sides of the aisle. I would like to point out that those who are deeply interested in seeing self-help and mutual cooperation should be supporting this amendment, because this relies very heavily on State contributions. It is getting the whole program off the ground, because the Federal Government is leading in getting that program off the ground that would not otherwise have gotten off. I think there is ample credit to the gentleman from Rhode Island and the gentleman from Illinois.

Mr. FOGARTY. I think one of the most important phases of this bill is the Public Health Service. As you know, the Public Health Service of this country contains seven institutes on health, namely, the National Cancer Institute, Mental Health Institute, the National Heart Institute, Dental Health Institute, Arthritis and Metabolic Institute, the Institute of Microbiology, and the Institute of Neurology and Blindness.

All of these institutes were created by the Congress, the first of which was the Cancer Institute back in the middle forties. The last two, the Arthritis and Metabolic Disease Institute and the Neurology and Blindness Institute in more recent years. This House and this committee have taken the lead in appropriating funds for research into the leading causes of death by appropriating funds for these institutes I am talking about now.

I was never any more sincere in my life than when I tell you this afternoon that of all the acts that we may have taken credit for in this Congress, the outstanding one is the support we have given to carrying out the functions of these National Institutes of Health.

I remember very well when these programs were started. I first served on the committee with Frank Keefe, of Wisconsin, chairman of the committee at that time. I do not believe any man ever served in this House who did more

for the public health of the people of our country than Frank Keefe when he was chairman of the committee. It was my happy privilege and honor at that time, in 1947 and 1948, to work hand in hand with him, as well as with my friend over here, the gentleman from New York [Mr. ROONEY] and the gentleman from Minnesota [Mr. H. CARL ANDERSEN] in getting these programs started. It was in 1947, by unanimous vote of our committee, that we in fact committed future Congresses to the building of one of the greatest research institutes in all the world. This Institute was opened and dedicated a year ago this month down here in Bethesda. It is called the Clinical Center of the National Institute of Health. That cost the taxpayers of this country to buy the land, to draw the plans, to build the buildings, to furnish equipment, and to staff it about $61 million or $62 million. We hope in the next fiscal year that this 500-bed clinical center will be in full operation. We have been told by leading medical scientists from all over the country and from our own outstanding doctors in the Public Health Service that there is nothing like it in the country or in the world. Through the expenditure of this $60 million we eventually are going to find out what kills people because of cancer, what causes heart disease, what causes multiple sclerosis, and muscular dystrophy, and cerebral palsy, what causes arthritis and rheumatism. We are going to find out what causes not only death, but we are going to find out what causes these crippling diseases in mankind.

When the total economic burden of these diseases—in terms of private hospital construction costs, in terms of the Federal budget for medical care, in terms of family medical bills, in terms of lost wages and lost production—is set against our total national investment in the medical research that will eventually eradicate the diseases that give rise to the costs, the picture is badly out of focus. The economic burden of cancer alone exceeds $10 billion per year. Compensation and pension payments to veterans in 1950 because of heart disease disabilities were $168 million, and one insurance company alone paid out $174 million for deaths due to heart disease. The direct cost of caring for the mentally ill in public hospitals and for pensions to afflicted veterans is more than $1 billion per year, and this cost is going up at the rate of $100 million per year.

And what are we spending for research on these diseases? Two hundred million per year totally—from private giving, from endowments of educational institutions, from industry, and the Federal Government. If we had the people and the facilities, $500 million per year would be a worthwhile investment. To fail to give the existing group of trained scientists the funds that they can effectively use in existing laboratories—and they do not now have adequate funds—would be such a glaring legislative error that it can be attributed only to ignorance or misinterpretation of the facts on the part of Congress.

This House has in the past acted on medical research measures in a most statesmanlike way. We have played a major part in lifting the sights of the whole Nation toward a total national medical research effort that we need. I certainly hope and I have great confidence that the appropriation bill now before you will be modified so that this pattern can be continued.

We need a medical research program for the Nation that will permit the full capacities of the scientific brains of the country to work most effectively on the cause and cure of disease. Furthermore, we need a program that looks to the future by increasing this pool of scientists and expanding their laboratory and clinical research facilities.

The reason we need such a program is that anything less is pennywise and pound foolish. For the long pull, the only way that we are going to reduce the tremendous cost of medical care is through research. Any plan for payment of medical care costs—no matter what kind of plan it is—simply redistributes the cost or helps individuals to arrange better for the payment of medical care costs. We urgently need better means of financing medical care, but we should never make the mistake of assuming that this gets at the root of the problem. Medical care programs do not reduce the total cost of illness. In the same way, building more hospitals helps us take care of sick people better—and we need more medical facilities—but construction of hospitals does little to reduce illness. The first Hoover Commission recognized these basic facts. That Commission pointed to the long run futility of centering attention on care of people who become ill, when the real answer is to abolish illness at the source through research.

This line of reasoning—plus the simple moral and human obligation to reduce human suffering—has set us on the path toward a rational national medical research program.

When this drive to expand medical research began, we were taking a calculated risk that the expenditure of money for research would pay off. We were assured by competent scientists and research administrators that if only funds were made available to pay modest salaries to investigators and technicians, to equip their laboratories adequately and to buy the experimental drugs and animals that they need, results would follow—first in the form of increased knowledge about disease and then in the form of specific methods of treatment, prevention, diagnosis, and control of disease.

Now the payoff is beginning.

Rheumatic heart disease is literally on the way out as a major health problem.

New and more effective drugs to keep high blood pressure under control have been developed.

Poliomyelitis is going to be as rare as smallpox in this country as the result of the intensive research drive of the past few years.

Recent discoveries about the nature of cancer of the cervix make almost every case of this kind of cancer curable. The problem has been reduced to one of early diagnosis and treatment. Now that the research people have completed their task, extensive demonstrations are needed to bring the research findings to physicians in private practice and in public clinics.

These advances are a token dividend on our national medical research investment. They are impressive, and they show valid progress. But we are not going to discover cures for all forms of cancer, heart disease, and mental illness for many years to come. Continuing progress is going to depend directly upon our willingness to expand support for medical research.

We took another calculated risk when we undertook to establish medical research on a reasonable scale with the help of Federal appropriations. It was theoretically possible—and some people thought practically certain—that the entrance of the Federal Government into medical research would cause a reduction in private support for research.

It has worked out that the expansion of Federal support for medical research has not been a deterrent to private support. On the contrary, the Federal programs have been viewed as a symbol of our national determination to conquer disease, spurring additional giving for medical research by individuals, voluntary agencies and industry. On this point, the testimony of those splendid individuals who voluntarily devote their time to the work of the great private organizations that are raising funds for medical research is unanimous.

I quote from testimony given before the health inquiry of the Interstate and Foreign Commerce Committee under the chairmanship of the gentleman from Massachusetts [Mr. WOLVERTON]:

> Does the creating of the National Institute of Neurological Diseases and Blindness and the appropriations for it in any way diminish private effort?
>
> Answer. Absolutely no; it only increases it. (Carl M. Owen, first president, National Multiple Sclerosis Society.)
>
> The greatest stimulation to research in this field, as in others has come from the Federal Government, and it is to Washington that we have looked finally for that implementation of the neurological research effort which will supplement on a broad scale the efforts of the voluntary health agencies and individuals working under university or institutional auspices. (Statement prepared Oct. 7, 1953, by the National Committee for Research Into Neurological Disorders.)
>
> If it had not been for the National Institutes of Health research programs of the past few years, it seems particularly certain that medical science and work going on in voluntary and State institutions throughout the country indeed would have been very heavily handicapped. The method of administration of these grants * * * is probably one of the most extraordinarily successful ways in which public funds can be utilized with about as complete freedom as is possible. (Dr. T. Duckett Jones, medical director, Helen Hay Whitney Foundation, New York.)

A great part of the success of this effort can be attributed to the way in which the Public Health Service has administered the funds appropriated for the support of medical research. The National Institutes of Health, the part of the Public Health Service that has direct operating responsibility for the

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research grants program, has gained the complete confidence of scientists and the universities and medical schools where the scientists work. Medical scientists from all over the country are brought in on the process of making grants. There is absolutely no Federal control over the work of scientists when they get their research funds. We can have complete confidence that funds administered through the National Institutes of Health will be prudently and wisely spent.

Now President Eisenhower knows these facts, and he subscribes to the philosophy that I have stated. Let me quote his message of January 18, 1954, to the Congress on the health of the American people:

> In addition, the Public Health Service should be strengthened in its research activities. Through its National Institutes of Health, it maintains a steady attack against cancer, mental illness, heart diseases, dental problems, arthritis and metabolic diseases, blindness, and problems in microbiology and neurology. * * * In such direct research programs and in Public Health Service research grants to State and local governments and to private research institutions lies the hope of solving many of today's perplexing health problems.

These are words to which I subscribe 100 percent.

I subscribe to more than the President's words. I am for a program that will make the words a reality.

The President's budget for the National Institutes of Health does not strengthen medical research as he urged in his message. His budget proposed that progress toward adequate support of research in the medical schools and universities of the Nation be stopped cold.

I pointed out this fact repeatedly in the subcommittee hearings on the National Institutes of Health appropriation.

We heard full testimony from scientists and physicians who are national leaders in the fields of heart disease, cancer, neurological diseases, and mental disorders. They recounted again for us the tremendous research progress that has been made in dealing with these diseases. They made perfectly clear that the disservice that will be done to the American people if we fail to exploit the discoveries that have been made and that will continue if the scientists' work is adequately supported.

In the face of this testimony, the Committee on Appropriations has reported out a bill which will curb the advance of research in cancer, heart disease, mental health, arthritis, and diabetes.

The committee report justifies the proposed appropriation for the National Institutes of Health in these words:

> The committee would be the first to recommend reductions in these fields, or the elimination of Federal appropriations for these programs, if it were shown that we can now prevent or cure these diseases, or that the incidence of these diseases is substantially declining. In all the voluminous testimony received by the committee, there was no indication that any of these things has happened. It was demonstrated that advances have been made in gaining a much better understanding of the problems involved, which should provide a basis for greater advances in finding preventatives and cures for these dread diseases. To start cutting back, right at the moment when the prospect for really great discoveries is brightest, seems very shortsighted.

I agree with the committee's premise, but not its conclusion. It is not noticeably less shortsighted to hold the appropriation at practically last year's level than it would have been to cut back.

We have at hand the opportunity to enter into a golden age of medical research at a cost which is almost infinitesimal in relation to the cost of disease, in relation to the certain economic returns on the investment, and in relation to far larger expenditures for less productive purposes.

I have no understanding of an approach to support of medical research which starts from the assumption that maintenance of the status quo is a great favor.

I have to disagree fundamentally with the proposition that our objective should be to hold medical research support at a constant level.

Consider specifically what the committee report proposes. It holds support for cancer and heart disease in fiscal year 1955 at the level of the 1954 appropriations. It does practically the same for the fields of arthritis and mental health. A 3 percent increase is allowed for the budgets of the Institutes concerned with these diseases.

The only bright spot in the bill as reported out is an increase in the appropriation for the National Institute of Neurological Diseases to expand research on epilepsy and blindness. Even here the approach is niggardly. More intensive work both on basic problems and directly upon muscular dystrophy, cerebral palsy, disorders of hearing and other neurological diseases is needed, and no provision to support the work is made.

If this bill as reported out becomes the appropriation act, the leadership which this House has taken over the years in establishing a sound medical research policy for the Nation will have disappeared. Sound policy is full use of the brains of the research scientists of the Nation to conquer the diseases that cripple and kill millions of our people every year. Leadership in making this policy a reality should be kept by the House.

The testimony that we heard in the subcommittee, and even more extensive testimony given last October at the health inquiry held by the Committee on Interstate and Foreign Commerce, shows that within existing facilities, there is a tremendous backlog of productive research that will not be done unless additional funds are made available.

We should not force this work to remain on the shelf. By appropriating an additional $4 million for fiscal year 1955, a good share of the most urgent work that would otherwise be delayed can go forward.

I intend to offer an amendment to increase by $1 million the appropriation for each of four institutes, the National Cancer Institute, the National Heart Institute, the National Institute of Mental Health and the National Institute of Neurological Diseases and Blindness.

What specifically, could be done with an additional $4 million?

All of the money should go for research and research training in the medical school, university, hospital, and foundation laboratories of the country. These are all non-Federal institutions. Witnesses from the National Institutes of Health stressed to the appropriations subcommittee the importance of stimulating research in non-Federal laboratories.

This money would permit the National Institutes of Health to pay a large volume of meritorious research grants that would have to be turned down if the appropriation reported out by the Committee on Appropriations were accepted.

The most promising young persons headed for doctors' degrees in the sciences related to medicine could be helped to secure this advanced training. The amounts proposed by the Committee on Appropriations are so low that every cent going to the support of pre-doctoral fellows must be subtracted from the support now provided for training at more advanced levels.

Research in a number of very promising scientific areas could be stimulated without decreasing support from other urgent areas. For example, the possibilities of chemical treatment of cancer are, according to witnesses of the highest competence who testified before the Subcommittee on Appropriations, just beginning to be realized. New drugs, particularly effective in treating leukemia, are being found and tested. Work of this kind should be extended widely and rapidly, but not at the expense of other fields of cancer research.

The one enlightened step taken by the Committee on Appropriations was to increase funds available for study of the new drugs—glutamine and asparagine—that have such promise for treatment of epilepsy. Every field where a lead of this sort exists—not only the field of epilepsy—should be similarly exploited. For example, a drug called lysurgic acid may provide leads to the cause of schizophrenia. This should be fully and quickly tracked down. Promising studies on nerve regeneration, with ultimate benefit to thousands of paralytics, should be pushed ahead.

Another most important thing which support at an expanded level would permit is the inauguration of a policy providing more secure and stable long term support of research that requires long uninterrupted work over a period of years. One of the most prevalent complaints about the Public Health Service research grant program from scientists is that the period of support is too short. This is not the fault of the Public Health Service, which has had to balance the expenditure of limited funds between long-term support for established scientists and shorter term support for younger scientists. More adequate funds will permit the Public Health Service to begin the extension of longer term support, where this is clearly indicated on scientific grounds, and at the same time give the promising young scientists a better opportunity.

The appropriation reported out by the committee will permit more effective research use of the additional beds to be opened in the clinical center during the coming fiscal year. On the basis of results to date, this is no time to hamper the research in progress and planned.

Approval of increases in the appropriations for the National Institutes of Health will rectify the errors made by the Bureau of the Budget and make a first step toward establishing in fact the program which the President has recommended in his health message.

We must look to the future of medical research—at the 10 years ahead—as well as at the coming year. A rational national medical-research policy calls not only for full use of the brains now available, but for a long-run expansion of our medical research capacity. The time is at hand to consider expanding the medical research laboratories of the country so that as research is extended and as the pool of competent scientists expands, modern, well designed facilities will be available. Experience under an earlier program for research-construction grants showed that the Federal funds stimulated local giving, and, far from removing responsibility from the shoulders of people in their home communities, actually served as the sparkplug for local campaigns. Now, the need is greater and we cannot delay much longer in expanding the Nation's medical research laboratories.

The Public Health Service has on hand requests for medical research construction aid totaling $150 million. The budgetary situation is such that we can realistically hope to meet only a small part of these needs in the immediate future. I believe, however, that the resumption of grants for construction of laboratory and clinical research facilities on a realistic scale is a matter of high priority in order to balance the total medical research picture. It is my personal belief that these needs are so pressing that they will pass any test of essentiality, even at a time when all Federal expenditures may be reviewed with extreme care.

I ask the Members of the House to weigh these proposals on their merits. It is my deep conviction that the logic behind them is sound and that medical research expenditures pay for themselves many times over—in the reduction of human suffering, and in direct economic returns to individuals and to the Nation as a whole.

I said in the full committee last Friday morning that I wished every member of that committee would take the hearings of our committee, turn to page 402 and read the testimony that was given to us by Dr. Bailey, who heads the Institute of Neurology and Blindness. I do not think there is a clearer-cut example of how our Federal funds are being spent for research and the gains that we are making at the present time. This institute is only 3 years old. This is the third year that we have appropriated funds for it, and they have some of the outstanding neurologists in the country working out there. I think that you might be amazed to know that there are some States in this country that do not have a single trained neurologist, because of such a severe shortage with adequate training. We are trying to do something in this program by providing funds for doctoral courses in neurology and psychiatry and other vacuums in the medical profession at the present time. But Dr. Bailey told us of one discovery made out there this past year. He told us of a person who had epilepsy. It was the story of a young man in his late thirties who had a fall when he was 3 or 4 years old, and for some 30 years he had averaged between 5 and 10 epileptic seizures a day until last year. He was referred to the Clinical Center by the University of Virginia Medical School. They had tried everything they had at that point. They sent him down to Bethesda. He was operated on because of the development of new surgical techniques developed out there, and as the result of that operation last September the young man today has a job. He is working for the first time in his life, and he has not had a seizure since last September because of that one operation. Because of that operation and other kindred work, they came across a deficiency in the brain of glutamic acid, and as the result of that research and the experience in that field, they came up with a substance called glutamine to compensate for that deficiency. But we had to drag out of Dr. Bailey some of these facts because he had not been authorized specifically to tell us about them. We have glutamine available now that they think can cure epileptics. They have obtained several positive reactions, about 10, where the seizures were not only relieved but disappeared. If this one discovery that glutamine can control epilepsy as insulin controls diabetes, the $60 million that we appropriated to build the building that houses that institute will be worth every dime and more that we have appropriated in this Congress.

I would like to tell you of the advances that have been made in research in cancer, in heart disease, in rheumatism, and in neurological disorders. I said in the full committee the other day that there are some things I never heard of until a few years ago, until I became a member of this committee. I had never heard of multiple sclerosis until about 5 years ago when I met a friend of mine from Rhode Island who was down here attending a fish and wildlife convention. He was walking around on 2 crutches. I asked him what his trouble was and he told me he had multiple sclerosis. I had never heard of it; perhaps I had heard the term, but I had no idea what it meant. That happened to be about the time when we were holding hearings in the spring of 1948–49. Some of the doctors of the Public Health Service came before us and I asked them about multiple sclerosis. I found out at that time that it was something that medicine did not know very much about. It takes an average of 6 years even to diagnose it. There is not a thing we can do for it. We cannot even relieve the people who have it. And it is a progressive disease.

I asked the question at that time, "What are we doing about it? How much money are we spending on it?" And the answer I got was about $30,000 a year was being spent on multiple sclerosis.

I am very happy to say that this year it was testified that we are going to spend in the neighborhood of $275,000 on it. Also, it was discovered a couple of years ago on the island of Guam in the Pacific that a cousin of this disease, amytrophic lateral sclerosis—the disease that Lou Gehrig died of—is 50 times more prevalent than in this country. So with some of these funds that we appropriate for research for these Institutes, the Institute of Neurology sent a team of scientists out to the island of Guam last year. We expect and we hope that that team will come up with some finding that will give us a lead or a clue to the cause of this most dreadful disease. And if they do, it will be worth every cent that we have spent on it.

I could tell the same story about muscular dystrophy. I could tell the same story about cerebral palsy in children.

I do not think I have to remind this House or the Congress or the people of our country that 25 children a day are being born, every day in the year, with cerebral palsy. I do not think I have to remind the Congress or the people of this country that 800,000 people are going to die this year because of some form of heart disease. I do not think I have to remind the people of this country that over 200,000 people are going to die this year because of some cancerous condition; that over 50 million people living today are going to contract cancer sometime between now and the time they die and half of them are going to die because of it.

I do not think I have to remind the Congress and the people of our country that over 50 percent of all the hospital beds in our country today are taken up with the mentally ill. I do not think I have to remind the Congress or the people of our country that seven or eight million people are afflicted with arthritis or rheumatism and are unable to work because of those crippling diseases.

I do not think I have to remind the Congress or the people of our country that over 20 million people are affected in one way or another through some neurological disorder; and many of the answers are not yet known to us.

Those are some of the reason I have an interest in these programs and have had for the past 8 years. They are the reasons I have appeared before you year after year, asking for adequate appropriations in these fields of disease because I earnestly believe that we are going to find the answers; that we are on the right road, we are on the right track, and every dollar we are spending in research in this field is going to pay off in the end.

I am very happy to report that the committee this year put back some of the cuts that were made by the Bureau of the Budget in cancer and heart. And I am very happy that they also supplied and additional $750,000 for research into the new substance called glutamine, so that a year from now we may have the answer, a definite answer, as far as a

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cure or a control of epilepsy is concerned——

The CHAIRMAN. The time of the gentleman has again expired.

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to proceed for an additional 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Chairman, if we do, the $750,000 will be well spent.

I thought we were doing something for the blind, but during the hearings I found out from Dr. Bailey of the Neurology and Blindness Institute that we were doing very little for the blind. Our committee very graciously, I think, appropriated an additional $400,000 for that institute for research in blindness. Some of the leads they have on blindness today I think will pay off. They think they have the answer today as to why some premature babies are afflicted with blindness immediately after birth. If they have that answer, that $400,000 will be well spent.

However, I do not think we have gone far enough. I hope that tomorrow, with the cooperation of my chairman and our committee, we will be able to increase the funds for research in heart, in cancer, in mental health, and in neurology and blindness. If we do that, I think we can go to the American people and justify a vote on the ground that we are not only helping ourselves but we are helping every person who is alive today and those who are unborn at the present time.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I want to salute the distinguished gentleman from Rhode Island for the remarkable statement he has just presented to the Committee. No matter what he is able to accomplish in the House of Representatives in the days to come, I think what he has already done in promoting Federal medical research will stand as an everlasting tribute to his services in this body.

He has said several times on the floor of the House today that he was not here a year ago when they had a conference between the two Houses on this appropriation bill carrying funds for the fiscal year 1954. I happen to know why he was not here. It was because he became ill and had to go out to Bethesda, because of the very work that he did on this bill, particularly in his plea to stand for the funds for Federal research recommended by the administration. I say all of us here in the House and the people of the United States owe him an everlasting debt of gratitude.

Mr. BUSBEY. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, I take these few minutes to commend the able and distinguished Secretary of Health, Education, and Welfare for the fine job she has done and to commend the hard working and outstanding members of this subcommittee, under the very worthy leadership of my genial friend, the gentleman from Illinois [Mr. BUSBEY], on doing a magnificent job on a very difficult bill. I understand there is very slight disagreement between the Members on both sides of the aisle with reference to this subject matter, and it covers many, many items.

I am going to say something that I have said privately a good many times to my friends, and that concerns the able chairman, the gentleman from Illinois [Mr. BUSBEY]. I do not not think any man in this House has assumed and shouldered responsibility with any deeper sense of humility than has he. He certainly has grown to the task, and he has done a splendid job. Of course, he had a wonderful teacher. The gentleman from Rhode Island [Mr. FOGARTY] is able to teach us all. But still the gentleman from Illinois has really done an outstanding job and we are all proud of it. So, I say to you, although there may be a few items in disagreement, in principle the committee is to be commended. When you take this bill and realize what it really is—you will find between 80 percent and 85 percent and perhaps 87 percent consists of items that you cannot touch, such as matching funds and health and research funds. Who is going to cut them? So the leeway on this bill so far as cutting is concerned is practically nil. I think our able Secretary, and I must say to the membership of the House that I have known the gentlelady for some 25 years—we come from the same town in Texas and I have known her family and I have known her—during World War II she headed a great organization of the women in the Army known as the WAC—as I was saying our able Secretary has had a wealth of administrative experience in the last 20 years that few women in this country have had. She has made an outstanding success in the business world. She and her husband bought a paper some 15 or 18 years ago, and it is now one of the largest papers in my home State of Texas. Frankly, she is an excellent business woman. She has made money and has brought success to her own enterprises, and she is going to bring some of that good, common horse sense and business judgment and acumen to your business and the business of the Federal Government. I do hope if there should be any misunderstanding between the Secretary and my colleagues on the committee, that that misunderstanding is only temporary. I understand there is some dispute about an item in the chart room. Frankly, I think $100,000 would buy a lot of charts. But, if you look into it, you will find that it boils down so far as that item is concerned that it did not get out of hand, she had a pretty good idea in mind as to what she wanted and I will venture the assertion that through the years, it will pay off and she will save money. I notice that after being in office for 12 or 18 months at the most, she has reduced the overall budget for that agency with all of its ramifications since 1953 approximately $200 million or $225 million, and yet in the face of that reduction there has been a tremendous reorganization going on within her agencies. If you analyze it, I think some new duties have been added, and, if not, certainly some of the old ones have been expanded. I think she is doing a fine job and I also think the committee has done a fine job. I wish each of you a lot of good luck and a lot of cooperation. There should be nothing partisan in this bill.

Mr. BUSBEY. Mr. Chairman, I yield such time as he may require to the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Chairman, I just want to say this bill deals with people and their health, education, and welfare. I think the bill is in good hands. I do not know what the action will be tomorrow. However, I do want to say this on behalf of my colleague, the gentleman from Rhode Island [Mr. FOGARTY], I listened to him in the full committee on last Friday and he spoke completely without notes, as he did today. I think he is performing a public service in his study and in his presentation of some of these things which are new in medicine, which may mean so much to ourselves and to our posterity.

Mr. BUSBEY. Mr. Chairman, I ask unanimous consent to have 3 minutes of the time on my side at this point.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BUSBEY. Mr. Chairman, I am taking this time to reply to my genial friend, the gentleman from Texas [Mr. THOMAS], concerning the Secretary of Health, Education, and Welfare.

First, I share his opinion concerning her ability as an administrator. I think she is a good administrator. Reference to the $100,000 chartroom was not, necessarily, condemnation of the chartroom as such. Perhaps the chartroom was a good thing. The committee felt, however, that the committee and the Congress should take action in advance to provide funds for these activities, rather than being told, after the fact, what had been done with the Department's funds. I think that same reasoning should apply for all agencies of Government that make requests that are considered by appropriations subcommittees, such as the subcommittee of which the gentleman from Texas was, for several years, the chairman. We do not challenge her right under the law to do what has been done.

Mr. FERNANDEZ. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

BILL TO RAISE INTEREST RATES ON THE FARMERS SHOULD BE RECOMMITTED

Mr. PATMAN. Mr. Chairman, I wish to call attention to H. R. 8656, authorizing the Department of Agriculture to raise the maximum interest rate on farm ownership loans made under the Bankhead-Jones Farm Tenant Act from 4 percent to 5 percent, which has recently been favorably reported by the Committee on Agriculture.

I was greatly surprised to find my good friends on the Agriculture Committee—watchdogs for the depressed farmers of this Nation, and who have so often demonstrated that they are real,

genuine friends of the farmer—permitting this "sleeper" bill to be put through. We all are aware that farm prices have declined 16 percent to 17 percent, and that farm income has been hard hit. We also know that this administration is continuing its unremitting pressure on farm prices in the hopes of capturing a few city votes by lowering support prices wherever it can by advocating flexible farm support prices and selling surplus Commodity Credit Corporation stocks regardless of the market effect.

No group in this country needs protection from unnecessary added financial burdens more at this time than the farmers who have been put through the wringer by this administration. Moreover, Members of Congress must realize upon consideration, that this proposal to impose so-called variable interest rates on farm ownership loans is out of date, out of fashion, and out of favor.

The Senate version of this bill was passed a year ago. The Senate Agriculture Committee reported the bill June 30, 1953. It was still fashionable to raise interest rates at that time. Humphrey, Burgess, and Martin were whooping it up for higher rates. Commodity Credit Corporation had boosted interest rates on farm price-support loans. Burgess had forced through an increase in interest rates on Export-Import Bank loans, although it was returning a handsome profit to the Treasury; FHA- and VA-backed home-mortgage interest rates had been boosted by one-fourth and one-half percent. But times have changed since last June. The rates that were raised last year should be reduced. The arguments that were used then to get the interest-rate increases apply now in favor of their reduction.

The fact that unnecessary interest boosting is out of style today is demonstrated by the action of the House and the Senate, in their consideration of the new housing bill. They have rejected the flexible interest-rate provision requested by the administration.

ONE PERCENT INCREASE ON HOUSING LOANS DEFEATED

On April 2, 1954, the housing bill was before the House of Representatives for consideration. I offered an amendment to strike out all of title II, as indicated at page 4439 of the daily CONGRESSIONAL RECORD of that date. This title, if left in the bill, would have permitted interest rates to have been raised by 1 percent, and my amendment was to strike out title II and thereby prevent the raising of interest rates by 1 percent.

The debate continued from page 4439 to page 4449. A number of Members spoke in favor of this amendment, particularly members of the Committee on Veterans' Affairs who were strongly opposed to it. The vote was taken and, as indicated at page 4449 of the RECORD of that date, the ayes were 141 and nays 68. The amendment was agreed to by more than a 2 to 1 vote. It is my understanding that the Senate committee likewise eliminated the provision in the Senate bill which would have raised interest rates 1 percent after the decisive vote in the House against it. It now appears that since all other attempts to increase interest rates have failed, this last attempt is made to increase the rate on the farmers.

FORTY DOLLARS PER CAPITA INCREASE CAUSED BY 1-PERCENT RAISE

A 1-percent increase seems small, but when you apply it clear across the board on all debts, the amount is enormous. For instance, there are $640 billion in debts, public and private. A 1-percent increase in interest on this amount would be $6,400 million a year. Divide that by 160 million people, and it is discovered that it is $40 per capita per year. When you consider that a family of five will have to rearrange their former budget each year hereafter, in order to take care of that 1-percent increase in interest rates, it means that this family of five will have to reduce its expenditures by $200 for comforts and necessities of life, in order to have the $200 available to provide for this new 1-percent interest charge. In other words, it will divert $200 each year from the expenditures of the average family of five from food, clothing, automobiles, appliances, and other worthwhile conveniences and necessities to the payment of $200 to the moneylenders. Interest increases upsets and unbalances all budgets, public and private. This is supplementing the trickle-down theory. If the family of five spends the $200 for ordinary expenses it will go into the bloodstream of business and will help everybody, as dollars have velocity and turn over several times a year—unless they reach hands that do not need to spend them. The moneylenders will not need the money as much as the family paying the money for interest, so the constructive aid of this money to our economy is slowed down, retarded, and in some cases absolutely stopped. It will only be helpful to the extent that it trickles down from those who need it the least, or do not need it at all, into the hands of those who will spend it for necessities of life and for other purposes.

The word "flexible" has been used as indicating, in connection with money, a higher interest rate. In other words, a flexible rate means a higher rate. In the case of the farmers a flexible price means a lower price. This particular bill H. R. 8656, for some unknown reason uses a new word. It is "variable." In other words, the bill provides for a variable interest rate. In this case, it has the same effect that the word "flexible" has and will mean higher interest to the farmer.

If the members of the Agriculture Committee believe that the interest rate boost will increase the flow of private money into farm-ownership loans they should recall our experience with FHA and VA loans in the spring and summer of 1953.

When the rate of interest was increased the annual rate of housing starts fell. It dropped 200,000 from February 1953 to September 1953. Having won one increase in interest rates, lenders expected more, and withheld their money in the hope further increases would be forthcoming. Indecision was increased and not decreased.

Mr. Chairman, this is no time to unnecessarily increase the interest burden of farmers.

IF MORE FUNDS ARE NEEDED

If more funds are needed under the Bankhead-Jones farm-tenant program, and private lenders, with hundreds of millions lying idle, are refusing to make the loans even with Government insurance, then our problem is one of moving money into the program, and it should be done in the simple, direct way available to us, by authorizing more Federal loans. It will not be necessary for the Government to make such loans. The fact that they are authorized will break the money lenders strike.

I shall oppose any effort to bribe private lenders into the farm-ownership loan field by increasing the burden of the farmer borrower through raising his interest rates.

Instead of authorizing increased interest on farm debt, this Congress should be studying how to reduce farmers' debt burdens.

RECENT FARM STUDY DISCLOSES HIGH INTEREST

My attention was recently directed to a study of Agricultural Credit Through Commercial Banks, issued by the Federal Reserve Bank of Kansas City in April 1954.

This study revealed that the farmers surveyed were paying up to 12 percent interest for money. Forty-four percent of all their notes were at 8 percent interest. Another 15 percent of notes drew 7 percent interest and 37 percent of notes were at 6 percent interest. The farmers interviewed were paying 6 to 8 percent interest on more than 90 percent of all the money they had borrowed.

The only persons who appeared in favor of this bill, according to the transcript of the record, were the witnesses from the Department of Agriculture. It was a brief, routine hearing. I find no testimony in the hearing about the current monetary situation. I find no discussion of alternative sources of funds. I find no discussion of the financial situation of farmers.

No one was informed that the interest-boosting team of Humphrey, Burgess, and Martin, who were riding high at the time this increase in interest rates was first suggested and passed by the Senate, have recently reversed their field—at least until the recession subsides—and are now extolling the merits of low interest rates.

In all good humor, I would like to suggest to my friends on the Agriculture Committee that they, themselves, recapture this bill for reconsideration and get a little up-to-date information about the necessity for heaping this additional straw on the backs of the farmers.

Mr. FOGARTY. I yield 5 minutes to the gentleman from Florida [Mr. MATTHEWS].

Mr. MATTHEWS. Mr. Chairman, the bill that we are now considering, H. R. 9447, is what we might call the bill which provides for domestic security, because in this bill we are considering appropriations for the Departments of Labor and Health, Education, and Welfare, and other related dependent agencies which

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touch the heartbeat of America. In view of the enormous expenditures for defense, I have consistently maintained that the expenditures for the domestic economy should not be curtailed when such expenditures are necessary for the welfare of our people. The appropriations in this bill which we are considering touch every facet of life in the Eighth Congressional District of Florida and in every other district in the United States. Let us consider for a few moments the program of vocational education. This pragmatic approach to education has paid many times over for the money we have spent. I am thinking in particular about vocational agriculture. My own State of Florida at the present time is putting up approximately $7 for every dollar of Federal money. A very conservative estimate of our needs at the present time is 25 additional teachers. There is one agriculture teacher in my district who has over 100 boys enrolled in his class. Besides teaching these boys, he is needed for doing work with the young farmers and adult farmers in organized group instruction. Although the Committee on Appropriations which reported this bill—and which has done excellent work—has matched the appropriation of last year, I maintain that the appropriation should be increased. It has been estimated that throughout the country we have at the present time only about 50 percent of the needs of our high-school students met through the overall program of vocational education.

Let us consider the appropriation for vocational rehabilitation. The current appropriation for vocational rehabilitation in the States is $23 million. Between 60,000 and 65,000 persons are being rehabilitated annually. When the 1954 appropriation was in conference, restrictive language was added as follows:

Provided further, That the amount apportioned to a State for fiscal year 1955 shall not exceed $1 for each 75 cents contributed by the State for the same purpose.

The item was not in either the House or Senate bill, and was not mentioned in the conference report. Since legislatures in 35 States have not met this year, they have had no opportunity to replace lost Federal funds with State funds. If the restrictive language is not stricken out of the appropriation act, it is true that only about $19 million, the amount provided for by the bill, could be spent. However, there is a desperate need for an increase in appropriation. I hope this amount can be raised to a minimum of $23 million, which was the amount available for 1954, and at the same time I hope that the restrictive language can be taken out.

Let me show you what this restrictive language means to us in Florida. For some years, I was the honorary chairman of the Florida Council for the Blind, an organization engaged in the vocational rehabilitation of those in Florida who have defective vision and those who are totally blind. In 1953, the Florida Council for the Blind placed 237 persons in employment and contacted 7,625 persons for vocational purposes. Under their auspices 1,236 examinations were completed and hundreds of eye surgeries performed. One of the most important programs of the Florida Council for the Blind is its vending stand program of small retail units located in post offices, courthouses, city halls and other public and private buildings throughout Florida. The 70 full-time blind vending-stand operators paid income tax totaling $8,584.95 in 1952. The stands in sales taxes paid into the State treasury the sum of $4,135.32 during the same year. Now if the 70 blind operators of these vending stands had not been employed, they would have drawn in aid to the blind payments, for the fiscal year 1953 figured at the average grant, the total sum of $38,120. Instead, they earned from their gainful employment $132,709 in wages. In fiscal 1953, 1,500 blind vending-stand operators and their 2,316 employees in the United States earned in excess of $4.5 million. Now this program of vocational rehabilitation is economically and morally sound and every possible step should be taken to guarantee its progress. If the restrictive language in this appropriation bill remains, it will cost this one agency in Florida $95,000 in Federal funds.

It should be pointed out here the relationships between the State and Federal Governments. Some may say, "Well, the State should assume more of this burden"; and yet I believe that until some definite step is taken in the establishment of a specific ratio of cost between the State and Federal Governments, that this program must not suffer. We should certainly keep the program at least on its present level of effectiveness. In Florida at the beginning of the biennium, July 1, 1951, a total of 3,117 handicapped persons were enrolled for vocational rehabilitation services. During the biennium, 8,191 cases of handicapped persons were processed and the number of those who succeeded in completing their rehabilitation and were employed was 3,010. Now 365 of these persons were receiving public assistance when service began at an annual cost of $265,000—or $530,000 during the biennium. Every effort is made to provide rehabilitation service before the applicant is forced to go on relief. The average weekly wage of these persons after rehabilitation, exclusive of the farmers and housewives, was $37.42. The total annual earnings of rehabilitated persons, exclusive of the farmers and housewives, were $4,808,284 or $9,616,568 for the biennium. The annual income-tax payments of the 3,010 persons rehabilitated are estimated at $329,000. The total expenditure for vocational rehabilitation for the biennium was $1,580,949. It has been estimated that throughout the United States 2 million persons who are now unemployed because of disability could be made employable through vocational rehabilitation services. I hope that the House will take action not to decrease the strength of this program, but to make it stronger and more effective.

Now let us turn to the great program of the public health service. I think that the contributions of the Federal Government have given a tremendous incentive to our various States to promote their magnificent health services. I say again that until we have some definite understanding of the cost that should be borne by the State and Federal Governments respectively that we should not decrease our contributions in the field of public health service. There has been a reduction of $2 million in the appropriation for venereal disease control. These diseases are highly communicable. Because of the mobility of our population they spread very rapidly. Syphilis is a serious disease that cripples and kills. The last available statistics I have on the problem of venereal disease control are for the fiscal year 1953. In that year the statistics show in at least 25 of our States there was an increase in venereal disease case rates over the previous year. I repeat again this is no time to reduce this program of control and eradication.

I am delighted that the committee did not reduce the appropriations for tuberculosis. Several weeks ago I wrote the chairman of the subcommittee about the dozens of letters to me from interested citizens all over Florida requesting that the appropriations for tuberculosis be maintained at their present level. The Florida death rate in 1953 for tuberculosis was only one-fifth of what it was in 1940. The Florida Tuberculosis and Health Association has done an excellent job in operating its mobile X-ray units which give free X-rays to people who otherwise could not afford it. They have examined 400,000 persons over a period of about 8 years. The tuberculosis cut for the year ending June 30, 1954, was $83,900 and the proposed cut for the year ending June 30, 1955, would have been $35,000 if the funds had not been restored as a result of the subcommittee's action. If this cut had become effective, it would have meant that all but one X-ray unit would have been discontinued and there would have also been a reduction in technicians, clerical workers and statisticians.

Let us take the proposed grants for hospital construction. I have maintained before on the floor of the House that I am opposed to socialized medicine, but I insist that we must continue to make progress in solving our medical problems. One of the things that we need desperately is more opportunities for medical education. I have pointed out in previous talks that on the campus of the University of Florida in Gainesville which is in my home district, we are at present building a great Florida health center. We need a hospital to service our medical school in order that our young men and women might receive a medical education. This problem is current throughout the whole United States. It is in my opinion a proper responsibility of the Federal Government to help in this type of hospital construction. The Florida State Improvement Commission has sent me a list of the various communities in my Eighth Congressional District of Florida who are contemplating building necessary hospitals or health centers through the Federal grant-in-aid programs. Our people need these hospitals desperately and we should make every effort to see that, based on sound business principles and with proper regard to Federal and State

relationships, we build these hospitals to help our people.

I notice that the grants to States for public assistance have been decreased approximately $200 million. This is due to the expiration of the McFarland amendment which by its own terms is supposed to expire on September 30, 1954. The law up to that time provided for a Federal contribution to these programs of three-fourths of the amount paid to the recipient up to $25 and one-half of such amount as exceeded $25 to a maximum of $50 to each recipient. The McFarland amendment provides for an increase of Federal participation to four-fifths of the first $25 and one-half of the excess over $25 to a maximum of $55 to each recipient. Anticipating the continuation of the Federal participation on the basis of the McFarland amendment, the Florida Legislature appropriated for the public-assistance programs for the biennium beginning July 1, 1953, sufficient money to carry on the present program. Therefore, unless the McFarland amendment is reenacted prior to September 30, 1954, Florida will receive approximately $6,750,000 less in Federal matching funds for this program than has been budgeted for the current biennium. This would mean that it will be necessary to reduce old-age assistance payments an average of $9.75 per month, aid to dependent children $3.70 a month and aid to the blind $3.50 a month.

Now once again we come to the problem of just how much of the cost for the old-age assistance is our Federal Government to assume and how much of the cost is the State government to assume? Whatever happens, I do not think our old citizens, our dependent children, and our blind should have any reduction in their benefits. Certainly this McFarland amendment should remain in the law until the various State legislatures are notified of the specific intention of Congress to change that provision in future appropriations. If this be the will of the Congress, the respective States will then have an opportunity to supplement their appropriations so that our dependent citizens getting assistance will not find their meager benefits reduced.

Mr. Chairman, in closing, I want to congratulate the members of the committee. I know that they have labored long and hard and are vitally concerned with the great programs for which this bill provides. I want to stress again that I do not believe a single one of these programs should have its effectiveness curtailed. I think each of them has proved its value. I think each of them is necessary to the internal security of this Nation. I hope we can liberalize certain of these appropriations as I have indicated in this talk.

Mr. FOGARTY. Mr. Chairman, I yield 2 minutes to the gentleman from New Mexico [Mr. FERNANDEZ].

Mr. FERNANDEZ. Mr. Chairman, I want to join my good chairman, the gentleman from Illinois [Mr. BUSBEY], and the Members of the House here today in commending the gentleman from Rhode Island [Mr. FOGARTY] for the excellent job he has done in the committee and that he did here today.

At the beginning of this debate I told the gentleman from Rhode Island [Mr. FOGARTY] that I was going to relinquish any time I might be entitled to as a member of the subcommittee because it was my opinion that he knew more about this subject than any other member of the committee. He has done a magnificent job.

I want to join, also, with the gentleman from Rhode Island [Mr. FOGARTY] in commending our chairman for his fairness and for the fine cooperation which he gave to all members of the subcommittee. We are all very happy and I think we have come here with a good bill, a fair bill, and if we can make it even a little more adequate tomorrow we will be still happier. I want to associate myself with the views of my good friend and colleague from Rhode Island in respect to the various proposed increases.

Mr. ABBITT. Mr. Chairman, on tomorrow I expect to offer an amendment increasing the appropriation for vocational education over the amount available this year by $5 million, which will make a total of $23,672,261.

For several years now a number of us here have been interested in the progress of vocational education throughout the Nation. Boosted by the George-Barden Act passed in 1946, this program has taken on new proportions, mostly as a result of determined support from within the States and localities. Under the provisions of the George-Barden Act there was an authorization for the annual appropriation of $29,300,000 for vocational education. It was the intent of those who worked on this legislation that ultimately the full amount would be made available each year as a stimulant to this program.

Vocational education since its inception in 1917 has received its strength from a cooperative plan of Federal, State, and local financing. One of the commendable features of this program is that it is decidedly void of any real Federal interference. Each of the States and Territories submit their own plans, devised by persons within the States. These plans are then jointly agreed upon by the States and the United States Office of Education. The Federal Government's participation is a small, but important part of this overall program. It has been my experience that wherever there is any real discussion of the work of vocational education it is on a highly constructive plane. I recall vividly that a year ago we here in the House undertook to restore cuts which had been made in the vocational education program, first by the Department of Health, Education, and Welfare, and later by the Appropriations Committee. The resulting debate produced as I recall it not one single word of criticism of the work of vocational education. I believe this is generally true because it has been my experience that the people connected with vocational education have formulated and operated a program of vocational education which is constructive and valuable in our society.

Vocational education is not a small operation. The Federal participation is not a large participation. I believe we can safely say that as many people are directly concerned with vocational education dollar for dollar as with any of the Federal-State programs which we foster. The annual appropriation of less than $20 million under the George-Barden Act is money well spent. We in this country are fortunate in being the greatest producing Nation on earth. We produce in this country approximately 42 percent of all of the goods produced in the world with a population of less than 7 percent of the total in the world. We are a growing Nation and our needs continue to expand as we assume larger responsibilities. Each year thousands of workers leave farms. They need to be replaced by others growing into manhood. Vocational agriculture has played a tremendous roll in aiding this country in the enlarging of its farm potential.

Industrially we are growing by leaps and bounds and the vocational education program in the field of trades and industries is playing a vital roll in training future personnel.

Distributive education, one of the backbones of the vocational education program, is each year preparing young people for the field of retailing.

Home economics with its emphasis upon better application of methods in the home is playing a responsible role in equipping our homes with better homemakers.

We are many times apt to lose sight of the work being accomplished by emphasizing too largely the amount of money going into a program. I want to emphasize as hard as I know how that the amount of money expended for any particular program does not of itself assure success. Neither does the amount of money expended indicate in any measure whatsoever the long-range potentialities embodied in the program. Just for the record, however, let me say that in 1953 the program of vocational education throughout the Nation cost a total of $145,951,214 and served 3,100,139 persons. By pointing out that of this total, only $25,366,459 was Federal aid we can see graphically that the States and localities are exercising the utmost faith in a program which we here helped to expand by an initial Federal assistance under the George-Barden Act.

During 1953, local governments throughout the country provided $68,366,164 for vocational education and State governments added $52,217,589. This is evidence of determination on the part of our people to grasp the opportunity offered by Federal assistance and make the utmost out of it. The program is well rounded. It includes people in every State in the Nation under four categories of instruction—755,293 students in vocational agriculture; 1,327,285 in home economics; 249,012 in distributive education; and 808,549 in trades and industries.

No program anywhere in our Nation has by the expenditure of such comparatively small amounts delivered so much in return. Figures for 1952 show

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that the average expenditure per pupil throughout the country was $46.26, of which only $8.17 was Federal aid. Federal assistance under this program has been more than the mere appropriation of funds, although this has been extremely important. Federal assistance has meant the establishment of certain standards which have brought to this field a greater degree of efficiency of operation than has been enjoyed by many similar enterprises.

We judge most things by the results we see from them. Down on the farm, if we plant a little seed and reap a good harvest we are always satisfied. Several years ago we planted a seed of promise by the adoption of the George-Barden Act establishing a foundation on which has now grown a larger operation than we had ever imagined. We established this program by the guaranty of Federal assistance because I presume we believed in the fundamental aspect of vocational education. The basis of our beliefs had been encouraged through the years since 1917 when the Smith-Hughes Act was passed by the Congress. We in effect said to the States "We will go along with you in setting up the program, in establishing standards and formulating plans and then wait and see how far you as States and localities can go toward building upon that foundation."

I believe that the result has been encouraging to us all. Vocational education has grown and our respect for it has similarly been enlarged.

At the appropriate time I plan to introduce an amendment to the appropriation bill calling for an increase in the amount allotted to vocational education. By so doing, I want to demonstrate my personal faith in the program. I hope that we recognize that with the enlarged program which has been adopted, with the greater need which has arisen and with the shortage of teachers which exists, there is a necessity for a larger expenditure of money if we are to obtain the benefits which can be ours. The bill as written provides an expenditure of $18,374,511 for vocational education under the George-Barden Act. This is a reduction of $298,750 under the amount appropriated a year ago. I realize that it has been pointed out that this is the same amount which was spent in fiscal 1954. However, I would like to remind my colleagues that one of the basic fundamentals of the George-Barden Act provides for the proper apportioning of funds to the States to be used specifically for the categories set forth. This is the only just way in which to make the money available, inasmuch as each of the States should be given opportunity to use the funds which are allocated for them while maintaining a balanced program. If we are to adopt the practice of each year appropriating only the amount that was spent in the previous year then we will systematically cut this appropriation annually from here on out. The simple truth is that when money is appropriated and allocated on a basis such as this all funds cannot be spent within the specific allocations until a program is adopted within the State. If we adopt such a practice we are in effect encouraging States to spend money whether they have a good use for it or not in order that the appropriation may be preserved.

I plan to offer an amendment which would increase the appropriation for vocational education for fiscal 1955 by $5 million over the amount made available in 1954. This would be a total of $23,673,261 compared with $18,673,261 which has been appropriated in each of the last 2 years. I would like to remind my colleagues that should we approve such an inducement for larger expansion of this program we will then be making available a total sum $6 million less than was the intent of the George-Barden Act adopted in 1946.

Mr. BUSBEY. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. NEAL].

Mr. NEAL. Mr. Chairman, I have been very greatly interested in the discussion this afternoon. Naturally the things that have been brought out here are along my line, as a doctor of medicine, having spent a good many years following through and watching the progress of medicine and research and the investigation of matters pertaining to general health. It is interesting to me to see that the Members of Congress understand the problems before them as well as they do, and to see that the committee, through its chairman and through its Representatives on the opposite side, including the gentleman from Rhode Island, has such a thorough knowledge of these situations is really very gratifying to me.

It has been a long time since old Colonel Gorgas handled the problem of the construction of the Panama Canal with malaria to contend with. However, that was the beginning, we may say, of what we now call the Public Health Service. At that time it was recognized that there were a lot of things to be done in connection with the prevention and control of disease that needed help from one source to another. I would say that was about the first of the Government's activity in health matters. To know that organization has spread its influence in forty or fifty different courses, and to know that the work has been recognized as a governmental or Federal responsibility, is well worthwhile. I think all Members of Congress should be commended for their activities along that line.

Let us take this one fact into consideration and recognize that, long before the Federal Government entered into the contributions that we now allocate for the control and the research of various diseases, there was a very concerted and coordinated activity among the members of the medical profession, among the manufacturers of pharmaceuticals, among the big chemical organizations, among the manufacturers of X-ray and various other equipment—all combining their efforts in trying to bring about a better and more thorough understanding of the basic knowledge of diseases as matters in which they might be interested.

Now, these things have been done purely on a coordinated voluntary basis, and while I know that the Government deserves a great deal of credit for the things that we are advocating today, I feel that we must recognize the fact that we, as a government, are only accepting and attempting to allocate some funds in order to improve and encourage the thing that started many generations ago and which is progressive year after year. I fully recognize the fact that all of these chronic diseases have a great many hidden basic causes which, through this experimentation and research, will eventually help to bring to us a better understanding so that we may be able to combat them to a greater extent. But, let us not forget that, as the years go by, human beings being only examples of progressive life, many of the things cannot be eliminated, in spite of the knowledge we have and that we are able to acquire as to the cause. We will always have these things to contend with. The better we prepare ourselves to meet the conditions, the better our people will be. I personally favor every cent of appropriations that has been made in any manner toward the prevention, toward the control, toward the research, and toward the development of ways and means of controlling diseases among all our people.

Mr. FOGARTY. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. MARSHALL].

Mr. MARSHALL. Mr. Chairman, few programs contribute so much to the agricultural and industrial might of our country for a relatively modest expenditure of public funds. Vocational education is a sound investment in the future of thousands of boys and girls who leave our high schools each year to go directly into trades and industry, farming, and homemaking.

My own experience has been primarily in the field of agriculture and I have seen firsthand just how successful this program is in Minnesota. And there can be no better testimony to the enthusiasm of farm families than the rapidly increasing enrollment in vocational agriculture courses in every part of our country.

Agriculture is being revolutionized every year. Every day our scientists and our great research stations are making new advances in farm methods and in farm products. Mechanization continues to increase, demanding new skills and new experience for the farm worker.

There is no better way to bring the know-how from the laboratory to the farm than by training young men and women while they are in our school system. Farming is a highly complex enterprise requiring scientific knowledge and mechanical skills that even our fathers did not need to have in order to carry on their operations.

It is of benefit to the entire Nation to train younger farmers to take advantage of the improved methods and new materials being developed by our research and experiment facilities.

I do not need to remind you that this House a short time ago saw fit to increase the funds for the research and

extension activities of the Department of Agriculture. The overwhelming support for these appropriations indicates the widespread support for continuing the gains we have made in efficient and productive farming.

But this information must be put to work on the farm and there is no better way to do that than through our established educational systems. The cooperation of the local school districts attests to the importance farmers themselves place up this program.

It is true that the very abundance of our production has given rise to new problems in agriculture today. But with our population growing at an unprecedented rate, these problems are temporary and we will soon be called upon to feed a fifth person for every four we feed today.

That means that if fewer farmers are going to continue to feed more people at less cost, we need to help the farm family keep abreast of new and better practices in farming. And even now, in this period of accumulating surpluses, we need to continue to improve the methods of producing quality farm products and to take advantage of better marketing procedures.

Why not bring this information to young farmers through our schools at a time when they are preparing themselves for their life's work?

I speak of agriculture because I know it best. But everything I have said about vocational agriculture applies as well to the other phases of this program—trades and industry, distributive occupations, and home economics.

Our military leaders complain that so much time must be spent in training young men in the multiplicity of skills needed in modern armies. Why not teach these skills to young men in their schools? They are the same skills needed in our factories and in our trades.

Our security in these hazardous times depends to a great extent upon our industrial and agricultural capacity. More than ever, trained workers are an integral part of the line of defense. And again, vocational education in our schools is the best training ground for these skilled workers. This is the economical way to meet the problem.

Federal, State, and local cooperation is the way to meet the problem. This is the traditional way in which Americans have worked together for the benefit of all.

The benefit to our national security and national defense is readily apparent. But other benefits to the individual and to the community are as compelling a reason for continuing a sound program of vocational education.

The young men and women who are trained in their occupations are ready to take their place in the community without wasted years of confusion and indecision. They are prepared to go into the trades and businesses so vital to the healthy development of the community and to the stability of the people who make their homes there.

The trades and business of the community benefit from a ready source of skilled and trained workers who know what they want to do and how to do it.

Because the benefits are so widespread, the people in every community and State are anxious to expand the program and give this wonderful opportunity to more children. Surely when they are increasing their efforts is no time for the Federal Government to decrease its contribution.

In my own State of Minnesota, local people provided $1,376,397.78 for vocational education in 1953. During the same year, the State of Minnesota spent another $1,252,601.58 for vocational education. The Federal contribution was only about one-fifth of the amount the people of Minnesota themselves paid $571,955.22.

This should demonstrate beyond a doubt that the people of Minnesota regard vocational education as essential to the education of their children. And the same is true for the other States, for each dollar in Federal funds there are $5 in State and local funds spent for the program.

Even while the States are trying to expand their programs, our population continues to grow at a terrific pace of 300 new persons every hour. All of these children will come into our schools and will eventually leave them to find a place in an economy that needs to grow with our population.

In return for the benefits which are common to all of us, the Federal contribution to this program is certainly not unreasonable nor extravagant. I urge, therefore, that we increase funds for this program. It is sound economy to prepare for the future. Does any one know a better way than to give to people the skills to work to live in a complex society?

Mr. FOGARTY. Mr. Chairman, I yield such time as he may desire to the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Chairman, a little more than a century ago, Dr. Ephriam McDowell performed a successful operation down in Kentucky that marked a new era in medical science. He successfully used an anesthetic on a patient during a very difficult operation although the effective use of anesthetics had not previously been considered possible. Since that time we have seen spectacular scientific developments in other fields, with transportation and communication getting the most attention, climaxed by the atomic and hydrogen bombs. In the meantime, medical research continued on an ever-increasing scale.

Modern medical science really began with Harvey who discovered the circulation of the blood. The next great step was Pasteur's accomplishments. Research facilities were scarce and progress depended on the sacrifice of a few humanitarian individuals who ofttimes neglected their own interests in order to promote the science of medicine. On this basis, the progress was as good as could be expected but only in the last half century, with the development of the Public Health Service, has real progress been made.

These developments, though less spectacular, will probably be recorded in history as more important than the atom bomb, television, or any of the great scientific accomplishments of our time. Through the efforts of the Public Health Service, in cooperation with medical science, diseases such as smallpox, tuberculosis, and the killers dreaded by our forefathers have all but been eliminated. This could have been accomplished in so short a time only when the necessary research was financed, at least in part, by public funds. Tuberculosis has ceased to be a dreaded word and is becoming much less common. We have not only learned how to arrest it when it finds a victim, but we have gone far toward curtailing its spread and reducing the number of victims.

Today the No. 1 killer is heart disease, followed closely by cancer. The ordinary life expectancy has been increased so that the average person may reasonably expect to attain the age of three score and ten. The rate of infant mortality has been phenomenally reduced and this, in itself, is an accomplishment which more than justifies all the expenditures that this Government has made on its public-health program.

Today this great service continues its efforts to improve the health of our population. Vast research projects have been established. The National Institutes of Health works in cooperation with more than 6,500 practitioners assembling and analyzing information on a scale far beyond the possibilities of the old independent practitioners' resources.

We all agree that this has been a good program and that it should be continued. Last year this body reduced the funds for some of the most important aspects of this program. Today we are asked to make certain other reductions, including a $10 million reduction in the funds requested for the building of hospitals. The funds proposed for the control and treatment of tuberculosis have been reduced, and the bill reported by the committee provides for no increase over that of the current year. The population increases year by year, but we find a failure to increase the funds for the protection of the health of this growing population. There should be a substantial increase in the funds for the treatment and control of tuberculosis patients.

For the No. 1 killer of today, heart disease, we find that the committee has recommended no more than the amount appropriated this year. This recommendation is made in the face of testimony of representatives of the National Heart Committee justifying an anual appropriation of $29,900,000, 80 percent of which is to go for research and research facilities. The committee has recommended instead $15,168,000, or approximately half of what this learned group of national public-spirited citizens and specialists feel is a minimum requirement.

The cancer research program has been given similar consideration. There has been no decrease in the cost of such undertaking, and there has been an increase in the population to be protected by the public health program.

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Facing these facts, how can we tell the folks back home that they do not need as much or that this Government cannot afford to provide funds to protect them from the hazards of ill health and disease.

The overall total appropriated for the Public Health Service, exclusive of administrative expenses and St. Elizabeths Hospital, in 1954 was $232,962,500. The committee recommendations include a total of $209,815,000. This reduction of more than $23 million is approximately equal to the amount deleted for hospital construction and construction of research facilities. Two other major items are a reduction of $2 million in the veneral-disease program and $700,000 in communicable diseases. The need for economy, urgent as it is, cannot justify a curtailment of the program to provide hospitals for a substantial portion of our population.

The cold facts are that our population is increasing rapidly and we are failing to increase the appropriations to meet the increased needs. One of the most tragic shortcomings of our present medical program is the shortage of hospital beds. The Hill-Burton Act was designed and actually sets up a plan to correct this, or at least to alleviate this situation. It is no minor task, and no one Congress has attempted to complete the program so it is up to this Congress to meet its pro rata share of this essential public health project.

Construction costs are not decreasing, and there is no justification for the failure of this session of Congress to make adequate provision to meet the approved projects that are now in the office of Secretary Hobby. The amount of $65 million in this bill for grants for hospital construction should be increased to the $75-million figure submitted in the estimates for 1955. The amount of $15,168,000 for the National Heart Institute should be increased to $29,888,000, as recommended by the National Heart Committee. The $20,237,000 for the National Cancer Institute should be increased to $30 million. The reduction in the amount for venereal diseases from $5 million to $3 million should be restored to the full $5 million for the 1955 program. The $6 million which is the same as appropriated last year for the tuberculosis program should be increased to $7,500,000 in line with the needs of an increased population. The $4,300,000 for the communicable diseases program should be increased to $5 million, the amount appropriated last year.

I want to read a letter, dated June 3, 1954, from Kentucky's health commissioner, Dr. Bruce Underwood, outlining the effects of limited funds on the State's public health program:

COMMONWEALTH OF KENTUCKY,
DEPARTMENT OF HEALTH,
Louisville, Ky., June 3, 1954.

Hon. CARL D. PERKINS,
House of Representatives,
Congress of the United States,
Washington, D. C.

DEAR MR. PERKINS: Thank you very much for calling our attention to the fact that the appropriation bill will be on the floor Monday, June 7. I am glad to comply with your request for my views of the effect of this bill on Kentucky's health program, and am taking the liberty of sending copies to other members of the Kentucky delegation. I should like to call your attention also to material previously sent you, which discussed some phases of this matter in more detail.

Total Federal grants-in-aid for public health, exclusive of mental health, in Kentucky are $255,500 less during the current fiscal year than the amount received for the preceding year. In the face of this 25 percent decrease, we have been able to maintain a minimum of public health services by using increased State appropriations, which were intended for program expansion, to offset the loss of Federal funds. The appropriation bill for fiscal year 1955 will provide for the restoration of approximately one-fifth of the previous cut.

While this restoration is commendable, it will still leave some programs to which grant-in-aid funds have contributed in the past far short of the support which they deserve. Notable examples are those relating to the control of tuberculosis and venereal disease. Federal support of the former in Kentucky decreased by 20 percent from fiscal year 1953 to fiscal year 1954, and if the present recommendation is followed, will decrease by over 50 percent between fiscal years 1954 and 1955. Regular Federal grant-in-aid support for control of venereal disease was eliminated during fiscal year 1954, with the loss of $67,100 to the State. Between fiscal years 1953 and 1954, special project grants for this purpose were decreased by $61,286 and to date there is no assurance that any such funds will be available for the next fiscal year. These combined losses of $219,386 during the biennium will be only slightly offset by the net increase of $17,100 in general health funds over this same period, as provided in the budget bill.

The tuberculosis problem in Kentucky is of major importance, with provisional figures for 1952 placing us as having the second highest death rate among the 48 States. The venereal disease problem in Kentucky is of an order of magnitude comparable to that in other States, and our own experience shows that the problem is currently increasing. For these reasons, it seems to us particularly regrettable that such drastic curtailment of Federal support in these two fields should have been continued into the next fiscal year.

We are pleased by the President's recommendation for increased funds for the hospital survey and construction program to the 1953 fiscal year level. Provision of adequate hospitalization will do much to enhance our efforts in the control of many diseases, and in the protection of the health of mothers and children. In our opinion the wise expenditure of these funds will have a far-reaching effect on the general improvement of the health of the people of our State.

Assurance of the President's recognition of the value of the Federal-State partnership in public health, as evinced in his recommendation of the continuance of most grants, with actual increase of some, is most gratifying. With our General Assembly now adjourned for the biennium, it is essential to the continuance of our programs that no reductions whatsoever be made in the recommended amounts to be allocated to the States for public health support during the next fiscal year. Any increases which can be obtained, particularly for the control of tuberculosis and the venereal diseases, will result in provision of needed additional public health services for the people of Kentucky and of the Nation.

We urge your full support of a minimal budget for this purpose as proposed by the President, and will appreciate any efforts which you can make toward securing funds over and above these amounts.

Sincerely,

BRUCE UNDERWOOD, M. D.,
Commissioner of Health.

(Copies to the Kentucky congressional delegation.)

Mr. Chairman, the vocational-education program is also being curtailed by executive action. The Department of Health, Education, and Welfare transferred more than a quarter of a million dollars out of the 1954 appropriation for vocational education. This reduction should not only be restored, but the full $29,300,000 authorized by the George-Barden Act should be appropriated.

I am also deeply interested in the vocational-rehabilitation program. It stems from a sincere desire to see that both Federal and State governments, in a partnership, accept the responsibility and ever-growing challenge of this program to help handicapped people help themselves. The interest of the Federal Government in this program started in 1920. This program, in fact, was among the first established by Congress which involved responsibility for direct services to people. Its development was gradual but rather slow until World War II, but its growth since then has been much more encouraging.

Today when we speak of vocational rehabilitation we include within its scope a comprehensive service which covers a wide variety of medical services, vocational planning, and job placement. We first have the medical examination to determine eligibility, then a period of counseling, and guidance, physical restoration services to remove or lessen disability, training for a job, provision of necessary tools, equipment, and licenses, and selective placement and followup. Today we have 2 million disabled persons who could be rehabilitated under this program. Every year there are 250,000 more new cases. In the 32 years since this vocational-rehabilitation program began only 676,606 men and women have been rehabilitated. The majority of these persons, 466,481 of them, were rehabilitated in the 8 years from 1944 to 1952. At the present rate of the program more than 60,000 are rehabilitated a year. From 1944 to 1953 an average of 52,000 persons were rehabilitated annually. In comparison, from 1920 to 1943 an average of 9,000 were rehabilitated a year.

There are thousands of people throughout this great country of ours who, because of neglected physical disability, are on public welfare rolls. Through the vocational rehabilitation program we have found that it takes far less to remove people from dependency and make them productive citizens. Earnings of the disabled are increased through vocational rehabilitation. All figures verify the fact that this program is sound from every standpoint. The increased productivity of the communities in which these people live, and their expanded personal spending power plus the amount of increased revenue which resulted for the Federal Government

through income taxes, would be sufficient to convince any one of the necessity for more funds. These facts have all been developed in committee and are indisputable.

Then again we must consider the humanitarian angle. Far more important to the handicapped and to me is the fact that human beings have been given an opportunity to help themselves.

To illustrate the cost aspect of this program, Mrs. Oveta Culp Hobby, Secretary of Health, Education, and Welfare, at a press conference on March 11, 1954, made this statement:

> Each year American taxpayers put up nearly a half billion dollars for public assistance to disabled people, including their dependents, an outlay required as the direct result of the disability of breadwinners.
>
> While not all of the disabled recipients of public assistance could become employable through vocational rehabilitation, experience proves that many can. For example, 12,000 of the 64,000 persons rehabilitated during the 1952 fiscal year were on public assistance rolls or were members of families receiving such assistance.
>
> To maintain these disabled people on assistance for a single year would have cost around $8.5 million. Their rehabilitation for useful work cost $6 million.

Now I realize that, in addition to the request for the operation of the vocational rehabilitation program for the fiscal year 1955, Congress is being asked for an estimated $8 million more to provide for new rehabilitation centers under the hospital construction program. I commend any move to expand this program in order that this Nation can more fully meet its responsibility toward these citizens. I think you have conclusive evidence that this is needed but not at the expense of the currently operating program. This kind of budget cutting can be just as debilitating to the program as the chronic disabilities we are trying to help. There are many improvements that could be and should be made in the present vocational rehabilitation act but budget cutting in this instance is no way to bring them about.

On the basis of these facts, I cannot understand the logic of the budget request from the Department of Health, Education, and Welfare. The request is for $19,175,000 in grants-in-aid to the States for vocational rehabilitation. Last year's appropriation was $23 million. The House committee has reported $21 million for vocational rehabilitation to be disbursed among the States for 1955. This is $2 million less than the 1954 appropriation.

Mr. Chairman, it is my intention to support an amendment providing more money for vocational rehabilitation. This program has proven its worth as an investment. I feel that it is our duty to see that the physically handicapped are aided in every way possible to receive this much deserved training so that they can make their just contribution for the welfare of all the country.

Mr. FOGARTY. Mr. Chairman, I yield such time as he may desire to the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, we participate in many historic debates involving many important issues, but none, in my opinion, is of more far-reaching importance than the providing of adequate funds for the advancement of all phases of American education.

During the time allotted to me I should like to address my remarks—not to the overall features of the bill which have been extensively debated—but to the issue of providing adequate funds for vocational education and for vocational rehabilitation.

In the President's message on the state of the Union I was especially impressed by the recommendation of the President for full and adequate funds for these purposes. Yet I later learned that in the President's budget message recommended funds for these purposes were substantially reduced from the amount of moneys previously appropriated for these worthwhile programs.

A disabled veteran or physically handicapped citizen is generally a nonproductive citizen. When rehabilitated they become more productive and useful citizens. Therefore, money spent for rehabilitation and for vocational education is money well spent in that nonproductive citizens may be taken from the tax rolls and made useful citizens engaged in productive effort created—thus contributing to a healthy economy.

I shall certainly support the amendment to be offered by our colleague, Congressman FOGARTY, to increase the amount of appropriated funds for fiscal 1955 vocational rehabilitation, at least, to the amount available for the current year.

Furthermore, Mr. Chairman, we should not perpetuate errors heretofore made. It is my information that the restrictive language written into the 1954 appropriation bill, providing that the amount of funds appropriated to a State "shall not exceed $1 for each 75 cents contributed by the State" for purposes of rehabilitation—was not included in either the House or Senate bills on this subject but that this language was included following the conference on the measure and therefore the matter has not had consideration by the committees of the Congress or adequate consideration by the House.

The restrictive language is not repeated in the pending bill under consideration but will be effective for 1955 and in following years in the event it is not specificallly repealed.

I repeat inclusion of this language constituted an error in the first instance and should not be repeated. This restrictive language should be repealed.

To continue the existing rider and by failing to appropriate adequate funds for vocational rehabilitation will mean that the important programs of aids to education will be crippled and curtailed.

I trust that the committee will provide the full funds needed for these purposes and that the important programs of vocational education and vocational rehabilitation will go forward on the Federal-State cooperative basis.

Economy should not be practiced at the expense of education.

Mr. FOGARTY. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. MILLER].

Mr. MILLER of Kansas. Mr. Chairman, I wish to compliment the chairman of the Subcommittee on Health, Education, and Welfare, the gentleman from Illinois [Mr. BUSBEY] and the members of the committee upon the great amount of work that has been done in the drafting of this bill. It was a stupendous undertaking and there is no wonder that there are slight differences of opinion upon some of the many items.

I am of the opinion that the reduction of $2 million in the appropriation for vocational rehabilitation is not justified, and I shall vote to replace this cut when amendment to that effect is before the House. I shall also oppose the provision that the States be required to appropriate 75 cents for each dollar appropriated by the Federal Government for the reason that at this time it could seriously cripple the program. These are minor deficiencies in the bill that should be corrected.

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. HARVEY. Mr. Chairman, social-security legislation has been and will continue to be an integral part of the economic welfare of millions of our citizens.

In other words, as we have become a great industrial Nation the number of people who cannot possibly save enough during the earning years of their life has increased many fold. While social-security benefits do not provide for complete security to those who are eligible they do go far in this direction. This bill, H. R. 9366, will provide greater benefits for those who are eligible. It is apparent that the Ways and Means Committee has given thorough study to the problem; and the recommendation contained in this bill are within the limits of the social-security fund to sustain. For this reason I approve of this section of the bill.

The committee has also seen fit to eliminate those of the medical profession from the bill. This is also a very wise move in my judgment. Doctors, due to the nature of their profession, do not retire; they may and usually do limit their practice in their later years but they seldom retire. For this reason social security would be of little value to them. While there may be some difference of opinion among doctors, the great majority will be pleased with this provision.

The inclusion of self-employed farmers under social security, however, is a questionable decision. In my own district, which is agricultural as well as industrial, there has been no indication on the part of farmers that they wish to be included. In all fairness, however, I must say that there has been no indication that they do not wish to be included.

The Indiana Farm Bureau, which has a membership of more than 100,000 farm

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families, brought this question before their members in a series of grassroot meetings last fall. There was no clear-cut sentiment even in this large and representative group of farmers. Since there has been no demand on the part of self-employed farmers to be included under the provisions of social security, it is my judgment that they should have been excluded as the doctors were. If in the future, the sentiment of these farmers should indicate that they wish to be included, then the provisions could be made.

I expect to vote for this bill since under the rule by which it is brought before the House, it cannot be amended. It is my hope that when it is considered by the Senate this particular provision will receive more thorough consideration and that self-employed farmers will not be included at this time.

Mr. MAGNUSON. Mr. Chairman, I hope that we can, in our action on this bill, finally, conclusively, and irrevocably put an end to attempts—from whatever source—to cut and undercut the vocational-education program.

It was proposed last year that the Federal contribution to vocational education under the George-Barden Act be reduced by 25 percent. This proposition met with some harassment in committee, but it was here on the floor of the House that the real battle was joined and won.

I would have thought that the sentiment of the Members was clearly expressed a year ago. But, apparently not, for I was dismayed to see the budget contain a recommendation for a 6.4 percent reduction in next year's appropriation. In the light of certain remarks from responsible quarters, it became apparent that this more modest reduction, if allowed to stand, represented a planned policy of emasculation of the Federal program.

Outspoken opposition from the friends of vocational education was not long in coming. Many of us joined in expressing our strong protest against any tampering with the established program.

It is gratifying that the administration's subsequent reversal of its position and the committee bill we debate today apparently indicate acquiescence in the determination of vocational education supporters to prevent any reduction in the program.

I hope we shall make it clear by our action on this bill that no future reduction in Federal assistance for vocational training will be tolerated. The real need of vocational education today is for expansion. We are faced with a steadily increasing population, a growing shortage of school buildings, facilities, and teachers. At the same time we are presented with the sober findings by the Director of Defense Mobilization that "our supply of highly trained and skilled workers is not keeping abreast of the current and potential requirements," and that "maintenance of the necessary farm-labor force would be one of the serious manpower problems in full mobilization."

A strong vocational program is an integral part of a strong school system and at the same time offers the only opportunity for training the skilled manpower necessary to our continued growth and security. Viewed from the standpoint of the millions of boys and girls—and young men and women—who benefit from the training each year, vocational education helps them to integrate themselves in rewarding, productive tasks commensurate with their abilities and interests. For most it is the closest they ever get to college. It is part of the promise of America—to help them to help themselves. The individuals benefit, and the Nation benefits. The money this Government spends on vocational education is well invested.

Mr. JOHNSON of Wisconsin. Mr. Chairman, I wish to congratulate the gentleman from Rhode Island [Mr. FOGARTY], for the excellent presentation he has made of H. R. 9447. His talk has greatly impressed me with the need for increased appropriations for vocational education and educational rehabilitation. I will be on the floor all during the debate on H. R. 9447 and will give whatever aid I can to the amendment by speaking for it and voting for it when the amendment to increase the appropriations comes up tomorrow.

As one who has felt keenly the loss of loved ones from cancer, I can agree with all the remarks made by Congressman FOGARTY on the work of the new Public Health Center at Bethesda, Md. When I finally decided to run for Congress, I pledged that at every opportunity I had, if elected, I would do all within my power to fight this dread disease of cancer, whose yearly toll is 200,000 lives. There is scarcely a person alive today who has not lost some loved relative or friend from cancer. We all know that money is essential for research if this disease is to be conquered and I shall support the amendments to provide more money for such needed research.

Mr. HYDE. Mr. Chairman, I commend the committee for its fine work on this entire bill, but particularly I commend the members of the committee on its appropriation for aid to federally impacted areas. I note that the committee appropriated $70 million for school construction, which was $4 million less than the request, but it is comforting to note that in its report, the committee said:

> If the Department's guess proves to have been better than the committee's a supplemental appropriation will be in order any time before July 1, 1955.

I take this to mean that, at least by inference, if the Department finds that it needs the extra $4 million, the committee will not hesitate to make the appropriation.

I should also like to take this opportunity to suggest to the committee a careful study of the possibility of some different formula for distributing the money appropriated for Federal aid to impacted areas. As I understand it, the present formula is largely based on the number of children whose parents work in Federal installations within the jurisdiction of the district, county, city, or other area receiving the money. Such a formula does not adequately take care of the problem of areas such as those in Maryland and Virginia, adjacent to the District of Columbia in which live thousands of Government employees who work within the District of Columbia. As a matter of fact, most of the impact in such areas is caused by the expansion of Government employment in a jurisdiction—District of Columbia—outside of the areas receiving the money. A different formula is vitally important to such areas because the only business or industry except the usual service businesses is the "business" of Government. Taxation for schools and other services in such areas is at the present time obtained solely from real property, and that real property is almost entirely composed of residences.

The committee's careful consideration of this problem is respectfully and urgently requested.

Mr. DONOHUE. Mr. Chairman, there is, perhaps, no legislation that more deeply affects the lives of the great majority of our citizens than this annual appropriation bill for the Labor Department, the Health, Education, and Welfare Department, and related agencies.

The regulations we enact to promote Christian working conditions for our people and the measure we approve for the protection of their health are certainly matters of vital importance to our national welfare; that is why I have felt formally compelled, in these 8 years of my membership in the House, to take a keen and personal interest in this bill.

I realize full well that able members of the committee, who have worked and studied through long days and nights in preparing this bill, will discuss it in detail during the general debate. However, I would feel lax in my duty if I did not at least outline my own earnest convictions.

To try to measure the health and happiness of human beings in terms of dollars and cents is a most difficult, if not impossible, endeavor. We are all, I am sure, agreed on the necessity for practicing economy in Government expenditures to preserve our financial stability. However, I think we are further agreed that questionable economy at the expense of lowered national standards of working conditions and health protection is most unwise and impractical.

In my decided opinion, cuts in several items of this bill, as recommended by the committee and the Bureau of the Budget, are indeed examples of penny wisdom against pound foolishness.

Mr. Chairman, I earnestly hope, therefore, that no crippling reductions will be adopted today, for instance, in the appropriations for the full and continuing operation of the Hill-Burton hospital construction program, the Wage and Hour Division, the Food and Drug Administration, the Bureau of Employment Security, the vocational and rehabilitation program, and the National Institutes of Health and Medical Research. These are emphatically services that have proved their worth to the American people.

The Hill-Burton hospital construction program was originally approved, in 1946, by unanimous vote in both Houses

as a bipartisan bill; it should be continued as such. The Secretary of Health, Education, and Welfare has testified that there is still a shortage of over 600,000 hospital beds in this country at the present time, and that we need to construct about 36,000 beds a year to keep up with the increase in our population. I have not heard a single word yet to justify a reduction of one nickel in the amount that has been recommended by the administration, namely, $75 million, which is only about one-half of the amount authorized in the basic law. The Hill-Burton Hospital Construction Act is one of the most beneficial and humanitarian measures ever adopted by the Congress, and I trust the administration figure will be approved, with more if possible.

The Wage and Hour Division of the Department of Labor enforces the minimum wage and child labor laws that are now on our statute books. Having adopted these laws, and I have heard no voice urging their repeal, then certainly we have the moral obligation to provide sufficient money for their reasonable enforcement. Protecting our children from the abuse of unscrupulous employers and insuring our working people are paid their proper wages are sound national investments. Let us take no unwise step that will prevent this important agency from carrying out its congressional instructions by the laws we have already adopted.

Last year, we passed a law giving the Food and Drug Administration increased authority to inspect food factories. May I ask what good that law is if sufficient money is not available to the Administration to carry it out. Let us realize that any severe reduction in this regard simply means that the American taxpayers will get less protection against poisonous foods, dangerous drugs and cosmetics, and against the fraudulent sale of worthless, if not hurtful, remedies for serious diseases.

With respect to proposed reduction in employment security funds, outside of several injustices connected with it, may I simply say it is almost incredible to suggest such a cut when we have a mounting problem with regard to unemployment in multiple areas of the country. The practical wisdom of any such action at this time is certainly open to serious question.

Also, rather than any reduction in vocational and rehabilitation funds, it is my contention that, if anything, they could well be increased. My personal observation of the vocational education program in my own State has convinced me that this program merits substantial Federal support. Vocational education is rapidly becoming more and more important, and its need is becoming more and more intensified because of our changing pattern of occupational employment. The States need encouragement in this field. I think all of us well appreciate the importance of vocational education to our national defense program. The authorities tell us it appears we will always need a stand-by supply of skilled workers. The various States, of course, should assume their fair share of responsibility, but the problem admittedly has a national aspect and impact we cannot afford to overlook.

I understand that an attempt to increase the appropriation for vocational rehabilitation and to remove the restrictive language in the present law requiring individual States to put up at least 75 cents for each Federal dollar will be made, and I intend to support these proposals.

The United States is currently rehabilitating about 65,000 people each year, but there are about 250,000 capable of being rehabilitated. It has been testified by responsible officials and experts, year after year, that in this program, for every dollar that is appropriated in Federal funds, the Federal Government receives $10 back; that is certainly excellent economy. There is, then, no reason in the world why we should not maintain and expand this program that actually is materially profitable as well as being a concrete demonstration of the Christian character of our Nation. It is an investment in youth which will pay back vast dividends and multiply the productive capacity of the Nation. There is no more important part of this bill than that relating to our Public Health Service, which includes our several institutes on health. Our economic loss resulting from crippling diseases runs into untold billions of dollars. Medical experts tell us the cause and cure of such dreadful afflictions, among others, as cancer, multiple sclerosis, muscular dystrophy, cerebral palsy, arthritis, rheumatism, heart disease, and even blindness can be eventually found. With adequate facilities for continuing study and research they are confident of success. It is my own heartfelt conviction that Federal expenditures, for continuing medical research and health protection pay for themselves a million times over—in the reduction of human suffering and in direct economic returns to individuals and the Nation as a whole. Even at a time when I well realize we must examine all Federal appropriations with critical scrutiny I do not hesitate to ask you, in Christian charity and wisdom, to not only maintain the present program but provide for its expansion.

There are other features of this bill that time does not permit me to dwell upon.

In conclusion, Mr. Chairman, may I may say this. At a time when we are generously granting billions of dollars to aid our foreign allies, is it wise to neglect our own citizens? At a time when we are telling the world of our better way of life, as opposed to Communist slavery, is it intelligent patriotism to dangerously reduce so many public services whose contributions to national progress have been so universally acknowledged? At a time when we are engaged in a life-and-death struggle with the curse of communism, is it practical to disrupt the morale of our own people? I submit it is not. Let us not, in this hour of national destiny, abandon and retreat from the civilized progress we have steadily maintained since the good Lord blessed us with an independent existence.

Mr. FOGARTY. Mr. Chairman, I yield 4 minutes to the gentleman from Oklahoma [Mr. WICKERSHAM].

Mr. WICKERSHAM. Mr. Chairman, I wish to compliment the gentleman from Rhode Island [Mr. FOGARTY] for the splendid work he has done in presenting our side of this measure. Other members of the Oklahoma delegation and I certainly agree with the amendments that will be offered tomorrow, which we trust will be adopted on the following day. As chairman of our Oklahoma delegation I desire to compliment our State director of vocational education in Oklahoma, Mr. J. B. Perky, for the splendid work he has done, and also Mr. M. J. De Benning, supervisor, vocational distributive education in Oklahoma, and his associates for the splendid work that they have done.

DISTRIBUTIVE OCCUPATIONS EDUCATION IN OKLAHOMA

Mr. Chairman, the economic stability of a State depends in large measure upon the efficiency of management and workers in the distributive occupations, efficiency which must be gained through study and experience. Distributive education provides such training. Persons who wish to build a career in merchandising will find in this educational program an opportunity to acquire information and skills essential to success in distribution.

Subjects. Vocational distributive occupations education is a program of training for workers directly engaged in merchandising activities, or in contact with buyers and sellers when, first, distributing to consumers, retailers, jobbers, wholesalers, and others the products of farm and industry, or selling services; or, second, managing, operating, or conducting a retail, wholesale, or service business.

Accordingly, distributive occupations subjects under the provisions of the George-Barden Act, are vocational subjects taught in part-time and evening schools and classes to persons 16 years of age or older who are employed in distributive occupations. Therefore, such subjects are designed, first, to increase the skill, knowledge, and ability of workers already employed in a specific distributive occupation; or, second, to prepare workers in a distributive occupation for changing to a related kind of work in another distributive occupation or for promotion to positions of a higher occupational level.

Vocational distributive occupations subjects contribute to increased skill, technical knowledge, occupational information, understanding, morale, appreciation, or judgment of workers in distributive occupations.

THE NEEDS FOR DISTRIBUTIVE EDUCATION

Potential trainees: More than 30,000 retail and wholesale establishments operate in Oklahoma and employ a force in excess of 112,000 people. Their sales in a recent year rose to the astounding total of $3,354,016,000.

The 112,000 people who are working in distributive occupations in normal times, will find an average of 1 of every 5 persons from their number leaving his job each year. Thus, 20 percent of the

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workers vacate more than 20,000 jobs into which other people will move, many for their first job. It is a distressing fact that very few of this vast group of workers will have had previous training in the jobs they accept.

Moreover, research has shown that, for the Nation as a whole, more than 130,000 youths 18 and 19 years of age and 150,000 between the ages of 20 and 24 years enter their first employment in some type of distributive field each year, a total of 280,000 American youths. Assuming this number to be divided among the States, Oklahoma thus has approximately 5,000 young people who will enter distribution annually.

Expansion needed: The vocational distributive education program, the nationally approved training program specifically designed to prepare young people for the field of merchandising, has not had sufficient funds to meet the unprecedented demand for training. Of the 100,000 boys and girls who annually enroll in the 809 Oklahoma high schools, only a very small number will have an opportunity to enroll in a distributive education class. The program, being in only 23 of the 809 high schools, has trained anually fewer than 800 students in the basic knowledges and skills of merchandising. Many other schools, deeply concerned over the future economic well-being of their graduates, are waiting in vain for programs.

The program in the State should be expanded. More young people who would choose the merchandising field as their life's work deserve an opportunity to secure the proper and essential training. The present program is pitifully inadequate because funds, and hence staff, are not available to meet the reported demands from an estimated 4,000 students who would enroll each year. Distributive education must be offered in a greater number of Oklahoma high schools. More youths wish seriously to avail themselves of the training they need to prepare them to do better the job in which they are going to find themselves anyway, and when employed to become more efficient workers. Once trained, they will in turn improve our entire system of distribution and through it make a valuable contribution to the economic stability of our State.

Followup studies have revealed that approximately 50 percent of the pupils who finish 1 or 2 years of training in the distributive education program remain in distributive occupations. This is a gratifying record when we consider the many and variable nature of the factors that enter into the selection and placement of teen-age students who choose to seek a career in merchandising.

Since distributive education has become a part of the State's educational program, steady and encouraging progress has been made in reception accorded the program by students, parents, school administrators, and merchants alike. It has been meeting a felt need of each group. Hundreds of young men and women have been able to complete 4 years of high school who otherwise would not have found it possible. High-school students, often at a loss in choosing an occupation, have discovered in the program a valuable aid in finding themselves. To some it has opened the path to a 4-year college education.

The steady progress of the distributive education program in Oklahoma is ample evidence of the high value placed on it by school administrators, merchants, parents, and students. Since 1938, it has grown from 8 cooperative part-time classes in high schools with an enrollment of 208 to 23 classes with an enrollment of 743. In its brief 15 years as an educational force, more than 8,000 high-school boys and girls have profited from the training and experience they received in distributive education courses and gone forth with a good start into the economic life of our State.

Requests for programs are received from several additional schools each year. These demands can only be met when additional funds are available.

CASE HISTORIES AND RESEARCH EXCERPTS

The following excerpts were taken from a report made by Maj. Charles H. Ruley in partial fulfillment of the requirements for the degree of master of science, 1954. These data are on file in the State office at Stillwater, Okla. Anyone desiring proof of the validity or authenticity of this information is urged to examine the study from which these excerpts were taken.

Excerpt No. 1:

I feel the distributive education program is a very wonderful thing for the young people in high school. It gives them a chance to get their feet on solid ground and a headstart toward a secure future. The training and experience it gave me is invaluable. The work is closely supervised and I feel this work will continue to prove more and more important in school systems.

Excerpt No. 2:

The only thing I think could be said is that more boys and girls should take distributive education and more businessmen take part in this wonderful organization. I know it helped me very much and if I ever get the opportunity to hire a distributive education student, I would be proud to, because I know they are well qualified to hold and do a good job.

Excerpt No. 3:

We have a good program going on in (name of town omitted). I think it (distributive education) should be taken by every student. Also, I think there should be adult courses related to different jobs.

Excerpt No. 4:

The only comment is that I am sorry more people are not exposed to distributive education, because my employer and I both agree that it is one of the most profitable subjects ever introduced in high school and one from which a person and his employer will benefit most.

Excerpt No. 5:

I think it (distributive education) is one of the finest organizations ever sponsored by a school. I think it provides the best sales training that a person could get.

Excerpt No. 6:

They have a wonderful DE program here now and I can't think of any improvement, but it is almost a must if a boy or girl is planning to go into the selling or merchandising field after finishing school.

Excerpt No. 7:

I do believe the DE training offered in high school has been most beneficial to me, particularly since I have just completed 5 years with the same firm in which Mr. ———, my DE instructor, helped to place me.

Excerpt No. 8:

The teacher that I had was very outstanding. She has done more for the children of medium- and low-income families than anyone else in the school. I have seen her time and again take a student with an inferiority complex, find him a job, help him to overcome his complex, and teach him to be a useful employee. We have a DE student in our business every year. This program is a very important part of the school system. I am very thankful that I was able to take DE in high school.

Excerpt No. 9:

I have no criticism about the DE program. It is being carried out very fine at ——— high school. Mr. ——— is one of the most outstanding teachers I have ever had in any school of training. Our store is backing DE all the way this year. Distributive education is one of the best courses to take to help you all the way through life.

Excerpt No. 10:

It wouldn't hurt if everyone in high school would take at least 1 full year of distributive education. It really helps you in more ways than one when you get out on your own. Every day I meet problems that I wouldn't know how to solve if it hadn't been for DE that I had in high school.

The following case histories are submitted in evidence of the service the program of distributive education has rendered to the youth of Oklahoma who have been fortunate enough to have the opportunity to enroll in it.

Case history No. 1:

Mrs. Juanita Pevetoe was one of the first graduates of the DE program in Oklahoma. She gained her work experience in a department store. Shortly after graduation she went to the S. H. Kress Co. She is still there, as a supervisor.

Case history No. 2:

Oliver Reed was graduated from high school in May 1943. He was a member of the distributive education class during his senior year, being employed in a shoestore as a salesperson.

In December of 1943, Oliver enlisted in the merchant marine, where he served for 3 years. At the conclusion of his military service, he returned to his hometown and began working for a different shoestore. After 7 years with this firm, Oliver is convinced that salesmanship is his forte, and he is definitely planning on a partnership or a business of his own.

He is one of several outstanding businessmen who received his intial training in distributive education classes.

Case history No. 3:

Bob Henrichs graduated in 1950. After serving in the United States Army, he retired in Dallas, Tex., where he now owns and operates his own paint and wallpaper store. He worked in this type of store while he was in high school.

Case history No. 4:

Barbara Mead graduated in 1952. She started her sales experience with selling shoes in the children's shoe department of a large department store. For 1 year she continued her part-time work and attended the University of Tulsa. She is now one of the regular salespeople in the newly remodeled I. Miller Shoe Co.

Case history No. 5:

Arthur Carol Meek is now the junior partner of the Meed Furniture Co. This is the family company he was with when he enrolled in DE for a 2-year course. He graduated in 1948.

Case history No. 6:

Colleen McVay Thies sold clothing in a department store sports shop in 1947 while in DE. She is now married and has two children for which she is now more than partly financially responsible. She is working as a model and saleslady in one of Oklahoma's finest women's shops.

Case history No. 7:

Joe Ray finished high school in January 1951. In order to qualify as a member of the distributive education class in high school, Joe was employed part-time during his junior and senior years by a shoe company and department store.

After graduation, he worked for 6 months in the shoe department of one of the larger department stores. Later, he was employed by a local independent shoe store as assistant manager, where he remained for several months.

Because Joe was young and eager, he decided to go into business for himself; so he purchased a service station which he operated successfully for several months. Only Joe's desire to return to a retail store caused him to sell his service station and reenter the shoe department at the store where he was formerly employed.

Last week Joe was rewarded for his ardent work and untiring effort. The personnel officers of this organization promoted and transferred this fine young man to the Muskogee store, where he will serve as division manager of the shoe department.

Joe plans to stay with this big business concern, where he hopes to make a career of retailing and merchandising. He is now 22 years old, married, and well on the way to realizing his aim and ambition.

Mr. Chairman, it is my studied opinion that certain language in the 1954 appropriation for the Health, Education, and Welfare Act as it relates to vocational rehabilitation will seriously curtail the effectiveness of this highly vital and important program in most of the States.

The language, *"Provided further,* That the amount apportioned to a State for fiscal year 1955, shall not exceed $1 for each 75 cents contributed by the State for the same purpose," will reduce Federal aid to the States for fiscal year 1955 to the extent of $3,800,000, and in Oklahoma to the extent of $69 million.

The States are not in a position to vote the necessary funds for continuation of the program because State legislatures in most States will not be in regular session until January 1955. In many States this reduction in funds will mean a drastic curtailment of services and the laying off of highly qualified and experienced personnel.

President Eisenhower recognized these facts in his special message to Congress, in which he recommended a considerable expansion of vocational rehabilitation services during the next 5-year period. In order to carry out the President's recommendations for expansion of the program, or for that matter to maintain the present level of service, it is absolutely necessary that the language quoted above be repealed.

It is obviously the intent of this language to require the States to carry a greater part of the financial load of this program, which is also the President's views on the program. I will call the committee's attention to the fact that the Federal Government participates to the extent of 60 percent of public assistance, and that it hardly seems reasonable that the Federal Government should be more interested in public assistance for disabled people than it is in their rehabilitation.

On the other hand, if the States are to be expected to increase their participation as sharply as required by the language above, they must be given time in which to make the necessary adjustments.

It has been my observation, through the years, that the vocational rehabilitation service is one of the most constructive of the several grants-in-aid programs. Not only does the program return thousands of disabled adult persons to useful employment each year, it actually results in a tremendous saving of public funds that otherwise would be required for public assistance.

It is estimated that for each dollar spent toward this program, the Government actually gets back $10 because of the increased earning power of rehabilitated persons.

During the 3-year period from June 30, 1950, to June 30, 1953, in Oklahoma alone, the program has provided services to 9,593 handicapped people, and of this number 3,766 have been gainfully employed. This group's annual earning showed a gain of $6,053,880 after rehabilitation.

Even overshadowing the monetary phase of the program is the fact that in this country where we assume equality of opportunity in the pursuit of human happiness, it is our obligation to see that physical disability brought about by disease or injury does not result in the destruction of those qualities which make a man a self-respecting citizen. Any other attitude is to deny the principles of liberty and equality, on which this country was founded.

It is my earnest belief that the members of the committee do not wish to virtually halt a program as constructive as this one and I request the committee to take the necessary steps to appropriate $24 million for 1955, which is the minimum amount required to maintain the service at its present level.

Mr. Chairman, it must come with something of a shock to the American people—to say nothing of our educators—that in an estimated Federal budget of $65,600,000,000 for 1955, the piddling sum of $24,785,122 is set aside for so vital a need as vocational education in an American population of 152 million. The impact of the shock is accentuated by the fact that this niggardly figure represents an effort to cut Federal expenditures for vocational education in the United States 4.7 percent from the previous budget.

If this shortsighted economy in the wrong place means that this administration is planning to pull the Federal rug altogether from under vocational education in the United States, then I charge that this is an act approaching dangerously close to an entirely new form of national scandal. In principle it is violently reversing a policy established by Congress as far back as 1862 when Federal assistance for the development of agricultural and mechanical arts in colleges was first approved. In 1917, Federal aid was approved for secondary schools by enactment of the Smith-Hughes Act. Periodically additional funds were appropriated by subsequent acts until we come to the George-Barden Act of 1946 on behalf of which I especially wish to record my support.

I have studied several hundred of the 1,181 pages of the President's budget for 1955, and I can find items on almost every page—some worthy, some less worthy—but none of them so important to the basic welfare of the United States, none of them with so enduring a value to our people and to our national strength and standard of living, as the item for vocational education. This, if anything, should certainly be increased, not decreased. I would not have believed it possible that figures in a budget could say so plainly, bluntly, and cruelly to the youth of America: "Go hand!"

This unthinking penuriousness to education in America, on a fundamentally functional phase, is potentially so full of disaster for the careers of untold thousands of our people that I cannot refrain from employing the strong language which describes it as a stab in the back to one of our country's greatest needs. Of course, I am sensitive to the problem, and perhaps more acutely aware of its overall implications, because as a member of the Armed Services Committee I know to our shame what lack of vocational education meant to our military forces and to the war effort during the critical months of World War II. In desperation our military energies and resources had to be diverted to educating our men on the seas and in the field vocationally, in order to make them, through intense methods of training and with untold haste and waste, competent to handle the skilled and technical work that is a part of modern warfare—and a part of modern industry in peace.

Had we spent a fraction of the money and infinitely less time doing some of that job of vocational training by Federal aid in peacetime, the United States might have saved itself untold sums and shortened the war.

A study of the ramifications of the problem will show that Federal aid, as the Congress saw as far back as 1862, is an indispensable part of the program—Federal aid supplementing the educational program in the States. Some States by the nature of their economy and the limits of their wealth need Federal aid to vocational training in different degrees and proportions.

In Oklahoma, for example, about half of that State's youth is being served by vocational education—half. To reduce it would have a calamitous effect on many individual youngsters and leave a progressively more expansive gap in

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the progress and competence of Oklahoma's youth over the years, rendering them by that much, less able to meet the demands of the future. Who can calculate the detrimental influence this would have on families yet unborn? Who can say how much this knifing of the education of America's youth would render them less useful in emergencies of national or international import that might strike our security in the coming years?

Economy? Of course we believe in economy. But not the purblind economy that dwarfs the education of the future citizens of America, citizens of a democracy in which education is as indispensable as the air we breathe, to say nothing of the old axiom that knowledge is power. And power is what we shall doubly be called upon to provide against the ugly enemy that faces us from the Kremlin. That is why I plead with all the earnestness I can command that vocational education be amplified through additional Federal aid and not shrunk. In Oklahoma, my studies show, there is a need for an increase of 100 percent in vocational units in agriculture; 75 percent in distributive education; 100 percent in home economics; and 75 percent in trades and industries.

There are advantages to the Nation as a whole that do not show up in a budget and that are derived, I am sure, directly from the money we spend on vocational training.

We live today in a tragic consequence of our neglect of education in the past. What a false and visionless frugality that was. The consequences that have grown out of that neglect can be counted in the limited capacity of many of our citizens to earn a living, in their vulnerability to the influences of depression, their incapacity to work themselves out of their difficulties. Search through the army of the unemployed and see how many are nearly unemployable, or altogether unemployable, because of a lack of skills that vocational education would have prevented. The dollar we save in a Federal budget on vocational education today comes back to haunt us with thousands of dollars lost, with family tragedy, with relief and other evil consequences a decade later. It has its effect, too, on juvenile delinquency and touches the whole Nation in almost every part of its economic, political, social, and community life.

It is good to economize, but not on America's youth—not on America's future—and not on America's security.

Mr. Chairman, I would like to read a wire which I just received:

WASHINGTON, D. C., *June 7, 1954.*
Hon. VICTOR WICKERSHAM,
House Office Building,
Washington, D. C.:

Strongly urge your vote and utmost efforts to pass Abbitt amendment adding $6 million to funds for vocational education. Even this is almost 20 percent short of George-Barden Act authorization and more than 50 percent short of needs of high-school students for vocational education services.

JAMES G. PATTON,
President, National Farmers Union.

Mr. Chairman, I feel the amounts voted for administration expenses and building costs under Public Laws 815 and 874 are worthwhile, but insufficient.

Mr. Chairman, the members of the Oklahoma delegation who intended to attend the West Point graduation today stayed over in order to vote on this bill.

Mr. BUSBEY. Mr. Chairman, I have no further requests for time and ask that the Clerk do now read.

The Clerk read through line 2, page 2.

Mr. BUSBEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NICHOLSON, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H. R. 9447) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related independent agencies, for the fiscal year ending June 30, 1955, and for other purposes, had come to no resolution thereon.

LIGHTHOUSE SERVICE—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 429)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, the bill, H. R. 1026, "to amend the Public Health Service Act, with respect to the provisions of certain medical and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service, and for dependents and widows of officers and employees of such Service."

From 1910 to July 1939, the Lighthouse Service was manned by civilian personnel. On July 1, 1939, under a reorganization plan, the Lighthouse Service was absorbed by the Coast Guard. The Coast Guard put into uniform those employees of the former Lighthouse Service who were willing and qualified to accept military appointments. Those employees who wanted to remain civilians were allowed to do so.

This enactment would extend entitlement to medical care and hospitalization at Public Health facilities under certain circumstances to a number of categories of former Lighthouse Service employees, their dependents, and widows. The bill, however, by according such benefits to one group of Federal employees alone, would discriminate against the vast body of Federal workers. In fact, under the enactment, situations would arise in which former Lighthouse Service employees working side by side with other Federal employees and doing exactly the same type of work would enjoy benefits to which their fellow civil servants would not be entitled. H. R. 1026 would also discriminate against uniformed personnel of the Coast Guard, the Coast and Geodetic Survey, and the Public Health Service. It would establish a statutory entitlement to benefits for the widows of former Lighthouse Service personnel which are not provided generally to the widows of the uniformed personnel enumerated above.

Moreover, the enactment would constitute an unfortunate precedent. Other groups not now entitled to the benefits which would be granted by H. R. 1026 would justifiably consider themselves entitled to benefits comparable to those which would be accorded to the former Lighthouse Service personnel.

I wish to reiterate my strong support for a program of contributory medical care and hospitalization insurance, on a voluntary basis, for Federal employees generally. Such a program would aid Federal employees in meeting their medical and hospital needs and would be fair and equitable to all concerned. Moreover, it would be consistent with my objective of combining the best practices of progressive private employers with the special demands of the public service, thereby improving our Federal career employee system and the efficiency of its administration.

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, *June 8, 1954.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. DONDERO. Mr. Speaker, I move that the bill and message be referred to the Committee on Interstate and Foreign Commerce and ordered to be printed.

The motion was agreed to.

ANOTHER AMENDMENT PROPOSED IN SENATE TO CHANGE THE CONSTITUTION AFFECTING THE HOUSE OF REPRESENTATIVES—CHANGING TRADITIONAL POLICY THAT ALL ITS MEMBERS MUST BE ELECTED BY THE PEOPLE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, Members of the House of Representatives are proud of the fact that they are elected to a body of the United States Congress that only Members elected by the people are eligible to sit. It is all right for a governor to fill an unexpired term in the Senate—no one objects to that. In the House it is a different situation. It is the one body that is very close to the people and every Member of the House of Representatives must be elected every 2 years. Frequent elections make it responsive to the will and the wishes of the people. The framers of our Constitution properly provided that certain laws like revenue measures must originate only in the House of Representatives—the body that is so close to the people. It is the House of Representatives that also has the exclusive power to impeach and to elect a President when a candidate does not receive sufficient votes in the electoral college.

Now, it is proposed to change the Constitution by Senate Joint Resolution 39,

which passed the Senate June 4, 1954. This resolution provides that in the event of a national emergency or a national disaster caused by violence, where the total number of vacancies in the House of Representatives shall exceed 145, it will be permissible for the governors of the States affected to fill vacancies by appointment in the House of Representatives to exist for a period of time not exceeding 60 days. This sounds all right, but it violates a fundamental principle of our Government and a cherished tradition of the House of Representatives.

I do not criticize the United States Senators who are conscientiously sponsoring this resolution. I know that they are doing it in the belief that they are serving the public interest. I do not question their motives in the least—in fact I praise them for being on the alert against the dangers in our atomic, hydrogen, and cobalt age. However, it is my belief that the situation can be remedied without changing the Constitution.

It is my suggestion that Congress, by resolution—or the President, by proclamation—invite this matter to the attention of the governors of the 48 States. Forty-four of the legislatures of the 48 States will be in session in a few months—in the early part of 1955. With our modern methods of transportation and almost instant communication, arrangements can be made through State laws for any vacancy in a congressional district to be filled within 10 days or 2 weeks, possibly sooner, either by an election or by a convention of voters.

It occurs to me in thinking about possibilities—and even some of them are necessarily farfetched that should be given consideration, just as the United States Senate has taken its time to discuss and pass this resolution—that a possible situation affecting the Senate could be equally devastating to the proper functioning of our legislative procedure For instance, suppose one-third or more of the Senators should be injured and unable to perform their duties, how would such a forced absence from that great body be taken care of? This is one of the possibilities that can be brought up for consideration if we are going to consider every possibility, regardless of how remote.

I really believe this matter can be handled by the States, by making the arrangements in each State for the quick selection of a Member of the House to fill vacancies, either for a temporary period or for an unexpired term.

It is my feeling that we should be very careful about amending the Constitution, or even proposing amendments. I am not against a constitutional amendment if it is absolutely necessary, but we should make sure that it is absolutely necessary before we suggest one to the States.

The Senate has recently given consideration to a resolution proposing an amendment to the Constitution, changing the term of a Member of the House of Representatives from 2 years to 4 years. This would to my mind absolutely upset the proper workings of our great Government, which is in the form of a democracy in a republic. It would change it entirely. It would make elections less frequent, thereby getting the House of Representatives further away from the people.

I am not advocating it, but it seems to me that if we are going to make any change in the term of elections in either body that it would be more consistent and reasonable to change the term of the Senators to 4 years, instead of 6 years as at present. This would make elections more frequent for the Senators, thereby placing them closer to the people. I am not advocating this change for the reason that I believe the present setup in our Constitution cannot be improved upon—the Members of the House, 2 years; the Executive, 4 years; the United States Senate, 6 years; and the judiciary, for life. Certainly we would make a Member of the House of Representatives under the 4-year term proposal less responsive to the current needs and wishes of the people.

It has been suggested that an effort will be made to push Senate Joint Resolution 39 through the Congress during this session. If such an effort is made, I expect to appear before the committee in opposition to it and suggest that the matter be handled in the States. If, however, I am convinced that the States cannot handle the matter, I certainly would not oppose the resolution as I know it is introduced in the very best faith.

FOR DEEPER CHANNEL IN DELAWARE RIVER

Mr. BYRNE of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks and include two editorials.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BYRNE of Pennsylvania. Mr. Speaker, as the Representative in Congress from the Third Pennsylvania District, along which the Delaware River runs, I am very much interested in seeing the proposed deepening of the channel carried through to completion. In two recent editions of the Philadelphia Inquirer there appeared editorials on this subject which I would like to insert in the RECORD, as they express so well the great need for this improvement to our area, which is highly industrialized and for years has maintained a crying need for a deeper channel to lend the necessary assist in continuing its expansion:

[From the Philadelphia Inquirer of May 21, 1954]

VICTORY FOR A DEEPER CHANNEL: NOW FOLLOW IT UP

A major victory has been won in the fight to deepen our lower Delaware River Channel to the authorized 40 feet.

The Senate Appropriations Committee has approved a 2-year program under which $4,785,600 will be spent the first year to dig the channel to 39 feet, and another $4,500,000 the second year to reach the goal of a 40-foot depth. The schedule calls for completion of the dredging by June 1956.

True, this is only one step. These funds must be approved by the Senate as a whole. Then they must be O. K.'d in the House of Representatives, which so far has provided only the mere minimum for maintenance. But with administration backing and pressure there is every reason to expect a satisfactory outcome.

We congratulate all those who have fought this good fight, our Senators, our Representatives, our port and civic groups, and the many political leaders and good citizens who have given much time and effort to winning this battle for Delaware Valley, United States of America.

We only wish we could say that all those good citizens may now relax and take a breather. But they can't. Equally important is a companion battle which is yet to be won—

The battle to deepen the upper Delaware Channel to 40 feet from a point about 5 miles south of Trenton, and 35 feet above.

Here, indeed, is the heart of future expansion in Delaware Valley. On its 135-mile run from Trenton to the sea the Delaware flows past more than 8,000 industrial plants and it is in the upper area that 58 miles of shoreline is still available for development as a base for extended inshore growth in community building in both Pennsylvania and New Jersey.

So, while Delaware Valley has just won an important victory, another equally important campaign is yet to be waged. Let us all make ready for that task, join efforts to see it through at this session of Congress.

As we have pointed out before, it will be a sound investment for Uncle Sam and open wide the heart of Delaware Valley to the shipping of the world.

[From the Philadelphia Inquirer of May 17, 1954]

NOW SPEED DELAWARE VALLEY SEAWAY

President Eisenhower used nine pens to sign the St. Lawrence seaway bill. We hope he has at least one more pen left in his desk to sign a note to administration leaders in Congress telling them that the Delaware Valley seaway to Trenton is "must" legislation, too.

Delaware Valley's fight for a deeper channel to Trenton was launched last week before a Senate Public Works subcommittee. Of 19 witnesses all but 1 championed the new channel and presented powerful reasons for speeding its completion.

Two overriding arguments for spending a proposed $90 million on this project were given: One, that it would be beneficial and profitable to all Delaware Valley; and, two, that it would be beneficial and profitable to Uncle Sam.

Even with the present inadequate and neglected Delaware River Channel, industrial expansion of Delaware Valley, United States of America, has fired the imagination of planners for the future. It has attracted new industries, new enterprises in other fields, and witnessed the building of whole new communities as well as remarkable growth and expansion in the older cities and towns of the valley.

No one is asked to guess or speculate as to the trend of things in Delaware Valley, United States of America. It is before their eyes, in the monuments of new construction, and in the contributions of new workers and their families.

Nor is anyone asked to guess as to how much that pace of progress will be increased with a 35-to-40-foot channel to Trenton. As witnesses before the Senate committee showed, that gain can be calculated.

Figures of Army engineers, for example, show that by 1960, given the deeper channel, the Fairless Works of United States Steel will

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require 13 million tons of iron ore and coal yearly. It is estimated that 1,800,000 tons of miscellaneous commerce will be moving through the Trenton marine terminal alone, and with development of other ports—particularly Philadelphia's—due to show comparable growth, it is no wonder engineers concede that the deeper channel is economically well justified.

But aside from gains in Delaware Valley alone, there will be gains for the Federal Government in increased customs duties and increased taxes. As we have pointed out before, from 1900 to 1950 the United States Government received from Delaware River shipping more than $1½ billion, or nearly half the amount the Federal Government has spent since 1824 on all waterways improvement work throughout the United States. Customs receipts for the port of Philadelphia have run nearly a million dollars a week.

So, to put it another way, Delaware Valley has been a veritable gold mine for Uncle Sam. Now we are asking him to dig the channel a little deeper so he can get more gold and we can build a great tri-State community.

In view of the facts—and history—it is difficult to understand the viewpoint which holds that the United States Steel Corp. should be made to pay $18 million as part of the cost of deepening the channel to 40 feet to a point about 5 miles south of Trenton because United States Steel will be the biggest beneficiary in that area.

That argument surely goes by the board after approval of the St. Lawrence Seaway bill. No community, no industry, no State was asked to chip in to help meet the cost of that project.

On facts alone, Delaware Valley's own seaway—a deeper channel to Trenton (as well as swift completion of the authorized 40-foot channel below Philadelphia)—is entitled to prompt and favorable consideration, not only to spur private improvement but as a national public investment.

Let the good fight be carried on vigorously. Let it be taken to the President, whose aid can be a powerful factor in preventing delay and making success certain.

Mr. Speaker, industrial development has closely paralleled various deepenings of the channel between Philadelphia and the sea. A very substantial industrial development has followed the 40-foot project undertaken in 1939, which gave deep-draft ocean-going vessels access to the navy yard and other ports on the lower Delaware. New industry moved into the area below Philadelphia, attracted largely by the facilities made available by the deepened channel. Few locations in the Nation have shown as great an increase in industrial productivity, population, income, and taxables as the lower channel river area between Philadelphia and Wilmington.

For a second and equally important reason, the Delaware River Valley is of strategic importance to the future security and national defense. The diversified industrial power of the river basin is a keystone in the Nation's arsenal. Much of this industrial capacity is equipped for military production. The area includes such vital facilities as the Philadelphia Naval Base, shipyards, steel companies, and the Frankford Arsenal. Other important installations are definitely planned which will further increase the value of the area to the Armed Forces.

Some of the factors bearing on the subject of security are obvious.

First. The tidal reach of the Delaware River at no point between Delaware City and Trenton is closer to the shore than 40 miles—the approximate air-mile distance from Trenton to the Atlantic Ocean. This air-mile distance ranges up to approximately 60 miles.

Second. The tidal reach of the river—which happens also to be the range of current major industrial expansion—enjoys a nominal and natural security from interruption of operation in the event of war enjoyed by few, if any, other ports on the North American continent.

Third. The Delaware River port area—Wilmington to Trenton—thus is a natural fortress for the loading of supplies and the embarkation of personnel in the event of a national emergency.

Fourth. By rare good fortune, the Delaware River port area also happens to lie in the approximate center of a radius of 300 miles, touching the productive capacity and the transportation net of the heart of the northeast industrial quadrant—the vital heart of the Nation's production capacity.

Fifth. The Delaware breakwater, the reach of the bay and the tidal estuary all are successive baffles, so to speak, against the penetration of enemy seaborne craft. Whether an enemy submarine, snorkel-equipped submarines, or even nuclear-powered submarines, the tidal range of the Delaware offers a higher guaranty of security, per se, than any other port in the Nation.

The natural advantages and the enhanced security which the Delaware Valley thus enjoys is, however, totally wasted unless joined to it is a major program of channel deepening and anchorage widening undertaken as an urgent project in the national defense. I therefore urge the membership of this House to give approval to the funds as recommended by the Senate so that the deeper channel may be realized within the next 2 years.

KATYN AND BALTIC COMMITTEES EXPOSE COMMUNIST BLUEPRINT

The SPEAKER pro tempore (Mr. CANFIELD). Under previous order of the House, the gentleman from Indiana [Mr. MADDEN] is recognized for 20 minutes.

Mr. MADDEN. Mr. Speaker, during the last few weeks, alarming news reports are coming out of our sister American nations to the south that the Soviet conspirators are successfully infiltrating their Communist doctrines in the Western Hemisphere. We know now that the Kremlin has succeeded in making Guatemala a Communist beachhead in the Americas. We also know that much of Latin America is deeply infiltrated. Red agents are fomenting strikes, plotting revolutions and planting the seeds of bitterness within the shadow of the Panama Canal and but a few hundred miles from our own borders. Their strategy is to firmly establish a base in Guatemala. They then plan to organize their campaign of aggression on the continent of South America. If this plan succeeds as well as their past aggressions in Europe and Asia, it will be but a short time until the United States will be an island in a sea of world communism.

History might some day record that while the United States was trying to expand its resources and energies in Asia and other parts of the globe, we may find ourselves isolated in our hemisphere by Communist satellites to the south.

The Communists fifth column in South America is getting priority attention from the leaders in Moscow. Communist leaders in Guatemala and other South and Central American countries are now being sent to Moscow for extended periods to be further educated and indoctrinated in the Communist pattern of infiltration and peaceful aggression in free democratic nations.

It is estimated that there are over 200,000 Communists in Latin American countries who are willing to undertake job assignments of infiltration direct from Moscow. Communist propaganda and infiltration headquarters are now functioning in Mexico City, Guatemala in Central America, and Buenos Aires. Guatemala Communist agents have already been effective in elections in British Honduras, Jamaica, and Trinidad. They also hold most of the important offices in two French islands, Martinique and Guadeloupe. All of these islands occupy strategic places along the Caribbean shipping lanes. These Communist agents in our sister nations to the south have already succeeded in controlling a great many labor unions. They have concentrated on labor unions controlling the mining industry, especially copper, tin, oil, and transportation. The Kremlin was stopped in its effort to use labor unions in France, Italy, and other countires in western Europe because the American A. F. of L., CIO, railway brotherhoods and other unions donated funds and services of their leaders to aid European labor unions in their fight to resist communism. In carrying out this well-organized and programed infiltration, the Communists are playing on propaganda resentments and bitterness toward the United States. Their propaganda in the main is that most of the things that are wrong in Latin American nations have been brought about by the United States. These countries are a fertile field for Communist propaganda because of low living standards, low wages, and extensive poverty among the masses. Their propaganda further is that the Communist ideology works for the good of the poor. Through misrepresentation and false propaganda, they tell of the great happiness, contentment, and prosperity existing behind the Iron Curtain. Soviet lies have convinced millions of people behind the Iron Curtain and also in free countries, including Latin America, that all nations who recently have come under the Communist orbit, did so voluntarily and by the vast majority of the people in those countries. This false, well organized communistic propaganda has worked successfully through the years and has been the major bulwark used by the Communists to place almost 800 million people of the world under their form of tyranny.

To my mind, one of the mistakes or omissions that our Government has made in the past is that we have woefully neglected to use effectively our main weapon against the spread of communism. The weapon of which I speak is a well-organized program of sending to the people of the free countries, including our neighbor nations to the south, the true facts of the world Communist conspiracy, the tyranny, and slavery that exists in Communist-controlled countries and the methods used by the Kremlin to peacefully infiltrate free nations in order to rob these nations of their freedom. We in the United States have an erroneous conception that people in Italy, France, Latin America, and all other free countries are familiar with the tyranny which comes out of the Kremlin and the criminal minds possessed by its Communist leaders. Millions of people in free nations throughout the globe have no knowledge of the methods used by the Kremlin in subjugating free nations during the last dozen years.

While America and democratic countries were going about the work of reconstruction after World War I, the Communists moved in and took over Czechoslovakia, northern Iran, Eastern Germany, eastern Austria, North Korea, Poland, Rumania, Hungary, Bulgaria, and Albania. At our American back door we know only too well the inroads being made by the Communists.

When I say that our Government has been negligent in overlooking the great potential possibilities in concentrating on educating the people of the world on the true facts of communism, I do not advocate in any way, curtailing the expansion and increasing our military power so that we can cope with the Soviet armed might. A true Communist is a sworn enemy of America and everything that America stands for and we might as well face it. A true Communist believes that every nation and every person on earth must be brought under the Soviet dictatorship and that he has the duty to bring that about. The Soviets have marked America for conquest. This can be exemplified by the words of Lenin when he said:

> We are living not merely in one state but in a system of states and existence of the Soviet Republic side by side with the imperialist states for a long time is unthinkable. One or the other must triumph in the end.

ONE STEP IN A TRUTH CAMPAIGN

As an example of where our Government has been negligent in not taking advantage of every opportunity to inform the people of the world as to the fact that the leaders of the Soviet conspiracy are international criminals, was when the State Department, over a year ago, discouraged the Foreign Affairs Committee of the House from acting on House Resolution 63 which called for the sending of the testimony and the final report of the Special Katyn Forest Massacre Investigating Committee to the United Nations. Had this resolution been acted upon favorably and the United States delegates to the United Nations presented all the facts and testimony regarding this international crime of massacring over 14,000 Polish military officers and civilian intelligentsia, the people of the world would have learned that communism is founded on crime and criminal conspiracy. If the sworn testimony obtained by the Katyn Forest Massacre Committee had been placed before the United Nations delegates for debate and discussion, the people of the free democratic nations, including our South American neighbors, would have first-hand sworn testimony revealing communism in its true light.

BALTIC COMMITTEE

Last summer this Congress authorized the creation of the Select Committee To Investigate the Incorporation of the Baltic States Into the U. S. S. R. This committee has already held hearings in Washington, New York, Detroit, and Chicago and accumulated startling and important testimony from former leaders of nations which have been siphoned into the Communist orbit.

This week the Baltic Committee leaves for London and Germany where hearings will be held during the next 3 weeks, bringing out further testimony exposing the true pattern and blueprint used by the Soviet Union in taking over free nations and placing them under Communist slavery.

Leaders of former free Lithuania, Latvia, Estonia, Poland, Rumania, Slovakia, Hungary, and other nations have already, under sworn testimony, exposed the methods and insidious machinations used by the Communists to secure control of these captive countries. The same identical pattern is now being used by the Communist leaders in Guatemala that was used 10 years ago in the countries above mentioned.

I believe our State Department is negligent in not outlining a program to take advantage of the startling sworn testimony which the Baltic Committee has recorded exposing the true facts concerning the methods of Communist infiltration and peaceful aggression into free countries throughout the world. The Baltic Committee has already recorded testimony exposing the clever connivance and trickery used by the Kremlin through promises of self-government and protection to take over smaller nations in the past. If these facts were known to millions in South America and other free nations that are potential victims of Communist aggression, the path of the Kremlin would be more difficult.

Walter Winchell, in his broadcast last Sunday night, stated that already the Communist conspirators in Guatemala are making efforts to sign nonaggression pacts with Nicaragua, Honduras, and neighbor nations. That method of agreeing to nonaggression pacts was exactly the blueprint used to place Lithuania, Latvia, and Estonia, and other captive nations under Kremlin slavery. Once the aggression pacts are signed, the Communists move in and leaders of the former free countries are immediately arrested, executed, or placed in political prison camps where they undergo the customary Communist torture and other criminal inflictions.

FIGHT LIES AND FALSE PROPAGANDA WITH FACTS

I am writing the Secretary of State, asking that his Department take steps to have millions of pamphlets printed, setting out therein, sworn tesimony and facts which have been recorded by the Katyn Forest Massacre Committee and the Baltic Committee, revealing the technique and blueprint used by the Kremlin leaders to take over countries now under the communistic orbit. These pamphlets should be printed in the languages of the various countries that are now potential victims of Communist aggression and distributed within their borders. The factual evidence and testimony will bring to the minds of millions within these countries, information and testimony taken under oath exposing the false propaganda and malicious lies which Communist infiltrators have used so successfully among the Baltic nations. I firmly believe that if our State Department will organize and carry out a systematic program of disseminating true facts regarding the technique of clever Communist methods in infiltrating free nations, we will do more to curb the Kremlin's criminal progress than the futile effort of spending time and money trying to sign treaties with Malenkov, Molotov, and Vishinsky.

Two years ago when the Katyn Forest Massacre Committee was holding hearings in Germany, exposing the true facts regarding the Katyn massacre, underground representatives of captive nations stated that it was the first time the Communist propaganda machine was placed on the defensive. They stated that the publicity through newspapers, radio, television, and otherwise, did more among the free countries in Western Europe to expose the Communist lies and false propaganda than any steps which had been taken in 10 years to curtail communism.

I fully realize that there are legal and procedural barriers which enter into the fact that the State Department opposed the approval of House Resolution 63, which would give Congress permission to forward the Katyn Forest Massacre Committee's testimony and report to the United Nations. In justice to the State Department's position on the Katyn Resolution 63, I wish to incorporate with my remarks a letter dated May 14, 1953, from Thruston B. Morton, Assistant Secretary of State, outlining in detail the reason for the Department's opposition to favorable action on House Resolution 63.

Mr. Speaker, I ask unanimous consent to include at this point a letter I have received from Assistant Secretary of State Thruston B. Morton.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

(The letter referred to follows:)

DEPARTMENT OF STATE,
Washington, May 14, 1953.

The Honorable RAY J. MADDEN,
House Foreign Affairs Committee,
House of Representatives.

MY DEAR RAY: I am writing to you with reference to the request in your letter of May 5, 1953 for an opinion as to possible action by the Congress at this time on House

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Resolution 63 incorporating the recommendations of the Select Committee to Investigate the Katyn Forest Massacre.

House Resolution 63 recommends to the President the following courses of action:

"(1) to forward to the United States Mission to the United Nations the testimony, evidence, and findings of the select committee, created by House Resolution 390, 82d Congress, to conduct an investigation and study the facts, evidence and circumstances of the Katyn Forest Massacre;

"(2) to instruct the United States Mission to the United Nations to present the case of the Katyn Forest Massacre to the General Assembly of the United Nations;

"(3) to take such steps as may be necessary to express the desire of the United States that the General Assembly of the United Nations institute action before the International Court of Justice against the Union of Soviet Socialist Republics because of the commission of mass murder in the Katyn Forest, in violation of the general principles of law recognized by civilized nations; and

"(4) to instruct the United States Mission to the United Nations to seek the establishment of an international commission to investigate other mass murders and crimes against humanity."

The foregoing recommendations center upon possible methods of utilizing the findings of the select committee concerning the Katyn atrocities within the framework of United Nations organs, particularly the General Assembly and the International Court of Justice. The State Department's comments on these recommendations, detailed below, represent many months of study within the Department as to the best ways of utilizing the valuable work of the select committee both within and outside of the United Nations. It is axiomatic that the best evidence of Soviet ruthlessness is precisely the kind of exhaustive documentation assembled by the select committee's findings to greatest advantage.

The Department's general conclusions have been that the facts about Katyn could be used to maximum advantage by getting them directly before the people of Europe, those behind the Iron Curtain as well as those menaced by the Soviet threat. Accordingly, the facts found by the select committee have been widely publicized through the distribution of pamphlets and through Voice of America broadcasts. Our reports from the field indicate that these activities of the International Information Administration have had telling effect.

These facts have also been brought to world attention in the United Nations General Assembly by Ambassador Lodge in a statement before the Political Committee on March 25, 1953. It is the intention of the Department to continue to utilize these facts as appropriate in the course of General Assembly discussions of more recent Soviet violations of human rights. Utilization of the Katyn material in debates on contemporary items has seemed more advantageous than an attempt to secure formal General Assembly action on the Katyn case itself. Many governments, as distinct from peoples, are reluctant to inquire too deeply into events which took place in wartime more than a decade ago (prior, indeed, to the establishment of the United Nations), and it is the view of the Department that hesitant United Nations endorsement of the select committee's findings could only serve to undermine the substantial impact those findings have heretofore had.

In the light of these general observations, I shall outline below the detailed comments of the Department on House Resolution 63. For the sake of convenience, I shall number these comments in sequence corresponding to the four numbered operative paragraphs of the draft resolution:

1. The testimony, evidence, and findings of the select committee have already been forwarded to the United States Mission to the United Nations.

2. In accordance with the Department's instructions, Ambassador Lodge has formally requested the Secretary General of the United Nations to circulate copies of the Select Committee's interim report, which contains findings on Soviet responsibility for the Katyn Forest massacre, to all permanent representatives to the United Nations and to make the seven volumes of the committee's record available to all interested representatives. The Secretary General has complied with this request.

Furthermore, as noted above, the findings of the Select Committee have been utilized in debate by Ambassador Lodge during the seventh session of the General Assembly.

3. With reference to the proposal that the General Assembly institute action against the Soviet Union in the International Court of Justice, the Department is reluctantly compelled to conclude that there is no jurisdictional basis for compulsory litigation of the case.

As you know, only those states which have accepted the compulsory jurisdiction of the Court can be compelled to come before the Court in answer to a complaint. The Soviet Union has never accepted the compulsory jurisdiction of the Court. It is true that the Soviet Union has signed the Genocide Convention, which might be construed as covering acts akin to the Katyn massacre, and it is also true that article IX of the Genocide Convention provides for submission to the International Court of disputes as to the "interpretation, application, or fulfillment" of the Convention. However, in signing the Convention the Soviet Union attached a specific reservation denying the compulsory jurisdiction asserted in article IX; in addition, the Soviet Union has not ratified the Convention. It will be recalled that there are a number of states, including the United States, which have signed but not yet ratified the Genocide Convention.

With respect to this jurisdictional problem, the Department recognizes the theoretical possibility that the General Assembly could ask the International Court for an advisory opinion relating to the Katyn massacre. However, apart from the difficulty of getting General Assembly support for such a request, there is a very real possibility that the International Court, following the precedent of the Permanent Court of International Justice, in the Status of Eastern Carelia, series B, No. 5 (PCIJ 1923) 28–29, might refuse to render an advisory opinion. Accordingly, the Department feels that the substantial chance of an unsatisfactory response either in the Assembly or in the Court overbalances any possible advantage which might be gained even if all went well.

4. The final operative paragraph of House Resolution 63 suggests that the United States Mission "seek the establishment of an international commission to investigate other mass murders and crimes against humanity."

To the extent that House Resolution 63 may contemplate the establishment of a full-fledged tribunal capable of passing judgment, the Department wishes to call the attention of the Foreign Affairs Committee to proposals now pending in the General Assembly for the establishment of an International Criminal Court. Its proponents believe that such a court could take appropriate action with respect to atrocities on the order of the Katyn Forest massacre. Since plans for an International Criminal Court are still in the process of formulation, the United States has not yet determined any final position with respect to these proposals.

To the extent that the commission contemplated by House Resolution 63 would be purely investigatory, the Department feels that the desirability of such a proposal should be given considerable study before final conclusions are reached. It is evident that it would in many ways be helped to have in existence an international agency capable of inquiring into current crimes against humanity perpetrated by the members of the Soviet bloc. On the other hand, it can be anticipated that the procedures of such a body would be systematically and continuously abused by the Soviet bloc for the airing of false charges against the Western Powers and particularly the United States.

In summary, since the first and second recommendations of the committee have already been substantially implemented by the Department and since further action on the third and fourth recommendations seems undesirable for the reasons outlined above, it is the view of the Department that no useful purpose would be served by further action by the Congress on this subject at the present time. The select committee's contribution has been, and will continue to be, an extremely valuable part of the campaign of truth being waged inside and outside the United Nations to present to the world a vivid and accurate picture of Soviet tyranny.

Sincerely yours,

THRUSTON B. MORTON,
Assistant Secretary.

Mr. BUSBEY. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Illinois.

Mr. BUSBEY. I wish to congratulate the gentleman from Indiana for the fine statement he is making. As a member of the Baltic Committee to which he referred, I think I am speaking for every member of the committee when I say that his experience on the Katyn Forest Committee has been invaluable to the work of the Baltic Committee; and I know it will prove so when we go to Europe to hold hearings.

Mr. MADDEN. I thank the gentleman from Illinois [Mr. BUSBEY]. He is also a member of the Baltic Committee and has done a great work for that committee.

Mr. DONDERO. Mr. Speaker, will gentleman yield?

Mr. MADDEN. I yield to the gentleman from Michigan, who was also a member of the Katyn Forest Massacre Investigating Committee.

Mr. DONDERO. I thank the gentleman. I just rose to commend the gentleman from Indiana, who has the floor, for the splendid statement he has made and the facts he has revealed. As a member of the Katyn Committee, perhaps no one better than myself knows what a splendid job Chairman Madden did both in England and in Germany. We held hearings in those two countries. I simply want to say that the program or policy of the Russian Government that the gentleman stated just a few minutes ago—from that policy and purpose Russia has never retreated one inch; and as long as she maintains the policy that she is going to destroy every government on the face of the earth, including the United States, the time may come—perhaps in your lifetime and mine—when the free nations of the world may have to come to grips with the ideology

or philosophy of communism to see whether or not freedom shall exist in this world or whether the whole world will become enslaved.

Mr. MADDEN. I wish to thank the gentleman from Michigan [Mr. DONDERO] for his statement and also to add that as a member of the Katyn Forest Massacre Investigating Committee the gentleman from Michigan [Mr. DONDERO] was the bulwark of that committee and devoted weeks and months toward making the work of the Katyn Forest Massacre Committee a success.

Mr. DONDERO. I thank the gentleman, but the gentleman was too modest in omitting himself; you were the keystone of the work of the committee that did such a splendid job.

Mr. MADDEN. I thank the gentleman from Michigan.

SOIL CONSERVATION, FLOOD CONTROL, AND WATER MANAGEMENT POLICIES

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Kansas [Mr. MILLER] is recognized for 30 minutes.

Mr. MILLER of Kansas. Mr. Speaker, it is with reluctance that I appear again before the membership of this legislative body to discuss for a brief period an issue upon which I have previously spoken a number of times. The reason is that the question of proper management of water, along with issues arising out of it, is and has been from the earliest history of the human race, man's greatest problem. How to get water out of the river upon the thirsty land in time of drought, how to make the best use of rainfall, and how to prevent the excess water from devastating their cities in time of flood were the greatest problems of the earliest civilizations known to history. We read upon the masonry of the cities of Sumeria, the cradle of the human race, their prayers to their gods:

> Rather than send us a flood, let a famine come and diminish mankind.

And we find in the sands of that vanished civilization that, while they feared the flood, they had also a great system of irrigation to use the water of the Tigris and the Euphrates. It was then, as now, too little or too much. We learn in the holy writ that long before the people of Israel went down into Egypt, their herdsmen quarreled and fought over the wells of the land of Canaan. Water for their cattle was the problem of these herdsmen even before they learned from the Egyptians the science of agriculture.

It was water beating down upon the fertile plains of Metsopotamia, washing their soil into the Persian Gulf, that transformed that goodly land into a desert waste. It was the water falling upon the plains of North Africa, long the granary of the world, that made the very name Soudan a synonym of desert. Water for our growing crops, water for the livestock, water for our sewers, water for our household—to procure it in abundance is the great problem of this Nation.

The benefits of water are equaled only by its destructiveness. The same water that makes fertile the soil will, uncontrolled, wash that soil into the sea. Witness the deltas of the Euphrates and the Nile, protruding into the Persian Gulf and the Mediterranean Sea. Those deltas are the graveyards of Babylon and Egypt, the two great nations of antiquity. I ask, "Do the people of the United States intend to permit the delta of the Mississippi River to become the graveyard of this Nation?"

Mr. Speaker, only a week ago we witnessed the spectacle of a humble little man appearing before this body as the emperor of a benighted people who occupy the withered land of a once rich and proud nation. What has happened in the 3,000 years between the visit of the Queen of Sheba to King Solomon and the visit of Haile Selassie to Washington? This is what happened. The soil of Ethiopia has been washed into the Red Sea.

Mr. Speaker, we are said to be a proud Nation. We have reason to be proud. We have not only availed ourselves of all the learning of the ages—the science, the literature, the knowledge of government—we have also fallen heir to the greatest block of material wealth that any people have ever enjoyed. Our spiritual and our material blessings are evenly balanced. With our democratic institutions, our scientific knowledge, our material resources, we should be secure against every danger from within and without. But we are not secure. We know now that we need to be on our guard lest we forfeit our democratic way of life. We are making a supreme effort to guard against any encroachment upon our freedom as a people and a Nation. We hear it said over and over that eternal vigilance is the price of liberty. We are well alerted to that situation and we are spending billions of dollars to safeguard our freedom. That is as it should be. But, Mr. Speaker, we need to know that our material resources are also in danger. We need to know that life is as important as liberty and that the fertile soil, the source of life, is not inexhaustible. Life and liberty are twin necessities. What is a country without liberty but a nation of slaves? What can a country without means of subsistence be but a nation of paupers? No nation can be stronger than the spirit that inspires her people and the good soil that gives them life. Mr. Speaker, it is upon this subject of saving our soil and conserving and controlling the water that falls upon it that I now address myself. I approach the question with the more confidence for the reason that I have lived with it. Year after year I have witnessed not only the depletion of the fertility of our soil, but its total destruction by being washed into the sea, until now we are spending millions of dollars annually to replace fertility we have lost by erosion.

Mr. Speaker, this has happened all over the rolling prairie land of the Midwest until we have lost a third or more of our fertile soil. It went on until the deep gullies in our fields drained the water from the underground reservoirs of sand and gravel and our water table was lowered 10, 15, and 20 feet. It went on until many of what were excellent farms with not a square rod of poor land now have acres that are worthless. It went on until the lowering of the water table, because of the gullies, dried up nearly all the springs and many of the wells, until the millions of tons of black silt, washed from the fields, filled the clear pools in the creeks and piled up in our river valleys or went on into the Gulf of Mexico.

It went on until the clear streams traversing our beautiful terrain became narrow, muddy rivulets. It went on until we have a generation of farm lads who know nothing of good fishing in the clear streams that formerly traversed this area, who never saw the live clams on the gravelly creek bed, or the fine swimming hole at the bend of the creek. Mr. Speaker, these are some of the things that I have seen happen, and a part of which I was, as I grew to manhood in this area of which I speak.

You may ask, my colleagues, why all the waste? Why all this destruction? Why was it permitted to happen? Those are natural and legitimate questions. I answer in one short sentence: "We could not help it." Why could not we help it? For two reasons—first, because we had to make a living, and second, because there was, at that time, no practical way for a farmer to so manage his land as to produce crops and at the same time save his soil.

So long as the sod was unbroken, the grass held the soil; but, once broken, there is no way to prevent plowed land washing away, except to terrace the land, and at that time it could not be done. It could not be done because it was physically impossible, and because it was economically impracticable. It was impossible because we did not have the machinery. It was impracticable because we did not have the money. The farmer was finding it hard enough just to make a living. Times on the farm were hard. There was no farm program then. But great changes have taken place. Within the last 30 years there has been developed power machinery whereby almost any farmer can establish waterways and terrace his land within a period of 3 or 4 years, if he but has the money. Finance is now the great problem in soil conservation. It is to solve that problem that I have myself introduced into this Congress a bill authorizing the Secretary of Agriculture to insure loans to farmers for soil conservation practices. The passage of such a bill will greatly expedite such a program.

Parallel with the problem of soil conservation is that of flood prevention. Great strides have been made in this direction since the first soil conservation act was passed in 1936. We have gone through the experimental stage. We have acquired the know-how. Our land-grant colleges have turned out thousands of engineers who know how to measure and lay out the work. They have trained

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hundreds of young men to act as county farm agents who, in turn, have passed their knowledge on to the farm operators until now there is a veritable ground swell of demand that measures be taken to save our soil. This has resulted in legislation by the States providing for the organization of soil conservation districts under the supervision of boards of directors elected by the farmers themselves. In my State of Kansas, every one of the 105 counties is a soil conservation district.

In this short period of time, such progress has been made that the management of water that falls upon the earth is only a matter of finance. Given the money to finance the work, mankind can control the water that falls upon the earth almost as he sees fit. Fortunately, there is plenty of accumulated capital to finance the job. It is only a question of whether the Federal Government is willing to cooperate to the extent of backing the local banks to make the loans to expedite the work. By this program, we conserve its benefits and prevent damage in a single operation.

The House wisely, and by almost unanimous vote, passed a bill providing for such a program. Unfortunately, this bill has met opposition in the other body by the Corps of Engineers, who take the stand that it is encroaching on their field of operations. In my opinion, their position is not well taken. If this no man's land lying between the area on which the rain falls and the river channel was ever within the scope of authority of the Corps of Engineers, that right has been surrendered by default, for they certainly have done nothing to justify their claim. If the Corps of Engineers have present authority to direct operations of flood control down to detention dams below 5,000 acre-feet, they have neglected their duty in that regard. If they do not have such authority, do they wish to place themselves in the role of acting the part of the dog in the manger? Let me give you an example of what has happened in our national effort to prevent floods. The Department of Agriculture has been given a few million dollars annually to make a token effort at flood control on the individual farms where the rain falls. It has done a remarkable job with the meager encouragement and assistance given it. The Corps of Engineers have been given hundreds of millions of dollars to be lavished upon downstream river channel projects, and they have used it lavishly, in the main effectively. But in between the limited area of authority of the Department of Agriculture and the acknowledged authority of the Corps of Engineers is that vast area drained by the creeks and tributaries that has remained untouched. Here is where the floods are formed. Here is the most critical area. Here is where the problem of flood prevention must be met and solved.

What would we think of a traffic authority that would slow down the oncoming traffic only at the city limits and then let it run pell-mell down to the center of the city without a stop sign? You know what would happen. There would be a logjam of automobiles. That is exactly the way we have handled the streams of water converging into our river channels. Instead of policing them at strategic places, slowing them down so as to permit only such flow as the channels could carry, we turned them loose to go on a rampage over fields, fences, bridges, and into the river channels without even a stop light. We have given a green light to flooding waters all the way from the farmer's field down to the river channel. One does not need to be a college graduate or a civil engineer to be able to see the folly of such a course. And yet there are those who would have us continue in it. Who was it that said, "There are none so blind as those who will not see"? Just why a body of intelligent, well-trained men whose commission it was to develop plans to control excessive rainfall should, through a period of more than 20 years, fail to recognize the obvious fact that the way to control floods is to prevent them is beyond my comprehension. Maybe it is through force of habit. Maybe it was the enchantment of constructing big dams—the charm of the stupendous. I will admit that the sight of a $100-million dam a mile long and 195 feet high is more wonderful to behold than a hundred or two hundred smaller dams back between the hills, even though they may be doing the same work and doing it better. Why are we building any dams at all in this low-gradient agricultural area? Are we building them to make a name for the Corps of Engineers or to employ men? No; evidently we are building them to prevent floods, and, generally speaking, here in the Missouri River Valley for no other purpose. It has been said that if each will sweep his own doorstep the city will be clean. If we prevent flooding on the tributaries, there can be no flooding on the main stem.

That statement seems to me incontrovertible. The river is the sum total of the tributaries. But I hear it said that not all the land is tillable, and if all the tillable land had soil-conservation treatment there would still be enough untreated land to create a flood condition. That statement was made by Brig. Gen. W. E. Potter. He said to me, "Congressman, do you not know that if all the farmland had soil-conservation treatment there would still be enough other land to produce a flood?" I replied, "General, our program contemplates soil-conservation and flood-prevention measures on all the land." And that is the case. The watershed program proposed by the advocates of upstream flood prevention does not contemplate halfway measures. Grassland or farmland—it is proposed to keep the runoff water under control. When the time comes that the landowner has done all that is possible to slow down the excess water, it is no longer a question of soil conservation. It has now become a problem of so handling the water that it will do the most good where it is needed, and the least harm where it is not needed. To do this we must keep it under control from the field where it falls down to the river channel.

Excepting in the case of the most catastrophic situation, such as no man can foresee or guard against, mankind, through discovery and invention, can do with the water that falls upon the earth almost as he sees fit. He can now say, "In this direction shalt thou go, and at this speed shalt thou travel," and it shall be done. He can say, "At this point shalt thou be detained for such a period of time," and he will be obeyed. With this newly acquired power over what has been mankind's greatest benefactor and his greatest menace, a new age is now being ushered in upon the earth. The question is, "Do the American people, does this Congress, see the opportunity and assume the responsibility?"

That is the question before the Committee on Agriculture and Forestry of the other body at this time, and it is the question that will come before the conference committee in the near future. Upon the answer to that question hangs the future welfare of the people of this country. Upon the answer to that question hangs the present welfare and safety of the people living in the towns and cities along the river channels of the great Missouri Valley. We want to protect those people. We want to protect them as fellow human beings. We want to protect them as a part of the economy of our community. We do not want to see them exposed to floods and for that reason we want to hold back the water on our own land to prevent it. We people living in the Kansas River Basin, whether living on the upland or in the river valley, have this problem in common. There is absolutely no diversity of interest.

Then there are esthetic considerations that affect all of us: Wildlife, recreation, fishing, and boating. Many of these detention dams needed to prevent floods will be permanent ponds covering several acres. They will be stocked with fish. There will be boating and places for picnics, springs by the wayside. In fact, within a few years, it is easily possible that man will so far have transformed the face of the earth in the great Missouri Valley that it will no longer be regarded as an area subject to fluctuations between disastrous floods and extreme drought, but will become the great garden spot of the United States.

Soon or late, if we are wise, this is bound to happen. Soon or late, the American people are going to wake up to the danger that confronts their food supply. Let me quote from the remarks of President Eisenhower at the recent convention of the National Rivers and Harbors Congress:

> I have become convinced that before very long, America will almost unanimously look upon water as its single greatest resource.

How soon it will happen depends upon what this Congress will do with the Hope-Aiken watershed bill. At any rate it is well within the power of Congress to place the responsibility for development of this area where it may see fit. The House has seen fit to put it within the authority of the Department of Agriculture to construct flood-prevention

dams up to 5,000 acre-feet capacity. It is to be hoped that the other body will see the problem in the same light. That body has in its membership many forward-looking men who understand the problems arising out of the proper management of our land and water resources. I am confident that the long and extensive study that some members of the full Senate Committee on Agriculture have given to this important problem will result in the enactment of a law making possible the most modern and proven methods of land and water management.

It is believed by those of us who have made a careful study of the Senate bill as it came from the Subcommittee on Agriculture and Forestry, that the amendment to the House bill reducing the maximum size of dams authorized to be constructed by the Department of Agriculture to 1,000 acre-feet, and requiring the approval of the Secretary of Interior and the Corps of Engineers to all important undertakings, would so hamper the entire program as proposed by the House committee as to make it ineffective. It is earnestly hoped that these crippling amendments will be stricken from the bill.

Mr. Speaker, if we are to prevent the Gulf of Mexico becoming the graveyard of the Mississippi Valley, if we are to take immediate and practical measures to save our soil and to protect the people living in the towns and cities on the banks of the rivers of the Mississippi Valley against recurring and inexcusable floods, we must see that no crippling amendments shall be attached to the Hope-Aiken watershed bill as passed by the House.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. BYRD in two instances and to include extraneous matter.

Mr. BUSBEY to revise and extend his remarks in committee today and tomorrow and include extraneous matter.

Mr. FOGARTY, his remarks in the Committee of the Whole and to include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Messrs. HILLINGS, BUSBEY, BONIN, MADDEN, MACHROWICZ, FEIGHAN, DODD, and KERSTEN of Wisconsin, on account of official business.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1244. An act relating to the renewal of star route and screen vehicle service contracts; to the Committee on Post Office and Civil Service.

S. 2027. An act authorizing the Secretary of the Interior to issue quitclaim deeds to the States for certain lands; to the Committee on Interior and Insular Affairs.

S. 2367. An act to amend the act of June 29, 1935 (the Bankhead-Jones Act), as amended, to strengthen the conduct of research of the Department of Agriculture; to the Committee on Agriculture.

S. 2715. An act to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

S. 2719. An act to prevent persons who engage in activities contrary to the interest of the United States from pursuing a course of education or training in a foreign country under the Servicemen's Readjustment Act of 1944; to the Committee on Veterans' Affairs.

S. 3207. An act to amend section 8a (4) of the Commodity Exchange Act, as amended; to the Committee on Agriculture.

S. 3318. An act to provide for a continuance of civil government for the Trust Territory of the Pacific Islands; to the Committee on Interior and Insular Affairs.

S. 3336. An act to promote the apportionment of the waters of the Columbia River and tributaries for irrigation and other purposes by including the States of Nevada and Utah among the States authorized to negotiate a compact providing for such apportionment; to the Committee on Interior and Insular Affairs.

ENROLLED BILL SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 107. An act to provide for the transfer of the site of the original Fort Buford, N. Dak., to the State of North Dakota.

H. R. 2016. An act to authorize the Secretary of the Interior to sell certain land to the Board of National Missions of the Presbyterian Church in the United States of America;

H. R. 2226. An act to repeal the provision of the act of July 1, 1902 (32 Stat. 662), as amended, relating to pay of civilian employees of the Navy Department appointed for duty beyond the continental limits of the United States and in Alaska;

H. R. 2828. An act to provide for a per capita distribution of Menominee tribal funds and authorize the withdrawal of the Menominee Tribe from Federal jurisdiction;

H. R. 2849. An act to amend the act entitled "an act to authorize the transfer of land from the War Department to the Territory of Hawaii," approved June 19, 1936;

H. R. 3573. An act for the relief of the estate of Anna I. R. Wells, deceased, and others;

H. R. 3907. An act for the relief of Jean Sutherland;

H. R. 5831. An act to enable the Hawaiian Home Commission of the Territory of Hawaii to exchange available lands as designated by the Hawaiian Homes Commission Act, 1920, for other publicly owned lands;

H. R. 5833. An act to authorize the commissioner of public lands of the Territory of Hawaii to exchange certain public lands for private lands of equal value required for school purposes;

H. R. 5913. An act to simplify the handling of postage on newspapers and periodicals;

H. R. 6328. An act authorizing the exchange of certain public lands in the vicinity of Waimea, County of Hawaii, in the Territory of Hawaii for certain privately owned lands;

H. R. 6888. An act to amend section 201 (a) of the Hawaiian Homes Commission Act;

H. R. 6890. An act to approve Act No. 27 of the Session Laws of 1951 of the Territory of Hawaii, entitled "An act to amend Act 24 of the Session Laws of Hawaii, 1927, as ratified by the act of Congress of March 2, 1928, so as to extend the electric light and power franchise granted by said act to cover the entire districts of Waimea and Koloa on the Island of Kauai, T. H."; and

H. R. 8487. An act to amend the act of June 19, 1948, to provide for censuses of manufactures, mineral industries, and other businesses relating to the year 1954.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 251. An act to amend section 1923 (a) of title 28, United States Code, relating to docket fees;

S. 1432. An act for the relief of Milos Grahovac and Nikola Malijkovic;

S. 1823. An act to allow credit in connection with certain homestead entries for military or naval service rendered during the Korean conflict, and for other purposes;

S. 2761. An act to approve repayment contracts negotiated with the Hermiston and West Extension Irrigation Districts, Oregon, and to authorize their execution, and for other purposes;

S. 2773. An act to amend the act entitled "An act to provide for the transportation and distribution of mails on motor-vehicle routes," approved July 11, 1940 (54 Stat. 756);

S. 3090. An act to authorize the transmission and disposition by the Secretary of the Interior of electric energy generated at Falcon Dam on the Rio Grande;

S. 3446. An act to amend the act of January 6, 1951 (64 Stat. 1221), by authorizing certain rehabilitation at the United States Military Academy; and

S. 3524. An act to affirm the temporary appointments of certain officers of the Navy, and for other purposes.

ADJOURNMENT

Mr. DONDERO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 10 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 9, 1954, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1610. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1955 and for other purposes, in the amount of $165,737,449, together with several proposed provisions and increases in limitations pertaining to existing and proposed appropriations (H. Doc. No. 428); to the Committee on Appropriations and ordered to be printed.

1611. A letter from the Acting Secretary of Defense, transmitting a semiannual report of the payment of claims arising from the correction of military or naval records for the period July 1, 1953, through December 31, 1953, pursuant to Public Law 220, 82d Congress, approved October 25, 1951; to the Committee on Armed Services.

1612. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of legislation entitled "To repeal the act approved September 25, 1914, and to amend the act approved June 12, 1934, both relating to alley dwellings in

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the District of Columbia"; to the Committee on the District of Columbia.

1613. A letter from the Acting Comptroller General of the United States, transmitting a report on the audit of the Bureau of Mines and Defense Minerals Exploration Administration, agencies in the Department of the Interior, for the fiscal year ended June 30, 1953, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1614. A letter from the Chairman, Federal Communications Commission transmitting a report on backlog of pending applications and hearing cases in the Federal Communications Commission as of April 30, 1954, pursuant to section 5 (e) of the Communications Act as amended July 16, 1952, by Public Law 554; to the Committee on Interstate and Foreign Commerce.

1615. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled "To continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, as amended, relating to war-risk hazard and detention benefits until July 1, 1955"; to the Committee on the Judiciary.

1616. A letter from the Secretary of the Air Force, transmitting a draft of legislation entitled "To amend section 1362 of title 18 of the United States Code to provide penalties for malicious damage to private communications facilities"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 1974. A bill to amend the third paragraph of section 4, chapter 1, title I, of the act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900 (31 Stat. 322; 48 U. S. C., sec. 101), as amended; with amendment (Rept. No. 1766). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 8754. A bill to provide for a continuance of civil government for the Trust Territory of the Pacific Islands; with amendment (Rept. No. 1767). Referred to the Committee of the Whole House on the State of the Union.

Mr. SHAFER: Committee on Armed Services. H. R. 9340. A bill to provide for the conveyance of the federally owned lands which are situated within Camp Blanding Military Reservation, Fla., to the Armory Board, State of Florida, in order to consolidate ownership and perpetuate the availability of Camp Blanding for military training and use; without amendment (Rept. No. 1768). Referred to the Committee of the Whole House on the State of the Union.

Mr. TOLLEFSON: Committee on Merchant Marine and Fisheries. Senate Joint Resolution 72. Joint resolution to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines; to provide for the rehabilitation of the interisland commerce of the Philippines, and for other purposes; with amendment (Rept. No. 1769). Referred to the Committee of the Whole House on the State of the Union.

Mr. TOLLEFSON: Committee on Merchant Marine and Fisheries. S. 2802. An act to further encourage the distribution of fishery products, and for other purposes; without amendment (Rept. No. 1770). Referred to the Committee of the Whole House on the State of the Union.

Mr. ARENDS: Committee on Armed Services. S. 3096. An act to further amend section 4 of the act of September 9, 1950, in relation to the utilization in an enlisted grade or rank in the Armed Forces of physicians, dentists, or those in an allied specialist category; without amendment (Rept. No. 1771). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPRINGER: Committee on Interstate and Foreign Commerce. H. R. 8921. A bill to establish the rate of compensation for the position of the General Counsel of the Department of Commerce; without amendment (Rept. No. 1772). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. REED of New York:

H. R. 9474. A bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended; to the Committee on Ways and Means.

By Mr. CURTIS of Nebraska:

H. R. 9475. A bill to amend the Trading With the Enemy Act; to the Committee on Interstate and Foreign Commerce.

By Mr. BYRNES of Wisconsin:

H. R. 9476. A bill to provide for the establishment of simplified customs tariff schedules, to improve procedures for the tariff classification of unenumerated articles, to repeal or amend obsolete provisions of the customs laws, and for other purposes; to the Committee on Ways and Means.

By Mr. AYRES:

H. R. 9477. A bill to incorporate the Army and Navy Union of the United States of America; to the Committee on the Judiciary.

By Mr. BAILEY:

H. R. 9478. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. BARTLETT:

H. R. 9479. A bill to transfer certain land within United States survey 1474, tract A, of the townsite of Sitka, Alaska, to the city of Sitka, Alaska; to the Committee on Interior and Insular Affairs.

By Mrs. BUCHANAN:

H. R. 9480. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. CURTIS of Nebraska:

H. R. 9481. A bill to amend the Internal Revenue Code to provide that a Federal tax lien shall not be valid, as against a holder of a mechanic's lien, until notice of such tax lien has been duly filed; to the Committee on Ways and Means.

By Mr. DAWSON of Utah:

H. R. 9482. A bill authorizing the Administrator of Veterans' Affairs to convey certain property to the Armory Board, State of Utah; to the Committee on Veterans' Affairs.

By Mr. HINSHAW:

H. R. 9483. A bill to amend subsection 406 (b) of the Civil Aeronautics Act of 1938, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. HOFFMAN of Michigan:

H. R. 9484. A bill to extend the statute of limitations applicable to certain offenses involving fraud; to the Committee on the Judiciary.

By Mr. REGAN:

H. R. 9485. A bill to provide for the conveyance to the State of Texas of certain property of the United States located in El Paso, Tex.; to the Committee on Armed Services.

By Mr. STRINGFELLOW:

H. R. 9486. A bill to include the State of Utah among the States authorized to negotiate a compact for the disposition, allocation, diversion, and apportionment of the waters of the Columbia River, and its tributaries; to the Committee on Interior and Insular Affairs.

By Mr. CURTIS of Nebraska:

H. R. 9487. A bill to provide for construction by the Secretary of the Interior of Red Willow Dam and Reservoir, Nebr., as a unit of the Missouri River Basin project; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNE of Pennsylvania:

H. R. 9488. A bill for the relief of Mrs. Margaret O'Rourke; to the Committee on the Judiciary.

By Mr. COLE of New York:

H. R. 9489. A bill to confer jurisdiction upon the United States District Court for the Western District of New York to hear, determine, and render judgment upon the claim of Raymond D. Watson against the United States; to the Committee on the Judiciary.

By Mr. CONDON:

H. R. 9490. A bill for the relief of Eliseo Felix Hernandez; to the Committee on the Judiciary.

By Mr. DAVIS of Georgia:

H. R. 9491. A bill for the relief of Induk Pahk; to the Committee on the Judiciary.

By Mr. HELLER (by request):

H. R. 9492. A bill for the relief of Mario Montenero; to the Committee on the Judiciary.

By Mr. MOLLOHAN:

H. R. 9493. A bill for the relief of Frank Kakaris (Frangoulis Kakaris); to the Committee on the Judiciary.

H. R. 9494. A bill for the relief of Marianne Anita Zelinka; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 9495. A bill for the relief of Frances Pompa; to the Committee on the Judiciary.

By Mr. RIEHLMAN:

H. R. 9496. A bill for the relief of Elisabeth Hoeft; to the Committee on the Judiciary.

By Mrs. ST. GEORGE:

H. R. 9497. A bill for the relief of Rosa Edith Manns Monroe; to the Committee on the Judiciary.

By Mr. SIEMINSKI:

H. R. 9498. A bill for the relief of Wladyslaw Majkowski; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

997. By Mr. BUSH: Petition of Bradford County (Pa.) Pomona Grange No. 23 favoring passage of H. R. 7997 which would take agricultural attachés out from under the Department of State and put them under the Department of Agriculture; to the Committee on Agriculture.

998. By Mr. HALE: Petition of Stewart P. Morrill Post No. 35, the American Legion, South Portland, Maine, to rename the Air Force base at Limestone, Maine, in memory of Maj. Charles J. Loring, Jr., of South Port-

land, Maine, who was recently posthumously awarded the Congressional Medal of Honor for sacrificing his life on November 22, 1952, at Sniper Ridge, North Korea, by purposely flying his plane into a nest of enemy guns; to the Committee on Armed Services.

999. By Mr. REED of New York: Petition of Mrs. Marcus Hawley and 70 other residents of Gerry, N. Y., favoring the Bryson-Langer bill, H. R. 1227 (to prohibit the transportation in interstate commerce of alcoholic beverage advertising in newspapers, periodicals, etc., and its broadcasting over radio and TV; to the Committee on Interstate and Foreign Commerce.

1000. Also, petition of Mrs. Grace Bannister and 44 other residents of Gerry, N. Y., favoring the Bryson-Langer bill, H. R. 1227 (to prohibit the transportation in interstate commerce of alcoholic beverage advertising in newspapers, periodicals, etc., and its broadcasting over radio and TV); to the Committee on Interstate and Foreign Commerce.

1001. By the SPEAKER: Petition of Peter J. Cunningham and others, West Palm Beach, Fla., petitioning consideration of their resolution with reference to requesting passage of H. R. 2446 and H. R. 2447, proposed social-security legislation, known as the Townsend plan; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Let's Protect American Industry

EXTENSION OF REMARKS
OF
HON. ROBERT C. BYRD
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 8, 1954

Mr. BYRD. Mr. Speaker, foreign imports have struck again, and the consequences are closed plants and greater unemployment. Last week, the Charleston, W. Va., plant of the Libby-Owens-Ford Glass Co. announced the closing of a production furnace and an experimental furnace, a move which will cost 240 men their jobs. Two other units closed less than a year ago, affecting about 260 employees, and these have not been put back into production. The competition of cheap foreign labor in the plate-glass industry has, therefore, cost 500 skilled and highly paid craftsmen the means of earning a livelihood. This is an American industry, Mr. Speaker, and these are American workmen. They are Americans who pay taxes and who give their sons and daughters to protect America on the fields of battle.

The Libby-Owens-Ford plant is the largest plate-glass factory in the world. The plant normally employs approximately 1,800 workers, and the latest cutback has reduced the force to 1,300.

Officials of the company and representatives of labor are in agreement that the rapid increase in imports of European window glass, made under low-wage conditions, has been the direct cause of the work loss. Wages at the Charleston plant average six times as much per hour as those paid to European employees for the same type of work, and almost identical types of machines are used. The disastrous increase in imports can readily be seen by comparing figures for 1948 with those of 1953. In 1948 about 1 million square feet of plate glass was imported. In 1953 the United States imported 100 million square feet of glass—an increase of 100 times the amount imported 5 years earlier. The 1953 figure represents 1,020,000 man-hours of work in modern window-glass factories.

The bad effects of glutting window-glass markets are not confined to my district in West Virginia. The American Window Glass plant at Jeannette, Pa., has recently closed, and 800 employees have been laid off. Likewise, reductions have been made at the Pittsburgh Plate Glass plant, and the Libby-Owens-Ford plant at Shreveport, La., is operating only 2 out of 4 furnaces.

Mr. Speaker, American industries cannot stand against the competition of slave labor in foreign countries without reasonable protection. Since coming to Congress, many of us have clamored for and demanded this protection from the administration. Our voices have been raised in vain and have fallen upon heedless ears. In following the admonition that we are our brother's keeper, the administration thinks only of our brothers abroad but is thoughtless of our brothers at home. The storm warnings are continuing to grow on the economic horizon, as more and more men and women are thrown out of work and are added to relief rolls.

A few days ago, I introduced a bill designed to restore to Congress the final responsibility for any adjustments made in tariffs. The aim of my bill would be to establish imports on a fair competitive basis by avoiding import injury to domestic producers. The final authority in tariff modification would be shifted from the executive to the legislative branch. I believe this change is imperative, because the tariff would no longer be used as an instrument of diplomacy even to the detriment of American industries and the people who work in them. While the executive branch would no longer have the final word in a tariff adjustment, the bill nevertheless provides that the Department of State might, if it so desired, send to Congress a statement seting forth its views on any tariff adjustment order. The National Security Council would likewise be given a voice in the determination of cases, to the extent of having a representative sit with the Tariff Commission during hearings.

The bill also provides for an import quota on residual fuel oil. This provision would be a protection to the coal industry.

The overall objective of this bill is to assure the largest volume of imports that may be absorbed by this country without causing import injury to American industries. It would provide the machinery by which our tariffs may be reasonably and fairly adjusted so as to protect the American people first. It would offer some help to the coal industry, the glass industry, the pottery industry, and the many other industries whose enterprising initiative has given the American people the highest standard of living in the world and whose ingenuity has made America the hope of all humankind.

Disposal of Government Surplus Food

EXTENSION OF REMARKS
OF
HON. ROBERT C. BYRD
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 8, 1954

Mr. BYRD. Mr. Speaker, in January of this year, I contacted Mr. Marshall P. Driggs, Chief, Direct Distribution Branch, Food Distribution Division, Agricultural Marketing Service, and requested that adequate amounts of food from Government surplus stocks be provided for distribution to the unemployed people in West Virginia. The response to my request was encouraging and immediate. Many carloads of surplus food have subsequently been channeled into that area and have brought relief to thousands of families. The distribution is continuing through the cooperation on the State level of the West Virginia Department of Public Assistance, the United Mine Workers of America, and the Salvation Army.

There has been some misunderstanding as to whether there is any regulation in the law which limits the quantity of surplus foods that may be made available to eligible recipients. In order to clarify this question, I have contacted the United States Department of Agriculture and have received a reply which answers the question as follows:

> There is nothing in the law which limits the quantity of surplus foods that may be made available to eligible recipients. They can be distributed in any quantity which can be utilized in its entirety and not be wasted.

In order that other Members of Congress may have the benefit of this information, I am including a letter from Mr. George A. Dice, Acting Deputy Administrator, United States Department of Agriculture.

Mr. Speaker, 136,500 people in West Virginia are receiving surplus food. While I am grateful to the Federal Government for the cooperation rendered by the Department of Agriculture in supplying hungry families with food, I must say, nevertheless, that the Federal Government continues to do nothing to offset growing unemployment and to provide the coal industry, the glass industry, the pottery industry, and other American industries with the protection which they so vitally need against the importation of cheap foreign goods

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which are continuing to glut the markets thus depriving our fellow Americans of the right to work and earn their daily bread.

The letter referred to follows:

JUNE 3, 1954.

Hon. ROBERT C. BYRD,
House of Representatives.

DEAR CONGRESSMAN: On several occasions you have directed inquiries to Mr. M. P. Driggs, of this service, concerning the distribution of surplus commodities to needy families and persons in West Virginia. Just recently, you asked Mr. Driggs for additional information about the continued availability of surplus commodities.

Surplus commodities are acquired by the Department under the provisions of section 32 of the act of August 24, 1935, as amended. They may be made available to nonprofit school-lunch programs, charitable institutions, needy Indians, and families and persons determined to be in need by appropriate State and local agencies. In West Virginia, the State department of public welfare is administratively responsible for the distribution of surplus commodities. The foods presently available are butter, cheese, nonfat dry milk solids, canned beef and gravy, dry beans, shortening and, in some instances, potatoes. There is nothing in the law which limits the quantity of surplus foods that may be made available to eligible recipients. They can be distributed in any quantity which can be utilized in its entirety and not be wasted. Thus, if a State distributing agency is requested for permission to increase the quantity of a particular surplus commodity because of need, the distributing agency has authority to grant the request as long as the supply is sufficient for this purpose. We are attaching a guide for distribution to needy persons which State distributing agencies use as a base. As indicated, it is elastic in its application.

Twenty-six counties in West Virginia at the present time are distributing surplus commodities to needy families and persons. The total number of participants under the program is 136,500. The counties include Barbour, Boone, Braxton, Cabell, Clay, Fayette, Greenbrier, Harrison, Kanawha, Lincoln, Logan, Marion, Mason, Mercer, Mingo, Monongalia, McDowell, Nicholas, Ohio, Preston, Putnam, Raleigh, Randolph, Taylor, Wood, and Wyoming.

As was indicated to you, the Department, upon request, will continue to make surplus commodities available to West Virginia consistent with the needs of the State.

Sincerely yours,

———— ————,
Acting Deputy Administrator.

SENATE

WEDNESDAY, JUNE 9, 1954

(Legislative day of Thursday, May 13, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Norman F. Van Brunt, associate minister, Foundry Methodist Church, Washington, D. C., offered the following prayer:

Almighty God, the light of all that is true, the strength of all that is good, the glory of all that is beautiful, we are inwardly led to seek Thee daily. Thy guidance and the knowledge of Thy will give us insight and assurance in the trying tasks of life. Graciously help us to abide in Thee, that evermore we may be steadfast and strong. May our days be filled with a high sense of the sacredness of life and the deep, underlying purposes for our existence. Uplift us by the thought of the importance of our task in this day and let our hearts flow over with gratitude that we can serve in such a time as this. Above all, manifest Thyself to us in the daily round of life that Thy precepts may become our law. We pray in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 8, 1954, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the bill (S. 3050) to amend the Agricultural Adjustment Act of 1938, as amended, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1185. An act for the relief of Mrs. Valerie M. Schmiedeke;

H. R. 1364. An act for the relief of Richard A. Kurth;

H. R. 1962. An act for the relief of the Edwards Manufacturing Co., Inc.;

H. R. 3216. An act for the relief of E. C. Mills;

H. R. 3273. An act for the relief of Edgar A. Belleau, Sr.;

H. R. 3384. An act for the relief of John B. Daniel, Inc.;

H. R. 3820. An act for the relief of Georg Gahn and Margarete Gahn;

H. R. 4531. An act for the relief of Lyman Chalkley;

H. R. 4580. An act for the relief of the Florida State Hospital;

H. R. 5086. An act for the relief of George Eldred Morgan;

H. R. 5092. An act for the relief of Robert Leon Rohr;

H. R. 5489. An act for the relief of Rocco Forgione;

H. R. 6263. An act to authorize the Secretary of Agriculture to convey certain lands in Alaska to the Rotary Club of Ketchikan, Alaska;

H. R. 6332. An act for the relief of James Philip Coyle;

H. R. 6388. An act for the relief of Clifford Oesterlei;

H. R. 6529. An act for the relief of Raleigh Hill;

H. R. 6566. An act for the relief of Daniel D. Poland;

H. R. 6773. An act to provide for the conveyance of certain housing projects to the University of California;

H. R. 6967. An act for the relief of Guerdon Plumley;

H. R. 7031. An act for the relief of Mrs. George A. Meffan;

H. R. 7835. An act for the relief of Staff Sgt. Frank C. Maxwell; and

H. R. 7886. An act for the relief of Mrs. Cecil Norton Broy.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H. R. 8044. An act to extend the authorization for funds for the hospitalization of certain veterans in the Philippines;

H. R. 9004. An act to authorize the appointment as United States Commissioner, International Boundary and Water Commission, United States and Mexico, of Col. Leland Hazelton Hewitt, United States Army, retired, and for other purposes; and

H. J. Res. 243. Joint resolution to amend the pledge of allegiance to the flag of the United States of America.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following a quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Routine morning business is now in order.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PUBLICATION ENTITLED "TYPICAL ELECTRIC BILLS, 1954"

A letter from the Chairman, Federal Power Commission, transmitting for the information of the Senate a copy of that Commission's newly issued publication entitled "Typical Electric Bills, 1954" (with an accompanying document); to the Committee on Interstate and Foreign Commerce.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list

of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. CARLSON and Mr. JOHNSTON of South Carolina members of the committee on the part of the Senate.

SEVERANCE OF DIPLOMATIC RELATIONS WITH RUSSIA—RESOLUTION OF DEPARTMENT OF FLORIDA AMERICAN LEGION, ST. PETERSBURG, FLA.

Mr. JENNER. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the American Legion, Department of Florida Convention, at St. Petersburg, Fla., favoring the severance of diplomatic relations with the Government of Russia.

There being no objection, the resolution was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Whereas the Russian Government has for its major objective the spread of communism throughout the world; and

Whereas the Russian Government is determined by all means, fair and foul, to capture the governments of the free nations of the world; and

Whereas the capture of the American Government and the enslavement and destruction of its people is the final objective of the Russian Government; and

Whereas by its actions Russia has demonstrated over a long period of years that it is actually at war with the United States of America; and

Whereas the Russian Government by its actions has proved itself to be composed of murderers, thieves, and liars; and

Whereas Russia has committed a long series of overt acts against our Government and citizens throughout the world; and

Whereas the Government by its tolerant and weak position has greatly strengthened the prestige of Russia throughout the world; and

Whereas the time has now come when we must stand up and face the Russian menace and publicly brand it for what it is, a dishonest nation unworthy to be a member of the family of nations of the world: Therefore be it

Resolved, That the American Legion, Department of Florida, in convention assembled in St. Petersburg, Fla., May 21–23, 1954, does hereby demand that the United States Government at once sever all diplomatic, cultural, trade, and scientific relations with the Russian Government; and be it further

Resolved, That copies of this resolution be sent to the President of the United States, the Secretary of State, the Senators and Representatives in Congress from the State of Florida, the Governor of the State of Florida, and the national headquarters of the American Legion; and be it further

Resolved, That this resolution adopted by the American Legion, Department of Florida, be given wide publicity by the press and radio.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JENNER from the Committee on Rules and Administration:

S. Res. 144. Resolution requiring a yea-and-nay vote on the passage of joint resolutions proposing amendments to the Constitution; with amendments (Rept. No. 1534).

By Mr. MCCARTHY, from the Committee on Government Operations, without amendment:

S. 3198. A bill to amend section 1 (d) of the Helium Act (50 U. S. C. 161 (d)), and to repeal section 3 (13) of the act entitled "An act to amend or repeal certain Government property laws, and for other purposes," approved October 31, 1951 (65 Stat. 708) (Rept. No. 1535);

S. 3199. A bill to authorize additional use of Government motor vehicles at isolated Government installations, and for other purposes (Rept. No. 1536);

S. 3243. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to extend until June 30, 1955, the period during which disposals of surplus property may be made by negotiation (Rept. No. 1537); and

H. J. Res. 300. Joint resolution to provide for the conveyance to the Texas Hill Country Development Foundation of certain surplus land situated in Kerr County, Tex. (Rept. No. 1538).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs:

H. R. 1005. A bill to authorize the establishment of the Fort Union National Monument, in the State of New Mexico, and for other purposes; without amendment (Rept. No. 1539).

By Mr. LANGER, from the Committee on the Judiciary, without amendment:

S. 1429. A bill for the relief of Hans Schroeder (Rept. No. 1540);

S. 1795. A bill for the relief of Fred and Bernice Ehlers (Rept. No. 1542);

S. 2135. A bill for the relief of Fernando A. Rubio, Jr. (Rept. No. 1543);

S. 2212. A bill for the relief of Alma S. Wittlin-Frischauer (Rept. No. 1544);

S. 2214. A bill for the relief of Peter James Copses, Beatrice Copses, Victoria Copses, and James Peter Copses (Rept. No. 1545);

S. 2257. A bill for the relief of Luigi Cicchinelli (Rept. No. 1546);

S. 2823. A bill for the relief of Joseph H. Hedmark, Jr. (Rept. No. 1547); and

S. 2980. A bill conferring jurisdiction upon the United States District Court for the Southern District of New York to hear, determine, and render judgment upon a claim of the Bunker Hill Development Corp. (Rept. No. 1548).

By Mr. LANGER, from the Committee on the Judiciary, with an amendment:

S. 384. A bill for the relief of Robert H. Webster (Rept. No. 1549);

S. 1216. A bill for the relief of Karl L. von Schlieder (Rept. No. 1550);

S. 1609. A bill for the relief of Mrs. Robert Lee Slaughter, nee Elisa Ortiz Orat (Rept. No. 1551);

S. 1615. A bill for the relief of Lt. Col. George P. Price (Rept. No. 1552);

S. 1757. A bill for the relief of Clair F. Bowman (Rept. No. 1553);

S. 1925. A bill for the relief of Lt. Col. Carl E. Welchner, United States Air Force (Rept. No. 1554);

S. 1942. A bill for the relief of Richard A. Kurth (Rept. No. 1555);

S. 2240. A bill for the relief of Mrs. Carl Dobratz (Rept. No. 1556);

S. 2282. A bill for the relief of Alna Brizga (Rept. No. 1557);

S. 2455. A bill for the relief of Mrs. S. Eugene Lamb (Rept. No. 1558);

S. 3062. A bill for the relief of the American Surety Co. of New York, and certain other surety companies (Rept. No. 1559);

H. R. 724. A bill for the relief of Chester H. Tuck, Mary Elizabeth Fisher, James Thomas Harper, and Mrs. T. W. Bennett (Rept. No. 1560);

H. R. 2617. A bill for the relief of Guillermo Morales Chacon (Rept. No. 1561);

H. R. 2636. A bill for the relief of George Japhet (Rept. No. 1562);

H. R. 2678. A bill for the relief of Carl A. Annis, Wayne C. Cranney, and Leslie O. Yarwood (Rept. No. 1563);

H. R. 2815. A bill for the relief of Floyd C. Barber (Rept. No. 1564);

H. R. 2876. A bill for the relief of Leo F. Pinder (Rept. No. 1565);

H. R. 3623. A bill for the relief of Willard Chester Cauley (Rept. No. 1566);

H. R. 4104. A bill for the relief of Frank St. Charles (Rept. No. 1567);

H. R. 4329. A bill for the relief of Huntington, McLaren & Co. (Rept. No. 1568);

H. R. 4919. A bill for the relief of Ralph S. Pearman and others (Rept. No. 1569);

H. R. 5025. A bill for the relief of Paul G. Kendall (Rept. No. 1570);

H. R. 5158. A bill for the relief of Sgt. Welch Sanders (Rept. No. 1571);

H. R. 5433. A bill for the relief of the estates of Opal Perkins and Kenneth Ross, deceased (Rept. No. 1572);

H. R. 5436. A bill for the relief of David Hanan (Rept. No. 1573);

H. R. 6033. A bill for the relief of Albert Vincent, Sr. (Rept. No. 1574);

H. R. 6196. A bill for the relief of Duncan M. Chalmers and certain other persons (Rept. No. 1575); and

H. R. 6642. A bill for the relief of Mrs. Augusta Selmer-Anderson (Rept. No. 1576).

By Mr. LANGER, from the Committee on the Judiciary, with amendments:

S. 45. A bill for the relief of Mrs. Merle Cappeller Weyel (Rept. No. 1577);

S. 1434. A bill for the relief of William B. Baker (Rept. No. 1578); and

H. R. 5572. A bill for the relief of Lt. Comdr. Cook Cleland (Rept. No. 1579).

By Mr. BRIDGES, from the Committee on Appropriations, with amendments:

H. R. 8067. A bill making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes (Rept. No. 1541).

(See the remarks of Mr. BRIDGES when he reported the above bill, which appear under a separate heading.)

By Mr. BUSH, from the Committee on Public Works:

H. R. 8923. A bill to provide for the development of the Coosa River, Ala. and Ga.; without amendment (Rept. No. 1580).

By Mr. SALTONSTALL, from the Committee on Armed Services:

S. 3476. A bill to provide for the advancement of Comdr. Donald B. MacMillan, United States Naval Reserve (retired), to the grade of rear admiral on the Naval Reserve retired list; without amendment (Rept. No. 1581).

ADDITIONAL REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—TABULAR MATERIAL

Mr. BYRD. Mr. President, on yesterday, June 8, I obtained unanimous

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consent to have printed in the body of the RECORD an additional report on civilian employment in the executive branch of the Government for the month of April 1954, prepared by the Joint Committee on Reduction of Nonessential Federal Expenditures, in accordance with the practice of several years standing, along with the accompanying remarks by me as chairman.

The RECORD, on page 7805, carries the remarks but omits the tabular material of the report. In view of the request already granted, I ask that the attached tabular material omitted in the RECORD as of yesterday be made a part of the RECORD at this time.

There being no objection, the tabular material was ordered to be printed in the RECORD.

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, MARCH–APRIL 1954, AND PAY, FEBRUARY–MARCH 1954

PERSONNEL AND PAY SUMMARY [1]

(See table I)

According to monthly personnel reports for April 1954 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures.

[1] Exclusive of foreign nationals shown in table VI.

Department or agency	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In April numbered—	In March numbered—	Increase (+) or decrease (−)	In March was—	In February was—	Increase (+) or decrease (−)
Total	2,335,296	2,340,137	−4,841	$803,530	$729,975	+$73,555
1. Agencies exclusive of Department of Defense	1,177,765	1,177,809	−44	407,171	379,830	+27,341
2. Department of Defense	1,157,531	1,162,328	−4,797	396,359	350,145	+46,214
Within the Department of Defense:						
Office of the Secretary of Defense	1,870	1,869	+1	1,051	908	+143
Department of the Army	443,388	446,498	−3,110	136,444	121,395	+15,049
Department of the Air Force	292,797	290,954	+1,843	101,284	87,663	+13,621
Department of the Navy	419,476	423,007	−3,531	157,580	140,179	+17,401

Table I breaks down the above figures on employment and pay by agency.

Table II, III, and IV break down the above employment figures to show the number inside continental United States, outside continental United States, and the number in the so-called industrial categories. This further breakdown in tables II, III, and IV does not include pay figures because payroll reports submitted to the committee by some agencies are inadequate for this purpose.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during April 1954, and comparison with March 1954, and pay for March 1954, and comparison with February 1954*

Department or agency	Pay (in thousands of dollars)				Personnel			
	February	March	Increase	Decrease	March	April	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	20,927	23,283	2,356		70,251	69,367		884
Commerce [12]	15,156	17,381	2,225		42,176	42,004		172
Health, Education, and Welfare	11,833	13,575	1,742		36,518	36,599	81	
Interior	17,399	19,708	2,309		[2] 52,099	53,248	1,149	
Justice	11,574	13,016	1,442		29,840	29,864	24	
Labor	1,978	2,225	247		4,977	5,055	78	
Post Office	162,167	159,912		2,255	503,185	505,012	1,827	
State	6,114	6,969	855		20,145	20,046		99
Treasury	29,066	33,829	4,763		85,865	84,126		1,739
Executive Office of the President:								
White House Office	118	139	21		259	262	3	
Bureau of the Budget	227	261	34		415	416	1	
Council of Economic Advisers	16	17	1		25	27	2	
Executive Mansion and Grounds	23	23			79	120	41	
National Security Council [4]	14	16	2		28	28		
Office of Defense Mobilization	179	202	23		338	335		3
President's Advisory Committee on Government Organization		2	2		4	4		
Emergency agencies:								
Defense Transport Administration	17	20	3		33	33		
Federal Civil Defense Administration	364	339		25	691	698	7	
Foreign Operations Administration	2,231	[3] 2,231			5,131	[3] 5,569	438	
National Security Training Commission	4	3		1	6	5		1
Renegotiation Board	368	423	55		710	707		3
Subversive Activities Control Board	18	19	1		31	31		
Postwar agencies:								
War Claims Commission	[3] 62	75	13		159	161	2	
Independent agencies:								
American Battle Monuments Commission	104	109	5		899	897		2
Atomic Energy Commission	[3] 2,756	3,108	352		6,316	6,314		2
Board of Governors of the Federal Reserve System	233	269	36		575	575		
Civil Aeronautics Board	250	289	39		539	541	2	
Civil Service Commission	1,617	1,916	299		4,469	4,456		13
Commission on Foreign Economic Policy [5]	9	7		2	11			11
Commission on Intergovernmental Relations	14	14			51	56	5	
Committee on Retirement Policy for Federal Personnel	5	6	1		15	14		1
Export-Import Bank of Washington	65	75	10		131	133	2	
Farm Credit Administration	317	365	48		780	778		2
Federal Coal Mine Safety Board of Review	3	4	1		8	8		
Federal Communications Commission	504	575	71		1,149	1,154	5	
Federal Deposit Insurance Corporation	407	474	67		1,021	1,019		2
Federal Mediation and Conciliation Service	202	234	32		358	359	1	
Federal Power Commission	298	346	48		664	661		3
Federal Trade Commission	277	324	47		594	595	1	
General Accounting Office	2,198	2,529	331		5,896	5,892		4
General Services Administration	7,833	8,876	1,043		27,189	27,190	1	
Government Contract Committee	3	4	1		11	13	2	
Government Printing Office	2,552	2,961	409		6,977	6,955		22
Housing and Home Finance Agency	4,180	4,803	623		10,788	10,759		29
Indian Claims Commission	9	9			14	14		
Interstate Commerce Commission	786	927	141		1,885	1,882		3
National Advisory Committee for Aeronautics	2,800	3,223	423		7,076	7,090	14	
National Capital Housing Authority	101	112	11		328	327		1
National Capital Planning Commission	8	11	3		20	19		1
National Gallery of Art	87	98	11		314	311		3

[1] Includes 758 employees of the Business and Defense Service Administration.
[2] April figure includes 1,366 seamen on the rolls of the Maritime Administration and their pay.
[3] Revised on basis of later information.
[4] Exclusive of personnel and pay of the Central Intelligence Agency.
[5] Subject to revision.
[6] Ceased to exist Apr. 23, 1954.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during April 1954, and comparison with March 1954, and pay for March 1954, and comparison with February 1954*—Continued

Department or agency	Pay (in thousands of dollars)				Personnel			
	February	March	Increase	Decrease	March	April	Increase	Decrease
Independent agencies—Continued								
National Labor Relations Board	562	629	67		1,213	1,211		2
National Mediation Board	68	80	12		109	116	7	
National Science Foundation	73	89	16		207	215	8	
Panama Canal	3,394	3,357		57	16,290	16,321	31	
Railroad Retirement Board	730	829	99		2,226	2,246	20	
Reconstruction Finance Corporation	514	577	63		1,137	1,100		37
Rubber Producing Facilities Disposal Commission	14	15	1		25	25		
Securities and Exchange Commission	350	405	55		724	719		5
Selective Service System	1,513	1,741	228		7,374	7,383	9	
Small Business Administration	245	299	54		516	539	23	
Smithsonian Institution	167	187	20		504	518	14	
Soldiers' Home	143	143			815	832	17	
Tariff Commission	94	108	14		194	192		2
Tax Court of the United States	66	74	8		141	141		
Tennessee Valley Authority	9,302	10,813	1,511		23,185	23,506	321	
U. S. Information Agency	3,014	2,395		619	9,281	9,288	7	
Veterans' Administration	52,108	60,094	7,986		182,825	181,684		1,141
Total, excluding Department of Defense	379,830	407,171	30,280	2,939	1,177,809	1,177,765	4,143	4,187
Net change, excluding Department of Defense			27,341				44	
Department of Defense:								
Office of the Secretary of Defense	908	1,051	143		1,869	1,870	1	
Department of the Army:								
Inside continental United States	109,435	122,776	13,341		395,314	392,443		2,871
Outside continental United States	11,960	13,668	1,708		51,184	50,945		239
Department of the Air Force:								
Inside continental United States	79,924	92,084	12,160		252,112	253,010	898	
Outside continental United States	7,739	9,200	1,461		38,842	39,787	945	
Department of the Navy:								
Inside continental United States	131,912	148,237	16,325		392,253	388,818		3,435
Outside continental United States	8,267	9,343	1,076		30,754	30,658		96
Total, Department of Defense	350,145	396,359	46,214		1,162,328	1,157,531	1,844	6,641
Net change, Department of Defense			46,214				4,797	
Grand total, including Department of Defense	729,975	803,530	76,494	2,939	2,340,137	2,335,296	5,987	10,828
Net change, including Department of Defense			73,555				4,841	

TABLE II.—*Federal personnel inside continental United States employed by executive agencies during April 1954, and comparison with March 1954*

Department or agency	March	April	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	68,838	68,227		611
Commerce [1] [2]	39,207	39,007		200
Health, Education, and Welfare	35,948	36,117	169	
Interior	45,847	46,767	920	
Justice	29,323	29,353	30	
Labor	4,888	4,955	67	
Post Office	500,823	502,649	1,826	
State	5,846	5,804		42
Treasury	84,847	83,117		1,730
Executive Office of the President:				
White House Office	259	262	3	
Bureau of the Budget	415	416	1	
Council of Economic Advisers	25	27	2	
Executive Mansion and Grounds	79	120	41	
National Security Council [3]	28	28		
Office of Defense Mobilization	338	335		3
President's Advisory Committee on Government Organization	4	4		
Emergency agencies:				
Defense Transport Administration	33	33		
Federal Civil Defense Administration	691	698	7	
Foreign Operations Administration	1,482	1,495	13	
National Security Training Commission	6	5		1
Renegotiation Board	710	707		3
Subversive Activities Control Board	31	31		
Postwar agencies:				
War Claims Commission	159	161	2	
Independent agencies:				
American Battle Monuments Commission	20	15		5
Atomic Energy Commission	6,296	6,294		2
Board of Governors of the Federal Reserve System	575	575		
Civil Aeronautics Board	532	534	2	
Civil Service Commission	4,458	4,446		12
Commission on Foreign Economic Policy [4]	11			11
Commission on Intergovernmental Relations	51	56	5	
Committee on Retirement Policy for Federal Personnel	15	14		1
Export-Import Bank of Washington	131	133	2	
Farm Credit Administration	771	679		2
Federal Coal Mine Safety Board of Review	8	8		
Federal Communications Commission	1,123	1,128	5	
Federal Deposit Insurance Corporation	1,020	1,018		2
Federal Mediation and Conciliation Service	358	359	1	
Federal Power Commission	664	661		3
Federal Trade Commission	594	595	1	
General Accounting Office	5,853	5,849		4
General Services Administration	27,063	27,066	3	
Government Contract Committee	11	13	2	
Government Printing Office	6,977	6,955		22
Housing and Home Finance Agency	10,656	10,631		25
Indian Claims Commission	14	14		
Interstate Commerce Commission	1,885	1,882		3
National Advisory Committee for Aeronautics	7,076	7,090	14	
National Capital Housing Authority	328	327		1
National Capital Planning Commission	20	19		1
National Gallery of Art	314	311		3
National Labor Relations Board	1,191	1,190		1
National Mediation Board	109	116	7	
National Science Foundation	207	215	8	
Panama Canal	410	550	140	
Railroad Retirement Board	2,226	2,246	20	
Reconstruction Finance Corporation	1,131	1,094		37
Rubber Producing Facilities Disposal Commission	25	25		
Securities and Exchange Commission	724	719		5
Selective Service System	7,174	7,182	8	
Small Business Administration	516	539	23	
Smithsonian Institute	502	516	14	
Soldiers' Home	815	832	17	
Tariff Commission	194	192		2
Tax Court of the United States	141	141		
Tennessee Valley Authority	23,185	23,505	320	
U. S. Information Agency	2,160	2,169	9	
Veterans' Administration	181,594	180,461		1,133
Total, excluding Department of Defense	1,118,955	1,118,772	3,682	3,865
Net decrease, excluding Department of Defense			183	
Department of Defense:				
Office of the Secretary of Defense	1,812	1,813	1	
Department of the Army	395,314	392,443		2,871
Department of the Air Force	252,112	253,010	898	
Department of the Navy	392,253	388,818		3,435
Total, Department of Defense	1,041,491	1,036,084	899	6,306
Net decrease, Department of Defense			5,407	
Grand total, including Department of Defense	2,160,446	2,154,856	4,581	10,171
Net decrease, including Department of Defense			5,590	

[1] Includes 758 employees of the Business and Defense Services Administration.
[2] April figure includes 1,366 seamen on the rolls of the Maritime Administration.
[3] Exclusive of personnel of the Central Intelligence Agency.
[4] Ceased to exist Apr. 23, 1954.

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TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during April 1954, and comparison with March 1954*

Department or agency	March	April	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	1,413	1,140		273
Commerce	2,969	2,997	28	
Health, Education, and Welfare	570	482		88
Interior	[1] 6,252	6,481	229	
Justice	517	511		6
Labor	89	100	11	
Post Office	2,362	2,363	1	
State	14,299	14,242		57
Treasury	1,018	1,010		8
Emergency agencies:				
Foreign Operations Administration	3,649	[2] 4,074	425	
Independent agencies				
American Battle Monuments Commission	879	882	3	
Atomic Energy Commission	20	20		
Civil Aeronautics Board	7	7		
Civil Service Commission	11	10		1
Farm Credit Administration	9	9		
Federal Communications Commission	26	26		
Federal Deposit Insurance Corporation	1	1		
General Accounting Office	43	43		
General Services Administration	126	124		2
Housing and Home Finance Agency	132	128		4
National Labor Relations Board	22	21		1
Independent agencies—Con.				
Panama Canal	15,880	15,771		109
Reconstruction Finance Corporation	6	6		
Selective Service System	200	201	1	
Smithsonian Institution	2	2		
U. S. Information Agency	7,121	7,119		2
Veterans' Administration	1,231	1,223		8
Total, excluding Department of Defense	58,854	58,993	698	559
Net increase, excluding Department of Defense			139	
Department of Defense:				
Office of the Secretary of Defense	57	57		
Department of the Army	51,184	50,945		239
Department of the Air Force	38,842	39,787	945	
Department of the Navy	30,754	30,658		96
Total, Department of Defense	120,837	121,447	945	335
Net increase, Department of Defense			610	
Grand total, including Department of Defense	179,691	180,440	1,643	894
Net increase, including Department of Defense			749	

[1] Revised on basis of later information. [2] Subject to revision.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by executive agencies during April 1954, and comparison with March 1954*

Department or agency	March	April	Increase	Decrease
Executive departments (except Department of Defense):				
Commerce	127	216	89	
Interior	1,932	2,079	147	
State	150	122		28
Treasury	6,691	6,617		74
Independent agencies:				
Atomic Energy Commission	113	113		
Panama Canal	1,371	1,384	13	
Tennessee Valley Authority	14,577	14,863	286	
Total, excluding Department of Defense	24,961	25,394	535	102
Net increase, excluding Department of Defense			433	
Department of Defense:				
Department of the Army:				
Inside continental United States	187,311	184,832		2,479
Outside continental United States	32,850	32,644		206
Department of the Air Force:				
Inside continental United States	142,233	142,396	163	
Outside continental United States	23,343	24,042	699	
Department of the Navy:				
Inside continental United States	253,356	250,202		3,154
Outside continental United States	22,337	22,329		8
Total, Department of Defense	661,430	656,445	862	5,847
Net decrease, Department of Defense			4,985	
Grand total, including Department of Defense	686,391	681,839	1,397	5,949
Net decrease, including Department of Defense			4,552	

TABLE V.—*Federal employees assigned to Mutual Defense Assistance Program*

Department or agency	Payroll (in thousands)			Civilian personnel		
	In February was—	In March was—	Increase (+) or decrease (−)	In March numbered—	In April numbered—	Increase (+) or decrease (−)
Total	$7,139	$7,310	+$171	20,661	20,620	−41
Health, Education, and Welfare		1	+1	2	2	
State Department	130	130		1,144	1,146	+2
General Services Administration		4	+4	8	8	
Office of the Secretary of Defense	78	78		135	135	
Department of the Army	4,793	4,057	−736	[1] 11,450	[2] 11,450	
Department of the Air Force	997	1,201	+204	3,405	3,284	−121
Department of the Navy	1,141	1,839	+698	4,517	4,595	+78

[1] Revised on basis of later information. [2] Subject to revision.

TABLE VI.—*Foreign nationals working under United States agencies overseas, excluded from usual Federal personnel reporting because of the nature of their work or the source of the funds from which they are paid, as of April 1954, and comparison with March 1954 (not included elsewhere in this report)*

Country	Total		Army		Air Force		Navy	
	March	April	March	April	March	April	March	April
Germany	118,052	118,020	97,268	97,167	18,836	18,903	1,948	1,950
Japan	174,300	173,806	113,865	113,672	42,674	42,362	17,761	17,772
Korea	103,565	99,673	[1] 94,153	[1] 90,967	9,412	8,706		
Libya	197	197			197	197		
Ryukyus	15,182	15,752	11,128	11,280	3,903	4,318	151	154
Saudi Arabia	403	411			403	411		
Trinidad	585	646					585	646
Total	412,284	408,505	316,414	313,086	75,425	74,897	20,445	20,522

[1] Includes 34,850 members of the Korean Service Corps in April as compared with 37,687 in March.

NOTE.—The Germans are paid from funds provided by German governments. Ryukyuans reported by the Army are paid from funds appropriated for personal service. All others are paid from funds appropriated for other contractual services.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 3585. A bill to amend the Strategic and Critical Materials Stock Piling Act (60 Stat. 596), relating to the acquisition of stocks of strategic and critical materials for national defense purposes; to the Committee on the Judiciary.

(See the remarks of Mr. LANGER when he introduced the above bill, which appear under a separate heading.)

By Mr. STENNIS:

S. 3586. A bill for the relief of Mrs. Hildegard Simon Walley; to the Committee on the Judiciary.

By Mr. McCARRAN:

S. 3587. A bill to further extend the provisions of section 17 of the Federal Airport Act; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. McCARRAN when he introduced the above bill, which appear under a separate heading.)

By Mr. BUTLER of Nebraska:

S. 3588. A bill to amend section 302 of the Revenue Act of 1950; to the Committee on Finance.

By Mr. JOHNSON of Texas (for himself and Mr. DANIEL):

S. J. Res. 164. Joint resolution to create an advisory commission for the Department of State to assist in determining title to Chamizal Zone, between the United States and Mexico; to the Committee on Foreign Relations.

(See the remarks of Mr. JOHNSON of Texas when he introduced the above joint resolution, which appear under a separate heading.)

ACQUISITION OF STOCKS OF STRATEGIC AND CRITICAL MATERIALS

Mr. LANGER. Madam President, I introduce a bill to amend the Strategic and Critical Materials Stock Piling Act (60 Stat. 596), relating to the acquisition of stocks of strategic and critical materials for national defense purposes.

Ordinarily the bill would be referred to the Committee on Armed Services, but I have discussed the question of reference with the distinguished chairman of that committee, the Senator from Massachusetts [Mr. SALTONSTALL]. Because the antimonopoly subcommittee of the Committee on the Judiciary has considered the problem, the chairman of the Committee on Armed Services has no objection to having the bill referred to the Committee on the Judiciary. Therefore, I ask unanimous consent that the bill be referred to the Committee on the Judiciary.

The PRESIDING OFFICER (Mrs. BOWRING in the chair). Is there objection to the request of the Senator from North Dakota? The Chair hears none, and it is so ordered.

The bill (S. 3585) to amend the Stategic and Critical Materials Stock Piling Act (60 Stat. 596), relating to the acquisition of stocks of strategic and critical materials for national defense purposes, introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on the Judiciary.

REIMBURSEMENT FOR DAMAGE TO PUBLIC AIRPORTS BY GOVERNMENT USE

Mr. McCARRAN. Madam President, I introduce for appropriate reference a bill to revive the provisions of law with respect to reimbursement of the cost of rehabilitation or repair of public airports damaged by Government use, which law expired March 31, 1954.

My bill would revive and continue the provisions of the law which was in force for some years prior to March 31, 1954, continuing those provisions without change until June 30, 1955.

The bill also contains a saving clause to permit the filing of requests for relief which might have been considered if filed on March 31, 1954, without penalty because of the hiatus between that expiration date of the old program and the date on which the program will be renewed if my bill is enacted.

I may say that I also think it may be found desirable to put in the bill a clause dealing specifically with requests for reimbursement in connection with airport damage occurring during this period of hiatus. However, I leave the question of such a provision to the good judgment of the committee to which the bill will be referred.

In order to show the background for this bill, let me say that since very early this year I have been working on the problem presented by the termination of authority for reimbursement for airport damage under section 17 of the Federal Airport Act. I addressed myself to the Administrator of the Civil Aeronautics Administration under date of February 1, and have had subsequent correspondence with him on the subject. I do not insist upon the precise terms of the bill I am now introducing, though I think it is a good bill. I shall be willing to go along with any reasonable proposal which is made, which will give effective protection to communities operating public airports, with respect to reimbursement for damage by Federal use. I have just written the Administrator of Civil Aeronautics asking that if and when any departmental proposal along this line is developed, I be apprised of it; and offering to submit any such proposal as an amendment or amendment in the nature of a substitute to my own bill, so as to get it promptly before the committee.

For the information of the Senate, I ask that the bill, together with my correspondence with Mr. Lee, the Administrator of the Civil Aeronautics Administration, about this matter, including both my letters to him and his letters to me, may be printed in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred, and without objection, the bill and correspondence will be printed in the RECORD.

The bill (S. 3587) to further extend the provisions of section 17 of the Federal Airport Act, introduced by Mr. McCARRAN, was received, read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 17 of the Federal Airport Act, as amended, is hereby amended as follows:

(a) By striking out in subsection (d) thereof the date "March 31, 1954" and inserting in lieu thereof the date "June 30, 1955."

(b) By changing the period at the end of subsection (e) thereof to a colon and adding thereafter the following proviso: "*Provided*, That any request which might have been considered if submitted on March 31, 1954, may be considered, and a certification submitted with respect thereto, if such request is submitted within 90 days after the date of approval of this proviso."

The correspondence presented by Mr. McCARRAN was ordered to be printed in the RECORD, as follows:

JUNE 9, 1954.

Mr. F. B. LEE,
Administrator, Civil Aeronautics Administration, Department of Commerce, Washington, D. C.

DEAR MR. LEE: Reviewing our correspondence with respect to the section 17 program for reimbursement for rehabilitation or repair of public airports damaged by military agencies of the United States, I cannot avoid the conclusion that there is considerable uncertainty about when proposed legislation dealing with this subject may be ready for submission, as well as about the nature of any such legislation.

Under the circumstances, it has seemed to me desirable to introduce a bill which would continue the existing program for a sufficient period to permit the formulation of such proposed legislation as your agency and the Defense Department may wish to offer. Accordingly, I shall offer such a bill today. A copy of the bill I intend to introduce is enclosed for your information.

I want to make it clear to you that I shall be willing to go along with any reasonable proposal from your agency and/or the Defense Department, which will deal adequately with this matter and give reasonable provision for reimbursement to the operators of public airports for the cost of rehabilitation or repair of damage by use by Federal agencies. If the legislation concerning which you and the Department of Defense have been in communication is ready at any time before my bill has passed the Senate, I shall be happy to introduce it as an amendment, or amendment in the nature of a substitute, to my own bill, for the purpose of getting it immediately before the committee then considering it, or before the Senate, if it is then on the calendar. I respectfully request that you advise me immediately whenever a draft of such proposed legislation has been completed and approved by the interested agencies in the executive branch.

Kindest personal regards and all good wishes.

Sincerely,

PAT MCCARRAN.

DEPARTMENT OF COMMERCE,
CIVIL AERONAUTICS ADMINISTRATION,
Washington, May 6, 1954.

Hon. PAT MCCARRAN,
United States Senate,
Washington, D. C.

DEAR SENATOR MCCARRAN: Receipt is acknowledged of your letter of April 24, 1954, relating to the preparation of legislation by the Department of Commerce and Department of Defense to provide a program for the rehabilitation or repair of public airports damaged by military agencies of the United

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States, in lieu of the program that was provided by section 17 of the Federal Airport Act.

The Department of Defense has raised objection to some of the provisions contained in the proposed bill which I advised you in my letter of February 11 had been submitted to that Department. As a result of these objections representatives of the two Departments have conferred on two occasions with the view of working out the various differences on their respective parts, but agreement has not yet been reached.

In view of the inability to reach agreement on the bill prepared by the Department of Commerce, the Department of Defense is now in the process of developing an alternate proposal which, I understand, will be submitted for review and consideration by the Department of Commerce in about 2 weeks. The delay in carrying out the request of the conference committee is sincerely regretted and you may be sure that we will exert every effort to furnish a report in time for consideration thereof by Congress during the present session.

In this connection, I appreciate that, as you indicate, the program authorized by section 17 of the Federal Airport Act, as amended by Public Law 105, 83d Congress, has now expired and that, therefore, any legislation on this subject should contain an appropriate provision for survival of claims or requests that might otherwise be invalidated by virtue of the expiration of that program.

You are assured that the matter is receiving and will continue to receive our foremost attention.

Sincerely yours,

F. B. LEE,
Administrator of Civil Aeronautics.

APRIL 24, 1954.

Mr. FREDERICK B. LEE,
Administrator, Civil Aeronautics Administration, Department of Commerce, Washington, D. C.

MY DEAR MR. LEE: On February 11 you replied to my letter of February 1, regarding the statement contained in the conference report on Public Law 105, 83d Congress (H. Rept. No. 690, 83d Cong.), that the Department of Commerce and Department of Defense should work out and present to the Congress a program under which the military agencies would be responsible for securing from the Congress the funds required for the rehabilitation or repair of public airports damaged by them, in lieu of the program authorized by section 17 of the Federal Airport Act as amended by Public Law 105.

You stated at that time that:

"A draft of a suggested bill authorizing such a substitute program has been prepared and submitted to the Department of Defense for review and comment. It is my understanding that we will be furnished the views of the Department of Defense on that proposed bill at an early date.

"You may be sure that every effort possible is being made to work out proposed legislation satisfactory to both departments, for submission to the Congress for its consideration prior to March 31, 1954, the expiration date of the program under section 17 of the Federal Airport Act."

Are you still working on this matter? What are the prospects for action? How long do you think Congress should wait for a recommendation from the departments before proceeding to take some action to fill the vacuum created by the expiration of the program under section 17 of the Federal Airport Act?

Sincerely,

PAT MCCARRAN.

DEPARTMENT OF COMMERCE,
CIVIL AERONAUTICS ADMINISTRATION,
Washington, February 11, 1954.

Senator PAT MCCARRAN,
United States Senate,
Washington, D. C.

DEAR SENATOR MCCARRAN: Receipt is acknowledged of your letter of February 1, 1954, regarding the statement contained in the conference report on Public Law 105, 83d Congress (H. Rept. No. 690, 83d Cong.), that the Department of Commerce and Department of Defense should work out and present to the Congress a program under which the military agencies would be responsible for securing from the Congress the funds required for the rehabilitation or repair of public airports damaged by them, in lieu of the program authorized by section 17 of the Federal Airport Act as amended by Public Law 105.

A draft of a suggested bill authorizing such a substitute program has been prepared and submitted to the Department of Defense for review and comment. It is my understanding that we will be furnished the views of the Department of Defense on that proposed bill at an early date.

You may be sure that every effort possible is being made to work out proposed legislation satisfactory to both departments, for submission to the Congress for its consideration prior to March 31, 1954, the expiration date of the program under section 17 of the Federal Airport Act.

Sincerely yours,

F. B. LEE,
Administrator of Civil Aeronautics.

FEBRUARY 1, 1954.

Mr. FRED LEE,
Administrator, Civil Aeronautics Administration, Department of Commerce, Washington, D. C.

MY DEAR MR. LEE: As you know, the conference report submitted by the Committee of Conference of the Senate and House of Representatives on the bill S. 35, dated June 30, 1953 (House of Representatives Rept. No. 690, 83d Cong., 1st sess.), stated that the conference felt that the Department of Defense and the Department of Commerce should jointly work out and present to the Congress a program for the future under which the military rather than the civilian agencies of the Government would be responsible for securing from the Congress the funds required for repair and rehabilitation of airports damaged by the military agencies of the United States, with a neutral Federal agency, such as the Department of Commerce, acting as arbiter in case of dispute between the military authorities and the public agency airport owner as to the extent of responsibility and cost of necessary repair or rehabilitation.

The rehabilitation and repair program under section 17 of the Federal Airport Act was by the enactment of S. 35 (which became Public Law 105, 83d Cong.), extended until March 31, 1954. This date is rapidly approaching.

As a member of the Appropriations Subcommittee which must deal with this matter, as well as in my capacity as author of S. 35 and of the Federal Airport Act, I should like very much to know what program the Department of Defense and the Department of Commerce have jointly worked out; and I respectfully request that you inform me as fully as possible on this point.

Kindest personal regards.

Sincerely,

PAT MCCARRAN.

ADVISORY COMMISSION TO ASSIST IN DETERMINING TITLE TO THE CHAMIZAL ZONE, BETWEEN UNITED STATES AND MEXICO

Mr. JOHNSON of Texas. Madam President, the title to the Chamizal Zone has been unsettled for many generations. It is about time that Congress take the necessary steps to resolve the issue.

Congress has a primary responsibility in this matter because it involves the sovereignty of parcels of land along the border between the United States and Mexico. It will take unofficial negotiations with Government officials to handle the controversy.

On behalf of myself and my colleague, the junior Senator from Texas [Mr. DANIEL] I introduce for appropriate reference a joint resolution designed to settle this question.

I ask unanimous consent to have printed in the RECORD as a part of my remarks a biography of Col. Lawrence M. Lawson, recently retired American member of the International Boundary and Water Commission, who is one of the best equipped men available to handle this question.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred; and, without objection, the biography of Colonel Lawson will be printed in the RECORD.

The joint resolution (S. J. Res. 164) to create an advisory commission for the Department of State to assist in determining title to Chamizal Zone, between the United States and Mexico, introduced by Mr. JOHNSON of Texas (for himself and Mr. DANIEL), was received, read twice by its title, and referred to the Committee on Foreign Relations.

The biography of Colonel Lawson is as follows:

BIOGRAPHY OF COL. LAWRENCE M. LAWSON

Lawrence M. Lawson, who retired recently as American member of the International Boundary and Water Commission at El Paso, has had a long and distinguished career in Government service.

He was born January 8, 1879, in Washington, D. C., where he attended grammar and high schools. He graduated from Leland Stanford University as an engineer.

In 1903–04, as an engineer for the Department of Interior, he was in charge of topographic surveys in Wyoming, Oregon, and Arizona. In 1905 Mr. Lawson was assistant engineer for the Yuma, Ariz., irrigation project. The next year he became resident engineer in charge of levee construction on the Colorado River, but returned to his Yuma post, which he held until 1911.

In 1913 Mr. Lawson went to El Paso as project engineer for the Rio Grande irrigation project. Except for brief assignments elsewhere he held the El Paso post until 1927. During these years Elephant Butte Reservoir and a huge system of irrigation works were constructed.

Mr. Lawson was appointed United States Commissioner for the Boundary Commission by President Coolidge July 1, 1927. This appointment transferred him from Interior to the Department of State.

As an engineer with diplomatic talents Mr. Lawson was an ideal choice for his post on the Boundary Commission, later called the International Boundary and Water Com-

mission. For years the erratic Rio Grande had been bursting out of its channel in flood season, causing heavy damages and throwing segments of the United States and Mexico on the wrong side of the channel, which was the boundary. Mr. Lawson prepared a plan for straightening the Rio Grande below El Paso. This plan was approved by Mexico and the United States in a 1933 treaty, and completion of the rectification project ended the flood danger in the El Paso area. The treaty provided that Mexico and the United States exchange tracts of land detached by the river, so that the stream would still be the boundary.

Mr. Lawson followed this up with a canalization project above El Paso. Originally designed for flood control, it was expanded to make possible hydro-electric development at Elephant Butte.

Meanwhile he had taken on the additional duties of water commissioner. He submitted plans, all approved, for lower Rio Grande flood control, Nogales flood control, and sanitation projects at Tijuana, Nogales, and elsewhere on the border.

In 1938 Commissioner Lawson got a special assignment from President Roosevelt. He was named to a two-man commission for evaluation of property of Americans expropriated by the Mexican Government.

After years of negotiation and sometimes stormy debate in Congress the problem of divided water of the lower Rio Grande and the Colorado River was settled by the 1944 Mexican Water Treaty. The treaty was based on an engineering report made by the Boundary and Water Commission. One of its results was construction of the giant Falcon Dam below Laredo.

Mr. Lawson has received many honors from professional groups. He was once prominently mentioned for the post of Ambassador to Mexico. He has received special merit awards from the State Department.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred, as indicated:

H. R. 1185. An act for the relief of Mrs. Valerie M. Schmiedeke;

H. R. 1364. An act for the relief of Richard A. Kurth;

H. R. 1962. An act for the relief of the Edwards Manufacturing Co., Inc.;

H. R. 3216. An act for the relief of E. C. Mills;

H. R. 3273. An act for the relief of Edgar A. Belleau, Sr.;

H. R. 3384. An act for the relief of John B. Daniel, Inc.;

H. R. 3820. An act for the relief of Georg Gahn and Margarete Gahn;

H. R. 4531. An act for the relief of Lyman Chalkley;

H. R. 4580. An act for the relief of the Florida State Hospital;

H. R. 5086. An act for the relief of George Eldred Morgan;

H. R. 5092. An act for the relief of Robert Leon Rohr;

H. R. 5489. An act for the relief of Rocco Forgione;

H. R. 6332. An act for the relief of James Philip Coyle;

H. R. 6388. An act for the relief of Clifford Oesterlei;

H. R. 6529. An act for the relief of Raleigh Hill;

H. R. 6566. An act for the relief of Daniel D. Poland;

H. R. 6967. An act for the relief of Guerdon Plumley;

H. R. 7031. An act for the relief of Mrs. George A. Meffan;

H. R. 7835. An act for the relief of Staff Sgt. Frank C. Maxwell; and

H. R. 7886. An act for the relief of Mrs. Cecil Norton Broy; to the Committee on the Judiciary.

H. R. 6263. An act to authorize the Secretary of Agriculture to convey certain lands in Alaska to the Rotary Club of Ketchikan, Alaska; to the Committee on Agriculture and Forestry.

H. R. 6773. An act to provide for the conveyance of certain housing projects to the University of California; to the Committee on Banking and Currency.

The PRESIDING OFFICER. If there is no further morning business, the Chair lays before the Senate the unfinished business, which is Senate bill 978.

EXTENSION OF THE RECIPROCAL TRADE AGREEMENTS ACT

Mr. GILLETTE. Madam President, on yesterday there occurred on the floor of the Senate a brief but intensive debate on the subject of foreign trade. The subject was opened by the distinguished junior Senator from Tennessee [Mr. GORE], who presented a splendid analysis of the choices available to the United States in the face of the mounting Soviet trade offensive.

Upon reading the RECORD this morning, I was struck by the fact that during the course of the remarks of the Senator from Tennessee, 11 other Senators joined in the discussion. Of those 11 10 were members of the Democratic Party, and one was the member of the Independent Party. Not a single voice was heard from the majority side. Yet the discussion dealt entirely with one of the most important parts of President Eisenhower's legislative program—extension of the Reciprocal Trade Agreements Act and other related measures to stimulate and liberalize our foreign trade policies.

I believe this fact to be worth emphasizing. Twelve Senators debated a major portion of the President's legislative program, and not one member of the President's own party rose to join in the discussion or even to ask questions. Is this not a significant indication of where the support for the President's foreign economic policy will have to be found in the Senate? I trust that the silence of our friends on the other side of the aisle does not mean that none of them favors the extension of the Reciprocal Trade Agreements Act or that none of them supports the Eisenhower program for freer international trade. If that should prove to be the case, and if the Senate is finally given an opportunity at this session to vote on any part of the President's trade program, then Senate approval of the program will depend heavily on votes from the Democratic side of the aisle.

I note, Madam President, that the junior Senator from Tennessee was prompted to make his excellent speech yesterday by the fact that within 3 days—on June 12, to be exact—the Reciprocal Trade Agreements Act, cornerstone of America's foreign trade policy, will expire, and by the further fact that there were few, if any, signs that the Republican leadership in Congress was making even a feeble effort to secure action to extend the life of this basic statute.

I have been deeply troubled by the same failure on the part of the Republican leadership to follow through on this important part of the President's program. My concern derives from my knowledge that the issue of foreign trade transcends in importance any partisan consideration; for foreign trade is, in fact, of worldwide as well as national importance.

Yet, in spite of the approaching expiration date of this act, the Republican majority controlling the House Ways and Means Committee has taken no action whatever on House bill 8860, introduced on April 15 by Representative KEAN, of New Jersey, a bill incorporating the recommendations of the President of the United States with respect to foreign trade and extending for 3 years the authority under the Reciprocal Trade Agreements Act.

Not only had the members of his own party obstinately refused to move even an inch toward enactment of this vital segment of the President's program, but on May 20 it was reported in the newspapers that the President had abandoned the struggle for a 3-year extension, and had expressed willingness to accept an extension for only 1 year.

Yet, it was further reported, even this concession apparently did not appease the Republican leadership in the House committee. They insisted, we are told, on a commitment by the administration that, in return for obtaining extension of the act for another year, the administration would pledge to negotiate no new agreements. Extension of the act under such restrictions, of course, would be essentially a meaningless gesture.

Whether as a result of the strong support for the President's trade program exhibited yesterday on the Senate floor by 11 Democratic Senators and 1 Independent Senator, or as a result of hurried consultations between the executive branch and the Republican leadership in the House—I have no way of knowing—there was introduced in the House yesterday afternoon a bill, requested by the administration, which would extend the reciprocal trade agreements law for 1 more year.

According to the account appearing today in the Washington Post, the administration is still holding fast to preserve the right to use the act to negotiate new agreements. The Washington Post reports administration sources as expressing confidence they will not have to make a "standstill" deal in order to secure passage of this 1-year extension bill. This is encouraging news.

I was delighted to learn, in addition, that the chairman of the House Committee on Ways and Means is predicting prompt action on the new bill. It would have been preferable, of course, if the act had been extended prior to its lapsing on June 12, but better late than never, and better a 1-year extension than

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to have the act wither and die behind committee doors.

We are treated regularly to lectures on the need for backing the President's great program. Yet members of the President's own party obstinately refuse to give even the slightest support to his request for a 3-year extension of this vital portion of his program or to any of his other recommendations for eliminating obstacles to greater and freer flow of trade.

The President has stated, "If we fail in our trade policy, we may fail in all." He was speaking about an essential part of his legislative program. I cannot see how he could have stated the issue more plainly.

It is gratifying to one who, from the beginning, has ardently supported the principle of reciprocal trade, that President Eisenhower has understood the immense contribution to our Nation's welfare of this trade program and of a more liberalized trade policy. He has not only urged extension of the Reciprocal Trade Agreements Act for 3 years, he has also asked further action on customs simplification and other steps to free the channels of trade. The Commission he appointed under Mr. Clarence Randall has made its report. Bills have introduced its recommendations. Officials of the executive department from the President down have pleaded for action.

As the Senator from Tennessee and other Senators in colloquy with him in the Senate yesterday made crystal clear, the Soviet bloc is not waiting for us to make up our mind on trade policies. The Soviet bloc is conducting what Stalin called "a relentless economic war against the United States in trade relationships," as the Senator from Minnesota [Mr. HUMPHREY] emphasized in yesterday's debate. While one country after another signs economic agreements with the Soviet Union or with Communist China, the Republican President of the United States cannot obtain any agreement at all from the Republican leadership in Congress on what our policy should be.

Months have passed since the Randall Commission report was filed. Months have passed since the President's foreign economic message was presented to Congress. Months have passed since the bill extending the Reciprocal Trade Agreements Act was introduced. Yet nothing happens. Not even the barest minimum essential to continuation of the trade program we already have is allowed to come to a vote in either House.

Indeed, we are told that the cornerstone of the Nation's trade policy—the Reciprocal Trade Agreements Act—will be allowed to lapse in 3 days unless the administration yields to the demand that in return for extending the authority under the act the administration promise not to use that authority. Such an outrageous stultification of the United States Government must not be permitted. I earnestly beg the President to reject any thought of such appeasement of the high protectionist wing of his party.

Madam President, I for one on this side of the aisle would welcome the sound of voices from the majority side of the Senate coming to the support of the President in this important battle. I would welcome signs in the other House that the Republican leadership intends to support the President on foreign trade.

Are the American people to draw the conclusion—the only possible conclusion under the circumstances—that without the support of the Democratic Members of Congress the Republican President of the United States cannot obtain any legislative support for a fundamental part of his program?

I greatly fear that failure to show firm leadership on this essential foreign trade program will be taken to mean, both here and in anxious circles abroad, that nothing at all is to be accomplished on the President's overall program for freer trade. I fear a possible setback in the slow progress being made toward convertibility of currencies in Europe. I dread what may happen to our relations with Japan and with our Latin American neighbors.

Only last Friday Secretary Dulles told the Foreign Relations Committee how vital it is that the Reciprocal Trade Agreements Act be extended, without strings, so that multilateral negotiations can begin with Japan. If there is no prospect whatever of Japan's trading with the United States and other western countries, what do we expect the Japanese to do? They must export, or their economy will die.

Do the Republican Members of Congress who oppose extension of the Reciprocal Trade Act wish to place themselves in the position of responsibility for forcing the Japanese to turn toward the mainland of Asia for trade with Communist China?

If we cannot help the Japanese to find markets in the free world, through agreements which limit any unfair competitive methods, what assurance have we that in despair the Japanese will not turn their backs on us and resume trade with their natural markets on the Asiatic mainland? Dare we let this happen, when we know the Kremlin's aim, as revealed so brutally in the aggression in Korea, to absorb Japan into the Soviet Empire?

Madam President, most of the principal national organizations in the fields of labor, agriculture, and business have repeatedly endorsed the Reciprocal Trade Agreements Act and have repeatedly gone on record in favor of a more liberalized trade policy. I shall ask that brief quotations from some of these national organizations be printed at the end of my remarks.

Yet, in the face of this immense array of organizations expressing the will and the interests of scores of millions of Americans in all walks of life, and in the face of the President's urgent pleadings, the Republican leadership in Congress has so far been unable to bring about the release of a simple bill from a committee to extend this program for a single year.

I say this is a shameful mockery, and while, as a Member of the Senate, I have no power or influence to exert in the other House, I can and I do raise my voice in protest. I can and I do urge the majority leadership to give the Congress a chance to vote on this essential program.

There will be no Eisenhower foreign trade policy whatever if we cannot secure passage in the present session of at least this minimum bill, without crippling amendments or secret commitments. I call on the President to stand firm against appeals that he abandon the right to negotiate in return for a token extension of the authority. And I call on the Republican leadership to exercise their leadership and give members of both houses an opportunity to show by their vote how they stand on this matter of such great and vital significance for the Nation and for the free world.

I understand that the junior Senator from Tennessee intends to introduce a bill to save the Reciprocal Trade Agreements law by amending the tax bill when it comes from the Finance Committee. While it would be far preferable to have this kind of legislation passed by Congress through the normal procedures, I certainly will welcome the Senator's initiative and give him my support if it becomes evident there is no other way to secure extension of this program.

I ask unanimous consent, Madam President, that statements favoring the reciprocal trade-agreements program emanating from the Chamber of Commerce of the United States, the United States Council of the International Chamber of Commerce, the American Bankers Association, the American Federation of Labor, the Congress of Industrial Organizations, the Brotherhood of Railroad Trainmen, the American Farm Bureau Federation, the National Grange, the National Farmers Union, the National Council of the Churches of Christ in America, the League of Women Voters of the United States, and the General Federation of Women's Clubs, be printed at the end of these remarks. There are many, many more organizations which have taken this kind of strong, patriotic, and forward-looking stand in favor of liberalizing our foreign-trade policies, but I do not wish to burden the RECORD with all their testimonials.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

THE CHAMBER OF COMMERCE OF THE UNITED STATES

For the benefit of the American economy as a whole, business and government should encourage increased United States imports; the chamber has consistently supported the principle of a trade-agreements program since 1933. Trade barriers, be they quotas, currency restrictions, or tariffs, all inhibit world trade.

THE UNITED STATES COUNCIL OF THE INTERNATIONAL CHAMBER OF COMMERCE

Living up to our responsibilities as the major commercial power means, we think: To renounce our historic protectionism, and

to declare as national policy the gradual reduction of tariffs and the encouragement of imports * * * the alternatives for the United States are:

1. A continuation of our costly and unpopular foreign-aid program, or

2. A substantial reduction of American exports and adoption of a drastically restrictive agricultural program; in other words, the acceptance of a declining rather than an expanding economy.

THE AMERICAN BANKERS ASSOCIATION

We endorse and approve the action of the 83d Congress in extending the Reciprocal Trade Agreements Act and enacting the Customs Simplification Act. We urge that all practicable steps be taken to demonstrate to the world our determination to lead in the cooperative effort to expand international trade for mutual benefits in prosperity and security.

THE AMERICAN FEDERATION OF LABOR

The American Federation of Labor has supported the reciprocal trade-agreement program from the day this program was first proposed and submitted to Congress by Cordell Hull.

CONGRESS OF INDUSTRIAL ORGANIZATIONS

The Congress of Industrial Organizations has supported and will continue to support the continuation and extension of the reciprocal trade program.

The problems created by imports should be solved through means other than increasing duties, tariffs, or quotas. * * * Serious study should be given to ways and means of granting aid and assistance to American plants, workers, and local communities that are seriously affected by increased imports.

BROTHERHOOD OF RAILROAD TRAINMEN

The Brotherhood of Railroad Trainmen recommended to the new Congress: Continuance of reciprocal trade agreements in efforts to stabilize world peace through the United Nations.

THE AMERICAN FARM BUREAU FEDERATION

We believe that there should be a gradual reduction in trade barriers, and that such a reduction, coupled with improvement in production and trade, will be good for us and good for our neighbors.

We sincerely believe that the best interests of agriculture and, in fact, our entire national economy, require that we refrain from maintaining unnecessary restrictions in foreign trade.

THE NATIONAL GRANGE

Increased markets over the long pull are far sounder than attempting to tailor production to our domestic demands. Therefore, let's pattern our long-range policies along the line of seeking greater and expanding markets. Let's recapture our lost world market. Eighty percent of the peoples of the world are hungry. The battle with communism may well be won in the realm of food. These people want to buy our food, and I emphasize the word "buy." In order for them to buy this food, we must purchase from them.

THE NATIONAL FARMERS' UNION

The Reciprocal Trade Agreements Act is a type of consciously directed international economic cooperation that should be encouraged. I hope that the Reciprocal Trade Agreements Act can be renewed with appropriate safeguards.

THE NATIONAL COUNCIL OF THE CHURCHES OF CHRIST IN AMERICA

We recommend for consideration the following suggestions for increasing imports and making United States foreign economic policy more responsible to the world situation.

Continuation of the Reciprocal Trade Agreement program on a permanent basis, with elimination of the "escape" and the "peril point" clauses.

THE LEAGUE OF WOMEN VOTERS OF THE UNITED STATES

The league has supported the reciprocal-trade program since its inception. We believe the principles on which it is based are in general sound. However, the present Trade Agreements Act does not meet today's needs. The league would like to see the administration and the Congress adopt a trade policy that would be more effective than the present act in promoting world trade and especially in encouraging United States imports. The United States needs to encourage imports.

GENERAL FEDERATION OF WOMEN'S CLUBS

The General Federation of Women's Clubs has supported the act (reciprocal trade agreements) since 1938 and has repeatedly voted for the extension of the act. We urged the renewal of the act without crippling amendments and repeal of section 104 of the Defense Production Act.

Mr. FERGUSON. Madam President, I am sure the Senator from Iowa is well aware of the fact that legislation dealing with the Reciprocal Trade Agreements Act should originate in the House of Representatives, and that it should first be considered in the House by the Ways and Means Committee. I am sure that the Ways and Means Committee of the House needs no defense in the Senate, but I should like to remind my colleagues that the House Ways and Means Committee worked very diligently and long on the tax-revision bill, and, furthermore, has been engaged in considering many other measures, including the social-security bill. If there is a committee of the House which has a great task to perform, it is the Ways and Means Committee.

It is true that the Reciprocal Trade Agreements Act expires on Saturday of this week, the 12th of June. However, let us consider whether the expiration of the act has any significance so far as legislation along that line is concerned. Of course, if the Reciprocal Trade Act is not extended prior to the 12th day of June the President of the United States will not be in a position to negotiate further reciprocal trade agreements; but I have not had it called to my attention, and I do not believe the fact to be, that any reciprocal trade agreement will be signed before the adjournment of Congress.

It must be remembered that a commission was appointed by the President. The President of the United States and Congress are interested in the question of reciprocal trade agreements. All of us believe that the subject should receive very thorough study. Members of the House and Members of the Senate were named to that commission which the President appointed. They have performed their task, and they have submitted a report.

It is not a unanimous report. That fact alone should indicate, as I believe everyone will agree, that the subject is controversial. The question of reciprocal trade agreements has been brought up in the Senate from time to time during the past 12 years. When the Democratic Party had even greater representation in the Senate than it has today, it apparently did not desire to extend the act into the future, because Senators on the other side of the aisle knew the subject was highly controversial and therefore should receive the attention of the Senate at frequent intervals. The subject has received such attention.

I do not believe that every time a Senator on the other side of the aisle makes a speech, Senators on this side should be called upon to enter into a debate with him on the question he raises, for there is involved a consideration of the processes of the Senate. I do not believe that to do so would be good legislative procedure. Neither should Senators on this side of the aisle be held up to ridicule when they do not take the time of the Senate in that manner.

From the remarks made today and those made yesterday I gather that when the tax bill reaches the floor of the Senate for debate—and the tax bill contains 800 or 900 pages—an attempt will be made to attach a reciprocal trade provision to the tax bill.

Mr. JOHNSON of Texas. Madam President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. JOHNSON of Texas. Does the distinguished Senator from Michigan, the chairman of the Republican policy committee of the Senate, favor the President's foreign-trade program?

Mr. FERGUSON. I will say that I do favor it to a great extent, but I should first like to see what the House of Representatives does and what the Senate does on the question of reciprocal trade. I favor freer trade. I believe that the freer we can make our trade, and at the same time protect America, the better will be our position. I believe we should attempt to bring about freer trade and to that end, remove many of the obstacles to freer trade.

I believe that can be done. However, it should be remembered that although the Democratic Party was in power for approximately 30 years, it did not do very much to further what some Senators on the other side of the aisle now call free trade.

Madam President, I wish to say on the floor of the Senate today that I believe a reciprocal trade agreements bill will be reported by the House Ways and Means Committee to the House, and that there will be action by the Senate on such a bill during the present session of Congress. I believe that both the Senate and the House will vote on a reciprocal trade bill before Congress adjourns.

Because of the great amount of work which has confronted the Ways and Means Committee of the House and because the Committee on Finance of the Senate has been busily occupied for a long time in considering the tax-revision bill, it has not been possible to take action on a trade-agreements bill at this time. There is no more pressing or important legislation that Congress could consider and pass at this session than the tax bill. The American people are

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entitled to know what our domestic program and the tax situation will be during this year and during the years to come.

Mr. LANGER. With reference to tax relief.

Mr. FERGUSON. With reference to tax relief; yes. We would be indeed foolish if we were to delay action on the tax bill or on the social-security bill, which is the next bill to be considered by the Committee on Finance, by having the Committee on Finance hold hearings now on the Reciprocal Trade Agreement Act. As I have said, no reciprocal trade agreement will be held up if the Reciprocal Trade Agreement Act is not extended beyond June 12. If an agreement were pending, the President of the United States could sign it under the present law before June 12.

I wish to say to Senators that I am certain they will have an opportunity during this session of Congress to vote on reciprocal trade agreement legislation. In the meantime no delay or hardship will be caused if the act is not extended beyond June 12. I do not know whether there is any need for bringing that point to the attention of the Senate, but I desired to make these remarks so that the Senate could proceed to the consideration of the pending bill.

ROTC PROGRAM OF THE AIR FORCE

Mr. HENNINGS. Madam President, I have received numerous communications from members of the Air Force's ROTC program protesting the Air Force's action in refusing to grant commissions to all 1954 graduates of this program. I regard their protests to be well taken, and I desire to discuss this matter briefly.

These young men, as freshmen in college, entered the ROTC program in the belief that upon graduation they would be commissioned as second lieutenants in the Air Force, provided they were successful in completing the program. This was a perfectly proper conclusion for these graduates to draw in view of the Air Force's policy in the past of having tendered commissions to all ROTC graduates. I fully realize the right of the Air Force to refuse commissions for good cause, such as inadequate appropriations or because of insufficient job openings for all of these graduates. I do not believe, however, that either of these considerations motivated the action of the Air Force this year.

Several months ago the Air Force announced that commissions would be tendered this year only to those ROTC graduates who were willing to volunteer and were qualified for flight training, and to about 1,000 others throughout the country, who, in the main, were scientific and engineering graduates. The great number of 1954 graduates not qualified for commissions under these criteria were to be given certificates of completion, which would entitle them to a Reserve commission after serving a term of 2 years as an airman in the Air Force or after having fulfilled the 2-year service obligation through induction by the Selective Service System.

The young men who have spent 4 years in the Air Force ROTC program have been understandably distressed over this situation.

Mr. SALTONSTALL. Madam President, will the Senator from Missouri yield?

Mr. HENNINGS. I shall be happy to yield to the distinguished Senator from Massachusetts.

Mr. SALTONSTALL. I am not quite certain from listening to the Senator—I could not hear all he said—that the program has been revised, but it is my understanding that the ROTC graduates who did not get commissions in the Air Force can now receive commissions in the National Guard, in which they will serve for 3 years. I also have received a great many complaints. I checked into the matter and believe that what I have just indicated is now the plan. I shall be glad to make a further check and then let the Senator from Missouri know about it more in detail. I think, however, the situation has been taken care of in the best way the Air Force can take care of it, namely, by giving these men commissions in the National Guard instead of in the regular Air Force.

Mr. HENNINGS. I thank the distinguished Senator from Massachusetts for his contribution. I should certainly appreciate whatever information on the subject he may be able to furnish.

The Air Force has justified its action by stating that the men in the ROTC program were deferred from induction for 4 years. This may be so, but the fact remains that many of these students would have qualified for deferment under the Selective Service regulations without entering the ROTC program because they maintained an academic rating in the top third of their class.

Within the past 3 weeks the Air Force has reversed itself and announced a new program under which those holding certificates of completion may apply for commissions in the Air National Guard, which may be the point to which the Senator from Massachusetts has referred. If acceptable to the Air National Guard of their respective States, the young men will be commissioned by the Air Force as reserve officers and commissioned as second lieutenants in the Air National Guard of the United States. After a maximum 3 years of active duty as an officer in the Air Force the young men will then serve with the Air National Guard for such time as will make the active and inactive period of service a total of 6 years. This is in contrast with a 2-year active and 6-year inactive period of service for members commissioned as ROTC graduates.

Last Saturday a story in the Washington Post reported that 1,300 of this year's Air Force ROTC graduates have turned down commissions in the Air National Guard to become enlisted men in the Air Force or Army draftees. In other words, 1,300 men who have completed 4 years of Air Force ROTC training have elected to pass up lieutenancies at $222 per month to serve in the ranks at from $78 to $86 a month.

The Washington Post continues with this astounding statement:

> The Air Force suspects that the longer service plus a legal ruling denying them GI and other benefits is responsible. As Air Guard "officer trainees," they don't qualify for GI educational and home loan rights.

I do not have the exact figure showing the cost of training these young men in the ROTC as future officers, but there is no question that the Air Force has made a substantial investment in them.

When 27 percent of these graduates who were offered nonflying commissions in the Air National Guard have declined them, it would seem to me that the Air Force should feel constrained to offer some better explanation for the poor return on the taxpayers' investment. Many of the young men whose status is affected by the vacillation of the Air Force in connection with the program have been asking whether the Air Force is using the ROTC as a recruiting device for the Air National Guard.

I desire to make it clear that I have great admiration for the Air National Guard. I consider it a fine and useful and necessary adjunct to our national defense establishment, and I believe it should be properly manned by competent personnel. However, I feel that the Air Force has not dealt honestly with this year's ROTC graduates. On the one hand the graduates were told that, because of a reduced requirement for nonflight officers, they would not be commissioned. Now, on the other hand, they are told that there is a requirement for nonflight officers, but these openings will be filled only through the Air National Guard. In other words, the requirement for nonflight officers was there all the time.

At this date there is no possibility that anything can be done for this year's ROTC graduates; but I bring this matter to the attention of the Senate, in the hope that the Senate Armed Services Committee will see fit to look into it and to provide, if possible, protection against the recurrence in the future of such volatile and inconsistent action by the Air Force in dealing with these fine ROTC graduates.

Mr. SPARKMAN. Madam President, will the Senator from Missouri yield?

Mr. HENNINGS. I shall be very happy to yield to the distinguished Senator from Alabama.

Mr. SPARKMAN. I have been greatly interested in the subject matter of the discussion by the able Senator from Missouri, and I was interested in the comment which the Senator from Massachusetts, chairman of the Armed Services Committee, made. I wonder if his attention has been directed to the situation to which the Senator from Missouri referred, namely, as reported in the Washington Post a few days ago, that the ROTC graduates who were offered commissions in the Air National Guard were not accepting the commissions in very large numbers. A great many of them declined the commissions on the ground,

presumably, that there was a longer active service required, and, furthermore, that they would not have the benefits of the GI bill of rights. Therefore, they were declining the commissions and choosing to serve instead as enlisted men in another branch of the service for a shorter length of time, where they would receive those benefits.

As I recall the story, it went on to say that the Air Force is the only branch of the service in which this discrimination has taken place. It seems to me something should be done to clear up this apparent discrimination.

Mr. HENNINGS. According to my understanding, the distinguished Senator from Alabama is eminently correct.

A letter I have received from a senior at St. Louis University is typical of the reaction of these students to their uncertain status just a few short weeks before graduation. I should like to read a few sentences from his letter.

To date the Air Force has not definitely told us what the situation at graduation will be. One minute we are told none will receive commissions and the next minute that we probably will. Needless to say, prospective employers are not interested in men whose status with the military is so uncertain, nor can we plan such things as graduate study, marriage, etc.

It is my understanding that the other services are commissioning all of their June ROTC graduates. Why can't the Air Force live up to its agreement too? After all, we were not notified of this sudden change until our senior year. For 3 long years we made many sacrifices, not the least of which was summer camp which cost a full summer's gainful employment. For students working their way through college this was a very expensive summer indeed.

Moreover, all of us in category III (this category is made up of young men with slight physical disabilities which disqualifies them from flight training and those unwilling to volunteer for flight training even though physically qualified) consider this situation to be a most serious violation of a moral contract. Just recently I read a news item commenting on the difficulty of getting qualified career military men. If the treatment of military personnel is characterized by the Air Force ROTC situation, the cause of this national problem is rather apparent.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HENNINGS. I am glad to yield to the distinguished Senator from Massachusetts.

Mr. SALTONSTALL. In connection with the suggestion made by the distinguished Senator from Alabama [Mr. SPARKMAN], I may say that the whole question of bonuses and reenlistments is now being considered by the Committee on Armed Services. We expect to hold a hearing on the subject very shortly. The question of veterans' benefits, in connection with the personnel, is before another committee, and is not the concern of the Committee on Armed Services.

I agree with what the Senator from Missouri has said. The situation is a most unfortunate one. I know that the officials of the Air Force, and also of the Navy, which was confronted with a somewhat similar situation, are very much concerned. They have been continuing to try to devise programs, and the program to which I referred was developed.

I have no personal information, beyond what the newspapers have said, about the number of graduates who have refused commissions. But there has been an effort to work out a program, and certainly the Air Force has tried to live up to its obligation toward these men. I think we all agree that certainly there is a moral obligation which, under the present circumstances, it is difficult to live up to in full.

Mr. HENNINGS. I am very glad to hear the distinguished Senator from Massachusetts, who is Chairman of the Committee on Armed Services, express his interest in the situation and his intention to ascertain what can be done to right what, apparently, is most inequitable and unfair action.

ANNUAL MEETING OF NATIONAL HOUSING CONFERENCE

Mr. BUSH. Madam President, there was held this week in Washington the annual meeting of the National Housing Conference. Last night the conference honored the memory of the late Senator Robert A. Taft, of Ohio. I ask unanimous consent to have printed at this point in the RECORD the text of the sentiments which were expressed to the banquet last night.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

On this occasion the National Housing Conference honors the memory of the Honorable Robert A. Taft, United States Senator from Ohio, in recognition of his efforts to raise the standard of life for America's underprivileged.

Believing that good housing was indispensable to the fulfillment of equal opportunity, he led the congressional fight to secure a sound home for every American family, lent it his great prestige, raised it above the party battle and ultimately won it an accepted place as a national aim.

His credo was American. His faith was in America. His heart beat for all humanity. And long after it ceased, the courage he gave the many who followed and revered him continues unabated. Thousands of homes from coast to coast stand as monuments to his effort. Hundreds of thousands of children live a better life today in sounder neighborhoods because he made their welfare his concern.

His inspiration continues to give vitality to the movement to make America a slumless America—where every family will have a decent home and every child a decent environment.

Mr. BUSH. Madam President, I ask unanimous consent to have printed at this point in the RECORD the text of an address delivered by me last evening at the annual banquet of the National Housing Conference.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR BUSH AT 23D ANNUAL MEETING OF THE NATIONAL HOUSING CONFERENCE

In view of the intense interest of the National Housing Conference in better living conditions in America, this 23d annual meeting occurs at a most opportune time.

The Housing Act of 1954 is now taking shape in the halls of the Congress. It is destined to guide housing activity in this country for some years to come. In my judgment, the Senate bill represents a long stride toward the national goal described in President Eisenhower's special mesage to the Congress—"The development of conditions under which every American family can obtain good housing."

It is not my intention to give a detailed analysis of the bill passed by the Senate last Thursday and which now goes to conference with the House. Instead, after touching on a few of the highlights, I intend to discuss the basic philosophy behind the bill. That philosophy embodies principles expressed for the Republican Party by the late Senator Robert A. Taft, whose memory we join in honoring tonight.

To summarize very briefly, the Senate housing bill includes these features:

1. It contains safeguards against abuses which took place in the home improvement loan program and multifamily rental projects, and, for the first time, places needed stress on protection of the home owner and tenant.

2. It should encourage the construction of more and better homes in our cities, suburbs, and farm areas for the moderate and low income groups who are most in need of better housing.

3. It should encourage removal of slums in cities, and for the first time provide an organized and intelligent method of preventing the spread of blight and slums.

4. It takes a step toward getting the Government out of the business of buying mortgages, as distinguished from insuring mortgages, and provides an alternate voluntary method of channeling private housing funds to areas unable to obtain such funds from local sources.

5. It establishes, for the first time, a Federal program to stimulate and encourage a coordinated attack by local, State and Federal governments and industry upon the smoke and air-pollution problem.

Of greatest public interest, perhaps, has been the Senate's action in supporting the President's recommendations on public housing. As you all know, the Senate bill contains an authorization for the program President Eisenhower proposed—the construction of 140,000 units of low-rent public housing over a 4-year period.

Public housing is one of the major points of difference with the House. I sincerely hope that the House will join us in the Senate in supporting the President's program.

Much can be accomplished in slum clearance and redevelopment by initiative on the local level—and the bill contains provisions encouraging such activity. Yet a need still remains for public housing, and we should strive to meet that need to the maximum extent consistent with our obligations to other pressing national problems.

I must confess that some years ago I had grave doubts about the wisdom of Federal intervention in the housing field, particularly when it came to providing public housing. I owe a great debt to the late Senator Taft for the enlightenment he gave me—and very many other Americans—on this problem.

Through personal conversations with Bob Taft, whom I was privileged to know as a friend, I came to see that Federal assistance in the housing field was in complete harmony with the philosophy so well stated by Abraham Lincoln in these words:

"The legitimate object of government is to do for the people what needs to be done, but which they cannot, by individual effort, do at all, or do so well, for themselves."

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Now, I think it is an indisputable fact that the building industry has been unable to solve the problem of providing low-cost housing within the means of families with very small incomes. The provision of such housing is beyond the financial capacity of the States and local communities. If the problem is to be solved at all, the Federal Government must play a part.

I am pleased that you tonight are honoring Bob Taft, but I think the finest tribute to his memory came the other day in the Senate when the vote was taken on public housing. When the roll was called, there were 66 Senators—38 Republicans and 28 Democrats—for the President's program, and only 16 against.

When one thinks back to the comparatively recent past when public housing was the subject of raging controversy, when "socialism" was the mildest cry raised against it, one realizes how great was the contribution of Bob Taft in clearing the air and establishing principles which endure today.

Parenthetically, I may say that we feel his loss more than ever in these days of controversy between the junior Senator from Wisconsin and the executive branch of our Government. Bob Taft's sound thinking, his great knowledge of the Constitution and his respect for the doctrine of separation of powers, would do much, I am confident, to resolve the difficult situation which unfortunately has developed.

The support for the principle of public housing was even greater than the Senate vote might indicate. The 14 Democrats who voted against the President's program were divided into two groups who acted for very different reasons.

A small group of northern Democrats, usually found in the extreme left wing of their party, wanted more public housing than the President feels we can afford in this time of world crisis when 70 percent of our Federal budget must be devoted to national defense. Some southern Democrats were against all public housing because of the Supreme Court's clear warning that segregation in public housing may be outlawed. It was a strange alliance.

It is well tonight that we reflect on Bob Taft's contribution to sound thinking on housing in America. His interest in housing began in 1939, when he first came to the Senate. When he became a member of the Committee on Postwar Planning, he was chairman of a subcommittee on the housing problem. Upon that Taft subcommittee's studies was based the Wagner-Ellender-Taft bill, first introduced in 1945, passed by the Senate after further refinement in the Republican-controlled 80th Congress of 1947, and finally adopted, again with additional improvements, by both Houses in 1949.

The breadth of his knowledge and understanding of what he described as perhaps America's most serious social problem is revealed by his speech on the Senate floor in 1949 in support of the bill.

It demonstrated a deep sympathy for the underprivileged who live in the millions of houses which he called "a disgrace to America."

It expressed the conscience of America when he said that "The American people are a charitable and humane people" who "do not want to see hardship and poverty in the midst of plenty" and who have an interest "in providing equal opportunity for all the children of the families who are brought into being in the United States."

And it analyzed, in clear and forthright terms, the justification for assistance by the Federal Government in housing, as in other fields of welfare. Here are his words:

"I believe the American people are sold on the theory that now for the first time perhaps in our history we have sufficient production and a standard of living sufficiently high so that we can practically abolish hardship and poverty in their extreme forms in the United States, as they have never been abolished elsewhere. That is the general purpose of the various welfare programs.

"Of course, under the Constitution, the obligation is primarily that of the States and local communities. But I believe the Federal Government itself has an interest in making it at least possible that all States and local governments have the means by which they do the job, the obligation of which is recognized, and which the American people want to see done. I think the American people have an interest, whether they live in Ohio or somewhere else, in seeing the job done in all the other States of the United States. Their interest is not solely that of taking care of the people in their own community.

"Of course, this requires a tax on the other four-fifths of the people—perhaps of the other three-fifths of the people—to pay most of the taxes. But I believe those people are willing to pay the tax in order to accomplish the purpose of seeing that we no longer have any serious problem of hardship and poverty in the United States, and that the children of all the families in the United States have an equal opportunity to get started in life, and, if they have the abilities, to make use of them to the full extent they can, so that the United States may remain a country of free opportunity."

With hard-headed characteristic realism, Bob Taft saw clearly the danger involved in Federal housing and other welfare programs.

"There is the danger * * * that if we give people something for nothing, they gradually come to think they are entitled to more, and more and more persons want it," he said. "I realize the danger of expanding into a general socialistic state in which the Government provides everything for everyone.

"But," Bob Taft continued, "I do not believe it justifies the Federal Government in saying to the States, 'You do it if you can, we do not care what may happen. We are concerned with national matters, and we are afraid that if we get into it, we might go too far.' I think we should go as far as we properly can go on sound principle, and stand at that point."

Then Senator Taft laid down three essential limitations which he said must be followed in Federal housing and other welfare programs. Here they are in his own words:

First, "The administration of the program must be not only taken charge of by the States, but the States themselves must be left almost entirely independent in carrying it out, with as wide latitude as is possible to choose one method or another to obtain the ultimate result."

Second, "The program must be confined to those who cannot pay their own way. I do not think the Federal Government should undertake to give people anything when they are perfectly able to buy it themselves."

Third, "The cost must not be too great, because it must be paid by the other four-fifths of the population who are earning their own way, and should not be discouraged."

Those principles, in my judgment, are as sound today as they were when Bob Taft enunciated them in 1949. And, if I may be forgiven for a somewhat partisan note, they still mark the points of departure between my party and some of our good friends on the Democratic side of the aisle.

It has seemed to me that our Democrat friends have not perceived too clearly Bob Taft's warning that "the danger of centralization of power in the Federal Government is the greatest single danger we face in going into this problem." It has seemed to me that they yield too often to the temptation to expand public housing, along with other welfare services, to those who are able to pay their own way. And I think they forget his admonition that we must be realistic about costs, particularly at a time when the expansion of Communist imperialism in the world has forced upon the backs of the taxpayers a heavy burden of defense expenditures.

These differences between the two parties, while very real and very serious, are matters of degree. The broad question of Federal participation in the national objective of creating opportunities for every American family to acquire a good home has been removed from the area of political controversy. And Senator Taft had much to do with that result.

I believe that it is a good thing for the country that common agreement has been achieved on this question. Progress has been made since the passage of the comprehensive housing law in 1949; but much still remains to be done.

One has only to walk a mile or so in any direction from our national Capitol to see slum areas, breeding grounds of crime and disease, and houses which are a disgrace to America. One can hardly visit any major city in America without coming across similar conditions.

The Senate's version of the Housing Act of 1954 gives Federal leadership in the common effort to provide good housing. It reflects President Eisenhower's conviction "that every American family can have a decent home if the builders, leaders, and communities and the local, State, and Federal Governments, as well as individual citizens, will put their abilities and determination energetically to the task." The Senate bill, I believe, provides a means by which we can progress toward that common goal.

REPRINTING OF CONSTITUTION AS APPROVED BY CONTINENTAL CONGRESS AND SUBMITTED TO THE STATES FOR RATIFICATION (S. DOC. NO. 126)

Mr. SALTONSTALL. Madam President, I ask unanimous consent for the publication, with an illustration, of a document reprinting the Constitution as it was approved by the Continental Congress and submitted to the States for ratification. My reason for making the request is as follows: The matter was brought to my attention by Mr. Denys P. Myers, a distinguished scholar and a student of the Constitution and of constitutional history. He was formerly research librarian at the Fletcher School of Law and Diplomacy, and more recently has been associated with the Department of State, first as its legal specialist in international organization, and later as historian. My own awareness of Mr. Myers' standing as a scholar dates from 1939, when, as Governor of Massachusetts, my attention was drawn to a publication by him which showed that the Commonwealth of Massachusetts had never ratified the Bill of Rights. I hasten to add that, thanks to Mr. Myers, the Commonwealth of Massachusetts very promptly remedied that oversight and in 1939 ratified the Bill of Rights.

It is my understanding that there are in existence only two copies of the Constitution as it was submitted, together with the accompanying papers, by the Continental Congress to the States. The only other copy besides that which is in

the Archives in Washington is the copy in the possession of the State of North Carolina, which has preserved its copy. There are no other copies extant of the instruments which were prepared by Charles Thomson, Secretary of the Congress. Mr. Thomson prepared a 4-page folio containing the Constitution, the resolutions of the Federal Convention, the letter of transmittal to the Congress, all of September 17, 1787, and the resolution of the Congress of September 28, 1787.

I have been informed that the publication of this document as a public document would not be very expensive. It is intended to reproduce these papers from a photostat of the only copy of the print in the possession of the United States. It has never been reproduced as such, or exhibited. It is preserved in a Resolve Book of the Department of State, as transmitted by Secretary Thomson for information of the Secretary of State. As I have said previously, only North Carolina, of the original States, possesses the copy sent to it for ratification.

On July 6, 1789, Congress directed that the Constitution be prefixed to the volume of Session Laws of the First Congress. These papers were reproduced in that book with the single change that Senator and Representative were given initial capital letters. That text was the archetype of prints of the Constitution in the volumes of laws, the Senate and House Manuals, and so forth, until successive editings raised suspicions of accuracy. The printed archetype being then unknown, the engrossed copy was reproduced in the Revised Statutes of 1878 and thereafter was regarded as the true archetype.

Accompanying the documents is a History of the Printed Archetype by Mr. Denys P. Myers, with whom, as I have mentioned, I first came in contact when he pointed out to me, when I was governor, that Massachusetts never had ratified the first 10 amendments to the Constitution. Massachusetts promptly ratified the first 10 amendments, and upon my message of notification to the Department of State, I received from the then Secretary of State, Cordell Hull, a very formal recognition of the fact that Massachusetts had ratified the first 10 amendments. This is now a part of the archives and historical data of Massachusetts.

I ask unanimous consent that this material be printed, with an illustration, as a Senate document, in appropriate style, so that it will be available to persons interested in this step in the ratification of the Constitution.

Mr. JOHNSON of Texas. Madam President, reserving the right to object, am I to understand that the Senator from Massachusetts is asking to have the material printed in the RECORD, or printed as a Senate document?

Mr. SALTONSTALL. I am asking that it be printed as a Senate document. I shall be glad to take up the matter with the distinguished minority leader if I am incorrect in my understanding, but it is my information that the cost will be within the expense allowance. That is my information. This is purely historical data, which I have tried to describe.

Mr. JOHNSON of Texas. Madam President, will the Senator withhold his request, until I have examined into the matter.

Mr. SALTONSTALL. I shall be glad to withhold my request.

The PRESIDING OFFICER. The Senator from Massachusetts withholds his request.

Mr. SALTONSTALL subsequently said: Madam President, I have talked with the minority leader. As I understand, he has no objection to my unanimous-consent request relative to the printing as a Senate document of certain early portions of our constitutional history. I assure the Senator from Texas that I shall look into the subject very carefully to see that nothing extraneous is printed.

Mr. JOHNSON of Texas. Madam President, I suggest that the Senator from Massachusetts now renew his request. We have no objection on this side of the aisle.

Mr. SALTONSTALL. Madam President, I renew my request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

GRATUITIES TO DEPENDENT RELATIVES OF PERSONS IN THE ARMED FORCES

Mr. SALTONSTALL. Madam President, with the approval of the minority leader, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 1426.

The PRESIDING OFFICER laid before the Senate the bill (H. R. 1426) to further amend the provisions of the acts authorizing payment of 6 months' death gratuity to widow, child, or dependent relative of persons in the Armed Forces, which was read twice by its title.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

There being no objection, the Senate proceeded to consider the bill.

Mr. SALTONSTALL. Madam President, I move that House bill 1426 be amended by striking out all after the enacting clause and substituting the language contained in S. 3525. The Senate passed S. 3525 on June 1. House bill 1426 is identical to S. 3525 with one exception. The effective date of the Senate bill is December 7, 1941, whereas the effective date of the House bill is June 27, 1950. So that if my motion is agreed to, the Senate will pass the bill in the form in which it passed the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 1426) was read the third time, and passed, as follows:

Be it enacted, etc., That the act of December 17, 1919 (41 Stat. 367) as amended (10 U. S. C. 903), authorizing the payment of a 6 months' death gratuity upon the death of certain Army personnel is further amended by adding the following new sentence at the end thereof: "The terms 'parent' and 'relative,' as used herein, include a stepparent, parent by adoption, or any person, including a former stepparent, who last stood in loco parentis to such officer or enlisted man at any time prior to his entry into military service for a continuous period of not less than 5 years during the minority of such officer or enlisted man."

SEC. 2. The act of June 4, 1920 (41 Stat. 824), as amended (34 U. S. C. 943) authorizing the payment of a 6 months' death gratuity upon the death of certain Naval and Marine Corps personnel, is further amended by adding the following new sentence at the end thereof: "The terms 'parent' and 'relative,' as used herein, include a stepparent, parent by adoption, or any person, including a former stepparent, who last stood in loco parentis to such officer or enlisted man at any time prior to his entry into military service for a continuous period of not less than 5 years during the minority of such officer or enlisted man."

SEC. 3. The provisions of this act shall apply likewise in all cases where a 6 months' death gratuity is now or may hereafter be authorized by law to be paid upon the death of other persons on the same basis as provided in the said act of December 17, 1919, as amended, or the said act of June 4, 1920, as amended.

SEC. 4. The provisions of this act shall apply in all cases of death occurring on and after December 7, 1941, but nothing contained herein shall be construed to authorize any payment of death gratuity when payment on account of death of the decedent shall have been made to any person entitled thereto under the provisions of law in effect at the time of such payment.

TERMINATION OF RAILROAD REORGANIZATION PROCEEDINGS

The Senate resumed the consideration of the bill (S. 978) to amend the Interstate Commerce Act in order to expedite and facilitate the termination of railroad reorganization proceedings under section 77 of the Bankruptcy Act and to require the Interstate Commerce Commission to consider, in stock-modification plans, the assents of controlled or controlling stockholders, and for other purposes.

The PRESIDING OFFICER. The amendments of the committee will be stated.

The first amendment of the committee on Interstate and Foreign Commerce was, on page 2, line 16, after the word "of", to strike out "such submission and the Commission may, in its discretion, rely upon such certification as conclusive evidence in determining" and insert "such submission and shall retain for a period of 5 years all assents and other documents received in connection therewith. The Commission may, in its discretion, accept such certification as evidence in determining".

The amendment was agreed to.

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The next amendment was, at the top of page 5, to insert:

SEC. 4. Paragraph 5 of section 20b of the Interstate Commerce Act (49 U. S. C., sec. 20b (5)) is amended by adding the letter (a) after the number 5 and by adding a new paragraph (b) to paragraph 5, as follows:

"(b) No plan of alteration or modification of a carrier's securities or other plan of reorganization or consolidation of a carrier under the Interstate Commerce Act or order of the bankruptcy court or of the Interstate Commerce Commission in connection therewith shall relieve any carrier from the obligation of any final judgment of any Federal or State court rendered prior to January 1, 1929, against such carrier or against one of its predecessors in title, requiring the maintenance of offices, shops, and roundhouses at any place, where such judgment was rendered on account of the making of a contract or contracts by such carrier or one of its predecessors in title so providing."

The PRESIDING OFFICER. This amendment was previously amended by striking out the words "this section of" before the words "the Interstate Commerce Act." The question is on agreeing to the amendment as previously amended.

The amendment as previously amended was agreed to.

The next amendment was, in line 17, to change the section number from "4" to "5."

The amendment was agreed to.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The next amendment of the committee will be stated.

The next amendment was, on page 6, line 16, after "(ii)", to strike out "the total earnings of such carrier available for the payment of its fixed charges" and insert "prior to the filing of such application with the Commission such carrier shall have obtained assurances satisfactory to the Commission of the acceptance of such plan from holders of at least 25 percent of the aggregate amount of all securities, including not less than 25 percent of the aggregate amount of all creditors' claims affected by such plan and the total income available for fixed charges of such carrier determined in accordance with the uniform system of accounts as prescribed by the Interstate Commerce Commission."

Mr. SCHOEPPEL. Madam President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SCHOEPPEL. Have all the committee amendments to Senate bill 978 been offered and agreed to?

The PRESIDING OFFICER. Not yet. The question is on agreeing to the last committee amendment, on page 6, line 16, which has been stated.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. SCHOEPPEL. Madam President, have all the committee amendments now been agreed to?

The PRESIDING OFFICER. They have.

Mr. SCHOEPPEL. Madam President, I offer and send to the desk an amendment designated "6-4-53-B," and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 6, in line 5, it is proposed to strike out "confirming" and insert in lieu thereof "approving."

On page 6, in line 10, it is proposed to strike out "of confirmation or" and insert "approving."

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JOHNSON of Colorado. Madam President, I desire to give a brief explanation of the purpose of the bill and the need for it.

Senate bill 978 will amend the Interstate Commerce Act in order to expedite and facilitate the termination of railroad reorganization proceedings. The bill also cures certain deficiencies found in section 20b by the Interstate Commerce Commission, and recommended by it for enactment.

The first section of the bill is the result of a request by the Commission for authority to make general rules and regulations with respect to the solicitation of assents. This is designed to make unnecessary case-by-case determinations by the Commission. This section also would permit the Commission to approve the appointment of a bank as the person to whom assets may be addressed and as the person who shall count the assents and certify the results to the Commission. This section further modifies the provision as to the percentage of assents required for acceptance of a plan of reorganization that has been approved by the Commission. The act presently provides that 75 percent of the outstanding securities must be voted in favor of the plan. It has been found in practice that it is exceedingly difficult to obtain this percentage of assents, primarily because the securities that are sought to be modified under section 20b are those on which the carrier has been unable to pay interest or dividends.

At present there are two methods for proceeding with railroad bankruptcies. One is by means of section 77 of the Bankruptcy Act. The other is by means of section 20b of the Interstate Commerce Act, which was approved by Congress on April 9, 1948. Former Senator Clyde Reed, of Kansas, was the author of section 20b and was instrumental in having Congress adopt that section.

However, in the operation of section 20b—as occurs many times when a measure is put into actual practice—certain defects were discovered. It is to cure those defects that Senate bill 978 is before us at this time.

The reorganization of railroads has been a very serious matter in the United States—serious to the shippers on the railroads, and very disastrous, in many cases, to the persons who had a financial interest in the railroads—persons who owned common stock, for instance. Under section 77 of the Bankruptcy Act, many very long-drawn-out railroad reorganizations have occurred.

An example of a railroad that has been in reorganization for 20 years, and for which the Commission has approved three separate reorganization plans, is the Missouri Pacific. In a recent decision the Commission found that its last plan of reorganization required reconsideration. The Missouri Pacific proceeding demonstrates the virtual impossibility of achieving reorganization for railroads under section 77 in a reasonable length of time. A review of reorganizations of the Chicago, Rock Island & Pacific, the St. Louis & San Francisco, the New Haven, the Denver & Rio Grande Western, and the New York, Ontario & Western confirms this conclusion. In all cases the railroads in question were, or still are, in reorganization after more than a decade from the filing of the petition under section 77 of the Bankruptcy Act. The experience of railroads which have effected a reorganization or recapitalization under section 20b of the Interstate Commerce Act, has demonstrated that the capital structure of a railroad can be modified in a much shorter period of time and at a lower cost to the company.

By means of the amendments to section 20b, as provided in Senate bill 978, when that bill is enacted, bankruptcy proceedings will be speeded up even more, and there will be much less loss to the shippers and to the persons who are so unfortunate as to have equities in a railroad that is in bankruptcy.

As was pointed out by the president of the Missouri-Kansas-Texas Railroad, who supports this measure, when dividends have not been paid for many years, the stock tends to drift into "street" names, instead of being retained in the names of the actual owners. This is equally true of stock that sells at a low dollar amount per share. There is no incentive to the broker holding the stock in his own name to see that the beneficial holder votes on the reorganization plan. Mr. Fraser pointed out, and the Commission has found that there is always a certain percentage of any large security issue that cannot be located.

Because of these conditions, it is difficult for any carrier to comply with the present provisions of section 20 (b).

Accordingly, Senate bill 978 amends section 20 (b) by adopting the voting requirements of section 77 of the Bankruptcy Act, plus an additional safeguard. In other words, when section 20 (b) was enacted, under the sponsorship of the very able former Senator Reed, of Kansas, the standard was set a little too high for practical results. So by means of this measure, as an amendment, we have taken the standard set up in the older statute—section 77 of the Bankruptcy Act—and are attempting to amend section 20 (b) by

using that standard, with an additional safeguard, which I shall describe.

The voting provisions of section 77 have used over and over again. To my knowledge, there has been no complaint that the percentage of assents required by that act is inadequate to safeguard the rights of minority holders. On the contrary, the present requirements of section 20 (b) are felt to place too much control in the hands of small groups, who can, by controlling substantially less than 25 percent of the outstanding securities, block a meritorious plan that has been approved by the Commission and most of the security holders.

The present situation invites speculators to enter the market and corner enough of a carrier's securities either to block a plan or force a modification satisfactory to them. Giving such groups a position from which they can secure special treatment is contrary to the purposes of section 20 (b) and is inconsistent with the interests of security holders and our railroads. However, to afford a further safeguard, the committee has provided that at least 50 percent of the outstanding creditors shall have voted on the plan. This suggestion was made, I understand, by Commissioner Mahaffie, of the Interstate Commerce Commission, who has a long record as one of the Nation's greatest experts in the field of railroad financing. That is his job. He has devoted most of his time to it, and he has become a nationally known and respected authority on the question of railroad financing.

Sections 2 and 3 of Senate bill 978 contain an administrative change requested by the Commission on the basis of its experience in cases arising under the act. The Commission feels that this is another section which is required in order to prevent failure of meritorious plans through the refusal or neglect of a small minority to assent.

Section 4 of the bill adds a new subsection to section 20b, which has the same effect as a comparable provision of the Bankruptcy Act, section 77 (n). It would protect certain adjudicated contracts and agreements between certain cities and counties in Texas and the International Great Northern Railroad against any impairment during the course of a reorganization proceeding.

Section 5 is an amendment to subsection 13 of section 20b. This is the paragraph relating to railroads in reorganization. The proposed amendment would permit railroads in reorganization to bring to an early conclusion their release from bankruptcy by permitting them alternate methods of obtaining reorganization under section 20b.

The present act provides that a carrier in reorganization may avail itself of the expeditious procedure of the Interstate Commerce Act only after it obtains the consent of the bankruptcy court. Section 5 of the bill eliminates the necessity of securing the permission of the bankruptcy court.

The history of railroad reorganizations under section 77 has been a disappointment to everyone except the lawyers and politicians appointed by the court to control and manage the properties. The lawyers have had a field day. The judges and their friends have enjoyed control of some of the largest railroad properties in the United States. The security holders have often suffered grievous losses. As the late Senator Reed told the Senate when section 20b was enacted, its purpose was to rectify these conditions.

Section 77 was enacted in 1933 in the hope that it would cure the delay—and sometimes corruption—which occurred under the old court receiverships. Some Members of the Senate may remember the investigations conducted by the House Judiciary Committee, which disclosed the interminable delays and base corruption in some jurisdictions on the part of courts and the receivers whom they appointed. It was to put an end to such delays and corruption that section 77 was enacted. Unfortunately it did not accomplish its purpose. Railroads which went into bankruptcy under section 77 remained there for years on end.

It is often the case that when Congress enacts legislation and it is given a trial run, it does not come up to all our expectations. It often falls far short of doing all the things we hoped would be accomplished under it. That is true, certainly, of section 77. Railroads which went into bankruptcy under section 77 remained there for years on end; and they remained in the control of judges who, for the most part, did not have the time nor the training to supervise either the operation of the railroad or the conduct of the reorganization proceeding.

Railroading is a very specific function. It is not everyone who can successfully operate a railroad. Judges may be very excellent judges in the interpretation of the law, and may possess all the other very necessary qualifications required of a judge; yet we turn over to judges railroads in bankruptcy, railroads which have been in trouble, railroads which are badly needed by the shippers, railroads in which there is a vast investment of equity capital and borrowed funds, and expect judges overnight to become successful operators of railroads. That is the reason why these long court proceedings with respect to bankruptcy have been so disastrous to the railroads unfortunate enough to come under their supervision. As I have said, railroads have remained in the control of judges who, for the most part, did not have the time nor the training to supervise either the operation of the railroad or the conduct of reorganization proceedings. Continued control in the hands of appointees has often seemed to govern court decisions.

Section 77 made provision for the payment of legal fees to every party who came into the case. As a result, it has proved to be a lawyers' paradise, and a security holders' nightmare. Lawyers have dragged these cases out, and the courts have been unwilling or unable to bring the proceedings to a close. One of the largest railroad properties in the United States, the Missouri Pacific, which covers the Southwest and extends into the South and the Central West, including the State of Colorado, has been in reorganization under section 77 for more than 20 years. The New York, Ontario, and Western is still in reorganization after 16 years. The New Haven and the Rock Island were under section 77 for 13 and 15 years, respectively. All efforts to bring those proceedings to a close have failed. The Commission has passed on three different plans.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. AIKEN in the chair). Does the Senator from Colorado yield to the Senator from Arkansas?

Mr. JOHNSON of Colorado. I yield.

Mr. FULBRIGHT. The Senator's last statement was that all efforts to bring these proceedings to a close have failed. It is my understanding that representatives of the parties in interest in the Missouri Pacific case have agreed upon a method of settling that bankruptcy. They agreed on May 12, 1954, and filed the agreement with the Interstate Commerce Commission. This agreement was reached after the hearings on the pending bill. I wonder if, in the opinion of the chairman, that agreement does not make this bill unnecessary.

Mr. JOHNSON of Colorado. No. This bill is general law. The bill does not apply merely to the Missouri Pacific.

I may say that the agreement to which the Senator has referred is wonderful news to all of us who have a shipping interest in the Missouri Pacific. It is wonderful news that it is finally coming out of bankruptcy. However, it was understood, as a part of that very agreement, that Senate bill 978 would be enacted, so it was really a part of the agreement. The attempt to enact Senate bill 978 is in no sense an effort to change the agreement which has been signed, sealed, and delivered, as the Senator has stated. I am sure that the parties to the agreement are eager to have the bill passed.

Mr. FULBRIGHT. But are all parties eager to have this bill enacted? That is the question.

Mr. JOHNSON of Colorado. I do not know about that. I suppose there are some who would not like to see railroads brought out of bankruptcy. I suppose there are those who have a selfish interest in keeping railroads from being relieved of bankruptcy and restored to private enterprise.

I suppose there are those who would like to keep them in the courts, and of course would oppose the enactment of the pending bill or the enactment of any bill which would have for its purpose the expedition of bankruptcy proceedings.

I remember that when Senator Reed had section 20b of the Interstate Commerce Act before the Senate he encountered opposition because some people wanted a new section 77. As I have said, that section has been a paradise for lawyers and for bankers and for receivers, from which they have reaped a rich harvest, and they have reaped a rich

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harvest from the Missouri Pacific case for the past 20 years.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. FULBRIGHT. As the Senator from Colorado knows, the Missouri Pacific Railroad is an important line in the State of Arkansas. Some of my constituents are of the opinion that the passage of the pending bill will impede the operation of the agreement and that it may, in fact, cause someone, under the authority of this bill, if enacted, to interfere with the operation of that agreement, which is designed to take the Missouri Pacific out of bankruptcy. In other words, there seems to be a very great difference of opinion as to the effect of the pending bill. Some of my constituents believe that it is designed to prevent the Missouri Pacific from coming out of bankruptcy.

I agree with the Senator from Colorado as to the objective, which is that all of us would like to see the Missouri Pacific taken out of bankruptcy. However, there is a great difference of opinion as to the interpretation of the significance of the bill. Inasmuch as that agreement is dated May 12, which is long after the pending bill was reported by the committee, which I believe was last year, it would seem to me that there is some ground for the recommittal of the pending bill, or that some exceptions be provided in it with regard to the agreement which has just been signed. That is the attitude of some persons in my State who know more about this subject than I do.

Mr. JOHNSON of Colorado. I realize that Mr. Mahaffie, of Little Rock, Ark.—and I do not want to confuse him with Commissioner Mahaffie of the ICC, because they are not related—does take a position adverse to the bill. I do not question his motives. I know nothing about what his motives may be. However, I repeat to the Senator from Arkansas that S. 978, the pending bill, has been on the calendar of the Senate for a long time. The reason it has not been considered before this time is that there has been some question about an amendment which the Senator from Kansas [Mr. SCHOEPPEL] desired to offer to the bill. The Senator from Kansas has now offered his amendment and the Senate has agreed to it. That amendment is supposed to cure all the objections which Mr. Mahaffie and others had to the passage of S. 978. Had that amendment been agreed to many months ago the bill would have been enacted and would have gone to the House a long time ago.

I wish to get back to the inquiry of the Senator from Arkansas. As I say, in May a number of persons who are specifically interested in ending the Missouri Pacific bankruptcy proceedings sat around a table in conference. They knew about S. 978, and discussed it at that time. It was stated that S. 978 would be enacted, and there was no objection to it. Therefore I say that the passage of the bill was a part of the agreement.

S. 978 would provide general law, which is needed by the Katy Railroad especially, as well as by other railroads. It is not a Missouri Pacific bill at all.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. FULBRIGHT. Would the Senator from Colorado accept an amendment excepting the Missouri Pacific from the provisions of the pending bill? If what he says reflects the attitude of those involved in the Missouri Pacific agreement, it would seem to me that there would be no objection to an amendment excepting the Missouri Pacific from the provisions of the bill.

Mr. JOHNSON of Colorado. I will say to the Senator that it was proposed that there be accepted an amendment to the bill which would extend the effective date of the bill until March 1, 1955. As I understand the Senator from Arkansas, the Missouri Pacific matter will be concluded in November of this year. Is that correct? Did the Senator say that?

Mr. FULBRIGHT. I did not say that. The agreement is dated May 12, and was filed with the ICC. I cannot understand that the ICC would accept an agreement based upon the possible passage of a bill pending on the calendar of the Senate. That does not seem to be quite regular procedure, because certainly no one could assure anyone that the bill would be passed by the Senate.

Mr. JOHNSON of Colorado. That is correct. However, the parties who signed the agreement understood about S. 978.

Mr. FULBRIGHT. Does the Senator from Colorado assert that all the parties to the agreement are in favor of the pending bill?

Mr. JOHNSON of Colorado. I do not know. They were in favor of it at the time the agreement was signed, because at the time they sat around the table it was a part of the consideration that this bill would be enacted.

Mr. FULBRIGHT. I do not understand how that can be, because no one can guarantee that a bill will be enacted.

Mr. JOHNSON of Colorado. They had no objection to the bill. They were told that an effort would be made to enact the bill. I understand that those pushing S. 978 agreed to accept an amendment which would postpone the effective date of the bill to March 1, 1955.

Mr. FULBRIGHT. With the idea that it would exempt, in effect, the Missouri Pacific?

Mr. JOHNSON of Colorado. That is correct.

Mr. FULBRIGHT. I did not know that. If that is correct, I do not understand why anyone should object to an outright exemption.

Mr. JOHNSON of Colorado. The Senator's colleague from Arkansas knows about that matter, and I shall be glad to yield to him to make a statement on it.

Mr. McCLELLAN. I thank the Senator from Colorado. I submitted an amendment to those who were pressing for the enactment of the bill, and they declined to accept the amendment. They submitted a counterproposal in the form of an amendment which contained different wording.

If the Senator from Colorado will yield further, I should like to say that of course the pending bill contains many provisions which are not applicable to the Missouri Pacific. The bill would amend a statute in considerable detail aside from anything that is actually involved in the Missouri Pacific case. I do not want to have a bill passed which will enable the parties to the agreement immediately to start some kind of alternated move or proceeding. I wish to test the good faith of those people who have been involved in this matter for about 21 years to find out if they mean in good faith to carry out that agreement. That is all I am interested in.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I shall yield in a moment. I share completely and absolutely the views of the senior Senator from Arkansas. What I want to do above all else is to bring the Missouri Pacific out of bankruptcy. It should have been brought out of bankruptcy a long, long time ago. It has been in bankruptcy for many years, and all the equity holders in the Missouri Pacific, as well as the shippers—and people in Colorado are included among the shippers—have suffered severely because this great system, this very profitable railroad, this railroad which serves a great area, which has developed almost beyond any other area in the country, has been arbitrarily held in bankruptcy under section 77.

The junior Senator from Arkansas wanted to know if we would accept an amendment which would exempt the Missouri Pacific Railroad from the provisions of the bill. I do not want to accept an amendment which would have the effect of making the bill inapplicable to any railroad now proceeding under section 77 of the Bankruptcy Act. If the Senator can make the amendment more specific——

Mr. FULBRIGHT. What I meant was that the bill should not interfere with the operations agreement which has been entered into. That is what I had in mind.

Mr. JOHNSON of Colorado. But the Senator's amendment goes far beyond that objective. I should be glad if the junior Senator from Arkansas would offer an amendment which would accomplish the purpose which he says he wants to accomplish. I think a satisfactory solution can be worked out along the line he has suggested, but I know it cannot be worked out along the line of the amendment which has been submitted. The amendment which the senior Senator from Arkansas suggests would simply gut the bill. It would remove all railroads which have begun proceedings under section 77 of the Bankruptcy Act, which are the railroads that need this kind of legislation.

Mr. FULBRIGHT. Other than the Missouri Pacific?

Mr. JOHNSON of Colorado. Yes. If the Senator will submit a specific

amendment, I think possibly we can work out something which will exclude the Missouri Pacific.

Mr. President, I should now like to yield to the Senator from Kansas [Mr. CARLSON], who has a special request he wishes to make.

VISIT TO THE SENATE BY THE HONORABLE BERTIL OHLIN AND THE SWEDISH AMBASSADOR

Mr. CARLSON. Mr. President, it affords me sincere pleasure and I consider it to be a special honor, to present to the Senate two very distinguished guests, one of whom, a former Minister of Commerce of Sweden, and a member of the lower branch of the Swedish Parliament, is now the head of the Liberal Party in Sweden—Hon. Bertil Ohlin. He is accompanied by the Ambassador from Sweden to the United States.

[Applause, Senators rising.]

Mr. CARLSON. I thank the Senator from Colorado for yielding to me.

Mr. JOHNSON of Colorado. I should like to say to the Senator from Kansas that if at any time he wishes to interrupt me to introduce someone from Sweden, I shall be very proud and honored to yield to him for that purpose. I feel especially honored, as one Member of the Senate, on this occasion, and I know I am joined by all my colleagues in welcoming these distinguished guests.

The PRESIDING OFFICER (Mr. UPTON in the chair). The Chair wishes to join in welcoming to the Senate Chamber these gentlemen from Sweden.

TERMINATION OF RAILROAD REORGANIZATION PROCEEDINGS

The Senate resumed the consideration of the bill (S. 978) to amend the Interstate Commerce Act, in order to expedite and facilitate the termination of railroad reorganization proceedings under section 77 of the Bankruptcy Act and to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes.

Mr. SCHOEPPEL. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I yield to the distinguished Senator from Kansas.

Mr. SCHOEPPEL. I was very much interested in the statement made by the senior Senator from Arkansas [Mr. MCCLELLAN] with reference to what might happen to the proceedings now under way which will terminate the long-drawn-out litigation and delay in connection with the reorganization of the Missouri Pacific Railroad. I am very much interested because I think it would be most unfortunate if at this stage of the game the passage of this bill would in any way prevent an agreement being consummated. I think it would probably be the forerunner of years of delay.

Here is a railroad which has more than 2,000 miles in my State. I was very vitally interested in the colloquy between the Senator from Colorado and the senior and junior Senators from Arkansas. I am hopeful that there can be placed in the bill some safeguards which will prevent immature or impractical proceedings which might disrupt or nullify the agreement concerning the Missouri Pacific which has been consummated after very great effort and much thoughtful consideration.

Mr. JOHNSON of Colorado. I agree completely with the Senator from Kansas as to the importance of bringing the Missouri Pacific Railroad out of bankruptcy. I do not agree that there is any danger of the bill's impeding the proceedings. I know how important the Missouri Pacific System is to Kansas and the other 11 States served by it. The shippers in those States have a very definite interest in the bankruptcy proceedings which have been imposed upon the Missouri Pacific system for the past 20 years. I do not take second place to any one in feeling that it would be most unfortunate if any situation should arise at this time which would interfere with or jeopardize the agreement reached between the different persons interested in the equities of the Missouri Pacific. I think that would be a catastrophe; and it would be the last thing I would want to see happen.

Mr. MCCLELLAN. Mr. President, will the Senator from Colorado yield further?

Mr. JOHNSON of Colorado. I yield.

Mr. MCCLELLAN. I think we all want the same thing. I do not question anyone's good faith about it. But is it not true that, if the bill as it now stands should become law, any party to the agreement could immediately start some alternative proceedings. That is what could happen. None of the parties to the agreement would be bound by it. Anyone not in good faith could immediately kick over the traces and start the whole proceedings over again.

Mr. JOHNSON of Colorado. The matter would have to go through the Interstate Commerce Commission before there could be a transfer in the case of the Missouri Pacific from section 77 to section 20b. This bill has reference to section 20b, and the Missouri Pacific is not under 20b. The only thing which could affect the Missouri Pacific would be for the Interstate Commerce Commission to transfer the proceedings from section 77 to section 20b. I do not know whether the Commission would have to go through the courts to do that.

Mr. MCCLELLAN. Through application by any of the parties that could be done.

Mr. JOHNSON of Colorado. An application would not necessarily mean it would be done.

Mr. MCCLELLAN. But the bill affords such an opportunity. That is what I am trying to point out.

Mr. JOHNSON of Colorado. There is now an opportunity to bring suits, and probably suits will be brought by some of the equity holders who may perhaps feel they have been aggrieved by the proposal of the settlement of the bankruptcy proceedings.

Mr. MCCLELLAN. It would not be anticipated that any parties to the agreement would start to bring suits after joining in the proposed plan. Other persons outside might do that. But we think a majority of the interested parties are in favor of the reorganization. They have agreed and have signed the proposed plan. They all profess to be acting in good faith. All we want is to make certain that a law is not passed which will give anyone a loophole to start some other diversionary or alternative proceedings, which might further delay the reorganization of the railroad company.

Mr. JOHNSON of Colorado. I am sure I do not want the bankruptcy proceedings to continue. I want them settled at the earliest possible moment. I think we must believe that all the persons who are parties to the agreement are acting in good faith and want to go ahead with the proceedings.

The junior Senator from Arkansas suggested a moment ago that he would like to offer an amendment which would remove the Missouri Pacific from the jurisdiction or the application of Senate bill 978. If he will offer that kind of amendment, I think the argument can be ended. Of course, an amendment could not be accepted——

Mr. MCCLELLAN. What is wrong with the amendment suggested by me?

Mr. JOHNSON of Colorado. It would gut the bill.

Mr. MCCLELLAN. How would it gut the bill, except to make parties live up to their agreement?

Mr. JOHNSON of Colorado. Congress cannot enact a law requiring them to live up to the agreement. The bill provides that carriers in process of reorganization under section 77 of the Bankruptcy Act——

Mr. MCCLELLAN. That applies to the Missouri Pacific.

Mr. JOHNSON of Colorado. It would not apply only to the Missouri Pacific; there are a great many other railroads besides the Missouri Pacific which are proceeding under section 77 of the Bankruptcy Act.

Mr. MCCLELLAN. Do they have pending before the Interstate Commerce Commission or before district courts proceedings under section 208? That is the situation with respect to the Missouri Pacific.

Mr. JOHNSON of Colorado. If the Missouri Pacific were to be described a little more specifically, perhaps a satisfactory solution could be reached. What would be wrong with spelling out Missouri Pacific in the amendment?

Mr. MCCLELLAN. I would have no objection to spelling it out.

Mr. FULBRIGHT. That would be agreeable to me.

Mr. MCCLELLAN. The Missouri Pacific is the only railroad in which I am interested in this instance. If it can be spelled out in the amendment, that would be satisfactory to me.

Mr. KEFAUVER. I am wondering how many other railroads are in the same category.

Mr. HENNINGS. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I am glad to yield.

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Mr. HENNINGS. I am certain the distinguished Senator from Colorado is acting in the very best of faith.

Mr. JOHNSON of Colorado. I thank the distinguished Senator from Missouri for his kind remark. I return the compliment and say that he, too, is acting in good faith.

Mr. HENNINGS. I should like to make 1 or 2 observations, and to ask the Senator to give consideration to the fact that Mr. T. C. Davis, who is chairman of the board of the Missouri Pacific Railroad Co., has had included as one of the exhibits, in the matter of the Missouri Pacific Railroad reorganization, debtor, an agreed system plan, which was filed May 12, 1954, with the Interstate Commerce Commission. Mr. Davis approves the plan as being one of the most helpful proposals during the twenty-some years of the trusteeship of this railroad.

May I ask the Senator from Colorado whether this most important and helpful plan in the 20 years' effort to reorganize the Missouri Pacific Lines would not be seriously affected by the passage of the bill, for the reason that the bill would empower the Missouri Pacific debtor company to file a petition with the Commission for readjustment of the capital structure of the company without the authority of the United States district court, as is presently required by the act? In other words, should some of the parties to the agreement hereafter withdraw their support from the plan which has been submitted, they could then, according to my understanding, go into the entire matter de novo and file a petition for readjustment of the capital structure of the company, and the debtor would be required to support the petition with the agreement of only 25 percent of Missouri Pacific securities.

Of course, this is not a very difficult requirement, since the debtor has demonstrated its willingness to make absolutely impossible promises to the same creditors to secure such assents in the past. We know something of that history.

I wondered, too, if upon the filing of such a petition with the Commission, the Commission could order that all further proceedings for confirmation of the plan of reorganization, both before the Commission as well as before the court, be suspended, and the debtor be given a minimum of 18 months in which to work out a plan.

The debtor's representatives in this case, Colonel Davis and former Senator Wheeler, have said they would not need so long a time as that, but it seems to me the efforts to pass the bill do not give any great assurance that the reorganization plan will have their approval, even though they may have signed the stipulation, as they have.

It has been suggested that an amendment could be drafted which would exempt the Missouri Pacific from the terms of the bill. If so, I would certainly associate myself with both the distinguished Senators from Arkansas to that end. It is primarily the Missouri Pacific with which we are concerned and about which we are disturbed. It is the Missouri Pacific that we wish to have excluded from the terms of S. 978.

Mr. JOHNSON of Colorado. The Senators from Missouri, the Senators from Arkansas, and the Senators from Kansas cannot be any more concerned with the good fortunes of the Missouri Pacific Railroad than I am.

Mr. HENNINGS. I am certain that is true.

Mr. JOHNSON of Colorado. I do not wish anything to happen which would prolong the bankruptcy proceedings; I want to see them terminated. I want to see the Missouri Pacific brought out of bankruptcy at the earliest possible time. I do not know anything about what Colonel Davis may have filed with the Commission. I would not know, offhand, the significance of the documents he has filed in connection with the matter. That is a little beyond me. As the Senator from Missouri knows, I am a farmer, not a lawyer. I do not pretend to be familiar with involved legal matters. I know nothing about them. But if the Senators who are interested will prepare an amendment which will exclude the Missouri Pacific from the operation of S. 978, and will do so specifically by name, most certainly I will accept such an amendment.

Mr. HENNINGS. If the Senator will further yield, I should like to read, with his kind permission, a letter which is embodied as an exhibit to Finance Docket 9918, Stipulation and Agreement, Agreed System Plan. It reads as follows:

MAY 4, 1954.

Mr. GUY A. THOMPSON,
Trustee, Missouri Pacific Lines,
St. Louis, Mo.

DEAR MR. THOMPSON: I enclose herewith a signed copy of the stipulations and agreement (agreed system plan) in the matter of the Missouri Pacific Railroad reorganization, debtor, finance docket No. 9918. I have signed this stipulation and agreement on behalf of the debtor, subject to the following conditions:

Anything in the stipulation and agreement to the contrary notwithstanding, the debtor reserves the right to withdraw its approval of the stipulation and agreement and the debtor shall not be bound by anything stated therein if the agreed system plan is not approved by the Commission and by the United States district court, eastern division, eastern judicial district of Missouri, on or before March 1, 1955.

By signing this stipulation, the debtor does not initiate or propose a merger, nor does it agree to support any system plan other than that set forth in the stipulation and agreement. It rescinds and withdraws all prior approval or support of any other system plan or plans involving merger of the debtor with any other railroad.

Regardless of the above, the Missouri Pacific Railroad Co., debtor, intends to aggressively support the proposed plan outlined in the stipulation and agreement, until such time after March 1, 1955, as, in the opinion of the board of directors, the position of the debtor becomes untenable.

Very truly yours,

T. C. DAVIS,
Chairman of the Board.

What I think some Senators fear, I may say to the distinguished Senator from Colorado, is that the passage of the bill without an amendment such as has been suggested, exempting the Missouri Pacific, certainly would result in tactics of delay, either by the debtor or by some of the equity holders, who may want to take control of the railroad. I make this statement in the interest of the railroad as well as in the interest of the country and the area which is served by the railroad.

Mr. JOHNSON of Colorado. The shippers are the ones who are most interested in the bill. The shippers in Missouri, Arkansas, Kansas, and Colorado certainly should have our best efforts in their behalf. They are entitled to have them.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. KEFAUVER. I desire to associate myself with the position taken by the Senators from Arkansas and the Senator from Missouri, and to express the hope that, after these long efforts, nothing in any legislation enacted by Congress will interfer with the reorganization of the Missouri Pacific Railroad. This railroad comes into my State, and I am very much interested in it, as are other Senators.

May I ask the distinguished Senator from Colorado what other railroads are in process of reorganization, which might be affected by the bill now under consideration?

Mr. JOHNSON of Colorado. Every railroad which might go into bankruptcy at any time would be affected. If the Senator means which railroads would be affected, under section 77, by the amendment suggested by the senior Senator from Arkansas, the number of railroads affected would be somewhat limited, but there is no limit as to which railroads might be affected.

Mr. KEFAUVER. Aside from what might happen in the future, and aside from consideration of the Missouri Pacific system, is there any particular railroad organization which would be substantially affected?

Mr. JOHNSON of Colorado. Yes; the Missouri-Kansas-Texas Railroad, known as the M.-K. & T., is one which might be affected. Those who are trying to reorganize the M.-K. & T. are very anxious that S. 978 be enacted into law. There are, of course, other railroads which are in bankruptcy.

Mr. KEFAUVER. I do not know whether the Rutland is still in bankruptcy.

Mr. JOHNSON of Colorado. Under section 77, the New York, Ontario & Western Railway is still in reorganization. The New Haven and Rock Island Railroads were in bankruptcy. I do not have the data before me, but I know that the Chicago & Eastern Illinois is in reorganization. Any railroad which might undergo reorganization or bankruptcy proceedings in the future would, of course, be affected by the enactment of S. 978 into law, provided the Interstate Commerce Commission used the provision of S. 978 in handling the bankruptcy proceedings.

Mr. KEFAUVER. Has the Senator from Colorado made a part of the RECORD the exhibits embodying the

agreement with reference to the agreed settlement between the parties involved and the Missouri Pacific?

Mr. JOHNSON of Colorado. I have not had the exhibits made a part of the RECORD as yet. The junior Senator from Arkansas appeared to be reading from the exhibits a moment ago.

Mr. KEFAUVER. I should think that exhibits A to Q could properly be made a part of the RECORD.

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent to have printed in the RECORD at this point exhibits A to Q, with respect to the Missouri Pacific lines.

The PRESIDING OFFICER (Mr. UPTON in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. KEFAUVER subsequently said: Mr. President, a little while ago the distinguished senior Senator from Colorado [Mr. JOHNSON] placed in the RECORD certain exhibits, including the agreement in connection with the Missouri Pacific reorganization. I have been advised that, since those exhibits refer to many matters in the petition, it would be difficult to understand them unless the petition itself, which precedes the exhibits, were also included. I wonder if the Senator from Colorado will amend his unanimous-consent request so as to have printed in the RECORD, in addition to the exhibits, the petition and other matters with reference to it?

Mr. JOHNSON of Colorado. Mr. President, I shall be glad to so amend my request. I thought we had all the pertinent material in the RECORD; but if there is other pertinent material, it should all be placed in the RECORD.

Mr. KEFAUVER. The exhibits refer to some things in the petition, and I would appreciate it if the Senator would amend his request as I have suggested. I have the material all before me.

Mr. JOHNSON of Colorado. I amend my request to that extent.

Mr. KEFAUVER. I thank the Senator.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

IN THE MATTER OF MISSOURI PACIFIC RAILROAD CO. REORGANIZATION, DEBTOR, FINANCE DOCKET NO. 9918—PETITION OF GUY A. THOMPSON, TRUSTEE, PRESENTING A PROPOSED AGREED SYSTEM PLAN FOR DEBTOR COMPANIES

Comes now petitioner, Guy A. Thompson, trustee of debtor companies in the above-captioned proceedings, and respectfully states to the Commission:

1. That by the terms of Order No. 4272, duly entered in the District Court of the United States, Eastern Division, Eastern Judicial District of Missouri, In the Matter of Missouri Pacific Railroad Co., debtor, dated and filed January 8, 1954, he was authorized and directed to offer his services and fully cooperate with parties to these proceedings in an effort to aid said parties in composing differences which might exist between them with respect to a plan of reorganization for debtor companies, and to consider also, and if possible agree, upon steps that might reasonably be taken to progress and expedite a final reorganization of debtor companies; that said order further authorized petitioner in furtherance of said efforts to confer with said parties, to call them into conference, to utilize members of his staff, and generally to take such further or other action which in his judgment might progress and expedite the reorganization of debtor companies.

2. In carrying out the terms of the aforesaid court order, petitioner and senior members of his staff have been busily engaged for more than 3 months in interviewing parties in interest and their counsel, and in holding meetings with groups of said parties, both in the city of St. Louis, Mo., and New York City. As a result of these interviews and conferences, a substantial number of said parties now favor and have agreed to support the Commission's 1949 plan of reorganization as modified by changes recommended in the proposed report by Assistant Director Roger T. Boyden and Hearing Examiner Homer H. Kirby, of the Bureau of Finance, dated February 17, 1954, all as further modified by the terms set forth in section (7) of a stipulation and agreement, copies of which have been duly executed by or in behalf of a number of said parties in interest and their counsel of record herein. An original copy of the stipulation and agreement executed by each of said parties is attached hereto and made a part hereof, said original copies being numbered consecutively from 1 to 17. Under date of May 6, 1954, a letter was addressed to Bankers Trust Co., trustee under the Missouri Pacific Railroad Co. indenture dated May 1, 1929; the New York Trust Co., as trustee under the International-Great Northern Railroad Co. adjustment mortgage dated July 1, 1922; Alleghany Corp., and Missouri Pacific Railroad Co., debtor, by counsel for petitioner for the purpose of clarifying and making more specific the terms of the stipulation and agreement with respect to the terms provided therein for a proposed issue of debentures, and also with respect to the amendment of the certificate of incorporation of the new or reorganized company. Acceptance and approval of the terms of said letter by the parties signing the stipulation and agreement have been endorsed by said parties upon copies of said letter. Copies thereof bearing the original signatures of the parties are attached hereto as exhibits and are numbered consecutively from A to Q.

3. The parties in interest and their counsel of record who have executed the instruments referred to in the preceding paragraph hereof, are as follows: The New York Trust Co., as trustee under International-Great Northern Railroad Co. adjustment mortgage, and Walter H. Brown, Jr., Allan F. Conwill, and Willkie, Owen, Farr, Gallagher & Walton, attorneys for the New York Trust Co., as trustee; Oscar Gruss & Son, holders of International-Great Northern Railroad adjustment bonds, and Lyonel E. Zunz and Felix A. Fishman, their counsel; Abraham K. Weber, attorney for Carl Rosenberger, Louis Yaeger, and Libbie S. Yaeger, holders of International-Great Northern Railroad Co. adjustment moragage bonds; International-Great Northern Railroad Co. first mortgage Bondholders Protective Committee, and E. F. Colladay, D. C. Colladay, and Everett Paul Griffin, its attorneys; Bankers Trust Co., as successor trustee under Missouri Pacific Railroad Co. (convertible) indenture dated May 1, 1929, and Root, Ballentine, Bushby & Palmer, its attorneys; Savings Banks Trust Co., holder of New Orleans, Texas & Mexico Railway Co. first mortgage bonds, and Cravath, Swaine & Moore, its counsel; Irving Trust Co., as trustee, under first mortgage of New Orleans, Texas & Mexico Railway Co., and H. C. McCollom and Davies, Hardy & Schenck, its attorneys; Chemical Bank & Trust Co., as Trustee under indenture securing Missouri Pacific Railroad Co. 5¼ percent secured serial bonds, and Emmet McCaffery, its counsel; Protective Committee for Secured Serial 5¼ percent gold bonds of Missouri Pacific Railroad Co., and DeLancey C. Smith and Henry I. Stimson, its counsel; Empire Trust Co., as successor trustees under Missouri Pacific Railroad Co. general mortgage, and Kadel, Wilson & Potts, its attorneys; Bondholders' Protective Committee for the general mortgage 4 percent bonds of Missouri Pacific Railroad Co., and Sanford H. E. Freund and Shearman & Sterling & Wright, its attorneys; Carl B. Callaway, attorney for John Dabney Murchison, et al., holders of certain securities of Missouri Pacific Railroad Co.; Protective Committee for Holders of Preferred Stock of the Missouri Pacific Railroad Co.; Missouri Pacific Railroad Co., debtor, and Wheeler & Wheeler, its counsel; Alleghany Corp., holder of common stock of Missouri Pacific Railroad Co., and John L. J. Hart, its attorney; certain stockholders of New Orleans, Texas & Mexico Railway Co., by DeLancey C. Smith, attorney and counsel; Percival E. Jackson, a member of and attorney for a group of holders of Missouri Pacific Railroad Co. first and refunding mortgage bonds.

City Bank Farmers Trust Co., as trustee under the International-Great Northern Railroad Co. first mortgage, addressed a letter to petitioner in which it states its position with respect to the agreed system plan. The original copy of said letter is attached hereto as exhibit R.

Manufacturers Trust Co., as corporate trustee under the Missouri Pacific Railroad Co. first and refunding mortgage, addressed a letter to petitioner in which it states its position with respect to the agreed system plan. The original copy of said letter is attached hereto as exhibit S.

Should other parties in interest hereafter execute said instruments or otherwise indicate that they favor said agreed system plan, their expressions in this regard will be promptly filed with the Commission and all parties in interest duly notified thereof.

4. The agreed system plan here presented is substantially within the capitalization recommended in the proposed report of February 17, 1954. It represents the most generally accepted plan proposed during the pendency of these proceedings. In the public interest and in the best interest of all security holders and creditors of debtor companies, petitioner is of the opinion that said agreed system plan should have the prompt approval of the Commission, to the end that these proceedings which have now been pending for more than 21 years may be brought to a conclusion.

Wherefore your petitioner prays that early and favorable consideration may be given this petition and the proposals herewith presented.

GUY A. THOMPSON,
Trustee of Debtor Companies.
RUSSELL L. DEARMONT,
Counsel for Trustee.

ST. LOUIS, MO., *May 10, 1954.*

STATE OF MISSOURI,
City of St. Louis, ss:

Guy A. Thompson, being duly sworn, states that he has read the foregoing petition and knows the contents thereof; that said petition and the contents thereof are, to the best of his knowledge and belief, true and correct as therein set forth.

GUY A. THOMPSON.

Subscribed and sworn to before me this 10th day of May 1954.

[SEAL] IRENE M. PETERSON,
Notary Public.

My commission expires May 15, 1954.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing petition upon all parties in this proceeding by causing to be mailed, by first class mail, a copy thereof, properly addressed, charges prepaid, to each such party.

Dated this 10th day of May 1954.

RUSSELL L. DEARMONT.

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EXHIBITS A TO Q

IN THE MATTER OF MISSOURI PACIFIC RAILROAD CO. REORGANIZATION, DEBTOR, FINANCE DOCKET NO. 9918—STIPULATION AND AGREEMENT

Whereas a modified plan of reorganization was approved by the Interstate Commerce Commission (hereinafter called the Commission) in its fifth supplemental order, entered December 29, 1949, in captioned proceedings, and set forth at 275 ICC 230, 259 (being hereinafter referred to as "the 1949 plan"); and

Whereas the Commission, at 282 ICC 629, 688, determined that it was necessary for it to reexamine and reconsider such plan and, if necessary, to modify it; and

Whereas a hearing was held for this purpose June 3 to 19, 1953, before Commissioner Richard F. Mitchell, Assistant Director Roger T. Boyden, and Hearing Examiner Homer H. Kerby; and

Whereas a proposed report dated February 17, 1954, has been issued as a result of such hearing (hereinafter referred to as the "proposed report"), recommending that further changes be made in said 1949 plan, said changes being set forth at pages 96 and 97 of said proposed report (and said 1949 plan, as modified by such proposed changes, being hereinafter referred to as "the proposed plan"; and

Whereas certain of the parties are not in agreement with all the changes recommended in said proposed report or in agreement with the proposed plan and have filed, or intend to file, exceptions with the Commission within the time permitted by the Commission; and

Whereas the District Court of the United States, Eastern Division, Eastern Judicial District of Missouri (hereinafter referred to as the court), entered its order on January 8, 1954, directing Guy A. Thompson, reorganization trustee in these proceedings (hereinafter referred to as the reorganization trustee), inter alia, to cooperate with the parties in an effort to aid the parties in composing differences which may exist between them with respect to a plan of reorganization; and

Whereas Commissioner Richard F. Mitchell, in an opinion issued in connection with a supplemental report in these proceedings dated February 18, 1954, concerning the protective committee for holders of preferred stock of Missouri Pacific Railroad Co., expressed the hope that settlement satisfactory to the parties can be effected; and

Whereas the reorganization trustee has initiated such mediation, and in the course thereof has suggested that in order to expedite the reorganization, various parties abandon their contentions in whole or in part or agree to certain provisions of said modified plan contrary to the position taken, or to be taken, in their said exceptions: Now, therefore, the undersigned parties stipulate and agree as follows:

(1) That recognizing the desirability and importance of bringing the reorganization of debtor companies to an early conclusion, they signify, by this stipulation and agreement, that they favor and support prompt approval by the Interstate Commerce Commission of the proposed plan, modified as set forth in section (7) hereof (said plan as thus modified being hereinafter referred to as the agreed system plan); even though, by their exceptions to the proposed report, or replies to exceptions, filed or to be filed, or in oral argument thereon before said Commission, they state their contentions which may be inconsistent with some of the provisions of the agreed system plan.

(2) If the Commission approves the agreed system plan, such parties will not ask for modification of said plan by the Commission under its rehearing statute, or file objections thereto in the approval or confirmation proceedings before the court, or appeal from any order of the court approving or confirming said plan.

(3) The mortgage trustees executing this stipulation and agreement agree that if the agreed system plan is approved by the Commission and court they will recommend its acceptance by the bondholders for whom they are respectively acting as mortgage trustees, in the balloting proceedings and otherwise, and will vote any securities which they may own in said capacity at the time the vote is taken for the acceptance of said agreed system plan; provided, however, that anything in this stipulation and agreement to the contrary notwithstanding, no undersigned mortgage trustee shall be bound by any stipulation or agreement herein set forth which, in its judgment, is or hereafter becomes inconsistent, expressly or impliedly, with the provisions or purposes of the mortgage or indenture under which said party is acting in said capacity, or with written instructions received from holders of a majority in principal amount of the securities outstanding under such instrument.

(4) All other parties to this stipulation and agreement further agree that if the agreed system plan is approved by the Commission, they will urge, support and aid, in every proper and reasonable way, the acceptance of said plan, will support fully the approval and confirmation of said plan by the court, and will vote any securities which they may own, at the time the vote is taken, for the acceptance of said plan.

(5) In the event the modifications recommended at pages 96 and 97 of the proposed report, as further modified in section (7) hereof, are not approved by the Commission and the court; or in the event the 1949 plan is modified otherwise than as recommended at pages 96 and 97 of said proposed report and as further modified in section (7) hereof, either by the Commission or the court; the parties reserve all the rights they would have had if this stipulation and agreement had not been executed, and it is further agreed that in such event no party will have conceded that the total capitalization or any other provisions of the agreed system plan is fair and equitable; and all concessions based on this stipulation and agreement are made without prejudice in such event.

(6) This stipulation and agreement shall be effective only if filed by the trustee with the commission, as executed, on or before May 12, 1954, and shall not be binding on the parties after May 1, 1956.

(7) The modifications in the proposed plan, referred to above, are as follows:

(a) In lieu of the issue of preferred stock recommended in the proposed report, there shall be substituted an issue of income debentures. Said debentures shall be unsecured, shall mature 90 years after their date, shall bear interest (contingent) at the rate of 5 percent per annum, payable annually, in each year, beginning April 1, 1956, shall be noncumulative, and nonconvertible, and shall be redeemable as a whole or in part on any interest payment date, on 30 days' notice, at their principal amount plus all interest which may then be due and payable thereon. These debentures shall be distributable to the claimants who under the proposed plan would have received the said preferred stock, and in the same amounts. Said issue of debentures shall be increased by the principal amount of $6,213,465, and the same distributed as provided in paragraph (g) hereof.

(b) The common stock of the new or reorganized company shall be divided into two classes, one of which shall be designated as class A and the other of which shall be designated as class B, all of which shall have full voting rights and be without par value. Each share of class A stock shall have a stated value of $100, and each share of class B stock shall have a stated value of either $100 or $50 (as the Commission shall determine).

(c) The class A common stock shall be limited to dividends of either $5 per share or $4 per share in any calendar year as the Commission shall determine, and shall not receive any further amounts in such calendar year, irrespective of what amounts may have been paid on class B common stock. The dividends on class A stock shall be noncumulative and the stock shall be nonconvertible. No dividends shall be paid thereon in the form of stock or notes or in any form other than cash or its equivalent. The amount of class A common stock shall be reduced in order to eliminate the amount which was allocated to the Missouri Pacific secured serial bonds and the publicly held stock of the New Orleans, Texas & Mexico Railway Co. in the proposed plan. The amount shall be further reduced by $6,213,465 to take account of the change in allotment to the International-Great Northern adjustment bonds as set forth in paragraph (g) hereof. In the event of dissolution, winding up, or liquidation of the company, the holders of common stock class A shall be entitled to receive out of the assets of the company $100 per share before a distribution is made to holders of common stock class B, who shall thereafter be entitled to any further distributions out of the assets of the company, without further participation by class A.

(d) The class B common stock shall be issued only to the holders of common stock of the Missouri Pacific Railroad Co. on a basis of 1 share of new class B common stock of a stated value of $100 per share for each 20 shares of said Missouri Pacific common stock, or in the alternative, in the discretion of the Commission 1 share of class B stock of a stated value of $50 per share for each 10 shares of said Missouri Pacific common stock. No dividends may be declared on class B common stock in any calendar year unless dividends of $5 or $4 (whichever is prescribed by the Commission) have during that year been paid or set apart for payment on the class A common stock; but there shall be no other restriction on the amount of dividends which may be declared and paid on common stock class B. All provisions in the proposed plan concerning warrants and the issue of stock in respect thereof shall be eliminated.

(e) In lieu of the treatment accorded the Missouri Pacific secured serial bonds and the publicly held New Orleans, Texas & Mexico common stock in the proposed plan, each $1,000 principal amount of such bonds and each $1,000 par value amount of such stock shall receive approximately $588 series C first mortage bonds, $1,354 series A general mortgage bonds and $217 series B general mortgage bonds.

(f) The allocations in the proposed plan to the International-Great Northern first mortgage bondholders of new first mortgage bonds series C shall be reduced by the approximate amount of $3,247,424, and general mortgage bonds series A of the same principal amount shall be substituted therefore, such substitution to be made between series A, B, and C of the existing International-Great Northern first mortgage bonds on a pro rata basis.

(g) In lieu of the treatment accorded the International-Great Northern adjustment mortgage bonds in the proposed plan, each $1,000 principal amount of such bonds shall receive approximately $200 series A general mortgage bonds, $220 series B general mortgage bonds, $1,250 income debentures and $442 class A common stock.

(h) The annual rate for the first mortgage sinking fund shall be increased to three-fourths of 1 percent and shall so con-

tinue until all of the series A first mortgage 4¼ percent bonds or the collateral trust notes (whichever are issued) are retired. Thereafter the rate shall be reduced to one-fourth of 1 percent.

(i) The annual rate for the general mortgage series A and series B sinking funds shall be increased to three-fourths of 1 percent and shall so continue until all of the series A 4¼ percent first mortgage bonds or the collateral trust notes (whichever are issued) are retired. Thereafter the rate shall be reduced to one-half of 1 percent.

(j) The stated amount of the claim of the Central Branch Union Pacific first mortgage bonds, and cash proposed to be distributed to the holders thereof, shall be increased to reflect the fact that 1 year's interest assumed in the proposed plan to have been paid has not been paid.

(k) In lieu of the treatment accorded claims of general unsecured creditors of the Missouri Pacific in the proposed plan, each such claimant shall receive 9 percent of the principal and interest on his claim in series A general mortgage bonds, 9 percent thereof in series B general mortgage bonds and 82 percent thereof in income debentures, the proportions being the same as provided herein for the Missouri Pacific convertible bonds.

(l) Whatever changes, if any, the Commission deems appropriate for the treatment of the Little Rock & Hot Springs Western first mortgage bonds shall be made.

(m) The amounts of cash and of each new security to be issued, as well as capitalization and annual charges, shall be modified to conform to the foregoing. Distributions of said cash and securities under the agreed system plan are shown on appendixes I and J which are attached hereto and made a part hereof. Appendix I shows the distribution of cash and new securities for each $1,000 principal amount of debt or for each $1,000 par value of stock. Appendix J shows approximately the total allocations under the agreed system plan.

(n) Where necessary, the recitals of facts set forth in the 1949 plan shall be modified to conform to existing facts as the Commission deems appropriate.

(o) Whatever changes, if any, the Commission deems appropriate in the second paragraph of section D of the 1949 plan and the last paragraph of section N thereof, both concerning the separate capitalization of the International-Great Northern may be made.

(p) Section K of the 1949 plan concerning the Plaza-Olive Building mortgage, may be modified in whatever manner, if any, the Commission deems appropriate.

(q) Whatever changes, if any, the Commission deems appropriate in the paragraph of section T of the 1949 plan concerning guaranties and agreements, being the last paragraph at 275 I. C. C. 255, may be made.

(r) Whatever changes, if any, the Commission deems appropriate in that paragraph of section T of the 1949 plan concerning the protection of employees, being the third paragraph at 275 I. C. C. 256, may be made.

(s) The first paragraph of section U of the 1949 plan concerning the board of directors, shall read as follows:

"The board of directors of the new company shall consist of 15 members who shall initially be selected as follows and thereafter elected by the stockholders:

"Fourteen of said directors shall be named by the reorganization trustee of which number one shall be selected by him from the nominee or nominees of debtor, Missouri Pacific Railroad Co. and one from the nominee or nominees of the Protective Committee for Holders of Preferred Stock of Missouri Pacific Railroad Co. Three thereof shall be selected by said trustee from the nominees of any of the creditor parties in interest to these proceedings. Not less than 7 of the remaining 9, to be so named, shall be well known citizens who are residents of the States served by the Missouri Pacific system. The 15th member shall be the president of the new company."

The second paragraph of said section U shall be amended in accordance with the changes hereinabove made in the first paragraph thereof, and the last sentence of the third paragraph thereof shall be changed to read as follows:

"The reorganization trustee, with the approval of the court, shall determine the classification of the tenure of the first board of directors."

(t) The first sentence of section V of the 1949 plan concerning the reorganization managers, shall be changed to read as follows:

"There shall be five reorganization managers, all to be approved by the court, of whom one shall be designated jointly by the group of institutional investors holding Missouri Pacific first and refunding mortgage bonds and by the corporate trustee under that mortgage; one jointly by the protective committee for the International-Great Northern first mortgage, the corporate trustee under that mortgage, and the Savings Banks Trust Co., holder of New Orleans first-mortgage bonds, and by the corporate trustee under that mortgage; one jointly by the trustee under the indenture securing the Missouri Pacific secured serial bonds, the (Smith) protective committee for said bonds; the (Cubbins) bondholders committee therefor, the protective committee for Missouri Pacific general mortgage bonds, and the corporate trustee under that mortgage; one by the trustee under the indenture securing Missouri Pacific convertible bonds, the bondholders' group for that issue, and the trustee under the indenture securing the International-Great Northern adjustment bonds; and one jointly by the debtor, Missouri Pacific Railroad Co., the protective committee for holders of preferred stock of the Missouri Pacific Railroad Co., Alleghany Corp., and the protective committee for holders of common stock of the Missouri Pacific Railroad Co."

(8) This stipulation and agreement may be executed in any number of counterparts, which shall, nevertheless, constitute but one and the same instrument. The signature evidencing execution hereof by any party need not appear on more than one counterpart, whether or not such counterpart be also executed by any other party. When this stipulation and agreement has been filed with the Interstate Commerce Commission by the reorganization trustee, it shall be and become effective and binding upon the parties who have executed the same, and it shall also be binding upon any other parties who may thereafter execute the same.

In witness whereof, each of the parties hereto has hereunto set his name or in the case of a corporation or other legal entity its name, by an officer thereunto duly authorized, and affixed its corporate seal, attested by its secretary, and/or such parties have caused this instrument to be executed by their respective counsel of record in the captioned proceedings, this — day of ———, 1954.

Bankers Trust Co., as successor trustee under the Missouri Pacific Railroad Co. indenture dated May 1, 1929.

By ——— ———,
Assistant Vice President.

Attest:

———— ————,
Assistant Secretary.

Root, Ballantine, Bushby & Palmer, attorneys for Bankers Trust Co., as successor trustee under the Missouri Pacific Railroad Co. indenture dated May 1, 1929.

[SEAL] ——— ———,
A Partner.

The New York Trust Co., as trustee under the International-Great Northern Railroad Co. adjustment mortgage dated July 1, 1922.

By ———,
Vice President.
WALTER H. BROWN, Jr.,
ALLAN P. CONWILL,

Attest:
[SEAL] ———— ————,
Assistant Secretary.

Willkie, Owen, Farr, Gallagher, & Walton, attorneys for the New York Trust Co., as trustee under the International-Great Northern Railroad Co. adjustment mortgage dated July 1, 1922.

ALLEGHANY CORP.,
By ——— ———,

Attest:
[SEAL] CHARLES T. IRELAND, Jr.,
Secretary.

Stipulated as above set forth.
JOHN L. J. HART,
Attorney for Alleghany Corp.

Empire Trust Co., successor corporate trustee under general mortgage dated April 2, 1917.

By W. A. O'NEILL,
Assistant Vice President.

Attest:
[SEAL] J. R. WILSON. *Secretary.*

Kadel, Wilson & Potts, attorneys for Empire Trust Co., etc.

By GEORGE C. DEMAS.

CHEMICAL BANK & TRUST CO.,
By WILLIAM J. CARR, *Vice President.*

Attest:
[SEAL] ———— ————,
Assistant Secretary.

SAVINGS BANKS TRUST CO.,
By ——— ———, *President.*

Attest:
[SEAL] ———— ————,
Vice President and Treasurer.

CRAVATH, SWAINE & MOORE,
Counsel for Savings Banks Trust Co.

Irving Trust Co., as trustee under first mortgage of New Orleans, Texas & Mexico Railway Co. dated April 1, 1924.

By ——— ———,
Vice President.

Attest:
[SEAL] ———— ————,
Assistant Secretary.

H. C. MCCOLLOM.

Davies, Hardy & Schenck, attorneys for Irving Trust Co. as trustee under first mortgage of New Orleans, Texas & Mexico Railway Co. dated April 1, 1924.

Oscar Gruss & Son, holders of International-Great Northern Railway adjustment bonds.

By EMANUEL GRUSS,
LYONEL E. ZUNZ, *Counsel,*
FELIX A. FISHMAN, *Counsel.*

Certain stockholders of New Orleans, Texas & Mexico Railway Co.

By DELANCEY C. SMITH,
Attorney and Counsel.

Protective Committee for Holders of Preferred Stock of the Missouri Pacific Railroad Co.

———— ————, *Chairman.*
———— ————, *Secretary.*

Protective Committee for Secured Serial 5¼ Percent Gold Bonds of Missouri Pacific Railroad Co.

By DELANCEY C. SMITH, *Chairman.*
DELANCEY C. SMITH, *Counsel.*
———— ————, *Counsel.*

Bondholders' Protective Committee for the General Mortgage 4-Percent Bonds of Missouri Pacific Railroad Co. due 1975.

By ——— ———, *Its Attorneys.*

UNIVERSITY OF MICHIGAN LIBRARIES

International Great Northern Railroad Co. First Mortgage Bondholders Protective Committee.

EDMUND WRIGHT, *Chairman.*
W. V. A. WATERMAN,
LEON D. STERLING, *Secretary.*
E. F. COLLADAY,
D. C. COLLADAY,
Attorneys of Record for Said Committee.
EVERETT PAUL GUFFIN,
Attorney of Record for Said Committee.
ABRAHAM K. WEBER,
Attorney for Carl Rosenberger, Louis Yoeger and Libbie S. Yoeger, Holders of International Great Northern Railroad Co. Adjustment Mortgage Bonds.

This stipulation and agreement is agreed to by the debtor, and my signature is affixed to it subject to the conditions set forth in my letter transmitting it dated May 4, 1954, a copy of which is attached hereto, and made a part hereof.

MISSOURI PACIFIC RAILROAD CO.,
By ——— ———,
Chairman of the Board.
Attest: ——— ———, *Secretary.*
[SEAL] WHEELER & WHEELER,
Counsel.

John Dabney Murchison and C. W. Murchison, Jr., d/b/a Murchison Bros.; Southwestern States Corp.; Gulf Coast Rice Farms, Inc.; Wofford Cain; S. W. Richardson; Mrs. E. P. Bass; Mrs. Jack Nash; Mrs. Minne Bob Richardson.

By CARL B. CALLAWAY,
Their Attorney.

Percival E. Jackson, on behalf of himself and other bondholders not exceeding 25 in number, holding an aggregate of $7,162,000 face amount of first and refunding mortgage 5 percent bonds.

MISSOURI PACIFIC RAILROAD CO.,
New York, N. Y., May 4, 1954.

Mr. GUY A. THOMPSON,
Trustee, Missouri Pacific Lines,
St. Louis, Mo.

DEAR MR. THOMPSON: I enclose herewith a signed copy of the stipulation and agreement (agreed system plan) in the matter of the Missouri Pacific Railroad reorganization, debtor, finance docket No. 9918. I have signed this stipulation and agreement on behalf of the debtor, subject to the following conditions:

Anything in the stipulation and agreement to the contrary notwithstanding, the debtor reserves the right to withdraw its approval of the stipulation and agreement and the debtor shall not be bound by anything stated therein if the agreed system plan is not approved by the Commission and by the United States District Court, Eastern Division, Eastern Judicial District of Missouri, on or before March 1, 1955.

By signing this stipulation, the debtor does not initiate or propose a merger, nor does it agree to support any system plan other than that set forth in the stipulation and agreement. It rescinds and withdraws all prior approval or support of any other system plan or plans involving merger of the debtor with any other railroad.

Regardless of the above, the Missouri Pacific Railroad Co., debtor, intends to aggressively support "the proposed plan" outlined in the stipulation and agreement, until such time after March 1, 1955, as, in the opinion of the board of directors, the position of the debtor becomes untenable.

Very truly yours,

———— ————,
Chairman of the Board.

APPENDIX I.—*Missouri-Pacific system, agreed system plan, approximate distribution of cash and new securities for each $1,000 principal amount of debt or for each $1,000 par value of stock*

Line No.		Total claim Dec. 31, 1954, per $1,000 principal or par	Total distribution per $1,000 principal or par	Undisturbed	Cash	1st mortgage 4¼ percent bonds			General mortgage income 4¾-percent bonds		5 percent 90-year debentures	No par common stock at $100 per share [1]	
						Series A 20-year (or collateral trust notes)	Series B 35-year	Series C 50-year	Series A 65-year	Series B 75-year		Class A limited to $5 dividend,[2] nonparticipating, noncumulative, nonconvertible	Class B
	MISSOURI PACIFIC												
1	Equipment obligations	$1,000		$1,000									
2	First and refunding mortgage bonds:												
3	Series A	1,296	$1,296		$296		$500	$500					
4	Series F	1,292	1,292		292		500	500					
5	Series G	1,308	1,308		308		500	500					
6	Series H	1,313	1,313		313		500	500					
7	Series I	1,296	1,296		296		500	500					
8	Total first and refunding mortgage bonds	1,297	1,297		297		500	500					
9	General mortgage 4-percent bonds	1,873	1,873						$800	$1,073			
10	Secured serial bonds	2,159	2,159					588	1,354	217			
11	Convertible bonds	2,219	2,219						200	200	$1,819		
12	Plaza-Olive Building bonds	1,000	[3] 1,000										
13	Little Rock & H. S. W. first mortgage bonds	1,800	1,800				220	220	1,360				
14	Boonville, St. Louis & Southwestern first mortgage bonds	1,996	1,996		196		800	1,000					
15	Central Branch Union Pacific first mortgage bonds	1,403	1,403		123		640	640					
16	General unsecured creditors	(2)							[4] 90	[4] 90	[4] 820		
17	Preferred stock	2,645	2,645									$2,645	
18	Common stock	1,000	50										$50
	NEW ORLEANS, TEXAS & MEXICO												
19	Equipment obligations	1,000		1,000									
20	First mortgage bonds:												
21	Series A	1,014	1,014		14	$1,000							
22	Series B	1,013	1,013		13	1,000							
23	Series C	1,021	1,021		21	1,000							
24	Series D	1,019	1,019		19	1,000							
25	Total first mortgage bonds	1,015	1,015		15	1,000							
26	General unsecured creditors	(2)											
27	Common stock	1,000	2,158					588	1,354	216			
	INTERNATIONAL-GREAT NORTHERN												
28	Equipment obligations	1,000		1,000									
29	1st mortgage bonds:												
30	Series A	1,510	1,510		120		700	574	116				
31	Series B	1,425	1,425		100		680	537	108				
32	Series C	1,425	1,425		100		680	537	108				
33	Total, 1st mortgage bonds	1,476	1,476		112		692	559	113				
34	Adjustment mortgage bonds	2,470	2,112						200	220	1,250	442	
35	General unsecured creditors [5]												

[1] Class B may be issued at $50 per share in discretion of Interstate Commerce Commission.
[2] Dividend may be limited to $4 in discretion of Interstate Commerce Commission.
[3] See footnotes in appendix J.
[4] Per $1,000 total liquidated claims including interest.
[5] Do not participate in the plan.

APPENDIX J.—*Missouri Pacific system, agreed system plan distribution of cash and new reorganization securities*

Line No.		Principal	Interest through Dec. 31, 1954	Total claim Dec. 31, 1954	Cash	Undisturbed	First mortgage 4¼ percent bonds: Series A 20-year (or collateral trust notes)	First mortgage 4¼ percent bonds: Series B 35-year	First mortgage 4¼ percent bonds: Series C 50-year
	MISSOURI PACIFIC								
1	Equipment obligations	$52,019,569		$52,019,569		$52,019,569			
2	First and refunding mortgage 5-percent bonds:								
3	Series A, due Feb. 1, 1965	17,840,500	$5,277,815	23,118,315	$5,277,815			$8,920,250	$8,920,250
4	Series F, due Mar. 1, 1977	94,180,000	27,469,167	121,649,167	27,469,167			47,090,000	47,090,000
5	Series G, due Nov. 1, 1978	25,000,000	7,708,333	32,708,333	7,708,333			12,500,000	12,500,000
6	Series H, due Apr. 1, 1980	25,000,000	7,812,500	32,812,500	7,812,500			12,500,000	12,500,000
7	Series I, due Feb. 1, 1981	61,170,000	18,096,125	79,266,125	18,096,125			30,585,000	30,585,000
8	Total first and refunding mortgage bonds	223,190,500	66,363,940	289,554,440	66,363,940			111,595,250	111,595,250
9	General mortgage 4-percent bonds due Mar. 1,								
10	1975	49,339,421	43,089,761	92,429,182					
11	Secured serial 5¼-percent bonds due Dec. 1,								
12	1933–56	10,425,000	12,086,484	22,511,484					6,128,799
13	Convertible 5½-percent bonds due May 1, 1949	45,493,000	55,463,549	100,956,549					
14	Plaza-Olive Building bonds due Oct. 1, 1937–40 [2]	385,500							
15	Little Rock & H. S. W. first mortgage 4-percent								
16	bonds, 1939	1,140,000	912,000	2,052,000				250,000	250,80
17	Boonville, St. Louis & Southwestern first mort-								
18	gage 5-percent bonds, 1951	5,500	5,477	10,977	1,077			4,400	5,500
19	Central Branch Union Pacific first mortgage 4-								
20	percent bonds, 1948	523,000	210,943	733,943	64,503			334,720	334,720
21	Claims of general unsecured creditors [4]								
22	Preferred stock	70,190,100	[5] 115,462,715	185,652,815					
23	Common stock	81,314,343		81,314,343					
24	Subtotal	534,025,933	293,594,869	827,235,302	66,429,520	52,019,569		112,185,170	118,315,069
	NEW ORLEANS, TEXAS, AND MEXICO								
25	Equipment obligations	9,130,009		9,130,009		9,130,009			
26	First mortgage bonds:								
27	Series A, 5½-percent, due Apr. 1, 1954	15,770,000	216,837	15,986,837	216,837		$15,770,000		
28	Series B, 5-percent, due Apr. 1, 1954	14,345,900	179,324	14,525,224	179,324		14,345,900		
29	Series C, 5-percent, due Aug. 1, 1956	4,600,000	95,834	4,695,834	95,834		4,600,000		
30	Series D, 4½-percent, due Aug. 1, 1956	5,900,000	110,625	6,010,625	110,625		5,900,000		
31	Total first mortgage bonds	40,615,900	602,620	41,218,520	602,620		40,615,900		
32	Claims of general unsecured creditors [6]								
33	Common stock (held by public)	859,800		859,800					505,364
34	Subtotal	50,605,709	602,620	51,208,329	602,620	9,130,009	40,615,900		505,364
	INTERNATIONAL-GREAT NORTHERN								
35	Equipment obligations	9,227,191		9,227,191		9,227,191			
36	First mortgage bonds:								
37	Series A, 6 percent, due July 1, 1952	17,250,000	8,797,500	26,047,500	2,070,000			12,075,000	9,901,848
38	Series B, 5 percent, due July 1, 1956	6,000,000	2,550,000	8,550,000	600,000			4,080,000	3,219,514
39	Series C, 5 percent, due July 1, 1956	5,500,000	2,337,500	7,837,500	550,000			3,740,000	2,951,214
40	Total first mortgage bonds	28,750,000	13,685,000	42,435,000	3,220,000			19,895,000	16,072,576
41	Adjustment mortgage 6-percent bonds:								
42	Series A, 1952	13,807,700	20,297,319	34,105,019					
43	Claims of general unsecured creditors [7]								
44	Subtotal	51,784,891	33,982,319	85,767,210	3,220,000	9,227,191		19,895,000	16,072,576
45	Grand total	636,416,533	328,179,808	964,210,841	70,252,140	70,376,769	40,615,900	132,080,170	134,893,009
46	Cumulative grand total						110,992,669	243,072,839	377,965,848

Line No.		General mortgage income 4¼ percent bonds: Series A, 65-year	General mortgage income 4¼ percent bonds: Series B, 75-year	5-percent 90-year debentures	No par common stock at $100 per share [1]: Class A, limited to $5 dividend,[3] nonparticipating, noncumulative, nonconvertible	No par common stock at $100 per share [1]: Class B	Total capitalization
	MISSOURI PACIFIC						
1	Equipment obligations						$52,019,569
2	First and refunding mortgage 5-percent bonds:						
3	Series A, due Feb. 1, 1965						17,840,500
4	Series F, due Mar. 1, 1977						94,180,000
5	Series G, due Nov. 1, 1978						25,000,000
6	Series H, due Apr. 1, 1980						25,000,000
7	Series I, due Feb. 1, 1981						61,170,000
8	Total first and refunding mortgage bonds						223,190,500
9	General mortgage 4-percent bonds:						
10	Due Mar. 1, 1975	$39,471,536	$52,957,646				92,429,182
11	Secured serial 5¼-percent bonds:						
12	Due Dec. 1, 1933–56	14,120,329	2,262,356				22,511,484

See footnotes at end of table.

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APPENDIX J.—*Missouri Pacific system, agreed system plan distribution of cash and new reorganization securities*—Continued

Line No.		General mortgage income 4¾ percent bonds		5-percent 90-year debentures	No par common stock at $100 per share [1]		Total capitalization
		Series A, 65-year	Series B, 75-year		Class A, limited to $5 dividend,[2] nonparticipating, noncumulative, nonconvertible	Class B	
	MISSOURI PACIFIC—continued						
13	Convertible 5½-percent bonds, due May 1, 1949	$9,098,600	$9,098,600	$82,759,349			$100,956,549
14	Plaza-Olive Building bonds, due Oct. 1, 1937–40 [3]						
15	Little Rock & H. S. W. first mortgage:						
16	4-percent bonds, 1939	1,550,400					2,052,000
17	Boonville, St. Louis & Southwestern first mortgage:						
18	5-percent bonds, 1951						9,900
19	Central Branch Union Pacific first mortgage:						
20	4-percent bonds, 1948						669,440
21	Claims of general unsecured creditors [4]						
22	Preferred stock				$185,652,815		185,652,815
23	Common stock					$4,065,717	4,065,717
24	Subtotal	64,240,865	64,318,602	82,759,349	185,652,815	4,065,717	683,557,156
	NEW ORLEANS, TEXAS, AND MEXICO						
25	Equipment obligations						9,130,009
26	First mortgage bonds:						
27	Series A, 5½-percent, due Apr. 1, 1954						15,770,000
28	Series B, 5-percent, due Apr. 1, 1954						14,345,900
29	Series C, 5-percent, due Aug. 1, 1956						4,600,000
30	Series D, 4½-percent, due Aug. 1, 1956						5,900,000
31	Total first mortgage bonds						40,615,900
32	Claims of general unsecured creditors.[4]						
33	Common stock (held by public)	1,164,215	186,282				1,855,861
34	Subtotal	1,164,215	186,282				51,601,770
	INTERNATIONAL-GREAT NORTHERN						
35	Equipment obligations						9,227,191
36	First mortgage bonds:						
37	Series A, 6 percent, due July 1, 1952	2,001,652					23,977,500
38	Series B, 5 percent, due July 1, 1956	650,486					7,950,000
39	Series C, 5 percent, due July 1, 1956	595,286					7,287,500
40	Total first mortgage bonds	3,247,424					39,215,000
41	Adjustment mortgage 6-percent bonds:						
42	Series A, 1952	2,761,540	3,037,694	17,259,625	6,103,003		29,161,862
43	Claims of general unsecured creditors.[7]						
44	Subtotal	6,008,964	3,037,694	17,259,625	6,103,003		77,604,053
45	Grand total	71,414,044	67,542,578	100,018,974	191,755,818	4,065,717	812,762,979
46	Cumulative grand total	449,379,892	516,922,470	616,941,444	808,697,262	812,762,979	

[1] Class B may be issued at $50 per share in discretion of Interstate Commerce Commission.
[2] Dividend may be limited to $4 in discretion of Interstate Commerce Commission.
[3] Would receive bonds under a new Plaza-Olive mortgage.
[4] Amount not finally ascertained—will receive for total claims, including interest to Jan. 1, 1955, 9 percent in general mortgage bonds, series A, 9 percent in general mortgage series B and 82 percent in debentures.
[5] Cumulated dividends as of Dec. 31, 1954, on preferred stock outstanding in hands of public (701,901 shares).
[6] Amount not finally ascertained—will receive for each $1,000 of claims, including interest to Jan. 1, 1955, $1,000 of series C first mortgage bonds.
[7] Amount not finally ascertained—will not participate in the reorganization.

EXHIBITS A TO Q

MISSOURI PACIFIC LINES,
St. Louis, Mo., May 6, 1954.

Re Missouri Pacific Railroad Co. reorganization, Finance Docket No. 9918
BANKERS TRUST CO., AS SUCCESSOR TRUSTEE UNDER THE MISSOURI PACIFIC RAILROAD CO. INDENTURE DATED MAY 1, 1929,
New York, N. Y.
THE NEW YORK TRUST CO., AS TRUSTEE UNDER THE INTERNATIONAL-GREAT NORTHERN RAILROAD COMPANY ADJUSTMENT MORTGAGE, DATED JULY 1, 1922,
New York, N. Y.
ALLEGHANY CORP.,
New York, N. Y.
MISSOURI PACIFIC RAILROAD CO.,
Debtor, New York, N. Y.

DEAR SIRS: In contacting parties in interest to the above mentioned reorganization proceedings several requests have been made that the Stipulation and Agreement be clarified and made more specific with respect to the terms provided for the proposed issue of debentures, with which the above-named trustees are concerned, and also with respect to the amendment of the certificate of incorporation of the new or reorganized company, with which Alleghany Corporation and said debtor company are concerned.

Recognizing the necessity of clarifying the stipulation and agreement in these respects and of fairly meeting these requests, I am writing this letter to advise you that the following terms should be understood to be included within the meaning and proper interpretation of the stipulation and agreement, as if fully set forth therein:

1. The debentures shall be unsecured.

2. The debentures shall bear contingent interest at the rate of 5 percent per annum, payable annually on the first day of April in each year beginning on April 1, 1956.

3. Interest on the debentures to the extent earned in each calendar year shall become owing as a debt on December 31 in such year, even though not payable until April 1 in the next succeeding year.

4. Interest on the debentures shall be mandatorily payable to the extent that the available net income of the reorganized company is sufficient for the payment thereof; all interest not paid because of this limitation shall be noncumulative.

5. The debentures shall be redeemable as a whole or in part on any interest payment date on 30 days' notice at their principal amount plus (a) all unpaid interest earned thereon to the end of the calendar year preceding the date of redemption and (b) interest at the rate of 5 percent per annum from the end of such calendar year to the redemption date, whether or not such interest is earned.

6. Upon maturity of the debentures, whether by acceleration or otherwise, they shall be entitled to (a) all unpaid interest earned thereon to the end of the calendar year preceding the date of maturity plus (b) interest at the rate of 5 percent per annum from the end of such calendar year to the date of maturity, whether or not such interest is earned.

7. All interest on the debentures after maturity shall be a fixed obligation.

8. If in any year interest on the debentures is not covered by available net income, such interest may, nevertheless, be paid out of any funds lawfully available therefor in the discretion of the board of directors of the reorganized company.

9. The debentures shall be nonconvertible.

10. The debentures shall contain such other terms, not inconsistent with the terms hereof or the terms of paragraph (7) (a) of the stipulation and agreement, as may be deemed necessary or appropriate by the Commission.

11. The words "mortgage trustees" as used in section (3) of the stipulation and agree-

ment shall be understood to also include and apply to indenture trustees.

12. The certificate of incorporation of the new or reorganized company shall provide the company shall not alter or change the rights to which the holders of class A common stock or of class B common stock are entitled under the provisions of the agreed system plan or authorize the issuance of additional shares of common stock of either class or of any other class, or of participating or convertible preferred stock, without the consent of at least a majority of the number of shares of common stock of each class at the time outstanding.

If the foregoing is in accordance with your understanding and has your approval, will you please indicate your agreement to such terms by signing the enclosed copy of this letter and returning the same to me.

It is further my intention to ask other parties who have signed or who may hereafter sign the stipulation and agreement to endorse their approval of the terms of this letter upon a copy thereof. Thereafter such approvals as are received will be filed with the Interstate Commerce Commission.

Very truly yours,

RUSSELL L. DEARMONT,
Counsel for Guy A. Thompson, Trustee, Missouri Pacific Lines.

Accepted and approved:

Bankers Trust Co., as successor trustee under the Missouri Pacific Railroad Co. indenture dated May 1, 1929.

By ——— ———,
Assistant Vice President.

Root, Ballantine, Bushby & Palmer, attorneys for Bankers Trust Co., as successor trustee under the Missouri Pacific Railroad Co. indenture dated May 1, 1929.

By WM. P. PALMER,
A Partner.

The New York Trust Co., as trustee under the International-Great Northern Railroad Co. adjustment mortgage dated July 1, 1922.

——— ———,
Vice President.
WALTER H. BROWN, Jr.
ALLAN F. CONWILL.

Willkie, Owen, Farr, Gallagher & Walton, attorneys for the New York Trust Co., as trustee.

ALLEGHANY CORP.,
By ——— ———.

Attest:
[SEAL] CHARLES T. IRELAND, Jr.,
Secretary.

Stipulated as above set forth:

JOHN L. J. HART,
Attorney for Alleghany Corp.
ABRAHAM K. WEBER,
Attorney for Carl Rosenberger, Louis Yaeger, and Libbi S. Yaeger, holders of IGN adjustments.

Protective Committee for Holders of Preferred Stock of Missouri Pacific Railroad Co.

By ALFONSO E. SOLANAS,
Assistant Secretary.
LEONARD D. ADKINS,
Counsel for Savings Banks Trust Co.

Irving Trust Co., as trustee under first mortgage of New Orleans, Texas & Mexico Railway Co., dated April 1, 1924.

By ——— ———,
Vice President.
DAVIES, HARDY & SCHENCK,
Attorneys for Irving Trust Co., as Trustee.

Chemical Bank & Trust Co., as trustee under indenture securing Missouri Pacific Railroad Co. 5¼ percent secured serial bonds.

By WILLIAM D. CARR,
Vice President.

Attest:
[SEAL] ———,
Assistant Secretary.

Protective Committee for 5¼ Percent Secured Serial Gold Bonds of Missouri Pacific Railroad Co.

By DELANCEY C. SMITH,
Chairman.
DELANCEY C. SMITH,
HENRY I. STIMSON,
Counsel.

Certain stockholders of New Orleans, Texas & Mexico Railway Co.

By DELANCEY C. SMITH,
Attorney and Counsel.

NEW YORK CITY, *May 6, 1954.*

International Great Northern Railroad Co. First-Mortgage Bondholders Protective Committee.

——— ———, *Chairman.*
W. V. A. WATERMAN.
LEON D. STERLING,
Secretary.
E. F. COLLADAY,
D. C. COLLADAY,
Attorneys of Record for said Committee.

MAY 6, 1954.

EVERETT PAUL GRIFFIN,
Attorney of Record for said Committee.

MAY 7, 1954.

John Dabney Murchison and C. W. Murchison, Jr., d/b/a Murchison Bros.; Southwestern States Corp.; Gulf Coast Rice Farms, Inc.; Wofford Cain; S. W. Richardson; Mrs. E. P. Bass; Mrs. Jack Nash; Mrs. Minnie Bob Richardson; by Carl B. Callaway, their attorney.

Empire Trust Co., successor corporate trustee under general mortgage dated April 2, 1917.

Attest:
[SEAL] A. R. DIMELOW,
Assistant Secretary.
By W. A. O'NEILL,
Assistant Vice President.

Kadel, Wilson & Potts, attorneys for Empire Trust Co., etc.

By GEORGE C. DEMAS,
——— ———,
As Counsel for Bondholders' Protective Committee for General Mortgage Four-Percent Bonds of the Missouri Pacific Railroad Co., due 1975.

MISSOURI PACIFIC RAILROAD CO.,
B. T. C. DAVIS,
Chairman of the Board.

Attest:
[SEAL] ——— ———, *Secretary,*
WHEELER & WHEELER,
Counsel.

Percival E. Jackson, on behalf of himself and other bondholders not exceeding 25 in number, holding an aggregate of $7,162,000 face amount of first and refunding mortgage 5-percent bonds.

CITY BANK FARMERS TRUST CO.,
New York, N. Y., May 7, 1954.

GUY A. THOMPSON,
Trustee, Missouri Pacific Lines,
St. Louis, Mo.

DEAR SIR: Referring to the annexed copy of stipulation and agreement providing for an agreed system plan, we recognize the desirability and importance of bringing the reorganization of the debtor companies to an early conclusion and, without conceding that the agreed system plan affords in all respects to the holders of I–GN first-mortgage bonds the fair and equitable treatment to which they are entitled, we believe that the agreed system plan represents a practicable way in which the reorganization of the debtor companies can be brought to an early conclusion and believe that in the light of these circumstances the agreed system plan makes an offer to said bondholders which they may reasonably accept in a spirit of compromise. We, as successor trustee under the I–GN first mortgage, accordingly advise that it is not our intention, (1) to oppose the approval by the Interstate Commerce Commission of said agreed system plan, or (2) if the Commission approves said agreed system plan, to ask for modification thereof by the Commission, or (3) to file objections thereto in the approval or confirmation proceedings before the court, or (4) to appeal from any order of the court approving or confirming said agreed system plan; unless in our judgment any such action becomes appropriate by reason of a substantial change in the circumstances now existing, or unless we have been requested to take any such action by the holders of a substantial principal amount of said I–GN first-mortgage bonds.

An extra copy of this letter is enclosed in case you wish to send it to the Interstate Commerce Commission.

Very truly yours,

R. E. MORTON, *Vice President.*

EXHIBIT S

MANUFACTURERS TRUST CO.,
New York, N. Y., May 10, 1954.

Mr. GUY A. THOMPSON,
Trustee, Missouri Pacific Lines,
St. Louis, Mo.

DEAR SIR: Referring to the annexed copy of stipulation and agreement providing for an agreed system plan, we recognize the desirability and importance of bringing the reorganization of the debtor companies to an early conclusion and, without conceding that the agreed system plan affords in all respects to the holders of the first and refunding mortgage bonds the fair and equitable treatment to which they are entitled, we believe that the agreed system plan represents a practicable way in which the reorganization of the debtor companies can be brought to an early conclusion and believe that in the light of these circumstances the agreed system plan makes an offer to said bondholders which they may reasonably accept in the spirit of compromise.

We as successor corporate trustee under the first and refunding mortgage, accordingly advise that it is not our intention, (1) to oppose the approval by the Interstate Commerce Commission of said agreed system plan, or (2) if the Commission approves said agreed system plan, to ask for modification thereof by the Commission, or (3) to file objections thereto in the approval or confirmation proceedings before the court, or (4) to appeal from any order of the court approving or confirming said agreed system plan; unless in our judgment any such action becomes appropriate by reason of a substantial change in the circumstances now existing, or unless we have been requested to take any such action by the holders of a substantial principal amount of said first and refunding mortgage bonds.

An extra copy of this letter is enclosed in case you wish to send it to the Interstate Commerce Commission.

Very truly yours,

A. FREDERICK KEUTHEN.

Mr. KEFAUVER. Mr. President, I know the senior Senator from Arkansas is preparing an amendment, the purpose of which will be to exempt the Missouri Pacific from the provisions of the bill. I anticipate that some difficulty may be encountered in trying to formulate language which will eliminate any doubt as to which railroad or railroads are being exempted.

I take it, from the statement of the Senator from Colorado, that he would like to have the legislative record show

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that the exemption refers to the Missouri Pacific and to no other railroad.

Mr. JOHNSON of Colorado. That is indeed true.

Does the Senator from Tennessee desire to ask me any other questions?

Mr. KEFAUVER. No, I do not.

Mr. JOHNSON of Colorado. Mr. President, as I have previously stated, the Missouri Pacific has been in reorganization under section 77 for more than 20 years. The New York, Ontario & Western is still in reorganization after 16 years. The New Haven and the Rock Island were under section 77 for 13 and 15 years, respectively. All efforts to bring these proceedings to a close have failed. The Commission has passed on 3 different plans and has issued 6 different supplemental reports, the last of which it handed down late in 1952. Each report has indicated that the prior report was in error, particularly insofar as the treatment of junior security holders was concerned.

The Commission is presently and currently engaged in a further reconsideration of the pending plan and the parties to this proceeding have variously estimated that it will be 3 to 5 years before the railroad will emerge from reorganization under section 77. I say that this is too long. I say that it is ridiculous for a large railroad property which is making large earnings every year to remain in the hands of a court and a court-appointed trustee. This property should be returned as quickly as possible to the hands of its private owners. I do not believe in Government ownership of the railroads and I do not believe in their control by bureaucrats or by courts. I believe that the people who own the property in accordance with our concepts of private enterprise should control and operate it and should not be precluded from such operation by law or by judicial or by administrative decree or order. I want the Missouri Pacific and every other railroad that is now or may in the future be in reorganization returned to private ownership at the earliest possible moment.

Furthermore, I desire to carry out the objective of the late Senator Clyde Reed who was my colleague on the Interstate Commerce Committee for years. Clyde Reed knew railroads and their problems. He sought to afford railroads in reorganization the benefits of the expeditious procedures of section 20b but in some cases those procedures have been denied to the railroads. An outstanding example is one I have already cited, the Missouri Pacific Railroad. In that case the railroad company, in accordance with the law, obtained assurances of assent from 45 percent of all its security holders. Under the law it was required to obtain only 25 percent to its 20b plan of reorganization.

After its plan was announced, every single security of the Missouri Pacific greatly increased in market value, demonstrating the belief of everyone that if a property can be released from the control of the courts and returned to private ownership its earnings and chances of success will automatically be greatly enhanced. The common stock of this railroad went from $3.50 to $17. The junior bonds went up by 30 to 40 points and the senior bonds increased by 10 points.

Despite the expressed wishes of 45 percent of all of the security holders the court refused to grant the railroad company permission to take its 20b plan to the Commission for a hearing. I think this action by the court was arbitrary and did not comply with the meaning of the act as it was passed, but no review is permitted of the court's decision. So the only way we can permit this great railroad property, and assure other railroads that are now or may subsequently become bankrupt, of the expeditious procedures of 20b is to pass this legislation.

The experience of most railroads in reorganization is that once a bankruptcy court gets legal possession it does not want to let go of the railroad. Perhaps the power, political and otherwise, as well as the patronage afforded the court and his trustee by a continuation of the reorganization is too much temptation to overcome.

The responsibility for drafting plans of reorganization lies with the Interstate Commerce Commission. It is only after the Commission has approved a plan that it gets into the hands of the court. All that S. 978 would do would be to permit a railroad to take a plan to the Interstate Commerce Commission for consideration just as it has that right under section 77. Under section 77 the court does not even have an opportunity to consider the plan until after the Commission has approved it. I see no reason why we should require a railroad to go to the court before going to the Commission under section 20b when we make no such requirement under section 77.

It was urged by the Interstate Commerce Commission and by the Senator from Kansas [Mr. SCHOEPPEL] that S. 978 as originally drawn did not afford adequate safeguards against its use for purposes of delay instead of expedition. This assumes that a railroad could file a reorganization plan with the Interstate Commerce Commission at the 11th hour purely for purposes of delay. An amendment was adopted in committee providing that prior to the filing of such application with the Commission the railroad company must obtain assurances satisfactory to the Commission of acceptance of the plan from 25 percent of the bondholders and 25 percent of the stockholders. It is obvious that assents of 25 percent of all of the security holders, including the bondholders, could not be obtained for a plan that was to be submitted to the Commission purely for purposes of delay.

As I previously pointed out, paragraph 13 of section 20b was enacted to permit just and reasonable reorganizations in a reasonable length of time. Thus, the Interstate Commerce Committee in its report on section 20b, after pointing out that the bill was designed to provide simpler and less expensive means of reorganization, further stated:

> Basically, its principal use will be to avoid the lengthy, cumbersome, and expensive section 77 procedures for railroads hereafter desiring to modify their financial structures.

The report continued:

> The committee is of the opinion that there is no logical reason to make available to railroads which may find themselves in financial difficulties in the future the advantages of the new streamlined procedures provided for in the bill and at the same time deny these procedures to roads presently in financial difficulties.

The Missouri Pacific Railroad Co. was one of the roads specifically referred to in the report. As I have previously stated, the court has denied this railroad which is in reorganization the advantages of section 20b which would be freely available to it if it were not in reorganization. S. 978 is merely in furtherance of the stated objective for which it was originally enacted.

Thus, section 20b was designed to accomplish what section 77 of the Bankruptcy Act had failed to provide. The experience under section 20b indicates that when a railroad has been able to use it in lieu of section 77 the reorganization has been brought to a conclusion in record time. The Central Railroad of New Jersey accomplished its reorganization under section 20b in approximately 1 year. It had theretofore tried unsuccessfully for many years to effectuate a reorganization under the Bankruptcy Act.

The 20-year history of the Missouri Pacific proceedings demonstrates the virtual impossibility of achieving reorganization for railroads under section 77 in a reasonable length of time. A review of reorganizations of the Chicago, Rock Island & Pacific, the St. Louis & San Francisco, the New Haven, the Denver & Rio Grande Western, and the New York, Ontario & Western confirms this conclusion. In all cases the railroads in question were, or still are, in reorganization after more than a decade from the filing of the petition under the Bankruptcy Act.

Section 5 of the bill further changes the time period which a railroad in reorganization may have to complete its recapitalization under section 20b. The present act allows only 12 months after the filing of the application for the completion of the proceedings. The bill would extend this to 18 months, which is more in line with the average length of time which the Commission, carriers, and the security holders have required to complete a reorganization under section 20b.

As I have pointed out, the purpose of this proposed legislation is to improve certain of the procedures in voluntary railroad financial reorganizations under section 20b of the Interstate Commerce Act which experience has indicated need strengthening, namely, to permit all stockholders of a railroad affected by a proposed alteration or modification of its financial structure, including stockholders controlling or controlled by the railroad, to register their assent to the proposed alteration or modification and to require the Interstate Commerce Commission to consider their assents; to authorize the Commission to adopt general rules and regulations in relation to the solicitation of the assents of security holders; to clarify the Commission's authority with respect to the methods to

be followed in determining whether a sufficient number of affected security holders have assented to a proposed plan of modification, and with respect to the division of securities into classes; to facilitate the acceptance of recapitalization plans approved by the Commission by reducing the percentage of required assents to two-thirds of those voting; to protect certain contracts reduced to final judgment against carriers invoking modification under section 20b; and to expedite reorganizations of carriers in bankruptcy by permitting such carriers an alternative basis for filing an application under section 20b.

The Interstate Commerce Act now provides in section 20b (3) that a security or an evidence of indebtedness shall not be deemed to be outstanding, and hence, not to be voted, if in the determination of the Commission the assent of the holder thereof to any proposed alteration or modification is within the control of the carrier or of any person or persons controlling the carrier. The experience of the Interstate Commerce Commission in administering section 20b has led it to believe that denial of the right of stockholders so situated to register their assents to proposed alterations or modifications may result in the failure of meritorious plans through the refusal or neglect of a small minority of stockholders to assent. For example, in a recent proceeding before the Commission, approximately 57.5 percent of the applicant carrier's common stock was owned by another railroad and, under the existing provisions of section 20b in order that a modification plan might be approved, it became necessary to secure the assents of 75 percent of the remaining stock. Under this situation, the failure of holders of 10.6 percent of the common stock of the carrier to assent thereto could block approval of the plan, and this percentage would include those holders who could not be located or who failed to indicate their position because of disinterest. It is believed that this situation places too much power in the hands of a few security holders, and encourages a few holders to hold out for better treatment than the merits of their position justify.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Colorado may yield to me for the purpose of suggesting the absence of a quorum, without his losing his right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BARRETT in the chair). Without objection, it is so ordered.

Mr. JOHNSON of Colorado. Mr. President, Senate bill 978 was introduced and reported by this committee for the purpose of removing the inequitable situation which it is believed results from the provision of paragraph (3), described above. At the same time, in order to afford to minority groups protection from the adoption of plans advocated by controlling interests, to which a substantial proportion of the minority group has legitimate objections, the bill proposes to amend paragraph (2) of section 20b to provide that, as to any class of securities entitled to vote for directors, where the assents of the holders of 25 percent or more thereof are determined to be within the control of the carrier or of a person controlling the carrier, the Commission would be authorized to prescribe, as requisite to approval and authorization of an alteration or modification, that assents be obtained from holders of such percentage, in excess of the normal 66⅔ percent, of securities affected as the Commission may deem just and reasonable and in the public interest.

Under paragraph (2) of section 20b, the Commission has the responsibility of examining for suitability all printed matter and other materials used to influence the assents of security holders by any of the parties to a proceeding under section 20b. The necessity of prior examination and specific approval or disapproval of all such material, when many cases are under consideration, would impose a substantial burden upon the Commission. The bill proposes to amend this paragraph to enable the Commission to adopt general rules governing the solicitation of assents or dissents of security holders. Adoption of such general rules and regulations would make unnecessary prior examination and approval of all such material, and the rules would serve as a guide to the parties in preparing, and to the Commission's staff in exercising supervision over the use of such material. At the same time, the provision would reserve to the Commission the right to make special requirements in particular cases.

It has been the practice of the Commission in its reports and orders on applications under section 20b to provide for the appointment of a depositary by the applicant, subject to the Commission's approval, to which assents are addressed by security holders, and to rely upon the certificates of the applicant and the depositary as a basis for its findings that the required number of assents has been obtained. The authority of the Commission to do this recently has been questioned; although the Commission's action in the particular case was upheld by a statutory three-judge Federal district court, it appears desirable to remove by legislation any doubt that otherwise might exist respecting its power to accept the certification of a depositary as evidence in determining the result of such submission.

It would impose a substantial burden upon the Commission, if it were required to receive and process assents—and revocations thereof—of security holders affected by a proposed modification, whereas large banks and trust companies ordinarily are well equipped to handle such work. The change in language from the bill as originally introduced is designed to safeguard the Commission and security holders from incorrect or fraudulent certifications.

Paragraph 2 is further amended by changing the percentage of security holders whose assents are necessary to the final effectiveness of a plan of modification from 75 percent of the outstanding securities to 66⅔ percent of those voting provided that as to each class of bonds affected by the plan at least 50 percent of the outstanding aggregate amount shall have voted. This will make the voting requirements of section 20b the same as those under section 77 of the Bankruptcy Act except that an additional safeguard is provided by the requirement that at least 50 percent of the outstanding securities be voted. In most instances railroad securities are widely distributed. As a result, it is practically impossible to secure the views of all security holders. Some cannot be located and some are unwilling to register their views either for or against a proposed modification. Furthermore, when a railroad needs to recapitalize, it is almost always due to its inability to pay interest on its bonds or dividends on its stock.

When interest has not been paid on bearer bonds, the owners are extremely difficult to locate since the bonds can be transferred from one owner to another without the transfer being recorded on the books of the company. When dividends have not been paid for many years, stock tends to drift into street names instead of being retained in the name of the actual owner. This is equally true of any stock that sells for a low dollar amount per share. In the latter case some transfer expenses are avoided by leaving the stock in street names. When these conditions prevail, it is virtually impossible to obtain assents from 75 percent of the holders. There is no incentive to the broker holding stock in his name to contact the beneficial holder and see that he votes on the plan. Since the railroad does not have the name of the beneficial holder, and in most instances cannot obtain it, it is not in a position to contact him to make certain that he votes on the plan. These facts demonstrate that the present basis and the present percentage requirements of the act impose too severe a burden on the carrier and place too much control in the hands of small groups who can, by controlling substantially less than 25 percent of the outstanding securities, block a meritorious plan that has been approved by the Commission. This invites speculators to enter the market and corner enough of a carrier's securities to either block a plan approved by the Commission or to force the carrier to satisfy unwarranted demands for special treatment under the plan. Such results are contrary to the purposes for which section 20b was passed and are inconsistent with the interest of security holders in general. It is also felt that this amendment to paragraph 2 will tend to eliminate some of the practices that carriers have resorted to in order to obtain the assents now required by section 20b.

Paragraph (3) of section 20b presently provides for a finding by the Commission that a proposed alteration or modification has been assented to by the requisite principal amount of creditors' claims or number of shares outstanding "of each class of securities affected thereby," but contains no provision for establishing the various classes. The three-judge

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court mentioned above upheld the action of the Commission in classifying securities involved in the proceeding before the court, but for the future it appears desirable to clarify and make certain the power of the Commission to prescribe the classes into which securities should be divided.

The proposed amendment to paragraph 5 of the present act is designed to protect certain counties and cities which have obtained final judgments from Federal and State courts against carriers based on contracts requiring the maintenance of offices, shops, and roundhouses in such counties or cities. This is substantially the same as section 77 (n) of the Bankruptcy Act (11 U. S. C. A., sec. 205 (n)).

This amendment was sponsored by Senator LYNDON B. JOHNSON of Texas for the sole purpose of protecting certain contracts and agreements between the city of Palestine, Tex., and the International Great Northern Railroad. These agreements were consummated by a contract in 1872 between the county and city of Palestine and the International Great Northern Railroad for the purpose of permanently locating general offices, shops, and roundhouses in the city of Palestine for the return of $150,000 in county bonds and other considerations. The bonds were issued and paid in full and the county and city also made grants of real estate, constructed buildings, and parted with other valuable considerations. Pursuant to this contract, the general offices, shops, and roundhouses were located in Palestine. The city developed under these conditions, its welfare depended, and now depends, upon their continuance. The city and county have been engaged in a controversy with the railroad company to maintain and preserve these contractual rights intermittently for the past 80 years.

In 1911 the railroad company undertook to change the location of its general offices, and the first litigation ensued, finally resulting in a sweeping decision of the Supreme Court of the United States in 1918, in favor of the county and city. See *I.-G. N. Ry. Co.* v. *Anderson County* (246 U. S. 424), whereby the United States Supreme Court held that the contracts relied on by the county and city were in all respects valid and binding on the railroad company and its successors in interest, and that the obligations of the contracts did not burden interstate commerce. So that these agreements may be perpetuated, the above-mentioned amendment was adopted.

The proposed amendment to paragraph 13 will permit railroads in reorganization to bring to an early conclusion their release from bankruptcy. It provides for an alternate method by which railroads in reorganization may file a plan under section 20b. The present act provides that a carrier in reorganization may avail itself of the expeditious procedures of the Interstate Commerce Act only after obtaining the assurances of assent to a plan of reorganization from 25 percent of its security holders, including not less than 25 percent of its bondholders and the permission of the bankruptcy court to file such plan with the Commission. Section 5 of the bill eliminates the necessity of securing the permission of the bankruptcy court when the carrier meets specified earnings requirements over a period of the last 10 years. In effect it permits the Commission in lieu of the bankruptcy court to determine whether the requisite assurances of assent have been obtained by the carrier in reorganization seeking to file a plan with the Commission. This is consistent with the provisions of paragraph 2 of section 20b which permits the Commission in its discretion as a condition precedent to consideration of an application to require the applicant to secure assurances of assent to its proposed plan. It is also consistent with the provisions of paragraph 2 of section 20b which provides that all material used in soliciting assents shall be submitted to the Commission for approval as to correctness and sufficiency. In the light of this responsibility the Commission should be equally capable with the bankruptcy court to determine whether the required percentage of assurances has, in fact, been obtained. It can hardly be argued that the Commission which has primary jurisdiction in the formulation of plans of reorganization under section 77 and the sole responsibility for approving plans under section 20b is less qualified than the court to exercise the limited discretion of determining whether 25 percent of the security holders have cast their preliminary vote in favor of the plan.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. I ask unanimous consent that the Senator from Colorado may yield in order that I may suggest the absence of a quorum, without the Senator's losing his right to the floor.

Mr. JOHNSON of Colorado. I yield with that understanding.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 7, in line 6, after the words "per centum", it is proposed to insert:

Provided, however, That where a carrier is in process of reorganization under section 77 of the Bankruptcy Act, as amended, and there is pending before the Commission or the district court a proceeding under section 208 of the Bankruptcy Act, and a plan of reorganization has been filed with the Commission on or after May 10, 1954, and prior to the date of the enactment of this proviso, the Commission shall not accept for filing or approve an application by any such carrier under (ii) above, or thereafter, unless and until the district court before which said proceedings are pending has entered an order disapproving any plan of reorganization filed with said court by the Commission as a result of any such proceeding under said section 208 of the Bankruptcy Act.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arkansas [Mr. McCLELLAN].

Mr. McCLELLAN. Mr. President, there has been some discussion of the bill, which is rather comprehensive, and amends several provisions of the Bankruptcy Act. It is not the purpose of anyone to object to much of the bill.

At the present time the Missouri Pacific Railroad has been in the hands of a receiver for approximately 21 years. I believe that all who are interested in this matter—certainly every Senator who has taken any part in the debate or has manifested any interest in this subject—are of the same mind; we have only one objective, namely, to give a reorganization plan which has recently been filed with the Interstate Commerce Commission an opportunity to be processed without interference, in the hope, since the major parties involved in the reorganization have agreed to the plan and have signed it, that it may be processed to a conclusion, a reorganization effected, and the railroad be released of receivership, without further delay than what may be absolutely necessary in order to process the plan to the point of finality. That is the purpose of the amendment.

Mr. President, as the bill now stands, and as I interpret it, it provides two alternative methods, which will mean that, notwithstanding a plan is agreed to, any one in interest who has signed the plan but happens not to be in good faith may begin proceedings under the alternative method and thereby make the plan inoperative and make it impossible to process it expeditiously to a final conclusion. To that we are opposed. This amendment would prevent such a situation arising, until such time as the Commission had acted and the district court had acted either to approve or disapprove the plan. This amendment would insure full opportunity for the particular plan affecting the Missouri Pacific to be processed and considered, to the point where a district court would either approve or reject it. Of course, if it should be rejected, the provisions of the bill, if enacted, would immediately become effective with respect to this particular railroad and this particular reorganization.

I think I speak the sentiments of all when I say that what we are primarily interested in as Senators, representing our constituents, and, as we believe, the best interests of the country, is in getting this railroad company out of receivership and back into the hands of private operators. This amendment would accomplish that purpose. I should like to have it accepted, although I understand a substitute is to be offered for it.

Mr. JOHNSON of Colorado. Mr. President, I am in complete accord with the objectives stated by the senior Senator from Arkansas. Certainly he has stated my purpose and the purpose of

everyone else interested in this bill. However, there is some difference with respect to the language of the amendment which the Senator has offered. It is a very difficult amendment clearly to understand. Therefore I offer as a substitute the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Colorado to the amendment of the Senator from Arkansas will be stated.

The CHIEF CLERK. It is proposed, as an amendment in the nature of a substitute for the amendment offered by Mr. MCCLELLAN, to amend section 5 by adding, after line 20 on page 8, the following:

The provisions of this section amending paragraph 13 of section 20 (b) of the Interstate Commerce Act shall not become effective until January 1, 1956.

The PRESIDING OFFICER. The Chair must rule that the amendment offered by the Senator from Colorado is not a substitute, but is an amendment to another section of the bill than that sought to be amended by the amendment of the Senator from Arkansas. Accordingly, the amendment offered by the Senator from Colorado is not in order at this time.

Mr. ANDERSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ANDERSON. Would it be in order for the Senator from Arkansas to withdraw his amendment temporarily so as to allow the Senator from Colorado to offer his amendment? If the amendment of the Senator from Colorado is agreed to, the Senator from Arkansas need not reoffer his amendment.

The PRESIDING OFFICER. It would be quite in order for the Senator from Arkansas to withdraw his amendment.

Mr. JOHNSON of Colorado. Mr. President, I desire to perfect my amendment, so as to make it apply to the same point in the bill to which the amendment of the Senator from Arkansas applies. Would that make my amendment in order?

The PRESIDING OFFICER. Is the Senator from Colorado modifying his amendment so as to have it apply to page 7, line 6, after the word "per centum"?

Mr. JOHNSON of Colorado. That is correct—strike the period and insert a comma, followed by the language of my amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Colorado, in the nature of a substitute for the amendment of the Senator from Arkansas, as modified according to the statement made by the Senator from Colorado, is now in order.

The question is on agreeing to the modified amendment offered by the Senator from Colorado as a substitute for the amendment of the Senator from Arkansas.

Mr. DANIEL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the modified amendment offered by the Senator from Colorado [Mr. JOHNSON] in the nature of a substitute for the amendment of the Senator from Arkansas [Mr. MCCLELLAN].

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment offered by the Senator from Arkansas [Mr. MCCLELLAN], as amended by the amendment of the Senator from Colorado [Mr. JOHNSON].

The amendment as amended was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That paragraph (2) of section 20b of the Interstate Commerce Act (49 U. S. C., sec. 20b (2)) is amended by striking out the fifth and sixth sentences and inserting in lieu thereof the following: "The Commission shall have the power to make such general rules and regulations and such special requirements in any particular case in respect of solicitation of the assents or opposition of such holders, as it shall deem necessary or desirable; and no solicitation shall be made, and no letter, circular, advertisement, or other communication, or financial and statistical statements, or summaries thereof, shall be used in any such solicitation, in contravention of such rules, regulations, or special requirements. The Commission may direct that the assents (and any revocations thereof) of such holders to the proposed alteration or modification shall be addresed to a bank or trust company, approved by it, which is incorporated under the laws of the United States or any State thereof, has a capital and surplus of at least $2 million, and is a member of the Federal Reserve System. Any bank or trust company so approved shall certify to the Commission the result of such submission and shall retain for a period of 5 years all assents and other documents received in connection therewith. The Commission may, in its discretion, accept such certification as evidence in determining the result of such submission. If the Commission shall find that as a result of such submission the proposed alteration or modification has been assented to by the holders of at least two-thirds of the outstanding aggregate principal amount or number of shares reported as voting in each class of securities affected thereby and that the total vote reported in each class of creditors' claims affected thereby is at least one-half of the outstanding aggregate principal amount of such class (or as to any class (i) where two-thirds thereof is held by fewer than 25 holders, or (ii) which is entitled to vote for the election of directors of the carrier and the assents of the holders of 25 percent or more thereof are determined by the Commission to be within the control of the carrier or of any person or persons controlling the carrier, such larger percentage, if any, as the Commission may determine to be just and reasonable and in the public interest), the Commission shall enter an order approving and authorizing the proposed alteration or modification upon the terms and conditions and with the amendments, if any, so determined to be just and reasonable."

SEC. 2. Paragraph (3) of section 20b of the Interstate Commerce Act (49 U. S. C., sec. 20b (3)) is amended by striking out the second sentence and inserting in lieu thereof the following: "For the purpose of the finding of the Commission referred to in paragraph (2) of this section as to whether the required percentage of the outstanding aggregate principal amount or number of shares reported as voting in each class of securities affected by any proposed alteration or modification has assented to the making of such alteration or modification, any security which secures any evidence or evidences of indebtedness of the carrier or of any company controlling or controlled by the carrier shall be deemed to be outstanding unless the Commission in its discretion determines that the proposed alteration or modification does not materially affect the interests of the holder or holders of the evidence or evidences of indebtedness secured by such security."

SEC. 3. Paragraph (3) of section 20b of the Interstate Commerce Act (49 U. S. C., sec. 20b (3)) is amended by striking out the last sentence and inserting in lieu thereof the following: "For the purposes of this section a security (other than a security entitled to vote for the election of directors of the carrier) or an evidence of indebtedness shall not be deemed to be outstanding if, in the determination of the Commission, the assent of the holder thereof to any proposed alteration or modification is within the control of the carrier or of any person or persons controlling the carrier. The Commission shall, for the purposes of this section divide the securities to be affected by any modification or alteration proposed into such classes as it shall determine to be just and reasonable."

SEC. 4. Paragraph 5 of section 20b of the Interstate Commerce Act (49 U. S. C., sec. 20b (5)) is amended by adding the letter (a) after the number 5 and by adding a new paragraph (b) to paragraph 5 as follows:

"(b) No plan of alteration or modification of a carrier's securities or other plan of reorganization or consolidation of a carrier under the Interstate Commerce Act or order of the Bankruptcy Court or of the Interstate Commerce Commission in connection therewith shall relieve any carrier from the obligation of any final judgment of any Federal or State court rendered prior to January 1, 1929, against such carrier or against one of its predecessors in title, requiring the maintenance of offices, shops, and roundhouses at any place, where such judgment was rendered on account of the making of a contract or contracts by such carrier or one of its predecessors in title so providing,".

SEC. 5. Paragraph (13) of section 20b of the Interstate Commerce Act (49 U. S. C., sec. 20b (13)) is amended by striking out such paragraph and inserting in lieu thereof the following: "The Commission shall not approve an application filed under this section by any carrier while in equity receivership or in process of reorganization under section 77 of the Bankruptcy Act, as amended, except that the Commission may approve an application filed by a carrier which, on the date of enactment of this act, is in equity receivership and with respect to which no order confirming the sale of the carrier's property has been entered, or is in process of reorganization under section 77 and with respect to which no order approving a plan shall have been entered, if an appeal from said order is pending on said date in a circuit court of appeals or the matter is pending in the Supreme Court on a petition to review any order of a circuit court of appeals dealing with said order approving the time within which to make such appeal or to file such petition has not expired, if either (i)

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prior to the filing of such application with the Commission such carrier shall have applied for and been granted permission to file such application by the district judge before whom the equity receivership or section 77 proceeding is pending, or (ii) prior to the filing of such application with the Commission such carrier shall have obtained assurances satisfactory to the Commission of the acceptance of such plan from holders of at least 25 percent of the aggregate amount of all securities, including not less than 25 percent of the aggregate amount of all creditors' claims affected by such plan and the total income available for fixed charges of such carrier determined in accordance with the uniform system of accounts as prescribed by the Interstate Commerce Commission during the 10 calendar or fiscal years ending last before the filing of such application shall have exceeded the total of such fixed charges for such period by at least 50 percent. The provisions of this section amending paragraph 13 of section 20b of the Interstate Commerce Act shall not become effective until January 1, 1956. Any such carrier applying for permission to file such application under (i) above shall file with the court as a prerequisite to the granting of such permission (1) a copy of the proposed application, (2) a copy of the proposed plan of alteration or modification of its securities, and (3) assurances satisfactory to the court of the acceptance of such plan from holders of at least 25 percent of the aggregate amount of all securities, including not less than 25 percent of the aggregate amount of all creditors' claims, affected by such plan. An order of a district judge granting or withholding such permission shall be final and shall not be subject to review. Upon granting of such permission by the district judge under (i) above, or filing of such application by such carrier with the Commission under (ii) above, such proceeding, so far as it relates to a plan of reorganization, shall be suspended until the Commission shall have notified the court that (a) the application filed by such carrier under this section has been dismissed or denied by the Commission or withdrawn, (b) the Commission has approved and authorized an alteration or modification under this section with respect to the securities of such carrier, or (c) 18 months have elapsed since the filing of such application and no such alteration or modification has been approved and authorized by the Commission. Upon receipt by the court of notification that such application has been dismissed or denied or withdrawn or that 18 months have elapsed and no alteration or modification has been approved and authorized, the equity receivership or section 77 proceeding shall be resumed as though permission to file application under (i) of this section had not been granted or an application under (ii) of this section had not been filed. Upon receipt by the court of notification that the Commission has authorized and approved such alteration or modification of the carrier's securities under this section as, in the judgment of the court, makes further receivership or section 77 proceedings unnecessary, the court shall enter an order restoring custody of the property to the debtor, and making such other provisions as may be necessary to terminate the equity receivership or section 77 proceeding."

DEVELOPMENT OF THE ADMINISTRATION'S FARM PROGRAM

Mr. BEALL. Mr. President, some critics of the flexible price support program recommended to the Congress by President Eisenhower have been consistently propagating and spreading the view that it was not based on sound and comprehensive study. With respect to this position, I take violent exception, since the President's recommendations are based upon the broadest and most comprehensive review of agricultural price support policy ever undertaken.

In constructing its farm program, this administration resolved to get the benefit of the best thinking not only of professional and academically trained experts but also of the Nation's farmers. Over 60 different survey groups, and more than 500 of the most eminent farm leaders in the country participated in these studies, which were conducted on a nonpartisan basis. I should like to outline for your information the groups which participated in these studies:

A. FARMERS AND THEIR ORGANIZATIONS

First. The National Grange with individual membership totaling 860,000.

Second. The American Farm Bureau Federation with memberships totaling 1,591,777 farm families.

Third. The National Farmers Union with individual memberships totaling 650,000.

Fourth. Farm commodity organizations representative of most agricultural commodities produced in the United States.

Fifth. Individual farmer contacts by the thousands, through grassroots discussions, conducted by State agricultural extension services, resolutions, advisory committees, and by direct representations.

B. STUDY GROUPS

First. The National Agricultural Advisory Commission, through a series of 5 meetings during the summer and fall of 1953.

Second. The 48 State colleges of agriculture, through response to questions asked by the Secretary of Agriculture, involving all aspects of agricultural economics and farm management.

Third. Private research institutions, through studies and judgments given free gratis to the United States Department of Agriculture.

Fourth. Some 15 commodity and functional task forces in the United States Department of Agriculture completed studies and reports on special projects.

C. GOVERNMENT

First. Members of Congress contributed their ideas and experience, through consultations with the proper representatives of the United States Department of Agriculture. In this undertaking the agricultural committees were supplied special studies conducted by departmental personnel.

Second. Executive departments of the Government made a significant contribution through interdepartmental conferences and discussions at the Cabinet level.

Third. The Secretary of Agriculture, once all the evidence was in and evaluated, made recommendations to the President, who made the final decisions as to the exact content of the administration's farm program given to the Congress last January.

In summary, it should be noted that no suggestion went unheeded; no decision was made respecting any commodity until all the above groups had been heard. However, it must be recognized that if Government officials should attempt to discuss every proposal with all the groups and individuals in the country who believe they should be consulted, and for as long as they think they should be consulted, government would invariably do too little and always too late.

It is evident, therefore, that it is necessary to fix reasonable limits to the process of consultation, because the final purpose is agreement on action. But any action involving the welfare of 160 million people must inevitably be the kind of agreement that is involved in the concept of majority rule: agreement on a course of action completely satisfactory to no one, perhaps, but sufficiently acceptable to a majority.

This is the nature of the administration's farm program. As Secretary Benson recently said, at an appearance before the House Committee on Agriculture—

> The program • • • was not conceived as a quick cure for agriculture's ills. There is no such medicine. But it does offer real promise of starting the patient on the road to recovery.

It is abundantly clear that this is the abstracted and composite opinion of the hundreds of agricultural organizations and thousands of farmers who participated in the development of the administration's farm program. The Congress would, therefore, do well to give it sincere and extensive consideration.

Mr. President, I should like to add that Maryland farmers receive only 15 percent of their total cash farm receipts from basic commodities supported by 90 percent parity. Excluding tobacco—which everyone agrees should be supported at 90 percent, for reasons peculiar to the tobacco industry—Maryland farmers receive only 7 percent of their total cash receipts from crops supported at 90 percent parity. Maryland farmers receive 58 percent of their total cash receipts from nonsupported commodities, which include meat animals, poultry and eggs, fruits, and other crops. The Maryland farmers' cash receipts from meat animals, and dairy and poultry products—for which price-supported feeds are an element of cost—total 69 percent of the total cash farm receipts. Eighty-four percent of the total cash farm receipts in Maryland comes from nonsupported commodities and dairy products.

Mr. President, the farmers in Maryland are supporting Secretary Benson and President Eisenhower in their efforts to establish a workable farm program. These figures clearly show why the Eisenhower-Benson program has been approved by the farmers in Maryland.

THE INDOCHINA SITUATION

Mr. KEFAUVER. Mr. President, twice within recent weeks the United States has been only a hair's breadth removed from open intervention in the Indochina war. We seemed to have been saved from open hostilities only by the reluctance of the British to join us.

As of today, the policy seems to have been changed, insofar as the Secretary of State himself is concerned. He says flatly that the United States "has no intention" of dealing unilaterally with the Indochina problem, "certainly not unless the whole nature of the aggression should change." He explains that the type of change he has in mind would be open armed aggression "in that area or in any other area of the Far East" by the Communist Chinese. That, he said, "might create a new situation."

I do not think this statement by the Secretary greatly clarifies our policy. Nevertheless, it is heartening reassurance, of a kind, to know that his own thinking today at least is against a "go-it-alone" adventure into Indochina. Of course, while he makes these statements, Admiral Carney is making preventive war talks.

If we had gone into that war as precipitously as some of our leaders had planned, we would have gone into it unprepared militarily, as well as psychologically.

For the time being, we have avoided open intervention. At the moment, we are employing merely a creeping intervention. Yet often of late we have been warned that we might be compelled to take a fully active part in this conflict; and if recent history is any criterion, we would soon be taking the major part in that war.

The administration's actions in relation to the war in Indochina have been strange and mystifying.

The American people will have to fight and pay for any war this Nation gets into. Yet the administration apparently does not trust the people enough to take them fully into its confidence. We still do not really know what our policy toward the Indochina conflict is.

There is good reason to suspect that we have more than one policy toward Indochina. We have learned that within the Joint Chiefs of Staff there is serious disagreement as to what our policy should be. There may be other and greater disagreements.

It has been said facetiously that the reason Secretary Dulles does not announce the policy he is following in relation to Indochina is that he does not want Admiral Radford to find out what it is.

I, for one, wish to point out that open intervention, with all the consequences which might be entailed, ought not be attempted by this administration until the administration itself is in substantial agreement as to the necessity and correctness of this move. It certainly ought not be attempted until the people of the United States and the Congress which represents them are given full and adequate reasons for taking such a momentous step.

The military conference now being held in Washington by the representatives of five nations doubtless is a necessary preliminary to whatever moves the administration intends to make. But it was, and is, a mistake, in my judgment, to overload these conferences with white nations with interests in the area involved. Included in the conference are two colonial powers, Great Britain and France; two Pacific powers, New Zealand and Australia, which are outposts of the West in the Pacific; and ourselves. Today we have proposed the inclusion of the Philippines and Thailand.

Whatever decision we must make at last, it would be idiocy to make it without the knowledge and advice of the nations great and small which are located in that area, and which for a long time to come must live with the consequences of our decision.

Unless we proceed to obtain the advice of these nations, our decisions will be suspect. We cannot otherwise depend on the moral or physical support of these other nations of southern Asia.

This administration includes within it a genuine war party, apparently even willing for the United States to go it alone in Indochina. This war party has been sufficiently restrained through fear of the reaction of Congress to their plans and purposes, to listen to wiser heads who insist that we have no business attempting to go it alone. But if the decision is to be made to actively intervene, I say that this Nation needs more than the help of Great Britain, of Australia, of New Zealand, and of France. It must have the moral and physical support, in addition to the Philippines and Thailand, of Burma, Indonesia, Ceylon, Pakistan and, if not the help, at least the understanding of India. Some of these nations may lack power, some may still be unsteady in their new sovereignty, but it is time that we started treating them as our equals at the council tables. For without their support and understanding we shall achieve no lasting decision in Indochina no matter how much of our blood we are willing to spill in far-off jungles.

Mr. President, in the Washington Post and Times Herald of June 7 there appears a day-by-day statement prepared by Chalmers M. Roberts, of what has been going on in connection with the conferences with references to Indochina. I have made some inquiry with reference to the tabulation made by Mr. Roberts, and from what I gather, there is no substantial disagreement with it.

Many of us will remember that Mr. Roberts was a very thoughtful, careful reporter for the Washington Post for many years on Capitol Hill. I think particularly in the absence of full information from the leaders of the administration in connection with the Indochina problem, the public throughout the country will be very much interested in Mr. Roberts' tabulation of the conferences, decisions, and reasons for indecision, with respect to what we have attempted to do with reference to Indochina.

I ask unanimous consent that following my remarks Mr. Roberts' article in the Washington Post and Times Herald of June 7 be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES TWICE PROPOSED INDOCHINA AIR STRIKE—BLOCKED BY BRITISH "NO"

(By Chalmers M. Roberts)

The United States twice during April proposed using American Navy carrier planes and Air Force planes based in the Philippines to intervene in the Indochina war provided Congress and our allies agreed. But the British would not agree and the plans fell through.

The Eisenhower administration even set a tentative date for an air strike to aid the then besieged fortress of Dien Bien Phu. The date was April 28, 2 days after the opening of the Geneva Conference.

President Eisenhower was prepared to go to Congress Monday, April 26, to ask for passage of a joint resolution to permit American intervention.

Secretary of State John Foster Dulles and Adm. Arthur W. Radford, Chairman of the Joint Chiefs of Staff, first broached the idea at a secret meeting April 3 of the bipartisan leaders of Congress.

In neither instance was the use of American ground troops contemplated.

The President himself did not discuss the proposed intervention with either the bipartisan congressional leaders or the Ambassadors of allied nations, leaving that to Dulles and Radford.

NOT BACKED BY JOINT CHIEFS

Radford told the congressional leaders on April 3 that the proposal did not have the backing of the other members of the Joint Chiefs.

It was these intervention proposals which divided the Anglo-American alliance, a division which continues to this day on what to do about the Indochina crisis.

With a major Communist assault by Viet Minh forces expected shortly on French Union forces in the Red River Delta of Indochina and with peace negotiations making little progress at Geneva, the Allies soon may once more be faced with the problem of whether to act militarily to hold back Communist aggression. This is the reason that the following chronology is of more than mere historical interest.

The chronology is based both on the scanty public record and on private information gathered by this reporter in London, Paris, at the Geneva Conference, and in Washington from American and Allied officials.

This is the sequence of events thus far:

Saturday, March 20: Gen. Paul Ely, French chief of staff who last week was made commander in Indochina, arrived in Washington with reports on the Indochina war which gravely alarmed American officials. He conferred during several days with President Eisenhower, Dulles, Radford, and other officials. The sum of his message was that French Union forces could not win in Indochina without American military intervention. The American response indicated a willingess to act.

Monday, March 29: Dulles, in his overseas writers speech in New York, called for united action though it might involve serious risks. He said the Communist China was backing aggression in Indochina with the goal of controlling all of the southeast Asia and that the United States felt that that possibility should not be passively accepted but should be met by united action.

Saturday, April 3: Dulles and Radford met in secret session at the State Department with eight congresional leaders representing both parties and with the then Undersecretary of Defense Roger Kyes and the then Navy Secretary Robert B. Anderson. Congressional leaders present were Senators KNOWLAND, MILLIKIN, LYNDON JOHNSON, RUSSELL, and CLEMENTS, and Representatives MARTIN, MCCORMACK, and PRIEST.

Dulles said the President had asked him to call the meeting. He said he felt that it was indispensable at this juncture that the leaders of Congress feel as the administration did on the Indochina crisis.

Radford said the administration was concerned with the rapidly deteriorating situation.

Dulles said that the President wanted him to take up with the congressional leaders

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action by Congress, but action short of a declaration of war or the use of ground troops. Dulles said that if Congress would permit the President to use air and naval power, then a way could be found to prevent broadening of the conflict. He said it was felt that the necessary air and naval power was already in the area and that Congress should shoulder its responsibility in the crisis.

Radford suggested that if Congress passed a joint resolution giving the President general power to act, it would be possible to make a single air strike to relieve the embattled fortress of Dien Bien Phu, then under siege for 3 weeks. Radford explained the urgency by saying that he was not even certain, because of the 13-hour time difference between Washington and Indochina, whether the fortress was still holding out at that very moment.

Radford spoke of using the approximately 200 planes on two 27,000-ton United States Navy carriers, the *Essex* and the *Boxer*, then in the South China Sea. Radford said that land-based United States Air Force planes in the Philippines would join in such a strike.

Radford was asked whether such action would be war. He replied that we would be in the war. He was asked whether, if the strike did not succeed in relieving the fortress, we would follow up. He replied "yes." He was asked whether land forces would then also have to be used. He did not give a definite answer.

Radford was asked whether he was speaking for the Joint Chiefs of Staff. He said "no." He was asked what was the division in the Joint Chiefs. He replied that the other members did not agree with him on the idea of the air strike.

Dulles was asked why he did not go to the United Nations. He replied that it would take too long, that this was an immediate problem. Dulles was asked whether he had lined up the British or any other allies for a joint venture under the "united action" doctrine. He said he had not. The congressional leaders suggested that he should line up the allies before Congress take any action. The meeting broke up on this note.

Sunday, April 4, through Friday, April 9: Dulles consulted with diplomatic representatives in Washington of Britain, France, Australia, New Zealand, the Philippines, Thailand, and the three associated states of Indochina, Vietnam, Laos, and Cambodia.

During these talks there evolved on Dulles' part a proposal for positive military action along the lines discussed the previous Saturday with the congressional leaders and including planes from aircraft carriers to be supplied by Britain, France, and Australia. There also was discussed a statement or declaration of intent designed to explain to the world what action was being taken and why, and warning the Chinese Communists not to intervene.

The British reaction was negative. The other nations indicated they would go along with the plan provided everyone, especially the United Kingdom, joined in.

Dulles offered to go to London, if necessary, to make clear the urgency of the situation and the need for action. British Prime Minister Winston Churchill asked that Dulles fly over and a London-Paris trip was then arranged.

Saturday, April 10: Dulles left by air for London and Paris on what he called a "mission of peace through strength" and to pool allied strength "to create the conditions needed to assure that that conference (the coming Geneva Conference) will not lead to a loss of freedom to southeast Asia but will preserve that freedom in peace and justice."

Monday and Tuesday, April 12 and 13: Dulles conferred with Churchill and Foreign Secretary Anthony Eden in London. The British urged caution and flatly opposed any military action at this time, saying that the monsoons soon would bring the fighting to a halt, perhaps in 2 weeks. Dulles dropped the idea of immediate military intervention and took up the idea of creating a southeast Asia defense alliance somewhat similar to the North Atlantic Treaty Organization in Europe.

Dulles felt he had won agreement to begin at once creating this "united front" in Southeast Asia with the idea that this would lead to "united action" if necessary to save Indochina though not specifically to save Dien Bien Phu. Dulles agreed to soften the wording of the proposed communique at Churchill's insistence.

Tuesday, April 13: An Anglo-American communique said that the two nations were "ready to take part in examining the possibilities" of a southeast Asia defense pact. Eden, in announcing the communique in the House of Commons, said that the two nations "must await the reaction of the other interested countries before determining what steps we take next." He insisted that he had committed Britain to no specific action but only to examine the possibility of such action.

Dulles understood that a working group would be set up in Washington in a few days to begin drafting the pact. Dulles had argued that the Geneva Conference would be more apt to succeed if there were some strong alternative to a failure to get what the West wanted by negotiation. No "ultimatum" to Red China was intended; however, Dulles felt that the critical situation in Indochina in fact activated the pact.

Wednesday, April 14: Dulles flew from London to Paris where he discussed the proposed pact with French Premier Joseph Laniel and Foreign Minister Georges Bidault. A Franco-American communique closely followed the language of the London communique. The French understood that work on drafting the pact would begin at once.

Friday, April 16: Vice President Nixon told newspaper editors in Washington (his identity became known the next day) that the effect of the loss of Dien Bien Phu would be almost catastrophic. He said if the French withdrew, Indochina would be Communist-dominated within a month and that the United States, as a leader in the free world, could not afford further retreat in Asia. Nixon said that it was hoped that the United States would not have to send troops to Indochina but if the United States could not avoid it the administration must face up to the situation and dispatch forces.

Sunday, April 18: British Ambassador Sir Roger Makins told Dulles that he could not attend a meeting called by the United States for the following day to begin work on the southeast Asia pact. Sir Roger had been told by the State Department late the previous week about the meeting. At the time he had not received a report on the Dulles visit to London and hence he asked London for instructions. London referred him to the report of the Dulles-Churchill-Eden conference, by then received at the British Embassy here. Sir Roger thereupon told Dulles that his government was not prepared to take part in such discussions because of the possible repercussions on south Asian opinion of an announcement that such discussions were being held. Sir Roger said that he could only discuss the other topic scheduled for the Geneva Conference, that is Korea. The Monday meeting was thereupon turned into a discussion of Korea.

Dulles felt that the British had switched their position on going ahead with the southeast Asia pact. There is some question whether Sir Roger specifically told Dulles that Eden had forgotten about the coming Colombo Conference, due to open the following week at Colombo, Ceylon. Dulles, at any rate, felt that the British switch was due to objections from Indian Prime Minister Jawaharlal Nehru, who was to meet at Colombo with the Prime Ministers of Pakistan, Ceylon, Burma, and Indonesia.

Monday, April 19: Dulles, after seeing the President at Augusta, Ga., told reporters it was "unlikely" that American troops would be sent to Indochina.

Tuesday, April 20: Dulles briefed bipartisan congressional leaders on his London-Paris trip and on his plans for Geneva, saying that American intervention in Indochina was not imminent or under active consideration at present. At the meeting were Senators KNOWLAND, MILLIKIN, FERGUSON, SALTONSTALL, WILEY, BRIDGES, HICKENLOOPER, LYNDON JOHNSON, CLEMENTS, RUSSELL, GREEN, and FULBRIGHT, and Representatives CHIPERFIELD, ARENDS, FULTON, and BROOKS HAYS.

Later that day Dulles left by air for Paris and Geneva. The Paris stop was to attend a NATO meeting and to consult with Eden and Bidault on Geneva.

Friday, April 23: Bidault told Dulles that Gen. Henri Navarre, then French commander in Indochina, had just cabled that he would not be responsible for the fate of French Union forces in Indochina if Dien Bien Phu fell. Bidault, therefore, asked whether the United States were prepared to take military action to prevent fall of the fortress.

Saturday, April 24: Radford arrived in Paris. Dulles and Radford told Eden that the French were asking for military help. An allied air strike at the Viet Minh positions surrounding the fort was discussed.

The discussion involved use of the same two United States Navy carriers and Philippine-based Air Force planes that had been considered on April 3. The carriers had been in the South China Sea since nearly March, the Navy said, for "training." The nearest point from the Gulf of Tonkin to Dien Bien Phu was about 240 miles distant.

Bidault said that General Navarre had agreed that a strike by about 500 American planes would be sufficient to save the fort.

Dulles said that if the Allies agreed, the President would go to Congress on Monday, April 26, and ask for a joint resolution authorizing such action, and that this would permit a strike on Wednesday, April 28, assuming that Congress had acted in time.

The State Department had prepared a declaration on intentions—an outgrowth of the early April meetings in Washington—to be signed on Monday or Tuesday by Ambassadors of the nations allied with the United States—Britain, France, Australia, New Zealand, the Philippines, Thailand, Vietnam, Laos, and Cambodia. The declaration spoke in general terms of the danger of Communist aggression and the Allied recognition of the necessity of repulsing that aggression by military means.

However, there were no British or Australian aircraft carriers close enough or available to join in the strike on the proposed day and the only French carrier was already fully occupied.

Eden told Dulles and Radford that this was a most serious proposal, amounting to war, and that he wanted to hear it from the French themselves. Eden and Dulles then conferred with Bidault, who confirmed the plea for aid.

Eden said he personally opposed such a move and that he felt that ground troops would be called for within 48 hours after an air strike as had been the case at the beginning of the Korean war.

Eden added, however, he would not want to give a final British judgment and that he therefore, would go to London at once and confer with the British Cabinet.

At the end of the day, Eden flew to London. Dulles then told Bidault that (1) the proposed strike was beyond the President's constitutional powers without action by Con-

gress, and (2) that no action could be taken except under the "united action" doctrine previously discussed but delayed by British unwillingness to act at once. Dulles also said that there was doubt in the minds of American military leaders that a single strike would, at this late date, save Dien Bien Phu. Dulles then flew off to Geneva.

Sunday, April 25: The British Cabinet met in extraordinary Sunday session and decided against participating in the "united action" air strike. The British Chiefs of Staff unanimously agreed that it would not be sufficient to save Dien Bien Phu.

Eden stopped in Paris Sunday evening en route to Geneva and told Bidault at Orly Airfield of the negative Cabinet decision. Dulles was told by Eden late that night in Geneva. At this time Eden told Dulles that Britain had decided to wait and see what sort of settlement the French could get from the Communists at the Geneva Conference before taking any action.

Monday, April 26: Radford arrived in London from Paris to talk with Churchill and the British Chiefs of Staff.

On the same day, the Geneva Conference opened.

Also on Monday, Under Secretary of State Walter Bedell Smith in Washington discussed Indochina in a conference with Senators H. ALEXANDER SMITH, HICKENLOOPER, LANGER, FULBRIGHT, GILLETTE, and MANSFIELD and Representatives CHIPERFIELD, ARENDS, FULTON, and BROOKS HAYS. Under Secretary Smith raised the question of unilateral American military action in Indochina but the Members of Congress strongly opposed such a course.

Tuesday, April 27: Churchill announced to a cheering House of Commons that the British Government was "not prepared to give any undertaking about United Kingdom military action in Indochina in advance of the results of Geneva."

Churchill went on to say that "we have not entered into any new political or military commitments" but he did not explain the background of his statements.

Thursday, April 29: President Eisenhower told his press conference that the United States was trying to steer a course between the unattainable and the unacceptable in the Indochina crisis. He repeated a statement of some time earlier that the United States would not get into a war except through constitutional processes which involved the declaration of war by Congress.

Wednesday, May 5: Dulles returned to Washington from Geneva and reported on the Conference to Senators KNOWLAND, FERGUSON, MILLIKIN, SALTONSTALL, WILEY, H. ALEXANDER SMITH, BRIDGES, LYNDON JOHNSON, CLEMENTS, GEORGE, RUSSELL, and GREEN, and Representatives MARTIN, HALLECK, CHIPERFIELD, VORYS, JUDD, SHORT, ARENDS, RAYBURN, MCCORMACK, GORDON, LANHAM, and VINSON. Dulles indicated that the United States had virtually abandoned all hope of effective "united action" in Vietnam and that he was now seeking a collective security system designed to seal off and protect Laos and Cambodia, the other Indochinese states.

Friday, May 7: Dien Bien Phu fell to the Communists.

Wednesday, May 19: President Eisenhower told his press conference that it might be possible to create a collective security system in southeast Asia without the British and that the United States might possibly work out something with Australia, New Zealand, and some Asian nations.

Thursday, May 20: New Zealand External Affairs Minister T. Clifton Webb, asked by reporter about the possibilities of a pact without Britain, said that "I can't conceive of a satisfactory alliance being made that would not include Britain" and that he felt "that any form of security pact for southeast Asia that it may be necessary to form will in fact include Britain."

Thursday, May 27: Adm. Richard B. Carney, Chief of Naval Operations and a member of the Joint Chiefs of Staff said in a New York speech that the United States is "approaching the fork in the road," that the "choice could be a fateful one" and that however grave are today's alternatives their "gravity may well be dwarfed by those which will confront us in a few years if our country fails to choose properly now." He said the question was: "Do we want to turn into the smooth dead-end or take the rougher road that offers us a good destination if we have got the guts and strength to manage it?"

Wednesday, June 2: President Eisenhower told his press conference that he had not, by any manner of means, reached any decision to ask Congress for authority to act in southeast Asia.

Thursday, June 3: Five-power military talks between high-ranking officers of the United States, Britain, France, Australia, and New Zealand, opened in Washington. Admiral Carney was the United States representative. The talks, due to last a week, were military and not political in nature and were designed to explore military problems which might arise from a southeast Asia defense pact, among others.

Gen. James A. Van Fleet, who had been sent to the Far East in May as a special envoy by President Eisenhower, gave what one Senator termed a "very alarming report" to the combined Senate Foreign Relations and Armed Services Committees.

Friday, June 4: Dulles told the Senate Foreign Relations Committee that the situation in Indochina is grave but by no means hopeless and that it is fraught with danger not only to the immediate area but to the security of the United States and its allies in the Pacific area. When Senator FULBRIGHT observed that recent witnesses before the committee had urged a go-it-alone policy, Dulles replied that he would not want to make an answer which conceded that Britain had a veto on what we might want to do, and that a situation might arise when the United States would have to act without the British.

Saturday, June 5: Senate Majority Leader KNOWLAND in an interview said that the free world has reached the jumping-off place and if it does not force some kind of showdown with the Communists in Indochina within the next 30 days, all Asia may fall to the Communists. He added that the United States ought to face up to the fact that it may have to fight in Indochina.

Monday, June 7: Admiral Radford and General Van Fleet have an appointment with President Eisenhower at 10:30 this morning.

APPROPRIATIONS FOR DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, AND UNITED STATES INFORMATION AGENCY—REPORT OF A COMMITTEE

Mr. BRIDGES. Mr. President, from the Committee on Appropriations, I report favorably, with amendments, the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, and I submit a report (No. 1541) thereon.

I point out that I am submitting the report at 3:15 o'clock p. m.

The PRESIDING OFFICER. The report will be received, and the bill will be placed on the calendar.

ADVANCEMENT OF CERTAIN LIEUTENANTS ON THE RETIRED LIST OF THE NAVY

Mr. SCHOEPPEL. Mr. President, I move that the Senate proceed to the consideration of Calendar 1193, House bill 5416.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 5416) to authorize the advancement of certain lieutenants on the retired list of the Navy.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kansas [Mr. SCHOEPPEL].

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. SCHOEPPEL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF FEDERAL RESERVE ACT, AS AMENDED

Mr. SALTONSTALL. Mr. President, I am informed by the Senator from Ohio [Mr. BRICKER] that there is no objection to the passage of Calendar No. 1515, S. 3480, to amend section 24 of the Federal Reserve Act, as amended, and Calendar 1516, S. 3481, to amend sections 23 (a) and 24 (a) of the Federal Reserve Act, as amended.

Inasmuch as the Senator from Ohio is engaged in committee this afternoon, I ask unanimous consent that the unfinished business, H. R. 5416, to authorize the advancement of certain lieutenants on the retired list of the Navy be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 2480, Calendar No. 1515.

The PRESIDING OFFICER. The Secretary will state the bill by title.

The CHIEF CLERK. A bill (S. 3480) to amend section 24 of the Federal Reserve Act, as amended.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BRICKER. Mr. President, the bill proposes a technical amendment to the Federal Reserve Act. It would amend the act so as to bring the Small Business Administration, created by the Small Business Act of 1953, under the same provisions of the act as applied originally to the Reconstruction Finance Corporation. Because of an omission at the time of the creation of the Small Business Administration, the Federal Reserve Act was not amended in this respect. The bill was unanimously reported by the committee.

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The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill (S. 3480) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the fourth paragraph of section 24 of the Federal Reserve Act, as amended (U. S. C., 1952 edition, title 12, sec. 371), is amended by adding in clause (d) the words "or the Small Business Administration" after the words "the Housing and Home Finance Administrator", and by adding the words "or the Small Business Act of 1953", after the words "Housing Act of 1948, as amended."

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the unfinished business (H. R. 5416) be temporarily laid aside and that the Senate proceed to the consideration of S. 3481.

The PRESIDING OFFICER. The Secretary will state the bill by title.

The CHIEF CLERK. A bill (S. 3481) to amend sections 23 (A) and 24 (A) of the Federal Reserve Act, as amended.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BRICKER. Mr. President, this is likewise a correctional and technical amendment of the Federal Reserve Act pertaining to member banks of the Federal Reserve System in their employment of capital and reserves in the maintenance of bank buildings. The Committee on Banking and Currency unanimously reported the bill to the Senate.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted, etc., That the third paragraph of section 23A of the Federal Reserve Act, as amended (U. S. C., 1952 edition, title 12, sec. 371c), is amended by deleting therefrom the words "on June 16, 1934," and substituting in lieu thereof the word "solely"; and by deleting therefrom the words "or in maintaining and operating properties acquired for banking purposes prior to such date."

SEC. 2. Section 24A of the Federal Reserve Act, as amended (U. S. C., 1952 edition, title 12, sec. 371d), is amended by inserting after the words "investments and loans" a comma and the words "together with the amount of any indebtedness incurred by any such corporation which is an affiliate of the bank, as defined in section 2 of the Banking Act of 1933, as amended."

ADVANCEMENT OF CERTAIN LIEUTENANTS ON THE RETIRED LIST OF THE NAVY

The Senate resumed the consideration of the bill (H. R. 5416) to authorize the advancement of certain lieutenants on the retired list of the Navy.

Mr. SALTONSTALL. Mr. President, the purpose of this bill is to authorize the promotion of five retired Navy lieutenants to the grade of lieutenant commander on the retired list, the promotions to be effective from the date of retirement in each case.

Under a provision of law that has since been repealed, lieutenants who served prior to November 12, 1918, and who had completed not less than 21 years of service should be advanced to the grade of lieutenant commander on the retired list. The Navy Department construed service at the Naval Academy as being service prior to November 12, 1918, within the meaning of this provision of law. The officers concerned were retired and advanced on the retired list but were continued on active duty and drew pay based on the grade of lieutenant commander. The Comptroller General subsequently held in decision B–61756 of January 8, 1947, that the service of these officers as midshipmen was not service prior to November 12, 1918, and that action by the Department of the Navy in advancing them to the grade of lieutenant commander was erroneous.

S. 1797 of the 80th Congress was introduced in the form of general legislation that would have relieved officers affected by the Comptroller General's ruling. While S. 1797 was pending before the Committee on Armed Services of the Senate, the Navy Department incorrectly advised the committee that only one officer was affected, and the committee amended the bill so as to make it a private relief measure and it was enacted as such. Subsequently the Navy determined that the 5 officers named in the pending bill were in exactly the same circumstances as the 1 officer whose promotion had been validated, and the same reasons that supported advancement in his case were equally applicable in the case of the 5 officers named in this bill.

The committee has been assured by the Department of the Navy that the Navy retired rolls have been carefully examined and that the officers whose promotions would be validated by the pending bill are the last and only ones who require relief of this nature.

The retroactive cost to the Government for retired pay for these five officers as of June 30, 1954, is approximately $23,000. Prospective increased costs for the group will be approximately $3,000 per year.

I hope the bill will be passed.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. COOPER. Mr. President, I offer an amendment and ask that it be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The CHIEF CLERK. On page 1, line 3, after the word "law," it is proposed to insert "(a)."

On page 1, after line 11, it is proposed to add the following new subsection:

(f) Comdr. Edward White Rawlins, United States Navy (retired) and Comdr. Edward K. Shanahan, United States Navy (retired) shall be advanced to the grade of captain on the retired list effective for all purposes from the date of retirement in each case.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. COOPER].

Mr. COOPER. Mr. President, I should like to make a brief statement in explanation of the amendment which I have offered. I should like to point out, first, that the bill which has been presented by the chairman of the Armed Services Committee is in effect a private bill to advance in rank to commanders five retired officers of the United States Navy. Ordinarily, their advancement would be accomplished by recommendation of a board of the United States Navy. The bill would do by legislative action what is usually within the jurisdiction of a board of the Navy.

My amendment adds two names to the list of five in the bill. It adds the names of Comdr. Edward White Rawlins and Comdr. Edward K. Shanahan, and would advance their rank as retired naval officers from that of commander to that of captain.

I do not know any of the five officers who are named in the bill. I do not know Commander Shanahan. I have talked to Commander Rawlins, or, at least, he has talked to me. His case and that of Commander Shanahan have been presented several times to the Armed Services Committees of the House and the Senate. On one occasion, at least, in the Senate, a subcommittee was appointed under the chairmanship of the distinguished minority leader [Mr. JOHNSON of Texas] and hearings were held. No action was taken as the result of the hearings, although the record discloses that following hearings in the Senate and in the House the reports indicated that there was substantial merit in the claims made by Commander Rawlins and Commander Shanahan.

Because of those facts, I took the trouble to read the record of the hearings, and it is my opinion, after reading the record, that an injustice was done to those two retired officers and that the only way in which justice can be done them is by legislative action.

I am familiar with the arguments which will be made against my amendment. My good friend the distinguished chairman of the Armed Services Committee can argue, of course, that it is wrong for the Senate or for the Congress to attempt to adjudicate and pass upon the question of promotions. I agree that as a general rule the argument is a correct one. I would say to him, however, that the bill he has introduced does the same thing. The advancement of five officers provided for in his bill calls for an adjudication by the Senate of their cases.

So, Mr. President, if the argument can be used against the two officers named in my amendment, it applies equally to the five officers named in the bill. But I do not consider it a valid argument against the adoption of my amendment or against the passage of the bill. Every week we pass in this body bills which are in their nature private bills. The purpose is to render equity where it appears that equity has not been done. That is a matter for the judgment of the Senate.

Mr. President, in support of the statement I have made, it will appear in the record that the claims of both Commander Rawlins and Commander Shan-

ahan have been sustained, not in the sense that action can be effected, but in the sense that support has been given by distinguished officers of the Navy.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks letters of Adm. Robert B. Carney, now a member of the Joint Chiefs of Staff, but who at the time the letters were written was commander in chief of the Allied Forces, Southern Europe, at Naples, Italy.

Also, Mr. President, a letter written by Admiral Denfeld to the chairman of the Armed Services Committee of the House, I should like to have placed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as fallows:

CHIEF OF NAVAL OPERATIONS,
December 16, 1953.

Comdr. EDWARD W. RAWLINS,
United States Navy, Retired,
Washington, D. C.

MY DEAR ED: I have looked over H. R. 5416 and your proposed amendment.

I cannot predict the effects of attaching your proposed amendment to the very simple and straightforward bill for the relief of the lieutenants named therein, but it seems to me that some of the things you propose will prove to be of such controversial nature as to jeopardize the basic bill and the interests of the officers named in the basic bill. While you have, as you know, my complete sympathy for your own case, I would not be willing to support it if it were to jeopardize the interests of those others. It may be that your proposed amendment will not prejudice the other cases; if this actually proves to be so, the amendment method would appear to be all right.

By way of reaffirming what I said to you the other day, I stand on my previous testimony and statements concerning your case. The final decision of the position of the Navy Department will, of course, rest with the Secretary of the Navy, but I wish to reassure you that he will have my views available to him when your case is brought to his attention for decision.

Sincerely,

ROBT. B. CARNEY,
Admiral, United States Navy.

COMMANDER IN CHIEF,
ALLIED FORCES, SOUTHERN EUROPE,
Naples, Italy, May 7, 1953.

Hon. LEVERETT SALTONSTALL,
Chairman, United States Senate Committee on Armed Services,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: I have just received your letter of April 24 concerning S. 1063. I am happy to be able to comment.

I have been interested in Commander Rawlins' case from the beginning. He served with me in the Navy's North Atlantic Escort Operation in 1941 and 1942, and I am rather well acquainted with his history since that time.

On earlier occasions when Commander Rawlins has endeavored to obtain congressional relief in bills similar to S. 1063 I have testified in his behalf and have stated that it was my considered opinion that in comparison with all other contemporary officers of my acquaintance his character, his performance of duty, and his professional competence was such as to have qualified him for promotion with his contemporaries. I do not have here, in my personal files, copies of my earlier testimony or letters concerning Rawlins' case, but the opinions which I submitted in testimony or in documents concerning his case remain unchanged and I would be quite willing to have them made available to your committee as representing the opinions which I held then and still hold.

I cannot comment on the Navy Department report as submitted by Rear Admiral Nunn, United States Navy, nor would I presume to comment on the aspects of S. 1063 which deal with such special matters as retroactive pay, return to the active list, etc. I can only reaffirm my opinion, based on my knowledge of his case, and also based on citations covering Commander Rawlins' wartime service, that his professional qualifications, character, and performance of duty placed him safely within the bracket of those suitable for wartime promotion. I believed then, and still believe, that his performance warranted his being promoted to the grade of captain with his contemporaries.

It was my feeling, sir, that there had been a slip in his case and if there had been an inequity it should be corrected. Although a good many years have passed since Commander Rawlins first began his efforts to regain his lineal position in the Navy, I sincerely hope that some restitution can be made if it is established to the satisfaction of Congress that there has been inequity in this case.

I realize that the passage of time may have introduced administrative complications but I would like to reaffirm the opinions expressed in my previous testimony and letters to this case and Comander Rawlins is, of course, at liberty to make them available to your committee should they be desired.

Very respectfully,

ROBT. B. CARNEY,
Admiral, United States Navy.

WESTBORO, MASS., *March 9, 1950.*

HON. OVERTON BROOKS,
House of Representatives,
Washington, D. C.

DEAR MR. BROOKS: Thank you for your letter of February 10 in which you state that if I made a statement regarding Commander Rawlins that it would be brought to the attention of the members of your subcommittee.

Commander Rawlins served with me in the Support Force, North Atlantic from February 1941, when the Force was established until the end of December when I was detached. I was Chief of Staff for that Force and Commander Rawlins was the Communications Officer. He had a very difficult job as we had not only our own communications, but the British Communications System as well, as we dealt with British and Canadian ships in addition to our own.

Commander Rawlins performed his duty in a superior manner to the entire satisfaction of Admiral Bristol who was the Commander of the Support Force and the forces of other countries which we were assisting. He is an officer of the highest personal and professional qualifications and I cannot recommend too strongly that the committee give favorable consideration to legislation in his case. I was never able to understand why Commander Rawlins was not selected for promotion as he has an excellent record.

With very best regards,

Sincerely,

LOUIS DENFELD,
Admiral, United States Navy (Retired).

OCTOBER 26, 1949.

To: Chairman of the Board for Correction of Naval Records.
Subject: Comdr. Edward K. Shanahan, United States Navy.
Reference: (a) Board report in the subject-named case.

1. The decision of the Board in the subject-named case is disapproved. Since there is presently proposed general legislation in Congress which would afford Commander Shanahan an opportunity for hearing and presumably effective remedy of the inequity claimed, it is not appropriate at this time to present private legislation for his benefit.

DAN A. KIMBALL,
Under Secretary of the Navy.

Mr. COOPER. Mr. President, it also appears in the RECORD that at one time the Board of Correction of Naval Records heard testimony relating to the claims of Commander Shanahan and made certain recommendations. The recommendation applies to Commander Shanahan, and I now quote from it:

JUNE 14, 1949.

From: Chairman, Board for Correction of Naval Records
To: Secretary of the Navy
Subject: Edward K. Shanahan, United States Navy; revised decision in case of
Reference: (a) BCNR decision in subject case, dated March 31, 1949; (b) Secretary of the Navy endorsement to reference (a), dated April 13, 1949.

1. The Board conducted a further hearing in subject case, on May 31, 1949, for consideration of the action taken by the Secretary of the Navy as contained in reference (b).

2. It appears that the Secretary approves the conclusion of the Board that petitioner has suffered an injustice, but disapproves the specific remedy proposed by the Board in satisfaction of such injustice.

3. The existence of injustice to petitioner having been established, it continues to be the opinion of the Board that logic demands as complete and substantial a remedy as possible therefor. In this regard, it is the opinion of the Board that the fact that Commander Shanahan was not among those officers selected from among the 5 percent below the promotion zone by a recent selection board, is not only inconclusive refutation of the inequity found to exist but is considerably less persuasive than if he had actually failed of selection from among those in the actual promotion zone.

4. In view of the foregoing, the Board is of a mind that it must, in good conscience and in response to its duty, recommend to the Secretary that substantial remedy be afforded in this case, in the form of present restoration of Commander Shanahan to the relative position among his former contemporaries as it may fairly be presumed he would now enjoy had the established injustice not occurred.

5. For the reasons set out above, and predicated upon the statement of facts and the conclusion contained in reference (a), the Board withdraws the decision previously submitted and substitutes the following:

DECISION

(a) That the Secretary of the Navy initiate such action as may be necessary to completely rectify the established injustice, by effecting the promotion of Commander Shanahan to the rank of Captain, United States Navy, with appropriate adjustment of lineal position.

(b) It is contemplated by the Board that the above remedy should be accomplished by executive appointment of the President or, as an alternative by act of Congress; and in either case upon the recommendation of the Secretary of the Navy.

6. The foregoing is certified to be true and complete record of the proceedings of this Board.

CHESTER M. WIGGIN, Jr.

7. The foregoing action of the Board is submitted for your review and action.

J. E. SULLIVAN.

Revised and approved.

———, ———,
Secretary of the Navy.

Mr. President, I quote from the recommendation to establish the fact that

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a Board of Correction did, after a hearing of the case, render a finding that injustice had been done, and recommended that in equity it should be remedied.

I have brought the matter before the Senate without any personal knowledge of the facts as to the men involved, but simply because upon a reading of the record I came to the conclusion that an injustice has been done these two men and that it should be remedied.

Again, I point out that in this case the distinguished chairman of the committee is, in effect, asking Congress to promote the four officers who are named in the bill. If that can be done, certainly justice can be done with respect to the two officers named in the amendment I have offered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky.

Mr. SALTONSTALL. Mr. President, has the Senator from Kentucky concluded?

Mr. COOPER. I have finished.

Mr. SALTONSTALL. I hope the amendment will not be agreed to. The bill concerns five officers who, under an interpretation of law, received the rank of commander and acted as commanders for a period of time under a law which was afterward repealed.

Following the repeal of the law, and while the officers were receiving the retirement pay for that rank, the Comptroller General interpreted the law in a different way, and his interpretation resulted in these officers being placed in a lower grade, with of course, smaller retirement pay.

The Department of the Navy has said there are only these five cases pending. They have said that they have examined all their records, and have found that these officers served prior to 1918. The question is one of an interpretation of the law. The Navy interpreted the law in one way, and the Comptroller General interpreted it in another way.

The bill was introduced to cure an injustice done to these five men because of the interpretation of law which was made later.

I have great sympathy for the amendment offered by the Senator from Kentucky. I, myself, listened to a similar plea several years ago. The amendment concerns two officers, Commander Rawlins and Commander Shanahan, who seek to be advanced to the rank of captain. Various boards did not grant them that rank. What they are asking is to have Congress promote them by legislative act.

If Congress begins to promote by legislative acts, officers who feel that they should be promoted, but who do not receive promotions through the proper channels—and I think Congress has tried to make the channels as broad as possible in the past 10 years since World War II—then case after case will be coming to Congress for action.

I, myself, have spoken with Commander Rawlins. Several years ago, in the 81st Congress, a subcommittee, headed by the present distinguished minority leader, conducted full hearings on the subject. The present minority leader reported a general bill to the committee, which required the Secretary of the Navy to convene a Board of Review in order to review the records of all commissioned officers on the active or retired lists of the Navy and Marine Corps who failed of selection during the wartime period. If the record placed before the Board indicated injustice, the Board was authorized to recommend the rank to which the officer so prejudiced should advance.

The first bill passed the Senate in the 81st Congress. The Senate passed a similar bill last year, and it is still pending in the House committee. Some debate occurred on the floor of the Senate in which the distinguished junior Senator from Michigan [Mr. POTTER] participated. The bill was passed by the Senate in the same form as it was passed in the 81st Congress.

That bill, if it is passed by the House, will provide for a Navy Board of Review to examine cases similar to the Rawlins and Shanahan cases. That is the fairest way, it seems to me, to adjust such cases.

If the amendment offered by the Senator from Kentucky should be agreed to, the Senate will be acting in a contrary manner. The bill which is now before the Senate is intended to cure injustices of a legal nature, which were caused by a difference in the interpretation of a law which has since been repealed. One interpretation of the law was made by the Navy, and another interpretation was made by the Comptroller General.

The amendment which the Senator from Kentucky has offered would bring about by legislative enactment the promotion of two officers who did not qualify before a board in years past, but who could submit their cases to a new board, if the bill now pending in the House becomes law.

For the reasons I have stated, I sincerely hope the amendment offered by the Senator from Kentucky will not be agreed to. In the first place, I do not think it is pertinent to the bill; in the second place, I do not believe that Congress should begin to promote officers in the armed services by legislative enactment.

Mr. COOPER. Mr. President, I do not wish to prolong the discussion, but I think I must point out what I consider to be a fallacy in the argument of the distinguished Senator from Massachusetts. First, I wish to speak about the bill which was passed by the Senate, which the Senator has said offers a remedy for the situation. That bill, as I understand, is now on the calendar of the House, where I also understand it will remain. It is a bill which would require the Navy to review the cases of some 600 officers, whether or not the officers desired to have a review, or whether or not there was any reason for a review. Of course, that would impose upon the Department of the Navy a burden which should not be imposed on it, unless there were reason to do so. Therefore, I think it is doubtful that that bill ever will pass.

We are not now dealing with 600 officers who may or may not wish to have reviews of their cases. We are dealing with a situation in which the Senate should consider whether an injustice has been done, and whether it desires to remedy the injustice.

I wish to answer the argument made by the Senator from Massachusetts in which he says there is a distinction between his bill and my amendment. There is a distinction which, to my mind, is an argument in favor of the adoption of my amendment. What is proposed by the bill now before the Senate? The five men named in the Senator's bill, for all the Senate knows, never were approved for promotion by any board. By operation of law at one time, it was intended that these officers should pass to an advanced rank. It has been held that they did not pass to that rank. No board has passed on their cases. They have come to Congress and have asked Congress, by its act, to promote them. That is all there is to the situation. They have never passed a board of review. They have never received approval for advancement from any board. For all the Senate knows, they might never have been approved by a board.

My amendment relates to two men whose cases have been considered, first, by a board which was to have passed on whether or not they should be promoted, and, in the case of Commander Shanahan, later by a Board of Corrections. The Board of Corrections was unable to act, but stated that action should be taken either administratively by the President or by Congress. They found in the case of Shanahan that action should be taken. Certainly there is ground now to ask for an adjudication in his favor.

In the other case, that of Commander Rawlins, it does not appear that a Board of Corrections passed upon his claim. However, two hearings were held and reports were issued upon his claim. A Senate subcommittee made a report. I do not like to quote simply a portion of the report, but this is all that is available to me:

> In the specific case of Commander Rawlins there was evidence that he was an officer of excellent abilities with a long and favorable record in the Navy. * * * Evidence was submitted to the committee both in verbal testimony and in the form of letters to the committee by highly placed officials of the Navy Department, including many former superiors of Rawlins, to the effect that they felt an injustice had been done.
>
> There was complete unanimity among even the official representatives of the Navy Department that Commander Rawlins was and is qualified to perform the duties of captain. * * * It was the opinion [of the committee] that the case presented in behalf of Commander Rawlins had considerable merit.

The House Armed Services Committee report, No. 3012, 81st Congress, contains these significant sentences:

> There is ample evidence in the record that Commander Rawlins may have suffered due to an administrative error.

With all due deference to the chairman of the committee, I think that is an entirely different situation from what has been indicated. I would not have offered the amendment if I had not thought an injustice had been done, and that it was the duty of the Senate to

correct the injustice. I hope the Senate will add the two names, and that the bill will go to the House as thus amended, so that substantial justice will be done. The feeling in the House committee is evidently different from that of the chairman of the Armed Services Committee.

Mr. SALTONSTALL. Mr. President, I should like to add just a word to what I have already said. The Senator from Kentucky has stated that the cases were somewhat similar because as to the first group Congress had provided relief by legislative action. That was true of the whole classification, not as to individuals. The Navy itself has urged the passage of the pending bill to correct an injustice to five officers. While the amendment by the Senator from Kentucky includes two officers who feel that an injustice has been done to them, their cases fall in a different category. With due respect to the Senator from Kentucky, I again suggest that there is pending in the House committee a bill which, if it should become law, would give a board a chance to pass upon the question. I hope the amendment will not be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky [Mr. COOPER].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendments to be proposed, the question is on the third reading of the bill.

The bill (H. R. 5416) was ordered to a third reading, read the third time, and passed.

CONSTRUCTION OF NAVAL VESSELS

Mr. SALTONSTALL. Mr. President, I move that the Senate proceed to the consideration of H. R. 8571, the naval construction bill.

The motion was agreed to, and the Senate proceeded to consider the bill (H. R. 8571) to authorize the construction of naval vessels, and for other purposes, which had been reported from the Committee on Armed Services with an amendment, on page 2, line 3, after the word "thereof", to strike out "'$500,000,000'" and insert "'$450,000,000'".

Mr. SALTONSTALL. Mr. President, I hope the Senate will pass the bill, and I should like to make a very brief statement. There may be some discussion with the Senator from Delaware [Mr. WILLIAMS] on the bill.

The bill authorizes the construction of certain naval vessels. It proposes, first, that the Navy be authorized to undertake the construction of or to acquire and convert a total of 16,000 tons in the Mine Warfare and Patrol subcategory.

Secondly, the bill proposes to increase the appropriation authority in the basic postwar naval construction act from $350 million to $450 million.

That provision of the bill is proposed because increased costs over the years have required an additional authorization. That is why the amount authorized is sought to be increased from $350 million to $450 million. Of course, such an authorization would be subject to implementation by the Committee on Appropriations.

The first part of the bill has to do with acquiring and converting a total of 16,000 tons into two new categories. As I understand, there is already sufficient authorization to provide for such ships, but what is desired is to change the authorization from one type of ship to another type. I hope the bill will be passed.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. WILLIAMS. Mr. President, will the Senator from Massachusetts yield for a question?

Mr. SALTONSTALL. I have yielded the floor. However, I shall attempt to answer any questions the Senator from Delaware may desire to ask.

Mr. WILLIAMS. Is there any provision in the bill which requires that the Secretary of Defense ask for competitive bids?

Mr. SALTONSTALL. There is no such provision, because the measure is merely an authorization bill. As I understand, if the bill should become law and money with which to build the ships, should be made available, then the Secretary of the Navy must contract to have such ships built under the general legislation which relates to contract procedures in naval ship construction. The legislation includes the Vinson-Trammell Act, the Armed Forces Procurement Act of 1947, and the Buy American Act. Those laws, enacted by Congress after extended consideration of complex factors, control the awarding of Government contracts.

Mr. WILLIAMS. If I understand correctly, under those acts there is nothing which requires that contracts shall be awarded on a competitive bid basis. Is my understanding correct?

Mr. SALTONSTALL. Section 2 (c) of the Armed Service Procurement Act of 1947 provides:

> All purchases and contracts for supplies and services shall be made by advertising, as provided in section 3, except that such purchases and contracts may be negotiated by the agency head without advertising if—
>
> (1) Determined to be necessary in the public interest during the period of a national emergency declared by the President or by the Congress;
>
> (2) The public exigency will not admit of the delay incident to advertising;
>
> (3) The aggregate amount involved does not exceed $1,000;
>
> (4) For personal or professional services;
>
> (5) For any service to be rendered by any university, college, or other educational institution;
>
> (6) The supplies or services are to be procured and used outside the limits of the United States and its possessions;
>
> (7) For medicines or medical supplies;
>
> (8) For supplies purchased for authorized resale;
>
> (9) For perishable subsistence supplies;
>
> (10) For supplies or services for which it is impracticable to secure competition;
>
> (11) The agency head determines that the purchase or contract is for experimental, developmental, or research work, or for the manufacture or furnishing of supplies for experimentation, development, research, or test: *Provided*, That beginning 6 months after the effective date of this act and at the end of each 6-month period thereafter, there shall be furnished to the Congress a report setting forth the name of each contractor with whom a contract has been entered into pursuant to this subsection (11) since the date of the last such report, the amount of the contract, and, with due consideration given to the national security, a description of the work required to be performed thereunder;
>
> (12) For supplies or services as to which the agency head determines that the character, ingredients, or components thereof are such that the purchase or contract should not be publicly disclosed;
>
> (13) For equipment which the agency head determines to be technical equipment, and as to which he determines that the procurement thereof without advertising is necessary in order to assure standardization of equipment and interchangeability of parts and that such standardization and interchangeability is necessary in the public interest;
>
> (14) for supplies of a technical or specialized nature requiring a substantial initial investment or an extended period of preparation for manufacture, as determined by the agency head, when he determines that advertising and competitive bidding may require duplication of investment or preparation already made, or will unduly delay procurement of such supplies;
>
> (15) for supplies or services as to which the agency head determines that the bid prices after advertising therefor are not reasonable or have not been independently arrived at in open competition: *Provided*, That no negotiated purchase or contract may be entered into under this paragraph after the rejection of all bids received unless (A) notification of the intention to negotiate and reasonable opportunity to negotiate shall have been given by the agency head to each responsible bidder, (B) the negotiated price is lower than the lowest rejected bid price of a responsible bidder, as determined by the agency head, and (C) such negotiated price is the lowest negotiated price offered by any responsible supplier;
>
> (16) the agency head determines that it is in the interest of the national defense that any plant, mine, or facility or any producer, manufacturer, or other supplier be made or kept available for furnishing supplies or services in the event of a national emergency, or that the interest either of industrial mobilization in case of such an emergency, or of the national defense in maintaining active engineering, research, and development, are otherwise subserved: *Provided*, That beginning 6 months after the effective date of this act and at the end of each 6-month period thereafter, there shall be furnished to the Congress a report setting forth the name of each contractor with whom a contract has been entered into pursuant to this subsection (16) since the date of the last such report, the amount of the contract, and, with due consideration given to the national security, a description of the work required to be performed thereunder; or
>
> (17) otherwise authorized by law.

So I would say, broadly speaking, that if they were types of ships of which there were prototypes, and the contracts could be subject to competitive bidding, and the ships were going to be built by private plants rather than in Navy yards, there would be competitive bidding, assuming there were no new developments.

Mr. WILLIAMS. Can we rest with the assurance that the contracts for the ships which are provided for in the bill, if it is at all possible for the Navy to describe the kind of ships which it wishes to have constructed, will be awarded on

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a competitive bid basis and the contracts awarded to the lowest responsible bidder?

Mr. SALTONSTALL. Madam President——

The PRESIDING OFFICER (Mrs. BOWRING in the chair). The Senator from Massachusetts.

Mr. SALTONSTALL. I am not able to give the Senator from Delaware a definite answer to his question. I wish I could, but I cannot tell whether ships would be involved as to which there are no prototypes, or as to which there is a question of secrecy or security or new equipment. I cannot answer categorically the question of the Senator from Delaware.

Mr. WILLIAMS. Will the Senator answer my next question, then? To the extent the conditions the Senator has just described which would make it impractical to ask for bids on a competitive basis are not present, may we understand that contracts will be awarded, on a competitive bid basis, to the lowest competitive bidder?

Mr. SALTONSTALL. That is the normal practice, and I hope such a practice will be adopted. Again I desire to be extremely careful in answering the question. Such a situation would not apply if new type ships were involved, or if, for any reason, the head of the Navy Department decided contracts could not be awarded on a competitive bid basis. But I would hope that such contracts, wherever it could be done, would be awarded to the lowest competitive bidder.

Mr. WILLIAMS. I am concerned with the statement of the Senator when he says, "If for any reason the Secretary of the Navy decided not to do so," because in the past it has been the practice of the Secretary to decide not to do so. I am not satisfied to leave to the discretion of the Secretary of the Navy whether or not he lets contracts on a competitive bid basis.

I think we should spell out in the law what we intend. If the law as it now stands is adequate, so that we can rest assured there will be competitive bidding, and that, after the bids are submitted, the contract will be awarded to the lowest responsible bidder, then I am willing to accept the bill as it now stands.

However, in the absence of such assurance, I think we should spell out in the bill what we intend.

Mr. SALTONSTALL. Madam President, I shall be glad to cooperate with my good friend, the Senator from Delaware, insofar as my position as chairman of the Armed Services Committee is concerned, on such an amendment to the general law, if the Senator from Delaware does not think the general law on the statute books is satisfactory in respect to competitive bidding. In that event, I shall be happy to cooperate with the Senator from Delaware in working out such an amendment to the general law.

I remember that the law was worked out very carefully and was freely debated on the floor of the Senate, particularly by the late Senator Tobey, of New Hampshire, as I recall. The bill now under discussion is simply an authorization bill, and, so far as I know, neither this bill nor similar ones which come before us from time to time involve the question of amending the general law on the subject.

I understand that the Senator from Delaware refers to amending the general law with respect to the submission of bids for the construction of all categories of ships. I would not wish to deal with that subject in connection with this measure.

Mr. WILLIAMS. According to the knowledge of the Senator from Massachusetts, under any of the acts to which he has referred, in the past month or years have there been any instances of contracts having been awarded to persons other than the lowest responsible bidders?

Mr. SALTONSTALL. I suppose it may be said that there have been such instances, fairly recently, in the case of the award of a contract for the construction of destroyers to the yard at Quincy, Mass., and the award of the contract for the construction of three destroyers, to be built next year, to the yard at Bath, Maine. So there are cases in which the awards have been made without competitive bids. I assume that the Secretary of the Navy knows what he is doing, and is following the law.

Mr. WILLIAMS. Perhaps the law needs amendment.

I ask the Senator from Massachusetts, further, whether in the instance to which he has referred there was any special reason why the Secretary of the Navy should have ignored the lowest bidder and should have awarded the contract to the Quincy yard, at an increase in cost of approximately $8 million. Was not the yard at Bath, Maine, available for the construction of those vessels?

Mr. SALTONSTALL. Of course, when the Senator from Delaware refers to the yard at Quincy, Mass., he is coming rather close to home, so far as I am concerned.

Mr. WILLIAMS. I understand that, and I was not attempting to embarass the Senator from Massachusetts.

But aside from the element of secrecy and the possibility that a prototype vessel was involved—in connection with which it might not be proper to solicit the submission of bids—is it not a fact that in other instances the submission of bids was solicited and that, in the case referred to, the yard at Bath, Maine, was the lowest bidder, and had previously satisfactorily constructed ships for the Navy? I assume it had previously constructed ships for the Navy in a satisfactory manner, or else it would not have been considered as eligible to receive the award of other contracts.

Mr. SALTONSTALL. That is correct.

Mr. WILLIAMS. So we must assume that the yard at Bath, Maine, is a responsible bidder. Yet in that situation, although the bid of the Bath, Maine, yard was approximately $8 million lower, that yard did not receive the contract.

So I assume it is important that we spell out in the law that the contracts will be awarded to the lowest responsible bidder.

Mr. SALTONSTALL. The Senator from Washington [Mr. MAGNUSON], who is well informed on this subject, is in the Chamber. I think he will back me up when I say that at the present time only three private yards on the Atlantic coast and the Navy yard on the west coast are capable of building aircraft carriers. The west coast yard was eliminated from consideration, for various reasons; and the three yards on the Atlantic coast submitted bids. The contract was awarded to the lowest bidder.

In connection with the destroyer contracts, it should not be forgotten that there is an Executive order which provides in substance—I do not quote it accurately—that when a facility which may be important to the national defense in time of war may cease to operate or be rendered useless because of a lack of orders, it may be awarded such a contract, even if it is not the lowest bidder. Under such circumstances, the Executive order comes into effect.

I believe it will be found that the Quincy, Mass., shipyard at the present time has less Navy work than do any of the other shipyards on the east coast. I may point out that during World War II, employment at the Quincy yard was well over 20,000, but subsequently was down to 3,500, and at the present time is down to 1,500. That was among the factors considered by the Secretary of the Navy awarding the destroyer contract.

If a new aircraft carrier is to be constructed, and if it is determined to have it built on the west coast, obviously there cannot be bidding on the contract, because only one yard on the west coast is able to construct an aircraft carrier.

Mr. WILLIAMS. Perhaps the Senator from Massachusetts recognizes the danger involved in a policy by means of which we say that at some time in the projected future an aircraft carrier will be built, and the contract will be awarded to a certain shipyard, regardless of what its bid may be, and then that yard is requested to submit a bid. We open ourselves up to having some rather fantastic bids submitted for the construction of naval vessels, if, in advance, we tell a certain yard that, regardless of what its bid may be, the other yards will not be awarded the contract.

Mr. SALTONSTALL. I understand the Senator's fear, but I do not believe it is justified. Under the careful scrutiny of the Congress and the executive departments, and in view of the desire to keep the construction costs as low as possible, I believe that the fear of the Senator from Delaware is unfounded; I do not believe what he fears will become a reality.

I absolutely agree in principle with the Senator from Delaware, and I wish to so state for the record, in connection with this debate. I hope and trust that when competitive bids are requested for the construction of these vessels, the contracts will be awarded the lowest bidders. There is no question in my mind about our purpose in that connection.

Mr. WILLIAMS. I can see some basis for awarding a contract to shipyard X, if it is without work, even though it may not be the lowest bidder, and even though another shipyard has submitted

a lower bid, provided the latter yard is loaded with work.

On the other hand, it seems to me in that event the yard which is without work should be willing to renegotiate its bid, and to submit a new bid which will be either as low as any other bids or lower than the other bids. In that instance, I would have no objection to leaving the matter to the discretion of the Secretary of Defense, so as to permit him, on that basis, to award the contract, after open negotiations, to the idle shipyard, if it is able to do the work as cheaply as or cheaper than the other yards. In that event, I see no objection to permitting it to do the work.

On the other hand, if there is an inefficient yard which is unable to do such work as cheaply as can other yards, we might as well recognize that fact and let the inefficient yard close down, because of its lack of efficiency.

I think the Senator from Massachusetts will recognize that if there is in Boston, Mass., a yard which is unable to build a naval vessel as cheaply as can a yard in another section of the country, even though as a Senator coming from the eastern part of the United States, I would normally join the Senator from Massachusetts in the defense of that yard, yet if it is unable to construct the vessel as cheaply as other yards can construct it, and if it does not maintain efficiency in its operations, then I believe the contract should be awarded to the lowest responsible bidder. In such cases I would be perfectly willing to give such a shipyard an opportunity to reopen the bids on a renegotiated basis. But if it cannot meet the competition, Congress should not enact legislation to buy ships, not because they are needed, but because of a desire to keep shipyards at work. I have a keen appreciation of the need for keeping shipyards at work, but that is not the purpose of the bill.

Mr. SALTONSTALL. No; it is not.

Mr. WILLIAMS. I agree with the Senator.

Mr. SALTONSTALL. This provision deals with a national emergency.

Mr. WILLIAMS. We are buying the ships because we need them. At the same time, we also need the shipyards, but that is a secondary consideration. If this is a make-work bill, let us recognize it as such; but I do not recognize it as such, and neither does the Senator from Massachusetts.

Mr. SALTONSTALL. I wish to emphasize the fact that this is not a make-work bill.

Mr. WILLIAMS. If we are buying ships in the national defense, let us buy them on a businesslike basis.

Mr. SALTONSTALL. I agree with the Senator.

Mr. WILLIAMS. I wonder if the Senator would be willing to accept an amendment providing that, to the extent that any ships authorized under this bill are constructed in private shipyards, the contracts shall be awarded to the lowest responsible bidder. I may say to the Senator from Massachusetts that we leave it to the discretion of the Secretary of Defense, with full authority, to build all or any part of the ships in Navy shipyards. Such a discretion would not be affected by my amendment, because in such a case there would be no negotiated bids. But if the contracts are to be awarded to private shipyards, let us award them on the basis of the lowest bid. Let us award the contract to the lowest responsible bidder.

Mr. MAGNUSON. Madam President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. MAGNUSON. Under an earlier act, with respect to all naval construction, the Secretary of the Navy is directed to maintain approximately a 50–50 ratio as between private yards and Navy yards. It does not quite work out that way in connection with certain groups of vessels, but, generally speaking, during the course of a fiscal year, or of a year in which contracts are awarded, an effort is made to maintain that ratio.

Although the amendment of the Senator from Delaware sounds good in theory, I do not believe it would work in connection with naval ships, because there must be some flexibility, first, in order to maintain certain yards which are strategic; and second, because without such flexibility the west coast would be completely eliminated. The differential in the cost of transporting steel to the west coast, as compared with the east coast, amounts to about 8 or 9 percent of the cost of a naval vessel. That would mean that no west coast yard could bid on the small ships, although it might be desired to keep a small yard busy for defense purposes, in Puget Sound, in the bay area, or in southern California. The reason for the factor of flexibility is to maintain some kind of equitable distribution, so as to keep the labor pools and the shipyards available.

Mr. WILLIAMS. Let me say to the Senator from Washington that I recognize the validity of the first point he makes, with respect to the advisability of some reasonable allocation or division of new awards, as between private shipyards and Navy shipyards. The amendment which I propose would in no way disturb the authority of the Secretary of Defense to maintain such a division.

Mr. MAGNUSON. No. It would not disturb that authority.

Mr. WILLIAMS. With respect to the second point, that it would cost more to build a ship on the west coast, I think the Senator has a point that should be considered, in connection with the cost of the transportation of steel. If a satisfactory amendment could be drafted, I would be willing to incorporate a provision which would recognize that factor. However, it is not that point that I am concerned about. I think we should have strict competitive bidding. Aside from the factor the Senator has mentioned, namely, the cost of transporting steel to the west coast, if a ship cannot be built as cheaply on the west coast as on the east coast, I think we should recognize that fact, and perhaps build all the ships on the east coast. I have no objection to building ships on the west coast. By the same token, if ships can be built more cheaply on the west coast, I think they should be built there. However, the trouble we encounter, and the particular basis for the amendment, is that such a policy is not always followed.

The most glaring case to come to our attention, in which this policy was not followed, was in connection with competitive bids which were received for the same ships from two shipyards, both located on the east coast. The factor of cost of transportation of steel was not involved. It is that sort of situation which I am trying to correct. At the same time, I would go along with the Senator from Washington, perhaps in connection with some other bill with relation to which such an amendment might be appropriate, to give proper recognition to the situation which he has described, involving the extra cost of the transportation of steel. I believe that in the interest of our country as a whole it is essential and important to keep the shipyards on the west coast in a competitive position with relation to the eastern yards.

Mr. MAGNUSON. Madam President, I should like to make the record clear. In 1937, I believe, a provision was inserted in the law calling for a 5-percent differential, which was supposed to apply to all Navy calculations when the construction of ships was awarded to Navy yards. However, since that time costs in connection with the transportation of steel and other costs have risen so high that it would be impossible to apply such a rule.

I think the Senator from Massachusetts will agree with me that another reason for flexibility is that shipbuilding is peculiar, in that when a shipyard has completed the construction of the first of a series of ships, additional ships can be built more cheaply. May I ask the Senator from Massachusetts how many minesweepers are involved in the bill?

Mr. SALTONSTALL. Four thousand tons of mine-warfare boats.

Mr. MAGNUSON. And how many patrol boats?

Mr. SALTONSTALL. Twelve thousand tons of patrol boats.

Mr. MAGNUSON. That would be about eight. One yard might bid on a single ship. Suppose that next year, or 6 months from now, we wanted 8 more. That yard would have all the tools, all the dies, and all the plans. It is common shipbuilding knowledge that the second ship always costs less than the first. So, without some degree of flexibility in the law, we might encounter a situation in which one shipyard might start to build a certain type of patrol boat, and no other yard, even though it might be next door, would be able to compete. After the first yard had built eight such ships, it could submit a lower bid than any other shipyard, or any builder in any other area in the United States, for the future construction of such ships.

That is the reason for flexibility. The situation to which I have referred occurred in connection with bids on the carriers. After the Newport News yard had built one large carrier it was in a position to outbid every other yard on the next carrier, because the Newport News yard could build it more cheaply. In my opinion, if we were to carry that

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theory through to its ultimate conclusion, we would finally concentrate in one yard certain types of ships, and that would be the only yard that could build such ships. That would not be in the interest of national defense.

Mr. WILLIAMS. We might carry to an extreme, in connection with all the purchases of the Government, the theory of which the Senator speaks. In such event there would not be money enough in the Treasury to pay our bills.

Mr. MAGNUSON. The Treasury is a little different. For example, I suppose the Government calls for bids on pencils. Certain manufacturers are making pencils all the time. There might be 4 or 5 concerns making pencils, and they could all bid. But the pencil is always the same. However, a ship is entirely different.

Mr. WILLIAMS. I recognize that ships are different. However, the fact remains that they are not so much different that my amendment would not apply to the example to which we both have reference, and the situation which the amendment is directed to correct. In that instance bids were called for. Bids were received from two responsible bidders, both in the same immediate area. There was a difference of $7 million or $8 million between the two bids, and the Government accepted the higher of the two bids. I do not believe that by any line of reasoning the Senator from Washington would attempt to justify such a situation.

Mr. MAGNUSON. I do not know how that happened. I do not wish to pass on the merits of that case. Of course, any Secretary could abuse this authority. If we should rigidly require the Secretary to accept the lowest bid on naval vessels, even though we might have the best Secretary of the Navy in the world, such a requirement might result in a condition which would not be in the national interest. The authority to which the Senator and I have been referring may have been abused in connection with the Bath-Quincy incident.

Mr. WILLIAMS. Let me say to the Senator from Washington that I would be perfectly willing to endorse a provision to the effect that, in the event the Secretary of Defense received bids, and he felt, for certain reasons, that the lowest responsible bidder was not the best one to whom to award the contract, in his discretion he could open negotiations with the other bidder, take all factors into consideration, and award the contract to the other bidder, provided his bid was on an equally low or competitive basis.

Mr. MAGNUSON. Of course, I would still have to oppose any such proposal as that, because we on the west coast would have no chance for competitive bidding, unless an amendment were added to the effect that in the awarding of contracts the Navy could take into consideration the difference in cost of the materials in various sections of the country.

During the war the Navy worked out a plan which satisfied all of us. If they were to build 12 ships, let us say, for example, they would build 4 ships on the west coast, 2 on the gulf, and 6 on the east coast. I cite that merely as an example. In such a situation they would call on the west-coast bidders to bid on four ships. They could all bid the same, because they all had the same background. In that way they would let the west-coast shipyards build four ships. However, in the case we are discussing there is no allocation of that kind. If the Navy were required to accept the lowest bid, all the ships would be built in one yard on the east coast.

Mr. WILLIAMS. Does not the Senator from Washington agree that if the bill is passed as now written there will be no competitive bidding on the naval vessels which are to be constructed? I believe it is a fact that on the west coast there is only one shipyard which would even consider bidding on a certain type of ship. Therefore if the Secretary of Defense called for bids on the west coast for the construction of a carrier, there would be only one bidder on the west coast who would be able to submit bids comparable to bids submitted on the east coast.

Mr. MAGNUSON. Not with reference to the ships we are discussing in the pending bill. What the Senator from Delaware was discussing was the question of the building of carriers.

Mr. WILLIAMS. That is correct.

Mr. MAGNUSON. So far as carriers are concerned, there is no private shipyard on the west coast that could bid on the construction of carriers. Bremerton Navy Yard could build a carrier, and it could also be built in New York and in Newport News and in Quincy on the east coast. However, the ships we are discussing in connection with the pending bill are smaller ships, with a great deal of electronic devices installed in them. As a matter of fact, the west coast may have a very good chance to bid on the construction of the ships, because the Navy may decide to build them of wood. The Navy has found that in order to detect mines and submarines it is better to use a wooden ship. Of course we could construct such ships of wood on the west coast. These are small ships. It is the medium-sized yards throughout the United States that need so much work.

Mr. WILLIAMS. Recognizing the fact that these are ships on which several shipyards on the west coast could bid——

Mr. MAGNUSON. I do not know that to be the fact.

Mr. WILLIAMS. I believe the Senator is perhaps correct in that regard. No doubt several yards on the west coast could bid on these types of ships on equal terms with shipyards on the east coast.

I do not make my amendment applicable to all naval vessels to be constructed. I make it applicable only to vessels constructed under the pending bill. I am not trying to amend all the other shipbuilding acts. We will deal with each act as it comes before the Senate. My amendment applies only to the pending bill.

Mr. MAGNUSON. I believe it all boils down to the fact that the Navy should, so far as it can practically do so, solicit competitive bids. If the Secretary of the Navy abuses that principle, that is a different matter. In such case no doubt the kind of situation the Senator has referred to can happen. While we hope the Secretary of the Navy will accept the lowest bid, we also hope that in awarding contracts he will, in the interest of national defense, take into consideration other factors. We do not believe that it should be a matter strictly of accepting the lowest bid. There are other factors to be considered. If we impose a strict rule requiring the Navy to accept the lowest bid, we will gradually have a concentration of shipbuilding, which is not in the national interest.

Mr. SALTONSTALL. That is what I have in mind. The construction of aircraft carriers cannot be awarded entirely to Norfolk, any more than the construction of all destroyers can be awarded to Bath, or the construction of all submarines to another shipyard. The construction must be spread around a little bit.

I will say to the Senator from Delaware that I have listened to his colloquy with the Senator from Washington, and I am sure the Senator from Washington has listened to our colloquy. I hope we have made the situation as clear as it can be made. I have tried to be as helpful as I could to the Senator from Delaware in an effort to give an indication to him of how the committee feels on this subject. I hope the Senator from Delaware will be willing not to press his amendment, but to allow the situation to stand on this debate. Although I cannot give my personal assurance to him—and it would not be worth very much if I could—I hope that the Navy Department, in the light of the debate today, will carry forward what the Senator from Delaware so earnestly and properly pleads for, insofar as the Navy Department can do so.

Mr. WILLIAMS. I appreciate the Senator's statement. However, the bulk of the argument against the amendment has been on the basis that not enough shipyards are equipped to build carriers or destroyers or submarines. We are not dealing here with carriers or submarines or destroyers. I am making my amendment applicable only to the bill now under consideration, which deals with certain types of ships. We are speaking about minesweepers and patrol vessels, which can be built in many yards. The matter of the construction of carriers and other ships can be discussed when we are considering legislation dealing with the construction of such ships.

Mr. MAGNUSON. I merely wish to add one thought. I am sure the Senator from Massachusetts agrees with me that the ships under consideration will be filled with all kinds of electronic and secret devices, and therefore it will be desirable in the national interest that the construction of the ships be awarded to a yard where workmen who have had experience with these devices are available. The ships should be built in yards which have available skilled technical personnel, even though they might cost us more, rather than in a yard whose workers have had no experience with such devices and which may make the

low bid. In other words, it may not be in the national interest to award the construction of such ships to the lowest bidder.

Mr. WILLIAMS. There is nothing in my amendment which would prohibit the Secretary of Defense from doing what the Senator from Washington has indicated if such a situation develops that it is not practicable to solicit bids.

Mr. MAGNUSON. That is correct. However, if we do not have sufficient flexibility and if we hold the Navy strictly to the acceptance of the lowest bidder on the construction of ships—even though in theory it sounds good—I do not believe it would be in the national interest.

Mr. SALTONSTALL. I should like to read the amendment of the Senator from Delaware, with the addition of certain words I have added. If he is willing to accept my addition to his amendment I shall be glad to take the amendment to conference, and in that way all of us will have an opportunity to look into the matter more carefully. I would add at the end of section 1 on page 1, line 8, the following words:

To the extent that any ships authorized under this bill are constructed in private shipyards, such contract shall be awarded to the lowest responsible bidder, insofar as national security requirements will permit, and such an award is practicable.

Mr. WILLIAMS. I am willing to add that wording to my amendment. That is agreeable to me.

Mr. SALTONSTALL. I shall be glad to accept the amendment of the Senator from Delaware with the addition of those words.

Mr. WILLIAMS. Mr. President, I modify my amendment by adding the words suggested by the Senator from Massachusetts.

The PRESIDING OFFICER (Mr. DANIEL in the chair). The Senator from Delaware modifies his amendment to the extent suggested by the Senator from Massachusetts [Mr. SALTONSTALL]. Without objection, the amendment, as modified, is agreed to.

Mr. MAGNUSON. Mr. President, I should like to make a brief statement. I was thinking of offering an amendment with reference to the allocation of ships of these particular types, but I shall not do so, because—and I think the Senator from Massachusetts will agree with me—that we cannot guarantee anything; but we hope the Navy Department, in allocating ships, will take into consideration the question of differentials in the various sections of the country with relation to any bids which may be made.

An amendment could be offered which would incorporate the original 5 percent differential, provision, and in that event, if the Navy Department were going to build a dozen ships it could say, "The Gulf Coast is important, and the other seacoasts are important, and we will allocate the ships and call for bids in the areas where they are to be allocated and give all the shipyards a chance."

Mr. WILLIAMS. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. WILLIAMS. I agree with what the Senator is saying, to a certain extent, although if half a dozen yards submit bids, I do not think the Navy can pick out a certain area in which there is only one of the half dozen yards, but it must take into consideration the bid in relationship to the low bids in the other areas, and consider all the factors.

Mr. MAGNUSON. I agree with the Senator from Delaware. In the building of carriers, the Navy would probably negotiate. In the case of the shipyard on the west coast, it is a Navy yard rather than a private yard. The west coast is hampered, and the Navy should take into consideration the cost of transportation of materials, and make allowance for it in the bids.

In the past I think the Navy has done that fairly well, but because costs have increased, there has been a tendency to have the work done in certain yards in the United States where the costs are a little less than in some other yards. In some cases our workmen on the west coast are so efficient that they can overcome that differential.

As to these particular types of vessels, I hope the Navy will take into consideration the fact that we have shipyards on the west coast. If it is necessary to keep the labor pool going in case of emergency, that is one thing. But there should be some kind of spread with reference to the building of these ships, and I think, under the amendment, that probably could be done.

It might be said by someone, "I can build this patrol boat," and he makes a fantastically low bid. It turns out that he made a mistake and he cannot do the job he thought he could do. The ship is half-way completed, and the Navy wants it. I am sure this would be a fertile field for the Senator from Delaware with his ability to dig out facts. He would probably find that the initial bid sometimes does not amount to too much. The man says, "I cannot complete the job." The Navy needs the ship, and it will make some adjustment and try to help out, even though he was the low bidder in the beginning. It ends up with the ship costing as much as it would have cost if the Department had done some negotiating in connection with bids of a reasonable amount.

Mr. WILLIAMS. Would the Senator from Washington call such a bidder a responsible bidder?

Mr. MAGNUSON. He may be a highly highly responsible shipbuilder.

Mr. WILLIAMS. If he is a responsible shipbuilder, and if he is the low bidder, certainly the Secretary of Defense knows enough about business to get a bond from the man who makes the bid.

Mr. MAGNUSON. He is a responsible shipbuilder, but every ship is different. He may be able to build one type of ship and do the best job possible, but when it comes to another type of ship he may run into difficulties. The Navy Department on many occasions has said, "We need ships so badly that we will make an adjustment." They have gone ahead and chosen the low bidder because he is a responsible shipbuilder, but he is building a new type of ship and sometimes the costs are great.

Mr. WILLIAMS. I am rather interested in the matter of responsible bidders. I should like to look further into the question if the Senator has some examples.

Mr. MAGNUSON. I can find many examples.

Mr. WILLIAMS. Can the Senator think of one at this time?

Mr. MAGNUSON. During the war all shipyards had adjustments made. It was common practice.

Mr. WILLIAMS. The Senator just described a situation where a man, who was recognized as a responsible bidder, offered a low bid, but when the ship was half completed he more or less held up the Navy——

Mr. MAGNUSON. Oh, no.

Mr. WILLIAMS. I should like to know of one case of that kind.

Mr. MAGNUSON. I did not say he held up the Navy.

Mr. WILLIAMS. He did not hold it down.

Mr. MAGNUSON. A great many differences in conditions were found. There was a condition which neither the Navy nor the builder contemplated——

Mr. WILLIAMS. I am only asking the Senator when and where.

Mr. MAGNUSON. I think I can find many such examples. That was a common practice during the emergency. Sometimes the time element enters into the question.

Mr. WILLIAMS. The fact that it was a common practice—and I agree that it has been the practice in the past—is the reason why I am offering the amendment, so as to break up this practice which no man can justify.

Mr. MAGNUSON. I think it points up the complexities and difficulties of shipbuilding. It is a peculiar type of construction. One cannot be held to a rigid practice as would be the case in dealing with articles which are standard. Every ship is different. I think the Senator from Kentucky [Mr. COOPER] will agree with me that the initial bid sometimes does not cover what the ship finally costs.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 8571) was read the third time and passed.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 3050) to amend the Agricultural Adjustment Act of 1938, as amended, which were, in line 11, strike out "October 1, 1954," and insert "December 1, 1954"; and in line 13, strike out "July 1, 1954," and insert "July 1, 1955."

Mr. CLEMENTS. Mr. President, the House amendments changed only one date in the bill. Since the change is agreeable to all parties who introduced the bill in both the House and the Senate,

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and it is agreeable to all parties in interest in the trade, I move that the Senate concur in the House amendments.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. SALTONSTALL. Do I correctly understand that the amendments are agreeable to the members of the committee on this side of the aisle?

Mr. CLEMENTS. They are agreeable to the chairman of the Committee on Agriculture and Forestry, and have the approval of the majority leader.

Mr. SALTONSTALL. I thank the Senator.

Mr. BUTLER of Nebraska. Mr. President, will the Senator yield?

Mr. CLEMENTS. I yield.

Mr. BUTLER of Nebraska. May I ask if the matter has had the consideration of not only the chairman but of all members of the Committee on Agriculture and Forestry?

Mr. CLEMENTS. The bill had the approval of the entire membership of the committee when it was reported to the Senate and acted on by the Senate. The House has made only one change in the bill, and that is with reference to the date of its effectiveness. The House amendments have the approval of all members of the committee who have any interest in the item, which is tobacco.

Mr. BUTLER of Nebraska. Is this the bill which provides for a 1-year extension?

Mr. CLEMENTS. No. The bill provides for an increase in the penalty on tobacco which is grown in excess of the quotas.

Mr. BUTLER of Nebraska. I thank the Senator from Kentucky.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. CLEMENTS. I am glad to yield to my colleague.

Mr. COOPER. May I ask if this is the final action on a bill that was introduced by my colleague, and in which I joined, which would raise the penalty on excess tobacco from 40 percent to 50 percent?

Mr. CLEMENTS. That is correct.

The bill was amended by the House. An error was made in the date, and action taken by the House on Monday was vacated yesterday. The bill was then amended yesterday to change the date from July 1, 1954, to July 1, 1955, on flue-cured tobacco. The date with respect to all other tobaccos remains the same.

This is the final action on a measure which was sponsored in the Senate by the distinguished senior Senator from Missouri [Mr. HENNINGS], by my colleague, the distinguished junior Senator from Kentucky, and by myself.

Mr. COOPER. It is true, is it not, that the bill had the approval of all segments of the tobacco industry, including growers and processors, throughout the entire country?

Mr. CLEMENTS. That is correct.

Mr. COOPER. I thank my colleague.

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). The question is on agreeing to the motion of the senior Senator from Kentucky [Mr. CLEMENTS].

The motion was agreed to.

ALLEGED SECRET RECORDING DEVICES IN THE ATOMIC ENERGY COMMISSION

Mr. HICKENLOOPER. Mr. President, during the afternoon I have been occupied in committee with the consideration of proposed legislation. That is why I am appearing at this late hour to make a statement.

In the Washington Post and Times Herald of this morning there was published as a part of the column written by Drew Pearson an article entitled "Atomic Gestapo." I shall read the portion of the column relating to this subject:

ATOMIC GESTAPO

The final straw that has made members of the Atomic Energy Commission see red against Chairman Admiral Lewis Strauss is a recording device installed by Strauss at Commission meetings.

In the past, Commission meetings have been informal, relaxed, and featured all sorts of fascinating philosophical discussions of the future of atomic power. Today they are ice-cold, stiff, and edgy. Every Commissioner knows that every word he says is being recorded, and he talks as little as possible before the Wall Street banker who has become czar of atomic energy.

The Commissioners know that since the friends and words of Dr. J. Robert Oppenheimer 15 years ago were used against him today, together with his lack of enthusiasm for the hydrogen bomb, their words also may be used against them in the future. So there is less and less discussion, less and less honest agreement.

"Today," said one man, "we enthuse. We are all making a record. We can only hope that while we are making enthusiasm, they are making progress in making bombs out in the field."

NOTE.—Phone tapping of Commissioners' telephones by security officers on behalf of Admiral Strauss is now considered routine. None of the three Commissioners opposing Strauss says anything important over the telephone.

Mr. President, in my considered opinion, after making an extensive investigation, the statements made in the column under this heading, with the exception of the statement referring to the conversation of Dr. J. Robert Oppenheimer 15 years ago, of which I do not have accurate information, are utterly and absolutely false. I do not believe Mr. Pearson originated the information; I think he obtained what he thought was information from persons who told him that what they alleged were facts. I wish to state what the facts are, because not only in the past, but also today, I have made an investigation of the subject.

The facts are that when Admiral Strauss took office as Chairman of the Atomic Energy Commission, he had a search made of the Chairman's office and of other places in the Commission. When he began his duties as Chairman, he found that the offices were wired for recording. Within a few days of that discovery, he had the recording equipment and system ripped out of the office. He announced that there would be no secret recordings so long as he was Chairman of the Commission.

I was in his office about 4 days after he assumed his duties. I saw the places where the secret recording devices had been installed, and I saw the evidence that they had been removed by the order and direction of Chairman Strauss.

I have made a further check, and I am completely convinced and satisfied that there is no secret tapping of the telephones in the Atomic Energy Commission.

Where Mr. Pearson obtained his information, I do not know; but whoever gave it to him was, I am convinced, lying to him. The unfortunate part of the situation is that Mr. Pearson accepted such false statements and credited them as being true by including them in his column, to the very great detriment of a man who is trying to do an honest, decent, open, and above-board job on the Commission.

Mr. BUTLER of Nebraska. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. BUTLER of Nebraska. If the information is not true, this is not the first time such untruths have been published, is it?

Mr. HICKENLOOPER. I do not wish to engage in a discussion of various other statements and claims; I simply wish to say that this is a flagrant and inexcusable injustice to a man who himself took the initiative to rip out secret recording devices which had been previously installed, and who not only announced that it would not be his purpose to use such instrumentalities, but who has taken the lead in being very careful to see that they do not creep back into the operations of the Commission.

I think it is ominous, Mr. President, when those who decry methods of insinuation and the blasting of characters and reputations on the part of others, themselves use such innuendo and unfounded rumor as the truth in their attempts to attack those whom they do not personally like and whom they would like personally to destroy.

This is a most flagrant abuse of the right of publicity in the newspapers, a right which should be held sacred. I cannot express the utter contempt I have for persons who would originate such falsehoods, and for a man who publishes them in a newspaper. I do not say that Mr. Pearson originated this story or made it out of whole cloth. It is entirely likely, and I think it is likely, that he was told this by certain individuals. But the originators, in my opinion, were lying to him; and the criticism I have of Mr. Pearson is that he took the report, failed to verify it, and published it as truth in his column, to the detriment of a very able public servant.

TENNESSEE VALLEY AUTHORITY

Mr. KEFAUVER. Mr. President, when hearings were held on the independent offices appropriation bill several weeks ago, the private utility lobby trotted out many witnesses to show that their companies could supply the Atomic Energy Commission's Paducah works as economically as could the Tennessee Valley Authority.

At that time the appropriations subcommittee gave the AEC until tomorrow, June 10, to reach some agreement with

the private utility companies for the practicable supply of power for the Paducah plant.

I have been advised by the distinguished chairman of the subcommittee, the Senator from Massachusetts [Mr. SALTONSTALL], who is presently acting as majority leader, that the conference may be delayed until the first of next week. I am glad the distinguished Senator is here to hear my few remarks on this subject this afternoon.

The subcommittee felt that if an agreement were not reached between the Atomic Energy Commission and private companies, some provision must be made for TVA to increase its production capacity to meet the AEC's power needs.

I need not remind the Senate, I am sure, that the TVA appropriation recommended by the President and approved by this body did not include funds for any new power-producing facilities in the Tennessee Valley. That action was taken in the face of uncontradicted testimony that the valley is faced with a power shortage in 1957.

Some time ago, I asked the Atomic Energy Commission for a comparison of power costs to its Paducah plant from TVA and from Electric Energy, Inc., the private group. The TVA planned to build a plant on the Kentucky side of the river, and the private company to build one across the river on the Illinois side, both plants to furnish power for the atomic energy works at Paducah.

TVA has, as the Senate knows, built the Shawnee steamplant near Paducah to serve the AEC plant. EEI, after numerous fits and starts, is building a steam plant at Joppa, Ill., for the same purpose.

The figures Admiral Strauss sent me seemed at first glance to indicate that TVA's rates were substantially higher than those of EEI. For the last 6 months of 1953, he listed the average TVA charge per kilowatt-hour at 5.85 mills, and the average EEI charge at 4.97 mills.

Inasmuch as these figures seemed to fly in the face of reason, I was obliged to ask the admiral for clarification. It was forthcoming about a month later.

To begin with, only three of TVA's Shawnee units were in operation during the period in question. Since those units did not fill all the AEC requirements, TVA purchased additional power from other sources to fill in the gap. This additional power was something more than twice the cost of TVA's own production.

During the same 6-month period, only two EEI units were in operation, and it purchased power from its parent companies to complete its contract obligation to AEC.

Admiral Strauss' second letter brought out that the EEI charges listed earlier do not include amortization of the investment—and will not include such an item until the plant's completion.

Meanwhile, TVA has been collecting in its rates for power from the Shawnee plant allowances for amortization which are being returned to the Treasury as part of TVA's current payments, or reinvested in TVA facilities.

When the fourth Joppa unit is in operation in August, more than a year behind schedule, incidentally, its power cost is expected to be about 4.09 mills per kilowatt-hour, according to the Admiral's letter.

He notes that the present rate for power from TVA's Shawnee plant is 3.64 mills. This, I might add, is expected to be lower by August because of decreasing coal costs.

Therefore, the difference between the cost of Shawnee power and Joppa power in August will be at least 0.45 mill per kilowatt-hour (4.09 mills as compared with 3.64 mills) and probably larger because the TVA expects to get its coal cheaper in August.

I want to make it quite clear that this comparison is between Shawnee and the 4-unit Joppa plant. For the 6-unit Joppa plant, the cost of 4.09 mills per kilowatt-hour is expected to increase to 4.20 mills per kilowatt-hour, according to Admiral Strauss, and that is set forth in his letter.

In contrast, there will be little change in the cost of Shawnee power as between the first 4 units and the later expanded plant, Shawnee being the TVA plant.

The final differences in cost between Joppa power and Shawnee power are likely to be well over half a mill per kilowatt-hour.

Present contracts call for TVA to supply 1,205,000 kilowatts and EEI 735,000 kilowatts to the AEC's Paducah works. The corresponding annual kilowatt-hours would be a little more than 10 billion kilowatt-hours from TVA, and a little more than 6 million kilowatt-hours from EEI.

An excess cost of half a mill per kilowatt on the more than 6 billion kilowatt-hours from EEI will amount to more than $3 million a year.

Stated a litle differently, a half-mill saving on the 10 billion kilowatt-hours from TVA will amount to more than $5 million a year.

I believe the Congress and the American taxpayers are going to be mighty interested in these figures particularly when they realize this means $3 million or $5 million a year for as much as 25 years.

I think, Mr. President, that the tremendous amount of electrical power which the atomic energy plants at Oak Ridge, Paducah, and Portsmouth, Ohio, are now using or will be using, is not appreciated; nor is the fact appreciated that an increase in the power rate of only 1 mill will cost the taxpayers $50 million a year. The Tennessee Valley Authority ought to be highly commended because, by its contract with the atomic energy plant at Oak Ridge, it has set a pattern for furnishing power at an extremely low price. If that yardstick had not been set, if the TVA had not pioneered the low price at which power could be furnished to the Atomic Energy Commission, the taxpayers of the Nation would have had to spend hundreds of millions of dollars more for the electricity which they must buy each year, and will have to buy in increasing amounts as time goes on.

I sincerely hope the very fair and distinguished Senator from Massachusetts, who has given so much time and thought to this question, will take the matter into consideration, and also consider the fact that the United States Government can save the taxpayers a great deal of money by allowing TVA to furnish power for the Atomic Energy Commission, and in the meantime allowing the TVA to have facilities to meet its own electrical needs. If the Senator from Massachusetts will do that, he will be applauded very loudly, not only by those in the Tennessee Valley, but by persons all over the Nation.

TRANSFER OF CERTAIN REAL PROPERTY IN NAPA COUNTY, CALIF.

Mr. SALTONSTALL. Mr. President, I move that the Senate proceed to the consideration of House bill 3097.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 3097) to authorize the transfer to the regents of the University of California, for agricultural purposes, of certain real property in Napa County, Calif.

LEGISLATIVE PROGRAM

Mr. SALTONSTALL. Mr. President——

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). The Senator from Massachusetts.

Mr. SALTONSTALL. After a message from the majority leader, and after consultation with the minority leader, it has been agreed that when the Senate adjourns this afternoon—and it will be an adjournment rather than a recess—it will be until Friday next at 12 o'clock. At that time the business before the Senate will be House bill 3097, which has just been made the unfinished business. However, it is hoped that the appropriation bill for the State, Justice, and Commerce Departments, which bill was reported this afternoon, will also be considered. The minority leader has informed me that it is hoped that on his side there will be no objection to considering the bill on Friday when the Senate meets. If that be correct, it is expected that the unfinished business will be laid aside and the Senate proceed to the consideration of the appropriation bill.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. JOHNSON of Texas. The minority leader is hopeful that there will not be any objection from either side. That is the first statement I wished to make. The next statement I should like to make is that I have learned that the credentials of the new Senator from North Carolina have been received, and it is expected that he will be sworn in during the early part of the session next Friday.

Mr. SALTONSTALL. That would be expected. When I made my statement, I was not attempting to make it all-inclusive. I certainly agree with the Senator from Texas and hope there will be no objection.

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Mr. JOHNSON of Texas. Since the Senator from Massachusetts did not express the hope that there would be no objection from Senators on his side of the aisle, I wished to express the hope that there will be no objection from Senators on either side.

Mr. SALTONSTALL. I agree with the Senator from Texas; I trust there will be no objection.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

S. 144. An act for the relief of the Cavalier County Fair Association;

S. 857. An act for the relief of the legal guardian of Robert L. Hilton, a minor;

S. 1399. An act to authorize the Secretary of Agriculture to sell certain improvements on national forest land in Arizona to the Salt River Valley Water Users Association, and for other purposes;

S. 1400. An act to permit the Secretary of Agriculture to release the reversionary rights of the United States in and to a tract of land located in Wake County, N. C.;

S. 1794. An act to reimburse the South Dakota State Hospital for the Insane for the care of Indian patients; and

S. J. Res. 119. Joint resolution to validate conveyance of a 40-acre tract in Okaloosa County, Fla.

THE INDOCHINA SITUATION

Mr. BUTLER of Nebraska. Mr. President, I am not a member of any Senate committee that perhaps is entitled to any inside information on the international situation which may prevail at any given time. However, as one of the Members of the Senate, I have been quite disturbed several times of late because of news releases, news ticker reports, and comments here and there by various Members of the Senate which indicate that we may be facing a very critical situation almost overnight. In fact, one of my very best friends in the Senate the other day made a statement that a few days ago we were within 48 hours of—not a declaration of war—but official participation in southeast Asia that might require the use of drafted forces from the United States.

I have the utmost confidence in our President and his administration, and I am sure that if the situation reaches that condition, all Members of the Senate will be given the information, rather than only the members of the Armed Services Committee, perhaps, and the members of the Foreign Relations Committee.

In connection with this thought, I now ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a brief article by Louis Bromfield. The article is entitled "Asia Turmoil Won't Be Settled by Intervention of United States."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ASIA TURMOIL WON'T BE SETTLED BY INTERVENTION OF UNITED STATES

(By Louis Bromfield)

Despite the soft words of President Eisenhower, the interventionists, who would involve us in an Asiatic war which we cannot win and which might well bring about World War III, are still operating in Washington.

The spearhead of the movement is the military brass. Its dominant members are Admiral Radford, chairman of the Joint Chiefs of Staff, and Gen. Bedell Smith in the State Department.

To date, the pattern of their operations is not much different from that followed by the brass which brought us suddenly and unexpectedly, without any choice on the part of Congress or the people, into the still unending confusion, expense, misery and failure in Korea.

ON WHOSE SIDE IS INDOCHINA?

It is apparently the opinion of most observers that the sentiment in Indochina is at least 50 percent pro-Chinese or pro-Communist and 100 percent nationalist. Even the French do not deny this.

President Eisenhower has said that we shall not go to the rescue of a people who show no desire to be rescued or a people which remain indifferent to the principles of genuine free government. That would appear to let us out in the case of Indochina.

But the brass has not stopped its pressures and propaganda for intervention. Generals and admirals are everywhere in our Government in positions of great authority. The usual set of hysterical kept columnists of Washington are backing them up.

WOULD CONGRESS CONSENT?

The President, according to at least 1 national weekly magazine, feels that he can get the consent of Congress at any time to intervene, even perhaps to send more drafted American conscripts into a hopeless jungle war to which France has not sent one single drafted soldier.

I doubt that Congress is so abjectly docile as this news magazine indicates, especially in view of the great number of letters from constituents which are almost universally against another silly, tragic intervention.

Of course, we can be shunted directly into war by the President without the consent of Congress or the people, under the guise of a United Nations police action, a farce with which we are already bitterly familiar.

It seems that the administration and Mr. Dulles sense the fact that "a United Nations police action" cannot be foisted again upon the American people and, in view of the world situation, the U. N., in any case, seems to be defunct.

A NEW NATO TRICK

But they have thought up another one. This time it is to be "a united action among the Allies," another NATO in Asia.

But again, we should be left holding the bag, supplying conscripted American boys, war material, and 95 percent of the expense.

Why? Because even if France and Britain had the will to join us with a whole heart, bearing their share of the expense, the casualties and the deaths, they have not the power to do so.

If Geneva and the Indochinese situation have done nothing else, they have destroyed the illusion, imposed on the American people beginning with Roosevelt, carried on by Truman, and, finally, by Dulles, that these two nations were great powers.

They are not great powers and very likely never will be again.

So under the present crystallizing policy in Washington, young Americans are to be sent into a hopeless war for the sake of other peoples who will not and cannot send their own conscripted troops and actually draft their young men for shorter periods than ours are drafted.

MAKING ASIA AN ENEMY

We are already putting out about $1 billion of the taxpayers' money to supply the French in the occupation of a people who want to be free of them, who are so untrustworthy on the score of Chinese and Communist sympathies that it is impossible to know which side the average man or woman espouses.

We are beginning to hear all over again from the usual sources in Washington the arguments against the New Look in defense—that weapons are not enough but that millions more young Americans must be conscripted to be sent overseas as foot soldiers.

The hardest fact is that the turmoil and confusion of Asia is not going to be settled by American intervention and that the more we help the old rotting French and British Empires, the more we are making all Asia, from India to Siam, our enemies.

One is tempted to ask who bestowed upon us our godlike position of trying to run the affairs of the whole world.

LATIN AMERICA NEGLECTED

Is it not possible that some of the high figures in our Government are actually suffering from megalomania?

Worst of all, perhaps, is the fact that our State Department and the military brass have been occupied for so many years in trying to bolster up the old dying colonial empires that they have almost wholly neglected our own backyard—the whole of Latin America and the Western Hemisphere.

It is on this side of the ocean that the future of the world really lies because of its wealth, its immense population potential, and its vast undeveloped natural resources.

While the State Department has been fiddling about in Europe, Guatemala, on our very doorstep, has become a Communist pesthole, a threat to the Panama Canal and the first Russian outpost in the New World.

VOTERS FED UP

The principles behind the so-called Bricker amendment are by no means dead. One more trick like the Korean intervention could bring them to life with a bang.

It could end also the political careers of those who brought about another Korea and perhaps even bring about the end of the Republican Party.

The Democrats have a great opportunity by becoming the antiwar, anti-intervention party.

A lot of voters are becoming more and sick of what they voted to be rid of. The Republican Party is suffering from the bad luck of Thomas Dewey and his friends.

It isn't really bad luck; it is merely the fact that they do not represent the feeling of the Nation while at the same time they surround the President.

As always, writing your Congressman is the best antidote.

Mr. KEFAUVER. Mr. President, will the Senator from Nebraska yield?

Mr. BUTLER of Nebraska. I yield.

Mr. KEFAUVER. I was very much interested in items in last week's issues of Newsweek and other publications about the difference of opinion among the Joint Chiefs of Staff, for instance, and elsewhere about what the United States should do in connection with Indochina, and about what the policy was. Does not the Senator from Nebraska feel that all of us would approach this problem more intelligently if in some way we could have the facts regarding what is occurring and what the

policy of the administration is, without the conflict of opinions about which we have read so much in the press?

Mr. BUTLER of Nebraska. I certainly agree.

Mr. KEFAUVER. Furthermore, if any drastic action is to be taken in Indochina, should not all the people of the United States, as well as all Members of Congress, be informed of the reasons for it, and be given an opportunity to know the facts and to study the matter, rather than to have a precipitate decision made?

Mr. BUTLER of Nebraska. The Bromfield article I have just placed in the RECORD contains a statement to that effect. In that connection, I wish to say I am not committing myself in favor of all that may be stated in the article, nor am I attempting to obligate other Members of the Senate to subscribe to Mr. Bromfield's views on the situation.

However, as the distinguished Senator from Tennessee has just stated, if the international situation reaches a point where it is so serious as a considerable number of persons seem to think it is, I certainly believe that all Members of the Senate should be advised and also the people of the country.

Mr. KEFAUVER. Yes; does not the Senator from Nebraska also believe that the people of the country should likewise know what the facts are?

Mr. BUTLER of Nebraska. Yes; I do.

Mr. KEFAUVER. I thank the Senator from Nebraska.

ADJOURNMENT TO FRIDAY

Mr. SALTONSTALL. Mr. President, I now move that the Senate stand adjourned until Friday next, at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 15 minutes p. m.) the Senate adjourned until Friday, June 11, 1954, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 9, 1954

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, our gracious benefactor, we rejoice in the high and holy privilege of calling ourselves citizens of this beloved country which Thou hast blessed so abundantly.

Grant that our American way of life may be a resolute, patriotic, and heroic allegiance and dedication to the lofty ideals and principles which Thou hast ordained.

Give us depth of insight and daring of devotion in these dark and confused days as we seek to solve difficult economic, political, and social problems.

Inspire us with a willingness to make every sacrifice in our struggles to preserve the sanctity and security of our Nation and in our efforts to establish a nobler spirit of unity and fellowship among all the members of the human family.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill and a joint resolution of the House of the following titles:

H. R. 9004. An act to authorize the appointment as United States Commissioner, International Boundary and Water Commission, United States and Mexico, of Col. Leland Hazelton Hewitt, United States Army, retired, and for other purposes, and

H. J. Res. 243. Joint resolution to amend the pledge of allegiance to the flag of the United States of America.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2204. An act to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1399. An act to authorize the Secretary of Agriculture to sell certain improvements on national forest land in Arizona to the Salt River Valley Water Users Association, and for other purposes.

THE LATE HAROLD G. HOFFMAN

The SPEAKER. The Chair recognizes the gentleman from New Jersey [Mr. AUCHINCLOSS].

Mr. AUCHINCLOSS. Mr. Speaker, it is with a heavy heart that I announce to the Members of the House of Representatives the death of my dear friend, Harold G. Hoffman, a former Member of Congress, representing the Third Congressional District of New Jersey. His death came suddenly of heart failure in his apartment in New York on Friday, June 4; he was alone when he died and was found about 8 hours after his death by an attendant. His health had not been robust for a year or more, and his heart, which was not too strong, had been seriously impaired by recent developments in connection with his position as director of the division of employment security for the State of New Jersey. His funeral took place in his hometown of South Amboy on Monday, June 7, and the services, which were held in the gymnasium of the Harold G. Hoffman High School, named after him, were attended by upwards of 2,500 prominent men and women from all parts of the State. His former comrades, representing various veteran organizations to which he belonged, conducted their impressive ceremonies before the main service began and the devotion, affection, and honor in which they held him was plainly written on their faces. This was not the kind of a funeral he was reported to have described as his wish when he recently said:

I want a German band to play at my funeral—don't mourn; just tell a few jokes and make it simple.

Harold Hoffman was born in South Amboy, N. J., in 1896, and throughout his life was devoted to the traditions and the interests of his hometown where he and his family lived. He was a short, stocky, jovial man, whose friends numbered thousands and whose entire lifetime was spent in the services of his State and his country. He attended the public schools and after his graduation from the South Amboy High School in 1913 was for a while engaged in newspaper work. When the First World War broke out, he volunteered in 1917 as a private in Company H, Third Regiment, New Jersey Infantry, and through his devotion to duty was promoted successively until in 1918 he was promoted on the battlefield to the rank of captain. He was only 21 years old at the time and was placed in command of headquarters company, 114th Infantry Regiment of the 29th Division. He finished his service in World War I in 1919 and became an officer in the South Amboy Trust Co. He was elected to the State assembly in the years 1923 and 1924 and was mayor of South Amboy in 1925 and 1926, during which time he was also president of the Middlesex County Bankers Association. He was an ardent Republican and was a delegate to State and national conventions on various occasions. He was elected to the 70th and reelected to the 71st Congress, but was not a candidate to succeed himself thereafter. He was appointed motor vehicle commissioner of New Jersey, while still a Member of Congress, which post he retained until 1935, when he was elected Governor of New Jersey and served until 1938. After his term as Governor, he became director, division of employment security, department of labor and industry, State of New Jersey, and served in that post until he was granted leave to reenlist in the United States Army in 1942 as a major in the Transportation Corps. He served throughout the war and was honorably discharged with the rank of colonel in 1946, when he resumed his former position as director of the division of employment security.

Harold Hoffman died a young man, being only 58 years of age, but his span of life was an active one, full of many and great responsibilities. He was recognized throughout the State and, indeed, beyond its boundaries as a man of great charm, of ready wit, and of undying loyalty to his many friends. It has been said of him that he never let a day go by without doing some favor for his friends or performing some deed of kindness to help others, a fact I can readily believe. He was a bitter adversary in the political arena, but his opponents recognized his sincerity and were deeply moved at the news of his death. David T. Wilentz, a former attorney general of the State and one of the outstanding citizens of New Jersey, as well as a leader in the Democratic Party, is quoted as saying this about him:

He and I were friends for more than 40 years; we worked on the same newspaper; we managed the same baseball teams. He was county chairman of the Republican Party while I was county chairman of the Democratic Party. He was Governor of the

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State when I was attorney general, and we had many differences of a serious nature as witness the controversy during the Lindbergh case, but we always were the best of friends. His friendship was a priceless possession. He was always tolerant and charitable. He was really one of the good men of the world and a mean thought never crossed his brow. I know of no man in the State who had as many friends as Harold Hoffman, and I know that his death was a tremendous shock and a loss to a great many people all over the country.

I know that David Wilentz voiced the thoughts of all of us who knew this fine American.

At the time of his death Harold Hoffman had been suspended from his position as director of the division of employment security by the Governor of the State. It was in March 1954 that this happened, and he called on Governor Meyner on four occasions in an attempt to learn what the charges were that caused his suspension, but he received no information. There is no doubt that this situation contributed in no small way to his sudden death. A man who had been former Governor of the great State of New Jersey, who had served his country with distinction in two world wars, and had occupied many positions of honor and trust during his lifetime, is entitled to greater consideration than was accorded him in this instance. Harold Hoffman died a man in modest circumstances, and his friends are confident that the administration of his responsibilities will stand any investigation.

Harold Hoffman loved people and with his ready wit and wide knowledge of affairs attracted many to him. He was much sought after as an after-dinner speaker and no one who heard him speak left without receiving a wholesome message of good will which was embellished by many a joke and anecdote. He never hesitated to help a good cause, and whatever he did he did with a thoroughness and a wholeheartedness which roused support and enthusiasm.

He was a member of the Methodist Church, and is survived by his widow and two daughters, Mrs. Ada Leonard and Mrs. Hope Cross; a third daughter died in 1950. My most heartfelt sympathy goes to his loved ones, and I bid them have good cheer and courage, because the nobleness of his character and the honesty of his purpose in everything that he undertook will prevail in spite of anything.

Mr. KEAN. Mr. Speaker, will the gentleman yield?

Mr. AUCHINCLOSS. I yield to the gentleman from New Jersey.

Mr. KEAN. Mr. Speaker, the death of Harold Hoffman represents the end of an era in New Jersey. For 30 years he was a highly controversial but much-beloved figure in our State. As a captain in the United States Army at only 21, he had an outstanding record in World War I. In 1923 he was elected to the New Jersey Assembly, and 3 years later, when only 30 years of age, he was elected to the United States House of Representatives where he served with distinction for 2 terms.

After serving as State motor-vehicle commissioner, he was elected governor at the age of 38. Under the New Jersey constitution, he was not eligible for reelection, and was a candidate for governor in the primaries twice in later years, but owing to the vagaries of politics suffered defeat.

His boundless energy, his personal integrity, his wit, his ability to get things done resulted in his having innumerable friends and a very loyal following.

His service to the State and Nation was outstanding, and we in New Jersey will miss his familiar figure.

Mr. FRELINGHUYSEN. Mr. Speaker, the unexpected death of Harold G. Hoffman was shocking news to his many friends. His life had been active and his services considerable, both to New Jersey and the country. Elected to Congress in his early thirties, he served two terms here in Washington with great distinction. He then went on to serve his State as Governor, again with great ability. Thereafter he became director of New Jersey's Division of Employment Security.

Harold Hoffman is honored, however, not only for his very considerable achievements. He had also the ability to win and keep friends wherever he went. He had a ready wit and a gifted tongue, but even more important was his basic friendliness to all sorts and conditions of men. We all mourn his untimely death and extend our deepest sympathy to his widow and his children.

Mr. OSMERS. Mr. Speaker, it is with real regret and a genuine sense of sorrow that I speak of the death of the late Harold G. Hoffman, an honored and respected former Member of this House. It is my honor to represent parts of Bergen and Hudson Counties in New Jersey in which counties over one-quarter of the people of New Jersey reside. It can be said without challenge that these two important counties and all others held Harold Hoffman in highest regard and had a deep and abiding affection for him regardless of politics. His death is a real loss to the public life of our State. I know that the people of my district would want me to publicly express their deep regret and sense of loss at his passing.

Mr. CANFIELD. Mr. Speaker, I was secretary to the late Representative George N. Seger when Harold Hoffman was elected to Congress in 1926. His dynamic personality and his ever anxious desire to give a lift to the other fellow immediately attracted my admiration and I was soon one of his legion of friends. He never left me and I never left him.

Harold Hoffman was mentally keen and physically strong and he had a smile that was contagious. He was brilliant in repartee and debate but ever considerate of an opponent. Before he was called away from this life the late William L. Dill, renowned Paterson Democrat, whom Hoffman defeated in a hard campaign for the governorship, publicly boasted of the latter as "my best friend." They became very close.

Harold Hoffman distinguished himself in action during World War I. Promoted through the ranks, he was made a captain on the battlefield at the age of 21. No one inside or outside of the Congress interested himself more in the cause of our disabled veterans and it was a stirring thing to note the receptions always accorded "The Boy Captain" at veteran conventions and other gatherings.

The little fellow, the so-called underdog, never needed a key to Harold Hoffman's door.

My heart goes out to Harold Hoffman's loved ones—his most gracious wife and wonderful family—in their great loss and sorrow.

Mr. HAND. Mr. Speaker, I join with my colleagues from New Jersey in paying a brief but sincere tribute to the late Harold G. Hoffman, a former Member of this House.

A distinguished political career saw him as mayor of his hometown, South Amboy, a member of the New Jersey Assembly, a Member of Congress, a State motor-vehicle director, the executive director of the division of employment security, and Governor of New Jersey.

While serving as motor-vehicle director, he was nationally recognized for his admirable administration of that office, and, with little or no organized support, was elected Governor of New Jersey at the age of 38. He would undoubtedly have been reelected and continued his brilliant career in government, but for a complete determination to follow a course which he thought was right rather than a course which was evidently popular.

In World War I, Governor Hoffman was promoted to captain from the ranks, and again enlisted in World War II and was commissioned a major in the Air Force, and finally discharged with the rank of colonel.

He was one of the best-known and most popular after-dinner speakers in the United States, and if there is or was any man in New Jersey who had a larger and more loyal group of personal friends, I am not aware of it.

I share with my colleagues here and with tens of thousands of citizens of New Jersey a keen sense of loss at the premature passing of this great citizen of our State.

MRS. MARIE E. ADAMS

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 576, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House of Representatives to Mrs. Marie E. Adams, widow of Donald G. Adams, late an employee of the House of Representatives, an amount equal to 6 months' salary at the rate he was receiving at the time of his death, and an additional amount not to exceed $350 toward defraying the funeral expenses of the said Donald G. Adams.

The resolution was agreed to, and a motion to reconsider was laid on the table.

PLEDGE OF ALLEGIANCE TO THE FLAG

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, I respectfully recommend to the attention of this body action taken by the Senate in the waning hours of yesterday's proceedings in passing House Joint Resolution 243, to amend the pledge of allegiance to the flag of the United States of America, so as to include the words "under God."

Together with my colleagues in both Houses of the Congress, and with the citizens of this Nation, young and old alike, I rejoice in the passage of this resolution.

I have addressed today a letter to the President, setting out the wish of the Members that the bill be signed on or before Flag Day, June 14. This letter is inserted in the RECORD at this point:

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: Yesterday, House Joint Resolution 243, to amend the pledge of allegiance to the flag of the United States of America to include the words "under God," received final approval by the Congress, thus clearing it for Presidential signature. Mr. President, 17 Members of the House and 1 Member of the Senate introduced bills on this subject. The original bill was introduced by me on April 20, 1953. Attached is a list of the Members of Congress who introduced bills on this subject.

Would it be convenient, with your heavy schedule, to extend an invitation to the group who sponsored this legislation to be present at the time you sign this resolution?

I am most proud of the action of the Congress in approving this measure. It is so fitting that we declare to the world, in our position as leader among the sister nations of the earth, our dependence upon almighty God. As the CONGRESSIONAL RECORD related in many places during the discussion of this measure, Flag Day is June 14. It is the wish of the Members that the signing take place on or before that day, that the new pledge of allegiance may be recited officially, beginning this year on Flag Day.

With kind personal regards and best wishes, I am

Very respectfully yours,

LOUIS C. RABAUT,
Member of Congress.

CALL OF THE HOUSE

Mr. H. CARL ANDERSEN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. ARENDS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 79]

Ashmore	Buckley	Celler
Barrett	Burdick	Chelf
Beamer	Camp	Chenoweth
Becker	Carlyle	Curtis, Mass.
Blatnik	Carrigg	Davis, Tenn.
Dingell	Jarman	Roosevelt
Dodd	Jenkins	Saylor
Dolliver	Johnson, Calif.	Sheehan
Donovan	Kersten, Wis.	Sheppard
Dorn, S. C.	King, Calif.	Shuford
Doyle	King, Pa.	Simpson, Pa.
Feighan	Krueger	Sutton
Frazier	Machrowicz	Taylor
Green	Mailliard	Utt
Gubser	Miller, Calif.	Van Pelt
Hagen, Calif.	Morgan	Weichel
Hagen, Minn.	Moulder, Mo.	Wier
Hardy	Nelson	Willis
Heller	O'Brien, N. Y.	Wilson, Calif.
Hinshaw	Philbin	Wilson, Tex.
Holt	Pillion	Wolcott
Holtzman	Powell	Yorty
Hruska	Radwan	Zablocki
Jackson	Richards	
James	Riley	

The SPEAKER. On this rollcall, 349 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

GENERAL LEAVE TO EXTEND REMARKS ON THE LATE HONORABLE HAROLD G. HOFFMAN

Mr. AUCHINCLOSS. Mr. Speaker, I ask unanimous consent that all Members may extend their own remarks in the RECORD, immediately following my remarks with reference to the late Honorable Harold G. Hoffman.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED INDEPENDENT AGENCIES APPROPRIATION BILL, 1955

Mr. BUSBEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 9447) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related independent agencies, for the fiscal year ending June 30, 1955.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 9447, with Mr. NICHOLSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the Clerk had read down to and including page 2, line 2. Are there any amendments at this point? If not, the Clerk will read.

The Clerk read as follows:

BUREAU OF LABOR STANDARDS

Salaries and expenses: For expenses necessary for the promotion of industrial safety, employment stabilization, and amicable industrial relations for labor and industry; performance of safety functions of the Secretary under the Federal Employees' Compensation Act, as amended (5 U. S. C. 784 (c)); performance of the functions vested in the Secretary by title I of the Labor-Management Relations Act, 1947 (29 U. S. C. 159 (f) and (g)); and not to exceed $70,000 for the work of the President's Committee on National Employ the Physically Handicapped Week, as authorized by the act of July 11, 1949 (63 Stat. 409), including purchase of reports and of material for informational exhibits and expenses of attendance of cooperating officials and consultants at conferences concerned with the work of the Bureau of Labor Standards, $655,000.

Mr. VAN ZANDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VAN ZANDT:

On page 3, line 1, after the semicolon, insert the following: "not to exceed $100,000 for improving the Division of Migratory Labor."

On page 3, line 8, strike out "$655,000" and insert in lieu thereof "$755,000."

Mr. VAN ZANDT. Mr. Chairman, I ask unanimous consent that I may proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Chairman, before proposing an amendment to the Labor-Health, Education, and Welfare appropriations bill, I want to commend the committee for the insight and devotion with which they blended the need for economy in government and the necessity of continuing the Government's humanitarian program, which is so close to President's Eisenhower's heart.

This bill is the place where the American people will look for the human liberalism which our great President has so often called a basic principle of the Eisenhower administration.

By and large, I think the committee has done a great job, and one for which the Congress and the country can be grateful.

There is one program, however, which I do not see in the bill as reported. The President considered this item so important that he called special attention to it in his budget message. Let me read you what he said:

The social and economic plight of migratory farmworkers has been studied repeatedly. Up to now little positive action to better these conditions has been taken by the Federal Government. This budget includes a recommended appropriation of $100,000 to enable the Department of Labor to provide leadership in establishing a cooperative Federal-State program in the fiscal year 1955.

I should therefore like to move, Mr. Chairman, for the insertion of $100,000 in the Labor Department's Bureau of Labor Standards budget for assisting the States and the many church and civic organizations interested in improving the working conditions of American migrant agricultural workers.

In offering this amendment, I am fully cognizant of the statement made by the committee that—

There are many agencies of the Federal Government doing work in this field.

However, I want to direct your attention specifically to the President's message in which he states:

This budget includes a recommended appropriation of $100,000 to the Department of Labor to provide leadership.

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I feel that this leadership is necessary in order to establish a cooperative Federal-State program in this field of activity.

It is possible that the committee, with its many burdens and responsibilities, did not have an opportunity to get all the facts on this matter.

Therefore I wish to emphasize that some 1 million American citizens and their families move about the country cultivating and harvesting our crops.

This army of migratory workers assists in placing on the American dinner tables the fine variety of foods that sustain our health and which represent the rich harvests of America's broad acres.

For too long a time we have taken these willing servants for granted.

Their livelihood is completely at the mercy of the elements—of the rains which may wash out crops in one State and prevent their labors, of droughts in another State, which dry up the crops—and render them idle and unemployed.

The employment of these migratory farmworkers is irregular and therefore their earnings are low.

As they wander over this vast land, they have no home they can call their own.

Citizens of America, but of no particular State, they do not share in the social-security benefits available to the millions and for which this House has just voted.

They enjoy virtually none of the benefits which this Congress and our marvelous economy have provided for other workers and which we all take for granted.

Because they wander from place to place, their children do not get the advantages which your children and mine receive as a matter of law and right.

Because they are not residents of the State and county where they currently work, these migratory farmworkers and their families have no access to community services available to local residents.

Surely the wealthiest Nation on earth has no right to depend upon the labor of these migratory workers and at the same time to ignore their plight.

The present administration has repeatedly called for the removal of the distinctions between the vast majority of our people and these second-class citizens.

Their pitiful condition can no longer be ignored.

It will inure to the everlasting benefit of this Nation to accord these migratory farm workers the full rights and privileges of citizenship.

The injustices we permit them to suffer are not unknown to our enemies in Communist lands.

They are held up as examples of our materialistic greed and economic exploitation.

Mr. Chairman, in correcting the injustice to migratory farm workers, we will strike another blow for freedom and against the Communist Party line.

The bill before us provides over a million and a half dollars for the Mexican national program to bring in Mexican citizens to work alongside our own citizens in the fields.

In the face of that fact, how can we plead economy in denying $100,000 to improve the quality and stability of this American work force?

The $100,000 will assist in improving the efficiency and production of the farmer who employs these American migrants in addition to improving the working and living standards of these migratory workers.

This modest sum will also permit the mobilization of State and community interest and cooperation.

Some States have done a great deal to find ways of solving their problems. Others have done little or nothing.

Some States have set up interdepartmental committees, bringing together the interest of labor, agriculture, and other State departments, which have made real progress in meeting the most serious of the migrants' needs.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. SEELY-BROWN. I congratulate the gentleman on the statement he is making. I shall support his amendment, which restores to the bill the amount requested by the President in his budget message to the Congress.

The problems facing the million migrant agricultural workers who are citizens of the United States are real. These workers are essential to our national economy. For many years the plight of these workers has been studied, Government reports have been written, recommendations have been made, and yet no action to improve the situation has been taken.

Many of these migrant workers have no home, and, in fact, no rights as citizens, their children receive little or no education, many of them are truly the unprotected people of America.

The committee was right in pointing out that many agencies of Government are doing work in this field. However, the old adage, "What is everybody's business is nobody's business" certainly is true when it comes to migrants.

The President has proposed that the Labor Department assume that responsibility by getting the various agencies of Government to work as a team in giving attention to the problems of these workers. Migration is an interstate as well as an intrastate problem. Federal and State Governments must work together with citizens groups, growers, and representatives of labor on the problem if we are to get results. Some agency must accept the role of leadership. That agency in my opinion, and in the opinion of the President of the United States, is the Labor Department. I support the Van Zandt amendment which will give to the Labor Department the money requested by the President so that the Department may get started on this essential program.

Mr. VAN ZANDT. I thank the gentleman from Connecticut.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from New York.

Mr. JAVITS. The commissioner of labor of our State, Edward Corsi, known throughout the country, feels that this is one of the major problems of the labor departments of the States, and that what the gentleman recommends is absolutely needed by the States. I will support the gentleman's amendment.

Mr. Chairman, I believe that this proposal of the administration is sound. We have had this problem of agricultural migrants in our country since the beginning of the century. These people migrate because the farmer needs them to harvest seasonal crops and because they need work to support their families. They are without doubt among the most underprivileged of any group of workers in this great country. We pride ourselves, and rightly so, on the progress we have made in insuring the workers of America a high standard of living and the basic security to which we feel the American worker is entitled. But little or none of these privileges are accorded the migrant.

In my State of New York, we have worked for years on this program and we have made progress. There is still much to be done and we know that since many problems are interstate in character that we can go only so far unless similar action is taken in other States. This is essentially a labor problem and Edward Corsi, the outstanding labor commissioner of my State of New York, has stated many times that this is a No. 1 problem of labor departments and that it is one on which the Federal and State government agencies must work together if we are to achieve results.

Nongovernment groups, church, labor, and other voluntary agencies have given wide support to this proposal of the administration to get into action on this front on the national level after a quarter of a century. To vote for this money will not only be a vote toward a better life for the migrants and their families; it will be one way of insuring better and more stable workers for the farmers. We know this from our own experience in New York. I support the amendment of my colleague, the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. BONIN. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Pennsylvania.

Mr. BONIN. I wish to commend the gentleman from Pennsylvania for having submitted this amendment to this bill because I feel that it is a constructive move and one that will meet with the approval of the citizens generally.

Mr. Chairman, I consider the present bill exceptionally worth while except for several sections. The first sizable cut is in the Bureau of Labor Standards. The President of the United States recommended some months ago that $100,000 be appropriated to help American migratory workers. Unless Congress does something about this problem today we shall be aiding and abetting American migratory workers and their families to live under conditions that are substandard to that of Mexican migratory employees.

I am of the opinion that it is our responsibility to institute this action and the easiest way to do it is by supporting the Van Zandt amendment. The

amendment if approved will give us a start in the right direction. It should be noted that in some States American migratory workers are not used and in others they are not wanted. By supporting this amendment we will accomplish much to alleviate the hardships of more than a million people engaged in migratory employment.

Mr. VAN ZANDT. I thank the gentleman from Pennsylvania.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Ohio.

Mr. VORYS. I support the gentleman's amendment and the statement he has made. I would like to point out that while other agencies may have money to do this, it is a case of what is everybody's business is nobody's business; and this $100,000 will make possible the employment of a group of people to concentrate on this subject.

Mr. VAN ZANDT. I thank the gentleman.

In so doing the farmers have recognized the improvement in the quality and productivity of the migrants who seek to return each year.

In many communities church and other citizen groups have set up successful programs that have helped not only the migrant but the farmer.

But the States and organizations are constantly seeking help from the United States Department of Labor in this inherently interstate labor problem.

They should be equipped to tell States and organizations the successful experience of others.

They should be able to report what has worked and just as important what has not worked.

How can the State agencies help the local growers' association, the church groups, the welfare agencies, the PTA, to use this necessary migrant labor supply so it will prove an asset to the buying power and social life of the community?

How can these necessary migrant workers be used so they will not spread disease, immorality, and crime throughout the area?

Mr. Chairman, I submit that the $100,000 requested to be restored by my amendment is sorely needed in improving the status of the some million Americans who comprise the migratory farm workers of the Nation.

We appropriate billions of dollars for foreign aid on the ground that we must rehabilitate the economy of other nations.

Therefore, I am certain that by approving my amendment requesting $100,000 for a domestic migrant program we are making a worthwhile investment in the morale and well-being of American citizens, and for that reason alone the amendment should receive favorable consideration.

Mr. BUSBEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I must say that, as chairman of the subcommittee, I am disappointed that an amendment should be proposed to this bill so early in its reading today. The committee worked hard to bring out a bill that would be as close to what everyone wanted as possible. We thought there might be a possibility of its being accepted with only 1 or 2 small amendments by the committee, but I suppose some Members have been asked by various groups to offer amendments restoring certain reductions in the bill. Unfortunately, the proposed amendment would not accomplish what the gentleman from Pennsylvania [Mr. VAN ZANDT] thinks it would, judging from the statement he has made.

Under this amendment, a new group of Federal employees would be set up. After it was set up, if you added this money to the bill, the work would have to be done in the States, in the final analysis anyway, because all that the Federal employees would do would be to consult, advise, and recommend. Over the years we have had testimony concerning many instances of good work the States and the communities have done in this respect without any help from Federal bureaucrats. The States know more about the situation than any bureaucrat sitting here in Washington could.

I am not opposed to what the gentleman would like to see happen; but, as I stated in general debate yesterday, this proposed migrant-labor program is not one which will benefit the industrial worker, as some Members seem to think; this pertains to migrant labor in agriculture.

This problem is now being dealt with in many agencies of the Federal Government: The Children's Bureau, the Bureau of Labor Standards, the Office of Education, Department of Agriculture, Bureau of Employment Security, the Wage and Hour Division, Public Health Service, and I am not sure how many more. Just last week, Mrs. Hobby opened an east coast conference on this same subject.

Let me read to you from page 422 of the hearings when we had the Children's Bureau under discussion, merely to give you an idea of what just one of these agencies is already doing:

> Mr. BUSBEY. Doctor, what is the Bureau doing currently in connection with children of migrant agricultural workers?
>
> Dr. ELIOT. The Bureau is very active, together with other constituent members of the Department, in this field. One member of our staff has been taking the leading part in bringing together the studies of the health, research, and child-welfare groups. The program currently in progress is an effort to bring together the health, education, and welfare and private voluntary organization interest in 10 States along the eastern seaboard to consider how the health, education, and welfare of children in the stream of migrant workers that passes up this eastern coast during this season, how those services can be improved for those children.

Of course this type of thing is likely important, but it is being done now. Why start another group of Federal employees in this field when it is being handled in 7 or 8 different bureaus, departments, and agencies of the Government at the present time? If the Bureau of the Budget would say: "We are going to consolidate this activity in one agency," that would make sense to the committee.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. Is it not true that President Eisenhower recommended $100,000 in his budget message to the House of Representatives?

Mr. BUSBEY. It is also true that $185,000 was recommended in the budget in 1954 for this specific purpose. The committee disallowed it, the House disallowed it, and the Senate disallowed it last year.

Mr. VAN ZANDT. President Eisenhower must have had in mind some kind of an effort on the part of the National Government to assist the some 1 million migrant workers of the country.

Mr. BUSBEY. I hope that the House will stand by the committee and vote down this amendment.

Mr. BAILEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there is considerable merit in the proposition of the gentleman from Pennsylvania [Mr. VAN ZANDT]. I want to recall for the information of my colleagues an incident that happened in 1950 in the 81st Congress when I was conducting hearings at Government installations to determine Government responsibility that led to the drafting of Public Laws 815 and 874.

We were holding hearings in San Antonio, Tex. There is an area in north San Antonio occupied by migratory workers. I was surprised when I was checking up on their school enrollment and their school average daily attendance to find that 35 percent of the school population of that area were not in attendance at school. I was advised that they were out on their annual pilgrimage as migratory workers. Naturally I was forced to wonder what was happening to the education of those children if they were kept away from school and possibly taken into several adjoining States.

If the gentleman's proposal will provide some kind of method for educating those youngsters of migratory labor and provide other service to them where they are located, then I would consider there is merit in the gentleman's proposition.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. The $100,000 that we are attempting to write into this bill will make it possible for the Federal Government to gather all information as to how the several States handle this segment of our American population, and make the information available to all States.

Mr. BAILEY. Nobody appeared to be handling this situation in Texas.

Mr. VAN ZANDT. One State does it one way, while another State does it a different way. This amendment is for the purpose of coordinating the efforts of all States and will prove mutually beneficial to all of them.

Mr. BAILEY. I have no particular interest since it is not a problem of my State. My only interest is one of a general nature as a Member of the Congress.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

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Mr. BAILEY. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. If this money were being expended for the education of the children I would be very much in favor of it. It might do some good to have these studies made; however, I think the Government has plenty of information now. We are having too many committees, too many commissions, making studies and nothing being done about them.

Mr. BAILEY. There is a problem there that does need attention.

Mr. JENSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to remind the members of the Committee of the Whole House on the state of the Union that the Labor Department employs approximately 4,500 people. In this appropriation bill there are funds sufficient to employ in the Labor Department approximately 4,500 people. Of those 4,500 people, surely at least 10 or 15 of them could be spared to handle the migratory labor program.

Mr. Chairman, I recognize that there are a lot of farmers in America that would like to have and do employ migratory help, but I think we are loading this Government with too many commissions and agencies doing the same thing. The farmers of the Nation have been getting migratory help in sufficient quantities without setting up a new agency.

Again I say, Mr. Chairman, surely it is not necessary to appropriate an additional $100,000 in this bill to carry on the work that is necessary to bring migratory labor to the farmers who need it when, as I said before, there are 4,500 people working in the Department of Labor, and this appropriation bill provides for approximately that many for fiscal year 1955. It would be a sad commentary on the part of the Labor Department if they are not able to carry on this migratory labor job in a very efficient manner with the help they now have. My recommendation is that they be instructed to just do that.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. The gentleman said that this type of labor is being adequately taken care of. If that is so, then why did President Eisenhower include in his budget message to the Congress $100,000 to set up the necessary machinery within the Department of Labor to coordinate this information so that it would be distributed to the several States?

Mr. JENSEN. Of course, I think it is quite possible that the President of the United States personally did not make that recommendation. That recommendation was made by the Department of Labor and, of course, when the budget comes to the Congress, which it does every session, and the budget requests so much for this and that, then, of course, it is natural and customary for people to say that the President of the United States recommends it. The President cannot know about all of the thousands of items recommended in the budget.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. VAN ZANDT. Assuming the President did not know about it; however the amount was recommended to him by the Secretary of Labor. The gentleman must agree that the Secretary of Labor had all the facts and recommended it.

Mr. JENSEN. Yes. Too often the heads of departments ask for everything, with a gold ring around it, with no consideration of the cost to the taxpayers.

Mr. O'KONSKI. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I rise in support of the Van Zandt amendment, and I do so for this special reason. This same appropriation bill which we are now discussing has in it, I believe, an item of $1.5 million to take care of Mexican migratory workers. It also contains the item we are now discussing for a measly $100,000 to take care of American migratory workers. In other words, this appropriation bill carries an item of appropriation of 15 times more for Mexican migratory workers than it does for American migratory workers. I cannot conceive this Congress passing a bill which says that Mexican migratory workers are 15 times more valuable than American migratory workers. This ratio of 15 to 1, in my judgment, cannot be justified.

For 25 years or more we have known of the need to improve the condition of these workers and their families who migrate from State to State to fill urgent seasonal agricultural labor requirements. Often they have no permanent residence which means that they do not have the normal benefits that a worker and his family who are settled in a community expect as a matter of course.

To meet the complicated economic and social problems of this migratory group is not easy for any State or local community. It is clear that many of the problems are interstate in character. The Federal Government, therefore, has a responsibility to give leadership and assistance to the State agencies, church, and citizen groups who want to act. It is to give the Labor Department the opportunity to do just this—help bring together the groups that want and can do something on a State and local level, that the administration has requested this small sum of $100,000 for the Labor Department to develop such a Federal-State approach to the problem. We are including in this bill over a million and a half to bring in Mexican nationals to meet agricultural labor needs. Who among you will want to face the church, civic, parent-teacher, and other groups in your State and say we could not afford $100,000 for our own migratory citizens who more than any other group in this great country of ours need this help?

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. O'KONSKI. I yield.

Mr. VAN ZANDT. In addition to the millions of dollars that we have appropriated for Mexican migratory workers, would not the gentleman add to his statement that as a nation we have appropriated millions of dollars to take care of undernourished people throughout the world?

Mr. O'KONSKI. That is correct. I cannot approve passing an appropriation bill at this time which contains an item in a ratio of 15-to-1 discriminating against American migratory workers. I cannot justify that kind of discrimination.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. O'KONSKI. I yield.

Mr. BUSBEY. I would like to state for the benefit of the gentleman that the money that is appropriated in this bill for the Mexican farm labor program is not appropriated for the benefit of Mexican labor. It is appropriated to recruit Mexican labor for the farmers who need this stoop-back labor in this country and cannot get it any place else. The crops would not be harvested unless we appropriated this money to recruit that Mexican farm labor.

Mr. O'KONSKI. But when you have such a ratio as 15-to-1, it means that we are spending 15 times more—you may call it a recruiting program if you like—to recruit this Mexican labor than you are spending for the benefit of the American migratory workers. I cannot justify that kind of discrimination.

Mr. BUSBEY. There is a great deal more than 15 times the number of Mexican farm laborers recruited and brought into this country than local migratory workers.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. O'KONSKI. I yield.

Mr. FULTON. When the opposition of the Appropriations Subcommittee to the Van Zandt amendment is on the ground that the President did not know about this item, even though it was contained in his message, would we not be put in the peculiar position of voting on whether or not President Eisenhower knew what he was talking about? I believe the amendment should be supported on the ground of the validity of the program, that it is needed for these migratory workers rather than on the question of whether the President knew what he was talking about when he included the item in his message.

Mr. SCOTT. Mr. Chairman, I move to strike out the requisite number of words.

What impresses me, Mr. Chairman, as has already been brought out, is the fact that this $100,000 is designed to help migratory workers, of whom there are approximately 1 million, whereas the appropriation of $1.5 million is to help farmers who are engaged in the employment of Mexican migrant labor, which number, I believe, no more than 250,000.

I am impressed by the argument made by the gentleman from Pennsylvania [Mr. VAN ZANDT] to the effect that if we are going to take care of the Mexican migratory worker problem, we also ought to take care of the American migratory worker problem.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. SCOTT. I yield.

Mr. FERNANDEZ. I think the gentleman is correct in his remarks, as is the gentleman from Wisconsin [Mr. O'KONSKI]. The gentleman's argument and the argument of the gentleman from Wisconsin clearly show that the trouble with this amendment is that the amount, $100,000 for this purpose is utterly inadequate. If we are going to do a job, let us do a job. One hundred thousand dollars is just money thrown away on another commission.

Mr. VAN ZANDT. If the $100,000 is inadequate, let the department come back here with another request for money.

Mr. FERNANDEZ. Exactly. Let them come back and ask for a proper and adequate amount of money. When they do so, we will consider it.

Mr. SHELLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, some of the arguments against this amendment certainly do not carry much weight. It was stated by one of the members of the committee in opposition to the amendment that the States have programs of this kind and that the Federal Government should not get into it. Let me say in answer to that that some States have had a program through the years, but not all States have had it.

In past years to some great extent the problem was one that was peculiarly a State problem, with maybe a little overlapping of the migration of farm workers from State to State, but they were American farm workers. In the past 10 years we have developed a Frankenstein that some people evidently do not know how to handle. With the importation in large numbers of Mexican workers, you no longer have just a single State problem, you have a national problem to the point of its being an international problem, one that is reaching into and creating complex and intricate social, crime, and juvenile delinquency problems in States that heretofore have had no problem with regard to their migratory farm labor. So today it is more necessary than ever before that the Federal Government correlate the work of the States and gather and exchange information and experience from the several States for use of others.

The other argument was, "Of course, the President cannot know everything." No President can know all the details of all the departments of the Government, and no human being ever was born or, I am sure, ever will be born, that can know all the details of government. But under our system of government the President has the responsibility of appointing capable people, in whom he has confidence and in whom we are expected to have to a greater or lesser degree some confidence as to his making recommendations to the President. To use the argument that the President did not know what he was doing when he offered the $100,000 recommendation is to say that the President of United States is appointing incompetent people to office. That statement might come from my side of the aisle but I was a little astounded to hear it come from the side of the aisle from which it did come.

We do spend in this bill $1,500,000 to bring in Mexican farm labor. True, that money is for recruiting for the benefit of the big farmers in this country. Yet we are resisting an effort to spend $100,000 for American farm workers.

Now let us take a look at the existing situation.

I am shocked and astounded by the action of the committee in denying the President's request for $100,000 to do something for our domestic agricultural migrants. This is the second time that an effort for constructive action for these helpless citizens who are driven from State to State in an effort to earn a few paltry dollars has been denied. We boast about equality in this fair land of ours—equality of opportunity, equality before the law, equality of treatment. There is no such equality for the migratory farm workers who follow the crops. They are denied all of the protections and privileges which other workers enjoy. The facts are clear. They have been brought out in study after study, and most recently in the report of the President's Committee on Migratory Labor. But there has been no action on the recommendations. And now, when the administration proposes that we take certain feeble steps in the direction of an action program, the Appropriations Committee turns thumbs down. Why is this? What are we afraid of? Surely the expenditure of $100,000, even by an economy-minded Congress, is not the stumbling block. The reasons advanced by the committee for refusing to allow this item are not convincing. There must be something more behind it.

Each year on this floor we hear arguments for bringing in Mexicans to harvest our crops. The bill we have before us today includes an item of $1,521,000 for the Mexican farm labor program. The taxpayers of the United States are asked to subsidize the big farmers to the tune of $1½ million to bring in foreign workers. In other words, we can afford to spend $150 for each Mexican that is imported but we cannot afford 10 cents to each domestic migrant to make life more attractive and American labor more readily available for farm work. If the Appropriations Committee was looking for real economy, this would be a good place to begin.

Let us look at the proposal of $100,000 for the Department of Labor to provide leadership in establishing a cooperative Federal-State program for migrants. We all know that any improvement in the lot of migrant workers involves the cooperation of many agencies of Government—Federal and State. Without coordination of the work of these agencies little or nothing is done. The Labor Department proposes to give leadership in bringing these agencies together, particularly in the States, to study their migrant labor problems and jointly plan for their improvement. In the few places where such a joint approach has been made, real progress has resulted. The children of the migrant workers have been put in school; health needs have been met; housing has been improved and community acceptance has resulted. For the first time the migrant families have been treated like human beings to the benefit of all parties concerned—the farmers as well as the rest of the community.

Now, what is wrong with telling the rest of the country how these improvements were brought about? What community forces were enlisted? How they worked together, the strength of the various programs? It is part of the American tradition that we build from strength. If we tackle this problem as the Department of Labor proposes, we should mobilize the forces of all the people of good will in behalf of the submerged group in our population. There is no set pattern for such improvement. One plan may work here, another there. If we set our hearts and minds and our great talents to do something constructive for our migrant agricultural workers, I am confident we will get results. It takes leadership to get such a program underway. The Department of Labor is the agency to give that leadership and I hope and trust that Congress will give them the money to get going. This should have been done years ago. Further delay is unpardonable. Instead of showing faith in our people and in our democracy, the proposal again is to do nothing.

The recommendation of the President should be adopted and the amendment should be adopted. The Department of Labor should be given the instruments by which they can start to do something on this problem which day by day is becoming more and more serious in the various States. I ask that the amendment be approved.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. VAN ZANDT].

The question was taken; and on a division (demanded by Mr. VAN ZANDT) there were—ayes 45, noes 43.

Mr. BUSBEY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. BUSBEY and Mr. VAN ZANDT.

The Committee again divided; and the tellers reported there were—ayes 77, noes 81.

So the amendment was rejected.

Mr. FOGARTY. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: Pages 2 and 3, strike out the paragraph beginning on page 2, line 18, and running through page 3, line 8, and insert in lieu thereof the following:

"BUREAU OF LABOR STANDARDS

"Salaries and expenses: For expenses necessary for the promotion of industrial safety, employment stabilization, and amicable industrial relations for labor and industry; performance of safety functions of the Secretary under the Federal Employees' Compensation Act, as amended (5 U. S. C. 784 (c)); performance of the functions vested in the Secretary by title I of the Labor-Management Relations Act, 1947 (29 U. S. C. 159 (f) and (g)); and not less than $75,000 for the work of the President's Committee on National Employ the Physically Handicapped

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Week, as authorized by the act of July 11, 1949 (63 Stat. 409), and provided further that no part of the appropriation for the President's Committee shall be subject to reduction or transfer to any other department or agency under the provisions of any existing law; including purchase of reports and of material for informational exhibits and expenses of attendance of cooperating officials and consultants at conferences concerned with the work of the Bureau of Labor Standards; $665,000."

Mr. BUSBEY. Mr. Chairman, the committee will accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island.

The amendment was agreed to.

The Clerk read as follows:

BUREAU OF APPRENTICESHIP

Salaries and expenses: For expenses necessary to enable the Secretary to conduct a program of encouraging apprentice training as authorized by the act of August 16, 1937 (29 U. S. C. 50), $3,100,000.

Mr. TOLLEFSON. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. TOLLEFSON: On page 3, line 24, after the comma, strike out "$3,100,000" and insert "$3,215,000."

Mr. TOLLEFSON. Mr. Chairman, I am always reluctant to offer an amendment to increase an item in an appropriation bill, and in the years I have been a Member of Congress I have done so on only two other occasions. I felt I should do so in this case.

Mr. Chairman, this amendment is designed to restore $115,000 in appropriations for the Bureau of Apprenticeship in the Department of Labor. The estimates for fiscal 1955 were $3,215,000, and the bill before us provides for $115,000 less—or $3,100,000.

The item involved is not large, and the program is not going to collapse without these additional funds. But it is going to be hurt to the extent that it will not not be able to do the work it was designed to do, as well as it should do it.

Over the past few years the total funds for this program have been reduced, and I am informed that the average annual reduction in force in this Department has been about 35 or 36. At the same time there has been an increase during the past 2 years in the number of apprentices trained.

As the Members of the House know, the apprenticeship training program is concerned with the training of an industrial work force, and is carried on in cooperation with State governments. Labor and management are encouraged and assisted to conduct training on the job—which they do in connection with the program.

The object is to provide skilled apprentices to replace workmen who annually drop out of employment because of age, disability, or death. The present rate of training does not keep up with the needs for replacement—even in a peacetime economy. In the event of mobilization for an emergency we would fall far short of having a sufficient nucleus of trained workers.

Lawrence Appley, chairman, Manpower Resources for National Security, stated:

There are not now in training enough apprentices to replace during the next 3 years the losses through death and retirements of machinists, tool and die makers, molders, patternmakers, boilermakers, and millwrights. These estimates are based upon continuing high levels of economic activity but do not include the potential requirements of a higher level mobilization.

In other words he says that even for peacetime needs we are falling behind in the job of training skilled workers. If an emergency breaks out we will be far short of our needs.

That being the case, the work of the Bureau of Apprenticeship in the Department of Labor should be broadened and stimulated, instead of being curtailed.

Mr. Chairman, the skilled work force of America is its greatest asset. Its importance to the national economy can be told with a single statistic: This country, with one-fifteenth of the world's people produces almost one-half of all manufactured goods. Behind every product manufactured in this country lies the work of skilled hands.

The President has set forth as a major national objective the maintenance of a strong and growing economy. The achievement of this objective will depend largely upon increasing skills and versatility in our work force. In the world today our position of strength and security can only be maintained by a continued growth in our ability to produce. Up until now our technical progress has permitted the use of workers of limited skills. But this same progress is now advancing to a stage where ever increasing requirements for skills are arising. To meet these new requirements for skills we must give attention to the training of our workers.

The Bureau of Apprenticeship of the United States Department of Labor, under mandate of Congress, has been stimulating the type of training necessary in industry. The introduction of new materials, machines and methods requires more and more training in industry. Supervision of workers is improved by training. New occupations are arising in industry in fields such as electronics. Workers must be trained to enter these fields. If we are to have a versatile and competent work force, we must bring to bear every device for improving the efficiency and technical competency of our workers. The Bureau of Apprenticeship is in a position to assist greatly in persuading management, labor, States, and local communities to vigorous action in this field. This program of apprenticeship and other on-the-job training has had a unanimity of strong support from all management, labor, veterans' organizations, and public agencies. Its worth cannot be questioned. Any further diminution of the resources of the Bureau of Apprenticeship would have a halting effect on the training program in the United States.

Now is the time for us to build up the skills of our craftsmen so that we do not again find ourselves in an emergency with our production retarded by shortages of key workers in important industries. The President has submitted what I feel are modest estimates to continue the excellent program of maintaining and increasing the skills of our work force. A cut no matter how small, in the appropriations for the Bureau of Apprenticeship, means a reduction of the services of this agency to American industry. I opposed a cut in this appropriation last year and I wish to again oppose it. I propose that the President's estimate of $3,215,000 be restored.

Mr. REAMS. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Ohio is recognized.

Mr. REAMS. Mr. Chairman, during the past 16 years the Bureau of Apprenticeship has been a substantial factor in having ready at all times a group of skilled workers to man the shops and to carry on the construction and building trades of this country.

There is a false understanding abroad which has made many people believe that mechanization has displaced skilled workers; that the robot can do the work of the journeyman. Nothing could be further from the fact. There has been a great advance in mechanization. Many operations are of the pushbutton type. This does take the place of a considerable amount of unskilled labor. Actually, more mechanized industry means an increased need for skilled workers. Intricate machines are of no value without highly trained people to operate them.

Skilled workers for the trades are prepared in two ways. The first method, which was the practice throughout the decades when the great American industrial potential was being developed, was for employees to assign to each journeyman or senior skilled worker an apprentice, usually known as a helper. These helpers frequently started to work very young. By the time they attained maturity helping the mechanic, the bricklayer, the carpenter, they had acquired skill in proportion to their ability and diligence. In modern industry it is not practicable, and almost impossible, to train apprentices in this manner.

The method which has proved most efficient in this era of industry is to train apprentices under a program in which the Bureau of Apprenticeship of the Department of Health, Education, and Welfare, the local boards of education, labor, and management cooperate.

In my city of Toledo, Ohio, a total of 106 construction industry apprentices were recently graduated to journeyman status. Apprentices who received the certificates included 16 bricklayers, 36 carpenters, 9 electricians, 7 automatic heating workers, 4 ironworkers, 2 cement masons, 7 painters, 11 plumbers, and pipefitters, 2 roofers, and 12 sheetmetal workers. This was for the construction division. There are also apprenticeship classes in other branches of industry.

For the high-school graduates who can afford to go to college for further training there are many avenues open. Public money for operation for institutions of higher learning and privately granted scholarships pave the way for those fortunate enough and with a desire

for higher learning in the arts, sciences, professions, and business administration. But to the vast group of young people who desire to go into a trade the task is more difficult today. It is not easy to get a job, as in the past, to learn the trade in the shop unless we help encourage an apprenticeship program through the public-school system and the vocational education program. The shortage of skilled workers will continue. Whenever an emergency arises there is a great pressure to hire all available workers with skills. Then there is a hue and cry against pirating of workmen and a demand for manpower control and wage control. National production suffers from these methods.

I urge the Members of this House to restore the $115,000 which has been taken from the appropriation for 1954. We must continue to give these young men opportunities for apprentice training. It is simple justice to them and it is always farsighted and frugal to have an adequate supply of trained workers prepared to expand the industry of the Nation.

Educators, veterans' organizations, labor groups and industrial leaders are all sincerely concerned and vitally interested in restoring to this bill this amount by which it has been reduced in committee.

Mr. BUSBEY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Washington [Mr. TOLLEFSON].

Mr. Chairman, I concur in what the gentleman from Ohio said in regard to the worthwhileness of this program. I noted that the gentleman from Washington said something about the necessity of this apprenticeship program for the shipbuilding industry. I am also well aware of that situation.

Mr. Chairman, about 2 weeks ago, the House passed the Defense Department appropriation bill. I do not recall the amount of money involved, but there was a substantial sum for the Navy to use in expanding its apprenticeship training program. The apprenticeship program, as it is now constituted in the States, is not the only apprenticeship program, because our defense departments carry on apprenticeship programs, and other programs are independently carried on in various industries.

The money in this bill is for the pay of Federal employees. The States do not receive 1 cent of the money.

Certainly, $115,000 taken out of this bill is not a reduction in the program at all, and I will tell you why. As the programs progressed under the supervision of the Federal Government, it was the intent of the law that labor and management in the States would assume more and more of the responsibilities for program operations. Since they have been doing this, I do not believe that cutting $115,000 from this program will hurt one bit.

The States are also assuming more responsibilities in this program. Let me refer you to page 106 of the hearings where I asked Mr. Patterson the following question:

> What have these 28 States appropriated for the operation of their State apprenticeship agencies during the current fiscal year?
>
> Mr. PATTERSON. We have found difficulty in getting the States' actual figures because we, like any Federal agency, should be careful about poking our noses into their business, but we find there are 177 full-time technical field representatives who were employed during the last fiscal year.
>
> Mr. BUSBEY. That is, for the fiscal year 1953.
>
> Mr. PATTERSON. Yes; the fiscal year ended last July.

I will not read it all but you will note, from the rest of his testimony, that this was an increase over 1952, and that he believed there would be an increase in 1954 over 1953.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Is it not a fact that this reduction, which is substantially greater than the reduction proposed last year, will mean the loss from the staff of the Bureau of Labor Apprenticeship of nearly 40 trained men; that is, it will result in 40 trained men being removed from the staff of the Bureau of Labor Apprenticeship?

Mr. BUSBEY. Well, if the statement of the gentleman were correct, that means that their average salary would be about $2,500 a year; and I do not believe any of these people are working for $2,500 a year.

If I may pursue this just a little further, this $115,000 divided between 51 States and Territories, and Puerto Rico, would mean what? An average of about $2,000 worth of Federal personnel. Of course, most of this program is in the large industrial States. Two thousand dollars, mind you. I do not believe the States of New York, Pennsylvania, Ohio, Illinois, and a lot of the others are going to let their apprenticeship programs suffer too much for that kind of money.

They should be doing more of it. The labor unions and management are doing a great deal in this respect. They are assuming more responsibility every year, and I think they should assume even more responsibility, not only to take the burden off the Federal Government, but for a better program.

Now I am going to make note of the fact that, so far, the two amendments to increase the committee's recommendations have been made from the Republican side of the House. I do not know if that is by design or not, but I think we will be in very bad shape, all of us, if we start increasing these bills; and then go back into our districts this fall in the campaign and try to tell the people how much we are for economy.

Mr. McCARTHY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, it seems to me that the committee, in making a cut of this kind, should give better justification for its action than the chairman of the subcommittee has given here this afternoon. He has agreed that apprentice training program is a most worthwhile program. He seems to agree that the apprenticeship program must be continued, but then he says in the name of economy this cut must be accepted. He suggests that the Republicans are offering these amendments possibly after some discussion with the Democrats. He does not explain the significance of this.

I do not think that is the important consideration. What we ought to keep in mind is that in the present state of our economy and in the present state of international affairs, it is of importance to keep this program which does give flexibility to our labor program, which does provide a means for increasing the potential production of our labor force. We should keep this program working at maximum efficiency. In addition to that, we should keep in mind that whereas this policy of having the States assume greater responsibility is perhaps a defensible policy. The State legislatures have not yet had a chance to act to take up the slack in this and other programs for which Federal contributions have been reduced.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. McCARTHY. I yield to the gentleman from Oklahoma.

Mr. ALBERT. It is also true that a large portion of our industrial labor is interstate in nature and moves from place to place, and standards should therefore, be universal across the country. Specific States should not be responsible for this training, it would seem to me, in those industries.

Mr. McCARTHY. The gentleman from Oklahoma is correct. Much of the emergency supply of labor in the course of the last war and in the course of the Korean difficulty was drawn from rural areas of the country in which we do not or did not have large industrial establishments. Consequently, Federal support of this kind should be continued.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. McCARTHY. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I wonder if the gentleman has any figures on the number of personnel who will actually be affected if this cut of $130,000 below the 1954 appropriation does go into effect. I have information, which I believe is reliable, that close to 40 people will be cut from the payroll of this organization, reducing its efficiency thereby, if this reduction goes into effect.

Mr. McCARTHY. The estimate that I received was somewhere between 30 and 40. I do not have an exact figure.

Mr. EDMONDSON. I thank the gentleman.

Mr. McCARTHY. I certainly urge the Members of the House, therefore, to give to the Department of Labor at least what it requested in this case, and to support the amendment.

Mr. BUDGE. Mr. Chairman, I rise in opposition to the amendment.

I simply would like to call the attention of the Committee of the Whole House to the fact that the committee's recommendation of $3,100,000 was $400,000 larger than the appropriation for this work in the fiscal year 1953. The

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present program for 1954 is the largest in the history of the program. The reduction which has been made here could not possibly affect more than 20 people. It is a reduction in salaries and if there is any area in which the people of the United States would like to see us save a little money it is in the salary items, items which are not direct-action items.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. TOLLEFSON].

The question was taken, and on a division (demanded by Mr. TOLLEFSON) there were ayes 44, and noes 50.

So the amendment was rejected.

Mr. TOLLEFSON. Mr. Chairman, I demand tellers.

Tellers were refused.

The Clerk read as follows:

WAGE AND HOUR DIVISION

Salaries and expenses: For expenses necessary for performing the duties imposed by the Fair Labor Standards Act of 1938, as amended, and the act to provide conditions for the purchase of supplies and the making of contracts by the United States, approved June 30, 1936, as amended (41 U. S. C. 35–45), including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, and not to exceed $3,000 for expenses of attendance of cooperating officials and consultants at conferences concerned with the work of the Division, $6 million.

Mr. CORBETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CORBETT: On page 10, line 6, strike out "$6,000,000" and insert in lieu thereof "$6,233,000."

Mr. CORBETT. Mr. Chairman, the amendment I propose is a simple change in the amount of money provided for the Wage and Hour Division. The bill asks for $6 million. The amendment asks that that figure be increased to $6,233,000, which is the identical figure recommended by the Bureau of the Budget.

The amount appropriated for 1954 was $6,250,000.

The important point here is that this reduction of $233,000 seems to be slight until you recall that there have been successive reductions every fiscal year since fiscal 1951, when there was appropriated for this bureau $9,396,000. Now we have reached the point where the money involved has been decreased over 33 percent to $6 million. This has resulted in a reduction of the investigators in this bureau from over 1,000 to approximately 500.

This bureau has a very vital job of enforcing one of the most basic labor policies that have ever been written by this Congress, namely, that with respect to minimum wages and maximum hours. We have a bureau which is called on to investigate over 700,000 industries covered by the act and is faced with the job of examining approximately 35,000 new concerns every year. It presently is able to visit only approximately 5 to 7 percent of all the concerns covered by the act.

The net result is and must be that the concerns which have done a fine job of living up to the letter of the law are suffering unfair competition from those who are paying less than the minimum wage or employing people beyond the maximum number of hours.

It seems to me self-evident that if we are going to have a bureau do a job of preventing violations of the law we must have enough individuals to do the job. In my home city of Pittsburgh the field office supervisory staff consists of 1 man and 1 secretary, trying to supervise investigators throughout the whole of western Pennsylvania.

To me, it seems absolutely essential that we do a much better job of preventing violations of this law in order to protect those people who operate decent, law-abiding concerns. Further, we recognize that, insofar as these laws are violated, it is obvious that lower salaries are resulting and unemployment is increasing.

So, Mr. Chairman, I sincerely urge that this committee restore to this measure the amount of money which the budget recommended, so that the Bureau can then work more efficiently to enforce the law as the Congress wants it enforced.

Mr. TOLLEFSON. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield.

Mr. TOLLEFSON. Is it not true that the Department is not able to process new business concerns that start every year? I understand there is about a 35,000 turnover every year, and they cannot process them.

Mr. CORBETT. The gentleman is absolutely correct. Thirty-five thousand industries scattered all over the United States are just too many to be properly supervised; and when you get into the matter of trying to bring minimum wages up to standard in Puerto Rico, we have apparently failed to bring them up to a fair, competitive position.

The CHAIRMAN. The time of the gentleman has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, I, too, feel that the proposed cut in the Wage and Hour Division should not stand, although I am strong for economy. I believe that the Division has gotten down to a rock-bottom operating basis, if not lower, and that serious consideration should be given to increasing rather than decreasing the budget. I am especially concerned about the effect of the cut on the wages in Puerto Rico. We in New England are very much concerned by the increasing competition from Puerto Rico and the slow progress being made by the Department in raising the wage levels in Puerto Rico. I greatly fear that with another cut in the budget it will mean the slowing down of this program rather than increasing it, as I think should be done.

Mr. Chairman, recently there was sent from Lowell, Mass., to the President of the United States a petition containing 20,000 names asking for help for the textile industry. You know goods made in Puerto Rico affect industry very much. There is a very large number of names on the petition which has come in for me to present to the President. I earnestly hope that the gentleman's amendment will be adopted. It will help to prevent unemployment. I commend the gentleman from Pennsylvania [Mr. CORBETT] for presenting it.

Mr. BUSBEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, first of all, I would like to call attention to the fact that the appropriation for the fiscal year 1955 is more than the Wage and Hour Division had in any year up to 1950 and is almost exactly equal to that year's appropriation.

If you will refer to the hearings for a moment, you will find, on page 278, that Mr. McComb, the head of the Wage and Hour Division, says:

As a result of such changes, it is expected that the Division may attain the same level of program during 1954 as we did in 1953 even though we have a smaller staff. During fiscal year 1953 the Division completed 42,768 investigations of which 38,649 were made in industrial establishments and 4,119 were investigations of child labor in agriculture.

They have kept the level up to 1953, even with the reduction of $1,400,000 which Congress made in their 1954 budget. If you will turn further to page 287, you will see where I read from Mr. McComb's prepared statement, as follows:

A study is being made as to the advisability of extending the recently adopted condensed reporting procedure to be used in violation and restitution cases as well as in no-violation cases. This study is being directed particularly to present investigation techniques concerning interviews and transcriptions.

Plans are being formulated to obtain data for the establishment of comprehensive employer files in all regional offices to assist in the planning and scheduling aspects of the investigation program.

A study is contemplated to determine the feasibility of using dictating or similar equipment in the development and preparation of investigation case-file material, particularly with respect to the preparation of narrative reports.

These studies will result in further savings in the future, I am confident. So you see, when they came in with crocodile tears on the floor last year when the cut of $1,400,000 was being considered, they were completely wrong. I have no hesitancy in saying that this Division, with this total cut of $233,000 for 1955, will be able to carry on their investigations and work as well as, if not better than, they are during fiscal 1954.

I hope the amendment is rejected.

Mr. BRAY. Mr. Chairman, I move to strike out the last word.

I rise in support of this amendment.

Mr. Chairman, I am sure that the Appropriations Committee has tried to do a conscientious job on this appropriation bill. I will support most of the recommendations made by the committee; however, I do not feel that I can go along with this cut for the Wage and Hour Division, a cut of $233,000 under the recommendation of the Bureau of the Budget. The Wage and Hour Division is an agency that has responsibility for administering and enforcing our national minimum wage law. Last year as a result of a cut of about 25 percent

the Division had to close 21 field offices. This has reduced seriously the service the Division renders to both labor and mangement throughout the country. If another cut is imposed, I would anticipate that they would have to close some more field offices. I think we should restore this cut. This Division is equally beneficial to business and labor. Inadequate enforcement of this act allows the chislers to benefit to the detriment of the legitimate business.

Mr. BAILEY. Mr. Chairman, I desire to support the amendment offered by the gentleman from Pennsylvania [Mr. CORBETT]. As a member of the Committee on Education and Labor in the 81st Congress, it was my pleasure to sponsor the legislation that came out of a rather tumultuous committee, to increase the minimum wage from 40 cents to 75 cents an hour. I recall that in the discussions leading to the reporting of this legislation, information taken in our hearings was to the effect that we would include 3½ million additional people under coverage, which would greatly enlarge the activities and responsibilities of the Wage and Hour Division in the Labor Department.

Last year I joined in the protest against the $1,400,000 cut in this appropriation, and I am opposed to the $233,000 reduction proposed in the present bill. I think the activities have been so enlarged and the field so enlarged that this is necessary. I might add for the information of my colleague that in this particular case this bureau in the Labor Department is a collection agency for all the people in the country who have suits brought to enforce payment of legal wages under the minimum wage law. It is a very responsible department and I do not think its activities should be curtailed.

Mr. BROWNSON. Mr. Chairman, I rise in support of the amendment, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BROWNSON. Mr. Chairman, I operate a small business which, under various interpretations, at various times, has been under this wages and hours legislation.

Mr. Chairman, I must say that I am impressed by the doubts raised by my colleague, the gentleman from Pennsylvania [Mr. CORBETT], regarding this proposed cut in the budget of the Wage and Hour Division. While the total amount may not seem large, it comes on top of a whole series of cuts during the past 3 years, including approximately a 25-percent cut last year.

I am fearful that if this cut goes through as proposed, the Division may be forced to close down a number of field offices with the result that they will be unable to furnish advice and assistance in some of the major areas of the country to the people who must comply with the Fair Labor Standards Act and the Walsh-Healey Act.

If the wages and hours legislation is to continue in force, it must be applied equally and universally to all enterprises concerned. Lack of counseling and lack of enforcement facilities will work undue hardship on the firms complying with the act which will react to their disadvantage in a competitive situation. The hardship which lack of counseling and enforcement facilities would work on employees seems to me to be obvious. I urge that an amendment to increase this appropriation by $233,000 be supported to restore the appropriation to the agency request level as approved by the Bureau of the Budget.

Mr. CRETELLA. Mr. Chairman, I rise in support of the amendment proposed by my colleague, the gentleman from Pennsylvania [Mr. CORBETT], to add $100,000 to the appropriation for the Wage and Hour Division of the Department of Labor. The function of the Wage and Hour Division is an important and integral part of Labor Department operations. The tasks imposed by the Fair Labor Standards Act of 1938 cannot be carried out except for the existence of the Wage and Hour Division. The amount of $100,000 proposed against a field of astronomical sums used to operate the Government is inconsequential. My colleague's amendment is a meritorious one and will strengthen this division so it can more effectually obtain compliance with our labor laws and increase the efficiency of the Department.

Mr. SCOTT. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman from Pennsylvania is recognized.

Mr. SCOTT. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Pennsylvania [Mr. CORBETT]. This is in line with the proposal of, and exactly the amount of money which has been requested by, this administration for the purpose of administering the Department of Labor, a minimum amount, an amount which is considerably less than and which represents a considerable savings over the past few years in line with this administration's promises of economy and efficient administration. But it does represent what they state to be the absolute minimum necessary for fair and equitable enforcement.

Mr. Chairman, your party is justly proud of the fact that under Republican administrations most Cabinet offices of comparatively recent date were established with Cabinet rank: The Department of the Interior, the Department of Agriculture, I believe; the Department of Commerce, the Department of Labor, and the Department of Health, Education, and Welfare. We established those departments because there was a real need for them. Then the people of this country elected a President who undertook to administer, to regulate, and to enforce the laws passed which would come under the administrative responsibility of the particular department involved. This is one of those instances; this is an instance where it seems to me that the support of the administration is involved.

The administration's request is reasonable and it is believed to be necessary. In my part of the country industry for the most part finds very little trouble getting along with this act. Our people obey the law for the most part, and if they do not we want enforcement to see that they do. We also want to make sure that other sections of the country obey the Federal wage-hour laws, and we cannot do that unless we have adequate and sufficient funds.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. SCOTT. I yield to my colleague from Pennsylvania.

Mr. CORBETT. I want to say to the gentleman that I appreciate his intelligent statement.

I wish to take advantage of this opportunity to correct the figures I gave in my opening remarks. Actually, rather than a decrease of the employees in the Department from 1,000 to 500, that is a decrease in the number of actual investigators, and I know the gentleman shares this view, we have cut this Department down to the point where any further cuts are right into the bone itself, I certainly appreciate the gentleman's support. I hope the amendment prevails.

Mr. SCOTT. I echo the gentleman's sentiment.

Mr. METCALF. Mr. Chairman, I rise in support of the amendment.

The Department of Labor protects and promotes the welfare of wage and salary earners now numbering more than 47 million in the United States.

This Department is, at the same time, the smallest in the Federal Government. After some 40 years of continued existence the Department has less than 5,000 employees. The next Government agency in size is the Department of State, a relative giant of more than 20,000 employees.

The quality or the amount of service rendered by any organization, Government or not, does not necessarily depend upon the size of the organization. However, the Labor Department's employees are spread pretty thin over their huge job, which includes policymaking legislation, enforcement, and promotion of decent labor standards.

In his first state of the Union message President Eisenhower said his administration "intends to strengthen and to improve the services which the Department of Labor can render to the worker and to the whole national community."

Congress has proceeded to slash the Department, cutting its personnel to the lowest point since its establishment.

The appropriation bill Congress passed in the first session slashed the Labor Department's operating expenses 14 percent and lopped 9 percent off the Eisenhower revised budget.

That 14 percent overall cut did not come down evenly to the 10 bureaus and divisions of the Department. Some got hit harder than others.

Particularly singled out for cuts were the Wage and Hour Administration, the Apprenticeship Division, the Bureau of Labor Standards, the Office of the Solicitor, and the Office of the Secretary.

The attack on the Wage and Hour Division and the Solicitor's Office was a considered attempt to cripple enforcement of the Wages and Hours Act and the Walsh-Healey and the Davis-Bacon Acts.

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Less money and fewer personnel mean less enforcement. Less enforcement of the Walsh-Healey Act and the Fair Labor Standards Act gives unscrupulous companies an advantage over concerns that try to be fair to their workmen doing Government contract work. Such an advantage can only work to encourage further disregard of these laws, since it puts a premium on law violation.

In the bill before us the attack continues. The Wage and Hour Division is reduced $250,000 from an already inadequate appropriation. The Bureau of Labor Standards is expected to maintain safety standards after having a budget cut of $138,000 in the appropriation bill passed last year, and now suffering an additional cut of $45,000 from the appropriation for 1954. Such a meritorious program as that administered by the Bureau of Apprenticeship suffers a further decrease of $130,000 from the amount available in the 1954 appropriation.

Contrast the Department of Labor, with 5,000 employees, with its opposite number, the Department of Commerce. Commerce employs more than 41,000.

By refusing the money necessary to proper growth, this Congress so far has tried to keep this "baby" Department just that, a weakling unable to protect the maintenance of decent working conditions, unable to protect both honest contractors and workers against chiselers.

This bill would appropriate $298,700,000 for the Department for 1955. That is down $11½ million from appropriations for this fiscal year and $931,000 under the budget request. This would continue to whittle away at the Department.

There are those who would destroy organized labor. They could help this cause by allowing the Labor Department to die on the vine thus accomplishing by indirection what they have not the courage to try by direct attack. One measure of how well they are getting on with their work will be what happens to the Labor Department appropriation in this session of Congress.

Mr. BUDGE. Mr. Chairman, I rise in opposition to the amendment and do so simply to invite attention of the Committee of the Whole House to the fact that the reduction made in this budget item this year is the smallest reduction by committee action that has been made in many years, going clear back to 1945 and coming up to date. In past years the committee has cut this particular budget request substantially more than the committee did this year.

I sincerely believe that the Department can well absorb what is actually a very modest cut and much less than the Department has experienced at the hands of Appropriations Committees in previous years.

Mr. TOLLEFSON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TOLLEFSON. Mr. Chairman, I share the views expressed by my colleagues on this matter of budget for the Wage and Hour Division. I know that this Division has laid off hundreds of investigators during the past few years as a result of cuts made by Congress. I have gone along with these cuts because I felt that it was imperative to balance the budget. I think, however, that we have reached the stage where the Division's work will be seriously crippled by what amounts to a process of slow strangulation. We must consider that this reduction is added on to a cut of about a million and a half dollars last year, another million dollars the year before, and some $800,000 the year before that. You cannot go on cutting an agency year after year when its workload is increasing rather than decreasing. I think there are too few investigations being made even now because of the loss of these hundreds of investigators. It is not fair to the overwhelming majority of honest businessmen who voluntarily comply with these labor laws if we cannot assure them that a small chiseling minority will be brought into line. Nor is it fair to the man who wants to comply, thousands of them small-business men, to be unable to give him advice when he needs it. The primary job of these investigators, as I see it, is to help bring the requirements of these acts to the attention of businessmen so that there will not be inadvertent violations. I understand the number of investigators has been reduced from about 1,000 to less than 500 during the past 3 or 4 years. When you spread these 500 investigators around a work force of 60 million, and 750,000 covered establishments they represent the bare minimum necessary for good enforcement. I shall vote, Mr. Speaker, to restore this proposed cut for this agency.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. CORBETT].

The question was taken; and on a division (demanded by Mr. CORBETT) there were—ayes 42, noes 54.

Mr. CORBETT. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. BUSBEY and Mr. CORBETT.

The Committee again divided; and the tellers reported that there were—ayes 68, noes 84.

So the amendment was rejected.

The Clerk read as follows:

FOOD AND DRUG ADMINISTRATION

Salaries and expenses: For necessary expenses for carrying out the Federal Food, Drug, and Cosmetic Act, as amended (21 U. S. C. 301–392); the Tea Importation Act, as amended (21 U. S. C. 41–50); the Import Milk Act (21 U. S. C. 141–149); the Federal Caustic Poison Act (15 U. S. C. 401–411); and the Filled Milk Act, as amended (21 U. S. C. 61–64); reporting and illustrating the results of investigations; purchase of chemicals, apparatus, and scientific equipment; not to exceed $2,000 for payment in advance for special tests and analyses by contract; and payment of fees, travel, and per diem in connection with studies of new developments pertinent to food and drug enforcement operations; $5,100,000.

Mrs. SULLIVAN. Mr. Chairman, I move to strike out the last word.

A STINGY FOOD AND DRUG BUDGET MEANS POISONED AMERICANS

Mr. Chairman, if I thought there was any chance of persuading the House on this issue today, I would certainly submit an amendment to restore the $100,000 slashed from the budget of the Food and Drug Administration, and as a matter of fact, I would go further than that and try to restore the additional half million dollars taken from the Food and Drug Administration last year. I am terribly disappointed that the Department of Health, Education, and Welfare and the Bureau of the Budget have asked this year for only as much money as the Congress voted for the Food and Drug Administration last year, even though that meant the elimination of 80 positions in the agency.

I am not submitting an amendment today because I have been convinced by members of the subcommittee that it will not be entertained and supported. I hope the Senate will show a greater understanding of the issues involved here. In the meantime I would like to call to the attention of the House the dreadful disservice we do the American people—the consumers of this country—by a constant nibbling away at the pitifully small appropriations provided each year for food and drug inspection. This agency is our protection against poisonous, adulterated, filthy, nauseating materials shipped in interstate commerce for human consumption.

The budget this year provides only $5,100,000 for the agency which is to protect our health from this kind of poisonous material. The committee has cut this, as I say, pitifully small appropriation by $100,000. The people who will be poisoned this year as a result of inadequate food and drug inspection will not be very impressed by a $100,000 saving in the Federal Government's 60 or 70 billion dollars of expenditures in this coming fiscal year.

This is not economy; this is just plain ordinary stinginess—miserly penny-pinching at the expense of the health of our consumers.

I have been looking over a recent monthly report of the Food and Drug Administration for the month of April. In that month 700,000 pounds of food unfit for human consumption were removed from the market by Food and Drug agents. Mr. Chairman, every Member of this House should be glad that he did not have any of that food served to him.

One case in Philadelphia involved 300,000 cans of food being disposed of in a so-called warehouse fire sale. The fire had occurred 3 years ago. Many of the cans were rusty and had started to leak. The labels were virtually illegible. You could not tell what the cans contained or who put them out. Until the Food and Drug Administration stepped in, this rotten, filthy stuff was being sold to unwary housewives as is without any thought to the possible consequences. In another case in which the agency took criminal action, a seafood canner was fined $1,200 for putting out decomposed shrimp and crabmeat packed under insanitary conditions. Are you not glad you did not eat any of that?

Products like these can cause serious illness. They can cause death—and it is a horrible way to die. Anyone who has ever had even a touch of ptomaine poisoning knows what this sort of thing can do. And how about adulterated drugs—drugs prescribed by the doctor in good faith or sold by the druggist in good faith which may kill rather than cure the patient. Is it worth saving $100,000 in Federal funds if it means taking a chance on letting more of this stuff get into interstate commerce? I do not think so.

Last year the Congress passed an amendment to the Federal Food, Drug and Cosmetic Act closing a loophole discovered by the Supreme Court and restoring the right of Food and Drug inspectors to go into plants and see what is going on. I appreciate the support the House gave to that bill. But what protection have we given the consumer through passage of legislation of that kind if we do not provide sufficient inspectors to do the job properly. At the present rate of operations—before we take away this additional $100,000 a year—it would take our Food and Drug inspectors 12 years to inspect each of the plants coming under its jurisdiction. It is supposed to cover about 96,000 plants and warehouses. It can touch only about one-tenth of 1 percent of this assignment.

Yet the average family spends about one-fourth of its entire income for products should be subject to Food and Drug inspection—products valued at about $50 billion. With only about 200 inspectors that means each man is responsible for about a quarter of a billion dollars worth of merchandise.

I will not go into detail today as I did a year ago on the types and varieties of methods used to cheat and swindle the public on food products—horsemeat sold for beef, dried vegetables made to look like frozen vegetables, poultry pumped full of water and frozen. There are all sorts of tricks in the trade. Only a small portion of the FDA's time can be devoted to this kind of detective work. Important as this is, I think we are much more concerned about the adulterated and diseased and unfit food products shipped in interstate commerce. We spend twice as much on meat inspection as we do on the inspection of all other food and drug and cosmetic items. On a dollar basis that means we spend 12 times as much in making sure that a dollar's worth of meat products is pure and wholesome as we do in making sure that a dollar's worth of food, drugs, and cosmetics is pure, wholesome, and safe to use. Diseased poultry is one of our big problems. The Agriculture Department does not inspect poultry except at the request of the packer. A processor of diseased poultry is not going to request such inspection and pay for it, so it is up to the Food and Drug Administration to catch this poisonous material and get it off the market.

What we need is not merely a restoration of this $100,000 to the Food and Drug budget or even the additional half million dollars by which its level of operations was reduced last year. What we need, Mr. Chairman, is a recognition on the part of the Congress and of the administration of the vital role of this agency in protecting the health of all the people. In this appropriation bill we are appropriating many millions for research on diseases afflicting our population.

It seems to me we should be able to afford a reasonable amount to keep healthy people from being poisoned by spoiled or adulterated food.

One further word: In order to conserve the time of the House, I do not intend to speak on any of the other appropriation items, but I do want to declare my support for the amendment which Mr. Fogarty of Rhode Island plans to submit on the vocational rehabilitation item. And in this connection, Mr. Chairman, I would like to say how much I appreciate the eloquent statement he made yesterday on this very matter of the Food and Drug Administration and the excellent work they do. I would also like to call to the attention of the House an item from one of the St. Louis labor newspapers on the subject of diseased poultry being sold to the public:

[From the St. Louis (Mo.) Union Labor Advocate of June 4, 1954]

PUBLIC SOLD DISEASED POULTRY, SAYS BUTCHERS

(As has been reported on numerous occasions in the Advocate, that: Congresswoman LEONOR SULLIVAN from Missouri, in last year's session of Congress, made a strong fight for a watchful Food and Drug Administration, to protect the Nation's health. Below is cited why a vigilant and alert FDA is necessary.)

CHICAGO.—Charges that Federal inspection of poultry in many cases is a sham and that poultry products reach the market from some concerns in diseased condition were made in the June issue of the Butcher Workman.

IT'S A CRIME

Earl W. Jimerson, president, and Patrick E. Gorman, secretary-treasurer of the Amalgamated Meat Cutters and Butcher Workmen of North America, said in the issue, "We have in our possession countless affidavits from employees in poultry plants throughout the United States which is quite conclusive that thousands of chickens sometimes in one plant will pass on the line of production so diseased that it is a crime to permit their sale to the public.

"Other affidavits would indicate that some concerns will purchase diseased and even dead chickens for processing and that these products, because of poor State and Federal laws, are sold as fresh products, sometimes bear the stamp of approval of both Government and State departments of agriculture."

They also said that they are taking the fight into States. Bills will be proposed, too, in every State legislature to guard the public against diseased chickens not shipped interstate.

"Many poultry concerns," they said, "send their products in eye-appealing packages and these packages bear the supposed approval of the United States Department of Agriculture. This approval is given under subsection B of the seven Federal grading and inspection services in which poultry producers may participate."

WATCH THE FINE PRINT

"Subsection B does not pertain to the slaughtering of poultry at all but has merely to do with certain sanitary setups without respect to slaughtering. This type of Government recognition merely gives the right for the users to stamp their poultry as 'processed under U. S. D. A. Sanitary Standards.' Then, in very fine print which an unsuspecting public never read, the following: 'Not U. S. D. A. Graded for Quality or U. S. D. A. Inspected for Wholesomeness.'"

Hundreds of thousands of pounds reach the market diseased. Jimerson and Gorman quoted section A of the act which provides that "The service that is rendered under sanitation is limited only to sanitation. We do not have authority to prohibit a company from packing birds that may be emaciated or show external evidence of disease."

Mr. METCALF. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, last year this Congress cut the appropriation for the Food and Drug Administration and saved less than half a cent apiece to American taxpayers—a saving that has curtailed the inspection work which FDA can do and thereby increased our risk of eating filth.

In the words of the FDA Commissioner the work of his agency was, prior to the cut, "already inadequate in fields relating directly to health." For example, under its fiscal 1953 appropriation, Food and Drug could assign only 20 inspectors to the grain trade. Approximately 1 billion bushels of wheat are moved in a typical crop year. This handful of FDA inspectors could check only a fraction of 1 percent of the total moved and stored. Meanwhile the public was misled, thinking we had a full Government sanitation program.

This may not be very appetizing, but I feel that it should be called to your attention. Every day last year the Food and Drug Administration seized an average of 27 tons of filthy food that was headed for the market.

Lest you think the FDA was too finicky, let me cite some examples: A grain company was shipping macaroni enriched with the bodies of insects and rodent leavings. A shipment of canned peas was found to be 26 percent bugs. The largest seizure of the year was 2 million pounds of rodent-defiled sugar.

There also were canned rotten tomatoes. Rotten pickles that were ground up to make relish. Turkeys that had been sick and died and then were cooked and canned.

During the first half of last year, our Government seized 40 carloads of grain contaminated with excessive rat leavings. Under heavy pressure, the Administration decided to abandon inspection and merely study the matter. Meanwhile, we ate at least part of this grain.

In a recent report, FDA tells of seizing more than 262,000 pounds of food consisting of "filthy or decomposed grains and cereal products, butter, eggs, seafood, spices, fruit and vegetables, poultry and nuts."

And this was with a staff cut by the decreased appropriation.

Sixty-seven positions were abolished last year. Of these, 36 were professional employees—inspectors, analysts, doctors, veterinarians and experts in the Food and Drug law. The other 31 were clerical employees—including laboratory helpers and examiners. Three subdistrict laboratories and four resident inspection stations were closed.

What has happened as a result? FDA Commissioner C. W. Crawford puts it this way:

All this means that to fulfill our obligations to protect health we must ignore all

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but the most flagrant economic cheats, and curtail to some extent our work against filth and decomposition. Progress in the formulation of food standards will suffer, too, for a substantial amount of field study is required before proposals can be developed for hearing.

Yet this bill provides $5,100,000 for the Food and Drug Administration next year, a reduction of $100,000 from both the request and the appropriation for 1954.

This cut must necessarily result in further curtailment of the drive against filth and decomposition. We will have new complaints from housewives, who cannot stand the thought that they might be feeding decomposed food to their children, or that they might be using cosmetics which injure their skin and eyes. I believe the Food and Drug Administration inspection program should be enlarged instead of cut back.

The Clerk read as follows:

OFFICE OF EDUCATION

Promotion and further development of vocational education: For carrying out the provisions of section 3 of the Vocational Education Act of 1946 (20 U. S. C. 15), section 4 of the act of March 10, 1924 (20 U. S. C. 29), section 1 of the act of March 3, 1931 (20 U. S. C. 30), and the act of March 18, 1950 (Public Law 462), $18,374,511: *Provided*, That the apportionment to the States under the Vocational Education Act of 1946 shall be computed on the basis of not to exceed $18,199,511 for the current fiscal year: *Provided further*, That not more than $450,000 of this appropriation shall be available for vocational education in distributive occupations.

Mr. ABBITT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

On page 14, line 19, strike out "$18,374,511" and insert "$23,673,261."

Mr. ABBITT. Mr. Chairman, this is one of the few times that I can recall that I have offered an amendment to increase an appropriation bill. I feel deeply that this is a most important matter. We all realize that in America our school population is rapidly increasing. It is incumbent upon us to see that we meet the challenge of getting our people properly educated, that they might receive proper training to go forth in this world, to make better citizens of themselves in order that we might have a better place to live in.

Mr. Chairman, this amendment would increase funds for vocational training by only $5 million over and above the amount appropriated for fiscal 1954—from $18,673,261 to $23,673,261. I would like to point out that even with this increase which I believe to be entirely merited, the appropriation will still be nearly $6 million less than the amount authorized by the George-Barden Act which the Congress approved in 1946. This act authorizes the appropriation of $29,300,000 for vocational education. When this act was approved in 1946 there was every indication that it was the intent of Congress that the full amount would be appropriated within several years, but I would like to point out at this time that the largest amount ever made available in any year was in 1951 when $19,977,760 was approved.

Last year we witnessed here on the floor of the House a demonstration of the faith which we hold in this program. You will recall that at that time the Department of Health, Education, and Welfare had reduced its request for vocational education by $4 million only to have $2 million of this restored by the Appropriations Committee. By action of the House we restored the allowance for vocational education to the amount appropriated the year before. This action I might add, was a boost to the vocational program, not alone because of the money involved but rather because it meant that we as Members of the House endorsed the work being done by these faithful people throughout the country.

My reason for introducing this amendment is because I believe that the demand for vocational training throughout the Nation is now greater than it has ever been in a peacetime period. Many vocational schools have long waiting lists of students who would like to enroll. There simply is not enough money available to employ a satisfactory number of teachers to handle the program. The cost of teaching personnel has been increased to such an extent that even with the same amount of money they are actually able to put less teachers in the schools. Sometime ago the Governor of every State was contacted regarding the minimum requirements for educational teaching personnel in order to provide the type program which is needed. The replies which were received indicated that the Governors of the States which replied foresee a need of an additional 15,652 teachers. There are at present 32,594 teachers in the program and the addition of the necessary 15,652 would greatly enlarge the highly important work being rendered in this field.

Of course, Federal aid cannot do the job alone. The vocational people make no pretense of this, nor do I. Federal aid in itself is only what the George-Barden Act intended that it should be—to provide an initiative for expansion of effort by State and local governments. Today, we have enrolled throughout the country 3,100,139 students in vocational courses. Of these, 755,293 are in vocational agriculture, 249,012 in distributive education, 1,327,285 in home economics, and 808,549 in trades and industries. The program throughout the country in 1953 cost $145,951,214. Of this amount, the Federal Government supplied only $25,366,459 from funds made available under the George-Barden and Smith-Hughes Acts. With this foundation of Federal faith in the program our State governments added $52,217,589 and localities put in $68,367,164. This in itself shows pointedly that our States and localities are doing more than their share in sponsoring a program which has as its simple purpose to train young men and women for services that will in effect increase our own national potential in the event of emergencies. World War II showed us unquestionably that there was a need for skilled hands and the necessary know-how in agriculture, trades, and industries, and in distributive occupations. We as a Nation spent innumerable millions of dollars in training youths and adults to equip them to aid in speedup of defense production. It was at that time that we realized as never before the value of vocational training, the pattern of which had been set up under the Smith-Hughes Act of 1917. With the war over in 1946, Congress set about to assure that in years to come we would not face again this problem. The George-Barden Act had as its purpose the provision for setting aside an annual appropriation for vocational training to be administered by the States under a program of Federal standards. This program has worked well. Our States and localities have responded admirably. They continue to do an excellent job and the cost is being borne by and large by the States and local communities. The latest figures show that for each dollar of Federal money spent in financing vocational education the State and local governments spend $4.75. This means that only 17.4 percent of the amount spent came from the Federal Government. It is obvious, therefore, that localities are assuming great responsibility for their programs.

This is not to say, however, that the need for Federal aid is diminishing. Local governments look to the National Government not for the amount of money they receive but because they have been asked by the Federal Government to assume a responsibility and they feel the importance of doing the job to the best of their ability. The very best job which vocational education can do has not yet been achieved but I believe that an even more excellent program can be administered and can be expanded if we here will demonstrate our continued confidence by raising the amount which we allocate for this purpose, all the time reminding ourselves that in so doing we are still expending in a program only about 80 percent of the amount of money which we originally intended to spend.

In offering this amendment I would also like to point out to the House that whereas the Federal Government in 1953 spent a total of $25,958,383 for vocational education in this country—George-Barden and Smith-Hughes funds—we directed the expenditure of $78,930,032 of Federal funds for foreign-aid education programs. While we were spending a comparatively small sum for the education of 3,039,347 Americans we were spending 3 times as much in the foreign-education program for only 15,410 persons. This speaks for itself. If the foreign-education programs are worthy and if they are doing a good job in training persons in other countries for a job to be done in years to come then we in this country have a right to expect by comparison a great deal more emphasis on vocational training than has yet been demonstrated.

My amendment would in some small respect be a demonstration of confidence in this program and an acknowledgment of the job that we have to do. We cannot be in the position of slowly reducing the amount of funds made available for such a worthy program when the cost per pupil to the Federal Government is only $8.17 and the job which is being done is so valuable in our time.

Mr. JONAS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. JONAS of Illinois. I am inclined to think there is considerable sentiment for the adoption of the amendment that the gentleman is offering. I wish to call attention to a telegram which I received from the director of vocational education of the State of Illinois who says:

Illinois needs increased Federal funds for vocational education. Your support will be helpful to more than 650 of the 695 high-school districts in the State of Illinois.

Knowing the director as I do, I do not think he would make this statement at random unless there were a great deal of justification for it.

Mr. ABBITT. I thank the gentleman; I am sure he is correct.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from South Carolina.

Mr. RIVERS. Would the gentleman put in the RECORD the amount of the difference between what he proposes and that which was originally proposed by the President?

Mr. ABBITT. I shall be glad to do that.

Mr. RIVERS. And the school districts affected; the loads which they have carried and their potential loads and the need for this for the fiscal year 1954–55?

Mr. ABBITT. I shall be glad to do that.

Mr. RIVERS. I have had a lot of conferences with my people and if half of what they tell me is true, this is one of the most vital of the aids that we give to education.

Mr. WAMPLER. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I am glad to yield.

Mr. WAMPLER. Mr. Chairman, I wish to associate myself with the remarks made by my good friend and colleague from Virginia [Mr. ABBITT]. I also wish to go on record in support of his amendment. I have had the opportunity to visit many schools in my district where vocational education is taught as a part of the curriculum.

I have had the opportunity to observe the beneficial effects of this program, and I feel that the House would be very wise in supporting the amendment offered by the gentleman from Virginia.

Mr. ABBITT. I thank the gentleman.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman.

Mr. JAVITS. I have a wire here from the superintendent of schools of the city of New York, Dr. William Jansen. We have over 1,300,000 school children in New York. The superintendent says:

Your support requested for amendment to House appropriation bill increasing the George-Barden vocational funds from $18 million to $23 million. This money is earnestly needed nationally for continuation of the present vocational program.

It is signed by William Jansen, superintendent of schools.

Mr. Chairman, I shall support the gentleman's amendment and would urge other members from cities to also support it in view of the distinguished support which this amendment has received.

Mr. ABBITT. I am very glad to find myself on the same side of a question with the gentleman from New York.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I am glad to yield to the gentleman.

Mr. ASPINALL. Mr. Chairman, I should like to speak briefly in support of the amendment of my colleague the gentleman from Virginia [Mr. ABBITT] to increase the appropriation for this important part of this bill. I do this with the full realization that economy is important, and that is just what I have in mind. I fully realize that it most often appears that economy is served by showing a reduction in monetary allocations, and I do not quarrel with this generality. However, I do question the theory that you can save money or actually have worthwhile economy by not doing something that should be done for the general good. Mr. Chairman, I cannot review here all of the values of vocational education, but I should like to emphasize that these two words, for a vast number of our youth and great numbers of our adults, mean the same thing. The training they receive in their vocation is their terminal education in many cases; it is the last step in the preparation for their gainful employment. We all profit from the gain they receive in obtaining adequate employment by this process.

For others this program allows a bootstrap by which they can acquire new knowledge useful in their occupation—better farming methods, better safety methods, better work processes and training for advancement within their field of labor.

What this adds up to is this: The general economy has a vital stake in the knowledge and training of its people. We have always believed in this country in education and in training, not only for the young but for those who wish to move up the ladder in their vocation or calling. I am satisfied that the economy will be repaid manyfold for this investment we make in vocational education and in the training it provides.

Mr. CARNAHAN. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I am glad to yield to the gentleman from Missouri.

Mr. CARNAHAN. Mr. Chairman, I want to associate myself with the gentleman from Virginia [Mr. ABBITT] and would like to commend him for offering this much needed amendment. I support the amendment and urge its adoption by the House.

Mr. ABBITT. I thank the gentleman.

(By unanimous consent (at the request of Mr. MCCORMACK), Mr. ABBITT's time was extended 5 minutes.)

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. BELCHER. I want to associate myself with my colleague on the Committee on Agriculture and say to him that I am wholeheartedly in support of his amendment. I think this program is one of the finest programs we have had in the State of Oklahoma. I certainly want to commend the gentleman for offering this amendment and say that I shall support it.

Mr. ABBITT. I thank the gentleman.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. PASSMAN. Mr. Chairman, I rise in support of the amendment offered by the distinguished gentleman from Virginia [Mr. ABBITT] and wish to associate myself with his views.

Mr. ABBITT. I thank the gentleman from Louisiana.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. BROOKS of Louisiana. Mr. Chairman, I want to commend the gentleman for sponsoring this amendment. My friend comes from the great State of Virginia and is an able representative. I want to say that this is a most popular program all over the United States and I am very happy again to stand with my good friend from Virginia on this occasion in support of his amendment.

Mr. ABBITT. I thank the gentleman.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. PRIEST. Mr. Chairman, I want to express appreciation to the gentleman from Virginia [Mr. ABBITT] for bringing this amendment before the House. I hope the amendment will be overwhelmingly adopted, because this is a very important program, one in which I believe we receive more value for the funds expended than perhaps any other. The gentleman has stated adequately the very sound and valid arguments in support of his amendment, and I believe the committee will approve it by a very substantial majority.

Mr. ELLIOTT. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. ELLIOTT. Mr. Chairman, I want to commend the distinguished gentleman from Virginia [Mr. ABBITT] and to associate myself with the effort to pass this amendment.

I represent a rural district where the program of vocational education means so much to us. This program gives us something practical. The courses in vocational agriculture, in home economics, in trade and industrial education are all of the utmost importance.

I had the privilege just a few days ago of urging the Subcommittee on Health, Education, and Welfare of the House Committee on Appropriations to increase the appropriation for vocational education to a minimum of $25 million. This amendment raises it to $23 million and a little over. I think the amount should be larger, because the need is larger, but if we can add this $5 million on to the program it will be a fine step in the right direction.

We must pass this amendment. We must add the $5 million to the appropriation for the upcoming fiscal year 1955, which begins on July 1. I have a sense of urgency about the matter because even though the 7th Congressional District of Alabama has 48 teaching units of vocational agriculture, it needs 12 new units immediately. The district

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which I represent has 44 units of home economics education, and yet it needs immediately 17 additional units. We have 8 units of trade industrial education, and 1 unit of distributive education, but we need more of these units to fulfill our needs and bring the rich oportunities of this program to more boys and girls. Our colleague, the gentleman from Georgia [Mr. BROWN] ably pointed out a few days ago that this is the program where we can save coppers and waste the pure precious gold of American youth and its ambition.

This increased appropriation will enable, I hope, at least some of the need in the Seventh Congressional District of Alabama to be met. Likewise, it will enable the unmet needs in other congressional districts to be at least partially met.

The only regret I have about this matter is that we are not doubling the program of vocational education.

While I am on my feet, Mr. Chairman, I also want to say that I will support the Fogarty amendment to be offered later to increase the appropriation for vocational rehabilitation from $21 million to $23 million, and another amendment to be offered by the gentleman from Rhode Island [Mr. FOGARTY] to repeal the dangerous rider enacted on this appropriation bill last year and requiring that the individual States put up at least 75 cents for each dollar of Federal money that goes to a State under the vocational rehabilitation program. This rider was and is dangerous because it would mean that 980 fewer people would be served by the Alabama program alone. Two hundred and fifty fewer people would be rehabilitated in Alabama next year. I have this information from the Honorable O. F. Wise, able supervisor of vocational rehabilitation in Alabama.

Mr. Chairman, it is unwise not to adopt both Fogarty amendments.

I have had the privilege during this Congress of serving on a subcommittee on the problems of the physically and mentally handicapped of the House Committee on Education and Labor. We have taken days of testimony on this question. We have looked at facilities for the handicapped in New York, in Virginia, in Georgia, and in Alabama. Mr. Chairman, as a Nation, we have barely scratched the surface in the field of human rehabilitation.

The United States is rehabilitating about 65,000 people each year, but there are about 250,000 capable of being rehabilitated. When rehabilitated these people go from the welfare and relief rolls to the rolls of the taxpayer. Actually, it can be scientifically proven that over the long run the rehabilitation of our citizens does not cost anything. The returns to the Treasury in taxes from their employment will repay Federal and State Governments every dime it costs to rehabilitate them. Why, then, should we hesitate? Why should we not go all out to do what is necessary to actually have a top flight program in rehabilitation? The passage of these amendments will be a good start.

Actually, Mr. Chairman, we are living in an age when there is no excuse for mass unemployment. Unemployment is spreading rapidly over the country. In Alabama alone there are 14 communities now on the critical or distress list from the standpoint of unemployment. Unemployment is a problem that this Congress must soon deal with. My home county of Walker County, Ala., has very disturbing unemployment. It is classed as a critical area. It needs help. The Federal Government should immediately go to the aid of such communities. There are needed public works and public improvements, river, flood control, and other projects that need building immediately. The vigorous prosecution of such a program now would relieve much human misery, and would at the same time prevent the spread of unemployment to other areas. Make no mistake about it the cancer of unemployment is spreading rapidly. Nearly 4 million people are unemployed. We must stop the spread of unemployment. We must aid areas of already serious unemployment.

Mrs. PFOST. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentlewoman from Idaho.

Mrs. PFOST. Mr. Chairman, vocational education is an important and integral part of the educational system of Idaho. Many businesses, industries and farms depend heavily upon this program to prepare for them the workers they need. Hundreds of young men and women in the State count on it to give them training and skills with which to earn their own living. Still others draw from it the know-how which will make them better future farmers and better future homemakers.

To seriously curtail this program would be to deprive the State's industry and agriculture of a main source of new, trained manpower, and the State's young people of an established means of preparing them to earn their own living.

I therefore urge, Mr. Chairman, that the amendment to add $5 million be adopted.

As an indication of the scope of the vocational education program in Idaho let us consider a few figures. Sixty high schools are teaching vocational agriculture. At least 40 of them have courses in vocational homemaking. Many others are requesting the introduction of such courses—or the expansion of those they already have. In addition, a number of high schools have courses in trade education, notably in auto mechanics.

Some of the colleges have more extensive training courses for the trades. At the Idaho State College in Pocatello, for example, there are 22 teachers in vocational education, with courses in auto mechanics, airplane mechanics, cosmetology, diesel engine mechanics, radio and television repair, electronics, secretarial training, sheet metal and body fender repair, and carpentry.

At Boise Junior College there are machine shops, sheet metal shops, body fender shops and furniture shops—to name only a few.

To cut down the vocational education program in Idaho—to jeopardize it in any way—would be a serious blow to my State. It is a strong right arm in our educational system. I therefore urge the adoption of this very important amendment.

Mr. FOUNTAIN. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from North Carolina.

Mr. FOUNTAIN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Virginia [Mr. ABBITT] increasing the appropriation provided in H. R. 9447 for vocational education from $18,374,511 to $23,673,261. This is the top increase which I advocated in my testimony before the subcommittee studying this subject.

I am one of those who feels that the Federal Government should not be called upon to provide assistance to the States when the States are able to provide such help for themselves. Whether in the field of education or otherwise, I believe that every State should do everything it can for its people before asking for, or expecting Federal aid. Even after our States have done that, in many instances, I doubt the advisability of Federal aid for a number of reasons.

However, Federal assistance in this field is now a recognized necessity. I hope that some day our States will be able to carry this program on without Federal assistance, although I doubt that such will be the case for many years.

I have voted against many increases sought in amendments from the floor on appropriation bills. I believe we must rely to a great extent upon the recommendations of our committees. I have repeatedly voted to bring about economy in our governmental operations, but this is a field in which I believe we cannot afford to be pennywise and pound-foolish. We must not engage in false economy. We already know what vocational education has meant to thousands upon thousands of boys and girls who cannot afford a college education.

I was very much disturbed when I learned that this year the administration had again recommended a severe cut in the Federal appropriation for vocational education. While the cut of $1,173,260 proposed was not as large as the proposed cut last year, it was nevertheless serious.

My personal observation of the vocational education program in my own State, after seeing these programs in action, and during my experience of three terms on the North Carolina State Senate, has convinced me that this program merits Federal support. I sincerely believe that the moneys which have been allocated to North Carolina from appropriations for vocational education have been wisely and economically spent. I know of no program, with Federal aid, which has made greater progress and which is doing more for the building of a better North Carolina and a better America than the vocational education program. These appropriations have enabled many boys and girls to learn to earn a livelihood and thereby boost our State and National income. College preparatory secondary education has proved to be insufficient to cope with pupils of all intellectual levels. Consequently, one of the most vital phases of our public educational program is that of

vocational education, especially when more than 6 million pupils are enrolled in our Nation's public high schools. I understand that high-school enrollment has doubled and then redoubled during the years following the passage of the Smith-Hughes Act. Vocational education is rapidly becoming more and more important and its need is becoming more and more intensified because of our changing pattern of occupational employment. The States need encouragement in this field. I think all of us appreciate also the importance of vocational education to our national defense program. It looks as though we will always need a standby supply of skilled workers. Consequently, while the States are and should continue to assume the larger burden and cost of vocational education, it has a national aspect and a national impact which should not be overlooked.

The main point of contention last year, and I suspect again this year, is whether or not this program should continue to receive Federal aid. Certainly, most of us are in agreement that vocational education is an effective and an important program which should be continued. If we believe in the program and if we believe it is deserving of Federal assistance, then we should not hesitate to provide adequate appropriations. If Congress is opposed to Federal assistance, then it should reverse its policy. However, I do not think a worthwhile program should be destroyed by indirection in the form of such severe appropriation cuts that its effectiveness will be destroyed.

I know it must have been a struggle for the early leaders in the States to get these programs started some 35 years ago. I also feel sure, had it not been for Federal grants which encouraged the States, the beginning would have long been delayed. All of those persons in the States who have had any part in the operation of this program, or who helped to provide the State and local support, are so accustomed to thinking of this program as a partnership affair between the States and the Federal Government that I fear the program would suffer if Federal support were now weakened in the least; particularly, when the facts tend to justify greater help. In fact, it appears to me that the need for further expansion of this program may be greater today than it ever has been at any time in our school history.

While vocational education was not specifically mentioned in the President's budget message, it was implied that Federal support for this program should be discontinued by 1955 or 1956. I now feel confident that this would be a serious mistake, unless there is an almost miraculous change in the present picture and the financial ability of the States.

In many respects, all of the subjects which are included in this great program are so involved by their contributions to the national economy and the general welfare of this Nation that they are entitled to Federal support. Agriculture, for example, in many respects is the basis of our national economy. Control of production of agricultural products is geared to protect the national welfare. In emergencies where more food and fiber is needed, all farm agencies respond to the national leadership when requests are made. At other times, when surpluses are excessive to the point that reasonable values are threatened, acreage controls are suggested and again the farm agencies respond. Vocational agriculture always participates in these emergencies. There is Federal support of all other farm agencies. I do not question that support. I am for it, but I do contend that since vocational agriculture is so actively engaged in an organized educational program which involves in-school farm boys, young adult farmers, and adult farmers that this program is equally eligible to receive Federal support.

The training for the skilled trades affects the skilled worker who either in peacetime or national emergency is indispensable to the national welfare. The productive capacity of our industries was a decisive factor in our winning World War II. The training resulting directly and indirectly from programs made possible by the Smith-Hughes and George-Barden Acts had much to do with making that production possible. We must not forget that many large industries are interstate in character and that skilled workers migrate. This program, which has many implications for national concern, must be kept strong. It needs much further development and the support which results from Federal aid.

There should not be any question raised about homemaking education. The future citizens of this Nation will be a reflection on the kind of homes we have today. The only organized training educational program designed specifically to train homemakers is the program of vocational home economics. Because of the direct influence on the national character of our citizenship, this program needs continued Federal support.

In discussing the distributive education program, I want to attempt to make two points. One is that lack of interest and Federal support by Congress affects adversely the State support, and the other point is that distributive education also deserves Federal support.

In support of my contention that lack of Federal interest and support weakens State support, I am told that a national survey revealed that in a great many States the legislature did not make up the loss caused by the Federal cut in distribution and the programs were curtailed. In North Carolina, during the 1953 year, the State operated its distributive education program with $23,000 less money than it used during 1952. It was necessary to shift some of the customary State support to the local communities and to reduce the number of teachers employed. During the year—1954—there is available only $15,000 more for this program than was available 4 years ago. The increase for this program during the 4-year period was only 15 percent while the average for the other three programs was 35 percent. There is no doubt but that the State was influenced by the national action.

Congress in good faith endorsed distributive education by authorizing an appropriation for it when the George-Barden Act was passed in 1946. When we stop to analyze the importance of effective distribution to our economy, it is difficult to understand why there is any question raised about the inclusion on an equal rank with the other vocational subjects the training for jobs in distributive occupations. Mass production, for example, so important to this Nation, is not possible without effective distribution. Selling, like all other types of jobs, has been affected by technology, and the salesman, to be effective, must be trained. The men who manage any business involving distribution, along with the public it serves, want well trained personnel.

Training increases the salesman's effectiveness; he and the business earn more and the public is better served. This type of situation duplicated all over the Nation affects favorably our national economy.

Boys and girls who desire training for distributive occupations are just as deserving as are those who plan their careers for other vocations. Training for those should not be denied.

By the $1,173,260 Federal cut proposed originally, North Carolina would have lost from its State allotment $53,497. To many this may seem to be a small cut; but this $53,497 affects the employment of 20 teachers. The North Carolina General Assembly has already made its appropriation for the 1954–55 budget and will not meet again before the 1954–55 fiscal year begins. There was very little provided for extension of services. In addition to the fact that no new teachers could be employed, regular salary increments for teachers would be jeopardized.

I believe that adequate Federal support of these programs is about the finest investment made in North Carolina in the field of education. I feel sure that such is also the case in most other States. Federal investment in this essential program has brought, and in my humble opinion, will continue to bring returns or dividends far in excess of the monetary amount of the investment. Because of my deep convictions about this program, I am therefore happy to support the increase provided by the proposed amendment of the gentleman from Virginia. It will make possible additional teachers which are so badly needed in North Carolina. I therefore urge this Committee to give its most serious consideration to this amendment. I hope it will pass. I believe it will pass.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from Oklahoma.

Mr. ALBERT. I want to compliment my colleague on the Committee on Agriculture for bringing out this amendment and to associate myself with him. I hope the amendment prevails.

Mr. O'HARA of Illinois. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. O'HARA of Illinois. Mr. Chairman, the gentleman's remarks and his amendment will be very pleasing to the people of the Second Congressional District of Illinois who have written me and

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wired me urging my support for this amendment, which I give with the sense that my action is stoutly in the public interest. May I express my appreciation of the fine presentment of the subject made by the gentleman from Virginia. I understand that later an amendment will be offered to prevent disabling reduction of funds available for vocational rehabilitation. It likewise will have my support. I am confident that my vote for the present amendment and the one later to be offered by the gentleman from Rhode Island [Mr. FOGARTY] will meet with the wholehearted approval of the men and women of the district I have the honor to represent.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman from Minnesota [Mr. H. CARL ANDERSEN] very properly said this is a very important amendment. I thoroughly agree with him. In fact, it is so important it should be adopted.

Mr. MILLER of Kansas. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. MILLER of Kansas. I would like to identify myself with this very popular program. I am quite sure we are not going to have a record vote on it.

Mr. Chairman, it is with much satisfaction that I rise to support this amendment increasing the Federal appropriation for vocational training. Now that more and more youth of the country are given opportunity, even compelled to attend school for a longer time than formerly, it is all the more important that they be given opportunity to learn some of the arts of making a living.

Formerly it was the custom that every male child should learn a trade and the custom of apprenticeship was a universal custom. With the arrival of universal education that custom has been discontinued, but the basic reason for its existence in the past remains with us.

While the arts and customs of making a living have changed, the necessity remains. There can be no more important undertaking on the part of the Federal Government than that of sharing with the several States the responsibility and expense of contributing to the vocational training of the young people of the Nation.

I shall support the amendment offered by the gentleman from Virginia to increase the participation of the Federal Government in that program.

Mr. WAMPLER. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from Virginia.

Mr. WAMPLER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks made earlier in support of this amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from Illinois.

Mr. BUSBEY. I wonder if the gentleman from Virginia would enlighten me a little bit as to how all the Members of the House received telegrams urging them to support the gentleman's amendment in advance of his offering the amendment.

Mr. ABBITT. I would say to the gentleman that my knowledge as to the minds of others is limited. I would not be able to answer how these other gentlemen arrived at their decision.

Mr. BUSBEY. We do not always receive these telegrams just out of thin air in advance of someone's offering an amendment.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Is it not a fact that our constituents throughout America have a right to send us wires and express their ideas on various amendments?

Mr. ABBITT. They certainly have.

Mr. LONG. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from Louisiana.

Mr. LONG. May I say to the Chairman that I do not think the wires were addressed to this particular amendment, but I have more than 100 telegrams asking for some kind of amendment to raise this amount even to as much as $29 million?

Mr. BUSBEY. I have reference to the telegrams naming the specific amount in advance.

Mr. POFF. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from Virginia.

Mr. POFF. Mr. Chairman, as the Representative of the people of the Sixth Congressional District of Virginia, I take the floor, as I did last year, in defense of the vocational education program. Our people are sound, sensible, and conservative and they are outspoken in their demands for economy in Government and a balanced budget. At the same time, they are united in their individual and collective concern over our Nation's educational processes.

Last year the Congress restored the proposed cut in the vocational education budget, and I was pleased to have had a small part in assisting the cause.

It is difficult for me to understand why a further cut was proposed this year. According to a press release dated March 11, 1954, issued by the Secretary of the Department of Health, Education, and Welfare, each State and Territory will receive under proposed legislation a net increase in Federal-aid-to-States appropriations ranging from 7 percent to 115 percent. In the field of education, there will be increases of 6.9 percent in the administrative expenses of the Office of Education, 21.6 percent in vocational rehabilitation, and 23 percent in the extension service under the Department of Agriculture. Yet it is proposed to decrease funds for vocational education. Why? The logic of this plan completely escapes me.

This cut cannot be excused on the ground that it is minor. True, it would cost the State of Virginia only $34,487 during the next fiscal year, but the loss would not be monetary but cultural. The relatively small amount of money is not at issue; rather it is the principle which is at issue. Why should this particular phase of our overall educational program suffer while other phases are being expanded? At this point, I do not want to be misunderstood to be in opposition to these expansions. Indeed, I support every economically feasible aid to our educational program so long as direction and control is retained at the State and local levels. In speaking of the principle involved, many of us who are champions of the vocational education program fear that the decrease in funds for that project on the one hand and a concomitant increase in funds for other educational projects on the other hand prophesies a trend of gradual deemphasis which ultimately might lead to the complete emasculation of the vocational education program.

For fear of being called narrow-minded or isolationist, I hesitate to make the next point. But speaking my earnest convictions and in the discharge of my duty as I see it, I must say that I think it is high time we in the Congress began to think about our own American school children first and foreign students second. In fiscal year 1953, the Federal Government spent $78,930,032 for education of 15,410 foreign students, while it spent only $25,958,383 for vocational education of 3,039,347 American students. In other words, Uncle Sam spent one-third as much on 197 times as many American students as foreign students. Of course, all will agree that the foreign student exchange program has done much to disseminate knowledge, expand culture, create good will, strengthen the economy of our allies, and implement our national diplomatic policy, and there again I do not want to be misunderstood as trying to discredit this program. All I am seeking to do is to point up the folly of promoting the educational benefits to foreign students at the expense of American students.

Since the George-Barden Act was passed in 1946, we have never appropriated the maximum annual authorization of $29,300,000. But for the permanent appropriation under the Smith-Hughes Act, annual appropriations in years past would not have provided the minimum funds necessary to do the job.

The vocational education program, operated as it is under State and local supervision and control, has never been the subject of a breath of scandal. The words graft, waste, and inefficiency have never attached themselves, even by innuendo, to the dedicated public servants who populate its administrative and teaching staffs. Instead this program and these people have earned for themselves the esteem, respect, and undying gratitude of their communities and the States and Nation they serve. Functioning as a partnership among the Federal Government, the State government and the local government, which jointly participate in the expense, this project is a shining example of the best in sovereign cooperation and governmental responsibility.

Not all of our young people can pursue a higher education. Not all of them can enter the fields of the arts, the sciences, and the professions. Personal preference, domestic conditions, financial restrictions, and individual aptitudes often require them to learn a vocation. For such students, training in agriculture, trades and industry, home economics, and distributive education fills a gap which otherwise might never be filled, and they would be thrust out upon their community unequipped to earn a livelihood and thus become public burdens instead of self-sustaining, taxpaying citizens.

Gentlemen, we are dealing here with the future of our children, and when we deal with that, we deal with the destiny of our Nation. I urge the passage of the amendment to provide adequate funds for this all-important program.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from New York.

Mr. JAVITS. As I read these telegrams, it just means the people of this country are very much exercised about this matter and think we should back up the gentleman's amendment.

Mr. ABBITT. This is a matter on which we should go forward.

Mr. GRANT. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from Alabama.

Mr. GRANT. I think this is a very excellent amendment. As to most of us, who have kept up with the program and know the fine work that has been accomplished, it is not necessary for us to receive telegrams telling up how to vote. We already know how.

Mr. ABBITT. I thank the gentleman.

Mr. MATTHEWS. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from Florida.

Mr. MATTHEWS. I wish to associate myself with the gentleman's views, and I certainly hope his amendment passes.

Mr. ABBITT. I thank the gentleman.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I would like to associate myself with the remarks of the gentleman from Virginia in support of his amendment for increased funds for vocational education.

The case is so strong for the program of vocational education and vocational rehabilitation that it should not be necessary to detail the arguments for these undertakings of our Government.

I am pleased to support the amendment of the gentleman from Virginia as well as the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY] on the increase for vocational rehabilitation.

Mr. ABBITT. May I say to the gentleman that it has always been my thought that if it looks like we have the votes we ought to call the roll.

The CHAIRMAN. The time of the gentleman from Virginia has again expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman from Virginia be permitted to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from Kentucky.

Mr. PERKINS. I wish to concur in the remarks made by the distinguished gentleman from Virginia. There is every reason why this amendment providing increased vocational education opportunities for young men and women should be adopted. A number of these reasons have been submitted by Kentucky's director of vocational education, Mr. James M. Patton. I wish to enter them in the RECORD here as an outline of the program to which these funds will be devoted:

JUSTIFICATION FOR CONTINUED FEDERAL SUPPORT FOR VOCATIONAL EDUCATION

I. The number of departments or schools now being served by funds appropriated under the George-Barden Act:

1. Two hundred and thirty-four departments of vocational agriculture.

2. Two hundred and sixty-two departments of home economics.

3. Sixteen vocational schools.

II. The number of people who have educational opportunities because of the George-Barden funds is 43,996. Of this number, there are:

1. Eighteen thousand five hundred and seventy in vocational agriculture.

2. Nineteen thousand one hundred and one in home economics education.

3. Six thousand three hundred and twenty-five in the vocational schools.

III. According to a recent survey of needs for vocational education in Kentucky, the program should be expanded to include the following new departments or courses:

1. Nineteen departments of vocational agriculture.

2. One hundred and twenty-eight departments of home economics.

3. Thirty-one new vocational courses in the trade schools.

IV. Many of the programs now in operation in Kentucky should be expanded. These are as follows:

1. Sixty-four agriculture departments.

2. Ninety-six home economics departments.

3. All of the programs in the area trade schools.

V. If additional Federal funds could be provided for the expanded program as set forth in items III and IV, then:

1. Six thousand three hundred and forty-six additional people could be served in vocational agriculture;

2. Thirty-six thousand seven hundred and seventy more people could have opportunities for vocational home economics; and

3. Five thousand five hundred and seventy additional people would have trade-school opportunities.

This would mean total service to 48,686 additional people over and above the present vocational program.

If it was right for Federal funds in the beginning of the program in 1917, and everyone was led to believe that it was a wise expenditure of Federal funds, then it is still right, since we haven't met the full responsibility of reaching the people who are so desperately in need of the program.

VI. It has long since been established that vocational education is a national as well as a State and local responsibility. In a recent survey of one of the area trade schools of Kentucky, it was indicated that something like 60 percent of the graduates of the school found employment in other parts of the Nation other than Kentucky. Therefore, they were offering their technical knowledge for the advancement of the Nation and not just for the advancement of Kentucky.

VII. I am sure that an increase in the budget for vocational education will manifest the general attitude of the Congress, for the Congress over the years and even in this present budget, has recognized the importance of the training of skilled technicians for foreign fields. They are to be commended for such a vision, for this program has meant much to the rehabilitation of the different nations of the world. In fact, this is one of the outstanding points on why that vocational education should be expanded in this country—because of the proven reputation of what our money has meant in the training of technicians for foreign lands.

If it has meant a higher standard of living for other people, as well as improvements in techniques that have led to increased production in industry and agriculture, then by the same token, it is a good investment for this Nation to continue an expanded financial program for the development of skilled people through an aggressive program of vocational education.

VIII. A state or a nation prospers to the degree that all of its people are trained. There is a direct relationship between the degree of skill and the earning capacity of workers. It is the aim of vocational education to work toward the providing of skills through its different training programs to the people of our State and Nation. This would, in the end, lead to a higher standard of living, a greater productive power, and a better tax structure for our State and Nation.

IX. Everyone recognizes the importance of military power when it comes to national security; however, it is rather difficult to argue for national security through military power and yet at the same time establish through practices and principle the philosophy of failing to provide sufficient funds that would lead to technical training of individuals who should operate this war machinery and provide the technical know-how to win a war and to maintain a peace.

X. The Federal acts for vocational education do, in a small degree, provide some equalization of educational opportunities throughout the Nation. In other words, we tax the wealth of the country where it is and send the money where educational services are needed and where there is insufficient wealth for such services. For example, in California, the average annual per capita income is $2,032 and per capita receipts of Federal vocational funds is approximately 10 cents. In Kentucky the per capita income is $1,135 and the per capita receipts of Federal vocational funds is 23 cents.

XI. Federal funds have encouraged local participation in the support of vocational education. For every dollar the Federal Government spends for the different vocational programs in Kentucky local communities are contributing $2. Therefore, the intent of the Federal acts to promote and develop the program is working, and if the Congress could see fit to provide additional funds so as to further encourage the development, it is reasonable to believe, based upon past records, that local communities would continue to increase their support of the program. If this could be done, then the large backlog of Kentucky's youth who now fail to have vocational opportunities in their educational system would have such opportunities and would lead materially to improving not only the economy of the Nation, but would substantially

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add to the educational programs that are now so grossly neglected in many areas.

XII. Kentucky is considered one of the leading coal-producing States in the Nation, and the coal-mining areas are suffering largely because of an economic slump that is leading to the problem of unemployment. In fact, in the eastern Kentucky coalfields about 60 percent of the wage earners are unemployed. The Federal Government can approach this problem with two different philosophies. One, we can adopt the ideas of feeding the people and thus never lead to substantially improving the economy of the area. This cannot be supported substantially as a long-range plan for the rehabilitation of the people in the coalfield. Second, the Federal Government can take a long-range view and provide through increased appropriation of vocational funds education opportunities to the youth of the unemployed areas.

The development of skills of the people would lead to the development of other types of industries that would in the end provide employment. It is a proven fact where there is a backlog of skilled labor that unemployment is held to a very minimum. It is strongly recommended that the Federal Government take the long-range view, taking steps to provide educational and employment opportunities to the people in the coalfields in Kentucky. If this isn't done, the problem will progressively get worse and will naturally lead to other complications of our society. Disease, crime, juvenile delinquency, and wrecked homes will be the end result of a short-sighted view of the problem involved. The people in these areas are a proud people and they are looking to the Federal and State educational leaders for guidance in solving the problem. To increase the funds for vocational education would be one of the many steps forward that should be taken toward developing ways and means of meeting the needs of the people in the coal mining areas. To shut our eyes to the problem is inviting disaster and that we cannot do. We very often get disturbed because of the destructive power of atomic energy. The most dangerous force, however, that is destroying many small communities in Kentucky is the economic and educational strangulation of the people. This is taking place quietly and does not present a sensational problem as the loud noise of an atomic explosion, but yet at the same time, forces are at work that are doing just as great a damage to the lives of the people. It is rather difficult for us, in places of leadership, to sense the problem because it is coming on us and having its effect in a gradual silent manner. In a disaster from a major explosion, flood, or fire, perhaps we would be rushing all the forces of government, both State and National, to the disaster area. This hasn't happened, but yet through unemployment for the wage earners in the coalfields, it is bringing about a major destruction through economic disaster.

XIII. The atomic age that we are in should convince all of us that there is a continuous desperate need for preparedness. This preparedness should go further than the Armed Forces. I am sure that the administration recognizes the importance of technical skills in agriculture, in home mangement, and in individuals who are to man the Nation's industries. Money spent on these programs is just as vital to the lifeline of the Nation as money expended on the Armed Forces. The next war, if there should be one, will not give us time to establish a war training program. Therefore, the only safe way is to adopt a philosophy of continuous training for a total defense of our Nation. It is hard to analyze how we can have continuous training with expanded facilities to meet present-day needs without providing sufficient revenue for conducting and expanding the different vocational programs throughout the country. I am sure that after the Congress has had a chance to reflect and determine the desperate need for continued development in different vocational areas of training that it will vote additional funds for continued expansion. In the face of such a need for vision, courage, and trained minds, we cannot afford to turn our faces backward and neglect the youth of the Nation and expect to remain strong. Therefore, I, together with hundreds of other leaders in the field of vocational education earnestly urge the Congress, in the light of the contribution that vocational education has made to our economy and in view of the fact that there is desperate need of keeping our people in continuous preparedness, that Congress give serious consideration to voting additional funds for an expanded program in the field of vocational education.

Mr. TEAGUE. Mr. Chairman, I wish to speak in behalf of adequate appropriations for the vocational education programs operated by the State boards of education under the Smith-Hughes and George-Barden Acts. I can think of no example of Federal expenditures where we have gotten so much for so little, and I have no information whatsoever that indicates that the time has come to deemphasize these programs. If anything, these programs should be strengthened.

I have had an opportunity to observe firsthand the results of the vocational agriculture program in my own district. A great many of our young farmers today are graduates from the vocational agriculture program. The scientific practices of crop and livestock management, insect control, soil conservation, and farm management which have done so much to raise the productivity of our farms had their beginning in the high school agriculture classroom.

We spend great quantities of money in this country at the Federal and local level to provide educational opportunities in colleges and universities to a relatively small number of our young people. In my opinion, we have done far too little in providing educational opportunities for those students who are not financially able or mentally equipped to enroll in higher education. The bulk of the vocational trades training in this country is directly dependent in part on funds provided under the Smith-Hughes and George-Barden Acts. I certainly hope that we can continue a strong trades and industrial education program in our public schools and expand that program at every opportunity in order that the public schools can support the industrial and technical expansion of our country by providing trained technical personnel. The vocational education program supported jointly by the Federal and State Governments is an outstanding example of Federal-State cooperation. I certainly hope that the House will act here today to reaffirm its support of these fine programs.

Mr. BUSBEY. Mr. Chairman, I wish to state that my good friend from North Dakota [Mr. KRUEGER] over the years has had a sincere interest in the vocational education program. He is to be commended for his interest.

Mr. KRUEGER. Mr. Chairman, first, I want to say a word for my friend, FRED BUSBEY, and the good work he has done on this Labor-Health, Education and Welfare bill. He has worked extensively—long hours, 12–14 hours a day on it, and I know he and his fellow committee members have done a fine job. With regard to one item, however, I wish he could have seen fit to spare us a little more money in the vocational education field. We all like to see something for the money we spend. So let us ask ourselves. Does the end result justify the means? What better investment can we make than in the future of our young farm boys and girls? Let us look toward improving our own economy for a change. This business of tossing money away abroad I have said time and again, I am against it. To assist other countries in rehabilitating themselves, if they first want to help themselves is fine, especially if we have the money to spare. But if we have to penalize our own young to do it, then I say, look to our own first. None of us would take bread from the mouths of our own children to feed others. That is the long and short of just what we are doing if we do not see that this program has the funds to take care of those who are willing and able to take advantage of the training offered. This is very important to my own State of North Dakota. Many small communities would suffer economic and social setbacks in other States as well as my own if these funds are not increased, and the matching ratio restriction relating to vocational rehabilitation removed.

Many of the youth of our Nation—the farm boys and girls would not have these advantages to learn technical training and skills in these various fields—distributive education—retailing—trades and industries, if it were not for this program. Let us provide for our own. A nation is only as strong as its food producing and industrial capacity will permit. Let us make it strong in an educational way, and the other will follow. Let us equip these young people to apply new and improved methods in farming—new and improved methods in homemaking. Family life is the very basis on which our Christian living is founded. None of us can quarrel with the teaching of our young to be good, responsible homemakers.

I was glad to see this supplemental request come up from the President increasing the funds available for this program to the same amount as last year. But I would like to see us do better than that. I feel we can well make a wise and prudent investment in the future of our young farm boys and girls—in America's future—the future farmers and homemakers of America. Let us increase these funds and remove the restrictive matching ratio for Federal and State vocational rehabilitation funds which causes a hardship in many States. Let us bring it back to the basic law—remove restrictions that were never actually voted on by the House, as I understand it, but were put in in the Senate, and agreed to in conference in the House. It would be more in order if we waited to see what happens to the legislative proposals concerning this program now under consideration by the House.

I am a plain-spoken man. I like to talk facts. I believe in economy in gov-

ernment and reduction of unnecessary governmental expenditures and reducing the taxpayer's burden. I also have faith and belief in America and the Constitution on which it was founded. I believe in trying to promote its ideals, its growth and expansion, its improvement. What better way can we prove it than by putting money into a program that is something concrete—it is a human investment proposition. Proof of the pudding is what we get back in prosperous farms, good homemakers, skilled laborers, and technicians.

The Smith-Hughes Act, the George-Barden Act, both have given the Federal Government the opportunity to further develop within the States the sound program of vocational education, a program that is administered and directed by the States themselves. This program, we might say, is a form of "earning a living" insurance. It is a cooperative program, with the States largely assuming the responsibility in establishing these courses and directing them, which is as it should be.

Mr. ABBITT. I thank the gentleman.

Mr. Chairman, my reason for offering this amendment is to give the youths all over the Nation a chance to have vocational training which is needed very much. I thank the Members for their kind attention. This is an expanding program and it is incumbent upon us to meet the needs of our youth. We must not let them down in these trying times. I trust the Members will support the amendment.

Mr. CANNON. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, there is no proposal in this entire bill in which the advantages to be secured are so great in proportion to the cost as in this item. No bread cast upon the waters—no dollars invested by the Government—will come back to us with greater returns on the investment.

Lack of educational facilities constitutes one of our most pressing domestic problems. Our schools are everywhere inadequate. Classrooms are overcrowded. Instructors are underpaid. Our best teachers, no longer able to meet the increasing costs of living on stationary incomes, are leaving the profession for other employment.

An increase in funds for vocational education is especially needed. A comparatively small number of our high-school graduates—particularly in the rural areas—have opportunity to attend college. They must begin earning a livelihood in their rural communities or must leave home and endeavor, with their limited qualification, to find a place in the economic machinery of the city. Too little is being done to prepare them for that alternative.

But in local schools, where vocational training is offered in agriculture, home economics, and the trades and specialized industries, these young people are being taught to be farmers, homemakers, artisans, and other lucrative and useful occupations, and good citizenship is inevitably inculcated along with their technical education.

Our schools are fully alert to this need. But funds are lacking. Even the amounts provided under our last bill are inadequate. The demand for these courses is prompting schools, which have not heretofore carried them, to branch out to meet the need—thereby increasing the number of schools between which the appropriation must be divided. At the same time those schools already carrying vocational courses are pressed with the necessity of expanding their classes and the field of instruction and should have an increase instead of a decrease in Federal support.

There is no more imperative need for Federal cooperation. It is an investment in youth which will pay vast dividends. It will multiply the productive capacity of the Nation. We won both World Wars through superior production. Increased Federal appropriations for vocational education will stabilize production and will back up our first line of defense. It is not only a local need, it is a national need. I trust the amendment will be agreed to.

MORE FEDERAL AID TO VOCATIONAL EDUCATION

Mr. LONG. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, it seems so foolish to come here and quibble about a few dollars on education. Speaking about the telegrams and letters that we have received, I have received more letters and telegrams on this subject than anything else since I have been in the Congress. My people in the Eighth Congressional District of the State of Louisiana are vitally interested in this kind of education; and being a poor district, with people of moderate means, can make good use of this assistance. From time to time, pleas are made on the floor of the House for the poor starving people of Europe. Last year, when we were about to adjourn, there were those who were crying crocodile tears because they wanted to give permission to the President to send butter to Europe for some poor, hungry children who they did not even know existed. The children I am talking about are not mythical children—these children exist in Louisiana. These children exist all over the United States of America and I say that it is not good judgment to offer such a small appropriation. I think we should make available the maximum authorization. There would be nothing wrong about that. In a few days, they will rush in here with a scare about something happening in Guatemala and we will vote a billion dollars for anything they request. Yet, we will not vote to educate the people who are going to have to fight our battles and who are going to be needed to carry on this Government in the years to come after you and I have passed on.

One of the high points in American history is the early and profound concern of the Founding Fathers with the problem of Federal aid to education. It is this fact, among others, which renders utterly incomprehensible to me, the lean support which some Members of Congress presently propose to give to the purposes of the George-Barden Act of 1946, which authorizes annual appropriations for the further development of vocational education in the several States and Territories. The aims of the George-Barden Act evolved from the policy of the leaders in the founding of this Government. In 1785—even before the adoption of the Constitution of the United States—the Congress of Confederation adopted an ordinance providing for the endowment of schools in every township in the Western Territory. In 1787 the Congress had crystallized its policy declaring:

> Religion, morality, and knowledge being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged.

But when the Americans of 1787 said "forever, encouraged" they did not count with the prejudices of 1954 and the present budget experts who have infinite skill in being pennywise and pound foolish. When the Founding Fathers in preconstitutional days legislated for education they had a rural and agricultural and a pioneering population to deal with. Education was always important but it is infinitely more important today than it was then. Today, our economy is complicated, mechanized, complex, involved with technical and engineering problems undreamed of in 1787. It calls for precisely those skills and training which the George-Barden Act, adequately financed out of Federal funds, seeks to provide. Why do I mention this early American concept of Federal aid to education? I mention it to throw the facts of history into the teeth of those who associate legislation like the George-Barden Act with creeping socialism or with measures they hope to smear by characterizing them as products of new dealism, leftism and, for all I know, even communism. I will oppose, at the side of the most conservative Member of this House, any effort, every effort, to concentrate powers in the Federal Government that belong to the States, or to weaken the States by having the Federal Government perform the functions that properly belong to the States. And I will fight all the way from Dan to Beersheba and back again any legislation that smacks of the faintest taint of socialism.

But by the same token, I charge that it is bearing false witness to put the George-Barden Act in a category with the type of legislation that is inimical to rugged Americanism. As the Founding Fathers showed in dealing with perhaps the most ruggedly individualistic generation in the whole history of our country, Federal aid to education is the warp and woof of the American ideal. The generation they dealt with and the particular group of Americans they legislated education for were the pioneers about to inhabit the Western Territory, and the Americans trekking into the Northwest Territory. Let us therefore have done with befouling a good law with a bad name. Vocational education for all is as necessary to the preservation of our country, a democracy, as a system of defense for all; and it is an obligation of the Federal Government to see that both are provided.

In this basic job of providing education, the States have a role to play and the Federal Government has a complementary function to perform by applying some of the financial sinews for the task

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of uplifting American youth. By uplifting, I means helping them to create for themselves a better standard of living and, at the same time, training them in those skills which are indispensable to the national defense. For in war as in peace, our economy has a mechanical and an engineering foundation. The George-Barden Act is aimed at advancement of vocational education throughout the United States and its possessions. It authorizes moneys for administration, supervision, teacher training, vocational guidance and instruction, "and for establishing programs for apprentices, and the purchase or rent of equipment and supplies for vocational instruction." We have reached a point in our development as a Nation where we need both men and machines to preserve the peace or to fight a war. There must always be ready behind our machines, whether for war or for peace, a highly skilled and highly trained mechanical reserve to master the machines.

The State of Louisiana has 514 school-age children per 1,000 wage-earning adults. The average for the 48 States is 403. What this statistic means is that Louisiana has a heavier educational workload, so to put it, than the average of States in our Union. Many of our States have heavier educational loads than others. It means that unless the Federal Government steps in through the George-Barden Act, increasing the appropriation under the act, not decreasing it, there are thousands of children in our neediest areas who will be deprived of adequate vocational training. They will by that much be a burden to themselves, to their families, to their States and to the country.

I consider it a decision against the public interest and the welfare of our country to reduce the appropriation under this highly meritorious legislation. I want most emphatically, here and now, to register my support in favor of an appropriation on the sunny side of education in America and not on the side of the shadows dwarfing the competence and dignity of our young people by denying them the education and the training to make them better citizens.

Let us not quibble about this thing, let us vote unanimously for this amendment.

Mr. JOHNSON of Wisconsin. Mr. Chairman, I wish to speak in support of the amendment to increase the appropriation for vocational education to $23,673,261. If the amendment is adopted, it will mean an increase of only $5 million over the amount appropriated for fiscal year 1954.

More than 5,000 high schools serving rural youth are without programs of vocational agricultural education, and more than 7,000 high schools have no programs in home economics.

It is my opinion that the work being carried on in the field of agriculture and homemaking education is extremely important to rural people and the Nation in this highly technological age. This point takes on added significance when it is considered that our rural population is declining in proportion to the rest of the country.

At the present time only about 400,000 farm boys are enrolled in vocational agriculture. If every farmer-replacement is to have the advantages of vocational training in agriculture at the high school level, this number will have to be increased to 1 million.

Incidentally, I should like also to observe that with wholesale migration of youth away from farms into urban and city areas, it is equally important to provide adequate Federal financial support to other phases of vocational education. Rural youth who leave the farms will need vocational training to acquire skills which will enable them to become productive and useful citizens able to make a living in their new environment.

In defense of an adequate vocational educational program, I should like also to say that it is not enough to conduct research at one end unless there are people at the other end who can put the results of research into practical application at the farm level. The value of research must be imparted to the rank and file of farmers. Vocational agriculture education is one of the most effective methods of doing this job for the young people.

One has only to study the statistics on formal educational in the United States to realize that there are certain shortcomings in our educational programs. According to the United States Bureau of Census, persons 25 years old and older had—on the average—a little more than 9 years of formal education. As a matter of fact, the exact figure was 9.3 years. This represents an increase of less than 1 year over the 8.6 years of schooling for this same age group in 1940.

Differences among States ranged from an average of 12 years in Utah down to an average of 7.6 years schooling in Louisiana and South Carolina. Obviously, these figures point up very sharply that the great majority of the adult population does not attend college. This emphasizes the need for increasing funds for vocational education.

There appears to be a theory prevalent that local and State funds are adequate to provide for vocational education, or that the local and State governments can raise the necessary taxes to provide such funds. This is an erroneous assumption because local and State governments are faced with very serious problems today in increasing their tax base. The Federal Government's tax base represents a terrific load on our citizenry.

Thus, if the Federal Government does not provide some help, I am very much afraid that vocational education programs will suffer very much—even in the States that are vitally interested in this type of work.

In closing, I should like to place in the RECORD at this point, two telegrams which I have received. One is from Mr. Voyta Wrabetz, chairman of the Wisconsin Industrial Commission. The second one is from Mr. C. D. Rejahl, executive secretary of the Wisconsin Association for Vocational and Adult Education. Here is Mr. Rejahl's telegram:

It is important to the Wisconsin program of vocational rehabilitation that the recommended budget figure of $23 million be allowed this year, and that the present requirement that the States provide 75 cents for each $1 of Federal money be repealed until satisfactory arrangements can be made in our State. We respectfully urge you to vote for repeal of the restrictive language and for the full appropriation of $23 million in order that the physically handicapped of this country and State may be properly served.

Signed by C. D. Rejahl, executive secretary of the Wisconsin Association for Vocational and Adult Education.

I would also like to place in the RECORD a letter by Mr. Verne C. Fryklund, president of Stout Institute, a college specializing in home economics and manual training and located in Menomonie, Wis., in the Ninth Congressional District. While President Fryklund's letter deals in part with the objectionable features of Senate bill 3271 which would eliminate Federal supports for various vocational education programs, it also gives an excellent analysis of the needs for Federal encouragement for education. Mr. Fryklund's letter reads as follows:

Congressman LESTER JOHNSON,
House Office Building:

As to fiscal 1955 operation of Wisconsin's unemployment compensation and employment service programs. If grants to States are again limited and restricted as just recommended by House Appropriations Committee, you are hereby on notice that tens of thousands of Wisconsin citizens will, when unemployed in fiscal 1955, again blame their own Congressman and both their Senators when they again experience inadequate service and benefit payment delays, like those resulting from slashed 1954 appropriations, which produced widespread protests this year.

House committee has recommended only $200 million basic amount, to do the same work in 1955 which was poorly done at a higher cost in fiscal 1954. Further, costs will be higher in 1955, even to do that poor a job.

Committee unwisely cut basic amount $10 million below request, but increased contingency amount by $10 million, to be $16 million. That shift makes a big operation difference.

Eisenhower 1955 budget called for $210 million basic amount, plus $6 million contingency.

Those Eisenhower amounts can and should be restored on House floor, by simply shifting $10 million from contingency to basic, without changing total.

Urge you support that vital transfer.

VOYTA WRABETZ,
Chairman, Wisconsin Industrial Commission.

THE STOUT INSTITUTE,
Menomonie, Wis., May 12, 1954.

Hon. LESTER JOHNSON,
Wisconsin District Representative,
House of Representatives,
Washington, D. C.

DEAR MR. JOHNSON: This letter refers to S. 3271, a bill sponsored by Senator SMITH of New Jersey to promote and assist in the improvement of vocational education and to make more effective use of available Federal funds in the United States and its Territories. This bill may reach the House soon.

This bill proposes to eliminate Federal support under the Smith-Hughes and George-Barden laws and amendments after a period of 6 years.

S. 3271 should not be passed for the following reasons:

1. It would eliminate Federal support to a form of education necessary for 40 percent

of the male workers of the United States. It is education of less than college grade.

(a) Vocational education prepares workers in the know-how of processing raw materials into finished goods.

(b) It also includes education in agriculture, homemaking, and distributive occupations.

(c) It is a national problem and responsibility therefore.

2. Were it not for these Federal laws supporting vocational education, the United States would not now be in such a strong position as a leader in world affairs, and our make ready in time of war would have been slow, indeed.

(a) Much credit must be given Federal support to vocational education between War I and War II for the quick preparation made possible for War II.

3. Every nation must support technical education as well as academic education. Federal encouragement had to be provided in the United States because the educators early in this century would not accept it as worthy of a place because it was assumed to be devoid of instructional content. There are many who still think so.

(a) On the contrary, vocational education is full of instructional content and requires special understanding and skill on the part of its special administrators and teachers.

4. S. 3271 proposes to take administration out of the hands of the specialists and place it in the hands of the general administrators which could easily make a project out of it not unlike NYA, which was one of the doubtfully educational projects of NRA.

5. If Federal subsidies to the States are to be eliminated, it certainly is unwise to start with educational legislation affecting the man on the street who is the one who benefits most from the Federal vocational laws. We should start higher up.

6. People with vocational skills must be ready to, and do, move from State to State, therefore vocational education is a Federal responsibility. Several States that need vocational education could not possibly carry on a program without assistance.

7. It is said that vocational education is now established in the several States. It is not fully established in the minds of educators who have objected to the necessary Federal controls.

(a) The controls are necessary lest the funds be misused and diverted to other channels. Most administrators are not vocational educators and do not know the techniques of the program, nor do they see need for controls.

(b) History shows that because of lack of controls, Federal land grants to the States for educational purposes prior to the Smith-Hughes law were grossly abused by sale of lands so cheap that funds did not accrue to education. The vocational education acts were written to prevent similar abuse. It must be kept in mind that education desired and needed by most male workers, is protected by such controls.

Bill S. 3271 is an unwise proposal. It will hurt the United States if passed, and, of all time, when technical education must be encouraged rather than discouraged the Federal vocational subsidies should be preserved. To pass this bill will hurt too many people.

Sincerely yours,

VERNE C. FRYKLUND,
President.

Mr. JONES of Alabama. Mr. Chairman, in 14 Southern States, we have a larger percent of our population classified as rural than any other similar area in the United States. Also, there is a higher rate of farm tenancy in this area than that of any other area of our Nation. The income of the workers in the South is small in comparison to the other areas. Associated with farm tenancy and low income is a standard of living that is low in comparison to that enjoyed by other people of the Nation. Many of the problems of the Southern States can be solved through education to develop the ability of the masses of our people to perform the work of the Nation's occupations. The greatest assets of the South that enter into the production of wealth are human and natural resources. The full utilization and conservation of both in every area of this Nation are essential to our welfare and security. If we are to retain the position that the United States has in world affairs and have the ability to cope with the problems we are facing today, our lack of manpower in comparison to that of other nations of the world must be offset by the proficiency of our workers and by technological developments.

Vocational education as it has developed in this country since the passage of the Smith-Hughes Act in 1917, to provide for the promotion of vocational education, has made a notable contribution to the development of the abilities and skills of our working people. The accomplishments as a result of the stimulation of the Federal funds that this basic act appropriated were indeed notable. Therefore, the Congress of the United States felt justified in passing the George-Barden Act in 1946 to help meet the need for the further development of vocational education. This act authorized the Congress to appropriate funds in the amount of $10 million for vocational education in agriculture; $8 million for vocational education in home economics; $8 million for vocational education in trades and industry; and $2,500,000 for vocational education in distributive occupations. The act also authorized appropriations to provide minimum allotments to the States in the amount of $40,000 for agriculture, home economics, and trades and industry, and $15,000 for distributive education. While the Congress was authorized by the George-Barden Act to appropriate $29,300,000 for the further development of vocational education, it has never appropriated in excess of $19,842,000. In fact, there was a decrease in the amounts in 1952 and 1953 at a time when States were in need of additional funds for the further development of vocational education.

Vocational education has played a significant role in helping to change Alabama from one of our Nation's economic problems to one of the promising States. Throughout the years, all phases of the program have been staffed by competent and effective administrators and teachers. The local schools throughout the State have been stimulated and helped by Federal funds to provide vocational training to meet the needs of the individuals in the communities.

Three hundred and eight departments of vocational education in agriculture have been established in our State. Programs of instruction for high-school boys to prepare them for farming and for the adult farmers to improve themselves in farming bring to these groups the vast amount of scientific information that has been developed by our experiment stations and from other sources. The education and training these farmers receive develops their ability to produce and, at the same time, conserves our soils and other natural resources. The Future Farmers of America organization for our high-school students of vocational agriculture is helping to develop the leadership that is needed in our rural communities. There is a notable improvement in the standards of living of the farmers of Alabama who have had the advantage of this sound educational program in vocational agriculture. Our job has not been completed. As an example, the State officials report to me that they have applications for about 54 new departments of vocational agriculture and that 60 departments are in need of additional teachers.

The vocational home economics instruction that is provided in the secondary schools of our State is helping prepare girls for vocational homemaking, the vocation which the majority of girls enter. The program of vocational homemaking in Alabama is designed to improve family life. It is making an outstanding contribution to the improvement of family nutrition, housing, clothing, family relationship, and other recognized values of family living. We have in Alabama 297 departments of home economics scattered throughout the State. The schools where these departments are located employ our competent and well-trained young women as home economics teachers. I am informed that the State has requests for 97 additional departments and that there are more than 100 departments that need additional teachers to provide instruction for the girls in the public secondary schools of our State who want to take courses in home economics. The communities where the departments are located also provide instruction for adult women.

Trade and industrial education is helping to provide skilled and technically trained workers needed for the new industries that are coming to Alabama and to meet the normal demand for workers for the old industries of our State. Not many years ago, there were relatively few workers in our State who possessed the skill or had the technical knowledge essential to industry. In the recent trend in Alabama from rural to urban centers, vocational education has played a major role in meeting the need for skilled workers. The trade and industrial and the distributive education program in Alabama embraces many areas of specialized training. The program not only serves the youth of our State but also adults who are preparing to enter and to make progress in a trade, industrial, or distributive occupation. This program of education has been established and is being maintained in many communities in the State. However, the job has not been completed. Additional communities are requesting assistance in the establishment of the program of trade and industrial and distributive education.

There is a demand for the further development of vocational education in other States similar to that in Alabama.

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The interest in and responsibility for providing vocational education to develop the human resources of the Nation is broader than that of any one State or area of the Nation. This was recognized when Congress passed the George-Barden Act in 1946 and authorized appropriations to assist States in the further development of vocational education. There is no justification that the Federal Government does not have the resources to continue the stimulation and further development of vocational education by providing funds to assist the States in this all-important Federal-State cooperative program.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, having served on this particular subcommittee for 6 years, from 1943 to 1949, along with the late Honorable Frank Keefe, of Wisconsin, who is no longer with us, I have come to realize personally the great value not only of this particular program but also that having to do with vocational rehabilitation.

First, may I remind you that last month my Subcommittee on Appropriations for Agriculture saw fit to give to Extension $3½ million more than it has ever had, and the House saw fit to go even beyond that figure. Personally, I am pleased that it did. Here we have a companion measure to Extension, so to speak. Here we have an opportunity to help schoolchildren in high schools throughout America, help those who perhaps have no means of going on to college, to learn a trade before they leave high school and to make them better citizens. I cannot help but think that within a few weeks we will have before us a request for approximately $3½ billion for foreign aid. In that $3½ billion several hundred million dollars are for showing the people in other nations how to get things done, to give them our know-how, and to enable those people to learn trades and advance their status in life. Can we not afford to give one-twelfth of that amount to our own children in America for practically the same purpose? I think we can. I think we will be short-sighted unless we agree to this particular amendment. As the late Mr. Keefe from Wisconsin often said, if there are two justifiable sections in this particular appropriation bill, those two are vocational education and vocational rehabilitation.

Mr. Chairman, I sincerely hope that the House will see fit to adopt the amendment offered by the gentleman from Virginia [Mr. ABBITT].

Mr. DONDERO. Mr. Chairman, vocational education has always had my support through the years. It is not a new subject to me. Many years ago, when I held membership on the Committee on Education this program was considered and adopted. I think it is a fine program. I think it is a good investment. I think it has done much good throughout the country, and I hope the program will be continued.

There is an amendment before the House to increase it something like $5 million. A little while ago I received a telegram from the largest city in my district, Pontiac, Mich., and it reads:

Fight the appropriation cut in national vocational education and industrial arts program—

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. Let me finish the telegram, please.

Mr. TABER. There was no cut.

Mr. DONDERO. I will read the telegram:

Please fight the appropriation cut in national vocational education and industrial arts program. This Federal aid is necessary to help the working man.

Sincerely.

ALEX AITKEN,
146 Palmer Street, Pontiac 19, Mich., Director of Michigan Association of School Employees.

Mr. Chairman, I rise particularly to ask the chairman of the committee if there has been a cut, as indicated by this telegram. I am inclined to support the amendment offered by the gentleman from Virginia [Mr. ABBITT], if there has been a cut, and to keep the program at least where it was.

Mr. BUSBEY. I may say to the gentleman from Michigan that I am well aware of the interest and concern he has always had in the vocational-education program. I think the sender of the telegram has, unfortunately, been misinformed. As I understood the telegram, he is pleading with you to restore a cut that he thinks has been made in the appropriation for vocational education.

Mr. DONDERO. That is correct.

Mr. BUSBEY. I wish to state that there has not been any cut in the program.

The amount recommended by the committee to the House for consideration is exactly the same amount they had for this program for the fiscal year 1954.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. H. CARL ANDERSEN. I might say that the gentleman from Illinois [Mr. BUSBEY], while technically correct, does not exactly state the situation that exists, that the dollar has taken a considerable drop in value since 1947 and 1948; we cannot purchase now in the way of services or aid for this $18 million which is in this bill what could be purchased 6 years back. Consequently, to put this particular appropriation on the same level as it existed 6 years ago I think this $5 million increase is perfectly justified.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from North Carolina.

Mr. BARDEN. I wish to ask the chairman of the committee for a little clarification of the statement he just made. I believe the gentleman said it was exactly the amount of last year's appropriation.

Mr. BUSBEY. No; I did not say that.

Mr. BARDEN. I believe the gentleman said it was the same amount.

Mr. BUSBEY. I said the amount recommended by the committee this year was exactly the same amount as they had for this program in the fiscal year 1954.

Mr. BARDEN. The amount in this bill is not the amount that was appropriated for 1954, and the gentleman knows that there is a cut of $298,750. What I tried to do was to get the gentleman to restore the amount and I thought we could get along or try to get along. But the gentleman was not content with that, so the department is given a cut $298,750. That is the difference between the two appropriations.

Mr. TABER. Mr. Chairman, will the gentleman yield at that point?

Mr. DONDERO. I yield.

Mr. TABER. The $298,750 cut came about because the amount requested was above the amount used last year; the budget estimate was above the amount that was used during this fiscal year by $298,750. That amount was allocated by the department to other agencies in the department to take care of penalty mail costs. This will give them just the same amount of money they had in this current fiscal year without the cut of a single dollar.

Mr. BARDEN. But we get back to the point that the appropriation is not the same amount that it was last year.

Mr. TABER. That is true, but it is not a reduction in the amount available for the operation.

Mr. BARDEN. It is just a reduction in the amount of the appropriation by virtue of the fact that the Department used this to pay Department penalty-mail charges. Let me remind the gentleman, however, that penalty-mail charges do not furnish educational training to anybody.

Mr. TABER. But they do that very often when they have surplus funds.

Mr. BARDEN. And if this sort of thing keeps on from year to year it will dwindle until they will not have any appropriation.

Mr. DONDERO. This program of vocational education offering training to boys and girls so they may make a living, is a very constructive one and I am not in favor of reducing it.

Mr. COLE of Missouri. Mr. Chairman, I rise in support of the amendment.

Last year it was my privilege to visit schools in my district and observe first-hand the operation of the vocational-education program. As you all know, my congressional district is a part of the breadbasket of our Nation as most of it pertains to agriculture. I saw there farm boys learning to repair and overhaul farm tractors and other farm equipment which, in this day and age of mechanized farm operation, is highly essential knowledge. I saw other young men learning to be automobile mechanics; still others learning to be tinsmiths. I saw young girls learning the art of dressmaking, others learning how to plan and prepare meals and become proficient in the management of a household. I saw young girls preparing for a career as receptionists in a doctor's office, and still others pursuing a business education. This program, as you know, covers agricultural education, business education, distributive education, guidance, home economics education, industrial arts edu-

cation, and trade and industrial education.

After seeing this program in operation I am convinced that it carries an essential part of the well-rounded education necessary to prepare the youth of our Nation to cope with the problem of being self-sustaining. It is a program that should be expanded rather than curtailed.

Here are some facts that I would like to call to your attention:

The 2-year drought and drastic reduction in farm prices have reduced the income of the people in rural Missouri, and for this reason it is difficult for them to pay school taxes and almost impossible for schools to pass additional levies for local school support.

Because the Governor of Missouri vetoed a supplementary appropriation of $9½ million for the schools, State funds to operate school programs are already critically short. If Federal funds are curtailed, this will make the general school situation even worse in Missouri.

The program of reorganization of school districts, leading to larger school service areas and hence better school facilities for all the children, is continuing in my State at a rapid rate. About the first demand which a reorganized district makes on the State department of education is for the allocation of State and Federal funds for vocational programs. In an effort to comply with these requests, reimbursements to local schools have been progressively reduced over the years, resulting in the reduction of teachers' salaries and the loss of vocational teachers. When these teachers leave the schools they generally obtain better salaries elsewhere, and the children are the losers. There were roughly 600 high schools in Missouri in 1952–53, 96 of these are in my congressional district. Their offerings and enrollments in vocational education were as follows:

	Teachers	Youth	Adults
Agricultural education	250	11,142	9,142
Distributive education	130	2,544	1,611
Home economics	312	17,760	10,836
Trade and industrial education	423	4,762	6,248
Total	1,115	36,208	27,837

Thus, it is obvious that we have a long way to go before we provide vocational education in all the schools of Missouri for all the youth and adults who need it.

Each year finds a large number of youth in our public schools and one of their chief interests, and that of their parents, is in vocational education through which they can prepare to earn a living when they enter the world of work.

Many business and educational establishments are calling on the schools to expand their programs of adult education. In order to meet this need and those explained above, we shall need more George-Barden funds, not less.

During the postwar years vocational education has been neglected, in a way, in favor of expenditures for defense and foreign aid. That is, while the George-Barden Act of 1946 authorizes an expenditure of over $29 million for vocational education, Congress has appropriated only about $19 million, leaving the schools short by $10 million. Ten million is really a small item in the total Federal budget. Vocational education is essential to the general welfare and the common defense. The additional investment in our own youth and our own productive know-how ought to be considered, I think, as we reduce appropriations for defense and foreign aid.

Therefore, I earnestly urge that this amendment be adopted.

Mr. BUSBEY. Mr. Chairman, I wonder if we can get an agreement on a limitation of time. Everybody seems to have expressed themselves or to have extended their remarks. I would like to have 5 minutes in which to close the debate.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes. Everybody knows the problem.

Mr. RAYBURN. If everybody knows the problem why does not the gentleman forego his 5 minutes and have a vote now, asking that all Members have the right to extend their remarks in the RECORD?

Mr. BUSBEY. While everybody knows the problem they may have different ideas about it.

Mr. BARDEN. Mr. Chairman, reserving the right to object, I would like 5 minutes.

Mr. BUSBEY. Mr. Chairman, I modify my request and ask unanimous consent that all debate on this amendment and all amendments thereto close in 25 minutes, the last 5 to be reserved to the chairman of the committee.

Mr. MARSHALL. Reserving the right to object, Mr. Chairman, and I shall not, but merely as a matter of clarification, I have an amendment which I expect to offer to line 22. Under the chairman's request would I be precluded from offering the amendment?

Mr. BUSBEY. I would not think so.

Mr. TABER. That is a different paragraph.

Mr. MARSHALL. It is the same paragraph.

Mr. BUSBEY. Mr. Chairman, my unanimous-consent request pertains only to the amendment that is under consideration.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, I am deeply interested in vocational education. We must train our people to do productive work with intelligence and skill to meet the challenge of our expanding economy. Nothing is more important to our economy than to train our boys and girls to earn livings and to make homes. The vocational training program covers the teaching of agriculture, home economics, trade and industrial education and distributive education in our public schools. Many of these subjects are taught at night for the benefit of those who have to earn while they learn. I believe that in the long run the vocational education program returns to the economy by increased productivity a great deal more than its cost.

Since most of the cuts in appropriations for vocational education, within the last few years, have been in the field of distributive education, I would like to point out particularly the need for that program. Figures from the Bureau of Labor Statistics indicate that nonagricultural employment last month stood at about 48 million, and figures from the Bureau of the Census for the same time indicated that agricultural employment stood at 6.8 million. Wholesale and retail trade alone constituted 10.4 million of the 48 million nonagricultural total, or 22 percent. And yet, Federal funds appropriated for distributive education represent less than 3 percent of the total vocational funds appropriated.

Mr. Chairman, practically every Member of the House will agree as to the merits of vocational training but many will argue that the training should be given by the States and not by the Federal Government. With this I am in accord, but I am convinced that the interest of the Nation as a whole makes some degree of Federal support of this program vital and necessary. It is misleading to talk of returning vocational education to the States—that is where it has been all the time. The States spend about $150 million a year on vocational education in this country, and the total Federal contribution to the program under both the Smith-Hughes Act of 1917 and the George-Burton Act of 1926 is only $25 million or one-sixth.

Furthermore, there is no element of Federal control; only the element of meeting minimum specifications for the proper use of these funds in the administration of the program.

The United States of America is the greatest Nation on the face of the earth today. The mass production which has resulted from our industrial development and our know-how has been largely responsible for our winning two major World Wars. All of our skill is now being called upon either to prepare to wage, or I would hope to prevent, another war.

We have great natural resources in this country, but our greatest resource in the long run is the youth of our land. We have no monopoly on youth. In fact, nations with tremendous quantities of manpower have a greater potential in numbers than we do. Therefore, if we are to continue to maintain our position of leadership in the world, for peace or for war, we have to excel in brainpower and in skill and that means in education.

If our State borders were like the boundaries between sovereign nations, with heavy immigration restrictions and regulations, there would be some reason for each State to completely and independently support its own vocational education program. However, migration of workers over the United States is free and untrammeled at all times. The migration of factories and industries, which I have referred to earlier, is likewise untrammeled. The workers seek the industries, or the industries the

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workers, across the State lines. Therefore, why should we, in Virginia, support completely and totally a program for training workers who, upon receiving the best we have to offer, may promptly leave to add to the productive capacity and industrial power of another State? Why should they train workers for us?

Virginia benefits in a large measure from her training of her own young people, of course, because we are now making new opportunities for them to be employed at home. For several generations until now, according to the late great historian, Dr. Douglas Southall Freeman, one of the principal Virginia exports was brains. Many of our best young people went north to industrial centers, where opportunities existed for them. We have better opportunities in Virginia today. However, the fact that young people trained in other States can come to Virginia to work, and the ones we train can go elsewhere, in itself, indicates that the Federal Government has a part to play in this training program.

Moreover, it must be remembered that the citizens of Virginia who receive this training are also citizens of the United States, and improved technique makes them more useful to the Nation in times of peace and war. This expenditure can, therefore, be justified as a national-defense item.

As all of you know, I have been a vigorous advocate of the point 4 program for technical assistance overseas. I believe that one of the best ways to stop the spread of communism abroad is to improve the standards of living in non-Communist countries. That is best done by increasing their technical know-how, thereby adding to their self-sufficiency and self-respect, rather than by a dole. This technical assistance program overseas is nothing more than a vocational education program, as we know it here. I think it is a wonderful thing that America has progressed to the point of international understanding where we have such a program. But certainly if we have realized the justification for providing that instruction for other nations, we cannot neglect our own youth and fail to provide the proper vocational training for them, also. If it is proper for the Federal Government to give such instruction to the people of other free nations, certainly there can be no question about the propriety of giving it to our own sons and daughters.

All of you know, also, that I have been one of the foremost proponents on the floor of this House of economy and a balanced budget. But let me add that if you decrease the productive power and earning capacity of American citizens by reducing or eliminating this vocational-education program, eventually your budget will be put worse out of balance than before. Low-paid and unskilled laborers do not pay many taxes. Skilled workers add to the productivity of America, they pay taxes on the incomes they earn, and the country benefits manyfold in dollars and cents from this program.

Mr. Chairman, it is false economy to reduce the earning capacity of our people by denying them the advantages of modern education. It is sound economy to increase their skills and earning capacity by giving them the advantages of vocational education. We cannot ignore the fact that the Federal Government shares with the States a portion of responsibility for vocational education in a land of free industrial migration. Let us meet that responsibility today by appropriating adequate funds to provide a vocational-education program commensurate with our modern needs.

Mrs. FRANCES P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentlewoman from Ohio.

Mrs. FRANCES P. BOLTON. Few people realize that practical nursing is part of the vocational program. I wonder if the distinguished gentleman from Virginia would add it to his list.

Mr. GARY. I appreciate the comment of the gentlewoman from Ohio.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. McVEY].

Mr. McVEY. Mr. Chairman, in the beginning I should like to commend the chairman of this subcommittee, the gentleman from Illinois [Mr. BUSBEY], and his coworkers, for the very fine work they have done in producing this bill. It is very rare that I come to the well of this House for the purpose of asking for additional money, but vocational education is very near and very dear to my heart because for many years I was on the receiving end of what the Federal Government appropriated for this purpose.

In the case of our metal workers, our auto mechanics, our electrical workers, and many other teachers engaged in vocational education, it would have been impossible for us to have carried on this work successfully without the help which we received from the State and the Federal Government. The Federal Government and the States, in the matching process, pay one-half of the salaries of the men and women who engage in this very important work for the high schools. Those salaries have almost doubled, with the rise in the cost of living, and if we continue to decrease the level of appropriations for vocational education, it is going to be very hard to pay the salaries of those teachers who have been laboring for so many years in these departments and who are deserving of an increase in salary which perhaps can be made possible only through the money which is received through the funds devoted to vocational education.

Therefore, I lend my support to this amendment, as much as I dislike to go contrary to the wishes of my colleague the gentleman from Illinois [Mr. BUSBEY] and his committee. I feel that there is a need for an increase in the amount devoted to vocational education.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, the State of Georgia and its citizens have, throughout the years, taken the leadership in the promotion of vocational education. The one-time director of this work for the State of Georgia was Mr. M. D. Mobley, sent to Germany after the end of World War II to help in the reestablishment of the educational system of Germany. Mr. Mobley is now executive secretary of the National Association of Vocational Schools and is doing a wonderful job here in that position, just as he did in Georgia, and as he has done wherever he has served in the promotion of vocational education. In the Senate and the House, Representatives from Georgia, beginning with the days of Senator Hoke Smith, who has been dead these many years, and on down to Senator George, who is the coauthor of the George-Barden bill, the law that is now on our statute books, have been leaders in this field, and I am glad to lend my support and to follow in the steps of the Georgians who have so long fostered this program.

Vocational education is being very effectively administered in Georgia now by Mr. George I. Martin, under the overall supervision of Mr. M. D. Collins, Georgia's long-time commissioner of education.

While I am speaking on the subject of vocational education, I want to refer to the field of distributive education, in which I have been especially interested. I understand that amendments will be offered to remove from the bill now being considered, restrictive provisions which will hamper the administration of distributive education. I shall vote for the amendment or amendments that will accomplish this purpose.

I have championed distributive education especially because of the fact that in my home city of Rome, Ga., the program has meant so much to young people struggling to prepare themselves to support themselves and their families. I know of one case especially where a young woman, the daughter of workers in one of the textile mills in Rome was able to prepare herself for effective work in the distributive field. The results to her have been of so much benefit and she is so grateful for the help she received from this type of education that she was willing to come to Washington to testify on behalf of distributive education before the subcommittee which brought this bill to the House.

At this point I want to thank the gentleman from Illinois [Mr. BUSBEY], the distinguished chairman of this subcommittee, and his colleagues, for the graciousness and interest with which they heard this young woman testify. I refer to Mrs. Nellie Towns Milton, who, because of her training in this field, has now risen to the point where she is office manager of a large specialty store in Rome. In her testimony, Mrs. Milton said, and I read her words into the RECORD:

> I am a graduate of the Rome High School, class of 1948. It is certainly an honor and a privilege to appear before this committee. I feel that I have gained so much from distributive education that I can speak in behalf of all those currently enrolled in this program of training.
>
> I feel this program has done a great deal for me—more than anything else I could have received during my school years.
>
> Forgive me if I speak personally, but I feel that through my own experience I am justified in making this type of presentation.

In 1947 I enrolled in the junior year of distributive education training in addition to my regular high-school course. I was placed on a job training in the sales department of one of our large national organizations and I worked 28 hours a week for the 9-month school term. At that time I was 17 years old. Because of this financial assistance it made it much easier for me to gain my education and also helped my parents. At the end of my junior school term I was transferred, at my request, into a locally owned and operated retail organization in my city. This was a more specialized sales training requiring more specific merchandise knowledge, closer public contact, and a higher degree of skill on my part. When I graduated from high school—and I don't mean to boast—I graduated as 1 of the 3 top honor students in a class of about 200. I bring this particular point out because I feel that my ambitions were heightened as I realized just what all my subjects in school were doing to help me in my job and in later life.

Upon graduation, my employer immediately offered me full-time employment and a very substantial increase in salary. From the sales floor, I was advanced into controls, and today I am office manager of Wyatt's, Inc., in Rome, Ga. This is a specialty store and has a personnel of about 40.

I feel that my training and the resultant self-assurance that I acquired at the age of 17 during my school years have enabled me to attain the position that I now hold.

I am a native of Rome and my parents are also. Both my father and mother were employees in the textile industry.

I speak for the thousands of young people who are receiving this training today. From my own observation in my job I can see that definite training has to be given to people who are entering the field of distribution.

Since our economy is based on the balance between production and consumption, it is not actually a matter of production, but what part of that production gets to the consumer that counts, and that is the field of distribution, as you well know. Since our production has overrun distribution and products are not getting to the consumer lately, distribution is more important than ever.

I cannot really find ways to tell you how much I value this distributive education program. Perhaps if you might have some specific questions to ask, I could answer them and I would be happy to do so.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. When the George-Barden Act was passed, there was authorized an appropriation of $29.3 million annually. But, we never appropriated that much money because we did not have enough teachers. We have the teachers now. I interpreted the telegram of the distinguished gentleman from Michigan [Mr. DONDERO] to mean that what the sender of that telegram meant was that no cut below $29.3 million should be made.

Mr. LANHAM. I thank the gentleman, my distinguished colleague from Georgia, for his contribution.

Mr. DAVIS of Georgia. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DAVIS of Georgia. Mr. Chairman, I feel that a word of commendation is in order for the gentleman from Illinois [Mr. BUSBEY], the chairman of this subcommittee, and his colleagues who worked with him on the subcommittee, for the excellent bill which they have brought in making appropriations for the Departments of Labor and Health, Education, and Welfare. In the main I believe that the bill deserves the support of all the Members, and up to this point I have been voting to support the committee.

However, we have reached a point now where I cannot go along with the committee. I favor the Abbitt amendment, and shall vote for it. This amendment adds approximately five and one-third million dollars to the amount appropriated for promotion and further development of vocational education.

I agree with the statements made here today by many of our colleagues that money appropriated for vocational education probably gives more returns for the dollar spent than any other educational program. This program teaches the boy and girl the very necessary and essential lesson of how to earn a livelihood. It equips him and her to stand alone and be independent. There are many boys and girls who for one reason or another will not take a course at a college or university. Their education will end at high school. So far as these children are concerned, the vocational training which they receive will in many, many instances be the most valuable part of their entire education.

The amount which is authorized for this purpose under the law is $29 million, and if the appropriation this year is increased to $23 million plus, in accordance with the Abbitt amendment, it still will be more than $5 million under the amount authorized by law.

This program trains students in agriculture, home economics, trade and industry, and distributive occupations. The Smith-Hughes law also provides for teacher training.

We have lavishly scattered not millions of dollars, but tens of billions of dollars all over the face of the earth, spending American taxpayers' money for almost every conceivable purpose for the benefit of people in just about every nook and corner of the world. Taxpayers' money has been spent for education in many foreign countries. Our duty to our own children should prevent us from cutting this item too low, and I do not mention the money which has been spent for foreign aid and foreign giveaway programs as any justification for unwarranted spending in this particular. I have voted against much of that foreign spending program, and expect to continue to vote against much of it. I mention that merely for the purpose of saying that our obligation to American children is far stronger than our obligation to children and people of other lands. I do not think an appropriation of the amount called for by the Abbitt amendment is extravagant or wasteful, and I wholeheartedly support this amendment.

While discussing this appropriation bill, I want to state also that I am heartily in favor of the amendment which the gentleman from Rhode Island [Mr. FOGARTY], expects to offer later this afternoon to strike from page 17 of this bill the language which requires the matching formula by the States of 75 cents to $1 of Federal money. I also expect to vote for his proposed amendment to increase the amount for vocational rehabilitation by $2 million, to bring that sum up to $23 million.

This vocational rehabilitation program likewise is one of great importance to our people, to the States, and to the Federal Government. It is a program which gives great returns for the amount spent. Unless these amendments are adopted, there will be approximately 5,000 people needing vocational rehabilitation in the coming year, who will not get it. I urge the adoption of the Fogarty amendments.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. BARDEN].

(By unanimous consent, Mr. WILLIAMS of Mississippi and Mr. BAILEY were given permission to yield the time allotted them to Mr. BARDEN.)

Mr. BARDEN. Mr. Chairman, this is not a new subject to me. As the House well knows, I have been intensely interested in the vocational-training program for many years and have had the opportunity to observe the benefits derived from that program.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. H. CARL ANDERSEN. The gentleman from North Carolina [Mr. BARDEN] has not only been intensely interested in this, but it is under the law which bears his name in part that this particular program is being operated today.

Mr. BARDEN. I thank the gentleman.

Mr. RIVERS. Mr. Chairman, will the gentleman yield to me?

Mr. BARDEN. I yield to the gentleman from South Carolina.

Mr. RIVERS. Mr. Chairman, the distinguished gentleman has been one of the greatest benefactors to the cause of public education.

(By unanimous consent, Mr. RIVERS was given permission to transfer the time allotted to him to Mr. BARDEN.)

Mr. BARDEN. I thank the gentleman for his kind remarks. They have been well worth the trip to the well.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. BROWN of Georgia. I want to say that the distinguished gentleman from North Carolina has done more for the education program, at least as much as, if not more than, any man in this Nation.

Mr. BARDEN. I am grateful to the gentleman.

As I said a moment ago, this is not a new program to me. Last year and the year before, for some unknown reason, there were efforts to cut the appropriations for this program. And this year is not unlike the other years. I wanted to increase the amount allotted to the program to the point where it could wisely use the money especially in view of the fact the program was doing such

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a grand job and doing it without waste. I discussed the matter with some of the gentlemen on the other side of the aisle. My request was, "Do not cut these funds. We want the same appropriation as was provided last year at least."

I am frank to say, as anxious as I am for an adequate appropriation, there would have been some reluctance in my going ahead, had the request been granted. Now they come in here with this appropriation reduced $298,750 from the last appropriation. And they claim that action is justified on the basis that some few States did not use all of the funds available. When a cut is applied to the appropriation to be distributed to all the rest of the States for the coming year, the cut will be general and will be applied to every State in the Union. I think that is perfectly obvious. I think that is a perfectly fair statement.

As long as I am permitted to be a Member of this body I shall never permit funds to be reduced in a program that is rendering the service to the American people that this program is rendering.

Where are we? Here we are talking about reducing the program for vocational training. We have spent hundreds of millions of dollars all over the world under the point 4 program. Some say that that is wise. But let us lower our sights a little bit and see what is going on here at home. The average boy here volunteers or is taken under the selective-service program. In age they range from 17 to 19 or 20 years. What happens to them? They are put in camps. There is hardly a camp in this country—and everybody in this House knows it—that does not have some kind of vocational training school. And that program in that camp costs $10 to $1, compared with the cost of this program. They cannot make a dollar go one-tenth as far as a dollar goes under this program.

I fought for a resolution—and the House adopted it—calling upon the various agencies of the Government to account for these funds, to take an inventory and see how the money is being spent. That resolution is still resting over in the other body.

Is it going to do any good to disintegrate this program, to take funds gradually away from those who are equipped, from those who are handling it advantageously at the moment, and then scatter it and attempt to whittle down the program in that way? It will not work. You only have to call on these schools, visit one of these vocational schools on these camp sites, and you will find the finest kind of machinery, the finest kind of tools, and the finest kind of teachers; and the teachers are not handicapped. But we are not so generous in the normal vocational training school.

I do not plead this cause only for North Carolina because North Carolina, recognizing the good, sound commonsense of the program, already appropriates more than $1 million more than it gets in the matching funds. The matching funds amount to approximately $1 million, and North Carolina last year appropriated $2 million, $1 million more.

Let me say to the ladies and gentlemen of this House. Do you realize that those vocational teachers in the highest levels, the skilled, trained ones, are drawing only about $4,000 a year. We pay janitors that much.

Yet we are asked now to whittle a mere $298,750, which will be cut from all States in the redistribution. It just is not right, and I do not believe this House is going to tolerate it. If we are going to take notice of any one successful, justified, and worthy program where a dollar of Government money is spent with more good results than any dollar I know of, if we are going to begin to whittle on that one, then I am sorry to say I am out of step.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Minnesota.

Mr. MARSHALL. As a matter of record, in spite of the fact that Federal appropriations have been held down over the years, I have some figures in my hand that show that the States have been demanding funds for about 15,652 more teachers for this important program throughout the United States. It seems to me we should pay some attention to the demands of the people in these States.

Mr. BARDEN. As I have said on many occasions, I do not believe a person is educated until he knows how to earn a living. These boys are able to contribute much to the welfare of this Nation or to its defense when they are trained in some skilled trade and know how to step out on their own. With the armed services—through selective service and otherwise—taking the youth of this land from the high schools even before they can graduate in some cases—it behooves us to step up the vocational program instead of slowing it down. If they get vocational training before entering the Armed Forces then the Armed Forces will be better off and so will the the taxpayers of this country. I am in favor of the amendment to increase the appropriation $5 million.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. WHEELER].

Mr. WHEELER. Mr. Chairman, under the time limitation imposed I do not have time to make my annual vocational education speech. However, I would like to associate myself as being in accord with the position just taken by the distinguished gentleman from North Carolina.

Mr. FORRESTER. Mr. Chairman, will the gentleman yield?

Mr. WHEELER. I yield to the gentleman from Georgia.

Mr. FORRESTER. I want to go on record as adopting the statement of my colleague from Georgia, along with the statements of my other colleagues from that State.

May I say that it is my observation that this is one type of education that people can use for the balance of their lives. The time is coming when it is really going to be mighty necessary that people know how to work for a living.

Mr. WHEELER. In very rapid conclusion, let me make one suggestion to those who might be inclined to oppose this amendment, and that is this: If you are going to oppose adding $5 million to an appropriation for the vocational training of American boys and girls, then in all consistency you should be here when they bring up the next appropriation which provides for financing the sending of vocational education people from this country to Germany to teach the Germans something about vocational education, especially in view of the fact that originally we imported from Germany our basic knowledge concerning this particular subject. I cannot understand how you can spend $350 million educating boys and girls in every foreign land on the face of the earth and then quibble over adding $5 million to the financing of a program in this country.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, it is my belief that there is little need to say much here so far as getting this amendment adopted. I believe it is going to be adopted. I do not know that there is much I need to say—I hope not—to show I have been actively interested in this program throughout the years. Last year I prepared the amendment which restored funds to this program. I would like to point out at this time 2 or 3 reasons why I believe that in adopting this amendment we will be taking action which is best for our Nation. In recent years, I have had the privilege and the job of being in close and direct contact with the operations of the Department of Agriculture and with agriculture generally. We are beginning to see that agriculture, which is what will largely be handled under this program in my area, has become a highly specialized undertaking. There are new developments with respect to hybrid seeds; with regard to diseases of plants and animals and on insect control. Today farming requires complicated machinery. The investment in a crop today is tremendous and certain and specific knowledge is essential. Certainly at this time, it becomes more and more necessary that specialized training be given to those who expect to follow the pursuits of agriculture in my area. The same thing applies to practically every other section of our country which comes under the vocational education program. Certainly here where these moneys are going into our schools where the number of students is constantly increasing and where the job of training these young people to meet the needs of their profession in the future becomes greater each year, it is certainly wise to give proper attention to it. The only reason this additional sum is not included according to the committee is because the Bureau of the Budget has not included it; yet that same Budget Bureau has approved many times this amount for similar work in foreign lands. It has been my experience that the Bureau of the Budget and its decisions certainly should not be conclusive upon what we do here because frequently they go along from year to year just saying, "This is what they had last year and this is what we will give

them now." What they have done this year is to make them absorb all the mailing costs and, therefore, they have actually reduced the funds available as compared to last year.

I need not point out the value of the FFA to the youth of our country. We do not need to fear communism there.

May I take a moment here to say that here we provide training for young active people. We need also to give attention to vocational rehabilitation where we give attention to training those with physical disabilities.

Mr. Chairman, our Nation wastes lots of money, but money spent on training our people is money well spent, which will return benefits far beyond the costs.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. MARSHALL].

Mr. MARSHALL. Mr. Chairman, this item is very important to the welfare of all the people of the United States. We are talking in terms of giving people the know-how of a way to make a living, which is so necessary for our people. So far as we are concerned in this program, there are a number of features in it. It is no wonder that we have had so many inquiries from people throughout the country as to the need for this program. What does it affect? It affects training in four vocational fields. One is agriculture, another is home economics, another is trades and industry, and the other is distributive education. That covers just about everything a person does in this country outside of the professional groups so far as making a living is concerned, does it not? And we know how necessary it is in this complicated way of life that we have that; we should give our people the best training possible to make a living. We live in a competitive world. Why is the United States of America the great Nation that it is? It is because in this competitive world of ours, we have been able to have the know-how and the ability to do things. It is important that we continue to have the know-how to do these things. This is economy in every sense of the word. It is an actual economy to pass an appropriation which provides for proper training for our future citizens who will make a living and thus keep this United States of ours strong. I urge the amendment proposed by the gentleman from Virginia [Mr. ABBITT] be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. BUSBEY].

Mr. BUSBEY. Mr. Chairman, first of all, I assure the Members of this body that I do not take second place to anyone in my esteem and my respect and affection for the gentleman from North Carolina [Mr. BARDEN]. We are all familiar with the wonderful work he has done, and I know we all subscribe to it 100 percent.

I also want to subscribe to all of the fine things said by everyone for this program, but I think, in view of the apparent blitz on the Abbitt amendment, you are entitled to an explanation from the committee on this item. First, if you will turn to the hearings on page 412, you will see where the States, since 1918, have increased their participation from $2.65 to $4.66 for each dollar spent by the Federal Government. That is as it should be. I think all of the States are to be congratulated for it, and particularly the State of the gentleman from North Carolina [Mr. BARDEN], because I think North Carolina has really been one of the leaders in this program.

Referring back to the committee print, I note that the amendment offered by the gentleman from Virginia [Mr. ABBITT] will increase the appropriation to an amount $3,695,501 greater than any appropriation made for this program since its inception.

Taking these factors into consideration and taking into consideration the fact that we hear speeches day after day on the floor of this House decrying centralization of Government and stating that things should be put back into the States, and the States should assume more responsibility, it did not seem to the committee that we should recommend any more for this program than the full amount that was available for 1954. Furthermore, if the entire $7 billion in Federal tax reduction goes through, that will leave $7 billion more for the States and local communities with which to support and increase their participation in the vocational education program; at least to the amount of $5,298,750, if that is the amount by which the total program needs to be increased.

There was no desire on the part of the committee to criticize or to do any harm to this program in any way whatever.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. Not at this time. I have another point to make with reference to the statement of the gentleman from Georgia [Mr. WHEELER]. The gentleman talked about the money appropriated for programs all over the world. I would like to inform the gentleman that, irrespective of how the majority of the Members voted, if they had all voted like I did, we would not be spending this money on these foreign programs, because I have never supported them, and I will not support them this year. I would rather have more money spent on our own children right here in this country and not have to fight for a few hundred thousand or a few million dollars on an appropriation bill that provides for our own people, when we are spending billions of dollars all over the world.

I now yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. I am in agreement with what the gentleman says about economizing, but I understand the gentleman supported an increase of $6,300,000 for Howard University. How does he reconcile an increase of over $6 million for Howard University and then cutting vocational education all over the United States?

Mr. BUSBEY. I will say that, when we brought in this bill, we thought everybody would be happy, because it provides the same amount for vocational education that was available last year. Evidently the committee was too optimistic.

Mr. WILLIAMS of Mississippi. Of course, there was no politics in the Howard University matter.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. SCHENCK. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SCHENCK. Mr. Chairman, the appropriation bill being considered here in the House today is of special concern to our Nation because it affects the education and training of our children.

It is a well-established principle of education that we learn by doing. Teaching students the proper information and skills related to vocations is not only very desirable from educational and cultural points of view but they are also very important from an economic point of view. School population is increasing in almost every section and area of our Nation because of the great increase in birth rate in recent years and as these students are graduated in the coming years they will not only need an opportunity to work but also must have the skills and abilities to do the work. The matter of marketing the products of our Nation also requires training in distributive education. Also, Mr. Chairman, the several kinds and types of vocational education require greater sums of money because special space arrangements and equipment are required to care for those who are enrolled in the program.

Therefore for these several reasons and other reasons which will occur to each of us, it is right, proper, and necessary that adequate funds be appropriated for the well-rounded education of our children. Many school districts, because of the very great increase in their school population, are already being taxed to the full extent of their statutory limitations.

It is, therefore, my firm conviction that proper funds should be appropriated for vocational education.

Mr. TOLLEFSON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TOLLEFSON. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Virginia [Mr. ABBITT] which seeks to add approximately $5 million to the funds for vocational education. The value of this program has been recognized by the House in previous years. Its value is also well known to the general public. I can think of no program which renders more service per dollar spent than this one. Under it our citizens are given an opportunity to receive vocational training which otherwise they could not get. In my own State, and particularly in my own home city of Tacoma, I have seen at first hand the excellent results of vocational education. Young men and women are afforded a chance to learn some trade or vocation which will enable them to better earn their livelihoods. The long-range benefits to our general economy which result from this

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program far exceed the costs thereof. The amount of money involved is not great, and I trust the amendment is adopted.

Mr. HAYS of Arkansas. Mr. Chairman, I share the reluctance of the House to increase the figures recommended by the Appropriations Subcommittee, but I am convinced that some changes are justified in the items for vocational education and vocational rehabilitation. I have had occasion to observe the program in the State of Arkansas and am convinced that valuable results are being achieved. In many instances trained workers are finding use for their skills in other States, particularly in defense industries, hence this program is impressed with a national interest. We should work toward the goal outlined in basic legislation sponsored some years ago by the gentleman from North Carolina [Mr. BARDEN]. Hence I shall support the amendment offered by the gentleman from Virginia [Mr. ABBITT].

I am also disturbed about the restrictive language with reference to vocational rehabilitation funds and trust that the parliamentary situation will permit our striking out the language which substantially limits the provisions for Federal participation in this highly important program. It seems to me that we should not hesitate to approve sufficient funds to maintain the 1955 program at the present level. Again I can speak with some familiarity of the situation in Arkansas, where an impressive job is being done under Federal auspices. Unless an amendment is adopted our State will suffer loss of $90,000, and we will be unable to provide for many applicants for rehabilitation. Only about one-third of those actually in need of this program are being served under the present schedule.

The House should recognize the proven value of these two services by adopting amendments to provide the slight increases proposed by the amendments.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. ABBITT].

The amendment was agreed to.

Mr. BUSBEY. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

Amendment offered by Mr. BUSBEY: Page 14, line 21, strike out "$18,199,511" and insert in lieu thereof "$23,498,261."

Mr. BUSBEY. Mr. Chairman, this merely takes into consideration the action of the House on the amendment offered by the gentleman from Virginia, because if this perfecting amendment were not adopted there would be no money to meet the increase.

Mr. ABBITT. May I say to the gentleman, if he will yield, that I had a similar perfecting amendment. I appreciate the gentleman's action.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

Mr. MARSHALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARSHALL: Page 14, line 22, after the word "year" strike out the colon and the language *"Provided further,* That not more than $450,000 of this appropriation shall be available for vocational education in distributive occupations" and insert a period.

Mr. MARSHALL. Mr. Chairman, in many ways the amendment which I am offering is a perfecting amendment. I hope the Committee sees fit on the basis of what has transpired to accept my amendment on that basis.

What we are doing here is to remove a limitation placed on the appropriation which is discriminatory in its effect on distributive education. Between one-third and one-half of the people of this country make their livelihood in the field of merchandising and trade. It seems to me, therefore, that it behooves us to accept the formula which was wisely provided under the George-Barden Act in order that this program can be used to the utmost advantage.

There have been people in this country unfortunately who have looked upon vocational education as affecting only agricultural areas, whereas that is not the fact and the program was never intended for that purpose. The program was authorized and enacted for the purpose of assisting people who make their livelihood in industry.

Distributive education is a very valuable part of the program.

In order that the people may understand the situation I would like to quote some figures which I think will justify removing this restrictive language. Under the distribution proposed, agriculture would receive approximately $8 million, home economics would receive approximately $6,500,000, mechanic trades and industry would receive a trifle over $6,500,000. This would then leave for distributive education in the trades and occupations at which approximately one-third to one-half of the people of the country make their living, $2 million.

It would seem to me that the legislative committee of this House which proposed the language in the George-Barden Act—and the George-Barden Act has been considered to be outstanding in the field—very wisely provided a fair formula of distribution of the funds.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. JUDD. I want to commend my colleague from Minnesota for offering this amendment. I especially appreciate the fact that he comes from an almost entirely agricultural district, yet recognizes the importance of vocational education in the distributive trades and occupations. I happen to come from a wholly city district. There are 8 high schools in my district which carry on vocational education of this sort; in fact, it is so important that we have 1 high school which is dedicated entirely to vocational training, including adults in night schools. The restriction in the bill which his amendment would remove, makes it impossible for even a reasonable share of the funds to be used for the training of both adults and youth in distributive trades. That restriction is exceedingly unwise.

I hope the gentleman's amendment will be adopted.

Mr. MARSHALL. I thank my colleague from Minnesota.

It is true that in districts such as mine, predominantly agricultural, the importance of distributive education is sometimes overlooked. I would like to read to the House part of a letter from the president of one of the oldest and most prominent department stores in my district, Mr. Victor C. Fandel, of St. Cloud, Minn. The Fandel Co. serves the largest city of my district and the large rural area around it, and has built up over the years a reputation as a business institution of integrity with a real interest in community service, and particularly in the young people of the community. Mr. Fandel has this to say:

We feel that this item should have equal consideration for funds, as well as home economics, agriculture, and other phases of this program.

Congressmen evidently do not realize how much this program helps youngsters who cannot go to college. In our small institution we have from 4 to 7 of these high school people working part-time to help them through this course and partially prepare them for other jobs in the business world.

There is no doubt, Mr. Chairman, that this opportunity exists in many other communities serving a rural population, and all of us have an interest in helping young people learn the trade and occupation of their choice.

I would say, also, to the gentleman from Minnesota I have long recognized that agricultural programs are a part of the programs of this great country of ours. When we have programs which are good programs, such as these vocational-education programs, it behooves us to make the great benefits of the programs available to all of the people of the country. One of the great problems that this country faces, one that we are hearing a lot about presently, is the problem of marketing our goods. That is one of the primary problems facing the farmers of this country. It is the matter of distribution. How can we do anything which will be of any greater assistance to the people of this country presently than to have a good distribution system? That is a place where our country recognizes a need. When the committee put into effect a limitation on the appropriation bill we did not have the marketing problem that we have now.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Arkansas.

Mr. HARRIS. How much would be spent for this purpose if the gentleman's amendment prevailed?

Mr. MARSHALL. Out of the $23 million, at the most about $2 million.

Mr. HARRIS. About $2 million, which would be taken from the $23 million plus that has just been agreed to for vocational education purposes?

Mr. MARSHALL. It is all vocational education.

Mr. TRIMBLE. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

Perfecting amendment offered by Mr. TRIMBLE to the amendment offered by Mr. MARSHALL: On page 14, line 23, strike "$450,000" and insert "$900,000."

Mr. TRIMBLE. Mr. Chairman, it is not necessary for me to argue here for vocational education, because this committee has already demonstrated its feeling in reference to that matter. Neither is it necessary for me to argue the benefits of distributive education, which, in brief, simply is the training of those in the distribution services in our high schools.

For instance, let us take three boys in a high school. One is at his desk taking vocational training, another is taking vocational training also, say in the mechanical field; but in front of those two boys is another boy who is perhaps working his way through high school as a clerk in a store. He cannot benefit under this proposition unless a sufficient amount of money is set aside out of the original appropriation to permit that to be done.

The perfecting amendment which I have offered raises this provision which the committee has inserted to $900,000, which will give the States the minimum amount.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. TRIMBLE. I yield to the gentleman from Illinois.

Mr. BUSBEY. May I say to the gentleman from Arkansas that I personally will accept his amendment. I cannot speak for the committee as a whole, but only for myself.

Mr. ABBITT. Mr. Chairman, will the gentleman yield?

Mr. TRIMBLE. I yield to the gentleman from Virginia.

Mr. ABBITT. I would like to say that I think the substitute will take care of the situation in exactly the same way as was done last year when it was restored here in the Committee of the Whole. I hope the substitute amendment offered by the gentleman from Arkansas [Mr. TRIMBLE] will be acceptable to the members of the committee here.

Mr. TRIMBLE. I thank the gentleman very much.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas [Mr. TRIMBLE].

The amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. MARSHALL].

The amendment was agreed to.

Mr. ABBITT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ABBITT. Mr. Chairman, was the last vote on the amendment as amended?

Mr. HARRIS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HARRIS. In reference to the vote on the amendment that has just occurred, did I understand the Chair to rule that the amendment offered by the gentleman from Minnesota was adopted?

The CHAIRMAN. The Marshall amendment was adopted.

Mr. HARRIS. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HARRIS. Then the amendment just offered by the gentleman from Arkansas [Mr. TRIMBLE], which was adopted, was superseded by the action of the committee on the Marshall amendment?

The CHAIRMAN. That is correct. It strikes out the proviso.

Mr. BUDGE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BUDGE. I was on my feet seeking recognition at the time the Chair announced the vote on the amendment offered by the gentleman from Minnesota. I now propound this parliamentary inquiry. The amendment offered by the gentleman from Minnesota was to strike out the language now contained in the bill. The substitute amendment which was adopted merely changed the existing language in the bill. Now, is it the Chair's interpretation that the limitation remains in the bill and is raised from $450,000 to $900,000?

The CHAIRMAN. No. The Marshall amendment strikes out the whole language.

Mr. BUDGE. Then, Mr. Chairman, I ask for a division. I was on my feet seeking recognition at the time the Chair ruled.

The CHAIRMAN. As long as the gentleman states he was on his feet at the time, the Chair will say that he acted hastily and will recognize the gentleman from Idaho [Mr. BUDGE].

Mr. BUDGE. Mr. Chairman, I feel that the amendment which was offered by the gentleman from Arkansas is in line with the increase which has been made by the Committee of the Whole House in this appropriation.

The CHAIRMAN. I understood the gentleman asked for a division.

Mr. BUDGE. I move to strike out the last word.

Mr. HARRIS. Mr. Chairman, I demand the regular order.

Mr. BUDGE. Mr. Chairman, I ask for a division.

The CHAIRMAN. All the Chair can do is to entertain a demand for a division.

Mr. BUDGE. Mr. Chairman, I ask for a division on the vote by which the amendment offered by the gentleman from Minnesota was adopted.

Mr. TABER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Here is the parliamentary situation. The gentleman from Minnesota [Mr. MARSHALL] offered an amendment to strike out. The gentleman from Arkansas [Mr. TRIMBLE] offered an amendment which was entitled to precedence over the other because it was a perfecting amendment. Therefore, the amendment could be considered, and if it was adopted, then the motion relating to the whole paragraph would be in order. Is that not correct?

The CHAIRMAN. That is correct.

Mr. TABER. That is the situation we are in at the present time.

The CHAIRMAN. That is right.

Mr. HARRIS. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HARRIS. The gentleman asked for a division then on the Marshall amendment. Is that request in order?

The CHAIRMAN. It is in order.

Mr. ABBITT. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ABBITT. If the amendment is defeated, then the proviso will provide $900,000 instead of $450,000 as written in the bill?

The CHAIRMAN. That is right.

Mr. ABBITT. So if we want to adopt the proposal as offered by the gentleman from Arkansas [Mr. TRIMBLE], increasing on line 23 the amount from $450,000 to $900,000, the thing to do would be to vote "No."

The CHAIRMAN. That is right.

Mr. ABBITT. That would put it in exactly as it was last year.

Mr. GARY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GARY. On the other hand, if you want distributive education to receive approximately $2 million then the vote should be "aye."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. MARSHALL].

The question was taken; and on a division (demanded by Mr. BUDGE) there were—ayes 18, noes 96.

So the amendment was rejected.

The Clerk read as follows:

OFFICE OF VOCATIONAL REHABILITATION

Payments to States (including Alaska, Hawaii, and Puerto Rico): For payments to States (including Alaska, Hawaii, and Puerto Rico) in accordance with the Vocational Rehabilitation Act, as amended (29 U. S. C., ch. 4) including payments, in accordance with regulations of the Secretary, for one-half of necessary expenditures for the acquisition of vending stands or other equipment in accordance with section 3 (a) (3) (C) of said act for the use of blind persons, such stands or other equipment to be controlled by the State agency, $21,000,000, of which not to exceed $160,000 shall be available to the Secretary for providing rehabilitation services to disabled residents of the District of Columbia, as authorized by section 6 of said act, which latter amount shall be available for administrative expenses in connection with providing such services in the District of Columbia: *Provided*, That not to exceed 15 percent of the appropriation shall be used for administrative purposes: *Provided further*, That the funds herein appropriated shall be apportioned among the States in accordance with regulations promulgated by the Secretary to insure equitable maintenance and improvement of State programs; and the obligation of the United States to any State under such act for the current fiscal year shall not exceed the amount so apportioned to such State.

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: Page 17, line 15, strike out "shall be apportioned

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among the" and strike out all of lines 16 through 20, inclusive, and in lieu thereof insert the following: "shall be made available to the States in accordance with the provisions of section 3 (a) of Public Law 113, 78th Congress, approved July 6, 1943."

Mr. TABER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. The point is that it changes existing law. In the bill for last year, there was a provision on page 7 as follows:

Provided further, That the amount apportioned to a State for fiscal year 1955 shall not exceed $1 for each 75 cents contributed by the State for the same purpose.

This amendment would wipe out that change that was made by the bill last year and it would result in going back to the old law which was in force prior to this time. It was put in for the purpose of protecting the school districts that were contributing and matching funds against those that were not.

The CHAIRMAN. Does the gentleman from Rhode Island desire to be heard on the point of order?

Mr. FOGARTY. I do, Mr. Chairman. It is my understanding, Mr. Chairman, that the provision in the bill requires that the grants to States be made in accordance with the regulations prescribed by the Secretary of Health, Education, and Welfare. My amendment would change this requirement of the bill so that the grants would be apportioned to the States as required under the basic law, Public Law 113, passed in 1943 by the 78th Congress. Further, it is my understanding that you can always require that an appropriation be spent in accordance with the law. All my amendment does is get us back to the basic law and take care of a situation that was put into a bill by the other body but was never brought up for discussion before this House.

Further, Mr. Chairman, my amendment amends the bill, starting on page 17 in line 15. I do not believe the point of order is well taken, because if a point of order lies against the language in my amendment a point of order also should lie against the language in the bill. Therefore, I submit that my language is germane and that it does not change the basic law. All I am trying to do is get back to the basic law that was passed in 1943 by the 78th Congress.

Mr. TABER. Mr. Chairman, may I be heard further on the point of order?

The CHAIRMAN. The Chair will hear the gentleman from New York.

Mr. TABER. The basic law is the provision that was passed last year. The original basic law is not the basic law any longer.

I cite Cannon's Precedents, 1936, volume 7, with reference to the suggestion the gentleman from Rhode Island has made with regard to an amendment. I read the bottom paragraph on page 679:

A paragraph proposing legislation but permitted to remain in an appropriation bill may be perfected by germane amendments, but an amendment providing additional legislation is not in order.

Mr. JUDD. Mr. Chairman, may I be heard briefly on the point of order?

The CHAIRMAN. The Chair will hear the gentleman from Minnesota.

Mr. JUDD. If, as the gentleman from New York says, the amendment offered by the gentleman from Rhode Island is not germane and is out of order, then why is the language in order that is in the proviso now in the bill? If the law as passed last year exists without this proviso, how can the bill then say:

Provided further, That the funds herein appropriated shall be apportioned among the States in accordance with regulations promulgated by the Secretary.

If that is the law, why do we have to write it in here? To write in directions as to how this shall be spent seems to me just as much out of order as the gentleman from New York says the amendment offered by the gentleman from Rhode Island is out of order.

Mr. FORD. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman from Michigan.

Mr. FORD. I think the point made by the gentleman from Minnesota is inappropriate at this time because no point of order was made in time to the language to which he referred.

The CHAIRMAN (Mr. NICHOLSON). The Chair is prepared to rule. The matter referred to by the gentleman from New York came up last year in the committee of conference between the House and the other body. The other body proposed and the House agreed to a provision relating to apportionment of funds in fiscal 1955. There are several applicable precedents. A precedent representative of the situation here is to be found in Cannon's Precedent of the House of Representatives, volume 7, section 1420, which is as follows:

1420. A paragraph changing existing law being permitted to remain by general consent may be perfected by germane amendments which do not provide additional legislation.

It is well established that if a legislative provision is permitted to remain in an appropriation bill, it may be amended by a germane proposition which does not add further legislation. This amendment provides a method of apportionment different from what is specified in the pending bill. It deals with money in the bill and its apportionment. Therefore, it is germane. The provision in the bill certainly grants wide, discretionary power to the Secretary of the Department as to how money in the paragraph shall be apportioned among the States, and under this provision of the bill the Secretary seems not to be bound by prior laws governing the matter. The pending amendment is also legislation, but it would narrow authority granted by the bill, and would confine the Secretary to the provisions of an existing law. Therefore the amendment does not add further legislation, and, as already stated, it is germane. In the opinion of the Chair, the amendment is in order. Therefore the Chair overrules the point of order.

Mr. FOGARTY. Mr. Chairman, I appreciate the Chairman's ruling. As I said yesterday, I think we can always expect a fair ruling from my distinguished friend, the gentleman from Massachusetts, who served so ably in this position a year ago when this bill was before us.

Mr. Chairman, my only purpose in offering this amendment at this time is to strike some restrictive language which was put into this bill a year ago by the other body, and which was agreed to by the conferees of the House. Those of you who have served on conference committees know, and as many of you as a matter of fact know, when a conference report is reported back to the House with these amendments in disagreement, they are generally passed fairly quickly unless some objection is made to a particular amendment. I was not able to be here when this bill went to conference last year, and I was not present at the conference when the report was reported to the House of Representatives. However, had I been, I certainly would have objected to this particular language in changing the basic law of the vocational rehabilitation program. What does this language mean? In effect, it means as was testified by those who are running the program and by those on the outside who are interested in the rehabilitation of our handicapped people in this country, that about 5,900 people will not be rehabilitated next year under this program providing for 65,000, if this language is allowed to remain in the bill. I hope because of the tremendous pluralities by which these amendments have been agreed to in past years by men and women on both sides of the aisle in this House by which we have been able to keep this program nonpartisan and to keep politics out of it and we will continue to do so. Because it does not make any difference whether you have a dime or a million dollars, and it does not make any difference whether you are a Democrat, or a Republican, or a Socialist, you can have the same misfortune as the thousands of handicapped have at the present time. It is true that under this program we are now rehabilitating 65,000 people a year, and as I said before many times, the people who have appeared before our committee testifying on these appropriations have testified year after year that for every Federal dollar we appropriate in this particular program, the Federal Government receives in return $10.

Now, if we are interested in economy, if we are interested in rehabilitating these people and giving them a chance to win their own way in life, this is the place we can do it. It is Federal responsibility. The Federal Government has to provide the leadership for the States, and it would be very unfair at this time to demand that the States match every Federal dollar with 75 cents, because most of the State legislatures have already met and adjourned, and they will not match 75 cents to the dollar. In many States they cannot match it anyway. But the cold facts are that if we do not adopt this amendment to eliminate the restrictive language that was put in by the Senate last year in this matching formula, it means that nearly 6,000 people who would have been rehabilitated in fiscal 1955 will not be rehabilitated. If there was anything any

more popular than this program, I do not know what it is. If there is a program in the Federal Government that has meant more in dollars and cents to the Treasury of the United States, I do not know what it is. I could go into States and communities and tell you that for every person that is rehabilitated the return to the local communities and States, themselves is 3 or 4 times what it is to the Federal Government, because many of those unfortunates are on relief rolls, and when we rehabilitate them and they get a job so that they can earn their own way in life, they are taken off the relief rolls. They are taxpayers and they contribute taxes on the State level and on the national level.

The CHAIRMAN. The time of the gentleman from Rhode Island has expired.

(By unanimous consent (at the request of Mr. RAYBURN), the gentleman's time was extended 5 minutes.)

Mr. FOGARTY. I thank the gentleman. I will not take the 5 minutes, because I think this program is well established. I think everyone knows what the intent of this language change is.

I now am happy to yield to my distinguished leader, the gentleman from Texas.

Mr. RAYBURN. Mr. Chairman, I simply wanted to say that I am for the amendment offered by the gentleman from Rhode Island. I am not given to complimenting people on this floor, as everybody who has served with me knows, but on yesterday I heard the gentleman from Rhode Island [Mr. FOGARTY] make one of the most powerful and convincing speeches and arguments that I have listened to since I have been a Member of this House. I want to congratulate him on the tremendous amount of work he has done on this measure and on the sane and sound fashion by which he has approached this great problem that touches so many unfortunate people in our country.

Mr. GAVIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it gives me a great deal of pleasure to see the gentleman from Rhode Island on the floor today presenting the case for public health which he has done so earnestly and capably for the past several years.

It gives me great pleasure because a year ago today he himself was struck down with a heart attack that took him to Bethesda Hospital. For a while we were gravely concerned for him, not knowing how serious his illness was and how long we and the people of Rhode Island would be without his good and faithful service.

Today, however, we can rejoice because not only is he back among us but he is stronger, more capable, and more formidable than ever.

I have known JOHN FOGARTY for the 12 years I have been a Member of Congress. There is nobody in this House for whom I have greater admiration. His sincerity, honesty, and integrity have earned for him the respect of the membership on both sides of the aisle. I hope the people of Rhode Island realize their good fortune in having him as their Representative and I hope, too, that we will enjoy his membership in this body for many years to come.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the distinguished gentleman from Massachusetts.

Mr. McCORMACK. Mr. Chairman, I am very happy to hear the remarks made by the gentleman from Pennsylvania about our distinguished friend from Rhode Island [Mr. FOGARTY] because I know that all of the Members join with the gentleman from Pennsylvania in the remarks he has just made.

As I stand here due to the generosity of the gentleman from Pennsylvania in yielding to me, my mind goes back not so many years ago to the time when this particular appropriation bill was under consideration and the gentleman from Rhode Island [Mr. FOGARTY] was in the well. Shoulder to shoulder with him was that distinguished late colleague of ours from Wisconsin, Frank Keefe.

The people of the United States will forever be indebted to both JOHN FOGARTY and Frank Keefe for the dynamic efforts both of them made in behalf of the ill, the sick, and the handicapped.

Mr. GAVIN. I thank the gentleman from Massachusetts for his fine sentiments.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from California.

Mr. HINSHAW. We representatives from California are delighted to see JOHN FOGARTY back at his desk and working with his committee, because we know that he contributes sincerely efforts of great value to the appropriations this particular subcommittee handles, particularly that part relating to the health of the population.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Illinois.

Mr. BUSBEY. I appreciate the remarks of the gentleman from Pennsylvania. I took occasion in general debate to pay my respects to the gentleman from Rhode Island [Mr. FOGARTY], for all the work he has done and for the knowledge he has brought to this committee and to the health and welfare of this country. He has been invaluable to me as chairman of this committee for the past 2 years.

Mr. GAVIN. I thank the gentleman from Illinois.

Mr. FORAND. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Rhode Island.

Mr. FORAND. Mr. Chairman, I appreciate very much the opportunity that the gentleman from Pennsylvania gives me to thank him and the other members of this body for the fine words they are saying about my colleague. We in Rhode Island have known these things for many years, and that is why JOHN FOGARTY keeps coming back to the Congress. I am glad that his qualifications for this job are being recognized and recognized publicly by all of his colleagues in the House. I thank all of the gentlemen for their kind statements.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Tennessee.

Mr. PRIEST. Mr. Chairman, I appreciate very much what the gentleman from Pennsylvania and other Members of the House on both sides of the aisle have had to say with reference tho JOHN FOGARTY.

I as a member of the Committee on Interstate and Foreign Commerce handling the authorizing legislation for all these public health programs want to add my word. I feel sure that I speak for all of the Members on both sides in expressing our very deep gratitude for the very able services JOHN FOGARTY has rendered; and, also, in other days the great gentleman from Wisconsin, the Honorable Frank Keefe.

Mr. FORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I certainly concur in the remarks concerning the fine thing it is that JOHN FOGARTY is back with us. We were unhappy that he had a very serious illness last year.

The fact, however, that we are glad to see him back with us does not necessarily mean that we have to agree with this particular amendment, and I do rise at this time to voice an objection to the amendment and urge that it be disapproved.

We ought to understand what this amendment does. It provides that a provision in Public Law 170 of the first session of this Congress be stricken. In other words, the States will not have to match on a ratio of 75 cents to every dollar of Federal contribution. Personally, I think that provision is sound and I see no reason whatsoever why the States should not be forced to make a more adequate contribution to this program. It is desirable from the point of view of the Federal Government. At the same time it is equally desirable, if not more so, from the point of view of the individual States. If it is, why should they not make a greater contribution?

The gentleman from Rhode Island himself a few minutes ago in the well of the House stated—I cannot quote him exactly—that the benefits that would accrue to the States would be almost inestimable. If that is the case, and I am sure it is, why cannot the States make a contribution more nearly equal to what the Federal Government contributes? All of the States I know of are in better fiscal shape, better fiscal condition, than the Federal Treasury. If that is the case why can they not step up and make their contributions and share up to their responsibility?

Mr. JUDD. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I first want to join in expressing the thankfulness and happiness we all feel at the restoration to good health and active duty of JOHN FOGARTY, who has served so long and ably on this important subcommittee.

Mr. Chairman, following the remarks of my good friend the gentleman from Michigan [Mr. FORD], the question might be raised, if we did not examine the situation, why not allow the restriction to stand that was put in the appropriation

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bill last year and which reduces the share of the Federal Government under these programs from the present 64 percent to about 57 percent? The hard fact is that 35 or 36 State legislatures do not meet this year. They will not have a chance to increase their contributions. The only possible result will be to cut down the amount of rehabilitation done this next year.

This program was enacted into law in the first year I was in Congress and was a member of the Committee on Education, of which the distinguished gentleman from North Carolina [Mr. BARDEN] was chairman. I have been proud of the bill as the first on which I ever worked as a Member of this body. The bill provided that all of the administrative and guidance costs plus half of the service costs of the program were to be furnished by the Federal Government. So it never was possible for the States to get to a 50–50 basis. In the beginning about 72 percent of the costs were paid by the Federal Government and 28 percent by the States. The States have steadily increased their contributions, so that they are now providing about 36 percent and the Federal Government 64 percent. The rider of last year forces the Federal Government down to 57 percent at a time when the legislatures are not meeting and do not have a chance to increase their contributions.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from New York.

Mr. TABER. But this was passed last year and took effect on the 1st of July.

Mr. JUDD. That is right. Almost all of the legislatures had already met last year. As has been said by the gentleman from Rhode Island, this provision was adopted in the conference. It was not in the House bill, it was not in the Senate bill, there was nothing about it in the conference report, it was not explained or discussed when the conference report came before the House. I venture there were not a dozen Members of the House who had any idea the final appropriation bill last year contained legislation which made it impossible with the practical situation that existed to carry on the program even as it was, let alone expanding it as it deserved to be expanded.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from North Carolina.

Mr. BARDEN. I just interrupt the gentleman to make the remark that I understand that 38 State legislatures have not had the opportunity of taking care of this situation. Many of them will not meet until next January.

Mr. JUDD. That is two worse than the figure I had.

The next point is that somebody may say: Well, the House and Senate Committees on Education and Labor are now working on bills to establish a new policy for this program whereby there will be a gradual reduction of the Federal share and an increase in the State share. Since the new legislation may come before us prior to the end of this session, why make this change in the appropriation bill?

Everybody knows what can happen to pieces of legislation that are not yet out of committee in either House and which have to go through both bodies, in the crowded weeks at the end of a session. It would be exceedingly uncertain and unwise to depend on new legislation rather than upon the amendment offered by the gentleman from Rhode Island to remove this restrictive provision which was put in without the knowledge of the great majority of the Members of the Congress or the people of the country.

Now, that is the technical situation requiring adoption of the amendment. But more important than the technical situation is the human situation. Six thousand handicapped persons will not get vocational rehabilitation during the coming year unless this amendment is adopted; and worse than that, about 1,000 of them will stay on the public relief rolls. To vote against the Fogarty amendment is to vote to keep 1,000 persons getting Government handouts or Community Chest handouts or municipal handouts, or whatever takes care of them on the relief rolls. That costs more in most cases than to teach them skills that will enable them to support themselves.

This is a program which converts tax eaters into taxpayers. We save more money by this program, I believe, in proportion to the amount spent than by any single program that the United States Government has.

I do not think any more argument is necessary. Congress has been for this program each year. It has always supported it. We had this same sort of a wrangle last year and overwhelmingly voted to increase the appropriation. By striking out the restrictive language and increasing the appropriation to $23 million we can carry out the program without disruption and in accord with the administration program.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. JAVITS of New York. Mr. Chairman, I ask unanimous consent that the gentleman from Minnesota [Mr. JUDD] be granted permission to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from New York.

Mr. JAVITS. Before posing my question to the distinguished gentleman from Minnesota, I should like to state that I support his position on this issue.

I should also like to read the wire sent me by Mr. Leonard Rockower, who is the president of the New York Rehabilitation Association. Mr. Rockower says:

Disastrous if vocational rehabilitation appropriation not restored tomorrow and restrictive language removed. Urgently request support.

The situation has been similarly called to my attention by Mrs. Ann Lee Jacobs, distinguished chairman of Youth Aid, Inc., an important voluntary youth organization and a leader in the fight against juvenile delinquency in New York City.

The gentleman feels, does he not, that if you were going to cut off these people by a deliberate policy, you ought to at least give enough notice so that the States could take up the slack? What you are doing now, you are just cutting them off, period.

Mr. JUDD. That is right. It is not the orderly way to do business, and it cripples a program that everybody is for.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from West Virginia.

Mr. BAILEY. The subcommittee cannot argue that they were not advised of this situation. I appeared before them Friday a week ago, and two-thirds of the time I spent with the committee was discussing this restrictive language. I pointed out to them that it cost the State of West Virginia $156,000; that our State legislature only meets biennially, and we had no way of replacing those moneys even if the legislature was inclined to do so, and the program would suffer for the first 6 months of the new fiscal year. I think that the proposal by the gentleman from Rhode Island is the way out of it, and we can restore Public Law 113.

Mr. JUDD. Let me say one further thing in the time I have left. Unless this amendment is passed, the $21 million appropriated in the bill cannot be used because only about $14 million has been provided by the various State legislatures, and under the matching basis contained in this restriction only about $19 million can be used. So, actually, we are misleading the public when they think they are going to get the $21 million in the bill. The only way to meet the need is to increase the amount to $23 million and remove the restrictive proviso.

Mr. BAILEY. Mr. Chairman, if the gentleman will yield further, this restriction has resulted in an unequal distribution of the money to the States.

Mr. JUDD. That is right, and the amendment will correct the situation.

Mr. BAILEY. It varied from 54 percent in some States to 72.4 in others.

Mr. JUDD. That is exactly right.

Mr. BAILEY. And we should avoid that.

Mr. WARBURTON. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Delaware.

Mr. WARBURTON. I would like to associate myself with the views expressed by the gentleman from Minnesota in his presentation and also to state a point that may be of interest to him, and that is upon the question of whether or not there has been a decline in Federal contributions. I have the figures for the State of Delaware, which led the Nation for the last 7 years in this program, which indicate that in the period since 1951 there has been a steady decline in Federal contributions from 69.62 and it will still go down with this restriction in.

Mr. FERNANDEZ. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am strongly in favor of this amendment as I was in the committee. In the subcommittee I gained the impression that a majority was for the amendment, although I may be wrong about that, since the question there was really not decided on its merits. You know, I am rather new on this committee, but in the long weeks that I have had the privilege of serving with the gentleman from Rhode Island [Mr. FOGARTY] I have learned from him many, many things, and I am continuing to learn them. In the subcommittee the question was raised as to whether or not this amendment would be subject to a point of order as legislation on an appropriation bill. The lawyers in the department and the two lawyers on the subcommittee were of the opinion that it would be, and we did not put it in the bill. The gentleman from Rhode Island [Mr. FOGARTY] contended that it was not. The gentleman from Rhode Island [Mr. FOGARTY] is not a lawyer, but he is a great parliamentarian, and today, again, he has taught me something. He has taught me that whether language is subject to a point of order sometimes depends on the parliamentary maneuver utilized to present it. He has also taught me that no language can be held subject to a point of order until the Chair says "I am prepared to rule." I heartily congratulate him on winning singlehanded what many of us thought would be a hopeless task. It is, indeed, a signal victory.

Mr. BUSBEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes, the last 3 minutes to be reserved to the chairman of the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois [Mr. BUSBEY]?

There was no objection.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. MCCONNELL] is recognized for 5 minutes.

Mr. MCCONNELL. Mr. Chairman, I rise in strong support of this amendment of the gentleman from Rhode Island [Mr. FOGARTY]. Tomorrow the full Committee on Education and Labor of the House will take up a bill to amend the Vocational Rehabilitation Act. When I started hearings and had executive sessions in the subcommittee on this subject, I was not too familiar with the various angles of it. The more I have delved into it, the more I realize that it is one of the most worthwhile programs anyone could consider; also that it is a program that has not commanded enough attention here in Congress or in the States or in the various sections of the Nation.

It is absolutely true that it has more parts to commend it than virtually any other type of problem I can think of. Not only do you find the heart interest, in that you help human beings to become self-reliant, self-supporting, but you have a good, economic reason; that is, that they will get off the relief rolls and become self-supporting, thereby returning many thousands of dollars to the Treasury of the United States.

Everything that we can do to help this program should be done. I will tell you what the crux of this whole argument is and what this amendment involves at the present time. In 1954, early in the year, an amendment was passed which required a much higher matching on the part of the States. I would have no objection to that normally if this were a good, functioning program and we were on top of the problem. But we are not. When you consider the size of the problem, with millions and millions of people physically handicapped in this country and the Federal Government putting up only about $23 million, you will realize that we are not handling the problem effectively. Therefore there has to be continually more incentive in all directions in order that we may solve this problem and put a large number of worthwhile people to earning a living and helping in the productive effort of this country in a time of great national danger.

Therefore I believe that we should pass this amendment—and the new bill, if it passes, as I hope it will, will continue a higher payment by the Federal Government in order to provide an incentive for the entire program.

I feel very strongly that there is a poor psychological reaction engendered when you talk about cutting down the Federal contribution to a cause which is so worthwhile and which we have not begun to really solve. Therefore, I feel that there should be no discussion yet, at the present time or over the next few years, about cutting down the Federal share of contribution. I think we should make every move to encourage more effort to rehabilitate the physically handicapped people.

Mr. Chairman, I hope this amendment will be supported, and I hope also that the Members will support the sincere efforts of the Committee on Education and Labor to work out a better program in the future than we have at the present time.

Mr. FENTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FENTON. Mr. Chairman, I am in favor of the amendment offered by the gentleman from Rhode Island.

The Federal Government's 1954 appropriation bill has made it plain that in 1955, and thereafter, unless changed, States can expect only $1 for each 75 cents they expend. This reduction was approved under the Busbey amendment and overall will reduce the Federal appropriation from $23 million to about $19 million or from 66 percent to 57 percent for vocational rehabilitation. For Pennsylvania it will mean a loss of $200,000.

The present appropriation for Pennsylvania is broken down as follows:

Federal, 60.7 percent	$1,389,208
State, 39.3 percent	900,000

Under the Busbey amendment:

Federal, 57 percent	$1,193,000
State, 43 percent	900,000

EARNINGS OF THE HANDICAPPED

During the 1952–53 fiscal year the Pennsylvania Bureau of Rehabilitation closed 3,493 cases as successfully rehabilitated. The combined earnings of the 3,493 persons are estimated at $7.5 million per year. When accepted for service only 658 persons were receiving wages amounting to $1.2 million per year. Through rehabilitation the overall income of the State was increased approximately $6.3 million a year.

More than 17 percent of those rehabilitated, or 610 persons, were dependent upon public relief as their major source of support at time of acceptance. The 610 public-assistance rehabilitants were receiving $558,480 a year in relief grants. They are now productive members of their communities, earning $1,325,740 in their first year of employment. The $148,505 expended to rehabilitate these persons, a one-time expenditure, is only one-quarter of the cost to maintain them on relief for 1 year.

With the rehabilitation funds to be made available through the Busbey amendment, the number of handicapped individuals who could be rehabilitated in a year would be reduced from 3,493 to 2,941, or a drop of 552 cases. In other words, the earnings lost by State citizens for 1 year as a result of a decrease of 552 rehabilitations would amount to $1,185,144.

Since there will not be a meeting of the Pennsylvania State Legislature until January 1955, it will be impossible to obtain funds to offset the reduction in Federal appropriations provided under the Busbey amendment.

It seems to me that with such fine work being done in rehabilitating our disabled citizens that the restrictive language in the bill should be removed.

Mr. CRETELLA. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. CRETELLA. Mr. Chairman, I lend my wholehearted support to the amendment proposed by my colleague, the gentleman from Rhode Island [Mr. FOGARTY], which would increase the amount for vocational rehabilitation to $23 million. The various States in our Union, including the Territories are making noteworthy progress in the field of vocational rehabilitation. The Federal Government in matching State funds has made it possible for this all-important work to be carried on. The Vocational Rehabilitation Act was brought into operation to insure equitable maintenance and improvement of State programs. The amendment offered here would increase these very modest funds for a worthy program. Adequate appropriation for the rehabilitation of our Nation's needy population should be an obligation welcomed by our Federal Government. This amendment would return thousands of dollars to the Federal Government, and will help rehabilitate thousands of people so as to make them self-supporting instead of depending on relief all through no fault of theirs.

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Mr. TOLLEFSON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TOLLEFSON. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY]. It should have the support of the entire House. When the restrictive language was placed in the appropriation bill last year by the House and Senate conferees it was done without full understanding as to its effect and without the knowledge of the vast majority of the Members of either body. This language was not discussed when the conference report came to the floor of the House for consideration. If it had been discussed or even mentioned, I am sure the House would have rejected it. The debate thus far on this item so indicates.

The effect of this language is unfair to the States who have over the years increased their contributions to this program. It is unfair because it will result in a reduction of the funds to be allocated to the States prior to the time their legislatures will have an opportunity to meet and do something about it.

In addition to that fact I want to say that the pro rata share of the Federal Government should not be reduced. This vocational rehabilitation program is one which needs the guidance and encouragement of the Government. I am afraid that if it is left entirely up to the States at this point the program would not be as effective as it should be in many areas. It may be possible at some future date, when the program is more fully developed, that the Federal share may safely be reduced or eliminated—but certainly such is not the case now.

It is my understanding that the gentleman from Rhode Island [Mr. FOGARTY] will offer another amendment immediately after the pending one which would increase the Federal share from $21 million to $23 million. I shall support that amendment also, and urge the House to do likewise. I hope both amendments carry.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. WINSTEAD].

Mr. WINSTEAD. Mr. Chairman, I rise in support of this amendment and the amendment to follow which will restore the appropriation to $23 million. In my judgment, there is no better investment of Federal tax dollars than in the rehabilitation of the handicapped. I do not speak from theory, but from actual observation of rehabilitation work being carried on and from actual knowledge of crippled people who have been rehabilitated as a result of the combined efforts of the various States and the Federal Government. It seems to me that this would be about the last of all Federal activities which any Member of Congress would care to cut.

As I remember, the House committee in 1953 recommended a cut in rehabilitation funds for 1954. This effort to cut rehabilitation was defeated overwhelmingly in the Committee of the Whole of the House. We had thought that this gave plenty of evidence to members of the committee with respect to just how Congress feels about this very important program. Evidently, we were mistaken, for now it appears that not only is an effort to reduce the number of Federal dollars going into the program, but also that restrictive language was placed in the 1954 appropriation bill in conference, effective in 1955, which will limit the Federal share in such a way as to make it impossible for the States to spend even the amount which appears in the 1955 bill.

This restriction will result in a loss of approximately $75,000 of Federal funds to my own State. This will mean approximately 100 fewer persons rehabilitated. We understand that 7,000 fewer will be rehabilitated in the country as a whole.

This proposed cut in rehabilitation services comes in the face of a backlog of 2 million severely handicapped people who need rehabilitation services. It ignores the fact that approximately 250,000 persons are added to the severely disabled each year, and that less than one-third of these are receiving rehabilitation services when they first need them. It does not take into consideration the fact that we have an ever mounting public assistance expenditure for the handicapped and that rehabilitation is the main hope of lessening such expenditures. From every conceivable humanitarian or economic viewpoint, it seems extremely unwise for either the States or the Federal Government to decrease their investments in rehabilitation.

With respect to whether the Federal Government is paying too high or too low a part of the total cost of the program, I am willing to leave this to committees of Congress to study such legislation. To attempt to rewrite a law in an appropriation bill, particularly one as complicated as Public Law 113 of the 78th Congress, is extremely unwise and could hardly be expected not to result in severe dislocations and injustices.

I speak for the handicapped of my State in supporting the amendments to restore the funds to $23 million and repealing the restrictive language.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. BUSBEY].

Mr. BUSBEY. Mr. Chairman, I take this time to straighten out what I think is a misunderstanding on some things.

First, the gentleman from Minnesota was not sure as to whether or not the $19 million could be matched. I refer him to page 700 of the hearings, where Mr. Hunt, Assistant Director of the Office of Vocational Rehabilitation, testified, as follows:

> The highest figure would be about $15 million of State funds. That would bring about $20 million of Federal funds.

The reason the committee raised the budget request to $21 million was so that if the States raised just $750,000 more, above the $15 million, they could match the $21 million on a 75 cents to a dollar basis and, in total, there would be just as much available for the program as they had in 1954.

The gentleman from Pennsylvania was talking about State legislatures not being in session. As I pointed out in general debate yesterday, there is no right year for any such legislation as this, because if you make it effective this year, the State legislatures are not in session. If you try to make it effective next year, the State legislatures will have convened and adjourned before the appropriation bills get through the Congress, so that would not be the right year. There is just no right year.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY].

The amendment was agreed to.

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. FOGARTY: Page 17, line 6, strike out "$21,000,000" and insert in lieu thereof "$23,000,000"; and in line 7 strike out "$160,000" and in lieu thereof insert "$195,000."

Mr. FOGARTY. Mr. Chairman, all this amendment does is restore the funds we had available in this fiscal year of 1954. If this amendment is agreed to, we will then be guaranteeing the physically handicapped that they will have as much in 1955 as they had in 1954. That is all it does.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

The Clerk read down to and including page 18, line 14.

Mr. BUSBEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NICHOLSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9447) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related independent agencies, for the fiscal year ending June 30, 1955, and for other purposes, had come to no resolution thereon.

GRANTS TO STATES FOR UNEMPLOYMENT COMPENSATION AND EMPLOYMENT SERVICE ADMINISTRATION

Mr. SIKES. Mr. Speaker, before this bill is passed, I want to remind the House of a serious weakness in the provisions pertaining to grants to States for unemployment compensation and employment-service administration.

For grants to States for unemployment compensation and employment service administration, the President requested $216.4 million, made up of $210.4 million basic and $6 million contingency. The House Appropriations Committee accepted the total of $216.4 million, but altered the distribution between basic and contingency. The committee recommended $200 million basic and $16.4 million contingency.

The committee stated that the $200 million basic would be adequate to finance a workload equivalent to the workload experienced in 1954. The States will spend about $202 million in 1954. The surface impression is that, since the States will perform their 1954 workloads for $202 million, the $200 million basic recommended by the House committee should be adequate to finance the same workloads in 1955. The facts are, however, that if the 1954 workload had been completely paid for the States would spend this year about $217 million. The appropriation for grants was drastically reduced in 1954, and the States have simply had to absorb a great part of their costs, through reductions in program and in the quality of performance. The House committee action will prevent any restoration in program or quality of operation. The employment service will be particularly affected at a time when every effort should be made to strengthen and improve the process of getting workers in jobs. With the amount of funds available, it is almost certain that complaints on the lag in the payment of benefits that have been made in large numbers during the past year, will continue. At the same time plans to improve operations in the area of improper benefit payments and the stepping up of the field auditing of employers' accounts will not be realizable.

In addition, the House committee refused to permit the use of the contingency fund to pay the costs of general State salary increases. Any such increases in 1955 will have to be absorbed in those States where such increases occur. The effect will be a further reduction in the amount of money available. The best estimate at this time is that the salary increases will amount to a cut of $6.2 million, or 1,600 jobs.

I had hoped that these weaknesses would be corrected. There still is opportunity to do so before this bill becomes law, and I earnestly hope it will be done.

May I take this opportunity, also, to state that it is highly encouraging to note the action of the committee in adding funds in another section of the bill for vocational education and vocational rehabilitation. These are far reaching and very beneficial steps.

SPECIAL ORDERS GRANTED

Mr. McCORMACK asked and was given permission to address the House for 10 minutes today, following the legislative program and the conclusion of special orders heretofore granted.

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 10 minutes today, following the legislative program and the conclusion of special orders heretofore granted.

COMMITTEE ON AGRICULTURE

Mr. HILL. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight to file a report on Senate bill S. 2475.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks on the pending bill.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

ADMINISTRATIVE JURISDICTION OF CERTAIN PUBLIC LANDS IN THE STATE OF OREGON

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2225) relating to the administrative jurisdiction of certain public lands in the State of Oregon, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

Mr. WICKERSHAM. Mr. Speaker, reserving the right to object, and I make this reservation at the request of two of our former colleagues, I would like to ask the gentleman from Oregon [Mr. ELLSWORTH] a question. This measure is a followup and confirms a decision of the District of Columbia Circuit of the United States Court of Appeals on April 30, 1954, in which action A. W. Lafferty, a former Member of Congress, represented Clackamos County, Oreg., and others and won the decision. Is this correct?

Mr. ELLSWORTH. That is correct.

Mr. WICKERSHAM. Is it a fact that immediately after the said court of appeals decision, the Senate held hearings for 4 days and reported this bill favorably?

Mr. ELLSWORTH. That is correct.

Mr. WICKERSHAM. Is it a fact that this bill confirms the decision of the court of appeals which directed the payment of $7 million or $8 million to 18 Oregon counties, including Clackamos County, all of which 18 counties thereby benefiting by the action instituted by A. W. Lafferty, as attorney, and benefited from the said court decision? This is correct, is it not?

Mr. ELLSWORTH. That is correct.

Mr. WICKERSHAM. Can the gentleman assure me there is no timber grab and no land grab in this bill?

Mr. ELLSWORTH. I can assure the gentleman there is no land grab or timber grab. I assure the gentleman that the matter concerns only two Government departments and nobody else.

Mr. WICKERSHAM. I thank the gentleman.

Is it correct that if this bill is not passed today you have arranged for a rule on same?

Mr. ELLSWORTH. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska [Mr. MILLER]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) those unselected and unpatented odd-numbered sections within the indemnity limits of the Oregon and California Railroad land grant authorized by the act of July 25, 1866 (14 Stat. 239), as amended by the act of April 10, 1869 (16 Stat. 47), and for which payment was made by the United States to such railroad or its successors in interest under the act of June 9, 1916 (39 Stat. 218), pursuant to the decree in the case of United States against Oregon and California R. R. Co. (8 F. (2d) 645), which were included within the boundaries of national forests by proclamations of the President of the United States issued under the dates of June 17, 1892, September 28, 1893, October 5, 1906, January 25, 1907, March 1, 1907, and March 2, 1907, are hereby declared to be revested Oregon and California railroad grant lands; and said lands shall continue to be administered as national-forest lands by the Secretary of Agriculture subject to all laws, rules, and regulations applicable to the national forests: *Provided*, That all revenues hereafter derived from said lands and those revenues heretofore derived from such lands and placed in special deposit by agreement between the Secretary of Agriculture and the Secretary of the Interior shall be disposed of in accordance with the provisions of title II of the act approved August 28, 1937 (50 Stat. 874) as hereby amended, and said lands shall not hereafter be subject to the provisions of any other laws or parts of laws which otherwise prescribe the disposal or distribution of receipts from lands of the United States, except that none of the provisions of this act shall affect revenues heretofore distributed. No part of said lands or the resources thereof shall be subject to exchange under the provisions of this or any other law applicable to national-forest lands or otherwise.

(b) Subsection (a) of title II of the act approved August 28, 1937 (50 Stat. 874), is amended by adding at the end thereof the following proviso: ": *Provided, however*, That for the purposes of this subsection the portion of the said revested Oregon and California railroad grant lands in each of said counties which was not assessed for the year 1915 shall be deemed to have been assessed at the average assessed value of the grant lands in said county."

SEC. 2. The Secretary of the Interior and the Secretary of Agriculture are authorized and directed, within 2 years after the enactment of this act, to exchange administrative jurisdiction of revested Oregon and California railroad grant lands lying within the boundaries of any national forest or within 2 miles of such boundaries, and national-forest lands of approximately equal aggregate value, when by such exchange the administration of the lands will be facilitated. Such exchanges shall be made subject to outstanding contracts, permits or other existing rights: *Provided*, That the said national-forest lands, administrative jurisdiction of which is transferred to the Secretary of the Interior, shall be excluded from the national forest and shall become subject to administration under the same provisions of law as the revested lands in exchange for which they were transferred, and the revested lands, administrative jurisdiction of which is transferred to the Secretary of Agriculture, shall become a part of the national forests subject to administration under the laws applicable to national forests: *Provided further*, That subject to the requirement of approximate equal aggregate value for the overall exchange, the revested lands and the national-forest lands, administrative jurisdiction of which is exchanged in any county, shall be approximately equal in area unless otherwise agreed to by the counties concerned. The exchanges provided for herein shall in each case be evidenced by an order signed by the Secretary of the Interior and the Secretary of Agriculture and such orders shall be transmitted to the Division of the Federal Register for filing and publication.

SEC. 3. For the purpose of consolidating and thereby facilitating administration and accounting the Secretary of Agriculture is

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authorized to designate in the several counties in which the lands described in section 1 of this act are situated (such designation to be published in the Federal Register), an area of national-forest land of a value substantially equal to the value of the lands in such county from which all revenues shall be disposed of in accordance with the provisions of title II of the act of August 28, 1937 (50 Stat. 874), and upon such designation the provisions of that act shall be applicable to the lands so designated in lieu of the lands described in section 1 of this act: *Provided, however,* That such designation shall not become effective until approved by the county court of the county in which the lands are located.

SEC. 4. For the purpose of carrying out the provisions of sections 2 and 3 of this act there are hereby authorized to be appropriated such sums as the Congress may from time to time determine to be necessary.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 5958) was laid on the table.

PENDING LEGISLATION PERTAINING TO O. & C. LANDS

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, legislation pending in Congress having to do with the Oregon & California revested railroad grant lands, otherwise known as the O. & C. lands, is a bill which has as its principal purpose the settling of a dispute between the Department of Interior Bureau of Land Management and the Department of Agriculture Forest Service concerning the jurisdiction over some 462,000 acres in the O. & C. land area. Identical bills are pending in the House and Senate, sponsored by Congressman ELLSWORTH and Senator GUY CORDON, H. R. 5958 and S. 2258.

There is no O. & C. controversy in Congress. The pending legislation is approved by the two departments. The Bureau of the Budget finds no objection to it.

The O. & C. lands are lands granted by Congress in 1866 to the Oregon & California Railroad Co. consisting of every odd-numbered section of land then in the title of the Government lying in a strip 20 miles on each side of the proposed railroad right-of-way. The grant was similar to one of many made at about the same time for the purpose of encouraging railroad construction in the United States. The grant in the 20-mile strip is known as the place grant, but since there was considerable patented land in the place grant of a second strip 10 miles in width adjoining the place grant was set aside in which the railroad company had the right to select lands in odd numbered sections to idemnify it for lands in the place grants to which it could not have title. The lands in these two 10-mile strips were known as indemnity lands; in other words, lands set aside to indemnify the railroad company for lands unavailable to it in the place grant.

The railroad was built. Later the railroad company was discovered to have violated some of the terms of the grant. The violations were considered so serious that the United States brought an action in the Federal court to forfeit the entire unsold portion of the granted lands. The Supreme Court, however, held that the terms of the grant should be enforced by legislation not by judicial decree, but did enjoin the railroad company from further disposition of the grant lands until Congress should have an opportunity to legislate.

Accordingly, Congress enacted on June 9, 1916, the Chamberlain-Ferris Act, generally known as the Revestment Act. The language in that act said that title to the lands was revested in the United States to all of the unsold portion of the grant land for which patents had been issued to the railroad company or for which that company was entitled to receive patents.

Meanwhile the United States Forest Service was established. Vast acreages of timberlands were withdrawn from all other use and were placed in the forest reserve. Within the boundaries of the forest withdrawals in Oregon were not only some 500,000 acres of O. & C. lands which were patented by the railroad company but within those boundaries were also some 462,000 acres which were in the so-called indemnity strip but which had not actually been patented by the railroad company.

It is concerning this latter unpatented 462,000 acres that the dispute between the two departments arose. The Forest Service contended that since the withdrawal was made before the Revestment Act was passed and since the lands had not been patented by the railroad company before that they were Government lands and, therefore, subject to withdrawal. The Department of Interior O. & C. Administration contended, however, that the railroad company was entitled to patent those lands, had been paid for them, and that these lands therefore, were a part of the O. & C. grant and properly under the jurisdiction of the O. & C. Administration rather than the Forest Service.

What is now known as the O. & C. Administration in the Department of Interior was created by an act of Congress passed in 1937. This act corrected the destructive 10-year timber patent sale system provided in the Revestment Act by requiring that O. & C. timber must be managed on a sustained-yield basis. It set up the O. & C. Administration for the purpose of administering the lands on that basis and provided a new formula for the distribution of the receipts from the lands. Unfortunately, the 1937 act assumed that all lands, both in the place grant and in the indemnity strip to which the railroad company had acquired patent or was entitled to patent, were O. & C. lands and the act did not spell out in detail the status of the 462,000 acres over which the dispute arose.

When the dispute was taken by the departments to the Attorney General, he would give no opinion. It became necessary, therefore, for Congress to determine the status of the disputed lands.

Legislation for this purpose was first introduced by Senator McNary in 1942, and in subsequent Congresses. All of the bills bearing on this subject have been uniform in one respect. They have declared the disputed acreage to be a part of the O. & C. grant. The principal difference of opinion within the Government has been as to the actual physical management of the lands. The bills now pending represent a compromise on that point. It is now proposed that since the Forest Service has always administered these lands that it continue to do so. In all other ways, however, the lands are to be considered O. & C. area, which means that the money distribution formula for receipts from the O. & C. lands as set out in the act of 1937 will apply to the disputed area.

Since the dispute arose considerable amount of timber has been sold from the controverted lands. Money received from these sales has been accumulated and held in suspense in the Treasury pending settlement of the dispute by Congress. This sum is now reported to be approximately $7 million. If and when the above-mentioned legislation is passed, this money can and will be distributed in accordance with the formula set out in the act of 1937. Both the Department of the Interior and the Department of Agriculture have sent reports to Congress recommending the passage of the pending bills. The House Committee on Interior and Insular Affairs last year held hearings on the House bill but delayed making its report to the House until the Department recommendations were received.

Not only does the pending legislation settle the dispute regarding the 462,000 acres of land, but it provides for the elimination of the checkerboard pattern caused by the intermingling O. & C. and Forest Service lands not only with respect to the 500,000 acres of O. & C. land lying within the national forest boundaries, but also the intermingled 462,000 disputed acres. The bill provides that the Forest Service and the Bureau of Land Management will exchange the intermingled sections so that each will administer solid blocks of area. The checkerboard pattern will thereby be eliminated.

It should be noted in this discussion that such problems as involved have only to do with land owned by the United States Government. The interests of individuals or companies who own timber are in no way involved. Private owners are not concerned with and have taken no personal interest in this problem. Any statement or implication to the effect that special interests or that any private interests at all are in any way involved in this legislation are sheer nonsense.

Any statement or implication that the State of Oregon would be adversely affected by this legislation is not only sheer nonsense but the exact opposite is true.

Any statement or implication that the State of Oregon can and should have title to O. & C. lands is absurd for the reason that the lands were Government

property before the grant was made to the railroad and were taken back by the Government when the railroad company defaulted. The State of Oregon when it was admitted to the Union was given the same equitable treatment as all of the other Pacific Northwest States and it is sheer imagination to think that the Congress would at this late date convey to Oregon the valuable 2½ million acres in the O. & C. revested grant.

Hon. GUY CORDON, senior United States Senator from Oregon, was one of the attorneys who took part in the early litigation and helped in the passage of the congressional enactments which resulted in the claim of the counties for payment in lieu of taxes being recognized. For many years Senator CORDON, an attorney in Roseburg, was the legal representative of the Oregon land grant counties. It was largely through his efforts that the earlier sale and destructive cutting practices on the O. & C. lands were eliminated by the O. & C. Sustained Yield Act of 1937. He was a principal author of that act and assisted Senator McNary in securing its passage. It was he who prepared the first bill for the settlement of the departmental dispute which arose after the passage of the 1937 act. Since he was first appointed to the United States Senate in 1944, Senator CORDON has worked unceasingly toward securing the passage of legislation which would settle this troublesome disagreement. During his entire long and intimate association with this problem, Senator CORDON has been working for and in the interests of the people of Oregon, both as an attorney employed by the counties of Oregon and now as a Member of the United States Senate.

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAVIN. Mr. Speaker, I want to congratulate my good friend and distinguished colleague [Mr. ELLSWORTH], who so ably represents his State, on introducing legislation which will do much to facilitate the administration and use of the national forests in the southwestern part of his great State of Oregon. It also clears up much of the difficulties and indecision that surrounds the administration of the controverted Oregon & California Railroad grant lands. That this is good legislation is demonstrated by the Senate's action of May 20, when that distinguished body, after some deliberation, passed the bill as it is now being presented to the House.

H. R. 5958, Mr. ELLSWORTH'S bill, has the full support of the Secretary of Agriculture, the Secretary of the Interior, the Director of the Bureau of the Budget, and from the standpoint of the program of the President there are no objections to this proposed legislation. Both the Federal Bureaus involved—the United States Forest Service and the Bureau of Land Management—recognized that this legislation will make their administrative tasks easier, prevent overlapping and duplication of effort, and result in better use of the resources of timber, land, and water that are involved. I understand also that the bill has overwhelming local support by the counties affected and that it will clear up long-standing uncertainties regarding payments of receipts from the sale of timber.

I will not go into the details of this legislation, since my distinguished colleague from Oregon is much better informed on its ramification and specific provisions. I do know, however, that in general it will definitely place the administration of the controverted Oregon & California Railroad grant land in the hands of the United States Forest Service, where it has been since 1907.

It also provides for the exchange between the Forest Service and the Bureau of Land Management certain noncontroverted Oregon and California lands now occurring in alternate sections within the national forests in southwestern Oregon. In a word, it will eliminate the present checkerboard pattern of administrative jurisdiction and give the Forest Service and the Bureau of Land Management complete blocks of land to administer—in this manner duplication of effort is eliminated and there will be increased efficiency in the management of these Federal lands.

You gentlemen know that when any legislation evolves affecting the welfare or management of our national forests I pursue it with a great deal of interest. I have inquired into H. R. 5958 and find that it is sound legislation. The effectiveness and efficiency of our national forests and other Federal lands in southwestern Oregon will be improved by its passage.

LEGISLATIVE PROGRAM

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I have asked for this time to announce that we will come in tomorrow at 12 o'clock and conclude action on the pending appropriation bill. A number of Members must leave before 3 or 4 o'clock. I am certain the pending bill can be disposed of within an hour or two tomorrow. Under the arrangement previously entered into, if there had been a rollcall vote on the bill it would have had to go over until tomorrow in any event.

It is hoped that on Thursday the Ways and Means Committee will report out the extension of the Reciprocal Trade Agreements Act, and if a rule is granted we will expect to call that measure up for action on Friday.

INDOCHINA

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. MCCORMACK] is recognized for 10 minutes.

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I am about to make and to include as part of my remarks excerpts from General Romulo's address before the University of Portland, and his address before the University of Seattle when he was conferred the degree of doctor of laws in both universities on May 30 and June 1, 1954, respectively, together with the citation of General Romulo by the University of Seattle, to show in what regard the Filipino leader is held here.

The SPEAKER. Is there objection? There was no objection.

Mr. MCCORMACK. Mr. Speaker, the situation and developments in southeast Asia are of great importance to the free world and there is no question but that a crisis is now taking place in that part of the world.

We have witnessed the intense and concentrated propaganda drive of the Communists at Geneva, and elsewhere, accusing the United States of colonial aggression in Asia and, unfortunately, it has had its effect.

The news dispatches from Hanoi and from Indochina in general are getting more alarming each day. Since the fall of Dien Bien Phu, the Communist hordes have been advancing relentlessly and Hanoi appears to be in danger. While from a military angle the fall of Hanoi may not be all-important or fatal, from a psychological angle it would be crucial and in the eyes of Asia, and its people, would be of far-reaching significance.

There is no question of the importance of Indochina to the free world in its fight against communism. The loss of Indochina would have repercussions that would shake the faith of the people of Asia and those of the western countries. The strategic importance of Indochina is shown by the fact that 6 months before the Japanese launched their attack in the Second World War, they first invaded French Indochina. An examination of the reason for this shows that the Japanese did it because French Indochina is the rice bowl of Asia and most of the countries in Asia depend for their food supply on Indochina. While Japan needed rice, and with Indochina's rice in their possession they could feed their troops and their people, at the same time with Indochina in their possession they could starve the rest of Asia, that Japan was then determined to conquer, and make their efforts in this respect much easier.

The same situation exists today. At this time one of the main problems of Red China is how to feed the millions of empty stomachs in continental China. If the Communists succeed in conquering Indochina, Red China will then have the rice supply it needs to feed its troops and hungry millions. That is one of the main reasons why the Communists are now concentrating in Indochina. In addition, other countries would be affected and influenced by the ability of Red China to deny rice to their people.

It is apparent that something affirmative must be done to win Asians to our side. We all remember that President Roosevelt, in a critical hour during the Second World War, in order to galvanize the Western peoples into action and weld them together to fight nazism and fascism, made the dramatic move of drafting the Atlantic Charter, guaranteeing

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the four freedoms for all those fighting nazism and fascism. We need some such dramatic gesture now to win the Asian faith and confidence. Mr. Speaker, we can imagine the tremendous effect that this move will have on the peoples of Asia. With Pravda and Izvestia and all the other propaganda weapons of the Soviet Union and Peiping driving and dinning into Asian ears daily that America is an imperialistic country, that the American people are favoring colonial aggression in Asia, and that we are against freedom in Asia, and then for the Asians to suddenly witness the President of the United States inviting, and later seated at the conference table with, their own leaders on a basis of equality, drafting a charter guaranteeing their freedom, that will be the best proof of our sincerity and the most effective way of showing it to our Asian friends. It would put the Malenkovs and Molotovs and other Soviet leaders in a disadvantageous position. They will be on the outside looking in. It would be the most effective way to meet their propaganda and the affirmative way to instill into the minds of people of Asia who want liberty and freedom the honorable intentions of the United States. What more effective picture can we convey to them than that of America signing with the other Asia nations a charter of freedom for the people of Asia?

Instead of the current five-power military talks now going on in Washington, which only serves to alienate our Asian brothers, let us follow the suggestion that comes from an Asian leader who also has suggested the meeting at conference that I have already referred to. Gen. Carlos P. Romulo, former president of the United Nations, and who has made these suggestions in recent speeches made by him. There is no question of the loyalty of General Romulo to democratic government. I agree with him that it is a mistake, a serious mistake, to have these five-power military talks now. All of those present consist of representatives of western countries without a single Asian country represented. The Philippine Islands certainly showed its loyalty at Bataan and Corregidor and its heroic resistance movement, and in many other ways. Its President, Ramon Magsaysay, has successfully combated communism in his own country, and we can learn a lot from him on how to fight communism effectively. Why are not the Philippines included in the talks? Why is not Thailand? They should at once be invited to attend and participate in these talks.

These suggestions are affirmative. They will appeal to those in southeast Asia and, in my opinion, receive a prompt and favorable response.

The Government of the Philippines and of Thailand should be invited at once to send representatives to the military talks now taking place. From a military angle this should be done. From a psychological angle it is of vital importance. In connection with the other suggestion, may I say that time is passing rapidly. If action along such lines is taken, it should be done immediately. Such actions will effectively counter the Communist charge of American colonial aggression in Asia, and put the Communists on the defensive.

AN ATLANTIC CHARTER FOR ASIA

(Excerpts of an address delivered by Gen. Carlos P. Romulo, former president of the General Assembly of the United Nations, upon accepting the degree of doctor of laws, honoris causa, from the University of Portland, Oreg., May 30, 1954)

We of the free world are confronted by a fact, not a theory. Communism is relentlessly advancing in southeast Asia. The unvarnished truth is that we are in the midst of a crisis—and it is a serious one.

Here are my personal views and I offer them for what they are worth:

THE PROBLEM

To have an idea of the real nature and dimension of the problem, it would be useful to know first what the problem is not.

The problem is not to negotiate for a modus vivendi with communism in southeast Asia. It is not to secure a pledge from the Communists that they will stop threatening peoples and subverting governments in the region. It is not to beg them to abandon their plans of territorial expansion and world domination.

The problem, in plain, unadorned terms is: To stop communism in its tracks by a convincing show of power—if necessary, by an actual application of force—and to do so with the consent and cooperation of the southeast Asian peoples concerned.

THE BATTLEFRONTS

Each separate aspect of the problem should be dealt with, having this one real objective in mind.

In Geneva, the free world must seize the initiative and make certain that there will be no sellout of the Republic of Korea, that Viet Nam will not be another Korea, and the Geneva Conference will not be a second Munich. It is clear that neither Moscow nor Peiping went to Geneva in hopes of a just and peaceful settlement, but for the sole purpose of confusing and dividing the countries of the free world. The Eden suggestion of a partition of Viet Nam has encouraged the Communists to suggest that nonexistent dissident regimes in Laos and Cambodia be also recognized. The Churchill insistence that the possibilities of negotiation in Geneva be exhausted before attempting to forge an alliance in southeast Asia has encouraged a Communist filibuster in Geneva. Meanwhile, the Communists are rejoicing over the division among the western allies, and while pushing the military campaign in Viet Nam, seem pleased to see Mr. Eden play the role of another Chamberlain at Munich. In Geneva we should make it clear that we are not going to stand for such Communist tactics much longer. We should indicate our determination to consider the conference at an end unless the Communists show a desire shortly to reach a just and peaceful settlement.

In Washington, the President of the United States, as the leader of the free world, should issue a statement expressing his desire to meet with the Prime Ministers of India, Pakistan, Indonesia, Ceylon, Burma, and Thailand, and the President of the Philippines in order to frame a southeast Asia Declaration, similar to the Atlantic Charter. It would be far better to base an American approach to the countries of southeast Asia on the need to guarantee the enjoyment of the four freedoms by the peoples of the region, rather than on the need for a military coalition against communism. The neutral countries of southeast Asia may spurn the suggestion of an alliance, but they would not ignore a suggestion to frame an Atlantic Charter for southeast Asia. If the United Kingdom, France, Australia, and New Zealand wish to join in such a declaration later on, they may of course do so.

In Indochina, the United States and its allies should continue to give every possible assistance to hold the line against the Communist attack.

In Paris, every form of pressure should be exerted upon the French Government to recognize the complete independence of the Indochinese States, including their right to decide freely whether or not they wish to remain within the French Union.

PRINCIPLES BEFORE FORCE

Arrangements for an alliance or for an actual show of force will have meaning in the eyes of the peoples of southeast Asia only after it is made clear to them that those arrangements are being made in the interests of defending the rights and freedoms of the peoples of southeast Asia and not in the interests of the colonial powers concerned. This must be made crystal clear not by means of inconclusive treaties but by a dramatic gesture that, like a meeting of Asian heads of state with the President of the United States, will capture Asian popular imagination.

This fact requires that the United States must first win the understanding and cooperation of the southeast Asian peoples before it can effectively plan with them and for them a system of collective military defense against Communist aggression.

CONCLUSION

In short, America must befriend and speak to the southeast Asian peoples first. After that, the United States should call upon the non-Asian countries with interests in Asia (the United Kingdom, France, New Zealand, and Australia) to pool their military resources in a common effort to safeguard the rights and liberties of the peoples of southeast Asia. In my opinion, these countries will have no choice in the end but to join.

The key to the salvation of southeast Asia is not British or French cooperation, but Asian cooperation. You cannot save a people from communism unless they want to be saved, and they will not wish to be saved unless you give them freedom as a better alternative to communism.

America, itself the child of revolution, must seize the revolutionary initiative in southeast Asia.

AN ANALYSIS OF THE ASIAN PROBLEM

(Excerpts of address given by Gen. Carlos P. Romulo upon accepting the degree of doctor of laws, honoris causa, from the University of Seattle, June, 1954)

The most dynamic single fact of our time is the awakening of Asia.

This must be true because everybody outside of Asia seems to know about it and speaks about it constantly.

In Asia, however, since we are right in the middle of it, we do not talk about it. We simply adjust ourselves to the fact, and we keep on with the process of awakening.

Therefore, to us in Asia, the most significant fact of our time is rather America's awakening to the awakening of Asia.

If there were any doubt about this fact, all one has to do is to listen to the radio commentators or read the newspapers.

Let us ring the bell in the minds of the American people with the news of the present crisis in Asia. But let us not reduce them to a condition of wringing their hands helplessly, not knowing what to do about it.

The method of trial and error, the technique of improvisation, no matter how cleverly managed, will no longer do. Though we are racing toward catastrophe, there is still time to do some hard thinking and intelligent planning for the difficult tasks that confront us.

There is no excuse for hazy thinking about Asia. For it is not true that Asia is mysterious, enigmatic, and unpredictable. This outdated notion is merely an excuse either

for insufficient action, or for postponement of action, or for no action at all. Once it is realized that Asia is in a state of revolutionary ferment—and this seems to be what is meant by the continuous refrain regarding the so-called awakening of Asia—then one knows for a certainty that there is going to be an explosion of some kind, unless we do something to prevent it. That is almost as certain as the physical fact that the dynamite stick with a lighted fuse will explode unless we step on the fuse and put it out in time.

It is important to remember that there is no mystery about what hungry, impoverished, and oppressed peoples will do in the end, if no relief is forthcoming. Asians are also human beings and what Europeans or Americans would do or have done in the same circumstances, the Asians will do also. Skin pigmentation has nothing to do with it, nor the fact that they subsist on rice instead of bread.

The Asians are so much an older people than the peoples of the west that the latter can hardly claim to have invented revolution. After all, it was the Chinese who invented gunpowder, though they left it to the western peoples to use it in the muzzles of guns for propelling bullets to kill fellow human beings. The reverse of this is, of course, equally true. The Asians will react as quickly to sympathy and understanding, and will prize no less dearly the blessings of prosperity and freedom. They are also quite human that way.

Wherein then lies the mystery or the enigma?

Asia is no longer mysterious, resigned, or meek. Asia has become too real, challenging, and proud to warrant further recourse to such illusions.

To understand Asia it is necessary, first of all, to realize that many of its problems will not yield to pat and easy solutions. One such solution is embodied in the common notion that Asia must somehow be saved. Saved from communism, we are told. But saved for what ends? In whose interest? And by what means?

To these questions we have so far no clear answers. It is not wholly certain that it is meant to save Asia in the interest of its own peoples. Nor is it unmistakably plain that the intention is to save Asia by means other than military.

I do not speak as an expert on Asia, nor ever as a spokesman for Asia. However, anyone who has studied the situation in Asia no further back than the last decade would be in substantial agreement with a capsule analysis of the Asian problem which I have tried to formulate in the following terms:

1. The Asian peoples will no longer tolerate the shackles of colonialism. What they want is a status of equal partnership and voluntary cooperation with other peoples.

2. The Asian peoples are fired with an aspiration to human dignity and economic well-being which can no longer be held in abeyance.

3. The Asian peoples will not fight for the vague concept of a free world; they will fight on the side of the free world only if they have a stake in freedom, being themselves free.

4. The West must work with and through the responsible Nationalist movements in Asia rather than through puppet regimes that have no popular support. By denouncing and opposing genuine freedom movements in Asia as Communist-inspired, the West in fact exposes such movements to Communist infiltration and control. The objective must be to isolate Communist agitation from the legitimate Nationalist aspirations of the Asian peoples. After achieving independence, countries like India, Indonesia, Burma, and the Philippines have shown themselves quite capable of combating Communist influence in their midst.

5. Military measures are at best a short-term device for staving off an immediate threat of Communist aggression. The long-term struggle against communism, however, requires economic and financial assistance that will enable the Asian peoples to raise their standards of living.

6. Assistance should be offered on a basis of equality and mutual respect and not as a special favor with political strings, or as a disguised survival of colonial imperialism.

7. As there can be no world peace without Asia, so there can be no economic stability in the world without Asia. You cannot neglect Asia, and, by continuing to pour dollars into Europe, expect to stabilize the world economy, including the European economy itself.

8. Asian political, economic, and social organization is predominantly on an authoritarian pattern. Therefore, it should not be assumed that the Asian peoples will automatically adopt democracy of the Western type, but with necessary modifications and only as it demonstrates its superiority in the actual experience of daily life.

9. Asian neutralism must be recognized partly as the result of a genuine desire for peace, partly as dictated by the serious internal problems of many countries in the region, and partly as inspired by a lingering distrust of the motives of the colonial powers.

10. The Asian peoples will not give their support to any program, policy, or course of action affecting Asia that is taken without consulting them. In the Southeast Asia Conference held in Baguio in May 1950 on the invitation of the Philippine Government, the representatives of seven countries in the region solemnly affirmed that "in the consideration of the special problems of south and southeast Asia the point of view of the peoples of this area be kept in mind, by any conference dealing with such problems, so that better understanding and cordial relations may subsist between the countries in the region and other countries of the world."

At this juncture of history, America has a splendid opportunity to proffer the hand of friendly understanding to Asia, in the certain knowledge that the hand will be grasped with equal friendliness and excess of gratitude. People who have traveled to Asia will testify that its people are the humblest, most hospitable and friendly you can find in the world. They have all the fine qualities of men who live close to the soil and cleave to it as to a mother. And their sense of gratitude is the type that leans over backward and manifests itself to excess in many ways.

The hardheaded, practical American will sometimes be embarrassed by this Asian custom. But the American is also a generous, warmhearted human being, and this quality appeals as strongly to the Asian character. Therefore, beneath the outward differences there is much that Americans and Asians have in common.

Friendly cooperation between Asia and America is the greatest thing that can happen in the world. For my part, being as I am a child of Asia, and, as it were a foster child of America, no vision could be more inspiring than the spectacle of the oldest and the youngest of continents clasping hands and standing together to defend the frontiers of freedom and to carry on the torch of civilization against the forces of a godless ideology known as Soviet communism.

Citation by Seattle University

Throughout history, in periods of crisis, leaders among men have always arisen to meet the world's greatest problems.

Thus, it happened in the Philippines, in the gray dawn of the 20th century, that Carlos P. Romulo began the march with his people to destiny—a destiny that culminated in his nation's independence.

Nurtured in a family steeped in the traditions of Christianity, the young patriot began the molding of his mind and heart for the difficulties which lay ahead. With increasing vigor and firmness of conviction, in press, radio, and personal lectures, he gave direction, vitality, and a growing sense of national dignity to a struggling young nation, which stands proudly today as the guardian of Christian culture in the East.

As a military leader during World War II, he fought, first, to protect and, later, to regain his native soil. His feats of valor in the battles of Bataan, of Corregidor, and of Manila have become legendary.

As head of the Philippine Delegation to the U. N. Conference in San Francisco in 1945, he displayed a brilliant statesmanship which brought representation and recognition to the 600 million dependent peoples of the world.

As president of the U. N. General Assembly in 1949, he stood symbolic of man's oneness—of East meeting West, and North meeting South, striving always to the end that freedom—not slavery, love—not hate, and peace—not war, should reign among the peoples of the earth.

In peace and war, he has ascended to the highest councils of man's trust, wherein he has provided unswerving guidance and service to his loyal people.

His personal qualities of courage, eloquence, superior intellectual ability, and intense love of God and country have ordained him to become one of the greatest champions of freedom in this age.

For these achievements and, preeminently, for his exemplary character as a Catholic gentleman, Seattle University is proud to confer on Carlos P. Romulo the seal of its highest award—the degree of doctor of laws, honoris causa.

[From the New York Times of June 6, 1954]

Our Asian Allies

There is much merit in the Philippine and Thai protest against the exclusion of these Asian states from the current five-power military conversations concerning the defense of southeast Asia. There may have been good technical reasons why the participants were limited in what are called merely exploratory talks. If those reasons have now been met there should be a sympathetic hearing for the Asian protest and an early effort to broaden the base of the discussions by including Thailand and the Philippines in line with the intention expressed in the five-nation communique issued on Friday.

There are several good reasons for such a step. In the first place, as both General Romulo and Ambassador Sarasin correctly pointed out, Philippine and Thai manpower will necessarily be involved in any defense planning for southeast Asia. Both countries are in the line of the threatened Communist advance and both have signified their willingness to stand up and be counted in resisting the threat.

But much more than that, these are Asian allies, present and potential. They are sturdy friends and good people to have in our corner, just as the gallant South Koreans have been. A satisfactory defense structure for southeast Asia without their strong support is unthinkable.

Even more important is the fact that the defense of Asia is not merely a white man's concern. We want no part of any imperial or colonial wars, and have said so repeatedly. We cannot, therefore, with propriety, take a course of action that is open to the construction of deliberately excluding Asians.

We are continuing to work for a united front in east Asia. We expect to continue to give strong support to the free peoples in that area. But we can give that support more effectively if they are made part of all our planning. We weaken the effectiveness of our aid if we give the slightest ground for any misinterpretation of our motives. We

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believe, firmly, that Asians should be helped to defend themselves. Part of that help should be continuous and equal consultation with them.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. GROSS. One of the declarations of the Atlantic Charter was the right of peoples to self-determination, was it not?

Mr. McCORMACK. That is correct.

Mr. GROSS. And the French have consistently denied to the natives of Indochina the right to self-determination or any part of it. Is not that correct?

Mr. McCORMACK. I would say that the question of colonialism is an important question at this time in that area of the world. I think I am answering the gentleman's question.

Mr. GROSS. Right.

Mr. McCORMACK. And I have always maintained that position, and my remarks today are written in that direction.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Minnesota.

Mr. JUDD. Mr. Speaker, I am glad to associate myself with the remarks of the gentleman. As a matter of fact, I made a statement similar to his about a month ago as the RECORD will show. It was based on a speech made by the new President of the Philippines, Ramon Magsaysay, about the first of April, and one made later in Washington by our former colleague Hon. Carlos P. Romulo.

President Magsaysay made a prophetic statement of great significance in my opinion. Here is a man who was born the son of a blacksmith in a little country village and rose to the top through ability, devotion, and character until he was overwhelmingly chosen by his people to be their President and spokesman; and in April he called for a Pacific charter. He said that even if the Pacific powers which includes the Asian peoples, Australia, New Zealand, Canada, and the United States, did not do anything but copy the exact language of the Atlantic Charter modified to apply to the Pacific area, and proclaimed that as the Pacific Charter, it would be of the greatest value to the free peoples of Asia, it would demonstrate that they and the other peoples who live around the Pacific Basin stand together for certain principles and objectives as we know and as they know the peoples around the North Atlantic Basin stand together.

I hope that our Government—and I have brought it as strongly as I could to the attention of our State Department—will take the initiative in using this magnificant psychological weapon, a type of weapon with which, on the whole we have been too inadept.

Mr. McCORMACK. I appreciate what the gentleman says, and I am aware of the speech the gentleman made about a month ago, and also the various speeches he has made over the years. It happens that the gentleman and I pretty much agree, if not thoroughly agree, on the subject he has discussed in the past and which I have discussed on various occasions during recent years.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Iowa.

Mr. GROSS. The Atlantic Charter was certainly a fine declaration and it galvanized the people of the world at the time it was issued; but I say to the gentleman it will take something more than mere words or a mere restatement of the Atlantic Charter to convince the natives of Indochina that they should be fighting for the French.

Mr. McCORMACK. The gentleman from Massachusetts is not in disagreement with the observation just made by the gentleman from Iowa. It requires the will to fight. What makes up that will? The desire for liberty and independence. But a conference of this kind will have a tremendous effect in conveying to the people of the countries of that part of the world the fact that America is not imperialistic, that America as not engaged in colonial aggression; that America's motives and intentions are sincere. It would be very effective in meeting not only the Communist propaganda but would go far beyond that and put in the minds of millions of people over there, and outside of the Iron Curtain in Europe and Asia, and behind the Iron Curtain, particularly in southeast Asia and in Asia generally, the knowledge that America is willing to do everything it can in performing its destiny in connection with other people who want to be free. But there is a responsibility on their part, and primarily on their part. I think a conference of this kind would have a tremendous effect. It would constitute an affirmative action on our part. Unfortunately, we have been on the defensive too long and I say that not as criticism but as fact.

Mr. JUDD. What the gentleman is saying is that we have to have both words and deeds.

Mr. McCORMACK. Exactly.

Mr. JUDD. The fact is that the Communists have made more headway through skillful use of words, with no deeds on which to base them, than we have by such splendid deeds as voluntarily giving full independence to the Philippines but without inspiring words to explain our actions to the people of Asia and to assure them all our policies there are concerned with their freedom and wellbeing. We Americans underestimate the power of words frequently, repeated, to lift people's hearts. We are like a man who tells his wife once that he loves her and then never tells her again. It is a good idea, at least in my family, to remind her occasionally. This is what we have not done around the world. We have not told them over and over again the plain truth about our purposes, in words that match our actual deeds. Both are necessary.

Mr. McCORMACK. For example, we can picture the effect of an invitation extended by the Chief Executive of our country to the representative leaders of those countries to meet on the basis of equality. What the gentleman from Iowa says is absolutely correct. But such a meeting would be a powerful instrument in bringing about those very things which would result in dynamic and galvanized action.

Mr. JUDD. It would be particularly timely at the present moment when military leaders are meeting in the Pentagon representing only the United States, Australia, New Zealand, England, and France, five white powers, to discuss the defense of Asia. Everybody knows how and why and at whose insistence that meeting occurred, but it is still an incredible performance demonstrating an incredible blindness to what the people of Asia think about having their destinies settled by white men, meeting in another continent. It ought at least to be matched by evidence that our primary concern in Asia is with the people of Asia. They have got to be the nucleus of any defense organization for Asia, which we from the outside support. It looks to them as if the white people never learn anything; but again are organizing a white man's club in Asia which the Asians are supposed to support although they probably will not be allowed to join it. That is the surest way to turn southeast Asia over to the Kremlin.

Mr. McCORMACK. I was about to make some comments about that, and I am glad to have the observation of the gentleman from Minnesota.

THE GRIMES FAMILY

The SPEAKER pro tempore (Mr. CANFIELD). Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 10 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter, together with an article by Peter H. Grimes.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, this is a story of a very gallant fight that a man named Peter H. Grimes, from my district, made to secure the children of his wife who was a German. She came to this country in order to secure work, they met and were married. It was a return to Germany and then into the Russian zone to bring out her two children. The stepfather loved his wife so much that he was willing to risk his life in order to bring back her two young daughters who had been taken care of by Mrs. Grimes' father and mother when she left Berlin. While Mrs. Grimes was gone her father and mother moved from the western zone into the Soviet zone of Germany where they were being brought up as Communists and were so infiltrated by their grandparents with communistic ideas that they themselves espoused the cause of communism. The grandfather refused to release these children, but finally, after an actual battle or fight with a man in Soviet Germany, the Grimes family returned to this country. I was able to help Mr. and Mrs. Peter Grimes with some of their problems and passports, and it was a great joy to see them united as a family in Washington last week. They had the pleasure of visiting

the White House, they had the pleasure of shaking hands with the Vice President, and they had the pleasure of visiting the Congress. Everywhere they were met with great warmth and cordiality and congratulations that they were safe in America. I asked for their story for the RECORD and Mr. Grimes sent me the following for the CONGRESSIONAL RECORD.

It is a very interesting account of a man who loved his wife so much that he was willing to risk everything for her and his stepchildren. It shows how much has to be done to get people out of East Germany. It was a very dramatic account of what happened to him and to his family.

OPERATION: RESCUE EAST

(By Peter H. Grimes)

One chilly afternoon last October, my wife and I crossed into the Red world—past the large sign, "You are now entering the German Democratic Republic," past the young but tough-looking "Vopos" (East German police) with their Russian-made burp guns. A few minutes before we had still been in West Berlin suburban area, with busy shops, Coca-Cola signs, and happy people, chatting and laughing with themselves. Now the talk had died down, the people were silent. Across the deserted streets from one wrecked building to another stretched huge anti-American banners blood red. On both sides of the railroad tracks there were oversized portraits of Stalin, Lenin, Marx and Wilhelm Pieck, with posters of some of the things they had said and written. It was a dreary and frightening sight. All of a sudden the train came to a halt. The compartment door opened and two Vopos entered, clad in uniforms which were too tight for them. "Your identification cards, please," they said sharply. Imgard gave me an anguished look. Though we had steeled ourselves for this moment, it was hard to control the pounding of our hearts. I smiled at her reassuringly, but frankly I was scared. I fingered my American passport from my pocket, and opened it at the page where my 10-day Russian visa had been stamped in. The Vopos looked at us briefly and at our passports in our hands and moved down the crowded aisle. We had met our first test. We got out at the next station and merged with the stream of passengers who silently plowed their way to the exit. Underneath a large poster of an American soldier with a swastika armband we stopped and put down our luggage. The sign underneath the poster read: "Vigilance against American agents." I felt a chill down my spine and I had a peculiar feeling in my stomach. I looked at Irmgard. She looked pale but very lovely. I pressed her hand. "Let's go," I whispered. We picked up our suitcases and continued our walk without looking back. We had a mission to accomplish.

What did we want in this strange part of the world, a world so different from what we had ever experienced. It had all started when Irmgard, a young widow, had migrated to the United States a few years before in order to make a new start for herself and her two little girls. She had left her children in the care of her father, who was then living in West Berlin, planning to bring them over as soon as she was established. A few months later I had come into her life and we married a year later in a little church in Waltham, Mass. Her father had in the meantime moved into the Russian Zone of Germany taking the girls along with him. All our efforts to persuade him to send the children over to us had failed. He obstinately refused and instead had demanded money, which he had exchanged on the black market and from which he had bought a large house and many of the luxuries denied to others in the Soviet sphere of influence. In 1951 we had flown over together to West Berlin, and had almost accomplished our goal. Posing as Western businessmen we had been in Leipzig trying to persuade some Communist official to give us permission to visit several factories near my father-in-law's home. Our plan had failed, perhaps because it was too obvious. We had spent most of our time in Leipzig dodging European businessmen who considered us wealthy Americans who would give out million dollar orders right and left. Back in Berlin we had been fortunate enough to hear that the children were visiting a theater in the Soviet sector of Berlin. We had met them and had persuaded them without too much trouble to follow us to West Berlin. There we applied for visas at the American Consulate. In the meantime I had flown back to Boston to get back on my job and to prepare for the homecoming. I was happy to learn that the visas had been issued 4 weeks later. However, another disappointment was yet to come. I will never forget the day when I waited at the Logan International Airport for my new family. It was early in the morning and the plane arrived on time. My wife had come alone—the children had been kidnapped back into the Russian zone. My wife was near to a nervous breakdown, when she told me, crying, what had happened. She did not recuperate for several months. It was then and there that we decided to get into the Russian zone next year and stay until we got the children out no matter what.

After saving up for 1 entire year, I gave up my job and Irmgard and I flew to Berlin. We sneaked into the Russian sector, but were soon discovered and returned across the border. We needed a Russian visa, we were told. When we asked how we should get one, we were told that someone had to vouch for us with the Russians. After many months of exasperated attempts to talk Russian and East German agencies into letting us enter the Soviet Zone to see our children, we finally stumbled on our new strategy. We would proceed to Nassenheide as refugees from capitalism, and work from within. It was a desperate plan but the only one which seemed logical. Schroeder was delighted to hear about our conversion, even though he remained suspicious. But Schroeder, like so many other dedicated Communists which I met combined his faith with greed. He finally consented to vouch for us under the condition that I would work for the Communists. This would make him look good to his bosses. The fact that the Soviet visa was valid for only 10 days, a fact which Schroeder did not know, did not disturb us, since we hoped to have our business finished by that time. However, we had to watch our steps every minute of the way. One false step and we would have been in great deal of trouble.

So, here we were finally in the Soviet Zone on our way to Nassenheide. No one had met us at the station in Oranienburg, although we had sent a wire. Irmgard said bitterly: "I haven't seen the children in over 2 years," at least he could have let them come to the station." As so often in the next 4 months, he had come to mean to us only Schroeder.

Nassenheide lies off the beaten track. It painfully wants to be a town but it cannot get away from the sight and smell of cow manure. It has 1,400 inhabitants, 2 state-owned Konsum stores, 1 state-owned HO general store, 2 bakeries, 2 butchers, 1 barber, a church, a small school, 2 inns, and—most important to us, 2 telephones—one in the mayor's office, the other in a make-shift post office. There is a nearby forest where those privileged can cut firewood. A mile away lie the railroad tracks and a hut charitably known as the station. A mile in another direction there is a Russian Army tank repair depot. It is a town, thus like most small towns in Red Germany—sunk in need, resentment, and dust, watched by the Russians, and worked over by their East German puppets.

We carried our suitcases the dusty mile to the town, and found the old man and the children at home. Schroeder greeted us coldly. The girls remained silent, watching us like little wary animals, until Monika, the oldest, suddenly ran to Schroeder, put her arms around his neck and cried. Irmgard looked distressed and embarrassed. Schroeder finally ordered the girls to greet us, and they said hello. Again we stood in silence, until Schroeder said, "Kiss your mother." Monika and Evelyn gave their mother a dry and uneasy kiss on the cheek.

Schroeder had done rather well with our money, as we found out that evening. His house was the biggest one in town. It had no plumbing, but it was solidly built, and he had rented the ground floor to a Konsum store and a bakery. This meant that roughly a quarter of the Nassenheide activities centered on this building. There were stables in the back, a large garden with an evil-smelling manure pit, and a barn, in which one night I would face death in an incredible duel.

The house was not our only discovery. In that first awkward hour, we found all our hopes shattered. We had counted on waiting for Schroeder to take one of his out-of-town trips, and then escaping west again, somewhere, somehow, with the two girls. Now, watching the grave, thin face of Monika, at 13½ half-child, half-woman, and the puckish face of 11-year-old Evelyn, we knew we had to recast our plans. Schroeder's peculiar blackmail was mixed with genuine Communist fervor. An old party member who survived the years of nazism, he sincerely felt he could not surrender the girls to "Wall Street imperialism." He wanted them to be brought up in his own political faith, and in this he was supported by the entire might of the Red state—its schools, books, movies, parades, and the Vopos. I was not really surprised that the girls had been turned against me. It was harder to swallow that the children had been turned against their own mother as well. In all this, Irmgard's mother, a slight and worried person, would remain an uncertain and dangerous figure. Unlike her husband, Mrs. Schroeder recognized Irmgard's claim as mother. But she had helped to raise the children, and had become so attached to them that the thought of separation drove her to tears. That first night I asked my wife, "Would your mother help us, or will she be an enemy too?" And miserably Irmgard replied, that she didn't know. "I think she loves the children more than she loves my father," she said. All this produced a tangle of intrafamily tensions—a first-rate Greek tragedy played by an American and his German-born wife against a Red backdrop.

Another problem was Schroeder's constant suspicion. Schroeder who had been delighted by our conversion, planned, as I soon discovered, not to surrender the girls to us but to let us prove our faith. With the help of his party boss, he began trying to shanghai me into a work project in the East. To this day, I believe he meant to ship me to the uranium mines in East Germany. The first time he tried to get me to sign the contract, I got Schroeder drunk and mailed the paper unsigned. After that I had to think of ingenious ways many times to divert Schroeder's attention. When I could not put it off any longer, I started to threaten him. This method seemed to work, even though most of it was a bluff. I told him I would tell the police that he had dealt in the dollar black

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market, and that I could prove to them that he had received "Ami" food packages. Schroeder turned pale, but did not do anything.

We intended to stay in this gloomy building no more than a week—certainly not longer than the 10 days allowed by the Soviet visa. Instead we stayed for 4 months, because the job had taken much longer than we had expected. From time to time, the police would check us on the street. While scaring the wits out of us, we managed to bluff our way out each time, particularly since we had discovered that they could not read Russian. I also used Schroeder's name freely, indicating that he had vouched for us. Schroeder was furious, but by now feared that my exposure and arrest would bring about his downfall as well. We did not speak to each other for weeks. At other times, we screamed at each other and shouted vile abuse at each other. And on our last night in Nassenheide, an unforgettable night, we fought a savage battle, medieval duel with large axes in the dimly lighted barn. After he had nearly split my head in two, his nerve deserted him. It took all my will power not to kill him.

Our main job was to convince our children to come with us. It required a lot of persistence, patience, and understanding. We had to do it with interest and help in their work, and with stories of the rich and wonderful life in the United States. When they came home with tales of American barbarism, germ warfare, and ceaseless lynchings, we never argued with them directly. We simply could not afford to take any chance on having the girls repeat our arguments to the Communist teachers. But we told them stories which did not jibe with what they learned at school. When they talked of American Negroes hanging from every American tree, we told them of Dr. Bunche, Marian Anderson, and many others. When they spoke of the wholesale misery and starvation in the United States, we told them of our apartment in White Street in Belmont, and of our multinational neighbors, Irish and Italian, French and German, and their happy children. When they told of the Communist propaganda line of friendship and peace, we told them of the American dream, and how friendship and peace was a working reality in America. We felt triumphant one night when Monika took down the portraits of Marx and Stalin and replaced them with pictures of Gregory Peck and family, clipped out of a movie magazine. Schroeder was furious, but Peck stayed on the wall. We were making slowly but surely progress. Monika began to get curious about lipstick, and one day we caught her trying on Irmgard's fur coat. In his jealous rage Schroeder would shout at the children and frighten them, but the children would now come to us to tell us their little troubles. Increasingly we became a closer family unit. The more Schroeder tried to intimidate the children, the more he was doing our work for us. One day we felt fairly certain that the children would come with us no matter where we went. Then tragedy struck again. New checkpoints had been established; it was not possible anymore to bluff yourself out; a new exit stamp was needed to cross the frontier. We were caught in a trap.

But in our efforts to find a way out of this dilemma, we suddenly discovered that we had numerous allies. Nassenheide hated Schroeder and all that he stood for. It was a hard, silent, and implacable hatred. Under orders, Nassenheide attended the Red mass meetings, and listened to Schroeder's clever oratory. But once I watched him joyfully manhandled at one such meeting and thrown out. Many from Nassenheide, and thousands from a big factory nearby (which I visited one day) had marched the 30 miles to Berlin in mid-June 1953 to defy communism in bloody riots. One of these men was one of the bravest men I ever knew. He was a popular leader with his fellow citizens. Because of his years spent in a Nazi concentration camp, and also because he was one of the few who had administrative abilities, the Communists made him chief alderman of Nassenheide. It is established Communist procedure to have such men front for their activities. However, he fooled the Communists and turned out to be a shrewd, but outspoken antagonist of the new order, particularly in local affairs. For years the Communists had tried to get something on him, but had failed because first of all he was too well known, and secondly because he managed to get himself out of the noose on innumerable occasions. His life was in danger every single day of his life, but he went on working against communism with a fanaticism and fervor which made him, to my mind, one of the truly great persons I had ever met. Needless to say he wished to help us, and provide us with the exit stamps which we needed to cross the border. However, fate turned against us once more. His luck was running out and one day he disappeared, no one will ever know where and how. During the last week before his arrest, we had a long talk. "When you return to the West, tell them we need their help. We alone are not strong enough. Until such help comes, we will stick it out. Tell them not to forget us." I assured him that we certainly would not. Before we said goodby he gave me a piece of broken wood. "My sons and I stormed a Communist flag on the 17th of June, this is what remained." I thanked him and promised to treasure it always.

During our stay we met a lot of people who sought our help in escaping to the West. I helped them as much as I could and almost got jailed for my troubles. Then there were a few Russians, who rather would have been somewhere else than in the Red army in Germany. One of them was a captain who was in love with one of the local girls. He wanted to marry her but the Red army always turned him down. One night he got involved in a shooting in one of the inns near the house where we lived. He fled and his girl friend hid him from the Russian police who had surrounded the entire town. Russians were checking every single house in Nassenheide, with the result that we spent all night in the barn attic, dodging flashlights. Had we been caught and our passport examined the whole story would have come out.

One further result of the shooting was an excuse for the East German police to have a general checking of everyone's identification papers. Here again we tried our best to delude them, but were unsuccessful this time. This time they looked at my passport and determined that my residence permit was overdue. The police officer who checked looked at the wrong page in my passport, however, and took my food stamps to be the extensions of my visa. They were under the impression that I was West German, and therefore did not arrest me. They merely advised me to get the matter straightened out at Oranienburg, the police station. Irmgard and I agreed at once that it was high time to flee. By now the girls did not hesitate. Their place was with us, and Monika took an active part in discussing our escape plans. We would try to persuade some fool at the police station to give us the needed exit stamp. A desperate situation called for a desperate action. In the meantime it was necessary to stall the police into looking into my passport. This we did by all kinds of subterfuge.

However, our hand was forced again, and our departure was to become more sudden than we had planned. One sunny day, in the midst of all this planning, the United States Consulate in West Berlin, which knew of our plight, sent a United States Army captain to check up on what had happened to us.

It made me proud that my Government was interested enough to send someone over, although actually it was an incautious move. The arrival of the military car caused of course a great deal of furor. Half of Nassenheide was on the street looking at the Americans. There was no point of hiding the fact anymore that I, too, was an American. I felt rather proud to tell all the people. However, the captain's presence was soon reported to the police, and he drove off only a few yards ahead of the arriving police. The police then took after me, searched my room and all my belongings. They then took me to the police station where several secret police officials took turns in interrogating me for hours. In the morning they let me go, but posted a guard in front of the house. In the afternoon they would bring an interpreter to have my visa translated, they said. We had to act fast now. Early in the morning I slipped past the guard in front of the house, and bicycled to the Oranienburg police station. I went to see an officer whom I knew to be particularly stupid, and asked him for an extension of my Russian visa. I loved life in the Red world, I told him warmly and wanted to stay. As expected, he told me gruffly that only the Russians themselves in Berlin could give such a visa. I pointed out to him the fact that I needed some kind of identification to pass the check point before entering Berlin. At this point, I saw on his desk a folder marked "Contribution to the people's solidarity," which I knew to be one of the many money extracting schemes run by something called "United Action for Peace and Friendship with the Soviet Union." I pulled out my wallet, drew reverently 300 East marks (a small fortune for anyone in Eastern Germany) and put them on top of the folder. It was a million to one gamble, but it worked. The officer was pleased, and stamped the permit into my passport.

I rushed back to Nassenheide, to help pack. Through a friend we had already arranged for a truck to pick us up and drive us to the Oranienburg railroad station. The Vopo on guard did not suspect anything, since the truck was a Konsum truck which usually serviced the Konsum store on the first floor of the Schroeder house. While we were in the process of packing, Schroeder arrived. He immediately recognized the situation. He ran to the room of the girls, and tried to lock them in. I tackled him, and managed to wrest the keys from his hands. While we were fighting, Irmgard's mother became hysterical. My efforts to lock in Schroeder failed and in the general confusion he rushed out, shouting that he would get the police. I saw him talk to the policeman on guard and both of them left in the direction of the post office. Tearfully Mrs. Schroeder embraced the girls. "Bring them up with love and understanding," she said to Irmgard with a heartbreaking sob. I urged her to come with us and leave all this behind us, but she refused. "My place is with my husband," she said. Just at that moment I saw the police car in the distance. We jumped into the truck. "Drive like mad," I told the driver. By the time the police car screeched to a stop in front of the building, we had already turned the corner.

I had estimated that we needed 25 minutes to escape—10 minutes to the station—it would take the Vopos about that long to get their station on the phone at the one and only post office telephone—it would take them another 15 minutes to contact all the checkpoints. With a little luck we could make it. We covered the distance to Oranienburg in 8 minutes. The suburban train was to start any minute, and no police seemed to be waiting for us. We got the children and the suitcases aboard, and shook

silently the driver's hand. The train started and in another 10 minutes—I timed us—we were at the check point of Hohenneuendorf. Before we got there we all scattered around the crowded train, at least some of us would get through. When the Vopo reached me, I showed him the page on which the exit visa had been affixed. They glanced at it casually and passed on. I died a death a minute before the train got started again. Then the whistle blew, the doors closed, and we were off. In another 4 minutes we were across the border, in the world where shops were busy, where people chattered happily, and where there were no Stalin portraits any more. We got out at the first station in the west sector of Berlin. I kissed wet-eyed Irmgard and hugged the girls. Then we bought four cokes to toast the start of a new life.

We had spent all our savings, we were broke, but we were free and together. Operation Rescue East had been a success. Weeks later we arrived in America happy and tired. At my mother's home in Belmont the girls gave us a party—lots of little things with ribbons tied around them. With it there was a card: "To Mammi and Dady, with all our love, Monika and Evelyn." We have been paid in full.

(The attached is intended only as a brief outline of the factual thread of the tale. What is still needed is the color—the sights of the Red world, the smells and the sounds, the way people live and fear, the way the Communists operate, with guile or force, the things the people say in private about their rulers, and the way the Russians boss it all. The main theme of the story is our struggle for our two children, and the villain of the piece is Schroeder. But in the process of drawing a portrait of this petty Red tyrant, the nature of the police state, its terrors, and its weaknesses will be exposed. The moral of the story is, I think, that love and faith, the American brand, is a far greater force than the dogmatic ruthlessness of communism. If one American couple can do it in their own backyards, what a job could we do if it were a united effort.)

HISTORY OF THE VETERANS' ADMINISTRATION

I should like to refer now to this article that I have here written by Maj. Omer W. Clark. All of you know Maj. Omer W. Clark is the present legislative head of the DAV. He was with the Veterans' Administration for many years. He was Deputy Administrator and Acting Administrator much of the time. This article is in the Disabled American Veteran—semimonthly, May 26, and is entitled "Formation of the Veterans' Bureau and the Veterans' Administration."

It is an extremely interesting chronological history of the original three different departments that handled veterans' affairs and of the consolidation of those three departments into the Veterans' Administration. Toward the end of the article he states:

The reasons used for the consolidation of the several agencies and the formation of first, the Veterans' Bureau and later the Veterans' Administration are as sound today as at any time in the past.

To advocate that some of the functions and operations of the Veterans' Administration should be transferred to some other department of the Government or that the Veterans' Administration should be abolished and its functions be transferred to other agencies would be to urge a return to a system which is wholly undesirable and wasteful. It is my opinion that no fair-minded person, who will refer to the record, would be a party to such proposal.

I am glad to bring this up at this time when there have been various attempts to take away functions from the Committee on Veterans' Affairs and thereby very much weaken it; to put the functions of the Veterans' Administration in other committees and to absorb those functions and very much weaken the Committee on Veterans' Affairs. The Randall report is one of the places. It is a matter that has been protested very bitterly and very energetically by all of the veterans' organizations. Constantly, Mr. Speaker, other committees take over the functions of the Committee on Veterans' Affairs, and if we are not careful, there will not be much left to the Committee on Veterans' Affairs. We will not have much jurisdiction over legislation. I think there was a deliberate attempt made to weaken the Committee on Veterans' Affairs. I think many committees would like to have the benefit of veterans' legislation in their committees which, to my mind, would be unfair to the veterans because they are much stronger when they are taken care of in one committee. That one committee was created to take care of the veterans. It is our duty to see that insofar as we can we give them that care. Whether the committee has done all that it might have, we do not know, but we have tried. I think many Members of the House and many citizens of the United States know that it has not been an easy battle that we have waged. Why it has to be a battle I do not know, because we certainly owe these men who have from our very beginning made our country free and kept it free, made our country what it is, every bit of care and consideration they can get.

This legislation always seems to come at the end of the Congress. I think this legislation should come first, as the veterans are the most important part of our country today. Without the freedom made and kept by our veterans we could not have elections for President and other offices. Our present President, a veteran himself, would not be in the White House if it had not been for the veterans. That is true of all our past Presidents.

I believe in parades. Disabled veterans, if they cannot march, should be carried in automobiles at the head of every parade. There is not a day we should not thank God for what they have given us and for what they are giving. Their way should be made as easy as possible. I am sure everyone would agree to that. But it is awfully hard sometimes to make people act, make them realize what we owe the veterans, not a waving of flags on Memorial Day or marching in a parade or talking about them, but action.

I feel very sure, Mr. Speaker, that we should secure the passage of this much-needed legislation before we adjourn. Heretofore I have tried to prevent adjournment when we have not secured such legislation in the past and I will do so again if it should become necessary, but I am very sure it will not be necessary because I have every indication that legislation will be passed.

FORMATION OF THE VETERANS' BUREAU AND THE VETERANS' ADMINISTRATION

(By Omer W. Clark, national director of legislation)

(AUTHOR'S NOTE.—Herewith a copy of the material dealing with the creation of the Veterans' Bureau and the Veterans' Administration, as well as the reasons behind the formation of those organizations.)

I feel confident that anyone reading the historical data would realize the waste of time and money, both to the veteran and the public, if such a movement was started or any action taken to redistribute the functions of the Veterans' Administration. I cannot visualize any Member of Congress advocating such action. Most certainly the veterans' organizations should always be on guard to stop such a movement.

Prior to World War I there were two agencies of the Government responsible for administering the laws providing benefits to veterans. Those agencies were National Homes for Disabled Volunteer Soldiers and the United States Pension Bureau.

Honorably discharged veterans could be admitted to one of the soldiers' homes when such veterans had a permanent disability and were indigent. While a member of the home the veteran was provided with medical care when needed. That was the only form of medical care provided veterans who served prior to 1917.

Claims for pension were filed in the Pension Bureau, Washington, D. C. That Bureau referred the applicant to a fee-basis doctor of medicine for physical examination.

WORLD WAR I

In the early days of World War I, the Congress gave consideration to entirely new forms of veteran care. Those who served in the military forces were urged to purchase life insurance from the Government. Such insurance was the function of the Bureau of War Risk Insurance. This Bureau was a division of the Department of the Treasury. Later the responsibility for determining of entitlement to compensation was vested in that Bureau. Physical examinations were made by the United States Public Health Service. About that time a law was enacted providing for vocational training for those veterans who returned from service with a vocational handicap. The training and education of veterans was the responsibility of the Federal Board for Vocational Education. Veterans in need of medical care were hospitalized by the United States Public Health Service.

Veterans of the Spanish-American War who served in World War I could possibly do business with five different Government agencies, viz, the National Homes for Disabled Volunteer Soldiers, the Pension Bureau, the Bureau of War Risk Insurance, the United States Public Health Service, and the Federal Bureau of Vocational Education. Veterans of World War I called upon the Bureau of War Risk Insurance regarding their insurance problems or to file a claim for compensation, the Federal Board of Vocational Education to file a claim for training, and the United States Public Health Service for medical treatment.

CONDITIONS CHAOTIC

Veterans were confused and conditions were chaotic. Each agency required records of discharge, records of military hospitalization and treatment, and often records of birth, death, marriage or divorce.

UNITED STATES VETERANS' BUREAU, 1921

The Congress, in 1921, passed a law creating a new agency known as the United States Veterans' Bureau. That part of the Public Health Service dealing with medical care of ex-service persons, the Bureau of War Risk Insurance of the Department of the Treasury, and that part of the Federal Board

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of Vocational Education responsible for the vocational rehabilitation of disabled veterans were transferred to the newly created United States Veterans' Bureau. The United States Veterans' Bureau was, by law, made an independent agency and the Director of that agency reported directly to the President of the United States.

The CONGRESSIONAL RECORD, House, dated June 7, 1921, contains statements regarding the advisability of consolidating those functions dealing with assistance to veterans into one agency. The bill, which was discussed on the floors of the House and Senate, was known as H. R. 6611. Mr. Sweet had charge of the bill in the House and Senator Smoot had charge in the Senate. The debate in the Senate is recorded in the CONGRESSIONAL RECORD of July 20, 1921. H. R. 6611 became Public Law No. 47, 67th Congress, on August 9, 1921.

Mr. Sweet, in his opening remarks on H. R. 6611, made the following statement: "It must be remembered that the complaints that came to the committee were largely caused by a division of authority, largely due to passing the responsibility from one bureau to another, and in the organization of the Veterans' Bureau it was thought that the power should be vested in the Director. Now, mind you, in this case we are combining the Bureau of War Risk Insurance and the Rehabilitation Division of the Federal Bureau of Vocational Education and the Public Health Service, insofar as it deals with disabled ex-servicemen."

Mr. Frothingham: "Much complaint, for neglect, not of Congress, but of the inefficient manner in which the different bureaus dealing with wounded veterans of World War have been managed."

Mr. Roach: "The committee handling this legislation is to be commended, and I most whole-heartedly do commend them for the painstaking, thoughtful, and intelligent manner in which they have worked out the details of the legislation proposed in this measure, all of which is so vital to the interest and welfare of the ex-servicemen and their dependents, and the necessity for which has become apparent and well recognized not only by every Member of the House but by all the people in this country who are in any degree familiar with the subject under consideration. In making this statement, I have in mind both the inadequacy of our present laws upon the subject under consideration and the inefficient and unsatisfactory manner in which those laws have been administered, both of which evils will be corrected and largely, if not entirely, overcome by enacting this measure into law.

COMPLETE OVERHAUL SOUGHT

"This bill correlates all of the agencies of the Government heretofore in any way dealing with, relating to, or having to do with the interest and rights of the ex-servicemen, such as the Bureau of War Risk Insurance, the Rehabilitation Division, Vocational Training Department, hospitalization work, medical, surgical, dental, convalescent care and treatment, and such other agencies too numerous to mention, and bring them under one general head to be known hereafter as the Veterans' Bureau. In other words, a complete overhauling and reorganization of the whole system and placing it on a practical working basis by which the business can be thoroughly, expeditiously, and systematically handled in the shortest period of time possible and at a minimum cost. A law of this character is not only desirable but has been demonstrated by past experience to be absolutely necessary, if we are to give the ex-servicemen of this country that which is justly theirs and make clear to them what rights they have."

Mr. Roach: "No doubt every member of this House has had brought to their attention case after case and claim after claim of deserving ex-servicemen or their dependents, who, owing to the present inefficient methods of handling their claims by the Government under the present complicated and overlapping system of bureaus, divisions, and agencies, has been denied justice at the hands of the Government."

Mr. Sweet: "Yes, but the truth of it is that these hospitals at all times and under all circumstances, have been in the Public Health Service and when we are making this transfer it is simply the activity; we are doing away with the conditions that existed previously between the Public Health Service and the Bureau of War Risk Insurance, and when we refer to it we say 'all personnel, facilities, property, and equipment, including leases, contracts, and so forth,' and then when we make the transfer we are simply leaving the Public Health Service the hospitals. And I may say right here, so that the House may get a clear conception of what the bill does, that as far as the new Bureau is concerned, it has full charge over men desirous of obtaining hospitalization. The new Bureau will determine that question, and these men then will be turned over to the Public Health Service to have rendered to them hospitalization. When they are turned over to the Public Health Service for hospitalization, it will be just the same as if the gentlemen would send his boy or girl to a hospital. When the boy is in the hospital he will receive the care and treatment from that hospital. In other words, this hospitalization question, as far as disabled soldiers are concerned, is to be determined by the Veterans' Bureau. The hospital service is to be performed by the hospital, either private or public, as the case may be."

REPORT OF SENATE COMMITTEE

In the Senate a committee composed of Senators Sutherland, Calder, Weller, Walsh, and Pomerene submitted a report, parts of which are quoted:

"The methods by which the committee has proceeded from the date of its first meeting on June 16, to the present time, has been the compiling and studying of all collateral data, authentic public documents and reports made by private individuals and organizations who have investigated various phases of the subjects relating to our incapacitated soldiers. In addition, almost daily sessions of the committee have been held where witnesses have been examined who were drawn from all sections of the field embracing the treatment and care of incapacitated veterans.

"Among the witnesses the committee has heard were those who are enjoying or seeking the benefits of the war-risk insurance legislation, officials of the various soldier organizations interested in studying the problems of rehabilitating their companions, department experts and employees in the relief bureaus, physicians engaged in the extension of Government hospital facilities, and public-spirited persons interested in the rehabilitation of the ex-servicemen.

"We have proceeded to obtain as far as possible all available information about the extent and effect of the benefits, defects, and faulty functioning of the present laws and the present organizations engaged in Government relief work.

"The scope of this work, it can readily be seen, is broad and extensive and the committee has by no means exhausted the sources of information—indeed it has only begun to survey, to a limited extent, the grave problems before it. The committee has, however, reached some definite conclusions which it feels in dutybound to transmit to the Senate at once, without waiting for its final report.

EFFICIENT SYSTEM SOUGHT

"In the opinion of the committee the conditions surrounding this relief work have reached a point where it would be unpardonable for Congress to tolerate a further continuation of the cumbersome, overlapping, haphazard methods under which this problem is being handled, with the consequent neglect and vacillation which has, and inevitably will follow, from such unwieldy and unscientific organizations as were set up to take care of this work. Considering the amount of good that has been accomplished, we believe the cost has been extravagant, indeed profligate.

HUMANITARIAN VIEW CONSIDERED

"The committee believes that a further continuation of the present system of separate bureaus handling the problems which are closely interrelated would be not only unfavorable from the viewpoint of our incapacitated war veterans, but would be a pitiable reflection on congressional inability to bring about quick beneficial changes in the present laws.

"We further believe that unexplainable delays, confusion, redtape, complications, and intricate, slow-moving machinery have combined to increase the difficulties of the incapacitated ex-servicemen to the highest possible point in securing compensation or aid to which they are entitled. There have been many instances before us of soldiers who have legitimate claims waiting for judgment. Men have testified to waiting weeks and months without a settlement or decision, some of them maimed beyond hope of supporting themselves or their families; others sick or badly disabled, unfit for resuming their old occupations, have been forced to wait indefinitely while their claims were pending.

HOSPITALIZATION INADEQUATE

"In addition, your committee finds that the hospitalization arrangements have been utterly inadequate, sometimes insanitary and unwholesome, always laden with redtape and lumbering methodicity. Especially, we were convinced that there are not sufficient hospital facilities for attending to the two special classes of disease resulting from this war, neuropsychiatric and pulmonary tuberculosis, and where cared for they are crowded.

ADD CONFUSION

"The bureaus examining, rating, and hospitalizating the men, we find, have not been working in conjunction with the bureaus compensating and training them. For example, the Bureau of War Risk Insurance and the Federal Board of Vocational Education both are calling upon the Adjutant General for the military history of the same man and are conducting separate physical examinations in each case. Neither of them accept the medical findings of the other. The Vocational Board has often ruled a man's disease to be connected with service, whereas the war-risk department has taken the opposite view and denied compensation, and vice versa. Often times a man has been granted vocational training which implies at least 10 percent disability by the Federal Board, and denied a similar rating by the War Risk Bureau. Neither of the two Bureaus have adequate control over the details of the hospitalization program.

"In view of the evidence offered before your committee, which reveals such bad administrative shortcomings, out of which have grown neglect, delay, procrastination, slowness of action, and a shifting of responsibility, the committee feels that the continued existence of the present three separate independent organizations of war relief is absolutely unjustifiable.

EX-SOLDIERS' WOES TO ONE AUTHORITY

"From what has gone before, it is clearly apparent to anyone who has surveyed the conditions that it is only in the fusion of the various agencies that the surest and quickest redress of the servicemen's grievances lies and the public business expedited and made more efficient. To bring about efficiency and to expedite the discharge of functions, the management of these bureaus

should be brought under one authority. All necessary Government organizations should be amalgamated, so as to work coordinately. Duplicated effort and waste of energy in the present system have been responsible for many of the past failures. Correlation of the agencies would not only mean better service for the incapacitated ex-soldier but would, your committee believe, be more economical for the Government."

HOSPITAL BUILDING STARTED

Shortly after the passage of Public Law 47, the Congress took action authorizing the director of the newly created Veterans' Bureau to acquire hospital facilities for the care and treatment of disabled veterans. A hospital-construction program was started which has continued to date.

SINGLE AGENCY ASKED

In the year 1929, President Hoover appointed a committee composed of Mr. Wilbur, Secretary of the Interior; General Hines, director of the Veterans' Bureau; and General Wood, president of the Board of Managers of the National Home for Disabled Volunteer Soldiers. The President informed the members of that committee that it seemed advisable to place in a single agency all of the functions concerning veterans' benefits. That committee recommended that the Veterans' Bureau, the Pension Bureau of the Department of the Interior, and the National Home for Disabled Volunteer Soldiers be consolidated into one agency.

VETERANS' ADMINISTRATION BORN JULY 3, 1930

H. R. 10630 was introduced and became Public Law No. 536, on July 3, 1930. That act resulted in the creation of the Veterans' Administration.

During the period of time between the introduction of H. R. 6611 in 1921 and the enactment of Public Law No. 536 in 1930, there were many reasons advanced for the placing of all operations regarding veterans' benefits in a single agency. Some of these reasons were:

(1) Members of Congress, veterans, and the public, could not be confused or uncertain about the agency to contact on veterans' affairs.

(2) The appropriation for all veterans care, including compensation, pension, insurance, education and training, guaranty of loans, medical treatment, hospitalization, construction, and all forms of benefits provided veterans by Federal statutes would be made into a single agency; namely, the Veterans' Administration.

REMAINS SOUND TODAY

The reasons used for the consolidation of several agencies and the formation of first, the Veterans' Bureau and later the Veterans' Administration are as sound today as at any time in the past.

To advocate that some of the functions and operations of the Veterans' Administration should be transferred to some other department of the Government, or that the Veterans' Administration should be abolished and its functions be transferred to other agencies, would be to urge return to a system which was wholly undesirable and wasteful.

It is my opinion that no fair-minded person, who will refer to the record, would be a party to such proposal.

OPPOSITION TO S. 984 NOW PENDING BEFORE HOUSE OF REPRESENTATIVES—RULE HAVING BEEN GRANTED FOR ITS CONSIDERATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 15 minutes

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, on May 3, 1954, a rule was granted in the House of Representatives for the consideration of S. 984, a bill from the Committee on the Judiciary. The House did not take action on the bill after the rule was granted. It can be programed and called up any time.

I think the bill should be gone into carefully. I am afraid that, if enacted, it will grant special privileges to a few. It sounds very innocuous but the very fact that it gives additional chances and opportunities to litigants involving the payment of wartime excess-profits taxes, when there is a strong probability that others have settled their cases under existing law without being granted this special privilege, is sufficient to my mind to arouse curiosity.

It is not my purpose to question the motives of the sponsors of this bill. I am sure they are acting in the best of faith. It is possible that when I know all the facts that it will receive my support. However, it occurs to me that the Committee on the Judiciary of the House should furnish the Members of the House more information about this proposal. These questions should at least be answered: How many companies will probably be affected? How much is involved in each case? What are the names of the companies, their addresses, and the amounts involved in each pending case?

The information furnished so far is insufficient to enable a Member to intelligently pass on this bill. I would like to know why the litigants are not able to get justice under present procedure. If they are unable to get justice under present procedure, I would like to know more about the reasons therefor. Certainly we should know something about the facts in the major cases and a statement showing why these facts should be sufficient under the amendment, as proposed, to get relief from the Government and why such facts are insufficient under existing law to get adequate relief.

Since my statement on this bill, which appeared in the CONGRESSIONAL RECORD for May 4, 1954—page 5967—I have received a letter from a prominent attorney, who specializes in tax matters. As disclosed in his letter, he has had considerable experience in matters of this kind and he, too, doubts the wisdom of the passage of this bill. For obvious reasons I will not disclose his name, but I am inserting herewith a copy of his letter to me. I assure you he is a reputable attorney. It is as follows:

MY DEAR CONGRESSMAN PATMAN: Your recent remarks in the CONGRESSIONAL RECORD with respect to S. 984 have struck a sympathetic chord. That bill has the effect of permitting an appeal from an adverse Tax Court decision in cases involving section 722 of the Internal Revenue Code. Section 722 was a relief provision designed to ameliorate the harsh impact of the World War II excess-profits taxes imposed under chapter 2E of the Internal Revenue Code. May I call your attention to the following discussion with reference to these matters which reflects my views.

From original inception section 722 matters were not reviewable by any higher court. See section 732 (c) of the Internal Revenue Code which was added by the 1940 Excess Profits Tax Amendments Act effective for taxable years beginning after December 31, 1939.

As an actively practicing tax attorney with previous experience in the Bureau of Internal Revenue, I have watched the administrative and judicial interpretation of section 722 with careful interest. It is my observation that the very broadly drawn language of section 722, contrary to the expectation of many taxpayers and tax practitioners, received a very tight and generally unsympathetic administrative interpretation by the Internal Revenue Service.

Applications for relief under section 722 filed with the Internal Revenue Service numbered at least 54,642 and involved claimed excess profits tax reductions in excess of $6½ billion. By June 30, 1952, 49,288 of these applications had been disposed of by being allowed, in whole or in part, disallowed, withdrawn, or eliminated. Of the remaining 5,354 (9.8 percent of the total applications filed), only 2,155 were pending before the Tax Court on June 30, 1952. It would, therefore, appear that if S. 984 became law in the revised Senate version (effective to Tax Court decisions rendered after January 1, 1952), only a comparatively small percentage (approximately 3.9 percent) would receive the benefits of the proposed legislation which would by necessary implication bar the opportunity for appeal to the great bulk of taxpayers who had claimed section 722 relief.

By way of contrast, should the version of S. 984 reported favorably in the House (H. R. 1370) become law, then an even more inequitable picture would be presented. Up to the present time the Tax Court has rendered opinions and decisions in approximately 140 cases involving Section 722. This does not include approximately 450 such cases which were docketed in the Tax Court and then subsequently disposed of without trial by way of compromise settlement or abandonment by the taxpayers. There are now approximately 1,000 cases docketed in the Tax Court which contain issues involving Section 722. In addition to these, on a guess there are probably not in excess of 200 such cases still pending before the Internal Revenue Service which may ultimately be appealed to the Tax Court. Thus, if the version of S. 984 currently approved by the House committee becomes law, then something less than 1,200 taxpayers would benefit as against some 53,442 taxpayers who would receive no such benefit. This class legislation would benefit only approximately 2.2 percent of the total number of taxpayers seeking relief under Section 722.

The administrative handling of section 722 matters by the Internal Revenue Service was such that only those taxpayers with sufficient endurance, time, and money to exhaust their administrative remedies within the Service finally appealed to the Tax Court. Of the comparatively few cases which have reached the Tax Court of the United States, the exclusive forum for litigation of these matters, only about one-fourth (approximately 35 in number) of the Tax Court decisions (approximately 140 in total) have favored the taxpayer.

Historically, with a few outstanding exceptions, most of the 722 cases thus far determined by the Tax Court have involved comparatively small dollar amounts of recovery. I suspect that in at least some of these cases taxpayers were not adequately represented by competent counsel. The result has been that certain principles of law involving section 722 have grown up in the Tax Court which now confront those comparatively few taxpayers whose cases are still

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pending. This body of law has construed section 722 on a somewhat narrow and restrictive basis.

It would be a sizable task and one I am not prepared to undertake, to evaluate the merits or the dollar amounts involved in the 1,000 section 722 cases now pending before the Tax Court awaiting trial or opinion. It is my belief, however, that many of these cases involve comparatively large dollar amounts and some of the larger taxpayers. This is probably inevitable due to the fact that the larger the company and the more involved the 722 issues were, the slower the administrative process in the Service. By the same token such cases reached the Tax Court at a comparatively late date.

Aside from the inequitable results flowing from a change of the rules of the game at this late date, certain other considerations are also relevant. Section 722 matters are of their very nature nebulous, difficult of exact determination, and involve to a considerable extent economic theories. The Tax Court has by this time built up an accumulated fund of experience in these matters after approximately 10 years of experience. The present bill would in effect dump these very difficult problems in the laps of the court of appeals. It would seem to follow that the already crowded dockets of the appeals courts would become further cluttered and no doubt the ensuing litigation would have repercussions on the Department of Justice.

The writer is unable to escape the conclusion that the effect of S. 984, as originally passed by the Senate, was to favor a very few larger taxpayers who have received adverse decisions in the Tax Court since January 1, 1952, thus enabling them to obtain another bite at the apple. It also serves as insurance for the few remaining taxpayers whose cases are now pending in the Tax Court (or who will appeal to that court) against an adverse Tax Court decision at this late date. Section 722 was made inoperative as to years after 1945. For these reasons as well as the others set forth above, it would seem inequitable, discriminatory, and ill-advised at this late date to revise the pattern under which all taxpayers have operated since 1940 where the benefits of the revision would accrue only to a comparatively few select taxpayers.

I have taken the liberty of conveying these reactions to you because of your opposition to S. 984 and I trust that they assist you and the Congress in reaching a fair and equitable judgment as to the merits of S. 984.

DEDICATION OF STATUE AND MEMORIAL TO DAVID I. WALSH

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point and include an invocation.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. O'NEILL. Mr. Speaker, on Sunday, June 6, 1954, at the Hatch Memorial Shell, Storrow Embankment, Boston, Mass., a statue and memorial were dedicated to the late Governor of the Commonwealth of Massachusetts and United States Senator, David Ignatius Walsh. The presiding officer was my good friend and colleague, the Honorable PHILIP J. PHILBIN.

Under leave granted to extend my remarks, I would like to include the prayer of the Very Reverend Oscar R. O'Gorman, of St. Agnes' Church, Arlington, Mass., as well as my own tribute:

Our Father, who art in heaven, bless, we beseech Thee, all our undertakings and may they ever be worthy in Thy sight.

We are assembled to honor and to perpetuate the memory of a faithful public servant. We do so in the conviction that his service was so fine, so far beyond the ordinary measure, that the remembrance of it should be preserved unto posterity.

Those who knew Senator Walsh understand well that in him public service was, above all, service of Thee: he served Thee, and in Thee his fellow-man. Coming from the home that he did, receiving the formal education that was his, gifted, generous of heart and keenly intelligent as he was, he could not fail to cherish more deeply than most the exalted ideals that had been put before him. Like other young men reared in the same lofty tradition, his great question on the threshold of life was "How can I best serve my Maker, and in so doing, serve mankind?" His answer to that question, was doubtless keenly and judiciously arrived at, considered long and well, and his entry into public life was surely a deliberate self-dedication to Thee in a field of needed action. Those who knew him well are equally certain that the spirit of that dedication was never lost through the years, that it was the mainspring of his efforts, the controlling factor in his decisions, and that at the end it was as much in the foreground of his consciousness as it had been in the beginning.

He saw public service as his vocation under Thee, and for him service of the people was service of Thee, and no such service could be anything but his best.

From what might be considered humble beginnings he vaulted quickly to the political heights. Through arduous and crucial years in our history he held offices of highest responsibility in State and Nation. If he seemed to stand before the people a man apart in his breadth of vision, in his depth of understanding and of information, in his political dignity, his integrity, his eloquence and his compassion, may we not well believe that these and other extraordinary qualities were shaped in his fidelity to Thee?

We pray that this Thy servant, his life and his merits, may be seen in true and honored perspective by a grateful people. The real story of our public servants is not easy to know. Partisan reports and the slanders of those who hate both Thee and our country confuse the record. The better the public servant, the more savage the attacks of evil men. We pray that the memory of David Ignatius Walsh may abide in the minds of our citizens in clearest delineation as a statesman of exceeding stature, a worthy and resplendent representative of his people, a dedicated and most faithful servant of Thee and of his country. May he be held in benediction, and may the shining inspiration of his story be transmitted from generation unto generation.

Bless then, we beseech Thee, most loving Father, our action here this day. We ask it in the name of Jesus Christ, Thy Son, who liveth and reigneth with Thee in the unity of the Holy Spirit, for all the ages of ages. Amen.

SENATOR DAVID I. WALSH: PATRIOT, STATESMAN, DEMOCRAT

The life of David Ignatius Walsh constitutes still another testimonial to the opportunity that is America. Born in Leominster, Mass., on November 11, 1872, David Walsh laughed at adversity and rose to become the first Democratic Senator since 1851 to be elected from Massachusetts. He was to serve, altogether, for some 26 years in the Nation's upper house.

First elected in 1918, Senator Walsh soon became a distinguished figure on Capitol Hill. He typified the best in the old-school strain of statesman. His official appearances were conducted always with dignity and graciousness; he refused ever to deal in personalities and held his opponents to strict accountability for any deviation from legitimate issues.

Senator Walsh's contributions as a social reformer and guardian of the people's basic rights, as exemplified in the Wage and Hour Law and the Walsh-Healy Government Contracts Act, comprise enduring monuments to his humanity and political acumen alike. Yet his name, perhaps, is revered more for his unfailing devotion to the interests of the United States Navy. As chairman of the Naval Affairs Committee, the gentleman from Massachusetts reported out more than 100 bills concerning the Navy. It was he, let us remember, who warned with unremitting vigor and persistence long before the outbreak of World War II that it was imperative for America to develop its Navy and Air Force to an extent sufficient to meet any possible contingency. It was his foresight, in no small measure, which enabled this Nation to recover from the Pearl Harbor disaster and fight on to final victory.

Our State, our Nation, stand for all time in debt to David I. Walsh: patriot, statesman, and champion of the people.

DAVID I. WALSH

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am glad the gentleman from from Massachusetts [Mr. O'NEILL] has made reference to the late David I. Walsh memorial service at Boston. It was one of the most impressive dedications of a monument I have ever seen, and one of the most impressive appreciations of Senator Walsh's great work as Governor of the Commonwealth of Massachusetts and as Senator in the Congress of the United States, his great work in securing a two-ocean Navy for the United States, and his great work in education and labor. An able and distinguished public official, a great orator and patriot, a man of great propensities, he was always working for his country and especially the man who had few privileges.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. CRUMPACKER.

Mr. SIEMINSKI in two instances.

Mr. HESELTON the remarks he made in the Committee of the Whole today and include tabulations.

Mr. MULTER and to include additional matter.

Mr. REED of New York and to include additional matter.

Mr. FOGARTY asked and was given permission to revise and extend his remarks made in Committee of the Whole and to include extraneous matter.

Mr. BUSBEY to revise and extend his remarks and include a statement by Mr. KRUEGER and that it be printed in the RECORD under the discussion on vocational education.

Mr. HOFFMAN of Michigan and to include additional matter.

Mr. JAVITS, the remarks he made in Committee of the Whole, and to include extraneous material.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. SAYLOR (at the request of Mr. ARENDS), for the balance of this week, on account of illness.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 8044. An act to extend the authorization for funds for the hospitalization of certain veterans in the Philippines;

H. R. 9004. An act to authorize the appointment as United States Commissioner, International Boundary and Water Commission, United States and Mexico, of Col. Leland Hazelton Hewitt, United States Army, retired, and for other purposes; and

H. J. Res. 243. Joint resolution to amend the pledge of allegiance to the flag of the United States of America.

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 144. An act for the relief of the Cavalier County Fair Association;

S. 857. An act for the relief of the legal guardian of Robert L. Hilton, a minor;

S. 1399. An act to authorize the Secretary of Agriculture to sell certain improvements on national forest land in Arizona to the Salt River Valley Water Users Association, and for other purposes;

S. 1400. An act to permit the Secretary of Agriculture to release the reversionary rights of the United States in and to a tract of land located in Wake County, N. C.;

S. 1794. An act to reimburse the South Dakota State Hospital for the Insane for the care of Indian patients; and

S. J. Res. 119. Joint resolution to validate conveyance of a 40-acre tract in Okaloosa County, Fla.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills and a joint resolution of the House of the following titles:

On June 8, 1954:

H. R. 107. An act to provide for the transfer of the site of the original Fort Buford, N. Dak., to the State of North Dakota;

H. R. 2016. An act to authorize the Secretary of the Interior to sell certain land to the Board of National Missions of the Presbyterian Church in the United States of America;

H. R. 2226. An act to repeal the provision of the act of July 1, 1902 (32 Stat. 662), as amended, relating to pay of civilian employees of the Navy Department appointed for duty beyond the continental limits of the United States and in Alaska;

H. R. 2849. An act to amend the act entitled "An act to authorize the transfer of land from the War Department to the Territory of Hawaii," approved June 19, 1936;

H. R. 3573. An act for the relief of the estate of Anna I. R. Wells, deceased, and others;

H. R. 3907. An act for the relief of Jean Sutherland;

H. R. 5831. An act to enable the Hawaiian Homes Commission of the Territory of Hawaii to exchange available lands as designated by the Hawaiian Homes Commission Act, 1920, for other publicly owned lands;

H. R. 5833. An act to authorize the commissioner of public lands of the Territory of Hawaii to exchange certain public lands for private lands of equal value required for school purposes;

H. R. 5913. An act to simplify the handling of postage on newspapers and periodicals;

H. R. 6328. An act authorizing the exchange of certain public lands in the vicinity of Waimea, county of Hawaii, in the Territory of Hawaii for certain privately owned lands;

H. R. 6655. An act to amend the charter of the Columbia Institution for the Deaf, change its name, define its corporate powers, and provide for its organization and administration, and for other purposes;

H. R. 6888. An act to amend sections 201 (a) and 207 (a) of the Hawaiian Homes Commission Act;

H. R. 6890. An act to approve Act No. 27 of the Session Laws of 1951 of the Territory of Hawaii, entitled "An act to amend Act 24 of the Session Laws of Hawaii 1927, as ratified by the act of Congress of March 2, 1928, so as to extend the electric light and power franchise granted by said act to cover the entire districts of Waimea and Koloa on the Island of Kauai, T. H.;

H. R. 8092. An act to facilitate the entry of Philippine traders; and

H. R. 8487. An act to amend the act of June 19, 1948, to provide for censuses of manufactures, mineral industries, and other businesses, relating to the year 1954.

June 9, 1954:

H. R. 2828. An act to provide for a per capita distribution of Menominee tribal funds and authorize the withdrawal of the Menominee Tribe from Federal jurisdiction;

H. R. 8044. An act to extend the authorization for funds for the hospitalization of certain veterans in the Philippines;

H. R. 9004. An act to authorize the appointment as United States Commissioner, International Boundary and Water Commission, United States and Mexico, of Col. Leland Hazelton Hewitt, United States Army, retired, and for other purposes; and

H. J. Res. 243. Joint resolution to amend the pledge of allegiance to the flag of the United States of America.

ADJOURNMENT

Mr. ARENDS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 43 minutes p. m.) the House adjourned until tomorrow, Thursday, June 10, 1954, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1617. A letter from the Chairman, Federal Power Commission, transmitting a copy of its newly issued publication entitled, "Typical Electric Bills, 1954"; to the Committee on Interstate and Foreign Commerce.

1618. A letter from the Secretary of Commerce, transmitting the 27th report of action taken by the United States Maritime Administration under section 217 of the Merchant Marine Act of 1936 as amended (Public Law 498, 77th Cong.); to the Committee on Merchant Marine and Fisheries.

1619. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. LECOMPTE: Committee on House Administration. House Resolution 576. Resolution providing for the payment of 6 months' salary and $350 funeral expenses to Mrs. Marie E. Adams, widow of Donald G. Adams, late an employee of the House of Representatives; without amendment (Rept. No. 1773). Ordered to be printed.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 4449. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Colorado River storage project and participating projects, and for other purposes; with amendment (Rept. No. 1774). Referred to the Committee of the Whole House on the State of the Union.

Mr. DONDERO: Committee on Public Works. H. R. 7913. A bill to convey by quitclaim deed certain land to the State of Texas; without amendment (Rept. No. 1775). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOPE: Committee on Agriculture. S. 2475. An act to authorize the President to use agricultural commodities to improve the foreign relations of the United States, and for other purposes; with amendment (Rept. No. 1776). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRAY:

H. R. 9499. A bill to provide a method for protecting the domestic sheet-glass industry against injury caused by imported sheet glass; to the Committee on Ways and Means.

By Mr. DONDERO:

H. R. 9500. A bill to provide for the preparation of plans and specifications for a museum building for the Smithsonian Institution; to the Committee on Public Works.

By Mr. ELLIOTT:

H. R. 9501. A bill to check the growth of unemployment by providing for Federal assistance to States and local governments for the construction of needed public works and public improvements; to the Committee on Public Works.

By Mr. GWINN:

H. R. 9502. A bill declaring the Communist Party and similar revolutionary organizations illegal; making membership in, or participation in the revolutionary activity of,

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the Communist Party or any other organization furthering the revolutionary conspiracy by force and violence a criminal offense; and providing penalties; to the Committee on the Judiciary.

By Mr. HOPE:

H. R. 9503. A bill to authorize production-credit associations to pay dividends on class A stock without paying dividends on class B stock, to pledge securities representing investments of their guaranty funds, and to pay dividends on class A or class C stock without regard to the provisions of section 22 of the Farm Credit Act of 1933, and to authorize production-credit corporations to invest in class C stock of production credit associations without affecting the tax status of such associations, and for other purposes; to the Committee on Agriculture.

By Mrs. KELLY of New York:

H. R. 9504. A bill to extend the time within which certain insane veterans may apply for insurance under section 621 of the National Service Life Insurance Act of 1940, as amended; to the Committee on Veterans' Affairs.

By Mr. REED of Illinois:

H. R. 9505. A bill to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, as amended, relating to war-risk hazard and detention benefits until July 1, 1955; to the Committee on the Judiciary.

By Mr. BERRY:

H. R. 9506. A bill to amend the provisions of law added to the United States Code by the act of August 15, 1953 (Public Law 280, 83d Cong., 67 Stat. 588); to the Committee on Interior and Insular Affairs.

By Mr. POFF:

H. R. 9507. A bill to amend section 1362 of title 18 of the United States Code to provide penalties for malicious damage to private communication facilities; to the Committee on the Judiciary.

By Mr. SHAFER:

H. R. 9508. A bill to retrocede to the State of Michigan concurrent jurisdiction over that portion of former United States Highway 12 (Dickman Highway) traversing Fort Custer, Mich.; to the Committee on Armed Services.

By Mr. TOLLEFSON:

H. R. 9509. A bill to provide an immediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense; to the Committee on Merchant Marine and Fisheries.

By Mr. YOUNG:

H. R. 9510. A bill to provide that the United States shall aid the States in wildlife-restoration projects, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. STRINGFELLOW:

H. R. 9511. A bill to provide for the partition and distribution of the assets of the Ute Indian Tribe of the Uintah and Ouray Reservation in Utah between the mixed-blood and full-blood members thereof, and for the termination of Federal supervision over the property and persons of the mixed-blood members of said tribe, to provide a development program for the full-blood members of said tribe, and for other purposes; to the Committee on Interior and Insular Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mrs. ROGERS of Massachusetts: Memorial of the General Court of Massachusetts in favor of the adoption of the resolution to add the words "under God" to the pledge of allegiance to the flag; to the Committee on the Judiciary.

By the SPEAKER: Memorial of the Legislature of the State of Louisiana urging the adoption of H. R. 9251, which would place two Government weather ships in the Gulf of Mexico; to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. JAVITS:

H. R. 9512. A bill for the relief of Mrs. Franziska (Han) Rigau; to the Committee on the Judiciary.

H. R. 9513. A bill for the relief of Evangelos Dimitrios Bogris; to the Committee on the Judiciary.

H. R. 9514. A bill for the relief of Michael Frentzos; to the Committee on the Judiciary.

By Mr. ROBERTS:

H. R. 9515. A bill for the relief of Herman E. Mosley; to the Committee on the Judiciary.

By Mr. SCHENCK:

H. R. 9516. A bill for the relief of Helen E. Cox; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1002. By Mr. HOSMER: Petition of Mrs. Carl E. Kemmerer and other citizens of the 13th Congressional District of California relating to restoration of rights and privileges of the Armed Forces and their dependents; to the Committee on Armed Services.

1003. By the SPEAKER: Petition of Charles A. Johnson and others, Brooklyn, N. Y., relative to being in support of House Joint Resolution 243, to incorporate the words "under God" in the pledge of allegiance to the flag of the United States; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

The State-Federal Program for Vocational Rehabilitation

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 9, 1954

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I am inserting a statement of interest to all who believe in and support rehabilitation legislation:

THE STATE-FEDERAL PROGRAM FOR VOCATIONAL REHABILITATION

HISTORICAL BACKGROUND

As a public program, vocational rehabilitation for the disabled was established shortly after the close of World War I. While the need for such a program had been recognized earlier, it took the war to focus wide public attention on the problems of disability. Demands for a civilian program were exercised as soon as the needs of disabled soldiers had been considered. Among the voluntary organizations that took an active part in advocating rehabilitation was the Red Cross Institute for Crippled and Disabled Men, which was founded in New York City in 1917 to conduct research and demonstrations in rehabilitation work. Early in 1918 this organization became active in promoting State legislation.

Twelve States passed rehabilitation laws before enactment of the Federal statute, although only six State programs actually were functioning when the first Federal law was passed. In 1918—1 month before the Federal soldier rehabilitation law was passed—Massachusetts became the first State in the Union to adopt a vocational rehabilitation law.

On June 2, 1920, the President signed the Smith-Fess bill, and the Vocational Rehabilitation Act (Public Law 236, 66th Cong.) became law. Federal legislation in this field had been passed with bipartisan support, and had been supported by the National Association of Manufacturers, the American Federation of Labor, and numerous other organizations representing social welfare, medicine, education, and State government.

The first Federal legislation for the vocational rehabilitation of civilians provided for grants to the States for a 4-year period (subsequently extended), based on relative population, with a 50-percent matching requirements; the grants to be used for services to the disabled consisting of training, guidance, placement, and prosthetic appliances.

During the fiscal year 1921, Federal and State expenditures on the program totaled slightly less than $285,000. The following year's expenditures exceeded $736,000 and expenditures on the program have never been below the $1 million mark since 1923. Federal and State expenditures during the past fiscal year, by way of contrast with the early years of the program, amounted to $34.6 million.

Federal responsibilities for vocational rehabilitation initially were vested in the Federal Board for Vocational Education. Subsequently the Federal agency for vocational rehabilitation became a part of the United States Office of Education. Since 1943 the Office of Vocational Rehabilitation has been a separate agency. State agencies for vocational rehabilitation, since the inception of the State-Federal program, have been divisions of the State boards for vocational education. (Today, in 36 of the States, separate agencies provide rehabilitation services to the blind. Most of these agencies are elements of State agencies for public welfare.)

In the period between 1930 and 1932, amendments to the Vocational Rehabilitation Act further extended the program and authorized annual appropriations for Federal grants to the States totaling $1 million. With the adoption of title V of the Social Security Act of 1935, the vocational rehabilitation program became permanent. Continuing annual appropriations of nearly $2 million were authorized and these were increased in 1939 to $3.5 million annually.

The Barden-La Follette Act of 1943 is the basic law under which the program operates at the present time. This legislation provides for the full administrative costs of the program and expenses for vocational guidance and placement being borne by the Federal Government. It also makes specific provision for the physical restoration of the disabled through medical services. The costs of medical examinations and services, training, living expenses during rehabilitation, necessary travel, and occupational tools and

licenses are shared by the State and Federal Governments on a 50–50 basis.

During the first 23 years of the program's operations, 210,000 disabled men and women were rehabilitated for useful work. However, during this period, vocational rehabilitation agencies had to train around the disabilities of those who were served. Physical restoration to overcome or reduce disabilities was not provided.

Since the services of the program were expanded in 1943, well over a half million Americans have been provided with substantial services under the program and restored to useful employment.

OPERATION OF THE PROGRAM TODAY

The services which are provided under the public program for vocational rehabilitation are geared to the specific needs of the individual, with due regard to the nature of his disability, his interests and aptitudes, and his goals for a career.

In this program no disabled individual is considered rehabilitated until he has been placed in suitable employment after being provided with substantial rehabilitation services. In most cases the criterion is successful accomplishment in paid employment, verified by personal followup. In some cases it is the ability to perform the important work of making a home.

There are nine services in all: (1) Medical diagnostic services to learn the nature and degree of disability and to help determine eligibility for services, the need for additional medical services, and the individual's work capacities; (2) individual counsel and guidance, including psychological testing, to help select the right job objective; (3) medical, surgical, psychiatric, and hospital services to remove or reduce the disability; (4) artificial limbs and other prosthetic appliances to increase work ability; (5) training, including occupational training and adjustment training for the blind; (6) maintenance and transportation during treatment or training; (7) tools, equipment, or licenses, if these are necessary to give the individual a fair start; (8) placement in a job commensurate with the individual's highest physical and mental capacities; (9) followup to insure that the rehabilitated man or woman is successful and that both he and the employer are satisfied.

The payment from public funds for services other than diagnosis, counseling, training, placement, and followup is conditioned upon the economic circumstances of the disabled individual.

The services of vocational rehabilitation are available to men and women of working age who have disabilities that are handicaps for employment. Federal responsibilities for the program are discharged by the Office of Vocational Rehabilitation for the Department of Health, Education, and Welfare. These responsibilities consist of disbursing grants-in-aid to State agencies, and supporting the efforts of these agencies with leadership and technical assistance which can be provided most economically on a national basis.

The program is operated in every State and Territory except the Virgin Islands. General agencies for vocational rehabilitation are components of State boards of education. In 35 of the States and in Hawaii, separate agencies provide rehabilitation services for the blind. In the District of Columbia, services are provided by an element of the Office of Vocational Rehabilitation.

Each public agency for vocational rehabilitation operates its program in accordance with an approved State plan that meets the provisions of Federal law. These plans are developed by the State agencies with the cooperation of the Office of Vocational Rehabilitation. The evaluation, improvement, and approval of these plans constitute a continuing Federal responsibility. To ensure the best possible service to the disabled and the most efficient utilization of Federal funds, the Office of Vocational Rehabilitation staff works closely with State agencies in keeping State plans abreast of current needs.

In order to insure that rehabilitation services are provided in conformity with approved State plans, and that the Federal portion of the funds is being spent properly, the Office of Vocational Rehabilitation conducts periodic reviews of the operation of all State rehabilitation agencies. In the course of these reviews individual case records are studied, methods of administration are reviewed, and agency staffs benefit from evaluation of services to disabled individuals. These reviews reveal trends within the program, the manner in which State and Federal policies are applied, and the needs and accomplishments of the State agencies.

For the third successive year, the State-Federal program for the vocational rehabilitation of disabled civilians prepared more than 60,000 substantially handicapped Americans for work and placed them in useful occupations. The vast majority of these men and women are now completely self-supporting.

The return of last year's group of disabled individuals to productive work brings to more than a half million the number of disabled civilians rehabilitated since 1943. It brings to 738,000 the total number of rehabilitations during the 33 years in which vocational rehabilitation services have been available to Americans as a service of their State and Federal Governments.

Nearly 1 out of every 5 disabled persons rehabilitated during the fiscal year ending June 30 was receiving public assistance at the time services were begun, or at some time during the course of rehabilitation. To maintain these disabled recipients of public assistance on relief for just 1 year would cost an estimated $8.7 million. But the cost of their rehabilitation was only about $6.4 million. This expenditure is less than three-fourths what it would cost to maintain these disabled people at public expense for only 1 year.

Since many of these individuals undoubtedly would have needed public assistance over an extended period of time, the savings made possible by their rehabilitation—which is generally a one-time expenditure—are cumulative. Disabled people who are receiving public assistance year after year consume taxes, whereas rehabilitated people who are working pay taxes every year of their working lives.

Although 11,355 of the 61,308 disabled individuals rehabilitated during the year were recipients of public assistance, many more would have become public charges if they had not been rehabilitated into gainful employment before the effects of disability and enforced idleness had exhausted their resources. There is no way to measure the dollar savings from preventing public dependency by restoring disabled people to self-support before they become completely impoverished by their inability to earn.

Regardless of whether or not the disabled people who are served by vocational rehabilitation repay in one way or another the cost of the services made available to them, our society—under the American tradition of a fair chance to all—has an obligation to restore to them the capacity and opportunity for self-support. However, the economic facts of rehabilitation—as illustrated by the achievements of the program during the past year—give strong support to the proposition that vocational rehabilitation is an investment in human welfare that is wholly self-liquidating. As an investment, it pays high returns in dollars as well as in social betterment.

Following are some of the highlights of vocational rehabilitation in the United States during 1953.

The Federal income-tax payments which will be made by the disabled men and women rehabilitated during 1953 are estimated at $10 million a year. Thus the $30 million in Federal income taxes that these rehabilitated workers are expected to pay in the next 3 years exceeds the entire 1953 Federal investment in the rehabilitation program by more than 30 percent.

The cost of operating the program for the year was $564 per person rehabilitated. This is substantially less than the estimated $700 which would be the cost of maintaining a disabled individual on relief for just 12 months.

The combined annual earnings of the disabled men and women rehabilitated during the year were estimated at $17 million when they became clients of the program. After their rehabilitation, their combined earnings were estimated at $114 million a year.

An estimated 100 million man-hours a year have been added to the Nation's productive effort by this group of disabled men and women. Many of them have acquired new skills which are in short supply and which are vitally important to the Nation's preparedness effort. More than 9,000 went into the skilled trades, and about 5,500 more became farmers or agricultural workers. An estimated 3,000 entered professional fields in which shortages exist, such as education, medicine, and engineering.

PROPOSALS FOR THE FUTURE

Each year an estimated 250,000 persons disabled by disease, accidents, or congenital conditions come to need vocational rehabilitation in order to work. Only about 60,000 disabled persons are rehabilitated each year under the present State-Federal program. It is easy to understand, therefore, why there are some 2 million disabled persons in the United States today who need vocational rehabilitation services. Disease, and particularly chronic disease, is the cause of about 88 percent of all disabling conditions. Accidents account for about 10 percent of the total problem of disability. The other 2 percent results from congenital conditions.

The majority of the disabled who can be rehabilitated are within the age limits 14 to 64; a small portion, about one-twentieth, are 65 years of age or older. About one-tenth, roughly 200,000, are currently confined to various types of institutions—tuberculosis sanatoria, mental hospitals, and chronic disease hospitals. Restoration of this group to gainful work would help to reduce hospital and institutional loads.

It is apparent from the foregoing that the present public program for vocational rehabilitation falls far short of meeting the Nation's needs in relation to the annual number of disabled persons who come to require vocational rehabilitation in order to work. This is why the President, in his health message, recommended a progressive expansion of our rehabilitation program over the next 5 years. In that message, the President said:

"There are no statistics to portray the full depth and meaning in human terms of the rehabilitation program, but clearly it is a program that builds a better America."

He suggested that we establish goals to increase the number of rehabilitants far above the present 60,000 per year. As a 1955 goal he recommended 70,000 rehabilitants; for 1956, 100,000; and progressively upward until we reach by 1959 the goal of 200,000 rehabilitated persons in the course of the year. This scheduled progression takes into consideration the time required to expand facilities and to increase the supply of trained personnel. It also gives the States an opportunity to plan for their part of the additional financial support needed.

If the program were to be merely continued at its present level during the next 5 years, we could anticipate rehabilitating in that period about 300,000 persons. The expanded program would rehabilitate an additional 360,000 persons at an estimated additional

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cost of $209 million. The additional cost to the States and Federal Government would be offset several times by the resulting savings in public assistance costs and the revenues from income taxes of the persons restored to jobs.

Some of the administration's proposals in this field, embodied in an amendment to the Hospital Survey and Construction Act, already have been passed by the House of Representatives. Prospective changes in the law embodied in this amendment have an important bearing upon vocational rehabilitation. The amendment would provide for Federal financial assistance in the establishment of public and nonprofit rehabilitation facilities for serving the severely disabled. An objective of this amendment is to promote the development of comprehensive rehabilitation centers which, at the present time, are far too few in number even to begin to meet the Nation's needs.

Other proposed legislation would authorize Federal funds to be spent for personnel training to help relieve acute shortages of professional personnel in rehabilitation; research and demonstration to improve rehabilitation techniques and disseminate knowledge of such developments; and expansion of special facilities by the States such as speech and hearing clinics and others for which needs are urgent.

The administration recognizes the rights and prerogatives of the States in meeting the problems of their citizens, and the responsibilities of the Federal Government in cooperating in the common effort. It is our aim to increase State and local responsibility in vocational rehabilitation, to reduce Federal controls, and to provide more flexibility in the administration of the program. These aims are covered in specific legislative proposals.

Vocational rehabilitation to the individual is a means for regaining or achieving self-sufficiency and independence. To the States and to the Federal Government, it is a field in which long-standing cooperative effort is paying huge returns in social and economic gain.

INTERNATIONAL CONTRIBUTIONS IN THE FIELD OF VOCATIONAL REHABILITATION

The spirit of international interaction has also extended itself into an interest and concern for the rehabilitation of the handicapped. This is not only true today, when constantly we are reminded of the common international language of rehabilitation through the increasing interest of governments and international organizations. It has been true down through the ages. Looking through the literature on rehabilitation we never fail to find evidences of the international interchange of ideas and information on the various aspects of vocational rehabilitation. For research purposes in the field of prosthetics, for instance, we can go back to 2830 B. C. and find a bas-relief carving believed to be the earliest illustration of the use of a crutch, or to the 5th Egyptian Dynasty (2750–2625 B. C.) to find the most ancient splints. These ancient prostheses discovered in the 20th century nevertheless are indications of the universality of disability and the efforts from the earliest days to overcome it.

As in other fields of endeavor, much of the growth and development of rehabilitation in the United States can be traced to the influence of the rehabilitation movement in other countries. As early as the nineties, many of the large charity organizations in this country had established special bureaus for the handicapped, and drew on the experience of European countries in developing their programs. Many of the State Workmen's Compensation Commissions owe development of their vocational rehabilitation features to studies of the German system as far back as 1911. Likewise it was during the First World War, as a result of observing the early experiments of the European nations in retraining and returning disabled soldiers to useful employment, that studies of these systems were made by the United States and utilized in the framing of the first Federal legislation—which was passed in 1918 as the Smith-Sears Act for the vocational rehabilitation and return to civil employment of disabled persons discharged from the military and naval forces of the United States. This was followed by enactment of the Vocational Rehabilitation Act for civilians in 1920, with further reliance on study of the progressive developments abroad.

Since the early beginnings in the international exchange of information on the rehabilitation front, the United States can point with gratitude to many specific areas of the rehabilitation process where international contributions have played a vital role in the development and refinement of our rehabilitation process. To mention only a few:

Our program for rehabilitation of the tuberculous which provides for introduction of rehabilitation measures, particularly counseling, guidance, development of the rehabilitation plan, and training during the early stages of treatment, was inspired by the English colonies for the tuberculous which successfully demonstrated feasibility of starting rehabilitation as early as medically possible.

To Italy and Germany, we owe the cineplastic procedure in amputation surgery which was introduced in the United States by Dr. Henry Kessler. The widespread and growing use of this technique in the United States particularly in the Army and Navy has done much toward facilitating the rehabilitation of amputees. As recently as 1951 it was reported by Commander Canty, Medical Corps, United States Navy, an outstanding authority in this field, that cineplastic prostheses available were essentially the same as those developed by Sauerbruch and his associates in Germany 35 years ago. With these cineplastic prostheses as a base, current United States research in cineplastic prostheses is now directed toward improvements of certain cosmetic, functional, and mechanical features. Of course Germany has long been a leader in the prosthetics field and the contributions of England and other countries have also been noteworthy.

Dr. Howard Rusk, director of the Institute of Physical Medicine and Rehabilitation, New York, and international leader in rehabilitation has brought back to the United States information on many of the recent developments and techniques from virtually all areas of the globe.

From England, for example, the developments in training and retraining the disabled, the remarkably good experiences with Remploy, Ltd., which provides employment in factories for many thousands of severely disabled men and women; the Roffey Park Rehabilitation Center, which has done so much toward rehabilitation of white-collar employees suffering neurosis or mild mental illnesses; the inspiring reports of the Spinal Injuries Center at Stoke Manderville, headed by Dr. Guttman, where paraplegics are vocationally trained and from which they are graduated into employment, all have had their influence on United States rehabilitation activities.

Although we have been fortunate in being able to adapt and utilize many of the excellent rehabilitation procedures and techniques from other countries, there are still others which we hope eventually can be put into effect here. Most unique among the services in Finland, reported by Dr. Rusk, is the Sheltered Colony at Suitia Manor, about 20 miles from Helsinki, where about 63 brain-injured veterans are permanently employed at farming, gardening, metalwork, and woodworking. Wages are paid to these disabled employees according to the normal union scales and the colony is practically self-supporting. In addition to providing for the permanent residents, provision is also made for training brain-injured individuals who leave the colony when their period of training is over. Experience at the colony indicates that the seizures of the large proportion who are epileptic are reduced by the controlled-work program and the security the colony affords. Experience of this center would be of great value to the United States toward developing rehabilitation programs, particularly for persons with epilepsy.

Another particularly impressive Finnish development is its program for the mentally ill. In one 1,200-bed state mental hospital visited by Dr. Rusk and a group of international rehabilitation experts, more than 75 percent of the patients, even in the disturbed wards, were busily engaged in work-therapy programs that included shoemaking, machine operation, and handwork of all types. To quote Dr. Rusk: "Certainly there is no State mental institution in the United States that can boast of such an activity program."

Little has been said of the techniques and procedures we have "borrowed" from abroad in rehabilitation of the blind. However, the United States public and voluntary organizations have excellent relations, established far in the past and strengthened throughout the years. The United States and Canada work closely together in development of their programs for increasing employment opportunities for the blind. We have just recently been exploring again the possibilities of developing training facilities and securing employment opportunities in this country for blind physiotherapists, having seen England's successful pioneering work in this field. Recent discussions with the Royal National Institute for the Blind as to how many of the same obstacles we face have been overcome in the English system give hope that progress in the United States can be made in opening the field of physical therapy to blind persons who can qualify for training.

The student braille library operated by the Royal National Institute for the Blind is another program we would like to see developed in the United States.

No discussion of international cooperation would be complete without fully recognizing the influence of the international organizations concerned with the welfare of the disabled. Noteworthy among these is the International Society for the Welfare of Cripples, founded in 1922. This is a federation of nongovernmental national organizations engaged in programs for the welfare of the disabled. Through its secretariat in New York it serves as a clearing house for information concerning the physically disabled of the world, assists in the establishment of national organizations for the handicapped, promotes scholarships, fellowships and international exchanges of rehabilitation specialists. It provides consultation services to the United Nations Rehabilitation Unit, the World Health Organization and other official international bodies and arranges international conferences such as the one to be held in The Hague this summer.

The United Nations Rehabilitation Unit established in 1951 has already demonstrated its significance for millions of the world's disabled. It has developed recommendations on a coordinated comprehensive program of rehabilitation; through the United Nations Technical Assistance Administration it participates in the social welfare scholarship and fellowshp program; and provides for selecting and supervising the activities of rehabilitation in technicians who provide consultative services to countries interested in developing their services for the disabled.

As rehabilitation to be effective for the individual disabled person must mean an

integration of services, rehabilitation on the community, national, and international level also requires coordination of programs and services. It is gratifying that the United Nations and the specialized agencies have recognized this, for increased integration will eventually mean more services for more people in more nations.

The United States is happy to have the opportunity of international sharing of our rehabilitation experience. This, of course, is constantly being done through exchange of publications, interchange visits of experts, and the strong relationships of voluntary and public agencies over the years referred to above. A significant development, strengthened in recent years through the inauguration of the technical assistance programs of point 4 and the United Nations, is the United States participation in the training programs of these organizations for leaders and technicians in the field of rehabilitation. During 1953 the Federal Office of Vocational Rehabilitation planned the programs for 37 such persons from all areas of the world. We have just about equaled the same number for 1954, and judging by the growing interest of the countries, we estimate a considerable increase in 1955 in applications for training. We have participated in these two training programs since their inception, and in addition have planned programs of training over the years for individuals referred by the Department of State; Department of Defense, and the many voluntary agencies, such as Rockefeller and Kellogg Foundations.

There are many different national approaches. No country can claim to have developed an ideal service yet. By continuing the exchange of views, hearing results of new experiments, developing new techniques, increasing international professional cooperation, and stimulating interest in overcoming the problems of disablement, the physically handicapped in their own particular countries and throughout the world will be benefited.

Dr. Scholl Honored

EXTENSION OF REMARKS
OF
HON. S. J. CRUMPACKER, JR.
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 9, 1954

Mr. CRUMPACKER. Mr. Speaker, I would like to take this opportunity to honor a Hoosier farm boy whose name has become a byword, not only in homes all over the United States, but also everywhere in the world, outside of the Iron Curtain.

The man I am referring to was born on a small farm near La Porte, Ind., 1 of 13 children. His life story is one that we, in Indiana, are particularly proud of. It is an example to every struggling boy and girl, because it typifies the fact that in this great Nation of ours, a man can truly rise "from rags to riches."

Sixty years ago he seemed like any other Hoosier barefoot farm boy, struggling behind an old hand plow. He was hot, tired, and footsore. Night after night he would turn in for dinner, aware of the fact that not only he, but most of the people he knew, felt the same way. Night after night he saw his parents and their friends try to find relief by removing their shoes for more comfortable slippers.

He realized that a tired foot means a weary body, with its accompanying loss of efficiency. And so he decided to devote his life to foot comfort. He left the farm to serve as a shoemaker so that he might learn something of shoe construction, and at the same time earn enough to put himself through medical school. It was his belief that the care of the feet should be an exact science, and he was determined to prepare himself for the role of foot doctor to the world. In the last 50 years he has brought more foot comfort to the world than anyone.

Therefore, I would like to pay tribute to this Indiana farm boy who has become one of the great pioneers in manufacturing—I refer to Dr. William M. Scholl, M. D. It is particularly appropriate that we honor Dr. Scholl, because this month is the 50th anniversary of the formation of the Dr. Scholl Co. It is a tribute to the foresight and imagination of Dr. Scholl that the public today reaps the benefit of healthier feet.

Dr. Scholl is responsible to a great degree for the introduction of the large variety of shoe lasts and sizes found in today's shoe stores. His efforts turned the hit-and-miss method of fitting shoes into a scientific procedure; he equipped shoe salesmen with tools to perform their work, such as the pedograph to detect deficiencies. He went further and instructed these same salesmen on the whys and wherefores of fitting shoes properly, with a text on "practicpedics," a term he applied to the new science.

The response to his effort was so overwhelming that from a two-room cubby hole he has been forced to expand to the 10 manufacturing plants in the United States and 6 foreign countries, and 424 exclusive retail stores scattered throughout 57 countries. He produces more than a thousand separate items. His payroll covers more than 6,000 workers. Surely this is in the best tradition of the growth of American business.

It is an interesting sidelight that although his firm has been a part of the American scene for half a century, many people do not associate a living person with the Scholl Manufacturing Co., Inc. However, no mere trade name—Dr. Scholl is the active head of his company. He still assumes personal responsibility for every phase of its activities and continues his project of originating new ways of alleviating foot discomforts. He holds more than 200 patents in his own name.

Global demand has resulted in Dr. Scholl's becoming foot missionary to the world. While aiding the cause of aching feet, he has become a good-will emissary in the many countries he has visited.

For his good work, I am sure we all join in wishing him and his company a hearty and happy 50th anniversary. The story of the success of this farm boy is a monument to American opportunity, courage, ingenuity, and industry.

Foreign Operations Program

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 9, 1954

Mr. MULTER. Mr. Speaker, the following is the statement I was privileged to make before the House Committee on Foreign Affairs regarding the draft of the mutual security bill:

Chairman CHIPERFIELD. The committee will come to order.

Mr. MULTER, we are happy to have you here. I see you have a statement. Will you proceed in any way you care to?

STATEMENT OF ABRAHAM J. MULTER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. MULTER. Mr. Chairman and distinguished members of the House Committee on Foreign Affairs, I appreciate the opportunity to appear before you and to state my views with reference to the very important foreign aid bill that your committee is now considering.

I am aware of the fact that you have conducted many and long hearings on this very important problem, and that much information has been given to you in executive session by high and respected members of the executive departments.

I wish to address myself briefly to that part of the proposed bill which will deal with economic aid to that area of the world which is commonly referred to as the Middle East.

At the outset, I ask you to believe me when I earnestly say to you that in addressing myself to this subject I do not do so from any partisan interest in any particular country in the Middle East. I do so primarily as an American citizen profoundly concerned with the peace of the world. I know that this committee agrees that conflict in any part of the world threatens the peace of our own country. It is because I sincerely believe with you in that concept that I presume to come before you and offer my comments on the subject.

Long before I came to Congress, I had been urging, publicly and privately, that the solution of the problems in the Middle East could be accomplished only by outside aid to the peoples of that area, giving them the technological know-how and the wherewithal with which to improve their standards of living and their general economic welfare.

One of the first speeches that I made in the Congress after coming here in 1947, was addressed to that subject. You will remember that that was before the establishment of the State of Israel.

I urged then, as I have continued to urge ever since, that peace in that area can be assured only if the economic conditions of all of the peoples of the area were improved. When I use the words "peoples of the area," I never limit it to Jews or to Christians or to Moslems. I specifically, at all times, pointed out that "peoples" of that area include all the people, the Arabs of the Moslem faith and the Arabs of the Christian faith, as well as the Jews. I pointed out that there could never be peace in that area if only the Jews prospered there. It is essential that all of the surrounding Arabs be taught how they too could prosper, and be given the implements with which to attain such prosperity.

The need for such a broad, all-inclusive program has increased since the establishment of the State of Israel.

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Military aid, however, will not accomplish that important goal.

It cannot be denied by any military authority worthy of such designation, that if Soviet Russia should decide to march upon the Middle East, she could conquer every country within that area almost overnight. Every military expert must concede that, if we sent into the Middle East every dollar of military aid that heretofore has been allocated to that entire area, together with that allocated to India, Turkey, and Greece, sending none of it into India, Turkey, or Greece, and I do not advocate that, but if we sent all of it into the Arab countries and Israel, it could not stem an onslaught by Soviet Russia for more than a few hours.

It should, therefore, be evident that any military aid sent into any of the Arab countries could be used only by such Arab countries, either for fighting with one another or for fighting with Israel. Either alternative must be condemned.

If the pretense is made that such aid must be sent into these countries to be used solely for their internal security, then I venture the opinion that we cannot be sure that, even so, it will be properly used. We have no way of being certain that such aid to an Arab country will be used only by a government friendly disposed to us and our democratic ideals. We cannot be sure that such aid, under the pretense of being used for internal security, will not be seized by forces within such countries inimicable to the United States of America, who would turn such aid against us.

In view of all of this, my suggestion is that appropriate safeguards be written into any foreign aid bill that this committee reports, which will prohibit any military aid going to any of the Middle East states which has not entered into a peace treaty with each and every other of the Middle East states and given satisfactory assurance that it will engage in no acts of aggression at any future time.

I earnestly urge that this committee give serious consideration to this proposal.

Chairman CHIPERFIELD. Thank you, Mr. MULTER, for a very constructive statement.

Mr. MORANO.

Mr. MORANO. Mr. MULTER, why do you call this a foreign-aid bill, when it has specifically been called mutual security?

Mr. MULTER. Possibly I have taken the colloquial description, but I would prefer that rather than the legislatively correct description.

Mr. MORANO. The reason I ask you that, I moved to call it a foreign-aid bill this morning, and I didn't get anywhere with it.

Chairman CHIPERFIELD. That is no criticism of you, Mr. MULTER. It was only that we had that point raised this morning.

Mr. MULTER. I hope I have offended no one by using a designation other than its technically correct one.

Mr. BENTLEY. In the third paragraph on page 1 you say you are going to speak about economic aid and then your suggestion goes to military aid. Is that correct?

Mr. MULTER. Yes. I don't want to be put in the position of saying that I am opposed to aid to any of these countries. My affirmative program is like that of this committee, that there must be aid. Then, of course, you break it down into whether it will be economic aid or military aid.

I don't take the position that there should be no military aid. I take the position there should be no military aid except where we have satisfactory assurances that that military aid will not be used for purposes that we and the United Nations condemn.

Now, I would like to express the need for economic aid and to urge all the economic aid possible without any military aid, because I don't think military aid in itself accomplishes the end. So far as our defense is concerned, our national security is concerned, we must also give military aid to our friends and allies abroad.

Mrs. BOLTON. You know, when we have a tripartite agreement in the Near East, any money that goes to any of those countries is under agreement and neither we nor anyone else, the British, the French, the Arab States, or Israel, could really have anything more defined, more clearly and distinctly said.

Mr. MULTER. I am quite in agreement with you that under the tripartite agreements we have those covenants and commitments. I don't think that with reference to the Middle East, they go far enough. I sincerely believe that if there are no peace treaties between the Arab States, vis-a-vis themselves, and between the Arab States and the State of Israel, no military aid should go into that part of the country, either to Israel or to any of the Arab States.

Mrs. BOLTON. You are so convinced, then, that it is of no interest to us to strengthen our foreign defenses there and bring them into a more closely interwoven possibility of defense.

Mr. MULTER. I believe that is of paramount importance and of paramount interest to us and all the peace-loving peoples of the world. But, I say before you can get to that point of taking this area, whether it is just an Arab State or the Arab States alone, or together with Israel, and strengthening them as against the Communist world, strengthening them so they can withstand aggression from without, we must first be sure that they are not going to fight among themselves.

Mrs. BOLTON. That is a very interesting angle of it. I am very much interested in it because I would feel reluctant to have the nations of the world wait until the intransigents of both sides were converted to peaceful mind, with the thought that we used that very strong northern pressure. As you probably realize, within the last 2 or 3 months, the Soviet has moved into the Near East, as she has not before, and it would seem as though we would have to really consolidate a little bit with such countries as Turkey, Greece, and Pakistan, and with some of the other countries.

Mr. MULTER. There is no doubt in my mind when we are dealing with Turkey, Greece, and Pakistan, we do not have that conflict between them so that we can strengthen them as against our common enemy. But, I would state my same views would apply if Greece and Turkey were fighting each other, or threatening to fight with each other, or Pakistan was threatening to fight Turkey and Greece, or Greece and Turkey against Pakistan.

Then, I would say the principle applies there, too. We dare not go in anywhere and give arms that we hope will be used against communism which only helps stir up strife among the recipients of our aid.

Mrs. BOLTON. We are taking a big chance with Yugoslavia and we are taking chances in other places. In other places we don't have a tripartite agreement which holds the status quo.

Mr. MULTER. At the same time, I think you will agree with me that we wouldn't have sent a dollar of aid into Yugoslavia if we weren't reasonably certain that Yugoslavia would not turn upon one of her neighbors.

Mrs. BOLTON. But, we have said many times here that we are not reasonably certain; that we are taking a tremendous chance. We have said that in this committee over and over again. We haven't the remotest idea what Yugoslavia will do in a pinch. We are taking the gamble that she won't.

Mr. MULTER. At least we do have the commitment from Yugoslavia, do we not?

Mrs. BOLTON. We have commitments from the other states, too, in the tripartite agreement.

I am very glad to have your point of view very much, Mr. MULTER.

Mr. MULTER. Let me put it this way. With the agreement upon the part of Yugoslavia that she will not attack any of our friendly allies——

Mrs. BOLTON. We don't have that.

Mr. MULTER. Don't we have that with Yugoslavia?

Mrs. BOLTON. She has gone in with Turkey and Greece and she says she is all right with us, but how about Italy? There is a constant war going on, there, you see; it is not as clear as we would like to have it. Or, with other countries.

Mr. MULTER. We are not getting the threats from the other parts of the world that we get from the Middle East. Regardless of which side they come from, whether the Israeli strike back to keep the marauder from coming into their borders, or it is the other way around. You don't have the constant activity in other parts of the world.

Mrs. BOLTON. We don't at the moment, I am very glad to have your point of view. Thank you very much.

Chairman CHIPERFIELD. Are there further questions?

Mr. JAVITS. I would like to ask a question.

Chairman CHIPERFIELD. Mr. JAVITS——

Mr. JAVITS. I wasn't here, Mr. MULTER, when you made your direct presentation, but it seems to me that one of the points of difference between what we face in Yugoslavia and what we face in Iraq is the fact that Iraq is in a state of war with a country in the Near East, to wit, Israel. Would you care to make a comment on that?

Mr. MULTER. That is one of the precise things I had in mind in discussing the matter with Mrs. BOLTON a moment ago. At least outwardly there is peace between all of our allies that we are helping, outside of the Middle East area. In the Middle East area, we have an armed truce which is being constantly violated by one side or the other. Who initiates the violation is immaterial. The violations are occurring daily. We have constant threats emanating from some of the Arab States that they are just waiting for the opportune moment to step in and take what they claim is theirs, despite the United Nations decrees and edicts to the contrary.

Mrs. BOLTON. With what forces are they going to take them? I didn't know they had any real forces with which they could take anything.

Mr. MULTER. You are referring now to the Arab States not having any forces?

Mrs. BOLTON. Yes.

Mr. MULTER. I did not know they claimed not to have any forces, but they are certainly using arms and whether they recognize the bearers of the arms as their own armed soldiers, or not, the fact of the matter is that the Arabs are constantly moving in and out of the Israel borders.

Mrs. BOLTON. Yes; I think that is happening on both sides.

Mr. MULTER. That is what I say, no matter who initiates it, is immaterial to this discussion. The fact of the matter is, the constant scrapping is going on and they are using arms. It has gone beyond the point of just threats. There have been no threats out of the State of Israel, but there have been threats, open, public statements out of the Arab States that they will move in. They implemented those threats at least to the extent of the armed incursions for which they then say they are not responsible. If these sovereign states are going to deny responsibility for these armed acts of invasion which occur daily, how can we possibly consider giving them more arms? The least we should get is the commitment in writing from them that this is going to stop, that they are not going to use these arms and this military aid for warfare among

themselves. We are giving it to them to stand off a common enemy. We ought to at least have the very firm commitment that there will be no more threats and there will be no more of this armed incursion, to use the milder term.

Mr. JAVITS. My collegaue knows, as in every committee, we'll be discussing this when we are to mark up the bill. I think we are interested in this point of view and in the facts, and I think it is a fact that Iraq and the other Arab States have organized armies. Otherwise, we would not be contemplating aid to equip forces; we must be convinced that there are forces in being.

Mr. MULTER. There is no doubt the manpower is there.

Mr. JAVITS. The Iraquis actually have an organized army. There is no use in our negating the fact.

The important thing I would like to understand is my colleague's argument so we have it of record: Do I understand, then, that adding the responsibilities upon us in the three-power declaration, which gives us a special interest in seeing that there is no aggression or renewal of active hostilities, plus the climate of the area, the statements made, the border incidents, plus what we gain through furnishing more supplies in terms of anti-Communist defense, that on balance you plead as one of our colleagues that we do not get any net gain—on the contrary we get losses and, therefore, we shouldn't do it.

Mr. MULTER. I think that is a fair summary of my position. I think we should prefer at this time to gamble every dollar that we allocate to that area, in economic aid which will reach the people even though they remain unarmed, as against using any part of this for military aid to that area, to any of the people in that area. Particularly, because the military experts have told us that all the military aid we are sending there cannot withstand an onslaught from Soviet Russia if she should move in on that area of the world.

So, instead of sending in materiel that may perhaps be captured by the Russians and used against us, let us concentrate on giving the people the economic assistance they need. I think that is a better gamble than sending military aid in there, with the status of that area, what it is today.

Mr. JAVITS. Thank you, Mr. MULTER.

Mr. SMITH. Following up that argument, Mr. MULTER, then would you you say that by the same reasoning we ought not to send anything to Europe? I don't think I have heard a military man yet say that so far as the defense of Europe is concerned that the Russians couldn't move from East Berlin to the seacoast in 4 or 5 weeks.

Mr. MULTER. I think the situation there is slightly different unless you have information which you have received in executive session which is contrary to much of the information I have with reference to Europe.

For instance, in Spain. I advocated military aid to Spain at a time when it was very unpopular to do so. I advocated the military aid be in such a way that we, the United States, would go in and build the bases, provided we could have control of such bases of operation. And, I think all of Europe is a base of operations for us.

Now, if you were going to say this military aid we were sending into the Middle East must be used to establish bases for us, the United States, and we will be in control of that military aid and those defense bases that we build there, I'd say let's do it. But, the situation, I think, is different. When you are going to go in and arm people who are constantly scrapping among themselves, the chances of their finally using it against the common enemy are not so good.

Mr. SMITH. I can only say to you in response to that statement, this, that we were in the area last fall, and our military people who were there seemed to think that we had to do this very thing. I think we are up against that very practical problem, where the military feels that we must have the bases, and I have assumed, at least, that the bases were going to be used for our defense, or part of our defense system.

Now, it may be that you have other information which would lead you to conclude that we would get a different result.

Mr. MULTER. I have been in the area twice, but I have not been there recently.

If the military aid that would be allocated under the bill that you have before you, or any bill that has heretofore been enacted is going to be used to establish our bases in this area, I would not raise any objections against it, but if it is to arm the people in the area, either in the Arab States or in Israel, then I say until they have made commitments, satisfactory commitments, that they will not war upon each other, until they have entered into treaties of peace one with the other and given us assurance that the arms will not be used against each other but only against the common enemy, we should not send in that kind of military aid. Building up bases is another story. I go along with you there. Just as we are doing it in Europe. All of this is a calculated risk, but I think there is less danger of losing where we are going in and building bases that are going to be made available to us.

I didn't think such was the situation in the Middle East. For instance, when they are attempting to drive the British out of the Middle East where we know that the British forces that are there today are not there to fight the Arabs, or to fight the Israelis, that they are there to fight the common enemy if there should be an attack, yet there is an attempt to move them out of there.

Now, are we going to move the British out of there and move in ourselves and take over the bases, or are we going to go along with those Arabs who say none of us should be in there?

Mr. SMITH. Our military people are saying that the British should remain there and if not the British then ourselves, because they consider it very vital insofar as the whole Middle Eastern defense area is concerned.

Mr. MULTER. You see, Mr. Smith, I draw the distinction between sending in military aid which will be in bases under our control and just sending in military supplies which will be entirely under the control of belligerent sovereign states.

Mr. BENTLEY. Mr. MULTER, if we terminate military aid, as you suggest, for the time being in your statement, do you think there is a possibility that they might be coming in from other sources?

Mr. MULTER. If that possibility exists, the sooner we find it out, the better. If there is a possibility—the only other source would be from a Communist source, and if they will turn from us now when we don't give them military aid and take military aid from the Communist source now——

Mr. BENTLEY. You are speaking of any of the middle eastern states?

Mr. MULTER. Any of the Middle East; yes. Any part of the that area, if they should turn on us because we wouldn't give them military aid and take it from a Communist source, we better stop all aid, including economic aid. If they do that, then they are not friends of ours and we can't rely on them. I think that is one very simple way of testing it.

Chairman CHIPERFIELD. Thank you very much, Mr. MULTER. I believe that is all the questions. We appreciate your coming before us.

Mr. MULTER. Thank you again, Mr. Chairman and members of the committee, for the opportunity to be here.

Chairman CHIPERFIELD. We will proceed in executive session.

Something About Those 50,000 Rounds of Small Arms Fire Reportedly Used for Each Red Killed in Korea

EXTENSION OF REMARKS

OF

HON. ALFRED D. SIEMINSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 9, 1954

Mr. SIEMINSKI. Mr. Speaker, the other day, the papers revealed that it reportedly took 50,000 rounds of small-arms fire for each Red killed in Korea.

That statement has tricky implications.

The report should serve at least one purpose. It should intensify training in rifle markmanship for ground forces.

I said that the statement has tricky implications. It is not clear to me whether 50,000 rounds of ammunition were used for every enemy dead or that it took 50,000 shots to kill each Red. The distinction should interest the taxpayer and the trainee.

While we realize that in war waste is inherent, waste in men, money, materials, and machines, there are nevertheless factors in this 50,000 shots for each dead Red report that should help the taxpayer breathe more easily and the soldier to advance or to retreat in combat more confidently perhaps.

Every shot fired in combat is, of course, not intended to kill an enemy soldier. The mission of the ground soldier is to defeat the enemy. This is done with small-arms ammunition in several ways, by seizure, occupation, surrender, or death. The efficiency of shots fired can be measured against these factors.

For example, it is known that machinegunners and riflemen often lay down curtains of fire to pin the enemy down or to make him retreat while an objective is taken or a mission accomplished, be it a hill, an airfield, a water source, a supply dump, or a town.

The efficiency of shots fired can also be measured in terms of civilians liberated from enemy control. When allied forces moved above the 38th parallel in Korea to the Yalu in the fall and winter of 1950, over 4 million North Korean civilians streamed south to freedom.

The pin-down technique, while it uses up vast quantities of ammunition, allows troops to gain time to retreat, and it yields terrain inch by inch. During the pin-down, or spray for effect, reinforcements or withdrawals can be in motion. This technique was in play when the marines arrived to buttress the Pusan perimeter. It was also in operation when the Tenth Army Corps withdrew from the beachhead at Hungnam. Much ammunition used, many lives saved.

The efficiency of shots fired thus can be measured in terms of ground held, gained, or voluntarily relinquished, and the same applies as to time, as well as to objectives taken, civilians liberated, prisoners captured, or enemy killed.

The report of the 50,000 rounds to kill a Red has many angles, Mr. Speaker.

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War Is Not the Answer

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 9, 1954

Mr. HOFFMAN of Michigan. Mr. Speaker, the Washington Post, an interventionist publication, on June 7, on the front page, carried a statement captioned "United States Twice Proposed Indochina Strike," and above it the words "Blocked by British 'No.'"

The proposed air strike would have involved us in war, just as President Roosevelt's use of American destroyers to attack German shipping, just as Truman's sending of troops into Korea, involved us in World War II and world war III.

Reading the story, I learned that Admiral Radford, Chairman of the Joint Chiefs of Staff, broached the idea and was backed by Secretary of State Dulles.

Undoubtedly the President, while he did not himself discuss the proposed intervention, knew of it, and made no protest.

Radford's proposal was not supported by the other members of the Joint Chiefs.

When Radford met in secret session at the State Department with eight congressional leaders, representing both parties, he learned the Congress did not favor bombing Indochina's strongholds by the United States.

The statement "United States Twice Proposed Indochina Air Strike," is obviously untrue, but typical of those who would willynilly involve us in world war IV, continue to send American youth to fight abroad, establish here at home a military dictatorship. Radford and Dulles are not the United States.

I'll go along with Secretary of Defense, Charles E. Wilson, when, speaking at the University of South Carolina graduation exercises on June 7, 1954, he said:

> We cannot knock out false ideas with bullets; we must counter and destroy them with the truth, with superior ideas, and sound philosophy.

He added:

> Even a victory in such a war could be purchased only at the cost of such horrible waste and destruction that the course of human progress would be set back many decades * * * after such a victory in a third world war, the free world would still have the problem of what to do with the vanquished and how to establish conditions of peace in the world.

Secretary Wilson emphasized the fact that we must remain militarily strong.

With what he said, I agree and would like to add that we should also refrain from any provocative action which would offend our neighbors, cause them to misjudge us.

I might add that the British flatly refused to go along with the suggestion of Admiral Radford and Secretary Dulles. Of one thing about the British, you may always be sure—they always, and I think rightly, are first concerned with the security, the progress, of the British Empire.

We, of the United States, should follow a like philosophy. Just as each of us thinks first of his own, so, on the international front, we should think first of the interests of our country.

Was the Navy Mousetrapped?

EXTENSION OF REMARKS
OF
HON. ALFRED D. SIEMINSKI
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 9, 1954

Mr. SIEMINSKI. Mr. Speaker, I am studying developments in the case of the midshipman from Jersey City, N. J., who was not commissioned with his class at Annapolis last week. He resides in my district and won a Presidential appointment, having come up through the ranks.

Letters from this office are out to ascertain the facts in the case. Press reports tell a story. Rumors in the district amplify the press releases. The name of Jersey City and a family in Jersey City are involved as well as a boy from Jersey City. In our town, a hurt to one is a hurt to all. The Navy will, I trust, give us the facts.

In our town we are told that the definition of a security risk by the executive branch of the present administration is someone who talks too much. We hope that the Navy did not talk too much when it disclosed this boy's name for that would be condemnation before investigation, which is un-American. We do not recall that the midshipman from Jersey City ever waived his rights as a citizen, even while at Annapolis.

We the people of Jersey City and of the 13th District of New Jersey would dislike for the White House to order the Attorney General to list the Navy as a risk to the civil liberties of the United States because it talked too much. Or are we now in for government by apology?

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 10, 1954

The House met at 12 o'clock noon.

Rev. Father Patrick J. Nagle, St. Patrick's Catholic Church, Washington, D. C., offered the following prayer:

Eternal and ever-blessed God, give to these men and women here assembled, who cooperate with Thee in the fashioning of just and equitable law, peace of mind and heart that what they have to do may always reflect divine justice, compassion, and charity.

Let their deliberations reflect Christian humility; may they take courage from St. Michael, the archangel, whose only arms in defeating the Devil were humility and ardent love of God. The same must be our weapons as we fight against our common enemy and those who aline themselves in his cause. Courageously resisting evil in all its assaults, let our battle cry be as of old, "Who can be compared to God?"

Let our enemies be punished by their own conscience, not by our wrath. Let us not at times wither the fig tree from which a more skillful gardener may yet entice good fruit.

This being our aim and purpose, may we attain it through Our Lord and Saviour, Jesus Christ, who, one with God, the Father, and the Holy Spirit, reigns forever and ever over all nations and over all men. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 5416. An act to authorize the advancement of certain lieutenants on the retired list of the Navy.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 1426. An act to further amend the provisions of the acts authorizing payment of 6 months' death gratuity to widow, child, or dependent relative of persons in the Armed Forces; and

H. R. 8571. An act to authorize the construction of naval vessels, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 978. An act to amend the Interstate Commerce Act in order to expedite and facilitate the termination of railroad reorganization proceedings under section 77 of the Bankruptcy Act and to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes;

S. 3480. An act to amend section 24 of the Federal Reserve Act, as amended; and

S. 3481. An act to amend sections 23A and 24A of the Federal Reserve Act, as amended.

The message also announced that the Vice President has appointed Mr. CARLSON and Mr. JOHNSTON of South Carolina members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 54–15.

EXTENDING AUTHORITY OF PRESIDENT TO ENTER INTO TRADE AGREEMENTS

Mr. REED of New York, from the Committee on Ways and Means, reported the

bill (H. R. 9474) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended (Rept. No. 1777), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

IRRIGATION AND RECLAMATION PROJECTS

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, I call your attention to an article I have written regarding the national benefits derived from irrigation and reclamation projects. During the past few weeks there have been reckless and wanton attacks, based on misstatements and the warping of facts, on these functions of the Department of the Interior. For these reasons, as chairman of the Interior and Insular Affairs Committee, I feel prompted to answer these invasions of the truth. To let them remain unanswered would lead many to believe them true.

Several million join me in my belief that the sound development of our water resources is extremely necessary if our great Nation is to continue to lead the world in progress. President Eisenhower has also expressed the same sentiments when he appointed a Water Resources Board, composed of Cabinet members, to make a comprehensive study of our greatest natural resource, water.

I sincerely hope my colleagues will take time from their busy schedules to read the article I am submitting to be printed in the RECORD. Mr. Speaker, I am quite sure that many will be surprised, as I was, when they read of the tremendous contributions these irrigation and reclamation projects make to our Nation—not only to our food supply but also to our national Treasury.

PLEDGE OF ALLEGIANCE TO THE FLAG

Mr. OAKMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. OAKMAN. Mr. Speaker, now that the resolution amending the pledge of allegiance to the flag has been approved in both Houses and is on its way to the President, I would like to recount some of the events leading to its passage and pay tribute to those whose service was in large measure responsible for this truly significant legislation.

It is rare in American public life to see such a high degree of selfless statesmanship as was exhibited on the floor of the Senate last Tuesday by the senior Senator from Michigan, Mr. FERGUSON. Here, indeed, is an example of principle and faith rising above the narrow considerations which too often influence the course of legislation.

This measure, which adds the words "under God" to the pledge of allegiance to the flag has drawn widespread support in recent months. In my experience as a public servant and as a Member of Congress I have never seen a bill which was so noncontroversial in nature or so inspiring in purpose. For this reason I supported the bill reported by the House Judiciary Committee without regard to authorship.

I introduced a similar bill on February 8, 1954. Senator FERGUSON'S companion bill was introduced February 10, since we had worked together on it. A large number of other Members of the House also introduced similar legislation in previous sessions of Congress and in this session. It has never been a partisan matter and could not be.

Senator FERGUSON and most of the Members of the House have never sought or claimed any personal credit for this necessary improvement in our pledge of allegiance. The Senator from Michigan displayed this spirit completely on June 8 in the Senate when he persuaded his colleagues to waive the normal procedure and unanimously approve the bill adopted by the House on Monday.

The Senator's action has taken in spite of the fact that the Senate on May 11 passed the bill he introduced to add these key words to the pledge. In the normal course of events, the House would have considered and approved the bill previously passed by the Senate. This was not done, and the House bill faced the normal Senate procedure of consideration in the subcommittee and then by the full committee and with possible further delays incident to the legislative process.

Fortunately this procedure was avoided by the prompt, statesmanlike action of Senator FERGUSON, and the Members of this body owe their praise to him.

Those familiar with the manner in which the Senate regards its privileges and prerogatives will thoroughly understand and appreciate that the senior Senator from Michigan undertook no easy task when he persuaded his colleagues to pass the House bill immediately and unanimously.

For my own part, I am proud to have been associated with this effort that produced this legislation which recognizes the importance of divine guidance in our national affairs.

AMENDING SECTION 14 (B) OF THE FEDERAL RESERVE ACT, AS AMENDED

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 577, Rept. No. 1778), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8729) to amend section 14 (b) of the Federal Reserve Act, as amended. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

REPEALING PROVISIONS OF SECTION 16 OF THE FEDERAL RESERVE ACT

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 578, Rept. No. 1779), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9143) to repeal the provisions of section 16 of the Federal Reserve Act which prohibits a Federal Reserve bank from paying out notes of another Federal Reserve bank. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1955

Mr. WILSON of Indiana, from the Committee on Appropriations, reported the bill (H. R. 9517, Rept. No. 1780) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1955, and for other purposes, which was read a first and second time; and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. NORRELL reserved all points of order on the bill.

TO AMEND THE AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

Mr. HALLECK. Mr. Speaker, I offer a resolution (H. Res. 579) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, etc., That the Senate be requested to return to the House the bill, S. 3050, to amend the Agricultural Adjustment Act

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of 1938, as amended, and the message of the House thereon.

The resolution was agreed to, and a motion to reconsider was laid on the table.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight Friday night to file reports on sundry bills.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

SPECIAL ORDERS GRANTED

Mr. JAVITS asked and was given permission to address the House on tomorrow for 5 minutes, following the legislative business of the day and any special orders heretofore entered.

Mr. POWELL (at the request of Mr. EDMONDSON) was granted permission to address the House for 15 minutes today, following the legislative business of the day and any special orders heretofore entered.

TELEVISING COMMITTEES OF CONGRESS

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, the present televised hearings of the dispute among McCarthy-Cohn-Schine against the Army-Stevens-Adams have brought us face to face with a most serious problem that we should begin to solve, that is, the problem and policy of telecasting committee hearings. These hearings have now been going on for the past 7 weeks and the gladiators of politics are putting on a show. During the hearings there have been charges and countercharges which are foreign to the merits of the controversy. Even on yesterday there were charges made that the participants are playing up to the gallery and seeking to make a dramatic show.

The committees of the Congress are held in high esteem, and this is as it should be; however, the time has arrived when we must admit that the present hearings have caused the people of this country to lose much of their feelings or respect for the Members of the Congress and for the arduous work of the Congress. The manner in which this hearing has been conducted is calculated to lessen our admiration for our system of government.

None of us would wish to deny the people of their right to know what we are doing in the Congress and I have always felt that it was a healthy situation when our constitutents interested themselves in the work of their Congressmen, for certainly the laws we pass affect the everyday living of every man, woman, and child in this great Nation of ours. However, I feel, and very strongly, that it is not a healthy situation for our people to daily look upon the present "show" and conclude that all such workings of the committees of the Congress are carried on in such a manner. In the Congress we have hard-working and conscientious Members who are intensely sincere in expeditiously solving the many problems confronting the Congress today—these men are not concerned with whether or not their pictures are going out every day to the millions of television viewers to decide if they are actors—but they are concerned with whether or not the work they are doing in the Congress is in the best interest of the majority of the people.

I do not believe there is a person within this room who does not agree with me that the most important problem facing this entire Nation today is not whether Private Schine received preferential treatment—nor any of the charges against Senator MCCARTHY and his staff or the Army—but I think you will all agree with me—our most important problem today is much more far reaching—whether we can perpetuate our Government and prevent world war III.

It seems to me that our President, our Secretary of State, and our diplomats need the combined cooperation, efforts, and thinking of every Member of this Congress in helping to solve the important problems facing us today.

When my distinguished colleague, the gentleman from Texas [Mr. RAYBURN], was Speaker of the House, he refused to permit the televising of the hearings of the committees of the House and his wisdom in so doing has been demonstrated most forcefully by what has been displayed in the McCarthy-Army hearing for the past 7 weeks.

Mr. Speaker, in order to prevent a repetition of such proceedings, I am today introducing a concurrent resolution which reads as follows:

Resolved by the House of Representatives (the Senate concurring), That (a) no television broadcast shall be made of any hearing or other proceeding held by a committee of Congress.

(b) As used in subsection (a), the term "Committee of Congress" includes any standing, special, or select committee of either House of Congress, any joint committee of Congress, and any subcommittee of any such committee.

I have chosen a concurrent resolution, Mr. Speaker, for the purpose of enabling the two Houses to act in conjunction. A simple resolution could have been introduced as an amendment to the rules but the participation by both bodies would demonstrate they are in harmony and working together and not separately in dealing with this problem.

In conclusion, let me say that I think the time has come when we should stop the show that has lasted for 7 weeks as above stated and will possibly go on until the end of this Congress. The Congress ought to do something by acting now.

THE BROOKLYN SUNDAY SCHOOL UNION

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Speaker, once more and for the 125th year there is celebrated in Brooklyn the anniversary of the founding of the Brooklyn Sunday School Union. I wish the world could today be in the great Borough of Brooklyn on its annual holiday of holiness, when the founding of the Brooklyn Sunday School Union is celebrated. Upward of a hundred thousand men, women, and children will parade through the streets of Brooklyn proudly proclaiming their belief in their God.

It would be a heartening sight, Mr. Speaker, for the oppressed peoples of the world to enjoy and revel in such a holiday.

GRANTING PERMANENT RESIDENCE TO CERTAIN ALIENS

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 455, granting the status of permanent residence to certain aliens, with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendment, as follows:

Page 4, after line 15, insert:

"A-6948174, Castillo, Zenoma Martinez do or Zenoma Martinez or Zenoma Martinez-Camejallis.

"A-7046218, Rothstein, Rebecca.

"A-0901104, Tsien, Hsue Chu.

"A-6624888, Tsien, Mrs. Yi Ying (nee Li).

"A-6253121, Liman, Kerupe Herant.

"A-6384103, Liman, Violet (nee Haki).

"A-5886859, Ryynanen, Eino Olave."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED INDEPENDENT AGENCIES APPROPRIATION BILL, 1955

Mr. BUSBEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 9447) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related independent agencies for the fiscal year ending June 30, 1955.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 9447, with Mr. NICHOLSON in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

Grants for hospital construction: For payments for hospital construction under part C, title VI, of the act, as amended, to remain available until expended, $65,000,000: *Provided*, That allotments under such part C to the several States for the current fiscal year shall be made on the basis of an amount equal to the appropriation granted herein.

Mr. JONAS of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONAS of Illinois: On page 21, line 7, strike out "$65,000,000" and insert "$75,000,000."

Mr. JONAS of Illinois. Mr. Chairman, I assume complete responsibility for offering this amendment because I believe it is a good one and worthy of our consideration. I am not carried away with the charge that this amendment is contrary to a program and interferes basically with our hopes and thoughts of adhering strictly to economy or to an economy program. I do not believe you can profit from applying economy to Government operations if you have to economize at the expense of human misery.

Mr. Chairman, I should like to call attention to a number of salient points that enter into the picture relative to this amendment which I think the Members ought to know about. As a matter of fact, every Member of the House is vitally interested in the amendment, and they have already demonstrated this in this manner:

I have in my hand the report of the Hospital Facilities Division up to March 31, 1954. Every State in the Union and all of our Territories have taken advantage of the law which provides funds to improve upon the health of the citizens of our country and to rehabilitate or erect new hospitals. Most of the benefits derived under the terms of this law went to smaller communities. Very few hospitals were erected in areas where the population was beyond 50,000 or 100,000. Most of the benefits went to little cities of 5,000 or more. In some States there were as many as 80 projects since the time this law became effective, all of which were financed to some extent by the Government through this act, known as the Hospitalization Construction Act, with which we are dealing here.

I am not running contrary to the established policy of economizing in the operation of Government. The $75 million requested was proposed by the authorities that had the sanction and the blessing of the administration.

The President's budget request for fiscal year 1955 includes a request for $75 million to be allocated to the States and Territories to defray part of the costs of construction of hospitals, public-health centers, and related facilities under the Hospital Survey and Construction Act. The House Appropriations Committee proposed to reduce this amount to $65 million.

Now, I have no fault to find with the Committee on Appropriations, except they ran into exactly the same situation last year. You might remember that our distinguished chairman of the committee having this legislation in charge today most vociferously and aggressively opposed the appropriation recommended last year, and he succeeded in cutting it down to $50 million. But the other body increased it to $65 million, and there is every reason to believe that if we abandon our opportunity to increase this appropriation from $65 million to $75 million, that the same proceeding will take place in the other body again.

Let me call your attention to the language in the report of the committee. This report has the following language in it:

There was absolutely no testimony given the committee to indicate that a greater need for Federal hospital construction funds for this program exists now than existed a year ago when the Congress provided $65 million.

I am merely pointing this out because a year ago my good friend and colleague, the chairman of this committee, pointed out that only $50 million was required. Now the report says that there is no question but what $65 million will suffice. The sum of $75 million is infinitesimal compared to the great work that is being accomplished under this bill.

Let me point out to you that of the $65 million already appropriated or to be appropriated for the present fiscal year, more than $51 million has been allocated to 117 projects sponsored, thus less than $14 million is available for new projects with an almost full year yet to run.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. JONAS of Illinois. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. JONAS of Illinois. Mr. Chairman, I also call your attention to this salient fact which deals with the great overall health program of the country. Hearings before the Appropriations Committee revealed that the estimated deficiency of this Nation's hospital bed need is from 694,000 to 813,000 beds in the four basic categories of general, mental, tuberculosis, and chronic. One-fourth of the bed deficiency is in the area of general hospital beds. Two-thirds of the Nation's hospital bed deficiency is made up of mental disease and chronic disease beds and increasing attention must be directed to the construction of these types of hospitals. Similarly, with an increasing emphasis upon larger hospitals and teaching medical centers, integral units of a coordinated hospital system, attention must be directed to their construction.

I am advised that a considerable percentage of our present hospital beds are old, outmoded, and in need of functional modernization and/or replacement. There is, I understand, a backlog of actual projects reported by the States which could utilize $270 million in Federal funds for fiscal year 1955. Certainly the proposed appropriation of $65 million seems inadequate.

In recent years hospital construction under the hospital survey and construction program has amounted nationwide to about one-third of our total hospital construction, exclusive of purely Federal construction. Total civilian hospital construction has been at a level which has barely kept up with the increase in population. If the hospital survey and construction program is to be only $65 million next year, no inroad can be made into the accumulated bed deficiency.

I shall explore for a moment what may be accomplished with an appropriation of $65 million in fiscal year 1955. The amount would be matched by State and local money for a total program of approximately $130 to $145 million. At an average cost figured at $16,000 each, approximately 8,125 to 9,000 hospital beds would be provided, plus a few public health centers and related health facilities. These facilities, together with hospital construction outside the hospital survey and construction program will not keep up with the bed needs resulting from the increased population and the obsolescence of hospitals. The annual increase in population of over 2,500,000 requires—mark this—a total of 30,000 beds. In addition, each year many thousands of hospital beds become obsolete and need replacement. To cope only with the factors of population increase and obsolescence, there is a need for more than 30,000 beds annually.

It may be pointed out that the matter of taking care of the sick, those who are indigent and ill, is primarily a function of the State. Let us assume there is some merit to that. It has also been pointed out by the chairman in one of his dissertations on the floor of the House in connection with this bill that the States should assume more responsibility. I am prepared to meet that argument in this way; that the States can assume more responsibility just as soon as we take the Federal tax collector out of our backyard. The State of Illinois is contributing, annually in income taxes alone, $4 billion to the national Treasury.

The question we are discussing here in the House is one that is of public interest. It is impressed with a public trust. Everybody is interested in health, in preserving and conserving life. The tremendous inroads on hospital facilities brought about by an increase in longevity, because of expanding medical research and increase of hospital facilities, speak for themselves. There are still many institutions and hospitals in this country that are not fit to house patients and which should be rehabilitated or rebuilt.

If we already have $51 million of the $65 million that was asked for, that leaves only $14 million remaining with practically a whole year still to operate in. It seems to me that it is not good economy to deny the people of this country the other $10 million.

The hospitals are the foundations upon which you build your health program.

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There is a shortage of nurses in the country because there are not enough facilities provided for them where they can train. There is a shortage of resident physicians. There is a shortage of interns because of the high restrictions of the medical profession in preparing them for their specialties. These people cannot avail themselves of the necessary facilities to carry out the full intent of their educational program, as required by the medical profession, and facilities should be provided for that purpose because of the educational preparation that the law imposes on them, and which they have to meet before they are recognized as graduate doctors and nurses.

In my opinion, it is not economy to take $10 million out of this bill. I think this is the best investment we can make and I think the House should vote for this amendment.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. CANFIELD, the time of Mr. JONAS of Illinois was extended 1 minute.)

Mr. CANFIELD. Mr. Chairman, will the gentleman yield to me?

Mr. JONAS of Illinois. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I am supporting the amendment offered by the distinguished gentleman from Illinois because of the acute need for more hospitals in our growing country and I am particularly mindful of the real importance of this Federal program's continuance in my own State of New Jersey.

What the gentleman from Illinois asks in his amendment is the amount requested by the President who, I believe, reviewed the need very carefully and very seriously. It is definitely my understanding that the President made his hospital-construction recommendations a most important step in his allover program to improve conditions in the current transition period from a wartime to a peacetime economy.

While we seek to help the distressed in faraway places, while we legislate and appropriate for measures to cure diseased cattle, while we unite to meet the problems of soil and beach erosion, let us not forget the prime welfare of our No. 1 asset—the American people.

Mr. JONAS of Illinois. I am glad to get the benefit of the gentleman's statement and his support.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. JONAS of Illinois. I yield to the gentleman from New York.

Mr. JAVITS. I would like to associate myself with the gentleman's views and state that I shall support the gentleman's amendment.

Mr. JONAS of Illinois. I am very glad to have the gentleman's help.

Mr. DEMPSEY. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. DEMPSEY. Mr. Chairman, it is deeply gratifying to me to find the membership of this House so strongly in favor of providing the funds necessary for such worthy programs as vocational rehabilitation for the handicapped, Federal assistance in expansion of hospital facilities throughout the Nation and for education. To my mind all of these activities should be adequately, even generously, supported for they undoubtedly make a most important and essential contribution to the future security and welfare of our country.

I am indeed glad that the membership of this honorable body has seen fit to reject the unsound proposals that funds for those worthy purposes should be curtailed at this critical time. I wholeheartedly agree with the preceding speaker, the gentleman from Illinois [Mr. JONAS] in his remarks on the need of adopting the amendment to increase the funds for the hospital program.

In the past few weeks I have heard fervent arguments in favor of sending more and more billions of our American dollars abroad to help the needy and bolster the economies of many foreign nations. Our generosity in that regard seemingly has no bounds. The obligations we assume are likewise virtually unbounded.

But here at home in the dealing with the needs of our own people some of our House leadership has apparently been unable to recognize those needs. They have asked us to cut back sharply the funds for the Office of Vocational Rehabilitation, the agency of our Government that seeks to restore to usefulness and self-support the halt, the lame and the blind. We have been asked, in effect, to handicap the already handicapped and to keep them in the unhappy plight of being forever unwilling dependents upon charity, either public or private.

I am not willing to be a party to this parsimonious and inhumane policy. The vast majority of the Members of this House have shown they feel likewise. Those handicapped men, women, and children want to become self-supporting and useful citizens. We talk much about the dignity of man and the purpose of our great Government to maintain that dignity for all of its citizens. We must be willing to provide the relatively small amount of money required to help our handicapped to acquire and maintain the dignity of independence.

Any doubt that existed in the mind of any Member of this honorable body about the justification for providing every dollar of the funds necessary to rehabilitate the handicapped should have been dispelled by the magnificent presentation made on the floor of this House by our able colleague, the gentleman from Rhode Island, Representative FOGARTY. In the many years I have been a Member I never have heard a sounder or better documented presentation. I find myself in complete agreement with him and congratulate him upon the outstanding ability he displayed as a true public servant.

Let us put aside any sentimentalism involved, let us disregard for the moment the moral obligation we owe, and consider the purely economic aspects of this question. We know from extensive surveys and investigations made by various well-informed and competent authorities in the welfare field that there are many thousands of handicapped who are not being rehabilitated because of insufficient funds to do the job. We know full well that they will remain a liability to our Nation so long as they are dependents. It has been shown beyond any question that their rehabilitation will result in an almost immediate financial return to the Nation of at least $10 for every dollar we devote to their rehabilitation. What better investment can we ask than that? That should be apparent to any of us who are seeking real economy.

No one, I believe, is more zealous than I in demanding true economy and elimination of waste in our Government. Reduction of funds for rehabilitation of our handicapped is not economy. It is, on the other hand, wanton waste—waste of the huge potential benefit we will derive from making additional thousands of our handicapped citizens useful, productive, and self-supporting. We can make them economic assets and, at the same time, enable them to hold their heads high with a new spirit of independence.

We have made great strides in health and education in our Nation. We must continue that progress. To take a negative attitude now will result only in sacrifice of much of the gain we have made. It is gratifying, indeed, to know so many of us are cognizant of that.

I am proud of the forward strides made by the great State of New Mexico which I have the honor to represent. In the last 10 years New Mexico has advanced from a so-called backward State in educational standards to one of the top ranking in the Nation. It stands at the head of the list in ratio of progress made. About 40 percent of the State's income is devoted to various phases of the educational program. That investment is paying huge dividends because New Mexico has been farsighted enough to recognize the soundness of the fundamentals that the gentleman from Rhode Island, Representative FOGARTY, a man of broad experience and proven ability in this field, presented for our consideration.

These are not purely State and local responsibilities. The children to be educated and the handicapped people to be rehabilitated are citizens or future citizens of the United States of America, as well as of the respective States and communities. There is a joint obligation involved. The States and the communities are ready and willing to assume their share of the responsibility and the cost. We would be most derelict in our duty if we failed to see to it that the Federal Government lives up to its obligation and does the right as well as the smart thing.

Responsibility in this matter does not rest with the Bureau of the Budget or any other executive branch agency. It rests with the Congress. Our responsibility is clearly defined. The most of us are showing that we do not intend to shirk that responsibility.

Mr. BUSBEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes, the last 10 minutes to be reserved to the chairman of the subcommittee.

Mr. HARRIS. Reserving the right to object, Mr. Chairman, I see quite a number of Members standing, and I wonder if the gentleman could not extend that time to at least 35 minutes.

Mr. BUSBEY. I amend my unanimous consent request that all debate on this amendment and all amendments thereto close in 45 minutes. I believe that will take care of everybody.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. PRIEST].

Mr. PRIEST. Mr. Chairman, I rise in support of the amendment offered by the distinguished gentleman from Illinois [Mr. JONAS].

Beginning last fall the Committee on Interstate and Foreign Commerce has conducted a long series of health studies. Quite a number of hearings were held last fall. They were resumed in January and have continued right on up to the present time. The committee has been making an overall study of health conditions in the United States with the end in view of seeking in any way possible through sound legislation to better those conditions.

I feel, Mr. Chairman, that there is no better way to promote and to provide good health services than to follow an orderly, planned system of acquiring hospital facilities and other medical facilities. If we can do this under the provisions of the Hospital Survey and Construction Act, then I think we should do it to the maximum of our ability to do so. I go further to say that it has been done in a very successful manner up to this time, that it is being done now, and that we must continue to do it.

Mr. Chairman, indicating the feeling of the Committee on Interstate and Foreign Commerce as to the importance of expanding rather than contracting this program, you may recall that we brought from that committee early in this year a bill that would in effect expand the Hospital Survey and Construction Act, to provide for different categories not included in the original act. That bill, already passed in the House, would authorize $62 million of appropriations beyond those authorized in the original act for the carrying on of this expanded program.

That issue is not before the House at this time, but a question of $10 million in order to bring the appropriation for fiscal 1955 up to the recommendation of the President and the recommendation of the Bureau of the Budget.

The distinguished gentleman from Illinois [Mr. JONAS] has given to the Committee, I believe, all the figures insofar as shortage of beds is concerned, insofar as a lag in construction is concerned and insofar as the need is concerned, that the Committee needs to have at this time in order to make its decision on the pending amendment.

I hope very much that we will adopt this proposal and that it will be subsequently approved when the Committee rises and we go back into the House. I am sure there will be no question there if the amendment is adopted in the Committee of the Whole. The gentleman from Illinois emphasized the present survey indicating the condition of some of our old hospitals. I have a very personal example of that in my own city where, within the last few weeks, it was determined that a municipal hospital known as the Nashville City Hospital, which has been in operation about 60 years, is in such a state of disrepair that it will be necessary to have a complete overhauling of that hospital, or otherwise to transfer the patients to other hospitals. This is a concrete, and for my home city, a very pressing example of what the gentleman from Illinois has said with reference to the age of hospitals.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the time allotted to me may be transferred to the gentleman from Tennessee.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. PRIEST. I am very happy to yield to the gentleman.

Mr. McCORMACK. I am very happy to yield my time to the distinguished gentleman from Tennessee [Mr. PRIEST] because of his profound knowledge of the subject. I am sufficiently acquainted with it and with the history of this legislation to know the great benefits that flow from it so that I can state that I am in favor of the amendment offered by the gentleman from Illinois [Mr. JONAS] which is now pending before the committee. I hope the amendment will be adopted.

Mr. PRIEST. I thank the gentleman from Massachusetts and also want to say I appreciate his yielding to me the time allotted to him.

We know, Mr. Chairman, from all of our studies of health statistics gathered by the Public Health Service and other independent agencies, that our shortage of hospital beds has accumulated over a period of about 20 years up to this time, and we know also that our Nation continues to increase in population, especially in the last few years. We know from all of the studies that have been made, both by public-health groups and by independent agencies, that our total hospital plant today is still quite inadequate. The gentleman from Illinois gave figures to prove it. I shall not review any of those figures, but I merely want to repeat that as a result of a study which has extended for nearly a year now—a special study of the health needs of the people of the United States of America, the Committee on Interstate and Foreign Commerce, I believe, has come to the conclusion that it is the No. 1 domestic problem facing the United States today. The question of adequate medical and hospital facilities, adequately distributed so that services may be provided at a cost that the people can afford to pay, I submit that is one of the top economic and social problems facing the country.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. PRIEST. I yield.

Mr. McCORMACK. We must bear in mind that even in America today there are at least 5 million American families that have a total family income per year of $1,000 or less and that there are approximately 18 million or 19 million American families comprising about 90 million of our population whose total family income is $3,500 a year or less. This is vitally important. This and other related matters are vitally important in meeting the challenges that exist within America.

Mr. PRIEST. I thank the gentleman. What he has said is very significant.

Mr. Chairman, just one word further. This hospital survey and construction act in its administration has, in my opinion, and I believe the records will justify that opinion, been one of the most successful of all our Federal-State cooperative programs over the years. The State authorities have in most instances exercised great wisdom in the development of their State plans. There has been the very closest cooperation between those State authorities once their plan has been developed, submitted to the Surgeon General and approved, and all of the program has gone forward.

There has been a smoothly operating cooperative program between the States and the Federal Government, and this $10 million is needed. I hope the amendment will be approved.

The CHAIRMAN. The gentleman from Massachusetts [Mr. HESELTON] is recognized.

Mr. HESELTON. Mr. Chairman, at the outset I would like to supplement what the gentleman from Tennessee [Mr. PRIEST] said by recalling to those who are present that in recommending the extension of the Hospital Extension Act the Committee on Interstate and Foreign Commerce submitted a unanimous report and the bill passed on this floor unanimously.

This program has been one which I have watched with a great deal of interest. It has bipartisan support now and has enjoyed such support in the Congress and throughout the country since its inception. This is gratifying to me, and I join with my fellow Members of this House from both sides of the aisle in supporting this program.

In matters of providing for adequate health and hospital facilities to alleviate a steady increasing need we must be alert to factors permitting such an increase. Once determined, we must seek to control them.

The Hospital Survey and Construction Act provides for a State plan in each State. This State plan in reality is a documentation of the hospital resources in existence and an estimate of the need for such resources.

A statement is also made in the State plan of the method which the State will utilize in meeting the need through the construction of hospital and health facilities. The State plans are developed

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in the States with the assistance of the State advisory councils for hospital planning and construction. This is an orderly way of approaching the problem.

A review of all the State plans indicates that there is a need in every State for additional hospital construction in the general, tuberculosis, mental, and especially the chronic-disease categories. In every State the State authorities have projects which could go forward if Federal funds were available to match the funds available in the communities seeking assistance. These communities are unable to build their hospitals without the appropriate share of Federal funds. The magnitude of the Federal funds being sought by the communities throughout our country is such that every dollar of the $75 million of this appropriation will be obligated in the time provided by the basic act. This has been true since the inception of this program. In fact, it is remarkable that less than $900,000 has been returned to the Treasury out of the over $600 million appropriated since fiscal year 1948.

There is a reason why these facts are existent. To me that reason is self-evident. It is simply that the people of the Nation want help to do a job in an area they cannot do with their own community resources. The hospital survey and construction program is building about one-third of all hospital construction in the Nation. It has stimulated construction without Federal aid. This is good. It is to be encouraged where possible. However, where Federal aid is needed and wanted. Public Law 725, 79th Congress, as amended, provides for that aid.

Every hospital facility built which is properly designed, and then properly administered, serves the people of the community and serves the people of this Nation. Its total work in our total economy is measurable in dollars and also in service to all of us.

The President has reviewed this program. He proposes to broaden it as outlined in his health message. He has requested $75 million for the currently authorized program. I urge that we support the additional $10 million and provide the $75 million requested by the President. This is an opportune time for those who want to support an essential part of the President's program to do so.

I shall now include a statement showing a comparative distribution of funds based on $65 million and $75 million:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, PUBLIC HEALTH SERVICE, BUREAU OF MEDICAL SERVICES, DIVISION OF HOSPITAL FACILITIES

Comparative distribution of funds to States and Territories for hospital construction for fiscal year 1955 based on $75 million and $65 million

State	Allocation		Difference
	$75,000,000	$65,000,000	
Alabama	$2,677,734	$2,315,357	$362,377
Arizona	495,535	428,474	67,061
Arkansas	1,611,213	1,393,169	218,044
California	3,227,864	2,791,039	436,825
Colorado	642,266	555,348	86,918
Connecticut	556,536	481,220	75,316
Delaware	200,000	200,000	
District of Columbia	$200,000	$200,000	
Florida	1,962,624	1,697,023	$265,601
Georgia	2,730,542	2,361,019	369,523
Idaho	324,745	280,798	43,947
Illinois	2,398,572	2,073,974	324,598
Indiana	1,765,095	1,526,226	238,869
Iowa	1,187,406	1,026,715	160,691
Kansas	1,008,424	871,954	136,470
Kentucky	2,312,917	1,999,911	313,006
Louisiana	2,045,225	1,768,446	276,779
Maine	534,266	461,964	72,302
Maryland	957,924	828,289	129,635
Massachusetts	1,721,001	1,488,099	232,902
Michigan	2,466,128	2,132,388	333,740
Minnesota	1,512,226	1,307,577	204,649
Mississippi	2,112,260	1,826,409	285,851
Missouri	1,885,012	1,629,915	255,097
Montana	228,439	200,000	28,439
Nebraska	610,536	527,913	82,623
Nevada	200,000	200,000	
New Hampshire	272,980	236,038	36,942
New Jersey	1,493,828	1,291,669	202,159
New Mexico	469,317	405,804	63,513
New York	3,345,920	2,893,118	452,802
North Carolina	3,321,117	2,871,672	449,445
North Dakota	321,691	278,157	43,534
Ohio	2,963,822	2,562,730	401,092
Oklahoma	1,475,431	1,275,762	199,669
Oregon	644,128	556,958	87,170
Pennsylvania	4,181,319	3,615,464	565,855
Rhode Island	311,934	269,720	42,214
South Carolina	1,864,828	1,612,462	252,366
South Dakota	330,108	285,435	44,673
Tennessee	2,546,569	2,201,943	344,626
Texas	4,477,016	3,871,144	605,872
Utah	399,750	345,652	54,098
Vermont	221,214	200,000	21,214
Virginia	2,232,848	1,930,677	302,171
Washington	859,830	743,470	116,360
West Virginia	1,328,849	1,149,017	179,832
Wisconsin	1,514,311	1,309,380	204,931
Wyoming	200,000	200,000	
Alaska	200,000	200,000	
Hawaii	227,620	200,000	27,620
Puerto Rico	2,197,543	1,900,150	297,393
Virgin Islands	23,537	20,351	3,186
Total	75,000,000	65,000,000	10,000,000

The CHAIRMAN. The gentleman from Texas [Mr. THORNBERRY] is recognized.

Mr. THORNBERRY. Mr. Chairman, I ask unanimous consent that the time allotted to me be allotted to the gentleman from Arkansas [Mr. HARRIS].

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Arkansas [Mr. HARRIS] is recognized.

Mr. HARRIS. Mr. Chairman, I thank the gentleman from Texas [Mr. THORNBERRY], my distinguished colleague, a member of our Committee on Interstate and Foreign Commerce, for the additional time. I am glad to yield to my friend.

Mr. THORNBERRY. I thank you. I am glad to yield to you for the outstanding work you have done in helping pattern legislation which has come out of the House Committee on Interstate and Foreign Commerce and the implementation and improvement of this fine hospital construction program.

I am for the amendment. As our colleague the gentleman from Massachusetts [Mr. HESELTON] pointed out, this has been a bipartisan program; it is not a partisan issue. We should support the recommendation of the President to make this program a workable one and to provide greatly needed hospital facilities throughout the country.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to my distinguished colleague from Minnesota.

Mr. JUDD. I hope the gentleman's amendment will be accepted overwhelmingly. It seems strange to me that when we are spending so many dollars around the world and then present a proposition that represents something for our own country we always knock out a few million dollars.

It seems to me it is shortsighted for the Federal Government not to be able to fully implement this program which has proved itself so workable in the best spirit of cooperation between the Federal Government and the State and local governments and private organizations.

I am confident the gentleman's amendment will be adopted. If it is not adopted here, it will be over in the Senate and once more the House will get the blame for having kicked something in the teeth that everybody in the country is in favor of. I hope we vote for the amendment.

Mr. HARRIS. I thank my colleague for the very fine statement he has just given to the Committee.

Mr. Chairman, I am supporting the amendment of the gentleman from Illinois [Mr. JONAS].

I wish it were possible to impress upon the minds of the Committee and the Members of this House the importance of this program. I wonder if I could not undertake to give you just a very brief background sketch of this program in order to show you why I think it is very important that this amendment be adopted and why I think this committee should accept it.

The hospital-construction program, commonly known as the Hill-Burton Act, was authorized in 1946. Seventy-five million dollars was authorized at that time. It was recognized that there was a terrific shortage of hospital beds throughout the country; in fact it was recognized so forcibly that in 1949 the Congress increased the authorization to $150 million annually. The first year of the expanded program the Bureau of the Budget, as I recall, recommended the full $150 million for that year. The Korean war came on, and because of the economic situation and the cost of the war the President recommended and took action reducing the program to $75 million. Since then the program has been gaged to and the plans have been made for an annual appropriation of $75 million.

A year ago the committee and this House at first provided only $50 million for this fiscal year. We had a rollcall and only 6 votes prevented the amount from being increased to the $75 million. It went to the other body which did increase it, and in the conference there was an agreement on $65 million for this year.

Listen to me, my colleagues. The Bureau of the Budget and the President of the United States, recognizing the importance of this program, comes back this year and recommends a budget of $75 million. That is the President's program, and I say to my distinguished friend, the able chairman of this com-

mittee and to the other Members who would follow and support their President, that this is what the President is asking for. I am somwhat surprised to find this amendment not acceptable. I understand that perhaps the reason—it is the only reason I can think of—that the committee limited it to $65 million this year is because it was the amount allowed a year ago for this fiscal year. But that action, Mr. Chairman, had a distracting effect on the hospitalization program for this year. Plans were interfered with because, as I say, since 1950 plans throughout the United States have been made for an annual appropriation of $75 million.

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman, our able chairman of the Committee on Interstate and Foreign Commerce, who is so familiar with this program and the importance of it and who has given months and months, yes years, of study to this problem.

Mr. WOLVERTON. I want to endorse everything the gentleman from Arkansas has so well said. Anyone who has made the study of this problem that the Committee on Interstate and Foreign Commerce has made could not help but be in accord with what the gentleman is speaking in behalf of, an increase of this amount to $75 million. It is inconceivable to me that under the program as it has been established by this House any committee of the House should be unwilling to go along with the recommendation of the President in this matter. I feel greatly indebted to the gentleman from Arkansas for the splendid argument he is making in behalf of this amendment.

HOSPITAL SURVEY AND CONSTRUCTION PROGRAM

It is indeed a pleasure and a privilege for me to rise in support of the amendment offered by my colleague the gentleman from Illinois [Mr. JONAS]. As chairman of the Interstate and Foreign Commerce Committee, I have had a very close association with the hospital survey and construction program. Last year this committee unanimously supported an extension of the term of the program through fiscal year 1957, and, if I recall correctly, not one dissenting vote was cast in the House against an extension of the program.

Since last fall my committee has been conscientiously and diligently holding hearings and studying problems relating to the health needs of our Nation. In doing so, the committee spent several weeks on this program and on the recommendations made by the President to broaden and expand the program. The committee unanimously reported a bill which supported the President's recommendations. On March 9, this body without a dissenting vote, approved H. R. 8149 embodying the President's recommendations. The Congress, in my opinion, therefore, has made it outstandingly clear time and time again that this is indeed a most worthwhile program.

There is not a single State or Territory which has not derived great benefit from the program. The statistics have been recited earlier by other Members of this body. I should merely like to remind the Members of the great good that has in the past and will in the future accrue from a program such as this which provides hospital services to great segments of our population that heretofore were deprived of adequate hospital service. Who among us can measure in terms of dollars and cents the value of these fine and functionally modern hospital and medical facilities that are being made available throughout the width and breadth of our land? Can we overlook the significant fact that these hospitals afford an appropriate place for the physician and other health workers to practice their arts and skills in helping humanity?

In providing almost 2,300 hospital and related health facilities, emphasis has also been placed upon the necessity for constructing the type of hospital to train essential medical, nursing, and technical personnel. The limited time available for the discussion of this subject at this time makes it inappropriate to dwell extensively on the critical needs of our Nation for such adequate personnel. At an appropriate time I would be pleased to do so. The committee, of which I am chairman, has heard a great deal of testimony on personnel shortages. Certainly this program is doing its share in helping to meet those needs by providing training facilities.

The Interstate and Foreign Commerce Committee fully explored the hospital bed situation in the United States. Figures on the bed shortages among the various categories of hospitals were furnished. These impressive figures have been referred to earlier by my colleagues. There can be no question of the need for additional hospital beds. There can be no question that the rapid increase in our population and the rate of depreciation and obsolescence of our existing hospitals are two major factors which prevent making any appreciable inroad toward reducing the accumulated hospital bed deficit.

In providing for an orderly survey and appraisal of existing hospital and public health center resources the program is unique. Funds are not expended haphazardly without requiring sound and basic planning by the States. The degree of States' rights that are preserved by this program is also of interest to the Members. This program, embodying the concepts expounded by the late Senator Taft, is remarkable in the way Federal and State responsibilities have been delicately balanced. It is, indeed, a credit to the Public Health Service and to all of the States that this program has been administered in such an exemplary manner that it has received such unusual acceptance throughout our Nation.

The funds provided in this bill are not for the construction of Federal hospital beds. These funds are used exclusively for the construction of local community hospitals and related health facilities for civilian use. There is a direct prohibition in the basic law against Federal operation or Federal interference in the operation of any of these community facilities. Testimony before our committee indicated that many persons regard this program as effective insurance against socialized medicine. It has certainly been a factor in the continued development of Blue Cross and other voluntary prepayment health-insurance programs.

The President has recommended an appropriation of $75 million for fiscal year 1955. This is one-half of the amount authorized by the basic law. It would have been pleasing to me if a larger sum had been recommended by the President, but I do not question the wisdom of the President in not recommending the full amount authorized. Certainly it is essential these days to balance the need for a program as worthwhile as this one against the need for other worthwhile programs involving the expenditure of Federal funds. In my opinion, however, we should support the President and vote for an appropriation of $75 million. To do otherwise is to deny the existence of a pressing need that should and must be met.

Mr. HARRIS. I thank the gentleman for his statement. Let me tell you just what has been done to date.

GRANTS FOR HOSPITAL CONSTRUCTION

The hospital survey and construction program has operated as a cooperative endeavor of local community, State, and Federal Government to bring about more adequate hospital and health facilities in our Nation. It has been in operation since 1946. The first project was completed in 1948. Altogether over 2,200 projects have been approved which will add over 100,000 beds. About 1,500 projects furnishing 60,000 beds have been completed and are serving our people.

The program is currently one of $1.8 billion. Of this amount the Federal funds amount to $607.5 million; the local community funds are over $1.2 billion. This is ample evidence of the reception which the people of the local community have given to this cooperative relationship. They believe in this program and want it continued.

There is a great hospital bed deficit existent today. It is in excess of 750,000 beds in all categories of hospitals. Such a bed deficit is a result of an accumulation brought about by the 10 years of economic depression in the 1930's and 6 years of World War II. Money was not available in the depression years for hospital construction. In the war years the materials needed in hospital construction were more urgently needed for guns, tanks, bombers, and other war machinery. It was essential that the war be prosecuted to a successful ending. But in 1946, we were faced with a bed shortage of nearly a million hospital beds. So, the hospital survey and construction—Hill-Burton—program was inaugurated and has done great things in bulwarking our country's health defenses.

However, we do have a population increase of about 2,500,000 or better each year, and hospitals, like all other buildings, do become old and require replacing.

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It has been found that the provision of Federal funds does provide incentive for hospital construction without Federal aid. However, we still must keep up and not permit a greater bed deficit to accumulate. This means adequate appropriations for the hospital survey and construction program so that it can continue to play its proper role in providing and stimulating hospital construction which is so urgently needed.

Any appropriation less than $75 million means we will not even keep up with the annual bed need due to the population increase and attrition through obsolescence. It means we will increase our now too great accumulated bed deficit. This we just cannot afford to do if we are to maintain our Nation's health.

I urge that the Members of this House support an additional $10 million to the $65 million reported by the Appropriations Committee.

I strongly urge and support these additions for this program of building up our country's health resources.

There has been mention made of the policy established by the Public Health Service in carrying out this program and the progress made speaks for itself. That has been clearly indicated in this debate. I did want to clear up one point, and that has to do with the so-called split-project policy. This came up in the debate some time ago with the expansion of the hospital construction program. In order to clearly understand just what the Department has done regarding these projects let me explain the Department's policy that became effective November 6, 1953, and which is currently in effect.

SPLIT PROJECT POLICY

The following policy is established for programing and approving split projects:

First. Programing:

A. State agencies may not project into future fiscal years on split projects amounts in excess of those derived by application of the following formulae:

1. First succeeding fiscal year: Two-thirds of the current fiscal year allotment to the State or $200,000, whichever is greater.

2. Second succeeding fiscal year: One-third of the current fiscal year allotment to the State or $200,000, whichever is greater.

3. A project may not be split beyond the second succeeding fiscal year or beyond fiscal year 1957, whichever is earlier.

4. There are no restrictions on the commitment to split projects of funds currently available to a State.

B. Any project construction schedule which includes one or more split projects must be forwarded to the Washington office for review prior to approval. The schedule must show not only the commitment of available funds but also the amounts tentatively scheduled out of future fiscal years.

Second. Approving the application: In order to be approvable, an application for a split project must show, in addition to the requirements as specified in part 24–5 of the Health Grants Manual, the following:

A. The applicant must show financial resources equal to the applicant's share of the total cost of constructing and equipping the entire facility. In addition, the applicant must demonstrate to the satisfaction of the Surgeon General the financial means by which the project will be completed in the event of failure of, or reduction in, future Federal appropriations. For example, if the applicant's share of the cost is $500,000 and the Federal share is $500,000, but only $400,000 of the latter is available at the time the application is submitted for approval, the project may be approved as a split project only if the applicant can show that he has $500,000 available to pay his share, and also that he has the means of providing an additional $100,000 if necessary. A statement from a bank or other lending agency, discounted pledges in the proper amount, a statement from the proper authority in the case of a publicly sponsored project that the additional funds will be made available, and the like, may be accepted as evidence that the applicant is able to provide the additional funds. If the applicant cannot demonstrate such financial ability, the scope of the project must be reduced to the point where it can be completed with the funds available under which circumstances it becomes a fractional rather than a split project.

B. At the time part 4 of the application for a split project is approved, the applicant must sign the following certification which must be made a part of the application documents:

The applicant understands that approval of this application is a commitment on the part of the Surgeon General for that portion of the Federal funds available to the State for obligation during the fiscal year ending June 30, 195– only; that the Federal Government is not committed to appropriate funds in future fiscal years for this project; and that the eligibility of this project to a share of such Federal funds as may be appropriated in the future is subject to the priority rights of other applicants in the State.

Mr. JONAS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Illinois.

Mr. JONAS of Illinois. I am sure that the gentleman agrees with me that we should not labor under a misapprehension here. The fact that the Government is contributing $75 million annually does not mean that the States are not contributing anything. They have to match these Federal funds, and the States are doing everything to cooperate in this program.

Mr. HARRIS. The gentleman is correct. The Federal Government has contributed a little over $600 million to this program already, but the local people throughout the country have contributed over one and a quarter billions during the same period of time. I think it is really important that the pending amendment be adopted, and I hope the committee will agree to it.

GRANTS FOR HOSPITAL CONSTRUCTION

Mr. ROGERS of Florida. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Chairman, I rise to support my colleagues and the President in favor of an outstanding program in government. The Hill-Burton program has demonstrated the effectiveness of an intelligent and orderly approach to a health problem. A survey and appraisal of existing facilities is essential on the part of each State before Federal funds are made available. The States determine their needs. The States determine where and how to spend the Federal money. Such a degree of State responsibility is quite unusual and it is with pride I believe that we can point to a program which has so effectively preserved States rights.

I shall not refer to the dollars spent, to the number of projects constructed, or to the number of hospital beds being provided—I prefer for a moment to consider the hospital services in modern and efficient facilities being furnished to countless tens of thousands who were denied the privilege of such care prior to the advent of this program. Similarly, I refer to the thousands of others who had some kind of mediocre and minimal hospital service available to them but now because of this program have the finest in medical care and hospital services. A magazine writer once described it as a program which should be written in neon lights across the country. I think he was right.

I understand that recent reports by the States reveal they could utilize more than $250 million in Federal money next year for hospital projects that are ready and able to get under construction during the next fiscal year. The need is so great that it would indeed be a simple matter to justify an appropriation of the full $150 million authorized by the Hospital Survey and Construction Act but the administration is committed to reducing expenditures in Government and even the most worthwhile programs must take a back seat while we as a Nation fulfill other commitments and keep up our armed strength. For those reasons the President has requested only $75 million.

While I speak about preparedness and armed strength need, I remind the Members of the value of a network of community hospitals throughout the country in the event of an enemy attack or other catastrophe. I refer specifically to the hundreds of hospitals built under this program in the smaller communities, particularly in those communities of less than 5,000 population. These hospitals could act as evacuation destinations of the target center.

No one can deny the worthwhile nature of this Hill-Burton program and when the President recommends that we increase the amount of the appropriation over what it was last year should any of us question the wisdom of that recommendation? I join my colleagues in urging the appropriation of the full amount recommended by the President.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. JONAS].

(On request of Mr. JONAS of Illinois, and by unanimous consent, the time granted him was given to Mr. SPRINGER.)

Mr. NEAL. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. NEAL. Mr. Chairman, it would seem to me that Federal funds allocated to the States to encourage hospital construction should be delegated to a single administrative agency.

From the debate today, it would appear that the committee is withholding 10 million from this specific appropriation in anticipation that unused funds previously appropriated for Hill-Burton disposition would be transferred to the hospital construction grants. This clearly prevents the planning and execution of a definite hospital construction program and encourages uncoordinated effort.

Since the Hill-Burton program, already set up, should be able to handle the distribution of all hospital construction, it stands to reason that it would be much simpler and more successfully allocated if this appropriation were made to that agency.

This program must be carefully supervised to insure that local cooperating agencies seeking Federal aids can thoroughly justify expenditures for hospitals in suitable areas where beds may be fully utilized and adequate medical and nursing staff can be made available. Otherwise, these funds will not be economically spent.

In an overall study of hospital and domiciliary care, more consideration should be given to facilities for the care of aged people who, for reasons beyond their control, are compelled to spend their last days in hovels or at the mercy of neighborhood assistance.

Many slightly ill persons occupying hospital beds today could receive adequate treatment for their needs at home and thus avoid over-crowding of facilities to the extent that acutely ill persons are often turned away or compelled to await their turn. This is not good. It prevents the really needy from securing proper hospitalization and creates an over emphasis on the shortage of hospital beds.

These are conditions deserving thorough investigation by the Division of Health, Education, and Welfare, which is responsible for the proper allocation of Federal funds intended to meet the hospital needs of localities desiring to participate.

Mr. SPRINGER. Mr. Chairman, I recall very distinctly at the time we had hearings on this matter before the Interstate and Foreign Commerce Committee that there were present the Secretary for Health, Education, and Welfare, Mrs. Hobby, and also the Under Secretary, Mr. Nelson Rockefeller. I asked them at that time and it will show in the record of the hearings when they were before the committee—that they felt it was necessary to have the full appropriation which had been requested by the President of the United States, namely $75 million this year. They said that sum was absolutely necessary if the needs of hospital construction were to be met for the coming year. I think the evidence in those hearings was quite clear as to the progress that we have been making over the past years in this program, and that this $75 million was about the minimum to get the job done.

Now, may I say to my colleagues, do not be under any misapprehension that the Hill-Burton Act is curing all of the problems of the hospitals in America. Actually, only about 40 percent of the hospitals are financed under this program. Fully 60 percent are financed by public bodies, such as States, counties, cities, or villages under a bond issue. But, it seems to me that this program does have merit and that the President's recommendation in this case certainly is entitled to every consideration, and I personally do support this amendment and hope the House will adopt it.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, there is great appeal for greater appropriations for health and hospital construction. There is no member on this committee who yields to any other person in America in his desire to take good and proper care of the sick people of our Nation. But, the members of the Committee on Appropriations have a great responsibility, along with the rest of the Members of this House, especially do the members of the Committee on Appropriations, in seeing to it that we do not spend the taxpayers dollars unnecessarily. Of course, I imagine my remarks will be like a voice crying in the wilderness. We must remember that local, State, and Federal taxes are today taking over $90 billion out of the pockets of the American people. We are spending over $40 billion annually for national defense, and unless I am badly mistaken there will be a supplemental bill brought to Congress before this session is over for more money for national defense.

Now, it is the popular thing, of course, to be for this amendment, but should our national income go down materially and hence the percentage of the income we take from the pockets of the American people goes up and up and up, the day may soon come when even a little money for such worthy things as is provided for in this bill will be hard to find.

Mr. Chairman, in conclusion I say again that, of course, it is not popular for a Member of Congress to oppose an amendment of this nature but after all we have a responsibility to discharge as guardians of our United States Treasury, along with our other responsibilities to all our people.

(By unanimous consent, Mr. JENSEN of Iowa was given permission to yield the balance of the time allotted him to Mr. BUSBEY.)

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, I am in full support of the amendment to increase the hospital construction fund from $65 million to $75 million. I would like to refer to the remarks of the gentleman from Arkansas [Mr. HARRIS] when he said that he—a Member on the other side of the aisle—supported the President's program and I suggest that all of us should support the President's program, and I am happy to be in that position at this moment.

Mr. JONAS of Illinois. Mr. Chairman, will the gentleman yield to me for a question?

Mr. PELLY. I am glad to yield to the gentleman.

Mr. JONAS of Illinois. I wish to call attention to the remarks made by the distinguished gentleman who is a member of the committee [Mr. JENSEN] that we should be apprehensive about appropriating $10 million more because the economy of the country might be put in grave danger, if we did. He failed to mention, however, that during the time that this program has been in effect his own State profited in 49 different projects under this program. So apparently when it comes to the State of Iowa, there may not be so much merit to the argument about this increase disturbing the economy of the country. I wanted to make that clear for the record.

Mr. PELLY. I should like to say that I am always glad to be counted with the gentleman from Iowa [Mr. JENSEN] on economy measures and I commend him for his position. But in this instance I cannot go along with him because, in my own district in Seattle, I have seen the new Children's Orthopedic Hospital, the Ballard Hospital, the King County Hospital help meet our deficiencies in hospital beds under this program. I have seen the benefits of the program on the local level. I have seen in the Committee on Interstate and Foreign Commerce, the figures given to us by the Department of Health, Welfare, and Education. I know that the need for those beds exists.

Mr. YOUNGER. Mr. Chairman, will the gentleman yield?

Mr. PELLY. I am glad to yield to the gentleman from California.

Mr. YOUNGER. I wish to go along with the gentleman in support of his amendment. As a member of the Committee on Interstate and Foreign Commerce, I would like to say that we have had testimony concerning the need for this. I think the amendment should be approved.

Mr. PELLY. I would like to say it has been my pleasure to serve with the gentleman from California [Mr. YOUNGER] on the Committee on Interstate and Foreign Commerce and, with him have seen the figures that were given us concerning the need for hospital beds; and also heard testimony as to the need of expanding the so-called Hill-Burton Act this year. I hope that every member of this committee in considering his vote on this amendment will think back to his own local situations and the need for hospital beds in his district. These funds will be used on the State level as matching funds to help relieve this bad situation that we have in the country. I urge every member to support this amendment to increase the hospital fund and not wait for the Senate to do it.

The CHAIRMAN. The Chair recognizes the gentleman from Idaho [Mr. BUDGE] for 4 minutes.

Mr. BUDGE. Mr. Chairman, the bill before us now is probably the most difficult bill on which any member of the Appropriations Committee is called upon to work. There are few items in this

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bill that do not represent a meritorious program. The things in it are programs in which there is general agreement. The committee has honestly and sincerely attempted to allocate all of the funds which it felt could reasonably be used. By the same token I am satisfied that the sponsor of this amendment and the other Members of the House are not interested in appropriating more funds than can be expended.

I call the committee's attention to the figures which were furnished the committee by the Department and which appear on page 713 of the hearings. These are not the committee's figures; these are the figures which were furnished to the committee by the Department:

Estimate of unobligated balances as of June 30, 1954, under appropriation "Grants for hospital construction, Public Health Service": Out of 1953 funds, $196,809.

Those funds cannot be expended because the appropriation lapses. However, the 1954 funds will be available to the Department for this purpose, and the Department says it will have "an unobligated balance as of June 30, 1954, of $30 million" in this appropriation.

Let us see how much the Department has been able to obligate in the past 2 years. In the year 1953 the Department obligated a little under $60 million. As of the 1st of January it had obligated a little under $25 million. In other words, in half of the fiscal year 1954 the Department was able to obligate less than $25 million.

I think those two statements which were furnished us by the Department very conclusively show that the committee's action here provides substantially more funds than the Department will be able to obligate for this purpose. I see no reason why the House should go along in appropriating funds when under its own figures the Department cannot reasonably expect to obligate for the purpose.

The budget originally submitted to us was $50 million, the same figure which the House approved last year. From the obligations as of this time, it appears that the House figure of $50 million last year was amply sufficient. Certainly the figure included in this bill of $65 million is sufficient.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. BUSBEY] to close debate on the amendment.

Mr. BUSBEY. Mr. Chairman, I would like to clear up a few things before I get into some technical aspects of the situation.

Reference has been made several times to the President's recommendation, but the Members failed to state which recommendation: the first recommendation of $50 million or the second recommendation of $75 million.

Why were there two recommendations? The reason is simple, and it has not been touched upon in debate today. The House passed legislation—which is now pending in the Senate and is expected to be passed by that body very shortly—authorizing an appropriation of $60 million for different types of chronic-disease hospitals and nursing homes, plus $2,500,000 for the planning and survey of these institutions. That, plus the $50 million first recommended for the existing program, made $112,500,000 for hospital construction this year. Then they learned that the bill authorizing this new program would be delayed a few months. They thought they could not possibly use the $60 million in the first year it was authorized, so they decided they had better take $25 million of that $60 million and add it to the general hospital-construction bill. So, in reality, instead of cutting this bill $10 million, as has been charged on the floor of the House today, the subcommittee actually recommended an increase of $15 million on the basis of the first recommendation of the President.

I concur and agree with all the emotional and humanitarian things that have been said here on the floor of the House today about the need for hospital beds; but I also want to be practical.

Partially as a result of the debate last year on this particular item—and I do not say this with any egotism, nor for the purpose of getting credit—after the Congress adjourned last year, I spent several months visiting many States to look personally not only at the hospitals and the hospital-construction program under this appropriation, but many of the other programs with which this subcommittee has to deal. First of all, I came to the conclusion that we are building hospital beds faster than we are taking care of staffing them with nurses and doctors. I think this particular division of the Department of Health, Education, and Welfare could very well emphasize and pay more attention to the shortage of nurses which exists in almost every hospital in the United States. I wish I had an hour to talk about that particular factor alone. If we had the nurses and the doctors to staff these hospitals, I would be one who would want to expand this program and even to appropriate more than $75 million, if the need existed.

We have never explored this program more thoroughly than we have this year in the hearings, but, even then, not as much as we should have because of the lack of time. If you will look at the hearings, you will find there are over 200 pages of testimony on this one item alone. I wish to call your attention, first of all, to page 615, where I read into the record an article from the Kansas City Times by a man who was working in this field in which he stated that they are building hospitals too fast in Kansas. I will read that portion of the hearings record:

Mr. BUSBEY. The reason why I selected Kansas was because an article from the Kansas City Times of April 13, 1954, was brought to my attention. This article is headed "Too Fast on Hospitals—Some Kansas Centers May Have to Close." The article reads:

"Basing his conclusions on bed-occupancy records, C. C. Lamley tells KU group of overexpansion in State."

I take it that must be the Kansas University group.

"Kansas now has too many hospitals from the viewpoint of use and economic operation, Carl C. Lamley told a postgraduate assembly of 170 anesthesiologists yesterday afternoon at the University of Kansas Medical Center.

"Lamley, director of the Stormont-Vail Hospital, Topeka, based his conclusions on bed-occupancy records.

"'Kansas has built 58 hospitals and 28 additions to others in the last 6 years,' Lamley said. It now has 123 hospitals with 7,000 beds, an increase of 3,100 beds in 6 years.

"'The State has 4 beds for each 1,000 population, whereas the expert view is that 2½ beds per 1,000 for rural areas is correct,' Lamley added.

"'As a result,' he went on, 'the number of unoccupied beds has zoomed from an average of 1,200 4 years ago to almost 2,500 now.' This doubling of vacant beds is due partly, Lamley added, to community pride in building hospitals.

"This pride, pardonable and understandable because it reflects desire to create a good workshop for keeping doctors in rural areas, has overridden caution on Federal aid for hospital building, in Lamley's opinion.

"'The bed vacancies have hit the small hospitals hardest,' Lamley said. Occupancy in Kansas hospitals with 10 to 25 beds has dropped to 45 percent, and in hospitals with 25 to 50 beds, to 52 percent. But occupancy in hospitals with 100 beds and over is averaging 73 percent, enough for economic operation.

"'It is almost impossible,' Lamley said, 'to operate a hospital with fewer than 50 beds by modern standards of care and cost, without deficits.

"'Most hospitals operate on a shoestring, capitalwise, and it appears likely some of the half-occupied ones in Kansas will have to close soon.'

"If some hospitals close, Lamley added, it won't mean necessarily that they will not be used. He predicted some would be converted to places for chronic illnesses and convalescent care. Some would be taken over by religious groups, some by trade-union organizations wishing to offer package medical care to their members.

"The anesthesiologist, as a private practitioner in his specialty, might not like these trends, Lamley added.

"Virtually all hospitals will be clamoring for Government subsidy, particularly of their nursing schools and educational programs, he predicted."

Then, if you will turn to page 624, you will find my comments concerning the situation I found at Louisa, Va. They had built a maternity hospital there to take care of maternity cases. But they had very few maternity cases for that hospital. Here is what they did. They remodeled the building in order to provide offices for four doctors. They also provided an office for a dentist. They even provided an office for the Selective Service Board. All that was done in order to secure income to keep the hospital from closing because of lack of finances.

Then I wish you would turn to page 641, and read about the situation at Indianapolis. I pay my respects to the State of Indiana for their viewpoint on these Federal-aid programs, and particularly to the people of Indianapolis. While we were contributing $1,500,000 of the taxpayers' money for a so-called food service-center building, or, as more correctly called in their brochure, a student-union building—which, in my opinion, the Federal Government had no business participating in at all—the citizens of Indianapolis, with no Federal aid of any kind, voluntarily raised $12 million for hospital beds in the city of Indianapolis. They did such a wonderful job that I should like to read an article on the subject that appeared in the Sunday Indianapolis Star of May 9, 1954, entitled "Civic Victory":

Without incurring indebtedness, Indianapolis has, all by itself, provided for its medical present.

"Goodness is the only investment that never fails." A great American—naturalist, poet, philosopher, Henry David Thoreau, said that nearly 100 years ago.

"And now, Indianapolis, city of half-a-million people, has taken his statement, tested it, tempered it, proved it, and found it of truest steel.

"Indianapolis has completed one of the largest civic investments in practical good will ever attempted, and its efforts will return a thousandfold in human life and health and happiness—and in civic pride and stature—giving new meaning to the letters chiseled on its own city hall, "I am * * * a citizen of no mean city."

The investment is in hospital space. And now, National Hospital Week (May 9–15) Indianapolis is ready to stand back and watch its dollars grow into brick and steel.

Its only a matter of a few weeks now until the bulldozers will be thrusting aside forever the trash piles in the weed-grown acres at Ritter Avenue and 16th Street where will rise the new $5,050,000 Community Hospital with its complete facilities, 300 beds, and room for 2 more units of 300 each when they're needed. It is to be ready for use by July 1956.

On April 21 St. Francis Hospital, Beech Grove, broke ground for a 104-bed wing and new facilities; within 2 years, Methodist Hospital, the largest in the Nation of its denomination, will build a 6-story 224-bed wing, and double the size of its nurses' residence.

An ugly, green frame, gingerbreaded relic of a former residential elegance within 2 years will be razed to be replaced with a new 100-bed psychiatric institute—Norways Foundation Hospital.

All to the tune of $12 million, freely given and to be freely spent in Indianapolis. All subscribed, willingly and heartily by an understanding citizenry within a 14-month period—no taxes, no bonds, no outside aid, no burden of debt. Indianapolis architects have made all the designs, and Indianapolis builders and workmen will be used.

Realization that Indianapolis was woefully short of hospital beds didn't exactly burst suddenly upon a surprised populace. But the shortage grew rapidly to alarming proportions commensurate with the city's feverish industrial mushrooming during World War II. Everybody knew it but could do nothing about it until the second A-bomb fell in Nagasaki.

By that time there was a waiting list of 1,000 patients virtually beating upon hospital doors for admittance, putting off operations, taking chances, getting along somehow, or dying quietly at home.

The city's excess population over available hospital beds was like South Bend without a single institutional cot. An epidemic would have inscribed a Hoosier scar on history.

Aware and trembling over what could happen was the medical profession, the Red Cross, and civil-defense authorities. Those of us on the patient level only knew that mothers were going home 1 day after childbirth, that 3 days was a long stay for appendectomy, and we were grumbling if we had to occupy a cot in a busy hospital hall; surgery often was delayed 6 weeks.

The Marion County Medical Association appointed a ways and means committee. All kinds of suggestions were considered. A city bond issue, a county bond issue, a joint city-county bond issue, an appeal for emergency Federal hospital funds. Estimates would have to be made, land would have to be sought. All that was known for certain was a grievous need. And out of that need a vision was born.

Business and industrial leaders were called in, consulted, and made members of the team, along with civic-minded citizens, legislators, workers, unions, professions, locking arms instead of horns, all inspired with a realization that this was a matter of "not who's right but what's right" a belief in the "rightness of things" and the "quickest way is the best way."

A permanent committee was formed on the new concept of participation. Using preliminary money grants from the medical society and the Eli Lilly Foundation a firm of professional hospital experts was employed to conduct a 9-week survey in April 1951, at a cost of $25,000 to "get something on paper" to see what actually was needed, in such a form that it could be proved to the city.

As foreseen, the survey reported, "An acute shortage of hospital space exists that cannot be exaggerated." It recommended 1,327 more hospital beds and $19,450,000 in new hospital construction. It was decided that $12 million would be raised by popular subscription for the more immediate phases, and an additional $7 million would come later by taxation for Indiana University Medical Center expansion, for Indianapolis General Hospital, and by private subscription for St. Vincent's Hospital.

The teeming, rapidly expanding east side, with its multiple industrial construction and housing projects would need a brandnew hospital. Additions to Methodist and St. Francis Hospitals and rebuilding of Norways would suffice to tide over the short-term emergency.

A nonprofit charitable corporation with a 37-member board, Indianapolis Hospital Development Association, Inc., was organized with Edward F. Gallahue, president of the American States Insurance Co., as chairman. The wheels were moving; there was something on paper; the spirit was there; the way ahead was long but the visibility was good. And Indianapolis girt up its loins to attempt the second largest public subscription hospital drive ever attempted by any city. (Detroit took 4 years to raise $20 million.)

Beautiful, modern, functional buildings began to take shape on architects' drawing boards, and the machinery for this city's race for time against disaster was bolted together. The gifts were to be from the heart—reflecting each individual donor's feeling of responsibility—a metropolitan adoption of the battle cry of the Musketeers: "One for all, and all for one."

The big push is now history. Within 14 months Indianapolis subscribed more than 4 times as much as the community ever had poured out at once for civic or charitable purposes. By the time victory was announced at a big dinner, December 17, 1953, more than 2,300 business enterprises had made pledges averaging nearly $50 per employee; more than 110,000 individuals had pledged more than $4,500,000. One hundred foundations and nonprofit philanthropic organizations had subscribed more than $1 million. There was an oversubscription of more than $140,000.

The drive had received national recognition in newspaper accounts. President Eisenhower said it was "* * * tribute to excellent organization, rare diligence, and warmly responsive citizenry * * * commendable spirit of self-reliance * * * stirring example to all people everywhere."

And it was a victory for something else too; every hospital, as a result of a suggestion by the mayor's commission on human rights, agreed to accept patients henceforward "without regard to race, color, or creed." To the large Negro population the answer was a definite "Yes."

Of the more than $12 million in pledges, more than $7 million already has been collected in cash. Of this, $6,500,000 has been invested in interest-bearing Government bonds until actual building starts. Campaign expenses were unusually low (2.1 percent), $250,000.

During Hospital Week a short reactivation drive will be conducted to pick up loose ends, to bring into the total plan many who had no opportunity to subscribe originally—such as new residents in the city, companies unable to conduct campaigns a year ago, individual donors who may wish to subscribe to memorials in honor of relatives or friends. Funds subscribed in this short drive will be ample to replace pledges which, for one reason or another, may be uncollectible over the 3-year period for payment of pledges.

With justifiable pride, Indianapolis now is answering how-to-do-it questions which flood in from other communities who are telling themselves, "If Indianapolis can do it, why can't we?"

The reason I took the committee's time to read it is that that article appealed to me as representing the pioneer spirit in this country, the spirit that made this country great and the spirit that is making this country today. It is a spirit that was not always looking to the Federal Government to do something that the local community could and has the capacity to do for itself.

Down in Louisville, Ky., we participated, under this hospital-construction program, in building an addition to the State health building for engineering and laboratory facilities. Was that building for hospital beds? When they come in here and plead for hospital beds, I am for them, but the reason I am bringing these things before the committee today is because I think, in all sincerity, that this program needs some revision. In my opinion, the Department of Health, Education, and Welfare should rewrite the regulations, particularly those affecting the so-called related facilities for which they are granting money.

Then, on page 759 of the hearings, let me tell you what I found out at Denmar, W. Va. Before I tell you about Denmar, I should mention that I had the pleasure of sitting in with the State Board of Health of West Virginia when I was in Charleston. I spent 2 days with the board that controls this program in the State of Indiana. Incidentally, speaking of Indianapolis, the board told me the only reason they wanted the so-called food service center to participate in this program was because they did not have any application for construction of regular hospitals that would have added hospital beds. In the State of West Virginia every dime of the taxpayers' money under this program for the first 2 years went into State institutions because they did not have applications for hospital beds.

But to get back to the project at Denmar, W. Va. First of all, the original hospital there was opened in 1939, and the main building consisted of 125 beds. This is a regular tuberculosis hospital for colored people. In my opinion, it was probably one of the worst places a TB hospital could have been located. First of all, it is down in the valley between the mountains, where the fog, dew, or moisture, or whatever technical name might be used, does not rise until about 10 o'clock or 10:30, and it starts to settle very early in the afternoon.

The road going back to this hospital is an ordeal in itself to drive over, and I have driven in every State in the United States.

The closest Negro community is many miles from this hospital, which means

that anyone visiting the hospital must leave the Negro settlement at a reasonably early hour in the morning in order to get back to this place.

Denmar, W. Va., consists only of the hospital. That is Denmar. There are no other inhabitants or facilities there of any kind, and in order to get back to the closest Negro settlement at night they have to leave rather early in the afternoon, which means that they cannot have much time with their relatives or friends, whom they went there to visit.

We participated in a project there with Hill-Burton funds to build an addition to this hospital, notwithstanding the fact that the old hospital was not being used to capacity; notwithstanding the fact that they should have had 12 registered nurses for the old hospital, and only had 3 at the time I visited the institution, and they were losing 1 of the 3 within a couple of days. They should have had 4 doctors, including a superintendent, and they only had a superintendent who was a doctor of medicine, and 3 part-time doctors who spend less than 2 days per month there. Notwithstanding this situation the State Board of Health of West Virginia and their planning division O. K.'d the project for Hill-Burton funds, and evidently the regional office and the Washington office must have approved it also.

When I was in Charleston, W. Va., the State Board of Health of West Virginia was meeting, and I sat in on the board meeting for about 2 hours and discussed a great many questions with them. This new wing had been completed approximately 2 years when I had visited the hospital, and all the equipment that had been bought for this new wing was still in the original crates in which it had been shipped to the hospital and located on the various floors of this wing, without ever having been uncrated, let alone put into use, because there were no demands for the beds to put it in use.

Now, in addition to that, they built two very plush modernistic homes that were supposed to be used for doctors on the grounds. Of course, the only doctor they had was the superintendent.

In addition to that, they built a very plush modernistic nurses' home, what might be described as a ranch-type home, for 21 nurses. They have a private room for each nurse, and while we as a committee or you as a division are not directly interested in maintenance costs, I think it is worth mentioning in passing that while I was there in August they were getting ready to replace the entire roof of this nurses' home.

They had built a radiant heating system into the floors of the nurses' home and they were continually tearing up the floor trying to repair this system. Although it was a brand-new building, the floors were in bad shape, the walls were cracking, which was going to cost money to maintain.

I wish that I had more time to tell you about many other situations that I found where I thought, and I am sure most of you would agree, that these funds were being very unwisely spent. I think we have provided sufficient funds to cover the legitimate needs for 1955.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. BUSBEY] has expired.

The question is on the amendment offered by the gentleman from Illinois [Mr. JONAS].

The question was taken; and on a division (demanded by Mr. FOGARTY) there were—ayes 60, noes 35.

Mr. BUSBEY. Mr. Chairman, I ask for tellers.

Tellers were ordered; and the Chairman appointed Mr. BUSBEY and Mr. JONAS of Illinois to act as tellers.

The Committee again divided; and the tellers reported that there were—ayes 139, noes 56.

So the amendment was agreed to.

Mr. HESELTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in view of the very substantial majority action taken on the amendment I think something should be said about a related item connected with this appropriation.

There was ample evidence presented to the Interstate and Foreign Commerce Committee on the splendid job of administering this program at Federal level by the Public Health Service. In fact, the program has been described as a model of Federal-State-local cooperation. In singling out this program for broadening legislation, the President, has, himself, recognized its values, merits, and accomplishments.

Last year, after an extensive appropriation cut, $875,000 was made available for salaries and expenses to carry on its administration at the Federal level. The Appropriations Committee proposes a reduction to $750,000 for next year, which represents the amount originally requested by the President. However, I understand that the President has now recommended, for salaries and expenses, $950,000 to go along with the $75 million for hospital-construction purposes. While the Presidential request has gone to the Senate, it was too late to submit it formally to the House Appropriations Subcommittee. Since the members have voted to support the President's request of $75 million for construction purposes, I urge that support likewise be given to the President's request of $950,000 for salaries and expenses.

I hope the committee will consider the vote on construction funds an instruction to them in conference to carry out the full Presidential request for this item, if it is inserted by the other body.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the requisite number of words, and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

WHOSE OX IS GORED

Mr. HOFFMAN of Michigan. Mr. Chairman, in this morning's Washington Post and Times Herald appears the headline: "Welch Excoriates McCARTHY as Cruel, Lacking Decency—Senator Grins, Lawyer Cries."

Inside on another page is the picture of the poor, weeping lawyer doing his crying.

It just occurred to me that it makes some difference whose ox is being gored. As I understand it, he was crying because someone had inquired as to whether an attorney who it was suggested be hired by the committee had been affiliated with some organization which might have been a little to the left. The Lawyers Guild, I think it was.

But when Mr. Welch had his opportunity to exercise forbearance, charity, Christianity, tolerance, and some more good qualities, this is the way it went, when Mr. Cohn was on the stand:

Mr. Welch was very inquisitive. I quote:

Mr. WELCH. In January where did you (Cohn and Schine) go?

Mr. COHN. We had dinner at the—at a hotel, the Drake Hotel, the Drake Room.

Mr. WELCH. January 10?

Mr. COHN. Your sources of information are better than mine.

Mr. WELCH. I even know what you spent. You had $32.96 worth of dinner and $5.85 worth of drinks. Does that sound all right?

Mr. COHN. It sounds a little high since I am not going with the girl I had out any more.

Mr. WELCH. How about January 2? Do you want to be reminded how much you spent at the Stork Club?

Mr. COHN. I am trying to think who I was out with first.

Mr. WELCH. Do you know where you were on the night of December 4? May I suggest to you, sir, that you were at the Stork Club on that night and spent $25.75?

Mr. COHN. Could be. (He said Schine was not there.)

Mr. WELCH. Do you know where Dave was on the night of December 3? That is just the night before.

Mr. COHN. If it were Thursday night and I were with him, we would be working, yes, sir.

Mr. WELCH. You were working. Were you working at the Stacy-Trent Hotel (in Trenton, N. J.)? Did you work your way through $12.85 worth of dinner?

Mr. COHN. If Mr. Carr (Francis P. Carr, McCarthy's rotund staff director) were along, I would say it is probable.

DINNER FOR $14.95

Mr. WELCH. On December 1, do you know where you were? Would it surprise you to know that Mr. Schine was at the Stacy-Trent Hotel? Did you eat your way through $14.95 worth of dinner?

Mr. COHN. It sounds fine, sure.

Mr. WELCH. Where were you on November 30? There was no pass granted on that night, but the records show that Mr. Schine was at the Stacy-Trent Hotel. Could you eat anything on the fort if you tried?

Mr. COHN. I tried it once, sir.

Mr. WELCH. On the 29th of November, were you with Dave at the Drake Hotel in New York?

Did you eat your way through $16.48 worth of food at the Drake Hotel, plus $3.46 for drinks?

Mr. COHN. It could very well be.

Mr. WELCH. On November 28, were you and Mr. Schine at the Stork Club?

Mr. COHN. Mr. Welch, as far as I know, and I am quite sure of this, Mr. Schine was not at the Stork Club at any time while he was stationed at Fort Dix. Period.

Mr. WELCH. On November 13 until November 15, Schine was off at Dix. Was he with you?.

Did you go to Sardi's with him?

Mr. COHN. I am sure I did not.

Mr. WELCH. Where was Dave on New Year's Eve?

Mr. COHN. At my house. I think he left around 12:30; something like that.

Mr. WELCH. Were you busily at work until then, Mr. Cohn?

Mr. COHN. I'm afraid we were, sir. Yes.

Mr. WELCH. It seems to me almost above and beyond the call of duty to work so late and so hard.

WORKED ON REPORT

Mr. COHN. We, on New Year's eve, sir, we did work on that particular draft of the annual report which you have before you.

Mr. WELCH. Can you tell us whether or not you know who was with Mr. Schine on New Year's eve?

Mr. COHN. He was at my house. There was a couple, a friend of mine and his wife. There was another friend of mine, a man, Dave Schine. And there was a young lady who is a friend of Dave Schine's, who came up later in the evening. It was about 10.

What has all that to do with the issue that is before that committee? As I understood it, one gentleman was charged with being a little abusive to a soldier. If I had been in his place, I would have said, "Yes; probably I am mistaken about that, and I apologize."

Then I would have asked, What did the Army do about that fellow who claimed immunity under the fifth amendment when he was asked about being a Communist, who kept him in, who promoted him, who gave him an honorable discharge?

But counsel for the Army is trying to find out what Cohn and Schine had to eat and drink. What has that to do with the issue before the committee?

And where was the weeping heartbroken, charitable Mr. Welch hiding his fairness when he was examining Mr. Cohn? How much did it cost the Army to tail Cohn and Schine and measure the food and drinks they purchased with their own money?

Mr. Chairman, I yield back the balance of my time.

Mr. WICKERSAM. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WICKERSHAM. Mr. Chairman, not only is the oil-producing industry in Oklahoma greatly disturbed, but the State, municipal, county governments, as well as the school districts and every individual are vitally affected by any change in the petroleum picture in our great State.

Our people are opposed to any downward reduction in our depletion allowables from 27½ to 15 percent. The threat of such reduction, plus the increased foreign importations, plus the recent proration reductions curtailing production, have caused Oklahomans to shake with fear. Eventually, the income of every Oklahoma individual will become adversely affected unless something is done immediately.

I have requested Mr. Russell B. Brown, general counsel of the Independent Petroleum Association of America, to furnish me some information on the extent and economic value of the oil industry in Oklahoma, which I wish to give to you now:

The oil producing industry in Oklahoma

EXTENT AND ECONOMIC VALUE OF INDUSTRY

1. Number of counties in State		77
2. Number of counties with oil and/or gas production		63
3. Total land area of State	acres	44,179,840
4. Area proved productive of oil and/or gas	do	1,300,000
5. Estimated nonproductive area leased Jan. 1, 1954	do	16,100,000
6. Percent of total land area productive or leased		39
7. Value at wells of crude oil produced, all time, to Jan. 1, 1954		$10,353,562,000
8. Average field price of crude oil per barrel in 1953		$2.70
9. Value at wells of crude oil produced in 1953		$545,920,000
10. Value of natural gas liquids produced in 1953		$47,470,000
11. Value at wells of natural gas produced in 1953		$34,030,000
12. Total value of crude oil, natural gas liquids and natural gas in 1953		$627,420,000
13. Principal mineral products in order of value:		
1st	Crude petroleum.	
2d	Natural gas liquids.	
3d	Natural gas.	
14. Percent petroleum value to total value of all minerals		90.3
15. Number of employees engaged in crude oil and natural gas production		42,900

PRODUCTION

16. 1st year of recorded production		1891
17. Crude oil produced during first year	barrels	30
18. Year of largest production		1927
19. Crude oil produced year of largest production	barrels	277,775,000
20. Crude oil produced in 1953	do	202,570,000
21. Crude oil produced all time to Jan. 1, 1954	do	6,840,152,000
22. Percent of crude oil produced by stripper wells		32
23. Natural gas liquids produced in 1953	barrels	20,183,000
24. Natural gas produced in 1953	million cubic feet	618,700

25. Average production in barrels daily:

	1950	1951	1952	1953
Crude oil	451,000	512,000	520,300	555,000
Natural gas liquids	40,400	48,100	50,900	55,100
Total petroleum liquids	491,400	560,100	571,200	610,100

26. Number of producing oil wells at end of 1953		63,076
27. Average daily production per well at end of 1953	barrels	8.4
28. Percent of wells pumping or other artificial lift, Jan. 1, 1954		97

EXPLORATION AND DEVELOPMENT

29. Deepest well drilled to Jan. 1, 1954	feet	17,823

30. Wells drilled during 1953:

	Wildcat wells		Development wells		Total wells	
	Number	Percent	Number	Percent	Number	Percent
Oil wells	121	16.3	4,475	65.3	4,596	60.5
Gas wells	37	5.0	302	4.4	339	4.5
Dry holes	584	78.7	1,941	28.3	2,525	33.2
Service wells	0	0	133	2.0	133	1.8
Total	742	100.0	6,851	100.0	7,593	100.0

31. Total footage drilled 1953	feet	26,122,000
32. Average depth of wells drilled in 1953	do	3,440
33. Geophysical and core drilling crews active Jan. 1, 1954		35
34. Drilling rigs in use Jan. 1, 1954		656

RESERVES

35. New oil fields and pays found in 1953		167
36. New crude oil reserves found in 1953	barrels	394,200,000
37. New natural gas liquid reserves found in 1953	do	46,691,000
38. Total crude and gas liquid reserves found in 1953	do	440,981,000
39. Proved crude oil reserves, Jan. 1, 1954	do	1,752,228,000
40. Proved natural gas liquid reserves, Jan. 1, 1954	do	304,232,000
41. Total crude and gas liquid reserves, Jan. 1, 1954	do	2,056,460,000
42. New gas fields and pays found in 1953		33
43. New natural gas reserves found in 1953	million cubic feet	1,302,777
44. Proved reserves of natural gas, Jan. 1, 1954	do	12,228,373

GENERAL

45. State gasoline taxes, 1953		$44,927,000
46. Rate of State gasoline taxes January 1954	cents per gallon	6¼
47. Number of automobiles registered 1953		670,000
48. Number of trucks and buses registered 1953		240,000
49. Number of refineries in State Jan. 1, 1954		21
50. Capacity of refineries Jan. 1, 1954	barrels daily	371,650

Mr. RABAUT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Chairman, even the most disinterested and uninformed person cannot fail to appreciate what is to be the ultimate and harmful result of this House's action cutting funds for the Food and Drug Administration in the appropriation bill now before us.

The dangers inherent in such a move by this House were graphically and aptly stated by my colleague the gentlewoman from Missouri, the Honorable LEONOR SULLIVAN in remarks delivered yesterday on this floor. Since her arrival in the Congress, Mrs. SULLIVAN has devoted herself diligently and intelligently to the betterment of our pure-food laws. The excellence of her statement yesterday reflects the forthrightness and zeal with which she has approached the problem.

Mr. Chairman, the Food and Drug Administration operated last year under a budget of $5,200,000—a meager sum at best. Now we know that the plan is to cut that appropriation by $100,000 for the coming year. Our Food and Drug Administration is the watchful guardian of our Nation's health. Its program merits the thoughtful attention and consideration of every American, whether he sits here in the House of Representatives or the tiniest home in the tiniest hamlet of these United States. Instead, what is to happen? A substantial slash is to be made of the already small payroll on which the Administration seeks to operate.

Back in 1951 I introduced a bill to establish a district office of the Food and Drug Administration in Detroit. At that time, and the passage of the years has only increased the gravity of the situation—Detroit was the only major port in the United States not being serviced by a pure food and drug laboratory. We still

have not received that facility. There is little indication that we are ever to receive it. And yet the import volume through the customs district of Michigan, in 1951, was approximately $400 million, more than Los Angeles and San Francisco combined. In spite of this, and in spite of the very great increase in import trade through the port of Detroit since 1933, no additional facilities have been made available. Speaking for myself and for the 14th district of Michigan, I know that sending imported food and drug products to Chicago for inspection—and that is where they are sent—sets up an uneconomic trade pattern which works a discriminatory hardship on Detroit area businessmen and importers, consumers and "good-neighbor" Canadian exporters. This sad situation obtains not only in Detroit, but in many other sections of the country. Facilities are inadequate and overworked.

And yet the difficulty does not lie with the Food and Drug Administration. They have done remarkably well on what has been allotted to them. The fault lies in the Congress. And it is a fault which is within our power to remedy.

The Members of this House are, of course, familiar with the fine work done by the Food and Drug Administration in its various research, inspection, and related activities. Equally as familiar, however, but in a way which strikes much closer to home and hearth, are the mothers and breadwinners whose job it is to safeguard the health of their youngsters and families. The smooth functioning of the entire community is utterly dependent upon the efficient and effective operation of the Food and Drug Administration. Our health is our wealth, and we shall be poor indeed soon enough unless we take affirmative steps to strengthen the Food and Drug Administration, rather than to emasculate it as we are doing here today. Bit by bit we seem to be rendering it impotent and ineffective. Surely it deserves better treatment than this.

In the light of the many larger appropriations which come through this House in the course of one session of Congress pertaining to matters of much smaller import, it would seem that we do ourselves and the health of our communities a great disservice in cutting this appropriation at this time.

Mr. BUSBEY. Mr. Chairman, I move to strike out the last word in order to make a brief announcement. I am sure none of us wants to prevent anyone from speaking, but there are some situations that do exist, including important conferences with the Senate, which make it necessary to expedite action on the bill that is before us as fast as reasonably possible. I think everyone will appreciate it if the Members will extend their remarks, instead of taking time to speak on matters not related to the bill.

The Clerk read as follows:

National Cancer Institute: To enable the Surgeon General, upon the recommendations of the National Advisory Cancer Council, to make grants-in-aid for research and training projects relating to cancer; to cooperate with State health agencies, and other public and private nonprofiit institutions, in the prevention, control, and eradication of cancer by providing consultative services, demonstrations, and grants-in-aid, and to otherwise carry out the provisions of title IV, part A, of the act; $20,237,000.

Mr. BUSBEY. Mr. Chairman, I have four amendments relating to the National Institutes of Health which have the approval of the majority and minority members of the subcommittee. I offer them at this time and ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. BUSBEY:

On page 23, line 17, strike out "$20,237,000" and insert "$21,237,000."

Page 23, line 21, strike out "$12,460,000" and insert "$13,460,000."

Page 23, line 24, strike out "$15,168,000" and insert "$16,168,000."

Page 24, line 13, strike out "$5,913,000" and insert "$6,913,000."

Mr. BUSBEY. As chairman of the subcommittee responsible for recommending the appropriations for the National Institutes of Health, I am indeed happy to offer the amendments which will add $1 million for research in each of the Institutes for heart, cancer, mental health, and neurology and blindness. While it is my honor to offer these amendments, which are being considered en bloc, I desire to have it clearly understood that each member of the subcommittee joins me in offering the amendments and that they are sponsoring them just as much as I am.

I have asked that these four amendments be considered en bloc because they are each for the same general purpose; that is, to increase, by a relatively small amount, the funds available for the research program of the National Institutes of Health. These amendments add $1 million each to the institutes for heart, cancer, mental health, and neurology, and blindness.

The amount in the bill for the National Institutes is $2,240,000 above the 1954 appropriation. However, one must bear in mind that the operating expenses of the Institutes will be $14,112,000 in 1955, as compared to $11,920,550 in 1954, or an increase of $2,191,450 in 1955. Most of this increase is due to the further activation of the new clinical center. I feel sure that the Congress intended to provide adequately for the operation of this center when it appropriated $60 million to build and equip it. I am equally sure that it was not the intent of Congress that the cost of operating the center should be made up by reducing other important activities of the Institutes.

The figures I have just given show that the bill as reported provides just enough money to offset the increase in operating expenses and enough to continue other activities—most important of which is research grants—at the same level as 1954. I have been thinking about this a great deal since the bill was reported, and I have discussed it with my good friend, the ranking minority member on the subcommittee, the gentleman from Rhode Island [Mr. FOGARTY]. The more I have thought about this the more I have become convinced that this is not the time to maintain the status quo in medical research. We should take full advantage of the basic discoveries of the last few years on these dread diseases to further our knowledge and to find actual cures and preventatives. I do not believe we can do that by maintaining the status quo in these appropriations. These amendments will provide the means for making further advances, which, I am certain, will be worth far more than the $4 million involved just in future economic benefits to the Nation, to say nothing of the alleviation of human suffering and misery.

Now, Mr. Chairman, I would like to speak briefly concerning each of these fields of medical research individually.

THE NATIONAL CANCER INSTITUTE

Cancer is one of our major killers. It strikes 1 out of every 2 households; every day 600 Americans die of this disease; 25,000 will die of cancer in 1954; and 700,000 will be under treatment during the year, of whom 530,000 will be newly diagnosed. It is impossible to make an accurate estimation of the amount of suffering of the victim and his family.

I am convinced, with the experts, that the problem can only be initially ameliorated and eventually solved through research such as is now being supported by the National Cancer Institute, and I believe this should be expanded. I would not recommend the expenditure of the sums involved in this appropriation, unless I was convinced, on the basis of extensive testimony, that sure progress is being made in this field and wide opportunity continues to exist. I would like to mention a few points concerning the progress already made:

First. An understanding of the beginnings of cancer is emerging—in relation to industry, this has altered practices, with a consequent prevention of disease.

Second. Early detection of cancer in the woman, that is, cancer of the cervix, permits curative operation before invasion. I am told that this is not yet at the stage where one can tell each woman that one serious type of cancer has been conquered, but that would appear to be in the not too distant future.

Third. New chemicals effective in the leukemias of children have been developed—not yet curative but they retard the disease at times for many years.

Fourth. More frequent surgical treatment is now available as a result of research.

Fifth. More effective radiation therapy is now available, and better diagnostic X-ray.

We have come a long way in the past 10 years, and can look hopefully to the future. I am proud to say that many of these advances have been the result of the Congress having put the Federal dollar to work on this great national problem. I am glad to have had a part in this. We must be patient, but we can be hopeful. Specific opportunities pointed up at our hearings include the development of new chemicals to suppress these diseases and the possibility of their use in combination; also the clarification of the role of the endocrines

in both the causation and modification of cancer; the testing of more powerful radiation; progressive and more detailed understanding of the basic nature of the disease, an essential for its final conquest.

NEUROLOGY

Neurology is the great disabler. Twenty million people in the United States are affected by a multiplicity of these nerve conditions: cerebral palsy, multiple sclerosis, epilepsy, muscular dystrophy, apoplexy, Parkinson's disease, and injuries to the brain and spinal cord. Also included are the diseases which cause blindness. Essentially there is little research in this area in this country. Also included is the study of deafness. Again, there is very little work being done in this country.

The economic loss is staggering. These diseases do not kill; they cripple. The cost is threefold: Patient care, wage and productivity loss, tax loss. Again, research is the only solution.

It was developed at the hearings that information had been acquired at the Clinical Center which would be of interest to the million and a half epileptics in this country. A chemical defect in brain mechanism that is remediable by a medicinal has been found. This could be the break in our wall of ignorance concerning these diseases that researchers have been searching for many years. At the very least, it should be considered a milestone of progress.

Glutamine, the therapeutic chemical, could become as much a part of everyday conversation as was penicillin, streptomycin, or cortisone. There have been dramatic advances in our understanding of the so-called nerve-muscle diseases: myasthenia gravis, muscular dystrophy, and the like. New precision instruments, such as the encephalograph, have already paid off.

The committee has already made sure that the work on epilepsy and glutamine will go forward. The committee indicated they wished to increase, by $750,000, the budget submitted by this Institute, to support this activity. The committee has also already provided that the blindness activities can be taken out of the standby status, so that a significant program can be developed. The committee recommends that $400,000 be made available for this work.

I recommend that additional funds, to the extent of a million dollars, be made available for these activities, so that a more vigorous approach could be conducted in the area of cerebral palsy, muscular dystrophy, and other nerve-muscle disorders. The opportunities for alleviating diseases of the ear through research are limitless, and I hope the Institute will expand its activities in this area. I am convinced that, although these many fields could absorb, in a very effective manner, much more than the million dollars I recommend, this million dollars, together with the additional funds already recommended by the committee, would provide us with a program in this area of which the Congress could be proud.

I have attempted in these few remarks only to highlight some of the problems, together with some of the progress that has been made toward their solution. I have tried to indicate opportunities, as well as still unmet needs.

Our subcommittee, through its investigation of these activities, is convinced that they are well managed, have been profitable in the past, and will continue to be sufficiently profitable in the future to justify the support by Congress of this broad program in medical research.

MENTAL HEALTH

Mental illness is not a killer, but is our most expensive single medical-care problem; 1 out of every 2 hospital beds is occupied by the mentally ill; 900,000 patients are treated in mental hospitals each year.

The economic loss is fantastic. Direct burden of hospital care, plus advances to neuropsychiatric veterans, equals taxes of $1.1 billion annually; 40 percent of all disability discharges during World War II was for neuropsychiatric disorders. The important relationship of neuropsychiatric disorders to crime should be recognized. Again, research is the only possible answer.

The NIH budgets covering this area in recent years have been inadequate, but a sufficient beginning has been made to demonstrate the advisability of supporting this activity on a broader basis. Early active treatment of the mentally ill, although expensive, has proved to be an effective way of achieving a net reduction of costs. Some clarification of the factors underlying juvenile delinquency are now known. A possible biochemical basis for schizophrenia—the most common of the major psychoses—has been uncovered. A biochemical approach to the study of mental diseases already shows striking research opportunities.

At our hearings it was obvious that the Mental Health Institute has made just a beginning in its various areas of categorical responsibilities. The testimony brought out that these areas recently established could and should be pressed with more vigor. An increase in funds, aimed specifically at the research area, should make this possible. Testimony at our hearings indicates that such research should be on basic mechanisms in the laboratory, as well as on patient material in the clinic. Such distribution would appear to be the better part of wisdom.

THE NATIONAL HEART INSTITUTE

Heart disease is the leading cause of death, 800,000 in 1953. One out of each two deaths last year was due to cardiovascular disease. And not all of these deaths occur among the old—one-sixth of all deaths were in military ages from 20 to 39. One-third of all these deaths were in the productive years: 35 to 54. One billion dollars was paid in 1953 by insurance companies for heart-disease death claims. In addition to all this, it is obviously a leading cause of disability.

Again, in this field I am convinced that the problems of cardiovascular disease can only be ameliorated and solved through research, such as has been so successful to date under the auspices of the National Heart Institute.

As in the field of responsibility of the Cancer Institute, the present field under discussion has also given evidence of sound progress and continuing wide opportunity. A firm beginning of our understanding of the chemical basis of arteriosclerosis has been made. Cardiac surgery is now a reality. Rheumatic heart disease can now be prevented. Congestive heart failure can now be treated effectively and intelligently. New drugs are available to modify the course of hypertension.

Research in this area is required for a fundamental understanding of high blood pressure—for definite knowledge as to the cause, the prevention, and the modification of arteriosclerosis and consequent cerebral hemorrhage and coronary artery attack. More effective drugs are in prospect for the individual with high blood pressure, and ultimately a more thorough understanding is required of the basic mechanics underlying the failing heart, and the nervous and chemical control of the heart and the blood vessels. Active research now in progress in these areas should be pressed vigorously.

In conclusion, I wish to say that the gentleman from Rhode Island [Mr. FOGARTY] is particularly interested in seeing these amendments adopted. I can think of no better way of paying our respects to him than to adopt these amendments unanimously.

Mr. FOGARTY. Mr. Chairman, in view of the statement by the chairman of the committee, I am not going to make any remarks, but I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Chairman, I am deeply gratified that the Committee on Appropriations has agreed with my proposed amendment to increase appropriations for medical research. The committee deserves credit for reviewing their earlier action and proposing an increase of $4 million.

I will vote for the amendment, even though it does not provide the full funds that should be provided. The committee does not propose to increase the appropriation for support of research in arthritis, diabetes, and similar diseases. It does not provide funds to help in the construction of medical research laboratories. But the amendment moves us ahead, and that is my objective.

So long as I am a Member of this House, I shall press the case for medical research until this Nation can rest assured that every competent medical investigator has the funds he needs to do his work; that we are providing the Nation with an adequate pool of highly trained scientists for the years ahead, and that the scientists are working in facilities that enable them to advance their research most effectively.

This, in a nutshell, is what I consider the only sound national medical research policy. It would provide a program to carry out President Eisenhower's broad statement in his health message to the Congress of January 18, 1954:

> In such direct research programs, and in Public Health Service research grants to State and local governments and to private

research institutions, lies the hope of solving many of today's perplexing health problems.

I have fought consistently, over the past 8 years, to give the people of this Nation the medical research they want and need—the medical research that is the only hope for millions of sufferers from cancer, heart disease, arthritis, epilepsy, cerebral palsy, mental disorders, and muscular dystrophy.

This has been a battle against timidity and ignorance.

Year after year, Presidential advisers have prevailed upon the President to ask the Congress for medical research funds that have been consistently too low. This is where we have confronted timidity and limited vision. Time after time, I have urged the House to override these inadequate proposals, and the House on numerous occasions has done so. We are about to do so again. Through this series of actions, the House of Representatives has exercised real leadership in bringing into effect the most extensive and successful research attack on disease the world has ever seen.

We still have a long way to go, and the going will not be easy. The primary obstacle in the way of establishing a fully adequate national medical research program is ignorance.

I have had an exceptional opportunity over the past few years to discuss medical research at length with a wide cross-section of America's leading scientists and research physicians. While I cannot claim to understand the technical aspects of medical research, I have gained a profound respect for the complete and selfless dedication of these men, for their integrity, and for their competence, which will inevitably lead to a solution of today's baffling health problems. These men have taken the time to explain to me what is being accomplished and what the future may hold.

The significance of today's advances and of research possibilities has not been fully grasped by all the Members of the House nor by the American people. Those who are poorly informed fail to interpret the advances of research in terms of the prevention of disability and death for themselves, their families and friends, their own communities. But those who have been privileged with me to hear the full story at first hand know how vast the problems of disease are and what opportunity lies at hand to improve the health of the Nation by a scientific approach. When the meaning of research is understood in terms of lives saved and misery and pain relieved, then support of medical research will be viewed as a completely nonpartisan matter.

Failure to understand—ignorance of the facts—is more of a barrier to the establishment of a sound national program of medical research than is timidity. Ignorance of the facts is the major obstacle to improvement of our Nation's health.

Mr. Chairman, I am very happy to include in my remarks at this point a letter which I have received from one of the leading cardiologists in the world, Paul Dudley White, M. D., supporting increased appropriations for medical research, particularly research into diseases of the heart:

PAUL DUDLEY WHITE, M. D.,
Boston, Mass., May 26, 1954.

Congressman JOHN FOGARTY,
House of Representatives,
Washington, D. C.

Re the 1955 budget for the National Heart Institute:

DEAR MR. FOGARTY: I am sending to you herewith a more detailed account than we had the opportunity to present to the committee at the hearing yesterday of the use for research projects by the National Heart Institute of the additional $4,500,000 needed above the sum allowed by the Bureau of the Budget for 1955. The citizen's committee asked for $11 million; the Bureau of the Budget allocated $6,400,000; while the 1954 budget now in use has been $6,843,000.

The wonderfully effective program for the study and control of heart disease already bearing rich fruit would be seriously jeopardized unless we take advantage and meet the challenge of the heart diseases that are still devastating the citizens of this country. I would add that we are making full use of the funds already given for research in all the categories of cardiovascular disease but they do not nearly cover the needs. Most of the detailed studies referred to below are being currently worked on but some still need to be initiated or greatly expanded, particularly in the case of the 2 or 3 more important conditions. We have available the research workers and the places in which we know the work can be done.

Most vital of all is the field of coronary heart disease which is produced by an abnormality of the coronary arteries which supply the heart muscle with its blood. This abnormal condition is called atherosclerosis and it is responsible for the vast majority of cases of angina pectoris and coronary thrombosis commonly called heart attacks. We need to supplement our current funds for studies of this condition by $1,500,000 to $2 million. This disease can be produced, studied, and treated in animals (rabbits, dogs, and monkeys, for example) but such animal studies are difficult, time-consuming, and expensive. Biochemical, physiological, anthropological and clinical tests on man himself under varying conditions of life as to diet, exercise, climate, physical, and nervous strains, occupation, and race are badly needed and have received very little attention compared to what can and should be done. The important relationship of this disease to sex and the hormones needs much more study as well as does heredity. These sources of vital information have hardly been tapped, partly because of the fact that the problem only recently was considered too difficult, the disease itself and deaths therefrom being regarded as insoluble, because they were God's will. The early diagnosis of this serious disease needs much sharpening and the prognosis amplified. Treatment continues to be unsatisfactory but new clues are appearing which demand further trial of possible measures of treatment. Most important of all, of course, is prevention which is dependent on the types of research mentioned at the beginning of this paragraph.

For hypertension, that is, high blood pressure, at least $1 million extra are needed for several reasons: First, to study more intensively possible causes of high blood pressure, and there are a few clues appearing, and second, to test the effect of various methods of treatment in hypertensive patients. Fortunately, several measures have appeared, in particular now hypotensive drugs, to be added to the dietary and surgical treatment of the condition in severe cases. These new drugs of which there are many now are very promising. They include such preparations as hexamethonium, protoveratrine, rauwolfia serpentina, and apresoline, but for purification of these preparations and the synthesis of new preparations and their careful testing on animals and man the process is very arduous, time-consuming, and expensive. There is much light, however, beginning to appear in this problem.

For the further development of cardiovascular surgery, new money is needed in addition to what is being used now very profitably. For this purpose, I am sure that $500,000 can be used at once very profitably. We have a large number of young, very able, and ingenious surgeons concentrating on the heart who, every month or two, introduce new technics. They need much help in the way of new research funds for experimental work on animals before applying their technics to man.

One very much neglected field is that of the study of the cerebral circulation; that is, the blood vessels of the brain. A few studies are going on, but they are quite inadequate and as is well known, cerebrovascular attacks caused by embolism, thrombosis, or hemorrhage are very common, resulting in serious paralysis or death. At least, $250,000 additional could be expended in this field.

For further researches on the best ways of rehabilitation of cardiac patients—almost a virgin field—much new money is needed and there again at least $250,000 should be utilized at once.

One of the most important of all the special body tissues that has come under our wing, that is, under the National Heart Institute, is that of the blood. As mentioned yesterday by Dr. Jones, the minimum requirement for full utilization of the wonderful advances made by one group, namely, that of Dr. Cohn, of Boston and Cambridge, amounts to several hundred thousand dollars annually. There is inadequate support at the present time or further development of this vital research locally. Other blood studies through the country would increase to $1 million our new requirements for blood research.

Perhaps most important of all is basic research, biochemical, physical, and physiological, which is at the root of advances in many fields. Because of the fact that much of this study does not have an immediate application, this field is unhappily not adequately supported. For the further development of such basic research, $500,000 extra would be needed yearly.

Finally, still further money should be spent in the amplification of our researches in congenital heart disease, rheumatic heart disease, pulmonary heart disease, kidney arterial disease, neurocirculatory asthenia, and the range of the normal. These various conditions together should have an increase of $500,000 to $1 million.

Adding up these sums which are actually conservative figures, we have a total of $5,500,000 to $6,500,000. It is evident then that the $4,600,000 additional money asked for research projects is well within the minimum needs of expansion but, of course, if this sum cannot be given, lesser amounts will still be invaluable.

Thank you for your kind consideration of our testimony.

Sincerely yours,

PAUL D. WHITE.

What are the facts?

Let me mention a few concerning diseases of the nervous system, which afflict to some degree 1 out of every 8 Americans. Cerebral palsy results in uncontrolled jerking of limbs and facial muscles, while leaving the reasoning functions of the brain at full strength. Epileptics are subject to what is known as seizures—fits that may occur at rare intervals or several times a day. The in-

telligence of sufferers from epilepsy remains unimpaired, but they are denied the opportunity to work and use their minds because of their physical affliction. Muscular dystrophy causes muscles to wither and cease functioning. Multiple sclerosis belongs to this same general family of diseases. It is an obscure disease of the nervous system that appears gradually, progresses, and at times almost disappears. But over the long run, it disables and cripples as parts of the nervous system degenerate, leaving its victims ultimately helpless.

This is one of the diseases for which there is now no cure, and years of work may be required before the whole picture becomes clear. But meanwhile, research is being pushed ahead on a larger scale than at any time in our history. Five years ago, total research expenditures on this disease totaled $30,000; now the level is $300,000. Leads are developing. A team of scientists has been sent to Guam to determine precisely why a disease like multiple sclerosis—Lou Gehrig's disease—is 50 times more prevalent there than in this country. If they can find what it is in diet, environment, or inherited characteristics of those people that makes them so susceptible, we may have a lead to the origins of this group of neurological diseases. I had a part in increasing the level of support for research on multiple sclerosis and the related diseases, and I intend to press for further support as the work now in progress develops new clues and new approaches. By and large, the neurological diseases cripple and destroy the essence of life without killing their victims.

The plight of the victims of these diseases was made terribly clear to me in testimony over the years. The research story until recently has been one of spasmodic effort, lack of interest, and very slow progress. It was tremendously exciting to me, then, to hear in recent testimony before the subcommittee that at last a break in the wall has been found. It was gratifying to me personally and as a Member of Congress to find that this breakthrough developed in one of the institutes recently established by Congress, and that it was made possible in part by the unusual combination of research talent and research facilities in which we have all had a hand. I refer, of course, to the clinical center at the National Institutes of Health, which has been in operation less than a year.

There, in the clinical center, a research team of the National Institute of Neurological Diseases and Blindness has come up with an extremely promising lead in the research battle against epilepsy. There is reason to believe that the major defect in epilepsy is a chemical deficiency in the brain, and that epileptic seizures can be controlled by the replacement of this substance in the brain tissues in the affected area.

It will take time and money and patience to follow up this lead. Now, the Members of Congress will be interested to know that the budget submitted to the subcommittee did not contain sufficient funds to do this fully and rapidly. There followed, however, one of the gratifying experiences that can typify service on congressional committees that deal directly with programs that touch the very heart of the American people.

I became acutely aware of the import of this work as it was described to us by Dr. Pearce Bailey, director of the Neurological Institute. My interest spread to other members of the subcommittee. As a direct result, the committee report contains sizable additional funds for this Institute to prosecute these studies to the fullest extent, in order to bring the possible benefits of this research to the point of practical application without delay. For those of you who are essentially economy minded, it should be said that if this single research finding is confirmed, the cost of the clinical center facility—estimated at roughly $60 million—may be repaid many times over. I know of no better illustration of the ways in which the Congress can work to assure the direction of Federal programs toward the public interest.

It became evident from the testimony of the same witness that the budget as submitted would permit no reasonable research effort in the whole field of blindness, although 300,000 Americans today are totally blind and an equal number are partially or almost totally so. This serious omission was also rectified in part through an addition to that Institute's budget.

Such a pattern as I have just described was repeated over and over in the programs of the National Institutes of Health. As I probed into the testimony of each witness, and ascertained the facts that lay behind the budget presentations, I found in every case significant areas in which essential work was not being done because of a shortage of funds, and at the same time significant areas of research progress which confirmed my belief that the investment in medical research is good economy as well as good for the American people.

Another area highlighted in the testimony was atherosclerosis, the major form of hardening of the arteries. A great killer and disabler, atherosclerosis causes strokes, heart attacks, and much of the mental disturbance among older persons. Three quarters of a million deaths in 1950 resulted from cardiovascular diseases, and of these, approximately 75 percent were the direct or indirect result of this condition. The Heart Institute has conducted and supported significant studies implicating a fatty substance in the blood called cholesterol, as a possible cause of atherosclerosis, and have found a complex called the "clearing factor" which seems very promising in its ability to facilitate the handling of fatty molecules in the blood stream.

As many of you know, diabetes can be controlled by insulin and diet in many cases, but there is a lot that needs to be done in research laboratories before we have the knowledge to prevent or cure this disease. There are more than a million known diabetics in this country today. At the National Institutes of Health, important studies are already giving us new knowledge about how insulin acts, what happens to sugars and fats in the body, and how the disease may be related to the nervous system. Some new studies in the clinical center are concentrating on the influence of fat and carbohydrate levels of the diet in the prevention of a condition that leads to diabetic coma.

I do not need to tell you of the problem of major proportions that is represented by mental illness. About 50 percent of the patients resident in State mental hospitals suffer from the mental illness known as schizophrenia. Most of them come to the hospital at an early age; they stay an average of 10 years. When it is realized that the State hospitals care for 86 percent of the hospitalized mentally ill, you can see the magnitude of the tragedy reflected in these figures on schizophrenic patients. In the Clinical Center, the National Institute of Mental Health is making one of the first integrated research attacks on this problem in the whole United States. The institute scientists have a promising lead in a drug known as lysergic acid, which produces in normal human beings a temporary condition comparable to that found in schizophrenia, permitting the disease to be studied under highly controlled conditions.

Arthritis and rheumatism, to cite another example, afflict approximately 10 million people in the United States. Rheumatoid arthritis, the most serious form, often leads to crippling deformities. The diagnosis of this disease is often difficult, but in the Clinical Center a test has been developed, based on the discovery that the blood of rheumatoid arthritis patients contains a substance that causes clumping of the red blood cells of sheep. Further work along these lines is needed if the test is to be made sufficiently accurate and practical for application in hospitals, clinics, or the office of the physician.

Another fact brought out by this testimony concerns the dreaded, fatal disease leukemia—cancer of the white blood cells. The cause of leukemia is entirely unknown. But scientists of the National Cancer Institute discovered recently that the thymus gland—a little-understood organ in the chest—may play an important role in leukemia development. Remove the thymus gland from mice that would ordinarily inherit leukemia, and the disease is retarded or prevented. Transplant thymic tissue from these mice to those of a leukemia-resistant strain, and the disease increases among the latter. This is only one of dozens of important clues that could lead to a major breakthrough in the cancer problem—with sufficient research support.

What is at stake here is literally a matter of life or death for hundreds of thousands of Americans—including some of us who are here today on the floor of the House of Representatives.

I have tried to understand why some Members of Congress have been reluctant to press aggressively for a sound national medical research program. This reluctance cannot be simply a desire for economy. Expenditures in medical research are a long-range but gilt-edged investment. They pay dividends in dollars at a rate beyond the comprehension of investment brokers. They pay dividends in human terms that are

more important than dollars to the strength and permanent well-being of our Nation.

This reluctance is not a matter of politics. The health of the American people is not an area where conflicting partisan interests have a place. I am reminded that last year, the first Eisenhower budget for the National Institutes of Health was just over $65 million. As a result of House and Senate action, that was raised to $71 million. Clearly, the elected representatives of the people felt that increased support of medical research was in the public interest. I am reminded, too, that the total appropriation for this important and productive research program has increased steadily each year since 1946—including the 2 years of the 80th Congress.

The reason for holding back on support of medical research cannot come from fear of bigness in the Federal Government. Federal support of medical research in the Nation's medical schools, universities, and other non-Federal research centers has brought new vitality to research throughout the Nation. Substantial increases for the laboratories of the National Institutes of Health themselves have been concentrated in two worthwhile areas. The first is expansion of the neglected field of neurology. The second, progress toward full use of the Nation's new and magnificent medical research laboratory—the Clinical Center at the National Institutes of Health.

Finally, it is inconceivable to me that any of my colleagues could fail to support this vital health program simply because they are not particularly interested in the havoc caused by disease, one of our principal enemies from within.

The immediate question is support of the amendment to increase by $4 million the appropriation for the National Institutes of Health, so that it can increase its research grants by that amount for the research fight against cancer, heart disease, mental disorders, and neurological diseases.

The long-range question is not our willingness to accept this amendment, which I am sure we will adopt. The main question is whether we have the vision and courage to act boldly and consistently, year after year, to create the national medical research program worthy of this Nation and its people.

I, for one, will seize every opportunity to make such a program a reality.

I fought in the committee for an additional $750,000 for research on epilepsy. I obtained an additional $400,000 for research on problems of blindness. I insisted that $1 million be added to each of the appropriations for research on heart disease, on cancer, on neurological diseases—epilepsy, muscular dystrophy, multiple sclerosis, cerebral palsy—and on mental disorders.

This is a skirmish in the campaign. It is an advance. It is not a large-scale advance, but this is the way progress comes.

I will fight for advances year by year until every resource that can be brought to bear on the great killers is committed to the battle.

Mr. Chairman, I ask unanimous consent that all Members may revise and extend their remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. ROONEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do this for the purpose of complimenting the chairman and the members of the subcommittee, and particularly the gentleman from Rhode Island [Mr. FOGARTY], for their action in increasing by $4 million the amounts for the four Institutes of Health mentioned in the committee amendment offered by the gentleman from Illinois [Mr. BUSBEY] which is now pending.

I know of no wiser way for us to expend any part of the taxpayers' money than to add $1 million each to the appropriations for the National Cancer Institute, the National Heart Institute, the National Institute of Mental Health, and the National Institute of Neurological Diseases and Blindness. Cancer is killing almost a quarter of a million Americans every year. The most widespread destroyer of life in the United States today is a group of diseases called cardiovascular, involving the heart and the arteries and which may also affect the brain and kidneys. They cause more than half of all the deaths in the Nation. Each year, more than three-quarters of a million Americans must receive mental hospital care. Each year, 22,000 of us lose our sight. And we simply must have adequate medical research into such terrible afflictions as epilepsy and cerebral palsy, multiple sclerosis, muscular dystrophy, and Parkinson's disease.

Mr. Chairman, I should like to read to the House the following paragraph from Public Affairs Pamphlet No. 201 entitled "Medical Research May Save Your Life" by Gilbert Cant:

It is literally impossible to estimate, let alone to overestimate, how much it will mean to humanity when medical science succeeds in banishing such terms as "cardiac cripple," "cancer victim," and "mental patient" from our everyday speech and relegating them to medical textbooks alongside yellow fever and diphtheria. But we know, though we cannot measure, the emotional costs of continued failure to reach this goal. And to some extent we can compute the economic costs. We know, for example, that as a result of the 15-percent decline in the death rate from 1937 to 1952, the earning power of the American people in 1 year alone was increased by almost $3 billion. And the Government thereby gained over $477 million in taxes in 1 year alone.

The following recent article by George Gallup, director, American Institute of Public Opinion, which I shall include in my extension of remarks, indicates that the public overwhelmingly favors more Federal funds to study cancer:

WOULD BE WILLING TO PAY MORE TAXES TO PROVIDE $100 MILLION TO STUDY CANCER PREVENTION, CURE

(By George Gallup, director, American Institute of Public Opinion)

PRINCETON, N. J., April 29.—The American public would favor an increase of at least five times the amount now appropriated by Congress for the study and treatment of the disease which ranks second only to heart trouble as a cause of death—cancer.

And a majority is even willing to see taxes increased to provide the money.

These facts are disclosed in coast-to-coast questioning of the public by Institute reporters. Interviewing took place during mid-April, first set aside by President Roosevelt as Cancer Month.

The National Cancer Institute, conducted by the Federal Government, received an appropriation of $20,237,000 from Congress in 1953.

Today's survey finds that almost 8 out of 10 adults (79 percent) would be willing to see the Government spend $100 million for cancer study and control.

Public reaction was tested in the following manner:

"Would you approve or disapprove of having the Government spend $100 million to find possible ways of preventing or curing cancer in this country?"

The vote:

	Percent
Approve	79
Disapprove	16
No opinion	5
Total	100

Those who approved were then asked:

"Would you be willing to pay more taxes to provide this money?"

	Percent
Yes	62
No	13
No opinion	4
Approving	79

Approval of the idea was found among all major groups in the population. Men and women of all ages and in all levels of society favored a $100 million appropriation by majorities ranging from 72 to 83 percent.

Of interest is the fact that persons who had attended high school or grade school are somewhat more in favor than are those who attended college.

Of interest is the fact that persons who had attended high school or grade school are somewhat more in favor than are those who attended college.

Roughly 6 out of every 10 in all population groups indicated their willingness to pay higher taxes for the purpose.

As a matter of fact, there is evidence that the country would be willing to see a congressional appropriation for cancer research of twice the amount proposed in today's survey.

In 1945, and again in 1946, the institute polled the Nation on the suggestion of a $200 million appropriation, the money to be raised by additional taxation, as follows:

"Should Congress pass a law which would provide $200 million for the study and treatment of cancer in this country?"

The trend:

	1945 Percent	1946 Percent
Yes	81	82
No	10	11
No opinion	9	7
Total	100	100

A majority in both surveys said they would be willing to pay additional taxes to support the program, although the number in 1946 was somewhat smaller than in 1945.

In addition to the Government's program, the American Cancer Society raised more than $19 million last year to combat the disease. The society's 1954 cancer crusade is being conducted this month.

According to the United States Public Health Service, the latest available estimate shows that 224,130 people died of cancer in 1952. The figure is based on a 10-percent sample of death certificates.

Mr. Chairman, while I have the floor I shall take advantage of the opportunity to point out, as was more eloquently pointed out here on the floor yesterday by the esteemed gentleman from Texas [Mr. RAYBURN] and many other distinguished Members, that no Member of this House has ever been more diligent and conscientious in carrying out his duties on the Committee on Appropriations than has been the respected gentleman from Rhode Island [Mr. FOGARTY] during all of the past 8 years.

Eight years ago, my friend JOHN FOGARTY became a member of our committee and was assigned to what was then known as the Labor Department-Federal Security Agency Subcommittee, now known as the Labor-Health, Education, and Welfare Departments Subcommittee. He has assiduously applied himself to this bill and the work of this subcommittee ever since.

We all know of John's unfortunate illness last year, directly brought on by many months of tiring work on the Committee on Appropriations and on this very appropriation bill. Thank God today for his recovery. He was the highly capable chairman of this subcommittee from 1949 to 1952. He succeeded, as chairman, the late distinguished gentleman from Wisconsin, Frank Keefe, who also suffered illness as the result of his tremendous work on the Appropriations Committee. Frank Keefe had been a vigorous man who placed first above all his activities in the House the matter of sufficient appropriations for the Public Health Service and the National Institutes of Health. He and I differed many times, and most vigorously, as many here will recall, but never with regard to the Public Health Service or the National Institutes of Health.

JOHN FOGARTY, who participated in the original planning, the acquisition of the land, and the first allowances of funds for the Clinical Center of the National Institutes of Health, the $60 million project built out here at Bethesda, has been a great successor to the late Frank Keefe, of Wisconsin. As chairman and as the ranking minority member of this subcommittee he has been the veritable leader in Congress in the field of public health. Due to his efforts and the remarks which he made not only in general debate the day before yesterday but last Friday morning before the full Committee on Appropriations, we now have a committee amendment to the bill increasing by $4 million the funds for the National Cancer Institute, the National Heart Institute, the National Institute of Mental Health, and the National Institute of Neurological Diseases and Blindness, which I trust and am sure will be promptly adopted.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Illinois [Mr. BUSBEY].

The amendments were agreed to.

Mr. BUSBEY. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as having been read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. JAVITS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JAVITS: On page 27, line 2, strike out "$1,525,000" and insert "$1,690,000."

Mr. JAVITS. Mr. Chairman, the purpose of this amendment is to add $165,000 to the appropriation for the Children's Bureau to enable the Children's Bureau to coordinate the activities of States and cities in the country with respect to juvenile delinquency.

I do not think anybody here needs to be convinced about what has been happening to that field. We have had some very serious setbacks in terms of the amenability of youth to law, and this is but the extreme indication of the difficulties of adjustment and outlook under which young people labor today. This has been found by many who have investigated the subject. It has been thoroughly looked into in the other body by a subcommittee under the chairmanship of our colleague the gentleman from New Jersey, Mr. HENDRICKSON. The magazines and newspapers have been full of it. Youth's problems today have been attributed to the difficulties and frustrations faced by youth in this A-bomb and H-bomb age following World War II.

We have 43 million boys and girls under 18 in our country. Of these 1 million come to the attention of the police every year. We spend about $25 billion annually in this country to fight crime.

The effort here is, with a very modest expenditure, to help deal with that situation in a modern and enlightened way.

This is a subject that should very seriously interest every Member of the House. I would like, also, to mention this to the House parenthetically—this expenditure of $165,000 is on its way through the Bureau of the Budget now for approval.

There is always a lot of complaint here about the fact that some very desirable things fall to the other body because it acts on bills, appropriation bills particularly, after we do. Here is a situation which is on its way to the other body through the Budget Bureau, and which is going as an administration supplemental request, and will come through later after we act on this bill, unless we act on this amendment now. That is my principal reason for offering it to the House.

Dr. Eliot said that this modest expenditure of $165,000 will provide an opportunity for the Children's Bureau to do the following:

To strengthen their advice on juvenile court problems, probation work, police problems, and problems of the training schools, detention homes, and problems related to special types of service that are being developed in one community or another about youth. (P. 44 of hearings.)

Mr. Chairman, there are many youth commissions in many States, and I should like to name some: Arkansas, California, Colorado, Connecticut, Kansas, Louisiana, Michigan, Minnesota, Mississippi, North Dakota, Oklahoma, Oregon, Washington, Wisconsin, and Wyoming.

All have youth commissions. The job which can be done on the national level in coordinating the work of these commissions and seeing that they exchange information which each has for the other and the experience which each has for the other represents the first and a very modest step in the acceptance of the responsibility for this very grave problem of youth adjustment and of juvenile delinquency on the national level, where it properly belongs.

I think all of us must answer to our own consciences in terms of what is going on with the young people of our country unless we are prepared to equip an agency which is already active and has enormous experience in that field, where we would be building on a foundation already established, not a new one, to help the States and the cities to do the job that needs to be done if our youth are to be adequately assisted by Government.

I think we are all aware of the drastic increase in the crime of stealing automobiles, for instance, which has occurred in the youth field, also in vandalism and other similar occurrences around the country. It is necessary to direct attention to the fact that something can be done about it in the national establishment at a very modest cost. The place to do it is right here and now in respect to this particular appropriation for the Children's Bureau.

It is amply justified at page 442 of the hearings, where this very subject was covered, where the $165,000 was referred to and where Dr. Eliot, the distinguished head of the Children's Bureau, described what could be and would be done effectively with that money. Indeed the subcommittee on youth of the other body it appears has given a basis for support to exactly that program urged by Dr. Eliot.

Mr. BUSBEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes, the last 3½ minutes to be reserved to the chairman of the subcommittee.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentlewoman from Idaho [Mrs. PFOST].

Mrs. PFOST. Mr. Chairman, juvenile delinquency has risen again for the fifth consecutive year. The Federal Government must take some responsibility, and some leadership in helping the States and communities to meet the alarming growth in crime and serious misbehavior among our youth.

The need for Federal assistance in combatting the rising tide of juvenile delinquency is the theme of the interim report recently issued by the Senate Subcommittee on Juvenile Delinquency, which is ably chairmaned by Senator HENDRICKSON, of New Jersey.

My mail indicates that the people in my congressional district are also

concerned about the great increase of delinquency among children, and are looking to Congress to provide them with some help in organizing their own resources to combat it.

I am sure the people of my congressional district are no different than the people elsewhere in the country. I understand also that the President has a request on its way to Congress asking that the 1955 budget be increased $165,000 to enable the Children's Bureau to send trained workers into the field to assist the training schools, police, and probation officers, and to give aid to other agencies dealing with delinquent children. It is my understanding that the money will also finance some much needed research.

Mr. Chairman, I should like to urge that this important amendment be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. YATES].

Mr. YATES. I, too, rise in support of the Javits amendment. Today we are caught in a world in which the conditions in which we live instill and aggravate any sense of insecurity which we, as adults, might have, let alone the insecurity in which our children live. Our children never have had any feeling of real security. They have been brought into a world torn by war and torn by oppression which we never experienced when we ourselves were children. They have been tossed about in the turmoil of the war in Korea. They are bombarded daily with doubts and fears about communism, by the possibility of the draft, and by the rapid change in economic conditions. Is there any wonder then that children break under the tensions in which they find themselves?

I personally believe that this problem is essentially a local one, that it must be solved primarily in the homes and in the neighborhood. Never before have we had greater need for the mobilization of all the social forces for good which exist in the local community. Nevertheless, the fact remains that the goals which we seek on a local level can be helped greatly by coordination with activities on a national level. I believe this amendment is really a necessary one.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield.

Mr. JAVITS. As a matter of fact, the Senate Subcommittee on Juvenile Delinquency, headed by Senator HENDRICKSON, has asked, and I quote, "That funds be made available to enlarge the consultative services of the Children's Bureau in relation to the problems of juvenile delinquency," and that is exactly the basis for this amendment.

Mr. YATES. I think it is a very good idea. Our ultimate goal must be a good family life. We must try to protect our children before they are hurt. What we are seeking to do is to help the children before they are hurt rather than punishing them after they become delinquents. I think this amendment will help.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield.

Mr. ROONEY. I rise to compliment the gentleman from Illinois as well as the gentleman from New York [Mr. JAVITS] and the gentlewoman from Idaho [Mrs. PROST] on their arguments on behalf of the pending amendment. The distinguished gentleman from Illinois offered a similar amendment to this bill when it was considered in the full Committee on Appropriations last Friday. I do trust that the amendment will now prevail.

Mr. YATES. I thank the gentleman.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield.

Mr. HOFFMAN of Michigan. Does the gentleman believe that the parents are so unmindful and incompetent and incapable in taking care of their own children and of instructing them that we must call upon the Federal Government or somebody appointed by the Federal Government or someone in the Government to go down and tell them how to behave?

Mr. YATES. I do not think that is contemplated by this amendment. Parents must take care of their own children and they bear the primary responsibility for bringing them up properly. The family unit is still the basis for our entire society and must be preserved and protected. The fact remains, however, that an increasing number of children are becoming delinquent. Local communities all over the country are becoming overburdened with the increasing number of juvenile cases. As I understand this amendment, it seeks only to coordinate the activities of local governments in trying to help prevent children from becoming delinquent and helping those who have gone astray. There are fundamental social services that have to be performed on a national level.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. BUSBEY].

Mr. BUSBEY. Mr. Chairman, we are all in accord with the objectives of the amendment offered by the gentleman from New York [Mr. JAVITS].

Over a month ago Dr. Eliot, head of the Children's Bureau, testified before our committee that this problem is being studied at a high level in the White House, and she thought that a supplemental request for this particular activity would be submitted to the Congress in the near future. I think we should wait until the proposition is submitted to us, because we will then have the benefit of their study and their findings. Then, we can consider their request in the regular, established manner, rather than at this time before we have any definite program to act on.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Illinois.

Mr. YATES. Did not the hearings disclose that Dr. Eliot has stated that this was a necessary appropriation and that it would be placed before the Congress at a later date? The amendment offered by the gentleman from New York [Mr. JAVITS] does nothing but what the Children's Bureau has requested. Is that not true?

Mr. BUSBEY. I do not disagree with the gentleman that it is a necessary thing, but I want to handle it in the regular way and in an orderly manner. I think we will have it in a supplemental request before long and then we will have the benefit of all the thinking and planning that goes into setting up a program of this importance. For that reason, I hope the amendment will not be adopted at this time.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield.

Mr. JAVITS. As a matter of fact, it is going through the Bureau of the Budget. It is going to go to the other body and they will act on it. That is exactly what I said in my remarks, and we might as well recognize the actualities and do the things that need to be done here instead of leaving it to the other side to do the good things.

Mr. BUSBEY. I do not believe it makes much difference which side first acts on the request. The fundamental thing is the problem itself, and the program to solve the problem. That is what we are interested in. I do not care whether the Senate acts first or not.

Mr. JAVITS. It will enormously accelerate meeting the problem if we act on it now and know what the amount is.

Mr. BUSBEY. We do not know what amount will be required for this program. It may be $100,000, or it may be $200,000. Dr. Eliot's estimate was made over a month ago and before a review by the Bureau of the Budget. We do not know what it is now.

Mr. JAVITS. She gave the number of jobs; she gave the number of man-hours, and she said exactly what it would do.

Mr. BUSBEY. Oh, she is all set up ready to go; I will admit that, but she has not been given the green light. I think she should wait until she gets the green light.

Mr. JAVITS. I think we ought to give it to her.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield.

Mr. ROONEY. I wonder if the gentleman might not consider having the committee adopt this amendment. It is just a matter of peanuts. The committee claimed a saving of $16,339,250 in the budget estimates. According to my figures, $21,303,750 in amendments have now been added to the bill.

Mr. BUSBEY. Mr. Chairman, I do not yield further.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from New York [Mr. JAVITS].

The question was taken; and on a division (demanded by Mr. JAVITS) there were—ayes 35, noes 86.

So the amendment was rejected.

Mr. McCONNELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCONNELL: On page 34, line 3, strike out "$3,000,000" and insert in lieu thereof "$3,124,000."

Mr. McCONNELL. Mr. Chairman, the Bureau of the Budget recommended an amount of $3,170,000 for the operation of the Federal Mediation-Conciliation Service for the fiscal year 1955. The

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Appropriations Committee cut that figure down to $3 million.

Last year, fiscal year 1954, the Federal Mediation-Conciliation Service had appropriations totaling $3,200,000. By economies, they are planning to return at the end of this fiscal year, 1954, $50,000 to the Treasury which they will not spend. They have done that through strict economy; they have reduced the number of mediators from 240 to 225; they have cut the number of regions from 12 to 8, to effect a savings of approximately $72,000. They have made other changes to effect savings in operations. They feel that a further cut below the figure which I have submitted here, $3,124,000, would seriously impair the effectiveness of that service.

I have not always been in accord with the operations of certain of our bureaus dealing with labor-management relations, as you know. I do believe, however, that the Federal Mediation and Conciliation Service performs one of the finest jobs and services in the field of labor-management relations.

There are two important parts of their services I would like to call specifically to your attention: One of them is to assist in getting a plant in operation which is struck and closed down. A closed plant makes no profits from which to pay taxes. I wish to emphasize again that the one service that has more to do with the opening up of a struck plant than any other is the Federal Mediation and Conciliation Service. The second part of their activities which I like has to do with prevention of strikes. It would be very good if in the course of labor-management relations we could prevent walkouts and shutdowns.

The Department's Mediation and Conciliation Service has embarked on a program that might be called "preventive action"; in other words, mediators and conciliators go into the different plants, talk to the management and to the labor groups, and seek if possible to avoid a continuance or a widening of differences that occur, in the hope and in the expectation that they will avoid actual shutdowns of plants.

I feel that these two types of activities are vital in the efficient functioning of our industrial system which is so important at a time like this when our national security is threatened with serious international tensions.

You may ask: Why do we not request the full restoration to the $3,170,000 mentioned by the Federal Bureau of the Budget? The Department itself feels that they can through economies in their operations absorb an additional amount which will enable them to get along with $3,124,000; in other words, they will absorb a cut below the figure advocated by the Bureau of the Budget in the amount of $46,000.

I have been in touch with the head of the service, Mr. McCoy, who is cooperating on the figure of $3,124,000; and if he secures that he will be relatively satisfied.

What I am asking in this amendment is to restore $124,000 of the $170,000 cut that was made below Bureau of the Budget's recommended $3,170,000.

Mr. FOGARTY. Mr. Chairman, I am greatly disappointed that no funds have been provided in this bill for construction of research facilities. The Department did not submit a figure for construction needs but there was ample testimony of the requirements throughout the country for funds to build the laboratories in which work and discoveries would be made in the various fields of medicine represented by the Institutes of Public Health.

As a matter of fact, the Senate committee, the counterpart to our own, requested the Department last year to make a survey of research construction needs. That survey was completed after the executive budget had been prepared for fiscal year 1955.

It showed information had been collected from 96—39 States—of the 123 institutions which had previously requested Public Health Service construction grants in the amount of $107,210,902. In addition 23 institutions because of the pressure of time, did not submit information early enough to be incorporated in the material assembled. These institutions had previously indicated a need for $47,085,312. A total of $154,296,214 has therefore been requested for construction grants for research purposes.

The 96 institutions replying indicate the following distribution among the categorical diseases:

Arthritis and metabolic diseases, 53 institutions, totaling $16,469,954.

Cancer, 45 institutions, totaling $22,138,654.

Dental, 36 institutions, totaling $9,143,008.

Heart, 74 institutions, totaling $25,852,214.

Mental health, 40 institutions, totaling $14,538,243.

Neurological diseases and blindness, including rehabilitation, 52 institutions, totaling $19,068,829.

The 23 institutions had indicated a distribution as follows:

Arthritis and metabolic diseases, 9 institutions, totaling $6,999,500.

Cancer, 16 institutions, totaling $7,302,587.

Dental, 5 institutions, totaling $3,701,330.

Heart, 19 institutions, totaling $10,156,727.

Mental health, 11 institutions, totaling $5,299,428.

Neurological diseases and blindness, 11 institutions, totaling $13,625,740.

I regret that it was not possible for the House to consider these needs but I hope that when the Senate acts, with a full statement of research construction requirements before it, it will provide funds in reasonable amounts. I shall strive to maintain in conference any construction funds the Senate votes because I think it is one of the soundest investments we can make. One of the witnesses testifying in behalf of cancer needs this year, James S. Adams of New York, referring to construction funds granted in 1947 and 1948 said:

I am glad to tell you that the expectation that this would attract other funds was fully realized. For every Government dollar, six additional dollars have come from private and other local sources, so that with $16,303,000 of Federal funds there has been nearly $100 million of additional funds, or a total building program of upwards of $120 million resulting.

The $16,303,000 was allocated to 55 different construction projects and 49 institutions in 27 States and substantially all of the projects have been completed. However, there has been no appropriation for construction in 1951, 1952, 1953 or 1954, although we have advocated the completion of this program in each of the last 4 years.

At the present time there are on file with the National Cancer Institute requests for construction grants from 61 institutions totalling over $29 million. These institutions are located in 29 States and the District of Columbia. Our information is that many of these projects could start immediately were funds available and that all of them could be underway within 12 months. As a start on this backlog we advocate a construction appropriation of $6 million for fiscal 1955. This we believe is necessary in order that we may consolidate the gains which have already been made in this fight against cancer and so that we may wage the battle on an ever-expanding scale until victory is achieved.

Other witnesses testified along the same lines, and I am constrained to feel when I am told by an eminent banker that a specific financial result is obtained that as a banker we can take his word. I know of no other area of appropriations where the expenditure of a dollar by the Federal Government produces six additional dollars for other sources, and I, therefore, believe and hope that we will be able to do something about construction together with the Senate before this bill becomes law. I also hope that in the coming year the Department of Health, Education, and Welfare gives this problem its attention and comes to us for fiscal year 1956 with a clear and careful appraisal of construction needs and a sound request in terms of funds.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. McCONNELL].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 80, noes 33.

So the amendment was agreed to.

Mr. BUSBEY. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NICHOLSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9447) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related independent agencies, for the fiscal year ending June 30, 1955, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. BUSBEY. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPECIAL ORDERS GRANTED

Mr. RABAUT (at the request of Mr. FOGARTY) was given permission to address the House for 5 minutes today, following any special orders heretofore entered.

Mr. EBERHARTER asked and was given permission to address the House today for 15 minutes, following any special orders heretofore entered.

COMMITTEE ON RULES

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file rule and resolutions.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

MRS. KATHERINE L. SEWELL

Mr. JONAS of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1331) for the relief of Mrs. Katherine L. Sewell, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "$10,000" and insert "$5,000."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

NONSEGREGATED HOUSING KICKBACKS

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. POWELL] is recognized for 15 minutes.

Mr. POWELL. Mr. Speaker, I want to bring before the House and before the American public a shocking state of affairs in connection with Federal housing. It has come to my attention within the past weeks that there is a movement on behalf of institutions that lend money for Federal housing projects to demand and they do obtain a 5 percent kickback on mortgage money loaned to builders who build housing projects for Negroes or housing projects that are nonsegregated. I did not believe this when I first heard it, but I have made investigations. I have talked with two builders. One particular builder, Mr. Ingolia of Freeport, Long Island, is ready now to build 1,000 housing units on a nonsegregated basis. He has gone to several bankers to obtain this money. These are Federally guaranteed mortgages, but each bank says, "We will lend the money if you give us a 5-percent kickback."

In other words, in order to build decent housing under our Federal Housing Act, for American citizens, just because a builder refuses to make this housing project a lily-white housing project, he will have to pay one-third of a million dollars to practice democracy or charge the buyers $350 more. This is a tax on being black. This must be changed. Our present law does not prohibit it. I believe that the Federal Housing Administrator, Mr. Cole, can put through some type of an order which will guarantee that this un-American, reprehensible practice of 5-percent kickbacks shall be done away with. An investigation should be made and a policy adopted.

There is one housing project in New York City, for instance, the Dorie Miller housing project, which carries a mortgage of almost $3 million. The builders of this project under title 213, governing cooperative housing projects, went to 12 different banks asking for first-mortgage money, Government-guaranteed of course. They were either refused, or asked to pay $150,000 in kickbacks to the bank before they could be given the mortgage money. Only one bank in New York decided to act the American way. That was the Drydock Savings Bank at 59th Street and Lexington Avenue, Mr. Thurman Lee, president.

Now you may not approve of the word "kickback" but whatever it is called it amounts to the same thing.

The facts which I have before me reveal this shocking condition line by line and verse by verse. I trust that something will be done in this body when it prepares legislation next year, and that something will be done now in the office of the Federal Housing Administrator.

HARMONY: BARBERSHOP QUARTET STYLE

The SPEAKER pro tempore (Mr. CANFIELD). Under the previous order of the House, the gentleman from Michigan [Mr. RABAUT] is recognized for 5 minutes.

Mr. RABAUT. Mr. Speaker, it was my pleasure on Tuesday last to join the members of the Sertoma Club of Washington for a most harmonious luncheon, marked by the presentation of an official welcome from the District Government to 400 barbershop quartet harmonizers conventioning this weekend in the Nation's Capital. At that time, there was the presentation of the official Harmony Week proclamation by District Commissioner Renah F. Camalier, himself a Sertoman. The celebration was punctuated by the melodious singing of championship barbershop quartets.

Mr. Speaker MARTIN, as an honorary member of Sertoma, you may be proud of the deep consciousness of civic responsibility of your club as well as the musical accomplishments of its membership, a large number of whom are also serving on the host committee for the barbershop quartet convention and contests.

As you will recall, Mr. Speaker, the date of the founding of the club was January 30, on which occasion you were the charter night orator and were inducted into honorary membership. It was gratifying to learn that the club adopted then the Rabaut "Under God" bill, House Joint Resolution 243, and has faithfully followed the wording of the revised pledge of allegiance at nearly a score of its regular Tuesday luncheons.

At Tuesday's harmony luncheon, it was my pleasure to lead the audience of nearly 200 Sertomans and Barbershop Quartet Society members in the revised pledge, which the President is expected to sign into law very soon.

Sertoman President Edward Place, a native-born son of your Massachusetts district, will lead a delegation of his club members to the Sertoma international convention at Asheville, N. C., June 22–26, and will submit a resolution for the adoption of the revised pledge by more than 185 Sertoma Clubs throughout the Nation, including the Compton, Calif., Sertoma Club, of which our colleague the gentleman from California, Hon. CLYDE DOYLE, is an honorary member.

Coming as I do from Detroit, the headquarters city of the Society for the Preservation and Encouragement of Barbershop Quartet Singing in America, Inc., I wish to invite my colleagues to visit the Hotel Statler woodshed during the next few days to hear quartets from every State in the Union and the Provinces of Canada. I recommend the woodshed because the six sessions in Constitution Hall have been sold out for months to the harmony-hungry harmonizers from here to the Golden Gate.

I would remind my colleagues that singing is the only thing on earth that we know for sure is in heaven.

This week Washington is a "little bit of heaven" as the barbershoppers hold their competition to decide the international championship and crown the "four kings of harmony" this Saturday night.

Also, on Saturday, I might add, SPEBSQSA will receive Sertoma's highest honor, the American Way award, in recognition of Keeping America Singing. The award will be presented for Sertoma by its distinguished member, Maj. Gen. U. S. Grant III, grandson of the former President whose name he bears and the president of the Columbia Historical Society.

There are two melodies to the same words, for the theme song of the SPEBSQSA, Keep America Singing. One is written by Willis A. Diekema, of Holland, Mich., and the other is written by Frank H. Thorne, of Chicago, Ill. Each wrote his composition without knowledge of the other and both are used. When I heard it at Tuesday's luncheon it filled me with pride, for what we surely need is more harmony in this old world.

Keep America Singing—the words follow:

FRANK H. THORNE'S VERSION

VERSE

Singing is a tonic for the careworn,
Doctors say it's good for our morale,
Singing is a tonic that builds friendship,
It makes every friend of ours a pal.

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CHORUS

Keep America singing, do your part, light each heart with a song,
Keep America singing, do your best, here's the test, sing a song,
Far or near, sing a song with cheer, it will brighten each heart that is sad and drear, so
Keep America singing, and you can't, no, you can't, oh, no, you can't, you just can't go wrong.

WILLIS A. DIEKEMA'S VERSION

Keep America singing, all day long,
Watch good will come awinging, on a song,
Smile the while you are singing, carry, carry your part,
Keep a melody ringing in your heart.

GETTING YOUR NECK IN YOUR OWN MOUSETRAP

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Pennsylvania [Mr. EBERHARTER] is recognized for 15 minutes.

Mr. EBERHARTER. Mr. Speaker, our efforts here in the House on March 9 to alert the membership to some of the pitfalls and boobytraps in the tax-revision bill were largely unsuccessful because the majority party insisted on closing its eyes to the facts and jamming the bill through without caring what was in it.

Since then, however, the Finance Committee of the other body has been dutifully and manfully struggling with this legislative monstrosity, trying to make sense out of some of its many obscure features, attempting to find out, at least, what they mean. That was a luxury, if you would call it that, which was denied to us here in the House—even to those of us on the Ways and Means Committee.

Some of the provisions of the House bill were so blatantly bad, on the other hand, that we had no trouble spotting them, analyzing their one-sidedness and their shortsightedness, and calling them to the attention of the membership. But that's as far as it went, or, to put it another way, we got nowhere. The Republican leadership and the Republican membership of the House were successful in beating off all attacks and passed the bill.

DANGERS TO WHOLE INVESTMENT MARKET

One of the dangers I cited to the House in a series of talks prior to consideration of the tax bill—and during it—was the threat to the whole investment market implicit in the special treatment to be accorded to those who receive dividends from common stocks. The purpose of that section of the bill was, and is, to make stock purchases more attractive to more people and to give big tax rakeoffs to common stock investors.

I raised the issue then—what would happen to other securities if that provision becomes law? What would happen, for instance, to municipal bonds. I predicted that as common stocks were made more attractive by this tax giveaway, bonds would become less attractive, necessitating higher interest rates, and starting all over again the ill-fated hard-money policy which caused much catastrophic results a year ago. Higher interest rates on bonds would mean, of course, higher local, State, and national costs of funding Government obligations. So all of us would have to pay higher taxes as a result.

UNEXPECTED UNPLEASANT RESULTS TO ADMINISTRATION SUPPORTERS

While the majority party in the House could not be bothered with that problem at the time we had the tax bill before us, I now find, Mr. Speaker, that many financial experts are beginning to worry about it.

I am indebted to our former majority leader and present minority whip, the gentleman from Massachusetts [Mr. MCCORMACK], for calling to my attention a recent article in the Boston Post by Washington Waters which points up this very problem (see daily CONGRESSIONAL RECORD, June 1, p. A4084).

Analyzing the recent boom in common stocks, this financial expert said one important factor in the bull market has been the action of the House in voting to reduce and forgive a large part of the taxes on dividends from common stocks. But, he added, if that provision of the House bill becomes law, "there may well be some results which will be equally unexpected and unpleasant to the strongest supporters of the administration's easy money financial policy."

MAKING STOCKS VIRTUALLY TAX EXEMPT

The Boston Post writer points out—as I did prior to House passage of the tax bill—that the granting of great tax incentives to investors buying common stocks, making them to a large extent almost tax exempt, will mean "the prices of municipals are sure to drop because people will sell them to buy stocks."

He added:

The holders of municipal bonds are primarily banks, insurance companies, trustees, and large investors, all of whom constitute the strongest supporters of the administration. When municipal bonds go down, such investors become unhappy. Their unhappiness is not likely to be alleviated by the fact that when municipals go down so will other high-grade bonds, including Governments.

When bonds go down, however, money rates go up, and it must be borne in mind that easy money rates have been perhaps the strongest bullish influence on the stock market for the past 8 months.

HIGHER AFTER-TAX PROFITS NOT ALWAYS PASSED ON

That may not sound too significant, Mr. Speaker, to our good Republican friends who joined so enthusiastically here last March in jamming through the tax bill. But listen to what the Boston Post financial writer further had to say on this point:

How embarrassing for the administration is the amelioration of the double tax on dividends.

Incidentally, Mr. Speaker, with all due respect to this writer, I must object to his use of the term "double tax on dividends" since no one has been able to show us how any dividend any stockholder receives is taxed twice. What he means, and what other users of the term "double taxation" refer to is this: Corporate profits are taxed, after which a remainder of the profits are then distributed to stockholders as dividends. On the amount each individual receives a personal income tax is due. If corporation taxes were further lowered, there is no guaranty that these added retained profits would automatically go to stockholders. In fact, the New York Times reported on Sunday that the end of the excess-profits tax on corporations did not result in any appreciably higher return to stockholders "even though," as the Times pointed out, "the earnings of many large corporations are much higher than they were a year ago."

But to get back to this question referred to by Mr. Washington Waters in the Boston Post:

How embarrassing for the administration—

He said—

if the amelioration of the double tax on dividends should result in a drop in bond prices, and a rise in money rates, which, in turn, should result in poorer business, which should cause stocks, in their turn, to drop.

Mr. Waters added:

It would be like getting your neck caught in your own mousetrap.

MUNICIPALS SHOWING WEAKNESS

After tracing these probable consequences of the House provision on taxation of dividends, beginning with its probable consequences on the municipal bond market, the Boston Post writer concluded:

Since the middle of March the average prices of municipals have shown distinct weakness for the first time in almost a year.

I hope, Mr. Speaker, that the other body will take into consideration, and objectively analyze, the dangers which face our economy and our whole fiscal outlook because of a precipitate and unthinking plunge into this tax give-away, and which will also promote the sale of common stocks.

As the Boston Post financial writer pointed out, if it results in further weakness in bond prices, followed by a rise in money rates, followed by further recession, it will have the unfortunate consequence of hurting rather than helping common stocks, for it would cause their fall, too.

And if that happens, as Mr. Waters says, the sponsors of this tax give-away would be getting their neck caught in their own mousetrap.

The havoc from all of these economic convulsions would extend, of course, to the whole country. Let us be careful of what consequences we are unleashing.

THE AIR ACADEMY SITE

Mr. WILSON of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WILSON of Indiana. Mr. Speaker, the selection of a site on which to establish an American Air Force Academy comparable to the Academies at West Point and Annapolis has long been the subject of much study and deliberation by a special five-man commission appointed exclusively for this purpose. Of the many sites proposed and offered from various sections of the country, one that has continued to interest the Commission has been at Madison, Ind.,

which is in my own Ninth Congressional District.

The Indiana site has met every requirement. It has vast acreage, it rests on the banks of the historic and beautiful Ohio River, it is in an area populated by grassroots Americans whose soil produced Abraham Lincoln, it is abundant in every natural resource, its climate is ideal, it has unlimited power and water resources, it is located in the very heart of America.

The people of that area have cooperated with me in putting this site before the Commission. They want the Academy, they would be proud of it, they would cherish it, they would do everything in their power to cooperate in the establishment and maintenance of the Academy.

It was my belief that Madison was a top contender for the site. Now, I understand, Madison has been thrown out of consideration and three other sites offered to Air Force Secretary Talbott by the Commission. Two of those final sites will not do; one does not want the Academy, another one is far short of the required acreage. The remaining one is Colorado Springs, Colo., and that leaves Mr. Talbott no choice if he doesn't ask the Commission to submit to him other possible sites.

The disappointment of Indiana people at this turn of the situation is mirrored in an editorial appearing on June 8 in the Madison (Ind.) Courier which seldom fails to reflect the views of its readers. I ask, Mr. Speaker, under unanimous consent, to insert this editorial in the RECORD:

INVESTIGATE AIR ACADEMY SITE

When so many investigations are in progress in Washington, D. C., maybe one more—on the Air Academy site—shouldn't make much difference.

Reports indicate that the site selection board of five members deliberated at length trying to decide between three sites. These are reported to have been Madison, Fort Custer, and Colorado Springs.

Rather than accept these three as the leading contenders, and pass them along to Air Force Secretary Talbott, from which he would select one, the Madison and Fort Custer sites were thrown out, and the Lake Geneva and Alton sites were chosen along with Colorado Springs as the final three.

Now it develops that Lake Geneva doesn't want the Academy, and Alton has only half the acreage required. This, of course leaves clear sailing for Colorado Springs as Talbott's likely choice.

Colorado just happens to be the State which Mrs. Eisenhower comes from. Colorado was also the State chosen for the troops transferred from Camp Atterbury, and where the President goes frequently on vacation trips.

Possibly an investigation into various phases of this turn of events might be in order.

It has been suggested locally that Congressman EARL WILSON from this district, join with Indana Senators CAPEHART and JENNER in a thorough investigation of circumstances which eliminated Madison, long considered the top contender for the site, from the list.

Madison Chamber of Commerce directors are considering sending a committee to Washington to look further into changes that took place 30 minutes before lists, including Madison, were to be distributed showing the final three sites agreed upon by the site selection board.

We haven't given up yet, one of the chamber of commerce officials said, in commenting on the latest developments in the Academy location.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CANNON, for the 11th of June, the 12th of June, and the 14th of June, on account of official business.

Mr. HELLER (at the request of Mr. CHUDOFF), for June 10, 1954, on account of illness.

Mr. SMITH of Virginia, Friday, June 11, 1954, on account of official business.

Mr. MADDEN, until July 1, 1954, on account of Baltic committee's official business.

Mr. SCHERER, from June 14 to June 18, 1954, on account of hearings of the Committee on Un-American Activities at Seattle, Wash.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. VURSELL (at the request of Mr. ARENDS).

Mr. HILLINGS (at the request of Mr. BUSBEY) and to include additional matter.

Mr. BUSBEY to revise and extend remarks he expects to make in Committee of the Whole today and to include additional matter.

Mr. MILLER of Nebraska and to include additional matter.

Mr. HESELTON, the remarks he expects to make in Committee of the Whole today and to include a tabulation.

Mr. JAVITS, the remarks he expects to make in Committee of the Whole today and to include extraneous material.

Mr. GRANAHAN and to include a statement.

Mrs. SULLIVAN.

Mr. HELLER (at the request of Mr. HOLTZMAN).

Mr. FOGARTY, the remarks he made in the Committee of the Whole and to include extraneous matter.

Mr. KELLEY of Pennsylvania.

Mr. BERRY.

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that I may be permitted to extend and revise my remarks made in Committee of the Whole and include an article in regard to the Gallup poll.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 978. An act to amend the Interstate Commerce Act in order to expedite and facilitate the termination of railroad reorganization proceedings under section 77 of the Bankruptcy Act and to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 3480. An act to amend section 24 of the Federal Reserve Act, as amended; to the Committee on Banking and Currency.

S. 3481. An act to amend sections 23A and 24A of the Federal Reserve Act, as amended; to the Committee on Banking and Currency.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5416. An act to authorize the advancement of certain lieutenants on the retired list of the Navy.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 17 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, June 11, 1954, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1620. A letter from the Secretary of State, transmitting a draft of a proposed bill entitled, "A bill to authorize certain retired personnel of the United States Government to accept and wear decorations tendered them by certain foreign countries"; to the Committee on Foreign Affairs.

1621. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting new and additional evidence relating to certain cases involving suspension of deportation, and requesting that they be withdrawn from those now before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1622. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens who have been found admissible into the United States, pursuant to section 212 (a) (28) (I) (ii) of the Immigration and Nationality Act; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. REED of New York: Committee on Ways and Means. H. R. 9474. A bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended; without amendment (Rept. No. 1777). Referred to the Committee of the Whole House on the State of the Union.

Mr. ALLEN of Illinois: Committtee on Rules: House Resolution 577. Resolution for consideration of H. R. 8729, a bill to amend section 14 (b) of the Federal Reserve Act, as amended; without amendment (Rept. No. 1778). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 578. Resolution

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for consideration of H. R. 9143, a bill to repeal the provisions of section 16 of the Federal Reserve Act which prohibits a Federal Reserve bank from paying out notes of another Federal Reserve bank; without amendment (Rept. No. 1779). Referred to the House Calendar.

Mr. WILSON of Indiana: Committee on Appropriations. H. R. 9517. A bill making appropriations for the Government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1955, and for other purposes; without amendment (Rept. No. 1780). Referred to the Committee of the Whole House on the State of the Union.

Mr. BISHOP: Joint Committee on the Disposition of Executive Papers. House Report No. 1801. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 580. Resolution for consideration of H. R. 9474, a bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended; without amendment (Rept. No. 1802). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 581. Resolution for consideration of S. 2475, an act to authorize the President to use agricultural commodities to improve the foreign relations of the United States, and for other purposes; without amendment (Rept. No. 1803). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. HYDE: Committee on the Judiciary. H. R. 686. A bill for the relief of Emma Gronowski; with amendment (Rept. No. 1781). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1337. A bill for the relief of Mrs. Franca Gatti Ohta; without amendment (Rept. No. 1782). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 1462. A bill for the relief of Fotini X. Parisis; without amendment (Rept. No. 1783). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 2188. A bill for the relief of Karoline Diekmeyer; with amendment (Rept. No. 1784). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 2359. A bill for the relief of Joseph Veich, also known as Guiseppe Veic; with amendment (Rept. No. 1785). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 2371. A bill for the relief of Mrs. Maria M. Broix; with amendment (Rept. No. 1786). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 2440. A bill for the relief of Lidija Cimze; without amendment (Rept. No. 1787). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 2499. A bill for the relief of Adolfo L. Kalb, and his wife, Mrs. Eugenia G. Kalb; without amendment (Rept. No. 1788). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 2619. A bill for the relief of Sister Aurelia Yanguas Teres and Sister Matilde Cuevas San Martin; with amendment (Rept. No. 1789). Referred to the Committee of the Whole House.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 7146. A bill authorizing the Secretary of the Interior to issue a patent in fee to John McMeel No. 1; with amendment (Rept. No. 1790). Referred to the Committee of the Whole House.

Mr. HOFFMAN of Michigan: Committee on Government Operations. H. R. 8501. A bill to provide for the conveyance of certain land in Sumter County, Ga., to the Americus and Sumter County Chamber of Commerce; without amendment (Rept. No. 1791). Referred to the Committee of the Whole House.

Mr. JONAS of Illinois: Committee on the Judiciary. House Resolution 561. Resolution providing for sending to the United States Court of Claims the bill (H. R. 1134) for the relief of Equitable Infants Wear, Inc., without amendment (Rept. No. 1792). Referred to the Committee of the Whole House.

Mr. JONAS of Illinois: Committee on the Judiciary. House Resolution 562. Resolution providing for sending to the United States Court of Claims the bill (H. R. 9265) for the relief of Henry J. Krueger and others; without amendment (Rept. No. 1793). Referred to the Committee of the Whole House.

Mr. JONAS of Illinois: Committee on the Judiciary. H. R. 3222. A bill for the relief of Martin Luther Johnson; without amendment (Rept. No. 1794). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 3245. A bill for the relief of Mrs. Anna Elizabeth Doherty; without amendment (Rept. No. 1795). Referred to the Committee of the Whole House.

Mr. JONAS of Illinois: Committee on the Judiciary. H. R. 3732. A bill for the relief of Catherine (Cathrina) D. Pilgard; with amendment (Rept. No. 1796). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 5028. A bill for the relief of Petra Ruiz Martinez; with amendment (Rept. 1797). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 6784. A bill for the relief of Mrs. John William Brennan; with amendment (Rept. No. 1798). Referred to the Committee of the Whole House.

Mr. MILLER of New York: Committee on the Judiciary. H. R. 7931. A bill for the relief of Gunther H. Hahn; without amendment (Rept. No. 1799). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 8054. A bill for the relief of David Del Guidice; without amendment (Rept. No. 1800). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WILSON of Indiana:

H. R. 9517. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1955, and for other purposes; to the Committee on Appropriations.

By Mr. CURTIS of Nebraska:

H. R. 9518. A bill to amend the Federal Unemployment Tax Act so as to exclude service performed as a barber or beautician from the definition of employment thereunder; to the Committee on Ways and Means.

By Mr. ELLIOTT:

H. R. 9519. A bill to provide that certain Veterans' Administration activities involving Alabama veterans shall be handled in the regional office in Montgomery, Ala.; to the Committee on Veterans' Affairs.

By Mr. FALLON:

H. R. 9520. A bill for improvement of the inland waterway from Delaware River to Chesapeake Bay, Del. and Md.; to the Committee on Public Works.

By Mr. HOSMER:

H. R. 9521. A bill to authorize the Secretary of the Interior to sell and convey certain Parker-Davis transmission facilities and related property in the States of Arizona and California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WESTLAND:

H. R. 9522. A bill to authorize the improvement of the Sammamish River, Wash.; to the Committee on Public Works.

By Mr. WOLCOTT:

H. R. 9523. A bill to provide for the independent management of the Export-Import Bank of Washington under a Board of Directors, to provide for the representation of the bank on the National Advisory Council on International Monetary and Financial Problems, and to increase the bank's lending authority; to the Committee on Banking and Currency.

By Mr. SPENCE:

H. R. 9524. A bill to provide for the independent management of the Export-Import Bank of Washington under a Board of Directors, to provide for the representation of the bank on the National Advisory Council on International Monetary and Financial Problems, and to increase the bank's lending authority; to the Committee on Banking and Currency.

By Mr. ROGERS of Florida:

H. Con. Res. 239. Concurrent resolution providing that television broadcasts shall not be made of congressional committee hearings; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLAND:

H. R. 9525. A bill for the relief of Chia-Tseng Chen; to the Committee on the Judiciary.

By Mr. FARRINGTON:

H. R. 9526. A bill for the relief of Mrs. Noriko Sato; to the Committee on the Judiciary.

By Mr. SECREST:

H. R. 9527. A bill for the relief of Maj. Robert D. Lauer; to the Committee on the Judiciary.

By Mr. WIDNALL:

H. R. 9528. A bill for the relief of Aleksander Kupiszewski; to the Committee on the Judiciary.

By Mr. WOLCOTT:

H. R. 9529. A bill for the relief of Mehdi Saleh Eidi; to the Committee on the Judiciary.

H. R. 9530. A bill for the relief of Hassan Anin Mansour; to the Committee on the Judiciary.

H. R. 9531. A bill for the relief of Jawad Unis Unis; to the Committee on the Judiciary.

By Mr. YOUNGER:

H. R. 9532. A bill for the relief of Dalisay Lourdes Cruz; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

1004. Mr. HART presented a resolution adopted by the mayors of Cliffside Park, Fairview, Guttenberg, Jersey City, North Bergen, Secaucus, Union City, Weehawken, and West New York, N. J., petitioning and memorializing the Congress of the United States to safeguard the Schiffli lace and embroidery industry by maintaining the present tariff levels on lace and embroidery which was referred to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Toward a Greater America

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 10, 1954

Mr. MILLER of Nebraska. Mr. Speaker, water—America's greatest resource—will continue to rule progress in the United States. What we do today will determine whether we will continue to experience our phenomenal growth and maintain our standard of living, the highest in the world.

The United States may run out of water before it runs short of oil or coal. There is a rapid depletion of our water resources and the President, when he appointed the new Cabinet-level group to study the situation, recognized that it is a serious problem that is facing the country.

The use of water in the United States has quadrupled in the past half century.

There is no such thing as an inexhaustible supply of underground water. It comes nearer to be inexhaustable in the sand hill area of Nebraska, where it is estimated there are some 600-million acre-feet of water stored in the sand hills.

Many engineers and farmers find that where they depend upon an underground supply of water for irrigation purposes, that the underground beds of water cannot be pumped indefinitely because the water supply and level go much lower after pumping. In some instances, the water level gets so low that only the very large companies, who are willing to spend some $50,000 to $75,000 for a well, can afford to develop new irrigation pumping projects.

WHAT CAN WE DO?

One might ask, "What can we do to preserve the water supply of the United States?" Proper soil conservation methods, such as soil terracing and slowing up the runoff in wet weather would permit more moisture to sink into the soil. The building of dams to hold any runoff floodwater will make more water available during drought. The greatest waste this country has, when it comes to water, is from not using the water that constantly flows to the ocean from the several water divides in this country.

I am reminded of what Daniel Webster once said in opposing western railroad development:

> I will never vote one cent from the Public Treasury to place the Pacific Ocean 1 inch nearer to Boston than it is. What do we want with this vast worthless area—this region of savages and wild beasts, of shifting sands and whirlwinds of dust, of cactus and prairie dogs? To what use could we ever hope to put these great deserts and those endless mountain ranges?

To what use, Mr. Webster? To the building of bustling cities; to the development of fertile acres; to the homes of 35 million Americans, who supply nearly half of the entire Nation's demands of choice protective vegetables and truck crops; to the development of a $40 billion yearly retail sales averaging $1,139 for every man, woman, and child—retail sales for the Nation during the same year averaged $1,023 per capita—and to the development of a new outlet for the products manufactured in the East.

These are just a very few of the innumerable benefits the Nation has received in the development of the West. It is interesting to note that practically all of this development has occurred during the past 50 years—since the inception of reclamation.

LAND OF WEALTH

Mr. Webster, even with his great foresight, had failed to realize the potentialities of the West and its tremendous wealth of land, minerals, and forests. He failed to reconcile the needs of our mushrooming population to the possibilities of the West.

One of the leading examples of the wealth found in the West is its immense untapped mineral resources. Latest mineral findings include vast amounts of uranium—unknown a few years ago in the United States. Recent studies indicate we have a bountiful reserve of uranium to meet our needs for the years ahead when we reap the benefits of the atomic age.

Despite these vast mineral resources, the dearest treasure of all the West is water. Water—the Nation's greatest replenishable natural resource—must be conserved and developed at an accelerating pace. It has been aptly said that water is worth what it costs. The individual who is thirsty will pay handsomely to quench his thirst.

Reclamation in the West and supplemental irrigation throughout the rest of the country must work as allies in the economic growth of the Nation. Any other course means forfeiture of a part of our national tradition, stagnation of development, and decreasing standards of living.

VALUE OF WATER

One cannot make a true objective study of irrigation and reclamation in the West without first having a thorough understanding of the importance of water. The availability or lack of water has been the determining factor as to whether areas continue to grow in population.

Remembering the Dust Bowl years of the thirties, one thinks of the mass migration from the Middle West to the Garden State made fertile by irrigation. The increased purchasing power of the Central Valley project in California provides an excellent case study of the influence of resource development. This project alone is estimated to provide a new yearly market for a million pairs of shoes made in the New England States and of thousands of home appliances made in Ohio, Michigan, Illinois, Connecticut, New Jersey, New York, and Pennsylvania.

This new outlet would never be except for the reclamation and irrigation development of this area.

In Colorado a comparison was made between two similar counties—one irrigated, the other dry. For every 1,000 acres of irrigated land, 33 persons are supported, while the comparable dry-land area supports only 3.9 persons. The ratio of the number of inhabitants per 1,000 acres in irrigated farms has remained constant since 1930, but in the comparison area it has declined 42 percent. Since 1920 the population of the dry-land area has decreased about 25 percent, while the population of the irrigated area has increased about 13 percent.

This one county added $10½ million to our gross national product in 1939, $18 million in 1944, and $29 million in 1949.

That is what water has done for one irrigated county in Colorado. Not too far distant from that Colorado county is a prosperous city. It experienced a phenomenal growth, like many of our cities, immediately following World War II. It is an attractive city and the people have a tremendous amount of civic pride, and justly so. Many industries have examined it as a possible new location.

GROWTH STALEMATED

However, growth has been stalemated. No longer can the ambitious Chamber of Commerce seek new industries. Why? Because there is not a sufficient supply of water available. Seems strange, does it not? A community in the heart of the Rockies, where many rivers originate, being stymied by a lack of water. There are towns and communities under the upper Colorado River project that will no longer grow unless they can get an ample supply of water and power. Truly, water is the lifeblood of not only crops, but of communities.

The same is true in California. The citizens of Colinga are paying what amounts to $2,000 per acre-foot for their water. The normal cost of water to the average city is $3.50 per acre-foot. Yes, much importance is placed on water in the West.

At the present time there is more than 25 million acres of land in the West now under cultivation. Possibly 20 million acres which are susceptible to development remain to be supplied with irrigation water. Of the 25 million acres under irrigation, only 7 million were constructed by the Federal Government—the remaining 18 million by local interests without any financial assistance from the Federal Government.

Total Federal investment in irrigation and reclamation projects is $1.9 billion. It should not be forgotten, however, that local citizens have been active partners—paying partners—in each of the projects. Before work is started on a Federal irrigation project, a repayment contract must be negotiated. This

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contract is based on the cost of all reimbursable features of a project. Nonreimbursables such as flood control, navigation, fish and wildlife protection, recreation, and pollution abatement, are considered beneficial to the whole Nation.

SPECIAL DIVIDEND

The Federal Government is reaping a special dividend on the investment it has made in Federal reclamation and irrigation projects. Combined returns from individual and corporate tax revenues are estimated at $1.1 billion on 15 typical areas. Total Federal cost for these projects through June 30, 1952, was $264 million. Thus far, Federal taxes collected have exceeded the Federal investment in irrigation features in these projects by 450 percent.

These revenues are in addition to the obligation voluntarily assumed by direct users of water to repay to the Government the total cost of irrigation. Other dividends which cannot be counted in monetary figures include homes and opportunities for our mushrooming population.

It is a firm principle of the Eisenhower administration that the responsibility—and the cost—of resource development should be borne to the greatest possible extent by those who receive the benefits.

In my own State of Nebraska, we find one of the oldest irrigation districts in the United States. It was started about 50 years ago. The North Platte Valley of Mitchell, Scottsbluff, Gering, and Bayard would be a parched land with few inhabitants today if water was not being used to raise tremendous crops. This irrigation area has repaid to the United States several times over the cost of the projects through new taxes, new industries, and the production of crops and fibers so badly needed by this country and the world.

I have pointed out, and the record confirms it, that irrigation and reclamation and the incidental power costs are repaid to the Federal Government.

On the other hand, many billions of dollars are spent for flood control, harbors and docks, and agriculture conservation payments. These are direct outlays from the public Treasury. The Corps of Engineers, on water conservation and control projects has spent $7,245,017,000, or nearly four times the total spent on irrigation and reclamation during the past 50 years.

No one quarrels over the benefits received from these projects. Most of the money spent on flood control is used to protect the soil. All of the agriculture conservation payments go for that purpose. Measures are taken to protect the land so that more crops might be raised. Most of the crops protected are corn and cotton—crops the Government has billions of dollars worth in storage.

Many of my colleagues in the East and the consuming parts of the country complain that money should not be spent for new irrigation districts. The story is that we now have too many crops. I will shortly point out that most of the crops raised under irrigation has not to date contributed to the surplus now on hand.

If we are to accept the theory that no new projects should be developed because we have surplus crops, then my colleagues in the East should resist moneys spent for flood-control and soil-conservation purposes. These moneys protect the soil so that more new crops can be produced. They ought also to oppose spending money on research so that more and better crops can be produced.

I can say to you, my colleagues, that this country can well become a have-not country and join more than half of the rest of the world and become hungry. Our new crop lands are limited. Our population grows rapidly. It takes 10 or 12 years to develop an irrigation project.

I am sure you realize that wars have been fought and won and even started because of the abundance or the lack of food. A hungry person does not want your prayers nor your arguments. He wants food in his stomach. If we are thinking of future generations, as we should, we would give our hearty support to this new irrigated area that can be developed to meet the needs of future generations.

How much does irrigation and reclamation add to our present surplus crops? Very little is the correct answer.

Irrigated lands in the Western States produce virtually all of the Nation's apricots, almonds, walnuts, dates, lemons, figs, prunes, and olives. They supply about 95 percent of the grapes; 90 percent of the lettuce; 85 percent of the sweet cherries; 75 percent of the avocados, pears, and cantaloupes; 65 percent of the asparagus; 50 percent of the peaches; and more than 50 percent of the commercial truck crops.

Four Federal irrigation projects in the Southwest produce over 97 percent of United States grown dates; 45 percent of winter and 42 percent of spring lettuce; 85 percent of the spring carrots; and sizable portions of the Nation's supply of other choice vegetables and truck crops.

There are very few, if any, surplus crops caused by irrigation in the Western States.

If this Congress is to continue being the custodian of the future resources of America, we must not neglect building toward a greater America which means more food, more resources, and more industry. It is in this way that we can be a dynamic, growing America, a strong resource Nation able to meet the many, many demands of an expanding population and indeed a hungry world.

Statement of Position on Pending Legislation

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 10, 1954

Mr. VURSELL. Mr. Speaker, inasmuch as I am called out of Washington and will not have an opportunity to vote on the Labor, Health, Education, and Welfare bill, H. R. 9447, I would like to state for the record that I am unreservedly in favor of this legislation, have asked to be paired in favor of it, and would support it with my vote if it were possible for me to be present.

I have also been informed that a bill to extend for 1 year the present reciprocal trade agreements will probably be voted upon Friday of this week. I supported this legislation when it was before the House in a prior session, and, if it were possible for me to be present, I would again support it on final passage.

Better Unemployment Compensation

EXTENSION OF REMARKS
OF
HON. WILLIAM T. GRANAHAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 10, 1954

Mr. GRANAHAN. Mr. Speaker, under leave to extend my remarks, I am including the statement which I have submitted to the House Ways and Means Committee on behalf of pending bills to amend the unemployment compensation law and in support of the principles contained in the Forand bill, H. R. 9430, of which I am a cosponsor, and to which I hope that the committee and my colleagues in the House will give favorable consideration.

The statement follows:

TESTIMONY BY CONGRESSMAN WILLIAM T. GRANAHAN, OF PENNSYLVANIA, BEFORE HOUSE COMMITTEE ON WAYS AND MEANS, ON PENDING BILLS TO AMEND THE UNEMPLOYMENT COMPENSATION LAW

BETTER UNEMPLOYMENT COMPENSATION

Mr. Chairman and members of the committee, I want to join in urging the approval of this committee of the principles contained in the Forand bill, H. R. 9430, of which I am a cosponsor, to increase unemployment compensation benefits approximately 50 percent and extend the period of benefits to a maximum of 39 weeks.

In addition, I earnestly support other bills before you which would extend unemployment compensation to Federal, State, and local Government employees. In Philadelphia, we are particularly aware of the desperate plight of many of the men who have been dismissed from the Navy Yard and from other Federal installations at a time of high unemployment generally, who have had serious difficulty in finding other work, and who have been ineligible for unemployment compensation.

Many of these people were recruited into Government work on the basis of patriotic appeal at a time of labor scarcity. They were told they were needed to help their country's defense effort. Jobs were plentiful in those days, and the decision to take Government employment was, as I said, motivated largely by patriotism.

It is ironic and unfortunate that the Government thereupon dispensed with their services and threw them into the labor market at the worst possible time, when competition for available jobs has been severe. But unlike other wage earners who lost their jobs in this period, these Government employees were not eligible for unemployment compensation and had not even the compensation checks to fall back on when their

jobs came to an end. They were just cast adrift as you would throw out a worn-out pair of shoes.

Therefore, I strongly urge that you take into consideration the valued service these workers have performed and cover them into the program at this time. It is a step which is long overdue, but one which we had some excuse for not having taken earlier while the Government's activities and payrolls were expanding rather than contracting as they are now. Beginning more than a year ago when the new administration began its wholesale firing of Government workers and its elimination of whole agencies and functions of Government, it should have acted promptly to meet the moral obligation to our Government employees to provide this kind of economic protection.

I venture to say that unless we take that step promptly, and include Government employees under unemployment compensation, it will seriously undermine any future attempt the Government might have to make in time of emergency to talk people into leaving other jobs and taking Government jobs. We have seen too often the spectacle of conscientious Government workers abused and condemned for doing their work well; we have seen the sense of security go out of Government career service; we are seeing now that they almost alone among American wage earners do not even have this minimum protection of unemployment compensation.

As to the Forand bill to liberalize the existing unemployment-compensation law, it would mean in Pennsylvania an increase in the maximum benefits from the present $30 a week to about $44 on the basis of present statistics on average weekly wages. In other words, with an average weekly wage of $66.08 in Pennsylvania (the figure cited by Secretary of Labor Mitchell earlier this year in his report to the States on this matter), a worker would be eligible to receive a weekly compensation check of as much as one-half his regular pay up to a maximum of two-thirds of the State average wage, in this case up to two-thirds of $66.08.

He would have to have been earning $68 a week or more to be eligible for the top maximum. On anything less than $88, he would collect one-half of his regular pay as unemployment compensation.

This formula is the same one recommended by the study commission set up by the administration, and in turn recommended by the President in an appeal to the States to adopt this formula. None of the States did so. In Pennsylvania the maximum is still only $30 a week.

I don't know exactly how many Pennsylvanians have exhausted their 26 weeks of benefits without finding suitable employment, but I am sure the number is substantial, since Pennsylvania is second only to New York in the number of unemployed, and our total started to go up precipitately around October and November—from 88,900 in October to 112,400 in November, and so on, until it has reached a level of, I believe, about a half-million. The October figure was doubled by December; that's how fast the increase was. These are just workers covered by unemployment compensation, not Government workers or others not covered.

And these are other statistics we in Pennsylvania have been experiencing:

Industrial activity in April declined for the 10th consecutive month; for the first 4 months of this year, industrial activity was down 13 percent from the same period a year ago; carloadings, depressed by the low level of production in coal and steel, were the smallest since 1939; anthracite production is the lowest in this century; and so on.

All of this indicates to me, and I hope to you, that we must act promptly to protect our workers and our economy against a sharp further drop in purchasing power by providing more adequate unemployment-compensation benefits. Extending the period of benefits of 39 weeks merely recognizes the desperateness of the difficulties of skilled workers in a period of general recession in finding suitable employment. In a State like mine, and in most industrialized areas, when employment is off it is off for just about all businesses and not for a selected unfortunate few.

So I urge that you approve the bill which 81 of us in the House have joined in sponsoring, which would carry out these worthwhile improvements.

Under this bill, the increased benefits and wider coverage would go into effect almost immediately, at Federal Government expense, if the States do not act on their own. The States would then have until July 1955 to change their laws to conform to the newer standards. It is necessary that the Federal Government take the initiative on this right now, since no State, as I said, has so far acted on President Eisenhower's appeal directed to the States to bring their systems up to date in this fashion. We must lead the way, and then they will follow. Apparently they won't act on their own.

Unemployment Compensation

EXTENSION OF REMARKS
OF
HON. AUGUSTINE B. KELLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 10, 1954

Mr. KELLEY of Pennsylvania. Mr. Speaker, while Government agencies squabble among themselves over the extent of unemployment—with conservatives estimates putting the total at about 3½ million—9 leading Senators and 81 Members of the House, all Democrats, have joined in introducing a bill to overhaul the unemployment-compensation program, increase benefits by about 50 percent, and extend the period of coverage to 39 weeks.

I was happy to join in cosponsoring this important legislation. Westmoreland County has been hard hit by unemployment. Recent figures from the Department of Labor showed that Pennsylvania had more covered unemployment than all six New England States, plus Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, and Nevada combined—more than any State except New York. The total of New York, New Jersey, and Pennsylvania was equivalent to from one-fourth to one-third of all the covered unemployment in the Nation.

And another set of statistics issued by the Department of Labor showed that more than 250,000 workers in the country, as of March, had been unemployed for more than 26 weeks and had thus used up all their unemployment compensation.

The bill I have joined in sponsoring—H. R. 9430, known as the Douglas-Kennedy-Humphrey-Forand bill — would mean an increase in the maximum benefits under unemployment compensation in Pennsylvania, for instance, from the present $30 a week to $44. It would be based on a formula recommended by President Eisenhower which he directed to the individual States—and which they ignored. Not one of the States has put into effect the higher benefits the President had recommended.

Under those circumstances, the Democrats in the House and Senate waited for the President to come forward with proposed Federal legislation to take care of this pressing problem, but months went by and no administration bill was forthcoming. Consequently, we introduced our own bill to carry out these features of what we assume are the Eisenhower program, even though he has not put up much fight for it in Congress.

An interesting aspect of this situation is that at the same time he was futilely calling upon the States to increase their unemployment compensation benefits, the President's own Budget Bureau was cutting the funds for the Department of Labor in the administration both of unemployment compensation of the United States Employment Service.

The Budget Bureau cut the Labor Department's appropriation requests for the costs of administering unemployment compensation and the employment service by nearly $1 million below the level of 1953. Now the House Appropriations Committee has come along and cut it another $110,000. The amazing thing about this is that when the demands upon these services are rising, they have to fire staff members and cut down on their operations.

A tipoff to the reasoning which went into this upside-down decision lies in the fact that the Eisenhower budget, prepared beginning last July, was based on expectations of "a high level of employment, a high level of prosperity," in the words of Secretary of Labor James P. Mitchell. Thus, it would seem, the steady alarming increase in unemployment has caught the executive department by surprise, and it has not revised its budget estimate to conform to the present facts.

This has been true not only in connection with unemployment compensation and the employment service, but apparently in regard to practically all programs of government. Therefore, unless there is a quick, decisive upturn in economic activity in the country, and people go back to jobs which folded up over the past months, most of the budget estimates on which the whole Eisenhower program is based will blow sky-high, and our fiscal position will be chaotic.

A Bill To Amend Public Law 280

EXTENSION OF REMARKS
OF
HON. E. Y. BERRY
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 10, 1954

Mr. BERRY. Mr. Speaker, yesterday I introduced a bill which would amend Public Law 280 to require full consultation with the Indian tribes before any legislation is enacted by a State legislature providing for an extension of the

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jurisdiction of the State in civil and criminal matters.

This bill was introduced in accordance with the recommendation of the President in a statement that he issued when he approved H. R. 1063 as Public Law 280.

A second provision of the bill is that final approval by the Federal Government is required before any State legislation, extending civil and criminal jurisdiction, becomes effective.

These requirements would not, however, be applicable with respect to the areas of Indian country in States, such as the five named in Public Law 280 and those named in prior statutes conferring jurisdiction on particular States, as to which jurisdiction over the matters described in that measure has been specifically placed in the State by act of Congress.

This bill would establish orderly procedure for bringing the areas of Indian country in additional States within the operation of the jurisdictional provisions added to the United States Code by Public Law 280.

In any State where such an extension of State jurisdiction was contemplated the first step would be for the Governor to consult fully with the Indians concerned to ascertain their wishes and desires in the matter and to report the results of such consultation to the Secretary of the Interior.

The second step would be a notification by the Governor to the Secretary that the State had enacted affirmative legislation for the exercise of jurisdiction over the matters described in Public Law 280 within the areas of Indian country in the State.

It would then become the duty of the Secretary to find and determine whether the proposed extension of jurisdiction would be in the best interests of the Indians concerned and whether the other conditions established by the bill had been fulfilled. If the finding and determination was in the affirmative, a public notice to that effect would be published in the Federal Register. Upon the 90th day after the publication of the notice the jurisdiction of the State would be extended, by force of the terms of the bill itself, to the matters described in Public Law 280 within the areas of the Indian country listed in the notice.

The adoption of this bill, calling for thorough Indian, State, and Federal consideration of each proposal for extending State jurisdiction over additional areas of Indian country, would offer a practical and equitable way of accomplishing the objectives underlying the enactment of Public Law 280.

Public Law 280 recognized that the constitutions or laws of certain States, other than California, Minnesota, Nebraska, Oregon, and Wisconsin, as named in the law, contain a disclaimer of jurisdiction over the matters described in that measure.

This bill which I have introduced follows those sections of Public Law 280 which recognize these disclaimers of jurisdiction, and places those States which have such disclaimers of jurisdiction in the same position as those States which do not have such disclaimers of jurisdiction.

Public Law 280 excepted the areas of Indian country comprising the Red Lake reservation in Minnesota, the Warm Springs reservation in Oregon, and the Menominee reservation in Wisconsin from the jurisdiction specifically placed in those States. Consequently, if the Congress later concluded that it would be in the best interests of the Indians concerned to provide for an extension of the jurisdiction of any one of these States to the excepted area, it would be necessary for Congress to enact a separate bill for that purpose.

There is included in this bill, therefore, an amendment to Public Law 280, making applicable to these three reservations the same procedures as are provided by this bill for the areas of Indian country where jurisdiction has not been specifically placed in the State by act of Congress. This provision would avoid any necessity for Congress at some later time to enact a separate bill or bills for an extension of State jurisdiction to one or more of these three reservations with respect to such matters.

It is felt that the procedures embodied in the proposed bill would materially aid in accomplishing the purposes of Public Law 280 by clarifying language and by providing the safeguards recommended in the President's statement.

Food Prices and Living Costs in Relation to Unemployment Compensation Benefits

EXTENSION OF REMARKS
OF
HON. LEONOR K. SULLIVAN
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 10, 1954

Mrs. SULLIVAN. Mr. Speaker, under leave to extend my remarks, I include the statement I submitted this morning to the House Committee on Ways and Means on the need for revision of the unemployment compensation laws to provide more adequate benefits, particularly in this time of very high living costs. The statement is as follows:

Mr. Chairman and members of the committee, while the official notice from the committee does not list the Forand bill, H. R. 9430, of which I am a cosponsor, among those bills presently being considered in these hearings, I would like to plead with the committee to take it up and discuss it and act upon it. I think the subject matter of that bill is one of the most urgent matters facing the Congress today.

I don't know how many members of the committee saw the latest report from the Department of Labor on employment conditions of the Nation's major production and employment centers. It was a rather frightening report.

Sixteen major areas in the country were shifted from group III (moderate labor surplus) to group IV (substantial or very substantial labor surplus). I'd like to mention those labor areas. Leading the list alphabetically is the Albany-Schenectady-Troy, N. Y. area. Others include: Aurora, Ill., Buffalo, N. Y., Erie, Pa., Evansville, Ind., Fall River, Mass., Fort Wayne, Ind., Jackson, Miss., Joliet, Ill., Knoxville, Tenn., Peoria, Ill., Philadelphia, Pa., Pittsburgh, Pa., Reading, Pa., St. Louis, Mo., Utica-Rome, N. Y.

These 16 new surplus labcr areas—areas of substantial labor surplus—are among 51 major areas of the country with anywhere from 6 to 12 percent or more unemployment. Every member of this committee, I believe, is aware from his own observation of the extent of unemployment in his State. Most of you, I think, have surplus labor areas in or close to your districts. Not a single major labor market area in the country has today a labor shortage.

This situation has been getting progressively worse since last fall. Although we have been reassured that business is going to pick up eventually, or soon, or sometime, the fact is that there has been no sudden upswing that any of us have been able to find in our own districts. In Missouri, for instance, unemployment has more than doubled since October and is about 2½ times what it was a year ago. And apparently it is still going up. More than half of the State's unemployment is concentrated in St. Louis—at least that part of the unemployment covered by unemployment compensation. Between April and May of this year, the total rose by more than 10 percent in St. Louis. I'm afraid many more people will be on the unemployment rolls in the coming months—perhaps not for as long a period as many workers currently on the unemployment compensation rolls have been out of jobs, but long enough, I fear, to experience the shock of going from a good paying job to an income of $20 or $25 or $30 a week on unemployment compensation. In my own State of Missouri the maximum benefit is $25 a week.

Now, gentlemen, if the purpose of unemployment compensation is to help sustain purchasing power in periods of temporary layoff or recession—periods such as the one we are now going through—I would appreciate if someone would let our unemployed know how they are to live on $25 a week. The cost of living in St. Louit, as in most cities in the country, is 15 or 16 percent higher than it was 4 years ago. You all know what has happened to the price of coffee—the consumer's price index, which is usually on the conservative side, listed it for April at an average of $1.13½ a pound; actually canned coffee is running around $1.35. Frankfurters were 56 cents a pound, veal cutlets $1.10, pork chops 88 cents, milk averaged 22½ cents a quart, peanut butter 49 cents a pound, eggs 55½ cents a dozen. These were average in our cities in April. Rents as we know have been going up everywhere, transportation costs go up steadily. The few things that come down in price seasonally are counterbalanced by those that go up steadily. When butter went down because of lower support prices, the average price to the consumer was still 70 cents a pound, according to the CPI.

All I am trying to get across to you gentlemen in listing these figures is the fact that the cost of living is at or very near record levels. People out of jobs must still pay the rent or the mortgage. When it comes to food, it is worthwhile, I think, to keep in mind that very few of our grocery stores in this country operate a credit business. That went out of style and became economically burdensome for the small neighborhood store in the face of severe price competition by the chains. You can't go into the grocery store—unless it might be one you have been patronizing for a number of years and is independely owned and is owner-managed, where the owner knows you—and buy a lot of groceries and charge it. The family out of work doesn't eat if it is out of cash.

So in this situation with millions of unemployed, an unemployment compensation system which works effectively has got to provide a temporary income sufficient to enable them to meet the barest minimum necessities. Twenty-five dollars a week will not do that.

Under the Forand bill, H. R. 9430, the maximum compensation benefits in a State like Missouri will be about $40 a week, basing it on the same formula President Eisenhower and Secretary of Labor Mitchell have recommended be adopted by the States. None of the States has acted to put these higher standards into effect. Many of them are unable to act this year. The Forand bill would make it possible to put these higher standards into effect immediately and then give the States a full year in which to amend their own laws and raise their standards to the recommended levels.

In addition to increasing benefits, the Forand bill also extends their duration. In Missouri, we have something like 48,000 or more unemployed subject to the unemployment compensation program. Of course, there are additional thousands unemployed not covered by the present law. In Missouri nearly 4,000 workers went off the unemployment rolls in April after exhausting their benefits. In March it was 3,000—that is 7,000 in 2 months' time. That is happening all over the country—something like 157,000 claimants had exhausted their benefits in April and another 150,000 did so in March.

That is why our bill urges an extension of the period of coverage to 39 weeks instead of the present variable periods in the different States. When we urge longer coverage, it is not because we are resigned to having people going 39 weeks without finding suitable employment. I am distressed that it takes so long. No doubt there are a few on the rolls taking an easy way out, collecting unemployment compensation and avoiding work.

But I know that is not true of the overwhelming majority of people who are jobless today and forced by necessity to try to live on unemployment compensation. They are the ones I am concerned about. They are the people the Forand bill is intended to help. I urge you to take it up and approve it and report it out for House action.

Puerto Ricans in New York

EXTENSION OF REMARKS
OF
HON. LOUIS B. HELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 10, 1954

Mr. HELLER. Mr. Speaker, we often hear it said that it takes a great many people to make America what it is—a land of freedom and opportunity, a land of hard-working and God-fearing men and women who have converted this country from a wilderness into a land of plenty. Here the cultures and civilizations and the religious beliefs of many peoples commingle and together they contribute to the development of the American way of life. Here, too, people of various national origins and backgrounds live together in peaceful and neighborly relationship, each group contributing to the best of its ability toward the general welfare of the community.

In the city of New York we have people who come from various nationality groups and profess different religious faiths, but we all live as good neighbors and work toward common goals of brotherhood, better understanding, human dignity, and respect for one another. We seek to make our community a better place in which to live, happier for ourselves and our children, and more tolerant of each other despite the differences in origin or creed or viewpoint.

Among the groups which have arrived in New York in large numbers in recent years are the American citizens of Puerto Rican origin, who now number between 400,000 and 500,000. Like all newcomers to our shores in the past, they are confronted with many serious and difficult problems, such as finding adequate housing, obtaining suitable employment, overcoming the language barrier, and their general assimilation into the community. It is primarily a problem of adjustment faced by so many other immigrant groups which preceded the Puerto Ricans and, as has been true in the past, they serve as a convenient scapegoat for local frustrations and incidents of one sort or another.

In an interim report of the Mayor's Committee on Puerto Rican Affairs in New York City, submitted on November 16, 1953, it is stated as follows:

> Need for special coordinated effort (to help the Puerto Rican newcomers) arose from the fact that since the end of the war in 1945 there was a steadily increasing migration from Puerto Rico to the mainland, with almost all the migrants settling in New York City. Here, during the years just after the war, this migration was added to all the economic and social problems, worries, and concerns which are part of any postwar period.
>
> The new arrivals were forced to take the poorest jobs, while social and economic forces herded them into the worst slum areas. There followed, inevitably and ruthlessly, all of the insecurity, hardship, suffering and the social fears, tensions, and conflicts which are the result of poverty and slum life. As had happened again and again when waves of immigration and migration hit New York, all too often the new arrivals were looked on either with indifference or with open hostility.

Mr. Speaker, a little over a year ago, in the spring of 1953, I had the great pleasure of visiting the island of Puerto Rico, where I met many of its leaders and had the opportunity to observe the people performing their daily tasks in the fields and in the factories. I was most pleased with the progress and the achievements in Puerto Rico, but even more so, I was proud of the friendly and close relationship between the United States and Puerto Rico over the past half century.

Our relationship with Puerto Rico began in 1898 when the island was formally ceded to the United States under the Treaty of Paris of that year. In 1900, Congress passed the first organic act reestablishing civil rule in the island and granting to its people the right to protection by the United States, including free trade, tariff protection, and financial assistance. In 1917, Congress passed the second organic act granting United States citizenship to the people of Puerto Rico. As a result of the latter act, many Puerto Ricans have come to our shores and have become our neighbors.

In New York they have established fine civic organizations, they conduct their cultural activities, they participate in the economic and political life of the community, and they set up their family and home life just as the rest of us do. In short, they are contributing their share toward the continued growth of our city, its cosmopolitan way of life, and the development of its democratic spirit. Those of us who have had the opportunity to come into closer contact with the Puerto Ricans and to observe them in their daily life, as I have, find them to be fine and upright citizens, peace-loving and loyal people, deeply religious in their spiritual makeup, and firm believers in the American democratic way of life.

As newcomers, they deserve a helping hand. Every effort should be exerted to integrate them and assimilate them into our institutions and our mode of life. Above all, we must eliminate every manifestation of prejudice and discrimination toward them, particularly in their desperate housing situation and in employment. There must be greater mutual understanding since they are part of the fabric of America. Our problems are their problems, too. With greater understanding and mutual cooperation we stand a better chance to solve these problems.

Like millions of other Americans, our citizens of Puerto Rican descent are vitally interested in civil rights, equality of opportunity for all in employment and education, decent housing and the elimination of firetraps and slum areas, maintenance of a higher standard of living and the proper standards of health. In my efforts in Congress I have consistently supported legislation to attain these goals, and I shall continue my efforts in that direction also in the future. This is essential to the welfare and progress of our society.

Mr. Speaker, I feel certain that in time we shall successfully solve the problems troubling our citizens from Puerto Rico who now reside in New York, just as we solved similar problems troubling other migrant groups. Patience, tolerance, and understanding will go a long way.

Too Late Now for Guatemala?

EXTENSION OF REMARKS
OF
HON. PATRICK J. HILLINGS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 10, 1954

Mr. HILLINGS. Mr. Speaker, the action of the Communist government in Guatemala this week in suspending civil rights and in organizing a "people's army," indicates that the Kremlin foothold in the Western Hemisphere is being strengthened. Last week, as a member of the Committee on Communist Aggression, I visited Mexico and several countries in Central America, including Guatemala. I am presently preparing a preliminary report to my committee on

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the situation existing in this area. I found that the Communist government of Guatemala has already encouraged Red agitators to infiltrate neighboring countries to stimulate Marxist activity. It appears that the Republic of Honduras is next on the list of Communist targets. Other nations of Central America face similar Communist agitation.

It is imperative that we recognize the danger to the free world which now exists in America's own backyard. It is important that our Government take positive and courageous action to meet this threat to our freedom in the Western Hemisphere. I suggest that the Congress reappraise the foreign aid program now under consideration. The present proposals call for the spending of $3.5 billion in foreign aid during the next fiscal year. Only $44 million of this amount, which is 1.3 percent, will be earmarked for all of Latin America.

We cannot buy friends with dollars, but proper use of military and economic assistance to the countries of Latin America could help those countries strengthen their national defense programs and assist them in increasing the standard of living for their people in an effort to discourage Communist activity.

In addition, it is important that we respond quickly to the request of our Latin American neighbors for military equipment in the face of the Communist threat. Our response to requests from Honduras and Nicaragua has helped to strengthen the anti-Communist bloc in Latin America and has encouraged resistance to the Reds.

If a conference of Latin American nations is called, serious consideration should be given to the imposition of economic sanctions against the Red leadership of Guatemala. If the United States and our friends in Latin America stop the purchase of Guatemalan coffee and boycott the shipment of fuels and other essential commodities to Guatemala, the Communist government there would be in serious difficulty.

I also found in the course of my study of Central America, that the Communists have infiltrated labor unions and teacher organizations in a number of Latin American countries. It is my hope that labor leaders in this country will consider inviting anti-Communist labor leaders in Latin America to the United States in order to show them the manner in which the Reds have been driven from active leadership in most of our American labor unions. A similar exchange among teachers of the United States and Latin America could also be helpful.

Mr. Speaker, I sincerely hope that the people of the United States awaken to the danger which exists in the Western Hemisphere today. Failure to recognize the danger and to take action to prevent its spread will mean that the day will come when the Red menace could reach the very border of our country.

Mr. Speaker, I include as part of my remarks, an editorial from the San Diego Union. The editorial follows:

TOO LATE NOW FOR GUATEMALA?

The clock may have struck 12 in Guatemala yesterday. The hour when anti-Communists within that country might strike back peaceably has been passing rapidly. With the suspension of constitutional guaranties that time may have elapsed.

Supported with Moscow weapons and dictatorial orders, the Communist-dominated government in Guatemala now may enforce any oppression it chooses upon the people.

The Reds long have dominated the press and radio in Guatemala. Raul Leiva, press secretary for President Arbenz, is a Communist. The director general of radio broadcasting, Carlos Alvarado Jerez, also is a Red.

But until constitutional guarantees were suspended yesterday, the opposition to the Communists still dared to speak out—mildly, perhaps, but as a voice of resistance.

The pattern of Red encroachment in Guatemala is typical of communism. Because of its proximity to our own borders, it deserves militant scrutiny.

The Reds have made no pretense of capturing the masses. Their numbers are estimated at 2,500 in a country of 3 million. The Communists have been able to entrench themselves in key organs of state power and in the leadership of labor and peasant organizations not as the result of a widespread popular revolutionary movement, but through a well-managed conspiracy. Unwittingly, they have been helped by non-Communists and ineffectually opposed by the anti-Reds.

With few exceptions, Guatemalans have not elected the Communists to the positions of power nor explicitly endorsed the Red objectives.

Jose Manuel Fortuny, recently deposed Guatemalan Communist Party leader, has proclaimed publicly the steps being followed. While the Reds tighten their grip on government, they are creating economic havoc by confiscating land and discouraging foreign investment. As conditions become worse, in typical Communist fashion inflation will increase. The Reds then will seek to convert the masses, offering the pretense of a solution.

The United States and other nations can seek to prevent the spread of communism to other nearby countries. But with the strong hold the Reds now have in Guatemala, it appears there is little hope unless revolt strikes from within. The hour for that is passing fast.

SENATE

FRIDAY, JUNE 11, 1954

Rev. Norman F. Van Brunt, associate minister, Foundry Methodist Church, Washington, D. C., offered the following prayer:

Thou God of our fathers and our God, we thank Thee that Thou hast created, through the minds of our forebears, a glorious heritage of liberty and justice for all. We pray that Thou wilt increase among us worthy plans and efforts to continually build the structure of democracy upon the sure foundations which they laid. To this end, we pray for guidance, this day and every day, in the work we have been called to do. May we know that we are contributing to the great stream of creative events which can make history the story of Thy unfolding purpose and will for man. Unite us in one continuous effort that, under Thy guidance, we may make our world a place where fruitful industry, valiant truth, responsible freedom, and pure religion flourish and men dwell as sons of God. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 9, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed, without amendment, the bill (S. 2225) relating to the administrative jurisdiction of certain public lands in the State of Oregon, and for other purposes.

The message requested the Senate to return to the House the bill (S. 3050) to amend the Agricultural Adjustment Act of 1938, as amended, with the accompanying papers.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 1331) for the relief of Mrs. Katherine L. Sewell.

The message further announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 455) granting the status of permanent residence to certain aliens.

The message also announced that the House had passed a bill (H. R. 9447) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related independent agencies for the fiscal year ending June 30, 1955, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 1331. An act for the relief of Mrs. Katherine L. Sewell;

H. R. 5416. An act to authorize the advancement of certain lieutenants on the retired list of the Navy; and

H. J. Res. 455. Joint resolution granting the status of permanent residence to certain aliens.

SENATOR FROM NORTH CAROLINA

Mr. LENNON. Mr. President, the Honorable William B. Umstead, Governor of North Carolina, has appointed a successor to the late lamented Senator Clyde R. Hoey. The Senator designate is the Honorable SAMUEL J. ERVIN, JR.,

of Morganton, N. C. I present his certificate of appointment, and ask that it be read.

The certificate of appointment was read, and ordered to be placed on file, as follows:

STATE OF NORTH CAROLINA,
GOVERNOR'S OFFICE,
Raleigh.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that pursuant to the power vested in me by the Constitution of the United States and the laws of North Carolina, I, William B. Umstead, the Governor of said State, do hereby appoint SAMUEL J. ERVIN, JR., a Senator from said State to represent said State in the Senate of the United States until the vacancy therein, caused by the death of Senator Clyde R. Hoey, is filled by election, as provided by law.

Witness His Excellency, our Governor, William B. Umstead, and our seal hereto affixed at Raleigh, N. C., this 5th day of June, in the year of our Lord 1954.

WM. B. UMSTEAD,
Governor.

By the Governor:
[SEAL] THAD EURE,
Secretary of State.

Mr. LENNON. Mr. President, the Senator designate is present, and I ask that he may be permitted to take the oath of office.

The VICE PRESIDENT. If the Senator designate will present himself at the desk, the oath will be administered to him.

Mr. ERVIN, escorted by Mr. LENNON, advanced to the Vice President's desk, and the oath of office prescribed by law was administered to him by the Vice President.

The VICE PRESIDENT. The Senate, having met today following an adjournment, morning business is in order.

REPORT OF DISTRICT OF COLUMBIA PUBLIC UTILITIES COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the Chairman, Public Utilities Commission of the District of Columbia, transmitting, pursuant to law, a report of that Commission for the year ended December 31, 1953, which, with the accompanying report, was referred to the Committee on the District of Columbia.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FERGUSON, from the Committee on Appropriations:

H. R. 8873. A bill making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes; with amendments (Rept. No. 1582).

(See the remarks of Mr. FERGUSON when he reported the above bill, which appear under a separate heading.)

By Mr. POTTER, from the Committee on Interstate and Foreign Commerce:

S. 2453. A bill to amend the Communications Act of 1934, as amended, with respect to implementing the International Convention for the Safety of Life at Sea relating to radio equipment and radio operators on board ship; with amendments (Rept. No. 1583).

By Mr. BUTLER of Maryland, from the Committee on Interstate and Foreign Commerce:

S. 3233. A bill to amend the Merchant Marine Act, 1936, to provide permanent legislation for the transportation of a substantial portion of water-borne cargoes in United States-flag vessels; with amendments (Rept. No. 1584).

By Mr. PURTELL, from the Committee on Interstate and Foreign Commerce:

H. R. 8357. A bill to amend the Standard Container Act of May 21, 1928 (45 Stat. 685; 15 U. S. C. 257–257i), to provide for a three-eighths bushel basket for fruits and vegetables; without amendment (Rept. No. 1585).

By Mr. STENNIS, from the Committee on Armed Services:

H. R. 8456. A bill to provide for the conveyance of certain hospital supplies and equipment of the United States to the city of Gulfport and to Harrison County, Miss.; without amendment (Rept. No. 1586).

By Mr. WATKINS, from the Committee on Interior and Insular Affairs, without amendment:

S. 3453. A bill to provide for the management and disposition of the reconveyed Choctaw and Chicasaw lands in the State of Oklahoma (Rept. No. 1953);

H. R. 3413. A bill to grant oil and gas in lands and to authorize the Secretary of the Interior to issue patents in fee on the Fort Peck Indian Reservation, Mont., to individual Indians in certain cases (Rept. No. 1589); and

H. R. 6154. A bill to authorize payment of salaries and expenses of officials of the Fort Peck Tribes (Rept. No. 1590).

By Mr. WATKINS, from the Committee on Interior and Insular Affairs, with an amendment:

S. 3239. A bill to authorize conveyance of land to the State of California for an inspection station (Rept. No. 1587).

By Mr. WATKINS, from the Committee on Interior and Insular Affairs, with amendments:

S. 2488. A bill to authorize the issuance of trust patents in lieu of land-use exchange assignments issued on the Cheyenne River Sioux Reservation and the Standing Rock Reservation prior to January 1, 1953 (Rept. No. 1588); and

S. 3385. A bill to provide for more effective extension work among Indian tribes and members thereof, and for other purposes (Rept. No. 1592).

By Mr. IVES, from the Committee on Labor and Public Welfare:

H. R. 3350. A bill for the relief of Ralston Edward Harry; without amendment (Rept. No. 1591), including minority views.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1955—REPORT OF A COMMITTEE—NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS

Mr. FERGUSON. Mr. President, from the Committee on Appropriations, I report favorably, with amendments, the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, and I submit a report (No. 1582) thereon.

I wish to have noted that the bill was reported at 6 minutes after 12 o'clock today.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar.

Mr. FERGUSON. Mr. President, I submit the following notices of motions to suspend the rule:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 52, line 10, insert the following:

"SEC. 736. Funds heretofore or hereafter allocated to the Department of Defense from any appropriation for military assistance (except funds obligated directly against any such appropriation for offshore procurement or other purposes) shall be accounted for by geographic area and by country solely on the basis of the value of materials delivered and services performed (such value to be determined in accordance with the applicable provisions of law governing the administration of military assistance). Within the limits of funds so allocated, the Department of Defense is authorized to incur, in applicable appropriations, obligations in anticipation of reimbursement from such allocation, and no funds so allocated shall be withdrawn by administrative action until the Secretary of Defense shall certify that they are not required for liquidation of obligations so incurred, or unless the President in writing shall direct such action. Reimbursement from such allocation shall be made in accordance with the applicable provisions of law."

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 29, line 9, after the figure "$28,000,000", insert the following: ": *Provided*, That in addition, the Secretary of the Air Force may transfer not to exceed $5,000,000 to this appropriation from any appropriation available to the Department of the Air Force for obligation."

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 39, line 25, insert the following: "*Provided further*, That no funds available to agencies of the Department of Defense shall be used for the operation, acquisition, or construction of facilities in the continental limits of the United States for metal scrap baling or shearing or for melting or sweating aluminum scrap unless the Secretary of Defense or an Assistant Secretary of Defense designated by him determines, with respect to each facility involved, that the operation of such facility must be continued in the national interest."

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955,

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and for other purposes, the following amendment, namely: On page 22, line 6, after the word "expended", insert the following: ": *Provided*, That the unexpended balances appropriated for research and development under the heads 'Naval Personnel, General Expenses,' 'Marine Corps, Troops and Facilities,' 'Aircraft and Facilities,' 'Ships and Facilities,' 'Ordnance and Facilities,' 'Medical Care,' 'Civil Engineering,' 'Servicewide Supply and Finance, Navy,' for the fiscal years 1953 and 1954 and the unexpended balance of appropriations under the head 'Research' are hereby transferred to and merged with this appropriation, in such amounts as may be recommended by the Secretary of Defense and approved by the Director of the Bureau of the Budget."

In accordance with rule XL of the standing rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 30, line 15, after the word "*Provided*," insert the following: "That in addition, the Secretary of the Air Force may transfer not to exceed $9 million to this appropriation from any appropriation available to the Department of the Air Force for obligation: *Provided further*, That the number of caretakers authorized to be employed under the provisions of law (32 U. S. C. 42) may be such as is deemed necessary by the Secretary of the Air Force."

Mr. FERGUSON also submitted amendments intended to be proposed by him to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, which were ordered to lie on the table and to be printed.

(For texts of amendments referred to, see the foregoing notices.)

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on June 10, 1954, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 144. An act for the relief of the Cavalier County Fair Association;

S. 857. An act for the relief of the legal guardian of Robert L. Hilton, a minor;

S. 1399. An act to authorize the Secretary of Agriculture to sell certain improvements on national forest land in Arizona to the Salt River Valley Water Users Association, and for other purposes;

S. 1400. An act to permit the Secretary of Agriculture to release the reversionary rights of the United States in and to a tract of land located in Wake County, N. C.;

S. 1794. An act to reimburse the South Dakota State Hospital for the Insane for the care of Indian patients; and

S. J. Res. 119. Joint resolution to validate conveyance of a 40-acre tract in Okaloosa County, Fla.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAPEHART (for himself and Mr. MAYBANK):

S. 3589. A bill to provide for the independent management of the Export-Import Bank of Washington under a Board of Directors, to provide for the representation of the Bank on the National Advisory Council on International Monetary and Financial Problems and to increase the bank's lending authority; to the Committee on Banking and Currency.

(See the remarks of Mr. CAPEHART when he introduced the above bill, which appear under a separate heading.)

By Mr. AIKEN:

S. 3590. A bill relating to the financial structure of production credit associations; to the Committee on Agriculture and Forestry.

By Mr. ANDERSON:

S. 3591. A bill to provide that certain lands acquired by the United States shall be administered by the Secretary of Agriculture as national forest lands; to the Committee on Agriculture and Forestry.

By Mr. SMATHERS:

S. 3592. A bill to authorize the Secretary of the Interior to issue patents for certain lands in Florida bordering upon Indian River; to the Committee on Interior and Insular Affairs.

By Mr. SALTONSTALL (by request):

S. 3593. A bill to continue the effectiveness of the act of July 17, 1953 (68 Stat. 177); to the Committee on Armed Services.

(See the remarks of Mr. SALTONSTALL when he introduced the above bill, which appear under a separate heading.)

By Mr. SALTONSTALL (for himself, Mr. BUTLER of Maryland, Mr. GREEN, Mr. KENNEDY, Mr. KUCHEL, Mr. MAGNUSON, Mr. PASTORE, Mr. PAYNE, Mr. PURTELL, Mrs. SMITH of Maine, Mr. ELLENDER, and Mr. LONG):

S. 3594. A bill to protect the rights of vessels of the United States on the high seas and in territorial waters of foreign countries; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. SALTONSTALL when he introduced the above bills, which appear under a separate heading.)

By Mr. JOHNSON of Texas (for himself and Mr. DANIEL):

S. 3595. A bill to direct the Secretary of the Army to convey certain property located in El Paso, Tex., and described as part of Fort Bliss, to the State of Texas; to the Committee on Armed Services.

By Mr. POTTER (for Mr. DIRKSEN) (by request):

S. 3596. A bill to amend the Federal Trade Commission Act with respect to certain contracts, agreements or franchises to enable manufacturers of automobiles and trucks and their franchise dealers to protect their goodwill in the business of manufacturing and distributing automobiles and trucks made or sold by them by restricting franchise dealers from reselling to certain unauthorized persons; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. POTTER when he introduced the above bill, which appear under a separate heading.)

By Mr. WATKINS:

S. 3597. A bill to amend the provisions of law added to the United States Code by the act of August 15, 1953 (Public Law 280, 83d Cong., 67 Stat. 588); to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON:

S. 3598. A bill for the relief of Eleonore Schmucker and her child; to the Committee on the Judiciary.

By Mr. HILL:

S. 3599. A bill providing for the issuance of a special series of postage stamps commemorative of the 50th anniversary of the National Tuberculosis Association; to the Committee on Post Office and Civil Service.

By Mr. KENNEDY:

S. 3600. A bill for the relief of Victor Manuel Caetano; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 3601. A bill to provide that the Secretary of Agriculture is authorized to extend until not later than October 18, 1962, certain timber rights and necessary ingress, and egress and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. BUTLER of Nebraska (for himself and Mr. BARRETT):

S. J. Res. 165. Joint resolution to provide for construction by the Secretary of the Interior of the Glendo unit, Wyoming, Missouri River Basin project; to the Committee on Interior and Insular Affairs.

INDEPENDENT MANAGEMENT OF THE EXPORT-IMPORT BANK OF WASHINGTON UNDER A BOARD OF DIRECTORS

Mr. CAPEHART. Mr. President, on behalf of myself and the Senator from South Carolina [Mr. MAYBANK], I introduce for appropriate reference a bill to provide for the independent management of the Export-Import Bank of Washington under a board of directors, and for other purposes. I ask unanimous consent that the bill and a statement I have prepared in respect thereto be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 3589) to provide for the independent management of the Export-Import Bank of Washington under a Board of Directors, to provide for the representation of the bank on the National Advisory Council on International Monetary and Financial Problems and to increase the bank's lending authority, introduced by Mr. CAPEHART (for himself and Mr. MAYBANK), was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 3 of the Export-Import Bank Act of 1945, as amended, is hereby further amended to read as follows:

"SEC. 3. (a) The Export-Import Bank of Washington shall constitute an independent agency of the United States and neither the bank nor any of its functions, powers, or duties shall be transferred to or consolidated with any other department, agency, or corporation of the Government unless the Congress shall otherwise by law provide.

"(b) There shall be a President of the Export-Import Bank of Washington, who shall be appointed by the President of the United States by and with the advice and consent of the Senate, who shall receive a salary at the rate of $17,500 per annum, and who shall serve as chief executive officer of the bank. There shall be a First Vice President of the bank, who shall be appointed by the President of the United States by and with the advice and consent of the Senate, who shall receive a salary at the rate of $16,000 per annum, who shall serve as President of the bank during the absence or disability of or in the event of a vacancy in the office of President of the bank, and who shall at other

times perform such functions as the President of the bank may from time to time prescribe.

"(c) There shall be a Board of Directors of the bank consisting of the President of the Export-Import Bank of Washington who shall serve as Chairman, the First Vice President who shall serve as Vice Chairman, and three additional persons appointed by the President of the United States by and with the advice and consent of the Senate. Of the 5 members of the Board, not more than 3 shall be members of any one political party. Each director, other than the President of the Export-Import Bank and the Vice President of the Export-Import Bank, shall receive a salary at the rate of $15,000 per annum. Before entering upon his duties, each of the directors shall take an oath faithfully to discharge the duties of his office. Terms of the directors shall be at the pleasure of the President of the United States, and the directors, in addition to their duties as members of the Board, shall perform such additional duties and may hold such other offices in the administration of the bank as the President of the bank may from time to time prescribe. A majority of the Board of Directors shall constitute a quorum. The Board of Directors shall adopt, and may from time to time amend, such bylaws as are necessary for the proper management and functioning of the bank, and shall, in such bylaws, designate the vice presidents and other officers of the bank and prescribe their duties.

"(d) There shall be an Advisory Committee of nine members, appointed by the Board of Directors on the recommendation of the president of the bank, who shall be broadly representative of production, commerce, finance, agriculture, and labor. The Advisory Committee shall meet one or more times per year, on the call of the president of the bank, to advise with the bank on its program. Members of the Advisory Committee shall be paid a per diem allowance of $50 for each day spent away from their homes or regular places of business, for the purpose of attendance at meetings of the Committee, and in necessary travel, and while so engaged they may be paid actual travel expenses and not to exceed $10 per diem in lieu of subsistence and other expenses.

"(e) No director, officer, attorney, agent, or employee of the bank shall in any manner, directly or indirectly, participate in the deliberation upon or the determination of any question affecting his personal interests, or the interests of any corporation, partnership, or association in which he is directly or indirectly personally interested."

SEC. 2. Section 4 (a) of the Bretton Woods Agreements Act, as amended, is hereby further amended by striking out all following "Federal Reserve System," and inserting in lieu thereof "the President of the Export-Import Bank of Washington, and during such period as the Foreign Operations Administration shall continue to exist, the Director of the Foreign Operations Administration."

SEC. 3. The Export-Import Bank Act of 1945, as amended, is hereby further amended as follows:

(a) Section 6 is amended by striking out the words "three and one-half times the authorized capital stock of the bank" and substituting therefor the figure "$4,000,000,000."

(b) Section 7 is amended by striking out the words "four and one-half times the authorized capital stock of the bank" and substituting therefor the figure "$5,000,000,000."

SEC. 4. The provisions of this act for the appointment of a president and a first vice president of the bank and the members of the board of directors shall be effective upon its enactment. The remaining provisions of this act shall become effective when the president and first vice president of the bank and one other member of the board of directors initially appointed hereunder enter upon office, and shall thereupon supersede Reorganization Plan No. 5 of 1953.

The statement by Mr. CAPEHART is as follows:

STATEMENT BY SENATOR CAPEHART

My participation in the activities of the Senate in the field of foreign affairs has been limited.

It was only 6 months ago that I became one of the most junior members of the Senate Committee on Foreign Relations.

But I brought to that committee a long experience with the Senate Committee on Banking and Currency.

I want now to make my maiden speech.

When I have finished, I hope my colleagues will recognize that a marriage has been consummated between foreign policy and economic policy.

One of the things that has impressed me most in my service with the Foreign Relations Committee is that our foreign policy has not always been based on sound business practice.

We have had a tendency in the years since the war, and perhaps with some justification, to think of economic foreign policy as something that involves giving American wealth to nations that were not able to stand on their own economic feet.

We have encouraged dependence, not independence. It is now time for us to recognize that the world we want and need must be one in which free nations deal with one another as equals and that paternalism has no more place in international affairs than it has in domestic affairs.

We have the instrumentality available to build a strong foreign policy.

But first, let us look at the record.

On March 30, 1954, in his message to the Congress on the importance of our foreign trade the President made the following observation:

"If we fail in our trade policy, we may fail in all. Our domestic employment, our standard of living, our security, and the solidarity of the free world—all are involved. For our own economic growth we must have continuously expanding world markets; for our security we require that our allies become economically strong. Expanding trade is the only adequate solution for these two pressing problems confronting our country."

I wholeheartedly support this statement. I have long since been on record as being in agreement with its substance.

As early as January 7, 1953, I, together with the distinguished Senator from South Carolina [Mr. MAYBANK], introduced a resolution in the Senate (S. Res. 25) directing the Committee on Banking and Currency to make a thorough study of means and methods for increasing and expanding our international trade.

This resolution was referred to the Committee on Banking and Currency.

It was considered in a number of executive sessions and reported out favorably by the full committee on April 30, 1953—over 1 year ago. (See S. Rept. No. 208, 83d Cong., 1st sess.)

In that report it was stated that the continued prosperity of our domestic economy and the economic stability of the world is to a large extent dependent on a high level of international trade.

Our committee contended that a high level of international trade should no longer be dependent upon programs of aid and assistance as has been required during recent years.

At the same time it was our opinion that to reduce drastically the various programs of aid and assistance, without at the same time providing some other means of taking up the slack and further expanding trade between nations, might well lead to a downward spiral in our international trade and even to an overall international economic recession.

Our committee proposed to make constructive studies of various means and methods of expanding foreign trade.

Included in the resolution was the proposal for a thorough study of the potentialities of the Export-Import Bank, the International Bank for Reconstruction and Development, and such other agencies and devices as would facilitate American investment abroad.

At a later date, the President requested of the Congress authorization to appoint a Commission on Foreign Economic Policy. Senate Joint Resolution 78 was introduced to carry out the President's request on May 15.

The Senate Finance Committee reported it out on May 15 and the Senate agreed to it on May 19, 1953.

This Commission subsequently became known as the Randall Commission.

Its report is now public.

Its recommendations will come before this body in legislative proposals.

On May 23, 1953, in a letter to the chairman, Committee on Rules and Administration, I suggested that to avoid duplication of effort and in order to wholly cooperate with the President's Commission in their broad trade studies that our resolution of January 7 (S. Res. 25) be amended to read as follows:

"Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized and directed to make a thorough study of the operations of the Export-Import Bank and the International Bank for Reconstruction and Development and their relationship to the expansion of international trade."

On May 28, 1953, the Committee on Rules and Administration reported favorably upon this amendment and recommended that it be agreed to by the Senate. The amendment was considered and approved on June 8, 1953.

On January 11, 1954, as chairman of the Committee on Banking and Currency, I submitted a progress report of our committee's work, to that date, under the resolution. Briefly the report told of intensive studies which the committee had made of the internal and external operations of the Export-Import Bank and the International Bank; the multitudinous expression of opinion and suggestions from bankers, business firms, trade associations, labor organizations, farm groups, economists, and individuals; and staff reports and detailed written studies prepared by customers and by the experienced personnel of both banks. In addition, we reported the "field" study and inspection by committee members of certain projects in Latin America financed by loans of the Export-Import Bank and International Bank for Reconstruction and Development.

A comprehensive interim report (p. 648) of our Latin American studies has been printed under date of March 16, 1954 (S. Rept. 1082).

The January 11 progress report also referred to the creation of a voluntary citizens advisory committee on September 15, 1953, composed of over 100 prominent leaders from industry, business, banking, labor, and farming to make appropriate recommendations to your committee concerning the subject matter of the study.

This advisory committee has been most diligent in its studies and deliberations and their helpful suggestions will shortly be formally presented to the committee.

At the first meeting of the Citizens Advisory Committee on September 15, I stated:

"We cannot have peace and prosperity throughout the world unless we have full employment.

"If we are to have full employment, we must have foreign trade.

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"What we want to do in the United States is to sell more goods to every other nation in the world.

"What every other nation in the world wants to do is to sell more goods to us and to every other nation.

"We all want to do it without hurting each other.

"I think another very simple way to state this whole business is this:

"I was never able to sell a man who did not have any money or credit. That means we are not going to be able to sell in the United States unless we have full employment or practically full employment. We are not going to be able to sell to other nations of the world unless their people have money.

"They are not going to be able to sell to us unless we have money.

"I have never yet seen a community in the United States or a community anywhere, a city, a county, a state, or a nation that was prosperous unless at least the great majority of their people were working and working at good wages, wage rates comparable with the prices they had to pay for things they purchased.

"What we hope to do—it is not easy and we realize that—is to find some way to increase world trade.

"As far as I am personally concerned, it must be converted into employment.

"What can we do to create more jobs in the United States? What can we do to create more jobs for the peoples of other countries so that they will have money to buy that which we produce, and money to buy that which is produced in their own countries?

"We would like to have our study based upon and resolved around full employment.

"Anything that we might recommend, anything that we might do must be compatible with what I call the American system of government and the private enterprise system.

"We are not going to have peace, we are not going to have prosperity unless our people and the peoples of the other countries have jobs."

What I said on September 15 I reiterate now. All who have been engaged in our committee's work have kept these basic purposes before them.

Public hearings have been held by our committee during January and February and are to be continued at subsequent dates.

While our studies are steadily progressing certain facts have already become evident and vital.

Some of these facts concern the great credit arm of the United States which was created for a clear-cut purpose:

"To aid in financing and to facilitate exports and imports and the exchange of commodities between the United States or any of its territories or insular possessions and any foreign country or the agencies or nationals thereof."

I refer to the Export-Import Bank. This credit arm is most urgently needed in expanded form at the present turn in the economy of the world.

Presently, we find United States producers seeking markets for their production.

Labor in capital goods, manufacturing, processing, and other industries are concerned about employment.

Many countries in the free world are anxious to acquire wealth-creating machinery and equipment which is available in the United States.

We have recently turned an economic corner in this country.

We have moved from a sellers' to a competitive buyers' market.

United States producers can no longer sit back and without dynamic salesmanship expect foreign orders to fill up surplus productive capacity of their plants.

We have, through the years, by gifts and grants and by aid programs built up a healthy competition for ourselves.

We have in addition aided our free world friends and neighbors to create and develop credit facilities and devices which at the same time we have failed to utilize or create ourselves.

While many of our neighbors still want our products they now want to buy them on their own credit terms.

The day has gone when we can demand guaranteed letters of credit with orders.

This great country of ours did not grow to its greatness on a cash-and-carry basis.

When it needed to expand and develop its agricultural and mineral resources, its transportation, its industrialization, it sought substantial help in the form of long-term credits.

Enormous sums poured in from abroad and were invested upon a long-term basis upon the faith of the destiny of the United States.

Simultaneously there developed within our own economy new credit forms which enabled the businessman—big and little—to turn over his own capital many times, thereby creating greater output, more jobs, and expansion of plant capacity.

It enabled capital to be accumulated to be used for more growth and wider investment.

There finally evolved consumer credit plans which, predicated upon the integrity and earning power of the American worker, has resulted in an undreamed volume of national product.

It is part of this national product which our foreign friends wish to purchase and which we want to sell them.

We have to make it possible for them to buy by helping them with lengthy credit terms.

Both our private investment sources, our great banks, our insurance companies, our investment trusts, our many pension funds have enormous resources for sound investment, not only in this country but in expanding friendly areas abroad.

As foreign countries improve the investment climate by removing artificial and short-sighted trade and monetary restrictions these investment sources will, as happened in our own country a hundred years ago, find proper and safe investments in the expanding economy of other nations.

Money invested in wealth-creating ventures on long-term credit basis will enable the economies of other nations to expand, will provide greater employment opportunities, raise wages and living standards, and wipe out illiteracy, disease, and social discontent.

In normal course credit purchase systems will evolve to enable consumers to purchase more useful comforts and conveniences of life over longer periods of time and therefore expand the productive capacity of other countries.

We can and should help our friends in their economic development as we ourselves were helped from abroad decades ago. We should use all our acquired wisdom, experience, and sympathy in assisting our friends abroad when they solicit our help in improving their economies.

International business means sound borrowing on credit terms which permits for expansion and turnover.

Twenty years ago we created the Export-Import Bank.

From an agency with a capital of $11 million we have expanded it year by year into an independent corporate entity with a loan, guaranty, and insurance ceiling which now reaches $4½ billion.

Collections during the calendar year 1954 are expected to total $440 million.

Over the years the Export-Import Bank has done a good, an effective job in promoting our foreign trade.

It stands today, with $1.3 billion in unused lending capacity, in addition to $500 million yet to be disbursed under credits already authorized.

We are not adequately using the resources of this great bank in the credit substructure of our international trade.

It is not because of the lack of credit applications by American producers and foreign buyers.

There has been much said about the appropriate field for different types, kinds, and character of credits to be granted by the Export-Import Bank.

I refer to the assertions frequently made about the respective field of jurisdiction and operation of the Export-Import Bank as compared with the International Bank.

For example, it has been stated that the role of the Export-Import Bank is aid to our current foreign trade by means of loans of rapid turnover and shorter duration, while the role of the International Bank involves loans of a capital nature of long duration for construction and development purposes.

I point out that in the 20 years of its life, the objects and purposes of the Export-Import Bank have never been changed. They are presently contained in the Export-Import Bank Act of 1945.

At the expense of repetition, those objects and purposes are: "To aid in financing and to facilitate exports and imports and the exchange of commodities between the United States or any of its Territories or insular possessions and any foreign country or the agencies or nationals thereof."

I confess that by the most careful reading of these purposes I can find no limitation upon the kind, size, or quantity of exports which this United States bank may finance.

Nor can I find any preclusive word or phrase which would limit the Export-Import Bank to loans of rapid turnover or short duration.

Certainly I would object to any interpretation which would circumscribe the authority of this bank to make loans to capital-goods industries, to wealth-producing industries, which by their very nature presume longer credit terms.

This country of ours has been built by the might of its technology.

It is this technology that free nations seek, as well as the products of our great technological mass-production plants.

To limit the export of our science, our technology, by denying appropriate credit terms from our only available public credit source, the Export-Import Bank, is to deny fundamental tenets of our foreign policy, our foreign-assistance programs, and our point 4 programs.

I do not believe we should circumscribe the functions of the Export-Import Bank.

I do not believe we should hesitate to help our foreign friends in undertaking proper development projects within their reasonable credit potential.

Nor would I have the United States producer nor skilled United States labor submit to any credit preclusion which in this highly competitive world would put them in an unrealistic and noncompetitive position.

My position on this matter has more to it than mere national selfishness.

As I view it, the total strength of the free world is not unrelated to the strength of the United States.

To weaken us, to weaken our production, our fibers of laboratory research, to restrain the continuing employment of our technicians, to restrict for a moment the steady growth of our industrial potential—all of which can be prevented through expanding international trade built on sound credit—at a time when the Iron Curtained world is devoting its energies to catching up and to surpassing us, is to invite the destruction of freedom.

We must grow steadily even as friendly nations must grow in technology and productivity.

It is imperative that we do so if we are to maintain our own power, and that of other free nations.

And we must use all available credit sources to stimulate that growth.

There is no legislative limitation upon loan authority of the Export-Import Bank that would exclude it properly from making long-term, medium-term, or development loans.

In fact, as early as September 26, 1940, the Congress increased the lending authority of the bank by some $500 million and specifically provided for the making of loans to foreign governments or their central banks or agencies for the purpose of assisting in the development of their resources, stabilizing their economies, and for the orderly marketing of products of the Western Hemisphere.

That purpose and loan authority has never been modified or repealed by the Congress.

It stands as the declared policy of the Congress.

My colleague [Mr. MAYBANK] and I are submitting a bill which would amend the Export-Import Bank Act of 1945.

This bill reiterates and reaffirms the independent management of the bank under a board of adequately compensated directors.

The bill clarifies the relationship of the bank to the National Advisory Council and gives a voting membership on the Council to the bank.

The loan, guaranty, and insurance limit of the bank is fixed at $5 billion.

This will be practical evidence to American producers, to American labor, and to all American taxpayers that the Congress practicalizes the trade-not-aid slogan at a time when our gift and grant programs are being substantially curtailed.

The bill also provides the means for additional credit, guaranty, and insurance plans to expand international trade.

With this proposed amendatory legislation enacted into law, we will take a great step and a fundamental step forward in the expansion of international trade.

Mr. CAPEHART. Mr. President, I now ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a letter from the Secretary of State, Mr. Dulles, endorsing the bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF STATE,
Washington, June 9, 1954.

The Honorable HOMER E. CAPEHART,
United States Senate.

DEAR HOMER: I am sorry that I cannot attend the 12 o'clock meeting tomorrow that you are having with the President on your proposed Export-Import Bank Act. However, I have followed this matter closely, and I want you to know how much I appreciate the careful consideration that you have given to it. I believe that your bill will go a long way toward solving the problem.

Sincerely yours,

JOHN FOSTER DULLES.

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed at this point, in the body of the RECORD, as a part of my remarks, a statement endorsing the bill, given to the press on yesterday by the President of the United States.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE PRESIDENT FOLLOWING MEETING AT 12 NOON ON THURSDAY, JUNE 10, 1954, WITH CONGRESSIONAL AND ADMINISTRATION REPRESENTATIVES

President Eisenhower met at 12 o'clock today with Senators Homer E. Capehart and Burnet R. Maybank, of the Senate Committee on Banking and Currency; Representatives Jesse P. Wolcott and Brent Spence, of the House Committee on Banking and Currency; Secretary of the Treasury George M. Humphrey; Acting Secretary of State Robert Murphy; Deputy to the Secretary of Treasury W. Randolph Burgess; Assistant Secretary of State Samuel C. Waugh; General Glen E. Edgerton, Managing Director of the Export-Import Bank; and Gabriel Hauge, Administrative Assistant to the President.

At the meeting, agreement was reached on several changes in the organization of the Export-Import Bank which will be embodied in bills to be introduced this afternoon by Senators CAPEHART and MAYBANK in the Senate and by Representative WOLCOTT in the House.

The changes are the result of a year's experience and study, including visits to Latin American countries by the members of the Senate Banking and Currency Committee and a mission headed by Dr. Milton Eisenhower.

The Banking and Currency Committee of the Senate has also had the benefit of consideration of these problems by an advisory committee of businessmen and financial representatives.

The proposed legislation would increase the lending authority of the Bank by $500 million and strengthen the organization of the institution by creating a bipartisan board of directors of five members to be appointed by the President subject to Senate confirmation. The Chairman of the Board would be the President of the Bank, who would serve as the chief executive officer.

These proposed changes are designed to further the basic objectives of the Bank, which are to aid in financing and to facilitate the export and import trade of the United States. Such assistance is particularly important to American exporters under current conditions in world markets.

The National Advisory Council on International Monetary and Financial Problems will continue to coordinate the foreign financial operations of the Export-Import Bank with those of other agencies of the Government. The President of the Bank will become a member of the NAC. No change would be made in the statutory requirement that loans made by the Bank offer reasonable assurance of repayment.

NOTICE OF PUBLIC HEARINGS ON EXPORT-IMPORT BANK PROPOSED LEGISLATION

Mr. CAPEHART. Mr. President, as chairman of the Committee on Banking and Currency, I desire to give notice that public hearings will be held on the study of Export-Import Bank and World Bank and their relation to international trade and specifically on S. 3589, just introduced, on June 14, 15, and 16, 1954.

Anyone wishing to discuss possible appearance to testify please contact the clerk of the committee, Ira Dixon.

CONTINUATION OF EFFECTIVENESS OF THE ACT OF JULY 17, 1953, RELATING TO EXPANSION OF PRODUCTION OF MILITARY REQUIREMENTS

Mr. SALTONSTALL. Mr. President, by request, I introduce for appropriate reference a bill to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), which is recommended by the Department of Defense.

I ask unanimous consent that the accompanying letter of transmittal explaining the purpose of the bill be printed in the RECORD immediately following the listing of the bill introduced.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter of transmittal will be printed in the RECORD.

The bill (S. 3593) to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), introduced by Mr. SALTONSTALL (by request), was received, read twice by its title, and referred to the Committee on Armed Services.

The letter is as follows:

DEPARTMENT OF THE ARMY,
Washington, D. C., April 15, 1954.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation "To continue the effectiveness of the act of July 17, 1953 (67 Stat. 177)".

This proposal is a part of the Department of Defense Legislative Program for 1954. The Bureau of the Budget has advised that it has no objection to the transmittal of this proposal to the Congress for its consideration. The Department of the Army on behalf of the Department of Defense recommends that it be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The proposed legislation would provide continuing statutory authority for the Secretaries of the Army, Navy, and Air Force to expand and maintain productive capacity in Government-owned and privately owned plants in order to meet current or mobilization military production requirements, with ownership remaining in the Government for those facilities placed in privately owned plants. The present authority for these purposes is contained in the act of July 17, 1953 (Public Law 130, 83d Cong.; 67 Stat. 177), which authority expires not later than July 1, 1954. This proposal would amend this act as hereinafter indicated, and, as amended, extend the duration of the effectiveness of its provisions until 6 months after the termination of the national emergency proclaimed by the President on December 16, 1950, or until such time as may be specified by concurrent resolution of the Congress, whichever is the earliest.

Even though a truce exists in the Korean conflict, the present world situation is similar in many respects to that which led to the request of this department for, and the enactment of, the act of July 17, 1953, in that it is still considered necessary that there be authority to meet requirements for rapid construction or expansion of production facilities needed to alleviate emergency production shortages which arise under conditions of urgent requirements for end items necessary for defense purposes. The act of July 17, 1953, itself was, to a large extent, a continuation of authority to expedite military production granted by statutes enacted shortly before and during World War II.

As was stated in connection with the request for enactment of the act of July 17, 1953, under normal peacetime conditions, the construction, conversion, or expansion of facilities for the procurement of military items is reduced to a minimum and limited to specific items which may be required during such peacetime periods. Peacetime authority of the military departments is not sufficiently broad to provide facilities that will be needed when an emergency occurs. Nor is there any peacetime authority available to the departments for assisting the expansion of privately owned productive capacity for an emergency. Expansion of both Government-owned and privately owned plants became immediately necessary in the emergencies that occurred prior to World War II and with the advent of the Korean conflict.

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In the case of construction at military installations, it has been the practice periodically to obtain specific authorizing legislation for known needs. This procedure is clearly not feasible in the case of construction or expansion of plants needed to alleviate unforeseen shortages in defense production. It is not possible to foresee and predict accurately the need for specific authorizing legislation. During World War II and the Korean conflict, authority similar to that contained in the act of July 17, 1953, proved to be of inestimable value for the rapid expansion of productive capacity by the construction of Government-owned and expansion of privately owned plants.

In the present national emergency, the expansion of industrial capacity for the production of procured military items, and the rehabilitation of Government-owned plants which had been retained and maintained on a minimum basis, was started with an initial appropriation to the Army alone for fiscal year 1951 of expediting production funds of $125 million. During the remainder of that fiscal year, an additional $975 million was made available to the Army by supplemental appropriations. In fiscal year 1952, $1 billion was made available to the Army for the same purposes. No additional funds were requested for fiscal year 1953. For fiscal year 1954, $332 million was made available to the Army for such purposes. These funds have been and are being utilized for the rehabilitation, expansion, and conversion of plants retained under Government control since World War II, the construction of certain additional specialized plants for the production of items not normally produced by civilian industry, and the conversion of existing privately owned plants to the production of military items.

Under the existing international situation, the present emergency may become acute at any time without warning. In such an eventuality, time would be a large and very significant factor in the expansion of urgently needed productive capacity. It is believed that continued statutory authority for a rapid expansion of productive capacity is important to the timely satisfaction of the needs of the military departments for vital supplies. This proposal would continue not only the authority with respect to facilities required for current defense production but also to facilities intended for mobilization reserve purposes. The reserve capacity to be provided will be for essential military items requiring a long-lead production time. In the event of full mobilization, a lack of adequate productive capacity for such items would create a serious bottleneck. The Department of Defense appropriation for fiscal year 1954 contained $250 million for this purpose.

The authority granted by the act of July 17, 1953, to maintain production facilities in a standby basis at or near the location planned to be used for production purposes in the event of further emergency will become increasingly important as the immediate need for current production decreases. As long as such authority exists arrangements can be made to reactivate quickly production facilities by (1) arranging with the private contractor for storage and/or maintenance of the facilities at or near the plant site, or (2) lease of the facilities in place to private contractors in return for the storage, maintenance, preservation, and performance of other services by such contractors with respect to the property leased, or other production facilities not so leased, in lieu of, or in addition to, a monetary rental. Without such authority it would not be possible to assure that such facilities would be available as quickly for actual production in the event of a further emergency.

This proposal recommends one technical change in the act of July 17, 1953. This change would recognize by express provision the present implied authority to maintain, store, and operate defense production facilities acquired pursuant to statutes other than the act of July 17, 1953, the act of July 2, 1940 (54 Stat. 712), as amended, and the act of December 17, 1942 (56 Stat. 1053), as amended, which is the present limitation in the act of July 17, 1953. The reason for this is that there are defense productive facilities acquired pursuant to other statutes which it is deemed necessary to maintain, store, and operate. Specifically, facilities have been acquired pursuant to Public Law 364, 80th Congress; Public Law 883, 80th Congress; and Public Law 152, 81st Congress, as amended, the continued availability of which is required for mobilization base purposes.

COST AND BUDGET DATA

This proposal would cause no apparent increase in budgetary requirements insofar as the Department of Defense is concerned.

Sincerely yours,

ROBERT T. STEVENS,
Secretary of the Army.

RIGHTS OF UNITED STATES VESSELS ON THE HIGH SEAS AND IN TERRITORIAL WATERS OF FOREIGN COUNTRIES

Mr. SALTONSTALL. Mr. President, on behalf of myself, the Senator from Maryland [Mr. BUTLER], the senior Senator from Rhode Island [Mr. GREEN], my colleague, the junior Senator from Massachusetts [Mr. KENNEDY], the Senator from California [Mr. KUCHEL], the Senator from Washington [Mr. MAGNUSON], the junior Senator from Rhode Island [Mr. PASTORE], the junior Senator from Maine [Mr. PAYNE], the Senator from Connecticut [Mr. PURTELL], the senior Senator from Maine [Mrs. SMITH], the senior Senator from Louisiana [Mr. ELLENDER], and the junior Senator from Louisiana [Mr. LONG], I introduce for appropriate reference a bill to protect the rights of vessels of the United States on the high seas and in territorial waters of foreign countries. I hope that other Senators who are interested in the subject of fishing may join in sponsoring the bill.

I ask unanimous consent that there may be printed in the RECORD a brief statement explaining the provisions of the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3594) to protect the rights of vessels of the United States on the high seas and in territorial waters of foreign countries, introduced by Mr. SALTONSTALL (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement by Mr. SALTONSTALL is as follows:

STATEMENT BY SENATOR SALTONSTALL

This bill is designed to protect American fishermen in the continued exercise of fishing rights on the high seas and in the territorial waters off foreign countries.

The need for this bill arises from the serious danger that without protection for our fishermen these fishing rights will be sacrificed by default in the important tuna fisheries of the west coast off Central and South America and in the central Pacific, in the troll salmon, halibut, and ground-fish fisheries in the waters off British Columbia, in the shrimp and snapper fisheries of the Gulf of Mexico. Eventually even our fishermen's rights in the cod, haddock, and rosefish fisheries off Labrador, Newfoundland, Nova Scotia, and in the Gulf of St. Lawrence may be jeopardized.

The individual fishermen of the United States do not have these rights themselves. Such rights, under international law, pertain only to their sovereign, the United States. Yet the right of the United States to fish on the high seas exists only to the extent it is exercised by its fishermen engaged in catching fish. Recently, however, other countries have sought to extend their sovereignty and right of exclusive control into waters where vessels of the United States have traditionally fished. Unless the owners of these vessels can be assured of some measure of protection against the seizure of their vessels while exercising rights of the United States, they cannot continue to take the risk of sending their vessels into such waters. Unless, on the other hand, they do continue to fish in the challenged waters, those rights of the United States will become seriously weakened and may atrophy.

This is a worldwide problem. Its urgency has been demonstrated by repeated seizures of Japanese fishing vessels on the high seas by Russia and Communist China; denial to Israeli vessels of access to Israeli ports in the Gulf of Aqaba by Saudi Arabia and Egypt; seizure of Israeli fishing boats by Egypt in the Mediterranean; seizure of Danish and Swedish fishing boats by Russia in the Baltic; seizure of British fishing vessels by Iceland; seizure of Italian fishing vessels by Yugoslavia; and seizure of United States fishing vessels by Mexico and Ecuador, as well as attempted seizures by other countries.

To protect American fishermen in the exercise of fishing rights, this bill provides that in any case where (a) a vessel of the United States is seized by a foreign country on the basis of rights or claims in territorial waters or the high seas which are not recognized by the United States, and (b) there is no dispute of material fact with respect to the location or activity of the vessel at the time of its seizure, the Secretary of State shall secure the release of the vessel and shall pay, on behalf of the United States, any fines or post any bonds that may be required by such country for such release. It would then be for the Secretary to decide whether it is appropriate to present any claim by the United States against the seizing country.

RESTRICTION OF RESALE OF AUTOMOBILES AND TRUCKS IN CERTAIN CASES

Mr. POTTER. Mr. President, on behalf of the Senator from Illinois [Mr. DIRKSEN], who cannot be present, by request, I introduce for appropriate reference a bill to amend the Federal Trade Commission Act. I ask unanimous consent that a statement prepared by the Senator from Illinois be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the statement by the Senator from Illinois will be printed in the RECORD.

The bill (S. 3596) to amend the Federal Trade Commission Act with respect to certain contracts, agreements or franchises to enable manufacturers of automobiles and trucks and their franchise dealers to protect their good will in the business of manufacturing and distributing automobiles and trucks made or sold by them by restricting

franchise dealers from reselling to certain unauthorized persons, introduced by Mr. POTTER [for Mr. DIRKSEN], by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement by Mr. DIRKSEN is as follows:

STATEMENT BY SENATOR DIRKSEN

The bill proposes to amend the Federal Trade Commission Act as it relates to contracts, agreements, and franchises involving trucks and motor cars. The bill is introduced at the suggestion of the National Automobile Dealers Association who have repeatedly called attention to what is now referred to as the "bootlegging" of new automobiles. Officials of the association insofar as I know have had several conferences with the Department of Justice on this matter and have pointed out that the practice which is presently growing in the industry of bootlegging new automobiles by authorized dealers to unauthorized persons for resale is threatening the stability and integrity of the entire dealer structure throughout the country.

The association points out as a result of this practice that many dealers have been forced into involuntary bankruptcy and that according to the association's records hundreds of dealers in all sections of the country have been forced to liquidate or forced into bankruptcy.

I am mindful of the problem which is involved and also the difficulty in dealing with the problem by suggesting an amendment to existing law relating to anti-trust practices. It would occur to me, however, from the prima facie showing which has already been made that this matter deserves adequate attention on the part of the appropriate committee of the Congress and it is for the purpose of crystallizing the matter and having it referred to the proper committee that the attached bill is introduced. Logically it would be referred to the Senate Judiciary Committee and it is my earnest hope that at an early date the chairman of the committee will calendar this proposal for hearings so that dealers and the dealer association may have an opportunity to present their case.

TELEVISING OF CONGRESSIONAL COMMITTEE HEARINGS

Mr. JOHNSTON of South Carolina. Mr. President, some committees and subcommittees have been televising all their proceedings. I do not believe that that has been in the best interests of the United States. Neither do I believe that it adds to the dignity of the Senate.

For that reason I send to the desk a concurrent resolution, which I ask to have read and referred to the appropriate committee. I am submitting this concurrent resolution on behalf of the Senator from Mississippi [Mr. STENNIS] and myself.

The VICE PRESIDENT. Without objection, the concurrent resolution will be read for the information of the Senate.

The concurrent resolution (S. Con. Res. 86), submitted by Mr. JOHNSTON of South Carolina (for himself and Mr. STENNIS), was read, as follows:

Resolved by the Senate (the House of Representatives concurring), That (a) no part of any hearing or other proceeding of any committee of the Congress shall be broadcast by television or recorded by means of any television or motion-picture camera or by any other means for use in any television broadcast, if such hearing or proceeding is begun after the adoption of this resolution.

(b) As used herein, the term "committee of the Congress" includes any standing, special, or select committee of either House of the Congress, any joint committee of the Congress, and any subcommittee of any such committee.

The concurrent resolution (S. Con. Res. 86) was referred to the Committee on Rules and Administration.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, ETC., APPROPRIATION BILL, 1955—AMENDMENTS

Mr. LEHMAN submitted an amendment, intended to be proposed by him to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, which was ordered to lie on the table and to be printed.

Mr. KENNEDY (for himself and Mr. DOUGLAS) submitted an amendment, intended to be proposed by them, jointly, to House bill 8067, supra, which was ordered to lie on the table and to be printed.

Mr. DOUGLAS submitted an amendment, intended to be proposed by him, to House bill 8067, supra, which was ordered to lie on the table and to be printed.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, ETC., APPROPRIATION BILL, 1955

Mr. BRIDGES. Mr. President, I send to the desk the usual notices of motions to suspend the standing rules of the Senate on various amendments proposed to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and ask that they be printed, and be considered as having laid over 1 day to meet the requirements of the Senate rules of 1 day's notice.

These motions would have been submitted yesterday but for the fact the Senate was not in session.

The VICE PRESIDENT. Is there objection to the request of the Senator from New Hampshire? The Chair hears none, and it is so ordered.

The notices of motions to suspend the rule, submitted by Mr. BRIDGES, are as follows:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 16, after line 13, insert the following:

"SEC. 111. Any person appointed to the Foreign Service shall receive basic salary at one of the rates of the class to which he is appointed which the Secretary of State shall, taking into consideration his age, qualifications, and experience determine to be appropriate for him to receive."

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 16, after line 13, insert the following:

"SEC. 112. The Secretary of State hereafter is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, to place 1 position in grade GS–18, 4 positions in grade GS–17, and 3 positions in grade GS–16 in the General Schedule established by the Classification Act of 1949, and such positions shall be in addition to those positions in the Department of State presently allocated in grades GS–16, GS–17, and GS–18."

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 21, line 18, insert the following: ": *Provided*, That hereafter the compensation of the Deputy Commissioner, Immigration and Naturalization Service, shall be $15,000 per annum."

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 37, strike the provision in lines 12 through 22:

"War Shipping Administration liquidation: Not to exceed $2,000,000 of the unexpended balance of the appropriation to the Secretary of the Treasury in the Second Supplemental Appropriation Act, 1948, for liquidation of obligations approved by the General Accounting Office as properly incurred against funds of the War Shipping Administration prior to January 1, 1947, is hereby continued available during the current fiscal year, and shall be available for the payment of obligations incurred against the working fund titled 'Working fund, Commerce, War Shipping Administration functions, December 31, 1946'."

Insert in lieu thereof the following:

"War Shipping Administration liquidation: Not to exceed $12,500,000 of the unexpended balance of the appropriation to the Secretary of the Treasury in the Second Supplemental Appropriation Act, 1948, for liquidation of obligations approved by the General Accounting Office as properly incurred against funds of the War Shipping Administration prior to January 1, 1947, is hereby continued available during the current fiscal year, and shall be available for the payment of obligations incurred against the working fund titled 'Working fund, Commerce, War Shipping Administration functions, December 31, 1946': *Provided*, That the unexpended balance of such appropriation to the Secre-

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tary of the Treasury less the amount of $12,500,000 continued available and less the amount of $85,000,000 transferred to the appropriation 'Operation-differential subsidies' and less the amount of $5,000,000 transferred to the appropriation 'Salaries and expenses, Maritime activities', by this act, is hereby rescinded, the amount of such unexpended balance to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this act."

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 43, line 1, insert the following: ": *Provided*, That no part of this appropriation shall be allocated for expenditure in a particular country unless such allocation shall have been submitted to and reviewed by the Senate and House Appropriations Committees 30 days in advance of the allocation."

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 47, after line 11, insert the following:

"SEC. 304. There shall be hereafter in the Department of Commerce, in addition to the Assistant Secretaries now provided for by law, one additional Assistant Secretary of Commerce, who shall be appointed by the President by and with the advice and consent of the Senate, and who shall be subject in all respects to the provisions of the act of July 15, 1947 (61 Stat. 326), as amended (5 U. S. C. 592a) relating to Assistant Secretaries of Commerce. Section 3 of Reorganization Plan No. 5 of 1950, as amended (64 Stat. 1263; 66 Stat. 121) is hereby repealed."

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 47, after line 11, insert the following:

"SEC. 305. The Secretary of Commerce hereafter is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, to place 1 position in grade GS–18, 14 positions in grade GS–17, and 5 positions in grade GS–16 in the general schedule established by the Classification Act of 1949, and such positions shall be in addition to those positions in the Department of Commerce presently allocated in grades GS–16, GS–17, and GS–18."

Mr. BRIDGES submitted amendments, intended to be proposed by him, to the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, which were ordered to lie on the table and to be printed.

(For text of amendments see the foregoing notices.)

HOUSE BILL REFERRED

The bill (H. R. 9447) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related independent agencies, for the fiscal year ending June 30, 1955, and for other purposes, was read twice by its title, and referred to the Committee on Appropriations.

NOTICE OF PUBLIC HEARINGS ON PROPOSED LEGISLATION RELATING TO BANK HOLDING

Mr. CAPEHART. Mr. President, as chairman of the Committee on Banking and Currency, I desire to give notice that on June 21 and 22, public hearings will be held on S. 76 and S. 1118, bank holding legislation. This is a resumption of a series of hearings recessed last session.

Persons wishing to appear and testify please contact Ira Dixon, clerk of the committee, immediately.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. SALTONSTALL, from the Committee on Armed Services:

Col. Louis Jacob Rumaggi, and Col. Howard Ker, United States Army, for appointment as assistants to the Chief of Engineers, United States Army, and as brigadier generals in the Regular Army of the United States;

Warren Atherton, of California, to be a member of the National Security Training Commission.

By Mr. HICKENLOOPER, from the Committee on Foreign Relations:

Lampton Berry, of Mississippi, and sundry other persons for reappointment or appointment in the Foreign Service.

Executive M, 83d Congress, 1st session, the Universal Copyright Convention of 1952, and three related protocols signed at Geneva, Switzerland, under date of September 6, 1952; without reservation (Exec. Rept. No. 5).

NOTICE OF CONSIDERATION OF NOMINATION OF ISAAC W. CARPENTER, JR., TO BE ASSISTANT SECRETARY OF STATE

Mr. HICKENLOOPER. Mr. President, the Senate received today the nomination of Isaac W. Carpenter, Jr., of Nebraska, to be an Assistant Secretary of State, vice Edward T. Wailes, resigned. Notice is hereby given that the nomination will be considered by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938—RETURN OF BILL TO HOUSE OF REPRESENTATIVES

Mr. CLEMENTS. Mr. President, on last Wednesday the Senate concurred in action taken by the House of Representatives on the bill (S. 3050) to amend the Agricultural Adjustment Act of 1938. It was later determined that a clerical error had been made in the bill which was sent to the Senate. There is a resolution on the desk, House Resolution 579, requesting that the bill be returned to the House of Representatives. In compliance with that request, I ask unanimous consent that the order of the Senate on Wednesday be vacated, and that the bill and accompanying papers be returned to the House of Representatives.

The VICE PRESIDENT. Is there objection to the requests of the Senator from Kentucky? The Chair hears none, and it is so ordered.

ADDRESS BY PRESIDENT EISENHOWER

Mr. KNOWLAND. Mr. President, last night the President of the United States delivered a nationwide address in Washington. In his remarks the President emphasized the urgent necessity for action by the Congress on the administration's legislation program to assure a stronger and more prosperous America. In my judgment, the President sounded an encouraging note for all in pointing the way forward toward a unified Nation. I hope that all our citizens who were not able to listen to the President's remarks last night will take the opportunity to read his address carefully.

Mr. President, I ask unanimous consent that the text of the President's address be inserted in the RECORD at this point. In commenting on what is possibly the greatest domestic problem we face, the Nation's agricultural program, the President urged that the farm program be taken out of the realm of partisan politices, and he stated that the program he has recommended to the Congress was designed to accomplish that objective.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TEXT OF PRESIDENT EISENHOWER'S SPEECH

I prize this opportunity to meet with citizens, dedicated to the policies and objectives of the administration. These policies and objectives have been placed before the Congress in a legislative program to build a better and stronger America. I am delighted that you have come to Washington to pledge your support to those Members of the present Congress who are working

for this program. Happily these are both numerous and able—and to be found not only among the leaders and seniors who helped design the program, but among our younger friends most recently elected to that august body.

Of course, I am equally pleased that you are likewise pledged to do your individual and collective best to see that there will be many more such men and women in the next Congress.

What we mean by a stronger America is a Nation whose every citizen has reason for bold hope, where effort is rewarded and prosperity is shared, where freedom expands and peace is secure.

TALKS ABOUT PROGRAM NOW IN CONGRESS

The legislative program that you and I support is a broad, straight legislative highway to that kind of an America.

Tonight, I propose that we talk frankly, even if somewhat sketchily, about that program now in the Congress.

It was laid before the Congress last January, and was designed to protect our freedoms; to foster a growing, prosperous, peacetime economy; and to fulfill the Government's obligations in helping solve the human problems of our citizenry.

Basic to the protection of our freedom is a strong, forthright foreign policy. This we have been developing. Our foreign policy is vigorously opposed to imperialistic ambitions, but devoted to harmonious cooperation with all nations and peoples who desire to live in peace with their neighbors. It demands unremitting effort to create and hold friends and to encourage them in stanchness of friendship with us. It requires us to be vigilant against those who would destroy us; to be calm and confident in the face of their threats.

CONDITIONS REQUIRE STREAMLINED DEFENSE

Present world conditions require a national-defense program, streamlined, effective, and economical, that takes into full account our air and nuclear might, but in the longer range, our foreign and defense policies must be directed toward world disarmament.

We must seek for all mankind a release from the deadening burden of armaments. We must continue to seek sensible solutions for the fateful problems posed by the atom and hydrogen bombs. Pursuing these purposes, we have persistently made appropriate proposals to the world, and more particularly to the Soviets, which if honestly accepted would go far toward attainment of these goals.

We must strive constantly with our friends for a freer system of world trade and investment, for strengthened trade-agreement legislation, for simpler rules and regulations under which trade can be carried on. In the meantime, we must continue to render military and economic assistance abroad where our national interest is thereby served.

In this way we not only build up our own material and military strength so that we may oppose successfully any rash aggression by the Communists, but we help eliminate those conditions of poverty, disease, and ignorance in the world which provide fertile breeding ground for the exploiters of discontent.

SEEKS CLARIFICATION OF FOREIGN POLICY

Foreign policy is a complicated and comprehensive subject. It cannot be effectively described in a mere section of a general talk such as this. But because foreign affairs and foreign policy do so vitally affect the lives of each of us and all that we are attempting to do here at home as well as abroad, the Secretary of State is at this moment on a trip to the West where he is delivering major addresses that will help clarify for all our citizens the position of America in world affairs.

At home we have sought to preserve the sanctity of our freedoms by denying official posts of trust to the untrustworthy; by intensifying legal action against the members and leaders of the Communist conspiracy; by sharpening our weapons for dealing with sabotage.

Scarcely need I assure such an audience as this that I—and my every associate in government—will keep everlastingly at the job of uprooting subversion wherever it may be found.

The objective of the second part of our national program is a strong and a growing economy, shared in, equitably, by all our citizens.

We began by uncovering and eliminating needless expenditures within the Federal Government. We proposed a reduction in taxes and reform of the tax system. Other measures involve a new farm program adjusted to current domestic and world conditions; an improved and expanded national highway system; a sound and comprehensive development of water and other natural resources; a broad housing program.

HOPES TO UPROOT WASTE IN POSTAL DEPARTMENT

We hope to uproot the ingrained habit of operating the vast Post Office Department in an extravagantly wasteful and unbusinesslike manner. We cannot permit the deliberate operations of our postal department at a gigantic loss because a few are opposed to adequate postal rates. And we must have classification and promotional procedures for postal personnel that will serve the best interests of the Government, the public, and the postal workers themselves.

The third great purpose outlined 5 months ago was sympathetic consideration of the human problems of our citizens and practical assistance in solving them.

Our goal for every American is better schooling; better housing; better health; and a reasonable assurance against the hardships of unemployment, against the impact of accident and illness, against poverty, against insecurity in old age.

This threefold program—national security, economic, human—was the product of intensive effort by a multitude of technical experts and specialists, Government employees and executives, legislative leaders, and committee chairmen. They labored diligently for months to evolve measures sound both in concept and in detail. These measures were—and are—badly needed to build the kind of America all of us ardently desire. There is nothing partisan, sectional, or partial about them; they are for the security, prosperity, and happiness of all Americans.

CONGRESS HARD AT WORK DESPITE DISTRACTIONS

In spite of highly publicized distractions, Congress has been hard at work. The difficult and time-consuming appropriation bills not only have been acted upon much faster than usual, but the Congress has supported the administration in its efforts to reduce expenditures. Through legislation recently enacted, our people will have better highways. Stifling taxes on consumers have been eased. After more than 40 years of heated debate, the historic St. Lawrence Seaway project is now authorized by law. A mutual security treaty with the Republic of Korea has been approved. These are but a few of a number of major pieces of legislation that have been enacted.

But much remains that is of vital significance to every American citizen. Tonight I am addressing myself primarily to a few of the important parts of the program that are now under discussion in the Congress and in different stages of the legislative process.

TAX REVISION BILL FIRST ON PROGRAM

First—The tax revision bill.

I remind you of the $7 billion tax reduction already provided to our citizens. The pending tax revision bill will likewise benefit all of the American people. It is designed to accomplish a fairer distribution of the tax burden. It will give more liberal tax treatment for dependent children who work, for widows or widowers with dependent children and for medical expenses. It will help to expand business activity and so create jobs throughout the country and will also give real encouragement to small business.

I cannot overemphasize the importance I attach to the general policies and proposals comprehended in the tax bill and the need for its early passage.

I am sure you will agree with me that the Congress should enact this tax legislation, already passed by the House of Representatives. Some of its benefits will begin to accrue to the people of our country as soon as enacted, because then, with tax uncertainties removed, investors, manufacturers, and businessmen will all accelerate their activities, thus creating new jobs and increasing the national income. Here is an added reason for speed.

Another pending measure, vitally necessary to every citizen, is the new farm program. Its purpose is to promote stability and prosperity in agriculture and help assure our farmers a fair share of the national income.

PRESENT FARM LAW ENCOURAGES SURPLUSES

The Nation's present farm law encourages production of great surpluses of a few commodities, and then it prices those commodities out of their traditional markets. As a result the Government must now spend $30,000 an hour—every hour—just to store these surpluses. In the last 12 months the Government increased its investment in price-supported commodities by $2,800,000,000. During the next 12 months the present law would force another increase.

One aspect of this amazing process appears to be little understood. Minority clamor has concealed from the majority the fact that a change from rigid price supports to flexible supports would affect less than one-fourth of the income our farmers receive. Rigid supports do not in any way affect crops that produce 77 percent of our farmers' income.

Five months ago, on the advice of farm organizations, heads of agricultural colleges, a host of individual farmers and many other experts, I recommended that a new farm program be enacted by the Congress. This program proposes price supports with enough flexibility to encourage the production of needed supplies and to stimulate the consumption of those commodities that are flooding and depressing the American markets. It also proposed gradualism in the adoption and application of certain phases of the new program so that there could not possibly be an abrupt downward change in the level of price supports on basic commodities.

The plan will increase markets for farm products, protect the consumers' food supply, and move food into consumption instead of Government storage. It will gradually dispose of the gigantic farm surpluses and promises our farmers a higher and steadier financial return over the years.

FARM PROGRAM HAS BIPARTISAN ORIGIN

This badly needed, new program has a bipartisan origin. The proposal is, in concept, the same as the law passed 5 years ago by a vast majority of each of the 2 parties in Congress.

And yet—despite the vast accumulation of surpluses in the hands of the Government—

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Despite the declining markets at home and abroad and increasing regimentation of the individual farmer—

Despite the fact that only a minority of American farmers are affected by price supports—

Despite the fact that even among this farmer minority, many of them are opposed to a program so obviously unsuited to the needs of our country—

Despite all of these painfully evident weaknesses, a vote, described to me as tentative, which was taken 2 days ago in a committee of the House of Representatives, calls for continuance of the present farm program for an additional year. In my opinion the circumstances are too critical to permit such a delay.

Fellow citizens, many have told me that it would not be good politics to attempt solution of the farm problem during an election year. The sensible thing to do, I have been told, over and over, was to close my eyes to the damage the present farm program does to our farmers and the rest of our people, and do this job of correction next year.

Now, I want to make this one point clear. In this matter I am completely unmoved by arguments as to what constitutes good or winning politics. And may I remark that, though I have not been in this political business very long, I know that what is right for America is politically right.

FOR ALL FARMERS AND ALL AMERICA

In the proposal to correct the deficiencies in our farm program, the administration's concern is for all farmers, regardless of their politics, and for all America.

I earnestly hope that the House of Representatives and the Senate will move promptly on these proposals, so that America may have a sound, stable, and prosperous agriculture.

I hope you will join me in the determination to see that commonsense, good judgment, and fact will, from now on, guide the formulation of American agricultural policy.

Aside from taxes and agricultural programs, other projects occupy legislative attention at this moment.

Some of them are of great personal import to our individual citizens, and some have passed one or the other of the two houses of the Congress.

Extension of the benefits of unemployment insurance should be authorized so that these benefits may be made available to more than 6 million additional workers. When the project becomes law, it will remove inequities and inadequacies which for years have limited the effectiveness of this form of income insurance. In simple justice to a vast number of American citizens, it demands our enthusiastic support.

CONSIDERING INCREASE IN SOCIAL SECURITY

Congress is considering increased social-security benefits and the extension of social-security protection to more than 10 million additional Americans. Likewise it has before it strengthened programs to rehabilitate disabled people and to develop adequate medical facilities for those who suffer the misfortunes of chronic illness.

In this same health program are items for the construction of diagnostic centers, for nursing homes and for rehabilitation facilities. Another measure provides for Government reinsurance to enable private and nonprofit insurance companies to give broader prepaid medical and hospital care, on a voluntary basis, to many more of our people. There is a bill to authorize a new housing program so that every citizen may aspire to a decent home in a wholesome neighborhood.

We are striving to help assure every willing American a practical opportunity to enjoy good health, a good job, a good education, a good home, a good country.

Now let us briefly look again at the domestic question of protecting our liberties because this purpose underlies a number of specific bills now before the Congress. They will, when enacted, powerfully increase the effectiveness of the Government's effort to protect us against subversive activity.

Several would plug loopholes through which spies and saboteurs can now slip. One would let us bar proven subversives from employment in or admission to any private facility, if the facility is essential to our defense.

Another bill would take citizenship from those hereafter convicted of advocating or attempting violent overthrow of our Government. We would also tighten the penalty for harboring fugitive Communist leaders.

Moreover, since Communist conspirators sometimes resort to telephones to plot and pass information, we believe that their own words, as learned by the FBI should be admitted, under adequate safeguards, as evidence in security cases in Federal courts. Another bill would grant immunity from self-incrimination to selected witnesses, while requiring them to tell the truth about their associates and their fellow conspirators before courts, grand juries and congressional hearings.

PACKAGE PROTECTED AGAINST COMMUNISM

All of this internal security legislation adds up to a potent package of protection against communism, without in any degree damaging or lessening the rights of the individual citizen as guaranteed by our laws and the Constitution. It will greatly assist the FBI and the Department of Justice, our best weapons against secret Communist penetration. It now awaits congressional approval. I know that all of us, too, await that approval.

I have talked frankly and simply about these matters this evening because I want you to know why the legislative program in Congress will, when approved, make our country stronger and help keep our people prosperous with freedoms secure.

As I said earlier, many members of the Congress are as deeply anxious as you and I for the passage of these essential measures. They have worked faithfully for their enactment, and I hope that they know of your support. With our appreciation to them goes also, I am sure, this firm assurance from all of us: that we shall unflaggingly pursue the enactment of the remainder of this program.

AN AGE OF CEASELESS TROUBLE AND DANGER

We live today in an age of ceaseless trouble and danger. For all of us the challenge is clear. For all of us the future is shadowed by mushroom clouds and menaced by godless men addicted to force and violence and the continuance of anarchy among nations.

Here, in our time, in our hands, in our own courage and endurance and vision, rests the future of civilization and of all moral and spiritual values of enduring meaning to mankind.

Part of our responsibility for preserving these values will be discharged through the legislative structure we propose to enact this year.

Let us, therefore, not rest until these laws are passed.

Let us have less political fission and more political fusion.

Let us have, in this session of the Congress, approval of a program essential to a stronger America.

AGRICULTURAL STATISTICS RELEASED BY SECRETARY OF AGRICULTURE

Mr. KNOWLAND. Mr. President, on June 8, 1954, the Secretary of Agriculture, Mr. Ezra Taft Benson, made public five maps which showed the State-by-State distribution of farm income from price supported and nonsupported farm commodities. These statistics are the most revealing I have ever seen in proof of the necessity for the new farm program which the Secretary and the President have recommended to the Congress. I have taken the liberty of forwarding a copy of the statistics to all Senators for their further study.

Mr. President, I ask unanimous consent at this time to have printed in my remarks the information released by the Secretary of Agriculture on June 8, 1954.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

SECRETARY BENSON PRESENTS FARM INCOME, PRICE SUPPORT DATA

Secretary of Agriculture Ezra Taft Benson today made public five maps showing the State-by-State distribution of farm income from price supported and nonsupported farm commodities.

Map No. 1, cash receipts from basic farm commodities: This shows by States the cash receipts for all six basic crops now supported at 90 percent of parity as a percentage of total cash farm receipts. Income from these basic commodities is concentrated in 9 Southern States, 1 Midwest State (Kansas), and 2 Northern States (North Dakota and Montana).

There are 5 States with less than 1 percent of their cash receipts from the basics. Many other States also receive only a small percentage of their income from the basics. Examples: Wisconsin 1 percent; Iowa 8 percent; California 13 percent; Pennsylvania 6 percent; New York 2 percent; and Florida 7 percent.

Map No. 2, cash receipts from basic farm commodities, excluding tobacco: Without tobacco, 7 States get 40 percent or more of their cash receipts from the 5 other basic commodities.

Kentucky, for example, gets 4 percent of cash farm receipts from basic farm commodities, other than tobacco; Virginia, 9 percent; West Virginia, 2 percent; North Carolina, 19 percent; Indiana and Ohio, 14 percent.

Map No. 3, cash receipts from nonsupported commodities: This shows that from coast to coast a large majority of States receive more than half their cash farm receipts from nonsupported commodities. There are 16 States that get over two-thirds of their cash receipts from nonsupported products like meat animals, poultry, eggs, fruits, nuts, vegetables, and miscellaneous crops.

During the past 21 years, prices of these nonsupported products have averaged 7 percent higher than prices of the supported products, relative to the base period.

Map No. 4, cash receipts from meat animals and dairy products and poultry products for which price-supported feeds are an element of cost: 56 percent of United States cash farm income is from livestock and livestock products. These products are most important in an area which includes much of New England, the Middle Atlantic States, the Corn Belt, the Lake States, the Great Plains, and the Mountain States.

Stability of feed supplies and prices at reasonable levels are advantageous to this area. Feed-price supports at a high, fixed level add to production costs.

Map No. 5, cash receipts from nonsupported commodities and dairy products: All except 7 States receive more than 50 percent of their cash receipts from nonsupported commodities and dairy products.

Cash receipts from specified commodities as percent of cash farm receipts, by States, 1952

Price support at 90 percent of parity is now being provided, as required by law, on the basic commodities: Wheat, corn, cotton, rice, peanuts, and tobacco. These commodities bring in 23 percent of the United States cash farm income.

Price support is being provided on the following nonbasic commodities: Dairy products, wool, mohair, honey, tung nuts, barley, oats, rye, sorghum grain, flaxseed, soybeans, beans, cottonseed, and crude pine gum. For some of these commodities price support is mandatory and for some it is permissive. Supports in general are on a flexible basis. Supports now in force range from 65 to 90 percent of parity. These nonbasic supported commodities bring in 21 percent of United States cash farm income.

Commodities not shown above are without direct price support. These nonsupported commodities bring in 56 percent of United States cash farm income.

State	Percent of cash farm receipts from—				
	Basic commodities		Farm marketings of commodities with no support[2]	Livestock, dairy products, and poultry for which supported feeds are an element of cost	Nonsupported commodities and dairy products[3]
	Including tobacco[1]	Excluding tobacco			
	Map 1	*Map 2*	*Map 3*	*Map 4*	*Map 5*
Maine	(4)	(4)	84	49	99
New Hampshire	(4)	(4)	72	83	100
Vermont	(4)	(4)	32	89	100
Massachusetts	4	(4)	72	68	96
Rhode Island	(4)	(4)	66	68	100
Connecticut	12	(4)	63	68	88
New York	2	2	53	68	96
New Jersey	2	2	78	64	98
Pennsylvania	6	5	59	77	93
Ohio	15	14	57	68	79
Indiana	15	14	61	68	74
Illinois	21	21	55	60	65
Michigan	10	10	55	63	85
Wisconsin	1	1	46	87	97
Minnesota	7	7	59	73	79
Iowa	8	8	79	84	86
Missouri	14	14	63	71	76
North Dakota	44	44	30	32	38
South Dakota	17	17	68	71	74
Nebraska	24	24	67	69	72
Kansas	42	42	48	52	55
Delaware	8	8	81	78	90
Maryland	15	7	58	69	84
Virginia	27	9	57	54	71
West Virginia	3	2	77	79	96
North Carolina	67	19	24	22	29
South Carolina	59	36	31	23	35
Georgia	42	32	48	39	54
Florida	7	2	83	26	91
Kentucky	40	4	45	52	58
Tennessee	40	26	40	48	55
Alabama	45	45	43	37	49
Mississippi	53	53	27	29	35
Arkansas	49	49	33	34	39
Louisiana	50	50	30	27	37
Oklahoma	36	36	53	56	61
Texas	39	39	45	45	51
Montana	40	40	50	47	54
Idaho	18	18	68	41	69
Wyoming	7	7	74	72	78
Colorado	16	16	71	62	76
New Mexico	26	26	60	56	65
Arizona	39	39	48	29	52
Utah	7	7	71	70	86
Nevada	(4)	(4)	87	79	95
Washington	24	24	60	35	73
Oregon	12	12	67	43	81
California	13	13	67	58	79
United States	23	20	56	56	70

[1] Wheat, corn, cotton, rice, peanuts, and tobacco.
[2] Includes meat animals, poultry and eggs, vegetables, fruits and nuts, and miscellaneous crops.
[3] Most of the purchases of dairy products for price support are concentrated in 5 States—Wisconsin, Minnesota, Illinois, Missouri, and Iowa—with Nebraska and New York ranking next.
[4] Less than 1 percent.

Source: Agricultural Marketing Service.

MESSAGE TO THE PEOPLE OF CZECHOSLOVAKIA ON THE ANNIVERSARY OF THE JUNE 1953 UPRISINGS

Mr. IVES. Mr. President, 1 year ago this month the subjugated workers in the East Zone of Germany and in Czechoslovakia rose up against their Communist tormentors. That vivid demonstration of the intense desire for freedom on the part of those suffering people brought renewed hope to all engaged in the struggle against Soviet imperialism. It was recently my privilege to prepare a message for transmission to the people of Czechoslovakia in commemoration of the anniversary of the June 1953 uprisings. I ask unanimous consent to have this statement printed in the body of the RECORD following my remarks.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

MESSAGE BY SENATOR IVES TO THE PEOPLE OF CZECHOSLOVAKIA ON THE ANNIVERSARY OF THE JUNE 1953 UPRISINGS

On this anniversary of the heroic June 1953 uprisings in Czechoslovakia, we of the free world are ever more cognizant of the sufferings to which the Czech and Slovak peoples continue to be subjected by their Kremlin oppressors. We Americans cannot and will not forget them. The history of friendly relations between our Nation and theirs adds deeper significance to their present plight. The valiant Czech and Slovak workers who last year in Pilsen, Kladno, Ostrava, and elsewhere revolted in defiance against their role as slaves provided new proof that no tyranny on earth can long suppress the burning desire for freedom which is inherent in men's hearts. As we commemorate this historic event, we look forward to the early liberation of their countrymen.

THE DANGER OF COUNTERFEITING OFFSET-PRINTED BONDS

Mr. KILGORE. Mr. President, I had intended today to make a brief statement to the Senate on the question of substituting offset-printed bonds for bonds made from engraved plates, in connection with the printing of Government bonds. However, in order to save time, I now ask unanimous consent that a statement I have prepared be printed at this point in the body of the RECORD, for I think the Senate should be fully advised as to the possible hazards involved in the use of offset printing in connection with the printing of bonds of the Government of the United States.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE DANGER OF COUNTERFEITING OFFSET-PRINTED BONDS

The Treasury Department has begun the production of series E savings bonds of the $25 denomination by an offset printing process in place of the standard steel-engraved process formerly used. This raises serious questions about the danger of counterfeiting.

When the Treasury Department first announced that it was planning to produce series E savings bonds by offset, instead of by the steel-engraved process, Col. Wallace Kirby, a former director of the Bureau of Engraving and Printing, and a lithographer of established reputation in our Nation's Capital, warned of the danger of counterfeiting inherent in such a changeover. He offered, with proper permission, to duplicate any offset printed bond and pointed out that a skilled lithographer could do the same on any of thousands of office machines around the country.

It has been stated by the Treasury Department that the dangers of counterfeiting are minimized by the fact that names of bond owners are recorded and appear on the bond itself. But it seems to me that a person who would counterfeit a Government security would hardly hesitate to forge a name or fake an address.

The most significant indication, however, that the dangers of counterfeiting are real rather than imagined has come from the Treasury itself.

When it was first learned that the Treasury was experimenting with offset printed bonds, a privately circulated banking letter was issued from Washington warning the banking community of the dangers inherent in such a move. It urged banks and other financial institutions to refuse to cash such offset bonds unless they were granted a waiver of liability for any bogus bonds they might cash.

Apparently some banks were preparing to follow this advice because in announcing the changeover to offset, the Treasury Department reassured banks and other paying agents that they would be released from liability on any counterfeit bonds they accepted.

On the legal side, the Congress in 1923 made provision to safeguard our currency, bonds, and Government checks by providing they be printed from intaglio plates and on presses operated by plate printers. The law to which I refer is United States Code, title 31, chapter 177.

Without going into technicalities it is my understanding that as those terms generally are used in the trade, offset is not intaglio within the meaning of the statute and the intent of the Congress nor are offset printers generally referred to as plate printers. Offset is a planograph process.

There is one other point that I wish to make in connection with this matter. At their conventions in 1952, both major parties arranged to have their admission tickets printed from steel-engraved plates to prevent counterfeiting.

Certainly the prevention of the counterfeiting of Government savings bonds is a matter as serious as the prevention of the counterfeiting of convention admission tickets.

THE McCARTHY HEARINGS—EDITORIAL FROM THE NEW YORK HERALD TRIBUNE

Mr. LEHMAN. Mr. President, the New York Herald Tribune, in commenting on the latest developments in the McCarthy hearings, this morning printed an unusually incisive, analytical, and accurate editorial entitled "A Summing Up." I ask unanimous consent that this editorial be printed at this point in the body of the RECORD, as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A SUMMING UP

"Until this moment, Senator," said Mr. Welch to Senator MCCARTHY, "I think I never really gaged your cruelty or your recklessness." Doubtless there were many other Americans who had the same reaction of surprised revulsion at that moment. Out of the blue, with no warrant in law or in the facts of the case, Senator MCCARTHY had dragged the name of a young lawyer into the hearings, a man who had once been a member of the National Lawyers Guild and who was now with Mr. Welch's law firm. Despite Senator MUNDT's repeated denial that Frederick Fisher had ever been recommended by Mr. Welch for service in the hearings, despite Mr. Welch's outraged explanation, despite the warning headshakes of Mr. Cohn, Senator MCCARTHY persisted in pursuing this callous and calculated irrelevancy. It was the McCarthy technique in the raw and the

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audience at the hearing applauded when Mr. Welch warned the Senator, in the most solemn terms, that "it will do neither you nor your cause any good." It will, however, do the country good, for Senator McCarthy has provided an episode which sums up the whole case against him.

COMMITTEE SERVICE

On motion of Mr. Johnson of Texas, and by unanimous consent, it was

Ordered, That the junior Senator from North Carolina [Mr. Ervin] be assigned to service on the Committee on the District of Columbia, and the Committee on Government Operations.

ORDER OF BUSINESS

Mr. FLANDERS. Mr. President, I desire to submit a motion, and I ask unanimous consent to speak on it for not to exceed 10 minutes.

The PRESIDING OFFICER (Mr. Payne in the chair). Is there objection?

Mr. BUTLER of Maryland. Mr. President, first, may we conclude morning business?

Mr. KNOWLAND. Mr. President, I ask the Senator from Vermont to postpone his remarks until morning business is completed, and until the unfinished business has been laid before the Senate. Then we shall know what our program for today is to be; and then it will be in order for the Senator from Vermont to speak.

Mr. FLANDERS. I shall be glad to cooperate in that way if I may be assured that immediately after the unfinished business is laid before the Senate, I may speak.

The PRESIDING OFFICER. Is there further morning business?

If not, morning business is closed.

TRANSFER OF CERTAIN REAL PROPERTY IN NAPA COUNTY, CALIF.

Mr. KNOWLAND. First, Mr. President, I move that the Senate resume the consideration of the unfinished business, House bill 3097, Calendar No. 1512.

The motion was agreed to; and the Senate resumed the consideration of the bill (H. R. 3097) to authorize the transfer to the regents of the University of California, for agricultural purposes, of certain real property in Napa County, Calif.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, ETC., APPROPRIATIONS BILL, 1955

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of House bill 8067, Calendar No. 1591, making appropriations for the Departments of State, Justice, and Commerce.

The PRESIDING OFFICER. Without objection——

Mr. LEHMAN. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The bill will be read by title for the information of the Senate.

The Legislative Clerk. A bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes.

Mr. MORSE. Mr. President, reserving the right to object——

Mr. LEHMAN. Mr. President, I believe I was first on my feet.

The PRESIDING OFFICER. The Senator from New York is correct.

Mr. LEHMAN. Mr. President, reserving the right to object, I merely wish to say that I certainly do not desire in any way to obstruct the orderly legislative procedure. However, this appropriation bill contains a number of items which are of deep interest and concern to some Members of the Senate, including myself. Therefore, I should like to make certain, by interrogation of the distinguished majority leader, that the bill, which will be debated this afternoon if the course he has requested is followed—for his request, if agreed to, will permit debate on the bill and will permit action on the committee amendments—will not be finally voted on before next Monday. I make that request for the reason that I have one or more amendments to submit, and I wish to have time to prepare for debate on them. I refer particularly to the section of the bill entitled "Immigration and Naturalization Service," on page 20.

Mr. KNOWLAND. Mr. President, if the Senator from New York will yield to me, let me say first, by way of a brief preface, that the reason why we are desirous of taking up the bill is that next week the military appropriations bill will be before the Senate, and we have a very heavy legislative program ahead of us. The members of the Appropriations Committee are also confronted with the problem that, after the Senate acts on the several appropriation bills, it is necessary to have conferences on them with the House of Representatives. As an example, next week there are to be several conferences, I believe, including those on the independent offices bill, the civil functions bill, and a number of the other appropriation bills; and they will tie up quite a number of the members of the Appropriations Committee.

For that reason, if we are finally to conclude our appropriation bill schedule and to have the bills signed and become law, and thus clear the decks for the other major legislative measures on which we must act before adjournment, we should like to expedite this work as much as possible. I consulted with the minority leader relative to the possibility of taking up the State, Commerce, and Justice Departments appropriation bill today. I will say quite frankly—and I have always tried to deal frankly with the Senate—that the bill has not lain over for the full time appropriation bills normally lie over before being considered. However, the minority leader did some exploration on his side, and he felt that there would be no objection to taking it up, in order that there might be a discussion of the bill.

I received word today that the distinguished Senator from New York [Mr. Lehman] desired to propose certain amendments to several sections of the bill. If it is agreeable to other Senators, in order to avoid a Saturday session, which I should like to avoid at this time of year, if the Senate consents to taking up the bill, I am prepared to go through the bill and dispose of the committee amendments. I am willing, in connection with any committee amendments with respect to which there is objection, or to which any Senator desires to offer amendments, that no action be taken today on such amendments, but that they may be held over until Monday. I hope to be able to enter into a unanimous-consent agreement by which, on Monday, those several amendments may be taken up, with an agreed time on each side for debate, the time for debate to be controlled by the proponents of the several amendments and, on the other side, by the Senator from New Hampshire [Mr. Bridges], chairman of the committee. So final action on any amendments in which the Senator from New York or any other Senator is interested will not be taken today or tomorrow. In that event it will not be necessary to have a Saturday session of the Senate.

Mr. LEHMAN. With that understanding, I withhold objection.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. ANDERSON. I am interested in knowing whether or not a unanimous-consent agreement will be requested. Section 207 is still in the bill. It carries the rider with respect to the Fallbrook water situation.

Mr. KNOWLAND. I will say to the Senator that pursuant to my commitment to the Senate, I already have at the desk an amendment striking out that provision. I have told the chairman of the committee that I intend to offer the amendment to strike it out. As soon as the bill is brought up, I intend to propose that amendment and ask that it be adopted. I assure the Senator that whenever I make a commitment, it is carried out.

Mr. ANDERSON. I was not worried. However, inquiry had been made of me with respect to the rider, and I felt obligated to inquire about it.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. MORSE. Mr. President, reserving the right to object until I clear up in my own mind the parliamentary situation, the thing which concerns me is that if we follow the procedure suggested by the majority leader, we shall have pending before us the unfinished business, Calendar No. 1512, House bill 3097. Then there will be a proposal to lay it aside while we proceed to consider a rather detailed appropriation bill. I am opposed to Calendar 1512, House bill 3097. However, I do not believe that the debate on that bill would require any considerable length of time. By making it the unfinished business and then laying it aside, a very difficult situation is created for those of us who are opposed to it, because it may be brought up again suddenly.

Mr. KNOWLAND. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. KNOWLAND. I will say to the Senator, if it will make him feel any better, that instead of asking unanimous consent to lay aside the unfinished business, I shall move to displace it. I assure the Senator that House bill 3097 will not be taken up until next week, after the appropriation bill shall have been disposed of.

Mr. MORSE. I do not wish to proceed on that basis. Would the majority leader have any particular objection to my making my argument against House bill 3097 this afternoon? Of course, his objection would not stop me, in any event.

Mr. KNOWLAND. I have no objection whatever.

Mr. MORSE. I think my statement ought to be in the RECORD. I am still hopeful that our differences over House bill 3097 can be adjusted.

Mr. KNOWLAND. I will say to the Senator that in matters of this kind I always try to deal with him with courtesy——

Mr. MORSE. And fairness.

Mr. KNOWLAND. The Senator from Oregon certainly has every right to make his statement. If the Senator has any fear that, after the appropriation bill is disposed of, I may suddenly move to recess until Monday, I will say to him that I will not do so until he has had an opportunity to make his remarks.

Mr. MORSE. I thank the Senator. I withhold my objection.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from California?

Mr. DOUGLAS. Mr. President, for various reasons I shall not be able to be present in the Senate Chamber on Monday afternoon. I expect to be here during all of today. I hope we may proceed with the discussion of the bill this afternoon.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. KNOWLAND. Let me say to the distinguished Senator from Illinois that he certainly is not foreclosed. The Senate will remain in session today as long as there is any desire to discuss the subject. The Senator may make any statements he desires to make in elucidation of his position on the several sections of the bill.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from California?

Mr. DOUGLAS. Mr. President, is it the proposal of the majority leader that the Senate shall dispose of certain amendments which it is the intention of some of us to offer, but that final action upon an amendment which the Senator from New York [Mr. LEHMAN] intends to propose shall be deferred?

Mr. KNOWLAND. The Senator is correct. With respect to any amendments which Senators would prefer to have disposed of today, they can be debated and voted upon today. The only reason for deferring action upon certain amendments to particular sections of the bill intended to be proposed by the Senator from New York is that he has not yet had time to prepare them. It was felt that those particular amendments might well be passed over until Monday, and that we should try to dispose of the other amendments today.

Mr. DOUGLAS. The Senator from California would not object to voting today on certain amendments of the Senator from Illinois, would he?

Mr. KNOWLAND. Not at all. I hope we may dispose of as many of such amendments as possible today.

Mr. DOUGLAS. I thank the Senator. I withhold any objection.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from California?

Mr. KNOWLAND. Mr. President, in conformity with my understanding with the Senator from Oregon, I wish to move——

Mr. MORSE. The Senator does not need to move. I withheld any objection.

Mr. KNOWLAND. The understanding is that when we dispose of the appropriation bill, we shall not proceed to consider Calendar 1542, House bill 3097, until Monday. However, Senators will have a right to discuss the bill today.

Mr. DOUGLAS. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. DOUGLAS. It may be that the Senator from California has touched upon this matter previously, but I notice that on page 25 of the appropriation bill——

Mr. KNOWLAND. Is the Senator referring to the section dealing with the Fallbrook water situation?

Mr. DOUGLAS. Yes.

Mr. KNOWLAND. The Senator from New Mexico [Mr. ANDERSON] raised the question. I told him that I had already prepared an amendment, which is at the desk, to strike out that entire section, in conformity with my commitment at the time the Fallbrook legislation was before the Senate.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from California?

There being no objection, the Senate proceeded to consider the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

IN CONTEMPT OF THE SENATE

Mr. FLANDERS. Mr. President, there has come to my hands in the last few days a committee print of the investigations of Senators JOSEPH R. MCCARTHY and William Benton, pursuant to Senate Resolution 187 and Senate Resolution 304 of the 82d Congress. This is not the first time that I have heard of this material. A bootlegged edition was sent me many months ago, but since I do not patronize bootleggers in any commodity I paid little attention to it. This publication, however, was official, and its contents are such that I feel they must be taken into account.

The charges against the junior Senator from Wisconsin were summed up in six questions, which the committee worded, as follows:

Whether under the circumstances it was proper for Senator MCCARTHY to receive $10,000 from the Lustron Corp.

Whether funds supplied to Senator MCCARTHY to fight communism or for other specific purposes were diverted to his own use.

Whether Senator MCCARTHY used close associates and members of his family to secrete receipts, income, commodity and stock speculation, and other financial transactions for ulterior motives.

Whether Senator MCCARTHY's activities on behalf of certain special interest groups, such as housing, sugar, and China were motivated by self-interest.

Whether loan or other transactions Senator MCCARTHY had with Appleton State Bank or others involved violations of the tax and banking laws.

Whether Senator MCCARTHY violated Federal and State Corrupt Practice Acts in connection with his 1944–46 senatorial campaigns or in connection with his dealings with Ray Kiermas.

I now quote from the first two full paragraphs on page 10 of the subcommittee report:

In Senate Resolution 187, this subcommittee had before it, at the outset, merely the issue of determining the merits of Senator Benton's charges relating to Senator MCCARTHY's fitness to sit in the Senate. As indicated, Senator MCCARTHY was invited to attend subcommittee hearings on six occasions to present his explanations of the issues raised in Senate Resolution 187 and the investigation made pursuant thereto. Three of the invitations were extended prior to the Senate vote on April 10, 1952, and three invitations were extended subsequently. Senator MCCARTHY should have known that the most expeditious way to resolve the issues would have been to appear before the subcommittee to make such statements and refutations of the charges as he saw fit. For reasons known only to Senator MCCARTHY, he chose not to accept this course, but to charge that the allegations were a smear and that the subcommittee was dishonest and doing the work of Communists. Between October 1951 and April 1952 he refused to honor the invitations of the Subcommittee on Privileges and Elections on the grounds that it lacked jurisdiction and that the members of said subcommittee were dishonest in their motives for insisting on any investigation, which, he contended, was solely because of his exposure of Communists in Government. Subsequent to April 10, 1952, and in the face of the Senate's 60–0 vote confirming the integrity of the members of the subcommittee and its jurisdiction to investigate the matters involved, Senator MCCARTHY continued to reject the invitations of the subcommittee to appear before it for the purpose of presenting testimony in explanation of the issues raised by the investigation, and continued his attack upon the members of the subcommittee.

Such action on the part of Senator MCCARTHY might appear to reflect a disdain and contempt for the rules and wishes of the entire Senate body, as well as the membership of the Subcommittee on Privileges and Elections.

It is surely clear that the junior Senator from Wisconsin treated the members of the subcommittee, Messrs, HENNINGS, HAYDEN, and HENDRICKSON, with contempt. The Senate, on April 10, 1952, by a 60-to-0 vote, confirmed the integrity of the members of the subcommittee and its jurisdiction to investigate the matters involved. Therefore, the original contempt of the junior Senator

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from Wisconsin extended to the whole Senate.

It is no defense to call the charges a smear. A smear is a most annoying thing and one which is perhaps—I would not speak definitely—not unknown to the junior Senator from Wisconsin. But there is this about a smear: It can be removed by a dry-cleaning process which involves a vigorous application of the truth. That process the Senator was unwilling to apply.

Mr. WELKER. Mr. President, will the Senator from Vermont yield to me?

Mr. FLANDERS. I yield.

Mr. WELKER. Does the Senator from Vermont have any information that the junior Senator from Idaho served also on that committee?

Mr. FLANDERS. He was a member of that committee, as I recall.

Mr. WELKER. Does the Senator from Vermont realize that the Senator from Idaho resigned from that committee on the ground and for the reason that it was a political smear?

Mr. FLANDERS. I would ask the Senator from Idaho to wait until he hears my dissertation on the subject of smearing.

Mr. WELKER. I shall be happy to do so. I am sorry I interrupted the Senator.

Mr. FLANDERS. That is quite all right.

Mr. President, as I was saying, there is this about a smear: It can be removed by a dry-cleaning process which involves a vigorous application of the truth. That process the junior Senator from Wisconsin was unwilling to apply. The smear remains. Of course, there are some character discolorations which are not smears. They may be the outward evidence of inner corruption. Lady Macbeth found this out when she was smeared with the blood of Duncan and cried out:

> All the perfumes of Arabia will not sweeten this little hand.

The Senator has quite evidently placed himself in the contempt of his peers and will so remain until he dry-cleans his smears. He should be given a reasonable length of time to purge himself by this means before the Senate takes further action.

To indicate what the action should be, I am sending to the desk at this time a motion which I will ask the clerk to read "distinctly with a loud voice that the people may hear," as the minister is admonished to read in the ancient English prayer book. For this occasion we want no rapid, indistinct mumbling of the words.

The PRESIDING OFFICER. The motion will be read.

The LEGISLATIVE CLERK. It is moved——

> That Senator McCARTHY be separated from the chairmanship of the Committee on Government Operations, and furthermore be prohibited from being chairman or vice chairman of any subcommittee thereof.

Mr. FLANDERS. Mr. President, it is intended that the motion lie on the table until sufficient time has been given for the Senator from Wisconsin to purge himself of contempt, by answering specifically and in detail the charges in the numerous questions I have read. To allow this time is only fair to him.

When I call up the motion, I shall hope for a goodly show of hands on this side of the aisle in support of the request for a yea-and-nay vote.

The PRESIDING OFFICER. Without objection, the motion which will be reduced to writing in the form of a resolution, will lie on the table, as requested by the Senator from Vermont.

The motion of Mr. FLANDERS was ordered to be printed in the form of a resolution (S. Res. 261) and to lie on the table, as follows:

> *Resolved*, That Senator McCARTHY be separated from the chairmanship of the Senate Committee on Government Operations and furthermore be prohibited from being chairman or vice chairman of any subcommittee thereof.

REA APPROPRIATIONS

Mr. AIKEN. Mr. President, last week, when the agricultural appropriations bill was before the Senate, it was represented to this body that the amount recommended by the Appropriations Committee for REA loans was inadequate to meet the need for the coming fiscal year.

As a result of this representation, the Senate added $35 million to the bill.

At the time it seemed incredible to me, Mr. President, that the chairman of the Agricultural Appropriations Subcommittee, the Senator from North Dakota [Mr. YOUNG], and other members of the committee, including myself, should so far misunderstand the situation as to recommend an inadequate fund for this great program so vital to the country.

I wondered why Members of the Senate should be receiving telegrams from all parts of the country asking for an unnecessary increase in the rural electrification funds for fiscal 1955.

Soon after the bill was approved, I learned the reason for this last-minute pressure barrage on the Senate.

Unfortunately, at the time the appropriation bill was being considered, I did not have the information at hand, which I now have.

It appears that under date of 1 p. m., June 1, 1954, the following telegram was sent to the managers of all generating and transmission cooperatives throughout the country, as well as to some managers of statewide associations and others:

> REA funds taken up today in Senate debate. Senators DOUGLAS, HUMPHREY, GILLETTE offered amendment to increase loan fund authorization by $35 million additional. This increase essential to generation and transmission program. All proponents of an increase in REA funds have finally agreed to support this amendment. Rollcall vote on amendment will be held noon Wednesday, June 2. Imperative you wire your Senators immediately to support this amendment to increase REA electric loan funds by $35 million and that you contact managers and others in your State to also wire your Senators.

This telegram was signed by Clyde Ellis, executive manager of the National Rural Electric Cooperative Association.

I do not in the least, Mr. President, blame the cooperative officials and managers who sent telegrams to their Senators for requesting an unnecessary increase in appropriations.

They accepted in good faith the figures given them by the Washington office of their own organization.

I would, however, Mr. President, be negligent if I did not advise the Senate how the erroneous figures showing the REA needs for fiscal 1955 got before the Congress and the country.

In their testimony before the House and Senate Appropriations Committees this spring, the NRECA witnesses used figures which tended to give the Appropriation Committees an inaccurate picture of the need for REA loan funds.

This inaccuracy was the result of comparing 18 months of loan needs with a 12-month loan program.

A table, which appears first on page 151 of the House hearings, purports to show that the REA budget request would fall far short of loan demands in specified States.

In the State of Illinois, for example, the table appears to show that, at the start of January 1954, there was $17 million of loan demand, of which the maximum that could be taken care of during the next 18 months under administration budget requests was a little more than $10 million.

It should not have been too difficult a matter to convert both of those into 18 month figures so that they were comparable. However, it was not done that way.

The compiler of the table conveniently overlooked the fact that in January 1954, Illinois REA borrowers still had a large balance available to them out of the loan funds for fiscal 1954.

In this particular case, that balance amounted to well over $14 million.

Add this to the $10 million cited above and we get around $25 million.

That is $8 million more—not $7 million less—than the pending loan demand from Illinois at that time.

The same error is repeated for every State contained in the table, which was submitted to the House committee.

The maximum amount available for Alabama during the 18 month period is understated by $16 million; for Colorado, by $12 million; for Missouri, by $16 million; for New Mexico, by $13 million; for Tennessee, by $16 million; and for Texas, by $12 million. I selected these States because they were on the list given to the House committee.

Nearly 2 months later the same witnesses again appeared—this time before the Senate Appropriations Committee—with the same figures carefully, but erroneously, worked out for all 48 States and Alaska.

Just as before, the table completely ignores the large balance of funds available in all States in January of 1954, out of 1954 appropriations.

The purpose of this miscalculation was undoubtedly to give the House and Senate the impression that the administration loan fund request was wholly inadequate and the House figure was sufficient in only a few States.

Actually, if the correct basis had been used for this computation, a totally different picture would have been given.

I would like to reiterate, Mr. President, that, to the best of my recollection, the Senate Appropriations Committee unanimously agreed on the amount necessary to provide sufficient funds for REA loans for fiscal 1955. That was the amount reported in the bill.

I also point out that on June 2, when the Douglas-Humphrey-Gillette amendment was before the Senate, the chairman of the Agricultural Appropriations Subcommittee, the Senator from North Dakota [Mr. YOUNG] stated clearly that he did not believe the additional $35 million was necessary, although, as he stated, he voted for the proposed amendment for other reasons.

If the money was needed—and very clearly it was not—what could have been the motive behind the action of the executive manager of the National Rural Electric Cooperative Association in undertaking to give the country and the managers of the rural electric cooperatives the impression that the administration is not willing to provide adequate funds for continuing the REA program?

The signer of these telegrams has assured me that although other people may play politics, he does not.

If we accept this assurance at face value, it would seem to be pure coincidence that the three Senators referred to in his telegram to the REA managers are all Democratic candidates for reelection to the Senate.

I am not quite naive enough to believe that the executive manager of the NRECA is completely devoid of political intuition.

The effort to create the impression among the REA cooperatives that the Eisenhower administration is opposed to rural electrification and that Ancher Nelsen is doing a bad job as Administrator is so widespread as to indicate a well organized effort back of it.

I, for one, am strongly resentful of any effort to use any farm organization in this country for political purposes.

If the members of farm organizations permit continued infiltration of their ranks and offices by people primarily interested in politics, they will eventually find that their membership in these organizations has a hollow value.

However, the people who have been propagandized with the completely false contention that President Eisenhower is not friendly to rural electrification and that Ancher Nelsen is not a good Administrator deserve to know the facts.

The facts will show that President Eisenhower is a real friend of rural electrification and that Ancher Nelsen is the best Administrator this agency has ever had.

I now propose to give those facts as they appear on the record.

In so doing, I want it understood that I am casting no reflection on Ancher Nelsen's predecessor, Claude Wickard.

In my opinion, Mr. Wickard was an honest and conscientious public servant.

I am satisfied that if the REA work was hamstrung in any way while he was Administrator, it was the result of orders from the White House and not because of his own desires.

Now, Mr. President, let us compare the REA record under the Eisenhower administration and under the direction of Ancher Nelsen with the work which was done during the last years of the Truman administration.

THE REA RECORD UNDER PRESIDENT EISENHOWER AS ADMINISTERED BY ANCHER NELSEN

More new consumers get service: Loans approved by this administration during its first year will bring service to 180,500 consumers which is an increase of 37,300 over the year before.

There have been more loans approved: The present REA administration has made more electric loans and loaned more funds in its first year than the former administration did during the preceding 12 months.

Mr. THYE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. THYE. If I may, I wish to join in the remarks of the distinguished senior Senator from Vermont. He is giving us some facts which are very important. Nothing could be more damaging than to attempt to confuse and mislead the farmers into believing that the REA program is being jeopardized. The figures which the able and distinguished Senator from Vermont is giving should be very carefully noted.

I wish to invite the attention of the Senate to the fact that all applications for REA loans now and in the future are what may be termed fringe applications. The sound applications were acted on early. They did not involve great problems of engineering and study as to their economic possibilities, but from now on every application will be of the fringe type, regarding which there is always a question of whether the applications are economically feasible. Therefore they require more study, more engineering, and greater consideration in order to determine whether the loans will be paid out. I do not believe any Member of this body will deny or dispute that statement, because, at the inception of the REA the first loans were the easy ones. In the next series of years there were difficult ones. The REA is now considering extremely difficult applications, because they have been passed over time and again for a period of years.

Mr. President, I wish to commend the Senator from Vermont for placing these facts in the RECORD, because we do not want to mislead or confuse the farmer who is waiting to have REA electric current brought to him.

Mr. AIKEN. Mr. President, I thank the Senator from Minnesota, and I shall now continue to present facts.

During the first year of this administration, from May 1, 1953, to May 1, 1954, 349 loans, amounting to $181,118,100, were made.

In the former administration, from May 1, 1952, to May 1, 1953, the number of loans was 315, and the amount was $157,612,091. This is an increase of nearly $25 million.

Applications for loans have been handled more rapidly. This administration has given borrowers better service and has reduced paperwork on loan applications. This is shown in the large reduction of the backlog of applications inherited by this administration.

When this administration took office, $220,288,416 worth of applications were on hand.

The applications on hand at May 28, 1954, amounted to $130,599,000.

This shows a reduction between the time the Eisenhower administration took office and May 28, 1954, of $89,689,416.

Why were not all these applications granted immediately? That question has been partially answered by the Senator from Minnesota. They involved fringe applications, and more data were required as to many of them. Half of the applications need more data. More than half of the electric loan applications now on file with REA cannot be acted upon by REA until more data of some kind or other is provided by the applicants.

For example, 22 applications, or 12.6 percent of the total, have feasibility problems, and solutions to these problems must be worked out with the help of data from the applicant before REA can take action. Seventy-five applications, or 42.9 percent of the total, require information about power-supply rates, purpose of construction, financial statements, and similar factors, before REA can act. Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a tabulation summarizing the status of all electric applications on hand.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Status of applications	Applications		Amount	Percent
	Number	Percent		
Feasibility problem	22	12.6	$35,338,000	27.1
More information	75	42.9	39,713,800	30.4
In process	78	44.6	55,547,200	42.5
Total on hand	175	------	130,599,000	------

Mr. AIKEN. It is only natural that the trend of applications for electric loans should be downward. The trend has been sharply downward since 1949, the peak postwar year.

The following table shows the dollar amount of applications received for electric loans since the 1949 peak:

Total of applications received

Fiscal year:	
1949	$455,548,785
1950	335,397,810
1951	201,814,000
1952	150,936,950
1953	[1] 220,671,686
1954 (through May 28)	[2] 143,656,068

[1] The trend of applications was briefly reversed during November and December of 1952.

[2] This is through May 28—about 1 month of the end of the fiscal year.

Trend of loans approved also down: The electric-loan program hit its peak in 1949 and for several years thereafter dropped substantially as the postwar construction program leveled off. Today more than 91 percent of farms are electrified and applications now call for less funds for new connections and more for boosting system capacity.

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I should like to state for the RECORD the facts as to the loans approved in each fiscal year since 1947:

In the fiscal year 1947 the amount loaned to electric borrowers was $253,217,000.

In 1948, the amount loaned was $319,110,000.

In 1949, the amount was $449,317,700.

That enormous sum was made possible through the large appropriation made by the so-called terrible 80th Congress, which provided more money for the purpose than had ever been provided before or since.

In 1950, the amount loaned electric borrowers was $376,199,000.

In 1951, the amount was $221,815,000.

In 1952, the amount was $165,758,731.

In 1953, the amount was $164,972,662.

For the fiscal year 1954, the amount is $165 million.

The electric loan program recommended by the House Appropriations Committee and approved by the House provides $193 million for the 1955 fiscal year. Present estimates, together with program experience based on applications received, indicate loan needs will be about $150 million.

On the basis of the House action there thus would be a margin between funds authorized and funds estimated to be needed of more than $40 million.

Mr. President, I should like to give a breakdown of loan funds proposed for the fiscal year 1955.

Electric loans

[In millions]

	1953	1954	1955	
			House	Senate
New authorization	$50	$135	$100	$135
Contingency	50	45	35	35
Carryover	117	30	50	50
Rescissions	28	12	8	8
Total	245	222	193	228

So that under the bill as it passed the Senate, there will be $228 million, which will be much more than the amount actually needed.

I should like to point out a fact which some persons do not seem to realize, namely, that a backlog of half a billion dollars is already available.

Borrowers presently have available to them about $438 million in unadvanced funds. These are loans which have already been approved—money in the bank—and which borrowers can draw down at any time they properly requisition the money:

Since 1949 advance of funds by REA also has declined:

Fiscal year:	*Amount advanced electric borrowers*
1949	$321,286,868
1950	286,658,652
1951	268,130,658
1952	227,574,029
1953	207,633,936
1954 (estimated)	185,000,000

This reflects the declining construction program of electric borrowers as they near the completion of the distribution plants required for initial connection of all consumers in their service areas. There still remains more than $400 million which can be called upon, and which already has been approved for use, if it is needed.

I desire to have printed in the RECORD a table showing the amount of unadvanced loan funds available by States as of April 30, 1954. As I have said, the total amount for the United States is $438,882,753. The table shows the amount of approved funds which have not been drawn upon by the various States as of April 30, 1954. I shall read a few examples:

Alabama has more than $10 million in approved loans which have not been called for; Arkansas has more than $20 million; Colorado more than $10 million; Georgia more than $16 million; Iowa more than $17 million; Kentucky more than $31 million, which is the greatest amount of any State; Minnesota $15 million; Missouri $19 million; Nebraska $14 million; North Carolina $17 million; North Dakota $7 million; Texas $26 million; Wisconsin $23 million.

Mr. President, I ask unanimous consent that the complete list be printed at this point in the RECORD, so that every Member of the Senate can see the amount which has been approved for use by the REA in his State, and which has not yet been called for by those to whom the loans were granted.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Alabama	$10,494,075
Arizona	4,372,625
Arkansas	20,262,774
California	6,058,403
Colorado	10,964,340
Connecticut	0
Delaware	732,954
Florida	7,044,313
Georgia	16,215,147
Idaho	1,477,842
Illinois	7,665,322
Indiana	6,663,297
Iowa	17,183,793
Kansas	5,871,434
Kentucky	31,683,566
Louisiana	5,113,369
Maine	491,295
Maryland	4,084,896
Massachusetts	0
Michigan	14,148,925
Minnesota	15,247,458
Mississippi	16,627,146
Missouri	19,404,832
Montana	7,563,249
Nebraska	14,855,064
Nevada	26,739
New Hampshire	2,001,200
New Jersey	197,862
New Mexico	11,202,400
New York	401,607
North Carolina	17,215,720
North Dakota	7,518,124
Ohio	11,910,668
Oklahoma	12,559,961
Oregon	4,470,923
Pennsylvania	5,978,488
Rhode Island	0
South Carolina	11,354,238
South Dakota	9,208,911
Tennessee	12,047,138
Texas	26,241,186
Utah	1,101,421
Vermont	683,521
Virginia	10,177,484
Washington	5,402,965
West Virginia	129,642
Wisconsin	23,001,244
Wyoming	6,359,233
Alaska	12,088,085
Virgin Islands	1,874
Puerto Rico	3,376,000

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. JOHNSON of Colorado. I desired to understand the exact status of these amounts. Do they represent loans which have not been approved?

Mr. AIKEN. They are amounts which have not been called for. Approvals for practically all of them have been made in the last 4 years, but, as the Senator knows, not all of the cooperatives which have had loans approved spend the sums immediately. Some of them never spend the funds at all. That is how the recission amounts come into the picture.

Mr. JOHNSON of Colorado. But the amounts are committed, are they?

Mr. AIKEN. It is expected that most of the $438 million will be spent eventually.

Mr. JOHNSON of Colorado. In any case, the amounts are committed?

Mr. AIKEN. They are committed, and they will be available whenever the REA cooperatives call for them.

Mr. JOHNSON of Colorado. I understand. I thank the Senator.

POWER SUPPLY PROGRAM PUSHED

Mr. AIKEN. The Eisenhower administration has pushed the power-supply program and has worked sympathetically with its borrowers in solving power-supply problems. This is reflected in two items:

(a) The percentage of loans made for generation and transmission facilities equals the long-time level.

(b) Applications now on hand amount to $70,540,000. This represents a reduction of nearly $27 million in the backlog of generation- and transmission-loan applications since June 30, 1953.

TELEPHONE-LOAN PROGRAM AT NEW HIGH

This administration as of June 4, 1954, has approved $63,635,000 this fiscal year. The full year total is expected to reach $74 million. This is nearly twice the $41 million program the year before. This year will be by far the biggest in the history of the telephone program. At the beginning of this fiscal year the cumulative total of loans made since the telephone program amendment was enacted in 1949 amounted to only $118 million, whereas in this fiscal year alone the loans are expected to reach $74 million.

TELEPHONE CONSTRUCTION SPEEDED UP

This year the Administration is advancing to borrowers about $30 million in contrast with $23,864,802 advanced during the previous year. Advances represent actual construction since loan funds are advanced to borrowers only as needed to pay for construction.

ADMINISTRATIVE COSTS CUT

While setting new records for providing service on loans to electric and telephone borrowers, this Administration has reduced administrative costs.

I cannot tell exactly what the administrative costs have been for the corresponding years, but there has been a reduction of approximately 25 percent in the cost of administering the program. This has been accomplished in two ways: First, administrative processes have been streamlined, making possible savings and manpower. Second, borrowers have

been permitted to handle for themselves many of the program responsibilities not affecting loan security.

The figures I have given are from the record. They show conclusively that the REA program under President Eisenhower and Ancher Nelsen is in safe and sympathetic hands.

Mr. DOUGLAS. Mr. President, although I have not had an opportunity to study the text of the remarks of the senior Senator from Vermont [Mr. AIKEN] on the REA appropriations, I do not wish to let this occasion pass without making at least a preliminary reply to them.

The Senator from Vermont began his address with an attack on the chief executive of the National Rural Electric Cooperative Association, Mr. Clyde Ellis. His charge seems to have been a dual one: First, that Mr. Ellis and his associates presented incorrect figures to the House and Senate Appropriations Committees; second, that Mr. Ellis is an adjunct of the Democratic Party and was using political influence to place the Eisenhower administration in an unfavorable light.

It is not necessary, Mr. President, to affirm publicly again my high personal regard for the senior Senator from Vermont. I have demonstrated that on many occasions, and it continues, despite some of the remarks of a highly partisan nature the Senator from Vermont made last week and which he made today.

The senior Senator from Vermont has accused Mr. Ellis and his associates of presenting figures which were really for an 18-month period, and passing them off as if they were for the period of a single year. If the Senator from Vermont will consult the hearings before the Agricultural Appropriations Subcommittee, at pages 1073 and 1074, which I had included in the RECORD, where they appear at page 7403, he will find that the REA Cooperative Association made it very clear that its estimates were for the period between January 1, 1954, and June 30, 1955. So there was no attempt to deceive; and although the computations were somewhat complicated, the REA stated its case with fullness and exactitude, with a breakdown both by time and by purpose, and also by geographical areas.

Mr. AIKEN. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I am glad to yield.

Mr. AIKEN. I could not hear very well what the Senator from Illinois said, because of the confusion in the Chamber at this time. Is he reading the table submitted to the committee, showing the loan applications as of January 1954?

Mr. DOUGLAS. If the Senator from Vermont will consult the RECORD at page 7403, he will see the material in full.

Mr. AIKEN. I do not have that copy of the RECORD here. Does it contain the table the Senator from Illinois has in mind?

Mr. DOUGLAS. I am not quite certain what the Senator from Vermont is saying, because in hearing him I suffer the same difficulty he suffers in hearing me. The table covers an estimate of the needs for the coming year, and has the needs broken down by purposes and also by geographical areas; and the books seem to balance.

Mr. AIKEN. I think I have the table. The Senator from Illinois probably has read the report. Does it contain, or is there anywhere in the testimony of Mr. Ellis and his associates a table showing, the amount available for loans, for each State, from January 1 to June 30, 1954?

Mr. DOUGLAS. The table I have does not have a breakdown by States, but it gives the figures for each area.

Mr. AIKEN. The important omission was the amount available for loans for each State, beginning January 1, 1954.

Mr. DOUGLAS. I may say to the Senator from Vermont that I did not introduce that material into evidence, and I did not base our case upon it.

Mr. AIKEN. I was sure that the other day, when the Senator from Illinois was arguing so fervently for an increase in the appropriation for the REA, he did not have at hand the figures showing the amount already available for the remainder of 1954—which was half a year's supply of money.

Mr. DOUGLAS. Let me say to my good friend from Vermont that if he will take the trouble to consult the CONGRESSIONAL RECORD, which undoubtedly is at his desk, and will turn to page 7403, he will see precisely what I am talking about. It is rather fruitless to discuss a statistical table when one Senator will not look at the table to which another is referring.

Mr. AIKEN. I inserted this material in the RECORD today because I know full well the propensity of certain persons to use a Senator's vote on an amendment as indicative of his position on the whole subject to which the amendment relates. In fact, the Senator from Illinois may recall that in 1949, 1950, and 1951 he was listed as not being a friend of the REA, simply because he offered an amendment to the appropriation bill for 1951 reducing the appropriation from $100 million to $25 million. But I do not think that clearly represented the position of the Senator from Illinois.

Mr. DOUGLAS. I do not wish to be diverted by my good friend from Vermont into a side discussion as to our respective voting records on REA. I have no recollection of what the Senator from Vermont is talking about. I believe my voting record is 100 percent for REA and I am willing to stand on it, and I am sure the Senator from Vermont is equally willing to stand on his record. What I was trying to say was that the charge which the Senator from Vermont made, namely that the National Rural Electric Cooperative Association showed bad faith, and either the will to deceive or the practice of deceiving, in the figures which they submitted, does not seem to me to be borne out by the figures which I have at hand.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I did not interrupt the Senator from Vermont when he was making his address, although I was sorely tempted to do so. I should prefer to be allowed to continue. At the conclusion of my remarks I shall be very glad to submit to questions.

Mr. AIKEN. The Senator says that the Senator from Vermont made charges. I was wondering where the charges might be in the remarks of the Senator from Vermont. I was stating the facts. If anyone wishes to infer charges from a statement of the facts, I cannot help it.

Mr. DOUGLAS. I shall reply in greater detail to the statement of the Senator from Vermont after I have had time to examine his tables, which I have not had time to do until now. I wish to indicate that the REA cooperative associations submitted in full figures for a year and a half, and then made deductions from that total available to REA on January 1, 1954, and obtained a balance representing the need for fiscal 1955.

The Senator from Vermont has indicated in his remarks that the witnesses before the Senate and House Appropriations Committees did not consider the funds on hand January 1, 1954, when they made their calculations for the amount needed in fiscal 1955. I wish to point out that on pages 1073 and 1074 of the Senate Appropriations Committee hearings and on page 146, part IV, of the House Appropriations Committee hearings the record shows very clearly that the available funds were deducted from the estimated loan requirements.

The Senator from Vermont also asserted that Mr. Ellis was acting in a political fashion. I am not quite certain what words he used, but he implied that political pressure was being applied by Mr. Ellis upon Members of the Senate to induce them to vote for the Douglas-Humphrey-Gillette amendment increasing appropriations by $35 million.

I have always thought it was the right of American citizens to solicit support for measures which are before this body. It has never seemed to me improper for the heads of organizations to send out telegrams asking their members and friends to support an amendment which might be pending before this body or the other House. I have always thought that that was a part of the right of petition, which is guaranteed to American citizens by the Constitution. In the past I have received many telegrams and letters in response to appeals sent out by farm organizations supporting measures introduced by the senior Senator from Vermont. I am not aware that on those occasions the Senator from Vermont ever complained that the farm organizations had solicited support for his proposals. I may say that I certainly do not criticize them for such acts. I think it is perfectly proper for them to support the Senator from Vermont, and to try to marshal as much support as possible for his proposals. I did not resent either the telegrams which went out from the farm organizations or the telegrams which I received urging me to follow the program of the Senator from Vermont. I think it is somewhat extraordinary that the Senator from Vermont should resent the telegrams which went out from the REA Cooperative Association in support of the Douglas-Humphrey-Gillette amendment.

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Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOUGLAS. No; I will not yield until the conclusion of my remarks. Then I shall be glad to yield.

Mr. President, I am not interested primarily in the question as to which party has made the better record in connection with REA. The yea-and-nay votes in this body have been collected over a long period of time. They are available to the voters. We are ready to rest our record on those rollcalls, and we are ready to let the voters decide that issue.

However, I should like to point out to my good friend from Vermont that since the new administration has come into office the amounts requested by the administration for REA have markedly decreased. If the Senator will turn to page 866 of the Senate committee hearings he will find that the 82d Congress, in 1952, made available for REA purposes $245 million for the year 1952–53. For the year 1953–54, the year in which we now are, the 1st session of the 83d Congress made available a total sum of approximately $221 million, or a decrease of $24 million.

The Budget Bureau requested for the coming year a further appropriation of only $55 million, which, with the unexpended balances, would have made $147 million available for 1954–55 or $98 million less than had been available 2 years ago, and $74 million less than is available during the current year.

The House increased this amount by $35 million, bringing the figure of funds available for the succeeding year of 1954–55 to $193 million. However, that total was still $38 million less than is available for the current year, and $52 million less than was appropriated by the last session of the 82d Congress.

It was because of these facts that the Senator from Illinois, joined by the Senator from Minnesota [Mr. HUMPHREY] and the Senator from Iowa [Mr. GILLETTE], offered our amendment to increase the appropriation by $35 million, to bring the total to approximately the same amount provided for the current year. That was our purpose.

The Senator from Vermont has drawn certain gratuitous inferences about our motives which I shall pass by, because I think they are unworthy of his better self. I believe that in due course of time, when he gets up to the Vermont hills, and gets away from the political fever which sometimes characterizes Washington, he will not wish to stand upon such statements.

That, frankly, is the situation. I ask leave to have printed at the appropriate points in my remarks further statistical material. I shall be very glad now to yield to the Senator from Vermont, if he wishes to ask me any questions.

Mr. AIKEN. Does the Senator from Illinois ask leave to put in the RECORD later today statistical material without telling the Senate what the statistical material consists of?

Mr. DOUGLAS. The Senator from Vermont placed some statistical material in the RECORD earlier today without telling the Senate what it consisted of, and the Senator from Illinois did not object to it. I shall submit to the Senator from Vermont any material that I intend to put in the RECORD.

Mr. AIKEN. I put nothing in the RECORD of a statistical nature, that was not read to the Senate.

Mr. DOUGLAS. I believe the Senator put in a great many tables, the contents of which were not very clear to me. However, that is agreeable to me, because I am sure the Senator from Vermont would not put anything in that was not proper.

Mr. AIKEN. I have no questions to ask of the Senator from Illinois, but I should like an opportunity to say, regardless of any inference that I was blaming the senders of the telegrams for trying to put pressure on the Senate, that is not so. I made clear in my remarks that I put no blame at all on the people who sent the telegrams. I only regret that, like the Senator from Illinois, they did not have the whole picture before them.

Did the Senator from Illinois, when he was speaking the other day, know that for the last 6 months of 1954 $14 million was available for loans in the State of Illinois for REA work? He knew there was $17 million in applications, but did he know $14 million was available? That is what I believe the witnesses before the committee left out, and that is what the Members of the Senate did not know the other day when they voted to add $35 million to the appropriation bill.

Mr. DOUGLAS. I may say to my good friend from Vermont that the amount available is not necessarily the amount loaned. In fact, some of the Senators on the other side of the aisle said there was no use in appropriating the amount of money we requested because the REA was determined not to lend the amounts which were available; therefore, it would not make the loans. Therefore, the amounts theoretically available are not particularly important.

Mr. AIKEN. Does the Senator from Illinois know of any year in which everyone who made an application for a loan got the full amount which was asked for?

Mr. DOUGLAS. Certainly not.

Mr. AIKEN. Does not the Senator from Illinois know that the order to reduce the loans to $165 million, regardless of what Congress might appropriate, was made by Harry Truman's Bureau of the Budget?

Mr. DOUGLAS. We went into all that last week.

Mr. AIKEN. That is correct.

Mr. DOUGLAS. It was pointed out that that order came in the midst of the Korean war, when there was a necessity to economize on copper and other material.

Mr. AIKEN. I could point out to the Senator from Illinois that Congress made available $600 million for those 2 years of the Korean war because it was felt that getting electricity to the farms was one of the most important factors in carrying on successfully the work on the farms.

However, I do not care to go into that question. I merely wish to say that I do not blame the people who sent those telegrams.

Mr. DOUGLAS. But the Senator from Vermont does blame Mr. Ellis for sending his telegram.

Mr. AIKEN. I blame him for not telling those people the whole story when he told them to telegraph the Members of the Senate. Certainly he did not tell them the whole story. There is no question about it.

Mr. DOUGLAS. Mr. Ellis will, I am sure, make his defense at an appropriate time, and I shall be glad to submit it. I merely wish to say that the attack which the Senator from Vermont has made on Mr. Ellis on the floor of the Senate reminds me of the attack which Mr. Aandahl, Assistant Secretary of the Interior, made on Mr. Ellis on the floor of the convention of the National Rural Electric Cooperative Association last January. But that charge was repudiated by the 5,000 delegates to the convention who were present. Mr. Ellis represents the rural electrical users of the country and needs make no apology to Mr. Aandahl or to the senior Senator from Vermont.

I am very sorry to have to get into this discussion with the Senator from Vermont, whom I respect and like very much but his statement on the floor of the Senate seemed to me to call for a reply. I have tried to make my reply in good temper I hope but I could not let the statement go by completely unnoticed.

Mr. AIKEN. Mr. President, will the Senator from Illinois answer one more question?

Mr. DOUGLAS. Certainly.

Mr. AIKEN. Will the Senator from Illinois state to the Senate just what statistical data the Senator from Vermont put in the RECORD that was erroneous?

Mr. DOUGLAS. I have not seen the material which the Senator put in the RECORD. Therefore I cannot tell. I did see him with many papers in his hand and I thought I heard him say he was asking unanimous consent to have the material printed in the RECORD. If I should get some statistical material during the day I shall show it to the Senator from Vermont prior to my submitting it for the RECORD, in order to give him an opportunity to make such reply or comment in the body of the RECORD as he may wish to make.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes.

Mr. KNOWLAND. Mr. President, in conformity with the prior discussion on the floor, I submit a proposed unanimous-consent agreement and ask that it be read for the information of the Senate. It is presented jointly on behalf of the distinguished minority leader and myself.

The PRESIDING OFFICER. The clerk will read the proposed unanimous-consent agreement.

The legislative clerk read as follows:

Ordered, That following the morning business on Monday, June 14, during the further consideration of H. R. 8067, making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, debate on any amendment or motion (including appeals) shall be limited to not exceeding 60 minutes, to be equally divided and controlled, respectively, by the mover of any such amendment or motion and the Senator from New Hampshire [Mr. BRIDGES], in the event he is opposed to such an amendment or motion; otherwise, by the mover and the minority leader or some Senator designated by him: *Provided*, That no amendment that is not germane to the subject matter of the said bill shall be received: *And provided further*, That debate upon the bill itself shall be limited to not exceeding 1 hour, to be equally divided and controlled, respectively, by the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Texas [Mr. JOHNSON].

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement? The Chair hears none, and the agreement is entered into.

PRINTING OF ADDITIONAL COPIES OF HOUSE REPORT NO. 1256, RELATING TO JANUARY 1954 ECONOMIC REPORT OF THE PRESIDENT

Mr. KNOWLAND. Mr. President, at the request of the distinguished Senator from Indiana [Mr. JENNER], who is chairman of the Committee on Rules and Administration, and is temporarily out of the Chamber, I present on his behalf reports on three resolutions and I ask that the resolutions be immediately considered. I have discussed them with the distinguished minority leader, and he is agreeable to having them considered. The first one is Senate Resolution 259.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The resolution (S. Res. 259) was read, as follows:

Resolved, That there be printed for the use of the Joint Committee on the Economic Report 3,000 additional copies of House Report No. 1256, current Congress, entitled "Report of the Joint Committee on the Economic Report on the January 1954 Economic Report of the President."

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 259) was considered and agreed to.

ADDITIONAL FUNDS FOR COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. KNOWLAND. Mr. President, I now ask for the immediate consideration of Senate Resolution 251.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The resolution (S. Res. 251) was read, as follows:

Resolved, That the Committee on Labor and Public Welfare hereby is authorized to expend from the contingent fund of the Senate, during the 83d Congress, $5,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 251), was considered and agreed to.

INCREASE IN LIMIT OF EXPENDITURES BY COMMITTEE ON ARMED SERVICES

Mr. KNOWLAND. Mr. President, I now ask for the immediate consideration of Senate Resolution 255.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The resolution (S. Res. 255) was read, as follows:

Resolved, That the Committee on Armed Services hereby is authorized to expend from the contingent fund of the Senate, during the 83d Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 255) was considered and agreed to.

WILLMORE ENGINEERING CO.—CONFERENCE REPORT

Mr. BUTLER of Maryland. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7258) for the relief of the Willmore Engineering Co. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7258) for the relief of the Willmore Engineering Company, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: That the Secretary of Commerce and Willmore Engineering Company each shall appoint an arbitrator, and they together shall appoint a third arbitrator, these three to serve as a Board of Arbitrators who shall, after having heard the evidence, determine and certify to the Secretary of the Treasury any amount which in their judgment would be required to satisfy any obligations of the United States to the Willmore Engineering Company for services and expenses in connection with its contract and the breach of it, if any, with the United States for production of winches for transport vessels necessary to the prosecution of World War II, pursuant to special emergency authorizations and commitments under war powers, for which it is alleged the United States has failed to provide adequate payment. To the extent not inconsistent with this Act, the provisions of Title 9 of the United States Code shall be applicable to proceedings under this Act. Any cost arising in the arbitration of these claims shall be fixed by the arbitrators and assessed equally between the Government and the claimants.

And the Senate agree to the same.

JOHN M. BUTLER,
HERMAN WELKER,
ESTES KEFAUVER,
Managers on the Part of the Senate.

EDGAR A. JONAS,
WILLIAM E. MILLER,
THOMAS J. LANE,
Managers on the Part of the House.

Mr. BUTLER of Maryland. Mr. President, I have discussed the consideration of the report at this time with the distinguished majority leader and the distinguished minority leader. They are both agreeable to having the Senate proceed now to the consideration of the report.

The conference report adheres to the principle of arbitration contained in H. R. 7258, as passed by the Senate with amendment on Calendar No. 1473, June 1, 1954, in that it provides for a Board of Arbitration composed of 3 arbitrators, instead of 1 arbitrator provided in the original bill.

The conferees agreed to recommend arbitration under provisions of title 9 of the United States Code, 1 arbitrator to be selected by the Secretary of Commerce, 1 arbitrator to be selected by Willmore Engineering Co., these 2 arbitrators to select a third arbitrator, all 3 to constitute a Board of Arbitrators.

As I stated on June 1, 1954, when the Senate passed H. R. 7258 with the Senate amendment to increase the number of arbitrators from 1 to 3, the usual administrative procedures and judicial processes had proved to be inadequate, hence the adoption of arbitration as the best practical solution.

The previous Senate amendment provided for the appointment of three United States district judges as arbitrators. The conferees, cognizant of the burden of extrajudicial duties imposed upon the courts by that amendment, and with due consideration of the need for conclusive action consistent with previous Senate action and established legal precedent, agreed on the selection of a Board of Arbitrators to be named by the method I have just described.

The purpose of the amendment to H. R. 7258, approved by the conferees, is consistent with previous Senate action and accepted arbitration procedures.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the report was considered and agreed to.

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AWARD OF MEDAL OF HONOR TO THE LATE CAPT. JOHN S. WALMSLEY, JR., OF BALTIMORE, MD.

Mr. BUTLER of Maryland. Mr. President, it is with a deep sense of humility that I inform the Senate that the President of the United States, in the name of the Congress, has awarded the Medal of Honor to the late Capt. John S. Walmsley, Jr., of Baltimore, Md. for conspicuous gallantry and intrepidity at the risk of his life above and beyond the call of duty in action with the enemy.

The Medal of Honor will be presented to the widow of the late Captain Walmsley by the Honorable Harold E. Talbott, Secretary of the Air Force, on June 12 at Bolling Air Force Base, Washington, D. C. As a measure of tribute to Captain Walmsley for his dauntless bravery, I ask unanimous consent to have printed in the body of the RECORD, the citation signed by President Eisenhower.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

Capt. John S. Walmsley, Jr., AO815023, United States Air Force, distinguished himself by conspicuous gallantry and intrepidity at the risk of his life above and beyond the call of duty near Yangdok, Korea, on 14 September 1951. While flying a B–26 aircraft on a night combat mission with the objective of developing new tactics, Captain Walmsley sighted an enemy supply train which had been assigned top priority as a target of opportunity. He immediately attacked, producing a strike which disabled the train, and, when his ammunition was expended, radioed for friendly aircraft in the area to complete destruction of the target. Employing the searchlight mounted on his aircraft, he guided another B–26 aircraft to the target area, meanwhile constantly exposing himself to enemy fire. Directing an incoming B–26 pilot, he twice boldly alined himself with the target, his searchlight illuminating the area, in a determined effort to give the attacking aircraft full visibility. As the friendly aircraft prepared for the attack, Captain Walmsley descended into the valley in a low level run over the target with searchlight blazing, selflessly exposing himself to vicious enemy antiaircraft fire. In his determination to inflict maximum damage on the enemy, he refused to employ evasive tactics and valiantly pressed forward straight through an intense barrage, thus insuring complete destruction of the enemy's vitally needed war cargo. While he courageously pressed his attack Captain Walmsley's plane was hit and crashed into the surrounding mountains, exploding upon impact. His heroic initiative and daring aggressiveness in completing this important mission in the face of overwhelming opposition and at the risk of his life, reflects the highest credit upon himself and the United States Air Force.

OUR AILING MERCHANT MARINE

Mr. BUTLER of Maryland. Mr. President, there appeared in the New York Times of June 10, 1954, an article by Hanson W. Baldwin, noted authority on military preparedness, concerning the depressed condition of the American merchant marine to which he refers, rather aptly, as "the poor cousin of the armed services between wars." Because of Mr. Baldwin's high standing among commentators on military affairs, his views on the need for attention by the Nation to its shipping problems are deserving of consideration by every citizen.

I ask unanimous consent that Mr. Baldwin's article be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MERCHANT MARINE AILING—BY END OF THIS YEAR NO DRY-CARGO SHIP WILL BE BUILDING IN UNITED STATES YARD

(By Hanson W. Baldwin)

The President this week asked Congress for funds to aid our ailing merchant marine.

The request was small—for $82,600,000 for new merchant ship construction. Even if this request is approved by Congress, many months must elapse before contracts have been let, and when 5 mariner-class vessels, still building, are delivered later this year, the last of an order for 35, not a single ocean-going dry-cargo merchant vessel will be under construction in any American shipyard.

Thus the merchant marine, usually the poor cousin of the armed services in periods between wars, is again lapsing into somewhat the same depressed state that characterized it prior to World Wars I and II. The New Look military policies have paid, at best, lip service to the merchant marine even though those policies, which envisage an eventual reduction of our naval amphibious forces, put a greater degree of responsibility on merchant ships as troop carriers.

KEY ELEMENT IN DEFENSE

Merchant shipping always has been for the United States a key element of sound national defense and always will be so long as seapower forms one of the first lines of defense. This is more true today than it was prior to World War II, despite the increased capabilities of the plane.

For the United States is now far more dependent on foreign sources for vital strategic raw materials than it was a decade or two ago. Uranium, oil, manganese, columbium, and scores of other minerals and products must be transported across the seas to the United States if our war economy is to be maintained.

This must be done in time of war in the face of a formidable Russian submarine threat, which is not perhaps as serious as it has been painted, but which is nonetheless real.

Moreover, the plane has not proved that it can carry bulk cargoes economically in peace or war in competition with ships. About 95 percent of all supplies to Korea were transported in ship's bottoms. The Secretary of the Navy, Charles S. Thomas, said recently that 5 tons of supplies accompanied each man we sent to Korea and 64 pounds of supplies each day were necessary to sustain each man after his arrival.

"From 1950 to 1953," Mr. Thomas added, "the Military Sea Transportation Service (operated by the Navy) hauled more than 5 million passengers, 22 million tons of petroleum products and 52 million tons of dry cargo in support of the Korean military operations."

It is true that some experts are advocating the expansion of our air cargo and air passenger fleets. These men believe that combinations of atomic weapons, mines and submarines could sever us from our overseas sources of raw materials in time of war, if our carrying capacity were limited primarily to ship's bottoms.

TRANSPORT COSTS STRESSED

They assert that air transport costs already are competing with rail costs and that in time they may be able to compete with shipping costs. Such a vision, however, is for the future, if indeed it ever is realized. Today it is probably beyond the capability of any major nation to supply itself with all the bulk cargoes it needs by transoceanic air transport.

Even if other aspects of the operation were feasible, the problem of supplying fuel for the great numbers of cargo aircraft necessary would seem to be dependent, at least in part, upon tankers.

In view of these facts and the importance of the merchant marine to national security the state of our commercial shipping today is not reassuring, particularly as regards future trends. Shipbuilders are principally dependent, at the moment, upon the Navy, which hopes to be able to carry out a $1 billion program of warship construction, conversion, and modernization annually.

LAG IN CONSTRUCTION FUNDS

There were no appropriations for construction of new merchant ships in the current fiscal year's budget; next year, the appropriation will be only $82,600,000, if Congress approves the President's recent request. These figures contrast with merchant ship construction funds that reached $322 million in 1951.

The present merchant fleet is large in size, 3,348 vessels, 1,259 of them privately owned. But about half of all of these are classified as poor, from the point of view of speed and cargo capacity, and all of them are getting old fast. Within 9 years 80 percent should be replaced. Very few of these ships can make 18 knots, a desirable speed in the age of snorkel submarines.

The high cost of constructing and operating United States merchant ships is the major economic reason for the Merchant Marine's between-wars decline. Unions afloat and ashore are responsible for much of the increased costs and also for some of the uncertain discipline that periodically has marred United States merchant ship operation.

There is no doubt, however, that the Merchant Marine is an essential element of our security policies as they are now envisaged. Congress should consider it in that light.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDING OFFICER. The Secretary will state the first amendment of the Committee on Appropriations.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRIDGES. Mr. President, I move that the bill be read for amendment and that the committee amendments be first considered.

The PRESIDING OFFICER. The Chair will state that that procedure is automatic.

The clerk will state the first committee amendment.

The first amendment of the Committee on Appropriations was, under the

heading "Title I—Department of State—Salaries and Expenses," on page 4, at the beginning of line 6, to strike out "$62,500,000" and insert "$62,027,280, and in addition $1,000,000 to be derived by transfer from the unobligated balance of the 1954 appropriation, 'Government in Occupied Areas'."

The amendment was agreed to.

The next amendment was, on page 4, line 20, after the word "that", to strike out "five" and insert "fifteen."

The amendment was agreed to.

The next amendment was, on page 4, line 22, after the word "wagons", to insert a colon and "*Provided further*, That none of the funds made available by this appropriation shall be used to pay the salaries and expenses of the Metals and Minerals staff in the Office of Economic Affairs."

The amendment was agreed to.

The next amendment was, under the subhead "Representation Allowances," on page 5, line 6, after "(22 U. S. C. 1131)", to strike out "$450,000" and insert "$500,000."

Mr. DOUGLAS. Mr. President, this item deals with the so-called "representation" allowance of $500,000 to provide members of the Foreign Service with an entertainment fund. The House appropriated $450,000 for that purpose. The Senate committee has increased the figure to $500,000.

It is well known that a considerable portion of the money is used for mutual entertainment by our Foreign Service of other members of our Foreign Service and members of the foreign services of other nations. In previous years I have tried to reduce the representation allowance in order to introduce into the conduct of our foreign affairs a greater degree of simplicity.

It is also well known that a considerable proportion of the money is used for liquid refreshments of an inebriating nature. While I do not wish to sail under false colors, and while I am not a teetotaler and do not pose as one, nevertheless it does not seem to me that the taxpayers of the United States should be compelled to pay such a large sum for entertainment purposes on the part of our diplomatic and consular service. If liquor is served at such functions, it should be paid for privately and not by the taxpayers.

If it is in order, I send to the desk an amendment to strike out the figure of $500,000 and to insert in lieu thereof $300,000.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the committee amendment.

The CHIEF CLERK. On page 5, line 6, it is proposed to strike out the "$500,000" and to insert in lieu thereof "$300,000."

Mr. DOUGLAS. Mr. President, some of these expenditures are, no doubt necessary, but my amendment would still leave $300,000 for such purposes. Many of the expenditures, however, cannot be justified. They pay in part for liquid refreshments, which rarely consist of tea and tomato juice. It does not seem to me that we should try to float our foreign relations in a sea of champagne. It seems to me instead that we should try to bring about simplicity in the lives of governmental officials at home and abroad. Other nations look to us for leadership, not because we feed their representatives caviar and cocktails, but because we are strong both economically and militarily and we hope spiritually as well. There is no compelling need for our foreign officials to seek to make friends by mutual inebriation or to put it more mildly mutual exhiliaration. We can build better friendships on the sound basis of character and kindliness with out resorting to competitive consumption.

So, Mr. President, I hope my amendment may be adopted.

Mr. KNOWLAND. Mr. President, I sincerely hope that, whether it is for the purpose of a humorous story or a headline, the statement of the Senator from Illinois that this appropriation is for the purpose of mutual inebriation in the Foreign Service will not go unchallenged because it constitutes an indictment which I think is unfair, uncalled for, and not in accordance with fact, either under the preceding Democratic administration or under the present administration.

If there has ever been a general smear of guilt by association, it seems to me that the statement by a responsible Senator, on the floor of the United States Senate, that the fund is for any such purpose or has ever been used for any such purpose, either under the past administration or under this one, may be so characterized. It is unjustified and is not in keeping with either the dignity of the Senate of the United States or of the Foreign Service of the United States.

Mr. BRIDGES. Mr. President, in recent years this item has been steadily reduced in appropriation bills when the Senator from New Hampshire has had anything to do with such bills.

In 1947 the amount was $800,000. This year we are recommending $500,000, a reduction of $300,000.

I wish to join with the distinguished Senator from California in what he has said. I do not think the remarks made by the Senator from Illinois should be allowed to reflect on the entire personnel of the American Foreign Service because I do not believe by any means that the implications which might be inferred from his remarks are proper.

This fund is used for the purpose of purchasing wreaths for ceremonial occasions—for the purpose of decorating monuments in the countries of our great allies. It is used for the purchase of flowers on the death of a foreign minister or the king of a friendly nation. It is used for state dinners and many other functions which are typical occurrences in the conduct of the foreign affairs of this country.

Mr. FULBRIGHT. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. FULBRIGHT. Is it not also used for the necessary entertainment of visitors to this country and of visitors in our consulates and embassies abroad? It is necessary that they be entertained, though not in any lavish way. Is not that the purpose of the fund?

Mr. BRIDGES. That is correct.

Mr. FULBRIGHT. If it is not paid for in this way, it becomes an imposition upon our representatives in foreign countries who must use their private funds.

Mr. BRIDGES. I agree with the view of the distinguished Senator from Arkansas that if it is not paid for in this way, it must come out of the pockets of our Foreign Service personnel.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. KNOWLAND. Is it not true that in connection with the official entertaining which is done, either by representatives of the State Department or by representatives of other executive agencies who go abroad, there must be considered the importance of contacts with the representatives of other nations which are made at social gatherings? As bearing out what the distinguished Senator from Arkansas has pointed out, if such a fund is not provided by the Government, the expenses would be required to come privately out of the pockets of American representatives abroad, because they would either have to turn down all invitations themselves, or accept invitations, and then, in reciprocating, would be required to pay the expenses out of their own pockets. To do this would limit the representation abroad to persons of means, which I do not think is proper for our country to expect. The Government should be in a position to make it possible for persons who have to depend on their own salaries, but who have great ability to offer to their Government, to accept posts in the Foreign Service, rather than to limit such appointments to persons who have such substantial means that the additional expense of entertainment would mean nothing to them.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. MANSFIELD. I wish to aline myself with the views of the views of the distinguished Senator from Arkansas and the distinguished Senator from California. As a matter of fact, in my opinion, $500,000 is not anywhere nearly sufficient for the activities which the representatives of the United States Government are required, as a matter of duty and necessity, to carry on.

It should also be mentioned that a great many congressional committees go abroad; and frequently the members of such committees are entertained by the use of funds which are allocated by Congress for this purpose.

I desire to suggest, if I am not out of order in doing so, that the Committee on Appropriations undertake an investigation to ascertain exactly how much our representatives abroad spend out of their own pockets to carry on the duties inherent in the positions which they hold. I think such a figure would prove to be very interesting and would confirm the view that in some foreign countries representatives of the United States spend much more than is allowed to them under congressional authorization to perform the duties which their assignments impose upon them.

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Mr. BRIDGES. I may say to the distinguished Senator from Montana that, according to a rule of thumb which is used in testimony given before our committee, it is estimated that, roughly speaking, our representatives abroad have been required to spend $1 of personal funds for each $2 of appropriated funds for this purpose. But I think the suggestion made by the Senator is good; and with the approval of my committee, before another year has passed, we shall make a study of the Senator's recommendations and suggestions, so that such information may be available.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. MAGNUSON. There is also involved another factor. Our consulates and Embassies are established having in mind certain ranges of salary, depending upon the importance of the positions at the time. But the world conditions have so changed that the Ambassador in Saigon, Vietnam, whose post was relatively unimportant only a few years ago, and who has a comparatively low salary, now is confronted with an increasingly large influx of visitors, so that the Embassy at Saigon is becoming probably the busiest American Embassy in the entire Far East.

Our Ambassador at Saigon, Mr. Heath, perhaps is not a man of great means, but he is now being called upon to meet and to entertain more and more visitors daily. This is a fluctuating item, which I think must be taken care of in this manner.

Mr. THYE. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. THYE. It has been reported that during the conference at Geneva, Secretary of State Dulles stayed at a hotel, while the representatives of Great Britain, the Soviet Union, and France stayed at villas along the lake shore, and entertained their guests at the villas, whereas the Secretary of State of the United States was required to entertain at the hotel. I think it deteriorates the prestige of our great Nation if our representatives cannot properly present themselves in conferences in foreign nations, because they are judged, perhaps, by their conduct and action. If they are required to conduct themselves as backwoodsmen, the United States is classed to a great extent in that category by others in the diplomatic circles.

I think the fund is very conservative. I was struck by the importance of what was said by the distingushed Senator from Washington about the Ambassador at Saigon, because undoubtedly there is now an influx of visitors at that point, and certainly the Ambassador there is faced with a tremendous expense every week. So I most certainly shall support this fund, or even a greater sum.

Mr. BRIDGES. I thank the distinguished Senator from Minnesota. I think it is clear from what has been said by the distinguished majority leader, the acting minority leader, the distinguished Senator from Arkansas [Mr. FULBRIGHT], the distinguished Senator from Montana [Mr. MANSFIELD], the distinguished Senator from Washington [Mr. MAGNUSON], and the distinguished Senator from Minnesota [Mr. THYE], that there is a general understanding of what this fund is intended to accomplish.

We realize that the United States Government, through its foreign officials, must adequately be represented in social functions or official functions abroad. When we consider the billions of dollars which are spent in other ways, certainly, in my judgment, it would not be wise to withhold reasonable funds for the use of our Foreign Service officials abroad.

I hope the amendment of the Senator from Illinois will be rejected.

Mr. DOUGLAS. Mr. President, I wish to make only one or two points. This is called a representation allowance. I believe "representation" is a word which has been taken from the French tongue, which is the language of diplomacy, and has intruded into the English or "American" language. "Representation" in the French language means "entertainment." I think it would be much better if the Bureau of the Budget and the Committee on Appropriations would hereafter call this an entertainment allowance rather than to use the somewhat mysterious word "representation."

I may say that perhaps many Members of Congress have been somewhat to blame in this matter. A great many of us take trips abroad or become world travelers. In the course of our trips, many drop in on the Embassies and consulates and expect the red carpet to be rolled out for us, and the poor members of the Foreign Service then feel under an obligation to entertain us.

At times, the behavior of Members of Congress in foreign countries has not been entirely decorous. I do not wish to pose as being particularly virtuous in this regard, but when I was abroad in the summer of 1952, and I visited Paris and Rome, I was very careful not to go near the American Embassies, lest the officials there might feel under some obligation to entertain me and to dip into the entertainment allowance.

I think some of the Members of this body, those present on the floor excepted, of course, like to have the entertainment allowance included, because it permits foreign Embassies to entertain them when they make the grand tour at the taxpayers expense.

As I have said, perhaps it is shouting against the wind to try to plead for simplicity of living on the part of representatives of the United States abroad, but it has never seemed to me that a country so great as ours needed to seek prestige by means of parties. The parties which sometimes have been given have not added to the prestige of the United States in the Mohammedan countries.

This, it is true, is not a matter of tremendous moment. But I tried to reduce these sums when my own party was in power. At such times, I never noticed any great indignation from Senators on the other side of the aisle when I made my proposals for such reductions. In fact, I believe, on past occasions eminent Republicans have joined me in proposing a cut in the so-called representation allowance. I regret that today I must stand alone. It is very interesting to see that the Republicans defend these appropriations now that they are in power.

As for myself, I am simply trying to be consistent. Having opposed these appropriations when my own party was in power, I certainly would be hypocritical if I did not oppose them now, under the existing regime. I think it somewhat extraordinary that those who were opposed to these appropriations when they were not in power, now defend them.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. I had no intention of referring to the Senator from California.

Mr. KNOWLAND. My recollection is that the Senators who have spoken on the floor of the Senate today, insofar as they were present on the floor when the Senator made his observations in past years under a Democratic administration, opposed the amendments on this subject he then offered for the reasons actuating us in opposing his amendment today.

Mr. DOUGLAS. I was very careful to say I was not referring to those Senators who are present.

Mr. President, I do not think it is being at all "backwoodsish" to plead for simplicity in living and in entertainment.

The PRESIDING OFFICER (Mr. BENNETT in the chair). The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the committee amendment.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 5, line 6.

The amendment was agreed to.

Mr. KNOWLAND. Mr. President, I ask unanimous consent to take up out of order an amendment I desire to offer in conformity with my prior commitment in the Senate when a certain bill was being considered by the Senate. A matter of importance has arisen, and I have to leave the floor for a while, and I should like to have my amendment presently considered.

My amendment proposes, on page 25, to strike out the present section 207, which deals with funds for the prosecution of the Fallbrook case. The provision which is now in the bill would prevent the use of funds for that purpose. In conformity with my agreement, I desire to offer my amendment to strike out section 207. The amendment is at the desk, and I ask that it be stated.

The PRESIDING OFFICER. Is there objection to the present consideration of the amendment of the Senator from California? The Chair hears none, and the clerk will state the amendment.

The LEGISLATIVE CLERK. On page 25, beginning on line 18, it is proposed to strike out:

SEC. 207. None of the funds appropriated by this title may be used in the preparation or prosecution of the suit in the United States District Court for the Southern District of California, Southern Division, by the United States of America against Fallbrook Public Utility District, a public service corporation of the State of California, and others.

It is also proposed to renumber section 208 to 207.

Mr. KNOWLAND. Mr. President, I should like to say that my proposal is in keeping with the statement I made previously on the floor of the Senate. I offer my amendment with full confidence that the executive branch of the Government will cooperate in helping to expedite the litigation in the Fallbrook case. However, my part of the understanding was that I would move to strike out section 207, and that I have done.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from Illinois.

Mr. DOUGLAS. The Senator is aware, of course, is he not, that there probably will be an effort by the House in conference to retain the rider? I am wondering if the distinguished Senator from California, the majority leader, will express himself on the question whether or not the hand of the Senate would be strengthened in this matter if there were a yea-and-nay vote, in order to indicate, by such a vote, that it was the determined will of the Senate that the rider should be eliminated.

Mr. KNOWLAND. I do not believe that is necessary. I think the record in the Senate was made very clear. There is no question in my mind that the amendment would have overwhelming support in the Senate. I do not know whether I shall be a conferee on the bill, but I can assure the Senator that, so far as I am concerned, my motion to amend is no empty gesture. The amendment is one which would have the support, I am sure, not only of the Senate, but of the executive branch of the Government as well.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND].

The amendment was agreed to.

Mr. BRIDGES obtained the floor.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Massachusetts.

Mr. KENNEDY. On page 34 of the report of the committee, in setting forth the estimates for 1955 for payments to air carriers from the Civil Aeronautics Board appropriation, there is shown the figure "minus $33 million" indicating that the appropriation recommended in this bill is $33 million below the estimates for 1955.

Mr. BRIDGES. Is the Senator from Massachusetts referring to page 34 of the report?

Mr. KENNEDY. That is correct. It shows an item of "minus $33 million." That would give the impression to the Senate that the reduction in subsidies to air carriers for fiscal 1955, as compared with the appropriation for last year, amounted to $33 million. Is that a fact? Is the appropriation recommended by the subcommittee for subsidies for the CAB for a period of 8 months, or for a year?

Mr. BRIDGES. The Senator is correct in raising that point. As the distinguished Senator from Massachusetts knows, a policy has been formulated recently, and it is now pending, which would recommend a rather fundamental change in subsidy programs. It was the view of the committee that instead of appropriating for subsidies for the whole year, it should appropriate a sufficient sum to carry on the operations to the end of the current calendar year, not the fiscal year, in order that it might be ascertained whether or not some of the economies brought about by a change in the program could be put into effect. The CAB would then be forced to appear before the Senate committee and present its case for additional funds and justify its request for funds for the remainder of the year. Hearings on the subject were held for several days; there was considerable discussion, and what I have stated finally seemed to be the general opinion. So the Senator is correct; the appropriation is not for the full year, but for a part of the year, with definite instructions that representatives of the Board shall appear before the Senate committee during the month of January of next year to give it a report.

Mr. KENNEDY. Then, the figure "minus $33 million" for subsidies for the CAB, which appears on page 34 of the report, is really not an accurate indication of a saving for fiscal 1955, as the appropriation is potentially for only 7½ months. Therefore, if the appropriation for the remainder of the year were carried through, there would not be a saving of $33 million, but the CAB would probably expend all the money which it had requested, would it not?

Mr. BRIDGES. If the distinguished Senator from Massachusetts will look at page 34, he will see that it does not state that amount will be saved. It does indicate that it is $33 million under the budget estimate.

Mr. KENNEDY. Of course, it is under the budget estimate, but as the Senator has just suggested, the amount appropriated would be for only 7½ months.

Mr. BRIDGES. Nevertheless, the budget estimate was so much for the full year, with $40 million appropriated for a part of the year. So that amount was listed under the budget estimate. There was no intention to mislead the Senator from Massachusetts or anyone else. I am frank in stating what happened.

Mr. KENNEDY. On page 17 of the report of the committee, in discussing the question of payments to air carriers, it is stated:

> The committee recommends $40 million, the same amount allowed by the House, but which is $33 million under the budget estimate and $40,655,000 below the comparable figure for 1954.

I wish to point out that although the subcommittee goes on to explain the figure, that statement taken by itself, is not an accurate one, since the appropriation is not $40,655,000 below the comparable figure for 1954, because the appropriation is only for about 7 months. If the CAB expends the money at the monthly rate suggested by the Senator's answer to the question originally asked, the CAB would probably expend as much for subsidies as it expended last year; thus, in fact, there is no saving.

Mr. BRIDGES. In reply to the Senator I may say that, of course, he can take a sentence of the report out of context and put on it a certain interpretation, as I could on a sentence from a statement or speech made by the Senator from Massachusetts. There is, however, no intention to fool anyone in any way. It is a way of handling the problem so that the Senate, the Senator from Massachusetts, and every other Senator will have a chance to review the appropriation shortly after the turn of the calendar year.

Mr. KENNEDY. Yes; I am not suggesting that the Senator is attempting to deceive anyone; but permit me to make clear the basis for an amendment I shall offer. The last sentence of the third paragraph on page 18 of the report reads as follows:

> If such action is taken—

In other words, taken by the Civil Aeronautics Board—

> subsidy requirements for the fiscal year ending June 30, 1955, may well be less than the amount estimated by the Board.

The amount estimated by the Board, that would be required—as stated in the testimony before the Appropriations Committee—was $80 million.

But I am concerned that the CAB may expend money at a monthly rate so that the appropriation will be exhausted by the middle of January, the date on which the subcommittee suggested the CAB appear before it again. The Appropriations Committee, recognizing that otherwise the CAB would be without funds to carry on, would then, of course, appropriate additional funds. As a result, by the end of the fiscal year 1955 we would have expended all or almost all of the $80 million the CAB originally requested for this item. That is what concerns me.

Mr. BRIDGES. Let me say to the Senator from Massachusetts that, as undoubtedly he is aware under the law, the CAB must pay, each month, or each period, whatever it may be, 95 percent of the subsidy payments per month or per period to the airlines. So they are able to work with some leeway.

However, it is our hope—and I think it is the hope of all members of the committee; there was no partisanship about the matter—that a way may be worked out to reduce the subsidies and to reduce the Government's expenditure. Instead of providing the total amount for the fiscal year, and letting that be the end of the matter, we wanted to give them time to react to the program, and then to come before the committee again, at which time we could see whether a saving could be made. But if a saving is made, it will have to be made by a readjustment of the subsidy program, because once the subsidy is granted, payment of at least 95 percent of the monthly amount must be made each month.

Mr. KENNEDY. However, the CAB is not authorized to pay subsidies in excess of the amount appropriated for that purpose by the Congress. Control is still in the hands of Congress; and Congress is not obliged to write a blank check to

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the CAB permitting it to expend for subsidies whatever it may desire.

Mr. BRIDGES. On the eve of a new fiscal year, and with the Supreme Court's decisions, and with the discussion of the new air policy, the committee simply did not wish to limit the amount to an absolute figure, but wished to provide a chance to review the matter in the middle of the year. That is the purpose of the amendment. I do not know whether there will be a saving, but I hope there will be. By that means we might make a reduction in the appropriation; otherwise, we might not.

Mr. KENNEDY. But it does not seem to me that the present bill makes possible a saving in any way. On page 17 of the committee report it is stated that—

> The Civil Aeronautics Board testified that the House allowance would provide sufficient funds for subsidy payments to February 1, 1955.

In other words, the appropriation voted by the Senate Appropriations Committee, for the period to February 1955, is the same as the amount the House voted.

I read further from the committee report on page 17:

> The committee directs that the Board undertake a complete review of subsidy payments immediately and report to the committee not later than January 1955, the results of such study so that the committee will be informed as to whether the amount recommended will be sufficient to meet subsidy payments.

Under these conditions, and emphasizing the fact that we are appropriating for a period of only 8 months—and further reminding the Senate that the airlines will receive, in compensation, more than $61 million, for carrying the airmail, which includes, according to the recent rate decisions of the CAB, approximately $3,500,000 of subsidies—I shall submit an amendment to the bill to reduce this amount. My amendment is intended to achieve a reduction in subsidy appropriations for the full fiscal year 1955, rather than provide the amount the CAB originally requested. I have at the desk such an amendment, and I should like to call it up for consideration at this time.

Mr. BRIDGES. Is the Senator from Massachusetts offering his amendment to the committee amendment?

Mr. KENNEDY. I desire to have it taken up at this time, yes.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, under the subhead "Acquisition of Buildings Abroad," on page 5, line 9, after "(22 U. S. C. 292–300)", to insert "including personal services in the United States and abroad; salaries, expenses, and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U. S. C. 801–1158); expenses of attendance at meetings concerned with activities provided for under this appropriation; and services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a)."

The PRESIDING OFFICER. Does the Senator from Massachusetts realize that this committee amendment is not the one to which he desires to submit his amendment? The committee amendments are being taken up in order.

Mr. KENNEDY. Then, Mr. President, I ask unanimous consent that my amendment may be considered at this time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

Mr. BRIDGES. Mr. President, reserving the right to object, let me say it is entirely out of order to proceed in that way. However, if the Senator from Massachusetts is required to leave the Chamber, because of other business——

Mr. KENNEDY. No. I am agreeable to postponing submission of my amendment until we reach that part of the bill to which it relates.

Mr. BRIDGES. That is the better course—unless the Senator from Massachusetts is compelled to leave the Chamber——

Mr. KENNEDY. No; I do not have to leave. I shall be glad to postpone the submission of my amendment.

The PRESIDING OFFICER. Does the Senator from Massachusetts withdraw his unanimous-consent request?

Mr. KENNEDY. I do.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 5, in lines 9 to 16.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DOUGLAS. What is the pending committee amendment?

The PRESIDING OFFICER. The pending committee amendment is on page 5, in lines 9 to 16. The amendment will be stated.

The LEGISLATIVE CLERK. On page 5, in line 9, after "(22 U. S. C. 292–300)", it is proposed to insert "including personal services in the United States and abroad; salaries, expenses and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U. S. C. 801–1158); expenses of attendance at meetings concerned with activities provided for under this appropriation; and services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a)."

Mr. DOUGLAS. Mr. President, to that committee amendment, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. We have not yet reached the committee amendment to which the amendment of the Senator from Illinois relates.

The pending committee amendment is, on page 5, between lines 9 and 16. This committee amendment ends in the middle of line 16, whereas the committee amendment to which the amendment of the Senator from Illinois relates, begins at the end of that line.

The question is on agreeing to the committee amendment on page 5, between lines 9 and 16.

The amendment was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, on page 5, line 16, after "(5 U. S. C. 55a)", after the amendment intended to be proposed, to strike out "$2,750,000" and insert "$2,500,000."

Mr. DOUGLAS. Mr. President, to this committee amendment, I now offer the amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment of the Senator from Illinois to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 5, at the end of line 16, it is proposed to strike out "$2,500,000" and insert "$2,000,000."

Mr. DOUGLAS. Mr. President, the committee recommends $2,500,000 for this purpose namely the acquisition of diplomatic buildings abroad but it has also included in the $2,500,000 a provision to permit funds also to be expended for regular State Department overhead. This is under the general heading of "Acquisition of Buildings Abroad."

In times past this appropriation has been defended on the ground that this money was being deducted from counterpart funds and hence did not constitute specific appropriations from current funds by Congress.

I have always been skeptical about the somewhat lavish buildings we have been buying and building for our Foreign Service abroad. We have palaces in Rome, Paris, and London, and many other foreign capitals. Probably it is true that 40 years ago our services abroad were very inadequately housed; but we have left that era, and have entered a period in which I would say that, on the whole, our diplomatic service is housed with excessive luxury. Therefore it has seemed that in times past we could have made better use of the counterpart funds than has been made of them by the appropriations which have been approved. But this year this item is to be financed not merely by counterpart funds, but also by $500,000 in outright expenditures by the Treasury, in American currency. I am not proposing to limit the authorizing legislation for State Department overhead expenses, but if it were used, the funds would have to come from foreign credits.

It is not at all clear how much of this appropriation is for purposes of constructing buildings, and how much for "expenses of attendance at meetings concerned with activities provided for under this appropriation." That is a general phrase, which can cover a multitude of sins.

So I hope very much the Senate will reduce this appropriation to $2 million. My plea for simple living seems to have drawn down on my head the ire of various Members of this august body. I do not believe that high living and conspicuous consumption are sound ways to conduct our foreign relations. They only stir up hatred and jealousy of the United States, and create false assumptions among our allies.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS] to the committee amendment on page 5, line 16.

Mr. BRIDGES. Mr. President, as the Senator from New Hampshire understands, the amendment offered by the

Senator from Illinois is to reduce the appropriation from $2,500,000 to $2,000,000, and to eliminate hard dollars. Let me say that the reason for the hard dollars is that in South and Central America—to which the Senator of New Hampshire certainly thinks we should be giving more attention—no other currencies are available, and we must use hard American dollars in order to do business.

Mr. DOUGLAS. Mr. President, may I ask my good friend from New Hampshire if he would be willing to reduce the counterpart funds from $2,000,000 to $1,500,000, leaving $500,000 in hard American currency to be spent in Latin America?

Mr. BRIDGES. I will say "No" to the Senator from Illinois, because that money is at hand in those countries. It is there, and we must use it for some purpose. I cannot think of a better purpose for which to use it than creating a permanent asset to our country in the form of permanent buildings which we will own. The Appropriations Committee reduced the House figure somewhat, as the Senator knows. I should say that $2 million of such credits, used in that manner, plus hard dollars in countries where there are no counterpart funds, would be a good investment for our country.

Mr. DOUGLAS. As the Senator from New Hampshire well knows, the counterpart funds which are available for us to draw upon, to be spent only within the foreign country itself, or in the so-called sterling bloc countries, can be used for other purposes than the acquisition or construction of buildings. They can be used for military supplies. They can be used for the Fulbright scholarship program. The more money we put into buildings the less we have for other purposes. We do not have unlimited amounts to draw upon, and when we spend $2 million for these purposes, that means just so much less available for military equipment, and so much less available for building international friendship through the exchange of persons; and if we are interested in promoting foreign relations, it is much better to have rank-and-file citizens of other countries visit us, and rank-and-file Americans visit other countries, than to build palaces within which members of the Foreign Service may work and entertain visiting guests.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the committee amendment on page 5, line 16.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment on page 5, line 16.

The amendment was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, on page 5, line 17, after the word "than" to strike out "$2,400,000" and insert "$2,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Missions to International Organizations," on page 6, line 25, after the word "chauffeurs", to strike out "$1,050,000" and insert "$1,053,000."

The amendment was agreed to.

The next amendment was, under the subhead "American Sections, International Commissions," on page 10, line 23, after the word "vehicles", to strike out "$235,000" and insert "$248,000."

The amendment was agreed to.

The next amendment was, under the subhead "International Fisheries Commissions," on page 12, line 10, after the word "Congress", to strike out "$295,000" and insert "$325,000."

The amendment was agreed to.

The next amendment was, under the subhead "International Educational Exchange Activities," on page 13, line 13, after the word "appropriation", to strike out "$9,000,000" and insert "$15,000,000."

Mr. MANSFIELD. Mr. President, in my opinion the Appropriations Committee has acted wisely in recommending an allocation of $15 million for the international educational exchange program of the State Department. It seems to me that these exchanges are one of the most economical as well as effective means we have of influencing key people in other countries who are responsible for the formulation of national policy and public opinion. The exchange program affords us an opportunity to bring such key people to the United States to observe at first hand our institutions, and our way of life. When they go home, these people tell our story for us to important groups in their countries. Often these people are connected with the press or in other mass media fields, and their message reaches hundreds of thousands of people who can thus get a balanced picture of us from their own countrymen.

If the cut voted by the House were sustained, none of these influential people from 61 countries could be brought over to the United States. It seems to me very urgent that we not allow this to happen. I believe that we should confirm the report of our Appropriations Committee and let our conferees know that we wish to support the full amount of $15 million for the exchange program.

Mr. HICKENLOOPER. Mr. President, I have only a few words to add in support of the recommendation of the Appropriations Committee to restore the appropriation under this item to $15 million.

In the past few years I have had some experience in connection with the international information and interrelations situation. Let me say to the Senate that of all the programs which contribute long-range mutual benefits both to our country and to other countries, I believe the educational program, the Smith-Mundt program, and the Fulbright program have contributed most soundly.

Last year and the year before I served with the Senator from Arkansas [Mr. FULBRIGHT], who is the author of the Fulbright program, and I have served on committees with the Senator from New Jersey [Mr. SMITH] and the Senator from South Dakota [Mr. MUNDT], who were the authors of the Smith-Mundt program.

I have found that in a number of foreign countries—in fact, in most foreign countries—this exchange program has met with enthusiastic acceptance. It plants permanently in the minds of exchange students—both our students who go abroad and foreign students who come here—the fundamental truths with respect to the governments, institutions, and economic conditions in the various countries.

This program goes further than anything I know of in establishing within each country a coterie of people who having learned about the other fellow and becoming acquainted with him realize that he is a pretty good fellow. It establishes a backlog of people in other countries who do not in the main believe in or disseminate falsehoods about the United States. Such falsehoods are disseminated in countries where the people do not have the advantage of first-hand experience with the United States.

Certainly no one has ever accused me of being in favor of increasing an appropriation; but I believe that situations must be evaluated on their merit, and I would say, Mr. President, that this is a program—and the information program as now constituted is another such program—which I could very well support with a far greater appropriation than is now contemplated in the pending bill or was recommended by the Bureau of the Budget.

I earnestly hope that on this item the Senate conferees will stand like the Rock of Gibraltar against any reduction of the $15 million which the Committee on Appropriations of the Senate has recommended.

I cannot testify too strongly to my belief in the merits of this cause, and I cannot testify too strongly to my belief in its very great and already proven success.

In closing I should like to quote a finding which the special committee on the information program, of which the Senator from Arkansas [Mr. FULBRIGHT] was the first chairman and on which I served as the succeeding chairman, placed in its final report on the exchange plan.

> The program enjoys a high prestige both at home and abroad and is, therefore, able to attract the voluntary participation of leading citizens. It is nonpolitical and nonpropagandistic in character so that it is acceptable in all parts of the non-Communist world. * * * Exchanges often are or may become prominent in Government, business, and the professions, and their potential impact on attitudes toward this country is considerable.

Mr. President, there are a number of countries in this world where at least a half or a major portion of the leading Government officials and officeholders are persons who have been educated in the United States and who, because of that fact, are a bulwark in the defense of the United States against the false propaganda that is disseminated against the United States in those countries.

Therefore, I earnestly hope that the amendment of the committee on this item will be adopted, and that the Sen-

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ate conferees will not budge to the extent of one thin dime at any time so far as any reduction of this item is concerned. In my judgment, the amount could well be larger, not smaller.

Mr. THYE. Mr. President, I should like to join with my colleagues who have spoken in favor of this item in the appropriation bill, the Senator from Montana [Mr. MANSFIELD] and the Senator from Iowa [Mr. HICKENLOOPER].

During the past 2 years I met a number of students from various countries who studied in the United States under the program we are discussing. In each instance the student told me that he or she had had no conception of what America was like before coming to our country. The students told me that they were very happy indeed to have had the privilege of seeing for themselves what America is like, and that they were returning to their respective countries to tell their fellow countrymen that we in the United States enjoyed a democratic form of government and a standard of living and opportunity for all without regard to the station in life in which any person may have been born, and that our Government really did serve the people far beyond any conception they had of it before they had the privilege of visiting our shores.

I believe that the Smith-Mundt Act and the Fulbright Act are doing much to acquaint our young people who study in foreign countries and the young people of foreign countries who study in the United States with what the respective countries are really like.

Therefore, I am in full support of the amendment.

I shall not take the time of the Senate to read the 2-page statement which I prepared on the amendment, because I have already spoken at various places in the past in support of the 2 acts I have mentioned and in support of the amount now contained in the appropriation bill.

Therefore, I ask unanimous consent that the statement which I prepared be printed in the body of the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR THYE

As a member of the Appropriations Committee which reviewed and approved the request of $15 million for the International Educational Exchange Program of the State Department, I would like to comment on why we supported this amount.

The committee does not consider $15 million a compromise figure.

It is the very least amount, in my estimation, which the Government needs to continue a worthwhile job.

In addition to Government witnesses, the committee received testimony from many private organizations and groups in this country.

They represented not only the interests of our universities and colleges but those of our community leadership, of all major religious denominations, labor, etc.

All of them felt that Government support for this kind of international activity is necessary, is furthering their efforts along similar lines, and is forwarding our national goals in international relations.

I think the committee was convinced that the American public is wholeheartedly behind this program and expects us to support it.

This seems to me quite understandable because these exchanges, while primarily developed for their impact overseas, are of real benefit to Americans.

They help our people to get firsthand experience in foreign countries—to acquire knowledge and understanding of areas and cultures and the ways of other people.

This knowledge is vital to us if we, as a democratic nation, are to act wisely in international affairs.

We want other free nations to join voluntarily with us to secure a peaceful world.

Our potential enemies want to divide us.

We in the free nations cannot act in concert unless we understand and respect the motives, deep-rooted in the minds and hearts of our people, which guide the policies of each of our nations.

If we go back to the figure of $9 million voted by the House, we will cut off these opportunities for getting acquainted with the people of half the countries of the free world.

We should not take such a backward step.

It should be clear to our conferees that nothing less than $15 million will make it possible to carry out the mandate which the American public supports—of keeping the exchange program a going and effective operation.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. MAGNUSON. I believe the record should show that the committee was unanimous on this item, not only as to the merits of the program, but also on the amount recommended.

Mr. THYE. The committee was unanimous on the amount, and it reinstated the amount recommended by the Bureau of the Budget. Many of us, when we heard of the reduction which the House had made in the appropriation recommended by the Bureau of the Budget, voiced our regrets at the action of the House.

I urge, as the Senator from Iowa [Mr. HICKENLOOPER] has urged, that in conference the Senate conferees stand firm and not yield one penny on the item. It is the best way in which we can strive toward an understanding among the peoples of the earth, which will bring about a lasting peace, certainly at far less expense than by resort to some other method, especially resort to military operations.

Mr. FULBRIGHT subsequently said: Mr. President, I should like to complete the record in connection with the pending committee amendment, which was under discussion at the time the Senator from Oregon [Mr. MORSE] began his address. I ask unanimous consent that my remarks appear in the RECORD immediately before the Senator from Oregon began his address, because my remarks are a continuation of the discussion relative to the appropriation for the exchange of students.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, I wish to compliment the Committee on Appropriations for restoration of the budget figure of $15 million for this item. I have before me two statements which have been prepared on this subject. One relates to the effect on the Latin American program, and the other to the geographical distribution of the grants. I ask unanimous consent to have the statements printed in the RECORD at this point as a part of my remarks.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

EFFECT ON LATIN-AMERICAN PROGRAM

I would like to commend the Appropriations Committee for its very sound judgment in restoring the full amount of $15 million requested for the international educational exchange program of the State Department. I think that this is the minimum we can allocate if we want this program to continue its effective work. Its success has been attested to by a variety of objective surveys, by committees of Congress, by the Vice President, and by public bodies like the Advisory Commission on Educational Exchange. I see no wisdom in curtailing these activities at this time. For a number of years this exchange program has been helping us build bridges of understanding and mutual respect between ourselves and our neighbors overseas. If we blow up these bridges today, it will take more than engineering skill to rebuild them. Such destruction will confirm what many people abroad are already saying about us—that we care only about military expediency and have no real interest in their problems and their aspirations and do not really want them as friends in building a free society of co-equal nations.

Take Latin America, for example. There we have had a modest exchange program for nearly 15 years, and the growth of solidarity and understanding has been increasing steadily. If the $6 million reduction voted by the House were to be sustained, we would have no such program with our neighbors to the south at all. In view of Dr. Milton Eisenhower's strong, clear recommendations to the contrary, such a drastic reduction would be utterly contradictory.

I believe that we ought to carry out the recommendations of the Appropriations Committee by voting the $15 million requested for the exchange program and assure our conferees that we consider this the minimum amount necessary for this activity.

GEOGRAPHICAL DISTRIBUTION OF GRANTS

I am glad that the committee commented on this question. Certainly if the goal of this program—that of understanding of the United States abroad—is to be reached, it is important that our foreign visitors be spread through all parts of this country. This has been a matter of continuous concern to me and to those responsible for the conduct of the exchange program, and it has been systematically studied several times, especially by the Board of Foreign Scholarships. While I agree that we must be vigilant about this problem and that the present situation is by no means perfect, I think we should be aware of the complexity of the problem and what has already been done to solve it. Our concern, of course, is with more equal distribution among the States and institutions and increasing the number of institutions participating.

At present all 48 of our States, the District of Columbia, and the Territories are represented in the exchange program and over 500, or about half, of our institutions of higher education. Those conducting the program have made constant efforts to distribute information about the opportunities offered under the program to interested persons. All institutions of higher education—1,400 or more, as well as professional societies and editors of their journals—are canvassed. Special advisers have been appointed on nearly 1,000 campuses. State committees have been established in every State to

nominate American students within a quota of two per State. Directives to contract agencies which stress the need for the widest possible geographic distribution of grantees have been issued regularly and checked on.

The major difficulties in solving this problem center around the following points: First, most of the foreign nationals coming here for study are people whose seriousness of purpose, maturity and promise of future leadership has had some chance to be tested. Their studies are specialized and at the graduate level. Our resources for graduate study, as you know, are not evenly divided among the 48 States. Secondly, about half of these students get only partial scholarships from this Government. Consequently they go to the college that offers them the additional grant they need or to the college they choose to attend if they are paying the difference themselves.

The Americans who receive study grants are also those who are prepared to carry on advanced study abroad. They must be able to do much of their work independently, with a minimum of classroom supervision. The number of students so equipped—from any State—is bound to be relatively small. The problem is aggravated by the fact that not all of our students so prepared want to study abroad, and not all our colleges are equally prepared to encourage and recommend such students.

Similar difficulties attach to the exchange for lecturing and research. Here an even smaller number of opportunities is available and the openings are more specific. Less than a quarter of the foreign grantees get full financial support from this Government. As to the Americans, they are selected largely in terms of our needs abroad for particular kinds of lecturers in specific fields of specialization. Thus the distribution and placement of these people is even more restricted than that of students.

I think we are wise to keep this matter under review, but I also feel that much is being done to solve this problem as equitably as possible, keeping in mind the objectives of the program, the limitation of funds, and these other inherent difficulties.

Our colleges and universities also have a responsibility in this matter and can continue to help by encouraging the right kind of people to apply and by offering the kind of opportunities which foreign participants need.

Mr. FULBRIGHT. Mr. President, I wish to say a few words, particularly with regard to the comment in the report of the committee concerning geographical distribution of grants. This question has been before the Board of Foreign Scholarships for a number of years. The Board has instituted a system of State committees which is designed to overcome this difficulty. The Board is fully aware of the problem, and I think is approaching it in a sensible manner. I am very grateful for the contribution of the Committee on Appropriations with regard to the geographical distribution of students, both our students going abroad and foreign students coming to this country.

I had intended to ask for a yea-and-nay vote on this particular amendment, because of the difference between the House action and the unanimous action of the Senate committee. I conferred with some of my colleagues, and in view of the statements made by Members on both sides of the aisle just a few minutes ago, and after consultation with the chairman of the committee, I think it is quite evident that the action of the Senate committee is supported by the overwhelming majority of the Senate. In view of the lateness of the hour I shall not press the request for a yea-and-nay vote. I am quite confident, and I believe it is now quite evident, that the overwhelming majority of the Senate will support the action of the Committee on Appropriations.

I also ask unanimous consent to have printed in the RECORD a letter which I have received from Mrs. Seth C. Reynolds, of Ashdown, Ark., regarding the appropriations for the exchange program.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ASHDOWN, ARK., *June 6, 1954.*

Senator J. W. FULBRIGHT,
Senate Office Building,
Washington, D. C.

DEAR SENATOR FULBRIGHT: At a recent meeting of the Ashdown Improvement Club, a motion was made and carried unanimously, that the club go on record as opposing any decrease from the original $15 million appropriated for the Fulbright Scholarship Fund, and favoring the restoration of the recent $6 million cut. I was appointed to write and tell you of our stand on this important matter.

We feel strongly that it would be a sad mistake and false economy not to appropriate the full $15 million. We can conceive of no better plan to cultivate friendly relations with other countries than the exchange of our youths in colleges and universities under the proper supervision. One young lady from Holland was in our county and all who met her and heard her speak were very much impressed.

We feel that in the interest of our own national security and world peace, this interchange must not be curtailed at this time but if possible should be increased.

Please see that this is placed in the proper hands.

Yours truly,

Mrs. SETH C. REYNOLDS.

WIRETAPPING VERSUS FREEDOM: THE STRUGGLE IN THE COURTS AND CONGRESS

Mr. MORSE. Mr. President, this is the second of a series of speeches on the wiretapping issue.

Many times in history the rights of the people have been intruded upon by unwise, overzealous, or tyrannical officials. Sometimes the people have been slow to assert their rights, and the courts have been cautious about recognizing and protecting them. Protection of these rights requires vigilance and unwavering faith in the processes of democracy.

Thomas Jefferson once said:

> Though written constitutions may be violated in moments of passion or delusion, yet they furnish a text to which those who are watchful may again rally and recall the people; they fix, too, for the people the principles of their political creed.

In my last speech to the Senate on the Brownell proposal to legalize wiretapping by Government and military agents I discussed the historic struggle to protect the homes and the privacy of the people from official intrusion that led to adoption of the fourth amendment to our Constitution.

Opposition to the Brownell proposals today is a continuation of the struggle against the practices of arbitrary officialdom that was waged by our forbears. I have been shocked by this campaign to push a wiretapping bill through the Congress, because so little has been said about the impact of such a measure upon the principles embodied in our Bill of Rights.

The philosophy of the wiretappers apparently being that the end justifies the means, their thinking seems to be that only the end, and not the means, should be discussed. The professed end being to fight communism, the fact that the proposed means may be ineffective and inconsistent with democracy is either not considered or is brushed aside.

DEMOCRACY MUST BE DEFENDED

I am willing to discuss the end. And I submit that the end should be both to defeat communism and to defend democracy. But I also want to discuss the means, because I want to make sure that in waging this fight against communism we do not lose the fight for democracy.

The arguments of those who propose legalized wiretapping often seem to treat democratic processes as a weak thing—a sort of luxury that we allow ourselves in periods of calm, but which they propose be set aside in times of turmoil.

The CONGRESSIONAL RECORD of April 7, 1954, shows this kind of argument was advanced in favor of legalized wiretapping by a Representative who said that he had participated in the prosecution of Nazi war criminals in Germany. He argued, "Those Nazis said that they would use the weakness of democratic processes to defeat the prerogatives of freemen."

The position in which the Nazis found themselves at the time of the trials proves the fallacy of that argument. The fight against nazism was won without a compromise of our democratic principles. The fight against communism must be won—will be won—without resort to police-state methods.

FEAR ARGUMENTS FOR TIMID PEOPLE

Democratic processes are a strength, not a weakness. They are a necessity, not a luxury. When I hear the fear arguments of the wiretapping proponents, I am reminded of these words of Jefferson:

> Timid men * * * prefer the calm of despotism to the boisterous sea of liberty.

Americans are not timid people. We do not fear that our democratic processes may be weak. Our concern is about the apparent willingness of some of our officials to abandon them.

Today I propose to discuss the Supreme Court decisions in respect to wiretapping, and to comment on the present state of law enforcement in this field. This is another aspect of the wiretapping controversy that has received scant consideration in the arguments of the wiretap proponents.

The United States Supreme Court first considered the subject of wiretapping in the case of *Olmstead* v. *United States* (277 U. S. 438 (1927)), when it affirmed a conviction of defendants charged with a conspiracy to violate the National Prohibition Act.

Evidence introduced in the prosecution of the case in a Federal court was ob-

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tained by Government agents who tapped telephone wires in violation of State law. The tapping took place in the basement of a large office building and on public streets close to the homes of the defendants.

THE TAFT OPINION IN THE OLMSTEAD CASE

Speaking for a 5 to 4 majority of the Court, Chief Justice Taft said that evidence illegally obtained was not inadmissible in a Federal court unless a violation of a constitutional guaranty was involved.

Ruling on the question of whether or not wiretapping was a violation of the prohibition against unreasonable searches and seizures in the fourth amendment, Taft said:

> The amendment does not forbid what was done here. There was no searching. There was no seizure. The evidence was secured by the use of hearing and that only. There was no entry in the houses or offices of the defendants.

The Taft opinion was based on a literal construction of the amendment. In the decision he said:

> Neither the cases we have cited nor any of the many Federal decisions brought to our attention hold the fourth amendment to have been violated as against a defendant unless there has been an official search and seizure of his person, or such a seizure of his papers or his tangible material effects, or an actual physical invasion of his house "or curtilage" for the purpose of making a seizure.

HOLMES AND BRANDEIS DISSENT

Justice Holmes, dissenting, condemned the use of evidence illegally obtained. He argued that if the existing code did not permit district attorneys to have a hand in such "dirty business" it did not permit the judge to allow such "iniquities" to succeed. He said:

> It is desirable that criminals should be detected, and to that end that all available evidence should be used. It also is desirable that the Government should not itself foster and pay for other crimes.

He concluded:

> I think it a less evil that some criminals should escape than that the Government should play an ignoble part.

Justice Brandeis, in a dissent concurred in by Justice Stone, argued for a construction of the fourth amendment that would meet new conditions and purposes. He said that when the amendment was adopted "the form that evil had theretofore taken" had been necessarily simple, but that time had worked changes. He went on to say:

> Subtler and more far-reaching means of invading privacy have become available to the Government. Discovery and invention have made it possible for the Government, by means far more effective than stretching upon the rack, to obtain disclosure in court of what is whispered in the closet.
>
> Clauses guaranteeing to the individual protection against specific abuses of power, must have a similar capacity of adaptation to a changing world. A principle to be vital must be capable of wider application than the mischief which gave it birth. This is peculiarly true of constitutions. They are not ephemeral enactments, designed to meet passing occasions.

He warned:

> The progress of science in furnishing the Government with means of espionage is not likely to stop with wiretapping.

THE RIGHT TO BE LET ALONE

Justice Brandeis took issue with the majority's refusal to apply the principles of the fourth amendment to other than material things. He said that the framers of the Constitution recognized the significance of man's spiritual nature and knew that only a part of the pain, pleasure, and satisfactions of life are found in material things.

He declared:

> They sought to protect Americans in their beliefs, their thoughts, their emotions, and their sensations. They conferred, as against the Government, the right to be let alone—the most comprehensive of rights and the right most valued by civilized man.

Mr. President, I wish to emphasize that great observation on personal liberty by Brandeis in his dissent, when he said:

> They conferred as against the Government, the right to be let alone—the most comprehensive of rights and the right most valued by civilized man.

As I indicated previously, Mr. President, when we are dealing with the right of privacy in a freeman's castle we are dealing with the essence of liberty. Take that away, and man lives not in a free state but in a police state—a lesson which Brownell has never recognized, apparently, a lesson which, apparently was never taught him in his law school, or if it was taught him, he does not remember the teaching. Take away the privacy of the freeman's castle, and we have done away with the personal liberty of freemen.

In the majority opinion Taft said that the language of the amendment could not be extended to include telephone wires "reaching to the whole world from the defendant's house or office."

It was argued that the Court had extended that kind of protection to sealed letters. Taft said the analogy failed because a letter is a paper, a material thing in the custody of the Government.

Implicit in the dissenting arguments was recognition of the fact that modern law recognizes as property and protects all forms of possessions, intangibles as well as tangibles.

Justice Butler said in his dissent that the contract of use between telephone companies and consumers contemplated private use of the facilities employed in the service. He argued that communications belong to the parties between whom they pass, and that during their transmission the exclusive use of the wire belongs to the persons served by it.

In my judgment, Mr. President, it was an observation which was unanswerable, and we shall not find any answer to it in the majority opinion. I think Justice Butler was on sound legal ground when he pointed out that the relationship between the subscriber and the telephone company is such a contractual relationship that during the period of transmission it is a contract of privacy. The right to have the conversation transmitted without interception, in my judgment, cannot be separated from the right of privacy of a free man.

SPIRIT OF THE FOURTH AMENDMENT

Butler also criticized the majority of the Court for its failure to reach a decision which would effectuate the spirit of the fourth amendment, saying that the Court had always construed the Constitution in the light of the principles upon which it was founded. He stated:

> The direct operation or literal meaning of the words used do not measure the purpose or scope of its provisions. Under the principles established and applied by this Court, the fourth amendment safeguards against all evils that are like and equivalent to those embraced within the ordinary meaning of its words.

In my judgment, it is impossible to square the majority decision in the Olmstead case with the rule of constitutional interpretation laid down by the Court in *Boyd* v. *United States* (116 U. S. 616 (1885)), the leading American search and seizure case.

In the Boyd case the Court said that the principles of the English case of *Entick* v. *Carrington* (19 Howell's State Trials 1030 (1765)), which I discussed in my May 18 speech, were embodied in the fourth amendment, and it said of those principles:

> They reach further than the Concrete case before the Court. They apply to all invasions on the part of the Government and its employees of the sanctity of a man's home and the privacies of life. It is not the breaking of his doors, and the rummaging of his drawers, that constitutes the essence of the offense; but it is the invasion of his indefeasible right of personal security, personal liberty, and private property.

The Court said further:

> Illegitimate and unconstitutional practices get their first footing by silent approaches and slight deviations from legal modes of procedure. This can only be obviated by adhering to the rule that constitutional provisions for the security of person and property should be liberally construed.
>
> A close and literal construction deprives them of half their efficacy, and leads to gradual depreciation of the right, as if it consisted more in sound than in substance.

OLMSTEAD DECISION WAS ILL-ADVISED

I said in my last speech, and I want to repeat today: As a lawyer, I am willing to take the stand on the floor of the Senate that the history of the fourth amendment as it developed in both English and American jurisprudence cannot be reconciled with the majority opinion in the Olmstead case. I believe that if in 1954 we could get a case on all fours with the Olmstead case, the Supreme Court would overrule the ill-advised decision of the majority in that case.

As for the Congress, it has affirmative duties to act within the Constitution. This is no sterile obligation merely to desist from violating some specific prohibition of the basic charter. There is the solemn obligation to adhere to the principles of government and freedom instinct in the Constitution and to legislate to give fresh meaning and vitality to the guaranties of private property and individual freedom which are the concrete realizations of democratic principles.

I do not think we ought to try to write into permanent law the ill-advised decision of the majority in the Olmstead case

by going along with the Brownell wiretapping proposal.

PUBLIC OPINION AGAINST TAFT DECISION

Public disapproval greeted the Olmstead ruling and the period from 1928 to 1938 was marked by popular demand for regulation of wiretapping. In the 71st Congress, four bills to prohibit the introduction of wiretap evidence in the Federal courts were sponsored in the Congress, and another group of bills were introduced in 1932 to forbid wiretapping by Federal employees.

In 1933 a Federal statute was enacted forbidding the use of wiretapping in the enforcement of the National Prohibition Act. This was precisely the activity at issue in the Olmstead case.

A year after the Olmstead decision, J. Edgar Hoover, Director of the FBI, told a congressional committee:

We have a very definite rule in the Bureau that any employee engaged in wiretapping will be dismissed from the service of the Bureau. While it may not be illegal, I think it is unethical, and it is not permitted under the regulations of the Attorney General.

Attorney General Sargent told Congress in 1931 that the Bureau followed this rule:

Wiretapping, entrapment, or the use of any illegal or unethical tactics in procuring information will not be tolerated by the Bureau.

COURT DECLARES WIRETAPPING UNLAWFUL

The present rule against admissibility of evidence obtained by wiretapping in the Federal courts was established in 1937 by the Supreme Court in the first Nardone case, *Nardone* v. *United States* (302 U. S. 379).

The decision was based on section 605 of the Communications Act of 1934, which forbids anyone to intercept and divulge or publish a telephone message. The Government urged that a construction be given the section which would exclude Federal agents from its operation.

The decision of the Court said:

We nevertheless face the fact that the plain words of section 605 forbid anyone, unless authorized by the sender, to intercept a telephone message, and direct in equally clear language that "no person" shall divulge or publish the message or its substance to "any person."

Taken at face value the phrase "no person" comprehends Federal agents, and the ban on communications to "any person" bars testimony to the content of an intercepted message.

HOLMES, BRANDEIS DISSENTS RECALLED

In words reminiscent of the Holmes and Brandeis dissents in the Olmstead case, the Court declared:

The same considerations may well have moved the Congress to adopt section 605 as evoked the guaranty against practices and procedures violative of privacy, embodied in the fourth and fifth amendments to the Constitution.

Congress may have thought it less important that some offenders should go unwhipped of justice than that officers would resort to methods deemed inconsistent with ethical standards and destructive of personal liberty.

The Supreme Court has long followed the practice of declining to consider constitutional questions if the particular case before it offers another ground upon which the case can be decided. Section 605 provided a nonconstitutional ground for deciding cases involving wiretapping, making it unnecessary for the Court to review and possibly overrule the decision in the Olmstead case.

FRUIT OF THE POISONOUS TREE

Nardone was retried, and in the second case, *Nardone* v. *United States* (308 U. S. 338 (1939)), the Court extended the rule of inadmissibility "not only to intercepted conversations but also to evidence procured through use of knowledge gained" by wiretapping. Evidence so procured was described by the Court as "a fruit of the poisonous tree."

The Court here commented on its decision in the first Nardone case:

That decision was not the product of a merely meticulous reading of technical language. It was the translation into practicality of broad considerations of morality and public well-being.

In *Weiss* v. *United States* (308 U. S. 321 (1939)) the Court ruled that the provisions of section 605 applied to intrastate as well as interstate telephone conversations, and it barred admission in trials in Federal courts of evidence obtained by interception of such intrastate calls.

In *Goldstein* v. *United States* (316 U. S. 114 (1942)) it was held that the right to object to wiretapping evidence was a personal right, that a person could not object to the introduction of wiretapping evidence unless he had been one of the parties to the intercepted conversation.

While the Supreme Court was making explicit its views in opposition to wiretapping in Nardone and subsequent cases, Government officials also condemned the practice.

HOOVER CONDEMNED WIRETAPPING

In a letter dated February 9, 1940, J. Edgar Hoover termed wiretapping an "archaic and inefficient" procedure which "has proved a definite handicap or barrier in the development of ethical, scientific, and sound investigative technique."

A Department of Justice release of March 15, 1940, declared:

Notwithstanding it will handicap the FBI in solving some extremely serious cases, it is believed by the Attorney General and the Director of the Bureau that the discredit and suspicion of the law-enforcing branch, which arises from the occasional use of wiretapping, more than offsets the good which is likely to come of it. We have, therefore, completely abandoned the practice as to the Department of Justice.

In 1942 the Court, in *Goldman* v. *United States* (316 U. S. 129), was called upon to rule on the admissibility of evidence obtained by the use of the detectaphone, a device which when placed against the wall of a room picks up and records conversations of persons in an adjoining room.

Mr. President, we are making rapid technological advances in the whole field of wiretapping and collecting of evidence by means and methods which invade privacy. I have been advised by technical experts that there now exists a little microphone about as large as the Ingersoll watches we used to carry in our pockets as boys, for which we paid $1 apiece, with a little battery back. It can be placed in the home, office, hotel room, or any place else where an individual is and detectives can sit in an automobile a mile away, and by radio interception take down what is said in that home, office, or room.

Not only is there that kind of instrument these days, but the detectaphone, which is referred to in the Supreme Court case now under discussion in my speech, is an instrument which can be placed on the wall in a room adjoining the room in which the person whose conversation to be tapped is located, and without any wire connections at all, one can take down through the instrument any conversation that is audible and taking place.

Mr. President, this technological advancement has some negative features which I shall discuss in a more technical way later in another speech. I merely desire to point out today the possibility of faking conversations by taking a perfectly proper conversation, recording it, taping it, and then doctoring the tape by taking a syllable or a word out of context and adding it to a syllable or a word out of context, resulting in the preparation of a completely phony tape which will give all the appearances of being a tape representing the tapped conversation of an individual In other words, there is such a tremendous danger in that kind of device, from a technological standpoint, that I think we need to be on guard regarding the subject.

Returning to the discusssion of the Goldman case, although some of the recordings were of conversations spoken into the mouth of a telephone, it was held that section 605 of the Communications Act did not apply because there was no "tapping" of telephone conversation, and the use of detectaphone evidence in Federal courts was allowed.

It seems to me the Court had a little difficulty—and I speak most respectfully of the Court—in understanding what wiretapping is. The Court took a very literal view on that occasion. It seemed to think there had to be some interference with wires, and that there was no violation of privacy unless in some way, somehow, one interfered with wires. Of course, privacy is invaded, Mr. President, just as much if one uses some other medium for the transmission of sounds besides wires, if one uses, for instance, a device such as the detectaphone; which did not involve the use of wires.

JUSTICE MURPHY CALLED OLMSTEAD RULE "STRANGE DOCTRINE"

Justice Murphy dissenting, criticized the decision in the Olmstead case, which held that securing evidence by the use of hearing alone was not an illegal search and seizure, and stated:

It is strange doctrine that keeps inviolate the most mundane observations entrusted to the permanence of paper but allows the revelation of thoughts uttered within the sanctity of private quarters, thoughts perhaps too intimate to be set down even in a secret diary, or indeed, utterances about which the common law drew the cloak of privilege—the most confidential revelations between husband and wife, client and lawyer, patient and physician, and penitent and spiritual adviser.

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Justices Stone and Frankfurter, joining in the dissent, expressed themselves as willing to overrule the Olmstead decision.

Justice Murphy said that the search of one's home or office no longer required physical entry, for science had brought forth devices more effective than the direct and obvious methods the use of which inspired the fourth amendment, but he stated, "surely the framers of that amendment would abhor these new devices no less."

I continue to read from Justice Murphy's dissent:

> The benefits that accrue from this and other articles of the Bills of Rights are characteristic of democratic rule. They are among the amenities that distinguish a free society from one in which the rights and comforts of the individual are wholly subordinated to the interests of the State. We cherish and uphold them as necessary and salutary checks on the authority of government.

Mr. President, I think what is set forth in the glorious dissent of Justice Murphy in this case is a beautiful statement of a great principle of personal liberty. I would advise those who advocate the use of wiretapping, but only in certain cases, to pay close attention to these words by Justice Murphy, and I quote him again:

> Rights intended to protect all must be extended to all, lest they so fall into desuetude in the course of denying them to the worst of men so as to afford no aid to the best of men in time of need.

Another insidious devise to aid Government eavesdropping was involved in the case of *On Lee* v. *United States* (343 U. S. 747 (1951)). A Federal undercover agent, an old acquaintance of the defendant, had entered the customer room of the defendant's laundry and engaged him in conversation. Concealed on the agent's person was a tiny radio transmitter. The words of the defendant and the agent were listened to by another agent at a place outside the premises.

The court ruled, in a split decision, that the testimony of the outside agent, as to the conversation which he heard on the receiver, was admissible in evidence.

BAD POLICE METHODS BREED DISRESPECT FOR LAW

Justice Frankfurter's dissent was strongly worded. He told the Court:

> To approve legally what we disapprove morally on the ground of practical convenience, is to yield to a shortsighted view of practicality. It derives from a preoccupation with what is episodic and a disregard for long-run consequences.
>
> Loose talk about war against crime too easily infuses the administration of justice with the psychology of war.
>
> Of course criminal prosecution is more than a game. But in any event it should not be deemed to be a dirty game to which the "dirty business" of criminals is outwitted by the "dirty business" of law officers.
>
> The contrast between morality professed by society and immorality practiced on its behalf makes for contempt of law. Respect for law cannot be turned off and on as though it were a hot-water faucet.

Here, again, Mr. President, it seems to me we have a great judicial pronouncement of the direct relationship between the protection of the privacy of free men and the practices the Government uses in the field of law enforcement that may invade the privacy of free men.

Justice Frankfurter then said, in his great dissent that "dirty business" on the part of police made for lazy, and not alert, law enforcement, and put a premium on force and fraud, not on imagination and enterprise and professional training.

He quoted a graphic example from Stephen's History of the Criminal Law in England:

> During the discussion which took place on the Indian Code of Criminal Procedure in 1872, some observations were made on the reasons which occasionally lead native police officers to apply torture to prisoners. An experienced officer observed, "There is a great deal of laziness in it. It is far pleasanter to sit comfortably in the shade rubbing red pepper into a poor devil's eyes than to go about in the sun hunting up evidence."

WIRETAPPING CALLED CORRUPT AND INEFFICIENT

Justice Frankfurter had this to say of the majority opinion in the Olmstead case:

> It is a quarter century since this Court, by the narrowest margin, refused to put wiretapping beyond the constitutional pale where a fair construction of the fourth amendment should properly place it.
>
> Since then, instead of going from strength to strength in combating crime, we have gone from inefficiency to inefficiency, from corruption to corruption. The moral insight of Mr. Justice Brandeis unerringly foresaw this inevitability.

Justice Douglas, who had been one of the majority of the Court holding detectaphone evidence to be admissible in the Goldman case, was one of four dissenters in the 1951 On Lee case.

Said Justice Douglas:

> I now more fully appreciate the vice of the practices spawned by Olmstead and Goldman.

Mr. President, I always commend such a display of complete intellectual honesty when I witness it. Justice Douglas was one of the majority in the Goldman case. Yet, by the time the On Lee case reached him for decision, and when he had reviewed further the authorities, and when he obviously had studied more deeply the history of the fourth amendment and the fifth amendment, and when he had come to see the relationship of this precious right to personal privacy and liberty and the development of American and English jurisprudence, he was willing, in a spirit of intellectual honesty, to—in effect, in his dissent in that case—reverse the holding in the Goldman case in which he had joined the majority. I wish to commend Justice Douglas for such judicial courage.

Mr. President, it has been argued that if listening through walls by means of mechanical devices, and recording private conversations by means of concealed radio transmitters, is legal and constitutional, wiretapping should be considered legal and constitutional. I find myself unable to accept this "two-wrongs-make-a-right" argument.

In the recent case of *Irvine* v. *People of State of California* (22 Law Week 4127) it was shown that State police officers had entered a home, installed a hidden microphone, bored holes for wires in the wall, and reentered the home, with a pass key, to shift the microphone. The United States Supreme Court concluded that actions of this kind by Federal officers would be a violation of the Federal Constitution.

It is my opinion that the Supreme Court should, and some day will, declare activities of the type at issue in the Goldman and On Lee cases, together with wiretapping, to be violations of the fourth amendment.

THE TRIAL OF JUDITH COPLON

Attorney General Brownell and the other proponents of wiretapping have made much use of the Coplon case in their arguments that Government prosecutors are "handicapped" by the present law. In the House Judiciary Committee hearings on wiretapping, the author of the bill which passed the House told the committee:

> This problem was brought out dramatically in the trial of Judith Coplon. Her attorneys turned the trial into a fiasco, and won out for her on appeal, to a large extent because this law is so vague and unsatisfactory.

Miss Coplon, a person obviously guilty of the crime with which she was charged, was tried twice. One of the trials was in the Federal District Court in New York City—*United States* v. *Coplon* (185 F. 2d 629). It is this trial which the wiretapping proponents invariably discuss.

The Coplon conviction in the New York case was reversed on two grounds. One was the admission in the lower court of evidence seized on the person of the accused at the time of her arrest. The United States Court of Appeals held that the arrest by an FBI agent without a warrant was illegal and the evidence seized was therefore incompetent.

A second ground for reversal was the refusal of the judge in the lower court to allow defense attorneys to examine prosecution records which they claimed would prove that some of the Government's evidence came from "leads" obtained by wiretapping.

COPLON CONVICTED WITHOUT WIRETAP EVIDENCE

The case which Brownell and the other proponents of wiretapping do not mention is the Washington, D. C., trial—*Coplon* v. *United States* (191 F. 2d 749). In this case Judith Coplon was convicted and sentenced to a 10-year prison term, and the conviction was conditionally affirmed by the United States Court of Appeals.

The significant thing about the Washington trial is that here the Government prosecutors were able to convict Judith Coplon without wiretapping evidence or evidence flowing from wiretapping evidence or evidence flowing from wiretapping "leads."

In the Washington case it was claimed that Government agents had listened to private telephone conversations between the accused and her counsel before and during the trial. The Court of Appeals held that if that kind of wiretapping took place, the accused was thereby deprived of her right privately to consult with counsel as guaranteed by the fifth and sixth amendments.

The court took the unusual step of remanding the case for a hearing as to whether the alleged interception of calls between attorney and client did occur. The lower court was instructed that if it found that the accused had been deprived of her constitutional rights, she should be granted a new trial.

This pointing to "the trial of Judith Coplon" as an example of an alleged need for a change in the wiretapping law—without mentioning that in the Washington case Miss Coplon was convicted without wiretapping evidence—is an example of the kind of half truths and misinformation relied upon in this campaign to sell wiretapping to the American people.

Obviously a change in the present law against wiretapping would not allow the kind of wiretapping condemned by the Court in the Washington trial of Judith Coplon.

The case stands not as an example of the need for legalized wiretapping, but as proof that defendants in national security cases can be, and have been, convicted without the use of wiretapping evidence.

GOVERNMENT SETS THE EXAMPLE

Justice Brandeis said in the Olmstead case:

> In a government of laws, existence of the government will be imperiled if it fails to observe the law scrupulously. Our Government is the potent, the omnipresent teacher. For good or for ill, it teaches the whole people by its example. Crime is contagious. If the Government becomes a lawbreaker, it breeds contempt for law; it invites every man to become a law unto himself; it invites anarchy.

I cannot leave that great quotation from Justice Brandeis without pointing out that an example of the kind of anarchy which will flow from the violation of the privacy of freemen in the United States if we follow Brownell's advice and enact a wiretapping law will be the anarchy of police blackmail, a constant threat to freemen, because the history of freedom shows that we have always had to strike a very careful balance between giving to the police necessary and legitimate law-enforcement powers and checking them in following courses of action which lead to police tyranny.

One of the forms of police tyranny is, of course, police blackmail. It is one of the devices of the third-degree technique—obtaining illegally certain evidence not having any relationship to the admission or confession of the kind of crime which the police are seeking to bludgeon out of an unfortunate victim before them.

The police say to him, in effect, "Now, we know what you said on such and such an occasion. We have all the evidence. You had better come clean and tell us what happened, and confess to what we know you did, because if you do not we are going to publish and disclose all the other evidence we have against you." In many instances that evidence is obtained illegally. It is evidence that could not be used against the defendant, but, because many such defendants are uninformed, ignorant, and frightened, what happens? The police break them down. That is police tyranny and anarchy. That is not police protection. You and I, Mr. President, are not protected by any police department which uses the kind of tyrannical and anarchical methods about which Justice Brandeis warned us in this historic dissent.

One of my great fears—and we have the right to fear it, because the record of police tyranny speaks for itself in the history of American law enforcement—is that the proposal to legalize wiretapping will lead us into police anarchy, to which the great Brandeis referred.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield to the Senator from Illinois.

Mr. DOUGLAS. Has the Senator from Oregon ever conversed with attorneys defending persons accused in the Federal courts in tax and other matters?

Mr. MORSE. Yes; I have.

Mr. DOUGLAS. Have those attorneys ever expressed to the Senator from Oregon their belief that their wires were being tapped by the Department of Justice?

Mr. MORSE. Only last week a constituent from Oregon was in my office. He was very much concerned about a tax matter in which he is satisfied that he is the victim of such methods as have been described. I am not condoning what may have been improper conduct on his part. That is the trouble with this subject. When we seek to protect a great principle of liberty it is said that we are condoning wrongdoing. I do not condone what this man may have done, although he denies it to me. I am a good enough lawyer to know that I will pass final judgment on whether or not he is guilty only after I see the entire record. Nevertheless, he is very much concerned because he is satisfied that Federal agents have violated his personal rights in collecting evidence.

Mr. DOUGLAS. Will the Senator from Oregon permit the Senator from Illinois to give a little testimony?

Mr. MORSE. I am sure my colleagues would not object. I shall be delighted to have the Senator from Illinois make a statement on this point.

Mr. DOUGLAS. I have talked with a number of reputable attorneys in this country representing clients in tax matters and in certain criminal cases. They have said that they are almost certain that their wires have been tapped continuously, and that therefore the defense which they intended to put up in court was known to the prosecution. Is not the prosecution given a tremendous advantage when it knows what the defense will be?

Mr. MORSE. Of course, the prosecution has a tremendous advantage, and an unfair advantage. In my judgment, the great problem is not so much the fact that the prosecution has an advantage. The great problem is the violation of the privacy of the victim.

Mr. DOUGLAS. Will the Senator from Oregon comment further on that point? The Constitution is supposed to grant to the people the right of counsel. Does not that right carry with it the right of privacy in consulting with counsel?

Mr. MORSE. That is my judgment. Of course, that is the Coplon case. That is the point I made in respect to the Washington Coplon case. She had the right to private conversations with her counsel, and if such conversations were not private, she was really denied the constitutional right to be represented by counsel.

Mr. DOUGLAS. Neither the Senator from Oregon nor the Senator from Illinois is defending Miss Coplon.

Mr. MORSE. Not at all. I said earlier in my speech that I am satisfied she is guilty.

Mr. DOUGLAS. So am I; but I should like to point out that if it is true that the Department of Justice puts taps on the wires of defense attorneys in tax and criminal cases, that gives the prosecution an unfair advantage when the case comes to trial.

Mr. MORSE. It does.

Mr. DOUGLAS. Would the Senator permit further testimony on this point?

Mr. MORSE. I yield further.

Mr. DOUGLAS. I have talked with reputable persons who have attended trials in Federal courts. I do not wish to identify them further, except to say that they were in a position of vantage, where they could follow what was happening. These witnesses have told me that in two cases the prosecution made comments which threw the defense into utter consternation. The expressions on the faces of attorneys for the defendants indicated that the information could have been derived only from listening in on the conversations between the defendants and their attorneys. This was in a Federal court.

Mr. MORSE. I am fearful that it is going on all the time.

That leads me to a little personal testimony. I give the testimony in quite good humor, because to me the incident was really very amusing. I am sure that if we could have had a picture of it it would have been the picture of 1953. It is not this particular incident that has aroused my interest in wiretapping, because my record for years has been a record of opposition to wiretapping. I have spoken against wiretapping many times, as a teacher, as a lawyer, and as a public official, long before the particular incident to which I refer, which was to me very amusing.

Last year a secret service agent conveyed to me his belief that a microphone was hidden in my office in the Senate Office Building or my home. The information was conveyed to me through the secret service agent and a very prominent newspaperman. The secret service agent was able to repeat conversations which took place across my desk in the Senate building and at home, conversations which were heard only by myself and one other person, namely, my administrative assistant.

Those conversations were never repeated elsewhere to anyone. I am willing to testify that they were not repeated by my administrative assistant to anyone. The very nature of the conversations would have spoken for themselves on that point. But the picture I should

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like to have had was the picture of my administrative assistant, the newspaperman, and myself, on our hands and knees in front of the fireplace in my office, with a hand up in the flue to see if we could find the microphone up there. We did not find a microphone. The FBI could not find the microphone. The FBI sent an agent to see if it could be found.

The interesting thing is that the question was asked me, "Have you sent a lamp from your home in recent days for repairs, or have you sent a chair out to be repaired?" I said, "I do not know. Let us call Mrs. Morse."

We got Mrs. Morse on the telephone and she said, "Yes, we sent a lamp out a few days ago, but we did not send a chair out. You remember that we bought a new chair."

I had a sense of humor throughout, but we did examine the lamp which had been returned, and the chair. I cite my experience as an example of the kind of suspicion and fear which is developing in America these days. It shows that even a public official may be advised by a secret service agent, "You had better be on guard, because I am satisfied that there is or has been a hidden microphone in your office or home."

We did not find the microphone. As the FBI agent said, "Of course, one of those little microphones can last for 8 or 10 hours, and it may well be that it was taken out after it was used."

Whether or not it was there I still do not know, but it is remarkable that an account of our conversation reached the ear of the secret service agent.

What happened illustrates my point that we must be on guard, if we are to protect the right of privacy in this country and if we are to avoid the danger of developing police-state methods by which even elected officials of our people have cause to wonder whether they are working in a Senate office which may be tapped.

Mr. President, that is a frightening thing, because of its symbolism alone. Forget about me. I do not care whether it is I or BOB HENDRICKSON, of New Jersey, or PAUL DOUGLAS, of Illinois, or MAGNUSON, of Washington, or GEORGE, of Georgia, or any other Senator—to name some of those who are on the floor now. The fact is that if we have reached the point where even a Government official apparently feels that a law legalizing the practice of wiretapping should be passed, I say to the Members of the Senate, "Look out for your freedoms, because if you set up those police-state methods your precious right of privacy is jeopardized."

I yield further to the Senator from Illinois.

Mr. DOUGLAS. Is it not true that, like every other practice, once this practice is adopted in perhaps very serious cases, it can then be extended, little by little, until finally the Department of Justice depends upon it to a very large extent, as the Senator from Oregon has intimated?

Mr. MORSE. The use of such a practice always grows by accretion, and the accretion takes the form of repeated use, with a little extension of it each time the device is used.

Mr. DOUGLAS. Is it not also true that many of the men in the Department of Justice and in other agencies of the Government leave the Government service but still retain that information which they derived as Government agents?

Mr. MORSE. That is correct.

Mr. DOUGLAS. And that knowledge gives them great blackmail powers, if such a practice is carried out. Is that not correct?

Mr. MORSE. Some become private detectives and private agents of one kind or another, and of course they retain that background of information.

That is another reason why we should not be so foolhardy as to be frightened into the passage of a wiretapping law.

Senators will remember that in my speech of May 18 I pointed out that in the Virginia Constitutional Convention the big fight was whether there should not be a bill of rights written into the Constitution before the Constitution was ratified.

Patrick Henry took the position that such a bill of rights should be written into the Constitution before ratification, and it took all the persuasion of Jefferson and Madison to get a bare majority in the Virginia convention to ratify the Constitution without a bill of rights being written into it first. That was done only with the assurance that a bill of rights would be offered in the form of amendments. Assurance had to be given in order to defeat Patrick Henry in the Virginia Constitutional Convention.

The point I started to make when I referred to the Virginia Constitutional Convention was that one of the reasons that was advanced by some of the delegates against a bill of rights was that the Government could be trusted not to overstep proper bounds or abuse its powers. Does that not sound like 1954?

In that great speech of Patrick Henry, he pointed out that he would not take his chances—and I paraphrase him now—with law enforcement procedures which were not confined by the checks and guaranties of personal liberty defined by a bill of rights.

Mr. President, that great pronouncement by Patrick Henry at the constitutional convention is as true today as it was then. Let us not forget that in the Revolutionary days there were still a great many colonists who were sympathetic to the loyalist cause, and that a great many people were not sympathetic to the independence of the Colonies. I say that the threat of treason at the time of Patrick Henry was as great, in my opinion—greater, I will say—than the threat of subversive activity is in the Nation today.

There is no one in the Senate who will fight harder to check subversive activity than the Senator from Oregon. However, I shall not do it by way of voting to give law-enforcement officers in this country a weapon of tyranny to be held over men and women in the form of a violation of the sanctity and privacy of the American home.

In making this fight, we are keeping faith with the spirit and intent of the Bill of Rights, and repeating the historic fight in the Constitutional Convention, when State after State in the debates in the convention warned against the danger of the general warrant. A wiretap authorization is a general warrant. By no safeguard yet proposed by any of the proponents of wiretapping legislation is it possible to take wiretapping out of the realm of general warrants. Why? It is because when a conversation is tapped, the whole conversation is tapped. It is not possible to select or to be selective. It is not possible to select the portion that is desired to be offered in evidence, because when a conversation is tapped, privacy is destroyed and there is placed in the hands of someone else certain knowledge, which creates the danger of abuse.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. DOUGLAS. Is it not also true that when a conversation is chronicled on a tape recorder, it is later possible to edit the tape recording in such a way as to pick out certain portions of the conversation and, by omission, to give a totally false impression of what was said?

Mr. MORSE. Yes; that is absolutely correct. I have already pointed out that some of our technicians in the field have told me that they can take an hour's speech of any Senator on any subject and in a few hours they can process the tape to the point where that Senator is repeating the Internationale.

Mr. DOUGLAS. By cutting the tape and manipulating it.

Mr. MORSE. By manipulating the tape and cutting it and cutting and bringing together sounds, syllables, words and phrases and clauses and sentences, the technicians can take the speech of any Senator and make any person who does not know the facts believe that the Senator in question is a raving Communist.

Mr. DOUGLAS. This point can be illustrated very simply if we take the Commandment "Thou shalt not kill," and omit the word "not." It then becomes "Thou shalt kill," does it not?

Mr. MORSE. That is correct. It is a very simple example of how juggling can be done in order to misrepresent.

Mr. DOUGLAS. A recorded conversation can then be passed off as the correct original conversation.

Mr. MORSE. As the original tape of the conversation. Even the mechanics of the proposal are dangerous, let alone the principle involved.

Mr. DOUGLAS. As the Senator from Oregon well knows, the subject is before the Judiciary Committee. While neither the Senator from Oregon nor the Senator from Illinois is a member of that committee, and, therefore, not privileged to make suggestions, would the Senator from Oregon say it might be a good thing if the subcommittee investigating the subject should go into the degree to which wiretapping is now practiced?

Mr. MORSE. By all means. I take it for granted that the committee will do so. I take it for granted that it will give us a thorough report on the entire problem and that we are going to have an investigation which will show all facets of the problem, including many of the evil practices which have arisen under wiretapping in the several States. I quite agree with the Senator from Illinois.

Mr. MAGNUSON. Mr. President, will the Senator from Illinois yield?

Mr. MORSE. I shall be happy to yield to the Senator from Washington.

Mr. MAGNUSON. I hope the Senator will cover this point. There is a basic cardinal principle of evidence with which the Senator is familiar, that in court the confidential relationship between lawyer and client, doctor and patient, and man and wife has been part of our Anglo-Saxon rules of evidence for many years. I hope the Senator will go into the general proposition of how this sort of thing would violate those three relations alone, which are basic rules of our evidence. They also include confessors and spiritual advisers.

Mr. MORSE. I shall go into it, and I say to my friend from Washington that I think this subject is of tremendous historic importance. This is only the second of a series of speeches I shall make with reference to it. The speech today has been devoted to an analysis of adjudicated cases in the Supreme Court. At a later time I shall go into the subject which the Senator has mentioned.

I have alluded to the Washington Coplon case. That is not the case about which Brownell is talking. He is talking about the New York Coplon case. In the Washington Coplon case there had been a conviction which did not have anything to do with the wiretapping evidence which was involved in the New York case. The reversal in the Washington Coplon case was based only on the fact that it was found she did not have the benefit of the right to have counsel. Whenever the Department of Justice is intercepting conversations between the client and her attorney, it bears upon the point which the Senator from Washington has in mind. But that is not the wiretapping point about which I was speaking. She was convicted on the basis of evidence which did not involve wiretapping. The wiretapping feature of the Washington case became involved only because it involved the possible interception of certain conversations between herself and her attorney, which caused the court to say that such monitoring would take away from her the right to be represented by counsel, because one is not being represented by counsel if counsel has to talk to his client in the presence of a prosecutor.

Mr. MAGNUSON. Mr. President, will the Senator from Oregon further yield?

Mr. MORSE. I yield.

Mr. MAGNUSON. That is why we have always had in jails a separate room where we can talk with the defendant without any interference from anyone, so that we might establish that relationship. The whole basis of our criminal procedure has been built upon the fact that this relationship should remain inviolate.

Mr. MORSE. That is correct.

I am delighted to have what I interpret, and, I think, rightly, these words of encouragement from the Senator from Illinois and the Senator from Washington on at least some facets of the issue concerning which I am raising these objections today.

Mr. President, what is the example set by the Federal Government in the case of wiretapping?

Wiretapping is prohibited by law in most States. Section 605 of the Federal Communications Act of 1934 provides that "No person shall intercept any communication and divulge or publish such intercepted communication to any person." The section further provides that no person shall "use" any intercepted information for his own benefit or for the benefit of another, and that no person having received such information shall "divulge, publish, or use" such information.

Section 501 of the act provides:

> Any person who willfully and knowingly does or causes or suffers to be done any act, matter, or thing, in this act prohibited or declared to be unlawful * * * shall, upon conviction thereof, be punished for such offense * * * by a fine of not more than $10,000 or by imprisonment for a term of not more than two years, or both.

In the January 1954 issue of Nation's Business, Attorney General Brownell said that in respect to wiretapping what he seeks is a change in a rule of evidence.

On February 7, 1949, the Director of the FBI, J. Edgar Hoover, made the following statement:

> It is no secret that the FBI does tap telephones in a limited type of cases with the express approval in each instance of the Attorney General of the United States.

May I say, Mr. President, very respectfully, that language is a little different from the statements of the same Director of the FBI made a few years ago which I quoted earlier in my speech today. Several years ago he said wiretapping was unethical.

It was unethical then, Mr. President, and may I say to J. Edgar Hoover that it is unethical today.

I am one American citizen who regrets to read the J. Edgar Hoover confession that the FBI taps wires in any case at any time for any purpose; and when he does it and authorizes it, he, in my judgment, violates the rights of privacy of freemen and, in my judgment, also invades the sanctity of the American home.

I happen to be one who believes that before this Congress concludes its session it should make clear to J. Edgar Hoover and to Brownell that it will be illegal for them, beyond any question of doubt, to tap any wire for any purpose for any prosecution aims or objectives.

I stand with Hoover on his pronouncement of years ago when he said wiretapping was unethical. I regret that he is not standing on that pronouncement.

A Department of Justice release dated January 15, 1950, quoted Mr. Hoover on wiretapping as follows:

> There has been no concealment of either the policy or the practice. * * * I have no reason to doubt the conclusions of my superiors as to the legality of wiretaps as practiced by the FBI.

STRAINED INTERPRETATION OF LAW

By a strained interpretation of section 605 of the Communications Act, Attorney General Brownell and some of his predecessors in the Department of Justice have evolved the theory that the act does not bar wiretapping—that only the divulgence of the contents of intercepted messages is illegal.

Earlier in this speech I mentioned the Department of Justice release of March 15, 1940, containing the statement that the practice of wiretapping had been completely abandoned in the Department of Justice.

Attorney General Jackson's annual report to Congress for the fiscal year ending June 30, 1940, had this to say about section 605:

> It is reasonable to assume that the intent of Congress in enacting this prohibition was to prevent unauthorized persons from intercepting radiograms or telephone conversations and to penalize telegraph and telephone operators who may divulge the contents of a message which goes through their hands or which they overhear.

In a letter to the House Committee on the Judiciary dated February 10, 1941, Attorney General Jackson recommended passage of a wiretapping bill. He repeated the above statement and said:

> In the interests of national defense, as well as of internal safety, the interception of communications should, in a limited degree, be permitted to Federal law-enforcement officers.

On March 19, 1941, the Attorney General again wrote the committee to urge passage of a wiretapping bill. This time he said:

> There is no Federal statute that prohibits or punishes wiretapping alone. The only offense under the present law is to intercept any communication and divulge or publish the same. Any person, with no risk of penalty, may tap and act upon what he hears or make any use of it that does not involve divulging or publication.

PROHIBITION AGAINST USE NOT MENTIONED

No mention was made of the provision in section 605 prohibiting the use of intercepted information.

On October 9, 1941, Attorney General Biddle added another interpretation to section 605 of the Communications Act. He stated that he was certain that to prohibit "divulgence" was not to prohibit an investigator from reporting to his superiors.

In the Coplon case it was shown that Department of Justice handling of wiretapping material involves the recording of a telephone conversation by agents who attach a written summary to the recording and deliver it to a superior—listening to the record and reading of the summary by the superior, who in turn adds a written report to the material and forwards it to his superior—the record together with summaries and reports finally being placed in files from

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which information may be passed on to other agencies and bureaus. This, the Department of Justice contends, is not divulgence of the intercepted material.

In addition to the prohibition against "use" of intercepted material in section 605, there will be recalled the statement of the Supreme Court in the first Nardone case, where Government lawyers contended that the provisions of the act should not be extended to include Federal agents:

> The plain words of section 605 prohibit anyone, unless authorized by the sender, to intercept a telephone message, and direct in equally clear language that "no person" shall divulge or publish the message or its substance to "any person." Taken at face value the phrase "no person" comprehends Federal agents.

That is the language of the Court, not my language, but I think the court is right.

There is only one reported case of a governmental prosecution for wiretapping. In *U. S.* v. *Gruber* (123 F. 2d 307 (1941)) an attorney was convicted for abetting a Government telephone switchboard operator who intercepted and divulged to him a Securities and Exchange Commission message.

COURT APPLIES PLAIN MEANING OF WORDS

The Court said in the Gruber case:

> As to the words "indulge or publish," I cannot conceive that this refers only to a divulgence in court. The section prohibits divulgence or publication to "any person." As was held in the first Nardone case, the words "any person" and "no person" should be taken at their face value. The words "any person" in the section means exactly what it says, "any person."

In 1941, Mr. James L. Fly, Chairman of the Federal Communications Commission, stated that the plain meaning of section 605 forbade both divulging and using intercepted messages.

On May 20, 1953, Mr. Rosel H. Hyde, present FCC Chairman, told the House Committee on the Judiciary:

> It seems equally clear to us that it was not the intent of Congress in adopting the present language of section 605 to permit outside parties to intercept private radio or wire communications and use them for their own ends and to the possible detriment of the parties to the communication.

JUDGE LEARNED HAND SAID INTERCEPTION UNLAWFUL

Judge Learned Hand said in the New York Coplon case:

> It is, of course, well-settled law that wiretapping is forbidden by statute.

At another point in the opinion Judge Hand referred to a tapped telephone conversation as "unlawfully intercepted."

In the same case in the lower court, Judge Ryan stated:

> Section 605, prohibiting wiretapping • • • not only forbade such interception but rendered its contents inadmissible as evidence.

I wish to digress for a moment to say that I think there has been a false assumption in all the discussion by the Department of Justice, beginning with Justice Jackson, when he was Attorney General, that under section 605 it is all right to intercept; that tapping itself is lawful.

I think Judge Hand is right, Mr. President, in his statement of the intent of the law in the New York Coplon case. Not only does the statute condemn interception, but it is unlawful to divulge, and the evidence which is obtained by interception and the divulgence cannot be admitted.

Here again, I think we shall have to wait until we get a case "on the nose," as we lawyers say, before the Supreme Court on a set of operative facts which will draw this question into direct issue. In my judgment, when it gets there, the Court may follow the observation of Judge Hand in the New York Coplon case.

The Supreme Court has not ruled on the question of whether or not interception alone is illegal, for the simple reason that the Department of Justice has never taken a case of prosecution for interception before the Court.

Until a case of prosecution for interception is taken before the Supreme Court, I think it is a mistake to assume that the administrative practices of the FBI, based upon its interpretation of what constitutes divulgence, are lawful, but that that which is not lawful is offering in evidence the material which is gained by the interception.

I wish to make it very clear that I know very well that this is a disputed legal point; it is a matter about which lawyers disagree. I have done my very best in the speech this afternoon to present both the pros and the cons of the argument. I have presented the statements of the Attorneys General which hold to the contrary of the argument I have made. I have presented the view of Judge Hand in the Coplon case. But, in my judgment, I think the language of section 605 clearly shows an intent that both interception and divulgence shall be considered to be illegal, and that Congress sought to prohibit both.

In 1950, when public opinion forced the Department of Justice to proceed against wiretappers in the District of Columbia, the grand jury failed to return an indictment. A Senate investigating committee later found that the reason for this failure "lay in a strained and overtechnical interpretation by the Department of Justice and the United States District Attorney for the District of Columbia of the provisions of the Federal Communications Act"—Senate Report No. 2700, 81st Congress, 2d session, 5 (1950).

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield.

Mr. DOUGLAS. Am I correct in my understanding that the Senator from Oregon is referring to the so-called Shimon case?

Mr. MORSE. That is the case.

Mr. DOUGLAS. Is not that the case in which the District of Columbia Police Force was accused of tapping the wires of private citizens?

Mr. MORSE. That is the case. I may say that it is a perfect example of the police abuse to which the Senator from Illinois alluded, not only today, but also when he questioned me on the floor of the Senate during my speech on May 18.

Mr. DOUGLAS. May I ask the Senator from Oregon if my memory of that case is correct in that the fact of wiretapping by Lieutenant Shimon was not denied?

Mr. MORSE. It was not denied.

Mr. DOUGLAS. It was admitted by Lieutenant Shimon.

Mr. MORSE. It was recognized.

Mr. DOUGLAS. I remember that the wires of Mr. Howard Hughes had been tapped.

Mr. MORSE. That is correct. As Justice Holmes would say, it was dirty business, and it was dirty business by the police, and it is the kind of dirty business the Senator from Oregon is seeking to warn the American people about in this series of speeches, in this period of history, when it is sought to make wiretapping legal on the ground that there are subversive activities in the United States, and when the American people are asked to give up the precious rights for which they fought, and which were written into the Constitution to protect such rights.

Mr. DOUGLAS. Does the Senator from Oregon think it would be a proper inference that if the tapping of wires in the particular case under discussion was engaged in by the Washington Police Department, particularly by Lieutenant Shimon, wiretapping had also been practiced in other cases?

Mr. MORSE. I not only discuss the question on the basis of presumption, but on the basis of knowledge, resulting from my experience in criminal work, long before I came to the Senate, when I was the editor and developer of the five-volume work in the Department of Justice of release procedures and prison administration. That work took us into many phases of the question, including police practices themselves. Wiretapping is one of the police abuses that exists too often and in too many places.

Mr. DOUGLAS. Would it have been possible for Lieutenant Shimon to have acquired the skill which he had attained in tapping wires without previous experience?

Mr. MORSE. One does not acquire such skill by random activity.

Mr. DOUGLAS. In other words, the lieutenant must have served his apprenticeship before having tapped the wires in question and becoming such a master.

Mr. MORSE. There is no doubt about that.

I wish to thank the Senator from Illinois for his contribution. What I have held up for attention is one of the dirtiest abuses in the whole field of police activity in the United States. I am not going to sit here and vote my sanction for the Department of Justice or the FBI, even if headed by the great J. Edgar Hoover, having legal authority to wiretap the phones of particular Americans. I want to say we have got to be on guard against the spread of police-state methods in America in 1954, at a time when so much fear and hysteria is rampant across our country.

Mr. DOUGLAS. Although this in part repeats a question which the Senator from Illinois asked the Senator from Oregon some weeks ago, I should

like to ask if it is not the opinion of the Senator from Oregon that the practice of wiretapping is very widespread amongst local police departments.

Mr. MORSE. Yes, and not only is it widespread in the case of local police departments, but let me say that it is spreading and is expanding and fanning out in connection with a lot of private agents in this country. Do my colleagues know what is developing? At long last, I am glad to say that businessmen in America are becoming aware of it and are beginning to recognize the danger of wiretapping as far as privacy of business is concerned. They are beginning to recognize that it is not a very nice practice to be allowed to develop without clear legal prohibition against it, removing any question of doubt or any question as to vagueness or ambiguity. Businessmen are beginning to see that if we move into this phase of police-state methods, in the field of so-called law enforcement, the same methods can even extend to the economy of the country and into economic practice. Labor leaders are beginning to see what the use of such police state devices can mean in the field of labor relations. Civil liberty groups are at long last beginning to concern themselves. I do not think it is to be considered stretching the imagination to say that if we do not watch out, not even the confessional of the church will be safe from wiretapping.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Illinois.

Mr. DOUGLAS. While it is true that neither the Senator from Oregon nor the Senator from Illinois are experts in the technique of wiretapping, and I am very glad we are not; is it not also true that, in all probability, there are two systems by which wires may be tapped? In one method the tap is imposed upon an individual line, and the communication is known only to the tapper. But there may also be a tap placed in a central telephone exchange, and a certain range of telephones are tapped and the conversations recorded. Is that not true?

Mr. MORSE. That is what the technical experts told me in my examination of them.

Mr. DOUGLAS. In the second case I mentioned, where the tapping takes place at the central telephone exchange, it can only be done with the acquiescence and consent of the telephone company itself; is that true?

Mr. MORSE. That is true. I think we should prohibit the telephone companys from being aiders, abettors, and colluders in wiretapping.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Washington.

Mr. MAGNUSON. I wanted to point out to the Senator from Illinois and the Senator from Oregon that, in my district attorney days, the wiretapping situation was so bad that the telephone company worried that it might be accused of wrongdoing, and actually hired its own detectives, who were well versed in wiretapping, to chase away the persons who were tapping wires.

Mr. MORSE. That practice has been very common.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BUTLER of Maryland in the chair). Does the Senator yield?

Mr. MORSE. I yield to the Senator from New Jersey.

Mr. HENDRICKSON. The Senator from New Jersey must leave the floor very shortly, but before I go I want to compliment and commend the Senator from Oregon for a very able presentation of the facts in the issue. I hope every Member of the Senate will not only study the facts, but give them the most careful consideration possible. I think the Senator from Oregon has made a great contribution to the future of this country by alerting the Congress and the people to the dangers in this area.

Mr. MORSE. I am deeply indebted and deeply moved by the remarks of the Senator from New Jersey.

Mr. MAGNUSON. I might say that I know of no one who has been more concerned with the subject, as he told me on many occasions, than has the distinguished Senator from New Jersey who sat in on the hearings having to do with the District of Columbia wiretapping case involving Lieutenant Shimon.

Mr. MORSE. I cannot use a descriptive phrase more accurately, in painting a true picture of the Shimon case, than that used by Justice Holmes when he said "it is dirty business," and by Justice Frankfurter "represented the fruits of a poisonous tree."

Mr. President, the practical effect of the Department of Justice interpretation of the law against wiretapping has been a hesitancy about prosecuting persons for private wiretapping. As Attorney General Jackson said in one instance:

> I do not feel that the Department of Justice can, in good conscience, prosecute persons for a practice engaged in by the Department itself, and regarded as legal by the Department.

I am so sorry, Mr. President, that the then Attorney General did not apparently have a better group of lawyers surrounding him, so that they could at least read the clear and literal meaning of section 605 of the act. I am at a loss to understand how reading the language and giving to it the ordinary meaning can cause any question. Of course, that is a very sound rule of legal interpretation, as the lawyer now presiding over the Senate [Mr. BUTLER of Maryland] will agree. If language can be interpreted by giving to it the ordinary meaning, that is the meaning which should be given to it, and one should not go all around Robin Hood's barn and create ambiguity in the meaning of a statute by giving its language an interpretation which is beyond the ordinary meaning of the words.

I ask my colleagues to take section 605 and read it to lawyers and nonlawyers alike. The ordinary meaning of the language is clear, that use of intercepted material or divulgence to any person is prohibited. I have always been at a loss to understand the strained interpretation Attorney General Jackson gave to section 605.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Illinois.

Mr. DOUGLAS. Am I correct in inferring that what the Senator from Oregon is saying is that since the Department of Justice itself has been misinterpreting the law, the Department feels it cannot prosecute others for breaking the same law?

Mr. MORSE. Yes; and I think it is a very poor judge of such cases; that it is a prejudiced witness, and that we ought to recognize the Department of Justice, not as an impartial witness in this matter, but as a partisan with dirty hands. The Department of Justice does not come to the Senate with clean hands on this issue. The Department of Justice comes to the Senate with a tortured interpretation of section 605, because, in my judgment, it has alibied and rationalized a course of illegal action on its part, through a series of Attorneys General. Attorney General Brownell is not the only wrongdoer in this matter; it goes back through a series of Attorneys General who have been giving to section 605 a tortured interpretation. I think that good faith called on them, years ago, to get squarely before the Supreme Court a case as to whether section 605 makes the interception illegal and whether its interpretation of the word "divulge" is correct. If that had been done, there would not have been this buildup of opinion precedents—not judicial precedents—of Attorneys General and lawyers in the Department of Justice.

PRIVATE WIRETAPPING TOLERATED

Attorney General Brownell told the Senate subcommittee on wiretapping on April 20, 1954:

> As the law now stands, it does not keep people from tapping wires. It is still useful to those who make private use of it for personal gain.

Mr. President, do you see all the implications of that statement? Do you see the overtones and the undertones of it? I would prefer to have the Attorney General of the United States take the position that this kind of an invasion of privacy must not be allowed, either by Government officials or by private persons. That is so because I do not think that morally and ethically it is possible to justify taking advantage of the rights of privacy of freemen, either for personal gain or for law enforcement.

Brownell was asked about legislation to prohibit private wiretapping. He was asked:

> I wanted to know if you would care to express an opinion for or against such a regulation of wiretapping or if you believe the legislation should be confined only to the question of what evidence may be used in court, leaving the situation wide open as it is now for anybody to tap anybody's wire.

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Brownell replied:

The particular question that concerns the Department of Justice is the latter. We have not considered that aspect of it sufficiently for me to express any considered opinion right now.

Mr. President, it saddens me when I realize, from that statement, that Attorney General Brownell admits he has forgotten most of the constitutional law history that I know must have been taught to him in law school—the story of the great, historic battle that was fought, over the decades, to protect the American people from the general warrant. It is very clear that the questioner raised the issue of whether both Government officials and private persons should be allowed to violate the right of privacy of free men—and Mr. Brownell has to have time to consider that. Enough said, Mr. President, in my judgment, about his qualifications to be an expert witness before us on the question of the proper interpretation, meaning, and intent of the Bill of Rights, as raised by the wiretapping issue.

Brownell and the other wiretapping proponents have claimed that in the Coplon case, Judge Learned Hand advocated a change in the present law against wiretapping. The record shows that Judge Hand listened to the Department of Justice claims of a need for a change and said:

All these are matters with which we have no power to deal, and on which we express no opinion; we take the law as we find it.

Mr. President, that is exactly what the Judge should have said.

LAW AGAINST WIRETAPPING SHOULD BE ENFORCED

I suggest to Attorney General Brownell that he too, like Judge Learned Hand, take the law as it is found on the statute books—and enforce it.

Today there are people who look for a compromise between the various wiretapping bills before the Congress, who seek a way to have wiretapping "with safeguards." I say to these people that there are no safeguards which can effectively protect the personal security and privacy of Americans from the evils inherent in wiretapping. There can be no compromise with the freedoms and protections guaranteed Americans in the Bill of Rights.

The wiretapping controversy of today is a modern, condensed version of the struggle against arbitrary searches and seizures by Government officials that took place in England before 1765, and in colonial America.

I am confident that the end of the present controversy will bring a reaffirmation of the principle that in a democracy, the rights of its people are always superior to the expediencies of its officials.

Mr. President, we need today the same awakening of the consciences of the American people regarding the precious nature of their personal rights that occurred during the Constitutional Convention at which our great Republic was born. Once again we need to heed the advice of Jefferson, Madison, Henry, and the rest of the great constitutional fathers who, although a majority of them finally decided they were willing to ratify the Constitution, reached that decision only upon condition that following its ratification there would be submitted what we know as the Bill of Rights, including the principle, spirit, and intent of the fourth, fifth, and sixth amendments. Those principles are the ones for which the Senator from Oregon, once again, as a Member of this body, is raising his voice in this debate and is pleading for protection of the privacy of freemen, without which there cannot be freedom for the individual.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the bill (S. 3096) to further amend section 4 of the act of September 9, 1950, in relation to the utilization in an enlisted grade or rank in the Armed Forces of physicians, dentists, or those in an allied specialist category.

The message also announced that the House had passed the bill (S. 3050) to amend the Agricultural Adjustment Act of 1938, as amended, with an amendment, in which it requested the concurrence of the Senate.

ORDER FOR RECESS TO MONDAY

Mr. KNOWLAND. Mr. President, I ask unanimous consent that when the Senate completes its session this evening it stand in recess until Monday next at 12 o'clock noon.

The PRESIDING OFFICER (Mr. BARRETT in the chair). Is there objection? Without objection, it is so ordered.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3050) to amend the Agricultural Adjustment Act of 1938, as amended, which was, in line 13, to strike out "July 1, 1954" and insert "July 1, 1955."

Mr. CLEMENTS. Mr. President, this bill is for the third time before the Senate. Last week a clerical error was made in the bill in the House of Representatives. This matter has been fully explained on two different occasions. I believe every Member of the Senate who desired to learn what the bill would accomplish has had an opportunity to do so.

If no Member of the Senate desires any further explanation, I move that the Senate concur in the House amendment.

Mr. BUTLER of Nebraska. Mr. President, will the Senator give us a little more information about the bill?

Mr. CLEMENTS. The bill does one thing, and one thing only. It increases from 40 to 50 percent the penalty on all tobacco grown over the quota.

Mr. BUTLER of Nebraska. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kentucky.

The motion was agreed to.

SWISS PROPAGANDA AND UNEMPLOYMENT IN THE JEWELED WATCH INDUSTRY

Mr. JOHNSTON of South Carolina obtained the floor.

Mr. BUTLER of Nebraska. Mr. President, will the Senator from South Carolina yield to me, to permit me to request the printing of a statement in the RECORD?

Mr. JOHNSTON of South Carolina. Yes, if it is understood that in yielding for that purpose, I shall not lose the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUTLER of Nebraska. Mr. President, I thank the Senator from South Carolina for doing me the courtesy of yielding to me at this time, for I had expected to speak to the Senate on the question of Swiss propaganda and unemployment in the jeweled watch industry. However, in view of the lateness of the hour and the fact that the Senator from South Carolina has the floor, I now ask unanimous consent that a statement I have prepared be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER OF NEBRASKA

SWISS PROPAGANDA AND UNEMPLOYMENT IN THE JEWELED WATCH INDUSTRY

On May 18 the New York Journal of Commerce carried a news story that I found very interesting. It was from Bienne, Switzerland, and it said that "increasing unemployment in the Swiss watch industry is causing concern here as over 2,000 workers are drawing benefits for total or partial layoffs." It went on to say that this is the highest unemployment figure the Swiss industry has recorded since the end of the war.

This story interested me because it was another manifestation of the propaganda campaign of the Swiss watch cartel that has obscured and confused a situation of vital importance to the national security of our Nation — the forthcoming decision on whether or not tariffs on Swiss watches and watch movements will be increased in order to preserve the American watchmaking industry and assure the continuance of facilities and skills that are of great significance to our national defense. This propaganda campaign is obvious to me and to a great many Members of the Senate. It may not be so clear, however, to the public or even to others who have a direct interest in our foreign-trade program.

I, therefore, decided to look into this situation and I obtained some figures from the United States Department of Commerce that I think have a very significant bearing on this effort of the Swiss propagandists to win sympathy for "poor little Switzerland." I found that the Swiss watchmaking industry now employs about 60,000 workers. Thus, if there really are 2,000 Swiss watchworkers totally or partially unemployed, they represent about 3 percent of the industry's workers.

By contrast, in the United States, I found the following to be true: In 1951 the 4 remaining American jeweled-watch manufacturers employed 8,151 workers on watch production, in 1953 they employed 6,670 workers, and in 1954 they will employ an average of less than 5,000 workers on watch production. Thus, in the 2½ years since the end of 1951, domestic employment in production of jeweled-watch movements has fallen approximately 40 percent. Now, which group of workers should we feel sorry

for—the 3 percent in Switzerland or the 40 percent of Americans who have had their jobs exported to Switzerland?

I found some other interesting figures while I was checking this situation. In 1951 the 4 American manufacturers made 3.1 million jeweled watches. That year the Swiss exported 9.1 million jeweled watches into our market. In 1953 the Swiss sent 10.6 million jeweled watches here and the American producers were then able to manufacture and sell only 2.2 million because our market was flooded with cheap Swiss imports. As a result of the fact that 1.5 million more Swiss watches were thrown onto the United States market, nearly 1 million fewer American watches were made and 1,500 American watchworkers were deprived of jobs.

Now let us look at the growth and the operations of the Swiss watch cartel more closely. In the years 1937 to 1939 employment in the Swiss watch industry averaged approximately 40,000 workers. They had already made substantial progress in taking over the American market, following a slash of more than 30 percent in American customs duties under the trade agreement. Then the war started, the American factories were converted 100 percent to war production, and the Swiss cartel really moved in. In 1941 employment jumped from 40,000 to about 45,250. In 1943 it went to 46,700, or 18 percent greater than before the war. In 1950 the total was 54,000 or 35 percent higher. In 1951 it was 63,000 or 57.5 percent greater than at the time of the reciprocal trade agreement.

Now, here is an interesting fact. As I just said, in 1943 there were nearly 47,000 watch workers employed in Swiss factories. But in that year Switzerland exported fewer watches than it had in any year since the depression. It exported 14 million watches—just half as many as in 1937. Why did the highly efficient Swiss need 20 percent more workers to produce only half as many watches? The answer, I think, is fairly simple—they were producing fuzes and other munition components for Germany and Italy—or the fine machine tools that those Fascist governments needed for their war production.

While the entire American watch industry was mobilized 100 percent for needed military production, the Swiss were, in fact, producing for and trading with the enemy because the enemy, at that time, held all the trump cards and could apply more pressure than we could—until the closing weeks of the war.

It is on the record that during World War II the Axis allowed the Swiss to export certain "civilian" timepieces to the United States and other belligerent and neutral nations. I have been told of one grimly amusing incident in this connection. So desperate were we at that particular time for additional watches for our ground and air forces, that some of these Swiss watches were placed in military cases and issued to our fighting men. And I am told that these Swiss companies made vigorous protests against this practice—on the grounds that the watches were not intended for this use and so the soldiers that used them and found them unsatisfactory might not be in the market for watches of these brands after the war. That was a major Swiss concern when our men were dying on battlefields all over the world.

But to resume: In return for the privilege of sending watches to America and thus taking this market when our own factories were devoting full time to the war effort, the Swiss were obliged by Germany to produce and deliver vast quantities of military timing mechanisms and other precision equipment. And this Swiss military production in World War II was used by our enemies to kill and wound American soldiers, sailors, and airmen. We have no guaranty—economic, political, or otherwise—that in the event of another war, an even more powerful Swiss watch industry will not repeat this tragic performance under pressure of an enemy of the United States.

A very small part of the Swiss contributions to the German war effort is detailed in the book entitled "The Hidden Weapon." Its authors, David L. Gordon and Royden Daingerfield, were formerly chiefs of the Economic Blockade Division of the United States Government's Foreign Econmic Administration during World War II. Here is an example of the information it contains:

"Swiss exports to Germany in 1942 reached a value of 2.8 times as great as in 1938. Shipments of metals to Germany in 1943 were nearly 600 percent (by value) over 1938 levels; those of machinery, vehicles, and related products over 500 percent; those of clocks, watches, and precision instruments, 460 percent; and those of drugs and chemicals, 350 percent. These increases were substantially greater than the decline of Swiss exports to other destinations; so that they represented not only a replacement of allied and overseas markets by German-controlled areas, but a shift in the orientation of the whole Swiss economy with a greatly increased emphasis on war goods. * * *

"But whatever the justification, there can be no question that Swiss imports were of substantial importance to the German war effort. Many of them were manufactures requiring an exceptionally high degree of skill and precision, for which the Swiss-watch and machine-tool industries are world famous; they comprised arms and ammunition (including such highly efficient weapons as the famous Oerlikon guns), airplanes, bearings, delicate and complex fuses for bombs, and artillery shells, machine tools, electrical machinery and equipment, radio and telegraph equipment, turbines, locomotives, engines, precision instruments, military watches, and other timing and measuring devices. Fine watchmaking machinery, on which the Swiss had a near monopoly, and which they have previously refused to sell abroad, was shipped in increasing volume to Germany to make and repair essential military timepieces and timing devices."

Confirming the authors of The Hidden Weapon, here is a quotation from a report of a survey of the German watch and clock industry made just after World War II by three expert members of the United States Technical Intelligence Committee of the G–2 division of SHAEF. The report was originally restricted and is now declassified. They reported:

"Practically all plants, in the last few years, from the largest to the smallest, had acquired an astonishingly large number of new Swiss and German tools of the best quality. In the opinion of the team, the quantity of machine tools is greatly in excess of prewar production requirements. The equipment includes such items as Swiss jig borers, Swiss plate-routing machines, Swiss precision multiple-plate drilling machines, various types of Swiss automatic screw machine, various types of Swiss machines for cutting pinions, wheel, etc. They also had excellent Swiss toolmaking equipment, some of which was highly specialized. This equipment is not in all cases made available to United States manufacturers by reason of export prohibition by the Swiss Government."

Please note that—these tools could not be exported to the United States, but it was perfectly all right with the Swiss Government if they were sent to Germany to make ammunition, bombs, and projectiles for use against the nations of the free world.

I do not think there should be any grave concern in this country when Swiss propagandists tell us that poor little Switzerland now has 2,000 watch workers unemployed—when you consider that since the reciprocal trade agreement went into effect Switzerland was able to build its watch industry from around 40,000 workers to 60,000, and since as a direct result of that trade agreement, employment in the American industry has fallen to just about the lowest point since the depression.

The Swiss watch industry has fattened and grown great on war. And not just World War II. Here is a quotation from the American Legation report on the Swiss watch industry in 1950:

"At the beginning of 1950, it was generally expected that exports and production of horological products would decline further. The first half of the year indeed was disappointing to the manufacturers, especially the first quarter when a considerable drop took place. Sales during the first quarter were 25 percent below corresponding 1949 sales.

"With the outbreak of the Korean war, the Swiss watch industry was suddenly flooded with orders, especially from the United States. Since June of 1950, the industry has enjoyed boom conditions such as it has hardly ever experienced before. The dismissal of over 1,600 watch workers was the result of the unsatisfactory situation during the first half of the year. When the heavy orders placed as a result of the world situation after the outbreak of the Korean war began to reflect on production, the employment situation rapidly improved."

I call particular attention to the fact that in 1950 when 1,600 Swiss watch workers were laid off, there was no campaign in the press to win sympathy for their plight. But in 1950, there was no tariff action impending, and the Swiss, like the ruthless and efficient businessmen they are, simply chopped their work force and shed no tears for the jobless watch workers. But now that a tariff increase is under consideration, great stress is placed on the economic distress in Switzerland as a result of this unfeeling American action.

Finally, I should like to call to the Senate's attention the fact that great pressures are being brought by the Swiss to forestall any increase in the present tariffs on watches and watch movements. These pressures worked in 1952 when the Tariff Commission's recommendation that increases be granted to protect and preserve our domestic watch industry was rejected. Here is proof out of the Swiss' own mouths on how these pressures worked. I quote from the weekly press service sheet of the Swiss Trades Union Council, which is gloating over President Truman's refusal to grant the tariff increase. This is what the head of the Swiss watch workers union had to say then:

"We can note today with legitimate satisfaction that the efforts of the Swiss Metal and Watch Workers Union and the Swiss Trades Union Congress to alert American labor organizations and public opinion have not been in vain. The CIO and the A. F. of L., following the request of Swiss labor, intervened with Mr. Truman on this matter. Moreover, one finds in the Presidential announcement many of the ideas presented by the Swiss Metal and Watch Workers Union and the Trades Union Council to the American labor organizations, and we therefore express to them the full gratitude of the Swiss labor movement."

It's a fine thing when the recommendations of the President of the United States contain "many of the ideas presented by the Swiss labor unions" and the recommendations of our Tariff Commission and the pleas of our own industry are ignored. And, I am told, that the major American labor organizations once again are being solicited to support Swiss labor rather than their fellow American workers.

I think I have demonstrated that there should be slight cause for tears in this country because a few Swiss watch workers are unemployed. I hope that I have helped, to some extent, to counteract the vicious Swiss propaganda campaign that seeks to win

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the sympathy of the American Government and the American people to the complete destruction of the jeweled-watch industry in the United States.

I hope that instead of wasting sympathy on the Swiss we will now begin to think of the hundreds of American watchworkers who are unable to practice their craft because an unrealistic trade policy has given their jobs to Swiss workers. And I hope we will begin to think of what will happen if the American jeweled watch industry—the only industry capable of producing these watches outside of Europe—is allowed to die. We cannot afford to be deluded by Swiss crocodile tears, shed for propaganda purposes, whose sole objective is to ruin the American watch industry so that they can make 100 percent of the world's timepieces instead of the 95 percent they now produce.

The following article appeared in a recent issue of Newsweek:

"Switzerland: Peace and precision equal prosperity

"Geneva hotels were filled this week. But Geneva hotelkeepers were unhappy. The swarms of delegates, bodyguards, and correspondents at the Far Eastern conference left little room as the summer season approached for tourists. As long as the conference went on, Geneva hotelkeepers could only look enviously at their competitors in such spots as Montreux or Interlaken—ready and able to welcome vacationers.

"Some 1.5 million tourists will visit Switzerland this year. They will ski at the fashionable international resorts at Davos, St. Moritz, Grindewald, and Zermatt, in the shadow of the Matterhorn. They will sun themselves on the beaches at Lugano and Locarno, photograph the covered bridge at Lucerne and the William Tell statue at Altdorf, buy watches and carved wooden bears, sail past the Castle of Chillon on the Lake of Geneva, marvel at the mechanical animals and men on the clock tower in Bern, eat fondue between sips of kirsch, pick edelweiss, ascend the Jungfrau by the cog railway that climbs inside the mountain, and watch the Alpenglühen, the summer sunsets that bathe the mountaintops in red.

"Behind the scenery and sports is another Switzerland often overlooked by tourists and diplomats alike. The Swiss have overcome imposing handicaps to reach their state of peace and the highest standard of living in Europe. Although they number only 4.8 million (about half the population of New York City), they speak four national languages—German, French, Italian, and Romansh, a Latinate dialect. Their landlocked country of 15,944 square miles (less than New Hampshire and Vermont combined) is almost entirely without natural resources. Barely 6 percent is arable.

"Yet Switzerland's per capita gold holdings top all other countries' at $306 (the U. S.: $138). Its unemployment rate is probably the lowest in the world. In June 1953 it was 0.3 percent (the U. S. then: 2.4 percent).

"Recipe for Success

"How have the Swiss done it? 'The answer is that Switzerland's principal asset is labor,' President Rudolphe Rubattel told Newsweek, '[and] the manufacture and export of goods of high value from imported raw materials.'

"The watch industry is an extreme example of this recipe for success. The Swedish steel for hairsprings costs $5 a pound. The finished hairsprings are worth $50,000 a pound.

"The increased value is added by Swiss skill and precision. Building a single watch requires more than 2,000 separate operations. Parts include screws no more than .004 inch in diameter. Some 50,000 would fit in an ordinary thimble. Yet their heads are slotted for a screwdriver. To learn his skills, a would-be watchmaker must study for a minimum of 4 years at 1 of 7 schools.

"The Swiss watch industry, concentrated in the Jura Mountains around Bienne, has some 2,500 manufacturers, employing 50,000 workers. Last year they exported more than 33 million watches and watch movements worth $258 million.

"Tariff Fight

"This success has been boosted by the United States-Swiss Reciprocal Trade Agreement of 1936, under which the American tariff on watch movements has been cut from 82.6 to 37 percent. Since 1950, United States watch manufacturers, notably the Hamilton, Waltham, and Elgin companies, have been demanding a protective increase to prevent 'serious injury.' They are opposed by more than 100 United States watch-assembly firms—organized behind Longines-Wittnauer, Gruen, Bulova, and Benrus—which import their movements from Switzerland. On May 28, the United States Tariff Commission recommended an increase. Under the law, the amount was not disclosed, and President Eisenhower was given 60 days to approve or veto.

"But watches are only one aspect of Swiss industry. Of every 1,000 working Swiss, 436 are engaged in industrial labor and manual trade—a proportion exceeded only in Britain and Belgium, where mining increases the ratio. Last year Swiss exports of machines earned $242.3 million, instruments and tools, another $82 million; textiles, $141.7 million; and chemicals, $129.4 million. The tourist trade earned only $116.5 million.

"Locomotives and Lighters

"The range of Swiss products and markets is as sweeping as Switzerland is small. A Swedish power station above the Arctic Circle is equipped by Brown, Boveri & Co. Thailand and Bolivia use Diesel-electric locomotives built by Sulzer Bros. The Swiss Locomotive & Machine Works, with Brown-Boveri, built Britain's first gas-turbine locomotive, and Escher Wyss developed the variable-pitch airplane propeller. Paillard is famous for its Bolex movie cameras, Thorens for its cigarette lighters, and Oerlikon and Sécheron for their armaments. Among Swiss chemical firms, Ciba, Sandoz, J. R. Giegy, and F. Hoffmann-La Roche & Co. export some 85 percent of their production.

"To guard the sources of raw materials on which their national life depends, the Swiss have developed neutrality to a fine art. Although trade with Communist countries has been a source of repeated friction with the West, the true Swiss position, says Dr. Max Petitpierre, chief of the Political (Foreign Affairs) Department, is 'neutrality plus solidarity.'

"Perhaps an equally revealing glimpse of the secret of Swiss success is to be found in one of the favorite stories told in the cafes of Basel:

"A Swiss manufacturer was sent three supposedly identical ball bearings by a United States company, and asked how much he would charge to manufacture them. The Swiss cabled back: 'Which one?' "

WIRETAPPING

Mr. JOHNSTON of South Carolina. Mr. President, I desire to engage the attention of the Senate for a few minutes in order to voice my objections to whatever proposed measure may issue from the Committee on the Judiciary on the question of legalizing so-called wiretapping, with all its related possibilities of intercepting communications.

Several days ago and again today the Senate was enlightened by a masterful address on this general subject matter delivered by the junior Senator from Oregon [Mr. MORSE]. I did not know that he intended to speak again on the subject, but when I reached the Chamber today I found that he was delivering another address on this same subject.

The scope and depth of research exhibited in that address, together with the compelling authorities cited, are cause for admiration on the part of all who wish to see democracy develop rather than be retarded.

For many years the right and propriety of intercepting communications, for whatever cause or reason, has engaged the serious thinking of this and preceding Congresses. By the same token, this vast field of inquiry has been of great concern to private citizens and business undertakings generally. The implications and ramifications involved in the interception of communications, particularly in view of the advances in science and technology are sufficient reason to make us pause, reflect, and, I trust, reconsider the route which we in the Congress should now pursue. Several roads are open to travel.

As a member of the subcommittee which is holding hearings on the bills relating to wiretapping, I have become very much interested in this question. My convictions are deep-seated. Whatever proposal of a permissive character may come from the Judiciary Committee as a result of its consideration of the several measures before it, it will not meet with my approval. I am against them one and all. Everyone of them does gross violence to my concept of the democratic way of life. Not one of them makes the slightest contribution to a freer way of life.

Entertaining these views, I would be a moral and mental renegade had I not the courage to give open and public expression to my deep-rooted opposition to the inroads which these measures must make upon our modern civilization.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Oregon.

Mr. MORSE. Let me say to the Senator that the statement the Senator has just made, as a member of the subcommittee which is holding hearings on the proposed wiretapping legislation, is a statement of tremendous historic significance. Mark my words, before we are through with the great constitutional debate in which we are now engaged, the statement of principle which the Senator from South Carolina has just spoken will, in my judgment, be as quotable in the future history and writings on this subject as the statement that "wiretapping is the fruit of a poisonous tree." When the Senator from South Carolina points out that he cannot reconcile wiretapping proposals with his conception of ethics and morality I think he goes to the heart of the matter so far as the responsibility of individual Senators is concerned.

I am not surprised to hear the statement made by the Senator from South Carolina. Not only is he a great lawyer, but he is a man who in the Senate has demonstrated time and time again his dedication to the free way of life. We

are again fighting to preserve the free way of life in the United States.

Mr. JOHNSTON of South Carolina. I thank the Senator from Oregon for his remarks. I believe the whole Senate owes him much gratitude and appreciation for what he has said to the Senate today and for what he said on the 18th of May. One can add little to the historical review of the growth of individual and priceless personal rights so ably presented by the Senator from Oregon. The possession of these rights is our heritage.

Mr. President, I am aware of one of the ugly, reprehensible tactics employed in the House of Representatives when it was considering H. R. No. 8649. The proponents of that measure gave it a catchall name—the antitraitor bill. "Legalization of eavesdropping" would have been a far more accurate name to describe such proposals.

Wiretapping and similar methods of improperly and illegally obtaining evidence by all the bills which have come to my attention seem to be taken as an accepted fact. The acceptance of such a condition as one which is proper and approved seems to run through all these measures. The purpose of the proposed legislation, whatever its particular provisions may be, is to make certain (a) the admission of evidence already in hand received through these irregular channels and (b) to change the previous existing rules permitting the admission in the future of evidence obtained through devices of interception. I wish to contend that the fruits of the forbidden tree already in hand and those which may be gathered in the future should now and forever be barred as admissible evidence in any Federal court in our land.

If I am able to judge the needs of the times—the signs of the times—their portents and requirements, and, if real democracy is to survive and progress here in one of its last strongholds, we need: patience and sanity, not sensation and passion; we need calm reason to supplant blind hysteria.

My objections, Mr. President, may be grouped into two rather general classifications: (a) Eavesdropping or snooping violates every right of privacy, and (b) the carbuncle of wiretapping in all its phases retards rather than promotes the free life in a democracy.

The growth and development of the law from the Magna Carta to the last act of Congress dealing with personal liberty show progress toward a state enveloping the greatest measure of personal freedom. Any act or measure restricting that growth and reinvesting the state with rights enjoyed by freemen is a step toward fascism, communism, statism, or some other ism foreign to my conception of Americanism. Has it not always filled our hearts with pride and joy to be able to refer to the great charter of personal rights and freedoms wrenched from the unwilling hands of King John at Runnymede on June 15, 1215? Upon that foundation through seven and a half centuries we have gradually built a superstructure of individual human rights, which is the envy and at the same time the glory of the world. No other government under the canopy of heaven can boast that its citizens enjoy the individual freedoms equal to those enjoyed by our citizens. Much yet can be added. Little, if any, can be taken away. Man's progress requires additions not subtractions.

The legalistic details, the authorities, the citations and reasoning of the courts were set forth in such formidable, convincing array by the distinguished Senator from Oregon in his address to the Senate on May 18 last, that to inject other supporting cases would detract rather than add to the unanswerable force of the argument already made.

Vain would be the task of one who might try to subtract from the traces of doubtful rights enmeshed in the hazy past, as those rights step by step, through the centuries emerge into written and accepted instruments of government, finding a crowning achievement in our own Bill of Rights. What priceless jewels they are in the firmament of man's government for man.

The chain of events through the years marking man's slow elevation from bondage to freedom always demands new links. Let there be no severance in that chain in the upward struggle for an equality of rights and opportunities. Take away from man a single right won through years of perseverance and a justification will soon be presented for withholding or diminishing other rights. We should ever be mindful of having the scales tilted toward a gain rather than any loss of rights.

I am aware of the conflict in the existing decisions of our Supreme Court on the law of wiretapping. I am mindful that a few persons are under arrest or out on bond who could possibly be successfully convicted if the prosecutor could get into evidence the ill-gotten fruits of wiretapping. I am aware of the fact that a few more could be entrapped if their wires could be tapped. I am more conscious, however, of the everlasting harm that will come to us as a Nation, and particularly as individuals, if this poisonous wedge of legalized interception is driven further into our body-politic and becomes an accepted part of the law of the land.

I am not beguiled by the asserted circumscriptions that this seductive method of obtaining evidence will be limited to cases of subversion, sabotage, or in the interest of national security. Any argument built around those restrictions is bait for the gullible. Has it or can it be demonstrated that wiretapping is required? Surely it is desired. It assists a lazy, indifferent, or overzealous detective or police enforcement officer. But, really, is it required? I find no convincing reason. Other methods exist and serve our society with a marked degree of efficiency.

Wiretapping is repugnant to every instinct I possess as a free man.

One cannot intercept the communications of the bad citizen without inevitably involving and doing harm to the good citizen.

To me, privacy, the right to be let alone, the right to exchange confidences, and the right of free and unrestricted exchange of communications where no law is being violated is a precious right of privacy. This distinctive attribute of freedom is instinctive with those who cherish our American way of life.

I shall dwell only briefly on the legal phase of the matter of violating privacy when the Bill of Rights was attached to our Constitution. There were no telegraph lines, telephones, television, or other electronic means of transmitting messages either of fear or hope, joy or despair, madness or gladness, love or hate, charity or miserliness—or even death and destruction. How prophetic, at least in principle, were our Founding Fathers? They guaranteed to us the security of our persons, houses, papers, and effects against unreasonable searches and seizures. Moreover, under the fifth amendment, no American citizen could be deprived of life, liberty, or property without due process of law or be made a witness against himself in a criminal case.

My thoughts are my property. They are among my effects. They are the product of my mind. When the conversation of a person is intercepted and used against him, does he not then become an unwilling witness against himself? I contend with every fiber of my being that any bill which proposes to permit a message to be intercepted violates in principle, if not in fact, the substance of the provisions of the fourth and fifth amendments to the Constitution which I have enumerated. I shall never knowingly vote nor raise my voice in support of a measure permitting a Government official or private individual to do indirectly what I understand he may not do directly. I will not so stultify my conscience.

It is not a pleasant thing to contemplate that one cannot communicate with his friends, his pastor, his lawyer, doctor, or members of his family in complete confidence. What a precious personal privilege would be denied if, by the enactment of a law such usually accepted confidences were to be made no confidences at all, and if all one might say, though pure in thought and spirit, could be transcribed for future recording. Would anyone have any privacy left? Would not all of us lose the confidential right of free speech?

I have been discussing the loss of personal rights of privacy and the infringements against the individual in the security he enjoys in the absence of the interception of his messages. There is another phase of the interference with privacy which is alarming and has in it the potentials of many evils. We should foresee their happening and guard against them. We should do nothing to let the bars down.

I refer to the unfairness and injustice which will inevitably flow from the misuse of intercepted communications in the commercial and political world. Let me illustrate my point. Business firm A, salesman A, broker A, merchant A, corporation A, tap, by whatever device may be most acceptable, the lines of communications of B who is engaged in like undertakings. What is to become of our free-enterprise system, if

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it has to confront the conditions arising from such interceptions? What man or company is to be secure in his or its property? What protection is left to anyone? The thought, the consequences, and the effects of interceptions and intermeddling in the business world should alarm us. Such a contemplation should put us on immediate guard.

Let me quote briefly from a very conservative news organ. It is supposed to represent business. Among other things, the Wall Street Journal in its editorial of November 19, 1953, said:

> It could create an atmosphere in which people would be afraid to talk on the telephone about anything—it may be argued that only spies need fear it. But it is not quite so simple as that. Telephone conversations can be misconstrued, innocent remarks interpreted as evil. Who would feel wholly secure knowing that any conversation could be recorded to use against him?

The privacy of business needs the protection of existing laws. Here and there supports and lifts are required but business does not require our loosening the termites upon it that the proposed wiretapping legislation would permit.

There is no privacy today behind the Iron Curtain. It is the rule of life of the totalitarian governments that nothing is sacred to the individual. All belongs to the State. Must we ape the Communist practices to preserve our democracy? Some distinctions should remain. The use of interceptions by Communists do not justify such a radical departure on our part. Listen to the words of the great liberal Justice Brandeis. While he was voicing a dissent against the use of wiretapping, his was the voice of great experience and truth. He said in *Olmstead* v. *United States* (277 U. S. 438, 479):

> Experience should teach us to be most on our guard to protect liberty when the government's purposes are beneficent. Men born to freedom are naturally alert to repel invasion of their liberty by evil-minded rulers. The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well-meaning but without understanding.

Chip away here and there a vital value of human liberty under the guise of national interest, and soon all will be lost. Divest one here and there of this or that item of personal freedom, and soon the individual is stripped of many of his hard-won, inherited rights—those rights, I mean, which distinguish us Americans from those who are less fortunate in other lands. Let us not compromise on these fundamental principles of human, individual rights for the sake of expediency or under the guise of national safety. There are today no perils which we cannot successfully meet.

There is another phase of the right of privacy which should attract the attention of some Members of the Senate.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the distinguished Senator from Nevada.

Mr. McCARRAN. We know that at present there is prevalent the tapping of wires. That is the common understanding. Something should be done not only to prohibit the tapping of wires, but to make the practice criminal.

Mr. JOHNSTON of South Carolina. I have made that statement.

Mr. McCARRAN. There is only one exception to which I would agree, and that is whenever the national security is in jeopardy. The bill now pending, which I have had the honor to introduce, would make that one exception and no other.

In what the Senator from South Carolina has said, to the extent that I have had the opportunity to listen to him, I join with him very happily. But I find one exception. I think that with proper safeguards one exception might be made.

The United States has gone a long way in the issuance of search warrants. Congress has tried to protect the public as much as possible in their issuance. The courts have been authorized, upon a proper showing, to issue search warrants, and search warrants have taken their place in our jurisprudence.

I would not, under any circumstances, authorize wiretapping and permit such power to be placed in the hands of a political individual. My thought has been—and it is a matter to which I have given study for a long time—that whenever the national security is involved, Congress might well permit an application to be made to the courts and, upon a proper showing, allow the courts to issue an order for the tapping of wires. On such a showing, wiretapping for the purposes of national security might be permitted. That is as far as I would go, and that is as far as my bill goes.

I wholeheartedly concur in what the Senator from South Carolina has said, so far as I have had the opportunity to listen to his expressions.

Mr. JOHNSTON of South Carolina. I am glad to have the remarks of the distinguished Senator from Nevada.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Oregon.

Mr. MORSE. I do not know of anyone in the Senate who has a greater respect for the judicial background and the legal learning of the Senator from Nevada than has the junior Senator from Oregon. I certainly agree with the Senator from Nevada in his general opposition to wiretapping. But, as I have argued on the floor of the Senate, both today and on May 18, and as I shall argue in the future, when it comes to protecting the privacy of the individual I differ with my friend from Nevada that there should be any exception in the field of wiretapping. As Patrick Henry said in the Constitutional Convention of Virginia, when the argument then was made that the general warrant might be justified in the case of detecting traitors, there cannot be an exception.

The question of protecting the privacy of the individual and of not destroying such privacy must be considered. The difficulty with the safeguard which my good friend, the distinguished Senator from Nevada, proposes, even if court approval has been obtained, is that the tap is a tap of all the conversation which takes place, not only of the suspected subversive, but also of the innocent person who calls him.

The need for wiretapping, in my judgment, has not been established, because I think a case against a subversive can be proved by efficient law enforcement without any exception being made to the prohibition against the general warrant. In my judgment, wiretapping, no matter what so-called safeguards may be attached to it, becomes a general warrant.

When on a great constitutional or legal issue, I find myself opposed to or by the distinguished Senator from Nevada, I always regret it; but I do not think the situation today is a bit different in its seriousness, so far as the welfare of our country is concerned, than it was in the time of the constitutional conventions. Then our forefathers had the vision to see that the general warrant should be prohibited in all respects. I am calling for a rededication to our belief in the protection of the privacy of the individual.

The Senator from Nevada is right when he says that private wiretapping is rampant, and that public wiretapping by public officials is rampant. I think the part of his bill which should be accepted is the part which removes any question of doubt as to whether or not interception shall be declared illegal; but then no exception should be made to the illegality.

Mr. JOHNSTON of South Carolina. I am glad to have the remarks of the distinguished Senator from Oregon. I have always felt that although some persons who are Communists and who might do harm to our Government probably would be protected, and although possibly a few more persons might be convicted, still I do not believe that that would be worth what would be lost by giving the right to tap wires. When a wire is tapped, several persons are likely to be involved, and the one who is listening will be really listening to the innocent persons as well as to those who are guilty. I simply do not see how, in the long run, wiretapping would benefit the United States.

There is another phase of the right of privacy which should attract the attention of some in this body. I shall treat of it only briefly. Its implications are obvious. It will have no effect upon the statesmen who adorn our assemblage. The politicians among us should beware. I have read of instances of even city aldermen having received great political benefit through wiretapping and message interceptions. When a device can be employed to such advantage at the grassroots, the upper foliage, however warmly caressed by the first rays of the rising sun and however fortunate in being able to witness the last gleam of the golden sunset, is bound to feel the impact of this new invasion.

One possibly should not speak of these potentials—certainly not before the approaching election—but they accentuate the reason I advance that privacy once lost can never be regained. We shall all live alike in the fishbowl of common existence. There shall be no morning, noon, or night. Nothing, however sacred, can be concealed. Everything must be revealed.

We shall be asked to support a measure permitting our every expressed thought to become public property. Make no mistake about that. Look out for the day when mechanical mind-readers shall be employed to search for and reveal our contained thoughts. The proposals in these measures are only entering wedges. Later on we must amend and amend and amend. When amendments are over, total surrender of all our rights will have been accomplished. Who is there to argue otherwise?

This proposed legislation gives every Government official under the Attorney General a license to become a peeping-tom. The business of the private key-holder is destroyed. No longer will a man's home be his castle. We shall all be the victims of that silent, undesired, unexpected listener-in. He will intrude without invitation, fear, or favor. He will take his ill-gained knowledge and with it the remains of every remnant of a priceless inheritance under our Bill of Rights. No threat, peril, nor imminent national disaster appear on our horizon which would justify this kind of sacrifice on our part.

The price of wiretapping by the Government, local or national, is a parasitical growth grounded upon expediency in law enforcement methods and procedures. It has evolved around us without any sanction in law; and, as a matter of fact, it has developed notwithstanding the restrictions placed upon the introduction of wiretap evidence by the provisions of the Communications Act of 1934.

I consider wiretapping to be a carbuncle on the free growth and exercise of one's rights and liberties in a Democratic, free government.

The proposals in the several bills before the Congress involve a great deal more than may be comprehended in our individual or collective opposition to communism. Our dislike for communism demands no such conflict of ideals.

The proposals to which I refer involve a person's deepest convictions.

They involve the workings of one's conscience.

They involve his ability, inherent or acquired, to appreciate and understand the meaning and purpose of individual personal liberty.

They involve the fullest appreciation and enjoyment of our Bill of Rights.

There is room for no legitimate question or doubt, personal or official, that opposition to these proposals implies a belief or opinion that spies, saboteurs, subversives, or Communists should be treated lightly, softly, or gently. To them there should always be the severest application of existing means of detection, apprehension and enforcement of existing laws.

The snare of such a tangent argument, that wiretapping is desired, is for the unthinking, those unwilling to analyze, those who blindly trust any benign design of Government or the wiles of a devious enforcement officer. When we go to the trouble of ascertaining the consequences of any such childlike faith, we quickly see the bad effects.

Mr. President, embraced and lurking within these proposals are dragnets and pincers, the enlargement, development and legalation of which will surely retard our free way of life.

It is of transcendent importance that we do nothing to hamstring our free way of life. If democracy is to grow and flourish, it requires the wholesome atmosphere of faith, confidence, trust and good will; it withers in suspicion, distrust, hate or fear. The latter are characteristics of a people accustomed to oppression, not freedom.

Is not a basic distinction between a democratic form of Government on the one hand and tyranny on the other here involved?

We cherish, we love and we sanctify a free life. We teach our children its blessings. We distinguish it to them from the forms of government under which others are born and destined to live. We glory in its material and spiritual blessings.

It is not necessary that the liberty of the individual be subordinated to the safety, security or preservation of the State. Especially is this true in time of peace. Such arguments of suppression find their reasoning in the justifications asserted by men like Hitler, Mussolini, and Stalin. Patrick Henry, Thomas Jefferson, James Madison, and Andrew Jackson never employed any such argument in support of the recognition of a right already existing, or in preparing proper safeguards for any right threatened to be taken away. I prefer to follow the course of reasoning of our own illustrious forebears. Have democratic values lost their meaning? Is not this proposed cure of our ills by wire-tapping worse than the cancer it is supposed to remedy? Let us see.

How often, how repeatedly, have we heard echoed down through the years the sage advice of Jefferson that "the least governed is the best governed," and "democracy to live must be kept close to the people"?

Do we understand the full significance of that advice? Do we now comprehend what we are about to do, should these proposals be enacted? Do we foresee the second step in the direction of the long road such a measure would have us travel? To what destination does such a signpost point? Progress is a forward movement. Let us not reverse the trend of our national and local movements.

If like proposals of wiretapping were bad in the summer of 1941 when Tojo, Hitler, and Mussolini were astride the world, when the flames of a world war were threatening our shores, and a holocaust of destruction filled the skies, why now, with only a few spies and foreign agents in our midst, do we require this extraordinary invasion of our constitutional rights in the name of national security? There is no nationwide appeal, no concerted effort of the States through their legislatures, nor have there been any great conventions of our people, demanding the passage of legislation of this character. I dare say that if our people were cognizant of the evils embedded in the proposed measures they would rise up as a unit in opposition to these drastic propositions.

I referred a while ago to a fundamental concept of Thomas Jefferson. He wrote much. He spoke often in his letters and communications. The underlying concept and the golden thread of his entire concept of democracy was that there should be no government by remote control. The right of the individual, the safeguards of his liberties and freedom and those of his fellow citizens, were best served by keeping the authority over them close by the local ballot box. He always envisioned centralization of authority and concentration of power in the Federal Government as obstacles to the freedom of the individual. Liberty begins at the home level and should always remain close by.

At a later date I may have the opportunity to discuss more fully the philosophy of Jefferson and Jackson as each viewed the relationship between our national and local governments. Their views in the main were quite akin. Each was alarmed by the warning that a right given up by the individual or the State to the central government was the loss of another valued item of freedom and individual liberty. There has been a growing tendency over the past two decades or more to transfer from the local to the national scene all our problems for solution. This is a drift from democracy to a form of statism. The cry has been as though it came from a hapless and helpless people, "Let Uncle Sam do it." We must reverse the direction of that cry if freedom is to be preserved and democracy is to continue to abound.

Let us not forget that our greatness as a Nation is the result of the growth, strength, and independence of our local communities and State governments. The lines of demarkation must be preserved at all costs. The intelligence, the capacity, and the ever-present desire of our people for local self-government need to be encouraged, not frustrated. We could well, and should, consider measures which remove many of our Federal restrictions and return various powers to the States and local communities. This will aid the democratic process, and will restore rights to our people.

With particular reference to wiretapping and all the other devious methods employed in the interception of communications, what may we foresee? Prior to coming to Washington, I watched from a distance the mounting growth of a Federal bureaucracy. Since becoming a Member of the Senate, I have viewed with alarm every extension. As the Federal Government, its power and its activities increase, to that extent there is suppression and loss of State and local authority.

State lines are obliterated in many activities. States rights are more a symbol, than a reality. Let me illustrate my point by referring to situations that cause concern. Every executive department and agency has its security officers and corps of operating personnel. The armed services have their inspection and detection officers. Then there is the FBI, with its countless agents. The Central Intelligence Agency has its agents and representatives, here and abroad. The Treasury Department and the Bureau of Internal Revenue have their special detective forces. The Post

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Office Department has its inspectors throughout the country. The Civil Service Commission has its investigators, here and in every district. In other words, there is on every hand a host of detectives for almost every conceivable purpose. They add nothing to our liberties. While harmless and protective in the main, their main responsibility to our good citizens is to narrow their rights to fit the straight jacket and pattern of central conformity.

What does the proposed legislation seek to do? Would it add to our individual rights and liberties as a free people? No. However harmless and innocuous this measure may be said to be, nonetheless, its passage and enactment would result in the creation of another horde of snoopers; another pack of skilled, technical, and expert detectives would be turned loose to prey upon the individual's inherited rights of privacy and to peep into the vested rights of business, large and small. Let us not be misled by believing that the lens of the telescope of intrusion into our rights would be restricted in its area or scope. It may be said that these interceptors are to view only Mars, Venus, Jupiter, and Mercury. Yet, within their range would be the entire solar system of our individual existence. Who would doubt that ere long the entire field of our everyday existence would come within the purview, and fall under the supervision, of these interceptors?

Before it is too late, we should hesitate; we should take careful stock of our rights, and at least should attempt to foresee for the future whither this legislation beckons us. We should determine what we are about to give up and what we are to get in return.

We are prepared to meet a prowler in the night, an intruder upon our real property, and a trespasser either by theft or trickery against our personal property. We are not prepared to fence off the agent who would, by stealth or deceptive device, steal our confidences, our thoughts, our private or business plans. When, with so little armor of defense, we enter a field open to interceptions of our entire life's work and ambitions, how futile it is to assert that only spies need fear the outcome. What implicit, childlike faith is wrapped up in the garment of such an argument.

While none of us would erect a barricade or shield to protect a spy, a saboteur, or a subversive, none of us ought, for fear of them, want to forsake any of the constitutional guaranties of our own freedoms, as set forth in the Bill of Rights. Let us not become a Nation of faceless people. Let us ever be vigilant, virile, and strong. May we always be a people of personality, privacy, and dignity, possessing, cherishing, and protecting our individual rights and the sacred values of freemen.

In this brief time, Mr. President, I have sought to show that, if this proposed legislation becomes law, we shall have lost every right of privacy, and shall not have strengthened our Bill of Rights. To the contrary, we shall have subtracted from the priceless values of the freedoms guaranteed us by the fourth and fifth amendments.

It may be well for a moment to consider the reasons for our Bill of Rights. Our people felt it necessary to place restraints upon the Central Government. They wished no encroachment upon their rights and immunities either as a people constituting a sovereign State or upon themselves as individuals. Our people wished to preserve the rights they already enjoyed and the liberties they feared might be transgressed.

Briefly, our Bill of Rights does two things: (a) It declared the existence of certain privileges and freedoms which may not be infringed upon; in other words, it creates a shield of protection against intrusions from a central authority; and (b) it sets up separate fields of power for the Federal and State governments, with grants, on the one hand, and reservations, on the other. Very little else can rightly be comprehended within the first 10 amendments of the Constitution, our Bill of Rights.

Mr. President, I do not now hold, and never will hold, any brief for communism, for subversion, or for sabotage. But, I shall forever hold a brief for our Bill of Rights, for the sacredness of the home and for the individual's right of privacy. I shall and do maintain that we have an enforceable right to speak freely and confidentially by telephone or wire. I want these personal rights to remain secure from tapping or any other means of interception. They should remain inviolable.

I want to be able to communicate with my wife, my children, my friends, and associates with a feeling and confidential security uninterrupted by the frailties of human nature, the jealousies of the envious, or the suspicions of the ignorant. Wiretapping once legalized prevents these methods of rightful communications.

It is the judgment of many that the ball of centralized power is now wound sufficiently large. An unwinding and an unraveling of it is long overdue. Now is the time to start. The proposed legislation affords us an opportunity to begin that process.

We were warned by Jefferson when he said:

> Where all government, domestic and foreign, in little as in great things, shall be drawn to Washington as the center of all power, it will render powerless the checks provided of one government on another, and will become as venal and oppressive as the government from which we separated.
>
> * * * * *
>
> The true barriers of our liberty in this country are our State governments.

Speaking of concentration of power, Jefferson had this to say:

> The time to guard against corruption and tyranny, is before they shall have gotten hold of us. It is better to keep the wolf out of the fold, than trust to drawing his teeth and claws after he shall have entered.

We would do well to heed the advice of Andrew Jackson in his farewell address. He foresaw the evils of centralized power, for he said:

> It is well known that there have always been those amongst us who wish to enlarge the powers of the General Government, and experience would seem to indicate that there is a tendency on the part of this Government to overstep the boundaries marked out for it by the Constitution. Its legitimate authority is abundantly sufficient for all the purposes for which it was created, and its powers being expressly enumerated, there can be no justification for claiming anything beyond them. Every attempt to exercise power beyond these limits should be promptly and firmly opposed, for one evil example will lead to other measures still more mischievous; and if the principle of constructive powers or supposed advantages or temporary circumstances shall ever be permitted to justify the assumption of a power not given by the Constitution, the general government will before long absorb all the powers of legislation, and you will have in effect but one consolidated government. From the extent of our country, its diversified interests, different pursuits, and different habits, it is too obvious for argument that a single consolidated government would be wholly inadequate to watch over and protect its interests; and every friend of our free institutions should be always prepared to maintain unimpaired and in full vigor the rights and sovereignty of the States and to confine the action of the general government strictly to the sphere of its appropriate duties.

The solution I have proposed, and the substitute I offer, is to outlaw all forms of interception and wiretapping, including wiretapping and interception by private detectives, local police departments, agencies of the State government, and every branch of the Federal Government. Wiretapping and interception by all such individuals and agencies should be forbidden by law, with strict penalties for violation of the law.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WELKER. Would my good friend from South Carolina go further and propose to outlaw the rule of evidence that one who talks with another can relate that conversation in a court of law?

Mr. JOHNSTON of South Carolina. How far does the Senator propose to go?

Mr. WELKER. I am asking the Senator from South Carolina if he wishes to outlaw all disclosures of communications of whatever nature? I feel that a man who is a liar would not hesitate to lie in respect to a conversation between, say, the Senator from South Carolina and the Senator from Idaho.

Mr. JOHNSTON of South Carolina. We cannot, by legislation, make a truthful man out of a liar.

Mr. WELKER. Is not the same thing true with respect to the "peephole" operators?

Mr. JOHNSTON of South Carolina. There is a difference. When one is tapping a wire and making a record, that is a different operation. In a great many instances it invades the home. I should like to have the Senator tell me how one could tap wires without sometimes invading the privacy of the home.

Mr. WELKER. That is very true. However, as the able Senator from South Carolina knows, the bill covers only espionage and sabotage. I think I suggested kidnaping. I do not know of any way of catching a kidnaper other than by tapping the telephone in the home of the parents when the man who seeks the money calls. As the Senator well knows, we have not yet marked up the bill, but I made the suggestion with respect to including kidnaping. Certainly no

purely private conversations should be used as evidence.

Mr. JOHNSTON of South Carolina. The Senator from Idaho knows that when wires are tapped a great deal of information is disclosed which probably will never be used in court. Nevertheless, such information is used against the individual, sub rosa, so to speak, in a great many ways. I do not know whether the Senator has ever seen an FBI report or not, but I think it would awaken many people in the United States if they knew just how the FBI obtains records, and how it goes about wiretapping at the present time. I think it should be prevented from wiretapping. They get information by listening in, and they make it a part of their report. They also talk to people and say it has been reported by someone that so and so did thus and so. They take take it all down, and it all goes into the record. There are a great many things going on that I do not approve of. I do not approve of the FBI and the Department of Justice—certainly not the Department of Justice—being given the carte blanche right to do anything like that.

Mr. WELKER. Mr. President, will the Senator yield further?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WELKER. I certainly agree with the Senator in his conclusion that all private wiretapping should be eliminated. However, when our country is in danger, and espionage agents are working day and night, it seems to me that we should not put roadblocks in the path of our police officers and open the gates for subversives, saboteurs, and espionage agents.

Mr. JOHNSTON of South Carolina. That is where I differ with the Senator from Idaho.

Mr. WELKER. We never differ, because we are dear friends. I admire the Senator's great legal ability, and I am here to be educated. I ask the Senator from South Carolina to tell me in what way we differ.

Mr. JOHNSTON of South Carolina. What is the Senator's question?

Mr. WELKER. I said I agree with the Senator from South Carolina with respect to private wiretapping with such detecting devices as are used in divorce cases, for example.

Mr. JOHNSTON of South Carolina. The Senator knows that at the present time there are being used some devices which can be taken into an adjoining hotel room, for example, and with which, even without the use of any wires at all, it is possible to take down everything that is being said in the other room. Some of the devices resemble small watches, and with them it is possible to take down everything that is said in conversations. I believe that the use of that sort of device should not be permitted.

Mr. WELKER. Mr. President, will the Senator yield further?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WELKER. I am sure the Senator remembers the famous case involving Clarence Darrow, in which he was charged with subornation of perjury in connection with the bombing of the Los Angeles Times building. I am sure the Senator is well aware of the fact that the police had his room "bugged," as that practice is called, with what I believe are called dictographs.

Mr. MORSE. Detectaphones.

Mr. WELKER. They had those things all over the room. I believe that is why Clarence Darrow was acquitted. I cannot agree with the Senator from South Carolina that the best way to convict a man is by wiretapping. As a matter of fact, we are inclined to give the wrong impression if we believe that to be the case. The Senator, being a great lawyer, knows very well that the use of such devices would be one of the best ways in which to acquit a man. Does not the Senator agree with me?

Mr. JOHNSTON of South Carolina. Using such a device is certainly taking advantage of the other fellow. I believe the jury in such a case would quickly come to the conclusion the Senator mentions and free the man, instead of convicting him, if unfair means were used in trying to convict him.

Mr. WELKER. Mr. President, will the Senator yield further? I do not like to bother him too much.

Mr. JOHNSTON of South Carolina. That is perfectly all right. I have about concluded my remarks.

Mr. WELKER. The question was asked of me when I was holding hearings whether I would agree to wiretapping. I was asked that question by a former Democratic Attorney General, Mr. Biddle, and by the present Attorney General, Mr. Brownell. I said I would be in favor of it in order to protect the security of my country. That I firmly believe in. I should say further to the Senator from South Carolina that I have spent the major portion of my life in defending people who were charged with crime. I do not like to see an advantage taken of anyone. I do not believe that politics should enter into the consideration of this subject. I am sure the Senator from South Carolina agrees with me about that.

Mr. JOHNSTON of South Carolina. Neither do I believe that politics should enter into it; but I believe it would be very hard to keep politics out of it if we should give the Attorney General the right to employ wiretapping. I care not who the Attorney General might be, no matter who the Attorney General might be, it would be very hard to keep politics out of it.

Mr. WELKER. Regardless of who might be the Attorney General, he is the chief law-enforcement officer of the Nation.

Mr. JOHNSTON of South Carolina. Yes. I do not mean any reflection on any person who serves as Attorney General; but there is a certain amount of politics involved. An Attorney General is appointed because of his politics, and an Attorney General is usually dismissed because of his politics. That principle goes down the line. So I believe it will be very hard to keep politics out of it.

Mr. WELKER. Mr. President, will the Senator further yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WELKER. The Senator and I, when we became lawyers, took a very solemn oath, an oath which I am sure both of us respect, never to take advantage of the defenseless and the oppressed, I cannot imagine an Attorney General, whether he be a Republican Attorney General or a Democratic Attorney General, trying to take advantage of a man in an effort to send him to jail.

Mr. JOHNSTON of South Carolina. Generally speaking I believe that is correct. I have found that some prosecutors go into court trying to convict everybody, that other prosecutors really are too good to the criminals, and that still other prosecutors stand on a sort of middle ground. The human element enters into these considerations. That is what I have found to be the case.

Mr. WELKER. Under a rule of law a person may bore 4 or 5 peepholes and through them hear intimate personal conversations, for example, between myself and the Senator from South Carolina, and that person may be a vicious liar. However, his veracity is a question for the jury to determine. Am I not correct in that regard?

Mr. JOHNSTON of South Carolina. That is correct. The jury passes on the question of whether such a person is telling the truth.

Mr. WELKER. I still believe in the fundamental right of trial by jury, because I do not believe juries are fooled a great many times.

Mr. JOHNSTON of South Carolina. They do not make too many mistakes, although they make some, of course.

Mr. WELKER. They have made a few in cases in which I have been interested.

Mr. JOHNSTON of South Carolina. I, too, have had a few, a few such experiences. At least, I thought so at the time.

Mr. WELKER. As I understand, the Senator does not favor even the amendment offered by the Senator from Nevada [Mr. McCARRAN], with respect to first getting the consent of a judge before wiretapping is used.

Mr. JOHNSTON of South Carolina. That is better than the other proposal. I would vote for such an amendment to the bill, but personally neither proposal suits me.

Mr. WELKER. Even when the security of our country is involved?

Mr. JOHNSTON of South Carolina. I believe the security of our country can be very well protected without such a practice. I remember that, according to the testimony of J. Edgar Hoover, there were three times as many Communists in the United States when President Hoover went out of office than there are now. Nevertheless we did not hear any agitation for the passage of this kind of a law at that time.

Mr. WELKER. Mr. President, I should like to have the Senator answer my question with respect to the amendment offered by the Senator from Nevada [Mr. McCARRAN], which provides that a district judge shall first give his consent to wiretapping.

Mr. JOHNSTON of South Carolina. I do not believe anyone should be allowed to tap wires, even with the consent of a

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judge. That is my position. To do so means giving up a part of our sacred liberties under the Constitution.

Mr. WELKER. The Senator understands that it is not a violation of the fourth or fifth amendments of the Constitution.

Mr. JOHNSTON of South Carolina. I would not say that question has been ruled upon.

Mr. WELKER. It has been ruled upon by the Supreme Court, a court with which I know the Senator is unhappy.

Mr. JOHNSTON of South Carolina. The Supreme Court did not rule directly on the point.

Mr. WELKER. I beg the Senator's pardon. In the case of United States against Olmstead, the court said it was not a violation of the fourth or fifth amendment——

Mr. JOHNSTON of South Carolina. That it was not a violation to employ wiretapping?

Mr. WELKER. Yes; that it was perfectly legal.

Mr. JOHNSTON of South Carolina. But the court did not say it could be used as evidence.

Mr. WELKER. No.

Mr. JOHNSTON of South Carolina. The bill proposes to grant the right to use it as evidence.

Mr. WELKER. Who stopped the use of it as evidence?

Mr. JOHNSTON of South Carolina. Who stopped it?

Mr. WELKER. Yes.

Mr. JOHNSTON of South Carolina. No case has come up on that direct point.

Mr. WELKER. Oh, yes.

Mr. JOHNSTON of South Carolina. What case?

Mr. WELKER. The Judith Coplon case.

Mr. MORSE. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MORSE. I think the Senator is referring to the Communications Act as passed by Congress.

Mr. JOHNSTON of South Carolina. I quoted from that act a few moments ago. I do not think we have ever had a direct ruling on the constitutional question itself.

Mr. WELKER. Mr. President, will the Senator from South Carolina yield further?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WELKER. There was a ruling in the case of United States against Olmstead.

Mr. JOHNSTON of South Carolina. The Olmstead case did not go so far as to hold that such evidence could be used in court.

Mr. WELKER. Oh, no.

Mr. JOHNSTON of South Carolina. What was the ruling of the Court in that case?

Mr. WELKER. That wiretapping was perfectly legal, and did not violate the fourth and fifth amendments to the Constitution.

Mr. JOHNSTON of South Carolina. But the Court did not grant the right to use it as evidence.

Mr. WELKER. The Court has never passed on that point, but in the Coplon case the Court used section 605 of the act, and the Court held the wiretapping could not be used as evidence. Is that correct?

Mr. MORSE. Mr. President, will the Senator from South Carolina yield further?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MORSE. In the Olmstead case the Supreme Court, by a 5-to-4 decision, ruled that wiretapping did not constitute a violation of the fourth and fifth amendments. The Senator from Idaho is correct. As I said in my speech today, there were well-reasoned dissenting opinions, and I have cause to believe that if we could get the facts before the Court again there might be a different decision. In another case the ruling was laid down that the evidence could not be used because the Court interpreted section 605 of the act to mean that evidence collected by any interception was divulged even when the officer reported to his superior, and it would be in violation of the statute from the standpoint of divulgence and from the standpoint of the incorporation in the statute of the word "use." It also prohibited the use of the evidence. Therefore, as the Senator points out, it cannot be admissible in evidence.

When we come to the Coplon case—and the Senator may not agree with this analysis, but I discussed the two Coplon cases at some length today—we have the Washington Coplon case and the New York Coplon case. The interesting point is that the conviction of Miss Coplon in the Washington case did not involve wiretapping evidence. She was convicted without any wiretapping evidence at all. In the New York case there was wiretapping evidence involved, but it was thrown out on the ground that the use of the wiretapping evidence was in violation of the statute.

But the interesting point about wiretapping in the Washington Coplon case is that the wiretapping did not involve the collection of any evidence offered in the case against her, but the wiretapping process in the Washington Coplon case involved the interception of a telephone conversation between Miss Coplon and her attorney. The court ruled that what she was denied in the Washington Coplon case was her constitutional right to be represented by counsel. That was on a constitutional point.

Mr. WELKER. I agree with that.

Mr. MORSE. I am of the opinion that we can convict traitors, subversives, and Communists without wiretapping. I am convinced that we can convict them short of wiretapping. I think we are in exactly the same situation as was Patrick Henry when the argument was advanced by some persons that a general warrant was needed in order to detect traitors. Henry denied it, as I deny today that we need wiretapping to detect Communists and subversives. I think what we need is the right type of persevering, efficient law-enforcement officers. I do not believe we have to invade the privacy of the American home in order to catch saboteurs and espionage agents.

Mr. JOHNSON of South Carolina. Does the Senator from Oregon believe that Communists are too sly or too slick to use the telephone?

Mr. MORSE. No; I would not say that. In some instances that may be true, but I do not think there is any doubt that Communists use means of communication, and tapping those means does give an opportunity to listen into conversations of Communists, although I am also inclined to believe that to go all the way and completely legalize the use of wiretapping would cause most of them to be canny enough to recognize that they would have to find other means of communicating. I am inclined to think it would drive them underground even more than they are now.

Mr. WELKER. Would not that be a wholesome thing?

Mr. MORSE. No; not if we use the word in the sense in which I use it. I would drive them out of the country, if I had my way.

Mr. WELKER. I am sure of that.

Mr. MORSE. When I use the word "underground" I mean driving them into various subterfuges and devious devices for carrying on their work without the use of the telephone. Honest men differ on this question, as I think is being demonstrated at this moment, but I cannot support the use of any wiretapping device even on the ground that it is to be used only in detecting subversives, because what it amounts to is the general warrant. No matter what check we try to impose by way of court action, what is tapped is always a conversation, which thus becomes the property or the knowledge of some third person, opening the way to many dangers, such as police abuse, blackmail, third-degree methods, and what not. I do not think we need it and I do not believe we should tolerate it in the name of checking so-called Communist activities, because I have greater faith in the detection processes of efficient law-enforcement officers than to believe that we have to reconstitute the general-warrant concept.

Mr. WELKER. Mr. President, will the Senator from South Carolina yield, so that I may answer the Senator from Oregon?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WELKER. How, on God's green earth, could an innocent man object to his wire being tapped if, in fact, J. Edgar Hoover felt that the man was a subversive?

Mr. MORSE. I may say most respectfully, in the vein of two lawyers disagreeing, that I think it is a highly non sequitur argument on the whole issue of protecting the privacy of Americans to say, "If you do not have anything to hide, what objection do you have to giving up your privacy?"

My objection is that privacy is so precious that I do not believe because I have nothing to hide, that therefore I should be willing to relinquish it.

The privacy of the home, which is the castle of a free man, is so precious to freedom, that I do not believe any American ought to be forced by law to give it up simply on the basis of the argument: "What do you have to hide?" The

answer to the argument is, "Nothing; but what I want to preserve is my right to complete privacy."

Mr. WELKER. I appreciate the statement by the Senator from Oregon that we are lawyers disagreeing. But is it not a fact that the windowpeeper, the man who bores a hole in a door and hears what Senator MORSE says to Senator WELKER, is invading the right of privacy?

Mr. MORSE. If the Senator from Idaho wishes me to answer that question legislatively, I will go along with him and the Senator from South Carolina in saying that that invasion of privacy should be plugged up also.

Mr. WELKER. Mr. President, will the Senator from South Carolina yield once more to me?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Idaho.

Mr. WELKER. The Senator from Oregon said the Communists might go underground if the bill should be enacted. Why under the sun should they not use the communications systems when they have a free road to use them, while the law-enforcement bodies of the Government have no right whatsoever to do so?

Mr. MORSE. I do not know what conclusion is to be drawn from the Senator's question. I do not know what conclusion the Senator seeks to have drawn from it. Of course, if there is to be freedom, it must be a precious right to be enjoyed by everyone in the country who is entitled to it, the crooks as well as the honest. The basic philosophy of British and American jurisprudence, as the Senator from Idaho knows, is that fair procedure should be applied to the guilty as well as to the innocent. That is a part of our whole system of justice. We protect the guilty as well as the innocent, in the sense that the guilty are guaranteed a fair procedure.

Our difference on this point is, I think, that I hold to the point of view that the wiretapping procedure denies to people fair trials, fair hearings, and the fair right to privacy.

Mr. WELKER. Does it deny it any more than it does to a person who bores a hole through a door?

Mr. MORSE. The Senator from South Carolina and I are going to plug up that hole, too.

Mr. JOHNSTON of South Carolina. Mr. President, from this discussion I think it can be seen that there will be differences upon methods of handling the situation, but I certainly believe, so far as I am concerned, that wiretapping should be prohibited in any form.

When this is done we will begin to restore a measure of freedom to a people encircled by fear and hysteria. We will begin the task of making more secure all the protective provisions of our Bill of Rights. We will begin the work—so long neglected—of protecting the individual in the rights he has won through the struggle of the centuries. We can then freely proclaim to the world: "Others may lose their individual rights but we intend to preserve ours."

We will earn the approbation of freemen everywhere. The citadel of freedom for freemen will remain unassailable.

Mr. WELKER. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WELKER. I address this question to my two distinguished colleagues from South Carolina and Oregon, respectively, both of whom are able lawyers. Under their philosophy we should plug up the keyhole, but we should not deny to the Senator from Oregon the right to testify as to what he overheard the Senator from Idaho say to the senior Senator from Texas [Mr. JOHNSON]?

Mr. MORSE. Not at all—not in the environment I think the Senator from Idaho has in mind when he raises the question. If what the Senator from Idaho means is that if I were to hide under the bed in the home of the Senator from Texas and listen to the privacy of his conversation, I may say that I would plug up that violation of privacy, also.

If I sat in the cloakroom of the Senate, to assume a hypothetical situation, and listened to the Senator from Idaho and the Senator from Texas carry on a conversation which involved criminality, of course it would violate their privacy if I testified as to what I heard.

Mr. WELKER. We are speaking, of course, without any reflection upon our colleague, the distinguished minority leader.

Mr. MORSE. Yes; of course. Let us suppose persons X and Z.

Mr. WELKER. Suppose X and Z are in the home of A for dinner, and they go to a corner of the room. A thinks he hears something of interest. Perhaps he is a vicious man and does not tell the truth before the court. Should we not plug up that possibility, too?

Mr. MORSE. No.

Mr. WELKER. Why?

Mr. MORSE. There is no right of privacy violated.

Mr. WELKER. Not when X and Z are off in a corner?

Mr. MORSE. X and Z see A there.

Mr. WELKER. But A is off by himself. X and Z are having a private conversation in a corner. A goes to a law enforcement officer and says he heard X and Z say that they were going to blow up the Washington Monument.

Mr. MORSE. No legal privacy has been violated.

Mr. WELKER. I differ with the Senator from Oregon.

Mr. MORSE. I know the Senator does, because we are talking about the old legal definition of degree. But there is no violation of the privacy of X and Z at all. The three persons are sitting in a room. X and Z are in one corner; A is in another. A overhears a conversation.

I simply say that if violation of privacy is involved, that loophole should be plugged up.

Mr. WELKER. I differ with the Senator from Oregon on the definition of privacy of the home. I am certain that if such an event happened in the Senator's home, he would throw both parties out.

Mr. President, will the Senator from South Carolina yield for another question?

Mr. JOHNSTON of South Carolina. I yield for that purpose.

Mr. WELKER. We know that the debate on this question arose out of the decision by Mr. Justice Holmes, in which he stated that this type of interception was a dirty business. Am I not correct?

Mr. MORSE. That was one of the pronouncements he made in that decision. He made many more, as did Mr. Justice Stone in that case. Even Mr. Justice Butler, in that case, laid down some sound principles on the matter of protecting the privacy of citizens, as did Mr. Justice Brandeis. In these days, I think we ought to review those principles.

Mr. WELKER. What is more dirty business than for a man to overhear a conversation—let us assume he is an FBI agent—and then to go into a Federal court and deliberately to lie against two persons? That certainly is dirty business.

Mr. MORSE. Of course it is dirty business, but I think it is irrelevant to the whole issue of whether or not Congress should permit the privacy of a free man's home to be invaded by wiretapping, unknown to the individual.

Mr. WELKER. With his great ability, my good friend, the distinguished Senator from Oregon, could cross examine such a person right out of court, as he well knows.

Mr. MORSE. In that case, such a procedure of protection is available.

Mr. WELKER. Certainly; and that procedure would be available in the case of wiretapping.

Mr. MORSE. No; there would not be that protection, once the knowledge of what took place in the telephone conversation became the property of the police. Individuals would then be subject to being victimized by police tyranny.

Mr. WELKER. Mr. President, will the Senator from South Carolina further yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WELKER. Perhaps the Senator from Oregon has not followed our hearings. There is every way in the world for one to lie and cheat and steal in connection with wiretapping devices.

Mr. MORSE. I discussed that at some length today.

Mr. WELKER. I am sorry that I did not hear the Senator's speech.

Mr. MORSE. I shall use an example again. According to what the technicians have told me, I could record on a tape a 1-hour speech in the Senate by the Senator from Idaho, and turn the speech over to the technicians, who could then bring forth a recording proving conclusively, from the standpoint of the tape, that the Senator from Idaho recited the Internationale on the floor of the Senate.

Mr. WELKER. I appreciate that.

Mr. MORSE. That is why I am against wiretapping.

Mr. WELKER. But will not the Senator from Oregon agree with me that by

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cross-examination and the use of corroborating witnesses, such a recording could be blown right out of a courtroom?

Mr. MORSE. No; I think that is a very false assumption to make. There may be a very able lawyer who in case X will break down the falsity of the wiretap. In many other cases the wiretap may stand up and the jury may believe it. I think we should outlaw the process or procedure of wiretapping in order to prevent the dangers that exist under such procedures.

Mr. WELKER. The Senator from Oregon would outlaw all wiretapping?

Mr. MORSE. I would outlaw all wiretapping.

Mr. WELKER. The Senator would not compromise with a provision that judges should pass on requests to wiretap and grant permission?

Mr. MORSE. No. Let me say a word about the judgeship check. In the first place, there is no way to stop the process from being what Judge Brandeis described it as being in the Olmstead case. It cannot be a selective process. Once a wire is tapped, everything that goes over the wire is tapped. I think that should be kept in mind. Secondly, we need to recognize how law enforcement works. The judge is a member of the community. He has to work cooperatively with the prosecutor, and the prosecutor with the judge. Usually there exists a desirable teamwork relationship between the judge and the prosecutor, and such a procedure will become pro forma. In most cases, as the wire tapping procedure would become the practice, the prosecutor would appear before the judge and state, "Your honor, we have reason to believe Mr. X is a dangerous subversive in this community. We want you to authorize our tapping the wires of X." Where is the judge who ordinarily would deny such a request?

Mr. WELKER. I can name two of them in the Senator's own State. Does the Senator from Oregon think that Judge Alger Fee, the greatest jurist I know, or Judge Claude McColloch, would ever grant such permission without positive evidence?

Mr. MORSE. I am not going to speak for Judge Fee or Judge McColloch; I am going to speak to the practice. It does not make any difference whether a certain judge would grant permission to tap the wires of X, Y, or Z.

The fact is that if a prosecutor came before a judge and stated, "We think we have a bad subversive in this town and we want to have an order to wire tap his telephone," the judge would ask, "What have you by way of prima facie evidence?" That is what the bill would require. A prima facie case would have to be made out.

The prosecutor would then state, "Well, on the following days we saw him with these people, and they are bad characters. Some of the public acts of this fellow indicate he is associated with a pretty bad crowd. We saw the following people come out of his home on February 1. We have a suspicion that maybe he is having Communist meetings in his home. We think we had better put him under surveillance."

Without naming individual judges, I think in most instances, with the working arrangement which exists between judges and prosecutors, the prosecutor would get a court order. I do not think there would be any safeguard at all. When the prosecutor received his order, he would receive an order to tap the whole conversation, whatever went over the wires, the conversations of the people who called in as well as those of the persons they were trying to detect.

Mr. WELKER. Mr. President, I desire to have the floor for only a few moments more. I am sorry to take up so much time, but this is a very enlightening debate, I am sure. No doubt the Senator from Oregon has had some experience as a prosecutor, has he not?

Mr. MORSE. No, I have not. I have not had that great opportunity which the Senator from Idaho has had. I have not been a prosecutor. However, I have studied the records of a great many prosecutors.

Mr. WELKER. The Senator from Oregon has stated that there is an alliance between judges and prosecutors.

Mr. MORSE. I did not say an alliance. I said there is good teamwork. There ought to be. There is a good teamwork between them.

Mr. WELKER. I do not think there should be. I differ with the statement of the Senator from Oregon.

Mr. MORSE. If the prosecutor makes a prima facie case, I think there should be good teamwork.

Mr. WELKER. When one goes to a judge for a search and seizure warrant, as I have done hundreds of times, one will find that if he does not have the evidence he will not be granted such a warrant. I have had that experience many times.

Mr. MORSE. Certainly. That is why there exists the great protection in the Bill of Rights as to search and seizure warrants. We did away with the general warrant for searches and seizures. No one can now get a general warrant for searches and seizures. It is necessary to have a specific warrant, and identify the property which it is desired to seize. It has to be made pretty clear to the judge where it is expected the property will be found. Every man is protected from a rummaging performance in his castle or home.

Mr. WELKER. It is necessary to name the place and to have reasonable grounds on which to ask the judge for such a writ.

Mr. MORSE. I should like to say, most respectfully, that the argument by analogy breaks down when the Senator applies the warrant question to the wiretap question.

Mr. WELKER. We are now discussing judges.

Mr. MORSE. The protection afforded by requiring action by a judge, to which the Senator from Idaho is referring, in my opinion affords no protection at all. I am opposed to the so-called safeguard of having a judge act, and I want to point out it does not protect the individual from what I think is the abuse of the general warrant characteristic of wiretapping.

Mr. WELKER. While we are on the question of the protection requiring action by a judge, I may cite an experience which I had, and which I think my distinguished colleague from Oregon may have had. I know that I have had such an experience, and the Senator from Utah [Mr. WATKINS], who is on the committee, has had the same experience. When a person goes to a particular judge, files his affidavit, and asks for a writ, the clerk, the court attachés, and the reporter are present, and it soon leaks what is being sought. The Senator from Utah related an experience which he had when he was a jurist and granted a writ of search and seizure to invade the right of privacy of the home. There were reasonable grounds for granting such a writ, but because the information leaked out from the judicial chamber, when the authorities reached the place in question they found the persons present were playing rummy and they just laughed at the officers. After the officers left, they resumed operating the still, or dispensing illegally possessed liquor, or whatever the violation may have been.

Mr. MORSE. I think many such cases can be cited, but I do not admit the general premise stated by the Senator from Idaho, that if there existed the so-called judge requirement, where there was a leak the situation could not be handled, but that in most cases there would not be such a leak. That does not go to the basis of the problem. The basis of the problem is whether or not the judge requirement or any other requirement gives an individual protection against invasion of his privacy to the extent that it prevents a law enforcement officer from getting all of the conversation. When permission is given to get all the conversation, the person is subject to a great many abuses.

Mr. WELKER. I am sure the Senator from Oregon has great respect for Mr. J. Edgar Hoover.

Mr. MORSE. Oh, yes, but I certainly disagree with his recent pronouncement with regard to wiretapping. I wish he had stood by the pronouncements which he made in 1940 and 1941.

Mr. WELKER. I wish Chairman CELLER, of the House Judiciary Committee, had kept to the pronouncements which he made in 1953.

Mr. MORSE. I do not know about them.

Mr. WELKER. I suggest to the Senator from Oregon that he read the RECORD.

Mr. MORSE. Until the Senator from Idaho shows me, I would not know whether it has anything to do with the issue under discussion.

Mr. WELKER. Chairman CELLER made as a complete reversal of his field as any I ever saw. The Senator from Oregon states that he does not want the right of privacy invaded; but, under present conditions when evil men are seeking to destroy our Nation, we are giving the right of privacy to saboteurs, espionage agents, kidnapers, and other such law breakers, and we are absolutely putting a roadblock in the way of the FBI or other law-enforcement agencies.

Mr. President, in concluding my brief remarks, let me say that, as my friend, the Senator from Oregon knows, I have had considerable experience along these lines; and I wish to assure my colleagues that I am trying to be fair in this matter.

On the subject of the Coplon case, let me say I do not believe that a person who has had to face the fire of a day in court should have to return to face it again.

Later I shall have more to say on this subject, which I did not know was to be discussed in the Senate Chamber today. In the meantime, I hope my colleagues will be thinking about it.

I certainly appreciate very much the delightful discussion I have had with my two able and distinguished lawyer friends.

Mr. MORSE. Let me say it is always a pleasure to participate in a discussion with the distinguished Senator from Idaho.

ORDER FOR CALL OF THE CALENDAR ON MONDAY

Mr. KNOWLAND. Mr. President, I am still hopeful that this evening we may complete consideration of the noncontroversial features of the appropriation bill, which is the unfinished business, so that we can dispose of them. There is a unanimous-consent agreement on the bill, and it will be put into operation on Moday. It is expected to continue with consideration of the appropriation bill on Monday until final action on it is taken.

I now ask unanimous consent that upon completion of consideration of the appropriation bill, there be a call of the calendar, for consideration of bills and other measures to which there is no objection, from the point where the last calendar call concluded, which will mean starting with Calendar No. 1519, Senate bill 1308, for the relief of Leonard Hungerford, and including Calendar No. 1466, House bill 2566, to amend the Contract Settlement Act of 1944; Calendar No. 1498, House bill 2844, providing for the ratification of the Revenue Bond Act of 1935, enacted by the Legislature of the Territory of Hawaii; and Calendar No. 1514, Senate bill 3487, to authorize the Central Bank for Cooperatives and the regional banks for cooperatives to issue consolidated debentures, were the bills which went over from the last calendar call to the next calendar call.

Mr. MORSE. Mr. President, reserving the right to object, I should like to make an inquiry of my friend, the Senator from California. I do not know how much patience the Senator from California has tonight.

Mr. KNOWLAND. I am very patient.

Mr. MORSE. I hope the spirit of brotherly love and charity will stream through the veins of the Senator from California. As the Senator knows, I have been ready from the beginning of the session today, waiting to make some remarks on the unfinished business.

Mr. KNOWLAND. I have a slight suspicion as to what the Senator from Oregon is going to suggest.

Mr. MORSE. I refer to House bill 3097, which would authorize the transfer to the regents of the University of California, for agricultural purposes, of certain real property in Napa County, Calif. I think my argument on the bill will not take more than 20 or 30 minutes, and the Senate can then vote on the bill.

Mr. KNOWLAND. Am I to understand that the Senator from Oregon would be inconvenienced if the bill were not taken up today, but were put over to Monday?

Mr. MORSE. Not only would I be inconvenienced; but I have such an important engagement of long standing in Wisconsin, on Monday, for a speech on civil rights, that I do not see how I could possibly return in time. So I wonder whether the Senator from California will accommodate me by agreeing to an understanding that the California bill will not be taken up until Tuesday.

Mr. KNOWLAND. Mr. President, the Senator from Oregon hardly need ask me that question. Of course I am willing to agree to such an arrangement.

Mr. MORSE. I appreciate very much the Senator's courtesy in the matter.

Mr. KNOWLAND. I shall be glad to have the California bill, to which the Senator from Oregon apparently has some slight objection, put over until Tuesday, so the Senator from Oregon can return and make his speech in opposition.

Mr. MORSE. I thank the Senator from California very much indeed.

Mr. KNOWLAND. If that takes care of the matter, I now submit the request previously stated.

The PRESIDING OFFICER (Mr. UPTON in the chair). Is there objection? Without objection, it is so ordered.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 13, in line 13. The amendment will be stated again.

The CHIEF CLERK. Under the heading International Educational Exchange Activities, on page 13, in line 13, after the word "appropriation" and the semicolon, it is proposed to strike out "$9,000,000" and insert in lieu thereof "$15,000,000."

Mr. BRIDGES. Mr. President, I ask unanimous consent that a brief statement on the International Educational Exchange activities be printed at this point in the RECORD, prior to taking action on the amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

INTERNATIONAL EDUCATIONAL EXCHANGE ACTIVITIES

The committee has allowed the budget estimate of $15 million for this activity which is an increase of $6 million over the amount allowed by the House. Of the $15 million recommended, $7,560,166 is to be used to purchase foreign currencies or credits owed to or owned by the United States Treasury, in order to reduce our hard-dollar expenditures abroad. For 1954 the allowance was $14,965,000.

It is the sense of the committee that smaller colleges and universities, nationwide, be provided with a greater opportunity to participate in the International Educational Exchange program. This applies not only to the selection of exchangees being sent abroad but also to foreign exchangees coming to the United States. The tendency has been to concentrate on the larger institutions of learning. The committee in no way objects to the utilization of these larger institutions, but believes that the selection of American exchangees to go abroad and the assignment of foreign exchangees should be spread over the greatest geographical area possible. It is only in this way that foreign exchangees will catch the true breadth of the American character and way of living. The committee states frankly that its recommendations for the fiscal year 1956 will depend upon the success of carrying out the above recommendations.

Mr. BRIDGES. Mr. President, I wish to say that I concur in the statements made by various Senators in favor of the educational exchange activities funds. The Senators who have raised questions about this item may be assured that in the conference, the conferees on the part of the Senate will certainly make every effort to express forcibly the will of the Senate regarding this fund.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 13, in line 13.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, under the subhead "General provisions—Department of State," on page 16, after line 13, to insert:

SEC. 111. Any person appointed to the Foreign Service shall receive basic salary at one of the rates of the class to which he is appointed which the Secretary of State shall, taking into consideration his age, qualifications, and experience determine to be appropriate for him to receive.

Mr. GORE. Mr. President, I make the point of order that the amendment proposes legislation on an appropriation bill.

The PRESIDING OFFICER. The Chair is advised——

Mr. BRIDGES. Mr. President, in view of the raising of the point of order, I suggest that this amendment go over until Monday. Let me point out that previously I have filed, in connection with this amendment, a notice of intention to move to suspend the rule.

The PRESIDING OFFICER. Does the Senator from Tennessee withdraw the point of order?

Mr. GORE. No.

Mr. BRIDGES. Mr. President, I ask unanimous consent that the committee amendment on page 16, after line 13, inserting section 111—on which the distinguished Senator from Tennessee has been forced to raise a point of order—and also the committee amendment on page 16, after line 18, inserting section 112, go over to Monday.

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In this connection, I point out that a notice of intention to make a motion to suspend the rule has already been filed.

Mr. GORE. Mr. President, I am agreeable to the course of action proposed by the Senator from New Hampshire.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Hampshire? Without objection, it is so ordered.

The next amendment of the committee will be stated.

The next amendment was, under the heading "Title II—Department of Justice—Legal Activities and General Administration—Salaries and Expenses, General Administration," on page 17, line 14, after the word "Assistant", to strike out "$2,450,000" and insert "$2,495,000."

The amendment was agreed to.

The next amendment was, under the subhead "Salaries and Expenses, United States Attorneys and Marshals," on page 18, line 12, after the word "ammunition", to strike out "$14,000,000" and insert "$14,500,000."

The amendment was agreed to.

The next amendment was, under the subhead "Fees and Expenses of Witnesses," on page 19, line 1, after the word "Code", to strike out "$1,200,000" and insert "$1,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Immigration and Naturalization Service—Salaries and Expenses," on page 21, line 18, after the figures "$39,000,000", to insert a colon and "*Provided*, That hereafter the compensation of the Deputy Commissioner, Immigration and Naturalization Service, shall be $15,000 per annum."

The amendment was agreed to.

The next amendment was, under the subhead "Federal Prison System—Salaries and Expenses, Bureau of Prisons," on page 22, line 2, after the name "Alaska", to strike out "not to exceed $529,000 for departmental personal services"; and in line 18, after "(5 U. S. C. 341f)", to strike out "$26,385,000" and insert "$26,850,000."

The amendment was agreed to.

The next amendment was, under the subhead "General Provisions—Department of Justice," on page 24, after line 8, to strike out:

SEC. 202. The minimum annual salary of any United States Attorney, any Assistant United States Attorney, or any special attorney or special assistant, as set forth in section 202 of the Department of Justice Appropriation Act, 1954, shall not apply to any such official after June 30, 1954.

And in lieu thereof to insert:

SEC. 202. The minimum annual salary of any United States attorney, appointed to serve in any of the United States Territories or possessions, or of any assistant United States attorney, special attorney, or special assistant who has not been engaged in the practice of law for 3 years, as set forth in section 202 of the Department of Justice Appropriation Act, 1954, shall not apply to any such official after June 30, 1954.

The amendment was agreed to.

The next amendment was, on page 25, after line 23, to insert:

SEC. 208. Not to exceed 5 percent of the appropriations for legal activities and general administration in this title shall be available interchangeably, with the approval of the Director of the Bureau of the Budget, but no appropriation shall be increased by more than 5 percent and any interchange of appropriations hereunder shall be reported to the Congress in the annual budget.

The amendment was agreed to.

The next amendment was, under the heading "Title III—Department of Commerce—Office of the Secretary," on page 26, line 14, after the figures "$1,000", to strike out "$2,000,000" and insert $2,100,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of the Census," on page 27, line 1, after the figures "$6,200,000", to strike out the comma and "of which $10,000 shall be used to renew the compilation of statistics on stocks of coffee on hand."

The amendment was agreed to.

The next amendment was, on page 27, after line 3, to insert:

Census of agriculture: For expenses necessary for taking, compiling, and publishing the 1954 census of agriculture, as authorized by law, including personal services by contract or otherwise at rates to be fixed by the Secretary of Commerce without regard to the Classification Act of 1949, as amended; and additional compensation of Federal employees temporarily detailed for field work under this appropriation; $16 million, to become immediately available and to remain available until December 31, 1956 (13 U. S. C. 216, as amended by 66 Stat. 736).

The amendment was agreed to.

The next amendment was, under the subhead "Civil Aeronautics Administration," on page 28, line 3, after the word "snowshoes", to strike out $96,450,000" and insert "$97,850,000."

The amendment was agreed to.

The next amendment was, on page 30, line 11, after the word "uniforms", to strike out "$550,000" and insert "$650,000."

The amendment was agreed to.

The next amendment was, under the subhead "Business and Defense Services Administration," on page 32, at the beginning of line 22, to strike out $6,070,000" and insert "$6,820,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Foreign Commerce," on page 33, at the beginning of line 8, to insert "and purchase of materials necessary to prepare exhibits for use in international trade fairs"; and in line 9, after the amendment just above stated, to strike out "$1,500,000" and insert "$2,500,000."

The amendment was agreed to.

The next amendment was, under the subhead "Maritime Activities," on page 34, line 7, after the word "Commission", to strike out $55,000,000" and insert "$85,000,000"; in the same line, after the amendment just above stated, to insert "to be derived by transfer from the appropriation 'War Shipping Administration Liquidation, Treasury Department,' and"; and on page 35, at the beginning of line 15, to strike out "and fifty."

The amendment was agreed to.

The next amendment was, on page 35, line 20, after the figures "$13,500,000", to insert "of which sum $5,000,000 shall be derived by transfer from the appropriation 'War Shipping Administration Liquidation, Treasury Department,' and."

The amendment was agreed to.

The next amendment was, on page 37, after line 11, to strike out:

War Shipping Administration liquidation: Not to exceed $2,000,000 of the unexpended balance of the appropriation to the Secretary of the Secretary in the Second Supplemental Appropriation Act, 1948, for liquidation of obligations approved by the General Accounting Office as properly incurred against funds of the War Shipping Administration prior to January 1, 1947, is hereby continued available during the current fiscal year, and shall be available for the payment of obligations incurred against the working fund titled: "Working fund, Commerce, War Shipping Administration functions, December 31, 1946."

And in lieu thereof to insert the following:

War Shipping Administration liquidation: Not to exceed $12,500,000 of the unexpended balance of the appropriation to the Secretary of the Treasury in the Second Supplemental Appropriation Act, 1948, for liquidation of obligations approved by the General Accounting Office as properly incurred against funds of the War Shipping Administration prior to January 1, 1947, is hereby continued available during the current fiscal year, and shall be available for the payment of obligations incurred against the working fund titled: "Working fund, Commerce, War Shipping Administration functions, December 31, 1946": *Provided*, That the unexpended balance of such appropriation to the Secretary of the Treasury less the amount of $12,500,000 continued available and less the amount of $85 million transferred to the appropriation "Operation-differential subsidies" and less the amount of $5 million transferred to the appropriation "Salaries and expenses, Maritime Activities", by this act, is hereby rescinded, the amount of such unexpended balance to be carried to the Surplus Fund and covered into the Treasury immediately upon the approval of this act.

The amendment was agreed to.

The next amendment was, on page 39, line 15, after the word "Office", to insert a colon and "*Provided*, That this provision shall not apply to any case in which a final court judgment has been made."

The amendment was agreed to.

The next amendment was, under the subhead "Patent Office," on page 40, line 18, after the word "Patents", to strike out "$11,000,000" and insert "$12,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Public Roads," on page 41, at the beginning of line 20, to strike out "$350,500,000" and insert "$360,500,000."

The amendment was agreed to.

The next amendment was, on page 41, at the beginning of line 22, to strike out "$146,500,000" and insert "$136,500,000."

The amendment was agreed to.

The next amendment was, on page 43, line 1, after the word "expended", to insert a colon and "*Provided*, That no part of this appropriation shall be allocated for expenditure in a particular country unless such allocation shall have been submitted to and reviewed by the Senate and House Appropriations Committees 30 days in advance of the allocation."

The amendment was agreed to.

The next amendment was, under the subhead "National Bureau of Standards," on page 45, line 10, after the word "for", to strike out "$3,000,000" and insert "$3,300,000."

The amendment was agreed to.

The next amendment was, on page 45, at the beginning of line 19, to strike out "$2,000,000" and insert "$2,200,000."

The amendment was agreed to.

The next amendment was, under the subhead "General Provisions—Department of Commerce," on page 47, after line 11, to insert:

SEC. 304. There shall be hereafter in the Department of Commerce, in addition to the Assistant Secretaries now provided for by law, one additional Assistant Secretary of Commerce, who shall be appointed by the President by and with the advice and consent of the Senate, and who shall be subject in all respects to the provisions of the act of July 15, 1947 (61 Stat. 326), as amended (5 U. S. C. 592a) relating to Assistant Secretaries of Commerce. Section 3 of Reorganization Plan No. 5 of 1950, as amended (64 Stat. 1263; 66 Stat. 121) is hereby repealed.

The amendment was agreed to.

The next amendment was, on page 47, after line 21, to insert:

SEC. 305. The Secretary of Commerce hereafter is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, to place one position in grade GS–18, fourteen positions in grade GS–17, and five positions in grade GS–16 in the General Schedule established by the Classification Act of 1949, and such positions shall be in addition to those positions in the Department of Commerce presently allocated in grades GS–16, GS–17, and GS–18.

Mr. BRIDGES. Mr. President, this is another amendment about which the distinguished Senator from Tennessee [Mr. GORE] has spoken to me, and has said that if I insisted on the amendment, he would raise a point of order. Therefore, I suggest that the amendment go over until Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

The next committee amendment will be stated.

The next amendment was, on page 48, after line 6, to insert:

SEC. 306. No part of the appropriations made available in this title shall be available for management studies except the $100,000 authorized for transfer to the Office of the Secretary.

The amendment was agreed to.

The next amendment was, under the heading "Title IV—United States Information Agency", on page 51, line 2, after the word "organizations", to strike out "$75,814,000" and insert "$83,814,000"; in line 3, after the amendment just above stated, to insert "of which $3,200,000 shall be derived by transfer from the unobligated balance in the account "International Information Activities, United States Information Agency", and"; in line 6, after the word "shall" to insert "if possible", and in line 8, after the word "States", to insert "and not less than $300,000 shall be made available to one or more private international broadcasting licensees for the purpose of developing and broadcasting under private auspices, but under the general supervision of the United States Information Agency, radio programs to Latin America, Western Europe, as well as other areas of the free world, which programs shall be designed to cultivate friendships with the peoples of the countries of those areas, and to build improved international understanding."

The amendment was agreed to.

Mr. HICKENLOOPER. Mr. President I have a question I should like to raise. The language on page 49, line 24, as it came over from the House, has not been altered by the Senate committee. The item is for "purchase of caps for personnel employed abroad." That language was not altered by the Senate committee as it came from the House.

It seems to me that is a rather interesting provision. We can buy caps for guards and others who work for our Information Service abroad, but we cannot provide uniforms for them. I think perhaps it might look a little foolish to see some of them walking around with fancy caps and perhaps canvas trousers, some with one kind of shoes and others with another kind. A cap may be a badge of authority, but I think we ought to strike out the word "caps" and either buy them nothing, or continue the practice which has prevailed in the past and buy respectable, dignified uniforms, so as to provide uniformity of appearance, identification, and so forth. I prefer that the Government buy the uniforms, too, so perhaps we should say "caps and proper uniforms."

Mr. BRIDGES. Mr. President, I will say to the distinguished Senator from Iowa, that probably it was a little Yankee thrift which impelled us to exclude uniforms and use the word "caps." Very frequently special police in small towns do not have uniforms, but they wear badges. When we go abroad we may see a man in ordinary street clothes wearing a sort of official cap. If the Senator wishes to offer such an amendment, we could eliminate the words "purchase of caps for personnel employed abroad." This would throw the question into conference, where we could discuss the question of costs.

Mr. HICKENLOOPER. I am perfectly willing to have the item taken to conference, so far as my personal attitude is concerned. Last fall I saw a fellow in Africa who wore a fancy hat and a breech clout, but no shoes. The hat was a grand affair, but he had no other kind of uniform. It is satisfactory to me to have the item taken to conference, where the question may be discussed and a decision reached as to what is the desirable thing to do. I do not know whether this subject was given serious consideration in the committee.

Mr. DOUGLAS. Mr. President, will the Senator from Iowa yield?

Mr. HICKENLOOPER. I yield.

Mr. DOUGLAS. Now that we have reached a question of earth-shaking importance, relating to the purchase of caps, is not the Senator from Iowa greatly pleased that on page 50, line 3, there is authorized the "purchase of ice and drinking water abroad"?

Mr. HICKENLOOPER. I think that is highly essential. I know the Senator from Illinois has been in many foreign countries. Frequently one's internal apparatus is disturbed by the drinking water one is forced to use abroad.

It is very essential that proper drinking water be provided. I think the Senator can testify to the importance of that. I believe that ice and drinking water are absolutely essential to health.

Mr. BRIDGES. Mr. President, if the Senator from Iowa will offer an amendment to add the purchase of uniforms to the purchase of caps, or merely to provide for the purchase of uniforms, which would include caps, the Senator from New Hampshire, as chairman of the committee, will accept it.

Mr. HICKENLOOPER. Mr. President, I move, on page 49, line 24, to strike out the word "caps", and insert in lieu thereof the word "uniforms." I think that would take the item to conference.

Mr. BRIDGES. Very well. In order that there may be no misunderstanding in the mind of the Senator from Utah or in the minds of the officials of the United States Information Service, let it be made clear that if such an amendment is agreed to, it means that we are proposing to buy uniforms in limited numbers, for guards and similar employees. We are not authorizing the purchase of uniforms for everyone. We expect the officials to use their discretion.

Mr. HICKENLOOPER. I would be the first to stand as a watchdog to prevent the purchase of uniforms for everyone. The fewer uniforms that are bought the better I shall like it. Either we should buy uniforms, or we should not buy uniforms.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. DOUGLAS. Since the Senator from Iowa now wishes to use more general language on page 49, does he not think it would be better and more in keeping with the diplomatic service to substitute the word "potables" for "ice and drinking water," on page 50, line 3?

Mr. HICKENLOOPER. I am afraid that would open up the question of the interpretation of the word "potables." The term "ice and drinking water" is specific.

Mr. DOUGLAS. Therefore I take it the Senator from Iowa wishes to exclude the possibility of more stimulating beverages than ice and drinking water.

Mr. HICKENLOOPER. No, I wish to avoid getting into that field at all.

The PRESIDING OFFICER. The Senator from Iowa asks unanimous consent for the consideration of his proposed amendment at this time. Is there objection? The Chair hears none; and, without objection, the amendment is agreed to.

Mr. HICKENLOOPER. Mr. President, what action was taken with respect to the committee amendment on page 51, line 2?

The PRESIDING OFFICER. That amendment has been agreed to.

Mr. HICKENLOOPER. I should like to interrogate the Senator from New Hampshire with respect to the total

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amount. The amendment went through so fast that I did not catch it.

I have had some conversations today with the Senator from New Hampshire and some of the other members of the Committee on Appropriations. It was my original intention to offer an amendment proposing to increase the amount of $83,814,000 recommended by the Senate committee to $89 million, which was the amount of the budget request.

Frankly, I find that such an amendment would probably encounter considerable opposition, because of the organizational questions involved, the Senate committee having considered the question quite thoroughly.

I came to the conclusion, after these discussions, that I would not offer the amendment increasing the amount to $89 million. However, I wish to say that in refraining from offering the amendment I am assuming that the conferees on the part of the Senate will hold out to the last ditch for the Senate committee figure of $83,814,000.

The reason I say that is that I feel that even the budget request is far less than should be appropriated for this important agency. In the past there have been periods when it has been subjected to criticism. I have criticized it almost as much as has any other Senator. However, we now have a new Director, who has been in office about a year. He has been attempting to organize this great activity on a better basis. I think it is an essential activity. There is at least 1 country in the world which is estimated to be spending not less than $1 billion a year on information activities. I have seen those activities operate to our detriment, because we simply did not have the money with which to operate. I say to the Senator from New Hampshire that I hope the conferees will hold fast to this item. I believe they will. It is for that reason that I am not offering the amendment at this time.

Mr. BRIDGES. I appreciate the distinguished Senator's view. I know that as a member of the Foreign Relations Committee he has taken a great deal of interest in this activity. Hearings were held on this subject, extending over a period of several days. There was very detailed discussion in the committee during the markup of the bill. There were motions before the committee to reduce individual items, and to reduce the total amount.

They had some support, but they were defeated. Then a motion was made to leave the recommended appropriations at the figure which the House had passed. That motion was defeated also. Finally the amount increasing the appropriation adopted by the House was agreed upon. That represents an increase of $8 million. It is my view, as chairman of the Committee on Appropriations, and, in turn, it will be my view as chairman of the conference committee, with the backing of the full Committee on Appropriations, that it will be our duty to do everything we can to retain the Senate amendment in the final bill. Of course we must agree on a bill finally, but we shall try to retain that amendment in the bill. I cannot guarantee anything to the Senator, but I shall certainly indicate our viewpoint.

Mr. HICKENLOOPER. There is one item in that appropriation which has been cut. I regret that any of the items have been cut, but I believe that the motion-picture medium is one of the most vital and important means we have of communicating ideas and thoughts about the United States and about the free world, provided the motion pictures are properly designed and properly produced. I am sorry that the item for motion pictures has been cut by approximately $3 million, as I note in the summary of allowances in the report.

Mr. BRIDGES. Let me say to the Senator that there was a motion made to cut the House figure by about two-million-nine-hundred-thousand-dollars-plus, and there was also a motion made to cut the figure in half. Those motions were defeated. Then there was a motion made to retain the original amount. That motion was also defeated. Finally $1 million was added to the House figure.

Mr. HICKENLOOPER. That is on the plus side, and I am not criticizing the committee for that. However, I feel very deeply that motion pictures can very well serve the best interests of the United States, and I hate to see the motion-picture medium impaired too much. That is all I have to say on that point. I understand that the $83 million item has already been adopted by the Senate.

Mr. BRIDGES. That is correct.

Mr. HICKENLOOPER. Then I shall ask that the next committee amendment be stated.

The PRESIDING OFFICER. All committee amendments have been agreed to except the three amendments which were passed over by unanimous consent.

Mr. HICKENLOOPER. I asked that the next committee amendment be stated.

The PRESIDING OFFICER. All committee amendments have been agreed to, with the exception of the three which were passed over.

Mr. HICKENLOOPER. I did not know that all the other committee amendments had been agreed to. I have an amendment to offer on page 51.

The PRESIDING OFFICER. To which committee amendment does the Senator desire to offer an amendment?

Mr. HICKENLOOPER. The committee amendment appearing on page 51, line 8.

The PRESIDING OFFICER. Without objection, the vote by which the committee amendment on page 51, line 8, was agreed to is reconsidered, and the Senator from Iowa may offer his amendment.

Mr. HICKENLOOPER. I send the amendment to the desk and ask that it be stated.

The CHIEF CLERK. On page 51, line 8, it is proposed to insert after the word "and" the words "of which"; and on page 51, line 9, to strike the word "made" and insert after the word "available", the words "for contracts with", and delete the word "to."

Mr. HICKENLOOPER. I believe that the language I suggest should be inserted in the committee amendment. The committee amendment provides an appropriation of $300,000, which it is necessary to parcel out to private broadcasting companies. I am not against voting for that amount at all. It may not be enough, so far as I know. I believe we are spending approximately that amount now with private companies and other facilities. I have seen some of them in operation, and I believe a very good job is being done. Therefore I suggest my amendment. If my amendment is adopted the committee amendment would read thus: "and of which not less than $300,000 shall be available for contracts with one or more private international broadcasting licensees," and so forth.

The amendment would still provide at least $300,000, but it would not bind the hands of the Director, or put a stranglehold on the amount by any private broadcasting company. It would leave it as a matter of competitive judgment. I have no doubt that at least that much money will be needed.

Mr. BRIDGES. As chairman of the Committee on Appropriations I am perfectly willing to take the amendment to conference. If private broadcasting companies are doing a good job, they should have an opportunity to do their job under the private-enterprise system of our country. I believe the Senator's amendment helps to clarify the situation. I shall be glad to take the amendment to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER] to the committee amendment on page 51, line 8.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. HICKENLOOPER. Mr. President, I have another amendment, which I should like to offer, on page 51, line 18. It is not an amendment to a committee amendment. I ask whether this is the proper time to offer the amendment.

The PRESIDING OFFICER. It may be offered by unanimous consent.

Mr. HICKENLOOPER. I ask such unanimous consent.

The PRESIDING OFFICER. Without objection, the Senator may offer his amendment.

Mr. HICKENLOOPER. I ask that the amount of $30,000 on page 51, line 18, be increased to $60,000, which is far less than the amount that is actually needed.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Iowa.

The LEGISLATIVE CLERK. On page 51, line 18, it is proposed to strike out "$30,000" and to insert in lieu thereof "$60,000."

The question is on agreeing to the amendment of the Senator from Iowa.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. DOUGLAS. Does the Senator from Iowa understand the word "representation" to mean entertainment?

Mr. HICKENLOOPER. In the main it means entertainment, I will say to the Senator from Illinois. I am certainly

sympathetic with him, and I join with him in not wishing to appropriate money for foolish purposes. I should like to ask that he bear in mind that the Information Service operates in 77 countries throughout the world at 216 posts. I have knowledge of cases where the head of the Information Service and his 3 assistants spent a total of $12.50 over a 3-months' period for so-called representation. They just did not draw that amount because it would be too much trouble to sign the voucher. However, these men must, in the course of creating good relations for the United States, take local people out to lunch, for example. I assure the Senator from Illinois, from my own experience in inspecting these posts, that they do not spend the money for liquor, but for entertainment, such as for luncheons, and so forth.

Mr. DOUGLAS. Mr. President, will the Senator yield further?

Mr. HICKENLOOPER. I yield.

Mr. DOUGLAS. Does not the Senator from Iowa believe that there would be greater clarity in the language of this appropriation bill if hereafter, instead of the word "representation," which has a mystifying meaning, there were substituted the word "entertainment"?

Mr. HICKENLOOPER. No. I will say to the Senator that I do not. I think "representation" is a very descriptive word.

Mr. DOUGLAS. Is it not a word which is designed to conceal the meaning of the expenditure?

Mr. HICKENLOOPER. No, it is not. I thing it is a proper term used by all countries in attempting to establish a cordial atmosphere of understanding by means of social relationships. I thing it is extremely effective.

Mr. DOUGLAS. The Senator is aware, of course, of the definition which Talleyrand gave the word "language." He said that language was intended to conceal thought. If that is true of diplomacy, I do not see why it may not be true of an appropriation bill. Language should be precise and should fit the subject. I think the average citizen is confused by the term "representation." It took me approximately a year to catch on to what was meant by it, and since then it has excited my interest.

Mr. HICKENLOOPER. I suppose there is a certain amount of entertainment involved. I have gone to many luncheons where there was no entertainment so far as I was concerned, but such affairs afford a medium by which to get acquainted. We get to know the other fellow a little bit better. It is like relations between nations. If we know them better we think a little more of them and better understand them. I think it is perfectly justified.

Mr. DOUGLAS. I suppose the Senator has reached that period of life in which entertainment is seldom entertaining.

Mr. HICKENLOOPER. I do not know what period of life the Senator from Illinois has reached, but I still have a little fun once in a while. I might say that I know scores of persons, not only in the diplomatic service but in government service, who spend out of their own pockets 2 or 3 or 4 or maybe 5 times the amount they receive from their Government in representing their country abroad.

I do not think the amount will give any opportunity for Rabelaisian activities.

Mr. President, I hope my amendment will be agreed to.

Mr. BRIDGES. Mr. President, I will accept the amendment and take it to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER].

The amendment was agreed to.

Mr. HICKENLOOPER. Mr. President, on page 53, line 9, the language as coming from both the Senate and House Appropriations Committees, now reads as follows:

> No appropriation in this act shall be available for operation of the International Broadcasting Service in New York City after December 31, 1954.

I should like to suggest an amendment to insert, after the word "for" in line 9, the words "the principal", so that the paragraph beginning on line 9 would read:

> No appropriation in this act shall be available for the principal operation of the International Broadcasting Service in New York City after December 31, 1954.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Iowa.

The LEGISLATIVE CLERK. It is proposed, after the word "for" on line 9, page 53, to insert the words "the principal."

Mr. HICKENLOOPER. Mr. President, the reason for the amendment is this. The service is moving its major operations to Washington. The building is now under construction. Demolition work has been done, and the reconstruction is beginning. There will be some 21 studios with their entire personnel located here, but they feel it is utterly essential, if they continue to send people from Washington to New York to report on the activities of the United Nations, and so forth, that they maintain two studios there on a permanent basis, at least for the forseeable future, and until their power and controls can be finally switched to Washington, they will have to have approximately 12 technicians remaining there on a temporary basis. They want to begin their operations in their own building by some time around the middle of November. I think that is the plan and program at this time. They will not be able to get the power finally switched here completely until some time in April or May of next year. My amendment will require them to have their principal operations in Washington, but will not preclude them from maintaining the two studios in New York at the seat of many activities.

Mr. BRIDGES. Mr. President, if the Senator from Iowa will yield, I should like to clarify the situation.

Mr. HICKENLOOPER. I yield.

Mr. BRIDGES. Originally, the entire operation was in New York. It was the will of Congress that it be transferred to Washington. It is at present in the process of being transferred. I have felt, and I know many other Senators have felt, that those in charge of it have been slow in making the transfer. It was explained by some of the top officials that it was essential, in order to render service, to have one or two of their minor establishments in New York in order to keep in touch with the United Nations activities, and so forth.

I have no objection to the maintenance of a very minor setup in New York, but I wish to have it made clear, through the interchange between Senators, what we are talking about. We do not mean the operation of merely 3 or 4 offices in Washington. We mean that there should be established here in Washington the operations necessary to render all essential services.

Mr. HICKENLOOPER. Mr. President, I am in complete agreement with the Senator from New Hampshire. I have been in favor of moving the offices to Washington for a long time, and I assure the Senator from New Hampshire that I have not only no thought that it will be otherwise, but I have every assurance that only the two studios will be maintained in New York, together with the necessary employees to maintain those studios. Some 21 studios will be maintained in Washington. The only need for a temporary organization in New York is to operate the power panel until the switching operation can be completed, which will, in all frankness, not be until some time after the first of the year.

Mr. BRIDGES. We have submitted a request to the agency to keep us advised, so that we may know when the transfer is carried out.

Mr. HICKENLOOPER. I think that is essential, and it should be done.

Mr. BRIDGES. Mr. President, I accept the amendment of the Senator from Iowa.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa [Mr. HICKENLOOPER].

The amendment was agreed to.

Mr. HICKENLOOPER. Mr. President, I was requested by the Senator from New Jersey [Mr. SMITH] to place in the RECORD a statement of his attitude in relation to this subject, and I ask unanimous consent that his statement may be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

JUNE 11, 1954.

Hon. BOURKE B. HICKENLOOPER,
United States Senate,
Washington, D. C.

DEAR HICK: I regret that I must necessarily be absent today during the floor debate on the appropriation for fiscal 1955 for the Department of State and the United States Information Agency. As you know, along with Senator GREEN and you, I have been an ex officio member of the Appropriations Committee by appointment from the Committee on Foreign Relations during the consideration of these two appropriations. Although you are in general familiar with my views on these appropriations, I make the following specific observations.

As coauthor with Senator MUNDT of the legislation authorizing the international

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educational exchange program, I am particularly interested in the appropriation to the Department of State for that program. The committee is to be congratulated for restoring in full the moneys requested for this vital item, and I urge the Senate to accept this recommendation. If it does so, I am hopeful that the full amount will be accepted by the House in conference.

I am disturbed, however, by the failure of the Senate Appropriations Committee to report out the full amount requested by the President for our overseas information program. During the deliberations of that committee I urged that the budget request of $89 million be allowed. I arrived at the conviction that this amount was necessary for two principal reasons.

Like many of us, I had been greatly disappointed in the past with the operation of the overseas information program. I am convinced that the fundamental struggle with communism is a fight for ideas and ideals. This, regrettably, erupts from time to time in various places in the guise of armed physical violence, but basically the contest is one for the minds of men. In this fight it is imperative that the truth about communism and the truth about the policies of the United States and the motives behind these policies be fully known to those who are the subject of this contest.

The past programs of our Information Agency were woefully insufficient to the task, and were extravagant and mishandled to boot. However, in the present Information Agency we have a new organization, with new men and fresh ideas. It is not fair to visit the sins of their predecessors on Mr. Streibert and his associates. I have, in recent months, had considerable opportunity to see in action these men and their ideas. I have been favorably impressed. It is my own judgment that they are worthy of a vote of confidence and should be given the opportunity to carry out the program devised to get the United States back in the race with a possibility of success. This possibility will be greatly reduced if we, the Congress, fail to supply them with the required funds.

My own judgment in this matter was completely confirmed by the fervor with which President Eisenhower in my presence supported the new program and the full amount of the fund request. The President is personally familiar with this program, for the United States Information Agency has been assigned its mission by the National Security Council. And, as I have stated, I believe this mission to be of the highest priority.

It is my understanding that, if the amount allowed by the Senate Appropriations Committee be finally appropriated, funds will be sufficient for the task assigned the Agency. The risk of failure will be greater, but careful management—which I expect of these new men—will see them through. The great danger is that in conference the Senate will be forced to accede to a smaller appropriation, for the House has allowed $8 million less than the Senate Committee. On this issue the Senate cannot surrender.

With the assurance of the managers of this bill that they will stand firm for the Senate amount in conference, and with confidence that the Senate will in this matter sustain the position of its conferees, I support the amount recommended by the Senate Appropriations Committee for the United States Information Agency for fiscal year 1955.

Always cordially yours,

ALEX SMITH.

REDUCING AIRLINE SUBSIDIES

Mr. DOUGLAS. Mr. President, I ask unanimous consent to insert in the RECORD an excellent column by Ray Tucker, entitled "Fight Over Airline Subsidies," which is syndicated to more than 200 newspapers by the McClure Syndicate and which was printed today. I have excised from this article certain statements which I regard as prejudicial to colleagues, so that there are no personal references to any Member of the Senate.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FIGHT OVER AIRLINE SUBSIDIES

(By Ray Tucker)

WASHINGTON.—The American Congress must soon determine whether the expanding commercial aviation industry shall become a self-supporting operation or continue to be financed by flying and nonflying passengers. And powerful lobbies are fighting President Eisenhower's demand for economy in this field, which has drawn $1 billion from Uncle Sam's till since World War II and still receives $140 million annually.

One week ago, a Senate appropriations subcommittee agreed with the House in clipping $33 million in outright subsidies from two great international carriers—Pan American World Airways and Trans World Airlines. The House Appropriations Committee had reduced the grant by $50 million, but $17 million was restored through a floor amendment backed by the lobby. There will also be a Senate move to cut out this $17 million, with a total saving of $50 million.

Juan Trippe's Pan Am has now mobilized a formidable array of Republican and Democratic politicians, including former Cabinet members and Congressmen, to block the economy move. He seeks to persuade the full Appropriations Committee or the Senate itself to retain the $17 million and restore the $33 million. It is thus a $50 million enterprise.

They have brought heaviest pressure against Senator HARLEY M. KILGORE, of West Virginia. With Senator JOHN F. KENNEDY, of Massachusetts, KILGORE has been the chief advocate of economy and reform in commercial aviation. With more efficient management and fewer luxuries, he contends that the international carriers can exist without $140 million a year in subsidies and mail pay.

Pan Am has politically influential figures in KILGORE's State. It pays an annual $18,000 retainer to the law firm headed by Louis A. Johnson, former Secretary of Defense. Former Representative Jennings Randolph is an officer in a feeder line, which fears it may be hurt by the proposed cut. Both are regular West Virginia Democrats.

Sam Pryor, Jr., former Republican national committeeman for Connecticut and a Pan Am vice president, handles the GOP bigwigs. * * *

Despite the relatively small sum involved in the current controversy, the outcome will have far-reaching implications on the American pocketbook. It marks the first serious move in 25 years to force these profitable airlines, like other forms of transportation, to stand on their own feet.

There was no chance for such a reform during the Roosevelt-Truman easygoing era because the aviation lobby "owned," as the saying runs, so many prominent members of those administrations and the Civil Aeronautics Board. Time and again, Truman overruled CAB decisions adverse to Pan Am and its Atlantic subsidiary, American Overseas Airlines.

Several new factors appear to strengthen the drive for economy and reorganization. In subcommittee hearings, Senator KILGORE brought out that CAB has made no attempt to comply with congressional or Supreme Court mandates on behalf of the Government's interest.

CAB makes no audits of Pan Am's 61 subsidiaries, which include swanky hotels and country clubs. It has not sought refunds for tax overpayments to the lines. It shows no concern over the lavish expense and entertainment allowances to top executives and lobbyists. In fact, KILGORE regards this carelessness as tantamount to dereliction of duty.

Finally, Attorney General Herbert Brownell, Jr.'s, antitrust suit against Pan Am and Panagra, in which he charges that they monopolize air transportation from the United States to South America, seems to have awakened Congress to the need for a crackdown on CAB and its favorite airlines.

RECESS TO MONDAY

Mr. BRIDGES. Mr. President, if there is no further business to come before the Senate I move that under the prior order, the Senate stand in recess until next Monday at 12 o'clock noon.

The motion was agreed to; and (at 6 o'clock and 50 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Monday, June 14, 1954, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 11, 1954:

DEPARTMENT OF STATE

Isaac W. Carpenter, Jr., of Nebraska, to be an Assistant Secretary of State, vice Edward T. Wailes, resigned.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

George L. Oakley, Columbia, Ala., in place of F. A. Bryan, transferred.

Sara K. Lea, Flat Rock, Ala., in place of I. B. Burkhalter, retired.

Ray F. Hinds, Helena, Ala., in place of V. V. Tucker, removed.

Joseph Edwin Farnell, Navco, Ala., in place of E. B. Brigg, deceased.

ARIZONA

Nell K. Guinn, Rowood, Ariz. Office became Presidential July 1, 1950.

ARKANSAS

Cooper Hudspeth, Fort Smith, Ark., in place of J. A. Schnitzer, retired.

Ernest E. Epperson, Gentry, Ark., in place of Arthur Woodward, retired.

Gillis W. Stephenson, Monticello, Ark., in place of Guy Stephenson, retired.

Ivan L. Kleinbeck, New Edinburg, Ark., in place of E. P. Kimbrough, resigned.

CALIFORNIA

James M. Morris, Novato, Calif., in place of Alberta Frankamp, retired.

E. Jerome Mathis, Pala, Calif., in place of F. S. Armstrong, resigned.

Gust. J. Allyn, Richmond, Calif., in place of L. J. Thomas, resigned.

CONNECTICUT

Martin J. Gilman, Gilman, Conn. Office established April 1, 1953.

Douglas C. Griffiths, Salisbury, Conn., in place of G. E. Barton, deceased.

IDAHO

Joseph C. Newman, New Plymouth, Idaho, in place of W. H. Goldsmith, retired.

ILLINOIS

Stuart S. Barrett, Ashley, Ill., in place of H. C. Stephens, retired.

Leon E. Shreve, Bell Rive, Ill., in place of L. G. Moore, retired.

William R. Logan, Carmi, Ill., in place of C. P. Stone, resigned.

Paul Barnes, Elsah, Ill., in place of A. D. Condit, retired.

Eliot E. Overdorf, Glencoe, Ill., in place of J. F. Carney, transferred.

Dorothy C. Fulscher, Hampton, Ill. Office reestablished April 1, 1953.

Archibald D. Nelson, Jerseyville, Ill., in place of B. L. McDow, deceased.

Judson Paul Newcomer, Knoxville, Ill., in place of H. R. Whitsitt, removed.

Archie M. Wells, Rockport, Ill., in place of E. C. Leeper, retired.

Louis H. Koch, Tremont, Ill., in place of William Connell, retired.

Myrtle Schmitt, Troy, Ill., in place of J. W. Davis, retired.

Edwin G. Meyer, Valmeyer, Ill., in place of P. F. Althoff, retired.

Lyman K. Shawler, West Union, Ill., in place of R. E. Cline, transferred.

Floyd E. Watts, Winnetka, Ill., in place of A. M. Kloepfer, retired.

IOWA

Francis Wayne Harbour, Bedford, Iowa, in place of G. W. Irwin, transferred.

Arlis L. Kinseth, Bode, Iowa, in place of J. P. Jensen, retired.

Forrest T. Edwards, Eldridge, Iowa, in place of A. C. Oetzmann, retired.

Lyle A. Spencer, Kellerton, Iowa, in place of H. H. Beede, removed.

Frederick D. Lursen, Kesley, Iowa, in place of J. L. Mennen, resigned.

Reed L. Blankinship, Ottumwa, Iowa, in place of R. M. Stoltz, retired.

John D. Hartzler, Pulaski, Iowa, in place of V. L. Heskett, retired.

Robert F. Graham, University Park, Iowa, in place of M. L. Thoreen, removed.

KANSAS

William L. Harp, Garden City, Kans., in place of A. M. Hunt, resigned.

Harold Robert McFarlane, Hesston, Kans., in place of S. N. Nunemaker, retired.

Richard A. Decker, Oskaloosa, Kans., in place of T. L. Gibson, resigned.

Howard R. Brickel, Pratt, Kans., in place of Fred Swisher, resigned.

Frank A. Chesky, Sterling, Kans., in place of R. J. Considine, transferred.

KENTUCKY

John Reinhard, Masonic Home, Ky., in place of C. S. Johnson, resigned.

Maudie L. Hamilton, Rush, Ky., in place of M. T. Gee, removed.

LOUISIANA

Thomas W. Robison, Lecompte, La., in place of H. H. Semple, retired.

MAINE

Earl G. Folster, Great Works, Maine, in place of L. M. Dwyer, deceased.

Paul H. Stone, North Windham, Maine, in place of D. C. Ellinwood, deceased.

William D. Halloran, Presque Isle, Maine, in place of O. J. Bishop, retired.

George G. Smith, Stockton Springs, Maine, in place of C. M. Colcord, retired.

MARYLAND

Lester S. Rudacille, Daniels, Md., in place of Aquilla Streaker, retired.

Charles H. Messick, Ridgely, Md., in place of J. F. Stack, deceased.

William G. Palmer, Savage, Md., in place of Lester Shipley, retired.

MASSACHUSETTS

Sidney C. Perham, Chelmsford, Mass., in place of H. R. Garvey, deceased.

Gerald N. Wheeler, Richmond, Mass., in place of N. R. Wheeler, retired.

MICHIGAN

Marie Hope, Lake Leelanau, Mich., in place of J. L. O'Brien, resigned.

Lyle B. Austin, Lansing, Mich., in place of D. D. Harris, resigned.

Virginia G. Sorum, Morley, Mich., in place of E. L. Mitchell, retired.

Joseph H. Benkert, Reed City, Mich., in place of A. A. Strong, retired.

Edward C. Schmidt, Springport, Mich., in place of V. E. Mock, resigned.

MINNESOTA

Russell J. Slade, Babbitt, Minn., in place of G. H. Emanuelson, resigned.

Duane T. Dueffert, Butterfield, Minn., in place of O. J. Regan, transferred.

Joseph J. Kovach, Ely, Minn., in place of S. P. Schaefer, removed.

Mabel F. Wester, Floodwood, Minn., in place of A. B. New, retired.

Raymond L. TeHennepe, Leonard, Minn., in place of R. E. McCrehin, resigned.

Donald E. Ecklund, Marine on St. Croix, Minn., in place of F. H. McDonald, transferred.

Leo L. Pratt, Merrifield, Minn., in place of Josephine Pratt, retired.

Carl W. Lehman, Montgomery, Minn., in place of P. J. Malone, retired.

Marvil C. Nelson, Winnebago, Minn., in place of L. I. Bullis, retired.

MISSOURI

Donald L. Davis, Adrian, Mo., in place of J. C. Lankford, transferred.

Glen E. Sell, Deepwater, Mo., in place of W. S. Scott, transferred.

Garfield L. Darnell, King City, Mo., in place of L. N. Bowman, removed.

Gussie C. Henneke, Leslie, Mo., Office became Presidential July 1, 1945.

Robert W. Fast, Liberal, Mo., in place of J. P. Moore, retired.

Roy O. F. Weber, Lohman, Mo., in place of L. E. Meller, transferred.

Hugh M. Lower, Mountain Grove, Mo., in place of M. S. Major, resigned.

Peter A. Baechle, Ste. Genevieve, Mo., in place of H. J. Fallert, deceased.

MONTANA

William A. Parrish, Paradise, Mont., in place of K. E. Auclair, retired.

NEBRASKA

Margaret Z. Fox, Kilgore, Nebr., in place of Hugo Stevens, deceased.

Raymond L. Crosier, Oakdale, Nebr., in place of Catherine Childs, retired.

Curtis S. Haddix, Western, Nebr., in place of M. D. Nickel, transferred.

NEVADA

Ellis J. Folsom, Carson City, Nev., in place of E. H. Bath, retired.

NEW JERSEY

Ernest P. Billow, Hope, N. J., in place of Lena McCain, retired.

William L. Fylstra, Little Falls, N. J., in place of J. D. Donato, resigned.

Gerald E. White, Mount Holly, N. J., in place of W. H. Claypoole, removed.

William J. Dorgan, Palisades Park, N. J., in place of M. P. Fusco, deceased.

NEW YORK

Carl S. Chiavetta, Brant, N. Y., in place of G. R. Lehley, retired.

Valentine Bubb, Burnt Hills, N. Y., in place of A. M. Jackson, retired.

Raymond R. Ebersole, Clarence Center, N. Y., in place of A. D. Schaad, resigned.

Milton J. Deuink, Clymer, N. Y., in place of G. A. Christensen, resigned.

Gordon M. Pixley, Delevan, N. Y., in place of F. A. Wagner, retired.

Elmer S. Ninesling, Great Neck, N. Y., in place of E. F. Higgins, retired.

Signe H. Halleran, Jericho, N. Y., in place of C. F. Trukafka, resigned.

Elnora H. Oakley, Middlesex, N. Y., in place of C. E. Williams, deceased.

Joseph L. Carlucci, Port Chester, N. Y., in place of T. F. Connolly, removed.

Guy Robert Fisher, Sherman, N. Y., in place of William Meabon, transferred.

Adrian Rumsey, Van Etten, N. Y., in place of V. J. Banfield, retired.

Anthony J. Audi, West Albany, N. Y., in place of F. H. Wyld, deceased.

Harold E. Wild, Westtown, N. Y., in place of M. R. Lindsey, retired.

NORTH CAROLINA

Robert E. Hollifield, Forest City, N. C., in place of V. T. Davis, retired.

Clay T. Lefler, Matthews, N. C., in place of O. L. Phillips, retired.

NORTH DAKOTA

Arthur Schempp, Riverdale, N. Dak., in place of N. P. Johnson, removed.

OHIO

Harry M. Hollerbach, Batavia, Ohio, in place of C. S. Coyle, deceased.

Eleanor H. Sanders, Beulah Beach, Ohio, in place of N. L. Rape, resigned.

Marvin L. Ickes, Dunkirk, Ohio, in place of W. A. Geiser, resigned.

Albert D. Etter, Kingston, Ohio, in place of F. B. Mowery, retired.

Garnette L. Vallandingham, Midland, Ohio, in place of F. D. Ball, resigned.

Floyd L. Carey, New Vienna, Ohio, in place of R. M. Powell, transferred.

Charles W. Swanger, Shelby, Ohio, in place of L. A. McGaw, retired.

Herbert W. Baker, Jr., Wharton, Ohio, in place of G. D. Heuberger, deceased.

OKLAHOMA

Gene Y. Harley, Comanche, Okla., in place of LeRoy Parrish, retired.

George M. Beeby, Marshall, Okla., in place of E. C. Pyle, transferred.

Bert A. VanBuskirk, Ripley, Okla., in place of R. M. Rainwater, transferred.

Robert L. Nunn, Stuart, Okla., in place of D. B. Hogue, resigned.

OREGON

Eldon L. Lee, Yoncalla, Oreg., in place of E. F. Kelso, retired.

PENNSYLVANIA

James C. Kleckner, Audenried, Pa., in place of Antoinette Marnell, resigned.

Joseph P. Shurilla, Custer City, Pa., in place of P. M. Barry, deceased.

John F. Woodruff, Devon, Pa., in place of C. M. Clancy, deceased.

Hazel L. Kane, Garland, Pa., in place of G. B. Tresler, retired.

Robert J. Drake, Hawley, Pa., in place of J. J. Sheridan, deceased.

Daniel Hobart Cope, Jonestown, Pa., in place of J. H. Boltz, retired.

Leon L. Nicholas, Kunkletown, Pa., in place of W. H. Pearsol, retired.

James A. Bleakly, Merion Station, Pa., in place of W. H. Stewart, deceased.

Archie C. Kline, Mont Alto, Pa., in place of S. C. Green, retired.

William H. Matthews, Morton, Pa., in place of D. B. Wright, removed.

Elmer L. Zerphey, Mount Joy, Pa., in place of C. J. Bennett, Jr., resigned.

Marshall L. Sterne, Oakford, Pa., in place of W. A. Hilsbos, Jr., resigned.

Maurice A. Nordberg, Philipsburg, Pa., in place of W. B. Johnston, retired.

Charles P. McGuigan, Red Lion, Pa., in place of R. H. Ziegler, resigned.

Thomas N. Asa, West Brownsville, Pa., in place of G. E. Wheeler, deceased.

SOUTH CAROLINA

Haskell M. Thomas, Florence, S. C., in place of D. E. Ellerbe, deceased.

Joe G. Flowers, Lake View, S. C., in place of R. B. Crainger, retired.

George F. Dailey, Society Hill, S. C., in place of G. W. Morris, retired.

SOUTH DAKOTA

Russell C. Birkeland, Dupree, S. Dak., in place of J. H. Francis, retired.

Sarah J. Stadem, Henry, S. Dak., in place of M. A. Ralph, retired.

Fredrick L. Bellum, Timber Lake, S. Dak., in place of W. E. Prann, transferred.

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TENNESSEE

Jimmie M. Leach, Atwood, Tenn., in place of L. J. Bullington, deceased.

William A. Logan, McDonald, Tenn., in place of I. V. Brock, retired.

Runa S. White, Maryville, Tenn., in place of Fred Henry, removed.

TEXAS

Mattie R. White, Avoca, Tex., in place of C. G. Tidwell, retired.

Ernest M. Spence, Bonham, Tex., in place of G. J. Atkins, resigned.

Clifton B. Duhon, Buna, Tex., in place of V. C. Wright, transferred.

Hal E. Hanson, Dickinson, Tex., in place of M. S. Walters, resigned.

Arba E. Petty, Farmersville, Tex., in place of M. B. Smith, retired.

George D. Harding, Grand Prairie, Tex., in place of E. L. Kerr, deceased.

Robert Edgar Hutchins, Greenville, Tex., in place of G. M. Hodges, retired.

Bradley O. Burk, Jr., Kress, Tex., in place of C. A. Fleming, Jr., transferred.

Dorothea B. Hice, Midlothian, Tex., in place of P. S. Hendricks, deceased.

Mary F. Slott, New Waverly, Tex., in place of Mae Whitley, resigned.

Delmas P. Seidel, Orange Grove, Tex., in place of Joe December, retired.

Kenneth L. Lee, Perrin, Tex., in place of G. F. Wimberly, Sr., resigned.

Claude Irvin Wood, Richards, Tex., in place of Sallie Hamilton, retired.

Fred W. Lunsford, Rusk, Tex., in place of T. M. Sherman, retired.

William H. Castleberry, Telephone, Tex., in place of W. B. Richardson, retired.

UTAH

Jessie S. Neilsen, Lark, Utah, in place of M. G. Wykert, retired.

Eugene R. Carter, Moab, Utah, in place of E. S. Peterson, resigned.

Eldon R. Janes, Providence, Utah, in place of C. G. Frank, resigned.

VERMONT

Stillman L. Needham, Bridgewater, Vt., in place of J. J. Ransehousen, transferred.

Warren Lester Barnett, Cabot, Vt., in place of E. J. Rogers, deceased.

Luther A. Prescott, Essex Junction, Vt., in place of E. J. Duzinski, resigned.

Paul S. Hinman, Wells River, Vt., in place of R. A. Randall, retired.

VIRGINIA

John B. Robertson, Hurt, Va., in place of A. J. Short, declined.

WASHINGTON

Vivienne I. Cochran, Almira, Wash., in place of C. T. Haskin, retired.

Harry L. Thompson, Everson, Wash., in place of M. A. McComb, resigned.

Yolande F. Sherman, Farmington, Wash., in place of M. J. McNair, transferred.

Thomas H. Hudson, Manson, Wash., in place of E. H. Boas, retired.

William Wayne Maitland, Pateros, Wash., in place of E. K. Godfrey, resigned.

WEST VIRGINIA

Margaret W. Cook, Berwind, W. Va., in place of E. E. Brumfield, Sr., resigned.

Dorsey H. Wilson, Fort Spring, W. Va., in place of M. F. Diem, deceased.

Bessie L. Cormany, Malden, W. Va., in place of L. D. Lewis, resigned.

Delbert C. Kines, Moatsville, W. Va., in place of Gusta Gall, deceased.

Janet A. Sisson, Sissonville, W. Va., in place of D. E. Thaxton, removed.

WISCONSIN

Mae G. Ashley, Doylestown, Wis., in place of E. J. Tracy, retired.

Elmo C. Cooper, Madison, Wis., in place of J. A. Wirka, retired.

Lyle E. Dye, Mazomanie, Wis., in place of A. O. Showers, retired.

Joe A. Petersen, Tony, Wis., in place of N. G. Lamoureux, deceased.

WYOMING

Burchal I. Kelley, Reliance, Wyo., in place of S. J. Pedri, resigned.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 11, 1954

The House met at 11 o'clock a. m.

Rabbi Samuel Rosenblatt, Beth Tfiloh Congregation, Baltimore, Md., offered the following prayer:

Master of the universe, source of all wisdom and knowledge, Thy divine guidance and help do we bespeak for the legislators of our Nation who are assembled in this House to take counsel together regarding the manifold problems besetting not only our own beloved United States of America but the entire human race. The task confronting them is exceedingly grave because the sinister forces, that have arisen to engulf the world and immolate on the altar of their lust for power the freedom of their fellow men, are becoming daily more threatening. The menace presented by these enemies of democracy and religion, who are undeterred in their arrogant seizure of the possessions of lands and peoples by either the fear of God or scruples of conscience, has already produced a harvest of hysteria and confusion among the advocates of individual liberty and the champions of the democratic way of life. The former threatens the most cherished principles upon which our Republic was founded and which are the cause of its preeminence. The latter weakens our defenses against an implacable and ruthless foe, who is ready to take advantage of every show of frailty or lack of determination.

We, therefore, pray Thee, Heavenly Father, whose rule is founded on justice and righteousness, and who hast always revealed Thyself as mankind's Rock and Redeemer, to stand by us in this hour of crisis which tries the hearts of men. Keep us united so that we may be strong enough to ward off the attacks of our would-be destroyers. Frustrate the plans of those who would sow the seeds of dissension in our midst in order to divide us and render us an easy prey for their greed. Enlighten the eyes of our counselors and leaders that they may see the way that leads to salvation and peace. Put into the mouths of our spokesmen the words that will redound to the healing of the breach of humanity. Enable our lawmakers to pass ordinances that will conduce to harmony in our ranks and to peace and good will on earth, while safeguarding the inalienable rights guaranteed to every inhabitant of our country by our admirable Constitution. May the time soon be on hand when destructive wars will no longer be deemed necessary as a solution of conflicting interests and the settlement of international disputes, when the only battles waged will be those against poverty and misery and disease, when the protean energies of nature released by the discoveries of science will be harnessed in the service of human well-being alone, when men, acknowledging Thee, God, as their father, will recognize each other as brothers and dwell together in amity and friendship and concord. This is our hope, our prayer, and may our own actions contribute to the speeding of its fulfillment. Amen.

The Journal of the proceedings of yesterday was read and approved.

CONVEYANCE OF CERTAIN LANDS BY THE UNITED STATES TO THE CITY OF MUSKOGEE, OKLA.

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8983) to provide for the conveyance of certain lands by the United States to the city of Muskogee, Okla.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized and directed to convey by quitclaim deed to the city of Muskogee, Okla., all the right, title, and interest of the United States in and to a tract of land containing approximately five and four-tenths acres, together with all buildings and improvements thereon, being a portion of the Veterans' Administration hospital reservation situate in Muskogee County, State of Oklahoma, likewise being a portion of certain lands conveyed to the United States by the city of Muskogee, Okla., by warranty deed dated March 17, 1945, recorded in the office of the clerk of Muskogee County on June 23, 1945, in book 839, pages 432 to 434, the exact courses and distances of the perimeter of which shall be determined and approved by the Administrator of Veterans' Affairs. The city of Muskogee shall pay the cost of surveys as may be required by the Administrator of Veterans' Affairs in determining the required legal description.

SEC. 2. There shall be reserved to the United States all minerals, including oil and gas, in the lands authorized for conveyance by section 1.

Mr. EDMONDSON. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. EDMONDSON: Page 3, line 11, after "conveyance by section 1", strike out the period and insert a comma, adding the following language: "and the deed of conveyance shall contain such additional terms, conditions, reservations, and restrictions as may be determined by the Administrator of Veterans' Affairs to be necessary to protect the interests of the United States.

"SEC. 3. The deed of conveyance shall provide that the tract of land authorized to be conveyed by section 1 of this bill shall be used by the city of Muskogee, Okla., for such purposes as will not, in the judgment of the Administrator of Veterans' Affairs or his designate, interfere with the care and treatment of patients in the Veterans' Administration Hospital, Muskogee, Okla., and that if such provision is violated, title to the tract shall revert to the United States."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

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DIVISION OF LEGISLATIVE AND EXECUTIVE POWERS

Mr. FRELINGHUYSEN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. WAINWRIGHT] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WAINWRIGHT. Mr. Speaker, these are troubled times. Questions about economics, foreign affairs, and military measures arise that plague the entire country, in spite of the most redoubtable leadership. But, Mr. Speaker, none of these is more pressing today than the constitutional question that confronts our country.

The question of the division of legislative and executive powers is one that must be clearly defined for the continued welfare of our democracy. Some have recently averred that employees of the Federal Government should, without authorization, give to Members of Congress, and perhaps others, documents that the executive leaders of the country have declared secret.

The President of the United States has spoken out against this point of view with full spirit and great vigor. He ordered his press secretary to issue this statement, and I quote:

> The obligations and duties of the executive, legislative, and judicial branches of our Government are defined by the Constitution. The executive branch has the sole and fundamental responsibility under the Constitution for the enforcement of our laws and Presidential orders. They include those to protect the security of our Nation which were carefully drawn for this purpose. The responsibility cannot be usurped by any individual who may seek to set himself above the laws of the land.

That is the statement of the President, the Commander in Chief of our Armed Forces. He has further said that he considers it "reprehensible" for military officers to give out without authorization secret information. At his press conference yesterday the President further said that when a man has been given a commission to help defend the United States his loyalty and readiness to obey the military laws and the Constitution of the United States should be unquestioned.

What concerns me is this: There are today men holding Reserve commissions in the Armed Forces of our country who have publicly stated that they will not be bound by Presidential orders and that they feel they are above the law and can give out and receive without proper authorization secret information of our Government. They have further urged others to break their oaths of office and do the same. This is exactly the same type of appeal to some mystic loyalty higher than the laws of America that motivated Alger Hiss when he broke the laws of secrecy and turned over secret information to others, thus becoming a traitor to his country. Such a course can lead only to anarchy.

Mr. Speaker, we here in Congress have our responsibilities. Those in the executive have theirs. What I would like to know is this: What are the armed services going to do about those who hold Reserve commissions and who not only have publicly stated that they themselves will not be bound by their oaths of office but also have urged others to break their oaths by revealing without proper authority secret information? I hope the armed services can answer this question soon and in an unequivocal fashion, so that the armed services of the United States can show to all America that they support America's President on this grave constitutional question.

SPECIAL ORDERS GRANTED

Mr. JAVITS. Mr. Speaker, I ask unanimous consent that the special order which I have today for 5 minutes be extended to 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mrs. ROGERS of Massachusetts asked and was given permission to address the House today for 5 minutes, following the legislative business of the day and any special orders heretofore entered.

THE DAIRY INDUSTRY

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, I received the card from one of my constituents, Juel C. Peterson, of New Auburn, Wis., showing the new schedule of payment for milk by one of the companies in my district. He is a dairy farmer. His comment on the prices to be paid to farmers, beginning on May 1, is very short. He simply says: "This don't look good to us around here."

The card and schedule tells very dramatically the story of what has happened to dairy farmers under the Benson order of April 1. Some of my colleagues may remember my remarks in the latter part of March when I predicted that this would happen.

Well, it has happened. I agree with Mr. Peterson when he says: "This don't look good to us around here." I commend it to the attention of my colleagues with the added observation that while dairy farmers have had their incomes slashed by Secretary of Agriculture Benson the consumers have not benefited very much.

I include the card showing the schedule of payments to farmers for various tests of milk. It was sent in by Mr. Juel C. Peterson:

To Our Patrons:

Beginning May 1, 1954, and until further notice, we are paying the following prices per hundred pounds which applies to the enclosed check:

Test.....percent..	3.0	3.05	3.1	3.15	3.2	3.25	3.3	3.35	3.4	3.45	3.5
Price.....dollars..	2.475	2.508	2.540	2.573	2.605	2.638	2.670	2.703	2.735	2.768	2.800
Test.....percent..	3.55	3.6	3.65	3.7	3.75	3.8	3.85	3.9	3.95	4.0	4.05
Price.....dollars..	2.833	2.865	2.898	2.930	2.963	2.995	3.028	3.060	3.093	3.125	3.158
Test.....percent..	4.1	4.15	4.2	4.25	4.3	4.35	4.4	4.45	4.5	4.55	4.6
Price.....dollars..	3.190	3.223	3.255	3.288	3.320	3.353	3.385	3.418	3.450	3.483	3.515
Test.....percent..	4.65	4.7	4.75	4.8	4.85	4.9	4.95	5.0	5.05	5.1	5.15
Price.....dollars..	3.548	3.580	3.613	3.645	3.678	3.710	3.743	3.775	3.808	3.840	3.873

Base price: 3.5-percent milk at $2.80 per hundredweight.

Differential of 6½ cents per point below and above base.

"A reliable year-round market."

ARMOUR & CO.

BLOOMER, WIS.

Mr. THOMPSON of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMPSON of Texas. Mr. Speaker, on March 22, 1954, I addressed the House on the subject of Public Law 841, 81st Congress, the primary purpose of which law was to separate the business operations of the Panama Canal from those collateral operations which made up the governmental activities of the Panama Canal Administration. My remarks appear on pages 3656–57 of the CONGRESSIONAL RECORD of the same date.

Certain parts of my statement if taken out of context could leave a reader with the mistaken impression that I opposed any review of, or amendment to, this law. As a matter of fact I have been aware of some apparent inequities which should be carefully considered and corrected as necessary. I have read with particular interest the Booz, Allen, and Hamilton report which has made recommendations which, if adopted, should eliminate much of the trouble. Since I had the honor of serving as chairman of the subcommittee which reported that legislation to the House, my continued interest in appraising the administration of this law and in developing such amendments as may be necessary, prompts me to call this to the attention of the House at this time. Hearings on Public Law 841 have been started before a subcommittee of the Merchant Marine and Fisheries Committee of the House under the chairmanship of the gentleman from California, the Honorable JOHN J. ALLEN, JR., and I am certain that with his able guidance full consideration to all phases will be given and any necessary changes in the basic law will be made.

The canal has a worldwide reputation as an efficient, well-run, and economical organization. We, in Congress, intend to protect such reputation.

EXTENSION OF FOREIGN TRADE AGREEMENTS

Mr. ALLEN of Illinois. Mr. Speaker, I call up the resolution (H. Res. 580), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9474) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means, but said amendments shall not be subject to amendment. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

The SPEAKER. The gentleman from Illinois is recognized for 1 hour.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. BAILEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BAILEY. What will be the legislative situation should the House decide to defeat the previous question?

The SPEAKER. The resolution will then be open for further debate and possible amendment.

Mr. BAILEY. I thank the Speaker.

Mr. ALLEN of Illinois. Mr. Speaker, I rise to urge the adoption of House Resolution 580 which will make in order the consideration of the bill (H. R. 9474) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended.

House Resolution 580, Mr. Speaker, provides for a closed rule, waiving points of order and specifies that no amendments shall be in order except those offered by direction of the Committee on Ways and Means. One motion to recommit would be in order and 3 hours of general debate would be provided on the bill itself.

If H. R. 9474 is passed, Mr. Speaker, the authority of the President to enter into trade agreements would be extended for 1 year.

As we all know, Mr. Speaker, the present authority to enter into trade agreements on a reciprocal trade basis exists because of the 1-year extension enacted last year during the 1st session of the 83d Congress. At that time, Mr. Speaker, provision was made for the creation of a commission to make a thorough examination of our foreign economic policy. The Randall Commission report was given to the Congress on January 25, 1954, and the Committee on Ways and Means feels that they cannot conduct the extensive hearings at this time on the Randall Commission's recommendations which would be necessary in view of the sweeping changes contained in the Commission's report. For this reason, Mr. Speaker, the Ways and Means Committee asks for an extension of the present authority for 1 more year, which will give them the time to really go into this most difficult question in a thorough manner.

According to the report on this bill, Mr. Speaker, the 1-year extension has been recommended by the Department of State, the Department of the Treasury, the Department of Commerce, Agriculture, and Interior, and the Bureau of the Budget has raised no objection to the passage of the bill.

Mr. Speaker, I will not say that this bill is not a controversial one for it is, and indeed the question of tariffs has been a burning one almost throughout our history. However, since a complete study of this problem is scheduled by the Ways and Means Committee for next year, I think that extending the present authority is the sensible thing to do. I hope that the rule will be adopted and that the 1-year extension will be enacted by the Congress.

Mr. BAILEY. Mr. Speaker, I desire to be heard in opposition to the rule.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, I yield 5 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Speaker, I rise to oppose the pending rule which would make possible the consideration of H. R. 9474, and would, if enacted, renew and extend the Reciprocal Trade Agreements Act for a period of 1 year. I oppose this rule, Mr. Speaker, because it is a closed rule. My opposition to closed rules, regardless of whether the legislation in question comes from the Ways and Means Committee of the House or from any other standing committee, is well known.

I do not propose to sit idly by and see more than 400 of my colleagues in the House, not members of the Ways and Means Committee, effectively muzzled and in so many words, told to sit on the sidelines while the erudite members of the Ways and Means Committee tell us what kind of legislation they think our constitutents should have.

I am well aware of the fact that it is the customary practice to consider legislation reported by the Ways and Means Committee under a closed rule. This, they say, is necessary because it is revenue raising legislation and that the House should not be permitted to prolong debate or to offer amendments that might improve the legislation being considered.

No such valid reason exists in the legislation now pending. Out of approximately $70 billion of Federal revenue, less than $2 billion comes into the Treasury in the nature of import duties. It is not then, a question of revenue. It involves, however, a matter of domestic and foreign policy that should be determined not by members of the Ways and Means Committee alone, but by every duly elected Member of the Congress.

Shall we, Mr. Speaker, continue to allow such important domestic policies as would safeguard our economy, be made a pawn in the field of international politics?

The time is right for action. Action that will not only lend assistance to the other free nations of the world in allowing them to sell their products in our markets, but action that would insure immediate and adequate safeguards for American industry and American workingmen.

I submit, Mr. Speaker, that the pending rule does not provide these safeguards. It provides merely for a continuation of conditions that is daily growing worse. A condition that threatens to disrupt our own economy, while we play "big brother" to the other nations who do not hesitate to trade with nations behind the Iron Curtain.

The only course of action open to those Members of Congress who want to make equality of treatment of our domestic industry the basic idea of our trade policy, is to vote down the previous question and return this legislation to the Ways and Means Committee for detailed study. There is no emergency that justifies the hasty action being proposed here.

I trust it will be the pleasure of my colleagues to vote down the previous question.

Mr. RAYBURN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. KELLEY].

Mr. KELLEY of Pennsylvania. Mr. Speaker, I have always supported reciprocal-trade legislation since I have been a Member of this body. I cannot support this because it permits no amendments to the bill.

My interest is centered in the distress of the coal industry and the glass industry. I think the time has come when the Congress should take an interest in these two great industries. The coal industry is in great distress at the present time. This is certainly an industry which we would need in case of an emergency. The longer we wait the more difficult it would be to revise this industry when we need it.

Mr. Speaker, history is in the making. The Republican Party is apparently attempting to establish an all-time record for bypassing issues and rushing a bill through the Congress. To surpass the speed with which the triple play on H. R. 9474 was executed—from Ways and Means to Rules to the House floor—would require the services of Roger Bannister and Wes Santee combined.

Last year some two dozen Members of the House—the chosen representatives of upward of 55 million American citizens—introduced identical bills specifying a limitation on the residual oil imports that in the past half-dozen years have been bringing poverty and misery into our coal-producing areas. Later, when a Republican Member—in what

was considered a proper tactical move to assure the enactment of this proposed legislation—incorporated the bill into an expanded version of the type of program our foreign-trade policy should pursue, hearings were held by the Ways and Means Committee and the bill received favorable action from that committee.

When the Simpson bill was granted a rule and brought to the floor of the House, the floor leader of the Republican Party stood in this very Chamber and made a vigorous political plea against enactment. He announced at that time that it was the wish of the White House that the findings of the Ways and Means Committee—with its many days of hearings and volumes of testimony—be ignored. Here is the way he said it:

> The President wants this bill defeated. • • • So I say we ought to stand by the administration.

Although the Republican leadership, among its multitudinous promises prior to the election of 1952, had given unconditional assurance to the American people that the domestic economy would be protected in the foreign trade program, that message which came to Capitol Hill at the crucial hour was to the effect that America's workingmen were to be sacrificed in the interests of cheap political practice.

As a result of that final word from the political powers that be, the Simpson bill was returned to committee, there to expire under the direction of the Republican leadership. I must add, however, that the administration did not fail, in taking this action, to include its usual political amenity: a promise. The promise was that, in view of the obvious need for protection of the coal, glass, and other industries, a commission was to be appointed. A commission, you know, has since January 1953 been the Republican Party's official vehicle of escape and compromise.

Well, the commission was duly appointed and made its report, but evidently that report was too unsavory even for the commission's creator—and I refer to the Chief Executive—to accept. As a consequence, this being an election year, the Republican Party once more reverted to its time-worn technique: compromise.

The bill now before the House was introduced on Tuesday of this week. It has come out of the Ways and Means Committee without a hearing, been given a rule without delay, and thus brought to the floor with lightning action.

Mr. Speaker, I can assure you that I am an advocate of reciprocal trade. I will go so far as to say that I wish the day were here where we could advocate complete free trade. But the millennium is yet to arrive, and we must therefore be realistic in our approach to international commerce. We cannot solve the problem by avoiding it, as the Republican Party is now attempting to do.

I ask whether this legislative body can in conscience swallow the political pill which the GOP leadership is prescribing here today. I say frankly that it is mystifying how anyone can be so unmindful of the rights and the needs of our American people.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Speaker, our Reciprocal Trade Agreements Act was passed in 1934. That act gave the President the tariff and trade-making powers that the Constitution placed in the legislative branch. Essentially it was an abdication of power by the Congress, a dodging of an obligation and a responsibility that constitutionally belongs to the Congress. That act can be said to be the result of a strong-willed Executive working with and upon a weak-willed Congress.

The Reciprocal Trade Agreements Act was an emergency measure, definitely described as such. It contained a 3-year limitation, and gave President Roosevelt the power to make trade agreements with other nations.

Like most New Deal emergency measures the Reciprocal Trade Agreements Act has been extended and extended until today it is 20 years old. Has it achieved the objectives that it was supposed to achieve: Namely, world peace, world prosperity, universal good will, amity among nations?

WHAT ABOUT WORLD PEACE?

During the 20 years the Reciprocal Trade Agreements Act has been on the books we have had World War II. We have had the Korean incident. We have had the so-called Spanish Civil War. We have had 7 years of war in Indochina. We have had trouble between England and Egypt, between India and Pakistan. We have had Communist Russia extending the Iron Curtain beyond her borders until she now has control and domination over 900 million people instead of the 300 million Russians she had at the close of World War II. Has the act helped to establish world peace?

WHAT ABOUT WORLD PROSPERITY?

Are we any nearer world prosperity today than we were in 1934? To bring about world prosperity we have given away over $100 billion in the last 15 years—$60 billion lend-lease and $50 billion since World War II—to say nothing of the nearly $200 billion we have spent for national defense in the cold war. Has world prosperity been aided by the Reciprocal Trade Agreements Act? Certainly our own prosperity has not been advanced, because we are in debt today to the tune of $300 billion—more than all the rest of the world owes all put together; and more than twice as much as all the nations of Europe owe all put together.

WHAT ABOUT GOOD WILL, AMITY AMONG NATIONS?

Is good will or amity among nations any nearer today than it was before 1934? To be specific, has the relationship between France and Germany improved since 1934? Between Pakistan and India? Palestine and Arabia? Italy and Yugoslavia?—to say nothing about the conditions in the Far East.

What about internal dissensions and strife? Italy with her 36 percent Communist vote in the last election; France with 24 percent of her national legislature composed of Communist members; Nationalist China and Communist China? What about England, torn between her Socialist Labor Party and her Conservative Churchill Party? Has good will among men and amity among nations been advanced by the Reciprocal Trade Agreements Act?

WHAT ABOUT TRADE BARRIERS?

Mr. Speaker, do we have a freer flow of goods today across national borders than we had in 1934? The facts in connection with world tariff and trade today deny it. True, tariff walls have been lowered until today world tariff walls are only about half as high as they were in 1934. But while world tariff barriers have been lowered, other obstacles or barriers more effective than tariffs have been erected. Import and export licenses, currency manipulation, multiple currencies, quotas, subsidies, and so forth have been set up until, as Dr. Clair Wilcox put it:

> The trade of the world today is more tightly regimented than it ever has been before in history, in time of peace.

The fact is that practically every foreign country that has lowered its tariff duties has erected other barriers against imports, thereby nullifying the effect of their tariff concessions or reductions.

Mr. Speaker, these are just a few samples of the direct result of our reciprocal trade-agreements program, and the results are just beginning to become evident.

In the face of these facts—and they are cold hard facts—can anyone say that our reciprocal trade-agreements program has been a success? Should the program be continued? Should the President be given the power to lower our tariffs still further?

These three questions must be met and answered—by you, by the Congress, and by the people of the whole Nation. Upon the correct answers to these questions depend the future welfare of this Nation, its economic welfare, its financial welfare; yes, its social and spiritual welfare as well.

Has the reciprocal trade-agreements program been a success? My answer is "No."

Should the program be continued? Again my answer its "No."

Should the President be given the power to lower our tariffs still further? Again my answer is an emphatic "No."

"If that be treason make the most of it."

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. BAILEY) there were—ayes 42, noes 13.

Mr. BAILEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

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The question was taken; and there were—yeas 274, nays 63, not voting 97, as follows:

[Roll No. 80]

YEAS—274

Abbitt	Frelinghuysen	Multer
Adair	Friedel	Mumma
Adonizio	Fulton	Murray
Alexander	Garmatz	Nelson
Allen, Ill.	Gary	Norblad
Andersen, H. Carl	Gathings	Norrell
	Gavin	Oakman
Andresen, August H.	Gentry	O'Brien, Ill.
	George	O'Brien, Mich.
Andrews	Goodwin	O'Brien, N. Y.
Angell	Gordon	O'Hara, Ill.
Arends	Graham	O'Hara, Minn.
Auchincloss	Granahan	Osmers
Baker	Grant	Ostertag
Barden	Green	Passman
Bates	Gregory	Patman
Battle	Gwinn	Pelly
Beamer	Hagen, Calif.	Philbin
Becker	Hagen, Minn.	Phillips
Belcher	Hale	Poff
Bender	Haley	Polk
Bennett, Fla.	Halleck	Powell
Bentley	Hand	Price
Bentsen	Harden	Priest
Berry	Hardy	Rabaut
Blatnik	Harrison, Nebr.	Rains
Boggs	Harrison, Wyo.	Ray
Boland	Hart	Rayburn
Bolton, Frances P.	Harvey	Reams
	Hays, Ark.	Reed, N. Y.
Bolton, Oliver P.	Hébert	Rees, Kans.
	Herlong	Rhodes, Ariz.
Bosch	Heselton	Rhodes, Pa.
Bowler	Hess	Riehlman
Boykin	Hiestand	Rivers
Brown, Ga.	Hill	Robsion, Ky.
Brownson	Hillelson	Rodino
Broyhill	Hillings	Rogers, Colo.
Buchanan	Hinshaw	Rogers, Fla.
Budge	Hoeven	Rogers, Mass.
Burleson	Hoffman, Ill.	Rooney
Bush	Holifield	Sadlak
Byrne, Pa.	Holmes	St. George
Campbell	Holtzman	Schenck
Canfield	Hope	Scrivner
Carnahan	Hosmer	Scudder
Carrigg	Howell	Seely-Brown
Cederberg	Hunter	Selden
Celler	Hyde	Shafer
Chelf	Javits	Shelley
Chenoweth	Jensen	Short
Chiperfield	Jonas, N. C.	Shuford
Church	Jones, Ala.	Sieminski
Cole, Mo.	Jones, Mo.	Sikes
Cole, N. Y.	Jones, N. C.	Simpson, Ill.
Colmer	Judd	Simpson, Pa.
Condon	Karsten, Mo.	Small
Cooley	Kean	Smith, Kans.
Coon	Keating	Smith, Miss.
Cooper	Kilburn	Smith, Wis.
Corbett	Kilday	Spence
Cotton	King, Pa.	Springer
Coudert	Kluczynski	Sullivan
Crosser	Landrum	Taber
Crumpacker	Lantaff	Talle
Cunningham	Latham	Taylor
Curtis, Mass.	LeCompte	Teague
Curtis, Mo.	Lesinski	Thomas
Dague	Lipscomb	Thompson, Tex.
Davis, Ga.	Lovre	Thornberry
Davis, Tenn.	McCarthy	Tuck
Dawson, Ill.	McCormack	Utt
Deane	McCulloch	Velde
Delaney	McIntire	Vinson
Dempsey	McMillan	Vorys
Derounian	McVey	Warburton
Devereux	Mack, Ill.	Watts
D'Ewart	Mack, Wash.	Westland
Dies	Magnuson	Wharton
Dondero	Mahon	Wickersham
Donohue	Marshall	Widnall
Donovan	Martin, Iowa	Wier
Dorn, N. Y.	Matthews	Wigglesworth
Dowdy	Merrill	Williams, N. J.
Eberharter	Merrow	Williams, N. Y.
Engle	Metcalf	Wilson, Calif.
Evins	Miller, Kans.	Wilson, Ind.
Fallon	Miller, Md.	Wolverton
Fenton	Miller, Nebr.	Yates
Fogarty	Miller, N. Y.	Young
Forand	Mills	Younger
Ford	Morano	Zablocki
Fountain	Moulder	

NAYS—63

Albert	Betts	Bramblett
Aspinall	Bishop	Bray
Bailey	Bonin	Brown, Ohio
Bennett, Mich.	Bow	Byrd
Clardy	Kee	Pfost
Clevenger	Kelley, Pa.	Poage
Cretella	Lane	Regan
Dawson, Utah	Lanham	Robeson, Va.
Edmondson	Long	Rogers, Tex.
Elliott	Lyle	Saylor
Ellsworth	McGregor	Scherer
Fernandez	Mason	Secrest
Fisher	Mollohan	Staggers
Forrester	Morgan	Stringfellow
Golden	Moss	Trimble
Gross	Natcher	Van Zandt
Hays, Ohio	Neal	Walter
Hoffman, Mich.	Nicholson	Wampler
Ikard	Patten	Wheeler
Johnson, Wis.	Patterson	Whitten
Kearns	Perkins	Winstead

NOT VOTING—97

Abernethy	Harris	Pilcher
Allen, Calif.	Harrison, Va.	Pillion
Ashmore	Heller	Preston
Ayres	Holt	Prouty
Barrett	Horan	Radwan
Bolling	Hruska	Reece, Tenn.
Bonner	Jackson	Reed, Ill.
Brooks, La.	James	Richards
Brooks, Tex.	Jarman	Riley
Buckley	Jenkins	Roberts
Burdick	Johnson, Calif.	Roosevelt
Busbey	Jonas, Ill.	Scott
Byrnes, Wis.	Kearney	Sheehan
Camp	Kelly, N. Y.	Sheppard
Cannon	Keogh	Smith, Va.
Carlyle	Kersten, Wis.	Stauffer
Chatham	King, Calif.	Steed
Chudoff	Kirwan	Sutton
Curtis, Nebr.	Klein	Thompson, La.
Davis, Wis.	Knox	Thompson, Mich.
Dingell	Krueger	
Dodd	Laird	Tollefson
Dollinger	Lucas	Van Pelt
Dolliver	McConnell	Vursell
Dorn, S. C.	McDonough	Wainwright
Doyle	Machrowicz	Weichel
Durham	Madden	Williams, Miss.
Feighan	Mailliard	Willis
Fine	Meader	Wilson, Tex.
Fino	Miller, Calif.	Withrow
Frazier	Morrison	Wolcott
Gamble	O'Konski	Yorty
Gubser	O'Neill	

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Allen of California with Mr. Miller of California.
Mr. Vursell with Mr. Yorty.
Mr. Walcott with Mr. O'Neil.
Mr. Prouty with Mr. Camp.
Mr. Gamble with Mr. Preston.
Mr. Reed of Illinois with Mr. Pilcher.
Mr. Sheehan with Mr. Jarman.
Mr. Mailliard with Mr. Willis.
Mr. Withrow with Mr. Kirwan.
Mr. Byrnes of Wisconsin with Mr. Harrison of Virginia.
Mr. Busbey with Mr. Madden.
Mr. Horan with Mr. Brooks of Louisiana.
Mr. Jonas of Illinois with Mr. Bonner.
Mr. Scott with King.
Mr. Ayres with Mr. Riley.
Mr. Davis of Wisconsin with Mr. Frazier.
Mr. Reece of Tennessee with Mr. Dodd.
Mr. Laird with Mr. Dingell.
Mr. Knox with Doyle.
Mr. Kersten of Wisconsin with Mr. Dorn of South Carolina.
Mr. Kearney with Mr. Chatham.
Mr. Jenkins with Mr. Harris.
Mrs. Thompson of Michigan with Mr. Bolling.
Mr. Van Pelt with Mr. Ashmore.
Mr. Hruska with Mr. Machrowicz.
Mr. Stauffer with Mr. Williams of Mississippi.
Mr. Tollefson with Mr. Abernethy.
Mr. Wainwright with Mr. Wilson of Texas.
Mr. McConnell with Mr. Chudoff.
Mr. Meader with Mr. Barrett.
Mr. Pillion with Mr. Smith of Virginia.
Mr. Radwan with Mr. Steed.
Mr. Fino with Mr. Thompson of Louisiana.
Mr. Dolliver with Mr. Brooks of Texas.
Mr. Curtis of Nebraska with Mr. Mack of Illinois.
Mr. Krueger with Mr. Morrison.
Mr. Johnson of California with Mr. Feighan.
Mr. Jackson with Mr. Roosevelt.
Mr. James with Mr. Keogh.
Mr. Weichel with Mr. Klein.
Mr. McDonough with Mrs. Kelly.
Mr. O'Konski, with Mr. Fine.
Mr. Gubser with Mr. Dollinger.
Mr. Burdick with Mr. Heller.
Mr. Holt with Mr. Buckley.

Mr. ENGLE changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

Mr. REED of New York. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9474) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9474, with Mr. SAYLOR in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. REED of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H. R. 9474 would extend the President's authority to enter into reciprocal trade agreements for 1 additional year until June 12, 1955. Unless this legislation is enacted this authority will expire tomorrow.

As Members of this House know, I have never been an advocate of the reciprocal trade program. However, under the present circumstances I have no hesitation at all in supporting the President's request for an extension of the Trade Agreements Act for 1 additional year.

The sole purpose of H. R. 9474 is to preserve the status quo until a sound tariff policy can be developed by the Congress in the interest of all Americans.

As Members of this House know, the President's Commission on Foreign Economic Policy has made certain recommendations to the Congress with respect to tariffs. Those recommendations involve issues of great magnitude. They could not be adopted by the Committee on Ways and Means without full public hearings and careful, time-consuming study.

Time has simply not been available at this session for such hearings to be held and such study to be given. Since the first of the year the Ways and Means Committee has met almost daily on other measures recommended by the administration. As you all know, our committee has completed the Herculean task of completely overhauling our tax laws. After intensive study, the committee has recommended sweeping amendments designed to improve our social security system. We have developed the first major excise tax reduction bill in many years. These measures have all been approved overwhelmingly by this House. We are presently engaged in consideration of the administration's program with respect to unemployment compensation and other vital

legislation. There is a limit to the amount of legislation which any committee can formulate in one session of the Congress—even when the committee is composed of members as hard-working and diligent as those on the Committee on Ways and Means.

All of the 25 members of the Committee on Ways and Means have performed a monumental task this session. That statement covers both sides of the Committee on Ways and Means. The members have worked diligently. However, there is a limit to physical and mental endurance. We simply cannot do justice to this important tariff issue without exhaustive hearings.

Even if it were possible now to embark upon a detailed review of our tariff policies it would not be possible for such review to be completed in sufficient time for legislation to be enacted.

The choice before the Members of this House is, therefore, whether to enact H. R. 9474 and thus preserve the status quo for another year, or to allow the Trade Agreements Act to expire. Merely to allow the act to expire is not, in my judgment, the kind of affirmative legislative policy to which the American people are entitled in these troubled times. The expiration of the act would not have any effect upon the trade agreements which are presently outstanding. It would not grant any additional tariff protection to any of our industries, workers or farmers. On the other hand, such expiration might have unfortunate effects upon our trade relationships with foreign nations. For example, a number of Western European nations are now seriously contemplating making their currencies freely convertible into dollars, a step which would greatly benefit our industries and agricultural producers seeking markets abroad. Failure to extend the act might discourage these steps. I am also informed that it might cause repercussions which could adversely affect economic stability in critical areas in the Far East.

It is my firm hope that the very first order of business before the Ways and Means Committee next session will be full public hearings on all aspects of our tariff policy and that, as a result, the committee will have an opportunity to develop tariff legislation of which all Americans can be proud. I strongly urge you to vote for H. R. 9474 so that the continuity of our trade policy can be preserved until that time.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Iowa.

Mr. GROSS. I think I know the gentleman's feelings with respect to tariff legislation. Does the gentleman have any idea when Congress will ever enact a sound tariff policy?

Mr. REED of New York. Yes. I think we can enact a sound tariff policy. I am firmly convinced of it. However, we cannot do that without full and exhaustive hearings.

Mr. GROSS. Certainly, the legislation we are called upon to approve today is not an answer to a sound tariff policy.

Mr. REED of New York. No; it is not. But, we know the conditions in the world today. Let us lay the cards on the table. We know the situation in Japan. We know that many of their industries are idle. We know that every day there is a great reservoir of people out of work, and the Communists are working to the best of their ability among those people. We need Japan on our side in this troubled world, and we are not going to gain their support by starving them to death. We have to do at least this much for them, at least give them a chance to be heard through trade negotiations. I am not willing, and I do not think many Members here are, to take the responsibility under present conditions of the world of killing this bill and shutting the door to such negotiations.

Mr. GROSS. But the gentleman cannot in his district, nor can I in my district, absorb the production of 8- to 18-cent-an-hour labor in Hong Kong or Japan.

Mr. REED of New York. Certainly. We know that, and we know the history of tariff legislation and its effect upon this country, and the building of our industries following the Revolutionary War. We know that. But, I say that under present conditions in the world this is the only sensible, sound thing for this Congress to do.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Texas.

Mr. RAYBURN. I have seen some things in the papers in the last few days that disturb me deeply and, if true, I would deeply regret it, and that is that somewhere, somehow, there is an agreement that even though we extend the Reciprocal Trade Agreement Act for a year, that there will be nothing done under it; that there will be no agreements made. I think somebody in the administration or someone in a position of responsibility in the House of Representatives, as the gentleman from New York is, certainly should clear that thing up.

Mr. REED of New York. Well, I can clear it up right now. There has been no agreement under any circumstances, not in the slightest degree.

Mr. RAYBURN. Was there an agreement last year that there would not be anything done under the year's extension?

Mr. REED of New York. Not with me.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Tennessee.

Mr. COOPER. I think the distinguished chairman will recall that when Secretary Dulles appeared before our committee in the hearings last year on the subject of reciprocal trade legislation he stated that they did not contemplate negotiating any agreements during last year.

Mr. RAYBURN. There have not been any negotiated since the act was renewed last year, as I understand.

Mr. REED of New York. There have been no new agreements negotiated during that period.

Mr. RAYBURN. I am for the reciprocal-trade program. I was for it in the beginning. I think it has saved the trade and commerce of the United States, and we must continue it. But I would regret very much that anybody in any position of authority would say when this bill is passed that they are not going to try to carry out its provisions. I think it would be a terrible thing. In my opinion, it would be dishonest. I am not applying this to the gentleman from New York, of course, but to anybody anywhere in the administration responsible for the execution of this law that would say that since Congress has passed this law, under no circumstances would they negotiate an arrangement with another country.

Mr. REED of New York. I know of nothing of that kind.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. SIMPSON of Pennsylvania. It is my understanding that exactly the opposite is contemplated; that in all probability there will be further negotiations during the year.

Mr. REED of New York. It is my understanding that when this law is passed here today negotiations will immediately begin with Japan. It will take months to cover it, as such negotiations with another country always do.

Mr. SIMPSON of Pennsylvania. There certainly is no secret agreement that no agreements will be made.

Mr. REED of New York. Absolutely.

Mr. GROSS. If the gentleman will yield further, I assume this legislation provides for the continuation of the escape- and peril-point clauses?

Mr. REED of New York. It certainly does.

Mr. PELLY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Chairman, I shall vote for an extension of the Reciprocal Trade Agreements Act. I had hoped that by now the great Committee on Ways and Means would have had an opportunity to study our foreign economic policy and to come up with new legislation designed to stimulate trade, but certainly the distinguished chairman, the gentleman from New York [Mr. REED], in his opening remarks gave a clear explanation of why his committee has not had sufficient time to consider the report of the Commission on Foreign Economic Policy, chairmanned by Clarence B. Randall. A full study of the effect of a reduction in tariff barriers on certain American industries, and in particular on wage standards and payrolls, is certainly in order before the Congress enacts legislation.

I want to say, as one who believes in exchange of surplus commodities between nations, and as one who in private life has worked for freer international trade, that care must be exercised to see that substandard foreign labor must not be allowed to lower our own high-living standard. On a case-by-case basis I am convinced a quota system

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which will protect American industry and labor can be worked out by agreement, and I have always favored the idea of the Reciprocal Trade Agreements Act. In this connection I have spoken in favor of trade as against aid on a number of occasions during the 83d Congress, quoting my philosophy of economics that it is the stuff the United States produces, plus the stuff we import, less the stuff we export that measures our standard of living.

It has been gratifying to me that among the many letters and communications I have received from constituents, practically all favor extension of the Reciprocal Trade Act. One of the very encouraging developments in the recent history of our Nation is the increase in understanding of economics. I have thought that it was our high-tariff policy after World War I, when we were a creditor nation for the first time in the history of this Republic, which caused the great depression. I believe today the struggle with Communist Russia may well be settled by our tariff policy.

When organizations such as my own Seattle Chamber of Commerce support the Reciprocal Trade Act, when study groups such as the League of Women Voters favor it, I say this great Nation is meeting its responsibility of world leadership.

It is to be hoped, Mr. Chairman, that a long-term program of lower tariff laws can be put into effect after careful study. What hurts industry is sudden and unexpected changes. We need long-range planning.

I support President Eisenhower's enlightened position and urge you, my colleagues, to vote for this 1-year extension of the Reciprocal Trade Agreements Act.

Mr. COOPER. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, tomorrow marks the 20th anniversary of the start of the reciprocal trade agreements program. I desire to take advantage of this opportunity, as I have on many occasions in the past, to pay deserved tribute to my good friend and distinguished fellow Tennessean who strongly sponsored the program in 1934 and supervised the administration of it for the first 10 years, the Honorable Cordell Hull.

Mr. Hull stands out in bold relief as one of the greatest statesmen of the world and deserves the lasting gratitude of the people of this country and the world for the great contribution he has made to their welfare.

Mr. Chairman, I support the pending bill. I am disappointed, however, that the recommendations contained in the President's original message based upon the recommendations of the Commission on Foreign Economic Policy, headed by Mr. Clarence B. Randall, are not going to be considered in this session of Congress.

I take this opportunity to compliment the President and Mr. Randall on these recommendations. The Randall Commission consisted of 17 very able members representing labor, industry, agriculture, and the Congress. It was my privilege to be one of those members. In my opinion, the recommendations of the Randall Commission and the President's message based thereon are constructive, while at the same time moderate.

I do not need to tell you that there are few subjects ever considered by the Congress about which there is more feeling and confusion, and which at the same time are more important. World conditions today are such that a realistic and constructive foreign trade policy on our part is of vital importance, not only to our own domestic economy, but to the economies of all the free nations. Sound foreign trade policies on the part of all free nations of the world is the only means of creating an economic climate on which lasting peace can be built. For this reason, and the fact that the United States is not only the political but the economic leader of the free nations, the direction of our foreign trade policy is very probably more important than any other one phase of our foreign relations at this time.

I have always supported the trade agreements program. It is my conviction that in its far-reaching consequences to the economic prosperity, security, and welfare of our country and the free world it is one of the greatest programs ever adopted by the Congress.

I have never advocated the abolition of proper and necessary tariffs and other protection for American industry and agriculture. To me, this would be just as unrealistic as to clamor for protection at the first sign of competition from abroad. I believe in realistic protection for American industry, agriculture, and labor, while at the same time permitting consumers to buy in a competitive market and our farmers and industries to sell their goods abroad.

I am not an idealist, in that I realize that reaching a situation such as this is most difficult and fraught with many economic and political problems. It is an end to which we can strive. After all, the direction in which we indicate our foreign economic and trade policy is going is often as important if not more important than the height of our tariffs or the degree of protection from other devices.

In the confusion and feeling which consideration of this subject brings forth we often lose sight of the real problems which face us. I will mention some of these, even though they may seem obvious under calmer circumstances.

In the first place, we must remember that the extreme choices in our trade relations with the other nations of the world are, on the one hand, economic isolationism, and on the other, outright removal of all protection without consideration of our defense requirements, hardship on workers and industries, and a stable basis for world trade. I realize, perhaps as well as anyone on this floor, the fact that overshadowing our decisions on foreign economic and trade policy is the threat of communistic aggression and subversion. There is a realistic and moderate approach in our foreign economic trade policy which we, in our own self-enlightened interest, must seek. The military strength of the free nations of the world depends more on stable economies in those nations than on our capacity and willingness to furnish military weapons and other military aid and their capacity to do their part militarily.

The main cause of an imbalance in our foreign trade at this time is the lack of dollars on the part of our allies with which to buy the goods which we produce and which they need. Much has been said about the fact that many friendly free nations of the world have erected barriers to our trade. Those nations have not done this by a free choice of their own, but from the necessity of having to conserve their scarce dollars. They want and need much more of the goods which we now produce, but they are forced to limit their purchases from us to the most essential ones.

It is a truism, but one worth repeating, that we cannot sell where we do not buy. The only economical and self-respecting way of furnishing our allies with more dollars is through a freer exchange of goods. This means not only more exports on our part but also more imports. We must not forget that unnecessary duties and trade restrictions on our part, in effect, limit the markets and horizons of our own industry and agriculture.

What would be the effect of a more abundant two-way foreign trade? We could reduce and perhaps eventually eliminate economic and military aid abroad. We could relieve the pressure on our allies to trade with the Soviet bloc. We could obtain a more plentiful supply of goods at a cheaper price. We could receive payment for a good part of our goods and resources which in the past we have in effect given away.

We must remember that, although we are blessed with an abundance of resources, we are not self-sufficient, and we are becoming steadily less so. Unnecessary protection accelerates the exhaustion of our resources and increases our dependence on foreign supplies.

No one country in the world has as much to lose as the United States from restrictions on foreign trade, since we are the largest exporter and importer of goods in the free world, while at the same time the greatest creditor nation in the world.

The stake of agriculture in foreign trade, in many instances, is even more important than the stake of industry. Recently we have been exporting about one-third of our total production of cotton and tobacco. In 1951, $1 out of each $8 in cash farm income was accounted for by exports. In 1951, 8.9 percent of our total production of movable goods, both agricultural and nonagricultural, were exported. It is certainly a matter of concern that our agricultural exports since 1951 have been falling off. One reason for this is that we have been concentrating more on military aid rather than economic aid. In addition, the dollar shortage and trade barriers and restrictions on our part as well as in other nations have contributed materially to this decline in exports.

Our whole national economy suffers when our exports decline, since the decline means lower wages to labor, profits to business and farmers, and taxes to the Government. We must remember also that about 4½ million persons are

engaged, directly or indirectly, in foreign trade. We should keep this in mind at the same time we are giving consideration to those industries who feel that they are being injured by imports.

Mr. GROSS. Mr. Chairman, will the gentleman yield at that point?

Mr. COOPER. I am glad to yield to the gentleman.

Mr. GROSS. I wonder if the gentleman could tell me how much we have exported of our products to Poland in return for some $15 million worth of ham and bacon they have shipped to this country in the last couple of years.

Mr. COOPER. I regret that I do not have the figures immediately before me.

We should also keep our perspective as to the effect of imports upon workers in this country by recalling the statements which have been made that even if our trade barriers were considerably reduced, the displacement which would take place would be far less than are the displacements caused by changes in fashion, technology, demand, the retirement of older workers and the absorption of newer ones, and so on.

Many people who will defend our free enterprise system in this country to the very last are often the first to complain about competition from abroad, and begin to clamor for means of meeting this foreign competition in the halls of Congress and the Tariff Commission rather than in the open market place.

I would like to read to you a statement of President Wilson in his message transmitting his tariff recommendations to the Congress in the spring of 1913. This statement merits even more serious consideration today, in light of world conditions, than it did in 1913:

> We have seen our tariff legislation wander very far afield in our day. * * * We long ago passed beyond the modest notion of protecting the industries of the country and moved boldly forward to the idea that they were entitled to the direct patronage of the Government. * * * Consciously or unconsciously, we have built up a set of privileges and exemptions from competition * * * until at last nothing is obliged to stand the tests of efficiency and economy, in our world of big business, but everything thrives by concerted arrangement. * * * Aside from the duties laid upon * * * luxuries and merely for the sake of the revenue they yield, the object of the tariff duties henceforth laid must be effective competition, the whetting of American wits by contest with the wits of the rest of the world.

In conclusion, our foreign trade policy and overall foreign policy can no longer be disassociated. The policy decisions in these fields are extremely difficult, and must be made methodically and carefully. More than ever we need allies who will cooperate with us, not as servants or followers, but as free and equal partners in a joint enterprise. The most shortsighted thing that we can do would be to isolate them between a tariff curtain and the Iron Curtain. Our guiding aim should be to build a stable foreign trade by cooperative action with our partners, so as to strengthen us all in our fight against communistic aggression and subversion.

We should seek by national and international action to increase production, trade, and consumption of goods, and eliminate unnecessary trade barriers and all forms of discriminatory treatment in international trade.

Mr. DINGELL. Mr. Chairman, I support H. R. 9474 because the reciprocal trade agreements program has contributed materially to our prosperity and to the strength and solidarity of the free nations of the world.

I am very happy to see that many of my Republican colleagues, who have strenuously opposed this plan since it was first enacted, instead of trying to kill it are now supporting it. The debacle of the Smoot-Hawley tariff was a major factor, if not the basic cause, in the world-wide depression in the early 1930's. The foresight of Cordell Hull in his fight for the reciprocal trade agreements program has been proved time and again.

This program has gained the popular support of the majority of the newspapers in the country as well as that of agriculture, industry, and labor. Our Republican colleagues do not dare kill it.

I regret that we only have before us an extension of it for a minium period of time. This is unfortunate particularly at this time, because businessmen in the friendly free nations of the world are very hesitant to plan on being able to trade with us when they do not know from one year to the next what our attitude on foreign trade will be.

Our national interest demands that more constructive and forward-looking steps be taken in the field of our foreign economic policy. The political, military and economic strength of the free world can never be stable until we all adopt a more realistic attitude toward foreign trade.

Certainly in this field there occur dislocations in domestic agriculture, industry, and labor. A well-rounded program should approach such dislocations in a constructive manner rather than with an attitude of defeatism. Our overall national interest should be the controlling factor in our foreign economic policy.

The chairman of our committee has promised that extensive hearings will be held on the subject of foreign economic policy and trade in the next session of Congress. I shall see to it that particular attention is given to the problems of dislocations caused by imports in those few industries and businesses where they are bound to occur if our foreign trade is expanded. I am particularly interested in supplemental and extended unemployment compensation benefits and severance pay for workers who may be temporarily displaced from their jobs, as well as retraining programs for them. At the same time consideration should be given to those businesses and communities which may be affected, and the many suggestions which have been made for relief and constructive action in this field should be thoroughly considered.

It is a matter of enlightened self-interest that we increase our foreign trade in every way reasonably possible. This cannot be a unilateral action. We can expand trade for ourselves only if we help expand it for the other fellow. I am very disappointed that our good Republican friends did not see fit to take more constructive action at an earlier date. In my opinion, the recommendations of the President not only endorsing but strengthening the Democratic Reciprocal Trade Agreements Act should have had high priority in this session of the Congress.

With world conditions being what they are today, we should miss no opportunity to strengthen ourselves and our allies in our fight against communistic aggression and subversion. While reciprocal trade expands business and makes everybody prosperous and happy, communism and selfish restrictions wither and destroy international business and bring about discontent and depressions.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Utah [Mr. STRINGFELLOW].

Mr. STRINGFELLOW. Mr. Chairman, I am opposed to the passage of this legislation. However, I would like to make clear to the Members of this Committee that I am not opposed to the principle of reciprocal trade. I am very much aware of the necessity of expanded markets abroad. I realize the great need of many of our friends to trade with us to gain badly needed dollars. Yes, there is a need for free trade, but on a fair and equitable basis. Throughout the 20-year history of our trade-agreements policy, the raw materials producing industries of the West have been led to the sacrificial altar. The proponents of this legislation have voiced the fact that affected industries can seek relief under the peril-point or escape-clause features of the Trade Agreements Act. This has been done by imperiled industries in my district with no effect. I speak specifically of the lead-zinc mining industry. The economic conditions prevailing in the mining sections of my district are appalling. Mines are closed and men are not working. In good conscience, what can we say to these people?

On various occasions I have called this situation to the attention of the executive branch of Government. Investigations have been made by the Tariff Commission by Presidential directive. Acting in good faith the Tariff Commission has made judicious investigations in every instance. I have been interested in two such investigations, the one pertaining to the domestic wool industry and the other in the lead-zinc mining industry.

The Tariff Commission has always made recommendations sympathetic to the needs of the domestic industry concerned. But there has never been an expression of good faith in the form of positive action on the part of the executive branch of the Government.

The able chairman of the Ways and Means Committee has made a passionate plea to maintain the status quo in the field of trade through the passage of this legislation. This was the same argument we were forced to swallow last year. In the meantime there has been no real indication of relief.

The important point to consider this day is not so much where we are, but in what direction we are heading. I cannot feel that the destruction of basic in-

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dustry in this country is heading in the right direction.

A sound trade policy in this country cannot be built on the unrealistic formulas of the past, but it must be built on the realities which now confront us.

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, I am obliged to the gracious chairman of the Ways and Means Committee for this time. I should not be taking the time of the House unless I had some particular information to convey and I do.

I have the honor to be chairman of the Subcommittee on Foreign Economic Policy of the Foreign Affairs Committee. We have been investigating the question of East-West trade, a very hot subject in our country. Certain facts upon that subject that bear a very direct relation to what we are discussing today have come to my attention which I would like to communicate here.

One salient fact stands out in postwar economic history which I think this House should be aware of as we work to win decisively the struggle against the totalitarian Communist imperialism—and if I leave nothing else with you today it should be that fact—that is the phenomenal growth of the Soviet economy.

The Soviets were producing before World War II 18 million tons of steel per year. Steel production is an important index of an industrial economy. They are now producing 38 million tons of steel a year. They have shown an increase of 3 to 4 million tons of steel a year, and any steel maker will tell you that is pretty rapid progress. In addition to the 38 million tons they are now producing, they are getting 12 million tons a year out of the satellites. That is as we know the same as if it were Soviet production. They are expecting according to information we have to gear up steel production to 60 million tons a year by 1960 and at 60 million tons they will about equal the production of Western Europe, including Great Britain—and be half of our production capacity of 120 million tons a year. The potential implications of those facts I need not dilate on. We all know them well.

One other point. The Soviet Union is also trying to scheme for integrating the Communist world just as the reciprocal trade agreements program is an effort to integrate economically our world. They have over there what they call the Council of Economic Mutual Aid, which they organized in 1949. Let me give you some figures on that.

Western Europe's trade—our free Europe—with the East used to be about 20 percent of its total exports and imports before World War II. It is now down to 5 percent. The distractions of those who have been talking about East-West trade being a big issue to the contrary notwithstanding, the figures are down from 20 to 5 percent. But at the same time the trade within the Soviet bloc of satellite countries—that is, Hungary, Czechoslovakia, Poland, Rumania, and so forth—has increased from 12 percent, which it was prewar, to 83 percent. You can see by this enormous increase they are integrating the Communist economic world by the rule of the knout and the sword as is their method.

What does this teach us? We ought to know that the surest way to avoid world war III and to prevail over the Communist threat to all freedom is by our economic power utilized for the integration of the free world with resultant greater economic development and higher standards of living for the free peoples. That is the one thing we have got to do.

What the Communists are trying to do is to exploit misery by political panaceas—while we have the will and the ability to relieve it by practical means. More than two-thirds of the free world is way under par economically and the Communists are trying to exploit those people by offering political panaceas, which they try to accomplish by the exploitation of nationalism and anti-foreignism. They are telling them that they will get along much better under the Communist system than under the situation existing today; we know they are only trying to fasten a yoke of new colonialism and slavery around their necks and we can best convince the people concerned of that by doing a superb economic job with them. Now, our answer to the Communist challenge is the economic integration of the free world; to attain higher standards for the free peoples, more trade, more investment, more development, that we will then be offering the people of the free world goods instead of promises, and that is what is inherent in the particular legislation we are considering today.

This is a stopgap compromise. We all know that. It is not the President's program, which is more comprehensive. Yet, I and others like me must be for it because it continues the climate in which the people of America say to the whole free world, "We want to make progress toward economic integration and improve materially the economic situation of the free world."

I heard the gentleman from Iowa, whom I respect and admire, ask the question about Polish ham, and so forth. This reflects a point of view in our country about imports—aside from the question of East-West trade. I would like to say in answer to that—and may I say again that this is separate from the question of imports from the Soviet bloc or any East-West trade—that we have to have a perspective on this situation. Twelve billion dollars in imports into the United States, the present rate, is something under 1 percent of a total import on the goods which is bought and consumed here, and all the people like myself who say we have to extend world trade, if you want any real answer to East-West nonstrategic trade and if you do not want to drive what are now our allies into the arms of the Communists for trade reasons, it is by giving them a little better opportunity for trade domestically, as well as in other countries of the world. All we are talking about is a possible increase from 1 to 2 percent; that is all we are talking about in the order of magnitude, because the production in all of these countries where we want to encourage imports to us is not great enough to challenge us. I submit you are talking about a real economic anti-Communist measure in this whole reciprocal trade program and that every Member should understand it.

Mr. GROSS. Can the gentleman give me one legitimate reason why we should import canned ham and bacon from Poland?

Mr. JAVITS. I will say to the gentleman that I have not the detailed facts before me any more than our colleague, the gentleman from Tennessee. But I respectfully submit the gentleman is begging the question. Reciprocal trade means we are going to make agreements, open up trade channels. It means we can integrate the policy, and let in others, because it helps our consumers and our country's economy. It does not mean we cannot protect ourselves should it hurt us unduly; on the contrary, we can and do. I think you get completely off the subject and distort it when you set as a criterion a maximum of 500,000 or 600,000 people in the country who are affected by these imports, and whom we should by all means aid in a transition, and disregard the criterion of our own security, of over 60 million Americans who are employed and of 4.5 to 5 million Americans who are strictly concerned with the export industries. Our exports could fall and fall dangerously because we do not do this job.

Mr. GROSS. With the perspective the gentleman has on this question, I would expect just that answer.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks immediately following mine.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Tennessee [Mr. PRIEST].

Mr. PRIEST. Mr. Chairman, the gentleman from California [Mr. KING], a member of the Committee on Ways and Means, was en route to Washington this morning. His office notified me that the plane developed engine trouble and was forced back. He was very much interested in this legislation, and I make this statement in the RECORD at this time in his behalf.

Mr. COOPER. Mr. Chairman, I yield 10 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, 9 years ago this past March from the well of the House I tried to advise my colleagues of the House what our reciprocal trade policy was leading us into. At that time I made the statement:

> I object, Mr. Speaker, to my State of West Virginia being made a guinea pig for experiments in the field of international politics.

They have proceeded to make us a guinea pig, and may I say to you that the guinea pig patient today is almost dead.

For some reason, we are so situated that the effects of our trade policy have

been more severe on the economy of the State of West Virginia than probably any other section of the Nation. There are scores of other sections that were not affected in the early part of our experience under the reciprocal trade agreements program, because we were out of one emergency and into another emergency. We first had the depression, then went into World War II, then we had a year or two of comparative peacetime administration and then we went into the Korean difficulty. We have never faced a situation where the reciprocal trade policies have been under peacetime conditions until the present, and it is apparent that it is not workable in its present form.

I want to reiterate again that I have not been and am not opposed to the basic idea of reciprocal trade. I have stood in the well of the House for the last 8 years and demanded equality of treatment for the domestic industries of the United States. I object to certain select groups, certain industries, receiving the benefit at the expense of other domestic industries.

At a conference held in the Mayflower Hotel some months ago 113 domestic industries were represented who are being harmed under the reciprocal trade agreements. You will understand why I offered and had written into the legislation the escape clause. I am sorry indeed that that escape clause is not being applied as the Congress hoped it would be applied for the relief of certain domestic industries who are receiving injury under the agreements.

The Tariff Commission has seen fit to set up its own regulations that bar most of those industries from making application. When they do make application, time drags along until they are in the hands of a receiver or are bankrupt before they can get any relief.

Let me remind you as I reminded the Rules Committee on yesterday of just one instance, the hand-made and blown-glass industry. They filed a petition with the Tariff Commission in 1952. The rules of the Tariff Commission state that they must report within 1 year. Three days before the year expired they reported to the President that the Commission was split 3 to 3 and they were unable to make a determination.

After 45 days the President asked for additional information from the Tariff Commission. That was the 5th day of last December. Up until 30 days ago, the last time I made a check, the Tariff Commission had not supplied the President of the United States with the information he asked to enable him to make a satisfactory ruling. In other words, practically 2 years have passed and still the handmade and blown-glass industry has had no relief. That is why I say it is necessary to rewrite this reciprocal trade law and make it so that every industry in the United States receives equal treatment.

Let me call your attention to this fact: Out of all the major products produced in West Virginia—let us start in with the pottery industry. We have the largest pottery producing plant in the United States. Thirty-six percent of all the pottery products consumed in the United States in 1953 were imported from abroad. Eighteen percent of all the handmade and blown-glassware consumed in the United States was imported from abroad.

My district has the largest clothespin manufacturing plant in the world. Twenty-five percent of all the clothespins consumed in this country were produced abroad and brought in under the reciprocal trade agreements program.

Now let us get down to the question of our major industry, coal. In the escape clause I attempted to make it possible for the coal industry to get relief by the wording of that escape clause. There is no importation of coal as such. The harm comes from the imports of residual fuel oil. Let me say to you that the daily average for the month of April was 596,000 barrels of residual fuel oil, most of it coming from Venezuela under a reciprocal-trade agreement, which I tried to prevent being written, which allows this type of oil to come in at a duty of 5¼ cents a barrel when originally the import duty was 21 cents. Since that new treaty went into effect, this flood of oil has practically ruined the coal industry of West Virginia. It has displaced 38 million tons of soft coal, which means unemployment for 51,000 miners in the State of West Virginia.

Mr. KELLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. KELLEY of Pennsylvania. The gentleman says that this situation is destroying the coal industry in West Virginia. Let me remind the gentleman that there are other States which mine coal besides the State of West Virginia whose coal industry is being destroyed as is the case in my State of Pennsylvania.

Mr. BAILEY. I am glad to know that the gentleman from Pennsylvania has as much interest as I have. Pennsylvania used to lead the Nation in the production of coal up until some years ago when we took that honor from them. But, Pennsylvania is a large coal-producing area along with Kentucky, Tennessee, Ohio, Indiana, Illinois, and other sections of the country.

Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. OLIVER P. BOLTON. Can the gentleman state what the residual fuel oil which was made in the United States was selling for per barrel at that time?

Mr. BAILEY. I do not believe I can give the gentleman that information. All I can say to you is that the first contracts for residual oil imported into this country were for $1.95 a barrel. They have since cut that to $1.60 and most of the contracts today are at the rate of $1.60 a barrel. In return for that cut in residual oil for the express purpose of raiding the coal markets, they have lowered the price on residual oil, but they have increased the price on diesel oil and on lubricating oils which prices have increased a total of 64 to 67 percent. That is to make up for reducing the price on residual oils so as to enable them to raid the coal fields.

Mr. OLIVER P. BOLTON. The reason I asked that question was I was trying to determine whether or not this was a question of competition between industries or competition between an American product and a product coming from a country on the outside. It would appear from what the gentleman says that this is competition between two different industries as contrasted to competition between American and foreign products.

Mr. BAILEY. But your present Reciprocal Trade Agreement Act contains a provision which permits the coal industry to prosecute a claim before the Tariff Commission for injuries.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. EDMONDSON. Mr. Chairman, I commend the gentleman for the courageous fight he is making for the workers and for the industries of his district.

I cast my vote against the rule for this bill, not because I do not favor the principle of reciprocal trade, but rather as a protest against the manner in which this worthwhile program is being administered.

In my own district, the important lead and zinc industry is practically paralyzed today, with thousands unemployed, as a result of administration failure to grant the relief provided for by law to a stricken industry. Yet the imports of lead and zinc continue to flood our markets.

In my district, the important glass industry is also being hurt, and hundreds are unemployed or on a curtailed work week, as a result of uncontrolled imports. The sad plight of the coal industry is well known to all, yet residual fuel oil imports continue unabated, and our domestic petroleum industry suffers under increasing strict proration.

My vote is a protest vote against failure to act, as the law intends, to meet these serious problems in our own country.

Mr. ELLIOTT. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. ELLIOTT. Will the gentleman tell me whether or not there is any possibility of relief for the stricken coal area of his State as well as the States of Alabama, Illinois, Kentucky and Pennsylvania as well as other States in the bill which is now before the House.

Mr. BAILEY. There are no possibilities for relief.

Mr. ELLIOTT. What does the gentleman suggest in light of this legislation, as to what may be possible in the future to right the injustices being perpetrated upon the coal areas by the vast importation of cheap residual oil from foreign shores.

Mr. BAILEY. I suggest that we recommit this legislation to the Committee on Ways and Means, and if there are any instructions with the motion to recommit, to begin immediate hearings on the reciprocal trade agreements legislation which will prevent destruction of a large number of our basic industries. Certainly there is no relief under a 1 year continuation of your present situation. Let me answer the gentleman just a little more definitely. I have before me a pamphlet on the oil industry in Venezuela.

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The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. BAILEY. May I ask the gentleman from Tennessee [Mr. COOPER] for 2 or 3 minutes extra time?

Mr. COOPER. I am very sorry but all the time on this side has already been allotted.

Mr. BAILEY. Does the other side have any time?

Mr. REED of New York. Mr. Chairman, I yield the gentleman 3 minutes.

Mr. BAILEY. I thank the gentleman from New York.

Mr. Chairman, I have here a record of the production of oil which is beyond the comprehension of the average American. Do you know that the daily production of oil in Venezuela alone is 1,896,049 barrels? Do you know that they are presently drilling in Venezuela 101 new wells, and that the production of those wells sometimes exceeds 20,000 barrels a day? We have no defense at all against the quality or quantity of that residual oil, which will come in here to complete the destruction of our coal industry.

Let me say to you that the situation is not one particularly affecting the State of West Virginia. Let me say to the gentlemen who represent New England, it affects the textile industry, the boot and shoe industry, the clocks and watches, laces, fisheries. I can go on all over this Nation and give you more than a hundred of our basic industries, that are as old as the Nation itself, that are gradually being driven to extinction and into bankruptcy because of the neglect of this Congress to see that these reciprocal trade agreements bear equally on all of the industries of this country.

If we must have trade with foreign countries, and I agree it is necessary, then let us administer it in a way that will protect all of the industries of America on the basis of equality.

Nobody has denied the charge that I make, that it is operating unequally. We are simply helpless to do anything about it. A continuation of this for 1 year—it should be dropped, and the committee should give consideration. Again, as I charged before the Rules Committee yesterday, the sole object in asking for a renewal of this agreement for 1 year is for the purpose of completing the trade treaty agreement with Japan. Do not let anybody sell you the idea that there is going to be any selective imports from Japan. Anytime we take them into this agreement, the favored nation clause accords to Japan every advantage that is accorded to any other nation. What is going to be the situation during the next year when you meet this flood of Japanese imports? Already, before any trade agreement is made, glass manufacturing in Japan is crowding the American product off of the shelves. There are seventy-some different articles manufactured in Japan and imported to this country.

Mr. SECREST. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Ohio.

Mr. SECREST. One hundred and thirty million pieces of glassware were imported last year, and 330 million pieces of pottery, and over half of all the wool used in the United States of America comes in from Australia and abroad.

Mr. BAILEY. I thank the gentleman from Ohio.

The CHAIRMAN. The time of the gentleman from West Virginia has again expired.

Mr. ELLIOTT. Mr. Chairman, I will vote for this bill, because a failure to pass it today would result in the expiration of our law governing reciprocal trade agreements, and I think it is important that we have a law. It is important that we have reciprocal trade. The more trade we have the more of our cotton, wheat, corn, and other agricultural products will be sold abroad, and the less danger we have of accumulating surpluses here at home. I think we are all agreed that a healthy program of foreign trade is good for the United States. A study of the years prior to the great depression beginning in 1929 shows that prosperity here at home is closely tied to an active, expanding foreign trade.

Mr. Chairman, this morning I voted against the rule making the present consideration of this bill in order under the restrictive terms of the rule. I voted against the rule as a protest against the fact that the rule does not provide opportunity to amend this bill. There were no hearings on this bill to extend the reciprocal trade law. As important as this subject is we certainly should have had hearings on this bill. These hearings should have been open and with full opportunity to representatives of every aggrieved individual and industry in the country to be heard. Many American industries are suffering from what amounts to be unfair competition of foreign industries. In our effort to promote world trade we must not set up a system that will unduly penalize or harm our own industry. I am one of those who subscribes to the proposition that our own American industry, our own American labor, our own American capital and management must be given first consideration. Within the limits of completely free world trade on the one hand, and complete tariff protection on the other there is a large zone where world trade, reciprocal trade if you will, can be encouraged and developed and expanded for the good of all America.

A subject of such great importance is entitled to full and complete hearings. In the absence of hearings there should be some way provided for the House of Representatives to amend the bill, some way for the House to work its will on this legislation. I know it is argued that the subject matter is so complex and the ramifications of world trade are so technical that such bills should come to the floor under a closed rule. I will be perfectly frank to say that that line of argument has never appealed to me nearly as much as perhaps it does to most Members of the House. To assert that the House of Representatives cannot do a good job on legislative subject matter that is complex, to say that we must consider the subject of reciprocal trade under a closed rule that primarily permits us to sit here and take or leave what others say about reciprocal trade does not appeal to me. It is like saying that the people do not have the commonsense and intelligence to choose their leaders, or to vote on a bond issue, or some other matter of every day government.

Many industries, many people, are aggrieved by what they say the system of reciprocal trade is doing to them. They should be heard. Many industries and many workers in industry are crying and have been crying for several years now against the treatment that they receive under this law. They should be heard. I realize that the leadership of the House has promised all concerned that hearings will be had come next January. Mr. Chairman, 6 months is an awful long time for a person who is hungry.

The coal industry has been crying out for a long time against what it considers to be the abuses of the present system of reciprocal trade. The import of foreign residual fuel oil is soaking up the remaining markets for our coal.

Mr. Chairman, the plight of America's coal industry should not be taken lightly. The Nation is confronted with the harsh reality of starvation, and mass unemployment throughout the coal fields of America.

Just last night the newly elected Governor of Alabama met with many of the citizens of my home county to try to figure out something that they could all do to relieve the plight of the people living in the county. Walker County, Ala., has been producing coal commercially now for more than 60 years. Its economy is, and in the past has to an even larger extent been geared to a coal economy. During the past several years we have seen our mines lose their markets. We have seen the railroads convert their locomotives to oil burners. We have seen our foreign trade in coal decline constantly. The consequence is that scores of coal mines have been closed, and in their wake has come misery and hunger and want. Walker County, Ala., has a desperate backlog of unemployment. Many of the coal people there feel that if heavy restrictions were placed on the importation of foreign residual fuel oil there would be at least a few more jobs in our mines. Every five barrels of residual oil that comes in deprives another coal miner of a day's work and a day's wages.

In 1953 Alabama's mines produced 12 million tons of bituminous coal. Most of this output is consumed within the State, for our steel, manufacturing, and power-generating industries are heavy consumers of coal and coke. For example, the Alabama Power Co. uses approximately 1¼ million tons of coal annually in its large steam-generating plants at Gorgas in Walker County, Ala. Also, the TVA is becoming an important user of bituminous coal in its steam-generating plants along the Tennessee River.

Coal production in Alabama in the first quarter of 1954 is 20 percent below the production in the same period of 1953. In the 3 months, January–March 1954 Alabama's coal production was 2,630,000 tons. In the same period in 1953 the production was 3,269,000—a loss of 639,000 tons.

What does our Government propose to do about the plight of the coal industry? I am convinced that it has no intention of encouraging a change in the law that would limit or decrease the importation of foreign residual fuel oil. This question will have to be fought out on the floor of the House and Senate next year when the matter is again before us. I certainly do hope that the Committee on Rules will grant a more liberal rule then than it has now, so that we can attempt to bring some relief to the coal industry.

In this country we have 33 billion tons of recoverable reserves of coal underlying about 7,000 square miles of our soil. So, in the case of coal we do not have to worry about supply. Our supplies are adequate for hundreds of years provided we can keep the mining organizations both of labor and capital functioning in the coal-mining field. We may be able to do this if we encourage the coal industry.

I was sorely disappointed when last year the Congress stopped in large part the experimentation in the field of finding new uses for coal. In my home county, in the heart of the Warrior coal field, we had a wonderful experiment in underground gasification of coal. It had been in operation for several years. It was producing results. Its experimentation was within sight of the goal of opening up new practical uses for much of our coal. It was a great mistake to close this experimentation down.

Because mines in the States to the north of us are finding their output of coal backing up as a result of tonnage lost to foreign residual oil, the out of State shipments are moving into our markets in competition with our own mines and miners. As such competition increases, more and more of our mining operations will be forced to close down. Then, what happens in the event of another war? Mr. Chairman, every Member of this body knows that we are living in an age in which the cloud of war hangs heavy over us threatening to erupt at any minute. In the event of another war oil from foreign refineries will be closed to shipping. Coal will be called to make up for the deficiency. Northern mines will be taxed to the limit to take care of the old markets. Alabama will be placed in the position of again looking to her own mines to fill her requirements for industrial energy. If her mines have been closed and sealed up or filled with water, if the machinery and rails have been carted away to the scrap heaps, and if the people who know how to mine coal efficiently have moved away or found their place in some other industry, our plight will be sad indeed—sad because we did nothing tangible to encourage one of our basic industries when it found itself faced with a deluge of cheap foreign oil with which it could not at the moment compete.

Let me say again that I do not for one minute desire to discourage international trade, Mr. Chairman. We export a considerable amount of agricultural and industrial products yearly; in fact, we ship from the port of Mobile more than a hundred thousand tons of coal to South American countries each year. But surely no one here is so naive as to believe that our good neighbors below the equator would buy that coal from us if they had a sufficient domestic supply and if those imports were damaging to the home economy. Of course not. Each South American country is protected by tariffs, quotas, conversion requirements, and whatever other devices are necessary to prevent foreign-produced commodities from interfering with local industry and labor. That is all we can ask of our own trade policy. Let us have international trade to the fullest, providing that we do not unduly injure ourselves in doing so.

I have indicated that I believe strongly in reciprocal trade. But, I appeal to you that we do not in the name of reciprocal trade weaken our defensive structure, destroy our basic coal industry, and create further widespread unemployment in the United States.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. McGREGOR].

Mr. McGREGOR. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGREGOR. Mr. Chairman, H. R. 9474, the bill before us for consideration, extends for 1 year the existing authority of entering into trade agreements with foreign countries. I am in accord with the basic idea of reciprocal trade, but I am definitely opposed to any program that penalizes certain portions of our economy and advances others. It is unfair for certain industries and certain farm commodities to absorb the shock of imports and world trade. This legislation affects all Americans, the farmer, the working man, and the consumer. In my opinion, it will determine whether we go forward to a higher standard of living with a higher standard of wages, or whether we will be forced into another depression or recession, which will mean lower standards of living for all of us. The passage of this bill simply means a continuance of the present foreign trade program and will close many industries, including the pottery, glassware, cycle industry and certainly it will do tremendous harm to the farmer and our economy in general. There is no possible relief for our people in this legislation. This bill comes to us under a "gag" rule, which allows no amendments and which means that we have to either accept or reject it as written by one committee of this Congress. Excepting a few instances, I am not in accord with such a procedure. I believe that this bill should be amended to allow Congress to retain the authority to establish certain standards of guidance, so the people, business, labor and agriculture will know what to expect. I believe this bill should be amended so that we can definitely establish a procedure for the peril-point provision to be operative. This will be a stop, or, at least a slow clause, which will help protect the American workers, farmers, and industrialists from low-wage-rate goods imported into the United States from foreign countries. The peril point, properly enforced, would prevent glassware, tableware, pottery, Russian furs, Red Chinese dried eggs, and other farm and industrial products from being sold in the United States cheaper than they could be produced here. We all believe in reciprocal trade, but let us make sure that it is reciprocal, taking into consideration the welfare and living standards of our own people. May I repeat, this bill is simply extending a law which forces us to compete against our own tax money and grant favoritism to our foriegn competitors.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, I rise in support of the pending legislation. I do so, however, with regret that there is an apparent necessity to do so. The necessity arises from the fact that the Committee on Ways and Means has filed its report and therein states:

> The present authority to enter into reciprocal trade agreements exists by virtue of the 1-year extension enacted last year during the first session of this Congress (Public Law 215, 83d Cong., 1st sess.). As part of that extension legislation, provision was made for the creation of a commission to make a thorough examination of our foreign economic policy. The 1-year extension of the reciprocal trade agreements authority was intended as an interim measure designed to maintain the status quo pending completion of the study by that commission. The report of the Commission on Foreign Economic Policy was transmitted to the Congress January 25, 1954. However, your committee's heavy schedule involving tax, social security, unemployment insurance, and other legislation has made it impossible for the committee to hold the thorough public hearings which the Commission's recommendations obviously require. As a result, pending such hearings, your committee believes another 1-year extension of the reciprocal trade agreement authority is appropriate.

There is no doubt that the Ways and Means Committee has been exceedingly busy. The legislation mentioned in the report was vitally important and required immediate attention. The committee, in an endeavor to fulfill its duties, worked day and night and even during the recess of Congress. It was no easy task. Chairman DANIEL REED and the members of the committee are entitled to the highest commendation for its achievements. It is a record that has never been exceeded.

Now that important matters such as tax revision, social-security improvement, and more adequate unemployment insurance, together with all the other matters that have required the attention of the committee are out of the way, it is hoped that the committee with the same zealousness that has already been shown in dealing with these matters will be shown in connection with a revision of the Tariff Act of 1930, as amended.

The importance of a full and complete consideration of our tariff laws cannot be overestimated. The time has come when this important job cannot be

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delayed without bringing serious and detrimental results to American industry and our workers. Already many industries have been damaged, some have been closed, and thousands of workers are out of work because of the inability of our producers to meet the competition coming from foreign goods produced in countries where the wages paid are only one-tenth to one-third of what is paid in this country to our workers. If we are to sustain our American wage rate and standard of living then something must be done to rectify the situation that now exists.

Our American markets are being flooded with cheaply produced goods from abroad. Much of our present unemployment is due to this unfair competition. If something is not done to protect our workers from this unfair competition the ranks of the unemployed will increase and industries that give employment will close and pass out of existence. This is not merely a theory. It has already happened and will continue to increase unless stopped by legislation that will put our workers in a position where they can successfully compete with foreign produced goods.

Nothing could more clearly explain the reason that American produced goods cannot, in many instances, successfully compete with foreign productions, than to compare the average hourly earnings for all workers in industrial occupations in the United States and selected foreign countries, as set forth in the following table, prepared with great care as to accuracy:

Country	Period covered	Hourly earnings (United States currency)
United States	October 1953	$1.78
Canada	September 1953	1.38
Sweden	May 1953	.75
New Zealand	March 1953	.69
Norway	Second quarter, 1953	.60
Switzerland	October 1952	.57
Argentina	March 1953	.57
Belgium	Third quarter, 1952	.48
United Kingdom	April 1953	.47
France	April 1953	.46
Germany	May 1953	.44
Italy	July 1953	.37
Ireland	June 1953	.35
Japan	Year 1952	.19

With wages in other countries so much lower than those in the United States it is obvious that, other things being equal, commodities can be produced in those countries more cheaply than they can be produced here. In many instances the products of other countries can be landed in the United States at prices lower than the costs of production of competitive American products, and hence can undersell our domestic producers, to their injury.

We must not overlook the fact that increased importation of numerous products that come into competition with the output of factories, farms, and mines of America, replacing the products of America's industries, is a constantly increasing menace to our country's continuing economic stability.

The lower wages paid abroad make it impossible for many of our smaller and medium-sized producers to compete with imports without resorting to ruinous price cutting, which in turn results either in financial losses or heavy pressure for wage reductions and outright unemployment.

Pressure that comes from imports of residual fuel oil have risen from an average of 50 million barrels in the 1946–48 period to more than 125 million in 1952, or the equivalent of 31 million tons of coal; from imports of pottery, watches and parts, glassware, lace, carpets and other textiles, hats and millinery, chemicals, scientific apparatus, cutlery, dairy products, wallpaper, luggage and leather goods, and many other articles, will render the upholding of the economy at its high levels most uncertain and difficult, unless all import trade is placed on a fair competitive basis and the potential injury therefrom thus contained.

I am hopeful that during the coming year the Congress of the United States will provide adequate safeguards in tariff and trade legislation against the destruction or lowering of our American standard of living, the labor standard of our workmen, and the stability of our economy by unfair import competition and that the existing trade agreements legislation be amended accordingly.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Chairman, the bill under consideration at this time is H. R. 9474, to extend for 1 year the authority of the President to enter into trade agreements under section 350 of the Tariff Act. I supported this bill in the Committee on Ways and Means and I will vote for it when it comes up for passage by the House of Representatives later today.

The President's authority to enter into trade agreements under present law expires tomorrow, June 12. While it is not absolutely necessary to enact new legislation prior to the expiration of the present law, all interested parties are entitled to know what congressional action is contemplated.

On January 25, 1954, Congress received the report of the Commission on Foreign Economic Policy covering their study in this field. That study and report has been available for the use of the Committee on Ways and Means from the time of its receipt by Congress.

From January 25, down to date, however, the Committee on Ways and Means has been exceedingly busy with other legislation over which the committee has jurisdiction, such as the complete revision of the internal-revenue law, the special revision of the excise-tax laws, the revision of our social-security law, and the revision of the Federal unemployment-insurance law. The special staff serving the Committee on Ways and Means reported a total of more than 300,000 man-hours of skilled labor expended by them on the revision of the internal-revenue law alone. This great load of work, together with additional proposed legislation still pending before the Committee on Ways and Means, has made it impossible for the committee to complete its study and analysis of the report of the Commission on Foreign Economic Policy and to hold the extensive public hearings which the Commission's recommendations require. It is also not possible to complete this task before the adjournment of this session of Congress. Under these circumstances, it is best to extend the present law for 1 year as provided by H. R. 9474 and to plan for full-scale hearings, study, and revision of our laws authorizing the President to enter into trade agreements. Under the circumstances confronting the Committee on Ways and Means I appeal to the Members of Congress to support the bill now before us.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Montana [Mr. D'EWART].

Mr. D'EWART. Mr. Chairman, I shall vote for the extension of the reciprocal-trade program for another year with great misgivings. Montana is a raw-material State and is injured by certain imports such as wool, mustard seed, lead, and lumber. If the provisions of the law to protect domestic producers of these and other items injured by cheap imports were used in the way Congress contemplated, then we would not have the problems faced by these raw-material producers. Unfortunately, experience has shown that we cannot look for relief as is provided in the law.

However, in spite of the failure to carry out the law as contemplated by Congress, I am going to vote for this 1-year extension. I do so in hopes that the studies now planned will result in better legislation than seems possible if this extension should be killed with only a few weeks remaining in the session. At least, the legislation does not implement the Randall report and it will give opportunity for further study and for hearings later to demonstrate the damage that is being done certain domestic producers.

Further, inasmuch as the administration believes that this extension will help in maintaining peace in the world, I am unwilling to stand in the way of its enactment.

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. SIMPSON].

Mr. SIMPSON of Pennsylvania. Mr. Chairman, as we consider the legislation before us which will extend the right of the administration to make additional trade agreements for 1 year, let us not lose sight of the fact that this bill is in lieu of a bill which would have given the same right but would have greatly extended the limits within which the parties might negotiate. In other words, this particular bill, while it gives authority to make new agreements, does not give the administration the additional authority requested by the Randall Commission, and which included the added right to cut tariffs substantially further than they may be cut on the basis of existing law. Therefore, some of us who oppose the extension of the right to make new agreements, who do not like the reciprocal trade agreements program as it has been and is being administered, in accepting this bill instead of what in our opinion is infinitely worse, are doing a service. At

the same time we are given assurances that it is the intention of the Ways and Means Committee to do what it cannot do today, namely, hold hearings, involved hearings and lengthy hearings in a determined effort to investigate just what this situation is with respect to imports and their effect on our domestic economy.

There are many who will willingly accept the recommendations of the Randall Commission in the belief that that commission did have hearings. But I was one of the members of that commission, and I say that the Members of Congress would throw up their hands in horror if the chairman of this committee were to hold hearings as those hearings were held. There was no opportunity whatever for an aggrieved businessman to come before that commission and to tell them what was happening to his employees as a result of the reciprocal trade agreement program. There was no opportunity to cross-examine the witnesses who, handpicked, as they came before that commission and testified in their own interests, and then when the time came to cross-examine they were released and were not subjected to cross-examination.

It was, in my opinion, an entirely unfair way to conduct a hearing if you wanted to find factually and actually just what the effect of the trade agreements program has been on the American workman and the American businessman.

So the Ways and Means Committee, when we meet next year, will begin hearings on this problem and every businessman who is aggrieved or who supports this program will have an opportunity to present his plea to the committee. The internationalists, those who believe that our trade should be used as an implement of international politics, may come before the committee and present their views and all will be given a fair and a proper hearing. That cannot be done between now and the day we must adjourn. It will be done next year; and, therefore, because of the plea made today by the administration, which I will not contradict, namely, that we can by making an agreement between now and next year, effectively prevent the spread of war in Asia, possibly make permanent the peace which we now enjoy. I am unwilling for this 12-month period to stand in the way of those who affirm that trade agreements possibly will avert war in the foreseeable future. Consequently, I repeat, I am willing to go along with this renewal for a 12-month period and I ask the Members of the House to do so.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. GAVIN. You state here today that various segments of our industrial life that are being seriously affected by these trade agreements are going to be given fair and equitable consideration to adjust these agreements to give them some relief? I sincerely hope that the gentleman is correct in the position he has taken.

Mr. SIMPSON of Pennsylvania. I say that there will be hearings held by the Ways and Means Committee after the first of the year, at which time the business people of the country will have the right they have always had in the past to come before the Ways and Means Committee and present testimony as they have done in previous years.

Mr. COOPER. Mr. Chairman, I yield such time as she may desire to the gentlewoman from West Virginia [Mrs. KEE].

Mrs. KEE. Mr. Chairman, today the Republican Party is closing the door of human kindness on the coal miners, railroaders, and many other workingmen in West Virginia and elsewhere. My intuition tells me that I should concede that the cruel political maneuverings taking place today are a foregone conclusion, yet I feel it is my sworn duty to my constituents to make this last-minute plea in their behalf.

Last year the Republican Party implied that conditions in the coal industry would be taken into consideration when a new foreign-trade program was formulated. In the interim there has been an increase in the amount of residual oil imports and a proportionate decrease in coal industry employment. The distress has spread throughout whole communities in our State, and there is simply no justification for the Republican Party's breaking its promise at this crucial time.

Aside from the administration's inhuman disregard of the plight of our people, the manner in which the Trade Agreements Act extension is being rushed through this legislative body is simply alarming. Even the most heartless politician should concede that the voices of the people in communities stricken with heavy unemployment should be heard before Congress decides on legislation to extend the prevailing disaster. Yet the Republican Party leadership is now attempting to slip through this bill—which affects the very existence of millions of American people—in less than a week's time.

Mr. Chairman, I simply cannot understand how anyone can in conscience approve such tactics even in an election year. Why is not the administration willing to face the issue when it is of such vital concern to the men, women, and children of our country? You have heard Members of the House from 38 States vote in support of legislation to restrict residual oil imports. You have heard the Governors' Fuel Conference appeal for legislation that would remove inequitable foreign competition from coal's markets. How can these appeals be ignored to the extent that hearings are refused for the sake of political expediency?

Apparently the Republican leadership considers these tactics good politics. I do not know, but I can say without equivocation that they are in direct violation of moral and religious principles. I insist that our people deserve and are constitutionally entitled to an open hearing to present their case before this political stratagem is carried any further.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Chairman, the procedure under which the House is considering H. R. 9474 prohibits amendments which are necessary to bring the Reciprocal Trade Act in line with the economic developments of the postwar period. I protest this closed rule which is a departure from the procedure under which this act has usually been considered by this body. Only the 80th and 83d Congresses have brought this bill to the floor on a take it or leave it basis. Economic conditions of the postwar period are quite different from those of the days in which the original act was passed. Today we have approximately 4 million people unemployed and certain industries are in critical shape. For example, the coal fields of eastern Kentucky, which includes the major portion of the district which I represent, are in a very serious economic condition. More than 40 percent of the miners in that area are unemployed and have been unemployed almost 6 months. One of the major reasons for this high rate of unemployment is the dumping of residual oil on the east coast by Venezuela and other oil-producing countries to compete with our domestic coal. This residual oil is a byproduct with the volume depending on the process used to refine the oil. In areas where they use old or obsolete machinery, the volume is very great. This is particularly true in Venezuela and the increased imports of residual oil have created a serious unemployment problem in the coal fields.

For the month of January 1954, the imports of residual oil amounted to 490,000 barrels per day or the equivalent of 125,000 tons of coal each day. With a daily coal production approximating 1¼ million tons, this amounts to oil imports equivalent to 10 percent of our national coal production. The Reciprocal Trade Act which you now propose to extend prohibits any action that would stop this increased importation of residual oil. I believe in free trade and am in accord with the general principles of the Reciprocal Trade Act. However, free trade should not be considered as a license for special interests to dump byproducts into this country at the expense of one of our essential industries—coal. In the face of this fact, I must oppose this bill so long as it comes before the House under the closed-rule procedure.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, I have been a Member of this body for 21 years. I have never opposed worthwhile legislation merely because it originated on the opposite side of the aisle. Let me assure you I shall continue this policy. These are truly perilous times through which our country is passing. All of us should work together as a united team for the welfare of all.

The extension of the Reciprocal Trade Agreements Act is of particular importance to Georgia and the South. Agriculture constitutes a significant element in our economy and agriculture is not in a healthy condition. Net farm income declined 7½ percent from 1952 to 1953. The total value of farm real es-

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tate in March 1954 was 6 percent less than in the comparable month of 1953.

Economic injury to the farmer is inevitably reflected throughout the rest of the economy. For example, retail sales of farm equipment and machinery ran above 17 percent less in 1953 than in 1952. This decline in the sale of farm equipment has caused widespread unemployment in such farm machinery centers as Rock Island, Ill., and Davenport, Iowa. Unemployment is now, by official figures, 2 million above that of a year ago. Industrial production, as measured by the Federal Reserve Board, last month was over 10 percent below the level of May 1953.

Many factors, of course, have contributed to our declining farm prosperity, but of major importance has been a sharp drop in agricultural exports. United States exports of agricultural products fell from 3,431 million in 1952 to 2,833 million in 1953. Cotton exports declined from 862 million in 1952 to 517 million in 1953 or 40 percent. The 1953 value is the smallest since 1948. Bales exported totaled 3 million in 1953 as compared with 4.2 million in 1952. Wheat, lard, barley, and soybean oil also showed marked declines.

Over any length of time it is clear that this country cannot prosper unless it exports. This has always been recognized in my part of the country. Historically the South has always been in the forefront of the fight for greater export trade. Southern spokesmen since the days of John C. Calhoun have recognized that in greater export trade lay the future economic prosperity of the United States and the entire world. In more recent times the name of Cordell Hull became synonymous with liberal trade policies and the goal of genuine international cooperation. In 1933, when he inaugurated the reciprocal trade program, we had 30-cent wheat, 15-cent corn, and 5-cent cotton. Economists agree that the primary cause of the great depression was the Hawley-Smoot tariff. This raised our tariff walls to such fantastic heights that foreign countries were unable to sell us anything. They were, therefore, unable to buy anything from us. In addition, in retaliation they raised their tariffs against our goods. Economists likewise agree that it was the reciprocal-trade program more than any other single item which pulled us out of that depression. During the last decade, fortunately, groups who formerly advocated a high protective tariff have adopted a more enlightened position. Such prominent farseeing businessmen and industrialists as Henry Ford II, and Clarence Randall, now recognize the necessity for the Reciprocal Trade Act.

Mr. Chairman, I should not wish to leave the impression that only agriculture will gain from extension of the Reciprocal Trade Act. Significant segments of United States industry also have a strong interest in exports. In the industrial machinery field, the United States currently sells abroad about 21 percent of its tractors, 30 percent of its graders, 20 percent of its textile machinery, and 15 percent of its trucks. Exports of chemicals are sizable with 25 percent of the sulfur black production being exported, 27 percent of penicillin, 30 percent of DDT, 26 percent of the carbon black, and 40 percent of the copper sulfate. Sales abroad are important to many of the other nonagricultural industries. Exports of lubricating oil equal 27 percent of production, paraffin wax 26 percent, turpentine 24 percent, and rosin 36 percent.

Mr. Chairman, the development of sound multilateral trade among the nations of the free world is our greatest weapon for combating Communist aggression. If we are to break the ties between East and West Europe, we must develop a trade policy which will make it possible for our allies to secure the raw materials they require for economic stability. A third of Western Europe's trade used to be with the Iron Curtain countries of Eastern Europe. If we must for security reasons discourage East-West trade, it is incumbent on the United States to provide a climate which will permit Western Europe to develop its trade in the free world. If we are to keep Japan from trading with Red China and Manchuria, we must permit them to develop their trade in the free world also.

Trade is a two-way street. The fact that the economies of the industrial countries of Western Europe, Japan, and the United States are not complementary does not make it easy. The United States is capable of supplying most of the raw materials needed by these countries, but unless we are willing to buy something—either goods or services—they have no way of paying for these raw materials. Reciprocal trade agreements should not, of course, be used to destroy any of our producers in industry or agriculture.

Mr. Chairman, the case for continuing the reciprocal trade program cannot be refuted. When we trade with other countries we are aiding the cause of world peace. At the same time, however, we are disposing of our agricultural and industrial surpluses. The world must trade or perish. That is the only real question before this body. I urge a favorable vote on H. R. 9474.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, in the consideration of this measure and in consideration of President Eisenhower's unique position in regard to this bill, the old saying comes to mind—"Defend me from my friends, I can defend myself from my enemies."

Some few months ago, as we all know, Mr. Chairman, the President gladdened the hearts of the free world with a statesman-like promise that henceforth we could look forward to an era of "trade not aid," and the slogan caught on—or so we thought. In addition, President Eisenhower promised to include in his legislative program a 3-year extension of the Cordell Hull Reciprocal Trade Agreement Act which expires on tomorrow.

That was a few months ago, Mr. Chairman. Less than a month ago, President Eisenhower—a victim of his friends—made a concession. His concession was to his fellow Republican friends in the Congress—but unfortunately for the free world and American business and American agriculture, his friends, in this particular instance, are those who have been called, with accuracy, entrench protectionists.

Faced with friendly opposition—shall we say an ultimatum—the President agreed to drop for the present session his drive to gain for the Trade Agreements Act the anticipated 3-year renewal, and has agreed to only the 1-year extension here proposed. The President has been fenced in between his Republican-protectionist friends in the Congress and the lapsing of the present act on tomorrow. I regret immensely that we are not permitted to vote for a 3-year extension of this most important law but rather we are given an opportunity only to vote for a 1-year extension.

As has been pointed out, Mr. Chairman, today is the 20th anniversary of the enactment of the Cordell Hull Reciprocal Trade Agreements Act. During these years, under the operation of this program, prosperity has abounded for American agriculture and for American industry.

This act, as we all must recognize, is designed to promote the widest possible trade in agricultural and manufactured products and to stimulate neighborly goodwill through trade and the promotion of stability and peace.

Last year there was a similar 1-year extension of the reciprocal trade agreements program. At that time, it will be recalled the new administration indicated that an overall study of this Nation's trade and tariff policy should be undertaken—an extensive study in the meantime has been made—the results of this study are included in the so-called Randall report. But notwithstanding the recommendation of the Randall committee and the recommendations of the President, the majority membership of the committee has seen fit to recommend only a 1-year extension of the act.

Mr. Chairman, in supporting the pending bill, I should like to pay, at this time, a brief but sincere tribute to the author of the reciprocal trade agreements program—the Honorable Cordell Hull, my illustrious predecessor, friend, and most distinguished constituent. Judge Hull is beloved and esteemed by the people of Tennessee and freedom-loving people throughout the world. At the present time a suitable tribute in the nature of a memorial to him is being planned and directed at his birthplace near Byrdstown, Pickett County, in the upper Cumberland section of Tennessee.

In a recent conversation with Judge Hull here in Washington, he related to me some of the experiences of his long and fruitful life and particularly of his fight for the development of freer trade among the nations of the world. Judge Hull told me how he had made his first speech in this House for a lower tariff and the principle of reciprocal trade among the nations of the world during his early days in the Congress—and how ultimately his policies were enacted into law when he served as Secretary of State.

I am sure that this story—of a lifelong fight for a policy of lower tariffs and freer trade among the nations of the

world—should give inspiration to those of us in Congress who sometimes seem discouraged at the slowness and failure of adoption of programs and policies for the benefit of the people of this Nation and the free world.

Certainly, our Nation must not retreat from a policy of world trade but rather the principles of the Cordell Hull reciprocal trade agreements program must be generously embraced to insure continued markets and thus continued prosperity for American agricultural and manufactured products—but more important, the promotion of stability and peace.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. SCUDDER].

Mr. SCUDDER. Mr. Chairman, in supporting H. R. 9474 I consider it in the light of an emergency owing to the fact that the present law expires tomorrow. I am not in accord with the operation of the Reciprocal Trade Act, nor with the method by which it is administered.

I believe that the making of tariff rates should be on a realistic program and not made an international political issue.

Several Members of Congress, including myself, have introduced legislation which I feel should be adopted. It would provide that the Tariff Commisson would establish tariff rates on a businesslike basis, taking into consideration the wage standards and working conditions of the men employed in the competing industries in the various countries. I do not believe that we should restrict imports, but we should allow American-produced articles to be competitive with such imports. We cannot support our economy with idle workers.

I have discussed this matter with members of the Committee on Ways and Means, and I find that it will be impossible for them to adequately consider tariff legislation during this session of Congress. I am further advised that a special committee will be appointed to make an interim study of the entire international trade program. I have implicit confidence in the members of the Ways and Means Committee to the end that they will come up with a recommendation for tariff legislation that will protect American industries and make possible the sustaining of the American standard of living.

Realizing the great problem facing the administration and the necessity for some law to operate under, I am supporting this extension bill with the hopes that next year we may develop legislation to once and for all take care of this very vexatious and many times discriminatory problem.

Mr. REED of New York. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. KEARNS].

Mr. KEARNS. Mr. Chairman, I want to rise here today and say that fundamentally I am with the committee, I stand with the concept that we must build international trade with our friendly nations; however, I do feel that we certainly have first an obligation here at home when American industry is threatened, when American paydays no longer exist when men are out of work.

I have visited Tokyo since the war. I took time out there to visit the industries, to go in and see how they produce their merchandise. I visited the homes where the people of Japan get 11 cents a day for doing piecework. Yet that material that they manufacture and assemble over there is shipped to the United States and put on our markets to compete with products that we produce here.

If there are no objections from members of the committee today, I wish to exhibit a few samples. I brought a few of these along which I would like to show you. I believe in visual education. When you can see something you are more apt to believe what is happening.

I hold in my hand here a toy that is being manufactured over in Japan at the present time. This toy is placed on the markets here for sale at 98 cents. I am going to leave these here. I wish you would examine the workmanship. The detail is marvelous, the mechanical preparation almost perfect. Away back here on the rear of the body they have a little mark "Made in Japan." It would cost in this country $1.98 to manufacture this toy before it is placed on the market.

Here I have what Japan calls its dream car. Look at the detail of this car. Right up in front here we have a little mark "Made in Japan." Whoever goes in to buy these toys does not look for that, I am sure. This particular job here, made in Japan and delivered for sale in the United States, at $2.98. It would cost $5 to make this toy here before it ever goes on the market.

I wish you people who have had experience in manufacturing would examine the workmanship of these toys. Even the men in the plants that are making these toys say they could not in any way improve upon the mechanism or the detail, or the streamlining of these particular toys.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. I yield to the gentleman from New York.

Mr. REED of New York. I just want to say I am already receiving requests for some of those, if the gentleman can spare them. Some people who have grandchildren will be very much interested.

Mr. KEARNS. I will see that the Chairman gets some of these, and we will change the name on them to Made in America, I hope.

Now I want to take you over across the Atlantic to Germany. Here is one of their new types of jeeps made over in the American sector in Germany. We have the boy sitting down here. They can put him in the seat. It has a windshield, and it really moves along, too, with this rear-wheel mechanism they have here. It sounds like a jeep when it runs. Over there they make this for sale here for $2.90. Here it costs $5.25 to produce it.

I do not want to take any more of your time to go into this, but up in Erie and up in Girard, Pa., I have a plant employing from 1,600 to 1,800 men normally. Today I have 110 men working up in those plants. Those men up there are not against Japan making toys; they are not against Germany making toys, but those men up there want to know what is going to happen to them about paydays, how they are going to pay the mortgages on their homes, and how they are going to eat, while this distinguished committee tells us that a year from now we are going to have all these matters adjusted and everything will be taken care of so that there will be the practical application of the peril clause or the crisis clause or whatever you wish to call it. My duty to my constituents back home, I feel, is merely to appeal to this body that in the future we will try to consider the American workingman who wants to make a living and exist in this country as well as those who are trying to get along abroad.

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. I yield to the gentleman from Mississippi.

Mr. SMITH of Mississippi. The gentleman has mentioned imports from Germany and Japan. Those two countries are considered as anchors against communism in the free world, and the whole object of our foreign policy today is to keep them outside the Communist orbit. We spend each year billions of dollars in an effort to do that. Does the gentleman not think it is a whole lot cheaper for the American taxpayer to help keep the economy of Japan and Germany going by buying a few toys than it is for us to have to subsidize them to the tune of four or five billion dollars every year as we are now doing?

Mr. KEARNS. I would like to reply to the gentleman by saying that I have no grievance against them making toys, but I do not want a system prevailing where you practically knock out an industry in a town and penalize particular areas of the United States.

Mr. SMITH of Mississippi. I think it would be far better for us to give $2 or $3 million a year to your people in your home town and save some billions of dollars correspondingly in the nature of subsidies abroad.

Mr. KEARNS. Will the gentleman kindly introduce a joint resolution to that effect so that I can take that message back home?

Mr. SMITH of Mississippi. I will be glad to support the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. I yield to the gentleman from Iowa.

Mr. GROSS. I would like to have the gentleman include in that resolution a plant in my district making woolen gloves and mittens that was out of production for most of the last year because of imports from Japan and Hong Kong.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. I yield to the gentleman from California.

Mr. HUNTER. I would like to ask the gentleman from Mississippi if he would be willing to abolish import quotas on cotton.

Mr. SMITH of Mississippi. The import quota on cotton is put there to protect the price support program of the

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United States. I would be quite willing to abolish the tariff on cotton.

Mr. HUNTER. Quotas are imposed to protect American cotton farmers against injurious foreign competition. The purpose is the same as a tariff.

Mr. SMITH of Mississippi. According to the testimony of all people who instituted this program, the import quota on cotton is the same quota as exists on every other commodity for which there is a price support program, and that is there to protect the American Government. It is not designed to protect the cotton producer.

Mr. HUNTER. The importation of cotton is limited by quota and otherwise to about one-tenth of 1 percent of the domestic production. The reason for quotas is to protect the American cotton grower. Cotton is grown in large quantities in my district.

Mr. SMITH of Mississippi. All the history of the legislation makes it clear it is not there to protect the cotton grower, but to keep the price-support program from applying to any but domestic production.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I want to compliment the gentleman on a very fine statement and the display of foreign-made toys, and their prices, which are produced and sold in competition with American-made toys. I think he has given the Members of this House something to think about and that these trade agreements should be adjusted to meet this type of competition.

I have in my district, which adjoins that of the gentleman of Pennsylvania [Mr. KEARNS], the Holgate Toy Co., of Kane, Pa., manufacturers of wooden toys. They find themselves in the same position as the manufacturers in the gentleman's district. They are having the toughest time in their history to stay in business. It is about time we developed some legislation that will afford relief to these people who have been in this toy industry for many years to protect the toy industry and the hundreds of people who are dependent upon it for their livelihood.

The gentleman from Mississippi talks about his district. I am interested in my district and its industrial life. I am interested in the protection of the jobs of the people that are trying to make their living in competition with the industries in foreign countries. These American industries are entitled to our protection from invasion of cheap foreign products that are making their business difficult. That protection has not been given them in the past several years. So let us not get too broad-minded about this whole situation. I want to be considerate, however, when it concerns the bread and butter and the social standards of the people in the area which I represent. I want to see legislation that is fair and equitable and will give American manufacturers the opportunity to stay in existence.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. I yield to the gentleman from South Carolina.

Mr. RIVERS. May I say to the gentleman from Pennsylvania that we grow cotton in the South, and we have the same problem with our textile industry that the gentleman has with his industries. Our textile industry has gone through the same pains that the gentleman is talking about. We are having the same cheap competition from Japan. Our people are now begging every opportunity, and the United States Government, through this fellow Fleming down yonder, will not even let our people get a contract in competition. We not only have Japan against us, we have the United States against us. This is a problem in which we are all involved.

Mr. KEARNS. May I say to my distinguished chairman [Mr. REED] and the members of his committee that I appreciate the opportunity of speaking here. Let me say also that it is no reflection upon what you are trying to do. I am here merely trying to beg consideration for an industry that is being put out of business.

Mr. REED of New York. I have no criticism of the gentleman from Pennsylvania.

Mr. COOPER. Mr. Chairman, I yield 5 minutes to the gentleman from Rhode Island [Mr. FORAND].

Mr. FORAND. Mr. Chairman, reluctantly I am going to vote for this bill. I say "reluctantly" because I am realistic enough to realize that we must have a reciprocal trade agreement in operation due to the circumstances that exist not only in this country but throughout the world at the present time.

I am reluctant to support further the Reciprocal Trade Agreements Act as it is now written, and I regret that there was not an opportunity for the committee to hold hearings and give our industry representatives an opportunity to appear and tell of the situation in their respective industries which they feel could be remedied by amendments to the Reciprocal Trade Agreements Act.

Circumstances have developed that make the Reciprocal Trade Agreements Act an instrument that should be used to its full extent, but unfortunately it is not being used to its full extent at the present moment. I refer particularly to that part of it dealing with the peril point and the escape clause. I was one of those who insisted on the escape clause being written into every treaty once it was written into the treaty with Mexico. I was promised some years ago by representatives of the State Department who were in my office that if I would vote for this legislation the escape clause would be used when a showing was made that an industry was being seriously damaged.

In my own State of Rhode Island several of our small industries today are suffering terribly as a result of foreign competition, but it seems that no relief can be gotten for them. I refer particularly to the lace industry. There are in this country, I believe, around 100 lace mills, and approximately 80 percent of them are in the State of Rhode Island. It is a small industry. I refer also to the jewelry industry, 90 percent of which is in my State and in that part of Massachusetts represented by our Honorable Speaker in the House of Representatives, JOE MARTIN. I refer to textiles—yes, several industries are deserving of relief right now. Unfortunately, under the bill that is going to be passed here today; there is no hope for them at this moment. They will have to wait at least a year. The chairman and other members of the Committee on Ways and Means have said that they will make this the first order of business in the next Congress, and hearings will be held on it and so forth. Well, of course, it is good to have promises, but I must say that I, for one, believe that those Republicans who are making the promises now will not be in control next year to make good on these promises because the Republicans will not be in the control of this Congress.

On January 18, 1954, I brought the problems of the industries in Rhode Island to the attention of the Secretary of State in the following letter:

JANUARY 7, 1954.

The Honorable JOHN FOSTER DULLES,
The Secretary of State,
Department of State,
Washington, D. C.

MY DEAR MR. SECRETARY: The administration's slogan of "Trade not aid," plus recent newspaper reports that the Randall Commission looks with favor upon the idea of further reducing tariffs, is causing a great deal of uneasiness and worry, to many workers in my home State of Rhode Island, where unemployment is mounting every day, through the reduction of working hours in some plants, the laying-off of a part of the work force in others, and even the outright closing down of still other plants where the companies go out of business.

Several reasons are given for this change, which is having a dire effect upon our economy, and in practically every case the adverse effect of the tariff on our industries is given as the major factor. This applies to textiles, rubber footwear, and laces.

Many of the so-called small industries, which employ only a few thousand workers each, apparently are looked upon by some as the type of industry that can be sacrificed on the altar of "Trade not aid," in an effort to help bolster the economy of friendly foreign countries.

I cannot accept that philosophy and respectfully urge you to reject it.

Many of these small industries are located in Rhode Island. They mean much to us and must not be sacrificed, but instead should be encouraged and given protection.

The Lever lace industry, which comprises some 80 mills, has 53 of these mills in Rhode Island and furnish employment to nearly 10,000 workers.

For your information, I am enclosing samples of hundreds of letters I received on the subject from lace workers in my district.

The manufacture of jewelry is another so-called small industry with approximately 90 percent of it located in Rhode Island and employing about 25,000 workers.

The low wages paid foreign workers, as compared to the wages paid for comparable work in the United States, is so out of proportion that unless proper tariff protection is provided our plants may have to close and our workers forced to join the ranks of the unemployed, which in Rhode Island is mounting at an alarming rate.

The argument that workers displaced in this manner could be retrained and the manufacturers given financial assistance in a changeover to other lines is not a sound

one, in my opinion. It raises several questions.

The first is: What wages would be paid to the trainees? I am sure it would be far below what these experienced lace workers are now earning. The second is: What would happen to the aged and other workers who would not be amenable to retraining? How many of them would be forced to go on relief? The problem this would present is a most serious one, not only of economics but also of morale, and should receive most serious consideration.

The cost of the readjustment of these people, plus whatever financial aid might be given to the manufacturers, could well exceed the amount of aid now given foreign countries.

In the name of, and on their behalf, I strongly urge you to give these workers most serious consideration before you recommend any reduction in existing tariffs.

Sincerely yours,

AIME J. FORAND,
Member of Congress.

On January 18 I received this reply from the Department of State:

DEPARTMENT OF STATE,
Washington, January 18, 1954.

The Honorable AIME J. FORAND,
House of Representatives.

MY DEAR MR. FORAND: Reference is made to your letter of January 7, 1954, acknowledged by telephone on the 12th, in which you express on behalf of workers in the textile, rubber footwear, and lace industries anxiety concerning the employment situation in Rhode Island. You call attention to the problems involved in a changeover of the workers to other types of employment, and strongly urge that the welfare of these workers be given most serious consideration before recommendations are made for any reduction in existing tariffs.

In recommending that a study of our entire foreign economic policy be made, the President expressed his interest in the development of a policy with respect to our foreign trade which would contribute to an expanding level of international trade and at the same time provide adequate safeguards for domestic industry, agriculture, and labor. The Congress, in the authorizing legislation, directed the Commission on Foreign Economic Policy to "examine, study, and report on the subjects of international trade and its enlargement consistent with a sound domestic economy * * * and to recommend appropriate policies, measures, and practices." The Commission's work is now nearing completion, and it is expected that its recommendations will be submitted to the President and the Congress in the near future. There will be opportunity for both executive and congressional consideration of the report in the development of a policy for the United States responsive to our national interests, domestic, and foreign.

In the meantime, while the Government's approach to the problem of international trade is being formulated, the existing trade program with its safeguards for domestic industry remains in force. Under this program the escape clause procedure provides for determining the effect on domestic industries of imports of any of the products on which tariff concessions have been granted in trade agreements. With respect to any such items the Tariff Commission would undertake an investigation at the request of any interested party to determine whether as a result of these concessions the commodities affected are being imported into the United States in such increased quantities as to cause or threaten serious injury to the domestic industry. Should the Commission find evidence of actual or threatened injury, it would then recommend to the President such measures as it considered necessary to remedy or prevent the injury.

Sincerely yours,

THRUSTON B. MORTON,
Assistant Secretary
(For the Secretary of State).

I also wrote to the Commission on Foreign Economic Policy and to the Tariff Commission and received the following replies:

COMMISSION ON
FOREIGN ECONOMIC POLICY,
Washington, D. C., January 15, 1954.

Hon. AIME J. FORAND,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN FORAND: Mr. Randall has asked me to thank you for your kind letter of January 8, and to express his appreciation for your constructive comments with respect to tariffs and industry, together with copies of letters you have received.

The problems to which you refer, including those of readjustments incident to industrial dislocations of whatever cause, have been the subject of most serious and searching inquiry in the course of the Commission's work. We have had very excellent presentations of information on this subject generally, and in particular we are in receipt of a number of letters from representatives of the lace industry, including substantive statements from the Lace & Embroidery Association of America, Inc., of New York, and the American Lace Manufacturers Association, Inc., of Providence, R. I. All of this material has been brought to the attention of the members of the Commission and referred to our research staff, where you may be sure it has received attentive consideration.

Intensive effort on the part of the Commission in recent weeks has now resulted in the completion of our report, which will be published shortly. A copy will, of course, be transmitted to you as soon as it is printed.

With appreciation for your interest.

Sincerely yours,

LEWIS C. MATTISON,
Assistant to the Chairman.

UNITED STATES TARIFF COMMISSION,
Washington, D. C., January 28, 1954.

The Honorable AIME J. FORAND,
House of Representatives.

DEAR MR. FORAND: I have your letter of January 8, 1954, with which you enclose copies of five letters received by you from lace workers in Rhode Island, all expressing concern about possible future reductions of United States tariff rates on lace.

The concern of the lace workers apparently is based on publicity in recent months regarding the general tariff policy of the United States and on the possibility that the Commission on Foreign Economic Policy may make recommendations leading to the enactment by the Congress of legislation which might result in the rates of duty on lace being reduced.

The Tariff Commission is not aware of any proceedings now pending or contemplated having the specific purpose of reducing the rates of duty applicable to imported lace. The Commission is unable to predict what the future tariff policy of the United States will be and whether any such proceedings will be initiated at some future time.

Sincerely yours,

EDGAR B. BROSSARD,
Chairman.

Mr. REED of New York. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. WAMPLER].

Mr. WAMPLER. Mr. Chairman, I rise in opposition to this legislation and to the extension of the reciprocal trade agreements. I voted against granting the rule to bring this legislation to the floor. I did so for a number of reasons. I appreciate the problems that confront this great Committee on Ways and Means. I appreciate the problem they have of trying to gain for us world markets and to keep trade flowing freely among the freedom-loving peoples of the world. I represent a district in southwest Virginia which is predominantly a coal producing district. I had at one time about 17,000 men gainfully employed in the coal mines of my district. Today, I would say conservatively that at least 7,000 of those coal miners are out of work. I wish every Member of this House could have been with me last weekend when I traveled through the coal producing areas of my district. The things that I saw there were certainly not a sight welcome to my eyes. I could go back to my district this fall and I can talk economics and reciprocal trade agreements to my people who are out of work, but that would not be of much consolation to them. I think that this great Nation of ours has been pretty benevolent since the close of World War II. We have tried to help those who fought with us side by side during World War II, by making grants of economic aid, of technical assistance, and of military aid. But, you know, I reckon I am a little old fashioned in my thinking. Some people may call me a reactionary or a mossback or apply some other label, but I am an American. I think what Communist Russia and those who adhere to her philosophy of government fear most from our country is not our atomic bomb or the hydrogen bomb or any thermonuclear weapon that we may have—I think the thing that they fear most of us is our great capacity and our great potential to produce in this country. I believe with about 8 percent of the world's population, we are producing one-third of the world's goods and services. So, if we do have a secret weapon in this country, I submit it is this great economic system which has been developed throughout the years. So the thing I want to see is some protection afforded those industries that have been damaged, and certainly the coal industry of America has been damaged by the importation of foreign residual fuel oil. Once again, I want to say to this great committee I know they worked long and hard upon this very complicated problem. I am voting against it simply because I believe to do so is to the best interests of my people at home. I hope in the remaining days of this session, and in the next Congress, certainly, we can enact some legislation which will bring relief to those industries that have been hurt—and particularly the coal industry of America. Certainly, I am not against reciprocal trade agreements or any type of agreement which would bring about a working policy of foreign trade, but when it begins to destroy our own domestic American industries, then I am opposed to it.

Mr. COOPER. Mr. Chairman, I yield 8 minutes to the gentleman from West Virginia [Mr. STAGGERS].

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Mr. STAGGERS. Mr. Chairman, I do not believe we will have another issue before the Congress that is going to divide Democrats and Republicans, as is this issue here today, and we are passing it over lightly.

I have looked at the five words on this dais ever since I have been here, and wondered why they were put there. The first word in that group is "Union." I believe this act is going to disunite the Congress and the people of the country more than any other issue we are going to have this session.

I am glad the gentleman from New York [Mr. REED] has come back. I am an admirer of this great American from New York. I believe he is a great American. He is a man of deep convictions and unbounded courage, and always stands for what he believes is right. I disagree with the rule that he asked for yesterday before the Rules Committee, that there should be a closed rule brought to this House, that the representatives of the people could not work their way upon this bill and have a chance to amend it. I heard the objection raised that there would be hundreds of amendments offered. If those amendments were offered and voted up or down, would that not be the American way of treating any piece of legislation that is brought before the Congress?

It was Thomas Jefferson who said that he believed in the commonsense of the common people of this Nation. When those in power before him had said, "No. We are autocrats. We are the ones who have the brains. We know what is best for the people of America," he said, "I do not believe so. I have great confidence in the commonsense of the people of America." And he was elected President of the United States on that one philosophy.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield.

Mr. REED of New York. Of course I thank the gentleman for what I consider an exaggerated compliment as far as I am concerned. I am just a hard worker in the field, the same as the gentleman is. I do not profess to know any more than any other person on the floor. I have a responsibility and I try to discharge it.

I want to say to the gentleman that both parties over the years have discovered that it is absolutely necessary on very important legislation of this kind not to bring it to the floor without a closed rule. We tried that once on a tax bill and it had to be vetoed. It was simply emasculated. So it is no variation from the rules that I am following in asking for these closed rules. It is for the protection of the legislation, and that is all.

Mr. STAGGERS. I know it is your sincere belief. I am only arguing a different point of view that I believe in. I was elected to represent a third of a million people and they should have a voice in whether a bill should be amended on this floor. I believe that is the fundamental American right of every American citizen and his Representative.

It has been argued that the most important thing in these trying days is allies. I say that that basic philosophy is wrong. The basic thing that we need in America is a united and strong America. We have argued that we are going to promote communism abroad if we do not take care of unemployment. My faith in America is that the strength of America does not lie in our great productive capacity, as has been said here today, and in our great armies and our Air Force. I think that is wrong. The strength of America lies in the hearts and souls of our people, and they are not legislators who are here, but people who represent us in all walks of life. France had the greatest land army this world has ever known, in 1939, and it took Germany just 29 days to bring that army to its knees.

We say that competition is needed to make for efficiency. Do we want to raise the standard of living of the other peoples of the world or do we want to lower ours down to theirs? I say raise theirs, not lower ours.

Let us not lead America into unemployment and poor economic conditions. I get many, many letters from parents saying their children are hungry, that they do not have enough food to feed them or clothes to clothe them and they cannot get unemployment relief because funds have run out.

I think our basic obligation is to take care of hungry Americans in this country. If you are fearful of communism in this country, if it starts out with the poor, then take care of them and have a strong America here.

Talk about trading with other countries. And I believe in free trade—but we trade with Guatemala; we are their greatest importer and yet you find there in that country in Central America strong Communist operations.

We have traded with Indochina in everything they have—rubber, tin, and other things—yet they have not the will to resist the Communists.

Now, should we not carefully reconsider our basic philosophy that our trade will stop communism in this world when it does not? I do not believe it does. I believe this is an overall thing. I have heard the freetraders present their argument that we have got to equalize this thing, and in the equalization we are going to sacrifice some of the industry of the Nation; and that is exactly what they do. Am I, as a Representative, or are you, as a Representative, to look on with equanimity and see hundreds of thousands of men, women, and children going hungry because the breadwinner of the family does not have work?

Build up the economy. You are doing no such thing, you are tearing down America when you let imports into this country create such situations; you are tearing down instead of building up a strong America. Is this the price we must pay to build a strong world. I know the unemployment that exists, especially in the coal-mining areas of the United States.

Let me give you one more example, the glass industry. I can remember in 1950 reading an article in an English trade journal saying that Hungary was dumping glassware into the United States at one-quarter of the production cost in Hungary. They could do that because they were behind the Iron Curtain at that time and Russia had to have dollars in order to support her world program and they were dumping products in America at a fraction of their cost so they could get dollars to support their policies throughout the world.

I called that to the attention of our Secretary of the Treasury and told him that he had the authority under the Constitution to invoke the Antidumping Act and stop it. It was never stopped. Are you going to sacrifice the glass industry, the coal-mining industry, and others to help a few of the big businesses in this country?

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I think everyone in this House is in favor of reciprocity in foreign trade. I am sure I am, but what we actually have is a sugar-coated proposition under the name of reciprocal trade.

Earlier this afternoon I asked the gentleman from Tennessee [Mr. COOPER] if he had any figures as to the imports of Polish hams and bacon into this country and the value of the commodities we shipped to Poland in return. He said he did not. I should like to supply him with figures on the total imports for consumption from Poland from October 1952 through September 1953, the latest period for which I have been able to obtain information. We permitted $13,677,000 worth of commodities to come into this country from Poland and practically all of this was canned ham and bacon. Remember that Poland is behind the Iron Curtain.

How reciprocal is foreign trade? What did we ship to Poland in exchange for the more than $13 million worth of hams and bacon that was permitted to come into this country? We exported to Poland $236,000 worth of materials of one kind or another. In other words, it seems obvious that we handed over $13½ million in American money to the Communist Polish Government. This is an example of the way reciprocal trade has operated on a one-way street. If you want to get an idea as to what reciprocal trade means with the Communist Iron Curtain countries, get the export control reports from the Secretary of Commerce, the quarterly reports that are issued, and it will be an eye-opener to you.

Let me say that this Polish canned ham, in the millions of pounds, has been boned and therefore is solid ham. It is not pork on the hoof and we in Iowa and the Midwest do not like this business of aiding and abetting Communists and Communist aggression by permitting their pork products to come into this country in competition with American farmers and American labor.

So I say again that while I believe in reciprocal trade, I am certainly opposed to this bill. There is no legislation before this House, nor will there be in this session of Congress, that has a more euphonious title than this bill.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. JAVITS. It is my understanding that we have in practical effect no reciprocal trade concessions with any Iron Curtain country including Poland. Does the gentleman know to the contrary?

Mr. GROSS. How does this stuff get in here then?

Mr. JAVITS. As far as I know, through nonstrategic exports and imports.

Mr. GROSS. It ought to be covered under some legislation and prohibited.

Mr. JAVITS. Imports and exports in nonstrategic goods between the United States and Iron Curtain countries have, as far as I know, nothing to do with reciprocal trade agreements, therefore it would not come under this legislation or be affected by it one way or the other.

Mr. GROSS. I may say to the gentleman that under this reciprocal trade policy, we are importing millions of pairs of knit woolen gloves and mittens made not only in Japan but in Hong Kong, which is a British crown colony, the product of 8-cent labor there. We are told that the reason for this legislation is to take care of Japan principally. We have heard a great deal this afternoon about our free world friends. Are we to be the only nation in the world that proposes to take care of Japan? Where are these free world friends of ours? Do they propose to join in bolstering Japan's economy to prevent Communist aggression?

Mr. JAVITS. If the gentleman is asking me, first I would like to say I meant no disrespect whatever to the gentleman. I was just stating the facts as I understand them. I respect the gentleman's opposition. As to Japan it is my understanding that the big trading area for Japan is south and southeast Asia and other countries of the world and that other countries of the free world are as fully prepared as we are to facilitate a more open trading picture on a free world basis into which Japan can fit. I can only give the gentleman my information on that subject.

Mr. GROSS. I may say to the gentleman that I will believe that when I see the figures on paper as to how much of Japan's production the French, British, and others absorb.

Mr. JAVITS. Their trading area is in south and southeast Asia. The gentleman has to see the whole picture. This will make possible some agreement on that score. I think the gentleman will agree with me it is certainly desirable to see that Japan does not have any attraction toward Communist influence because there may be some economic attraction to do so.

Mr. GROSS. The burden must not be on the United States alone.

Mr. JAVITS. I agree with the gentleman, and I do not believe it is or should be.

Mr. GROSS. I know it is as of now.

Mr. Chairman, I refuse to be a party to the importation of cheap foreign labor and that is what is happening when we permit foreign products to flood our markets. If we expect to maintain a high standard of living, Congress must enact legislation to provide tariffs that represent the differential in costs of production on all commodities that are in adequate or surplus supply through domestic production.

Mr. REED of New York. Mr. Chairman, I yield such time to the distinguished gentleman from Kansas [Mr. REES] as he may desire.

Mr. REES of Kansas. Mr. Chairman, I believe we all realize the importance of trade agreements between the United States and other countries of the world. We do not want to isolate the United States from other countries in respect to trade. We want to be as liberal as we should be, and at the same time we want to give fair consideration to the protection of the people of our country; that means all of the people of our country affected by trade with other countries and other peoples.

In respect to trade agreements, I would like to call your attention to a problem that goes beyond the economic effects upon our country. It includes the military security of the United States. I refer in particular to the excessive rate of increase in imports of foreign oil. The increase in imports in recent years has been steady and much more rapid than people realize. From 1935 to 1940 oil imports averaged about 150,000 barrels per day. Following World War II, they increased steadily and rapidly and they average now approximately 1 million barrels per day. Before World War II imports were about 5 percent of the domestic market. The current rate is about 14 percent.

The thing to which I want to direct the attention of the Members is that imports of crude oil are adversely affecting the domestic oil industry. They are retarding development and expansion. It seems rather strange that under State conservation laws, allowable rates of production have been reduced to a comparatively small percent of the amount of potential production. Most of the reduction is because of the competition of oil imports from other countries. The interesting thing about this situation is that American companies, and not foreign organizations, are doing the importing.

The excessive imports of foreign oil are a threat to the oil-producing States of our country. Kansas is fifth in oil production. The industry adds $300 million annually to the economy of our State. This money goes not only to the producers, but to about 60,000 people employed in the industry. Of course, it affects thousands of other people indirectly.

Congress has seen fit, and rightly so, to give certain considerations in respect to taxes to encourage the exploration of oil that does not coincide with a policy of permitting excessive imports into this country. This problem is a serious one and ought to be carefully explored by this great Ways and Means Committee of the House. I hope this great committee will give first consideration to this problem when it meets in January to hold hearings dealing with the general problem of the extension of reciprocal trade agreements.

I would like to call your attention also to the fact that withholding or discouraging production in our country does not mean an accumulation of a great reserve of oil in the future. What does happen when you discourage oil production is that you also discourage exploration and development of oil. Let it be understood, I am not asking that imports of oil and oil products be completely withheld from this country, but I do suggest the amount be limited to a place where it will not injure the development and the production of oil in the United States.

So, I ask that when this committee meets in a few months from now, it go into this problem with a view of giving a little more protection to the men who really explore and produce oil in our own country and put a little more control on the increased imports from foreign nations.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. BETTS].

Mr. BETTS. Mr. Chairman, a year ago when the Reciprocal Trade Agreements Act was before the House for consideration, I voted to extend it 1 year with the understanding that a Commission would be appointed to study the problem of world trade, and new legislation to strengthen our position in the field of foreign trade would be presented to the House. Although a commission was formed and a report submitted, still there is no legislation before us for consideration other than another extension of the same Reciprocal Trade Agreements Act.

In the meantime, the hand-blown glass industry, which is an important one in the Eighth Ohio District, has deteriorated by reason of the importation from foreign countries of products which are able to be sold on the American market at a much cheaper price than products manufactured in this country. The situation with respect to this industry in the district which I represent is critical.

Furthermore, the hand-blown glass industry is not the only one affected by this situation, as the debate has shown. While I fully appreciate the position of the Ways and Means Committee insofar as an opportunity is concerned to conduct hearings on the subject, I feel that there still exists an opportunity in the remaining weeks of the session to give needed attention to this subject which is of such vital interest to different segments of our economy. For these reasons I feel justified in voting against another extension.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Chairman, I ask unanimous consent to extend my remarks immediately following those of the gentleman from West Virginia [Mr. BAILEY].

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from West Virginia [Mr. BYRD].

Mr. BYRD. Mr. Chairman, I congratulate the gentleman from Iowa [Mr.

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GROSS] for his remarks concerning H. R. 9474. During my service as a Member of this body, I have never seen him waver in his support, first of all, of our own industries and our own people. I, too, am vigorously opposed to the passage of this bill. Yesterday I went before the House Rules Committee and objected to the granting of a rule on the measure. Then, as now, my objections were based upon the fact that, under present trade policies which will be perpetuated by this legislation, our domestic industries and the American people are deprived of protection against the economic injuries which result from uncontrolled and unregulated imports of foreign goods manufactured by cheap labor.

I was then and am now opposed to the measure because it was brought out of the House Ways and Means Committee without an opportunity being given to all segments of industry and labor to be heard upon it. I was and am opposed to this bill being brought before the House under a closed rule. Because of these reasons, I intend to vote against it, even though I realize that I stand for a lost cause.

Mr. COOPER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, may I ask a rhetorical question: Will the President, under this 1-year extension, negotiate any new reciprocal trade agreements? Or has the Republican leadership, in exchange for extending this act for a year, extracted from the President a commitment not to use the authority? If such a commitment has been made, there is no need for this Congress to go through the formalities of extending even for a year the Reciprocal Trade Agreements Act.

If, on the other hand, no such commitment has been made, given, or extracted, then those of us who have been, and continue to be, strong supporters of the Reciprocal Trade Agreements program will watch quite closely the actions of the administration during the coming year.

During the coming year, much positive action could be and should be taken in the trade area. New agreements could be negotiated. Old agreements should be brought up to date. However, the most serious trade situation relates to Japan. Japan, formerly a great industrial country which in prewar years traded extensively with China, is now cut off in part at least from such trade with Red China. Japan must find markets, must develop trade channels with the rest of the world, if she is to survive as an industrial nation. The survival of Japan as an industrial nation is an essential key to our basic defenses and alliances.

I am no expert on international affairs, but I do know that the United States Government has devoted a tremendous amount of time and attention, and I think rightly so, to the rehabilitation of Japan. Again, I repeat, I do not know what the complete answer to Japan's international trade problems is, but I do know that the United States has an obligation and a need to work out satisfactory trade relations with Japan. This is the foremost trade problem that will need attention during the coming year, attention that it could not get if the Reciprocal Trade Agreements Act was not extended or if the President has made commitments not to negotiate.

Those of us interested in international trade policy will keep a careful, watchful eye focused upon the action of the administration to see that it at least carries out the authority contained in this simple 1-year extension act.

However, we should not be satisfied with just extending this act for just a year. I have been a strong supporter of the reciprocal trade program and shall continue to be. I think we should at least have gone as far as the Commission on Foreign Economic Policy, better known as the Randall Commission, recommended. These Randall Commission recommendations were approved by the President and submitted to the Congress for action on March 30. In the President's message to the Congress, he said:

> The Commission on Foreign Economic Policy recommended a 3-year extension of the Trade Agreements Act with amendments to authorize:
>
> (a) Reduction, pursuant to trade agreement negotiation, of existing tariff rates on commodities selected for such negotiations by not more than 5 percent of present rates in each of the 3 years of the new act;
>
> (b) Reduction, by not more than one-half over a 3-year period, of tariffs in effect on January 1, 1945, on products which are not being imported or which are being imported only in negligible volume; and
>
> (c) Reduction, over a 3-year period, pursuant to trade agreement negotiation, to 50 percent ad valorem, or its equivalent, of any rate in excess of 50 percent ad valorem, or its equivalent.
>
> I have approved these recommendations of the Commission and urge their adoption by the Congress. I may also recommend special provisions for negotiation with Japan in view of the economic problems of that country.

I would have hoped that the Ways and Means Committee would have held hearings, reported out this extension bill, as recommended by the President. However, somehow or other, many individuals more concerned with restricting than with liberalizing trade policy got to the President and were successful in having him change his mind, at least enough for him to ask the Congress to disregard his previous message and extend the Trade Agreements Act with no change for a year.

I regret exceedingly that the President took this action. I would have hoped that he would have continued to push forward the great reciprocal trade program stated by Secretary Cordell Hull in 1934, a program which has proved tremendously successful over the last 20 years.

I agreed fully with the President when, in his message to Congress, he said:

> Unless we are prepared to adopt the policies I have recommended to expand export and import trade and increase the flow of our capital into foreign investment, our friends abroad may be discouraged in their effort to reestablish a free market for their currencies. If we fail in our trade policy, we may fail in all. Our domestic employment, our standard of living, our security, and the solidarity of the free world—all are involved.

I regret to see that there seems to be little Republican support for these recommendations of the President. The major support which he receives for this reciprocal trade program comes from the Democratic side of this House.

Maybe the President knew what he was doing when, in his letter asking for a 1-year extension, he said:

> Let us wait until the 84th Congress convenes to consider extensive revision in the trade-agreements program.

I assume the President must have thought that the reason he might have more success next year than this year is that the elections in November will change the entire complexion including the leadership and control of the Congress—and shift that control from the Republican to the Democratic Party. In that event the task of the President will be much easier.

Mr. MILLS. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Chairman, I commend the fine statement on trade problems which has just been made by the gentleman from Pennsylvania [Mr. EBERHARTER]. He expressed a point which was made by the President of the United States when he submitted his trade message to the Congress earlier in the year when he said "if we fail in our trade policy, we may fail in all." I hope the Congress will pay some attention to this message and this portion, at least, of the President's message. Unfortunately, the President apparently changed his mind in regard to that strong statement because he backed up so far as his recommendations on trade policy are concerned. But fortunately, at the last minute, we have this opportunity today to extend the Reciprocal Trade Agreements Act for another year.

I earnestly hope, if this bill is passed, that the administration will take advantage of it to work out an agreement with Japan, which is so vitally needed today not only for the benefit of the people of Japan, and not only to help us work out our defense problems, but for the benefit of the American workingmen and for the benefit of the American farmers.

We have heard today a great deal of talk about how people are being hurt by the Reciprocal Trade Act. There are people out of work today not because of any Reciprocal Trade Act, but because of the failure of the people in power to meet some of the economic problems which are confronting this country today. They are not problems caused by foreign trade. They are problems caused by a lack of foreign trade. I hope we will attempt to solve some of those problems in an aggressive trade program, if we ever get to the point of having one presented to the Congress by the administration which will carry on a fight to enact it. I mentioned in colloquy a little while ago with some of the other Members of the House that there are certain areas where some relief is obviously needed for people who are out of work. I think it would be to the best interest of the people of this country to give outright grants to those people or

industries who are unemployed to meet that situation rather than to cripple the entire economy of the United States and of the free world in an effort to provide for some partial protection. These people were out of work and unemployed at times when we had no foreign trade. Something has to be done to solve their problem.

But there is a greater problem confronting the 25 million farmers of this country who must sell their products. There is a greater problem confronting the 40 million industrial workers of this country who must sell the product of their labor throughout the world. There is a greater problem confronting the people who engage in transportation and commerce and must carry on and make a living from our export trade as such. These are the problems that have to be met, and they cannot be resolved by a talk here about isolated hardship conditions which have to be met not by changing the whole focus of the American trade picture, but by meeting the economic crises along lines that we have met them in the past, and that is by doing something to stimulate employment and to diversify industry in those areas.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield.

Mr. HUNTER. I was discussing this matter with the gentleman a few minutes ago. I would like to ask him this question: Does he feel that in line with this program of free trade we should abolish the import quotas on such items as cotton, wheat, and sugar? I am thinking particularly of cotton now because cotton is produced in such countries as Egypt, Brazil, Pakistan, Turkey, India, and Mexico.

Mr. SMITH of Mississippi. It is also produced in California and in Mississippi.

Mr. HUNTER. It can be produced cheaper in those countries than it can be produced in the United States because of cheap labor, and for that reason we have section 22 of the Agricultural Adjustment Act, which provides that quotas may be invoked whenever the importation of an agricultural commodity interferes with a Federal marketing program established for the domestic production of such commodity.

Mr. SMITH of Mississippi. If I may interrupt the gentleman, I do not favor the abolition of those quotas, because it is necessary whenever we have a price-support program. I think it should be pointed out, however, that the cotton-import quota has been used only some three times in some 20 years, and only in some very minor cases. The United States produces over half of the world's cotton crop. We never have to worry about the importation of cotton. We produce cotton more efficiently and cheaper.

Mr. HUNTER. Does the gentleman recommend, then, the abolition of import quotas on cotton?

The CHAIRMAN. The time of the gentleman has expired.

Mr. COOPER. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. SMITH of Mississippi. Unfortunately, I fell into a trap and gave the gentleman from California [Mr. HUNTER] half of my time. I would like to use this time myself.

We are not talking about the Agricultural Adjustment Act in which section 22 appears. I would be happy to repeal the tariffs on cotton and automobiles. I would like to see the gentleman's [Mr. HUNTER] bill passed, to repeal the tariff on automobiles. So would the automobile industry.

I think the American farmer has a greater stake in the passage of this bill than any other legislation before the Congress, not excepting the bill now being considered in the Committee on Agriculture in regard to price-support programs. I think the American workingman has a greater stake in the passage of this bill than any other legislation that will come before the Congress this session.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield to the gentleman from Minnesota.

Mr. MARSHALL. I want to commend the gentleman from Mississippi because he is realistically recognizing the productive capacity of this great country of ours. In recognizing the great productive capacity of this country of ours he also recognizes the need for an outlet for our goods, which would keep our men employed, which would keep our farmers producing the crops and marketing them, which would keep our industries going. The gentleman knows and I know that you can pick out isolated cases that are hardship cases. I wish to commend the gentleman in raising this debate to the high level he has, because the gentleman is talking about the general welfare of all the people of the country and not just one segment. I commend the gentleman.

Mr. SMITH of Mississippi. I thank the gentleman.

I would like to point out to those people in the Midwest, and other areas where concern has been expressed, such as California, that if the export market for cotton is curtailed through the Trade Agreements Act, the cotton farmers of the country will have to go into competition with those areas in their production. If we have to cut back our cotton production because of declining export markets, it means we will have to increase our dairy production. We will have to increase our lard and cattle and beef production, and soya beans and fruits and various other commodities that they produce. It is an interdependent problem in which every farmer has a stake, whether his crop is directly exported or not.

The coal operator has a stake in this problem also, because unless steel and other products which are manufactured through the use of coal has a market we will not even have the necessity for producing as much coal as we produce today. I think the coal producers are very shortsighted in their opposition to this program that has done as much as it has to expand the market for steel, which, after all, is the basic user of coal.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Kentucky [Mr. GOLDEN].

Mr. GOLDEN. Mr. Chairman, I wish to observe that although I have tremendous respect for the integrity and ability of our great Committee on Ways and Means, I am compelled to be opposed to this bill.

For several months I have observed in my home district one large well-equipped and well-managed coal mine after another being closed down because of the operation of the present trade agreements with Venezuela and other foreign countries, that allows residual fuel oil to come in and usurp our markets that formerly went to coal. Not only have thousands of American citizens been forced out of work, walking the highways looking for employment in the coal fields, but it has spread to the railroads and independent oil companies of America. Not only those 3 basic industries have been adversely affected by the present policies of the former and the present administrations, but I have seen not less than 50 American industries that have either been partially destroyed or wholly destroyed by our present policy of free trade.

Our present administration can do well by looking into sections of the United States where we have thousands of unemployed, and learn the facts of life, that foreign products are seriously injuring American business and denying many thousands of men the opportunity to work.

We should adopt a policy and pass a law that will take into account what is happening in the coal fields of Kentucky and other States and in many other American industries before it is too late.

Coal is a basic and necessary industry in peacetime and wartime—to have steel—you must have bituminous coal. Let us not kill this necessary industry.

There is one hopeful aspect about this proposition. We do have sincere and dedicated men on our Committee on Ways and Means. We are promised that they will make a study of this whole situation. I beg of them and of our present administration that some consideration may be given to the 50 or more American industries that are being destroyed by cheap foreign labor and the importation of goods into our market that we cannot compete with.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. BEAMER].

Mr. BEAMER. Mr. Chairman, consideration of H. R. 9474 to extend the Trade Agreements Act for 1 year beyond its expiration date of June 12 carries with it more import and more concern than the title might indicate. It was the hope of many of us that the Commission on Foreign Economic Policy—known as the Randall Commission—authorized by the last session of this Congress, would produce more definite and more realistic answers for this very important problem.

In my study of the report of this Commission on Foreign Economic Policy, I want to pay a special commendation to

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the minority report which was prepared and signed by our colleagues, DANIEL REED, of New York, and RICHARD SIMPSON, of Pennsylvania. The entire report—minority and majority—should be studied by all Members and, in turn, considered from these points of view: First. How does this proposed legislation affect the industries in each of our respective districts? Second. How does the proposed solution by the Commission affect the industries and general economy of the entire United States? Third. How do all of these recommendations better serve our international understanding and relationships with our friends and neighbors overseas?

Quite naturally, our first concern is with the people in the districts where we live and where we know something about their problems. The minority report states that—

> The basic principle involved is one that it is the function of the United States Government to take only such action as may be advisable or necessary to provide a proper atmosphere within which the domestic economy, acting through private enterprise, can flourish and provide our people with a high standard of living.

There are numerous circumstances in the Fifth District of Indiana or in the entire State of Indiana, or even in the entire United States, which will serve as examples to prove this very important point. I refer to only two industries—the glassware and the bicycle industries. The same problems and conditions will apply to pottery, ceramics, rubber tires, and numerous other products which help to form the backbone of the great industries of this country.

The United States Department of Commerce in a release dated May 21, 1954, from its Business and Defense Services Administration, brings out the significant fact that in 1952 it was indicated that 37½ percent of the handblown table, stem and art glassware sold to the American consumer is imported. It also is shown that these particular segments of the glass industry receive the impact of about 27 percent of the entire volume of imports, while exporting only 0.56 percent of the total glassware exports.

This industry employs thousands of people, many of whom are highly skilled. However, employment has been drastically cut in recent years and fears have been expressed that some of the small cities and communities may even become ghost towns if their industry receives further severe competition. I have hundreds of letters from employees of glass industries in Anderson, Marion, Dunkirk, Hartford City, Gas City, and other glass-making centers in the Fifth Congressional District in Indiana. These people are sincere in their desire to be good craftsmen, good Americans, and in asking protection from their own Government.

The reason for their concern is the fact that there is such a difference in labor rates in the United States and in other competing foreign countries. For example, it was shown, and it is known, that wages in the United States glass factories will average $1.65 per hour as compared with 25 to 50 cents per hour in the foreign countries which produce competitive glassware.

In this connection, the report from the Department of Commerce further shows that the glassware importation is increasing very rapidly while the domestic production is decreasing. Even some of these foreign imports come from the so-called Iron Curtain countries of Poland and Czechoslovakia.

It is very important that we turn to the bicycle industry for an equally significant study. In Indiana and specifically in the district which I have the privilege to represent, there are some plants that manufacture parts for the bicycle industry. One of these specifically manufactures electrical devices such as horns and lights for bicycles. Here again I have a large number of letters, not from the management but from the employees who are concerned about their industry, about the loss of business to foreign competition, and about their resultant loss of work.

It is significant to note that the Department of Commerce offers a report that shows that the percentage of imports of bicycles to the United States from foreign countries rose from sixtenths of 1 percent in 1948 to 22.7 percent in 1953. The first quarter of 1954 also shows that the domestic production decreased 62 percent as compared to the corresponding period in 1953. At the same time, in the first 2 months of 1954, imports of foreign bicycles increased 71 percent as compared to the corresponding period in 1953.

In 1953 some 600,000 bicycles were imported into this country as compared to 16,000 in 1949. In 1954, the report continues, if the present trend continues unchanged, the import of 900,000 or more bicycles is not unlikely. Furthermore, export markets for American bicycles are practically nonexistent. All of this, of course, is due to the price differential.

A representative of the rubber industry reported that 1,200,000 tires and tubes for bicycles were imported by the United States in 1953 and predicted that more will come in 1954 and succeeding years. He also stated that if an American tire manufacturer wishes to do business in a European country, it is necessary for him to build a plant there.

These 2 examples will serve to illustrate the importance of consideration of the present reciprocal trade agreements, and most especially the 2 safety factors—the escape clause and the peril-point clause. Two years ago I joined other Members of the House and Senate in appearing before the United States Tariff Commission in behalf of the bicycle industry. Briefs were prepared and the Commission listened very attentively. However, the request for relief under the escape clause was unanimously rejected in October 1952.

This presents the important problem of how much relief or assistance does American industry secure under the escape-clause and peril-point provision. It is shown that since 1951 many cases have been presented to the Commission and numerous cases were referred by the Commission for Presidential action. It is shown that 8 cases were presented for Presidential action and only 2 have been approved. The cases that have been either rejected or postponed for further study involve industries employing thousands of people. The point that I think all of us should consider most seriously is whether or not a reciprocal trade agreement will work in an equitable manner for all parties concerned. In other words, if the United States is to be a member of the General Agreement on Trades and Tariffs, it is important that their industries and their workingmen should have the same protection that is accorded to all of the working people and the industries of foreign countries. The United States Government has shown its willingness and its spirit of cooperation in the agreements on trades and tariffs. In fact, it has been continually reducing its import tariffs and duties. For example, from 1937 to 1951 it reduced the ratio of custom duties collected to total value of imports by a total of 38 percent. In 1951 it is shown that there were only 7 countries that had lower ratio of custom duties collected to total value of imports than those of the United States. It likewise is estimated that in 1953 there were only 5 countries that had lower ratio of custom duties. Thus, the question involved in H. R. 9474 to extend the Trade Agreements Act is one not merely of 1 year's extension but also of a definite understanding and promise that a realistic study and approach will be made to this important problem. We must protect our industries and our workingmen with the same consideration that the industries and working people of other countries are protected by their respective government. This means that the labor standards in international competition must be recognized. It also requires that the postwar dollar problem and currency convertibility referred to in the minority report likewise must be recognized. With the extension of this act for 1 year only, there should be an accompanying requirement that changes in tariff ratings should be made only after individual study by Congress of the effect of the proposed changes upon any particular industry and also upon the entire economy of the country.

There are many other phases of this problem that should be recognized, and these have been touched upon in particular at least in the report of the Commission on Foreign Economic Policy. The field of agriculture presents a special problem, and the agricultural group likewise is keenly interested in maintaining a foreign market and also in protecting the workingmen in this country who provide their consumer market.

Mr. REED of New York. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman, reference has been made here today to the plight of the textile industry in the United States. It has been plagued by a series of ailments over a period of years and today it is very sick.

In recent months some old mills have closed their doors, others have curtailed operations, and thousands of workers, many of these older people who cannot

readily adapt themselves to other employment, are on unemployment rolls. There has been a cutback in wages.

The textile industry is an essential industry to the welfare and security of the American people.

Just how much its woes are caused by foreign competition, the use of new cloths and fibers, sectional wage differentials, and other causes, is not clear and so I believe it is time for the administration to get together with textile management and labor first to make an exploratory analysis and then determine the proper medicine.

This industry can be saved. Government has a real interest and Government can help.

Mr. COOPER. Mr. Chairman, I yield 15 minutes to the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS. Mr. Chairman, last year during the first year of this new administration we considered at some length the Simpson bill. That bill was largely a restrictive bill on trade between this country and other countries in the world. Finally the Simpson bill was sidetracked for a little while and the administration officials came before the committee and said: "If you will give us a 1-year extension of the Trade Agreements Act and if you will create a special study commission which can go into all of the features of the foreign trade of the United States of America as well as the entire foreign economic policy of our country, then in January 1954 we can come back to the Congress and make specific and definite recommendations to carry out our program of trade not aid."

I recall, too, that there was a provision in the measure which sought to stack the Tariff Commission and that was defeated. Congress enacted that measure and the Randall Commission was appointed. It was made up of distinguished Americans, both in and out of the Congress.

The Commission conducted numerous studies, not only in this country but abroad. If I recall correctly, the members went to Paris where they held several weeks of open hearings.

The Commission came back and submitted its report to the Congress, a very long and a very comprehensive report. Thereupon, on the 30th day of March, the President of the United States sent a message to the Congress of the United States entitled "Foreign Economic Policy of the United States."

I shall only read the conclusions contained in that message:

CONCLUSION

What I have outlined to you is a minimum program which should be judged as a whole. Its various parts are interrelated; each requires the other.

Conceived as a whole, this program consists of four major parts:

Aid—which we wish to curtail;

Investment—which we wish to encourage;

Convertibility—which we wish to facilitate; and

Trade—which we wish to expand.

I consider it essential that we achieve each of these objectives, which we must clearly understand are closely interlocked: As we curtail our aid, we must help to close the dollar gap by expanding our foreign investment and trade. This expansion will be facilitated by a return to convertibility of foreign currencies. The return by our friends abroad to convertibility will be encouraged if our trade policy leads them to expect expansion of our foreign trade and investment.

Unless we are prepared to adopt the policies I have recommended to expand export and import trade and increase the flow of our capital into foreign investment, our friends abroad may be discouraged in their effort to reestablish a free market for their currencies. If we fail in our trade policy, we may fail in all. Our domestic employment, our standard of living, our security, and the solidarity of the free world—all are involved.

For our own economic growth we must have continuously expanding world markets; for our security we require that our allies become economically strong. Expanding trade is the only adequate solution for these two pressing problems confronting our country.

Where do we stand today? Well, No. 1, we have a resolution here continuing for 1 year in its exact form the existing trade law. I have not heard one Member of the President's party get up and really defend this program. One or two of them have made weak excuses for it. Most of them have been very definitely against it, and at best it represents too little and too late.

Now, think about that. Here we had a Commission appointed, made up of prominent Americans from all walks of life, who went all over the world studying this problem, and who told us that they were going to bring us back something new and different, something that would effectuate a program of trade and not aid, something that would result in the reduction of foreign-aid appropriations, something that would tend to weld together the free world in this crucial era in which we are living. And what happens?

The President said this in a letter dated May 20. This is only 6 weeks after the message to Congress dated March 30. He said:

Accomplishing enactment of the heart of the program, extension of and amendment of the Trade Agreement Extension Act of 1951, as amended, would, I believe, best be served by careful and deliberate action taken on the basis of extensive and unhurried hearings.

The gentleman from Pennsylvania, my good friend, Mr. SIMPSON, informed us just a moment ago that come next January—not next week, not next month, but January 1955, the third year of this administration—come next January we are going to start new hearings where we are going to cover the same road all over again so that we may find out what we are going to do about the trade policies of the United States of America.

I submit, Mr. Chairman, that this is no policy; that this is a bankrupt policy; that this is a confession of complete and total failure. It may be, as the gentleman from Pennsylvania [Mr. EBERHARTER] indicated, that by next January the complexion of this Congress will be different and it will not be required to have 6 more months of study and then one more extension and then another set of studies. I submit, Mr. Chairman, that here as in every other phase we are confronted with complete bankruptcy of policy.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Illinois.

Mr. MASON. The gentleman making this speech on the floor is an active member of the Committee on Ways and Means.

Mr. BOGGS. I thank the gentleman.

Mr. MASON. The gentleman knows that the Committee on Ways and Means since last January has held almost continuous hearings on revision of the tax bill, on social security legislation, on unemployment compensation, and I want to ask the gentleman this question: Has the Committee on Ways and Means had any time up to this present moment to give any consideration, or at least any proper consideration, to the extension of the Reciprocal Trade Agreement Act?

Mr. BOGGS. Well, I am not making up the agenda for the Committee on Ways and Means. The gentleman's party is doing that. All I can say to the gentleman is that where you have a program which the President of the United States says is essential to the stability of our own economy, to the unity of the free world, where the President of this country says that, in my judgment my committee can find time to do something about it.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from California.

Mr. HUNTER. I gather the tenor of the gentleman's argument to be that in order to increase our exports we must increase our imports. I certainly agree that we should have a healthy export program, but in order to accomplish this is the gentleman willing to repeal the Sugar Act and to do away with subsidies on shipping?

Mr. BOGGS. The Sugar Act as enacted certainly does not interfere with the free flow of trade. As a matter of fact, the act reduced tariffs by well over 50 percent. Insofar as shipping is concerned, the current arrangement in our country is that we should attempt to carry at least 50 percent of our own cargo in our own bottoms. I think that is an eminently fair arrangement. I would say to the gentleman that without cargoes to carry, without foreign trade between this country and other countries, we could pass all the laws we wanted to subsidizing an American merchant marine and it would not have anything to carry.

I am not going to yield any further, because I have only a few moments. The point I am making—and I know the gentleman felt he would needle me with that question—is that none of these problems are insuperable, none of them are. It is perfectly ridiculous for an administration which has gone about this country, all over this country, talking about reducing foreign aid and talking about increasing foreign trade, to come in here with no program whatsoever.

It is like some fellow said, "There are four mistakes that this administration has made, mistakes in domestic policy, mistakes in foreign policy, mistakes that have already been announced, and mistakes that are still being studied." I

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presume this is one that is still on the study list. But in any event, insofar as any policy is concerned, there is none here, and there is no point in trying to kid anybody about it.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Minnesota.

Mr. MARSHALL. I wonder if the gentleman could tell me if our good friends on the other side of the aisle are advocating a return to the Smoot-Hawley Tariff Act.

Mr. BOGGS. I do not know. As a matter of fact, I am sure they do not know themselves.

Mr. HUNTER. Mr. Chairman, will the gentleman yield? I would like an opportunity to comment on that, if I may.

Mr. BOGGS. Surely, I will be glad to yield to the gentleman.

Mr. HUNTER. I might say to the gentleman from Minnesota, who is a very good friend of mine, for he and I serve on the Subcommittee on Agricultural Appropriations, that I have no desire to return to the Smoot-Hawley tariff. I would like, for example, for products such as figs, wines, nuts, olives, and other California specialty crops which are produced in my district, something similar to the Sugar Act, which protects the domestic producers of cane and beet sugar by setting quotas on sugar imported from foreign countries, but we have nothing of that sort. I think it is only fair that the protection afforded the sugar industry, the wheatgrowers, the cottongrowers, and others, be extended to other commodities. I do not believe they should be thrown to the wolves.

Mr. REED of New York. Mr. Chairman, I ask unanimous consent that the gentleman of Pennsylvania [Mr. VAN ZANDT] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. VAN ZANDT. Mr. Chairman, with 12 percent of the employables in my congressional district unemployed and thousands of families living on unemployment insurance, surplus commodities, and public assistance, I cannot conscientiously vote in favor of H. R. 9474, a bill that will extend the Reciprocal Trade Agreements Act for another year.

Ever since I came to Congress in 1939 I have voted for reciprocal trade agreements year after year believing that reciprocal trade was a good national policy and a necessary vehicle in promoting world trade.

Last year when legislation was on the floor of the House to extend reciprocal trade agreements for 1 year, I voted in favor of it because at that time we were assured that a study would be made of the damage that was being done to the coal and other industries by foreign imports.

It is true that the study was made by the Randall committee but I regret to state that the coal industry which is the backbone of the economy of my congressional district was denied the opportunity to present its side of the case. Consequently, the Randall committee report completely ignored the increasingly serious situation existing in the coalfields of our country.

Mr. Chairman, I can no longer vote to extend reciprocal trade agreements because the promise of relief to the coal industry has not been kept. This broken promise means that the importation of foreign residual oil will continue for another year and further destroy the coal industry now on its knees begging for help.

Many of you will remember our efforts last year to establish a quota limitation on foreign residual oil, but our efforts were defeated. Our chief obstacle was in the fact that the difference between crude oil and residual oil was not clearly understood, nor was the damaging effect to the coal and railroad industries properly evaluated.

For a moment, I should like to define "residual oil" and how it is used. This is necessary in order to correct the opinion held by many that it is used for home-heating purposes.

Imported residual fuel oil is what is left over in the refining process after gasoline and/or other products have been removed from crude oil. In the United States refineries this waste product amounts to only 18 or 19 percent of total crude oil refined, but in the Caribbean and South American oil operations of major United States oil companies the waste amounts to from 57 to 65 percent of the refinery volume.

More than 98 percent of the residual fuel oil coming into the United States originates in Venezuela. Of these imports, more than 78 percent are the waste products from oil refineries located on two small Dutch islands just off the coast of Venezuela: Curaçao and Aruba. These refineries are owned by two of the world's largest oil corporations, the Royal Dutch Shell Co. and the Standard Oil Co. of New Jersey.

Therefore these two large oil corporations are the principal beneficiaries from the sale of residual oil imported to the United States rather than the residents of these small Dutch islands or the people in the oil-producing areas of Venezuela.

This foreign residual oil is produced without a cost tag, and the selling price is manipulated up and down in accordance with what the competitive fuel market will bear.

Foreign residual oil is not only produced without a cost tag, but is transported to the United States by the producers without regard to actual transportation costs or at rates that do not in any way conform to charges that are a prerequisite to the maintenance of wage levels established for our own maritime fleet.

To be more specific, ocean transportation rates on residual oil from the Netherlands Antilles to ports north of Cape Hatteras dropped from $1.40 per barrel in January of last year to 43 cents in October—a drop of 69 percent—all because of nonunion cheap foreign labor sailing under foreign flags.

This foreign residual oil is dumped on United States markets and used under boilers in large utilities, and industrial plants, particularly on the east coast of the United States.

I want to emphasize that this waste product of crude oil, commonly known as residual oil, is not used in heating American homes or fueling essential war machines such as tanks, planes, and motor vehicles.

Mr. Chairman, at this very minute a quarter of a million ton tanker ship is tied up at an east coast dock carrying disaster to the coal, railroad, and related industries of this Nation, in much the same manner as rat-infested vessels brought disease into our port cities in years gone by.

This foreign tanker with its bunker space filled with residual oil is dumping it in violation of every American concept of fair competition. As a matter of fact, even if the miners of our Nation would work for nothing and the railroads transported the coal for practically nothing, the coal industry could not compete with this unfair competition from foreign residual oil because its price is continually manipulated downward to capture the eastern seaboard coal market.

As of this date, a ton of domestic coal delivered to the eastern seaboard at $10 per ton cannot meet the competition of cheap foreign residual oil which is delivered in the New York Harbor on an average of $2.10 per barrel. In this connection, about 4¼ barrels of residual oil is equal to 1 ton of coal, and because of the fact that the producer of residual oil will sell at any price, he continually manipulates its price in order to undersell a ton of American-mined coal.

This type of competition is what I had in mind when I said that the unrestricted dumping of foreign residual oil is in violation of the American concept of fair competition.

Keeping in mind that 4¼ barrels of foreign residual oil is equivalent to 1 ton of coal, 134 million barrels of this alien residual oil were unloaded on our eastern seaboard in 1953 or enough to displace 32 million tons of coal and to destroy the jobs of 22,000 miners for a full year.

The seriousness of the situation confronting the coal and railroad industries can be appreciated when it is understood that residual oil imports in 1946 amounted to 44,647,000 barrels, whereas in 1951 the total reached 119,166,000. Figures for 1953 place the amount at about 134 million barrels.

On the basis of 1953 importations, this meant—

First. Displacement of approximately 32 milion tons of coal.

Second. Loss of coal revenue in excess of $155 million.

Third. Loss of the jobs of 22,000 miners for 1 year.

Fourth. Loss of miners wages in excess of $79 million.

From the figures I have cited, one can readily recognize the devastating effect that residual oil had on the coal and railroad industries for the year 1953 when approximately 32 million tons of coal were displaced.

So far in 1954 the floodgates were opened still further with leftovers from foreign refineries reaching a daily average of 450,000 barrels equal to about 108,000 tons of coal—which if permitted to continue would displace 39 million tons of coal annually.

From 1946 through 1953 the loss in revenue to the bituminous-coal industry as the result of the unrestricted flow of foreign residual oil amounted to $828 million, approximately half of which would have gone to miners in wages.

The deficit is multiplied many times over when translated into buying power for other goods and services, while the loss in tax revenue will run into millions of dollars.

Let us for a moment consider the corresponding effect the displacement of 32 million tons of coal had on the coal-carrying railroads of the Nation and their employees due to the importation in 1953 of 134 million barrels of foreign residual oil. It meant:

First. Loss of railroad-freight revenues of $88 million.

Second. Loss of railroad-employee earnings of $44 million.

The freight-revenue loss to American railroads for the period of 1946 through 1953 as the result of coal being displaced by residual oil amounted to some $448 million or the loss of freight revenue from some 2,500,000 loaded cars which railroads did not handle.

For each of the coalminers who have lost their jobs because of the unfair competition from a foreign residual fuel oil a railroader has also been added to the list of the unemployed. The total loss in wages of railroad employees due to the displacement of coal by foreign residual oil amounted to $225 million since 1946.

Mr. Chairman, I have been talking from a nationwide standpoint about the adverse effects on the coal and railroad industries as a result of the unrestricted importation of cheap foreign residual oil. For the next few minutes I should like to tell you of the serious effect it is having on the general welfare of the State of Pennsylvania.

To be brutally frank, the bituminous-coal industry in Pennsylvania is in a desperate condition and while there are other factors that have contributed to its plight, the one that has done the most serious damage is the importation of foreign residual oil, which because of its uncontrolled selling price, has erected a barrier of unfair competition so that it has captured the eastern seaboard market of the Pennsylvania bituminous-coal industry.

In the central Pennsylvania area where my congressional district is located, the production of bituminous coal is the major industry and for many years our regular customers have been from the eastern seaboard area, who purchase annually millions of tons of our coal.

Mr. Chairman, no other area in the United States has felt the impact of the importation of foreign residual oil more acutely than has central Pennsylvania, because of its proximity to the eastern seaboard which is the natural market for central Pennsylvania coals.

Since October 1, 1952, in the central Pennsylvania area alone, 58 bituminous coal mines have closed, throwing out of work 3,497 men, which represents a loss of nearly 4 million man-hours.

Mr. Chairman, I am sure that it is readily apparent that we who reside in central Pennsylvania are really faced with great difficulties because our eastern seaboard coal markets are being captured by the unrestricted flood of cheap foreign residual oil. This means railroad terminals are being abandoned, ghost towns are developing, and unemployment exists to the point where the United States Department of Labor has classified central Pennsylvania as a critical area because of the supply of surplus labor.

While we are gravely concerned with the economy of Pennsylvania, yet there are other aspects to the general situation that I feel I am warranted in calling to your attention because they concern the national fuel situation in its relationship to our national security.

Mr. Chairman, when a coal mine is closed, it is not readily reopened. At the time of closing, the pumps and other equipment are removed and the mine fills up with water. Coal mines cannot be wrapped in mothballs, and stored for an indefinite period like tanks, guns, and battleships, for almost instant restoration to active use, in the event of a national emergency. For all practical purposes, a coal mine is permanently closed and all recoverable natural resources are lost for the future.

During World War II we reached our peak in coal production when in one year we mined 630 million tons. Included in this 630 million was 139 million tons of strip coal, which as you know, is that coal lying near the surface and easy to recover. However, this easy coal is gone and the reserves of strip coal no longer exist.

It is interesting to observe a statement made during World War II by the late Secretary of Interior Ickes, when he said that the production of bituminous coal was a vital factor in winning the war.

Mr. Chairman, there is truth in Secretary Ickes' statement because coal has always played an important role in our national defense. With the permanent closing of coal mines that is taking place today and the decline in the available easily recoverable strip coal I doubt very much whether we would be able, should we get into war, to produce a sufficient quantity of coal to satisfy the national needs.

In making this statement, I am assuming that should we get into an all-out world war III that enemy submarine action will again interrupt our lines of communications as it did in World War I and World War II with the result that great quantities of residual oil now being imported into our country would be suddenly cut off and those industries presently using residual oil would have to turn to coal.

The same thing would apply to crude oil and I say to you, what would factories, churches, schools, apartment houses and places of business now using imported oil, do for heat and power in the event of a national emergency?

Mr. Chairman, shipments of foreign oil could be stopped overnight in the event of an international crisis, but the coal industry cannot accelerate its production to meet the Nation's increased fuel requirements in a national emergency if its operations continue to be impaired as they are under present conditions.

Summarizing my position, let me emphasize, that the plight of the coal industry today primarily can be charged to reciprocal trade agreements which have permitted the unrestricted flood of foreign residual oil from the Caribbean Sea area.

As I said in the beginning of this statement, 12 percent of the employables in my congressional district are unemployed and thousands of families are living on unemployment insurance, surplus commodities, and public assistance.

With my neighbor and fellow-citizen living in want because unrestricted foreign imports have robbed him of his job, I cannot in good conscience accept any further glittering promises of corrective action.

I relied on such false promises in the past and supported reciprocal trade legislation. I refuse, however, to be fooled any longer and for that reason I am voting against this bill and I shall continue to oppose reciprocal trade agreements until the interest of American wage-earners is protected.

Mr. COOPER. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Chairman, I want to join my friend from Tennessee [Mr. COOPER] in the compliment he paid to one of the great modern statesmen not only of the United States but of the world, Hon. Cordell Hull. I think he could be credited with the fathership of this matter of reciprocal trade arrangements with all the world.

I have said on this floor many times and some great Republicans have said on this floor in the past that we cannot sell where we do not buy. Money does not cross the ocean now, nor has it ever crossed the ocean, to balance accounts between governments and governments. There is no trade unless there is exchange. It is goods for goods.

I have always maintained that even when we were passing high protective tariff laws. I do not think anybody in his right mind could say today that we would have trade and commerce with the world, if we did not have the reciprocal trade arrangements. We could not trade with the world under the provisions of the Smoot-Hawley Tariff Act. I would very much have liked to see this committee and the House of Representatives follow the recommendations of the President of the United States, and that is to extend this act in its operations for 3 years. The truth of the business is that I would like to see the day come sometime when the Congress of the United States would stand up on its feet and do what I think should be done not only in the interest of the producers of raw material, but in the interest of the producers of the finished product. Of course, there was a time when we had infant industries in this country. They

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were protected then. But that time has long since passed. Ever since World War I, we have been more of a creditor nation than a debtor nation. We have the biggest surplus producing nation upon the face of the earth. Therefore, as the years come and go, it becomes more and more important that somehow we arrange to exchange our surpluses for the surpluses of the rest of the world. What I started to say was this—that I would like to see the day come when the Congress of the United States would have the statesmanship and the courage not only to extend the Reciprocal Trade Act for 1 year or for 3 years, but to make it a permanent law so that the people of the United States, the producers of the raw material and the processors of the finished products could plan their programs not for 1 year, not for 3 years but so that they could plan and make a program for 10 or 15 years or even 25 years. There will always be the wisdom of the Congress to revise the law in any fashion it desires so as to meet changing conditions in the world in trade and in commerce. So I deeply regret that this Republican controlled committee, Republican by 15 to 10, did not at least follow the recommendations of their own President and allow him during the next 2½ years that he will be in power and that the Republican Party will be in power in the executive branch to make a program for more than a year, but to make it in the interest of everybody in the United States of America who is engaged in producing anything and out of which we have a surplus. But, if we cannot have the whole cake, we on our side of the House at least, 80 percent or 90 percent of us, are going to take one-third of it. That is better than nothing, and in getting one-third of it, we are getting more out of the promises of this administration on this particular matter than we have on many other things.

Mr. REED of New York. Mr. Chairman, I yield such time as he may require to the gentleman from Indiana [Mr. HARVEY]

Mr. HARVEY. Mr. Chairman, developments within my district of Indiana have been such that I find myself in accord with those who urge caution in extending the Reciprocal Trade Agreements Act.

By way of illustration, I wish to cite United States lawnmower production, a manufacturing segment that is basic to the prosperity of the second largest city in east central Indiana, the city of Richmond. In recent years Richmond mower factories—and they represent a substantial part of our Nation's total mower output—have been increasingly penalized by the rising importation of foreign-made mowers. Despite their best efforts to serve the American market with quality machines, both of the manual and motor-operated types, they have found it well nigh impossible to compete with the cheap-labor mowers that are beginning to saturate the United States market, particularly the competitive models coming in from Britain under a low tariff concession.

The consequences of such competition are as familiarly true in the mower industry as they have been—and threaten to be—in dozens of other lines of American industrial enterprise: loss of sales, curtailing of production, and dwindling employment for labor.

Not alone for the salvation of one industry that has sparked the growth of a typically fine United States community, but for the hundreds more experiencing competition from abroad, I believe our country should reappraise world conditions before extending further a program of international trade policies of questionable economic wisdom.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. HOWELL].

SWEEPING PROBLEMS UNDER THE RUG

Mr. HOWELL. Mr. Chairman, the stopgap Reciprocal Trade Agreements Act extension bill before the House today is another step in a series of efforts by the leadership of the Congress to dispose of important problems facing our country merely by sweeping them under the rug—hiding them, as it were, for another year.

That is what was done on this measure just a year ago. At that time, the excuse that was given for putting this whole issue on ice for a year was to give the Randall Commission an opportunity to study the whole problem and make its report. The Commission made its study. It made its report months ago. But again we are putting the whole question on ice for another year.

I am speaking of two problems, not one. First, there is the problem of increasing our foreign trade on a reciprocal basis as recommended by the Randall Commission. And second, there is the problem of specific American industries presently undergoing extremely difficult adjustments as a result of what they regard as unfair, cutthroat, cheap labor competition from abroad.

Under the parliamentary procedure in effect here, the House is given no opportunity to attack either of these problems. We are, instead, handed a bill to continue the present law on the books unchanged for a temporary period of another year and we cannot amend it in any particular.

While this bill will make some of our industries quite unhappy because it provides no opportunity for bailing them out of severe competitive situations, it contributes nothing at all to foreign trade policy.

Having the act remain on the books may be important to our foreign policy from a psychological standpoint—as an indication to the rest of the free world that we are not going backward in our trade policy. But unless the authority of this law is used, through the negotiation of new trade agreements, it has no practical effect.

And that has been the situation since the new administration took office. Not a single trade agreement has been negotiated by the Eisenhower administration under the Reciprocal Trade Agreements Act. In fact, a definite promise was made last year that if the Congress extended the act for 1 year, it would not be used.

Has there been such a deal again this year?

We all know, Mr. Chairman, that the majority party is split down the middle in an unbridgeable chasm over this whole issue of economic cooperation versus economic isolationism. Ever since the trade-agreements program was put into effect in 1934—20 years ago—the Republican Party has been completely split on this issue.

Disagreements within political parties are inevitable, often they are sectional. But when a political party is in power in this country—when it is the majority party—it has the duty and responsibility to lead, even when that requires it to face up to issues which divide its own ranks.

In this matter, as in many others, the Republican Party refuses to lead. It seeks, instead, to find face-saving devices to minimize or hide the disagreements within its ranks.

As a consequence, this problem of foreign trade is being swept under the rug for another year—as a political device to protect the Republican Party in a campaign year from having to declare itself and make its stand.

And that is all this bill is intended to do.

The pledge that the Congress will dig into this issue next year recalls a similar pledge made by the Republican leadership exactly a year ago. Are we to go on indefinitely postponing action, and pledging it for "next year"—a year that never materializes?

I can say this, however. The pledge will be kept in 1955 if we have a Democratic Congress. That is the only way we can be sure the issue will be permitted to come to a decisive vote.

We will meet problems—not sweep them under the rug.

Mr. COOPER. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. Mr. Chairman, as one who has consistently supported the Reciprocal Trade Act since its inception, and the entire theory of that act, I cannot help but take the floor and say that in the last year or so I have developed a few inhibitions about some of the steps taken in carrying out that act.

One particular matter upon which I have been working for several months now, which does not quite come under the Reciprocal Trade Act but which has been thought related to it, I wish to call to the attention of the Congress, and at a later date I intend to take the floor at some length and will introduce a bill covering it.

We are building dams with taxpayers' money throughout the United States. We are extending our electrical power production facilities. In 1950, 11 percent of the turbine equipment and the governors for those turbines was purchased abroad. Today 63 percent of the electrical turbine equipment purchased for dams being built by the Bureau of Reclamation and the Army engineers is coming from foreign manufacturers. And then we are liable to find ourselves in trouble maintaining them or replacing them.

At the present time a firm in my own community, San Francisco, was the low bidder amongst five for turbines and

governors for the Dalles Dam in Oregon, and a Japanese firm put in a bid which was 22 percent less. Under the Buy-American Act which says a foreign competitor is not entitled to it unless there is a difference of 25 percent——

Mr. SMITH of Mississippi. If the gentleman will yield, there is no provision in the Buy American Act with regard to percentage difference in bids.

Mr. SHELLEY. Well, it is a regulation.

Mr. SMITH of Mississippi. It is a regulation which has been used in the past. I would like to ask the gentleman with respect to these turbines to tell me whether any generator or turbine where they have been bought abroad has caused any trouble in getting it serviced or otherwise treated.

Mr. SHELLEY. I have a list of them on my desk right now. I cannot recall them offhand.

Mr. SMITH of Mississippi. The officials of the Bureau of Reclamation, the people who operate these dams, have never stated that they had any trouble.

Mr. SHELLEY. I have a list showing where various public utilities have had trouble with foreign equipment.

I might say that this American firm in my district in San Francisco was the low bidder before the Japanese firm put in their bid. The Japanese bid did not meet the specifications and upon the urgent plea of the division of the Department of State working on this feature the Army engineers threw out all bids about a month ago and are about to call for new bids. It will allow those foreign firms to now come in and shade their bids to within 2 or 3 percent of the regulation.

I wish to say to the gentleman from Texas and the leadership that what is happening which is weakening the strength of the Reciprocal Trade Act, which I believe is sound in theory, is the tendency of some of the people in the Department of State and in the Foreign Operations Administration to forget that they are employees of the American people and that they have a responsibility to business and working men in this country, and they are walking around in cloud 16 and acting as if they are working for every manufacturer of every foreign government.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HUNTER. Mr. Chairman, I would like to thank the gentleman from California for bringing to the attention of the House this very important information. I believe it indicates a bipartisan concern with this very serious problem.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all Members desiring to do so may extend their remarks at this point in the RECORD on the pending bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. PHILBIN. Mr. Chairman, I strongly favor mutual trade and commercial intercourse with all nations of good will and friendly spirit.

I strongly oppose any agreement or arrangement with foreign nations which permits a flow of cheaply produced, low-standard, sweat-shop or coolie fabricated goods to come into this country and undermine the employment of our citizens, our high standards of living, and the general prosperity of our industries.

Many times I have in good faith protested against the unfair and harmful operation and effects of the trade treaties upon various industries in my district and State. I have repeatedly urged that the escape clause be invoked to prevent hardship and disastrous consequences to our working people and our industries. But no constructive action has been forthcoming. Nothing but the promise that the Ways and Means Committee of the House would consider these vital matters in full detail next year.

I acknowledge that the committee should conduct a thorough study to determine just what effects are flowing from these treaties and especially to give representatives of business and labor and the general public the opportunity to present their side of the case. I am entirely willing to support reasonable trade treaties to stimulate world trade and buttress the economic strength of the free world.

But I am not willing to stand by idly while the trade treaty program is administered in such a way as to promote serious unemployment and depressed economic conditions in my district and State.

This Nation is pursuing an incredible policy. We are granting billions of the taxpayers' hard-earned money to help other nations build industrial units and businesses in competition with our own in world markets and then, as if that were not enough, we have under treaty laws permitted these nations to bring their products into this country to undermine and break down our American standards of wages, living, and conditions of work.

I cannot subscribe to such a short-sighted, unwise, economically unsound practice. Let us by all means encourage world trade upon which we, to a large extent respecting certain materials and goods, largely depend. But in the name of commonsense and in fairness to our own workers, our own businessmen and in the interest of our own industries and high American standards and in the interest of our own national prosperity, let us promptly stop cutthroat, unfair, substandard competition from abroad just as we stop it at home.

In the long run no nation or people can gain from such uneconomic prodigal practices as are typical of current operation of the trade treaties. Let them be equitably revised.

The only real question here is whether or not this treaty law should be extended for another year. Normally, if conditions were different, I would have no objection to a reasonable extension of time, but in the circumstances with so many people out of work, so many more faced with the loss of their jobs and certain definite recessionary factors apparent in the economy, I believe that the Congress should tackle these problems at once and not permit further delay.

A careful inquiry should be made concerning the extent of unemployment and recession caused by the importation of cheap, low-standard goods into this country. We can be fair, reasonable, and just with other nations of the world and we can be generous, as we have been, but that does not mean that we have to open the doors to American markets to all the low-paid, low-priced areas of the world and permit them to scuttle the employment of high-paid American citizens and permit them to destroy our industries.

As in all other matters, there is a rule of reason here, and I think it should be followed. I would like to see the Congress tackle these questions promptly and for that reason I cannot support this measure.

Mr. TRIMBLE. Mr. Chairman, I am deeply concerned with the prospects for certain industries under the Reciprocal Trade Act unless the act is carefully administered. I refer especially to the glass industry and the coal industry. In our district, especially in the Fort Smith area, both industries are in a bad way. If trade restrictions are not judiciously handled both industries will be ruined. I understand that this bill tries, if possible, to protect these industries and does not contain the restrictions contemplated by the Randall Commission. I voted against the rule for this legislation because I wanted to be certain that these two great industries would have protection. I shall support the legislation because of its overall benefit in our world struggle against communism. In doing that we must not destroy our own economy. If commonsense prevails in the administration of the act we will be all right.

Mr. STRINGFELLOW. Mr. Chairman, last year, when the extension of the Reciprocal Trade Act came before this body for debate, I stood with the administration stating that I would support the 1-year extension in the hope and belief that a sound program would be worked out which would foster and protect domestic industry. I stand before you this day a sad and disillusioned Representative, because I feel domestic industry has already been deserted, since no program of assistance or help has come during the past 12 months.

Every day brings to my desk many letters from miners in the State of Utah in lead, zinc, fluorspar, coal, and even in our copper mines, telling me that they have lost their jobs and there is little likelihood of their returning to work in the near future. Each of these miners finds himself unemployed today not because of any decline in demand for raw materials on the American market, but because the Democratic administration and the present administration has invoked a series of trade agreements which are based upon fostering foreign production at the expense of our own domestic industries in this country. What is true in the mineral industries is also true in the wool industry, and in many instances this can also be applied to a great number of our manufactured commodities in this country.

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In our humanitarian desires to save the world we have plundered and robbed our own people of a way to make a living. We have taken the bread and butter out of the mouths of American workers and given it to foreign producers in lands half way around the world. We have listened to the beguiling words of the slogan architects who tell us that we have got to save the economy of foreign nations at any expense, regardless of the effect it may have upon our own taxpayers or upon the Treasury of the United States. I am certainly not so blinded by my desire to protect American producers that I believe we should not carry on a constructive program of trade with other free nations of the world. But let it be a system of fair trade based upon equitable principles which we can defend before the people of America, and not a system of a world dole to make other nations rich at the expense of our United States workingman.

The heart of our foreign-trade policies should be the maintenance of a strong and prepared United States. If our Nation is weak we cannot be of any help to other peoples or other nations in these difficult days when we are threatened by aggression and communistic infiltration on many different fronts throughout the world. Our Nation can be only as strong as the individual citizens who compose this great land. Whenever unemployment creeps into our midst we become weak, because a man out of work is disillusioned, malcontent, and loses faith in his government. We have achieved great economic strength in the United States during the years since our Nation was founded by encouraging and protecting the free-enterprise system. Our land will remain a great productive Nation only so long as the industries which we now have are kept in a healthy state of production so that they may produce the vital goods which are required both in peace and in war.

During the almost 10 years since the end of World War II, our Nation has spent almost $50 billion in military and economic aid to the so-called free nations of the world. Yet I ask you, what do we have to show for these huge expenditures today? The miserable failure of our so-called allies to reach any constructive or unanimous decision at the Geneva Conference shows how desolate and what a complete failure our efforts have been. Likewise our efforts to form a strong and united army to defend Europe has met with constant rebuff by both England and France. We find ourselves today in a most peculiar situation, wherein we receive more cooperation and help from our former enemies, Germany and Japan, than we do from the nations of England and France. To me this boils down to one concrete conclusion: We cannot buy friendship with American dollars. Nor can we promote world trade and prosperity by destroying American systems of production and laying off American workers.

We have tried fruitlessly for the last year to get administration action to aid the lead and zinc mines in the West. We were somewhat encouraged when the Tariff Commission made its report to the President calling for increased tariffs on foreign imports, but as yet no action has been taken nor do we have any assurance that relief will be granted.

On June 7, 1954, the Office of Defense Mobilization issued a directive to the General Services Administration calling for the purchase of lead and zinc for the Nation's stockpile. It is true that this action may offer some temporary market to the United States smelters and refineries who do have great backlogs of these minerals on hand. However, this assistance will only be temporary and in fact may eventually cause more chaos in our mining industries.

Only this morning I talked on the telephone with Mr. A. J. Walsh, Commissioner of Emergency Procurement Services, regarding this stockpiling program. He assured me that he, too, was of the opinion that increased United States purchases of lead and zinc would probably result in greater dumping of foreign minerals on our markets. He stated that any such stockpile program, unless coupled with restrictions on foreign imports would encourage foreign producers to rush more lead and zinc to the American market. Thus, in the end, the prices of lead and zinc will probably be further depressed rather than enhanced.

We must once and for all make up our minds whether we are going to have a strong and prepared mineral producing industry in our Western States. Unless this decision is made some of our vital mineral-producing mines will be closed because they cannot compete with foreign slave labor.

Some people may think that we should get out of the business of mining if we cannot compete with foreign producers, but the bitter experience we had during World War II when we could not obtain minerals on the world market refutes this argument. We must continue to have a strong mineral development program in our Nation or we will suffer the dire consequences of being caught without the tools and means of preparing and defending ourselves against aggressive attacks.

Our wool industry in this Nation has also been led to the sacrificial altar because we have felt that it was more important to maintain friendly relationships with Australia, New Zealand, and Uruguay than it was to preserve our own domestic wool industry.

It is true that the administration has come forward with a wool program which may, if enacted have some constructive help in this particular field, but as you all know a few Members in Congress who are opposing President Eisenhower and Secretary Benson's policies of flexible price supports have prevented the wool bill from coming onto the floor for debate.

Gentlemen, I am voting against the Reciprocal Trade Extension Act today not because I oppose true reciprocal trade, but because the present trade program is wholly unfair to American industries. Until the administration and Congress can work out a fair and adequate program which will insure that the industries of my State and many of the other States of this Nation are given a chance for survival and an opportunity to compete in the marketplace, I cannot in good conscience vote for any extension of our present "giveaway" trade program.

Mr. REED of New York. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia [Mr. NEAL].

Mr. NEAL. Mr. Chairman, I would certainly be the last to attempt at this time to inject any opposition to the administration's effort to utilize every means of securing the peace of the world at this time. However, Mr. Chairman, I think that you have heard this afternoon a sufficient number of incidents which bring to light the fact that these unregulated trade agreements are doing serious damage to much of the industry of our country. Knowing that fact, there is no doubt in my mind that the time is ripe for a restudy of the terms of the tariff agreements act that was entered into 20 years ago, because since that time there have been many, many changes in our economic picture as well as changes in the relationship of this country to the other peoples of the world.

We must recognize that during the period of war it was easy enough to have the tariff agreements act favorable toward us, and in later years it has been quite easy for those engaged in manufacture and heavy industry of this country, producing material that the free world wants, to use the taxpayers' dollars to subsidize that product to other parts of the world. We cannot continue to do these things; neither can we continue to fail to recognize that a large segment of our industry represented by small business throughout this country is being seriously damaged.

I think without any question this promise of the Ways and Means Committee to take sufficient time during the next 12 months to make a thorough study of the tariff agreements program is essential. With this assurance we can only hope that, if this bill passes, provisions will be adopted to prevent further injury to domestic labor and industry.

Mr. PATTERSON. Mr. Chairman, I rise to speak in opposition to H. R. 9474. How in good conscience can we pass legislation which is so patently detrimental to the well-being of American industry and the American working man?

Our industry, yes, in fact, our country, has been built upon the ingenuity and hard work of the American people. We thrive on fair competition in all phases of our industrial life and business, but under this proposed legislation, we will be relegated to a second-class industrial nation. We will become the victims of unfair competition generated through and supported by our own tax money poured into foreign aid programs.

Destruction of our clock and watch industry through unfair foreign competition strikes a vital blow to our national defense by destroying our skilled trades and workers. England is a classic example of this, for during World War II she had a dearth of skilled and precision workers and was compelled to rely on American industry for aid in the manufacture of fuses. Such is only one of

the many dangers involved when a nation allows its industry to become weak from within, due to unbridled competition from foreign imports.

In my district the industries endangered by this influx of foreign goods are those engaged in the manufacture of clocks, watches, rubber footwear, pins, both safety and straight, fishing tackle, glass, metal clippers, and many others too numerous to mention.

Further, Mr. Chairman, how can we compete with this terrible influx of cheap foreign-made goods and protect our high standard of living and wages gained after such hard struggles.

I was shocked to read in the record of the hearings before the Subcommittee on Appropriations that our American industry is subject to embargoes in many countries which have enjoyed American economic aid. Mr. Chairman, I submit the following for the record and ask unanimous consent for its incorporation with statements made by my colleague, the gentleman from Ohio, Mr. FRANK T. BOW. For the information of my colleagues the list of countries invoking embargoes against our goods may be found on page 511 of the report of the Subcommittee on Appropriations.

Few of us realize that since 1937 we have cut our tariff protection 50 percent while other nations have increased theirs by more than 50 percent. Furthermore, out of the 45 free countries in the world today we are the eighth lowest in the form of tariff barriers. Mr. Chairman, I am just endeavoring today to protect our standard of living, the wage scale of our workingmen, and our industry itself upon which all of us are totally dependent.

RESTRICTIONS ON IMPORTS OF UNITED STATES PRODUCTS

Mr. BOW. Do we have some embargoes on other materials, other than automobiles, in some of these countries?

Mr. SAMUEL W. ANDERSON. Oh, yes.

Mr. BOW. Against products made in this country?

Mr. SAMUEL W. ANDERSON. Oh, yes.

Mr. BOW. Does your Department have a list of those embargoes and the tariff walls, in comparison to our own, with which we could be supplied?

Mr. SAMUEL W. ANDERSON. Yes. That as a generality would be a very elaborate study. I would like to suggest, if I may, that we give you the most important embargoes, if you wish, for the record, rather than to go the whole hog, because it would be an enormous document.

Mr. BOW. I think it is one thing that a lot of people do not realize when they talk about trade; that we do have barriers against us across the sea.

Mr. SAMUEL W. ANDERSON. There is no question about it.

Mr. BOW. They sometimes wonder why we have some tariffs on the same products across the sea, where the tariffs are even higher.

Mr. SAMUEL W. ANDERSON. There is no question about it. The present situation in the world, with the dollar shortage being what it is, with the restrictions against the American goods, is such that restrictions against us substantially exceed in severity and in magnitude these restrictions against other goods.

(The information follows:)

IMPORTANT UNITED STATES PRODUCTS, IMPORTS OF WHICH ARE EXCLUDED OR SEVERELY RESTRICTED BY THE OPERATION OF IMPORT RESTRICTIONS IN CERTAIN FOREIGN COUNTRIES

Recent experience has been that while their importation from the United States is not specifically prohibited on a priority basis, the operation of day-to-day import and exchange quotas and/or other licensing policies has resulted in no more than small or infrequent licensing of the following:

Country and commodity

Brazil: Assembled automobiles, textile fabrics, shoes, hosiery, steel files and rasps.

Colombia: Grains; certain dairy products; fruits and vegetables; certain meat products; certain vegetable fats and oils; sugar; certain tobacco products; hides and skins; certain leather products; assembled automobiles over 1,240 kilograms in weight, except those of 4-wheel drive and except those for public transportation; rubber tires for vehicles, casings, except specified sizes; coal, except anthracite; certain textiles and textile manufactures; certain paper products; certain soaps.

Cuba: None.

Mexico: Cellophane, powdered eggs, powdered milk, sulphonated oils.

Venezuela: Leather footwear.

Canada: None.

Belgium-Luxembourg: Assembled automobiles, nylon stockings, coal, automotive replacement parts, dressed leather, certain machine tools, certain pharmaceuticals, manufactured tobacco products, coated abrasives.

France: Certain fresh fruits; prunes (dried) and raisins; typewriters, radio receiving sets, household; vacuum cleaners; amateur box-type and folding cameras; motion-picture projectors; motion-picture films (not exposed); dental metals, precious; mechanical pencils; fountain pens; office machine ribbons.

Germany, Federal Republic: Coarse grains; flour and milling products; fruits, other than citrus and tropical fruits; fish and fish preparations; oil cake; leather; furs; wax and paraffine; assembled automobiles; certain rubber articles; certain iron and steel products.

Italy: Tires (inner tubes and casings).

Netherlands: Electrical and mechanical refrigerators; washing and wringing machines; cash registers; assembled automobiles; used bags (jute); compressors; automobile tires and tubes; walnuts; dried apples; salmon; soaps and soap powder.

Switzerland: Trucks; nylon hosiery; parts for watches.

United Kingdom: Assembled automobiles; typewriters; canned fruit; canned fish; fresh citrus fruits; small tractors; dictating machines.

India: Assembled automobiles; motors and generators of certain types; certain textile machinery; industrial sewing machines; certain precision and measuring tools; dairy, poultry, and farming appliances; optical and other lenses; sheet and plate glass; electric bulbs and fluorescent tubes; powdered milk in bulk; canned fruits, vegetables, and fish; cigars, cigarettes, and unmanufactured tobacco; belt dressing, belt preservatives, and leather belting; coal-tar dyes; soaps.

Japan: Luxury-type consumer goods; luxury-type food products.

Philippines: Edible oils and fats; beer; soap; fresh vegetables; rubber-soled canvas shoes; cotton weaving yarns; certain cotton manufactures; certain paper products; incandescent and fluorescent bulbs; nails.

Union of South Africa: Canned foodstuffs; fruit juices, beverages; tobacco products; certain textile manufactures, certain electrical manufactures; assembled automobiles; certain glass products; rubber tires; certain paper products; furniture; certain leather manufactures.

Mr. DONOHUE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DONOHUE. Mr. Chairman, there are many workers and industries, in my area—textiles is an outstanding example, to cite one—suffering severe hardship from the unfair foreign competition permitted under our present trade and tariff system.

I have repeatedly, on this House floor, before the Tariff Commission, before the Committee for Reciprocity Information, and in letters to the Randall Commission, as well as to the President protested against these continuing injustices to American citizens and industries. I have consistently urged that appropriate recommendations be made by these agencies and corrective action taken by the President through the provisions of the peril point and escape clauses of existing legislation. I regret to say my individual and coperative efforts have so far met with little success.

I had hoped an opportunity would be afforded some of us here today to debate and discuss this vitally important subject. I very deeply regret that under the rule in which this bill has been brought in here it is impossible to attempt revision or amendment. We must either accept or reject this bill as it is.

As I have stated so often in the past, I am not opposed, personally, to the cooperative economic theory at the basis of our trade agreements program. Also, I have the greatest respect, as well as admiration, for the President of the United States. I would therefore, hesitate, indeed, to join in any action that might virtually sabotage his efforts to promote friendly international relations with valuable allies.

Additional ammunition for Communist propaganda, in furtherance of the obvious Kremlin objective to divide and conquer the Christian world, should certainly not be provided at this critical hour of our destiny.

The Good Lord knows we need unity at home and friendly allies abroad if we are to successfully turn back the Communist challenge threatening the survival of ourselves and all free nations.

Nevertheless, I feel compelled to again emphasize my conviction and understanding that in the fulfillment of this Trade Agreements Act the Congress did not intend to thereby eliminate widespread domestic employment and promote the disintegration of our own domestic industries.

I believe the ordinary American taxpayer has been and is making all the generous sacrifices that can be reasonably asked for the rehabilitation of some peoples and nations that may, in an hour of peril be of doubtful loyalty. Any further impositions, by unreasonable and impractical tariff reductions, may, I fear, inflict a dangerous blow to American

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morale, which must be kept at an increasingly high level during these threatening times.

I earnestly hope and pray that, under the extended act, the President, in his wisdom, will exercise his executive power to equitably correct current and prevent any increasing hardships upon so many of our American workers and industries resulting from cheap foreign importations that cannot be competitively met with our high living and wage standards. In justice to our own people, they should be reasonably protected in their jobs at least until our expanding economy is ready to profitably absorb them. We cannot now afford to add to the unemployment trend that is still so dangerously threatening the national economy.

Mr. REED of New York. Mr. Chairman, there are no further requests for time on this side.

The CHAIRMAN. There being no further requests for time, under the rule the bill is considered as having been read for amendment. No amendment is in order to the bill except amendments offered by direction of the Committee on Ways and Means.

Are there any committee amendments?

Mr. REED of New York. There are no committee amendments.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SAYLOR, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9474) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, pursuant to House Resolution 580, he reported the same to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. BAILEY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BAILEY. I am, sir.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BAILEY moves to recommit the bill H. R. 9474 to the House Committee on Ways and Means.

Mr. REED of New York. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. COOPER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 281, nays 53, answered "present" 3, not voting 97, as follows:

[Roll No. 81]

YEAS—281

Abbitt	Friedel	Mumma
Adair	Fulton	Murray
Addonizio	Garmatz	Natcher
Albert	Gary	Norblad
Alexander	Gathings	Norrell
Allen, Ill.	Gavin	Oakman
Andrews	Gentry	O'Brien, Ill.
Angell	George	O'Brien, Mich.
Aspinall	Goodwin	O'Brien, N. Y.
Auchincloss	Gordon	O'Hara, Ill.
Baker	Graham	Osmers
Barden	Granahan	Ostertag
Barrett	Grant	Passman
Bates	Green	Patman
Battle	Gregory	Patten
Beamer	Gwinn	Pelly
Becker	Hagen, Calif.	Pfost
Belcher	Hale	Poage
Bender	Haley	Poff
Bennett, Fla.	Halleck	Polk
Bentley	Harden	Powell
Berry	Hardy	Price
Blatnik	Harrison, Nebr.	Priest
Boggs	Harrison, Wyo.	Rabaut
Boland	Hart	Rains
Bolton, Frances P.	Harvey	Ray
	Hays, Ark.	Rayburn
Bolton, Oliver P.	Hébert	Reams
	Herlong	Reed, N. Y.
Bosch	Heselton	Rees, Kans.
Bowler	Hess	Regan
Boykin	Hiestand	Rhodes, Ariz.
Brooks, Tex.	Hill	Rhodes, Pa.
Brown, Ga.	Hillelson	Riehlman
Brownson	Hillings	Rivers
Broyhill	Hinshaw	Roberts
Buchanan	Hoeven	Robeson, Va.
Burleson	Hoffman, Ill.	Robsion, Ky.
Bush	Holifield	Rodino
Byrne, Pa.	Holmes	Rogers, Colo.
Campbell	Holtzman	Rogers, Fla.
Canfield	Hope	Rogers, Mass.
Carnahan	Hosmer	Rogers, Tex.
Carrigg	Howell	Rooney
Celler	Hyde	Sadlak
Chelf	Ikard	St. George
Chenoweth	Javits	Schenck
Chiperfield	Jensen	Scherer
Chudoff	Jonas, N. C.	Scrivner
Church	Jones, Ala.	Scudder
Cole, N. Y.	Jones, Mo.	Seely-Brown
Colmer	Jones, N. C.	Selden
Condon	Karsten, Mo.	Shelley
Cooley	Kean	Shuford
Cooper	Keating	Sieminski
Corbett	Kelley, Pa.	Sikes
Cotton	Kilburn	Simpson, Ill.
Coudert	Kilday	Simpson, Pa.
Cretella	King, Pa.	Small
Crosser	Kluczynski	Smith, Miss.
Crumpacker	Landrum	Spence
Cunningham	Lanham	Sullivan
Curtis, Mass.	Lantaff	Taber
Dague	Latham	Talle
Davis, Ga.	LeCompte	Taylor
Davis, Tenn.	Lesinski	Teague
Dawson, Ill.	Lipscomb	Thomas
Dawson, Utah	Long	Thompson, Tex.
Deane	Lovre	Thornberry
Delaney	Lyle	Trimble
Dempsey	McCarthy	Tuck
Derounian	McCormack	Vinson
Devereux	McCulloch	Vorys
D'Ewart	McDonough	Walter
Dies	McMillan	Warburton
Dondero	McVey	Watts
Donohue	Mack, Ill.	Westland
Donovan	Mack, Wash.	Wharton
Dorn, N. Y.	Magnuson	Wheeler
Dowdy	Mahon	Whitten
Eberharter	Marshall	Widnall
Edmondson	Martin, Iowa	Wier
Elliott	Matthews	Wigglesworth
Ellsworth	Merrill	Williams, Miss.
Engle	Morrow	Williams, N. J.
Evins	Metcalf	Williams, N. Y.
Fallon	Miller, Kans.	Wilson, Ind.
Fernandez	Miller, Md.	Winstead
Fisher	Miller, Nebr.	Wolverton
Fogarty	Miller, N. Y.	Yates
Forand	Mills	Young
Ford	Morano	Younger
Forrester	Moss	Zablocki
Fountain	Moulder	
Frelinghuysen	Multer	

NAYS—53

Andersen, H. Carl	Golden	Patterson
	Gross	Perkins
Andresen, August H.	Hagen, Minn.	Philbin
	Hand	Phillips
Bailey	Hays, Ohio	Reed, Ill.
Bennett, Mich.	Hoffman, Mich.	Saylor
Betts	Hunter	Secrest
Bonin	Johnson, Wis.	Shafer
Bow	Kearns	Short
Bramblett	Kee	Smith, Kans.
Bray	Lane	Staggers
Brown, Ohio	McGregor	Steed
Budge	McIntire	Stringfellow
Byrd	Mollohan	Utt
Clardy	Morgan	Van Zandt
Cole, Mo.	Neal	Wampler
Coon	Nelson	Wilson, Calif.
Dorn, S. C.	Nicholson	
Fenton	O'Hara, Minn.	

ANSWERED "PRESENT"—3

Cederberg	Mason	Smith, Wis.

NOT VOTING—97

Abernethy	Gubser	O'Neill
Allen, Calif.	Harris	Pilcher
Arends	Harrison, Va.	Pillion
Ashmore	Heller	Preston
Ayres	Holt	Prouty
Bentsen	Horan	Radwan
Bishop	Hruska	Reece, Tenn.
Bolling	Jackson	Richards
Bonner	James	Riley
Brooks, La.	Jarman	Roosevelt
Buckley	Jenkins	Scott
Burdick	Johnson, Calif.	Sheehan
Busbey	Jonas, Ill.	Sheppard
Byrnes, Wis.	Judd	Smith, Va.
Camp	Kearney	Springer
Cannon	Kelly, N. Y.	Stauffer
Carlyle	Keogh	Sutton
Chatham	Kersten, Wis.	Thompson, La.
Clevenger	King, Calif.	Thompson, Mich.
Curtis, Mo.	Kirwan	
Curtis, Nebr.	Klein	Tollefson
Davis, Wis.	Knox	Van Pelt
Dingell	Krueger	Velde
Dodd	Laird	Vursell
Dollinger	Lucas	Wainwright
Dolliver	McConnell	Weichel
Doyle	Machrowicz	Wickersham
Durham	Madden	Willis
Feighan	Mailliard	Wilson, Tex.
Fine	Meader	Withrow
Fino	Miller, Calif.	Wolcott
Frazier	Morrison	Yorty
Gamble	O'Konski	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Arends for, with Mr. Bishop against.

Mr. Springer for, with Mr. Mason against.

Mr. Madden for, with Mr. Busbey against.

Mr. Withrow for, with Mr. O'Konski against.

Mr. Allen of California for, with Mr. Knox against.

Mr. Harrison of Virginia for, with Mr. Smith of Wisconsin against.

Mr. James for, with Mr. Weichel against.

Mr. Davis of Wisconsin for, with Mr. Van Pelt against.

Mr. Wainwright for, with Mr. Cederberg against.

Until further notice:

Mr. Jackson with Mr. Keogh.

Mr. McConnell with Mr. Klein.

Mr. Vursell with Mr. Bonner.

Mr. Ayres with Mr. Fine.

Mr. Byrnes of Wisconsin with Mr. Dollinger.

Mr. Curtis of Nebraska with Mr. Camp.

Mr. Curtis of Missouri with Mr. Preston.

Mr. Stauffer with Mr. Pilcher.

Mr. Scott with Mr. Roosevelt.

Mr. Holt with Mr. Heller.

Mr. Horan with Mr. Buckley.

Mr. Hruska with Mr. King of California.

Mr. Jenkins with Mr. Miller of California.

Mr. Fino with Mr. Doyle.

Mr. Gamble with Mr. Sheppard.

Mr. Prouty with Mr. Yorty.

Mr. Reece of Tennessee with Mr. Machrowicz.
Mr. Wolcott with Mr. Ashmore.
Mr. Velde with Mr. Chatham.
Miss Thompson of Michigan with Mr. Morrison.
Mr. Sheehan with Mr. Kirwan.
Mr. Tollefson with Mr. Dingell.
Mr. Meader with Mr. O'Neill.
Mr. Pillion with Mr. Frazier.
Mr. Gubser with Mr. Abernethy.
Mr. Kearney with Mr. Willis.
Mr. Johnson of California with Mr. Dodd.
Mr. Laird with Mr. Jarman.
Mr. Mailliard with Mrs. Kelly of New York.
Mr. Jonas of Illinois with Mr. Brooks of Louisiana.
Mr. Judd with Mr. Bolling.
Mr. Clevenger with Mr. Wilson of Texas.
Mr. Radwan with Mr. Feighan.
Mr. Burdick with Mr. Thompson of Louisiana.
Mr. Dolliver with Mr. Riley.

Mr. CEDERBERG. Mr. Speaker, I have a live pair with the gentleman from New York, Mr. WAINWRIGHT, who if present would have voted "aye." I voted "no." I therefore withdraw my vote of "no" and vote "present."

Mr. SMITH of Wisconsin. Mr. Speaker, I have a live pair with the gentleman from Virginia, Mr. HARRISON, who if present would have voted "aye." I voted "no." I therefore withdraw my vote of "no" and vote "present."

Mr. MASON. Mr. Speaker, I have a live pair with the gentleman from Illinois, Mr. SPRINGER, who if present would have voted "aye." I voted "no." I therefore withdraw my vote of "no" and vote "present."

Mr. HOFFMAN of Michigan. Mr. Speaker, I was present in the hall when my name was called talking to a colleague. If I can qualify I would like to vote.

The SPEAKER. Was the gentleman listening when his name was called?

Mr. HOFFMAN of Michigan. Yes.

The SPEAKER. The gentleman qualifies.

Mr. HOFFMAN of Michigan. Then I qualify and vote "no."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, may I inquire of the gentleman from Indiana [Mr. HALLECK] what we may expect as to the program for next week?

Mr. HALLECK. Mr. Speaker, I am glad to respond to the request of the gentleman from Texas. I may say first of all that I had suggested, as I think the gentleman from Texas has, that the matter which we have just disposed of would be the last order of business for today; however, I am informed by members of the Committee on the Armed Services on both sides of the aisle that it is very important to make certain revisions in respect to the law having to do with the commissioning of drafted doctors and dentists. I am quite sure that can be handled by unanimous consent today, I think it should be, because it is a matter of great urgency.

Mr. Speaker, I ask unanimous consent that when we adjourn today we adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, on Monday there are a number of bills from the District of Columbia to be disposed of. A list of them follows:

S. 3213, merger of Catholic and Columbia Universities.

H. R. 9344, prohibit White House picketing.

H. R. 1980, Jones Point Bridge Authority.

S. 2657, amending the Healing Art Act.

S. 1004, employment of felons.

S. 2654, sale of Montgomery County property.

H. R. 7128, real assessors, amend act.

H. R. 7132, exempt from tax, Veterans of Foreign Wars.

H. R. 7853, to permit retired police, firemen, and teachers to waive all or part of retirement.

H. R. 8692, permit payment of certain trust accounts to beneficiaries.

H. R. 8973, to abolish the issuance of metal badges for hackers.

H. R. 8974, to permit reinvesting of insurance companies in the International Bank for Reconstruction and Development.

H. R. 9077, to amend the District of Columbia Law Enforcement Act of 1953.

Mr. Speaker, following consideration of bills from the District of Columbia, we will call up the District of Columbia appropriation bill. Whether or not that can be disposed of Monday I do not know. If not, consideration of that bill will continue on Tuesday.

Tuesday is the day regularly assigned for bills on the Private Calendar. While we called the Private Calendar just a week ago, there were a number of bills that were not reached at that time, and I think it would be well to call the Private Calendar again on Tuesday next.

That will be followed by the bill, S. 2475.

I might ask the gentleman from Illinois whether it is expected that these District bills on Monday will be controversial?

Mr. SIMPSON of Illinois. You might expect anything about them.

Mr. HALLECK. I started to refer to S. 2475, which has been reported by the Committee on Agriculture, having to do with the disposal of surplus agricultural commodities; also H. R. 8729, to amend the Federal Reserve Act; and H. R. 9143, also to amend the Federal Reserve Act. If a rule is granted, we would like to take up H. R. 8753, the Motor Pool Act, and H. R. 5183, the Virgin Islands Act. If the MSA bill is reported and a rule granted, we will put it on. If a rule to send the housing bill to conference is reported, we might call that; we would like to call it next week. However, it would not be called before Wednesday. Of course, conference reports will be in order at any time, and there may be some conference reports.

Mr. RAYBURN. The gentleman then is doubtful about the dynamic part of the program being on for next week.

Mr. HALLECK. Well, I do not know what the gentleman refers to as dynamic, but in any event that is the program.

URGENT NEED FOR IMPROVED UNEMPLOYMENT COMPENSATION

Mr. GARMATZ. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. GARMATZ. Mr. Speaker, with the closing of the Army Signal Depot in Baltimore, the shipyards with not much more than skeleton forces, and the many other layoffs in the city due to the business recession, the unemployment situation is quite serious and the unemployment compensation is proving entirely inadequate.

Therefore, I have filed with the Ways and Means Committee a statement on the bill I introduced to increase unemployment compensation and also on the bills to grant unemployment compensation to Federal civilian employees which they are now considering. Under leave to extend my remarks, I am including a copy of my testimony.

I sincerely hope the committee will report this legislation out promptly so the House can take early action on it.

TESTIMONY BY CONGRESSMAN EDWARD A. GARMATZ, DEMOCRAT, MARYLAND, BEFORE THE HOUSE COMMITTEE ON WAYS AND MEANS ON PENDING BILLS TO REVISE UNEMPLOYMENT COMPENSATION

Mr. Chairman and members of the committee, as one of the sponsors of legislation to expand and liberalize the unemployment compensation law, I urge prompt action by this committee on the Forand bill, H. R. 9430, which 81 of us in the House have joined in introducing, and also on other legislation before you to extend unemployment compensation coverage to Federal employees.

I appreciate very much the support voiced by the Department of Labor officials at your hearings earlier in behalf of covering Government employees into the program. The Chairman of the Civil Service Commission also made an impressive and convincing statement on this matter.

In the Baltimore area, the arbitrary slashing of many Federal Government functions resulted in heavy reductions in force during the past year, and those people—many of whom had devoted years of service to the Federal Government—had absolutely no cushion to fall back on, such as is provided other workers by unemployment compensation.

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While I know it is not an attempt to present a scientific report on this matter for all separated Government employees, some facts put forward by Under Secretary of Labor Arthur Larson, on the experience of separated Labor Department employees, struck me as being extremely significant.

He reported that after 3 or 4 months from the time of leaving their Government jobs, 3 out of every 10 were out of work and looking for jobs; more than 3 out of every 10 had been jobless for 3 months or more, and 4 out of 10 had been jobless for from 1 to 3 months; most of those finding jobs had to take pay cuts—a third of them took cuts of more than $1,000 a year—close to one-half of the reemployed had to take temporary jobs; women found it more difficult than men, and those 45 or over were having an extremely difficult time finding employment. Furthermore, the accrued annual leave of these people—vacation pay they had not used up before leaving the Government—was adequate to cover the period of unemployment of only one-third of the separated workers.

Those statistics show how cruel and heartless it is for the Government to go out into the country and recruit people for Government work, urge them to take less essential jobs in order to serve their Government, and then throw them out with no rights to unemployment compensation.

What we are doing to these Government employees—and the Civil Service Commission Chairman presented this very well—is forcing them to go without vacations they are entitled to and need, in order to pile up annual leave as a cushion against appropriation cuts or executive changes which lead to reductions in force. We are permeating the whole Federal establishment with a feeling of insecurity and fear. How can you get the best work out of people in that kind of situation?

THE FORAND BILL

On the broader question of improved unemployment compensation for workers in private enterprise, I want to say that the present levels of benefits are unrealistic and out of date. Prompt action is necessary, because, despite the reassuring words from some Government officials that things will eventually pick up, the fact is that they are still getting worse.

For instance, the latest figures on insured unemployment in Baltimore show that we have twice as many unemployed in our city alone, as the whole State of Maryland had a year ago. This refers only to those unemployed who come under the unemployment compensation system. And one of the frightening aspects of this is that almost 10 percent of those in Baltimore have used up entirely their unemployment compensation benefits.

Last June, in all of Maryland, there were 10,000 unemployed coming under the unemployment insurance program. Figures I have obtained from the Labor Department show for the most recent period, 20,500 in Baltimore alone. In the State, the total is now up to nearly 34,000. And about 10 percent of those, too, have used up all their benefits.

So this is obviously a serious matter. It shows that we absolutely must extend the period of coverage from the present maximum of 26 weeks to 39 weeks, as provided for in the Forand bill. That is not to say that this will solve the basic problem of unemployment. Of course, it will not. The only real solution is to get busy and restore the conditions in this country economically which will bring about full employment. We have the word of many outstanding economists, including Sumner Schlichter, of Harvard, who is certainly no New Dealer, that the administration has not been meeting this challenge effectively.

The Chairman of the President's Council of Economic Advisers, Dr. Arthur Burns, while outlining no specific program of attack on the recession, nevertheless does concede that the present level of unemployment is, as he put it at his press conference, "intolerable."

This committee has limited jurisdiction on the type of measures it can recommend at this time which would serve as an effective attack on recession, but in this one matter of unemployment compensation, you have a real opportunity to start the congressional ball rolling to improve the situation.

You have the assurance from President Eisenhower that he thinks the State unemployment compensation benefits should be increased to provide weekly benefits up to one-half the regular weekly pay of an unemployed worker—up to a maximum of two-thirds of a State's average weekly wage. That is exactly what he asked the States to provide in this appeal to them some months ago.

None of the States acted on his request. Now the time has come, I believe, when we must take action on a national basis. This bill carries out exactly what the President recommended on improvement of unemployment compensation. I'm sure he was sincere in suggesting these improvements; therefore, I think we should go ahead and enact the kind of program he has told the States they should have.

In the case of Maryland, the Forand bill would mean maximum weekly benefits of about $41 instead of the present maximum of $30. No family can live on $30 a week. Few can manage today on $41, but $11 a week makes a whole lot of difference to a family which is otherwise without income.

I have devoted most of my testimony to the situation in Baltimore. As I told the House in March, when a city like Baltimore, with its tremendous diversification of industry and variety of employment opportunities, is experiencing a labor surplus—widespread unemployment—then the situation elsewhere in the country must be really grave. As I understand it, there is no longer a single labor market area in the Nation classified as a group I (short labor supply) area, while most of the major areas of the Nation are now in the surplus category. That means skilled workers walking the streets, haunting the employment offices and hiring halls, getting no encouragement and finding no suitable employment.

Many of us had hoped we had reached the level of economic understanding and initiative in the United States that we could avoid this kind of thing. The Employment Act of 1946 was supposed to lay the groundwork for maintaining maximum employment.

Somewhere along the line in the past year, we have digressed from the path of full employment thinking and we have been getting into economic trouble. Restoring the purchasing power of our people is the first essential step to getting back on the right path. Providing decent minimum unemployment compensation benefits is an absolute must in that regard.

SPECIAL ORDER GRANTED

Mr. WILLIAMS of New Jersey asked and was given permission to address the House for 30 minutes on Tuesday, June 15.

PERSONAL EXPLANATION

Mr. JUDD. Mr. Speaker, during the rollcall on the reciprocal trade agreement bill, I was unavoidably absent from the Chamber. Had I been present, I would have voted "aye."

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7258) entitled "An act for the relief of the Willmore Engineering Co."

The message also announced that the Senate had ordered that the bill, S. 3050, an act to amend the Agricultural Adjustment Act of 1938, as amended, be returned to the House of Representatives in compliance with the request for the return thereof.

UTILIZATION IN ENLISTED GRADE OR RANK IN THE ARMED FORCES OF PHYSICIANS AND DENTISTS

Mr. SHORT. Mr. Speaker, your Committee on Armed Services has cleared this particular matter with both the majority and minority leaders. Therefore, I ask unanimous consent for the immediate consideration of the bill (S. 3096) to further amend section 4 of the act of September 9, 1950, in relation to the utilization in an enlisted grade or rank in the Armed Forces of physicians, dentists, or those in an allied specialist category.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. KILDAY. Reserving the right to object, Mr. Speaker, will the gentleman from Missouri explain the bill?

Mr. SHORT. I shall be very happy to. It is a rather important matter and one that is very urgent.

Mr. Speaker, the purpose of the proposed legislation, S. 3096, is to amend section 4 of the doctors draft law so as to authorize the utilization of any physician or dentist in a professional capacity in an enlisted grade or rank if the physician or dentist fails to qualify for, or fails to accept, a commission, or if his commission is terminated.

The simple issue is whether the Congress wishes to enact legislation which will permit the use of physicians and dentists as enlisted personnel in their professional capacity in those cases in which the individual physician or dentist, for security reasons, fails to qualify for a commission, or disqualifies himself, to continue on active duty as a commissioned officer. It likewise will permit a physician or dentist who refuses a commission, for any reason, to be used, in his professional capacity, as an enlisted man.

The problem stems from an opinion of the United States Circuit Court of Appeals for the Fourth Circuit in the case of Nelson against Peckham, in which it was held that the words of the Doctors Draft Act "shall be appointed, reappointed, or promoted to such grade or rank as may be commensurate with his professional education, experience, or ability" required the commissioning of all physicians and dentists inducted into the armed services under the doctors draft law.

Insofar as the Armed Services Committee is concerned, the purpose of the words "shall be appointed" was to protect those individual physicians and dentists who had continued to retain Reserve commissions but who would have been entitled to higher grades had they been commissioned from civilian life, and likewise to require the armed services to accept for active duty physicians and dentists who voluntarily applied for active duty. But the circuit court of appeals has made its decision and until this proposed legislation is passed that decision is binding upon the armed services.

The armed services do not induct or commission any known Communists, and regardless of whether the proposed legislation is enacted, the armed services will not commission or induct any known Communists. But there are individuals in this country, and unfortunately a few of them are physicians and dentists, who decline to answer questions regarding their loyalty under the protection of the fifth amendment. There are others who are security risks who are not necessarily Communists, as such, but they are security risks, or could be security risks if as commissioned officers they were granted access to classified material. The simple question for the Congress to decide is whether or not it wishes to plug a loophole created by the Circuit Court of Appeals under which an individual could disqualify himself for a commission and thus be discharged by merely refusing to answer certain questions on the grounds that the answers might tend to incriminate him. Does the Congress want to make it possible for a physician or dentist to escape military service entirely, or to be discharged, merely by ostensibly appearing as a security risk, even though he may not be a security risk, when thousands of other physicians and dentists are serving the country faithfully?

Under present procedure each individual who is inducted, enlisted, or commissioned in the armed services must answer certain questions with regard to his loyalty. If he says he is a Communist, he is not inducted, enlisted, or commissioned. If he answers all of the questions in the negative and later is found to have lied in his application, or questionnaire, he can be court-martialed or administratively discharged. If he refuses to answer certain questions, then the armed services decide whether he should be inducted or not. The same situation should apply to physicians and dentists. Do we want to pass a law which allows the armed services to use a physician or dentist in his professional capacity as an enlisted man if he fails to qualify for a commission; or do we want that physician or dentist to escape military service merely by refusing to answer certain specific questions?

That is the issue. That is what this bill addresses itself to, and that is what the House must decide.

The hearings are clear in connection with the criteria under which these commissions will be refused. We are dealing here with a security question and one that involves the Nation's own safety. It is not intended to be a law to be used loosely or in a discriminatory manner. Loyalty is the question and loyalty will be the basis for the decision.

Once in a conference I heard our very distinguished minority leader, the former Speaker of the House of Representatives, who has been Speaker longer than any other man to occupy that exalted position, say that when Sam Houston, who, like our former Speaker, came from Tennessee to Texas, died they took his ring off his finger, and inside that ring was one little word—and I shall never forget SAM RAYBURN saying this—that word was "h-o-n-o-r."

Mr. RAYBURN. Mr. Speaker, if the gentleman will yield, I want to say that when Sam Houston left home his mother gave him that ring.

Mr. SHORT. Mr. Speaker, I know that we are glad to have that bit of history added to the record.

If anyone elects not to answer certain questions on the grounds that he might incriminate himself, then certainly the mothers and fathers of this Nation have a right to think that that individual will not be placed in a position of responsibility where he has access to classified material. At the same time, it is not fair to the thousands of loyal physicians and dentists in this country serving in our Armed Forces to allow an individual physician or dentist to escape military service merely by disqualifying himself for a commission by refusing to answer certain specific questions. Nor is it fair to force the services to commission such an individual and thus let him assume the dignity and the respect due a commissioned officer.

I would like to quote from the testimony of the Assistant Secretary of Defense before the Committee on Armed Services:

> Since this law was enacted, on September 9, 1950, 24,721 physicians and dentists have been taken into the Armed Forces pursuant to the doctors' draft law. Out of this total, 65 have been taken in in an enlisted status. Forty-six of these were not commissioned originally because they refused to accept or failed to apply for a commission. Forty-one of these have been commissioned, 3 were separated for physical conditions which developed, and 2 still refused to accept the commission. The remaining 19 were not commissioned because of their failure to meet security requirements. In other words, Mr. Chairman, out of 24,721 physicians and dentists brought into the service through the doctors' draft law, only 19 have actually been denied commissions and were required to serve in an enlisted capacity, and everyone of these were regarded as security risks.

Either Congress wants these individuals to serve—as enlisted personnel—or wants them discharged and escape the service required of all others. The Armed Services Committee is unanimous in its support of the bill which will permit the services to use these people—in their professional capacity—as enlisted personnel.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. NEAL. Reserving the right to object, Mr. Speaker, I believe the medical profession as a whole would be glad to welcome this movement. They certainly do not respect anyone in their profession who attempts in any way to avoid his responsibility to the Government.

Mr. SHORT. The chairman of the Armed Services Committee is deeply appreciative of the remarks of the very able gentleman from West Virginia [Mr. NEAL], who is an outstanding physician himself. I think there will be no objection to it.

Mr. KILDAY. Further reserving the right to object, Mr. Speaker, this bill was considered very carefully by the Committee on Armed Services. All contingencies have been provided for. It is in proper form. It was reported unanimously by the committee, and it should be passed without delay.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. SHORT]?

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted, etc.*, That subsection (a) of section 4 of the act of September 9, 1950 (64 Stat. 828), as that section was amended by section 3 of the act of June 29, 1953 (67 Stat. 87), is amended by adding the following proviso at the end thereof: *"Provided*, That any person heretofore or hereafter inducted or ordered to active duty under the authority of this act who fails to qualify for, or to accept, a commission or whose commission is terminated may be utilized in his professional capacity in an enlisted grade or rank."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MESSAGES FROM THE SENATE AND SIGNING OF ENROLLED BILLS

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday next the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills or joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CLARDY, for the week of June 13, on account of Un-American Activities Committee hearings.

Mr. JACKSON (at the request of Mr. CLARDY), for the week of June 13, on account of Un-American Activities Committee hearings.

Mr. PATTEN, for an indefinite time, on account of official business.

Mr. ROONEY, on Monday, June 14, 1954, on account of official business in Brooklyn, N. Y.

Mr. SCHERER (at the request of Mr. CLARDY), for the week of June 13, on account of Un-American Activities Committee hearings.

Mr. VELDE (at the request of Mr. CLARDY), for the week of June 13, on account of Un-American Activities Committee hearings.

Mr. TOLLEFSON (at the request of Mr. HOLMES) for 1 day, on account of official business.

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COMMUNIST INFILTRATION IN GUATEMALA

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. JAVITS] is recognized for 15 minutes.

Mr. JAVITS. Mr. Speaker, as a member of the Subcommittee on Inter-American Affairs of the Committee on Foreign Relations, I would like to take this opportunity to acquaint the House with some phases of the situation in Guatemala, which is so serious to our country and the other American Republics.

Interestingly enough, the New York Times of June 22, 1950, in the first of a series of articles by correspondent Will Lissner on Soviet penetration in Central American said that—

> Moscow's program for Communist penetration of Central America is directed through the party in Guatemala.

The suspension of constitutional guaranties of freedom by the Government of Guatemala is a final confirmation of the grave threat to the peace and security of the Americas due to the Communist-infiltrated government of that unhappy country. The clandestine shipment of arms to Guatemala from behind the Iron Curtain showed the active danger of the situation even to the immediate security of Guatemala's neighbors in Central America.

The United States should show its determination to deal with this problem of a Communist-infiltrated government in Guatemala in the spirit of the Caracas resolution against international Communist intervention and in the spirit of the Monroe Doctrine. The Monroe Doctrine can be as surely violated by this kind of Communist infiltration of the government of an American state as it could be by new foreign settlement in the Americas.

We have full confidence in the United States that the regional security system of the Americas in the Organization of American States can and will deal with this problem in a realistic and affirmative way. Because of this confidence we are determined that by democratic processes the Organization of American States shall deal with it. There are ample remedies available to the American states to deal with this threat to their peace and security and they should be invoked to the extent necessary to repel the threat.

It will, of course, be the common aim of the Organization of American States to help and not to injure the people of Guatemala whom we are convinced are non-Communist. Collective action by the American states will insure recognition of the need for broad social and economic development of Guatemala which must have the sympathetic help and cooperation of the American states for the benefit of the people of Guatemala. President Eisenhower's message of March 30, 1954, dealing with the further development of trade with the Americas and the report of Dr. Milton S. Eisenhower's mission to Latin America are all confirmation of the intention of our Government in this region. The situation of the world requires closer bonds—social, cultural, economic, and military—between the United States and the other American republics. The Caracas Conference and the impending economic conference of the Organization of American States at Rio all signalize this cooperation.

The vigorous continuation of the good-neighbor policy requires that no one of the American republics be subverted into a totalitarian dictatorship endangering all. It is our duty to the American states to give effective leadership to avoid this threat. What the Communists contemplate for us through such a technique as infiltrating the Government of Guatemala is nothing less than neutralization of Latin America as an important source of strategic materials for the free world, destruction of properties and businesses there in which United States citizens are interested, disunity in the Americas and, if possible, disorder and Communist aggression against and subversion of American states.

The Organization of American States must see that this does not happen but that the American republics may pursue their development and provide forever closer cooperation under the auspices of peace, security, and free institutions.

A significant element related to the infiltration of communism into the affairs of the Republic of Guatemala has been overlooked. It is the interest in Guatemala which the Communist Party spokesman in the United States, the Daily Worker is displaying.

When and how did the Daily Worker come to have an abiding interest in Guatemala which the past few months this organ of the Communist Party—I say organ because it does not merit the designation of newspaper—has so prominently displayed? Let us place the Daily Worker into the context of that phase of the international Communist conspiracy which is at work in our own backyard.

From November 5, 1953, to January 12, 1954, José Manuel Fortuny was on a trip to Moscow.

Between October 1, 1953, to November 29, 1953, Victor Manuel Gutierrez traveled to Moscow and back to Guatemala.

These two top Guatemalan Communist leaders apparently worked out with international Communist strategists a policy decision. That decision would seem to have been for the entire propaganda apparatus of international communism to come to the active support of Guatemalan Communists, and to extend the danger of Communist penetration in that country and in the Western Hemisphere.

Pravda enunciated the new policy in an article published in its January 14 issue.

The Cominform Journal, published in Bucharest, echoed Pravda in its issue of February 5, 1954.

World Front organizations, apparently ordered to express their solidarity with Guatemalan communism, came to life. In the Western Hemisphere so-called Societies of Friends of Guatemala were created.

And the Daily Worker apparently received the party line, and without deviation has followed it to this day as straight as an arrow.

One of the first targets, as the Daily Worker opened its campaign early in February, was the executive council of the American Federation of Labor, which was accused of teaming up with Wall Street in a plot against Guatemala.

Almost simultaneously with its attack against the A. F. of L., John Pittman, a Daily Worker editorial writer, wrote about the second national congress of the Communist-dominated Guatemalan General Labor Confederation held at Guatemala City. He reported that Lombardo Toledano, head of the Latin American Labor Confederation; Giuseppi di Vittorio, of the Italian Labor Confederation; and Luis Saillant, of the World Federation of Trade Unions, were present.

As a matter of fact it does not appear to be true that all these heads of Communist-labor fronts were present. But certainly Pittman outlined accurately the nature of the Communist-labor front from the top to the Guatemalan unit of it. And if all these Communist labor leaders were not present physically, certainly they were there in spirit.

During February and March the Daily Worker followed through with basic indoctrination of its readers with international communism's line and rationalization on Guatemala.

On March 5 a display advertisement appeared in the Daily Worker announcing a rally on "The Guatemala Crisis" for March 12 at Manhattan Plaza. This rally was sponsored by a provisional committee on Latin-American affairs and followed the pattern which had gotten under way in other American republics.

During the first part of April the Daily Worker published a series of six articles by its correspondent who had been sent to Guatemala. This correspondent wrote about such themes as these: First, the National Peace Committee, an offshoot of the Communist World front, the Berlin Peace Council; second, the place of Communists in Guatemala, and particularly of Fortuny, who Magil described as "one of the founding fathers of the Guatemalan Republic"; third, critical comment on United States labor unions, the United Fruit Co., and the Department of State.

On May 31 the Daily Worker carried an article from Tribuna Popular, of Guatemala City, described by the Daily Worker as the organ of the Guatemalan Workers—Communist—Party. This article attempted to justify the surreptitious shipment of arms from behind the Iron Curtain to Guatemala.

These are some of the surface facts which are alarming enough. They indicate the close liaison which has been established between the Communist press in the United States and the Communist press in Guatemala and the international design of communism. Since communism is essentially subversive and hidden in its attack we have reason to raise many questions and to search for the answers.

Are there secret channels through which members of the Communist apparatus in this country operate with their co-workers in Guatemala and in other parts of Latin America?

Are there agents—some Latin Americans and others of American nationality—who maintain contacts in the interests of international communism?

And are those agents of United States nationality working against the foreign policy and the vital interests of the United States?

The time has come to seek the answers to these significant questions.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mrs. KEE and to include a statement.

Mr. MILLER of Nebraska.

Mr. MASON.

Mr. FORAND the remarks he made in the Committee of the Whole and to include letters.

Mr. MORGAN.

Mr. LESINSKI and to include extraneous matter.

Mrs. HARDEN and to include an editorial.

Mr. HAGEN of Minnesota.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1331. An act for the relief of Mrs. Katherine L. Sewell; and

H. J. Res. 455. Joint resolution granting the status of permanent residence to certain aliens.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 12 minutes p. m.) the House, pursuant to its previous order, adjourned until Monday, January 14, 1954, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1623. A letter from the Chairman, Public Utilities Commission of the District of Columbia transmitting the 41st Annual Report of the Public Utilities Commission of the District of Columbia for the fiscal year ending December 31, 1953, pursuant to paragraph 20 of section 8 of an act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ended June 30, 1914, and for other purposes, approved March 4, 1913; to the Committee on the District of Columbia.

1624. A letter from the Acting Comptroller General of the United States, transmitting a report on audit of the Bureau of Narcotics in the Treasury Department for the fiscal year ended June 30, 1953, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DONDERO: Committee on Public Works. House Joint Resolution 459. Joint resolution to designate the lake to be formed by the completion of the Texarkana Dam and Reservoir on Sulphur River, about 9 miles southwest from Texarkana, Tex., as Lake Texarkana; with amendment (Rept. No. 1807). Referred to the House Calendar.

Mr. O'HARA of Minnesota: Committee of the District of Columbia. H. R. 9344. A bill to prohibit picketing in the immediate vicinity of the White House, and for other purposes; with amendment (Rept. No. 1808). Referred to the House Calendar.

Mr. O'HARA of Minnesota: Committee on the District of Columbia. H. R. 7128. A bill to amend the act entitled "An act to provide an immediate revision and equalization of real-estate values in the District of Columbia; also to provide an assessment of real estate in said District in the year 1896 and every third year thereafter, and for other purposes," approved August 14, 1894, as amended; with amendment (Rept. No. 1809). Referred to the House Calendar.

Mr. KEARNS: Committee on the District of Columbia. H. R. 7853. A bill to permit retired policemen, firemen, and teachers of the District of Columbia to waive all or part of their annuities, relief, or retirement compensation; without amendment (Rept. No. 1810). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'HARA of Minnesota: Committee on the District of Columbia. S. 1004. An act to amend section 26, Revised Statutes of the United States, relating to the District of Columbia, as amended; without amendment (Rept. No. 1811). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'HARA of Minnesota: Committee on the District of Columbia. S. 2654. An act to authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Montgomery County, Md., and for other purposes; without amendment (Rept. No. 1812). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on the District of Columbia. S. 2657. An act to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia"; without amendment (Rept. No. 1813). Referred to the Committee of the Whole House on the State of the Union.

Mr. TALLE: Committee on the District of Columbia. H. R. 8974. A bill to permit investment of funds of insurance companies organized within the District of Columbia in obligations of the International Bank for Reconstruction and Development; without amendment (Rept. No. 1814). Referred to the Committee of the Whole House on the State of the Union.

Mr. TALLE: Committee on the District of Columbia. H. R. 8973. A bill to amend paragraph 31 of section 7 of the act entitled "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended; without amendment (Rept. No. 1815). Referred to the Committee of the Whole House on the State of the Union.

Mr. TALLE: Committee on the District of Columbia. H. R. 9077. A bill to amend section 405 of the District of Columbia Law Enforcement Act of 1953, to make available to the judges of such District the psychiatric and psychological services provided for in such section; without amendment (Rept. No. 1816). Referred to the Committee of the Whole House on the State of the Union.

Mr. TALLE: Committee on the District of Columbia. H. R. 8692. A bill to permit the payment of certain trust accounts to the beneficiary on the death of the trustee by savings and loan, and similar associations in the District of Columbia; without amendment (Rept. No. 1817). Referred to the House Calendar.

Mr. O'HARA of Minnesota: Committee on Interstate and Foreign Commerce. S. 2033. An act relating to the labeling of packages containing foreign-produced trout sold in the United States, and requiring certain information to appear on the menus of public eating places serving such trout; with amendment (Rept. No. 1850). Referred to the Committee of the Whole House on the State of the Union.

Mr. KEARNS: Committee on the District of Columbia. H. R. 1980. A bill to authorize and direct the Commissioners of the District of Columbia to construct a bridge over the Potomac River in the vicinity of Jones Point, Va., and for other purposes; with amendment (Rept. No. 1851). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONAS of Illinois: Committee on the Judiciary. H. R. 3516. A bill for the relief of Anna K. McQuilkin; with amendment (Rept. No. 1804). Referred to the Committee of the Whole House.

Mr. O'HARA of Minnesota: Committee on the District of Columbia. S. 3213. An act relating to the merger of the Columbus University of Washington, D. C., into the Catholic University of America, pursuant to an agreement of the trustees of said universities; without amendment (Rept. No. 1805). Referred to the Committee of the Whole House.

Mr. O'HARA of Minnesota: Committee on the District of Columbia. H. R. 7132. A bill to exempt from taxation certain property of the Veterans of Foreign Wars of the United States in the District of Columbia; without amendment (Rept. No. 1806). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 2635. A bill for the relief of Olga Abitia; with amendment (Rept. No. 1818). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 2793. A bill for the relief of Miyoko Nagare; with amendment (Rept. No. 1819). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 3116. A bill for the relief of Dimitra Makhavitzki; without amendment (Rept. No. 1820). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 3344. A bill for the relief of Carmen Salvador and her daughter, Ruby Salvador; with amendment (Rept. No. 1821). Referred to the Committee of the Whole House.

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Mr. HYDE: Committee on the Judiciary. H. R. 3759. A bill for the relief of Babette Mueller Esposito; without amendment (Rept. No. 1822). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 4740. A bill for the relief of Kaoru Yoshioka; with amendment (Rept. No. 1823). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 4959. A bill for the relief of Muhittin Schuer; without amendment (Rept. No. 1824). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 4998. A bill for the relief of Paul Frkovich; without amendment (Rept. No. 1825). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 5639. A bill for the relief of Edeltraud Kambert; with amendment (Rept. No. 1826). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 5822. A bill for the relief of Evanthia Demetrios Makrozonari; without amendment (Rept. No. 1827). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 6085. A bill for the relief of Alma S. Wittlin Frischauer; without amendment (Rept. No. 1828). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 6414. A bill for the relief of Barbara Pator Allen; without amendment (Rept. No. 1829). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 6553. A bill for the relief of Esterina Pella Bellucci; without amendment (Rept. No. 1830). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 6855. A bill for the relief of Mrs. Elisabeth Metzing Rink; without amendment (Rept. No. 1831). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 6955. A bill for the relief of Margers Nulle-Siecenieks; without amendment (Rept. No. 1832). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 6982. A bill for the relief of Maria Elizabeth Sanchez y Moreno; without amendment (Rept. No. 1833). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 6987. A bill for the relief of Gene C. Szutu and Florence C. Szutu; without amendment (Rept. No. 1834). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 7041. A bill for the relief of Waltruade Elsa Solleder; with amendment (Rept. No. 1835). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 7045. A bill for the relief of Dr. Marciano Gutierrez, Dr. Amparo G. Joaquin Gutierrez, and their children, Rosenda, Rebecca, Raymundo, and Marciano, and Mrs. Brigida de Gutierrez; with amendment (Rept. No. 1836). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 7152. A bill for the relief of Jozef Van den broeck; without amendment (Rept. No. 1837). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 7221. A bill for the relief of Anders Taranger; without amendment (Rept. No. 1838). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 7451. A bill for the relief of Erika Jette Lavery; without amendment (Rept. No. 1839). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 7464. A bill for the relief of Ellinor H. Anthony; without amendment (Rept No. 1840). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 7494. A bill for the relief of Elizabeth Forster; with amendment (Rept. No. 1841). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 7584. A bill for the relief of Angele Marie Boyer (nee Pieniazeck); without amendment (Rept. No. 1842). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 7593. A bill for the relief of Theresia Probst Uhl; with amendment (Rept. No. 1843). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 7612. A bill for the relief of Enrico Intravaia; without amendment (Rept. No. 1844). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 7628. A bill for the relief of Mrs. Adriana M. Truyers Aretz; without amendment (Rept. No. 1845). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 7629. A bill for the relief of Mrs. Ruth Gruschka Krug; without amendment (Rept. No. 1846). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 7807. A bill for the relief of Heinz Gerhard Rolappe; without amendment (Rept. No. 1847). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 8146. A bill for the relief of Palmira Smarrelli (nee Lattanzio); with amendment (Rept. No. 1848). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 8239. A bill for the relief of Fung Ping Wah (also known as Reginald Ping Wah Fung) and his wife, Fung Wai-Yin Li (also known as Doris Fung); without amendment (Rept. No. 1849). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BERRY:

H. R. 9533. A bill to provide for the acquisition by the United States of lands required for the reservoir to be created by the construction of Oahe Dam on the Missouri River, and to provide for rehabilitation of the Sioux Indians of the Standing Rock Reservation in South Dakota and North Dakota; to the Committee on Interior and Insular Affairs.

By Mr. MARTIN of Iowa:

H. R. 9534. A bill to amend the Internal Revenue Code with respect to the computation of net capital loss and net capital gain; to the Committee on Ways and Means.

By Mr. PERKINS:

H. R. 9535. A bill to remove the prohibitions against payment of pension to World War I veterans, and the widows and children of deceased World War I veterans, whose incomes exceed certain amounts; to the Committee on Veterans' Affairs.

By Mr. PHILBIN:

H. R. 9536. A bill to amend the Refugee Relief Act of 1953 to provide that certain former members of the Polish armed forces residing in the British Isles may be admitted to the United States without presenting a certificate of readmission as required by section 7 (d) of that act; to the Committee on the Judiciary.

By Mr. SECREST:

H. R. 9537. A bill to provide a further opportunity for certain veterans of World War II who were in active military, naval, or air service of the United States on the delimiting date for initiating a course of education or training under the Servicemen's Readjustment Act of 1944, as amended, and who had not initiated a course prior to said date, to initiate such a course; to the Committee on Veterans' Affairs.

By Mr. THOMPSON of Texas:

H. R. 9538. A bill to protect the rights of vessels of the United States on the high seas and in territorial waters of foreign countries; to the Committee on Merchant Marine and Fisheries.

By Mr. WILLIAMS of New Jersey:

H. R. 9539. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. CLARDY:

H. J. Res. 544. Joint resolution to provide that individuals who invoke the fifth amendment or otherwise refuse to answer questions before congressional committees and certain other tribunals shall not be eligible for Federal employment; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GREEN:

H. R. 9540. A bill for the relief of Wladyslaw Krajck; to the Committee on the Judiciary.

H. R. 9541. A bill for the relief of Rev. Thomas Kolakowski; to the Committee on the Judiciary.

By Mr. JAVITS:

H. R. 9542. A bill for the relief of George Parissis; to the Committee on the Judiciary.

By Mr. LATHAM:

H. R. 9543. A bill for the relief of Maria de Rehbinder; to the Committee on the Judiciary.

By Mr. WARBURTON:

H. R. 9544. A bill for the relief of Mrs. Lidia Ighiani Bongiovanni; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1005. By Mr. CANFIELD: Resolution adopted by the New Jersey State Federation of Women's Clubs in convention assembled May 1954, reaffirming support of the program of the United Nations and its specialized agencies; to the Committee on Foreign Affairs.

1006. Also, resolution adopted by the Union Printers' League of New Jersey at its May quarterly meeting protesting a ruling made by the Internal Revenue Department which places taxes on union pensions; to the Committee on Ways and Means.

1007. By Mr. MARTIN of Massachusetts: Petition of George H. Douglas, of Rehoboth, Mass., and 78 other residents of Massachusetts in support of the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Distress in American Industry and Employment

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Friday, June 11, 1954

Mrs. KEE. Mr. Speaker, a very serious thing is happening on the floor of the House of Representatives this very day.

On June 8, 1954—Tuesday of this very week—H. R. 9474, a bill to simply extend the authority of the President to enter into trade agreements for a further period of 1 year from June 12, 1954, was introduced in the House of Representatives. Yesterday morning, Thursday, June 10, the second day, the proper committee met in executive session and, without benefit of public hearings, voted favorably to report this bill to the floor of the House. A little later yesterday—the same day—the House Rules Committee favorably voted this same bill with a closed rule, which leaves us no opportunity to offer an amendment to restrict the importation of foreign residual fuel oil. This last-minute, hurry-up measure to continue for another year trade policies which are destroying the soundness of many American industries in a time of general nationwide economic recession is a stab in the back for millions of our own distressed American citizens. I cannot support it. I must express my deepest sorrow over what we are being asked to do here today.

I am not—I repeat that I am not—against foreign trade. The issue here today is not whether we favor or oppose foreign trade. The issue is whether or not, in connection with our foreign-trade program, we are going to correct situations which have gotten out of hand and which now border on the tragic.

In a period of general prosperity, of a plenitude of jobs and high income, the harm which comes to particular industries from low-wage foreign competition—even the most unfair kind of competition—hurts painfully in some cases, but is not insufferable. Some industries get into trouble and perhaps are even forced out of customary markets and so must turn to other markets or other products to survive and prosper. If they go under, as many have, their workers can still turn elsewhere for jobs.

But consider, Mr. Speaker, what is happening in our economy today. Sixteen new major industrial areas of the country have just been added to the list of distressed communities, making a total of 51 in that unfortunate category. Workers in those areas who lose their jobs have nowhere to go for gainful and productive employment. They are forced—through no fault of their own—on unemployment compensation or on relief, for recession or serious depression is general in those communities, with at least 6 percent of the working force unemployed, and in many cases more than 12 percent. The list of really distressed areas is now so large that the Labor Department has had to divide it into two sections—A and B. Group IV–A consists of those with more than 6 percent unemployed. Group IV–B consists of those with 12 percent or more.

In West Virginia's distressed centers, Bluefield, Charleston, Clarksburg, Fairmont, Huntington, Parkersburg, and Wheeling are in the IV–A category; Beckley, Logan, Morgantown, Point Pleasant, the Ronceverte-White Sulphur Springs area, Welch, and Williamson are in IV–B. Think of that, Mr. Speaker. Virtually every one of our business centers in the State with at least 6 percent unemployment, and 7 of them with unemployment of 12 percent or more. During the month of April there were 120,000 West Virginia citizens dependent upon surplus foods in order to keep body and soul together. Without this food, actual starvation would already have prevailed.

In reporting on the recent addition of Logan to this list, the Labor Department submitted this information:

> Logan (added to group IV list in April). Continued heavy layoffs in bituminous coal mining, return to area of former outmigrants virtually doubled unemployment in first few months of this year. Little likelihood of increase in local employment in foreseeable future although some mine operators hope to add a few workers.

These conditions are general, Mr. Speaker, in many parts of West Virginia. They are alarming. They do not in any way reflect the optimism expressed earlier this week by the chairman of the President's Council of Economic Advisers whose advice seems to be: "Let's wait a while and things might get better."

Now what does all this have to do, Mr. Speaker, with the issue presently before the House? The issue is the so-called reciprocal trade agreements bill. The law which this bill would continue unchanged for another year has been on the books since 1935. During most of that period, it has not presented a really basic problem, although some industries have had serious difficulties from it. But we were in an expanding American economy and there were opportunities for jobs and opportunities for profitable investment. There were many complaints about it, but not widespread distress.

What is the situation today? Thousands of coal miners are in destitution because of the unrestricted importation of residual fuel oil to replace coal as a boiler fuel. Thousands of glass and pottery workers and other skilled artisans are out of work because of the unrestricted imports of cheap competing products produced at low or starvation wages. They can not turn to other jobs because there are not other jobs.

Last year I understood that through an agreement between the majority leadership of the Congress and the White House we were promised an opportunity this year to vote on these fundamental issues. That opportunity is now denied. Now we are again promised that perhaps next year we can get the opportunity to take up these issues we have raised of the unrestricted imports of cheap materials at a time of unemployment and distress in the United States.

I think we should face up to these issues now. I thought we had a pledge last year that we could at least debate and vote on these issues in this session. The pledge may or may not have been sincere—but it is now being repudiated.

The time has come when the Congress must assert its right to legislate—especially on matters which so directly affect so many of our constituents. It is most difficult to explain to distressed and unemployed citizens the niceties of parliamentary procedure in the House. They elect Representatives to represent them on the issues, and they expect us to do so. I am certainly trying my best to do so.

But in this situation, the Republican leadership of the House has decreed that we must take this bill as it is—take it or leave it—with no opportunity to offer any amendments. When we explain this situation to some of our people, they are incredulous. They ask: "Is that democracy? That sounds like some totalitarian parliament." They ask, and properly so, "Where is your voice? Why do not you do something about it?"

Unfortunately, no matter how much or how little we like it, we are powerless to amend this bill in any way under the procedure laid down by the Republican leadership.

I not only protest that decision, but I must vote against it. Otherwise, I do not see how I could face the miners, the railroad workers, and other unemployed in West Virginia, many of whom have used up entirely their unemployment-compensation benefits and are now so destitute they are eligible for surplus Government food. If it were not for those few items of free food—inadequate as they are for a full and nourishing diet—many of our citizens would have practically nothing to eat and would be dependent on the overextended, overtaxed private charities for existence.

Mr. Speaker, my decision on this issue is not a political one. I am not voting this way because I think it might be an expedient vote. This is much too serious for that. We are too deep in an economic maelstrom for that. We have suffering, hardship, distress in parts of West Virginia such as we did not know even during the depression of the early thirties.

Our people desperately need work. Our people desperately want work. Our industries desperately need orders.

Instead, however, the Congress is saying to us that we must tolerate for yet another year this unrestricted flow of residual fuel oil coming into this country

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to rob our miners of needed worktime and payroll time, and nothing will be done or can be done this year on that or any of the other problems intensified by the import problem. I ask you, is that fair?

If we could see any effective and affirmative action being taken to stimulate and revive the American economy, there might be a reason for hope despite this setback on this import issue. But we see no interest. We see no concern. We see no action.

And in my district, as well as elsewhere in West Virginia, and in more and more business centers of the Nation, we see distress growing worse, hardship increasing, bitterness, even hopelessness among some. Has the American Government lost its spirit of humanity?

I think we should—here today—live up to our responsibility and restrict the importation of this foreign, residual fuel oil in order to permit our coal industry and domestic oil companies to compete on a fair basis for our domestic markets. Such competition is healthy, fair, and it is good for our economy. This unfair competition which this bill permits to continue unchecked, is intolerable. Let us take action now before it is too late.

Phenomenal Progress in Operation of Refugee Relief Act—Forty-eight Individuals Admitted Since August

EXTENSION OF REMARKS
OF
HON. JOHN LESINSKI, JR.
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, June 11, 1954

Mr. LESINSKI. Mr. Speaker, the newspapers yesterday carried a report declaring that the Refugee Relief Act is beginning to make progress. Naturally, this article caught my eye, since we had earlier been informed that between the time of the passage of the act last August and until a month or so ago, only nine persons had been admitted to the United States under it.

So the information that the act is now beginning to make progress was a welcome piece of information. After all, since we had provided for the admission outside quotas of 209,000 refugees—186,000 of whom were to be refugees from Iron Curtain communism—over a period of 3 years, admission of only 9 in nearly a year was indeed a dismal result.

But what is the truth about this phenomenal progress? We find in reading the news account that the great progress the headline spoke of refers to the total admission since last August of 48 persons—27 Italians, 3 Greeks, and 18 orphans. Apparently very few, if any, of these 48, are Iron Curtain refugees.

While we appreciate the fact that these 48 were fortunate enough to get through the paper curtain of redtape that the State Department has erected around this program, the results, as I said, are dismal.

The report said "there is evidence" of a quickening tempo of the program—that a single ship docking sometime this month may bring in as many refugees under the program as have been admitted since the program began 9 months ago. A 100-percent increase in admissions is impressive—until we remember that we are talking about doubling the total from 48 to only 96.

So we will still have less than 100 refugees coming in during 10 or 11 months under a program which was supposed to allow 209,000 to get in, in 3 years.

The State Department has defended its snail's pace on this matter by declaring the problems of security and clearance were so difficult it is impossible to act quickly. It seems to me that in 10 months, it could find more than 96 qualified persons to permit to come to this country. When it comes to filling the quota of 4,000 orphans, I wonder what kind of security check we have to run on very young children that only 18 could be admitted in 9 months.

Mr. Speaker, any child in good health and with good mentality can be brought up to be a good American, I believe, if we give him half a chance. The opportunities open to a child in this country are so great in comparison with anything these poor orphan kids have known in their short lifetimes that I do not believe we have to fear them as refugees to our country. Elaborate security checks on homeless or stateless or refugee orphans—particularly youngsters of ages most suitable for adoption—seem to be the height of bureaucratic absurdity.

If the tempo of operations under the Refugee Relief Act is really increasing—fine. But a possible increase in admissions from 48 to a total of 96 persons after 10 months makes the boast of phenomenal progress an empty one. The whole thing has been a cruel hoax.

The article follows:

[From the Washington Post and Times Herald of June 10, 1954]

IKE'S REFUGEE RELIEF PROGRAM BEGINNING TO MAKE PROGRESS

(By Warren Rogers, Jr.)

President Eisenhower's refugee relief program, dogged by security and red tape delays, shows signs of pushing through these barriers toward its goal of providing a haven for 214,000 "homeless, persecuted, and less fortunate."

From the time Eisenhower signed the bill into law last August 7 until May 13, only nine persons had been admitted to the United States under the program.

But now the total admitted is 48, and there is evidence of a quickening tempo. On one ship arriving at New York this month, for instance, as many refugees are expected as have been admitted since the program began 9 months ago.

Representative JAVITS, Republican-Liberal, of New York, told the House in March that the admission rate verged on a "national scandal."

However, administrators of the program argued it was bound to be a slow starter because personnel had to be hired, a security system installed and other ground work laid before entries began moving at a rapid rate.

The Refugee Relief Act authorizes admission of 214,000 persons over and above regular immigration quotas for a 3-year period ending December 31, 1956.

The 48 refugees admitted to date include 27 Italians, 3 Greeks, and 18 orphans—11 from Germany, 3 from Greece, 2 from Italy, 1 from Japan and 1 stateless.

The act provides for admission of 209,000 refugees. An additional 5,000 persons already in this country may be given permission to settle here permanently.

Of the 209,000 aliens to get visas, 186,000 may be refugees or escapees from Communist-dominated countries in Europe and Asia. Four thousand may be orphans adopted by American families. Up to 19,000 may be additional Italians, Greeks and Dutch with close relatives already in the United States.

Toward a Greater America—Are We Prepared To Meet the Demands of Our Mushrooming Population?

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 11, 1954

Mr. MILLER of Nebraska. Mr. Speaker, what manner of person is he who would place his future in barren waste to be made fertile by the strength of his back and the sweat of his brow? Whatever manner he might be, we know there are many who are willing, yes, even anxious, to mortgage their future for 50 years in order to move onto a new Federal irrigation project.

They should not be objects of charity from the Federal Government and neither do they seek charity. They want only what America offers to all—opportunity.

An opportunity to help build a greater America. These young people, who are willing to make an investment in this future project, should be regarded as a sound economic asset which has kept America strong. It should be remembered that future earning power is present capital and so regarded in all financial markets.

Irrigation projects have a continuing record of developing new wealth. The true national value of irrigation, however, is measured best in terms other than monetary.

WESTERN GROWTH

For instance, the phenomenal increase in the population of the 17 Western States over the past 50 years clearly indicates the economic maturing of that vast area comprising three-fifths of the area of the United States.

Expressed in terms of percentage increase between 1940 and 1950, the 17 Western States gained 25.8 percent, the 11 Mountain and Pacific States 40.9 percent, and the 3 Pacific States 48.8 percent. Compare this to the 14.5 percent population increase of the United States.

The East is crowded—only the West offers the opportunities for our expanding population. The rapid rate of western growth has resulted in a major shift in the location of the population of the United States. Since 1900, the percentage of all of the people of the United

States living in the 17 Western States has increased from 14.7 percent to 22.6 percent in 1950.

In raising its percentage of population, the 17 Western States have more than tripled their population. The growth is even more phenomenal in the three Pacific States where most of the reclamation and irrigation projects are located. In 1900 there were about 2½ million people living in California, Oregon, and Washington—the 1950 census shows nearly 14½ million.

POPULATION DOUBLES

Since 1900, the population of the United States has just about doubled. Many of us have watched this entire growth. Since 1950 our population has grown over 11½ million with 3.4 million new births in 1953—far beyond the highest predictions of a few years ago.

Many of us have watched this entire growth. We have seen the inventions of many wonders. As a child, living on a farm in Nebraska, I won't forget the look of amazement on my father's face when I told him I saw a "horseless carriage"—he found it difficult to believe. Yet, before he died he saw the wonders of television which enabled him to see thousands of miles, witnessing various events, remaining in his own living room.

Just as many found it difficult to believe that we could have self-propelled carriages, that man would fly, or that man could project his voice and image thousands of miles; they also found it unbelievable that our population would surpass 160 million quickly eating itself out of food and fiber. People who predicted a population of 150 million for the United States were considered fanatics in yesteryears. Now, people are telling of 250 to 300 million people living in this land of yours and mine.

Present crop production finds us growing enough for approximately 20 million more people, or until about 1970. After that we will be at the mercy of the weather and foreign markets. We will be a nation of have nots rather than of plenty. Unless, of course, we anticipate our needs and prepare to meet them. As it now stands, the United States has assumed the responsibility of feeding the rest of the world—a world which finds half the people hungry. Will we be able to meet the obligations we have assumed to our own people, let alone the rest of the world?

Irrigation and reclamation projects do not spring up overnight. There is a 10-year construction and development period. So, for all intents and purposes, we must consider the needs of our mushrooming population and the saturation point of our food supply at 1960 rather than 1970. This is only 6 years away.

With population constantly increasing, the strain on our natural resources grows more acute. Only by pursuing a balanced program for reclamation of land by water shortages can we meet the responsibilities to preserve and extend national prosperity. We can no longer afford to think in terms of the relatively simple, single-purpose projects. Water has become too precious. We must be sure that we make the fullest use of all that is available.

PRESIDENTIAL NOTICE

The sound development of our water resources is a key part of the great task which lies ahead of supplying our people's needs. President Eisenhower, in realizing the importance of continued water development, has ordered creation of a Cabinet-level Committee on Water Resources to form a national water policy. In announcing the program, the President said he hopes to coordinate Federal activities in the water-resources field with the activities of such organizations as the Rivers and Harbors Congress.

Surveys conducted throughout the Western States show 392 million acre-feet of stream runoff annually, but only about one-fifth of it has been developed and put to use. In other words, our greatest waste of any one of our natural resources has been the failure to take full advantage of our vast water supply.

The constantly increasing population requires a proportionate increase of food supply. Since there are no considerable acres of raw land to be brought under cultivation in the United States, except by drainage or irrigation, it leaves us the only alternative—drainage and irrigation.

The average layman, when thinking of irrigation, thinks of it in conjunction with Government-owned farm surpluses. However, it must be pointed out that crops produced on western irrigation projects are supplemental to rather than competitive with crops produced in other sections which have contributed to our present surpluses. These areas produce winter truck crops of which we never have adequate amounts for a completely satisfactory national diet.

Like the effects of a pebble tossed into a still pond, irrigation brings new wealth not only to the immediate vicinity but also affects our whole Nation. Irrigation and reclamation has been one of the major factors in building the West.

WHAT TO DO

There are several things we must do with our tremendous wealth of natural resources. Above all, we must remain within the essence of good resource planning and always make sure that we do not rob Peter to pay Paul. If there was ever a subject in these great United States on which emotions can be aroused at the slightest provocation, it is just what constitutes the wise use of the natural resources of our country.

We must remember that the land and our resources belong to the people. Not just those living today, but those who will come long after we have departed. We cannot and should not be so selfish as to dissipate them unwisely today, but rather we should follow the example of the great conservationist and great President, Theodore Roosevelt, who had the foresight to lay down the basic policy of conservation in the first Reclamation Act which he steered through Congress and signed into law in 1902.

He realized the need for and established the necessary legislation to insure that those living today were the custodians of our Nation's wealth for those who will live tomorrow. The Federal Government has followed the policy of relinquishing control of the public domain in direct proportion to the needs of its expanding population. Fifty years ago about half of our Nation's land area was public domain. Today, about a quarter of it remains on the Federal land rolls. By the same token our Nation's population has more than doubled.

Irrigation and reclamation is a basic natural resource. Too often people feel that irrigation and reclamation are entirely regional in scope. Mention the words and people immediately think of the West. I cannot overemphasize its importance to the whole Nation.

Just as the continued prosperity of the West depends on the wise use of its natural resources, this prosperity is of crucial importance to the entire Nation which depends upon the West as one of its most vital productive areas—

To use the words of the Secretary of the Interior, the Honorable Douglas McKay.

The importance of the West as a market for the products of the East, while at the same time serving a major source of supply, is best determined by the sample study of waybills conducted by the Interstate Commerce Commission.

In 1951, the Commission found over 1½ million cars were shipped into the 17 Western States from the 31 Eastern States while during that same period about 2¼ million cars were loaded in the 17 Western States for shipment to the 31 Eastern States.

Internal shipments—those originating in the 17 Western States and shipped to others of the 17 State group or within the States themselves—produced an additional whopping load of 4½ million carloads aggregating 186½ million tons.

POWER PRODUCTION

While we have discussed the food needs of our expanding population, another important aspect arises in discussing irrigation and reclamation. This is power—electrical energy to light our cities and propel our industrial machines.

It is estimated that by 1959 the United States will be faced with a critical power shortage. Every kilowatt of electrical energy developed will be needed.

While hydroelectric power is developed as incidental to the irrigation and reclamation features of a Federal project, each year its importance has become more pronounced. In some instances in the past, it has been permitted to dominate the primary function of irrigation. However, power revenues from large multipurpose projects help to pay back to the Federal Government, not only the cost of storage works, but also to help reimburse the cost of irrigation works.

The introduction of electrical energy to rural areas, made possible in many areas only by Federal irrigation projects, has opened a virgin market for many home appliances and other electrical appliances which otherwise might never have been sold. Much of the electrical energy being used by Rural Electrification Association Cooperatives is produced by the Federal Government.

These Federal hydroelectric developments produce about 30½ billion kilo-

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watt hours of low-cost power each year. Despite this tremendous output, there is still a shortage of power. Steam generating plants are springing up all over the Nation to supplement this power.

Falling water is one source of generating electricity without depleting some exhaustible resource such as coal, oil or gas. Water used for the generation of power can be used over and over again; nothing is ever taken from it.

Some Basic Agricultural Facts

EXTENSION OF REMARKS
OF
HON. NOAH M. MASON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, June 11, 1954

Mr. MASON. Mr. Speaker, the farm problem is the most important domestic problem confronting the administration and the Congress today. It has many ramifications, and no easy solution. For months the House Committee on Agriculture has been holding hearings on this problem. Last summer the committee toured the country to get first-hand information from the farmers themselves on how best to deal with it. The farm problem directly affects all city dwellers as well as all farmers; therefore, a sound solution is of national importance.

Farming is big business. American farmers have a total investment of $141 billion. That is not chicken feed. Last year our farmers spent $24 billion putting in, cultivating, and harvesting their crops. The average investment per worker in industry is $12,000; the average investment per farm worker is $18,000.

In 1953 the average yearly cash income of the American farmer was $850, while the average yearly income of the industrial worker was $1,850.

Since 1945 the cost of handling farm products after they leave the farm—packaging, milling, transporting, canning, retailing, and so forth—has increased 83 percent. The farmer's share of the consumer's dollar has actually decreased during that time.

For example, take a loaf of bread, a basic item of food. In 1947 the average selling price of a loaf of bread was 13 cents, out of which the farmer received 2½ cents as his share. In 1952 the average selling price of a loaf of bread was 16 cents, out of which the farmer received 2⅓ cents.

To have a healthy economy the purchasing power of both farmer and industrial worker must be maintained. Government statistics show that factory wages have gone up more than the cost of food; that for 1 hour of work the factory worker can buy more agricultural commodities today than at any time during the past 40 years. That is not true of the farmer's purchasing power in connection with the things he has to buy. It takes more bushels of wheat or corn today to buy a tractor, a piece of farm machinery, an auto, than it did 20 years ago.

The farm problem is a national problem affecting all the people. Without question it is the number one domestic problem.

IMPORTS AND EXPORTS OF FARM PRODUCTS

Mr. Speaker, according to a report of the United States Tariff Commission, we imported, in 1952, $5 billion worth of agricultural products and exported $4 billion worth of agricultural products—a $1 billion balance of trade in favor of the farmers of foreign countries. Of course, coffee, tea, bananas, and crude rubber are included in this overall picture of agricultural imports, but we also imported immense quantities of sugar, wool, oils and fats, tobacco, wheat, feeds and fodders, hides and skins, all of which compete in our markets with the products of our own farms.

How can we support farm prices when we import huge quantities of farm products that compete with our own? We try to hold up farm prices by Government supports—at the taxpayers' expense—and at the same time we actually depress farm prices by permitting heavy imports. Does this make sense? Should not our tariff policy and our farm subsidy program go hand in hand, in the same direction, rather than pulling in opposite directions as they do now?

REESTABLISHING A SOUND HEALTHY AGRICULTURE

Mr. Speaker, President Eisenhower's Administration is making an earnest effort to reverse the socialistic trend of the past 20 years. This effort was reflected especially in the President's farm message. That message emphasized the fact that it is much easier to start subsidies than to end subsidies.

Trying to taper off the farm subsidy habit is analogous to trying to taper off a patient's dope habit. To try to correct problems of supply and demand through price supports or other legislative devices is the same as trying to ease a patient through a period of severe pain and shock by the use of opiates.

The Eisenhower-Benson farm program as outlined in the President's message is a program for a gradual transition from a fixed 90 percent support to a flexible 75 to 90 percent support; from a program depending upon opiates or dope in the form of subsidies and price supports to a sound and healthy free economy.

POLITICALLY SAFE BUT ECONOMICALLY UNSOUND

Mr. Speaker, the Wallace-Hopkins agricultural program was one that produced high prices through an "economy of scarcity," a program based upon curtailed production. It was politically safe but economically unsound. The Truman-Brannan agricultural program was one that produced high prices, encouraged overproduction, and resulted in tremendous surpluses—at present over $7 billion of taxpayers' money tied up in these surpluses. What are we to do with these immense surpluses? This program was also politically safe but economically unsound. It won reelection for President Truman in 1948 when he made his whistle-stop invasion of the normally Republican farm counties of the Middle West.

The Eisenhower-Benson agricultural program of flexible supports, raised or lowered to offset scarcity or abundance, is not politically safe but it is economically sound. It is a feasible method or approach to the elimination of rigid parity supports and the establishment of a sound, safe agricultural program based upon supply and demand.

The program outlined in President Eisenhower's farm message proposes a gradual changeover from a politically safe but economically unsound farm program inaugurated under the New Deal, to a sound, safe, and healthy farm program, tailored to fit the needs of our modern-day agricultural conditions.

RUSSIA AND TURKEY COMPARED

Mr. Speaker, an excellent example of the difference in results as between government control of agriculture and private ownership and control of agriculture is the recent happenings in Russia and Turkey.

Russia is a vast agricultural country. She formerly produced farm surpluses to sell on the world markets. Great quantities of Russian wheat were exported in bygone years. Today Russia cannot and does not produce enough food for her own people. Why the change?

Turkey, on the other hand, has doubled her grain production in the last 3 years; her cattle have increased from 55 million head to 62 million head during the same time; and her cotton production has increased 60 percent. Why the difference?

Turkey and Russia are neighbors. Turkey borders Russia on the south. Both Turkey and Russia have modernized their farming methods, installing tractors, modern machinery, hydroelectric dams, water systems, and so forth. Why then has Turkey achieved what Russia would like to achieve—namely, an abundance of food supplies?

Turkey today has a democratic form of government and encourages private initiative, private ownership, and operation of her farms. Russia has a dictatorship with government ownership of all forms of productive property, including the farms. That is the difference.

Under the Wallace-Hopkins farm program for America, and under the Brannan-Truman farm program, our American farmers were to be regimented, supervised, with Government acreage allotment, marketing controls, crop controls, and subsidies as the order of the day. Is that what our American farmers want? Do they want to become Russianized?

THE TWO-PRICE FARM PLAN

Mr. Speaker, prospects for a two-price farm plan are becoming brighter. Both the Secretary of Agriculture, Ezra Benson, and the chairman of the House Agricultural Committee, CLIFFORD HOPE, favor a two-price system on wheat and cotton, two American farm crops, part of which must be sold upon the world market. They advocate flexible supports upon those crops that do not enter world markets, such as corn. The claim is made that this combination farm program will increase the overall income of the American farmer, and such a program would do away with the need for

acreage and marketing restrictions—two things repugnant to our American farmers.

Government price-support programs have priced American farm products out of world markets. Germany used to buy more than half her raw cotton from the United States. Now she buys less than 20 percent of her raw cotton from us, because she can buy raw cotton 5 cents per pound cheaper from other countries.

Mr. Speaker, the two-price farm program, now proposed as a necessary part of an overall farm program, is nothing more or less than the old McNary-Haugen plan. It proposes to provide the American market price for all the wheat and cotton needed for home consumption—about 90 percent of the crop—and the world price for the surplus wheat and cotton.

The McNary-Haugen farm plan was passed by Congress back in 1926, but vetoed by President Coolidge. It has never been given a tryout.

America consumes about 90 percent of all our industrial and agricultural production. The 10-percent surplus production is the factor that gluts the market and brings about low prices. Under the McNary-Haugen plan the American farmer would receive the American market price for 90 percent of his crop, and the world market price for his surplus crop.

The beauty of the McNary-Haugen farm plan is that it costs the American taxpayer nothing, but it does guarantee to the American farmer the American market price for 90 percent of his crop.

In conclusion, Mr. Speaker, the Eisenhower-Benson farm program is a sound, sensible farm program, based upon our American system of free enterprise. It proposes a gradual changeover from the present unsatisfactory and unsound program to a sound, self-adjusting program that will prove satisfactory and beneficial to American agriculture. The new administration's farm program should be adopted and given a fair trial.

H. R. 9430

EXTENSION OF REMARKS
OF
HON. THOMAS E. MORGAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 11, 1954

Mr. MORGAN. Mr. Speaker, I wish at this time to add my name to the list of sponsors who joined with my able colleague AIME J. FORAND, of Rhode Island, in introducing H. R. 9430. This is a bill which provides for unemployment reinsurance grants to the States and also provides for the revision, extension, and improvement of the unemployment insurance program. I feel that there is a great need for legislation of this kind. Because of the changes that have occurred in our economic situation since the enactment of the original unemployment legislation, some adjustment is necessary. H. R. 9430 is a very worthwhile bill and while I understand that it was introduced too late to be considered by the Ways and Means Committee when hearings were held on the unemployment compensation problem, I hope that the committee will report out a bill which will embody the provisions of H. R. 9430.

Where's That Cruel Recession?

EXTENSION OF REMARKS
OF
HON. CECIL M. HARDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 11, 1954

Mrs. HARDEN. Mr. Speaker, under leave to extend my remarks, I would like to make a few comments regarding what Mr. Harry Truman recently described as "this cruel recession" in America. Mr. Speaker, for many months—indeed, from the day Dwight Eisenhower entered the White House—we have heard loud and anguished cries from the minority party about the economic situation in this country, particularly the unemployment situation. Mr. Truman describes it as "this cruel recession" and it has been similarly described by many other purveyors of gloom in Mr. Truman's party.

Mr. Speaker, no Member of this Congress appreciated any more than I do the very serious situation faced by men and women who are, through no fault of their own, unable to find work. My heart goes out to these people and their families. I try to help them. But, I submit that the unemployment situation today is not as disastrous as our friends across the aisle would have us believe.

In my own district reside approximately 8 percent of Indiana's population. However, in my district reside only about 4 percent of Indiana's total unemployed. And the total number of unemployed in Indiana today is just about what it was in 1949. I do not recall Mr. Truman, who was President of this country at that time, admitting he had any "cruel recession" on his hands. He referred, instead, to the "great prosperity" which then was apparently abundant in the land.

The Indianapolis News, one of our great midwestern newspapers, graphically portrayed the falsity of Mr. Truman's claims in an editorial published June 8 of this year. I insert this editorial in the RECORD at this point:

WHERE'S THAT CRUEL RECESSION?

As the 1954 general elections draw nearer smart Democratic leaders surely are testing issues to replace the one that has failed them so miserably—namely, the "cruel depression," a dead horse which former President Truman again flayed in a recent speech.

In the first place, Mr. Truman's "cruel recession" never has reached the level of unemployment which prevailed in 1946, 1947, 1949, and 1950. During those years of Fair Deal prosperity Mr. Truman would have been properly shocked had he heard political opponents talking about a "cruel recession."

Unemployment this year has averaged around 3.8 percent. For people out of work that indeed amounts to a "cruel recession." But in 1946 unemployment stood at 4.3 percent. In 1947 it was 4.2 percent. In 1948 it was down to 3.5 percent. In 1949 it rose to 4.4 percent. And in 1950, before the Korean bloodletting started, it stood at 7.3 percent.

Moreover, present indications are that the peak of unemployment has passed. The Indiana Unemployment Security Division announcced last week that unemployment-insurance claims had dropped 4,600 the previous week. Employment in the State was at the highest point since the first week of last January, which arrived on the heels of the most prosperous year in this Nation's history. Improved employment conditions were reported in nearly all areas of the State, with South Bend as a particularly lamentable exception.

And in Washington the Commerce and Labor Departments reported yesterday that national unemployment dropped by 160,000 in May.

If we really were in the grips of a cruel depression, among the first to suffer in the job market would be this year's crop of college graduates, particularly those lacking technical training. But, as is noted below, Indiana University graduates have a wide choice of job offers and the pay is even better than last year.

Successful political strategists, whatever their party, must be realists. Therefore, since Mr. Truman and other welfare staters have failed to talk this rich and dynamic Nation into a cruel recession we may expect to hear less and less talk about that subject from Eisenhower administration opponents as next November draws nearer.

Mr. Speaker, as the News so graphically points out, unemployment in America today is not as great a problem as it was in 1946, 1947, 1949, or 1950. All of these years, I submit, were years in which the Democratic Party standard bearer occupied the White House.

If we wish to go back a little deeper into our history, I am sure the figures will prove that the employment situation today is far better than it was in any peacetime year of Democratic control. We are proving, Mr. Speaker, that the Republican Party, under the inspiring leadership of President Dwight D. Eisenhower, can achieve prosperity without war.

I believe the American people will remember this fact when the polls are opened this November.

Business Organizations Join Farmers in Support of My Bill To Provide Orderly Marketing Processes for Dairy Products

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 11, 1954

Mr. HAGEN of Minnesota. Mr. Speaker, few people realize that the dairy industry is actually the greatest single industry in volume in the United States. There is not a man, woman, or child in America who is not a customer in one form or another of some dairy products. But in spite of its importance to our health and our economy, the dairy industry has too often been neglected and

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actually impeded in its efforts to establish orderly marketing procedures.

To help correct the situation, I have discussed the complex problems with representatives of farm organizations, dairy processors and individual dairy farmers and businessmen. As a result of these discussions, I have introduced H. R. 8359, a bill which provides for a mandatory price support through March 31, 1956 for milk and butterfat used in manufacturing dairy products.

My bill is designed to maintain the productive capacity of our dairy farming industry, to promote the orderly marketing of an adequate national supply of milk and dairy products, to encourage increased domestic consumption of dairy products in the interest of the national health and security.

Mr. Speaker, safeguarding this great industry is a problem for immediate attention. It is well and good to be concerned about helping other peoples and other nations, but I believe we can do more in fighting the Communist menace which threatens our country and the world, by maintaining a strong and efficient economy at home, than by squandering our substance worldwide while depriving our own people of needed benefits.

If this bill is passed, it will immediately give encouragement and confidence to the nearly 6 million farm families who are concerned one way or another with the dairy industry and to the several millions of people in urban communities who depend for their livelihood upon that industry. It will insure adequate supplies of milk and butterfat so that there will be no danger of failure of the supply of this vital food for our children. It will add to the national prosperity. It will help to stabilize our whole agricultural plant.

I hope that the Members of the House will give serious consideration to this bill so that we may pass it quickly as assurance to the farmer and the dairy industry that they have not been deserted by their Government, and that Congress is concerned with keeping the dairy industry solvent and healthy.

SENATE

MONDAY, JUNE 14, 1954

(Legislative day of Friday, June 11, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Charles L. Cockrell, pastor, First Baptist Church, Garland, Tex., offered the following prayer:

Our Heavenly Father, Thou who art from everlasting to everlasting, we thank Thee for Thy many blessings. We are deeply grateful for Thy immeasurable love. Thy word has been a lamp unto our feet and a light unto our pathway. We are conscious of Thy wonderful promise, "Call unto Me and I will answer thee."

Lord, grant all of us wisdom and divine guidance throughout this day and may Thy grace and love abound in all of our hearts eternally, is our prayer. In Thy name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 11, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 8983. An act to provide for the conveyance of certain lands by the United States to the city of Muskogee, Okla.; and

H. R. 9474. An act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended.

COMMITTEE MEETING DURING SENATE SESSION

Mr. SMITH of New Jersey. Mr. President, as acting chairman of the Committee on Foreign Relations, I ask unanimous consent that the committee be allowed to meet this afternoon to hear the testimony of General Gruenther on the West European situation.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, after consultation with the minority leader, I move that the Senate proceed to the consideration of the Executive Calendar, for action on new reports.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDENT pro tempore. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service.

Mr. KNOWLAND. Mr. President, I ask that the nominations be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Diplomatic and Foreign Service are confirmed en bloc.

NATIONAL SECURITY TRAINING COMMISSION

The Chief Clerk read the nomination of Warren Atherton, of California, to be a member of the National Security Training Commission, for a term of 5 years, expiring June 19, 1959.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. KNOWLAND. Mr. President, I ask that the nominations be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Army are confirmed en bloc.

Mr. KNOWLAND. Mr. President, I ask that the President be immediately notified of the nominations confirmed today.

The PRESIDENT pro tempore. Without objection, the President will be immediately notified.

LEGISLATIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that, before the Senate resumes consideration of the State, Justice, and Commerce appropriation bill, immediately following the quorum call, there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Morning business is in order.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

ACCEPTANCE OF DECORATIONS BY CERTAIN RETIRED PERSONNEL TENDERED BY FOREIGN COUNTRIES

A letter from the Secretary of State, transmitting a draft of proposed legislation to authorize certain retired personnel of the United States Government to accept and wear decorations tendered them by certain foreign countries (with accompanying papers); to the Committee on Foreign Relations.

REPORT ON ADVANCE PLANNING PROGRAM

A letter from the Administrator, Housing and Home Finance Agency, transmitting, pursuant to law, a report on the administration of the advance planning program, for the quarter ended March 31, 1954 (with an accompanying report); to the Committee on Public Works.

AUDIT REPORT ON BUREAU OF NARCOTICS, TREASURY DEPARTMENT

A letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Bureau of Narcotics, Treasury Department, for the fiscal year ended June 30, 1953 (with an accompanying report); to the Committee on Government Operations.

REPORT ON GLENDO UNIT, WYOMING, MISSOURI RIVER BASIN PROJECT

A letter from the Assistant Secretary of the Interior, transmitting a copy of a letter of comments from the Bureau of the Budget on a report on the Glendo unit, Wyoming, Missouri River Basin project, transmitted to the Congress on April 2, 1954 (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT ON CANTON PROJECT, OKLAHOMA

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report on the Canton project, Oklahoma, relating to the irrigation of certain land along the North Canadian River, in the vicinity of the towns of Canton and Geary, Okla. (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT OF UNITED STATES MARITIME ADMINISTRATION, DEPARTMENT OF COMMERCE

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the United States Maritime Administration, Department of Commerce, relating to the action taken by that Administration under section 217 of the Merchant Marine Act of 1936, as amended (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

PAYMENT OF CERTAIN CLAIMS FOR INJURIES ARISING OUT OF ACTIVITIES OF THE ARMY

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Rodolfo C. Delgado, Jesus M. Lagua, and Vicente D. Reynante (with an accompanying paper); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS—WITHDRAWAL OF NAMES

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the names of certain aliens whose deportation had been suspended, heretofore transmitted to the Senate (with accompanying papers); to the Committee on the Judiciary.

GRANTING ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting admission into the United States of certain aliens (with accompanying papers); to the Committee on the Judiciary.

GRANTING TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting temporary admission into the United States of certain aliens (with accompanying papers); to the Committee on the Judiciary.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT RELATING TO ANNUITY RIGHTS

A letter from the Chairman, United States Civil Service Commission, transmitting a draft of proposed legislation to amend the Civil Service Retirement Act (with an accompanying paper); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of Louisiana; to the Committee on Interstate and Foreign Commerce:

"Senate Concurrent Resolution 11

"Whereas weather protection is of the utmost importance to the State of Louisiana; and

"Whereas weather protection in the Gulf of Mexico is the worst in the United States, the gulf coast being the only coast without a weather station offshore; and

"Whereas there exists a definite need for weather information in this section of the United States; and

"Whereas Congressman T. A. THOMPSON has introduced a bill to require that two Government weather ships be stationed in the Gulf of Mexico to flash warnings to southern States; and

"Whereas three ships are now available (being decommissioned) and the trained crews of these ships are still available in the Coast Guard and, therefore, the only cost will be that of maintenance; and

"Whereas a weather ship will provide trained weather observers and provide a source of advance weather information in the area of the origin of hurricanes and most of the tropical storms in the Gulf of Mexico; and

"Whereas such a service will be beneficial to fishermen, oil operators, coastal and transgulf aircraft, coastal and transgulf shipping, farmers and recreational groups planning coastal outings and will be invaluable in rescuing vessels, in navigation and in research as to weather problems: Therefore be it

"Resolved by the Senate of the State of Louisiana (the House concurring), That the Legislature of the State of Louisiana urges the United States Congress to adopt H. R. 9251 which would place two Government weather ships in the Gulf of Mexico; be it further

"Resolved by the Senate of the State of Louisiana (the House concurring), That copies of this resolution be forwarded to the President of the United States, to Representative T. A. THOMPSON and to the other members of the Louisiana delegation in the United States Congress and to the House of Representatives and Senate of the Congress of the United States.

"C. E. BARHAM,
"Lieutenant Governor and President of the Senate.

"C. C. AYCOCK,
"Speaker of the House of Representatives."

A resolution adopted by the American Baptist Convention, at Minneapolis, Minn., favoring the repeal of the act entitled "An act to amend section 1309, Revised Statutes, providing Chaplain for the Military Academy," approved February 18, 1896; to the Committee on Armed Services.

Two resolutions adopted by the Lewis-Clark Wildlife Club, Lewiston, Idaho, relating to the proposed Bruce's Eddy and Penny Cliffs dams on the Clearwater River; to the Committee on Public Works.

A resolution adopted by Parlor No. 247, Native Daughters of the Golden West, Temple City, Calif., relating to the so-called equal rights amendment; ordered to lie on the table.

Resolutions adopted by Petaluma Parlor No. 222, of Petaluma, and Gilroy Parlor 312, of Gilroy, Native Daughters of the Golden West, both of the State of California, protesting against the admission of Red China into the United Nations; to the Committee on Foreign Relations.

ELIMINATION OF ALCOHOLIC BEVERAGE ADVERTISING IN INTERSTATE COMMERCE—PETITION

Mr. CLEMENTS. Mr. President, at the request of Mrs. Roy Moss, of Kevil, Ky., I present a letter in the nature of a petition bearing the names of 71 members of the Woman's Christian Temperance Union in behalf of passage of the so-called Bryson-Langer bills, H. R. 1227, S. 3294, to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages, and for other purposes, and I ask unanimous consent that it be printed in the RECORD and referred to the Committee on Interstate and Foreign Commerce.

There being no objection, the letter was referred to the Committee on Interstate and Foreign Commerce and ordered to be printed in the RECORD, as follows:

KEVIL, KY., *June 8, 1954.*

Hon. EARLE CLEMENTS,
Senate Office Building,
Washington, D. C.:

Please insert our petition in the CONGRESSIONAL RECORD for the Langer bill, same purpose as Bryson, to come up June 21, bill No. S. 3294.

Thanking you for this favor for the good of all.

Mrs. ROY MOSS.

THE SO-CALLED McCARTHY HEARINGS—RESOLUTION OF THE OKLAHOMA PRESS ASSOCIATION

Mr. MONRONEY. Mr. President, I desire to call the attention of the Senate to a resolution which was adopted last week by the Oklahoma Press Association, in annual convention at Ardmore, Okla. The Oklahoma Press Association represents both the large and the small newspapers, the dailies and the weeklies. I believe it more clearly represents public opinion in Oklahoma than does any other group of which I know.

I desire to read the resolution, which is concise:

RESOLUTION ADOPTED BY THE OKLAHOMA PRESS ASSOCIATION AT ITS MEETING AT ARDMORE, OKLA.

Whereas the United States Senate has permitted its historic and constitutional role in Government to be subjected to needless criticism by the McCarthy hearings: Therefore be it

Resolved, That the Oklahoma Press Association cause the President of the United States Senate to be informed that this as-

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sociation believes it can better serve the Nation as a part of the legislative branch rather than permitting a Member to attempt to usurp the constitutional functions and duties of the executive and judicial.

MARSDEN BELLATTI,
Chairman, Resolutions Committee.

Mr. President, the editors of both the small newspapers and the large newspapers in Oklahoma realize that the appropriations bill now pending before the Senate carries an item of $78,282,000 for the Federal Bureau of Investigation. The editors and owners of the Oklahoma newspapers realize that the FBI is a nonpolitical organization created for the purpose of protecting the security of the United States of America, and that the FBI historically has distinguished itself in its efforts to afford such protection. They believe that the major responsibility for protecting the Nation's security must necessarily fall on the Federal Bureau of Investigation, rather than to have any group outside the executive branch attempt to usurp prerogatives which the Constitution firmly places on the Chief Executive.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WATKINS, from the Committee on Interior and Insular Affairs:

H. R. 2231. A bill to authorize the negotiation and ratification of separate settlement contracts with the Sioux Indians of the Lower Brule and the Crow Creek Reservations in South Dakota for Indian lands and rights acquired by the United States for the Fort Randall Dam and Reservoir, Missouri River development, to authorize a transfer of funds from the Secretary of Defense to the Secretary of the Interior and to authorize an appropriation for the removal from the taking area of the Fort Randall Dam and Reservoir, Missouri River development, and the reestablishment of the Indians of the Yankton Indian Reservation in South Dakota; with amendments (Rept. No. 1594).

By Mr. PURTELL (for Mr. COOPER), from the Committee on Labor and Public Welfare, with an amendment:

H. R. 4496. A bill to authorize and direct the conveyance of certain lands to the Board of Education of Prince Georges County, Upper Marlboro, Md., so as to permit the construction of public educational facilities urgently required as a result of increased defense and other essential Federal activities in the District of Columbia and its environs (Rept. No. 1595); and

H. R. 9040. A bill to authorize cooperative research in education (Rept. No. 1596).

By Mr. PURTELL (for Mr. COOPER), from the Committee on Labor and Public Welfare, with amendments:

H. R. 7434. A bill to establish a National Advisory Committee on Education (Rept. No. 1597); and

H. R. 7601. A bill to provide for a White House Conference on Education (Rept. No. 1598).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MARTIN (by request):

S. 3602. A bill for the relief of Mrs. Hannah Mae Powell; to the Committee on the Judiciary.

By Mr. KILGORE (for himself and Mr. NEELY):

S. 3603. A bill to limit the procurement of fuels of foreign origin by the armed services for use within the United States, and for other purposes; to the Committee on Armed Services.

(See the remarks of Mr. KILGORE when he introduced the above bill, which appear under a separate heading.)

By Mr. CLEMENTS:

S. 3604. A bill to amend the act providing financial assistance for local educational agencies in areas affected by Federal activities in order to change the 3-percent deduction under section 3 (c) of such act to a 3-percent minimum requirement; to the Committee on Labor and Public Welfare.

By Mr. MILLIKIN (by request):

S. 3605. A bill to abolish the offices of Assistant Treasurer and Assistant Register of the Treasury and to provide for an Under Secretary for Monetary Affairs and an additional Assistant Secretary in the Treasury Department; to the Committee on Finance.

PROCUREMENT OF FOREIGN FUELS BY ARMED SERVICES

Mr. KILGORE. Mr. President, on behalf of my colleague the junior Senator from West Virginia [Mr. NEELY] and myself, I introduce, for appropriate reference, a bill to limit the procurement of fuels of foreign origin by the armed services for use within the United States, and for other purposes.

I ask unanimous consent to make a brief statement in explanation of the bill.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the Senator from West Virginia may proceed.

The bill (S. 3603) to limit the procurement of fuels of foreign origin by the armed services for use within the United States, and for other purposes, introduced by Mr. KILGORE (for himself and Mr. NEELY), was received, read twice by its title, and referred to the Committee on Armed Services.

Mr. KILGORE. Mr. President, while the several segments of the Republican Party ponder the matter of foreign-trade policy, it becomes the bipartisan duty of the Members of this Congress to initiate a program which will at least put a stop to those imports contributing to the deterioration of vital defense industries. In view of the critical world situation, particularly with reference to events in Indochina, there can be no compromising of our defense standards under any circumstances. Regardless of the methods which will be employed to meet the Red challenge, the fact remains that never before has the national defense required closer attention. Never before in America's history—since the time when the first flag was adopted by the Colonies, 177 years ago today—has a hostile force controlled such a preponderance of the world's populace or pursued its aggression with such godless ferocity.

There is no denying these conditions. Despite our earnest devotion to peace among all peoples, the threat of war is ever present. As a consequence, the national defense is a factor that must be inherent in every decision by both the executive and the legislative branches of this country. Unfortunately, however, the present administration is persisting in playing "scrabble" with our foreign-trade policy.

I ask the Members of the Senate to consider carefully what is happening to this Nation's coal industry. Since 1946, foreign residual oil has been progressively encroaching upon domestic fuel markets along our Atlantic seaboard, and to so great an extent that the coal industry in many of our mining areas is now becoming completely paralyzed. Mines are closing and miners are moving into other sections of the country in search of work.

As a result of the decline in coal production, railroad traffic has been gravely affected. Many of the men who were engaged in hauling coal to market are now on the lists of the unemployed, with others attempting to find new occupations. Railroad hoppers and gondolas normally in the service of transporting coal from the mines of West Virginia and other producing States are rusting on sidings, some of them entirely unfit for further use.

In the event of an emergency, our mines will not be ready to produce the coal needed to supply the country's fuel requirements, and railroads will have neither the rolling stock nor the experienced personnel to move the coal to where it is needed. From the last year of peace in Europe in the 1930's until the time that allied forces were ready to storm the beach at Normandy, America's bituminous coal requirements increased by 75 percent. This supply was forthcoming because we had a 6-year span in which to gear our men and our machinery for the task ahead. But in this day of jet aircraft and fantastically superior weapons, no such time factor can be counted on. We must be ready at a moment's notice to mobilize our maximum industrial strength if we are unwilling to chance disaster. Yet despite this knowledge, the administration is permitting the coal industry of this country to continue downhill in favor of political imponderables that are anathema to every concept of national leadership.

The answer to the serious problem now confronting us is a quota limitation on residual oil imports without delay. To enact legislation of this type under an administration whose first love is big business becomes a difficult proposition, however, so while the political feasibility is being studied, I am introducing today a bill that will provide fuel security for military establishments and defense industries, and I trust that the Senate will lose no time in taking up this vital measure.

Mr. President, the armed services of the United States must not depend upon foreign sources for their fuel requirements. My bill, therefore, is designed to guarantee an adequate supply at all times regardless of world conditions.

Specifically, the title of the bill is: "To limit the procurement of fuels of foreign origin by the armed services for use within the United States, and for other purposes." The bill provides:

Be it enacted, etc., That (a) except as expressly authorized by this act, no fuel shall be procured pursuant to the Armed Services Procurement Act of 1947 for use by any of

the services named in section 2 (a) of that act unless such fuel has been—

(1) Mined or otherwise extracted within the United States, in the case of fuel procured for use in the form and state in which it was mined or extracted; or

(2) Derived from raw material mined or otherwise extracted within the United States, in the case of fuel derived by refining or processing from any raw material.

(b) The prohibition contained in subsection (a) shall not apply to the procurement outside the United States of such quantities of fuel as may be reasonably required to provide a source of power for the propulsion of any vessel or aircraft from any place outside the United States to any place in the United States; nor shall the prohibition apply to the procurement in times of war of such quantities of fuel as may be reasonably required to provide a source of heat and power for military installations located outside the continental United States.

(c) As used in this section—

(1) the term "United States" means the continental United States;

(2) the term "fuel" includes coal, oil, and gas in any form, and any product derived wholly or in chief part from coal, oil, or gas which is used principally as a source of heat, energy, or power.

SEC. 2. Section 1 of the act of June 30, 1936 (49 Stat. 2036, as amended; 41 U. S. C. 35), is amended by adding thereto the following new subsection:

"(f) That no part of such contract will be performed nor will any of the materials, supplies, articles, or equipment to be manufactured or furnished under said contract be manufactured or fabricated in any plant, factory, or building in which there is used any fuel which has not been—

"(1) mined or otherwise extracted within the United States, in the case of fuel procured for use in the form and state in which it was mined or extracted; or

"(2) derived from raw material mined or otherwise extracted within the United States, in the case of fuel derived by refining or processing from any raw material.

"As used in this subsection, the term 'fuel' includes coal, oil, and gas in any form, and any product derived wholly or in chief part from coal, oil, or gas which is used principally as a source of heat, energy, or power."

In addition to safeguarding the fuel potential for military facilities and for industries upon which the armed services depend for supplies and equipment, this bill will have a tendency to keep in line the heavy fuel costs our Defense Department incurs in the operation of its vast establishment. During hearings in 1950 before a subcommittee of the Senate Committee on Labor and Public Welfare studying causes of unemployment, my distinguished colleague from West Virginia [Mr. NEELY], who was chairman of the subcommittee, permitted me the opportunity of questioning a director of the Standard Oil Co. of New Jersey, which is accountable for so much of the foreign residual oil poured into our fuel markets. On the theory that residual oil is dumped on American markets at whatever price is necessary to undersell coal, I questioned the Standard Oil official as to whether I was correct in assuming that low residual oil prices could be compensated by charging more for gasoline and other products. His reply, which I quote, is important because it confirms that cheap residual oil can become a very great expense to the Defense Department and to every other user of higher grade liquid fuels. He said:

Well, Senator KILGORE, it is very difficult to tell what the cost of any product in the oil industry is. So far as I know there is no accepted method of calculation. When you have a multiproduct industry, which has frequently been likened to the case of butcher cutting up a steak, you just cannot tell how much the steak and how much the hamburger costs. The total cost of the steel and the labor is the thing that counts • • • the costing of the individual products in the oil business is just an arbitrary matter. There are a dozen different ways of figuring it out. There is no accepted way, and the thing that counts is whether overall, the cost of the crude, plus the manufacturing, plus the transportation, brings you back in total, because of the realization of all the products.

In other words, with low-cost residual oil fuel we have high-cost gasoline. What the oil companies lose on the bananas they pick up on the peanuts.

Since the United States Defense Department is the largest buyer of fuels in the world—and since a great proportion of the fuels used is gasoline and other higher grade products, it stands to reason that the Government is the greatest loser dollarwise, as well as securitywise, when it encourages the dumping of residual oil imports on American markets. My bill will thus contribute to the overall reduction in fuel prices while removing dependence upon foreign sources of energy that would not be available in times of hostilities.

Without discussing the merits of what our Government representatives may be planning with regard to Indochina, the fact remains that they are playing with fire and that an explosion could be touched off at any time. If that time comes, let us not be in a position of having our defense establishments caught short. I urge that prompt attention be given to the bill which, for my colleague [Mr. NEELY] and myself, I have introduced today.

CREATION OF CERTAIN UNITED STATES JUDGESHIPS — AMENDMENT

Mr. UPTON submitted amendments intended to be proposed by him to the bill (S. 2910) providing for the creation of certain United States judgeships, and for other purposes, which were ordered to lie on the table and to be printed.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles, and referred to the Committee on Finance:

H. R. 8983. An act to provide for the conveyance of certain lands by the United States to the city of Muskogee, Okla.; and

H. R. 9474. An act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended.

PRINTING OF REVIEW OF REPORT ON TILLAMOOK BAY AND BAR, OREG. (S. DOC. NO. 128)

Mr. MARTIN. Mr. President, I present a letter from the Secretary of the Army, transmitting, pursuant to a resolution of the Committee on Public Works, dated June 20, 1952, a report dated April 1, 1954, from the Chief of Engineers, Department of the Army, together with accompanying papers and illustrations, on a review of a report on Tillamook Bay and Bar, Oreg., and I ask unanimous consent that it may be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Pennsylvania? The Chair hears none, and it is so ordered.

PRINTING OF REVIEW OF REPORT ON LITTLE SIOUX RIVER AND TRIBUTARIES, IOWA (S. DOC. NO. 127)

Mr. MARTIN. Mr. President, I present a letter from the Secretary of the Army, transmitting, pursuant to a resolution of the Committee on Public Works dated September 18, 1952, a report dated April 15, 1954, from the Chief of Engineers, Department of the Army, being a review of a report on Little Sioux River and tributaries, Iowa, together with accompanying papers and illustrations, and I ask unanimous consent that it be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Pennsylvania? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. IVES:

Statement prepared by him relating to Baltic Genocide Day, the anniversary of brutal and infamous treatment of the people of Latvia, Lithuania, and Estonia, at the hands of the Communist invaders.

AGRICULTURAL LEGISLATION

Mrs. BOWRING. Mr. President, it is my confident hope that within a very short time we shall be dealing on the floor of the Senate with one of the most important issues in the domestic program of the administration. I refer to the question of agricultural legislation, which, among all domestic issues, is among the most vital, if not the most important, to our great Midwest agricultural area.

It is my personal opinion that it is an issue on which we should have an opportunity for a clear-cut vote, and not one to be dealt with by indirection. It is my belief that the decisions should be made directly, not indirectly.

As we approach this question, I commend to the attention of my colleagues in the Senate an editorial which appeared in the Norfolk Daily News, Norfolk, Nebr., and which was reprinted in the June 7 issue of the Omaha World-

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Herald. I ask unanimous consent that the editorial be printed at this point in the RECORD as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE FARMERS DIDN'T PROTEST

South Dakota farmers had a chance to record their wrath at the Benson farm program, and they didn't take advantage of it. Evidently they aren't as mad as administration opponents say they are.

The two Democratic candidates for governor campaigned against the flexible support program of the administration and told the farmers it would ruin them. They had expected to build up a huge protest vote. But the protests didn't come. The anti-administration candidates got only about one-third as many votes as the Eisenhower supporters.

This confirms what many have been saying, that the protests are coming from the political farmers instead of the dirt farmers. Some of the Members of Congress from the Farm Belt have been shouting against any change in the 90 percent of parity supports, or even demanding 100 percent. The President's opponents have been licking their chops over what they believed to be a savory political dish. They talked about rebellion among the farmers. But no evidence of a serious uprising is discernible at this time. The South Dakota vote is only one of the exhibits that show the farmer is much calmer than some of his assertive spokesmen.

Another exhibit is Representative A. L. MILLER'S poll. From a predominately rural district, 53.3 percent favored flexible farm supports, 2.3 percent favored no support at all. There's a substantial majority for the President's program or less.

The farmers evidently are as disturbed as the administration over the piling up of price-depressing surpluses and are ready to accept some plan which will remedy the evident weaknesses of the present system.

SUGGESTED ACTION BY UNITED NATIONS IN INDOCHINA CRISIS—AMERICAN DIPLOMATIC REPRESENTATION IN SOUTHEASTERN ASIA

Mr. GILLETTE. Mr. President, on page 1 of the New York Times of this morning appears an article with the following headline: "Bid to U. N. Urged in Indochina Case—Australian Favors an Appeal by Laos and Cambodia on Communist Aggression."

The article, written from Geneva by Tillman Durdin, states that the Australian Minister for External Affairs, Richard G. Casey, is advocating that the Communist Viet Minh aggressors against the Indochinese States of Laos and Cambodia be brought before the United Nations. He says Australia would support a direct appeal to the United Nations by Laos and Cambodia; and, in answer to a question, he indicated that this idea had originated with the governments of these two Indochinese States.

The article also reports that Mr. Casey regards the war in Cambodia and Laos as a clear case of foreign invasion, since the Communist troops fighting there come from across the border of Vietnam, which is politically, ethnically, and culturally distinct and separate from Laos and Cambodia. He further states that he believes the French will no longer oppose this kind of direct appeal:

I would expect the French attitude to be different now from a month or two ago.

Mr. President, this is the second effort by governments other than our own to bring the southeast Asia crisis before the United Nations, which, as all of us know, has been established to deal with threats to the peace. Thailand has also submitted an appeal to the United Nations. Secretary Dulles last week made it clear that the United States will support the Thailand resolution. The Security Council will debate it this week.

Since April 20, there has been pending before the Senate Foreign Relations Committee a resolution calling for United States action to take the Indochina war before the United Nations. I submitted the resolution (S. Res. 232) in the hope that it would provide the President with a legislative instrumentality by which he could move to bring the United Nations peace-enforcement machinery to bear even before the disastrous Geneva conference began. There has been no action on the resolution.

The Geneva Conference is now approaching its end. Today I repeat my plea to the President to bring this terrible conflict before the United Nations. He does not need Senate action on my resolution, of course, in order to accomplish this. All he needs to do is to act within the provisions of the charter.

Once again I call attention to a gap in our diplomatic defenses in southeast Asia. The United States still does not have an ambassador or minister in the capitals of either Laos or Cambodia, although Cambodia is represented in Washington by an ambassador, and Laos by a minister. It seems to me that the very least the United States can do, to show its respect and support for the governments of these two small nations, is to send them full diplomatic representation, instead of depending, as now, on chargé d'affairs acting through the United States Embassy in the capital of Vietnam. If we have an ambassador at Saigon, why not an ambassador or a minister at the capitals of Laos and Cambodia?

Again I urge that the President appoint to these two states envoys of the same rank as the envoys which those two countries have in Washington.

Once more I repeat my strong belief that we should take steps at once to bring the Indochina crisis to the United Nations.

I ask unanimous consent that the New York Times article to which I have referred be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BID TO U. N. URGED IN INDOCHINA CASE—AUSTRALIAN FAVORS AN APPEAL BY LAOS AND CAMBODIA ON COMMUNIST AGGRESSION

(By Tillman Durdin)

GENEVA, June 13.—Richard G. Casey, Australian Minister for External Affairs, advocated tonight that the United Nations deal with Vietminh's aggression in the Indochinese states of Cambodia and Laos.

He said Australia would support the two countries in a direct appeal to the world organization.

Mr. Casey, asserting that the warfare in Cambodia and Laos appeared to be a clear case of foreign invasion, said he could not understand how the Communists defended the presence of their forces since the Vietminh troops involved were Vietnamese. He pointed out that Cambodia and Laos were racially and culturally different from neighboring Vietnam.

Asked whether Cambodia and Laos contemplated a United Nations appeal, Mr. Casey replied: "I think you will find that the idea originated with them."

TALKS IN INDIA AND PAKISTAN

The Australian, who arrived here yesterday afternoon, had been in Geneva for the opening stages of the conference on Far-Eastern affairs, but returned home for the recent national elections. He has resumed leadership of the Australian delegation.

Mr. Casey had stopped off in New Delhi for discussions with Jawaharlal Nehru, India's Prime Minister. He also visited Karachi for talks with Pakistani leaders.

Since his arrival Mr. Casey has conferred with Anthony Eden, British Foreign Secretary, and Gen. Walter Bedell Smith, United States Under Secretary of State. This afternoon he participated in a conference with Mr. Eden, General Smith, and Jean Chauvel, French Ambassador to Switzerland, on allied strategy in the talks on Indochina.

Mr. Casey's advocacy of an appeal by Cambodia and Laos came as the Indochinese phase of the conference—like that on Korea—faced a gloomy and uncertain outlook. British sources said the views expressed yesterday by Vyacheslav M. Molotov, Soviet Foreign Minister, in a private talk with Mr. Eden, had not given any basis for optimism. The British official, who decided not to see Mr. Molotov again today as he originally planned, felt he should report to the allied delegations prior to another meeting with the Russian.

Accordingly, Mr. Eden conferred this afternoon with General Smith and M. Chauvel, who is heading the French delegation in the absence in Paris of Georges Bidault, French Foreign Minister. Mr. Casey, who was talking with Mr. Eden when the French and United States officials arrived, was asked to join the meeting.

No details were made public about the talks at Mr. Eden's villa. It was announced, however, that he probably would meet Mr. Molotov again tomorrow in another effort to establish a basis for further conferences on Korea and Indochina.

Most non-Communist delegations here see little scope for further discussions on Indochina as long as the Communists hold to the view that they should have a veto in armistice-control groups and insist on treating Vietminh activity in Cambodia and Laos on the same basis as that in Vietnam. The Communists' stand on these issues, as well as their insistence on a political settlement in Indochina in conjunction with an armistice, was reiterated by Mr. Molotov in his talk with Mr. Eden.

The French Cabinet crisis continued today to provide another depressing factor in Allied circles. M. Bidault was reported in French quarters to be planning to be back in Geneva tomorrow, but the extent of his authority to speak for France was highly uncertain.

The Australian Minister said it was difficult to see what could be achieved by further negotiations with the Communists and declared their attitude had strengthened cooperation among the non-Communist powers. He said if the Geneva talks failed, the time would approach for discussing firm defensive arrangements in southeast Asia.

Asked if this would involve drawing a definite defense line, Mr. Casey replied in the affirmative.

Commenting on the fact that heretofore France had opposed a direct appeal to the United Nations by any of the Indochinese states, he said: "I would expect the French attitude to be different now from a month or two ago."

INTERNATIONAL UNITY—ADDRESS BY THE SECRETARY OF STATE

Mr. SMITH of New Jersey. Mr. President, in the course of his recent trip in the West the Secretary of State, the Honorable John Foster Dulles, delivered an address entitled "International Unity" before the 45th annual convention of the Rotary International at the Civic Auditorium in Seattle, Wash., on June 10. I ask unanimous consent that this important address be printed at this point in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is inspiring to see here the representatives of many different countries. You are here because you share the ideals represented by the Rotary International. Thus diversity manifests unity.

Diversity often seems a troublesome fact. But the richness of life is, above all, due to differences. No two human beings are exactly alike. Each of us is in this sense a minority—a minority of one. On the other hand, there are elements of likeness which bind all mankind together in the brotherhood of a single human family.

There is no problem more difficult than that of trying to build unity on a foundation of diversity. I often have to speak of that at congressional hearings which deal with appropriations for mutual security and foreign aid. I have there emphasized that we should not limit our friendly cooperation to those who agree with us on all points. A free society, I have pointed out, implies difference.

On the other hand, we must not be blind to the fact that differences can mount to a point where they become a real danger. The degree of difference that is tolerable depends on the degree of peril, and there come times when differences must be voluntarily submerged.

Perhaps today there is too much difference between the members of the non-Communist world. Certainly the differences seriously multiply the burden of conducting foreign affairs.

However, we can rejoice in the fact that we can maintain the lofty goal of fruitful coexistence between difference and unity. The Communists have given up in despair trying to achieve that goal. They have adopted a materialistic creed which exalts conformity and which treats human differences as evils to be forcibly suppressed. The dictatorship of the proletariat determines what each individual shall do, where and how he and she shall work, what they shall think, and what they shall believe. In that way they get a kind of unity. It is, however, a unity which is bought at a terrible price, the price of denying the dignity and worth of the individual human being.

Rather than pay that price we should accept all the burdens and the frequent failures which inevitably result from trying to combine unity and diversity. Also we can know that in this matter time works for us. There are circumstances under which conformity can be imposed, perhaps for long. But no iron discipline, no police state system, can overcome the spiritual and natural forces which make men different. Those who stake their future on enforced conformity are bound to fail.

THE UNITED NATIONS

It is, however, not enough to rejoice in our difference. We must find ways whereby, despite differences, we can cooperate. In an era when science has almost obliterated distance it is inevitable that men should create institutions for association. Of these, the most significant is the United Nations.

There are, I know, many who are discouraged about the United Nations because they feel it represents too much difference. Some would prefer to have the membership reduced so that the residual would represent greater conformity. I admit that the present differences, coupled with present voting procedures, impair the utility of the United Nations as an active body. But this could be remedied without constantly reducing membership as a means to gain efficiency.

KOREA

That the United Nations can set forces in motion was shown in Korea. There, for the first time in history, an international organization actually acted to meet aggression and to throw it back. Sixteen members joined with the Republic of Korea to fight until the aggressors had been thwarted and the situation was such that the United Nations felt that it had achieved those objectives which justified the use of force. Then the United States, acting an behalf of the United Nations, negotiated an armistice. Now, at Geneva, we have joined with the Republic of Korea and others to seek a peace which will unify Korea in freedom.

The Communist aggressor group insist, however, that any solution shall be on terms which exclude the United Nations as being itself a wrongdoer because it opposed their aggression.

I do not believe that this is an issue which should be compromised. Many men from many lands have gone to Korea and have died there in battle. They did so, not because their nations had been specifically pledged to defend Korea but because Korea symbolized a principle of universal application. They sought to develop the authority and prestige of the United Nations as an international force for the peace, security, and justice of all.

The Korean war had better not been fought if in the end the aggressors and their accomplices succeed at Geneva in destroying the United Nations.

INDOCHINA

A second political matter which today causes much concern is the war in Indochina. There the State of Vietnam is the prey of violent forces of rebellion, promoted and equipped from without. The States of Laos and Cambodia have been invaded, and Thailand is threatened.

It may be asked why this situation has not before now been brought to the United Nations. I can assure you that this ignoring of the United Nations was not the choice of the United States.

Now, however, Thailand, one of the members of the United Nations, has taken its situation to the United Nations and has asked the Security Council to send a peace observation commission to the area. Thailand has our strong support in this matter. Last week the Security Council placed the matter on its agenda by a vote of 10 to 1, the sole dissent coming from the Soviet Union.

It has been suggested that an affirmative response to Thailand's appeal might in some way impede the negotiations at Geneva with reference to possible peace in Indochina. That argument has little validity. A peace observation commission has no authority to make decisions. It is a reporting body. It is the eyes and ears of the world community. It is difficult to see why the negotiations at Geneva would be impeded by the fact that representatives of the United Nations were in the area reporting what was going on. Knowledge has never yet been an impediment to honest negotiation.

COLONIALISM

There is another aspect of the United Nations Charter to which I would refer. That is its declaration favoring increasing self-government by dependent peoples. This provision and the related provisions on trusteeship were largely a product of United States effort.

It was natural that the United States should have taken a lead in this matter. We ourselves are the first colony in modern times to have won independence. We have a natural sympathy with those everywhere who would follow our example.

During recent years Communist propaganda has concentrated on efforts to portray the United States as an imperialist colonialist power. The charge is based upon our close and friendly association with Great Britain, France, and other western European powers which have been, and to some extent still are, colonial powers.

However, it should not be forgotten that during the last 9 years the western colonial powers have given effect to the United Nations Charter pledge to the extent of granting complete political independence to over 600 million people now constituting 10 independent nations. Those who most loudly attack colonialism have themselves, during this same 9-year period, extended their despotism to over 600 million pepole and deprived all or part of 11 once-free nations of any semblance of genuine independence.

Never before has the art of the "big lie" been so boldly practiced.

I would not have you think that we are complacent about the colonial situation. Abuses persist, and there has been a slowing down of the process of granting increased self-government. That, however, is largely due to the Soviet Communist strategy of using nationalism as a device whereby it can absorb the colonial peoples.

That plot is in active operation. Throughout the newly liberated areas and those which seek liberty Communists operate, usually disguised as local patriots. They are, in fact, the new imperialist colonialists.

What is going on in Indochina is a classic example of this Communist strategy. There, a Moscow-indoctrinated Communist, Ho Chi Minh, was sent first to China and then to Indochina to exploit the nationalistic aspirations of the people. In Indochina, he utilized a revolutionary movement that attracted much genuine native support. He committed it to a violent effort which could only succeed with the aid of training and supplies from the Communist countries. This created a dependence upon external Communist support such that if any of the peoples of Vietnam, Laos, or Cambodia should now end in the control of Ho Chi Minh, they would not, in fact, be independent. They would be amalgamated into the Soviet-Chinese Communist orbit under a ruthless dictatorship, accepting the iron discipline of the Soviet Communist Party as the self-proclaimed "general staff of the world proletariat."

In much of the world the conditions created by Communist strategy are such that the realization of genuine independence has become a task of infinite difficulty and delicacy.

I can assure you of two things:

1. The United States is pushing for self-government. We do so more than is publicly known, for in these matters open pressures are rarely conducive to the best results.

2. When we exercise restraint, it is because of a reasoned conviction that quick action would not, in fact, produce true independ-

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ence. Indeed, in some situations hasty action would spell confusion and division which would be the transition to a captivity far worse than present dependence.

The United States some time ago outlined the conditions, which, in its opinion, would justify the creation of a collective defense of Southeast Asia. At the head of the list of those conditions was the stipulation that there must be assurance that the French will, in fact, make good on their July 3, 1953, declaration of intention to grant complete independence. The United States will never fight for colonialism.

COLLECTIVE SECURITY SYSTEMS

The United States, in addition to its loyal membership in the United Nations, is also a member of various regional and security arrangements. These are authorized by the United Nations Charter, and they operate within the framework of that charter. The two major security arrangements are that created by the Rio Pact of the Americas, with 21 members nations, and that created by the North Atlantic Treaty, with 14 members.

It is, perhaps, unfortunate that security has to be sought other than in the United Nations itself. The United Nations Security Council was designed to have "primary responsibility for the maintenance of international peace and security." But it is not dependable because of the veto power. In the case of the aggression against Korea, the Security Council was able to function because the Soviet Union was at that time boycotting the Security Council. In the main, however, the veto power has been so misused by the Soviet Union, which has cast 58 vetoes, that the Security Council is not dependable.

Because of this paralysis of the Security Council, certain nations, which were bound together by ties of fellowship and of common danger, have organized for their collective security under article 51 of the United Nations Charter.

These organizations also face their problems. Indeed, both the North Atlantic Treaty Organization and the Organization of American States Treaties face difficult tests.

NATO

In Western Europe, the North Atlantic Treaty Organization has been built on the assumption that there would be created a unity in Western Europe which would embrace both France and Germany and end the possibility of such differences as, in the past, have led to recurrent wars of ever-growing intensity. To that end, the French proposed a European Defense Community. It would comprise six nations of Western Continental Europe, which would create a European army, which in Europe would wholly replace their national armies. This would mean that there would not be in Europe separate armies of France and Germany, but that in Europe the military forces of both countries would be merged with that of other forces into a European force, not subject to national direction and not usable to serve national ambitions.

After extended negotiation, a treaty to create the European Defense Community was signed a little over 2 years ago. Within the last year, the process of ratification has been completed by 4 of the 6 signatory nations. The United Kingdom and the United States have ratified the interdependent treaties with West Germany and have formally pledged close political and military association with the EDC. However, ratification by France and Italy is still in suspense. In both of these countries the opponents of EDC, fearing the results of a vote, have pursued delaying tactics. Meanwhile, tension is reappearing between countries of continental Europe, and there is danger that the old forces of divisive hatred will again gain control and recreate the conditions which have, in the past, bred war. The time for unity is fast running out.

The United States has in recent years made a tremendous investment in Western Europe.

In 1917, when it seemed that Europe might fall under the militaristic rule of the German Kaiser, we joined the battle and, through a great outpouring of manpower and economic resources, helped to turn back the despotic threat.

Again in 1940, when much of Europe had been overrun by the armies of Nazi Germany, the United States threw its weight into the scales and went on to play a major part in rolling back that new threat of despotism.

During the postwar period we underwrote a gigantic economic and military program in aid of Europe, represented by the Marshall plan and the buildup of the North Atlantic Treaty Organization.

These three efforts, within a single generation, have cost us much. There is scarcely a village in the United States that does not display a roll of honor listing the names of their young men who died fighting in defense of Western civilization. Our national debt has grown from about $3 billion in 1917 to about $260 billion at the present time. The greater part of that represents the economic cost of the three efforts I have described.

United States policy with respect to Europe is based on a strong and viable Europe which increases the security of the United States and the remainder of the free world. However, it is fundamental that Europe itself must furnish the preponderant strength to insure its own security. This, we believe, is only possible if the resources of the individual nations of Western Europe are joined together. In other words, Europe must make best collective use of its individual capabilities if it is to attain real strength. The additional resources which the United States can devote to building this strength will be meaningless if they are not combined with the resources of a Western Europe which is organized on the principle of unity. If Western Europe is to remain divided and hence perpetually weak, then there may have to be a basic shift in United States policy. I hope and believe that this necessity will be spared us. But it would be foolish not to recognize the gravity of the issues which now test the North Atlantic Organization.

THE AMERICAS

In the Americas also, a testing is in process. Our hemisphere has been relatively free from strife because there has been respect for the principles which, 130 years ago, were laid down by President Monroe and the great leaders in other American States. There were two basic principles, the first being that the American States would not tolerate an expansion in this hemisphere of the colonial domains of the European powers. The second was that they would not tolerate the extension to this hemisphere of the political system of any despotic European power.

These principles have been embodied in various multilateral treaties and declarations of the American States.

At the tenth inter-American conference, held at Caracas, Venezuela, last March, it became the unpleasant duty of the American States to declare that if international communism gained control of the political institutions of any American state, that would threaten all the American states and endanger the peace.

Only one of the American states voted against that resolution. That was Guatemala. Subsequently, the Communists shipped to Guatemala, from behind the Iron Curtain, a large amount of munitions of war. This was done surreptitiously through the use of false manifests and false clearances.

It is obvious that the alien intervention, which led to the Declaration of Caracas, has become more pronounced and the subservicency of one of the American states to alien despotism has been increased.

Efforts are being made to obscure this very serious problem. It is alleged that the real concern of the United States in Guatemala is not international communism but the protection of United States investments. Several months ago this Government suggested that the dispute between the Guatemalan Government and the United Fruit Co. be submitted to an international court of arbitration. We hope that that suggestion will be accepted by the Guatemalan Government. However, let me emphasize this. If the problem of United States investors in Guatemala were to be solved tomorrow to the entire satisfaction of all parties the attitude of the United States Government with respect to the dangers of Communist penetration in this hemisphere—and in Guatemala in particular—would remain precisely the same.

I hope that the Organization of American States will be able to help the people of Guatemala to rid themselves of the malignant force which has seized on them. As a member of this organization, the United States inevitably takes a sympathetic interest in the courageous efforts of Guatemalans in all walks of life to ward off Communist attempts to destroy the freedom and independence of Guatemala. If they do not succeed, the whole body of the Organization of American States may be corrupted and we shall see in the American continents the same forces which have brought war and captivity and misery to so many hundreds and millions in Europe and Asia.

That is the evil design. I believe that it will be thwarted by peaceful, collective processess. If so, the Organizations of American States will attain a new stature and exert a new influence. The American Republics will have shown that diversity can unite so that it produces, not confusion, but enlightened action.

THE UNITED STATES ATTITUDE

Let me in conclusion say a word or two about the attitude of my own country, its government and its people, toward these international problems.

We do not assume that we have any mandate to run the world. Nothing indeed would be less in keeping with our traditions and our ideals.

The founders of this Nation breathed into it a sense of mission. They called on our people to show others, by conduct and example, that a free society could produce good fruits. That has been and still is our basic foreign policy. Twice, during this generation, we have departed from our tradition by developing vast military power and using it abroad. Our sea, air and land forces were spread over the surface of much of the globe. In both cases, as soon as the common peril was ended, we brought our forces home, and we largely dismantled our military establishment. We sought to turn back to concentration upon our own affairs.

We now see that, under modern conditions, there exists a large degree of interdependence. We recognize that we have a measure of power which carries with it certain responsibilities. We are basically a religious people, who believe in the brotherhood of man and in the need to practice the Golden Rule. That leads us to be willing to help others to gain the conditions of security which will help them to realize ideals which they have in common with us.

To say that, however, is far short of saying that the United States accepts a responsibility for all that takes place throughout the world. We do not accept the view that whenever there is trouble anywhere, that is the fault of the United States and we must quickly fix it.

The United States does not believe that it can alone solve problems elsewhere. The

possibilities of solution lie primarily with the peoples directly concerned. It sometimes seems that others deliberately indulge themselves in irresponsible conduct on the theory that the United States will prevent this having serious consequences.

Our role is often misconceived. This is, perhaps, inevitable. It is not readily understood that a nation should take so enlightened a view of its own self-interest that it does much for others without seeking for itself any extension of its political power or national domain. Our motives are sometimes openly suspected. That makes it hard for us here at home to pursue a steady course. However, I hope and believe that we shall continue in our traditional way. None need fear that we shall develop an unhealthy lust for power. Also, I believe that we shall persist in helping others to help themselves gain peace and security and better standards of life in larger freedom.

THE PACIFIC OCEAN—ADDRESS BY THE SECRETARY OF STATE

Mr. SMITH of New Jersey. Mr. President, in the course of his recent trip in the West, the Secretary of State, the Honorable John Foster Dulles, delivered an address on the situation in the Pacific, when speaking before the Los Angeles World Affairs Council, at the Biltmore Hotel, in Los Angles, Calif., on June 11. Because of the importance of this address by the Secretary of State, in connection with the present world tensions, I ask unanimous consent that the address be printed at this point in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE PACIFIC OCEAN

I

It seems appropriate here to speak of the Pacific Ocean. That is responsive to my deep interest derived both from inheritance and experience. My grandfather, as Secretary of State, negotiated the first Hawaiian Annexation Treaty and then he negotiated peace between China and Japan. In the last 4 years, I have dealt with the Pacific area in connection with the Japanese Peace Treaty and the Security Treaties with Australia, New Zealand, the Philippines, and Japan, and in relation to Korea. These missions have involved my crossing the Pacific 12 times.

II

For approximately 100 years, between 1830 and 1930, the United States had generally friendly relations with the nations on the other side of this vast ocean, and we faced no threat from that direction.

Since 1930 there has been a change for the worse.

The economic depression of 1929–30 cut Japan's foreign trade in half. It gave the Japanese extremists a chance to press their program for extending the Japanese Empire. In 1931, Japanese aggression began in Manchuria.

Our Government saw the serious implications of that move. Secretary of State Stimson proposed to other countries that there should be united action to restrain Japanese aggression. The answer, in Secretary Stimson's own words, was "a plain rebuff." Matters went from bad to worse until finally there came Pearl Harbor and the Japanese sweep through southeast Asia and the western Pacific.

It took 4 years of terrible war to reverse that situation. Now, happily, the island positions in the Pacific, for the most part, are no longer in hostile hands. Japan is a friendly power. However, on the mainland the situation is different.

When the Japanese surrender occurred, the Russian Red armies were allowed to penetrate deeply into China and Korea to accept the surrender of Japanese forces. Also, the Soviet Government took over the Manchurian railroads and Port Arthur and the Japanese northern islands, as had been agreed at Yalta. But, in violation of its express agreement, the Soviet gave vast Japanese war supplies to the Chinese Communist forces, so that by the end of 1949, they had gained control of substantially all of the China mainland.

In June 1950 the Communists from North Korea opened their military aggression, and in November 1950, the Chinese Communist regime launched its massive attack against the forces of the United Nations engaged in repelling the Korean aggression.

Also, the Chinese Communist regime has steadily increased material and technical aid to the Communist forces fighting in Indochina. Now at Geneva, the Chinese Communist delegation attacks the United States with venomous words and boldly charges the United Nations itself with being a tool of aggression.

Today, the vast Pacific is a friendly ocean only because the west Pacific islands and two peninsular positions are in friendly hands. Thus, the United States itself holds Okinawa, Guam, and other islands. Also we have security or defense arrangements covering the Philippines, Australia, New Zealand, Korea, Formosa, and Japan. We are giving supplies to the French Union forces in Indochina. But close behind this island and peninsular screen lies a mainland with many hundreds of millions of people under a despotic rule that is fantastically hostile to us and demonstrably aggressive and treacherous.

III

One problem which must particularly concern us is the economy of Japan, a chain of rocky islands whose area is about that of California.

Japan's population, now grown to 87 million, depends for its livelihood upon foreign trade. Trade is offered by the Communists—at a price. The price is that Japan—the only industrial power in Asia—should cease to cooperate with the United Nations and with the United States as it is now doing and should become a workshop where the abundant raw materials of Asia can be converted into implements for Communist use against the free world. Japan must trade to live, and if the free nations fail to make it possible for Japan to earn its way, then inevitably, though reluctantly, her people would turn elsewhere. This would be stupid from an economic standpoint and folly from a political standpoint. Japan is an excellent customer for our cotton, wheat, and rice. From a political standpoint it requires little imagination to visualize what would happen if Russia, China, and Japan become a united hostile group in the Pacific.

It was difficult enough for the United States to defeat Japan when Japan fought alone in the Pacific with China its enemy and Russia neutral. The free world must shun economic policies which would press Japan into becoming the ally or the tool of Communist China and Soviet Russia.

IV

At the moment, Indochina is the area where international communism most vigorously seeks expansion under the leadership of Ho Chi Minh. Last year President Eisenhower, in his great Chance for Peace address, said that "aggression in Korea and southeast Asia are threats to the whole free community to be met by united action." But the French were then opposed to what they called internationalizing the war. They preferred to treat it as a civil war of rebellion. However, on July 3, 1953, the French Government made a public declaration of independence for the three associated states, and in September it adopted the so-called Navarre plan, which contemplated a rapid buildup of national native forces. The United States then agreed to underwrite the costs of this plan.

But last winter, the fighting was intensified and the long strain began to tell in terms of the attitude of the French people toward a war then in its eighth year. Last March, after the siege of Dien Bien Phu had begun, I renewed President Eisenhower's proposal that we seek conditions which would permit a united defense for the area. I went to Europe on this mission and it seemed that there was agreement on our proposal. But when we moved to translate that proposal into reality, some of the parties held back because they had concluded that any steps to create a united defense should await the results of the Geneva Conference.

Meanwhile, the burdens of a collective defense in Indochina have mounted. The Communists have practiced their usual dilatory tactics at Geneva, while intensifying their fighting in Indochina. The French and national forces feel the strain of mounting enemy power on their front and of political uncertainty at their rear. I told the Senate Foreign Relations Committee last week that the situation is grave but by no means hopeless. The future depends largely on decisions awaited at Paris, London, and Geneva.

The situation in Indochina is not that of open military aggression by the Chinese Communist regime. Thus, in Indochina, the problem is one of restoring tranquillity in an area where disturbances are fomented from Communist China, but where there is no open invasion by Communist China. This task of pacification, in our opinion, cannot be successfully met merely by unilateral armed intervention. Some other conditions need to be established. Throughout these Indochina developments, the United States has held to a stable and consistent course and has made clear the conditions which, in its opinion, might justify intervention. These conditions were: an invitation from the present lawful authorities; clear assurance of complete independence to Laos, Cambodia, and Vietnam; evidence of concern by the United Nations; a joining in the collective effort of some of the other nations of the area, and assurance that France will not itself withdraw from the battle until it is won.

Only if these conditions were realized could the President and the Congress be justified in asking the American people to make the sacrifices incident to committing our Nation, with others, to using force to help restore peace in the area.

Another problem might, however, arise. If the Chinese Communist regime were to show in Indochina or elsewhere that it is determined to pursue the path of overt military aggression, then the situation would be different and another issue would emerge. That contingency has already been referred to publicly by the President and myself. The President, in his April 16, 1953, address, and I myself, in an address of September 2, 1953, made clear that the United States would take a grave view of any future overt military Chinese Communist aggression in relation to the Pacific or southeast Asia area. Such an aggression would threaten island and peninsular positions which secure the United States and its allies.

If such overt military aggression occurred, that would be a deliberate threat to the United States itself. The United States would, of course, invoke the processes of the United Nations and consult with its allies. But we could not escape ultimate responsibility for decisions closely touching our own security and self-defense.

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There are some, particularly abroad, who seem to assume that the attitude of the United States flows from a desire for a general war with Communist China. That is clearly false. If we had wanted such a war, it could easily have been based on the presence of Chinese aggressors in Korea. But last July, in spite of difficulties which at times seemed insuperable, we concluded a Korean armistice with Communist China. How could it be more surely demonstrated that we have both the will to make peace and the competence to make peace?

Your Government wants peace, and the American people want peace. But should there ever be openly launched an attack that the American people would clearly recognize as a threat to our own security, then the right of self-preservation would demand that we—regardless of any other country—meet the issue squarely.

▼

It is the task of statesmanship to seek peace and deter war, while at the same time preserving vital national interests. Under present conditions that dual result is not easy to achieve, and it cannot be achieved at all unless your Government is backed by a people who are willing, if need be, to sacrifice to preserve their vital interests.

At the Geneva Conference I said: "Peace is always easy to achieve—by surrender." Your Government does not propose to buy peace at that price. We do not believe that the American people want peace at that price. So long as that is our national will, and so long as that will is backed by a capacity for effective action, our Nation can face the future with that calm confidence which is the due of those who, in a troubled world, hold fast that which is good.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The clerk will state the first committee amendment passed over.

The LEGISLATIVE CLERK. On page 16, after line 13, it is proposed to insert:

SEC. 111. Any person appointed to the Foreign Service shall receive basic salary at one of the rates of the class to which he is appointed which the Secretary of State shall, taking into consideration his age, qualifications, and experience determine to be appropriate for him to receive.

SEC. 112. The Secretary of State hereafter is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, to place 1 position in grade GS–18, 4 positions in grade GS–17, and 3 positions in grade GS–16 in the General Schedule established by the Classification Act of 1949, and such positions shall be in addition to those positions in the Department of State presently allocated in grades GS–16, GS–17, and GS–18.

The PRESIDING OFFICER. For the information of the Senate, the clerk will read the unanimous-consent agreement entered into in regard to the pending appropriation bill.

The legislative clerk read as follows:

Ordered, That following the morning business on Monday, June 14, during the further consideration of H. R. 8067, making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes, debate on any amendment or motion (including appeals) shall be limited to not exceeding 60 minutes, to be equally divided and controlled, respectively, by the mover of any such amendment or motion and the Senator from New Hampshire [Mr. BRIDGES] in the event he is opposed to such an amendment or motion; otherwise, by the mover and the minority leader or some Senator designated by him: *Provided*, That no amendment that is not germane to the subject matter of the said bill shall be received: *And provided further*, That debate upon the bill itself shall be limited to not exceeding 1 hour, to be equally divided and controlled, respectively, by the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Texas [Mr. JOHNSON]. (June 11, 1954.)

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. What is the pending amendment?

The PRESIDING OFFICER. The pending amendment is the first committee amendment passed over, on page 16, after line 13, to insert a new section 111.

Mr. JOHNSON of Texas. Am I correct in my understanding that I control the time in opposition to the amendment?

The PRESIDING OFFICER. The Senator from Texas controls one-half hour of time, and the Senator from New Hampshire [Mr. BRIDGES] the remaining half hour.

Mr. JOHNSON of Texas. I yield 5 minutes to my distinguished colleague, the Senator from Montana [Mr. MANSFIELD].

The PRESIDING OFFICER. The Senator from Texas yields 5 minutes to the Senator from Montana. The Senator from Montana is recognized.

THE HYDROGEN BOMB TESTS IN THE PACIFIC AND PROTESTS BY THE MARSHALLESE PEOPLE

Mr. MANSFIELD. Mr. President, scientists of the United States have supervised more than 40 thermonuclear tests and each time that the photos and results were released to the public, everyone became properly impressed by the vast destructive potential of the atomic and hydrogen devices. Each time the bombs are improved and perfected, they have far greater destructive capacity than those dropped on Hiroshima and Nagasaki.

The average person does not realize the vast power of these weapons, but the most recent tests have brought the consequences a little closer to home. The March 1 hydrogen explosion in the Marshall Islands surpassed the expectations of the United States scientists who devised it, and 379 Americans, natives, and Japanese fishermen were exposed to radiation in this blast. The explosion was from 600 to 700 times greater than that of the atomic bomb that killed 60,000 persons at Hiroshima in World War II.

Damage to the Japanese fishing industry and the harm caused to those affected by radiation may have been exaggerated in some cases, but at the same time it makes one stop and think about this newest of scientific explorations into the unknown areas of massive destruction. The next series of tests may prove to be far more destructive.

The peoples of the Marshall Islands have appealed to the United Nations for action to halt future tests in their area of the Pacific because some of their people have been exposed to radiation and there are a number of their people who have been moved from their home islands.

This petition from the Marshall Islands should receive utmost consideration and concern. During World War II the Marshall Islands were controlled by the Japanese and were developed into military bases and the local peoples were subjected to a great deal of hardship. The United States is now the governing body under the United Nations, but the peoples of these islands are still being moved about because of the atom- and hydrogen-bomb tests with the islands.

Kwajalein Island is being kept for military use. Bikini and Eniwetok were taken away for atomic-bomb tests and their inhabitants were moved to Kili Island and Ujelang Atoll. Two hundred and thirty-six inhabitants of Rongelab and Uterik suffered ill effects from the recent thermonuclear tests in the Pacific proving grounds. They suffered in various degrees from lowering of blood count, burns, nausea, and the falling out of hair from the head and no one can promise their recovery with any degree of certainty. These people have been moved from their home islands to Kwajalein. The islanders are perfectly within their right to ask what next.

The peoples of the Marshall Islands are to be admired for the restraint and moderation with which they have presented their petition, as they have substantial reason to complain.

In addition to their fear of possible miscalculations in any future hydrogen tests, the natives of the Marshall Islands are very much concerned over the increasing number of people who are removed from their land. To be sure, these people will be reimbursed for any financial loss or hardship, but that is not enough. The land is the very life of the people and they want to be reestablished in their original habitat.

United States Ambassador Henry Cabot Lodge has issued a statement assuring the Marshallese and the United Nations that United States authorities are doing everything humanly possible to take care of everyone who was in the area affected by the unexpected falling of radioactive materials caused by a shift in the wind during the March 1 test.

The 1954 series of tests are over and only a limited few know when and where the next tests will be. I sincerely hope that top consideration will be given to the people who may be displaced or subjected to possible harmful aftereffects as a result of additional tests of lethal weapons. We experiment daily with new devices and weapons, but we must be extremely cautious when it comes to

experimenting with weapons that involve the safety of human lives and their homes.

Ambassador Lodge's statement before the United Nations has done little to console the Marshallese for their loss. The fact that the AEC has concluded its tests in the Pacific for 1954, is no assurance that they will not resume similar tests in 1955 and again place the lives and homes of the islanders in jeopardy.

How can the people of the Marshall Islands place any faith in the assertions that the scientists "will do everything possible to prevent recurrences" when it is known that the power of the hydrogen weapons cannot be kept completely under control? No one can control the elements of nature that may alter conditions at the last moment. A sudden shift in the wind, as occurred in the March test, can cause radioactive contamination far beyond the danger zone.

We should be assuming a responsible attitude toward the damage that has been done, but, instead, we have sought to minimize the situation. How can anyone assure any of these people that there will be no after effects on their general health because of the falling of radioactive material while at the same time they are suffering from a lowering of the blood count, falling out of hair, burns, and nausea?

The American heritage is based on the protection of the right, lives, and property of individuals. What are we doing in this situation? We are assuming the shameful position of denying individual rights to the peoples of the Marshall Islands whom we are obligated under the trusteeship agreement to protect.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks the following documents: Copy of the petition from the Marshallese people to the United Nations; a copy of the statement issued by Ambassador Henry Cabot Lodge; editorial entitled "A Retreat From Horror," published in the Christian Science Monitor of March 26, 1954; article entitled "Natives Call Selves Poisoned People," written by William J. Waugh, and published in the Washington Post and Times Herald of June 10, 1954; and an article entitled "Marshalls Fear Lagoons' Loss as Biggest H-Bomb Danger," published in the Washington Evening Star of June 10, 1954.

There being no objection, the petition, statement, editorial, and articles were ordered to be printed in the RECORD, as follows:

PETITION FROM THE MARSHALLESE PEOPLE CONCERNING THE PACIFIC ISLANDS

APRIL 20, 1954.

To: The United Nations.
From: The Marshallese people.
Subject: Complaint regarding the explosion of lethal weapons within our home islands.

The following should not be misconstrued as a repudiation of the United States as our governing agency for the United Nations under the trusteeship agreement, for, aside from the complaint registered in this petition, we have found the American administration by far the most agreeable one in our memory. But in view of the increasing danger from the experiments with deadly explosives thousands of times more powerful than anything previously known to man, the lethal effects of which have already touched the inhabitants of two of the atolls in the Marshalls, namely, Rongelab and Uterik, who are now suffering in various degrees from "lowering of blood count," burns, nausea, and the falling off of hair from the head, and whose complete recovery no one can promise with any certainty, we, the Marshallese people feel that we must follow the dictates of our consciences to bring forth this urgent plea to the United Nations, which has pledged itself to safeguard the life, liberty, and the general well-being of the people of the trust territory, of which the Marshallese people are a part.

The Marshallese people are not only fearful of the danger to their persons from these deadly weapons in case of another miscalculation, but they are also very concerned for the increasing number of people who are being removed from their land.

Land means a great deal to the Marshallese. It means more than just a place where you can plant your food crops and build your houses; or a place where you can bury your dead. It is the very life of the people. Take away their land and their spirits go also.

The Marshall Islands are all low coral atolls with land area where food plants can be cultivated quite limited, even for today's population of about 11,000 people. But the population is growing rapidly; the time when this number will be doubled is not far off.

The Japanese had taken away the best portions of the following atolls: Jaluit, Kwajalein, Eniwetok, Mille, Maloelap, and Wotje to be fortified as part of their preparation for the last war, World War II. So far, only Imedj Island, on Jaluit Atoll, has been returned to its former owners.

For security reasons, Kwajalein Island is being kept for the military use. Bikini and Eniwetok were taken away for atomic-bomb tests, and their inhabitants were moved to Kili Island and Ujelang Atoll, respectively. Because Rongelab and Uterik are now radioactive, their inhabitants are being kept on Kwajalein for an indeterminate length of time. "Where next?" is the big question which looms large in all of our minds.

Therefore, we, the members of the Marshallese Congress Holdover Committee, writers of this petition, who are empowered by the Marshallese Congress to act in its name when it is not in session, and which is in turn a group of members representing all the municipalities in the Marshalls, due to the increasing threat to our life, liberty, happiness, and possession of land, do hereby submit this petition to the United Nations, with the hope that it will act on our urgent plea. Thus, we request that—

1. All the experiments with lethal weapons within this area be immediately ceased.

2. If the experiments with said weapons should be judged absolutely necessary for the eventual well being of all the people of this world and cannot be stopped or changed to other areas due to the unavailability of other locations, we then submit the following suggestions:

(a) All possible precautionary measures be taken before such weapons are exploded. All human beings and their valuable possessions be transported to safe distances first, before such explosions occur.

(b) All the people living in this area be instructed in safety measures. The people of Rongelap would have avoided much danger if they had known not to drink the waters on their home island after the radioactive dusts had settled on them.

(c) Adequate funds be set aside to pay for the possessions of the people in case they will have to be moved from their homes. This will include lands, houses and whatever possessions they cannot take with them, so that the unsatisfactory arrangements for the Bikinians and Eniwetok people shall not be repeated.

(d) Courses be taught to Marshallese medical practitioners and health-aides which will be useful in the detecting of and the circumventing of preventable dangers.

We would be very pleased to submit more information or explain further any points we have raised that may need clarifications.

The Marshallese people who signed this petition are on the following sheets, divided in the following manner: The first group are members of the Marshallese Congress Hold-Over Committee. The second group are some of the many interested Marshallese citizens. The name of each person appears on the left-hand side and his or her home atoll and occupation on the right-hand side opposite the signature.

If more signatures are needed we will promptly supply them. The only reason we are not supplying more now is because to do so would mean a delay of some 3 months, the time necessary to make complete circuit of our far-flung atolls and islands by ship.

MEMBERS OF THE MARSHALLESE CONGRESS HOLD-OVER COMMITTEE, HOME ATOLL, AND OCCUPATION

(1) Kabua Kabua, Ailinglapalap, district judge, Marshall Islands; (2) Atlan Anien, Namu, teacher; (3) Dwight Heine, Ebon, superintendent of schools, Marshall Islands; (4) Robert Reimers, Jaluit, businessman; (5) C. Dominick, Likiep, businessman; (6) Namu Ermius, Aur, Maloelap, Wotje, Ailuk, and Uterik, senior clerk, Marshall Administration; (7) Henry Samuel, Majuro, medical practitioner, by Joab, cousin (maternal parallel); (8) Jiblok, businessman, by Dorothy K., sister; (9) Aisala David, Majuro, magistrate, Majuro Atoll, by Dorothy K., mother; (10) Amata Kabua, Majuro, teacher; (11) Lazarus Simon, Majuro, scribe, Majuro Atoll; and 100 other interested Marshallese citizens.

STATEMENT BY AMBASSADOR HENRY CABOT LODGE, JR., REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS, CONCERNING THE MARSHALLESE PETITION ON THERMONUCLEAR TESTS IN THE PACIFIC TRUST TERRITORY

MAY 14, 1954.—The United States Government is very sorry indeed that some inhabitants of the Marshall Islands apparently have suffered ill effects from the recent thermonuclear tests in the Pacific proving grounds, as described in the petition to the United Nations. This is a matter of real and deep concern to the American people and Government, who take very seriously our responsibilities toward the inhabitants of the Trust Territory of the Pacific Islands.

I can assure them, as well as the members of the United Nations, that the authorities in charge are doing everything humanly possible to take care of everyone who was in the area affected by the unexpected falling of radioactive materials caused by a shift in the wind during the March 1 test.

The 236 Marshallese citizens in the affected area were immediately given the same medical examination as the American personnel of the test group who were similarly exposed. They were promptly evacuated to the United States naval station at Kwajalein, where their needs were immediately provided for by the United States Navy. In addition, a team of medical experts from the Atomic Energy Commission, United States Navy and Army, was promptly formed and sent to Kwajalein—the services of the American Red Cross office at Kwajalein were enlisted—to assure any necessary medical attention and care for the personal well-being of all concerned. They are remaining under close observation and any of them who may need it will continue to receive the best medical attention.

I am informed that there is no medical reason to expect any permanent after effects

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on their general health, due to the falling of radioactive materials.

The United States Government considers the request and the suggestions of the petitioners both reasonable and helpful. The restraint and moderation with which they have been presented evokes admiration and sympathy.

Regarding the petitioners' request, that "all experiments with lethal weapons within this area be immediately ceased," attention is called to the United States Government's announcement of May 13 that "the 1954 series of tests * * * have been completed," and that "within a few days sea and air traffic may be safely resumed within the 'warning area' which was set up for safety purposes for the time when the tests were taking place. Official notice to mariners and airmen will be published."

As the petitioners rightly imply, the United States would not have been conducting such tests if it had not been determined after very careful study that they were required in the interests of general peace and security. The selection of test sites in this particular area was made only after very careful examination of the alternative possibilities, and in an effort to insure that the tests were carried out with least possible danger. It will be recalled that, pursuant to the provisions of the trusteeship agreement which designate the trust territory as a strategic area, the United States notified the United Nations on April 2, 1953, that the area of the Pacific proving grounds was being closed for security reasons in order to conduct necessary atomic experiments.

Let me also assure all the inhabitants of the Pacific trust territory, and the members of the United Nations, that the United States authorities are doing everything possible to prevent any recurrence of possible danger. The United States Government is taking and will continue to take "all possible precautionary measures * * * before such weapons are exploded," as suggested by the Marshallese citizens. We also agree that "all people in the area be instructed in safety measures," and that instructions be given to Marshallese medical practitioners and health aides which will be useful in detecting danger and avoiding harm.

Further, it is reasonable and right, as the petitioners suggest, that any Marshallese citizens who are removed as a result of test activities, will be reestablished in their original habitat in such a way that no financial loss would be involved.

The United States Government, and the officials immediately concerned with the administration of the territory, greatly appreciate the words of commendation of the petitioners with respect to the way the territory is being administered.

The welfare of the inhabitants has been the constant concern of the United States Government, and particularly of the High Commissioner, who will continue to spare no effort necessary to give effect to the trusteeship agreement.

[From the Christian Science Monitor of March 26, 1954]

A RETREAT FROM HORROR

The hydrogen bomb explosion set off by the United States March 1 at its Marshall Islands testing area in the Pacific exceeded in power the calculations of those who produced it. This much is confirmed by President Eisenhower.

Meanwhile the event has caused deep emotions in larger islands on the farther edge of both the world's great oceans. The Japanese are stirred not only by injury to a number of their fishermen and a threat to their food supply but also by memories of the devastating blast at Hiroshima.

In Britain, a country also deeply scarred by World War II and "moored" less than an hour's bomber flight from Soviet-occupied territory, Sir Winston Churchill assured the House of Commons in a voice that broke with intensity that "nothing in the whole world of affairs * * * dominates our thoughts more than the group of stupendous problems and perils * * * of atomic and hydrogen development."

"They fill my mind out of all comparison with anything else," he added.

And so must they occupy the minds of statesmen and people everywhere. Except that to many everyday people the problems seem so enormous or so remote that they feel they can do little about the subject. Nevertheless, they can pray for wisdom for the statesmen and for safety for themselves. And they can reinforce hope with reason or inspiration, according to their lights.

When atomic bombs were first devised and used, it was said there was no possible defense against their delivery. But with guided, even self-guiding, missiles, radar, and jet fighters, it may be possible to intercept half or more of invading aircraft. Even this, of course, leaves all too many to drop destruction on concentrated targets, and of these the most concentrated are in America and Western Europe.

But the horror of the prospect of nuclear war is not lost on the oligarchy in command of the Soviet Union, even though they too now have atomic explosives of both the fission and fusion types. Even before the size of the March 1 blast was known Premier Malenkov said a world war with modern arms "would mean destruction of world civilization." He said also that "any controversial question of today, difficult as it may be, can be solved by peaceful means."

Undeniably the question of arms reduction or control is one of the most difficult in the gamut of world diplomacy. Yet it is irrepressibly suggested when major powers recoil from use of the cataclysmic weapons they have evoked. Walter Millis, a military expert, writes in the New York Herald Tribune that atomic weapons have reached such magnitude that "their real function * * * is not to be used in war, but primarily to prevent the other side ever using them against us."

World War II saw the use of poison gas held in abeyance, though both sides had it, because neither wished to risk the effects of retaliation on itself and mankind. The gradation now from tactical atomic artillery and conventional air attack to city-destroying bombs might make it harder to draw a line—which underscores the importance of preventing an atomic war from starting.

But it is not too much to hope and believe that the divinity which shapes men's ends and survives even atomic clouds will give them the intelligence to avoid such a holocaust, not merely out of fear of its horrors but because they recognize the efficacy of peaceful ways of understanding.

[From the Washington Post and Times Herald of June 10, 1954]

NATIVES CALL SELVES POISONED PEOPLE

(EDITOR'S NOTE.—A shifting wind cast radioactive ash along an uncharted path after the March 1 testing of the hydrogen bomb. The result was injury to twoscore natives, and a petition to the United Nations which sums up the Marshall Islanders' feelings toward the radioactive danger and the loss of their land. To get the facts at the scene, AP Correspondent William J. Waugh went from Honolulu to the Marshalls and spent 10 days interviewing injured persons and their leaders, and also personnel who run the atomic tests. His stories were delayed by censorship in the Defense Department, the Atomic Energy Commission, and the State Department. Only minor deletions were made in the original copy, however.)

(By William J. Waugh)

KWAJALEIN, MARSHALL ISLANDS, May 29.—They call themselves the poisoned people.

They are the 82 natives of Rongelap Atoll who were showered by radioactive ash from the March 1 explosion of a hydrogen bomb.

One of them, John Anjin, said the ash rained down for 24 hours.

"It looked like salt," he said. "It came down like a light rain. You could feel it strike your skin. It burned when it touched."

Some of the poisoned people lost their hair. Others were burned. Almost all of them are cured now—but they have been banished from their homes for a year. They are among the Marshall islanders who have petitioned the United Nations to end atomic experiments in this area—or at least to see that the United States observes closer precautions.

POPULATION IS 11,000

The Marshall Islands, midway between Hawaii and the Philippines, came under United States control in the war 10 years ago. In 1947 the United States became their trustee under U. N. authority. The islands are low coral atolls with a population of about 11,000.

Natives of Bikini and Eniwetok atolls were uprooted in 1946–47 to make way for atomic experiments. In the March 1 blast the 82 persons on Rongelap and 154 on Utirik were exposed or endangered to such an extent that they were removed from their home atolls. The Utirik people have gone back, but the Rongelapers must wait a year—until their atoll is considered safe.

Anjin, a Rongelap leader, described the March 1 explosion:

"First saw light, then smoke. Smoke went up, up and right through the clouds. Later heard and felt blast. Wind so strong some people fell down. It banged doors."

FORTY-FIVE SUFFER BURNS

Of the 82 Rongelapers, about 45 suffered radiation burns. Many of these were slight. One man, 39-year-old Toma Nanil, still has a bad burn on the back of his right ear, 3 months after the explosion. He was fishing in a canoe when the ash began falling.

"Some were frightened," said a Rongelap medical aid. "By night children were crying. Many adults were sick."

A few days after exposure, some of the residents began losing their hair. Three days after the blast a destroyer arrived to evacuate the residents. All started taking showers then.

The evacuation from Rongelap and Utirik was completed in 2 days. The affected people received medical assistance here on the Kwajalen Atoll. A top medical team was flown from the United States, arriving March 10.

In April a survey party visited the two affected atolls. This consisted of representatives of Joint Task Force 7; commander in chief, Pacific Fleet; High Commissioner, Trust Territory of Pacific Islands; the Atomic Energy Commission's engineer contractors (Holmes and Narver) and the native magistrates of Rongelap and Utirik.

NEW VILLAGE BUILT

It was decided the Utirik people could return home, with adequate water and food supplies to be furnished them. It was determined the Rongelap people would have to stay off their atoll for a year. They will live, meantime, on 14-acre Ejit in the Majuro Atoll. There the AEC contractors have built an entirely new village of 27 buildings.

"There is anger among some people," Anjin said. "I think it will disappear if we get back home. They trust the American people."

He added that the Rongelapers have been well taken care of since their arrival on Kwajalein—with all the food, clothing, medical care, and entertainment they need. The Marshallese people are movie fans. They like hillbilly and Hawaiian music.

Americans in the area felt a personal responsibility for the natives brought to Kwajalein. Mrs. Percy W. Clarkson, wife of the commanding officer of the task force, rallied wives of naval personnel in a clothing drive for the women and children. All the evacuated persons I talked with have been emphatic that their treatment has been the best. But there is a certain amount of sadness among the people of Rongelap.

BIKINIANS GET AROUND

"My people don't feel good about not going home," Anjin observed. "We fear we may have the fate of Bikini."

The 200 Bikinians, moved from island to island, are now on isolated Kili, inaccessible many months of the year because of heavy surf.

Physically, Rongelapers today bear few signs of their exposure. Those who lost hair are getting it back.

Thirteen of the men made a brief visit to their home atoll to recover some of the possessions left behind. All the residents have been compensated for the lost copra crops.

Did these people have any message for the American people?

Paul Irujimman, 38, spoke up in Marshallese:

"Please tell them not to do the same thing again—throw the bomb. We didn't do anything wrong."

That theme underlies the petition the Marshall Islanders have sent to the United Nations.

[From the Washington Evening Star of June 10, 1954]

MARSHALLS FEAR LAGOONS' LOSS AS BIGGEST H-BOMB DANGER

(By William J. Waugh)

MAJURO, MARSHALL ISLANDS, May 29.—There was a certain eloquence to the letter. Dwight Heine dropped it in the mailbox here April 22, and sent it winging across the 7,500 miles between the coral islands and the glass stone headquarters of the United Nations.

The letter was signed by parliamentary representatives of the citizens of the Marshall Islands. It said:

"We feel that we must follow the dictates of our consciences to bring forth this urgent plea to the United Nations * * *. We request that all the experiments with lethal weapons within this area be immediately ceased."

If these experiments are absolutely necessary for the eventual well-being of all the people of the world, then it urged better precautionary measures and adequate compensation for uprooted citizens.

ISLES HAVE 11,000 POPULATION

The Marshall Islands, scene of United States atomic experiments, are occupied by the United States under a trusteeship from the United Nations. With a population of 11,000, the islands are a group of low-lying atolls. All residents of Bikini and Eniwetok Atolls were removed from them several years ago so atomic tests could go forward.

Then, in the March 1 test of the hydrogen bomb, 45 persons on Rongelap Atoll suffered radiation burns from falling ash. The 236 residents of Rongelap and Utirik Atolls were evacuated on a temporary basis.

The Marshallese are scared. After talking with them for 10 days, I feel they are most concerned lest the atomic tests force them to lose their home lagoons.

They put the gist of their fears and hopes into the petition they sent to the United Nations in April; it is to come before the petitions committee of the U. N. Trusteeship Council late in June.

WORKED ON PETITIONS FOR MONTH

"We spent a month working on it," said Heine, spokesman for the committee that originated it. "We purposely did not let Mr. Neas (Maynard Neas, acting district administrator) or other Americans know about it. We were afraid they would get into trouble."

Heine is superintendent of the Marshall Island schools. He and Atlan Anien, a teacher, were chief draftsmen of the petition.

"It taxed me and Atlan to write it," said Heine. "We worked every day for nearly a month. We would meet with other Marshallese and put down their ideas. Then we would make a rough draft.

"I thought we had too many 'dangers' in it. So I looked through the dictionary and decided on 'lethal.'"

Heine is 35, with dark skin and bushy hair. He went to mission schools, and worked for the United States Navy as a guide and interpreter in World War II.

NO LACK OF CONFIDENCE

He says the petition implies no lack of confidence in the trust territory government—that Americans here felt responsible for what happened March 1.

There is no question that in dealing with the unforeseen trouble at Rongelap and Utirik a magnificent job was done by all hands—the Atomic Energy Commission, the Joint Task Force, the trust territory government, and Kwajalein Naval Air Station.

But why wasn't the possibility foreseen? Actually it was, and when it happened the trouble was quickly detected. As AEC Chairman Lewis L. Strauss announced, the "detonation was larger than expected." It spread over a much wider area as a result. Then a sudden shift in high altitude winds carried the radioactivity in an unexpected direction.

Besides the natives 28 United States military personnel on Rongerik Atoll—between Rongelap and Utirik—were exposed. All those affected are recovering without serious consequences, officials say.

NO FALL-OUT IN LATER TESTS

Since the March 1 detonation two additional tests have been announced—with no significant fall-out of radioactive material on inhabited areas. The 1954 series of tests is over.

At the U. N., Ambassador Henry Cabot Lodge, Jr., has voiced the assurance that American authorities are doing everything possible to prevent any recurrences of possible danger.

But even that cannot restore the residents of Rongelap to their native soil for at least a year—until it is considered safe. The people of Bikini and Eniwetok may never see their atolls again, and Heine says the Bikinians have not been compensated for loss of the lagoon. How much was it worth? Mrs. Dorothy Kabua, queen of the Majuro Atoll, replied in Marshallese and Heine tried to give a literal translation:

"Hard estimate. Islands grow coconuts, breadfruit. The reef has fish. The island home for birds. Lagoon gives many, many years life."

"Land means a great deal to the Marshallese," says the petition to the U. N. "It means more than just a place where you can plant your food crops and build your houses; or a place where you can bury your dead. It is the very life of the people. Take away their land and their spirits go also."

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. MONRONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MONRONEY. Is the Senate now considering the committee amendment on page 16, line 14, comprising section 111?

The PRESIDING OFFICER. The Senator from Oklahoma is correct.

Mr. MONRONEY. Mr. President, I should like to reserve a point of order against this section of the bill, and I should certainly like to have an explanation of it from the chairman of the committee. I wonder why it is sought to write legislation into an appropriation bill, particularly when the proposed amendment comes dangerously close to injecting patronage into our Foreign Service, which we have always considered an outstanding example of civil service in the Government.

Mr. IVES. Mr. President——

The PRESIDING OFFICER. The Chair will state that the time for debate on the amendment is controlled, respectively, by the Senator from Texas [Mr. JOHNSON], in opposition to the amendment, and by the Senator from New Hampshire [Mr. BRIDGES], in favor of the amendment. Thirty minutes of debate is allowed to each side.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the time consumed in the calling of it being charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that action on the pending amendment may be postponed, by reason of the fact that several Senators interested in the amendment are not at present in the Chamber. Is that suggestion agreeable to the distinguished chairman of the Appropriations Committee?

Mr. BRIDGES. It is perfectly agreeable to me.

The PRESIDING OFFICER. Without objection, the amendment is temporarily passed over.

The clerk will state the next committee amendment which was passed over.

The next amendment passed over was, on page 16, after line 18, to insert:

SEC. 112. The Secretary of State hereafter is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, to place one position in grade GS–18, four positions in grade GS–17, and three positions in grade GS–16 in the General Schedule established by the Classification Act of 1949, and such positions shall be in addition to those positions in the Department of State presently allocated in grades GS–16, GS–17, and GS–18.

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The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. MONRONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MONRONEY. Mr. President, was the unanimous-consent request made by the minority leader with reference to section 111 inclusive of section 112?

The PRESIDING OFFICER. The Chair will state that it applied only to section 111.

Mr. JOHNSON of Texas. Mr. President, the same situation exists with reference to section 112.

Mr. BRIDGES. Then, Mr. President, it should be passed over for the time being.

Mr. JOHNSON of Texas. I so request, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the next committee amendment which was passed over.

The next amendment passed over was, on page 47, line 22, to insert:

SEC. 305. The Secretary of Commerce hereafter is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, to place 1 position in grade GS–18, 14 positions in grade GS–17, and 5 positions in grade GS–16 in the General Schedule established by the Classification Act of 1949, and such positions shall be in addition to those positions in the Department of Commerce presently allocated in grade GS–16, GS–17, and GS–18.

Mr. JOHNSON of Texas. Mr. President, I understand the same situation prevails as to that amendment. There are three amendments with a similar purpose. I ask unanimous consent that the amendment be passed over temporarily.

Mr. BRIDGES. Let the amendment be passed over for the time being. Of course, we wish to act on the bill this afternoon. The Senator from Georgia [Mr. RUSSELL] is present at this time.

The PRESIDING OFFICER. The Chair will state that that concludes the committee amendments. The bill is open to further amendment.

Mr. LEHMAN. Mr. President——

The PRESIDING OFFICER. The Senator from New York.

Mr. LEHMAN. Mr. President, I call up my amendment J and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from New York.

The LEGISLATIVE CLERK. On page 21, line 18, it is proposed to strike "$39,000,000" and insert the following: "$45,518,800: *Provided*, That the amount in excess of $39,000,000 shall be used for added personnel and other facilities, in addition to those recommended to be provided for these purposes in Senate Report No. 1541, 83d Congress, 2d session, necessary to prevent and detect illegal entry of aliens across the northern and southern borders of the United States and to enforce the laws of the United States with respect thereto."

The PRESIDING OFFICER. The Senator from New York has 30 minutes. How much time does he yield himself?

Mr. LEHMAN. I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 15 minutes.

Mr. LEHMAN. The effect of the amendment is very simple. It doubles the amount of money for the border patrol along our northern and southern borders made available in the bill as reported.

I believe that a doubling, or even a tripling, of the activities of the Immigration and Naturalization Service in manning the borders against illegal immigration—I emphasize illegal immigration—in the prevention, detection, and apprehension of illegal immigration across our land borders, is still inadequate.

I would assume, however, that the Immigration and Naturalization Service would find it administratively difficult to initiate, immediately, the full expansion of its border activities that would be necessary to put a complete halt to illegal border crossing.

A doubling of those activities, however, should not be too much of a strain. And then I hope that the Immigration and Naturalization Service will come back to Congress and tell us how much money is necessary to do the job completely and effectively.

I want the Senate, here and now, to put the executive branch on notice that we want illegal immigration stopped, at whatever cost. I can think of no justification for a continuation of the lax practices of the recent past. In my judgment, it is a shame and a scandal.

I am aware, Mr. President, of the official announcements of the past week that the Immigration Service is going to increase its patrol guard in certain of the border areas, and that patrol forces are being taken from the port areas and from the Canadian border to man the Mexican border. I congratulate General Swing, the new Immigration and Naturalization Commissioner; I congratulate Attorney General Brownell for this recent, if belated, recognition of the present shocking situation.

I assume that the Immigration Service will be coming to Congress with a request for supplementary funds to cover this new program. Let us not wait for such a request. Let us provide the money now. This is an emergency situation. It is just as much of an emergency as any we have faced in recent years.

It is urgent that Congress stanch the flow of illegal immigration over the Mexican and Canadian borders. The security of the United States is being imperiled day by day, our labor standards are being imperiled day by day, and our complex and cumbersome immigration system—too cumbersome and too restrictive, in my judgment—is being made a mockery of.

As my colleagues in the Senate know, I am not a supporter of the present immigration laws. I opposed the McCarran-Walter Act when it was passed; I fought to sustain President Truman's veto of it; I am working and hoping for the drastic revision of present law.

But I believe, Mr. President, in an appropriate limit on immigration. I believe in controlled immigration. I believe in immigration laws which are fair, just, and reasonable, and which guard the national welfare and the national security, while also continuing the tradition of America as a haven for the oppressed and the persecuted, for those who seek freedom and new opportunity.

But this is not the time for a debate on the immigration laws. This is a time to see that our immigration laws, bad as they are, are not openly flouted by a huge stream of illegal immigration through Canada and Mexico. Let us liberalize our laws; let us not wink the eye at the wholesale flouting of them.

The Immigration and Naturalization Service is provided, in the pending bill, without my amendment, with $39 million. Of this amount, about $2½ million is proposed for expenses of the Naturalization Service. The remaining $36½ million are for the various activities connected with immigration, for the screening of aliens before they enter this country, for investigating them, for apprehending, detaining, and deporting those who enter illegally.

The great bulk of this money is proposed to be spent on activities in connection with immigration from Europe and Asia. Only about one-sixth of the whole, as I read the figures, is to be spent on preventing illegal immigration from Mexico and Canada.

Yet the fact is that in 1953 the total number of legal entries of aliens, including visitors and transients, was much less than 1 million; and of these, less than 200,000 were admitted for permanent residence. The total number of illegal entries across the Mexican border alone for the year 1953 was officially estimated to be in the neighborhood of 4 million. Think of it, Mr. President—4 million illegal entries.

Does that not make a joke of our immigration laws? Does that not make all our precautions at our ports of legal entry seem ridiculous? Why should we have innumerable inspections of our visitors from Europe and Asia and expose them to all the ordeals of our immigration laws—some of them vicious and unjustifiable ordeals, in my opinion—and then permit 4 million illegal entries, without any inspection whatever, without so much as a how-do-you-do to an American immigrant official?

Mr. President, the total appropriation for the Immigration and Naturalization Service proposed in this bill is $3¼ million less than was appropriated to be spent in the current fiscal year.

That saving is to be accomplished by eliminating 640 positions, 559 of which would be in the field. This is a drastic cut, a cut of almost one-tenth of the jobs in the entire Immigration and Naturalization Service. It is true that the committee stipulates that this cut shall not be at the expense of the border patrol which indeed is increased by 36 positions—imagine it, 36 additional positions to prevent 4 million illegal entries. But I do not see how illegal immigration can be curtailed by reducing personnel.

Some activity which has been deemed essential is going to be cut. This cut will not help keep out illegal immigrants, even though the border patrol is not cut, even though 500 border patrolmen, according to the press announcements this morning, are going to be transferred from other areas to the Mexican border.

There is also a considerable illegal immigration from Canada. Is this going to be increased now?

I should like to know how the Government can afford to move 500 patrolmen from the Canadian borders and from the port areas to the Mexican border.

This situation has many implications. All of us can see the clear danger to the security of the United States of subversive elements and sabotage agents walking across open sections of this border, boarding buses, and going anywhere they wish in the United States.

There is clear evidence that this great influx of illegal immigration has worked havoc on the health standards of many of the great cities of the southwest. The welfare cases which arise from the illegal aliens becoming stranded within such jurisdictions have zoomed upward, putting a heavy burden on the municipalities so affected.

Crime rates have increased rapidly. Theft, murder, and drug traffic are all plaguing the law enforcement officers of the cities, States, and counties of the southwest, where the uncontrolled human wave of wetbacks washes most of its flotsam and jetsam.

Commissioner Mackey of the Immigration and Naturalization Service testified as follows before the Senate Appropriations Subcommittee:

> Late in the fiscal year the service was implored by citizens' associations, chambers of commerce, and peace officers to use all possible resources toward controlling the hordes of illegal aliens flooding the southwest. Reports of robbery, rape, and pillage by wetbacks in that area provided ample testimony to the fact that the situation was, and remains serious indeed (p. 161).

Not the least of the problems arising from this human tide of people in search of employment is the effect which an influx of millions of such workers has on the labor market and labor standards throughout our country.

For years organized labor in the United States has pleaded for more adequate control of the labor influx from Mexico. Wetbacks who are illegally in the United States have no recourse to our labor-standard laws. They are at the mercy of unscrupulous employers, who pay them only a few cents an hour for their work, and have no concern for their safety, health, or welfare.

Illegal wetback labor affects the labor market throughout the United States. It affects our entire labor economy. Citizen workers and aliens who are here legally as permanent residents are displaced from their jobs by the cheap wages accepted by illegal wetbacks. They must move on to other States and seek employment in labor markets already feeling the strains of increasing unemployment.

The illegal entrants do not pay taxes. Often their wages are not even spent in the United States, but are sent or taken back to Mexico.

Mr. President, it is an anomaly to me, and I might say to millions of citizens of the United States, that we have bottled up the great ports of New York, San Francisco, and Boston with supersecurity regulation and enforcement which present an almost impenetrable barrier to foreigners who wish to enter the United States legally for a visit or for permanent residence, and yet on our Mexican border we find a picture of almost uncontrolled immigration, resulting in a situation fraught with dangers to our internal security, our economy, and the health and welfare of the many fine communities of the Southwest.

I was greatly encouraged by the recent announcement by Attorney General Brownell of the new program he is initiating, beginning June 17, with respect to that portion of the Mexican border fronting on California and Arizona. The Attorney General has announced that a force of 491 border patrol officers from other places in the United States are being moved to the Arizona-California border to supplement the 256 border patrolmen already there.

I was further encouraged to note that the Attorney General is recommending to the Congress two important legislative proposals—proposals that those of us who have been fighting this wetback situation for many years have suggested.

The first of the proposals announced by the Attorney General would make it illegal for any employer knowingly to hire an illegal immigrant. This provision is, in my opinion, absolutely essential to any effective enforcement of our laws against illegal immigrants.

The second proposal is already before the Congress, and would permit the seizure of any vehicle or vessel used to transport illegal aliens in violation of our immigration laws. I desire to assure the Attorney General of my full support of these two amendments to the immigration laws. If they are enacted, I believe it will be much easier to control the wetback influx.

Now, Mr. President, I turn to my specific amendment. I am proposing that the Congress appropriate an additional $6½ million for enforcement of our immigration laws along our northern and southern borders.

I point out that under the new program, along the Arizona and California border, the Attorney General has had to mobilize three-fourths of all the border patrol officers available in the entire United States. It is necessary to put 747 border patrol officers on this section of our border in order to hold the tide against the wetbacks at this one section. But this is only one section of our wide-flung border.

The Congress has made no provision to increase the size of the border patrol over that of last year. I understand that it is the plan of the Immigration and Naturalization Service to make this temporary program on the Arizona-California border a permanent program. Such a plan will require a sizable increase in the amount appropriated to the border patrol and other related services of the Immigration and Naturalization Service.

I propose, Mr. President, that we make now this appropriation for the increased border patrol service. I feel that we should at least double the strength of the entire border patrol. It is clear to all of us that we cannot permit border patrol officers to be taken from their regular posts in order to police merely the Arizona-California-Mexican border. What is needed, Mr. President, is a full-scale increase in the permanent size of the border patrol along the entire border. That is the only way of controlling the flood of illegal immigration.

My amendment is written in such a manner as to provide that this increase in funds shall be utilized solely to police the Mexican and Canadian borders against illegal entrants.

A vote against this amendment would not be a vote for economy. The loss to the communities of the Southwest in terms of taxable income, and the loss, in terms of security of the United States, evident in our unpoliced borders, is many times greater every year than the $6 million I am proposing to have expended for border security.

This is not an idle gesture, Mr. President. There is a current crisis which has attracted the attention of our entire Nation. The Attorney General, I must say, at long last is beginning to move to correct the situation. I believe we should back him in his efforts, and provide him with an additional appropriation earmarked specifically for such work.

The Senate must declare itself. It must take cognizance of the situation. It can, by approving my amendment, put the country and the administration on notice that we are concerned, that we mean to have action, and are ready and willing to supply the tools for action.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. LEHMAN. Mr. President, I yield myself another 3 minutes.

Let us spend $6 million for the national security and for the integrity of the enforcement of our immigration laws, so long as they are on our books. I challenge those who supported those laws to approve the appropriation of that amount of money for their enforcement.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point, following my remarks, the following documents:

A letter from J. Lee Rankin, Assistant Attorney General, to Senator PAUL DOUGLAS, dated November 20, 1953, pointing out that there are probably 4 million illegal entrants into this country every year.

An article entitled "United States Mopup of Wetback Labor Slated," ap-

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pearing in the Washington Post and Times Herald of June 10, 1954.

An article from the great magazine Commonweal of January 15, 1954.

An article from the New York Times of February 7, 1954.

An article from the New York Times of September 15, 1953.

An article from the New York Times of January 25, 1954.

Excerpts from the CBS radio network presentation of The Wetbacks which was broadcast on Sunday, April 4, 1954.

An article from the Reporter of April 13, 1954.

Finally, Mr. President, other extracts from the CBS radio network presentation of The Wetbacks, of Sunday, April 4, 1954, showing the complete ease of illegal entrance into this country over the Rio Grande on the Mexican border, and the complete ease with which illegal entrants from Mexico can travel wherever they wish by bus, train, and other means of transportation, even though we are supposed to have adequate laws and a sufficient patrol of the border.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

LETTER FROM ASSISTANT ATTORNEY GENERAL J. LEE RANKIN TO SENATOR PAUL H. DOUGLAS

DEPARTMENT OF JUSTICE,
Washington, D. C., November 20, 1953.

Hon. PAUL H. DOUGLAS,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: Reference is made to your letter of June 15, 1953, addressed to Attorney General Brownell and referred to this office for reply, in which you expressed concern over reports of the increasing number of illegal entries into the United States across the Mexican border. As you know, the Department of Justice has given top priority to this problem, and I delayed replying to your letter until our study was complete in order that I might be in a position to give you the factual information you requested in full.

Since January 1, 1953, the border patrol of the Immigration Service has apprehended over 880,000 Mexican aliens illegally within the United States. Some were deported, but the vast majority of them were permitted voluntary departure in lieu of deportation. The monthly apprehension figures for this year are:

January	66,725
February	62,413
March	73,176
April	86,502
May	93,484
June	93,634
July	102,192
August	107,734
September	97,829
October	98,598

I am also enclosing, as you requested, a table showing monthly border patrol apprehensions for the fiscal years 1950, 1951, 1952, and 1953. A comparison of the 1950 total with that for 1953 shows that apprehensions have almost doubled in the last 4 years, and that the number of apprehensions, now approximately 100,000 a month, will bring next year's fiscal total to well over the million mark. This is borne out by the fact that there were 406,353 apprehensions in the first 4 months of the present fiscal year.

One of the major factors contributing to this annual increase in apprehensions has been the fact that many of the provisions of the 1951 migrant labor agreement with Mexico have proven so costly and unsatisfactory that many farmers have refused to contract for legal labor. Perhaps the most unrealistic restriction has been the refusal on the part of Mexico to permit border recruiting, despite the fact that there are thousands of qualified workers in border areas in need of employment and many farmers on our side of the border who require the services of Mexican labor.

The present agreement expires December 31, 1953, and negotiations for a new agreement are already being conducted through Ambassador White and formal conferences between representatives of both Governments are expected to begin within 2 weeks. We have advised the Mexican Government that we expect to obtain substantial modification in the present agreement in articles dealing with wages, subsistence, insurance coverage, blacklisting of employers, and workers' obligations. We have also asked for a new article to authorize border recruiting with adequate safeguards, and a provision to permit the withholding of a portion of the worker's salary to guarantee faithful fulfillment of his contract obligations. In the past "skips" have been a serious problem, because there was no incentive for a worker to remain on the job if more attractive employment was offered elsewhere.

We are hopeful that pending negotiations will result in an agreement for a recruiting program which will be simpler, more attractive, less expensive to the users, and less costly to the Government. The Mexican Government has indicated it is willing to make concessions on some of the more onerous provisions and is agreed in principle to border recruiting. As you know, until sufficient domestic workers are available we must continue to draw upon Mexican workers to assist in the planting and harvesting of crops. A workable program will not only be beneficial to the farmers but will do much to solve the wetback situation. If our border patrol was relieved of the overwhelming enforcement problem arising from the agricultural program, it would be free to concentrate on subversives, smugglers, and other undesirables who seek illegal entry into the United States from Mexico.

You have also requested our opinion on the dangers to national security caused by this heavy flow of illicit traffic over our southern border. I regret that I am unable to report any exact figures, but the Immigration Service conservatively estimates that for each apprehension three Mexican aliens cross the border and either return undetected or infiltrate into our northern industrial areas. This means that during 1953 over 4 million persons will have entered the United States illegally from Mexico. The great majority are "braceros," who seek only seasonal employment, but it is apparent that this border is also an easy avenue of entry into our country for almost any number of Communists or foreign agents from Mexico, Guatemala, Dutch Guiana, and, entry into Mexico being as easy as it is, from any country in the world. The seriousness of this situation is self-evident; until this border is brought under control our internal security program will remain in jeopardy.

Finally, to provide you with some idea of the effect of the invasion on wages, standards of living, and our own domestic agricultural workers, I am enclosing some correspondence received from residents in the border area and a photo-offset of a newspaper article which appeared in the California papers.

Please feel free to call on us at any time we may be of assistance to you.

Sincerely yours,

J. LEE RANKIN,
Assistant Attorney General,
Office of Legal Counsel.

Persons apprehended by the border patrol

	Fiscal year 1950	Fiscal year 1951	Fiscal year 1952	Fiscal year 1953
July	33,410	38,410	59,835	67,101
August	87,013	40,130	61,473	87,807
September	29,104	42,186	38,061	53,322
October	25,282	40,029	37,266	52,520
November	19,565	40,573	33,137	46,706
December	21,340	32,501	30,027	55,759
January	27,167	33,432	36,151	66,725
February	37,016	36,759	40,375	62,413
March	40,918	51,637	45,662	73,176
April	45,078	64,070	46,720	86,502
May	56,178	51,899	49,645	93,484
June	47,510	38,729	53,367	93,634
Total	469,581	510,355	531,719	839,149

[From the Washington Post and Times Herald of June 10, 1954]

UNITED STATES MOPUP OF WETBACK LABOR SLATED

Attorney General Herbert Brownell, Jr., announced yesterday that an intensified campaign to halt the immigration of Mexican "wetback" laborers will be launched this month.

Brownell said a mopup operation will begin along the United States-Mexican border June 17, and that the border patrol has has been nearly tripled for the operation.

In addition, the Attorney General said he is urging Congress to enact legislation that would provide the Justice Department with "much-needed weapons to assist in bringing to a halt the increasing illegal crossings of the borders by the so-called wetbacks."

The Attorney General said "the size of the movement may well provide an effective screen for subversives and other undesirable persons to enter or depart from the United States."

Brownell will urge Congress to take two steps:

1. Authorize a court injunction to restrain an employer from continuing to hire aliens illegally in this country when the employer has knowledge that the alien is an illegal entrant.

2. Authorize seizure and forfeiture of any vehicle or vessel used to transport aliens—in violation of immigration laws.

The second proposal was recommended to the Government a few weeks ago by a business and labor committee set up under the joint United States-Mexican Trade Council.

Brownell announced that 491 patrolmen have been transferred to the Arizona-California border of Mexico to augment a force of 256 patrolmen already operating there.

[From the Commonweal of January 15, 1954]

MIGRATORY WORKERS — EMPLOYERS' GREED, POWER POLITICS, EXPLOITATION, CHILD LABOR, AND GENERAL NEGLECT HAVE PRODUCED A SITUATION WHICH IS THE SCANDAL OF ALL THE WORLD

(By Robert E. Lucey [1])

For half a century reports have been written about migratory labor, but not very much has been done about it. The problems of migratory workers are many and serious. No single solution to these problems is possible, but a great deal can be done, and must be done, for these displaced persons. Most of them are American citizens; some are Mexican nationals working here on contract; others are illegal aliens, generally known as wetbacks.

In American industry the working people to some extent are organized; they have a voice and a vote in their Government and in their jobs. They have raised their own standards of living and that of millions of

[1] Most Rev. Robert E. Lucey is the archbishop of San Antonio.

fellow workers who are unorganized. They are a stable, substantial segment of American life. But in agriculture the nonmigratory laborers who work in the county of their residence are for the most part unorganized. The vast majority of those who are migrants, wandering from county to county and from State to State during the harvest season, must take what they get in the matter of wages, hours of labor, and conditions of work. The wetbacks, of course, are utterly defenseless in the labor market. This lack of organization among workers in agriculture is a great misfortune for them, a temptation to injustice on the part of many employers, and a weak spot in the American economy.

So far as the workers are concerned, whether farmhands or migrants, it is doubtless true to say that many of them are treated with some measure of justice by farmers, ranchers, and growers. But the income of agricultural labor is decidely below that of industrial labor with due regard to differences in the cost of living.

The lot of the migrant is worse than that of the farmhand with steady employment in one place. In the case of the migrant, there is great uncertainty about wages, housing, hours of work, weather, health, transportation, and even employment itself. In a bad year many a migratory family comes home dead broke. Even when weather and crops are favorable, there may be labor surpluses in many areas and consequent unemployment for some.

Conditions in this segment of agriculture are chaotic. Workers are attracted to certain areas by radio announcements, newspaper ads, grapevine information, rumors, and advice from the employment services. If American industry got its employees in that fashion, the whole country would be in chaos. It is true that labor recruiters and crew captains deliver workers to employers, but they cannot control either the weather or the crops. It is also true that this whole thing is seasonal and temporary, but there need not be so much hopeless disorder. The Federal Government, State governments, employers' associations, and labor unions ought to cooperate to put order into this situation.

Congress has shamefully disregarded the needs and the rights of American citizens in the migratory labor force. These working men and women and children are making a tremendous contribution to our economy at great personal sacrifice. One shudders to think of their sacrifices—absence from home as much as 6 months of the year; precarious employment; low annual wages; little or no education for the children; housing that may be fair, poor, unspeakable, or just the shade of a tree; constantly moving from one place to another; long hours of stoop labor even for women and children; abominable health conditions, meager food, and often no sanitation; lack of priests who speak their language and lack of churches easily available.

Why should any sane man take his wife and children on such an adventure? The old Romans had a saying which went: Primum est vivere—the first thing to do is to live; if you can't survive you are finished. The migratory laborer has to work to live. He is unskilled in the ways of industry and turns to agriculture. All the jobs in his area may be taken by Mexican nationals working on contract or by wetbacks. The American citizen has no alternative but to seek employment elsewhere. The Mexican national may be paid 50 cents an hour, with a shack to live in; the wetback will work for 20 to 30 cents an hour and live in the brush. An American family, regardless of low living standards, cannot survive on 50 cents an hour.

More than 200,000 Mexican nationals are brought into our country every year to work in agriculture because the farmers and growers claim that they cannot get domestic workers to harvest the crops. The work is seasonal, and the laborers must be available promptly to bring in the harvest. The Employment Service may not certify a shortage of labor unless sufficient domestic workers who are able, willing, and qualified are not available at the time and place needed to perform the work. That word "willing" is the key to the situation. If a substantial number of American agricultural laborers in a given area are not willing to work for starvation wages, they create a labor shortage in that area and alien workers may then be brought in.

The Mexican national, here on contract, is supposed to be paid 50 cents an hour or the "prevailing wage," whichever is greater. During hearings held by the President's Commission on Migratory Labor the question was sometimes asked: "How do you discover the prevailing wage?" The method described was interesting. Some growers in a given area would get together and decide what wage they would pay. That was then the prevailing wage. Some growers claim that 50 cents an hour is too high and they don't like laws which interfere with human liberty. There was a time when the Supreme Court of the United States held that a minimum wage law was unconstitutional because it violated liberty of contract. Some growers still believe that to pay starvation wages is a natural right.

The international contract agreed upon by our Government and that of Mexico not only stipulated a minimum wage but had certain requirements regarding housing, health, unemployment, and death. No such safeguards are granted to American migratory workers. The Congress of the United States, aided and abetted by certain powerful growers' associations, has seen to it that native-born American citizens in the migratory labor force have not even a minimum of protection by social legislation. It is passing strange that a little group of willful men can so sway the Congress of the United States.

If American citizens receive such harsh treatment, pity the poor wetback. American migrants can be exploited, defrauded, and subjected to every manner of injustice but they cannot be deported; the illegal alien must keep a sharp lookout for the Immigration Service in the Department of Justice.

The growers who like foreign slave labor, even when their own fellow citizens are unemployed, can concoct a rather persuasive argument for their iniquity. After all, these illegal aliens are human beings and children of God. They are creatures of marvelous dignity and sublime destiny. They are good workers, honest, faithful, and docile. Many of them are married men who seek only to support themselves and their families. Work is scarce in Mexico and wages in agriculture are pitifully low. By working 12 to 14 hours a day in Texas at 20 cents an hour their income is much better than it would be in their homeland. They save their money and send most of it back to Mexico to support their families in decent and frugal comfort as becomes these honest working people. And, anyhow, Americans won't do stoop labor; they aspire to something higher.

Thus the grower becomes, in a small way, a benefactor of humanity—generous, upright, and benevolent. After all, this is a free country and a man may hire whom he chooses. The fact that the employee is here illegally is a mere coincidence; he is still a man with all the rights and needs inherent in his nature. He must work to live. The grower wants to help him.

Plenty of people in our country do not see the sophistry of these excuses which are offered to hide crimes of greed and injustice. Surely it is not necessary to declare that we subscribe unreservedly to the proposition that all men are created in the image of God. The illegal alien has our sympathy, our prayers, and our hopes for a better future, but citizens who serve their country in peace and war, who pay taxes and build our schools and churches, have a prior right to employment when it is available.

Recently the writer spoke to a rural pastor about the small debt on his parish and asked if some of it could not be paid off every year. The pastor explained that his men were out of work because of a wetback invasion. Asked if he could not get a public official, perhaps the mayor, to remove these illegal workers, the pastor replied: "The mayor? He has 50 wetbacks on his ranch."

Businessmen also suffer from these conditions. Citizens who live in rural areas cannot patronize stores and business houses when they have no income. The wetback does not dare to shop in the town; his simple needs can be supplied at the commissary on the ranch and if he is charged exorbitant prices that is too bad for him. And if the employer refuses to give him his wages at the end of his service that is also too bad but he has no recourse because he is a fugitive.

Humanly speaking, the hiring of wetbacks is smart business. If a cotton grower in California or Arizona pays $5 per hundredweight to cotton pickers and a grower in the Rio Grande Valley pays $1.50 for the same work he has an obvious economic advantage. Perhaps this grower doesn't know, or doesn't care, that in 1 year as many as 65,000 workers have left south Texas to labor in seasonal agriculture in other States because they couldn't find jobs with decent wages at home. Counting women and children, this army numbered at least 150,000 persons. Not a few parishes in our jurisdiction are pretty well emptied out by these departures, many of which extend from April to November.

Our concern is largely with the Spanish-speaking migrants of the Southwest, but we are aware that tens of thousands of white and colored migrants from the Deep South make their way north every year to harvest crops in the eastern and northeastern States. They, too, suffer the hardships and the heartaches of migratory labor in American agriculture.

Last year the Mexican hierarchy requested the archbishop of Guadalajara to contact the writer to learn if a program might be worked out to give more general spiritual care to Mexican migrants in the United States. It was suggested that priests from Mexico might labor among these people in the dioceses where they are employed in large numbers. American bishops have made great sacrifices to supply Spanish-speaking priests for these migratory workers during the harvest season but many difficulties stood in the way.

The proposal that Mexican priests come to this country to work among Catholic migrants was referred to the American hierarchy at their annual meeting and approved. Fortunately machinery was available in Texas to effectuate the plan. Eight years ago the Bishops' Committee for the Spanish-Speaking was set up, of which all the bishops of the Southwest are members. They maintain a regional office for the Spanish-speaking supported by an annual grant from the American Board of Catholic Missions. During the past 2 years the office has been in Austin, Tex., and has now moved for a period of 2 years to Houston.

The staff of the regional office was delegated to head up the Operation Migratory Labor on this side of the border and a priest in the social-action office in Mexico City was appointed our liaison officer by the Mexican hierarchy. The American bishops who needed Mexican missionaries were contacted to learn how many priests they would need

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and the period of time when their services would be required. Then the search for priests in Mexico began and continued for several months. Despite the scarcity of clergymen there, the bishops and religious superiors allocated 24 priests to this adventure in international cooperation for the welfare of souls. They came from 6 dioceses in Mexico and 4 religious provinces.

The regional office received excellent cooperation from the State Department in Washington, the Immigration and Naturalization Service in the Department of Justice, Mexican consulates in the United States, the Department of Immigration, NCWC, and the United States Ambassador to Mexico. The details of this operation were almost countless but the staff of the regional office carried on valiantly.

Arrived at their destination in a diocese of one of the Northern States, the missionaries found themselves strangers in a strange land. Their own people were out in the fields, however, and to the fields they went to minister to them. Mass was said wherever possible, confessions were heard and Holy Communion distributed. Marriages and baptisms were arranged through local pastors. The word of God was preached to the people in their own language.

The American bishops who welcomed these missionaries to their dioceses for temporary service during the harvest season deserve special mention for their zeal and generosity. They paid transportation costs by air from Mexico City and return, board and lodging, travel expenses through the rural areas and a generous honorarium to the priests. They were happy to do this for their guests, both clergy and laity. The problems are immense. In 1 diocese 12,000 Spanish-speaking migrants move in for about 3 months. Their spiritual and religious welfare is not easy to achieve.

The church is doing all that she can for her migratory children but the civil authority has been negligent. Among several major recommendations of the President's Commission on Migratory Labor this one is central: That the Congress should pass legislation establishing a Federal Committee for Migratory Labor to study the problems involved, work with State legislatures, farmers' associations, labor unions, and private organizations and make recommendations to Congress for necessary legislation to bring order into this chaotic segment of American agriculture. The present situation, characterized by the greed of some employers, power politics, exploitation of defenseless workers, child labor, utter neglect and senseless disorder, is an international scandal.

These migratory workers are making a tremendous contribution to the Nation by harvesting much of the food and fiber that we need in peace and war. States, counties, and local communities should be grateful to them for their services and pay more attention to their temporal needs. Many of them are American citizens, all of them are human beings; they are a gentle, generous, and lovable people.

One of our sister catechists was recently talking to a family that had just returned to San Antonio from the North. For several Sundays they found themselves 17 miles from the nearest church. Father and mother loaded the children into an old jalopy and drove over bad roads to Mass. In the evening they made the journey again to say the rosary in church with their Spanish-speaking friends. I wonder how many English-speaking folks who look down on these poor and humble people would drive a dilapidated car 34 miles on Sunday morning over rough roads to assist at Mass and drive another 34 miles in the evening to say the family rosary in a wayside chapel.

To defraud and exploit such people is indeed reprehensible.

[From the New York Times of February 7, 1954]

BORDER INVASION DECLARED A PERIL—OFFICIALS SAY ILLEGAL ENTRIES ARE OUT OF CONTROL AND MAY INCLUDE FOREIGN AGENTS

WASHINGTON, February 7.—The Immigration and Naturalization Service has told Congress that a mass invasion of illegal aliens was beyond control.

It said that the way was open for "almost any number" of foreign agents, including Communists, to enter the country undetected in a situation that was worse than ever before. The testimony before the House Appropriations Committee was made public today.

The service's budget has been cut by $3,250,000 from that of this fiscal year and the Attorney General, Herbert Brownell, Jr., testified that he was not sure it would help to increase the number of men in the border patrol. The service is a unit of his department.

He told the committee at closed-door hearings that it might be necessary to set up on the Mexican border, where illegal crossings have soared to a record level, "some mechanized equipment, perhaps a two-way communication system with watchtowers and things of that sort."

WARNING OF SOME RISKS

Benjamin G. Habberton, acting commissioner of the Immigration and Naturalization Service, testified that the proposed budget cut, calling for a reduction of 640 employees, involves some risks in connection with admission of dangerous and undesirable aliens, although no members of the border patrol would be eliminated.

He asserted that the Service was already swamped and that the relatively small force of officers could not cope with the hordes of illegal aliens flooding the Southwest.

He said that men were transferred from port jobs at Baltimore, Norfolk, and Philadelphia to help out on the Mexican border. These transfers were made, he added, after the Service had been implored by citizens' associations, chambers of commerce, and local peace officers to help halt robbery, rape, and pillage ascribed to wetbacks.

"This mass invasion of illegal aliens has reached proportions which are beyond control of the limited force provided to deal with it," he declared in a prepared statement filed with the committee.

The term "wetback" is applied to illegal Mexican entrants because many swim or wade the Rio Grande.

Border jumping from Canada is also on the upswing, Mr. Habberton said, pointing out that more than 770,000 Europeans have been admitted to Canada since World War II under security screening that he termed "practically nonexistent."

SUMMARY OF CONDITIONS

"A progressively increasing number of illegal entries into the United States across the Mexican and Canadian borders cannot be other than a threat to the security of the United States," he asserted.

"In the midst of a situation where the small border patrol force is being overrun by hordes of illegal aliens, an easy avenue of entry into the country is provided for almost any number of Communists or foreign agents from Mexico, Guatemala, and Dutch Guiana and, entry into Mexico being as easy as it is, from any country in the entire world."

The border patrol, with a personnel of 1,129, patrolled 11 million miles last year and arrested 839,149 as illegally entered aliens, an increase of about 58 percent over the previous year.

"The situation continues to worsen," Mr. Habberton said.

Mr. Brownell testified that the wetback problem was the worst ever. He voiced hope that it could be relieved by negotiation of a new farm-labor contract with Mexico. This should be tried, he added, "before we go ahead and indiscriminately increase the number of the border patrol."

[From the New York Times of September 15, 1953]

WETBACK TRAFFIC AGAIN SETS RECORD—105,529 PERSONS INTERCEPTED IN AUGUST—FARMERS BALK AT NEW FEDERAL DRIVE

(By Gladwin Hill)

LOS ANGELES, September 15.—The illegal immigration of Mexican wetback workers into the United States over the Nation's southwestern border has reached a record rate of more than 100,000 persons a month.

At the same time, efforts by southwestern farmers and Members of Congress to get the Department of Justice to soft-pedal its new campaign against the influx also have hit an unprecedented pitch.

The administration's expressed desire to minimize the illicit traffic involving evils from slave wages to the spreading of diseases, has clashed head on with the partial reliance of some segments of southwestern agriculture upon cheap Mexican labor, which has been increasing ever since World War II.

A result of this clash has been a rising chorus of complaint from farm quarters over the last fortnight. The farmers complain that an intensified campaign against wetbacks—so-called because many swim or wade the Rio Grande—will jeopardize crops such as cotton, lettuce, and melons.

The protests have culminated in the revival of proposals that the wetback traffic be indirectly legalized to some degree. Some of the proposals, which were dormant for several years, have the support of at least some sections of the American Farm Bureau Federation, the Nation's largest farmer organization.

TOPPED JULY BY 4,000

In August border-patrol officers of the Justice Department's Immigration and Naturalization Service, deployed above the 1,600-mile international boundary between Brownsville, Tex., and San Diego, Calif., caught 105,529 illegal aliens, almost all Mexicans. This was the biggest month's round-up on record, topping by more than 4,000 the previous high, in July. It was also more than the total caught in the entire year of 1946.

This brought the total number of apprehensions this year to 697,044, a 67 percent increase over 1952.

Immigration officers say their apprehensions vary directly with the total amount of wetback traffic and acknowledge that for every one caught, one or more probably get in undetected. Most of them return seasonally to Mexico, but thousands settled down illegally in the United States.

During the World War II manpower shortage, arrangements were made with Mexico for the legal importation of farm workers under seasonal contracts. This has continued annually since the war at a rate of more than 200,000 workers a year.

The contracts guarantee them the prevailing wage in the district where they are employed. The prevailing wage, in the determination of which the farmers have an important hand, tends to be as low as the employers can make it. At present, for southern California's rich Imperial Valley, for instance, it is 79 cents an hour.

Wetbacks, as fugitives from justice, have to work even more cheaply, for whatever they can get.

CONTRACT LEGALITIES PROTESTED

These factors have tended to keep farm wages down to levels unattractive to domestic labor. This in turn tends to perpetuate the reported shortages of farm labor that

spur the border traffic. There are many farmers who do not use wetbacks. Others insist they cannot distinguish them from citizen Mexican-Americans or that they need them because the formalities of procuring legal Mexican contract labor are too complex or protracted.

There are currently about 4,000 contract workers in the Imperial Valley alone, and the importation of 5,000 more within a few weeks is contemplated. In addition, the valley has a sizable number of the 100,000 wetbacks estimated to be in California.

An intensified drive against wetbacks as outlined by Attorney General Herbert Brownell, Jr., last month unquestionably would embarrass many farmers, at least economically.

In the face of this threat, they are urging two courses of action. One is to legalize temporarily the illegal aliens found working on farms. This is a practice that was frequently indulged in for several years after the war. But it was denounced by the Presidential Commission of Migratory Labor in 1951 as an important contributing factor to the wetback traffic.

The other proposal is that the legal contract system be supplemented by what is generally described as "a simple crossing card system" under which aliens would receive identity cards at the border and be shuttled among farmers needing labor, without many of the present contractual guaranties, such as assurances of minimum periods of employment and specified conditions of board and lodging.

These proposals are the essence of a 16-point program just endorsed by the Imperial County branch of the American Farm Bureau Federation. B. A. Harrigan, the county agriculture director and secretary of the Farmers' Association, said the program had been formulated at a special conference called by the federation at Dallas, Tex., on September 1 and 2 to consider problems raised by Attorney General Brownell's announcement.

Mr. Harrigan said the program presumably would be recommended to the administration by the federation.

Among Members of Congress who have expressed themselves in favor of such a program in the last few days are Representatives CLARK FISHER, Democrat, of Texas, and JAMES B. UTT, ROBERT WILSON, and JOHN PHILLIPS, all Republicans, of California. Mr. PHILLIPS already has asked Vice President RICHARD M. NIXON to intercede with the Department of Justice in the matter.

A group of women's organizations in El Paso, TEX., also has urged the crossing-card plan as a means of assuring a supply of domestic servants.

GRAVE PROBLEMS DEPICTED

SAN FRANCISCO, September 18.—The wetback problem was pictured today by Edmund G. Brown, California attorney general, as one that embodies "all the ills and evils of an illegal underground operation."

"What appears to be an economic problem of getting stoop labor to handle the year-round harvests," he told the San Francisco Bar Association, "has grown into a grave social problem, involving murder, prostitution, robbery, and a gigantic illegal narcotic infiltration."

To try to cope with what he said was "a threat to our society," he called for "more personnel to effect more control, tighter legislation, and swift justice."

He charged that wetbacks were brought in by agricultural labor contractors "who collect on both sides of the border."

"The charge for smuggling a wetback into the United States is $100 to $125 a head, while ranchers on the American side pay the contractor $25 a head for the labor," Mr. Brown asserted.

He said afterward that the difficulty lay in proving knowledge on the part of the farmer that the wetbacks were in this country illegally and added that prosecution could "easily overwhelm our courts."

"There is also an element of condoning this thing," he declared. "Our farmers need the labor to such an extent that in many places they could not otherwise harvest their crops."

[From the New York Times of January 28, 1954]

POPULATION GAIN MEXICAN PROBLEM—JOB SEEKERS OUTSTRIP JOBS—OFFICIALS SEEK MEANS TO CURB WORKER FLOW TO UNITED STATES

(By Sydney Gruson)

MEXICO CITY, January 25.—The Mexican Government is taking a new hard look at an old problem—how to lessen the increasing imbalance between population and production.

Responsible Mexicans recognize that unless something can be done about it, their people are going to flood into the United States in search of work whether or not a migrant labor agreement exists between the two countries. The old agreement broke down this month. Under it about 200,000 Mexicans were permitted to contract legally for seasonal work in the United States. In addition, more than 1 million Mexicans crossed the United States border illegally last year looking for jobs. The United States has begun to hire these workers without official Mexican participation in the program.

The truth that many Mexicans are beginning to face up to is that as things stand now these people have no choice. It is easy enough to appeal to their patriotism to resist the temptation of the work and comparatively attractive wages across the border. It is another matter, however, to provide them with jobs, food, or money if they remain in Mexico.

AGRICULTURE CHIEF PROBLEM

At the moment neither the industrial nor the agricultural plant in Mexico is expanding rapidly enough to take care of the increasing population. The official statistics show Mexico's population in 1900 was 13,600,000. By 1950 it had risen to 25,800,000—the rate of population increase had jumped to 3½ percent annually. It now is even higher.

Three-fifths of the entire population still live on the land despite a steady movement to urban centers in the last 15 years. While industrial productivity is far from satisfactory it is not so critical a part of the problem for Mexican officials as what to do about agriculture.

Mexican experts now generally agree the pattern of land reform started in 1917 and still going on, does not provide an adequate solution. The reform succeeded in changing the basis of land ownership. However, official figures show that it failed to stimulate productivity or increase yields. In some cases they have fallen.

The reform chopped up the great estates and divided them into small parcels known as ejidos. In 1910 and at the start of the revolution about 3 percent of Mexico's population owned all the country's arable land, which amounts, however, to only 7 percent of Mexico's total land area. Today about 50 percent of the arable land is held as ejidos. Two of every three Mexicans who live from agriculture are estimated to be on ejidos.

CARDENAS SET THREE GOALS

President Lazaro Cardenas who gave land reform its greatest impetus during his 1934–40 term established three main aims for the ejidos: to liberate the field worker from feudal exploitation, to provide sufficient employment for the vast rural population and to produce enough food to feed the nation. Neither of the last two aims has come near to fulfillment.

The Government has been caught in a dilemma in the stimulated outcry over the breakdown of the migrant labor pact with the United States. Agricultural union leaders have demanded a new speedup in land distribution, asserting that 1,200,000 farmers are still without land.

If these farmers were given land, according to union leaders, they would not need to seek work in the United States. However, from past experience the Government knows that this is not necessarily so and that, besides, additional small farms will mean little in the fight for increased productivity.

Unfortunately for the Government, it cannot say these things publicly while its landless farmers are being exhorted to stay in Mexico.

EXCERPTS FROM THE CBS RADIO NETWORK PRESENTATION OF THE WETBACKS, APRIL 4, 1954

Austin W. Mathis, M. D., health officer from Imperial County, Calif.: "This is Austin W. Mathis, M. D., health officer from Imperial County, Calif. Imperial County has the highest tuberculosis rate, the highest venereal disease rate, and the highest infant mortality rate of any county in California. We feel that there is a definite tie-in between the influx of Mexican people into our county and our public health problems in that these people coming in are a potential source of infection. We are on a powder keg in Imperial County as far as communicable diseases go. Last year we had three cases of typhoid fever in one section of the county. The same potential lies in diphtheria, smallpox, typhus, and other diseases which are present in Mexico but we have managed to keep out of this country. The average mortality rate is around 20 or 22 in the State, and last year ours was better than 37. This is the infant mortality rate, and by that I mean the deaths of children under 1 year of age."

District Attorney Don Bitler, of Imperial County: "The presence of the wetback criminal element in our courts gluts the court and slows down the process of the administration of justice. It was found that approximately $200,000 had been expended by Imperial County with the population of only 65,000, during the previous year for law enforcement growing out of the invasion of the wetbacks."

Ben Perry, executive officer of the CIO food packers union in the Imperial Valley-San Joaquin region: "We think it's worse at the present time than it was in depression days. The people just don't have a chance in which to go to work on the job. Now our people are forced to compete with this 70 cents an hour, yet they are denied the fringe benefits that are actually given to the Mexican bracero. The Americans are forced to compete with the Mexican nationals."

Attorney General Brownell: "Our preliminary studies indicate that border recruiting may provide at least a partial solution to the problem. Under the old agreement Mexicans living in the border areas were effectively excluded from the legal program and as a consequence became wetbacks. That situation at least has now been changed. I don't believe we should request Congress to increase the size of the border patrol until we have a chance to see what develops under the new agreement. Last year as you know the border patrol apprehended over a million wetbacks. The records of the Immigration Service, however, do not support the claim that any substantial number of subversives were involved in this movement. But, of course, it's possible for subversives to cross the border and this is one of the reasons we're seeking so earnestly to stop this illegal traffic. We plan to propose some new legislation to Congress this year. The laws we now have on the books are primarily directed at the wetback. We're presently studying the advisability of new laws, for example, to make it illegal to employ wetbacks knowingly

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and also a law to allow confiscation of automobiles and buses that are knowingly used to bring the wetbacks in, and some other measures to make it less attractive to use these migrants or to induce them to enter the country illegally * * * are also being studied."

[From the Reporter of April 13, 1954]

HUNGRY WORKERS, RIPE CROPS, AND THE NONEXISTENT MEXICAN BORDER

(By Richard P. Eckels)

Last July District Attorney Don C. Bitler was brought up short by fiscal-year reports on the soaring crime rate in Imperial County, Calif. It was the worst in the State, roughly double the expected rate. Bitler checked with other county officials and found that the sheriff, the coroner, the welfare department, the health department, and the county hospital were also faced with steadily mounting workloads and expenses.

And yet, according to the latest official estimate, the population of Imperial County, "America's all-year garden," was 65,500, up only 4 percent since 1950. The figures that startled the district attorney could only be accounted for by a seasonal influx of illegal immigrants from Mexico. The county relief rolls carried more than 200 children who had been deserted by Mexican fathers. Medical services to the immigrant laborers were costing the county hospital $25,000 a year. More than a third of the prisoners in the county jail were Mexicans. All told, the illegal temporary residents were costing the county at least $250,000 a year.

Edward Parker, head of the local office of the United States Border Patrol, assured Bitler that his men were catching the border jumpers at the rate of a thousand a day, sometimes 1,800. But Parker had to admit that 2 or 3 times that number were getting through.

Bitler sent a telegram to the governor in Sacramento. The ranchers needed the manpower, of course, but one small border county was being put to extraordinary expense as the first line of defense against an alien invasion. Was there not some way the State or Federal Government could reimburse Imperial County for its disproportionately high police, hospital, and welfare costs?

Gov. Earl Warren, then not yet appointed Chief Justice, is said to have laid the problem before President Eisenhower at a White House luncheon. The President is reported to have asked Attorney General Herbert Brownell, Jr., to look into the problem. Brownell flew to California for an on-the-spot survey.

The Attorney General declared the situation shocking, calling it the worst breakdown of law enforcement since prohibition. According to some estimates, there might be 2 million illegal Mexican immigrants in hiding throughout the United States. At any rate, a pitifully undermanned border patrol had apprehended 389,000 of them in California alone in the past year.

No one could guess how many Communist agents, saboteurs, and international smugglers were infiltrating the country through the mesh of holes in the border, but it was plain that the border was no effective barrier against them. Perhaps the Attorney General reflected that a few trained saboteurs could do more damage than a hundred thousand impoverished peons, even though a third of them were suffering from contagious diseases like tuberculosis and syphilis.

The Attorney General's findings produced results. Border patrolmen, their numbers temporarily augmented by men transferred from relatively inactive sectors, stepped up the rate of apprehensions in the border counties of California. But the new vigilance did not please everyone. There are two major reasons why the 1,549-mile Mexican border leaks. In the first place, there is so much of it. The second reason is that a politically powerful group of southwestern ranchers, as dependent upon cheap Mexican labor as upon irrigation, campaign resolutely against having the border tightened by any means whatsoever. Ranchers, long accustomed to ordering their seasonal labor from a labor contractor by telephone, were dismayed to find their cotton unpicked, their tomatoes rotting on the vine, their celery unplanted.

The debate was on, and legislators soon found that there was no way of pleasing all their constituents. One Congressman was roundly scolded by his hometown newspaper for yielding to the ranchers' demands. The Banning (Calif.) Record declared that Republican Representative JOHN PHILLIPS was "asking the authorities to ignore the law for a while until it becomes convenient to Southland farmers for the law to be enforced again."

WHY JUAN FULANO LEAVES HOME

The force that drives Mexicans northward across the border is an old and simple one. It is poverty. Mexico has less than 1 acre of arable land per capita (the United States has 2.57), and its agricultural practices are primitive and wasteful.

To make matters worse, slight improvements in sanitary conditions and a normally high birthrate have sent Mexico's population soaring in recent years. Six million people have been added in the past 10 years. The annual increment is about 3 percent, twice that in the United States.

What President Ruiz Cortines calls "Mexico's ancestral poverty" has been further intensified by years of drought. In many localities, even where irrigation facilities exist, the dams are nearly dry. In the state of Durango alone 40 percent of the cattle perished last year; 379,200 head, worth $8.7 million locally. Some climatologists believe that the dry cycle will come to an end about 1960; others believe that a large part of Mexico will continue to be dry for the duration of this geological epoch. At any rate, no informed person expects improvement in the near future.

On top of all these troubles, Mexico has experienced a severe inflation recently. Prices rose 25 percent in the first year of the Korean war. Mexico's economy has become so dependent upon that of the United States that 81 percent of all Mexico's imports come from the United States, and 85 percent of its exports go to the United States. Mexico's minerals, cotton, and coffee help pay for American-made trucks, tractors, automobiles, petroleum products, drugs, canned goods, and clothing.

As every American tourist finds, the American price level follows the pavement into Mexico. As long as he keeps to the hard roads, he pays United States prices in motels, hotels, restaurants, and shops. The once-famous bargains still exist, but only 40 miles beyond the pavement, and each year the bargain area diminishes as the pavement advances.

So far as the official figures show, the American tourist is the principal source of dollar income to Mexico, roughly $200 million a year. The total amount sent back to Mexico by migrant workers is impossible to determine, but the amounts known to flow through approved channels suggest that the total could be even larger than the tourist revenue. Added, both sums approximate the entire national budget of Mexico. Thus, even the export-import figures do not fully represent Mexico's actual dependence on the United States.

Juan Fulano, the average peon, has one foot in each economy. Representing over 60 percent of Mexico's population, he earns only 20 percent of its income, and the gap is widening. If he can find work at all, he can earn 55 cents to a dollar a day. He grows his own corn and beans, the rains permitting, but everything he buys—shirt, pants, and shoes—carries contemporary Chicago prices. A pair of blue jeans costs him at least 3 days' work; a pair of field shoes 6 days' work.

And so the displaced peons, fleeing starvation, seeking work, stream northward out of the Eastern Gulf States—Tamaulipas and Veracrus; out of central Mexico—Zacatecas, San Luis Potosi, Guanajuato, and the federal district around Mexico City; out of the western seaboard—Sonora, Sinaloa, Nayarit, Jalisco, Michoacan. They come from an area that extends 2,000 miles deep into Mexican territory. On a single morning I found men, ranging in age from 18 to 27, from all these states working in a few cotton fields near El Centro, Calif.

The fugitives from poverty do not start out, as many people suppose, from the immediate vicinity of the border. Nor do they conform, ethnologically, to anyone's stereotype of what a Mexican peon looks like. Some, despite names like Manuel Garcia Ramirez, are blue eyed, fair skinned, and light haired, and could pass for Scandinavians. The only evident common denominator is that they all speak Spanish and suffer from advanced malnutrition; on the average, they weigh about a hundred pounds.

Many of the workers I met told me that they had been lured north by reports of a boom in Mexico's newest state, Baja California, and that they had not originally intended to cross the border into the United States at all. In 1920 the population of Baja California was 20,000; today it is 280,000. Most of the increase has been the result of migration from impoverished areas in central Mexico.

Baja California's Mexicali Valley, the Mexican continuation of California's Imperial Valley, gets its water from the Colorado River. It grows cotton, alfalfa, flax, grains, citrus fruits, olives, and cattle. Jai alai, horse and dog racing, curio shops, and bars brings throngs of American tourists across the border for a quick look at Tijuana. The busiest port of entry on either the Canadian or Mexican border is little San Ysidro, 15 miles south of San Diego.

But there is scant possibility of a Michoacan peon's being readily absorbed in the glittering artificially of Tiajuana, and hardly more in the agricultural economy of the Mexicali Valley. Flourishing as it is, Baja California can absorb only a small fraction of teeming Mexico's surplus millions.

And so the peons cross the border. Mexican laborers and farm hands have been doing it for years. During the First World War Mexican labor was utilized even in the steel mills of Pennsylvania; during the Second World War some 200,000 Mexicans were imported to assist with crops and to work on railroad section gangs.

What had been extremely informal arrangements were formalized under the Ellender Act of 1951. Recruiting centers were set up in inland Mexican cities, manned by teams of officials representing the United States Employment Service. Trainloads of screened men were taken to employment centers north of the border and there distributed according to an orderly plan.

Ranchers guaranteed prevailing wages, provided housing and meals at a uniform cost of $1.75 a day, and posted bonds to assure the repatriation of their temporary workers after periods of 6 week to 6 months. According to the California Farmer, it cost a rancher an average of $50 to put a Mexican contract laborer to work.

Last year, 197,100 Mexican nationals were processed at a cost of $2,650,000. With Labor Department funds for recruiting contract laborers cut 26 percent this year, the program has been curtailed. Of the 94,200 harvest workers accepted through July 31, 1953, California got some 32,000. But farm leaders insist that California needs at least 300,000 harvest hands and that Mexico is the only possible source of stoop labor.

The word readily gets around Mexicali that even though there is only a boomlet there, unlimited numbers of braceros can be utilized over in the United States. In this situation, the legal niceties are ignored.

ACROSS AN IMAGINARY LINE

A prosperous, law-abiding American tourist, encumbered by car and heavy baggage, would cross the border at 1 of the 15 official ports of entry. There he would encounter a minimum of red tape, and he might observe that the border is protected by a 10-foot wire fence. It is, but only in the immediate vicinity of the ports of entry. The Imperial-Mexicali Valley, for example, has 6½ miles of fence, but the remaining 83½ miles of the boundary is sheer imagination.

On the map the Rio Grande (Mexicans call it the Rio Bravo), which constitutes well over half of the international boundary, looks like an efficient frontier. True, at times it does reach to a man's shoulders, a circumstance which has enriched the American language with the term "wetback." All last summer, however, it was so shallow that a child could wade across, and in some places it had dried up to a garden-hose trickle. Texas has been having a drought too, and this year has not attracted many Mexicans across the dusty bed of the Rio Bravo.

Suppose you are Juan Fulano, stranded in Mexicali, 2,000 miles from your Michoacan home, hungry and jobless. California beckons you over, through, or around the fence.

You will learn, for example, that for a dollar you can enter the United States through a privately owned hole that one of your compatriots has made with a blowtorch in the Government's fence. Or for the same fee you can slide over on a mattress. If you are agile and athletic, you can perhaps vault the fence, and that makes you a respected alumbristo, a subject of almost as much respect as a toreador. Or you may just pile up a few cardboard cartons and orange crates and get over the fence that way.

More likely, being short of money and in no great hurry, you will simply amble along the fence for an hour to the place where it ends. Those pompous officials at the ports of entry are for the tourists.

You, Juan Fulano, have now emigrated to the United States. Before long someone will be along to ask you if you would like a job up in Fresno or Salinas, 400 miles from the border. If you do, he will give you and 8 or 10 others a free ride in his truck. He keeps to the unpaved, dusty back roads. And some rancher up there will be so glad to have you working for him that he will pay the trucker maybe $35, maybe $75, maybe even $100 for each of you. And you can make maybe $6, maybe $10 a day working on the ranch.

Of course, you will not be treated like a member of the family. Indeed, you may have to sleep in an irrigation ditch or in a grove of eucalyptus trees. Somebody will be glad to sell you food. For maybe $4 a week you can eat well: canned juice, refried beans out of a can, jack mackerel, cinnamon rolls, and soda pop.

YOU BECOME A COTTON PICKER

Maybe you don't want to travel so far so soon. You haven't eaten anything for 4 or 5 days—haven't smelled coffee for 6 days. You'd like to start working and eating right away.

Along comes a fat Mexican named Garcia. He calls himself a labor contractor. He has a job for about 40 of you on the ranch of a Chinese a few miles up the road. Good pay, 3 cents a pound for picking cotton. Señor Garcia wears nice clothes and green glasses that reflect like a mirror. He eats well. You can tell that by looking at him.

Five years ago, he says, he decided to leave Nayarit. He was skinny then, only a hundred pounds like you, but in good trim; he jumped the fence. He couldn't do it now.

See those trucks. He owns them, $30,000 worth, all paid for. Somebody tells you he makes $500 a week, drives a new Cadillac; like a general, like a movie star. Truly, you tell yourself, this is the land of opportunity.

You work all morning in the broiling hot sun picking cotton, putting the little balls of fluff into your sack. When it is full you take it to the scales and Señor Garcia himself weighs it. The little boy at the cashbox pays you off—40 pounds—$1.20. Not bad for a hungry man. You'll do better, Señor Garcia says, when you have eaten something.

On a flatbed truck is his commissary. Later you'll buy some milk and a pack of cigarettes, but not now; too expensive. You decide to take the cottonpicker's lunch—a tinplate of cold beans out of a can, 3 cold tortillas, a slice of bread, a bottle of iced pop, 50 cents. You're not getting rich very fast, but you were so hungry. You'll do better, you tell yourself, this afternoon.

It is fortunate that you emptied your sack when you did because right after that the Government trucks arrived and 4 or 5 men with shiny gold badges and pistols on a belt got out and started yelling. They rounded up 25 of Señor Garcia's men and took them away—back to Mexicali.

You and the others at the commissary were lucky. You dropped down in the cotton and they didn't see you. It's easy in cotton; it closes over you like water and unless someone steps on you you're safe.

Señor Garcia lets you all know when the government trucks have driven away. You go back to picking cotton. He says you're probably safe for another month and meanwhile let's get this cotton picked. He drives off to El Centro or Calexico to pick up 20 or 30 more men to pick the rancher's cotton. You wonder what the proprietor looks like. But you never see him.

Saturday night you have more money than you ever saw before. You go into Westmorland with some of the fellows, get a bath and a haircut, and put on your new American work clothes. The storekeeper talks you into buying a pair of socks. You never owned a pair of socks before, but now you have money. Try anything once, even socks.

Over on Fifth Street are the cantinas, the bars. Bright-colored lights everywhere, and good Mexican music. There are Mexican women there too. One of them tells you how she came up from Aguascalientes on a bus with her two children. She says if you have money, you can go across the street with her. You are somewhat shocked, a mother and all that, and while you are thinking it over a whistle blows and someone turns out the lights.

It's the men with badges and guns again. A big one asks you "Papelos, muchacho?" You reach toward the hip pocket of your stiff new blue jeans as if you expected to find some papers there, and when the man looks away you get out. The other people in the cantina and some from the other places in that block are loaded into the Government trucks. Back to Mexicali. Too bad, just when you were getting acquainted. Mala suerte, you shrug. But you have a hunch that many of them will be back in the cantina next Saturday.

WHO ELSE IS COMING IN?

The men of the Border Patrol have no illusions about making clean sweeps; they concede that theirs is necessarily a sampling operation. Those they catch are the most desperately poor, the most recently arrived, the least ingenious of the Mexican invaders, and even in these categories many are the beneficiaries of the laws of chance.

At the peak of the annual migration, in July, 2 or 3 officers may be able to apprehend a fifth of the men they can see on a mile-long northbound freight, clustered on it like flies on a honey barrel.

The long, loud public agitation over the migrant laborers has tended to obscure the fact that other and more dangerous visitors may be coming through our leaking borders.

The border patrol says that it has found only a few foreign agents among the Mexican immigrants. But the officers concede that they would have a difficult time running down an alien who had enough money to look well nourished and even fairly well groomed, who could provide himself with spurious documents, buy a ticket to a point a few hundred miles inland, and who had friends to shelter him when he arrived there.

No one knows how much livestock is being stolen or smuggled from ranches in northern Mexico and driven across the Rio Grande. During the past year, leaders of only two cattle-smuggling plots have been convicted. American stockmen are still nervous about foot-and-mouth disease even though the most recent outbreak was some nine hundred miles from the border. With tick-infested cattle and with horses suffering from a venereal disease called dourine roaming across the line, the Bureau of Animal Industry plans to resume its own patrol with airplanes, jeeps, and mounted riders.

Counterfeit bills in $20 and $50 denominations that have turned up recently in Southern California have been traced to Mexico. A 22-year-old Mexican with a Greek surname carrying $2,650 in counterfeit $50 bills fell under suspicion chiefly because he was driving a glittering new sedan of an expensive make. Suppose he had been clever enough to hike across the unfenced desert?

Each month about a million dollars' worth of narcotics, including marijuana, is seized at border points. In view of the border's largely imaginary nature, the quantities successfully smuggled could be a dozen or a hundred times as great.

There is no end to the rackets and no limit to the profits when the border leaks so notoriously.

NO EASY ANSWERS

Many ranchers seem to feel that the problem could be solved by doing away with red tape and issuing a simple crossing card to Mexican laborers. "They need the work," the ranchers say, "and we need their labor."

But how many cards would have to be issued, 500,000 or 5 million? How would the quota be coordinated with the ranchers' demands, fluctuating both seasonally and from year to year? Would the ranchers be willing to have the workers checked for tuberculosis, venereal diseases, criminal connections, subversive activities, and so forth? If so, a lot of highly trained specialists would be needed in the processing line, and the processing costs would run up to $10 a head, and we would still have the problem of how to deal with those who chose to make a brokenfield run around left end.

The crisis at the border begins with the crisis in Mexico itself. Mexico's population is growing too rapidly for the progress it is making in opening new lands to settlement and cultivation, in extending irrigation and modernizing its agricultural practices. Mexico is further harried by inflation and drought, possibly threatened by long-term dryness.

And yet Mexico is a proud and ambitious nation. The Mexican Government has invested $58 million in increasing domestic production of wheat, corn, and beans, the staples of minimum diet. As stopgap measures, it is importing frijoles from South Africa and selling flour to bakers at about 60 percent of cost.

The administration of President Ruiz Cortines is pushing its march-to-the-sea program. Now that yellow fever is under control, the sparsely populated territories of southern Baja California and Quintana Roo are being opened to colonization.

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Mexico hopes to expand its fishing fleet and seine the adjacent seas for inexpensive proteins. It is developing its harbors and connecting them by improved roads with inland areas, hoping to develop its coastal shipping and foreign trade.

New highways are being constructed to Baja California, to connect the scattered mines, vineyards, citrus and olive groves, breweries and wineries, and the rich 333,000-acre cottonfields around Mexicali. The port city of Ensenada is undergoing a $15 million program of harbor development.

With all these activities—and some more help from the United States—Mexico's future need not be entirely dark.

Some of Mexico's publicists glibly predict that it will one day be able to support a trebled population of 80 million in comfort and prosperity. In that millennial event, one may infer, the farm-factories of the West and Southwest would have to look elsewhere for cheap labor. But that crisis is still far distant.

EXTRACTS FROM THE CBS RADIO NETWORK PRESENTATION OF THE WETBACKS, APRIL 4, 1954

(The man with the small, battered suitcase stands on the Mexican side of the border. He waits for darkness to cover the open fields on both sides of the international boundary line. His name is Carlos Moreno. He stands separate from the 30 or more Mexican wetbacks, who are also waiting for dark. Carlos Moreno has a job to do.)

MORENO. I'm standing among a group of wetbacks on the Mexican side overlooking the American border. I intend to go down at 7 o'clock and cross the border through a hole in the fence to the American side. The moon is covered with clouds and is fairly dark. I should be able to cross without any trouble.

(Carlos Moreno's job is to get across the border illegally. He is to try to make his way into the interior of California, by using taxi cabs to take him from one town to another. He is to try to avoid being picked up by enforcement officers. He is to carry his suitcase the whole way to Los Angeles and he is to speak only in Spanish. Carlos Moreno is of unmistakably Mexican descent. He is not an enemy agent, but a reporter. The suitcase he carries—the suitcase which could carry enemy devices—actually contains a tape recorder. And he will report to us at each leg of the trip, as he does now.)

MORENO. I've come to the abutment that holds up this fence on the International Border line. It is solid concrete and it is firm enough so that I can walk on it. I cling to the fence and almost got a toehold on the fence crossing a span of about 10 feet. And at the end of that span is a hole that has been cut into the line about 4 by 3. I'm now getting ready to go through that hole and as I step out I'm on the American side. About 2 feet below me is New River which separates the United States and Mexico. I'm now moving across the flat terrain. To my left I see a group of wetbacks which is heading over toward the left. I think my chances are better if I take the right and go off by myself.

On the outskirts of the California town of Calexico, Carlos Moreno waves at a passing cab. It stops. He walks to it, opens the door, makes his deal with the driver.)

MORENO. I've just now finished the first leg of my attempt to get into the interior of California. I'm now in a little town called Heber with a population of about a thousand from the looks of it. It's been 40 minutes since I crossed through the hole in the international line into the United States. At Calexico I got into a cab and told the driver to take me to Heber. At the outskirts of Heber, I stopped him, paid him and went into the shadows off to the side of the road. I'm now laying in a ditch beside the road waiting for traffic to calm down. From Heber, here, by taking a taxi I will attempt to get to El Centro which is approximately 6 miles from Heber. All my conversation with the taxi was in Spanish. Now the cars have stopped and I'm on my way.

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MORENO. Now I just got out of the cab which took me from Heber to El Centro. It is a town fairly large. The population I'm not quite sure but it seems to be very stretched out. I walked over to the railway yard and at the present time, I'm standing approximately 20 or 30 feet from an engine. No one has stopped me. No one has questioned me.

MORENO. I am taking what seems to be a road going through the city of El Centro. I'm taking the dark side of the road in an effort to get across town without getting stopped. I don't want to chance and go into the center of town. I hear a plane in the air and several cars are passing me on the road. So far, nobody has given me any difficulty. Now I've got to find a cab that will take me to Brawley, my next stop on my way to the city of Los Angeles.

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MORENO. I am now standing at the side of the United States Post Office Building in the city of Brawley, Calif. So far, three legs of my trip to Los Angeles have been completed. From Calexico to Heber, from Heber to El Centro, and from El Centro to Brawley. Now comes, perhaps, the toughest stage from Brawley to Indio. Once I get to Indio, I'll be out of the danger zone. The route to Indio is about 75 miles across hard-packed desert. There are two routes to Indio that go around the Salton Sea. The northern route and southern route. The information I have says that there is less patrolling on the northern route. This is the way I will go. And now I have to find another taxicab.

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MORENO. I am now in Indio, Calif., with the fourth and most dangerous stage behind me. I stopped the cab about two blocks from the bus depot. There are no check points beyond Indio. From here in, I intend to drop the taxicabs and go by bus to the city of Los Angeles. In Los Angeles is the second largest Mexican population in the world, outside of Mexico City. One more Mexican there will not be noticed. Once I get set up in Los Angeles, I can do anything and go where I want. I am now standing about two blocks north of the bus depot in Indio, Calif. No people, no police, no immigration officers are in sight. I intend to walk the main street into the bus station.

(If he gets on the bus without being stopped, he'll be through. • • • Some minutes ago we left our Mexican reporter, Carlos Moreno, waiting to enter the bus stop at Indio, Calif. This was the final stage of his illegal trip through the illegal hole in the fence at the international border. Once in Los Angeles, Carlos Moreno—or any enemy saboteur or spy or agent—would be engulfed in the crowd of the big city. Let's follow Carlos Moreno, illegal entrant, into the bus station. And this time, when he talks to someone, he no longer has to talk in Spanish. He is beyond the danger zone.)

(Public address system: "Your attention, please [noise and music in background]. The Los Angeles, for Banning, Beaumont, Riverside, Ontario, Pomona, Alhambra, and Los Angeles.")

TICKET MAN. Yes? May I help you?

MORENO. What time does the next bus leave for Los Angeles?

TICKET MAN. Five thirty.

MORENO. I'd like a ticket.

TICKET MAN. Round trip, sir?

MORENO. No; one way.

(And, at 5:30 in the morning:)

BUS DRIVER. May I have your ticket, please?

MORENO. Here it is.

BUS DRIVER. One way to Los Angeles. Thank you.

(Sound: Bus pulling away and out.)

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. LEHMAN. I do not want to yield the floor except temporarily. I expect to make some further remarks on the subject.

Mr. SMITH of New Jersey. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SMITH of New Jersey. Is it in order for me to make a brief statement for the State Department, on an aspect of the bill relating to the State Department, so the record will be clear thereon?

Mr. KNOWLAND. I wish to inform the Senator from New Jersey that the Senate is now proceeding under controlled time. Since the chairman of the Committee on Appropriations is not present at this time, as a member of the committee, I shall assume his responsibilities at the moment. How much time does the Senator from New Jersey desire?

Mr. SMITH of New Jersey. Not to exceed 3 minutes.

Mr. KNOWLAND. I yield to the Senator from New Jersey 3 miuntes of our time.

Mr. SMITH of New Jersey. Mr. President, House bill 8067, as it was reported to the Senate on June 9, 1954, includes amendments recommended by the Senate committee. The following provision appears on page 4, line 22:

Provided further, That none of the funds made available by this appropriation shall be used to pay the salaries and expenses of the Metals and Minerals Staff in the Office of Economic Affairs.

The following is stated on page 4 of the committee report:

The committee is very much concerned with the activities of the Metals and Minerals Staff of the Office of Economic Affairs. During the hearings the committee went into this matter very thoroughly. On the basis of testimony presented and justifications submitted the committee has reached the conclusion that the metals and minerals staff should be abolished. In conducting its affairs, the Department in dealing with the mining and metals field should look to the Department of the Interior for information and policy guidance. With this coordination the welfare of the domestic mining industry will be fully protected. To carry out this recommendation the committee has included language in the bill to provide that none of the funds appropriated for salaries and expenses, Department of State, will be used to pay the salaries or expenses of the metals and minerals staff, for which the 1955 estimate is $67,945.

Mr. President, I have before me a memorandum given me by the State Department. The memorandum points out that, although of course the State Department looks to the Department of the Interior for information covering domestic mining, nevertheless the State Department is constantly in negotiation with foreign nations in connection with our stockpiling of critical and strategic

minerals and with other importations of minerals, and that in that connection it is necessary for the State Department to have a staff—although the word "staff" is not used in the memorandum to which I refer. Nevertheless, in the memorandum it is suggested that provision should be made to take care of this responsibility. Therefore, the State Department has requested me to make this statement for the RECORD, so the matter can be considered at the time of the conference with the House of Representatives on the pending State Department appropriation bill.

Mr. President, I now ask unanimous consent to have printed at the conclusion of my remarks the brief memorandum which has been submitted by the Department of State; and I also ask that when the conference with the House of Representatives is had on the pending appropriation bill this matter, as recommended by the Department of State, may be considered by the conferees on the part of both Houses.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

STATEMENT CONCERNING THE METALS AND MINERALS STAFF OF THE STATE DEPARTMENT

H. R. 8067, as reported in the Senate on June 9, 1954, includes amendments by the Senate committee. The following provision appears on page 4, line 22: *"Provided further,* That none of the funds made available by this appropriation shall be used to pay the salaries and expenses of the metals and minerals staff in the Office of Economic Affairs."

The Senate committee report discusses that provision in the second paragraph of page 4.

The State Department has in the past and certainly, I am sure, would in the future look to the Department of the Interior for all of the information and policy guidance which the Interior Department can furnish and which is needed by the State Department in the conduct of foreign relations. The State Department, through the metals and minerals staff, also consults with all of the other agencies whose information and guidance is necessary in the international affairs of the United States Government with respect to metals and minerals. This consultation and coordination particularly includes the Office of Defense Mobilization, the Departments of Defense, Treasury, Commerce, Agriculture, Labor, and such independent agencies as the General Services Administration and the Reconstruction Finance Corporation. The metals and minerals staff performs functions as assigned to it which require that the State Department work closely on specific minerals problems with the National Security Council and the Bureau of the Budget.

The metals and minerals staff is the focal point within the Department of State for the performance of the Department's responsibilities in connection with the strategic stockpiling program of the United States. Most of the materials which the United States stockpiles are metals or minerals. A large part of the commercial supply and the stockpile accumulation is obtained from other countries. The condition of access to such supplies is a matter which frequently involves intergovernmental consultation and negotiation. The responsibilities of the Secretary of State and the Assistant Secretary of State for Economic Affairs cannot be discharged effectively without a small staff in the Department to assist in this work.

The Department of State is not able to fulfill its responsibilities without a few qualified staff members concentrating on the international aspects of metals and minerals. These individuals need not be termed members of the metals and minerals staff of course and, indeed, the title of their unit is not very important.

So far as I know, no charge has been made that the present members of this staff have not performed efficiently in carrying out the assignments of their superior officers. Neither has any charge been made that they have worked toward objectives other than those established for them by policymaking officials in the Department. The Department is aware that its responsibility in the international field has at times presented an issue as to the policy which would best serve all of the interests of the United States, domestic and foreign. Such problems are rooted in the various interests of the United States which at times need to be reconciled. The difficulties, however, and even the differences in views would not be removed by the abolition of the Metals and Minerals Staff. Unless this work were continued in the Department even under some other name, the Department would simply be handicapped in the effective conduct of foreign relations and its collaboration with many agencies and departments of the United States Government whose programs affect or involve international affairs.

Mr. KNOWLAND. Mr. President, I rise to suggest the absence of a quorum. However, before proceeding further, I wish to state that I hope we shall soon vote on the Departments of State, Justice, and Commerce bill.

Mr. President, I now suggest the absence of a quorum; and I ask unanimous consent that the time required for the call of the roll not be charged to either side.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSON of Texas. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from New York [Mr. LEHMAN] has used 18 minutes; and the Senator from New Hampshire [Mr. BRIDGES] has used 4 minutes.

Mr. JOHNSON of Texas. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRIDGES. Mr. President, I yield 5 minutes to myself in opposition to the amendment of the Senator from New York [Mr. LEHMAN]. Perhaps later I shall use more time.

The question of appropriations for this item has been gone into very completely by the committee. The committee made a thorough study. No effort was made in the committee to increase the amount of the appropriation. Now we are faced with an amendment offered on the floor of the Senate to do just that.

The amendment of the Senator from New York specifically applies to the so-called border patrol. I point out to the Senate that the committee allowed the full budget estimate for the border patrol service. This is what the committee report states in regard to the border patrol service:

The committee further directs that no reduction be applied to the border patrol, which polices both the Mexican and Canadian boundaries.

The committee allowed the entire amount requested in the budget, and then, in case there should be any holding back on the part of the department, the committee wrote into the report the language which I have just read.

Furthermore, I invite the attention of Senators to the fact that at the moment a very thorough analysis is in progress by the Bureau of Immigration and Naturalization on the same subject. We have provided $6,518,800 for this service, yet the Senator from New York now proposes to double the amount of the appropriation for the border patrol. I do not believe that such action can be justified. Certainly no such request was presented to the committee, and no adequate argument has been made on the floor of the Senate to support such a proposal.

It is possible that there might be some justification for increasing an item somewhat because of a Senator's interest in some particular phase of a problem. But when it is proposed to double the amount of an appropriation, such action completely changes the policy.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. KNOWLAND. In confirmation of what the Senator has said, I understand that detailed studies are now in progress. I believe they will be completed before this session of Congress is over. As soon as the facts and figures are available as a result of the study, they will be presented to the Budget Bureau. If the Budget Bureau agrees—and I have no reason to believe that it will disagree, assuming the presentation of adequate facts—it is my understanding that before the final supplemental appropriation bill is acted upon by the Congress a specific recommendation will be submitted, for such funds as the Department of Justice, the Bureau of Immigration and Naturalization, and the Budget Bureau believe could be effectively and efficiently expended on this very important work. But certainly such a recommendation should be supported by adequate facts and figures. At least, the survey which is now under way should be completed before the appropriation is increased.

Mr. BRIDGES. I thank the Senator from California. The distinguished majority leader is absolutely correct.

The PRESIDING OFFICER. The time of the Senator from New Hampshire has expired.

Mr. BRIDGES. Mr. President, I yield myself 5 minutes more.

I desire to point out also that the funds provided in the bill are the same as the appropriation for the current year. The committee granted everything that was requested in the hearings. We went into the subject at great length. As late as this morning we made contact with the

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Department to see if there had been any change of opinion which would warrant supporting the amendment of the Senator from New York. The answer was "No." The answer was the same as the distinguished Senator from California has indicated, namely, that a study is being made of the entire problem. It is a major problem, but it cannot be solved merely by doubling the amount of money appropriated for the service. The committee has taken care of this item and has warned against any further reduction in this particuular item. We believe that the work is proceeding in a reasonably satisfactory way. A study is being made of the problem, and we are absolutely opposed to doubling the amount of the appropriation.

I hope the amendment of the Senator from New York will be defeated.

Mr. LEHMAN. Mr. President, how much time have I left?

The PRESIDING OFFICER. The Senator from New York has 12 minutes.

Mr. LEHMAN. I yield myself as much time as I may need, up to 12 minutes.

Mr. President, this is a serious problem. I listened to the distinguished chairman of the Committee on Appropriations, for whom I have very great regard. His only argument was that I am wrong in asking for such a large amount all at once. He did not answer a single one of the arguments which I advanced. He simply said that it was too much to ask for such an increase as is proposed by my amendment. I wish he had been able to advance some arguments against those made by me.

I emphasize the fact that the situation is extremely serious. I shall not ask my colleagues in the Senate to depend on my unsupported judgment on this question. I shall read from the record of hearings before congressional committees. I first read from the testimony given by Commissioner Mackey at a hearing of the Committee on Appropriations, as follows:

BORDER PATROL

Accomplishments: Again last fiscal year the border patrol continued its struggle against increasingly discouraging odds. The force patrolled over 11 million miles, examined 2,866,000 conveyances, and interrogated 9,543,000 persons, 839,149 illegally entered aliens were apprehended; this was an increase of about 15 percent over the preceding year.

Among the aliens apprehended last fiscal year 1,331 were identified as criminals with records; 96,333 were identified as having been previously expelled from the United States. Smugglers of aliens apprehended were 1,540, up 37 percent over the prior year.

Activities of the border patrol also resulted in the arrest of 2,298 individuals for violation of other than immigration laws and delivered to other agencies.

A little later in the hearing he testified as follows:

BORDER PATROL OFFICERS KILLED

Another patrol inspector was shot and killed while on duty by an as yet unknown assailant during the fiscal year. This brings to 36 the number of border patrol officers who have lost their lives in the line of duty out of a total of 45 for the entire Service.

Late in the fiscal year the Service was implored by citizens' associations, chambers of commerce, and local peace officers to use all possible resources toward controlling the hordes of illegal aliens flooding the Southwest. Reports of robbery, rape, and pillage by wetbacks in that area provided ample testimony to the fact that the situation was, and remains serious indeed.

I should now like to read some colloquy from the hearings.

Mr. McCARRAN. Mr. President, will the Senator from New York yield at that point?

Mr. LEHMAN. I am glad to yield.

Mr. McCARRAN. I should like to ask the Senator from New York if in fact his amendment addresses itself strictly to the border patrol. In other words, as I read the amendment—and the Senator will correct me if I am in error—it addresses itself to an increase in personnel in the entire field.

Mr. LEHMAN. The Senator from Nevada is absolutely correct on that point. Although, of course, the immediate purpose is the guarding of the border, my amendment certainly provides that the funds which I am asking for could be used for the entire Service.

Mr. McCARRAN. I should like to draw the Senator's attention to the fact that for the border patrol there is required a different kind and degree of training than that required for the field force in general.

Mr. LEHMAN. I have no doubt about that. I am not in the least trying to lay down a narrow program for this purpose. I thank the Senator from Nevada.

I should now like to read some of the colloquy which occurred between the Senator from Louisiana [Mr. ELLENDER] and Mr. Mackey, who then was Commissioner of the Immigration and Naturalization Service:

Senator ELLENDER. What progress have you been making in preventing wetbacks from coming into this country? Have they decreased in the last couple of years or are they increasing? Just what is the situation?

Mr. MACKEY. The situation seems to be about the same, Senator ELLENDER, except for one period there of between January 22 and February 5, when we operated on a unilateral basis.

Senator ELLENDER. What year—for this year?

Mr. MACKEY. For this year, yes, sir. Then strange as it may seem, there was a decided drop in the number of wetback entries into the United States in the El Centro-Imperial Valley area.

Senator McCARRAN. I did not hear when that drop came about.

Mr. MACKEY. Between the period of January 22 and February 5.

Senator McCARRAN. Of this year?

Mr. MACKEY. Yes, sir. That is when we started this unilateral operation. We feel that came about because of the Mexican Government's efforts to prevent them from coming from the interior of Mexico, and many of them waited on the Mexican side, hoping that they would be admitted legally under the new unilateral procedure.

Senator ELLENDER. Then are we to understand that we are getting more cooperation from the Mexican Government?

Mr. MACKEY. I feel we are at this time; yes, sir.

Senator ELLENDER. We had evidence presented to us before the Agriculture Committee some time ago that the number of wetbacks captured in the United States and returned to Mexico increased during this fiscal year over last year.

Mr. MACKEY. Yes, sir.

Senator ELLENDER. What was the cause of that, do you know? Would that not indicate that more came across than heretofore?

Mr. MACKEY. Yes; they are increasing every year.

Senator ELLENDER. Therefore, the thing is not as rosy as you have painted it, except for this little period that you just mentioned in the early part of this year.

Mr. MACKEY. I am not attempting to paint it rosy. I am just making a statement of what appears to be a factual situation. Strange as it seems—it is strange to me, Senator ELLENDER, and I know you are just as well informed in this field as I am, because we were in Mexico on a number of occasions together.

Senator ELLENDER. I hope you are well informed. You should be.

Mr. MACKEY. Yes, sir.

That is very definite proof that, instead of the number of illegal entrants decreasing, the reverse is true. The number is increasing, Mr. President. In my opinion, the illegal entrants are causing a complete breakdown in the necessary efforts of the United States Government to close the doors to those who would be security risks in our country.

Page after page of testimony has been adduced showing that the number of subversives who can with impunity cross over the border from Mexico into the United States is virtually unlimited. I am not saying that the number is 100 or 200 or 50 a day, but the testimony discloses that among the great horde of illegal immigrants who come into this country an undetermined number of persons are subversives.

In addition to the question of the national security, there is also the question of the effect on the economic and social structure of our country. There is involved also the enforced competition of the men who cross the border illegally, because they must naturally work for any wages their employers are willing to pay them, and in that way they constitute a serious menace to honest and hard-working Americans.

The illegal entrants also pose a very great menace to the lives and to the welfare of the communities along the border.

I cannot understand how anyone can object to the attempts of the United States Government to protect the 160 million people of our land from this completely uncontrolled invasion by hordes of illegal immigrants.

My distinguished friend, the chairman of the Committee on Appropriations, has suggested that we await a report from the Attorney General. I say that this is the time to act. We have been talking about this matter for years. I have been in the Senate for 5 years, and from almost the first day I came here the Senate has been discussing this subject. In the meantime, we have made no progress at all with respect to the illegal immigration, which has continued to zoom. Five years ago it was about 10 percent as large as it is today. This is the time to act. It is not necessary for us to wait for a report from the Attorney General's Office. That Office has in its possession all the facts it needs.

I say again to my colleagues that the distinguished chairman of the Committee on Appropriations has not stated

anything on the floor of the Senate this afternoon which would in any way indicate that I am wrong in the fight I am making today. All he says is that $6,518,000 is too much. I think this is the time——

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. BRIDGES. Mr. President, I shall take 2 minutes to finish reading from the record from which the Senator from New York has just read. I turn to page 189 of the hearings, and read as follows:

Senator DIRKSEN. If the committee in its wisdom saw fit to restore some of the funds that have been taken out, what would be your priority for the assignment of funds and new positions? If we were generous enough to give you additional funds, where would you apply them?

Mr. MACKEY. I am going to ask Mr. Loughran, who is the Assistant Commissioner in charge of that area, to please explain that for the record.

Mr. LOUGHRAN. The first priority we would see, Senator, would be approximately 50 passenger motor vehicle replacements. The second would be approximately 50 truck replacements. Then the next place, we would probably want money for detention and deportation—primarily deportation of aliens. The next item would be personal services items primarily, additional immigrant inspectors, some clerks, and then additional naturalization examiners and clerks.

So, Mr. President, it is significant that the officials who administer the act do not agree with the Senator from New York. They say the first priority would be approximately 50 passenger motor vehicle replacements, and the second would be approximately 50 truck replacements.

I continue reading from the record:

Senator DIRKSEN. Nothing for the border patrol?

Mr. MACKEY. There is no cut there.

Mr. LOUGHRAN. There is no cut proposed in the border patrol for 1955.

Senator DIRKSEN. But if we gave you additional funds, you could use them for the border patrol if you saw fit?

Mr. LOUGHRAN. We could, of course. It would all depend on the additional amount of money. It would be difficult to tell you now just how we would distribute the money. What I mentioned to you is a brief estimate of what we would do if we got additional funds.

Senator DIRKSEN. You feel the most useful function we could serve if we restored some of the cut would be to give you 50 passenger cars, 50 trucks, give you additional funds for deportation, additional immigrant inspectors, and additional naturalization examiners.

Mr. LOUGHRAN. As I say, it is difficult offhand to say exactly where we would put it. It would depend on the amount of money. Maybe the trucks and passenger cars would not be first at all. Maybe naturalization examiners. It purely depends on the amount of additional funds, if any.

Mr. President, that clearly indicates the point of view of the persons who are administering the act.

I again remind the Senator from New York that a study is in progress on this subject, and it may be that, as a result of the study, some additional funds for the border patrol will be requested, but at the moment those administering the act take the position which I have just quoted, as does the Department of Justice, and the evidence supports them. If conditions should change as a result of the survey, I will say to the Senator from New York that I have an open mind on the subject.

Mr. LEHMAN. Granting that there has been no decrease in the personnel of the border patrol, does the distinguished Senator think that the border patrol and the other machinery used in connection with the border patrol are adequate?

Mr. BRIDGES. I do not know that they are adequate, but so far as those administering the act are concerned, they seem to believe they are adequate.

Always more money can be used for anything, just as the service wants more money for 50 additional motorcars and 50 additional trucks. The Senator from New York well knows that if any department or agency is given money they can always use it. But we are trying to keep down the expenses of the Government. The officials administering the act say that additional money is not absolutely necessary.

Mr. LEHMAN. Mr. President, will the Senator from New Hampshire yield further?

Mr. BRIDGES. I yield.

Mr. LEHMAN. I am just as anxious as is the Senator from New Hampshire to effect legitimate economies, but I cannot believe the Senator from New Hampshire would favor economies or a rigid rule that expenditures should remain at an exact level, when there are involved the security of the country, its economic soundness, the protection of its people against unfair competition, an increase in crime and social delinquents in American communities on whom are foisted this great horde, this vast mass of people coming into the country without any scrutiny or any examination at all.

Mr. BRIDGES. Mr. President, I shall not take any further time, except to say that my feeling is just as keen as is that of the Senator from New York with reference to keeping undesirable aliens out of the country, and I want the agency to have sufficient funds to accomplish that purpose; but I do not want to appropriate the money at this time until the case is proved. I think the Senator's amendment to double the amount for border patrol is unreasonable, and I hope the amendment will be rejected.

Mr. LEHMAN. Mr. President, will the Senator from New Hampshire yield for one more question?

The PRESIDING OFFICER. The time of the Senator from New York has expired. Does the Senator from New Hampshire yield to the Senator from New York the remainder of his time?

Mr. BRIDGES. I will yield for one question.

Mr. LEHMAN. The Senator has objected to my amendment which would provide for $6½ million, which I think is necessary. Will the Senator from New Hampshire, who, I think, has already acknowledged that there are weaknesses in the system, agree to support an amendment providing for an amount less than $6 million? If my amendment is defeated, I shall certainly offer an amendment providing for a smaller amount of money. But I should like to ask the Senator from New Hampshire whether he would agree to take to the conference an amendment providing for an increase of $3 million.

Mr. BRIDGES. My answer to that question is "No." I shall not change my position or that taken by the committee until we have further evidence to justify the Senator's statement of the situation. I do not believe we can legislate in this way on the floor of the Senate without a record being made. If there is any justification, the case should be presented to the committee. If the evidence is such as to warrant an increase, that is one thing. But I shall not agree to any amendment on the floor until evidence is submitted to justify it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York [Mr. LEHMAN].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. LEHMAN. Mr. President, I wish to offer another amendment.

Mr. SMITH of New Jersey. Mr. President, will the Senator from New York yield for a unanimous-consent request?

Mr. LEHMAN. I cannot yield for that purpose at this time.

The PRESIDING OFFICER. It will be necessary for the amendment to be before the Senate, first.

Mr. LEHMAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from New York.

The CHIEF CLERK. On page 21, line 18, it is proposed to strike out "$39,000,000" and insert the following: "$42,518,800: *Provided*, That the amount in excess of $39,000,000 shall be used for added personnel and other facilities, in addition to those recommended to be provided for these purposes in Senate Report No. 1541, 83d Congress, 2d session, necessary to prevent and detect illegal entry of aliens across the northern and southern borders of the United States and to enforce the laws of the United States with respect thereto."

The PRESIDING OFFICER (Mr. BEALL in the chair). How much time does the Senator from New York yield himself?

Mr. LEHMAN. I yield myself 15 minutes.

Mr. MONRONEY. Mr. President, will the Senator from New York yield for the purpose of allowing me to ask unanimous consent to suggest the absence of a quorum.

Mr. LEHMAN. I yield for that purpose.

Mr. MONRONEY. Mr. President, I ask unanimous consent that the Senator from New York may yield, so that I may suggest the absence of a quorum, and that the time for the calling of the quorum shall not be charged to the time of the Senator from New York.

The PRESIDING OFFICER. Is there objection to the unanimous-consent re-

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quest of the Senator from Oklahoma? The Chair hears none, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MONRONEY. Mr. President, I ask unaimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

How much time does the Senator from New York yield himself?

Mr. LEHMAN. I yield myself 10 minutes, although in all probability I shall not use 10 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 10 minutes.

Mr. LEHMAN. I shall not take much time in a further discussion of this question, since it has already been debated at some length in the consideration of amendment J, on which the Senate has already voted.

The amendment which I am now proposing provides for an increase of $3 million in the budget of the Immigration and Naturalization Service, from $39 million to $42 million. My previous amendment provided for an increase of $6,500,000, which I believe was completely justified and necessary under the present conditions with which the Nation is confronted. The Senate, in its wisdom, has decided not to support that amendment, but I have heard no arguments today on the floor of the Senate, either by the distinguished chairman of the Committee on Appropriations or by any other member of the committee, which in any way refutes the statement that the situation which I have described at some length constitutes a grave problem.

I have heard nothing to indicate that there is an adequate force to cope with the problem of illegal immigration into the United States, which certainly is an urgent one. I have heard nothing to disprove for a moment the contention that unhappy and dangerous conditions which affect the economy, health, and welfare of our communities have been caused by the great influx of illegal immigrants. I have not heard anything which negates the statement that the illegal entrants pose a tremendously important challenge to our security.

The only argument I have heard presented today in refutation of what I have said has been that advanced by the distinguished chairman of the Committee on Appropriations. The first premise of his statement was that a doubling of the amount which is allocated to the border patrol is too great; that in one step we should not provide an increase so great as $6½ million. The second argument is that we should wait for a report from the Attorney General.

Mr. President, there is no factor in the situation which is not well known. Witness after witness has appeared before the Committee on Appropriations and other committees, testifying to the ever-growing swarm of illegal immigrants who are coming into this country over the Mexican border. Every witness who is familiar with the situation has testified to that effect, including the Commissioner of Immigration and Naturalization and a number of his assistants. There has been no denial of that fact at all. Nor has there been any denial whatever that the force which has been at the disposal of the Government to work in this indescribably important activity is totally inadequate.

Under those circumstances it seems that for the Senate to wait supinely for an administrative agency or the Attorney General of the United States to submit a report and recommendation would be a surrender of the prerogatives, duties, and responsibilities of the Senate.

With all my heart, I think the appropriation should be increased from $39 million to $45½ million. Even if such an increase were granted, it would be too little. However, I have been defeated in my proposal, as I have been defeated with respect to a great many other proposals for which I have fought, and for which I shall continue to fight in the Congress.

The least we can do is recognize what everyone in authority has said, that there is involved a grave problem, and that the immigration authorities are ill-equipped to cope with it. I think I have made a great concession in reducing the amount of increase which I have asked for, and to which I think the 160 million people of the country are entitled. I think the request for an increase of $6½ million rather than $3 million is justified. But I am going to stand for the moment on a request for an increase of $3 million. I am sure that in succeeding months and years it will be shown whether or not the increase for which I have asked is adequate. If the amount proves inadequate, I shall return to the fight again. But in the meantime I hope very much that the Senate will at least agree to this amendment, even though the amount is inadequate, because it reflects some degree of reality, and provides the Immigration Service the minimum amount necessary, and I emphasize the words "minimum amount."

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. KILGORE. Mr. President, will the Senator yield for a question?

Mr. LEHMAN. I yield to the Senator from West Virginia.

Mr. KILGORE. While I am in agreement with what the Senator from New York has stated about the inadequacy of the amount allowed the border patrol, I believe a question arises about the means of enforcing the law. I am of the opinion that even doubling the amount provided for the border patrol would not cure the trouble. That is the only reason why I voted in committee for the amount now carried in the bill, because I think other services are required to assist the border patrol, and such agencies have been unfortunately starved for funds.

Mr. LEHMAN. Does the Senator from West Virginia mean other services in connection with the Immigration Service?

Mr. KILGORE. Other services in connection with the border patrol.

Mr. LEHMAN. I am very glad, indeed, the Senator from West Virginia has brought up the question.

Mr. KILGORE. In other words, I am referring to the proper handling of the cases in the courts, the activities of the Department of Justice, and other agencies of that kind. Amounts for such purposes have been cut down to the minimum, so that members of the border patrol, no matter how hard they may work, cannot accomplish results unless they get the necessary support from inside to shove the wetbacks back and to keep them out of the United States.

Mr. LEHMAN. I am very grateful to the Senator from West Virginia for bringing the question up, as I am very grateful to the Senator from Nevada for conferring with me privately on the subject a while ago. I realize that the question is not one of merely providing a few more policemen on the border.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. LEHMAN. I yield myself 10 minutes more. I think the question involves the whole mechanism, the whole system, having to do with enforcement; and I believe my proposed amendment would solve the problem. My proposed amendment reads as follows:

On page 21, line 18, strike out the figure "$39,000,000" and insert the following: "$42,000,000: *Provided*, That the amount in excess of $39,000,000 shall be used for added personnel and other facilities, in addition to those recommended to be provided for these purposes in Senate Report No. 1541, 83d Congress, 2d session, necessary to prevent and detect illegal entry of aliens across the northern and southern borders of the United States and to enforce the laws of the United States with respect thereto."

It is not a restrictive amendment at all. The use of the money is not restricted, but the provision is as broad as the service itself.

Mr. KILGORE. Without the associated services, the border patrol is ineffective. It is like putting a policeman on the beat, and not providing him with a jail or stationhouse into which to place the criminals he captures.

I do not know whether the wetback situation is encountered in New York, but it is in West Virginia. Wetbacks do get into my State, as well as into Indiana, Illinois, and all other States in that area. Something must be done to reinforce the activities of the border patrol. I have worked with the border patrol. I know how efficient its personnel is. Wetbacks must be captured before they can be sent back to Mexico. Once they are captured, the cooperation of other agencies is needed.

Mr. LEHMAN. I fully agree with the statements of the Senator from West Virginia and thank him.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from New York yield the remainder of his time?

Mr. LEHMAN. Of course, I will have no objection to doing so.

anything on the floor of the Senate this afternoon which would in any way indicate that I am wrong in the fight I am making today. All he says is that $6,518,000 is too much. I think this is the time——

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. BRIDGES. Mr. President, I shall take 2 minutes to finish reading from the record from which the Senator from New York has just read. I turn to page 189 of the hearings, and read as follows:

Senator DIRKSEN. If the committee in its wisdom saw fit to restore some of the funds that have been taken out, what would be your priority for the assignment of funds and new positions? If we were generous enough to give you additional funds, where would you apply them?

Mr. MACKEY. I am going to ask Mr. Loughran, who is the Assistant Commissioner in charge of that area, to please explain that for the record.

Mr. LOUGHRAN. The first priority we would see, Senator, would be approximately 50 passenger motor vehicle replacements. The second would be approximately 50 truck replacements. Then the next place, we would probably want money for detention and deportation—primarily deportation of aliens. The next item would be personal services items primarily, additional immigrant inspectors, some clerks, and then additional naturalization examiners and clerks.

So, Mr. President, it is significant that the officials who administer the act do not agree with the Senator from New York. They say the first priority would be approximately 50 passenger motor vehicle replacements, and the second would be approximately 50 truck replacements.

I continue reading from the record:

Senator DIRKSEN. Nothing for the border patrol?

Mr. MACKEY. There is no cut there.

Mr. LOUGHRAN. There is no cut proposed in the border patrol for 1955.

Senator DIRKSEN. But if we gave you additional funds, you could use them for the border patrol if you saw fit?

Mr. LOUGHRAN. We could, of course. It would all depend on the additional amount of money. It would be difficult to tell you now just how we would distribute the money. What I mentioned to you is a brief estimate of what we would do if we got additional funds.

Senator DIRKSEN. You feel the most useful function we could serve if we restored some of the cut would be to give you 50 passenger cars, 50 trucks, give you additional funds for deportation, additional immigrant inspectors, and additional naturalization examiners.

Mr. LOUGHRAN. As I say, it is difficult offhand to say exactly where we would put it. It would depend on the amount of money. Maybe the trucks and passenger cars would not be first at all. Maybe naturalization examiners. It purely depends on the amount of additional funds, if any.

Mr. President, that clearly indicates the point of view of the persons who are administering the act.

I again remind the Senator from New York that a study is in progress on this subject, and it may be that, as a result of the study, some additional funds for the border patrol will be requested, but at the moment those administering the act take the position which I have just quoted, as does the Department of Justice, and the evidence supports them. If conditions should change as a result of the survey, I will say to the Senator from New York that I have an open mind on the subject.

Mr. LEHMAN. Granting that there has been no decrease in the personnel of the border patrol, does the distinguished Senator think that the border patrol and the other machinery used in connection with the border patrol are adequate?

Mr. BRIDGES. I do not know that they are adequate, but so far as those administering the act are concerned, they seem to believe they are adequate.

Always more money can be used for anything, just as the service wants more money for 50 additional motorcars and 50 additional trucks. The Senator from New York well knows that if any department or agency is given money they can always use it. But we are trying to keep down the expenses of the Government. The officials administering the act say that additional money is not absolutely necessary.

Mr. LEHMAN. Mr. President, will the Senator from New Hampshire yield further?

Mr. BRIDGES. I yield.

Mr. LEHMAN. I am just as anxious as is the Senator from New Hampshire to effect legitimate economies, but I cannot believe the Senator from New Hampshire would favor economies or a rigid rule that expenditures should remain at an exact level, when there are involved the security of the country, its economic soundness, the protection of its people against unfair competition, an increase in crime and social delinquents in American communities on whom are foisted this great horde, this vast mass of people coming into the country without any scrutiny or any examination at all.

Mr. BRIDGES. Mr. President, I shall not take any further time, except to say that my feeling is just as keen as is that of the Senator from New York with reference to keeping undesirable aliens out of the country, and I want the agency to have sufficient funds to accomplish that purpose; but I do not want to appropriate the money at this time until the case is proved. I think the Senator's amendment to double the amount for border patrol is unreasonable, and I hope the amendment will be rejected.

Mr. LEHMAN. Mr. President, will the Senator from New Hampshire yield for one more question?

The PRESIDING OFFICER. The time of the Senator from New York has expired. Does the Senator from New Hampshire yield to the Senator from New York the remainder of his time?

Mr. BRIDGES. I will yield for one question.

Mr. LEHMAN. The Senator has objected to my amendment which would provide for $6½ million, which I think is necessary. Will the Senator from New Hampshire, who, I think, has already acknowledged that there are weaknesses in the system, agree to support an amendment providing for an amount less than $6 million? If my amendment is defeated, I shall certainly offer an amendment providing for a smaller amount of money. But I should like to ask the Senator from New Hampshire whether he would agree to take to the conference an amendment providing for an increase of $3 million.

Mr. BRIDGES. My answer to that question is "No." I shall not change my position or that taken by the committee until we have further evidence to justify the Senator's statement of the situation. I do not believe we can legislate in this way on the floor of the Senate without a record being made. If there is any justification, the case should be presented to the committee. If the evidence is such as to warrant an increase, that is one thing. But I shall not agree to any amendment on the floor until evidence is submitted to justify it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York [Mr. LEHMAN].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. LEHMAN. Mr. President, I wish to offer another amendment.

Mr. SMITH of New Jersey. Mr. President, will the Senator from New York yield for a unanimous-consent request?

Mr. LEHMAN. I cannot yield for that purpose at this time.

The PRESIDING OFFICER. It will be necessary for the amendment to be before the Senate, first.

Mr. LEHMAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from New York.

The CHIEF CLERK. On page 21, line 18, it is proposed to strike out "$39,000,000" and insert the following: "$42,518,800: *Provided*, That the amount in excess of $39,000,000 shall be used for added personnel and other facilities, in addition to those recommended to be provided for these purposes in Senate Report No. 1541, 83d Congress, 2d session, necessary to prevent and detect illegal entry of aliens across the northern and southern borders of the United States and to enforce the laws of the United States with respect thereto."

The PRESIDING OFFICER (Mr. BEALL in the chair). How much time does the Senator from New York yield himself?

Mr. LEHMAN. I yield myself 15 minutes.

Mr. MONRONEY. Mr. President, will the Senator from New York yield for the purpose of allowing me to ask unanimous consent to suggest the absence of a quorum.

Mr. LEHMAN. I yield for that purpose.

Mr. MONRONEY. Mr. President, I ask unanimous consent that the Senator from New York may yield, so that I may suggest the absence of a quorum, and that the time for the calling of the quorum shall not be charged to the time of the Senator from New York.

The PRESIDING OFFICER. Is there objection to the unanimous-consent re-

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quest of the Senator from Oklahoma? The Chair hears none, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MONRONEY. Mr. President, I ask unaimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

How much time does the Senator from New York yield himself?

Mr. LEHMAN. I yield myself 10 minutes, although in all probability I shall not use 10 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 10 minutes.

Mr. LEHMAN. I shall not take much time in a further discussion of this question, since it has already been debated at some length in the consideration of amendment J, on which the Senate has already voted.

The amendment which I am now proposing provides for an increase of $3 million in the budget of the Immigration and Naturalization Service, from $39 million to $42 million. My previous amendment provided for an increase of $6,500,000, which I believe was completely justified and necessary under the present conditions with which the Nation is confronted. The Senate, in its wisdom, has decided not to support that amendment, but I have heard no arguments today on the floor of the Senate, either by the distinguished chairman of the Committee on Appropriations or by any other member of the committee, which in any way refutes the statement that the situation which I have described at some length constitutes a grave problem.

I have heard nothing to indicate that there is an adequate force to cope with the problem of illegal immigration into the United States, which certainly is an urgent one. I have heard nothing to disprove for a moment the contention that unhappy and dangerous conditions which affect the economy, health, and welfare of our communities have been caused by the great influx of illegal immigrants. I have not heard anything which negates the statement that the illegal entrants pose a tremendously important challenge to our security.

The only argument I have heard presented today in refutation of what I have said has been that advanced by the distinguished chairman of the Committee on Appropriations. The first premise of his statement was that a doubling of the amount which is allocated to the border patrol is too great; that in one step we should not provide an increase so great as $6½ million. The second argument is that we should wait for a report from the Attorney General.

Mr. President, there is no factor in the situation which is not well known. Witness after witness has appeared before the Committee on Appropriations and other committees, testifying to the ever-growing swarm of illegal immigrants who are coming into this country over the Mexican border. Every witness who is familiar with the situation has testified to that effect, including the Commissioner of Immigration and Naturalization and a number of his assistants. There has been no denial of that fact at all. Nor has there been any denial whatever that the force which has been at the disposal of the Government to work in this indescribably important activity is totally inadequate.

Under those circumstances it seems that for the Senate to wait supinely for an administrative agency or the Attorney General of the United States to submit a report and recommendation would be a surrender of the prerogatives, duties, and responsibilities of the Senate.

With all my heart, I think the appropriation should be increased from $39 million to $45½ million. Even if such an increase were granted, it would be too little. However, I have been defeated in my proposal, as I have been defeated with respect to a great many other proposals for which I have fought, and for which I shall continue to fight in the Congress.

The least we can do is recognize what everyone in authority has said, that there is involved a grave problem, and that the immigration authorities are ill-equipped to cope with it. I think I have made a great concession in reducing the amount of increase which I have asked for, and to which I think the 160 million people of the country are entitled. I think the request for an increase of $6½ million rather than $3 million is justified. But I am going to stand for the moment on a request for an increase of $3 million. I am sure that in succeeding months and years it will be shown whether or not the increase for which I have asked is adequate. If the amount proves inadequate, I shall return to the fight again. But in the meantime I hope very much that the Senate will at least agree to this amendment, even though the amount is inadequate, because it reflects some degree of reality, and provides the Immigration Service the minimum amount necessary, and I emphasize the words "minimum amount."

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. KILGORE. Mr. President, will the Senator yield for a question?

Mr. LEHMAN. I yield to the Senator from West Virginia.

Mr. KILGORE. While I am in agreement with what the Senator from New York has stated about the inadequacy of the amount allowed the border patrol, I believe a question arises about the means of enforcing the law. I am of the opinion that even doubling the amount provided for the border patrol would not cure the trouble. That is the only reason why I voted in committee for the amount now carried in the bill, because I think other services are required to assist the border patrol, and such agencies have been unfortunately starved for funds.

Mr. LEHMAN. Does the Senator from West Virginia mean other services in connection with the Immigration Service?

Mr. KILGORE. Other services in connection with the border patrol.

Mr. LEHMAN. I am very glad, indeed, the Senator from West Virginia has brought up the question.

Mr. KILGORE. In other words, I am referring to the proper handling of the cases in the courts, the activities of the Department of Justice, and other agencies of that kind. Amounts for such purposes have been cut down to the minimum, so that members of the border patrol, no matter how hard they may work, cannot accomplish results unless they get the necessary support from inside to shove the wetbacks back and to keep them out of the United States.

Mr. LEHMAN. I am very grateful to the Senator from West Virginia for bringing the question up, as I am very grateful to the Senator from Nevada for conferring with me privately on the subject a while ago. I realize that the question is not one of merely providing a few more policemen on the border.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. LEHMAN. I yield myself 10 minutes more. I think the question involves the whole mechanism, the whole system, having to do with enforcement; and I believe my proposed amendment would solve the problem. My proposed amendment reads as follows:

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It is not a restrictive amendment at all. The use of the money is not restricted, but the provision is as broad as the service itself.

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I do not know whether the wetback situation is encountered in New York, but it is in West Virginia. Wetbacks do get into my State, as well as into Indiana, Illinois, and all other States in that area. Something must be done to reinforce the activities of the border patrol. I have worked with the border patrol. I know how efficient its personnel is. Wetbacks must be captured before they can be sent back to Mexico. Once they are captured, the cooperation of other agencies is needed.

Mr. LEHMAN. I fully agree with the statements of the Senator from West Virginia and thank him.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from New York yield the remainder of his time?

Mr. LEHMAN. Of course, I will have no objection to doing so.

Mr. BRIDGES. Mr. President, a point of order. No business has been transacted since the last quorum call. Therefore, a request for a quorum call is not in order.

The PRESIDING OFFICER. No business has been transacted——

Mr. LEHMAN. Mr. President, I did not hear what the distinguished Senator from New Hampshire said, and I do not know what point of order he may have made.

Mr. BRIDGES. I pointed out that no business has been transacted since the last quorum call, and therefore the suggestion of the absence of a quorum by the Senator from New York is not in order.

Mr. LEHMAN. Of course, Mr. President, I am not as good a parliamentarian as is the distinguished Senator from New Hampshire.

I now ask for the yeas and nays on the question of agreeing to my amendment.

The yeas and nays were not ordered.

Mr. LEHMAN. Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. Do I correctly understand that the time required for this call of the roll will be taken from the remainder of the time available to the Senator from New York?

Mr. LEHMAN. Yes, Mr. President; I am perfectly willing to have that done.

The PRESIDING OFFICER. All time must be yielded back before a quorum call is in order, except by unanimous consent. If no further time is requested, the absence of a quorum has been suggested, and the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gore	McCarthy
Barrett	Green	McClellan
Beall	Hayden	Millikin
Bennett	Hendrickson	Monroney
Bowring	Hickenlooper	Mundt
Bridges	Hill	Murray
Burke	Holland	Neely
Bush	Hunt	Pastore
Butler, Md.	Ives	Payne
Butler, Nebr.	Jackson	Potter
Byrd	Jenner	Purtell
Capehart	Johnson, Colo.	Russell
Carlson	Johnson, Tex.	Saltonstall
Case	Johnston, S. C.	Schoeppel
Clements	Kennedy	Smathers
Cordon	Kerr	Smith, Maine
Daniel	Kilgore	Smith, N. J.
Dirksen	Knowland	Sparkman
Duff	Kuchel	Stennis
Dworshak	Lehman	Symington
Eastland	Long	Thye
Ellender	Magnuson	Upton
Ervin	Malone	Watkins
Ferguson	Mansfield	Welker
Frear	Martin	Williams
George	Maybank	Young
Gillette	McCarran	

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER] the Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. FLANDERS] the Senator from Arizona [Mr. GOLDWATER], the Senator from North Dakota [Mr. LANGER], and the Senator from Wisconsin [Mr. WILEY] are necessarily absent.

Mr. CLEMENTS. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from North Carolina [Mr. LENNON], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

The PRESIDING OFFICER (Mr. PAYNE in the chair). A quorum is present.

The question is on agreeing to the amendment offered by the Senator from New York [Mr. LEHMAN].

Mr. LEHMAN. Mr. President, on this amendment I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. LEHMAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LEHMAN. Have I any time left?

The PRESIDING OFFICER. The Senator has no further time. The Senator forfeited the remainder of his time.

The question is on agreeing to the amendment offered by the Senator from New York [Mr. LEHMAN].

The amendment was rejected.

Mr. KENNEDY. Mr. President, on behalf of the Senator from Illinois [Mr. DOUGLAS] and myself I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Massachusetts for himself and the Senator from Illinois [Mr. DOUGLAS] will be stated.

The LEGISLATIVE CLERK. On page 31, line 12, it is proposed to strike out "$40,000,000" and insert in lieu thereof "$30,000,000."

The PRESIDING OFFICER. How much time does the Senator from Massachusetts yield to himself?

Mr. KENNEDY. I yield myself 15 minutes.

Mr. President, I should like to address several questions to the chairman of the Committee on Appropriations, the Senator from New Hampshire [Mr. BRIDGES], concerning this amendment. I have modified the amendment since the Senator from Illinois and I submitted it last week. Instead of calling for a cut of $17 million in the amount available for subsidies, we now propose a cut in the amount of $10 million.

It is the opinion of the Senator from Illinois and myself that the amount of the carry-over available to the Civil Aeronautics Board for subsidies on June 30 of this year will be, at the minimum, $8 million, and most likely will be around $11 million. Therefore the amount which we propose to cut from the appropriation for the Civil Aeronautics Board for subsidies beginning July 1, to be available until February 1, would not affect either the domestic or international carriers, but would really take away the amount which would be available to the Civil Aeronautics Board in carryover.

Would the Senator from New Hampshire care to comment on that point?

Mr. BRIDGES. Mr. President, I will say to the distinguished Senator from Massachusetts that the committee went over this subject very carefully. In the light of the order of the President calling upon the Civil Aeronautics Board to review the matter of subsidies, and in view of the fact that in the bill we have called upon the Civil Aeronautics Board to report to the committee during the month of January, and in view of the further fact that existing subsidies run at the rate of about $6,750,000 a month, it would appear that the amount which the committee recommended is needed so that the Board can meet its obligations until such time as the committee shall have had an opportunity to review the entire subject.

Mr. KENNEDY. Is not the fact that the average expenditures for subsidies for the CAB since last October, when the President's Reorganization Plan No. 10 went into effect and the compensation for carrying air mail was separated from subsidies, have been less than $6,100,000? If the June expenses equal those estimated for May, which was an extraordinary month, the June expenses being $7.8 million, the carryover on June 30 of this year for subsidies will be $8.8 million. If the June expenditures for subsidies by the CAB equal the average for the 7 months preceding May, that average having been less than $6 million, then there will be left over $11½ million. There was requested for subsidies for this coming 7 months' period $23 million for domestic carriers and $17 million for international carriers. If we add to that an $11 million carryover, there will be available $51 million, which is $11 million more than the CAB requested. Therefore, I do not feel that the amendment of the Senator from Illinois and myself, which would cut the appropriation by only $10 million, would take away one cent from the amount available for domestic and international carriers.

Mr. BRIDGES. Mr. President, would the Senator like to have me comment on that point?

Mr. KENNEDY. Yes.

Mr. BRIDGES. I am not an attorney, as are many of my distinguished colleagues. However, the recent decision of the Supreme Court, as I understand it, forces the Civil Aeronautics Board, for the first time, to take into consideration all aspects of operation of an aviation company or airline company rather than limiting it to any particular part, such as flight operations. For that reason a wholly different situation presents itself as a result of the decision of the Supreme Court. That is another factor to which the committee gave consideration.

Mr. KENNEDY. The Supreme Court found that all operating divisions of an airline should be taken into consideration in figuring what the subsidy should be. Previous to that decision, as the Senator knows, if Pan-American, for example, operated an Atlantic division and a South American division, and if the Atlantic division was operated at a

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deficit, Pan-American could go to the CAB—and "need" is the only requirement of the Civil Aeronautics Board—and say, "We 'need' so much to make up for the deficit in our Atlantic service," even though the South American service may have operated at a substantial profit. The decision of the Supreme Court in the Delta case and several others provided that the profits and losses of all the various divisions of a company should be added together before the company should go to the Civil Aeronautics Board for a decision as to whether or not it should have a subsidy.

As a result of the Supreme Court decision the Postmaster General seeks to recover $50 million under the offset principle which the Supreme Court has recognized which he claims has been given to the airlines during the past few years in excess subsidies or which CAB is now proposing to give. Therefore it is impossible that the subsidies, for the next year can be greater than in the past. There is bound to be a saving.

Mr. BRIDGES. That is why the Appropriations Committee provided funds for only a part of the year and instructed the CAB to come back to Congress again in January.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. KENNEDY. I have the floor. As soon as the Senator from New Hampshire has concluded his remarks, I shall be glad to yield to the Senator from West Virginia.

Mr. KILGORE. May I say something on that point?

The PRESIDING OFFICER. The Senator from Massachusetts has the floor. Does the Senator from Massachusetts yield to the Senator from West Virginia?

Mr. KILGORE. I should like to ask a question of the Senator from New Hampshire.

Mr. KENNEDY. I shall be glad to yield, with the understanding that I do not lose the floor.

The PRESIDING OFFICER. Without objection, the Senator from West Virginia may proceed.

Mr. KILGORE. Was it not stated in committee that the subsidy would be granted for a definite time? Was it not said that the CAB would come back to Congress in January to justify that amount? If they effectuated a saving, that fact would be taken into consideration; and if they did not effect a saving, that fact also would be taken into consideration. Was not that what was said in committee? Was that not based upon a justification of the figures and of the facts to be presented by the CAB? Is that not the situation?

Mr. BRIDGES. That is a part of the situation.

Mr. KENNEDY. I will say to the Senator from West Virginia that the situation actually is that the committee has granted to the CAB for the payment of subsidies, domestic and international, $40 million.

In addition to the $40 million which the committee makes available to the CAB, there will be a carryover of not less than $8½ million, and most likely, if we estimate the general expenditure on the average of the previous expenditures, the carryover will be $11½ million. Therefore, there will be available for the 7 months not merely the $40 million referred to, but $51½ million, for expenditures for domestic and international airlines, the greatest monthly rate of subsidy spending by far in the history of the country.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield to the Senator from West Virginia.

Mr. KILGORE. That point was raised in the committee and in the subcommittee also. The point which probably has confused most Senators, and which I hope I may clear up by what I have to say, is that it was the CAB that stated that the amount would be sufficient for them for only 7 months. The committee did not make that statement. The committee did not say that it was a 7-month appropriation. The CAB made that statement. The CAB said that it will be sufficient for their purposes for only 7 months. The committee said in effect, "Let us find out. By January you give us the figures." The committee has tried to protect the next Congress against any undue demand on commitments of this kind.

Mr. KENNEDY. The Senator from West Virginia is concerned about protecting the next Congress, to make sure that there is no obligation on that Congress. I am sure no such obligation could be passed to the next Congress. But I am concerned about the appropriation for the 7 months, until the date the Senator has mentioned.

Mr. KILGORE. There was no agreement entered into that the amount to be made available will run only until February 1, or any other date. There was an agreement to the effect that the amount must be justified in January, and justification must be given for not only the amount to be spent in the future, but the amount that had been spent.

Mr. KENNEDY. The Senator from West Virginia is concerned with an important point. It is whether the next Congress would be obligated by our action to make an additional appropriation next year. I am also concerned about the size of the appropriation for the 7-month period until the 1st of February.

Mr. KILGORE. Mr. President, will the Senator yield further?

Mr. KENNEDY. I shall yield for one more question.

Mr. KILGORE. The committee was not worried so much about that point, as it was worried about getting factual statements from the CAB as to what was actually justified in the way of subsidies. That was the question most frequently raised in committee. It was, "What can you justify by actual figures?" That is why the CAB was requested to return in January with facts and figures.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. STENNIS. Mr. President, I invite the Senator's attention to page 1989 of the Senate hearings, where there is listed a summary of 1955 estimates. It shows totals for domestic trunklines in table I, and local service in table II. A few moments ago when the Senator from Massachusetts was describing his amendment, I understood him to say that it did not apply to domestic lines.

Mr. KENNEDY. The Senator from Mississippi is correct.

Mr. STENNIS. Did the Senator from Massachusetts include in description of domestic lines those lines listed on the page of the hearings which are referred to as local service lines?

Mr. KENNEDY. The Senator is correct. The amount requested for those lines in the whole year was only $23 million.

It is the intention of the Senator from Illinois and myself that our amendment shall not apply to the domestic or local service lines. Therefore the full appropriation for such lines requested by the CAB would be given to them.

Mr. STENNIS. Even though the Senator's amendment should be adopted, the domestic trunk lines and local service lines would not be affected by the amendment.

Mr. KENNEDY. The Senator from Mississippi is correct. I may say to the Senator that our amendment permits $23 million to be appropriated for domestic and local service. There will also be an additional $8 million available in leftovers. So, while our amendment proposes to cut the amount of new money from $40 million to $30 million, there will be a carryover of between $8 million and $11½ million. Therefore, the total available for international airlines will not be less than the amount requested by the CAB.

There is one other factor which should be taken into consideration. About a month ago Congress passed the appropriation bill for the Post Office Department, including an appropriation for compensation to airlines for carrying air mail. That was figured at slightly more than $60 million. Since that Budget request was made and the appropriation granted, the CAB has refigured the compensation for carrying air mail, and there will be available for the airlines $3½ million over and above the amount strictly needed for mail compensation. Therefore it is the opinion of the Senator from Illinois and my opinion that there will not be available under our amendment less than the amount requested by the CAB for both international and domestic and local service. Our amendment in no case will affect the amount to be paid for domestic and local service; and it is our opinion that the same amount will be available for international service as was requested originally by the CAB.

Mr. STENNIS. Mr. President, I thank the Senator for his statement. His statement has changed the meaning of the amendment as originally offered.

Mr. KENNEDY. That is correct.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield to the Senator from Washington.

Mr. MAGNUSON. I am not too familiar with the figures presented by the Senator from Massachusetts, although the Senator from West Virginia and I did go into the matter in subcommittee. What I cannot understand is that under the 1936 act the CAB must make certain payments in the way of subsidies.

Mr. KENNEDY. That is correct.

Mr. MAGNUSON. If that be so, then the act should be amended accordingly. At the present time the Committee on Interstate and Foreign Commerce is holding hearings on the McCarran bill. The bill would make some amendments in the 1936 act.

If it is proposed to cut the amount to be appropriated for international carriers, it is the wrong approach. Of course, the figures may be correct, and I understand that the amendment does not touch the domestic carriers, whose routes are laid out. There are no parallel routes in the domestic service, except in the large traffic centers. However, the operator in the international field has no idea how many lines he will have flying parallel with him. It may be an airline of any one of some fifty-eight nations with whom we have entered into an agreement. Therefore his subsidy, according to the 1936 act, must be somewhat flexible. On a route, for example, on which only 1 American carrier and only 1 British carrier are now operating, it may very well be that next week there may be 6 more lines in competition with those 2 lines.

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired.

Mr. KENNEDY. Mr. President, I yield myself 10 more minutes.

Mr. MAGNUSON. The figures may be correct; I do not know about that; but it seems to me we should be very careful when we start to cut the so-called international carriers operating under the 1936 act, because they have a tough job of competition. It is somewhat akin to the merchant marine. All of a sudden a small airline company which is completely subsidized by its own government decides to fly the North Atlantic route. Such lines have grown to such an extent that our carriers are confronted with competition which they cannot control. There is no time limit. I think we should watch that situation. The domestic carrier recognizes the fact that it has the middle route, the southern route, or the northern route, and it knows pretty well what its travel pattern and trade potential will be.

If the amendment of the Senator from Massachusetts will leave the situation sufficiently flexible so that American airlines can meet, on international routes, that kind of competition, I suppose there is nothing wrong with it. But it is a serious matter to cripple the CAB in the case of American airlines flying international routes, because we have no idea what kind of competition they may have at any given time.

Mr. KENNEDY. In the first place, I believe the figures for the carryover are accurate. The CAB stated they would be approximately $8½ million. If they expend the money at the same rate it was expended in the previous months, the carryover would be $11½ million.

Under the Civil Aeronautics Act the airlines are eligible for subsidy on the basis of need. Previous to the recent Supreme Court decision, as the Senator from Washington knows, certain airlines could get subsidies for each of their divisions on the basis of need. A South American division might be operating at a profit and an Atlantic division might be operating at a deficit. On the basis of previous actions of the CAB, the Atlantic division of the Pan American Co. could say, "We are operating at a deficit," and on the basis of need it could receive a large subsidy from the CAB, even though all the other divisions of the Pan American Line and the company as a whole might be operating at a profit.

The Post Office Department has estimated that the airlines have been overpaid in the past 4 years, or would be overpaid under pending proposals of CAB for airmail subsidies, to the extent of $50 million, and the Department has instituted proceedings for recovery.

Mr. MAGNUSON. I think there may be some question as to that. The figures may be broad Post Office figures. I appreciate the fact that the decision will change the whole concept. I think there must be a realinement on the question of subsidies. That was the real purpose of the committee. There will be many readjustments, and the committee said it wanted the lines to have sufficient money to operate for 6 or 7 months, whatever the time may be, and then see how it worked out.

Mr. KENNEDY. The concern which the Senator may have that suddenly an additional airline might begin to operate on a competitive route is unnecessary as it could be considered when the matter comes up before the Senator's committee, within 7 months, when the report requested by the subcommittee is submitted. The CAB must report, I believe, by January 15. Because of the carryover, the CAB will have available for subsidy payments to the international airlines the same amount they requested. Therefore, I do not believe the amendment which I have suggested will deprive the international lines of 1 cent less than the amount the CAB requested for payment to them.

I think we are dealing with great fairness to the airlines. In fact, I think the Senate is aware of the fact that we are going to appropriate this year for compensation and subsidies a higher monthly rate of expenditure than we ever appropriated in the history of the country, even under the amendment which I have offered.

Mr. MAGNUSON. I do not think there is anything unusual about that, because airline traffic and travel is on a substantial increase.

Mr. KENNEDY. We hope however, that eventually the subsidies would be reduced.

Mr. MAGNUSON. We tried a year ago to have the air mail rates fixed. At this time air travel is steadily on the increase and competition with other countries has become keener. With reference to foreign lines, for what they lose their governments foot the bill right up to the limit. That is the kind of competition our international routes are encountering. They spring up very fast. The Scandinavian countries got together and figured they could not compete separately with American lines, so three countries joined together. They are going to fly over the North Pole to and from Europe. They opened offices just a few days ago in Seattle.

I hope we do not cripple the CAB before it can adjust all these matters, because if that should be done, the airlines would suffer. Some international lines do not have to meet such competition as I have described. There is a line running north from Seattle which does not have any competition, so it would not make any difference to that line. But some day when the Japanese start up an airline, the line which I have mentioned may have some real competition.

Mr. KENNEDY. According to the Post Office Department, certain airlines have been overpaid since 1946. Most of the overpayments took place after 1950. The CAB has prepared its estimates for fiscal 1955 in this old divisional basis which conflicts with the decisions of the Supreme Court.

Mr. MAGNUSON. If they have been overpaid, the Attorney General should sue them. I should like to project myself into the time when I could see the results of those suits. I have had occasion to examine the figures of the Post Office Department this year. Sometimes they are a bit inaccurate. I do not know whether the figures which the Senator from Massachusetts has are correct. I yield to the distinguished chairman of the committee on that point, because I know he has heard a great deal of testimony on the question.

Mr. McCARRAN. Mr. President, will the Senator from New Hampshire yield me some time?

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Massachusetts has 6 minutes remaining.

Mr. BRIDGES. Mr. President, I yield some of my time to the distinguished Senator from Nevada.

Mr. McCARRAN. Mr. President, I hope the amendment will not prevail. American airlines flying abroad are confronted with entirely different conditions from those faced by the airlines of other nations. British airlines are subsidized by the British Government. The same is true with reference to airlines of France and Italy. Our foreign lines are confronted not only with foreign competition but also with very strenuous competition at home from our own domestic airlines. That is a factor to be considered.

With regard to that which has been dealt with at length by the Senator from Massachusetts, namely, the carryover of $8 million, I may say that $7 million a month is required to pay the subsidies,

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so the $8 million would disappear very rapidly.

Another proposition is this: The Senator from Massachusetts seems to overlook the fact that our international airlines confront new conditions because of a decision by the Supreme Court of the United States. No one can say how the decision will affect those lines. It may be that they will be found to be losing as a result of the decision. It may be that they will be found to have too great a subsidy by reason of the decision. But being in a state of flux, as is the condition at present, the committee thought, and properly so, that the matter should remain as it is, and that the lines should be properly subsidized until such time as it can be determined what effect the decision of the Supreme Court will have. To my mind, it would be a grave mistake at this time to reduce the subsidy.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. BRIDGES. Does the Senator from West Virginia desire to speak to the amendment?

Mr. KILGORE. Not to the amendment; I simply wish to discuss the matter and make what I considered a clarifying statement from my own viewpoint.

Mr. BRIDGES. Would the Senator from West Virgina be willing to withhold his request until 1 or 2 other points can be stated? Then, if I have time remaining in my half hour, I shall certainly be glad to yield to him.

Mr. KILGORE. Very well.

Mr. BRIDGES. I desire to yield to the Senator from New York; and then, as soon as I have completed my own statement, I shall yield whatever time I may have remaining.

Mr. IVES. Perhaps the Senator from New Hampshire would like to complete his statement.

Mr. BRIDGES. I will complete my statement; then I will yield.

The amendment offered by the Senator from Massachusetts [Mr. KENNEDY] is an intriguing amendment, but the Senator loses sight of several different propositions. To begin with, he says that this is the largest appropriation for airline subsidies in the history of the country. However, I must point out that never before, up to October 1 of last year, in this fiscal year, and in the last calendar year, were subsidies separated from mail pay. So the Senator must have a sort of communion with some spirit which enables him to make the positive statement which he has made.

I might point out that the combination in 1954 was $136,725,000. On October 1, under the reorganization plan enacted by Congress, it was provided that mail pay be separated from the subsidy. So it has been only since October 1, 1953, that the subsidies have been considered by themselves. I do not know of any committee of Congress which has been able to ascertain exactly, definitely, or specifically how much was for mail pay and how much was for subsidy.

One of the reasons for passing the Reorganization Act was to settle that question. It has been argued throughout the years.

Prior to October 1, 1953, appropriations for both mail pay and subsidies were made to the Post Office Department. This procedure has been changed and now each category stands on its own footing.

If the appropriations for subsidies are to be continued, under the appropriation act, at the rate testified by the officials of the CAB, as they must be, then, under the Senator's amendment, accepting the CAB figures, the funds would last until about some time in December.

It was not the policy of the committee to put the CAB out of business or to shut off the subsidy payments from the domestic carriers or the international carriers. The committee recognized two factors. First, there was a Supreme Court decision in which the Court said:

> The requirement is that the Board offset all of a carrier's revenues in determining the subsidy; there is no discretion in the Board to disregard any portion of the revenue because of economic or other policy considerations.

That is very clear, and it is a new policy now in effect.

Second, the President has just issued an order and instructions to the CAB, in which he has asked for a complete review of the subject, with the idea of eliminating duplicate payments of subsidies to airlines.

Because of those two new factors, the committee gave to the CAB what it would normally use under the current rate of making payments. Then we requested that the CAB appear before the committee in January and, considering the decision of the Supreme Court and the order of the President of the United States, review with the committee the amount it would need for the remainder of the year, with the thought that, perhaps, savings could be made. The committee hopes there will be some savings. On the basis of such a review, the committee will then appropriate.

This is a reasonable and sound move. No one is being deprived of his just deserts at the moment. The committee is simply saying that it hopes some savings will be made, and that the entire situation will again be reviewed in January.

Mr. IVES. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from New York.

Mr. IVES. My statement is largely in the form of a question. When it comes to the question of economy, naturally I am sympathetic to economy. I wonder if the Senator from Massachusetts may not be making a mistake in approaching the matter in this way, inasmuch as the situation may not work out exactly as he anticipates.

I have listened with a great deal of interest to the colloquy which occurred during the debate, and particularly to the remarks of the distinguished Senator from New Hampshire. I am wondering what the effect of the amendment would be on some of the feeder lines. I understood the Senator from Massachusetts to say that they would not be affected at all; that they would receive the same amount.

On the other hand, there is a very important small feeder line in central New York. I have no personal interest in it, and do not even use it, but it is very important to the people in that section of the State. They are very much disturbed by the proposal.

I wish to ask the Senator from New Hampshire what the effect of the amendment would be on the feeder lines.

Mr. BRIDGES. I may say that the effect on the feeder lines would be in proportion to the amount of subsidy paid. Under the act, as I understand, the CAB could make no distinction between feeder lines and other lines. I think that if the appropriation was lower than the amount of the subsidy, the CAB could not pay one in preference to the other, so the feeder line would receive a lower payment, just as would the other lines.

Mr. IVES. That being the case, some of the feeder lines might be put out of business.

Mr. BRIDGES. Yes, that is conceivable. Let me read from the hearings:

> Chairman BRIDGES. Now, I want to consider another problem. Assuming for a moment that the appropriations we allow are the same as the House or lower; how would you approach the payment of subsidies? How would you prorate it?
>
> Mr. GURNEY. We would pay each carrier every month as long as the money lasted.

Mr. IVES. That would be the end of it.

Mr. BRIDGES. That would be the end of it.

Mr. IVES. I simply wanted to get the situation clear in my mind. It occurs to me that there is danger that the feeder lines would be put out of business.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. KENNEDY. I do not understand how the Senator from New Hampshire can figure that if my amendment is agreed to, that the CAB will run out of money in December.

There is $40 million of new money in the amount recommended by the committee. If the minimum carryover estimated by the CAB is added, it will provide an additional $8,800,000. If a carryover is based on the assumption that the expenditures in June will be the same as they have been for the last 6 months, the carryover will equal almost $11 million.

Assuming it equals $9 million, $9 million plus $40 million equals $49 million.

The average expenditures each month since last October, when the compensation and subsidy were separated, had averaged about $5,800,000.

The expenditure for subsidies in April was $5,400,000; for March, $6,600,000; for February, $6,100,000; and for January, $5,400,000.

How does the Senator possibly estimate if $49 million is available for 7 months, an average of $7 million a month, that the CAB will run out of

funds, when in the last 7 months the expenditure has averaged only $5,800,000?

Mr. BRIDGES. I shall be glad to answer the Senator's question according to the testimony presented by the CAB. I quote Mr. Gurney, Chairman of the Board:

> Our estimate, as you know, shows that for 1955 the payments will be about $6,700,000 per month. I might state further that we received from the Post Office on October 1, $60,400,000 to take us from that date through the fiscal year of 1954. Up to June 30 we will have paid out close to $48 million, leaving us with $12,400,000 in actual cash on June 30. At that time there will be owing for 1954 operations, approximately $5,400,000, so we will have, running into next year's appropriations, but still owing for June operations, 1954, the last month of this fiscal year, $7 million.

That shows a figure different from what the Senator from Massachusetts has stated. Let me indicate how I arrived at my figure. The computation is very simple: I take the amendment of the Senator from Massachusetts, which reduces the appropriation to $30 million. I add $8 million, which is the figure of the CAB carryover. I then increase the result by $6,700,000, which is the estimate of the Chairman of the CAB as to what the cost each month will be. The amount proposed by the Senator from Massachusetts will cover approximately 5½ months, from July 1 to the middle of December. That is essentially how I arrived at the figure.

Mr. KENNEDY. Will the Senator yield for another question?

Mr. BRIDGES. Yes.

Mr. KENNEDY. The average figure stated by the Senator, $6,700,000, is a higher subsidy than has been granted in any month since last October, with the exception of May of this year.

Mr. BRIDGES. I read again from the hearings:

> The difference between $6 million and $6,700,000, which Chairman GURNEY has referred to, approximately $300,000 a month, would represent the final payments under the carrier claims, based on certifications from the Post Office, which thus far in this fiscal year we have not received, so that the payments made thus far in this fiscal year represent only partial payments.

There are many facts involved in the question. I know the Senator from Massachusetts is attempting to accomplish a laudable purpose, but I do not think he has all the facts to back up his amendment.

Mr. KENNEDY. I should like to have the Senator from New Hampshire give a clearer explanation as to why the average payments are estimated to be $6,700,000. In addition, in the appropriation of $60 million, which was recently allowed for compensation, the CAB has refigured its rates, so that $3½ million will be available for expenditure for the carrying of airmail.

Mr. BRIDGES. The Senator from New Hampshire is using the best figures he has been able to obtain, which are those from the Civil Aeronautics Board and the Chairman thereof. The items which go up to make up the figure of $6,700,000 are the $6-million-plus certifications of the Post Office and the subsidies which have been granted, which will make that average, according to the CAB. The advice of the officials and experts was available, and, after rather close examination, the committee came to its conclusions.

Mr. KENNEDY. The only point I make is that Reorganization Plan No. 10 was adopted in order to give Congress an opportunity to make it its business to determine the amounts to be paid as subsidies. If the Senator from New Hampshire accepts the statement of the CAB without question, we might as well go back to the old plan. The purpose of Reorganization Plan No. 10 was to give Congress an opportunity to determine the amount of subsidies to be paid.

Mr. BRIDGES. As he has stated to the Senator from Massachusetts, the Senator from New Hampshire calls attention to two things. We said, in effect, to the Board, "We are giving you this amount to use. In January you will have to come before us and justify what you have done so that we can determine how much more money you need for the remainder of the fiscal year; but you cannot cut off the payments as you propose unless you have some basis on which to take such action."

I think that in January the distinguished Senator from Massachusetts might look into the question. That would be the time to have a survey of the situation, not at this time. I think the Senator from Massachusetts is raising the question too soon. Certainly I should like to see subsidy payments reduced, and I have been as critical of them as has anyone else. But the payments must be maintained in order that the Government may meet its bills. There are 300 pages of testimony contained in the hearings. I would not want to see a small airline, or any other airline, fail to receive its payments because of our action. However, I should like to see such subsidy payments reduced as soon as they can be, and I hope the time soon will come when we shall be able to reduce them.

Mr. KENNEDY. It was the intention of the Senator from Illinois and myself that none of the amounts we are concerned with in our amendment should affect local service carriers.

Mr. BRIDGES. That certainly could be accomplished. The CAB cannot give priority to any particular airline group; it has to pay the subsidies as they are presented for payments.

Mr. KENNEDY. There is no legal obligation on the part of the CAB to make payments for subsidies, although they have such an obligation with regard to compensation for carrying air mail, because the airlines carrying air mail are obliged to do so. Therefore, there is a legal obligation to pay service mail compensation but there is not with regard to subsidies.

Mr. BRIDGES. There is an obligation to pay subsidies.

Mr. KENNEDY. No. The determination of subsidies was a matter not for the CAB, but for Congress. When Reorganization Plan No. 10 was recommended, one of the reasons for the recommendation was to give Congress an opportunity to pass on subsidies. If it is to be the practice for Congress to accept the figures reached by the CAB, the reorganization plan would not be effective.

Mr. BRIDGES. If it were the policy of the Congress to take $10 million for subsidies and divert it, that would be one thing, but Congress has adopted the other approach, and until Congress has an opportunity to review the various questions involved, we must provide funds for subsidy payments. I am just as desirous as is the Senator from Massachusetts to reduce subsidies. When the time come to reduce subsidies, I shall be in the foreground of the fight to do so. However, until such reductions are put into effect, I think the bills must be paid and funds must be provided for those purposes.

Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator from Massachusetts has 10 minutes remaining.

Mr. BRIDGES. I should like to save a couple of minutes in order that I may reply to the Senator from West Virginia in the event he makes statements with which I disagree. I yield to the Senator from West Virginia 8 minutes.

Mr. KILGORE. Mr. President, will the Senator yield me enough time to offer an amendment?

Mr. BRIDGES. Certainly.

Mr. KILGORE. I offer an amendment as a substitute for the amendment offered by the Senator from Massachusetts [Mr. KENNEDY] for himself and the Senator from Illinois [Mr. DOUGLAS], and I shall explain my amendment later.

The PRESIDING OFFICER. The clerk will state the amendment in the nature of a substitute offered by the Senator from West Virginia.

The CHIEF CLERK. In the amendment of Mr. KENNEDY it is proposed to strike out "$30,000,000", and to insert in lieu thereof "$22,000,000."

Mr. KILGORE. Mr. President, I may say the amendment is a legislative subterfuge, and is proposed because at the present time I think the record is very indefinite. I wonder if I may have time to say just a few words on the committee amendment which may clear up the ideas of the Senator from Massachusetts, the Senator from Illinois, and the Senator from New Hampshire.

Mr. McCARRAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Nevada?

Mr. KILGORE. Not at the present time. I shall yield as soon as I complete my statement.

Mr. McCARRAN. Mr. President, I raise a point of order.

The PRESIDING OFFICER. Does the Senator from West Virginia yield for that purpose?

Mr. KILGORE. Yes; I yield for a point of order.

Mr. McCARRAN. There is pending the amendment offered by the Senator from Massachusetts [Mr. KENNEDY] on behalf of himself and the Senator from

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Illinois [Mr. DOUGLAS]. What is the nature of the instrument offered by the Senator from West Virginia?

The PRESIDING OFFICER. The Senator from West Virginia has offered an amendment to the amendment offered by the Senator from Massachusetts for himself and the Senator from Illinois.

Mr. KILGORE. Mr. President, there has been considerable misunderstanding concerning the airline subsidies. I have been very much interested in the airmail subsidy separation, and since 1948 have participated in reports recommending it. I do not believe our committee, of which I have the honor to be a member, yet has enough facts and figures to determine whether the subsidies are being properly handled. Our committee reported the amount which had been approved by the House, and directed the CAB to report next January on the whole program.

The distinguished committee chairman said on Friday—CONGRESSIONAL RECORD June 11, page 8041—that the appropriation was not intended for the full fiscal year, but for only 7 months. It is technically true, as the committee chairman has stated, that the Civil Aeronautics Board testified that the House allowance would not last the full fiscal year; but, on the other hand, our committee made it abundantly clear that the recommended appropriation presently contained in House bill 8067 is all that is to be appropriated by the 83d Congress for the fiscal year ending June 30, 1955. There is no commitment for additional funds. I respectfully submit that was the action of the committee.

First of all, Mr. President, one Congress cannot bind another. I know the committee chairman knows that many cases which have been decided by the courts clearly indicate that a legislature cannot bind its successor.

The Civil Aeronautics Board is to make to us, in January, a report which I interpret to be, in the words of our committee report—Senate Report 1541, page 18—a report "as to whether the amount recommended would be sufficient to meet subsidy payments." "The amount recommended" is, of course, the $40 million in new money, plus the $8 million or more in the leftover of the 1954 postal appropriation which we are proposing to authorize the CAB to spend for subsidy purposes. Naturally, if the Civil Aeronautics Board can show us, next January, that additional subsidies are needed, I am confident that the committee will give the request careful consideration even though certain members of the committee will be newcomers to it.

As all of us know, any Government agency can, next year, ask Congress for additional sums, and its request will also receive careful consideration. Of course, this does not mean these agencies will receive the supplemental funds they seek; and if they spend their appropriations in too short a time, they do so at their own peril and at the further risk of causing serious harm to the programs they are undertaking.

I wish to make it clear that I am speaking merely as a member of our Committee on Appropriations who has looked at considerable length into the matter of subsidies. Until this year, Congress has not had an opportunity to give thorough study to the proper amount of subsidies, as distinct from mail pay.

In many cases, our committee has not yet received information it has requested. For instance, I have asked for information as to the extent of the tax windfalls which have occurred, and the Civil Aeronautics Board admits they have occurred, although it has not yet told us how much. We have to know how much. Then we have to know what, if anything, is being done to recoup the money. My colleagues will perhaps be interested in my frequent questioning of the Civil Aeronautics Board on this point, as shown on page 2126, again on page 2166, and again on page 2168 of the hearings. I have not yet received any answer. What has been happening is that the Civil Aeronautics Board has been allowing additional subsidies to some airlines, to enable them to pay their income taxes. But it develops—and I cited CAB Order E 4561, which the Civil Aeronautics Board admitted was unquestionably correct—that because the CAB gave these tax-allowance subsidies on the basis of estimated tax, rather than actual tax as the Board admitted—

> This policy undoubtedly resulted in a windfall to some carriers in some years (hearings, p. 2254).

We have to find out how much that is, and we also have to find out what is being done to recoup it.

Of course, if it turns out that millions of dollars are owing to the Government from these tax windfalls, and if it further turns out that the CAB has not done anything to recoup these amounts, then the simplest way for us to recoup the money is to hold up on further appropriations until the debt is paid back. We do that in the case of Government servants, so why not do it in regard to the subsidized airlines?

We are also waiting, for example, for a statement of how much the subsidized airlines have been, and are, spending on their subsidiaries. I do not feel that the Congress should be called upon to subsidize hotel chains, country clubs, and miscellaneous subsidiaries.

We are also waiting for an indication of the expense accounts, broken down by the names of the persons in the recipient subsidized companies.

Of course, Mr. President, we cannot allow ourselves to be used as a vehicle to circumvent the decisions of the Supreme Court. We find that the estimates that have been given us in the case of the international companies, which account for well over half of the subsidies, have been computed on a basis clearly in conflict with the offset principle, set forth by the Supreme Court in the two test cases of Summerfield against Civil Aeronautics Board, February 1, 1954.

The Postmaster General wrote me, on June 5, that the sum total involved in all the legal briefs and exceptions and other litigation he has instituted in opposition to proposed airmail subsidies is $50,798,000.

For all these reasons, Mr. President, our committee is unable to commit itself for any larger sum than that which is presently in the reported bill; and I trust that the distinguished chairman will agree with me that we are not urging the Civil Aeronautics Board to continue spending at the same rate or at even a higher rate than the one at which it has been spending It is unable to count on any funds in excess of what we have recommended. It is, of course, a settled principle of constitutional law, as noted in the Supreme Court case cited at the top of page 1720 of our hearings, that—

> It is the settled and recognized policy of Congress to keep all of the departments of the Government, in the matter of incurring obligations for expenditures, within the appropriations annually made for conducting its affairs.

LOCAL SERVICE AIRLINES

Mr. President, I also wish to speak briefly about the local service airlines.

There are 14 local service airlines, serving 438 cities, of which 258 cities are served exclusively by the local service carriers. The function of the local service carriers is to provide scheduled air service to smaller, intermediate-type cities, by providing air service between these and other intermediate cities and between these and larger terminal cities. Let me say that they are the largest income gatherers the trunklines have.

The local service airlines are relatively young, with an average existence of less than 6 years. However, they are growing vigorously, as indicated by the fact that they carried 1,998,000 passengers in 1953, as compared to 425,000 in 1948. Furthermore, their revenue, excluding mail pay and subsidy, was $24,300,000 in 1953, as compared with only $5 million in 1948. As a matter of fact, in 1953 they carried 60 percent more passengers than all the United States trunk carriers carried in 1938. In 1953, the local service airlines' annual payroll subject to Federal income taxes was $24,500,000.

Subsidy aid is essential to these vigorous young airlines now, while they are beginning to grow. However, it is important to note that while subsidy payments constituted 80 percent of their total revenues when they started operating, it constitutes only 50 percent now. This amounts to less than one-third of the total subsidy bill for the entire industry.

Mr. President, let me say in passing that I happen to live in a city that is served by one of these airlines. We have a perfect landing field, but none of the trunklines land there. The line landing at the city in which I live feeds into the trunklines at the capital of West Virginia, Charleston. Sometimes I think that my interest in airlines is similar to the interest of old Colonel Wilder in railroads. He was chairman of the Railroad Commission of Kentucky. I asked him how it happened that he, living away out in the hinterlands, happened to be railroad commissioner. He said, "No one knows railroads better than I do. I live 60 miles from the nearest railroad station. Until that little line came there I lived 70 miles from the nearest trunkline, so I

can appreciate the value of these small lines."

Two West Virginia cities, Beckley and Bluefield, are served exclusively by local-service carriers; and four other West Virginia cities, Parkersburg, Charleston, Wheeling, and Huntington, are served by local-service carriers as trunkline carriers. I cite these facts to show the valuable service performed by the local-service carriers and to emphasize that I personally feel that any cuts in airline subsidy should not be made at the expense of these local-service carriers.

Here are some statistics which I think will be of interest to the Senate on local-service carriers:

Fourteen local-service airlines (average age, 5½ years).

Serve 438 cities (258 exclusively).

Passengers carried: 1953, 1,998,000; 1948, 425,000.

Revenue, excluding mail pay and subsidy: 1953, $24,300,000; 1948, $5 million.

Payroll, 1953, $24,500,000.

Subsidy constituted 60 percent of total revenues at beginning of local service and only 50 percent now.

Carried 60 percent more passengers in 1953 than all the trunklines in 1938.

West Virginia cities served by local-service carriers: Beckley (served exclusively), Bluefield (served exclusively), Charleston, Huntington, Parkersburg, Wheeling.

I wished to clarify what I and other members of the committee had in mind in voting for the appropriation. Inasmuch as neither the proponents nor the opponents were given sufficient time, I offered my amendment to the amendment of the Senator from Massachusetts in order to gain time to place in the RECORD a statement showing the feeling of some of us on the question of how much the subsidy should be, and what is the true legislative interpretation in our minds.

We discussed the advisability of a 7-month, 6-month, or 8-month appropriation. We know that we cannot bind the next Congress. All we desire is to obtain some adequate, accurate figures from the Civil Aeronautics Board, which is required to furnish such figures, but was unable to do so at the hearing.

For that reason I offered by amendment to the amendment of the Senator from Massachusetts, only in order to gain time. Therefore I now withdraw my amendment.

The PRESIDING OFFICER. The Senator from West Virginia withdraws his amendment to the amendment of the Senator from Massachusetts.

The question is on agreeing to the amendment of the Senator from Massachusetts [Mr. KENNEDY].

The Senator from Massachusetts has 6 minutes remaining.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were not ordered.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield back the remainder of his time?

Mr. KENNEDY. No, Mr. President.

In summing up, I should like to make a point in answer to the statement made by the Senator from New Hamphire [Mr. BRIDGES], chairman of the Appropriations Committee, in considering whether, under my amendment, sufficient funds would be available to the Civil Aeronautics Board for payment of subsidies to local and domestic carriers as well as to international carriers.

I pointed out to the Senate the average rate of expenditure for subsidies for this year. In November CAB wrote subsidy checks in only $5,500,000; in December the Civil Aeronautics Board disbursed $6,500,000; in January only $5,400,000; in February $6,100,000; in March $6,600,000; and in April $5,400,000.

If we examine the figures, we find that the average rate of expenditure for those months—excluding the very low month of October so as to give CAB the benefit of every doubt—was only about $5.8 million per month. Yet, even if my amendment were accepted, under the appropriation which would be available to the Civil Aeronautics Board it would be found that it would have a minimum of more than $48 million for 7 months, which would give the Board an average of $6,857,000 a month.

If my amendment is not accepted—and the prospect seems rather dubious, I admit—there will be available for CAB for expenditure until the end of next January the largest monthly amount in the history of the country. In spite of the fact that the President recommended Reorganization Plan No. 10, which separated the compensation from the subsidy, it is proposed to appropriate this year the largest monthly expenditures in the history of the country.

In considering whether or not the Congress should take such action, we should remember that the Supreme Court decided less than 2 months ago, by a vote of 9 to 0, against the CAB, and ordered the CAB in the future, in figuring the amount which should be paid for subsidy, to take into consideration the total profit and loss of the entire corporation, including its Atlantic runs, its Pacific runs, its domestic runs, and its South American runs. The fact that the Supreme Court voted 9 to 0 against the CAB, and the fact that the Post Office Department has instituted suits or protests against more than $50 million for overpayment of subsidies during the past 5 or 6 years indicates that in the next 7 months the Civil Aeronautics Board probably will not appropriate as much for subsidies as was appropriated during the past year, or during the past 2 or 3 years. This being true, how is the Congress justified in appropriating the largest amount in the history of the country?

If the amendment of the Senator from Illinois and myself is accepted, there will be available for expenditure more than $40 million, which will more than take care of the $23 million required for domestic local-service carriers, and will provide $17 million for international carriers, which is only a modest reduction from what they received in a comparable period of time last year, at a time when the Supreme Court had not yet decided against the subsidy method which the CAB was using.

So I hope the Senate will adopt the amendment which the Senator from Illinois [Mr. DOUGLAS] and I have offered.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. STENNIS. Does the Senator from Massachusetts intend to add certain language to modify his amendment?

Mr. KENNEDY. Yes. In order to clarify the question which the Senator from New York raised, I suggest that my amendment be modified so as to read:

On page 31, line 12, strike out "$40,000,000" and insert in lieu thereof "$30,000,000: *Provided*, That not more than $15,000,000 shall be paid to international, overseas, and other territorial carriers."

This will make it certain that the domestic and local carriers, about which the Senator earlier interrogated me, will receive the exact amount which the Civil Aeronautics Board has requested for them.

Mr. STENNIS. What sum is that?

Mr. KENNEDY. Twenty-three million dollars.

Mr. STENNIS. For a period of 7 months beginning July 1, 1954?

Mr. KENNEDY. That is correct. In fact it would take care of the small feeder lines for the whole year.

It may be of interest to the Senator to know that that is the amount which the House Appropriations Committee recommended in House Report 1242 for the entire appropriation. It was only when the bill came to the floor that an amendment was offered which provided an additional $17 million.

Mr. STENNIS. I thank the Senator very much. The yeas and nays not having been ordered on the Senator's amendment, he can modify his amendment so as to include the language suggested.

Mr. KENNEDY. That is correct. If that language is inserted, it will mean that the domestic and local carriers cannot receive less than the Civil Aeronautics Board requested.

Mr. President, I modify my amendment in the manner I have described.

The PRESIDING OFFICER. The Senator has the right to modify his amendment.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from New Hampshire yield 1 minute to me?

Mr. BRIDGES. I yield 2 minutes to the Senator from Colorado.

Mr. JOHNSON of Colorado. I thank the Senator.

I heard the very able junior Senator from Massachusetts say a moment ago that under the present plan the Civil Aeronautics Board does not have authority to set the amount which shall be appropriated for subsidies. That is completely at variance with my understanding of the legal situation. As I understand, under Reorganization Plan No. 10, which was put into effect on October 1, 1953, the Civil Aeronautics Board does have full authority to state the amount of subsidies which should be voted by the Congress. The Senator from Massachusetts asks, "How is that any improvement over the way the mat-

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ter was handled previously?" It may not be an improvement. I do not know whether it is or not; but whether it is an improvement or not, that is the law. I know that a great many Senators were not exactly pleased with Reorganization Plan No. 10. Nothing can be gained from the fact that there is such dissatisfaction. Either the House or the Senate could have vetoed the reorganization plan, but neither House vetoed it. Therefore the plan went into effect.

The only difference between the present situation and the previous situation is that today the subsidy is identified as a subsidy and it is not a part of the mail pay, as it was previoulsly. Legally, when CAB makes a recommendation to Congress, Congress is dutybound to follow the recommendation. I believe the Appropriations Committee has acted very wisely. I believe the committee is proceeding very judiciously and very logically in asking for another look at the matter next year. I commend the Appropriations Committee for doing what it has done.

Mr. KENNEDY. Mr. President, will the Senator from Colorado yield?

The PRESIDING OFFICER. The 2 minutes of the Senator from Colorado have expired.

Mr. BRIDGES. Mr. President, I merely wish to say, without taking any more time of the Senate, that the amendment, as modified, is not acceptable to the Senator from New Hampshire. I do not believe it would have any useful effect. The committee has recognized the Supreme Court decision, the Presidential order, and the changes in the subsidy and mail payments, which were separated on October 1; and the CAB is required to come back to Congress in January to justify the existing payments and to show a revision with respect to one or all of the new elements entering into the picture.

I hope the amendment will be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, offered by the Senator from Massachusetts [Mr. KENNEDY] for himself and the Senator from Illinois [Mr. DOUGLAS].

Mr. KENNEDY. Mr. President, have I any time remaining?

The PRESIDING OFFICER. All time for debate on the amendment has expired.

Mr. KENNEDY. Mr. President, I ask unanimous consent that I may speak for 1 additional minute.

The PRESIDING OFFICER. Is there objection?

Mr. BRIDGES. I shall not object, but I will not agree to any more time.

Mr. KENNEDY. I wish to reemphasize the point I made before. It is that the intention of the Senator from Illinois and myself is to provide all the funds requested by the CAB for the domestic and local carriers.

One other point I have in mind is to refer the Senator from Colorado [Mr. JOHNSON] to the opinion of Mr. James P. Radigan, Jr., of the American Law Division of the Legislative Reference Service on the question of whether Congress is obliged to pay the amount of the subsidy which the CAB requests. Mr. Radigan stated:

> Because there is a legal obligation to pay fair and reasonable rates of compensation for the actual transportation of mail by air carriers, it does not follow that there is a legal obligation on the part of Congress to appropriate the amount of subsidies found to be desirable by the Civil Aeronautics Board.

Therefore, Congress is not under any legal obligation to grant the subsidies requested.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, offered by the Senator from Massachusetts [Mr. KENNEDY] for himself and the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BRIDGES. The only amendments remaining are the amendments which the chairman of the committee has offered, to which objection has been raised. I believe the distinguished Senator from Georgia [Mr. RUSSELL] wishes to speak on one of the amendments.

Mr. MONRONEY. Mr. President, I have an amendment at the desk which I should like to call up after the Senator from Georgia has spoken.

Mr. RUSSELL. Mr. President, I am always very loath to make a point of order against any provision that is inserted in a bill by a committee of which I am a member.

The PRESIDING OFFICER. May the Chair inquire as to how the time for debate will be divided? No amendment is before the Senate.

Mr. BRIDGES. Mr. President, I call up the first committee amendment which was passed over.

The PRESIDING OFFICER. The secretary will state the first committee amendment passed over.

The CHIEF CLERK. The first committee amendment passed over is on page 16, line 14, to insert the following new section:

> SEC. 111. Any person appointed to the Foreign Service shall receive basic salary at one of the rates of the class to which he is appointed which the Secretary of State shall, taking into consideration his age, qualifications, and experience determine to be appropriate for him to receive.

Mr. RUSSELL. Mr. President, may I suggest to the Senator from New Hampshire that, with unanimous consent, section 112 on page 16 and section 305 on page 47 be considered jointly? The same point of order will be made against both. I shall lodge the same objection to both amendments.

Mr. BRIDGES. I should be glad to do so, except there are some elements of difference with respect to the two sections. Some elements would apply to the Department of State which would not apply to the Department of Commerce. A separate vote would be required, but I shall be glad to have them considered at the same time.

Mr. RUSSELL. Section 111 relates to the Foreign Service. I assume that the language is satisfactory to the members of the Committee on Foreign Relations, and I shall interpose no objection to that provision.

Mr. BRIDGES. Then, Mr. President, can we not take action on section 111 at this time, prior to the consideration of the other two committee amendments?

Mr. MONRONEY. It is my intention to ask for an explanation of section 111. Inasmuch as the distinguished Senator from Georgia [Mr. RUSSELL] is interested in section 112, I ask unanimous consent that that section be considered at this time, and that subsequently, after the Senate has completed consideration of section 112, we may have an explanation of section 111. Both sections appear on page 16 of the bill.

Mr. BRIDGES. Then I shall withdraw my request for consideration of section 111 at this time. I ask unanimous consent that section 112, on page 16, line 19, be now considered.

The PRESIDING OFFICER. Without objection, it is so ordered, and the Secretary will state the amendment.

The CHIEF CLERK. On page 16, line 19, it is proposed to insert a new section, as follows:

> SEC. 112. The Secretary of State hereafter is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, to place 1 position in grade GS–18, 4 positions in grade GS–17, and 3 positions in grade GS–16 in the General Schedule established by the Classification Act of 1949, and such positions shall be in addition to those positions in the Department of State presently allocated in grades GS–16, GS–17, and GS–18.

The PRESIDING OFFICER. The time is divided between the Senator from New Hampshire [Mr. BRIDGES] and the minority leader, the Senator from Texas [Mr. JOHNSON]. Thirty minutes of debate is allowed to each side on the amendment.

Mr. RUSSELL. Mr. President, no action the Senate can take can deny me my right to make a point of order on an item in an appropriation bill. I rise for that purpose.

The amendment is very clearly legislation on an appropriation bill. I regret to be constrained to level a point of order against it for the reason stated a moment ago.

However, on April 28 we had before the Senate, a bill reported by the Committee on Post Office and Civil Service, which undertook to raise these three high-grade civil service positions from the 400 authorized by existing law to 700.

In the course of the discussion the Senator from Georgia said that he deplored as strongly as did the distinguished Chairman of the Committee on Post Office and Civil Service and the ranking minority member the tendency of the Appropriations Committee to increase the number of positions without prior existing law.

The law requires that the Civil Service Commission shall make a recommendation to the President and that the President shall divide these highly-paid positions as he sees fit among the executive agencies of the Government.

The amendment proposes to create eight additional such high-salaried positions in the Department of State.

In keeping with my commitment to the Senator from Kansas [Mr. CARLSON] and to the Senator from South Carolina [Mr. JOHNSTON] that I would oppose such legislation on appropriation bills, I intend to make a point of order.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CARLSON. I wonder whether the distinguished Senator from Georgia would be willing to withhold his point of order. I wish to assure him that I am in thorough accord with his statement. It has been my sincere hope that these positions could be placed under the Civil Service Commission, where they belong. It was on that basis that I reached an agreement with the Senator and with the Senate to reduce the 300 figure to 150. That should take care of the situation. I wonder whether the distinguished Senator would be willing to have offered an amendment which would take these positions from the 150 authorized by the Senate provided the House adopts the 150 provision. I believe the State Department does need these places. I sincerely hope the House will approve the bill which has been passed by the Senate, with the amendment the Senate added to it. In order to keep faith with the Senate, I myself very much desire that these positions be taken from the 150 provided for in the bill I have mentioned.

Mr. RUSSELL. I have no objection to having them come from the 150. What I am objecting to is the constant tendency on the part of the Committee on Appropriations, whenever it has a request from any executive department for additional help, to provide for any number of these highly salaried positions. I think it is a bad practice. I believe the Senator from Kansas realizes that it is within the jurisdiction of the committee of which he is the chairman, and not within the jurisdiction of the Committee on Appropriations, to increase by legislative process the number of these positions.

Mr. CARLSON. Mr. President, I wish to remind the Senator that that was the basis of our colloquy when the question was previously before the Senate. The Appropriations Committee from time to time reports bills which carry such provisions, I sincerely hope we can prevent that in the future. I am as much opposed to it as is the Senator from Georgia.

Mr. BRIDGES. Mr. President, I should like to take a couple of minutes. I should be glad to accept the amendment suggested by the Senator from Kansas as applied to section 112 and section 305. I understand from the distinguished Senator from Georgia that it is agreeable to him to consider such an amendment.

Mr. RUSSELL. Mr. President, I should like to have the amendment offered and stated, and then I think we can better understand the situation.

Mr. CARLSON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Kansas.

The CHIEF CLERK. On page 17, line 2, before the period, it is proposed to insert "*Provided*, That this paragraph shall be effective only upon the enactment into law, during the 2d session of the 83d Congress, of S. 2665: *Provided further*, That the positions described herein shall be allocated to the numerical limitations contained in S. 2665."

Mr. RUSSELL. Mr. President, as I understand the amendment, none of these positions would be created unless the bill to which referred to should be enacted into law, and the positions which would then be created would be taken from within the number authorized by law and not be in addition to those heretofore created.

Mr. CARLSON. That is the purpose of the amendment, and I sincerely hope that it will be adopted and approved on that basis. Otherwise, I would be opposed to it.

Mr. RUSSELL. In my opinion, it would also be necessary to strike out, on line 21, page 16, the words "but without regard to the numerical limitations contained therein." There would be an undoubted conflict if those words were not stricken.

Mr. CARLSON. That is correct.

The PRESIDING OFFICER. Is there objection to modifying the committee amendment to that extent?

Mr. MONRONEY. Mr. President, reserving the right to object—and I do not intend to object if I can get the information which I desire—I should like to ask the distinguished author of the amendment, the Senator from Kansas [Mr. CARLSON] if the language he proposes includes the qualifications for the supersalaried jobs under the provisions of the bill which passed the Senate, or is this provision for the supersalaried jobs limited only as to numbers rather than as to findings of qualifications and certification by the Civil Service Commission that the persons to be appointed are qualified, as ascertained by examination or otherwise, to fulfill the duties of the positions. I think the only purpose of the provision affecting high-salaried classifications was to give hope to the career Government workers that if they remain with the Government, if they develop their talents and their understanding of the job, they can have a future to which to look forward. I should not like to weaken the whole idea of supergrades by driving a wedge into that very noble purpose.

The PRESIDING OFFICER. The Chair will advise the Senate that in order to continue compliance with the unanimous-consent agreement Senators must adhere to the conditions of the agreement itself.

Mr. BRIDGES. Mr. President, I allot such time as may be necessary to the Senator from Kansas [Mr. CARLSON], the Senator from Oklahoma [Mr. MONRONEY], and the Senator from Georgia [Mr. RUSSELL].

Mr. CARLSON. Mr. President, with reference to the number of supergrade jobs, I wish to state to the distinguished Senator from Oklahoma that it is my hope that if the committee amendment is adopted it will embody the provisions of Senate bill 2665.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas [Mr. CARLSON] to the committee amendment.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUSSELL. Was action had on the amendment which I suggested eliminating the clause "without regard to the numerical limitations contained therein"?

The PRESIDING OFFICER. The Chair will put the question on the amendment of the Senator from Georgia after action on the pending amendment.

The question is on agreeing to the amendment offered by the Senator from Kansas to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on the amendment of the Senator from Georgia [Mr. RUSSELL] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. BRIDGES. Mr. President, are we now acting on section 112?

The PRESIDING OFFICER. That is correct.

Mr. BRIDGES. Does the Senator from Georgia wish action taken on that section at this time?

Mr. RUSSELL. That is agreeable to me.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

Mr. BRIDGES. I now ask for the consideration of the amendment, heretofore passed over, inserting section 305 on page 47, line 22.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 47, after line 21, the committee proposes to insert the following:

SEC. 305. The Secretary of Commerce hereafter is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, to place one position in grade GS–18, 14 positions in grade GS–17, and 5 positions in grade GS–16 in the general schedule established by the Classification Act of 1949, and such positions shall be in addition to those positions in the Department of Commerce presently allocated in grades GS–16, GS–17, and GS–18.

Mr. BRIDGES. Mr. President, I offer the same amendment to section 305 as was offered by the Senator from Kansas to section 112.

The PRESIDING OFFICER. The clerk will state the amendment to the amendment.

The CHIEF CLERK. In the committee amendment on page 48, line 6, before the period, it is proposed to add the following proviso: "*Provided*, That this paragraph shall be effective only upon the enactment into law, during the second session of the 83d Congress, of S. 2665: *Provided*

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further, That the positions described herein shall be allocated to the numerical limitations contained in S. 2665."

Mr. RUSSELL. Mr. President, I do not know which would take priority, but I wish at the appropriate time to move to strike on page 47, line 24, the words "but without regard to the numerical limitations contained therein."

The PRESIDING OFFICER. That may be done after action on the pending amendment. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. RUSSELL. Mr. President, I move to amend by striking out in line 24, page 47, the clause "but without regard to the numerical limitations contained therein."

I wish to make a very brief statement. We may be somewhat impinging upon the prerogatives of the Civil Service Commission and the Chief Executive in allocating these positions, because under existing law that is the method by which these positions should be allocated, but the committee has given the subject study, and, therefore, I shall support the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Georgia to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now recurs upon agreeing to the committee amendment as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BRIDGES. Mr. President, I call up the amendment on page 16, line 14, section 111.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 16, it is proposed to insert section 111, as follows:

SEC. 111. Any person appointed to the Foreign Service shall receive basic salary at one of the rates of the class to which he is appointed which the Secretary of State shall, taking into consideration his age, qualifications, and experience, determine to be appropriate for him to receive.

Mr. MONRONEY. Mr. President, reserving the right to object, this amendment being legislation on an appropriation bill, I desire to ask the distinguished chairman of the Committee on Appropriations to explain why the section must be included in the bill.

Mr. BRIDGES. The amendment is a very important one.

The PRESIDING OFFICER. The Chair desires to ask the Senator from New Hampshire the amount of time he desires to use, since the time is under limitation.

Mr. BRIDGES. I beg the pardon of the Presiding Officer. I yield myself 5 minutes in which to make an explanation.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 5 minutes.

Mr. BRIDGES. The amendment is offered primarily to promote efficiency and economy in the operations of the Department of State. There are many persons in the Department who possess qualifications which would enable them to transfer to the Foreign Service tomorrow. The drawback is that in transferring from the State Department to the Foreign Service, they would have to accept the entrance salary of the Foreign Service, which usually is below the salary received before transfer. The amendment is to permit, as I understand, the same salary range and to permit the personnel to transfer from one salary range to the other, if they have the qualifications. In other words, it would not prevent an employee of the State Department from transferring to the Foreign Service if he is properly qualified for that service.

Mr. MONRONEY. I agree that that is a satisfactory reason, but the language reads:

Any person appointed to the Foreign Service shall receive basic salary at one of the rates of the class to which he is appointed which the Secretary of State shall, taking into consideration his age, qualifications, and experience determine to be appropriate for him to receive.

As I read the amendment, it is an open-ended invitation which could, by misuse of authority granted in the proposed legislation on an appropriation bill, completely negate and destroy the career Foreign Service as it now exists. That is the reason why I have reserved the right to object.

I would be in sympathy with a provision which would limit the amendment to the purpose for which the distinguished chairman has stated it was offered, namely, to provide for the orderly transfer, at no reduction in pay, of career civil-service personnel or others in the State Department having a career status. But I do not wish to see the Foreign Service become a patronage organization. Too much money has been spent throughout the years in removing the Foreign Service from a patronage category. I believe that safeguards are needed in the amendment, if it is not to be destructive of the building of an honorable, well-educated, and well-experienced Foreign Service group.

Mr. BRIDGES. I think the position of the Senator from Oklahoma is well taken. While I was authorized to offer the amendment on the floor, I think it is subject to the criticism made by the Senator from Oklahoma. My purpose in offering the amendment was to permit the entry of qualified personnel, but I do not desire to open the door wide. I think the Senator's criticism has some justification.

If the amendment could be worded so that the danger suggested by the Senator from Oklahoma would be eliminated, I should be glad to have the Senator's suggestion.

Mr. MONRONEY. I am not certain whether the language I shall propose will open the door too wide. It might be amended to provide that any person in civil-service status in the Government would be permitted to be appointed to the Foreign Service. I am trying to limit the transfers to career personnel, so that in making such appointments it will not be possible to go outside the Government or outside the category of persons who are familiar with and have qualifications for the Foreign Service.

There are some definite advantages in the Foreign Service field.

The Foreign Service has been so well guarded against political interference that the young men and women who study in the Foreign Service schools in Washington and pass their examinations are loath to have a Member of the Senate or a Member of the House express even the slightest interest in their career or even to write letters of recommendation as to their characters.

Mr. BRIDGES. I think the Senator from Oklahoma has made a good suggestion. I suggest that on line 14, after the word "service", there be inserted the words "from the classified civil service."

Mr. MONRONEY. That would meet my objection. I think we are both trying to accomplish the same end. But if the language in the proposed amendment in the bill is allowed to stand, it would tend to destroy the qualifications which are sought to be maintained in the Foreign Service.

Mr. BRIDGES. I accept the suggestion, and I ask that the clerk state the amendment.

The PRESIDING OFFICER. The clerk will state the amendment as proposed by the Senator from New Hampshire.

The LEGISLATIVE CLERK. On page 16, at the beginning of line 15, it is proposed to insert "from the classified civil service."

Mr. MONRONEY. That amendment is satisfactory to me.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MONRONEY. Mr. President, I offer an amendment which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendment of the Senator from Oklahoma.

The LEGISLATIVE CLERK. On page 17, it is proposed to insert between lines 2 and 3 a new section, as follows:

SEC. 113. No part of any appropriation contained in this act shall be used to pay the salary or wages of any officer or employee of the Bureau of Inspections, Consular and Security Affairs of the Department of State who, for the purpose of the act of August 2, 1939, as amended (5 U. S. C. 1181), shall not be included within the construction of the term "officer" or "employee."

The PRESIDING OFFICER. How much time does the Senator from Oklahoma desire?

Mr. MONRONEY. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 5 minutes.

Mr. MONRONEY. The purpose of the amendment, which is a limitation on the appropriation bill, is merely to remove the uncertainty which now exists in the State Department regarding the head of the Bureau of Security, Consular Affairs, and Personnel, Mr. R. W. Scott McLeod. It is to remove the uncertainty with respect to his status under the Hatch Act.

We have all heard the pleas which have been made by the distinguished majority leader and the distinguished minority leader for a bipartisan foreign policy. I think it has become more and more apparent that officials of the State Department, other than those given specific exemption under the Hatch Act, should not be engaged in political activities and should not be required to fulfill strictly political speaking engagements in behalf of either political party.

During the years when the Democrats were in control of the Government, I believe efforts were made to make the Hatch Act as effective as possible, so as to prevent the abuse of the exemptions of sensitive agencies like the State Department, which should certainly be kept out of the hurly-burly of political hucksterism. Our foreign policy should be kept above the exigencies of political campaigns.

The amendment is intended to accomplish only one purpose, namely, to declare that the employees and officers of this particular security branch of the State Department are not exempt from the Hatch Act. The Hatch Act defines exemptions in the following language, in section 118 (i), title V, of the Code, as follows:

> For the purposes of this section the term "officer" or "employee" shall not be construed to include (1) the President and Vice President of the United States; (2) persons whose compensation is paid from the appropriation for the Office of the President; (3) heads and assistant heads of executive departments; (4) officers who are appointed by the President, by and with the advice and consent of the Senate, and who determine policies to be pursued by the United States in its relations with foreign powers or in the nationwide administration of Federal laws. The provisions of the second sentence of this subsection shall not apply to the employees of the Alaska Railroad.

Mr. President, there is an area in the determination of whether Mr. McLeod was or was not under the Hatch Act which would leave him subject to prosecution under the Hatch Act, if anyone desired to call the situation to the attention of the Department of Justice, and if the Department chose to act. I have a letter which was written by the Civil Service Commission, which distinctly holds that Mr. McLeod's position is not included in the exempted features of the Hatch Act.

After reading this opinion of the Civil Service Commission, which was signed by Mr. George M. Moore, Commissioner, under date of January 29, 1954—and the Civil Service Commission is considered by most authorities to be the last word in the enforcement of the Hatch Act—by no stretch of the imagination could I conceive that anyone could believe that Congress, in creating it, construed this position in the State Department to be exempt from the Hatch Act.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point the entire letter of the Commission, but, for the purpose of saving time of the Senate, I should like to read from the text of it, so that my colleagues may hear what the Civil Service Commission has held.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 29, 1954.

Hon. SCOTT MCLEOD,
Administrator, Bureau of Security and Consular Affairs, Department of State, Washington, D. C.

DEAR SCOTTY: Reference is made to your telephone call requesting the Commission's opinion in respect to the application of the Hatch Act to the occupant of the position of Administrator, Bureau of Security and Consular Affairs, created by section 104 (b) of the act of June 27, 1952.

I have consulted the Commission's Legal Division and they are of the opinion that the occupant of the position referred to in your inquiry is in fact subject to the political-activity restrictions of section 9 (a) of the Hatch Act. This particular section of the law applies to any "officer or employee in the executive branch of the Federal Government." There are a few specific exceptions listed in the section and unless an individual clearly falls within one of these exceptions he must be considered to be subject to the prohibitions of the section.

There are four categories of positions specifically listed in section 9 (a) as exceptions to the prohibitions set forth therein. The first two apply to the President, the Vice President, and the executive staff of the President and are not applicable in this case. The fourth exception would not apply as the individual incumbent in question is not a Presidential appointee. There thus remains for consideration only the third category of exceptions which is "heads and assistant heads of executive departments." It is true that the act of June 27, 1952, specifically provides that the Administrator, Bureau of Security and Consular Affairs, shall have rank and compensation equal to an Assistant Secretary of State. However, our research indicates that an Assistant Secretary of State is not actually an assistant head of an executive department within the meaning of the exception of section 9 (a) of the Hatch Act. It would appear that in this case the actual assistant heads of the Department of State would be the persons occupying positions as Under Secretary of State.

It should be noted further that section 104 (f) of the act of June 27, 1952, indicates that this Bureau is under the immediate jurisdiction of the Deputy Under Secretary of State for Administration. This would further support our position in this matter as it would appear that the exception to the Hatch Act in question is intended to apply only to the heads and assistant heads of an executive department and not those occupying positions as bureau chiefs in a department.

On the basis of the above it is our opinion that the Administrator, Bureau of Security and Consular Affairs, is subject to the Hatch Act. It should be pointed out, however, that the Commission would have no jurisdiction in the case of a political activity complaint against such an individual as the position has been included in the excepted service under schedule C, section 6.302 (b) (6). The Commission has never exercised political activity enforcement jurisdiction over those serving in the excepted service. The enforcement jurisdiction in such case would rest with the Secretary of State.

Sincerely,

GEORGE M. MOORE,
Commissioner.

APRIL 1, 1954.

Hon. LOUIS C. RABAUT,
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN RABAUT: This will acknowledge your letter of March 15, 1954, addressed to the Attorney General, requesting his opinion concerning the applicability of the Hatch Act (5 U. S. C. 1181) to the Administrator of the Bureau of Security and Consular Affairs of the Department of State.

As you know, the statutes authorize the Attorney General to advise only the President and heads of executive departments. It has been the position of all Attorneys General that this authority does not extend to rendering opinions to Members of Congress. Moreover, as you will see from an examination of the Attorney General's opinion of June 6, 1940 (39 Op. A. G. 446), the practice of issuing rulings under the Hatch Act at the request of interested parties other than heads of executive departments was discontinued in April, 1940.

Accordingly, while the Attorney General would like to be of assistance to you in this instance, he does not feel that he should depart from the prevailing practice.

Sincerely,

———— ————,
Deputy Attorney General.

The PRESIDING OFFICER. The Chair advises the Senator from Oklahoma that the 5 minutes which he yielded to himself have expired.

Mr. MONRONEY. I yield to myself an additional 10 minutes, and shall try not to consume that much time.

I shall now read from the letter of Mr. George M. Moore, Commissioner, to Mr. Scott McLeod:

> I have consulted the Commission's legal division and they are of the opinion that the occupant of the position referred to in your inquiry is in fact subject to the political activity restrictions of section 9 (a) of the Hatch Act. This particular section of the law applies to any "officer or employee in the executive branch of the Federal Government." There are a few specific exceptions listed in the section and unless an individual clearly falls within one of these exceptions he must be considered to be subject to the prohibitions of the section. * * *
>
> It should be noted further that section 104 (f) of the act of June 27, 1952, indicates that this Bureau is under the immediate jurisdiction of the Deputy Under Secretary of State for Administration. This would further support our position in this matter as it would appear that the exception to the Hatch Act in question is intended to apply only to the heads and assistant heads of an executive department and not those occupying positions as bureau chiefs in a department.
>
> On the basis of the above it is our opinion that the Administrator, Bureau of Security and Consular Affairs, is subject to the Hatch Act. It should be pointed out, however, that the Commission would have no jurisdiction in the case of a political activity complaint against such an individual as the position has been included in the excepted service under schedule C, section 6.302 (b) (6). The Commission has never exercised political activity enforcement jurisdiction over those serving in the excepted service. The enforce-

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ment jurisdiction in such case would rest with the Secretary of State.

When the letter went to the Secretary of State, the only authority which could be found to give Mr. McLeod the exemption was a rather tenuous one expressed in behalf of several employees in the Department. At that time the Senator from Wisconsin [Mr. McCARTHY] and others were attacking the Democratic Party's record through the past 20 years.

One of the important points of the memorandum under which Mr. McLeod chose to make the political speeches was the fact that the Department did not believe he was subject to the Hatch Act, because he was exercising the power of an Assistant Secretary of State. That opinion was nullified completely by the Civil Service Commission, which held that although he might be called an Assistant Secretary of State, the job of Assistant to the Secretary of State was limited to the Under Secretary of State, and could not pass on down to the 10 or 12 Assistant Secretaries of State whose positions were set up in the Department of State.

Furthermore, Mr. McLeod was not appointed by the President, or confirmed by the United States Senate, so he is not in the exempted category. The very fact that there is a strong degree of doubt that Mr. McLeod has any right to exemption under the Hatch Act is gathered from the warning in the State Department's own memorandum that they cannot prevent him from speaking, even though they might feel he has no right to; but the final responsibility for determining whether his actions violate the Hatch Act rests on the relationship of Mr. McLeod, and the Department has no right or authority to rule that Mr. McLeod is in the exempted status.

If we are to live up to the Hatch Act, if we are to try to prevent its stretching by tenuous interpretation, if we are to have junior department heads adopting the theory that their task in highly important posts in the State Department is one to further political, partisan aims, then we might as well repeal the Hatch Act and let everybody have a fair go at participating in politics.

Even more than that, we had better play down the cry of bipartisanship in our foreign policy, if the security officer of the Department of State is to be one of the principal speakers at Republican political gatherings. We should reflect that there are enough Members of both parties in the House and the Senate to carry on political contests, without requiring that men be taken out of highly sensitive positions, whose bipartisanship might spell success or failure in their positions. If in this critical day and time we are to prevent the infiltration of subversives or other dangerous persons into our Government, then I believe it would be very wise on our part to give notice now, by the adoption of the limitation proposed by me, that the Hatch Act applies to the chief officer and employees of this highly sensitive operation, and that, while the Senate does not condemn the action he has taken, it is making it clear that, under its interpretation of the law, he is not eligible to further the political ambitions or political aims of strictly partisan politics.

I think the distinguished chairman of the Senate Committee on Appropriations would be doing his party a very great service, and I believe he would be doing the country, the State Department, and those in charge of our foreign policy a very great service if he took the amendment to conference, because I believe that by no stretch of the imagination was the creation of this position made with the thought that Mr. McLeod was included in the four specific exemptions so clearly set forth in the Hatch Act, as I have read them to the Members of the Senate.

I reserve the remainder of my time.

Mr. BRIDGES. Mr. President, I yield myself 5 minutes.

I had no information that the Senator from Oklahoma was going to offer his amendment, but his amendment projects a question into the appropriation bill which must be met. I understand that what the distinguished Senator from Oklahoma said was to the effect that the post under discussion is a delicate one in the State Department, and that the letter from the Civil Service Commission stated that it would be a violation of the Hatch Act if Mr. McLeod made political speeches. I desire to have the RECORD show that Mr. McLeod's own Department, the State Department, very clearly ruled that he did not come under the Hatch Act, and that he did have the right to make such speeches. So that there was a difference of opinion among the high authorities of Government. In one case, the Civil Service Commission took one position. On the other hand, the Department to which Mr. McLeod was directly responsible and for which he was working, took the opposite position. Frankly, I do not know which agency is correct regarding the question.

I want to keep the Foreign Service out of politics, just as does the Senator from Oklahoma. I want the Hatch Act complied with. On the other hand, I would classify Mr. McLeod's job as being in the same category as that of Assistant Secretary, and I think he is on that level. So far as levels of authority are concerned, his job could certainly be called a policy job. I really do not know what to say. I certainly do not wish the RECORD to show that Mr. McLeod was at fault in making some Lincoln Day speeches. I think he certainly had clearance from his superior officer.

On the other hand, the Senator from Oklahoma has pointed out that Mr. McLeod has a new position, and that inspection has entered the picture; and the Senator from Oklahoma has also pointed out that that broadens Mr. McLeod's position, and the Senator believes Mr. McLeod would be subject to the Hatch Act. Is that correct?

Mr. MONRONEY. Mr. President, my purpose is not to reflect on what Mr. McLeod has done. He appeared to believe that he had a reason—although I considered it to be a rather tenuous one—for his previous activities.

But, since there is an area of disagreement as between the Civil Service Commission and the State Department's legal officer, I believe it is our duty to clarify the point, so that Mr. McLeod will not be under compulsion to accept invitations for political purposes. Therefore, in my opinion, he is entitled to have this no man's land, as regards his activities, clarified or defined, although I believe the law clearly defines its status.

Mr. BRIDGES. Mr. President, my own guess is that the amendment would be subject to a point of order as legislation on an appropriation bill. I myself would like to have more time to explore the matter. If the amendment constitutes a fundamental change, certainly it should be handled by a legislative committee.

Therefore, Mr. President, I take the position that the amendment constitutes legislation on an appropriation bill; and for that reason, I make the point of order.

Mr. MONRONEY. Mr. President, I yield myself 2 minutes on the point of order. Let me say that this amendment is strictly a limitation on expenditures under an appropriation bill, and in no way constitutes legislation.

When the amendment was submitted in the House of Representatives by Representative RABAUT, a member of the Appropriations Committee handling the appropriation bill for the State Department, a similar point of order was made, but was promptly overruled by the then Presiding Officer, who submitted a substantial line of precedents showing that the amendment constituted a limitation on expenditures, and was not legislation on the appropriation bill.

Mr. BRIDGES. Mr. President, I yield myself 2 additional minutes.

Let me say that if what the distinguished Senator from Oklahoma has said is accurate, then Mr. McLeod comes under the Hatch Act. If so, no action by the committee in needed, and no amendment is needed.

On the other hand, if what the Senator from Oklahoma has said is not accurate, then I point out that the amendment is definitely legislation, because it would change Mr. McLeod's status.

Therefore, Mr. President, I believe my point of order should be sustained.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The Chair rules that the amendment is merely a limitation in accordance with the Hatch Act, and therefore is a limitation, and not in itself legislation.

Mr. MONRONEY. Mr. President, I ask for the yeas and nays on the question of agreeing to my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were not ordered.

Mr. MONRONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Oklahoma yield back the time remaining to him?

Mr. MONRONEY. I wish to reserve the remainder of my time.

The PRESIDING OFFICER. All time must be yielded back before a quorum

call is in order, under the unanimous-consent agreement.

Mr. MONRONEY. Mr. President, I suggest the absence of a quorum, and I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from New Hampshire yield back the remainder of his time?

Mr. BRIDGES. No, Mr. President; I wish to hold or reserve the remainder of my time.

The PRESIDING OFFICER. Then the Senator from New Hampshire will have to use his time or the question will recur on agreeing to the amendment of the Senator from Oklahoma [Mr. MONRONEY]. [Putting the question.]

Mr. MONRONEY. Mr. President, I rise to a point of order.

The PRESIDING OFFICER. The Senator from Oklahoma will state it.

Mr. MONRONEY. I make the point that a quorum is not present; and I think we are entitled to have a quorum in the Chamber before the vote on the amendment is taken. I have yielded back the remainder of the time under my control.

The PRESIDING OFFICER. A quorum call can always be had before the vote occurs on the amendment.

Mr. LONG. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Louisiana will state it.

Mr. LONG. Does not the Senator from Oklahoma have time during which he may suggest the absence of a quorum; and may not the Chair undertake to determine whether a quorum is present, during the time available to the Senator from Oklahoma?

The PRESIDING OFFICER. Under the present unanimous-consent agreement, the Senate is proceeding under a time limitation. Therefore, in order to have a quorum call all the remaining time must be yielded back, used, or unanimous consent be granted to have a quorum call without the time being charged to either side.

However, after debate on the amendment has been concluded, it, of course, will then be in order to have the absence of a quorum suggested, inasmuch as all time on the amendment will then have been consumed.

Mr. GORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Tennessee will state it.

Mr. GORE. At the point at which the Chair submits the pending question to a vote, is it not presumed that all time for debate on the amendment has expired?

The PRESIDING OFFICER. If the Senator from New Hampshire does not desire at that time to use the remainder of the time available to him, that is correct.

Mr. GORE. Then, when the Chair puts the question to a vote, it is presumed that the time available for debate has expired; and therefore the suggestion of the absence of a quorum will be in order, will it not?

The PRESIDING OFFICER. The Chair will state that that is correct.

Mr. MONRONEY. Mr. President, as I understood, the Chair put the question; and I then suggested the absence of a quorum. However, the Chair ruled that such a suggestion was not then in order.

The PRESIDING OFFICER. It is the belief of the Chair that, upon stating the question, the junior Senator from Tennessee [Mr. GORE] rose to a point of order; and the Chair was still endeavoring to determine whether the Senator from New Hampshire desired to yield or to use the time remaining at his disposal.

Mr. BRIDGES. Mr. President, in order to clarify the situation, I will yield or waive the remainder of my time, so that the vote on the amendment can be taken; and at that point the Senator from Oklahoma may suggest the absence of a quorum, if he desires to do so.

Mr. MONRONEY. I appreciate the fairness of the Senator from New Hampshire. Certainly the rules of the Senate were not intended to make it impossible to have a quorum present, merely because of the refusal to yield back time.

Mr. BRIDGES. Mr. President, it is my belief that after such a unanimous-consent agreement has been entered, it may be changed or violated only by means of unanimous consent. I believe that to be the point the Chair was making.

In order to be as liberal as possible in my attitude on this matter, I shall waive the time remaining to me, so that a vote on the amendment may be taken at this time, and so that the absence of a quorum may be suggested, if that is desired.

The PRESIDING OFFICER. The Senator from New Hampshire has correctly stated the case.

The Chair now understands that the Senator from New Hampshire has yielded the remainder of his time.

Mr. BRIDGES. That is correct.

The PRESIDING OFFICER. The Chair further understands that the Senator from Oklahoma has yielded the remainder of his time.

Mr. MONRONEY. Yes.

Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested, and the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gore	McClellan
Barrett	Green	Millikin
Beall	Hayden	Monroney
Bennett	Hendrickson	Mundt
Bowring	Hickenlooper	Murray
Bridges	Hill	Neely
Burke	Holland	Pastore
Bush	Hunt	Payne
Butler, Md.	Ives	Potter
Butler, Nebr.	Jackson	Purtell
Byrd	Jenner	Saltonstall
Capehart	Johnson, Colo.	Schoeppel
Carlson	Johnson, Tex.	Smathers
Case	Johnston, S. C.	Smith, Maine
Clements	Kennedy	Smith, N. J.
Cordon	Kerr	Sparkman
Daniel	Knowland	Stennis
Dirksen	Kuchel	Symington
Duff	Lehman	Thye
Dworshak	Long	Upton
Eastland	Magnuson	Watkins
Ervin	Malone	Welker
Ferguson	Mansfield	Williams
Frear	Martin	Young
George	McCarran	
Gillette	McCarthy	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], the Senator from North Dakota [Mr. LANGER], and the Senator from Wisconsin [Mr. WILEY] are necessarily absent.

Mr. CLEMENTS. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Louisiana [Mr. ELLENDER], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from West Virginia [Mr. KILGORE], the Senator from North Carolina [Mr. LENNON], the Senator from South Carolina [Mr. MAYBANK], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

I announce further that if present and voting, the Senator from Illinois [Mr. DOUGLAS] would vote "yea."

I announce also that the Senator from Oregon [Mr. MORSE] is necessarily absent, and if present would vote "yea."

The result was announced—yeas 35, nays 41, as follows:

YEAS—35

Burke	Hill	Mansfield
Byrd	Holland	McCarran
Clements	Hunt	McClellan
Daniel	Jackson	Monroney
Eastland	Johnson, Colo.	Murray
Ervin	Johnson, Tex.	Neely
Frear	Johnston, S. C.	Pastore
George	Kennedy	Smathers
Gillette	Kerr	Sparkman
Gore	Lehman	Stennis
Green	Long	Symington
Hayden	Magnuson	

NAYS—41

Aiken	Duff	Payne
Barrett	Dworshak	Potter
Beall	Ferguson	Purtell
Bennett	Hendrickson	Saltonstall
Bowring	Hickenlooper	Schoeppel
Bridges	Ives	Smith, Maine
Bush	Jenner	Smith, N. J.
Butler, Md.	Knowland	Thye
Butler, Nebr.	Kuchel	Upton
Capehart	Malone	Watkins
Carlson	Martin	Welker
Case	McCarthy	Williams
Cordon	Millikin	Young
Dirksen	Mundt	

NOT VOTING—20

Anderson	Fulbright	Lennon
Bricker	Goldwater	Maybank
Chavez	Hennings	Morse
Cooper	Humphrey	Robertson
Douglas	Kefauver	Russell
Ellender	Kilgore	Wiley
Flanders	Langer	

So Mr. MONRONEY's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

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The amendments were ordered to be engrossed and the bill to be a read a third time.

The bill was read the third time.

Mr. MAGNUSON. Mr. President, I shall delay the Senate only a few moments——

The PRESIDING OFFICER. The Chair would advise the Senator that the time is controlled.

Mr. MAGNUSON. Mr. President, I wish to offer an amendment.

The PRESIDING OFFICER. The amendment is not in order. The third reading of the bill has been accomplished.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to speak for 2 minutes.

Mr. BRIDGES. Is the Senator going to speak on the bill?

Mr. MAGNUSON. Yes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington that he may speak for 2 minutes? The Chair hears none, and the Senator from Washington may proceed.

Mr. MAGNUSON. Mr. President, on page 40 of the bill there is language providing as follows:

> No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this act, or in any prior appropriation act, and all receipts which otherwise would be deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts.

I understand that language has been a part of appropriation bills for some years. I intended to bring it up in committee, but I thought it was perhaps not the proper place. I wish the RECORD to show, however, that the language was originally suggested by the General Accounting Office, and under it all money coming in from ship mortgages, which, incidentally, are not often defaulted, instead of going into a revolving fund, which would provide money with which to construct ships, goes into the Treasury, and the Maritime Board must come to the Appropriations Committees to ask for specific funds.

I think it might be well, Mr. President, to make it a revolving fund so that these mortgages—it is sort of a "Fannie May" situation—could be sold to private financiers.

The amount involved is almost $350 million. It should be in a revolving fund to stimulate ship construction.

Mr. BUTLER of Maryland. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. BUTLER of Maryland. I took the matter up with the General Accounting Office, and I think we shall be successful in taking care of the situation to which the Senator from Washington has referred by a bill which is now before the Subcommittee on Water-Borne Transportation of the Committee on Interstate and Foreign Commerce.

Mr. MAGNUSON. The language really has no place in the bill. I understand that in the beginning the limitation was placed in the law so that some Maritime Board would not use the money for operational purposes. The Senator from Maryland and I are in agreement, but the effect of the language has always been to prevent the creation of a revolving fund.

Mr. BUTLER of Maryland. That is correct. Such a fund is very much needed.

Mr. BRIDGES. Mr. President, I think the Senator from Washington and the Senator from Maryland are correct. The question can be taken care of by appropriation legislation, as the Senator from Maryland has indicated.

Mr. STENNIS. Mr. President, I shall delay the Senate but a moment. I wish to ask one question of the chairman of the Committee on Appropriations with reference to page 23 of the committee report, under the heading "Weather Bureau," from which I read:

> For the Weather Bureau the committee has allowed $24,750,000, the budget estimate, and the same amount is allowed by the House. The committee was informed that with the allowance present services would be maintained.

Mr. President, in Mississippi there are some very fine Weather Bureau stations which have been rendering good service for 60 or more years. Although they are becoming of more and more importance and value, especially with reference to radio communications and television communications, they are threatened with curtailment of service. As I interpret the second sentence on page 23 of the report, it means that we are providing enough money for the continuation of all present services.

Mr. BRIDGES. I may say to the distinguished Senator from Mississippi that it is the understanding of the committee that the present services maintained by the Weather Bureau will continue to be maintained by that Bureau or by the Civil Aeronautics Administration, through radio facilities which they have. As the Senator knows, the facilities are tied together. It is the understanding of the committee that the service will be maintained. If it is not, the committee would like to know about it.

Mr. STENNIS. Is my understanding correct that it is the intention of the committee that the people in that region will receive the same quality and type of weather information as they are now receiving, based upon the high standards now in effect?

Mr. BRIDGES. Some stations will be closed, but the people in that area will continue to receive the same type of service from the integrated agencies as they have heretofore received. It will be service of the same quality, or much better.

Mr. STENNIS. There is some debate about its being better service, but it is clear that the committee does not intend that the service shall be curtailed in any way, but intends to provide the funds with which to maintain the service.

Mr. BRIDGES. Mr. President, there will be no curtailment. If that does not develop to be the case, certainly the committee wants to know about it.

Mr. STENNIS. I thank the Senator from New Hampshire.

The PRESIDING OFFICER. The question is on the passage of the bill.

The bill (H. R. 8067) was passed.

Mr. BRIDGES. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. PAYNE in the chair) appointed Mr. BRIDGES, Mr. SALTONSTALL, Mr. FERGUSON, Mr. SMITH of New Jersey, Mr. MCCARRAN, Mr. ELLENDER, and Mr. HILL conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1004. An act to amend section 86, Revised Statutes of the United States, relating to the District of Columbia, as amended;

S. 2654. An act to authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Montgomery County, Md., and for other purposes;

S. 2657. An act to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia"; and

S. 3213. An act relating to the merger of the Columbus University, of Washington, D. C., into the Catholic University of America, pursuant to an agreement of the trustees of said universities.

TRANSFER OF CERTAIN REAL PROPERTY IN NAPA COUNTY, CALIF.

Mr. KNOWLAND. Mr. President, for the information of the Senate, I may say that the unfinished business is the bill which was before the Senate at the time the State, Justice, and Commerce appropriation bill was taken up, namely, Calendar No. 1512, House bill 3097, to authorize the transfer to the regents of the University of California, for agricultural purposes, of certain real property in Napa County, Calif. The consideration of the bill was deferred at the request of the Senator from Oregon [Mr. MORSE].

The PRESIDING OFFICER. The Chair advises the Senator from California that, under the previous order, the call of the calendar is now in order.

Mr. KNOWLAND. I understand, but I ask unanimous consent that the Senate may proceed as I have indicated.

There being no objection, the Senate resumed the consideration of the bill (H. R. 3097) to authorize the transfer to the regents of the University of California, for agricultural purposes, of certain real property in Napa County, Calif.

ORDER FOR CALL OF THE CALENDAR—LEGISLATIVE PROGRAM

Mr. KNOWLAND. Because of the lateness of the hour, and at the request of a number of Senators on both sides

of the aisle, instead of proceeding now with the call of the calendar, following the completion of action on the State, Justice, and Commerce appropriation bill, I ask unanimous consent that on tomorrow, following the usual morning hour, the Senate proceed with the call of the calendar of bills to which there is no objection, beginning from the point where the last call of the calendar ended, namely, Calendar No. 1519 (S. 1308) for the relief of Leonard Hungerford.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Is it then proposed to continue to the end of the calendar?

Mr. KNOWLAND. That is correct, so far as information and reports are available to the Senate.

Pursuant to the last unanimous-consent request, which appears in the CONGRESSIONAL RECORD, in addition to the bills to which there is no objection, beginning at the point where the last call of the calendar was concluded, it is the intention to include in the calendar call Calendar No. 1466, House bill 2566, to amend the Contract Settlement Act of 1944, so as to establish a time limitation upon the filing of certain claims thereunder; Calendar No. 1498, House bill 2844, providing that the ratification of the Revenue Bond Act of 1935, enacted by the Legislature of the Territory of Hawaii, shall apply to all amendments of said act by said legislature to and including the act of the 1953 regular session of said legislature, and to all extensions of the period for issuance and delivery of revenue bonds thereunder, heretofore, or hereafter enacted by said legislature; and Calendar No. 1514, Senate bill 3487, to authorize the Central Bank for Cooperatives and the Regional Banks for Cooperatives to issue consolidated debentures, and for other purposes.

For the further information of the Senate, I may say that it is planned to take up on Wednesday, Calendar No. 1594, House bill 8873, the Department of Defense appropriation bill.

REMOVAL OF ARMY QUARTERMASTER PURCHASING AGENCY FROM NEW YORK CITY TO PHILADELPHIA

Mr. DUFF. Mr. President, last week, on Monday, June 7, the junior Senator from New York [Mr. LEHMAN] offered a rider to the Defense Department appropriations bill opposing a return of the Army's Quartermaster Purchasing Agency from New York City to Philadelphia, Pa. This rider is designed to delay, suspend, or prevent the retransfer.

The rider proposed by the Senator from New York would bar the Department of the Army from using any funds to effectuate the retransfer of the quartermaster purchasing office from New York to Philadelphia, Pa., "until the Commission on Organization of the Executive Branch of the Government makes a complete study."

This limitation on the Department of the Army is completely unrealistic. The Commission on Organization of the Executive Branch of the Government has not even begun a study of this particular problem which involves exclusively intradepartmental transfer in the interest of efficiency and economy. There is no apparent reason for sacrificing a present and certain economy for the indefinite and uncertain prospect of some possible future economy. Moreover, there is no reason to believe that any determination by the Commission sometime in the indefinite future would differ from the present recommendations of the Department of the Army itself.

The thoroughly considered decision of the Army made after extensive study will result in annual savings, conservatively estimated, of more than $700,000.

The Senator from New York ignores these savings and speaks only of the cost of the move, using a higher figure than that estimated by the Army without stating that the cost will be completely amortized in about 4 months. The Senator from New York admits that he does not know the facts about the move, and now asks that an action which will produce immediate extensive savings and increased efficiency in quartermaster operations be delayed to some indefinite fuutre date.

If the information furnished to me is correct, and I think it is, the coordination between the services, which is needed to prevent duplication in buying and to provide standardization of items used by the services, does not occur and cannot be effectively brought about where purchasing offices are located; but is and must be done on the departmental level, where the supplies the services need for their operations are determined. Since the ineffective joint agency, the Armed Services Textile and Apparel Procurement Agency, ceased operations, the services have developed effective plans both for the coordination of buying operations and the standardization of items.

Considerable time could be spent discussing the merits, from a national point of view, of any action by the armed services designed to save money and increase efficiency. But one position of the Senator from New York [Mr. LEHMAN] deserves special comment. He protests strongly that the Army's decision to move one of its many agencies should have been cleared with the New York delegation first. I believe the Army has explained to many of the Members of Congress from New York the facts of this move, and, indeed, to any who desired to listen. The Army must be free to make its own considered decision. I have seen nothing yet presented by the Members from New York which affects the validity of the Army decision or calls for any delay in the move.

In this connection, the Senator from New York argues that the Army is endeavoring to thwart the Senator's riders by speeding up the move. Is the Senator aware that an officially published order was issued by the Army on May 7 which required that the transfer be effected by July 1? It seems evident that the agencies affected cannot do anything else but comply with an order issued long before the Senator's riders were introduced.

The Senator also complains about the hardships upon the employees of the agency being moved. The number involved is less than 1,000, and not the 1,600 the Senator erroneously refers to. I wonder if the Senator has given any consideration to the hardship which will be imposed, if the move is delayed, upon the considerable number of employees who, in reliance upon the decision of the Army, have found accommodations in the Philadelphia area.

Finally, the Senator from New York has suggested the removal of the purchasing operation at Philadelphia and consolidation with the quartermaster purchasing operation at New York. The Senator either does not know or has failed to understand the fact that the purchasing operation at Philadelphia is only one part of the activities at the depot which are closely related to the procurement function, such as manufacturing, acceptance testing, and Government-furnished property operations.

These operations together are more extensive than the quartermaster purchasing activity in New York. Moving all these closely related activities to New York would not be feasible, and the cost undoubtedly would be prohibitive. The move to Philadelphia is expected to increase the efficiency of over-all Quartermaster Corps operations, and be beneficial as well to quartermaster contractors through having all the closely related procurement activities together.

In the final analysis, it is in the best interests of the Army, the defense program, and the country to effect this retransfer.

FLAG DAY

Mr. MARTIN. Mr. President, this is Flag Day, the 177th anniversary of a memorable day in the history of American independence. One hundred and seventy-seven years ago, we were in the second year of the Revolution. It was a time of gloom and discouragement.

Washington's ragged and half-starved Army was inadequately equipped and poorly disciplined. Many had lost faith. The Army was falling back before the trained regulars of the world's most powerful empire. Only the sublime character and the military genius of General Washington saved the small patriot force from total disaster.

But the Founding Fathers did not waver in their faith. Meeting in the Old State House in the city of Philadelphia, the Continental Congress adopted a resolution directing that the Flag of the United States be thirteen stripes, alternate red and white; and that the Union be 13 stars, white in a blue field, representing a new constellation.

Thus the Stars and Stripes came into being, a new emblem of human liberty, and the banner of a free people who put their trust in God and placed "firm reliance on the protection of divine providence."

Today, with the passage of 177 years, the Stars and Stripes is the oldest, the

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proudest, and the best loved flag in the world.

In many dark corners of the world freedom-loving men and women look to the American Flag as their last remaining hope of liberation from persecution and enslavement.

Half the world would flock to our shores, if it were possible to gain admission, in order to share with us the glorious privilege of being an American. No restrictions are necessary to hold our people within our borders.

How proud we can be that in all its glorious history the Star-Spangled Banner has never been carried in a war of aggression. It has never led our forces in ambition for conquest or territorial gain. It has never brought tyranny or oppression to any people on earth.

Wherever Old Glory has been unfurled to the breeze its noble and inspiring message has been: "Here men shall be free!"

America is in another critical period. There is unrest all over the world. Two forms of government are fighting for supremacy. In one, the State is the supreme master of the people. The citizen is told where to work, when to work, and the wage that he is to receive.

In the other, the individual is the source of all power. He is master of his government—a government based upon God's greatest gift to mankind, freedom of the individual.

In one, worship of the government is enforced as the religion of the people. In ours, religion is the free choice of the individual. He worships God according to the dictates of his own conscience.

In the one form, all property rights have been wiped out. In the other, the individual is entitled to enjoy the results of his ability, his energy, and his sacrifice.

What do we need to do in order to preserve the great Nation of the United States, and to keep its flag strong and powerful?

It seems to me that first we must strengthen our moral and spiritual fiber. There must be no dishonesty in government. All who serve in government, from the lowest to the highest levels, must appreciate that a position in government is a place of sacred trust.

Private dealings with one another should be on a high moral level.

Also there must be complete loyalty to our country, to our institutions, and to our way of life. No divided allegiance can be tolerated.

We cannot defend America with military power alone.

I do not fear any attack that may be launched against us, either with powder and ball or with the most powerful bombs that science can create. We can recover from such destruction.

We cannot recover from the decadence of morals or loyalty.

The real strength of America is in the spiritual and moral character of its people—the strength that comes from work, sacrifice, thrift, tolerance, loyalty, and obedience to the laws of man and God.

What a wonderful country we would have if we could rid ourselves of all dishonesty in public and private affairs.

What a wonderful revival of patriotic fervor would sweep the Nation if we could eliminate all disloyalty to American institutions.

These noble objectives should be our constant goal, because honesty and loyalty are fundamental principles without which no nation can go forward in constructive leadership for human progress and enduring peace.

As we count the blessings that have come down to us, we cannot fail to recognize our debt to the great leaders of the past. The high principles by which they lived and their distinguished achievements in peace and war should be studied, appreciated, and honored until they became part of our very lives.

We can preserve American ideals if we are guided by their example. We can strengthen the structure of Americanism if we work with renewed patriotism, increased courage, and firm determination for higher moral and spiritual standards.

On this Flag Day anniversary the love of the Stars and Stripes should be our steadfast guide to better citizenship, better Americanism, and a deeper appreciation of the rich heritage that is ours.

Mr. SALTONSTALL. Madam President——

The PRESIDING OFFICER (Mrs. BOWRING in the chair). The Senator from Massachusetts.

Mr. SALTONSTALL. Madam President, I rise to join the senior Senator from Pennsylvania [Mr. MARTIN] in calling attention to Flag Day and to what it means.

Although Flag Day is not a legal holiday, it is a day which has been universally observed throughout the country for a great many years. The day originated in a resolution adopted in 1777, during the American Revolution. Schools and many patriotic organizations honor this date, and in particular the Benevolent and Protective Order of Elks always conducts appropriate patriotic ceremonies. As a member of the Elks, I have joined with them on many occasions.

More and more, Madam President, we Americans realize that woven into the Stars and Stripes are the glorious traditions and sacrifices of great Americans who have gone before us. However, it is my firm belief that greater still, in the symbol of Old Glory, lie the hopes and the aspirations, not only of Americans of today but of freemen throughout the world.

RECORD HIGH CONSTRUCTION LEVELS FOR 1954

Mr. CARLSON. Madam President, this afternoon the United States Department of Commerce and the United States Department of Labor have issued a most encouraging release on the record high construction levels for 1954. The release is a good answer to those who have been predicting with much gloom and discouragement an economic recession in the Nation.

From the release, I notice that new construction expenditures are expected to reach a record high of $36 billion in 1954, or 2 percent above the 1953 record of $35.3 billion. As a matter of fact, it is $2 billion above the figure that was anticipated last November.

Almost all phases of our construction industry, including nonfarm dwellings, commercial structures, churches, schools, and highways, show a great increase.

Madam President, I ask unanimous consent that the release be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

RECORD HIGH CONSTRUCTION LEVELS FOR 1954—FORESEE 2 PERCENT INCREASE TO $36 BILLION

New construction expenditures are expected to reach a new record high of $36 billion in 1954, 2 percent above the 1953 record level of $35.3 billion, according to revised outlook estimates prepared jointly by the Building Materials and Construction Division of the United States Department of Commerce and the United States Department of Labor's Bureau of Labor Statistics.

The revised estimate is $2 billion higher than the $34 billion level projected for 1954 by these agencies last November. Present expectations of a 2 percent increase in 1954 construction activity over 1953 contrasts with a 2 percent decline anticipated by the Commerce and Labor Departments last November.

The more optimistic construction outlook at the present time results largely from a higher level of new home building so far this year than was expected last November. Most other types of civilian construction also are showing greater activity than previously anticipated, and are expected to reach record or near-record levels.

Current indications are that 1,080,000 new private nonfarm dwelling units will be started this year; it was anticipated earlier that there would be less than a million starts during 1954. On a seasonally-adjusted basis, private starts have been at an annual rate of well above 1,100,000 units for the first third of the year. The projected $10.7 billion of expenditures on privately financed new dwelling unit construction represents a total slightly above that for 1953. Eased mortgage opportunities have been widely attributed to be one of the mainsprings of the 1954 strength in housing.

Outlays for new commercial structures of all types are expected to go over the $2 billion mark for the first time in 1954, reflecting the recent surge in office building construction and the continued increasing emphasis on shopping centers and stores in suburban areas. The largest percentage gain over 1953 is projected for social and recreational buildings, which will show a 1954 increase of 32 percent.

New all-time annual highs are also in prospect in 1954 for religious building—$525 million, and for private educational building—$520 million. Utility construction generally will show only a small advance over the record 1953 activity to total $4.5 billion, with all utility types except railroad and local transit construction sharing in the gain.

Reflecting diverse trends in different categories of building, construction of new private manufacturing plants has been declining slowly since early 1954, following the rounding out of basic material plant expansion goals and most of the facilities being built under the tax amortization program approaching completion. However, 1954 expenditures for private industrial construction are not expected to decline much below the $2 billion level, or around 13 percent less than in 1953.

Outlays for new public construction will also set a new record in 1954, despite a quarter-billion-dollar decline in military construction, and smaller declines in conservation and development work, public housing, and hospital building. A continued expansion in the construction of new State and locally owned projects will more than offset the reduced volume of Federal spending, with new construction records being posted in 1954 for school building, highway construction, and sewer and water facility work.

Highway construction, spurred by an increasing volume of toll-road activity, is estimated to increase 15 percent over last year to $3.7 billion. Public-school building will reach a new peak of $2 billion, an increase of 16 percent over last year, while revised levels for sewer and water facility construction indicate a record year in 1954 with $1 billion of new work.

Expenditures for new construction in continental United States: Final estimate for 1953 and forecast for 1954 [1]

[Millions of dollars]

Type of construction	1953	1954	Percent of change
Total new construction	$35,256	$36,000	+2
Private construction	23,877	24,150	+1
Residential building (nonfarm)	11,930	12,125	+2
New dwelling units	10,555	10,675	+1
Additions and alterations	1,108	1,150	+4
Nonhousekeeping	267	300	+12
Nonresidential building (nonfarm)	5,680	5,850	+3
Industrial	2,229	1,950	−13
Commercial	1,791	2,050	+14
Warehouses, office, and loft buildings	739	900	+22
Stores, restaurants, and garages	1,052	1,150	+9
Other nonresidential building	1,660	1,850	+11
Religious	472	525	+11
Educational	426	520	+22
Social and recreational	163	215	+32
Hospital and institutional	317	315	−1
Miscellaneous	282	275	−2
Farm construction	1,731	1,560	−10
Public utilities	4,416	4,510	+2
Railroads	442	410	−7
Telephone and telegraph	615	625	+2
Other public utilities	3,359	3,475	+3
Local transit	30	25	−17
Pipelines	271	300	+11
Electric light and power	1,829	1,900	+4
Gas	1,229	1,250	+2
All other private	120	105	−13
Public construction	11,379	11,850	+4
Residential building	556	350	−37
Nonresidential building	4,352	4,705	+8
Industrial	1,771	1,830	+3
Educational	1,728	2,000	+16
Hospital and institutional	353	325	−8
Other nonresidential building	500	550	+10
Military facilities	1,307	1,050	−20
Highways	3,165	3,650	+15
Sewer and water	861	1,000	+16
Miscellaneous public-service enterprises	201	210	+4
Conservation and development	830	745	−10
All other public	107	140	+31

[1] Joint estimates of the Department of Labor and the Department of Commerce.

RECESS

Mr. KUCHEL. Madam President, I move that the Senate now stand in recess until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 11 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 15, 1954, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 14 (legislative day of June 11), 1954:

IN THE ARMY

The following-named officers for appointment in the Regular Army of the United States to the grades indicated under the provisions of title V of the Officer Personnel Act of 1947:

To be major generals

Maj. Gen. Cornelius Edward Ryan, O7375, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. Frank Albert Allen, Jr., O7415, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. Bryan Lee Milburn, O7469, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. John Charles Macdonald, O8402, Army of the United States (brigadier general, U. S. Army).

To be brigadier generals

Brig. Gen. Frank Needham Roberts, O12734, Army of the United States (colonel, U. S. Army).

Brig. Gen. Charles Harlan Swartz, O12798, Army of the United States (colonel, U. S. Army).

Brig. Gen. Louis Watkins Prentiss, O14672, Army of the United States (colonel, U. S. Army).

Brig. Gen. Wesley Tate Guest, O14654, Army of the United States (colonel, U. S. Army).

Brig. Gen. Carroll Heiney Deitrick, O14796, Army of the United States (colonel, U. S. Army).

Maj. Gen. James Dunne O'Connell, O14965, Army of the United States (colonel, U. S. Army).

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947.

To be major general

Brig. Gen. Herbert Maury Jones, O12251, United States Army.

To be brigadier general

Chaplain (Col.) Frank Alden Tobey, O41698, United States Army.

IN THE ARMY

The following-named officers for promotion in the Regular Army of the United States under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947. All officers are subject to physical examination required by law.

To be lieutenant colonels

Abercrombie, Jay A., O20604.
Abercrombie, John C., O3139
Abert, George C., O21337.
Abston, Aaron A., O21391
Acton, Lloyd P., O42467.
Adair, George T., O51901.
Adams, Donald L., O31339.
Adams, Duval S., O42997.
Adams, Ernest C., O20933.
Adams, Lorenzo D., O21203.
Adams, William, O42631.
Akers, Norman E., O51673.
Akins, Thomas W., O40076.
Albaugh, Cornelius C., Jr., O40268
Albertie, Edward J., O40007.
Albro, Robert D., O31360.
Alexander, Lawrence H., O51731.
Alford, John C., O38838.
Allen, John U., O20889.
Allgeier, Robert M., O42822.
Alphin, Horace E., O43324.
Altenhofen, Matthew J., O21054.
Amos, Arthur K., O20822.
Anderson, Berry K., O30384.
Anderson, Charles H., O21072.
Anderson, Norman A., O31483.
Anderson, Roland B., O21108.
Anderson, Truett C., O38804.
Angel, Nicholas C., O31789.
Anson, Paul A., O31400.
Arey, Carlyle W., O30642.
Armstrong, Chalmers H., Jr., O31877.
Armstrong, Charles A., O21375.
Armstrong, Elbert, O51677.
Arnold, Edgar LeR., O31902.
Arp, David H., O31445.
Artman, George, O21342.
Ash, Hughes L., O31799.
Ashby, Raymond C., Jr., O43320.
Ashcraft, James H., O51658.
Ashworth, Robert L., O21308.
Atkins, Neill S., Jr., O42815.
Austin, Edward W., O51789.
Babcock, Charles S., O30668.
Babcock, Jack E., O21413.
Baerman, Charles P., O40273.
Bagley, Ray M., O42902.
Bagnulo, Aldo H., O20550.
Bailey, Edward A., O21083.
Bailey, John R., Jr., O21136.
Bailey, William W., O20687.
Baker, David A., O39971.
Baker, Denzil L., O43052.

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Banigan, Calvin B., O30376.
Banke, Henry H., O51832.
Bannon, James E., Jr., O31830.
Barber, Reginald C., O42560.
Barefield, William C., O42763.
Barksdale, Battle M., O20719.
Barlow, Rudolph, O31835.
Barschdorf, Milton P., O21085.
Bartlett, William T., O42468.
Bartling, Carl W., O43091.
Bartosik, Matthew J., O52145.
Bassett, James A., O21202.
Bealke, Jacob W., Jr., O31365.
Beck, Clarence E., O21239.
Beck, Donald C., O31329.
Beck, John N., O40258.
Beddow, James H., O21446.
Bednarek, Frank, O38932.
Beebe, John L., O39970.
Beeth, Howard O., O42489.
Belisle, Maurice A., O52175.
Belote, Byron G., O42851.
Benford, James A., O51676.
Benson, Wilmer K., Jr., O21423.
Bergin, Gerald A., O51722.
Berwick, Dudley R., O51946.
Besse, Warren E., O39988.
Besson, Robert, O20771.
Betances-Ramirez, Carlos, O30524.
Bethune, Samuel A., O31502.
Beverley, William W., O21107.
Billing, David D., O42820.
Billings, Edward R., O39945.
Bisbing, John, O31665.
Bishop, Loren E., O40091.
Bissell, Edward B., O21360.
Bixby, George W., O21056.
Black, Asa C., O38894.
Blair, Richard A., O42858.
Blake, Charles J., Jr., O21122.
Blake, Donald C., O51875.
Blake, Ellis D., O43023.
Blake, Homer C., O42959.
Blake, William L., O30751.
Blancett, Rollie N., O21416.
Bledsoe, Carl E., O31593.
Blight, Edward M., O40191.
Blodgett, William S., Jr., O31438.
Blum, Milton R., O31695.
Boas, Philippe P., O39960.
Bodner, Vic F., O51551.
Bogue, William B., O30470.
Boleyn, Paul T., O20903.
Bond, Virgil W., O42878.
Bonifay, Isaac F., O40061.
Bonnell, Dow L., Jr., O40088.
Bonniwell, Alfred E., O42931.
Booth, Lance E., Jr., O31755.
Booth, Robert M., O19964.
Borin, Gordon B., O42621.
Bower, James R., O42768.
Bowman, Clifford A., O30728.
Bowman, Homer H., O31700.
Boyd, Robert P., Jr., O40068.
Boyt, John E., O21304.
Bradley, Glenn M., O51768.
Brady, Lawrence W., O30703.
Brann, Herbert P., O30686.
Brant, Philip D., O20804.
Brantley, Joseph W., O30440.
Brennan, Mark F., O21279.
Brenneman, Garland E., O42576.
Briggs, Edwin J., O43363.
Brightman, John Y., O31366.
Brinkley, Joseph S., Jr., O31444.
Broberg, Richard A., O21272.
Bronn, Carl H., O31748.
Brook, Howard F., O42907.
Brooks, William P., Jr., O31654.
Brott, William F., O42966.
Brown, Burton R., O21113.
Brown, Carolus A., O21364.
Brown, Charles P., Jr., O38922.
Brown, David H., O20320.
Brown, Desloge, O21057.
Brown, Greg J., O31783.
Brown, Harold McD., O20832.
Brown, Herbert E., O21437.
Brown, Laurence C., O20876.
Brown, Melvin C., O21256.
Browning, John W., O20767.
Browning, Philip Y., O21142.
Brownlow, John F., Jr., O21111.
Brownson, Harold N., O43108.
Bryan, James L., O42883.
Bryant, Randall H., O31785.
Burba, Edwin H., O31518.
Burchell, Edward L., O40251.
Burk, Frank P., O43569.
Burke, Alvin L., O21148.
Burkett, Lyman D., O30428.
Burton, Emmette Y., Jr., O20672.
Bush, Benjamin R., O40166.
Butler, Allen S., O30422.
Butler, Bradford, Jr., O31425.
Butler, Earle B., O43106.
Byars, David O., Jr., O21273.
Cagney, Walter J., O51813.
Calvert, George I., O30521.
Campbell, Fred P., O20704.
Campbell, Kermit W., O30690.
Campbell, Norman A., O42861.
Carlson, John W., O43577.
Carlson, Roland P., O31456.
Carson, James M., O51626.
Carter, Daniel M., O31406.
Carter, Stanley K., O42852.
Carver, Richard K., O40039.
Caskey, Lawson B., O42828.
Cassill, George F., O30464.
Caulfield, Thomas D., O30732.
Cavanagn, John P., Jr., O51810.
Chabot, Joseph L., O20721.
Chalgren, Edward, Jr., O21349.
Champlin, Herbert H., O30661.
Chappuis, Steve A., O20899.
Chase, William B. McC., O20856.
Check, Gilbert J., O51936.
Chesarek, Ferdinand J., O21177.
Cheston, Elliott B., O31976.
Christensen, Arthur G., O20871.
Clagett, Charles T., O20799.
Clark, Charles T., O40070.
Clark, Francis McC., O38931.
Clark, Jack A., O31496.
Clark, Lester H., O42945.
Clark, Milton H., O20638.
Clark, Theodore S., O39998.
Clark, William R., O31506.
Clarke, Edwin L., O21216.
Clarke, Frederick J., O20572.
Clay, James O., O42666.
Clay, Roy U., O43072.
Clayman, Donald C., O20866.
Clema, Joe A., O43020.
Coan, Jack L., O20908.
Coates, Donald L., O31912.
Coffin, Ralph B., O38895.
Collier, Clay O., O42928.
Collins, Arthur S., Jr., O21260.
Colwell, Leonard F., O31358.
Colwell, Russell M., O38839.
Comm, Edward D., O31484.
Conant, Perry E., O21357.
Cone, John M., O20658.
Conell, Joseph C., O21121.
Connelly, Stanley W., O20775.
Conner, Karl, O31686.
Connolly, Haviland A. N., O31575.
Connor, Albert O., O20699.
Connor, John P., O20860.
Conway, Walter C., O20735.
Cooley, Edwin R., O51770.
Corbett, William H., O21150.
Corey, John B. W., Jr., O21415.
Corley, John T., O21325.
Cornish, George H., O40038.
Corwin, Charles D., O38834.
Cosgrove, James J., O20768.
Cottingham, Levin B., O42955.
Courson, Everett P., Jr., O39943.
Covington, Carroll M., O40083.
Cox, Lavonne E., O20934.
Craig, Dan E., O31879.
Crane, Warren E., O42608.
Crocker, William S., Jr., O21074.
Crosby, Henry A., O43102.
Crossett, Frederick J., O39963.
Crownover, Robert L., O42968.
Cunningham, Martin, O40059.
Cuphaver, Carl A., O43296.
Curtis, Coy L., O20737.
Curtis, Homer K., O51918.
Cuttino, Thomas E., O31397.
D'Arezzo, Alfred J., O21109.
Dahl, Leonard M., O42935.
Dalia, George C., O43297.
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Rodgers, John W., O42764.
Rodgers, Thomas R., O43529.
Rorabaugh, James R., O21445.
Rose, Ming, O42873.
Ross, Fred L., O30760.
Ross, Thomas P., O40082.
Ross, Winfred A., O21395.
Rosso, Frank P., O38820.
Roth, Louis E., O43387.
Rouge, Leon J. de P., O20882.
Rowan, Charles A., O42619.
Rowan, Robert L., O31727.
Rowland, Henry C., Jr., O20940.
Rumph, Raymond W., O20634.
Russell, Dan C., O20730.
Russell, Melvin R., O21097.
Rutte, Roland J., O19977.
Ruzek, Charles V., Jr., O20937.
Ryan, Edward A., O42795.
Ryan, Ward S., O21339.
Sacerdote, Sydney E., O38920.
Saholsky, Bolick A., O31331.
Sampson, George P., O42926.
Sams, Jean P., O43293.
Sandlin, Joseph C., O31752.
Sanford, Arthur L., Jr., O31572.
Santerre, Leo B., O39938.
Satterwhite, Seymour B., O31431.
Saunders, William S., O31737.
Sauser, Arthur T., O21379.
Sawyer, Ted I., O21133.
Saylors, John H., O31638.
Schaefer, Chester C., O42643.
Schantz, Oliver W., O31795.
Schaudt, Elmer M., O51664.
Schermerhorn, John G., O20610.
Scherrer, Edward C. D., O20690.
Schiffman, Maurice K., O31375.
Schmidt, James K., O21335.
Schneider, Max F., O31708.
Schneider, Milton G., O51639.
Schoenfeld, Walter E., O31342.
Schon, Mathias J., Jr., O42633.
Schroeder, Norman M., O43002.
Schweidel, Kermit R., O19862.
Schweizer, Charles B., O21418.
Scordas, Paul H., O38914.
Scott, Clifford LaR., O51835.
Scott, Eccles H., O30595.
Scott, Franklin E., O51898.
Scott, James A., Jr., O20652.
Scott, Marvin R., Jr., O38898.
Seaman, Olen J., Jr., O20825.
Seedlock, Robert F., O20609.
Sellers, William W., O31821.
Sewell, George H., O51595.
Sharp, Walter C., Jr., O31408.
Shaug, James J., O51645.
Shea, James V., O40063.
Shell, Robert H., O31472.
Shelton, Willis E., O51944.
Shepherd, Daniel F., O43060.
Shepherd, Gerald D., O31571.
Sheppard, Harvey E., O43086.
Sherden, John P., Jr., O19901.
Sherrard, David G., O21345.
Shirey, Burrell P., O39969.
Shive, Donald W., O20628.
Short, Earl R., O31685.
Shurm, Vernon A., O31436.
Sibley, Thomas N., O21277.
Siegel, Charles L., O42879.
Simmons, Chadwick P., O42924.
Simmons, George M., O20841.
Simpson, Edward H., O30418.
Simpson, Thomas B., O20902.
Singer, Merton, O21215.
Sinnreich, Simon R., O21173.
Siren, Vincent W., O21306.
Sisson, Joseph W., Jr., O20867.
Skeldon, James H., O20831.
Skinner, Harry E., O21425.
Sloan, George B., O20821.
Sloat, James W., O20556.
Slobe, Elmer L., O42867.
Smalley, Howard N., O20853.
Smart, Donald V., O31597.
Smedile, Joseph A., O20942.
Smigelow, Howard G., O31791.
Smith, Emmitt D., O42788.
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Smith, Ralph H., O31614.
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Springer, Wayne G., O21382.
St. John, Frederick E., Jr., O31394.
Stakes, Harry C., O30775.
Stangle, Joseph H., O21406.
Stann, Eugene J., O20573.
Staples, John F., O31967.
Star, Reuben, O42920.
Stark, Gilbert J., O42791.
Stark, Norvell R., O31335.
Stegmaier, Robert M., O20725.
Stein, Thomas F., Jr., O31411.
Steinkrauss, Albert M., O51843.
Steizenmuller, William B., O21422.
Sternberg, Ben, O21286.
Stewart, Matthew C., O43541.
Stilwell, Richard G., O21065.
Stone, Charles P., O21376.
Stover, William J., O31381.
Strandberg, William B., O20579.
Strange, Hubert E., O21231.
Strickland, Robert P., O30749.
Stricklen, William A., Jr., O31473.
Stromberg, Woodrow W., O20728.
Stumpf, Robert H., O20707.
Sturm, Frederick A., O40185.
Sullivan, John M., O30698.
Summers, William M., O21369.
Sundin, Alvar B., O21128.
Sundlof, William A., O21236.
Surles, Alexander D., Jr., O20622.
Sussmann, William A., O21165.
Sutton, Earl, O42961.
Swarm, William R., O43018.
Sweek, Jack G., O30633.
Sweeney, Eugene J., O21254.
Sweger, Dyson C., O31461.
Swenson, John H., O21143.
Swisher, Arthur O., O51611.
Taggart, Owen H., O51696.
Talbott, Charles Y., Sr., O31664.
Tanner, James D., O52132.
Tawes, John P., O31357.
Taylor, Benjamin F., O20779.
Taylor, James, Jr., O21184.
Teeter, Edgar M., O20688.
Tegnell, Russell M., O42677.
Teich, Frederic C., Jr., O21288.
Temple, Harry D., O51834.
Terry, Augustus T., Jr., O31781.
Thackeray, Donald W., O21265.
Thames, John W., O30768.
Thetford, James A., O38913.
Thomas, Henry G., O31756.
Thomas, Jesse F., O21135.
Thomas, Richard C., O21289.
Thompson, Donald F., O20885.
Thompson, John W., O21067.
Thornton, Albert L., O31806.
Thornton, Joseph A., O31818.
Thurston, Clair H., O31453.
Thweatt, Richmond F., O30766.
Tiede, Roland V., O31801.
Tillson, John C. F., 3d, O21196.
Tilson, George E., O51838.
Timm, Emanuel A., O30619.
Tincher, Maxwell A., O20798.
Tippett, Edward W., O42570.
Tittle, Norman L., O21144.
Tolson, John J., 3d, O20826.
Tomlinson, Robert B., O31354.
Townsend, Dured E., O31430.
Townsend, Elias C., O31680.
Townsend, Wilbur O., O42562.
Travis, William B., O20840.
Tucker, LaMonte A., O42610.
Tully, James R., O31352.
Tune, Cecil L., O51793.
Turner, Carl C., O31909.
Turner, Herbert N., O31921.
Twining, Elmer E., O30662.
Ucherek, Stephen A., O31854.
Ulrich, John A., O31527.
Underwood, George V., Jr., O20679.
Unger, Ferdinand T., O20734.
Usnick, Edward N., O42525.
Vail, William H., Jr., O21145.
Van Allen, William G., O20931.
Van Atta, Ward H., O20939.
Van de Velde, Robert W., O20870.
Van Sloun, Paul W., O51761.
Van Vliet, John H., Jr., O20828.
Van Volkenburgh, Robert H., O20758.
Vaughan, Curry N., O31407.
Vincent, Joseph B., O42846.
Vivian, William R., O31347.
Von Kann, Clifton F., O21371.
Vote, Ralph B., Jr., O51818.
Waggoner, Edward F., O42794.
Waikart, William H., O30504.
Waits, Ward B., O40051.
Walker, George H., O20617.
Walker, John E., O21368.
Walker, John H., Jr., O42857.
Walker, Leonard F., O31344.
Walker, Robert T., O31368.
Walker, Stephen M., O30561.
Walsh, Aloysius J., O51792.
Walson, Charles W., O21267.
Walton, Henry L., O31777.
Walton, William, O31459.
Wansboro, William P., O21241.
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Washington, Donald, O20894.
Waters, Mervin S., O43533.
Webb, Henderson O., Jr., O42527.
Webb, Martin L., O21138.
Weinnig, Albert J., O21139.
Weisberg, Benjamin, O40085.
Weissman, Edwin W., O31559.
Wells, Ralph H., O40014.
Welsh, John B., O30544.
Welton, Kenneth R., O42929.
West, William F., O30484.
Wherley, Clyde H., O30675.
White, Barney D., O31606.
White, Emett R., O31334.
White, Frank G., O21378.
White, Jack C., O40000.
Whitehouse, Hayden B., O38798.
Whitesell, Carlin H., O20620.
Whitley, Jack R., O42705.
Whitmore, Stanley E., O52122.
Whitney, Carl L., O31435.
Whitney, Richard W., O31855.
Whitten, Harold L., O42954.
Whitton, Joseph F., Jr., O51825.
Wickey, Howard W., O30458.
Wickham, Kenneth G., O21073.
Wilcox, Howard D., Jr., O43347.
Wilcox, Judson D., O30618.
Wildforster, Friedrich A. O., O30346.
Wilhoyt, Ellis E., Jr., O20593.
Willets, George D., O40281.
Williams, Donald G., O21071.
Williams, Donald B., O38901.
Williams, George C., O52146.
Williams, Harold C., O31372.
Williams, Lewis C., Jr., O40081.
Williams, Sam S., O38902.
Williams, Timothy C., Jr., O30791.
Williams, Warren R., Jr., O21250.
Williamson, Samuel D., O39989.
Willis, Nicholas W., O43099.
Wilson, Arthur H., Jr., O20693.
Windham, James E., O30651.
Wishart, Henry H., O38935.
Withers, Edwin J., O42921.
Witt, George L., O31382.
Witt, William H., O39925.
Wolcott, William J., O30496.
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Zehner, Elery M., O20820.
Ziegler, Herbert A., O30347.
Zierdt, John G., O20632.
Zimmerman, John S., O38946.
Zohrlaut, George R., O21344.

To be lieutenant colonels, Judge Advocate General's Corps

Berkowitz, Charles J., O39854.
Booth, James W., O26382.
Coward, Raymond, O51495.
Crane, George E., O42377.
Field, Winston L., O39869.
Guimond, Joseph A., O26379.
Levin, Maurice, O39912.
Neel, John S., O51493.
Pitzer, John M., O26378.
Sames, Harry B., O42167.
Williamson, Carl E., O30178.
Wrightson, Samuel H., O39879.

To be lieutenant colonels, Chaplains

Beasley, Louis J., O22710.
Denelfo, Arthur J., O51166.
Donnelly, Augustine P., O23681.
Dunn, John A., O22798.
Ellenberg, Julian S., O41756.
Fenton, Bernard J., O41755.
Gaertner, John F., O22799.
Hale, Wallace McD., O22758.
Henry, F. Bernard, O22749.
Hunter, Wayne L., O41746.
Kane, Stephen W., O41754.
Kinsler, David E., O41759.
Konopka, Urban S., O41761.
Long, Norman G., O22759.
McGoohan, James J., O22753.
Northen, Ernest E., Jr., O29297.
Phillips, Mitchell W., O22712.
Prudell, Harold O., O25843.
Shure, William C., O22751.
Walsh, Patrick J., O29293.
Webster, Harry W., O29294.

To be lieutenant colonels, Medical Corps

Akers, Elwyn N., O24379.
Andreson, Paul S., Jr., O30962.
Bornstein, Joseph H., O23648.
Butkus, Walter A., O23659.
Chapman, Edwin S., O24318.
Cleveland, Willard H., O23647.
Hunter, Robert C., Jr., O23680.
Lyman, Irving R., O24319.
Pettit, Vernon D., O23664.
Potter, George V., O26434.
Riva, Humbert L., O26947.
Smith, William S., O30968.
Tessmer, Carl F., O24300.
Tigertt, William D., O26412.

To be lieutenant colonels, Dental Corps

Fenske, Elbert LaF., O22254.
Neil, James B., O57530.
Parrot, George H., Jr., O23675.
Ream, William M., O30905.

To be lieutenant colonels, Veterinary Corps

Asbill, Stephen G., O21471.
Carll, Walter T., O20106.
Collins, Horace R., Jr., O30845.
Kingdon, Earl G., O20950.
Monroe, Floyd E., O30866.
Zacherle, George H., Jr., O30868.

To be lieutenant colonels, Medical Service Corps

Adams, Oscar H., O40131.
Archer, Harvey E., O31170.
Brooks, Roy E., O31238.
Chorpenning, Frank W., O38882.
Cochran, Ernest E., Jr., O31162.
Dauer, Maxwell, O31217.
Doyle, John P., O40127.
Frick, Edward H., O31160.
Gamble, Robert H. D., O31203.
Gersoni, Charles S., O56185.
Goetz, Carl, O31239.
Hamrick, William A., O38878.
Lindberg, Robert B., O43205.
Lonero, Charles, O43185.
McKeown, Clarence E., O31200.
Tolbert, Raymond F., O31104.
Weir, Roy I., Jr., O38874.
Wilson, George H., O21007.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of sections 502 and 508 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol (×) are subject to physical examination required by law. All others have been examined and found physically qualified for promotion.

To be first lieutenants

×Aaron, Thomas E., O64021.
×Ablett, Charles B., O67546.
×Abrahams, Thomas L., O64018.
×Abshire, David M., O64114.
×Ackerson, Bruce A., O64055.
×Agnor, Guy B., Jr., A64839.
×Akers, Albert B., O64211.
×Alaback, Lloyd A., O64843.
×Albenda, Joseph, O63970.
×Albree, John A., O64529.
Albritton, Herbert H., O64169.
Albritton, John D., O64408.
Alexander, Richard A., O64547.
Allen, Richard C., O64006.
Altvater, Harry W., O65557.
Alverson, Willard G., O64688.
Anderson, Owen L., O64787.
×Andrews, Ernest C., 65558.
×Andrews, George N., O64900.
×Andries, Robert C., O64782.
Anker, Don C., O64070.
×Anthony, John D., Jr., O64869.
×Antila, Eric F., O64029.
Arculis, Sherwin, O70162.
×Armstrong, Charles E., O64384.
Arnet, Robert A., O64700.
×Arnold, Carl F., O64148.
×Arnold, Peter E., O64479.
×Ashley, Floy L., O63897.
Atkeson, Edward B., O64089.
×Auer, Ralph L., O63992.
×Austin, Garratt A., O65624.
×Autry, John S., O64466.
×Avis, William T., O64411.
×Bailey, Bruce B., O64175.
×Bailey, Gordon C., O64493.
×Baisley, Robert F., O64275.
×Baldwin, James W., O64708.
Balke, Thomas R., O64830.
×Bangerter, Merton J., O64091.
×Barber, Ransom E., O64033.
Barnes, Gregory D., O64576.
×Barnes, Thomas J., O65507.
×Barnes, Wilman D., O64821.
×Barott, William C., O64102.
×Barringer, John D., O65398.
×Barron, James T., O64039.
×Barth, Philip C., Jr., O64151.
×Barton, Harold A., O64013.
×Bashore, Frank M., O64197.
×Bauer, James C., O64318.
Bauers, Robert E., O64157.
Bayless, Robert M., O70163.
×Beal, Harold G., Jr., O64597.
Beamer, William E., O69457.
×Bearden, Richard D., Jr., O64347.
×Beck, Calvin R., O64550.
×Becker, William H., O69458.
×Beczkiewicz, Peter A., O63950.
×Bellini, Arnold F., O64648.
×Beloy, Frank R., O64423.
×Bennett, Ernest LeR., O64269.
×Bennett, Hal C., Jr., O65764.
×Bennett, Robert C., Jr., O64922.
×Bernier, Jacques W., O64740.
×Bernstein, Aaron D., O64051.
×Berry, James A., O69461.
Betts, David A., O64087.
×Beutler, William W., O65375.
×Bicher, George A., Jr., O63914.
Bick, James D., O64216.
×Biggs, Odie E., O65396.
Biggs, Walter F., Jr., O64851.
×Bills, David L., O63925.
×Birch, Harold B., O64656.
Bird, Russell D., O64365.
×Birdseye, Elmer H., O64024.
×Birdsong, Lawrence E., O64364.
Bjotvedt, George, O64795.
×Blanchard, Carroll H., Jr., O65520.
Blasingame, Robert M., O65402.
Blumenthal, Donald K., O65527.
×Boatner, James G., O63931.
×Bohan, John J., Jr., O64076.
×Bohen, John McG., O64116.
×Bohen, Patrick J., O64663.
×Bohlen, Alfred W., Jr., O64818.
Boljen, Fred P., O64889.
Bontadelli, James A., O64785.
×Bostad, Allen B., O64636.
×Boughton, Richard B., O65513.
Bowers, Emmett W., O64359.
×Boyd, Richard P., O64535.
×Bozone, Wesley R., O65515.
×Bradley, Phillip H., O65393.
×Bradley, William J., Jr., O63973.
Brady, Morris J., O69597.
×Branch, Thomas H., 2d, O64539.
×Brandenburg, John N., O64653.
×Breakiron, Richard C., O63993.
×Breen, Thomas A., O64746.
Brett, James S., O63998.
×Brian, Patrick M., O64063.
Brown, Harry W., O64560.
×Brown, Norman J., O63969.
×Brown, Samuel T., Jr., O64711.
×Brown, Thomas J., Jr., O64897.
Bryant, Charles E., O64031.
Buck, Richard J., O64023.
Buckstead, John W., O64014.
×Burch, Eugene L., Jr., O64474.
×Burch, Walter T., O64566.
Burger, Paul Van E., O64513.
×Burns, Robert A., O64743.
×Burri, James O., O65633.
Byers, John R., O63880.
Byron, William P., O64473.
×Callaway, Jack G., O64507.
Canary, Thomas D., O64514.
×Canham, Charles D. W., 2d, O64000.
×Capers, Norris R., O64574.
×Carah, Kenneth J., O65519.
Carlson, Gerald J., O64155.
×Carmichael, Donald B., O64313.
×Carmichael, Donald Q., O65354.
×Carr, James B., Jr., O64882.
×Carrillo, Arnold R., O64266.
×Carroll, David A., O63956.
×Cartan, Joseph E., Jr., O64695.
×Carter, Charles H., Jr., O64417.
×Carter, David G., O63934.
×Carter, William G., O64807.
×Casbon, Lewis M., O64137.
Casey, John H., O70171.
Caskie, Walter A., O64428.
×Casner, Earl L., Jr., O64545.
×Castro, Joseph F., O64893.
×Cavazos, Richard E., O64593.
Chapman, James N., O70301.
Chapman, Robert W., O63983.
×Charney, Theodore J., O63977.
Check, James A., O63960.
×Chesak, Kenneth L., O64584.
×Christensen, Douglas E., O65523.
×Christiansen, Thomas B., Jr., O64870.
Church, Corneille L., O69619.
×Cipolla, Francis R., O64665.
×Clark, Noble N., O64909.
×Clark, Steven T., O64674.
×Clark, Walter B., Jr., O65639.
×Clark, William L., O64453.
Clarke, Joseph W., 2d, O64010.
×Clary, Thomas C., O69621.
×Clay, Jack H., O64373.
×Clay, Ryburn G., Jr., O64209.
×Clemons, Joseph G., Jr., O63871.
×Clift, Harold W., Jr., O64655.
×Cole, Richard H., O64725.
×Coley, James P., O64744.
×Collins, Braxton W., O64904.
×Collom, Percy W., Jr., O64407.
×Coltrin, Byron R., O64398.
Comisky, William T., O64811.
Compton, Thomas J., O65366.
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×Conner, Charles E., Jr., O65627.

×Conrad, Donald G., O64673.
×Conroy, Edward T., O64594.
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×Cook, Harold E., O64402.
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Cooper, William E., Jr. O64701.
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Corbett, William U., Jr., O64510.
Corliss, James J., O70309.
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×Corum, Donald E., O65511.
×Costanzo, Albert C., O63895.
×Coughlin, Paul A., O64032.
Couris, John G., O64390.
×Cousins, John H., O63877.
×Cox, Jimmie S., O64096.
×Craig, Francis W., O64022.
×Craig, Samuel E., Jr., O64556.
×Crimi, Frank P., O64763.
×Criswell, Daniel L., O65397.
Crocker, Lawrence P., O63882.
×Crouch, William E., Jr., O64002.
×Crowe, Charles A., O64097.
Crowe, J. Godfrey, O64059.
×Culbreth, Fred P., Jr., O64628.
Cunningham, Gene S., Jr., O64267.
×Cunningham, Lee D., O64921.
×Cuny, Philip A., O64048.
×d'Eon, Leonard J., O65509.
×Daigh, John D., O63918.
×Daniels, John L., O65974.
×Daugherty, Lucius L., 3d, O65763.
Davis, Addison D., 3d, O64788.
×Davis, Ernest J., O64299.
×Davis, Francis J., O64896.
×Davis, Lowell M., O65394.
×Davis, Michael McQ., O64212.
×Davis, Robert L., O69477.
×Davis, William H., O64397.
×Dawdy, Charles A., Jr., O65518.
×Dawson, Richard B., O64138.
×Dean, Allen M. R., O63927.
Decker, James R., O64679.
×Decker, Oscar C., Jr., O64303.
Deichmeister, Frank L., O70322.
Delano, Anthony J., O63913.
×Denman, Frederick L., O63936.
×Depew, William L., O64174.
×DeRamus, Thomas B., Jr., O64173.
×Derrick, John T., O64178.
×Deskis, Anthony J., O64424.
×Diana, Michele N., O65356.
Dickinson, Charles B., O64797.
×Diggles, Walter J., O64351.
×Dingfelder, Simon L., O64783.
Dittamo, Roy J., O64777.
×Doerflinger, Otto C., Jr., O63922.
Donaldson, John E., O65364.
×Donarski, Steven F., O64721.
Donnan, Joseph A., O64829.
×Dorman, Robert L., O69633.
×Dorton, John J., O63967.
Dosh, Laurance C., O63908.
Doss, Jesse B., O64264.
Doty, Kie O., O64213.
×Dougherty, Charles A., O64268.
Dougherty, Walter J., Jr., O64429.
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Dukes, David D., O64805.
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×Ellis, Joel I., O64750.
Ellis, Robert H., O64639.
Ellis, William B., O64892.
×Elmblad, Bruce E., O64168.
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×Williams, Robert S., Jr., O65517.
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×Willis, Edward M., O63899.
×Wilmot, Francis G., Jr., O64533.
×Wilson, Franklin L., O63975.
×Winfield, Francis E., O64194.
×Winner, Francis L., O64009.
×Winter, Kenneth LeR., O64383.
×Wraithe, Herman L., O64745.
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×Wong, Frank, O64296.
×Woodard, Dan P., Jr., O64386.
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×Zalonis, John A., Jr., O68178.
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×Zwerling, Bernard, O64065.

To be first lieutenants, Medical Service Corps

Allen, Joseph K., O70248.
Arnold, John W. O69851.
×Benson, Albert G., O69858.
Carmick, Edward J., O69875.
Cofield, Leaton C., O70304.
Freeman, William L., O69926.
Guenther, Donald P., O69939.
×Hardwick, Willard E., O64447.
Jacobs, Joseph P., O69954.
Krise, Edward F., O69967.
MacLennan, Robert J., O69975.
×Miner, Lewis C., O64409.
×Mortensen, Raymond K., O69993.
Murdoch, Wallace P., O69995.
Spellman, Seth W., Jr., O70509.
Summers, Samuel J., 3d, O70521.

To be first lieutenants, Women's Army Corps

Bissen, Therese E. J., L409.
×Black, Moray J., L410.
×Johnson, Jeanette, L423.
Lott, Beverly J., L401.
Regan, Mildred A., L453.
×Ross, Evelyn L., L402.
×Schneider, Virginia M., L404.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of section 107 of the Army-Navy Nurses Act of 1947, as amended by section 3, Public Law 514, 81st Congress, approved May 16, 1950. Those officers whose names are preceded by the symbol (×) are subject to physical examination required by law. All others have been examined and found physically qualified for promotion.

To be first lieutenants, Army Nurse Corps

×Abshire, Joy L., N2538.
×Bradley, Mary L. N2530.
×Christensen, Donna M., N2527.
×Couch, Mary I., N2526.
×Everett, Anna E., N2534.
Ibbs, Ruth M., N2613.
×Lynch, Emily R., N2529.
×McKinney, Frances L. T., N2532.
×Moulis, Lorraine A., N2535.
×Parks, Madelyn N., N2536.
×Vandiver, Frances O., N2533.

To be first lieutenants, Women's Medical Specialist Corps

×Dority, Nancy E., M10125.
×Henson, Nellie A., M10128.
×Kinnison, Dorothy M., M10127.
×Leath, Mary K., M10130.
×Leroux, Lorraine T., M10124.
Witte, Eileen B., R10144.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947. All officers are subject to physical examination required by law.

To be majors

Adams, Richard E., O39202.
Agee, Henry T., O45709.
Ahern, William F., O36187.
Alleo, Edward J., O25000.
Allen, Richard J., O46952.
Allin, George R., Jr., O24760.
Anderson, Charles L., O35797.
Anderson, Charles J., O25376.
Anderson, George K., O35057.
Anderson, Thomas W., O25383.
Andrews, John T., Jr., O33908.
Angwin, Keith, O34741.
Appel, John G., O40700.
Armentrout, George C., O47412.
Armstrong, DeWitt C., 3d, O25441.
Arnold, Walter F., O46714.
Arntz, John P., O39126.
Aronson, Richard W., O39073.
Avery, William B., O45706.
Aycock, Robert C., O46664.
Ayres, Harold B., O34732.
Babbs, John B., O39203.
Baden, Clyde H., Jr., O36333.
Bailey, Jack L., O35552.
Bailey, Leslie W., O24045.
Baird, Cud T., 3d, O46804.
Baker, Harold P., O40895.
Baldwin, James L., O36864.
Balthis, Jack L., O34706.
Bane, Frank P., O36121.
Barclay, John R., O46727.
Barfield, Thomas H., O35425.
Barlow, Lester E., O35544.
Barnes, John W., O24663.
Barnes, Roger A., O24694.
Barnett, William W., Jr., O46540.
Barrett, William S., O34939.
Bart, Wayne L., O24707.
Bartholomees, James B., O24839.
Basile, Daniel, O40900.
Bauch, Alfred R., O34401.
Bautz, Edward, Jr., O34750.
Beachler, William C., O36099.
Beard, William D., O47010.
Beaumont, Harry C., O35059.
Becker, Wilfred C., O34839.
Bell, Marion S., O35787.
Belsky, Jerome, O40932.
Bender, Paul C., O47706.
Bennett, Robert J., O46832.
Bennett, Warren K., O35691.
Benton, D. L., Jr., O35022.
Benton, Deward E., O33761.
Berglund, Arnold A., O35599.
Bernard, Joseph T., O45997.
Bethea, Ned R., O47132.
Bieber, Russell S., O35424.
Bigart, Robert J., O35831.
Biggio, Charles P., Jr., O36821.
Biggs, Bradley, O36892.
Bingham, Robert H., O34828.
Bird, Daniel C., O35264.
Bischoff, Lawrence P., Jr., O25571.
Bittikofer, Myron R., O25041.
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Bolton, Donnelly P., O24982.
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Bone, Howard C., O35792.
Bonnaffon, Anthony P., O24608.
Boomer, Eugene F., O35846.
Boston, Joffre H., O35537.
Bowen, James D., O46668.
Bowlby, Lawrence, O45718.
Boyd, Hugh K., O36658.
Branigin, James E., O53419.
Braxton, Joseph C., O36703.
Bringham, Robert MacD., O24925.
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Browning, Earl S., Jr., O35536.
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Burke, William A., O46646.
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Cann, William D., Jr., O36230.
Capshaw, Benjamin D., Jr., O36345.
Carey, Merle L., O25586.
Carleton, Linwood A., O36260.
Carpenter, Irvin F., O39112.
Carpenter, Jack R., O53450.
Carpenter, Robert W., Jr., O24816.
Carraher, Raymond W., O45292.
Carter, Washington C., O35390.
Caruthers, Lawrence H., Jr., O24896.
Cassedy, William P., O25044.
Castle, Edmund, O35299.
Cates, Cecil H., Jr., O33600.
Cavanaugh, Stephen E., Jr., O36485.
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Hurst, Ray H., O45720.
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Kline, Earl G., O46466.
Klingenhagen, John L., O39223.
Kloos, Edward J., O53291.
Knoll, Ernest L., O54304.
Knowles, Richard T., O35418.
Knowles, Yancey H., O35153.
Knowlton, William A., O25436.
Kogstad, Arthur W., O36176.
Koisch, Francis P., O24669.
Koster, Samuel W., Jr., O24873.
Kraft, William R., Jr., O24726.
Kressin, Harold R., O45387.
Krueger, Philip G., O24677.
Kruger, Carl W., O35845.
Kullmar, Malcolm, O35555.
Ladd, Harley W., O53512.
Lahm, Lawrence, O24761.
Lambert, Arthur L., O24731.
Lane, James W., O53091.
Langley, William C., O40691.
Lathrop, Alba B., O36492.
Latimer, Raymond LaV., O34833.
Leavey, Edmond H., Jr., O24698.
Lee, James H., O35428.
Lee, Richard McG., O35551.
Leech, Lloyd L., Jr., O25386.
Leeper, Michael E., O46552.
Lekson, John S., O35837.
Levick, Warren N., O47292.
Lewis, Jesse L., O24809.
Lewis, Ray C., O53181.
Ligon, Lawrence R., O35154.
Ligon, Wayne E., O36510.
Lilly, Grady F., O36990.
Lisk, Percy F., Jr., O53540.
Loesing, Vernon T., O36090.
Logan, Edward O'N., O36610.
Lombard, Richard J., O33904.
Long, Richard L., O46931.
Looney, Ned I., O40776.
Lovelace, Richard M., O39079.
Lowe, Herbert S., O35561.
Lowe, Orville T., O36111.
Lowry, Everett E., Jr., O25799.
Lunger, Richard T., O25388.
Luttrell, James A., O36363.
Lydon, Joseph P., O33853.
Lyons, Thomas L., O35997.
MacDonald, Robert J., O39172.
Macek, Kenneth T., O46866.
MacIndoe, John W., O25407.
Maertens, George K., O25698.
Maertens, James E., O48227.
Magruder, Lawson W., Jr., O36711.
Mahon, George P., O40792.
Maling, Robert C., O34745.
Maness, Lewis E., O39135.
Manhoff, Martin J., O24538.
Marfing, Thomas E., O34713.
Markey, Edward W., O35143.
Marks, Edwin H., Jr., O24935.
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Marshall, Robert C., O25467.
Martell, Edward A., O24666.
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McCain, Paul B., O48972.
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McFadden, Gayle W., O54125.
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McLaughlin, John D., O46520.
McMahon, John A., O54182.
McNair, Donald C., O33791.
McNally, Joseph D., O35796.
McQuinn, Austin D., O48053.
Meacham, Joseph R., O53374.
Mead, Charles E., O36314.
Meads, John A., Jr., O36108.
Meanor, James B., Jr., O34981.
Mease, Hugh, Jr., O25614.
Meggs, Ernest L., O35474.
Mehaffie, Louis H., O40761.
Meltesen, Clarence R., O40616.
Merritt, Bruce, O46220.
Metcalfe, Alvin C., O36809.
Meyer, Stewart C., O25560.
Michael, George P., O40689.
Michael, James R., O25609.
Milano, James V., O46052.
Miles, Jesse R., Jr., O24979.
Millar, Walter K., Jr., O53428.
Miller, Harold R., O53967.
Miller, Olaf O., O53184.
Milloy, Albert E., O35289.
Mills, Eric R., Jr., O47272.
Milotta, David E., O35989.
Mirras, Peter W., O53684.
Mitcham, Gene L., O33623.
Monk, Jeremiah B., Jr., O46946.
Monsarrat, George F., O36698.
Moore, Felton H., O34724.
Moore, James D., O25760.
Moore, James H., O34735.
Moore, Jasper S., O47770.
Moore, Joseph W., O53733.
Moran, Edward E., O39108.
Morey, Joe V., O24975.
Morgan, Dale L., O45796.
Morgan, John J., O35260.
Morgan, Vernon W., O45837.
Morrow, Jesse L., Jr., O36564.
Motes, Marshall M., O46627.
Mueller, Arndt L., O34700.
Muller, Frank M., O34715.
Mumma, John R., O46819.
Murphy, John T., O36776.
Murphy, Raymond P., O24729.
Murray, Douglas C., O24899.
Murray, George A., Jr., O34739.
Napper, Frank E., O36416.
Neary, Elmer J., O34964.
Nechanicky, William G., O33910.
Neely, William W., O24332.
Neidner, William E., O47381.
Nemethy, Frank J., O36332.
Neve, Jack C., O40893.
Newell, Robert L., O35145.
Newlands, George, O40606.
Newman, James B., 3d, O24654.
Nickel, John R., O25553.
Niland, William H., O45456.
Nispel, Richard LaV., O53810.
Nixdorff, James B., O40867.
Nolan, Martin E., O53275.
Norman, Brooks O., O35793.
Noseck, Kenneth A., O45645.
Nungesser, William L., O53150.
Obenchain, Irving R., Jr., O24658.
O'Connell, William H., O35575.
Offley, Robert H., Jr., O24871.
O'Leary, Joseph E., O37002.
O'Leary, Robert J., O36344.
Olsen, Charles I., O47541.
Omenhiser, John T., Jr., O54485.
O'Neal, George R., O24772.
Orme, Eric C., O24673.
Osgard, James L., O35315.
Oswalt, John W., O46071.
Overall, Jesse U., 3d, O46630.
Owens, Elmer G., O39181.
Paciorek, Stanley J., O33285.
Packman, James L., O34761.
Palmblad, Frederic H., O34845.
Parkins, James F., O36855.
Parr, Marvin M., O53681.
Parr, Stanley F., O35524.
Parsons, George E., Jr., O36095.
Parthum, Alfred H., Jr., O35939.
Pasciak, Leonard J., O24765.
Pashley, Walter A., Jr., O40942.
Patten, Clarence W., O35859.
Patterson, Douglas H., O34979.
Patterson, Edwin H., O54094.
Paul, Donald T., O36142.
Pearson, Raymond L. V., O34869.
Penzkofer, Claire B., O46282.
Perry, Arthur G., O52985.
Perry, Ben W., O35447.
Peterson, Paul L., O36496.
Peterson, Theodore W., O47644.
Petruzel, Frank, O36364.
Phillips, Adolph H., O35888.
Phipps, Charles H., Jr., O39087.
Pieklik, Joseph E., O36942.
Pietsch, William H., Jr., O25773.
Pilliod, Dallas A., O36257.
Pinckney, John E., O47275.
Pinson, William C., O36408.
Poole, Ergar R., O35959.
Pope, Robert F., O40672.
Potts, William E., O54461.
Powell, Marcus L., Jr., O34558.
Pridgen, Robert B., O53197.
Puetz, William M., O34654.
Purkitt, Claude H., O35152.
Putnam, George W., Jr., O39206.
Pynes, Oats A., Jr., O36491.
Quigley, Hugh E., O46420.
Quimby, James O., Jr., O35534.
Rahaeuser, Charles J., O34873.
Raichlen, Richard A., O54419.
Raines, Martin L., O35621.
Ramberg, Vernon C., O53063.
Ramsey, David M., Jr., O53610.
Ramsey, James D., O36228.
Randall, Burr J., Jr., O35611.
Raudstein, Knut H., O53611.
Raymond, Daniel A., O24670.
Read, Beverly M., O46180.
Reafieng, Harry E., O36620.
Rebh, George A., O25444.
Redheffer, George E., O35672.
Regner, William J., O25395.
Rehkopf, George D., O25004.
Reid, Robert D., O35712.
Reid, Samuel LaF., O35160.
Restani, Raymond, O36568.
Rettgers, Forrest I., O36414.
Rey, John F., O47633.
Reynolds, Emmett R., O25489.
Reynolds, Harold K., O39218.
Rice, Harold W., O24800.
Richards, Darrie H., O25458.
Richardson, Hugh F., O36193.
Richeson, Hugh A., O34725.
Richmond, Kimball R., O47281.
Rickman, Edgar A., O24796.
Riedel, Philip H., Jr., O24756.
Rienzi, Thomas M., O24715.
Robbins, Robert A., O35780.
Robens, Robert F., O36665.
Roberts, Clifford E., O46969.
Roberts, Elvy B., O25781.
Roberts, Francis J., O24820.
Roberts, Henry G., O33733.
Roberts, Robert V., O35584.
Roberts, Samuel H., O35553.
Rodgers, Louie N., O35941.
Roecker, Frederick C., Jr., O24681.
Rogers, Charles R., O24967.
Rotz, Carl R., O46505.
Royalty, Lester DeW., O36081.
Rubenstein, Seymour, O24695.
Russell, Peter T., O24947
Russell, William T., O25410.
Ryan, Albert J., O40631.
Ryder, Charles W., Jr., O24951.
Saari, Albert E., O25470.
Sabolyk, Robert, O35475.
Sage, Jerry M., O35326.
Sammet, George, Jr., O35624.
Sauls, Niram LeR., O47386.
Sawyer, Alan A., O35464.
Sawyer, George F., O25033.
Scherer, James B., O24415.
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Schmedemann, Keith M., O34742.
Schmidt, Harry U., O36425.
Schmidt, Joseph J., Jr., O24672.
Schofield, James H., Jr., O25754.
Schrader, Henry C., O40820.
Schrader, Jerome W., O35821.
Schroeder, Hal LeR., O25397.
Schudt, Charles W., O53939.
Schumacher, Fred W., O33869.
Schwind, Robert J., O33900.
Sears, Frank S., O45378.
Seaton, Stuart M., O34760.
Sedberry, George R., Jr., O25415.
Seifert, Albert E., O24993.
Seignious, George M., O47226.
Seip, George R., O24792.
Seitzer, Francis A., O46818.
Sexton, Luther L., O45778.
Shaffer, Cornelius J., O47584.
Shaima, Adolph L., O36677.
Sharp, Paul E., O35046.
Sharpe, Granville A., O34986.
Shaw, Clayton A., O35451.
Shea, Gerald H., O34882.
Shedd, William E., 3d, O24971.
Sheffey, John P., 3d, O24701.
Sheffield, Paul R., O35569.
Sheldon, George C., O48236.
Shelton, Frank W., O33612.
Shepherd, Robert G., O52951.
Sherrard, Joseph H., 4th, O40597.
Sherrets, Donald C., O44781.
Shiflet, Kenneth E., O47394.
Short, John J., O24812.
Short, Walter D., O24789.
Shuford, Louis A., O45876.
Silman, James B., O35048.
Silvis, Bruce V., O36098.
Simmons, Franklin B., Jr., O53683.
Simmons, Wesley J., O35713.
Sims, Ralph, O35435.
Singlaub, John K., O37040.
Sitterson, John D., Jr., O24818.
Smith, Aley L., O35044.
Smith, Bill G., O53387.
Smith, Edward L., O34746.
Smith, James L., Jr., O25059.
Smith, Leslie D., O33042.
Smith, Lloyd G., O38024.
Smith, Magnus L., O40698.
Smith, Oswald C., O54531.
Smith, Phillip R., O35445.
Smith, Robert B., O46241.
Smith, William M., Jr., O40724.
Smoak, Robert A., O46267.
Snow, Jerrold D., O24671.
Spears, James H., O33815.
Spencer, Andrew, O36076.
Spillner, Siegfried H., O35300.
Spilman, Robert B., O24955.
Stafford, Robert S., O34556.
Stahl, Laddie L., O36988.
Staiger, Theodore S., O53879.
Starnes, William L., Jr., O25475.
Stauffer, Charles J., O33757.
Steiner, Fred G., O35860.
Steinmetz, Rollin T., Jr., O24720.
Stephens, Joel B., O24913.
Stephens, John F., O25539.
Stevens, Donald K., O36118.
Stevens, Garth, O24735.
Stevens, George R., 3d, O39215.
Stewart, Thomas N., O34712.

Stielau, Walter E., O35815.
Stone, William W., Jr., O40712.
Strider, Nicholas S., O45589.
Stutler, Warren H., O36148.
Sutton, Arthur J., O36816.
Swaim, Jack, O46685.
Swearington, John C., O34711.
Tabb, Robert P., Jr., O24680.
Talbott, William J., O25468.
Tallon, William P., Jr., O35965.
Tanner, John L., O33683.
Tarver, Thomas H., O24851.
Temple, Charles E., O47459.
Tarrel, Mark H., O24826.
Terry, Robert D., O24739.
Testa, Louis P., O40877.
Theisen, George L., O23846.
Thomas, Charles B., O25411.
Thomas, Charles R., Jr., O45667.
Thompson, Albert N., O24823.
Thompson, James B., O36635.
Thornblom, Carlton C., O33750.
Tidmarsh, Harold A., O23918.
Timothy, James S., O24992.
Tisdale, Tyron E., O46953.
Titley, Richard J., O35082.
Toth, Alfred L., O25587.
Townsend, Robert H., O24890.
Trainor, Alfred T., O33767.
Trees, Paul A., O45254.
Trussell, John B. B., Jr., O39190.
Tucker, Walter F., O24548.
Tummons, Donald D., O46124.
Ugalde, Jesse G., O46354.
Ulrich, Fred R., O35566.
Underwood, Joe H., O36521.
Urban, John W., O34722.
Urquhart, Edmond R., O40831.
Urrutia, Henry W., O24966.
Vail, Edwin W., O35674.
Van Dusen, Roy R. Jr., O35538.
Van Sandt, William A., O40762.
Vaughan, Elton D., O47395.
Vaughn, Molloy C., Jr., O25393.
Vestal, Elvin V., O40828.
Vidlak, Frank J., O46142.
Vivian, James A., O24751.
Voegeli, Francis E., O24699.
Vogel, Lawrence W., O24661.
Vogelsang, Edward C. O36078.
Wachendorf, Miles L., O24679.
Waddell, Edward L., Jr., O25371.
Wagstaff, Jack J., O35585.
Walker, Berrisford H., O36195.
Walker, Boyd F., O24998.
Walker, George C., O35719.
Walker, John K., Jr., O34744.
Walker, Philip G., O46287.
Wallace, Ernest H., O37552.
Wallace, Winston E., O34766.
Walsh, John E., O33794.
Walters, John W. B., O35840.
Waple, Louis A., O24584.
Ward, Kenneth A., O34415.
Ward, Patrick B., O36239.
Warden, Irving D., O53379.
Waters, Robert L., O34720.
Waters, William P., Jr., O35543.
Watkin, William W., Jr., O24664.
Watson, Foster B., O35665.
Watson, John R., O24748.
Wear, James H., O47014.
Webber, John D., Jr., O36393.
Webster, Raymond S., O36621.
Weeks, Eugene L., O24700.
Weigley, Alton J., O45241.
Weiss, Alfred V., O36287.
Wendel, Edmund, Jr., O36220.
West, Herman L., O48031.
Whall, Winston G., O34970.
Wheeler, Sheldon H., O34949.
Wheelock, John G., 3d, O25572.
Whisnant, Isaac E., O46983.
White, Rex H., Jr., O45595.
Whitenton, Robert M., O36114.
Whitfield, Morgan A., O36389.
Whiting, Troy E., O33729.
Whitley, Arthur N., O47359.
Whitmore, Harry E., O35993.
Wilbourn, Donald E., O25606.
Wilder, Alvin D., Jr., O24676.
Wiley, James A., O47130.
Wiley, William S., Jr., O45927.
Wilhm, Jack F., O47170.
Wilkes, Lowell L., Jr., O25575.
Williams, Artha D., Jr., O40871.
Williams, Daniel B., O35669.
Williams, Frederick E., Jr., O36227.
Williams, James W., O45122.
Williams, Marvin E., O35386.
Williams, Ralph I., O34960.
Williams, Winfield S., O40789.
Wilson, Ernest W., O41141.
Wilson, Frank B., O35162.
Wilson, Louis A., O36129.
Wingfield, Oren C., O39173.
Winter, Waldron J., O35832.
Wirt, Charles A., O25725.
Wood, Darrell G., O54196.
Wood, Vocqsal D., Jr., O47003.
Wyman, Philip A., O24854.
Young, Cecil G., Jr., O25472.
Young, Charles M., Jr., O47107.
Young, Hugh F., O36327.
Young, Robert P., O24652.
Young, Willard, O36350.
Zakel, John, Jr., O35849.
Zeigler, Robert P., O34726.
Ziler, William D., O35412.
Zimmermann, William M., O53738.

To be major, Judge Advocate General's Corps

Ghent, Daniel T., O52626.

To be majors, Chaplains

Branyan, William H., Jr., O43181.
Cheatham, Richard B., O40124.
Koepke, Theodore V., O31177.
Scott, Osborne E., O31188.
Zwack, John A., O31066.

To be majors, Medical Corps

Aronstam, Elmore M., O56211.
Artiss, Kenneth L., O57944.
Artz, Curtis P., O57825.
Bach, Sven A., O31319.
Baker, Hinton J., O56897.
Beach, Prince D., O58753.
Bisaccia, Leonard J., O43238.
Bosshold, Erich P., O43253.
Bradley, Robert J., O56255.
Bralley, Ernest M., Jr., O57820.
Brien, James N., Jr., O57538.
Broaddus, Robert E., O57532.
Brock, Robert P., O59667.
Brown, Aubrey K., Jr., O49959.
Brown, Jesse F., O57392.
Brundage, Franklin, O57941.
Campbell, Roy E., O57535.
Carson, Layne E., O57939.
Clausen, Roy E., Jr., O57385.
Compton, James R., O57710.
Conklin, Coursen B., Jr., O59668.
Conlin, Gerald J., Jr., O37617.
Cook, Henry M., Jr., O58694.
Cooke, Lane B., Jr., O56257.
Crawford, Carroll S., O56937.
Dozier, Slater M., O58184.
Edwards, John E., O56945.
Fahy, Donald G., O61064.
Fair, John R., O58691.
Fairchild, John P., O57936.
Fisher, Neal R., O49943.
Franklin, Robert B., O49940.
Grant, Lee B., O59431.
Guthrie, Marshall B., O52086.
Hamilton, Longstreet C., O60742.
Hamit, Harold F., O57980.
Harrison, James W., O31302.
Hartgering, James B., O49931.
Hartney, James B., O56244.
Hayes, George J., O57388.
Henderson, Warren S. P., O60739.
Hewitt, Clarence B., O49926.
Hewlett, Thomas H., O57932.
Higgins, John G., O57706.
Hollifield, William C., O59671.
Horseman, Robert F., O57979.
House, Royce E., O58181.
Hughes, Carl W., O58018.
Hutchinson, James B., O58186.
Inmon, Thomas W., C56254.
Jackson, Marshall D., O37625.
Jauernig, Russell R., O58019.
Jenkins, James H., Jr., O49944.
Jernigan, Thomas P., 3d, O58187.
Karansky, Stanley, O60736.
Kennedy, Julien C., O57382.
Kielman, Edmund R., O57822.
Kimsey, Warren H., O58695.
Klinger, Paul E. J., O56979.
Krawczyk, Henry J., O59516.
Lindsey, Douglas, O43248.
Lineberger, Ernest C., O31297.
Lockwood, Robert S., O37626.
Lukeman, John M., O61061.
Lumpkin, Walter L., Jr., O37615.
Makel, Harry P., O56227.
Malinowski, Theodore S., O52055.
Mallory, Meredith, Jr., O52070.
McCurdy, Harry W., O60016.
McDonnel, Gerald M., O43251.
McNair, Joel N., O52075.
Metz, Charles W., Jr., O49934.
Miller, Byron L., O37630.
Moncrief, William H., Jr., O37637.
Mourat, Stephen, O59515.
Musser, Benjamin G., O56894.
Myers, Donald S., O57972.
Neel, Spurgeon H., Jr., O58688.
Neuman, Frank A., O52077.
Oelhafen, Wayne R., O37631.
Page, Harold G., O57938.
Parmley, Loren F., Jr., O52087.
Parvin, Robert W., O61065.
Patterson, John C., O57046.
Pedigo, Howard K., O57819.
Pegram, Max W., O58255.
Penner, Ralph S., O56223.
Perrine, James P., O56971.
Petitti, Leonard, O52056.
Pfotenhauer, Martin A., 2d, O61066.
Pillsbury, Robert D., O52054.
Pracher, John R., O37622.
Puckett, Thomas F., Jr., O57536.
Reed, Charles R. W., O60017.
Reed, William L., O57895.
Richey, Carl B., Jr., O63147.
Richmond, Van Rensselaer, O57531.
Ritzenthaler, John G., O57937.
Rixey, Charles O., O39341.
Rosack, Henry P., O60738.
Rowe, Robert B., O52061.
Rumer, George F., O43234.
Rutledge, Ben A., O49950.
Salasin, Robert G., O59430.
Schoen, Walter A., Jr., O60737.
Schoenbucher, Albert K., O58189.
Schricker, James L., Jr., O57000.
Schwab, Linden H., O37620.
Severance, Robert L., O43235.
Sheedy, John A., Jr., O59675.
Siege, Alfred G., O59676.
Smith, Ralph B., O59514.
Storrs, Bruce D., O61060.
Stropes, Lloyd R., O37629.
Stroud, Joseph C., Jr., O58693.
Szakalun, Leo S., O57006.
Thomas, Joseph W., O58015.
Thompson, Henry, O57384.
Towson, Travis J., Jr., O59678.
Tumbusch, Wilfred T., O58755.
Tuttle, Jay F., O57703.
Van Buskirk, Kryder E., O57889.
Watson, Walter B., O57982.
Weller, Carl B., O49930.
White, John W., O58248.
Wilson, William E., O58076.
Wolford, Louis E., O58021.
Wood, James G., Jr., O56967.
Zimmerman, Lorenz E., O56221.

To be majors, Dental Corps

Boyer, Lea M., O43241.
Harrington, Robert N., O52067.
Kepper, John C., O52066.
Kirchoff, Wayne F., O43243.
Love, William D., O39325.
Shumaker, Marsh E., O56878.

To be majors, Veterinary Corps

Abbott, William L., O38881.
Bishop, Vincil C., O38870.
Clem, Wesley A., Jr., O52012.
Frank, Charles B., O31153.

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Harrison, John H., O40121.
Lord, Willys E., O31144.
Miller, Robert J., O31148.
Skold, Bernard H., O52013.

To be majors, Medical Service Corps

Drowns, Norman S., O41132.
Fakes, Robert D., O37420.
Ford, Walter E., O37424.
French, Stanley H., O37418.
Hilcken, John A., O37417.
Hughes, Robert L., Jr., O41134.
Jetland, Robert I., O43256.
Lambert, Benjamin F., O41131.
Millstein, Conan H., O49920.
Myers, Paul H., O41133.
Rattan, Volney H., O39328.
Schaller, Rees F., O37421.
Ware, Marvin A., O56203.

The following-named officers for promotion in the Regular Army of the United States under the provisions of sections 502 and 510 of the Officer Personnel Act of 1947. All officers are subject to physical examination required by law.

To be colonels

Adler, Eugene T., O29549.
Agoa, John J., O42205.
Albergotti, William McK., O28883.
Albin, John B., O51296.
Alexander, Robert F., O41912.
Alexander, Frederick B., Jr., O41949.
Allen, Irvin L., O29810.
Anderson, Delmer P., O29969.
Andrick, Edwin L., O42134.
Archibald, Herbert R., O29776.
Armitage, David, O42079.
Askins, Charles, O29852.
Atwood, George L., O39750.
Babcock, Charles P., O39809.
Bach, William H., O42228.
Baker, Arthur LeR., O39805.
Baker, Roy C., O29979.
Baldwin, Orval J., O39790.
Bannister, Ray K., O29784.
Barclay, Gordon L., O29691.
Barnes, Valentine M., Jr., O51434.
Bates, Paul L., O29929.
Baya, George E., O29817.
Bayless, Harry K., O29104.
Beggs, Raymond W., O39802.
Bender, George E., O16914.
Bennett, Eugene G., O41669.
Bent, Joseph G., Jr., O29797.
Bessmer, Earl S., O39824.
Bisbort, Harold E., O29934.
Bivens, Arthur L., O42105.
Black, James G., O39833.
Blanchard, Weston L., O29925.
Bodner, William S., O51393.
Bogner, Howard F., O51370.
Bradley, John A., O39836.
Brascher, Thomas J., O39749.
Brenneman, Ivan L., O39627.
Brewer, James N., O42220.
Brindle, Harry C., O51380.
Brooks, Irving W., O39783.
Brophy, Francis J., O39723.
Brown, Harley D., O29911.
Brown, Marion M., O29806.
Brumby, Sewell M., O18846.
Buchak, Kirk, O29864.
Budge, Vernon M., O42017.
Burns, Paul, O38733.
Bush, Ernest L., O29843.
Buttner, Louis, O42100.
Cain, Charles A., O29988.
Cain, Robert S., O42210.
Campbell, William W., O29755.
Carson, Kenneth A., O42030.
Carter, Arthur P., O29580.
Chapman, Raymond T., O29860.
Chappell, Paul E., O41968.
Charles, Orman G., O29954.
Clay, Jeff, 3d, O29667.
Cocanougher, Eugene H., O38673.
Cogswell, William N., O41945.
Cole, Lydon B., O29848.
Cole, Robert H., O29798.
Coleman, Walter L., O38738.
Conk, Robert H., O29909.
Conn, Arthur E., O29868.
Conran, Richard J., O29820.
Cooke, Frederick J., O29853.
Cooper, Harry B., Jr., O18469.
Cooper, Marcus E., O51327.
Courser, Malcolm W., O42211.
Cowan, Gerard C., O18807.
Cox, Ray J., O29571.
Crank, James R., O51346.
Creighton, George C., Jr., O29836.
Creighton, Robert R., O42161.
Cunningham, John H., O51325.
Dalton, John J., O42219.
Darragh, Mattison A., O42174.
Darrah, James T., O18124.
Dasche, Jay A., O39810.
Davidson, Alfred H., Jr., O39808.
Davis, Harry R., O41894.
Davis, Homer L., Jr., O29869.
Davis, Robert G., O51394.
Davis, Thomas C., O41981.
Dawson, Wallace H., Jr., O39712.
Day, Frederick E., O16760.
del Mar, Roland H., O29917.
Delmonico, Louis R., O17287.
Devine, Ralph A., O42202.
Dicks, John P., O29982.
Diestel, Chester J., O18448.
Dishman, Addison V., O18471.
Dishman, Silas B., O29052.
Doe, Robert E., O42066.
Dorn, George W., O41979.
Drake, Frank H., O41887.
Druley, Edwin H., O29876.
Dunlap, Clarence R., O29975.
Dwyer, John R., O42138.
Eagle, Alexander G., O29910.
Eaker, Fred LeR., O42223.
Eakin, Aldean A., O41994.
Edelen, LaRue M., O29445.
Edson, Frank T., O29827.
Elliott, Eugene M., Jr., O51340.
Elliott, Howard M., O51072.
Elterich, John A., O29696.
Eubanks, C. A. Holmes, O42014.
Evans, William A., O42060.
Evans, William T., O29950.
Fagin, Russell D., O42145.
Fahringer, Eugene P., O41930.
Farmer, Wesley E., O51398.
Field, Eugene J., O29830.
Fields, William R., O51288.
Fischer, Harry O., O29901.
Fogarty, Maxwell B., O42193.
Foust, Clarence T., O41860.
Fox, John R., O42024.
Frampton, Sidney D., O42176.
Fulton, Harold A., O42225.
Fulton, James H., O29984.
Gage, George W., O41590.
Gahan, Theodore P., O38686.
Gaither, Loren E., O42109.
Garretson, Ralph B., Sr., O39835.
Gaydash, George G., O41588.
Gealta, Cecil G., O38744.
Gerken, Walter W., O42113.
Gibbons, Donald P., O38724.
Gibbons, Gilbert P., O39804.
Gibson, John H., O29923.
Gillespie, Ernest R., O41956.
Goatley, Francis J., O51256.
Goode, Roy E., O29921.
Goodley, John T., O29566.
Goodwin, Walter P., O18733.
Gosiger, Fred J., O29867.
Gough, A. Deane, O18413.
Grant, Edward J., O38743.
Green, Fay K., O29976.
Greene, Fred W., O38737.
Greene, William H., O42130.
Grider, Edgar L., O42112.
Gustafson, Arthur W., O51404.
Hagerty, William A., O41883.
Hahn, Lawson E., O29650.
Hall, Earl W., O38698.
Hamersley, Dwight T., O42159.
Hamilton, Andrew W., 3d, O29767.
Hamilton, Harold L., O28993.
Hammond, John W., O17656.
Hampton, William A., O18482.
Hannah, Lauren E., O51358.
Hannon, Albert J., O42175.
Hart, Richard V., O38732.
Hawes, Glenn A., O42077.
Hazlett, Robert T., O39792.
Heard, William R., O39811.
Hedges, Loveaire A., O29786.
Heliker, Sherburne J., O29928.
Helm, Hans W., O29794.
Heltzel, William E., O29891.
Henderson, Fred R., O41540.
Henderson, Alfred D., O41647.
Henderson, Blair E., O39813.
Henry, Lyle K., O41605.
Herberth, Frank W., Jr., O29829.
Herman, Dean A., O18563.
Herndon, Lowe H., O51223.
Herrmann, Charles R., O39779.
Haskett, Marcus W., O42218.
Heyne, Kurt N., O39756.
Hickey, Terrence R. J., O18567.
Higgins, James W., Jr., O29542.
Hildebrant, Conrad, O29902.
Hill, Carl R., O42101.
Hofto, Glen E., O41585.
Hogan, Arthur H., O18551.
Holmes, Robert H., Jr., O29828.
Houghton, Francis E., O39742.
Houltry, Clyde A., O51224.
House, John M., Jr., O29729.
Hubbart, Clarence G., O29718.
Hubert, William R., O18797.
Hudson, Jack F., O42184.
Humphrey, Robert G., O29646.
Hurst, Kenneth M., O41947.
Icke, Earl L., O42195.
Ingeman, Milton J., O42124.
Ingram, Forney H., O29698.
Irvin, Roy O., O42104.
Ison, Frank S., O39819.
Jackman, Albert H., O51402.
Jefferson, Wayne O., O29766.
Jepson, Hans G., O29966.
Johnson, George V., O39831.
Johnson, Gordon McT., O29406.
Johnson, John E., O39828.
Jones, Kenneth C., O42119.
Jones, Robert J., O28970.
Jordan, Walter E., O41910.
Judson, Robert R., O39794.
Kaigler, Johnathon T., O29721.
Kale, Lester W., O29815.
Katsarsky, Slaftcho, O39832.
Keane, William M., O38702.
Kell, Elmer A., Jr., O38699.
Kellers, Frank, O51432.
Kelly, Evander F., Jr., O51377.
Kiel, Arthur G., O42199.
Kilpatrick, Willard H., O41895.
Kirk, Robert P., O29710.
Kirkpatrick, Harry F., Jr., O39807.
Kleff, Pierre A., O39799.
Kline, Robert P., O39780.
Klinetop, Howard A., O39798.
Knapp, Ernest C., O38684.
Knapp, Lawrence M., O41942.
Kneyse, Walter A., O42227.
Koerner, Eldon A., O42172.
Kohls, Carl W., O18575.
Koster, Alfred M., O29796.
Koup, Elmer L., O41999.
LaCour, Jean P., O39822.
LaForge, Charles A., O51349.
LaFarge, William F., Jr., O42147.
Laming, Percy H., O42000.
Lancaster, Alexander E., O41875.
Lancer, Thomas F., O51317.
Langlois, Silas R., O29865.
La Piana, Vincent F., O51365.
Larkin, Alwyn V., O29809.
Lattin, John H., O29887.
Laux, Ray J., O42102.
Lazar, Aaron M., O18738.
Learnard, Henry G., Jr., O29801.
Leavitt, Charles A., O51403.
Leiby, Kenneth L., O51286.
Levenick, Maynard N., O18514.
Levings, George E., O29380.
Lewis, James F., O41915.
Lewis, Richard L., O42224.
Linthwaite, George F., O29990.
Littell, Elmer L., O29823.

Loftin, Haroide T., O39673.
Lolli, Andrew R., O29844.
Loomis, Frederick H., O29889.
Ludecke, Fred W., O41898.
Lux, Herbert G., O42212.
MacGregor, Cecil M., O42182.
Macomber, Kenneth D., O42009.
Malone, Thomas R., Jr., O29489.
Maloney, James E., Jr., O18610.
Manly, Lorraine L., O51373.
Mansager, Mervin E., O41878.
Marsh, Leon D., O39739.
Martin, John A., O51419.
Martz, John D., Jr., O29769.
Mathewson, Nathan S., O29771.
Mauz, Henry H., O29799.
Maxwell, John W., O39796.
McAleer, William A., O42196.
McAneny, George F., O42075.
McGinn, Floy W., O42127.
McHugh, James E., O39745.
McNary, Charles H., O38742.
Means, William E., O18901.
Meek, Chester H., O29890.
Meek, John A., O51261.
Meeks, John A., O18735.
Meinert, Fred H., O29851.
Mendell, Martin M., O42082.
Menegus, Wilfred F., O42128.
Menoher, William, O18690.
Middlebrooks, Richard R., O38704.
Miller, Marion C., O51396.
Minton, John H., O29020.
Montilla, Rafael, O51437.
Moore, Howard R., O18231.
Moore, Robert B., O51294.
Moyers, Eugene E., O41938.
Mulvanity, Ralph T., O29674.
Murray, John W., O29833.
Murray, Walter H., O38693.
Nebel, Charles A., O42040.
Nelson, Harold E. M., O29351.
Newcomb, Ralph E., O38727.
Newhall, Henry S., O29717.
Nicholas, Jack V., O51363.
Nichols, Earle B., O38712.
Nichols, Harwood S., Jr., O51219.
Nielsen, Svend W., O39753.
Norell, James A., O39838.
Norton, Richard A., O41984.
Nussbaum, Charles W., O51281.
Oboler, Max, O51287.
O'Roark, Dulaney L., O29986.
Parsell, Sidney I., O28937.
Parsons, Harold C., O29816.
Parsons, Walter H., Jr., O39782.
Paxson, George D., O29633.
Peisinger, Roman J., O41920.
Perkins, Harold T., O51284.
Peter, Richard H., O29987.
Peterman, John D., O29955.
Peters, Ernest C., O18603.
Peterson, Robert O., O29904.
Petrolino, Joseph A., O29712.
Phillips, Henry L., O51249.
Pickett, Benjamin L., O42099.
Pickett, George E., O42131.
Picknell, Milton O., O41952.
Piahte, Fred L., O29936.
Posse, Ernest W., O29989.
Potter, Seymour A., Jr., O29937.
Pryor, Delbert A., O18799.
Pumpelly, James W., O51384.
Pyuen, Pyueng S., O41976.
Radcliffe, Maurice M., O39787.
Raftery, Paul H., O39839.
Rand, Kenan McL., O39795.
Rasche, Herbert H., O51339.
Reed, Charles B., O30193.
Reed, John F., O51436.
Reed, Melvin W., O29553.
Reidy, Richard F., O18557.
Reing, Cornelius M., O29637.
Reiser, Lloyd M., O39823.
Resler, Barclay T., O42068.
Ricciardelli, Angelo M., O42208.
Richardson, James A. 3d, O29906.
Ricketts, Curtis T., O51438.
Rider, Robinson B., O51408.
Ritchie, Alva L., O39788.
Ritchie, Ernest LeeR., O29957.
Ritter, James F., O41578.
Roberts, Frank W., O39830.
Robertson, Robert R., O51357.
Robinson, Karl, O41857.
Rodgers, William M., O39812.
Rodman, Frazer W., O38741.
Rogers, George F., O29544.
Roller, Harry G., O18597.
Ross, Franz H., O29871.
Rude, Walter A., O18732.
Rust, Charles E., O29965.
Sanders, Walter C., O51246.
Sanderson, Harold R., O42076.
Sanford, Teddy H., O29893.
Schellberg, Kenneth O., O39743.
Scherer, Karl L., O18784.
Schonholz, Morris, O29761.
Schulz, Robert L., O42115.
Scott, Orlando A., O42187.
Sewell, Walter E. O39634.
Shaw, Paul A., O42181.
Shewbridge, Edwin C., Jr., O38745.
Shipley, Byron M., O39827.
Sibbald, George H., O29958.
Siemers, Herman R., O42162.
Sievers, Harry L., O29814.
Sills, Tom W., O29949.
Silverwood, Kermit J., O42153.
Simpson, Ralph T., O29841.
Sipes, Kenneth L., O41989.
Skaggs, Robert N., O39816.
Slade, Todd H., O18789.
Slisher, Weldon L., O29787.
Small, Braxton E., O42156.
Smith, Albert M., 2d, O29927.
Smith, Robert N., O39709.
Smith, Robert G., Jr., O29804.
Smith, William R., Jr., O18661.
Smith, William D., Jr., O29850.
Snowden, Paul T., O29811.
Sperry, Frederick M., O51427.
Spicer, William H., O29719.
Sprague, Harold E., O41940.
Sprankle, Dane O., O42169.
Stevens, Alfred E., O29916.
Stewart, Joseph C., O29662.
Stoever, Robert E., O42114.
Strickland, Wilburn L., O29839.
Taylor, George W., O38725.
Taylor, Harold L., O29694.
Taylor, Robert B., O29903.
Taylor, Thomas H., O29931.
Taylor, William L., O41939.
Thames, William M., Jr., O29846.
Thelen, Edward F., O29649.
Thielen, Bernard, O18782.
Thomas, Willie N., O29644.
Thomson, Edward P., O29974.
Timmes, Charles J., O29777.
Todd, James C., O41972.
Toft, Douglas O., O42183.
Tomlinson, Robert H., Jr., O38734.
Tufte, Theodore B., O39732.
Tuggle, William P., Jr., O42093.
Victory, Thomas F., O41869.
Waite, Frederick G., O30358.
Walker, James T., Jr., O29356.
Walton, Joseph R., O39821.
Watkins, William A., O51237.
Watson, Arthur J., O29730.
Watson, Ernest C., O29652.
Weadock, Thomas A., O39748.
Webb, George D., O41916.
Wells, Clayton W., O29962.
White, Edward C., O39766.
White, Eli E., O41951.
White, George W., O51200.
White, Ralph W., O39717.
Wilkins, Frank F., O39731.
Willard, Paul S., O29541.
Willis, Winslow R., O51352.
Wilson, Robert F., O39687.
Winckler, Rudolph G., O51399.
Winget, Leonard W., O41896.
Wood, Thomas, Jr., O29563.
Wood, Wayne L., O51250.
Wyman, Leslie H., O17149.
Wyss, Arnold V., O29788.
Younts, James O., Jr., O29552.

To be colonels, Judge Advocate General's Corps

Barratt, Tom H., O24343.
Beets, Walter O., O29707.
Churchwell, William H., O41806.
Godwin, James E., O18768.
Goebel, Herman P., Jr., O41475.
Gray, Robert McD., O24644.
Kotrich, Edward J., O39776.
Lord, Noah L., O24346.
McCaw, Robert H., O38722.
McGrew, Palmer W., O29749.
Roberts, Nathan J., O24345.
Straight, Clio E., O24337.

To be colonels, Dental Corps

Farber, Charles M., O20473.
Hammon, Bernard C., O20922.
Mills, Marion L., O20038.
Post, Theodore J., O56787.
Schwinghamer, William L., O29184.

To be colonels, Veterinary Corps

Boyce, Robert A., Jr., O19329.
Jennings, William E., O19640.
Taylor, Clarence L., O19336.

The following-named officer for appointment, by transfer, in the Judge Advocate General's Corps, Regular Army of the United States, in the grade specified:

To be captain

Bryant, David T., O27950.

The following-named persons for appointment in the Regular Army of the United States in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), Public Law 36, 80th Congress, as amended by Public Law 37, 83d Congress, and Public Law 625, 80th Congress:

To be captains

Gelinas, Joseph A., MC, O1706061.
Randall, Alan D., MC, O2201325.
Sloane, Jeremiah P., MC, O972658.

To be first lieutenants

Duncan, Mildred, ANC, N764556.
Keegan, Nanette G., WMSC, M2902.
Mendler, Helen M., WMSC, M1122.
Morris, Marie L., ANC, N804313.
Spotnitz, Murray, MC, O2267690.
Stauss, Paulina B., ANC, N804756.
Wilson, Lorna M., ANC, N900447.

To be second lieutenants

Blackburn, Edward W., MSC, O4000307.
Lippman, Renee E., WAC L1010644.
McCarthy, Rosemary T., ANC, N902026.
McVay, Mary R., WMSC, J101206.
Robinson, Doris M., ANC, N805385.

The following-named persons for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to completion of internship:

Baugh, Joseph H., O4016516.
Green, Henry D., O4016536.
Hamaty, Daniel, O978636.
Pearson, Jack W., O2268940.

The following-named graduated cadet, United States Military Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, to rank from June 2, 1953, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Roderick, Roger Littlefield

The following-named persons for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Barnitt, George W., Jr., O1881027.
Blanks, Richard E., Jr., O2002766.

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Chant, Robert J., O4017134.
Eng, Charles, O4023791.
Farris, John T., O4013959.
Francis, John K., O4004054.
Hodges, James R., O4023363.
King, Charles R.
Lopes, John F., Jr., O4014586.
McEachin, Daniel A., O4023805.
Mooney, Robert, O4013926.
Riley, John F.
Scott, Charles G., O4012280.
Stewart, John K., O4013929.
Watkins, James E., O4013713.
Weeks, Frederick H., O4015937.
Whitaker, Malvern R., O4009306.
Williams, Patrick M., O4019318.
Wilson, Robert E., O4023615.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Decker, Robert J.
Knight, Bobby M.
Paristeris, George, O1928749.

The following-named distinguished military students for appointment in the Medical Service Corps, Regular Army of the United States, effective June 15, 1954, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Albertson, John N., Jr.
Buffington, James A.
Elmer, John D.
Fletcher, Ronald D.
Hill, Clifford L.
Miller, Vandy L.
Rutkoski, Jerome W.

The following-named distinguished military students for appointment in the Regular Army of the United States, effective June 15, 1954, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Anderson, Gary D.
Atkins, James C.
Ayers, Lawrence F., Jr.
Azzolin, Robert A.
Bartos, Robert E.
Bell, Genn N.
Bell, James F.
Bender, Rogers A.
Berney, Robert E.
Beyer, Robert J.
Bittl, Frederick E.
Bolton, John W.
Bonner, Robert W.
Booras, Danny
Boyd, Sidney H.
Bragalone, Raymond A.
Brainard, Alfred P.
Brizee, Harry A.
Brown, Billy A.
Brown, Dallas C., Jr.
Brown, Dwight K.
Burton, James
Cantrell, Jack R.
Carney, Zach T.
Caudill, James M., Jr.
Caylor, Oscar C.
Cecil, William I.
Chitwood, Thomas E., Jr.
Clair, Melvin W.
Crowell, Howard G., Jr.
Culbreth, Joe A.
Dart, Frederick R.
Dockler, Gordon S.
Domenicucci, Louis
Dorsey, Valentine J.
Eisenberg, Herman S.
Ellis, Alvin C.
Ellison, Henry L.
Farr, Robert A.
Ferguson, Robert L.
Flournoy, Walter T.
Fraser, Donald C.
Friberg, William G. O4019110
Fry, Dudley L., Jr.
Fukumoto, Richard I.
Fust, John W., Jr.
Gillard, Robert W.
Gosney, Durward D.
Graf, John A., Jr. O1930143
Graham, Joseph E.
Graves, James R.
Greco, Gerard F.
Green, Charles F.
Greene, Henry E., Jr.
Greer, Jeptha V., Jr.
Grider, Roy C.
Grummt, Otto C.
Hamel, Robert L.
Hayward, Arnold C.
Hee, Howard Y. K.
Hornsby, Jesse S., O4013113
Howden, Charles I., Jr.
Humes, Richard M.
Jones, Robert A., O4000442
Karl, Victor A.
Kennedy, Donald R.
Kimsey, Earnest R.
Lauf, Robert C.
Lawrence, Billy G.
Linger, Albert F.
Manzoni, Christian J., O4019241
Martin, James E.
McClain, Richard A.
McCoole, Delos A.
McCusker, George E.
McDowell, Billy J.
McKinney, Ralph V., Jr.
Mellish, James R.
Mendoza, Joseph A., Jr.
Mollerus, Fred J., Jr.
Morn, Charles P.
Morris, Eddie L.
Muhlherr, Joseph J.
Mullin, Leo R.
Nidever, Richard L.
Nolan, John D.
Nunziato, John A.
Okazaki, Kenneth T.
Okita, Harold K., Jr.
Oldmixon, Ralph E.
Parkinson, William H. R., Jr.
Perry, John W.
Pitts, George E.
Plumbley, William R.
Rackley, Jerry D.
Ray, Howard
Reemsnyder, Harold S.
Reniker, Gene B.
Rimbach, Douglas O., O1938635
Robertson, Jerry G.
Robinson, George R.
Rome, William D.
Rorke, Donald M.
Ross, Vaughn C.
Rowan, George R., Jr.
Rowley, Jack H., O4019750
Russell, Dean P.
Sager, Robert A.
Sauer, George E., Jr.
Schwarz, Henry E.
Sconiers, William L.
Scott, Charles H.
Scott, William T.
Seigler, Herbert N.
Shamblee, Curtis G.
Sharp, Benjamin F., Jr.
Shiraishi, James T.
Simmons, Eugene F., Jr.
Skinner, James E., O1928117
Skladal, George W.
Sleppy, Alan E.
Smith, Charles W.
Smith, E. Vernon, Jr.
Snyder, James E.
Spruill, Joseph L.
Tanimoto, Robert H.
Terry, Richard T., O4020572
Thayer, James H.
Thrash, Melvin C.
Tigh, Leland F., Jr.
Van Vranken, Robert L., O1929892
Vaught, Ralph R.
Vought, Donald B.
Wagner, Rudy J.
Waite, Hugh G., O4019476
Walker, Ronald O.
White, Marion F.
Whiteside, George W., Jr.
Wilkie, James B., III
Willemse, Cornelius W., III
Williams, Norman H.
Willis, William
Witek, James E.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 14 (legislative day of June 11), 1954:

DIPLOMATIC AND FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

REAPPOINTMENT

Lampton Berry as a Foreign Service officer of class 1, a consul general, and a secretary in the diplomatic service.

To be Foreign Service officers of class 3, consuls, and secretaries in the diplomatic service

John Crawford Brooks
Jack M. Fleischer
John Hay
Richard N. Meyer

To be Foreign Service officers of class 4, consuls, and secretaries in the diplomatic service

Stephen J. Campbell
Rupert Prohme
Albert A. Rabida

To be Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service

James E. Akins
George M. Barbis
Robert T. Burns
Roy O. Carlson
Joseph H. Cunningham
Harold L. Davey
John L. De Ornellas
John T. Dreyfuss
James D. Farrell
Samuel R. Gammon III
H. Kent Goodspeed
Chadwick Johnson
C. Dirck Keyser
Miss Paulina C. Kreger
P. Wesley Kriebel
Samuel W. Lewis
Joe Lill
Alan W. Lukens
Miss Ruth A. McLendon
Julian F. MacDonald, Jr.
H. Freeman Matthews, Jr.
Philip C. Narten
Joseph B. Norbury, Jr.
Frank V. Ortiz, Jr.
Raymond L. Perkins, Jr.
Birney A. Stokes
Richard D. Vine
William Marshall Wright
Charles T. York

NATIONAL SECURITY TRAINING COMMISSION

Warren Atherton, of California, to be a member of the National Security Training Commission, term of 5 years expiring June 19, 1959.

IN THE ARMY

The following-named officers for appointment under the provisions of section 11, National Defense Act, as amended, and section 513 of the Officer Personnel Act of 1947, as Assistant to the Chief of Engineers, United States Army, and as brigadier general in the Regular Army of the United States:

Col. Louis Jacob Rumaggi, O14900, United States Army.

Col. Howard Ker, O15518, United States Army.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 14, 1954

The House met at 12 o'clock noon.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. HALLECK) laid before the House the following communication, which was read:

JUNE 14, 1954.

I hereby designate the Honorable CHARLES A. HALLECK to act as Speaker pro tempore today and tomorrow.

JOSEPH W. MARTIN, JR.,
Speaker.

PRAYER

Rev. Walter A. Mitchell, pastor, Fountain Memorial Baptist Church, Washington, D. C., offered the following prayer:

Our loving Heavenly Father, we praise Thee for all the wonderful memories of what this Flag Day stands for in the life of our country. May the flag of our great Nation continue to wave as an emblem of freedom, democracy, and Christian principles upon which our beloved Nation has been founded.

Our gracious Father, let these days be days when all Members of this House shall personally dedicate their very best to the tremendous task to which they have been called. And let this be a time when, on the right hand and on the left, men and women shall honestly and sincerely seek to know and to do the will of God in every responsibility.

Teach us the courage of patience, the strength of endurance, and the real power of self restraint as is admonished in the Scriptures:

Let us lay aside every weight and the sin which doth so easily beset us and let us run with patience the race that is set before us, looking unto Jesus the author and finisher of our faith.

In whose name we pray. Amen.

The Journal of the proceedings of Friday, June 11, 1954, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills

and a joint resolution of the House of the following titles:

On June 8, 1954:

H. R. 683. An act for the relief of George P. Smyrniotis;

H. R. 2512. An act to amend the act entitled "An act to provide for the purchase of public lands for home and other sites," approved June 1, 1938 (52 Stat. 609), as amended;

H. R. 2974. An act to extend the time for enrollment of the Indians of California, and for other purposes;

H. R. 3704. An act to provide for the incorporation, regulation, merger, consolidation, and dissolution of certain business corporations in the District of Columbia;

H. R. 3876. An act for the relief of Martha Schnauffer Shockley;

H. R. 7061. An act to prescribe and regulate the procedure for adoption in the District of Columbia; and

H. R. 7062. An act to amend the act of April 22, 1944, which regulates the placement of children in family homes in the District of Columbia.

On June 10, 1954:

H. R. 897. An act for the relief of Abul K. Barik;

H. R. 1144. An act for the relief of Martha Farah;

H. R. 1348. An act for the relief of Alwine Reichenbauch;

H. R. 1509. An act for the relief of Sahag Vartanian;

H. R. 3145. An act for the relief of Pravomil Vaclav Maly and Jarmila Maly;

H. R. 5210. An act for the relief of Paul D. Banning, chief disbursing officer, and others; and

H. J. Res. 508. Joint resolution to extend the time for the erection of a memorial to the memory of Mohandas K. Gandhi.

On June 11, 1954:

H. R. 675. An act for the relief of Mrs. Romola Nijinsky and Paul Bohus-Vilagosi;

H. R. 689. An act for the relief of Mrs. Keiko Inouye;

H. R. 737. An act for the relief of Harold Donaghy Bishop;

H. R. 807. An act for the relief of Sister Isabel (Purification Montemayor Maceo);

H. R. 887. An act for the relief of Mr. and Mrs. Edward Levandoski;

H. R. 1465. An act for the relief of Helga Rossmann and her child;

H. R. 1657. An act for the relief of Antonio Messina;

H. R. 1699. An act for the relief of Rev. Roger Knutsen;

H. R. 1905. An act for the relief of Montgomery of San Francisco, Inc.;

H. R. 3006. An act for the relief of Ruth Irene Ledermann;

H. R. 5616. An act for the relief of Leon H. Callaway and others;

H. R. 5933. An act for the relief of Herschel D. Reagan; and

H. R. 7554. An act to provide for compensation of certain employees on days when departments or establishments of the Government are closed by administrative order.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 3050. An act to amend the Agricultural Adjustment Act of 1938, as amended.

CIVIL DEFENSE NEED

Mr. EDMONDSON. Mr. Speaker, I ask for unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, I wish that every Member of Congress had been at my side at 10 this morning, when the sirens sounded for the Washington area's A-raid drill in the schools.

I was in one of the fine schools of Maryland, where two of my boys are enrolled, when the drill began. At the principal's request, I walked the halls of the school to inspect the safety measures being taken.

In room after room, little children from 6 to 12 were on their knees, huddled under their classroom desks, their hands clasped about their heads for protection.

For 10 minutes, until the all-clear, they stayed in this position.

It was a saddening and also a chilling sight to watch.

The pitiful inadequacy of those tiny desks as protection for our children is symbolic to me of the deplorable and inexcusable lag of our preparedness program on the home front.

We are not adequately prepared, and all of us in the Government must share the awful responsibility for our unpreparedness.

In the name of God, Mr. Speaker, must we wait until A-bombs and H-bombs begin to fall, before providing adequate and safe emergency shelters for our children? It is shocking evidence of national complacency in a time of great world peril, that construction is not already completed in every target city of our Nation.

The time to act on this national need is not next week, or tomorrow, but today. Tomorrow may be too late.

MRS. JOSETTE L. ST. MARIE—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 432)

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith without my approval, H. R. 6452, 83d Congress, "An act for the relief of Mrs. Josette L. St. Marie."

The bill proposes that Frank P. St. Marie's death in service on March 9, 1943, shall be held and considered to have been in line of duty.

Private St. Marie, then on active service in the United States Army, committed suicide on March 9, 1943, while in confinement because of excessive use of alcoholic beverages. The military department determined that his death was in line of duty, while mentally unsound, and not the result of his own misconduct. The claim of Mrs. Josette L. St. Marie for death compensation as dependent mother was denied by the Veterans' Administration on the ground that death was due to the soldier's own misconduct.

It appears that favorable action by the committees which considered H. R. 6452 was based upon disagreement with the determination of the Veterans' Administration and a belief that the military department's determination is entitled to greater weight and should be controlling. The basic issue in this case involves the adjudicative function of evaluation of evidence to determine whether the soldier's death was in line of duty and not due to his own misconduct for purposes of death compensation. The statutory duty of making such determinations is the sole responsibility of the Veterans' Administration. I am informed that the conclusion of the Veterans' Administration in the case is fully substantiated by the evidence of record, and in my judgment it is unwise to adjudicate individual cases by private legislation.

To prefer this case for special treatment to the exclusion of other similar cases would be unwarranted and discriminatory. In this regard, I am advised that during the past 6 years approximately 1,000 claims for service-connected death compensation in World War II cases alone have been denied on the ground that the veteran's death was due to his own willful misconduct. Further, it is understood that there are no dependents of World War II veterans on the death compensation rolls as a consequence of enactment of a private law. Approval of H. R. 6452 could result in the placing of such a dependent on the mentioned rolls, and possibly retroactively for almost a 9-year period. Thus, its approval would constitute a far-reaching precedent which I cannot justify.

I am opposed to setting aside the principle and rules of administration prescribed in the public laws governing veterans' benefit programs. Uniformity and equality of treatment to all who are similarly situated must be the steadfast rule if the Federal programs for veterans and their dependents are to be operated successfully. Approval of H. R. 6452 would not be in keeping with these principles.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 14, 1954.*

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal, and without objection the bill and message will be referred to the Committee on the Judiciary and ordered printed.

There was no objection.

MRS. ROSE KACZMARCZYK—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 431)

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith, without my approval, H. R. 898, 83d Congresss, "An act for the relief of Mrs. Rose Kaczmarczyk."

The bill would authorize and direct the Secretary of the Treasury to pay to Mrs. Rose Kaczmarczyk the sum of

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$4,344, which represents the service-connected death compensation she would have received for the period June 23, 1944, the day following the date of death of her son, William P. Kaczmarczyk, through April 3, 1951, if claim for such compensation had been filed within 1 year after the death of her son and she had been found to be otherwise eligible.

The evidence discloses that William Paul Kaczmarczyk served in the Army of the United States from June 4, 1942, until his death on June 22, 1944. After receipt of notice from the Department of the Army of the death of the serviceman, the Veterans' Administration, on August 25, 1944, mailed a letter to the mother of the deceased, Mrs. Rose Kaczmarczyk, expressing regret over the death of her son and enclosing an application form for death compensation, which gave instructions for its completion and return to the Veterans' Administration. There was no response to the letter by the mother, or anyone in her behalf, until April 4, 1951, the date of receipt of an application by Mrs. Kaczmarczyk for death compensation. Thereafter, she was awarded death compensation at the rate of $60 per month, effective April 4, 1951, the date of filing such claim with the Veterans' Administration, which is the earliest date from which such benefits are payable under existing law. Payment of such compensation has continued to date.

It appears that favorable action by the committees which considered H. R. 898 was based on the belief that since the claimant could not read English and did not realize her rights, the delay in filing claim should be excused. It is pertinent to note in this connection that on August 11, 1944, the Veterans' Administration sent Mrs. Kaczmarczyk a form for claiming her son's $10,000 national service life insurance, and that her completed claim for that insurance was returned to the Veterans' Administration 5 days later. Mrs. Kaczmarczyk was thereafter awarded payments for life in the amount of $66.50 per month, beginning June 22, 1944.

Further, it is indicated in the committee reports that had Mrs. Kaczmarczyk filed a timely application for death compensation she would have been entitled to compensation in the sum stated in the bill for the period from June 23, 1944, through April 3, 1951. In order to have been eligible for compensation during the stated period, Mrs. Kaczmarczyk, in addition to filing a timely claim, would have had to establish that she was the dependent mother of the veteran during that period. I am informed that she has not submitted to the Veterans' Administration evidence—and it is not known whether she is in a position to do so—to establish that during the almost 7-year period under consideration she was in dependent circumstances.

The report of the Senate committee also states their belief that the situation here involved is unique and would not constitute a precedent for future claims. To the contrary, I am informed that there are many other claimants for death compensation benefits, who, like Mrs. Kaczmarczyk, by reason of inaction on their part within the period established by law, are not entitled to retroactive awards of death compensation. To approve this bill therefore would obviously be discriminatory. As I have stated in the past, it is unwise to set aside the principles and rules of administration prescribed in the general laws governing veterans' benefit programs. Uniformity and equality of treatment to all who are similarly situated must be the steadfast rule if the Federal programs for veterans and their dependents are to be operated successfully.

For the foregoing reasons, I am unable to approve H. R. 898, which would authorize payment of compensation from a date almost 7 years earlier than the date authorized by the general law and in a case where the evidence of record fails to establish that the claimant is otherwise eligible.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 14, 1954.*

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal, and without objection the bill and message will be referred to the Committee on the Judiciary and ordered printed.

There was no objection.

DISTRICT OF COLUMBIA BUSINESS

The SPEAKER pro tempore. This is District of Columbia day. The Chair recognizes the gentleman from Iowa [Mr. TALLE].

DISTRICT OF COLUMBIA LAW ENFORCEMENT ACT OF 1953

Mr. TALLE. Mr. Speaker, I call up the bill (H. R. 9077) to amend section 405 of the District of Columbia Law Enforcement Act of 1953, to make available to the judges of such District the psychiatric and psychological services provided for in such section, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 405 of the District of Columbia Law Enforcement Act of 1953 is amended by inserting immediately before "probation officers" the following: "judges of the district court and the."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMIT INVESTMENT OF FUNDS OF INSURANCE COMPANIES

Mr. TALLE. Mr. Speaker, I call up the bill (H. R. 8974) to permit investment of funds of insurance companies organized within the District of Columbia in obligations of the International Bank for Reconstruction and Development and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 35 (1) of chapter III of the act of June 19, 1934 (48 Stat. 1152), as amended (D. C. Code, title 35, sec. 535 (1)), is amended to read as follows:

"(1) Bonds, notes, or other evidences of indebtedness of the United States, any State, Territory, or possession of the United States, the District of Columbia, the Dominion of Canada, any Province of the Dominion of Canada, or of any administration, agency, authority or instrumentality of any of the political units enumerated; or obligations issued or guaranteed as to principal and interest by International Bank for Reconstruction and Development."

SEC. 2. Section 18 (1) of chapter II of the act of October 9, 1940 (54 Stat. 1072; D. C. Code, title 35, sec. 1321 (1)), is amended to read as follows:

"(1) Bonds or other evidences of indebtedness of the United States, or of any State; or of the Dominion of Canada, or of any Province thereof; or obligations issued or guaranteed as to principal and interest by International Bank for Reconstruction and Development."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAYMENT OF CERTAIN TRUST ACCOUNTS TO BENEFICIARY ON DEATH OF TRUSTEE BY SAVINGS AND LOAN, AND SIMILAR ASSOCIATIONS IN DISTRICT OF COLUMBIA

Mr. TALLE. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 8692) to permit the payment of certain trust accounts to the beneficiary on the death of the trustee by savings and loan, and similar associations in the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 4 of the act entitled "An act relating to banking, banks, and trust companies in the District of Columbia, and for other purposes," approved April 5, 1939 (D. C. Code, sec. 26-204), is amended to read as follows:

"SEC. 4. Whenever a deposit, savings account, or share account, which is in form in trust for another, shall be made or held by any person in any bank, trust company, savings and loan association, building association, building and loan association, or Federal savings and loan association, doing business in the District of Columbia, and no other or further notice of the existence and terms of a legal and valid trust shall have been given in writing to such bank, trust company, or other association, such deposit, savings account, or share account, or any part thereof, together with the dividends, or interest thereon, may, in the event of the death of the trustee, be paid to the person for whom such deposit, savings account, or share account was made or held, or to his legal representative."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING PARAGRAPH 31 OF SECTION 7 OF DISTRICT OF COLUMBIA APPROPRIATION ACT FOR FISCAL YEAR 1903

Mr. TALLE. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 8973) to amend paragraph 31 of section 7 of the act entitled "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That subparagraph (e) of paragraph 31 of section 7 of the act entitled "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended (47 Stat. 556; sec. 47–2331 (e), D. C. Code, 1951 ed.), is amended (a) by striking so much of the first sentence of said subparagraph (e) as reads "and a badge numbered to correspond with the number of said license, neither of which shall", and inserting in lieu thereof ", which shall not"; and (b) by striking so much of the second sentence of said subparagraph as reads "and such badge prominently worn upon the driver's breast at all times while", and inserting in lieu thereof "at all times while the licensee is."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING ACT TO REGULATE THE HEALING ART

Mr. HYDE. Mr. Speaker, by direction of the Committee on the District of Columbia I call up the bill (S. 2657) to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 39 of the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," approved February 27, 1929 (45 Stat. 1338, as amended, sec 2–130, D. C. Code, 1951 edition), is amended to read as follows:

"SEC. 39. (a) Any person violating the provisions of this act, except section 2 hereof, shall be punished by a fine of not more than $100 or by imprisonment for not more than 90 days, or by both such fine and imprisonment.

"(b) Any person violating the provisions of section 2 of this act shall be punished, for the first offense, by a fine of not more than $500 or by imprisonment for not more than 6 months, or both such fine and imprisonment; for the second offense, by a fine of not more than $1,000 or by imprisonment for not more than 1 year, or by both such fine and imprisonment; and for the third and subsequent offenses, by a fine of not more than $5,000 or imprisonment for not more than 5 years, or by both such fine and imprisonment.

"(c) For the purposes of subsection (b) of this section, an offender shall be considered a second or subsequent offender, as the case may be, if he previously has been convicted of the offense of practicing medicine or the healing art without a license, either in the District of Columbia or in any of the States or Territories of the United States. After an offender has been convicted of the violation of the provisions of section 2 of this act, but prior to pronouncement of sentence, the court shall be advised by the United States attorney whether the conviction is the offender's first or a subsequent offense. If it is not a first offense, the United States attorney shall file an information setting forth the prior conviction or convictions. The offender shall have the opportunity in open court to affirm or deny that he is identical with the person previously convicted. If he denies the identity, sentence shall be postponed for such time as to permit a trial before a jury on the sole issue of the offender's identity with the person previously convicted. If the offender is found by the jury to be the person previously convicted, or if he acknowledges that he is such person, he shall be sentenced as prescribed in subsection (b) of this section."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 86, REVISED STATUTES OF THE UNITED STATES

Mr. O'HARA of Minnesota. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1004) to amend section 86, Revised Statutes of the United States relating to the District of Columbia, as amended, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 86, Revised Statutes of the United States relating to the District of Columbia, as amended (sec. 1–316, D. C. Code, 1951 edition), is amended (a) by striking therefrom the words "person convicted of bribery, perjury, or other infamous crime, nor any", and (b) by adding at the end thereof the following: "Except upon the written approval of the Commissioners, or of an official or officials of the District acting pursuant to rules and regulations issued by the Commissioners, no person who has been convicted of a felony in the District of Columbia or of an offense in any other jurisdiction which, if committed in the District, would be a felony, shall be employed in or by the government of the District of Columbia or any agency thereof."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING COMMISSIONERS OF DISTRICT OF COLUMBIA TO SELL CERTAIN PROPERTY

Mr. O'HARA of Minnesota. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 2654) to authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Montgomery County, Md., and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia are hereby authorized and empowered, in their discretion, for the best interests of the District of Columbia, to sell and convey, in whole or in part, to the highest bidder at public or advertised sale, real estate now owned in fee simple by the District of Columbia consisting of approximately seventeen and seventeen one-hundredths acres of land located in Montgomery County, in the State of Maryland, and described in two certain deeds, namely, (1) a deed made November 7, 1898, from Damaris A. Sellman and Frederick O. Sellman to the District of Columbia, recorded on November 21, 1898, in liber T. D. No. 6, folio 238, one of the land records of Montgomery County, Md., and (2) a deed made April 1, 1899, from Damaris A. Sellman and Frederick O. Sellman to the District of Columbia, recorded April 12, 1899, in liber T. D. numbered 8, folio 141, one of the land records of Montgomery County, Md.

SEC. 2. The said Commissioners are further authorized to pay the reasonable and necessary expenses of sale of each parcel of land sold pursuant to the provisions of this act, and shall deposit the net proceeds thereof in the Treasury of the United States to the credit of the District of Columbia.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MERGER OF COLUMBUS UNIVERSITY OF WASHINGTON, D. C., INTO THE CATHOLIC UNIVERSITY OF AMERICA

Mr. O'HARA of Minnesota. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 3213) relating to the merger of the Columbus University of Washington, D. C., into the Catholic University of America, pursuant to an agreement of the trustees of said universities, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the merger of the Columbus University of Washington, D. C., a corporation organized under the provisions of subchapter 1 of chapter 18 of the Code of Laws of the District of Columbia, 1901 edition, which incorporation was altered and confirmed by acts of Congress approved June 11, 1934, and June 18, 1953, into the

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Catholic University of America, a corporation organized under the provisions of class 1, chapter 18, of the Revised Statutes of the United States relating to the District of Columbia, which incorporation was altered and confirmed by act of Congress approved April 3, 1928, be, and the same is hereby, approved and confirmed.

SEC. 2. The Columbus University shall upon the approval of this act convey its real and personal property, including any trusts or endowment funds which it has or enjoys, to the Catholic University of America, to be used by it for the students thereof to the same extent and for the same purposes that Columbus University and its students have used or enjoyed the same, or for the general purposes of the said Catholic University of America.

SEC. 3. After the completion of the merger herein provided and after the law students presently enrolled in the Columbus University have completed their courses, but not later than June 15, 1957, the said Columbus University shall be dissolved and no longer operate as an educational institution, and thereafter the law school of the Catholic University of America shall be known as the Columbus School of Law of the Catholic University of America.

SEC. 4. Nothing in this act contained shall be so construed as to prevent Congress from altering, amending, or repealing the same.

Mr. McCORMACK. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I want to congratulate the committee on reporting out this bill. I introduced a companion bill in the House. It is the Senate bill that is before us. The passage of this bill, of course, will complete legislative action.

The purpose of this bill is to approve and confirm the merger of the Columbus University of Washington, D. C., into the Catholic University of America. After the completion of the merger, as provided by this act, and after the law students presently enrolled in the Columbus University have completed their courses, but not later than June 15, 1957, Columbus University shall be dissolved and no longer operate as an educational institution. Thereafter the law school of Catholic University will be known as the Columbus School of Law of the Catholic University of America.

Provision is made for the Columbus University to convey its real and personal property, including any trusts or endowment funds which it has or enjoys, to the Catholic University of America.

This proposed merger has been under consideration for several years by the respective boards of trustees, and it was mutually decided that the merger would be to the benefit and best interests of both institutions, particularly in the field of law. Catholic University has for a long time desired a downtown location for its law school, and it is felt this merger will place the law school in a better financial position and enable the school to give greater service in the field of legal education.

Under date of December 19, 1953, an agreement was entered into between Columbus University of Washington, D. C., Inc., and Catholic University of America, Inc., by duly constituted representatives of both institutions.

The bill was ordered to be read a third time, and was read the third time, and passed, and a motion to reconsider was laid on the table.

ASSESSMENT OF REAL ESTATE, DISTRICT OF COLUMBIA

Mr. O'HARA of Minnesota. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 7128) to amend the act entitled "An act to provide an immediate revision and equalization of real-estate values in the District of Columbia; also to provide an assessment of real estate in said District in the year 1896 and every third year thereafter, and for other purposes," approved August 14, 1894, as amended, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to provide an immediate revision and equalization of real-estate values in the District of Columbia; also to provide an assessment of real estate in said District in the year 1896 and every third year thereafter, and for other purposes," approved August 14, 1894 (28 Stat. 282, as amended; sec. 47–604, D. C. Code, 1951 edition) is amended (a) by inserting after the word "Columbia" where it appears the second time in the first sentence of said section the words "Metropolitan Area"; and (b) by inserting between the first and second sentences of said section the following: "For the purposes of this act, the term 'District of Columbia Metropolitan Area' means the District of Columbia, the cities of Alexandria and Falls Church and the counties of Arlington and Fairfax in Virginia, and the counties of Montgomery and Prince Georges in Maryland.

"The Commissioners of the District of Columbia shall appoint six discreet persons, who shall be conversant with real estate values in the District of Columbia, as a permanent board of assistant assessors. Such appointees shall have been bona fide residents of the District of Columbia for a period of at least 5 years, except that 2 of such appointees may be persons who have been bona fide residents of the District of Columbia Metropolitan Area for a period of at least 5 years."

(b) Section 2 of such act of August 14, 1894, as amended, is further amended by adding at the end thereof the following new sentence: "For the purposes of this act, the term 'District of Columbia Metropolitan Area' means the District of Columbia, the cities of Alexandria and Falls Church and the counties of Arlington and Fairfax in Virginia, and the counties of Montgomery and Prince Georges in Maryland."

With the following committee amendment:

Strike out all after the enacting clause and include in lieu thereof the following: "That (a) the first sentence of section 2 of the act entitled 'An act to provide an immediate revision and equalization of real-estate values in the District of Columbia; also to provide an assessment of real estate in said District in the year 1896 and every third year thereafter, and for other purposes,' approved August 14, 1894 (28 Stat. 282, as amended; sec. 47–604, D. C. Code, 1951 edition) is amended to read as follows:

" 'The Commissioners of the District of Columbia shall appoint six discreet persons, who shall be conversant with real-estate values in the District of Columbia, as a permanent board of assistant assessors. Such appointees shall have been bona fide residents of the District of Columbia for a period of at least 5 years, except that two of such appointees may be persons who have been bona fide residents of the District of Columbia Metropolitan Area for a period of at least 5 years.'

"(b) Section 2 of such act of August 14, 1894, as amended, is further amended by adding at the end thereof the following new sentence:

" 'For the purposes of this act, the term "District of Columbia Metropolitan Area" means the District of Columbia, the cities of Alexandria and Falls Church, and the counties of Arlington and Fairfax in Virginia, and the counties of Montgomery and Prince Georges in Maryland.' "

Mr. McMILLAN. Mr. Speaker, I move to strike out the last word in order to ask if the gentleman from Minnesota will take a minute to explain the bill.

Mr. O'HARA of Minnesota. Mr. Speaker, in reply to the inquiry of the gentleman from South Carolina, permit me to say to him and to the House that this is to permit the District of Columbia to hire up to two assessors who are not residents of the District of Columbia. The law as presently existing prohibits the hiring of such assessors. The assessor here states that he is having some difficulty in obtaining people who are skilled in assessing and who are residents of the District. The amendment that was just read limits the number of assessors not residents of the District of Columbia but who may be hired by the District of Columbia to two. Does that answer the gentleman's inquiry?

Mr. McMILLAN. Yes. I thank the gentleman.

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VETERANS OF FOREIGN WARS OF THE UNITED STATES

Mr. O'HARA of Minnesota. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 7132) to exempt from taxation certain property of the Veterans of Foreign Wars of the United States in the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the property situated in square 724 in the city of Washington, D. C., described as lots 819, 820, 821, 822, 823, and 824, owned by the Veterans of Foreign Wars of the United States, is hereby exempt from all taxation so long as the same is owned and occupied by the Veterans of Foreign Wars of the United States and is not used for commercial purposes, subject to the provisions of sections 2, 3, and 5 of the act entitled "An act to define the real property exempt from taxation in the District of Columbia," approved December 24, 1942 (56 Stat. 1091); D. C. Code, secs. 47–801b, 47–801c, and 47–801e).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROHIBITING PICKETING IN VICINITY OF WHITE HOUSE

Mr. O'HARA of Minnesota. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 9344) to prohibit picketing in the immediate vicinity of the White House, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That it shall be unlawful (1) to parade, stand, or move in processions or assemblages, on any of the sidewalks immediately adjacent to and bordering on the grounds of the White House for the purpose of influencing the actions of any court, officer, or agency of the United States, or (2) to display any flag, banner, or device on any of such sidewalks for such purpose.

SEC. 2. Whoever knowingly violates any provision of this act shall be fined not more than $100 or imprisoned not more than 60 days, or both, prosecution for such offenses to be had in the municipal court for the District of Columbia, upon information by the United States Attorney or any of his assistants.

With the following committee amendments:

Page 1, beginning on line 4, strike out "immediately adjacent to and bordering on the grounds of the White House" and insert "or streets described in section 2 of this act."

Page 1, line 9, immediately after "walks", insert "or streets."

Page 1, after line 9, insert:

"SEC. 2. The sidewalks referred to in the first section of this act are the following: (1) The east and west sidewalks of East Executive Avenue and West Executive Avenue, between Pennsylvania Avenue and South Executive Avenue, and (2) any of the sidewalks which border on Pennsylvania Avenue or South Executive Avenue, between East Executive Avenue and West Executive Avenue. The streets referred to in the first section of this act are the sections of Pennsylvania Avenue, East Executive Avenue, West Executive Avenue, and South Executive Avenue which border on the sidewalks described in clauses (1) and (2) of the preceding sentence."

Page 1, line 10, strike out "SEC. 2." and insert "SEC. 3."

Mr. O'HARA of Minnesota. Mr. Speaker, there were two bills introduced, the first one by our colleague the gentleman from Texas [Mr. GENTRY], and subsequently, one introduced by our colleague the gentleman from Florida [Mr. ROGERS]. The committee finally made some amendments to the legislation, as suggested, and has reported out the bill, H. R. 9344, which is a substitute bill offered by our colleague the gentleman from Texas [Mr. GENTRY]. It follows rather generally the language of the act prohibiting picketing of the Embassies, the Capitol grounds and the Supreme Court. I want to pay a compliment to my colleague the gentleman from Texas [Mr. GENTRY] and our colleague the gentleman from Florida [Mr. ROGERS], for their authorship of this legislation.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA RETIRED POLICEMEN, FIREMEN, AND TEACHERS

Mr. KEARNS. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 7853) to permit retired policemen, firemen, and teachers of the District of Columbia to waive all or part of their annuities, relief, or retirement compensation, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That any person entitled to relief or retirement compensation pursuant to the provisions of section 12 of the act approved September 1, 1916 (39 Stat. 718), as amended (title 4, ch. 5, D. C. Code, 1951 edition), or any person entitled to annuity pursuant to the provisions of the act approved January 15, 1920 (41 Stat. 387), as amended, or the act approved August 7, 1946 (60 Stat. 875), as amended, may decline to accept all or any part of such relief, retirement compensation, or annuity by a waiver signed and filed with the Commissioners of the District of Columbia or their designated agent. Such waiver may be revoked in writing at any time, but no payment of the relief, retirement compensation or annuity waived shall be made covering the period during which such waiver was in effect.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROPOSED POTOMAC RIVER BRIDGE AT JONES POINT, VA.

Mr. KEARNS. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 1980) and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That (a) the Commissioners of the District of Columbia (referred to hereinafter as "the Commissioners") are authorized and directed to construct, maintain, and operate a four-lane bridge over the Potomac River, from a point at or near Jones Point, Va., across a certain portion of the District of Columbia, to a point in Maryland, together with bridge approaches and roads connecting such bridge and approaches with streets, park roads, and highways in Virginia, Maryland, and the District of Columbia.

(b) The bridge shall be of deck girder structure with a swing span having a 150-foot horizontal clearance on each side of the pivot pier and a 70-foot vertical clearance above mean low water, and shall be constructed in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906 (33 U. S. C., secs. 491–498), and subject to the conditions and limitations in this act.

(c) The Commissioners shall request recommendations and suggestions of the National Capital Planning Commission relative to the design of the bridge, approaches, and connecting roads.

SEC. 2. (a) The Federal agencies having control and jurisdiction over lands at or near the site of the bridge shall transfer to the Commissioners, upon their request, any such lands to be occupied by the bridge, approaches, or connecting roads, all as more particularly described in plans of such bridges, approaches, and connecting roads to be approved by the Commissioners, the Commissioner of Public Roads, Department of Commerce, the Department of Highways, State of Virginia, and the State Roads Commission of the State of Maryland.

(b) The Commissioners may acquire by purchase or by condemnation any and all lands, not under Federal jurisdiction or control, in the State of Virginia or the State of Maryland needed for such bridge, approaches, and connecting roads, title to such land to be taken directly to and in the name of the United States. In case a price satisfactory to the Commissioners cannot be agreed upon for the purchase of such land or in case the title cannot be made satisfactory to the Attorney General of the United States, then the latter is directed to procure such land by condemnation, and the expenses of procuring evidence of title, or condemnation, or both, shall be paid from funds made available for the purposes of this act. Jurisdiction and control over any land acquired under the authority of this act shall be transferred to the District of Columbia.

SEC. 3. (a) The Commissioners may make such use of federally owned and controlled lands at or adjacent to the site of the bridge as may be necessary for making borings, performing other preliminary work, routing and rerouting traffic, constructing such bridge, approaches, and connecting roads, and storing materials incident to such preliminary work and to actual construction.

(b) The Commissioners may route and reroute and cause the routing and rerouting of traffic on, and close or cause to be closed, streets, roads, and highways under the jurisdiction of the United States, and negotiate for the closing of streets, roads, and highways by contact with Virginia and Maryland authorities, when necessary in connection with the preparation of plans for, and during the actual construction of, the bridge, approaches, and connecting roads.

SEC. 4. The cost of construction, reconstruction, and repair of all roads which are changed or made necessary as an incident to the construction of the bridge, approaches, and connecting roads, when approved by the Commissioners of the District of Columbia, the Commissioner of Public Roads, the Department of Highways, State of Virginia, and the State Roads Commission of the State of Maryland, shall be paid out of funds made available for the purposes of this act.

SEC. 5. (a) If requested by the Commissioners, the National Park Service shall remove any planting materials and recreational facilities within the area or areas to be used for the bridge, approaches, and connecting roads, or for construction purposes. The Commissioners may regrade the areas involved so as to conform with plans to be approved by them, the Commissioner of Public Roads, the Department of Highways, State of Virginia, and the State Roads Commission of the State of Maryland.

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(b) Upon completion of the bridge, approaches, and connecting roads and the regrading of the areas, or prior thereto, when authorized by the Commissioners, and when such operation or operations will not interfere with the construction of the bridge, approaches, and connecting roads, the National Park Service shall landscape such areas in accordance with the plans of the National Park Service approved by the Commissioners and by the Commissioner of Public Roads. The cost of such landscaping shall be paid out of funds made available for the purposes of this act.

SEC. 6. The sum of $20,000,000 is hereby authorized to be appropriated to carry out the provisions of this act.

SEC. 7. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Strike all after the enacting clause and insert the following: "That (a) the Commissioners of the District of Columbia (referred to hereinafter as 'the Commissioners') are authorized and directed to construct, maintain, and operate a six-lane bridge over the Potomac River, from a point at or near Jones Point, Va., across a certain portion of the District of Columbia, to a point in Maryland, together with bridge approaches on property owned by the United States in the State of Virginia.

"(b) The bridge shall be of deck girder structure with a swing span having a 150-foot horizontal clearance on each side of the pivot pier and a 70-foot vertical clearance above mean low water, and shall be constructed in accordance with the provisions of the act entitled 'An act to regulate the construction of bridges over navigable waters,' approved March 23, 1906 (33 U. S. C., secs. 491–498), and subject to the conditions and limitations in this act.

"(c) The Commissioners shall request recommendations and suggestions of the National Capital Planning Commission relative to the design of such bridge and approaches.

"SEC. 2. (a) Any Federal agency having control and jurisdiction over any land at or near the site of the bridge shall transfer to the Commissioners, upon their request, any such lands to be occupied by the bridge or approaches thereto.

"(b) The Commissioners may acquire by purchase or by condemnation any land in the State of Maryland, not under Federal jurisdiction or control, needed for the construction of such bridge, title to such land to be taken directly to and in the name of the United States. In case a price satisfactory to the Commissioners cannot be agreed upon for the purchase of such land or in case the title cannot be made satisfactory to the Attorney General of the United States, then the latter is directed to procure such land by condemnation, and the expenses of procuring evidence of title, or condemnation, or both, shall be paid from funds made available for the purposes of this act. Jurisdiction and control over any land acquired under the authority of this act shall be transferred to the District of Columbia.

"SEC. 3. (a) The Commissioners may make such use of lands owned or controlled by the United States, at or adjacent to the site of the bridge, as may be necessary for making borings, performing other preliminary work, routing and rerouting traffic, constructing such bridge, approaches, and connecting roads, and storing materials incident to such preliminary work and to actual construction.

"(b) The Commissioners may route and reroute and cause the routing and rerouting of traffic on, and close or cause to be closed, streets, roads, and highways under the jurisdiction of the United States, and negotiate for the closing of streets, roads, and highways by contact with Virginia and Maryland authorities, when necessary in connection with the preparation of plans for, and during the actual construction of, the bridge.

"SEC. 4. Notwithstanding any other provision of this act, the Commissioners shall not begin construction of the bridge above referred to until the State of Virginia and the State of Maryland have taken such steps as the Commissioners deem adequate to give assurances that there will be constructed and maintained, by and in such States, such approaches to such bridge as will be reasonably adequate to make possible the full and efficient utilization of such bridge.

"SEC. 5. The sum of $14,925,000 is hereby authorized to be appropriated to carry out the provisions of this act.

"SEC. 6. The right to alter, amend, or repeal this act is hereby expressly reserved."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. KEARNS. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks on this legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BROYHILL. Mr. Speaker, we have before us today a measure that is of vital interest to the greater Washington area. The Jones Point Bridge, if approved by this distinguished body of legislators, will not only benefit the citizens of Virginia and the District of Columbia, it will also be an important national defense adjunct, providing another means of meeting some of the requirements of Civil Defense Administration.

It is my hope and expectation that the adoption of this measure, which I confidently predict, will be the beginning of the fulfillment of the crying necessity for additional bridges to serve the needs of the people in this area and the Nation. To me the Jones Point Bridge is just a beginning—a recognition, if you please, Mr. Speaker, by the Congress of desperate highway and bridge problems confronting this area. Perhaps next year we will realize our dream of a centrally located span and even, perhaps, another bridge to alleviate the present situation.

Please understand, Mr. Speaker, that I am not minimizing the importance of the Jones Point Bridge. A bridge at that point just below the historic city of Alexandria has been needed for many years. It would provide a complete Washington bypass for those vehicles destined for Maryland and the North and East. But perhaps most of all it is needed to relieve the tremendous truck congestion on the streets of Washington. Such relief would provide better and less hazardous traffic conditions not only for the citizens of the District of Columbia, but for the citizens of my own congressional district who work and find much of their recreation in this city. It would likewise serve those citizens of Maryland who find that driving their automobiles on the streets of Washington entails considerable peril.

May I be permitted to point out to my distinguished colleagues that if this measure authorizing a bridge at Jones Point is passed today and the Senate in turn acts favorably to the extent that the bridge becomes a reality, a tremendous load of traffic, both truck and passenger, will not enter Washington at all. They will pass across the proposed span just south of Alexandria, enter Maryland, and proceed on their way to northern and eastern parts of the Nation.

May I be permitted also to point out to my colleagues that the bridge, in the unhappy event of an enemy attack, will provide another means of communication so vital to America's welfare.

We are miserably short of such lines of communications in this area. That is why I have sponsored this measure, just as I have sponsored other measures which would provide additional bridges at other points connecting Washington with nearby Virginia. In my considered opinion, these bridges are essential to the successful evacuation of the Nation's Capital in wartime. In peacetime they provide transportation facilities which will relieve and expedite traffic in the greater Washington area.

Mr. Speaker, this measure—the Jones Point bridge proposal—is an important start toward that desirable achievement. I sincerely believe that it will be given favorable consideration here today.

The District of Columbia Subcommittee on Public Service, Streets and Traffic conducted extensive hearings on the subject of bridges across the Potomac River for 2 or 3 weeks. The testimony presented and information conveyed by the witnesses was based on many months of thorough study and planning and not on a sudden impulse, whim, or desire of having additional bridges constructed. The testimony brought out conclusively that additional bridges were needed across the Potomac River. The traffic now crossing existing bridges amounts to approximately 225,000 vehicles a day which is a greater volume of traffic than any other river crossing in the world for the number of traffic lanes available. This problem is getting worse every day. It is estimated that by 1970 the number of vehicles crossing the river will increase to 325,000. The 14th Street bridge today has more crossings than any other bridge in the world.

As mentioned before, this need is clearly established without ever taking into consideration the vital civil defense aspect. Therefore, action must be taken immediately to correct this deplorable condition.

It was also established that at least three additional bridges were needed across the Potomac River. One in the central area and two around the perimeter. The subcommittee was unable to arrive at a conclusion as to where the central area bridge should be located since there was wide area of disagreement among the experts who testified. However, all witnesses were in agreement to the fact that the Jones Point location would serve as one of the perimeter bridges. The subcommittee unanimously approved the Jones Point bridge without taking positive or negative action as to the location of a central area bridge.

With respect to the cost, we must take into consideration that three jurisdictions are involved; namely, the State of Virginia, the State of Maryland, and the

District of Columbia. Congress, as a city council for the District of Columbia, must recognize that not only does this problem exist but they have a responsibility in taking the initiative, working out a solution, and sharing this cost. In fact the Federal Government should bear the major share due to the extensive activities of the Federal Government in the area on which the surrounding communities receive no revenue. I have provided in H. R. 1980 for the Federal Government to pay $14,925,000 for the main span itself and for the two States and surrounding communities to pay the cost for all approaches, highways, and streets leading thereto. It is very difficult to estimate the exact cost of the approaches to the bridge since many of the highways and streets in the surrounding communities will contribute to the orderly flow of traffic to and from the bridge. However, the direct cost for additional approaches as a result of the bridge will cost the surrounding communities and States several millions of dollars more than the cost of the span itself. Therefore, I can say that the States are paying their fair share and the Federal Government will not be paying more than it should. As mentioned before, the problem before us now is getting more acute every day. Further delay will make a solution even more difficult and costly. We know that the bridges are needed; we know that Jones Point is a proper location; we know the Federal Government is responsible for a certain portion of the cost. We know that something must be done. Therefore, I respectfully urge a unanimous approval of this bill in order that we may start on an orderly solution to these problems.

THE LATE HONORABLE CHARLES FRANCIS ADAMS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, to be thought of as the first citizen of one's home community and held high in esteem and respect constitutes an achievement in life equal to any honor than can be given by one's fellow men. Charles Francis Adams, a distinguished gentleman of a distinguished American family, was the first citizen of Boston and of Massachusetts.

Although he was never President of the United States as was his great-great-grandfather and his great-grandfather, and although he was never Governor of Massachusetts as were some of his forebears, nevertheless, he reached the pinnacle of man's respect for man and seemed to occupy a place in the hearts of all. He was a fine individual without attempting to be fine. He was an honorable gentleman without seeking honor.

Standing out vividly, his whole life represents a complete description of the meaning of the word "citizen" in this modern age. He was always on the side of right and was a champion of every act that would strengthen right in its constant struggle against evil. The tremendous number of activities in which he engaged is forceful testament of the strength and energy and devotion within his heart and mind to do all that was humanly possible for the benefit of mankind everywhere regardless of the individual's station in life. To Charles Francis Adams any human being anywhere represented the work of God, and therefore, commanded primary attention at all times.

As a director or officer of over 50 corporations, his judgment and wise council and friendly manner left its mark on our business world. As the treasurer of Harvard University for more than three decades, he molded the pattern of the financial foundation of this great national and international university which, indeed, is an invaluable asset of our American Nation. As a philanthropist, his great name is associated with almost every worthy undertaking. Always he found in his busy day just a little more time for another request for his help.

In 1929, Charles Francis Adams was appointed Secretary of the Navy by President Hoover, and in those days, the Secretary of the Navy was a primary officer in the Cabinet of the President of the United States. It is not necessary for me to describe in detail at this time his many accomplishments for the United States Navy. Above and beyond the things he did is the fact that he was held in the highest respect in the hearts of every naval man from seaman to admiral. In those days the men in the Navy were inspired. In those days Navy morale was solid all the way through. He was beloved by the whole Navy because he knew the discipline of the sea. Having won the Atlantic Cup several times, he was appreciative of the temperament required in the mastery of the sea.

Mr. Speaker, those of us here now who served in the Congress when Charles Francis Adams was Secretary of the Navy knew of his great worth, his great value to his State and his country, his broad background, exceptional ability, and friendly cooperation. During the 4 years Mr. Adams was the Secretary of the Navy, I came to him with many problems and with many requests seeking his help, his cooperation, and his counsel. In all of those times I was warmly received and given complete cooperation in every way. Here was a high official of Government who always tried to find a way to do that which was requested instead of marshaling a coterie of lawyers together to devise ways and reasons for opposing a request. Always when I took to him a request, Secretary Adams focused his attention upon its merits rather than its demerits. He was concerned with how to do something rather than with how not to do it. He was a positive man rather than a negative one.

Possessing a great mind, Secretary Adams possessed the quiet confidence of a man sure and unafraid of his decisions. Everyone who is engaged in public service today and who holds public office now or in the future would profit himself tremendously by a thorough study of the principles and methods of conduct and service of Charles Francis Adams.

True to the traditions of his famous family, Charles Francis Adams added a distinguished chapter to the powerful imprint on American history made by his outstanding and fascinating family. Because of his life, our America is a greater and finer country. He has added greatly to the luster and respect of the Adams family of Massachusetts. He has left a charming and delightful wife and a splendid son and fine daughter. He was a strong Republican, a faithful Christian, and a loyal American. He was buried in the historic Church of the Presidents in Quincy, Mass., wherein are buried his distinguished ancestors, John Adams and John Quincy Adams, former Presidents of the United States.

Now that his distinguished life has ended and his work is finished, he leaves with us a golden memory of principle, of character, of accomplishment, of courtesy, of fineness which we in our earthly wisdom call greatness.

Mr. McCORMACK. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I will be glad to yield.

Mr. McCORMACK. The death of Charles Francis Adams is a very sad one, not only to Boston and the Commonwealth of Massachusetts but to our Nation.

I first met Charles Francis Adams shortly after I came to Congress, in about 1929. He was then Secretary of the Navy. There developed between us a friendship that has lasted throughout the years. I entertained the deepest respect possible for Charles Francis Adams.

A member of one of the most prominent families in American history, a descendant in a direct line of two Presidents of the United States, he did not rest upon the laurels of his forebears, but he was a great man in his own right. He was a contributor to progress. Charles Francis Adams was not only an outstanding citizen but he was a leader in the field of understanding and progress in every other direction. His love of our institutions and the ideals for which our country stands was evidence on innumerable occasions during his lifetime.

Charles Francis Adams not only led a productive and constructive life but he was a symbol for others to follow.

I join with the gentlewoman from Massachusetts [Mrs. ROGERS] in expressing regret at the passing of this great man, and I also extend my profound sympathy to the loved ones that he left behind.

Mrs. ROGERS of Massachusetts. The gentleman has so truly spoken of Charles Francis Adams. While I mourn his passing more than I can say, I rejoice that there was a life like his as a beacon for all of those who follow after.

Mr. McCORMACK. Everyone who knew Charles Francis Adams is a better person because they knew him.

Mrs. ROGERS of Massachusetts. Yes, to know him was to be inspired. His cooperative spirit, his constant effort to help others, his countless accomplishments for the benefit of his fellowmen, his day-to-day modesty and the warmth

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of his friendship represents the monument which will stand forever among the generations ever streaming into the present.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. Mr. Speaker, I have known and admired Charles Francis Adams for almost half a century. I have a deep sense of personal loss in his death.

Born in 1866 in the historic city of Quincy, Mass., the birthplace of two Presidents of the United States, John Adams, his great, great grandfather, and John Quincy Adams, his great-grandfather, in the congressional district which I have the honor to represent, the grandson of Charles Francis Adams, American Minister to Great Britain during the Civil War, he was destined to play a great part in his community, in his State, and in the Nation.

He served for 2 years as a member of the city council and for 2 years as the mayor of his native city.

In private life he served as a lawyer, as a banker, as a director of many businesses, as treasurer and as president of the Alumni Association of Harvard University for a total of 32 years, and as a moving spirit in many charitable and philanthropic undertakings.

Under President Hoover he served for 4 years as Secretary of the Navy.

He lived up to the great traditions of a great American family.

He was known and respected in all walks of life.

He was often referred to as "the first citizen of Massachusetts."

I knew him well in my college days as an older graduate and friend.

I knew him also on the salt water which he loved, as the successful skipper of all sizes of sailboats, including the cup defender *Resolute*, which he sailed to victory in the international races in 1920.

He helped me when I first ran for Congress.

He was always ready to give wise, kind, and helpful advice, as he did to so many others who trusted him.

He will be greatly missed by a wide circle of devoted friends and admirers.

I join in heartfelt sympathy to Mrs. Adams and to all those close to him. They will always, I know, take pride and satisfaction in his outstanding life of service to his fellow Americans.

CALENDAR WEDNESDAY

Mr. ARENDS. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday next may be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

SPECIAL ORDERS GRANTED

Mr. RABAUT asked and was given permission to address the House for 10 minutes today, following the legislative business of the day and any special orders heretofore entered.

Mr. FISHER asked and was given permission to address the House for 20 minutes today, following any special orders heretofore entered.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1955

Mr. WILSON of Indiana. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9517) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1955, and for other purposes; and pending that I ask unanimous consent that general debate on the bill be limited to 1 hour, to be equally divided and controlled by the gentleman from Arkansas [Mr. NORRELL] and myself.

Mr. NORRELL. Mr. Speaker, reserving the right to object, I wonder if we could have an understanding that should there be a roll call on final passage, the roll call would go over until tomorrow?

Mr. WILSON of Indiana. I believe we have made that tentative agreement. I do hope, however, that we can get the bill in such condition during general debate and under the 5-minute rule that it can be passed without a roll-call vote.

Mr. NORRELL. Mr. Speaker, with that understanding I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9517, with Mr. MCGREGOR in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the consent agreement as to general debate the gentleman from Indiana will be recognized for 30 minutes and the gentleman from Arkansas for 30.

Mr. WILSON of Indiana. Mr. Chairman, I yield myself such time as I may require.

The CHAIRMAN. The gentleman from Indiana is recognized.

Mr. WILSON of Indiana. Mr. Chairman, we have before us today a bill making appropriations for the District of Columbia. The District of Columbia is our Nation's Capital, it is our Capital, it does not belong to the people in the District of Columbia any more than it belongs to the people of Arkansas, Indiana, Illinois, or anywhere else.

Furthermore, I might state here that I am 100 percent against home rule for the District of Columbia primarily on the basis which I have stated, that it is our Capital. It belongs to the various States of the Union and the people thereof. Since we have been given authority to reign over the District of Columbia we do owe it to the people of the District to exercise responsibilities commensurate with that authority to rule rightly and well over the District of Columbia and the District affairs.

The public works bill, H. R. 364, which has been recently enacted into law has more or less pointed the way for this appropriation bill now under consideration. I may say that the public works bill was long overdue. The District of Columbia has been underfinanced for a great many years and we were behind particularly in our public works program. It is with these thoughts in mind that the legislative committee saw fit to give us the authority to raise and appropriate such funds as are necessary to adequately finance the Nation's Capital.

Before going any further I want to express my appreciation for the full and complete cooperation which I received in preparing this bill from every member of my subcommittee. The attendance was good, the members accepted their responsibilities and assignments in various projects and worked hard. In my opinion, we have presented here a very, very excellent bill.

The members of the committee took it upon themselves to go out and visit many of the institutions in the District and outside the District but owned and operated by and for the District of Columbia. I may say that seeing is believing. We feel like we gained much by visiting these institutions and seeing first-hand how they were being operated. I feel like this subcommittee has done a good public relations job for Congress. We heard every witness without exception who asked to be heard. We gave them as much time as they requested and we had a very fine group of excellent, high-class witnesses who appeared before the committee. In fact, we were amazed at the wonderful testimony given by the citizens outside of the closed hearings on behalf of this appropriation bill.

It might interest the Members to know that we did not hear anyone testify in opposition to the taxes which are being levied upon them to support the public works program. This shows, I believe, that the citizens of the District of Columbia are thoroughly sold on what their Budget Director and their Commissioners are requesting. No one asked for tax cuts, no one complained about high taxes; they merely appeared on behalf of a wise and judicious expenditure of the funds which they are largely paying.

Mr. Chairman, I should like to take some time to explain the different requests in the bill and the recommendations of the committee.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WILSON of Indiana. I yield to the gentleman from Iowa.

Mr. GROSS. I was greatly pleased to hear the gentleman say that this is our capital. There are certain internationalists and globalists who say that this is the capital of the world. I am glad to

hear the gentleman say that it still belongs to the people of the United States.

Mr. WILSON of Indiana. Knowing the gentleman as I do, I know he means that sincerely.

The budget estimate amounted to $172,476,546. The committee bill carries a total of $168,487,838, or a cut of $3,988,708, approximately $4 million. This represents an increase of $14 million over the 1954 appropriation. We anticipate there will be a surplus of 2½ million at the end of fiscal 1955.

The Federal contribution recommended, of course, by the public works bill and by the Bureau of the Budget, was $20 million and requires payment of the actual cost for water and sanitary sewers, and as you know, the Government water is metered and the sanitary assessment is equal to one-half the water bill. The committee has seen fit to allow $16 million in Federal contributions plus water cost of $1,298,000 and sewer charges of $192,000, making a total Federal contribution of $17,890,000, or approximately $18 million. The reduction of $4 million in contributions is comparable to the cut of approximately $4 million from the budget, and the purpose of that was that the Federal Government has to pay interest on the money it appropriates, because it is in the red, it is borrowing money, and since the District of Columbia is going to wind up with a surplus, our idea was to save the Federal Government paying interest on $4 million which will not be used.

The public works bill does not say that $20 million has to be appropriated every year; it is just $20 million over a period of 10 years. It could be $24 million one year, or $26 million and $14 million another, depending how the public works program is progressing and to what extent they initiate it. It only stands to reason that they could not initiate the full-fledged program of public works in one year.

Now, if I am not right on this, I want to be corrected, because I am only interested in bringing out the facts in this bill, and so far as I am concerned, I personally feel that the Federal Government should pay its way, but I am doing this in what I think is the most economical way and the best possible way to do it, with no thought whatsoever on my part and no intention of conniving on the District of Columbia.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. WILSON of Indiana. I yield to the gentleman from Arkansas.

Mr. HARRIS. Just on the point that the gentleman referred to with reference to the $16 million Federal contribution, and correctly, as he has stated, as the result partly of the public works bill which was adopted by the Congress recently, I should like to inquire if the gentleman recalls when this increased authorization was provided for Federal contribution there was a limitation placed in the provision that $13.5 million of that Federal contribution could be used for maintenance purposes and so forth, and any addition thereto up to the $20 million would therefore go for capital improvements. The point is that the limitation of $31.5 million and the $16 million that is proposed to be appropriated here leaves then only $2.5 million of Federal contributions to go into this public works program. The point that I wish to raise here is this: Do you have a budget for the public works program for the next fiscal year and, if so, how much is it?

Mr. WILSON of Indiana. How much is the total budget for public works?

Mr. HARRIS. Yes.

Mr. WILSON of Indiana. Well, now, we have a total budget estimate for capital outlay of $41,848,460, and we allowed them $40,372,000.

Mr. HARRIS. The thing that some of us have been quite concerned about, as the gentleman will recall during the course of the debate on the public works bill, was that the reason for that bill was to provide needed and necessary capital improvements for the District of Columbia. We increased the taxes on the people of the District of Columbia in order to meet the Federal contribution, or a share of it. We increased the authorization, but we provided that limitation of $13.5 million, as it finally was put in the bill, of that amount was to be used for maintenance. I want to get some justification for the committee's action, and I know it must have had justification for its action, because the gentleman has done a very fine job on this bill and for the people of the District of Columbia; but after going through that enormous public works bill, it seems to me that we are winding up the first year with providing by this action that the Federal contribution shall be limited to only $2.5 million out of a total of what was supposed to have been over $10 million annually.

Mr. WILSON of Indiana. The gentleman realizes that I have only 15 minutes to explain all budget requests of the departments of the District of Columbia Government provided for under this bill.

Mr. HARRIS. I am sorry to have taken so much of the gentleman's time.

Mr. WILSON of Indiana. I appreciate the statement the gentleman has made. However, $9.5 million of this is for operations. We allow them $5.5 million for public works. Of this contribution $5.5 million is earmarked for public works and only $9.5 for operations. We were careful to do that because we did not want them to take all of the Federal contribution and use it for operations.

Mr. HARRIS. I am glad to have that explanation by the gentleman. I was sure that there was some explanation for the action taken.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. WILSON of Indiana. I yield to the gentleman.

Mr. O'HARA of Minnesota. Let me say that I join with my colleague from Arkansas [Mr. HARRIS] in paying tribute to the gentleman for the job he and his subcommittee did in this rather grave problem. But let me say that I share his concern also that at the outset of this public works program which we all recognize and acknowledge is badly needed, in the very first year, after we have made a contract with the District of Columbia in passing the public works bill that there would be a contribution of $20 million, plus the fact that we are earmarking and insisting that the District of Columbia raise money from taxes to contribute these amounts—and let me say that this is not a criticism, but what disturbs me is that we are starting out and leaving the Commissioners, those charged with the tremendous responsibility of this program, by being $4 million off base compared with what they had anticipated under the public works program would inure to the District.

Mr. WILSON of Indiana. I thank the gentleman for his observations. Of course, the Committee on Appropriations has separate jurisdiction from that of the legislative committee. We do not feel we are obligated to contribute a dime merely because the House passed an authorization bill. That does not obligate the Committee on Appropriations to appropriate one dime. However, I have been on the side of the gentleman, I will say, for increasing the Federal contribution. As I said before, I am not in favor of conniving against the District of Columbia. I want the District to be treated as it should be by the Federal Government. I would support a contribution of the full amount if it were necessary. If the gentleman can show me that we are limited to $20 million a year, then I shall favor giving the District the amount of this surplus this year, because they could not get it next year. But we do not think we are limited in that way. We think we would only be taking the taxpayer's money and turning it over to the District and paying interest on it, when they could not use the money.

Mr. O'HARA of Minnesota. It is true, of course, that there has been difficulty in getting this program into operation in the short period of time since the bill became law.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. WILSON] has expired.

Mr. WILSON of Indiana. I yield myself such additional time as I may require.

I would like to ask the gentleman from Minnesota [Mr. O'HARA] and the gentleman from Arkansas [Mr. HARRIS] if they think it would be economically advisable to appropriate money, on which we would have to pay interest, and have that money lie in the Treasury, when we could just as well appropriate the money next year and save that interest. Would these gentlemen recommend that?

Mr. O'HARA of Minnesota. I would say to the gentleman that I would lean over a little bit and say, "Here is money which you can spend if it is needed, but on the other hand, if it is not spent, we are going to look it over and decide what we shall have next year." Either it will will be surplus or it will be expended. Then, may I say to the chairman of the subcommittee, I think the Appropriations Subcommittee rightfully should look it over and decide what should be spent the following year.

Mr. WILSON of Indiana. I thank the gentleman very kindly for those observations, but I must move on.

We have the Department of General Administration. The request was for

$3,060,000. We allowed them $2,877,000. That is $109,000 above the amount they got last year. It is principally to give them $75,000 for new assessors and $30,000 for collectors.

We allowed the Metropolitan Police $148,837 above last year's appropriation, $60,000 for crossing guards and $49,400 for 8 motorcycle police. We authorized 25 civilian crossing guards last year, I believe, and we appropriated $60,000 this time to bring that up to 100. We anticipate that there will be at least an additional 50 man-years for police work on the streets.

I am going to skip some of these divisions unless some questions are asked about them.

In the Public Welfare Department we gave them $737,336 above last year's appropriation. The increases were $230,000 for 615 more public-assistance cases, $350,000 for a new infirmary at the Home for the Aged and Infirm, and other increases particularly for staffing purposes.

In the Department of Vehicles and Traffic, we made a reduction of $284,365 in the budget estimate but allowed an increase of $89,000 more than last year's appropriation. That amount was spent principally for traffic lights. We eliminated $269,000 for a fringe-parking experiment.

For the Department of Sanitary Engineering, the budget requested $9,767,686. We allowed $9,657,740, a cut of $109,946 below the budget estimate, although it was above the 1954 appropriation by $992,349. Of this increase $745,229 was for hourly wage increases approved this year, $150,000 for the Revenue Branch, covering the new sanitary sewer charge, water rates, and so forth, and $140,000 for the operation of a new incinerator.

The big item of increase was for capital outlay. We allowed them $40,372,000 of the $41,848,460 requested. I can give you some of the items in this capital-outlay program.

For public buildings construction there are 2 new junior high schools, 1 at Minnesota Avenue and Foote Street NE, and the other at Fourth and Mississippi Avenue SE. There was the construction of additions to 3 elementary schools: Patterson, Draper, and Sheppard; the replacement of the Van Ness Elementary School; construction of a stadium for the Calvin Coolidge Senior High School; plans and specifications for 3 additional elementary schools; funds for the acquisition of a site for the Amidon-Greenleaf Elementary School.

As to libraries, there was the construction of a branch library at Anacostia and plans and specifications for a branch library at Woodridge, public health buildings, construction of a new tuberculosis building, and a new psychiatric building for the District of Columbia General Hospital, public welfare, continuation of construction program already started at Children's Center Village at Laurel.

On highways, East Capitol Street bridge and approaches, Department of Sanitary Engineering, continuation of construction of trunk water mains sewage treatment and disposal facilities, storm sewers and so forth.

Mr. Chairman, that is as much time as I care to take now although during general debate, I will try to answer any questions that may be brought up.

Mr. NORRELL. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I think, as a whole, this is a good bill. It is not as I would have written it entirely had I had the authority to write it, but collectively and looking at it as a whole, it is just as good, I think, as any other committee could bring in. At this point, I want to say we have a splendid committee. The majority members have been good to the minority. We have a good clerk too, in the person of Carson Culp. In working with the Commissioners of the District of Columbia and its employees, I have discovered that they are real good, conscientious, intelligent people. I think what this committee is trying to do in the main is to let the District of Columbia spend its money as it desires. That is what we tried to do. The public works program has been mentioned here this morning. As I understand the actions of the committee, regarding the public works program, there are only 2 items in the program constituting the reductions made: 1. We believe they can actually secure contracts now for the work planned in the next fiscal year for at less money than the estimates made a year ago and, also, that the purchase of certain real estate for use subsequent to next fiscal year could be deferred.

One word about authorization. Had I been writing the bill, and my colleague, the gentleman from New Mexico [Mr. FERNANDEZ], I think will explain his position in the matter, I might have recommended a little more money than the $16 million that is carried in the bill. But unless you increase the individual items of expenditure, if they had a billion dollars more money, they could not use it. There is no reason to place money in the bill that cannot be used during the next fiscal year 1955. If you are going to increase the Federal contribution—and I say this and think I am correct in it—if you are going to increase the contribution, then you ought to select the items of expenditures that will equal the increase, otherwise the money will just remain unexpended during the next fiscal year. Under our figures they should have a surplus from 1954 of $2,366,833.

A word about the contract which I have heard mentioned here this morning. There is no contract with anybody; you know that. Yes, there is an authorization. I voted for it. I am anxious to see that the District of Columbia gets every dollar, and probably more, than the public-works bill provides, if they need it. It may be that the District will need more money next year. If so, it should have it. Probably over the life of the construction of the authorized program they should have the total of the authorization, if they need it. Certainly there is no effort to take anything from the District insofar as I am concerned. This action is to defer for the time being of a small part of the authorized appropriation for the next fiscal year because under the bill the District will not need the money. If the expenditures are increased over that recommended in the bill, then, of course, they will need more money to equal same. But there is not a congressional district in this country that has not also had an authorization of money, and some of those authorizations have never been appropriated for and probably never will be. So there is not a contract, but there is a desire on the part of all of us to treat the District of Columbia like we want our Nation's Capital treated; that is, if we err on the side of either, the Nation or the Nation's Capital, as far as I am concerned, I want to err on the side of the Nation's Capital. But there is no error, as I see it. I think this is a good bill, and with but one exception, I am inclined to go along with it, although I was not absolutely in agreement with many items in the bill.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. NORRELL. Mr. Chairman, I yield myself 1 additional minute.

There is an item that I am going to try to increase a little. A year ago the District Commissioners extended an invitation for the American Legion Convention to meet in Washington this year. The Commissioners, as a further inducement to secure the Legion convention this year, said they would recommend to us that the District advance to the Legion the sum of $25,000, which would be repaid to the District, if the money is available, after the convention. However, under all the circumstances, I think we should appropriate the money. The money should certainly be paid back, and I believe it will be fully paid. This is not something new. Prior to World War II the American Legion required a check in advance in amount of $27,000 before awarding the convention to a city. In 1947 the State of New York appropriated $50,000; Florida, in 1948, paid the sum of $50,000; in 1949, Philadelphia advanced $50,000; and in all the years of 1949 through and including 1953, all convention cities made advances in excess of the amounts desired from the District. Much of the money advanced through these years were refunded, and I believe that this $25,000 would be refunded to the District. The Commissioners want the appropriation. We have a budget estimate from the President for the same, and it is District of Columbia money. They should be permitted to carry out their part of a good contract.

With that one exception, as far as I am concerned, I am in favor of the bill.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. WILSON of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I just want to call attention to the fact that an authorization bill is not a contract, and the only thing that should or does inspire an Appropriations Committee is what is the right and fair thing to do.

I am just going to give a couple of figures that are interesting. The Federal contribution last year in the 1954 bill was $11 million. The total appropriation was a little over $153 million. The contribution was 7.6 percent of the total. The 1955 bill carries a contribution of $16 million. The total appropriation is $168 million plus. The contribution is 9.44 percent of the total. Sixteen million in 1955 represents an increase of 45.45 percent above the $11 million that was allotted for 1954.

I wonder how anybody can feel that that is not a very liberal amount.

Mr. NORRELL. Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, I want to compliment the members of the committee for the fine work they have done. The purpose of my having asked my distinguished colleague to yield is with reference to the statement of the chairman of the committee, the gentleman from Indiana [Mr. WILSON], a moment ago. He mentioned that among other things special provision was made in this bill for Coolidge High School stadium. Is the amount the budget request, $157,000?

Mr. NORRELL. That is in the bill as it has been written by the committee.

Mr. HARRIS. That is for plans, specifications, construction, and improvement of the stadium?

Mr. NORRELL. That is the way I understand it. If I am incorrect the chairman can correct me.

Mr. HARRIS. I want to compliment the committee for including this amount because for 14 years this stadium at the Coolidge High School has been neglected. The stadium has been deteriorating, going down; this would permit the improvement of the stadium in order that it may be utilized by the school.

There has been a great deal of interest as manifested by the fact that there is a group of high-school girls, including my daughter, Carolyn, from the Coolidge High School in the gallery. They are here because of the interest of the students. I am very glad that the school authorities, the District Commissioners, and this committee have after these years included this item in the budget and in this appropriation bill.

This improvement is badly needed. This will provide seats and other improvements to permit its utilization of this field for various events, including football games, cadet training, and so forth. I am in hopes that this improvement can be completed in time for its use this fall.

Mr. NORRELL. Mr. Chairman, I yield 10 minutes to the gentleman from New Mexico [Mr. FERNANDEZ].

Mr. FERNANDEZ. Mr. Chairman, I think we have a very good bill here today. I am unhappy only with three of the fifty-odd items contained in the bill.

The first one is of course the slash of $4 million in the Federal contribution; and, in this connection the press reported that I had tried to increase the Federal contribution allowed but that others wanted it cut even more, and that we compromised. I do not know where they got their information. I want to make it clear that insofar as I was concerned there was no compromise. On the contrary I voted against the $4 million cut, and announced to the subcommittee that I reserved the right to vote for a reinstatement of the cut if such a motion were made here today, and I shall do so.

Last year we admittedly did not give the various departments all they needed. We did not do so then because of the lack of funds. But notwithstanding that lack, we were careful to leave the District government a $12 million working margin, or safety margin. The report for last year shows we provided for and anticipated a $12 million surplus. We were not far off. The surplus at the end of this year as shown by the report will be $11,499,671. Although there was that much surplus anticipated last year we still gave the District for that year the full authorized amount of Federal funds. We did not cut the Federal contribution.

But what do we do this year? We provide for an estimated overall surplus of only $2,366,833. On a 168-odd million dollar budget that is no safety margin at all. And on top of that we cut the authorized Federal contribution by one-fifth. I am unable to understand this complete reversal of policy on the part of the committee.

The committee report says that to grant the full $20 million authorized Federal contribution would only increase the surplus to $6 million. Well, in the first place, that is only half of the surplus we thought was necessary last year as a margin of safety. The anticipated surplus last year on the general fund alone, according to last year's report, was $3,764,282. The anticipated surplus in the general fund this year is not disclosed by the report, but I understand it will be only $200,000, and that is no surplus at all on a $168 million budget.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I shall be very happy to yield to the gentleman.

Mr. O'HARA of Minnesota. The point I wish to make to the gentleman is that the gentleman speaks of the $2,300,000 figure as the overall; but in the general fund, which is the fund we must depend upon to meet emergencies at the end of the fiscal year, without any emergency there will be only about $200,000.

Mr. FERNANDEZ. That is right, and let us not forget that this bill is different from other appropriation bills in that here we have to depend on taxes, and if the taxes do not pan out, with such a small working margin the Commissioners would find themselves in difficulty.

In the second place, to provide this so-called overall surplus of $2,366,833, the District is by this bill required to borrow $7,957,000 on which the District must pay interest, so that instead of a surplus there will be actually a deficit of $5,590,167. And notwithstanding this situation the Federal contribution was reduced by $4 million. Again I repeat that I do not understand this complete reversal of policy on the part of the committee.

In connection with the need for additional school teachers and the almost complete lack of an effective music program in our public schools, the question recurred again and again as to why the city of Washington was different from other cities in the country in that respect. I said in the committee hearings:

> I do not think that the city of Washington is any different from any other city. It does appreciate the fact that music is a necessity.

By the way there are several clerical errors in the unedited report of the hearings. I hope next year we will not be so rushed that we cannot have time to see the transcript before it is printed. I said:

> There is a difference in another respect, however, and that is that we have in the city of Washington one of the biggest landowners who is a bad taxpayer.

And it is true. The Congress as assessor fixed the assessment in past years entirely too low to begin with, then the Congress as taxpayer welshed on that assessment and up until last year paid only a part of it. Fortunately this year the Congress acting as assessor did fix the assessment on a more reasonable basis, but once again this committee is recommending that the Congress, acting as taxpayer, renege on its tax bill to the extent of one-fifth of the assessment. I hope Congress will not go back on its contract and will, like the other taxpayers whose tax bills were increased, make good on its own share. That is the least we can expect if we are to keep faith with the people of Washington.

The second major item about which I am unhappy is the appropriation for Gallinger Hospital. Gallinger Hospital requested appropriations for 238 new positions. The commissioners reduced that request to 32 positions and reduced the requested increase to $197,909. Of this requested increase, $184,909 was disallowed. Of the number of positions disallowed, 14 had been authorized in previous appropriation bills but not filled because of lack of funds. There is nothing to indicate that this previous finding was wrong.

Nearly half of the total increase requested and disallowed was for maintenance and utility service amounting to $91,369. Oral justifications before the committee were meager, but somewhat general statement of the details for that large item disallowed will be found at page 316. It includes a large amount of repairs, painting, and other upkeep requirements. Certainly it is not economy to let buildings crumble and deteriorate, particularly hospital buildings. Other requests by Gallinger Hospital, approved by the commissioners but disallowed by the committee, include dietary service $22,470; housekeeping service $30,200; laboratory service $8,890; laundry service $5,500; nursing education $4,205; treatment service $20,900; X-ray service $3,175; outpatient clinics $10,000; and postage $1,200. The justifications indicate that $748 more than was allowed had to be used for postage this year, and on the basis of that actual history the additional $1,200 was requested. Certainly this item should not have been disallowed in toto.

The third item about which I am unhappy is the appropriation for the public schools. I have the utmost confidence in Dr. Corning, Superintendent of Schools, and in his Board of Education.

I also have the utmost confidence in the three Commissioners, Mr. Spencer, Mr. Camalier, and General Prentiss, and think the committee does, too. As shown by the hearings at page 23 the Board of Education requested 397 new teachers and 19 other positions, which were reduced to 192 and 3, respectively, by the city Commissioners, and the total amount requested by the Commissioners after such reduction was further reduced by our committee to the extent of $168,430. With two excellent public boards screening these needs, it seems to me folly for our committee to say we know more than they do as to the needs of the public schools of this city.

Although I myself do not intend to offer amendments increasing these items, I sincerely hope that the Senate committee will go into both the public health appropriation and the public schools appropriation thoroughly and that they will recommend to the Senate and to us an adjustment more nearly in line with the recommendations of the Board of Education, which, by the way, were strongly supported by the citizens and taxpayers who appeared before us, or at least an adjustment more in line with the minimum recommendations made by the city Commissioners, which, on the face of it, seems to be a rather drastic cut from what the Board of Education recommended.

Mr. WILSON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield to the gentleman from Indiana.

Mr. WILSON of Indiana. I just wanted the gentleman to clarify his statement that the committee had made a complete reversal of itself. Now, what committee did the gentleman refer to?

Mr. FERNANDEZ. I am referring to our subcommittee because last year, as I say, we were very careful to give them a working margin of $12 million. This year, instead of giving them a working margin of $12 million, we reduced the Federal contribution and gave them a working margin of only $2 million plus, of which only $200,000 is in the real working fund, the general fund. As I said awhile ago, this bill is different from other appropriation bills in that the District of Columbia has to depend on taxes to meet the contingencies and must have working capital or a safety margin to operate on so as not to find itself in trouble at the end of the year. We reversed ourselves in that this year we gave them hardly any safety margin, and we also reduced the appropriation from $20 million to $16 million, whereas last year, with $12 million surplus, we gave them the full amount of the Federal contribution.

Mr. WILSON of Indiana. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA of Minnesota. Mr. Chairman, I appreciate and compliment the subcommittee on appropriations for what has been an extensive bill dealing with the expenditures of money for the District of Columbia. As chairman of the fiscal subcommittee which wrote the so-called public works bill, I should like to call attention to that recently passed law. We gave authority at law to conduct a thorough public works program in the District of Columbia, something that has been needed for a long time. It provided for schools, for hospitals, for sewers, for water construction, because there has accumulated a great backlog of need.

Mr. Chairman, as one of those who spent a great deal of time in working out that program, I want to say that the joint fiscal subcommittes of the House and the Senate rewrote that legislation after it was presented to us. After full and complete hearings we rewrote and imposed two things: One, an increase in the Federal contribution from $11 million to $20 million a year, and we imposed upon the taxpayers of the District of Columbia a considerable increase in their taxes to meet this obligation. I am sorry to be in disagreement with this subcommittee in cutting down the appropriation from $20 million to $16 million at the start of this program. I want to say that I am not saying that critical of the committee, but I think it is a mistake, because as you analyze it and as the Commissioners analyze the result of what the subcommittee has done, you are exposing the general fund for fiscal 1955, with no emergencies, mind you, with a possible balance of only $200,000—just blindly assuming there will be no emergency. Nobody was happy to have to increase taxes on the taxpayers of the District of Columbia, but it was imperative. The Federal Government owns 42 and a fraction percent of all of the limited 10-mile area of the District of Columbia. I think the increase in the contribution from $11 million to $20 million was exceedingly reasonable. I do not think anyone complained about it. I was happy to hear the gentleman from Indiana, the chairman of the subcommittee [Mr. WILSON], say that no one was complaining about the increase in the taxes. After we had come out with our bill we were criticized for increasing taxes upon the District of Columbia. I think they should bear some of the increase.

As the chairman said, this city belongs to the Nation. It does not belong merely to the people of the District of Columbia. I feel very much about home rule as the gentleman does. This city belongs to the people of the country. It also belongs to the people of the District of Columbia.

I think it is our duty to be as thoughtful and as considerate to the people of the District of Columbia, for whom we are charged to legislate, as we are when we vote for the Nation as a whole. I think we owe an equal responsibility to the people here.

When we reach that point in the bill, I shall offer an amendment to increase this contribution from $16 million to $20 million. I shall do that with all the justification in the world, because we are starting out on a long-range program. In this bill we are saying to them, "We do not trust you with a little surplus."

I want the committee to go over their justifications each year, and their program carefully, and see that they are sound. But I would not start out by cutting them down and leaving them with practically nothing in their fund to run on.

Mr. NORRELL. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SIMPSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. SIMPSON of Illinois. I should like to say, Mr. Chairman, with the gentleman from Minnesota [Mr. O'HARA], who was chairman of the subcommittee that handled the original authorization bill, that there was very little opposition, if any, when the bill passed the House.

Mr. SMITH of Virginia. Mr. Chairman, I join with the previous speakers in paying my respects and compliments to the Subcommittee on Appropriations for the very splendid work they have done on this bill and on the difficult and thankless job which anyone assumes in handling matters for the District of Columbia.

I want to associate myself with the remarks of the gentleman from Minnesota [Mr. O'HARA] who was chairman of the Subcommittee on the District of Columbia which handled this public-works bill. I have served with him on that committee. I think there ought to be an understanding on the part of the House of just what was done there.

It has been recognized for a long time that the capital of the Nation is deteriorating. I think most of us recognize the responsibility of the Federal Government in that matter. So a plan was devised for doing the necessary restoration of public works here in the District of Columbia. A joint subcommittee of both the Senate and the House worked on this plan for a period of 4 or 5 months. All through the winter we worked on this bill, and finally brought you in a bill which the House approved and which the Senate approved.

In that bill the committee did not do what the District Commissioners asked them to do. They made many revisions in the plan. The theory of the plan that was finally adopted was that this work ought to be done, that it ought to be shared partly by the taxpayers of the District and partly by the Federal Government. That was the scheme and that was the plan which was adopted.

When we did that we raised taxes on the citizens of the District of Columbia. We even did the very unusual thing of putting a sales tax on food in the District. We put a sales tax on groceries. None of us wanted to do that, but in order to carry out this program and to carry out what we regard as the proper division of this necessary appropriation, we spread those taxes on the people of the District of Columbia, on practically every element of the population here, and put the taxes on them to meet the obligation that we put on the Federal Government to do these necessary public works.

We brought it in here. The House passed it and the Senate passed it. I regarded it as a contract. I think we obligated ourselves to do this job, and we did it within the past month. Yet the first time an appropriation comes up we are hedging on it.

I wonder, if we are going to cut down on this part that the Federal Government is going to pay, if we ought not to go back and revise the taxes on the people of the District of Columbia; in other words, ought we not repeal this bill if we are not going to carry it out?

They may say it is not a contract. It may not be a binding contract; nevertheless it is the scheme that was proposed and worked out by the House and the Senate, and the scheme that was adopted. It cannot be carried out unless we do get the appropriation.

I do not think we ought to do this thing. I do not think we ought to make a plan like this and then the very first time an appropriation comes up repudiate it. I do not think it is the right thing to do. I am sure that if these members of the Appropriations Committee who bring in this cut had sat with the legislative committee through these hearings and worked out this scheme, I know those fellows, they just would not have done this thing if they had gone through the details of it as did we who sat on the committee.

I do hope the Members of the House will sustain our previous action and restore this cut.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. As a member of the subcommittee, I want to say that I have always felt as the gentleman from Virginia feels, and I am supporting this amendment.

Mr. SMITH of Virginia. I thank the gentleman.

Mr. NORRELL. Mr. Chairman, I yield 3 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, it is not my desire to be critical of anyone, but I want to call attention to the item for the Metropolitan Police. I notice that you are increasing the appropriation. I am not questioning the wisdom of that, for it is probably necessary, but I notice you are providing for additional motorcycle policemen.

I may be old fashioned in what I have to say, but within the last 4 years on 3 separate occasions my automobile has been broken into and over $500 worth of property taken, and I never even got a report back from the Police Department. They have not been able to solve any of these robberies so far as I have been advised. I am alarmed at the extent of our juvenile delinquency and crime in the District of Columbia. I am not going to try to excuse the parents. I think a good bit of your juvenile-delinquency problem can be laid at the doorstep of the homes. But, I am of the opinion that if we took some of these Metropolitan policemen out of scout cars and off of motorcycle beats and put them on a fixed beat, and made them responsible for it in sections where these youngsters 12, 13, and 14 years of age could be rapped with a nightstick and told to get back home—today they are running at large over the city of Washington, and which is largely the reason why there is so much difficulty and so much juvenile delinquency and trouble—we might get better results. As I see it, there is no sense maintaining a police department here to investigate crime after it is committed. What we want to do is to have a police department that will prevent crime in the first place, if possible, and the best way to do that is to put some of these policemen back on a fixed beat and make them responsible for it.

Mr. WILSON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. WILSON of Indiana. I concur with what the gentleman has said. There is no argument about that, but I do want to explain what the eight motorcycle policemen are for. They are for the purpose of checking the parking-meter violations and, of course, when they get down to the central system, violators can mail their checks in. This is purely for the purpose of checking parking violations.

Mr. BAILEY. No doubt they are necessary.

Mr. WILSON of Indiana. A motorcycle man will ride along and see a red meter where a car is overparked and will put a ticket on it and go on his way. Then the person will mail his check in and pay his fine.

Mr. BAILEY. Mr. Chairman, I do not want anyone to get the impression that I am criticizing the members of the Metropolitan Police force. On the whole, they are doing a fair job. I think if there is any criticism, it is to be leveled against those who are managing the Police Department in that they are not getting down to the local community and having law enforcement where it belongs.

Mr. NORRELL. Mr. Chairman, I have no further requests for time on this side.

Mr. WILSON of Indiana. Mr. Chairman, will the gentleman yield me his time?

Mr. NORRELL. Yes, sir; I yield the time remaining on this side to the gentleman from Indiana.

Mr. WILSON of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. HYDE].

Mr. HYDE. Mr. Chairman, at this time I simply want to ask a question, and perhaps get some explanation. I notice in the committee's report under the item, Department of Public Welfare, there has been an item for emergency homemaking services deleted. This service, I understand, will provide assistance in the homes for mothers who are ill or who have to be absent for some other emergency reason. The committee says it has taken this item out because this work can be done by the Visiting Nurses Association and that the commissioners are instructed to make available $50,000 to them. It is my understanding that this Visiting Nurses Association cannot and does not supply this service. I also would like to know from what fund this $50,000 is going to be appropriated to the organization, if it does do the work. There are two questions there.

Mr. WILSON of Indiana. The money, of course, comes from the general appropriation for the Public Health Department. The testimony we heard before the committee in behalf of what this Visiting Nurses Association is doing was very good, and the position we took is—why should we set up a $45,000 organization to administer a $50,000 appropriation. In other words, we already have an organization that is administering the very service which we, as a committee, want to further and to continue. Therefore, that is where we thought we would direct the money rather than setting up a new organization.

Mr. HYDE. It seems to me that there might have been a misunderstanding because the service which this money is supposed to be provided for is not nursing. It is a sort of baby-sitting service, as I understand it.

Mr. WILSON of Indiana. That is exactly what was testified to before our committee and what they asked for. They say here is a situation where here is a woman who is sick in the home with children, and her husband cannot go to work, we have to have somebody sit there and take care of that lady and her children so that the husband can go to work. Otherwise, we will have the whole family on public welfare. That is what the money was asked for and instead of giving it to them, we give it to the Visiting Nurses Service doing exactly that sort of thing.

Mr. HYDE. It is my understanding that is not the work that the Visiting Nurses Association does.

Mr. WILSON of Indiana. The money you are talking about in this bill is exactly for the purpose I told you it is for. That is what they asked for.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. WILSON of Indiana. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

Mr. BOW. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Fifty-four Members are present; not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 82]

Abbitt	Coudert	Granahan
Adair	Cretella	Green
Addonizio	Crosser	Gwinn
Albert	Curtis, Nebr.	Hand
Ayres	Dague	Harrison, Va.
Barrett	Davis, Ga.	Harrison, Wyo.
Becker	Dawson, Ill.	Hays, Ark.
Bentley	Dawson, Utah	Hays, Ohio
Bentsen	Delaney	Heller
Boland	Dingell	Hess
Bolling	Dodd	Hillings
Bolton, Frances P.	Dollinger	Hoffman, Mich.
	Dolliver	Holt
Bosch	Donohue	Holtzman
Boykin	Doyle	Howell
Brooks, La.	Durham	Hruska
Buckley	Evins	Jackson
Burdick	Feighan	Jarman
Busbey	Fine	Javits
Byrne, Pa.	Fino	Jonas, Ill.
Camp	Fogarty	Kean
Cannon	Fountain	Keogh
Celler	Frazier	Kersten, Wis.
Chatham	Frelinghuysen	Kilburn
Chudoff	Friedel	King, Pa.
Clardy	Fulton	Kluczynski
Cole, N. Y.	Gamble	Krueger
Condon	Gathings	Lane
Corbett	Golden	Latham
Cotton	Gordon	Lesinski

Lucas	Patten	Springer
McConnell	Patterson	Stauffer
McCulloch	Perkins	Stringfellow
Machrowicz	Philbin	Sutton
Mack, Ill.	Pilcher	Taylor
Madden	Powell	Teague
Magnuson	Prouty	Thompson, La.
Meader	Reece, Tenn.	Velde
Merrow	Reed, Ill.	Wainwright
Miller, Nebr.	Riley	Warburton
Miller, N. Y.	Rivers	Weichel
Morano	Rodino	Wharton
Morgan	Rooney	Wheeler
Morrison	Roosevelt	Wickersham
Multer	Sadlak	Widnall
Oakman	Scott	Williams, Miss.
O'Konski	Sheehan	Willis
O'Neill	Sheeley	Wilson, Tex.
Osmers	Sheppard	Wolcott
Ostertag	Sieminski	

Accordingly the Committee rose; and the Speaker pro tempore [Mr. HALLECK] having resumed the chair, Mr. MCGREGOR, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9517) and finding itself without a quorum, he had directed the roll to be called, when 286 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Clerk will read the bill for amendment.

Mr. WILSON of Indiana. Mr. Chairman, I ask unanimous consent that the bill be considered as read and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. Before we consider amendments, are there any points of order? The Chair hears none.

Mr. O'HARA of Minnesota. Mr. Chairman, I offer two amendments, and ask unanimous consent that they be considered en bloc.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendment offered by Mr. O'HARA of Minnesota: On page 2, line 4, strike out "$16,000,000" and insert in lieu thereof "$20,000,000"; and on page 2, line 7, strike out "$5,500,000" and insert "$7,000,000."

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. O'HARA of Minnesota. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes, and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. O'HARA of Minnesota. Mr. Chairman, the amendments I have just offered are to change the appropriation from $16 million to $20 million, and if that increase is made, the second amendment would merely earmark for capital improvements the greater amount as increased by the increase in the appropriation.

Mr. Chairman, I would not have asked for this additional time but I know that many Members were not on the floor when the matter was under discussion in general debate, and I thought I should like to explain the reason for the increase.

I think I have probably been as conservative a Member of the House in the matter of appropriations as any Member, but I do consider it a wise economy in a program as important as our public works program that we provide adequately for the long-range capital improvement program and the contributions which are to be made by the Federal Government as well as the imposition of these increased taxes upon the citizens of the District. We should not only deal wisely in laying out the program we have so recently adopted but we should start in the first appropriation and live up to our part of the agreement as the legislative body for the District of Columbia.

Mr. Chairman, I do not think this is a political matter. Some may treat it so, but let me tell you that the President in his opening message referred to the need for a long-range program of public works in the District of Columbia. He referred to it in very strong language, if you would care to look it up. Also, the Bureau of the Budget recommended that great attention be paid to that program. I think, even without that, those of us who live within the District of Columbia take pride in it as our Nation's Capital and the place where we spend most of our time and where some have spent a great part of their lives and some may end their life span here; we all want to treat it as fairly and as decently as we would any other part of the country. I say to you that the one disagreement I have with my colleagues of the District of Columbia Committee on Appropriations has been in reducing this down to an absolute minimum instead of allowing at the very start of the program the necessary appropriation to begin with. This is a long-range program. The Commissioners, in whom I have the greatest confidence, have just had this program, the skeleton or rough outline of it, adopted. They start out with all of these tremendous needs for the District of Columbia. The program has to be laid out properly and approved by the District of Columbia Committee on Appropriations each year, and that is only proper. Why make a great ado about reducing this from $20 million to $16 million? If it is not expended, as the report of this subcommittee shows, it will be subject to reappropriation and reconsideration in this following year.

Mr. AUCHINCLOSS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield briefly to the gentleman.

Mr. AUCHINCLOSS. May I first of all commend the gentleman for the work his committee did in working out this program. I want to ask the gentleman this question: Did not your committee meet jointly with a committee of the other body?

Mr. O'HARA of Minnesota. It did.

Mr. AUCHINCLOSS. And did you go into all phases of this program?

Mr. O'HARA of Minnesota. We did.

Mr. AUCHINCLOSS. And did your committee carefully weigh the request of the Commissioners?

Mr. O'HARA of Minnesota. Indeed, they did.

Mr. AUCHINCLOSS. And did they cut down the request in various instances?

Mr. O'HARA of Minnesota. Let me say to my colleague, we completely changed their approach to it, which would have been a greater borrowing and a greater contribution on the part of the Federal Government, and less contribution on the part of the District of Columbia. By our action, we completely rewrote the program so as to levy a heavier tax upon the District of Columbia, and then, on top of that, to nail it down in a legislative outline, the earmarking that had to be made each year to capital outlay.

Mr. AUCHINCLOSS. I think the point ought to be thoroughly considered by the House and by this Committee that the residents of the District of Columbia in accepting this program through their Commissioners have to pay very much larger taxes and bear an increased burden, and that the Federal Government is certainly encroaching more and more on the District. I believe it is a false economy, and if I may say so, hardly fair to cut down this amount.

Mr. O'HARA of Minnesota. I thank the gentleman.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield briefly to the gentleman.

Mr. BROWN of Ohio. I want to ask a very straight and very serious question. Does the gentleman as a member of the House District Committee and a member of the joint committee of the House and Senate, which met to discuss this problem, feel that this committee of yours made a commitment to the people of the District of Columbia and to the officials of the District that the Congress would do certain things?

Mr. O'HARA of Minnesota. I certainly feel, may I say to my colleague, that we did make a commitment. We not only committed them to pay more taxes, but we committed our Government to contribute proportionately, as we laid out that program.

Mr. BROWN of Ohio. And do you feel as a legislative representative of the Congress that your committee on the part of the House committed the House to certain action on this matter?

Mr. O'HARA of Minnesota. I will certainly——

Mr. WILSON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. Will the gentleman permit me to answer my colleague, and then I will be glad to yield?

I feel this way about it: We committed this Congress to a long-range program. We committed the District of Columbia and the taxpayers to a long-range program. I feel that we in the Congress are reneging on our commitment when we reduce the amount which we said should be contributed at the very start of this program.

Let me say to my colleagues I fully appreciate that it is the responsibility and should be the responsibility of the Appropriations Committee to look that

program over and to have it justified each and every year, but I do say to you not this year. Do not start out by saying we are going to renege right now at the start of this program. Next year if their program is not developed and they did not need this money or they have not used what has been appropriated, that is another story.

Now I yield to the gentleman from Indiana, if he desires me to yield.

Mr. WILSON of Indiana. The gentleman from Minnesota, as well as the gentleman from Ohio [Mr. BROWN] know full well that this House has no authority to commit the Committee on Appropriations to appropriate any amount of money. We have not become subservient to any other committee. We still have our responsibility to the people. I dislike very much to hear the gentleman say that he as an individual or as a member of a committee, committed the Appropriations Committee to appropriate a certain sum of money, because you cannot do it and you know you cannot do it. You have no moral or legal right to do it.

Mr. O'HARA of Minnesota. Let me say in an equally mild way to my colleague, if the Appropriations Committee makes a mistake then the House has the responsibility of correcting it. That is why I am here on the floor today, and I very seldom take up your time, but I disagree heartily with the District of Columbia Appropriations Committee which says they know more about it than anybody else. I feel they have equal ability with any other committee, but the final determination is for the House.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

(By unanimous consent, Mr. O'HARA of Minnesota was granted 3 additional minutes.)

Mr. O'HARA of Minnesota. Mr. Chairman, let me urge you—and I hope I shall not use the 3 minutes that I have asked for—let me urge you, if you share with those of us who have worked so long on this program, our view—and I want to say to you that I never worked with a harder working committee than the Fiscal Affairs Committee, my colleagues on my side of the aisle and certainly my colleagues, Judge SMITH, from Virginia, and the gentleman from Arkansas [Mr. HARRIS], worked long days and weeks on this matter. We approached it purely on the problem of the responsibility that is chargeable to us in the Congress to legislate for our Nation's Capital, to do what was right. I say to you, Mr. Chairman, in urging support of my amendment, let us not start out such a program, a program that had the endorsement of the President of the United States, that had the endorsement of the budget, that had the endorsement of both the Senate and the House; let us not start out by turning down at the very start the important laying out of that program. I urge you to put back in the amount which was laid out in the civil-works program, and which passed this House so recently.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. The Congress also committed the District Government to borrow almost $8 million a year for this long-range program.

Mr. O'HARA of Minnesota. That is right.

Mr. FERNANDEZ. And this committee also in this bill is requiring them to live up to that commitment.

Mr. O'HARA of Minnesota. That is right.

Mr. FERNANDEZ. Along with the commitment that they pay additional taxes. I agree with the gentleman that we should require the Federal Government to live up to its commitment.

Mr. O'HARA of Minnesota. In conclusion, so you will understand what you are doing, this is the amount that goes into the general fund on the basis of your cutting it down to $16 million, as the gentleman from New Mexico said in general debate; and it is true: You will have a surplus at the end of the fiscal year 1955 of possibly $200,000. Just imagine what that is in a budget of $168 million. Just one little emergency and you would have a bankrupt general fund in the District of Columbia.

I do not often ask my colleagues in the House, but this time I beg them to correct the mistake of the Appropriations Committee on this matter and restore it to the full $20 million.

Mr. ANDREWS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am opposed to this amendment for several reasons, the first of which is that in my opinion there is now pending before the District Legislative Committee a bill that I introduced about 2 months ago that would provide ample revenue for this District not only to meet its operating expenses, but also to finance the public-works program. I favor that public-works program.

The bill that I have reference to provides for the District of Columbia to operate a whisky retail monopoly system here in the District of Columbia. I do not know if I will ever get a hearing on that bill. I have asked the chairman of the full committee and the chairman of the subcommittee for hearings, but to date there has been none. My office is full of resolutions and letters from men and women who live in the District, from citizens' groups in this District saying that they favor the bill and would like to have an opportunity to testify in behalf of the bill.

I have figures from the Library of Congress showing that if that bill became law the revenue to the District would be between $15 million and $20 million a year.

Sixteen States now operate monopoly whisky store systems in America today, and those 16 States are making over $200 million profit. If they can do it in Virginia, pay bills and carry on their public-works program, if they can do it in Pennsylvania, Ohio, Alabama, and the others of the 16 States, why can they not do it here in the District of Columbia?

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. I think the gentleman may have a good point there, but until his bill does pass I hope the gentleman will not punish the District of Columbia for the shortcomings of the Congress, and I hope the gentleman in thinking it over will go along with us and vote for this.

Mr. ANDREWS. I do not know how long it takes a bill to become a law. I introduced it the same week they announced they needed a public-works program, and it is somewhere beyond my control. I would like to hear from the Committee on the District of Columbia, or any member of the District Committee present, as to what disposition has been made of my bill and what the plans are for bringing it to the floor of the House.

I have had enough Members of Congress tell me, I believe, that they would vote for the bill that if it came out here it would become law.

Remember, now, there is a bill pending in the District Committee which will bring into this District between $15 million and $20 million a year in revenue. Then all the financial worries of the District will be at an end if they will bring that bill before this Congress, for I am sure it will pass.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman knows his meritorious bill is not going to get any consideration unless pressure is put on through just some such means as this.

Mr. ANDREWS. If they need money and we give them a good painless way to raise the money why should we make the taxpayers of America put up $14 million?

Mr. GROSS. We certainly should not, but as long as we give them the money through this process we will never hear from the gentleman's bill.

Mr. ANDREWS. I thank the gentleman for his contribution. It is that simple. My State of Alabama could not operate without the revenue derived from a whisky monopoly.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. Well, maybe if the gentleman will go along with the District of Columbia Committee with what we have done and with what we are trying to do in this bill some will go along with the gentleman on his bill. Let me say to the gentleman that if some people would try this business of using a little honey instead of vinegar they might get further. But I introduced a bill such as this 20 years ago when the 18th amendment was repealed. I could not get anywhere with it. I think the gentleman's bill ought to have hearings and prompt hearings.

Mr. ANDREWS. Does the gentleman say he cannot get a bill like that passed in 20 years?

Mr. SMITH of Virginia. In 20 years, but I have seen a lot of good bills that did not pass in 20 years. I am ready to help the gentleman but I wish he would help us.

Mr. ANDREWS. I want to help the District and I think I have a better way

to help the District than through this amendment.

Mr. HYDE. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, I think this is a most appropriate time to start looking at or to reconsider this matter of the Federal Government's contribution to the District of Columbia. I would call the attention of the committee to the fact that in 1902, 52 years ago, the Federal Government contributed $9,192,000 plus to the District of Columbia. That, Mr. Chairman, was 52 years ago. Last year the Federal Government contributed $11 million. When you consider how much every other kind of contribution, whether it be from a Government agency or out of your own pocket for your own household, has increased in that length of time I think it is a fair statement to say that we have probably decreased in 52 years the amount of money that we contribute to the District of Columbia by some 70 or 80 percent. Percentagewise the contribution at that time was 40 percent; last year percentagewise the contribution was 8½ percent. If we pass this bill providing for $20 million, it would only be about 11.9 percent.

Mr. Chairman, just contemplate for a moment those figures of 52 years ago. I am going to repeat them for emphasis. Fifty-two years ago we contributed to the District $9,192,000 plus. Last year we contributed only $2 million more than that.

When you consider what has taken place in the District of Columbia, when you consider the difference in the cost of upkeep from growth alone, to say nothing of the difference in the value of the dollar, I submit, Mr. Chairman, that this Congress ought to be ashamed to quibble here today about contributing $20 million, particularly when you compare that with the contribution that the Federal Government made 52 years ago.

Mr. Chairman, there should be no question but what the Federal Government should contribute not just $20 million but more than that. We should be here debating an amendment to increase it above $20 million, not debating an amendment to prevent a cut of $4 million.

I submit, Mr. Chairman, that the House should overwhelmingly support a vote in favor of this amendment.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Mississippi.

Mr. COLMER. The gentleman very kindly told us what the Federal contribution was 52 years ago. Well, I was not around here then, but I recall that some 20 years ago we contributed around $5 million or less; so, I do not think we could use what was done 52 years ago as a precedent for what we should do today. We might go back to the 20-year period and cut it back to $5 million.

Mr. HYDE. I think Congress should be ashamed of that $5 million.

Mr. COLMER. Well, of course, that is what makes horse races.

Mr. HYDE. Yes. The gentleman is familiar with the cartoon called "Viewpoint"?

Mr. COLMER. Yes, I am familiar with it, and I just wonder whether the gentleman is familiar with it.

Mr. HYDE. Yes; very.

Mr. COLMER. Now, why should we, representing the various States, supplement and subsidize the District of Columbia to the extent of $20 million when there is not a town in the gentleman's district nor in the district of most any Member on this floor that would not give a substantial amount, up into the millions of dollars, to have some of these Federal activities in their districts.

Mr. HYDE. Yes, and when they do that, whenever the Federal activities move into their districts, they are forced to come back to the Congress for bills such as the Federal impact aid bills because of the problems created by the installations. And, I think probably the gentleman voted for that bill.

Mr. COLMER. The gentleman did, but not to the tune of any $20 million.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. TABER. Mr. Chairman, I rise in opposition to the amendment, and I am going to request something that I have not asked for this year. I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Chairman, I think we should review this situation. And, that is just what the committee thought. We should know what we are facing and what we are doing.

Mr. Chairman, last year the appropriation for Federal contribution was $11 million, and that was 7.16 percent of the total budget. This year, with $16 million, it is 9.44 percent. But, with the additional amount running it up to $20 million it is 12 percent of the budget; an increase away out of sight.

Now, on top of that, what is this increase for? How is it spread? It is not an increase just for capital expenditures, because there is an increase of $2 million in the amount of direct contributions to operating expenses; in other words, with the amendment before you, you are approaching a raise from $11 million to $13 million in the operating expense contribution. Maybe we ought not to consider anything of that kind in the Committee on Appropriations. Maybe it is not our duty to see whether or not what is put up to us is right and fair and just.

Let us take a broad view of this whole situation. The District of Columbia is provided with enormous employment of Government personnel, running into millions and millions of dollars. They are provided with better jobs than industry provides, and yet their tax rate for 1954 is $2.15 a hundred or $21.50 a thousand; and for 1955, if this item is approved, it will be $2.20 a hundred or $22 a thousand, as the bill now stands. That is not a big increase. In my town the taxes run $44, $45, $46 a thousand and the assessments there are on a higher basis than the assessments in the District of Columbia.

Is it fair that we should approach this problem with the idea that we are establishing a liability on the Federal Government to go out into every place where the Government has any activity and set up a Federal contribution for every single one of them? If the House goes along with this scheme, you cannot come to any other conclusion.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. BAILEY. The gentleman is failing to take into consideration the fact that there are some other fringe obligations besides the direct levy against real estate. For instance, in the proposal in this budget, there is a 50 percent increase in the payment for water service.

Mr. TABER. We were not paying enough to cover the expense before.

Mr. BAILEY. The Government here consumes more water than all the individuals in the city of Washington together, and that water is furnished free by the District government.

Mr. TABER. Oh, no, it is not. It used to be, but it is not now and it has not been for several years. There was $1 million paid last year and the year before and the year before that. This year there is $1,330,000 carried in the bill for that purpose.

Mr. BAILEY. That is a part of the $20 million?

Mr. TABER. Oh, no; it is not. The whole picture is this: Are we going to go back on our responsibilities? There is some responsibility that is supposed to attach to the job of being a Member of Congress. Are we going to meet our responsibilities? Frankly, for my own part, I was not in favor of increasing the Federal contribution. I have gone along with the $16-million figure, but I could not go along with a dollar more. I think $16 million is ridiculous; it is too big a figure. The people in the District ought to be very happy that the Congress is prepared to give them $16 million. Frankly, there are too many things crowding up on the Government all the time. We have got to have a sense of responsibility to face this situation squarely. These people are not hurt; in fact, they are helped by the Government being here. We should not make a contribution that is away out of sight, away out of proportion. The fact that the legislative committee has determined that that should be done does not mean that it has studied it any harder than those on the Appropriations Committee have done. It does not mean that there is any more merit in it just because they arrived at a conclusion different from what we arrived at in the Appropriations Committee. But if we are going to get anywhere with this country of ours we must meet our sense of responsibility to the people, to see that appropriations are kept down within bounds and that the taxes of the country are not raised way out of sight. We have enough to face at this time. Let us not add more to it by piling up dollar after dollar on these appropriation bills as they come before us.

Mr. SIMPSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. SIMPSON of Illinois. May I ask the chairman of the Appropriations

Committee, if the $16 million prevails here today and proves inadequate, would he approve an additional amount for next year?

Mr. TABER. I do not know what I would do for next year. It would depend on what it looked like.

I want to tell you one thing I have neglected to state. The gentleman from Minnesota has said here that they would be out of money, that they had no margin left. Let me say to you that the margin is just the same as it was when the budget came in here. The items of appropriation were cut $4 million almost to the penny, and the reduction in the contribution is $4 million. You would not have raised that question that you were going to be out of money if the cut in the contribution had not been announced.

Here is the picture: You are facing just the same situation that you did when the budget was presented. No kick was made at that time.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. That is the very reason why some of us went along with the cut, so as not to leave too narrow a margin in addition to making the cuts you took away from us.

Mr. TABER. There were some of us that felt some responsibility not to allow more for the items for the District of Columbia than it required to get them along in decent shape. We were told when they brought in that reorganization bill a year ago that they were going to reduce expenses as the result of it. The result has been that they have increased expenses tremendously, and they came in here with a budget that called for a lot more personnel than were needed. The committee cut them down and got them down nearer to where they belonged.

Mr. SMITH of Virginia. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Minnesota [Mr. O'HARA] to restore this appropriation. I do it with a great deal of reluctance, after the gentleman from New York [Mr. TABER] has made his appeal to you to maintain this cut. I do it because I have a deep affection for him and a great respect for his knowledge of the fiscal affairs of this Nation. I have followed him so long that it goes against the grain for me to get up here and oppose what he is trying to do in the way of cutting this appropriation. I would not do it except for my belief in the eternal rightness of what we are doing.

I must review the situation again because there has been some rather loose talk here about who committed whom to what. The gentleman from Minnesota [Mr. O'HARA] did not commit anybody to anything. I served on the fiscal affairs subcommittee of the District with the Joint Committee, together with the Senate and that committee did not commit the Congress to anything. But we came back here to the House with a bill which we worked out and the Congress passed that bill—we did not pass it. You Members who are called upon today to vote to repudiate this program are the people who committed yourselves to carry it through less than a month ago. It went over to the other body and that body committed you to the payment of this program. There is a great deal of misunderstanding about what goes on in the District of Columbia, and we often overlook the fact that this is the Nation's Capital. You can step out into the corridor right now and I will bet that you will see thousands of constituents of ours, of all of us, who have come here to visit their Nation's Capital, a thing which we all have a pride in. Yet, the capital improvements in this city have deteriorated and deteriorated year after year until it is rapidly becoming a city that you will not be proud of any more. What the Congress did a month ago was to adopt a program to bring this city up to what it ought to be, and to require the taxpayers of the District of Columbia to pay a part of it, and the Federal Government to pay a part of it. What you are asked to do today is to repudiate your commitment that the Government would pay a part of it, and yet not repudiate your charge, which you have put upon the taxpayers of the District of Columbia. You can cut out this $4 million, but you do not cut out the $4 million you taxed the people of the District on their food and groceries. They have to pay that anyway—that is just not a fair deal and I do not think my friend, the gentleman from New York, realizes the full depth of this program and what was done about it and why the things that were done were done because, if he did, I do not believe he would take the position that he does. This Congress made a commitment to make the District of Columbia citizens pay a certain amount of tax and to make the Federal Government make a certain amount of contribution to meet it. You are asked to repudiate the Government's obligation, but still maintain the tax you have imposed upon the people of the District of Columbia. If you think that is right, then vote down this amendment.

Mr. O'HARA of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish briefly and with respect for all the speakers in disagreement to call attention to one phase of the subject under discussion.

Some weeks ago we passed the District public works bill which later was signed by the President and is now the law of the land. It is not within the power of the Appropriations Committee to change the provisions of that measure as they fix the contribution to the cost of the public-works program of people who pay a sales tax on 50 cent meals, on the groceries they buy, and on the beds occupied by visitors to Washington, including the delegations of schoolchildren.

The Appropriation Committee can say, provided the vote of the House supports the committee, that the United States Government can renege to the exent of $4 million, but it cannot give one cent of relief to the little people who are bound by the law we passed to pay a sales tax on necessities. The only way relief can be given them is by repeal of the public works act, and no one is suggesting that.

Whether it was a wise setup or not, the distribution of the cost of a long-needed program of public works for the 10 square miles that constitute the District of Columbia, is not now under consideration. I agree with the chairman of the Appropriations Committee that the real-estate tax well might be higher. But the Congress passed upon that when the public works bill was being considered. I in my humble way sought to dissuade the House from approval of a sales tax on groceries and of 50 cents to $1.25 meals. People who are forced to hunt out 50-cent dinners to keep within their budgets certainly should not have this sales-tax burden strapped to backs already excessively laden.

Nor should the little people of America who come to the Capital of their country, as pilgrims to a shrine, be forced to pay a tax on the beds they occupy when they visit here. Most of them are people of modest incomes, and the money they pay for the privilege and inspiration of coming to the shrine and capital of their country has to be most carefully applied. The public-works bill increased the tax on transient lodgings from 2 to 3 percent in order to raise an additional $200,000 a year for the public-works program. I think it unfair and cruel. I fought it on the floor and lost.

As I have remarked, I plead with my colleagues, I am afraid all too inadequately, but with a very deep sincerity, not to put this unfair sales tax on the little people, the people least able to bear it. Despite the fact that our efforts to eliminate the sales tax on groceries, 50-cent dinners, and transient lodging failed, I voted for the final passage of the public-works bill. I voted for the bill because the public works contemplated were badly needed; they would contribute to the health and welfare and contentment of the residents of the District. Moreover, with unemployment growing, now is the time to proceed with needed public works.

It was my understanding at the time, it was the understanding of every Member of this House and of the other body, that the contribution of the Federal Government was to be $20 million.

That was the deal. That was one of the terms of the bargain. It is avoiding the question to argue that the Appropriations Committee was not consulted. When the Congress of the United States decides the manner of the distribution of money to be raised from several sources and assumes for the Federal Government a certain fair and definite portion of the total I cannot concede that the Appropriations Committee has any honorable alternative than to appropriate the full amount necessary to meet the Government's obligation under the agreement approved by the Congress.

In a very large sense, the public works act may be regarded as being in the nature of a contract. The little people who pay the unfair sales tax are parties, involuntary parties, but nevertheless parties to the contract. They cannot be released by anything short of an outright repeal. The Federal Government likewise is a party, a voluntary party if you please, to the contract. It cannot be

released morally. I know of no rule of law or of equity by which it could be released if this were a private negotiation or were in the realm of contract ordinances usual in municipal government.

The proposal of the committee is to avoid the Federal Government's full compliance with the terms of the contract, to which the Congress has committed it, by the simple device of refusing to appropriate the money. Just one question, Mr. Chairman, may suggest the answer to that proposal. Suppose the little people should seek to avoid their part of the contract, the payment of an unfair sales tax on groceries and inexpensive meals and beds, on the grounds that their wives refused to make the necessary appropriations, or allowances, from family budgets; what then?

Mr. Chairman, I am supporting this amendment. I trust that this House by an overwhelming majority for the pending amendment will show fidelity to the principles of honesty and square dealing on the part of our Government as well as of the people whose Government it is.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. McCORMACK. Mr. Chairman, I rise in support of the amendment.

Mr. WILSON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. WILSON of Indiana. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes.

Mr. McCORMACK. That is after my 5 minutes.

Mr. WILSON of Indiana. Is there any reason why his 5 minutes cannot be included in the request?

I ask unanimous consent, Mr. Chairman, that the last 5 minutes be reserved for myself.

Mr. McCORMACK. Well, Mr. Chairman, the Chair had recognized me.

Mr. WILSON of Indiana. Did the gentleman yield to me?

Mr. McCORMACK. I yielded for the purpose of making a unanimous-consent request.

Mr. WILSON of Indiana. I ask unanimous consent, Mr. Chairman, that all debate on this amendment and all amendments thereto close within 10 minutes after the gentleman from Massachusetts finishes speaking, with the last 5 minutes being reserved for the chairman of the subcommittee.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. The Chair again recognizes the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, there are certain established facts in connection with this matter that I think are rather compelling upon my mind and should also be compelling upon the minds of members of this committee. It was only a few months ago that we passed a bill relating to the District of Columbia in which we pledged the Federal Government to contribute $20 million to the District of Columbia, and that that money in part was to carry out what we considered to be a necessary program in relation to the District and to the city of Washington. I recognize the force of the argument that authorizations are not binding upon the Committee on Appropriations or upon either branch of the Congress. Where, for example, an authorization is contained in a bill for an appropriation of $20 million for a project, a lesser amount might be appropriated, particularly where the project is one that will continue for several years, but having in mind that the full amount would be appropriated over the period of time necessary to construct the particular project, such as a dam, by way of illustration. But I consider this authorization to be entirely different. When I voted for the bill which passed this House several months ago, of which the Public Works provision was a part, I considered that I was morally obligated to vote to appropriate $20 million each year, necessary to carry out the parts of the Public Works program contained in the bill at that time. So I think that fact is established. We have an additional fact established, that President Eisenhower in his budget message recommended it to the Congress of the United States. I have profound respect for the views of President Eisenhower, or any other President; and I might say to my friends that that is also a very potent factor that I cannot ignore, because President Eisenhower apparently recognized that at least there was a moral, if not a legal obligation involved. In that respect I am glad to note that the President's views are in agreement with my own.

I might also say that despite the unwise and the intemperate remarks made on two occasions by Mr. Shanley—and I say this in no unkind way about Mr. Shanley—I repeat, despite the unwise and intemperate remarks made on two occasions by Mr. Shanley who is the personal attorney for President Eisenhower, in relation to the Democrats in Congress, I am still going to support the amendment offered by the gentleman from Minnesota [Mr. O'HARA], to increase the appropriation to the amount that I voted for in the bill that passed the Congress several months ago.

Mr. SIMPSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. SIMPSON of Illinois. I wish to ask the gentleman if he does not believe that this is part of the dynamic program.

Mr. McCORMACK. I did not quite catch the question.

Mr. SIMPSON of Illinois. I say I would like to ask the gentleman if this is not part of the President's dynamic program.

Mr. McCORMACK. I think we preceded the President, did we not? Your committee considered this bill. Is that right?

Mr. SIMPSON of Illinois. The joint committee and the subcommittee.

Mr. McCORMACK. Yes; and the President's recommendation in the budget for $20 million is carrying out what your committee recommended be incorporated in the bill.

Mr. SIMPSON of Illinois. And I may add that it passed the committee unanimously.

Mr. McCORMACK. Exactly; so it follows this dynamic action was on the part of your committee and on the part of the Congress. I repeat therefore that despite the unwise and intemperate remarks made on two occasions by Mr. Shanley, the personal attorney for President Eisenhower, I am going to vote for this amendment offered by the gentleman from Minnesota [Mr. O'HARA].

I might say for Mr. Shanley's benefit, however, that only the other day we voted to pass for 1 year the Reciprocal Trade Agreements Act. I think, if Mr. Shanley will look at the rollcall, he will find that many more Democrats voted for the extension than Republicans; he will probably find that of the 53 or 54 Members who voted against the extension for a limited period of 1 year, that 47 or 48 were Republicans, and only 5 or 6 Democrats voted against the extension.

And I would also call Mr. Shanley's attention to the fact that every one of the bills we Democrats voted for are good Democratic measures of the past 20 years, and we are glad to welcome President Eisenhower to our ranks.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we on the Appropriations Committee always have a difficult and sometimes unwelcome task to try and hold down appropriations. This is one time that it is unwelcome. But I do want to call to the attention of the Committee that this bill brought in by Mr. WILSON and his subcommittee has already increased the gift from the other taxpayers of the United States of America to the District of Columbia by $5 million above this year. That surely is being very liberal with the District. Yet there are those who feel that we should add another $4 million to this appropriation. I am sure that Mr. O'HARA is sincere in his desire to treat the District and its people fairly. He has always been very fair. I think this is one place in which he is being too liberal, however.

I could never see the justification for raising this lump-sum authorization, by the new law, to $20 million. I think even the $16 million in this appropriation bill is too much. I cannot see the justification for even that much as long as the District of Columbia does not raise its real-estate tax rate at least up to the average of the tax rates in the 48 States.

Mr. SIMPSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I will yield later if I have time. Please excuse me now, Mr. SIMPSON.

No, not as long as the tax rate on real estate does not even average up—average up, mind you—with the other 48 States of the Union. The District of Columbia is now third or fourth on the list as far as having the lowest tax rate in the United States is concerned. Why should we people back in southwestern Minnesota, who have our own taxes to pay, help the 800,000 residents of the District of Columbia pay their taxes

when they perhaps are in far better financial condition than we? Consider for a minute the tremendous cash payroll, paid by our Federal Government, which provides a great business impetus in this region. We would like to have just one small bureau located in my Seventh District and I assure you that my people would welcome one small segment without asking for a Federal contribution in return. Is it not just ordinary common sense that we give some consideration, regardless of our regard for this place we live in part of the year, to the entire fiscal picture of this great Nation of ours? This $16 million proposed here as a gift is all going to be borrowed money. Not a dime of it can come out of the reserves in the Treasury. There are no reserves. We are going into the hole this year, yet some would add to that deficit nationwide by being overly liberal to the District, by giving them more than this generous treatment that Mr. WILSON's subcommittee has given by adding an additional $5 million above last year. Do you not think we must use some good common sense if this Congress is going to hope to ever balance the budget of the United States of America? What good does it do the school children in this city to give them this additional grant, if we continue deficit financing and make it probable perhaps in 20 or 30 years for good old Uncle Sam to renege on his outstanding bonds? Is it not more important to these children to tighten up fiscally here today so that their future can be secure?

Keep in mind our $275 billion national debt and down in your innermost soul I believe you will agree that perhaps here is a place we can refuse to add $4 million to that same indebtedness by not letting our feelings run away with us. Yes, we on Appropriations must become hardboiled at times, even though like the rest of you we would like to be more generous than we can afford.

Mr. SHAFER. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Michigan. He has always been careful in voting the expenditure of our taxpayers' money. I wish there were more like him in the House.

Mr. SHAFER. If the gentleman does not mind, I think it would be a good idea to put in the RECORD back a few paragraphs previously in your speech that not only do they have the lowest tax rates or among the lowest tax rates of any city in the country but they get the highest rentals also.

Mr. H. CARL ANDERSEN. Yes. The hotel rates here are shocking to the average American who comes here for a few days. We should decentralize this huge Government. That would help a lot. There are some properties in the District that have not had a reassessment for tax purposes for a good many years. That information has been given to me by an attorney who has worked upon this very subject. Surely, if the District of Columbia legislative committee would look into these properties in the District, they could find ample taxable properties from which to get this $4 million without mulcting the taxpayers of the Nation as a whole. I sincerely hope the amendment of my good friend, Mr. O'HARA, will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. WILSON].

Mr. WILSON of Indiana. Mr. Chairman, when the subcommittee got through marking up this bill we found that we had cut $3,988,708 in the bill; in other words, we lacked approximately $11,000 of trimming the complete $4 million from it.

The budget carried along with it a surplus of $2,460,000. So by taking this $4 million off we still would have left them the same surplus as they have anticipated. According to all reasonable bases of reasoning, they will have approximately $12 million surplus at the end of this year.

Here is the history of their surpluses: In 1949 the budget estimated they would have a surplus of $17,417. They wound up with a surplus of $1,250,000. In 1950 they estimated their surplus at $1,900,000 and they wound up with $10 million. In 1951 they estimated their surplus at $1,700,000 and they wound up with $15 million. In 1952 they estimated their surplus at $2,600,000 and they wound up with $11 million. In 1953 they estimated their surplus at $15,000 and they wound up with $14 million. They have been running around $12 million more in their surpluses than they have estimated.

It is only logical to believe that in the initiation of this program they will fall short in expenditures and they may wind up with $20 million surplus. Anyway, it will probably be $12 million even though the $4 million is cut.

My only argument to cut the $4 million is it just saves appropriating money and paying interest on money that is not going to be used. There is nothing in the law that says that the $200 million contribution by the Federal Government over a 10-year period should be allocated $20 million a year, and there is no reason in this world to believe that they could use a full quota the first year. It is going to take time to plan this program and put it into operation, and I think they could much more wisely spend more money later on. I am not trying to welsh upon it at all. I feel like this, that the money will lie idle in the Treasury, will not be used. As chairman of the subcommittee, I am willing to give them their full share, but I do not like to see surpluses pile up on which the Federal Government must pay interest. Therefore, in order to prevent the piling up of surpluses and paying interest on the money, I feel that we should go along with the committee's recommendation of $16 million, and next year we will take another look and see what they need. And, if they need $24 million to carry on the program, I, as a member of the committee, am willing to go along.

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from Minnesota [Mr. O'HARA].

The question was taken; and the Chair being in doubt, the Committee divided; and there were—ayes 57, noes 54.

Mr. WILSON of Indiana. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. WILSON of Indiana and Mr. O'HARA of Minnesota.

The Committee again divided; and the tellers reported that there were—ayes 70, noes 59.

So the amendment was agreed to.

Mr. NORRELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NORRELL: On page 4, line 1, strike out "$258,215" and insert "$283,215 of which $25,000 shall be available for expenditure by the American Legion Convention 1954 Corporation in connection with the 1954 National Convention of the American Legion, subject to reimbursement from the American Legion if receipts exceed expenses."

Mr. FORD. Mr. Chairman, I make the point of order against the amendment inasmuch as the proposed expenditure is not authorized by law and that it is legislation on an appropriation bill.

Mr. NORRELL. Mr. Chairman, I think the point of order comes too late.

The CHAIRMAN. The Chair will rule that the gentleman from Michigan [Mr. FORD] was on his feet. Does the gentleman from Arkansas [Mr. NORRELL] desire to be heard upon the point of order?

Mr. NORRELL. Yes, Mr. Chairman, I would like to be heard.

The CHAIRMAN. The gentleman is recognized.

Mr. NORRELL. Mr. Chairman, I am not going to argue that this amendment is not subject to a point of order unless it is that the point of order comes too late. I had understood when we agreed on a time limitation and also agreed that the bill be considered as read, that all points of order on amendments at the Clerk's desk were waived. With that in mind the Chairman can say whether or not I am correct.

Mr. Chairman, if you adopt this amendment, the only thing you do is this——

Mr. FORD. Mr. Chairman——

Mr. NORRELL. The gentleman reserved his point of order, did he not?

Mr. FORD. Mr. Chairman, I made a point of order and press my point of order against the amendment.

The CHAIRMAN. The Chair will rule that the gentleman from Arkansas [Mr. NORRELL] is entitled to be heard on the point of order made against his amendment.

Mr. FORD. Mr. Chairman, the gentleman from Arkansas is arguing on the merits of the amendment and not as to the point of order itself. I shall reserve the point of order if the gentleman wishes to argue the merits, but I should like it clearly understood that I am not withdrawing my point of order.

The CHAIRMAN. The Chair would like to make inquiry of the gentleman from Arkansas if he can furnish the Chair with an authorization covering the language in his amendment.

Mr. NORRELL. Mr. Chairman, I frankly say there is no authorization in law covering this item.

The CHAIRMAN. The Chair will recognize the gentleman for the continuation of his objection to the point of order.

Mr. NORRELL. I have never claimed that there was an authorization for this item. I do not so claim now. But if this amendment should be adopted you will only permit the District Commissioners to carry out the pledge they made to the American Legion Convention last year when it was in session. They went to the convention and asked that the 1954 convention be held here in Washington. As an inducement to get the convention, they agreed that if the convention committee decided to come here and hold the 1954 American Legion Convention in Washington they would try to get the Congress to appropriate $25,000 to be used for expenses, with the understanding written into law that the money would be refunded out of proceeds of the Legion Convention after the Legion had adjourned. The District would get all of its money back. Not a dime would remain unpaid. All you do is simply say, if you should adopt this amendment, "We are willing to not embarrass the District Commissioners." The Legion has agreed to come here on the theory that it would get the money. All arrangements have been made for the convention. No harm can come anywhere. I am frank to say that I am shocked and surprised that anybody would object to the District Commissioners spending $25,000 of their own money to entertain the ex-servicemen of World War I and World War II.

The CHAIRMAN. Does the gentleman from Michigan insist on his point of order?

Mr. FORD. The gentleman from Michigan does insist on his point of order.

The CHAIRMAN. The Chair is ready to rule.

Upon the statement of the gentleman from Arkansas just made to the Chair that there is no authorization for the amendment, the Chair sustains the point of order.

Mr. FORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in order to explain the situation involving the amendment recently offered by the gentleman from Arkansas, I would like to state this:

As I understand, in 1952 the then Commissioners made a commitment to the extent that they thought the District of Columbia would provide $25,000 for the 1954 American Legion Convention. In the interim, the plans for the convention have moved along. Whether or not we approve this amount, I am certain and positive that the Legion convention will be held in the District of Columbia.

It has been almost 2 years since the District of Columbia Commissioners made the commitment that they would provide $25,000 for the Legion convention. It would have been the orderly procedure not to wait 2 years following that commitment for this issue to arise on the floor of the House. The legislative committees of the House and Senate having jurisdiction over District of Columbia business, if they had been alert to their responsibility, could well have taken the necessary legislative action so that we on the Committee on Appropriations would not now be called upon to do what they should have done. They could have approved, if it was desirable and justifiable, the necessary authorizing legislation permitting the District of Columbia commissioners to obligate the District to the $25,000 commitment. But, for some reason or other, the District of Columbia Legislative Committees have failed to take the necessary action. I do not think we, of the Committee on Appropriations, at this late date should bail them out. If they still want to take the necessary legislative action, they can go ahead and do it.

Mr. Chairman, I would like to make another point. If you will look at page 32 of the hearings, you will notice this language:

> In 1953, the city of St. Louis, Mo., requesting the convention for that year, assured the committee of a State appropriation of $40,000. However, this was tied up in the legislature and as no funds were available from the city, it is my information that the city fathers assisted in raising $39,000 of which 65 percent was returned to the contributors.

In my own city in Michigan, we have quite a convention-minded community. We are very glad to have the conventions come to our community and we do have a number of them each and every year. I do not recall that the convention bureau has gone to the city commission to ask any contribution by the taxpayers of that community to subsidize any convention coming to our community. As a rule, when a large convention comes, the business people in the city, if they need extra funds to attract these desirable conventions, step up and make the outlay and then are reimbursed from any moneys which are brought in as a result of the convention. It seems to me that the business people of the District of Columbia in this instance could go out and raise the necessary $25,000 and see to it that the American Legion, of which I am a member, will not have any financial problems prior to the convention coming here.

One other point, Mr. Chairman. If we, without the necessary authorizing legislation, allow this $25,000 to stand as a rider on an appropriation bill, this Congress from here on will be called upon to make similar contributions to other organizations that want to come here. I think it is fine that the Legion should come to the District of Columbia. I am for it. But, I feel if we handle this matter in this way, we will be perpetually called upon by this precedent to do the same for other highly desirable and worthwhile organizations, such as the American Legion is.

Mr. HYDE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. HYDE:
>
> On page 22, line 20, strike out "$1,124,365" and insert in lieu thereof "$1,393,665."
>
> On page 22, line 20, strike out "$135,406" and insert in lieu thereof "$404,706."

Mr. WILSON of Indiana. Mr. Chairman, I make a point of order against the amendment on the ground that it is legislation upon an appropriation bill. There is no authority of law for the District of Columbia to enter into a new activity of this kind, and a new business venture. Therefore, the subcommittee saw fit to eliminate that from the bill, and I make a point of order against it.

The CHAIRMAN. Permit the Chair to make this statement. The amendment, which is before the Committee and which the Chair now has before him, simply increases the amount of money in the bill. Does the gentleman from Indiana make a point of order against increasing the amount of money in the bill?

Mr. WILSON of Indiana. Mr. Chairman, I was under the impression that it was for the purpose of starting the District of Columbia in the parking business. If I may reserve my point of order until the gentleman explains what the purpose of his amendment is, of course I will be in a better position to speak against it.

The CHAIRMAN. The gentleman from Maryland is recognized to speak on his amendment.

Mr. HYDE. Mr. Chairman, I will say, of course, that the gentleman from Indiana is correct so far as the purpose of the amendment for an increase in the amount of this item in the appropriation bill. However, I do not think it is subject to the point of order raised by the gentleman from Indiana because it is simply increasing an amount appropriated and, therefore, would not, of course, be legislation on an appropriation bill.

As has been stated, the purpose of the increase is to permit the District of Columbia to make a start in the establishment of fringe parking in the District of Columbia. The problem of transportation generally, and public transportation in particular, has been a matter with which I have been concerned for some time and concerning which I have introduced legislation in this House. The District of Columbia would like to start to try to get some control of the traffic problem in the District of Columbia. What it wants to do is to set up parking areas in certain fringe locations for all-day parking. In connection with that, of course, the public transportation system will have to provide the necessary transportation to the downtown area. I do not think it needs to be said to any Member of this House that the traffic situation in downtown District of Columbia is rapidly becoming impossible. The reason given by the committee for striking this item out of the bill is this: They say, and I quote from page 7 of their report:

> That in view of past experience with this type of program the committee is doubtful of its ultimate success, and believes it desirable to study other cities' experiences for another year or two before undertaking a large investment for this purpose.

That is their reason for deleting this at this time. I submit, Mr. Chairman, that you cannot compare adequately the experience of one city with another in this particular problem, because the circumstances in each city are different. The nature of the transportation that is provided, whether or not charges are made, how much those charges amount to, and all that sort of thing are things with which each individual city itself must experiment and see how it works best.

I may say in connection with this particular item that the operators of private parking lots who are represented on the Motor Vehicle Parking Agency, have agreed to go along with this, because this will take care of the all-day parker who cannot afford or does not want to use the commercial facilities now provided in downtown Washington. It will take care of those people now using the public streets who park out in the outer areas. It is a problem with which every great city of this Nation is confronted.

As I gather from the hearings before the Appropriations Committee there was no opposition whatever to this proposition. It is a subject with which this great city must deal. This is an important thing to bear in mind, that this will not cost the taxpayers one cent, because they already have the money in their operating fund, money that they have received from parking meters and other parking charges that are made. I think they have something over a million dollars in that fund today. Here we are simply using $269,000 of that for the purpose of dealing with this very grave problem. As I understand it, they use only $20,000 or $30,000 for the first 5 or 6 months, to see how it catches on, if at all. Certainly this Congress should give the District of Columbia the opportunity of trying to deal with this very grave problem of parking and traffic in the downtown area of the city.

I sincerely hope that the Committee will adopt this amendment.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. WILSON of Indiana. Mr. Chairman, I still insist on the point of order on the ground that the appropriation is not authorized by law.

The CHAIRMAN. The Chair is of the opinion that if the money is unauthorized it is ineffective. The Chair is also of the opinion that the money can be used only for the items included in the bill and as authorized by law.

The Chair, therefore, overrules the point of order.

Mr. WILSON of Indiana. Mr. Chairman, I move to strike out the last word.

Then, Mr. Chairman, I insist that the amendment be defeated because were the money appropriated it could not be used; therefore, there is no good at all in adding this much more money for them to spend.

I note further that this experiment was tried by the District Commissioners one time, and it failed. I think that was some 10 or 12 years ago. They came back and asked to be enabled to make another experiment. They tried this experiment. It just did not work, and they gave us no reason to believe that they had anything better to offer at this time than they had previously.

Mr. HYDE. If the gentleman from Indiana will give me time to answer, I will be glad to answer him. I am not trying to answer the gentleman now.

Mr. WILSON of Indiana. I will accept the gentleman's answer.

I insist that we vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. HYDE].

The amendment was rejected.

Mr. KEARNS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to question the distinguished chairman of the subcommittee, the gentleman from Indiana, pertaining to one phase of the appropriation bill.

It has been brought to my attention that $35,000 was eliminated from the appropriation that would have provided for the student driver training program here in the District of Columbia. Will the gentleman please enlighten me on that subject?

Mr. WILSON of Indiana. I did not quite get the gentleman's question; would the gentleman repeat it?

Mr. KEARNS. I said that it has been brought to my attention that $35,000 has been eliminated from the appropriation that had been used for the student driver training courses here in the District of Columbia. Can the gentleman enlighten me as to that.

Mr. WILSON of Indiana. That is another one of those functions where you could increase services to an unlimited extent. I may say to the gentleman from Pennsylvania [Mr. KEARNS], that for several months we have been hearing about the tremendous savings that the District of Columbia was going to experience under the Reorganization Act. Every one of those savings, however, has reflected another increase.

They brought in statistics to show how much this student driver training program cut down the accident rate. I asked them the basis of those statistics and for comparisons. They claimed that their drivers trained under this course did not have the accidents the others had, but they could not convince me that that was due to the driver training program in the schools. It was probably due to the fact that some children go to school longer than others, that some parents can afford automobiles and others cannot; that some children have training back home and others do not.

I think this is a responsibility that could well be reserved to the parents who are responsible for the children and to the parents who are responsible for damages caused by accidents in which their car is involved, and for the maintenance of the automobile. I am not quite willing to go along with the theory that we should relieve the home, the father and mother of all responsibilities in training children.

Mr. KEARNS. Does the gentleman realize that in almost every community in the United States they have this driver training program? Does the gentleman tell me that the Superintendent of Schools did not appear before your committee and stress the importance of this program?

Mr. WILSON of Indiana. The Superintendent of Schools did not refer to the driver training program.

Mr. KEARNS. Then that is gross negligence on the part of the Superintendent of Schools in not stressing the importance of this program. I have no criticism of the chairman but I do criticize the Superintendent of Schools for not including this item in the budget here in the District of Columbia, if that is the case.

Mr. WILSON of Indiana. Would the gentleman go so far as to say that the District of Columbia ought to furnish baby carts and baby pushers to the parents of the District?

Mr. KEARNS. I think that is a little ridiculous.

Mr. WILSON of Indiana. I do not think it is ridiculous at all.

Mr. KEARNS. Look at the record. Most every city in the United States has a school driving program.

Mr. WILSON of Indiana. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. HALLECK] having resumed the chair, Mr. MCGREGOR, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9517) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1955, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. WILSON of Indiana. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the amendment.

Mr. H. CARL ANDERSEN. Mr. Speaker, I intend to demand a rollcall on this amendment.

Mr. WILSON of Indiana. Mr. Speaker, I ask unanimous consent that further proceedings in connection with the pending bill and the amendment be postponed until tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

COMMUNIST BEACHHEAD IN GUATEMALA CREATES PERIL TO WESTERN HEMISPHERE—MUST BE DEALT WITH PROMPTLY AND FIRMLY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. FISHER] is recognized for 20 minutes.

Mr. FISHER. Mr. Speaker, the bold Communist intervention in Latin America is a threat to the security of the Americas and cannot be tolerated. It calls for firm and positive action—action by the United States and concerted action by the Inter-American states.

Today I want to discuss the history and some of the background of Soviet

plotting and plans—plans which bear fruit in the Latin American Republic of Guatemala today. The Kremlin is leaving no stone unturned in advancing its insidious cause on this continent. We, of course, know of the vast scope of Communist activities here in the United States. But let us trace some of their scheming south of the border—from the Rio Grande to the Panama Canal.

COMMUNIST OCTOPUS SPREADS

The important thing to remember is that what has happened in Guatemala has not been an accidental occurrence. It is a significant outcropping of years of intrigue, infiltration, plotting, and planning by a Moscow-directed scheme to shut out civil rights and gain a substantial foothold in the Western Hemisphere.

It is well known that Soviet Russia has been attempting since as far back as 1934 to establish a base of operations in this part of the world. For a long time those efforts to the south centered in Cuba. But the Communists received a set-back there when on March 10, 1952, General Batista seized power. The Reds have not been able to function with any visible evidence of success under the Batista regime.

And the international conspiracy has striven hard for a foothold in Mexico, but with very limited success. The Mexican people love freedom. They are essentially a religious people, and the rank and file are strongly anti-Communist. Most of the Soviet power there is reported to be centered in the labor leader, Vicente Lombardo Toledano. It is reliably reported that the Soviet Embassy in Mexico City, along with those of her captive satellites there, acts as a headquarters for Communist fifth-column activity throughout Mexico, Central America, and the Caribbean Islands, with a sort of subheadquarters in Guatemala. Further to the south, the Kremlin is said to use the Czech Legation in Buenos Aires as the seat of South American operations.

COMMUNIST ACTIVITIES

Through this network arrangement some results are noted. It is well to remember, in an appraisal of these developments, that the Marxist, regardless of where he may be, regards himself as belonging first to the Soviet universal state and not to his own country.

Evidences of these activities have been cropping up for some time. The Communist hand was shown last April, for example, in the attempt to assassinate the vehement anti-Communist President Anastasio Somoza of Nicaragua. That government reported that the Reds had a hand in that plot. At about the same time Nicaraguan agents discovered Soviet-marked guns, believed to have been smuggled in by submarines.

Nicaragua and the Hondurases form a buffer between Communist-dominated Guatemala and the Panama Canal. We know that in Honduras a strike of north-coast banana workers paralyzed that Nation's economy. There is strong evidence that, while it may have had some local economic basis, it was masterminded by foreign agents, probably operating from Guatemala.

Communist labor leaders seem quite able to close the big copper mines in Chile, another evidence of their growing strength. And it is well known that communism is strong among certain miners of Bolivia, our only large source of tin in the Western Hemisphere.

In nearby Venezuela it is known that Communists are influential among oil workers and that they have established themselves in mining, transportation, and port unions there.

These Soviet-directed activities are well dispersed. The uprising in British Guiana last October is another example. The press reported that Moscow's Guatemalan agents aided the left-wing People's United Party to win 8 or 9 seats in the British Honduras Legislature not long ago. And the same crowd tried to spark a strike on the vast banana plantations there.

The Soviet stooges have also shown their hand in Jamaica and in Trinidad, in the Caribbean. They reportedly hold most of the important offices in two of the French islands in the Caribbean, Martinique and Guadeloupe.

These farflung activities are but symptoms of the Kremlin's plotting. There are many economic ills in the area and the Reds always seek to capitalize upon those in poverty-stricken or unfortunate circumstances.

RED AGENTS TRAVEL TO RUSSIA

As the Kremlin's conspiracy has been stepped up, there has been a noticeable increase in travel by the Red agents from various Central American countries to Moscow. It is reported that these local adherents of the Soviet universal state are now traveling to the land of the Iron Curtain at the rate of about 1,000 per year, about twice as many as were making pilgrimage in 1952. Even in Cuba, where the climate has not been to the liking of the Communists, the party members are permitted to travel to Russia and the satellites.

Guatemalan Communist leaders, including Jose Manuel Fortuny, Victor Manuel Guierrez, Carlos Manuel Pellecer, Mario Silva Jonama, and Jose Alberto Cardoza, are known to have visited Moscow, some of them several times. This travel is sponsored by Partido Guatemalteco del Trabajo, the chief Soviet agency in that country, which controls all labor unions and dominates the Government. At least 6 of the 11 committee members of that outfit are known to have visited Russia during the past year.

COMMUNIST LINE FOLLOWED

The teaching obtained on such missions is reflected in the line that is followed. Following Moscow orders, the local Communist leaders return to their respective countries to play upon the prejudices of the people, focusing their attention upon the illiterate and the unfortunate. They do not want to help those people. They seek to use them in promoting their diobolical plots against freedom of those whom they pretend to want to help.

That some indoctrination and training is reflected again in vicious attacks upon the United States. Uncle Sam is pictured by the Kremlin agents as a monster, interested only in protecting investments of Wall Street monopolies that have gobbled up the richest Latin American resources. They preach that kind of buncombe through local Communist papers and they scream the line at union meetings and at rallies sponsored by the familiar Communist peace committees. On such occasions they blame all their economic ills on the United States. They refer to our foreign aid to Europe and Asia but bemoan the fact that but limited assistance is received locally.

SOVIET PLAN

From the Soviet viewpoint, there is an objective for every move that is made. Their primary purpose is to promote international communism, dished out from Moscow. In concentrating so much attention to Central America at this time they would like to divert the attention of the United States to our own backdoor and away from the Reds' more important current operation in southeast Asia. With strength established in Latin America, the Soviets dream of submarine bases and of their ability to shut off vital materials from being imported into this country by means of strikes and sabotage of mines, refineries and ports.

And it must be remembered that the Panama Canal is only 2 hours' flying time from Guatemala. If the Soviets should force a global war to ignite, they are most anxious to use their puppets in that area of this continent as bases for sabotage and attack.

LATIN AMERICANS ANTI-COMMUNIST

But the Moscow conspirators know the going is not easy among the 160 million religious-minded, freedom-loving peoples of Central America. They know that 13 of the 20 Latin American Republics have outlawed the Communist Party. They know that the Communist Party in that area is actually smaller in numbers than it was right after World War II. But they are using their familiar techniques of deceit and fraud in trying to fool the people into complacency and non-resistance to their well-placed and Moscow-trained agents and coconspirators.

COMMUNISTS CONTROL GUATEMALA

We now know, Mr. Speaker, that the real Communist beachhead in this hemisphere has been established in Guatemala. It began to take form with the election in 1950 of Col. Jacobo Artenz. Right after that the Communists came out into the open. They were encouraged. The Partido Guatemalteco del Trabajo—PGT—the chief Soviet agency, has Government support. It is given free use of public buildings, automobiles, and subsidized Government advertising. It is reported that a daily Communist newspaper, Tribuna Popular, began publication on a press provided free by the Government. Government-approved student and youth organizations are under complete Communist domination.

Russia even maintains a propaganda vehicle in the National Peace Committee. The Reds control the radio, publicity, social security, and they completely dominate the labor unions. Alfonso Solorzano, a well-known Communist who was formerly associated with

Mexico's Toledano, has been in charge of Guatemala's social-security system for some time. And the Agrarian Reform Bureau, which parcels out land under expropriation powers, is under Communist direction. The department's Secretary General has been Senora Marie de Fortuny, wife of Manuel Fortuny, one of the top Communist moguls in Guatemala. There is a reliable report that associates the President's wife with the active Red network down there.

PEOPLE LIKE FREEDOM

But there is yet hope for Guatemala in the fact that the rank and file of the people love liberty. There are actually not many card carriers. Time magazine set the number of party members in that country at 536, and the National Planning Association, after a careful survey, estimated party members and fellow travelers to be no more than 2,000 to 3,000. But, as I have pointed out, the party leaders have been able to worm their way into strategic spots, thereby arrogating to themselves influence and power far out of proportion to their numerical strength.

There is hope when the people there learn—as indeed reports indicate they are learning—that they have been sold down the river by agents of a foreign power acting through the present government. All is not going well for the Communists in Guatemala. The Government's traditional strong fiscal position has been replaced by a sizable public debt. Private capital has been driven from the country, taking with it jobs and opportunities. The tourist trade, the source of much revenue, has declined and some agricultural production has suffered. In the name of agrarian reform the Communist-controlled Agrarian Bureau has expropriated some 450,000 acres of land, half of which was owned by the American-owned United Fruit Co. A figure of $2 per acre was assessed for this land, actually valued by the company at $16 million. But only a few of the 86 percent of Guatemalan citizens who are landless have benefited from this grab. It is understandable that reports persist of a probable outburst of resistance against the Sovietized actions of the present regime.

SOVIETS ARM GUATEMALA

In a bold and calculated move, Soviet Russia has recently sent a vast shipment of guns and ammunition to their outpost in Guatemala. Obviously not intended for any normal needs of its small 6,000-man army, the cargo of rifles, automatic arms, mortars, and light artillery, with large quantities of ammunition, all valued at $10 million, was received a a fortnight ago at Guatemala's Caribbean port of Puerto Barrios. Listed on the ship's manifest as "steel rods, optical glass, and laboratory supplies," in 15,000 cases, the Swedish freighter *Alphem* eased its cargo into the port after zig-zagging from the port of origin, Stettin, Poland.

Thus, in one fell swoop, Guatemala, with but 3 million people, became the major military power in Central America. The first recorded shipment of Iron Curtain guns reached the Western Hemisphere. With this vast quantity of war materials, Guatemala became several times as strong as any other country in Central America.

WHAT USE THIS WAR MATERIAL?

What is behind this buildup of war materials? What will it be used for? There are, of course, many possibilities. First, the Guatemalan Army will be armed and become a serious threat to the peace of the area. At the same time it may well be used to create a police state, Communist style, to perpetuate a Communist-dominated government in power—regardless of the will of the people. It is expected that a part of it will be smuggled into subversive hands inside neighboring countries.

It is significant that this vast storehouse of war material was received only 3 weeks preceding the dictatorial suspension of all constitutional rights of the people—a move associated with police-state tactics.

WHAT CAN BE DONE?

Now, Mr. Speaker, what can be done about all this? Already the State Department has cut off technical and other aid to this southern neighbor. We know many of the Latin American countries are gravely concerned and are becoming fully aware of their peril. There is, however, evidence of some complacency on the part of some of the Central American governments where a wait and see policy seems preferred. But we know that a policy of delay and procrastination in dealing with the situation is dangerous.

As I see it, possible actions include:

First. A concerted drive, spearheaded through diplomatic channels, to expose the real intentions of the Kremlin and to identify developments in Guatemala with Communist orders issued in Moscow.

Second. Action could, of course, be taken by the Organization of American States. It will be recalled that the Rio Pact of 1947 provides for effective reciprocal assistance in the event of foreign aggression against any American state, including aggression which is not an armed attack. Such action would conform with the anti-Communist declaration adopted 4 months ago at the Tenth Inter-American Conference at Caracas.

The press reports that Secretary of State Dulles favors such a meeting, and that it will probably be held at Montevideo, Uruguay, by a conference of foreign ministers, on July 1. It is encouraging to note that Mexico is agreeable to such a meeting. There possible courses of united action against Guatemala would be considered.

Third. The fullest possible cooperation, in the form of encouraging private investments, loans, technical assistance, trade arrangements with friendly Central American countries. Our Government has been pursuing that policy for a long time, but the opportunities should be reexamined in the light of recent developments in Guatemala.

Fourth. The application of economic sanctions, entailing a possible boycott of the commodities produced by the Soviet's most recent outpost, Guatemala, and a boycott against the shipment of goods into that country. This course could, of course, be tremendously effective. It is assumed this alternative will be considered at Montevideo.

Fifth. The invocation of the Monroe Doctrine. Since 1823 this country, under that doctrine, has made it clear that it will protect this hemisphere against foreign intervention. Now, for the first time in a hundred years, such an intervention by a foreign power has taken place. We must face up to it. The job will be made much easier by the united cooperation of other American states, all of whom have a common interest to be served by recognizing that intervention for what it is and then taking immediate steps to do something about it.

GUATEMALAN FOREIGN TRADE

In considering the application of economic sanctions, it is of interest to review the foreign trade situation in Guatemala. During 1953 imports into that country were valued at $79,539,000, and exports were valued at $88,922,000. The United States accounted for $63,163,000 of the exports and $44,280,000 of the goods sold to Guatemala came from this country. Thus a major portion of that trade was with the United States. Our markets and our exportable commodities constitute the mainstay of the economic existence of Guatemala today. If need be, and as an effective means of invoking the Monroe Doctrine, in order to defeat the Soviet invasion of Guatemala, our trade with that country should be brought to a complete halt—and that boycott should be firmly enforced.

Economic sanctions applied to any nation is a drastic move. But drastic action is called for in coping with this grave threat to the peace and security of this entire hemisphere. This Nation cannot afford to permit international communism to intervene, take over, and operate a government in the Western Hemisphere, imperil our peace and security, and jeopardize the freedom and self-respect of millions of people.

Mr. WINSTEAD. Mr. Speaker, will the gentleman yield?

Mr. FISHER. I yield.

Mr. WINSTEAD. I wish to compliment the gentleman from Texas, who is one of the ablest men in the House of Representatives and one of the best informed members of the Committee on Armed Services, on the fine presentation that he has made, and I wish to associate myself with his views.

Mr. FISHER. I appreciate the gentleman's statement and I am pleased to note his interest, which I know has existed for a long time, in the seriousness of the problem growing out of what is happening in Central America today.

LET US PRAY FOR PEACE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. RABAUT] is recognized for 10 minutes.

Mr. RABAUT. Mr. Speaker, I have introduced the bill, H. R. 9120, to authorize the Postmaster General to provide for the use in first- and second-class post

offices of a special cancelling stamp or postmarking die bearing the words "Pray for Peace."

In introducing this bill to urge that we pray for peace, my mind harkens again and again to the words of a legendary American and patriot, whose name was Abraham Lincoln; his words are as pertinent today as they were then:

We have been preserved these many years in peace and prosperity. We have grown in numbers, wealth, and power as no other nation has ever grown; but we have forgotten God. We have forgotten the gracious hand that preserved us in peace, and multiplied and enriched and strengthened us; and we have vainly imagined, in the deceitfulness of our hearts, that all these blessings were produced by some superior virtue and wisdom of our own. Intoxicated with unbroken success, we have become too self-sufficient to feel the necessity of redeeming and preserving grace, too proud to pray to the God that made us.

It behooves us, then—

He said—

to humble ourselves before the offended power, to confess our national sins, and to pray for clemency and forgiveness.

It is my deep conviction that we in the 20th century have forgotten God. New wealth and new blessings have come to us over the decades that would have astounded Lincoln, but he would find nothing new in the same presumptuous pride that afflicts us today.

It would also seem that, in view of the manner in which our country has been catapulted into the role of leadership of the free world, in recognition of the heavy mantle of responsibility which has been thrust upon our shoulders as Americans in the face of the long-continued and ever-increasing attacks upon us by the forces of godlessness and atheism, we need constantly to be reminded of our dependence upon God and of our faith in His support. We need to remember that it is from the wellspring of humility that greatness comes. We need always be aware, as were our Founding Fathers, that there is a Supreme Being who watches over the destinies of men and nations. We need only to approach Him, suppliantly, for the assistance He will give to those who ask for it, to guide an anxious ship of state through troubled waters and into safe harbors beyond. We need a return to basic truths. We need to pray for peace.

It is only proper that the Government of this great Nation, upon which a benign providence has lavished His blessings in an unending stream, should exhort her people and the peoples of the world, through the medium of a cancellation mark upon the face of her mail, with the simple and compelling entreaty, "pray for peace."

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mrs. BUCHANAN and to include a statement.

Mr. MCGREGOR.

Mr. STEED.

Mr. ALBERT (at the request of Mr. STEED) and to include extraneous matter.

Mr. HOLTZMAN (at the request of Mr. KLEIN).

Mr. JENKINS and to include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HILLINGS (at the request of Mr. LIPSCOMB), for duration of committee assignment, on account of official business of Special Committee To Investigate Communist Aggression.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on June 11, 1954, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 1331. An act for the relief of Mrs. Katherine L. Sewell;

H. R. 5416. An act to authorize the advancement of certain lieutenants on the retired list of the Navy; and

H. J. Res. 455. Joint resolution granting the status of permanent residence to certain aliens.

ADJOURNMENT

Mr. NEAL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 58 minutes p. m.), the House adjourned until tomorrow, Tuesday, June 15, 1954, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1625. A letter from the Administrator, Housing and Home Finance Agency, transmitting the 18th Quarterly Report on the administration of the advance planning program, pursuant to Public Law 352, 81st Congress (H. Doc. No. 433); to the Committee on Public Works and ordered to be printed.

1626. A letter from the Assistant Secretary of the Interior, transmitting two copies of the May 28, 1954, letter of comments from the Bureau of the Budget on our report on the Glendo Unit, Wyoming, Missouri River Basin project, which was sent to the Congress on April 2, 1954, pursuant to the Interior Department Appropriation Act for the fiscal year 1954 (67 Stat. 266); to the Committee on Interior and Insular Affairs.

1627. A letter from the Secretary of the Army, transmitting a draft of legislation entitled "A bill for the relief of Rodolfo C. Delgado, Jesus M. Lagua, and Vicente D. Reynante"; to the Committee on the Judiciary.

1628. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a list giving the names of aliens covered and copies of orders entered in cases where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of such aliens, pursuant to section 212 (d) (6) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1629. A letter from the Chairman, United States Civil Service Commission, transmitting a draft of legislation entitled "A bill to amend the Civil Service Retirement Act"; to the Committee on Post Office and Civil Service.

1630. A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to authorize removal of the position of Deputy Maritime Administrator from the classified civil service"; to the Committee on Post Office and Civil Service.

1631. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated April 8, 1954, submitting a report, together with accompanying papers and illustration on a review of the reports on Siskiwit River, Wis., with a view to determining the advisability of incorporating the maintenance of two breakwater piers at Cornucopia, Wis., into the existing project, and determining if any other modification of the harbor is advisable at this time. This investigation was requested by resolution of the Committee on Public Works, House of Representatives, adopted on April 13, 1948, as amended April 21, 1950 (H. Doc. No. 434); to the Committee on Public Works and ordered to be printed with one illustration.

1632. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated January 23, 1953, submitting a report, together with accompanying papers and an illustration on a review of report on the Mississippi River between Coon Rapids Dam and the mouth of the Ohio River, with a view to determining the advisability of providing flood protection along Bear Creek in Marion and Ralls Counties, Mo., requested by a resolution of the Committee on Public Works, United States Senate, adopted on June 24, 1947. It is also in partial response to resolutions of the Committee on Flood Control, House of Representatives, adopted on September 18, 1944, in regard to local protection at Hannibal, Mo., from floods on Mississippi River (H. Doc. No. 435); to the Committee on Public Works and ordered to be printed with one illustration.

1633. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated January 23, 1953, submitting an interim report, together with accompanying papers and an illustration on a survey of Rio Hondo at Roswell, N. Mex., this interim report is submitted under the authority for a preliminary examination and survey of Pecos River and tributaries, Texas and New Mexico, authorized by the Flood Control Act approved on June 28, 1938 (H. Doc. No. 436); to the Committee on Public Works and ordered to be printed with one illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 6340. A bill authorizing the restoration to tribal ownership of certain lands upon the Crow Indian Reservation, Mont., and for other purposes; with amendment (Rept. No. 1855). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 8081. A bill to authorize the purchase, sale, and exchange of certain Indian lands on the Yakima Indian Reservation, and for other purposes; with amendment (Rept. No. 1856). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 6885. A bill to amend section 1 of Joint Resolution

12 enacted by the 25th Legislature of the Territory of Hawaii, in the regular session of 1949 and approved by the 81st Congress of the United States of America at the second session (Public Law 746, ch. 833); with amendment (Rept. No. 1857). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 5997. A bill to enable the Legislature of the Territory of Hawaii to authorize the issuance of general obligation bonds, the proceeds thereof to be used for veterans' mortgages; with amendment (Rept. No. 1858). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 2012. A bill to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for a camp site and other public purposes; with amendment (Rept. No. 1852). Referred to the Committee of the Whole House.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 6959. A bill to authorize the sale of certain land in Alaska to the Baptist Mid-Missions for use as a church site; with amendment (Rept. No. 1853). Referred to the Committee of the Whole House.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 7958. A bill to authorize the sale of certain land in Alaska to the Harding Lake Camp, Inc., of Fairbanks, Alaska, for use as a youth camp and related purposes; with amendment (Rept. No. 1854). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENTLEY:

H. R. 9545. A bill to provide hospital care for certain veterans residing in the Philippine Islands; to the Committee on Veterans' Affairs.

By Mr. BENTSEN:

H. R. 9546. A bill to protect the rights of vessels of the United States on the high seas and in territorial waters of foreign countries; to the Committee on Merchant Marine and Fisheries.

By Mr. FERNANDEZ:

H. R. 9547. A bill to provide that certain lands acquired by the United States shall be administered by the Secretary of Agriculture as national forest lands; to the Committee on Agriculture.

By Mr. O'HARA of Minnesota (by request):

H. R. 9548. A bill to repeal the act approved September 25, 1914, and to amend the act approved June 12, 1934, both relating to alley dwellings in the District of Columbia; to the Committee on the District of Columbia.

By Mrs. ROGERS of Massachusetts:

H. R. 9549. A bill to provide that the special fourth-class postage rates for books shall apply to certain 16-page instructional publications; to the Committee on Post Office and Civil Service.

By Mr. HOLTZMAN:

H. Res. 582. Resolution to amend the Rules of the House to provide that the pledge of allegiance to the flag shall be rendered at the beginning of each day's sitting; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States relative to House Concurrent Resolution No. 22, deploring the unwarranted and unprecedented abuse of power by the United States Supreme Court in the antisegregation decision handed down on May 17, 1954; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DINGELL:

H. R. 9550. A bill for the relief of Mrs. Dvora Gershkovitz and Moisha Gershkovitz; to the Committee on the Judiciary.

By Mr. MOLLOHAN:

H. R. 9551. A bill for the relief of Ektor Dikeles; to the Committee on the Judiciary.

By Mr. RODINO:

H. R. 9552. A bill for the relief of the Theobald Industries, Inc.; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 9553. A bill for the relief of Mrs. Nina Camarata, Florence Camarata, Joseph Camarata, and Louis Camarata; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1008. By Mr. GRAHAM: Petition of 155 employees of Conway yards, the Pennsylvania Railroad, Conway, Pa., urging passage of H. R. 5269; to the Committee on Interstate and Foreign Commerce.

1009. By Mr. GROSS: Petition of 14 residents of Hardin and Marshall Counties, Iowa, favoring the Bryson bill, H. R. 1227, to prohibit the transportation in interstate commerce of alcoholic beverage advertising in newspapers, periodicals, etc., and its broadcasting over radio and television; to the Committee on Interstate and Foreign Commerce.

1010. By the SPEAKER: Petition of the president, Long Branch Woman's Club, Long Branch, N. J., pledging full support of President Eisenhower's proposal for an International Atomic Energy Agency; to the Joint Committee on Atomic Energy.

1011. Also, petition of the Secretary, Union Printers' League of New Jersey, Trenton, N. J., relative to being placed on record as protesting as discriminatory, uncharitable, and unfair the ruling made by the Internal Revenue Department, which places taxes on union pensions; to the Committee on Ways and Means.

1012. Also, petition of the president of the Senate of the Republic of Mexico, Mexico City, Mexico, relative to transmitting a folder setting forth the viewpoints of the Society Amigos de Guatemala de Mexico concerning the defense of Guatemala at the 10th Pan-American Conference held at Caracas; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

House Resolution 521

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, June 14, 1954

Mr. McGREGOR. Mr. Speaker, on April 29 I introduced what is now known as House Resolution 521, the intent of which was to bring an end to peacetime draft and form the basis for a volunteer professional military establishment.

Peacetime draft, the present system of making up the strength of the Armed Forces, is inequitable, expensive, and inefficient. My resolution, Mr. Speaker, directs the Committee on Armed Services to make a full and complete investigation of the pay, allowances and so-called fringe benefits endeavoring to work out a program calculated to attract vounteers to a military career. This investigation would have two principal objectives: First, to provide benefits for military personnel approximately equal to those which could be obtained in civilian life and, second, to attract career personnel into the Armed Forces in numbers sufficient to maintain them on a volunteer basis except in time of war. This procedure would provide our country with professional armed units which would be familiar with up-to-date and modern weapons that are being developed from year to year. In this way, those reaching service age would have the opportunity of selecting a military or civilian career. The program would save money, give adequate defense, and go a long way in preventing economic disruption.

Dixie Gilmer

EXTENSION OF REMARKS
OF
HON. CARL ALBERT
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 14, 1954

Mr. ALBERT. Mr. Speaker, it is with deep sorrow that I join with my colleagues in paying a small word of tribute to a former colleague from my State. I have known Dixie Gilmer for many

years. During all this time we have been close personal friends. Early in his life he lived in my district and has relatives living there at this time.

Dixie Gilmer is one of the most unique and colorful characters in Oklahoma politics. He had a personal following in his own county that always enabled him to run far ahead of his party. He was a man of tremendous courage. He was a fighter. He has been ill for many years. He was ill most of the time during his short period of service in this House. Had it not been for his unrelenting fight, he would have lost his battle with death many years ago. Yet with all his courage and tenacity, Dixie Gilmer was a lovable person who loved his friends.

To his beloved widow and loved ones I extend my deepest sympathy.

The Federal Unemployment Compensation Standards Act

EXTENSION OF REMARKS
OF
HON. VERA BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 14, 1954

Mrs. BUCHANAN. Mr. Speaker, under leave to extend my remarks, I wish to include the following statement submitted by me to the House Ways and Means Committee in support of H. R. 9430, the Federal Unemployment Compensation Standards Act, of which I am a cosponsor:

STATEMENT OF HON. VERA BUCHANAN BEFORE THE HOUSE WAYS AND MEANS COMMITTEE ON H. R. 9430, THE FEDERAL UNEMPLOYMENT COMPENSATION STANDARDS ACT

Mr. Chairman and members of the committee, I wish to thank you for the opportunity to give my views in support of H. R. 9430 introduced by Congressman AIME J. FORAND and known as the Federal Unemployment Compensation Standards Act. This bill, of which I am very happy to be a cosponsor, provides substantial improvements in the Federal-State system of unemployment compensation. It provides maximum primary benefits of at least 50 percent of the full-time weekly wage up to a ceiling of 66⅔ percent of the State's average weekly wage, and increases the duration of benefits to a period of 39 weeks.

Almost 19 eventful years have elapsed since the Social Security Act was passed in 1935. During these years the Federal-State unemployment insurance program has proved its worth under constantly changing economic conditions and has become an accepted institution. It is clear, however, that with the millions of workers who are unemployed today, with the many thousands who are receiving layoff notices each week and with unemployment compensation payments falling far behind wages and the cost of living, there is an immediate and pressing need for an unemployment compensation standards bill.

In the great Commonwealth of Pennsylvania, the maximum weekly benefit presently allowed is $30 and payments run out after 26 weeks. Is it any wonder that many workers are exhausing their benefits before they can find jobs?

With the unemployment situation becoming more serious each month, the need for improving benefits must be met without delay. It is true that there was reported a slight drop in the number of unemployed workers between April and May, but these same figures show that manufacturing employment continued to decline. The Labor Department has just announced that 31 industrial centers have been added to the list of areas of substantial unemployment—those having 6 percent or more of their labor force without jobs. The total of these substantial labor surplus areas has now reached 123. The Department said there were 16 major areas in this latest addition to the list and 4 of the 16 are in Pennsylvania—Pittsburgh, Erie, Philadelphia, and Reading.

In another Labor Department report published in May, we find that the States paid out a record $553 million in unemployment-compensation benefits during the first quarter of this year. This was the largest amount paid to jobless workers in any previous 3-month period, the Department reported, and figures just released by the Office of Business Economics of the Department of Commerce show that personal income in the Nation declined in April for the sixth straight month. Personal income, according to this report, in April, was at an annual rate of $1 billion less than it was in March and $5 billion under that of last October.

In the face of this urgent need to improve unemployment benefits, it is disheartening to note that during the year 1953 only eight States amended the provisions of their unemployment-insurance laws governing the maximum length of benefit payments. It is thus apparent that this cannot be left to the States and that the obligation and the responsibility is here with us.

The statistics I have quoted point implacably to one conclusion—the need for prompt and effective action and that the time for action is now. Each day that we delay such action adds to the workers' fear of unemployment and undermines that security which is so essential to their welfare. It is by such action, and by such action alone, that the Federal-State unemployment-compensation program will be able to meet the challenge of the serious period of recession which we are experiencing today.

Baltic Genocide Day

EXTENSION OF REMARKS
OF
HON. IRVING M. IVES
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Monday, June 14, 1954

Mr. IVES. Mr. President, 13 years ago this month there was perpetrated one of the most heinous crimes against humanity known to western civilization. I refer to the brutal and infamous treatment of the people of Latvia, Lithuania, and Estonia at the hands of the Communist invaders.

I ask unanimous consent to have printed in the body of the RECORD, a statement I have prepared for this anniversary of Baltic Genocide Day.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR IVES

There have been bitter days in the history of man which leave unforgettable scars on the conscience of humanity. Such a day occurred 13 years ago when thousands upon thousands of innocent people—Latvians, Lithuanians, Estonians—became the victims of Communist brutality. Today we have come to designate that occasion as Baltic Genocide Day. And we observe it for one reason only: in order to vow that the wrongs done on that day will be righted.

Civilized men could not live in good conscience if they were to forget or ignore the injustice Baltic Genocide Day memorializes. But to remember injustice is in itself not enough. It is important only as long as we are determined that its victims will be restored to dignity and self-respect.

This nation is dedicated to insuring freedom under God for men of good will everywhere. We shall never rest as long as that freedom is withheld. In this resolution lies the greatest hope of those Lithuanians, those Latvians, those Estonians who saw their liberty wrested away by ruthless aggressors. That liberty will be restored. It must be restored. There can be no true peace in this world until Baltic enslavement, like all enslavement, shall have been brought to an end.

The Fifth Amendment Should Not Shelter Communists

EXTENSION OF REMARKS
OF
HON. THOMAS A. JENKINS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, June 14, 1954

Mr. JENKINS. Mr. Speaker, there is a strong sentiment in the country against communism in its many nefarious forms. It is a sad fact that this monster shows its slimy head in many unsuspecting places. I am sorry that we have in the Federal Government many employees who are not true Americans.

I have often thought that a true, genuine American has absolutely no trouble with his own mind or conscience when the matter of his Americanism is brought up. I have always felt that any person employed by the Government should always be ready and willing to discuss and explain to his superiors, or to a court, or to a lawful committee what he has been doing for the Government, and what information he has learned in connection with his work with the Government.

I have been shocked at the many instances where Federal employees sought to hide behind the fifth amendment to the Constitution.

The language in the fifth amendment behind which they seek to hide is, as follows:

No person * * * shall be compelled in any criminal case to be a witness against himself.

Of course, if a Federal employee is questioned about matters that are outside of his Federal employment, and purely personal, and he in good conscience believes he might incriminate himself, he would be entitled to the protection of the fifth amendment. However, a Federal employee who defiantly refuses to answer a question about his work with the Government throws himself open to a suspicion that he is not willing for his superiors to know just what he has been doing in his position with the Government. Such an individual should not be permitted to hide behind the fifth amendment. Such an

individual should be immediately separated from his service with the Government. With regard to his retirement annuity when he is discharged in this manner he should be paid a sum equal to the total amount paid by him as contribution toward such retirement annuity, plus any accrued interest attributable to such contributions.

I felt so strongly about this matter that, a short time ago, I introduced a bill in Congress numbered H. R. 7381. This bill expresses my views, and, I think, will express the views of all loyal Americans everywhere. This bill is pending before the House Post Office and Civil Service Committee. I appeared before this committee a few days ago and presented my arguments in favor of the passage of my proposed legislation.

This bill, H. R. 7381, reads as follows:

Be it enacted, etc., That any officer or employee of the United States who refuses to testify upon matters directly or indirectly (1) relating to his office or employment or (2) relating to any relationship he might have with any foreign government, in any proceeding wherein he is a defendant or called as a witness, upon the ground that his answer may tend to incriminate him or compel him to be a witness against himself, or who refuses so to testify on such ground when called by a grand jury or any standing or select committee of the Senate or House of Representatives, or any subcommittee of such a committee, or any joint committee of the Congress, shall be immediately separated from his office or employment and shall forfeit his right to a future retirement annuity based on service in the Government of the United States, and be disqualified from holding any other public office or employment in the Government of the United States.

SEC. 2. If the right to a future retirement annuity is forfeited by any officer or employee of the United States under this act, there shall be paid to such individual a sum equal to the total amount paid by him as contribution toward such retirement annuity, plus any accrued interest attributable to such contributions.

Pledge of Allegiance to the Flag in the House of Representatives

EXTENSION OF REMARKS
OF
HON. LESTER HOLTZMAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 14, 1954

Mr. HOLTZMAN. Mr. Speaker, I am today introducing in the House of Representatives a resolution which would amend the rules of the House to provide that the pledge of allegiance to the flag shall be made by the Members at the beginning of each day's session, immediately after the prayer by the Chaplain.

Our flag has been our inspiration since its adoption in 1777, and to us and to the peoples outside our borders it symbolizes the American way of life.

Each year on Flag Day we honor our national emblem, and once again dedicate ourselves to the ideals it represents. Our young men have fought and died on many fields to uphold the heritage of our flag, and at the moment we are engaged in a bitter fight against communism, both here and abroad. We must not, and will not, accept any foreign ideologies which would be contrary to our fundamental concepts of democracy, and which would dishonor our flag.

Many of our school children start their day with the salute to the flag, and numerous civic and patriotic organizations begin their meetings with the pledge to the flag.

We here in the House are the elected Representatives of the people, and I believe that it would be most fitting for us to start each session with the pledge of allegiance, thus giving public indication of our belief in the flag, and "the Republic for which it stands." For that reason I have introduced this resolution, and I trust that it will be favorably considered by the appropriate committee.

Dixie Gilmer

EXTENSION OF REMARKS
OF
HON. TOM STEED
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 14, 1954

Mr. STEED. Mr. Speaker, one of the greatest fighters for the public good that Oklahoma has ever produced, Dixie Gilmer, has been taken by death. It is with greatest sorrow that the news of his passing is brought to the House, where he served as a Member of the 81st Congress.

Torn in body by physical ailment for most of his adult life, Dixie Gilmer found not only the courage and strength to remain active in public service but literally defied the normal law of survival by sheer willpower. His frail body contained a brilliant mind that was his strength until the end.

I deem it a high privilege to have held him as a true friend in his lifetime. His devotion to the public welfare in his many offices of public trust was an inspiration to me, and I know to everyone who knew him and his deeds. He contributed much in the making of Oklahoma into a great State.

Perhaps his greatest virtue was his refusal to compromise his principles. Few men could have found the courage that he needed to carry on his public activities through the long years of his personal afflictions. But the issue of good government and his zeal to serve it seemed always to sustain him when men of lesser determination would have given up the struggle.

I join with my colleagues in extending my deepest sympathy to his family. His passing is not their loss alone—the Nation has given up one of its finest servants.

SENATE

TUESDAY, JUNE 15, 1954

(Legislative day of Friday, June 11, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty God, whose will doth sway the destiny of the universe and of human life upon this spinning island in the vastness of the heavens: We bow humbly before Thee, unto whom all hearts are open and from whom no secrets are hid, and before whose searching gaze nothing is covered or concealed. Out of the sham and show, the pride and pretense of man's constant endeavor to appear before his fellows for what he is not, we come asking that Thou wilt cleanse the very thoughts of our hearts by the inspiration of Thy Holy Spirit, that we may perfectly love Thee and worthily magnify Thy holy name.

Kindle in each of us, we beseech Thee, the deep desire to live nobly, with equal reverence for ourselves and others, in the unconscious radiance of a life animated by compassion and by kindness. May our motives and deeds be under the utter domination of a supreme passion for the welfare of our beloved Nation and for all the people of this stricken earth so wounded by man's inhumanity to man. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 14, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1980. An act to authorize and direct the Commissioners of the District of Columbia to construct a bridge over the Potomac River in the vicinity of Jones Point, Va., and for other purposes;

H. R. 7128. An act to amend the act entitled "An act to provide an immediate revision and equalization of real-estate values in the District of Columbia; also to provide an assessment of real estate in said District in the year 1896 and every third year thereafter, and for other purposes," approved August 14, 1894, as amended;

H. R. 7132. An act to exempt from taxation certain property of the Veterans of Foreign Wars of the United States in the District of Columbia;

H. R. 7853. An act to permit retired policemen, firemen, and teachers of the District of Columbia to waive all or part of their annuities, relief, or retirement compensation;

H. R. 8692. An act to permit the payment of certain trust accounts to the beneficiary on the death of the trustee by savings and loan, and similar associations in the District of Columbia;

H. R. 8973. An act to amend paragraph 31 of section 7 of the act entitled "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended;

H. R. 8974. An act to permit investment of funds of insurance companies organized within the District of Columbia in obligations of the International Bank for Reconstruction and Development;

H. R. 9077. An act to amend section 405 of the District of Columbia Law Enforcement Act of 1953, to make available to the judges of such District the psychiatric and psychological services provided for in such section; and

H. R. 9344. An act to prohibit picketing in the immediate vicinity of the White House, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 2225. An act relating to the administrative jurisdiction of certain public lands in the State of Oregon, and for other purposes;

S. 3050. An act to amend the Agricultural Adjustment Act of 1938, as amended; and

S. 3096. An act to further amend section 4 of the act of September 9, 1950, in relation to the utilization in an enlisted grade or rank in the Armed Forces of physicians, dentists, or those in an allied specialist category.

ORDER FOR CHANGE IN CALL OF THE CALENDAR

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the call of the calendar, which it was announced would take place today, to begin where the Senate left off at the last call, with the four additions which were announced yesterday, be concluded at No. 1605 on the calendar, which is Senate bill 3453. I have been informed that reports are not available on Calendar Nos. 1606 through 1610, which are House bills 2231, 7601, 7334, 9040, and 4496. Rather than go through the process of having the latter bills objected to, I suggest that they be eliminated from the call of the calendar and be included in the next call of the calendar if they have not been called up in the meantime.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

UNITED STATES SUPREME COURT DECISION IN ANTISEGREGATION CASE—CONCURRENT RESOLUTION OF LOUISIANA LEGISLATURE

Mr. ELLENDER presented a concurrent resolution of the Legislature of the State of Louisiana, which was referred to the Committee on the Judiciary, and, under the rule, ordered to be printed in the RECORD, as follows:

House Concurrent Resolution 22

Whereas our Founding Fathers set up a constitutional form of government responsible to the people of the States and retained all sovereignty and right of government in the States except that which was delegated to the United States Government in the United States Constitution, adopted 155 years ago; and

Whereas that Constitution gave birth to and created the United States Supreme Court with authority only to interpret and apply said Constitution and the laws made pursuant thereto; and

Whereas prior to the most recent decision the Supreme Court operated within the bounds of the Constitution by holding in various cases that the establishment of separate schools for white and colored was a valid exercise of State legislative policy and powers; and that segregation of the races in the public schools, so long as equal rights are preserved, is a matter of legislative policy for the several States, with which the Federal courts are powerless to interfere; and

Whereas in compliance with such Court decisions the people of the State of Louisiana and the people of about half of the States of the Union, where State constitutional and legislative policy provided for segregation in the public schools, have provided a dual system of public schools and equality of rights at staggering expense to the taxpayers of those States, and the maintenance of a policy of segregation within these States has been conducive to a peaceful, harmonious situation in the general welfare; and

Whereas the abolition of the present system of segregation in the public schools would be intolerable to the great majority of the citizens of both the white and Negro races in Louisiana and contrary to their own wishes and interests; and

Whereas under the erroneous sociological theory that "To separate them from others of similar age and qualifications solely because of their race generates a feeling of inferiority as to their status in the community that may affect their hearts and minds in a way unlikely ever to be undone," the same United States Supreme Court, with most of the same personnel which handed down some of those Court decisions as recently as 1950, has seen fit to repudiate all prior decisions of that Court on this subject matter and the Court, by unanimous decision handed down on Monday, May 17, 1954, has usurped power and judicial authority not granted to it by the United States Constitution to strip and deprive the States of the Union of their reserved rights and powers of government, including the regulation of their public schools with provision for segregation of races, with which the same Court has held that the Federal courts were powerless to interfere; and

Whereas the same United States Supreme Court, as far back as 1821, in a case reported in 6 Wheat. (a) 404, by a unanimous decision handed down by the late great Chief Justice Marshall held that for the Court to usurp jurisdiction which is not given by the Constitution is "treason to the Constitution"; and

Whereas our white and Negro people without strife and turmoil are jointly advancing in material and cultural wealth under the policy of segregation laid down by our forefathers, embodied in our fundamental State law and heretofore affirmed by our United States Supreme Court: Now, therefore, be it

Resolved by the Legislature of Louisiana (the Senate and House of Representatives concurring), That it deplores the unwarranted and unprecedented abuse of power by the United States Supreme Court in the antisegregation decision handed down on May 17, 1954, which can only result in racial turmoil, strife, and confusion, to the irreparable harm and injury of the people of the State of Louisiana and of most of the States of the Union; and further

Resolved, That it is the solemn judgment of this legislature that racial integration in our schools is not desired by the vast majority of either our white or our Negro people, that it is clearly intolerable, impracticable, and in the ultimate sense of the word, unenforceable upon the free people of a sovereign State; and further

Resolved, That, taking full cognizance of the Supreme Court decision which clearly violates the concept and spirit of the Constitution when measured by previous decisions of the same Court on the same subject matter, this legislature address itself to provide ways and means whereby our existing social order shall be preserved, and our institutions and ways of life established by many generations of Louisianians and embodied in our fundamental law shall be maintained; and further

Resolved, That the Legislature of Louisiana memorialize the legislatures of the other States of the Union to take positive action to uphold the inherent constitutional rights and powers of the people and State governments as expressed in the 9th and 10th amendments against such usurpation of power to the end that constitutional government and the indestructibility of the States may be preserved for the people; and further

Resolved, That copies of this resolution, attested by the president of the senate and the speaker of the house of representatives, with the official seal of the State of Louisiana affixed thereto by the secretary of state, be forwarded to all Members of the United States Congress, and to the Governors of all the States.

SUPPORT PRICES FOR HONEY—LETTER FROM WISCONSIN STATE BEEKEEPERS ASSOCIATION, MILWAUKEE, WIS.

Mr. WILEY. Mr. President, only folks familiar with agricultural problems of our Nation probably recognize the key role which beekeeping plays in our farm economy but it is a subject of which all Americans should become more aware.

In connection with the overall parity problem faced by the honey industry, I send to the desk a brief letter which I received this morning from the first vice president of the Wisconsin Beekeepers Association, Vernon G. Howard, urging continued mandatory support.

I ask unanimous consent that the letter be printed in the RECORD, and be thereafter appropriately referred to the Senate Agriculture Committee.

There being no objection, the letter was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

WISCONSIN STATE BEEKEEPERS ASSOCIATION,
Milwaukee, Wis., June 12, 1954.

Hon. ALEXANDER WILEY,
Washington, D. C.

DEAR SENATOR WILEY: According to figures released by USDA as of May 28, 1954, show that all honey was redeemed by our industry with the exception of 528,000 pounds. This is a very small takeover. In 1953 the takeover was also very small in relation to the total poundage under loan and purchase agreements.

This would indicate for the honey industry that the price-support program is stabilizing the honey industry which in turn insures a plentiful supply of honey bees for pollination. I urgently request that honey be retained on a mandatory support basis at 60 percent to 90 percent of parity in the new farm bill now being written.

May I count on your personal support of this section of the new legislation? Thank you.

Sincerely yours,

VERNON G. HOWARD.

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. MARTIN (for himself and Mr. BUTLER of Nebraska) (by request):

S. 3606. A bill to establish national policy respecting the development and use of water resources, and for other purposes; to the Committees on Interior and Insular Affairs and Public Works.

(See the remarks of Mr. MARTIN when he introduced the above bill, which appear under a separate heading.)

By Mr. BENNETT:

S. 3607. A bill to authorize certain improvement of the Weber River, Utah, for flood control; to the Committee on Public Works.

(See the remarks of Mr. BENNETT when he introduced the above bill, which appear under a separate heading.)

By Mr. BUTLER of Maryland:

S. 3608. A bill to amend title 28 of the United States Code to provide for transfer of cases between the district courts and the Court of Claims; to the Committee on the Judiciary.

By Mr. WILEY (by request):

S. 3609. A bill to provide an adequate, balanced, and orderly flow of milk and dairy products in interstate and foreign commerce; to stabilize prices of milk and dairy products, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. WILEY (for himself, Mr. IVES, and Mr. LEHMAN):

S. 3610. A bill to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for the maintenance of the Merchant Marine Academy; to the Committee on Interstate and Foreign Commerce.

By Mr. WELKER:

S. 3611. A bill relating to the inspection and certification of Irish potatoes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. WELKER when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE:

S. 3612. A bill to provide for the acquisition by the United States of lands required for the reservoir to be created by the construction of Oahe Dam on the Missouri River, and to provide for rehabilitation of the Sioux Indians of the Standing Rock Reservation in South Dakota and North Dakota; to the Committee on Interior and Insular Affairs.

S. 3613 (by request). A bill to modify the Code of Laws for the District of Columbia to provide for a uniform succession of real and personal property in case of intestacy, to abolish dower and curtesy, and to grant unto a surviving spouse a statutory share in the other's real estate owned at time of death, and for other purposes; to the Committee on the District of Columbia.

By Mr. CARLSON:

S. 3614. A bill to provide that the Secretary of the Interior shall investigate and report to the Congress as to the advisability of establishing Waconda Spring, Mitchell County, Kans., as a national monument;

S. 3615. A bill to provide that the Secretary of the Interior shall investigate and report to the Congress as to the advisability of establishing the Medicine Lodge Indian Peace Treaty Site as a national monument and historic shrine; and

S. 3616. A bill to provide that the Secretary of the Interior shall investigate and report to the Congress as to the advisability of establishing Fort Larned as a national monument; to the Committee on Interior and Insular Affairs.

S. 3617 (by request). A bill to permit involuntarily separated postmasters, when post offices are discontinued, to acquire classified civil service status through noncompetitive civil service examinations; and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DWORSHAK:

S. 3618. A bill to provide for the construction of a water filtration plant at Bonners Ferry, Idaho; to the Committee on Interior and Insular Affairs.

NATIONAL WATER POLICY

Mr. MARTIN. Mr. President, the Senator from Nebraska [Mr. BUTLER], as chairman of the Committee on Interior and Insular Affairs, and I, as chairman of the Committee on Public Works, today are introducing a bill to establish a national water policy. The bill is introduced at the request of the Water Resources Policy Committee of the National Water Conservation Conference.

Mr. President, I ask unanimous consent that a statement explaining the bill be printed at this point in the body of the RECORD, as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MARTIN

Senator BUTLER of Nebraska, as chairman of the Committee on Interior and Insular Affairs, and I, as chairman of the Committee on Public Works, today are introducing a bill to establish a national water policy.

The bill is introduced at the request of the Water Resources Policy Committee of the National Water Conservation Conference, an organization composed of representatives of State and local governments and of private enterprise in about 40 States of the Union. It was formed in 1944 for the major purpose of promoting programs designed to establish better relationships among Federal, State, and local governments and private enterprise in the development of the water resources and related land resources of the Nation.

It was this organization that drafted and pursued the successful campaign for the inclusion of the so-called O'Mahoney-Millikin amendment to the Flood Control and Rivers and Harbors Acts of 1944 and 1945. This amendment, since incorporated in all subsequent Federal flood-control and rivers and harbors laws, comprises a congressional declaration of policy to recognize the interests and rights of the States in the development of the rivers of the Nation and their watersheds. To effectuate this policy, the amendment affords an opportunity to the governors of States affected by any proposed Federal flood-control project of the Corps of Engineers or any reclamation project of the Department of the Interior to incorporate a statement of their views as to such projects in reports submitted to the Congress for their authorization. This congressional policy has been generally acclaimed as one of the greatest advances made in recent years in bringing about an improved relationship between Federal and State Governments in the field of water resources development.

About 2 years ago, the National Water Conservation Conference directed its Water Resources Policy Committee to make an intensive study of the Nation's water resources development problem. The results of the committee's efforts are embodied in the bill which Senator BUTLER of Nebraska and I have introduced today. I believe that its provisions, in general, have much merit.

I also believe that the whole subject of national water policy is of extreme importance to all sections of the country and should be given widespread attention. The bill, in my opinion, represents a sincere and objective effort to establish sound principles and desirable standards respecting the development of the water resources in the United States. However, we hope it will be clearly understood that we do not, by joining in the introduction of the bill, necessarily endorse or subscribe to every particular provision of this bill.

It is being introduced at this time largely for the purpose of stimulating an even greater public interest and of providing a common ground for consideration and discussion of the issues involved.

I understand that NWCC plans to hold a general meeting late this year or early in 1955 with the view of bringing about a reconciliation of conflicting views, if any, concerning the proposed bill and a general agreement on a measure which it could support in the interests of the country as a unit. This procedure represents a splendid example of a grassroots democracy at work on a complex problem.

Inasmuch as the subject matter is of mutual interest to both committees, I hope it will be referred jointly to the Committee on Public Works and the Committee on Interior and Insular Affairs.

The names and addresses of the members of the Water Resources Policy Committee which drafted the bill are listed below. I understand that answers to inquiries and other information about the measure will be furnished upon request by any of these persons whom it would be convenient to contact. Members of the Committee, I have been informed, would also welcome comments and suggestions.

James H. Allen, chairman, Interstate Commission on the Delaware River Basin, 341 Suburban Station Building, Philadelphia, Pa.

H. T. Critchlow, director, division of water policy and supply, department of conservation and economic development, 520 East State Street, Trenton, N. J.

H. G. Hershey, Iowa Geological Survey, post office box 101, Iowa City, Iowa.

C. C. Sheldon, 2918 14th Street, Columbus, Nebr.

Charles H. Bechert, division of water resources, 217 Underwriters Building, Indianapolis, Ind.

R. D. Collins, treasurer-general manager, Brazos River Conservation and Reclamation District, post office box 101, Mineral Wells, Tex.

M. J. Dowd, consulting engineer, Imperial Irrigation District, El Centro, Calif.

Floyd O. Hagie, Norwood Village, Bellevue, Wash.

Orville W. Chinn, director, department of conservation, division of flood control and water usage, Frankfort, Ky.

Milton P. Adams, executive secretary, water resources commission, post office box 87, Lansing, Mich.

Mr. MARTIN. Mr. President, I now introduce the bill, and request that it be printed in the body of the RECORD, and be referred jointly to the Committee on Interior and Insular Affairs and the Committee on Public Works.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill (S. 3606) to establish national policy respecting the development and use of water resources, and for other purposes, introduced by Mr. MARTIN (for himself and Mr. BUTLER of Nebraska), was received, read twice by its title, referred jointly to the Committee on Interior and Insular Affairs and the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Water Resources Policy Act of 1954."

SEC. 2. The policy of the Federal Government respecting the development and use of water resources in the United States shall:

(1) consider major river basins as being in general the most logical unit for the comprehensive planning and execution of water-resource development programs and accordingly require each program and project respecting the development and use of water resources in which the Federal Government participates to be appraised prior to its authorization in the light of its effect upon the existing and probable future use and development of the water resources of the major river basin within which said program or project is located;

(2) recognize the interests, rights, and obligations of States and local agencies thereof in the planning, financing, execution, and acquisition of water-resource development programs and projects and encourage and facilitate their participation in such programs and projects and the creation of interstate agencies by compact where such programs and projects are of interstate character;

(3) Recognize the rights and the laws of the States relating to the control, development, appropriation, and use of waters within their boundaries;

(4) Require that the authorization of all water-resource development programs and projects undertaken or participated in by the Federal Government, and the acquisition of any such program or project by States and local agencies thereof and by interstate agencies, shall be solely by the Congress;

(5) Provide that the Federal Government act as the agent of States and local agencies thereof and of interstate agencies in connection with the planning, construction, and operation of such features of water-resource development programs and projects constructed by the Federal Government that are primarily for the benefit of the aforesaid State or local interests;

(6) Require States and local agencies thereof and other direct and indirect beneficiaries to pay an equitable share of the cost of water-resource development programs and projects constructed by the Federal Government;

(7) Afford States and local agencies thereof, or groups of States through interstate compacts, the prior right, on a fair and equitable basis, to operate and maintain and to acquire title to water-resource development projects constructed by the Federal Government, and likewise afford private interests the opportunity to participate in the financing and operation of appropriate features of water-resource development projects constructed by the Federal Government;

(8) Provide for loans and grants to assist States and local agencies thereof and interstate agencies to construct and acquire water resource development programs and projects;

(9) Eliminate competition and duplication of activities among Federal agencies dealing with the development and use of water resources by clarifying the scope of their respective activities and by other appropriate means;

(10) Establish uniform standards for the determination of the economic justification and the financial feasibility of water resource development programs and projects and the ascertainment of their costs and their allocations, distribution of benefits, and repayment criteria to the end that full and complete data relating thereto, including a clear showing of all subsidies involved, shall be presented in reports to the Congress;

(11) Require the coordination of Federal activities relating to collecting, compiling, analyzing, and interpreting basic data respecting precipitation, runoff, streamflow, and ground water hydrology, pollution, and water quality, chemical analysis, topographic mapping, and other factors necessary to enable sound planning of water resources development programs and projects;

(12) Discontinue present policies of classifying functions of a water resource development program and project relating to flood control, navigation, and fish and wildlife protection and propagation as being primarily in the national interest and therefore either wholly or largely nonreimbursable and require the payment of an equitable share of the costs of providing for these functions by the beneficiaries and furthermore require that no other function of such program or project be considered as nonreimbursable;

(13) Provide for the payment by the Federal Government of an equitable share of the cost of those functions of a water resource development program or project constructed by State and local agencies thereof or by interstate agencies which would be nonreimbursable if said program or project were constructed by the Federal Government;

(14) Require the preference provisions of Federal laws relating to the sale of power from Federal water resource development programs and projects to be administered in a manner fair and equitable to both public and private power agencies and interests and in the best interests of the general public;

(15) Limit the activities of the Federal Government in the field of water pollution control to investigations, research, and the administration of existing Federal laws, and to actions to enforce the abatement of water pollution within a State in cases where that State, through inaction, has failed to cope with a water pollution situation that can be shown to affect interstate waters adversely;

(16) Exempt State and local agencies thereof and interstate agencies from the licensing provisions of the Federal Power Act for those projects which do not materially and adversely affect navigation;

(17) Provide that watershed management programs for soil and water conservation and for upstream flood control to be undertaken on small watersheds by the Department of Agriculture shall meet with the approval of local interests and be carried out in coordination with programs of the Corps of Engineers, the Department of Interior, and other appropriate agencies of Federal and State Governments, and require the landowners benefited to pay their equitable share of the cost of such watershed management programs.

SEC. 3. For the purposes of this act:

(1) "Project" means any integral physical unit or several component and closely related units or features, or any system of measures, undertaken or to be undertaken within a specified area for the control or development of water or related land resources, which can be considered as a separate entity for purposes of planning, evaluation, financing, construction, management, or operation. Separable units or features will generally be considered as separate projects.

(2) "Program" means any combination or system of two or more interrelated projects.

(3) "Reclamation" means making land anywhere in the United States suitable for productive agricultural use or increasing or maintaining its productive agricultural use by means of (1) irrigation; (2) drainage, excluding drainage undertaken pursuant to section 2 of the act of December 22, 1944 (58 Stat. 887), and excluding drainage undertaken solely to counteract the effects of flood-control works; and (3) recharging of ground waters.

SEC. 4. The Federal Government shall not participate in the financing or construction of any water resource development program or project unless and until such participation of the Federal Government in such program or project has been authorized and the necessary funds have been appropriated by the Congress.

Each request for such participation by the Federal Government in such program or project shall be based upon a report which shall be filed with the Congress by the sponsoring agency or agencies. Said report shall contain reliable and accurate data concerning such program or project in sufficiency to provide a proper basis upon which the Congress may make its determination of the advisability of Federal participation therein. All appropriate information and data in said report to the Congress shall be presented in accordance with the rules, regulations, and standards of the Bureau of the Budget and of such other agency, if any, as may be hereafter established by the Congress for the purpose of evaluating water resource development programs or projects involving the participation of the Federal Government.

SEC. 5. The provisions of section 1 of the Flood Control Act of 1944, section 8 of the Reclamation Act of June 17, 1902, and section 1 of the National Forests Act of June 4, 1897, as amended (30 Stat. 36), and the principles established thereby, shall not be affected by any provisions of this act, other than to the extent that those provisions are implemented by this act; and the provisions of section 1 of the Flood Control Act of 1944 shall apply to all agencies of the Federal Government authorized to plan and construct water resource development programs and projects.

SEC. 6. The development, production, and transmission of hydroelectric power shall only be undertaken by the Federal Government in cases where the works necessary therefor constitute an integral part of a multiple-purpose water resource development program or project devoted primarily to navigation, flood control, and/or reclamation; and there shall be no subsidy by the Federal Government for the development, production, and transmission of such hydroelectric power.

The total financial cost of any project properly allocable to the development, production, and transmission of hydroelectric power shall be returned to the Federal Treasury in not to exceed 50 years from the date such power becomes available. Such costs shall include construction costs, interest on the invested capital, and interest during construction, at the prevailing Federal borrowing rate.

Rates at which hydroelectric power and energy from a Federal project is sold shall be sufficient to repay financial costs, annual costs of operation and maintenance, and an

annual allowance for replacements; and in addition may include an amount to provide funds for the repayment of the financial cost of such program or project properly allocable to reclamation or to other functions now decreed by law as being wholly or partially reimbursable which is beyond the ability of the users benefited by such reclamation or functions to pay. Such rates may also include a reasonable allowance for taxes or payments in lieu of taxes.

SEC. 7. The development and supplying of water for domestic and industrial purposes shall only be undertaken by the Federal Government in cases where the necessary works therefor constitute an integral part of a multiple-purpose water resources development program or project devoted primarily to navigation, flood control, and/or reclamation; and there shall be no subsidy by the Federal Government for the development and supplying of water for domestic and industrial purposes.

The total financial cost of any project properly allocable to domestic and industrial water supplies shall be returned to the Federal Treasury in not to exceed 50 years from the date such water supplies are available. Such cost shall include construction costs, interest on the invested capital, and interest during construction, at the prevailing Federal borrowing rate.

Charges for development and supplying water for such purposes shall be sufficient to repay financial costs, annual cost of operation and maintenance, and an annual allowance for replacements; and in addition may include an amount to provide funds for the repayment of the financial cost of such program or project properly allocable to reclamation or to other functions now decreed by law as being wholly or partially reimbursable which is beyond the ability of the users benefited by such reclamation or functions to pay. Such charges may also include a reasonable allowance for taxes or payments in lieu of taxes.

Contracts for supplying water for such purposes shall be entered into only with States or agencies thereof and shall be for permanent service.

SEC. 8. The subsidy by the Federal Government to that part of the cost of a water resource development program or project properly allocable to reclamation shall not exceed an amount represented by the interest on funds advanced for the construction thereof.

The total financial cost, exclusive of interest during construction, of any project properly allocable to reclamation shall be repaid, without interest, to the Federal Treasury within a period of 50 years from and after the end of the development period permitted by law which period in no case shall exceed 10 years.

Payments shall be made annually but need not be equal in amount provided that no annual payment shall include less than 1½ percent of the total repayable construction cost, and provided further that the outstanding obligation may be paid, at any time, in a lump sum to be calculated as the then present worth of the outstanding obligation based upon interest on the cost of money to the Federal Government.

SEC. 9. The total financial cost of any project properly allocable to flood control, navigation, or fish and wildlife protection and propagation which is adjudged to be reimbursable shall be repaid to the Federal Treasury within a period of 50 years from and after the date the benefits of said features are available and can be utilized.

Payments shall be made annually but need not be equal in amount provided that no annual payment shall include less than 1½ percent of the total repayable construction cost and provided further than the outstanding obligation may be paid, at any time, in a lump sum to be calculated as the then present worth of the outstanding obligation based upon interest at the cost of money to the Federal Government.

SEC. 10. (a) States and local agencies thereof, and interstate agencies created by compact, legally constituted with appropriate powers to incur indebtedness and to insure repayment therefor, are hereby authorized to acquire water resource development projects constructed, or under construction, by the Federal Government upon submission of proposals acceptable to the Congress. Each proposal shall contain complete and accurate data relating to the project or projects proposed to be acquired, including the terms of the authorization thereof, the justifications made by the sponsoring agencies for appropriations for the construction thereof, the amounts and terms of repayment, and such other information as may be required to enable the Congress to determine whether the proposal is advisable and in the public interest.

(b) Acquisition by States and local agencies thereof, or by interstate agencies, of water resource development projects constructed, or under construction, by the Federal Government shall be by act of the Congress.

SEC. 11. The Secretary of the Treasury is authorized to make loans and to make grants to States and local agencies thereof and to interstate agencies, legally constituted with appropriate powers to incur indebtedness and to insure repayment therefor, for the construction and acquisition of water resource development projects; provided that such grants shall only be made to pay for the cost of those functions of such projects that are for the national benefit and would be nonreimbursable if included in a Federal project, and in payment for an authorized subsidy; and provided further that such loans or grants shall only be made pursuant to an act of the Congress setting forth the amounts, terms of repayment and other applicable conditions.

WEBER RIVER FLOOD CONTROL

Mr. BENNETT. Mr. President, in 1952, a flood of considerable dimension coursed down the Weber River, causing a total damage of many hundreds of thousands of dollars. A trans-continental highway was washed out, and another national artery was flooded. In addition, residential and industrial property and railroad yards were damaged, as well as many acres of fertile farmland. It was not the first such flood, and it will not be the last, unless preventive measures are taken. In fact, 10 other large floods occurred in the basin from 1890 through 1952.

The Corps of Engineers recently approved a report recommending that channel improvements be made on the Weber River between Morgan, Utah, and the mouth of the Ogden River. The Corps characterizes these improvements as "essential parts of the flood control plan for the basin." The bill I now introduce for appropriate reference would embody the Corps plan and would provide estimated average annual flood-control benefits of $226,000 for reduction in flood damages, and $16,000 for higher land use, a total of $242,000.

The estimated cost for construction to the Federal Government is $470,000, and the non-Federal cost is $100,000. The annual charges are $40,000, of which $15,800 would be paid by the Federal Government. When contrasted to the estimated annual benefits of $242,000 and the benefit-cost ratio of 1.45, the investment by the Federal Government seems more than warranted.

The flood-control program on the Weber has been developed by the Corps of Engineers in collaboration with the Bureau of Reclamation, and subsequently with local cooperation. I hope Congress will see fit to approve it.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3607) to authorize certain improvement of the Weber River, Utah, for flood control, introduced by Mr. BENNETT, was received, read twice by its title, and referred to the Committee on Public Works.

INSPECTION AND CERTIFICATION OF POTATOES

Mr. WELKER. Mr. President, a principal industry of my State of Idaho is the raising and marketing of our famous russet potato. This is an industry which employs thousands of people from the farm level to the transportation of products to market, and, as such, is of lasting importance to the economy of Idaho. The well-known quality of the potatoes produced in my State has long given them a commanding position in the market, to the point where the very term "Idaho potato" is now used by restaurants and other food suppliers to denote the highest quality.

In recent years, however, it has become evident that certain unscrupulous wholesalers of farm products have represented inferior brands of potatoes as being genuine Idaho russets. Shipments of potatoes from Idaho have been mixed with those from other areas, and the final product has been represented to housewives as 100 percent Idaho in origin and in potato type. This has been a very profitable type of cheating for many individuals, but it has hurt the reputation of this principal crop of my home State, and it has led to a wide number of abuses in the marketing of potatoes throughout the Nation.

Mr. President, I introduce for appropriate reference a bill which would put an end to the mislabeling and otherwise misrepresentation of various types of Irish potatoes grown in this country. The bill was prepared at the request of the potato industry of my State of Idaho, but it has application to the Nation as a whole, and, in my opinion, would provide lasting guaranties to the housewife that she will get exactly what she pays for in a grocery store.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3611) relating to the inspection and certification of Irish potatoes, introduced by Mr. WELKER, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on the District of Columbia:

H. R. 1980. An act to authorize and direct the Commissioners of the District of Columbia to construct a bridge over the Potomac

River in the vicinity of Jones Point, Va., and for other purposes;

H. R. 7128. An act to amend the act entitled "An act to provide an immediate revision and equalization of real-estate values in the District of Columbia; also to provide an assessment of real estate in said District in the year 1896 and every third year thereafter, and for other purposes," approved August 14, 1894, as amended;

H. R. 7132. An act to exempt from taxation certain property of the Veterans of Foreign Wars of the United States in the District of Columbia;

H. R. 7853. An act to permit retired policemen, firemen, and teachers of the District of Columbia to waive all or part of their annuities, relief, or retirement compensation;

H. R. 8692. An act to permit the payment of certain trust accounts to the beneficiary on the death of the trustee by savings and loan, and similar associations in the District of Columbia;

H. R. 8973. An act to amend paragraph 31 of section 7 of the act entitled "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended;

H. R. 8974. An act to permit investment of funds of insurance companies organized within the District of Columbia in obligations of the International Bank for Reconstruction and Development;

H. R. 9077. An act to amend section 405 of the District of Columbia Law Enforcement Act of 1953, to make available to the judges of such District the psychiatric and psychological services provided for in such section; and

H. R. 9344. An act to prohibit picketing in the immediate vicinity of the White House, and for other purposes.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

NOTICE OF CONSIDERATION OF NOMINATION OF CHARLES E. SALTZMAN, OF NEW YORK, TO BE UNDER SECRETARY OF STATE FOR ADMINISTRATION

Mr. WILEY. Mr. President, the Senate received today the nomination of Charles E. Saltzman, of New York, to be Under Secretary of State for Administration, vice Donold B. Lourie, resigned. I give notice that the nomination will be considered by the Committee on Foreign Relations at the expiration of 6 days in accordance with the committee rule.

REINSURANCE OF HOSPITAL AND MEDICAL - CARE PREPAYMENT PLANS—ADDRESS BY SECRETARY HOBBY

Mr. SMITH of New Jersey. Mr. President, on June 10, 1954, in Detroit, Mich., Mrs. Oveta Culp Hobby, Secretary of Health, Education, and Welfare, addressed the National Association of State Insurance Commissioners on the subject of President Eisenhower's proposal for the reinsurance of hospital and medical-care prepayment plans.

This aspect of the President's health program has been widely misunderstood. Stated simply, the objective is to enable more persons to become independent, pay-as-you-go, health insurance policyholders. The method proposed is to help voluntary insurance provide more persons with better insurance within the framework of private initiative and State regulations. Contrary to some misrepresentations, this proposal is not an opening wedge for Federal regulation of the insurance industry and is not compulsory on any individual or insurance company. The reinsurance is available only to carriers organized under State law and operating according to such law. Only carriers who want this reinsurance will apply for it.

The Subcommittee on Health of the Senate Committee on Labor and Public Welfare is currently considering Senate bill 3114, which is designed to put into the form of legislation the President's proposal. It is my expectation that the full committee will be in a position to report the bill in the very near future.

I ask unanimous consent that Secretary Hobby's address be printed in the body of the RECORD, as a part of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

President Murphy, members of the National Association of Insurance Commissioners, ladies and gentlemen, it is a privilege, indeed, to meet with the National Association of State Insurance Commissioners. As individuals and through this association, you are rendering responsible and significant service to the American people.

Today, I want to talk with you about President Eisenhower's proposal for the reinsurance of hospital and medical care prepayment plans.

That you may understand the thinking of those who were responsible for developing this proposed legislation, I should like to say a few words about the President's philosophy that underlies this proposal and, indeed, the administration's entire legislative program.

Stated very simply, that philosophy is this: To put into continuous practice the concept that government in the United States is a shared responsibility—shared by all the people, by their communities, by the States, and by the Federal Government.

You will recall, for example, that President Eisenhower has made plain, by word and deed, the faith of the administration in local initiative. He has consistently urged the acceptance of increased local responsibility, except in matters where the resources of only the Federal Government are sufficient to assure economical and effective action.

He has twice invited all the Governors to meet with him in Washington, and, as you will remember, he himself attended the annual Governors' Conference last year in Seattle.

In the Department of Health, Education, and Welfare we also have been striving to practice this philosophy of the shared responsibilities of government.

For example, in the field of education we have urged that Congress enact a bill supporting statewide conferences on education to be held in every State, leading up to a White House Conference on Education.

This approach would serve to perpetuate the American concept of local and State control of education. At the same time it would identify anew and preserve the national interest and responsibility in education.

To cite another example, we have also recommended a change in the present methods of making grants-in-aid to the States for health, education, and welfare programs. The net effect of the administration's recommendations, if accepted by Congress, will be to allow the States to exercise greater initiative and operate their programs more flexibly.

The President's proposal for reinsurance is derived from this same general philosophy of a maximum of local and State responsibility.

You who bear the responsibility of regulating in the public interest the insurance industry within your States recognize that the success of this proposal depends on a closer working relationship with you, as well as with the carriers.

That point I wish to make as plain as possible.

I should like to emphasize, too, that the President's reinsurance plan is designed to meet a challenge to both Government and to private industry. This challenge, in essence, is to see how well and effectively private industry and Government can work together to make a real contribution to the health of the Nation.

I, for one, have complete confidence that this challenge can be met.

Both the insurance industry and Government are concerned with the health of the Nation. This is obvious. The Government—and all of you, I am sure—realize that certain gaps exist in the availability of hospital and medical care throughout the Nation. Both realize, too, that the costs of such care are beyond the reach of far too many Americans—unless those costs can be spread through insurance or some other plan of prepayment.

Now, it seems to me that—with industry and State and Federal Governments sharing essentially the same goals, and sharing, too, a mutual realization that an effort must be made to improve the quantity and quality of medical care—a sound and sensible approach would be to try to work out a program that would be satisfactory to both groups.

There are many other parties, of course, involved in any effort to improve medical care. For example, the physicians of America and the hospital administrators are central to any proposed solution of this problem.

In developing the present program, the Department did consult with representatives of these important groups. We did not meet with as many as we would ideally have wished, and not as intensively as we would have desired. But the views of all were very much in our minds in the process of working out the proposed legislation.

You are familiar with the outlines of the proposal. You know that it is not a subsidy, but a plan for spreading risks. Its aim is to encourage carriers to experiment in increasing the coverage and scope of their health insurance plans.

Some may ask this:

Is this an opening wedge for Federal regulation of the insurance industry?

The answer, flatly and definitely, is "no."

This administration firmly adheres to and believes in the principle of State regulation, as set forth in Public Law 15. Moreover, your own alertness to any possible danger affords additional protection on this score.

We sincerely want to remove any doubts about the relationship of the Federal Government to the State insurance authorities. If there is any wording in the present bill which fails to make our attitude crystal clear, I believe it should be changed; and I would so recommend to Congress immediately.

The bill does contain many safeguards to protect States' rights and the private insurance system.

In the first place, it is entirely voluntary. Only carriers who want this reinsurance will apply for it. Moreover, they can discontinue it at their own volition.

Second, the bill sets up a National Advisory Council and also provides for competent consultants to guide the development of the program. This means that leaders in the insurance movement can be influential in deciding how it shall operate.

Third, the bill specifically provides that the services of State insurance authorities shall be utilized in operating the program.

In this connection, I would hope that this Association might designate a standing committee to serve as liaison with our Department. Your suggestions and recommendations, especially with respect to setting up the terms for approval of reinsurance applications, would be of the greatest value.

Indeed, I would like to see the Smith and Wolverton reinsurance bills amended so that they specifically provide for this liaison with State insurance commissioners.

A fourth safeguard of States' rights is the provision that the reinsurance be available only to carriers organized under State law and operating according to such law. This is clear recognition that the States—not the Federal Government—have, and must continue to have, the basic responsibility for licensing, regulating, and otherwise controlling the insurance industry.

A further advantage of the reinsurance proposal is its flexibility. We have strongly opposed spelling out in the bill detailed requirements concerning cancellability, preexisting conditions, age limitation, and so on.

We believe that a flexible program, developed with the advice of competent authorities, is the best way to make sure that the program will keep pace with the rapidly changing characteristics of the insurance industry.

With cooperation every step of the way, from you and from the carriers, I know that we can develop a program that is sound and progressive.

The first step is a good law. The bills now before the Congress are, in my opinion good. There may be some points in the present bills which could be improved by further clarification. This is not unusual, as I am sure you know, in the course of the legislative process. I hope this association will feel free to suggest suitable language on any such points.

The next step is good administration. This will be determined, in part, by the caliber of the people who serve as members of the National Advisory Council and as consultants. I feel sure that this association, together with the insurance carriers, will want to see that these important policymaking positions are filled by people of the highest competence.

But a Federal program cannot be justified merely on the grounds that it is wisely administered under a good law. It cannot even be justified solely on the grounds that it does not interfere with States' rights and the free operation of the private-enterprise system.

Essential as both of these requirements are, there is another which is even more fundamental. The vital question we must ask about any proposal for a new Federal program is this:

Is it necessary?

I say, not only that this program is necessary—I believe that is is imperative. This is demonstrated, if you will, by the public pressures that have been, and still are, responsible for proposed legislation of an exceedingly drastic nature.

Let me read you a letter. It is typical of scores that come into the Department of Health, Education, and Welfare.

"DEAR MRS. HOBBY: I am writing to you in regards to my husband. He worked up until June of 1952, and he got in bad health and was operated on. Now the doctors say he has a chronic heart trouble. We spent all we had through Roy's operation and we are in real need. What in the world are poor people going to do? I though if you knew anything for me to do or what for me to do, I would appreciate it and thanks."

What is this couple to do? How can this husband get the continuing medcal care he needs, now that all his funds are gone? At present, there is only one way—public assistance.

It is a fact that almost 10 percent of public-assistance funds is spent for medical care—that is, about $225 million in Federal, State, and local tax funds a year.

Yet this sum, large as it is, does not represent the full cost of tax-supported medical care. It is merely the cost of illness paid for through one public program—public assistance.

It does not include the cost of tax-supported mental hospitals and tuberculosis sanitaria, the cost of medical care for veterans, members of the Armed Forces and their dependents, and many other programs.

Do we want people to look to Government, rather than their own resources, to pay for medical care? Certainly not. Yet we drift in that direction.

The story is familiar to you. Every year members of thousands of hard-working, independent American families fall ill. They have no health insurance, and their reserves are soon used up.

But their need for medical care continues, so they go deeper and deeper into debt. Some of them then become public charges and tax funds pay for their medical care.

As I mentioned, about a quarter billion dollars of public-assistance money alone is spent every year for medical expenses. It is my hope that, working together, we can do much to speed the day when a great part of this unnecessary misery and drain on the public funds can be prevented.

The rapid growth and success of voluntary health-insurance plans proves that this is possible.

Americans want to pay their own way—in sickness as well as in health. They do not want to be public charges. And they do not need to be forced to buy insurance. They do so gladly and willingly. Insurance sales demonstrate this.

Therefore, ways must be found to make more and better health insurance available to more people.

Much is already being done, of course, to achieve this goal.

A recent example is the industrywide committee to consider health-insurance problems which has been established by the trade associations of the health and accident and the life-insurance companies. The continuing and careful attention which your association has given to standards for health insurance is another example.

The health insurance offered to the American public is getting better all the time. State regulations are one factor. The progressive spirit shown by the insurance carriers is an equally important factor.

Federal action is no substitute, in my opinion, for these essential measures. But Federal action, in my opinion, can—and should—reinforce them. It can widen the horizon and expand the opportunity for free enterprise. In doing this, it likewise extends the health opportunities of the American people.

The program we propose will give private enterprise a chance to help more people become independent pay-as-you-go health-insurance policy owners.

It puts forward a sensible and practical way to encourage insurance companies—and other organizations, including the Blue Cross and Blue Shield—to expand and improve their services. As one result, we may confidently expect that more and more families, through prepayment plans, will budget to meet a larger part of their medical care costs.

With your advice and counsel, the proposed law would neither infringe on your responsibilities nor interfere with the way in which you normally operate.

The method, I believe, is sound—and in the best American tradition: to help voluntary insurance provide more people with better insurance within the framework of private initiative and State regulations. And thereby to improve the health of the Nation and to make America stronger and safer for this generation and those to follow.

This obligation rests on us jointly.

COMPLEXITIES EVOLVING FROM OUR FOREIGN TRADE POLICIES—LETTER FROM RAYMOND E. STEELE

Mr. BUTLER of Maryland. Mr. President, as an illustration of the complexities which evolve from our foreign trade policies, I ask unanimous consent to have printed in the body of the RECORD a letter relating to the importation of groundfish fillets. The letter is from Mr. Raymond E. Steele, counsel, American Seafood Distributors Association.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN SEAFOOD DISTRIBUTORS ASSOCIATION,
Washington, D. C. June 9, 1954.

Senator JOHN MARSHALL BUTLER,
United States Senate,
Washington, D. C.

DEAR SENATOR BUTLER: I should like to bring to your attention some matters which relate to a proposal to place a quota and higher duty on groundfish fillets (cod, haddock, hake, cusk, and ocean perch), which are imported into the United States. A brief filed on behalf of this association is being sent you by Mr. Harold B. Kennerly, Jr., of Nanticoke, Md., secretary of this association.

You will, of course, not have the time to extensively examine this brief, but it is noteworthy that the three chief exporting countries of these groundfish are Canada, Norway, and Iceland.

Iceland signed a contract with Russia last year to sell a large percentage of its catch to the Reds. What with the threat of its trade with the United States being curtailed, you can see the reason for it. Ten years or so ago, we bought surplus Icelandic fish to keep Iceland from being drawn into the Communist orbit. Now at a time when we badly need these fish to help our own economy and Iceland as well, we seriously think of curtailing their importation into the United States.

As for trampling on the toes of Canada and Norway, I cannot think of more friendly ones to step on.

President Eisenhower is going to have to decide the issue of whether imported fillets will be subjected to a quota and higher duty. He has until July 7 of this year to make up his mind. Strong rumors have it that the report of the Tariff Commission was 3 to 2 in favor of relief for the New England industry which instituted this matter under the escape clause of the Reciprocal Trade Agreements Act.

Since the public hearing last November, revolutionary changes have taken place in this segment of the fishing industry. Fish sticks have become so popular that the combined supplies of the domestic and foreign production cannot keep up with this demand. The Tariff Commission and the Fish

and Wildlife Service are aware of this. Yet an element of the New England industry has used so much political pressure to keep out ground-fish fillets that it has reached the point of no return.

I might add that fish sticks are made from fish blocks which in turn are made up from the species of ground fish in question, chiefly cod. Three Maryland firms are going to, or already have, engaged extensively in the fish-stick business. Likewise the bigger New England firms themselves are engaged in this business. Actually Gloucester, Mass., which in the main supported the New England application, has boasted that its labor was taken off the dole this winter for the first time in years as a result of the frozen fish-stick business. Gloucester's raw material, like that in Maryland, is received principally from Canada and Iceland.

To further aggravate the situation, the Bureau of Customs recently classified fish blocks as fish fillets; so that if a quota or higher duty is placed on imported fillets, it will affect the number of fish blocks that may be imported. Needless to say, the capital investment in this new fish-stick industry in the United States will be greatly endangered, perhaps lost. There is no way the domestic fishery can supply the gap.

Your efforts on behalf of your constituents and the eastern tuna industry in general are not forgotten. That, you will recall, necessitated defeating a bill which would have imposed a duty on raw frozen tuna imported into the United States. We have a somewhat parallel situation in the instant matter except different species of fish are involved and the approach to placing trade restrictions on this raw material is somewhat different. If you would see fit to bring these facts to the attention of the President, it would be greatly appreciated. The facts will reveal the truth of the situation and the truth in turn will give the President the reasons he needs to act expediently in upsetting what might prove to be a tragic error.

Sincerely,

RAYMOND E. STEELE,
Counsel.

STATEMENT BY DR. HEINZ KREKELER ON WEST GERMAN-UNITED STATES RELATIONS

Mr. WILEY. Mr. President, on June 17, the free world will observe the first anniversary of the unforgettable valiant demonstrations in Eastern Germany against the forces of Communist enslavement and dismemberment.

As this occasion approaches, we convey to the people of East Germany our warmest expressions of support and our assurances that we will never let them down; we will never yield in our desire for their reunification with the Federal Republic and for their reenjoyment of man's birthright of freedom. Moreover, men of good will everywhere join in conveying to the people of West Germany warmest congratulations on their great strides in resuming their full, rightful place in the family of nations.

Recently, I expressed these thoughts in the introduction which I wrote to Senate Document 70, the series entitled "Tensions Within the Soviet Captive Countries—Part 3—The Eastern Zone of Germany."

In contrast to the unfortunate conditions in the Russian-occupied zone, the free world has noted the great accomplishments of the people of the Federal Republic.

With diligence, with courage, with ingenuity, with enterprise, they have applied themselves to the gigantic task of reconstructing a whole society, of rehousing, of rebuilding industry, creating jobs, and integrating refugees. They have vitalized democratic institutions and made innumerable reforms.

Under the magnificent leadership of their prophetic Chancellor, Dr. Konrad Adenauer, they have signified time and again their firm desire to join hands with their wartime foe, the people of France and with peoples everywhere in building a solid foundation for peace and for European unity.

Now, amidst this time of European and Asiatic troubles, it is well to turn to the constructive indications that man is making progress.

I was glad therefore to note a recent splendid statement by our good friend, Dr. Heinz Krekeler, Chief of the German Diplomatic Mission, with regard to German-American friendship.

Dr. Krekeler has pointed up the manifold ways in which the people of West Germany and the people of our country have cemented the profound cultural ties which have existed from the earliest days of American history, ties which in spite of the havoc and emotions of war, have nonetheless endured and which in recent times have flowered to renewed bloom.

I ask unanimous consent that this statement, as published in the June 3, 1954, issue of the Bulletin, published by the Press and Information Office of the Bundesrepublik and as adapted from an address by Dr. Krekeler, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

GERMANY AND THE UNITED STATES

(Adapted from an address by Ambassador Dr. Heinz Krekeler, chief of the German diplomatic mission in Washington)

Cultural relations between Germany and the United States of America continued to exist even throughout the period of bitter conflict between the two countries. All through the war German operas and compositions were played in the United States, German books were sold and read, and German painting continued to be shown in prominent American museums. Many who have lived in the United States during both wars agree that this hospitality to prewar German contributions was much more prevalent during the last war than it was during World War, I.

The German Federal Government fully recognizes the importance of good cultural relations. In April 1953 Federal Chancellor Dr. Adenauer and Secretary of State John Foster Dulles signed a German-American agreement with the purpose of promoting cultural exchange. The German missions in the United States are conscious of the part they can play in the achievement of this goal.

Official measures as well as private initiative in this field are favorably affected by the circumstance that the American people are taking a growing interest in German cultural affairs. Both the long interruption caused by the war and the resumption of political relations have been instrumental in arousing a keen interest in everything German art and science can offer. Americans want to know about German education and instruction and are curious about the methods of teaching at German universities.

The exchange-of-persons program, which soon after the end of the war was initiated and most generously furthered by the Americans, brought to the United States many a German scientist and teacher who may have helped to convey a new conception of Germany and to stimulate interest in German arts and sciences. The scope of this program was recently extended by the German Federal Government so as to include a corresponding scheme for inviting Americans to Germany. In gaging the full significance of its impact on German-American relations, this program cannot be praised too highly.

The incentive and the many contributions in the cultural field that have come to us from America since the end of the war are gratefully acknowledged. The works of American writers, dramatists, and composers have not only enriched our cultural life but have come at a time when—because of our previous complete isolation from the rest of the wor'd—we were "undernourished" in an intellectual as well as a physical sense. Now we have recovered and are able to offer something ourselves. The direction of the current of cultural commerce seems to have changed twice during the past century. First it flowed primarily out to the New World; then it was we who were on the receiving side; and now today there is every reason to assume that we are entering a phase of give-and-take, a phase of lively to-and-fro.

We have long since felt that it would greatly aid the advancement of our cultural relations if one could set up in some of the big American cities German cultural institutes which resemble the United States-sponsored "America houses" in Germany. It is hoped that the first stage of this plan can soon be implemented. Thanks to the support of our American friends, a "Deutsches Haus" is shortly to be founded in New York. Our contribution to it will include the presentation of a comprehensive library and its continuous supplementation. This institute, born and raised in the spirit of cooperation, is to serve exclusively the promotion of cultural relations between our two countries.

RELATIONS IN THE POLITICAL FIELD

The joint communique issued last year by President Eisenhower and Federal Chancellor Dr. Adenauer at the close of the latter's visit to America states that the links of friendship between the two countries have been successfully reestablished. This declaration by so authoritative a source has had a profound effect, the results of which can be constantly observed in the United States.

The predominant interest which the United States and Germany have in common is that of security. Everybody is aware of the importance of the United States for Germany's security. We are grateful that the United States is fully conscious of the role which history has thrust upon her and that she recognizes the responsibility which it involves.

The importance of Germany for the security of the United States is twofold. Negatively expressed, everything that happens in our country is of direct concern to the United States because of Germany's geographical location. It is difficult to visualize any conflict over Germany that would not also affect the United States.

At the same time we may say that we, too, have something to contribute to this partnership. Economically, Germany has become a factor again. In other fields, its importance lies in the nature of its potential.

Politically, moreover, Germany is viewed from the other side of the Atlantic by no means as a country in isolation but as an integral part and indeed a very essential part

of free Europe, Germany's potential role as a member of a united Europe as well as her constantly and clearly demonstrated willingness to cooperate in the unification of Europe is held in her favor.

FRIENDSHIP THE BEST FOUNDATION

It would be totally mistaken, however, to assume that the relations of these countries pivot around such considerations of utility, no matter how important they may be. After all, the soundest foundation for the relations between two countries must be a relationship as between friends, a relationship independent of temporary currents and influences. What then are the factors determining such a relationship in the case of our two countries?

Some say a source of American friendship is primarily admiration for the economic reconstruction achieved by the German people. Others feel that the main factor is appreciation of Germany's anti-Communist attitude. Yet economic reconstruction will one day be completed and can, therefore, hardly be the lasting foundation required for a relationship between friends. Secondly, although communism has suffered one of its most decisive defeats in our country, still there are many other countries that demonstrate a similar immunity to tyranny. Thus this consideration, too, can hardly be the durable motivation of German-American friendship.

Are there then circumstances likely to be of lasting import for our relations across the Atlantic? Let me cite two such factors which seem especially important because they are independent of day-to-day events.

One of them is to be found in the manifold human contacts arising from the role which German emigrants played in the historic evolution of the American people. The other determinant of this friendship is that the present-day Germany is considered not only as a friend but as a reliable friend. In summing up a personality, Americans first examine to what degree the person may be said to possess a sense of proportion and a balance of judgment. During the last few years a new type of German has arisen before their eyes. Germany, as represented by the Federal President and Chancellor has become a country of balanced decisions, of patience, moderation, and continuity in her policy. The popular verdict at last year's general election, by which only the representatives of moderate parties were returned, has made a lasting impression on the American public.

MUTUAL UNDERSTANDING

President Eisenhower has expressed concern about the lack of understanding which the United States has frequently encountered in Europe. His concern should be food for thought. It reminds us of the obligation which is inherent in our friendship with the United States. Not only should we constantly ask for understanding of our situation in the world, i. e., the tragic division of Germany, the plight of the refugees, expellees, and fellow-Germans in the Soviet zone, but we should also constantly endeavor to understand the problems of other peoples.

A traveler in the United States is usually overwhelmed by his impressions of the country's technical progress and the implications for the life of every individual. Certainly, technical progress plays a decisive role there. At the same time, however, there prevails a deeply religious feeling which includes a real hunger for cultural enrichment. Moreover, there is a warm and sincere readiness to welcome the visitor as a member of a great family—a concept which can be an inspiration to our peoples of Europe. Only he can assess America correctly, then, who comprehends this hospitable and openminded people from the viewpoint of their many-sided human qualities.

To cultivate and consolidate this our friendship with the American people is an important service which we can render to the maintenance of peace and to the community of nations.

THE FEDERAL HOUSING PROGRAM

Mr. BYRD. Mr. President, for more than a year the Joint Committee on Reduction of Nonessential Federal Expenditures, of which I am chairman, has been particularly interested in practices which have grown up under Federal housing programs.

To date the practices under the so-called section 608 program under Federal Housing Administration have been given the most publicity. The Housing and Home Finance Agency, the umbrella agency under which the Federal Housing Administration operates, along with numerous other housing units and programs, is now investigating irregularities in the section 608 program.

Mr. Albert M. Cole, Housing and Home Finance Agency Administrator, on last Friday, June 11, summarized an interim report on this investigation. This gives only in part the windfalls received by some of the operators. The report obviously is neither complete nor final. I ask unanimous consent to have published in the body of the RECORD Mr. Cole's statement releasing the report, and a supplementary table; and, in connection with Mr. Cole's release, a letter from me to Mr. Cole relating to his report.

There being no objection, the statement, supplementary table, and letter were ordered to be printed in the RECORD, as follows:

Housing Administrator Albert M. Cole today announced receipt of an interim report on the investigation of section 608 FHA-insured mortgages on rental housing developments from William F. McKenna, Deputy HHFA Administrator in charge of the investigation into FHA.

The report contained names and amounts of over 200 corporations involving about 70 section 608 developments in which FHA-insured mortgage loans exceeded costs, resulting in windfalls to the sponsors of approximately $40 million. In all cases FHA issued the insurance commitments in 1952 or earlier.

The report was developed by Mr. McKenna's staff of auditors and investigators who reviewed over 200 corporations covering the 70 developments. The report covers only those 608 cases reviewed through June 4, 1954.

Mr. McKenna reported that all of the cases have been or are being referred to the Department of Justice for such civil or criminal proceedings as may be indicated by the circumstances of each case.

On the more than 200 corporations covering the 70 projects reviewed to date, this is the picture as reported:

Paid-in capital stock	$4,138,590
FHA-insured mortgage loans	272,646,300
Reported cost of the projects	234,486,277
Total windfall	39,481,126
Amount of windfall distributed to stockholders	31,716,000

(In the above summary, the amount of windfall is affected by other factors than the excess of mortgage loans over project costs.)

Mr. McKenna reported that in many, if not most of these cases, other very substantial windfalls were realized which are not reflected in these figures.

In the 214 cases reviewed to date, the windfall distribution amounted to about 80 percent of the total windfall. The remaining 20 percent was kept in the corporations.

Mr. McKenna reported that the HHFA investigation of section 608 projects has disclosed various methods whereby windfalls or other monetary gains were obtained by owners over and above normal authorized earnings from actual project investments.

The principal devices used to create such windfalls, he reported, were padding of cost figures by using excessive prices for the cost of construction and for the purchase of land.

Various devices were also used for the distribution of the windfalls, according to the report, including not only the declaration of "dividends" out of mortgage proceeds but also redemption of stock at inflated prices, exorbitant management fees, excessive payments for services to corporations owned by the sponsors, and "loans" by the corporations to their principals which will be paid when and if the principals who dominate the corporation decide.

Mr. McKenna reported that the windfall figure of $39,481,126 for these 70 projects is much less than the total amount of the actual windfall from these projects. His report explained that the minimum figure does not include three sources of windfall which were sizable but for which exact figures are not available at this time.

For example, the minimum figure does not include $7,534,702 which sponsors of these projects collected in rent from tenants before they made their first payment on their FHA-insured loans. Since taxes, insurance, and interest for the period of construction were included in the amount of the loan, all that had to be charged against the rental payments received prior to the first payment on principal was the cost of operation, which means that most of the rental payment was clear profit, Mr. McKenna reported.

The report cited another source of windfall not included in the minimum figure which resulted from the making of leases for the long-term use of land between the sponsors and the principal stockholders as individuals. In many cases, the report said, the sponsors bought the raw land for this purpose at a very low price in order to create large annuities for themselves and for their families for two or three generations on a very small initial outlay or borrowing. In 11 of the 70 projects reviewed to date the sponsors signed leases with their principal stockholders calling for annual ground rent of $416,346, and under these leases FHA has agreed to pay a total of $10,255,350 for the land in case the loans default and FHA decides to acquire the land on which the projects are located.

Another source of windfall not included in the minimum figure, the report stated, resulted from the use of multiple corporations, all with the same owners, with each taking its cut. Thus the borrower corporation in many instances contracted with the contractor corporation (same ownership) to build the project at a generous price, with another corporation (same ownership) to lease the land, and with still another corporation (same ownership) to manage the project.

"This investigation has already demonstrated beyond question," Mr. McKenna reported, "that certain promoters were aided and guided by former top FHA officials in the windfall practices."

Specific information on each of the 70 projects covered by the 214 mortgages reviewed to date is contained in a supplementary table.

Section 608 FHA-insured mortgage loans in excess of costs on projects reviewed as of June 4, 1954

[Projects listed alphabetically by States]

Project name and location	Principals	Paid-in capital stock	Mortgage loan	Reported cost of project	Windfall[1]	Amount of distribution of windfall[1]
Essex House, Birmingham, Ala. (Alabama, 1 project)	Marvin L. Warner and Joseph Kanter, Birmingham, Ala.	$75,000	$1,209,500	$1,180,000	$29,500	
Holly Park Knolls, Inc., Inglewood, Calif.	Samuel Firks, Max Maltzman, W. E. Robertson, and Louis A. Towne, Los Angeles, Calif.	188,000	2,615,000	2,453,255	161,745	$187,000
Lincoln Place, No. 1 through No. 35, Los Angeles, Calif.	Philip Yousem, Los Angeles, Calif.; Ray Myers, R. Reese Myers, and Lambert Housing Corp., Venice, Calif.	265,726	5,167,700	5,025,400	142,300	60,700
Baldwin Gardens Co., Los Angeles, Calif.	Richard S. Diller, Arthur B. Weber, and Irving L. Kalsman, Los Angeles, Calif.	50,600	2,866,400	2,385,000	481,400	432,791
Wilshire LaCienega Co., Los Angeles, Calif.	Richard S. Diller, Arthur B. Weber, and Herman Kranz, Los Angeles, Calif.	39,000	1,937,600	1,675,803	261,797	281,699
Chesapeake Rodeo Apartments, Inc., Los Angeles, Calif. (California, 5 projects.)	Herbert Kronish and Sanford S. Shear, Beverly Hills, Calif.; W. B. Robertson, Max Maltzman, and Milton Gordon, Los Angeles, Calif.	381,100	3,047,500	2,967,000	80,500	475,100
Cooper Apartments, Inc., New Haven, Conn. (Connecticut, 1 project.)	Jack B. Cooper, Louis Kuklensky, and Reubin Kuklensky, Miami Beach, Fla.; Daniel Weinstein, New Haven, Conn.	1,000	667,000	614,876	52,124	68,560
Clifton Park Manor Sections 1, 2, 3, New Castle, Del. (Delaware, 1 project.)	Don A. Loftus, George T. Weymouth, and Charles R. Martin, Wilmington, Del.	7,325	5,980,000	5,082,000	898,000	549,375
Parklands Manor, Inc., Washington, D. C.	Morris Cafritz, Edward Cafritz, Charles H. Purcell, and Martin Atlas, Washington, D. C.	15,155	3,563,000	3,011,500	551,500	630,600
Idaho Terrace, Inc., Washington, D. C.	Albert Small and David Stern, Washington, D. C.	12,000	1,750,000	1,495,500	254,500	121,928
Hilltop House, Inc., Washington, D. C. (District of Columbia, 3 projects.)	Marvin Willig, Washington, D. C.; Louis Janof, Chevy Chase, Md.; Charles Engelbach, Philadelphia, Pa.; Albert P. Dicker, Daniel Gevinson, and J. Svestka, Washington, D. C.	1,000	787,700	727,000	60,700	13,332
Mayfair Village Corp., Jacksonville, Fla. (Florida, 1 project.)	Joseph A. Burstein and Morris Glazer, Jacksonville, Fla.	25,000	554,000	539,500	14,500	
Nelson Apartments, Inc., Savannah, Ga.	William A. Bowen, James L. Sundy, Sylvan Byck, and Rives Worrell, Savannah, Ga.	7,500	1,402,000	1,176,500	225,500	250,000
The Darlington Apartments, Atlanta, Ga. (Georgia, 2 projects.)	L. D. Long, Leonard L. Long, and Frank G. Etheridge, Atlanta, Ga.	283,300	4,650,000	4,610,878	39,122	
Grandview, Inc., Wichita, Kans. (Kansas, 1 project)	H. M. Beech and M. Mollohan, Wichita, Kans.	10,000	231,600	137,500	94,100	
Parkchester Apartment Development, New Orleans, La.	Paul Kapelow, Lewis Leader, and Emile Bluestein, New Orleans, La.	757,213	10,845,600	7,368,000	3,477,600	3,856,001
Claiborne Towers, Inc.; Governor Claiborne Apartments, Inc., New Orleans, La. (Louisiana, 2 projects.)	Shelby Construction Co., New Orleans; Emile L. Bluestein, vice president.	350,000	9,230,000	7,956,500	1,273,500	
Gregory Estates Nos. 1, 2, 3, 4, Inc., Seat Pleasant, Md.	Robert H. Bailey, Farmingdale, N. Y.; Robert Greene, Washington, D. C.	800	3,184,000	3,176,500	7,500	
Rodgers Forge Apartments, Inc., No. 1; Rodgers Forge Apartments, Inc., No. 2; Hampton Apartments, Inc., Baltimore, Md. (Maryland, 2 projects.)	James Keelty, Jr., James Dorment, Joseph Keelty, Louise H. Keelty, and Marguerite Dorment, Baltimore, Md.	6,000	5,321,700	4,269,000	1,052,700	390,000
Morton Homes, Inc.; Little Street Homes, Inc.; Emile Homes, Inc.; Marquette Homes, Inc.; Lewis Homes, Inc.; Charles Homes, Inc.; Alex Homes, Inc.; Itasca Homes, Inc.; Natchez, Miss. (Mississippi, 1 project.)	Roselawn Construction Co., Paul Kapelow, and Lewis I. Leader, New Orleans, La.	121,600	1,741,600	1,274,500	467,100	595,441
Linwood Park, Inc., Teaneck, N. J.	Ralph J. Solow and Sidney Sarner, Teaneck, N. J.	13,000	8,875,000	6,662,500	2,426,821	2,588,425
Washington Park Apartments, Camden, N. J.	Sam Madway, Pauline M. Margolis, Bette Davis Madway, Elizabeth Magen, and Madway Engineers & Con., Bala Cynwyd, Pa.	2,000	2,349,000	2,162,500	186,500	220,060
Barrington Manor Apartments, Barrington, N. J.	Bernard Weinberg, Harry J. Goodwin, and Etta H. Weinberg, Philadelphia, Pa.	2,000	2,262,200	1,846,000	416,200	252,706
Woodbury Manor Apartments, Woodbury, N. J.	Dr. Henry Spiegel and Philip S. Seltzer, Philadelphia, Pa.; William Seltzer, Woodbury, N. J.	1,040	583,600	451,000	132,600	83,660
Clover Hill Gardens, Mount Holly, N. J.	Charles H. Sporkin, Philadelphia, Pa.; Herbert G. DuBois, Camden, N. J.; and Thomas R. Edwards, Haddonfield, N. J.	2,700	1,620,000	1,581,000	39,000	17,152
Parkway Apartments, Inc., Haddonfield, N. J.	Milton Lundy, Charles H. Sporkin, and Nat Sporkin, Philadelphia, Pa.; Thomas R. Edwards and Herbert G. DuBois, Haddonfield, N. J.	50,000	2,929,800	2,897,000	32,800	140,036
Teaneck Gardens, Inc., Teaneck, N. J.	Ralph Solow and Sidney Sarner, New York City, N. Y.; George I. Marcus, Hackensack, N. J.	1,000	1,592,000	1,566,000	105,600	103,907
Brookchester, Inc., sections 1 to 7, 9, and 10, New Milford, N. J.	Joseph J. Brunetti, Anna Stewart, and Anna Brunetti, Hackensack, N. J.	9,000	9,966,500	9,694,000	272,500	638,281
Richfield Village, sections 1 to 6, Clifton, N. J.	do	6,000	5,289,500	5,128,500	161,000	370,321
Elmwood Terrace, Inc., East Patterson, N. J.	Herman H. Rosen and Jacque Choron, trustees; Samuel J. Roth and Joel W. Schenker, New York, N. Y.	1,000	2,516,000	2,385,467	130,533	199,506
Jefferson Gardens, Inc., Clifton, N. J. (New Jersey, 11 projects.)	Allen J. Adelman, East Orange, N. J.; B. S. Adelman, South Orange, N. J.; and Theodore Naftali, Newark, N. J.	90,448	921,500	809,074	156,426	325,980
Rockaway Crests, sections 1, 2, and 3, Inc., Far Rockaway, N. Y.	Gustave M. Berne, Great Neck, Long Island, N. Y.; and Theodore W. Nass, Far Rockaway, N. Y.	3,000	14,486,100	13,475,000	1,371,400	
Kew Gardens Apartment, Inc., Briarwood (Queens County), N. Y.	Harry L. and Leah Osias, Brooklyn, N. Y.	12,000	9,266,700	8,930,245	336,455	
Kew Gardens Hills, Inc., Kew Gardens Hills, N. Y.	do	1,000	3,510,000	3,384,500	125,500	190,000
Do	do	3,000	10,670,500	10,213,100	457,400	
Parkway Manor, Inc., Flushing, N. Y.	William B. Greenstein and David H. Bass, Brooklyn, N. Y.	2,000	343,500	307,300	36,200	38,000
Glen Oaks Village, Inc., Bellerose, N. Y.	George M. and Alfred Gross, and Lawrence Morton, Glen Oaks, N. Y.	82,500	24,359,700	20,035,000	4,324,700	4,600,000
Beach Haven Apartments, Inc., Brooklyn, N. Y.	Fred C. Trump, Jamaica, N. Y.	249,000	15,922,900	12,325,000	4,047,900	729,000
Rego Park Apartments, Inc., Elmhurst, N. Y.	Norman Tishman, David Tishman, and Robert Tishman, New York, N. Y.	2,000	6,457,400	4,442,000	2,015,400	1,700,000
Kingsway Development, Inc., Brooklyn, N. Y.	Louis Mintz, Max Mintz, Morris Mintz and Monroe Markowitz, New York City, N. Y.	1,000	1,253,800	1,082,500	171,300	278,444
Elmwood Gardens, Inc., East Paterson, N. J.; Gregory Apartments, Inc., Elisabeth Apartments, Inc., Marine Terrace Apartments, Inc., Astoria, Long Island, N. Y.	Samuel J. Roth, Joel W. Schenker, Harry Ginsberg, George Gregory, and Elisabeth Gregory, New York, N. Y.	4,000	14,666,000	12,509,000	2,157,000	2,162,622
Arrowbrook Gardens Development Corp., Flushing, N. Y.	Morton Pickman, Lee E. Ellman, Samuel M. Berley, Charlotte Pickman, Bess Berley, and Esther Ellman, Forest Hills, N. Y.	2,000	2,675,000	2,116,000	559,000	
Ed. Donner Gardens, Inc., Jackson Heights, N. Y.	Charlesam Construction Co., Flushing, N. Y.; Charles Donner, president; Charles J. Muss, vice president; Samuel Donner, secretary-treasurer.	1,000	2,306,400	1,858,500	447,900	671,022
Cathedral Gardens, Hempstead, N. Y.	Mack Kanner, Jerry Kanner, and Lester Kanner, Merrick, Long Island, N. Y.	1,000	1,924,500	1,505,000	482,046	

[1] Distribution of windfall includes any type of distribution, such as dividends, stock redemption, loans to affiliated corporations, etc., as explained in HHFA press release OA-No. 675. The windfall figure is slightly more than the excess of loan amount over reported cost because of lesser factors affecting the windfall amount in a number of cases.

Section 608 FHA-insured mortgage loans in excess of costs on projects reviewed as of June 4, 1954—Continued

[Projects listed alphabetically by States]

Project name and location	Principals	Paid-in capital stock	Mortgage loan	Reported cost of project	Windfall	Amount of distribution of windfall
Kingsway Gardens, Brooklyn, N. Y.	Jack Carner, Helen C. Carner, and Samuel Benson, New York City, N. Y.	$91,908	$2,358,000	$1,886,000	$472,000	$110,326
Bayshore Gardens, Inc., Belle Harbor, N. Y.	Hyman Zarett, Belle Harbor, N. Y.; Isadore Lehrer, Neponsit, N. Y.; and Jack H. Spiegel, no address.	10,500	1,335,600	1,089,000	246,600	255,000
Alley Park Housing Corp., 77th Rd. Realty Corp., Bayside, N. Y.	Queens Valley Development Corp. and John Turner, Jamaica, N. Y.	6,000	6,196,500	5,768,000	428,500	337,906
Iroquois Apartments, Inc., Hollis, Queens County, N. Y.	Benjamin M. Hess, Haskel Hess, Sidney Kessler, J. Lewis Lazarus, and Rubin Garfinkel, Flushing, N. Y.	2,000	800,000	605,000	195,000	----------
Patchogue Gardens, Inc., Patchogue, N. Y.	Jerry Kanner, Mack Kanner, and Lester Kanner, Merrick, N. Y.	1,000	723,900	554,000	195,236	155,000
Kew Terrace, Inc.; Kew Terrace No. 2, Inc., Flushing, N. Y.	Norris Brocher and Alfred Wohl, Astoria, N. Y.; Charles K. Itchkow, Great Neck, N. Y.	6,000	3,005,800	2,463,500	542,300	555,000
Braddock Garden Apartments, Inc., Queens Village, N. Y.	Jean Van Dyke Kessler, Harry Rosen, and Joseph Pirozzi, Jamaica, N. Y.	750	1,310,000	983,500	326,500	289,210
Jeffrey Garden Apartments No. 1; Jeffrey Gardens Apartments No. 2, Bayside, N. Y.	Haskell Hess, Benjamin Hess, and Sidney Kessler, Jamaica, N. Y.	2,200	2,278,700	1,940,300	338,400	380,200
Knightsbridge Apartments, Great Neck, N. Y.	Gilbert Tilles, Great Neck Estates, N. Y.; Herman Tilles, and William Sanbur, Jamaica, N. Y.	10,000	1,051,300	800,449	250,851	230,649
Langdale Realty, Inc. No. 1 and No. 2, Bellerose, N. Y.	Kalman Klein and David Teicholz, Jamaica, N. Y.	100,000	3,014,400	2,432,781	581,619	21,000
Pleasantville Apartments Corp., Pleasantville, N. J.	Bernard Weinberg, Philadelphia, Pa., and Harry J. Goodwin, Elkins Park, Pa.	2,000	1,680,000	1,471,000	209,000	230,776
Sanford Gardens, Inc., Flushing, N. Y.	Lester Kanner, Mack Kanner, and Jerry Kanner, Merrick, N. Y.	1,000	1,330,500	1,082,156	248,344	----------
(New York, 25 projects.)						
College View Apartments, Inc., Oklahoma City, Okla. (Oklahoma, 1 project.)	Fred D. Newman, Oklahoma City, Okla.	9,900	98,000	69,549	28,451	10,100
Flamingo Apartments, Inc., Philadelphia, Pa. (Pennsylvania, 1 project.)	Dr. Daniel Gevison, Washington, D. C.	1,000	2,533,800	2,252,594	281,206	180,600
Huron Housing Corp., Huron, S. Dak. (South Dakota, 1 project.)	Sheldon F. Reese, Sioux Falls, S. Dak.	45,525	170,000	130,000	40,000	100,292
Billy Mitchell Village, Inc., San Antonio, Tex.	David Muss, Norman K. Winston, and Louis N. Kaplan, New York City, N. Y.; Henry W. Penn, San Antonio, Tex.	56,000	3,220,200	2,742,500	477,700	501,242
Midway Gardens, Inc., Pasadena, Tex.	Max Krauss and Alexander Zager, Pasadena, Tex.	24,000	336,500	245,900	90,600	115,000
Bayou Park Apartments, Houston, Tex.	Carl C. Sharp, W. Carloss Morris, and Steward Morris.	89,900	1,282,900	955,400	327,500	396,800
Bayou Lake Corp. No. 1, Pasadena, Tex.	do	11,900	415,000	323,000	92,000	111,900
(Texas, 4 projects.)						
Warwick Gardens, Inc.; Warwick Gardens No. 2, Inc., Newport News, Va.	Albert T. Brout, A. L. Drucker, and E. E. Falk, Newport News, Va.	2,000	3,788,400	3,565,500	222,900	39,000
Shirley-Duke Apartments, Inc., Alexandria, Va.	Bryan Gordon, Jr., Arlington, Va., and N. J. Sonnenblick, New York City, N. Y.	6,000	13,846,000	11,700,000	2,146,000	2,475,600
Bon Haven Apartments, Richmond, Va.	Bertram F. Bonner, Richmond, Va.	3,000	3,916,900	3,020,000	981,900	1,250,000
Lewis Garden, Henrico County, Va.	Franklin A. Trice, Richmond, Va.	526,000	3,884,400	3,450,550	433,850	654,250
Huntington Apartments, Inc., Alexandria, Va. (Virginia, 5 projects.)	George A. Ford and William S. Banks, Washington, D. C.; and Howard E. Everheart, Alexandria, Va.	300	570,000	463,200	106,800	95,100
Grand total, sheets 1 through 9		4,138,590	272,646,300	234,486,277	39,481,126	31,716,000

JUNE 15, 1954.

Hon. ALBERT M. COLE,
Administrator, Housing and Home Finance Agency, Washington, D. C.

MY DEAR MR. COLE: As chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I have carefully noted your June 11 interim report on investigation of loans insured by the Federal Housing Administration under the section 608 program. It raises several questions.

The report says 214 cases had been reviewed through June 4. Does this mean that approximately 3 percent of the 7,068 loans insured under this program had been audited as of that date?

The report says FHA-insured mortgage loans in these 214 cases totaled $272,646,300, that the reported cost of the projects for which these loans were insured totaled $234,486,277, and that the total windfall in these cases was $39,481,126. Does this mean that loans audited through June 4 represented less than 1 percent of the $3.4 billion in loans insured by the Federal Housing Administration under the 608 programs?

The report says in all cases reviewed FHA issued the insurance commitments in 1952 or earlier. For which projects covered by this report did the FHA make insurance commitments after March 1, 1950; have any 608 commitments been made since 1952; are any eligible applications still pending?

The report says devices were used for the distribution of windfalls, including not only the declaration of dividends out of mortgage proceeds, but also redemption of stock at inflated prices, exorbitant management fees, excessive payments to services to corporations owned by the sponsors, loans by the corporations to their principals to be paid when and if the principals decide, * * * the making of leases for long-term use of land between sponsors and the principal stockholders as individuals * * * the use of multiple corporations, all with the same owners, with each taking its cut, etc. The law says, "To be eligible for insurance under this section a mortgage shall meet the following conditions: (1) The mortgaged property shall be held by a mortgagor approved by the Commissioner. The Commissioner may, in his discretion, require such mortgagor to be regulated or restricted as to rents or sales, charges, capital structure, rate of return, and methods of operation. The Commissioner may make such contracts with, and acquire for not to exceed $100 stock or interest in any such mortgagor, as the Commissioner may deem necessary to render effective such restrictions or regulation." I have raised this question generally before. It is still unanswered in your replies. With respect to the projects covered in this report, to what extent did the Federal Housing Administration exercise these rights as set forth in the law and in the charters?

The report says your investigation already has demonstrated beyond question that certain promoters were aided and guided by former top FHA officials in the windfall practices. As I have suggested before, shouldn't you now make public the names of these "former officials"; and shouldn't you make public also the identity of the promoters who engaged in these irregular practices?

Are there any remaining FHA employees who engaged in these or similar practices in this or other programs?

In this connection an answer is requested to my letter of May 12 with respect to FHA organizations, division responsibility, and personal authority.

Is it your intention to limit your investigation to loans insured only under section 608, or do you intend to take it forward through all of the dozen or more mortgage insurance programs under FHA under which 3.4 million loans were insured for $26 billion, and particularly the programs under section 213, title 8 and title 9?

Is your investigation of loans insured under section 608 to be limited to only those loans where an excess of loan over cost is obvious?

Is it your intention to review local practices in the slum clearance and the public housing programs; and practices under the educational institution housing programs?

Very truly yours,

HARRY F. BYRD, *Chairman.*

VISIT TO THE SENATE BY PUPILS OF BLESSED SACRAMENT SCHOOL, ARLINGTON, VA.

Mr. JOHNSON of Texas. Mr. President, I invite the attention of Senators to the fact that there are present in the gallery today a group of very welcome visitors. They are pupils from the Blessed Sacrament School, Arlington, Va. Sister Agnes Mary is principal of the school. Sister Eileen is their teacher. I ask them to stand in the gallery.

(The young visitors, accompanied by Sister Agnes Mary and Sister Eileen rose and were greeted with applause.)

The VICE PRESIDENT. Our young visitors and their teachers are very welcome guests.

THE CALENDAR

The VICE PRESIDENT. Routine business having been concluded, pursu-

ant to the order heretofore entered, the clerk will proceed to state the measures on the calendar, commencing with Calendar No. 1466, House bill 2566.

TIME LIMITATION UPON FILING OF CERTAIN CLAIMS UNDER THE CONTRACT SETTLEMENT ACT

The bill (H. R. 2566) to amend the Contract Settlement Act of 1944 so as to establish a time limitation upon the filing of certain claims thereunder was considered, ordered to a third reading, read the third time, and passed.

RATIFICATION OF THE REVENUE BOND ACT OF 1935 ENACTED BY THE LEGISLATURE OF HAWAII—BILL PASSED TO FOOT OF CALENDAR

The bill (H. R. 2844) providing that the ratification of the Revenue Bond Act of 1935, enacted by the Legislature of the Territory of Hawaii, shall apply to all amendments of said act made by said legislature to and including the acts of the 1953 regular session of said legislature, and to all extensions of the period for issuance and delivery of revenue bonds thereunder, heretofore, or hereafter enacted by said legislature was announced as next in order.

Mr. BUTLER of Nebraska. Mr. President, I am expecting a legal opinion from the Department of the Interior before the day is over. I ask that the bill be passed to the foot of the calendar.

The VICE PRESIDENT. Without objection, the bill will be passed to the foot of the calendar.

BILL PASSED OVER

The bill (S. 3487) to authorize the Central Bank for Cooperatives and the Regional Banks for Cooperatives to issue consolidated debentures, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

LEONARD HUNGERFORD

The bill (S. 1308) for the relief of Leonard Hungerford was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Leonard Hungerford shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MALY BRAUNSTEIN AND AURELIA RAPPAPORT

The bill (S. 2176) for the relief of Maly Braunstein and Aurelia Rappaport was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Maly Braunstein and Aurelia Rappaport shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

DR. IAN YUNG-CHENG HU

The Senate proceeded to consider the bill (S. 1845) for the relief of Dr. Ian Yung-cheng Hu which had been reported from the Committee on the Judiciary with an amendment in line 7, after the word "fee", to strike out "and head tax", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Dr. Ian Yung-cheng Hu shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FRANCESCO MARINELLI

The Senate proceeded to consider the bill (S. 2068) for the relief of Francesco Marinelli, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Francesco Marinelli shall be held and considered to be the natural-born alien child of M. Sgt. Russell A. Lachmiller, a citizen of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TERRENCE WALLER

The Senate proceeded to consider the bill (S. 2147) for the relief of Terrence Waller, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 7, after the words "sum of", to strike out "$1,000" and insert "$840.79", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Terrence Waller, captain, United States Marine Corps Reserve (O34032), of Challis, Idaho, the sum of $840.79 in full satisfaction of his claim against the United States for active duty pay for, and all allowances incident to, active service rendered by him between June 12, 1952, and July 25, 1952, which pay and allowances have not been paid to him because of the revocation, through administrative error, of his orders for active duty in conformity with a United States Marine Corps communication dated July 15, 1952: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FRANK (FRANZ) HOMOLKA, OLGA HOMOLKA (NEE MANDEL), ADOLF HOMOLKA, HELGA MARIA HOMOLKA, AND FRIEDA HOMOLKA

The Senate proceeded to consider the bill (S. 2210) for the relief of Frank (Franz) Homolka, Olga Homolka (nee Mandel), Adolf Homolka, Helga Maria Homolka, and Frieda Homolka, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 8, after the word "Act", to strike out the comma and "upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Frank (Franz) Homolka, Olga Homolka (nee Mandel), Adolf Homolka, Helga Maria Homolka, and Frieda Homolka shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ROBERT LEE WILLIAMS

The Senate proceeded to consider the bill (S. 2693) for the relief of Robert Lee Williams, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 9, after the word "year", to strike out "1935 or 1936" and insert "1937", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is directed and authorized to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Robert Lee Williams, of Feather Falls, Calif., in full satisfaction of his claim against the United States for permanent injuries sustained by him as a minor while attending the Seneca Indian School in the year 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this

act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. H. O'KANE (NEE MARY A. DANCER)

The Senate proceeded to consider the bill (S. 2592) for the relief of Mrs. H. O'Kane (nee Mary A. Dancer), which had been reported from the Committee on the Judiciary with amendments, on page 1, line 8, after the word "disability", to insert "alleged to have been"; and on page 2, line 2, after the numerals "1932", to insert a colon and *"Provided,* That no benefits, other than hospital and medical expenses actually incurred, shall accrue prior to the date of enactment of this act", so as to make the bill read:

Be it enacted, etc., That, notwithstanding any limitation upon the time for filing claims under the Federal Employees' Compensation Act, as amended, Mrs. H. O'Kane (nee Mary A. Dancer), of St. Catharines, Ontario, Canada, may within 6 months after the date of enactment of this act, file a claim under such act for compensation for disability alleged to have been incurred by her as the result of an injury sustained by her while she was employed at the United States marine hospital (now U. S. Public Health Service Hospital), Chicago, Ill., from January 1931 to April 1932: *Provided,* That no benefits, other than hospital and medical expenses actually incurred, shall accrue prior to the date of enactment of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MILTON BEATTY AND OTHERS

The bill (S. 3154) to provide for the relief of Milton Beatty and others by providing for determination and settlement of certain claims of former owners of lands and improvements purchased by the United States in connection with the Canyon Ferry Reservoir project, Montana, was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object—and I shall not object—this bill provides a very unusual remedy. I should like to have an explanation for the RECORD.

Mr. MANSFIELD. Mr. President, I shall be glad to give an explanation.

Mr. HENDRICKSON. Will the Senator place particular emphasis on the remedy provided in the bill?

Mr. MANSFIELD. I shall be glad to do so. I shall be very brief.

When the Canyon Ferry Dam was built in Montana, certain prices were paid to various landowners. The land involved is very rich, to a depth of 14 feet. Some of the landowners received $150 an acre. Others received $300. They were all promised the same price. Still others took their cases to court and received three times as much.

This inequity can be overcome only in this fashion. The determination would be made by representatives appointed by the Department of Agriculture and the Department of the Interior, together with the senior Federal district judge of the State of Montana.

Mr. HENDRICKSON. Is there any good reason why these claims should not go to the Court of Claims?

Mr. MANSFIELD. Such procedure would be long and costly. Some of the people who are interested in the matter cannot afford it. The bill provides the only way equity can be done at this time.

Mr. WELKER. Mr. President, reserving the right to object, I do not believe my distinguished colleague from New Jersey attended the hearings when the bill was so ably discussed by the junior Senator from Montana and his colleague in the House. I think it is a meritorious bill, and I withhold any objection.

Mr. MANSFIELD. I thank the Senator.

Mr. HENDRICKSON. I thank the distinguished Senator from Idaho and the distinguished Senator from Montana.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments, on page 2, line 10, after the word "employee", to strike out "of the Extension Service"; and on page 4, line 18, after the name "Christie", to insert "George H. Christie", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to each of the parties specified in section 3 of this act, the amount certified to the Secretary with respect to such party in accordance with this act, in full settlement of all claims of such party against the United States arising out of the purchase from such party by the United States of lands, and improvements thereon, in connection with the Canyon Ferry Reservoir project, Broadwater and Lewis and Clark Counties, Mont.

SEC. 2. (a) There is hereby established a board of appraisers composed of 3 members, 1 member to be an officer or employee of the Land Acquisition Division, Bureau of Reclamation, Department of the Interior, appointed by the Secretary of the Interior; 1 member to be an officer or employee of the Department of Agriculture, appointed by the Secretary of Agriculture; and 1 member from private life who is qualified as an impartial appraiser with respect to farm and grazing lands and improvements in Montana, selected by the chief justice of the United States District Court for the District of Montana, acting in his individual capacity. Members of the board of appraisers who are officers or employees in the Department of the Interior or the Department of Agriculture shall receive the same compensation which they would receive if they were not members of the board; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the board. The member of the board of appraisers appointed from private life shall receive $25 per diem when engaged in the performance of his duties as a member of the board and shall be reimbursed for travel, subsistence, and other necessary expenses incurred by him in the performance of such duties.

(b) The board of appraisers shall make an independent appraisal of the lands, and any improvements thereon, situated in Broadwater and Lewis and Clark Counties, Mont., which were purchased by the United States in connection with the Canyon Ferry Reservoir project from the former owners thereof specified in section 3 of this act, in order to determine the fair value of the land and any improvements thereon purchased from each such former owner, as of the date of the payment by the United States of the purchase price thereof. In determining the fair value of such land and improvements, the board of appraisers shall take into account the fair value of other comparable lands and improvements in and adjacent to Broadwater County, Mont., and the amounts determined in condemnation proceedings which were paid by the United States for other comparable lands and improvements in Broadwater and Lewis and Clark Counties in connection with the Canyon Ferry Reservoir project. The determination by the board of appraisers of the fair value of the land, and any improvements thereon, owned by any party specified in section 3 of this act, shall be arrived at with the concurrence of all members of the board.

(c) After determining in accordance with this act the fair value of the land, and any improvements thereon, of each former owner thereof, the board of appraisers shall certify to the Secretary of the Treasury the amount, if any, by which the fair value of such land, and any improvements thereon, as determined by the board, exceeds the purchase price thereof paid by the United States to such former owner; and the Secretary of the Treasury shall pay such amount to such former owner in the manner provided by the first section of this act. The board of appraisers shall cease to exist on the expiration of 60 days after all certifications have been made by the board to the Secretary of the Treasury as provided for in this act.

SEC. 3. The owners of the lands situated in Broadwater and Lewis and Clark Counties, Mont., which were purchased by the United States in connection with the Canyon Ferry Reservoir project are as follows: Milton Beatty, Ruth Blakely, Ruth M. Bremer, Douglas P. Christie, George M. Christie, W. J. Gaab, Herb Gill, W. R. Hargrove, W. G. Kirscher, D. E. Mahoney, Jerome Merritt, Joseph Meyer, Mrs. Edwin D. Neild, John A. Plymale, John G. Plymale, Paul Plymale and Jessie C. Riley, all of Townsend, Mont.; Carrol G. Filson, 418 North Benton Avenue, Helena, Mont., and Mary C. Johnson, Harvey Hotel, Helena, Mont., E. J. Kane, 522 North Park, Helena, Mont.

SEC. 4. No part of the amount appropriated in this act for the payment of any one claim in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DR. IGNACY ADAM, MRS. AMALYA ALEXANDER ADAM, AND GEORGE ADAM

The bill (H. R. 707) for the relief of Dr. Ignacy Adam, Mrs. Amalya Alexander Adam, and George Adam was considered, ordered to a third reading, read the third time, and passed.

HARRY C. BARNEY

The bill (H. R. 758) for the relief of Harry C. Barney was considered, ordered to a third reading, read the third time, and passed.

MRS. STELLA REBNER

The bill (H. R. 849) for the relief of Mrs. Stella Rebner was considered, ordered to a third reading, read the third time, and passed.

GENEROSA BONET

The bill (H. R. 2616) for the relief of Generosa Bonet was considered, ordered to a third reading, read the third time, and passed.

BARBARA GENE COSTER

The bill (H. R. 3026) for the relief of Barbara Gene Coster was considered, ordered to a third reading, read the third time, and passed.

WESLEY HOWARD LEAHY

The bill (H. R. 3131) for the relief of Wesley Howard Leahy was considered, ordered to a third reading, read the third time, and passed.

KATHARINA LINK

The bill (H. R. 3249) for the relief of Katharina Link was considered, ordered to a third reading, read the third time, and passed.

JOSIP STANIC

The bill (H. R. 4701) for the relief of Josip Stanic was considered, ordered to a third reading, read the third time, and passed.

FRANK L. McCARTHA

The Senate proceeded to consider the bill (H. R. 2421) for the relief of Frank L. McCartha which had been reported from the Committee on the Judiciary with an amendment on page 2, line 10, after the word "benefits," to insert "other than hospital and medical expenses actually incurred."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

MRS. OLYMPIA CUC

The Senate proceeded to consider the bill (H. R. 3038) for the relief of Mrs. Olympia Cuc which had been reported from the Committee on the Judiciary with an amendment in line 7, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

NICHOLAS KATEM, THEODOSIA KATEM, BASIL KATEM, AND JOSEPH KATEM

The Senate proceeded to consider the bill (H. R. 848) for the relief of Nicholas Katem, Theodosia Katem, Basil Katem, and Joseph Katem which had been reported from the Committee on the Judiciary with amendments, on page 1, line 11, after the word "deduct" to strike out "four" and insert "the required"; on page 2, line 1, after the word "quota", to insert "or quotas"; and at the beginning of line 2, to strike out "is" and insert "or quotas are."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

KLYCE MOTORS, INC.

The bill (H. R. 5185) for the relief of Klyce Motors, Inc., was announced as next in order.

Mr. HENDRICKSON. Mr. President, this bill involves a considerable sum of money. I wonder if we may have an explanation of the bill.

The PRESIDING OFFICER (Mr. PAYNE in the chair). An explanation is requested on H. R. 5185.

Mr. GORE. Mr. President, I am not the author of the bill, which is a House bill. However, I am somewhat familiar with the circumstances. The company involved purchased from the Government some trucks which had been represented as being new. Later it was discovered that, although the trucks were new, they had not been protected from the weather. As a result, the cylinders and other vital parts were rusted, and the motors were unfit for use. Severe damage was suffered by the purchaser, and the Government agency involved, the War Surplus Administration, recommended relief. A bill was introduced in the House and passed by the House providing such relief. The Senate Committee on the Judiciary recommends the passage of the bill.

Mr. HENDRICKSON. May I ask the distinguished Senator whether the principle of caveat emptor would not apply in this situation?

Mr. GORE. I am not sure that it would, because of the unusual circumstances involved in the case. Of course, a purchaser must be alert in all business deals, but in this particular case I believe there is involved the question of good faith, which would raise equities in favor of the purchaser even though he were warned to beware.

Mr. HENDRICKSON. Despite the fact that there was a release signed?

Mr. GORE. I believe so. Both the House committee and the Senate committee have gone into the question. I am not prepared to say whether the amount provided is the proper one. However, the agency of the Government involved recognized that the equities were in favor of the claimant and recommended some relief. As to the amount, I am not qualified to say.

Mr. HENDRICKSON. But the able Senator from Tennessee feels that under all the circumstances this proposed legislation is sound. Is that correct?

Mr. GORE. As to the principle of relief, yes. I am not prepared to say as to the amount.

Mr. HENDRICKSON. In view of the explanation by the Senator and his confidence in the proposed legislation, I withdraw any objection I may have had to the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5185) for the relief of Klyce Motors, Inc., which had been reported from the Committee on the Judiciary with amendments, on page 1, line 5, after the word "of", to strike out "$38,960" and insert "$116,982.76"; and on page 2, line 1, after the word "Act", to strike out "in excess of 10 per centum thereof."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PROHIBITION OF EMPLOYMENT OF COMMUNISTS IN LABOR UNIONS—BILL PASSED OVER

The bill (S. 23) to make it unlawful for a member of a Communist organization to hold an office or employment with any labor organization and to permit the discharge by employers of persons who are members of organizations designated as subversive by the Attorney General of the United States was announced as next in order.

Mr. GORE. Mr. President, over.

Mr. HENDRICKSON. By request, I ask that the bill go over.

Mr. MORSE. Mr. President, I should like to ask that objection to the bill be withheld until I make a brief statement.

I have no objection to the bill going over for further consideration. In fact, I believe the subject matter is such that the bill ought to be brought up by motion for full debate in the Senate, and I hope full debate will be had on it before Congress adjourns.

The bill raises again the whole subject of procedure in handling the question of Communist infiltration into labor organizations.

There is no question that a problem exists in that connection, and that it is giving great concern to many labor leaders. I would much prefer a proposal which I have urged for some years past, namely, that the National Labor Relations Board be assigned by Congress the duty and obligation to exercise jurisdiction over the infiltration of Communists into American labor unions. In that event, when an employer feels that he

is being called upon to negotiate or conduct business with a Communist-dominated union, or a union whose officers are Communist-dominated, or a union which has within it members who are also members of the Communist Party, he should be able to make it the basis for a case on the ground of an unfair-labor practice so far as that particular union is concerned.

The National Labor Relations Board ought to be under the obligation to proceed, let us say, on the basis of what in our Federal courts is known as a pretrial hearing, in which the issue could be gone into singularly, and the employer or the complaining party called upon to establish a prima facie case. If a prima facie case were established, the Board would proceed with a full hearing of the merits of the controversy.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Maryland.

Mr. BUTLER of Maryland. Does not the Senator from Oregon feel that the more appropriate body to conduct such a hearing would be the Subversive Activities Control Board?

Mr. MORSE. No. I am aware of the Senator's bill, but I do not think it provides for the most appropriate body to handle the problem, because, in my opinion, it is a mistake to split the jurisdiction of a board over a common subject matter, and I believe the National Labor Relations Board should have complete jurisdiction over labor issues.

Mr. BUTLER of Maryland. Does it not involve a problem of internal security?

Mr. MORSE. Certainly, it does, but it does not follow that the National Labor Relations Board is not the best qualified board to determine whether a particular union is Communist dominated. It seems to me that its knowledge of and familiarity with labor problems places it in an advantageous position to determine at the outset whether it is dealing with a union which is Communist dominated or has Communists in it.

Mr. BUTLER of Maryland. I agree with with the Senator's observation that the Board has a peculiar knowledge of matters dealing with labor, but it has no knowledge of matters dealing with internal security. This is strictly a matter of internal security.

Mr. MORSE. There is nothing complicated about that. Let us not make a lot of complexities out of a very simple matter. It is very easy in a judicial hearing before the National Labor Relations Board to advance the proof as to whether a union is Communist dominated. I think it should be given priority of consideration in any charge of unfair labor practices on the part of a labor union. The Board ought to be required to take the proof and determine whether it is a Communist-dominated union. If it is, then I believe the proposal which I made when I refused to sign the majority report, when I was a member of the Committee on Labor and Public Welfare more than 2 years ago, is the proper one. The position I took at that time was that all the privileges of the National Labor Relations law should be taken away from the union immediately. I think that is the fairest way to handle the question, and I think it places the jurisdiction under one board and avoids complicating the situation by giving two boards partial jurisdiction of labor disputes.

Mr. BUTLER of Maryland. We are now working on a bill quite different from the bill which I originally introduced.

Mr. MORSE. I am not familiar with it.

Mr. BUTLER of Maryland. It will be reported, I trust, by the Committe on the Judiciary within the next week or two, and I hope to enlist the support of the Senator from Oregon.

Mr. MORSE. I shall read the bill with great interest.

Mr. MAGNUSON. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. MAGNUSON. I wish to associate myself with my colleague from Oregon with reference to this matter. I should like to ask him a question. The real answer to the problem is the job which 98 percent of the labor unions have done themselves, and very effectively, in clearing the unions of all this type of influence. Is not that a fact?

Mr. MORSE. That is the point with which I was going to close my argument.

Mr. MAGNUSON. As to those unions which have not cleared themselves, the simplest way to do it is by following the course which the Senator has suggested.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. MORSE. Mr. President, I wonder if I might have half a minute more.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Oregon may proceed.

Mr. MORSE. Mr. President, I am asking that this jurisdiction be given to the National Labor Relations Board in order to take care of the rare case of a union that fails to clean its own underwear. Most of them are doing a pretty good job of washing their dirty linen, Mr. President. I think the labor leaders are deserving of a great deal of credit for the job they have done in driving Communists out of the American labor movement. But there are some still left; and when a labor organization does not do a good job by way of cleaning its own linen, I think we must give the washing job to the National Labor Relations Board.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. LEHMAN. Mr. President, I have not studied the bill. I do not know how I shall vote when it comes before the Senate, but I certainly do not think that a bill with such broad implications as has this one should be considered on the Consent Calendar.

Mr. MORSE. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I yield.

Mr. MORSE. I think the Senator walked onto the floor while I was making my comments. I am not speaking for the bill; I am speaking for an entirely different bill, and I had made the point that I did not think it should be considered on the Consent Calendar, but that it should be considered by way of motion and with opportunity for full debate.

Mr. LEHMAN. I fully agree with my distinguished colleague from Oregon, but the Chair addressed the question to the Senate as to whether there was any objection to the immediate consideration of the bill. I wish to say that I do not know how I shall vote on the bill, but in view of the fact that it has extremely broad implications which affect members of labor unions and other citizens I do not think it has a place on the Consent Calendar. Therefore, Mr. President, I must object to the immediate consideration of the bill.

Mr. HENDRICKSON. Mr. President, reserving the right to object, I wish to thank the distinguished Senator from Oregon for his statement on this bill. The request I was about to make that the bill be passed over was based largely upon the reasons stated by the Senator from Oregon as to why the bill should not be considered on a mere calendar call. I wish to thank him for putting into the RECORD a very fine, clear statement of the issue.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

BILL PASSED OVER

The bill (H. R. 303) to transfer the maintenance and operation of hospital and health facilities for Indians to the Public Health Service, and for other purposes, was announced as next in order.

Mr. GORE. Over.

The PRESIDING OFFICER. The bill will be passed over.

USE OF TRIBAL FUNDS OF THE SOUTHERN UTE TRIBE

The bill (H. R. 6173) to provide for the use of the tribal funds of the Southern Ute Tribe of the Southern Ute Reservation, to authorize a per capita payment out of such funds, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

ADDITIONAL FUNDS TO COMPLETE THE INTERNATIONAL PEACE GARDEN, N. DAK.

The bill (H. R. 3986) to authorize the appropriation of additional funds to complete the International Peace Garden, N. Dak., was considered, ordered to a third reading, read the third time, and passed.

MINING, DEVELOPMENT, AND UTILIZATION OF MINERAL RESOURCES OF PUBLIC LANDS—BILL PASSED OVER

The bill (H. R. 3915) to permit the mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, may we have an explanation of the bill?

The PRESIDING OFFICER. An explanation of the bill has been requested.

Mr. BUTLER of Nebraska. Mr. President, the purpose of the bill is to open up to mineral development large acreages of land which have been withheld from mineral activities because of power site withdrawals. If the bill were enacted, approximately 6 million acres of land would be available for mineral development, and should give a boost to our production of strategic and critical materials, including uranium. The bill, however, protects the interests of the United States by providing that no miner, locator, or mining operator shall be compensated for his loss in the event that the Federal Government should decide to proceed with the development of power at any of these sites. The bill has been extensively amended by the Senate committee to incorporate all the safeguarding amendments recommended by the Bureau of Land Management. In its present form it has the complete approval of the Department of the Interior and the Bureau of the Budget.

Mr. MAGNUSON. Mr. President, will the Senator from Nebraska yield?

Mr. BUTLER of Nebraska. I yield.

Mr. MAGNUSON. Does the bill come before the Senate with the unanimous report of the committee?

Mr. BUTLER of Nebraska. It does.

Mr. MORSE. Mr. President, will the Senator from Nebraska yield?

Mr. BUTLER of Nebraska. I yield.

Mr. MORSE. Certainly the objective of the bill is highly to be desired, but what I want to know is what protection there is under the bill. It does away with the requirement of individual approval by the Federal Power Commission and the Department of the Interior of the proposed development of a given piece of land. What protection does the bill afford by way of two requirements: No. 1, that in case of timberland there will be no cutting of timber not necessary for the actual development of the operation itself. In that respect we have to be careful. It may happen that in the name of mining development an individual will take a very valuable piece of public timberland, cut it down, take the profit from the timber, and then do very little on the mining development. Where is our protection on that point?

Mr. BUTLER of Nebraska. I will say to the distinguished Senator from Oregon that there are no lands in my own State covered by this bill, but there are plenty of them in the State of Wyoming. The bill has the support of the distinguished Senator from Wyoming, and I should like to ask him to reply to the Senator from Oregon.

Mr. MORSE. The bill is not territorially limited to any State or group of States. There are timberlands in my State as to which there are many complaints about practices already in vogue of obtaining permits to develop mining, when the real objective seems to be to get the advantage of the timber which is on the land.

Mr. BARRETT. Mr. President, the bill provides, in section 2 (b), on page 2, that the Secretary of the Interior can restrict the mining operations, if he so desires, or he may permit them on condition that the locator files a bond undertaking to restore the surface of the land substantially to its condition prior to such mining operations. I realize that that does not spell out an answer to the precise point the Senator from Oregon makes; nevertheless, the Secretary of the Interior can impose such conditions as he may desire, in order to protect the Government's land.

Mr. MORSE. Is it not true, though, that, under the bill, the approval of the Secretary of the Interior need not be obtained and is not required? All the locator has to do, apparently, is simply to file notice that he intends to proceed; and if the Secretary of the Interior does not interiere within a period of 60 days, the locator is under no restrictions at all?

Mr. BARRETT. No. The language of the bill, beginning on line 11 of page 2, is as follows:

> If the Secretary of the Interior notifies the locator by registered mail of the Secretary's intention to hold a public hearing to determine whether placer mining operations would substantially interfere with other uses of the land included within the placer claim, mining operations on such claim shall be further suspended until the Secretary holds the hearings and issues an appropriate order prohibiting or permitting such operations or permitting such operations upon the condition that, following such operations, the surface of the claim shall be restored by the locator substantially to its condition immediately prior to such operations.

That is the point to which I referred a moment ago. I think that by inference it covers the situation which the Senator from Oregon has in mind.

Mr. MORSE. Let me dwell on that point for a moment, because, I respectfully suggest, I do not think it does cover it. Is not this the situation: Whereas under the present law an affirmative approval must be obtained from the Secretary of the Interior, under the bill all the locator need do is to file with the Secretary of the Interior a notice that he intends to proceed to develop the land?

Mr. BARRETT. Sixty days' notice.

Mr. MORSE. Sixty days' notice.

Mr. BARRETT. That is correct.

Mr. MORSE. Unless the Secretary of the Interior takes negative action, the locator can proceed to develop the land. But he is not, under the bill, put in the position, as he would be under the present law, of getting affirmative consent from the Secretary of the Interior

Knowing a little about bureaucracy, what worries me is that 60 days is not a very long time in which to require action, even of a negative nature, from the Secretary of the Interior, because notices pile up, and it may be 90 days before anyone in the Department of the Interior discovers that a notice has been received. This is not a reflection on the present Department of the Interior; it is simply the way bureaucracy has a habit of working.

What I do not like in legislation is to have a negative approach to a situation such as this, when it would be just as simple to say that the locator shall file his notice, and that he cannot proceed until he receives affirmative consent.

Mr. BARRETT. I may say to the distinguished Senator from Oregon that this precise question was brought up at the time hearings were held, and the Secretary of the Interior himself suggested this method. The Senator from Oregon knows full well that the management, control, care, and custody of these lands is left with the Secretary of the Interior; consequently, it is his duty to issue a brief notice calling a hearing on the matter, and he has 60 days in which to do so. If the Senator from Oregon desires that the time should be 90 days, or even more time, well and good; but the Secretary himself said that 60 days was ample.

Mr. MORSE. I fully appreciate the position taken by the Senator from Wyoming. The position I am taking, however, is one which I would take in 1965, as well as in 1954, if I were in the Senate in 1965. I care not who the Secretary of the Interior may be.

When my good friend, the Senator from Wyoming, says that, after all, the lands are in the jurisdiction of the Department of the Interior, I counter by saying that they are in the jurisdiction of the Department of the Interior acting only as an agent of the Congress of the United States. The lands are under the jurisdiction of the Congress of the United States; and, in my judgment, it is the duty of Congress to make certain that the Secretary exercises a watchful eye at all times in the handling of public lands.

I am always opposed to the giving of this kind of discretion to a Government official, whether he be the Secretary of the Interior or the Secretary of Agriculture. I certainly am not willing to approve of the bill until I have had an opportunity to discuss it further with the Senator from Nebraska [Mr. BUTLER] and the Senator from Wyoming [Mr. BARRETT], because, from the standpoint of safety—I care not for what period a notice may run, or who the Secretary of the Interior may be—there should be in the bill a requirement which places an affirmative duty upon the Secretary of the Interior to consent to a certain development. Simply to permit the applications to lie on someone's desk in a Government department is not, in my opinion, a very certain way of protecting the public interest. I do not think very much administration would be required to handle these matters affirmatively rather than negatively.

For these reasons, Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will go over.

Mr. BARRETT. Mr. President, will the Senator from Oregon withhold his request?

Mr. MORSE. I yield, to enable the Senator from Wyoming to make a statement.

Mr. BARRETT. I call the attention of the Senator to the fact——

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. MORSE. I abide by the ruling of the Chair. Perhaps the Senator

from Wyoming desires to make his own request.

Mr. BARRETT. Mr. President, reserving the right to object, I call the attention of the Senator from Oregon to the fact that the proposal made by him is contrary to the whole purpose of the bill. The bill covers a total of 7 million acres of land in the Western States. It has been suggested by the Secretary of the Interior, by the Bureau of the Budget, by the Atomic Energy Commission, and by the Federal Power Commission that the matter be handled on a total basis, and not on an individual basis, as has been suggested by the Senator from Oregon.

I may say, by the way, that the bill is a House bill; my only interest in it is that I was a member of the committee which held hearings on it.

The Atomic Energy Commission is very much interested in procuring the legislation because the 7 million acres of land have locked up in them, according to the Commisison, inestimable deposits of uranium.

I quote, from page 2 of the report, a statement in the favorable report of Chairman Lewis L. Strauss, of the Atomic Energy Commission, as follows:

> The domestic uranium procurement program of the Atomic Energy Commission depends to a great extent on the discovery and development work of private individuals operating under the mining laws. As the proposed act would open up new areas for private development of uranium deposits, we believe it would be in aid of our program of acquiring available uranium.

Mr. President, the bill has been given long study in the Department of the Interior. Every precaution has been taken to protect power sites. Likewise, every precaution has been taken to protect the resources themselves. Notice is required to be given to the Secretary of the Interior. He can hold hearings. He has absolute power to do whatever needs to be done in order to protect the interests of the public in the property.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

QUITCLAIM TO BOARD OF EDUCATION, IRWIN COUNTY, GA., OF CERTAIN LAND

The joint resolution (H. J. Res. 458) to authorize and direct the Secretary of Agriculture to quitclaim retained rights in a certain tract of land to the Board of Education of Irwin County, Ga., and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, I wish to ask the sponsors and managers of the joint resolution, if they are on the floor, whether the measure has any relationship at all to the recent decision of the Supreme Court of the United States on the subject of school segregation.

Mr. GEORGE. Mr. President, I am not the sponsor of the joint resolution. My colleague, the distinguished junior Senator from Georgia [Mr. RUSSELL] introduced Senate Joint Resolution 134, which is Calendar 1513, for the same purpose. It has no connection with the Supreme Court decision.

I am familiar with the facts in the case. In 1945 the Department of Agriculture conveyed, under proper authority, of course, a certain tract of land to the County Board of Education of Irwin County, Ga., for school purposes. There was a reservation in the conveyance that if the property were not used for educational purposes, it would revert. There was also a reservation of the rights to whatever minerals might underlie the tract.

The State of Georgia is engaged in a very ambitious program of building schoolhouses for both white and colored children—for everybody—and, under the Supreme Court decision, for both races. The State board asked the board of Irwin County to acquire complete title to this tract of land, consisting of about eight and a fraction acres, I believe, so that they might go forward with the school program. There has been no reversion of the property by reason of nonuse for school purposes, and none is intended.

The Supreme Court decision has nothing to do with the purposes of the bill. However, the prosecution of a school program is badly needed in Irwin County.

Mr. HENDRICKSON. I take it, from the distinguished Senator's explanation, that if the bill is enacted, there will be no conflict between the measure and the Supreme Court decision. Is that correct?

Mr. GEORGE. Oh, no; there would be no conflict whatever.

I might say it is not believed that there are any minerals in the tract, although there is a retention of the mineral rights by the Government. If the property is not used for educational purposes, it will revert. The joint resolution provides only for a quitclaim of the property, so that the State board may aid and assist in the proper development of the school program in the county.

Mr. HENDRICKSON. Mr. President, in the light of the assurance of the distinguished Senator from Georgia, I withdraw any objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. MORSE. Mr. President, I should like to ask the Senator from Georgia one question. The purpose of seeking to get a quitclaim deed to the property is in order that under the law of Georgia State funds can be spent on the property for further development of school facilities. Is that not the case?

Mr. GEORGE. That is the case. That is the only reason for seeking passage of the joint resolution. There is an established school project which will be carried out. But State funds cannot be used unless, first, the reversionary interest shall be disposed of by a quitclaim deed, and, second, unless the retention of mineral rights in the Government is released.

Mr. MORSE. It is not a case where there is any intention on the part of officials of the State of Georgia to obtain complete title to the property without the Government's having reversionary interest, in order that the State might use the property for other than educational purposes?

Mr. GEORGE. The property is to be used for no other purpose than educational purposes.

Mr. MORSE. Mr. President, I desire to make a very brief statement for the RECORD. This is a joint resolution involving property the original grant of which I would have objected to, had I been in the Senate at the time, in pursuance of my insistence on the Morse formula. But in this case the property was given to the State of Georgia for educational purposes, with a reversionary interest involved. The tract involves eight and a fraction acres of land, I understand. We have had the assurance of the Senator from Georgia—and so far as I am concerned, in any discussion I have with the Senator from Georgia, I will take his word as a bond—that the intent of the bill is to develop the property for educational purposes. The State law makes it impossible to develop the property for educational purposes with the reversionary interest attached. Therefore, although I would have objected to the original transfer, in my judgment the joint resolution could not well be objected to on the ground that the whole piece of property should not be allowed to pass to Irwin County now, because letting it pass to the county would be in keeping with the original intention of the Congress when it granted the property in the first place.

I make this statement because I am well aware of the fact that some time in the future someone may try to point to this as a precedent in which I have yielded on the principle of the Morse formula. I am not yielding on the basic principle of the Morse formula, because in this case the original grant was made at a time when the Morse formula was not in existence. Therefore, I do not object.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The Chair informs the Senate that there is on the calendar Senate Joint Resolution 134, which is Calendar No. 1513, which is similar to Calendar No. 1545, House Joint Resolution 458, which is now being considered.

On line 6 of the first page of the House joint resolution the word "into" appears, which apparently is incorrect, and it was corrected in the Senate joint resolution so as to read "unto."

Apparently that is the only real change in the Senate joint resolution, which corrected the House joint resolution.

Mr. GEORGE. Mr. President, I suggest that the Senate take action on the Senate joint resolution, which I understand was not included in the call of the calendar this morning. It is Calendar No. 1513. I suggest that action on the House joint resolution be postponed, if the correction has been properly made in the Senate version of the joint resolution, and I think it has been.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. Is it not possible to correct what is an obvious typographical error in the House joint resolution and pass that? Would that not be the quickest way to have the bill enacted?

The PRESIDING OFFICER. It is possible to make the change.

Mr. GEORGE. I am perfectly willing to follow that course, but I did not have before me the House joint resolution.

The PRESIDING OFFICER. The Chair informs the Senator that the House joint resolution is identical with the Senate joint resolution with the exception of the difference already noted.

Mr. GEORGE. Mr. President, I move that the House joint resolution be amended on page 1, line 6, by striking out the word "into" and inserting in lieu thereof the word "unto," and on page 2, line 4, after the words "office of the" by striking out "clerk" and inserting "Clerk."

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate joint resolution 134 is indefinitely postponed.

RESOLUTION PASSED OVER

The resolution (S. Res. 144) requiring a yea and nay vote on the passage of joint resolutions proposing amendments to the Constitution, was announced as next in order.

Mr. HENDRICKSON. Mr. President, this resolution deals with proposed amendments to the Constitution. I therefore suggest that it is not properly calendar business, but should go over and be brought up by motion.

The PRESIDING OFFICER. The resolution will be passed over.

CONVEYANCE OF CERTAIN SURPLUS LAND IN KERR COUNTY, TEX.

The joint resolution (H. J. Res. 300) to provide for the conveyance of the Texas Hill Country Development Foundation of certain surplus land situated in Kerr County, Tex., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. HENDRICKSON. Mr. President, I wonder if the Senator from Texas will give the Senate an explanation of the joint resolution.

Mr. JOHNSON of Texas. Mr. President, House Joint Resolution 300 provides for the conveyance of certain public lands in Kerr County, Tex., to what is called the Texas Hill Country Development Foundation, Inc.

About 90 acres of land are involved. The land was declared surplus to the needs of the Veterans' Administration. The 90 acres of land are a part of a parcel which many years ago was deeded to the Government for Government development. The Hill Country Development Foundation is a State-chartered, nonprofit corporation, certified as tax exempt, and devoted to the promotion of agriculture.

Under the terms of the joint resolution, the consideration to be paid for the 90 acres of land is $16,500.

That is approximately $1,500 more than the Government will receive unless this joint resolution is passed, since the high bid when the land was put up at disposal sale was just over $15,000. The Hill Country Development Foundation would have bid in that sale except for the fact that its officials had been inaccurately informed by a Government agent that it was entitled to a priority status under Public Law 152. Months later, after it was too late to bid, the foundation was informed it could not qualify for a priority.

The land involved is going to be sold in any case. Passage of this joint resolution will insure that the sale will be most advantageous to the Government.

Mr. HENDRICKSON. In other words, the Government will receive more money under this joint resolution than under the original bill; is that correct?

Mr. JOHNSON of Texas. Yes, to the extent of approximately $1,500.

The joint resolution has been passed by the House; and I hope the Senate will pass it, in order that the land may be used for the promotion of agriculture through the encouragement of 4–H Clubs, Future Farmers of America, vocational agriculture classes, livestock exhibits, and other agricultural purposes.

The question is whether the Government will receive $16,500 or approximately $15,000. If the land goes to the private bidder, the Government will receive approximately $15,000. If the land goes to the foundation, the Government will receive $16,500.

Mr. HENDRICKSON. Mr. President, I am grateful to the Senator from Texas for the explanation.

Mr. MORSE. Mr. President, I wish to commend the Senator from Texas; and, in particular, I wish to commend the Texas parties who are involved in this transaction, because I think we have here an example of the way surplus property should be disposed of; and I am glad to see that we have here a measure providing for adequate compensation for property belonging to all the taxpayers of the country.

What disturbs me about the situation is whether we are to exact a price too high, in view of the facts the Senator from Texas has brought out.

Therefore, I should like to ask about the $16,500 bid. Was it a price suggested by the Federal officials, or was it a price voluntarily bid by the foundation?

Mr. JOHNSON of Texas. I do not have information in that respect. This is a House measure, and the Representative from the district was here yesterday, in expectation that there would be a calendar call. However, as we know, the calendar call had to be postponed until today.

I am under the impression that the directors of the foundation felt that this was a reasonable and fair value to be placed on the 90 acres, and that they voluntarily made that offer. That impression is confirmed by the clerk of the committee, who has spoken to me since I began to answer the Senator's inquiry.

Mr. MORSE. Under those circumstances, Mr. President, I suppose we had better let the price stand, although the other day, before the Public Works Committee, we had a case similar in principle, in which it seemed to me that the bill provided for a return to the Federal Government in excess of what the Federal Government should charge.

Of course, I feel that the matter works both ways. I do not think the Federal Government ever should be cheated out of value; but on the other hand, when the facts of the case show that we are collecting more than we really should collect, I do not believe we should pass such a measure without reducing the amount proposed to be paid.

However, under these circumstances, if the Senator from Texas feels that this figure is equitable, I shall be willing to let it stand, although I would have no objection to reducing it to an amount sufficiently over the low bid—for instance, such an amount as $15,500—to enable us to say that there was merit in accepting the amount.

However, if the Senator from Texas is satisfied with the bid of $16,500, I shall not object.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H. J. Res. 300) to provide for the conveyance to the Texas Hill Country Development Foundation of certain surplus land situated in Kerr County, Tex., was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. JOHNSON of Texas. Mr. President, I thank the Senators for their cooperation.

BILLS PASSED OVER

The bill (S. 3198) to amend section 1 (d) of the Helium Act (50 U. S. C. 161 (d)) and to repeal section 3 (13) of the act entitled "An act to amend or repeal certain government property laws, and for other purposes," was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3243) to amend the Federal Property and Administrative Services Act of 1949, as amended, to extend until June 30, 1955, the period during which disposals of surplus property may be made by negotiation was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ADDITIONAL USE OF GOVERNMENT MOTOR VEHICLES AT ISOLATED GOVERNMENT INSTALLATIONS—BILL PASSED OVER

The bill (S. 3199) to authorize additional use of Government motor vehicles at isolated Government installations, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. Let the bill go over.

Mr. HENDRICKSON. Mr. President, will the Senator from Tennessee withhold his objection, until I have an opportunity to ask a question?

Mr. GORE. Yes, Mr. President; I withhold the objection.

Mr. HENDRICKSON. For the RECORD, I should like to ask a question about the bill. I wonder whether there are provided in the bill any safeguards against abuses in respect to the private use privileges which the bill allows or grants.

Mrs. SMITH of Maine. Mr. President, I am advised that the matter is entirely in the hands of the commanding officer on any given base.

Mr. HENDRICKSON. I thank the distinguished Senator from Maine.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. Let the bill go over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

HANS SCHROEDER

The bill (S. 1429) for the relief of Hans Schroeder was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Hans Schroeder shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

FRED AND BERNICE EHLERS—BILL PASSED TO FOOT OF CALENDAR

The bill (S. 1795) for the relief of Fred and Bernice Ehlers was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, may we have an explanation of the bill?

The PRESIDING OFFICER. An explanation of the bill is requested.

Mr. HENDRICKSON. Mr. President, if the manager of the bill is not now on the floor, I ask unanimous consent that the bill be placed at the foot of the calendar.

The PRESIDING OFFICER. Without objection, the bill will be placed at the foot of the calendar.

FERNANDO A. RUBIO, JR.

The bill (S. 2135) for the relief of Fernando A. Rubio, Jr., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 315 of title III of the Immigration and Nationality Act, or any other provision of law making ineligible to become a citizen of the United States any alien who has applied for exemption or discharge from training or service in the Armed Forces or in the National Security Training Corps of the United States on the ground that he is an alien, Dr. Fernando A. Rubio, Jr., who is now serving as a captain in the United States Army, may be naturalized upon compliance with all other provisions of title III of such act.

ALMA S. WHITTLIN-FRISCHAUER

The bill (S. 2212) for the relief of Alma S. Whittlin-Frischauer was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Alma S. Wittlin-Frischauer shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

PETER JAMES COPSES, BEATRICE COPSES, VICTORIA COPSES, AND JAMES PETER COPSES

The bill (S. 2214) for the relief of Peter James Copses, Beatrice Copses, Victoria Copses, and James Peter Copses was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Peter James Copses, Beatrice Copses, Victoria Copses, and James Peter Copses shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

LUIGI CICCHINELLI

The bill (S. 2257) for the relief of Luigi Cicchinelli was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Luigi Cicchinelli shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

JOSEPH H. HEDMARK, JR.

The bill (S. 2823) for the relief of Joseph H. Hedmark, Jr., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, Joseph H. Hedmark, Jr., of Chicago, Ill., an employee of the Air Force, is relieved of all liability to refund to the United States the sum of $1,023.73, representing over-payments of salary paid to him during the period from March 1951 through August 1953, as a result of administrative error.

BILL PASSED OVER

The bill (S. 2980) conferring jurisdiction upon the United States District Court for the Southern District of New York to hear, determine, and render judgment upon a claim of the Bunker Hill Development Corp. was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. Let the bill go over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

ROBERT H. WEBSTER

The Senate proceeded to consider the bill (S. 384) for the relief of Robert H. Webster, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 1, after the word "act", to strike out "in excess of 10 percent thereof", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert H. Webster, a money-order clerk in the Moscow, Idaho, post office, the sum of $100, the amount refunded to the United States by the said Robert H. Webster as a result of a deficiency in his account caused by the loss, on May 22, 1952, of a money order in the amount of $100: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

KARL L. VON SCHLIEDER—BILL PASSED TO FOOT OF CALENDAR

The bill (S. 1216) for the relief of Karl L. von Schlieder was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, may we have an explanation of the bill?

The PRESIDING OFFICER. An explanation is requested.

Mr. HENDRICKSON. Mr. President, if an explanation is not forthcoming at this time, I ask unanimous consent that the bill be placed at the foot of the calendar.

The PRESIDING OFFICER. Without objection, the bill will be placed at the foot of the calendar.

MRS. ROBERT LEE SLAUGHTER, NEE ELISA ORTIZ ORAT

The Senate proceeded to consider the bill (S. 1609) for the relief of Mrs. Robert Lee Slaughter, nee Elisa Ortiz Orat, which had been reported from the Committee on the Judiciary with an amendment, in line 8, after the word "fee.", to strike out "Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Robert Lee Slaughter, nee Elisa Ortiz Orat, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LT. COL. GEORGE P. PRICE

The Senate proceeded to consider the bill (S. 1615) for the relief of Lt. Col. George P. Price, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 3, after the word "center", to insert a colon and *"Provided,* That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding "$1,000.", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George P. Price, lieutenant colonel, Finance Corps, Army of the United States, the sum of $401.30 in full satisfaction of his claim against the United States for reimbursement of the amount paid by him in settlement of the charge entered on his account by reason of the erroneous payment of such sum upon a forged voucher on October 13, 1948, at the Army Medical Center, Washington, D. C., while he was finance officer at such medical center: *Provided,* That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIR F. BOWMAN

The bill (S. 1757) for the relief of Clair F. Bowman was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, although I shall not object, I now send to the desk amendments which I wish to offer and have stated at the proper time. They are merely clarifying amendments, to correct errors in the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment, on page 2, in line 5, after the word "Act", to strike out "in excess of 10 per centum thereof."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The first amendment submitted by the Senator from New Jersey will be stated.

The LEGISLATIVE CLERK. On page 1, in line 5, after the name "Bowman", it is proposed to strike out "major" and insert in lieu thereof "lieutenant colonel."

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment submitted by the Senator from New Jersey will be stated.

The LEGISLATIVE CLERK. On page 2, in line 1, it is proposed to strike out "1946", where it appears twice in that line, and to insert in lieu thereof "1945."

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1757) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clair F. Bowman (lieutenant colonel, United States Army Reserve), of Cody, Wyo., the sum of $535.10, in full satisfaction of his claims against the United States for pay and allowances which he would have received had the effective date of his relief from active duty been properly adjusted to take into account the period from November 26 to December 22, 1945, during which he was hospitalized while on terminal leave, and for mileage allowance for travel incurred in returning from the hospital to his home in Lincoln, Nebr.: *Provided,* That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

LT. COL. CARL E. WELCHNER

The Senate proceeded to consider the bill (S. 1925) for the relief of Lt. Col. Carl E. Welchner, United States Air Force, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 5, after the word "Act", to strike out "in excess of 10 per centum thereof", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lt. Col. Carl E. Welchner, United States Air Force, the sum of $735, in full satisfaction of all claims against the United States for compensation for additional per diem payments, such sum representing the amount the said Lieutenant Colonel Welchner would have received had he been permitted to receive per diem payments for the time in excess of 30 days that he spent on temporary duty in connection with Army Air Force labor relations and manpower requirements with the Boeing Aircraft Co., between February and June 1944: *Provided,* That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RICHARD A. KURTH

The bill (S. 1942) for the relief of Richard A. Kurth was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, House bill 1364, which is now with the Committee on the Judiciary, is a similar bill. I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of House bill 1364, a bill for the relief of Richard A. Kurth, and that the House bill be now considered.

The PRESIDING OFFICER. Without objection, the Committee on the Judiciary is discharged from the further consideration of House bill 1364. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 1364) for the relief of Richard A. Kurth was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1942 will be indefinitely postponed.

Mr. HENDRICKSON subsequently said: Mr. President, I ask unanimous consent that the Senate reconsider the

votes by which H. R. 1364, for the relief of Richard A. Kurth was ordered to a third reading, read the third time, and passed. I make the request so that I may offer an amendment to the bill. I may say that the Senate passed the House bill, H. R. 1364, when Calendar No. 1565, S. 1942, which is a companion bill, was called on the calendar.

The PRESIDING OFFICER. Is there objection? Without objection, the votes are reconsidered, and the Senator from New Jersey may offer his amendment.

Mr. HENDRICKSON. I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert the following proviso:

Provided, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 1364) was read the third time and passed.

AINA BRIZGA

The Senate proceeded to consider the bill (S. 2282) for the relief of Aina Brizga, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Aina Brizga shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. S. EUGENE LAMB

The Senate proceeded to consider the bill (S. 2455) for the relief of Mrs. S. Eugene Lamb, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 8, after the word "center", to insert a colon and "*Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000", so as to make the bill read:

Be it enacted, etc., That Mrs. S. Eugene Lamb, of Rockland, Maine, is hereby relieved of liability to the United States in the amount of $476.75, representing the amount charged her for treatment at the Veterans' Administration Center at Togus, Maine, for an illness which occurred while she was serving as a gray lady at such center: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fixed in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. CARL DOBRATZ

The Senate proceeded to consider the bill (S. 2240) for the relief of Mrs. Carl Dobratz, which had been reported from the Committee on the Judiciary with an amendment, in line 5, after the word "of", to strike out "$161.77" and insert "$161.17", so as to make the bill read:

Be it enacted, etc., That Mrs. Carl Dobratz, of Redfield, S. Dak., is hereby relieved of all liability to pay to the United States the sum of $161.17, representing payments erroneously made to her as a class E allottee for the period July 1 to December 31, 1945, incident to the service in the Army of her son, Lloyd Dobratz.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMERICAN SURETY COMPANY OF NEW YORK ET AL.

The bill (S. 3062) for the relief of the American Surety Company of New York and certain other surety companies, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. Mr. President, may we have an explanation of the bill?

Mr. IVES. Mr. President, I am not surprised that an explanation is requested. This is really an amusing situation, although it could have been very serious.

Senate bill 3062 would authorize the Secretary of the Treasury to make payment, out of the appropriation for the payment of interest on the public debt, the sum of $112,500 to the American Surety Company of New York and other surety companies similarly affected, which resulted from the loss of 10 interest coupons on a bond issue of June 1, 1945.

The Treasury Department has no objection to the enactment of this bill. The 10 coupons covered by the bill, each being in the amount of $11,250, were placed in an envelope in the Chase National Bank of New York and the envelope was lost under circumstances indicating that it had fallen into a wastebasket and was burned up with "other refuse." As the committee report indicates, this would appear to be a "somewhat frivolous reference to over $100,000." However, the surety companies involved should be reimbursed for this loss which occurred through no fault of their own. Moreover, the language of the bill safeguards the Treasury Department against any future loss as a result of the supposed burning of the coupons.

Therefore, I urge favorable consideration of S. 3062.

Mr. GORE. Mr. President, I agree with the distinguished Senator from New York that the Government is safeguarded, and that ultimately the Government cannot, under the terms of the bill, suffer loss.

Mr. IVES. The Government does owe the money on the coupons.

Mr. GORE. Yes. As the Senator from New York has said, the situation is rather unusual.

Mr. IVES. It is an inexcusable situation.

Mr. GORE. I agree. The only question I had in mind, to which I should like to have the Senator supply an answer, is as to what happens to the insurance fee which the bank paid to the surety company to protect it from just such a loss?

Mr. IVES. Is the Senator referring to the premium?

Mr. GORE. Yes.

Mr. IVES. That was paid. The company paid the premium. The surety company pays the loss. The surety company is now being reimbursed. Of course, the surety company stands ready to reimburse the Federal Government in case any of the coupons show up and are cashed.

Mr. GORE. The question is, Did the surety company earn the fee which it was paid?

Mr. IVES. Certainly.

Mr. GORE. If the Government, rather than the surety company, operates as insurer against loss——

Mr. IVES. It is not a case of the Government operating as insurer. This is a case of coupons being lost, and the surety company being obliged to pay for the lost coupons. The Government owed the amount of the coupons, to the extent of $112,500. Therefore, the surety company had to pay.

Mr. GORE. In which event the bill would require the Government to reimburse the surety company, which was the insurer.

Mr. IVES. That is correct.

Mr. GORE. It seems to me that would involve the Government acting as insurer.

Mr. IVES. If the coupons show up, the surety company will have to reimburse the Government.

Mr. GORE. Does the surety company earn the fee?

Mr. IVES. Certainly. That is common practice.

Mr. GORE. But the Government assumes whatever liability there is.

Mr. IVES. This is a case in which the Government is obligated in the amount of the coupons.

Mr. GORE. I shall not object, because, as the Senator has acknowledged, the situation is most unusual.

Mr. IVES. I never heard of anything so careless in my life. Imagine the coupons on ten $1 million bonds being lost.

Mr. GORE. I submit to the Senator, who is a man of eminence and ability, that it is not the best of precedents, in the opinion of the junior Senator from Tennessee, for the United States Congress to reimburse for such careless and unusual procedure.

Mr. IVES. I cannot disagree with my distinguished colleague from Tennessee. I was very much annoyed when this matter came to my attention, but I do not think the surety companies are responsible. If anyone is responsible, it is the Chase National Bank.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That the Secretary of the Treasury is authorized and directed to make payment, out of the appropriation for the payment of interest on the public debt, to the American Surety Company of New York and other surety companies, severally, as their interests may appear, as assignees of the Chase National Bank of New York, of 10 interest coupons in amount of $11,250 each, covering interest due June 15, 1949, on ten $1 million bonds of the June 1, 1945, issue of 2¼ percent United States Treasury Bonds of 1959–62, Nos. 995E, 996F, 997H, 1001A, 1002B, 1003C, 1004D, 1005E, 1006F, and 1027H. Such payment shall be made only upon receipt of satisfactory proof of the ownership and irretrievable loss of such coupons by the Chase National Bank of New York, assignments by the Chase National Bank of all its right, title, and interest in such coupons to the American Surety Company of New York and the other surety companies which reimbursed the Chase National Bank of New York on account of the loss of such coupons, and an agreement to indemnify the United States, executed by the American Surety Company of New York and the other surety companies in such form and amount and as the Secretary of the Treasury may require: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. MERLE CAPPELLER WEYEL

The Senate proceeded to consider the bill (S. 45) for the relief of Mrs. Merle Cappeller Weyel, which had been reported from the Committee on the Judiciary with amendments on page 1, line 6, after the words "sum of", to strike out "$8,324.71" and insert "$5,437.21"; on page 2, line 1, after the figures "35612", to strike out "for 6 months' death gratuity, $2,887.50;"; and in line 6, after the word "act", to strike out "in excess of 10 percent thereof", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Merle Cappeller Weyel, of Reno, Nev., the sum of $5,437.21. Payment of such sum shall be in full settlement of all claims of the said Mrs. Merle Cappeller Weyel against the United States arising out of the death, on December 5, 1948, of her husband, Lt. Comdr. Oscar H. Weyel, United States Navy, serial No. 35612, for compensation for medical expenses incurred $2,707.33; and for the difference between active-duty pay from the date of his retirement, on March 5, 1948, to the date of his death, $2,729.88: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM B. BAKER

The Senate proceeded to consider the bill (S. 1434) for the relief of William B. Baker, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William B. Baker, of Seattle, Wash., the sum of $64.25 and to Don P. Fankhauser, of Alexandria, Va., the sum of $72 in full satisfaction of all claims of the said claimants against the United States for reimbursement for personal property lost when the boat they were using in the course of their duties as fishery aides for the Fish and Wildlife Service, Department of the Interior, capsized during a storm while tied up off False Point Bybus, Admiralty Island, Alaska, on August 26, 1950, without fault on their part: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of William B. Baker and Don P. Fankhauser."

CHESTER H. TUCK ET AL.

The Senate proceeded to consider the bill (H. R. 724) for the relief of Chester H. Tuck, Mary Elizabeth Fisher, James Thomas Harper, and Mrs. T. W. Bennett, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 13, after the word "act", to strike out "for the payment of any one claim in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

GUILLERMO MORALES CHACON

The Senate proceeded to consider the bill (H. R. 2617) for the relief of Guillermo Morales Chacon, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 11, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

GEORGE JAPHET

The Senate proceeded to consider the bill (H. R. 2636) for the relief of George Japhet, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 3, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CARL A. ANNIS, WAYNE C. CRANNEY, AND LESLIE O. YARWOOD

The Senate proceeded to consider the bill (H. R. 2678) for the relief of Carl A. Annis, Wayne C. Cranney, and Leslie O. Yarwood, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 4, after the word "act", to strike out "for the payment of any one claim in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

FLOYD C. BARBER—BILL PASSED OVER

The Senate proceeded to consider the bill (H. R. 2815) for the relief of Floyd C. Barber, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 1, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

Mr. HENDRICKSON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Jersey will be stated.

The LEGISLATIVE CLERK. On page 1, line 5, it is proposed to strike out "$1,853" and insert in lieu thereof "$1,596.38."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. HENDRICKSON].

The amendment was agreed to.

Mr. HENDRICKSON. Mr. President, the amendment which I have offered is merely to correct an obvious error. I now ask that the bill be passed over, and be included in the next call of the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILL PASSED OVER

The bill (H. R. 2876) for the relief of Leo F. Pinder, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. Over.

The PRESIDING OFFICER. Objection is heard. The bill goes over.

WILLARD CHESTER CAULEY

The Senate proceeded to consider the bill (H. R. 3623) for the relief of Willard Chester Cauley, which had been reported from the Committee on the Judiciary with an amendment, on page 2, at the beginning of line 5, to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILLS PASSED OVER

The bill (H. R. 4104) for the relief of Frank St. Charles was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 4329) for the relief of Huntington, McLaren & Co., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. Over.

The PRESIDING OFFICER. Objection is heard. The bill goes over.

RALPH S. PEARMAN AND OTHERS

The Senate proceeded to consider the bill (H. R. 4919) for the relief of Ralph S. Pearman and others, which had been reported from the Committee on the Judiciary with an amendment, on page 4, line 8, after the word "act", to strike out "in excess of 10 percent of any claim."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PAUL G. KENDALL

The Senate proceeded to consider the bill (H. R. 5025) for the relief of Paul G. Kendall, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 5, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SGT. WELCH SANDERS

The Senate proceeded to consider the bill (H. R. 5158) for the relief of Sgt. Welch Sanders, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 3, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ESTATES OF OPAL PERKINS, AND KENNETH ROSS, DECEASED

The Senate proceeded to consider the bill (H. R. 5433) for the relief of the estates of Opal Perkins, and Kenneth Ross, deceased, which had been reported from the Committee on the Judiciary with an amendment on page 2, at the beginning of line 13, to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

DAVID HANAN

The Senate proceeded to consider the bill (H. R. 5436) for the relief of David Hanan, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 5, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 6033) for the relief of Albert Vincent, Sr., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. Over.

The PRESIDING OFFICER. The bill will be passed over.

DUNCAN M. CHALMERS AND CERTAIN OTHER PERSONS

The Senate proceeded to consider the bill (H. R. 6196) for the relief of Duncan M. Chalmers, and certain other persons, which had been reported from the Committee on the Judiciary with an amendment on page 3, at the beginning of line 6, to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MRS. AUGUSTA SELMER-ANDERSEN

The Senate proceeded to consider the bill (H. R. 6642) for the relief of Mrs. Augusta Selmer-Andersen, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 2, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 5572) for the relief of Lt. Comdr. Cook Cleland was announced as next in order.

Mr. GORE. Over.

The PRESIDING OFFICER. Objection is heard. The bill goes over.

PAYMENT OF ATTORNEYS' FEES ON PRIVATE CLAIM BILLS

Mr. MAGNUSON. Mr. President, I should like to ask the distinguished Senator from New Jersey a question with respect to what seems to be a new policy. I am not now a member of the Committee on the Judiciary, although formerly I was a member of it for a long time. Apparently a new policy has been adopted in connection with the series of bills we have been considering, involving the striking out of the limitation of 10 percent on legal fees in connection with claims against the Government in private claim bills.

I wonder whether the Senator from New Jersey could explain the situation to the Senate. Is it a change in policy?

As I recall, when I served on the committee we thought it advisable to limit excessive legal fees by providing that the fee shall not be more than 10 percent. I am wondering what is meant to be accomplished by the amendment striking out the 10 percent limitation.

Mr. HENDRICKSON. I am very glad to explain the situation. For some years, as a matter of fact ever since the junior Senator from New Jersey became a member of the Committee on the Judiciary, the committee has been concerned about claims bills involving the payment of sums of money which grow in number and in size each year, and in connection with which we always find attorney fees.

Some of us on the Committee on the Judiciary are beginning to suspect that attorneys are finding out that they can get bills calling for the payment of money passed by Congress with some ease. Therefore, we have been scru-

tinizing such bills a little more carefully than in the past.

While the policy has not become firm, the Judiciary Committee has taken action to keep the fee provisions out of such money bills. When Congress, more in a spirit of charity than anything else, or for any other reason, appropriates money for the payment of claims because equities are involved, there is no reason why attorneys should share in the payments which the Government makes to the claimants, particularly when all the work in connection with the claims is done by the staff of the Committee on the Judiciary. That is the explanation I can furnish to the Senator from Washington.

Mr. MAGNUSON. I have often thought that some of the people who file legitimate claims with the Government could go to lawyers for assistance—that is perfectly all right, and I am a lawyer—but it has always seemed to me that if they would buy a 3-cent stamp they would get the same service from the Government without employing a lawyer.

However, I am wondering whether by cutting out the 10-percent limitation on the payment of lawyers' fees the way might be left open for a lawyer to charge any kind of fee he may desire to charge.

Mr. HENDRICKSON. No; the amendments provide that no fee can be paid.

Mr. MAGNUSON. Can a claimant pay any fee to a lawyer?

Mr. HENDRICKSON. No; nothing at all. He cannot pay anything to a lawyer under these amendments.

Mr. MAGNUSON. Suppose the prosecution of a legitimate claim requires the employment of a lawyer; I assume that in such a case the committee would scrutinize the claim and would try to separate the chaff from the wheat. Is that correct?

Mr. HENDRICKSON. The Senator is correct. If a lawyer can come before the Committee on the Judiciary and show that he had out-of-pocket expenses or the investment of some time, energy, and legal skill in connection with the case, there would be no reason at all for the Committee on the Judiciary to disallow a fair fee. Some members of the Committee on the Judiciary feel that the Senate is not the proper forum for the settlement of many such claims.

Mr. MAGNUSON. I agree with the Senator from New Jersey. I understand what he is trying to do. We used to provide a blanket 10-percent limitation. The committee is now trying to scrutinize each claim bill and determine whether there is some justification for allowing a legal fee in each case.

Mr. HENDRICKSON. The Senator is correct. We believe that the equities should prevail in each case, both as to the claimant and as to the attorney.

Mr. MAGNUSON. This is not a facetious question. I remember that when nominations of judges and attorneys general were pending before the committee we always asked the American Bar Association for a recommendation. I wonder whether bar associations have had anything to say about this new policy of the Committee on the Judiciary.

Mr. HENDRICKSON. They have not to my knowledge. I may say for the RECORD that the policy I have referred to, if it can be called a policy, is not a firm policy with the entire membership of the Committee on the Judiciary, but a few of us are very much concerned about the ever increasing number of claims bills calling for the payment of money that are presented to Congress at each session.

Mr. MAGNUSON. I agree with the Senator. I merely wish to make a distinction. If I may use the American Surety Company as an example, because that company appears as a claimant in a bill now on the calendar, I assume that such a claim naturally would entail a great deal of legal work. Is that correct?

Mr. HENDRICKSON. I think so.

Mr. MAGNUSON. In a case like that, involving a large sum of money, where some legal services have been rendered, the committee probably would provide for the regular 10 percent limitation on an attorney's fee, or would allow a certain legal fee.

Mr. HENDRICKSON. If the facts before the committee as to the services rendered were clear, I am sure the committee would allow a reasonable legal fee.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HENDRICKSON. I gladly yield to the Senator from Oregon.

Mr. MORSE. I think the committee is to be commended for its endeavor to prevent what I think has been a great abuse in the matter of charging of fees in so-called claims cases. I used to serve on the Claims Committee of the Senate years ago, when we had a separate committee for the consideration of claims. I was troubled then, as is the Senator from New Jersey now, with reference to the danger of claimants being mulcted by lawyers who charged excessive fees for rendering little or almost pro forma service. But there are cases in which very valuable service is rendered and for which the lawyer is entitled to a fair fee.

My question is this: Does the committee, before it finally passes on a bill of this kind, serve notice on the lawyer that if he has a claim for a fee he should submit his claim? If we prohibit the charging of a fee, will we be confronted—and of course we desire to do equity—in some instances by a lawyer who may say, "I have a claim for myself and I want to get another bill through in order to collect a fee which I think, in all fairness, I should be allowed to collect"? Could we not shortcircuit that sort of thing by serving notice that if a lawyer has such a claim he should have his claim on file?

Mr. HENDRICKSON I am glad the Senator asked that question. There has been a special subcommittee appointed, of which the junior Senator from New Jersey is chairman. We are in the course of working with the staff on a series of firm rules establishing formulas to govern the whole subject, both as to the claims and as to the fees. That work has not yet been completed.

Mr. MAGNUSON. Mr. President, will the Senator from New Jersey yield further?

Mr. HENDRICKSON. I gladly yield to the Senator from Washington.

Mr. MAGNUSON. I think what we are trying to do is a good thing. Even though there are abuses in connection with these money claims or private bills, I think the worst abuse comes in connection with immigration cases in which lawyers charge very large fees against their clients, who usually are persons who do not understand such matters. They are lost, or they would not be seeking relief through a bill, to begin with. I hope that somewhere along the line the Judiciary Committee can establish a policy whereby some sort of absolute minimum fee may be fixed for a lawyer who is trying to get an immigration case through the Congress of the United States. I think the abuses are great.

Mr. HENDRICKSON. It is a shocking situation. The Senator may be sure that the subcommittee now working on the formulas will consider that phase of the Judiciary Committee's problem, as well as the matter of lawyers' fees.

Mr. MAGNUSON. Particularly is this important to people in the teeming urban centers of the United States where, naturally, these problems principally arise. A respectable lawyer, of course, does the work for them at a minimum fee. He may say, "I will write my Senator or my Representative whom I happen to know." But there are some cases in which lawyers are making a living through this type of work and do nothing but send their cases to the Congress.

Mr. HENDRICKSON. I think the Senator is correct. It has been a growing evil which cannot be corrected overnight. But the Judiciary Committee started, approximately 10 days ago, in its new effort to correct the abuses in the entire field.

I thank the Senator very much for his helpful observations, and I also wish to thank the Senator from Oregon for his contribution.

ESTABLISHMENT OF FORT UNION NATIONAL MONUMENT, N. MEX.

The bill (H. R. 1005) to authorize the establishment of the Fort Union National Monument, in the State of New Mexico, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, may we have an explanation of the bill?

Mr. BUTLER of Nebraska. Mr. President, the bill was introduced originally in the Senate by the junior Senator from New Mexico [Mr. ANDERSON] and a similar bill was introduced by a Member of the House from New Mexico. The House bill reached the Senate before action was taken on the Senate bill in committee. Therefore, the Senate Committee on Interior and Insular Affairs approved House bill 1005, which is the bill now before the Senate.

The bill provides for the creation of Fort Union National Monument in the State of New Mexico to preserve the remains of one of the most famous forts of the old Southwest. The property in question is to be donated to the Federal Government. The State of New Mexico has stated its intention of constructing an access road and approaches to the monument to cost approximately $52,000 annually for a 10-year period.

The Bureau of the Budget approves the bill, but has pointed out that there is no obligation on the part of the Government for a period of years to make appropriations for the improvement. The bill also has the approval of the Department of the Interior.

I had hoped that the Senator from New Mexico [Mr. ANDERSON] would be present to answer any questions. But I will say that the bill was thoroughly considered in the House. The House report is attached to the papers on each Senator's desk, and our committee was unanimous in reporting the bill.

Mr. HENDRICKSON. I thank the distinguished Senator from Nebraska for his explanation.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 1005) to authorize the establishment of the Fort Union National Monument, in the State of New Mexico, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

DEVELOPMENT OF THE COOSA RIVER, ALA. AND GA.

The bill (H. R. 8923) to provide for the development of the Coosa River, Ala. and Ga., was announced as next in order.

Mr. GORE. Mr. President, may we have an explanation of the bill?

Mr. CORDON. Mr. President, reserving the right to object, I should like to ask for an explanation of the bill. I am particularly interested in it because, if I am correct, it follows a pattern which we have sought to apply in the West and which I believe has been already applied in Oklahoma. I hope we can have a rather full explanation of the bill.

Mr. BUSH. Mr. President, I should like to give an explanation of the bill.

The purpose of this bill is to suspend the authorization for Federal development on the Coosa River only to the extent necessary to permit development for hydroelectric power under a license to be issued pursuant to the Federal Power Act.

The Federal development was authorized by Congress in 1945, but no funds have been provided for construction of the project. Local interests are ready and willing to undertake the hydroelectric features at their own expense at a cost of about $100 million. They are also willing to provide for the flood-control and initial navigation features of the project with subsequent reimbursement for such features at some time in the future if and when the Congress should adopt a policy of reimbursing local interests for features of this type.

Under the terms of this bill, the prospective licensee must meet all the requirements of the Federal Power Act and in any event must provide for flood-control storage and initial navigation features. This will insure that all necessary safeguards will be taken in the interest of preserving the integrity of the comprehensive development of the river.

The bill will permit needed development to go ahead at local expense with full protection of the public interest now and in the future. It is supported by the congressional delegation from the area, the Governor of Alabama, farm and business groups, and civic leaders. Favorable reports have been made by the Federal agencies involved, the Department of the Army, the Federal Power Commission, and the Bureau of the Budget.

Mr. President, there has been no opposition expressed to the bill of which I am aware.

Mr. CORDON. Mr. President, I am most appreciative of the Senator's statement. I wonder if I might presume to address a question or two to the senior Senator from Alabama and his colleague.

Mr. HILL. I shall be glad to answer the Senator's questions.

Mr. CORDON. I shall be very much pleased if the Senators from the State of Alabama will advise me as to whether they are in agreement with the basic statement made by the Senator from Connecticut [Mr. BUSH], who is chairman of the Subcommittee on Public Works, and if they will give to the Senate at least a thumbnail picture of the situation which has called forth this type of partnership or cooperative river development.

Mr. HILL. The distinguished Senator from Connecticut [Mr. BUSH] has briefly stated the facts. I may say to the distinguished Senator from Oregon that in the Rivers and Harbors bill of March 2, 1945, there was an authorization for the development of the Coosa River, and also a specific authorization for the construction of a dam known as the Howell Mill Shoals Dam.

Since 1945, despite repeated efforts to do so, it has not been possible to have funds appropriated for the construction of that dam. Not one dollar has gone into the construction of the dam. The people of Alabama are very much interested in having the development go forward. The Alabama Power Co., which serves the area of Alabama in question, has stated that if it could go before the Federal Power Commission and ask for and receive a license under the terms of the Federal Power Act, it would be glad to build, not one dam, but five dams.

The purpose of the bill is simply to deauthorize the construction of Howell Mill Shoals Dam by the Government, and to provide that the Alabama Power Co. may apply to the Federal Power Commission for a license, under certain terms and conditions set forth in the bill, and to have the Federal Power Commission determine, first, whether a temporary license shall be granted, and then whether a permanent license shall be granted to the power company to go forward with the construction of the dams under the terms and conditions of the Federal Power Act and of the bill.

Under the terms of the bill, the Alabama Power Co. binds itself to meet the requirements for flood control, such as would have been met had the Howell Mills Shoals Dam been constructed by the Federal Government. The power company binds itself to provide for the basic provisions for navigation, and it also binds itself to build 5 dams within 10 years from the time the construction on the first dam begins. The Alabama Power Co. even goes so far as to bind itself to build first the dam which will mean most for flood control, unless for some good reason the Secretary of the Army, which means the Corps of Engineers, should select some other dam.

Mr. CORDON. Is there a time limit provided in the proposed legislation within which the cooperating company must take action?

Mr. HILL. Yes, there is.

Mr. CORDON. If the cooperating company should not take action, then the original dam is authorized again, is it?

Mr. HILL. That is correct. This is a suspension, and the conditions, terms, and provisions are set forth in the bill. If the conditions are not met—that is, if the private power company does not go forward as the terms and the provisions require—then the suspension ceases.

Mr. CORDON. In this instance, the cooperating agency, the company, would, at its own expense, construct a series of dams. Is there any offset provided on account of the flood-control benefits?

Mr. HILL. There is no offset provided in the bill, but the bill provides that if, in the future, the Government shall adopt any policy for compensation of local interests for flood-control benefits or for navigation benefits, then the private company shall be permitted to enjoy such benefits. But a policy must be adopted by Congress to compensate for such benefits.

Mr. CORDON. I appreciate the explanation made by the Senator. I have no objection.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. MAGNUSON. I understand that although the bill provides that if the Government, in the future, wished to make reimbursement for, say, flood-control features, it could do so; nevertheless, as the bill now stands, it relates purely to a private project.

Mr. HILL. As the bill now stands, it relates to a private project.

Mr. MAGNUSON. The Government has no financial interest in the project, except insofar as in the future the Government would have a right to require some flood-control features, if it so desired.

Mr. HILL. If the Government adopts such a policy, the policy will apply to this company, just as it would to all other companies in the United States.

Mr. MAGNUSON. As the Senator from Oregon [Mr. CORDON] well points out, a great number of similar bills are before the committee, based upon a theory with which I do not quite agree. But power is needed throughout the country.

The bill now under consideration is in a category somewhat different from several of the other bills. Some bills deauthorize so that a public body can

build; some bills deauthorize so that a kind of vague partnership can be entered into; but this bill deauthorizes only to permit a private power company to build and to develop the river under the terms and conditions, and within the period of time, as set forth in the bill.

Mr. HILL. Exactly. That is the purpose of the bill. That is what the bill contemplates. As the Senator knows, there are in the Federal Water Power Act certain provisions with respect to States and municipalities having preference. The purpose of the bill is to deauthorize the building of 1 dam by the Federal Government so that a private power company may construct 5 dams.

Mr. MAGNUSON. If the private company spends its own money, it should have a right to do what it wishes to do, so long as its proposal comes within the comprehensive plan.

Mr. HILL. That is correct; so long as it comes within the bill and meets the terms and provisions of the Federal Water Power Act.

Mr. MAGNUSON. But if a public body were concerned, then I am certain that the Senator from Alabama would, as I would, insist upon the preference clause being amended.

Mr. HILL. As this bill relates entirely to a private company, that question does not arise in this instance.

Mr. MAGNUSON. There is no question about that.

Mr. HILL. There is no question about it in this bill.

Mr. MAGNUSON. But if a public group or the Federal Government were involved, I think the Senator from Alabama would agree with me.

Mr. HILL. If the Federal Government were involved, the Flood Control Act of 1944 and the preference given in that act would apply.

Mr. GORE. Mr. President, in the first place, it is doubtful whether this type of bill should pass on the Consent Calendar. But since the chairman of the Subcommittee on Public Works is present and has participated in the discussion, as have both Senators from Alabama, I shall resolve my doubts in that respect. However, I desire the RECORD to show that no attempt is being made to reimburse the private power company in the future for flood control, navigation, or any other feature.

Mr. BUSH. I simply say, Mr. President, that the bill does not contain any firm commitment in that respect.

Mr. CORDON. Mr. President, may I make another inquiry of the Senator from Connecticut, the chairman of the subcommittee? Can the Senator advise as to whether there was a unanimous vote in the committee?

Mr. BUSH. There was no opposition to the bill in the committee, in the nature of any testimony in opposition to it. All the testimony was favorable.

My recollection, which is somewhat different from that of the staff director, is that there was no opposition; but I have been advised that there may have been one vote against the bill in committee.

Mr. CORDON. There was no record vote, then, I take it.

Mr. BUSH. I do not think a record vote was taken in committee, because the opposition was confined to one vote. I thought that that vote had been changed in the last analysis, but I cannot say positively that it was.

Mr. GORE. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. GORE. In response to my question a few moments ago, the distinguished Senator said there was no firm commitment in the bill for future payments. Is it not true that there is no condition in that commitment?

Mr. BUSH. A commitment is a commitment. I should say that probably the Senator is correct. What I said in the statement was that the bill speaks of subsequent reimbursement for such features if and when Congress should adopt a policy of reimbursing local interests for features of this type. I consider that that is not a positive commitment. It would have to be implemented by legislation.

Mr. GORE. It is not a commitment of any type.

Mr. BUSH. The Senator would have to draw his own conclusions.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. SPARKMAN. I simply cannot see how any commitment can be gathered from that, because it is conditioned upon the enactment of legislation by Congress. All the bill provides is that if legislation shall be enacted, then this project must fit into it.

Mr. BUSH. It must be considered.

Mr. SPARKMAN. Yes.

Mr. BUSH. I agree with that.

Mr. HILL. In other words, a policy would have to be adopted by Congress. Such a policy would have to be embodied in legislation enacted by Congress.

Mr. BUSH. An appropriation would have to be made, and the money would have to be paid.

Mr. GORE. In other words, if such benefit is to be distributed later, this would be merely making a claim?

Mr. BUSH. That is correct; it is keeping a foot in the door.

Mr. MAGNUSON. Mr. President, I shall not object to the bill, but I think we ought to know what we are doing. The Congress, in its wisdom, over a period of many years, has authorized certain public works projects on rivers which belong to the people of the United States. The rivers are a heritage of the people. Congress authorized such projects because it believed in some kind of comprehensive development of the rivers.

Rightly or wrongly, that policy has been changed, because no one from the administration, since the new administration has been in power, has announced a single new start for any dam in connection with the comprehensive development of such projects. The power is needed. It is needed all over the United States.

There is no objection to any private utility developing a river, as has been done in Alabama. The river probably will be developed in that manner. However, I think we ought to know we are embarking on a new policy when we start authorizing such projects. Over a period of many years, Congress has authorized comprehensive developments. Many bills have been introduced on the subject. I have introduced one for a public dam at Priest Rapids, in my own State. The bill now under consideration provides for the development of the river involved by power companies. Congress is changing its policy. It may be all right to do it in this manner, but I think we ought to know we are embarking on an entirely new public policy for the development of hydroelectric resources in the United States.

Mr. BUSH. Is it not true that the Coosa River proposal is simply following a pattern which has been in existence in that section of the country for many years? I am sure the two Senators from Alabama will bear out my statement that there is nothing new in the way of policy contained in the provisions of the bill under discussion.

Mr. MAGNUSON. I do not say there is anything new in the bill, except for the process of deauthorization, after there has been an authorization, rightly or wrongly, and I do not want to argue the merits of the policy. For the last 18 years the construction of dams has been authorized so the Federal Government could engage in comprehensive development of multipurpose dams, and Congress appropriated money for such purposes. As I have said, there is no use arguing the merits of the policy. I myself have introduced a bill for such development, because the need for power is great. There exists the necessity of going ahead with such projects in some way, and there is a lack of new starts. In the particular case now under consideration the private companies wish to proceed, and the river should be developed.

Mr. BUSH. Does not the Senator agree it is a good policy to let the private companies go ahead? It is following the pattern which has existed in those States.

Mr. MAGNUSON. I have no objection at all.

Mr. BUSH. To what are the remarks of the Senator directed, then?

Mr. MAGNUSON. My remarks are directed to the fact that Congress has authorized the development of river valleys throughout the United States, and when it deauthorizes such authority, it is embarking on a new policy.

Mr. BUSH. No; not at all; we are making an authorization so we will continue an old policy.

Mr. MAGNUSON. I cannot agree with the statement of the Senator from Connecticut. I am not arguing the wisdom or fallacy of the policy. I think the RECORD should show that the policy in the past has been to authorize the Government to proceed along the pattern of Federal development of such projects. I have introduced a bill along such lines, as has the Senator from Oregon. However, by the passage of the bill, I think there will be a regression in policy. I do not say that our previous policy has been wrong or right. However, power is needed. Perhaps what is proposed in the

bill is the way to get it. I merely wish to have the RECORD show that passage of the bill will mean a change in policy.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GORE. Mr. President, does not the distinguished Senator from Washington think it wise that the RECORD show plainly that by the passage of the bill, there is no intent on the part of the Senate to give any encouragement to a claim later for reimbursement for such impoundment of water as will lend itself to protection against floods?

Mr. MAGNUSON. I think that is correct.

Mr. GORE. I think it is especially important that the RECORD show that, in view of the fact that there is now pending a bill, Senate bill 3434, which proposes a policy by which the taxpayers of the country will have to reimburse private concerns for whatever benefits may have accrued or may hereafter accrue downstream as a result of the impoundment of waters, even though such concerns are benefiting free of charge from the use of the natural resources. I wish to have the RECORD show plainly that there is no implication that we endorse that kind of payment now or in the future.

Mr. MAGNUSON. I agree with the Senator from Tennessee. I am sure the two Senators from Alabama never had any such intention in framing the provisions of the bill. What they have tried to say, and I think what they do say, and I think what the Senator from Connecticut explained, is that should we adopt a future policy we would not leave out the Alabama company.

Mr. HILL. The people of Alabama would not want to be considered guilty of laches.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 8923) was considered, ordered to a third reading, read the third time, and passed.

ADVANCEMENT OF COMDR. DONALD B. MACMILLAN TO THE GRADE OF REAR ADMIRAL

The bill (S. 3476) to provide for the advancement of Comdr. Donald B. MacMillan, United States Naval Reserve (retired), to the grade of rear admiral on the Naval Reserve retired list was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Comdr. Donald B. MacMillan, United States Naval Reserve, retired, shall be advanced on the Naval Reserve retired list to the grade of rear admiral effective as of the date of enactment of this act, in recognition of his lifelong and invaluable services on behalf of the United States and the United States Navy through outstanding contributions to the sciences of hydrography, meteorology, and geography in the polar areas.

SEC. 2. Nothing contained in this act shall be deemed to increase the retired or retirement pay received by the said Comdr. Donald B. MacMillan and no other benefits shall accrue to him by virtue of the enactment thereof.

Mrs. SMITH of Maine. Mr. President, I ask that there be printed in the RECORD in connection with the bill just passed a joint statement prepared by myself and my colleague the junior Senator from Maine [Mr. PAYNE], paying tribute to Commander MacMillan.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

JOINT STATEMENT OF SENATORS SMITH AND PAYNE ON DONALD BAXTER MACMILLAN

Donald Baxter MacMillan, commander, USNR, retired, was born November 10, 1874, in Provincetown, Mass. While still a boy, he moved to Freeport, Maine. It was natural for him to become interested in the sea for his family had been mariners, and his father was lost at sea. In 1898 he graduated from Bowdoin College. For the next 10 years he was engaged in teaching.

In 1909 MacMillan was first assistant on the successful Peary expedition to the North Pole. Since 1910 he has led 29 polar exploratory and scientific expeditions. This month he will leave on his 30th trip North from Boothbay Harbor, Maine. He has made a major contribution to the sciences of hydrography, meteorology, and geography in the polar areas.

In World War I he served as a lieutenant in the United States Navy. In 1941 he was recalled to active duty and worked on the location of installations in the North and as a consultant on all Arctic work. He retired with the grade of commander. It is believed his promotion on the retired list will be a fitting recognition of his outstanding services to the United States and the United States Navy. Both Admiral Peary and Admiral Byrd were given similar promotions after their retirement.

Commander MacMillan is the author of Four Years in the White North (1918); Etah and Beyond (1927); Kah-da (1930); How Peary Reached the Pole (1934); Eskimo Place Names and Aid to Conversation (1943).

Commander MacMillan is a Fellow of Royal Geographical Society, Fellow of American Geographical Society, Member of American Geophysical Union, Member of American Association for the Advancement of Science, Director of the Grenfell Association, and Director of Kent Island Scientific Station.

Among the honors and awards which he has received are the following: Elisha Kent-Kane Gold Medal, 1927; special Congressional Medal, 1944; Chicago Geographic Society Medal, 1949; Explorers Club Medal, 1953; Hubbard Gold Medal of the National Geographic Society, 1953; Bowdoin Prize, 1953.

Donald MacMillan is one of our most noted citizens. His reputation as an explorer, lecturer, author, and educator is national. He has served his country well in both war and peace in a region of ever-increasing strategic importance. The value of his pioneer efforts in the North cannot be overestimated.

Mrs. SMITH of Maine. Mr. President, I join with my colleague from Maine in expressing appreciation for being able to cooperate with our colleagues in honoring this fine citizen.

BILL PASSED OVER

The bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, this is obviously a bill not to be considered on the Consent Calendar, and I ask that it be passed over.

The PRESIDING OFFICER. The bill will go over.

AMENDMENT OF STANDARD CONTAINER ACT OF MAY 21, 1928

The bill (H. R. 8357) to amend the Standard Container Act of May 21, 1928 (45 Stat. 685; 15 U. S. C. 257–257i), to provide for a ⅜-bushel basket for fruits and vegetables was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, may we have an explanation of the bill?

Mr. PURTELL. Mr. President, this bill proposes to amend the Standard Container Act of May 21, 1928, so as to provide for a ⅜-bushel basket for fruits and vegetables. The Standard Container Act of May 21, 1928, as my colleagues know, fixes the standard sizes of hampers, round stave baskets, and splint or market baskets for fruits and vegetables. With respect to hampers and round stave baskets, the law provides for 9 standard sizes of the following capacities: ⅛ bushel, ¼ bushel, ½ bushel, ⅝ bushel, ¾ bushel, 1 bushel, 1¼ bushels, 1½ bushels, and 2 bushels. Now, this is very important: With respect to the splint or market basket, the law provides for 6 standard sizes, 1 of which, Mr. President, is a 12-quart or ⅜-bushel basket. With respect to the splint, or market baskets, the law provides for 6 standard sizes of the following capacities: 4 quarts, 8 quarts, 12 quarts, 16 quarts, 24 quarts, and 32 quarts, standard dry measure.

The dimension specifications for these hampers, round stave baskets and splint baskets for fruits and vegetables must be submitted to, and be approved by, the Secretary of Agriculture, who is charged with the administration of this law.

The purpose of the bill is to provide for a ⅜-bushel basket. Peach and apple growers from North Carolina, Florida, Pennsylvania, and New York testified to the need for this new size basket. The demand for fruits is in smaller portions. The growers find there is a need for a smaller basket in which to pack peaches, for example, and the need is evidenced by the fact that new peaches are tender. They can be permitted to remain on the trees longer. If such peaches are packed in 3 or 4 tiers rather than 8 tiers, they will not be bruised. The committee agreed with the witnesses that such a basket would stimulate the market for apple and peach growers, and would in no way lead to deception.

Mr. HENDRICKSON. If the bill should be enacted into law, would there be any interference with State regulation at the State levels?

Mr. PURTELL. To the best of my knowledge, there would be none. There could not be any conflict with State law, because all these measures come under the Federal law.

Mr. HENDRICKSON. I thank the Senator.

Mr. GORE. Did not the National Conference on Weights and Measures send representatives before the Senator's committee; and did they not speak in

opposition to the bill on the ground that it would be deceptive to the public?

Mr. PURTELL. That is correct. The conference was meeting in Washington at the time when we had the first day of the hearings. The conference sent to the hearings a witness who indicated that there would be deception in the use of the basket, whether initially or subsequent to the first shipment or use. The committee went very exhaustively into the matter. Let me say that I have here one of the baskets, and I shall be glad to display it. I am sure there cannot be deception in connection with its use.

Mr. GORE. I will take the Senator's judgment as to that.

Was the action of the subcommittee on this matter unanimous?

Mr. PURTELL. The action of the subcommittee was unanimous. We believe that no decepton can be practiced as a result of the enactment of this measure or the use of a basket of this size. We believe there is need for the basket, and that it will result in increasing the market for such fruit.

Let me call the Senator's attention to the fact that not too long ago the Government had to purchase the surplus peach crop; and we believe the use of these baskets will widen the market for peaches.

Mr. BRICKER. Mr. President, will the Senator from Connecticut yield to me?

Mr. PURTELL. I yield.

Mr. BRICKER. I should like to point out that the full committee was unanimously in favor of this measure.

Mr. ERVIN. Mr. President, as a matter of fact, all the bill does is permit the use of a basket of a different shape, but of a size already authorized by law.

Mr. PURTELL. That is correct.

I may point out for the information of the Senate—in view of the need, perhaps, to have subsequent action taken on the same subject—that if vegetables or fruits are packed in a container other than a stave or wicker container, they can be packed in a container of any size whatsoever; there is no Federal law on the subject.

Mr. ERVIN. Furthermore, the Department of Agriculture favors this bill, does it not?

Mr. PURTELL. That is correct. Let me say, in addition, that the Department of Agriculture will have to pass on all the baskets, before they can be used; and, under the law, they must be properly stamped. Of course, that is provided for in the bill.

Mr. HOLLAND. Mr. President, the fruitgrowers in my State are very anxious to have the bill enacted, because of the increasing demand for tender fruits that have been ripened on the trees, rather than for the shipment of fruits that have been packed when green, as used to be the case.

This measure calls for a smaller basket than the one-half bushel basket which has been used heretofore. The fruit growers believe that a three-eighths bushel hamper of this kind, which is round and made of staves, is a better container for the shipment of mature fruit, rather than the three-eighths bushel basket made of splints, which already is legalized, but does not lend itself so well to the transportation of tree-ripened fruit.

It is my understanding that there is no opposition from any quarter to this bill, and that the conference which voiced objection, at the time when it met in Washington, was without the benefit of an actual model of the basket which, when constructed, showed very clearly that there was a sufficient difference in size so as not to make it possible to deceive through the use of the three-eighths bushel basket.

Mr. PURTELL. The Senator from Florida is correct.

Mr. HOLLAND. Furthermore, I think the Senate will be interested in knowing that this was the last bill offered to the Senate by our esteemed colleague, the late Senator Hoey, of North Carolina. I am sure the Members of the Senate would like to know that he personally was strongly in support of this measure; and a letter from his former assistant, which is printed in the report, shows that Senator Hoey planned to appear personally on this matter and to be in the Senate Chamber when the bill was considered on the floor.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 8357) to amend the Standard Container Act of May 21, 1928 (45 Stat. 685, 15 U. S. C. 257–257i) to provide for a ⅜-bushel basket for fruits and vegetables was considered, ordered to a third reading, read the third time, and passed.

IMPLEMENTING THE INTERNATIONAL CONVENTION FOR THE SAFETY OF LIFE AT SEA

The Senate proceeded to consider the bill (S. 2453) to amend the Communications Act of 1934, as amended, with respect to implementing the International Convention for the Safety of Life at Sea relating to radio equipment and radio operators on board ship, which had been reported from the Committee on Interstate and Foreign Commerce with amendments.

The PRESIDING OFFICER. The clerk will proceed to state the amendments reported by the committee.

The first amendment of the committee was on page 2, in line 17, after "January 1", to strike out "1954" and insert "1955."

The amendment was agreed to.

The next amendment was, on page 3, after line 21, to strike out:

(c) Subsection 352 (b) of such Act is amended to read as follows:

"(b) The Commission may grant to passenger and cargo ships exemptions of a partial or conditional nature, or complete exemption from the provisions of this part, if it considers that the maximum distance of the ship from the nearest land, the length of the voyage, the absence of general navigational hazards, and other conditions affecting safety, are such as to render full application of this part unreasonable or unnecessary."

The amendment was agreed to.

The next amendment was, on page 4, after line 6, to insert:

(c) Section 352 of such Act is amended by adding at the end thereof a new subsection as follows:

"(c) If, because of unforeseeable failure of equipment, a ship is unable to comply with the the equipment requirements of this part without undue delay of the ship, the mileage limitations set forth in paragraphs (1) and (2) of subsection (b) shall not apply: *Provided*, That exemption of the ship is found to be reasonable or necessary in accordance with subsection (b) to permit the ship to proceed to a port where the equipment deficiency may be remedied."

The amendment was agreed to.

The next amendment was, on page 5, line 10, after the word "the", to strike out "United States, but during the emergency proclaimed by the President on December 16, 1950, to exist, but not after the termination of such emergency or such earlier date as Congress by concurrent resolution may designate, the aforesaid requirement of six months' previous service may be suspended or modified by regulation or order of the Commission for successive periods of not more than six months' duration" and insert "United States."

The amendment was agreed to.

Mr. GORE. Mr. President, upon consideration of the bill and its amendments, I find that it is rather complicated. It affects the implementation of a treaty. Therefore, I ask that the bill go over.

Mr. BRICKER. Mr. President, will the Senator yield to me?

Mr. GORE. I yield.

Mr. BRICKER. The bill is not so complicated as its length or provisions would make it seem. All the bill does is to implement the international agreement entered into at London, in regard to safety at sea. The agreement was entered into in 1948, and subsequently was ratified by the Senate.

The bill gives to the Federal Communications Commission authority to require, in the case of coastwise vessels not engaged in international trade, the same provisions for safety at sea that are required by the London convention in the case of all vessels over 1,600 tons gross weight.

I think the bill was approved unanimously by the committee. The senior minority member of the committee is present at this time, and I think he approved the bill at that time. It is a Senate bill, and will require consideration by the House of Representatives, and, no doubt, extensive hearings.

There was no objection by any department of the Government with which we communicated, and we communicated with all of them; and there was much support of the bill on the part of various departments of the Government, particularly the Federal Communications Commission and the Maritime Commission.

Mr. GORE. Mr. President, in view of the fact that both the chairman of the committee and the ranking minority member are on the floor and we are prepared to make statements on the bill, I withdraw my objection.

Mr. MAGNUSON. I thank the Senator from Tennessee.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement giving detailed explanation of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

S. 2453

S. 2453 is a bill to amend the Communications Act of 1934, as amended, with respect to implementing the International Convention for the Safety of Life at Sea relating to radio equipment and radio operators on board ship. S. 2453 was introduced at the request of the Federal Communications Commission and applies to the Sections of the Communications Act which compel radio equipment and radio operators to be provided on board certain ships. The purpose of the amendments is designed primarily to bring the provisions of the Communications Act in line with those radio provisions contained in the new Safety of Life at Sea Convention (London, 1948) which was ratified by the Senate on April 20, 1949, and which came into force on November 19, 1952.

S. 2453 would accomplish the following purposes:

1. Raise the compulsory radio requirements of title 3 of the Communications Act to those of the 1948 international convention by including cargo ships over 500 gross tons;

2. Remove a minor conflict between the Communications Act and the apparent intent of the 1948 Convention by excluding from compliance with the compulsory radio provisions of the Communications Act those foreign ships which have been excepted from the radio requirements of the 1948 convention;

3. Provide for the issuance of Safety Radiotelegraphy and Safety Radiotelephony certificates by the Commission; and

4. Provides authority for the Commission with respect to lifeboat portable radio equipment.

Hearings were held on March 16, 1954, at which time the Federal Communications Commission, American Merchant Marine Institute, Conference of American Maritime Union, representing the American Radio Association, and Pacific American Steamship Association submitted testimony.

The Department of the Navy, Treasury Department, United States Coast Guard, Department of Justice, Department of State, and the Deparment of Commerce have all indicated they have no objection to this legislation.

The Federal Communications Commission, American Merchant Marine Institute, and American Radio Association all supported the legislation as amended.

The PRESIDING OFFICER. The clerk will state the remaining amendments reported by the committee.

The next amendment reported by the Committee on Interstate and Foreign Commerce was, on page 6, in line 16, after the word "and", to strike out "64" and insert "364."

The amendment was agreed to.

The next amendment was, on page 7, in line 5, after the word "operator", to insert "who may be a member of the crew holding only a certificate for radio telephony."

The amendment was agreed to.

The next amendment was, on page 10, in line 6, after the word "convention", to insert "and exemption certificates issued in lieu of such certificates".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) paragraphs (1) and (2) of section 351 (a) of the Communications Act of 1934, as amended, are amended to read as follows:

"(1) For any ship of the United States, other than a cargo ship of less than 500 gross tons, to be navigated in the open sea outside of a harbor or port, or for any ship of the United States or any foreign country, other than a cargo ship of less than 500 gross tons, to leave or attempt to leave any harbor or port of the United States for a voyage in the open sea, unless such ship is equipped with an effcient radio installation in operating condition in charge of and operated by a qualified operator or operators, adequately installed and protected so as to insure proper operation, and so as not to endanger the ship and radio installation, as hereinafter provided, and in the case of a ship of the United States, unless there is on board a valid station license issued in accordance with this act: *Provided*, That the Commission may defer the application of the provisions of this section for a period not beyond January 1, 1955, with respect to cargo ships of less than 1,600 gross tons not subject to the radio requirements of the Safety Convention when it is found impracticable to obtain or install equipment necessary for compliance therewith;

"(2) For any ship of the United States of 1,600 gross tons, or over, to be navigated outside of a harbor or port, in the open sea, or for any such ship of the United States or any foreign country to leave or attempt to leave any harbor or port of the United States for a voyage in the open sea, unless such ship is equipped with an efficient radio direction finding apparatus (radio compass) properly adjusted in operating condition as hereinafter provided which apparatus is approved by the Commission: *Provided*, That the Commission may defer the application of the provisions of this section with respect to radio direction finding apparatus to a ship or ships between 1,605 gross tons for a period not beyond November 19, 1954, if it is found impracticable to obtain or install such direction finding apparatus."

(b) Paragraph (3) of section 352 (a) of such act is amended to read as follows:

"(3) A foreign ship belonging to a country which is a party to any Safety Convention in force between the United States and that country which ship carries a valid certificate exempting said ship from the radio provisions of that convention, or which ship conforms to the radio requirements of such convention or regulations and has on board a valid certificate to that effect, or which ship is not subject to the radio provisions of any such convention."

(c) Section 352 of such act is amended by adding at the end thereof a new subsection as follows:

"(c) If, because of unforseeable failure of equipment, a ship is unable to comply with the equipment requirements of this part without undue delay of the ship, the mileage limitations set forth in paragraphs (1) and (2) of subsection (b) shall not apply: *Provided*, That exemption of the ship is found to be reasonable or necessary in accordance with subsection (b) to permit the ship to proceed to a port where the equipment deficiency may be remedied."

(d) Section 353 of such act is amended to read as follows:

"OPERATORS, WATCHES, AUTO-ALARM—RADIOTELEGRAPH EQUIPPED SHIPS

"SEC. 353. (a) Each cargo ship required by this part to be fitted with a radiotelegraph installation and which is not fitted with an auto-alarm, and each passenger ship required by this part to be fitted with a radiotelegraph installation, shall, for safety purposes, carry at least two qualified operators.

"(b) A cargo ship, required by this part to be fitted with a radiotelegraph installation, which is fitted with an auto-alarm in accordance with this title, shall, for safety purposes, carry at least one qualified operator who shall have had at least 6 months' previous service in the aggregate as a qualified operator in a station on board a ship or ships of the United States.

"(c) Each ship of the United States required by this part to be fitted with a radiotelegraph installation shall, while being navigated outside a harbor or port, keep a continuous watch by means of qualified operators: *Provided*, That in lieu thereof, on a cargo ship fitted with an auto-alarm in proper operating condition, a watch of at least 8 hours per day, in the aggregate, shall be maintained by means of a qualified operator.

"(d) The Commission shall, when it finds it necessary for safety purposes, have authority to prescribe the particular hours of watch on a ship of the United States which is required by this part to be fitted with a radiotelegraph installation.

"(e) On all ships of the United States fitted with an auto-alarm, said apparatus shall be in operation at all times while the ship is being navigated outside of a harbor or port when the operator is not on watch."

SEC. 2. (a) Such act is amended by—

(1) redesignating sections 354, 355, 356, 357, 358, 359, 360, 361, and 362 thereof as sections 355, 357, 358, 359, 360, 361, 362, 363, and 364 thereof, respectively; and

(2) amending each such section number wherever it appears therein to conform to the redesignation prescribed by paragraph (1) of this subsection.

(b) Such act is amended by inserting, immediately after section 353 thereof, the following new section:

"OPERATORS, WATCHES—RADIOTELEPHONE EQUIPPED SHIPS

"SEC. 354. (a) Each cargo ship fitted with a radiotelephone installation in accordance with section 356 shall, for safety purposes, carry at least one qualified operator who may be a member of the crew holding only a certificate for radio telephony.

"(b) Each cargo ship of the United States fitted with a radiotelephone installation in accordance with section 356 shall, while being navigated outside a harbor or port, keep a listening watch in such manner and during such periods as determined by the Commission."

(c) That portion of section 355 of such act, as redesignated hereby, which precedes subsection (b) thereof is amended to read as follows:

"TECHNICAL REQUIREMENTS—RADIOTELEGRAPH EQUIPPED SHIPS

"SEC. 355. The radio installation and the radio direction finding apparatus required by section 351 of this part shall comply with the following requirements:

"(a) The radio installation shall comprise a main and an emergency or reserve radiotelegraph installation: *Provided*, That, in the case of an existing installation on a cargo ship and a new installation on a cargo ship of 500 gross tons and upward but less than 1,600 gross tons, if the main installation complies with all requirements of an emergency or reserve installation, the emergency or reserve installation may be omitted, except that a separate emergency receiver must, in all cases, be provided."

(d) Such act is amended by inserting, immediately after section 355 thereof, as redesignated hereby, the following new section:

"TECHNICAL REQUIREMENTS—RADIOTELEPHONE EQUIPPED SHIPS

"SEC. 356. Cargo ships of less than 1,600 gross tons may, in lieu of the radiotelegraph

installation prescribed by section 355, carry a radiotelephone installation meeting the following requirements:

"(a) The ship's radiotelephone installation shall be in the upper part of the ship and, unless situated on the bridge, there shall be efficient communication with the bridge.

"(b) The radiotelephone installation shall be capable of transmitting and receiving on the frequencies and with types of emissions designated by the Commission pursuant to law for the purpose of distress and safety of navigation.

"(c) The transmitter shall be capable of transmitting clearly perceptible signals from ship to ship during daytime, under normal conditions and circumstances, over a minimum normal range of 150 nautical miles.

"(d) There shall be available at all times a source of energy sufficient to operate the installation over the normal range required by paragraph (c). If batteries are provided they shall have sufficient capacity to operate the transmitter and receiver for at least 6 hours continuously under normal working conditions. In new installations an emergency source of energy shall be provided in the upper part of the ship unless the main source of energy is so situated."

(e) The text of section 357 of such act, as redesignated hereby, is amended to read as follows:

"SEC. 357. Every ship required to be provided with lifeboat radio by treaty to which the United States is a party, by statute, or by regulation made in conformity with a treaty, convention, or statute, shall be fitted with efficient radio equipment appropriate to such requirement under such rules and regulations as the Commission may find necessary for safety of life. For purposes of this section, 'radio equipment' shall include portable as well as nonportable apparatus."

(f) Subsection 361 (b) of such act, as redesignated hereby, is amended to read as follows:

"(b) Appropriate certificates concerning the radio particulars provided for in said convention shall be issued upon proper request to any vessel which is subject to the radio provisions of the Safety Convention and is found by the Commission to comply therewith. Safety Radiotelegraphy Certificates and Safety Radiotelephony Certificates, as prescribed by the said convention, and Exemption Certificates issued in lieu of such certificates, shall be issued by the Commission. Other certificates concerning the radio particulars provided for in the said convention shall be issued by the Commandant of the Coast Guard or whatever other agency is authorized by law to do so upon request of the Commission made after proper inspection or determination of the facts. If the holder of a certificate violates the radio provisions of the Safety Convention or the provisions of this act, or the rules, regulations or conditions prescribed by the Commission, and if the effective administration of the Safety Convention or of this part so requires, the Commission, after hearing in accordance with law, is authorized to modify or cancel a certificate which it has issued, or to request the modification or cancellation of a certificate which has been issued by another agency upon the Commission's request. Upon receipt of such request for modification or cancellation, the Commandant of the Coast Guard, or whatever agency is authorized by law to do so, shall modify or cancel the certificate in accordance therewith."

SEC. 3. Section 3 of such act is amended by inserting at the end thereof the following new subsections:

"(ee) 'Existing installation,' as used in section 355 of this act, means an installation installed on a ship prior to November 19, 1952, in the case of a United States ship subject to the radio provisions of the Safety Convention, or 1 installed on a ship prior to a date 1 year after the effective date of this subsection in the case of other ships subject to part II of title III of this act.

"(ff) 'New installation', as used in sections 355 and 356 of this act, means an installation which replaces an existing installation or, in the case of a United States ship subject to the radio provisions of the Safety Convention, 1 installed on a ship subsequent to November 19, 1952, and, in the case of other ships subject to part II of title III of this act, 1 which is installed subsequent to a date 1 year after the effective date of this subsection."

TRANSPORTATION OF WATERBORNE CARGOES—BILL PASSED TO NEXT CALL OF THE CALENDAR

The bill (S. 3233) to amend the Merchant Marine Act, 1936, to provide permanent legislation for the transportation of a substantial portion of waterborne cargoes in United States-flag vessels was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, I wonder whether the distinguished Senator from Maryland will answer a question regarding the bill.

Mr. BUTLER of Maryland. If the Senator from New Jersey would like me to do so, I shall make a brief explanation of the bill.

Mr. HENDRICKSON. I merely wish to ask a question.

Mr. BUTLER of Maryland. Very well.

Mr. HENDRICKSON. I notice that the bill provides for a fair and reasonable value.

Mr. BUTLER of Maryland. Yes. Do I understand that the Senator from New Jersey is referring to the charter hire?

Mr. HENDRICKSON. Yes. Originally, the bill provided for fair and reasonable market rates. The bill as reported provides simply for market rates. Why was that change made?

Mr. BUTLER of Maryland. The change was made after hearings were held on the bill. We did not consider it too important..

The bill is more acceptable to certain people who appeared before the committee.

Mr. HENDRICKSON. Will not the market rate formula be very costly to the taxpayers, as compared to the fair and reasonable rate?

Mr. BUTLER of Maryland. It may possibly. The bill covers only cargoes which are being paid for or owned by the Government. It has nothing to do with any other commerce of the United States. It applies only to the giveaway and United States owned cargoes.

Mr. HENDRICKSON. I thank the Senator.

Mr. WILLIAMS. Mr. President, it was my understanding that this bill was to be made the unfinished business following the call of the calendar.

Mr. BUTLER of Maryland. The majority leader is present. I am not advised on that question. I ask the majority leader, Is this bill to be made the unfinished business following the call of the calendar?

Mr. KNOWLAND. What number is it?

Mr. BUTLER of Maryland. Calendar 1597, Senate bill 3233.

Mr. KNOWLAND. No; that is not the unfinished business. The unfinished business is House bill 3097. I had said to the Senator that Calendar No. 1597, Senate bill 3233, would be one of the bills we would take up as special orders if it were not passed on the call of the calendar. It has been cleared for action by the policy committee, but it is not the unfinished business.

Mr. BUTLER of Maryland. Mr. President, for the information of Senators, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a brief statement in explanation of the bill. I am willing to let the bill go over until another call of the calendar, or until it is called up by the majority leader which he assures me will be very soon.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER, OF MARYLAND

S. 3233, the cargo preference bill, better known as the 50–50 bill, would broaden and make permanent provisions now in 7 foreign aid and military assistance statutes to require shipment in United States-flag vessels of at least 50 percent of foreign aid and other federally owned or financed ocean cargoes.

It is thoroughly consistent with this Nation's shipping policy, as expressed in the Merchant Marine Act of 1936, to carry a substantial portion of our foreign commerce in time of peace. Congress has interpreted that substantial portion to mean at least 50 percent but the various provisos, as administered, have not always resulted in a 50 percent carriage of specified classes of tonnage in American bottoms.

The bill now under discussion would close at least some of the loopholes through which cargoes that should have been carried in United States-flag ships have been routed into foreign ships.

It would extend coverage of those provisions to offshore purchases, and to transactions where this Government guarantees convertability of currency—excluding instances where this Government acts simply as an agent, on a reimburseable basis.

It also would rule out purchases in this country or abroad made on a laid-down or shipside-delivery basis, which procedures have been used extensively by some Government agencies to avoid compliance with the spirit if not the actual wording of current statutes.

An instance of such evasive procedures is the program under which fertilizers have been furnished over recent years to countries in the Middle East and Far East. Figures supplied to our subcommittee revealed that approximately a quarter million tons were so purchased and furnished in the year ending April 30, 1954, less than one-fifth of which was procured from United States sources, and far less than a third transported in America bottoms.

Under this type of procedure, the contracting Government agency doesn't take possession until the fertilizer or other commodity is delivered at the destination country. The use of American shipping is thus largely avoided, for reasons of economy.

The chief objections voiced by Government agencies to the bill as introduced have been removed largely, we believe, by five amendments to the original bill:

1. The exclusive or 100-percent provision was eliminated entirely, as was a consignor-consignee proviso which would have denied

cargoes to ships of any but the consignor and consignee nations.

2. Excluded also from the bill as orignally presented were purchases where this country acts as a purchasing agent for another country, with provision for reimbursement.

3. The unequivocal provision for shipment of at least 50 percent of all aid or federally owned or financed cargoes was softened to require only such steps as may be reasonable and practicable to assure shipment of at least 50 percent in American bottoms.

4. Finally, one of the most serious objections voiced by the Defense Department representative was met, we believe, by a new proviso to the effect that the 50-percent requirements may be waived whenever the Congress by concurrent resolution or otherwise, or the President or Secretary of Defense finds and certifies that an emergency exists justifying such a waiver.

The committee is convinced that the bill, S. 3233, as reported, is desirable as a codification and extension of present provisions in the several foreign economic and military aid statues in that—

(a) It lays down a permanent, uniform policy for all current and future aid programs;

(b) It plugs existing loopholes, particularly with respect to off-shore purchasing, and programs financed in any way by Federal funds;

(c) It eliminates the f. o. b. (shipside delivery) and c. a. f. (cargo and freight) procedures by which a high percentage of exports from this country, and off-shore purchases contracted for, financed, owned, or furnished by the United States, have been routed in foreign vessels in violation of the spirit if not the letter of existing cargo preference legislation.

With regard to suggestions by Government witnesses that S. 3233 be held in abeyance until the conclusion of further study of possible direct aids to shipping, the committee considers that cargoes constitute the most direct aid. The urgent need of the American merchant marine is for cargoes—and it is this need that S. 3233 is designed to meet.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. BUTLER of Maryland. I yield.

Mr. MAGNUSON. Do I correctly understand that the bill is to be passed over, to be called up on motion?

Mr. BUTLER of Maryland. Yes.

Mr. GORE. Mr. President, I feel that I must ask that the bill be passed over for the present. However, I am perfectly agreeable to the request that it be called at the next call of the calendar, unless acted upon by the Senate previous to that time.

Mr. BUTLER of Maryland. I may say to the distinguished acting minority leader that with one exception, the bill has the approval of all members of the full committee. It is acceptable to the ranking minority member. It proposes excellent legislation, designed to keep the American flag on the high seas. In a time of stress, when American ships need cargo as badly as they do, I should like to see the bill passed promptly; but if it is the wish of the acting minority leader that the bill be passed over, of course, I must submit to that desire.

Mr. MAGNUSON. Mr. President, I am just reminded by the Senator from Florida that when I say that I approve the bill, that is a masterpiece of understatement.

I have introduced a similar bill seven times in the Senate. It has been unanimously approved by the Senate on seven different occasions. The bill merely makes the 50–50 provision a permanent part of the law.

Mr. BUTLER of Maryland. The principle of the bill goes back as far as 1904. As I recall, a statute was enacted in 1904 providing that 100 percent of certain cargoes be carried in American bottoms. This bill provides that only 50 percent of the materiel which America owns or gives away shall be carried in American bottoms.

Mr. MAGNUSON. I think there are some questions which the Senator from Tennessee is justified in asking. It would not require long to complete consideration of the bill. However, if there are questions to be asked, I think it would require too long to pass the bill on the call of the calendar.

Mr. GORE. The fact that this is general legislation raises doubt as to whether it should pass on the call of the calendar. Such proposed legislation may have been introduced seven times by the distinguished and eminent Senator from Washington; but it is not yet law.

Another factor is that the proposed legislation is rather complicated.

Mr. BUTLER of Maryland. Such proposed legislation has been approved seven times by the Senate.

Mr. MAGNUSON. It has been unanimously approved by the Senate seven times, as permanent legislation.

Mr. BUTLER of Maryland. Similar legislation was introduced in seven separate bills.

Mr. GORE. In the light of the further fact that, according to the committee report, it is opposed by the Department of State and by at least one other agency, the FAO, I feel that it should not be passed when it is first reached on the call of the calendar.

The PRESIDING OFFICER. Does the Senator from Tennesee object to the present consideration of the bill?

Mr. MAGNUSON. This bill is in the nature of general permanent legislation, which would apply to all future programs.

Mr. GORE. I hope the Senator will agree with me that it would not be proper to pass it the first time it is reached on the call of the calendar.

Mr. MAGNUSON. I should like to have it passed, but I understand the position of the Senator.

Mr. GORE. Mr. President, I ask unanimous consent that the bill be passed over until the next call of the calendar, provided it is not passed by the Senate prior to that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE— ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore, with the exception of S. 2657:

S. 1004. An act to amend section 86, Revised Statutes of the United States relating to the District of Columbia, as amended;

S. 2654. An act to authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Montgomery County, Md., and for other purposes;

S. 2657. An act to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia"; and

S. 3213. An act relating to the merger of the Columbus University of Washington, D. C., into the Catholic University of America, pursuant to an agreement of the trustees of said universities.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 15, 1954, he presented to the President of the United States the following enrolled bills:

S. 1004. An act to amend section 86, Revised Statutes of the United States, relating to the District of Columbia, as amended;

S. 2225. An act relating to the administrative jurisdiction of certain public lands in the State of Oregon, and for other purposes;

S. 2654. An act to authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Montgomery County, Md., and for other purposes;

S. 3050. An act to amend the Agricultural Adjustment Act of 1938, as amended;

S. 3096. An act to further amend section 4 of the act of September 9, 1950, in relation to the utilization in an enlisted grade or rank in the Armed Forces of physicians, dentists, or those in an allied specialist category; and

S. 3213. An act relating to the merger of the Columbus University, of Washington, D. C., into the Catholic University of America, pursuant to an agreement of the trustees of said universities.

CONVEYANCE OF CERTAIN HOSPITAL SUPPLIES AND EQUIPMENT

The bill (H. R. 8456) to provide for the conveyances of certain hospital supplies and equipment of the United States to the city of Gulfport and to Harrison County, Miss., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. Mr. President, may we have an explanation of the bill?

Mr. STENNIS. Mr. President, this bill covers a very small amount of hospital supplies and facilities which were in a Navy dispensary at Gulfport, Miss., at the end of World War II, the use of which was transferred, under a temporary permit, to the city of Gulfport, which was temporarily using the naval dispensary while it was building a new hospital. The new hospital is now virtually completed. Actually, most of these supplies have been consumed, but there is a remnant left, which is counted of no appreciable value or use to the Navy. However, it will be of some use to the new hospital at Gulfport, Miss.

The bill would merely permit a direct transfer of what is left of the supplies. It does not involve any real es-

tate of any kind. It simply makes permanent and final an arrangement which has actually been in effect for several years, under temporary permit.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 8456) was considered, ordered to a third reading, read the third time, and passed.

ISSUANCE OF TRUST PATENTS

The Senate proceeded to consider the bill (S. 2488) to authorize the issuance of trust patents in lieu of land-use exchange assignments issued on the Cheyenne River Sioux Reservation and the Standing Rock Reservation prior to January 1, 1953, which had been reported from the Committee on Interior and Insular Affairs with an amendment; to strike out all after the enacting clause and insert:

That, from and after the date of the approval of this act, each grant of exchange assignment of tribal lands on the Cheyenne River Sioux Reservation and the Standing Rock Sioux Reservation shall have the same force and effect, and shall confer the same rights, including all timber, mineral, and water rights now vested in or held by the Cheyenne River Sioux Tribe or the Standing Rock Sioux Tribe, upon the holder or holders thereof, that are conveyed by a trust patent issued pursuant to section 5 of the act of February 8, 1887 (24 Stat. 388), as amended and supplemented, except that the period of trust and tax exemption shall continue until otherwise directed by Congress.

SEC. 2. The Cheyenne River Sioux Tribe and the Standing Rock Sioux Tribe are authorized to pay to each holder of an exchange assignment of tribal lands all moneys collected by the tribe for the lease or use of subsurface rights in such lands.

SEC. 3. The Secretary of the Interior is authorized to prescribe such regulations as may be necessary to carry out the provisions of this act.

Mr. CASE. Mr. President, the bill would merely insure that the Indians who surrender trust patents and receive land exchange assignments in return therefor, will get back as good a title as the one they relinquish.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide that each grant of exchange assignment on tribal lands on the Cheyenne River Sioux Reservation and the Standing Rock Sioux Reservation shall have the same force and effect as a trust patent and for other purposes."

CONVEYANCE OF LAND TO THE STATE OF CALIFORNIA

The Senate proceeded to consider the bill (S. 3239) to authorize conveyance of land to the State of California, for an inspection station, which had been reported from the Committee on Interior and Insular Affairs with an amendment, on page 1, line 4, after the word "sell", to insert "at not less than the appraised value thereof", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to sell at not less than the appraised value thereof to the State of California, and to convey by appropriate instrument, the following-described land:

Beginning at a three-fourths inch iron pipe on the westerly right-of-way line of California State Highway Numbered 395, said point of beginning more particularly described as being north forty-six degrees forty-six minutes fifty-three seconds east, four thousand two hundred ten and twenty-eight one-hundredths feet from the corner common to sections 32 and 33, township 43 north, range 13 east, and sections 4 and 5, township 42 north, range 13 east, Mount Diablo base and meridian, and north fifty-five degrees forty-two minutes west, fifty feet from station 214 on the center line of California State Highway Numbered 395, as shown on the accompanying map of the above-mentioned highway; thence, from said point of beginning north fifty-five degrees forty-two minutes west, one hundred thirty and fifteen one-hundredths feet to a three-fourths inch iron pipe on the easterly right-of-way line of the Southern Pacific Railroad; thence, north forty degrees four minutes east, along said right-of-way line seven hundred three and fifty-six one-hundredths feet to a three-fourths inch iron pipe; thence, south fifty-five degrees forty-two minutes east, fifty-nine and forty-eight one hundredths feet to a three-fourths inch iron pipe in the westerly right-of-way line of California State Highway Numbered 395; thence south thirty-four degrees eighteen minutes west, seven hundred feet to the point of beginning.

SEC. 2. The proceds of the sale of the land shall be deposited in the Treasury of the United States to the credit of the Pitt River Indians under the act of May 17, 1926 (44 Stat. 560).

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 3413) to grant oil and gas in lands and to authorize the Secretary of the Interior to issue patents in fee on the Fort Peck Indian Reservation, Mont., to individual Indians in certain cases was announced as next in order.

Mr. GORE. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 6154) to authorize payment of salaries and expenses of officials of the Fort Peck Tribes was announced as next in order.

Mr. WATKINS. Mr. President, in view of the fact that the preceding bill, which affects the same tribe, was passed over, I ask that this bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

RALSTON EDWARD HARRY—BILL PASSED OVER TO NEXT CALL OF CALENDAR

The bill (H. R. 3350) for the relief of Ralston Edward Harry was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that the bill be passed over.

Mr. KERR. Mr. President, will the Senator advise us who is objecting?

Mr. HENDRICKSON. There are three objectors, but the principal objector is the Senator from Arizona [Mr. GOLDWATER].

Mr. KERR. I hope the Senator will withdraw his objection. The bill was passed unanimously by the House, and was approved practically unanimously by the committee.

The PRESIDING OFFICER. Does the Senator from New Jersey withhold his objection?

Mr. HENDRICKSON. I withhold my objection for the time being.

Mr. KERR. The bill was approved practically unanimously by the committee, which means by the unanimous vote of Senators on this side of the aisle, as well as by the affirmative votes of the distinguished chairman of the committee [Mr. SMITH of New Jersey], the distinguished Senator from Kentucky [Mr. COOPER], and the distinguished Senator from New York [Mr. IVES]. I am certain that the Senate will eventually pass the bill. I wonder if it is possible that the objection might be withdrawn.

Mr. HENDRICKSON. Mr. President, I have no idea what the nature of the objection is, or what gives rise to the objection. However, I will say to the Senator from Oklahoma that I am perfectly willing to ask unanimous consent that the bill go over and be included in the next call of the calendar, if that will help the Senator. In the meantime I shall have an opportunity to ascertain what the nature of the objection is.

Mr. KERR. Does the Senator object to early consideration of the bill by the Senate?

Mr. HENDRICKSON. I did not understand what the Senator said.

Mr. KERR. Would the Senator have any objection to the early consideration of the bill?

Mr. HENDRICKSON. I have no objection whatever to the bill. I am merely objecting as the official objector.

Mr. GORE. Perhaps it might be well for the RECORD to show the merits of the bill in order that the membership of the Senate may be able to read of its merits before it is considered the next time.

Mr. KERR. Mr. President, the bill would authorize the hospitalization of an American who is a veteran of the Canadian Air Force. Early in World War II, before our entry into the war, he volunteered and became a member of the Canadian Air Force. He served overseas on between 140 and 150 combat missions.

He repeatedly requested transfer to the United States Air Force after our entry into the war. His request was denied under an agreement between the two nations whereby on Canada's request that he be retained, he would not be transferred.

After he came back from the war and was in civilian life he was the victim of a very serious automobile tragedy. It resulted in his being left completely paralyzed. Although substantial damages were obtained on his behalf, they were spent almost entirely, before the

case was settled, on doctor bills and hospital bills. The mother of this veteran is a widow. She and her relatives have devoted their entire material resources to his care. He is now hopelessly paralyzed in the hospital, and the only chance even for limited survival with some hope of recovery would come from adequate hospitalization.

All the bill would do would be to authorize him, as a veteran of the Canadian Air Force but as an American citizen, to receive the hospital benefits of an American veteran.

In view of the overwhelming humanities of the case and the fact that the committee considered the bill carefully and reported it by an overwhelming vote, it would seem that it would be possible to have action on it by the Senate.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. HENDRICKSON. The bill was not reported by a unanimous vote of the committee, was it?

Mr. KERR. I said by an overwhelming vote.

Mr. HENDRICKSON. But minority views were submitted, were there not?

Mr. KERR. Minority views were filed by the distinguished Senator from Arizona [Mr. GOLDWATER], the Senator from Connecticut [Mr. PURTELL], and the Senator from Nebraska [Mrs. BOWRING]. The vote was 9 to 3 by which the bill was affirmatively reported by the committee.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. MONRONEY. I should like to associate myself with the very clear description by the distinguished senior Senator from Oklahoma of the humanities involved in the bill.

I should like to stress one point, and that is that it was through cooperation and the encouragement of our Government that the Canadian Air Force was allowed to recruit within the United States young boys who became Canadian fighter pilots. It was under this sanction of our Government and with the understanding that on our entry into the war, which appeared to be almost certain at the time, they would be transferred to the American Air Force, that this boy joined the battle for the freedom of the world and became a part of the American advance guard in the battle of Europe.

With more than 16 million American boys who served in World War II being allowed the advantage of hospitalization for any kind of disabilities they suffered, whether minor or major, that this young man, who is completely and totally paralyzed and forced to breathe through a rubber tube, should not be denied hospitalization in Government hospitals and the benefit of the services of scientists and specialists in this line and should not become the victim of oversimplification by the Veterans' Administration in refusing to take care of him.

The PRESIDING OFFICER (Mr. BUSH in the chair). The time of the Senator has expired.

Mr. MONRONEY. Mr. President, may I have an additional 2 minutes?

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Oklahoma may proceed.

Mr. MONRONEY. I should like to complete my statement so that my distinguished senior colleague may resume his argument.

The only argument against the bill is that it may set a precedent. It may set a precedent, but only that of denying a boy, without hope of living and without hope of recovery, the opportunity which would be given him by the passage of the bill. The passage of the bill would not set a precedent for admitting all veterans who served in foreign armies. This is a special case, in which the life of one boy is at stake. I do not believe that the attitude of the Veterans' Administration is binding or should be binding on the Senate.

Mr. KERR. The bill has been unanimously passed by the House. It has been endorsed unanimously by the Oklahoma Legislature and by every veterans' organization in Oklahoma. It is one of the most compelling situations I have ever known. I should like to know if it would be possible to have the bill considered shortly by the Senate.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. SPARKMAN. Would the bill give to this veteran the same benefits he would have been entitled to had he been successfully transferred to the American forces?

Mr. KERR. Only a small percentage of them.

The PRESIDING OFFICER. The Chair is obliged to advise that the additional 2 minutes have expired.

Mr. HENDRICKSON. I should like to say that, judging by the remarks of the distinguished Senators, the bill has definite merit. I am not opposing the bill on any personal basis. I happen to be the chairman of the Republican calendar committee, which is responsible to Senators who file official objections against a bill. I have before me at this time three official objections to the bill. Therefore, in all fairness, I cannot withhold the objection. However, because I recognize that the bill has merit, I ask unanimous consent that it be called up on the next call of the calendar, provided, of course, that it is not called up on motion before that time.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

BILL PASSED OVER

The bill (S. 3385) to provide for more effective extension work among Indian tribes and members thereof, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. I object.

The PRESIDING OFFICER. Objection is heard; the bill will be passed over.

DISPOSITION OF RECONVEYED CHOCTAW AND CHICKASAW LANDS IN OKLAHOMA

The bill (S. 3453) to provide for the management and disposition of the reconveyed Choctaw and Chickasaw lands in the State of Oklahoma was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to provide, in accordance with the provisions of this act, for the management and disposition of any interest of the United States to those lands of the Choctaw and Chickasaw Nations in the State of Oklahoma (herein referred to as the "reconveyed lands") which were reconveyed to the United States by deeds of conveyance executed on November 29, 1950, by the Principal Chief of the Choctaw Nation and the Governor of the Chickasaw Nation, or which have been, or may be reconveyed to the United States by any further and supplemental conveyances made under the authority of the Interior Department Appropriation Act of June 28, 1944 (58 Stat. 463, 483), the joint resolution of June 24, 1948 (62 Stat. 596), and the First Deficiency Appropriation Act of May 24, 1949 (63 Stat. 76, 84).

SEC. 2. (a) The Secretary of the Interior, in order to facilitate the administration and management of the reconveyed lands, to remove any clouds on the titles of any persons to interests in such lands, or to establish definite boundaries for such lands, may (1) sell any tract of the reconveyed lands at public sale to the highest responsible bidder, or at private sale; (2) exchange any tract of such lands for other lands or mineral deposits of approximately equal aggregate value; or (3) relinquish any tract of such lands, with or without compensation, to any person having a legal or equitable interest therein. In passing upon a proposed disposition of any tract of land under this subsection, the Secretary shall take into account the uses to which the tract involved is most suited and whether it may be better utilized in private ownership.

(b) In selling any tract under subsection (a) of this section, the Secretary shall make such provision as he may deem appropriate to give a preference right to any occupant of the tract who has, or whose predecessors in interest have, lawfully and continuously occupied the tract for home, business, or school purposes since April 30, 1949, or earlier. The Secretary shall give any occupant who is lawfully in possession of a tract at the time of its offer for sale, an appropriate period within which such occupant may remove improvements constructed by him or by his predecessors in interest, or may elect to receive compensation for such improvements from the successful purchaser of the tract in an amount equal to the appraised value of the improvements as determined by the Secretary.

(c) In selling any tract under subsection (a) of this section, the Secretary may also give a preference right, when he deems it appropriate, to the State of Oklahoma, to its political subdivisions, or to any owner of an interest in any land adjoining the tract to be disposed of by sale.

SEC. 3. Upon the filing of an application by the appropriate local governing body within 2 years after the first issuance of regulations under this act, the Secretary of the Interior may relinquish or convey to such body, without compensation, any tract of the reconveyed lands which, prior to the transfer of title to the United States, was set apart for streets, alleys, or other public purposes, even though not legally dedicated to such purposes.

SEC. 4. (a) The Secretary of the Interior shall issue quitclaim deeds for any lands disposed of under section 2 or section 3 of this act. The Secretary shall fix through appraisal or otherwise the minimum price to be paid for lands that are offered for sale under subsection (a) (1) of section 2. If any lands are relinquished under subsection (a) (3) of section 2, without compensation, the Secretary shall require the grantee to pay a service charge of not less than $10.

(b) Any deed for lands disposed of under section 2 or section 3 of this act which are withdrawn, classified, or valuable for mineral deposits shall contain a reservation to the United States of the mineral deposits on account of which the lands have been withdrawn, classified, or reported as valuable, together with the right to prospect for, mine, and remove the same under the applicable provisions of law, but this requirement may be waived by the Secretary in connection with any disposition under subsection (a) (3) of section 2 or under section 3. Any deed for lands disposed of under this act shall contain any provision which the Secretary determines is necessary in order to protect the rights of the holders of existing interests in the lands, or to permit access to any reconveyed lands in which the Federal Government retains an interest.

(c) If a survey is necessary to describe properly any lands that are to be disposed of under this act, the Secretary shall require the proposed grantee to pay the cost of such survey.

(d) Any lands or mineral deposits acquired by exchange under this act shall be subject to the same provisions of law as the reconveyed lands for which they were exchanged.

SEC. 5. The Secretary of the Interior may issue leases or permits for the development and use of nonmineral resources of the reconveyed lands or may sell such resources.

SEC. 6. The Secretary of the Interior may accept contributions or donations of money, services, and property to further the provisions of this act. Moneys received under this section shall be covered into the Treasury and are hereby appropriated and made available until expended, as the Secretary may direct, for payment of expenses incident to the function toward the administration of which the contributions were made and for refunds to contributors of amounts contributed by them in excess of their appropriate share of such expenses, as determined by the Secretary.

SEC. 7. The Secretary of the Interior may issue such regulations as may be necessary or appropriate to carry out the provisions of this act, including regulations providing for the protection of the surface and other nonmineral values of lands disposed of under this act whenever any mineral rights reserved to the United States are exercised by it or under its authority.

SEC. 8. All moneys realized under the provisions of this act, except moneys received under the provisions of section 6, shall be credited to miscellaneous receipts of the Treasury of the United States.

ORDER OF BUSINESS

Mr. SPARKMAN. Mr. President, I ask unanimous consent to return to the consideration of a bill on the calendar.

The PRESIDING OFFICER. The Chair will advise that there are three bills which went to the foot of the calendar. Is the Senator from Alabama requesting that another bill be considered at this time?

Mr. SPARKMAN. I am, but I would certainly not object to the Senate's going forward with the bills sent to the foot of the calendar.

The PRESIDING OFFICER. The clerk will state the first of the bills which went to the foot of the calendar.

RATIFICATION OF THE REVENUE BOND ACT OF 1935 ENACTED BY THE LEGISLATURE OF THE TERRITORY OF HAWAII

The bill (H. R. 2844) providing that the ratification of the Revenue Bond Act of 1935, enacted by the Legislature of the Territory of Hawaii, shall apply to all amendments of said act made by said legislature to and including the acts of the 1953 regular session of said legislature, and to all extensions of the period for issuance and delivery of revenue bonds thereunder, heretofore, or hereafter enacted by said legislature, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, may we have an explanation of the bill?

Mr. BUTLER of Nebraska. Mr. President, this bill came from the Committee on Interior and Insular Affairs.

The purpose of this bill is to give congressional ratification to certain amendments made by the Hawaiian Territorial Legislature to the Revenue Bond Act for the Territory.

Congress has previously ratified the Hawaiian Revenue Bond Act of 1935, but since that time the Legislature of the Territory has found it necessary to make certain changes and extensions of authority under the act.

No cost whatever to the Federal Government would be involved, of course. The Territorial Act to be ratified relates solely to the sale of bonds by the Territory to be repaid out of Territorial revenues.

Since the Committee on Interior and Insular Affairs reported this bill, we have been advised by the Governor of the Territory that changes in the wording should be made because of an act passed at the 1953 session, which authorized continuance of the Revenue Bond Act of 1935, without the necessity for renewal of the authority to issue these revenue bonds at each session of the legislature. I, therefore, ask that these amendments, suggested by the Governor, and which have been checked with the Department of the Interior, be added to the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 1, line 7, after the word "confirmed", to strike out "and notwithstanding the time within which revenue bonds may be issued and delivered under said Revenue Bond Act of 1935, as so amended, said ratification and confirmation shall apply as well to any extensions of the period for the issuance and delivery of revenue bonds thereunder, hereafter enacted by the Legislature of the Territory of Hawaii."

On page 2, line 13, after the word "act", to strike out the period, insert a colon and "*Provided, however*, That nothing herein contained shall be deemed to prohibit the further amendment of said Revenue Bond Act of 1935 in conformity with the authority conferred by the act of July 15, 1935 (49 Stat. 479, 48 U. S. C., 1946 ed., 562a) and the act of August 3, 1935 (49 Stat. 516, 48 U. S. C., 1946 ed., 562)."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 2844) was read the third time and passed.

The title was amended so as to read: "A bill providing that the ratification of the Revenue Bond Act of 1935, enacted by the Legislature of the Territory of Hawaii, shall apply to all amendments of said act made by said legislature to and including the acts of 1953 regular session of said legislature."

FRED AND BERNICE EHLERS

The bill (S. 1795) for the relief of Fred and Bernice Ehlers was announced as next in order.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. BUTLER of Maryland. Mr. President, I should like to state the purpose of this bill.

This proposed legislation would authorize the acceptance of the claim and refund of income tax for the taxable year 1948 filed by the claimants notwithstanding the provisions of section 322 of the internal revenue code. The claim for refund should have been filed in the Internal Revenue Office on Saturday, March 15, 1952. The claimants posted their application for refund on that date but it was not received in the office of the collector until March 19, 1952, 4 days later.

This bill would permit the acceptance of this claim and in effect waive the statutory filing period for the 4-day-late filing on the ground that the claimants acted in good faith and thought they were complying with the statute by dropping their return in the mail on the 15th when it should have been personally received in the collector's office on the 15th.

The committee therefore favorably recommends this proposed legislation.

The bill has been reported unanimously by the committee, and the Treasury Department has indicated that while it is not in favor of the bill, it is considering legislation to give some relief in cases of this kind.

Mr. HENDRICKSON. Mr. President, will the Senator from Maryland yield?

Mr. BUTLER of Maryland. I yield.

Mr. HENDRICKSON. I suppose the Department refers to general legislation?

Mr. BUTLER of Maryland. Yes.

Mr. HENDRICKSON. Since this is special legislation, I suggest it might be well for our committee to study the subject, looking toward the passage of general legislation.

Mr. BUTLER of Maryland. I know the Treasury Department is now considering general legislation to afford relief in such cases.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 1795) for the relief of Fred and Bernice Ehlers was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of section 322 of the Internal Revenue Code (relating to refunds and credits), the claim for refund of income tax for the taxable year ending December 31, 1948, mailed by Fred and Bernice Ehlers, of Hettinger, N. Dak., on March 15, 1952, and received in the office of the director of internal revenue, Fargo, N. Dak., on March 19, 1952, shall be held and considered to have been filed within the 3-year period referred to in section 322 (b) (1) of the Internal Revenue Code.

KARL von SCHLIEDER

The bill (S. 1216) for the relief of Karl L. von Schlieder was announced as next in order.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, I should like an explanation of the bill.

Mr. JOHNSON of Colorado. Mr. President, this bill involves a very distressing and unfortunate situation. A retired Army officer was employed as a librarian at Fitzsimons General Hospital, at a salary of $3,600 a year. He was retired for physical disability and his physical disability pay amounted to $194.52 a month.

Mr. HENDRICKSON. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I yield.

Mr. HENDRICKSON. Does it involve the principle of dual compensation?

Mr. JOHNSON of Colorado. It involves the principle of dual compensation under section 212 of the act of June 30, 1932, as amended.

Mr. HENDRICKSON. Does the Senator feel that the payment is justified by the equities?

Mr. JOHNSON of Colorado. Yes. I shall read what the Air Force says about it:

The Department of the Air Force is of the opinion the 1st Lt. Karl L. von Schlieder is legally indebted to the United States in the amount of $11,138.96. There is, however, no indication that Lieutenant von Schliender did not honestly believe that he was entitled to the retired pay which he received during the period July 1, 1947, to January 1, 1953. Accordingly, there are equitable considerations and if the Congress feels that Lieutenant von Schlieder should be relieved of his indebtedness to the United States, the Department of the Air Force would interpose no objection to the enactment of section 1 of S. 1216.

The Air Force is not objecting to the bill. As a matter of fact, I do not know how this poor fellow could ever pay back that large amount of money. The bill, when it was originally introduced, provided that section 212 be not enforced in the future so far as this officer was concerned. But the Air Force objected to that, and the committee also objected to it.

So section 2 of the bill is stricken out, and the only thing the bill does is to forgive this officer the amount of back pay which was paid to him in error. The Air Force had some responsibility for making the payments since the Finance Department of the Air Force was given the obligation of paying the retirement pay. They discovered they were making a dual payment contrary to law, so they corrected it. But this poor man receives barely enough salary as a librarian to live on, and there is no way in which he can pay back the indebtedness. So I hope the Senate will pass the bill. I believe justice would be served in that way. I agree with the Air Force that it would be the right thing to do, and I agree with the committee which considered the bill that it would be the right thing to do.

Mr. HENDRICKSON. Mr. President, in the light of the assurance given by the distinguished Senator from Colorado, I withhold any objection, but I should like the RECORD to show that the cost to the Government of this bill, if it shall become law, will be approximately $11,138.96.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1216) for the relief of Karl L. von Schlieder, which had been reported from the Committee on the Judiciary with an amendment, on page 2, after line 4, to strike out:

SEC. 2. Notwithstanding the provisions of the said section 212 of the act of June 30, 1932 (47 Stat. 406), the amounts payable to the said Karl L. von Schlieder as a retired commissioned officer of the Air Force shall not hereafter be reduced by reason of his employment as librarian at Fitzsimons Army Hospital, Denver, Colo.

So as to make the bill read:

Be it enacted, etc., That Karl L. von Schlieder, a librarian at Fitzsimons Army Hospital, Denver, Colo., is hereby relieved of all indebtedness to the United States by reason of the failure, during the period from July 1, 1947, to January 1, 1953, on the part of the Veterans' Administration and the Air Force Finance Center, Denver, Colo., to reduce, pursuant to section 212 of the act of June 30, 1932, as amended (47 Stat. 406) (limiting the amount of retired pay of certain commissioned officers holding positions under the U. S. Government), the amounts payable to the said Karl L. von Schleider as a retired commissioned officer of the Air Force while he was employed as a librarian at such hospital.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ISSUANCE OF PATENT IN FEE TO JACK ALEXANDER

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Senate return to Calendar No. 1330, House bill 1128, authorizing the Secretary of the Interior to issue to Jack Alexander a patent in fee to certain lands in the State of Alabama, and that the bill may be immediately considered.

The PRESIDING OFFICER. The clerk will state the bill by title.

The CHIEF CLERK. A bill (H. R. 1128) authorizing the Secretary of the Interior to issue to Jack Alexander a patent in fee to certain lands in the State of Alabama.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object—and I shall not object—I feel in this instance a moral obligation to the distinguished Senator from Alabama to allow the bill to be considered at this time, but I should like to serve notice for the RECORD that this will be the only bill which will be considered back of the original calendar call today.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

Mr. MORSE. I do not object to its immediate consideration; I only desire an explanation of the bill.

The PRESIDING OFFICER. An explanation of the bill is requested.

Mr. SPARKMAN. The bill seeks a patent from the United States to cover approximately 160 acres of land in Lawrence County, Ala. The entries shown on the books in the local courthouse—and such entries are shown in all our county courthouses—are copied from the original Land Office books, and disclose that entry was made on this land in 1819. Mr. Jack Alexander and those who held the land prior to him have held it since that time. Mr. Alexander himself owned some of the land before 1900, and the rest of it was acquired about 1900. Taxes have been paid on the land continuously, year by year, until the present time.

It was not until recently that any question was raised about the ownership of the land.

In 1953 the Department of the Interior suggested that the bill not be passed at that time, and pointed to the fact that another bill was pending which, if passed then, would give Mr. Alexander entitlement to the land. That bill was enacted. So it would appear that the Department of the Interior would not now have any objection to the pending bill, since the bill to which I have referred has been enacted.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 171. An act for the relief of Mrs. Irma Benjamin;

S. 234. An act for the relief of Thomas Szabo;

S. 235. An act for the relief of Rev. Armando Fuoco;

S. 347. An act for the relief of George Taipale;

S. 366. An act for the relief of Sister Concepta (Ida Riegel);

S. 428. An act for the relief of Dr. Chih Chiang Teng;

S. 445. An act for the relief of Felicitos Valerina Margaret Hauke;

S. 507. An act for the relief of Mrs. Eleanor Emilie Nell;

S. 518. An act for the relief of Sister Marie Therese De Galzain;

S. 584. An act for the relief of Rosa Euler and her minor child;

S. 614. An act for the relief of Eero and Tina and Karina Waskinen;

S. 629. An act for the relief of Igor Michael Bogolepov (alias Ivar Nyman) and Margaret Johanna Bogolepov (alias Margaret Johanna Nyman);

S. 653. An act for the relief of Metorima Shizuko;

S. 662. An act for the relief of Julie Nicola Frangou;

S. 740. An act for the relief of Santa Muciaccia (Sister Maria Fridiana), Teresa Saragaglia (Sister Maria Eutropia), and Caterina Isonni (Sister Maria Giovita);

S. 757. An act for the relief of Frank Bastinelle;

S. 769. An act for the relief of Mrs. Robert M. Roskos (formerly Maria E. Laedel);

S. 809. An act for the relief of Vittoria Sperti;

S. 860. An act for the relief of Juanita Andrada Lach and Leticia Androda Lach;

S. 924. An act for the relief of Sofia B. Panagoulopoulos Kanell;

S. 929. An act for the relief of Cleopatra Stavros Milionis;

S. 930. An act for the relief of Martin Anthony Beekman;

S. 1073. An act for the relief of Mary Shizue Hirano;

S. 1112. An act for the relief of Letizia Maria Genoveffa Lo Bianco;

S. 1128. An act for the relief of Fermo Breda;

S. 1135. An act for the relief of Stamatios James Bratsanos;

S. 1155. An act for the relief of Giuseppe Bentivegna;

S. 1156. An act for the relief of Dr. Jagannath P. Chawla;

S. 1290. An act for the relief of Ruth Sonin;

S. 1296. An act for the relief of Elfriede Hall;

S. 1301. An act authorizing the Secretary of the Interior to issue a patent in fee to Lucy Yarlott Othermedicine;

S. 1395. An act for the relief of Manasseh Moses Manoukian, Elize Manoukian, nee Kardzair, and Socrat Manoukian, also known as Socrates Manoukian;

S. 1430. An act for the relief of Ruth Johanna Heidenreich;

S. 1478. An act for the relief of Chung Keun Lee (Thung Kuen Lee);

S. 1594. An act for the relief of Berenice Catherine Montgomery;

S. 1661. An act for the relief of Erna Prange Blanks;

S. 1682. An act for the relief of Branimir V. Popovitch and Mila B. Popovitch;

S. 1696. An act for the relief of Dr. Mourad Arnoux;

S. 1734. An act for the relief of Rosa Stephan;

S. 1808. An act for the relief of Hildegard Monti;

S. 1955. An act for the relief of Giorgio Salvini Thompson;

S. 2243. An act for the relief of Seiko Magai and her minor child;

S. 2360. An act for the relief of Jacob Vandenbergh;

S. 2438. An act for the relief of Maria Teresa Rossi;

S. 2450. An act for the relief of Lt. Hayden R. Ford; and

S. 2596. An act for the relief of Lucy Mao Mei-Yee Li.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5731) to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities to provide water for irrigation and domestic use from the Santa Margarita River, Calif., and the joint utilization of a dam and reservoir and other waterwork facilities by the Department of the Interior and the Department of the Navy, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MILLER of Nebraska, Mr. D'EWART, Mr. SAYLOR, Mr. ENGLE, and Mr. ASPINALL were appointed managers on the part of the House at the conference.

TRANSFER OF CERTAIN REAL PROPERTY IN NAPA COUNTY, CALIF.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 3097) to authorize the transfer to the regents of the University of California, for agricultural purposes, of certain real property in Napa County, Calif.

Mr. HENDRICKSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BUSH in the chair). Without objection, it is so ordered.

WINDFALL PROFITS UNDER FHA INSURED MORTGAGES

Mr. WILLIAMS. Mr. President, last Saturday Mr. Albert M. Cole, Administrator of the Housing and Home Finance Agency, issued a report in which he called attention to certain individuals or companies who under title 608 had reaped windfall profits. In the report Mr. Cole listed the figure of $272,646,300 as the total of mortgages issued on projects which cost $234,486,277, resulting in windfall profits—that is, profits on the structures which were mortgaged over and above the actual cost.

Also in the report Mr. Cole pointed out that the total amount of capital invested by the various builders was only $4,138,590.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point as a part of my remarks the statement issued by Mr. Cole and a list of the mortgages.

There being no objection, the press release and list of mortgages were ordered to be printed in the RECORD, as follows:

Housing Administrator Albert M. Cole today announced receipt of an interim report on the investigation of section 608 FHA-insured mortgages on rental housing developments from William F. McKenna, Deputy HHFA Administrator in charge of the investigation into FHA.

The report contained names and amounts of over 200 corporations involving 70 section 608 developments in which FHA-insured mortgage loans exceeded costs, resulting in windfalls to the sponsors of approximately $40 million. In all cases FHA issued the insurance commitments in 1952 or earlier.

The report was developed by Mr. McKenna's staff of auditors and investigators who reviewed over 200 corporations covering the 70 developments. The report covers only those 608 cases reviewed through June 4, 1954.

Mr. McKenna reported that all of the cases have been or are being referred to the Department of Justice for such civil or criminal proceedings as may be indicated by the circumstances of each case.

On the more than 200 corporations covering the 70 projects reviewed to date, this is the picture as reported:

Paid in capital stock	$4,141,390
FHA-insured mortgage loans	277,593,500
Reported cost of the projects	239,374,770
Total windfall	39,539,833
Amount of windfall distributed to stockholders	31,755,000

(In the above summary, the amount of the windfall is affected by other factors than the excess of mortgage loans over project costs.)

Mr. McKenna reported that in many, if not most of these cases, other very substantial windfalls were realized which are not reflected in these figures.

In the 219 cases reviewed to date, the windfall distribution amounted to 80.31 percent of the total windfall. The remaining 19.69 percent was kept in the corporations.

Mr. McKenna reported that the HHFA investigation of section 608 projects has disclosed various methods whereby windfalls or other monetary gains were obtained by owners over and above normal authorized earnings from actual project investments.

The principal devices used to create such windfalls, he reported, were padding of cost figures by using excessive prices for the cost of construction and for the purchase of land.

Various devices were also used for the distribution of the windfalls, according to the report, including not only the declaration of dividends out of mortgage proceeds, but also redemption of stock at inflated prices, exorbitant management fees, excessive payments for services to corporations owned by the sponsors, and loans by the corporations to their principals which will be paid when and if the principals who dominate the corporation decide.

Mr. McKenna reported that the windfall figure of $39,539,833 for these 70 projects is much less than the total amount of the actual windfall from these projects. His report explained that the minimum figure does not include three sources of windfall which were sizeable but for which exact figures are not available at this time.

For example, the minimum figure does not include $7,534,702 which sponsors of these projects collected in rent from tenants before they made their first payment on their FHA-insured loans. Since taxes, insurance, and interest for the period of construction were included in the amount of the loan, all that had to be charged against the rental payments received prior to the first payment on principal was the cost of operation—which means that most of the rental payment was clear profit, Mr. McKenna reported.

The report cited another source of windfall, not included in the minimum figure, which resulted from the making of leases for the long-term use of land between the

sponsors and the principal stockholders as individuals. In many cases, the report said, the sponsors bought the raw land for this purpose at a very low price in order to create large annuities for themselves and for their families for 2 or 3 generations on a very small initial outlay or borrowing. In 11 of the 70 projects reviewed to date the sponsors signed leases with their principal stockholders calling for annual ground rent of $416,346, and under these leases FHA has agreed to pay a total of $10,255,350 for the land in case the loans default and FHA decides to acquire the land on which the projects are located.

Another source of windfall not included in the minimum figure, the report stated, resulted from the use of multiple corporations, all with the same owners, with each taking its cut. Thus, the borrower corporation in many instances contracted with the contractor corporation (same ownership) to build the project at a generous price, with another corporation (same ownership) to lease the land, and with still another corporation (same ownership) to manage the project.

"This investigation has already demonstrated beyond question," Mr. McKenna reported, "that certain promoters were aided and guided by former top FHA officials in the windfall practices."

Specific information on each of the 70 projects covered by the 219 mortgages reviewed to date is contained in a supplementary table.

Section 608 FHA-insured mortgage loans in excess of costs on projects reviewed as of June 4, 1954

[Projects listed alphabetically by States]

Project name and location	Principals	Paid-in capital stock	Mortgage loan	Reported cost of project	Windfall[1]	Amount of distribution of windfall[1]
Essex House, Birmingham, Ala (Alabama, 1 project)	Marvin L. Warner and Joseph Kanter, Birmingham, Ala.	$75,000	$1,209,500	$1,180,000	$29,500	
Holly Park Knolls, Inc., Inglewood, Calif	Samuel Firks, Max Maltzman, W. E. Robertson, and Louis A. Towne, Los Angeles, Calif.	188,000	2,615,000	2,453,255	161,745	$187,000
Lincoln Place, No. 1 through No. 35, Los Angeles, Calif	Philip Yousem, Los Angeles, Calif.; Ray Myers, R. Reese Myers, and Lambert Housing Corp., Venice, Calif.	255,726	5,167,700	5,025,400	142,300	60,700
Baldwin Gardens Co., Los Angeles, Calif	Richard S. Diller, Arthur B. Weber, and Irving L. Kalsman, Los Angeles, Calif.	50,600	2,866,400	2,385,000	481,400	432,791
Wilshire LaCienega Co., Los Angeles, Calif	Richard S. Diller, Arthur B. Weber, and Herman Kranz, Los Angeles, Calif.	39,000	1,937,600	1,675,803	261,797	281,699
Chesapeake Rodeo Apartments, Inc., Los Angeles, Calif. (California, 5 projects.)	Herbert Kronish and Sanford S. Shear, Beverly Hills, Calif.; W. B. Robertson, Max Maltzman, and Milton Gordon, Los Angeles, Calif.	381,100	3,047,500	2,967,000	80,500	475,100
Cooper Apartments, Inc., New Haven, Conn. (Connecticut, 1 project.)	Jack B. Cooper, Louis Kuklensky, and Reubin Kuklensky, Miami Beach, Fla.; Daniel Weinstein, New Haven, Conn.	1,000	667,000	614,876	52,124	68,560
Clifton Park Manor Sections 1, 2, 3, New Castle, Del. (Delaware, 1 project.)	Don A. Loftus, George T. Weymouth, and Charles R. Martin, Wilmington, Del.	7,325	5,980,000	5,082,000	898,000	549,375
Parklands Manor, Inc., Washington, D. C	Morris Cafritz, Edward Cafritz, Charles H. Purcell, and Martin Atlas, Washington, D. C.	15,155	3,563,000	3,011,500	551,500	630,000
Idaho Terrace, Inc., Washington, D. C	Albert Small and David Stern, Washington, D. C	12,000	1,750,000	1,495,500	254,500	121,928
Hilltop House, Inc., Washington, D. C. (District of Columbia, 3 projects.)	Marvin Willig, Washington, D. C.; Louis Janof, Chevy Chase, Md.; Charles Englebach, Philadelphia, Pa.; Albert P. Dicker, Daniel Gevinson, and J. Svestka, Washington, D. C.	1,000	787,700	727,000	60,700	13,332
Mayfair Village Corp., Jacksonville, Fla. (Florida, 1 project.)	Joseph A. Burstein and Morris Glazer, Jacksonville, Fla.	35,000	554,000	539,500	14,500	
Nelson Apartments, Inc., Savannah, Ga	William A. Bowen, James L. Sundy, Sylvan Byck, and Rives Worrell, Savannah, Ga.	7,500	1,402,000	1,176,500	225,500	250,000
The Darlington Apartments, Atlanta, Ga. (Georgia, 2 projects.)	L. D. Long, Leonard L. Long, and Frank G. Etheridge, Atlanta, Ga.	283,300	4,650,000	4,610,878	39,122	
Grandview, Inc., Wichita, Kans. (Kansas, 1 project.)	H. M. Beech and M. Mollohan, Wichita, Kans	10,000	231,600	137,500	94,100	
Parkchester Apartment Development, New Orleans, La.	Paul Kapelow, Lewis Leader, and Emile Bluestein, New Orleans, La.	757,213	10,845,600	7,368,000	3,477,600	3,856,001
Claiborne Towers, Inc.; Governor Claiborne Apartments, Inc., New Orleans, La. (Louisiana, 2 projects.)	Shelby Construction Co., New Orleans; Emile L. Bluestein, vice president.	350,000	9,230,000	7,956,500	1,273,500	
Gregory Estates Nos. 1, 2, 3, 4, Inc., Seat Pleasant, Md.	Robert H. Bailey, Farmingdale, N. Y.; Robert Greene, Washington, D. C.	800	3,184,000	3,176,500	7,500	
Rodgers Forge Apartments, Inc., No. 1; Rodgers Forge Apartments, Inc., No. 2; Hampton Apartments, Inc., Baltimore, Md. (Maryland, 2 projects.)	James Keelty, Jr., James Dorment, Joseph Keelty, Louise H. Keelty, and Marguerite Dorment, Baltimore, Md.	6,000	5,321,700	4,269,000	1,052,700	390,000
Morton Homes, Inc.; Little Street Homes, Inc.; Emile Homes, Inc.; Marquette Homes, Inc.; Lewis Homes, Inc.; Charles Homes, Inc.; Alex Homes, Inc.; Itasca Homes, Inc.; Natchez, Miss. (Mississippi, 1 project.)	Roselawn Construction Co., Paul Kapelow, and Lewis I. Leader, New Orleans, La.	121,600	1,741,600	1,274,500	467,100	595,441
Linwood Park, Inc., Teaneck, N. J	Ralph J. Solow and Sidney Sarner, Teaneck, N. J	13,000	8,875,000	6,662,500	2,426,821	2,588,427
Washington Park Apartments, Camden, N. J	Sam Madway, Pauline M. Margolis, Bette Davis Madway, Elizabeth Magen, and Madway Engineers & Con., Bala Cynwyd, Pa.	2,000	2,349,000	2,162,500	186,500	220,000
Barrington Manor Apartments, Barrington, N. J	Bernard Weinberg, Harry J. Goodwin, and Etta H. Weinberg, Philadelphia, Pa.	2,000	2,262,200	1,846,000	416,200	252,706
Woodbury Manor Apartments, Woodbury, N. J	Dr. Henry Spiegel and Philip S. Seltzer, Philadelphia, Pa.; William Seltzer, Woodbury, N. J.	1,040	583,600	451,000	132,600	83,690
Clover Hill Gardens, Mount Holly, N. J	Charles H. Sporkin, Philadelphia, Pa. Herbert G. DuBois, Camden, N. J. and Thomas R. Edwards, Haddonfield, N. J.	2,700	1,620,000	1,581,000	39,000	17,152
Parkway Apartments Inc. Haddonfield N. J	Milton Lundy, Charles H. Sporkin, and Nat Sporkin, Philadelphia, Pa.; Thomas R. Edwards and Herbert G. DuBois, Haddonfield, N. J.	50,000	2,929,800	2,897,000	32,800	140,036
Teaneck Gardens Inc. Teaneck N. J	Ralph Solow and Sidney Sarner, New York City, N. Y. George I. Marcus, Hackensack, N. J.	1,000	1,592,000	1,566,000	105,600	103,907
Brookchester, Inc., sections 1 to 7, 9, and 10, New Milford, N. J.	Joseph J. Brunetti, Anna Stewart, and Anna Brunetti, Hackensack, N. J.	9,000	9,966,500	9,694,000	272,500	638,281
Richfield Village, sections 1 to 6, Clifton, N. J	do	6,000	5,289,500	5,128,500	161,000	370,321
Elmwood Terrace, Inc., East Paterson, N. J	Herman H. Rosen and Jacque Choron, trustees; Samuel J. Roth and Joel W. Schenker, New York, N. Y.	1,000	2,516,000	2,385,467	130,533	199,506
Jefferson Gardens, Inc., Clifton, N. J. (New Jersey, 11 projects.)	Allen J. Adelman, East Orange, N. J.; B. S. Adelman, South Orange, N. J.; and Theodore Naftali, Newark, N. J.	90,448	921,500	809,074	156,426	325,980
Rockaway Crests, Inc., sections 1, 2, and 3, Far Rockaway, N. Y.	Gustave M. Berne, Great Neck, Long Island, N. Y.; and Theodore W. Nass, Far Rockaway, N. Y.	3,000	14,486,100	13,475,000	1,371,400	
Kew Gardens Apartment, Inc., Briarwood (Queens County), N. Y.	Harry L. and Leah Osias, Brooklyn, N. Y	12,000	9,266,700	8,930,245	336,455	
Kew Gardens Hills, Inc., Kew Gardens Hills, N. Y	do	1,000	3,510,000	3,384,500	125,500	190,000
Do	do	3,000	10,670,500	10,213,100	457,400	
Parkway Manor, Inc., Flushing, N. Y	William B. Greenstein and David H. Bass, Brooklyn, N. Y.	2,000	343,500	307,300	36,200	38,000
Glen Oaks Village, Inc., Bellerose, N. Y	George M. and Alfred Gross, and Lawrence Morton, Glen Oaks, N. Y.	82,500	24,359,700	20,035,000	4,324,700	4,600,000
Beach Haven Apartments, Inc., Brooklyn, N. Y	Fred C. Trump, Jamaica, N. Y	249,000	15,922,900	12,325,000	4,047,900	729,000
Rego Park Apartments, Inc., Elmhurst, N. Y	Norman Tishman, David Tishman, and Robert Tishman, New York, N. Y.	2,000	6,457,400	4,442,000	2,015,400	1,700,000

[1] Distribution of windfall includes any type of distribution, such as dividends, stock redemption, loans to affiliated corporations, etc., as explained in HHFA press release OA-No. 675. The windfall figure is slightly more than the excess of loan amount over reported cost because of lesser factors affecting the windfall amount in a number of cases.

Section 608 FHA-insured mortgage loans in excess of costs on projects reviewed as of June 4, 1954—Continued

[Projects listed alphabetically by States]

Project name and location	Principals	Paid-in capital stock	Mortgage loan	Reported cost of project	Windfall	Amount of distribution of windfall
Kingsway Development, Inc., Brooklyn, N. Y.	Louis Mintz, Max Mintz, Morris Mintz and Monroe Markowitz, New York City, N. Y.	$1,000	$1,253,800	$1,082,500	$171,300	$278,444
Elmwood Gardens, Inc., East Paterson, N. J., Gregory Apartments, Inc.; Elisabeth Apartments, Inc.; Marine Terrace Apartments, Inc.; Astoria, Long Island, N. Y.	Samuel J. Roth, Joel W. Schenker, Harry Ginsberg, George Gregory, and Elisabeth Gregory, New York, N. Y.	4,000	14,666,000	12,509,000	2,157,000	2,162,622
Arrowbrook Gardens Development Corp., Flushing, N. Y.	Morton Pickman, Lee E. Ellman, Samuel M. Berley, Charlotte Pickman, Bess Berley, and Esther Ellman, Forest Hills, N. Y.	2,000	2,675,000	2,116,000	559,000	----------
Ed. Donner Gardens, Inc., Jackson Heights, N. Y.	Charlesann Construction Co., Flushing, N. Y.; Charles Donner, president; Charles J. Muss, vice president; Samuel Donner, secretary-treasurer.	1,000	2,306,400	1,858,500	447,900	671,022
Cathedral Gardens, Hempstead, N. Y.	Mack Kanner, Jerry Kanner, and Lester Kanner, Merrick, Long Island, N. Y.	1,000	1,924,500	1,505,000	482,046	----------
Kingsway Gardens, Brooklyn, N. Y.	Jack Carner, Helen C. Carner, and Samuel Benson, New York City, N. Y.	91,908	2,358,000	1,886,000	472,000	110,326
Bayshore Gardens, Inc., Belle Harbor, N. Y.	Hyman Zarett, Belle Harbor, N. Y.; Isadore Lebrer, Neponsit, N. Y.; and Jack H. Spiegel, no address.	10,500	1,335,600	1,089,000	246,600	255,000
Alley Park Housing Corp., 77th Rd. Realty Corp., Bayside, N. Y.	Queens Valley Development Corp. and John Turner, Jamaica, N. Y.	6,000	6,196,500	5,768,000	428,500	337,906
Iroquois Apartments, Inc., Hollis, Queens County, N. Y.	Benjamin M. Hess, Haskell Hess, Sidney Kessler, J. Lewis Lazarus, and Rubin Garfinkel, Flushing, N. Y.	2,000	800,000	605,000	195,000	----------
Patchogue Gardens, Inc., Patchogue, N. Y.	Jerry Kanner, Mack Kanner, and Lester Kanner, Merrick, N. Y.	1,000	723,900	554,000	195,236	155,000
Kew Terrace, Inc.; Kew Terrace No. 2, Inc., Flushing, N. Y.	Norris Brocher and Alfred Wohl, Astoria, N. Y.; Charles K. Itchkow, Great Neck, N. Y.	6,000	3,005,800	2,463,500	542,300	555,000
Braddock Garden Apartments, Inc., Queens Village, N. Y.	Jean Van Dyke Kessler, Harry Rosen, and Joseph Pirozzi, Jamaica, N. Y.	750	1,310,000	983,500	326,500	289,210
Jeffrey Garden Apartments No. 1; Jeffrey Gardens Apartments No. 2, Bayside, N. Y.	Haskell Hess, Benjamin Hess, and Sidney Kessler, Jamaica, N. Y.	2,200	2,278,700	1,940,300	338,400	380,200
Knightsbridge Apartments, Great Neck, N. Y.	Gilbert Tilles, Great Neck Estates, N. Y.; Herman Tilles, and William Sanbur, Jamaica, N. Y.	10,000	1,051,300	800,449	250,851	230,649
Langdale Realty, Inc. No. 1 and No. 2, Bellerose, N. Y.	Kalman Klein and David Teicholz, Jamaica, N. Y.	100,000	3,014,400	2,432,781	581,619	21,000
Pleasantville Apartments Corp., Pleasantville, N. J.	Bernard Weinberg, Philadelphia, Pa., and Harry J. Goodwin, Elkins Park, Pa.	2,000	1,680,000	1,471,000	209,000	230,776
Sanford Gardens, Inc., Flushing, N. Y. (New York, 25 projects.)	Lester Kanner, Mack Kanner, and Jerry Kanner, Merrick, N. Y.	1,000	1,330,500	1,082,156	248,344	----------
College View Apartments, Inc., Oklahoma City, Okla. (Oklahoma, 1 project.)	Fred D. Newman, Oklahoma City, Okla.	9,900	98,000	69,549	28,451	10,100
Flamingo Apartments, Inc., Philadelphia, Pa. (Pennsylvania, 1 project.)	Dr. Daniel Gevison, Washington, D. C.	1,000	2,533,800	2,252,594	281,206	180,600
Huron Housing Corp., Huron, S. Dak. (South Dakota, 1 project.)	Shelden F. Reese, Sioux Falls, S. Dak.	45,525	170,000	130,000	40,000	100,262
Billy Mitchell Village, Inc., San Antonio, Tex.	David Muss, Norman K. Winston, and Louis N. Kaplan, New York City, N. Y.; Henry W. Penn, San Antonio, Tex.	56,000	3,220,200	2,742,500	477,700	501,242
Midway Gardens, Inc., Pasadena, Tex.	Max Krauss and Alexander Zager, Pasadena, Tex.	24,000	336,500	245,900	90,600	115,000
Bayou Park Apartments, Houston, Tex.	Carl C. Sharp, W. Carloss Morris, and Steward Morris.	89,900	1,282,900	955,400	327,500	396,800
Bayou Lake Corp. No. 1, Pasadena, Tex. (Texas, 4 projects.)	do	11,900	415,000	323,000	92,000	111,900
Warwick Gardens, Inc.; Warwick Gardens No. 2, Inc., Newport News, Va.	Albert T. Brout, A. L. Drucker, and E. E. Falk, Newport News, Va.	2,000	3,788,400	3,565,500	222,900	39,000
Shirley-Duke Apartments, Inc., Alexandria, Va.	Bryan Gordon, Jr., Arlington, Va., and N. J. Sonnenblick, New York City, N. Y.	6,000	13,846,000	11,700,000	2,146,000	2,475,600
Bon Haven Apartments, Richmond, Va.	Bertram F. Bonner, Richmond, Va.	3,000	3,916,900	3,020,000	981,900	1,250,000
Lewis Garden, Henrico County, Va.	Franklin A. Trice, Richmond, Va.	526,000	3,884,400	3,450,550	433,850	654,250
Huntington Apartments, Inc., Alexandria, Va. (Virginia, 5 projects.)	George A. Ford and William S. Banks, Washington, D. C.; and Howard E. Everheart, Alexandria, Va.	300	570,000	463,200	106,800	95,100
Grand total, sheets 1 through 9		4,138,590	272,646,300	234,486,277	39,481,126	31,716,000

Mr. WILLIAMS. Mr. President, I call particular attention to certain information which was not embodied in the above report regarding three of these cases.

NO. 1. PATCHOGUE GARDENS, INC., PATCHOGUE, N. Y.

According to the report as released by the Housing and Home Finance Agency last Saturday, the mortgage loan was $723,900. The 3 individuals involved, Mr. Jerry Kanner, Mr. Mack Kanner, and Mr. Lester Kanner, all of Merrick, N. Y., had paid in as capital a total of $1,000.

The reported cost of the project was $554,000, leaving a windfall for the builders of $195,236, of which amount $155,000 has been distributed.

The additional information which I feel is pertinent to this particular case is that on September 13, 1952, this project—mortgagee No. 33198— was declared bankrupt, at which time the amount of the mortgage of the FHA was listed as $723,900, which indicates that there had been no payments on the mortgage.

As of the latest report, the Federal Government now holds title to this property at a mortgage cost of $723,900, plus whatever other charges accompany the foreclosure against this property. The reported cost to the builders was $554,000.

On this same property, which is now in bankruptcy, the builders have distributed $155,000 in dividends on their $1,000 original investment.

NO. 2. WARWICK GARDENS, INC., WARWICK GARDENS NO. 2, INC., NEWPORT NEWS, VA.

The second project to which I wish to call attention is that of Warwick Gardens No. 2, Inc.

The report, as furnished by the Housing and Home Finance Agency, lists Warwick Gardens Nos. 1 and 2 as having been built by Mr. Albert T. Brout, Mr. A. L. Drucker, and Mr. E. E. Falk, all of Newport News, Va.

According to the FHA report on these 2 projects, there was a total investment of paid-in capital stock of $4,000—$2,000 on each project. They secured loans of $1,763,200 and $3,788,400.

The construction cost in each case was lower than the mortgage loan, and the corporation had a windfall profit on the 2 projects, according to the report of $273,607, of which amount $78,000 has been distributed.

Warwick Gardens No. 2, Inc., against which the Housing and Home Finance Agency lists the windfall profits of $222,900, was declared bankrupt, and on February 1, 1951, the Government took title to this project—mortgage No. FHA–051–42039.

The amount of the mortgage, on the date the Government took the title to the property, was listed as $2,025,200. On December 10, 1951, the Government sold the property, Warwick Gardens No. 2, to Mr. Ben Cohen, 1229 Mount Royal Avenue, Baltimore, Md., for $2,040,000; terms $100,000 cash, mortgage $1,940,000.

GREGORY ESTATES, SECTIONS 1, 2, 3, AND 4, SEAT PLEASANT, MD.

In this instance, the mortgage loan was $3,184,000, and the reported cost of the project $3,176,500. The principals

paid in $800 as capital stock. The windfall profits in this case were relatively small as compared to the others, totaling $7,500. However, it is mentioned in view of the fact that on March 17, 1954, all four of these projects were listed as being in the process of foreclosure.

TRANSFER OF CERTAIN REAL PROPERTY IN NAPA COUNTY, CALIF.

The Senate resumed the consideration of the bill (H. R. 3097) to authorize the transfer to the regents of the University of California, for agricultural purposes, of certain real property in Napa County, Calif.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AIKEN. Mr. President, House bill 3097 provides for transferring to the regents of the University of California, for agricultural purposes, certain property in Napa County, Calif. In brief, the bill would transfer a 20-acre tract of land which was acquired by the Federal Government in 1921 for $15,000.

The Federal Government intended to use the land as an experiment station for the development of grapes. Improvements costing $11,210 were made between 1924 and 1927. The latest of the improvements is therefore 27 years old.

The tract was never utilized to any great extent as a field station for the Federal Government, for the reason that another station was being used. Now it is proposed that this tract of land be transferred to the University of California with the understanding that it will be used as an experiment station for the development of wine grapes.

The total value of the property, including the improvements up to 1927, is $26,210.

The bill provides that should the University of California undertake at any time to use any part of the land for any other purpose than that indicated, the title shall revert to the Federal Government.

The Department of Agriculture reported favorably on the bill, feeling that, inasmuch as the results obtained by the University of California at this station would be available to all the people of the country, particularly to those engaged in this agricultural pursuit, a worthwhile service would be rendered if the land were transferred for operation by the University of California.

In brief, that is what the bill provides.

I wish it understood that if the university ceases to use the land or undertakes to divert any part of it to any other use or to let it be used for any other purpose, the property will then revert to the Federal Government.

Mr. MORSE. Mr. President, I am opposed to the passage of the bill, for reasons which should be obvious to all Members of the Senate. This is a proposal to give to the University of California $26,000 belonging to all the taxpayers of the United States, because this 20-acre piece of land is owned by them. I do not know of the slightest justification in the record on this bill for this give-away proposal.

If this piece of property is to be given away, then I say that, in all fairness to every other State university, a quick survey should be made of the pieces of Federal property which are used for agricultural experimental purposes, and it should be ascertained whether any State university wishes to take any of those parcels of land. If so, we should give such parcels of land to the State universities, in order to permit them to proceed to conduct agricultural experiments on them, with the understanding that if they stop using them for that purpose, they will then revert to the United States Government.

Mr. President, in my judgment, gifts of this kind should not be made on a segment basis. There can be no justification for showing this kind of favoritism to the University of California and to the wine interests of California. In fact, I should think the wine interests of California would pass a tin cup and would raise approximately $13,000 for half the appraised fair market value of the property, and then would give it to the University of California. In that way the University of California would obtain the property in a way consistent with and in keeping with the policy the Senate has been following since 1946, in an overwhelming majority of cases.

In a few instances the Morse formula has been subverted in the Senate by way of the parliamentary procedure we are following today, namely, by taking up a bill on motion, in the expectation that a majority of the Senators then would override the Morse formula, for a variety of reasons upon which I shall not dwell.

Mr. President, I feel very deeply and very sad about it, because this bill involves a very precious principle the Senate should affirm. Instead of doing that, by making exceptions here and exceptions there, the principle is finally destroyed if we continue to follow the policy encompassed in this bill today.

Let us take a look at this piece of property. As was pointed out, it was purchased by the Federal Government in 1921, as I recall. The purchase price was $15,000. The State of California had nothing to do with the property; the University of California did not own it. It was not even purchased from the University of California. This is not a case of a State donating to the Federal Government a piece of property, to be used by the Federal Government for a specific purpose, and thereafter, the Federal Government not having used it for that purpose, the property reverting to the State. In this case, the property was purchased in fee simple by the Federal Government, through the Department of Agriculture, and the property thereby became the property of all the people of the United States. Improvements were placed on the property, to the tune, in round numbers of a sum somewhat in excess of $11,000. So the taxpayers of the Nation have $26,000 invested in this piece of property.

Mr. President, this is not a flourishing experimental station. This is an experimental station that has practically been in disuse for 18 years. I am reliably informed that whatever grape roots are left in this 20 acres are of little value for any experiments in grapes.

If the University of California proceeds with agricultural experiments on this land, it will have to do so with new vines, for on this 20 acres of land there is not a vineyard of sufficient value, from an agricultural standpoint, to make it possible to continue any experiments in viniculture. Until approximately 1933, there was an overseer or Federal official of the Department of Agriculture on this 20 acres of land, but since 1933 it has been constantly deteriorating. Today it is not a going Federal experimental station. It is not a station from which it can be said the United States Department of Agriculture is obtaining any worthwhile results. This is not a case in which a going experiment station is to be transferred to the University of California, under certain terms and conditions under which the Federal Government will retain at least some control and some interest in the experiments to be conducted, but they are to be financed mainly by the University of California. This is a gift of valuable land to the University of California for experimental purposes.

This case involves 20 acres of valuable land that belong to all the people of the United States. It is proposed to give the land to the University of California.

If Senators think this land is not valuable, let it be put on the auction block tomorrow, and then we can see what will be paid for it. I do not know much about real estate values, and I am not an expert on real estate values in Napa, Calif., but, on the basis of information I have received since I knew the bill was coming up, I am satisfied that if this piece of property were to be placed on the auction block tomorrow, it would bring, at public auction, more than $26,000. Yet it is proposed to give this land to the University of California, with the understanding that the university will take the property, plant new vineyards, rehabilitate the whole project, insofar as the experiment station is concerned, and continue to conduct viniculture research for the benefit of the liquor interests.

I wish to say that in my judgment the liquor interests should donate to the University of California approximately $13,000, in order to have carried on the experiments they want conducted on this 20 acres of land, if the University of California is to get it. I am opposed to the Federal Government subsidizing the liquor interests via the University of California.

Under the Morse formula, the University of California, by the payment of 50 percent of the appraised fair market value of the land, could obtain this

property. But it is unfair, inequitable, and highly discriminatory to show this kind of favoritism to the University of California, unless the Senate is willing to say that it will pass all measures proposing to give property owned by any United States Department of Agriculture Experiment Station to any State university that wants it.

Of course, we know that if such blanket legislation as that were proposed, it would not be passed. However, we proceed by way of the nibbling process. We bite off a piece of property belonging to all the people of the United States, and then we spit it out—to the benefit, in this instance, of the University of California.

I do not like that kind of chewing away on the domain that belongs to all the people of the United States. The precedential feature of this proposal is very bad.

This is not the first time this matter has been before the Senate. It was before the Senate in June 1952. At that time an attempt was made, when I was absent from the Senate on official business, to leave the false impression that I did not object to this kind of a transfer if it involved the State of Oregon. When I returned to Washington I answered those insinuations and innuendoes on June 20, 1952. I pointed out by citing case after case that there is not a scintilla of evidence in the record of the Senate to justify any implication that the Senator from Oregon applies one rule to California and another rule to Oregon. I repeat today what I said then, Mr. President. Again I stand here consistently supporting the Morse formula and pointing out that, according to calculations on the basis of the bills to which since 1946 we have required the Morse formula to be added, we have saved the taxpayers of the United States more than $400 million. We do not know how many hundreds of millions of dollars more were saved by reason of bills which were not introduced, but which would have been introduced if we had not started in 1946 to try to stop this kind of political grabbag. I am proud of that record, and I do not intend to sit here today and vote to give away this $26,000 belonging to all the taxpayers of the country.

Representative CONDON of this California district has been in communication with me, both by letter and by personal conference, in an effort to get me to yield in my objection to giving away this piece of property. In a letter to him under date of March 18, 1954, I set forth my objections. I shall read the letter, which will close my argument, because nothing more need be said.

We must make up our minds whether or not we are to give away a piece of property to a State university when, in my judgment, the State university ought to pay at least 50 percent of the appraised fair market value. One of the richest State universities in the Nation is the University of California.

I have been in the field of education. No one can tell me that the University cannot pay, in round numbers, $13,000, which means 50 percent of the appraised fair market value of this property.

I know the president of the University of California. I cannot believe that the president of the University of California, if he had taken the time to study the principle which is involved, would want this bill passed this afternoon. I believe the president of the University of California is such a believer in sound government administration that he would say, "I cannot raise an objection to the point that, after all, we ought to pay at least 50 percent of the appraised fair market value of this property."

I made that statement to Representative CONDON when he came to my office and asked for a personal conference on the bill. He wanted to have my objections in black and white, and for that reason I wrote to him under date of March 18, 1954, as follows:

MARCH 18, 1954.

Hon. ROBERT L. CONDON,
House of Representatives,
Washington, D. C.

DEAR BOB: I want to take this opportunity to thank you for your kindness in discussing with me the bill H. R. 3097 relating to the proposal to transfer to the regents of the University of California the Federal property known as the United States Grape Field Station, Napa County, Calif.

Your comments on this matter were very helpful to me and I particularly appreciated your bringing along photographs of the property in question. These, together with your explanatory remarks, assisted me a great deal in analyzing the situation.

After our talk of last Friday, I reviewed the report on H. R. 3097, and my remarks in the CONGRESSIONAL RECORD of June 20, 1952, when a prior and almost identical bill was under discussion in the Senate.

As H. R. 3097 now stands, I feel it is objectionable because it fails to include the so-called Morse formula provision under which the conveyance would be made upon payment of one-half of the appraised fair market value of the property and improvements thereon.

The Morse formula is not incorporated in a specific provision of Federal law, but is a rule that I have applied in the Senate for many years in order to protect the interest of the United States in cases wherein private bills propose the gratuitous transfer of Federally owned surplus property.

The Morse formula came into being about 1946 as a result of a study made by a subcommittee of the Armed Services Committee consisting of Senator BYRD, Senator SALTONSTALL, and myself. The subcommittee was given the job of analyzing problems relative to the disposal of surplus military property. The members of the subcommittee soon became concerned about the number of private bills which were introduced in both the Senate and the House in order to bring about free transfers of large quantities of valuable military property. We discovered that millions of dollars worth of Government property was being given away on a type of grabbag plan, and it was our conclusion that the Government was entitled to fair and reasonable compensation for these property transfers. We also agreed that such compensation should be based on a formula to be applied uniformly in all cases.

We did not claim that our formula was scientific and precise, but we were satisfied that it was reasonable and based on commonsense. So far as compensation for military property was concerned, the formula required States and their governmental subdivision to pay the United States the appraised fair market value—100 cents on the dollar—for property designed for nonpublic use, and one-half of that amount for property acquired for public use. The formula was soon extended to all other surplus property of the Federal Government covered by any private disposal bill. As a result the taxpayers of the United States have saved many millions of dollars.

Although I am not familiar with all the background facts of the Grape Field Station bill, it seems to me that the regents might be willing to pay one-half the appraised fair market value of the property in question. This is based upon the assumption that they want the tract for public purposes—an assumption which seems reasonable under the facts indicated in the record. Under those circumstances, I would have no objection to an otherwise proper bill designed to accomplish that purpose; in fact, I would cooperate in urging its passage in the Senate.

Experience in past cases involving similar proposed transfers indicates that if such a bill comes to the Senate from the House without the Morse formula provision, it is apt to wind up as legislation containing no provision for payment of any amount to the Federal Government. This has been true in numerous cases where the formula has been included by amendment in the Senate. The explanation lies in the fact that the amended House bill is too often revised in conference so as to exclude the payment provision. Because of this situation I have taken the position that I shall oppose all future property transfer bills of this general type coming from the House to the floor of the Senate without the relevant Morse formula provision.

Under the circumstances, those interested in Grape Field Station transfer might be inclined to introduce a bill in the Senate or House calling for payment to the United States of 50 percent of the appraised fair market value of the property. If such a bill were to come to the floor of the Senate for action, I would be glad to cooperate in every way possible.

If you have any further questions concerning this case, I will do my best to be helpful.

With kindest personal regards,
Sincerely.

Mr. President, that states my position. I have stated it in times past almost ad infinitum, it seems to me, in the Senate. I have stated it because I think I am right. I have stated it because many of my colleagues have told me privately that they, too, believe I am right. They hope that without exception I will consistently adhere firmly to my position. That I intend to do, and where an attempt is made to circumvent the Morse formula—which is exactly what is being done in the Senate this afternoon—I hope a majority of my colleagues will recognize that they ought to support the Morse formula and apply it to all such bills as the one now before the Senate. If they do not, I think they will open the barn door and the horses will be in every other man's field.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. KNOWLAND. Mr. President, I wish to speak briefly on the bill. First of all, the Senator from Oregon tries to make a great point that because, from time to time, the leadership has moved to take up bills relating to various sections of the Union, some great violation of the Morse formula was involved.

The opposite side of the coin is that unless motions were made to take up bills which have been considered by the

proper committees of the Senate, the result, in effect, would be to give a single Senator veto power over such legislation. Upon the call of the calendar a single Senator, by objecting, could set himself above the committees which had reported the bills to the Senate, and 95 other Members of the Senate. I believe that is more power than any individual Senator either should want or should have, if we are to have proper legislative procedure in the Senate.

The bill came before the Committee on Agriculture and Forestry and was reported to the Senate. It does not transfer the title in such a way that the University of California can in turn pass to someone else. The university cannot sell the property. It cannot dispose of it. It cannot use it for other purposes. However, inasmuch as the Federal Government did not, from a budget standpoint, believe that it could or should carry on this very important work, which is of benefit to agriculture in general, it recommended that a bill be passed which would permit the University of California to carry on work which otherwise the Department of Agriculture would have to carry on, and for which an appropriation would have to be voted, with the understanding that the knowledge to be gained will be made available to other sections of the country, and that should the University of California at any time decide it cannot carry on the work, the property shall revert to the Federal Government.

It seems to me under that statement of facts—and those are the facts—the Senate is amply justified in passing the bill, which has already passed the House of Representatives.

The bill was introduced in the House, I understand, by Representative SCUDDER. It received a hearing before the House committee, it passed the House, was sent to the Senate, was considered by the Senate Committee on Agriculture and Forestry, and that committee has favorably reported it to the Senate.

I believe it to be a good piece of legislation. I do not believe that it is a give-away piece of legislation. If precisely the same facts were presented with respect to any other agricultural experiment station, the transfer of which was proposed, I would support such legislation, because I believe it is entirely sound and in keeping with good national policy.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MORSE. Mr. President, replying to the majority leader, I wish to make two points.

First, the majority leader knows very well that whenever a Congress finally adjourns there are left on the calendar unacted upon several hundred bills which die on the calendar.

The long legislative history of the Senate demonstrates that a great body of bills are dependent for passage upon Members of the Senate being convinced by unanimous consent that they should be passed, and if the Members of the Senate cannot be so convinced, the bills die on the calendar.

We have before us a bill which clearly falls under the unanimous-consent procedure of the Senate, since it is one of the so-called minor bills. It is one of the bills to which we have been applying a certain policy known as the Morse formula. Now it is proposed not to let the bill die on the calendar, as it died in 1952, but to accord it major consideration by taking it up by motion, and excepting it from the Morse formula.

I wish to say to my colleagues in the Senate that it is not fair to them if they let 1 or 2 or 3 or a group of Senators by way of a motion circumvent a policy with which they generally agree. Such Senators put those of us who are fighting to save the value of property for all the taxpayers of the United States in the position of discriminatng against other Senators. We do not like to be put in that position.

The second point I wish to make is that this bill proposes to transfer a very valuable property. It does not have to be a fee simple transfer, Mr. President. Of course a reservation is attached. Of course a condition is added. The bill provides that if the property is not used for the particular purpose mentioned in the bill it shall revert to the Federal Government. Does that make this property without value?

There are many State universities and public agencies throughout the country that would like to get this kind of gift. It is a gift. It is a gift of $26,000 of taxpayers' money. Indeed, it is more than that, because, in my judgment, we can get more than that for this property through a public auction.

Mr. President, let me say further in reply to the Senator from California that this proposed action may be just the first step toward a total transfer in fee simple. Apparently an interesting pattern is developing in the Senate. It has come up only within a matter of an hour and a half. About an hour and a half ago we had an interesting colloquy on the floor of the Senate with regard to the transfer of the reversionary interest in eight and a fraction acres of land in Georgia.

What happened in that case? Years ago, long before the Morse formula was evolved in the Senate, the Federal Government gave to the State of Georgia a piece of land consisting of eight and a fraction acres. It was given to the State for school purposes, but there was attached to it a reversionary clause. Today we had on the calendar a bill which proposed to give the reversionary interest to the State of Georgia.

I took the floor of the Senate, and the RECORD tomorrow will show that I said in effect that I would not object because in my judgment the mistake was made when the property was transferred years ago. It was transferred clearly with the intent that the University of Georgia should get the land for educational purposes. The University of Georgia has used it for educational purposes.

The Senator from Georgia [Mr. GEORGE] assured the Senate that it would be continued to be used for educational purposes. He said the only reason the State wanted the reversionary clause removed was because under Georgia State law the State could not invest any State money in the property for the development of educational facilities unless the State of Georgia owned it in fee simple.

I said that under the circumstances, in view of the fact that the bill was passed in the first instance long before 1946, I would not object. However, I said I wanted the RECORD to show why I was not objecting. If I had been a Member of the Senate at the time the original bill was passed I would have objected to the transfer in the first instance.

It is perfectly clear that the property was given to the State of Georgia by Congress with the intention that it should be used for school purposes. I said that the word of the Senator from Georgia was as good as a bond in this matter. When he gave the Senate the assurance that the State of Georgia wanted the reversionary clause removed only because it desired to spend State money on the property for school facilities, I took him at his word.

Mr. President, there are two or three other bills still pending on the calendar involving property which was given in the first instance for one purpose, with a reversionary clause attached, and now the local body wants the reversionary clause removed.

Who among us can say that in years to come—I do not know how many years or how near in the future it may be—that a proposal will not be made by way of another bill to remove the reversionary clause in the pending bill?

When the Senator from California states that after all this is not an all-out grant in fee simple, I say to him that the answer is two-pronged. First, it is a transfer of a very valuable property interest belonging to all the people of the country. In the second place, there is also the possibility that it may be merely the first step toward an eventual proposal that by some other legislation in the future the reversionary clause will be removed.

We must face the question of whether we will countenance that kind of give-away program.

I care not how many Senators say this is not a give-away. I know when I am losing $26,000. I know that the people who own this property are having it given away by Congress today, if a majority vote prevails in favor of the bill this afternoon.

I do not believe it is right. In my judgment, it is a breakdown of a very sound policy of requiring that State bodies which seek Federal surplus property pay at least 50 percent of the appraised fair market value for the property.

Mr. KUCHEL. Mr. President, earlier today, on the Consent Calendar the Senate passed a bill by which the State of California agreed to purchase and the Government of the United States agreed to sell some 3 acres of property in the northern part of the State which thereafter will be used by the State Government for a quarantine station. As the distinguished junior Senator from Oregon knows, the bill provided that the State should pay the fair market value. That was a case, Mr. President, of the Government of the United States, by the

enactment of the bill, divesting itself completely of all title or claim to the property, of the State of California acquiring title to the property, and under the terms of the bill the State of California will be able to use it as the owner in fee simple.

While I am not thoroughly acquainted with all the background of the pending bill, Mr. President, an entirely different situation is involved. In this case the Department of Agriculture acquired property in the State of California to be utilized for certain experimental purposes, in the public interest. Now, by reason of the budgetary situation, it has seen fit not to ask for a continuance of appropriations to carry on the type of experiments which were being conducted there. So, Mr. President, under all the circumstances, the Department of Agriculture has suggested to a great public educational institution that it take over the land and the equipment and continue to pay for the type of experimental work for which the people of the United States heretofore have been paying.

I respectfully say that when my able and distinguished colleague from Oregon states that we are considering giveaway legislation, he is wrong. I make the contrast between the bill which we passed an hour ago, which provided for full compensation to be paid by the people of California, and this particular bill which provides that during the time the State government, acting through the State university, does the work for which the people of the Nation heretofore have been paying, it may use that property, and when it stops doing that work or refuses to continue doing it, the property shall revert to the people of the United States. There is no reason why anyone should object to this proposed legislation.

Mr. MORSE. Mr. President, I am not proposing that the University of California should pay 50 percent of the appraised fair market value of this property in fee simple. I am proposing that it pay 50 percent of the appraised fair market value of the property, including a reversionary clause.

Mr. President, many pieces of property are transferred commercially every day with various reversionary clauses attached to them, but they have tremendous value. This piece of property will cost the University of California less with reversionary clause attached to it than with the fee simple clause attached to it. I am not sure it would be good business to sell this piece of property for experimental purposes even with the reversionary clause attached to it, because, in my judgment, one of the holes in the argument of the Senator from California is that to all intents and purposes this property has not been an effective experiment station since 1933. It has been allowed to deteriorate since 1933. The Department of Agriculture has not been conducting scientifically controlled experiments there, I am advised, for the past 18 years. So it is not a case of a going experiment station being transferred to the State of California. It is a piece of very valuable agricultural land that is being given to the University with a reversionary clause attached to it. All I am saying is that the same principle should apply as applies to a leasehold interest.

Suppose there were before us a proposal for some Government agency to lease a piece of Federal property—because we are not transferring fee-simple title—does the Senator from California take the position that we should give them the lease without cost? Of course not. We charge them 50 percent of the appraised fair market value of the leasehold interest. I am proposing that we charge them 50 percent of the appraised fair market value of this land with the reversionary clause attached. Why? Because it is property which all the taxpayers of the Nation own. I see no reason why we should make a donation to the University of California simply because some who are interested in the grape industry, or particularly some interested in making wine would like to have some experiments continue.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment, the question is on the third reading of the bill.

The bill was ordered to a third reading and was read the third time.

Mr. MORSE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Flanders	Martin
Barrett	Fulbright	Maybank
Beall	George	Morse
Bennett	Gillette	Russell
Bridges	Gore	Saltonstall
Burke	Hayden	Smith, N. J.
Bush	Hendrickson	Stennis
Butler, Md.	Hill	Upton
Capehart	Holland	Watkins
Clements	Johnson, Tex.	Wiley
Cordon	Kennedy	Williams
Daniel	Knowland	Young
Ellender	Kuchel	
Ervin	Mansfield	

Mr. SALTONSTALL. I announce that the Senator from Kentucky [Mr. COOPER], the Senator from Arizona [Mr. GOLDWATER], and the Senator from North Dakota [Mr. LANGER] are necessarily absent.

Mr. CLEMENTS. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Tennessee [Mr. KEFAUVER], the Senator from North Carolina [Mr. LENNON], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Wyoming [Mr. HUNT] is necessarily absent.

The PRESIDING OFFICER (Mr. BENNETT in the chair). A quorum is not present.

Mr. KNOWLAND. Mr. President, I move the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms is instructed to execute the order of the Senate.

After a little delay, Mrs. BOWRING, Mr. BRICKER, Mr. BUTLER of Nebraska, Mr. BYRD, Mr. CARLSON, Mr. CASE, Mr. DIRKSEN, Mr. DOUGLAS, Mr. DUFF, Mr. DWORSHAK, Mr. EASTLAND, Mr. FERGUSON, Mr. FREAR, Mr. GREEN, Mr. HENNINGS, Mr. HICKENLOOPER, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. JENNER, Mr. JOHNSON of Colorado, Mr. JOHNSTON of South Carolina, Mr. KERR, Mr. KILGORE, Mr. LEHMAN, Mr. LONG, Mr. MAGNUSON, Mr. MALONE, Mr. MCCARRAN, Mr. MCCARTHY, Mr. MCCLELLAN, Mr. MILLIKIN, Mr. MONRONEY, Mr. MUNDT, Mr. MURRAY, Mr. NEELY, Mr. PASTORE, Mr. PAYNE, Mr. POTTER, Mr. PURTELL, Mr. ROBERTSON, Mr. SCHOEPPEL, Mrs. SMITH of Maine, Mr. SPARKMAN, Mr. SYMINGTON, Mr. THYE, and Mr. WELKER entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

House bill 3097 having been read the third time, the question is, Shall it pass?

Mr. MORSE. Mr. President, on this question I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is, Shall the bill (H. R. 3097) pass? [Putting the question.]

The "ayes" seem to have it.

Mr. MORSE. Mr. President, I ask for a division.

On a division, the bill was passed.

TRANSPORTATION OF WATERBORNE CARGOES

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1597, Senate bill 3233, to amend the Merchant Marine Act, 1936, to provide permanent legislation for the transportation of a substantial portion of waterborne cargoes in United States-flag vessels.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 3233) to amend the Merchant Marine Act, 1936, to provide permanent legislation for the transportation of a substantial portion of waterborne cargoes in United States-flag vessels, which had been reported from the Committee on Interstate and Foreign Commerce with amendments.

Mr. BUTLER of Maryland. Mr. President, the bill was discussed at some length during the call of the calendar. At that time only one objection was made to the bill. It was suggested by the Senator from Delaware [Mr. WILLIAMS], the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Tennessee [Mr. GORE] that on page 2, line 12, the word "market" inserted by the committee be stricken, and that the words "fair and reasonable", originally a part of the bill, be reinstated. I am willing to accept that amendment or rather I ask the Senate to disagree to the committee amendment. Unless there is further question on the bill, I ask that the bill be passed.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. BUTLER of Maryland. I am very happy to yield to my friend from Oklahoma.

Mr. MONRONEY. As the senior Senator from Maryland knows, in the Committee on Interstate and Foreign Commerce I raised a question regarding the

bill and voted against it in committee. I am constrained to believe in the principle of the bill and in what it seeks to accomplish in the development of a strong merchant marine. I believe that American bottoms should carry a fair share of the commerce which is originated with public dollars. However, as the senior Senator from Maryland well knows, my fear was that in supplying arms to various allies around the world the bill might be interpreted as requiring the transportation in American bottoms of 50 percent of such arms in transshipment to the trouble spots of the world, which might require gun running on the part of our merchant marine in very dangerous spots, or might throw an unusual burden on our taxpayers, because, for example, France might find it necessary to divert to Indochina arms which we had supplied her under mutual security pacts.

Mr. BUTLER of Maryland. First, let me say that I appreciate the concern of the Senator from Oklahoma, but there is nothing in the bill which would require any country which receives aid from America to transship such materials in American bottoms.

Mr. MONRONEY. If we consider shipment to the original destination as being the first shipment, subsequent transshipments to points of hostility or danger would not necessarily bring into operation the proposed law.

Mr. BUTLER of Maryland. That is correct. It is not the purpose of the bill and it does not extend to any transshipments of material.

Mr. MONRONEY. I appreciate the Senator's statement. It relieves a great many of the fears which I have entertained.

There is a hypothetical question which continues to arise in my mind. For example, suppose we were to give to France 100 combat pursuit planes. Obviously it would be more economical for France to pick the planes up with an aircraft carrier or other vessel and transport them, assembled, in her own bottoms and with her fighting ships, to Indochina or other trouble spots in the world. As I understood the explanation of the senior Senator from Maryland in committee, that could still be done under the provisions of the bill.

Mr. BUTLER of Maryland. It could be done under two provisions of the bill. First, the bill requires that only 50 percent of the cargoes referred to be shipped in American bottoms, so the aircraft the Senator speaks of could be allocated to the 50 percent which need not be shipped in American bottoms.

And second, if at any time the Congress were to declare an emergency, or if there should be a declaration of war, or if the President or the Secretary of Defense should declare an emergency the provisions of the bill could be waived. The bill allows a certain degree of flexibility and in such case all cargoes could be taken out from under its coverage.

Mr. MONRONEY. I would feel far more comfortable if the bill were written so that it would exempt supplies shipped under Presidential directive in case of emergencies which may not be considered serious enough to justify the declaration of a nationwide emergency.

I am in sympathy with the furnishing of peacetime supplies, such as foodstuffs and other things, and of requiring that 50 percent of such supplies be shipped in American bottoms. However, the time might come when our national interest in getting arms into the hands of our allies might be very great, but we might find that the requirement of shipment in American vessels would mean the difference between our allies accepting such shipments and rejecting them.

Mr. BUTLER of Maryland. I invite the Senator's attention to the language of the bill beginning in line 5 on page 3, reading as follows:

> *Provided*, That the provisions of this subsection may be waived whenever the Congress by concurrent resolution or otherwise, or the President of the United States or the Secretary of Defense declares that an emergency exists justifying a temporary waiver of the provisions of section 901 (b) and so notifies the appropriate agency or agencies.

Let me make one point clear. I do not wish to make legislative history in connection with the bill which will water down its provisions to the extent of allowing the various agencies, under a pretext, to get out from under its plain and clear provisions.

We have put in the bill provisions flexible enough to take care of all the fears which the Senator now entertains. Certainly the Congress, the President, or the Secretary of Defense could, by the declaration of an emergency, see to it that cargoes which are needed to defend ourselves and our allies would not be interfered with but such proviso is not intended to interfere in its normal operation.

Mr. MONRONEY. Mr. President, will the Senator yield for one further question?

Mr. BUTLER of Maryland. I yield.

Mr. MONRONEY. Could such action be taken by the Secretary of Defense and/or the President, without the enactment of Congress of any measure declaring an emergency to exist?

Mr. BUTLER of Maryland. I think the wording of the bill is plain. It could be done by the Congress, by the President, or by the Secretary of Defense.

Mr. MONRONEY. And any of the three departments would have the right, in case of emergency, to waive the 50 percent requirement in the event such department declared a national emergency to exist?

Mr. BUTLER of Maryland. That is correct. The essence of the bill, I may say to the Senator from Oklahoma, is that the appropriate agency or agencies shall take such steps as may be reasonable and practicable to assure that at least 50 percent of the gross tonnage of the equipment, material, and so forth, referred to in the bill is carried in American-flag ships, but the provisions of the bill are not so stringent as to prevent the Congress, the President, or the Secretary of State from waiving such requirements if an emergency should require it.

Mr. MONRONEY. I will say to the Senator from Maryland that that answers most of the fears I have entertained regarding military exigencies.

Mr. BUTLER of Maryland. Since representatives of the Department of Defense and the FAO appeared before our committee we have made changes in the bill which, I believe, meet in large part all of the opposition to the bill raised by such agencies. I believe that the bill, as it is now written, is for all practicable purposes acceptable to those departments.

CHAIRMANSHIP OF COMMITTEE ON GOVERNMENT OPERATIONS

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. BUTLER of Maryland. I yield.

Mr. KNOWLAND. Mr. President, I should like to ask the distinguished Senator from Vermont [Mr. FLANDERS] if he does not believe that, in the orderly procedures of the Senate, it might be well, if the Senator were so inclined, to have the motion which he entered last Friday, which was later reduced to writing in the form of a resolution, referred to the Committee on Rules and Administration. I refer to Senate Resolution 261.

Mr. FLANDERS. I will say to the distinguished majority leader that it is perfectly acceptable to me that that should be done, or that it should be handled in any other regular way.

However, I am concerned, as I am sure he knows, with two factors relating to the timing of the motion. One is that it shall not be delayed so long that it will not be possible to bring it before the Senate for consideration before adjournment, with a reasonable time for discussion.

The other is that I think it is only fair to the junior Senator from Wisconsin that he have time to clear himself of what I conceive to be the position of contempt in which he now finds himself.

The two considerations would lead me to say that the matter should come before the Senate not later than the middle of July. In the event that there were a delay in the consideration of the motion in committee and in reporting it favorably or unfavorably, I would feel it necessary to enter a substitute motion in the Senate at about the time specified.

In addition I may say that not only could the time be usefully spent by the Senator from Wisconsin in purging himself of the contempt in which he appears to hold the Senate, but also that time might well be spent by the people of the United States in giving some thought to the question of whether a fifth-amendment Communist can, under any circumstances, in any conceivable way, by any conceivable person, find its parallel in a fifth-amendment Senator.

Mr. MORSE. Mr. President, will the Senator from Vermont yield?

Mr. FLANDERS. I yield.

Mr. MORSE. The Senator states that he believes action ought to be taken not later than the 15th day of July. Does he believe that action ought to be

taken earlier if, before the 15th day of July, a request is made to the Senate for more funds with which to carry on investigations by this particular committee?

Mr. FLANDERS. I know what my action would be in that case. It would be most unfavorable. I shall be prepared to speak on that subject.

Mr. MORSE. Does the Senator mean that if a request for more funds for investigations is made by the committee before July 15, the Senator would then move his substitute motion?

Mr. FLANDERS. I think I would speak to the motion with respect to funds at that time, but I would adduce the same arguments that I would to my original motion.

Mr. MORSE. I wish to say that I think we ought to get the matter behind us. I believe we ought to hear the pros and cons on the Senator's motion before we are asked for any new funds by this committee, because it may be that the whole jurisdiction of the committee ought to be transferred to some other committee. I say that because the Senate certainly has established the precedent that it has the right to elect to committees whomsoever it pleases. Having the right to so elect, I believe the Senate also has the right to remove from committees whomsoever it pleases. It also has the right, I may respectfully say, to transfer the jurisdiction of committees. I am not so sure but that we are not confronted with a situation in which, in connection with the Senator's motion, we ought to raise the whole question of whether the jurisdiction of the Committee on Government Operations—which does not seem to be a very happy family these days—ought to be transferred to other committees for the good of the objectives of fair investigations.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. FLANDERS. I should like to reply first to the Senator from Oregon. I am inclined by nature to stick to simple things. It seems to me that we have two questions raised here. One is the question of funds, and the other is the question of the consideration of the motion. Personally I do not want to consider more than one question at a time. When the request for funds comes to the Senate, the Senator from Oregon may depend on it that I will give it very deep and thorough consideration.

Mr. MONRONEY and Mr. MORSE addressed the Chair.

The VICE PRESIDENT. Does the Senator yield; if so, to whom?

Mr. FLANDERS. Perhaps if the Senator from Oklahoma will be patient I shall yield again to the Senator from Oregon.

Mr. BUTLER of Maryland. Mr. President, I believe I have the floor.

Mr. FLANDERS. Will the Senator from Maryland yield for a unanimous-consent request?

Mr. BUTLER of Maryland. Mr. President, I yield the floor.

Mr. MORSE. Mr. President, I wish to say to my friend from Vermont that I am very much interested in his apparent definition of simplicity. I do not consider his original motion very simple. I believe we ought to go into it in great detail. In respect to the question of the committee asking for more funds I do not see how we can take action on a request for more funds and still have the Senator's motion pending. I believe the two questions must be considered at the same time.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. KNOWLAND. I believe I am correct in saying that of the funds that were provided for the committee approximately $130,000 remains. I doubt if the committee will come before the Senate with a request for additional funds. However, if the committee should come to the Senate with such a request no Senator would be foreclosed from making such statement or taking such position at that time as he might deem advisable in the premises.

Mr. FLANDERS. I may say to the Senator from California that I am glad to get that information. He was able to get it, and I was unable to get it, being a simple Senator.

Mr. MONRONEY. Mr. President, will the Senator from Vermont yield for a parliamentary inquiry?

Mr. FLANDERS. I yield.

Mr. MONRONEY. I should like to address a parliamentary inquiry to the President of the Senate. As I understand the situation, the motion of the distinguished Senator from Vermont, as it now stands before the Senate, lying upon the table, may be called up at any time by any Senator, and by a majority vote of the Senate brought to the floor of the Senate without reference to any committee. Is that a correct interpretation of the parliamentary situation?

The VICE PRESIDENT. The Senator from Oklahoma is correct in stating the parliamentary situation.

Mr. MONRONEY. If the resolution is now referred to the Committee on Rules and Administration, as has been requested by the majority leader, the resolution will be left in the Committee on Rules and Administration and will not come before the Senate unless it is favorably reported by a majority of the members of the Committee on Rules and Administration. Is that a correct statement?

Mr. KNOWLAND. Mr. President, if the Senator from Vermont will yield to me, I do not believe that is the parliamentary situation exactly, because the Committee on Rules and Administration would be subject to a motion to discharge it from further consideration of the resolution.

Mr. MONRONEY. I was coming to that part of my question.

Mr. KNOWLAND. Or the resolution could be unfavorably reported, or a new motion could be entered at some future date. Therefore the rights of the distinguished Senator from Vermont will not be foreclosed in any one of several courses of action that he may deem advisable to take.

Mr. MONRONEY. Mr. President, will the Senator yield further?

Mr. FLANDERS. I yield.

Mr. MONRONEY. The third point of my parliamentary inquiry is along the line just mentioned by the distinguished majority leader. In order to discharge the Committee on Rules and Administration, if it failed to report the resolution by the 15th day of July, which is the deadline assumed by the Senator from Vermont——

Mr. MORSE. The target date.

Mr. MONRONEY. The target date. The process by which the resolution could be brought to the floor would be to move, on any day during the morning hour, to discharge of the Committee on Rules and Administration from the further consideration of the resolution, and, if that motion were agreed to the resolution would lie on the table for one legislative day, which could mean 10 or 12 or 30 days, if the Senate did not adjourn, but recessed from day to day.

I am wondering, if the distinguished Senator from Vermont permits the resolution to be referred to the Committee on Rules and Administration, instead of leaving it on the table, whether a substitute motion could be made to accomplish the same end which would be accomplished by the original motion which the Senator from Vermont submitted a few days ago, and whether such a substitute motion could reach the Senate de novo and be brought directly to the Senate floor by a majority vote of the Senate.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. KNOWLAND. In answer to a part of the question of the Senator from Oklahoma; let me say that he is familiar with the fact that a majority of the Senate can determine whether the Senate shall take a recess or an adjournment, and even though the majority leader, whoever he may be, should, for the purpose of preventing action being taken, move from day to day to recess rather to adjourn, a motion could be made to adjourn the Senate, so that the possibility which the Senator mentions could not take place if a majority of the Senate determined otherwise.

Mr. MONRONEY. That would mean, however, overturning the majority leadership.

Mr. KNOWLAND. The majority leader has been overturned before.

Mr. MONRONEY. On very few occasions.

Mr. FLANDERS. Mr. President, I should like to make a parliamentary inquiry which relates to the third question raised by the Senator from Oklahoma. I had been assuming that I could make the motion de novo, perhaps changing the punctuation or changing a word here and there, so as to retain the sense. I should like to know whether that is correct.

The VICE PRESIDENT. Provided the Senator made a modification which was substantial in character, he could make a new motion.

Mr. FLANDERS. Mr. President, this proposition is becoming a little less

attractive to me than it was. As I say, I thought it was a simple motion, and, being a simple man, it rather appealed to me. It now appears that control of the situation seems to lie in the ability of a majority of the Senate to adjourn instead of to take a recess.

Mr. President, I am inclined to let it lie there. I think the decision of the majority of the Senate to adjourn rather than to recess is as valid as is the decision of the majority of the Senate on various other ways of handling this question.

May I inquire whether it will now take a unanimous-consent agreement to permit the motion made by me to be sent to the committee? Does that require a unanimous-consent agreement, or can it go automatically?

The VICE PRESIDENT. The Senator is inquiring——

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KNOWLAND. Is it not correct that the motion of the Senator from Vermont could either go to the committee by unanimous consent or could go to the committee by motion?

The VICE PRESIDENT. That is correct.

Mr. FLANDERS. Mr. President, I move that it be sent to the committee. But I do not want anyone to forget the purposes either of the Senator in question or the country, which might require a little time.

The VICE PRESIDENT. The Senator from Vermont could move to consider the motion.

Mr. FLANDERS. I wish someone would put those words into my mouth, because I am a simple man and do not understand——

Mr. KNOWLAND. Mr. President, will the Senator from Vermont yield?

Mr. FLANDERS. I yield.

Mr. KNOWLAND. I think, under the parliamentary situation, if the Senator determines to follow the procedure he has outlined, his first motion should be that the Senate proceed to the consideration of his motion, and, following that, to move to refer the motion to the Committee on Rules and Administration.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. MAGNUSON. Is our merchant marine sunk, or what has happened to it? [Laughter.]

Mr. KNOWLAND. The Senate will resume the consideration of the bill to which the Senator from Washington has reference.

Mr. FLANDERS. Mr. President, I move that the pending business be temporarily laid aside——

The VICE PRESIDENT. The Senator can make a simple motion.

Mr. FLANDERS. Good. I move that the Senate consider the motion which now lies on the table with reference to the committee assignments of the junior Senator from Wisconsin.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Vermont.

Mr. MORSE. Mr. President, a parliamentary inquiry. I have two parliamentary inquiries.

The VICE PRESIDENT. The Senator will state them.

Mr. MORSE. First, Mr. President, does the Senate have authority to adopt an order stopping the expenditure of funds by any committee pending some future action by the Senate?

The VICE PRESIDENT. The Senate could adopt a resolution to that effect.

Mr. MORSE. The second parliamentary inquiry is this: Does the Senate have authority to transfer to another committee funds already appropriated or granted to a given committee, along with a transfer of jurisdiction to investigate some particular subject matter?

The VICE PRESIDENT. The Senate controls its committees and its organization, and a resolution introduced to accomplish those purposes could be considered.

Mr. MORSE. That was my opinion, but I wanted to make it a matter of record.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Vermont.

Does the Senator desire to be heard further on his motion?

Mr. FLANDERS. No, Mr. President.

The VICE PRESIDENT. [Putting the question.] The ayes have it, and the motion is agreed to.

Mr. FLANDERS. Mr. President, I now move that the motion in question be referred to the Committee on Rules and Administration.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Vermont.

The motion was agreed to.

REGULATION OF PRACTICE OF HEALING ART IN THE DISTRICT OF COLUMBIA—REENROLLMENT AND CORRECTION OF BILL

Mr. KNOWLAND. Mr. President, I submit a concurrent resolution about which I have already consulted the minority leader.

Mr. MAGNUSON. Mr. President——

Mr. KNOWLAND. Mr. President, I told the Senator from Washington that we would return to the bill in which he is interested.

Mr. MAGNUSON. I did not want to get on the shoals. [Laughter.]

Mr. KNOWLAND. Mr. President, I submit a concurrent resolution and ask for its immediate consideration.

The VICE PRESIDENT. The clerk will read the concurrent resolution.

The legislative clerk read the concurrent resolution (S. Con. Res. 87), as follows:

Resolved by the Senate (the House of Representatives concurring), That the action of the Speaker of the House of Representatives in signing the enrolled bill (S. 2657) to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," be, and the same is hereby, rescinded; and that the Secretary of the Senate be, and he is hereby, authorized and directed to reenroll the bill with the following change, namely: On page 2, line 6, after the word "or", insert the word "by."

The VICE PRESIDENT. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the concurrent resolution (S. Con. Res. 87) was considered and agreed to.

TRANSPORTATION OF WATERBORNE CARGOES

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KNOWLAND. Is the pending business Calendar 1597, Senate bill 3233, to amend the Merchant Marine Act of 1936 to provide permanent legislation for the transportation of a substantial portion of waterborne cargoes in United States flag vessels?

The VICE PRESIDENT. The Senator is correct.

EXPLANATION OF NEW REGULATIONS GOVERNING COUNTY AND COMMUNITY AGRICULTURAL STABILIZATION AND CONSERVATION COMMITTEES

Mr. AIKEN. Mr. President, earlier today the Secretary of Agriculture made certain changes in regulations governing county and community agricultural stabilization and conservation committees. I should like to take a few minutes to discuss the changes. However, before doing so, I wish to review very briefly the origin and development of the farmer committee system over the past 21 years.

The farmer committee system is comprised of over 90,000 farmers serving on about 48 State, 3,000 county, and 29,000 community appointed and elected committees. It was developed for the purpose of administering the provisions of the Agricultural Adjustment Act of 1933. There were several reasons which prompted its origin: First, it was believed that farmers, if they were responsible for local administration, would be more apt to accept the then unprecedented regulation of their farming operations, which the Agricultural Adjustment Act of 1933 necessitated; second, it would avoid the development of a large bureaucracy; third, it would reduce administrative expenses; and fourth, it would supply vitality to administration by drawing the clientele served into the administrative processes. In most cases, however, county committeemen have never carried on the day-to-day administrative work as the originators of the system intended. I should like to explain this statement in some detail, for it is basic to an understanding of why these new changes in the Secretary's regulations governing county and community committees are being made.

The problem of establishing an administrative organization capable of operating the program was of immediate importance for the act passed the Congress on May 12, 1933, at a time when crop plantings were completed or in advanced stages. The responsibility of getting the program underway in the counties was given to State agricultural

extension services which had county agents in over two-thirds of the counties in the United States. This agency at the county level remained the nucleus of the farmer committee system until 1942.

While farmer administrative experience, on a large enough scale, was almost nonexistent, the county agent not only was generally respected and trusted by farmers, but was administratively capable of directing the execution of the necessary and detailed paper work involved. The county agent, in most cases, therefore, served as a full-time administrative officer responsible for daily program administration, while the board of directors of the county production control association, and later the county agricultural conservation association, determined policy matters.

In 1942, the county agent, by and large, was relieved of responsibility for daily program administration. County committees then were faced with the problem of either handling daily program administration themselves, or of filling the void left by the withdrawal of the county agent. Soon after this, the difficulties to which day-to-day administration by committee gives rise led to the practical abdication of this function by most county committees. This is substantiated by the fact that as of January 20, 1953, when the present administration came into office, county committees were serving full time in only 13 percent of our agricultural counties. In the other 87 percent, the county committees had by that time hired an agent to carry out its policies. This agent has been known by various titles such as county office manager, chief clerk, county administrative officer, and so forth.

Upon taking office, Secretary Benson appointed a committee to study the farmer committee system for the purpose of suggesting changes in the regulations governing their operations which would result in: first, better and stronger county committees, and, second, more efficient administration. The new regulations issued March 20, 1953, accomplished this by giving formal recognition to the grassroots experience gained by the overwhelming majority of county committees over the past 20 years.

Mr. President, I ask unanimous consent to have the regulations printed at this point in the RECORD.

There being no objection, the regulations were ordered to be printed in the RECORD, as follows:

EXHIBIT I

REGULATIONS OF THE SECRETARY OF AGRICULTURE GOVERNING PMA COUNTY AND COMMUNITY COMMITTEES

(The following regulations appear in the Federal Register of March 26, 1953 (18 F. R. 1699):)

TITLE 7, AGRICULTURE; CHAPTER VII, PRODUCTION AND MARKETING ADMINISTRATION (AGRICULTURAL ADJUSTMENT), DEPARTMENT OF AGRICULTURE; PART 713, COUNTY AND COMMUNITY COMMITTEES; SUBPART, REGULATIONS PERTAINING TO THE SELECTION AND FUNCTIONS OF PRODUCTION AND MARKETING ADMINISTRATION COUNTY AND COMMUNITY COMMITTEES

By virtue of the authority vested in the Secretary of Agriculture by the Soil Conservation and Domestic Allotment Act, as amended, these regulations are hereby made, prescribed, and published, to be effective upon publication in the Federal Register and to supersede the regulations contained in sections 713.1 to 713.41 (14 F. R. 5916; 15 F. R. 4262; 16 F. R. 6998; 17 F. R. 5057, 5689, 9687; 18 F. R. 925) and shall be in force and effect until amended or superseded by regulations hereafter made.

Names of committees

SEC. 713.1. Local or community committee: The local committee elected under the provisions of the regulations in this subpart shall be known as the Production and Marketing Administration Community Committee, referred to in this subpart as the "community committee."

SEC. 713.2. County committee: The county committee elected under the provisions of the regulations in this subpart shall be known as the Production and Marketing Administration County Committee, referred to in this subpart as the "county committee."

Purpose of committees

SEC. 713.3. Purpose: The purpose of the county committee shall be to administer, through community committeemen and other personnel responsible to the county committee, and in accordance with applicable laws, regulations, and official instructions, the provisions of sections 7 to 17 inclusive of the Soil Conservation and Domestic Allotment Act, the Agricultural Adjustment Act of 1938, the Federal Crop Insurance Act, the Sugar Act of 1948, and any amendments to such acts, and such other acts of Congress as the Secretary of Agriculture or the Congress may designate. The county and community committees shall not engage in any other activity.

Selection of committees

SEC. 713.4. Method: County and community committees shall be elected by farmers in accordance with the provisions of the regulations in this subpart.

SEC. 713.5. Who may vote for committeemen and delegates: Any farmer who is of legal voting age and who has an interest in a farm as owner, tenant, or sharecropper and any farmer not of legal voting age who is in charge of the supervision and conduct of the farming operations on the entire farm shall be eligible to vote for committeemen and delegates in the community in which he has such an interest if:

(a) A payment or grant of conservation materials or services is or will be made with respect to the farm under the current agricultural conservation program, or there is being carried out on the farm one or more of the current program practices appoved for the State by the State production and marketing administration committee, referred to in this subpart as the "State committee";

(b) Such farmer is eligible for a cooperator's loan or other price support;

(c) Such farmer is eligible for a payment under the Sugar Act program; or

(d) Such farmer has a crop insurance contract with the Federal Crop Insurance Corporation.

In any State having community property law, the spouse of a farmer who is eligible to vote under the foregoing provisions shall also be eligible to vote.

SEC. 713.6. Restrictions on voting: Each eligible voter shall be entitled to only one vote on any one ballot in any election held in any one community or in the county convention. If the eligible voter has an interest in a farm in more than one community in the county, such voter shall not be entitled to vote in more than one such community in the county. There shall be no voting by proxy.

SEC. 713.7. Determination of elective areas: Each county shall be divided into local administrative areas, referred to in this subpart as "communities." The term "county" in the Territory of Alaska shall be the area so designated by the State committee. The boundaries of the communities shall be fixed by the State committee after considering any recommendations by the county committee. No such community shall include more than one county or parts of different counties.

SEC. 713.8. Calling of elections: Each election of farmers to the county or community committee shall be held on a date or within a period of time and at a place fixed by the State committee which will afford full opportunity for participation therein by all persons eligible to vote. Each such election shall be held in accordance with detailed instructions issued by the Assistant Administrator for Production of the Production and Marketing Administration, referred to in this subpart as the "Assistant Administrator." If the number of eligible farmers voting in any election of community committeemen is so small that the State committee determines that the result of the election does not represent the views of a majority of the farmers who were eligible to vote in such election, it shall declare the election void and call a new election.

SEC. 713.9. Election of the community committee: The farmers in the community who are eligible to vote in such community shall elect annually a community committee. The community committee shall be composed of 3 members, 1 of whom shall be elected as chairman and 1 of whom shall be elected as vice chairman. First and second alternates to the community committee shall also be elected to serve as acting members of the community committee in the order elected in case of the temporary absence of a member, or to become a member of the community committee in the order elected in case of the resignation, disqualification, removal, or death of a member. An acting member of the community committee shall have the same duties and the same authority as a member. Failure to elect the prescribed number of alternates at the regular election shall not invalidate such election or require a special election to elect additional alternates.

SEC. 713.10. Election of delegate to the county convention: (a) Except in any county in which there is only one community, the farmers in the community who are eligible to vote in such community shall elect annually at the community committee election a delegate to a county convention and an alternate to serve as acting delegate in case of the temporary absence of the delegate, or to become the delegate in case of the resignation, disqualification, removal, or death of the delegate. An acting delegate shall have the same duties and the same authorities as a delegate.

(b) In any county in which there is only one community, the community committee shall be the county committee.

SEC. 713.11. Election of the county committee: (a) The delegates elected pursuant to section 713.10 shall meet in a convention held before the close of the same calendar year in which they were elected to elect the county committee for the county. A majority of the delegates so elected and qualified to vote at the time of the convention shall constitute a quorum. A county committee of three members shall be elected, with one member elected as chairman and another member as vice chairman. At the same convention the delegates shall also elect first and second alternates to the county committee to serve as acting members of the county committee in the order elected in the case of the temporary absence of a member, or to become a member of the county committee in the order elected in case of the resignation, disqualification, removal, or death of any member of the county committee. An acting member of the county committee shall have the same duties and authority as a member.

(b) If the county agricultural extension agent for the county is not elected secretary

to the county committee, he shall be ex officio a member of the county committee but shall not have the power to vote.

SEC. 713.12. Vacancies: (a) In case of a vacancy in the office of chairman of a county or community committee, the respective vice chairman shall become chairman; in case of a vacancy in the office of vice chairman, the respective third regular member shall become vice chairman; in case of a vacancy in the office of the third regular member, the respective first alternate shall become the third regular member; and in case of a vacancy in the office of the first alternate, the respective second alternate shall become the first alternate: *Provided*, That when unanimously recommended by the three members of the county committee as constituted under this paragraph or as constituted under this paragraph and paragraph (c) of this section, and approved by the State committee, the offices of chairman and vice chairman of the county committee may be filled from such membership without regard to the order of succession prescribed in this paragraph or the action of the delegates to the county convention.

(b) In case of a vacancy in the panel of delegates to the county convention, the respective alternates shall act as delegates.

(c) In the event that a vacancy, other than one caused by temporary absence, occurs in the membership of the county committee and no alternate is available to fill the vacancy, the State committee shall call a meeting of the delegates to the county convention to elect persons to fill such vacancies as exist in the membership of the county committee and in the panel of alternates, except as provided in section 713.28.

(d) In the event that a vacancy, other than one caused by temporary absence, occurs in the membership of the community committee and no alternate is available to fill the vacancy, the county committee shall cause an election to be held to fill such vacancies as exist in the membership and in the panel of alternates.

(e) In the event that a vacancy occurs in the panel of delegates to the county convention and the respective alternate is not available to fill the vacancy and a county convention has been called, the county committee shall cause elections to be held to fill such vacancies as exist in the panel of delegates and alternates.

Eligibility requirements

SEC. 713.13. County committeemen, community committeemen, and delegates: To be eligible to hold office as a county committeeman, a community committeeman, a delegate, or an alternate to any such office, a person must:

(a) Be eligible to vote in the county in which the election is held if a candidate for county committeeman, and in the community in which the election is held if a candidate for community committeeman or delegate to the county convention;

(b) Be residing in the county in which the election is held if a candidate for county committeeman, and residing in the community in which the election is held if a candidate for community committeeman or delegate to the county convention;

(c) Not be or not have been, during the current calendar year or the calendar year preceding the calendar year for which the county or community committee is elected to serve, engaged in political activity as defined in section 713.27; and

(d) Not have been removed for cause as county committeeman, community committeeman, delegate to the county convention, or alternate to any such office or employee of any county office, or not have been removed for cause from any public office, or not have been convicted of any fraud, larceny, embezzlement, or felony, unless any such disqualification is waived by the State committee.

SEC. 713.14. All other personnel: The county office personnel must:

(a) Not be or not have been, during the current calendar year or the calendar year preceding the calendar year for which the county or community committee is elected to serve, engaged in political activity as defined in section 713.27.

(b) Not have been removed for cause as county committeeman, community committeeman, delegate to the county convention, or alternate to any such office, or employee of any county office, or not have been removed for cause from any public office, or not have been convicted of any fraud, larceny, embezzlement, or felony, unless any such disqualification is waived by the State committee.

SEC. 713.15. Dual office—(a) County committee membership: A member of the county committee may not be at the same time:

(1) A member of a community committee in the same county;

(2) A delegate to his own county convention;

(3) The secretary to or the treasurer of a county committee;

(4) A member of the State committee; or

(5) County officer manager.

(b) Community committee membership. A member of the community committee may not be at the same time:

(1) A member of the county committee for the same county;

(2) The secretary to or the treasurer of a county committee;

(3) A member of the State committee; or

(4) County office manager.

(c) Delegate to the county convention. A delegate to the county convention may not be a member of the State committee.

Terms of office

SEC. 713.16. County and community committeemen: The terms of office of county and community committeemen and alternates to such offices shall begin on January 1 next after their election unless an earlier date is authorized by the State committee, but in no event shall a full term of office begin before August 1 of the year immediately preceding the calendar year for which the committeeman is elected to serve. A term of office shall continue for 12 months or until a successor has been elected and qualified.

SEC. 713.17. Delegates to the county convention: The terms of office of delegates and alternates to the county convention shall begin immediately upon their election and shall continue for 12 months or until their respective successors have been elected and qualified.

Duties

SEC. 713.18. County committee: The county committee, subject to the general direction and supervision of the State committee, acting through community committeemen and other personnel, shall be generally responsible for carrying out in the county the agricultural conservation program, the price support programs, the marketing quota programs, the crop insurance programs, and the sugar program formulated pursuant to the acts of Congress specified in section 713.3 and any other program assigned to it by the Secretary of Agriculture or the Congress. In so doing the committee shall:

(a) Provide, within budgetary limitations, necessary office space, equipment, supplies, and services to carry out their assigned responsibilities.

(b) Employ the county office manager subject to standards and qualifications furnished by the State committee;

(c) Fix the rate of compensation for all personnel in accordance with rate schedules approved by the State committee;

(d) Supervise and direct the activities of the community committees elected in the county;

(e) Pursuant to official instructions, review, approve, and certify forms, reports, and documents requiring such action under such instructions;

(f) Recommend to the State committee needed changes in boundaries of communities;

(g) Make available to farmers information concerning the objectives and operations of the programs administered by the county committee;

(h) Make available to agencies of the Federal Government and others information with respect to county committee activities in accordance with instructions issued by the Assistant Administrator;

(i) Give public notice of the designation and boundaries of each community within the county not less than 10 days prior to the election of community committeemen and delegates;

(j) Give public notice at least 5 calendar days in advance of all meetings of participating farmers, all elections of community committeemen and delegates, and all conventions of delegates to elect county committeemen;

(k) Recommend to the State committee desirable changes in or additions to existing programs;

(l) Conduct such hearings and investigations as the State committee may request; and

(m) Perform such other duties as may be prescribed by the State committee.

SEC. 713.19. Chairman of the county committee: The chairman of the county committee shall preside at meetings of the county committee, certify such documents as may require his certification, and perform such other duties as may be prescribed by the State committee.

SEC. 713.20. Vice chairman of the county committee: The vice chairman of the county committee shall, in the absence of the chairman, serve as acting chairman of the county committee and in such capacity he shall perform such duties as would be performed by the chairman.

SEC. 713.21. County office manager: The county office manager shall:

(a) Execute the policies of the county committee and be responsible for the day-to-day operations of the county office;

(b) Select the personnel of the county office in accordance with standards and qualifications furnished by the State committee; and

(c) Receive, dispose of, and account for all funds, negotiable instruments, or property coming into the custody of the county committee.

SEC. 713.22. Community committee: The community committee shall:

(a) Assist the county committee in carrying out programs assigned to it;

(b) Inform farmers concerning the purposes and provisions of programs being administered in the county by the county committee;

(c) Assist in arranging for and conducting the necessary community meetings of participating farmers; and

(d) Perform such other duties as may be assigned to it by the county committee.

SEC. 713.23. Chairman of the community committee: The chairman of the community committee shall preside at meetings of the community committee, and perform such other duties as may be assigned to him by the county committee.

SEC. 713.24. Vice chairman of the community committee: The vice chairman of the community committee shall, in the absence of the chairman, serve as acting chairman of the community committee and in such capacity he shall perform such duties as would be performed by the chairman.

SEC. 713.25. Delegate to the county convention: The delegate shall meet with other delegates in a county convention at a time and place designated by the State committee

and elect county committeemen for the county.

Private business activity

SEC. 713.26. All personnel: No county committeeman, community committeeman, delegate, alternate to any such office, or any person employed in the county office shall at any time use such office or employment to promote any private business interest.

Political activity

SEC. 713.27. All personnel: (a) No person who is holding, or who during the current calendar year has held, a Federal, State, or major county office filled by an election held pursuant to law shall be eligible during such calendar year or the following calendar year to hold office as a county committeeman, community committeeman, delegate, or alternate to any such office or to employment in the county office.

(b) No person who is a candidate or who during the current calendar year has been a candidate for any Federal, State, or major county office filled by an election held pursuant to law shall be eligible during such calendar year or the following calendar year to hold office as a county committeeman, community committeeman, delegate, or alternate to any such officer or to employment in the county office.

(c) No person who is an officer or employee, or who during the current calendar year has been an officer or employee, of any political party or political organization shall be eligible during such calendar year or the following calendar year to hold office as a county committeeman, community committeeman, delegate, or alternate to any such office, or to employment in the county office.

(d) The tenure of office or employment of any county committeeman, community committeeman, delegate, or alternate to any such office, or any county office employee shall be automatically terminated as soon as any such person becomes ineligible for office or employment under the provisions of this section.

Removal from office or employment

SEC. 713.28. County and community committeemen: (a) Any member of the county or community committee or alternate to such office who becomes ineligible for office under the provisions of section 713.27 or who fails to perform the duties of his office or who is incompetent or commits, or attempts or conspires to commit, fraud, shall be removed by the State committee, or if it appears that he may be subject to such removal, he may be suspended by the State committee pending an investigation. The State committee may also suspend pending investigation or remove any county or community committeeman or alternate if such action appears to be necessary for the success of any program administered by the county committee.

(b) If because of an investigation there are no members or alternates available to serve on the county committee, the State committee shall designate a person to administer the programs in the county pending the exoneration or removal of those under investigation, and, if removed, pending the election of new county committee members and alternates. Any person named by the State committee in such capacity shall have full authority to perform all duties regularly performed by a duly elected county committee.

SEC. 713.29. Delegate to the county convention: Any delegate or alternate to the county convention who becomes ineligible for office under the provisions of section 713.27 or who fails to perform the duties of his office or who is incompetent or commits, or attempts or conspires to commit, fraud, shall be removed by the State committee.

SEC. 713.30. County office personnel: Any county office employee who becomes ineligible for employment under the provisions of section 713.27 or who fails to perform the duties of his employment or who is incompetent, or commits, or attempts or conspires to commit, fraud, shall be removed by the county committee. If the county committee fails to act promptly in any such case, the State committee shall remove the person involved. The State committee may also remove any county office employee, when in the opinion of the majority of the members of the State committee the conduct of such person adversely affects the administration of the programs in the county and the county committee has failed to act promptly in removing such person.

SEC. 713.31. Right of appeal: Any county or community committeeman, delegate, or county office employee who is removed from office or employment shall have the right of appeal to the State committee for review of the facts. Any person who on such review is cleared of charges shall not be considered ineligible for office or employment under the provisions of section 713.13 relating to persons removed for cause.

Leave

SEC. 713.32. Leave: The granting of annual and sick leave with pay to employees of a county office shall be optional with the county committee. The annual leave policy and the sick leave policy as determined by the county committee in accordance with these regulations shall be recorded in the permanent minutes of meetings of the county committee. Leave of absence with pay shall be granted only to a county office employee and shall not be granted to any member of the county committee or to any member of the community committee. The county committee shall provide for the maintenance in the county office of accurate employment and leave records, and shall make such records available, upon request, to the State PMA committee or the PMA Administrator or any representative of such committee or officer. If leave is granted, the regulations set forth in this section shall obtain:

(a) Annual leave: Leave of absence with pay shall not be granted until earned and shall be earned at the rate set by the county committee but not in excess of 1¼ days for each 20 days of service rendered. An employee may be credited on January 1 with any unused leave which may have been earned by him during the preceding year, provided that in no case shall the amount of leave so credited exceed 12 days. The amount of leave so credited may be used by the employee in addition to the leave earned by him during the year.

(b) Sick leave: Leave of absence with pay because of illness shall be earned at the rate set by the county committee but not in excess of 1 day for each 20 days of service rendered. Leave of absence with pay because of illness may at the discretion of the county committee be granted prior to its having been earned in an amount not to exceed 12 days during any 1 calendar year. Any leave which has been advanced shall be deducted from sick leave which may be earned at a later date. An employee may be credited on January 1 with any unused sick leave earned which may have been earned by him during the preceding years: *Provided*, That in no case shall the amount of leave so credited exceed 36 days.

Offices

SEC. 713.33. Location: The office of the county committee shall be located in a place selected by the county committee subject to the approval of the State committee. In selecting the location of the county office, consideration shall be given to convenience to farmers, accessibility to other Federal, State, and county agricultural agencies, adequacy of space and economy of operations.

SEC. 713.34. Use of county office: The space, clerical, mailing, or any other facility of the county office shall not be used in any way to support, assist, or oppose any political candidate or political party or for any private business interests or for any other purposes not authorized in section 713.3.

Custody and use of books, records, and documents

SEC. 713.35. Custody: All books, records, and documents used by the county committee in the administration of programs assigned to them by the Secretary of the Agriculture or the Congress shall be the property of the Production and Marketing Administration and shall be maintained in good order in the county office.

SEC. 713.36. Use. The books, records, and documents referred to herein shall be available for use:

(a) At all times to county committeemen, community committeemen, and employees of the county office in the performance of duties assigned to them under the regulations in this subpart:

(b) At any reasonable time to any participating farmer insofar as his interests under the programs administered by the county committee may be affected; and

(c) To any other person only in accordance with instructions issued by the Assistant Administrator.

Meetings

SEC. 713.37. When: Meetings of the county or community committee shall be called only when necessary to the successful administration of the programs.

SEC. 713.38. Call and notice: Meetings of the county committee or of any community committee may be called by the chairman or acting chairman of the county committee, the county office manager, or the State committee. Meetings of the community committee may also be called by the chairman of the community committee. Each committee member shall be properly notified of any meeting of his committee.

SEC. 713.39. Quorum: The presence of at least two members or acting members of any committee shall be required to constitute a quorum for the transaction of business by such committee.

SEC. 713.40. Records: Minutes of all meetings of the county committee and of participating farmers shall be kept and retained as permanent records by the county committee.

Deductions for county committee expenses

SEC. 713.41. Deductions and notice: (a) All or such part, as the Secretary of Agriculture may prescribe, of the estimated administrative expenses of the county committee may be deducted pro rata from any payments or loans made to farmers in connection with any program administered by the county committee.

(b) In each case where any administrative expenses are deducted, each farmer bearing his share of county committee expense shall be apprised of the amount and percentage deducted from his payment or loan under such programs on account of such administrative expenses.

Scope

SEC. 713.42. Applicability: The regulations in this subpart shall apply to continental United States and the Territory of Alaska.

Done at Washington, D. C., this 20th day of March 1953. Witness my hand and the seal of the Department of Agriculture.

[SEAL] EZRA TAFT BENSON,
Secretary of Agriculture.

Mr. AIKEN. Mr. President, these regulations standardized the entire administrative structure of the farmer committee system by requiring that all county committees operate as a policy-forming body, delegating the responsibility of executing its policies to an agent, called the county office manager,

hired by and responsible to the county committee. In other words, the county committee operates now as does the board of directors of a corporation which hires a general manager to execute its policies, or as does a county commission or city council which hires a county or city manager to carry out its policies.

There are several conditions or factors which lead to an early abandonment of daily administration by most county committees, which I believe are of significant interest to discuss in some detail:

First. By and large, county committeemen have not been trained to discharge responsibilities in business management and administration. For example, shortly before the time county agents were removed from the program this factor led a spokesman for the United States Department of Agriculture to observe that it was ridiculous "to assume that such involved administrative work can be carried on indefinitely by relying solely on the native sense of these committeemen" and that such a view "was counter to the best judgment of those who realize the complexities of the problem"—Carl Taeusch, Schools of Philosophy, Yearbook of Agriculture, 1940, page 1122. Shortly thereafter, the Department set up "schools of philosophy" to better equip farmers with the task necessary for administration. Little improvement apparently followed, however, for, as I have pointed out, by January 20, 1953, 87 percent of the counties had hired an agent to carry out its policies.

Second. Farmers are most busy with their own work at the very times—planting and harvest—when demands on their time for service as committeemen are also the greatest. Busy farmers cannot do two full-time jobs at once. And it has always been intended that committeemen would be active farmers elected by their neighbors.

Third. Good administrators trained in the techniques of business management are not generally secured by election. This is evidenced by the fact that an increasing number of States and cities are changing their laws and ordinances to provide (1) for the appointment of State and city auditors, treasurers, and engineers, and (2) the use of county and city managers.

Although county committeemen in general have not carried on daily administrative activities, they nevertheless have always had full responsibility for the local administration of the agricultural conservation, price support, and sugar programs, as well as the acreage-allotment and marketing-quota programs.

With this background firmly in mind, I would now like to analyze and explain to you the new changes in the regulations governing county and community committees which were announced today by the Secretary of Agriculture.

Mr. President, I ask unanimous consent to have the regulations printed at this point in the RECORD.

There being no objection, the regulations were ordered to be printed in the RECORD, as follows:

EXHIBIT II

REGULATIONS OF THE SECRETARY OF AGRICULTURE GOVERNING ASC COUNTY AND COMMUNITY COMMITTEES

TITLE 7, AGRICULTURE; SUBTITLE A, OFFICE OF THE SECRETARY; PART 7, AGRICULTURAL STABILIZATION AND CONSERVATION COMMITTEES; SUBPART—REGULATIONS RELATING TO THE SELECTION AND FUNCTIONS OF AGRICULTURAL STABILIZATION AND CONSERVATION COUNTY AND COMMUNITY COMMITTEES

By virtue of the authority vested in the Secretary of Agriculture by the Soil Conservation and Domestic Allotment Act of 1936, as amended, these regulations are hereby made, prescribed, and published to be effective upon publication in the Federal Register, except sections 7.15 and 7.17, relating to eligibility requirements, which shall be effective in each county beginning with the next regular election. They supersede all previous regulations relating to the selection and functions of county and community committees which have been published in part 713, chapter VII, title 7, and in part 7, subtitle A, title 7 of the Federal Register, and shall be in force and effect until amended or superseded by regulations hereafter made.

Names of committees

Sec.
7.1. Local or community committee.
7.2. County committee.

Purpose of committees

7.3. Purpose.

Selection of committees

7.4. Method.
7.5. Who may vote for committeemen and delegates.
7.6. Restrictions on voting.
7.7. Determination of elective areas.
7.8. Calling of elections.
7.9. County election boards.
7.10. Community election boards.
7.11. Election of community committee and delegate to the county convention.
7.12. Election of the county committee.
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7.14. Vacancies.

Eligibility requirements

7.15. County committeemen, community committeemen, delegates, and members of community election boards.
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7.21. Chairman of the county committee.
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Removal from office or employment

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7.39. When.
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7.41. Quorum.
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Deduction for county committee expenses

7.43. Deductions and notice.

Scope

7.44. Applicability.

(Authority: Sec. 4, 49 Stat. 164; 16 U. S. C. 590d. Interpret and apply 49 Stat. 1149, 52 Stat. 32, as amended; 16 U. S. C. 590h (b).)

Names of committees

SEC. 7.1. Local or community committee: The local committee elected under the provisions of the regulations in this subpart shall be known as the agricultural stabilization and conservation community committee, referred to in this subpart as the "community committee."

SEC. 7.2. County committee: The county committee elected under the provisions of the regulations in this subpart shall be known as the agricultural stabilization and conservation county committee, referred to in this subpart as the "county committee."

Purpose of committees

SEC. 7.3. Purpose: The purpose of the county committee shall be to direct the administration of sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act of 1936, the Agricultural Adjustment Act of 1938, the Sugar Act of 1948, and any amendments to such acts, and such other acts of Congress as the Secretary of Agriculture or the Congress may designate. This shall be done through community committeemen and other personnel responsible to the county committee, and in accordance with applicable laws, regulations, and official instructions. The county and community committees shall not engage in any other activity.

Selection of committees

SEC. 7.4. Method: County and community committees shall be elected by eligible voters in accordance with the provisions of the regulations in this subpart.

SEC. 7.5. Who may vote for committeemen and delegates: Any person who is of legal voting age and who has an interest in a farm as owner, tenant, or sharecropper and any person not of legal voting age who is in charge of the supervision and conduct of the farming operations on an entire farm shall be eligible to vote for committeemen and delegates in the community in which he has such an interest if:

(a) A payment or grant of conservation materials or services is or will be made with respect to the farm under the current agricultural conservation program or there is being carried out on the farm one or more of the current program practices approved for the State by the State agricultural stabilization and conservation committee, referred to in this subpart as the "State Committee";

(b) Such person is eligible for a cooperator's loan or other price support; or

(c) Such person is eligible for a payment under the Sugar Act program.

In any State having a community property law, the spouse of a person who is eligible to vote under the foregoing provisions shall also be eligible to vote.

SEC. 7.6. Restrictions on voting: Each eligible shall be entitled to only one vote on any one ballot in any election held in any one community or in the county convention. If the eligible voter has an interest in a farm

in more than one community in the county, such voter shall not be entitled to vote in more than one such community in the county. There shall be no voting by proxy.

SEC. 7.7. Determination of elective areas: Each county shall be divided into local administrative areas, referred to in this subpart as "communities." The term "county" in the Territory of Alaska shall be the area so designated by the State committee. The boundaries of the communities shall be fixed by the State committee after considering any recommendations by the county committee. No such community shall include more than one county or parts of different counties.

SEC. 7.8. Calling of elections: Each election of county or community committeemen shall be held on a date or within a period of time and at a place fixed by the State committee which will afford full opportunity for participation therein by all persons eligible to vote, provided that such date or period of time shall fall between July 1 and December 30 each year. Each such election shall be held in accordance with detailed instructions issued by the Deputy Administrator for Production Adjustment, Commodity Stabilization Service (herein called "Deputy Administrator"). If the number of eligible voters voting in any election of community committeemen is so small that the State committee determines that the result of the election does not represent the views of a substantial number of eligible voters, it shall declare the election void and call a new election.

SEC. 7.9. County election boards: In each county there shall be a county election board composed of the county agricultural extension agent, or in the absence of a county agricultural extension agent, the district agricultural extension agent, as chairman, the heads of the Soil Conservation Service and Farmers' Home Administration offices in the county (if any), and the county head of each general farm organization operating in the county. It shall be the duty of the county election board to select for each community in the county a community election board composed of three farmers other than the incumbent community and county committeemen and to select replacements for members of such boards who resign, become ineligible, or are otherwise unable to serve. One of the members of the community election board shall be designated chairman by the county election board.

SEC. 7.10. Community election boards: The community election board shall serve without compensation and shall be responsible for conducting the community committee election in accordance with instructions issued by the Deputy Administrator and shall serve as a nominating committee for the community when required.

SEC. 7.11. Election of community committee and delegate to the county convention: (a) The eligible voters in a community shall elect annually a community committee composed of three members and shall also elect first and second alternates to serve as acting members of the community committee in the order elected in case of the temporary absence of a member, or to become a member of the community committee in the order elected in case of the resignation, disqualification, removal, or death of a member. An acting member of the community committee shall have the same duties and the same authority as a member. Election shall be by secret ballot and by plurality vote, with each eligible voter having the option of writing in the names of candidates of his own choice. Except where there is only one community in the county, election as chairman and vice chairman of the community committee shall constitute, respectively, election as delegates and alternate delegate to the county convention.

(b) In any county where there is only one community, the community committee shall be the county committee. Failure to elect the prescribed number of alternates at the regular election shall not invalidate such election or require a special election to elect additional alternates.

(c) The community committee shall select a secretary who may be the county agricultural extension agent or an employee of the county office.

SEC. 7.12. Election of the county committee: (a) The delegates elected pursuant to section 7.11 shall meet in a convention held before the close of the same calendar year in which they were elected to elect the county committee for the county. A majority of the delegates so elected and qualified to vote at the time of the convention shall constitute a quorum. A county committee of 3 members shall be elected, with 1 elected as chairman, 1 elected as vice chairman, and 1 elected as regular member. At the same convention the delegates shall also elect first and second alternates to the county committee to serve as acting members of the county committee in the order elected in the case of the temporary absence of a member, or to become a member of the county committee in the order elected in case of the resignation, disqualification, removal, or death of any member of the county committee. An acting member of the county committee shall have the same duties and authority as a member.

(b) The county committee shall select a secretary who may be the county office manager or the county agricultural extension agent for the county. If the county agricultural extension agent is not selected secretary to the county committee, he shall be ex officio a member of the county committee but shall not have the power to vote.

SEC. 7.13. Tie votes: Tie votes in community committee elections may, at the discretion of the community election board and with the consent of the contestants, be settled by lot. In the county convention tie votes shall be broken by further balloting.

SEC. 7.14. Vacancies: (a) In case of a vacancy in the office of chairman of a county or community committee, the respective vice chairman shall become chairman; in case of a vacancy in the office of vice chairman, the respective third regular member shall become vice chairman; in case of a vacancy in the office of the third regular member, the respective first alternate shall become the third regular member; and in case of a vacancy in the office of the first alternate, the respective second alternate shall become the first alternate; provided that when unanimously recommended by the three members of the county committee as constituted under this paragraph or as constituted under this paragraph and paragraph (c) of this section, and approved by the State committee, the offices of chairman and vice chairman of the county committee may be filled from such membership without regard to the order of succession prescribed in this paragraph or the action of the delegates to the county convention.

(b) In case of a vacancy in the panel of delegates to the county convention, the respective alternates shall act as delegates.

(c) In the event that a vacancy, other than one caused by temporary absence occurs in the membership of the county committee and no alternate is available to fill the vacancy, the State committee shall call a meeting of the delegates to the county convention to elect persons to fill such vacancies as exist in the membership of the county committee and in the panel of alternates, except as provided in section 7.30.

(d) In the event that a vacancy, other than one caused by temporary absence, occurs in the membership of the community committee and no alternate is available to fill the vacancy, the county committee shall cause an election to be held to fill such vacancies as exist in the membership and in the panel of alternates.

(e) In the event that a vacancy occurs in the panel of delegates to the county convention and the respective alternate is not available to fill the vacancy and a county convention has been called, the county committee shall cause elections to be held to fill such vacancies as exist in the panel of delegates and alternates.

Eligibility requirements

SEC. 7.15. County committeemen, community committeemen, delegates, and community election board members: To be eligible to hold office as a county committeemen, a community committeeman, a delegate, an alternate to any such office, or a member of a community election board, a person must:

(a) Be eligible to vote in the county in which the election is held if a candidate for county committeeman, and in the community in which the election is held if a candidate for community committeeman or delegate to the county convention or if being considered for appointment to the community election board;

(b) Be residing in the county in which the election is held if a candidate for county committeeman, and residing in the community in which the election is held if a candidate for community committeeman or delegate to the county convention or if being considered for appointment to the community election board;

(c) Not be, or not have been during the calendar year, engaged in political activity as defined in section 7.29;

(d) Not have been removed for cause as county committeeman, community committeeman, delegate to the county convention, or alternate to any such office, or as employee of any county office, or not have been removed for cause from any public office, or not have been convicted of any fraud, larcency, embezzlement, or felony, unless any such disqualification is waived by the State committee;

(e) If the office is that of county committeeman, not have served on the same committee during part of all of each of the three immediately preceding terms of office of such committee other than as an alternate in the temporary absence of a regular committeeman.

If the delegates to the 1954 county convention find at the time of the convention that all incumbent county committeemen have served part or all of three or more consecutive terms, the delegates may, at their discretion, waive this requirement for the 1954 election with respect to one of such committeemen if they desire to reelect him to membership on the committee.

(f) If the office is that of community committeeman, not have served on the same committee during part or all of each of the three immediately preceding terms of office of such committee other than as an alternate acting in the temporary absence of a regular committeeman;

(g) If the office is that of county committeeman, not be during his term of office a president, vice president, treasurer, or secretary of a county, State, or national unit of any general farm organization;

(h) If the office is that of county committeeman, not be during his term of office a sales agent or employee of the Federal Crop Insurance Corporation; and

(i) If the office is that of county committeeman, not be during his term of office a marketing quota review committeeman.

SEC. 7.16. All other personnel: (a) The county office manager must not be, or not have been during the current calendar year, engaged in political activity as defined in section 7.29.

(b) The county office manager and other county office employees must not have been removed for cause as county committeeman, community committeeman, delegate to the

county convention, or alternate to any such office, or employee of any county office, or not have been removed for cause from any public office, or not have been convicted of any fraud, larceny, embezzlement, or felony, unless any such disqualification is waived by the State committee.

SEC. 7.17. Dual office: (a) County committee membership. A member of the county committee may not be at the same time (1) a member of a community committee; (2) a delegate to a county convention; (3) the secretary to or the treasurer of a county committee; (4) a member of the State committee; (5) county office manager or any other county office employee; (6) a sales agent or employee of the Federal Crop Insurance Corporation; or (7) a marketing quota review committeeman.

(b) Community committee membership: A member of the community committee may not be at the same time (1) a member of a county committee; (2) the secretary to or the treasurer of a county committee; (3) a member of the State committee; or (4) county office manager.

(c) Delegate to the county convention: A delegate to the county convention may not be a member of the State committee.

Terms of office

SEC. 7.18. County and community committeemen: The terms of office of county and community committeemen and alternates to such offices shall begin on the first day of the month next after their election. A term of office shall continue for 12 months or until a successor has been elected and qualified.

SEC. 7.19. Delegates to the county convention: The terms of office of delegates and alternates to the county convention shall begin immediately upon their election and shall continue for 12 months or until their respective successors have been elected and qualified.

Duties

SEC. 7.20. County committee: The county committee, subject to the general direction and supervision of the State committee, and acting through community committeemen and other personnel, shall be generally responsible for carrying out in the county the agricultural conservation program, the price support programs, the acreage allotment and marketing quota programs, and the sugar program formulated pursuant to the acts of Congress specified in section 7.3 and any other program assigned to it by the Secretary of Agriculture or the Congress. In so doing the committee shall—

(a) Provide, within budgetary limitations, necessary office space, equipment, supplies, and services to carry out their assigned responsibilities;

(b) Employ the county office manager subject to standards and qualifications furnished by the State committee.

(c) Fix the rate of compensation for all personnel in accordance with rate schedules approved by the State committee;

(d) Direct the activities of the community committees elected in the county;

(e) Pursuant to official instructions, review, approve, and certify forms, reports, and documents requiring such action under such instructions;

(f) Recommend to the State committee needed changes in boundaries of communities;

(g) Make available to the public information concerning the objectives and operations of the programs directed by the county committee;

(h) Make available to agencies of the Federal Government and others information with respect to the county committee activities in accordance with instructions issued by the Deputy Administrator;

(i) Give public notice of the designation and boundaries of each community within the county not less than 10 days prior to the election of community committeemen and delegates;

(j) Give public notice at least five calendar days in advance of all meetings of program participants, all elections of community committeemen and delegates, and all conventions of delegates to elect county committeemen;

(k) Recommend to the State committee desirable change in or additions to existing programs;

(l) Conduct such hearings and investigations as the State committee may request; and

(m) Perform such other duties as may be prescribed by the State committee.

SEC. 7.21. Chairman of the county committee: The chairman of the county committee shall preside at meetings of the county committee, certify such documents as may require his certification, and perform such other duties as may be prescribed by the State committee.

SEC. 7.22. Vice chairman of the county committee: The vice chairman of the county committee shall, in the absence of the chairman, serve as acting chairman of the county committee and in such capacity he shall perform such duties as would be performed by the chairman.

SEC. 7.23. Community committee: The community committee shall (a) assist the county committee in carrying out programs assigned to it; (b) inform farmers concerning the purposes and provisions of programs being administered in the county by the county committee; (c) assist in arranging for and conducting the necessary community meetings of program participants; and (d) perform such other duties as may be assigned to it by the county office manager under the direction of the county committee.

SEC. 7.24. Chairman of the community committee: The chairman of the community committee shall preside at meetings of the community committee, and perform such other duties as may be assigned to him by the county committee.

SEC. 7.25. Vice chairman of the community committee: The vice chairman of the community committee shall, in the absence of the chairman, serve as acting chairman of the community committee and in such capacity he shall perform such duties as would be performed by the chairman.

SEC. 7.26. Delegate to the county convention: The delegate shall meet with other delegates in a county convention at a time and place designated by the State committee and elect county committeemen for the county.

SEC. 7.27. County office manager: The county office manager shall (a) execute the policies established by the county committee and be responsible for the day-to-day operations of the county office; (b) select the personnel of the county office in accordance with standards and qualifications furnished by the State committee; (c) receive, dispose of, and account for all funds, negotiable instruments, or property coming into the custody of the county committee; (d) serve as temporary chairman of the convention to elect a county committee and as counselor to the convention on election procedures; and (e) supervise, under the direction of the county committee, the activities of the community committees elected in the county.

Private business activity

SEC. 7.28. All personnel: No county committeeman, community committeman, delegate, alternate to any such office, or any person employed in the county office shall at any time use such office or employment to promote any private business interest.

Political activity

SEC. 7.29. All personnel: (a) No person who, during any calendar year, has held a Federal, State, or major county office filled by an election held pursuant to law shall be eligible during such calendar year to hold office as a county committeeman, community committeeman, delegate, alternate to any such office, or a member of a community election board, or to employment as county office manager.

(b) No person who, during any calendar year, has been a candidate for any Federal, State or major county office filled by an election held pursuant to law shall be eligible during such calendar year to hold office as a county committeeman, community committeeman, delegate, alternate to any such office, or a member of a community election board, or to employment as county office manager.

(c) No person who, during any calendar year, has been an officer or employee of any political party or political organization shall be eligible during such calendar year to hold office as a county committeeman, community committeeman, delegate, alternate to any such office, or a member of a community election board, or to employment as county office manager.

(d) The tenure of office of any county committeeman, community committeeman, delegate, alternate to any such office, or member of a community election board, or the employment of any county office manager, shall be automatically terminated as soon as any such person becomes ineligible for office or employment under the provisions of this section.

Removal from office or employment

SEC. 7.30. County and community committeemen and members of community elections boards: (a) Any member of a county or community committee or alternate to such office or any member of a community election board who becomes ineligible for office under the provisions of section 7.29 or who fails to perform the duties of his office or who is incompetent or commits, or attempts or conspires to commit, fraud, shall be removed by the State committee, or if it appears that he may be subject to such removal, he may be suspended by the State committee pending an investigation. The State committee may also suspend pending investigation or remove any county or community committeeman or alternate, if such action is determined by majority vote of the State committee to be necessary for the success of any program administered by the county committee.

(b) If because of an investigation there are no members or alternates available to serve on the county committee, the State committee shall designate a person to administer the programs in the county pending the exoneration or removal of those under investigation, and if removed, pending the election of new county committee members and alternates. Any person named by the State committee in such capacity shall have full authority to perform all duties regularly performed by a duly elected county committee.

SEC. 7.31. Delegate to the county convention: Any delegate or alternate to the county convention who becomes ineligible for office under the provisions of section 7.29 or who fails to perform the duties of his office or who is incompetent or commits, or attempts or conspires to commit, fraud, shall be removed by the State committee.

SEC. 7.32. County office personnel: Any county office manager who becomes ineligible for employment under the provisions of section 7.29 or any county office employee who fails to perform the duties of his employment or who is incompetent, or commits, or attempts or conspires to commit, fraud, shall be removed by the county committee. If the county committee fails to act promptly in any such case, the State committee shall remove the person involved. The State committee may also remove any county office employee, when in the opinion of the majority of the members of the State committee the conduct of such person ad-

versely affects the administration of the programs in the county and the county committee has failed to act promptly in removing such persons.

SEC. 7.33. Right of appeal: Any county or community committeeman, member of a community election board, delegate, or county office employee who is removed from office or employment shall have the right of appeal to the State committee for review of the facts, and if dissatisfied with the decision of the State committee, to the Deputy Administrator.

Leave

SEC. 7.34. Leave: All employees of a county office who have a regular tour of duty established in advance, except temporary employees, shall be granted annual and sick leave with pay. A temporary employee, for the purposes of this section, is defined as one who serves during a continuous period of less than 90 days, on either a full-time or a part-time basis. Leave with pay shall not be granted to members of county or community committees. The county committee shall provide for the maintenance in the county office of accurate employment and leave records, and shall make such records available, upon request, to the ASC State Committee or the Administrator, Commodity Stabilization Service, or any representative of such committee or officer.

(a) Annual leave: Leave of absence with pay shall not be granted until earned and shall be earned at the rate of 1¼ days for each 20 days of service rendered. An employee may be credited on January 1 with any unused leave which he may have earned during, or carried over into, the preceding year, provided that in no case shall the amount of leave so credited exceed 12 days. The amount of leave so credited may be used by the employee in addition to the leave earned by him during the year.

(b) Sick leave: Leave of absence with pay because of illness shall be earned at the rate of 1 day for each 20 days of service rendered. Leave of absence with pay because of illness may at the discretion of the county office manager be granted prior to its having been earned in an amount not to exceed 12 days during any 1 calendar year. Any leave which has been advanced shall be deducted from sick leave which may be earned at a later date. An employee may be credited on January 1 with any unused sick leave which he may have earned during, or carried over into, the preceding year: *Provided*, That in no case shall the amount of leave so credited exceed 36 days.

Offices

SEC. 7.35. Location: The office of the county committee shall be located in a place selected by the county committee subject to the approval of the State committee. In selecting the location of the county office, consideration shall be given to convenience to farmers, accessibility to other Federal, State, and county agricultural agencies, adequacy of space, and economy of operations. The State committee may authorize the combination of county offices with the approval of the county committees concerned, or if only a few farmers are involved, and it is uneconomical to maintain separate county offices, the State committee may order the combination of such offices with the prior approval of the Deputy Administrator.

SEC. 7.36. Use of county office: The space, clerical, mailing, or any other facility of the county office shall not be used in any way to support, assist, or oppose any political candidate or political party or for any private business interests or for any other purposes not authorized in section 7.3, except that such space and facilities may be used, on a reimbursable basis, by the county crop insurance agent designated by the Federal Crop Insurance Corporation in the performance of his duties as such agent.

Custody and use of books, records, and documents

SEC. 7.37. Custody: All books, records, and documents used by the county committee in the administration of programs assigned to it by the Secretary of Agriculture or the Congress shall be the property of the Department of Agriculture and shall be maintained in good order in the county office.

SEC. 7.38. Use: The books, records, and documents referred to herein shall be available for use:

(a) At all times to authorized representatives of the Secretary of Agriculture, State committeemen and their employees, county committeemen, community committeemen, and employees of the county office in the performance of duties assigned to them under the regulations in this subpart;

(b) At any reasonable time to any program participant insofar as his interests under the programs administered by the county committee may be affected; and

(c) To any other person only in accordance with instructions issued by the Deputy Administrator.

Meetings

SEC. 7.39. When: Meetings of the county or community committee shall be called only when necessary to the successful administration of the programs.

SEC. 7.40. Call and notice: Meetings of the county committee or of any community committee may be called by the chairman or acting chairman of the county committee, the county office manager, or the State committee. Meetings of the community committee may also be called by the chairman of the community committee. Each committee member shall be properly notified of any meeting of his committee.

SEC. 7.41. Quorum: The presence of at least two members or acting members of any committee shall be required to constitute a quorum for the transaction of business of such committee.

SEC. 7.42. Records: Minutes of all meetings of the county committee and of participating farmers shall be kept and retained as permanent records by the county committee.

Deduction for county committee expenses

SEC. 7.43. Deductions and notice: (a) All or such part, as the Secretary of Agriculture may prescribe, of the estimated administrative expenses of the county committee may be deducted pro rata from any payments or loans made to participants in connection with any program directed by the county committee.

(b) In each case where any administrative expenses are deducted, each program participant bearing his share of county committee expense shall be apprised of the amount and percentage deducted from his payment or loan under such programs on account of such administrative expenses.

Scope

SEC. 7.44. Applicability: The regulations in this subpart shall apply to continental United States and the Territory of Alaska.

Mr. AIKEN. Mr. President, at the outset, let me say that these regulations—see exhibit II—are the result of over a year's study and that they represent the combined thinking of, first, farmers who either contacted directly or who write the Secretary on their own initiative; second, State and county committeemen; third, the USDA personnel who for years have administered these programs in Washington; and fourth, outside consultants. The objectives of the changes are three in number: first, to strengthen farmer control of local administration; second, to stimulate more extensive farmer participation in community elections; and third, to encourage greater numbers of farmers to seek and hold office as community and county committeemen.

The major changes required to accomplish these objectives include—

A. THE APPOINTMENT OF COUNTY AND COMMUNITY ELECTION BOARDS (SEC. 7.9 AND 7.10)

First. There is created in each county a county election board.

(a) This board will be composed of (1) the county agricultural extension agent as chairman; (2) the head of the Soil Conservation Service office; (3) the head of the Farmers' Home Administration office; (4) the head of each general farm organization operating in the county.

(b) This board's sole responsibility will be to (1) select for each community area in the county a community election board composed of three farmers other than the incumbent community and county committeemen.

Second. There is created in each administrative subdivision of a county, which is designated as a community, a community election board.

(a) This board's sole responsibility will be to (1) conduct, without compensation, the annual community election at which a community committee of three members and a delegate to a county convention are elected.

Third. Why this election machinery was created:

(a) To insure that all elections will be conducted in a fair and impartial manner which is in the best interest of all concerned—candidates, farmers and the general public.

B. A LIMITATION OF 3 AS THE NUMBER OF CONSECUTIVE TERMS A FARMER CAN SERVE AS A COMMUNITY OR COUNTY COMMITTEEMAN, EXCEPT THAT IN THE CASE OF COUNTY COMMITTEEMEN, IF ALL 3 HAVE ALREADY SERVED THE MAXIMUM, 1 OF THE 3 MAY STILL SERVE 1 MORE TERM IF ELECTED BY THE DELEGATES TO THE COUNTY CONVENTION (SEC. 7.15 (E) AND (F))

First. This prohibition is deemed desirable because—

(a) Over the years, farmer participation in annual community elections, at which delegates are elected for the purpose of electing, on a later date at a county convention, the county committee, has been very poor. In fact so poor, that most considered opinions believe that such elections by and large have not adequately reflected farmer thinking. For example, we find that—

(1) In 1941, a survey conducted by the USDA of voting in 12 representative counties indicated that only 25 percent of those eligible to vote actually did so.

(2) The National Farmers Union in 1946 adopted a resolution recommending that elections be void unless at least 50 percent of the eligible voters in the community participated.

(3) In a 1947 appearance before the House Committee on Agriculture, Albert Goss, then grand master of the National Grange, observed that—

Just a few vote. Many times 15 or 20 or even 10. * * * Those elections out in the township just do not express the sentiments of the farmers.

(4) Even the Department of Agriculculture under Secretary Brannan was disturbed by the lack of extensive farmer participation in elections. In 1948, Elmer Kruse, then manager, Commodity Credit Corporation, in an address to a conference of State and county committeemen, said:

> Is farmer thinking being reflected adequately in the administration of the price-support program, especially with regard to local administration * * *? I can tell you that it is a question that has been receiving very careful consideraiton * * *, nothing is gained * * * by assuming that operations, because they have always been handled a certain way, must continue to be handled that way. * * * I would like to suggest that you give particular consideration to the matter of bringing about greater farmer participation.

(b) This lack of interest has resulted in prolonged tenure of county committeemen. In light of this fact it is the consensus of opinion that a limitation on the number of consecutive terms a farmer can serve as a committeeman, coupled with the action taken a year ago to standardize the structure of the committee system, will promote the following desirable results:

(1) Encourage greater farmer participation in community elections, so that elections will more nearly reflect farmer thinking.

(2) Encourage greater numbers of farmers to seek and hold office as community and county committeemen. This would without a doubt permit the USDA to make better and more extensive use of farmer experience and ability.

Second. It is, however, deemed desirable to provide for the possible retention of one experienced county committeeman, should the delegates to the county convention deem it wise to elect a committeeman for four consecutive terms.

C. PROHIBIT A PERSON WHO IS A PRESIDENT, VICE PRESIDENT, TREASURER, OR SECRETARY OF A COUNTY, STATE, OR NATIONAL UNIT OF ANY GENERAL FARM ORGANIZATION FROM ALSO SERVING AS A MEMBER OF A COUNTY COMMITTEE (SEC. 7.15 (G))

First. Why the prohibition:

(a) To prevent in any county the possible domination and utilization of a public agency by a private agricultural organization.

(b) The law directs the Secretary to utilize county and local committees in the administration of many USDA programs. This provision was adopted to insure that the farm program would be run by farmers, elected by farmers.

D. PROHIBIT A COUNTY COMMITTEEMAN FROM ALSO SERVING AS A SALES AGENT OR EMPLOYEE OF THE FEDERAL CROP INSURANCE CORPORATION (SEC. 7.15 (H))

First. Why the prohibition:

(a) The county committees have had the very difficult task of administering in the field the programs of three USDA agencies: (1) The price support, sugar, acreage allotment, and marketing quota programs for the Commodity Stabilization Service; (2) the agricultural conservation program for the Agricultural Conservation Program Service; (3) the sales and servicing of FCIC contracts at the county level has been performed almost entirely by county committeemen.

(b) It is deemed desirable, therefore, in the interest of better and more efficient administration of all programs to limit county committeemen's responsibilities to those programs for which they were elected by their fellow farmers to supervise and direct.

E. PROHIBIT A COUNTY COMMITTEEMAN FROM ALSO SERVING AS A MARKETING QUOTA REVIEW COMMITTEEMAN (SEC. 7.15 (I))

First. Why the prohibition:

(a) Impartial and independent review of administrative action is simply not possible under a system whereby a farmer's appeal is to a review committee whose members also serve as part of the structure which determine marketing quotas even though this be in other counties.

(b) There have been over 700 cases involving court action since 1938 with respect to marketing quotas. Farmers should be able to get an impartial administrative review of their quota without having to resort to a legal remedy in order to get what they deem to be an impartial review of their quota. Frequent resort to the courts is evidence that the administrative structure is less responsive than it should be to the needs of its clientele. This is important since the USDA prides itself on being a service department.

F. PROHIBIT A COUNTY COMMITTEEMAN FROM ALSO SERVING AS AN EMPLOYEE OF HIS OWN COUNTY OFFICE (SEC. 7.17 (A) (5))

First. Why the prohibition:

(a) As I already have mentioned, grassroots experience in 87 percent of our counties has indicated that better administration results if the policy-forming function is vested in the county committee and the policy-executing function is delegated to a full-time office manager, hired by and responsible to the committee. That is if the committee serves as a board of directors, so to speak, and hires a general manager to handle the day-to-day administrative detail.

(b) If county committeemen are permitted to serve as paid employees of their own offices it would be possible to expect an office manager to asume the responsibility for doing a good job when he must direct committeemen as employees who, in another capacity, not only determine the policies he must execute, but who also hire him.

In addition to these major changes, several minor revisions have been made to prevent manipulation of county and community committees by political organizations:

A. Section 7.30 (a) provides that any county and community committeeman, delegate, and community election board member who becomes ineligible for office or who fails to perform the duties of his office, or who is incompetent, or who commits fraud, can be removed only by a majority vote of the State Committee. Heretofore, the regulations did not require a majority vote in order to effectuate removal.

B. Section 7.32 provides that any county office employee may be removed by the State committee only in cases where the county committees fail to act promptly and when the conduct of such person adversely affects the administration of the programs, and then only by a majority vote of the State Committee. Heretofore, the regulations did not require a majority vote in order to effectuate removal.

C. Section 7.33 provides that any county or community committeman, community election board member who is removed from office shall have the right of appeal not only to the State Committee but also to the Deputy Administrator for Production Adjustment, Commodity Stabilization Service if he deems it desirable. Heretofore, the regulations have not provided for an appeal beyond the State Committee. This is in keeping with sound principles of personnel management which hold that an employee should have an appeal to someone above his immediate superior.

TRANSPORTATION OF WATER-BORNE CARGOES

The Senate resumed the consideration of the bill (S. 3233) to amend the Merchant Marine Act, of 1936, to provide permanent legislation for the transportation of a substantial portion of water-borne cargoes in United States-flag vessels.

Mr. BRICKER. Mr. President, we are now ready to vote on Senate bill 3233, as I understand.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield?

Mr. BRICKER. I yield to the Senator from Maryland.

Mr. BUTLER of Maryland. There are certain committee amendments, which I ask to have stated.

The VICE PRESIDENT. The clerk will state the committee amendments.

The first amendment of the committee on Interstate and Foreign Commerce was on page 1, line 9, after the word "nation", to insert "without provision for reimbursement."

The amendment was agreed to.

The next amendment was, on page 2, line 4, after the word "commodities", to insert "the appropriate agency or agencies shall take such steps as may be necessary and practicable to assure that."

The amendment was agreed to.

The next amendment was, on page 2, at the beginning of line 12, to strike out "fair and reasonable" and insert "market."

Mr. BUTLER of Maryland. Mr. President, objection has been raised to that amendment, and I am willing, as heretofore stated, that the amendment not be agreed to.

Mr. BRICKER. It is not a committee amendment?

Mr. BUTLER of Maryland. Yes, it is a committee amendment.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 2, line 12.

The amendment was rejected.

The next amendment was, on page 2, line 12, after the word "for", to strike out "the movement in."

The amendment was agreed to.

The next amendment was, on page 2, in line 13, after "United States-flag", to insert "commercial."

The amendment was agreed to.

The next amendment was, on page 2, in line 15, after the word "in", to insert "such."

The amendment was agreed to.

The next amendment was on page 2, beginning in line 16, to strike out "*Provided*, That unless the Secretary of Commerce after public hearing finds and certifies to the proper Government agency that the foreign commerce of the United States will be promoted, or that privately owned United States flag commercial vessels are not available in sufficient numbers or in sufficient tonnage capacity, or at the aforesaid reasonable rates, such equipment, materials, or commodities shall be transported exclusively on privately owned United States flag commercial vessels: *Provided further*, That foreign-flag ships not register under the flag of the consignor or consignee nation may participate in the carriage of such equipment, materials, or commodities only to the extent that such nation does not have ships of its own registry available in sufficient numbers or in sufficient tonnage capacity" and insert "*Provided*, That the provisions of this subsection may be waived whenever the Congress by concurrent resolution or otherwise, or the President of the United States or the Secretary of Defense declares that an emergency exists justifying a temporary waiver of the provisions of section 901 (b) and so notifies the appropriate agency or agencies."

The amendment was agreed to.

The VICE PRESIDENT. That completes the committee amendments. The bill is open to further amendment.

If there are no further amendments to be offered, the question is on the engrossment and third reading of the bill.

The bill (S. 3233) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 901 of the Merchant Marine Act, 1936, as amended, is hereby amended by inserting "(a)" after "SEC. 901." and by adding at the end of the section the following new subsection:

"(b) whenever the United States shall procure, contract for, or otherwise obtain for its own account, or shall furnish to or for the account of any foreign nation without provision for reimbursement, any equipment, materials, or commodities, within or without the United States, or shall advance funds or credits or guarantee the convertibility of foreign currencies in connection with the furnishing of such equipment, materials, or commodities, the appropriate agency or agencies shall take such steps as may be necessary and practicable to assure that at least 50 percent of the gross tonnage of such equipment, materials, or commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers), which may be transported on ocean vessels shall be transported on privately owned United States-flag commercial vessels, to the extent such vessels are available at fair and reasonable rates for United States-flag commercial vessels, in such manner as will insure a fair and reasonable participation of United States-flag commercial vessels in such cargoes by geographic areas: *Provided*, That the provisions of this subsection may be waived whenever the Congress by concurrent resolution or otherwise, or the President of the United States or the Secretary of Defense declares that an emergency exists justifying a temporary waiver of the provisions of section 901 (b) and so notifies the appropriate agency or agencies. Nothing herein shall repeal or otherwise modify the provisions of Public Resolution No. 17, 73d Congress (48 Stat. 500), as amended."

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1955

Mr. BRICKER. Mr. President, I move that the Senate proceed to the consideration of H. R. 8873, the Department of Defense appropriation bill for 1955.

The PRESIDING OFFICER (Mr. BUTLER of Maryland in the chair). The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Ohio.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO DEPARTMENT OF DEFENSE APPROPRIATION BILL

Mr. WILLIAMS. Mr. President, in accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8873), making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely:

At the appropriate place in this act, insert the following: "None of the funds appropriated in this act shall be used except that, so far as practicable, all contracts shall be awarded on a competitive basis to the lowest responsible bidder."

Mr. WILLIAMS also submitted an amendment intended to be proposed by him to House bill 8873, making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment, see the foregoing notice.)

RECESS

Mr. BRICKER. Mr. President, I move that the Senate stand in recess until tomorrow, at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, June 16, 1954, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 15 (legislative day of June 11), 1954:

DEPARTMENT OF STATE

Charles E. Saltzman, of New York, to be Under Secretary of State for Administration, vice Donold B. Lourie, resigned.

INTERSTATE COMMERCE COMMISSION

John H. Winchell, of Colorado, to be an Interstate Commerce Commissioner for the remainder of the term expiring December 31, 1960.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 15, 1954

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art entrusting us with a new day, in passing so brief and in portent so vast, grant that we may use its hours worthily and for Thy glory and the welfare of humanity.

Wilt Thou manifest Thy wisdom and favor, in some special way, to our President, our Speaker, and the Members of Congress as they seek to discharge their duties in the fear of the Lord and with pure and steadfast devotion.

Inspire us to continue to pray fervently and labor earnestly for the dawning of that blessed time when the thoughts of men shall go out toward one another in the spirit of good will.

Show us how we may conquer those diabolical and devastating ambitions which are raging in the minds of some nations and transform them into lofty aspiration for amity and universal peace.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8067. An act making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency, for the fiscal year ending June 30, 1955, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BRIDGES, Mr. SALTONSTALL, Mr. FERGUSON, Mr. SMITH of New Jersey, Mr. MCCARRAN, Mr. ELLENDER, and Mr. HILL to be the conferees on the part of the Senate.

SPECIAL ORDER GRANTED

Mrs. FRANCES P. BOLTON asked and was given permission to address the House for 15 minutes tomorrow, following the legislative business of the day and any special orders heretofore entered.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1955

The SPEAKER. The unfinished business is the further consideration of the bill (H. R. 9517) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1955, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. The question is on the amendment reported from the Committee of the Whole House on the State of the Union. Without objection, the Clerk will report the amendment.

There was no objection.

The Clerk read as follows:

Page 2, line 4, strike out "$16,000,000" and insert "$20,000,000."

Page 2, line 7, strike out "$5,500,000" and insert "$7,000,000."

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. H. CARL ANDERSEN) there were—yeas 17, nays 29.

Mr. McCORMACK. Mr. Speaker, I object to the vote on the ground a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 186, nays 168, answered "present" 1, not voting 79, as follows:

[Roll No. 83]

YEAS—186

Abbitt	Eberharter	Kluczynski
Abernethy	Edmondson	Landrum
Adair	Elliott	Lane
Addonizio	Engle	Lanham
Allen, Calif.	Fallon	Long
Auchincloss	Fernandez	Lyle
Ayres	Fine	McCormack
Bailey	Fino	McCulloch
Baker	Fisher	McDonough
Barrett	Forand	McMillan
Belcher	Forrester	Magnuson
Bender	Fountain	Mailliard
Bennett, Fla.	Frelinghuysen	Marshall
Bennett, Mich.	Friedel	Matthews
Blatnik	Fulton	Meader
Boggs	Garmatz	Merrill
Boland	Gathings	Merrow
Bolton, Oliver P.	Gavin	Metcalf
	Gordon	Miller, Calif.
Bowler	Graham	Miller, Kans.
Boykin	Granahan	Mollohan
Bramblett	Gubser	Moss
Brooks, Tex.	Hagen, Calif.	Multer
Brown, Ga.	Hagen, Minn.	Natcher
Brown, Ohio	Hale	Nelson
Brownson	Hardy	Nicholson
Broyhill	Harris	O'Brien, Ill.
Buchanan	Hart	O'Brien, Mich.
Bush	Hays, Ohio	O'Brien, N. Y.
Byrd	Hébert	O'Hara, Ill.
Byrne, Pa.	Heselton	O'Hara, Minn.
Campbell	Hess	O'Neill
Carnahan	Hillelson	Patman
Carrigg	Hinshaw	Patterson
Chelf	Holmes	Pelly
Condon	Hope	Pilcher
Cooley	Hosmer	Poage
Corbett	Hyde	Polk
Crumpacker	Javits	Powell
Curtis, Mass.	Jones, Mo.	Preston
Dague	Judd	Price
Davis, Tenn.	Karsten, Mo.	Priest
Dawson, Ill.	Kearney	Prouty
Deane	Kearns	Rains
Dempsey	Kee	Rayburn
Devereux	Kelley, Pa.	Reams
Dollinger	Kelly, N. Y.	Rhodes, Pa.
Dorn, N. Y.	Kilday	Richards
Dorn, S. C.	King, Calif.	Rivers
Durham	Klein	Roberts
Robsion, Ky.	Spence	Vinson
Rodino	Staggers	Wampler
Rogers, Colo.	Stauffer	Wickersham
Rogers, Mass.	Steed	Wier
Rooney	Stringfellow	Williams, N. J.
Schenck	Sullivan	Wilson, Calif.
Scott	Talle	Wolcott
Seely-Brown	Thompson, Tex.	Wolverton
Sieminski	Thornberry	Yorty
Simpson, Ill.	Tollefson	Young
Small	Trimble	Zablocki
Smith, Miss.	Tuck	
Smith, Va.	Van Zandt	

NAYS—168

Alexander	Gary	Moulder
Allen, Ill.	Gentry	Mumma
Andersen, H. Carl	George	Murray
	Golden	Neal
Andresen, August H.	Goodwin	Norblad
	Grant	Norrell
Andrews	Gregory	Oakman
Angell	Gross	Osmers
Arends	Gwinn	Ostertag
Ashmore	Haley	Passman
Aspinall	Halleck	Pfost
Barden	Hand	Phillips
Bates	Harden	Pillion
Battle	Harrison, Nebr.	Poff
Beamer	Harrison, Va.	Radwan
Becker	Harvey	Ray
Bentley	Herlong	Reece, Tenn.
Berry	Hiestand	Reed, Ill.
Betts	Hill	Reed, N. Y.
Bishop	Hoeven	Rees, Kans.
Bolton, Frances P.	Hoffman, Ill.	Regan
	Hoffman, Mich.	Rhodes, Ariz.
Bonner	Horan	Riehlman
Bosch	Hruska	Robeson, Va.
Bow	Hunter	Rogers, Tex.
Bray	Ikard	Sadlak
Budge	James	St. George
Burleson	Jarman	Saylor
Byrnes, Wis.	Jenkins	Scrivner
Canfield	Jensen	Scudder
Cannon	Johnson, Calif.	Secrest
Carlyle	Johnson, Wis.	Selden
Cederberg	Jonas, Ill.	Shafer
Chenoweth	Jonas, N. C.	Sheehan
Chiperfield	Jones, Ala.	Shuford
Church	Jones, N. C.	Sikes
Clevenger	Keating	Smith, Kans.
Cole, Mo.	Kilburn	Smith, Wis.
Colmer	King, Pa.	Springer
Coon	Kirwan	Taber
Cooper	Knox	Thomas
Coudert	Laird	Thompson, La.
Cretella	Lantaff	Utt
Crosser	LeCompte	Van Pelt
Cunningham	Lipscomb	Vorys
Curtis, Mo.	Lovre	Vursell
Davis, Wis.	McGregor	Warburton
Derounian	McIntire	Watts
D'Ewart	McVey	Westland
Dies	Mack, Wash.	Wharton
Dondero	Mahon	Wigglesworth
Dowdy	Martin, Iowa	Williams, Miss.
Ellsworth	Mason	Williams, N. Y.
Evins	Miller, Md.	Wilson, Ind.
Fenton	Miller, Nebr.	Winstead
Ford	Mills	Withrow
Gamble	Morano	Younger

ANSWERED "PRESENT"—1

Rabaut

NOT VOTING—79

Albert	Frazier	Patten
Bentsen	Green	Perkins
Bolling	Harrison, Wyo.	Philbin
Bonin	Hays, Ark.	Riley
Brooks, La.	Heller	Rogers, Fla.
Buckley	Hillings	Roosevelt
Burdick	Holifield	Scherer
Busbey	Holt	Shelley
Camp	Holtzman	Sheppard
Celler	Howell	Short
Chatham	Jackson	Simpson, Pa.
Chudoff	Kean	Sutton
Clardy	Keogh	Taylor
Cole, N. Y.	Kersten, Wis.	Teague
Cotton	Krueger	Thompson, Mich.
Curtis, Nebr.	Latham	
Davis, Ga.	Lesinski	Velde
Dawson, Utah	Lucas	Wainwright
Delaney	McCarthy	Walter
Dingell	McConnell	Weichel
Dodd	Machrowicz	Wheeler
Dolliver	Mack, Ill.	Whitten
Donohue	Madden	Widnall
Donovan	Miller, N. Y.	Willis
Doyle	Morgan	Wilson, Tex.
Feighan	Morrison	Yates
Fogarty	O'Konski	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Keogh for, with Mr. Kean against.
Mr. Camp for, with Mr. Willis against.
Mr. Dingell for, with Mr. Rabaut against.
Mr. Roosevelt for, with Mr. Rogers of Florida against.
Mr. Madden for, with Mr. Busbey against.
Mr. Celler for, with Mr. Hillings against.
Mr. Holtzman for, with Mr. Taylor against.
Mr. Green for, with Mr. Widnall against.
Mr. Morrison for, with Mr. Latham against.
Mr. Yates for, with Mr. McConnell against.
Mr. Machrowicz for, with Mr. Miller of New York against.
Mr. Buckley for, with Mr. Simpson of Pennsylvania against.
Mr. Heller for, with Mr. Velde against.
Mr. Hays of Arkansas for, with Mr. Krueger against.
Mr. Fogarty for, with Mr. Scherer against.
Mr. Doyle for, with Mr. Clardy against.
Mr. Delaney for, with Mr. Jackson against.
Mr. Chudoff for, with Mr. Short against.
Mr. Bolling for, with Mr. Holt against.
Mr. Dodd for, with Mr. Patten against.
Mr. Feighan for, with Mr. Wilson of Texas against.
Mr. Lesinski for, with Mr. Wheeler against.

Until further notice:

Miss Thompson of Michigan with Mr. Shelley.
Mr. Wainwright with Mr. Sheppard.
Mr. Bonin with Mr. Howell.
Mr. Weichel with Mr. Morgan.
Mr. Burdick with Mr. Donohue.
Mr. O'Konski with Mr. Philbin.
Mr. Dolliver with Mr. Frazier.
Mr. Curtis of Nebraska with Mr. Whitten.
Mr. Cotton with Mr. McCarthy.
Mr. Cole of New York with Mr. Teague.
Mr. Kersten of Wisconsin with Mr. Walter.
Mr. Dawson of Utah with Mr. Davis of Georgia.
Mr. Harrison of Wyoming with Mr. Chatham.

Mr. UTT changed his vote from "yea" to "nay."

Mr. SCOTT changed his vote from "nay" to "yea."

Mr. RABAUT. Mr. Speaker, I have a live pair with the gentleman from Michigan, Mr. DINGELL. If he were present, he would vote "yea." I therefore withdraw my vote of "nay" and vote "present."

The result of the vote was announced as above recorded.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOUSING

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 583, Rept. No. 1859), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution the bill (H. R. 7839) to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, with the Senate amendment thereto be, and the same is hereby, taken from the Speaker's table to the end that the Senate amendment be, and it is hereby disagreed to, and that the conference requested by the Senate on the disagreeing votes of the two Houses be, and the same is hereby, agreed to.

ORGANIC ACT OF THE VIRGIN ISLANDS

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 584, Rept. No. 1860), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5181) to revise the Organic Act of the Virgin Islands of the United States, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Interior and Insular Affairs now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

TITLE II OF THE FIRST WAR POWERS ACT, 1941

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 585, Rept. No. 1861), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8008) to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without interviewing motion except one motion to recommit.

FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 586, Rept. No. 1862), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8753) to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to establish and operate motor vehicle pools and systems and to provide office furniture and furnishings when agencies are moved to new locations, to direct the Administrator to report the unauthorized use of Government motor vehicles, and to authorize the United States Civil Service Commission to regulate operators of Government-owned motor vehicles, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Government Operations, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

SANTA MARGARITA RIVER, CALIF.

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5731) to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities to provide water for irrigation and domestic use from the Santa Margarita River, Calif., and the joint utilization of a dam and reservoir and other waterworks facilities by the Department of the Interior and the Department of the Navy, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. MILLER of Nebraska, D'EWART, SAYLOR, ENGLE, and ASPINALL.

PERMISSION TO WEAR FOREIGN DECORATION

Mr. POWELL. Mr. Speaker, I ask unanimous consent for permission to wear a decoration awarded me by the Emperor of Ethiopia, which permission I must obtain from the House of Representatives.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. POWELL]?

There was no objection.

HOUSING BILL

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, for the information of Members of the House, and I know they are very much interested, I would like to know when it is anticipated bringing up the rule to send the housing bill to conference?

The SPEAKER. The Chair does not see the majority leader on the floor at the moment, but he understands it will probably be Thursday. It has also been suggested, pending verification from the majority leader, the possibility that the House might come in Thursday at 11 o'clock.

Mr. RAYBURN. That is satisfactory to me, but I thought the Members ought to know about this. Many of them are interested.

WILLMORE ENGINEERING CO.

Mr. JONAS of Illinois submitted a conference report and statement on the bill (H. R. 7258) for the relief of the Willmore Engineering Co.

SPECIAL ORDER GRANTED

Mr. FORD asked and was given permission to address the House for 15 minutes on Wednesday next, following any special orders heretofore entered.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

LT. HAYDEN R. FORD

The Clerk called the bill (S. 2450) for the relief of Lt. Hayden R. Ford.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Lt. Hayden R. Ford, United States Air Force, retired, Nashville, Tenn., is hereby relieved of all liability to repay to the United States the sum of $14,383.56, which was erroneously paid to him by reason of the failure on the part of the Veterans' Administration and the Department of the Air Force to reduce, pursuant to section 212 of the act of June 30, 1932, as amended (47 Stat. 406) (limiting the amount of retired pay of certain commissioned officers holding positions under the U. S. Government), the amounts payable to the said Lt. Hayden R. Ford as a retired commissioned officer of the Air Force while he was employed as a civilian by the Army engineers.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NICHOLAS MATOOK

The Clerk called the bill (H. R. 2781) for the relief of Nicholas Matook.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $500 to Nicholas Matook, of 49 Primrose Street, Pawtucket, R. I., in full settlement of all claims against the United States as reimbursement for bond posted in behalf of Nora Amir, now Mrs. Nora Abdelahad, in November 1948: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same

shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. IRMA BENJAMIN

The Clerk called the bill (S. 171) for the relief of Mrs. Irma Benjamin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Mrs. Irma Benjamin shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS SZABO

The Clerk called the bill (S. 234) for the relief of Thomas Szabo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Thomas Szabo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REV. ARMANDO FUOCO

The Clerk called the bill (S. 235) for the relief of Rev. Armando Fuoco.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Rev. Armando Fuoco shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE TAIPALE

The Clerk called the bill (S. 347) for the relief of George Taipale.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purpose of the immigration and naturalization laws, George Taipale shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SISTER CONCEPTA (IDA RIEGEL)

The Clerk called the bill (S. 366) for the relief of Sister Concepta (Ida Riegel).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sister Concepta (Ida Riegel) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. CHIH CHIANG TENG

The Clerk called the bill (S. 428) for the relief of Dr. Chih Chiang Teng.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dr. Chih Chiang Teng shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FELICITOS VALERINA MARGARET HAUKE

The Clerk called the bill (S. 445) for the relief of Felicitos Valerina Margaret Hauke.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, That, in the administration of the Immigration and Nationality Act, Felicitos Valerina Margaret Hauke, the fiancée of Corp. Cecil Verne Bledsoe, RA-19333627, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the Said Felicitos Valerina Margaret Hauke is coming to the United States with the bona fide intention of being married to the said Corp. Cecil Verne Bledsoe, RA-19333627, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Felicitos Valerina Margaret Hauke, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 241 and 242 of the Immigration and Nationality Act. In the event that the marriage between the above persons shall occur within 3 months after the entry of the said Felicitos Valerina Margaret Hauke, the Attorney General is authorized and directed to record the lawful admission for permanent admission for permanent residence of the said Felicitos Valerina Margaret Hauke as of the date of the payment by her of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ELEANOR EMILIE NELL

The Clerk called the bill (S. 507) for the relief of Mrs. Eleanor Emilie Nell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Eleanor Emilie Nell shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SISTER MARIE THERESE DE GALZAIN

The Clerk called the bill (S. 518) for the relief of Sister Marie Therese De Galzain.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Sister Marie Therese De Galzain shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNA URWICZ

The Clerk called the bill (S. 552) for the relief of Anna Urwicz.

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ROSA EULER AND HER MINOR CHILD

The Clerk called the bill (S. 584) for the relief of Rosa Euler and her minor child.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Rosa Euler, the fiancée of John B. Thompson, a citizen of the United States, and her minor child, shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months: *Provided*, That the administrative authorities find that the said Rosa Euler is coming to the United States with a bona fide intention of being married to the said John B. Thompson and that they are found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Rosa Euler, and her minor child, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Rosa Euler, and her minor child, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Rosa Euler, and her minor child, as of the date of the payment by them of the required visa fees.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EERO AND TINA AND KARINA WASKINEN

The Clerk called the bill (S. 614) for the relief of Eero and Tina and Karina Waskinen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Eero and Tina and Karina Waskinen shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IGOR MICHAEL BOGOLEPOV ET AL.

The Clerk called the bill (S. 629) for the relief of Igor Michael Bogolepov (alias Ivar Nyman) and Margaret Johanna Bogolepov (alias Margaret Johanna Nyman).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Igor Michael Bogolepov (alias Ivar Nyman) and Margaret Johanna Bogolepov (alias Margaret Johanna Nyman) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quotas for the first year that such quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

METORIMA SHIZUKO

The Clerk called the bill (S. 653) for the relief of Metorima Shizuko.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Metorima Shizuko, the fiancée of Donald U. Grant, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Metorima Shizuko is coming to the United States with a bona fide intention of being married to the said Donald U. Grant and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Metorima Shizuko, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Metorima Shizuko, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Metorima Shizuko as of the date of the payment by her of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JULIE NICOLA FRANGOU

The Clerk called the bill (S. 662) for the relief of Julie Nicola Frangou.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Julie Nicola Frangou shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SANTA MUCIACCIA (SISTER MARIA FRIDIANA) ET AL.

The Clerk called the bill (S. 740) for the relief of Santa Muciaccia (Sister Maria Fridiana), Teresa Saragaglia (Sister Maria Eutropia), and Caterina Isonni (Sister Maria Giovita).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Santa Muciaccia (Sister Maria Fridiana), Teresa Saragaglia (Sister Maria Eutropia), and Caterina Isonni (Sister Maria Giovita) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK BASTINELLE

The Clerk called the bill (S. 757) for the relief of Frank Bastinelle.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Frank Bastinelle, shall be held and considered to be the natural-born alien child of Mr. Lorenzo Fortuna, a citizen of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ROBERT M. ROSKOS

The Clerk called the bill (S. 769) for the relief of Mrs. Robert M. Roskos (formerly Maria E. Laedel).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Robert M. Roskos (formerly Maria E. Laedel) may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VITTORIA SPERTI

The Clerk called the bill (S. 809) for the relief of Vittoria Sperti.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Vittoria Sperti shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JUANITA ANDRADA LACH AND LETICIA ANDRODA LACH

The Clerk called the bill (S. 860) for the relief of Juanita Andrada Lach and Leticia Androda Lach.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor children, Juanita Andrada Lach and Leticia Androda Lach, shall be held and considered to be the natural-born alien children of Sgt. and Mrs. Peter J. Lach, citizens of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SOFIA B. PANAGOULOPOULOS KANELL

The Clerk called the bill (S. 924) for the relief of Sofia B. Panagoulopoulos Kanell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Sofia B. Panagoulopoulos Kanell, shall be held and considered to be the natural-born alien child of Mr. and Mrs. George V. Kanell, citizens of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLEOPATRA STAVROS MILIONIS

The Clerk called the bill (S. 929) for the relief of Cleopatra Stavros Milionis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Cleopatra Stavros Milionis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARTIN ANTHONY BEEKMAN

The Clerk called the bill (S. 930) for the relief of Martin Anthony Beekman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Martin Anthony Beekman shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY SHIZUE HIRANO

The Clerk called the bill (S. 1073) for the relief of Mary Shizue Hirano.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Mary Shizue Hirano, the fiancée of Paul H. Yokota, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months, if the administrative authorities find (1) that the said Mary Shizue Hirano is coming to the United States with a bona fide intention of being married to the said Paul H. Yokota, and (2) that she is otherwise admissible under the Immigration and Nationality Act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Mary Shizue Hirano, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Mary Shizue Hirano, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Mary Shizue Hirano as of the date of the payment by her of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LETIZIA MARIA GENOVEFFA LO BIANCO

The Clerk read the bili (S. 1112) for the relief of Letizia Maria Genoveffa Lo Bianco.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Letizia Maria Genoveffa Lo Bianco, shall be held and considered to be the natural-born alien child of Giuseppe Loverde, a citizen of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FERMO BREDA

The Clerk called the bill (S. 1128) for the relief of Fermo Breda.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Fermo Breda, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Adolph F. Breda, citizens of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STAMATIOS JAMES BRATSANOS

The Clerk called the bill (S. 1135) for the relief of Stamatios James Bratsanos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Stamatios James Bratsanos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GIUSEPPE BENTIVEGNA

The Clerk called the bill (S. 1155) for the relief of Giuseppe Bentivegna.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Giuseppe Bentivegna, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Charles Salvatore Bentivegna, citizens of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. JAGANNATH P. CHAWLA

The Clerk called the bill (S. 1156) for the relief of Dr. Jagannath P. Chawla.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dr. Jagannath P. Chawla shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from

the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RUTH SONIN

The Clerk called the bill (S. 1290) for the relief of Ruth Sonin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of sections 212 (a) (1), 212 (a) (2), 212 (a) 4, and 212 (a) (7) of the Immigration and Nationality Act, Ruth Sonin may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act.

SEC. 2. A suitable and proper bond or undertaking shall be given, approved by the Attorney General, in such amount and containing such conditions as he may prescribe, to the United States and to all States, Territories, counties, towns, municipalities, and districts thereof holding the United States and all States, Territories, counties, towns, municipalities, and districts thereof harmless against Ruth Sonin becoming a public charge.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELFRIEDE HALL

The Clerk called the bill (S. 1296) for the relief of Elfriede Hall.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Elfriede Hall (the fiance of Edgar P. Pruitt, a citizen of the United States) shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months, if the administrative authorities find (1) that the said Elfriede Hall is coming to the United States with a bona fide intention of being married to the said Edgar P. Pruitt and (2) that she is otherwise admissible under the Immigration and Nationality Act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Elfriede Hall, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Elfriede Hall, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Elfriede Hall as of the date of the payment by her of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MANASSEH MOSES MANOUKIAN ET AL.

The Clerk called the bill (S. 1395) for the relief of Manasseh Moses Manoukian, Elize Manoukian, nee Kardzair, and Socrat Manoukian, also known as Socrates Manoukian.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Manasseh Moses Manoukian, Elize Manoukian, nee Kardzair, and Socrat Manoukian, also known as Socrates Manoukian, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RUTH JOHANNA HEIDENREICH

The Clerk called the bill (S. 1430) for the relief of Ruth Johanna Heidenreich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Ruth Johanna Heidenreich, the fiancée of David George Lynch, a citizen of the United States, shall, notwithstanding the provisions of section 212 (a) (9) of such act, be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months, if the administrative authorities find (1) that the said Ruth Johanna Heidenreich is coming to the United States with a bona fide intention of being married to the said David George Lynch and (2) that she is otherwise admissible under the Immigration and Nationality Act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Ruth Johanna Heidenreich, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Ruth Johanna Heidenreich, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Ruth Johanna Heidenreich as of the date of the payment by her of the required visa fee: *Provided*, That the exemption granted herein shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHUNG KEUN LEE (THUNG KUEN LEE)

The Clerk called the bill (S. 1478) for the relief of Chung Keun Lee (Thung Kuen Lee).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Chung Keun Lee (Thung Kuen Lee) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BERENICE CATHERINE MONTGOMERY

The Clerk called the bill (S. 1594) for the relief of Berenice Catherine Montgomery.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Berenice Catherine Montgomery shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERNA PRANGE BLANKS

The Clerk called the bill (S. 1661) for the relief of Erna Prange Blanks.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Erna Prange Blanks may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRANIMIR V. POPOVITCH ET AL.

The Clerk called the bill (S. 1682) for the relief of Branimir V. Popovitch and Mila B. Popovitch.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Branimir V. Popovitch and Mila B. Popovitch shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. MOURAD ARNOUX

The Clerk called the bill (S. 1696) for the relief of Dr. Mourad Arnoux.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dr. Mourad Arnoux shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROSA STEPHAN

The Clerk called the bill (S. 1734) for the relief of Rosa Stephan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Rosa Stephan may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That her marriage to her United States citizen fiance, Sgt. James Robert Lay, shall occur not later than 6 months following the date of the enactment of this act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HILDEGARD MONTI

The Clerk call the bill (S. 1808) for the relief of Hildegard Monti.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Hildegard Monti may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground of exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GIORGIO SALVINI THOMPSON

The Clerk called the bill (S. 1955) for the relief of Giorgio Salvini Thompson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Giorgio Salvini Thompson, shall be held and considered to be the natural-born alien child of Richard Arlen Thompson, a citizen of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SEIKO NAGAI AND HER MINOR CHILD

The Clerk called the bill (S. 2243) for the relief of Seiko Nagai and her minor child.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Seiko Nagai, the fiancée of Harold Latta Hansen, a citizen of the United States, and her minor child, shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months, if the administrative authorities find (1) that the said Seiko Nagai is coming to the United States with a bona fide intention of being married to the said Harold Latta Hansen and (2) that they are otherwise admissible under the Immigration and Nationality Act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Seiko Nagai and her minor child, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Seiko Nagai, and her minor child, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Seiko Nagai and her minor child as of the date of the payment by them of the required visa fees.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JACOB VANDENBERGH

The Clerk called the bill (S. 2360) for the relief of Jacob Vandenbergh.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Jacob Vandenbergh shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIA TERESA ROSSI

The Clerk called the bill (S. 2438) for the relief of Maria Teresa Rossi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Maria Teresa Rossi, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Paul Persechino.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUCY MAO MEI-YEE LI

The Clerk called the bill (S. 2596) for the relief of Lucy Mao Mei-Yee Li.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Lucy Mao Mei-Yee Li shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The Clerk called the resolution (S. Con. Res. 75) that the Congress favors the suspension of deportation in the case of each alien named.

There being no objection, the Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-6904715, Abdulezer, Joseph Abraham.
A-7243372, Abdulezer, Josephine Mani.
A-6879097, Aboytes-Cortez, Jesus.
A-7297144, Abram, Engracia Molina.
T-1496801, Abul-Haj, Suleiman Khalil.
A-8014933, Afzal, Mohamed Share.
T-1496204, Aguilera, Ramon.
T-1495119, Aguilera-Espinosa, Miguel.
T-2672037, Aguirre-Avendano, Ramon.
T-303642, Akahori, Toshio.
E-33537, Albright, Evelyn Teresita.
E-33536, Albright, Mary Henrietta Florence.
E-33539, Albright, Nancy.
E-33538, Albright, Mary Norma.
T-1495116 Alicaya-Mendez, Alicia.
V-623269, Alien, Arsine Artashess (nee Kasparian).
E-33807, Alvarado-Salcedo, Salvador.
T-2760955, Amezquita-Arellano, Julio.
T-1497360, Amino, Futoshi.
T-1497359, Amino, Yayeko.
A-9537637, Anesti, Fernando or Fernando Anesti Guericacoitia.
A-6910000, Anesti, Margarita or Carmen Feijoo Cojil or Carmen Feijoo.
T-1496335, Angeli, Ottavio.
A-5990840, Arasaki, Seikai.
A-6384804, Aronowicz, Jacob or Yaacov Aronowicz.
T-303663, Arriaga, Francisco.
T-2760122, Asiatico, Juan Adocal.
A-4503369, Ayala, Julia Arboleda or Boccardo.
A-9778484, Aziz, Abdul.
A-6804001, Bahar, Hushang.
A-9504465, Balaco, Armando Dos Santos.
A-5642571, Bannora, George Farah.
0804-7146, Baric, John Gregory.
E-062508, Barrientos-Chavarria, Bacilio.
E-062509, Gracia-Ochoa, Joaquina.
E-3359, Barros, Jose Gomez.
A-5968691, Bejarano-Robles, Carlos.
A-3744290, Beldarrain, Frances (nee Mateo).
A-2647515, Bliziotis, Peter or Peter Bliyiotis.
A-5633855, Bojesen, Evald Andreas or Ewald A. Boljesen.

A-2224487, Borges, Antonio.
A-6606771, Bravo, Lydia.
A-6606774, Bravo, Victory.
A-7197066T, Brooker, Wilbert Elton or Wilbert Elton Booker or Wilbert Booker.
T-1497379, Browne, Benjamin Santa Maria.
A-7445678, Cabello-Callejas, Francisco.
A-7445754, Cabello, Maria del Refugio Luna de.
0707/8371, Cain, Herman Joseph or George Alfonse Cluff.
A-2897697, Calabretta, Antonio.
T-605515, Calica, Lourdes Sanchez (nee Leodegaria A. Sanchez).
A-3816963, Calsada, Tito Maltiso or Tito or Titu Calsada.
A-7415532, Camacho-Rodrigo, Carlos Enrique or Charles Neff or Henry Rodriquez.
A-6617954, Camarena-Vega, Jose.
T-2672007, Cardenas, Alvaro Rosette.
T-2672404, Carmona, Ignacio.
T-2672403, Carmona, Imelda.
T-2672402, Carmona, Ernestina.
A-4908591, Carrasco, Ismael.
T-398947, Carreras, Dellio Martinez y.
1600-98120, Case, Ethel Mabel or Ethel Case Burton.
A-5955742, Casola, Antonio.
T-2672853, Castillo-Ponce, Victor or Francisco G. Ortega.
E-44754, Cervantes, Luz Balandran De.
E-48487, Chamberlain, Corinne Anne (nee Priddy or Akers).
A-6011812, Chatterjee, Benu or William Cramer or Ramer or Rainer.
V-383231, Chau, Sek-Hong.
0900-62572, Chavez, Carmen Rios or Carmen Rios.
E-057384, Chen, Harry Min or Chen Yung Kuam.
E-085864, Cheong, Mui or Hee Leung or Shi Leung.
T-1897324, Cheung, Ting Fong or Chong Ting Fung.
V-369570, Chin, Rose So-Jan or Rose Foon Poo Chin.
A-3171949, Chong, Fou.
E-084432, Chu, Wan King.
A-5727912, Churma, Senior, Michael or Mihal Churma.
A-2855108, Colapinto, Grace or Angela Rosa Garatola or Galatola.
A-2390753, Coluccio, Salvatore Angelo.
A-3006437, Consigliere, Enrico Mario.
A-5342574T, Cook, Sarah McKenna (nee McKenna or Waldron).
0707-8979, Copeland, Luther Emanuel.
A-9701365, Coradin, Jean or Gustave John Coradin.
1411-1492, Cortez-Reyes, Antonio.
A-3991390, Criminna, Pasquale.
A-8021448, Csicsery-Ronay, Elisabeth.
A-5983296, Dalton, Fred John.
A-2486291, Darmainin, Louis.
T-2010510, David, John or Hana Dauad.
A-3655198, Davidson, Olga Emilie.
E-064634, Diaz, Berta Enriquez De.
A-7112680, Diaz, Juana Castaneda de.
1300-80008, Dip, Wong Ngan.
A-6510881, Dominguez, Luis Carlos Verdecia.
E-087693, Dotzler, Kathe or Kathe Perl.
A-7184335, Drucki-Podberezki, Joanna Maria or Joan Mills or Joanna Maria Wilusz.
0700-10576, Dunbar, Zachariah.
A-7735541, Dyner, Edith or Etta or Edith Etta Dyner or Etta Bein.
A-6052633, Dyner, Jacob or Janos or Jacques.
V-183074, Edwards, Henry Anthony Bartholomew.
A-8227264, Elizalde-Gonzalez, Guadalupe or Maria Guadalupe Elizalde-Gonzalez.
E-064632, Enriquez, Maria Bueno Vda De or Maria De Jesus Vasquez-Enriquez.
A-6033986, Escobar-Dreyfus, Luis Patricio or Patrick Dreyfus.
T-2671999, Escobar-Dreyfus, Gerardo or Gerard Dreyfus.
T-2672000, Escobar-Dreyfus, Maureen or Maureen Dreyfus.
A-6034121, Escobar-Dreyfus, Eileen or Eileen Dreyfus.
A-7137123, Estrada-Gonzalez, Edmundo.
A-5527527, Fatovich, Marijan.
A-9731402, Fernandes, Joaquim.
A-6920086, Ferrera, Roberto Gonzalez or Ferreyra.
A-4737576, Flores, Isidoro Bernabe.
E-44017, Flores, Reina Guillermo de.
E-44018, Guillermo, Magdalena Flores.
A-6154165, Flores-Castaneda, Tiodosio.
A-6924788, Flores-Rocha, Agustin.
A-7463064, Flosi, Ego.
E-082631, Fong, Way or Fong Way or Yat Kwong.
E-084940, Fook, Lee Tai.
V-905634, Francisco, Gwendolyne Olive.
A-6476837, Franco-Ramirez, Abrosio.
A-6653070, Friedmann, Zoltan.
A-6625805, Friedmann, Alice (nee Lenez).
A-3538714, Froehlich, Wilhelm or William Frohlich.
A-5977420, Fujimoto, Ichisuke.
T-303140, Fung, Kong Choy.
E-056634, Furlani, Anna Skerl.
A-8196072, Gafoor, Abdul.
A-6053771, Gallardo, Luis Arevalo.
E-33959, Garcia, Pablo C.
A-6310309, Garcia-Hernandez, Jesus or Alberto Garcia.
A-4401878, Garcia-Negrete, Roberto.
T-1143502, Garcia-Romo, Alfonso.
E-062584, Garcia-Sanchez Luis.
T-1495428, Gardikiotis, George Vasilos.
A-3142129, Guadio, Salvatore Del.
A-7881848, Gebert, Consuelo.
V-173286, George, Maria Correia (nee Brioso).
A-7243256, Ghersi, Albert or Alberto Ghersi.
E-079754, Gibba, Elena Versini.
A-3098222, Gioniotis, Panos or Peter Gioniotis.
A-4846259, Goldberg, Dworja or Diana Goldberg or Dina Goldberg (nee Frieman (Frydman)).
E-6016, Goldberg, Roberto Silvio.
E-057793, Gomez, Alfred Ruiz.
A-4451128, Gomez-Aguero, Manuel.
T-2760594, Gomez-Garcia, Felisofia.
T-2760543, Gonsalves, Joao Joaquin.
A-9745530, Gonzales, Serafin.
T-1496946, Gonzales-Delgado, Juan.
A-9191196, Gonzalez, Manuel Paz or Manuel Gonzalez Paz.
A-6261627, Grafas, Stavroula (nee Marmara).
E-093942, Grafas, George.
A-4942145, Gray, Herman Basil.
T-1495993, Gudino-Barajas, Ramon.
A-2880873, Gularte, Carlota Agundez vda de.
T-2760562, Gung, Fong or Hung Jock Chan.
T-1496299, Gutierrez-Sanchez, Juan.
A-7383844, Hachigian, Osqui Atamian.
A-9559947, Hai, Teo Sang.
A-5981988, Hamamura, Hikoiti or Hikoichi.
A-5388286, Hamilton, Duncan or Duncan Tiafolus Hamilton.
A-4983236, Hartwell, Agnes Duncan.
A-1516520, Hassen, Harry.
A-3867622, Hauhia, David or Jan Valko.
0300/44367, Heeder, Gerhard or Gerhard Robert Wilhelm Heeder or Robert Will.
A-3620480, Helgesen, Hans Marentius.
A-5858380, Hernandez, Donaciana Medina.
A-70702808, Hernandez-Medillin, Mario.
T-2672343, Hernandez-Orozco, Manuel.
0300-404403, Herrador-Santos, Hilda Concepcion or Hilda Herrador or Hilda Concepcion Herrador-Bantos de Perez.
A-3816953, Hibino, Hiroshi Arundale or Arundale Vrabec or Dale Vrabec.
A-9538532, Honrubia, Pedro Jose.
T-1496980, Hori, Itsu or Itsuko.
T-1496981, Hori, Takakichi or Heishiki Hori.
A-1292530, Howe, John William or John Arthur Howe or Charlie Rowan.
A-4961274, Huber, Fred M. or Friedrich Huber.
A-3599957, Huq, Akramul.
A-6009179, Hwang, Ronald Hsiu-Feng.
A-6008442, Hwang, Mu-Lan (nee Fan).
A-7439612, Icay, Anna Natalia.
A-4614441, Idone, Giovanni (John) Pasquale or Idoni.
A-6939709, Idone, Angela or Idoni (nee Scarfi).
E-050443, Ishihara, Tsura or Tsura Kiyam Ishihara or Tsura Isihara.
A-4130126, Jacobs, Uriah Nathaniel.
A-5290420, Janssen, Herman or Franz Richard Werner Wallman.
A-7092821, Jesus, Maria De.
A-7092822, Ceniceros, Micaela.
T-1495103, Jimenez-Olivarez, Soledad.
T-1496328, Jinenez-Morante, Rafael.
A-7418331, Johnson, Thomas David or Thomas Johnson or David Hanson.
T-2760224, Jung Big Jean Jeu or Jeu Shee.
A-4919053, Kachopoulos, Antonios.
A-2760570, Kafouros, Emanuel.
A-6005600, Kanashiro, Chinryu.
A-5990842, Kanashiro, Harukichi.
T-2760311, Kang, Wang Cho or Yong I. Kang.
A-9683491, Karlson, Erik Allan.
A-8258713, Karlsson, Lillian Josephine Kellogg.
T-1496881, Karuntzos, Athanasios V.
A-3152724, Kasnoff, Mike.
T-1496888, Kasnoff, Kate.
A-8036431, Kastorhs, Konstantinos.
A-3734783, Kee, Ng.
A-9229889, Kee, Yeo King.
A-3985426, Keller, Phillip.
A-4294908, Keller, Katherine (nee Winkler).
A-6933253, Ker, Jefferson Lisle John or Jefferson Lisle Harris.
T-1496381, Khan, Secunder.
A-9615348, Khedoo, Charles or Nagaraju.
0100-25642, Khouri, Mounir Wafic.
A-5082343, Kida, Isaku or Nobuyuki Kawase or Isaku J. Kida.
A-7211007, Kim, Kyung Hi or Kyung Hi Whelan or Helen Suki Kim.
A-5981982, Kishi, Hajime.
A-5033560, Kitagawa, Bunzo.
A-6261604, Kitcoff, John.
A-6361608, Kitcoff, Eleni.
E-056606, Kolombotos, Pete or Panagiotis Kolombotos.
A-9176486, Kontogiannis, Kiriakos.
A-5430069, Kontokosta, George or George Kontos.
A-9664985, Koumpis, Kostas or Constantinos Koumpis.
A-9709750, Kourtis, Thomas George.
A-9507807, Kow, Wong.
A-7881818, Kramer, Lutz.
A-5090757, Krebs, Evangeline or Mary Margaret Evangeline Tetre.
A-1593864, Krekovich, Ivan or John.
A-3016822, Kucharuk, Wolodimir or Bill Kucharuk.
E-047247, Kuen, Tom or Tom Lup Kuen.
T-1496206, Kun, Ree Chung or Charlie Yee.
T-2760294, Kung, Shan Chow.
T-2760296, Kung, Sue Mei Wang.
A-6920744, Kwock, Bing.
A-9643930, Lai, Yue.
A-2579318T, Lakatsas, Panagis Gerasimos.
T-2672108, Lara, Tomasa Lastra Vda de.
T-2760648, Lazaro-Manzo, Nicolas.
V-279308, Lederer, Jose.
T-2671869, Lee, Betty Elizabeth.
A-7983012, Lee, Mary May.
T-1496863, Lee, Frank How or Goo How Lee or Chung Goo How.
V-606439, Lee, Ling Han or Lee Ling Han.
V606433, Lee, Ying Zai Yan or Lee Ying Zai Yan.
A-2257386, Lee, Young.
A-9526175, Leung, Cheung or Leung Cheung.
V-1313388, Levy, Alice (nee Debbah).
A-7983480, Lim, Florence Lee.
T-2760178, Lim, Leung Hing or John Hing Leong.
A-5928658, Lindmeier, George.
T-2225870, Linetsky, Meier or Meyer or Maier Linetsky.
A-8117978, Lischio, Sergio.

0500-24768, Liu, Yoh-Han or John.
T-2672322, Llorente-Gonzales, Jesus.
T-2672323, Llorente, Angelina Becerra.
1411-824, Loewenthal, Emil Bob.
1411-836, Loewenthal, Hilda.
1411-836, Loewenthal, Joan America.
99623/773, Lombardo, Alfredo.
T-1497315, Loo, George or Yao Jen Loo.
A-4092626, Lopez, Eriberta Cortez.
A-6182116, Cortez, Leonides Espinosa or Dolores Cortez.
A-6182117, Cortez, Adelita Espinosa.
0300-195134, Lopez, Hugo Zoilo or Hugo Spilo Rosado Lopez.
T-1496929, Lopez, Regino Chavez.
T-2672183, Lopez-Leal, Jose.
T-2760395, Lopez-Tamallo, Vicente.
A-6953455, Loren, Gladys May (nee Hermitt).
E-33963, Loucopoulos, Stamatios John.
T-1495440, Loukas, Louis or Louis Cavadias or Elias Kavadias.
V-529738, Lovi, Nello.
T-1496913, Loza-Diaz Zacarias.
A-9528629, Lum, Chan Gum.
T-2760233, Lun, Louie Duck or Mrs. Wong Bow.
A-2253182T, Lyu, Kingsley Kyungsand.
A-7200809, Madsen, Karen Inga (nee Sabroe).
A-7144179, Magafan, Irene Gerasimou (nee Makris).
A-7424122, Mazon, Teresita Santos.
T-2760680, Marashian, Sirarpi (nee Chiklian).
A-6095888, Margossian, Margos.
A-6095887, Margossian, Elizabeth.
T-774154, Marrero-Santana, Jose Antonio or Antonia Marrero.
A-7197785, Martinez, Amparo Delgado or Amparo Cruz Delgado.
E-093579, Martinez, Manuel.
A-2233941, Martinez-Alatorre, David.
T-2760392, Martinez-Barrando, Eulogio.
A-7450452, Martinez-Juarez, Wenceslao.
A-7450450, Martinez Zoila Flores De.
A-2710282, Masatani, Masaji.
A-3617054, Mataz, Julio Martin or Matas.
A-6923007T, Matsmaru, Akiko or Akiko Mori.
A-2251179, Matsumoto, Shigenobu.
A-2342649, Matsumoto, Fumiko.
A-2428590, Mavris, George Athanasios.
E-33610, Mayo, Victor Manuel.
A-7247472, McKenzie, Feliza Jimenez.
A-1280229, McMahon, Olga (nee Olga Kondrat).
1500/44307, Mendez, Eva Enriquez de.
T-1497365, Mendez-Velasquez, Santiago.
T-1497366, Mendez, Clementina Mora De.
T-2760581, Merva, Antonia Ivanica.
A-7463942, Miguel, Alejandro Rodriguez-San.
A-7469325, Rodriguez, Juana Torres de.
A-4204619, Miller, Elsie Mae or Elsie Mae McArthur or Elsie Mae Rankin or Elsie Scarlet.
A-1549507, Ming, Sze Koo.
T-2760234, Ming, Wong Toy.
T-2760559, Mitchell, John Tony or Ioannis Panagiotis Bourbopoulos.
A-4855875, Mochizuki, Tomejiro.
A-5711130, Mock, Kuck Ming.
A-8082610T, Moea'i, Tau.
A-8082609T, Moea'i, Alapati.
A-9039858, Mohamed, Hamed or Saleh Said Mohamed.
A-4189532, Mohamed, Josif or Yousif Mohammed or Meda (Neda) Lobif or Joseph Kahn or Khan.
A-7137607, Morabito, Domencio or Giuseppe Rinaldo.
A-7010534, Moy, Alice or Moi Yee Goon.
1415-449, Mueller, Arnold Karl George.
T-1496334, Munguia-Chavez, Salome.
T-2672128, Munoz, Carmen De La Torre.
E-097673, Munoz, Maria Elena Resendez de.
E-093666, Murrell, Arthur or Arthur Nevil Murrell or Arthur Neville Murrell.
A-4480157, Nakamura, Kazuo.
A-1983083, Nakamura, Hiroe.
A-4711570, Navilys, Eugene Clement.
A-4926841, Nedina, Pedro or Peter Nedina.
A-8190492, Nelson, Hildegard (nee Hermann).
A-6163584, Neri, Feliciana Ramiro.
A-6988016, Nicolaou, Kaliope Mosas (nee Kaliepe Nikolaos Karavokirou).
T-2760177, Ning, Yuan Chung or Yee Ching Ning or Wee Yong Moy.
A-4158761, Nishiguchi, Tomeichi or Tomeichi Sakamoto.
A-9576941, Nunez, Juan Borrero.
T-1496977, Nunez-Fernandez, Ulises.
A-6943511, Nunez-Garcia, Abel.
A-5171191, Oberron, Arthur De Camera or Osborn.
T-303636, Okabayashi, Wataru.
A-3569802T, Okumura, Sadao.
T-1496960, O'Leary, Dorothy May.
T-302976, Olguin-Chavero, Miguel.
T-647325, Oquendo, Heroina Gonzalez or Heroina Gonzalez or Heroina Oquendo Gonzalez.
A-1743349, Orozco, Jesus Antonio.
T-1497372, Orozco, Ruben Solis.
A-3606817, Ortiz-Estrada, Manuel.
A-7243103, O'Sullivan, Alice Maria (nee Buza-Lubkowska).
V-455541, Padua, Virgilio de.
V-904177, Padua, Coraeon Garcia de.
A-7516913, Pages, Concepcion Pujadas De.
A-3788790T, Panaro, Ottavio.
T-302906, Parra-Orozco, Alberto.
T-1496215, Pasillas-Carillo, Joaquin.
T-1496209, Pasillas, Dolores Meza de.
A-6062575, Pelicot, Lidia Estela (nee Perez y Olio).
A-8217360, Pereira, Antonio Goncalves.
A-6144216, Perez, Helen Ruiz (nee Ruiz).
T-2672311, Perez-Orocio, Jose.
A-7182821, Perez-Villanueva, Martin.
1411-5007, Phillips, Concepcion Luna de.
1411-5006, Luna-Leon, Benicio.
A-6764233, Pick, Andrew or Andras Pick or Andreas Pick and Andrew Por.
A-3013924, Poblet, Jose.
A-7100544, Podubynskyj, Olimpiada Lily Marawa.
T-1497319, Poong, Yun-Yin.
T-1497318, Poong, Sin-Chin Phang or Sin-Chin Phang.
A-5289642T, Pratu, Louis Raphael De or Louis Raphael De Prato or Louis Patrick De Pratu or "Paddy" De Pratu.
T-1497303, Queveda, Armando Cecilio.
A-5819172, Radkowsky, Albert Franz.
E-097690, Ramirez, Maria Enriquez de.
A-7457458, Ramirez-Franco, Luis.
T-1495114, Ramirez-Hernandez, Manuela.
A-7083451, Ramirez-Mena, Rafael.
A-7079813, Ramirez-Munoz, Jesus.
A-2459949, Ramos, Jose Ramos.
A-5548840, Ramos, Rafaela Nodal.
T-2760587, Ramos, Telefe George.
T-2760554, Ramos-Molina, Francisco.
0900/57653, Rangel-Gonzalez, Esteban or Steve Rangel.
T-2760384, Rindlisbacher, Rudolph Fredrick.
E-062510, Rivas-Herrera, Antonio.
A-6072134, Rivera, Luis.
A-6072133, Rivera, Angel.
T-2672052, Robles-Gutierrez, Filiberto.
T-2672053, Robles, Jesus Valdez De.
A-9545853, Rodrigues, Joao or Joao Rodriques or Joae Rodriques or Joseph Rodriquez or John Rodrigues.
1411-5145, Rodriguez, Cristina Florica Ionescu de.
T-2760269, Rodriguez, Salvadore Rodriguez.
A-7388949, Rodriguez-Ramirez, Ruperto.
A-5056794, Rofalsky, Bruno.
A-9618647, Rostad, Thoe Wilheim.
A-4935179, Ruiz-Urias, Rafael.
T-1496849, Sakoda, Tomosuke.
A-7483387, Salcedo-Perez, Jesus Amando.
T-1496896, Salgado, Mauro Garcia.
A-6644603, Sanchez, Simona Chapa De.
A-7999412, Sanchez-Rodea, Emilio.
T-2760687, Sanchez-Salcedo, Gregorio.
A-8196267, Santis, Pietro Nicola De.
0402/13480, Sappas, Dionisia (nee Markou).
A-4047826, Scalo, Biagio Di or Biagio Di Scala.
A-5005691, Schultz, Johann or John.
A-3819407, Seden, Tonia or Zezulis (nee Senkov).
T-2760682, Serna-Subia, Orenzo.
V-287009, Shalmony, Anna Cohen.
T-2760597, Shee, Yee.
A-6070885, Shi, Lee Que or Lee Bing Sue.
A-7819555, Shim, Louie Long or Eddie Shem Louie.
A-6161510, Shimizu, Susumu.
T-1892063, Shong, Hom or Shong Tom.
E-49870, Siatu'u, Frances Iligagoa or Frances Iliganoa Siatu'u.
T-276-116, Siebert, Rita Jane.
A-4917693, Siems, Johannes Thorvald Marius or John Siems.
E-064635, Siqueiros, Alicia Enriquez De.
A-3869362, Sitowitz, Fred.
0300-24716, Siva, Jack.
A-6839888, Siowden, Owen or Owen George Siowden.
A-1452378, Sobczak, Alfred.
0900-39193, Sotelo, Jose Cordova.
99292/704, Staltman, Peter Tedor or Peter Staltman.
A-7909610, Stoumbos, Charalampos Zacharias or Harry Stoumbos.
0300-323101, Sun, Bei Lin Woo or Bei Lin Woo.
A-2881157T, Tajima, Hikoichi.
A-1359603, Terrell, Rosario Menchaca.
T-1864512, Thater, Juliana Talon.
V-1784559, Thkun, Tamara Alexandrovna.
A-5305022, Timoldi, Stella Dominga or Stella Dominga Irizarry or Estela Irizarry or Estella Irizarry Matos.
A-9291739, Tong, Choo York or Chu York Tong.
A-2207135, Tong, Grace Huan-Jung Kwoh.
T-1496973, Toyoji, Fusako Kondo.
1409-14490, Trevino-Quesada, Jose.
1409-14490, Trevino-Saldivar, Ruben.
1409-14490, Trevino-Saldivar, Oralia.
1409-14490, Trevino-Saldivar, Lionel.
0900-68937, Triska, Matej.
0900-68939, Triska, Anna.
A-1330649, Tsiknas, George or George Dimitrios Tsiknas or George James Tsiknas.
0300-400217, Tsun, Wu Shen or Wu Shue Jsune or Wu Shue June or Shen Wu Trun or Wu Shen Tsen.
A-3605141, Tung, Eng Bing or Bing Tung Wu.
A-2281151, Urban, Martin.
T-1510184, Valakas, Nikolas or Nick Valakas.
T-1497334, Valdeolivar-Solis, Efren.
A-7415995, Valdez, Juana Najera.
1600-86461, Valenzuela-Rubio, Esteban.
T-2760593, Valverde, Raul Espinosa.
T-2672017, Vargas-Andrade, Estanislado.
A-9526167, Vasilarakis, Elias John.
T-2672031, Vasquez-Hernandez, Marciano.
T-2672304, Velasquez, Roul Vasquez.
A-5610733, Vela-Valadez, Ynes or Ynez Vela-Valdez or Ernest Villa.
A-8360480, Veltri, Salvatore Mario.
A-7890018, Vengetachalliam, Marie or Jessie Freddie Richard.
E-056603, Viaz-Lopez, Francisco.
V-348880, Vicente, Pilar Rubio y or Pilar Rubio or Pilar Rubio y Vicente de Perez.
A-6178341, Victoriano, Maria Elena Visitacion or Melvi Victoriano.
T-2671943, Vidales-Garcia, Macario.
A-7445012, Vietto, Lucienne Jottay.
E-33922, Vilibald, Gustave.
A-9128508, Villa, Segundo Labis.
E-901108, Villagomez, Emeteria Candanosa Vda De.
A-3094078, Viscovich, Stanislav.
A-3948021, Vivero, Francisco Hernandez Y.
A-9094921, Warsama, Yusap Marmood.
A-5280613, Wein, Irving or Izzie Wein.
0300-408369, White, Septimus Freiman or Dudley Smith.
A-9192938, Wing, Cheng or Cheng Yin.
T-2760111, Won, Moon Shee.
T-1892191, Won, Tong or Tung Wing or Tong Wang.

A-8091430, Wong, Ah Kow.
A-7991025T, Wong, Albert Earl or Wong Kin Pang.
A-5404114, Wong, Antonia Rodriguez or Antonia Mercedes Rodriguez y Jimenez.
A-4982640, Wong, Chun Kin or Franklin C. K. Wong.
A-6833631, Wright, Kenneth Charles.
A-3424707, Xideas, Athanasios Konstantine or Jovanou.
A-5967640, Yamashiro, Kotoku.
T-1892104, Yan, Gan Ou.
A-5354758, Yanagi, Norio.
A-3994811, Yih, Ruth Chang or Ruth Y. Chang.
A-2505051, You, Chong or You Chong.
A-7607073, Yun, Hsai or Hsia Yun.
0300-298056, Young, Phoebe or Yun Hsia.
T-303874, Yun, Sung Hyun.
T-2672308, Zanella, Daniel Galeazzi.
T-1956096, Zepeda, Eva Garcia de.
A-5306985, Zimmerman, Henry Gottfried or Heinrich Gottfried Zimmerman or Josef (Joseph) Olisio.
A-9782668, Zun, Chu Ah or Chew Ah Seng or Chu Ah Zan or Cheu Ah Seng or Chiu Ah Zung or Cheu Ah Sing.
A-9720704, Zvanski, Alexander Stepanovich.
A-3170089, Abaya, Ariston Estabillo.
A-8117313, Aceves, Balbina Anaya de (nee Balbina Anaya-Ramirez).
A-4686658, Aguilar, Victoriano.
A-8259517, Aguirre, Jorge Leonel.
A-3269650, Alabakis, Pantalis Christou.
T-2672184, Alba, Feliciano Campos de.
A-4697649, Albizuri, Matias.
A-6172409, Alexandrakis, Panayotis Manuel or Takis Alexandrakis.
A-6172411, Alexandrakis, Marguerite Panayotis or Rita Alexandrakis.
0300-82024, Alexandrakis, Emanuel Peter or Manuel Alexandrakis.
T-1496829, Ambriz, Demetrio Luis.
A-7137199, Andrade-Garcia, Agustin.
A-3090506, Andreadis, Nicholas Christ.
T-2672135, Angel-Ramos, Tirso.
E-5534, Appelboom, Petrus.
E-5535, Appelboom, Petronello Klazienia (nee Meijer or Meyer).
T-1496817, Arroya-Perez, Alfredo.
A-1985710, Ashley, Vernal Adonis.
A-7222761, Avalos-Ramirez, Severiano or Bersabe Avalos-Valenzuela.
A-3994808, Avalos-Tamayo, Guadalupe or Guadalupe Avalos.
A-4481932, Balchin, John George or Jack Balchin.
A-8078942, Barajas, Jose Salvador.
A-2253685, Bardis, Leonadis Louis.
1600-32954, Barron, Dolores Luna-de.
1600-33001, Barron-Luna, Irma.
1600-32955, Barron-Luna, Delia.
1600-32946, Barron-Luna, Arturo.
1600-32953, Barron-Salaises, Arturo.
A-3372719, Barzelatto, Lorenzo.
A-6868646, Bekelman, Jakob or Jacob Peiner.
A-8297869, Belasco-Ortega, Isabel.
A-3056259, Bell, Ahmed Joseph.
E-076561, Belle, George or Juraj Belej-Kobala.
A-5220060, Benedetti, Giuseppe Di or De Benedittl or Di Benedictis.
A-4180933, Berezanich, John or Jan Berezanic.
A-2361136T, Bergman, Julia.
T-2760462, Bertocchi, Lorenzo Marino.
A-6422755, Beyers, John Marion.
A-6296764, Bhader, Gulam.
T-2672160, Bianchi, Aldo.
A-3726778, Bianchi, Aldo Pietro.
E-085651, Bogach, Miron or Miron Stefano Bogach or Miron Bogatch or Miron Stefanovich Bogatch.
T-386274, Bolivar-Fuentes, Rafael De Jesus or Ralph Bolivar.
A-7491586, Briones-Hernandez, Francisca.
A-7491589, Briones-Hernandez, Gilberto.
E-8006, Bucich, Matteo or Mike.
A-7283044, Bueti, Vincenzo or Vincenzo Buetti or Vincent Buetti.
T-2760555, Campos, Aurelia Ramos.
T-2760556, Campos, John Antonio.
T-1498835, Carrillo-Arenas, Francisco.
A-7476094, Carrillo-Sanchez, Pedro.
T-2760460, Castaneda-Padilla, Alfonso.
A-5619568, Castillo-Sariana, Juan.
A-7450903, Cerda, Celia Morales De.
T-2671928, Chavez, Maria Landin-Rizo De.
A-9741303, Chavez, Severo Alvarez.
T-2760471, Chavez-Landin, Martina.
A-7274374, Chen, Irene T. (nee Irene Fei-Pei Hu).
A-6660391, Chen, Yueh.
A-2714829, Chi, Lau Shiu or Shiu Chi Lau.
T-2672134, Chomar, Nama or Nama.
A-9606346, Choon, Chow Ee or Joe Choon.
A-3711131, Chung, Wah or Wah Chong.
T-302992, Correa-Hernandez, Ramon.
A-3491464, Costantino, Sebastiano.
V-905635, Cruz, Mary De La.
1607-19622, Cruz, Pablo Sebastian-De La.
A-5593279, Csepke, Charles or Karoly Cheipke.
T-2760474, Cullante-Espiritu, Marcelo.
A-7078168, Dagnall, Johanna (nee Luther or Yoshie Uchida).
A-5987986, D'Almeida, Henrique Martins.
T-2760650, Delgado, Jose Ruiz.
E-065907, Duran-Cerecero, Mariano.
1603-9291, Duran-Olmos, Mariano.
A-2851312, Eagleson, Frances Gonzalez.
A-5778480, Emmas, Mis Ma or Mendora Ma Emmas or Men Ma Enas.
A-4059206, Emmas, Asmo or Asmo Emas.
A-2904770, Endow, Shinji.
A-1149316, Erzrgovich, Giovanni or John Erezgovich.
T-2760578, Espinosa, Maria Luisa Quintero de.
T-2760476, Espinosa-Cruz, Rafael.
E-125150, Esquivel, Mercedes Perales de.
A-6525437, Esquivel-Sanchez, Maria Luisa.
A-7376997, Ettare, Esperia Angela (nee Fasciolo).
T-2760477, Fernandez, Manuel Antonio.
E-7010, Fernandez, Maria De La Concepcion or Conchita Ruiz or Conchita Fernandez.
A-4709465, Ferrer-Thomas, Leonardo.
A-2944061, Fishman, Martha.
A-5162164T, Fishman, Sarah or Sarah Verter Fishman.
A-5447297, Flores, Petra Moreno de.
T-2672197, Flores-Aguirre, Jesus.
T-2760478, Ford, Vivian Christine.
A-5068619, Francis, Leslie Ernest.
T-1496200, Franco-Naranjo, Jose.
E-3322, Fuhrmann, Ernst.
A-5981992, Fujii, Hisao.
A-5451938, Fujimoto, Taichi.
A-6763206, Galindo-Galindo, Federico.
A-7978780, Gama-Carreno, Jose.
A-7978843, Gamez-Corrales, Jose.
T-2760453, Garcia-Castaneda, Nicolasa.
A-6671845, Garcia-Juarez, Rosario or Rosa Gonzales-Juarez.
A-6671841, Vasquez, Rosa Maria.
A-9716610, Gialouris, Spyros John or Spyros Gialouris.
T-1892228, Git, Chin or Chin Git Chang.
T-2672127, Gonzalez, Inez De La Torre De.
T-2672316, Gonzalez-Leon, Jorge.
T-2672317, Gonzales, Elvira Duenas De.
T-2672186, Gonzalez-Ramirez, Bonfilio.
E-33289, Gonzalez-Torres, Alberto.
E-082402, Gracchi, Candido.
A-6036335, Guidino-Fernandez, Carlos or Ramon Cudino-Armendariz.
T-2760458, Gudino-Nino, Jose Luis.
A-7978748, Guerrero-Vidal, Luis.
T-1496227, Gutierrez-Franco, Pascual.
A-6038700, Gutzman, Janina Obranski or Janina Gutzman or Janina Obranski or Janina Elonwska.
A-8189324, Hansen, Alfred Leonard.
A-8189325, Hansen, Nancy Elvira.
T-1496894, Hashikawa, Jinsaburo or Jinsaburo Nakamura.
T-1496844, Hashimoto, Eiji.
A-7463666, Heiju, Alfred.
A-7703971, Hennig, Olga Elizabeth.
T-2672138, Hernandez, Jesus.
A-6367677, Hernandez, Maria Elena now Maria Elena Hernandez de Alejo.
E-086110, Hernandez, Jose Cabrera or Jose Cabrera.
A-6744385, Hernandez-Alvarez, Enrique.
A-8266993, Hernandez-Garcia, Manuel.
T-1496941, Hernandez-Melchor, Ignacio.
T-2671904, Herrera, Guadalupe Maciel-Padilla de.
1612-2155, Herrera-Hurtado, Agustin.
T-303647, Herrera-Medina, Ambrosio.
A-7742771, Hu, Shan-En.
A-6851381, Hu, Nancy C. K. Sun.
T-1496821, Huerta-Valdez, Juan.
A-7070399, Huizar-Diaz, Manuel.
A-4968077, Hurtado-Garcia, Baldonero.
A-5203427, Ikeda, Shizuo.
T-2760956, Ito, Etsuko.
T-1496948, Iwasaki, Eikichi.
V-20238, Jenkins, John Charles.
T-2671876, Job-Gonzalez, Juan.
T-2672133, Jung, Seeto May.
V-348721, Katz, Fanny (nee Ofelia Moscovitch Fisher).
A-4692510, Kellman, Muriel (nee Rubin).
E-8299, Ken, Cheng or Ching, Ken or Kung Chen.
E-057710, Khan, Ali.
A-5619579, Khan, Cullender.
T-2672166, Khan, Daod.
A-6151383, Kinney, Anita Wutrich.
E-093512, Kippins, James Theophilus or Theophilus Kipins.
T-2760577, Kontos, Constantinos Geordios.
E-076572, Krainz, Mary (nee Vicic or Aloizija Zadel).
A-9503917T, Kun, Tsang Yeung.
A-5969927, Kuroiwa, Kichiuemon.
A-7027286, Kurzetkowski, Stanley Marion or Zbigniew Marion Kurzet or Kurzetkowski.
E-085635, Lachatanere, Sara.
0300-323852, Ledgister, James Dalfrei.
A-2887688, Lee, Chee Ting or Lee Yin.
T-2760128, Lim, Yue or Yue Lim.
A-6608376, Ling, Hung-Tu.
V-301115, Ling, Chong Lien Chin or Elsie Chong.
E-057055, Linnartz, Matthew Joseph.
0400-50199, Lopez, Carmen Arana.
T-2760435, Lopez, Florentina Flores-Aguilar De.
T-2760561, Lopez-Fernandez, Frank.
T-302962, Lopez-Landa, Ernesto.
T-2671927, Lopez-Olguin, Manuel.
A-8199016, Lopez-Ponce, Juan.
E-40231, Luna, Amas Aparicio.
A-7777560, Luna, Angel.
T-2672144, Luna-Davila, Concepcion.
A-7859043, Luzio, Guido Di.
A-3528188, Lyons, Ouestian Goldie or Oestian Mooshagian or Ouestian Inman.
T-2760325, Madamba, Conchita Pilar.
A-7476530, Maldonado-Vargas, Ruben.
T-2671902, Malgerejo-Alvarado, Rafael.
A-2389439, Marjanovich, Stanoje or Dragoljub Vicentijevich.
A-2527724, Marjanovich, Zivka or Milojka Vicentijevich.
A-4639740, Mark, You or Mark You.
T-2672129, Martinez, Carmen Salazar de.
A-6882314, Martinez-Lopez, Julio.
0900/65193, Martinez-Loredo, Samuel or Rodolfo Ortez.
A-4743829, Masayoshi, Hamada or Masatura or Masavuki.
E-42691, Medina, Soledad.
E-42716, Mendez-Pacheco, Aucencio.
A-8178294, Mendez-Verdusco, Rogelio.
T-2671880, Mendiola-Trejo, Salvador.
0300-269297, Mon, Chin.
T-2671884, Moncada-Flores, Rafael.
T-2072799, Montes-Ramos, Alfonso.
A-7995696, Montez-Leal, Antonio.
T-2760566, Montoya-Magdaleno, Jose Domingo.
A-7992837, Mora-Cadena, Ismael.
T-1496815, Morales-Baca, Luis.
T-3933450, Morales-Lopez, Cesario.
1409-10918, Moreno, Elodia Garcia de.
T-2671901, Munoz, Ester Melendez de.
A-3963246, Najera, Teresa.

T-2672416, Najera-Flores, Julio Faustino.
T-1496898, Nakamura, Torajiro.
T-303639, Nakamura, Misao.
A-3019656, Natzler, Emilie Lili (nee Meissner).
T-1496917, Nava-Reyes, Jose.
A-9650716, Neiman, William George.
A-4148676, Nishimi, Masao.
A-3351833, Nishimi, Chitose.
A-6050108, Nitao, Shinzo.
A-2624806T, Nodarse, Nocolas Puig.
T-2671887, Nunez-Gonzalez, Teodoro.
A-3475021, Nunez-Novoa, Irene or Manuela Alvarez.
A-7140776, Ohanian, Agop.
A-4918470, On, Eng. or Eng Shee Pon or Ng See Quon or Ing Shee Queen.
T-2672061, Ornelas-Gonzalez, Nemorio.
T-2672107, Ortega, Rosario Soto.
T-2760565, Ortega-Atienzo, Fernando.
T-2637249, Ortega-Soria, Pedro.
T-2672132, Ortiz-Munoz, Jose or Jose Munoz-Ortiz or Jose Irinero Ortiz-Munoz.
A-1316719, Osman, Jakaria Bin.
T-2760425, Osuna-Sosa, Natividad.
A-7978724, Padilla-Ramirez, Carlos.
A-6817751, Panero, Jose Iglesias.
A-7962064, Paris, Louis Sousa.
A-2088135, Parreira, Eusebio Luis.
E-4111, Parrild, Marie Ottilie (nee May or Marie May Parrild).
E-9206, Pikna, Joseph.
E-9207, Pikna, Karla or Karla Pikna-Ova.
A-3448364, Pizzo, Paolo.
A-5649492, Pizzo, Maria Tornello.
A-4651026, Pizzo, Maria Anna.
T-2760664, Ponce, Fernando Espinosa.
E-125147, Puga, Juana Marin De.
1600-100191, Purcell, Muriel May Adams (nee Muriel May Adams).
T-2760571, Pyara, Delta.
V-226182, Quaglia, Emilia (nee Fumasi).
A-1128644, Quesada, Cesare.
A-6921216, Radwan, Stanislaus Joseph.
T-303644, Ram, Ganga.
A-9722961, Ramian, Jimmie.
T-2760560, Ramos-Ramos, Ramon.
T-2671871, Real-Palacio, Jesus.
A-4865519, Reiss, Adam.
A-6760301, Reynoso-Galvez, Vincente.
A-3224538, Rios, Daniel De La Pena.
E-057475, Robinson, George Wilbert.
A-4047528, Rodriguez, Maria De La Luz or Maria De La Luz Escaresega.
A-8027874, Rodriguez-Sanchez, Luis.
A-7849307, Rodriguez-Solis, Luis.
A-7978823, Romero-Rios, Calletano.
E-125149, Rosa, Felix Zapata De La.
E-6932, Rothaupt, Friedrich Wilh.
A-1405826, Ruybens, John Adrian Harry William.
A-7469228, Saenz-Canales, Julio.
T-2760672, Salas, Domitila Carrillo de.
E-124943, Saldana-Marroquin, Margarito.
T-2671974, Salgado-Martinez, Manuel.
A-6255083, Sanchez, Abelardo.
A-6255084, Sanchez, Bertha.
A-6729541, Sanchez, Consuelo Duarte de.
T-303873, Sanchez-Ovando, Prisciliano.
A-6806128, Sanchez-Ruano, Olivo.
A-9554210, Sang, Chung or John Seong.
T-303857, Santiago-Fabian, Fidel.
T-2672198, Sasaki, Kazuzo or John Sasaki Kazuso.
A-6775542, Satyendra, Kudumalakunte Narasinagaro.
T-2672103, Sauer, Karl Heihs.
A-6962963, Shock, Estelle Miao.
E-083994, Sebazco, Angela Louisa or Angela Louisa Tornes Guevara or Angela Louisa Tornes Guevars-Sevazco nee Angela L. Guevara Y Torres or Angela Tornes.
A-6733172, Satyendra, Hija Suh.
A-1779826, Seid, Mohamed.
A-2103405, Seino, Katsuo or Victor Katsuo Seino.
A-7910204, Shaek, Habibur Rhman Shiraj Uddin or Haaibur Rahman.
A-4505523, Shimozo, Shizuko or Shimokado.
A-5977606, Shiroma, Zensuke.
A-7059962, Shue, Gertrude Josefine.
A-3343288, Sia, Chu or Sia Chu.
0900-65191, Sierra-Valderaz, Agustin or Lesi Perez.
A-3397483, Silla, Jacob or Giacomo or Jack Silla.
A-8258680, Silva-Perez, Jose.
T-303858, Silveira, Maria da Silva.
0300-45334, Simon, Gary Marc.
A-7504278, Singer, Herbert Oscar Louis.
T-1496895, Singh, Nand Basant.
E-6043, Siu, John Tchoan Pao.
E-6290, Siu, Therese Ming-Tse Yang or Tchoan-Pao Siu.
E-6289, Siu, Kia-Hwa.
A-9682672, Sobrido, Fernando Maneira.
T-1496067, Solario-Garcia, Jesus.
T-1496062, Solario-Avina, Josefina.
T-303056, Solario-Avina, Dolores.
T-303055, Solario-Avina, Jesus.
A-5815238, Solie, Syvert Andreason.
A-8199080, Solos, Dyonisis Johanos or Dennis John Solos.
E-125253, Sosa-Cabellero, Jose.
A-6920463, Spithogiannis, Costas.
A-6912276, Spithogiannis, Anna (nee Anna Pagonis) formerly Anna Kotarski.
T-303662, Stark, Eugene Paul.
A-4682160, Stearn, Gizella Lea or Gizella Lea De Kreith or McCarthy or Gard or Sarossy or "The Countess."
A-5556779, Sulli, Concetto or James Sulli or Anthony Marchese or James Marchese or James Bruno or James Mauro or Antonio Marchese or John Mauro.
V-905198, Tabancay, Ester Pascua.
A-5977661, Takahashi, Banemon.
A-4136918, Takata, Kuniyoshi.
A-5149197, Teng, Tao or Teng Tao.
A-2028947, Tong, Yang-Hu.
T-303875, Torres-Gaitan, Manuel.
A-9765514, Trigonis, Olga (nee Vourderis).
A-5967625, Ushida, Saburo.
A-5311793, Utra, Niilo Ilmari.
A-7137791, Valles, Francisca Carreon De.
A-5779407, Van Lit, Clara Cassandra formerly Glico (nee Symmonette).
E-064636, Vasquez Juana Morales De.
A-7983425, Velez-Payan, Paz or Paz Ontiberos.
T-2671950, Velez-Portillo, Luis Rogelio.
T-1496961, Venegas, Luz Macias.
A-5154676, Veyssier, Camille Fernand or Camille Veyssier or Harry Sullivan.
T-2672123, Vieira, Joao Semoes Rosa.
A-8027852, Villanueva-Galindo, Daniel.
T-303667, Esparza, Maria Conrada.
A-5217069, Vine, Alfred Warner or Reginald Summers.
T-302989, Vizuet-Castaneda, Leopoldo.
A-9533333, Vlassopoulos, Spyros or Spyros Charles Vlassopoulos or Frank W. McDonough.
A-6160373, Walsh, John Eyre.
T-2760307, Wan, Koon Tak.
T-2760227, Wong, Sip Ping.
E-5764, Wang, Zeit or Zeit T'se Wang.
T-2672194, Waters, Judith Margaret Putz.
A-4698820, Weinchel, Isadore or Esser Wanchel.
A-7351087, Williams, Alexander John or Maxwell Williams.
T-1892391, Wilson, Walter Forester or Edwin Richards or James Wilson.
T-2760362, Wong, Priscilla or Lin-Ngook Dang.
T-2760549, Woupies, Annie Maria.
A-6033445, Wu, Shi-Chi or Shi-Chi Wu.
A-6041704, Wu, Hsio-Wen or Hsio-Wen Wu (nee Yuen Hsio-Wen).
E-3389, Yam, Gee.
A-5977645, Yamasato, Toshio or Toshio Yamazato or Yoshio Yamasato.
A-6154838, Yamasato, Yasu Arashiro.
E-49896, Yamasato, Hisako.
E-49897, Yamasato, Hiroyasu.
E-49895, Yamasato, Sachiko.
A-6161472, Yamashiro, Alfred Minoru.
A-2917628, Yamashita, Kenji.
A-7469557, Yanez, Carmen Gutierrez De or Carmen Gutierrez de Rivera.
A-3032186, Yee, Kwan.
E-062672, Yerena, Alcario Lozano.
E-062674, Cruz, Minerva Lozano De La.
A-3579311, Yokomizo, Hirochichi or Harry Ben Yorku or Hajij Ben Mark.
T-1496979, Yoshikawa, Yoshiro.
A-6161463, Yoshioka, Mitsuko.
A-6161465, Yoshioka, Tokiuchi.
A-6161461, Yoshioka, Satoko.
A-6161462, Yoshioka, Mary Mieko.
A-3322571, Yuk, Lew or Hok Quin Lew.
A-7576741, Zadeh, Jacob Issarah.
A-4670083, Zadeh, Bluma Issahar.
A-6692551, Zadeh, Roberto Gerardo Issahar.
T-2672174, Zamudio, Ramon.
T-2672173, Mendez, Enemesio.
V-685098, Zenith, Arcesio.
A-4354223, Escobedo-Paredes, Perfecto.
A-7483848, Maiorano, Carmela.
A-7457249, Maiorano, Liberato.
V-922306, Stacivo, Ignacy.
V-922311, Stacivo, Annerose Margitta Bley.
A-6623442, Perasso, Rolando.
A-6622448, Perasso, Paola (nee Paddei).
A-6781209, Riklis, Meshulam.
A-6781207, Riklis, Yehudith.
O300-311663, Daskalopoulos, George Theodore or George Daskalopoulos.
A-6848142, Ma, Joseph Toa-Seng.
A-6848141, Ma, Vilia Hui Yu.
A-6855582, Liao, Chien-Wei.
A-7295514, Liao, Kam-Wei.
0400/46389, Cooper, Theodore.
A-6461379, Wensworth, Samuel or Wensword Sharpe.
A-7366193, Ciucciomei, Ada (nee Guidobaldi aka Bugari).
0300-233456, Goldberg, Cywja Szlamka.
V-941951, Borelli, Battista Dino.
V-1064555, Borelli, Franca Canesi.
A-6903304, Hamburg, Yedidia Liber.
V-140109, Hamburg, Luba nee Bronstein.
A-6381302, Wang, Tin Yang.
A-6848461, Wang, Daisy Teh-Tsuan Feng.

With the following committee amendments:

On page 16, strike out all of lines 18 and 19.

On page 35, strike out line 22.

On page 41, line 11, strike out "Tin-Yang" and substitute "Ting-Yang."

On page 41, at the end of the concurrent resolution, add the following names:

"A-9948032, Palombella, Onofrio.

"V-28612, Vergos, Diamatis or Diamond."

The committee amendments were agreed to.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN CASES OF SUSPENDED DEPORTATION

The Clerk called the resolution (H. Con. Res. 227) granting the status of permanent residence in the case of certain aliens.

There being no objection, the Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress favors the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 4 of the Displaced Persons Act of 1948, as amended (62 Stat. 1011; 64 Stat. 219; 50 App. U. S. C. 1953):

A-6971795, Aas, Agu.

A-1734553, Akos, Robert Armin or Robert Armin Reiner.

A-9757020, Alle, Manfred Lembit or Lembit Alle or Lembit Manfred Alle.

A–7863021, Auksztulewicz, Romuald or Roman Auksztulewicz.
A–7095526, Bataskov, Peeter.
A–7863023, Bergmanis, Andrejs Augusts.
A–6840916, Berkowitz, Laszlo.
A–9825339, Bitenieks, Janis or John Bitenieks.
A–8021318, Boziskovich, Marko or Marko Bozico.
A–7138070, Brody, Janos.
A–9776815, Brussich, Joseph or Giuseppe Brussich.
A–8117642, Carlich, Antonio.
A–7056456, Cassis, Wedad George.
A–7243859, Cesnieks, Eberhards Oskars Roberts.
A–7821733, Chai, Chung Kuo or Zah Chung Kui.
A–7915770, Chan, Ah or Li Wai Hee.
A–6511102, Chan, Chun-Kow.
A–7898812T, Chang, Ben.
A–6949314, Chang, Ju Wen.
A–6843436, Chang, Lucy Peng-Fei Fu.
A–6848616, Chan, Siu Won.
A–9707426, Chan, Yin or Chan Yin.
A–6093853, Chang, Hsing.
A–7201328T, Chang, Hwei Ming.
A–6511101T, Chang, Meng Te.
A–7087584T, Chang, Yu Teh.
A–6620868, Chang, Zunda or Frank Zunda Chang.
A–9569928, Chao, Chai Ah.
A–6687306, Chen, Chen Pao or Mrs. Huang Po Fei or Mrs. Po Fei Huang.
A–6620594, Chen, Chia-I. nee Wong.
A–6738512, Chen, Hamilton Chih.
A–6575178, Chen, Dr. Hsi Sheng Yue.
A–6143083, Chen, Ming Ying or Irving Chen.
A–6848694, Chen, (Patsy) Pei-Hsi.
A–7491814, Chen, Tsin-Chung.
T–1510232, Chen, Wei-Kiung or Chen Wei-Kiung or Wilkin Chen.
A–7276447, Cheng, Chin.
A–9684355, Cheng, Kin.
A–6848481, Cheng, Kuang Lu.
A–6702176, Cheng, Lorraine Hui Lan.
A–9746426, Cheung, Fong.
A–9214182, Chew, Tom Man.
A–6967639, Chien, Rowena Ling-Chung.
A–9678212T, Chin, Chu Hong or Hong Chi.
A–9541779, Ching, Lum Wai.
A–6848598, Chiu, Pan Yung or Nancy Yung-chiu Pan or Nancy Pan.
A–6973677, Cho, Bow Sun.
A–3304675, Cho, Lam.
0300–392274, Cho, To.
A–9799530T, Chong, Ho Sing.
A–9517500, Chong, Kee Cheung.
A–9653779, Chong, Lu or Lu Chong Hing.
A–8082039, Choon, Goh Tye.
A–6444644, Chou, Wen-Chung.
A–6847893, Chow, Jane Cheng (nee Chen).
A–6847894, Chow, Tsung Ni.
A–9694008, Choy, Tsang.
A–3549968, Chu, Cheng Hsiang.
A–9693024, Chu, Chuan Ngo.
A–8057480, Chu, Hsia Ah.
A–6693248, Chu, Pao Chen or William Pao-Chen Chu.
0400–46425, Chu, William Jin.
A–6848457, Chuan, Marian Keng-Ping.
A–6355133, Chuen, Lam Pak.
A–8039675, Chuen, Lee Yee.
V–305066, Chun, Wang Ya.
A–6851385, Chung, Chi or Alice Taosze Hsia.
A–9709069, Chung, Lai or Chung Lai.
A–7278805, Chun-Lai, Chen or Chun-Lai Chen.
A–6917979, Deutsch, Zoltan.
A–7849884, Dikners, Tekla.
A–8039677, Ding, Kong Kwai or Ding Kwai Kong.
A–6768098, Dirnfeld, Eugen.
A–9569921, Do, Ah Pao.
A–7863230, Dzintarnieks, Emilijaz.
A–7863229, Dzintarnieks, Jekabs.
A–7863231, Dzintarnieks, Raimonds.
A–7249063, Dzintarnieks, Visvaldis.
A–7095519, Eevola, Evald Raimonde.
A–7095520, Eevola, Therese or Therese Lantov (nee Pulk).
A–7057871, Einhorn, Margit (nee Neugeboren).
0300–424344, Eoyang, Ellen Ying-ju Tsao or Ying-ju Tsao Eoyang or Ellen Y. T. Eoyang.
A–6971764, Evel, Roman.
A–7863233T, Evert, Aleksandra.
A–7863235T, Evert, Henn.
A–7863232T, Evert, Hugo.
A–7863234T, Evert, Mare.
A–9529477, Ezergailis, Alfred.
A–6933832, Fan, Mary Hung-Teh.
A–6851547, Fang, Ai Ding.
A–0944283, Fang, Tien Chen or Tien—Chen Fang or Tommy Fang.
A–8039107, Fat, Yuen, or Fat Yuen alias Tommy Yuen.
A–9663408, Fatt, Chung Leung.
A–6687305, Fei, Huang Po or Po Fei Huang.
0300–414145, Fong, Chan or Chen Teng Kuan.
0300–424472, Fong, Han Quen.
A–6851584, Fong, Wong Chung alias Don Fong Wong.
A–8082078, Foo, Woo Ah.
A–9748477, Fooh, Cheng Ah or Chan Ah Fooh or Cheng Ah Foh.
A–8082004, Fook, Bo.
A–2569292, Franicevic, Roko William or Franechevich.
A–7209174, Frank, Amalia.
A–6798986, Freimanis, Adams.
A–6798987, Freimanis, Lidija (Lydia).
A–6798985, Freimanis, Liza.
A–6798989, Freimanis, Marta (Martha).
A–6798988, Freimanis, Rute (Ruth).
A–6819115, Friedman, Niklos.
A–7052327, Fruchter, Piri.
A–7985731, Fu, You Yung.
A–6848215, Gahtan, Roben Menashi.
A–6938808, Gailitis, Adolfs Reinhard.
A–6938812, Gailitis, Edith.
A–6938811, Gailitis, Ilga.
A–6938809, Gailitis, Lucy Auguste.
A–6938810, Gailitis, Rolands.
0300–403220, Gee, Ching Vun or Vun Gee Ching.
0300–413821, Glavina, Antonio.
A–6794978, Gluck, Sara Guttman.
A–6574035, Gni, Sister Valentina or Cecilia Tsing-Siu Gni.
T–1495482, Gobbo, Giacomo.
A–9765676, Gottschalk, Henryk.
A–7046269, Grunblatt-Frauwirth, Irene Nmi Sturcz.
A–7046270, Grunblatt-Frauwirth, Martin Nmi.
A–7046268, Grunblatt-Frauwirth, Michael Nmi.
A–7890877, Gum, Dheung For or For Cheung or Kam Cheung or Cheung Gum or Cheung Kam or For Gum Cheung.
A–6943510, Guth, Robert Oskar Berthold.
A–6780720, Halpert, Frederic.
A–7415226, Hangin, Er-De-Ni or Eric Hangin alias Erdemuula Hangin.
A–7415224, Hangin, Gombojab or John Hangin alias Gombojab.
A–7415225, Hangin, Sarangerel or Linda Hangin alias Yu Tee Tai or Mrs. Qjo (nee Tai Yu Tse).
A–6704666, Haus, Alina Baczyk.
A–9799256, Hee, Chan or Hee Chan.
A–6971756, Heht, Felix Arthur.
A–6971811, Heht, Velitsia.
030–417869, Hei, Wan Kuk or Wan Hei.
A–6938819, Hervarth, Fritz.
A–6938820, Hervarth, Lena.
A–6938821, Hervarth, Tabita.
A–9518350, Hing, Chan Lam.
0300–421802, Ho, Kan Hee or Kam Hee or Ho Kam.
A–6619132, Ho, Philip Wen-Hen.
0300–299611, Ho, Shou-Chien.
A–6904296, Hochsztein, Aron.
0300–405918, Hong, Heng or Chao Heng Kang or Chao Heng Hong.
A–8065728, Hong, Ting Yu alias Ding Hong.
A–6041638, Hong, Wong Cheuk or Cheuk Hong Wong.
A–7439851, Hoo, Cheung.
0300–417575, Hsi, Tong Ing or Hsi Ting or Mrs. Te-Mou Hsi.
A–6849867, Hsia, Tao Sze.
A–8057470, Hsiao, Ching-gung Grace or Ching-gung Hsiao.
A–7476506, Hsiao, Ching-nien Caroline.
A–8057469, Hsiao, Ching-ping Richard or Ching-ping Hsiao.
A–8057471, Hsiao, Ching-tung Margaret or Ching-tung Hsiao.
A–8057466, Hsiao, Theodore Ching-teh or Ching-teh Hsiao.
A–8057468, Hsiao, William Ching-lung Hsiao or Ching-lung Hsiao.
1700–1205, Hsu, Finny Hsi-Fan (Tsui Sik Fan).
A–8082036, Hsu, Kai Yu.
A–7290251, Hsu, Marie (nee Marie Liu).
1700–1206, Hsu, Nina Yang (Tsui).
A–6033447, Hsu, Shou-Ying or Steven Hsu.
A–6967602, Hsu, Shu Hsu or Henry Hsu.
A–6620859, Hu, Chong-Shei.
A–7802012, Huang, David Hong-Jen.
A–6697263, Huang, Mei-Sien Chu or Kwan.
0700–18194, Huang, Thomas Chao-hung.
T–2184364, Hui, Chong.
A–7111764, Hui-Ming, Wang or Hui-Ming Wang.
A–6702148, Hwa, Ching-Hsin or Gladys Ching-Hsin Hwa Ju.
V–417711, Hwo, Chen Sun.
0501–19586, Ionnitu, Rodica Maria (nee Hatieganu).
A–7387853, Ivany, Claire (nee Mero).
A–6558218, Ivany, Joseph Izsak or Joseph Izsak.
A–9503638, Jaworski, Wladyslaw.
V–379580, Jiranek, Maria Vera.
A–6975423, Jiranek, Marie Frantiska.
A–8039696, Ju, Chou Ah.
A–8001247, Jwee, Foo Kok or Jwee Kok Foo.
A–8001234, Ka, Chung.
A–7210040, Kahan, Ilona.
A–7210039, Kahan, Tibor.
0300–400328, Kai, Chan.
A–7898217, Kaldma, Edward.
A–7243856, Kalupnieks, Janis.
A–8196432, Kan, Kwong or Kan Kwong or Shui Wong.
A–6866959, Kandalaft, Robert Nasri or Robert Kandalaft.
A–7424864, Kao, Dr. Ching-Tai or Ching Tai Kao or Kao Ching-Tai.
A–6541820, Kao, Chong-Rwen.
A–6702195, Kao, Kung-Ying Tang (nee Kung-Ying Tang or Kay Tang Kao).
A–7118728, Kao, Miranda Yu-Siu.
A–6448796, Kao, Richard Chien-Wen.
A–6722390, Karjawally, Khalil Mohammed.
A–6971807, Kauniste, Leopold Fritz.
A–6971785, Kauniste, Salme.
168/229, Kee, Jim.
A–6971808, Keerd, Elmar.
0300–409444, Kei, Luk.
A–6754427, Kelemen, Denis George.
A–8021330, Kenul, John or Giovanni Chenul.
A–6938804, Kervis, Mikelis.
A–6798992, Keskula, Aino.
A–6798991, Keskula, Felix.
A–8091379, Kew, Loo.
A–7390945, Kiang, Joe Wing.
A–7095537, Kiremia, Heino.
A–7863223, Kirkis, Elza.
A–7863222, Kirkis, Ernests.
A–7863224, Kirkis, Guntis.
0300–398665, Klaniaz, Antonio.
A–7849674, Kleinbergs, Edite.
A–7849672, Kleinbergs, Karlis Zanis.
A–9654142, Klimbek, Aleksander.
A–7052412, Knvesz, Peter Theodore.
0300–398098, Koam, Chee.
A–7358540, Kolowrat, Ernest.
A–7358544, Kolowrat, Eve.
A–7358543, Kolowrat, Francis Thomas.
A–7358545, Kolowrat, Henry.
A–7358539, Kolowrat, Henry Albert.
A–7358541, Kolowrat, Marie.

A-7358542, Kolowrat, Marie Therese.
A-9556561, Kon, Ton Ze.
A-8082808, Kong, Lay-Yiu Philip or Lay-Yiu Kong.
0500-43802, Kong, Nien Michael, or Mickey Kong, or Nien Kong, or Kong Nien, or Kang Nien.
A-8106262, Kong, Yin-Hsueh Tze-Mei Virginia Lieu (nee Lieu), or Virginia L. Kong, or Virginia Y. H. Lieu, now Kong or Yin-Hsueh Virginia Kong (nee Lieu).
A-6953291, Korn, Josef.
A-6953290, Korn, Magda (nee Lebovits).
A-7898836, Krcmar, Vladimir.
A-7863219, Krievirs, Antons.
A-7863220, Krievirs, Vilma.
A-6938803, Krinkels, Zanis Eduards.
A-6967276, Ku, Tun-Jou.
0300-161024, Kuei, Chow Tun.
0300-413063, Kuen, Wong or Huang Chuan.
A-6949480, Kuigre, August.
A-6505215, Kum, Chau Pik.
A-8057310, Kuo, Ming Ho.
A-9235711, Kwan, Ho or Ho Ding Kwan.
A-6695826, Kwan, Robert Sih-Fei.
A-7057009, Kwan-Hua, Lee.
A-9561096, Kwei, Mon Lung.
A-6971755, Laager, Zinaida or Zinaida Haakmann or Zinaida Klaas.
A-9765901, Lai, Chu Ma or Mah Lai Choo.
A-7283191, Landmanis, Valdis.
V-890330, Lee, An-Sih Eo-Yang.
A-6405955, Lee, Chen Ying or George Lee.
T-2760127, Lee, Julia Mai Mai.
A-7133231, Lee, Julia Tsai or Julia Chih-Wen Tsai.
0300-398957, Lee, Pao alias Sai Lee.
T-2760126, Lee, Peter.
A-7418221, Lee, Robert Yah-Pei.
A-8091359, Lee, Tak or Tak Li or Li Pan or Lee Te.
V-320732, Lee, Tuh Yueh.
V-320740, Lee, Zoen Nyok.
A-9528839, Leong, Lam.
A-8190420, Leong, Qui or Kwai or Kwai Leung.
A-7178550, Lepp, Ilmar Arved.
A-6934988, Lewin, Moses Leib.
T-2760813, Li, Pei-Lan.
0300-421130, Liang, Mary or Lun Liang.
0300-421798, Liang, Su-Lun Fong or Su Lun Fong.
A-6772579, Licis, Peteris.
A-7383470, Lillemagi, Herbert.
A-6877751, Lin, Gracie.
A-8082678, Lin, Julia K. Y.
A-8106261, Lin, Samuel.
A-5373857, Lin, Timothy.
A-6958569, Ling, Heng-Li.
0300-418802, Liou, Fung-Hsiao Foon or Susan Liou.
0300-418800, Liou, I-Yu or Mary Ann Liou.
0300-418799, Liou, Kipaul.
0300-404211, Liu, Chor Sang.
A-6395545, Liu, Tze-Yi or Margaret Tze Yi Liu-Chu.
A-6699883, Liu, Yin-Soon Margaret or Margaret Liu.
0300-270016, Ljubicich, Antonio.
A-5949141, Log, Sing Ding or Log Ding Sing.
T-1495150, Loh, Pan Ah.
A-9688994, Lol, Lei Ah or Sing Lei.
A-7594560, Loo, Ethel Wong.
A-7594563, Loo, Fred King.
A-7594561, Loo, Wade Wei.
A-7594562, Loo, Wendy Yi.
A-7594559, Loo, Zeu-Lien.
0300-423624, Look, William or Look Quok Lam.
0500-46018, Louie, Josephine Yen.
A-4937201, Louie, Yam Hin.
A-6924609, Lovinger, Gyula.
V-417762, Lu, Mei-Ling or Luh or Andrew Mei-Ling Lu.
A-6851538, Luan, Chi or David Chi Luan.
T-1892907, Lui, Tin Choy or Lui Tin Choy or Lui Fook.
A-7290248, Ma, Dorothy Yueh-Ching.
A-7828499, Ma, Lillian Li-Nan (nee Ho).
A-6798993, Maidea, Arvi or Arvi Koop or Kopf.
A-6798884, Maidra, Luise or Loviisa (nee Mark).
A-7416006, Mak, Kai Cheung or Mak Kei Cheng or Peter K. C. Mak.
A-9927925, Mamaliga, Efpine.
A-9769545, Man, Lam or Man Lam.
A-6739354, Mao, Jimmy Cho-ting.
A-6949427, Maripuu, August.
A-7089746, Marjanovic, Ivana.
A-6887547, Markovic, Mor.
0300-231458, Markovic, Nelly.
A-6342092, Marymont, Julian.
A-7073965, Matiesen, Linda.
A-6698871, Matrai, Eugene Jeno.
A-6978196, Matrai, Ludmila Efimovna.
A-7841820, Mayer, Isabella Moses.
0300-284892, Miecznikowski, Benon.
A-8091382, Mikulus, Peter.
A-8057492, Ming, Lee Heh or Lee Ah Ming.
A-8091355, Mok, Kwai, or Mok Kwai.
A-9765533, Molder, Evald.
A-9765534, Molder, Helga Dolinda Truuver.
A-9655450, Moon, Cheng.
A-7362937, Moy, Ho Shirt or Mrs. Poon Quon or Shiu Shirt Moy.
0300-406067, Mui, Koon or Yuk Kun Pun.
A-7087043, Musallam, Nellie N. (Jabara).
A-6857658, Nasmeh, Salim Habra Suleiman.
A-7886183, Natuszak, Stefan.
A-6749995, Nemcova, Bozena Marie.
A-7584083, New, Peter Kong-Ming.
A-7049944, Nikezic, Dragutin.
A-6949426, Nomm, Heino Amamdus.
A-6931517, Novakovich, Milan Milan.
A-7178992, Nyaradi, Eva Roskovany.
A-6610336, Obadia, Heskel Haron.
A-7421666, Olszewski, Jan Pawel or Jan Pawel Jerzy Olszewski.
A-7243867, Osis, Andrejs.
A-7243868, Osis, Lisa.
A-7052329, Oszerowicz, Abraham.
A-7890135, Oszerowicz, Pola.
A-6163728, Ouyang, George Chi alias Chi Ouyang or Ouyang Chi.
A-8065361, Own, Chiong Mo-Yin.
A-8065364, Own, Tek Ling.
A-6828972, Pan, Shang-Cheng.
A-6828921, Pan, Shih-Meng.
A-6828973, Pan, Yur Shyr.
A-483349, Pao, Ping-Nie or Pao Ping-Nie.
V-606128, Pappadopulo, Helena Lucia.
A-7358574, Papuc, Pavel Radu.
A-7249075, Peet, Karl.
A-7249073, Peet, Laine.
A-7118681, Pei, Chu Kwang.
A-7118789, P'eng, Colette or P'eng Ssu So or Sister Mary Paula.
A-2853201, Peng, Lo Jung.
A-6589941, Peng, Man Shih alias Man-Shih Penn or Anshie S. Penn.
A-7064128, P'eng, Therese or P'eng Ssu Chin or Sister Agnes Pauline.
A-9626713, Ping, Koo Lee.
0300-405810, Po, Cheung or Po Cheung.
0300-403714, Po, Lok or Po Lok.
A-6855817, Pontus, Reinhart.
A-6772269, Potocka, Julie.
A-8065367, Poy, Low or Pang Tong.
A-6935917, Prager, Dennis E.
A-7138040, Pulaska, Jadwiga.
A-7975175, Pun, Tsang or Pun Tsang.
A-7095538, Puntsel, Arnold.
A-6817853, Pyka, Stanislaw Benedykt.
0300-416650, Que, Chong.
A-6887551, Rapaport, Leib Leon.
A-7073854, Rechen, Arthur.
A-7138248, Redel, David or Dawid.
A-6958739, Riposanu, Pamfil Aron.
A-7272870, Sadkowsky, Lumila (nee Rodvan).
A-6738513, Sah, Emil Chih Kan.
A-6738508, Sah, Ethel Tsi Hwa Hsia.
A-6738991, Sah, Jenghis Chih Lin.
A-6738514, Sah, Joan Chih Shen.
A-6738515, Sah, Luise Amy Chih Hung.
A-6738990, Sah, Peter Chih Peng.
A-6400708, Sah, Dr. Peter Pen Tieh.
A-7483841, Sam, Yuen Too.
A-7863208, Sansonovs, Dzidra.
A-7863207, Sansonovs, Nikolajs.
A-6931514, Schischa, Beno Benjamin.
A-7178371, Schmuul, August.
A-8082093, Schobe, Eugenio.
0300-403716, Scopaz, Luigi.
A-8065354, Shain, Ling Ping.
A-6666460, Shasha, Franky Yamen.
A-6766669, Shee, Mrs. Liang Huang (nee Pansy Wong).
A-6848191, Sheena, Kamal Ibrahim Salim.
A-6234471, Shiber, Faud Basil.
A-9700178, Shong, Lew Yeag or Ah Lew.
T-405667, Show, Jesse.
A-7243862, Sicovs, Alide.
A-7243866, Sicovs, Andrejs.
A-7243865, Sicovs, Arijs Harija.
A-7243863, Sicovs, Benita.
A-7243864, Sicovs, Lilija.
A-6971793, Sigus, Alfred.
A-6971806, Sigus, Linda (nee Johnson).
A-6953061, Simcha, Jehuda.
A-6903761, Simon, Samuel.
A-8039702, Sing, An Van or Ah Yong Ting.
A-8021282, Sing, Kai Hung.
A-7985397, Sintich, Anthony.
A-7858248, Skalbe, Irena.
A-7858247, Skalbe, Janis Rudolfs.
A-7858250, Skalbe, Viktors.
A-7890719, Skansi, Anton.
A-6371247, Skarzynski, Tadeusz.
A-9660328, Skorski, Stanislaw.
A-7249068, Snikeris, Jekabs.
A-7249069, Snikeris, Milda.
A-7249070, Snikeris, Vilnis.
0300-405988, So, Fung.
A-7350815, Sonnenschein, Ernesztina (nee Friedman).
A-7138065, Sonnenchein, Geza.
A-9673017, Soodla, Alfred Voldemar.
A-7967084, Sou, Liu Chia.
A-6919987, Stanescu, Catherina.
A-6919979, Stanescu, Ion.
A-8307998, Stanich, Domenick or Domenico Stagni.
A-7073644, Stoianovici, Alexandru.
A-6938800, Strautins, Arnold.
A-3415486, Strgacic, Santo.
A-6923182, Su, Chun-Hsiu.
A-7802687, Sun, Chen Tung or Chen Tong Sun.
A-8057491, Sung, Li Ping or Sung Li Ping.
A-2068076, Szentikiralyi, Joseph.
A-7210201, Taborsky, Ema.
A-7210200, Taborsky, Ivan.
A-7210202, Taborsky, Ivanka Sarka.
A-8217851, Tai, Choy.
A-8001237, Tai, Loo Poo.
A-6843446, Tai, Petrina Fuku.
A-9776644, Taiym, Kamal.
0300-408010, Tak, Lam.
A-4616331, Tam, King Hing.
A-9559951, Tan Jeu Yew or Tan Jew Jeu or Tan Yu Yew.
A-6694144, Tang, Cheng-Chung.
A-6967646, Tang, Florence Fu-Sung.
A-6624913, Tang, Liang Yu.
A-6847840, Tang, Shao-Yu.
A-6624758, Tang, Sheng-Hao alias Peter Sheng-Hao Tang.
A-6923162, Tauber, Lazar David.
A-6848524, Ti-Kang, Lu or Ti-Kang Lu or Jonathan Lu.
A-8190530, Tim, Chong or Chong Yip or Tjong Tien.
0300-391837, Tin, Leung.
A-6840806T, Tom, Mrs. George K. Y. or Gladys Li-Hua Cheng.
A-7184424, Tondu, Elizabeth.
A-7184425, Tondu, Jaan.
A-7184423, Tondu, Jane.
A-7849805, Tondu, Tiiu.
A-9529475, Tong, Ah Mui.
A-7809748, Tong, Kam Cheuk.
A-9686517, Tong, Kwan.
A-6958996, Tong, Te-Kong.
A-6938005, Traube, Aranka K.
A-9503016, Trzaska, Edmund.
A-6848145, Tsai, Marian Yu.
A-9798547, Tsai, Sing King.
A-4118212, Tsang, Chih.
A-6648708, Tsang, Chow, Szeyee.
A-8106187, Tsang, Wing.
A-8106188, Tsang, York.
A-7828137, Tseu, Joseph Ernest or Hao Liang Tseu.

A-8065350, Tsu, May Yao.
A-7768051, Tsu, Robert.
A-7358947, Tsui, Rowena Tsung-Ying Li alias Tsung-Ling Li.
A-7967068, Tsui, Samuel Yuan alias Shu-Yuan Tsui.
A-6848030, Tu, Sin Yan.
A-6401872, Tukaczynski, Marek.
A-7243281, Tung, Chun-Wan Chang alias Tung Chan-Wan Chang or Chang Tung, Mrs. Tung Chi-Ling (nee Chan), Chang, Chung-Wan, Chi Ling Tung.
A-7243282, Tung, Ta-Hsung alias Tung Ta-Hsung.
A-6985799, Tyau, Victor Yu-Kung.
A-7445915, Van, Ching Chun.
A-9831105, Velci, Giuseppe or Joseph.
A-7863000, Vitols, Aleksanders.
A-7095527, Vooder, Hermi Marie.
A-7095528, Vooder, Rudolf.
A-8091550, Vosilla, Stefano.
A-7052321, Wachs, Rachelle.
A-6971774, Walter, Ottokar Herman.
A-9142428, Wan, Chung.
V-886550, Wang, Chiao-Chi alias George C. C. Wang.
A-6967363, Wang, David Wei-Tsi.
A-6851360, Wang, Hsien Cho.
A-6702184, Wang, Ju Chuan.
A-8091334, Wang, Pauline Margaret Chi Ken.
A-7284201, Wang, Wen-Lan Lou.
A-9687311, Watt, Foo See.
A-7445469, Wechsler, Harry.
A-7134257, Widerman, David.
A-6231159, Wlodkowski, Stanley Anthony or Stanislaw Wlodkowski.
A-8057465, Wo, Chow Ah alias Chow Ah Ho.
A-9769870, Wo, Ng.
A-6868683, Wolf, Sara nee Fuchs.
A-6469959, Won, Ko Fay.
A-7560742, Wong, Allen Lih-Peh.
A-7476630, Wong, Edith Tseng.
A-7476631, Wong, Eugene.
A-6635437, Wong, Florence Siu Ying Au.
A-7383234, Wong, Jennings L. or Jen Ling Wong.
0300-421801, Wong, Kwan.
A-8117329, Wong, Leung.
A-7476629, Wong, May Mei-Fang Yang.
A-7957541, Wong, Samuel Nien-Tsu.
A-6959786, Woortmann, Johannes.
A-6949787, Woortmann, Wilhelmine.
A-1365231, Wu, David Dao Chang.
A-6769214, Wu, Eileen.
A-6769215, Wu, Jadine.
A-6847747, Wu, Ke Lun.
A-6984819, Xaveria, Sister Mary or Hsiang-Hwa Liu.
A-8091389, Yan, Chow.
A-8039697, Yan, Chow Fou or Chow Fou Yuan.
A-6703489, Yang, Hsiao-Ching alias Christen Hsiao Ching Yang.
A-6742032, Yang, Raymond Yuan-Ling or Yang Yuan Ling.
A-6472549, Yang, Renee Nee-Dao Lea.
A-6934958, Yang, Shou Shih.
A-6211090, Yao, Chang-Shu.
A-6851433, Yoo-Ming, Shaw or Irene Yao-Ming Shaw.
A-9192937, Yat, Chan.
A-9578780, Yat, Leong.
A-9708092, Yau, Chan.
A-6848481, Yee, Henry alias You Hai Yu.
A-9653962, Yick, Fong.
A-6163773, Yieh, Tzu-Ti.
A-9541792, Yin, Chan Chu or Chan Chu Y.
A-6848636, Ying, Tai Man or John Han-Ying Tai.
A-6696205, Ying, Alice Hui-te or Yi Ying Sung or Sung Yi.
0300-417990, Yip, Gin Ning or Yin Kwan Hsueh.
A-7457728, Yip, Wing aka Tong Kuai Sien or Ruby Yip.
A-8082022, Yong, Chan Tu or Chan Yong.
A-8021401, Yong, Tsang or Tsang Young.
T-282343, York, John Quin.
A-8021332, You, Ching Shing.
A-9503915, You, Lam.
0300-404061, You, Mong Qui or Man Yu Sing.
A-6026510, Yu, Ai-Ting Tobey or Ai-Ting Yu.
A-7133251, Yu, Mabel Nai-Jang.
0500-44362, Yu, Michael Yung-An or Michael Yu or Yung An-Yu.
A-6849460, Yu, Norma Nai-Nung.
0300-423645, Yu, Sai Sai.
A-9770977T, Yuen, Kwan Sun.
0300-408006, Yung, Ah Wha.
0300-417870, Yung, Chow or Chao.
A-6275828, Yung, Ing Tang.
A-7243870, Zarins, Haralds Karlis.
A-6835861, Zbinovsky, Vladimir.
A-6449399, Zia, Ruth Wen-Mei or Wen-Mai Zia or Zia Wen-Mai.
A-8021398, Zic, Anton A., or Antun Zic.
A-7863010, Zuks, Julija.
A-7395254, Zung, Cecilia Sieu-Ling.
A-7863221, Zvirbulis, Ilvia.

With the following committee amendments:

On page 7, line 8, after "A-7890877, Gum," strike out "Dheung" and substitute in lieu thereof the name "Cheung."

On page 16, between lines 10 and 1, insert the following:

"A-7178991, Nyardi, Nicholas."

On page 18, line 13, strike out the name "Sansonovs," and substitute the name "Samsonovs."

On page 18, line 14, strike out the name "Sansonovs," and substitute the name "Samsonovs."

On page 20, between lines 7 and 8, insert the following:

"A-6922673, Steinberg, David."

On page 24, line 16, after the number "A-6851433", strike out "Yoo-Ming," and substitute the name "Yao-Ming."

On page 26, at the end of the concurrent resolution, add the following names:

"A-6694130, Abramovitch, Jan Issaevich.
"A-7390705, Alexandrovitch, Peter.
"A-6881736, Bay, Antohon Feng or Fong-Yun Pai.
"0300-150985, Bochory, Ion Jacques.
"A-7821138, Cheng, David Hong or Hong Cheng.
"A-8031803, Chong, Wong.
"A-7982227, Choon, Wong EE.
"A-7125134, Czeisler, William.
"A-8031610, Dow, Sun or Soon Dow.
"A-7243871, Dzerve, Alfreds.
"A-7243873, Dzerve, Elita.
"A-7243872, Dzerve, Zenta Lilija.
"A-7210072, Efron, Anna Stepanova Surkova.
"A-7197656, Efron, George Abraham.
"A-9669056, Fen, Yuen Tse.
"A-8082076, Foh, Wong Yung.
"A-6851300, Fong, James Tse-Ming or Tse Ming Fong.
"A-8082673, Fong, Lam or Fong Lam or Lam Song or Lim Shing.
"A-8039705, Hing, Chan Wai.
"A-9561894, Hing, Tung Yue alias Wong Foo or Wong Fee.
"A-7910378, Hsu, Kui Pei or Maria Chen.
"A-7910379, Hsu, Jeffrey.
"A-7991869, Hu, Chang Ching Sheng.
"A-6083994, Hu, Kuo Chen.
"A-7991870, Hu, Wei-Wei or Vivian Hu.
"A-9778162, Hung, Dar Suey or Ah Mon.
"0300-206624, Kenal, Joseph or Giuseppe Chenul.
"A-8065753, King, Yee.
"0300-420166, Kiong, Chan Ping or Chan Ping.
"A-7863014, Kobelis, Waclaw Jan.
"A-3270926, Kuusik, Arnold.
"T-2184365, Lai, Kuo Ming.
"A-9699854, Lai, Leung.
"A-7483842, Lai, Yuen.
"A-9799430, Lee, Hon or Lee Hon or Lee Chuen.
"PR-901160, Li, David Ta-Wei or David Li.
"0500-44830, Lieu, Dakuin Keetao.
"0500-44834, Lieu, Hou-Yi or Bing Hou-Yi Lieu.
"0500-44831, Lieu, Tze-Ying of Tse-Yin or Priscilla Tze-Ying Lieu.
"0500-44833, Lieu, Yungtsing Pei Yung nee King or Helen K. Lieu nee King or Helen Peiyung Lieu nee King.
"A-9615008, Liimann, Johannes or Liivand or Liiwand.
"0300-410498, Ling, Yuen Sick.
"0300-403873, Lo, Chang Ah.
"A-7123589, Lou, (Richard) Li-Hsi.
"0300-420205, Lu, Ning Sing or Ning Shen Lu.
"0300-421799, Lung, Chan or Chen Shao Lim or Chan Sui Lung.
"A-9700254, Mao, Yung Ja.
"A-8010434, Mark, Wing.
"A-8082026, Ming, Chin Wai or Chin Yick Ling.
"A-9533416, Mok, Yuan.
"A-8082051, Nazars, Janis.
"A-9825042, Nogel, Andrzej.
"0300-391375, Pang, Mak Shiu or Mak Pang.
"A-9948277, Picinich, Filippi Nicolo.
"A-7362936, Quon, Poon.
"A-9764707, Spectoroff, Maurice Jack.
"A-7184000, Stern, Erwin.
"A-8021281, Sung, Ma Kun.
"A-8281827, Titoff, Constantin.
"A-7197627, Titoff, Nathaly.
"A-7197626, Titoff, Raisa.
"A-7197625, Titoff, Victor.
"A-6848170, Trybuch, Isidor.
"A-6694303, Tung, Pen Chien.
"A-7802078, Tung, Ya-Lan Hu.
"A-6702152, Wong, Davina Kam Young (Davina Teh-Hsing Huang).
"A-8057965, Wong, Pui.
"A-9831385, Yee, Tom."

The committee amendments were agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUCY YARLOTT OTHERMEDICINE

The Clerk called the bill (S. 1301) authorizing the Secretary of the Interior to issue a patent in fee to Lucy Yarlott Othermedicine.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to issue to Lucy Yarlott Othermedicine a patent in fee to the following-described lands allotted to her on the Crow Indian Reservation, Mont.: The west half of the northeast quarter, and the southeast quarter of the northeast quarter of section 22, and lot 3 of section 10, township 9 south, range 34 east, Montana principal meridian. The prior disposition of the homestead land of Lucy Yarlott Othermdicine is hereby ratified and confirmed.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMMA GRONOWSKI

The Clerk called the bill (H. R. 686) for the relief of Emma Gronowski.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act Emma Gronowski shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such

alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, line 4, strike out the name "Emma Gronowski" and substitute the name "Mrs. Erna Gronowski."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mrs. Erna Gronowski."

A motion to reconsider was laid on the table.

MRS. FRANCA GATTI OHTA

The Clerk called the bill (H. R. 1337) for the relief of Mrs. Franca Gatti Ohta.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Mrs. Franca Gatti Ohta shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FOTINI X. PARISIS

The Clerk called the bill (H. R. 1462) for the relief of Fotini X. Parisis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Fotini X. Parisis, shall be held and considered to be the natural-born alien child of Michael D. Karras and Ourania Karras, citizens of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KAROLINE DIEKMEYER

The Clerk called the bill (H. R. 2188) for the relief of Karoline Diekmeyer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provision of section 212 (a) ( ) Karoline Diekmeyer may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

On page 1, line 3, strike out "section 212 (a) ( )", and substitute the following: "section 212 (a) (9)."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH VEICH

The Clerk called the bill (H. R. 2359) for the relief of Joseph Veich, also known as Guiseppe Veic.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Joseph Veich, also known as Guiseppe Veic. From and after the date of enactment of this act, the said Joseph Veich shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

SEC. 2. In the administration of the immigration and naturalization laws, the said Joseph Veich shall be considered as having been lawfully admitted to the United States for permanent residence as of June 20, 1947, the date of his last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 3. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Yugoslavia.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of the Immigration and Nationality Act, Joseph Veich, also known as Guiseppe Veic, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIA M. BROIX

The Clerk called the bill (H. R. 2371) for the relief of Mrs. Maria M. Broix.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Maria M. Broix may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

On page 1, line 10, change the period to a colon and add the following: "*Provided further*, That her marriage to her United States citizen fiance, Levi Benjamin White, shall occur not later than 6 months following the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIDIJA CIMZE

The Clerk called the bill (H. R. 2440) for the relief of Lidija Cimze.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Lidija Cimze shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADOLFO L. KALB, AND HIS WIFE, MRS. EUGENIA G. KALB

The Clerk called the bill (H. R. 2499) for the relief of Adolfo L. Kalb, and his wife, Mrs. Eugenia G. Kalb.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Adolfo L. Kalb and his wife, Mrs. Eugenia G. Kalb, shall be held to have a nonquota status as defined by section 101 (a) (27) (B) of that act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SISTER AURELIA YANGUAS TERES AND SISTER MATILDE CUEVAS SAN MARTIN

The Clerk called the bill (H. R. 2619) for the relief of Sister Aurelia Yanguas Teres and Sister Matilde Cuevas San Martin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sister Aurelia Yanguas Teres and Sister Matilde Cuevas San Martin shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, line 8, strike out the word "fee" and insert the word "fees."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN McMEEL NO. 1

The Clerk called the bill (H. R. 7146) authorizing the Secretary of the Interior to issue a patent in fee to John McMeel No. 1.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to John McMeel No. 1 a patent-in-fee to the following described lands allotted to him on the Fort Belknap Indian Reservation, Montana: Northeast quarter; east half of the northwest quarter of section 31; west half of the northwest quarter of the southwest quarter of the northwest quarter of section 32, township 26 north, range 24 east, Montana principal meridian, containing two hundred forty-five acres.

SEC. 2. Said patent-in-fee when issued shall contain a reservation to the Fort Belknap Indian Community, in accordance with the provisions of the act of March 3, 1921 (41 Stat. 1355), of all minerals, including coal, oil and gas.

SEC. 3. Any of the lands above described which may be situated within a Federal irrigation project are subject to a lien, prior and superior to all other liens for the amount of costs and charges due to the United States for and on account of construction, operation, and maintenance of the irrigation system or acquisition of water rights by which said lands have been or are to be reclaimed and the lien so created is hereby expressly reserved in accordance with the provisions of the act of March 3, 1921 (41 Stat. 1357), and the act of March 7, 1928 (45 Stat. 200–210), as supplemented by the act of July 1, 1932 (47 Stat. 564, 565).

With the following committee amendment:

Page 2, strike out lines 7 to 17, inclusive, and insert the following:

"SEC. 3. Pursuant to the provisions of the act of March 3, 1921 (41 Stat. 1355, 1357), and the act of March 7, 1928 (45 Stat. 200–210), as supplemented by the act of July 1, 1932 (47 Stat. 564, 565), said patent-in-fee when issued shall contain a provision that any of the above-described lands which may be situated within a Federal irrigation project are subject to a lien, prior and superior to all other liens for the amount of costs and charges due to the United States for and on account of construction, operation, and maintenance of the irrigation system or acquisition of water rights by which said lands have been or are to be reclaimed."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMERICUS AND SUMTER COUNTY CHAMBER OF COMMERCE, GEORGIA

The Clerk called the bill (H. R. 8501) to provide for the conveyance of certain land in Sumter County, Ga., to the Americus and Sumter County Chamber of Commerce.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of General Services is hereby authorized and directed to convey to the Americus and Sumter County Chamber of Commerce, a corporation, all right, title, and interest of the United States in and to the land described in section 2 in consideration of $1. The Americus and Sumter County Chamber of Commerce paid the owner of said land the reasonable value thereof in 1947, in return for the owner transferring said lands to the United States in consideration of $1, the intent of said chamber of commerce being that said land be donated to the United States for the construction thereon of a Veterans' Administration hospital. Such hospital has not been constructed, and said land has been declared surplus by the Administrator of Veterans' Affairs.

SEC. 2. The land referred to in the first section of this act is the land transferred to the United States on August 29, 1947, by a deed recorded in deed book No. 36, pages 39–41, on August 29, 1947, in the office of the Clerk of the Superior Court of Sumter County, Ga. Said land is described in such deed as follows: All that certain tract or parcel of land situate, lying and being in land lot numbered 125 in the Twenty-seventh District of Sumter County, Georgia, and lying partly within the city limits of the city of Americus, said county, and more particularly described as follows:

Beginning at the northeast corner of the intersection of United States Highway No. 19 and Lester Avenue, thence east along the north boundary of Lester Avenue eight hundred and thirty feet to a point, thence due north a distance of one thousand two hundred and twenty feet, thence due west nine hundred and seventy feet to the east boundary of United States Highway No. 19, thence in a southerly direction along the east boundary of United States Highway No. 19 to the point of beginning.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EQUITABLE INFANTS WEAR, INC.

The Clerk called House Resolution 561.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 1134) entitled "A bill for the relief of Equitable Infants Wear, Inc.," together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections, and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was agreed to, and a motion to reconsider was laid on the table.

HENRY J. KRUEGER ET AL.

The Clerk called House Resolution 562.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 9265) entitled "A bill for the relief of Henry J. Krueger and others," together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was agreed to, and a motion to reconsider was laid on the table.

MARTIN LUTHER JOHNSON

The Clerk called the bill (H. R. 3222) for the relief of Martin Luther Johnson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Martin Luther Johnson, Bismarck, N. Dak., the sum of $500, in full settlement of all claims of the said Martin Luther Johnson against the United States on account of injuries he sustained on December 1, 1943, while he was employed by the Department of the Navy at the Puget Sound Naval Shipyard, Bremerton, Wash.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ANNA ELIZABETH DOHERTY

The Clerk called the bill (H. R. 3245) for the relief of Mrs. Anna Elizabeth Doherty.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Anna Elizabeth Doherty, Atlantic City, N. J., the sum of $3,613.30. The payment of such sum shall be in full settlement of all claims of the said Mrs. Anna Elizabeth Doherty against the United States for payment of allotments to which she was entitled as the lawful wife of Joseph F. Doherty (a member of the U. S. Navy) during the period beginning January 1, 1951, and ending October 31, 1952, but which she never received. The said Joseph F. Doherty obtained an invalid divorce from the said Mrs. Anna Elizabeth Doherty and subsequently entered into a bigamous remarriage, as a result of which the Department of the Navy, without investigation, withheld payment of such allotment to the said Mrs. Anna Elizabeth Doherty during such period: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon

conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CATHERINE D. PILGARD

The Clerk called the bill (H. R. 3732) for the relief of Catherine (Cathrina) D. Pilgard.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Catherine (Cathrina) D. Pilgard, Hartford, Conn., who served as a volunteer Spanish-American War nurse during the period beginning July 4, 1898, and ending August 17, 1898, and as a nurse in the Army Nurse Corps under contract during the period beginning August 20, 1898, and ending October 25, 1898, when she was honorably discharged from such corps, is hereby granted all of the rights, benefits, and privileges which are granted to persons who served in the Nurse Corps under contract for 70 days or more during the war with Spain and were honorably discharged therefrom.

With the following committee amendment:

Page 2, line 2, after the word "therefrom", change the period to a colon and add the following: "*Provided*, That she shall not be entitled to any benefits prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PETRA RUIZ MARTINEZ

The Clerk called the bill (H. R. 5028) for the relief of Petra Ruiz Martinez.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $15,000 to Petra Ruiz Martinez, of the island of Vieques, P. R., in full settlement of all claims against the United States on account of the injury and death of her minor son, Juan Martinez Ruiz, who died on July 14, 1940, as the result of personal injuries sustained by him on that date when he was struck by a United States Army truck on the road leading from Vieques to Santa Maria: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, after the words "sum of", strike the balance of line 5 and all of lines 6 to 11 on page 1 and the word "Maria", on page 2 and insert the following: "$5,000 to Petra Ruiz Martinez, and to pay the sum of $5,000 to Marcelo Maysonet Mirell, and Maria Benitez de Maysonet Mirell, all of the island of Vieques, Puerto Rico, in full settlement of all claims against the United States on account of the death of their minor sons, Juan Martinez Ruiz and Juan Gilbert Maysonet Benitez, who died on July 14, 1940, as the result of personal injuries sustained by them on that date when they were struck by a United States Army truck on the road leading from Vieques to Santa Maria."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Petra Ruiz Martinez and Marcelo Maysonet Mirell and Maria Benitez Maysonet Mirell."

A motion to reconsider was laid on the table.

MRS. JOHN WILLIAM BRENNAN

The Clerk called the bill (H. R. 6784) for the relief of Mrs. John William Brennan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the late John William Brennan, Sr. (Veterans' Administration claim No. XC-813491), who died on September 15, 1952, shall be held and considered to have had in effect at the time of his death United States Government life insurance in the amount of $10,000, and the Administrator of Veterans' Affairs shall pay such insurance to Mrs. John William Brennan, widow of the said John William Brennan, Sr.

With the following committee amendment:

Page 1, line 7, strike out "$10,000" and insert "$4,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GUNTHER H. HAHN

The Clerk called the bill (H. R. 7931) for the relief of Gunther H. Hahn.

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

DAVID DEL GUIDICE

The Clerk called the bill (H. R. 8054) for the relief of David Del Guidice.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to David Del Guidice, Newark, N. J., the sum of $120. Such sum represents reimbursement to the said David Del Guidice for paying out of his own funds a judgment rendered against him in the courts of the State of New Jersey, arising out of an accident occuring in December 1952, when the said David Del Guidice was operating a Government vehicle in the course of his duties as an employee of the Post Office Department: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. SMITH of Wisconsin. Mr. Speaker, this concludes the call of the bills for which we have reports. I ask unanimous consent that the further call be suspended at this time.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order to call the Private Calendar again on Tuesday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

Mr. ALLEN of Illinois. Mr. Speaker, I call up House Resolution 581 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2475) to authorize the President to use agricultural commodities to improve the foreign relations of the United States, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 2½ hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Agriculture now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. SCOTT. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH] and yield myself 5 minutes.

Mr. Speaker, I rise to urge the adoption of House Resolution 581 making in order the consideration of the bill (S. 2475) to authorize the President to use agricultural commodities to improve the foreign relations of the United States, and for other purposes.

House Resolution 581, Mr. Speaker, provides for an open rule, waiving points of order and provides for the consideration of the committee substitute amendment as an original bill. One motion to recommit with or without instructions would be in order and 2½ hours of general debate would be provided on the bill itself.

Mr. Speaker, this bill would authorize the use of $1 billion over the next 3 years to broaden the program for sale of food and fiber for the local currencies of other nations, and a program of barter for strategic materials needed by the United States.

This proposed bill would also permit the President, to the extent of $300 million in the 3 years, to furnish emergency assistance on behalf of the people of the United States to friendly peoples of other nations in order to meet famine and other urgent relief requirements.

Finally, this proposed bill would make commodities available for relief distribution abroad by private nonprofit welfare organizations and would expand the availability of food for needy persons here in our own country and would also increase the amount available for the school-lunch program.

Mr. Speaker, the report on this bill brought out the fact that during World War II American farmers were called on to produce at the highest possible level. Agricultural output was increased by 40 percent over prewar levels and consequently our farm productive capacity is running in excess of current demands. This bill, S. 2475 proposes to expand the world outlets for our farm products.

However, Mr. Speaker, in this bill while we would go ahead developing these new markets for our farm products through sale for local currencies, there are certain rigid standards which are set forth in order to ensure the proper functioning of this legislation.

The President is required in this bill to safeguard against displacement of usual marketings of the United States or friendly nations and to try to make sure that sales will not disrupt world prices. Another requirement in this program is to make sure that private trade channels are used both with respect to sales from privately owned stocks and from stocks owned by the Commodity Credit Corporation, insofar as this is practicable.

The $1 billion in the trade program will be employed to reimburse the CCC for commodities taken out of CCC stocks, to convert to dollars the local currencies of other countries received by private American exporters for goods delivered abroad under the program and in meeting the other expenses of the program.

Mr. Speaker, we all know that the problem of surplus foodstuffs sitting in our warehouses until they decay has been one of our challenging and difficult problems. We have spent millions of dollars just storing the food in addition to the loss of the food itself when it goes bad. Here in this bill is the beginning of what appears to be a solution of the problem. I hope that the House membership will see fit to adopt the rule so that we may proceed to the consideration of this bill.

Mr. SMITH of Virginia. Mr. Speaker, I have no requests for time. I do not know of any objection to the rule, though there may be some to the bill.

Mr. SCOTT. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, I am happy to support S. 2475, which authorizes the President to negotiate and carry out agreements with friendly nations to provide for the sale of American surplus agricultural commodities in exchange for foreign currency.

In March of this year I introduced a companion bill, H. R. 8396, which, for practically all purposes, is identical with S. 2475.

You gentlemen of the House are familiar with the fact that our surplus agricultural produce has increased over the past several years and that there is a serious need to expand our exports if our agricultural program is to survive. Now is the time for those in America interested in agriculture to close ranks and take concerted action to expand our export markets for farm products.

I need not describe the feverish attempts in this body to devise alternatives to expanding our export markets. However, it is my opinion that the principles of S. 2475 is the only program that has come to grips with the problem of expanding our export markets.

From 1939 until 1949 the Government encouraged every farmer in America to grow more crops in order that we might assist in feeding a hungry free world. During those years some of our agricultural produce was purchased in the free markets. Most of it, however, was traded under the mutual security assistance program, whereby countries abroad had a drawing account on our own farms with which to purchase American agricultural surplus. When this program came to an end last year we were presented with an imminent situation of having no export markets.

It was true these countries still needed our produce but were not or had not been able to buy during the past year.

Last summer, while I was in Europe, I visited with every agricultural attaché and with every Foreign Administration Operations mission west of the Iron Curtain to find out why our agricultural export market had fallen to almost zero. On every hand I learned that the countries of western Europe and the Near East wished to purchase our agricultural products. However, there was a serious shortage of dollars because of a lack of a sound trade program in those countries. They were not able to sell their own produce in our country with which to earn dollars. Not being able to earn dollars, they could not purchase our agricultural products which they ordinarily used such as cotton, wheat, corn, soybeans, tobacco, and fruit. Here, for the first time, I was faced by the blank wall of nonconvertability of currencies. We would accept only dollars in exchange for our goods.

The bill under consideration authorizes the President to negotiate the sale of our surplus agricultural commodities in exchange for the foreign currency of the country purchasing our products. In one fell blow, we have solved the question of convertibility of currency. With these currencies we may then do business with other countries that use that particular currency. American businessmen may purchase those currencies for our own dollars and, in turn, use those foreign currencies in the countries which do business with us.

This act sets up a revolving fund of $1 billion to carry out the provisions of this act. May I emphasize that we are not giving away any of our surplus agricultural produce. We will exchange our products for the currency of the country in question and will have those currencies available at all times for expenditure in those countries.

This new program embodies an imaginative and, at the same time, a businesslike approach to this problem. It treats our agricultural abundance as an asset and not as an unmanageable surplus of which we are ashamed, and therefore feel obliged to give away.

In this bill we have considered the responsibility of the United States as a leader of the free world. We have considered the protection essential to the welfare of friendly competing exporters of foreign products. We have considered the needs of our customers and their potential ability to pay for the products they need. We considered the stocks of the Commodity Credit Corporation as assets, as capital with which we could promote economic development, expand markets, increase production and employment among cooperating nations. These are accomplishments needed for national security and for national economic strength, which otherwise might not be done.

There is nothing new about accepting foreign exchange among countries which engage in international trade. These age-old practices have been undertaken by countries in all times. It is only new for the United States.

The basic idea is to sell farm products for foreign currency which is to be deposited to the account of the United States. The currencies are to be used as a revolving fund. The use of these funds involves two phases. First, for increasing the ability of customers to buy all manner of produce and, second, to get maximum possible repayment for the United States.

The first phase of the entire program is concentrated on increasing the earning power of customer nations by means of relatively short-term loans. This involves promoting economic development, increasing production for export, expanding international trade, increasing gainful employment and stimulating economic activity generally.

The second phase in the use of this revolving fund is to assure maximum repayment to the United States. By constructively creating new markets for farm products with grants or loans, we are solving the long-term problem of our own farm surpluses from year to year.

It is worthy of note that the House Committee on Agriculture studied over sixty bills introduced by as many members of the House, and proposals by

many other organizations and individual citizens with respect to the disposal of our agricultural surpluses. From all of these bills S. 2475 has been chosen as the one most likely to succeed. It places particular emphasis on developing the widest foreign trade outlets to our farmers. When we realize that agricultural output in this country has increased by 40 percent over prewar levels, every Member of this House can understand the necessity for a sound export market from year to year.

This bill is sound, businesslike and dignified. Nothing I know of helps to build human dignity like buying produce which other people have to sell. This program is based on a concept of producing, selling, and buying. I like this program because it provides the fundamental attributes of human dignity. It is a program based on mutual aid—through trade. It is a new, imaginative and creative program. In my opinion, all who help to enact such a program will take increasing pride in having contributed to this constructive legislation.

Mr. SCOTT. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Speaker, as one of the authors, on the group of bills which went into the committee and came out today as S. 2475, I am naturally in favor of the bill and in hope that it will pass by an overwhelming vote.

The gentleman from Illinois [Mr. SPRINGER] has detailed many of the good things about the bill. There are others. It offers a means of using surplus foods to increase friendships. It provides a means of sending our surplus products into areas which, in the future, knowing these products, may become consumer areas; that is, purchasers. The surpluses may be used, under certain conditions, in our own country. Such repackaging as may be necessary is provided for in the bill.

I am compelled to leave the floor, to go into which I hope will be the final conference meeting over the independent offices appropriation bill, so I have asked for this recognition to express my approval of this bill, and my hope that it will pass by a good vote. I shall be back, of course, in time to vote for it myself.

Mr. SCOTT. Mr. Speaker, I yield 10 minutes to the gentleman from Pennsylvania [Mr. KING].

Mr. KING of Pennsylvania. Mr. Speaker, this bill has a great deal of merit. And any criticism I may have to offer does not mean that I am in opposition to the whole bill.

It must be recognized, however, that the need for this legislation is a consequence of other legislation which has loaded the Government with surpluses which nobody knows what to do with. The need for this legislation is a consequence of a foolish piece of legislation which, contrary to all principles of free enterprise, has made the United States Government the biggest trader and the biggest speculator ever involved in the agricultural industry.

It can be said without question that we, as Congressmen representing people who have repeatedly reaffirmed their faith in the free enterprise system, have voted the Government into the business of buying and selling basic agricultural crops to the point where free enterprisers no longer are involved in the basic problems of buying and storing and distributing corn, wheat, cotton, tobacco, peanuts and rice.

Where are the great traders who, in the past generation, with their own money and at the risk of their own money, purchased these crops, paid for their storage and put these crops into every possible consumer outlet, not only in this country but throughout the world? They are dead and gone or merely lying in wait to take advantage of a Government blunder in pursuing its most inefficient system of distribution. The Communists and the Socialists will say that in the old days we had speculators reaping a rich harvest from the poor farmers and stupid buyers, but you must remember that when we had a free enterprise system there was plenty of competition in speculation and only the wise and efficient won profits.

Now we think nothing of robbing the taxpayers for $700,000 a day just to pay the storage charges on surpluses which have been accumulated on the theory that they should not be allowed to go freely into consumptive channels for fear consumer prices would get too low for the poor farmers to make money with which to continue their unjustifiable expansion of production.

Such a scheme could be perpetrated on this country only because of the ignorance of the general taxpayer who cannot specify the use of his money, and the ignorance of the consumer who has never been informed as to how this scheme affects consumer prices.

But now I shall direct my attention to this surplus disposal bill. We have enormous surpluses, amounting in dollars to approximately $8 billion. The greatest worry of our committee has been disposal without disclosure. Nobody knows what to do with these surpluses, and I am sure many would like to see them evaporate or sink in the sea so that they could not disrupt the basic scheme of subsidizing unlimited production.

When I say they would like to see them disappear without any disclosure of their presence, I am sure some will say I am unfair, but I can assure you that I have heard many criticisms of the present Department of Agriculture for its publicity of the surplus totals and the storage costs. They say the Department is trying to enlighten urban consumers so that urban Congressmen will become aware of the implications of the farm price support program as related to the interests of their constituency.

But, what are we going to do with these surpluses? We must do something and this scheme of acceptance of foreign currencies and giveaway to foreign needy is as good as any. I hope we can get countries to buy with their own currency or accept these commodities as a gift without disrupting the world market and making every other agricultural exporting country mad at us. That is only a hope. It is not likely that it can be done.

Yes, I approve this bill as the best solution of a bad situation insofar as it moves these surpluses outside of this country, but I want to point out to you that the the provisions of this bill dealing with domestic distribution put the finishing touches on the perfection of the purest socialistic scheme ever perpetrated on this country.

I know you will ask, How can you be so liberal with foreign countries and so stingy with our own people. I am neither liberal in the first case nor stingy in the second place. I only want to point out to you that the basic theory of the price support program is that the Government purchase these surpluses and thereby relieve the domestic market from the pressure of quantities in excess of consumer demand. If the Government now starts quantity distribution of these surpluses within this country, the original price support program becomes a giant fraud, for it will only weaken the domestic demand on the free market and force more into the hands of the Government.

Despite the interference of the Government, the free market, operating at a level generally lower than the support prices, has done a good job of distributing food to our people. This country is literally choking with food and the distributing system has been so effective that even the lowest-income group is eating well. The number of hungry people, because of their inability to buy, is so small as to be insignificant in this great country of 160 million people. The only way to increase consumption within the United States is to popularize obesity.

I would not contend that everyone has a well-balanced, perfect diet. But that is largely a matter of preference, and the lack of a good diet will be corrected only by education. I do contend that if everyone in this country stuck to a perfect diet the domestic consumption of foodstuffs would decrease rather than increase.

Now, in order to rescue the farm price support program, this bill provides for free domestic distribution in a half-dozen different ways.

It may be distributed in any area of the United States declared by the President to be an acute distress area because of unemployment or other economic causes. This will work like drought relief.

Last year we voted to rescue the farmers who had developed acreage in the arid regions of a few counties in Texas and western Kansas, in accordance with the President's declaration of need. But before the end of the year, the scope of the relief had been extended to areas scattered all over the United States, wherever there was the slightest evidence of a poor crop because of weather.

Under the provisions of this bill, every unemployed area in the United States designated as No. 3 area will be crying for free distribution of these surpluses.

They will be distributed to major disaster areas as determined by the President to warrant assistance. If this

means flood and tornado areas, it can be justified as temporary charity to meet such disaster.

The Bureau of Indian Affairs, and any State, Federal, or private agency or agencies, as may be designated by proper State or Federal authority, will have their schemes for distribution to the needy. Any private agency who wants to enhance its social program by the distribution of food will be eligible for application.

The school-lunch program is emphasized, I suppose with the thought that school kids do not eat much unless it is free.

State and Federal institutions and all public hospitals are qualified to ask and receive. But, here, in their great concern for free enterprise, they specify that the Secretary is required to obtain assurances "that use of donated commodities will be in addition to, and not in substitution for normal consumption." This silly provision assumes that hospital managers, who should be expert dietitians, will buy their usual quantities in the open market and then, in serving meals, will put a hunk of cheese on each tray and say to the patients, "This is more than you have been getting and probably more than you need, but you must eat it to relieve the Government of its surpluses."

Yes; this scheme of domestic distribution will either amount to nothing or it will be the climactic perfection of the Socialist scheme of Government production and distribution. You may say, "Oh, this is just temporary," but we all know that temporary things have a way of becoming permanent and small schemes have a way of growing into big schemes with every congressional district having its pressure group demanding more and more participation.

This bill will pass with few dissenting votes. But I hope you will realize that we are dealing with a consequence and not a cause. Some time later in this session you will probably have a chance to deal with the cause. Our committee, by a vote of 21 to 8, committed to you for your consideration the continuance of the rigid price support program throughout all of this year and all of next year. The decision of this Congress on that matter will be a fateful decision.

Mr. SCOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. Bow].

Mr. BOW. Mr. Speaker, I support this program. I believe it will be of interest to the House to know what advantages come from the giving of surplus food to the people of the world.

In Karachi, where we sent wheat last year, it is now necessary for this Government to build an embassy office building. I bring to the attention of the House the fact that because of the giving of wheat, the Government of Pakistan has offered to supply, free of all cost to the United States, in appreciation of that wheat, the labor costs involved in the construction of the building, which will amount to about $500,000. In other words, out of appreciation for the surplus foods which we have sent to them they are now furnishing us $500,000 of labor in the building of a new building for this Government. When we feed hungry people we make lasting friends. I have felt for some time the greatest way we can fight world communism is to fight world poverty.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentlewoman from Idaho [Mrs. PFOST].

Mrs. PFOST. Mr. Speaker, section 104 of the bill we are considering today deals with the acquisition of strategic and critical materials under the Stockpiling Act. Yesterday, Mr. Speaker, a lead article in the Wall Street Journal began like this:

Lead offerings for the national stockpile at current market prices were rejected by the Government, according to shocked producers of metal.

Mr. Speaker, the producers could not possibly be more shocked by this development than I am.

Is this administration interested in keeping our lead mines on an operating basis, or is it interested only in buying lead at bargain prices? Does it perhaps want the price of lead to go down?

I ask these questions because ever since this administration announced the new stockpiling program late in March we have been given to understand that one of its principal objectives was to aid distressed segments of the domestic mining industry. Last week after long, and to my mind unforgivable delays, a directive on lead and zinc was finally issued by the Office of Defense Mobilization to the General Services Administration and GSA asked for offers of metals from newly mined sources. The ailing lead-zinc industry, many of its mines closed, and many others operating on drastically reduced schedules, hastened to offer some tonnage of metals at the market price of 14¼ cents.

And what happened? The Government tersely said, "Cannot accept at price quoted."

At what price does this administration want to accept lead for its much-advertised stockpiling program? After all, the 14¼-cent price was established on June 2, a week before GSA sent out its requests. I ask again, does this administration want to push the price of lead down?

This development is the latest in a series of body blows dealt the lead-zinc industry in the past year by the Republican administration. Just about a year ago now we western Members were trying to get through the House the so-called sliding scale import tax bill, which would have given the domestic mining industry some measure of protection from foreign metals dumped on our shores. I did everything possible to get this bill through, as did most other western Members. But it was killed by administration opposition.

Then shortly after the beginning of this session we westerners got together and appointed a committee of 4 of which I was honored to be one, to confer with the White House and try to find some way to put the distressed lead-zinc industry back on its feet and the men back to work.

Mr. FERNANDEZ. Will the gentlewoman yield?

Mrs. PFOST. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. May I commend the gentlewoman for the very timely information she is relaying to the House, and for the untiring efforts of herself, my colleague the gentleman from New Mexico [Mr. DEMPSEY], chairman, and other members of the bipartisan committee selected by us to confer with the White House on this subject which has been worrying all western Congressmen.

Mrs. PFOST. I thank my colleague from New Mexico for those kind words. I will say to the gentleman that there is no doubt but that this administration's stockpiling program grew out of these and other conferences.

But after all these efforts if what has just happened is any indication of what is ahead, this stockpiling program is a complete dud.

I am not the only one who is indignant. I should like at this point to put into the RECORD an article from the Wall Street Journal of June 14, which describes far better than I can how the lead-zinc industry feels about what has just happened:

LEAD PRODUCERS BAFFLED BY REBUFF FROM STOCKPILERS—MINE OPERATORS WONDER IF GSA WANTS TO BOLSTER OR HURT PRICE OF LEAD

(By Thomas J. Keller)

NEW YORK.—Domestic producers of lead are beginning to ask whether the Government's new stockpiling program is intended to bolster the price or to cut it.

Here's what the lead miners are upset about:

After months of expecting that the Government would resume purchases of both lead and zinc for the stockpile as a means of aiding an ailing domestic mining industry, the General Services Administration last week asked for offers of the metals from newly mined domestic sources. The offers specified delivery by August 2 from United States mine production since April 1, and the producers were to state from which mine the metal came.

Domestic lead producers in response offered fair-sized tonnages of the metal at the market price of 14¼ cents a pound New York. This price had been established June 2, a week before the GSA sent out its requests for lead offers.

LEAD PRODUCERS FLABBERGASTED

Several large domestic producers got their reply late Friday from the agency. It was a terse rejection—with the telegram stating, "Cannot accept at price quoted."

The Government's action, turning down lead offers, after requesting tenders and after having full knowledge of the going price, has the lead people in an uproar.

"If you wanted to depress the market this is the best way you could do it," is the comment of one lead producer.

"It's the most stupid thing I can think of," another said. "Certainly the Government's rejection of lead offers will not aid the industry. It would have been much better if they, the Government, had never sent out requests for lead."

"It's an outrageous way of doing business—to indicate lead was required if they had no intention of buying any," a lead spokesman said.

Some industry members even went so far as to predict a break in lead's price.

SOME ZINC OFFERS ACCEPTED

While the Government was refusing to accept lead offers at the market price, it did wire acceptance of part of the zinc tonnages offered for stockpiling. And the price was

the market quotation of 11 cents a pound East St. Louis. There was no indication as to how much was offered but industry members guessed the GSA took about one-third of the zinc tonnage tendered. A few thought the total bought might be around 5,000 tons.

Lead's price has moved up 1¾ cents a pound from the year's low of 12½ cents set in March and zinc has risen a similar amount from the year's low of 9¼ cents, also established in March. Price rises in both metals have been materially helped by the Government's announcement in March and subsequent statements it intended to help the lead and zinc mining industry by a long-term stockpiling program.

The present buying of zinc represents an interim phase of the new stockpiling project. It pertains to the current fiscal year to end June 30. This long-term program will be spelled out by a directive covering the Government's new fiscal year to start July 1. It is understood the Office of Defense Mobilization will ask Congress for funds to take care of the stockpiling which covers 35 to 40 strategic metals and minerals including lead and zinc.

STOCKPILERS' COMMENTS BAFFLING

Washington stockpilers' comments on the current imbroglio do not seem entirely pertinent, in view of producers' receipt of acceptance telegrams for part of the zinc offered, and the terse turndown of lead.

"There have been no official acceptances of either lead or zinc as yet under the long-term program," declared a top stockpile official in the Capital.

"We've had far more lead and zinc offered to us than we could take under the limits of our purchase directive from the Office of Defense Mobilization, so we are now trading back and forth with the producers as to quantity."

He said it is the aim of the GSA to spread its orders for lead and zinc as widely as possible. Therefore it must make counter-offers to the companies naming smaller amounts than the companies originally tendered earlier in the week.

He denied lead producers had been slighted in the process of negotiating. "We've been in touch with both lead and zinc producers," he said.

The market for both lead and zinc was on the quiet side last week and buying was somewhat less than the week before when prices for both metals moved up to their current levels. At that time lead advanced a quarter cent to the 14¼-cent price and zinc a half cent to 11 cents.

Demand for copper continued excellent last week, particularly for June delivery, producers stated. Some of the buying for June may represent acquisition of supplies before the July vacation shutdowns take place in the brass and wire mills. Orders already booked for June delivery now call for shipment of close to 70,000 tons this month. July delivery orders at this early date range around 6,000 tons. The price was firm at 30 cents a pound.

Mr. SMITH of Virginia. Mr. Speaker, I have no further requests for time.

Mr. SCOTT. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. HOPE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2475) to authorize the President to use agricultural commodities to improve the foreign relations of the United States, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 2475, with Mr. FORD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Kansas [Mr. HOPE] will be recognized for 1 hour and 15 minutes and the gentleman from North Carolina [Mr. COOLEY] for 1 hour and 15 minutes.

Mr. HOPE. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, this is a bill upon which the Committee on Agriculture has devoted a considerable amount of time, work and study and I know it is a measure in which many Members of the House are directly interested because we have had referred to our committee some 60 bills dealing with the subject of the disposal of surplus agricultural commodities. Some of these bills dealt with disposal in foreign trade, others dealt with the question of a wider and more effective distribution of these commodities here in our own country.

Mr. Chairman, it might be well to refer briefly to the situation which now exists with reference to surplus agricultural commodities. I do not feel that the fact we possess in this country rather large supplies of some agricultural commodities is anything which should necessarily disturb us. I believe that in every other country in the world today there would be rejoicing if those nations possessed anything like the supply of agricultural commodities which we are so fortunate to have in this country; yet it is true that when agricultural surpluses reach a certain point there is involved the difficulty of management. The time has come when we should make some additional effort to dispose to the best possible advantage of these surplus agricultural commodities. Some of them are perishable in nature; others are susceptible of storage for long periods of time; all of them, of course, are included in the provisions of this bill which sets up the method and manner in which these commodities may be disposed.

I am sure there are some who may feel that these surplus agricultural commodities that we possess are the direct result of the price-support program that has been in effect. It may be possible that in some cases failure to administer that program in the most effective way has caused an accumulation of some of these commodities, but I am sure that no one can seriously dispute the fact that the principal reason for this surplus is that American farmers during the war period and since were urged and implored by their Government to increase their agricultural production in the interest of the war effort and in meeting the demands which existed for agricultural commodities at home and abroad. Up until 2 years ago the American farmers were not operating in the main under quotas or controls affecting agricultural commodities, but rather they were being urged to reach certain goals in the production of those commodities, and the fact is that all of the surpluses of any moment which are disturbing us now have been accumulated during the past 2 years.

Just to use one illustration, let me point out that on July 1, 1952, less than 2 years ago, our carryover of wheat in this country was 256 million bushels, which is considerably less than the 10-year average. Yet it is expected that the carryover of wheat on this July 1 will be approximately 875 million bushels. Now, a large part of this is due to the fact that throughout the world during the past 2 years, there have been great increases in wheat production, with the result that our export outlets for wheat and the export outlets of other exporting countries have been cut off and wheat is backing up in a great many countries throughout the world. Yet, no one can say, I am sure, with any voice of authority, that up until 2 years ago we were carrying out a policy in this country as far as wheat production is concerned, which was not a correct and sound policy, not only from the standpoint of good farming but from the standpoint of the marketing of agricultural commodities both at home and abroad.

So, the situation that has confronted agriculture in this country and still confronts it today is that we have built up an agricultural plant in this country designed to produce for a war period and a cold-war period following the end of actual hostilities and that we have suddenly found that with the recovery of many other countries throughout the world, and with good crops and good seasons not only in this country but in other countries, that we do have a plant which is too large for the demand that exists for those commodities at this time. Now, we cannot cut down production in an agricultural plant like you can cut down a steel plant or automobile factory. You cannot close one wing and say, "We are not going to produce here." Of course, we do attempt to adjust our production. We are attempting to do that now in all of the ways that are available. It cannot be done overnight; it cannot be done in 1 year or 2 years or 3 years.

Mr. Chairman, this bill is not only an effort to dispose of these accumulated surpluses, but it is also an effort to build up our foreign markets in agricultural commodities. If you will read the report on this bill, which is pretty well condensed, and which I think thoroughly explains the measure, you will note that there are three titles to this bill.

The first title is designed primarily to build up our market for agricultural commodities now and in the future. It is designed to do this under existing conditions where most currencies are not convertible and when there exists throughout the world an inability on the part of many nations to trade with us and to trade with each other because of this reason. It is designed to make it possible for this Nation to accept foreign currencies in exchange for these products. Under this title there is a limitation of $1 billion.

Title II deals with famine relief and other assistance. It is what might in very large measure be called a give-away program although under that program we will, no doubt, secure some foreign currencies. Under title II there is a limitation of $300 million which may be

expended in connection with this assistance-type program.

Title III contains general provisions which relate in the main to the distribution of agricultural commodities in this country but which also deal with some phases of distribution in foreign countries as well. The general nature of the provisions embraced in title III is to increase the number of recipients, and particularly classes of recipients who might receive surplus agricultural commodities. It also makes it possible for the Commodity Credit Corporation to distribute those commodities which have not at the present time deteriorated or are threatened with deterioration. Heretofore, except for commodities that were disposed of under the section 32 program, it is impossible for the Commodity Credit Corporation to distribute commodities which were not deteriorating or threatening to deteriorate.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from New York.

Mr. JAVITS. I shall ask two questions of the gentleman. First, I should like to say that I thoroughly agree with this effort to dispose of agricultural surplus, regardless of how I may feel—and we will have another chance to debate that—about why it was piled up. But I should like to ask the gentleman whether it is not a fact that under this bill, subsection (b) of section 103, providing for reimbursement to the Commodity Credit Corporation by appropriation, it will result in making the CCC whole in terms of dollars regardless of the price at which these agricultural commodities are sold to foreign countries; and thereby, the Commodity Credit Corporation will not be required to absorb any loss and you are really masking the loss which they are actually taking. Is not that true?

Mr. HOPE. The statement that the gentleman made—I will not attempt to separate it from his conclusions—is correct; that is, the Commodity Credit Corporation will be reimbursed for its investment in these commodities. That is true. Has the gentleman concluded his interrogation?

Mr. JAVITS. I have not. Is it not a fact that they will be reimbursed in full and therefore will not be taking the loss which is actually incurred on the commodity?

Mr. HOPE. The Commodity Credit Corporation will be reimbursed in full, as I stated, for the investment that it has in the commodity.

Mr. JAVITS. Would it not be fair, when we come to decide whether this outfit has operated at a profit or at a loss to include the difference between the price of sale and the appropriation to reimburse them, as part of their loss?

Mr. HOPE. I do not think the matter of bookkeeping or the question of the method that we use is of any particular importance. The Commodity Credit Corporation will be reimbursed in one way or another. That is, we have always maintained the capital of the Commodity Credit Corporation in order to enable it to carry out its functions. The gentleman would like to have it appear in order to support some of the views he has on price supports that the Commodity Credit Corporation is operating in a certain way, and I am not arguing with him about that at all. It is certainly his privilege to hold that opinion. It is just a matter of the method by which we handle the appropriations for this agency, as I see it.

Mr. JAVITS. My only point is that every time you come in here for another authorization for the Commodity Credit Corporation to give them lending authority it is always contended they have not lost any money, but you mask all their losses in this way so it can appear on the figures that they have not lost any. That is the only point I was making.

Mr. HOPE. I do not agree with the gentleman at all. The gentleman, as intelligent and hardworking as he is, will certainly be able to get the figures to show any losses he cares to show. I am sure he will, and I am sure they will be presented to the House at what the gentleman thinks is the proper time.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from North Carolina.

Mr. COOLEY. I would like to remind my chairman of the fact that the gentleman from New York used the word "mask" as if we had something to conceal in presenting this bill to the House. That is exactly what we are not doing. Is not that true?

Mr. HOPE. That is certainly true. We are not concealing anything.

Mr. COOLEY. We know that the twofold purpose of this bill is not only to dispose of surplus agricultural commodities—to be sure, that is one of the purposes—but it is to encourage friendships around the world and to rehabilitate and to feed starving people. We are not masking about it at all.

Mr. JAVITS. I did not intend the word invidiously at all, and will revise my remarks to show that.

Mrs. KELLY of New York. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentlewoman from New York.

Mrs. KELLY of New York. On page 4 of this bill, section 2, you refer to the sale to friendly nations. Will the gentleman define that term for me, and tell me whether under this bill the administration would permit the sale of these surplus commodities to Russia, the U. S. S. R., and the Iron Curtain bloc?

Mr. HOPE. This is not the first time that this term has been used in legislation of this kind. In the bill which we passed last year dealing with the distribution of surplus commodities, whereby we gave the President authority to distribute $100 million worth of those commodities, the same language was used. I am sure that it is not intended to include countries behind the Iron Curtain.

Mrs. KELLY of New York. I would not personally have any objection to the gift of surplus commodities to the people of East Germany, but I fear that the change of trend in the East trade relations under Mr. Stassen is going to permit and look for, approve, and seek the sale of these surplus commodities to the U. S. S. R. Is that correct?

Mr. HOPE. I think that as far as what the gentlewoman has in mind with respect to putting these commodities in the hands of friendly people who may be behind the Iron Curtain is concerned, there is another provision in the same section which does permit distribution to friendly people.

Mrs. KELLY of New York. The word is "nations." That is not the section I am referring to. I approve of that. This is the sale to friendly nations. I recognize it as a diplomatic term which would include the U. S. S. R. as friendly, but are we going to permit this under this administration?

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. COOLEY. Mr. Chairman, I yield myself 27 minutes.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. BELCHER. In answer to the question of the gentlewoman from New York, it certainly was not the intent of this committee that the Government should sell these surplus products or commodities to any of the Iron Curtain countries and accept their currency in payment thereof; was it?

Mrs. KELLY of New York. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mrs. KELLY of New York. Would the committee possibly accept an amendment after the words "friendly nations" so as to exclude Communist countries?

Mr. COOLEY. Unfortunately, I am not in the position to speak for the committee, and I doubt very much if the chairman is in a position to speak for the committee. Certainly, the gentlewoman from New York has the privilege of introducing an amendment. I, personally, would have no objection to it because I agree with the gentleman from Oklahoma [Mr. BELCHER] that it certainly was not contemplated by our committee that our Government would sell these surplus commodities to Iron Curtain countries for Iron Curtain currencies. That is the section involving a billion dollars worth of surplus commodities. I think I might yield further to the gentleman from Oklahoma, if he wants to emphasize the point that it is not contemplated that we would take Iron Curtain currencies for these commodities.

Mr. BELCHER. That very matter was discussed in our committee and it was the consensus of opinion of the committee that this would not be broad enough to include the sale to Iron Curtain countries. Is that not correct?

Mr. COOLEY. I think the gentleman is correct.

Mrs. KELLY of New York. I will ask my colleague for time so that I may discuss this issue.

Mr. COOLEY. I will be very glad to yield time later to the gentlewoman from New York.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HOPE. The State Department has a list of what are classified in the department as friendly countries, and

in using the term here, I can say to the gentlewoman from New York as well as to other Members of the House that the committee accepts the definition of the State Department as to what constitutes a friendly country, and that does not include any of the countries behind the Iron Curtain.

Mr. COOLEY. I think what the gentlewoman has in mind is that ordinarily all countries are friendly countries except countries with which we are at war; and we are not at war with any country at the moment; consequently, all countries might be considered friendly countries unless the term is otherwise restricted.

Mrs. KELLY of New York. That is correct. We have to consider at this time that peace does not exist in the world. We are in a cold war—call it what you will. We are building up our military defenses and that of the free world to check the diabolical spread of communism. We have at this time an embargo of trade with Red China under the Mutual Security Control Act but we have no restrictions on nonstrategic material to the U. S. S. R. I consider food strategic, and the change of policy of the U. S. S. R. at this time is a request for consumer goods. This is explained in the report of the Mutual Security Defense Control Act in the 4th report. In this report the administration recommends a change in United States trade with U. S. S. R. That is what I object to. I consider it unsound to trade with a group of nations whose ultimate purpose is not in doubt—the enslavement of man. Why should United States supply these comforts and still cause for unrest. If the gentleman will yield to me just one moment, I would like to read from page 39 of this report which explains this clearly. It says:

> With these factors creating for the free world a currently strong trading position, the free world nations should be able to take advantage of the needs of the Soviet Bloc and by hard bargaining gain benefits from East-West trade.

I would like to know who is deluding whom and when and at what time any nation drove a hard bargain with the U. S. S. R.

Mr. COOLEY. I think it might be well for us to consider the amendment of the gentlewoman from New York because I think it might be well for the House to be a little more specific than we ordinarily are in matters of this kind.

Mr. Chairman, one thing I do want to discuss is Operation Reindeer, which I discussed here on the floor of the House some time ago. I am sure that all Members of the House were amazed when the facts were disclosed. I disclosed the facts and submitted information to the General Accounting Office and asked for an investigation. The investigation was conducted and I have received the report, and in my extension of remarks I will put in the pertinent parts of the report. I have no complaint with the report which concluded that the President and Mr. Stassen had a right to do the things which were done, but I still insist, notwithstanding, that this House never intended that Mr. Harold Stassen should become Santa Claus and should engage in any such project as Operation Reindeer. Now how would you like to go back to your districts and say that you consciously authorized Operation Reindeer? Certainly, none of us contemplated such a project as that, and unless we make some legislative history here in the discussion of this bill, or in the discussion of the foreign-aid bill, which clearly indicates by such legislative history if not by legislative language that we do not intend to let our Government become Santa Claus around the world, we will be derelict in our duty. That is exactly what he did. He gave away 5 million Christmas presents at Christmas time, and the American taxpayer paid the bill. I could go on and criticize that, but I shall not criticize it further than to say that I for one certainly never intended to put my stamp of approval on any project of that character. The language in this bill which is before you is very, very comprehensive. It was our understanding that this report should contain some language which would indicate that our committee did not look with favor upon such projects as Operation Reindeer.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from New Mexico.

Mr. DEMPSEY. That report from Mr. Stassen went to the Foreign Affairs Committee. Was it classified?

Mr. COOLEY. What happened was this: The law provided that $100 million would be made available to the President to be used by the President whenever he deemed its use necessary to the defense or security of our Nation. Thereupon, Mr. Stassen obviously conceived the idea that to give Christmas presents at Christmas time was a very nice thing to do. So, on the 28th of September last year, he prepared some sort of memorandum and submitted it to the White House, and on that very day had the President sign a letter, or the President did sign a letter, approving this method of distribution of surplus agricultural commodities. That letter came down, as the law required, to the chairman of the Foreign Affairs Committee and it was marked "Classified. Secret."

Mr. DEMPSEY. So the only people who really were entitled to be fully informed, the American people who were paying for the Christmas presents, did not know anything about it. It was "secret" and "classified" as far as they were concerned. Everybody else in the wide world knew all about Operation Reindeer except those who were paying the bill. Santa Claus Stassen was most generous in his treatment of everyone except the people whose money he was spending. That appears to be normal procedure in a great many of his operations.

Mr. COOLEY. Members of Congress did not even know about it. I do not see why there was anything classified about it, except that he put 2 or 3 paragraphs in there which might be termed "classified."

Mr. DEMPSEY. I agree with the gentleman 100 percent.

Mr. COOLEY. I want to say that the chairman of the Foreign Affairs Committee, the gentleman from Illinois [Mr. CHIPERFIELD], cooperated when I asked for information. He told me it was classified, but he would have it declassified. He did have it declassified, and now I have it here and can place it in the RECORD.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. BROWN of Georgia. I understand that in return for these surplus commodities we take their currency.

Mr. COOLEY. That is right.

Mr. BROWN of Georgia. What do we do with their currency? Do we buy articles from them?

Mr. COOLEY. That currency can be used in many different ways. One is to pay American obligations abroad. It could be used to purchase other articles to be given to other countries under the provisions of this bill.

Mr. BROWN of Georgia. Or buy something that we need here?

Mr. COOLEY. Something that we need here. The bill itself sets out the use that will be made of the currencies that are required in exchange for these commodities.

Mr. ABERNETHY. If the gentleman will yield, those are set forth in section 104 of the bill.

Mr. COOLEY. I now yield to the gentleman from Massachusetts.

Mr. McCORMACK. A little outside of the bill, but still having relationship to it, we know that recently former Governor Stassen, in concert with other countries, lifted the trade restrictions to the Communist bloc in Europe. The reason which he gave for it, as I remember, was that it was a peace gesture. Does the gentleman remember that?

Mr. COOLEY. I remember that.

Mr. McCORMACK. At the same time we have the Communists in southeast Asia trying to enslave and dominate the people of that section of the world. Has the gentleman from North Carolina any comment to make on whether that is a consistent policy or an inconsistent policy?

The CHAIRMAN. The time of the the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Chairman, I yield myself 5 additional minutes.

The CHAIRMAN. The gentleman is recognized for 5 additional minutes.

Mr. COOLEY. I think that we should guard these peace gestures; of course, we want peace around the world, and I do not think that we should deal with individuals in any such fashion as Mr. Stassen has been dealing with individuals in 21 nations. I repeat, some of them have traditionally been our friends and always will be our friends, but he puts this entirely on the spirit of Christmas. He was going to give these Christmas presents, 5 million during the holiday season, unless we let him know that we did not approve of it. He may make it 20 million or 25 million next time, because he seems to have been pleased with what has been classified as Operation Reindeer.

Not only that, but after it was all over he selected four teams of husbands and wives and sent them on this trip through all these 21 countries to investigate and to report upon the manner in which the operations had been carried out. Each one of these persons was paid $25 a day, or for a husband and wife team $50 a day, plus expenses. They were regarded as consultants. That seems to have been justified and warranted under the broad language of the bill.

Here is the reason that the General Acounting Office said that they had to conclude that the language of the bill permitted such project.

It says:

> The purposes of the act involved as expressed in the statutes themselves are so broad in scope and general in expression as to render it impossible to state categorically that Operation Reindeer did not further such purposes.

Further, the General Accounting Office says:

> Under such circumstances this Office cannot conclude that the determination to conduct the program was clearly improper.

Further quoting from this communication:

> While the Mutual Security Act appears generally to contemplate aid to nations as a whole continuing over a period of time rather than aid to individuals consisting of single gifts, section 513 (b) is not subject to any restrictions other than as stated therein or hereinbefore, and nothing can be found in the legislative history thereof which would prevent such individual gifts.

They concluded that since there was nothing in there to prohibit it, the language was broad enough to authorize it.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Texas.

Mr. DIES. The objection I have to this bill is that there are not sufficient safeguards against the shipment of agricultural products to Communist-dominated countries. We know that England and some of our allies are anxious to trade with Communist countries; they are not willing to pay the price the free world must pay in order to stop communism.

What assurance do we have that these products will not find their way behind the Iron Curtain and strengthen their economy?

Mr. COOLEY. I think we have a provision here, I might say to the gentleman from Texas, which would prohibit reshipment. I do not have it handy but I will ask one of my colleagues to find it for me.

Mr. ABERNETHY. If the gentleman will yield, there definitely is a provision in the bill which should prohibit the thing which the gentleman from Texas has just mentioned. I cannot place my hand on it at this time, but it is in here.

Mr. COOLEY. It says in effect that the determination must be made so that the commodities will not be transshipped into such countries.

Mr. DIES. Then you assure me you have such a provision.

Mr. COOLEY. I know we have that provision in it.

Mr. DIES. Even with that provision in the bill, would not shipment to a country permit that country to sell its own products to Communist countries?

Mr. COOLEY. I might say that I think a fair construction and interpretation of the section that we have in the bill would tend to prevent that sort of transaction. There would be some way to circumvent it, I am sure.

Section (d) on page 6 provides that they shall "seek commitments from participating countries that will prevent resale or transshipment to other countries, or use for other than domestic purposes, of surplus agricultural commodities purchased under this act, without specific approval of the President."

Then there are other provisions, the purposes of which are to prevent resale or reshipment of these particular agricultural commodities.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman from Texas raises the question of strengthening the economy of countries behind the Iron Curtain. I may say to him—he was not on the floor the other day—that I presented figures here to show that in the last year alone Poland shipped between ten and thirteen million dollars worth of canned ham and bacon into this country. We shipped to Poland approximately $300,000 worth of commodities. In other words, we gave them the difference between $300,000 worth of our commodities as compared with the ten to thirteen million dollars of canned ham and bacon that they shipped into this country in American dollars and they get mileage out of American dollars back of the Iron Curtain.

I want to say one other thing to the gentleman from North Carolina. I sympathize with him in connection with the letters that he gets from the Foreign Operations Administration marked "confidential" or "classified." I received one last week on something the Congress ought to have information on. I believe we might well look into the fact how many people are using classified and confidential stamps and how much money is being spent on ink to stamp these letters with "confidential."

Mr. COOLEY. I may say to the gentleman that I agree with him. There is no reason on earth for this Operation Reindeer being classified. Just why it was classified I do not know, because two or three paragraphs of the communication were deleted so that the communication might be declassified. The purpose in writing into the MSA law a requirement to the effect that the Executive should report to the chairman of our committee was to put us on notice or to place the Members on notice as to the character of the project contemplated so that we might be heard; but, unfortunately, this thing happened last September and only came to our attention a short time ago.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Oklahoma.

Mr. BELCHER. The gentleman understands, of course, that there are three sections to this bill. The first one is the trade section of it where we are to sell these commodities to foreign countries, receiving in return their currency. The others are giveaway programs.

Mr. COOLEY. Yes.

Mr. BELCHER. Does not the gentleman feel we should make every attempt to sell our commodities and is not the primary object of the entire bill to increase our foreign trade and not to carry on another giveaway program in addition to the program Mr. Stassen is now carrying on?

Mr. COOLEY. The gentleman is correct. The purpose of the first section is not only to dispose of our surplus agricultural commodities but to do it in such a manner as to not upset normal trade channels and to bring about an increased consumption of agricultural commodities in countries where they are being consumed.

Mr. BELCHER. In addition to that, it is hoped that by selling these commodities in the various nations of the world we might increase the consumption of these various commodities to the point where there will be a future market, and not a method of getting rid of the surpluses we already have on hand.

Mr. COOLEY. The gentleman is correct. We not only make provisions in that regard in reference to commodities going to foreign countries but also in reference to commodities that will be given away. We also provide there that we shall not interfere with normal trade channels or the transactions of ordinary businessmen.

Mr. DIES. Mr. Chairman, I want to call the gentleman's attention to the language which he pointed to as constituting a safeguard. On page 6 of the bill it is stated "seek commitments." Now, that is just hogwash. That does not mean a thing in the world. There ought to be a provision in this bill denying sale to any country that seeks to do business with the Communist bloc. That is the only way you are going to stop this thing of shipping commodities into Russia.

Mr. COOLEY. If the gentleman will vote for an amendment that will be proposed by the gentlewoman from New York, he might gain his objective.

Mr. DIES. But the gentlewoman from New York does not go far enough. It is a waste of time simply to say that you shall not sell to Communist-dominated countries. You must go further and specify that you cannot sell to any country that proposes to do business with the Soviet bloc. If England or if any of the countries that are determined to do business with Russia receive these commodities there is not any way you can prevent those commodities from finding their way behind the Iron Curtain.

Mr. BURLESON. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Texas.

Mr. BURLESON. Mr. Chairman, I think that my colleague from Texas may have a point in starting with the premise

in which he starts. But, remember that this program suggests that we sell commodities to friendly countries. You cannot conceive of those behind the Iron Curtain being very friendly, but they are to sell for local currencies, and those local currencies are to be used for a specific purpose defined in the bill. We are not doing business behind the Iron Curtain. We are not building airfields, we are not purchasing planes and parts and ships and guns, and we are not purchasing facilities, whatever that may cover, behind the Iron Curtain, so it is inconceivable that this thing could be used in unfriendly countries, that is, countries behind the Iron Curtain.

Mr. DIES. My distinguished colleague overlooks the point that I made. The point is this, that we have certain allies who want to do business with the Soviet Union, who have announced that they intend to do so despite the fact that this material will strengthen the Communist nations. Now, if we ship agricultural commodities to those countries and accept their curriencies, we simply enlarge their opportunity to do business with the Soviet bloc.

Mr. COOLEY. I can agree with the observation made by the gentleman from Texas, but on line 7 we find the language "without specific approval of the President." Now, I think that language may be restrictive in some respects.

Mr. DIES. No, none whatever, because all this requires is that they seek commitments. It does not make it mandatory that when the product is sold, that it be upon that condition. It just simply says, "You go out and seek." Well, there is a lot of difference between seeking and getting.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. I think the gentleman from Texas has a point in that particular regard, and I am certain it was the intention of the committee as well as the drafters of this bill to go further than the word "seek." I think probably if he would offer an amendment to that effect, we would support it. At least, I, for one, would. Certainly, it was the intention of the committee and the intention of the drafters of the bill, in my judgment, that when these commodities reached a friendly country that it was not intended that they should be passed on to any unfriendly country; otherwise, that provision would not have found its way into the bill.

Mr. DIES. All countries are friendly unless they are at war with us.

Mr. ABERNETHY. I realize there has been some question raised about what a friendly nation is, and I want to agree with the gentleman and I go along with him.

Mr. COOLEY. Would the gentleman suggest changing the word "seek" to "obtain"? Obtain a commitment?

Mr. ABERNETHY. The gentleman from Texas raised the question, and I suggest he draft the language necessary. I cannot bind the committee, but I, for one, think he is correct, and I think probably it ought to be amended.

Mrs. KELLY of New York. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentlewoman from New York.

Mrs. KELLY of New York. My amendment would be on page 4, excluding Communist countries, the Communist bloc. However, due to the kindness of the gentleman from Florida [Mr. BENNETT]—and I want to mention that at this time—he suggested different language. It does not matter whether it comes from the committee or not, but here is what he suggested. After the word "among" on that page he suggested you strike out "the United States and friendly nations" and insert "the nations with which the United States is associated in mutual defense activities as defined by the President."

Mr. ABERNETHY. I would accept that.

Mr. COOLEY. Well, I am sure the chairman of the committee will consider it and probably comment on it when the amendment is offered.

Mr. BENNETT of Florida. Mr. Chairman will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Florida.

Mr. BENNETT of Florida. The language suggested by myself and Congresswoman KELLY is taken out of a bill that has already passed the Senate and met with the approval, I understand, of the State Department. It is capable of specific interpretation by the State Department and also has sufficient elasticity so that the President can include countries like the Philippines and others with which we may not have such a treaty at the present time. It allows the President a certain amount of discretion. At the same time it does not raise the embarrassing question as to whether we are technically friendly with certain nations. I would like to add that I am enthusiastic about the purposes of this bill and have previously introduced legislation with similar objectives.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. GROSS. When the wheat for Pakistan bill was passed by the House, sometime last year I believe, was there any restriction placed in that bill which provided that Pakistan could sell 70 percent of the wheat, 1 million long tons of it, in the world market, upon whom the Pakistan Government could sell it to?

Mr. COOLEY. I do not think there was any restriction as to whom it could be sold, but there was some provision that 70 percent of it could be sold and we assumed that it would be sold to the Pakistan people.

Mr. GROSS. No; 70 percent could be sold in the world market, as I understood it.

Mr. COOLEY. I believe the gentleman is mistaken. I think 70 percent of the wheat could be sold to the people of Pakistan and the other 30 percent might be given away.

Mr. GROSS. I believe that is not correct.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. DIES. The amendment suggested by the gentlewoman from New York [Mrs. KELLY] would help the bill, but it will not reach the core of the problem. The problem is this, that recently some of our allies have adopted the policy of doing business with the Soviet Union. I think that is a very dangerous and fallacious policy which will only strengthen Russia in the end. It is based upon the idea that we have got to have profits, no matter what. If we sell our agricultural commodities to such countries, we simply make it easier for them to do business with the Soviet Union. That is the sum total and effect of our effort.

Mr. COOLEY. That, of course, involves our foreign policy very definitely. I should not feel justified in commenting on it or agreeing with the gentleman, because it would have far-reaching implications and might embarrass our Government in its present foreign policy. I am not in a position to know.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, the legislation we are about to consider, S. 2475, is a Senate bill which was introduced into the Senate by Senator SCHOEPPEL, of Kansas, and passed by the Senate on July 28, 1953, and, of course, when it came to the House as a Senate bill it was referred to our committee.

When our Committee on Agriculture considered this legislation in order to expedite it we struck out all after the enacting clause and inserted in lieu thereof a bill, introduced by me on June 1, 1954—H. R. 9389 entitled "Agricultural Trade Development and Assistance Act of 1954." This is the bill we are now considering under the title of S. 2475. Consequently, if the House supports the Committee on Agriculture in its position, we will have this legislation ready for conference. The parliamentary procedure would permit a conference committee from the Senate and House to meet immediately and iron out the differences between the Schoeppel bill, S. 2475, and my bill, H. R. 9389.

On May 7, 1954, Senator A. F. SCHOEPPEL, of Kansas, appeared before the House Committee on Agriculture considering S. 2475 and made the following statement:

STATEMENT OF SENATOR ANDREW F. SCHOEPPEL, OF KANSAS, BEFORE THE HOUSE COMMITTEE ON AGRICULTURE REGARDING S. 2475, MAY 7, 1954

Mr. Chairman and gentlemen of the House Agriculture Committee, I appreciate this opportunity to appear before your committee to support S. 2475. This is a bill to develop export markets for United States farm products. I sponsored this bill originally. I was honored to have been joined by Senator Anderson, of New Mexico; Senator Clements, of Kentucky; Senator Eastland, of Mississippi; Senator Hoey, of North Carolina; Senator Johnston, of South Carolina; Senator Mundt, of South Dakota; Senator Aiken, of Vermont; Senator Thye, of Minnesota; Senator Welker, of Idaho; and Senator Young, of North Dakota. As you know, the bill passed the Senate on July 6 last without one dissenting vote. This was a unanimous recognition 10 months ago of agriculture's vital need to expand export markets for United States farm products. It was the

soundest alternative to more severe acreage controls.

I need not describe to you gentlemen that in the last year our agricultural situation has worsened and the need to expand exports has increased. Investments of the Commodity Credit Corporation have about doubled, exports of wheat are further down. The prospects are not good. The time has come to close ranks and take concerted action to expand our export markets for farm products.

For 10 months S. 2475 has been subject to scrutiny, debate, and comparison with alternatives. There have been feverish attempts to devise alternatives to expand our export markets for farm products. But the principles of S. 2475 are the only program proposals that come to grips with the problem of expanding export markets for farm products. There has been some tidying up of the language and some refinements in procedures and administration, but no alternative program has been developed to expand export markets for farm products on a scale commensurate with the need and the job to be done.

The reasons for this are clear. The program provided in S. 2475 is tailored to fit the needs of expanding export markets for farm products. Expanding any market is difficult, but expanding an export market for farm products is more difficult and more complex. All of these problems were considered in drafting S. 2475 and the solutions, so far as possible, are included.

The program embodies an imaginative yet dignified and businesslike approach to our problem. It treats our agricultural abundance as the asset it is, not as an unmanageable surplus of which we are ashamed and therefore feel obliged to give it away.

I know you have considered many phases of this program in your deliberations until now. But I would like to review with you very briefly some of the elements that were considered in formulating the principles of S. 2475.

We considered the responsibility of the United States as leader of the free world; we considered the protection essential to the welfare of friendly competing exporters of farm products; we considered the needs of our customers and their potential ability to pay for the products they need; we considered the trade practices of competing exporters. We considered the stocks of CCC as assets, as capital with which we could promote economic development, expand markets, increase production and employment among cooperating nations—accomplishments needed for national security and for national economic strength and which otherwise might not get done in time. The bill was drafted to accommodate these considerations.

It provides for the export sale of farm products for foreign currency. This removes the limitation on purchases of farm products due to a shortage of foreign exchange. There is nothing new about accepting foreign exchange among international traders. It's an age-old practice. It is only new for the United States. The bill sets up standards to be met in order for a nation to become eligible to buy farm products for foreign currency. These standards were designed to protect our dollar markets for farm products that are running over 2½ billion per year.

The sale of farm products for foreign currency is not in itself a solution to the problem. The key to the program is the use to be made of those currencies. S. 2475 provides six general uses of funds. Rather than enumerate those uses, I would rather explain their general intent. The basic idea is to sell farm products for foreign currency which is to be deposited to the account of the United States. The currencies are to be used as a revolving fund. We thought of the use of the funds in two phases. First, for increasing the ability of customers to buy all manner of products, and second, to get maximum possible repayment for the United States.

The foreign currencies in the first phase should concentrate on increasing the earning power of individual consumers and customer nations by means of relatively short-term loans. They should focus on increasing the foreign-exchange earnings of customer nations in a way that would lead to greater currency convertibility. This would mean promoting economic development, increasing production for export, expanding international trade, increasing gainful employment, and stimulating economic activity generally. This visualized the use of revolving funds to create conditions which would attract private investment capital for economic development. The free world needs capital to expand, to develop, to build, to create new wealth. The mechanisms set up in S. 2475 provide the means to convert unsold stocks of farm products into that capital the world needs.

The second phase in the use of this revolving fund is to assure maximum repayment to the United States. There are four important uses of the foreign currencies which would give the United States value received. One is to create continuous new markets for farm products, either with grants or loans. A second is to use the foreign currencies to pay some part of the $50 billion per year we are spending on defense materiel. This offers a big field of opportunity for customers to earn dollars to buy farm products. A third use of currencies is to buy strategic materials for United States stockpiling. Our dependence on imported minerals is increasing. Adequate supplies are fundamental to our security. We can well afford to stock up on the minerals we are bound to need later. Finally, the currencies may be used as aid and assistance or in achieving free world security objectives in lieu of dollar appropriations.

There is a vitally important aspect in the use of these currencies. In order to provide the maximum possibility to use them effectively and provide maximum assurance to achieve repayment to the United States the program must provide for the transfer of obligations to the United States from countries who cannot repay the United States directly, to countries that can. S. 2475 visualizes the use of the revolving funds in one country as loans to third countries and the acceptance of the currencies of the third countries in repayment of the obligations to the United States. It may be that better devices can be developed. In any case, freedom to transfer these obligations among countries is essential to accomplish three objectives: to increase the opportunity of the United States to be repaid, to increase the opportunities of customers to increase their earnings with which to continue to buy more and in order to use the capital to promote the maximum economic development. The point of providing flexibility to enable triangular or multilateral trade is so important, I would like to illustrate with a case.

1. We sell $100 million worth of wheat to Japan for yen.

2. We loan the yen to India to buy Japanese industrial products for India's economic development.

3. We accept Indian rupees in payment of that loan.

4. We use those rupees for any of the purposes in the act, including the purchase of strategic materials.

So much for the uses of currencies accruing from the sale of farm products.

There is another important element in the proposal which I would like to emphasize. No American program of this kind should be allowed to seriously injure the trade of any friendly exporting country. Therefore, safeguards were built into the bill to protect friendly competing countries. They are protected in several important ways. Most important, it is not a giveaway with which none of them can compete. Second, sales are to be made at prices which the ultimate consumer would have to pay if the products were purchased from any other source. It is not a dumping program. However, the most important protection is that the funds that accrue are to be used to expand and create new markets, to establish orderly marketing facilities, to promote consumer industries, to increase the ability of customers to buy more of all products. In this expanded market, all competing exporters may share. Finally, the program removes the uncertainty resulting from unsold supplies overhanging the market. It removes the threat of dumping or giveaways.

I would like to make a suggestion which I believe will improve the legislation. Based on my observations of our agricultural export programs during the last year, I believe it is essential that primary authority for an export program be vested in the Secretary of Agriculture, who has the primary responsibility for protecting our present dollar markets, for expanding and creating new markets and minimizing the cost of the farm price-support program. The Secretary has this responsibility; his authority to deal with it should be made commensurate.

I would like to call your attention to specific uses that have been made of farm products to further our national interest. They illustrate actual accomplishments within the severe handicaps and limitations of present authority:

1. Japan bought $50 million worth of grain for yen. The yen will be used primarily for military procurement in lieu of further dollar appropriations;

2. Spain bought $20 million worth of wheat for pesatas. The pesatas will be used entirely to cover the local cost in building United States airbases in Spain;

3. I understand that a program is being developed to sell over 10 million bushels of grain to a country on deferred payments. Repayment will be made in full, partly in strategic materials;

4. Even under the serious and unfortunate limitations of section 550, over $230 million of purchase authorizations have been issued to buy United States farm products. These have been or are being done under the existing serious limitations. These opportunities could be multiplied under this proposed legislation.

Let me cite you four illustrations from the many offers to buy farm products which have been brought to our attention and that could be made under S. 2475.

1. There is a specific offer to buy as much as $30 million worth of wheat, vegetable oil, milk, and butter for local currency. We could get full payment by using that currency to add a large quantity of a very strategic material to our national stockpile.

2. We have for consideration an offer to buy $70 million worth of wheat, cotton, soybeans, tobacco, and dairy products for local currency from a country in which the United States has a vital strategic interest. These currencies could be used to carry on a United States program in that country which would otherwise have to be paid with appropriated dollars.

3. Another country is prepared to open negotiations to buy $50 million worth of United States farm products per year for 5 years. This country will repay in full in 6 or 7 years, if a portion of the repayment can be made in goods or services.

4. Still another country is prepared to open negotiations for the purchase of nearly 20 million bushels of corn to establish a stabilization reserve. Payment is to be made in the local currency which may be redeemed in full in goods or services.

These propositions are on the shelf ready to be acted upon as soon as this legislation

is enacted. They represent only a sample of those which have been brought to our attention by foreign buyers on the expectations this legislative proposal will be enacted early by this Congress. Enactment of the program will bring many, many more such offers.

Let me inject here that the program in S. 2475 is sound, businesslike and dignified. It is far more humanitarian than gratuities. Nothing builds human dignity like buying what people produce to sell. This program is based on a concept of producing, selling and buying—a concept that has made our country great. This program preserves the fundamental attribute of human dignity. It then goes far beyond that and uses the otherwise frozen assets of CCC as capital to increase production and gainful employment, to expand trade, and to promote economic development so that people can continue to buy more with their earnings. It is a program based on mutual aid—through trade. It is a new, imaginative and creative program. Wherever it has been explained and thoroughly understood, across this Nation and around the world, it has been hailed as a sensible approach. All who help enact this program will take increasing pride in having contributed to this constructive legislation.

Finally, the time has come to get this program underway. Another crop is nearly upon us. This program should be in working order to move the new wheat crop beginning in June and other crops in due course. The time is already late. S. 2475 has passed the Senate. I urge you gentlemen to add your improvements to S. 2475, based on a further year of study, manage it through the House, and bring it to conference as soon as possible. Let us be in a position to report to our farmers that we passed a bill to do the job—in time.

Mr. Chairman, this statement by Senator SCHOEPPEL gives us an excellent preview of what we may expect as to how this bill will operate.

A short history of this legislation is worth detailing and I might say that on February 12, 1954, I introduced a bill which was referred to the Committee on Agriculture entitled "Farm Trading Post Act of 1954." It was quite similar to the Schoeppel bill, S. 2475. Of course, there were some refinements and I am sure improvements on the bill as world events had made necessary that certain technical changes be made if the legislation were to meet the general conditions at this particular time.

The justification for the introduction of H. R. 9389 came about by the meeting of the Agriculture Department, the State Department, the Directors of FOA with our Committee on Agriculture, and placing before us their recommendations as to the legislation they thought necessary to dispose of surplus commodities.

After considerable committee questioning, discussion, and debate with the Departments mentioned, H. R. 9389 was introduced on June 1, 1954, and considered in executive committee of the Committee on Agriculture on June 9, and as far as I recall not a single vote opposed this legislation when it was up for final disposition. It comes to the floor by unanimous vote of all the committee.

As to the bill itself, it is a short bill with only three titles, and of course the title of the bill gives you an idea of what it is about—this act may be cited as the Agricultural Trade Development and Assistance Act of 1954.

Then follows section 2 which declares what the general purposes of the bill appear to be. I shall read from the committee report, House Document No. 1776, and may I say in passing that is a very important number for this document which I have hopes will contribute considerably toward freedom if this legislation is administered properly:

SEC. 2. It is hereby declared to be the policy of Congress to expand international trade among the United States and friendly nations, to facilitate the convertibility of currency, to promote the economic stability of American agriculture and the national welfare, to make maximum efficient use of surplus agricultural commodities in furtherance of the foreign policy of the United States, and to stimulate and facilitate the expansion of foreign trade in agricultural commodities produced in the United States by providing a means whereby surplus agricultural commodities in excess of the usual marketings of such commodities may be sold through private trade channels, and foreign currencies accepted in payment therefor. It is further the policy to use foreign currencies which accrue to the United States under this act to expand international trade, to encourage economic development, to purchase strategic materials, to pay United States obligations abroad, and to promote collective strength or further in other ways the foreign policy of the United States.

The three titles in the bill are title I, title II, and title III.

You will notice in the report that in title I there are five separate and distinct statements as to the method we should use to carry out our agreements with friendly nations to provide for the sale and disposition of surplus agricultural commodities for foreign currencies. The President shall have in mind these five basic suggestions as to bartering our surplus agricultural commodities for foreign currencies.

Let me read from the report:

TITLE I—SALES FOR FOREIGN CURRENCY

SEC. 101. In furtherance of this policy, the President is authorized to negotiate and carry out agreements with friendly nations or organizations of friendly nations to provide for the sale of surplus agricultural commodities for foreign currencies. In negotiating such agreements the President shall—

(a) take reasonable precautions to safeguard against the displacement of usual marketings of the United States or friendly nations, and assure insofar as practicable that sales under this act will not disrupt world prices of like commodities of similar quality;

(b) take appropriate steps to assure that private trade channels are used both with respect to sales from privately owned stocks and from stocks owned by the Commodity Credit Corporation to the maximum extent practicable;

(c) give special consideration to utilizing the authority and funds provided by this act, in order to develop and expand continuous market demand abroad for agricultural commodities, with appropriate emphasis on underdeveloped and new market areas;

(d) seek commitments from participating countries that will prevent resale or transshipment to other countries, or use for other than domestic purposes, of surplus agricultural commodities purchased under this act, without specific approval of the President; and

(e) Afford any friendly nation the maximum opportunity to purchase surplus agricultural commodities from the United States, taking into consideration the opportunities to achieve the declared policy of this act and to make effective use of the foreign currencies received to carry out the purposes of this act.

Section 102, under title I, gives the instructions to the Commodity Credit Corporation not only as to how to proceed with the disposition of the commodities, but also letters of commitments against the funds, their guaranties, and other details as to how the foreign currencies will be handled.

And in section 103 of this title we find out the Commodity Credit Corporation is to be reimbursed for the commodities disposed of through the machinery set up under title I of this legislation.

In addition, it carries the amount of money the Commodity Credit Corporation may use in the period which is provided in the act which continues until June 30, 1957. This amount is not to exceed $1 billion.

Under title I, sections 104, 105, 106, 107, and 108 all relate to details as to the general use, and I might add reuse, of the currencies of foreign countries. I might read under section 104 from (a) to (g) which gives you a good idea of such uses, and also the provisions at the end of this section. All of this you will find on page 3 of the report:

SEC. 104. Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, the President may use the foreign currencies which accrue under this title for the purposes set forth in section 2 of this act, including one or more of the following purposes:

(a) To help develop new markets for United States agricultural commodities on a mutually benefiting basis;

(b) To purchase or contract to purchase for the United States stockpile materials essential to the national security (as determined by the President) under contracts, including advance payment contracts, for supply extending over periods up to 10 years and assure insofar as practicable that materials so purchased would not displace United States domestic production or usual commercial imports into the United States. Materials so acquired shall not be released for resale except pursuant to the terms of the Strategic and Critical Materials Stockpiling Act, as amended;

(c) To procure military equipment, materials, and services for the common defense;

(d) For the purchase of goods or services for other friendly countries;

(e) For increasing production for domestic needs in friendly countries;

(f) To pay United States obligations abroad;

(g) For loans to promote multilateral trade and economic development, made through established banking facilities of the friendly nation from which the foreign currency was obtained or in any other manner which the President may deem to be appropriate:

Provided, however, That section 1415 of the Supplemental Appropriation Act, 1953, shall apply to not less than 10 percent of the foreign currencies which accrue under this title: *Provided, however,* That the President is authorized to waive such applicability of section 1415 in any case where he determines that it would be inappropriate or inconsistent with the purposes of this title.

SEC. 105. Foreign currencies received pursuant to this title shall be deposited in a special account to the credit of the United States and shall be used only pursuant to section 104 of this title and any department

or agency of the Government using any such currencies shall reimburse the Commodity Credit Corporation in an amount equivalent to the dollar value of the currencies used.

SEC. 106. As used in this act, "surplus agricultural commodity" shall mean any agricultural commodity or product thereof, class, kind, type, or other specification thereof, produced in the United States, either privately or publicly owned, which is in excess of domestic requirements, adequate carryover, and anticipated exports for dollars, as determined by the Secretary of Agriculture.

SEC. 107. The President shall make a report to Congress with respect to the activities carried on under this act at least once each 6 months and at such other times as may be appropriate.

SEC. 108. No transactions shall be undertaken under authority of this title after June 30, 1957, except as required pursuant to agreements theretofore entered into pursuant to this title.

Let me discuss with you the reasons why this bill, Agricultural Trade Development and Assistance Act of 1954, is necessary at this time.

As I remember the Famine Relief Act ended March 15, this year, and section 550 of the FOA Act expires on June 30, 1954. Consequently, if we are to continue to assist our friends in foreign areas by sending agricultural commodities in surplus, some type or kind of legislation to permit us to use foreign currencies is absolutely necessary. Why it is necessary I hope I may be able to convince you.

When the Assistant Secretary of Agriculture, John H. Davis, appeared before our committee on April 27, 1954, he gave a very graphic picture as to how and why we had built up such tremendous surpluses of agricultural products. Mr. Davis stated to the committee why agricultural output had increased 40 percent over prewar levels, and that much of this expansion was for the purpose of meeting foreign commitments that could not be supplied from any other area in the world.

Now that peace has been restored to many areas of Western Europe our agricultural exports have declined since the peak of the war to the extent of 30 percent. The last figures available indicate that the decline of our foreign exports may now be reaching a leveling-off period.

Since the ending of World War II, world agricultural production has been constantly above the prewar average and indications are it will continue to increase. During the war when we were producing in the United States such tremendous crops, prices for domestic agricultural commodities reached new highs, and, of course, it was impossible to bring the agricultural production in line with consumption. While all this was going on the gold and dollar reserve position of most foreign countries improved and this made it possible for these foreign areas to trade to a considerable extent with one another, which brought our foreign markets to a new low level.

Mr. Davis explained to us that price competition in seeking new world markets for agricultural commodities was growing stronger and that many countries which were deficit agricultural areas prior to the war were now producing sufficient for their own consumption.

Anyway it appears to Mr. Davis that we cannot expect a restoration of our foreign markets for agricultural production to any considerable extent.

In discussing the reasons for large surpluses of agricultural commodities, Mr. Davis made a most excellent statement—and I quote:

The magnitude of our agricultural surpluses is such that we cannot afford to be complacent over any obstacles that stand in the way of moving them into desirable domestic and foreign outlets. For the most part, the commodities that have accumulated are reasonably storable, and this means that we do have a fair amount of time to deal with existing surpluses of such products. There are, however, other products that are more perishable, and stocks of these must either be rotated or disposed of rather soon. A policy of stock rotation can help extend this period. However, it cannot eliminate the necessity for a sound utilization program.

Altogether, the Federal Government, through the Commodity Credit Corporation, had at the end of February 1954, an investment in price support commodities totaling $6¼ billion. This included about $2.7 billion of commodities actually owned by CCC and an additional $3.6 billion under loans. The total of this investment is a record high. A little more than three-fourths of the total price-support investment is represented by wheat, cotton, and corn which are reasonably storable. The CCC investment in these items was $2.2 billion for wheat, $1.4 billion for cotton, and $1.2 billion for corn, or a total of $4.8 billion out of the $6¼ billion invested in all commodity price supports.

Nor can all of the commodities included in the total amount of the CCC price support investment be regarded as surplus. We can reasonably expect some of the products under loan to be redeemed—this is happening now. Also certain amounts of the commodities represent stocks that normally would be considered as carryover in the hands of producers and the trade. In recent years, the tendency has been for a larger proportion of total carryovers to be held by CCC, with private trade carrying smaller absolute amounts than otherwise would be necessary. The CCC investment also includes certain supplies of commodities that may be considered as being desirable for national emergency reserve purposes, over and above normal carryover requirements.

The main point in all of this is that we need to understand what the scope of our surplus really is. We obviously cannot regard our total stock of storable commodities as surpluses. If we take all of our storable crops combined, I would judge that not more than one-half of our expected carryover this year can rightfully be regarded as surplus.

In dealing with our present problem of surpluses, we necessarily must take a two-way approach. One is to take actions that will prevent a further buildup of surpluses and prevent surpluses from continuing as a major problem. The other is to deal with the present accumulation of surpluses so that the commodities now being held in storage may move into constructive uses both at home and abroad. Both of these approaches must move forward vigorously and in coordinate fashion.

To prevent surpluses from continuing as a major economic problem, we obviously need to bring about certain adjustments in our pattern of agricultural production so that the output of specific commodities will be geared more nearly to the market demands. This committee is fully aware of the steps we are now taking to bring about such adjustments and of the changes in program that have been recommended by the President to enable us to realize our objectives for American agriculture.

At the same time we are making the adjustments needed in our production, we must see to it that the widest possible domestic and foreign outlets are available to our farmers. We need to expand our markets both at home and abroad in order to make the most effective use of our great agricultural productive capacity.

EMPHASIS ON DOMESTIC AND FOREIGN UTILIZATION

In the Department of Agriculture we have geared our organization to move aggressively forward on domestic and foreign marketing so that these problems may receive the increased attention so badly needed.

All of the domestic marketing functions have been brought together in the new Agricultural Marketing Service. The word "service" as used here may be underscored, since this agency is a service organization to promote and facilitate better marketing through regular distribution channels. Its highly trained staff is devoting their undivided time to domestic marketing problems. This agency is moving ahead with a balanced program of marketing research, service, and regulatory work. In all of this activity cooperative relationships are being maintained and strengthened so that all groups, from farmer to consumer, may be more effectively served.

The foreign marketing work is centered in the Department's Foreign Agricultural Service. This organization has been strengthened to improve the flow of data and information to the trade regarding foreign agricultural production and marketing conditions. Commodity specialists are being sent abroad to assist the trade in uncovering marketing opportunities. Aggressive action is being taken to encourage importing countries to remove undue restrictions against imports from dollar areas. In effect, the Foreign Agricultural Service functions as American agriculture's eyes and ears abroad, constantly searching for market opportunities and always working to overcome obstacles to the flow of United States farm products in world trade.

Trade missions have been sent to Europe, Asia, and South America to play the composite roles of good-will ambassadors, fact finders, and educators. They will return and report to the Secretary of Agriculture early in June. Behind these missions will be the stepped-up efforts of private traders to move more and more products abroad. These missions are as representative of agricultural interests as we could make them. They are primarily concerned with the possibilities of expanding our world trade through regular trade channels. Their job is not to do any selling as such, but we are confident that they will open up many trading opportunities which can be exploited in followups by United States private trade. The findings of the missions will be made known to our producer and export groups as soon as reports are prepared upon their return.

I believe there are three guiding principles that should, insofar as possible, govern our export market development work:

1. Government should assist, not displace, the private trade. Export trade should be carried on through established private trade channels wherever possible.

2. United States export prices must be competitive. We cannot expect to maintain or expand exports of farm products if our prices are higher than those charged by other exporters. However, at the same time we must not be aggressive in pushing down world prices. In other words, the emphasis must be on better selling at fair prices rather than the use of fire sale methods.

3. Bold, imaginative, and new steps must be taken both by private trade and Government to pave the way for such trade efforts.

This is particularly true today as we face a buyers' market for most commodities for the first time in some 12 or 15 years.

The work being done by the trade missions that we have sent abroad is in keeping with these guiding principles. Also, there is the assistance we are giving in connection with export price problems whenever this can be done to encourage genuine expansion in United States trade. Some examples of this export price assistance are our offerings of cottonseed oil, linseed oil, peanuts, grain sorghums, and flaxseed on a bid basis for export. We are offering surplus wheat stocks through the private United States trade for export outside International Wheat Agreement channels at competitive world price levels. Offerings have been made of dried beans for export at reduced prices, and of nonfat dry milk solids and cheddar cheese at competitive world prices. In addition, we announced that we will consider bids for the purchase of butter for export from Government stocks for reconstitution into fluid milk.

Exporters are also being assisted by us in maintaining the outstanding reputation for quality which United States agricultural commodities enjoy in foreign markets. In general, the worldwide recognition of the good job done by our export trade in maintaining quality standards is one of our principal assets in foreign surplus disposals. This reputation must be protected scrupulously, and we are helping exporters in doing that. With respect to the few commodities where quality was permitted to slip during and following the war, high quality standards must again be restored if we are to maximize exports.

Mr. Chairman, in addition to title I, which we have discussed at considerable length, we have title II and III.

Under title II, the President may request transfer of agricultural commodities from the CCC, first, to any friendly nation to meet famine or other urgent relief requirements; and, second, to friendly but needy populations without regard to the friendliness of their government.

And in addition he may grant agricultural commodities from the stocks of CCC to friendly nations to assist low-income groups through special cooperative programs.

However, he cannot use more than $100 million worth of surplus agricultural commodities from CCC stocks without regard to the requirements of title II or the Mutual Defense Assistance Control Act of 1951.

All transfers under title II may not amount to more than $300 million.

Under title III, the Agricultural Act of 1949 is amended and a new directive and criterion for barter transactions is provided. This is in response to many representatives of charitable organizations who appeared before our committee and urged that surplus commodities be made available to needy people in the United States as well as foreign countries.

In amending section 407 of the Agricultural Act of 1949, the amendments provide that commodities owned or controlled by CCC may be used by the President in two types of circumstances: Areas where the President declares to be in acute labor or economic distress, and in connection with major disasters such as floods, tornadoes, and so forth.

Then in an amendment to section 416 of the Agricultural Act of 1949 seven suggestions for dealing with perishable commodities are detailed:

First. Eliminates applicability of the section only to food commodities.

Second. Eliminates the necessity of a finding by the Secretary that commodities are in danger of loss through deterioration or spoilage before they can be disposed of under the section.

Third. Establishes barter as a priority disposal method.

Fourth. Expands the list of eligible domestic recipients of donated commodities to include State and Federal penal and corrective institutions and publicly owned hospitals.

Fifth. Requires the Secretary to obtain assurances that use of donated commodities will be in addition to and not in substitution for normal consumption.

Sixth. Permits the Secretary to estimate in advance the quantity of commodities which may be available for donation.

Seventh. Authorizes CCC to pay reprocessing, packaging, handling, and transportation charges on donated commodities up to the time of their delivery to a designated agency for domestic distribution or to the port of export for foreign distribution.

The final section, section 303, implements barter authority by permitting the exchange of surplus agricultural commodities for strategic materials. Of course in making such exchanges the funds of the CCC would have to be protected. This is a new suggestion in basic law and I am sure will open up many additional markets for surplus commodities and especially those commodities that are subject to deterioration, and will make it possible to exchange them for strategic materials which can be stored with little danger of loss.

Mr. Chairman, this seems to be excellent legislation and I trust members of our committee will be able to answer all of your questions and satisfy you that this House should look favorably on the passage of S. 2475, as amended.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Texas.

Mr. FISHER. The gentleman has discussed a portion of the bill which I think is very sound and which appeals to me very strongly, that is, with regard to trading our surplus agricultural commodities to foreign countries for local currencies. As I recall, we are now spending more than a billion dollars a year in American dollars in the purchase of local currencies in the various countries where we have defense activities and similar enterprises. Certainly this will save a lot of money from that standpoint by disposing of certain surplus commodities and making use of local currencies rather than American dollars in meeting obligations in those countries.

Mr. COOLEY. If the gentleman will yield, I do not think that will happen at all, because the sales for foreign currencies contemplate sales over and above normal business transactions with regard to the parties involved. The gentleman's colleague from Texas, my beloved colleague on the committee [Mr. POAGE], has been advocating that for a long, long time. I think he will agree that is not involved in this. It does say that the currencies can be used to pay American obligations abroad, but it is not ordinary obligations that are referred to.

Mr. HILL. Let me read, if I may, just exactly what is in the report, which will clear up the gentleman's thinking:

However, to develop these new markets through sales for local currency, this legislation sets rigid standards including requirements that the President shall—

Then it goes on and says—

take reasonable precautions to safeguard against displacement of usual marketings of the United States or friendly nations, and to assure insofar as practicable that sales will not disrupt world prices.

That was discussed at length in our committee, and this is supposed to be a new avenue of approach to world markets and world sales. No one can tell how the administration of this bill might work out. That is the intention of the bill.

Mr. FISHER. Let us take a specific example. I recall last fall when I was talking with the agricultural attaché of our Embassy in Madrid. He suggested that if cotton, for example, could be sold in Spain for their local currency rather than for American dollars, since Spain like most other countries is short of American dollars, it would provide a market, or an expanded market, let us say, for cotton which otherwise would not be marketed in that country. I would like to ask the gentleman if under this arrangement American cotton could be disposed of in Spain for local currency?

Mr. HILL. You say: Could it?

Mr. FISHER. Yes.

Mr. HILL. Under this legislation, if the administrator of this legislation was following the law, he would have to be certain that it did not take the place of the regular channel of trade from where Spain had been buying her cotton. You have to keep that in mind and that is the idea of this legislation. In other words, if Spain had been buying cotton, let us say, from Egypt, regularly, and it was in their channel of trade and was interfered with by this type of trade, we are not supposed to do it. That is plainly set forth.

Mr. FISHER. One other question, and then I will conclude. Assuming that it was sold for local currency. Just what restriction is there on the use that may then be made of that local currency which we have? Does it have to be reinvested there in that country?

Mr. HILL. No, sir.

Mr. FISHER. Is there any restriction as to what it can be spent for?

Mr. HILL. This bill provides that this currency shall be placed in the care of the Commodity Credit Corporation, and those funds will be made available, I would say, if I remember correctly and someone can correct me if I am wrong——

Mr. ABERNETHY. Mr. Chairman, if the gentleman would yield, it is set forth on page 9, section 104.

Mr. HILL. On page 9 of the bill, section 104, and there you will find the restrictions in regard to the disposition of this currency.

I will now yield to the gentlewoman from Illinois [Mrs. CHURCH] and then yield to the gentleman from Texas.

Mrs. CHURCH. I thank the gentleman. I have read the bill rather carefully. I wonder if the gentleman would explain who sets the prices when commodities are sold. Is that left to the discretion of the Commodity Credit Corporation?

Mr. HILL. Of course, the gentlewoman is asking a very difficult question because all trade works on the same level, or at least I hope it does, and it will be the usual market price that the goods were selling at at that particular time. We did not go into detail as to what wheat would be worth or what cotton would be worth. It would go at the regular market price for the goods at the time of the transaction.

Mr. COOLEY. It would be a negotiated price as between the country that wanted to buy the commodity and the representative of our own Government or the seller.

Mr. HILL. Exactly. It was never the intention of the authors of this bill to use this to break down world prices. On the other hand, it says here very plainly that it is to go at the usual world price, if it can.

Mrs. CHURCH. There is no floor set below which the prices cannot fall?

Mr. COOLEY. There is none.

Mr. HILL. Why should there be? There should not be if you are going to make it worthwhile to do the very things that you and I know should be done under this bill.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. DIES. Would the gentleman favor this short, protective language:

Provided, however, That no agricultural commodity shall be sold to any nation which exports or sells agricultural commodities to any Communist nation.

Mr. HILL. Of course, the gentleman asks a tough question. So far as I am concerned that is the way we should do without even asking for such a clause in the bill. If we have come to the point where the men who represent you and me in foreign fields in the sales of our goods cannot differentiate between friend and foe, then it is time that we recalled them and put other men in their place.

Mr. DIES. The gentleman did not understand my amendment. The amendment would provide that no agricultural commodities shall be sold to any nation which exports or sells agricultural commodities to any Communist nation.

In other words, if one of our allies is engaged in selling agricultural commodities to Russia, we ought not to ship our agricultural commodies under this bill.

Mr. HILL. Of course I am in no position to state what amendment I would support at this time; but let me say, frankly, this must be true, that if we do what you have asked, then you might as well say you are now ready to say to all of our friends throughout the world that we are going to draw a line and on one side is Communist trade and on the other is our friendship. If you are willing at this time to draw that line taut between the two of us, it is all right with me. I would be the last one to object to it.

There are three titles in this bill. It is a very short bill, and I am sure you can see immediately that the idea behind this whole matter was to give our friendly nations an opportunity to get into the market and purchase goods that they could not otherwise buy, and that we would have an opportunity as time went on to develop those markets into permanent markets for the surplus commodities that we produce.

Someone said that in this United States since World War II we have increased our agricultural production to the extent of 40 percent. There is not any member who can say that we can keep up this production at this 40 percent increase, without going out over the world and in some way develop new markets, because the increase in population will never account for the extra consumption of that food.

Mr. POFF. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Virginia.

Mr. POFF. I want to commend the gentleman and all of the authors and patrons of this legislation and the committees of both Houses for at long last coming to grips with the problem to which we have too long closed our eyes in the vain hope that it would somehow simply solve itself. Whether by reason of honest indecision or political cowardice, we have evaded our responsibility until now. This is a bold and positive effort to do something realistic about it. I am inclined to agree with the gentleman from Texas in his suggestions, but by and large I am in favor of the bill.

I believe the gentleman would be interested to know that recently I took a poll in my district and asked the following question:

Regarding farm surpluses, would you give them to our hungry allies as cold war amunition?

In response to that question 59.3 percent voted "Yes"; only 18.4 percent voted "No," and 22.3 percent were undecided.

Mr. HILL. I will say to the gentleman from Virginia [Mr. POFF] it is unthinkable that we should pile up our surpluses and let them deteriorate and make no effort to dispose of them to friendly people somehow in some way.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I rise in support of the bill now before us for consideration. I wish to commend the Committee on Agriculture for the excellent job which it has done. I believe that this bill will benefit not only American farmers but the American people as a whole.

This legislation provides ways and means for other countries to obtain our agricultural commodities in exchange for commodities and services which they are able to provide and also makes possible the distribution of food to hungry people in the world who cannot afford to pay for it. We cannot, of course, expect as a result of this legislation an end to our agricultural surplus problem, but it is certainly both a realistic and humanitarian move. I trust that in the administration of this act our agricultural surpluses will be used to strengthen our friends and not our enemies or those who are indifferent to our fight against communism. That is the intention of this bill.

Mr. HOPE. I yield such time as he may desire to the gentleman from Wisconsin [Mr. LAIRD].

Mr. LAIRD. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. LAIRD. Mr. Chairman, I wish to say that I also support the bill now being considered and take this opportunity to state that my opinion in the matter is in substantial agreement with that of the gentleman from California [Mr. HUNTER]. I wish to commend Mr. HUNTER for his remarks. Serving together as we do on the Subcommittee on Agricultural Appropriations, we have had the opportunity to hear testimony from representatives of the Department of Agriculture, from agricultural organizations, from Members of Congress, and from private individuals pointing out the need for a new and bold approach to the problem of finding additional outlets for American farm products.

Mr. COOLEY. Mr. Chairman, I yield 7 minutes to the gentleman from Texas [Mr. BURLESON].

Mr. BURLESON. Mr. Chairman, the Committee on Agriculture is to be commended for bringing this bill to us today. I take this opportunity to particularly compliment several of my colleagues who have been interested in this matter for several years.

The history of this legislation goes back to 1947. Similar bills have been introduced from time to time in various forms. It was impressed on me specifically in 1950 when I thought we were going to adopt a measure comparable to this, but something went wrong and I happened to be standing on the edge of the rug when it was jerked.

It just simply makes sense that we should consider these surplus commodities which we now hold in storage, and which the Commodity Credit Corporation is obligated under loan agreements as a capital asset. They are just as much a capital asset as if they were reduced to dollars and cents. At last we have gotten around to the philosophy that this is a capital asset and that we are going to so use them in our cooperation with friendly nations.

I particularly want to mention my colleague from Nebraska [Mr. HARRISON], my colleague from Colorado [Mr. HILL], both of whom have authored bills involving the principles set forth in the measure before us. The things the gentleman from Colorado has said are most

interesting in connection with the purposes and intents of this legislative act. He has made an able and a convincing statement. On this side of the aisle the gentleman from Mississippi [Mr. ABERNETHY], the gentleman from Texas [Mr. POAGE], and perhaps others have introduced bills similar to the one I introduced last year. Hearings were held on this subject shortly before adjournment in 1953 but too late to bring to the floor of the House.

We are at the place now where we can do something toward using these agricultural commodities instead of so many dollars.

A great many people have been concerned regarding the resale or direct sale of these commodities to unfriendly nations. My colleague from Texas [Mr. DIES] is concerned that there may be a reshipment to Communist countries. As I said a little bit ago, I cannot conceive that such a thing could be done under this bill. I would be very glad indeed to support an amendment which spells out a prohibition against it. But in the first place we are not going to use this in any Iron Curtain country for any purpose. Contracts and agreements, together with existing law known as the Battle Act, take care of the matter.

We expect to use $75 million for the purchase of aircraft in England. Local currency from the sale of these commodities can be used for that purpose. It can be used to finance our operations in Japan whose economy we are subsidizing to the extent of about $1 billion a year. They need what we have. We need the potential military strength of Japan and we need her industrial capacity which can be redeveloped by currency issued for the purchase of these commodities which are doing us no good in storage.

I would much rather express my concern about too many ball bearings, too many lathes, and too much steel going to countries behind the Iron Curtain than to be concerned too much about food that might find its way behind the Iron Curtain. There is too great a need for it in friendly areas. There is competition for food and a poor chance of it going very far.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Colorado.

Mr. HILL. I am very appreciative of the efforts the gentleman has made in behalf of this legislation. Let me say that this bill came out of our committee without a single opposing vote, and I make this statement to show the unanimity with which we supported this legislation.

When the bill was considered last year over on the Senate side it passed the Senate according to Senator SCHOEPPEL without a single "No" vote. I think it is high time this Congress passed this legislation.

We cannot put in an amendment similar to what some of our friends are suggesting because we are not the Foreign Affairs Committee. This is an agriculture bill. If they want to include such amendments, let them work something out in some foreign affairs legislation and bring it to the floor.

Mr. BURLESON. I thank the gentleman. We have the Battle Act which takes care of the situation about which several of our colleagues have expressed concern.

I agree that this legislation is needed. The gentleman from Colorado said in his speech with reference to that particular matter and with reference to the entire purpose of this legislation, that it is going to depend on how this act is administered. If it is not administered properly it is not going to work well. If it is administered properly there is a great opportunity for much good. He is entirely correct.

My colleague, the gentleman from Texas [Mr. FISHER], referred to Spain in connection with this measure. As everyone knows we have considerable plans in Spain. Spain needs cotton and other commodities in surplus in this country. The opportunity to use these products to build military facilities in Spain is an investment for the defense of this country. If I did not think this arrangement was for our own defense I would not be for it.

Mr. Chairman, it is my understanding that under section 550 of the foreign-aid bill of 1953, approximately $250 million would be used in the coming fiscal year, providing the authority is continued in some form. This bill authorizes the use of $1,300,000,000 in surplus commodities.

Now, as I have understood the Foreign Operations Administration officials, they are not planning on using this program in Spain, where we are going to build a lot of facilities. They seemingly have no definite plan in Japan.

There are great opportunities in those areas which should enable us to reach far beyond the $1,300,000,000 which is authorized in this bill. The opportunities are unlimited, but I think unless it is so administered and looked upon as a long-range program, it is not going to be worth very much. I hope the Administration will follow what I understand to be the intent of the Committee on Agriculture and the intent of the Congress, and carry out the great potentials involved in this legislation. We do not want to fuss too much about the t's being crossed and the i's being dotted. We need to go out and look for customers beyond what are now our normal markets. No one wants to displace the normal existing trade with our foreign nations. We do not want to do anything which will hurt private industry, and in fact, this bill encourages that all be done by private trading, assisted in transactions by the Government. We have lost about 40 percent of our foreign markets in the last 2 years, and we are going to lose a lot more of them if we do not do something about it. Agriculture needs this legislation, and the country needs defense wherever it can get it.

This is not a dumping program. Those of us from agricultural areas are not going to ask that the people of this country support a farm program which is not sound. Neither are we asking for a dumping program to dispose of our surplus. But we have a capital asset. So let us use it rather than tax the people any further. If we had been doing that for the last 5 or 6 years we would not only have more friends around this world but we would have more dollars in the United States Treasury; we would not have the problem which we are facing now in connection with agricultural surpluses.

I hope very much, therefore, that we will not amend this bill too much, but that we do perhaps make some changes necessary to make it workable. I hope that the Foreign Affairs Committee, when it reports out a bill in the next few days, can come here with an idea which several of us have been working on, including the gentleman from Minnesota [Mr. JUDD]. We expect to propose that out of the $1,300,000,000 provided in this bill, that the sum of $500 million be specifically earmarked to purchase agricultural commodities in this country, or else this amount cannot be used at all. In other words, it is about as mandatory in the use of this amount of funds as can be made in legislation. If any foreign country is to receive aid in any form to the extent of funds provided in the foreign-aid bill, then they must receive these farm products and pay for them in their currency, and that currency will provide defense, defense support against Communist aggression.

Mr. HOPE. Mr. Chairman, I yield 15 minutes to the gentleman from Nebraska [Mr. HARRISON].

Mr. HARRISON of Nebraska. Mr. Chairman, S. 2475, Agricultural Trade Development and Assistance Act of 1954, may turn out to be the most important legislation ever passed in this House to expand agricultural industry. I, too, have introduced a bill that takes care of the trade part of this particular legislation, and I have been most interested in that particular portion of this legislation that deals with trading with foreign countries and accepting their currencies. I think that it has a great deal of possibility.

Science has given to agriculture the know-how of production. The mechanical age and science have in the past few years increased production of most farm crops twofold and there is good reason to expect that the next few years will again double the output of the farm.

The problem which presents itself is to sell that amount of our farm production which is in excess of our domestic needs. Here is an example of some of the excess in farm commodities:

Commodities on hand as of June 2, 1954

Cotton:		
Upland	bales	132,206
Linters	do	1,045,689
Total	do	1,177,895
Butter	pounds	394,403,000
Cheese	do	396,969,000
Dried milk	do	250,657,000
Wheat	bushels	714,282,000
Corn	do	380,790,000
Peanuts	tons	1,198
Beans (dry edible)	cwt	1,338,000

Commodities on hand as of June 2, 1954—Continued

Seeds:		
Hay and pasture	pounds	77,139,000
Winter cover crop	do	34,776,000
Total	do	111,915,000
Ladino clover:		
1950 crop	do	130,819
1951 crop	do	5,694,613
1952 crop	do	8,737,196
Total	do	14,562,628

Enough Ladino clover to supply the demand for 3 years if we did not raise any more. These excesses in farm products are having a strangling effect on the industry today. This strangling is being brought about through the use of Government controls.

The position that we find ourselves in with respect to surpluses can easily be termed an asset rather than a liability. Abundance of food when two-thirds of the people of the world have an inadequate diet from day to day can with the proper effort be a tremendous asset. It has been quoted from here that the responsibility of world leadership has been thrust upon the United States. This being the case and with a surplus of food and fiber, we should be in an enviable position to sell our food to hungry people.

However, no United States program with foreign implications should be introduced at this time without a thorough consideration of its effect on our foreign relations and the security of the United States. The Communists have made no secret of their objectives to dominate the world. Recently, Malenkov summed them up as follows:

> Our mighty homeland is in its prime and is advancing to new successes. There are no forces in the world capable of halting the onward movement of our Soviet society. Ours is an invincible cause. Forward to the world victory of communism.

The greatest collective effort of the United States is to preserve our own freedom and oppose that Communist aim to dominate the world. We are spending nearly $50 billion per year, two-thirds of our national budget, for national security alone. Men, food, steel, and minerals make war power. The United States has less than 7 percent of the world's manpower. The Communists have five times that many. The United States has one-half of the world's steel capacity. The Communists have one-fourth, but use a larger portion for military purposes and are increasing their steel capacity rapidly. With food and minerals, it is about a standoff. The balance of manpower, industrial power, and military power, as between the Communists and freedom, lies in Western Europe, Japan, and the people of underdeveloped countries who control the balance of the world's mineral and manpower reserves. The final outcome of the great struggle between communism and freedom will be determined by which side Western Europe, Japan, and the underdeveloped countries of Asia, Africa, and South America finally cast their lot. United States national security will depend to a large extent on enduring economic and defense arrangements with an increasing number of strong and dependable allies, both among the highly developed and underdeveloped nations. Our national security depends largely upon the number and strength of nations bound together by mutual advantage which join with the United States to preserve freedom.

Every national program, therefore, should first avoid alienating or weakening the ties among nations who cooperate with the United States for mutual security and, second, every national program should be designed so far as possible to create cohesive forces of mutual interest among nations who join or may join with the United States to assure the security of all free nations.

Indiscriminate disposal of the $6 billion worth of unsold farm products in world markets could weaken the economy of cooperating nations and disrupt otherwise friendly relationships. For example, Turkey and Egypt cooperate with the United States in the security of the Middle East. Turkey is an important exporter of wheat and cotton. Egypt is an important exporter of cotton. If the United States were to liquidate its unsold wheat and cotton supplies in a way to rupture the economies of these countries, United States problems would be compounded rather than solved.

Denmark, Holland, and New Zealand join with the United States in maintaining security. The export of dairy products is vital to the economic strength of these countries. The United States could easily crush the economies of these three countries through indiscriminate use of surplus dairy products. Such action could only alienate these countries as allies and again complicate the total problems of the United States. Canada, Mexico, and Brazil constitute the bulwark with the United States in Western Hemispheric security. The export of wheat is vital to the economic strength of Canada. The export of cotton is of vital importance to the economies of Brazil and Mexico. The movement of unsold United States farm products must be made in such a way as not to impair the economic strength of these and other cooperating nations.

As far as the effect of selling United States farm products abroad, we have two kinds of countries to deal with—those who need our farm products and those who do not but are exporters themselves. Most competing exporters are our allies, and we must not let indiscriminate liquidation of agricultural stocks injure their economies or alienate their loyalties. S. 2475 protects the interests of competing exporters in many important ways.

First, it establishes the procedures under which the United States is to liquidate surplus stocks and thus removes the doubts and the threat of dumping, indiscriminate pricing or other practices.

Second, it establishes a pricing policy under which consumers cannot buy products cheaper, in terms of their own money, under this program than they can from other sources in international trade.

Third, the program generates a revolving fund of capital, to establish orderly marketing, to expand production and the ability to buy, and to generally create sound conditions for increased consumption of farm products in which all exporting nations would share.

Finally, the bill directs the President to implement the legislation in such a way as to avoid serious injury to the trade of any friendly nation. The real important protection comes from the fact that the program creates capital to expand markets which competing exporters could not afford.

Let me cite an example: The bill is sufficiently flexible, for example, to enter into an agreement to provide France with all the dried milk she could sell at 12 cents a pound free alongside ship. With payment in French francs for the first year, a quarter of the francs might be used to promote and establish an orderly merchandising of dried milk in France. A quarter of the funds might be loaned, over a 5-year period, to finance facilities for distributing dried milk in France. The remaining half of the proceeds might be used for military or other purposes. However, at the end of the year, or 2 years at the most, an expanded market would have been created in France for milk, in which not only the United States, but Denmark, Holland, Canada, and New Zealand might also share. This capital expenditure for expanding such a market in France is provided under S. 2475, but that capital investment cannot be made by the other exporting countries.

There are other foreign aspects of this bill to be considered. The cooperation of Western Europe and Japan are essential to United States security. The population of most Western European countries and Japan have far outgrown the needs of the people. These nations, therefore, have vital requirements which their military alliances must accommodate. Western Europe must import one-third of her food, all of her cotton, and a large amount of coal, timber, and minerals. She has to buy them with her exports, which are industrial goods and some agricultural specialties. These exports are not only essential to pay for the necessary imports of food and raw materials, but are vital to maintain employment. There is a Communist nucleus in each country sufficiently strong enough to overthrow the present government, if it fails either to import enough food to maintain the national diet or export enough goods to maintain employment.

Japan illustrates the problems of the highly developed cooperating countries. Japan has 86 million people eating a substandard diet and depending on imports for one-fourth of its food, for large quantities of wheat, soybeans, cotton, and minerals. Japanese agricultural import requirements are at least 125 million bushels of wheat, 16 million bushels of soybeans, 1 million tons of sugar and 1 million bales of cotton, plus dairy and other food imports. To maintain the low diet and rather low standard of living generally, Japan must import about

$2 billion worth of goods per year. Before the war Japan bought much of her food, coal, iron, and minerals on the continent of Asia. Her dollar purchases of United States cotton, and oil were paid for largely with once popular silk. Her food imports come from China, Formosa, and the Rice Bowl of southeast Asia. Because of population changes and other factors, prewar suppliers themselves became food importers. The United States demanded as a condition for the peace treaty that Japan agree not to trade with Communist China. In 1953 Japan bought three times as much in the United States as she sold in the United States. Japan has a $1 billion reserve which she earned from operations as a staging area for the Korean war. She is using up that reserve at a rate of one-half billion dollars per year. Time is running out. Japan must be able to earn more dollars to buy her needs of farm products and basic materials and maintain expanding exports to maintain domestic employment or break the conditions of the peace treaty and trade with Communist countries. It is likely that if the Japanese are forced to orient their economy to that of the Communist orbit, they will be forced to discontinue their military cooperation with the United States. It would cost the United States billions per year to replace the vacuum created by Japanese military neutrality. Yet, an assured supply of wheat, cotton, soybeans, and sugar are vital to Japanese continuation in the security program of the United States.

The Communist bloc is a great underdeveloped area which peculiarily complements the industrial economies of Western Europe and Japan. Pressures are mounting rapidly within these countries to trade with Communist nations. Supplies of food and raw materials in free world markets, which can be bought with the industrial exports of these countries, must be created, or the pressure to trade with the Communist area will become irresistible, and United States defenses thus jeopardized.

To make the free world self-contained requires a multi-billion-dollar investment to increase production and expand trade. Using surplus farm products to provide that capital might not be the ideal solution, but when none other is in sight we should surely make every effort to find some way to convert some substantial part of the multi-billion-dollar investment of the CCC into a capital revolving fund, which is essential to creating the self-contained community of free nations that is the cornerstone of United States security. S. 2475 is a lifeline to Japan, Italy, and others. It gives them a chance to buy the farm products they need to raise living standards. It opens up markets for them to maintain employment. It provides capital to expand their economies and live without dependence on Communist areas. The program envisaged in S. 2475 is a means to help to build a strong community of free nations to preserve freedom. It is a means to reinforce our foreign program.

There are a few points which I would like to make in support of S. 2475.

The first point I would like to make is that I am proud of the capacity we have built in this country to produce farm products. American farmers responded to war and rehabilitation needs of people around the world by investing billions of dollars to expand their production. We have no need to be ashamed of their prodigious accomplishment. Millions of people would have suffered had it been otherwise.

I have no sympathy with those who are ashamed of our abundance and therefore want to give it away, conceal it or in some way hide it. Half the population of the free world remains ill-fed and ill-clad; yet these people could pay for the products they need. We need to work out new ways to relate our capacity to produce farm products to the needs of people on a thoroughly sound and economic basis. This will be a difficult problem but compared to the difficulty of releasing and harnessing atomic energy, it does not seem so difficult. And it may be far more important to our national security than unlocking the secrets of the atom. Enactment of the bill, S. 2475, lays out a program to sell farm products, not give them away. It boldly opens up new opportunities for customers to buy farm products.

The second point I would like to make is this: The most vital need for American agriculture today is to expand and create new foreign markets for farm products. Expanded markets are the best guaranty of high farm income and the best protection against the dangers and cost of severe production control.

There are three important requisites in order to expand and create new foreign markets:

First. Orderly marketing must be established in new areas. There must be adequate stocks to maintain continuous supply, adequate storage, processing, packaging, and merchandising.

Second. There must be an ability to pay for the products we want to sell.

Third. There must be an opportunity to pay for our products with what customers have to sell.

S. 2475 measures up to these conditions of expanded markets for United States farm products. It authorizes assistance in creating orderly marketing of farm products. It provides means for increasing the capacity of customers to pay for increasing amounts of farm products through loans to increase production of noncompetitive imports into the United States, such as coffee and tin, and for loans to increase production for exports to other countries.

Finally, the bill opens up new opportunities for customer nations to pay for their import needs for farm products. These new opportunities to pay are included in the bill. They may pay the United States by—

First. Establishing orderly marketing facilities to expand the sale of farm products.

Second. Supplying strategic materials for United States stockpiles.

Third. Providing military equipment, materials, and services for common defense.

Fourth. Providing relief or needs to meet security objectives in lieu of appropriated dollars.

Fifth. For those countries not able to pay in one of the above, the program enables them to sell something to a third country that can pay the United States in one of the above.

The United States is spending nearly $50 billions per year for defense. It is depleting its mineral resources at the rate of 2 billion tons per year. Opening up an opportunity for customer nations to earn more by contributions to the cooperative military efforts and replenish some small part of the exhaustible minerals in exchange for farm products is mutually good business.

These are the requisites to expanded markets. S. 2475 accommodates them.

The third point I would like to make is this: S. 2475 provides the means to convert CCC's frozen assets into a revolving fund of working assets which can be used as capital to create a strong community of free nations bound together by mutual interest to preserve freedom. The funds can be used to create, to build, to expand, to stimulate production, trade, and employment.

S. 2475 is a solution in part at least to our agricultural ills. I hope this legislation will receive the unanimous support of the members of the House.

Mr. POAGE. Mr. Chairman, I yield such time as he may desire to the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, hungry and ill-clad peoples in many parts of the world will benefit from the surplus-disposal legislation which is now being considered. The purpose of the legislation is greater utilization and enjoyment at home and among friendly allies abroad of the abundance of food and fiber produced by the American farmer. The bill declares it to be the policy of the Congress that this abundance shall be distributed in such a manner as to enhance international trade and to promote the welfare and economic stability of agriculture, as well as to further the foreign policy of the United States.

The program of distribution covers a 3-year period of time authorizing a total of $1 billion for use in the sale of food and fiber for local currencies of other nations, and also sets up a barter arrangement by which strategic materials may be made available to the United States. In addition, emergency assistance to meet famine and other relief needs of free nations is provided. The surplus commodities that will be distributed under this phase of the program will be undertaken through private agencies such as CARE.

During the war years the American farmer was called upon to produce in ever-increasing quantities, which resulted in the accumulation of excesses of both basic and perishable commodities. There was a production increase of some 40 percent over prewar levels. Our productive capacity at this time is running at such a rate that there are more goods available than the market demand can consume. Exports have fallen off, which in itself has accentuated the prevailing situation. It is intended by the

legislation to expand world trade through the means of developing new markets and the sale of the commodities for local currencies. Under the legislation, rigid standards are provided in which the President shall take steps to assure that private trade channels are used both with respect to sales from privately owned stocks and those of the Commodity Credit Corporation. Also, he is to take reasonable safeguards against displacement of the usual marketings of the United States, or of the free nations. The idea being that such sales are not intended to disrupt world prices.

The program under titles II and III will demonstrate to the recipient nations as well as within our borders that Americans are desirous of relieving hunger rather than permitting the goods in our storehouses to deteriorate or spoil.

This legislation is most meritorious and deserving of the support of this body.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, I am sure my colleagues of the committee will be pleased to get away, even temporarily, from the morass of international politics and trade and back again on a solid foundation of considering some domestic angles to this legislation. I have asked for this time, Mr. Chairman, for the purpose of calling the attention of the committee to title III, at the bottom of page 12 and the top of page 13, which vitally concerns me at this time. It is an attempt to channel some of these surplus commodities to areas where we have a desperate situation due to unemployment. I want first of all to commend the committee for their efforts to relieve this situation by the provisions they have placed in title III. I do want to ask some clarifying questions, however, and make a suggestion where their wording might be improved. I call attention to the fact that on page 13, it reads as follows: "in any area in the United States declared by the President to be an acute distress area because of unemployment or other economic cause if the President finds that such use will not displace or interfere with normal marketing of agricultural commodities."

I am raising the question about all of that language on page 13. I am wondering why it would not be possible to strike out "if the President finds that such use will not displace or interfere with normal marketing of agricultural commodities." I notice that same expression is in the provision for the sale of these products to foreign countries under their soft currency arrangement, but I am at a loss to understand why it would be attached to the program where it is a matter of giving the surplus products away. If you will follow on down through in the next line, provision No. 2, the President is not so handicapped in distressed areas. What is the difference between a man who is unemployed and has no source of living and somebody who has been displaced by a hurricane or a tornado? That same clause is not in the second section.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield briefly.

Mr. ABERNETHY. If the gentleman would strike out that language, it would result in creating another problem such as the gentleman desires to solve. If you cut off the domestic market of the domestic producer, then you put that domestic producer on charity.

Mr. BAILEY. Let me ask the gentleman, if the need is absolute and a man is unemployed and his family is hungry, you are not displacing any market there. He has not any purchasing power. You are not displacing any market.

Mr. ABERNETHY. Then the language to which the gentleman refers would not apply.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield.

Mr COOLEY. I thought that this language would be acceptable to the gentleman from West Virginia because in fact we use the word "unemployment." If the distress results from unemployment, then they can move in and make these commodities available, but if you eliminate the word "unemployment"——

Mr. BAILEY. I do not propose to eliminate the word "unemployment."

Mr. COOLEY. But you are proposing to eliminate the section which requires the President to find something further than the fact that there is a distressed area.

Mr. BAILEY. The only part that I want eliminated is this:

If the President finds that such use will not displace or interfere with normal marketing of agricultural commodities.

There is no purchasing power and no market there to displace.

Mr. COOLEY. So the language is harmless.

Mr. BAILEY. To a certain extent that is true, but I am wondering why it is in there.

Mr. COOLEY. It was put in so as not to disrupt the normal trade channels and the normal markets. That is all it was put in for.

Mr. BAILEY. I would like to raise a question as to the words used in line 1 at the top of page 13:

Notwithstanding the foregoing, the Corporation may make available to the President any farm commodity owned or controlled by it for use in relieving distress.

I would like to suggest to the committee that the language there be amended to make it read "shall make available to the President." You are going into a foreign program to sell these commodities. Suppose there is a considerable demand from foreign countries. In a matter of a few months your surplus may all be wiped out, to the detriment of distributing it into these distressed areas. If there is a situation there, I think the Commodity Credit Corporation should be directed to say, "they shall make it available to the President."

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, first I want to join the general commendation of the committee for bringing, what I believe to be a very sound and constructive proposal to the floor.

For some years I have been convinced that the problem involved in handling the surpluses, the question of possible deterioration, the gigantic cost of storage, and a number of other related problems were the first order of business before Congress; and I am delighted that this afternoon we seem to be about ready to approve the recommendations of the committee.

I do want to ask the chairman, if I may, certain questions as to the details. Referring to page 5 of the committee report I find the sentence:

It extends the availability of food for needy persons in the United States, for the school-lunch program and other nonprofit uses.

I would like to know something as to the methods that will be used, the type of people who will be authorized to make application to receive the goods and distribute them, and whether or not the committee has any specific idea of who would qualify.

Mr. HOPE. Let me say to the gentleman first that I am glad to have this opportunity to commend the work he has done in connection with this legislation, because he has done some very constructive work and put in a great deal of study on the matter. The committee is very grateful to him for the assistance he has given it relating to the distribution of surplus commodities, particularly among needy persons here in the United States.

Mr. HESELTON. I thank the chairman.

Mr. HOPE. Replying to the gentleman's question, I think the first answer is that it expands the availability of food in the sense that it no longer makes it necessary for the Secretary of Agriculture to determine that commodities have deteriorated or are in the process of deterioration before they may be made available. Under this legislation that standard has been eliminated, and any goods which may be in the hands of the Commodity Credit Corporation are available for distribution if the Secretary decides that there is no available commercial market for them either at home or abroad and that there is a proper method of disposal for handling them.

The language is also intended to cover the inclusion of some additional classes and groups and agencies as eligible recipients of these commodities. I might call attention to the fact that public hospitals are now included and also State and Federal penal institutions are included. They have not been included previously.

Mr. HESELTON. I take it, Mr. Chairman, that in general it would be the public officials of the State in cooperation with local communities who would be the ones expected to determine the need and make the application.

Mr. HOPE. Yes; that is true. That would be subject, of course, to the approval of the Secretary of Agriculture and the Commodity Credit Corporation. But the policy that has been followed is to deal with the State and local agencies in these matters; and as I understand the Commodity Credit Corporation does not deal with the distribution of these commodities in any State unless there is some State agency which has been set up through which these operations can be carried on.

Mr. HESELTON. If I understand correctly, the question was whether or not in the case of a State as large as the State of Texas, for instance, it might not be possible to have two warehouses at different points to which commodities might be delivered to the State authorities for distribution.

Mr. HOPE. Yes, that might be entirely possible. The purpose is that CCC would be limited to delivering commodities to one or more central locations in the State and not undertake any distribution within the State.

Mr. HESELTON. Finally may I refer to this sentence in the report:

> It makes commodities available for relief distribution abroad by private nonprofit welfare organizations.

Will the Chairman explain who would qualify, how they would do that and the procedures to be followed?

Mr. HOPE. Private voluntary relief organizations will participate in distribution of commodities both under title II of the bill and under the permanent provisions of section 416 of the Agricultural Act of 1949, as amended in title III. In the programs under title II there is no specific qualification set up for relief agencies but the President is directed to use them to as great an extent as he can. In the amendment to section 416, eligibile relief agencies are those who are recognized by and registered with the Foreign Operations Administration or other appropriate Federal agency.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, I am one of those on the agriculture committee who is deeply interested in this problem and introduced a bill similar in many respects to the one before us. While I am not entirely in agreement with all provisions of the bill before us I think in general it is a fairly good bill, the best we can get in view of the attitude of the administration and that it will go a long way toward solving the surplus problem which confronts the 25 million people who live on the farms of our country.

But, Mr. Chairman, there is one thing in the bill which disturbs me. It relates to a philosophy which has been built up in this country over the last 10 years and which seemingly will never turn in the other direction. That philosophy is that the surplus production of our country both of agriculture and industry, should not have the privilege of taking it rightful position in the world markets. Why should not our surplus production be a determining factor in establishing the world price?

I would like to direct the attention of the members of the committee to the language on line 12, page 5, subsection (a). There you will find that in negotiating the agreements the President shall do what?

> Take reasonable precautions to safeguard against the displacement of usual marketings of friendly nations.

When we had the Department of Agriculture through its officials before our committee, I asked one of the officials if he could name one single country, just one, in all the world which was today withholding its exportable surplus because it might interfere with the usual marketing of exports from the United States. Well, of course, he could not name any. There are none. To my knowledge, there is no nation in the world today which is withholding from the world market any part or portion of its exportable surplus out of its consideration not to interfere with the usual world marketings of the United States. Yet we lean over backward to protect the world marketings of other nations at the expense of our own economy. In fact this is one of the reasons we have a surplus of farm commodities.

Let us go a little further. Further on in the section to which I just referred we find the following additional limitation: "and assure insofar as practicable that sales under this act will not disrupt world prices of like commodities of similar quality."

Now, when did the time come that the production of American industry or of American agriculture should not be a factor in determining the world market price? The world market price today for exportable agricultural commodities is based upon the supply available from all countries of the world excluding that of the United States. Therefore the world market price is not a true price. One reason for this situation is because the State Department in years gone by and at the present time has denied the world market to that exportable portion of farm commodities produced in the United States. A bushel of corn produced in the United States and put on the world market might to a certain extent disrupt the world market.

Maybe we should be more realistic and say a million bushels. Technically, a drop of only one-tenth of 1 percent would be a disruption. Even though it is small, it would nevertheless be a disruption and come within the limitations of this section of the bill and thereby deny the world market to our own producers. Certainly, the world market ought to be determined by the entire supply from all countries of the world, including the United States.

I asked that official from the Department of Agriculture one further question. I asked him if he knew of a single merchant in the city of Washington who today had an over-supply of merchandise on his shelves and who because of his consideration for his neighboring merchant across the street was withholding his over-supply from the Washington city market. And, of course, there are none.

The point I want to make is that I want to see the time come when the production of the United States, whether it be from industry or from agriculture, will have its rightful place in the determination of the world price, and that it also have the privilege of moving in a world market instead of being withheld as it is today out of our charitable consideration for the rest of the world. May the day come when the State Department will have some little consideration for our own people.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. MARSHALL].

Mr. MARSHALL. Mr. Chairman, I wish to commend the Committee on Agriculture for bringing out a bill which I consider to be one that is realistic. I have had considerable mail from people in my district who have been asking me about the means of disposal of these cf these commodities?

I would like to address myself to the chairman of the Committee on Agriculture and ask him what is the intention of the Committee on Agriculture when it comes to disposing of these commodities? Is it the intention of the committee that the Secretary should use some of the existing agencies, such as church organizations and CARE in the distribution of these commodities.

Mr. HOPE. Yes. I might say to the gentleman that the bill specifically provides in title II, section 204, that—

> The President may make such transfers through such agencies, in such manner, and upon such terms and conditions as he deems appropriate; he shall make use of the facilities of voluntary relief agencies to the extent practicable.

Note the word "shall." That word "shall" was put in there by the committee with the thought in mind that on every occasion, where it was practicable, those agencies should be used. I am sure I speak for the entire committee when I say that I feel they should be used wherever possible in the distribution of these commodities. We feel, in the first place, that the distribution of these commodities by voluntary agencies, which will be distribution to persons, will be the best assurance that this distribution is not going to replace transactions in the normal channels of trade. In other words, they will be consumed by people who would not have purchased these goods under ordinary circumstances, and that, of course, is one of the objectives of the legislation. In the second place, of course, the committee feels, after carefully looking into this matter, that those agencies have demonstrated that they have the ability and the experience and the organization that will enable them to do a good job in making the distribution.

Mr. MARSHALL. I thank the chairman for thoroughly answering my question. As usual, he answers these questions very well.

I would like to make a comment or two about the situation that we find ourselves in. For a good many years we have been able to put on the world mar-

ket those things that we produce without seeking that market.

In other words, the world market was in such position that it could absorb anything we could possibly produce. That situation has changed to the point where the American farmer is in the position where he must fight for his fair share of the world market. I regret that the Secretary of Agriculture and his representatives who have come before our Committee on Agricultural Appropriations have not made use of the means that they have had at hand to put these commodities into world markets at competitive prices.

How in the world are you going to be able to sell products unless you offer them? They have not been offered in the world market so that the people could take them.

I think the weak part of this particular bill is not in the writing of the bill, but the possible difficulty in administration of it. I hope that the Secretary of Agriculture, who will be largely responsible for the administration of this bill, will be realistic and will recognize the fact that it is necessary in behalf of the American farmer that he fight for markets to a greater extent than he has to date in the administration of his programs.

Mr. Chairman, I think that this bill will have a great impact upon the conduct of our policy in foreign affairs, in that food can be used as a weapon. I say to you, Mr. Chairman, we have never made the use of food as a weapon as effectively as we should in this fight against the insidious effects of communism, but I say that the cost of that should not be charged to the American farmer. It is something that would be done for the welfare of all the people in the United States and should be properly charged to all of us.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Chairman, I strongly support this bill, S. 2475, in the form in which it is brought before the House by the Committee on Agriculture. I note that the purpose is to authorize the use of $1 billion over the next 3 years to broaden the program for the sale of food and fiber for the local currencies of other nations, as well as a program of barter for strategic materials needed by the United States.

I have looked at the provisions dealing with strategic materials as, quite naturally, I have an interest in that direction. I have prepared a short amendment which I hope will be acceptable to the committee, which I shall offer when the bill is read for amendment, to bring the acquisition of strategic materials under the terms of this law, within the applicable terms of the Strategic and Critical Materials Stockpiling Act, so that we will have a balanced program in the acquisition of strategic materials.

I have worked for about 15 years trying to get that field boiled down into one responsible agency, and have it administered under one set of rules, so that we can judge it properly and have it better administered. I do not want to see a law as good as this bill come along and cut into that pattern of our strategic materials acquisition. But I shall not go into the details of that now. I shall wait until I offer the amendment when the bill is read for amendment.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield.

Mr. ROGERS of Colorado. I expected to talk on the subject of the amendment which the gentleman has in mind. I wonder if the gentleman would explain to us how his amendment would work under the provisions of this bill.

Mr. MARTIN of Iowa. I shall be glad to state what my proposed amendment would do. It would be offered at page 9, line 7, at the beginning of subsection (b) of section 104, where I add the phrase at the beginning of that subsection: "Within the applicable terms of the Strategic and Critical Materials Stockpiling Act."

Then we will have the acquisition of strategic materials all done within the applicable terms of that act. The gentleman will note later in that subsection that they do provide that the release or resale of materials shall be governed by that act. I want the acquisition of the materials also to come within the applicable terms of that act, because that act is the product of many years of work and has a very real purpose in our national defense. I do not want to see anything done that will start to cut that act apart. The gentleman knows what a struggle we had to bring that whole program down into one responsible agency. It had been spread out to some 34 agencies, and we could never make head or tail of it.

Mr. ROGERS of Colorado. Does the gentleman feel that that would in any manner help the domestic production of strategic metals?

Mr. MARTIN of Iowa. It would safeguard them, as we intended to do in the Strategic and Critical Materials Stockpiling Act.

Mr. ROGERS of Colorado. Under the present Stockpiling Act, is it possible for the Government to purchase metals outside the United States?

Mr. MARTIN of Iowa. It is possible to do so.

Mr. ROGERS of Colorado. Are they not doing it?

Mr. MARTIN of Iowa. They are doing that, and they can augment that program with that provided here without hurting the program at all, provided they do it under the limitations of the Stockpiling Act.

Mr. ROGERS of Colorado. If they have the authority under the Stockpiling Act at the present time to purchase outside the United States, and we do adopt the amendment suggested by the gentleman, does not that also give to the United States or to the Commodity Credit Corporation additional moneys to purchase metals, that would in turn run down the metal market of this Nation?

Mr. MARTIN of Iowa. If the gentleman will bear with me on the terms of the Stockpiling Act, he will find plenty of safeguards in that act to do what he has in mind.

Mr. ROGERS of Colorado. The gentleman and I recognize, do we not, that we do not at the present time have any domestic production of many of the strategic metals like zinc and lead?

Mr. MARTIN of Iowa. That is why we wrote into the Stockpiling Act the "buy American" clause, and that is why we kept all free-trade provisions out of the Strategic and Critical Materials Stockpiling Act.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. ROGERS].

Mr. ROGERS of Colorado. Mr. Chairman, the report on this legislation and its provisions made reference to some of the surplus commodities being made available for school-lunch programs. As pointed out on page 14 of the bill, such commodities could be donated to such State, Federal, or private agencies as might be designated by the proper State or Federal authorities and approved by the Secretary for use in nonprofit school-lunch programs.

What I would like to know from the committee, is it absolutely necessary before these commodities are made available under this program for the Secretary to find that it is in order to prevent the waste of commodities, as provided in the first sentence of section 416, line 20 on page 13? In other words, must the Secretary or the Commodity Credit Corporation first find that there is danger that these commodities will be wasted before this program can become operative?

Mr. HOPE. In reply to the gentleman, I will say this bill frees the Commodity Credit Corporation from being required to make a finding that the commodity is in danger of loss through deterioration or spoilage before it may be distributed under the provisions of this legislation. In other words, it has been necessary heretofore that the Commodity Credit Corporation find that the product was subject to deterioration. That is not necessary under this legislation and, therefore, all commodities which are owned by the Commodity Credit Corporation may now be distributed subject to the requirements of law and the judgment and discretion of the Secretary.

Mr. ROGERS of Colorado. Then, I understand that under the wording "to prevent the waste of commodities acquired through the price-support operations of the Commodity Credit Corporation" as it is set forth on page 13, from lines 20 to 22, which I have read, it is not necessary for the Secretary to find or for the Commodity Credit Corporation to find that these products or commodities are deteriorating before he can go into this program, is that correct?

Mr. HOPE. That is true, and if the gentleman will refer to that part of the report which contains the Ramsayer provisions, he will find that the change which has been made in the law, that is in existing law by this legislation, eliminates this language, "which are found to be in danger of loss through deterioration or spoilage." The elimination of that language removes the necessity for the Secretary making that finding. I think it is proper that the language "in order to prevent waste" should be there

because, of course, any of these commodities would be wasted if they are held long enough. Even the storable commodities are going to be wasted unless some use is made of them. So I think I can give the gentleman the assurance that the use of that language does not in any way interfere with the authority of the Secretary to distribute the commodities as he sees fit without a finding of deterioration.

Mr. ROGERS of Colorado. I appreciate the answer that the gentleman has given. May I have his attention for one further question. Is there any limitation placed upon the Secretary to make these commodities available under section 302, as outlined? In other words, if he finds that he may dispose of them profitably, or I should say give them away without having to pay storage on them, or finds people who can use them in a lunch program, or who can use them in a Federal and State institution or a publicly owned hospital, he is privileged to dispose of any amount that he so desires?

Mr. HOPE. Yes, within the list of recipients that is contained in the legislation. He is limited in the character and class of recipients who may receive the commodities.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, this bill, of course, has a triple purpose. Perhaps I should say a dual purpose, with one of the purposes divided into two parts. One main purpose is to promote the foreign policy and the foreign trade of the United States. The other is to make the best possible use in our international transactions of the gigantic surpluses of agricultural commodities which we now have in our own country. The bill provides two main ways to do that. The one in title I is to sell them as additional sales wherever possible to those countries which are already buying all they can with their resources and their currencies that are convertible into dollars. Where they need, want, and are willing to buy additional quantities of our surpluses with currency that is not convertible into dollars, the bill authorizes our Government to sell for that currency, and use it for developing their economies and world trade.

Title II provides up to $1,300,000,000 worth of surplus commodities to be furnished on a grant basis to friendly nations for relief needs and to help improve their health and well-being.

I want to speak primarily of the first at this time—sales for foreign currency. The bill provides that the surpluses cannot be sold at less than the maximum world market price, which is to avoid dumping and depressing effects upon world prices. They cannot be sold where they would displace our usual marketings or those of friendly countries. They can be sold only where agreements have been entered into which will prevent the buying countries from reselling or transshipping them, without specific approval of the President. To the maximum extent practicable the operations must be carried on through private trade channels.

Now those objectives and safeguards certainly are sound and desirable. But it is a difficult operation. I first became interested in this whole proposition through our studies on the Committee on Foreign Affairs. This bill, S. 2475, before us today grows out of an amendment which the gentleman from Texas [Mr. BURLESON] and I introduced during consideration of the foreign aid bill last year. It was rejected in its original form, but as a member of the conference committee I got the principle of it adopted in the conference with the Senate. It is section 550 of the Mutual Security Act of 1953. During debate on the conference report, last July 13, I summarized its objectives as follows:

> This amendment is an effort to help countries in need, to help them with the surpluses which exist in our own country, to help them expand their production and trade as a long term way to deal with their shortages and our surpluses, and to use our surplus farm products, that are already paid for, as capital in lieu of dollars in the process of helping develop those countries which are underdeveloped in many respects.

I summarized its major provisions as follows:

> The President must use these commodities in such a way as to increase production in other countries—agricultural, industrial, and otherwise; to expand trade between them and between them and ourselves; to produce expanding economies in such countries, an expanding world economy, and thereby expanding markets for United States products.

That amendment, section 550 of the Mutual Security Act of 1951, operated better than even most of us who were enthusiastically for it, believed probable. The agencies administering it were not too favorable to it. As you know, Government agencies would rather have dollars than commodities. It is easier to use dollars.

Furthermore, the recipient countries would rather have dollars; then they can shop around and do whatever they please. But as long as our granaries are bulging with these surpluses, Congress does not have the moral right, in my opinion, to take additional dollars from our taxpayers and give them to countries where we can accomplish the same end with agricultural surpluses which have already been bought and paid for. That is, we should use tax dollars to reimburse the Commodity Credit Corporation for its commodities, and use them rather than give the dollars abroad, wherever it can be done without upsetting normal world trade patterns and the existing markets of our own and friendly countries.

Section 550 required the President to use not less than $100 million and not more than $250 million to finance the purchase of surplus farm commodities for sale to friendly countries in excess of their usual purchases, taking in payment their own currencies. I am happy to report that $235 million had been allotted by May 6, 1954, for the purchase of surplus farm commodities under that amendment. Of that amount, procurement authorizations had been issued amounting to $220 million. Sales under the program have included wheat, barley, corn, flour, soya beans, lard, cotton, tobacco, and other farm products. Sales have been made under the program to the United Kingdom, Germany, Netherlands, Japan, France, Formosa, Spain, Norway, Afghanistan, Finland, Israel, Yugoslavia, and Italy.

Of course being a new program, in a sense a pilot program, many people did not believe it would really work. They did not have much enthusiasm to try but it has proved more valuable than they expected. The weaknesses that appeared, as we knew would be the case, are largely corrected, we believe, in the House version of S. 2475. Other amendments will be offered to further improve the program on the basis of the year's experience.

As stated earlier, the gentleman from Texas [Mr. BURLESON], and I worked together on section 550 of the Mutual Security Act last year, and after it had been passed we introduced identical bills along the same lines which were referred to the Committee in Agriculture. Hearings were held on those bills in connection with Chairman Hope's bill, H. R. 6016, which had to do with using surpluses for famine relief, but the committee did not see fit to bring out our bill last year.

This year the executive branch sent a draft bill to the Committee on Agriculture, based on its year of experience with section 550. The draft incorporated the main features of section 550 of our bill with changes designed to improve it and to take the bugs out. That draft, as amended by the Committee on Agriculture, became its substitute for S. 2475, now under consideration.

The executive branch sent essentially the same draft to the Foreign Affairs Committee, because the subject had been handled last year by the Foreign Affairs Committee. This is one of those cases where there is concurrent jurisdiction. The Committee on Agriculture properly has responsibility for operating the price-support program and handling the surplus commodities which have resulted—a great asset and a great problem. The Foreign Affairs Committee has responsibility for shaping our various foreign-aid programs and it rightly seeks to use every asset in our country that can be effectively utilized in the promotion of our foreign policy, good international relations, our national security and that of the free world.

The executive branch draft which came to the House Foreign Affairs Committee was originally titled XI of the bill which we are working on in that committee, the Mutual Security Act of 1954.

It has been amended by the Committee along the lines suggested by the gentleman from Texas [Mr. BURLESON] and myself, and has been adopted as title IV.

The Foreign Affairs Committee decided that until it was certain that this bill from the Agriculture Committee would be acted upon favorably by both bodies, it would keep the title in our MSA bill. If the bill is finally passed in a form that satisfies our ideas of how to use the commodities most effectively in our foreign relations, the Foreign Affairs

Committee can strike the title from its bill. We expect to offer eight amendments today, which if adopted we believe will permit use of the surpluses more fairly, more effectively, and in a simpler way. None of them is intended to be controversial. They are more in the nature of perfecting amendments than alterations in the basic philosophy of the bill. I am happy to report that the chairman of the committee and the minority member in charge today, the gentleman from Texas [Mr. POAGE], have agreed to accept most or all of the amendments. There are two others which they are not willing to accept and we shall not offer them. I think they will probably show up when we get to the Foreign Affairs Committee bill. They have to do with the way in which the value of these surplus commodities is to be computed.

On page 8 of the pending bill, section 102 provides that for reimbursing the Commodity Credit Corporation:

> There are hereby authorized to be appropriated such sums as are equal to (1) the Corporation's investment in commodities made available for export.

Now that is a right method from the standpoint of agriculture. You want to keep unimpaired the loaning and purchasing power, the capital structure, of the Commodity Credit Corporation. I doubt that there is anybody in Congress who will not vote to restore whatever impairment there may be at any time in the purchasing power necessary to carry on CCC operations under the price-support program.

But from the foreign affairs standpoint we would like, instead of a sum equal to the Corporation's investment in its commodities, to substitute a sum "equal to, first, the dollar value of the foreign currencies received in payment for commodities made available for export."

The reason is obvious. It is not fair to ask that funds appropriated to carry out our foreign policy should take care of the losses of the Commodity Credit Corporation which has wheat, which it bought, for example, at $2.25 when that was the price-support level, but which perhaps is now worth only $1.75. The funds that are authorized for foreign aid obvously should not be charged for that disparity but should be transferred to the Commodity Credit Corporation for its surplus, on a basis which represents the actual dollar export value at the time of export.

I cannot disagree with the Committee on Agriculture in its position, and so I am not going to submit this amendment today, but I wanted to bring the matter before the House. Because when it comes later to authorization of funds to be appropriated primarily for our foreign-policy interests, rather than to help agriculture, I believe they should be used to reimburse CCC for its surpluses only in amounts equal to the actual current export value of the commodities.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. COOLEY. How can we protect the Commodity Credit Corporation's funds and purchasing power unless we appropriate an amount equal to the value of the investment?

Mr. JUDD. The answer is, there would have to be two appropriations, one to reimburse for actual present values of commodities used, the other to reimburse it for its losses. There is nobody here who will not vote to restore the capital structure in that sense. But obviously it is not reasonable to expect foreign-aid funds to make good the losses of the Commodity Credit Corporation in handling the price-support program.

Mr. COOLEY. I will not pursue the matter further or take time needlessly, because the gentleman has indicated that he is not going to introduce the amendment. But I do not think foreign aid should be saddled on the back of agriculture.

Mr. JUDD. No; neither should agricultural losses be saddled on the back of foreign aid.

Mr. COOLEY. Take, for instance, the matter of cotton. The gentleman's proposition would not work in the matter of the disposal of surplus cotton, for it is provided that the price received for it shall include all charges, and so forth.

Mr. JUDD. If a loss is incurred by the Commodity Credit Corporation it should not be charged against the foreign-policy program, but the Corporation should be reimbursed by separate action of the Congress.

I hope these amendments we are going to offer when the time comes will be accepted.

Now, Mr. Chairman, may I enlarge a little on the philosophy behind this bill? It proposes a program of far-reaching implications. It is important to American agriculture. It opens up a way to reduce the huge quantities of unsold farm products that overhang and threaten both domestic and foreign markets. However, even more important to United States agriculture than the existence or method of liquidation of today's surpluses is the vital need to expand and create foreign markets in order to lessen need for and the dangers of severe production restrictions. Senate bill 2475 would convert the frozen assets of the Commodity Credit Corporation into working capital to expand foreign markets for wheat, cotton, soybeans, lard, dairy, and other farm products. It would have far-reaching, beneficial effects on United States foreign relations all over the world.

I would like to illustrate with one area. Last autumn I led a special study mission of the Foreign Affairs Committee through nine countries of southeast Asia. Our report states:

> The study mission returned from its Asian trip firmly convinced that a free Asia is vital to the security of the free world, and therefore the security of the United States. The Communist danger cannot be overestimated.

In most of this great populous area so essential to the security of the United States food consumption is barely maintained at the subsistence level. Textile consumption averages less than one-eighth of consumption in the United States. Per capita income—except for Japan—is less than one-twentieth of that in the United States. Yet this same area of impoverished people has vast undeveloped resources whose development could ideally complement the economy of the United States. The weakness of the people just emerging from war, occupation or centuries of colonialism, combined with the richness of the area in natural resources, makes it a prime target for Communist expansion.

The need of the area is for more food, more textiles, and more capital to develop its rich resources in order to build the foundation for economic strength and political stability. This bill, if properly amended and operated, provides a means to sell food and textiles needed by the people in the great area for their own currencies. It then provides for using the currencies as capital to promote essential development of the economies of the nations of the area, and of other areas, in a way to complement each other, as well as to complement the economy of the United States. Given time, it would help create a community of strong, free nations in Southeast Asia and the Western Pacific that would weaken the effect of Communist promises, attract those oppressed by Communist tyranny, and thus weaken the Russo-China alliance.

In the long run, the economy of China could be developed most readily and cheaply through Japanese capital industries. Communist China's strategy is to attempt to attract the Japanese economy to its own, both for that purpose and to pull Japan away from ourselves. If this fails, the Communists will pursue even more zealously the alternative of conquering and exploiting the community of free south Asian nations to achieve its own economic development. Japan is a vital part of any south Asian community of free nations. Only Japan has the industrial potential to develop the resources of that vast area. Our study mission concluded:

> Japan must expand her foreign trade in order to procure essential raw materials and sell her products. If these markets cannot be developed within the free world, it has no choice but to trade more heavily with the Soviet bloc, particularly Communist China.

If this alternative is forced on Japan, the Communists, of course, will demand Japan's military as well as economic subordination. The Chinese Prime Minister has already demanded it at Geneva.

The costs to the United States of such a development would be incalculable. We must avoid the necessity for Japan to make this choice. Yet Japan's economic condition is already precarious. She needs to import very large quantities of wheat, cotton, soybeans, sugar, and dairy products. Within the present framework, Japan is unable to earn sufficient foreign exchange in free world markets to buy these farm products and other materials she needs. The program envisioned in S. 2475 would assure Japan more adequate supplies of food and cotton in the free world. The Japanese currency that would accrue from the sale of these farm products in Japan could be loaned to underdeveloped countries

like Indochina, Indonesia, Burma, Thailand, India, and Pakistan to buy Japanese industrial, capital, and consumer goods needed to develop the vast resources in those countries. These funds could later be returned by those countries to the United States in the minerals and raw materials essential to maintain our own strategic requirements. Meanwhile, these capital investments could be used to create a community of strong, stable, free nations in southern Asia as a bastion against communism.

There is a further impact of our use of farm products in friendly countries. The unplanned use of the billions of unsold farm products threatens the markets and the stability of friendly competing exporting nations such as Turkey, Egypt, Pakistan, Holland, Denmark, Mexico, Brazil, and many others. The United States position in world leadership itself demands that the United States protect the vital interest of these friendly countries.

S. 2475 can provide that protection. It would remove the uncertainty as to what the United States would do with its excess farm products. It protects competing exporters from indiscriminate dumping prices or giveaway. Ultimate consumers could buy no cheaper from us, in terms of their own currency, than from competing exporting countries. The bill directs the President to implement the provisions of the act in such a way as not to seriously injure the trade of any friendly nation or to depress world market prices.

By far the greatest protection to friendly competing exporters is in a positive approach. It provides a program for increasing employment, stimulating economic activity, and expanding markets for all products in which all competing nations will share. This is not just speculation. The remarkable results already obtained with the pilot operation under section 550 of last year's bill proves the soundness of this concept, and I am sure the Congress will adopt this improved and expanded program.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, I am glad to see this effort made to break loose to some extent from the restrictions that we now have on the sale of American farm commodities; however, this bill as it is written disturbs me greatly.

In the first place, I am afraid it will be taken by the public that here again we have shown what the American farm program has brought on us. I would like to point out that this Government from 1942 through 1952 asked the American farmer to produce greater and greater quantities of agricultural commodities. During that same period of time we had absolute embargoes against the exportation of a number of such commodities and they were therefore held within the United States when farmers could have sold them at enormous profits abroad. Not only that, but during this same period of time we followed a governmental policy of virtually holding American farm commodities off the world market.

Our Government has and is continuing to do that under the influence of the State Department and the Mutual Security Agency which are charged primarily with responsibilities in the field of foreign relations. They have held out that we must hold ourselves back and not compete so as to not upset the recovery of friendly countries in Europe and the rest of the world. Judged from that viewpoint you can see why they see it as they do; however the American farmer should not bear the brunt. Notwithstanding the fact that the Commodity Credit Corporation today has the authority to sell all the commodities that it has on its hands on world markets at competitive prices it has not done so in practically all cases because of a governmental policy whereby we have offered our commodities—some we have not even offered at all, but those we have offered for sale have been at prevailing prices, not competitive prices. This means that we see what the world market is, we offer our farm commodities at that level, then we do not go down to meet competition, therefore all the foreign countries, our competitors, have to do is to go down 2 or 3 percent and they get the market. When the supply is exhausted they come back to us to make up the slack. We have been a residual supplier.

Here is the thing that disturbs me in this bill: The reason we have not offered commodities for sale, the reason we have not made our prices competitive is because of a feeling on the part of the State Department, which has predominated in this and the past administration, that we must not interfere with the possible market of our competitors. They have kept our price from being competitive.

There are two things essential to a sale. One, is offering it for sale and the other is to make the price competitive. We have the authority to do it but we have not made our prices competitive. I am afraid of that section in this bill which provides that in the sale of our commodities for foreign currency we must take reasonable precautions to safeguard the economy of friendly nations. That is the kind of argument that the State Department has used to cause us to have the present policy. Your huge supply of farm commodities does not result from your farm program; it has resulted primarily because your Government asked our farmers to produce these commodities and largely kept them off the world market principally by embargo and otherwise, and even today does not make our farm commodities prices competitive, though our farm program contemplates that agricultural commodities of the United States shall move in world trade. I am afraid that in this bill we are giving the State Department something to hide behind.

This bill is an effort, but I am fearful of some provisions in it. They may well be used in line with the arguments that have been made heretofore by the State Department to bring about our present situation. I would much prefer to have seen the committee bring out a bill which I introduced, which would direct the Commodity Credit Corporation to offer its commodities for sale on world markets at competitive prices as now authorized by law. As the situation exists today the Corporation does not do that though it has the authority. I further urge that the commodities, surplus to our needs, in the hands of CCC be channeled through private trade so that these commodities may be offered through private channels.

Mr. MILLER of Kansas. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Kansas.

Mr. MILLER of Kansas. Does the gentleman mean by his argument that the farm program has been made the whipping boy of our foreign policy?

Mr. WHITTEN. May I say to the gentleman that there may be many reasons for some of the foreign policies that we have followed, but, if so, the costs should not have been charged up to American agriculture and to the farmers.

Let me make this further statement. Selling for foreign currency is thoroughly sound. It will not add to the sum total of our international trade because now we spend dollars for our military expenses and these dollars are spent back here. If we sell agricultural commodities for foreign currencies, presumably such foreign currencies will be used for our military needs, and we won't spend dollars. The total trade will not be increased, but if, by selling surplus agricultural commodities for foreign currencies, we can use those currencies to pay our military expenses, we are meeting our costs in foreign land with our surpluses, and that makes sense.

Mr. POAGE. Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS of Arkansas. Mr. Chairman, I would like to ask a question of the gentleman from Kansas [Mr. HOPE] for the purpose of clarifying the provisions of section 202. As I understand these provisions, the distribution of surplus commodities under section 202 is not conditioned by the provisions of section 201; in other words, the conditions laid down for distribution under section 201 do not apply to section 202.

Mr. HOPE. Yes. I will say in reply to the gentleman's question that the gentleman's statement is correct.

Mr. HAYS of Arkansas. Further, can the chairman enlighten us as to the distribution of the surplus commodities by voluntary, nonprofit agencies? The President is authorized to designate such voluntary agencies for the distribution of the commodities, and that is in the President's discretion; is it not?

Mr. HOPE. With respect to the gentleman's second question, section 204 provides that "The President may make such transfers—" referring to the $300 million authorization—"through such agencies, in such manner, and upon such terms and conditions as he deems appropriate."

That is understood by the committee to include voluntary relief agencies as well as international agencies.

Mr. HAYS of Arkansas. The President might find that such voluntary private and international agencies are in a position to provide facilities that might be

more acceptable than the official Federal agency in some situations.

Mr. HOPE. Yes. Continuing my reply to the gentleman, he will observe that in line 19 the word "shall" is used as far as voluntary relief agencies are concerned, and it is stated that "The President shall make use of the facilities of voluntary relief agencies to the extent practicable."

Mr. HAYS of Arkansas. I am very grateful to the gentleman from Kansas, and his answer does provide a clarification on those two points.

Mr. Chairman, our surplus agricultural commodies constitute today both a great domestic problem and a great challenge. Surpluses are not a temporary problem, not a problem caused by our price supports, they arise out of our highly efficient agriculture and out of the full output character of American farming regardless of prices and regardless of prosperity or depression, of war or peace.

If we use these surpluses wisely we will be blessed because of this inherent full capacity of our farms. But to make them a blessing we must have the good judgment and statesmanship to use them as a power for creating goodwill and peace instead of allowing them to become a disgrace by rotting on our hands as a hungry world looks on. With proper use these surpluses can be made a far more potential means of combating the spread of communism than the hydrogen bomb.

This then is the challenge of our surpluses. Will we set up the right means of using them, or will we allow them to waste in a world where two-thirds of the people are hungry? Will we use them in such a way that they will not set a bankruptcy price for our farm products at home? We can dispose of them abroad, after relieving the limited needs at home to feed the hungry, to create new markets for our products in the future, to combat communism that thrives in an atmosphere of hunger and chaos. We can use them to build up the economics of friendly nations and thus build goodwill, and to build economic and democratic strength for ourselves and for all free nations. These things I am convinced we can do under the pending bill's provisions.

Before judging the means of dealing constructively with these surpluses, we must clearly realize, that neither farmers, nor the Government can avoid the production of these surpluses; that, therefore, the problem will be with us for years to come, barring disastrous and continued droughts; and that the problem demands and requires a longtime approach and not primarily an emergency action. The bill clearly takes the longtime view of the problem.

What is the nature of the farm business which makes these surpluses inevitable for many years to come? The 4½ million farmers of this Nation have planted around three hundred and fifty to three hundred and sixty million acres of crops year after year for the past 2 decades, regardless of war or peace, recession or prosperity. Our farmers have increased their power supply used in planting, cultivating and harvesting this cropland from 25 million units of horsepower 20 years ago, to 41 million units today, a 30-percent increase in the total power available to take care of the same amount of cropland. Our farmers now have a superabundance of power to operate their 360 million acres of cropland.

Further, Mr. Chairman, during these two decades mechanization and the use of mechanical power have enabled the farmer to do more and more of the work required on his farm and to do it more efficiently. For example, I learn that in the Western Corn Belt States farmers now supply about 90 percent of all labor needed on their farms, and hire only 10 percent, compared with hiring around 18 to 20 percent just 15 years ago.

In other words, American farmers now have 360 million acres of cropland, the use of which will go to waste each year if it is not cropped; they now have 30 percent more field horsepower than they had 20 years ago, and the use of this power wastes if it is not used on the cropland; finally farmers have 90 percent of the labor needed to take care of the cropland and harvest its product. This labor also as a rule wastes if it is not used on the farm. Under these conditions, of course, the American farmer will continue to operate this land at full output levels regardless of economic conditions or situations.

Farm families rear more than twice as many farm boys as are required to replace farmers who die or retire. For over 30 years we have supplied the one hundred and fifty to two hundred thousand boys needed to replace retiring farmers, and have reared in addition an average of 250,000 that each year go to the cities to earn a livelihood. Certainly our farmers will not slow down farm production for want of new farmers to take the place of their elders.

Add to all these forces for full output the facts shown by a recent Department of Agriculture report that if we should apply present know-how on the amount of land used at present, and the same number of livestock, we could increase feed-grain output 57 percent; cotton by 76 percent; peanuts by 83 percent; wheat by 40 percent; tame hay 56 percent; and pastures by 97 percent. Livestock products, the report concluded, could be increased by comparable percentages. Still we are adding to our farmers' knowledge by added research and extension.

As a producer the America farmer has no peer. This superiority of farmers as producers has made us the best fed Nation in the world; with food to spare. No nation has ever been so richly endowed with an agricultural system.

These facts offer convincing evidence that surpluses are not caused by price supports nor by lack of business judgment on the part of farmers; and that surpluses will be with us for a long time.

If we lived in a peaceful world, if we did not face an uncertain future, we could doubtless find profitable markets for all of our surpluses. But we do not, and are not likely to live in such a world very soon. Since surplus farm output, with our present production capacity and population, are certain to continue, and since we know uncertainty faces us, we shall need to devise every practical means of distribution and use of these surpluses. The bill before us goes a long step in this direction. I endorse this measure, Mr. Chairman. I believe that title I providing for sales for foreign currencies is important; and that title II providing for famine relief, and other relief used under conditions requiring the recipient country to contribute as much of the expense of distribution as possible, is an essential part of a sound system of promoting the most beneficial use and avoiding wastage of these surpluses. At the same time it provides for the possibility of helping the friendly receiving nation to build up their own economy, for establishing new and profitable markets for our products in future years, and offers means to combat the spread of communism among hungry people.

Title III offers new ways and avenues of disposal of surpluses, by widening the domestic uses of surplus, and new means of barter and exchange for commodities not produced in this country. Provisions in this title will enable the Secretary of Agriculture to anticipate and plan disposal needs in advance of actual wastage of these surpluses.

Taken all in all this measure should make it possible to get maximum value, both tangible and intangible, out of these surpluses. We can by means of its provisions turn these surpluses into a great service to the Nation and the free world, and avoid having them become a burden on our hands and an embarrassment to the free world. We can use them as a most potent weapon against communism, and as an enormous force for good will and a happier world.

Mrs. SULLIVAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

Mrs. SULLIVAN. Mr. Chairman, most of the attention in connection with this bill has been directed at its provisions for selling or bartering some of our surplus food abroad—for foreign currencies or for strategic materials—and also for donating up to $300 million worth for the relief of famine, suffering, or inadequate diets among people in other nations. I should like to direct my comments to its provisions for using some of this surplus food for the relief of distress in this country—a very real problem.

It seems to me this matter has been brought into the bill as something of an afterthought. The bill as it passed the Senate nearly a year ago made no reference whatsoever to any domestic use of these surpluses. It dealt exclusively with the export and foreign trade aspects of the surpluses.

I wish the House Committee on Agriculture had treated the two matters in separate legislation, instead of putting them together in one measure, as this bill does. If they had been handled as separate problems—which they most certainly are—I believe the provisions dealing with domestic use of the surpluses would have received greater and

more detailed attention. For, as I said, in my opinion this bill seems to tack on the domestic provisions as something of an afterthought.

This is not to say that the committee has not suggested some worthwhile methods for expanding the distribution of surplus foods to needy people in this country. In this connection, I am pleased that the committee has incorporated into the bill some of the provisions included in my bill, H. R. 7870, which would have established a new food stamp plan as part of such distribution.

For instance, the committee's bill removes the requirement that surplus foods must be in danger of imminent spoilage before they can be distributed to needy persons. Furthermore, it provides blanket authority, as my bill would do, to the Secretary of Agriculture to determine the volume and variety of foods to be made available at any one time. In addition, it specifies, as my bill does, that any commodities disposed of for relief purposes should be in addition to and not in substitution for any normal consumption. This is extremely important in connection with the distribution of this food to families on relief. We would want them to have additional food rather than merely shift the burden of their present meager diets from local or State to Federal shoulders.

Even with these provisions, however, the committee bill leaves much to be desired in the establishment of a really effective program for distribution of surplus foods to needy Americans.

When I testified before the Committee on Agriculture and urged approval of my bill, I pointed out that the present system of distribution—which would largely continue under the bill we are considering today—is a somewhat hit-and-miss affair with some States not participating at all and others participating in a disinterested manner. Local distribution programs differ widely. In some areas, private agencies carry the responsibility for administration. There is no attempt made to define the kind of people we think should be receiving this food.

I am sorry to have to report that under the present system of distribution there have been widespread reports of irregularities, of people not in need registering for this free food, with very little machinery in existence for screening the applicants properly.

My bill specifies that the first priority among domestic recipients should be families on public assistance or families in need of this kind of public help under normal standards but excluded from relief because of the peculiarities or technicalities of local or State law. For example, in Missouri, no matter how destitute a man's family might be, it cannot receive public assistance if he is employable. It matters not whether he can find work or how long he has been involuntarily unemployed. If he is physically employable, his family cannot get public assistance. Assuming such a family otherwise met the standards to qualify for public assistance, it could receive these surplus foods under my bill.

It may very well be that we could properly include in such a program additional people, such as those on social security or on unemployment compensation. But to me that is a matter that the Congress should decide affirmatively. We should set up standards—spell out definitions. Instead, this bill turns over to the Secretary of Agriculture the very difficult task of determining not merely what products should be distributed and in what manner, but who should receive them. I do not think that is properly his job. I think that is our job.

My bill set a top maximum of $1 billion of surplus food which could be distributed to needy families in this country each year under the proposed food-stamp plan. But this bill says to the Secretary of Agriculture that he can donate an unlimited amount of such foods to anyone in this country under any regulations he may determine. We are giving him a frightfully complex problem. If he so desired, I suppose he could give it all away. Or he could give very little of it away. He could dump it on the States and say: "Here, you worry about it. Get rid of it any way you like."

I am not suggesting the Secretary will do anything but a conscientious job in this respect. But I submit, Mr. Chairman, that the Committee on Agriculture is asking him to take over functions and the determination of policy which properly belong with the Congress, or, at least, with the Department of Health, Education, and Welfare. I do not think Mr. Benson or his Department are equipped for the role we would give him in this bill.

In other words, unless the intention here is just to give the Secretary of Agriculture additional outlets and machinery for getting rid of his storage headaches on this surplus food, this bill is too limited in its approach. I am concerned not merely with dumping surpluses, but in feeding hungry people. That is much more important.

In view of the circumstances here today, I am not going to try to amend the bill. The unanimity of the Committee on Agriculture in reporting out this bill in its present form indicates that as a committee the members were not prepared to go into this matter further at this particular time. And to attempt to handle so complex a problem through an amendment from the floor, with the strict 5-minute limitations on time for discussion of any amendment, is not, it seems to me, a very efficient or effective way of trying to meet this problem.

I have been assured by the committee that there will be a further opportunity to go into this matter in connection with subsequent legislation dealing with the surpluses. Therefore, Mr. Chairman, all I want to do at this time is make it clear to the Members that we have not in this legislation faced up to the overall problem of getting this surplus food into the hands of the people in this country who need it most desperately. We are passing only patchwork legislation on that point, although, as I said, there are some good provisions in this bill. But primarily it is a bill for distributing surpluses abroad—not in the United States. And any distribution of surpluses to needy families in this country is covered only as an afterthought, and then primarily from the standpoint of easing the Agriculture Department's storage problems rather than feeding the hungry.

Mr. POAGE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, as we come to try to sum up the discussion on this bill, it seems to me rather clear that most all of us agree that we are faced with a difficult problem of surpluses. How we got those surpluses is another and a long story, but we all agree that we need to do something with those surpluses; that it is not an economical thing to simply store them in warehouses and pay storage but that we ought to move those surpluses where they will do human beings some good either in this country or other countries.

We should do it in a way that will not destroy the income of our farmers, because if we did that, we would find ourselves in worse shape than ever, because if you destroy the income of the farmer, his natural inclination is to try to produce more crops which would probably themselves become surpluses.

I want to say right here, that one of the most widespread fallacies which has been spread over this country and which has received wide acceptance in recent months, is the belief that lower farm prices would of themselves eliminate our surplus problem. A lot of people sincerely believe if you will but lower the price of farm products, so low that it means that the farmer's children must go barefoot, you will materially reduce farm production without any governmental controls. There never was a more fallacious argument presented to the American people. If you do not control the production of agricultural commodities, lowering the price will simply result in the production of more and more and more of the things you do not need. If you do not believe that, let me cite you the illustration of cotton. Do you know when we grew the largest cotton crop America has ever known? I will tell you when it was. It was in 1937. We did not have any controls on production, but we had support prices. We have been told recently that if you let support prices drop to 75 percent of parity you would never have surpluses. But we had a support price of 53 percent of parity in 1937 and we grew the biggest crop that we have ever grown.

Do not tell me that lowering the price of the farmer's commodities is going to prevent the production of surpluses unless you use strong governmental controls of production. Do not tell me that if you destroy the farmer's livelihood you will "restore his freedom," as so many euphoniously refer to it. No, you do not restore the farmer's freedom by breaking him. You do not restore the freedom of the farmer by letting his children go hungry. You do not restore the freedom of the farmer by saying that his return for his labor and on his investment shall be far lower than the return to other segments of our economy.

You get the best balance in production of agricultural and industrial products when all of our commodities are bringing full parity, because then each one produces that thing which receives the most ready acceptance in the American market.

If you can keep a complete balance between industry and agriculture, you will have a more prosperous industry, you will have a more prosperous agriculture, and a more prosperous Nation. But if you allow the level of our farm prices to drop to 75 percent of parity, you will have a devastating depression, and you all know it.

Every Member of this House is old enough to recall what happened when we let farm prices break as they did in 1929. Every Member of this House who has read economic history knows there has never been a single time in the economic history of America when farm prices averaged as low as 75 percent of parity when the entire country did not suffer a devastating depression, with all segments of our economy broken.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

Mr. MARSHALL. The gentleman is making a very significant statement. We accumulated our supply of potatoes, that we have heard so much about, under a program of 60 percent of parity, did we not?

Mr. POAGE. That is right.

Mr. MARSHALL. We are accumulating an additional supply of dairy products and increasing our dairy production under the Benson proposal of 75 percent of parity right now.

Mr. POAGE. That is right. Potatoes were under a flexible support program when we accumulated the most devastating surplus. Dairy products are and have always been under a flexible support program—the kind of program we are urged to adopt for the basic commodities.

I want to call to the attention of those who talk so much about a flexible, a variable, a sliding scale of supports, that dairy products are today under a sliding scale of supports; that dairy products have been under a flexible program all the time. Potatoes were under a flexible program, a sliding scale. The very commodities that have produced the most disastrous results in our whole price support history have always been under flexible supports. In view of the experience of potatoes and dairy products, how can any intelligent person look you in the face and suggest that we could solve or even mitigate the surplus problem by reducing price supports for the basics to 75 percent of parity?

I ask in all frankness, is it not fair to compare the disastrous results of the flexible program with the rather successful results of the 90-percent fixed parity program? The total losses for 20 years on the six basic commodities have been only a little more than $50 million. Two million five hundred thousand dollars a year for 20 years has maintained our support program at 90 percent of parity on our basic commodities, and yet you have lost several times that amount of money under your flexible program on dairy products in the last 2 years alone.

I ask you if the history of America indicates that Mr. Benson's program will work. It has been tried. It has not worked. Everybody should know that it will not work any better in the future than it has in the past. Everybody knows that it has caused surpluses at the very time it was allowing the producer to go broke.

Mr. MARSHALL. If the gentleman will yield, I would like to call to his attention, and he knows it, to the fact that one of the most successful programs we have in this country from the producer's standpoint is the sugar program, which is a highly rigid program, and it has been working out well. I would also like to call the attention of the gentleman to the fact that the parity concept in itself is flexible. It is not rigid. It varies.

Mr. POAGE. Of course the parity concept is flexible. I stood in this well some time ago and pointed out that any time the farmer's costs went down the support program under our present 90 percent of parity has gone down. That is the only kind of flex I want to see in it. It do not want to see the farmer go down when everybody else goes up, yet that is the kind of flexibility the Secretary would give the farmers of America. The farmer asks for a loaf and you give him a stone. He asks for a fish and the Secretary gives him a serpent. That is what is happening to our farmers today, and we know it. We know we are not only destroying our farmers but we are destroying the backbone of all our industry, we are destroying our commerce, we are destroying the very economic life of our country when we allow these farm prices to go down. And what do we get in return? Certainly not the relief from surpluses or from controls that Mr. Benson talks about.

Now we have built up great surpluses of dairy products. They have been built up under the flexible program. Now we want to get rid of them, and we are faced with the question, What can we do? We have before us a bill that will give us some relief. I think this bill is too restrictive. As just pointed out by the gentleman from Mississippi, this bill leaves us as the residual supplier. We can sell only after everybody in the world has sold everything he has to sell. We can sell only after everybody else has gotten the highest price he can for his products. We cannot go into the world market even under this bill and meet the world on competitive terms. I would like to see us get in and do some Yankee trading with the rest of the world. I would like to see us sell these goods. There are plenty of people who want them and would like to pay for them. I would like to see them do it. But this is the best bill we have and, therefore, we had better vote for it.

Mr. HOPE. Mr. Chairman, I yield the remaining time to the gentleman from Montana [Mr. D'EWART].

Mr. D'EWART. Mr. Chairman, I rise in support of this legislation, S. 2475. I introduced a similar bill, H. R. 8278. I think the objective of the bill is all to the good of the country. I represent a great wheat-producing State, 1 of the 3 largest wheat-producing States in the country. Therefore, I am particularly concerned as to the provisions of this bill which have to do with wheat. The granaries of my State are overflowing. The terminal granaries are full. According to the figures given to me, probably on July 1, 1954, we will have approximately a year's supply of wheat stored and on hand. This year the Nation is going to have a very large wheat crop, probably in the neighborhood of a billion bushels. The needs of the country, including export, amount to about 800 million bushels; therefore, the crop will add to the storage which we now have on hand another 200 million bushels. The problem before us is one of abundance. That, I think, is important, and it is a problem that it should recognize. Through the centuries of history of the world we have had periods of great starvation and only a few years of abundance, and it is only in recent years that we have solved the problem of production of the world's needs, and that only in a few countries, principally here in the United States. Here we have an abundance of foods and fibers over and above what we need here in this country. Therefore, it seems to me the problem is one of distribution. That is what this bill attempts to deal with, to make it possible to make these surplus commodities, which are surplus over and above the amounts that we need in this country, available in those parts of the world and to those peoples of the world, including here at home, who need these commodities. Therefore, it seems to me this is the kind of bill that needs the support and should have the support of every one of us. Here we have an abundance of wheat and cotton and of other products of the farm. In other parts of the world, and even in parts of this country, we have people who need these foods and fibers. Here is a bill looking forward and providing the means by which we can make distribution of those commodities which we have in abundance. We should be thankful that we have this abundance. We can look to the brains and the intelligence, and I believe we have them, in this Congress, to find a way to make this abundance available to those who need it. I am sure this bill will be helpful toward that end.

The CHAIRMAN. The time of the gentleman from Montana has expired. All time has expired. Under the rule, the Clerk will read the substitute amendment as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Agricultural Trade Development and Assistance Act of 1954."

SEC. 2. It is hereby declared to be the policy of Congress to expand international trade among the United States and friendly nations, to facilitate the convertibility of currency, to promote the economic stability of American agriculture and the national welfare, to make maximum efficient use of surplus agricultural commodities in furtherance of the foreign policy of the United States, and to stimulate and facilitate the expansion of foreign trade in agricultural commodities produced in the United States by

providing a means whereby surplus agricultural commodities in excess of the usual marketings of such commodities may be sold through private trade channels, and foreign currencies accepted in payment therefor. It is further the policy to use foreign currencies which accrue to the United States under this act to expand international trade, to encourage economic development, to purchase strategic materials, to pay United States obligations abroad, and to promote collective strength or further in other ways the foreign policy of the United States.

TITLE I—SALES FOR FOREIGN CURRENCY

SEC. 101. In furtherance of this policy, the President is authorized to negotiate and carry out agreements with friendly nations or organizations of friendly nations to provide for the sale of surplus agricultural commodities for foreign currencies. In negotiating such agreements the President shall—

(a) take reasonable precautions to safeguard against the displacement of usual marketings of the United States or friendly nations, and assure, insofar as practicable, that sales under this act will not disrupt world prices of like commodities of similar quality;

(b) take appropriate steps to assure that private trade channels are used both with respect to sales from privately owned stocks and from stocks owned by the Commodity Credit Corporation to the maximum extent practicable;

(c) give special consideration to utilizing the authority and funds provided by this act, in order to develop and expand continuous market demand abroad for agricultural commodities, with appropriate emphasis on underdeveloped and new market areas;

(d) seek commitments from participating countries that will prevent resale or transshipment to other countries, or use for other than domestic purposes, of surplus agricultural commodities purchased under this act, without specific approval of the President; and

(e) afford any friendly nation the maximum opportunity to purchase surplus agricultural commodities from the United States, taking into consideration the opportunities to achieve the declared policy of this act and to make effective use of the foreign currencies received to carry out the purposes of this act.

SEC. 102. (a) For the purpose of carrying out agreements concluded by the President hereunder, the Commodity Credit Corporation, in accordance with directions of the President, (1) shall make available for sale hereunder at such points in the United States as the President may direct surplus agricultural commodities heretofore or hereafter acquired by the Corporation in the administration of its price support operations, and (2) shall make funds available to finance the sale and exportation of surplus agricultural commodities. Unless otherwise authorized by the President, Commodity Credit Corporation funds shall not be used to finance the sale and exportation of privately owned surplus agricultural commodities (other than those commodities acquired pursuant to (1) above and commodities pledged or mortgaged for price support loans) if Commodity Credit Corporation is in a position to supply such commodities from its own inventories, except that Commodity Credit Corporation funds may be used to finance the exportation of privately owned stocks of surplus agricultural commodities if such exportations are made under arrangements whereby such exporters acquire similar commodities of comparable value from Commodity Credit Corporation. For the purpose of carrying out any such arrangement, Commodity Credit Corporation shall not be subject to the sales price restrictions of section 407 of the Agricultural Act of 1949, as amended.

(b) In order to facilitate and maximize the use of private channels of trade in carrying out agreements entered into pursuant to this act, the President may, under such regulations and subject to such safeguards as he deems appropriate, provide for the issuance of letters of commitment against funds or guaranties of funds supplied by the Commodity Credit Corporation and for this purpose accounts may be established on the books of any department, agency, or establishment of the Government, or on terms and conditions approved by the Secretary of the Treasury in banking institutions in the United States. Such letters of commitment, when issued, shall constitute obligations of the United States and moneys due or to become due thereunder shall be assignable under the Assignment of Claims Act of 1940. Expenditures of funds which have been made available through accounts so established shall be accounted for on standard documentation required for expenditures of Government funds.

SEC. 103. (a) For the purpose of making payment to the Commodity Credit Corporation to the extent the Commodity Credit Corporation is not reimbursed under section 105 for commodities disposed of and costs incurred under titles I and II of this act, there are hereby authorized to be appropriated such sums as are equal to (1) the Corporation's investment in commodities made available for export under this title and title II of this act, including processing, packaging, transportation, and handling costs, and (2) all costs incurred by the Corporation in making funds available to finance the exportation of surplus agricultural commodities pursuant to this title. Any funds or other assets available to the Commodity Credit Corporation may be used in advance of such appropriation or payments, for carrying out the purposes of this act.

(b) Transactions shall not be carried out under this ttile which will call for appropriations to reimburse the Commodity Credit Corporation, pursuant to subsection (a) of this section, in amounts in excess of $1 billion.

SEC. 104. Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, the President may use the foreign currencies which accrue under this title for the purposes set forth in section 2 of this act, including one or more of the following purposes:

(a) To help develop new markets for United States agricultural commodities on a mutually benefiting basis;

(b) To purchase or contract to purchase for the United States stockpile materials essential to the national security (as determined by the President) under contracts, including advance payment contracts, for supply extended over periods up to 10 years and assure insofar as practicable that materials so purchased would not displace United States domestic production or usual commercial imports into the United States. Materials so acquired shall not be released for resale except pursuant to the terms of the Strategic and Critical Materials Stockpiling Act, as amended;

(c) To procure military equipment, materials, and services for the common defense;

(d) For the purchase of goods or services for other friendly countries;

(e) For increasing production for domestic needs in friendly countries;

(f) To pay United States obligations abroad;

(g) For loans to promote multilateral trade and economic development, made through established banking facilities of the friendly nation from which the foreign currency was obtained or in any other manner which the President may deem to be appropriate:

Provided, However, That section 1415 of the Supplemental Appropriation Act, 1953, shall apply to not less than 10 percent of the foreign currencies which accrue under this title: *Provided, however,* That the President is authorized to waive such applicability of section 1415 in any case where he determines that it would be inappropriate or inconsistent with the purposes of this title.

SEC. 105. Foreign currencies received pursuant to this title shall be deposited in a special account to the credit of the United States and shall be used only pursuant to section 104 of this title, and any department or agency of the Government using any of such currencies shall reimburse the Commodity Credit Corporation in an amount equivalent to the dollar value of the currencies used.

SEC. 106. As used in this act, "surplus agricultural commodity" shall mean any agricultural commodity or product thereof, class, kind, type, or other specification thereof, produced in the United States, either privately or publicly owned, which is in excess of domestic requirements, adequate carryover, and anticipated exports for dollars, as determined by the Secretary of Agriculture.

SEC. 107. The President shall make a report to Congress with respect to the activities carried on under this act at least once each 6 months and at such other times as may be appropriate.

SEC. 108. No transactions shall be undertaken under authority of this title after June 30, 1957, except as required pursuant to agreements theretofore entered into pursuant to this title.

TITLE II—FAMINE RELIEF AND OTHER ASSISTANCE

SEC. 201. In order to enable the President to furnish emergency assistance on behalf of the people of the United States to friendly peoples in meeting famine or other urgent relief requirements, the Commodity Credit Corporation shall make available to the President out of its stocks such surplus agricultural commodities (as defined in section 106 of title I) f. o. b. vessels in United States ports, as he may request, for transfer (1) to any nation friendly to the United States in order to meet famine or other urgent relief requirements of such nation, and (2) to friendly but needy populations without regard to the friendliness of their government.

SEC. 202. The President may authorize the transfer on a grant basis of surplus agricultural commodities from Commodity Credit Corporation stocks to friendly nations to assist low-income groups through special cooperative programs undertaken with foreign governments, for relief and increased consumption.

SEC. 203. Not more than $100 million worth of surplus agricultural commodities from Commodity Credit Corporation stocks may be used by the President without regard to the requirements of this title or of the Mutual Defense Assistance Control Act of 1951, when the President deems that such use is important to the foreign policy objectives of the United States.

SEC. 204. Not more than $300 million (including the Corporation's investment in the commodities) shall be expended for all transfers, including delivery on board vessels in United States ports, under this title. The President may make such transfers through such agencies, in such manner, and upon such terms and conditions as he deems appropriate; he shall make use of the facilities of voluntary relief agencies to the extent practicable.

SEC. 205. No programs of assistance shall be undertaken under the authority of this title after June 30, 1957.

TITLE III—GENERAL PROVISIONS

SEC. 301. Section 407 of the Agricultural Act of 1949 is amended by adding at the end

thereof the following: "Notwithstanding the foregoing, the Corporation may make available to the President any farm commodity owned or controlled by it for use in relieving distress (1) in any area in the United States declared by the President to be an acute distress area because of unemployment or other economic cause if the President finds that such use will not displace or interfere with normal marketing of agricultural commodities and (2) in connection with any major disaster determined by the President to warrant assistance by the Federal Government under Public Law 875, 81st Congress, as amended (42 U. S. C. 1855). The responsibility of the Corporation in connection with the use of such commodities shall be limited to delivery of the commodities to designated agencies at one or more central locations in each State, except that facilities and funds of the Corporation may be utilized for the processing or packaging of such commodities on a reimbursable basis.

SEC. 302. Section 416 of the Agricultural Act of 1949 is amended to read as follows:

"SEC. 416. In order to prevent the waste of commodities acquired through price-support operations by the Commodity Credit Corporation before they can be disposed of in normal domestic channels without impairment of the price-support program or sold abroad at competitive world prices, the Commodity Credit Corporation is authorized, on such terms and under such regulations as the Secretary may deem in the public interest: (1) upon application, to make such commodities available to any Federal agency for use in making payment for commodities not produced in the United States; (2) to barter or exchange such commodities for strategic defense materials as provided by law; (3) to donate such commodities to the Bureau of Indian Affairs and to such State, Federal, or private agency or agencies as may be designated by the proper State or Federal authority and approved by the Secretary, for use in nonprofit school-lunch programs, in the assistance of needy persons, in State or Federal penal and corrective institutions, and in publicly owned hospitals; (4) to donate any such commodities in excess of anticipated disposition under (1), (2), and (3) above to nonprofit voluntary agencies registered with the Committee on Voluntary Foreign Aid of the Foreign Operations Administration or other appropriate department or agency of the Federal Government for use in the assistance of needy persons outside the United States. In the case of (3) and (4) above the Secretary shall obtain such assurance as he deems necessary that commodities disposed of thereunder will be in addition to and not in substitution for any normal consumption. In order to facilitate the appropriate disposal of such commodities, the Secretary may from time to time estimate and announce the quantity of such commodities which he anticipates will become available for distribution under (3) and (4) above. The Commodity Credit Corporation may pay, with respect to commodities disposed of under this section, reprocessing, packaging, transporting, handling, and other charges accruing up to the time of their delivery to a Federal agency or to the designated State or private agency, in the case of commodities made available for use within the United States, or their delivery free alongside ship or free on board export carrier at point of export, in the case of commodities made available for use outside the United States. For the purpose of this section the terms 'State' and 'United States' include the District of Columbia and any Territory or possession of the United States."

SEC. 303. The second paragraph of the act of June 28, 1937 (50 Stat. 323), as amended, is hereby amended by adding before the period at the end thereof the following words "and for use in such State penal and corrective institutions as the Secretary may approve."

SEC. 304. Whenever the Secretary has reason to believe that, in addition to other authorized methods and means of disposing of agricultural commodities owned by the Commodity Credit Corporation, there may be opportunity to protect the funds and assets of the Commodity Credit Corporation by barter or exchange of such agricultural commodities for strategic materials entailing less risk of loss through deterioration or substantially less storage charges, he is hereby directed to use every practicable means to assist other Government agencies and private trade channels in arranging and making such barters or exchanges or to utilize the authority conferred on him by section 104 (h) of the Commodity Credit Corporation Charter Act to make such barters or exchanges. Strategic materials so acquired by the Commodity Credit Corporation shall be considered as assets of the Corporation and other agencies of the Government, in purchasing strategic materials, shall purchase such materials from Commodity Credit Corporation inventories to the extent available in fulfillment of their requirements. The Secretary is also directed to assist, through such means as are available to him, farmers' cooperatives in effecting exchange of agricultural commodities in their possession for strategic materials.

Mr. HOPE. Mr. Chairman, I ask unanimous consent that the bill be considered as read, and that amendments be in order to any part thereof.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. JAVITS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think we all understand what this bill is. It is an effort to begin to relieve the United States Government of some very heavy agricultural surpluses. It is really a kind of beginning of the great debate on the question of fixed parities or flexible parities to be incorporated in the coming farm bill.

I think this is going to be a great debate and it is going to consider the balance of the Government's farm price support policies. It has got to consider the balance with the interests of city consumers. It is a great privilege to have a word on this subject in terms of the city consumer, especially in view of the fact that today we are talking about flexible parity as the President's program. I would like to emphasize that fact very clearly. The President's program is the flexible parity program. This represents the program of the administration in an effort to give balance to the farm price situation.

It does not seem to me to be balanced when the United States Government has $6¾ billion worth of surplus commodities piled up and when we have to look for ways and means of relieving the surplus which is costing $700,000 a day carrying charges alone. Of course, it seems to me impossible to explain the virtue of the system, except that it must be changed when, at the same time, with a high, fixed parity-price guaranty, the farmer's income has been going down. There is something wrong somewhere when the people in the cities are paying both prices at the high-support levels and taxation for the purpose of making good on the fixed price-support program. Something must be wrong somewhere.

My colleagues say that the losses of the Commodity Credit Corporation have been very small. We got to that a little while ago, when I interrogated the chairman of the committee on this very bill. Sure, he said, we are providing that the Congress appropriate all the money that the Commodity Credit Corporation paid out for these commodities, regardless of what you have to sell them for in terms of the world market prices under this bill. In that way no loss is shown for Commodity Credit Corporation, though there is, in fact, a loss and the taxpayer is making it good.

I assure you that if I could run a business the same way I would show no loss whatever. As a matter of fact, it is surprising that any loss whatever is conceded.

Then the statement is made that we are still taking losses on the flexible parity-price program like the one on dairy products. That is not a tricky statement, because perhaps in dairy products even 75 percent of parity will continue to roll up surpluses and losses. If there be balance and some accommodation to the interests of city consumers and such compromise brings some losses, then they must be accepted. Let us not forget that Members from farm areas held the Secretary of Agriculture for years, and the whole price structure of the country in dairy products for years up to the 90 percent of parity level. Despite the 1949 Hope-Aiken Act and the vast and mounting surpluses, the high fixed-parity price for dairy products was held up by successive Secretaries of Agriculture at the behest of the dairy-products areas when these products were literally running out of our ears.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. Let me just finish my thought, please.

Mr. AUGUST H. ANDRESEN. But the gentleman is not stating the facts.

Mr. JAVITS. I will yield later, and you can correct me, but let me finish my thought. It seems to me that the program which we are offered by the administration for flexible parity support prices has got to appeal to the people who represent the great proportion of the people of the country, the consumers of farm products, or it will never be passed. If these predictions which we hear made that for some political reason city Congressmen are going to go along with this high support fixed price parity deal, they had better look to what their city consumers are going to say about it, because it is going to be called strongly to their attention. You cannot ride this horse both ways. If the people who represent the farming areas of this country are going to fight to protect them, and they certainly should, there has to be another interest to fight just as hard to protect the city consumer, and we will get a reasonably rough compromise, and I think the flexible parity is the reasonably rough compromise.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman probably does not realize that dairy products have been under the fixed parity all the time. The Secretary could fix the price between 90 and 75 percent of parity at any time.

Mr. JAVITS. But the gentleman knows the Secretaries were holding dairy products support prices firm at 90 percent of parity until April 1 of this year, and that it was a political revolution by this administration and this Secretary of Agriculture that got it changed and gave consumers a break. It was because city consumers did not get on their hind legs and holler through their representatives here that this did not happen sooner. That is what I am doing—protesting—and that is what I hope many others from the cities will do.

Mr. AUGUST H. ANDRESEN. I assume, the way the gentleman is talking, that he would favor reducing the floor under wages?

Mr. JAVITS. No. I think the minimum wage, considering the wage level in our country, bears no such relation to the worker as the flexible parity support price bears to the farmer—it will help and affect many more farmers proportionately and I am glad that it should.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mrs. KELLY of New York. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mrs. KELLY of New York:

Page 11, line 2, after section 106 insert a new section reading:

"SEC. 107. As used in this act 'friendly nation' means any country other than (1) the U. S. S. R., or (2) any nation or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement."

Renumber subsequent section of title I to conform.

The CHAIRMAN. The gentlewoman from New York is recognized.

Mr. COOLEY. Mr. Chairman, will the gentlewoman yield?

Mrs. KELLY of New York. I yield.

Mr. COOLEY. I would just like to say, Mr. Chairman, that I think this language is in conformity with language which was developed when hearings were held on the relief bill last year, H. R. 6021, if I am not mistaken.

I personally see no objection to it because of the development of the very language that is in the amendment under consideration. It seems to me that it makes very certain something that otherwise might be in doubt.

Mr. HOPE. Mr. Chairman, will the gentlewoman yield?

Mrs. KELLY of New York. I yield.

Mr. HOPE. I, of course, am in sympathy with the purpose of the gentlewoman from New York. I think the term "friendly country" has by reason of its previous use a definite meaning; but I have no objection to attempting to make it more specific. As has been stated by the gentleman from North Carolina, the language which the gentlewoman is adding in this amendment has been suggested on a previous occasion by the State Department, and I see no reason why we should not accept the amendment.

I have not had time to take it up with the members of our committee; I have talked to a few, but as far as I personally am concerned I have no objection to the amendment.

Mr. GROSS. Mr. Chairman, will the gentlewoman yield?

Mrs. KELLY of New York. I yield.

Mr. GROSS. Exactly what does the amendment provide?

Mrs. KELLY of New York. This amendment provides that these commodities shall not be sold to Iron Curtain countries. It is very simple.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentlewoman yield?

Mrs. KELLY of New York. I yield.

Mr. AUGUST H. ANDRESEN. I rather feel that you have a good amendment there, but I would like to ask the gentlewoman how she would treat cases where all these so-called friendly countries that we will help under this legislation have bilateral trade agreements with the countries she is now precluding from getting any of this relief, and I am just wondering how you are going to treat the friendly countries doing business with Russia and these other countries?

Mrs. KELLY of New York. I do not believe those countries will buy or purchase food that they cannot consume; and I do not fear that our friendly nations so described in this act will resell it to the Soviet bloc.

Mr. AUGUST H. ANDRESEN. We hope that this works out that way. I do not know how they are going to police it; nevertheless, that is the intent of the legislation.

Mrs. KELLY of New York. I thank the gentleman.

Mr. COOLEY. Mr. Chairman, will the gentlewoman yield further?

Mrs. KELLY of New York. I yield.

Mr. COOLEY. I would just like to say that in a communication dated July 22, 1953, addressed to Chairman CLIFFORD HOPE of the House Committee on Agriculture and signed by the Assistant Secretary of State, you will find this language:

If H. R. 6016 is enacted, the administration would interpret the term "friendly country" for the purposes of that act to mean any country other than (1) the U. S. S. R., or (2) any nation or area dominated or controlled by the foreign government or foreign organization controlled by the world Communist movement.

That is exactly the language in the gentlewoman's amendment.

Mrs. KELLY of New York. That is correct; and the reason I would like to incorporate it actually in the act is to prevent anyone from misinterpreting it.

Mr. COOLEY. Then we will not be dependent upon some interpretation by a bureaucrat.

Mrs. KELLY of New York. The interpretation will be in the act itself.

Mr. COOLEY. I hope the amendment will be adopted.

Mr. MORANO. Mr. Chairman, will the gentlewoman yield?

Mrs. KELLY of New York. I yield.

Mr. MORANO. Would this language exclude Yugoslavia from the opportunity of receiving these commodities?

Mrs. KELLY of New York. Correct.

Mr. Chairman, I am delighted this amendment has been accepted and I am sure it will meet the approval of those who are concerned about the problem.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I believe the gentlewoman from New York has offered a good amendment, but I should like at this time to point out that in 1951 this House passed what is known as the Battle Act which provided for the withholding of foreign aid from any country which shipped strategic materials to Communist countries.

Early this year France, Britain, and 4 or 5 other foreign countries blandly admitted they had sold strategic materials behind the Iron Curtain to Russia and her satellites, yet when confronted with applying the penalty provisions of the Battle Act, depriving those so-called allies of economic aid, the President of the United States said it was not in the best interests of this country to do so. With all good intentions this Congress passed the Battle Act. I voted for it, as did a majority of the House, yet we have the President of the United States refusing to enforce the penalties provided by Congress against trade with the Communists.

I hope the pending amendment will be adopted and I hope it will be accorded a better fate than the Battle Act.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York [Mrs. KELLY].

The amendment was agreed to.

Mr. DIES. Mr. Chairman, I offer an amendment and I ask unanimous consent to speak for an additional 5 minutes.

The Clerk read as follows:

Amendment offered by Mr. DIES:

Page 6, line 3, after the word "seek" insert "and secure."

Page 6, line 13, after "act" insert "*Provided, however,* That no agricultural commodities shall be sold to any nation which exports or sells agricultural commodities to any Communist nation."

The CHAIRMAN. Is there objection to the request of the gentleman from Texas [Mr. DIES] to proceed for 5 additional minutes?

There was no objection.

Mr. DIES. Mr. Chairman, I am in sympathy with the effort to lessen our agricultural surplus to a reasonable extent; however, I do not share the apprehension expressed by so many Members with reference to our surplus products. It is my opinion that the time is not far distant when the surpluses which we have accumulated in industry and in agriculture may mean a great deal to the survival of the United States. We are living in the most perilous period in the history of the world. We refuse to recognize the realities of the problems which confront us. The desire everywhere is to trade, to live a peaceful existence. We hug the delusion that something will happen to prove an exception in the history of the world.

The history of the world has shown without a single exception that where a nation builds up a mighty military armament dedicated to the proposition of world conquest, the free nations can survive only when they unite behind a firm, honest, and consistent policy. Failure to do so leads ultimately to war. And war is something that no one wants to comtemplate; yet if we are realistic we must recognize that the Soviet Union has been gaining day by day and month by month, and that we are on the retreat. Communism is now ready to absorb Asia, and confronting communism is a vacillating coalition which cannot make up its collective mind whether it is prepared to pay the awful price of stopping communism. Once Russia is convinced we are ready to pay that price Communist aggression will halt and war will be averted. England wants to trade with the Soviet Union. India has just concluded a pact to trade with Soviet China. There is increasing public opinion in the United States to trade. We give lipservice to the propcsition that we want to stop communism, and we continue to appropriate billions of dollars on a program designed to stop communism when, as a matter of fact, there is one way and one way alone that we can halt the onward march of the Soviet military juggernaut. That way is a united and firm front of the free world and a denial to the Communist bloc of the one thing they need above every other thing, which is nonstrategic material. The budget of the Soviet Union discloses that a disproportionate percent of their productive energy has been diverted to the creation of military armaments. Their need is for food, for clothing; desperately they need these basic essentials in Russia and in all the satellite countries, the very things which we propose to give them.

Now, I recognize that the gentlewoman has offered an amendment that will help, but it will not do the job. Here you have a provision which says that you can give to friendly but needy populations without regard to the friendliness of their government. Now, what does that mean? Will anyone explain it to me? It means that you can give to the people of every satellite country, and of Russia, regardless of the amendment offered by the gentlewoman from New York. You have a provision which says the President shall seek commitments against reshipment to Iron Curtain countries but the language is not mandatory.

Mr. COOLEY. I do not think it means that. What title is the gentleman reading from?

Mr. DIES. I am reading from title II.

Mr. COOLEY. Title I refers to foreign currency and title II is the giveaway program.

Mr. DIES. Well, it is all a giveaway program, is it not?

Mr. COOLEY. That is right.

Mr. DIES. Let us not kid ourselves.

Mr. COOLEY. That is right.

Mr. DIES. Let us not kid ourselves. Here is the situation, and let us be frank with the American people. I know no one wants to pay the price of stopping communism. I know England does not want to do it, and I know the United States does not want to do it. The plain truth is that we are not willing to put principles above dollars to stop the Communist conquest. If noncommunist countries were willing to do that, we could stop the shipment of all materials to the Soviet bloc and impose an embargo. That would deal Soviet Russia the death blow. But, because of vacillation, because of indecision, because we want to give lip service to one thing and actually practice another thing, the Soviet Union is laughing at us. Do you think or does anyone think that the Soviet Union believes that we and our allies mean what we say? If you were in the Kremlin, would you stop the invasion of Asia when you know that France and England and the United States and all the rest of us are not prepared to take the measures, the awful, tragic measures, which are essential to defeat of the Communist ambition?

So, mark my word. The Soviet Union has in the course of 25 years made the most remarkable progress of any military dictatorship in all of history. In my lifetime and your lifetime we have seen Russia emerge from a third-rate power to the status of a world menace, and step by step and inch by inch she is moving toward world conquest. All I propose to do, and I know you will not adopt it, because to adopt it would be to be consistent, and no one is going to be consistent in our foreign policy, is to practice what we preach. Let us show by our deeds that we mean what we say. Let me submit this to you. Do you think that it is honest to ship agricultural surplus products to a country which, in turn, is exporting, selling agricultural surplus products to the Soviet Union? You can put any sort of language in here but as long as you ship to England or India or any other country agricultural products and enable them, in turn, to ship their agricultural surplus to the Soviet bloc, then you are strengthening the Soviet Union in the one weakness which exists throughout its empire; that is a lack of food and clothes and the necessities of life. That is what they desperately want, not guns, not airplanes, because they have devoted their energies, their productivity, to guns and to planes and to armament.

Mr. Chairman, we are concerned here about agricultural surpluses, but we are entering a gigantic struggle for survival with the strongest military power the world has ever seen. They have outsmarted and outgeneraled us from the very beginning. It was our stupidity, our lack of leadership, and our money that enabled the Soviet Union to rise to the position of menace which she now occupies. It was because of our vacillation, because we coddled them and protected them, and recognized them at a time when they could not have secured recognition without our stupid policy, that we and our allies have helped to build Soviet Russia. Every move we make is in the direction of further strengthening this military power.

Some day you have got to make up your mind. We have got to stop kidding the American people. You cannot stay free unless you are willing to pay a price for freedom, a price in sacrifices, a price in dollars, a price, if need be, in blood itself if we fail now to adopt and pursue a firm and united policy.

Until the Soviet Union believes that the free world means what it says, it will continue to move forward from one field of conquest to another until within another 5 years all of Asia and a large part of Europe will be under the hammer and sickle. And then we will return to involuntary isolation.

Mr. BURLESON. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield.

Mr. BURLESON. I am sorry to interrupt the beautiful speech of my esteemed colleague, but I should like to get back to the subject of this bill, the disposition of surplus agricultural commodities. The gentleman has taken two premises. The first is that this is a giveaway program. Then the gentleman says that we must make sacrifices and expenditures. If I consider that this is a giveaway program, I am not going to vote for the bill.

The other premise of the gentleman is that all of our allies and all of our friends are trading with the Soviet bloc. If I believed that, that they were trading to such an extent that we are strengthening them or going to strengthen them, then I shall not vote for the bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DIES. Mr. Chairman, I ask unanimous consent to proceed for an additional 3 minutes to answer the question of my colleague the gentleman from Texas [Mr. BURLESON].

Mr. HOPE. Mr. Chairman, reserving the right to object, we are trying to finish with the bill this evening. I do not like to object, but the gentleman already has had 5 additional minutes.

Mr. DIES. I withdraw my request, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Chairman, I offered two amendments and ask the Chair to distinguish between them and have the first one read.

The CHAIRMAN. Does the gentleman want the amendments considered separately or en bloc?

Mr. DIES. Separately, Mr. Chairman, because they apply to different sections of the bill.

The CHAIRMAN. The Clerk will report the first amendment offered by the gentleman from Texas [Mr. DIES].

The Clerk read as follows:

Amendment offered by Mr. DIES: On page 6, line 3, after the word "seek" insert "and secure."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and the Chair announced that the ayes seemed to have it.

Mr. HOPE. Mr. Chairman, I demand a division.

Mr. DIES. Mr. Chairman, this simply clarifies the language which says that

the President shall seek commitments. I assume the Committee means him to get the commitments, so I include the words "and secure."

Mr. HOPE. I understand what the gentleman's amendment is. I ask for a division.

The question was taken; and there were—ayes 59, noes 26.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will report the second amendment offered by the gentleman from Texas.

The Clerk read as follows:

Amendment offered by Mr. DIES: On page 6, line 13, after "act" insert "*Provided, however,* That no agricultural commodity shall be sold to any nation which exports or sells agricultural commodities to any Communist nation."

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I doubt the wisdom of adopting this amendment. We are in a situation where we cannot impose our will on all the peoples of the world. I have made as many speeches as the gentleman from Texas opposing doing anything that will build up our enemies. I have said, if they are not our enemies, why in the world are we drafting our own boys to fight them? If they are our enemies, then why should we do anything that would strengthen them? That is the basic argument, and it is sound.

But it is not all of the story. The fact is that our foreign policy consists of two difficult and in some respects incompatible jobs: we must hold together, if we can, the alliance of powers around the North Atlantic, and at the same time try to prevent the piecemeal loss of Asia to the Communists.

On the one hand we could say, as some of our Western European allies do, "Let Asia go." Apparently they think we will then have more to give to them. We cannot follow that course. We have a Pacific as well as an Atlantic front.

On the other hand, we could say, "If some countries will not go along with us in shutting off all exports to Communist countries, we won't give them any further aid or even sell any of our surpluses to them. We will concentrate our efforts only on the people who will stand with us completely."

But neither of those courses is good enough. We need all the help we can get. We have to prevent further Communist gains anywhere, if we can, without destroying such unity as we have with the countries of free Europe. If it looks as if we are carrying water on both shoulders, we are, part of the time. It does not serve the interests of the United States to say, "Unless you do exactly what we here dictate that you do, we will cut you off." For we would be cutting our own throat in the process.

Looked at in the large, we have to have the opposite shores of the Atlantic and Pacific in the hands of countries friendly to the United States if we ourselves are to be secure. We must not do anything to weaken our relations with the free countries holding those shores.

Everybody here is in complete sympathy with the objective the gentleman from Texas is trying to accomplish. I certainly am, as much so as anybody in this body, as I think you will agree. I made a speech here on May 28 urging that neither we nor our allies fall into the trap of expanding trade with the Soviet bloc. But there are practical situations where we have to try to keep those who have the greatest military and other kinds of strength as closely allied with us as possible in some kind of a coalition, even though they do not yet go along with us in some things like this trade matter.

We have this great disadvantage as compared with the Kremlin. It can impose its will on all people on its side. The economies of the 800 million under it are unified by force. Ours is not that kind of system. Ours has to be a voluntary association. We cannot impose our will. If we did, our side would be like the Kremlin's. This is a disadvantage; but it is the price we pay for our own freedom and for the freedom of our allies.

Our Government is doing all it can, we are assured, to reduce the amount of trade that is going from some of our allies to the Kremlin, and to keep it in those commodities which are least essential to their armament and military strength. It seems to me just not wise or in the interest of our own security for us to adopt this amendment which would say, "You must jump through the hoop when we say so, or else we will not do anything further to help you keep on this side of the curtain."

I fear the effect of the amendment, if it became law, might be to cause whole groups of people who want to be on our side and still are on our side in this gigantic struggle, to tend toward the other extreme, in resentment, frustration or economic difficulty. I do not believe they can be driven.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. COOLEY. Would it not be almost impossible to administer the provisions of the amendment offered by the gentleman from Texas?

Mr. JUDD. Of course, that is the case.

Mr. COOLEY. It seems to me the language in the bill to which the amendment offered by the gentleman from Texas would apply would be sufficient, "that the administration should seek and undertake to get commitments from participating countries that would prevent the resale or transshipment to other countries or for use for other than domestic purposes."

It seems to me if we go far enough to adopt the pending amendment we might just as well tear up the bill and go back to our offices because we are not going to be able to do business with anybody anywhere.

Mr. JUDD. That is true and we will have greater and greater surpluses all over the United States because it would make it impossible to carry on trade. To seek voluntary commitments by those countries and to threaten these countries, I submit are two different things.

Mr. COOLEY. And we will be constantly held up before the Soviet world as a greedy nation with our storehouses bulging with these vital foods and fibers, and that we are so selfish that we will not even come to the rescue of starving people.

Mr. JUDD. Our situation is like that which a doctor faces frequently. He decides on a course he does not like; the operation may be cruel and bloody and mutilating and dangerous. Why, then, does he do it? Because the alternative is worse.

This is a case where we have to go along with certain things that we do not like. They are far from ideal. We would rather have nothing to do with such trade. But we have to for the present, because of the total power situation in the world which would make the alternative proposed by the gentleman still worse. It would injure our side more than it would the Kremlin's. I hope the gentleman's amendment will be defeated.

Mr. HOPE. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, this legislation, of course, has but one fundamental purpose, and that is to build up the strength of the United States and to build up the strength of the free world through the methods provided for in this legislation as stated in the declaration of principles. It seems to me if we adopt any amendment as sweeping as that proposed by the gentleman from Texas, we will do exactly as the gentleman from North Carolina just stated, and that is to prevent this measure from operating in any way whatever. For instance, if I understand the gentleman's amendment correctly, and if I do not I would like to have him advise me, we could not ship wheat to a country that may ship jute or cotton or some entirely different commodity to Russia. As I understand the gentleman's amendment, it is so sweeping that if any country in the world with whom we might carry on trade under this proposal should ship a very small amount of any agricultural commodity, even some entirely obscure commodity to Russia or any other Communist country, then that would prohibit us from having any dealings whatever with that country under this bill.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. COOLEY. I would like to propound a question to the gentleman from Texas [Mr. DIES]. Can the gentleman tell us the name of a single country with which we could trade if his amendment is adopted?

Mr. DIES. Yes, I think we could trade with the majority of countries. All this amendment provides is that if a country is exporting agricultural surpluses to the Soviet Union or to a Communist nation, we shall not give to such a country our agricultural surpluses.

Mr. COOLEY. I understand what the amendment offered by the gentleman from Texas would do, but what I want is the name of a single nation that is not now so engaged in such trade and commerce.

Mr. DIES. Practically all the countries except a few that have been announced are going to do business with the Communist bloc. What right have we to give them our agricultural sur-

pluses, if they are in a position to sell agricultural commodities to the Soviet Union?

Mr. COOLEY. Well, that is not contemplated by this at all.

Mr. DIES. What is contemplated by it?

Mr. COOLEY. Just what the language of the bill says. I ask the gentleman, Can he name a single country on earth that we can do business with under the restrictions of your amendment?

Mr. DIES. Yes. It is my understanding that a majority of the countries with whom we are allied are not shipping agricultural surplus products to the Soviet Union.

Mr. COOLEY. But they may be shipping something even more vital.

Mr. DIES. This does not apply to any exportable surplus except agricultural products. It is ridiculous to think about us, under the guise of this bill, shipping agricultural surplus products to a country which in turn is shipping agricultural surplus products to the Soviet Union.

Mr. COOLEY. I do not anticipate that that will happen under this bill.

Mr. JUDD. Denmark does not need more butter, but it does need wheat. It must have wheat. They may sell their surplus butter to some of the Soviet-dominated countries for the same reason that we want to sell our surplus wheat to them.

Mr. DIES. I do not know who has the time, but if a country needs to secure agricultural surplus products from us, then what right has that country to be shipping agricultural surplus products to the Soviet Union?

Mr. JUDD. It is not the same agricultural product. It cannot live 24 hours a day on its butter.

Mr. DIES. Well, I do not want to help them with a giveaway program such as this.

Mr. COOLEY. What you are talking about is section 1, which is not the giveaway section. This is sale for foreign currency.

Mr. DIES. But the effect is we get the foreign currency and then we buy things. But they are getting everything under this bill.

Mr. COOLEY. Oh, no.

Mr. DIES. What do we get?

Mr. COOLEY. We are getting foreign currency to use.

Mr. DIES. But what will they do with that foreign currency?

Mr. COOLEY. We can do numerous things.

Mr. DIES. We could, but does not the gentleman think that the primary purpose for which the currency will be used is to extend economic aid to those countries?

Mr. COOLEY. Here is what we can do with it. I can enumerate them, if the gentleman likes.

Mr. DIES. Does not the gentleman believe that most of the foreign currency which we accept under this bill will be used to extend economic aid to those countries?

Mr. COOLEY. No, not to the particular countries.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. HOPE] has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Chairman, it would seem to one who does not know too much about this bill or the situation which made its reporting out by the committee desirable, that those who have become alarmed because of the results of the policies which they have advocated and over the years insisted the Nation adopt and follow as the exporting of the surplus of cotton and tobacco and things like that on my right, and wheat and corn on our side, have lost sight of just what we are trying to do. Presumably we are trying to get out from under the surpluses we have created.

I have heard on the floor—and that is all I know, what I hear here and what I read once in a while—that we are in danger because of certain activities on the part of Russia and her allies. Of course, we are in no danger unless Russia and her controlled nations are armed or can arm themselves. I gather that Russia and the other countries dominated by her cannot carry on their military program and still feed their people. The people are in danger of starving. So, having grown tired of shipping munitions of war to Russia, as we did not so long ago when she was supposed to be friendly, instead of sending over weapons that they might use to fight us, and have given to others to fight—the men we conscript, we fix it so that they will have more money and more power to make themselves while we feed and clothe their people. But to one who has not been educated along the lines of practical foreign policy, that does not make sense. I read a long time ago that an army fought on its belly, meaning, I suppose, that the soldiers have to eat. So when Russia and her allies cannot feed themselves but through their military power threaten and would fight us, to enable them to do that more effectively we feed them. To the experts on foreign policy that may make sense—to me it does not. It is difficult enough to love your enemy—to feed him while he prepares or makes war is something that seems foolish and suicidal.

I yield back the balance of my time.

Mr. HOPE. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. DORN of South Carolina. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is the first time I have taken the floor this year. I feel that the amendment offered by the gentleman from Texas certainly warrants the serious consideration of every single Member of this House. The gentleman from Texas [Mr. DIES] is as familiar with the dangers of the Communist menace as any man in America. He is only trying to prevent our products from strengthening the Communist world.

I am a farmer. I do not recall having earned a nickel in any other way except from the few public offices I have held other than on the farm, out of the soil of the Third District of South Carolina.

I am not willing to sit silently here today and see this House pass such a bill as this. I would rather take the loss on my farm if there is going to be a loss—and there certainly has been the last few years—rather than strengthen the Soviet Union, the enemies of the free world.

Mr. Chairman, I remember talking with Gen. Douglas MacArthur in Tokyo before he was removed from command—and I think that was one of the worst mistakes made in our modern international relationships. He said then that the foreign policy of this country was being set at No. 10 Downing Street, London, England, and had been for many years.

Sure, we want allies; we want England, but was it not England back in the Napoleonic days when Napoleon overran the whole continent of Europe, that put a blockade on Europe and cut off trade entirely from Napoleon, which led to his downfall? Sure it was. All right; but in modern times England has appeased the enemy time and time again. Remember, it was England who, back in the 1930's, was loaning the Nazis and the Fascists in Italy money with which to build up their military machines, and who was trading with them, and also with Japan. If we are going to defeat communism, let us draw the line and declare it the duty of every citizen of America, and the free nations, to cease all trade with the Communist countries even if it means losing a few dollars or not maintaining our standard of living up to what we would like it to be. If it means a little less material gain for ourselves, to accept it and keep our freedom. Let us not pass this problem on to generations unborn; let us not pass it on to our children; let us solve this problem today. Let us draw the line, and not send to the Soviet Union, or to Poland, or to Czechoslovakia, or to any of those satellite countries, the food and the fibers so necessary for the military conquest of the world.

Yes, I see the Committee on Agriculture here today. I have the highest respect for the gentlemen, but I suspicion in the writing of this bill the mysterious hand of the State Department—not the farmers of America. A State Department dominated by some of those countries who want to trade, so desperately want to trade with the Soviet Union. When world war III breaks out our vacillating allies will come back to this House again as they did in 1939 and 1940 trying to get our aid, our help, in getting them out of a problem which they solely for financial gain got themselves into.

Yes, I see in this bill some of the handiwork of the State Department camouflaging its fallacious foreign policy in an appeal to the farmers of our country. Our farmers would rather have a surplus than send their sons against the Red Army fattened with our agriculture.

I am opposed to sending the products of my farm to any country that sends its

agricultural products to strengthen the ruthless war machine of the Soviet and satellite countries.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. DORN of South Carolina. I yield.

Mr. COOLEY. Was the gentleman here when the Kelly amendment was adopted?

Mr. DORN of South Carolina. Yes, I was.

Mr. COOLEY. Is the gentleman aware that the amendment defines "friendly nations" as meaning any country other than the U. S. S. R. or any nation or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement?

Is not that broad enough to take care of the gentleman's situation?

Mr. DORN of South Carolina. I would like to say this to my distinguished friend from North Carolina: These so-called friendly countries are the very ones who will be the recipients of this giveaway bill but who will continue to be free to send their products to the Russian countries. This is an indirect way to build up our enemies. The farmers of America value freedom far more than a few dollars profit gained at the price of future American blood. I will say to the gentleman that I was in favor of the Kelly amendment. I was on the floor when it was offered and I voted for it. But the amendment offered by the gentleman from Texas is plainer and is more forthright and I think it can do the job better.

Mr. COOLEY. Let me ask the gentleman: Can he give us the name of a single nation that we could do business with under the pending amendment?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. DIES].

The question was taken; and on a division (demanded by Mr. DIES) there were—ayes 37, noes 74.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. BISHOP].

Mr. BISHOP. Mr. Chairman, I desire to make an announcement. The congressional baseball game sponsored by the Evening Star has been called off until tomorrow night. I hope you will all be there at that time.

Mr. JUDD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JUDD: Page 9, lines 22 and 23, strike out subsection (e) and insert in lieu thereof the following:

"(e) For promoting balanced economic development and trade among nations."

Mr. JUDD. Mr. Chairman, this is 1 of 7 or 8 amendments I spoke of earlier in general debate. The purpose of this particular amendment is to make more clear what the objective of this subsection of the bill is. As it reads now the program could be and sometimes has been operated to try to make countries that are now our customers completely self-sufficient so that they will not need to buy anything from us any more. That is not the objective of the bill.

The language would be changed to read: "For promoting balanced economic development and trade among nations."

That is, we want to use our surpluses to increase their production of commodities that we and others might need and not the things that we already have in surplus to sell to them.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Kansas.

Mr. HOPE. May I say to the gentleman that I have examined his amendment. I have discussed it with some members of the Committee on Agriculture. Personally, I believe the gentleman's amendment improves the bill. I may say the same thing also as to the other amendments which I understand the gentleman is going to offer. I think they are all changes in language which will improve the bill and I shall not interpose any objection to them.

Mr. JUDD. That is correct. This amendment is designed to improve the bill so that it will use the foreign currencies to strengthen and increase the capacity of recipient countries to buy. That is the object of the amendment.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Indiana.

Mr. HALLECK. As I understand it, these amendments have been discussed with members of the Committee on Agriculture and the members of that committee are in agreement so far as the amendments are concerned?

Mr. JUDD. Yes.

Mr. HALLECK. Has the gentleman made an explanation of them in general debate?

Mr. JUDD. I did not discuss all of them in detail. These were worked out, as I did explain in general debate, in the Foreign Affairs Committee where the original legislation, of which this bill is a development, was formulated last year. If these amendments are accepted here it probably will not be necessary to have a jurisdictional struggle between the committee. The members of the Committee on Agriculture with whom I have spoken feel that these are improvements and in no case weaken the bill. There were two more which I should have liked to introduce but the Committee on Agriculture did not approve and so the gentleman from Texas [Mr. BURLESON] and I do not intend to offer them here.

Mr. HALLECK. Mr. Chairman, if the gentleman will yield further, may I make this suggestion to the gentleman and to the members of the Committee? There is some debate among us as to whether or not this measure might be concluded tonight. If it is to go on for any further length of time, of course, we need to go over until tomorrow, in which event I would probably feel it advisable to come in at 11 o'clock. I might make this suggestion to the gentleman, if he sought unanimous consent to offer his amendments en bloc, we possibly could dispose of them that way, and then I do not know how much time would be consumed on other amendments because I do not know how many there are at the desk. Of course, if it was to run for a considerable period of time, as I say, I think the Committee should rise.

Mr. COOLEY. Mr. Chairman, if the gentleman will yield, I wonder if we could inquire whether there are other amendments.

Mr. BURLESON. Mr. Chairman, I have two other amendments on this page of one word each. They are very simple, and I would not think there would be any debate on them. As a matter of fact, the gentleman from North Carolina and the gentleman from Kansas have seen them, and I understand they are agreed to.

Mr. HALLECK. I wonder how many amendments there are at the desk other than those of the gentleman from Texas [Mr. BURLESON], and the gentleman from Minnesota [Mr. JUDD].

The CHAIRMAN. The Chair has seen the amendments on the Clerk's desk. There are 11 amendments, including the 2 that were mentioned by the gentleman from Texas [Mr. BURLESON]. There are 6 additional amendments beyond the one that the gentleman from Minnesota already has introduced, so there are 9, including the 7 to be offered by the gentleman from Minnesota, and 2 by the gentleman from Texas [Mr. BURLESON], and 2 in addition.

Mr. HALLECK. Who are the authors of the other amendments at the desk?

Mr. BAILEY. I have two amendments pending.

The CHAIRMAN. There is an amendment by the gentleman from West Virginia [Mr. BAILEY], in fact 2, perhaps, and 2 by the gentleman from Pennsylvania [Mr. FULTON].

Mr. HALLECK. I wonder if the authors of those amendments could suggest to us whether or not they are controversial or whether they have been cleared with the committee.

Mr. BAILEY. I have attempted to clear one with the committee, but did not entirely succeed. It certainly would not take any time to dispose of them. It is just a question of the Committee saying yes or no.

Mr. HALLECK. I think it is quite apparent, Mr. Chairman, that we cannot conclude tonight. If we dispose of the Judd and Burleson amendment this evening, I think then probably the Committee should rise.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. JUDD].

The amendment was agreed to.

The CHAIRMAN. Does the gentleman wish to offer the remaining amendments en bloc?

Mr. JUDD. If it is agreeable, I should like to offer the remaining amendments en bloc. There are four of them. The gentleman from Texas [Mr. BURLESON] has two. That would be six altogether.

Mr. Chairman, I ask unanimous consent that these six amendments may be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. GROSS. Mr. Chairman, reserving the right to object, I assume that each of these amendments will be explained and there will be an opportunity to ask questions about them. Is that correct?

Mr. JUDD. Under the procedure suggested by the majority leader, it was not intended to discuss them at length, because I do not believe there is controversy about any of them.

Mr. GROSS. That may be your judgment about the matter.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Indiana.

Mr. HALLECK. Of course, the amendments would be recorded so that one could determine what they are, and then if questions were asked about them, why, the questions could be addressed to the authors of the amendments and a discussion had in respect to each one of them if that were deemed desirable by the Member.

Mr. GROSS. I withdraw my reservation of objection, Mr. Chairman.

Mr. COOLEY. Mr. Chairman, if the gentleman will yield, I would like to say that we are about to consider all these amendments en bloc—these amendments have been submitted to the chairman of the committee—and then these amendments will be out of the way momentarily. Then we only have two other amendments. It seems to me if it is possible for us to stay here to conclude this bill tonight, it would be well for us to do so, because our committee is meeting tomorrow morning working on the farm bill, and if we come in at 11 o'clock, it will disrupt our morning session and probably go into the afternoon session.

Mr. HALLECK. I might say to the gentleman that I hoped very much that his committee would get that bill out on which they are working within a reasonable time.

Mr. COOLEY. We are making progress but I think we might stay here another 15 minutes and finish this bill.

The CHAIRMAN. Will the gentleman from North Carolina [Mr. COOLEY] permit the Chair to add to what he said a few moments ago that we seem to have a number of additional amendments that have been submitted for consideration by the committee. We now have, I think, about 10 or 11 above those offered by the gentleman from Minnesota [Mr. JUDD] and the gentleman from Texas [Mr. BURLESON].

Does the gentleman from Minnesota [Mr. JUDD] request that the amendments he is offering with those offered by the gentleman from Texas [Mr. BURLESON] be considered en bloc?

Mr. JUDD. Mr. Chairman, I ask unanimous consent that the 4 amendments offered by myself and the 2 offered by the gentleman from Texas [Mr. BURLESON] be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. BAILEY. Mr. Chairman, reserving the right to object, will we have the amendments read?

Mr. JUDD. Certainly.

The Clerk read as follows:

Amendment offered by Mr. BURLESON: On page 9, line 18, after the word "materials", insert a comma and the word "facilities."

Amendment offered by Mr. BURLESON: On page 9, line 20, after the word "For", insert the word "financing."

The CHAIRMAN. Will the gentleman from Minnesota clarify the amendment which was just read; which "for" is intended?

Mr. JUDD. The first "For." So it will read, "For financing the purchase of goods or services for other friendly countries."

The CHAIRMAN. The Clerk will again report the amendment offered by the gentleman from Texas [Mr. BURLESON].

The Clerk read as follows:

Amendment offered by Mr. BURLESON: On page 9, line 20, after the first "For" on line 20, insert the word "financing."

Amendment offered by Mr. JUDD: On page 5, lines 12 and 13, strike out the words "against the displacement of."

Amendment offered by Mr. JUDD: On page 9, line 2, after the word "use", insert the following: "or entered into agreements with friendly nations or organizations of nations to use."

Amendment offered by Mr. JUDD: On page 10, line 5, after the word "appropriate", insert a period and the following: "Goods, services, or foreign currencies may be accepted in payment of such loans."

Amendment offered by Mr. JUDD: On page 12, line 2, after the word "stocks", strike out the remainder of the section and insert the following: "to assist programs undertaken with friendly governments or through voluntary relief agencies including school-lunch programs."

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota [Mr. JUDD]?

Mr. BAILEY. Mr. Chairman, reserving the right to object, I would like to inquire of the gentleman from Minnesota with reference to the amendment he proposes, that we may accept goods in lieu of the currencies of other countries, is it proposed to bring a flood of those goods in under the reciprocal trade agreements?

Mr. JUDD. No; this is the loan provision. The bill gives seven purposes for which the foreign currencies which we receive in exchange for surplus commodities can be used. One of them is for loans to promote multilateral trade and economic development made through established banking facilities of the friendly nation from which the foreign currency is obtained, or in any other manner which the President may deem appropriate. Then the amendment adds that in making these loans we may accept goods, services, or foreign currencies in payment of those loans. If they can repay us in goods or services for those loans, that is better than their not repaying us. As a matter of fact, there are few things that they have which they could export to us that they are not already exporting, with which to pay for commodities now being bought from us in existing trade.

Mr. BAILEY. The gentleman will agree with me that they might be exported in greater quantity.

Mr. JUDD. They would have to come in under the tariff laws and other existing laws of the United States. This does not set aside any of our other laws by which goods are imported.

Mr. BAILEY. There are no quota limitations on the amount they can bring in?

Mr. JUDD. No.

Mr. BAILEY. That is the point exactly. You are just prepared to flood the American market with a lot of extra products we are already importing into this country. That is the question I am raising there, just what it is going to do to our domestic industry and our domestic producers.

Mr. JUDD. I do not say that. I think these countries are not going to buy these surpluses and give up their foreign currencies for them unless they want the commodities. The foreign currencies we receive can be used for loans as well as for other purposes. Where they are for loans, it seems to me, we would rather have goods, services, and foreign curencies, than nothing in return.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. JONES of Missouri. I object to the inclusion of that last amendment in those amendments to be considered en bloc.

The CHAIRMAN. Does the gentleman from Minnesota request the withdrawal of that amendment?

Mr. JUDD. Under the circumstances, Mr. Chairman, I ask unanimous consent to withdraw that amendment from the total of six.

Mr. BAILEY. Reserving the right to object, would the gentleman concede the point of striking the word "goods" out of this amendment?

Mr. JUDD. I would rather take that amendment up separately and dispose of all of these other five.

Mr. BAILEY. I am perfectly agreeable to that.

Mr. JUDD. That is what my request was.

The CHAIRMAN. Is there objection to the modified request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. JUDD. That means, Mr. Chairman, that the five amendments have now been adopted?

The CHAIRMAN. Consent has been given to the five amendments being considered en bloc, and they are now up for consideration.

The question is on the five amendments offered by the gentleman from Minnesota [Mr. JUDD] and the gentleman from Texas [Mr. BURLESON].

The amendments were agreed to.

Mr. HOPE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FORD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 2475) to authorize the President to use agricultural commodities to improve the foreign relations of the United States, and for other purposes, had come to no resolution thereon.

INDEPENDENT OFFICES APPROPRIATIONS BILL

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent that the conferees on the disagreeing votes of the two Houses on the bill H. R. 8583, the independent offices appropriations bill, have until midnight tonight to file a conference report and statement.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

AUTHORIZING SALE OF VESSELS TO CITIZENS OF REPUBLIC OF PHILIPPINES

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 72) to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines; to provide for the rehabilitation of the interisland commerce of the Philippines, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That notwithstanding the provisions of section 14 of the Merchant Ship Sales Act of 1946 (Public Law 321, 79th Cong.), as amended, or any other provision of law, the Secretary of Commerce is hereby authorized and directed to sell to citizens of the Republic of the Philippines in accordance with the Merchant Ship Sales Act of 1946, any or all of the eight vessels named herein: *Bowline Knot, Carrick Bend, Masthead Knot, Snug Hitch, George W. Tucker, Northern Wanderer, Boatswains Hitch, Turks Head*, which at present are in the Philippines: *Provided, however*, That the Secretary of Commerce, after consultation with the National Advisory Council in International Monetary and Financial Problems, shall fix the terms of payment on unpaid balances, which terms shall in no event be more favorable than the terms applicable in the case of sales to citizens of the United States.

In determining the order of preference between applicants for the purchase of such vessels, first preference shall be given to the applicants who are charterers of such vessels under the terms of the aforesaid act of April 30, 1946, as amended, at the time of making application to purchase vessels under the terms of this act; second preference shall be given to applicants who suffered losses of interisland tonnage in the interests of the allied war effort; provided applications for the purchase of said vessels are received by the Secretary of Commerce within 90 days after the date of enactment of this act.

Except with the prior approval of the Secretary of Commerce, any vessel sold under this joint resolution shall, for a period of 10 years from the date of sale of the vessel, be operated only in the interisland commerce of the Philippines.

Delivery of the vessels for the purposes of sale shall be made at a port in the Philippines designated by the Secretary of Commerce.

Notwithstanding any other provision of law, the said vessels shall continue to operate in the Philippines under existing charters until such time as the agreements of sale are executed and deliveries of the vessels thereunder are accomplished.

For the purposes of this act, the term "citizen" includes any individual, corporation, partnership, association, or other form of business entity authorized to do business under the laws of the Republic of the Philippines.

With the following committee amendment:

That, notwithstanding any other provisions of existing law, the Secretary of Commerce is authorized to extend and continue the present charters of vessels to citizens of the Republic of the Philippines, which charters were made and entered into under the terms of section 306 (a) of the act of April 30, 1946 (Public Law 370, 79th Cong.), and which charters were extended by the Secretary of Commerce under the terms of a joint resolution, approved June 30, 1953 (Public Law 87, 83d Cong.). Such charters may be further extended for such periods of time and under such terms and conditions as the Secretary may, from time to time, determine to be required in the interest of the economy of the Philippines, but any such charter shall contain a provision requiring that the vessel shall be operated only in the interisland commerce in the Philippines. No such vessel shall be continued under charter, as authorized herein, beyond the completion of the first voyage terminating after June 30, 1955.

The amendment was agreed to.

The joint resolution was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "Joint resolution to authorize the Secretary of Commerce to further extend certain charters of vessels to citizens of the Philippines, and for other purposes."

A motion to reconsider was laid on the table.

S. 2802

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I would like to ask the gentleman from Washington if he can advise us what action he proposes to take with reference to the bill, S. 2802, which is a fisheries bill, in which many of us are interested.

Mr. TOLLEFSON. Mr. Speaker, as soon as I can consult with the leadership of both sides, I intend to ask that the bill be taken up in the same manner as the joint resolution which was just passed.

Mr. McCORMACK. I had hoped that the screening process had already gone through, but apparently not.

Mr. TOLLEFSON. Mr. Speaker, for the information of the gentleman, I hope that we will be able to have the bill up on the floor before the end of this week if it is possible.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks was granted to:

Mrs. FRANCES P. BOLTON and include extraneous material.

Mrs. KEE and include extraneous matter.

Mr. MILLER of Nebraska.

Mr. OAKMAN.

Mr. KERSTEN of Wisconsin.

Mr. LANE and to include extraneous matter.

Mr. ROOSEVELT (at the request of Mr. POWELL).

Mr. SIEMINSKI.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. FRAZIER (at the request of Mr. PRIEST), for 1 week, on account of official committee business.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1004. An act to amend section 86, Revised Statutes of the United States, relating to the District of Columbia, as amended;

S. 2225. An act relating to the administrative jurisdiction of certain public lands in the State of Oregon, and for other purposes;

S. 2654. An act to authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Montgomery County, Md., and for other purposes;

S. 2657. An act to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia";

S. 3050. An act to amend the Agricultural Adjustment Act of 1938, as amended;

S. 3096. An act to further amend section 4 of the act of September 9, 1950, in relation to the utilization in an enlisted grade or rank in the Armed Forces of physicians, dentists, or those in an allied specialist category; and

S. 3213. An act relating to the merger of the Columbus University of Washington, District of Columbia, into the Catholic University of America, pursuant to an agreement of the trustee of said universities.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 27 minutes p. m.), under its previous order, the House adjourned until tomorrow, Wednesday, June 16, 1954, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1634. A letter from the Secretary of Agriculture, transmitting a copy of the Report on the Agricultural Experiment Stations, 1953, covering the fiscal year ending June 30, 1953; to the Committee on Agriculture.

1635. A letter from the Acting Comptroller General of the United States, trans-

mitting a report on audit of the Office of the Treasurer of the United States for the fiscal years 1952 and 1953, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1636. A letter from the Acting Comptroller General of the United States, transmitting a report on audit of the Soil Conservation Service, an agency of the Department of Agriculture, for the fiscal years ended June 30, 1951 and 1952, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1637. A letter from the Secretary of the Army, transmitting a draft of legislation entitled "A bill for the relief of Col. Walter E. Ahearn, and others"; to the Committee on the Judiciary.

1638. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of legislation entitled "A bill to authorize the Commissioners of the District of Columbia to fix rates of compensation of members of certain examining and licensing boards and commissions"; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 583. Resolution for sending to conference H. R. 7839, a bill to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities; without amendment (Rept. No. 1859). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 584. Resolution for consideration of H. R. 5181, a bill to revise the Organic Act of the Virgin Islands of the United States; without amendment (Rept. No. 1860). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 585. Resolution for consideration of H. R. 8008, a bill to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941; without amendment (Rept. No. 1861). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 586. Resolution for consideration of H. R. 8753, a bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to establish and operate motor vehicle pools and systems and to provide office furniture and furnishings when agencies are moved to new locations, to direct the Administrator to report the unauthorized use of Government motor vehicles, and to authorize the United States Civil Service Commission to regulate operators of Government-owned motor vehicles, and for other purposes; without amendment (Rept. No. 1862). Referred to the House Calendar.

Mr. JONAS of Illinois: Committee of conference. H. R. 7258. A bill for the relief of the Willmore Engineering Co. (Rept. No. 1863). Ordered to be printed.

Mr. WOLCOTT: Committee on Banking and Currency. S. 1665. An act to amend the Federal Credit Union Act; without amendment (Rept. No. 1864). Referred to the House Calendar.

Mr. WOLCOTT: Committee on Banking and Currency. H. R. 9142. A bill to amend sections 23A and 24A of the Federal Reserve Act, as amended; without amendment (Rept. No. 1865). Referred to the House Calendar.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 6886. A bill to ratify and confirm Act 280 of the Session Laws of Hawaii 1953 and to authorize the issuance of certain public improvement bonds by the Territory of Hawaii; with amendment (Rept. No. 1866). Referred to the House Calendar.

Mr. WOLCOTT: Committee on Banking and Currency. H. R. 9236. A bill to amend the Federal Credit Union Act, as amended; with amendment (Rept. No. 1867). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 8520. A bill to provide for construction by the Secretary of the Interior of the Ainsworth, Lavaca Flats, Mirage Flats Extension, and O'Neill irrigation developments as units of the Missouri River Basin project; with amendment (Rept. No. 1868). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 8027. A bill to amend the act of March 6, 1952 (66 Stat. 16), to extend the time during which the Secretary of the Interior may enter into amendatory repayment contracts under the Federal reclamation laws, and for other purposes; without amendment (Rept. No. 1869). Referred to the Committee of the Whole House on the State of the Union.

Mr. CORBETT: Committee on Post Office and Civil Service. H. R. 9245. A bill to establish a joint committee of Congress to study postal field service reclassifications, to increase the rates of basic compensation of postmasters, officers, and employees in the postal field service pending reclassification pursuant to recommendations of such joint committee, and for other purposes; with amendment (Rept. No. 1870). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOLCOTT: Committee on Banking and Currency. S. 2987. An act to provide for the transfer of hay and pasture seeds from the Commodity Credit Corporation to Federal land-administering agencies; with amendment (Rept. No. 1871). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. S. 3364. An act to amend the act of October 31, 1949 (63 Stat. 1049); without amendment (Rept. No. 1872). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOLCOTT: Committee on Banking and Currency. S. 2845. An act to amend section 3528 of the Revised Statutes, as amended, relating to the purchase of metal for minor coins of the United States; without amendment (Rept. No. 1873). Referred to the Committee of the Whole House on the State of the Union.

Mr. ARENDS: Committee on Armed Services. H. R. 9000. A bill to integrate the Judge Advocate's promotion list with that of the Army to restore lost seniority and grade, and for other purposes; with amendment (Rept. No. 1874). Referred to the Committee of the Whole House on the State of the Union.

Mr. ARENDS: Committee on Armed Services. S. 932. An act to equalize the treatment accorded to commissioned officers of the Veterinary Corps with that accorded to commissioned officers of other corps of the Army Medical Service, and for other purposes; without amendment (Rept. No. 1875). Referred to the Committee of the Whole House on the State of the Union.

Mr. ARENDS: Committee on Armed Services. H. R. 9007. A bill to amend the Universal Military Training and Service Act; with amendment (Rept. No. 1876). Referred to the Committee of the Whole House on the State of the Union.

Mr. ARENDS: Committee on Armed Services. H. R. 9002. A bill to amend the Officer Personnel Act of 1947 to provide for the retirement of certain officers of the Regular Army and the Regular Air Force at age 60, and for other purposes; without amendment (Rept. No. 1877). Referred to the Committee of the Whole House on the State of the Union.

Mr. ARENDS: Committee on Armed Services. S. 2468. An act to authorize the President to appoint to the grade of general in the Army of the United States those officers who, in grade of lieutenant general, during World War II commanded the Army Ground Forces, commanded an Army, or commanded Army forces which included a field army and supporting units, and for other purposes; without amendment (Rept. No. 1878). Referred to the Committee of the Whole House on the State of the Union.

Mr. ARENDS: Committee on Armed Services. S. 2217. An act to amend section 67 of the National Defense Act, as amended, to provide for an active-duty status for all United States property and fiscal officers; with amendment (Rept. No. 1879). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOFFMAN of Michigan: Committee on Government Operations. Eighteenth intermediate report of the Committee on Government Operations pertaining to Navy procurement of wiping cloths (Rept. No. 1881). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILLIPS: Committee of Conference. H. R. 8583. A bill making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes (Rept. No. 1882). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SHAFER: Committee on Armed Services. H. R. 6422. A bill to authorize and direct the Secretary of the Army to convey to the St. Regis Paper Co. certain land erroneously conveyed to the United States by such company; with amendment (Rept. No. 1880). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 9554. A bill to amend the Federal Import Milk Act, approved February 15, 1927 (44 Stat. 1101, 21 U. S. C. A., 141–149); to the Committee on Agriculture.

By Mr. BROWN of Georgia:

H. R. 9555. A bill to amend the Export-Import Bank Act of 1945 and the Bretton Woods Agreements Act, so as to provide for representation of the Export-Import Bank of Washington on the National Advisory Council on International Monetary and Financial Problems, and to increase the bank's lending authority; to the Committee on Banking and Currency.

By Mr. HAGEN of Minnesota:

H. R. 9556. A bill to require that all United States bonds, paper money, and stamps be

printed from engraved plates in the Bureau of Engraving and Printing; to the Committee on Banking and Currency.

By Mr. KERSTEN of Wisconsin:

H. R. 9557. A bill to provide that certain profit-sharing payments shall not be included in computing overtime pay under the Fair Labor Standards Act of 1938, as amended; to the Committee on Education and Labor.

By Mr. OAKMAN:

H. R. 9558. A bill to provide that certain profit-sharing payments shall not be included in computing overtime pay under the Fair Labor Standards Act of 1938, as amended; to the Committee on Education and Labor.

By Mr. LANE:

H. R. 9559. A bill to provide that only certain official naval motor vehicles shall be allowed toll-free passage across the Mystic River Bridge; to the Committee on Armed Services.

By Mrs. PFOST:

H. R. 9560. A bill to provide for the construction of a water filtration plant at Bonners Ferry, Idaho; to the Committee on Agriculture.

By Mr. SHORT:

H. R. 9561. A bill to correct typographical errors in Public Law 368, 83d Congress; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H. R. 9562. A bill for the relief of Karlo Mattiazzi and Kostanza Mattiazzi; to the Committee on the Judiciary.

By Mr. DEMPSEY:

H. R. 9563. A bill to provide that the Secretary of Agriculture is authorized to extend until not later than October 18, 1962, certain timber rights and necessary ingress and egress, and for other purposes; to the Committee on Agriculture.

By Mr. GOODWIN:

H. R. 9564. A bill to provide for the deportation of Alphonso Gerbino; to the Committee on the Judiciary.

By Mr. HART:

H. R. 9565. A bill for the relief of Breinig Bros., Inc.; to the Committee on the Judiciary.

By Mr. HELLER (by request):

H. R. 9566. A bill for the relief of Mario Montenero; to the Committee on the Judiciary.

By Mr. HOLTZMAN:

H. R. 9567. A bill for the relief of Osmo Lehtinen; his wife, Hilkka; and their children, Erja and Tarja; to the Committee on the Judiciary.

By Mr. JOHNSON of California:

H. R. 9568. A bill for the relief of Hermos Michael Esho; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 9569. A bill for the relief of Joseph Mancini; to the Committee on the Judiciary.

By Mr. KERSTEN of Wisconsin:

H. R. 9570. A bill for the relief of Franjo Ivanicek; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 9571. A bill for the relief of Lydia Stack (Stachulski); to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 9572. A bill for the relief of Dr. Bienvenido L. Balingit; to the Committee on the Judiciary.

By Mr. PRICE:

H. R. 9573. A bill for the relief of Michael Gerdelan; to the Committee on the Judiciary.

By Mr. REED of Illinois:

H. R. 9574. A bill for the relief of Rodolfo C. Delgado, Jesus M. Lagua, and Vicente D. Reynante; to the Committee on the Judiciary.

By Mr. WITHROW:

H. R. 9575. A bill to provide for the conveyance of certain land in Necedah, Wis., to the village of Necedah; to the Committee on Government Operations.

By Mr. YOUNGER:

H. R. 9576. A bill for the relief of Mrs. Annamarie Kuhn; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1013. By Mr. DOWDY: Petition of Eugene A. McElyea, of Crockett, Tex., and others, in regard to H. R. 1227; to the Committee on Interstate and Foreign Commerce.

1014. By Mr. O'NEILL: Petition of Mrs. Perrin T. Wilson, Cambridge, Mass., Edna Armstrong Davey, Elinor H. Marsh, Julia M. Thurber, Mrs. Addie L. Small, Annie MacKay, Ethel L. Harwood, Jessie E. Fuller, Margaret L. Douglas, R. MacKay, Marguerite C. Archibald, Florrie A. MacKenzie, Mary B. MacKenzie, Mary I. Douglas, Hazel E. Betty, Agnes C. Swanson, Gladys M. McMurray, M. Estelle MacLean, Elizabeth H. Cruickshank, Florence A. Carpenter, and Hilda B. Wilson in support of the Bryson bill, H. R. 1227, to prohibit advertising in the press and on the airways of alcoholic beverages; to the Committee on Interstate and Foreign Commerce.

1015. By the SPEAKER: Petition of the county clerk, Milwaukee, Wis., expressing thanks and appreciation for national legislation calling for the cooperation between the United States and Canada in constructing the St. Lawrence Seaway; to the Committee on Public Works.

1016. Also, petition of the secretary general, National Confederation of Maritime Labor, Habana, Cuba, protesting the proposal for revision of the law concerning the sugar quotas in existence between the United States and Cuba; to the Committee on Agriculture.

EXTENSIONS OF REMARKS

The Fair Labor Standards Act

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1954

Mr. KERSTEN of Wisconsin. Mr. Speaker, today, Representative CHARLES G. OAKMAN, of Michigan, and I have introduced bills intended to clarify certain provisions of the Fair Labor Standards Act regarding profit-sharing plans and trusts and the computation of overtime pay for employees covered thereunder.

In 1949 the act was amended and certain items were specifically excluded from the definition of regular rate of pay. Thus, section 7 (d) (3) of the amended act excludes amounts paid pursuant to a bona fide proft-sharing plan or trust meeting the requirements of the Wage and Hour Administrator set forth in appropriate regulations issued by him. Section 7 (d) (4) excludes contributions made to a bona fide employee benefit plan.

In his interpretation of section 7 (d) (4) the Wage and Hour Administrator recognizes that a plan which is qualified for tax purposes under section 165 (a) of the Internal Revenue Code is a bona fide benefit plan—with one reservation—for wage and hour purposes. On the other hand his profit-sharing regulations under section 7 (d) (3) define the term "bona fide profit-sharing trust" in such a way that most trusts are disqualified even though they are qualified for tax purposes. Many such trusts were in existence for a number of years before 1949 and had fully complied with the detailed requirements of section 165 (a) of the Internal Revenue Code as amended in 1942. Clearly it was the intention of Congress that they should be treated as bona fide trusts by the Wage and Hour Administrator.

Without detracting in any way from the validity of the Administrator's interpretation of section 7 (d) (4) of the Fair Labor Standards Act, the proposed bills correct the existing situation caused by the profit-sharing regulations under section 7 (d) (3) by providing that profit-sharing trusts which qualify for tax purposes must be considered bona fide trusts under the Fair Labor Standards Act. The proposed bills leave the Administrator with authority to prescribe regulations for deferred profit-sharing trusts which are not qualified for tax purposes and profit-sharing plans where payment is made directly to the employee without the intervention of a trust.

The effect of the ruling of the Wage and Hour Administrator in requiring that certain amounts paid under profit-sharing plans be considered part of regular compensation of the employee is to discourage companies from entering into profit-sharing plans. Normally, it is a simple matter for an employer to compute the time and one-half he is obliged to pay his employees for overtime work under the Fair Labor Standards Act. However, when amounts paid or credited to an employee—at the end of a year—under a profit-sharing plan must be considered a part of regular pay of an employee, the computation of his overtime pay presents a complex mathematical problem.

Thus, many employers, rather than run the risk of violating the Fair Labor Standards Act, may abandon their intention of inaugurating a profit-sharing plan.

The very fact that Congress has provided certain tax concessions with respect to profit-sharing plans, shows clearly that Congress intended to encourage profit sharing. Furthermore, when Congress specifically exempted payments under bona-fide profit-sharing

plans from consideration as regular pay under the Fair Labor Standards Act, it was also intended to encourage profit-sharing by removing impediments to the adoption of profit-sharing plans in industry.

I believe that Congress clearly intended that a profit-sharing plan which qualified for tax concessions under the tax laws would also be considered a bona-fide profit-sharing plan under the Fair Labor Standards Act. Congress surely did not intend to create two standards of qualified profit-sharing plans. The effect of the ruling of the Wage and Hour Administrator is to reestablish the impediment to profit sharing which Congress clearly intended to remove. The purpose of the bills which Mr. OAKMAN and I have introduced today is to clarify the position which Congress intended in the first instance and thereby require the Wage and Hour Administrator to regard any profit-sharing plan which qualifies under section 165 (a) of the Internal Revenue Code to also be qualified under section 7 (d) (3) of the Fair Labor Standards Act as amended.

Facts on the Upper Colorado River Basin

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 15, 1954

Mr. MILLER of Nebraska. Mr. Speaker, as chairman of the Interior and Insular Affairs Committee, and one who is interested in the sound development of our natural resources, I feel it is my duty to call the attention of my colleagues to House Report No. 1774, which accompanies H. R. 4449, a bill to authorize the construction of the development of the upper Colorado Basin.

This is a big project—one of the few remaining big projects yet undeveloped within the borders of this great country of yours and mine. Unfortunately, there are some who violently oppose this development—just as there were some who violently opposed the construction of a transcontinental railroad, of Hoover Dam, and the Tennessee Valley Authority. It is unfortunate that some feel they must oppose this project, just as it is most unfortunate that we are unable to iron out our differences. However, this criticism tends to make those who favor the project look at it very carefully to insure that the best interests of all are equally fostered and protected.

However, Mr. Speaker, I do feel that the Colorado River storage project should be considered on its merits, just as has been done with other major reclamation projects in the past.

The report on H. R. 4449 was filed by my committee just a few days ago. It sets out, in a few pages, the pertinent physical and financial facts with respect to this project—facts which were developed in the many weeks of public hearings. I believe it is imperative that every Member of this body spend the few minutes required to go over this report so that you may understand the basic facts contributing to the committee's decision to favorably report the bill.

Some of the members of my committee have felt it necessary to summarize the testimony given in opposition to the bill. Besides being made a part of the report, it was widely circulated among the Members of Congress. Therefore, I feel it is my duty to take time to answer the allegations. I will do this in the most concise manner in which I am capable, approaching each allegation categorically.

First, it has been said there is a concealed subsidy. They consider interest on the investment in the irrigation features of the participating projects as a hidden subsidy. The principle of not charging interest on the investment in irrigation features is one of the fundamental concepts underlying the reclamation law as it was signed into law by Theodore Roosevelt in 1902. Call it a subsidy if you choose, but let us face the facts—it is not concealed.

Second, it is alleged that it will put the Government further into the power business than it has heretofore been put by other projects. It is claimed that for Hoover Dam, Grand Coulee Dam, and TVA, power was sold to build the dams. We all know that the power was not sold before the dams were constructed. Only for Hoover Dam did the law read that contracts for power had to be entered into before construction could start. Prior commitment for disposition of power was not required for either Grand Coulee or TVA Dams. I might point out that power contracts at Hoover Dam also provide for the generation of diminishing quantities of power year by year as the consumptive use of water is increased in the upper basin.

The charge that the dams of the projects are to be built to sell power only is simply not true. The real purpose is the conservation of water in order to make possible the utilization of water resources belonging to the upper basin States and at the same time enabling them to meet compact commitments to the lower basin at Lee Ferry.

Third, critics of the project state the authority of the Secretary of Interior to construct transmission lines is too broad under this legislation. His authority is limited by the estimating and planning behind the legislation. Cost estimates as set out in the project report and in the bill are predicated upon construction of certain transmission lines. Testimony before the subcommittee clearly indicates that the intent is to limit the construction of transmission lines by the Secretary to backbone tie-lines interconnecting powerplants and to transmission lines to load centers not already constructed or projected by private utilities.

The fourth assertion that power to be produced by the plants is high cost power immediately involves the question, "What is high cost power?" The estimated cost of 6 mills per kilowatt-hour for hydroelectric power delivered to load centers is far below the price for power produced by any other method available to this area. Steam-produced electric energy in this area is estimated to cost at least seven and three-tenths mills per kilowatt-hour.

As for the fifth charge that we will never be able to use the power which will be developed, there was ample testimony given by officials representing 10 private utilities in the area, surveys made by the Federal Power Commission and the Bureau of Reclamation to the effect that a ready market is or will be available for all the power produced at the 6-mill figure.

As for the sixth allegation that atomic electric power will soon be available at a cost lower than hydroelectric power, I cannot believe that this will be in the near future. I wish I could believe it, it would be a great boon to the power-starved Western States. Due to the huge original investment, it is not believed that atomic electric power will be capable of production within the cost of either steam or hydropower for many years to come, at which time it will compete with the proposed hydropower plants, not existing plants.

The seventh point made in the summary of views would lead one to believe the bill would commit Congress to the development of the whole upper basin. This legislation would commit Congress only to construction of the Glen Canyon and Echo Park storage units and, upon certification by the Secretary as to their economic justification and feasibility, to the construction of the Curecanti storage unit and 11 participating projects.

The plan of complete repayment of all the units which would be authorized is based only upon revenues from those units and not on revenues from units to be constructed in the future. Future units that are mentioned refer only to potential full development of the area. Therefore, the $5 billion figure given by the minority is rather misleading.

The charge that the bill makes drastic changes in existing Federal water policy is just not correct. For example, I point out that there is nothing in existing reclamation law which requires that the irrigation investment be repaid in 40 equal annual installments. The facts are: First, that irrigators are not required to make equal payments; second, that only the amount assigned to the irrigators is repaid; third, that amount is repayable in 40 years only if the irrigators voluntarily choose that type repayment contract; and fourth, that part of irrigation allocation which is assigned for return from power revenues need not be paid during the same period that the irrigators pay.

As many of my colleagues know, Mr. Speaker, under special acts of Congress repayment periods can be any length of time specified therein. In this legislation, the total cost of the participating projects, including that part which is to be returned from net power revenues, must be repaid in 50 years.

The argument that the bill will undercut the Hoover Commission, I feel, is irrelevant to the merits of the Colorado River storage project. The Hoover Commission has no authority to determine what the water policy of the Nation shall be—only Congress has this authority. However, I want to point out that there

are no new water policies contemplated under this bill.

My colleagues are quite familiar with the fact that of the three Presidential commissions of recent years that have investigated the water resources of the Nation, not one recommendation pertaining to water policy has been sent to Congress.

The ninth point states that only 20 percent of the lands of the participating projects are class I lands. This is misleading since it has meaning only with respect to the area in question. It has no meaning in a comparison of class I lands of this area with class I lands of some other area. I might remind my colleagues that land is classified to make it possible for technicians to evaluate the project, to set up family size farms under reclamation law, to figure possible returns from lands, and to determine suitability for irrigation after considering other related factors, such as climate, type of crops, and so forth.

As pointed out heretofore, there is no gift of $2,500 per acre from the Nation's taxpayers involved.

Wherever our water resources have been developed—either for irrigation and reclamation or power—it has brought new wealth to the immediate area and resulted in a broader tax base, new markets for the industrial areas, and supplemented our Nation's diet.

A spot study of a few typical irrigation districts constructed by the Federal Government shows that these districts have paid for themselves by four and a half times in new taxes. While the money loaned for irrigation features is interest free, certainly this new wealth, which otherwise would not be realized, contributes much more than any interest charges which might be paid on the irrigation features.

The 10th statement that the bill would delegate excessive authority to the Secretary of the Interior to determine feasibility and construct irrigation projects, the economic and financial feasibility of which have been found by the Budget Bureau to be in serious question, without reserving to the Congress the power of final authorization, is a misrepresentation of the facts. In my opinion the Secretary has not been given excessive authority. In fact, he has been limited in his authority.

Members of my committee well remember my statements of last year when I sought, and received, support to require congressional authorization before any project could be started. Secretary McKay has assured me he will not authorize any projects calling for more than $5 million without congressional approval.

The 11th point brought out in the summary of minority views is best answered by pointing out that the use of the benefit-cost ratio for testing the economic justification of irrigation projects is not new. It is merely to be regarded as an added criteria for testing economic justification.

Those parts of the Colorado River storage project and participating projects which would be authorized by H. R. 4449 meet both tests of economic justification and financial feasibility.

The 12th charge made in the summary singles out the central Utah irrigation project. However, it cannot be considered on a dollars-and-cents basis alone—even though it is feasible and the overall benefit-cost ratio for this project exceeds unity. The statement would lead one to believe that the 12 percent repayment is extremely low—this is more than has been repaid on many other projects. And, again, that is more than the zero quantity paid back by beneficiaries from flood-control works constructed and paid for by the Federal Government in the form of Federal taxes paid in part by the people of Utah and the other upper basin States.

The 13th point has aroused much opposition to the bill. Several organizations have conducted a vicious campaign to kill the project on the grounds that it would break 80 years of conservation policy by invading Dinosaur National Monument in order to build Echo Park Dam. They would lead you to believe that this is the beginning of wholesale attacks on all of our national parks and monuments. I want to emphatically point out that neither the Department, nor the committee consider this a precedent.

Well-documented testimony by reliable witnesses before the subcommittee attest to the fact that there will be no invasion of Dinosaur National Monument in order to build Echo Park Dam. On the contrary, the monument has invaded a natural dam site, and the people of the area consented to the enlargement of the monument only after they were assured that the intent was to provide for further water and power developments in the canyons of the Yampa and Green Rivers. There is a moral commitment to the upper basin which Congress should keep. After all, which is more important—sightseeing or water for irrigation and municipal supply? Growth has been stalemated in some areas because of a lack of water. Very little progress has been made sightseeing. This matter is discussed in the committee's report, which I again suggest each Member take time to read.

The minority summary of views states the recommendations of the Bureau of the Budget for the drastic revision of the bill were largely ignored. The facts are, the draft of the bill by the Bureau of the Budget was substituted for the original bill and considered as a working draft by the subcommittee. It was this draft, with amendments that finally went to the full committee and was favorably reported to the House. In all fairness, I feel I should point out that the Bureau of the Budget made no further recommendations to its own draft during the course of the deliberations of either the subcommittee or the full committee.

The 15th of the numbered charges states: "Pertinent questions have not been answered." Altogether there were 21 days of hearings by the subcommittee, 2 days before the full committee plus a 5-day tour of the upper basin States last fall by several members of the committee. This, of course, does not include the years of studies made by the Department of Interior and the careful examination made by the Bureau of the Budget. All have approved the project.

The answers to the questions can only involve a rehashing and representation of data already submitted to the committee in other forms.

In regards to the 16th point of the summary which says the project is not self-liquidating. What is a self-liquidating project? Under existing law, first enacted 52 years ago, a project is considered as self-liquidating if the revenues equal or exceed the costs, and the costs are defined as not including interest on the investment in irrigation features. Inasmuch as this project is a self-liquidating one under the laws of the land, the objection under item 16 is, therefore, an objection to the present law. If Congress should see fit to change the existing law, then one of those who feel it should, should introduce a bill to amend it, calling for interest to be charged on the irrigation investment.

While we are examining the interest features of the bill, it is well for us to examine what interest payments will be made. The entire cost of power and municipal water features amounting to approximately $632,750,000 will be returned to the Federal Treasury with interest—not only on the capital investment but with the interest accruing during the construction period.

I have previously pointed out the tremendous returns to the Nation in terms of increased wealth, broadened tax base, new farms and homes, and so forth.

The 17th point raised in the summary of the minority views is a résumé of the 16 points outlined in the report. I sincerely hope my colleagues will take the time to read and study the committee report.

Soviet Tyranny

EXTENSION OF REMARKS

OF

HON. F. D. ROOSEVELT, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1954

Mr. ROOSEVELT. Mr. Speaker, today we commemorate, with Americans of Latvian, Estonian, and Lithuanian descent, the tragic deportations of peoples from the Baltic States by the Soviets in 1940.

The seizure of the Baltic Republics marked the first step in the enslavement of nearly a billion people in Europe and Asia—a pattern which unfortunately has become all too familiar: infiltration, the presence of the Red army, sham elections, then virtual or actual incorporation into the Soviet Union.

In our preoccupation to prevent fresh Communist advances, we sometimes forget the fate of these early victims of the Kremlin's aggression. In today's effort to accurately evaluate the potential menace of communism and to gage its toll upon the freedom of the world's peoples, it is fitting that we remember the valiant persecuted people who are victims

of the illegal seizure of Latvia, Estonia, and Lithuania in 1940.

Recently the policy of "Sovietization," somewhat relaxed in 1953, has been revived with ruthless vigor. Underground channels have reported another mass deportation within the past year. Attempts are being made to wipe out all trace of the Baltic peoples as national and cultural entities and to completely mechanize the human lives involved. In spite of this, news from the Baltic indicates that the resistance movement is still alive.

The story of the Baltic countries since World War II is a tragic indictment of the forces of communism. Abundant evidence presented to the House Baltic Committee is such that the United States could never be reconciled to Soviet occupation of Latvia, Estonia, and Lithuania.

For the sake of the free as well as the enslaved, we must retell the story of this tragedy as a lesson in how freedom is lost, looking forward to the day when the efforts of the free world will be rewarded with triumph over Communist tryranny. It is for us to bolster the hope of the Baltic peoples until that day.

Unemployment Compensation

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 15, 1954

Mrs. KEE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following statement which I filed with the House Committee on Ways and Means:

STATEMENT BY HON. ELIZABETH KEE, DEMOCRAT, OF WEST VIRGINIA, TO HOUSE COMMITTEE ON WAYS AND MEANS ON LEGISLATION TO BROADEN COVERAGE AND INCREASE BENEFITS UNDER UNEMPLOYMENT COMPENSATION LAWS

I am wholeheartedly in accord with the proposals before this committee to expand the coverage of unemployment compensation to take in an estimated 1½ million workers in private enterprise and about 2¼ million Federal employes not now covered, and to increase substantially both the benefits paid and the duration of those benefits.

As members of the committee know, I have joined with 80 other Democrat Members of the House in sponsoring the Forand bill, H. R. 9430, which would authorize paying unemployment compensation for a maximum period of 39 weeks and would raise benefits by about 50 percent.

In the case of West Virginia, this would mean an increase in the period of benefits from the present maximum of 24 weeks to 39 weeks; it would mean an increase in benefits from the present maximum of $30 a week to a top limit of $46 each week.

The higher figure is determined by the use of the same formula recommended by the President earlier this year in his appeal to the respective States to modernize their programs. His proposed formula, which H. R. 9430 adopts, would base benefits on one-half a worker's regular wage up to a maximum of two-thirds of the average weekly wage in a particular State.

Under this bill, a worker would receive the maximum benefit of $46 a week (which is two-thirds of the average weekly wage of $68.33) providing his regular wage was at least $92 a week. For any unemployed worker whose regular weekly wage was less than $92, his benefit would be one-half of his regular wage. Thus it can be readily seen that comparatively few of our production workers would be eligible for the $46 maximum, because in most of our industries, wages have not generally been as high as $92.

On the other hand, I believe the majority of our eligible workers would easily qualify for more than the current maximum of $30 a week, if benefits were determined at one-half the workers' regular wage.

I should like to impress the members of this committee with the urgency of this matter, because unemployment is alarmingly high in West Virginia, with most of our business centers in the State listed by the Department of Labor in the group IV, or distressed, category. There are areas with more than 6 percent unemployment. Many of our areas, in fact the majority, have unemployment levels of 12 percent or greater. The suffering is great.

Those between 6 and 12 percent include my own hometown of Bluefield, as well as Charleston, Clarksburg, Fairmont, Huntington, Parkersburg, and Wheeling. Those with 12 percent or more include Beckley, Logan, Morgantown, Point Pleasant, the Ronceverte-White Sulphur Springs area, Welch, and Williamson. All through these areas and throughout the entire State, a total of 120,000 West Virginia citizens are dependent upon surplus foods to keep body and soul together. Without this food, actual starvation would already have prevailed.

Thousands of our West Virginians, especially in the coal areas, but also including former workers in other industries, have exhausted present maximum unemployment compensation benefits. Each week the list grows longer. Extending the period of benefits from the present 24 weeks to 39 weeks would be of incalculable help to these people, and would help channel needed purchasing power into the hands of families which are destitute.

I cannot urge too strongly the importance of prompt action by the Congress of the United States in bringing our unemployment compensation system into line with current requirements. The benefits are at the present time wholly inadequate—$30 a week does not go very far in feeding and housing and clothing a family, and the present 24-week period of coverage does not begin to cover the time in which many of our unemployed have had to wait to find work. Throughout our State, losing a job has been a major tragedy for many, because it is not a question of going from one job or one industry to another—all of them are furloughing or discharging workers due to lack of business.

Therefore, I feel that I must again express my full support for the Forand bill, which I regard so highly that I have added my name to its list of sponsors. And, at the same time, I again strongly urge your favorable action on this measure in order to bring in additional workers in private employment as well as Government employees. In my home State of West Virginia, the added coverage provisions of this bill would bring nearly 60,000 employees of some 21,000 small employers under the law for the first time—nearly half of them in wholesale and retail trade, about 12,000 in the service trades, 3,500 in mining, 3,800 in construction, 4,000 in manufacturing, 2,200 in public utilities, 3,300 in finance, insurance and real estate, and about 2,300 in miscellaneous categories.

While West Virginia is down almost at the very end of the list of States in the number of Federal Government employees, I think all of us in West Virginia would like to have our 10,500 Federal employees—less than one-half of 1 percent of the Government's total—also covered into the unemployment compensation system. It is only fair to these people that when the appropriations for the agencies for which they work are reduced and some of them must be let go, that the discharged Federal employee also have this protection of unemployment compensation.

One last word to bring to your attention the seriousness of our employment situation in West Virginia, and therefore to point out the need for better unemployment compensation. When nearly 13 percent of all the people in the State covered by unemployment compensation are out of work—as the latest figures released by the Department of Labor reported—then obviously we are in very deep trouble. Unemployment of such magnitude is not merely a result of the economic downturn; it tends to be a cause of further decline. For the unemployed are forced out of the market for goods; therefore sales decline sharply. Furthermore, with so many unemployed walking the streets in a vain search for employment, those who do have jobs tend to doubt the future and to curtail purchases for fear that their own jobs may shortly end. So we have an atmosphere of uncertainty building up which depresses all business, and this in turn inevitably leads to more and more distress.

Getting purchasing power into the hands of our unemployed—especially those who are able and anxious to work but are thrown out of employment through no fault of their own—so that they can continue to buy the necessities of life is the best antidote there is for the poison of recession sweeping like a virus through the population of large areas of this country.

The Fair Labor Standards Act

EXTENSION OF REMARKS
OF
HON. CHARLES G. OAKMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 15, 1954

Mr. OAKMAN. Mr. Speaker, today Representative CHARLES J. KERSTEN, of Wisconsin, and I have introduced bills intended to clarify certain provisions of the Fair Labor Standards Act regarding profit-sharing plans and trusts and the computation of overtime pay for employees covered thereunder.

In 1949 the act was amended and certain items were specifically excluded from the definition of regular rates of pay. Thus, section 7 (d) (3) of the amended act excludes amounts paid pursuant to a bona fide profit-sharing plan or trust meeting the requirements of the Wage and Hour Administrator set forth in appropriate regulations issued by him. Section 7 (d) (4) excludes contributions made to a bona fide employee benefit plan.

In his interpretation of section 7 (d) (4) the Wage and Hour Administrator recognizes that a plan which is qualified for tax purposes under section 165 (a) of the Internal Revenue Code is a bona fide benefit plan—with one reservation—for wage and hour purposes. On the other hand his profit-sharing regulations under section 7 (d) (3) define the term "bona fide profit-sharing trust" in such a way that most trusts are disqualified even though they are qualified for tax

purposes. Many such trusts were in existence for a number of years before 1949 and had fully complied with the detailed requirements of section 165 (a) of the Internal Revenue Code as amended in 1942. Clearly it was the intention of Congress that they should be treated as bona fide trusts by the Wage and Hour Administrator.

Without detracting in any way from the validity of the Administrator's interpretation of section 7 (d) (4) of the Fair Labor Standards Act, the proposed bill corrects the existing situation caused by the profit-sharing regulations under section 7 (d) (3) by providing that profit-sharing trusts which qualify for tax purposes must be considered bona fide trusts under the Fair Labor Standards Act. The proposed bill leaves the Administrator with authority to prescribe regulations for deferred profit-sharing trusts which are not qualified for tax purposes and profit-sharing plans where payment is made directly to the employee without the intervention of a trust.

The effect of the ruling of the Wage and Hour Administrator in requiring that certain amounts paid under profit-sharing plans be considered part of the regular compensation of the employee is to discourage many employers from entering into profit-sharing plans. Normally, it is a simple matter for an employer to compute the time and one-half he is obliged to pay his employees for overtime work under the Fair Labor Standards Act. However, when amounts paid or credited to an employee under a profit-sharing plan must be considered a part of the regular pay of an employee, the computation of his overtime pay presents a complex and difficult mathematical problem.

Thus, many employers, rather than run the risk of violating the Fair Labor Standards Act, may abandon their intention of inaugurating a profit-sharing plan.

The very fact that Congress has provided certain tax concessions with respect to profit-sharing plans, shows clearly the intent of Congress to encourage profit sharing. Furthermore, when Congress specifically exempted payments under bona fide profit-sharing plans from consideration as the regular pay under the Fair Labor Standards Act, it was also intended to encourage profit sharing by removing impediments to the adoption of profit-sharing plans in industry.

I believe that Congress clearly intended that a profit-sharing plan which qualified for tax concessions under the tax laws would also be considered a bona fide profit-sharing plan under the Fair Labor Standards Act. Congress surely did not intend to create two standards of qualified profit-sharing plans. The effect of the ruling of the Wage and Hour Administrator is to reestablish the impediment to profit sharing which Congress clearly intended to remove. The purpose of the bills which Mr. KERSTEN and I have introduced today is to clarify the position which Congress intended in the first instance and thereby require the Wage and Hour Administrator to regard any profit-sharing plan which qualifies under section 165 (a) of the Internal Revenue Code to also be qualified under section 7 (d) (3) of the Fair Labor Standards Act as amended.

We Have Confidence That the Organization of American States Will Help Rid This Hemisphere of Communist Infiltration

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EXTENSION OF REMARKS

OF

HON. FRANCES P. BOLTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1954

Mrs. FRANCES P. BOLTON. Mr. Speaker, for the first time in very many years we in the Western Hemisphere are faced with the threat of the capture of one of the American Republics by a foreign power. Soviet Russia, through its conspiratorial agents, the Communist Party, is steadily engulfing the Government of Guatemala.

We have all watched—and in the past several days many distinguished Members of this House have brought to our immediate attention—the latest developments south of us: the expulsion of American newsmen, the shipment of a large amount of arms from behind the Iron Curtain, and, most recently, the Guatemalan Government's suspension of constitutional safeguards.

Today that Government has imposed strict censorship, telephonic and cable. But private reports reaching me, which I have reason to believe are reliable, give further evidence of a mounting reign of terror in Guatemala. I am told that 400 people throughout Guatemala have been arrested and that 80 Army officers called on President Arbenz, the Communist-captive head of state. I understand that these officers questioned his statement that his government was not Communist-controlled and demanded that he clean house.

I am further informed that noted anti-Communists are being tortured, driven insane, and killed in Guatemala City. Jose Miranda, of the newspaper Mundo Libre, has been locked up; Gabriel Martinez del Rosal, anti-Communist lawyer, has been tortured and driven insane; and Alfredo Arbulach, merchant of Guatemala City, has been tortured and killed—all this from information which has run the gauntlet of strict censorship.

Still, some may ask what are our interests in Latin America. One is trade—a two-way exchange which is mutually beneficial to the United States and our neighbors. We in the United States understand Latin America's heavy reliance on this trade and are anxious to increase it. President Eisenhower's message of March 30, 1954, and subsequent statements, and the report of Dr. Milton S. Eisenhower's mission to Latin America emphasize our desire and hope for a stimulation of more and more exchange of goods.

Another vital interest is military. I hardly have to remind you of the strategic importance of the Panama Canal, also the proximity of Latin America to our borders. Let me add to that the fact that we import from Latin America great quantities of such strategic materials as quartz crystal, antimony, copper, manganese ore, tin, and oil.

A third interest in Latin America is political and cultural. The Western Hemisphere is the testing laboratory of free world relations. Such proven arrangements as technical assistance, student exchanges, and NATO-type military alliances all were initiated first with Latin America.

With that background—the mutual interests between Latin America and the United States, and the clear threat that exists in one country—we must consider seriously what is to be done.

Fortunately for the welfare of this hemisphere we have an effective alliance, the Organization of American States, to which all 21 American Republics look for solution of mutual problems.

Our Secretary of State, the Honorable John Foster Dulles, has indicated recently that this problem of Guatemala is to be submitted to this Organization for action—within the framework of our inter-American system of solidarity. I am delighted to be able to join the many other Members of this House in assuring the Secretary that when he takes this case to the Organization of American States it will be with the solid support of the United States Congress.

We are confident that action by this body will be purposeful and powerful and that it will safeguard the interests of all the American Republics against further inroads of communism in this hemisphere.

We in the Congress understand further that the techniques used by the Communist conspiracy in Latin America are true to the pattern this insidious movement has used in all the other areas of the world. Let me refer the Members to my own subcommittee's report on the Strategy and Tactics of World Communism, issued in 1948, and many subsequent studies, especially Senator ALEXANDER WILEY's committee studies done most recently on this subject throughout the world. It is no revelation to us in Congress that Communists enjoy operating in underdeveloped countries. They make promises to secure adherence without regard to truth. Then when they have won, they abandon their roles of "just another political party" and enforce the Communist iron rule on their unfortunate dupes.

Mr. Speaker, permit me at this point to clarify one factor which seems to be troubling some of our sincere friends in Latin America. Our interests there are mutual and they are basic to a better understanding between fast friends. They are not in any sense determined solely upon the protection of American private investments. Of course we, as any country, are concerned about threats to the property or person of our na-

tionals. But as Secretary Dulles so aptly said:

If the problem of United States investors in Guatemala were to be solved tomorrow to the entire satisfaction of parties, the attitude of the United States Government with respect to the dangers of Communist penetration in this hemisphere—and in Guatemala in particular—would remain precisely the same.

Mr. Speaker, we anticipate an ever-increasing exchange of persons and of goods between ourselves and our sister Republics. I feel privileged to add my endorsement to the remarks by many of my colleagues emphasizing the great faith in the Organization of American States held by the United States Congress. We look forward to increasingly mutually beneficial relationships with members of that organization.

No Jobs?—More Unemployment Compensation

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 15, 1954

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following statement I presented before the House Ways and Means Committee:

NO JOBS?—MORE UNEMPLOYMENT COMPENSATION

From its lack of leadership and decision in failing to respond to the distress calls from labor-surplus areas, the Federal Government betrays a callous disregard for a very human and critical problem.

It is no secret that a number of areas have been suffering from critical unemployment for years.

When unemployment compensation runs out and there are still no jobs, what then?

The Federal Government looks the other way.

At last we have a bill before the Committee on Ways and Means to provide greater security against unemployment, that cannot be brushed aside as a matter of minor concern.

I represent a district that has had a very substantial surplus of labor for several years.

The above statement is not open to opinion or interpretation.

It is a very serious fact.

We have importuned the Government time and again to extend some help. We have asked for a program to stockpile goods in order to keep industries going. We have tried to get United States contracts routed to jobless areas. We have suggested that military and atomic installations be built in such localities. We have shown how Federal loans, in part, to industrial-development committees, would spur the building of new and modern plants to attract diversified industries and create jobs.

No constructive help has been forthcoming.

H. R. 9430 recognizes the danger signals that have been blinking from labor-surplus areas, as well as the need for improving Federal standards for unemployment compensation in relation to the Nation as a whole.

None too soon.

By the end of May, 51 major labor markets were listed as having a substantial surplus labor force, an increase of 16 over the previous report—plus 73 smaller areas.

What happens when claims are exhausted, as they are within 16 weeks in some States?

What does a person do who is laid off in an establishment that is not covered by unemployment insurance?

These questions can only be answered in their full meaning by the individuals and families who suffer from unemployment.

To a lesser extent, they have a bearing upon the economy.

With overtones of challenge to free enterprise and representative government testing whether one or the other or both can solve the fudamental problems of today.

On their own, a number of States have increased benefits and have extended coverage, but there are laggards who freeze against progress.

It was understandable 19 years ago, when there were no precedents in which to guide us, that we should proceed carefully at the start.

Now, however, there is no excuse for maintaining a split program—some covered and some uncovered.

Every person having one or more individuals working for him is an employer in exactly the same sense as a huge corporation is an employer. The difference is one of degree, not of kind.

Furthermore, unemployment-compensation payments, rigid in amount, have fallen behind wages and the cost of living.

Again the evidence from distressed areas proves that the maximum duration of benefits is not long enough to enable the unemployed to search for jobs that are not available in their city or town.

Finally, although it is not incorporated in this bill, we must bear in mind the further necessity of extending coverage to employees of the Federal Government to be consistent with the purpose and the goal of unemployment compensation.

There is no sound reason for economic segregation in this field.

Any person who works for a living is entitled to insurance that will protect him, in some measure, for unemployment that is beyond his power to prevent.

No one State, high or low, can set the standards for the Nation.

That is the function of the Federal Government.

A well-rounded unemployment-compensation program, both as to coverage and benefits, is inevitable.

No free government could survive if it continue to ignore these imperatives.

We are well advised by an overwhelming majority of the American people to make progress in strengthening unemployment insurance at this session.

"An All-Out Raid on the United States Treasury," Mr. Postmaster General?

EXTENSION OF REMARKS
OF
HON. ALFRED D. SIEMINSKI
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 15, 1954

Mr. SIEMINSKI. Mr. Speaker, in a resolution recently passed by the New Jersey Federation of Post Office Clerks, bitter resentment is expressed at a remark reportedly made by the Postmaster General when he is alleged to have said publicly that postal employee organization requests for pay increases is "nothing less than an all-out raid on the United States Treasury."

If the above be a raid, then would it be fair to say that the failure of the Postmaster General to raise postal rates for commercial users of the mails is an all-out drain on the United States Treasury?

Were the drain plugged, the requests for postal pay raises would be considered mild as well as proper.

SENATE

WEDNESDAY, JUNE 16, 1954

(Legislative day of Friday, June 11, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, we thank Thee for the gift of refreshing sleep and for the beckoning splendor of this new day, with all its verdant June loveliness. As we bow now, in the midst of draining duties and demands which make us cry out with a keen sense of our inadequacy, "Who is sufficient for these things?" steady our souls, we beseech Thee, with the realization of Thy sheltering care; and by Thy empowering quicken our energies into newness of life; make our fallible lives channels for Thy vast purposes which no refuge of lies can long impede. Grant us the uplifting vision of the high place of world leadership which Thou, through us, hath purposed for this Nation in this age on ages telling. Enlighten, we beseech Thee, this erring, groping world that injustice and oppression and all the deeds of darkness may at last be vanquished, and mankind live in the effulgence of the light of understanding love which casteth out fear. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 15, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the joint resolution (S. J. Res. 72) to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines; to provide for the rehabilitation of the interisland commerce of the Philippines,

and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. H. CARL ANDERSEN, Mr. HORAN, Mr. HUNTER, Mr. LAIRD, Mr. TABER, Mr. WHITTEN, Mr. CANNON and Mr. MARSHALL were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 686. An act for the relief of Mrs. Erna Gronowski;

H. R. 1337. An act for the relief of Mrs. Franca Gatti Ohta;

H. R. 1462. An act for the relief of Fotini X. Parisis;

H. R. 2188. An act for the relief of Karoline Diekmeyer;

H. R. 2359. An act for the relief of Joseph Veich, also known as Guiseppe Veic.

H. R. 2371. An act for the relief of Mrs. Maria M. Broix;

H. R. 2440. An act for the relief of Lidija Cimze;

H. R. 2499. An act for the relief of Adolfo L. Kalb and his wife, Mrs. Eugenia G. Kalb;

H. R. 2619. An act for the relief of Sister Aurelia Yanguas Teres and Sister Matilde Cuevas San Martin;

H. R. 2781. An act for the relief of Nicholas Matook;

H. R. 3222. An act for the relief of Martin Luther Johnson;

H. R. 3245. An act for the relief of Mrs. Anna Elizabeth Doherty;

H. R. 3732. An act for the relief of Catherine (Cathrina) D. Pilgard;

H. R. 5028. An act for the relief of Petra Ruiz Martinez and Marcelo Maysonet Mirell and Maria Benitez Maysonet Mirell;

H. R. 6784. An act for the relief of Mrs. John William Brennan;

H. R. 7146. An act authorizing the Secretary of the Interior to issue a patent in fee to John McMeel No. 1;

H. R. 8054. An act for the relief of David Del Guidice;

H. R. 8501. An act to provide for the conveyance of certain land in Sumter County, Ga., to the Americus and Sumter County Chamber of Commerce; and

H. R. 9517. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1955, and for other purposes.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 87) to authorize correction in the enrollment of S. 2657, to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia."

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 75) favoring the suspension of deportation of certain aliens, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the concurrent resolution (H. Con. Res. 227) favoring the granting of the status of permanent residence to certain aliens, in which it requested the concurrence of the Senate.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The VICE PRESIDENT. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	Maybank
Anderson	Gillette	McCarran
Barrett	Gore	McCarthy
Beall	Green	McClellan
Bennett	Hayden	Millikin
Bowring	Hendrickson	Monroney
Bricker	Hennings	Morse
Bridges	Hickenlooper	Mundt
Burke	Hill	Murray
Bush	Holland	Neely
Butler, Md.	Humphrey	Pastore
Butler, Nebr.	Hunt	Payne
Byrd	Ives	Potter
Capehart	Jackson	Purtell
Case	Jenner	Robertson
Clements	Johnson, Colo.	Russell
Cooper	Johnson, Tex.	Schoeppel
Cordon	Johnston, S. C.	Smith, Maine
Daniel	Kennedy	Smith, N. J.
Dirksen	Kerr	Sparkman
Douglas	Kilgore	Stennis
Duff	Knowland	Symington
Dworshak	Kuchel	Thye
Eastland	Lehman	Upton
Ellender	Lennon	Watkins
Ervin	Long	Welker
Ferguson	Magnuson	Wiley
Flanders	Malone	Williams
Frear	Mansfield	Young
Fulbright	Martin	

Mr. KNOWLAND. I announce that the Senator from Kansas [Mr. CARLSON], the Senator from Arizona [Mr. GOLDWATER], the Senator from North Dakota [Mr. LANGER], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The VICE PRESIDENT. A quorum is present.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON AGRICULTURAL EXPERIMENT STATIONS

A letter from the Secretary of Agriculture, transmitting, pursuant to law, a printed report on Agricultural Experiment Stations, 1953, for the fiscal year ended June 30, 1953, to take the place of a typewritten report on the same subject, transmitted to the Senate on January 5, 1954 (with an accompanying report); to the Committee on Agriculture and Forestry.

AUDIT REPORT ON OFFICE OF TREASURER OF THE UNITED STATES

A letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Office of the Treasurer of the United States, for the fiscal years 1952 and 1953 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON SOIL CONSERVATION SERVICE, DEPARTMENT OF AGRICULTURE

A letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Soil Conservation Service, Department of Agriculture, for the fiscal years ended June 30, 1951 and 1952 (with an accompanying report); to the Committee on Government Operations.

REPORT ON TALENT DIVISION, ROGUE RIVER BASIN PROJECT, OREGON

A letter from the Secretary of the Interior, transmitting, pursuant to law, his report on the Talent division, Rogue River Basin project, Oregon (with accompanying papers); to the Committee on Interior and Insular Affairs.

COL. WALTER E. AHEARN AND OTHERS

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Col. Walter E. Ahearn, and others (with accompanying papers); to the Committee on the Judiciary.

REIMBURSEMENT OF CERTAIN EMPLOYEES OF VETERANS' ADMINISTRATION

A letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to reimburse certain employees of the Veterans' Administration for amounts paid by them to the United States as a result of certain overpayments and deficiencies in their accounts (with an accompanying paper); to the Committee on the Judiciary.

REMOVAL OF POSITION OF DEPUTY MARITIME ADMINISTRATOR FROM CLASSIFIED CIVIL SERVICE

A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to authorize removal of the position of Deputy Maritime Administrator from the Classified Civil Service (with accompanying papers); to the Committee on Post Office and Civil Service.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

Resolutions adopted by the Virginia State Federation of the National Association of Retired Civil Employees, at Richmond, Va., and the Denver, Colo., Area Chapter 81, of the same association, favoring the enactment of House bill 8894, relating to increased retirement benefits for retired civil employees of the Government; to the Committee on Post Office and Civil Service.

A resolution adopted by the Board of Supervisors of Milwaukee County, Wis., expressing the thanks of that community to the Congress for the enactment of legislation providing for the construction of the St. Lawrence seaway; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WELKER, from the Committee on the Judiciary:

S. 2074. A bill for the relief of certain Basque sheepherders; with an amendment (Rept. No. 1599).

By Mr. McCARRAN, from the Committee on the Judiciary.

S. 2862. A bill to provide relief for the sheepraising industry by making special nonquota immigration visas available to certain skilled alien sheepherders; with amendments (Rept. No. 1600).

By Mr. MILLIKIN, from the Committee on Finance, without amendment:

S. 3153. A bill to restore eligibility of certain citizens or subjects of Germany or Japan to receive benefits under veterans' laws (Rept. 1601);

H. R. 2763. A bill to amend the Tariff Act of 1930 so as to modify the duty on the importation of wood dowels, and for other purposes (Rept. No. 1602);

H. R. 8790. A bill to authorize certain veterans' benefits for persons disabled in connection with reporting for final acceptance, induction, or entry into the active military or naval service (Rept. No. 1603);

H. R. 9089. A bill authorizing the Administrator of Veterans' Affairs to grant an easement to Syracuse University, Syracuse, N. Y. (Rept. No. 1604); and

H. R. 9474. A bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended (Rept. No. 1605).

By Mr. MILLIKIN, from the Committee on Finance, with an amendment:

H. R. 6465. A bill to amend paragraph 1530 of the Tariff Act of 1930 with respect to footwear (Rept. No. 1606).

By Mr. MILLIKIN, from the Committee on Finance, with amendments:

H. R. 222. A bill to suspend for 2 years the duty on crude bauxite (Rept. No. 1607); and

H. R. 7709. A bill to continue until the close of June 30, 1956, the suspension of certain import duties on copper (Rept. No. 1608).

PUBLIC HEALTH SERVICE ACT—REPORT OF A COMMITTEE

Mr. PURTELL. Mr. President, from the Committee on Labor and Public Welfare, I report favorably, with amendments, the bill (H. R. 8149) to amend the hospital survey and construction provisions of the Public Health Service Act to provide assistance to the States for surveying the need for diagnostic or treatment centers, for hospitals for the chronically ill and impaired, for rehabilitation facilities, and for nursing homes, and to provide assistance in the construction of such facilities through grants to public and nonprofit agencies, and for other purposes, and I submit a report No. 1612, thereon.

I am happy to say that this important part of President Eisenhower's health program was unanimously ordered to be reported by the committee, and I wish at this time to thank my committee colleagues on the other side of the aisle who have been so helpful in making this unanimous report possible.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar.

The bill, H. R. 8149, to amend the hospital survey and construction provisions of the Public Health Service Act to provide assistance to the States for surveying the need for diagnostic or treatment centers, for hospitals for the chronically ill and impaired, for rehabilitation facilities, and for nursing homes, and to provide assistance in the construction of such facilities through grants to public and nonprofit agencies, and for other purposes, reported by Mr. PURTELL, from the Committee on Labor and Public Welfare, with supplemental views of Mr. LEHMAN, was placed on the calendar.

REPORTS OF COMMITTEE ON INTERIOR AND INSULAR AFFAIRS ON BILLS RELATING TO THE MINERAL USE OF PUBLIC LANDS

Mr. BARRETT. Mr. President, from the Committee on Interior and Insular Affairs, I report three bills: S. 3344, a bill to permit the multiple mineral use of the public lands of the United States, and S. 2380 and S. 2381, bills to amend the Mineral Leasing Act. The committee is convinced that all three of these bills will contribute materially to the development of the mineral resources of the public lands, including uranium, oil and gas, and other minerals, with consequent benefit both to the Nation and to the States in which the public lands are located. Hearings were held on all three bills, and although the bills are separate because they deal with separate aspects of the problem, they are reported together because all 3 have a common purpose, the better utilization of our public lands and development of our mineral resources, and they should be considered together.

Mr. President, on behalf of the committee I intend to move that these three bills be considered by the Senate at an early date.

The VICE PRESIDENT. The reports will be received, and the bills will be placed on the calendar.

The bills reported by Mr. BARRETT from the Committee on Interior and Insular Affairs and ordered to be placed on the calendar are as follows:

S. 2380. A bill to amend section 17 of the Mineral Leasing Act of February 25, 1920, as amended; with amendments (Rept. No. 1609);

S. 2381. A bill to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of oil and gas on the public domain; with an amendment (Rept. No. 1611); and

S. 3344. A bill to amend the mineral leasing laws and the mining laws for multiple mineral development of the same tracts of the public lands, and for other purposes; with amendments (Rept. No. 1610).

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. COOPER:

S. 3619. A bill to assist in alleviating the effects of unemployment resulting from Federal tariff or trade policy by establishing a temporary program of supplementary grants for States which provide for liberalization of their unemployment compensation payments to persons unemployed because of Federal tariff or trade policy; to the Committee on Finance.

By Mr. BRICKER (by request):

S. 3620. A bill to authorize the Secretary of the Treasury to transfer certain property to the Panama Canal Company, and for other purposes; and

S. 3621. A bill to improve the administration of the public airports in the Territory of Alaska; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. BRICKER when he introduced the above bills, which appear under separate headings.)

By Mr. MARTIN:

S. 3622. A bill to provide for the preparation of plans and specifications for a museum building for the Smithsonian Institution; to the Committee on Public Works.

TRANSFER OF CERTAIN PROPERTY TO THE PANAMA CANAL COMPANY

Mr. BRICKER. Mr. President, by request, I introduce for appropriate reference a bill to authorize the Secretary of the Treasury to transfer certain property to the Panama Canal Company and for other purposes. I ask unanimous consent that there be printed in the RECORD the letter of transmittal of the bill as forwarded by H. Chapman Rose, Acting Secretary of the Treasury.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter of transmittal will be printed in the RECORD.

The bill (S. 3620) to authorize the Secretary of the Treasury to transfer certain property to the Panama Canal Company, and for other purposes, introduced by Mr. BRICKER (by request), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter of transmittal is as follows:

TREASURY DEPARTMENT,
Washington, May 19, 1954.

The PRESIDENT OF THE SENATE.

SIR: There is transmitted herewith a draft of a proposed bill, "To authorize the Secretary of the Treasury to transfer certain property to the Panama Canal Company, and for other purposes."

The aids to navigation, the transfer of which would be authorized by the proposed bill, are located in the approaches to the Panama Canal and are operated for the benefit of shipping bound to and from the Canal. Since they are remotely situated from other Coast Guard activities, the servicing of these aids has required the diversion of a Coast Guard tender for a portion of each year from its aids to navigation work in another area.

It is the opinion of the Treasury Department that the aids to navigation involved more properly fall within the sphere of activity of the aids to navigation system maintained by the Panama Canal Company. In connection with two of the lights, located in the Pacific approaches to the Canal on Morro Puercos and Jicarita Islands, the Canal Company for some time has been providing the maintenance and repair service for the Coast Guard, on a reimbursable basis.

In correspondence with the Coast Guard, the President of the Panama Canal Company has stated that it is reasonable and proper that the aids covered by the proposed bill should be owned and operated by the Canal Company as a part of its system of aids. The transfer of the aids would result in a material saving in cost to the Government.

It would be appreciated if you would lay the proposed bill before the Senate. A similar proposed bill has been transmitted to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.

Very truly yours,

H. CHAPMAN ROSE,
Acting Secretary of the Treasury.

ADMINISTRATION OF PUBLIC AIRPORTS IN ALASKA

Mr. BRICKER. Mr. President, by request, I introduce for appropriate reference a bill to improve the administration of the airports of the Territory of Alaska and for other purposes. The bill would improve in two respects the administration of the airports, located at Fairbanks and Anchorage, by, first, authorizing the establishment of an effective local police force on these two Government reservations and, second, placing the fiscal operations of the two airports on a more businesslike basis by establishment of a revolving fund.

I ask that there be printed in the RECORD as a part of my remarks the letter of transmittal from the Secretary of Commerce outlining the purposes and objectives of the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter of transmittal will be printed in the RECORD.

The bill (S. 3621) to improve the administration of the public airports in the Territory of Alaska, introduced by Mr. BRICKER (by request), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter of transmittal is as follows:

THE SECRETARY OF COMMERCE,
Washington, May 28, 1954.

Hon. RICHARD M. NIXON,
President of the Senate,
United States Senate,
Washington, D. C.

DEAR MR. PRESIDENT: It is requested that the enclosed proposed bill to improve the administration of the public airports in the Territory of Alaska be introduced in the Senate at your earliest convenience.

This bill would improve in two respects the administration of the airports operated at Fairbanks and Anchorage, Alaska, by the Department of Commerce:

1. It would authorize the establishment of an effective local police force on these two Government reservations; and

2. It would place the fiscal operations of the airports on a more businesslike basis, authorizing through a revolving fund the use of airport income to help defray airport expenses.

The two airports include substantial tracts of land, 1,814.72 acres for Anchorage and 1,631.01 acres for Fairbanks International Airport; there are roads, installations, buildings, and equipment; the two airports handled about 150,000 scheduled airline passengers in 1951, and should handle an estimated 300,000 such passengers annually by 1960; in addition, there is a substantial amount of private flying activity, irregular operations, and bush-pilot flying at both of the airports. These facts indicate that the airports are busy communities with a substantial need for police protection. Both of the airports are outside the city limits of the municipalities from which they derive their names and are thus outside the jurisdiction of the local police. Under section 4 of the organic act of the airports (act of May 28, 1948), control over, and responsibility for, the care and protection of the Anchorage and Fairbanks International Airports is a function of the Department of Commerce. The discharge of this responsibility requires the exercise of correlative authority to engage in normal police activities. At present the Secretary of Commerce has no such authority. The proposed new section 10 for the organic act of the airports, in the enclosed draft, would provide the Secretary of Commerce with authority—

1. To appoint uniformed, armed police officers to serve at the airports.

2. To permit such police officers to make arrests on the airports.

3. To permit the commanding police officers to require violators of the rules and regulations of the airports to deposit collateral for appearance in court.

This authority is identical with that presently exercised by the Secretary of Commerce at Washington National Airport, and that normally granted to other officials responsible for furnishing police protection on Federal reservations.

Section 11 of the organic act of the airports, as proposed in the enclosed draft, would provide a revolving fund for the deposit of income from the airports to help defray their expenses. This method of financing the operations of the airports was recommended by the Bureau of the Budget in its report on the Government's Alaska business activities, submitted to the House Committee on Appropriations at its request on January 14, 1952 (H. Rept. No. 2316, 82d Cong., 2d sess.).

The Bureau of the Budget's report stated, in part:

"An airport is a complex business enterprise. A wide variety of services must be furnished to airlines, concessionaires, and the traveling public. The operation of the landing area is only one aspect of airport management. It is generally acknowledged that if an airport is to be self-sustaining, all sources of potential revenue must be fully exploited, including sale of power, water, and other utilities, concessions for restaurants, stores, fuel handling, and other services. To function with maximum effectiveness, an airport requires much the same flexibility as any other business activity. The Alaska international airports do not now have this flexibility and are treated with respect to financing, budget, accounts, and audit in exactly the same way as a governmental program with none of the characteristics of a business.

"Present laws and regulations applicable to the airports are not conducive to sound business management. For example, the Government may be placed in a position where it has to lose money for the sake of economy. All funds for the airports are provided from appropriations, and revenues are paid into miscellaneous receipts of the Treasury. Reduced appropriations in 1952 compelled the CAA to abandon an arrangement whereby it purchased power at wholesale rates from the city of Anchorage and sold it at a profit to airlines and concessionaires at the airport. This will result in an annual net loss of more than $50,000 to the Government. Under existing law no distinction is drawn between appropriations to be spent for operation and maintenance of the airport and appropriations to buy goods and services for resale to private customers. Management has little or no incentive vigorously to seek increased revenues, when the net effect is to deplete the amount of appropriations available for other purposes.

"The type of budget presented by the airports does not adequately disclose the financial results of operations. It is impossible to tell from the budget whether the airports are operating at a profit or a loss. There is no basis for analyzing rates and fees. A business type budget would enable the Congress and the executive branch to exercise more effective control over the airports.

"The airports are maintaining two accounting systems—one for Government reporting, and the other for management. The CAA has prescribed a system of commercial accounts which is used to supply cost data for internal management purposes. All costs are reflected in these accounts, including depreciation and interest on the total Government investment.

"There is no independent commercial or comprehensive audit of the airports. The existing GAO audit is limited to examination of vouchers with a view to determining the legality of expenditures."

The report concluded that these difficulties could be considerably reduced by the establishment of a revolving fund for the airports, and, further, that—

"The Anchorage and Fairbanks Airports will be carrying on limited operations for the next 2 or 3 years. It cannot be anticipated that the airports will be self-supporting until terminal buildings, hangars, utilities, and other essential facilities are completed, and air commerce in Alaska is more fully developed.

"In order to avoid placing a disproportionate burden on users of the Alaska airports, allowance should be made for the fact that comparable public airports receive substantial grants from the Federal Government. Public airports do not pay interest or recover depreciation on federally financed facilities. It is suggested that a portion of the investment in the Alaska airports, determined on the basis of the median percentage of Federal grants to public airports of a similar class, be considered as a Federal contribution toward the development of civil aviation."

The proposed section 11 of the enclosed bill would implement these recommendations of the Bureau of the Budget, in which the Department of Commerce concurs.

Under the circumstances, the Department of Commerce recommends early and favorable consideration by the Congress of the enclosed proposed legislation.

The Bureau of the Budget has advised us that it has no objection to the submittal of this proposal to Congress.

Sincerely yours,

SINCLAIR WEEKS,
Secretary of Commerce.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1955—AMENDMENTS

Mr. FERGUSON submitted an amendment, intended to be proposed by him to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. KENNEDY (for himself, Mr. GORE, Mr. MANSFIELD, Mr. MONRONEY, Mr. SYMINGTON, Mr. LEHMAN, and Mr. HUMPHREY) submitted amendments, intended to be proposed by them, jointly, to House bill 8873, supra, which was ordered to lie on the table and to be printed.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 686. An act for the relief of Mrs. Erna Gronowski;

H. R. 1337. An act for the relief of Mrs. Franca Gatti Ohta;

H. R. 1462. An act for the relief of Fotini X. Parisis;

H. R. 2188. An act for the relief of Karoline Diekmeyer;

H. R. 2359. An act for the relief of Joseph Veich, also known as Guiseppe Veic;

H. R. 2371. An act for the relief of Mrs. Maria M. Broix;

H. R. 2440. An act for the relief of Lidija Cimze;

H. R. 2499. An act for the relief of Adolfo L. Kalb, and his wife, Mrs. Eugenia G. Kalb;

H. R. 2619. An act for the relief of Sister Aurelia Yanguas Teres and Sister Matilde Cuevas San Martin;

H. R. 2781. An act for the relief of Nicholas Matook;

H. R. 3222. An act for the relief of Martin Luther Johnson;

H. R. 3245. An act for the relief of Mrs. Anna Elizabeth Doherty;

H. R. 3732. An act for the relief of Catherine (Cathrina) D. Pilgard;

H. R. 5028. An act for the relief of Petra Ruiz Martinez and Marcelo Maysonet Mirell and Maria Benitez Maysonet Mirell;

H. R. 6784. An act for the relief of Mrs. John William Brennan; and

H. R. 8054. An act for the relief of David Del Guidice; to the Committee on the Judiciary.

H. R. 7146. An act authorizing the Secretary of the Interior to issue a patent in fee to John McMeel No. 1; to the Committee on Interior and Insular Affairs.

H. R. 8501. An act to provide for the conveyance of certain land in Sumter County, Ga., to the Americus and Sumter County Chamber of Commerce; to the Committee on Government Operations.

H. R. 9517. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1955, and for other purposes; to the Committee on Appropriations.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 227) favoring the granting of the status of permanent residence to certain aliens, was referred to the Committee on the Judiciary, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress favors the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 4 of the Displaced Persons Act of 1948, as amended (62 Stat. 1011; 64 Stat. 219; 50 App. U. S. C. 1953):

A-6971795, Aas, Agu.
A-7134553, Akos, Robert Armin or Robert Armin Reiner.
A-9757020, Alle, Manfred Lembit or Lembit Alle or Lembit Manfred Alle.
A-7863021, Auksztulewicz, Romuald or Roman Auksztulewicz.
A-7095526, Bataskov, Peeter.
A-7863023, Bergmanis, Andrejs Augusts.
A-6840916, Berkowitz, Laszio.
A-9825339, Bitenieks, Janis or John Bitenieks.
A-8021318, Boziskovich, Marko or Marko Bozico.
A-7138070, Brody, Janos.
A-9776815, Brussich, Joseph or Giuseppe Brussich.
A-8117642, Carlich, Antonio.
A-7056456, Cassis, Wedad George.
A-7243859, Cesnieks, Eberhards Oskars Roberts.
A-7821733, Chai, Chung Kuo or Zah Chung Kui.
A-7915770, Chan, Ah or Li Wai Hee.
A-6511102, Chan, Chun-Kow.
A-7898812T, Chang, Ben.
A-6949314, Chang, Ju Wen.
A-6843436, Chang, Lucy Peng-Fei Fu.
A-6848616, Chan, Siu Won.
A-9707426, Chan, Yin or Chan Yin.
A-6093853, Chang, Hsing.
A-7201328T, Chang, Hwei Ming.
A-6511101T, Chang, Meng Te.
A-7087584T, Chang, Yu Teh.
A-6620868, Chang, Zunda, or Frank Zunda Chang.
A-9569928, Chao, Chai Ah.
A-6687306, Chen, Chen Pao or Mrs. Huang Po Fei or Mrs. Po Fei Huang.
A-6620594, Chen, Chia-I. nee Wong.
A-6738512, Chen, Hamilton Chih.
A-6575178, Chen, Dr. Hsi Sheng Yue.
A-6143083, Chen, Ming Ying or Irving Chen.
A-6848694, Chen (Patsy), Pei-Hsi.
A-7491814, Chen, Tsin-Chung.
T-1510232, Chen, Wei-Kiung or Chen Wei-Kiung or Wilkin Chen.
A-7276447, Cheng, Chin.
A-9684355, Cheng, Kin.
A-6848481, Cheng, Kuang Lu.
A-6702176, Cheng, Lorraine Hui Lan.
A-9746426, Cheung, Fong.
A-9214182, Chew, Tom Man.
A-6967639, Chien, Rowena Ling-Chung.
A-9678212T, Chin, Chu Hong or Hong Chi.
A-9541779, Ching, Lum Wai.
A-6848598, Chiu, Pan Yung or Nancy Yung-chiu Pan or Nancy Pan.
A-6973677, Cho, Bow Sun.
A-3304675, Cho, Lam.
0300-392274, Cho, To.
A-9799530T, Chong, Ho Sing.
A-9517500, Chong, Kee Cheung.
A-9653779, Chong, Lu or Lu Chong Hing.
A-8082039, Choon, Goh Tye.
A-6444644, Chou, Wen-Chung.
A-6847893, Chow, Jane Cheng (nee Chen).
A-6847894, Chow, Tsung Ni.
A-9694008, Choy, Tsang.
A-3549968, Chu, Cheng Hsiang.
A-9693024, Chu, Chuan Ngo.
A-8057480, Chu, Hsia Ah.
A-6693248, Chu, Pao Chen or William Pao-Chen Chu.
0400-46425, Chu, William Jin.
A-6848457, Chuan, Marian Keng-Ping.
A-6355133, Cheun, Lam Pak.
A-8039675, Chuen, Lee Yee.
V-305066, Chun, Wang Ya.
A-6851385, Chung, Chi or Alice Taosze Hsia.
A-9709069, Chung, Lai or Chung Lai.
A-7278805, Chun-Lai, Chen or Chun-Lai Chen.
A-6917979, Deutsch, Zoltan.
A-7849884, Dikners, Tekla.
A-8039677, Ding, Kong Kwai or Ding Kwai Kong.
A-6768098, Dirnfeld, Eugen.
A-9569921, Do, Ah Pao.
A-7863230, Dzintarnieks, Emilijaz.
A-7863229, Dzintarnieks, Jekabs.
A-7863231, Dzintarnieks, Raimonds.
A-7249063, Dzintarnieks, Visvaldis.
A-7095519, Eevola, Evald Raimonde.
A-7095520, Eevola, Therese or Therese Lantov (nee Pulk).
A-7057871, Einhorn, Margit (nee Neugeboren).
0300-424344, Eoyang, Ellen Ying-ju Tsao, or Ying-ju Tsao Eoyang, or Ellen Y. T. Eoyang.
A-6971764, Evel, Roman.
A-7863233T, Evert, Aleksandra.
A-7863235T, Evert, Henn.
A-7863232T, Evert, Hugo.
A-7863234T, Evert, Mare.
A-9529477, Ezergailis, Alfred.
A-6933832, Fan, Mary Hung-Teh.
A-6851547, Fang, Ai Ding.
A-0944283, Fang, Tien Chen, or Tien—Chen Fang, or Tommy Fang.
A-8039107, Fat, Yuen, or Fat Yuen, alias Tommy Yuen.
A-9663408, Fatt, Chung Leung.
A-6687305, Fei, Huang Po or Po Fei Huang.
0300-414145, Fong, Chan or Chen Teng Kuan.
0300-424472, Fong, Han Quen.
A-6851584, Fong, Wong Chung, alias Don Fong Wong.
A-8082078, Foo, Woo Ah.
A-9748477, Fooh, Cheng Ah, or Chan Ah Fooh, or Cheng Ah Foh.
A-8082004, Fook, Bo.
A-2569292, Franicevic, Roko William or Franechevich.
A-7209174, Frank, Amalia.
A-6798986, Freimanis, Adams.
A-6798987, Freimanis, Lidija (Lydia).
A-6798985, Freimanis, Liza.
A-6798989, Freimanis, Marta (Martha).
A-6798988, Freimanis, Rute (Ruth).
A-6819115, Friedman, Niklos.
A-7052327, Fruchter, Piri.
A-7985731, Fu, You Yung.
A-6848215, Gahtan, Roben Menashi.
A-6938808, Gailitis, Adolfs Reinhard.
A-6938812, Gailitis, Edith.
A-6938811, Gailitis, Ilga.
A-6938809, Gailitis, Lucy Auguste.
A-6938810, Gailitis, Rolands.
0300-403220, Gee, Ching Vun or Vun Gee Ching.
0300-413821, Glavina, Antonio.
A-6794978, Gluck, Sara Guttman.
A-6574035, Gni, Sister Valentina or Cecilia Tsing-Siu Gni.
T-1495482, Gobbo, Giacomo.
A-9765676, Gottschalk, Henryk.
A-7046269, Grunblatt-Frauwirth, Irene Nmi Sturcz.
A-7046270, Grunblatt-Frauwirth, Martin Nmi.
A-7046268, Grunblatt-Frauwirth, Michael Nmi.
A-7890877, Gum, Cheung For or For Cheung or Kam Cheung or Cheung Gum or Cheung Kam or For Gum Cheung.
A-6943510, Guth, Robert Oskar Berthold.
A-6780720, Halpert, Frederic.
A-7415226, Hangin, Er-De-Ni or Eric Hangin alias Erdemuula Hangin.
A-7415224, Hangin, Gombojab or John Hangin alias Gombojab.
A-7415225, Hangin, Sarangerel or Linda Hangin alias Yu Tee Tai or Mrs. Qjo (nee Tai Yu Tse).
A-6704666, Haus, Alina Baczyk.
A-9799256, Hee, Chan or Hee Chan.
A-6971756, Heht, Felix Arthur.
A-6971811, Heht, Velitsia.
030-417869, Hei, Wan Kuk or Wan Hei.
A-6938819, Hervarth, Fritz.
A-6938820, Hervarth, Lena.
A-6938821, Harvarth, Tabita.
A-9518350, Hing. Chan Lam.
0300-421802, Ho, Kan Hee or Kam Hee or Ho Kam.
A-6619132, Ho, Philip Wen-Hen.
0300-299611, Ho, Shou-Chien.
A-6904296, Hochsztein, Aron.
0300-405918, Hong, Heng or Chao Heng Kang or Chao Heng Hong.
A-8065728, Hong, Ting Yu alias Ding Hong.
A-6041638, Hong, Wong Cheuk or Cheuk Hong Wong.
A-7439851, Hoo, Chueng.
0300-417575, Hsi, Tong Ing or Hsi Ting or Mrs. Te-Mou Hsi.
A-6849867, Hsia, Tao Sze.
A-8057470, Hsiao, Ching-gung Grace or Ching-gung Hsiao.
A-7476506, Hsiao, Ching-nien Caroline.
A-8057469, Hsiao, Ching-ping Richard or Ching-ping Hsiao.
A-8057471, Hsiao, Ching-tung Margaret or Ching-tung Hsiao.
A-8057466, Hsiao, Theodore Ching-teh or Ching-teh Hsiao.
A-8057468, Hsiao, William Ching-lung Hsiao or Ching-lung Hsiao.
1700-1205, Hsu, Finny Hsi-Fan (Tsui Sik Fan).
A-8082036, Hsu, Kai Yu.
A-7290251, Hsu, Marie (nee Marie Liu).
1700-1206, Hsu, Nina Yang (Tsui).
A-6033447, Hsu, Shou-Ying or Steven Hsu.
A-6967602, Hsu, Shu Hsu or Henry Hsu.
A-6620859, Hu, Chong-Shei.
A-7802012, Huang, David Hong-Jen.
A-6697263, Huang, Mei-Sien Chu or Kwan.
0700-18194, Huang, Thomas Chao-hung.
T-2184364, Hui, Chong.
A-7111764, Hui-Ming, Wang or Hui-Ming Wang.
A-6702148, Hwa, Ching-Hsin or Gladys Ching-Hsin Hwa Ju.

V-417711, Hwo, Chen Sun.
0501-19586, Ionnitu, Rodica Maria (nee Hatieganu).
A-7387853, Ivany, Claire (nee Mero).
A-6558218, Ivany, Joseph Izsak or Joseph Izsak.
A-9503638, Jaworski, Wladyslaw.
V-379580, Jiranek, Maria Vera.
A-6975423, Jiranek, Marie Frantiska.
A-8039696, Ju, Chou Ah.
A-8001247, Jwee, Foo Kok or Jwee Kok Foo.
A-8001234, Ka, Chung.
A-7210040, Kahan, Ilona.
A-7210039, Kahan, Tibor.
0300-400328, Kai, Chan.
A-7898217, Kaldma, Edward.
A-7243856, Kalupnieks, Janis.
A-8196432, Kan, Kwong or Kan Kwong or Shui Wong.
A-6866959, Kandalaft, Robert Nasri or Robert Kandalaft.
A-7424864, Kao, Dr. Ching-Tai or Ching Tai Kao or Kao Ching-Tai.
A-6541820, Kao, Chong-Rwen.
A-6702195, Kao, Kung-Ying Tang (nee Kung-Ying Tang or Kay Tang Kao).
A-7118728, Kao, Miranda Yu-Siu.
A-6448796, Kao, Richard Chien-Wen.
A-6722390, Karjawally, Khalil Mohammed.
A-6971807, Kauniste, Leopold Fritz.
A-6971785, Kauniste, Saime.
168/229, Kee, Jim.
A-6971808, Keerd, Elmar.
0300-409444, Kei, Luk.
A-6754427, Kelemen, Denis George.
A-8021330, Kenul, John or Giovanni Chenul.
A-6938804, Kervis, Mikelis.
A-6798992, Keskula, Aino.
A-6798991, Keskula, Felix.
A-8091379, Kew, Loo.
A-7390945, Kiang, Joe Wing.
A-7095537, Kiremia, Heino.
A-7863223, Kirkis, Elza.
A-7863222, Kirkis, Ernests.
A-7863224, Kirkis, Guntis.
0300-398665, Klaniaz, Antonio.
A-7849674, Kleinbergs, Edite.
A-7849672, Kleinbergs, Karlis Zanis.
A-9654142, Klimbek, Aleksander.
A-7052412, Knvesz, Peter Theodore.
0300-398098, Koam, Chee.
A-7358540, Kolowrat, Ernest.
A-7358544, Kolowrat, Eve.
A-7358543, Kolowrat, Francis Thomas.
A-7358545, Kolowrat, Henry.
A-7358539, Kolowrat, Henry Albert.
A-7358541, Kolowrat, Marie.
A-7358542, Kolowrat, Marie Therese.
A-9556561, Kon, Ton Ze.
A-8082808, Kong, Lay-Yiu Philip or Lay-Yiu Kong.
0500-43802, Kong, Nien Michael or Mickey Kong or Nien Kong or Kong Nien or Kang Nien.
A-8106262, Kong, Yin-Hsueh Tze-Mei Virginia Lieu (nee Lieu) or Virginia L. Kong or Virginia Y. H. Lieu now Kong or Yin-Hsueh Virginia Kong (nee Lieu).
A-6953291, Korn, Josef.
A-6953290, Korn, Magda (nee Lebovits).
A-7898836, Kremar, Vladimir.
A-7863219, Krievirs, Antons.
A-7863220, Krievirs, Vilma.
A-6938803, Krinkels, Zanis Eduards.
A-6967276, Ku, Tun-Jou.
0300-161024, Kuei, Chow Tun.
0300-413063, Kuen, Wong or Huang Chuan.
A-6949480, Kuigre, August.
A-6505215, Kum, Chau Pik.
A-8057310, Kuo, Ming Ho.
A-9235711, Kwan, Ho or Ho Ding Kwan.
A-6695826, Kwan, Robert Sih-Fei.
A-7057009, Kwan-Hua, Lee.
A-9561096, Kwei, Mon Lung.
A-6971755, Laager, Zinaida or Zinaida Haakmann or Zinaida Klaas.
A-9765901, Lai, Chu Ma or Mah Lai Choo.
A-7283191, Landmanis, Valdis.
V-890330, Lee An-Sih Eo-Yang.
A-6405955, Lee, Chen Ying or George Lee.
T-2760127, Lee, Julia Mai Mai.
A-7133231, Lee, Julia Tsai or Julia Chih-Wen Tsai.
0300-398957, Lee, Pao alias Sai Lee.
T-2760126, Lee, Peter.
A-7418221, Lee, Robert Yah-Pei.
A-8091359, Lee, Tak or Tak Li or Li Pan or Lee Te.
V-320732, Lee, Tuh Yueh.
V-320740, Lee, Zoen Nyok.
A-9528839, Leong, Lam.
A-8190420, Leong, Qui or Kwai or Kwai Leung.
A-7178550, Lepp, Ilmar Arved.
A-6934988, Lewin, Moses Leib.
T-2760813, Li, Pei-Lan.
0300-421130, Liang, Mary or Lun Liang.
0300-421798, Liang, Su-Lun Fong or Su Lun Fong.
A-6772579, Licis, Peteris.
A-7383470, Lillemagi, Herbert.
A-6877751, Lin, Gracie.
A-8082678, Lin, Julia K. Y.
A-8106261, Lin, Samuel.
A-5373857, Lin, Timothy.
A-6958569, Ling, Heng-Li.
0300-418802, Liou, Fung-Hsiao Foon or Susan Liou.
0300-418800, Liou, I-Yu or Mary Ann Liou.
0300-418799, Liou, Kipaul.
0300-404211, Liu, Chor Sang.
A-6395545, Liu, Tze-Yi or Margaret Tze Yi Liu-Chu.
A-6699883, Liu, Yin-Soon Margaret or Margaret Liu.
0300-270016, Ljubicich, Antonio.
A-5949141, Log, Sing Ding or Log Ding Sing.
T-1495150, Loh, Pan Ah.
A-9688994, Loi, Lei Ah or Sing Lei.
A-7594560, Loo, Ethel Wong.
A-7594563, Loo, Fred King.
A-7594561, Loo, Wade Wei.
A-7594562, Loo, Wendy Yi.
A-7594559, Loo, Zeu-Lien.
0300-423624, Look, William or Look Quok Lam.
0500-46018, Louie, Josephine Yen.
A-4937201, Louie, Yam Hin.
A-6924609, Lovinger, Gyula.
V-417762, Lu, Mei-Ling or Luh or Andrew Mei-Ling Lu.
A-6851538, Luan, Chi or David Chi Luan.
T-1892907, Lui, Tin Choy or Lui Tin Choy or Lui Fook.
A-7290248, Ma, Dorothy Yueh-Ching.
A-7828499, Ma, Lillian Li-Nan (nee Ho).
A-6798993, Maidea, Arvi or Arvi Koop or Kopf.
A-6798884, Maidra, Luise or Lovlisa (nee Mark).
A-7416006, Mak, Kei Cheung or Mak Kei Cheng or Peter K. C. Mak.
A-9927925, Mamaliga, Efpine.
A-9769545, Man, Lam or Man Lam.
A-6739354, Mao, Jimmy Cho-ting.
A-6949427, Maripuu, August.
A-7089746, Marjanovic, Ivana.
A-6887547, Markovic, Mor.
0300-231458, Markovic, Nelly.
A-6342092, Marymont, Julian.
A-7073965, Matiesen, Linda.
A-6698871, Matrai, Eugene Jeno.
A-6978196, Matrai, Ludmila Efimovna.
A-7841820, Mayer, Isabella Moses.
0300-284892, Miecznikowski, Benon.
A-80191382, Mikulus, Peter.
A-8057492, Ming, Lee Heh or Lee Ah Ming.
A-8091355, Mok, Kwai, or Mok Kwai.
A-9765533, Molder, Evald.
A-9765534, Molder, Helga Dolinda Truuver.
A-9655450, Moon, Cheng.
A-7362937, Moy, Ho Shirt or Mrs. Poon Quon or Shiu Shirt Moy.
0300-406067, Mui, Koon or Yuk Kun Pun.
A-7087043, Musallam, Nellie N. (Jabara).
A-6857658, Nasmeh, Salim Habra Suleiman.
A-7886183, Natuszak, Stefan.
A-6749995, Nemcova, Bozena Marie.
A-7584083, New, Peter Kong-Ming.
A-7049944, Nikezic, Dragutin.
A-6949426, Nomm, Heino Amamdus.
A-6931517, Novakovich, Milan Milan.
A-7178992, Nyaradi, Eva Roskovany.
A-7178991, Nyaradi, Nicholas.
A-6610336, Obadia, Heskel Haron.
A-7421666, Olszewski, Jan Pawel or Jan Pawel Jerzv Olszewski.
A-7243867, Osis, Andrejs.
A-7243868, Osis, Lisa.
A-7052329, Oszerowicz, Abraham.
A-7890135, Oszerowicz, Pola.
A-6163728, Ouyang, George Chi alias Chi Ouyang or Ouyang Chi.
A-8065361, Own, Chiong Mo-Yin.
A-8065364, Own, Tek Ling.
A-6828972, Pan, Shang-Cheng.
A-6828921, Pan, Shih-Meng.
A-6828973, Pan, Yur Shyr.
A-7483349, Pao, Ping-Nie or Pao Ping-Nie.
V-606128, Pappadopulo, Helena Lucia.
A-7358574, Papuc, Pavel Radu.
A-7249075, Peet, Karl.
A-7249073, Peet, Laine.
A-7118681, Pei, Chu Kwang.
A-7118789, P'eng, Colette or P'eng Ssu So or Sister Mary Paula.
A-2853201, Peng, Lo Jung.
A-6589941, Peng, Man Shih alias Man-Shih Penn or Anshie S. Penn.
A-7064128, P'eng, Therese or P'eng Ssu Chin or Sister Agnes Pauline.
A-9626713, Ping, Koo Lee.
0300-405810, Po, Cheung or Po Cheung.
0300-403714, Po, Lok or Po Lok.
A-6855817, Pontus, Reinhart.
A-6772269, Potocka, Julie.
A-8065367, Poy, Low or Pang Tong.
A-6935917, Prager, Dennis E.
A-7138040, Pulaska, Jadwiga.
A-7975175, Pun, Tsang or Pun Tsang.
A-7095538, Puntsel, Arnold.
A-6817853, Pyka, Stanislaw Benedykt.
0300-416650, Que, Chong.
A-6887551, Rapaport, Leib Leon.
A-7073854, Rechen, Arthur.
A-7138248, Redel, David or Dawid.
A-6958739, Riposanu, Pamfil Aron.
A-7272870, Sadkowsky, Lumiia (nee Rodvan).
A-6738513, Sah, Emil Chih Kan.
A-6738508, Sah, Ethel Tsi Hwa Hsia.
A-6738991, Sah, Jenghis Chih Lin.
A-6738514, Sah, Joan Chih Shen.
A-6738515, Sah, Luise Amy Chih Hung.
A-6738990, Sah, Peter Chih Peng.
A-6400708, Sah, Doctor Peter Pen Tieh.
A-7483841, Sam, Yuen Too.
A-7863208, Samsonovs, Dzidra.
A-7863207, Samsonovs, Nikolajs.
9-6931514, Schischa, Beno Benjamin.
A-7178371, Schmuul, August.
A-8082093, Schobe, Eugenio.
0300-403716, Scopaz, Luigi.
A-8065354, Shain, Ling Ping.
A-6666460, Shasha, Franky Yamen.
A-6766669, Shee, Mrs. Liang Huang (nee Pansy Wong).
A-6848191, Sheena, Kamal Ibrahim Salim.
A-6234471, Shiber, Faud Basil.
A-9700178, Shong, Lew Yeag or Ah Lew.
T-405667, Show, Jesse.
A-7243862, Sicovs, Alide.
A-7243866, Sicovs, Andrejs.
A-7243865, Sicovs, Arijs Harija.
A-7243863, Sicovs, Benita.
A-7243864, Sicovs, Lilija.
A-6971793, Sigus, Alfred.
A-6971806, Sigus, Linda (nee Johnson).
A-6953061, Simcha, Jehuda.
A-6903761, Simon, Samuel.
A-8039702, Sing, An Van or Ah Yong Ting.
A-8021282, Sing, Kai Hung.
A-7985397, Sintich, Anthony.
A-7858248, Skalbe, Irena.
A-7858247, Skalbe, Janis Rudolfs.
A-7858250, Skalbe, Viktors.
A-7890719, Skansi, Anton.
A-6371247, Skarzynski, Tadeusz.
A-9660328, Skorski, Stanislaw.
A-7249068, Snikeris, Jekabs.
A-7249069, Snikeris, Milda.
A-7249070, Snikeris, Vilnis.
0300-405988, So, Fung.
A-7350815, Sonnenschein, Ernesztina (nee Friedman).
A-7138065, Sonnenchein, Geza.

A-9673017, Soodla, Alfred Voldemar.
A-7967084, Sou, Liu Chia.
A-6919987, Stanescu, Catherina.
A-6919979, Stanescu, Ion.
A-8307998, Stanich, Domenick or Domenico Stagni.
A-6922673, Steinberg, David.
A-7073644, Stoianovici, Alexandru.
A-6938800, Strautins, Arnold.
A-3415486, Strgacic, Santo.
A-6923182, Su, Chun-Hsiu.
A-7802687, Sun, Chen Tung or Chen Tong Sun.
A-8057491, Sung, Li Ping or Sung Li Ping.
A-2068076, Szentikiralyi, Joseph.
A-7210201, Taborsky, Ema.
A-7210200, Taborsky, Ivan.
A-7210202, Taborsky, Ivanka Sarka.
A-8217851, Tai, Choy.
A-8001237, Tai, Loo Poo.
A-6843446, Tai, Petrina Fuku.
A-9776644, Taiym, Kamal.
0300-408010, Tak, Lam.
A-4616331, Tam, King Hing.
A-9559951, Tan Jeu Yew or Tan Jew Jeu or Tan Yu Yew.
A-6694144, Tang, Cheng-Chung.
A-6967646, Tang, Florence Fu-Sung.
A-6624913, Tang, Liang Yu.
A-6847840, Tang, Shao-Yu.
A-6624758, Tang, Sheng-Hao alias Peter Sheng-Hao Tang.
A-6923162, Tauber, Lazar David.
A-6848524, Ti-Kang, Lu or Ti-Kang Lu or Jonathan Lu.
A-8190530, Tim, Chong or Chong Yip or Tjong Tien.
0300-391837, Tin, Leung.
A-6840806T, Tom, Mrs. George K. Y. or Gladys Li-Hua Cheng.
A-7184424, Tondu, Elizabeth.
A-7184425, Tondu, Jaan.
A-7184423, Tondu, Jane.
A-7849805, Tondu, Tiiu.
A-9529475, Tong, Ah Mui.
A-7809748, Tong, Kam Cheuk.
A-9686517, Tong, Kwan.
A-6958996, Tong, Te-Kong.
A-6938005, Traube, Aranka K.
A-9503016, Trzaska, Edmund.
A-6848145, Tsai, Marian Yu.
A-9798547, Tsai, Sing King.
A-4118212, Tsang, Chih.
A-6648708, Tsang, Chow, Szeyee.
A-8106187, Tsang, Wing.
A-8106188, Tsang, York.
A-7828137, Tseu, Joseph Ernest or Hao Liang Tseu.
A-8065350, Tsu, May Yao.
A-7768051, Tsu, Robert.
A-7358947, Tsui, Rowena Tsung-Ying Li alias Tsung-Ling Li.
A-7967068, Tsui, Samuel Yuan alias Shu-Yuan Tsui.
A-6848030, Tu, Sin Yan.
A-6401872, Tukaczynski, Marek.
A-7243281, Tung, Chun-Wan Chang alias Tung Chan-Wan Chang or Chang Tung Mrs. Tung Chi-Ling (nee Chan), Chang, Chung-Wan, Chi Ling Tung.
A-7243282, Tung, Ta-Hsung alias Tung Ta-Hsung.
A-6985799, Tyau, Victor Yu-Kung.
A-7445915, Van, Ching Chun.
A-9831105, Velci, Guiseppe or Joseph.
A-7863000, Vitols, Aleksanders.
A-7095527, Vooder, Hermi Marie.
A-7095528, Vooder, Rudolf.
A-8091550, Vosilla, Stefano.
A-7052321, Wachs, Rachelle.
A-6971774, Walter, Ottokar Herman.
A-9142428, Wan, Chung.
V-886550, Wang, Chiao-Chi alias George C. C. Wang.
A-6967363, Wang, David Wei-Tsi.
A-6851360, Wang, Hsien Cho.
A-6702184, Wang, Ju Chuan.
A-8091334, Wang, Pauline Margaret Chi Ken.
A-7284201, Wang, Wen-Lan Lou.
A-9687311, Watt, Foo See.
A-7445469, Wechsler, Harry.
A-7134257, Widerman, David.
A-6231159, Wlodkowski, Stanley Anthony or Stanislaw Wlodkowski.
A-8057465, Wo, Chow Ah alias Chow Ah Ho.
A-9769870, Wo, Ng.
A-6868663, Wolf, Sara nee Fuchs.
A-6469959, Won, Ko Fay.
A-7560742, Wong, Allen Lih-Peh.
A-7476630, Wong, Edith Tseng.
A-7476631, Wong, Eugene.
A-6635437, Wong, Florence Siu Ying Au.
A-7383234, Wong, Jennings L. or Jen Ling Wong.
0300-421801, Wong, Kwan.
A-8117329, Wong, Leung.
A-8476629, Wong, May Mei-Fang Yang.
A-7957541, Wong, Samuel Nien-Tsu.
A-6959786, Woortmann, Johannes.
A-6949787, Woortmann, Wilhelmine.
A-1365231, Wu, David Dao Chang.
A-6769214, Wu, Eileen.
A-6769215, Wu, Jadine.
A-6847747, Wu, Ke Lun.
A-6984819, Xaveria, Sister Mary or Hsiang-Hwa Liu.
A-8091389, Yan, Chow.
A-8039697, Yan, Chow Fou or Chow Fou Yuan.
A-6703489, Yang, Hsiao-Ching alias Christen Hsiao Ching Yang.
A-6742032, Yang, Raymond Yuan-Ling or Yang Yuan Ling.
A-6472549, Yang, Renee Nee-Dao Lea.
A-6934958, Yang, Shou Shih.
A-6211090, Yao, Chang-Shu.
A-6851433, Yao-Ming, Shaw or Irene Yao-Ming Shaw.
A-9192937, Yat, Chan.
A-9578780, Yat, Leong.
A-9706092, Yau, Chan.
A-6848481, Yee, Henry alias You Hai Yu.
A-9653962, Yick, Fong.
A-6163773, Yieh, Tzu-Ti.
A-9541792, Yin, Chan Chu or Chan Chu Y.
A-6848636, Ying, Tai Man or John Han-Ying Tai.
A-6696205, Ying, Yi Alice Hui-te or Yi Ying Sung or Sung Yi.
0300-417990, Yip, Gin Ning or Yin Kwan Hsueh.
A-7457728, Yip, Wing aka Tong Kuai Sien or Ruby Yip.
A-8082022, Yong, Chan Tu or Chan Yong.
A-8021401, Yong, Tsang or Tsang Young.
T-282343, York, John Quin.
A-8021332, You, Ching Shing.
A-9503915, You, Lam.
0300-404061, You, Mong Qui or Man Yu Sing.
A-6026510, Yu, Ai-Ting Tobey or Ai-Ting Yu.
A-7133251, Yu, Mabel Nai-Jang.
0500-44362, Yu, Michael Yung-An or Michael Yu or Yung An-Yu.
A-6849460, Yu, Norma Nai-Nung.
0300-423645, Yu, Sai Sai.
A-9770977T, Yuen, Kwan Sun.
0300-408006, Yung, Ah Wha.
0300-417870, Yung, Chow or Chao.
A-6275828, Yung, Ing Tang.
A-7243870, Zarins, Haralds Karlis.
A-6835861, Zbinovsky, Vladimir.
A-6449399, Zia, Ruth Wen-Mei or Wen-Mai Zia or Zia Wen-Mai.
A-8021398, Zic, Anton A. or Antun Zic.
A-7863010, Zuks, Julija.
A-7395254, Zung, Cecilia Sieu-Ling.
A-7863221, Zvirbulis, Ilvia.
A-6694130, Abramovitch, Jan Issaevich.
A-7390705, Alexandrovitch, Peter.
A-6881736, Bay, Antohon Feng or Fong-Yun Pai.
0300-150985, Bochory, Ion Jacques.
A-7821133, Cheng, David Hong or Hong Cheng.
A-8031803, Chong, Wong.
A-7982227, Choon, Wong EE.
A-7125134, Czeisler, William.
A-8031610, Dow, Sun or Soon Dow.
A-7243871, Dzerve, Alfreds.
A-7243873, Dzerve, Elita.
A-7243872, Dzerve, Zenta Lilija.
A-7210072, Efron, Anna Stepanova Surkova.
A-7197656, Efron, George Abraham.
A-9669056, Fen, Yuen Tse.
A-8082076, Foh, Wong Yung.
A-6851300, Fong, James Tse-Ming or Tse Ming Fong.
A-8082673, Fong, Lam or Fong Lam or Lam Song or Lim Shing.
A-8039705, Hing, Chan Wai.
A-9561894, Hing, Tung Yue alias Wong Foo or Wong Fee.
A-7910378, Hsu, Kui Pei or Maria Chen.
A-7910379, Hsu, Jeffrey.
A-79991869, Hu, Chang-Ching Sheng.
A-6033994, Hu, Kuo Chen.
A-7991870, Hu, Wei-Wei or Vivian Hu.
A-9778162, Hung, Dar Suey or Ah Mon.
0300-206624, Kenul, Joseph or Giuseppe Chenul.
A-8005753, King, Yee.
0300-420166, Kiong, Chan Ping or Chan Ping.
A-7833014, Kobelis, Waclaw, Jan.
A-3270926, Kuusik, Arnold.
T-2184365, Lai, Kuo Ming.
A-9699854, Lai, Leung.
A-7483842, Lai, Yuen.
A-9799430, Lee, Hon or Lee Hon or Lee Chuen.
PR-901160, Li, David Ta-Wei or David Li.
0500-44830, Lieu, Dakuin, Keetao.
0500-44834, Lieu, Hou-Yi or Bing Hou-Yi Lieu.
0500-44831, Lieu, Tze-Ying or Tse-Yin or Priscilla Tze-Ying Lieu.
0500-44833, Lieu, Yungtsing Pei Yung (nee King) or Helen K. Lieu (nee King) or Helen Peiyung Lieu (nee King).
A-9615008, Liimann, Johannes or Liivand or Liiwand.
0300-410498, Ling, Yuen Sick.
0300-403873, Lo, Chang Ah.
A-7123589, Lou, (Richard) Li-Hsi.
0300-420205, Lu, Ning Sing or Ning Shen Lu.
0300-421799, Lung, Chan or Chen Shao Lim or Chan Sui Lung.
A-9700254, Mao, Yung Ja.
A-8010434, Mark, Wing.
A-8082026, Ming, Chin Wai or Chin Yick Ling.
A-9533416, Mok, Yuan.
A-8082051, Nazars, Janis.
A-9825042, Nogal, Andrzej.
0300-391375, Pang, Mak Shiu or Mak Pang.
A-9948277, Picinich, Filippo Nicolo.
A-7362936, Quon, Poon.
A-9764707, Spectoroff, Maurice Jack.
A-7184000, Stern, Erwin.
A-8021281, Sung, Ma Kun.
A-8281827, Titoff, Constantin.
A-7197627, Titoff, Nathaly.
A-7197626, Titoff, Raisa.
A-7197625, Titoff, Victor.
A-6848170, Trybuch, Isidor.
A-6694303, Tung, Pen Chien.
A-7802078, Tung, Ya-Lan Hu.
A-6702152, Wong, Davina Kam Young (Davina Teh-Hsing Huang).
A-8057965, Wong, Pui.
A-9831385, Yee, Tom.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

NOTICE OF CONSIDERATION OF CERTAIN NOMINATIONS

Mr. WILEY. Mr. President, the Senate today received the following nominations:

The following-named persons to be members of the United State Advisory Commission on Educational Exchange for the terms

indicated, and until their successors have been appointed and qualified:

Arthur Hollis Edens, of North Carolina, for the remainder of the term expiring January 27, 1955.

Anna L. Rose Hawkes, of Vermont, for the remainder of the term expiring January 27, 1955.

Rufus H. Fitzgerald, of Pennsylvania, for the remainder of the term expiring January 27, 1956.

Arthur A. Hauck, of Maine, for the remainder of the term expiring January 27, 1956.

The following-named Foreign Service officers for promotion from class 4 to class 3:

Armin H. Meyer, of Illinois.
Albert E. Pappano, of Ohio.

William B. Cobb, Jr., of North Carolina, for promotion from Foreign Service officer of class 5 to class 4 and to be also a consul of the United States of America.

William A. Chapin, of Illinois, for promotion from Foreign Service officer of class 6 to class 5.

Rufus H. Lane, Jr., of Virginia, now a Foreign Service officer of class 2 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

Nathaniel Lancaster, Jr., of Virginia, now a Foreign Service officer of class 3 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

Robert A. McKinnon, of Michigan, now a Foreign Service officer of class 5 and a secretary in the diplomatic service, to be also a consul of the United States of America.

Henry A. Byroade, of Indiana, for appointment as a Foreign Service officer of class one, a consul, and a secretary in the diplomatic service of the United States of America.

Thomas C. M. Robinson, of Iowa, for appointment as a Foreign Service officer of class 3, a consul, and a secretary in the diplomatic service of the United States of America.

Rollie H. White, Jr., of the District of Columbia, for appointment as a Foreign Service officer of class 4, a consul, and a secretary in the diplomatic service of the United States of America.

The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Robert E. Barbour, of Tennessee.
Theodore M. Collier, of California.
Walter F. X. Collopy, of Connecticut.
Morris Draper, Jr., of California.
Robert T. Follestad, of California.
Fred J. Galanto, of Massachusetts.
John L. Gawf, of Colorado.
Harry B. Glazer, of the District of Columbia.
C. Norman Hanley, of Washington.
Donald S. Harris, of Connecticut.
William C. Harrop, of New Jersey.
David C. Jelinek, of Wisconsin.
Richard C. Johnson, of Massachusetts.
Burton Levin, of New York.
Winslow S. Lincoln, Jr., of California.
Miss Alethea Mitchell, of Tennessee.
Leo J. Moser, of California.
Carsten D. Muller, of New York.
George B. Sherry, of Maryland.
Paul K. Stahnke, of Illinois.
William A. Stoltzfus, Jr., of Minnesota.
Jean R. Tartter, of Massachusetts.
John Means Thompson, of New York.

The following-named Foreign Service staff officers to be consuls of the United States of America:

Peter Constan, of Massachusetts.
Sherman Hoar, of Massachusetts.

John W. Edwards, of Massachusetts, a Foreign Service reserve officer, to be a consul of the United States of America.

The following-named Foreign Service reserve officers to be secretaries in the diplomatic service of the United States of America:

Donald J. Sanne, of the District of Columbia.
Walter E. Seager, of the District of Columbia.

I give notice that these nominations will be considered by the Committee on Foreign Relations at the expiration of 6 days in accordance with the committee rule.

TRAGIC CONDITION OF THE SHIPBUILDING INDUSTRY

Mr. BUTLER of Maryland. Mr. President, I ask unanimous consent to speak for 4 minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Maryland may proceed.

Mr. BUTLER of Maryland. Mr. President, on several occasions recently I have deemed it my duty to bring to the attention of the Senate the tragic condition of the shipbuilding industry in this country.

To indicate the present status of our shipyards I need only state here that not a single contract has been placed with a major coastal shipyard since November 1952, for construction of an ocean-going vessel of more than 2,000 gross tons, for American registry. Many, if not most, of these yards, so vital to our defense potential, are on the verge of complete shutdown.

That would be bad enough, of itself. But even more distressing is the fact that while the shipyards throughout America are facing collapse, American ship operators are placing contracts for new ship construction, but they are placing these contracts abroad, in foreign yards. And, ironically, Federal-aid funds have been poured into some of those foreign yards in recent years, to build them up to their present state of successful competition with our own ailing ship-construction facilities.

According to an article in the Journal of Commerce on Wednesday, June 9, written by the Journal's London correspondent, contracts for 40 merchant ships, aggregating 826,190 deadweight tons, have been placed with foreign yards by United States interests or their foreign affiliates in the 12-months period ending June 1, 1954. The contract value of these vessels is reported to be $115,666,600.

With this newest yearly total of ship construction work placed abroad by American or affiliated interests, the post-war total of such contracts has reached $975 million, just short of $1 billion.

This Nation's shipbuilding workers, now aggregating less than one-tenth of those so employed just 10 years ago, must find it difficult, indeed, to understand such a situation.

These figures will come as an unpleasant surprise to many of my colleagues—particularly to those who, like myself, represent large port areas where the decline in shipbuilding has brought distress to many thousands of skilled workmen and their families. I am also sure that many of my inland colleagues, who take justifiable pride in our fourth arm of defense, will likewise be disappointed and alarmed at these developments.

Apart from the serious danger to the Nation's war potential in any future time of emergency, this critical shipbuilding condition offers a growing threat to the economy of the entire Nation. America depends on its foreign commerce for its prosperity—and the American merchant marine has always been the medium through which that prosperity has been achieved. It is unthinkable that we should willingly place our complete trust in a foreign merchant marine, but with our empty shipyards we definitely are heading in that direction at the present time.

Unless Congress awakens to the dangers of the situation, and enacts a realistic program for financing ship construction, the American shipbuilding and ship repair industry will shrivel up and die. We cannot ignore the situation any longer. Already we are far beyond the danger point.

I ask unanimous consent that the article from the Journal of Commerce be inserted in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AMERICAN SHIP CONTRACTS IN OVERSEAS YARDS MOUNT—UP $115 MILLION IN YEAR

LONDON, June 8.—With the laying of the keel recently at Birkenhead for the world's largest bauxite ore carrier, to be built for the Aluminum Co. of America, the volume of American financed new ship construction placed with foreign yards during the post-war period reached just short of $1 billion.

Actually, the total is estimated at $975 million, representing 279 new tankers, ore carriers and cargo ships of 5,707,820 deadweight tons.

Of this volume, 40 merchant ships aggregating 826,190 deadweight tons and having a contract value of $115,666,600 were reported placed by United States and affiliated interests during the 12 months ended June 1, 1954—the period elapsed since this correspondent's previous roundup.

ORE CARRIERS

Prominent among the new orders are the 33,000-ton bauxite carrier to be built by Cammell Laird & Co., and a smaller sister ship of 26,000 tons cargo capacity started recently at the yard of Lindholmens, Gothenburg, Sweden. Both will be operated by Pan Ore Steamship Co., a subsidiary of Aluminum Co. of America, and will bring bauxite ore into United States gulf ports from Trinidad.

Other interesting new contracts include three refrigerated cargo ships ordered from Cammell Laird & Co., by Empresa Hondurena de Vapores, a United Fruit Co. subsidiary, and two specially designed paper carriers placed with Atlantic Shipbuilding Co. by Quebec & Ontario Transportation Co., a Chicago Tribune affiliate.

Of the 29 new tankers, aggregating 742,490 deadweight tons ordered during the past 12 months, 12 will be of the supersize type, ranging between 25,000 and 35,000 deadweight tons.

While there has been a noticeable slackening during the past 18 months in the volume of contracts for new tonnage placed with foreign yards by United States and affiliated interests, due to the declining volume of international trade, end of the Korean war and contraction of United States aid programs, foreign yards still have a backlog of over 2 million deadweight tons of such shipping which will require up to 2 years to complete.

AMERICAN YARDS LACK ORDERS

This contrasts with reports received here which indicate that American shipyards will shortly finish all their contracts for ocean ships with the result that several face early shutdowns.

There are several economic factors involved in this postwar trend by American interests of ordering new ships from foreign shipyards—a trend which seems likely to continue in varying degree in the period ahead.

Evident throughout the postwar period has been the vast increase in the amount of raw materials—notably oil, iron ore, bauxite, manganese, chrome, etc.—required by the United States.

With cargo availability evident, the problem resolved itself into one of obtaining tonnage that would do the job more economically from the viewpoints of capital investment, handling, and operating costs.

Reflecting this has been the rise of the large, fast tanker, specially designed ore ships, combination oil-ore carriers, etc., and the placement of large orders abroad where lower labor costs permitted great capital savings.

It is still possible to order an oil tanker here at about one-half the reported cost in the United States. Latest information from Japan indicates their shipyards earlier this year accepted tanker construction contracts at about $140 a deadweight ton, again about half the American price.

The major oil companies, of course, had large holdings of foreign currency, mainly sterling, which could not be brought home due to currency restrictions. Substantial amounts of these earnings found a logical outlet as payment for new tonnage which the companies required and ordered built against their foreign bank holdings.

UNITED KINGDOM GETS CONTRACTS

The chief beneficiary thus far is the United Kingdom which has received building contracts from United States and affiliated interests for some 120 vessels of about 2,100,000 deadweight tons during the past 6 years.

Germany, whose shipbuilding industry has enjoyed a remarkable recovery after being virtually wiped out during the war, has obtained orders for 58 vessels; Japan has secured 39, Holland 22, France 12, and Belgium and Sweden each 10.

Of the 279 vessels involved in this postwar trend, 214 are oil tankers and 65 are freighters, iron ore and other bulk carriers.

Approximately 50 percent have been completed and delivered to the owners. These include more than 100 tankers, 4 of 6 combination oil and ore carriers, ordered by States Marine Corp., 4 or 8 bauxite carriers for Aluminum Co. of America, and 2 of 8 freighters contracted by United Fruit Co. subsidiaries.

Virtually all of this shipping will be registered under foreign flags, mainly Liberian and Panamanian, permitting substantial savings in operating costs through the lower wage scales prevailing as compared with United States flag shipping.

Details of the vessels contracted by American interests at foreign shipyards during the 12 months ended June 1, 1954, follow:

NEW CONTRACTS PLACED

Oil tankers

Triton Shipping Co., New York: 1 of 38,000 deadweight tons, Kawasaki Dockyard Co., Japan.

Panama Transport Co. (Esso): 1 of 35,550 deadweight tons, Ateliers & Chantiers de France.

Texas Co. (Norway): 1 of 15,750 deadweight tons, Fram Mek Verkstad, Norway; 1 of 16,500 deadweight tons, Deutsche Werft, Germany.

Dansk Esso AS: 1 of 600 deadweight tons, Kremer Sohn, Germany; 1 of 26,500 deadweight tons, Odense Staalskibsvaerft, Denmark.

Unitas, Inc.: 1 of 20,800 deadweight tons, Nippon Steel Tube Co., Japan.

Transocean Carriers Co., Panama: 1 of 20,000 deadweight tons, Nippon Steel Tube Co., Japan.

Seabird Tankers, Inc.: 1 of 19,000 deadweight tons, Mitsui Shipbuilding & Engineering Co., Japan.

Tanker Transports Co.: 1 of 20,000 deadweight tons, Uraga Dock Co., Japan.

Miramonte cia Naviera S. A.: 1 of 20,000 deadweight tons, Nippon Steel Tube Co., Japan.

Republic Marine Co.: 1 of 20,000 deadweight tons, Nippon Steel Tube Co., Japan.

Oceanic Shipping Co.: 1 of 19,000 deadweight tons, Kawasaki Dockyard Co., Japan.

Cia Arm. Transoceanica S. A., Panama: 1 of 24,500 deadweight tons, Furness Shipbuilding Co., England.

North American Shipping & Trading Co. 1 of 32,500 deadweight tons, Kieler Howaldtswerke, Germany; 1 of 32,000 deadweight tons, Howaldtswerke A. G., Germany; 4 of 20,000 deadweight tons each, Vickers-Armstrongs, England.

Intermarine Navigation Co., Liberia: 2 of 32,000 deadweight tons each, Nagasaki Shipbuilding & Engineering Co., Japan.

Overseas Tankship Corp. (Caltax): 1 of 17,000 deadweight tons, Hawthorn, Leslie & Co., England.

Western Shipping Corp.: 2 of 32,000 deadweight tons each, Harima Shipbuilding & Engineering Co., Japan.

Marchisini Co., New York: 1 of 35,000 deadweight tons, Mitsui Shipbuilding & Engineering Co., Japan.

Trans-Ocean Marine Corp., Liberia: 1 of 35,000 deadweight tons, Nippon Steel Tube Co., Japan.

Compania de Navegacion Los Cruces, S. A.: 2 of 20,000 deadweight tons each, Hitachi Shipbuilding & Engineering Co., Japan.

J. A. Cosmos, San Francisco: 1 of 20,000 deadweight tons, Oresundsvarvet, Sweden.

Esso E. G. (Germany): 1 of 26,790 deadweight tons, A. G. Weser, Germany.

Cargo ships

Empresa Hondurena de Vapores (United Fruit Co.): 3 reefers of 5,500 deadweight tons each, Cammell Laird & Co., England.

Quebec & Ontario Transportation Co. (Chicago Tribune): 2 cargo of 3,000 deadweight tons each, Atlantic Shipbuilding Co., England.

Norness Shipping Co. (Naess Mejlaender & Co., New York): 2 cargo of 10,250 deadweight tons each, Short Bros., England.

Comp. Achilles de Nav. S. A., Panama: 1 cargo of 10,700 deadweight tons, Bartram & Sons, England.

Compania Farallon de Navegacion S. A., Panama: 1 cargo of 10,000 deadweight tons, Bartram & Sons, England; 1 cargo of 10,000 deadweight tons, Short Bros., England.

Parana Cia de Vapores S. A., Panama: 1 cargo of 10,000 deadweight tons, Short Bros., England.

CORN, COTTON, AND WHEAT LOANS OVER $100,000

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point as a part of my remarks a letter which I have received from the Deputy Administrator for Production Adjustment of the Department of Agriculture, transmitting a list of corn, cotton, and wheat loans over $100,000, each by States.

There being no objection, the letter and table were ordered to be printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF AGRICULTURE,
COMMODITY STABILIZATION SERVICE,
Washington, D. C., June 9, 1954.

Hon. WILLIAM F. KNOWLAND,
United States Senate.

DEAR SENATOR KNOWLAND: As requested by Mr. Jaeger, of your office, this morning, there is enclosed a list of the corn, cotton, and wheat loans which are over $100,000. If we can be of any further assistance, please do not hesitate to call on us.

Sincerely yours,

H. L. MANWARING,
Deputy Administrator for Production Adjustment.

Corn, cotton, and wheat loans over $100,000, 1953 crop

State	Corn		Cotton		Wheat	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
	Bushels	*Dollars*	*Bales*	*Dollars*	*Bushels*	*Dollars*
Alabama			989	178,171.35		
			816	146,525.75		
Arizona			1,870	503,908.11		
			1,911	298,129.46		
			406	198,972.82		
Arkansas			2,291	412,361.10	88,756	209,034.31
			1,067	192,072.15		
			875	152,462.98		
			581	103,499.10		
			577	102,191.50		
California			7,314	1,246,516.46	68,471	147,007.24
			3,947	604,321.89		
			3,373	499,008.22		
			2,910	456,133.74		
			2,785	440,695.56		
Colorado					157,443	338,535.55
Idaho					71,939	171,801.82
					85,842	172,677.00
					66,294	109,158.00
					55,978	112,401.00
Illinois	71,712	116,173.44				
Indiana	102,648	166,289.76				
Iowa	124,800	190,944.00				
Kansas					64,277	139,237.00
					57,669	125,198.00
					43,132	104,263.00
Louisiana			876	153,339.43		
Mississippi			7,220	1,269,492.66		
			2,328	394,351.03		
			1,889	359,204.39		
			1,061	191,256.48		
			1,127	183,371.69		
Missouri			3,655	643,993.37		
Montana					184,516	348,646.20
					116,118	232,527.90
					50,875	101,982.80
					48,639	101,675.83
New Mexico			1,080	177,836.37		
			890	149,009.93		
			764	139,704.31		
			801	131,510.28		
			761	126,112.63		

Corn, cotton, and wheat loans over $100,000, 1953 crop—Continued

State	Corn		Cotton		Wheat	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
	Bushels	*Dollars*	*Bales*	*Dollars*	*Bushels*	*Dollars*
North Dakota					58,850	127,281.48
Oregon					124,002	270,607.00
					85,858	178,070.00
					84,304	197,939.00
					57,184	116,631.00
					51,756	119,445.00
South Carolina			1,293	208,475.24		
South Dakota					46,150	101,530.00
Tennessee			597	109,277.77		
Texas			1,006	323,686.78	73,087	175,660.71
			1,293	208,139.36		
			1,209	201,492.05		
			1,210	201,007.43		
			694	162,875.03		
Washington					152,840	354,339.00
					92,382	201,832.00
					87,376	178,196.00
					86,294	182,756.00
					85,262	182,717.00

REGULATION OF AIR TRANSPORTATION

Mr. HUNT. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point as a part of my remarks a statement made by Hon. Joseph C. O'Mahoney, former Senator from Wyoming, before the Senate Committee on Interstate and Foreign Commerce on June 10, 1954, relative to Senate bill 2647.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF JOSEPH C. O'MAHONEY BEFORE THE SENATE INTERSTATE AND FOREIGN COMMERCE COMMITTEE RELATIVE TO ITS HEARING ON S. 2647, JUNE 10, 1954

There are two great issues presented to this committee, the preservation of free enterprise from encroachment by monopoly and the preservation of the lawmaking power of Congress from bureaucratic encroachment. The American system is based upon these two principles. It is essential to maintain a free economy and a free Government.

These principles are under attack in this era by two powerful enemies, private monopoly and totalitarian government. Private monopoly pretends to be free enterprise when it seeks the favors of government. Totalitarian government pretends to be the champions of the people's rights even while by deception and force it seeks to establish Communist tyranny.

This committee room may well be the forum in which this issue will be decided. The pattern for the regulation of air transportation presented by Under Secretary Murray of the Department of Commerce would substitute monopoly for free enterprise through a system of mergers and control which would permanently close the door against new and independent investment in aviation transportation. Under the guise of abolishing Government subsidy and strengthening aviation, it would confirm the policies by which the Civil Aeronautics Board has, with but few exceptions, been overruling the will of Congress.

It cannot be denied that it was the intent of Congress when the Civil Aeronautics Act of 1938 was passed to foster and develop a competitive air transport industry for the benefit of all the people of the United States. Neither can it be denied that it has been the overall policy of the Civil Aeronautics Board to give priority to established lines and to relegate public convenience and necessity to the rear whenever a pioneering new enterprise sought to establish itself in this great new industry that came into existence after World War I.

I do not pretend to say that this has been an altogether conscious policy upon the part of the Board, and I know it is a policy that has never obtained the support of Congress. Members of the Senate and the House are so overburdened with the problems of our day that they have not been able to give the attention to the details of the administration of the Civil Aeronautics Act. Meanwhile the members of the Board, subjected to daily pressure, frequently handicapped by lack of a sufficient staff, and never free from the plausible arguments of the grandfather airlines whose equities were recognized when the Civil Aeronautics Act was passed, they have tended to give preference to the latter. It was a perfectly natural thing for Board members, daily conscious of the huge sums paid in subsidy out of the public Treasury, to be fearful of increasing the draft on public funds by granting new certificates. They did not, however, give sufficient consideration to the contribution which was being made to the development of the air transport industry by pioneer carriers who did not ask and who never received a 5-cent piece in Government subsidy, but who were consistently generating new business.

Now, unless the members of this committee carefully examine all the facts, they will be in danger of being misled into yielding to Board policies which have created unwarranted obstacles against the development of new carriers who were ready, willing, and able to serve the public convenience and necessity without asking any support from the Federal Treasury.

I want to discuss this issue from the point of view of the existing law, from the point of view of the proposals made by the President's Air Coordinating Committee, and from the point of view of the policies of the Civil Aeronautics Board. But first I want to tell you the dramatic story of the foundation, the management, and the success of the North American Air Lines groups. Then I want to outline to you the slow process by which Congress has been surrendering its law-making power to the executive branch of the Government and to a multiplicity of boards and commissions. I want to show you how impossible it will be for the representatives of the people to retain the legislative power granted to them by the constitutional convention if Congress continues to delegate away the power to protect a free economy for the people of the United States by continually giving the executive branch discretionary power to write the economic law of our people under the guise of authority to make rules and regulations.

THE DRAMATIC STORY OF THE NORTH AMERICAN GROUP

Now with respect to North American which I am proud to represent before this committee. Notwithstanding all the propaganda and misrepresentation that has reached your ears, we stand here not as intruders and "flagrant violators" of the law as we have sometimes been called at least by implication. On the contrary, we stand here as American citizens with our own money, without a Government subsidy, with applications legitimately pending for certificates of convenience and necessity. We have always desired to have such certificates. We operate under the exemption clause only because that was the only manner in which the Civil Aeronautics Board was willing to recognize us when we first started.

James Fishgrund and Stanley D. Weiss were in the military service during the war. Weiss flew planes bearing the American military insignia over the Himalaya Mountains and through all the danger and stress of the conflict in Asia where once again, if current newspapers are carrying accurate reports, we may be asking other American fliers to risk their lives in defense of liberty. These two veterans were convinced that millions of people wanted to travel by air but simply could not afford to pay the rates charged by the subsidized holders of certificates. They had saved $300 out of their war pay but they had a million dollar idea of progress and enterprise. It was an idea that appealed to the Reconstruction Finance Corporation and to the War Assets Administration. Through the latter, the Government of the United States was desirous of selling some of the planes which had been used for purposes of war but were useful as instruments of trade and commerce in times of peace. Accordingly, these two veterans, with their $300 savings, their million dollar idea and the support of the Reconstruction Finance Corporation, purchased two DC–3 aircraft from the War Assets Administration. Then with a letter of registration and an exemption issued by the Civil Aeronautics Authority they commenced operating coast-to-coast coach transportation by air for people of small resources. They originated the $99 transcontinental fare and the $75 Chicago-to-California fare. They were convinced that a new seating arrangement enabling them to carry more people than had been the custom of the certificated carriers would make the new low fares economically sound.

Bear in mind there was no such thing as air-coach travel when these veterans started with their youth, their savings, and their idea of progress. Their confidence that a real public need existed but was not recognized either by the certificated carriers or by the Civil Aeronautics Authorities was so completely vindicated that by the end of 1948 their airline was the largest noncertificated passenger service in the air-coach operation. The people wanted to travel by air. The people wanted the low fare and at the end of 1948 the vision of these two veterans had been so emphatically endorsed by the public that they owned three DC–3 and one C–46 aircraft. They owned the planes, I say, free and clear. Their credit position was excellent and they were not dependent upon airmail pay or Government subsidy for a dollar of the revenue that made them successful. They were dependent only on the public they were so satisfactorily serving.

They were not satisfied to operate under release from the responsibilities or requirements of a certificate of convenience and necessity. They did not want to operate by virtue of an exemption. They had demonstrated that air traffic could be carried on without subsidy and with perfect safety by efficient fliers who believed in free enterprise and who saw the great potential market for low-fare operation, so they joined

with other noncertificated carriers in filing application for certificates of convenience and necessity.

The Civil Aeronautics Board recognized the value of their argument, acknowledged that fares should be reduced but, believe it or not, refused to issue certificates. The opinion of the Board, handed down on November 7, 1951, in the Transcontinental Coach Type Service Case (Doc. No. 3397 et al.) opened with an unqualified assertion of the sound principle these pioneers had proclaimed "Unless air transportation can be brought within the reach of the many people of limited means," said the Board, "it will not be able to fulfill its obligation to the American people." Concealing the ax it was about to wield, the Board went on: "Indeed there could be no justification for a national policy which has poured millions of dollars of the people's money into the building up of a vast air-transportation system if that system were to be permanently restricted to persons of means and denied to the masses of the people."

Who can deny the wisdom of these words? Who can deny the vision which acknowledges that the millions of dollars paid in subsidies to the certificated airlines should have provided an air system which should not be "permanently restricted to persons of means and denied to the masses of the people." Well, the Civil Aeronautics Board denied it in the very same opinion, rationalizing themselves into a declaration that only certificated carriers should be permitted to fly coach and that the place of the large irregular carrier would be studied in a new proceeding to determine "whether there is a need for service in addition to and supplemental to service performed by certificated carriers, and, if so, the frequency and degree of irregularity of the service which would be best adapted to meet such need" (Doc. No. 3397 et al. p. 16.)

How did they reach this conclusion? We find the confused trail of their logic in the following gobblydegook from page 10 of the same decision:

"The assumption that such a classification could either legally or practically be established with any assurance that it could be maintained ignores the realities of air-transport development. Already three transcontinental air carriers have been operating air-coach services at fares only slightly above those charged by the irregular air carriers and there are sound reasons for believing that there will be a further expansion of this type of service by the certificated carriers. Indeed if the present trend continues—and this Board intends to use its full statutory powers to insure that it does continue—the low-fare service could in time become the standard service on the leading routes of the Nation. In the situation which would thus be created any substantive differences between the existing carriers and the new services here proposed would have vanished, leaving an excess of services of the same type which would be engaged in destructive and unnecessary competition."

The pioneers have come in 3 years from their meager savings of $300 and a million-dollar idea to a thriving enterprise with 6 DC–3's and 1 C–46 fully owned, paying taxes to the Government, wages to the workers, profits to the owners, and providing safe service to the public, yet the CAB was blind enough to say that the assumption that this could be done "ignores the realities of air transport development." It was the Board, not the applicants, who ignored the realities and now this committee and the Congress are being urged to put on the same blinders themselves. Ever since 1948, North American Airlines has made a similar record of expansion and profit, providing safe service without subsidy to the growing demand of the people for low-cost transportation by air. Today, North American Airlines owns outright six 4-engine DC–4's. Two years ago North American Airlines ordered from the Douglas Aircraft Co. two DC–6's at a total cost of approximately $3 million. These planes are now on the final assembly line and will be delivered this fall. North American's gross revenues in 1953 were in excess of $10 million.

THE PENALTY FOR FREE ENTERPRISE IN AVIATION

This is a dramatic story of success, the sort of success that only free enterprise produces. This is the story of courage, of vision and efficiency which has made the United States the economic leader of the world. Here in June 1954 we stand before this committee considering new legislation, yet the Civil Aeronautics Board is not within sight of the termination of the proceeding which it instituted on September 21, 1951 (Order Serial No. E–5722) to determine "whether there is a need for service in addition to and supplemental to services performed by certificated carriers." The Board was created by Congress to foster and promote the development of aviation and it has been spending its time and all its imagination in the effort to kill the carriers that have been able to fly without subsidy. It was the Board that developed the title "irregular carrier," probably because of the belief that the word "irregular" was ideally calculated to spread abroad the superstition of inefficiency, rude arrogance, and a deliberate intention to avoid the law. Give a dog a bad name is the theory under which they have been kicking us around. Inventing regulations after the fact to compel violations for which they would then launch enforcement proceedings to put us out of business before our applications for certificates could be acted upon. I have no choice under the record which is presented in this case but to say that the Board is acting with every sign of a deliberate intent to liquidate us before the public demand for the kind of service we propose to perform can be satisfied. In the Transcontinental Coach Type Service case, the Board asserted that it was "fully aware of the importance of developing the air passenger market through lower fares." The Board had before it the evidence that almost "half a million passengers had been carried three-quarters of a billion passenger miles in 1950 by the noncertificated low fare coach pioneers. This was new business generated by the new lines. In the face of this the Board chose to ignore the plain demonstration that the public convenience and necessity had been served by the applicants and calmly declared that some of the trunk lines had begun to provide coach service "at fares only slightly above those charged by the irregular carriers" (Docket No. 3397 et al., p. 10). Thus the Board gave notice of its intention to drive the noncertificated carriers, the pioneers of air coach service, out of the business they had foreseen and developed. This intention included the transfer of this new business to the certificated lines.

A particularly shocking illustration of the purpose of the Board to liquidate noncertificated carriers who had developed a new business and turned it over to certificated carriers is found in the story of air transportation on the vital triangle Seattle to Anchorage and Fairbanks, Alaska. At the end of the war there were developed some 13 small enterprises, operating 2 and 3 cargo planes each, carrying passengers and fresh foods to Alaska.

This was a route on which the scheduled subsidized lines had attempted to provide service but had abandoned the effort because they had always lost money. This was a route they shunned because it was unprofitable when served by the luxury high-fare operation. But these small independents with low coach fares and low overhead made a vast success of it. In 1 year they carried 19,000 passengers and over 9 million pounds of freight, at very low cost, so that eggs and vegetables were abundant and cheap in Alaska, but they were guilty of the great crime of not being grandfather, of being only small enterprises, and of being allowed by the Civil Aeronautics Board to fly only irregularly. They conquered the difficulties of terrain, the difficulties of weather, and the obstacles created for them by the Board in direct violation of the intent of Congress that air-transportation service should be encouraged and developed. In the face of the protests of the government of Alaska, of the Department of the Interior, and the Senate Small Business Committee, the Civil Aeronautics Board proclaimed that these small companies must be eliminated because of their alleged violation of economic regulations which were intended to keep them small and unsuccessful. Today not 1 of these 13 pioneer independents survive. They were put out of business by the Board under the war cry that free enterprise in aviation delenda est.

The execution of the pioneer independents was accompanied by the grant of certificates with subsidy to Pacific Northern Airlines and Alaska Airlines authorizing them to engage in air transportation between Seattle and Portland, respectively, and Alaska. The independents asked for permission to carry the mail without charge, as well as to operate without subsidy, but the CAB, with its false notion of how to foster and develop an air-transportation industry adequate to meet the public demand, preferred to endow the 2 certificated carriers with a $3 million subsidy.

Congress did not treat existing lines that way when the Civil Aeronautics Act of 1938 was passed. It did not adopt a hostile policy toward old lines which had been flying without certificates, since certificates were not required before 1938. On the contrary, in providing that certificates should be issued in the future, the Congress added a savings clause, which is popularly known in the industry as the grandfather clause, by which existing air carriers were permitted to continue to fly until the new authority had time to pass upon their applications. Ever since, however, the Board has locked the door against newcomers and has endeavored so far as possible to reserve to the grandfathers the entire airspace above the continent. The Board has resisted the development of air cargo as well as air coach in pursuit of its consistent policy of special privilege for the grandfathers. Now the policy of the Board has been fortified by the recommendations of the President's Air Coordinating Committee if they were correctly interpreted by Under Secretary Murray. He advocated before this Committee a policy of route modifications for the benefit of certificated carriers through the merger of such lines, and the findings of convenience and necessity for new applicants only after considering "the merits of authorizing new versus existing carriers to provide such services."

Of course, there have been dissents from time to time in the rulings of the Board. There have been members who have made themselves the spokesmen of the millions of people in the low-income brackets who would like to travel by air coach if sufficient facilities were provided if those carriers who have already demonstrated their ability to operate the coast system safely, efficiently, and without subsidy were permitted to receive certificates. In the Transcontinental Coach Type Service case, Commissioner Adams correctly pointed out that there is a vacuum in our present transportation system because the demand for coach service is greater than the supply which the majority of the Board and the certificated carriers are willing to provide. In times past the Board has recognized the clearly stated objective of Congress to promote and develop air transportation. In the Air Freight case (10 CAB 572, 588) the Board asserted positively that the Civil Aeronautics Act is not

designed wholly as a code for the adjustment of conflicting private rights through adjudication, but expresses the desire of Congress, through administrative control, to encourage and guide the development of a dynamic industry vitally related to the national interest. The decision of the Board in this case was approved by the United States Court of Appeals for the District of Columbia Circuit on September 27, 1951, in rejecting the effort of the certificated carrier, American Airlines, to overthrow the decision of the Board:

"Obviously development, promotion, and encouragement are matters of foresight, not products of unblended hindsight. In the second place, the regulatory function, certainly insofar as it includes permissive certificates, is a forward looking function as any examination of regulatory measures easily demonstrates."

THE CONSTRUCTIVE ACHIEVEMENTS OF THE FEDERAL HOUSING ADMINISTRATION

Mr. WILEY. Mr. President, the people of America have recently been saddened to learn of certain abuses under Federal Housing Administration appropriations.

We are all hoping that under the new legislation shortly to be concluded by the Congress we will have made certain that these abuses will not recur. What must not be lost sight of, however, is the overwhelming story of the tremendously constructive accomplishments of FHA. Here is an agency which has not only paid its way, but which has provided a "shot in the arm" for the private enterprise housing system which has enabled it to be the envy and admiration of the world.

There will be over a million homes started this year, and much of this great achievement is due to FHA.

I was pleased to see in last Sunday's issue of the Milwaukee Journal a fine article pointing out what FHA has achieved for my own State. I ask unanimous consent that excerpts from it be printed at this point in the body of the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

FHA HAS PLAYED BIG STATE HOUSING ROLE IN ITS 20 YEARS OF MORTGAGE INSURANCE—HAS BACKED TOTAL OF $191 MILLION OF WISCONSIN MORTGAGES ON 26,000 UNITS

(By William J. Manly, real-estate editor)

There are two sides to every coin. Sometimes only one side is viewed.

The public has been regaled in recent weeks with reports on one part of the story of the Federal Housing Administration—the FHA. The reports involve charges of abuses involving or affecting the Government, builders, homeowners and—in a now ended rental program—the tenants. Congress undertook an airing of the housing scandals. The matter is still not settled.

Lenders and builders, however, have become alarmed in fear that the public would attribute to all FHA programs the faults charged to only two (and one of those programs ended in 1950). They have suggested that the public inform itself on the overall picture of FHA—in effect, take a look at the other side of the coin.

WHAT IS IT?

This raises several obvious questions: What is the FHA? What are its functions? How does it operate? How effective has it been?

It is a 20-year-old story of an agency that started out in 1934 as an experimental venture. It is a $33 billion Government insurance enterprise today. It is entirely self-supporting, having paid back to the Federal Treasury in full, plus interest, the initial operating capital it borrowed. Last year it earned more than $100 million for the Treasury.

Legally, the FHA can insure 57 different types of residential mortgage loans. In Wisconsin the FHA, through 1953, insured $328,572,000 in all types. Of this, $191,222,000 represented home mortgages.

The most common type of mortgages involved concerns FHA's section 203 financing on single family dwellings. Under this, the FHA is permitted to insure up to 80 percent of its estimate of the value of an existing home, to a total of no more than $16,000, and for no more than 20 years.

ON NEW HOMES

On new construction, the FHA may insure 80 percent of the estimated value up to $16,000 for 25 years.

The FHA lends no money, of course. It merely agrees to back a mortgage for which a private lender is willing to advance the necessary funds. It makes this agreement only after the plans of the home, its costs, the neighborhood, and the credit rating of the buyer meet certain standards.

This insurance isn't free, either. The buyer of a home with an FHA-insured mortgage pays 4½ percent interest on the loan today. To this, the FHA adds one-half of 1 percent for its insurance fund—money to be used in the event the buyer defaults in order to repay the private lender.

Sometimes the home buyer gets back part of the money he paid for insurance. Once in a while he gets back even more.

The explanation for this: The FHA reinvests the insurance money collected in Government bonds and thus earns interest on it. The mortgages are grouped according to certain risk ratings. When the mortgage term in a group has expired, or all in the group have repaid their mortgages, the balance in the insurance fund for that group is liquidated among the mortgagors.

HE WAS SURPRISED

One dentist in Milwaukee, not so long ago, was surprised to receive a Government check for $1,079. He knew he had paid FHA only $700 for mortgage insurance.

"He wondered what it was all about and we had to explain the whole thing in detail," R. H. Schildhauer, assistant State FHA director, recalled last week.

Louis J. Felienz, Jr., Fond du Lac, State director, revealed that FHA business was on the increase in Wisconsin. Through May 31, this year, the FHA has received applications for mortgage insurance on a total of 1,174 units. The comparable figure for last year was 1,106.

SWISS SHIPMENT OF MUNITIONS TO GUATEMALA—SWISS COMPETITION WITH UNITED STATES WATCH INDUSTRY

Mr. BUTLER of Nebraska. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement prepared by me and an accompanying article.

There being no objection, the statement and article were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER OF NEBRASKA

The story carried by the entire American press, radio, and television last night about the attempted shipment of Swiss antiaircraft shells to Guatemala should be of tremendous interest to the Congress and to the President in connection with the pending Tariff Commission recommendation on watches. I would like to include in the RECORD at the close of my remarks the Associated Press story of this effort, and how it was detected and stopped by the United States High Commission in Germany. This event demonstrates with absolute clarity a fact about which I spoke to the Senate only last Friday. The fact is that the Swiss have been and are willing to sell materials of war to governments unfriendly to the United States, while at the same time they attempt to persuade our Government that, because the Swiss are such a friendly nation, we should continue to let them take over our watch market and destroy our watch industry.

As I pointed out in my statement last Friday, the Swiss watch industry supplied the Fascist governments of Germany and Italy with all types of fuzes and precision military timing devices during World War II. The Swiss cannot and have never denied this. They have been very sensitive about it. They have explained that they were forced to aid the Germans because they were surrounded on all sides by the German army.

Can the Swiss explain the shipment of arms by a Swiss concern to an unfriendly government which is a threat to the Panama Canal on the grounds that it is surrounded by the Guatemalan army? Can it explain this shipment on the ground that it is surrounded by other Communist governments? Was it forced to make sales of ammunition to a country which might use them directly or indirectly against a place of such strategic importance to the United States and to the free world as the Panama Canal?

The answer to all these questions is quite apparent. The Swiss will sell to anyone for a profit. This shipment was made despite the fact that only last month the United States publicly expressed its grave concern over the shipment of some 2,000 tons of arms to Guatemala from behind the Iron Curtain.

I hope that this event will put an end to the argument so often heard—and particularly from the Swiss—that we must not increase tariffs to save our own watch industry because it will be considered an act of bad faith by the friendly Swiss Government. Already we have helped to build up a tremendous Swiss watch industry and have almost destroyed our own by turning over to the Swiss our watch market. Their industry employs over 55,000 people and in this country we have fewer than 5,000 making watches. It is about time that we realize the folly of frittering away our own key industries and building up industries abroad that, if war comes, will be used against us to the fullest.

[From the Chicago American of June 14, 1954]

UNITED STATES HALTS SWISS ARMS CARGO TO GUATEMALA

BONN, GERMANY, June 14.—Six tons of Swiss antiaircraft ammunition being shipped to Guatemala has been held up in Hamburg, the United States High Commission announced here today.

The 20-millimeter antiaircraft shells were to have been sent to Guatemala in a German ship, but the West German government intervened at the request of the United States High Commission, and the shipment was detained in Hamburg, an American official said.

ANTIAIRCRAFT SHELLS ON WAY TO GUATEMALA HELD UP IN HAMBURG

HAMBURG, GERMANY, June 14.—The United States High Commission announced today 6 tons of Swiss antiaircraft shells being

shipped to Guatemala have been held up in this free port.

German authorities said the shipment was listed as 20-millimeter dummies—shells without explosives. But American officials said they believed it was live ammunition.

The consignment arrived here May 20 for shipment aboard the German vessel *Coburg* to Guatemala. It was stopped by German authorities on request of the United States High Commission.

DISPOSITION UP TO SENDERS

A free-port official, Albert Bozenhard, said the shipment "is now under supervision of free-port authorities and the senders can do with it what they want."

"As far as we know," he said, "the consignment consists only of shells without explosives."

Lassen & Co., an import-export firm, said it received the shells from a Swiss firm. Both free-port officials and the company declined to name the firm.

"It's dummy ammunition," a Lassen spokesman explained. "It says so on the shipping declaration."

Mr. Bozenhard said German free-port directors are not authorized to seize an international shipment and that no one had asked them to.

LINE REFUSED TO LOAD

"The material was not shipped because the Hamburg-America Line declined to load the ammunition on the *Coburg*," he said.

An official of the Federal Transport Ministry said it had suggested to the Hamburg-America Line, after the United States request had been made, not to carry the shipment.

"Although trade on the seas is free," he said, "we advise our ships not to do business which might result in trouble or worse."

In Bern, Swiss officials said Guatemala had purchased in Switzerland several months ago a quantity of 20-millimeter antiaircraft shells with cheap heads usually used for instruction purposes.

They said they assumed the shipment detained in Hamburg was made up of these shells. An armament expert said the shells, in addition to being used for instruction, could also be employed as cheap tracer ammunition. They were designed for the old prewar Oerlikon "Becker gun." It is not a high-explosive shell and is not armor-piercing, but the expert said, "with a lucky hit" it could bring down a plane.

CHANGE WOULD BE COSTLY

It would be possible to transform the shells into real war ammunition, but this would be an expensive way of making ammunition, the expert said. The shells are known as "ball cartridges."

The United States Government regards shipments of arms to leftist-leaning Guatemala as a threat to the security of the Panama Canal.

United States authorities throughout the world have been ordered to prevent the flow of arms to the Central American country following the delivery recently of the $10 million shipment to Guatemala from Poland aboard a Swedish ship.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, for the information of the Senate, I desire to say that when we have completed action on the unfinished business, which is the armed services appropriation bill, it will be my desire to move to take up a series of bills which have been reported from the Committee on Labor and Public Welfare, namely, Calendar No. 1607, House bill 7601, to provide for a White House conference on education; Calendar No. 1608, House bill 7434, to establish a National Advisory Committee on Education; and Calendar No. 1609, House bill 9040, to authorize cooperative research in education.

These are the new bills in addition to the one with reference to which previous announcement has been made.

From the present information I have it appears that the reciprocal-trade extension bill, which was reported yesterday by the Senate Finance Committee, will be taken up on Monday. I do not believe the committee report has been filed at the desk as yet, but I understand the committee itself has acted. A number of Senators have asked me when that bill would be taken up. It will be taken up on Monday, according to present plans, which will move it ahead of the tax revision bill.

At some time during the course of the afternoon, if the House has acted on the conference report on the independent offices appropriation bill, we shall expect to call up that conference report as well.

VISIT TO THE SENATE OF HON. MICHAEL STEWART

Mr. WILEY. Mr. President, next week Mr. Winston Churchill and Mr. Anthony Eden will be here. Today it is my privilege to present to the Senate a member of the British Parliament, Hon. Michael Stewart. He has served 4 years in the armed services of his country. He is in America at this time studying our Government, and is particularly interested in the Smith-Mundt Act. It is always a pleasure when a member of the great parliamentary body of Great Britain comes to see us. I am sure we are all very happy to have him with us.

[Applause, Senators rising.]

The PRESIDING OFFICER (Mr. UPTON in the chair). The Chair is happy to join in welcoming the distinguished visitor from Great Britain.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

Mr. FERGUSON obtained the floor.

Mr. BRIDGES. Mr. President, will the Senator from Michigan yield to me for a few moments, in order that I may make a few observations with regard to one phase of the defense appropriation bill, with the understanding that he will not lose the floor?

Mr. FERGUSON. I am glad to yield.

Mr. BRIDGES. On page 518 of the hearings before the House Appropriations Subcommittee on the Department of the Navy, for the fiscal year 1955, there is a list of ships which the Navy proposes to build in the fiscal year 1955 shipbuilding and conversion program. This list includes 1 nuclear-powered submarine and 2 conventional type submarines. On May 4, 1954, the Secretary of Defense addressed a letter to me as chairman of the Senate Appropriations Committee, modifying that program and calling for the construction of an additional nuclear-powered submarine, making a total of two atomic submarines requested by the Navy.

In Secretary Wilson's letter advising me of the Navy's desire to change its submarine program, he also points out the desirability of expanding our technical skills in the field of atomic-submarine construction at naval shipyards.

Since the two previous naval atomic submarines have been built at a private shipyard, Secretary Wilson indicates that it is the intention of the Department of the Navy to assign one of the construction contracts for the atomic submarines called for in the 1955 program to a naval shipyard. In so doing, Secretary Wilson believes that the interest of national defense will be served by training naval shipyard personnel in the construction, repair, and maintenance of atomic submarines.

At various hearings before congressional committees, officials of the Department of the Navy have often referred to the Portsmouth Naval Shipyard located in Portsmouth, N. H., and Kittery, Maine, as the Navy's No. 1 naval submarine installation. In fact as late as May 1954, Admiral Manseau of the Bureau of Ships, stated that—

> The Bureau of Ships definitely considers Portsmouth as the No. 1 naval shipyard for submarine construction. It is believed that the same might be true with respect to construction of a nuclear-powered submarine.

It is clear from these remarks by one of the top ranking officers in the Bureau of Ships that the Portsmouth, N. H., naval shipyard enjoys an enviable position in the field of naval ship construction. Admiral Manseau also has stated for the record that—

> Portsmouth has not, as yet, built an atomic submarine. The Bureau intends to give most serious consideration to assigning construction of a nuclear-powered submarine to Portsmouth during fiscal 1955.

I am pleased with the Navy Department's plan to add another atomic submarine to our fighting fleet.

Naturally, I am proud of the record made by the Portsmouth Navy Yard in the construction and maintenance of our submarine service. I am confident that this fine record will be continued in the new era of nuclear submarines. And I know the Navy Bureau of ships soon intends to include Portsmouth in its plan for atomic submarine construction.

I believe it is very wise, in connection with this tremendous development in undersea warfare, that we go ahead with the construction of submarines propelled by the latest power—atomic power—which literally challenges the imagination of man, and that we should proceed with the program as rapidly as possible. Two of these ships are being constructed in the fiscal 1955 program. It is my feeling that it is very wise indeed to build one of the ships in a private yard and the other in a naval shipyard.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the letter I received from Secretary Wilson regarding the submarine construction program.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, May 4, 1954.

Hon. STYLES BRIDGES,
Chairman, Committee on Appropriations,
United States Senate,
Washington, D. C.

MY DEAR MR. CHAIRMAN: I would like to advise you of a change planned in the composition of the fiscal year 1955 naval shipbuilding program. As our budget was initially submitted for congressional consideration, we included 2 fleet-type submarines powered with conventional-type powerplants and 1 small submarine powered with a nuclear powerplant in this construction program. This latter submarine differs primarily in the size of the vessel and the type of reactor plant from the nuclear-powered submarines authorized in prior-year programs. The House of Representatives has favorably approved these ships in our overall shipbuilding program.

At the time our budget was initially prepared, we had no actual operating experience with the first nuclear powerplant. For this reason, the Secretary of the Navy did not consider it appropriate to request construction of more than one nuclear-powered submarine in the 1955 program. Since our budget was submitted, however, operation of the nuclear reactor and powerplant at the atomic-energy plant at Arco, Idaho, has proven highly successful. This plant was the prototype of the installation in our first atomic submarine. These operations clearly demonstrate that utilization of nuclear power for propulsion of submarines is a practical application of atomic energy. It is expected that the first atomic submarine, U. S. S. *Nautilus*, will commence operation during 1954.

Because of this progress, the Navy has reviewed and reevaluated the submarine-construction program in the fiscal year 1955 budget. It is considered desirable to proceed with the construction of 2 instead of 1 nuclear-powered submarines in this program. There will be a continued need for some time, however, for the submarine equipped with the conventional type powerplant. It is important that we expand the base for construction of nuclear-powered submarines in order to meet the anticipated demand for this type craft in the near future.

The application of nuclear power in naval vessels has created the need for a higher order of engineering skill than was previously required in naval construction. The interrelationship of the reactor machinery plant and hull to obtain the minimum-size vessel with specified military characteristics depends primarily upon the ability and the experience of the designing and the shipbuilding team. It is vital, therefore, that we make an immediate start to expand the base of this experience and knowledge in our shipyards. To do this, we desire at this time to modify our submarine program to permit a second shipbuilding activity to be given the necessary instruction which will permit them to undertake the construction of nuclear-power submarines. We intend to assign the construction of the second nuclear submarine to a naval shipyard, in order to proceed immediately with the development of these special skills in naval shipyard personnel. The completion of the *Nautilus* will also generate an immediate requirement for such skills in naval shipyards, where maintenance work on naval combatant types is customarily undertaken.

We are proceeding with the planning to modify the submarine program contained in the shipbuilding and conversion appropriation for fiscal year 1955 to provide 2 nuclear-power submarines and 1 conventional-type powered submarine.

This matter has been discussed informally with the Appropriations Committees of Congress. They were advised that no request would be made at this time for a specific increase in the appropriation, shipbuilding and conversion, Navy. The question of any cost change will be deferred until next year's budget. This will permit the Navy to review our requirements based upon actual cost of contracts awarded for construction of ships in the 1955 shipbuilding program.

Sincerely yours,

C. E. WILSON.

Mrs. SMITH of Maine. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Maine.

Mrs. SMITH of Maine. Will the Senator from New Hampshire advise the Senate whether Secretary of Defense Wilson assured the chairman of the Committee on Appropriations that one of the new submarines will be built at the Kittery-Portsmouth Navy Yard?

Mr. BRIDGES. In his letter to me the Secretary says:

It is important that we expand the base for construction of nuclear-powered submarines in order to meet the anticipated demand for this type craft in the near future. The application of nuclear power in naval vessels has created the need for a higher order of engineering skill than was previously required in naval construction.

He goes on to say:

It is vital, therefore, that we make an immediate start to expand the base of this experience and knowledge in our shipyards. To do this, we desire at this time to modify our submarine program to permit a second ship building activity to be given the necessary instruction which will permit them to undertake construction of nuclear powered submarines. We intend to assign the construction of the second nuclear submarine to a naval shipyard, in order to proceed immediately with the development of these special skills in naval shipyard personnel.

I would say that it is about as direct a statement as the Secretary of Defense can make that if the Department proceeds—as it intends to proceed if this program is approved—one of the submarines will be built in a naval shipyard.

Mrs. SMITH of Maine. Does it mean that two atomic submarines will be built in fiscal year 1955?

Mr. BRIDGES. That is my understanding. Originally the plan was to build 3 submarines, 2 of the conventional type and 1 of the nuclear type. In line with the tremendous possibilities of atomic-powered submarines, the plan has been changed. Now it is intended, inasmuch as the new emphasis is on the construction of atomic-powered submarines, to build 2 atomic-powered submarines, 1 in a private shipyard and 1 in a naval shipyard.

Mrs. SMITH of Maine. It is the intention of the Defense Department that the Kittery-Portsmouth Navy Yard will build one of the atomic submarines, is it not?

Mr. BRIDGES. Of course I have no inside information, but that is the intention, as I read the letter. I would be very much disappointed if that were not the case.

Mrs. SMITH of Maine. It would be dependent, of course, somewhat on the appropriation being made, would it not?

Mr. BRIDGES. Yes. If the appropriation is voted as recommended, funds will be provided for that activity.

Mrs. SMITH of Maine. As the Senator from New Hampshire is the chairman of the Committee on Appropriations, I can take it for granted that he will see to it that two atomic submarines will be included in the program.

Mr. BRIDGES. It is our purpose to have them included in the program. Let me say to the distinguished Senator from Maine that we must fight the wars of tomorrow, if we have them, with the weapons of tomorrow, not with the weapons of yesterday. I believe that has been one of the troubles with our defense thinking in the past. We must adjust our thinking and planning and appropriation of funds so that if, through some misfortune, we should become engaged in another war, we will be fighting with the weapons of tomorrow, not those of yesterday. I believe a very good example of such a weapon of tomorrow is the atomic-powered submarine.

Mrs. SMITH of Maine. Is it not true that the Soviet Union has placed great stress on the building of submarines, and has increased its program of submarine construction far beyond any other shipbuilding?

Mr. BRIDGES. The Senator is correct. I believe the Senator from Maine heard Admiral Carney testify on that point. Last evening at home I read the statement he made through U. S. News & World Report in which he indicates that Russia is probably constructing about 375 of the newer type submarine. I do not mean the atomic submarine, but the newer types, similar to our newest submarines.

Mr. PAYNE. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. PAYNE. I should like to join the distinguished senior Senator from New Hampshire [Mr. BRIDGES] and my colleague, the senior Senator from Maine [Mrs. SMITH], in the firm hope that submarines of this type will be built and that one of them will be built in what we in Maine call the Kittery Naval Shipyard, which has a longtime record of proficiency, which has excellent facilities, and which has received recognition from the Defense Department for the manner in which it has produced submarines during the past years.

I certainly commend the distinguished senior Senator from New Hampshire for his interest and effort in this connection, and also the effort of my distinguished colleague from Maine, who has also always worked on behalf of the shipbuilding industry at the Kittery Naval Shipyard, which means so much to our people.

Mr. BRIDGES. I appreciate what the distinguished junior Senator from Maine has stated. Let me say to him, in turn, that this Nation is never going to be able to compete with Russia or with any of the Communist-dominated areas of the world in manpower. We will never be able to match American boys, boy for boy, with the Communists. We do not want to do it. However, what we can do is to utilize the productive skill of this country, which has played such an im-

portant role in past wars. In this way we can, through our policy of providing sufficient funds through appropriations and by means of careful planning on the part of the Joint Chiefs of Staff, keep ourselves abreast of the movement to modernize military and naval armaments.

Because of the development by the Russians of very extensive submarine operations, I feel that naval warfare, submarine warfare, and antisubmarine warfare are destined to play a tremendous part in any further conflict, should, unhappily, one occur. I feel that we need to keep alive some of our private shipyards just as we also need to keep a reserve of our naval shipyards going, because the two balance in a very effective way. I think that is what the Defense Department wishes to do. It is certainly what our committee intends them to do. So far as I am concerned, I wish to clear up any misunderstanding about our desires or wishes in the matter, because I believe the policy of dividing the work between the two and the policy of keeping up to date with the most modern weapons of warfare is of great importance in the winning of any war. Furthermore it is essential that we plan in terms of today and tomorrow, and not of yesterday, if we are to save American lives.

Mr. PAYNE. Is it not also true that the yard which we are discussing is the yard which has been foremost over the years in producing not only the latest advanced types, all the way up from the "O" to the "S" to the "V"? Many of the personnel of the Kittery Naval Shipyard have been given advance training in the development of nuclear-powered ships.

Mr. BRIDGES. In answer to the Senator's question, I quote from page 656 of the hearings:

Admiral MANSEAU. The Bureau of Ships definitely considers Portsmouth as the No. 1 naval shipyard for submarine construction. It is believed that the same might be true with respect to construction of a nuclear-powered submarine. However, Portsmouth has not, as yet, built such a submarine. The Bureau intends to give most serious consideration to assigning construction of a nuclear-powered submarine to Portsmouth during fiscal 1955.

That is a very definite statement. There is no equivocation about it.

Mr. BUTLER of Maryland. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. BUTLER of Maryland. I should like to refer to the statement which the Senator from New Hampshire made regarding cooperation between the naval and private shipyards. I can state from experience that Admiral Leggett, the head of the Bureau of Ships, and his excellent staff have been most fair in the allocation not only of repair work but of the placing of contracts for the construction of new ships, and I want to here and now commend him for his efforts in that direction. His is a difficult job indeed.

Mr. BRIDGES. I know the distinguished Senator from Maryland has made a thorough study of the shipbuilding program, both naval and commercial ships, and I respect his judgment and value his opinion, because I know of his deep interest and the fine work he has done in the interest of the shipping industry.

Mr. BUTLER of Maryland. I thank the Senator from New Hampshire.

The PRESIDING OFFICER. The unfinished business, the defense appropriation bill, is before the Senate.

Mr. FERGUSON. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus amended be considered as the original text for the purpose of further amendment, and that any point of order against the committee amendments be reserved.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Michigan? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

Under the heading "Department of Defense—Title II—Office of the Secretary of Defense—Salaries and Expenses," on page 2, line 20, after the word "conclusive", to strike out "$12,000,000" and insert "$12,500,000."

Under the heading "Title III—Interservice Activities," at the top of page 5, to insert:

"RESERVE TOOLS AND FACILITIES

"Amounts made available under this head for the fiscal year 1954 but not transferred to other appropriations during the year shall remain available for such transfer during the current fiscal year."

Under the heading "Title IV— Department of the Army—Military Construction, Army Reserve Forces," on page 9, line 19, after the numerals "1950", to insert a colon and *"Provided,* That not to exceed $36 million may be transferred to this appropriation from the appropriation "Procurement and Production, Army" for the construction of National Guard armories in accordance with said act of September 11, 1950, when such transfers are determined by the Secretary of Defense to be in the national interest."

Under the subhead "Army National Guard," on page 11, line 12, after the figure "$218,530,000," to insert a colon and *"Provided,* That in addition, the Secretary of the Army may transfer not to exceed $25 million to this appropriation from the appropriation "Procurement and Production, Army": *Provided further,* That obligations may be incurred under this appropriation for installation, maintenance, and operation of facilities for antiaircraft defense without regard to section 67 of the National Defense Act."

Under the heading "Title V—Department of the Navy—Naval Personnel, General Expenses," on page 15, at the beginning of line 2, to strike out "$74,970,000" and insert "$75,030,000."

Under the subhead "Aircraft and Facilities," on page 16, line 23, after the word "salaries", to strike out "$775,895,500" and insert "$785,895,500."

Under the subhead "Aircraft and Related Procurement," on page 17, line 13, after the figures "$1,973,568,000", to insert a colon and *"Provided,* That $700,000 of the foregoing amount shall be transferred to the appropriation 'Salaries and expenses, Weather Bureau, Department of Commerce,' fiscal year 1955."

Under the subhead "Medical Care," on page 20, line 3, after the word "schools", to strike out "research facilities,".

Under the subhead "Civil Engineering," on page 20, line 19, after the word "salaries", to strike out "$103,294,000" and insert "$105,294,000."

Under the subhead "Research and Development", on page 22, line 6, after the word "expended", to insert a colon and *"Provided,* That the unexpended balances appropriated for research and development under the heads "Naval Personnel, General Expenses," "Marine Corps, Troops and Facilities," "Aircraft and Facilities," "Ships and Facilities," "Ordnance and Facilities," "Medical Care," "Civil Engineering," "Servicewide Supply and Finance, Navy" for the fiscal years 1953 and 1954 and the unexpended balance of appropriations under the head "Research" are hereby transferred to and merged with this appropriation, in such amounts as may be recommended by the Secretary of Defense and approved by the Director of the Bureau of the Budget."

Under the subhead "Servicewide Operations," on page 23, line 20, after the word "salaries", to strike out "$103,625,000" and insert "$104,849,000."

Under the heading "Title VI—Department of the Air Force—Research and Development," on page 25, line 13, after the word "law," to strike out "$409,450,000" and insert "$431,000,000."

Under the subhead "Maintenance and Operations," on page 27, line 11, after the word "otherwise", to strike out "$3,402,792,000" and insert "$3,544,792,000."

Under the subhead "Reserve Personnel," on page 29, line 9, after the figures "$28,000,000", to insert a colon and *"Provided,* That in addition, the Secretary of the Air Force may transfer not to exceed $5 million to this appropriation from any appropriation available to the Department of the Air Force for obligation."

Under the subhead "Air National Guard," on page 30, line 15, after the figures "$160,000,000", to insert *"Provided,* That in addition, the Secretary of the Air Force may transfer not to exceed $9 million to this appropriation from any appropriation available to the Department of the Air Force for obligation:".

On page 31, after line 2, to strike out:

"REDUCTION IN APPROPRIATION

"AIR FORCE STOCK FUND

"The amount available in the Air Force Stock Fund is hereby reduced by $25 million, such sum to be covered into the Treasury immediately upon approval of this act."

Under the heading "Title VII—General Provisions," on page 35, at the beginning of line 18, to strike out "$225" and insert "$237.50."

On page 39, line 24, after the word "Congress," to insert a colon and *"Provided further,* That no funds available to agencies of the Department of Defense shall be used for the operation, acquisition or construction of facilities in the continental limits of the United States for metal scrap baling or shearing or for melting or sweating aluminum scrap unless the Secretary of Defense or an Assistant Secretary of Defense designated by him determines, with respect to each facility involved, that the operation of such facility must be continued in the national interest."

On page 44, line 20, after the word "year," to strike out *"Provided,* That whenever, in the opinion of the Secretary of the Military Department concerned, the direct substitution of graded civilian personnel for an equivalent or greater number of military personnel will result in economy without adverse effect upon national defense, such substitution may be accomplished without regard to the foregoing limitation, and such funds as may be required to accomplish the substitution may be transferred from the appropriate military personnel appropriation to, and merged with, the appropriation charged with compensation of such graded civilian personnel" and insert *"Provided,* That whenever, in the opinion of the Secretary of the Military Department concerned, the direct substitution of nonmilitary personnel for an equivalent number of military

personnel will result in economy without adverse effect upon national defense, such substitution may be accomplished without regard to the foregoing limitation, and such funds, as may be required to accomplish the substitution, may be transferred from the appropriate military personnel appropriation to, and merged with, the appropriation charged with the compensation of such civilian personnel."

On page 47, line 9, after the word "same," to insert a colon and *"Provided further,* That this limitation shall not apply to the off-duty training of military personnel as prescribed by section 730 of this act."

On page 48, after line 21, to strike out:

"SEC. 729. Hereafter, no part of the funds appropriated to the Department of Defense shall be available for the payment to any person in the military service who is resident of a United States Territory or possession, or any foreign duty allowances above the authorized allowances for comparable rating in the continental United States unless such person is serving in an area outside the Territory or possession of which he is a resident."

And insert:

"SEC. 729. Hereafter, no part of the funds appropriated to the Department of Defense shall be available for the payment to any person in the military service who is resident of a United States Territory or possession, of (1) any foreign duty pay as prescribed in section 206 of the Career Compensation Act (Public Law 351, 81st Cong.), unless such person is serving in an area outside the Territory or possession of which he is a resident, or (2) authorized station allowances for quarters and subsistence unless such person is serving in an area outside the Territory or possession of which he is a resident or in Alaska or in the Territory of Hawaii."

On page 49, after line 22, to strike out:

"SEC. 731. No part of the funds appropriated herein shall be expended for the support of any student in basic courses of the senior division, Reserve Officers Training Corps, who has not executed a certificate of loyalty in such form as shall be prescribed by the Secretary of Defense."

On page 50, line 3, to change the section number from "732" to "731."

On page 50, line 6, to change the section number from "733" to "732."

On page 51, after line 3, to strike out:

"SEC. 734. None of the funds appropriated by this act may be used in the preparation or prosecution of the pending suit in the United States District Court for the Southern District of California, Southern Division, by the United States of America against Fallbrook Public Utility District, a public service corporation of the State of California, and others."

On page 51, line 11, to change the section number from "735" to "733."

On page 51, line 14, to change the section number from "736" to "734."

On page 51, line 22, to change the section number from "737" to "735."

On page 52, after line 9, to insert the following new section:

"SEC. 736. Funds heretofore or hereafter allocated to the Department of Defense from any appropriation for military assistance (except funds obligated directly against any such appropriation for offshore procurement or other purposes) shall be accounted for by geographic area and by country solely on the basis of the value of materials delivered and services performed (such value to be determined in accordance with the applicable provisions of law governing the administration of military assistance). Within the limits of funds so allocated, the Department of Defense is authorized to incur, in applicable appropriations, obligations in anticipation of reimbursement from such allocation, and no funds so allocated shall be withdrawn by administrative action until the Secretary of Defense shall certify that they are not required for liquidation of obligations so incurred, or unless the President in writing shall direct such action. Reimbursement from such allocation shall be made in accordance with the applicable provisions of law."

On page 53, line 3, to change the section number from "738" to "737."

The PRESIDING OFFICER. The bill is open to amendment.

Mr. FERGUSON. Mr. President, the Senate has now proceeded to consider H. R. 8873, the Defense Department appropriation bill for the coming 1955 fiscal year. As chairman of the Senate Appropriation Subcommittee charged with consideration of this bill, I wish to outline its principal provisions and discuss briefly the military plans upon which it is based, and the adequacy of the funds provided to carry out those plans.

The purpose of this legislation is to provide financing for the military functions of the Department of Defense for the fiscal year beginning July 1, 1954, and ending June 30, 1955. It also provides funds for the National Security Training Commission. That, of course, is a very small item.

Last year when I presented the Defense Department Appropriation bill for fiscal year 1954, I said:

> During the summer and fall of 1953, an intensive and detailed study of the entire Defense picture is planned by the newly designated Joint Chiefs of Staff.

This study was completed by the Joint Chiefs of Staff in December of last year. The forces and programs unanimously recommended by the Joint Chiefs of Staff were approved by the National Security Council and the President, and formed the basis of the fiscal year 1955 military budget request. The funds provided in this bill are for the support of these forces and programs for the fiscal year 1955, which begins July 1, 1954.

The forces and programs recommended by the Joint Chiefs of Staff reflect a new approach to the problem of national security. Heretofore the military programs were geared to a succession of assumed D-days which, in turn, were based on the concept of a particular year of crisis. In effect, this required a rapid build-up of forces and stocks of equipment and supplies in order to be ready for the assumed D-day. This, in turn, led to the peaking of production and training programs without regard to the problem of maintaining an industrial mobilization or training base after the force build-up was completed. It also led to a number of other costly and undesirable practices inherent in any crisis approach.

Under the new approach our forces are geared to the long pull. Now, production programs are planned to meet the need of the peacetime forces, provide for the gradual acquisition of mobilization reserves, and maintain a mobilization production base. Peaking of production is avoided, and a gradual transition from build-up to maintenance rates of production is provided. More businesslike procurement practices can be established and compromises in the performance characteristics of equipment avoided.

With respect to training, peaks and valleys are eliminated as the flow of new personnel into the Armed Forces is regularized. This, in turn, reduces the number of men required to man the training establishments of the several services and permits a greater proportion of total strength in the combat elements of our Armed Forces.

The new approach also takes full advantage of the increase in availabilities of new weapons which have indeed created new relationships between men and materials. As these new weapons are integrated into our forces, the striking power of our combat units is being greatly increased in the number of men. These new weapons are contributing not only to an increase in our airpower, but to an increase in our land and sea power as well. The combat power of our ground forces is being significantly improved through the introduction of the atomic cannon, the Honest John free rocket, and the Nike guided missile. The installation of canted decks on our aircraft carriers, the nuclear-powered submarines, the development of guided missile warships, are all contributing to the increased power of the seaborn forces of our Navy, as was stated this morning by the chairman of the Committee on Appropriations. The Navy has now asked to be permitted to construct 2 new nuclear-powered submarines, instead of 1, as originally had been planned. That will not change in any way the funds proposed to be appropriated by the bill. There is sufficient money provided in the bill to construct the additional submarine.

The present military program is based on a concept of collective defense—I underscore the words "collective defense"—a defense community composed of most of the free nations of the world. Although some nations may at times lag and seem not to enter into the full spirit of collective defense, I do not see how a budget can be prepared on any other basis than on the plan of mutual, collective defense.

It is envisaged that in this defense community each nation will contribute the type of forces which it can most effectively raise and maintain. To this collective force of the free world community of nations, we believe the United States can best provide modern global air and sea power and a strategic reserve of highly mobile and well-equipped ground forces. Other members of the free world defense community, we believe, can most effectively contribute the bulk of the ground forces and local air and sea forces for their own defense or to assist in the defense of their neighbors.

This arrangement for the collective defense of the free world is a matter of stern necessity. The United States, with its vast industrial capacity and technological know-how but with relatively limited manpower, can provide the highly complex air and sea forces and the more complicated weapons and equipment for the forces of our allies. The United States cannot and should not provide alone any great proportion of the free world community's total ground forces.

It is not to the interest of the United States, or its free-world partners in the collective defense against aggression, to devote too great a share of our young manpower to our standing forces, at the expense of our science and industry. We have a strong belief and a great stake in collective defense. In my opinion, we need our manpower for use in the sciences and in industry, and to assist the manpower of the rest of the free world.

The United States is still the arsenal of the free world, and for many years to come the military strength of our allies will depend on this arsenal. Many would wish that it were otherwise; that our allies were stronger along this line. But we shall have to accept the situation as we find it.

The United States has repeatedly demonstrated its willingness to join in the collective defense of the free world. The United States has very substantial air, sea and ground forces presently stationed in Europe and in the Far East. No nation of the free world has anywhere near the number of military personnel deployed outside its borders as has the United States. No one can question that the American people are contributing their fair share to the collective defense of the free world. The record is clear for all to see. It certainly speaks for itself.

It is within this framework of collective defense that our military programs have been developed. This does not indicate that some of the other nations are not working hard and long in an effort to provide their fair share of defense.

The United States is building forces designed to deter aggression; forces which will provide the basis for winning a war—when I say, "winning a war," I mean winning a war of any kind—if war is thrust upon us; forces capable of executing all the essential tasks to be performed in the initial phases of a global war, particularly the launching of devastating offensive counterblows. To back up these "standing" or "active-duty" forces, we are now developing a ready-reserve force capable of rapid mobilization in time of emergency. This is an area in which much remains to be done. Never again, it now appears, will this Nation have from 2 to 3 years in which to get ready. The readiness level of our reserve forces, therefore, must be vastly improved if they are to be capable of meeting our current and future needs. We are looking to the Department of Defense for concrete results in this area.

The military program reflected in the fiscal year 1955 budget places emphasis on our long suits—on modern air and naval power, on new weapons, and on a highly mobile strategic reserve of ground forces. It provides an overall active duty military strength as of June 30, 1955, of 3,047,000, just about twice the active duty strength we had just prior to our entry into the Korean war. In addition, we will have a reserve military strength of possibly 2½ million, of which about 832,000 will be in drill-pay status on June 30, 1955. There will also be some four million recently trained personnel in civilian life who would be eligible to serve in the event of an all-out emergency.

The Army will have a total strength of 1,172,000 on June 30, 1955, organized into 17 divisions; 18 regiments and regimental combat teams; 122 antiaircraft battalions; and numerous other combat and service-support units. This is a decrease of 2 divisions, and an increase of 5 antiaircraft units.

However, the decrease of 2 divisions is made possible by the successful creation of an effective Army of 20 divisions in South Korea, and by the growing strength of all our allies in Europe and Asia. The Army National Guard will be organized into 27 divisions, an increase of 2 divisions since December 1953.

Where the personnel are needed today, when our country is not engaged in war, is in the Reserve rather than in the standing Army. The Army National Guard will be organized into 27 divisions. As I just stated, that is an increase of two divisions since December 1953. The Army National Guard will be organized also into 28 regiments and regimental combat teams; 112 antiaircraft battalions, which is 11 more than in December 1953; and numerous other combat and service-supported units. My colleagues will note that the manpower is being put into combat units, where they will count in case they are actually needed.

The combat power of the Regular Army will be increased by the activation of an additional armored division, by the integration into the force of new weapons, and by better organization. An example of this is found in the fact that an infantry division now has 84 percent—I repeat the figure, 84 percent—more fire power than it had in World War II. That is a great increase in the striking force of a division.

Combat readiness will be maintained at a high level through intensive training and maneuvers. Mobilization reserves for both the Regular and Reserve forces will continue to be accumulated.

The committee has provided increased funds for the Army National Guard to permit the more rapid expansion of that arm of our defense facilities. In connection with the increased strength of the Army, it may be of interest to note that the dollar value of the Army's current inventory of weapons, including artillery, tanks, and combat vehicles, is almost double that of 1950, and the qualitative improvement greatly magnifies that improvement.

Mr. President, we must remember that our strength lies in having an inventory which is capable of being put to use, not an obsolete inventory, but one which is ready and kept up to date with modernized materiel and weapons, an inventory which includes artillery, tanks, and combat vehicles. I think the fact ought to be stressed that such an inventory is of great value if it contains the right kind of material; but, as previously pointed out on the Senate floor, we discover too often that we have available those items which were easy to obtain and which we therefore obtained, but those items which were hard to get and material to our defense were not in the inventory.

We now have new materials in inventory instead of World War II items, as was the case in 1950.

The committee has also allowed the Army to retain an unobligated balance well in excess of $1.5 billion in its procurement and production appropriation in order to give the Army flexibility and leeway in meeting any of the requirements which may be imposed by the force of circumstances. These funds are not scheduled for use in the coming year, but they are available for immediate use, should some compelling need arise.

Mr. President, I have just a word of explanation to add. As I said, the purpose is not to use the unobligated funds this year unless the necessity arises. No interest is being paid on that money; it is merely authorized. It is like saying that when the Treasury needs it, it can draw on it, and when the money would be drawn, of course, interest would be payable, and it would be part of the national debt; or, if it were paid from revenue, it would come out of the taxes paid. The reason for that arrangement as to unobligated funds is that we live in an uncertain world. Mr. President, the same uncertainty might make it necessary for Members of the Senate and the House of Representatives to return to Washington if Congress were not in session. I have seen appropriation bills passed, when it was necessary, in very short order. I would say the Congress could appropriate funds for defense even in 1 day. So that we are prepared to take action, but we do not wish to make available money which will be extravagantly expended.

The Navy will be manned by approximately 689,000 military personnel on June 30, 1955, operating 1,080 active ships, including 404 warships and 676 other ships, and 16 carrier air groups, 15 carrier antisubmarine warfare squadrons, and numerous other air units. In addition, the Navy will have a reserve of about 162,000 military personnel in drill-pay status, and an inactive fleet of 1,400 ships.

The Marine Corps will consist of 215,000 military personnel, organized into 3 full-strength divisions, and 3 full-strength Marine air wings, consisting of 33 combat squadrons, and backed up by a reserve of 42,000 Reserve personnel on drill-pay status. The Navy and Marine Corps together will fly a total of 13,200 aircraft, including those for the Reserve units and logistic support. More than 50 percent of the combat units are jet equipped.

The combat power of the Navy and Marine Corps will continue to grow as both ships and aircraft are modernized and new weapons are acquired. Our Navy will continue to be the most powerful and modern the world has ever seen.

The Air Force will have 120 wings by June 30, 1955, manned by 970,000 military personnel. It will attain its goal of 137 wings by June 30, 1957. The Air National Guard and Air Force Reserve will have 51 wings by June 30, 1955, manned by a little over 100,000 Reserve personnel on drill-pay status, and will have a total of 57 wings by June 30, 1957. The active Air Force will increase not

only in size, but in quality, as modernization of the force is completed. The Reserve forces are increasingly being converted to the use of jets.

The bill provides funds for 1,167 new modern aircraft, and for guided missiles, and technical equipment, as rapidly as they can be produced on a sound production program. It will permit the continuation at adequate levels of the Air Force research and development program in keeping with the overall research and development plan. This program will permit the Air Force to insure that our future combat potential can excel that of any aggressor. It will permit the Air Force to exploit any research success which might allow greater rates of progress than are currently foreseen.

Last year there was considerable controversy over the Air Force budget, but it did not develop on the floor of the Senate, because those who were causing the controversy finally reached the conclusion that the President of the United States and the Department of Defense were correct.

Mr. GORE. Mr. President, will the Senator from Michigan yield to me?

The PRESIDING OFFICER (Mr. UPTON in the chair). Does the Senator from Michigan yield to the Senator from Tennessee?

Mr. FERGUSON. I am glad to yield.

Mr. GORE. I believe I must challenge the last statement the Senator from Michigan made. I do not believe that I particularly provoked any controversy; but I thought the reduction in the size of the Air Force was far too great. The fact that I did not offer an amendment in that connection should not be regarded by the Senator from Michigan as an indication that I believed the recommendations were correct. On the contrary, I concluded to my own satisfaction that they were very incorrect.

Mr. FERGUSON. I merely said that the controversy did not develop on the floor of the Senate. No amendment was offered to restore the $5 billion cut.

Mr. GORE. But if the Senator from Michigan will refer to the statement he just made, he will realize that he went on to say that those who had raised the question or provoked the controversy concluded that the recommendations were sound or correct. In that regard, I think the Senator from Michigan goes too far, if I may say so.

Mr. FERGUSON. In connection with the controversy of last year, although it was repeatedly pointed out that the 120 wing program reflected in the fiscal year 1954 budget was an interim program, subject to review by the newly appointed Joint Chiefs of Staff, there were many who insisted that our air power goals had been reduced. Events have proved them wrong. The new 137 wing Air Force program includes the same number of combat wings as did the earlier 143 wing program, with two significant differences, namely, that the number of air defense wings has been substantially increased, and the capability of our bomber and tactical wings has been vastly improved by the availability of new weapons.

The present Air Force program provides for a steady increase in the size and capability of the Air Force. The rate of buildup provided in the 137 wing program is consistent with that actually achieved under the original 143 wing program. It is a rate which can be accomplished without reducing the combat readiness of the force in the process, one that can be accomplished efficiently and economically, and one that will enable us to maintain a strong aircraft industry well into the future.

Significant progress has been made during the last year in developing our airpower. We now have 115 wings, 5 more than the Air Force last year considered possible by this date. This is an increase of 9 wings over the number on June 30, 1953; and all of these are combat wings. Of the 115 wings, 5 are in the early stages of equipping or conversion to more modern aircraft.

Of great significance is the fact that the readiness position of the Air Force has been substantially improved during the last year. By the end of the current fiscal year the Air Force will have 80 percent more wings in the highest category of readiness than it had 15 months earlier. The number of wings in the lowest category of readiness will have been reduced by June 30, 1954, to one-quarter the number in that category in March 1953.

The improvement in the strength of our regular Air Force has been paralleled by a notable improvement in the strength of the Air National Guard and Air Force Reserve. The number of planes in the hands of the civilian components of the Air Force has more than tripled since January 1, 1953. Of the Air National Guard's 87 tactical squadrons, 45 are scheduled to be partially jet-equipped by the end of this fiscal year.

Our present national airpower, including Navy and Marine aviation, is characterized by Admiral Radford, Chairman of the Joint Chiefs of Staff, as unequivocally superior to that of any other nation. Our strategic air force and naval carrier striking force, Admiral Radford goes on to say, are now without peer in this world. Speaking of the Strategic Air Command, General Twining, Chief of Staff of the Air Force, testified in connection with the fiscal year 1955 budget that—

> The Strategic Air Command is the best trained and finest equipped long striking force in the world. It is capable of delivering on short notice the highest yield nuclear weapons on targets located any place in the world during daytime or nighttime. This potential the Strategic Air Command possess today. By the end of fiscal year 1957, when the ultimate strength of this command is attained, its present capability will be further increased.

This confidence in the ability of the Strategic Air Command to perform its mission was also voiced by General Le May, Commander of the Strategic Air Command, in a recent speech here in Washington:

> All of our experience indicates we can do the job. I believe it; and, what is more important, the crews that fly the planes believe it.

The funds provided for the Air Force in this bill will assure the continued superiority of the United States Air Force in all departments—air offense, air defense, and tactical.

Our present military program places greater emphasis on continental defense. The successful development by Soviet Russia of nuclear weapons and their means of delivery has confronted the United States with a problem unique in its history.

We are, therefore, building—in a rapid, but orderly, fashion—a completely integrated, three-dimensional, continental defense system—in the air, on the sea, and on the land—utilizing the specialized capabilities of all three of our armed services: the Army, the Navy, and the Air Force. In cooperation with our good friend and neighbor, Canada, our defense system is steadily being projected farther from the centers of our population and industry, thus increasing both the period of warning and the chances of successful interception and destruction of hostile aircraft.

New and improved weapons and equipment now under development will be incorporated into this system as soon as they are adequately tested and placed into volume production. Research of problems related to air defense is being pushed with all reasonable speed. Some of the best scientific and engineering talent available in industry and our universities is being utilized in this effort. The fruits of this research will be incorporated into our continental defense system at the earliest possible moment.

I regret exceedingly to say that the threat to our national security which we now face is not likely to lessen within the foreseeable future. In fact, there are many indications to the contrary. The cost of national defense, therefore, may be expected to remain high for many years. That makes all the more necessary economy and efficiency in the conduct of our Military Establishment. They are desirable under any conditions, but because of the long period of time we can see ahead, they are now more imperative than ever. The people of this country who have willingly shouldered the tax burden are entitled to the assurance that their Government is getting a maximum return in military strength for every dollar spent for national security.

It gives me great pleasure to report that notable progress has been made by the Defense Department during the past year or year and one-half—particularly during the past year—in attaining this objective of maximum economy and efficiency. In practically all areas of the program this progress has been evident. Marginal, postponable, and merely desirable activities and projects have been eliminated from the program. Men, material, bases have been brought into balance, and synchronized with training and operating rates. The day-to-day operations of the entire Department of Defense have been streamlined. Stock levels are being reduced by living off the shelf wherever possible, where stock levels were too high. Obsolete and excess stocks are being eliminated, freeing

needed warehouse space and reducing storage cost. Financial management is being vastly improved although there is much room for further improvement—a fact which has been properly recognized by our Secretary of Defense and his immediate associates. Significant reductions have been achieved in civilian employment. From top to bottom of the Military Establishment there is now a real understanding of the need for economy and efficiency in the conduct of the defense program.

There are still some areas in the program where management improvement is urgently required. One of these is guided missiles. The committee was impressed by the lack of standardization in this vital area. It would appear that better organization and control would produce more usable missiles for less money. We must not leave any semblance of jurisdictional difficulties in any program so essential to our national security. The committee has also been interested in the programs of the Military Department for conducting security investigations of both military and civilian personnel. We are aware of the difficulties and problems which arise in a program of this type and magnitude, and believe the administration of this program would be improved by the establishment of a central point of coordination within the Office of the Secretary of Defense, this position to be filled by a civilian. Prudent and timely action in safeguarding the interests of the Nation as a whole must be accompanied by proper steps to preserve the due process of law with respect to the rights of individuals and we believe this can best be accomplished as the committee has suggested.

As I told the magazine editors and educators of America at the Columbia University bicentennial last evening, I cannot avoid telling the Senate quite frankly that we live in a world that includes the necessity, even under a representative republic, of rigorously safeguarding national security. We face the need of a rational, clearly defined security program, with a well-conceived system of surveillance and reliable, carefully considered procedures of judgment.

It is a contradiction of human existence that people who love freedom must take means that appear to be against all our traditions, in order to protect ourselves from the few rotten apples who exist in our midst. I regret to tell the Senate that I believe such a security program is essential. It is a deplorable aspect of our times, particularly deplorable because it goes contrary to our nature and our traditions. The difficulties we are having with evolving the right kind of security program arise, in my opinion, from the fact that we are groping along paths unfamiliar to most Americans, toward a method which will insure that those who are disloyal are forced into the open while at the same time we can fully protect the constitutional rights of the individual. This task calls for a high order of tolerance, thoughtfulness and spiritual responsibility. It calls for intelligent discussion, cool-headedness, and sound definitions of the many elements involved. The committee has likewise recommended that the Secretary of Defense survey the activities of the various military services which are in competition with private business and report back to the committee with his recommendations.

The bill as reported to the Senate provides a total appropriation of $28,861,585,486, including $34 million for the liquidation of prior-year contract authorization, Navy, $7,619,066,986 for the Department of the Army, $9,719,102,500 for the Department of the Navy, $10,982,860,000 for the Department of the Air Force, $13 million for the Office of the Secretary of Defense, $527,500,000 for interservice activities, and $55,000 for the National Security Training Commission. This is an increase of $177,334,000 over the amount contained in the bill as passed by the House, but is still $1,025,470,514 less than the fiscal year 1955 budget estimate.

Mr. GORE. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield.

Mr. GORE. In this troubled and distraught world, when we face dangers which are clearly recognizable, what is the justification for the feeling of the Senator that the Congress should reduce expenditures for national defense?

Mr. FERGUSON. In answer to that question, let me read from page 3 of the House committee report:

> The $1.2 billion reduction effected by the committee is to a great extent the result of cooperative efforts by the committee and the individual services. Of this total, the amount of $355 million represents items budgeted for deposit to the United States Treasury as an offset to the use of foreign currencies under mutual defense agreements or occupational arrangements.

So we must deduct from the $1.2 billion the $355 million which will be used from currencies of other countries which are due the United States.

I note further from the House committee report:

> It is the belief of the committee that since these arrangements are not of permanent character the present methods of utilizing and accounting for these foreign currencies might well be continued during the ensuing fiscal year. The amount of $127 million was volunteered by the Army at the beginning of the hearings. An additional total amount of $183 million was, in the course of hearings, either volunteered or admitted by the services to be not required because of developments subsequent to the submission of the original budget or because of reprograming, or plain errors in computation. Thus, only the amount of something over $541 million may be cited as a reduction by the committee.
>
> In addition to the above reductions, rescissions of $500 million in Army procurement and a total of $550 million in stock funds are effected.

Mr. GORE. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield.

Mr. GORE. The distinguished senior Senator from Michigan has read a good many figures, and has given a very complicated answer. I should like to read the interpretation which General Ridgway placed upon the budget, and ask for the Senator's comments on it. I read from page 59 of the Senate hearings:

> We are steadily reducing Army forces—a reduction through which our capabilities will be lowered while our responsibilities for meeting the continuing enemy threat have yet to be correspondingly lessened. This reduction in strength has made it necessary for the Army to reevaluate its military programs, its present force structure, and its worldwide deployments.

That is the general's interpretation. He refers to a reduction in the capabilities of the United States Army while the threat, instead of being lessened, is as it appears to the junior Senator from Tennessee, more severe now than at the time General Ridgway made the statement. Will the distinguished Senator from Michigan comment on that?

Mr. FERGUSON. Yes; I shall be glad to do so. I recall the testimony of the general before our committee. I recall also the other facts and figures I have given today. There has been a new concept, and I believe the time has come when the other countries in the mutual security compact must realize that, although America has more men under arms than they have, yet America's real place is in science and in industry. It is more in the air service than in the ground service. At the same time, we are building up a reserve to take the place of those who are in the Army. Therefore it would be wrong and a waste of public funds if we used money where it could not be efficiently used in the defense of America.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. KENNEDY. Is it not a fact that the budget was prepared at the time when the United States was proceeding on the assumption that the Navarre plan would be successful in Indochina?

Mr. FERGUSON. No; I would not say so.

Mr. KENNEDY. Is it not a fact that the budget was prepared——

Mr. FERGUSON. It was prepared when the Navarre plan was in effect; but, certainly, there was no assumption that the Navarre plan would work; and no one has come before the committee since the failure of the Navarre plan to state otherwise. The bill was reported as late as the 11th of June, I believe. As I stated before, approximately $5 billion in carryover will be available to the Army for munitions.

Furthermore, on July 1 of this year there will be available for obligation in the fiscal year 1955, for the three military services, $44,422,500,000. That amount is made up of the following items: Office of the Secretary of Defense, $13 million; interservice activities, $777½ million; Army carryover, $13,418,500,000; Navy carryover, $11,869,600,000; Air Force carryover, $18,343,900,000.

These figures stagger the imagination. There is no shortage of money, and I know of no responsible person in the Defense Department today who claims that there is a shortage of money.

When we restored the $177 million, we were told that that was all that was needed, and that the Defense Department would not need the other amounts, if we gave them transferability within a particular appropriation. In this bill we give them transferability, because we believe that with the amounts of money involved, the various services can do a much better job and do it much cheaper and get more defense for each dollar if they are allowed some transferability.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. KENNEDY. The Senator from Michigan knows that it really makes no difference what the amount in dollars is if the result is a reduction in the number of divisions from 20 to 17. It does not do any good to have $44 billion for expenditure next year if the result is a reduction in the divisional strength from 20 divisions to 17 divisions.

Mr. FERGUSON. But we do not have any use for the other divisions at the present time, and the men involved might better be employed in civilian industry, helping to increase the national wealth and to produce materials for the military, instead of being in positions where they are not needed. The other divisions are needed.

Mr. GORE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. GORE. The Senator says there is no need for the additional divisions.

Mr. FERGUSON. At the present time.

Mr. GORE. Does the Senator entirely write off the value of having a strategic reserve, ready for use in case of imminent danger? Is the Senator saying that, because we are not involved in a specific conflict at the moment, we do not have need for a national defense reserve ready for instant and quick employment?

Mr. FERGUSON. I have not said that. We have substitutes for those divisions in Korea. There are now in Korea 20 divisions of ROKS, which are now capable of taking the place of our two divisions.

Let me say further to the Senator that I believe maintaining our divisions in Japan has the effect of keeping Japan from rearming. The Japanese have a right to believe that they do not have to use any of their own people when our forces are in Japan. We want the aid of the Japanese. As I have stated before, we have taken a New Look at America's defense.

Mr. GORE. Is this the New Look budget?

Mr. FERGUSON. It is the new program.

Mr. GORE. Does the Senator still believe in the so-called New Look program, which has now been abandoned by all officials of the Department of Defense, except that it now means a cut in national defense, and is the Senator still proclaiming a New Look program, which I understand to be nonworkable in this day of world peril?

Mr. FERGUSON. Yes. In the statement I have made today I have outlined to the Senate the program which has been made up. It represents a different conception. We expect some criticism of it; naturally, we cannot change from the old to the new without receiving some criticism. But I believe, and the committee believes, that the budget represented in the figures contained in this bill is a proper budget for the defense of America.

Mr. GORE. I should like to say, as one Member of the Senate, that I believe it is a desperate gamble with national defense, a desperate gamble with national security and the freedom of the world, a desperate gamble with the chance of having peace, instead of war. The New Look program has already proved its failure in Indochina, and yet we are still considering a program which was prepared on the assumption that it would work. Since the time the budget was submitted, Secretary Wilson has stated that it is still regarded by him as sound. It is now discarded even by the French.

Mr. FERGUSON. I realize that the Senator believes what he has stated, but, after hearing the experts who have charge of the budget for the Defense Department, those who are responsible for our defense, and of whom I have been critical at times, I have to assume they are familiar with the facts and have a better right to claim a wiser judgment than do those who are not familiar with all the facts.

Mr. KENNEDY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield.

Mr. KENNEDY. I agree that those of us who are not members of the Appropriations Committee do not have the detailed information which the Senator from Michigan has, and, therefore, have to rely upon the statement of the Senator, but it has been testified that the overall combat effectiveness of the Army by the end of 1955 will be somewhat less than it is today.

That statement was made before the situation in Indochina deteriorated so drastically at the end of March. I am asking the Senator from Michigan how he can expect us to vote for a lessened armed strength when the situation is deteriorating as it is in southern Asia.

Mr. FERGUSON. If the Senator believes that America should use two divisions and place men in Indochina, and that we are going to war tomorrow, or within the foreseeable future, then he should vote for more money and the military authorities should be asked to get more soldiers. But, as I outlined the situation previously, that is not the plan of the United States at the present time.

Mr. KENNEDY. Since the budget was made up and those statements were made, have not the dangers of war breaking out increased?

Mr. FERGUSON. No; I do not think so. In my opinion, the danger of war breaking out is about the same as it was. There is no evidence that we are going to have a lessening of the threat of war.

Mr. KENNEDY. Has not the possibility increased that the United States will have to bear its proportionate share of united action in southeast Asia? The Senator is not saying that the chances have decreased, is he?

Mr. FERGUSON. No. I am saying that at the present time, with the amount of money the military authorities have, the number of reserves, and the other conditions under which we are providing for our defense, an additional amount is not needed. That is all I am saying.

Mr. KENNEDY. The only reason why the Senator from Tennessee and I have a feeling that the situation is deteriorating is because of the statement of the President and the Secretary of Defense. The budget which the Senator now suggests be established has been based on the supposition that there has been no deterioration in the situation.

Mr. FERGUSON. No. I say there is no need for additional divisions. It is not demanded that we furnish additional money to provide for those divisions. If they are going to be needed, Congress will provide for them. Are we to say to the President of the United States who approved this budget and who does not ask for the two divisions, that we in Congress are going to force two divisions on him, that we are not going to allow him to put them into the Reserve, but we are going to force them on him and he is to keep them in Japan?

Mr. KENNEDY. What did General Ridgway say? He said the Army has been guided by basic economic and strategic decisions which have been made at a high level. So the decision was not made at the suggestion of General Ridgway. When the Senator from South Carolina [Mr. MAYBANK] questioned him, he refused to say he had approved it. He said he would support it.

Mr. FERGUSON. The higher level was the President of the United States, the Joint Chiefs of Staff, and the civilian elements of the military. Should we disregard what they say is proper for our security? I say we have in our overall strength more power than the two divisions. We have achieved an 84-percent increase in firepower. A reasonable question deserves an answer, of course. The answer is to be found in the fact that during World War II an infantry division was sent into combat with 14,700 weapons. Today an infantry division is equipped with 20,098 weapons. It is a fact that today modern weapons deliver more explosive power for each impact, and the rate of delivery capability has also materially increased. In Korea we are providing and equipping Korean soldiers at a fraction of what it would cost to keep a similar number of American boys in uniform.

Mr. KENNEDY. General Ridgway stated that the Soviet capacity is not changing to our advantage. Merely because the ROK forces have increased in strength does not mean that the balance of power is changing in our direction, because the Chinese military strength has increased. So the point I would make, from General Ridgway's statement, is that at the end of 1955 we shall have less effectiveness than we have today. With the situation in the world as it is, with the possibility, which the Senator cannot ignore, that we may be called upon to play a part in southeast Asia, does the Senator feel that we should reduce our military potential?

Mr. FERGUSON. I am basing my judgment on that of the President of the United States who was and is a military man, the highest general we have had,

who is familiar with the facts, and also upon testimony given before the committee that the two divisions are not required at the present time. We are better off with them in the Reserve.

If we wish to try to match Soviet Russia, man for man, and operate on the basis of trading in battle human flesh for human flesh, we shall not be able to do that. We must accomplish our purpose in other ways. We must accomplish it by the productive capacity of our industries and by other forces than ground forces, which Russia can always outmatch.

Mr. KENNEDY. Is that the reason why the Senator from Michigan advocated a cut of $5 billion in the air strength last year, and is proposing this year a $5 billion cut in the ground forces?

Mr. FERGUSON. Not a single combat plane was eliminated last year.

Mr. KENNEDY. Does the Senator mean to say that the number of combat planes which could have been provided in the budget of 1953 would not have been greater than the number we shall have by 1957?

Mr. FERGUSON. That is correct.

Mr. KENNEDY. There has been a 2-year delay.

Mr. FERGUSON. Funds have been provided. There is a $18 billion carryover for the Air Force.

Mr. KENNEDY. Does the Senator mean to say that nothing has been lost by eliminating planes and stretching out the program?

Mr. FERGUSON. Obsolete planes would have been on order; there would not have been modern planes on order.

Mr. KENNEDY. But the planes would have been as modern as could be obtained.

Mr. FERGUSON. Some of the $5 billion was for the purchase of parts for planes which were obsolescent. Under the previous system, 65 percent of the cost of a plane was spent for parts in the first year. Parts were being manufactured and then stored all over the world. Some of the planes for which the parts were being made were either obsolete or obsolescent. There were $4,500,000,000 worth of parts on hand. The question was whether it was wise to store such an expensive inventory of parts which would quickly become obsolete or obsolescent.

So I say to the Senator that the $5 billion did not cover only the planes; it included many other items. For instance, the Air Force eliminated 9,000 butchers and bakers who were not needed. The Air Force likewise eliminated 2,700 musicians in bands, who were not needed. About 7,000 automobile mechanics were dispensed with.

Mr. THYE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. THYE. As a member of the Subcommittee on Defense Appropriations, and having been present at some of the hearings, I wish to support the able chairman, the Senator from Michigan [Mr. FERGUSON], in his contention that sufficient funds are available for our national defense. This is according to the best judgment of the Joint Chiefs of Staff and of the President. Surely no one would dispute the fact that the President probably is as well capable of making a military decision as is anyone else in the world, although I will confine the comparison to the United States.

In examining the record of the hearings, I find, on page 44, the following:

Senator MAYBANK. And you are satisfied that there are sufficient funds.

General RIDGWAY. I accept this decision as a sound one and am putting everything we have behind its execution.

I could continue to read further from General Ridgway's testimony in answer to some of the questions, but I wish only to support what the Senator from Michigan has said about a reexamination of our entire defense expenditures.

I was present when the information was made available about the excess number of butchers and similar personnel who could not be associated with our national defense in any sense. Upon close examination of the entire manpower question and the subject of spare parts, spare motors, and other spare equipment, it was found that there was an excess of such material which could very well be eliminated from the entire program.

There was wisdom in last year's action in curtailing the number of older models of planes which had been scheduled for construction before the so-called reexamination or New Look had been taken. Such equipment would have been obsolete in a short time.

I might say to the Senate that the Select Committee on Small Business has held a number of hearings on the question of sweating down or making junk out of the aluminum bodies of planes which have become obsolete. Considering the large number of obsolete planes which have had to be junked in recent years, it must be realized, as an intelligent leader or, we might say, a construction expert, would realize, that it would be folly to build planes indiscriminately and in large numbers, simply because it was desired to have a certain number of planes, although they would rapidly become obsolete. They would not be the type of planes we would want to have our pilots fly in combat areas.

So, in their wisdom, men like Secretary of Defense Wilson, former Deputy Secretary of Defense Kyes, the Joint Chiefs of Staff, and President Eisenhower, came to the conclusion that the right type of plane for this country to build was one which would have great striking power.

Large numbers of other types of planes might have been built, requiring large ground forces and housekeeping services, so to speak, but they would quickly have become obsolete planes; and if such planes were thrown into combat on short notice, they would not be battleworthy, and a number of men would have been sacrificed needlessly, because they would have been like sitting ducks for the modern planes of an opponent.

From the standpoint of our national defense, I have gone through this year's hearings and last year's hearings as critically as any other Member of the Senate, whether he be Democrat or Republican, and I have come to the conclusion that those who have been charged with the responsibility of our defense have exercised good, sound judgment. They have been prudent administrators, who have solved the problem of excess spare parts and superfluous personnel, such as cooks and meatcutters. They have reduced the manpower to a basis comparable with what would be found in an executive organization in private business.

We shall not now find a string of men representing what might be called related strength to the fighting strength in the air or on the frontline with the planes. These are fighting units, comparable with the combat units of the Artillery and other branches of the Armed Forces.

I respect the interest of the Senator from Tennessee [Mr. GORE] and the Senator from Massachusetts [Mr. KENNEDY] in this subject. They are to be commended, because they are trying not only to make a record which will satisfy a critical public who will read the record, but also to make certain that they, as Members of the Senate, are not negligent in their own responsibilities and duties with respect to the national defense.

Speaking as one member of the committee, whose only purpose was to try to obtain information, I thought there was commonsense in the testimony given by Secretary of Defense Wilson, former Deputy Secretary of Defense Kyes, and the Joint Chiefs of Staff. No one could have greater admiration for General Ridgway than I. Not only have I admired his military record, but I esteem him personally. I was very careful to note his remarks in reply to the question as to whether he was satisfied with the recommendations of the administration as to the funds.

All of us know that military men, more especially those who are accustomed to handling combat troops, will never concede that they have a sufficient number of such troops. They always want more ground troops in the line of defense, if they have the privilege of asking for more. But General Ridgway said, according to his testimony on page 44 of the hearings, that he was satisfied.

I presume that if he had been asked whether he would make recommendations, he would have said that, in the overall picture, perhaps 1 or 2 more divisions could have been used.

In the main, the ROK troops in South Korea are very good troops. They are inspired by their great leader, President Syngman Rhee. There is no question about their strength. We are far stronger as of today in manpower and striking ability than we were 2 years ago, or even a year ago, because of the manpower and strength of the ROK troops, and because of settling the question with respect to what might be called standby or useless manpower, which was found in the Armed Forces before they were screened, and because of the reduction in the overall cost and the screening out of standby, surplus, or spare parts which were to be found in the form of inventories throughout the land.

I wish to commend the Department of Defense and the President for having gone into the situation so thoroughly. I

specially desire to commend the chairman of the Subcommittee on Defense Appropriations, the distinguished Senator from Michigan [Mr. FERGUSON], because no member of the entire committee spent more time than did the Senator from Michigan in endeavoring to get the facts into the record, so that the Senate would be certain not to make an error in appropriating funds for the type of striking force which is being developed.

Mr. GORE. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield to the Senator from Tennessee.

Mr. GORE. The able Senator from Minnesota has raised the question, as did the senior Senator from Michigan, whether it is more in the interest of national defense to have blueprints or planes. I do not mean that in the extreme sense. I do not mean to suggest that the Senator has raised the question that we have either all blueprints and no planes or all planes and no blueprints. Obviously, the Senator does not raise the question in that extreme degree.

This is not the first time I have heard that point raised. I remember hearing a similar argument at some length in the House of Representatives before our involvement in World War II. Obviously, a balance must be found. We cannot fail, and must not fail, to have blueprints for better planes for the future; but let me remind the Senator that not one plane fought in World War II which was not already on the drawing board before our involvement in that war. Of course, a blueprint cannot very well combat MIG jet fighters. The balance must be met at the time of danger it seems to me, by having the fighting craft and combat craft of the best type which can be manufactured, in an amount recommended by the military authorities, plus plans for the future.

There is always the problem of obsolescence. I have served on the subcommittee of the Committee on Appropriations of the other House handling the Air Force budget. I know it is said that every plane becomes obsolescent the day it is turned out by the factory. Obsolescent by what standard? By the standard of future plans. But we cannot hide behind the plans for the future and permit our defense for the present to be cut drastically.

Mr. THYE. Mr. President, will the Senator yield?

Mr. GORE. I yield if the Senator from Michigan yields for that purpose.

Mr. FERGUSON. I yield.

Mr. THYE. Mr. President, I agree with the Senator from Tennessee that we will never win a battle with blueprints, but we have more than merely blueprints. There was a time when we were talking about 143 wings, and such numbers as that, but those wings were merely drawings and imaginary figures on the trestle board, although we were led to believe they were absolutely in being. In sessions of the Appropriations Committee I have found that, prior to the time Secretary of Defense Wilson appeared before the committee, there were changes in the number of combat planes, bombers, and trainer planes to be acquired by the Army. So changes are always being made. If the Senator should go to the Plaza in front of the Capitol and look at 2 automobiles of the same make he could recognize which model of the same car was this year's model when compared with the car of the same make manufactured 2 years ago. So there is a constant, revolutionary change taking place in the manufacture of any type of mechanical equipment.

Mr. GORE. I understand that, but one cannot ride in an automobile of the future. If one is to ride home in an automobile this afternoon, it must be one which is already manufactured.

If there is to be united action, for which Secretary of State Dulles and the President seem to be pleading—and it will perhaps be the subject of discussion when Prime Minister Churchill and Mr. Eden reach Washington next week—what are we going to contribute to united action? Will it be blueprints or planes, provisions or divisions?

Mr. THYE. The Senator from Tennessee is far too intelligent to try to frighten either the senatorial body, the listening public, or the press by implying that we have not anything with which to fight. We have a very fine fighting force—one which is more compact and more compatible in its component parts and in its fighting readiness than what we had on the trestle board 3 years ago.

Mr. GORE. The Senator is correct, but the Bureau of the Budget is asking for a reduction in the Armed Forces.

Mr. THYE. The Senator from Tennessee does not have the floor any more than I do. I hope he will bear with me long enough for me to complete my thought.

Mr. GORE. May I say that I enjoy bantering with my colleague from Minnesota.

Mr. THYE. I merely wish to say to the Senator from Tennessee that, for the defense of our country, so far as military strength is concerned, in tanks, artillery, and other weapons used in combat, in airpower, and in atomic weapons, I think we are so far in advance of what was on the trestle board 3 or 4 years ago that we should be grateful. I think we should have airplanes of such modern construction that when this country takes to the air no one will be able to get on the tails of our planes and dog them to the ground. I want our country to be in such a position that our planes will command a superior position in the air. We are in a much better position today than we were several years ago when the planes were on the trestle board. We have much better planes going through assembly lines. We have them moving through in accordance with the plans of the best available construction and industrial engineering.

Mr. GORE. Will the Senator yield further?

Mr. THYE. I am happy to yield, but the Senator from Michigan has the floor.

Mr. FERGUSON. I am glad to yield.

Mr. GORE. Of course, our strength and the adequacy of our strength must be judged comparatively with what a possible enemy may have. The Senator has stated that he wants the United States Air Force and the military strength of the United States to be superior to any possible enemy. Let me read what General Ridgway had to say about that:

> The military power ratio between the Western defense capability and the Soviet bloc's capability is not changing to our advantage.

The situation is not static, as I think the Senator will admit. If it is not changing to our advantage, I submit that, in the opinion of General Ridgway, it is changing to our disadvantage.

Mr. THYE. Mr. President, will the Senator from Michigan yield further?

Mr. FERGUSON. I yield.

Mr. THYE. I should like to read from the record concerning the subject:

> You ask to have it in executive session, and we will have it, but you leave your previous answer that it was a sound decision.
>
> General RIDGWAY. What I said is that I said I accept this 1955 budget program as a sound decision, and I have no doubt of the Army being able to solve the problems which that program entails.

That is General Ridgeway's statement.

Mr. KENNEDY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Massachusetts?

Mr. FERGUSON. I yield to the Senator from Massachusetts.

Mr. KENNEDY. I read from the testimony of General Ridgway on the same page:

> General RIDGWAY. I would like, if I may, Mr. Chairman, to make a little bit better answer to Senator MAYBANK'S question. It has been my unvarying position that when a career military officer receives from proper superior authority a decision, that regardless of his views previously expressed, he accepts that decision as a sound one, and he does his utmost within his available means to carry it out.

From that exchange between the Senator from South Carolina [Mr. MAYBANK] and General Ridgway, I do not see how one can get the idea that General Ridgway favored the cut in the Army. The decision was made by the President, and General Ridgway accepted it.

Mr. MAYBANK. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield.

Mr. MAYBANK. My only reason for not pressing the point further was that I knew there would be a supplemental appropriation bill, and then, of course, we expect to hear from General Ridgway, General Van Fleet, and other officers.

Mr. THYE. Mr. President, I was present when the Senator from South Carolina asked the question which has been referred to and the discussion which ensued is to be found in the hearings. I have just read some of those paragraphs.

Mr. MAYBANK. Mr. President, let me say, in justice to General Ridgway—for I do not wish to misquote him—that all I know about the matter is what he told me in public, at the hearings, namely, that he preferred to answer the questions in executive session.

Mr. THYE. That is correct.

Mr. MAYBANK. However, my information is that he is not satisfied.

Mr. THYE. Nevertheless, in the main I received the inner conviction and feeling that General Ridgway meant that no military man is ever satisfied with what is contained in the national defense plans and appropriations.

Mr. MAYBANK. Mr. President, let me say that for the first time in United States history, the Army's budget was sent to the Navy, for it to comment upon; and, similarly, the Navy's budget was sent to the Air Force, for it to comment upon; and the Air Force budget was sent to the Army and the Navy, for them to comment upon. Never before has such a thing been done. I think that is shown in the record.

Mr. THYE. Yes. However, I wish to say that I gathered from the hearings that, in the main, from the standpoint of the national defense, the plans were adequate and the appropriations recommended were adequate, and could be properly applied.

Mr. MAYBANK. I certainly agree, because there will be a supplemental appropriation bill for the Army, the Navy, and the Air Force. The House already has a bill on military construction, and it can be amended, I hope, so that the Army, the Navy, and the Air Force, will be adequately provided for.

WATER FOR IRRIGATION AND DOMESTIC USE FROM THE SANTA MARGARITA RIVER, CALIF.

The PRESIDING OFFICER (Mr. UPTON in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 5731) to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities to provide water for irrigation and domestic use from the Santa Margarita River, Calif., and the joint utilization of a dam and reservoir and other waterwork facilities by the Department of the Interior and the Department of the Navy, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BUTLER of Nebraska. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BUTLER of Nebraska, Mr. MILLIKIN, Mr. KUCHEL, Mr. MURRAY, and Mr. ANDERSON conferees on the part of the Senate.

AMENDMENT OF SHIP MORTGAGE ACT, 1920, AS AMENDED

Mr. HENDRICKSON. Mr. President, there is now at the desk a bill (H. R. 6276) to amend the Ship Mortgage Act of 1920, as amended, which was unanimously passed by the House on June 7. An identical bill, S. 2407, was unanimously passed by the Senate during a call of the calendar on April 19.

I am advised that, through an inadvertence the House in passing this bill failed to move to substitute the text of the Senate measure. Therefore, in the interest of expedition, I ask unanimous consent that the Senate proceed to the immediate consideration of House bill 6276, which is identical to the bill already passed by the Senate, as I have stated.

The PRESIDING OFFICER laid before the Senate the bill (H. R. 6276) to amend the Ship Mortgage Act, 1920, as amended, which was read twice by its title.

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. STENNIS. Mr. President, will the Senator from New Jersey yield to me?

Mr. HENDRICKSON. I am glad to yield.

Mr. STENNIS. I am not familiar with the bill. However, as I understand, the House bill is the same as the Senate bill which was passed by the Senate during a call of the calendar.

Mr. HENDRICKSON. That is correct. Furthermore, I understand that the minority leader approves the action now proposed to be taken.

The PRESIDING OFFICER. If there is no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 6276) was ordered to a third reading, read the third time, and passed.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

Mr. MANSFIELD. Mr. President, will the chairman of the subcommittee yield for some questions?

Mr. FERGUSON. I am glad to yield.

Mr. MANSFIELD. Can the chairman of the subcommittee tell us whether the defense budget was drawn up before the crisis occurred in Indochina; and, if so, were any changes made because of what occurred in that area of the world in the past several months?

Mr. FERGUSON. The budget embodied in this bill was in the making and made beginning in August of last year and extending into November and December; and no changes have been made because of what has occurred in Indochina, I would say.

I wish to call attention to the fact that there is a carry-over item of almost $5 billion for production for the Army, alone. The House deleted $5 million of the total amount of that carry-over, and the Senate committee did not remove the rest of it. That item is for procurement, and so forth. So, notwithstanding the $1,200,000,000 which was to be used in Indochina, in this budget there is up to $5 billion that could be used for materiel. In short, we shall have plenty of shot and shell, as required by the Army.

Mr. MANSFIELD. Does the Senator from Michigan mean to say, then, that the carryover amounts to only approximately $5 billion?

Mr. FERGUSON. No; that is the carryover for only the item of procurement and production.

Mr. MANSFIELD. I see.

Mr. FERGUSON. It is unobligated. It is a separate item.

Mr. MANSFIELD. But by reducing the amount, as the committee did——

Mr. FERGUSON. No, we did not reduce or cut it; we left it as it was.

Mr. MANSFIELD. However, the House of Representatives made a cut in the item, did it not?

Mr. FERGUSON. The House of Representatives removed $5 million, so the item now stands at approrimately $4,500,000,000.

Mr. MANSFIELD. The Senator from Michigan has mentioned a number of figures in regard to the Army, the Navy, the Marine Corps, and the Air Force. Can he tell us how many divisions the Army will be reduced in this fiscal year?

Mr. FERGUSON. Two divisions.

Mr. MANSFIELD. To what extent will the Army be reduced next year, in its division strength?

Mr. FERGUSON. I am speaking of fiscal year 1955; I consider it to be next year, although I spoke of the budget as being for this year.

Mr. MANSFIELD. But the 1955 appropriation is the one we are discussing, because in the fiscal year 1954, two divisions are being taken away.

Mr. FERGUSON. I will state the figures for the military force of the Army, by divisions: As of June 30, 1950, 10 divisions; as of June 30, 1953, 20 divisions; as of June 30, 1954, 19 divisions. So the Army expected to reduce the number of divisions by 1 before June 1 of this year.

Then, by June 30, 1955, there will be 17 divisions—or 2 less than 19 divisions, which will make 17 divisions in the fiscal year 1955.

Mr. MANSFIELD. Very well; but when it is stated that only one division will be removed this year, I think the statement may be open to question, because if my memory serves me correctly, the administration has announced that the 40th and 45th infantry divisions will be withdrawn from Korea—the last one today, I believe—and that these divisions will be deactivated, and that no divisions will be created to take their place.

Mr. FERGUSON. Those are the two divisions that will be out next year.

Mr. MANSFIELD. No; this year.

Mr. FERGUSON. I do not consider that they are to be deactivated this year, but they will be deactivated by next year.

Mr. MANSFIELD. Then, as I understand the Senator from Michigan, this year and next year there will be a total reduction of 3 divisions, instead of 4, as I had indicated.

Mr. FERGUSON. Yes; three from the beginning of the year.

Mr. MANSFIELD. Very well.

I do not ask about a military secret when I ask the chairman of the subcommittee whether he can tell the Senate how our divisions are stationed throughout the world. We have six divisions in Europe. How many have we in Korea?

Mr. FERGUSON. I do not know. I would tell the Senator if I knew. In the first place, I do not know; and, secondly, I do not know whether the number of divisions in Korea is security information or not. However, that is not the reason I withhold the answer.

Mr. MANSFIELD. I understand. I would not have asked the question if I had thought it was security information.

Mr. FERGUSON. I know the Senator would not.

Mr. MANSFIELD. It is common knowledge that we have six divisions in Europe.

Mr. FERGUSON. Yes.

Mr. MANSFIELD. We have 5 or 6 in Korea, including 1 marine division; and 2 or 3 in Japan, including 1 marine division. On the basis of those figures, I felt we must have 6 divisions—or perhaps 4 or 5 divisions—in this country. Of the divisions in this country, the so-called mobile reserve, how many have we that are combat ready at the present time?

Mr. FERGUSON. I should say that all those in the United States are combat ready at the present time.

Mr. MANSFIELD. My information—and I get it from the press—is that in this country we have one combat-ready division, namely, the 82d Airborne. If that be the case, then I think the New Look is not a good look, so far as the defense of the country is concerned.

Mr. FERGUSON. What does the Senator mean by "combat ready in this country"?

Mr. MANSFIELD. Ready to go at 1 day's or 2 days' notice.

Mr. FERGUSON. They must be transported. The Senator talks about divisions "ready to go." In calculating the number of troops we are to create, we must always consider the number we can transport.

Mr. MANSFIELD. We have transportation for the division referred to.

Mr. FERGUSON. We have transportation for a certain number of troops.

Mr. MANSFIELD. The point I am getting at is this: There are some things which need looking into. I am sure the Senator has looked into them and knows a great more than he is willing to tell. I can understand that. But we are confronted by a loss in the Army of three divisions within the next year. So far as the Marine Corps is concerned, it has been squeezed down to the point where it can have only three combat-ready divisions. The Senator's prepared statement indicates that the Marine Corps will have three full-strength marine air wings.

Mr. FERGUSON. That is correct.

Mr. MANSFIELD. My information is that at the present time the Marine Corps has only two full-strength air wings.

Mr. FERGUSON. Let me answer the Senator's previous question. As shown on page 42 of the printed hearings, I asked General Ridgway the following question:

> Can you give us the number that are combat effective?

General Ridgway said in reply:

> I would say 18 out of the 20 are.

I do not know what two divisions he was talking about. He said something about certain divisions being in training.

Mr. MANSFIELD. At the bottom of that page there is some reference to the Marine Corps air wings, but I am unable to come to a definite conclusion as to exactly what those remarks mean.

Mr. FERGUSON. I remember no testimony by General Shepherd to the effect that he wanted more money for or more men in the Marine Corps. Does the Senator know of any testimony in which he stated that only two Marine Corps divisions are combat effective?

Mr. MANSFIELD. No. Let me say to the Senator that I have had no contact with the Army, the Navy, the Marine Corps, or the Air Force.

Mr. FERGUSON. This is a large record.

Mr. MANSFIELD. I am referring to a statement which I either read in the press or heard somewhere. What I am seeking is elucidation.

Mr. FERGUSON. There is no request for more money by General Shepherd or anyone else in behalf of the Marine Corps. I do not understand why, at this date, any of the marine divisions should not be up to strength and ready.

Mr. MANSFIELD. Then, I take it from the Senator's remarks that, so far as he and his committee are concerned, they believe that the Marine Corps must have 3 combat-ready divisions and 3 marine air wings, 1 for each division?

Mr. FERGUSON. That is correct.

Mr. MANSFIELD. The next question has to do with the Navy. It is my understanding—and again I am speaking from the public record—that under the New Look the Navy will lose 50 ships, which will go into mothballs, and that the Navy personnel will be reduced by approximately 80,000 men. Is that correct?

Mr. FERGUSON. I will obtain the figures for the Senator in just a moment.

During the fiscal year 1955 the Navy will have 405, as compared to 409, major combat ships. The number of Navy men in uniform will be reduced during the fiscal year 1955 from 740,000 to 689,000. The reduction is possible, without reducing the number of ships, by eliminating men now assigned to noncombat duty.

Mr. MANSFIELD. That is for the coming fiscal year?

Mr. FERGUSON. That is correct.

Mr. MANSFIELD. What has the reduction been this year? Have as many as 50 naval ships been put into the mothball fleet?

Mr. FERGUSON. I shall have to try to find the answer to that question.

Mr. MANSFIELD. I have one question about the Air Force. I understand that we have at the present time, or soon will have—by June 30, 1955—120 wings, and that by June 30, 1957, we shall reach the goal of 137 wings.

Mr. FERGUSON. That is correct.

Mr. MANSFIELD. I also understand that at the time the New Look speech was made by Secretary Dulles, reference was made to "instant retaliatory striking power." That, of course, referred to the Strategic Air Command. Under the New Look instead of the 58 air groups which the Strategic Air Command was supposed to have under the old 141-group objective, it is my understanding that they will have only 54 groups, and that at the same time there is a great deficiency in technicians and mechanics in the Strategic Air Command. Is that correct?

Mr. FERGUSON. I should not say that there is a great deficiency. I know that there is difficulty in keeping in the service men who are skilled in certain trades. The services are doing everything they can to retain such men. They are trying to devise some method involving a bonus or some other arrangement such as fringe benefits, or something else, to keep in the service men who are skilled in the various mechanical trades and expert trades. It is not because of the lack of money that the services have been unable to retain such men. It is a question of rotation.

There are two aspects to rotation. Men who become trained and skilled while in the service then go out into civilian life. If war should come, or an emergency should arise, they could be called back. They will have the necessary skill. While at first blush it may seem that we are paying out more money than necessary to train new men, who, after they receive training, leave the service and go into civilian life, yet the overall reserve is being built up. Although it might appear that we lose the cost of training new men, if, unfortunately, we should ever go to war again we would have the benefit of 2 or 3 trained and skilled men to do a particular job when they are called back into the service. So we cannot say that because a man becomes trained and expert while in the service and leaves the service at the end of his first term, we have lost his services for all time. If we do not train new men and maintain the reserve, we face the grave danger of training only the men who are expected to remain in the service. If we lose them because of age, there is no one left to meet an emergency. I think there are two sides to the question involved in keeping men in the service for a long time. We must maintain sufficient continuity so that new men can be trained as they come in, and we must keep a sufficient number to operate the services efficiently.

Mr. MANSFIELD. I can see the Senator's point of view, but I would be less than frank if I did not say that I am very much disturbed by the so-called New Look in our defense setup. I do not like to see the Army reduced by three divisions. I do not like to see the Marine Corps being squeezed down to barely three combat-ready divisions. I do not like to see the Navy losing some of its ships, and being weakened to that extent.

We are talking about such things as united action. We have been talking about such things as intervention in various areas of the world. How are we to take such action if we do not maintain our military and naval strength, if we do not appropriate the necessary money, and if we do not authorize the creation of the necessary air wings, fleet divisions, and squadrons? That is what worries me. I am afraid that we may be econo-

mizing at the expense of security. Security should certainly come first.

Mr. FERGUSON. I merely wish to say to the Senator that if I thought one additional dollar was essential to obtain the objectives the Senator and I, too, desire, and if the objectives were needed for the program now, instead of building up the program in an orderly manner, I would agree with him. However, I am convinced from the testimony and the record that that is not the case. Of course, the Senator must realize that certain testimony is always taken off the record.

Mr. MANSFIELD. I understand.

Mr. FERGUSON. If we were to divulge the exact number of planes and number of ships, we would give information to the enemy. The Senator understands the situation. He serves with me on the Committee on Foreign Relations, and he appreciates how much testimony is taken off the record, as by necessity it must be.

Mr. MANSFIELD. I may say on that point, before the Senator goes any further, that it must be absolutely understood that everything I have mentioned today I obtained from the public record.

Mr. FERGUSON. There can be no doubt about that.

Mr. MANSFIELD. I can understand that, as the Senator states, a great deal of testimony is heard in executive session and it cannot be divulged either on the floor of the Senate or in public. However, I again want to make it plain that my information comes from the press of this country, and I am not divulging any classified information.

Mr. FERGUSON. I appreciate that fact. I should like to say, in answer to 1 of the Senator's questions, that it is planned to operate 1,080 ships and to maintain in a ready status 3 Marine divisions and 3 Marine air wings.

This is a reduction of about 50 ships from the number operated in 1954. These ships consist mainly of 2 escort carriers no longer required for Korea operations, 6 auxiliaries, and other supporting vessels. As a result of the shipbuilding program authorized in prior years, our fleet will continue to grow in combat power as new units report for active duty. We will continue to operate the same number of aircraft, however, and their battle effectiveness will be increased by the addition of—then the statement I have before me gives the number of planes.

Mr. MANSFIELD. I thank the Senator for his answer.

Mr. LEHMAN. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I yield.

Mr. LEHMAN. I wonder whether the distinguished Senator from Michigan would advise the Senate whether, in his opinion, the situation in the world is less serious today than it was a year ago.

Mr. FERGUSON. I say frankly that I do not know the answer to that question. I see evidence that it is not; yet, at the same time, if we take Korea into consideration and the propaganda coming forth from Geneva and the situation in Indochina, we could very well say that it is more serious than a year ago.

However, I am not sure that I can give what I consider an intelligent answer, because there are many factors and varying elements to be considered on both sides of the question. A year ago we were in actual combat in Korea. Now the fighting there has stopped. The situation in Indochina is certainly fluid and serious. I do not want to say that the situation is worse today than it was a year ago. There is evidence around the world that it is not so serious as a year ago.

Let me put it in this way, Mr. President: Because of the present disputes between the allies it might be thought that the situation is more serious than it was a year ago. I believe the same psychological divisions existed a year ago and 2 years ago, but we in America did not have the nerve to ask our allies how they felt on some very important subjects. I believe if we had asked Britain or France what they would do if we went into Korea, we would have received a hesitant answer. Instead of asking them and in that way knowing what the situation was, we did as the ostrich does; we buried our heads in the sand and thought there was nothing to worry about.

Now we know where they stand. We know how they feel. I am glad to know that Mr. Churchill and Mr. Eden are coming to America. I hope they will understand how we feel on some of these vital questions. We hope and pray that, not only from a military viewpoint, but from a psychological and spiritual viewpoint also, they will be in the same boat with us, and realize that the world is confronted with a major problem.

It is true that when we asked our allies to form a partnership in southeast Asia they hesitated. Hesitation on their part had existed all along; but we did not know it. Now we have finally, as the slang expression has it, "smoked them out." I believe that is one reason Mr. Eden and Mr. Churchill are coming to Washington, if I were to give the Senator a guess on the subject.

Mr. LEHMAN. I share the Senator's great satisfaction that Prime Minister Churchill and Mr. Eden are coming to Washington. I think the results of their conference with our President will be very useful and helpful. However, in response to my very definite inquiry as to whether the Senator thought the situation was less serious or less dangerous today than it was a year ago, he replied that he really could not say, that he did not know.

Mr. FERGUSON. I believe there are balancing factors on both sides. I want to say, as an aside, that it is not so serious as it was a year ago, from the standpoint that the hydrogen bomb is a success. I believe that is the greatest deterrent to war we have ever known. Our ability to carry and deliver the hydrogen bomb is a deterrent and must be considered as a factor weighing against believing that the situation is more serious today.

Mr. LEHMAN. Let us assume that there are some compensating features because of the development of the hydrogen bomb. If it is true, as the distinguished Senator from Michigan has stated, that he is unable to give any assurance that even in his own mind the situation is less serious than it was a year ago, how can he justify a reduction of $5,318,000,000 in the appropriation for the Department of the Army alone? That certainly would indicate that in his opinion there is a lessening of the tension, which I do not believe to be the fact.

Mr. FERGUSON. I will say to the distinguished Senator from New York that I went over that whole subject earlier in my remarks, and tried to prove by evidence, which is not of a security nature, that we have a different program today than we had before.

I recall when the three services came to Congress and said, "We want one-third each." If we look into past appropriations we will find that the pie, so to speak, was cut three ways. That procedure has gone out the window. There is no such thing any more as one-third for each service. It is no longer a question of one-third for each service but a question of what the responsibility of each service is in the defense of America. We say to the services, "We care not whether your name is the Army or whether your name is the Navy or whether your name is the Air Force; we ask you what your responsibility is in the defense of America and the rest of the free world."

That is how we drew up this program.

The Senator says that we have taken a certain amount of money from the Army. Why should we not ask other nations to furnish foot soldiers, which they can furnish very well. They have the manpower. Why should we not furnish the aviators and the scientists and the machinists—the men who can do a better job in other directions? We are all in one common defense, as I see it. That is the reason I say it should not be considered that because we have reduced the number of foot soldiers America is not strong. We are strong.

Mr. LEHMAN. Mr. President, will the Senator from Michigan yield for another question?

Mr. FERGUSON. I yield.

Mr. LEHMAN. I can thoroughly understand the explanation with respect to dividing the appropriation into three equal parts, giving one-third to the Army, one-third to the Navy, and one-third to the Air Force, but we have cut from the Army approximately $5,450,000,000. That is in addition to the tremendous cut which we made last year. I wonder whether the Senator can show me where, in reducing the appropriation for the Army, any compensating increase has been provided for the other services.

Mr. FERGUSON. I did not catch the last part of the Senator's question.

Mr. LEHMAN. I was wondering whether the Senator can show that, in reducing the funds for the Army by more than $5,400,000,000, we are increasing appropriations in any way for the other arms of our defensive forces so as to compensate for the reduction in the appropriations for the Army.

Mr. FERGUSON. We are not increasing the appropriations for the other services over the amounts provided last

year. There is a carryover of $44,400,000,000. In the case of the Army there is an unexpended balance, unobligated, of $5,798,939,000. That is the carryover for the next fiscal year. Let me put it this way: Congress lost control of the purse strings. I see the distinguished Senator from Virginia [Mr. BYRD] is in the Chamber. He and I have worked on this proposition. The way we lost control of the purse strings was that we were appropriating large sums of money, up into the billions of dollars, which were not used and could not be used during the current year. As the Secretary of Defense said, "How can you expect economy when you provide open tills containing billions of dollars, and give the power to spend that money?" What we have been trying to do—I admit we have not done as good a job as should have been done, and I think the Senator from Virginia [Mr. BYRD], who is very familiar with this subject, is greatly concerned about it—is, for the sake of economy, to reduce the amount of the carryover, although not so rapidly as I think it should be reduced.

Perhaps I have not answered some of the questions asked during the course of the debate, but I wish to say that the $5 billion which was cut from the Air Force appropriation last year did not affect one combat plane. We could appropriate another $10 billion, but by so doing we could lose control of the purse strings. It would give to the various services the idea that there is no economy. How could a man operate a home or a business if he paid no attention to what he put into the bank and how much he withdrew?

Mr. LEHMAN. Mr. President, will the Senator from Michigan yield for one more observation?

Mr. FERGUSON. I yield.

Mr. LEHMAN. So far as I can see, this is not merely a reduction in dollars and cents. I have the greatest respect for the conscientious manner in which the Senator from Michigan and the Senator from Virginia have approached this subject. I know how very thorough, careful, and conscientious they have been. But we have reduced not only the appropriation in dollars and cents, but have actually reduced the manpower of the Army to a very considerable extent. In other words, by the end of 1955 we shall have reduced the manpower of the Army from 20 divisions to 17 divisions, a reduction of 15 percent, and we shall have reduced military personnel by approximately 230,000, or 16 percent.

The Senator from Michigan may be perfectly correct in his assumption, but when he tells me he cannot express any opinion as to whether the situation is less serious today than it was a year ago, and I find it is proposed to cut $5,300,000,000 from the appropriation this year on top of a reduction of approximately $10 billion last year, it simply does not make sense to me.

Mr. FERGUSON. If the Senator wishes to ask whether I think there is less need for foot soldiers in the American Army today than there was a year ago, I will say emphatically that there is less need for combat ground troops today than there was a year ago. A year ago we were fighting a war in Korea. We had not built up the ROK divisions. Does the Senator feel that as we build up our common defense with the foot soldiers of other nations we cannot reduce the number of foot soldiers of America? That is what we are going to do, and are doing, as I view it.

Mr. LEHMAN. The Senator has asked me a question. I certainly do not believe we are safe in placing sole or even main reliance on massive retaliation. I think we need the other branches of our service as well.

Mr. FERGUSON. I have never said and I do not intend to convey the idea that massive retaliation is the only method of fighting a war. I said we were prepared to fight any kind of a war that aggression might force upon America. One of the important things to have in mind is the possibility of massive retaliation. If the enemy of the free world today could rely upon the fact that America would not resort to massive retaliation, what would there be to stop that enemy? I say the time has come when we should speak out, not as a threat, but as a promise, and say that in case of aggression, America will defend herself and the rest of the free world. Why should we try to hide our power? I, for one, do not want to mislead Russia into believing that America will not apply massive retaliation. I think it is only fair to her civilization and to ours that we speak in no uncertain terms, not as a threat, but as a fact, that, in case of aggression we will resort to massive retaliation.

Mr. LEHMAN. I agree with the Senator on that point.

Mr. FERGUSON. I think that what will stop war in the world is the belief that America will use massive retaliation.

Mr. LEHMAN. I agree with the Senator that there is no reason why we should hide our power. But when we boast of our power, we must have power; we must have power to support our threats and our boast. Otherwise, we make ourselves vulnerable.

Mr. FERGUSON. I am not boasting; I am humble here today, but I thank my God that today America has something with which to defend her civilization.

Mr. LEHMAN. That is right. That is what I am fighting for even more vigorously than is the distinguished Senator from Michigan. I believe the budget for defense which is embodied in the pending bill is entirely inadequate for our needs; that we have made ourselves vulnerable because we have cut and cut and cut.

I am willing to cut. I am willing to match the Senator's desire for economy in every way, except when it threatens our security. I believe that an inadequate defense budget seriously threatens our security.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. BYRD. I wish to express my full agreement with the distinguished Senator from Michigan with respect to what he has said about unexpended balances. When he was called upon to serve as chairman of the Subcommittee on Armed Services Appropriations, the unexpended balances for the military, if I recall correctly, approximated $65 billion.

Mr. FERGUSON. That is correct. I believe that was the figure.

Mr. BYRD. Today the unexpended balance is approximately $45 billion.

Mr. FERGUSON. That is correct.

Mr. BYRD. That is a reduction of $20 billion. How has that reduction been made? It has been made by reducing current appropriations, and by utilizing the unexpended balances to replace the reductions in the current appropriations.

Mr. FERGUSON. I think that is the only way the problem can be solved.

Mr. BYRD. That is the only way it can be done. I agree 100 percent with the Senator from Michigan, that the huge unexpended balances practically destroy the control of Congress over the appropriations. I wish to commend the Senator from Michigan upon the fact that during his brief service as chairman of the subcommittee he has been instrumental in bringing about a substantial reduction in the unexpended balance. In my judgment the Senator from Michigan has rendered a splendid service in this capacity.

I hope the time will come when there will be a rescission of the unexpended balances, and that there may be substituted contract authority. At present when the armed services purchase or contract for a battleship, for example, Congress appropriates the total amount, although the battleship may not be constructed for 4 years. During that time, the unexpended fund remains as a carryover balance. I hope the time will come when Congress will appropriate on a current-year basis and then enable the Navy Department, for example, to contract for a battleship which will be paid for as the work is done. In that way Congress can survey the situation each year and determine whether to continue the appropriations.

In regard to the funds available for the military, there will be $45 billion of unexpended balances as of July 1. We are now appropriating in the bill approximately $30 billion.

Mr. FERGUSON. That is correct.

Mr. BYRD. That makes a total of $75 billion, available on and after July 1 next if I calculate correctly.

Mr. FERGUSON. That is correct.

Mr. BYRD. That is for military purposes, effective July 1, 1954, which is considerably in excess of what the expenditures will be for the next year.

Mr. FERGUSON. Yes.

Mr. BYRD. I wish to express my strong agreement with the policy which the Committee on Appropriations has now adopted, a policy of gradually cutting down the unexpended balances. I hope that the committee will go still further so that we may begin to appropriate on a current-year basis.

That will afford a great clarification of knowledge on the part of the Members of Congress, and will enable us to understand better what we are doing.

With $75 billion to be available for expenditure beginning July 1, 1954, I do

not see how anyone can complain that there will not be adequate funds for military purposes for the next current year.

Mr. FERGUSON. I thank the Senator from Virginia for his remarks.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MONRONEY. I am greatly disturbed about the reduction of funds in the Defense appropriation bill. I can understand, as the Senator from Michigan has said, that perhaps some of the appropriations for Defense can be reduced because the money cannot be spent during the fiscal year. But I wish to ask the distinguished chairman of the subcommittee if the funds to which he has referred as being appropriations heretofore made are available to restore the three divisions that will be lost to the service of the United States and to the rest of the free world, in a period of history when I think we face one of our greatest crises. Cannot that money be used to maintain, equip, and continue as an operating branch of our ground forces the three divisions which it is proposed to eliminate?

Mr. FERGUSON. As the record now stands, about $1 billion would be needed for the personnel of the two divisions.

Mr. MONRONEY. Some collateral equipment would be needed, however.

Mr. FERGUSON. No; there is sufficient equipment. There is plenty of equipment. In fact, there is a $5 billion fund for what is called the equipment item. That is all carryover. It has not been used, and it is not intended to be used unless the necessity arises. So there is nothing needed in that line. There cannot be a transfer of funds from the personnel division into the material division. For that reason, only such an amount of money would be needed as was necessary to pay the soldiers and incidentals in connection therewith.

Mr. MONRONEY. I heard the remarks of the distinguished Senator from Michigan about massive retaliation. I agree with him that it is desirable to be able to employ massive retaliation should it become necessary. But may I ask, could not a potential enemy also deliver massive retaliation, if they had a sufficient number of bombs? That does not necessarily mean that they would have to be able to match our bombs in number, because if we had enough to deliver one such bomb at each major target, we would not need 10,000, inasmuch as there would not be any further targets left to hit.

But while we place some reliance on massive retaliation, we must recognize that a potential enemy also has capacity to employ massive retaliation. In the final test, I believe our survival might depend upon the readiness—and I mean the combat readiness—of three additional combat divisions.

Under the bill, we are reducing the strength of the free world because we are unwilling to appropriate, as the Senator has said, $1 billion to provide the personnel.

Mr. FERGUSON. We are not losing strength. I may say to the Senator that all the reserves in the United States are the manpower of America.

Mr. MONRONEY. Does the Senator know——

Mr. FERGUSON. Will the Senator wait a moment? I wish to answer him. The Senator talks about weakening our defense. The men in the reserves are not lost to America's defense; they are merely permitted to return to civilian life. Those same individuals can be called for service in the event of a war which we hope will never come.

Mr. MONRONEY. If the distinguished Senator from Michigan thinks that the Reserves of the United States are in any shape or state of mind or readiness to provide the military strength the United States needs in this critical hour, he is unfamiliar with the facts with respect to the Reserve components.

One of the great divisions which fought in the Korean war was the 45th National Guard Division of Oklahoma. I have talked with many of the boys of that division since their return. They are not ready to drop their life's work, to sacrifice their business, to go places half way around the world, and to be the nucleus of our Army's ground forces, while we neglect to train, equip, and place in readiness the young men who are growing up, who have not seen 1 day of military service. Two-thirds of the men in the National Guard units and other Reserve units spent many years in the service during World War II. Many of them spent years on the icy hills of Korea.

Does the Senator from Michigan now tell the United States Senate that it is proposed to call those same GI's back again and to place them in the Reserves, so as to provide the country with the armed strength it needs?

Mr. FERGUSON. I say to my dear friend, the Senator from Oklahoma, that many of those who today are in the Armed Forces, and who will be allowed to separate themselves from the Army, are the very ones who have fought in Korea. Does the Senator propose that those men should be kept in the service now, and not allowed to be discharged? As reservists all of them will want to come back into the service, if America ever needs them.

Mr. MONRONEY. The men are being rotated out of the service as their terms of enlistment, Reserve service, or selective service expires. What the senior Senator from Michigan is proposing in the bill is not to permit the building up of three brandnew divisions, well trained, combat-ready, and strongly equipped, to add to Uncle Sam's military might. In this critical hour I think we are being pennywise and pound foolish, and I am afraid we are putting tax reductions ahead of the armed strength which America, as the leader of the free world, must have in order to inspire the confidence of other free nations in its leadership.

Mr. FERGUSON. The facts are clear, and I may say to the Senator from Oklahoma that if we keep in Japan the divisions now there it will be inviting and actually causing Japan not to draw on any of its own citizens for military duty so that they can take the place of American boys. Why should America today supply such forces? When Japan has the capacity and the manpower to maintain Japanese divisions to defend herself, why should Japan not do so?

Mr. MONRONEY. I may say to the distinguished chairman of the subcommittee that it is the most foolish argument I have heard——

Mr. FERGUSON. It may seem foolish to the Senator from Oklahoma.

Mr. MONRONEY. That we should not activate again three divisions because we have divisions in Japan which will be moved out. The total strength of the United States Army, whether it be in divisions in Japan, or in Germany, or in divisions transported back to the continental limits of the United States, is still the strength of the free world. It is the nucleus of its strength.

Mr. FERGUSON. What is the strength of America? America's strength is that which she herself has, plus the strength of her allies. Now, is it not desired that our allies build up the numbers of their foot soldiers? I am not the one who has asked and demanded that the two divisions be dropped. It is the President of the United States, the Defense Department, the Joint Chiefs of Staff who have done so, and I believe, from what I can learn from a study of the facts, that they are wise when they put America's strength in other than these two divisions.

Mr. MONRONEY. As I understand, it is three divisions we would lose, in addition to other manpower in the Marine Corps and the Navy.

Mr. FERGUSON. The Marine Corps is not losing any combat strength.

Mr. MONRONEY. I think the record will show that the Marine Corps is losing combat strength as well. In spite of the authorities which are cited, I think the distinguished Secretary of Defense, Mr. Charles Wilson, the former president of General Motors, does not know as much about the problem as does General Ridgway, who was muzzled by standing orders of the General Staff from telling the committee in open hearings exactly the situation as he felt it to be.

Mr. FERGUSON. Let us take the facts and the record. The Senator from Oklahoma has no evidence that General Ridgway was muzzled. Let me read the testimony of General Ridgway. The Senator from Oklahoma is casting reflections upon the Appropriations Committee.

Mr. MONRONEY. I do not say he was muzzled by the Appropriations Committee, but he was under orders of his superiors——

Mr. FERGUSON. He was not under orders——

Mr. MONRONEY. To agree to the budget which had been decided upon by the Joint Chiefs of Staff, and he could not deviate from that agreement.

Mr. FERGUSON. Does the Senator from Oklahoma charge General Ridgway with being a man who would come before a committee of the Senate of the United States and allow himself to be muzzled? Let me read what General Ridgway stated, as it appears on page 43 of the hearings:

Senator MAYBANK. Were you satisfied with the force levels?

General RIDGWAY. I accept this program as a sound one.

Senator MAYBANK. You accept it, but are you not satisfied?

General RIDGWAY. I am satisfied now, sir.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I shall yield in a moment or two.

On the next page, 44, the following appears:

Senator MAYBANK. Yes, but at the same time you have the confidence of the people in this country, not only you, but the Secretary as well, and you then believe it is a sound decision and you carry it out.

General RIDGWAY. I certainly do, sir.

Senator MAYBANK. And you are satisfied that there are sufficient funds?

General RIDGWAY. I accept this decision as a sound one and am putting everything we have behind its execution.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from South Carolina.

Mr. MAYBANK. I have the greatest respect for the chairman of the subcommittee, but my interpretation of what General Ridgway said was that he accepted the decision. Every time he was asked the question, he said he accepted the decision. Of course General Ridgway would accept the decision. Of course Admiral Carney would also accept a decision, and of course General Twining would accept a decision made by the overall military authorities. I wanted the record clear because I mentioned General Ridgway's name. When I asked him the question, he stated he would rather testify in executive session, did he not?

Mr. FERGUSON. Yes, but there is not any evidence in the record to show, and I do not think it is fair to say, that General Ridgway was muzzled.

Mr. MAYBANK. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield to the Senator from South Carolina.

Mr. MAYBANK. I never said General Ridgway was muzzled.

Mr. FERGUSON. I know the Senator from South Carolina did not. The Senator from Oklahoma did.

Mr. MAYBANK. I did not suggest that he was muzzled. I wanted to make sure that the record showed that General Ridgway said he accepted the decision. He did not say he proposed it.

Mr. FERGUSON. When the Joint Chiefs of Staff sit down as a group to work out a problem, the fact that one member advocates a certain course when the problem is being developed does not necessarily mean he is right. It has been stated on the floor of the Senate today that it is entirely wrong for one of the services to see or look at the budget of another service. I thought we tried to bring about unity among the various arms of our Defense Establishment. If the three services are not going to work together as one unit for the security of America, and finally make up their minds on one course, but, instead, go three different ways, and the head of each of those departments advocates his own personal opinion, disregarding the opinions of his fellows on the Joint Chiefs of Staff, or the opinions of the President of the United States or the Secretary of Defense, then we will get no adequate defense.

Mr. MAYBANK and Mr. LONG addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Michigan yield, and if so, to whom?

Mr. FERGUSON. I yield first to the Senator from South Carolina.

Mr. MAYBANK. I hope the Senator from Michigan does not think I made such a statement.

Mr. FERGUSON. Oh, no.

Mr. MAYBANK. All I said was that the testimony was that each branch passed the budget to the other one for its comments. I made no suggestion that that should not have been done. I only meant that it was the first time it had been done. I do not wish to have it thought that I made such a suggestion.

Mr. MONRONEY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from Oklahoma.

Mr. MONRONEY. In the bit of testimony which the Senator from Michigan read from page 44, a very interesting paragraph was not included, and I should like to read that portion now:

Senator MAYBANK. That is all I would like to have, is clarification, so when I vote I know I got you and the Secretary of the Army in agreement on the appropriation.

General RIDGWAY. I would like, if I may, Mr. Chairman, to make a little bit better answer to Senator MAYBANK's question. It has been my unvarying position that when a career military officer receives from proper superior authority a decision, that regardless of his views previously expressed, he accepts that decision as a sound one, and he does his utmost within his available means to carry it out.

In other words, the commander of the ground forces was under superior military decision, and he did not willingly, and could not, within his idea of the duties of a career military officer, go beyond the limits which had been prescribed for him by his superior officer. Is that not correct?

Mr. MAYBANK. He said he accepted the decision. That is what he told me.

Mr. MONRONEY. So I think we have before us today in the record, with all due regard to the chairman of the Appropriations Subcommittee, a clear picture of exactly how dangerously we are asked to reduce the ground forces by the provisions of the bill which is before the Senate today.

Mr. LONG and Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Michigan yield, and if so, to whom?

Mr. FERGUSON. Mr. President, I should like to reply. I am not getting an opportunity to answer some of the questions for the RECORD.

I read now from page 82 of the hearings, when I was asking questions of Admiral Radford, Chairman of the Joint Chiefs of Staff:

Senator FERGUSON. Did you understand that in December, when you used this expression here "unanimously agreed to it," that it was an agreement that was a proper program?

Admiral RADFORD. I did last December; yes, sir.

Senator FERGUSON. Did you know other than what you heard yesterday that General Ridgway may not be what is known as satisfied?

Admiral RADFORD. I had previously read his statement, and from that had a feeling that he was not satisfied.

But he said he would accept it, and he did accept it, as a sound decision.

Mr. LONG. Mr. President, will the Senator from Michigan yield to me?

The PRESIDING OFFICER (Mr. BEALL in the chair). Does the Senator from Michigan yield to the Senator from Louisiana?

Mr. FERGUSON. I am glad to yield.

Mr. LONG. I do not question the judgment of the Senator from Michigan insofar as the deactivating of 2 or 3 divisions is concerned. Quite to the contrary, it seems to me that the greatest single waste we are making is by having United States divisions stationed overseas, when it would be so much more economical to use foreign troops. Furthermore, in the event of war, that would result in saving the lives of thousands of Americans.

Mr. FERGUSON. Yes, and I said the same about the situation in Japan; and I believe what I said to be true.

Mr. LONG. General Ridgway has been mentioned in the course of the discussion. However, there are several other generals who know a great deal about that situation. One of them is General Van Fleet, one of the most successful generals who commanded our troops in Korea. General Van Fleet wrote for the Reader's Digest an article I happened to read. In it he said that the Korean troops make just as good fighters as do the Americans. He further said that it would be possible to put into the line 20 divisions of Korean troops—man for man the equal of American troops—for the cost of one United States division.

There are 20 Korean divisions. They must be good, because the American generals assign those divisions to holding 75 percent of the line, while our divisions hold 25 percent of the combat line against the Communists and North Koreans.

So why do we not return some of our American divisions to the United States and replace them with a similar number of Korean divisions? For example, for the cost of keeping one United States division in the field, we could have 20 Korean divisions there, for the Koreans have sufficient manpower to supply the needed divisions.

Mr. FERGUSON. I think that is sound reasoning and proper military strategy.

I tried to say, in the beginning, that the United States must recognize its manpower situation in the world. The United States must recognize its situation from the point of view of technical knowledge. If the United States is to help the free world in maintaining peace, we must look to our own manpower and our own capacity, the number of men we have, and whether they should be foot soldiers or airmen or assigned to the Navy or to the Marines, or to the air

service of the Navy and the Marines—services we are forgetting all about—or whether they should be air reservists at home or whether they should be National Guard reservists.

I believe that all those questions must be answered by the military. Of course, we, as laymen, then are called upon to use our best judgment, after hearing their testimony about the appropriations they should have. We must decide whether the appropriations they request should be made. As a member of the committee which voted to report the bill to the Senate, let me say that I do not know of one member of the committee who opposes having Congress make the necessary appropriations. It is said by some that I am attempting to cut the appropriations for the Army. On the contrary, all I am trying to do, as chairman of the subcommittee, is to present to the Senate the evidence which was submitted to the subcommittee.

The Senator from Louisiana knows about the waste in manpower in the military services. For instance, he knows what he found to be the situation at the airports in north Africa. I believe he indicated that at one airport there were 245 automobile mechanics.

Of course, that situation has been changed, with the result that approximately 8,000 or 9,000 personnel have been shifted to places where they really are neded. The result is, of course, not to reduce the military strength of the United States. On the contrary, the military strength of our country is really increased thereby.

Mr. LONG. I should like to suggest that six divisions of United States troops in Korea—or more than half a million American troops there—are too many, because it costs 20 times as much to keep one American boy in Korea as it does to arm and maintain a South Korean there.

Mr. FERGUSON. I understand that to be the correct figure.

Mr. LONG. General Van Fleet's testimony on the subject is that, if permitted to do so, we can train the South Koreans for battle better and more effectively than we can train our own boys. General Van Fleet offers a very simple explanation for that; namely, that there is not so much complaint from the mothers and other relatives of South Korean young men when they are put through the dangerous training that is necessary in order to give an infantryman the best grounding and experience for battle—the principal difference being that Americans are not willing to have their sons trained under actual battle conditions, beneath artillery fire, for lives are lost under such conditions. However, if men are trained in that fashion, they become better soldiers when they are sent into battle.

So I believe we should remove some of our divisions from Korea.

I would be the first to agree that a certain number of American troops should be kept there although not nearly the number we have there now—because the presence of American troops there will assure any aggressor beyond any possibility of doubt that American troops would be fighting the moment an aggressor attempted to resume the fighting in South Korea.

Mr. FERGUSON. And there would be assurance that the American troops who would be fighting there would not be limited to ground troops; there would be that warning.

Mr. LONG. That is correct.

At this time we can replace many of the American divisions we have in Korea; they can be replaced with South Korean divisions. The result will be to assure us that, in the event of an outbreak there, there will not be nearly so many American casualties as otherwise there would be, and that our allies will make a greater contribution, in the event the war in that area should be renewed.

Mr. STENNIS. Mr. President, will the Senator from Michigan yield to me?

Mr. FERGUSON. I yield.

Mr. STENNIS. I should like to ask several questions; but, first of all, I desire to commend the Senator from Michigan for the very fine work he does as chairman of the subcommittee on Department of Defense appropriations. I know that he works both day and night on the Department of Defense appropriation bill.

I wish to discuss a point which I believe will not be reflected as much in the appropriation bill this year as it will be in the appropriation bill next year. I refer to the Reserve program. I have been interested in the Flemming report, and I have hoped very much that some proposed legislation in regard to a new Reserve program would be included among the legislative bills to be considered at this session, because I am convinced that that is the method to which we shall have to resort in order to use our manpower properly and in order to be able to foot the bill.

I understand that the report is now perhaps with the Security Council. I am sorry that no proposed legislation on the basis of the report will be before the Senate at this session, although I believe that to be the case, because it is now too late in the session for us to deal with legislation of that sort. However, I believe we shall have to formulate a Reserve program; and, incidentally, let me say that I do not refer only to the Reserves from World War II or from the Korean war.

Mr. FERGUSON. I agree with the Senator from Mississippi about that.

Mr. STENNIS. I mean a Reserve Corps composed of young men who will take less than 2 years of training, and then will be assigned to a Reserve unit of some sort, and will be called upon to render duty over a period of time, and to maintain their training. I believe we shall be driven to it from an economic standpoint. Furthermore, I believe it is the best way for us to have the continuing military program that I think the Senator from Michigan agrees is a necessity for several years to come.

I should like to have the Senator from Michigan discuss that point.

Mr. FERGUSON. Mr. President, I wish to refer to the Reserve program since I am one of those who believe that to be one of the solutions, because of our limited manpower. We would not be doing justice to the facts if we tried to brag about the number of men we have, for we have only a limited number of men who can be soldiers. Therefore, we must utilize our men to the best possible advantage.

That reserve program is being studied. The report has been issued. I do not know whether all the recommendations, or only some of them, will be adopted. The report has not yet come to Congress. It must have the consideration of the Secretary of Defense and his staff, and of the President.

This program is very important. It is a part of our whole scheme of things. I am told that there is sufficient money in the bill now, including what is provided for the reserves to allow a start to be made on this program if it is decided to put it into effect. Naturally it is a big program, and I think it should be a big program.

It is planned to use the National Guard to man the so-called NIKI sites a part of the time. That is equivalent to having a division. Our Army is not entirely a volunteer Army. It consists partly of draftees. Therefore, if the National Guard can render a real service in connection with the NIKI sites, where they will be actually working as soldiers, they will be better men in case it becomes necessary to call them into the service.

I wish to read two paragraphs from our report. They are very important. I read first from page 10, under the heading "Reserve Personnel Requirements":

> The House allowed $28 million for this purpose, the full amount of the budget estimate. The committee concurs in the action of the House; however, the committee has inserted a provision in the appropriation language authorizing the transfer of an additional $5 million to this appropriation from other funds available to the Department of the Air Force. The requirement for additional funds is based upon the expanded Reserve program required in fiscal year 1955.

On the same page, under the heading "Air National Guard," the report reads as follows:

> The House approved the full amount of the budget estimate of $160 million for the Air National Guard. The committee concurs in the action of the House; however, the committee has inserted a provision in the appropriation language authorizing the transfer of an additional $9 million to this appropriation from other appropriations available to the Air Force. The additional funds will allow for necessary active-duty training of the Air Force Reserve Officers Training Corps graduates who will be commissioned as second lieutenants in the Air National Guard during fiscal year 1955.

We increased the amount of money which could be used for armories for the National Guard, because we believed that the National Guard must enter into our thinking in relation to national defense.

Mr. STENNIS. As the Senator from Mississippi understands, $36 million was provided for the National Guard by the so-called Ferguson amendment.

Mr. FERGUSON. That is true.

Mr. STENNIS. I commend the Senator from Michigan for that step.

Let me say further to the Senator that I hope he will follow up on the so-called Flemming report, so that it may be put into effect as soon as possible.

I understand that two types of reserves are contemplated. One is the callable Reserve, which is more or less in a state of readiness. Then there is the general reserve, on a selective-service basis, more or less. I think the Senator from Michigan will agree that we must come to that program. By the way, there is now in the law provision to enable the secretaries of the respective armed services to expand the Reserve and allow more of the selective-service selectees to go into the Reserve.

Mr. FERGUSON. That is correct.

Mr. STENNIS. I doubt if that program is being pushed. I think it should be emphasized. I believe Congress must take the lead in putting into effect the Reserve programs. The military must do the planning, and must put together the various components, but I think the policy will have to be pressed by the Congress.

Mr. FERGUSON. I am aware of the fact that in previous years there was a feeling of hesitancy in relation to the Reserves. It was considered much better to get them into the Regular services. However, I think there has been a change in the thinking of those in the Departments. They now realize that because of the great mass of people who have been taken over by the Communists, we can never expect to match walls of flesh against walls of flesh in battle. We must meet the problem in some other way. Therefore we must prepare with Reserves. We must prepare in the way determined upon by our national officers.

Mr. STENNIS. I should like to make one further observation. In addition to a change in the thinking of those in the Departments, I believe there has been a change also in the thinking of the people.

Let me add a word to what the Senator from Louisiana [Mr. LONG] has said about General Van Fleet's plan of training native troops, based upon what he has actually done in Korea, based upon his recommendations, official and unofficial, and based upon the general necessity involved in world conditions. The only real tangible hope I see for solving the problem of southeastern Asia is a program of training native troops of Asia. That is the only way by which effective resistance can be made against the spread of communism in southeastern Asia, or anywhere else. We do not have the necessary manpower, and we could not finance the necessary manpower if we had it, to put a sufficient number of divisions in Asia to take care of the situation. But it can be done, and it has been done, by the use of native troops as was demonstrated in Korea. General Van Fleet believes that the soldiers of other Asiatic countries, if they have the will to fight, will be just as good as those of Korea. I think we should emphasize that program. I think that is the major part of General Van Fleet's mission in that area today.

Mr. FERGUSON. I thank the Senator for his observations.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. DOUGLAS. The House report on this bill, on pages 5 and 13, states that the reduction in the strength of the Army by June of next year will be 235,000 below the present figure, and a reduction from 20 divisions to 17 divisions. Does the Senator from Michigan believe that to be a correct statement?

Mr. FERGUSON. The sheet I have before me shows that the personnel on June 30, 1954, will be 1,407,500. On June 30, 1955, it will be 1,164,000.

Mr. DOUGLAS. That is a decrease of slightly more than the figure I mentioned. That would represent a decrease of 243,000. Is it the understanding of the Senator from Michigan that there will be a reduction in the number of divisions from 20 to 17?

Mr. FERGUSON. The figures I have with respect to the number of divisions show that, as of June 30, 1954, there will be 19 divisions; and that on June 30, 1955, there will be 17.

Mr. DOUGLAS. The table on page 13 of the House committee report shows 20 divisions as of June 30, 1953. One division has been demobilized since that time. The reduction in 2 years will be 3 divisions.

Mr. FERGUSON. Yes.

Mr. DOUGLAS. In other words, there has been or will be a total demobilization of three divisions.

Mr. FERGUSON. Yes; as compared with the number actually fighting in Korea.

Mr. DOUGLAS. This budget report was made at a time——

Mr. FERGUSON. We have some additional strength in the Army. We have the same number of regimental combat teams, but we have an increase in antiaircraft battalions from 114 to 122. In addition, there are the National Guard personnel engaged in manning certain guided-missile sites.

Mr. DOUGLAS. Of course, with a reduction of 243,000, not only will there be a decrease of 2 or 3 divisions, but some of the combat units will probably be at less than combat strength, that is, less than that provided for by the tables of organization.

Mr. FERGUSON. Not in actual combat strength.

Mr. DOUGLAS. I am not at all certain that the combat units, regimental teams, and divisions will not be at something less than full effectiveness. However, the point I wish to make is that the budget estimates, and the reduction in the Armed Forces were projected last December, at a time when the administration said—and it continued to say so for some months afterward—that we had the diplomatic initiative all over the world, and that the military and political situation was moving in our favor.

Since then military affairs have taken a bad turn for the worse in Indochina. Since then the diplomatic situation in the Far East has deteriorated. India from neutrality has moved into an attitude of quasi-hostility. Since then France has wobbled more. Our relations with Great Britain are worse. Instead of the diplomatic initiative now being in our hands, the diplomatic initiative seems to be moving against us. It is a solemn question that I now ask the Senator from Michigan.

Mr. FERGUSON. I do not share the Senator's premise.

Mr. DOUGLAS. Is the majority party ready to take the responsibility of cutting the armed services at such a crucial time in the history of the world and in the history of this Nation?

Mr. FERGUSON. I can speak only for myself. I am willing at this time, from the evidence before me, to accept the opinion of Dwight D. Eisenhower, the President of the United States, on this subject, because he is in the midst of it.

Mr. DOUGLAS. If things go well, the majority party is ready to accept the praise, is that it?

Mr. FERGUSON. Of course, the Senator from Illinois may have a crystal ball.

Mr. DOUGLAS. No; I am simply asking the question: If things go well, will the majority party accept the praise?

Mr. FERGUSON. I merely say that I do not attempt to look into crystal balls. I try to base my judgment on the facts before me. That is what I am trying to do now, no matter what may happen in the future. If I am wrong, no explanation will be of any value. However, I say to the Senator that today I do not believe that dollars are going to do the job. I believe it will be team work of our allies, working with us, that will do the job.

We must say to them, "We cannot furnish so many combat troops. We cannot furnish so many airmen. You must furnish certain categories." If we are to have an effective defense of the world, as we build ourselves up, there is no reason why we should not drop some of our men from the armed services and send them back to civilian work and have the other nations call some of their men up and put them into the armed services. Why should Japan furnish troops of its own if we keep our troops there to defend Japan?

Mr. DOUGLAS. I merely wish to point out to the Senator from Michigan that a very grave decision is being made, namely, the cutting of the total strength of the Army by approximately one-sixth, and that if the majority party feels that this is in the national interest, if the Secretary of the Defense feels that it is in the national interest, then with their greater access to the facts, I certainly am not going to stage an all-out fight against them. But it is a grave responsibility which they are assuming. If things go wrong, then those who make the decision should also be ready to accept the consequences.

Mr. FERGUSON. The Senator has mentioned the majority party and the minority party. Surely there is no question of partisanship in the defense of America.

Mr. DOUGLAS. I want to point out that this defense budget and this great cut in the Armed Forces, was submitted by the majority party. They cannot deny their responsibility, I pray that they may be proved right, but if it turns out that they are wrong it will be a tragic day for the American people.

Mr. FERGUSON. The administration has submitted the defense budget and the House of Representatives has passed this bill. It is now before the Senate. Whatever is done in the Senate will be done by the representatives of the American people. They will be responsible for their decision and the exercise of their judgment. That does not mean that men should not be willing to express their opinion and exercise their judgment. We cannot act by fear and say, "Oh, let us appropriate billions of dollars more so that nobody can blame us in case worse becomes worst and war ensues." That is not the way to exercise sound judgment on questions before Congress. It is necessary to use sound commonsense. We will accept the responsibility for what we do. That is the way I feel about it.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. HUMPHREY. I desire to say to the Senator from Michigan that I see merit in his argument with reference to the training of native troops, a subject which has been discussed again and again. I think it would be wrong however, to have the RECORD read as if the reduction in the divisional strength of the Army, which is contemplated for 1955, was permissible or desirable because of the fact that we might withdraw troops from Japan by 1955. Everything I have heard to date indicates that while it may be very desirable at some time in the future to withdraw American manpower from the Japanese mainland, there is a constitutional limitation in the Japanese constitution which will have to be changed before Japan can rearm itself.

Mr. FERGUSON. That is right, except that the Japanese have methods of rearming themselves. They are doing it now in the form of a police force, and they should do it. It is an internal question as well as an external question. I believe a police force is essential for a country whether enemy troops are landing from the outside or people are giving trouble from the inside.

Mr. HUMPHREY. I agree.

Mr. FERGUSON. There is no reason why they should not realize they should help.

Mr. HUMPHREY. I agree. However, I wish the Senator would listen to me for a moment.

Mr. FERGUSON. I certainly shall.

Mr. HUMPHREY. Both the senior Senator from Michigan and the junior Senator from Minnesota heard testimony within the month which indicates that within the realm of proper security precautions it is not possible for the American Government to withdraw any substantial number of troops from Japan between now and 1955. Is that not correct.

Mr. FERGUSON. I cannot comment on testimony given in executive session.

Mr. HUMPHREY. Is it not correct, at least from the Senator's own view, based on what he heard in any session he has attended?

Mr. FERGUSON. No; I would not say that.

Mr. HUMPHREY. The Senator would not say so?

Mr. FERGUSON. No.

Mr. HUMPHREY. The Senator will not say so, from the testimony we both heard?

Mr. FERGUSON. We disagree.

Mr. HUMPHREY. We disagree only because apparently we heard the same words, but we evaluate them differently.

Mr. FERGUSON. That is correct. Men have a right to disagree.

Mr. HUMPHREY. I should like to ask another question of the Senator from Michigan. A short time ago I heard him point out, I think somewhat justly so, as General Van Fleet has soundly stated, that we should train native troops.

Mr. FERGUSON. That is correct.

Mr. HUMPHREY. That can be done provided there is political stability in the country where the training of the troops takes place; otherwise the troops will be finely trained troops that will be turned against us.

Mr. FERGUSON. Let me say that the way to get political stability is to have people realize that it is their army——

Mr. HUMPHREY. That helps.

Mr. FERGUSON. That they are fighting for their freedom——

Mr. HUMPHREY. That helps.

Mr. FERGUSON. And for their rightful liberties and their independence. I am not one of those who believe in the policy in which some colonial powers used to believe. They believed that it was undesirable to build up a native army in a colony, because if that were done the troops would turn against the colonial power. Why would they not do so? They wanted their freedom. Therefore, if we are to train native troops, the people must be sold on the idea that what they will fight for some day is their freedom, their independence, and their liberty, and that they will fight for a principle, not for hire.

Mr. HUMPHREY. That is just another way of saying, is it not, that what we need is a political program along with the military program?

Mr. FERGUSON. There is no question about it.

Mr. HUMPHREY. I wish to suggest that while we can train troops—and we have done so in other instances—we must remember we almost had a situation in which American-trained Italian troops were ready to fight against Yugoslavia over the Trieste issue.

I should like to ask the Senator another question. He assumes that our strength is basically to be found in our scientific and technological know-how and in our present availability of atomic and hydrogen weapons, with the air power to deliver them. Is that correct?

Mr. FERGUSON. I would not say that was our total strength. I would modify it by saying that I feel the greater part of our strength lies in the souls of Americans who are devoted to freedom.

Mr. HUMPHREY. I agree with that statement.

Mr. FERGUSON. Therefore, we can take care of ourselves.

Mr. HUMPHREY. As we get closer to the 4th of July we will say that again and again, and it is true.

Mr. FERGUSON. I do not say it because we are getting closer to the 4th of July.

Mr. HUMPHREY. I am not being cynical. The fact is that we must face the realities of power. I ask the Senator from Michigan this question: Does he have any information that leads him to believe that the Soviet Union has less air power than we have, or has less ability to deliver the hydrogen bomb than we have?

Mr. FERGUSON. Yes.

Mr. HUMPHREY. I should like to hear it.

Mr. FERGUSON. I am not going to tell the Senator.

Mr. HUMPHREY. Does the Senator from Michigan have any information to the effect that the Soviet Union does not have long-range intercontinental bombers?

Mr. FERGUSON. They do not have the capacity that America has.

Mr. HUMPHREY. Does the Senator believe that the Soviet Union will not have the capacity to deliver strong lethal weapons, such as atomic and hydrogen bombs, to America's shores?

Mr. FERGUSON. When?

Mr. HUMPHREY. This year, next year, now, as of this hour.

Mr. FERGUSON. I doubt it very much, now; and I know Russia has not the strength which America has.

Mr. HUMPHREY. Did not Admiral Radford say in the House hearings that the military power which Russia possesses and the Soviet Union's capabilities are not changing to our advantage? I gather from all I have heard in recent days, including the remarks of General Twining and Admiral Carney, since Admiral Carney said we are losing control on the seas, that the Soviet Union is overtaking us with her submarine fleet?

Mr. FERGUSON. Does the Senator really believe that to be a fact.

Mr. HUMPHREY. Why did the admiral say it, if it is not a fact?

Mr. FERGUSON. Does the Senator from Minnesota believe that the naval power of Russia is stronger than that of America?

Mr. HUMPHREY. I hope not, but the admiral pointed out very definitely that we are in a very serious situation. Does the Senator have any facts on the basis of which he believes we have caught up with Soviet airpower?

Mr. FERGUSON. I have reason to believe we are away out in front, so far as actual airpower is concerned.

Mr. HUMPHREY. Ahead of the Soviet Union?

Mr. FERGUSON. Yes.

Mr. HUMPHREY. How can these views of the Senator from Michigan on the one hand be reconciled with the views of our Air Force on the other hand?

Mr. FERGUSON. I do not know. I am going to read some facts about our Air Force. What did Admiral Radford say about our Air Force? What did General Twining say about it? It is the best in the world.

Mr. HUMPHREY. I do not think we should "kid" ourselves. We are talking

about a most serious subject, one which is much more serious than are taxes or anything else.

Mr. FERGUSON. All I am trying to do is to give the facts as I know them to be. There have been several questions which I felt I could not answer from the record. I could not, because of certain circumstances, cite the authority.

Mr. HUMPHREY. Is the Senate, then, to believe that at the present time the United States of America finds itself in a favorable military position as compared with that of the Soviet Union?

Mr. FERGUSON. Oh, yes.

Mr. HUMPHREY. That we have superior forces?

Mr. FERGUSON. Yes.

Mr. HUMPHREY. Superior land forces?

Mr. FERGUSON. Oh, no.

Mr. HUMPHREY. Superior air force?

Mr. FERGUSON. Yes.

Mr. HUMPHREY. In numbers?

Mr. FERGUSON. No.

Mr. HUMPHREY. In quality?

Mr. FERGUSON. Yes. In quality we are away out in front.

Mr. HUMPHREY. Will the Senator present evidence to that effect in the course of his remarks?

Mr. FERGUSON. No; I cannot do that.

Mr. HUMPHREY. Where did the Senator get this evidence?

Mr. FERGUSON. I cited General Twining and Admiral Radford.

Mr. HUMPHREY. The Senator has sat in committee meetings, as have some of the others of us, and I think it is time we found out where we stand. In executive sessions in Senate committees we are told we are running behind. In executive sessions, behind closed doors, we are given facts and figures to show what our difficulties are, and now we come before the press and the public and say we are ahead. I think we should know whether we are ahead or behind. I think we should know whether we have a superior Air Force or an inferior Air Force.

Mr. FERGUSON. I cited both Admiral Radford and General Twining. I did not give my own opinion about it.

Mr. HUMPHREY. Is the Senator satisfied that there has been no conflicting testimony from the chief of our military, as to the superiority of the American air power? Does the Senator really believe there are enough facts to reveal that we have a superior Air Force?

Mr. FERGUSON. Yes; I believe so.

Mr. HUMPHREY. I want that assurance by more than a nod of the head or the word "yes."

Mr. FERGUSON. I can give only the testimony of the two officers I have quoted.

Mr. HUMPHREY. We are now in a situation where we can proclaim to the world that the United States is superior in Air Force, planes, equipment, and so forth. Is that the Senator's opinion?

Mr. FERGUSON. Yes.

Mr. HUMPHREY. That is not the opinion of the junior Senator from Minnesota, and I want the RECORD so to reveal.

Mr. KENNEDY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield.

Mr. KENNEDY. In reading the various statements of witnesses before the committee, I notice that Admiral Radford, on March 16, talking about the predicament facing us, said this:

> Since it is impossible to forecast precisely the year and the amount of maximum military danger, part of the answer was to provide a sturdy military posture which could be maintained indefinitely over an extended period of cold war.

I think, therefore, that the cut this year and last year was based on the assumption that there was no near point of maximum military danger, but that in view of the economy of the country we had to maintain our military strength for the long haul. Is that correct?

Mr. FERGUSON. Yes.

Mr. KENNEDY. Is it not a fact that since those assumptions were made there has been a radical change in the world situation, in fact a deterioration?

Mr. FERGUSON. I do not say that is true. I think there is a worse situation in Indochina, but that the rest of the picture is favorable to America. I think it outweighs the present situation in Indochina.

Mr. KENNEDY. Then the Senator would state that, in his opinion, the situation has not deteriorated?

Mr. FERGUSON. That is my judgment today, as an overall judgment. I can see both sides of it.

Mr. KENNEDY. This budget is based upon the assumption that the world situation has not deteriorated since the months in which these figures were first agreed upon?

Mr. FERGUSON. Oh, no. I am presenting what the military authorities presented to us. Some persons may say that because we have met with some difficulty in the case of Great Britain and France, the present French Government has fallen, and Great Britain has hesitated about what it would do in the Far East, we are not in so good a position as that in which we previously were. I said I believe the situation has not deteriorated. We did not ask Great Britain openly and get the answer.

Mr. KENNEDY. Did we not know it?

Mr. FERGUSON. I think the reason why the President of the United States did not ask Great Britain as to what she would do in Korea was because he was fearful of what she would offer to do.

Mr. HUMPHREY. She did something, did she not?

Mr. FERGUSON. What?

Mr. HUMPHREY. Well, they were there.

Mr. FERGUSON. Oh, yes; they were there.

Mr. KENNEDY. In February, Mr. Wilson said he had no reason to think that Indochina would be another Korea, that victory was both possible and probable. Since that time we have had the advantage of hindsight, and we have realized that our assumptions were incorrect. Yet, the same military budget is presented to us with no change.

Mr. FERGUSON. Unless America has decided to send troops and go to war in Indochina there is at least 1 billion 2 hundred million of dollars to furnish equipment and materiel, and 4½ billion dollars of procurement and production funds which can be used by the Army. The committee did not interfere with those funds in any way.

Mr. KENNEDY. How much would we have to put back into the budget to keep the Army at 19 divisions?

Mr. FERGUSON. I think it would have to be approximately a billion dollars. I have some figures before me now. It will cost $150 million for military personnel, $200 million for maintenance and operation, for which we now have $4½ billion in the budget. It would cause us to draft 10,000 men a month for the last 10 months of the year.

Mr. KENNEDY. I merely wanted to get the figures in dollars and cents.

Mr. FERGUSON. That is what it would be.

Mr. KENNEDY. One hundred and fifty million dollars for military personnel, and $200 million for maintenance and operations. In other words, as far as the budget is concerned, it would cost only $350 million to maintain an army of 19 divisions, instead of cutting it to 17 divisions.

Mr. FERGUSON. That is according to the last figures I have received from the Pentagon. But that is not the point. The Senator is missing the point. If it is sought to solve the problem by money, I do not think it can be solved by money. I think the problem must be solved according to a plan. If we say on the Senate floor that the President of the United States is wrong and that we intend to force on him these men, we are going to say that he must keep them in the Army; we are going to say that he must draft 10,000 men a month additional for the next 10 months. That is a different proposition. Then we are placing our ability to determine what is essential to security over and above the ability to do so of those who, in my opinion and my judgment, have the real responsibility.

That does not mean that the committee has not questioned these figures. If the Senator will look at the 900 pages of the hearings he will find that the committee has been critical of many subjects, and we intend to continue to be critical.

I wish to pay tribute to every member of the Committee on Appropriations. In my opinion, the entire committee has done a good job. So far as I could learn, they were satisfied with the bill when they reported it to the Senate.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LEHMAN. During the course of the debate there was read a colloquy between the Senator from South Carolina [Mr. MAYBANK], General Ridgway, and the Senator from Michigan [Mr. FERGUSON]. General Ridgway, in reply to a question asked by the Senator from South Carolina [Mr. MAYBANK], said:

> General RIDGWAY. I would like, if I may, Mr. Chairman, to make a little bit better answer to Senator MAYBANK's question. It has been my unvarying position that when a career military officer receives from proper superior authority a decision, that regardless of his views previously expressed, he accepts

that decision as a sound one, and he does his utmost within his available means to carry it out.

Later, the following colloquy took place:

Senator MAYBANK. I did not ask you if you accept it. I can understand that as a distinguished military man you are, as you said in prefacing your remarks. A career officer will accept orders from above and you accept them, you accept the amount of money and the reduction of the Army. But you do not recommend that?

General RIDGWAY. The time for recommendation is past, sir.

Senator MAYBANK. I understood that, but did you recommend it to the Joint Chiefs of Staff?

General RIDGWAY. I believe, Mr. Chairman, that I would like to submit to you the propriety of answering these particular questions in executive session.

Senator MAYBANK. You do not have to submit it to the chairman. Frankly I am looking for information. If you do not want to answer it, that would be all right with me, because it might be embarrassing.

General RIDGWAY. I can answer in executive session.

Senator FERGUSON. You ask to have it in executive session, and we will have it, but you leave your previous answer that it was a sound decision.

General RIDGWAY. What I said is that I accept this 1955 budget program as a sound decision, and I have no doubt of the Army being able to solve the problems which that program entails.

Senator FERGUSON. Any detailed explanations that you may wish to make you may have the opportunity in executive session to do that.

May I ask the distinguished chairman of the subcommitee whether, following that colloquy, an executive session was held?

Mr. FERGUSON. Many executive sessions were held, but General Ridgway never asked to make an explanation, nor did the Senator from South Carolina ask him to make one.

Mr. LEHMAN. Mr. President, will the Senator further yield?

Mr. FERGUSON. I yield.

Mr. LEHMAN. I listened with great interest to the colloquy betwen the junior Senator from Minnesota [Mr. HUMPHREY] and the Senator from Michigan, in which, in response to an inquiry by the Senator from Minnesota as to the parity between the United States Air Force and the Soviet Union Air Force, quantitatively and qualitatively, I believe the Senator from Michigan said that the United States Air Force was not inferior to the Soviet Air Force.

I wish to associate myself with the distinguished Senator from Minnesota in saying that the reply by the Senator from Michigan came as a great surprise to me and was distinctly contrary to information I have received from responsible, authoritative sources, to the effect that the United States started far behind the Soviet Union in the preparation of our Air Force. The Soviet Union got a great jump on us, which permitted them to build up an unusual degree of superiority.

My understanding is that since that time, while the United States has not lost ground, we have not been able to make up any ground, because the production of the Soviet Union has been at least as great as ours.

So I wish to say that the statement by the Senator from Michigan has come as a great surprise to me. I agree that the majority party, in submitting this defense budget, and in reducing it beyond what I believe to be a level of safety, is assuming a very great responsibility to the country.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from California.

Mr. KUCHEL. First, as a new Member, I desire to say that I have followed the explanation by the Senator from Michigan this afternoon with much interest. I wish to add my poor commendation to that which he has received from other Members of the Senate.

Harking back to what took place an hour or so ago in the exchange between the Senator from Michigan and the senior Senator from Virginia [Mr. BYRD], is it not correct that approximately $45 billion remain to the Defense Department as an accumulation of prior unexpended balances from prior appropriations, which will be consolidated with the money provided in the bill now being debated, namely, $30 billion, which will permit the Government of the United States from the 1st day of July of this year forward, to have at its disposal $75 billion?

Mr. FERGUSON. Yes, that is correct.

Mr. KUCHEL. May I ask again, for the RECORD, what has been the amount of money expended by the Defense Department during the present fiscal year?

Mr. FERGUSON. Forty billion dollars.

Mr. KUCHEL. So there will be substantially more available during the coming fiscal year than was actually expended during the last fiscal year?

Mr. FERGUSON. Yes; and there is always the opportunity for the Defense Department to ask for deficiency appropriations, in case of grave emergencies or real needs. There is $14,500,000,000 unobligated.

Mr. KUCHEL. Fourteen and one-half billion dollars left over, completely unobligated on the books of account?

Mr. FERGUSON. That is correct; money which could be used.

Mr. KUCHEL. I wish to make a very brief statement. I do not believe any Member of the Senate or the House of Representatives would for one moment refuse to appropriate that which the country needs for its defense and protection. As one, however, who makes no claim to being a military expert, I wish to say that I am proud, as a Member of the Senate, to follow the leadership and the recommendations of the President of the United States. By their reputation, the men with whom the President has surrounded himself, who comprise the Joint Chiefs of Staff, certainly are men of tremendous professional military experience.

I remember several months ago when the Chief of Naval Operations, Admiral Carney, made a speech in Newport, R. I. Almost gleefully it was suggested on the floor of the Senate that the speech which Admiral Carney made indicated that there were cleavages in the Joint Chiefs of Staff, and that the Chief of Naval Operations was at odds and at variance with his counterparts in the other segments of the Joint Chiefs of Staff.

The next day Admiral Carney wrote a letter to the senior Senator from Massachusetts [Mr. SALTONSTALL], in which he said that there was complete unanimity of thinking among the members of the Joint Chiefs of Staff, and that his comments on the preceding day had had the complete clearance and approval of the Department of Defense, in accordance with their custom.

So, at a time when some persons are endeavoring to frighten the country, I think we can still put our faith in the recommendations of the President regarding the matter. Certainly I intend to vote for the bill which has been reported by the committee, and which the Senator from Michigan, in his capacity as chairman of the subcommittee, is explaining.

Mr. HUMPHREY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from Minnesota.

Mr. HUMPHREY. Of course, we must put our faith in the President, the Joint Chiefs of Staff, and our military officials. We have to put our faith in those duly constituted officials, in the Appropriations Committee, and in the Armed Services Committee. That is why we have committees of the Senate. But I suggest it is not unwise at least to interrogate and to discuss the problem.

Mr. FERGUSON. I have not indicated that I think it is unwise. I welcome questions.

Mr. HUMPHREY. I merely want the record to be clear that merely because a Senator makes interrogations or discusses a given matter it does not mean he is opposition. It may mean that he is seeking more enlightenment.

I wish to make a further comment. This is not the first time in the history of Congress that members of a Senate Committee have brought before them members of the Chiefs of Staff, that is, the Chief of Staff of the Army, Chief of Naval Operations, or the Air Force Chief of Staff. I can recall that 2 or 3 years ago when we were fighting a war, generals were haled back from far distant parts of the world in order that they might testify before a committee. I can recall when a great general like General Bradley had members of his own staff called in by the committee in order that it could be ascertained whether or not General Bradley was telling the truth.

I want the record to be quite clear that the present chairman of the Joint Chiefs of Staff is being treated kindly, as are the individual Chiefs of Staff. If one were to compare their present treatment with treatment accorded in the past, the present Chief is being treated as though with the kindliness of a compassionate good samaritan.

It is not unwise to doublecheck. We had information that Dien Bien Phu was a rather impregnable fortress. We had information from responsible officials of the United States Government that the Communists were not going to launch an attack until sometime in the fall. We had information that the Navarre plan was acceptable and was expected to be

successful in Indochina. All of those expectations went down the drain. The Communists did attack. Dien Bien Phu did fall. The Navarre plan has been scrapped. A new general is in command in Indochina.

I think the Senator from Massachusetts [Mr. KENNEDY] made a very good point when he asked whether the calculations in the budget were based upon, and took into consideration, such plans, for example, as the Navarre plan. Of course, they did, because the Navarre plan was a going military and tactical operation until last month. It is no longer.

I think there are other factors which must be taken into consideration. I agree with the distinguished Senator from Michigan that the political and military factors are highly significant and interrelated. For example, we have been depending upon France and the European defense community, which may never become a reality. In the meantime, every bit of information which we receive from Europe tells us a very sad story; namely, that the spirit of neutralism is growing in Western Germany.

I call the attention of the Senate this afternoon to the fact that Dr. Bruening, former Chancellor of the Reich, in a speech at Duesseldorf, Germany, within the past month, literally indicated a different pattern. If his leadership is substituted for the leadership of Dr. Adenauer, if his views become official German policy, there will not only not be western troops in the western alliance, but Germany will be a neutral nation.

All those facts must be taken into consideration. That is the only reason why the Senator from Minnesota asked the questions of the Senator from Michigan. I have a question in my mind, principally with regard to the Air Force appropriation, as to whether it is adequate. I am not so much concerned about the appropriations for ground forces. I think the Senator from Michigan has made a good point in that regard. I am interested in the area of research, the nuclear program, and the guided-missile program. I think those programs should be strongly emphasized as a part of the defense picture.

Mr. FERGUSON. They are.

Mr. HUMPHREY. I wonder if the Senator from Michigan is going to report on those matters a little later.

Mr. FERGUSON. Yes.

Mr. HUMPHREY. I wish to emphasize that the world situation is changing day by day. It does not do any good to talk about mass retaliation. It does not do any good to talk about something going to happen which is not going to happen. We have had our bluff called 2 or 3 times in the last month. We have been defeated at Geneva. We are literally standing today in the most weakened position in which we have ever stood internationally. I think we had better face up to that fact.

Mr. FERGUSON. I cannot agree with the statement of the Senator from Minnesota.

Mr. HUMPHREY. I should like to ask the Senator from Michigan just where we are winning. Where do we have the initiative except in cutting the budget? Are we winning in Indochina? Are we winning in West Germany? Are we winning in Italy? Are we winning in France? Did we win at Geneva?

Mr. FERGUSON. I think we are not any weaker than we were. The record is clear on that. We have learned much. I do not believe we are any weaker; in fact, I believe we are stronger, since we have made our position clear, through General Gruenther, who made a speech in London which Pravda did not like because he expressed himself in no uncertain terms.

If we are going to discount the strength of America, if we are going to be fearful, we may mislead the Communist world and cause a war. It was a great surprise to me personally to have it said that in the political actions our Government took in Korea, we were misleading Communist Russia as to America's capacity and determination to fight, for instance, for freedom and liberty. I have always been fearful of Russia's being misled. Therefore, I welcomed the truce, and even though the truce has not been settled yet, at least we have demonstrated that if hostilities are again started, the political decisions will be canceled.

Great strides have been taken toward indicating our Nation's place in the world by our demonstrating that America is strong and will continue to be strong. A few days ago the President used the expression that the problem would be be with us for 40 years. Yes, we can see that far ahead, but we have to be prepared for such a threat, however long it may last.

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield.

Mr. HUMPHREY. I recognize the position taken by the President when he stated the other day that we must be prepared for a long pull. The problem is not new. We have been talking in this manner since 1949. We believed then it would be a long ordeal, one which might last beyond the lifetime of any Member of this body.

I merely wish to say now that there is not in existence an effective policy, even by way of military preparations alone, and that the military budget is tied in with the basic State or diplomatic policy, which may have more to do with our military effectiveness than the dollars or guns involved.

The first great mistake was made last year, in April 1953, when our officials went to the NATO conference and stated to the western European powers that the objectives could be stretched out over a few more years, and for them to take it easy. I think it is now evident that when we wish to sit down at a bargaining table with Soviet Russia or any of its satellites we have to be in a position of strength. I believe we went to Geneva without being in a position of strength. Our representatives went to Geneva after the budget had been cut and there had been put into effect a reduction in the Air Forces, when we were in Geneva with our allies, and we came home defeated. We have not come home with a victory of any kind, except a promise of a visit by Churchill and Eden. I welcome their visit. I think their visit will be beneficial. But let us quit kidding ourselves; we are not in a position of strength.

In his testimony, General Ridgway said:

> The strength of the major components of the Soviet bloc military power continues to increase unaccompanied by an offsetting increase in allied strength.

Mr. President, we will never be able to bargain with the Soviet Union under those conditions. The Soviet Union knows but one factor in world politics, and that is strength and power. They have made us look sick at Geneva. The Chinese Communists, as well as the Soviet Communists, have gained a great victory there. Whenever we plan a budget for military needs, we must face up to what the realities of the world situation are, and should take into consideration what General Ridgway has stated, namely, that—

> The strength of the major components of the Soviet bloc military power continues to increase unaccompanied by an offsetting increase in allied strength.

I do not say the United States must carry the load all by itself. That is why I said this military budget is tied in with security and with diplomatic policy. The truth is that our policy is beginning to disintegrate, and no one quite knows what our policy in the Far East is. The truth is that we do not know how we are to build for our allies the weapons which are called for in many of these budgets, including the mutual security budget.

Mr. FERGUSON. Mr. President, I cannot understand how the Senator from Minnesota can say no one knows what our policy in the Far East is.

Mr. HUMPHREY. Well, what is it?

Mr. FERGUSON. Recently the Secretary of State, when speaking at Los Angeles, laid down the principles of our policy in the Far East. That is definite and certain. We are working on a policy of having the principles of NATO apply in the Far East.

Mr. President, I am sure that the boys who operate our planes, our tanks, and our guns believe they have more strength than some persons on the floor of the Senate believe our boys have. If they do not, our troops will never win any battles, because faith in the capacity of the United States makes our men believe they have the power to cope with the present situation.

Mr. HUMPHREY. Mr. President, will the Senator from Michigan yield further to me?

The PRESIDING OFFICER (Mr. BENNETT in the chair). Does the Senator from Michigan yield further to the Senator from Minnesota?

Mr. FERGUSON. I yield.

Mr. HUMPHREY. I wish to make it quite clear that if we are talking about spiritual strength or ultimate strength or emotional or mental strength or strength of soul, I would certainly say we have an unlimited quantity of it. No one would wish to deny for a moment the spiritual, moral, and patriotic devotion which motivates the thousands and

thousands of men who serve this country.

However, the worst thing it is possible to do to a man is to deny to him every weapon of defense he could possibly have. In that connection let me point out that the budget we are now considering is not only for this year. The truth is that these military budgets are projected 2 or 3 years in advance. Much of the money previously appropriated but unexpended is now being spent. The rate of defense expenditures has constantly increased since 1950; it was greater in 1952 than in 1951, and it was greater in 1953 than it was in 1952, even though Congress made vast appropriations in 1950, 1951, 1952, and 1953.

Mr. FERGUSON. But the unobligated funds do not apply to this case.

Mr. HUMPHREY. Of course, I recognize that there are unobligated funds.

My point is that in connection with aircraft, nuclear weapons, guided missiles, and certain necessary repair parts, it is necessary to contract for them on the basis of the long pull.

I am not saying that the Senator from Michigan is not making a good presentation of the budget, but I say we are assuming that things are somewhat better than they are. The Senator from Michigan seems to assume that we have the initiative and that we are capable of massive retaliation. We are; but we can also be retaliated against. If that is not the case, what is behind all the talk about the lack of continental defenses?

I say we are working on two different policies. One is based on statements to the effect that we need more airpower if we are to defend ourselves. We hear statements to the effect that only 10 out of 100 planes that might attack the United States could be stopped. We hear it said, at times, that the Soviet Air Force is stronger than our own Air Force. The Senator from Michigan says that is not so. We hear it said that the Soviet bloc is stronger than the allied bloc, although apparently the Senator from Michigan feels that is not so. I say that we cannot base a policy upon such conflicting views and conflicting evidence. If the Senator from Michigan makes such statements, he has the responsibility of pointing out categorically what he means.

Mr. FERGUSON. I have pointed it out. At this time I should like to proceed with my general remarks. I wish to answer several of the questions that I allowed to go by, when I permitted other questions to be asked.

In referring to the Air Force, let me say that sometimes it is said that the United States taxpayers have lost 2 years in time and over $1 billion in wasted money because last year we cut the budget by $5 billion. I do not know how we lost that money, if we cut the budget by $5 billion. At this point let me give the answer we received from the Pentagon:

Since it was clearly demonstrated last spring that the Air Force program was seriously lagging and out of balance, and the build-up to 143 wings could not be accomplished on the time schedules mentioned, the statement that we have "lost 2 years in time" falls of its own weight. By concentrating on realistic accomplishments, this administration has materially accelerated the build-up of real air strength. The record readily demonstrates the difference between illusionary goals and promises of the past and the realistic accomplishments of the present.

In this connection, let me read another statement:

This administration has consistently emphasized the importance of airpower and has made the development and maintenance of airpower a primary objective. We must not be mislead into thinking that the effort to reduce the overfunding of the Air Force last year by the elimination of $5 billion of unnecessary funds means that any cut was made in effective airpower. On the contrary, the realinement of the Air Force program that was undertaken last year has resulted in substantial increase in the actual strength of the Air Force.

That statement comes from the Pentagon.

Mr. President, those are the answers to those who are criticizing the cut. In reply, I give the authority of those who know.

On January 21, 1954, in speaking about the budget and our plans, Secretary Wilson said:

Our planning now places great reliance upon our allies and upon the collective security measures that are afforded by our agreements with them.

Mr. President, I referred to that at the beginning of my remarks, and I believe it should be stressed again; namely, that we should treat them as allies and as partners in collective defense. In that way I believe we shall get results similar to the ones we obtained in Turkey, and as I feel sure we shall get in Pakistan, if we treat these nations as real allies.

I read further from the statement by Secretary Wilson:

Our relations with our allies are steadily improving and our collective forces becoming more effective.

Of course, Mr. President, let me say that occasionally some difficulties develop, but I feel sure they can be worked out, because our common cause is the cause of great people and great souls.

As I just stated, Secretary Wilson said that:

Our relations with our allies are steadily improving and our collective forces becoming more effective.

Then he said:

As this occurs we can place more reliability upon deterrent power and less reliance upon local defensive forces. It is only by such measures that we can have maximum protection at a bearable cost in both men and money.

Mr. President, at this time let me read from a statement by Admiral Radford, one of our great military men. I read now from an interview by him with the U. S. News & World Report, on March 5, 1954:

Question. Do you mean that, as the importance of airpower and new weapons increases, the importance of ground and naval forces decreases?

Answer. No, I do not. Actually, "importance" may not be a good word. Each of our armed services is essential. Each has vital roles to perform. By no means are we divesting ourselves of our capabilities in other essential arms and forces. Actually, we aim to build up the effectiveness of the Army, Navy, and Marine forces with better equipment, new weapons, and a better planning of Reserve components. It is more a matter of relative emphasis during this period of programing over an extended period of uneasy peace.

Admiral Radford testified before the House committee on this question, as follows:

Over the next 3 years our plans call for a gradual reduction in manpower. In planning this reduction of manpower in our Armed Forces, our specific interest is in an orderly program based over a period of years. We want to reduce overhead. We consider it imperative to improve our ratios of combat manpower to total manpower. We want a very good realistic reserve program for all services. We want to make more effective use of the manpower in uniform. To accomplish these ends we are improving greatly our combat effectiveness by the application of new weapons and new techniques, and hope to ultimately achieve far greater flexibility than heretofore attainable.

These members of the various services have clearly indicated how they feel on these important questions. Today I am but reciting evidence. When I am asked for my personal opinion, I base it upon evidence, and not upon emotion.

Most of the increase over the House version of the bill is for the Department of the Air Force—$142 million additional for maintenance and operation, and $21,550,000 for research and development. An increase of $13,284,000 over the House version of the bill is recommended for the Navy, mostly for the operation of aircraft, and $500,000 for the Office of Secretary of Defense. That is for better management, and I am sure it will pay big dividends. No increase over the amount provided by the House is recommended for the Department of the Army.

The recommended restoration of $21,550,000 for Air Force research and development, which was deleted in the House version of the bill, is in recognition by the committee of the dependence of future airpower on research and development done today.

The House established a new appropriation called research and development and the Senate Appropriations Committee approves of this action. The appropriation will now carry the various research and development funds which were formerly under different annual appropriations of the Navy and Marine Corps. We have recommended language which will allow the transfer of the unexpended balances of the research and development appropriations for the fiscal years 1953 and 1954 to this new appropriation. This will simplify accounting procedures as well as provide the same treatment for the Navy as was given to the Army and Air Force when similar appropriations were established in fiscal year 1952. This will insure that the Navy and Marine Corps can carry on the 1955 research and development program as submitted to the Congress.

We are restoring the reduction in the appropriation for research and development, because we believe in it. We did not wish to make the cut which the House had made, of $21,550,000.

Furthermore, the committee recommends the continued availability of

funds which were appropriated for the fiscal year 1954 to provide the Department of Defense with the means for acquisition and maintenance of machine tools, which are urgently needed to be on hand in the industrial mobilization base.

It will be noted that reductions have been made in certain items by the House which were not restored by the Senate committee. These reductions were only retained after the most careful assurances from Department of Defense officials that the reductions can be absorbed without injury to the defense effort. In some instances the Senate restored the cuts made. This was due to the fact that the Department gave proof that the funds were necessary to a fully coordinated defense effort. In several instances by providing flexibility in funds available within an appropriation, the Senate was able to avoid restoring funds and at the same time accomplish the objectives desired by the Department.

Thus where reductions from the estimates were sustained by the Senate committee, it means that Defense officials have testified that they can be absorbed, and the committee is satisfied that this is so.

On the basis of the testimony presented to the committee each of the military services has been allowed sufficient funds with which to carry out the programs planned for fiscal year 1955, and the military services have so stated.

In summary, the fund availability picture in fiscal 1955 for the military functions of the Department of Defense is as follows:

The bill before us will provide $28.8 billion of new money; the military public works bill now being considered by the committees will provide an additional $1.1 billion of new money. In addition, there will be approximately $14.5 billion of unobligated fiscal 1954 and prior years appropriations carrying over to fiscal 1955 and available for obligations. This will make total funds of $44.4 billion available for obligations in fiscal 1955 and after. Of these amounts $13.4 billion will be available for Army programs; almost $11.9 billion for Navy program; and $18.3 billion will be available for the continued expansion of the Air Force.

According to the best estimates of those who know most about our defense needs, this bill presents in their judgment the greatest protection possible within the limits of a balanced economy, with proper acknowledgment of the international situation as it exists today.

It is based primarily on three principles:

First. The imperative need for an adequate defense;

Second. The necessity of gearing our military expansion to the philosophy of the long-haul, erecting a steadily increasing military strength based on sound fiscal policy in which a broad production base has been substituted for an accumulation of material which would fast become obsolete;

Third. A constant recognition that should war come, the might of our Armed Forces must be focused on the source of the conflagration and not upon surrounding brush fires.

Our national honor, our national pride, our continued national existence are all wrapped up in this measure now awaiting Senate approval. I submit it for the most serious consideration of the Senate.

Mr. President, I wish to thank the committee, which worked diligently with me on the bill. It is not an easy bill. It is a difficult one, involving enormous sums of money. I wish also to thank Gordon A. Nease, John J. Gaines, and Stanley Sommer, and the others on the Appropriations Committee staff, and Jerry Kenney, and Tom Graves of my staff. They have spent long and hard hours helping the committee. They sit here today and are able to find things readily for me to answer questions. I appreciate their services, and I know the committee does also.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. ELLENDER. The Senator from Michigan will recall that during the discussion of the bill before the full committee the question came up as to whether there were included in the bill any funds to provide for the enlargement of permanent camps to take care of the troops who were moved from Camp Polk, La., and Camp Pickett, Va. Will the Senator tell us whether there are any funds whatever in the bill for use in the expansion of any of our permanent camps, so as to take care of the troops who have been moved from temporary camps to permanent camps?

Mr. FERGUSON. There is no money whatever in the bill for that purpose.

Mr. MAYBANK. Mr. President, I send to the desk an amendment and ask that it be read.

The PRESIDING OFFICER. Without objection, the clerk will read the amendment for the information of the Senate.

The LEGISLATIVE CLERK. On page 51 it is proposed to strike out lines 1 to 3, inclusive, and insert the following:

That none of the funds appropriated by this act shall be available for expenditure under any contract hereafter made, for the purpose of preventing or correcting economic dislocations, without compliance with the provisions of law requiring advertising.

Mr. MAYBANK. Mr. President, the distinguished Senator from Delaware [Mr. WILLIAMS] has a similar amendment, which he submitted earlier in the day to have printed and lie on the table. I told the Senator from Delaware that naturally his amendment would be acted upon first. There is a slight difference in wording as between the two amendments. There is some question as to whether or not his amendment would be subject to a point of order. If it is not subject to a point of order, and is acted upon, I do not intend to offer my amendment. I make that clear for the RECORD in order that the Senator from Delaware may clearly understand what I am doing.

The PRESIDING OFFICER. The amendment offered by the Senator from South Carolina will be printed and will lie on the table.

Mr. FERGUSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	George	Maybank
Anderson	Gillette	McCarran
Barrett	Gore	McCarthy
Beall	Green	McClellan
Bennett	Hayden	Millikin
Bowring	Hendrickson	Monroney
Bricker	Hennings	Morse
Bridges	Hickenlooper	Mundt
Burke	Hill	Murray
Bush	Holland	Neely
Butler, Md.	Humphrey	Pastore
Butler, Nebr.	Hunt	Payne
Byrd	Ives	Potter
Capehart	Jackson	Purtell
Case	Jenner	Robertson
Clements	Johnson, Colo.	Russell
Cooper	Johnson, Tex.	Schoeppel
Cordon	Johnston, S. C.	Smith, Maine
Daniel	Kennedy	Smith, N. J.
Dirksen	Kerr	Sparkman
Douglas	Kilgore	Stennis
Duff	Knowland	Symington
Dworshak	Kuchel	Thye
Eastland	Lehman	Upton
Ellender	Lennon	Watkins
Ervin	Long	Welker
Ferguson	Magnuson	Wiley
Flanders	Malone	Williams
Frear	Mansfield	Young
Fulbright	Martin	

The PRESIDING OFFICER. A quorum is present.

Mr. BYRD. Mr. President, I offer a series of amendments, which I ask to have read.

Mr. MAYBANK. Mr. President, it was understood by the Senator from Michigan that when I yielded for a quorum call, I did so without losing the floor.

Mr. BYRD. Mr. President, will the Senator from South Carolina yield to me?

Mr. MAYBANK. I am glad to yield.

Mr. BYRD. I offer a series of amendments, which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendments.

The legislative clerk read Mr. BYRD's proposed amendments, as follows:

On page 6, line 17, strike out "$4,150,479,000" and insert "$4,157,013,000."

On page 9, line 3, strike out "$2,795,722,986" and insert "$3,060,189,986."

On page 18, line 6, strike out "$818,681,000" and insert "$825,181,000."

On page 27, line 11, strike out "$3,544,792,000" and insert "$3,622,517,000."

On page 28, line 25, strike out "$3,356,704,000" and insert "$3,357,000,000."

On page 48, strike out the language of the entire paragraph contained in lines 5 through 17, inclusive.

The PRESIDING OFFICER. Is it the wish of the Senator from Virginia that the amendments be considered en bloc?

Mr. BYRD. I ask that they be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments offered by the Senator from Virginia will be considered en bloc.

Mr. BYRD. The amendments neither add to nor reduce the appropriations; they take the sum of $355 million, which is paid to the United States by foreign countries in currency and in other forms, and place it in the Treasury, under the control of the Bureau of the Budget.

I may say that this is in accordance with the recommendations of the President in his budget message. The amendments were drawn by the Bureau of the Budget, in accordance with my request, and provide that the funds which are paid to the different agencies in foreign countries must go into the Treasury and be subject to the control of the Bureau of the Budget, as is true of all other funds.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. FULBRIGHT. Are these amendments in accordance with what was called last year the Rabaut amendment, which required the appropriation of all funds received in foreign countries in the form of foreign currencies?

Mr. BYRD. That is correct; but the House has placed in the bill an amendment permitting those currencies to be used without their having to go through the Treasury or the budget.

Mr. FULBRIGHT. Are they currencies arising from the mutual-aid program?

Mr. BYRD. No; they arise from the receipts of foreign currency by the Army.

Mr. FULBRIGHT. From what source?

Mr. BYRD. From various sources abroad, including services and commodities received in foreign countries for one purpose or another, to the value of $355 million.

Mr. FULBRIGHT. Perhaps I have not made myself clear. The amounts are in foreign credits. How did the credits arise? From the mutual-security program, or from the sale of surplus agricultural commodities?

Mr. BYRD. They arose in different ways, for instance, when the Department of Defense accepts real property and commodities from foreign countries. The aggregate is $355 million. All I desire to have done is to place that money under the control of the Treasury and the budget, subject to appropriation, as is true of other appropriations. It should be first deposited in the Treasury, and then paid out under appropriations.

Mr. FULBRIGHT. I was not opposing the Senator's amendments; I was only trying to clarify the situation and to have the RECORD show what was involved.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. FERGUSON. I have great sympathy for the amendments, but I am informed that the Department of Defense objects to them, principally because of the cost involved. Their reasoning, or their argument, which I think has merit——

Mr. MAYBANK. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I yield.

Mr. MAYBANK. My principal reason for asking the Senator to yield was that when the Senator from Michigan asked me to yield so that he might suggest the absence of a quorum, it was with the understanding that I would have the floor afterward.

My purpose in asking the Senator from Michigan to yield now is that I desire to ascertain if it is the purpose of the majority leader to complete action on the bill tonight.

Mr. KNOWLAND. Of course, it is somewhat difficult for me to know the number of additional amendments which may be offered. I have been hopeful that action on the bill might be completed today.

Mr. MAYBANK. I wish to be perfectly fair to my friends on the other side of the aisle. If it is the intention to have action completed on the bill tonight, I expect to suggest the absence of a quorum whenever an amendment is offered. I do not think it is being fair to the American people, when an appropriation bill in the amount of $30 billion is being considered in the Senate, it having been reported only 3 days ago, and debate having started only at 12 o'clock today, to attempt to complete action on it by 6 o'clock this evening.

Mr. FERGUSON. We have been having a full debate.

Mr. MAYBANK. I do not think there has been any debate whatsoever on the substance of the bill. The distinguished junior Senator from Missouri [Mr. SYMINGTON] desires to speak, as does the distinguished junior Senator from Massachusetts [Mr. KENNEDY], and other Senators.

I simply desired to ascertain what was the expectation, because I have been asked to act as minority leader. If there are going to be any objections, I shall suggest the absence of a quorum every time an amendment is offered.

Mr. BYRD. A quorum call was had prior to the offering of my amendments.

Mr. MAYBANK. I understand.

Mr. FERGUSON. I should like to state the position of the Department of Defense with respect to the amendments offered by the Senator from Virginia. If the Army has a service performed in Germany, to take that country as an example where the situation applies, the cost of the service is deducted; that is, it is a service which the Army receives but for which it does not pay dollars. If the amendments of the Senator from Virginia were adopted, it would be necessary to have the German Republic set a price on the service, which would necessitate, in turn, a bookkeeping item.

When it is considered that millions of dollars are involved, it can be seen how great would be the number of bookkeeping items which would be involved in services which we are now getting free under the present system, because it is not necessary to place a particular value on the services.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. BYRD. The amendment does not affect the free items in section 727; it affects only the latter part of section 727.

Mr. FERGUSON. Every item would have to be accounted for, as I understand.

Mr. BYRD. In other words, the amendment strikes out, on page 48, the language of the entire paragraph contained in lines 5 through 17, inclusive. The first part of section 727, which applies to free services, is not affected.

Mr. FERGUSON. I have been told that there would be a bookkeeping item on each service. Bookkeeping would be required as to each item, whereas if the amendments were not agreed to, bookkeeping would not be required. Outside the cost of bookkeeping, I do not believe any cost would be involved, because there would be returned to the Treasury the same amount of money which is now obtained by appropriation.

Mr. BYRD. We could afford to have a little bookkeeping done for $355 million, in order to keep our books straight.

This subject has come up every year in connection with counterpart funds and other money collected in Europe, which is not deposited in the Treasury of the United States. All the amendments seek to do is to place the money in the Treasury, the same as other money which is collected, and then to appropriate it.

Mr. FERGUSON. I am simply stating the facts. I have great sympathy for the purpose of the Senator's amendments.

Mr. BYRD. All the agencies of the Government want their money to be available to them, so that they can do as they please with it. But this privilege has been abused, and all kinds of things have been done with counterpart funds. As the Senator from Michigan knows, this provision was requested by the President and the Bureau of the Budget, and I am simply carrying out their recommendations.

Mr. FERGUSON. I shall simply make a general statement. If any member of the Committee on Appropriations, or any other Member of the Senate, knows of any reason why the amendments should not be taken to conference, where the question can be settled, I should like to know about it. I am in sympathy with the amendments; I have simply raised the objection which has been presented to me on the part of the Department of Defense.

Mr. BYRD. That is the same type of objection as is made by all interested parties.

Mr. FERGUSON. Yes.

Mr. BYRD. The Senator from Michigan last year joined with me in acting on a similar amendment.

Mr. FERGUSON. That is correct. I personally have not changed my mind on the question, but I merely desired to state the position of the Department of Defense.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MAYBANK. As one member of the committee, I should like to see the amendments agreed to. There was a similar controversy with respect to the battle monuments, when funds could not be obtained to erect monuments to our war dead in Europe. But finally a law was enacted, and the able Senator from Virginia joined with me in securing its passage.

Mr. FERGUSON. If the Chair would put the question, the amendments, without objection, might be taken to conference.

The PRESIDING OFFICER. The question is on agreeing en bloc to the amendments offered by the Senator from Virginia.

The amendments were agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a more detailed explanation of the amendments which have just been agreed to.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

SUMMARY OF AMENDMENTS TO MILITARY APPROPRIATION BILL AS PROPOSED BY SENATOR BYRD

This amendment has only one purpose: sound fiscal procedure in accordance with policies established by the administration, advocated by both the Bureau of the Budget and the Treasury Department, and written by Congress into previous appropriation acts, and into current appropriation bills for other activities.

It neither increases nor decreases funds available to any military activity. It has no effect on deficit or surplus.

As the bill stands certain military activities would spend directly foreign currencies they collect instead of turning them into the Treasury. Under the amendment they would turn this revenue over to the Treasury and get all their money in accordance with specific appropriations.

If the bill remains as it is the total appropriation figure erroneously would appear to be reduced in terms of budget estimates, unless the revenue estimate were shown to be reduced by an equal amount. Under the amendment both appropriations and revenue would be held to the budget recommendation formula.

The amendment simply would eliminate general authorization for the expenditure of foreign currencies which have not gone through Treasury accounts, and provide under regular appropriation procedure for the expenditure of funds in the same amounts by the activities involved.

The figures in the amendment have been checked with the Bureau of the Budget, the House Committee Report, and the Senate Appropriations Committee Staff.

It should be emphasized that the amendment does not increase appropriations. It merely puts the figures in the bill. It would not increase expenditures. It would have no effect on deficit or surplus.

BACKGROUND AND DETAIL

Section 1415 of the Supplemental Appropriation Act, 1953, provided that foreign credits owed to or owned by the United States Treasury would not be available for expenditure after June 30, 1953, except as provided for annually in appropriation acts.

Pursuant to that provision, foreign currencies and credits were made available during the fiscal year 1954 only upon payment to the Treasury of the dollar equivalent from the appropriations making use of the currencies or credits. This rule was subject to certain exceptions, particularly in that the Department of Defense was permitted to accept real property, the use of real property, and services and commodities from foreign countries without payment of the dollar equivalent from its appropriations.

For the fiscal year 1955, the budget proposed that the Department of Defense be subject to the general provision applicable to other agencies requiring payment from its appropriations of the dollar equivalent of foreign currencies and credits available for its use. The budget proposal would have permitted the Department of Defense to continue to receive the use of real property, and to accept reciprocal international courtesies and services customarily made available without charge, without payment of the dollar equivalent.

The House retained the budget provision permitting the use of real property and the acceptance of other reciprocal international courtesies and other services customarily furnished without charge but added a paragraph (p. 48 of the bill, lines 5 through 17) permitting the Department of Defense to accept real property, services, and commodities received from foreign countries in accordance with mutual-defense agreements or occupational arrangements without payment of the dollar equivalent from the Department's appropriations. The House deducted, from 5 separate appropriations, a total of $355,522,000 which had been included therein to permit the payment to the Treasury of the dollar equivalent of the real property, services, and commodities expected to be received from foreign countries under the mutual-defense agreements and occupational arrangements.

The proposed amendments would carry out the Budget proposal that foreign currencies and credits be handled within the Budget, rather than outside it; that is, they would be recorded as receipts of the Treasury and would be disbursed only upon payment to the Treasury of their value from dollar amounts regularly appropriated to the Department of Defense. This procedure is the same as that followed by other agencies in 1954 and proposed for them in the Budget for 1955. It is in line with the purpose of section 1415 of the Supplemental Appropriation Act, 1953, to insure that foreign credits be regulated by the normal budget process instead of being available as an addition to the dollar appropriations of the agencies.

The action of the House in reducing the 5 appropriations by the total amount of $355,522,000, mentioned above, does not result in a saving since receipts would be reduced by the same amount under the House proposal. Similarly, the proposed amendments restoring a like amount will not result in a loss because receipts will be increased to the same extent. The question, therefore, is not one of loss or saving of tax dollars, but of sound fiscal procedure under which the Department's needs would be provided for within its total dollar appropriations without additional use of other sources of funds.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KENNEDY. Mr. President, I have an amendment at the desk, which I ask to have read.

Mr. MAYBANK. Mr. President, will the Senator from Massachusetts yield, so that I may make a short statement, with the understanding that he will not lose the floor?

Mr. KENNEDY. I yield.

Mr. MAYBANK. Mr. President, I merely wish to say that I have the greatest respect for the members of the Appropriations Committee, and appreciate the hard work which the distinguished chairman of the subcommittee [Mr. FERGUSON] and the Senator from New Hampshire [Mr. BRIDGES] did in connection with the pending appropriation bill. But the people of the United States may as well know the facts.

The Armed Services appropriation bill for the fiscal year 1955, now before the Senate, carries appropriations totaling $28,861,584,486. For the fiscal year 1954, the total was $34,313,321,000. This means we will spend $5,451,736,514 less on the defenses of our country this year, when world conditions are more serious, than was spent last year. The budget submitted in the President's message was $29,887,055,000. The appropriations for 1955, as I have stated, were $28,861,584,486, showing a reduction of the President's request by $1,025,470,514. In addition to this, I understand, and I am reliably informed, that the cost of the Indochina war, that is, our aid to the French through the Air Force and Navy, is not included.

However, there will come before the Appropriations Committee the so-called military construction bill, for which the budget estimate is $1,100,000,000. It is therefore my opinion that careful consideration should be given by the Senate to amending the law to make the necessary increases in the Army personnel, as well as in the Air Force personnel, for planes, and in the Navy, wherever they may be needed, after hearings, at which time I presume the committee will have Admiral Radford, General Van Fleet, and the Joint Chiefs of Staff as witnesses in executive session.

I wish to say that while the distinguished chairman of the subcommittee quoted Admiral Radford, I shall not quote what Admiral Radford said in executive session. Far be it from me to do that, but that was long before the crisis in Indochina, and long before Admiral Radford warned us of the conditions in Indochina.

A month from now, when the construction bill is brought up, we will probably know more about world conditions and have a clearer picture of the international situation, and will be able to legislate more clearly. There will be many changes between now and then. Since the Senate committee has written the bill, the Geneva Conference has failed and folded up. The foreign policy has, to my way of thinking, been a negative policy. This administration has never had any policy.

Today it was announced that Mr. Churchill and Mr. Eden are to visit America. I am sorry they could not get together with our Secretary of State last winter. It may be too late now, but, as a loyal American, I hope it is not. Early in the year I stated I intended to try to amend the bill now pending, but in view of the tragic war changes, and in view of the fact that there will be a supplemental bill, I believe in the months to come we must have a New Look, if this is possible under the present administration's bungling.

Yes; we got the boys home from Korea and made a peace. I ask, what peace? No peace has been made.

Many generations ago a famous South Carolinian, Pinckney, said, "Millions for defense but not one cent for tribute." With the changing world and changing monetary values today, we should say, "Billions for defense, but not a dollar for appeasement."

The PRESIDING OFFICER (Mr. BUSH in the chair). The clerk will state the amendment offered by the Senator from Massachusetts [Mr. KENNEDY], on behalf of himself and other Senators.

The LEGISLATIVE CLERK. On page 6, in line 17, it is proposed to strike out "$4,150,479,000" and insert in lieu thereof "$4,300,479,000"; on page 9, line 3, it is proposed to strike out "$2,795,722,986"

and insert in lieu thereof "$2,995,722,986."

Mr. KENNEDY. Mr. President, these two amendments are intended to restore sufficient funds to the appropriation to make it possible for the Army to maintain its strength for the fiscal year 1955 in 19 divisions. My action is based upon the testimony of General Ridgway before the Appropriations Committee, and the statements of Secretary Stevens and others, and also upon the fact that since the budget was prepared the world situation has deteriorated greatly.

I refer to page 59 of the hearings, where General Ridgway stated:

We are steadily reducing Army forces—a reduction through which our capabilities will be lowered while our responsibilities for meeting the continuing enemy threat have yet to be correspondingly lessened.

This reduction in strength has made it necessary for the Army to reevaluate its military program, its present force structure, and its worldwide deployments.

General Ridgway also testified:

The military power ratio between western defense capability and the Soviet bloc's capability is not changing to our advantage.

It therefore seems to me to be the height of folly for the United States to be reducing its Army strength at a time when the military situation is deteriorating all over the world, and at a time when the Soviet bloc and Soviet Russia are increasing their military strength.

It has been stated that the reason for the cut in the Army was the increase in strength in the forces of South Korea; but no mention was made of the strengthening which has taken place in the forces of the North Koreans and the Chinese during the past year, and the tremendous concentration of effort which the Communists are making in increasing their military strength, while we, on the other hand, last year decreased our air strength and this year our military strength.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield to the Senator from Montana.

Mr. MANSFIELD. I should like to read from page 44 of the hearings, at which time the Senator from South Carolina [Mr. MAYBANK] raised some very interesting questions:

Senator MAYBANK. That is, all I would like to have is clarification so when I vote I know I got you and the Secretary of the Army in agreement on the appropriation.

General RIDGWAY. I would like, if I may, Mr. Chairman, to make a little bit better answer to Senator MAYBANK's question. It has been my unvarying position that when a career military officer receives from proper superior authority a decision, that regardless of his views previously expressed, he accepts that decision as a sound one, and he does his utmost within his available means to carry it out.

Senator MAYBANK. Yes, but at the same time you have the confidence of the people in this country, not only you but the Secretary as well, and you then believe it is a sound decision and you carry it out.

General RIDGWAY. I certainly do, sir.

Senator MAYBANK. And you are satisfied that there are sufficient funds.

General RIDGWAY. I accept this decision as a sound one and am putting everything we have behind its execution.

Later, General Ridgway was asked another question by the Senator from South Carolina, and I read in part, as follows:

Senator MAYBANK. * * * But you are satisfied, and you agree that the Army appropriation would be sufficient under the circumstances that we are up against today.

General RIDGWAY. I accept this program as sound.

Senator MAYBANK. I did not ask you if you accept it. I can understand that as a distinguished military man you are, as you said in prefacing your remarks, a career officer will accept orders from above and you accept them, you accept the amount of money and the reduction of the Army. But you do not recommend that?

General RIDGWAY—

And, Mr. President, this is very important—

The time for recommendation is past, sir.

That indicates—to me, at least—that General Ridgway is making the best of a very bad situation. I would be of the opinion that, although he cannot speak, he would be in favor of the amendment of the Senator from Massachusetts if he could do so, because the amendment would bring the number of divisions up to 19, rather than to their total of 21, as of last year. Thus, in effect, the amendment will result in an increase of approximately 100,000 men.

Mr. KENNEDY. That is correct. General Ridgway also stated, as shown on page 59 of the hearings:

The strength of the major components of Soviet bloc military power continues to increase * * * unaccompanied by an offsetting increase in allied strength—

The Senator from Michigan has asked how we can put our judgment against that of President Eisenhower. I would, in all due respect to the President, point out that at this time we have the advantage of hindsight on a budget that was prepared last fall.

Mr. MAYBANK. Mr. President, will the Senator from Massachusetts yield to me?

Mr. KENNEDY. I yield.

Mr. MAYBANK. The appropriations carried by the bill are way below the President's recommendations. The President himself recommended almost $1 billion more; and even then he could have transferred some of the sums, if he so desired.

Mr. KENNEDY. Yes. As the Senator from South Carolina knows, this budget was prepared before the situation in Indochina deteriorated. Therefore, we now have the advantage of 5 or 6 months of hindsight.

Mr. MAYBANK. Even so, this is half a billion dollars below the President's request.

The PRESIDING OFFICER. The Chair announces that the amendment of the Senator from Massachusetts must be ruled out of order because it modifies an amendment, already adopted, submitted by the Senator from Virginia [Mr. BYRD], to change the amount. For that reason, the amendment of the Senator from Massachusetts is out of order.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. KNOWLAND and Mr. LEHMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. KNOWLAND. Mr. President, I wish to make an announcement for the information of the Senate. If it is agreeable to the Senate, I plan not to have the session of the Senate continue very much later this evening, because no advance notice was given for an evening session.

In fairness to all Senators, I wish to say that I certainly feel that if we are to keep up reasonably well with our schedule, the pending bill must be disposed of this week. If it is necessary to do so, we expect to hold some evening sessions or a session on Saturday.

Next week there will be some important legislation to consider. However, I do not wish to suggest that the Senate remain in session much longer today. I understand that there are 1 or 2 speeches to be made on other subjects. The Senate will certainly be held in session so that Senators who desire to make speeches may have the opportunity to do so. I do not wish to foreclose the Senator from New York in connection with any statement he intended to make.

Mr. LEHMAN. I was about to offer an amendment. If it is the desire of the majority leader that no further amendments be offered this afternoon, I will withhold it.

Mr. KNOWLAND. It is for Members of the Senate to decide. Inasmuch as there is to be no further voting today, I thought it would be advisable for the Senate to take a recess as soon as practicable, and resume consideration of the pending bill tomorrow immediately following the morning hour.

Mr. LEHMAN. That is entirely agreeable to me.

Mr. KNOWLAND. I wish to give assurances to Senators that, so far as it is within the control of the majority leader, there will be no further voting tonight. No amendments will be acted upon tonight, and no further bills of any character will be passed tonight. However, the Senate will remain in session in order that several speeches may be made.

I also wish to add to the remarks I made earlier in the day. When the pending bill, the armed services appropriation bill, House bill 8873, is finally disposed of, we hope—and I have already given notice to that effect—to take up Calendar No. 1607, House bill 7601, Calendar No. 1608, House bill 7434, Calendar No. 1609, House bill 9040; Calendar No. 1510, House bill 6435; and Calendar No. 1514, Senate bill 3487. There

may be one or two additional bills to be added to the list. I have had some discussions with the minority leader [Mr. JOHNSON of Texas]. He is particularly interested in one or two bills, and we are endeavoring to reach an arrangement under which those bills may be taken up tomorrow.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8583) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 7, 11, 12, 21, 35, and 38, to the bill, and concurred therein; that the House receded from its disagreement to the amendments of the Senate numbered 8, 22, 24, and 49 to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H. R. 707. An act for the relief of Dr. Ignacy Adam, Mrs. Amalya Alexander Adam, and George Adam;

H. R. 758. An act for the relief of Harry C. Barney;

H. R. 849. An act for the relief of Mrs. Stella Rebner;

H. R. 1005. An act to authorize the establishment of the Fort Union National Monument, in the State of New Mexico, and for other purposes;

H. R. 1128. An act authorizing the Secretary of the Interior to issue to Jake Alexander a patent in fee to certain lands in the State of Alabama;

H. R. 2566. An act to amend the Contract Settlement Act of 1944 so as to establish a time limitation upon the filing of certain claims thereunder;

H. R. 2616. An act for the relief of Generosa Bonet;

H. R. 3026. An act for the relief of Barbara Gene Coster;

H. R. 3097. An act to authorize the transfer to the regents of the University of California, for agricultural purposes, of certain real property in Napa County, Calif.;

H. R. 3131. An act for the relief of Wesley Howard Leahy;

H. R. 3249. An act for the relief of Katharina Link;

H. R. 3986. An act to authorize the appropriation of additional funds to complete the International Peace Garden, North Dakota;

H. R. 4701. An act for the relief of Josip Stanic;

H. R. 6173. An act to provide for the use of the tribal funds of the Southern Ute Tribe of the Southern Ute Reservation, to authorize a per capita payment out of such funds, and for other purposes;

H. R. 8357. An act to amend the Standard Container Act of May 21, 1928 (45 Stat. 685; 15 U. S. C. 257–257i), to provide for a three-eighths bushel basket for fruits and vegetables;

H. R. 8456. An act to provide for the conveyance of certain hospital supplies and equipment of the United States to the city of Gulfport and to Harrison County, Miss.;

H. R. 8923. An act to provide for the development of the Coosa River, Ala. and Ga.; and

H. J. Res. 300. Joint resolution to provide for the conveyance to the Texas Hill Country Development Foundation of certain surplus land situated in Kerr County, Tex.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

Mr. WILLIAMS. Mr. President, I send to the desk an amendment to the pending bill, and ask that it be made the pending question.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware will be stated.

The LEGISLATIVE CLERK. At the appropriate place in the bill it is proposed to insert the following:

None of the funds appropriated in this act shall be used except that, so far as practicable, all contracts shall be awarded on a competitive basis to the lowest responsible bidder.

ORDER FOR RECESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that when the Senate completes its labors this evening it stand in recess until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

JUVENILE DELINQUENCY TRENDS AT THE STUDENT LEVEL

Mr. HENDRICKSON. Mr. President, we have been discussing today a very vital matter, namely, our national defense. I wish now briefly to address myself to an equally vital matter, namely, our youth. Our President has said that the greatest national resource we have is our youth.

Mr. President, in the course of the investigation of juvenile delinquency by the subcommittee of which the junior Senator from New Jersey is chairman, I have been frequently taken aback by the magnitude of the problem and its increasing seriousness.

But this week I received results of a survey of New Jersey college and high-school students which seems to me to approach the very core of a problem which now brings personal pain to many thousands of parents throughout this country, and which should be of major concern to all the rest of us.

This study—undertaken by the sociology department of Fairleigh Dickinson College of Rutherford, N. J., had a three-purposed goal.

How do typical young Americans evaluate delinquency?

Where does the responsibility lie?

What is the remedy?

The answers, meticulously woven into the students' own observations and experiences, should cause any clear-thinking parent to stop and think.

Warren L. Duncan, industrial coordinator, and Prof. Winifred Minor, both of Fairleigh Dickinson, developed the study some months ago as a sounding board to analyze the delinquency trend at the student level.

They sent questionnaires to 2,500 enrollees at 27 New Jersey high schools in addition to 1,000 college students polled. For obvious reasons I will not identify any of the institutions involved.

Mr. President, here are some of the results of this rather amazing survey:

Approximately three-fourths of these young people brushed aside lying and cheating as acts which are not considered acts of delinquency.

How about the more serious crimes of robbery, sex abuses, or wanton property destruction? Did the students vote 100 percent against these repulsive acts and characterize them as delinquency? They did not. Most of the youths agreed that to steal or rob is antisocial, but nevertheless, more than 12 percent of these young people did not consider stealing particularly wrong, and 9 percent would not agree that it is delinquent to rob.

Mr. President, approximately 15 percent of the students could see no delinquency traits in wantonly destroying property, and some 17 percent shunted aside the venality of sex abuses. I might add that among the college students polled, 1 out of 5 saw nothing particularly wrong in sex violations. The record of the high school students was better in this respect.

Stealing, some of the students solemnly observed on the questionnaires, is all right, "if no serious damage is done" or "if you can get away with it."

Here is one youth's justification for juvenile thievery:

When children see and hear of police taking graft, parents fixing traffic tickets, friends smuggling perfume across the border, they feel that they, too, can do something and get away with it.

Mr. President, just consider this indictment of adults and officials in the light of juvenile crime now scourging the United States.

But let me continue with this mass-reaction to juvenile delinquency at the student level. Take the opinions of the high-school students, for example, on the question of where the responsibility lies to bring about remedies.

Nearly half fixed this responsibility on themselves.

Almost as many blamed their parents.

Among the college students—and this is interesting—three-quarters of those polled fixed chief responsibility on the parents.

Among high-school students, the local community, the church, and government followed in that order among those agencies with a responsibility to develop change.

Why do youths believe that acts of delinquency are committed? Here are verbatim comments from some of these young Americans in the questionnaires:

I don't want to be "chicken."

The law is lenient with wise guys; too many warnings but nothing's done.

Children know their parents tell lies in excuses sent to the school.

Three-quarters of high-school children cheat in tests—but are they delinquent?

How many would actually graduate without cheating?

Mr. President, the majority of these young people polled believed there is a prime cause for delinquency.

They listed as first choice the overwhelming desire of a youngster to be a big shot on the campus, at the prom, on the street, or during idle hours.

Thrill-seeking placed a close second, and too much idle time and parental delinquency ranked high among the delinquency-causing factors in the minds of the young people.

Mr. Warren, of Fairleigh Dickinson College, in reporting results of this study to me, made this significant comment, Mr. President:

The vital thing is not a question of the semantics of the word "delinquent."

But we see here that lying and cheating is a normal way of life.

Certainly this presents us with a challenge, especially when we hear the charge on every hand that you cannot believe or trust a Communist.

Perhaps we had better go back to the teaching of the Ten Commandments.

What are parents to think of the results of this poll?

What percentage of the breakdown in morality—as envisioned by these 3,500 youngsters—can be rightly laid at the door of their elders?

Mr. President, it is something for us all to ponder.

Half of the college students recommended that parents of delinquents be punished for their youngsters' offenses.

The overwhelming majority believed that youth should be enlightened concerning the tragic results of delinquency and they urged further that youth programs be inaugurated to control youth.

The high school youngsters, incidentally, were not as tough on their parents as were the college people.

Only 35 percent of the high school groups thought parents should be punished for the violations of their children.

Mr. President, I am reasonably sure that I speak for my colleagues of the subcommittee, the Senator from North Dakota [Mr. LANGER], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Missouri [Mr. HENNINGS]—when I express the belief that a poll of 3,500 college and high school students does not necessarily reflect the thinking of all our youth.

But many of the answers given in this poll, unfortunately coincide with the thoughts of many experts who have testified before our subcommittee.

It is my opinion that every parent, educator, clergyman and public and private worker in the vineyards of our young people should analyze these views and their portent.

Mr. President, although there are not many Senators on the floor this evening, I hope that every Member will read my remarks. As I said in the beginning of my remarks, our greatest national resource is the youth of America. These views spell out, in somewhat startling fashion, the attitude of what we consider to be normal young Americans toward our basic moral values.

One of the students rather keenly observed:

Juvenile delinquency is a result of lack of parental love, lack of religious training, and a lack of faith.

How true that is. That youngster is a wise youngster.

By indirection, these youngsters are saying to you and to me, Mr. President:

America's children are no better morally than the adults who have callously laid the framework for wholesale delinquency.

Mr. President, I ask unanimous consent that the results of the poll of high-school students taken by Fairleigh Dickinson College's sociology department be placed in the RECORD at this point.

There being no objection, the poll was ordered to be printed in the RECORD, as follows:

A STUDY OF THE THINKING OF YOUTH ABOUT JUVENILE DELINQUENCY AMONG HIGH SCHOOL STUDENTS

This study was developed by Warren L. Duncan, industrial coordinator, Fairleigh Dickinson College, and conducted by the sociology group of Fairleigh Dickinson College, under the leadership of Prof. Winifred Minor.

Tabulation: 2,500 students from 27 high schools in northern New Jersey answered the questionnaire; 12 percent were freshmen; 35 percent sophomores; 35 percent juniors; 18 percent seniors. The questionnaire was filled out largely by homeroom groups. The questions asked with the percentage answers are as follows:

1. What do you consider acts of delinquency? (a) Lying: 19 percent do, 81 percent do not; (b) cheating: 29 percent do, 71 percent do not; (c) stealing: 89 percent do; (d) robbery: 91 percent do; (e) sex abuses: 85 percent do; (f) wanton property destruction: 83 percent do.

2. What is the cause of delinquent actions of young people you have known or about whom you have factual information? (No book information or theories.)

(g) Seeking a thrill: 80 percent (second); (h) too much idle time: 60 percent (third); (i) parental delinquency: 56 percent; (j) not sufficient information of facts of life: 36 percent; (k) big-shot desire for recognition: 81 percent (first).

3. With whom does the responsibility lie to effect remedies? List in order of prior responsibility 1 to 5.

	Percent
Parents	41
Myself	45
Local community	5
Government	1.7
Church	2

4. Remedies suggested:

	Percent
(l) Increase responsibilities	25
(m) Raise legal driving age	13
(n) Lower legal draft age	10
(o) Punish parents for violations	35
(p) More education on results of delinquency	79
(r) Set up a program for youth to control youth	82

Mr. HENDRICKSON. Mr. President, the subcommittee investigating juvenile delinquency has caused the American parent to do a good deal of thinking regarding the flood of crime and horror comic books now on the market, if my mail is any judge. A most interesting series based on some of our preliminary findings was recently undertaken by Mr. Arthur L. Davis of the Washington Bureau of the Buffalo News. In view of the fact that our subcommittee's examinations into crime comics are still underway, Mr. Davis' articles are indeed timely.

I ask unanimous consent that the articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

COMIC BOOKS AND DELINQUENCY

HORROR FOR YOUNG READERS, ALL FOR THE PRICE OF A DIME—SENATE HEARINGS UNCOVER RASH OF PUBLICATIONS BASED ON WANTON BRUTALITY OR FIENDISHNESS

(The brutality and lawlessness depicted in some comic books are currently under congressional study, along with possible measures to curb the practice. Here a staff member of the Buffalo Evening News Washington Bureau begins a five-part series outlining the scope of the problem.)

(By Arthur L. Davis)

WASHINGTON, May 10.—Have you looked lately at the comic books your children are reading?

They're the biggest "entertainment" value to be had for a dime, but the price has to be reckoned in what they may be doing to your children's character.

Did you happen to see the story about golden-haired Lucy, 8 years old, who murdered her father and "framed" her mother into the electric chair?

Or did you run across that other orphan who turned into a werewolf and devoured his foster parents? This was merely self-defense, of course, for they were vampires who fed on little boys.

Some sociologists and specialists in mental health brand such crime and horror comics as a big cause of juvenile delinquency among normal children living in normal homes.

Others, equally qualified by impressive diplomas and long experience, insist this reading diet has no harmful effect on childish minds. Both views may be buttered by financial self-interest.

Comic strips not included

There are a lot of fathers in Congress who'd like to have actual facts, not opinions, and a special Senate Subcommittee on Juvenile Delinquency is trying to uncover them.

According to Senator ROBERT C. HENDRICKSON of New Jersey, chairman of the investigators, more than 1 billion comic books are sold in the United States each year and most of them "are as harmless as soda pop."

At the usual price of a dime each, the comic-book industry thus does a $100 million-a-year business.

Mr. HENDRICKSON made it clear from the start that the Senate subcommittee was not setting itself up as a group of "blue-nosed censors" and that "we shall not be talking about the comic strips that appear daily in most of our newspapers."

"But hundreds of thousands of horror and crime comic books are peddled to our young people of impressionable age," he said.

Seven types listed

"It would be wrong to assume that crime and horror comic books are the major cause of juvenile delinquency. It would be just as erroneous to state categorically that they

have no effect whatsoever in aggravating the problem."

Having laid this groundwork for the inquiry, Mr. HENDRICKSON called on Richard Clendenen, staff director of the Senate subcommittee, for detailed testimony at recent hearings in New York, the center of the comic-book industry.

Mr. Clendenen placed before the investigating Senators seven comic books which he said were "quite typical." Here in his own colorful language are summaries of these "typical" stories:

Black Magic Comics

"Now one story in this comic is entitled 'Sanctuary,' and the cover shot relates to this particular story.

"This shows certain inhabitants of this 'sanctuary,' which is really a sort of sanitarium where freaks can be isolated from other persons in society.

"One man in the picture has 2 heads and 4 arms, another body extends only to the bottom of his ribs. But the greatest horror of all the freaks in the 'sanctuary' is the attractive-looking girl in the center of the picture who disguises her grotesque body in a suit of foam rubber.

"The final picture shows a young doctor in the sanitarium as he sees the girl he loves without her disguise.

"The story closes as the doctor fires bullet after bullet into the girl's misshapen body."

Fight Against Crime

"One story in this particular issue is entitled 'Stick in the Mud.' This is the story of a very sadistic schoolteacher who is cruel to all of the children in her classroom with only one exception. The one exception is the son of a well-to-do man who has lost his wife. Through her attentions to the son, the teacher woos and weds the father.

"The following picture shows the schoolteacher as she stabs her husband to death in order to inherit his money. She then disguises her crime by dragging his body into a bull pen where his corpse is mangled and gored.

"The small son, suspecting his stepmother, runs away so that she will chase him into the woods where a bed of quicksand is located.

"Our last picture shows the stepmother sinking into the quicksand and crying for help. The small son gets the stepmother to confess that she murdered his father by pretending he will go for help if she does so.

"After her confession, he refuses to go for help and stays to watch his stepmother die in the quicksand."

Mysterious Adventures

"This particular issue contains 6 stories in which 11 people die violent deaths.

"One story has to do with a confirmed alcoholic who spends all his wife can earn on alcohol.

"As a result their small son is severely neglected. On the day the small son is to start in the first grade in school the mother asks his father to escort him to the school. Instead, the father goes to his favorite bootlegger and the son goes to school by himself. En route he is struck and killed by an automobile.

"Informed of the accident, the mother returns to find her husband gloating over his new supply of liquor.

"The next picture shows the mother killing her alcoholic spouse with an ax. She then cuts up his body into small pieces and disposes of it by placing the various pieces in the bottles of liquor her husband has purchased."

Must Pay the Penalty

"This particular comic has 4 stories in which 27 people meet violent death. One story in this issue called Frisco Mary concerns an attractive and glamorous young woman who gains control of a California underworld gang. Under her leadership, the gang embarks on a series of holdups marked for their ruthlessness and violence.

"Now in all fairness, it should be added that Mary finally dies in the gas chamber, following a violent, lucrative career."

Strange Tales

"The next comic book has 5 stories in which 13 people die violently. The story actually begins with a man dying on the operating table because the attending doctor is so absorbed in his own troubles that he pays no attention to his patient.

"It develops that this is a story of a promising young surgeon who begins to operate on wounded criminals to gain the money demanded by his spendthrift wife.

"After the surgeon has ruined his professional career by becoming associated with the underworld, a criminal comes to get help for his girl friend who has been shot by the police. When the girl is placed upon the operating table the doctor discovers that the criminal's girl friend is none other than his own wife.

"This picture shows the doctor, first of all, as he recognizes his wife and as he commits suicide by plunging a scalpel into his own heart. His wife also dies on the operating table for lack of medical attention."

Haunt of Fear, Part I

"The next comic has 4 stories in which 8 people die violently. In one, a hotelkeeper suspects the vicious-appearing daytime roomer and searches his room. She discovers six heads hanging on hooks in the closet.

"She is discovered there by her favorite roomer, who is returning to the hotel for the night. It develops that he is the murderer and the next picture shows the hotelkeeper's head being added to the closet collection."

Haunt of Fear, Part II

"There is another story in this issue which is even more perturbing. This is the story of an orphan boy who is placed from an orphanage to live with nice-appearing foster parents.

"The foster parents give excellent care. A month later the boy discovers the reason for their solicitude when they sneak into his room late at night and announce they are vampires about to drink his blood.

"It might be said that right triumphs in the end, however, since the boy turns into a werewolf and kills and eats his foster parents."

Shock Suspense Stories

"This contains 4 stories in which 6 persons die violently.

"One is the story of a small golden-haired girl named Lucy, who hates her parents.

"Lucy's chance comes when the father, entering the front gate to the home, meets his wife, who is running away with another man. Snatching a gun from the night table, Lucy shoots and kills her father from the window.

"She then runs out into the yard and presses the gun into the hands of her mother, who has fainted and lies unconscious on the ground.

"Then through Lucy's perjured testimony at the trial, both the mother and the boy friend are convicted of murdering the father and are electrocuted."

COMIC BOOKS AND DELINQUENCY—II

CRIME STORIES HAVE LITTLE IMPACT, SAYS CHILD EXPERT—DEFENSE WITNESS INDICATES YOUNGSTERS COULD BE INFLUENCED, BUT DOUBTS THAT MANY ARE

(A Buffalo Evening News writer presents the case against comic books in this second of five articles outlining the whole problem.)

(By Arthur L. Davis)

WASHINGTON, May 11.—Even the most lurid and detailed illustrations of crime and horror in comic books have little or no harmful effect on children, said Dr. Loretta Bender in a lengthy defense of the comic publishing industry before the Senate Subcommittee on Juvenile Delinquency.

Dr. Bender qualifies as an expert by virtue of a number of associations she has in the field of mental health: Senior psychiatrist at Bellevue Hospital, New York City, in charge of children's ward; professor of clinical psychiatry at New York University Medical School; a consultant in the training program of the Veterans' Administration; a consultant in child psychiatry at the New Jersey Neuropsychiatric Institute.

She also disclosed that she is a paid member of the advisory editorial board of the National Comics Companies, publishers of Superman and other comic books.

Would test for results

Dr. Bender was questioned by Herbert W. Beaser, associate subcommittee counsel, as to what effect two specific comics might have on the minds of youthful readers.

One set forth in four colors the story of an orphan boy who turned into a werewolf and devoured his foster parents when they revealed they were vampires and intended to make a meal of him.

The second told of little Lucy, 8, who killed her father and, by skillful lies on the witness stand, sent her mother to the electric chair for the crime.

Senator ROBERT C. HENDRICKSON, of New Jersey, chairman of the subcommittee, asked Dr. Bender what her own recommendations would be if she were asked for advice on whether the stories were fit for youthful readers.

To make up her mind, said the noted woman psychiatrist, "I would expose children to these comics and see what the result was."

Very few instances

"If you want to ask me what I think the result would be, I think it would be minimal," she declared. "I think that many of the children would be bored with them. I think that many of the children would refuse to read them and the more sophisticated would say, 'So what, I have seen stuff like that before.' "

Dr. Bender admitted it is conceivable that some children could be pushed 1 or 2 steps further in the direction of juvenile delinquency by this sort of literature.

If enough research is done, she continued, "sooner or later someone or other can find an incident in which a child can be got to say that he got the idea from such and such a comic book."

"I would not doubt that maybe 10 cases could be found in the United States," said Dr. Bender. "But if you then said to the child, 'Did you ever see such a thing on television or in the movies?' or 'Did you ever hear about it anywhere else, too?' well, the situation obviously becomes less specific."

Not influenced by pay

The New York City psychiatrist revealed under questioning that she receives $150 a month as a member of the advisory editorial board. This, Dr. Bender said, is what she can get for one public lecture, "and it certainly is a small part of my income."

"Would you say that your opinion on this subject is in no way influenced by the fact that you are a member of the advisory board?" Dr. Bender was asked.

The influence is brought to bear in the opposite direction, she replied.

"I think I have influenced the National Comic Publications to some extent, and I think my continuing presence on their editorial board may represent a continuing influence, not only on National Comics but conceivably on all of the comic publications to some extent," she declared.

Dr. Bender insisted under questioning that the Superman comics have a good influence. A few moments earlier, however, she had vol-

untarily related this incident to the investigators:

Previous study cited

"We frequently have in our ward at Bellevue the problem of making Superman capes in occupational therapy and then of the children wearing them and fighting over them and one thing or another—and only about 3 months ago a number of children were hurt because they tried to fly off the tops of radiators or off the tops of bookcases and got bumps."

You mean they would put those suits on and try to fly?" inquired Senator HENDRICKSON.

"That is right," said Dr. Bender.

"This does show the influence of comics, then?" asked Senator HENDRICKSON.

"That is true," answered Dr. Bender. "I am sure the comics influence."

"If Superman could have that influence, what sort of influence do you think that picture there, called Crime Suspense Stories, would have?" the Senator asked.

"This would have nowhere near (the influence)," was the answer.

Dr. Bender's name had come up previously in the hearing when Gunnar Dybwad, executive director of the Child Study Association of America, was on the witness stand.

He testified that the association in 1943 and again in 1949 made surveys of all comic magazines. The first study concluded that some maladjusted children might be attracted to violent comics, and the later one that "decent, selfcensorship" by publishers and dealers should remove from the newsstands "uncouth and savage picture and stories." The need for intelligent parential supervision was emphasized, Mr. Dybwad said.

Others also on payroll

He agreed that crime and horror comics are "getting worse steadily," but confessed that the Child Study Association has made no attempt to bring its 5-year-old survey up to date. This field is not the association's principal area of interest, he explained.

"When you raise a question why have we not done something, I think the question might well be put, why has nobody else done anything?" he asked.

Senator ESTES KEFAUVER, Democrat, of Tennessee, a member of the subcommittee, characterized the two outdated studies and other articles published under the aegis of the Child Study Association as fairly favorable to the comics publishers. By cross-examination he brought out that besides Dr. Bender several authorities quoted as favorable to comic books were on the payrolls of comic publishers—one of them a staff employee of the Child Study Association.

COMIC BOOKS AND DELINQUENCY—III

OPPONENT CALLS CRIME TALES A BLIGHT ON NATION'S MORALS—SORDID SUBJECT MATTER UNDOUBTEDLY HAS BAD INFLUENCE ON YOUNG READERS, PSYCHIATRIST ASSERTS

(The attacks against crime comic books are spelled out in this third of five articles outlining the whole problem.)

(By Arthur L. Davis)

WASHINGTON, May 12.—An endless stream of brutality output of crime and horror comic books, glorifying evil and ridiculing virtue, is warping the minds of America's young people and leading them toward crime.

This blanket indictment of the multimillion-dollar comics-publishing industry was placed before the Senate Subcommittee on Juvenile Delinquency by Dr. Frederic Wertham, prominent Manhattan physician who for 20 years was senior psychiatrist in the New York City Department of Hospitals. He organized and directed several mental-health clinics and is the author of numerous works in the field of mental health.

Dr. Wertham based his charge on 8 years of scientific investigations into the effect of comic books. The studies covered thousands of children, he said.

No homes are secure

The angered psychiatrist said he did not claim comic books alone are the cause of juvenile delinquency, but he added: "It is my opinion, without any reasonable doubt and without any reservation, that comic books are an important contributing factor."

It is primarily the normal child who is affected by the crimes and horrors depicted in comic books, said Dr. Wertham.

"As a matter of fact, the most morbid children we have seen are less affected by comic books because they are wrapped up in their own fantasies," he declared.

"As long as the crime-comic-books industry exists in its present form there are no secure homes. You can't resist infantile paralysis in your own home alone. Must you not take into account the neighbor's children?"

A much-debated question among psychologists, said Dr. Wertham, is: "Why does the normal child spend so much time with this trash?"

Lure of mass appeal

St. Augustine found the answer to a parallel question centuries ago, said the psychiatrist.

"He described in detail, how, when he was a very young man in Rome, he saw bloody, sadistic spectacles all around him. The gladiators fought each other with swords and daggers, and he didn't like it. He didn't want any part of it.

"But there was so much going on and his friends went and finally he went. He noticed, as he expressed it, that he became unconsciously delighted with it and he kept on going.

"In other words, he was tempted, he was seduced by this mass appeal and he went."

It is exactly the same thing with children and comic books, said the doctor.

"The children see these things over and over again. They see how women are beaten up, how people are shot and killed, and finally they become, as St. Augustine said, unconsciously delighted."

Example of perfect crime

The primary damage done by comic books, Dr. Wertham asserted, is that they cause "a great deal of ethical confusion."

"You can read and see over and over again the remark that in crime comic books good wins over evil, that law and order always prevails," he continued.

"This remark is repeated and repeated, not only by the comic book industry itself but by educators, columnists, critics, doctors, clergymen. Many of them believe it is so.

"It is not so. In many comic books the whole point is that evil triumphs; that you can commit a perfect crime. * * * There are whole comic books in which every single story ends with the trimuph of evil, with the perfect crime unpunished and actually glorified."

Comic books also contribute to delinquency by teaching criminal techniques and by advertisements for weapons, said Dr. Wertham.

Ads for knives, whips

He added angrily: "If it were my task to teach children delinquency, to tell them how to assault girls, how to hurt people, how to break into stores, how to cheat, how to forge, how to do any crime, I would have to enlist the crime-comic-book industry."

Dr. Wertham contended there is "an interaction" between comic book stores and the advertisements in the books. Many such books, he said, contain ads for weapons such as throwing knives, or whips.

"If a boy sees a girl in a comic book being whipped," he said, "and the man who does it looks very satisfied and on the last page there is an advertisement of a whip with a hard handle, surely the maximum of temptation is given to the boy at least to have fantasies about these things.

"It is my conviction that if these comic books go to as many millions of children as they go to, that among all these people who have these fantasies there are some who carry them out in action."

Prey on youngsters' fears

The comic-book publishers understand the theory of temptation, charged Dr. Wertham. "They don't admit it when it comes to dedelinquency," he said, "but when it comes to selling stuff to children, then they have these enormous advertisements."

Some advertisements in comic books prey on the adolescent fears of young people, said Dr. Wertham. "They give them all kinds of inferiority feelings."

Many of the young people spend a lot of money and when their troubles are not corrected, they get discouraged, he said. "These discouraged children are very apt to commit delinquency, as we know and have known for a long time."

All comic books—not just crime and horror stories—have a bad effect on teaching young children proper reading techniques, Dr. Wertham added.

The balloon print pattern, he said, makes it harder for them to learn to read from left to right.

Hints of conspiracy

Dr. Wertham said he could offer no surefire remedy for the problem he sees in comic books, but he observed:

"This is a public-health problem. I think it ought to be possible to determine once and for all what is in these comic books and I think it ought to be possible to keep the children under 15 from seeing them displayed and to prevent them from being sold directly to children."

Dr. Wertham used his appearance before the Senate investigators to get in a plug for his latest book, Seduction of the Innocent, which he described as a scientific report on comic books in understandable language. It also deals with other areas of juvenile delinquency, he said.

It has been chosen as a Book-of-the-Month Club selection, he declared, but he hinted at the existence of a conspiracy aimed at blocking its distribution.

COMIC BOOKS AND DELINQUENCY—IV

DEFENDER STATES HIS CASE: "HORROR NEVER HURT ANYONE"—EXECUTIVE SAYS CRIME STORIES OFFER ART AND PLEASURE, ARE NO CAUSE FOR CRITICISM

(By Arthur L. Davis)

WASHINGTON, May 13.—"I publish horror comics," said William M. Gaines, of New York City. "I was the first publisher in these United States to publish horror comics. I am responsible. I started them."

So spoke the man behind one of the largest comic publishing house in the country—the Entertaining Comics Group. Mr. Gaines told a Senate investigating subcommittee that his companies print anywhere from 2 million to 2½ million comic magazines a month, guarantee their advertisers a sale of 1½ million copies and gross about $80,000 a month.

His net return is about $4,000 a month, Mr. Gaines revealed.

Some people, he conceded, may not like horror comics. "That is a matter of personal taste," he continued during a voluntary appearance before the Senate Subcommittee on Juvenile Delinquency, which is trying to find out what, if any, harmful effects children suffer from reading the estimated 20 million crime and horror magazines that are sold each month.

Pleasure for a dime

"I am proud of the comics I publish," Mr. Gaines declared emphatically. "We use the

best writers, the finest artists. We spare nothing to make each magazine, each story, each page a work of art."

"The comic magazine," he asserted, "is one of the few remaining pleasures that a person may buy for a dime today.

"Pleasure is what we sell—entertainment, reading enjoyment," he declared. "Entertaining reading has never harmed anyone."

In a heated defense of his horror stories, Mr. Gaines declared that the law is concerned only with the normal person.

"Our American children are for the most part normal children," he said. "They are bright children, but those who want to prohibit comic magazines seem to see dirty, sneaky, perverted monsters who use the comics as a blueprint for action.

Never ruined anybody

"Perverted little monsters are few and far between. They don't read comics. The chances are most of them are in schools for retarded children.

"What are we afraid of? Are we afraid of our own children? Do we forget that they are citizens, too, and entitled to select what to read or do?

"Do we think our children are so evil, simple-minded, that it takes only a story of murder to set them to murder; a story of robbery to set them to robbery?

"Nobody has ever been ruined by a comic."

Mr. Gaines said the only limits of the crimes and horrors depicted in his comic books are the "bounds of good taste, what I consider good taste."

Herbert W. Beaser, associate chief counsel of the committee, quizzed Mr. Gaines about one of his comics in which an orphan boy taken into a foster home turned out to be a werewolf who devoured his new parents. By so doing, he escaped a similar fate himself because the foster parents were really vampires who fed on plump little boys.

Doesn't do any harm

"Do you think that would have any effect at all on a child who is in a foster placement, who is with foster parents, who has fears?" inquired Mr. Beaser.

"I can honestly say I don't think so," replied Mr. Gaines. "No message has been spelled out there. We were not trying to prove anything with that story. None of the captions said anything like 'If you are unhappy with your stepmother, shoot her.'"

"You think it does them a lot of good to read these things?" asked Chief Counsel Herbert J. Hannock.

"I don't think it does them a bit of good," said Mr. Gaines, "but I don't think it does them a bit of harm, either."

Mr. Gaines acknowledged authorship of an editorial cartoon entitled "Are You a Red Dupe?" for publication on the inside front covers of five of his magazines.

Its principal theme was said by Counsel Hannock to be that "anybody who is anxious to destroy comics is a Communist," but Mr. Gaines denied this.

"I don't believe it says that," he declared.

Swallowed Red line

"The group most anxious to destroy comics are the Communists?" asked Mr. Hannock.

"True, but not 'anybody,' just the group most anxious," said Mr. Gaines.

As described in testimony before the Senate subsommittee, Are You a Red Dupe? is the story of Melvin Blizunken-Skovitchsky, who lived in Soviet Russia and printed comic books.

The Kremlin bosses didn't believe that people had intelligence enough to decide what they wanted to read. So the secret police came and smashed Melvin's four-color press and then hanged Melvin to a tree.

The message at the bottom of the cartoon story concluded by saying: "So the next time some joker gets up at a PTA meeting and starts jabbering about the naughty comic books at your local candy store, give him the once over. We are not saying he is a Communist. He may be innocent of the whole thing. He may be a dupe. He may not even read the Daily Worker. It is just that he swallowed the Red line, hook, line, and sinker."

COMIC BOOKS AND DELINQUENCY—V

SHORT GLANCE AT CRIME TALES IS TURNING INTO A LONG LOOK—SENATE INVESTIGATORS WANT A DEFINITE ANSWER ON COMICS' EFFECT ON YOUNG OR UNSTABLE READERS

(By Arthur L. Davis)

WASHINGTON, May 14.—A brief but penetrating inquiry by a Senate subcommittee into the crime and horrors set forth in comic books produced no solid answer to the big question, Do such comics push children in the direction of crime and immorality?

But the revealing character of the Senate Juvenile Delinquency Subcommittee's examination has spotlighted a controversial situation and is expected to draw the attention of some indifferent mothers and fathers to the duties of child guidance that accompany parenthood.

The subcommittee can point only to three immediate, admittedly inconclusive results of its recent 2-day public hearing:

1. One comics publisher pledged under oath to clean up his magazines and try to adhere to an industry code that has been blatantly disregarded by many segments of the industry in the past.

2. A second big publisher promised to drop from all his comic books all crime and horror material demonstrated by concrete evidence to be harmful to children.

3. A New York book publisher invoked his constitutional rights and refused to answer questions as to whether he had purchased or rented mailing lists from comic-book advertisers or publishers, solicited mail orders for his books, or advertised them through the mails "in a very suggestive manner."

Everything contributes

William Friedman, of New York, was the publisher who promised the prompt cleanup. He first charged, however, that a "whipping boy" is being made of the comics industry.

Referring to allegations by expert witnesses that crime and horror comics are a big contributing factor in juvenile delinquency, Mr. Friedman declared: "It appears to me that everything is a contributing factor to a child who is delinquent, whether it is a rainy day, whether he has 5 cents in his pocket or has not got 5 cents in his pocket."

But since the question had been raised by the Senate investigation, he said, his company's editor would be instructed to adhere to the industry code of good practice.

Monroe Froehlich, Jr., business manager of the Marvel Comics Group, said his companies published 60 comic books whose circulation runs to 10 million a month. Crime and horror, he said, are a very small segment of this output and involve only 4 or 5 magazines.

Agrees to cooperate

He said he was 1 of only 3 publishers who belong to the Association of Comic Book Publishers, sponsors of the little-used code of good practice.

"We try at all times to abide by the code," he said.

Mr. Froehlich said his companies publish no crime comics, but do produce two anti-crime comics that depict nothing other than law and order.

But he said that, if there is sufficient evidence to prove that anything we might publish might be injurious to a child who is in the pattern of becoming a delinquent, we will stop.

It was Samuel Roth who took refuge behind the Constitution when subpenaed by the subcommittee. He said he had been accused by county authorities with violation of statutes relating to obscene publications. He denied guilt but, invoking his constitutional rights "protecting me against being made to accuse myself," he declined to answer questions.

Broad question raised

Herbert W. Beaser, associate subcommittee counsel, said he had intended to question Mr. Roth about complaints sent to the Post Office Department by irate parents of children "who got Mr. Roth's materials and advertisements."

Mailing lists compiled by comic-book publishers and advertisers consist largely of juvenile customers, and Mr. Beaser said he wished to question Mr. Roth on whether he had bought or rented such lists for use in marketing obscene literature.

Richard J. Clendenen, subcommittee staff director who was chief of the juvenile delinquency branch of the United States Children's Bureau before he took charge of the Senate investigation, told the Buffalo Evening News the short inquiry has had another important result.

Special report on way

Mr. Clendenen told the subcommittee when it launched its 2-day hearings that there is a great diversity of opinion, even among experts, regarding the effects of the comics on youngsters and whether they are a factor in juvenile delinquency. But he said then that "there is substantial, although not always unanimous agreements on the following three points:

"1. That the reading of a crime comic of itself will not cause a well-adjusted boy or girl to go out and commit crime.

"2. That there may be a detrimental and delinquency-producing effect upon some emotionally disturbed children who may gain suggestion, support, and sanction for acting out their own hostile and aggressive feelings.

"3. That there is reason to believe that the most avid and extensive consumers of comics are the very boys and girls less able to tolerate this type of material."

A special report on the impact of comic books on juveniles now is in preparation by the subcommittee staff, Mr. Clendenen said. When completed and made public within a few weeks, it may throw more cold, hard light on what is becoming an increasingly bitter dispute.

THE AGRICULTURAL PROGRAM

Mr. HUMPHREY. Mr. President, American agriculture is looking to this Congress for constructive leadership toward solving some of its perplexing problems. While all of us may not agree on the best legislative solutions to these problems, all of us, I am sure, are keenly aware of the difficulties confronting America's farm people, and of the concern they are feeling about the future of the farm programs created by the Congress to bring greater stability to the agricultural economy.

Now, if ever, is a time for the greatest unity on the farm front. If agriculture is going to be carved up into little segments and blocs, each one played adroitly against the other, all agriculture will suffer—and all America will suffer.

Many times I have taken this floor to speak out for farmers of my State, but always keeping in mind the welfare of all agriculture, of all farmers.

I have just returned from attending some community celebrations in Minnesota over the weekend. I was out among farm people, and I know what is upper-

most in their minds, what hangs heavily on their hearts. They are worried. They are already caught in a squeeze of falling prices while costs remain high, yet they are even more concerned about the future because of the storm clouds they see gathering.

Minnesota's farmers are not thinking just of themselves, Mr. President. They are thinking of all farmers, and of the entire Nation's economy. And I'm sure I know the farmers of my State well enough to know I am speaking their sentiments today when I once again emphasize the need for united support behind an effective farm program, and I object most strenuously to growing indications of efforts to split agriculture's forces on the legislative front.

Many Senators may recall, during my fight on this floor against Secretary Benson's reduction in dairy support prices last April 1, that I repeatedly warned my colleagues in the great agricultural areas of the South to be alert to what was happening. The attack on dairying was just a wedge, I warned. It was just the opening gun of an attempt to lower all price supports, and lower the level of all farm prices and income.

The damage has been done to dairying, damage I still hope we can eventually alleviate to some degree. But my words are now coming true. Not satisfied with victory over one segment of agriculture, the administration is turning its big guns now against other segments of agriculture.

The drive is on in full swing to convince the Nation and convince this Congress we should abandon 90 percent of parity price supports on our basic commodities. Now, my State is not one of the largest producers of basic crops. We are a diversified farming State. Yet I want to speak out in behalf of basic producers today, because I know they are basic to our agricultural economy—and I know that destruction of effective price supports on basic commodities will mean lower prices for all farm commodities.

I am admittedly disturbed by some of the tactics of the present Secretary of Agriculture. He is entitled to his views and opinions, and has every right to press them vigorously before the committees of this Congress. It is regrettable, however, that he sees fit to carry his battle elsewhere, and is apparently willing to split up agriculture into warring camps to achieve his aims.

Historically, the great farming areas of this Nation have worked together for an effective farm program. We have crossed party lines to do it, putting agriculture's interest foremost above political objectives. The great Midwest breadbasket and the great basic producing areas of the South have worked hand in hand to give the entire country a solid agricultural foundation. Men like the distinguished Senator from North Dakota [Mr. YOUNG], and my colleague, the senior Senator from Minnesota [Mr. THYE], have joined hands with agricultural statesmen like the distinguished Senator from Georgia [Mr. RUSSELL], and the Senator from Louisiana [Mr. ELLENDER] to assure stability and some semblance of equality of opportunity in agriculture. I have been proud to participate in such teamwork, and to join wholeheartedly in such efforts. I have long recognized that all American agriculture owed a debt of gratitude to the foresight and judgment and experience of many of our fine agricultural statesmen out of the South.

It is for that reason I am particularly disturbed today, in taking note of efforts to turn one producing area of American agriculture against another.

Let me explain that concern in more detail.

The Wall Street Journal of Tuesday, June 8, started one of its stories with this line:

> Battling Benson, bent on lower price props, hammers the rising-surplus theme.

The story then gave an account of Mr. Benson's recent Midwest speaking tour, which, I am informed, was not made under the auspices of the Republican National Committee, but on the invitation of the St. Louis Chamber of Commerce and Chicago dairy product handlers.

Mr. President, I ask unanimous consent to have incorporated in the RECORD at this point the article from the Wall Street Journal of Tuesday, June 8, 1954.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

> Battling Benson, bent on lower price props, hammers the rising-surplus theme.
>
> On a Midwest speaking tour, the Agriculture Secretary forecasts the July 1 carryover of wheat, almost all of it in Government hands, will be three and a half times the 250-million-bushel pile of 2 years ago. Next October's corn carryover, he predicts, may be double the 475 million bushels of 2 years earlier, and much of that will be in the support shelter. In the year ahead, he says, the price supporters may have to buy as much butter as the 390 million pounds they now have.
>
> By 1956, farm officials have unofficially forecast, the present $6.5 billion price-support tieup could reach $10 billion. Mr. Benson dwells on the support program's disregard of changed eating habits.
>
> Administration officials think they can barter away many more farm surpluses abroad by centralizing this program in one agency. But any such increase could scarcely halt further pileups.

Mr. HUMPHREY. Mr. President, if the Wall Street Journal wants to refer to the Secretary endearingly as "Battling Benson, bent on lower farm price props," I have no objection.

But I do object very vigorously to some of the tactics of their fighter, who, as a supposed spokesman for farmers and for President Dwight D. Eisenhower, in my opinion, is betraying both his constituency and his boss.

At a press conference on Tuesday, June 8, the Secretary of Agriculture released a table and 5 maps ostensibly to show the percentage of the cash receipts of farmers, by States, which come from the 6 basic commodities which have price supports.

The whole thing was political. It used an untruthful assumption in an attempt to divide the farmers of the Nation into warring camps, and it was a betrayal of the pledges which Candidate Dwight D. Eisenhower made to the farmers of the United States that he would extend support programs, supporting perishable farm commodities as well as storables, rather than destroy the supports we have.

Map No. 1 in Secretary Benson's set of 5 maps, reproduced at the taxpayers' expense, is shaded to show those States in which 40 percent or more of farm cash receipts are from price-supported basic commodities.

What did it show? It showed that there are 12 such States—9 of them in the Democratic South and only 3 in the North. The three Northern States are CLIFFORD HOPE's Kansas, the State of the Senator from North Dakota [Mr. YOUNG], and Montana, which is also mostly Democratic like the Southern States.

There are only two morals that can be drawn from this Benson map. No. 1 is that it will be all right to undermine the agriculture in these States—there are only 12 of them. The No. 2 moral which Benson advances seems to be that the No. 1 moral is especially true—it will not hurt to wreck agriculture in these States, because they are all Democratic States anyway except Kansas and North Dakota; nine Democratic States in the South, and Montana.

Let me say right here that the Secretary's map shows that only 7 percent of Minnesota farm cash receipts come from price-supported basic crops. The inference, according to the Secretary, is that my State has only a little stake in this issue.

That I want flatly to deny. It simply is not true. Either by design or poor judgment, the Secretary has carefully excluded price-supported nonbasics from his dramatic maps, making them half-truth. The Secretary and his aides may stand smugly on the premise that what he has said is fact—even though only part of the facts. Yet he knows, or should know, of the misleading impressions being created. Not all writers, and not all other people realize the difference between basic commodities and nonbasic commodities. They accept the Secretary's statement as talking about all price supports when that is not true. One of our writers for the Minneapolis Star, for example, dutifully reported that only 7 percent of Minnesota's farm cash receipts came from price-supported crops.

Actually, 41 percent of Minnesota's farm cash receipts come from price-supported crops, when we include as Secretary Benson should have included the price-supported nonbasic crops. Because of our diversified farming pattern, that 41 percent of Minnesota farm income coming from price-supported commodities is spread over a far larger percentage of our total number of farmers—and even more are benefited indirectly. As a result, contrary to the impression of these maps, Minnesota has a very great stake in this price-support issue.

Minnesota's State legislature recognized this, in unanimously memorializing Congress to extend 90 percent farm-price supports. The Minnesota farmers overwhelmingly ask for such supports. Yet the point I want to make today is

that we would still be for such supports for American agriculture generally, even if they did not do us direct good in our own State. We would be for them if they were only essential to the South, as Secretary Benson seems to be inferring.

I am not frequently at a loss for words, but I am close to being shocked beyond words that the Secretary of Agriculture could and would impliedly argue that reduction of farm-price supports is all right because few States except the Southern States would be hurt.

We Minnesotans have the milk of human kindness. We think of others as well as of ourselves. We want our people to prosper, but we want others to prosper too. We are not selfish people. Yet we are also realistic enough to be for a prosperous South because we know its importance to all America. The American economy and the Minnesota economy cannot be healthy without a prosperous South. We cannot wreck one portion of America without hurting all of America.

The Secretary, in another map, shows which States get 40 percent or more of their farm income from wheat, corn, cotton, rice, and peanuts, excluding tobacco. This time it is 4 Southern States and 3 Northern States. Apparently he felt that this would help save the tobacco farmers' votes for the GOP but I can advise him it will not. Those farmers know who initiated their tobacco program. And, like the Wall Street Journal, they know who has his knife out and is "bent on lower farm-price props."

Let me add that a half-truth is connected with this exclusion of tobacco.

The exclusion was justified on the grounds that tobacco will stay at 90 percent of parity because tobacco farmers have accepted rigid controls.

When did cotton farmers, or wheat farmers, or others, run down controls? Just what is the justification of the implication that producers of the other basics will not control their surpluses? They have voted restrictions repeatedly by overwhelming majorities, and the implication of the tobacco statement is unwarranted and deliberately something less than the truth.

Now, let us turn to another map, a map which is captioned "Cash Receipts From Meat Animals, Dairy and Poultry Products for Which Price-Supported Feeds Are an Element of Cost."

Secretary of Agriculture Benson has been trying throughout his administration to divide the farmers of this Nation into two camps, and to play off the farmers who buy feed against the farmers who produce it.

Time after time he has made statements about how unfair it is to support the price of feed which other farmers have to buy and convert into other products which have no price supports.

Anyone who has a kindergarten understanding of farm economics knows that there is a corn-hog ratio, a feed-cattle ratio, a feed-egg ratio, a feed-poultry ratio, and others. They are the relationship of feed costs to the prices of the animal product. The Department of Agriculture publishes these ratios regularly. Why? Because everyone knows that farmers slow up on feeding animals when the cost of feeds gets out of balance with the price of hogs, or cattle, or other animal products. If it is not profitable to feed, feeding slows until the ratio adjusts. The consequence is that animal-products prices are necessarily related to the costs of feeds, and price supports for feeds have resulted in adjustment of animal-product prices to a level that would get production.

Just as certainly as Secretary Benson beats the level of corn-price supports down to $1 per bushel, the prices of animal products will adjust downward. Benson's economists know that. I believe that he knows it, and, therefore, I cannot avoid the belief that he knows that his effort to persuade livestock, poultrymen, and dairymen that they are being robbed by the grain producers, is deliberate use of an arugment that is not whole truth. "Battling Benson bent on lower farm-price props," in this instance, is hitting below the belt.

There is other evidence that the Secretary of Agriculture is being less than completely candid in this argument. The caption on his map specifically calls the attention of dairymen to the fact that feed-price supports "are an element in their costs."

In the current situation, he would have dairymen believe that feed producers are profiteering on one of their big cost elements.

But what did Mr. Benson sound like when he was reducing dairy price supports to 75 percent of parity a few months ago? Was this feed-grain factor so important?

Appearing before congressional committees, Mr. Benson then said we should not take this argument about feed costs too seriously. Here are his exact words to the House Agriculture Committee:

> It is true that the 1954 crop of corn is supported at 90 percent of parity and feed grains at 85 percent, and that this works somewhat of a hardship on dairy producers. But the importance of this point is often exaggerated. For the United States as a whole, corn comprises about 6 percent of the cost of producing milk. Other feed grains comprise about 5 percent of the cost, so that feed grains in the aggregate make up only about 11 percent of the cost of milk production. Much of this is homegrown so that the price is not a major consideration.

Well, who is exaggerating the importance of the feed-cost factor now? None other than Mr. Benson himself.

And who obviously knows better than Mr. Benson, who has testified before congressional committees, that this argument is exaggerated?

Mr. President, I regard this effort to try to divide farmers by telling feeders that they must pay the cost of price supports absolutely shameful because it is exaggerated, as the Secretary himself has said, and inaccurate.

This is not the first time that Mr. Benson has tried to divide and conquer.

Members of the Senate will remember that he has attempted to array consumers against farm price supports; that he has tried to tell them adroitly that price supports are robbing consumers.

The Secretary ought to know that lower farm prices are going to give little if any benefit to the consumers.

Farm prices have dropped 16 or 17 percent since Korean-war days. But what about consumer food prices? Have the consumers benefited from the farmers' loss? The answer is "no." Consumer food prices have not dropped appreciably in years. The Bureau of Labor Statistics index shows food costs up 12 percent since 1947–49.

What has happened?

The middlemen, the processors, and agricultural industrialists—the puffers and flakers—have sponged up the farmers' losses.

Back in the days of price control and a Fair Deal, farmers got 54 cents out of every dollar the consumers spent for food. The processors made handsome profits on 46 cents of the consumer-food dollar.

But today, the processors who swarm around Secretary Benson as his agricultural advisory committee members and his subordinates in the Department are taking 56 cents instead of 46 cents out of each consumer-food dollar. Lower farm prices, except in a few spectacular instances, have not actually helped the consumers at all. I know that beef is down from its peak retail prices, and butter and milk have come down a little lately. But the Bureau of Labor Statistics Cost of Living Index shows that consumer food prices are 2½ percent below their peak in 1952, although farm prices are down many times 2½ percent. In the overall, farm price drops do not reach consumers.

A 25-percent drop in wheat price would not save 1 cent on the cost of a loaf of bread. A 25-percent drop in corn would not save a penny per quart in the price of milk. A 25-percent drop in the price of cotton would not bring a cotton shirt down from its standard $3.95 price enough to pay District of Columbia sales taxes.

I direct attention to the fact that when Secretary Benson was attempting to anger the consumers against the farmers, spokesmen for the great organized labor groups stoutly and publicly denounced this effort. They know, if Mr. Benson does not, that you cannot deflate the farmer without ultimately deflating and injuring the whole economy.

Mr. President, I want to step back from the details of this latest blast by "Battling Benson, bent on lower farm price props," and take an overall look at it.

Mr. Benson works for President Eisenhower. President Eisenhower has repeatedly insisted that his campaign pledges are being kept.

When Mr. Eisenhower, as Republican presidential candidate, summarized his pledges on November 1, 1952, just before the 1952 elections, one item was as follows:

> Laws assisting agriculture must be extended to perishable crops as well.

Candidate Eisenhower had previously said at Fresno, Calif., on October 9, 1952:

> We insist that reasonable programs must be extended to perishables, other kinds of products other than the six basics that are covered in farm-support programs.

In his opening farm speech, delivered in my home State at Kasson, on September 6, 1952, Mr. Eisenhower said:

> The Democratic planners have made the diversified farmer the forgotten man of agriculture. They keep saying, "there is no way of protecting perishables except through the Brannan plan." We can and will find a sound way to do the job without indulging in the moral bankruptcy of the Brannan plan.

There were many other occasions when the Presidential candidate talked about extending supports—not about weakening and abolishing those that already existed.

I digress to say that one of the features of the Brannan plan, compensatory payments, has already been incorporated in the administration's wool bill. The second feature of the Brannan plan is now in the House agriculture bill, and makes compensatory payments for dairy production.

But what is the tenor of the latest release—"Battling Benson bent on lower farm price props?"

It is clearly intended to show that agriculture in only 12 States—10 of them hopelessly Democratic and only two of them Republican—will be seriously injured by taking away their existing farm price supports.

It is not an argument for extending price supports to more commodities. It is not an argument for fulfillment of the Eisenhower pledges. No, it is an attempt to justify doing just the opposite, withdrawing rather than extending price supports for the farmers of America.

I cannot believe that the President of the United States will condone such a reversal of his solemn campaign promises by a subordinate.

It is time for President Eisenhower to get out his campaign promises and lay them on one side of his desk. Then he should lay Secretary Benson's five maps out on the other side. He should then compare them carefully to see if Secretary Benson is battling for the things pledged the farmers of America, or just exactly the opposite.

The farmers of America, to whom the Eisenhower pledges were made, are entitled to this much consideration from the man who made the pledges. President Eisenhower should call Mr. Benson in and ask him:

"What are you doing to keep my promise that 'we can and will' extend price supports to perishable commodities?

"What are you doing to carry out my Fresno statement that 'programs must be extended to perishables, other kinds of products than the six basics that are covered in farm support programs?'

"Just how do these maps you have gotten out, attempting to belittle the importance to farmers of present price supports, help to carry out my pledge to extend coverage rather than restrict it?"

And then the President ought to ask him to explain why—even if the contention that price supports are important in only 12 States were true—there is any sound argument against those supports. Are 12 States unimportant? Is it of no consequence, if the farmers of Georgia, Alabama, Mississippi, Louisiana, Arkansas, Tennessee, Virginia, Kentucky, Montana, Kansas, North Dakota, and Montana are put through the economic wringer? Is a policy good because it will have dire consequences in only 25 percent of all the States in the Union?

Mr. President, the Wall Street Journal says that President Eisenhower has firmly decided to veto any extension of present levels of farm price supports.

If he has, then he should reconsider, as the Senate, the House, and even the Supreme Court occasionally do. I respectfully suggest he lay his campaign pledges down besides Secretary Benson's new misleading maps and compare them. He had better confront Mr. Benson with the inconsistency of the two. And then, I hope our President will consult his own conscience.

After he does, I seriously doubt there will be any veto.

Finally, I wish to call the attention of the Senate to a very serious situation pertaining to what is happening to milk prices.

Average prices received by farmers in Minnesota for all milk, wholesale, per hundredweight, was $2.90, amounting to 60 percent of parity.

I wish to contrast that price with the prices for all milk in Florida of $6.70, in Rhode Island of $5.65, for New England as a whole of $4.16, and the national average of $3.50.

While price supports are provided only for manufacturing milk, these averages for all milk show how present policies of the Department of Agriculture are discriminating against the Midwest, and further widening the distorted regional price spreads in milk.

If any dairy products are being priced out of the market, as Secretary Benson contends, it is fluid milk along the eastern seaboard, not milk produced in Minnesota. Yet Secretary Benson has insisted on slashing support for manufactured milk upon which our dairymen must depend for outlets, and refused to touch the barriers shutting off eastern markets from us and holding down fluid-milk consumption by maintaining unreasonably high milk prices in our major cities.

Present policies threatening to squeeze our dairymen to the wall include:

First. Lowering of dairy-support prices from 90 to 75 percent of parity.

Second. Jiggling down the parity price of manufactured milk to make it appear farmers are getting 75 percent of parity when actually they are only getting a national average of 72.1 percent of parity, despite Benson's promise to make support levels effective at the 75 percent level.

Third. Downgrading of butter through new standards and tighter inspection on Government purchases that means still lower support prices for a larger quantity of dairy products and none at all for butter formerly rated B grade but now being designated as C.

Fourth. Maintenance of barriers against free flow of milk into major marketing centers, creating artificially high prices for fluid milk that holds down consumption and increases eastern seaboard production overflowing into manufacturing milk markets normally the outlet for Midwest dairy production.

I have promised a determined fight during the remainder of this Congress to restore at least part of the uncalled for slash in dairy support prices.

The cost squeeze on dairy farmers emphasizes the tremendous importance of low cost electric power on our farms.

I say that this situation calls for immediate action by Congress. I again remind Congress that when the Secretary of Agriculture reduced price supports from 90 to 75 percent, he said we would have 75 percent effective parity. Today, in my State of Minnesota we have 60 percent, which is a ruinous price level, resulting in increased production, and, despite the increased production, in a general lowering of the level of income, and finally, in the liquidation of some of the fine dairy herds.

RECESS

Mr. KNOWLAND. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 59 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until tomorrow, Thursday, June 17, 1954, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 16 (legislative day of June 11), 1954:

Diplomatic and Foreign Service

The following-named Foreign Service officers for promotion from class 4 to class 3:

Armin H. Meyer, of Illinois.

Albert E. Pappano, of Ohio.

William B. Cobb, Jr., of North Carolina, for promotion from Foreign Service officer of class 5 to class 4 and to be also a consul of the United States of America.

William A. Chapin, of Illinois, for promotion from Foreign Service officer of class 6 to class 5.

Rufus H. Lane, Jr., of Virginia, now a Foreign Service officer of class 2 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

Nathaniel Lancaster, Jr., of Virginia, now a Foreign Service officer of class 3 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

Robert A. McKinnon, of Michigan, now a Foreign Service officer of class 5 and a secretary in the diplomatic service, to be also a consul of the United States of America.

Henry A. Byroade, of Indiana, for appointment as a Foreign Service officer of class 1, a consul, and a secretary in the diplomatic service of the United States of America.

Thomas C. M. Robinson, of Iowa, for appointment as a Foreign Service officer of class 3, a consul, and a secretary in the diplomatic service of the United States of America.

Rollie H. White, Jr., of the District of Columbia, for appointment as a Foreign Service officer of class 4, a consul, and a secretary in the diplomatic service of the United States of America.

The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Robert E. Barbour, of Tennessee.

Theodore M. Collier, of California.

Walter F. X. Collopy, of Connecticut.

Morris Draper, Jr., of California.

Robert T. Follestad, of California.
Fred J. Galanto, of Massachusetts.
John L. Gawf, of Colorado.
Harry B. Glazer, of the District of Columbia.
C. Norman Hanley, of Washington.
Donald S. Harris, of Connecticut.
William C. Harrop, of New Jersey.
David C. Jelinek, of Wisconsin.
Richard C. Johnson, of Massachusetts.
Burton Levin, of New York.
Winslow S. Lincoln, Jr., of California.
Miss Alethea Mitchell, of Tennessee.
Leo J. Moser, of California.
Carsten D. Muller, of New York.
George B. Sherry, of Maryland.
Paul K. Stahnke, of Illinois.
William A. Stoltzfus, Jr., of Minnesota.
Jean R. Tartter, of Massachusetts.
John Means Thompson, of New York.

The following-named Foreign Service staff officers to be consuls of the United States of America:

Peter Constan, of Massachusetts.
Sherman Hoar, of Massachusetts.

John W. Edwards, of Massachusetts, a Foreign Service Reserve officer, to be a consul of the United States of America.

The following-named Foreign Service Reserve officers to be secretaries in the diplomatic service of the United States of America:

Donald J. Sanne, of the District of Columbia.
Walter E. Seager, of the District of Columbia.

United States Advisory Commission on Educational Exchange

The following-named persons to be members of the United States Advisory Commission on Educational Exchange for the terms indicated, and until their successors have been appointed and qualified:

Arthur Hollis Edens, of North Carolina, for the remainder of the term expiring January 27, 1955.

Anna L. Rose Hawkes, of Vermont, for the remainder of the term expiring January 27, 1955.

Rufus H. Fitzgerald, of Pennsylvania, for the remainder of the term expiring January 27, 1956.

Arthur A. Hauck, of Maine, for the remainder of the term expiring January 27, 1956.

In the Regular Air Force

The following-named officers for promotion in the Regular Air Force under the provisions of sections 502, 508, 509, and 510 of the Officer Personnel Act of 1947 and section 306 of the Women's Armed Services Integration Act of 1948. Those officers whose names are preceded by the symbol (×) are subject to physical examination required by law. All others have been examined and found physically qualified for promotion.

LIEUTENANT COLONEL TO COLONEL

Air Force

Callahan, Eugene Haile, 1916A.
Anderson, George Frederick, 1918A.
Large, William Robert, Jr., 1919A.
LeBailly, Eugene Bernard, 1920A.
Powell, Harvard Wendell, 1921A.
Tibbets, Paul Warfield, Jr., 1924A.
Crowell, George Todd, 1925A.
Patteson, Harry Owen, 1926A.
×Hubbard, Ronald Dean, 1927A.
Glover, John George, 1930A.
Walmsley, Hallock Peter Kindle, 1931A.
Scott, Cecil Herbert, Jr., 1933A.
Mason, Joe Lennard, 1934A.
Burchinal, David Arthur, 1936A.
Bond, Charles Rankin, Jr., 1937A.
Wangeman, Herbert Otto, 1941A.
Whisenand, James Franklin, 1945A.
Barnick, Roland John, 1946A.
Holbrook, Thomas Harber, 1947A.
Hammerle, Clarence Bernard, Jr., 1948A.
Weltman, John William, 1949A.
Koster, Robert John, 1950A.
Mayden, James Daniel, 1951A.
×Grossetta, Anthony Vincent, 1952A.
×Martin, Glen Webster, 1955A.
Eisenhart, Charles Marion, 1957A.
Meyers, Gilbert Louis, 1958A.
Dech, Keith Wesley, 1959A.
×Dunn, Frank Lowry, 1960A.
Hughey, Robert Jerome, 1961A.
Stewart, Everett Wilson, 1962A.
Pancake, Frank Robbins, 1963A.
Momyer, William Wallace, 1964A.
Boaz, William Nelson, Jr., 1965A.
×Preston, Joseph James, 1966A.
Maney, John Randolph, 1967A.
Slocumb, Charles Dewey, Jr., 1969A.
Williams, Adriel Newton, 1970A.
Cranston, George Echelbary, 1972A.
Anderson, Loran John, 1973A.
Pritchard, Gilbert Lawrence, 1974A.
Warford, Victor Edwin, 1975A.
McConnell, Benjamin Franklin, 2d, 1976A.
×Kimmel, Robert Elroy, 1977A.
×Sheetz, Lawrence Cutright, 1979A.
×Russell, Austin James, 1980A.
French, Harry Albright, 1981A.
×Krisberg, Nathan Louis, 1982A.
O'Bryan, Carey Law, Jr., 1984A.
DeWitt, Jack Stewart, 1985A.
×Warren, Robert Hamilton, 1987A.
×Wetzel, Manford Jay, 1988A.
Wilcox, William Wilbur, 1991A.
Abbey, Richard Sargent, 1992A.
Gideon, Francis Clare, 1993A.
Loofbourrow, Philip Courtney, 1994A.
Dalziel, Davison, 1995A.
×Buck, William Edward, Jr., 1996A.
×LaBreche, George Joseph, 1997A.
Sleeper, Raymond Starrat, 1998A.
Wilbraham, John Robert, 1999A.
×Campbell, William Beverly, 2000A.
×Berry, James Fant, 2001A.
Clizbe, Reginald James, 2004A.
Parker, Maurice Earle, 2006A.
Brousseau, Andre Ringgold, 2007A.
East, John Ross, Jr., 2008A.
×Hess, Lester Cicil, 2009A.
Strong, Robert William, Jr., 2010A.
Norman, Henry Hudson, Jr., 2011A.
Norvell, John Williams, 2012A.
Crockett, Allan Ashley, 2013A.
Nelson, Roy Willard, Jr., 2016A.
Smith, Stanton Thomas, Jr., 2018A.
Summers, Julius Boswell, Jr., 2019A.
Rauk, Karl Tweeten, 2020A.
Coleman, William Francis, 2021A.
McKenzie, Burton Elmo, 2022A.
Gillem, Alvan Cullom, 2d, 2025A.
×Milton, Theodore Ross, 2026A.
×Dyke, Kermit Robert, 2027A.
Stewart, William Frederick, 2028A.
Rogers, George Wendell, 2029A.
Royal, Francis Robert, 2031A.
×Judy, Hubert Stonewall, Jr., 2032A.
×James, Weldon Marion, 2033A.
Hebert, Alvin Edward, 2037A.
Glober, George Edward, 2046A.
Rehmann, Orville Herman, 2048A.
×Schurter, Orie Olin, 2049A.
Page, Jerry Dentler, 2052A.
Anthis, Rollen Henry, 2053A.
×Cunningham, Joseph Austin, 2054A.
Newton, Dorr Ellsworth, Jr., 2055A.
×Clark, Donald Leonard, 2056A.
Jeffrey, Thomas Stanley, Jr., 2057A.
McElroy, Stephen Davenport, 2058A.
Crow, Roger McKee, 2059A.
Hanes, Horace Albert, 2060A.
Moore, Alvan Neavitt, 2062A.
Ford, Thomas Robert, 2065A.
Walter, Carl Paul, 2066A.
×Nielsen, Ariel Wayne, 2067A.
McPherson, John Barkeley, 2068A.
Nitsche, John Edward, 2069A.
×Rutherford, Valentine A., 947A.
×MacNees, Frank, Jr., 964A.
×Nuzum, James Richard, Jr., 981A.
×Albertson, Van Henry, 1105A.
×Wackwitz, Donald Newman, 1156A.
×Collins, Frank, Jr., 1184A.
×Tetley, Wilfred Henry, 1226A.
×Clingerman, William Ray, Jr., 1323A.
×Thomas, Lawrence Morgan, 1386A.
×Dyer, Johnnie Radford, 1396A.
×Smith, Clinton Douglass Bannister, 1402A.
×Fredrick, William Henry, Jr., 1451A.
×Brown, Thomas Danville, 1467A.
×Kilgore, John Ray, 1472A.
×Hubbard, Mark Everett, 1479A.
×Baker, James Bradford, 1511A.
×Macklin, Raleigh Hunter, 1541A.
×Dennison, Junius Waldo, Jr., 1554A.
×Bane, Mark Curtis, Jr., 1605A.
×Bond, Thomas Screven, Jr., 1612A.
×Wilson, James Walter, 1711A.
×Fallows, Ronald Fredric, 1713A.
×Lunde, Oswald Weeks, 1725A.
×Bronson, Howard Franklin, Jr., 1726A.
×Courtney, Harold Douglas, 1735A.
×Johnson, James Allison, 1888A.
×Long, Paul Howard, 1896A.
×Doss, Edwin Allen, 1898A.
×Watkins, Howard Elroy, 1900A.
×Morris, Norman Gayle, 1907A.
×Cook, Howard Gordon, 1912A.
×Elliott, Robert Walter, 1917A.
×Tarter, Jerome, 1968A.
×Lewis, Willis Franklin, 1990A.
×Smelley, James Mason, 2023A.
×Reynolds, John Norton, 2034A.
×McNeese, George Miles, 2038A.
×Manierre, Ernest Roderic, 2040A.
×Harris, Robert Fleming, 2041A.
×Baseler, Robert Lee, 2042A.
×Schriever, Gerhard John, 2043A.
×Wright, Adolf Milton, 2044A.
×Fernandez, Manuel, 2184A.
×Slaughter, Earl, 2221A.
×Luten, Ralph William, 2228A.
×Peterson, Cleo Forrest, 2233A.
×Boughner, Kenneth Theodore, 2235A.
×Berkeley, William Patrick, 2236A.
×Kienth, Kenneth Dietrich, 2237A.
×Wing, John Clark, 2252A.
×Hunsucker, George Eugene, 2256A.
×Collins, Robert Blackmore, 2258A.
×Cosgrove, John Aloysius, 2262A.
×McDuffee, Ray Wilbur, 2266A.
×Gray, Russell William, 2270A.
×Moomaw, Chester Carl, 2271A.
×Graalman, Walter Raymond, 2274A.
×Townsend, Charles Manuel, 2278A.
×Burroughs, Orval Neal, 2302A.
×Scollay, Loren Perry, 2304A.
×Williams, Francis Ward, 2308A.
×Steiner, Wilfred Adolphus, 2314A.
×Hurley, Arthur Francis, 2322A.
×Lindstrum, Herbert James, 2327A.
×Biunda, Gaspare Frank, 2330A.
×Stansbury, Edgar Bryant, 2337A.
×Holland, Harold LaVerne, 2341A.
×Ladd, Avery Jackson, 2345A.
×Pascoe, William Watson, 2348A.
×Dickey, Robert Russell, Jr., 2358A.
×Washington, Dudley Sherrill, 2370A.
×Summers, Paul Walter, 2372A.
×Valle, Calixto Cecilio, 2376A.
×Cook, Eugene Glynn, 2380A.
×Williams, Cecil Clinton, 2383A.
×LaGrippo, Antonio Natle, 2391A.
×Toomey, Frederick Walter, 2394A.
×Elver, Carl Leonard, 2396A.
×Lockman, John Murk, 2399A.
×Robinson, George Lexemuel, 2405A.
×Enyart, Byron K., 2406A.
×Israel, Lawrence Joseph, 2414A.
×Kroeber, Adolf, 2421A.
×Boucher, Paul, 2424A.
×Chapman, James William, 2431A.
×Agnell, Peter Walfrid, 2432A.
×Lesh, Newton Doremus, 2435A.
×Hutchins, Frank Douglas Burlingame Greene, 2438A.
×Hutchison, John Joseph, 2451A.
×Musgrove, Albert Millard, Jr., 2472A.
×Miller, DeWolfe Hugo, 2482A.
×Jones, Donald Theodore, 2484A.
×Thomas, William Jerome, 2488A.
×Wallis, Howard George, 2490A.
×Cole, Lawrence Elroy, 2511A.
×Wright, Clifton Dukes, 2517A.
×Morrison, Albert Morris, 2519A.
×Payne, John Daniel, 2526A.
×Miller, David Kenneth, 2529A.

×Greiner, Reginald Romine, 2533A.
×Lansdale, Edward Geary, 2534A.
×Prochazka, Theodore Vincent, 2535A.
×Nalewaik, William Joseph, 2537A.
×D'Ettore, William Nicholas, 2542A.
×Clough, William Rockwell, 2554A.
×Skinner, Leo Victor, 2560A.
×Carter, Wilbur Robert, 2562A.
×Payne, Jack, 2565A.
×Smith, Derryfield Nathaniel, 2568A.
×Stogner, Ben T., 2569A.
×Webster, Howard Elwyn, 2573A.
×Holt, Francis William, 2578A.
×Berryhill, Earl John, 2581A.
×Noonan, Thomas Michael, 2585A.
×Bennett, William Thomas, 2594A.
×Day, Robert Stanley, 2609A.
×Henderson, Richard Harrison, 2613A.
×Kieling, Harry Joseph, 2615A.
×Baldick, Carl Joseph, 2616A.
×DaVania, Richard Walton, 2639A.
×Graham, William Robert, 2642A.
×Leach, William Hinman, 2647A.
×Hurley, Robert B, 2648A.
×Crakes, Joe Henry, 2654A.
×Richard, Newton Mansel, Jr., 2656A.
×LaBell, Arnold, 2659A.
×Seashore, Malcolm David, 2666A.
×Wert, Jack Emmert, 2671A.
×Shachtman, Hyman, 2674A.
×Richardson, Orin Shelby, 2676A.
×Marchant, John Chesley, 2677A.
×Norton, Paul Weddell, 2679A.
×Barrow, Robert Lee, 2687A.
×Mattia, Hugh John, 2689A.
×Condron, John Eugene, 2692A.
×Carlberg, Lawrence Ferdinand, 2693A.
×deCisneros, George Jimenez, 2696A.
×Chenette, Joseph Richards, 2701A.
×Williams, James Robert, 2704A.
×Robbins, Richard Barclay, 2708A.
×Montgomery, Lee Ward, 2710A.
×Fee, Francis Raymond, 2712A.
×Cofield, Emory Woodfin, 2734A.
×Murphy, Robert Joseph, Jr., 2738A.
×Loomis, Richard, 2747A.
×Mason, Albert Joseph, 2748A.
×Smith, Marion Charles, 2751A.
×Moomaw, Lorris William, 2762A.
×Kirton, Edwin Malcolm, 2765A.

Medical

×Michael, Clifford Paul, 19084A.
×Tobin, James Leo, 19087A.
×Schulze, Hartwin Adolph, 19099A.
×Bristow, Jack Harvey, 19103A.
×Perkins, Charles Bateman, 19106A.

Dental

×Gunther, Edgar, 18852A.

Medical Service

×Curd, Howell Louis, 19395A.

FIRST LIEUTENANT TO CAPTAIN

Air Force

Martin, Gene Shapley, 21444A.
×Goldschlager, Carl, 21794A.
×Lacey, Hugh Joseph, Jr., 21445A.
×Reynolds, Benoni Orrin, 23003A.
×Nice, Albert Tamboise, 23182A.
Jolly, Warren Howard, 25604A.
×Heidelberg, James Martin, 24264A.
Joyce, Daniel Green, 25605A.
×Loughrie, David Howard Reinheart, 21450A.
×Saxon, Sydney, 21454A.
×Burch, William Mark, 2d, 21449A
×O'Leary, Daniel, 21451A.
Carroll, Norman Francis, 21447A.
Snyder, Earl Albin, 21446A.
×Windes, William Sidney, 24265A.
Williams, Robert Frank, 25606A.
×Hale, Morris Allen, 21795A.

Medical

×Melton, Joseph Thomas, 24222A.
×Billet, Sanford Louis, 24672A.
Hartman, Harold Frederick, 24221A.
Claro, Joseph John, 23593A.
×Cavitt, Robert Folsom, 23122A.
×Miller, Perry Boyd, 24139A.

Dental

×Baird, Ernest Managan, 2d, 22415A.
×Adams, William Clyde, 23214A.
×Barale, Philip Anthony, 21600A.
×Mahan, Charles James, 24678A.
Vernino, Daniel Mario, 25668A.
×Coons, George Frederick, 23177A.
×Stewart, Kenneth Lowe, 24679A.
Logan, Franz Worth, 25482A.

Chaplain

×Bird, Dallas Atwood, 23206A.
×Schroeder, Victor Hellmuth, 23207A.
Waugh, Earl Edward, 23208A.
Balkan, William Howard, 23209A.

SECOND LIEUTENANT TO FIRST LIEUTENANT

Air Force

Oestrike, Richard William, 23249A.
Allen, Gordon James, 25598A.
×Pfeifer, Harold Edward, 22929A.
Wright, Howard Emerson, 22933A.
×Jacobs, Delmar Guthrie, 22932A.
×Baker, John Wesley, 22930A.
×Hallett, Edward Donald, 22928A.
Connor, Gerald Bernard, 22940A.
×Aikin, Wilbur O., Jr., 23152A.
Thornber, Hubert Elwyn, Jr., 25915A.
Bishop, Arthur Francis, 25914A.
×McFarland, Richard Herbert, 23114A.
Haneman, Vincent Siering, Jr., 24597A.
×Krumpe, Robert Herman, 23016A.
Eubank, Richard Allen, 25916A.
×Gores, Vernon David, 22936A.
×Gerdau, Richard Vincent, 24598A.
Rose, James Edward, Jr., 25917A.
Schimberg, Richard John, 25600A.
Middleton, Ernest Felder, Jr., 24599A.
Scott, Alden Anderson, 22939A.
×Frizell, David Paul, 22940A.
Lloyd, Robert James, 25918A.
×Zettler, Vincent Victor, Jr., 24600A.
Tischoff, Tom Bradley, 24601A.
Conrad, David Morris, 25919A.
Moore, Billy Jo, 25920A.
Andreason, Robert Lawrence, 25921A.
Kuchta, Joseph David Andrew, 25922A.
Knothe, William Clem, 25923A.
Hart, Harold Bernard, 25924A.
Finefrock, George Huber, 24602A.
×Lewis, Gladstone Samuel, Jr., 23018A.
×Emmert, Merle Wayne, 23017A.
×Rudiger, Leland Loy, 23948A.
Hall, John Wilbur, 23089A.
×Schultz, Paul Gustave, 23091A.
McGee, Patrick Lawrence, 23090A.
×Glover, Allison Gilbert, 23030A.
Zimmerman, Bryan Emil, 23029A.
×Main, Eugene Louis, 23027A.
Mendenhall, Joseph Henry, 23028A.
×Davey, Jack Proctor, 23025A.
Stewart, Homer James, 24603A.
Davis, Clarence Myron, 24142A.
Fatiuk, Michael, Jr., 24143A.
Bruns, Wayne Harold, 24862A.
×Steger, James Gerald, 23031A.
×Howard, David Roger, 23032A.
Klein, Philip Edwin, 23033A.
Kminek, John Milan, 25925A.
Southworth, Stanley Good, Jr., 23042A.
Brockman, Murray Leroy, Jr., 23038A.
×Clark, William Jack, 25926A.
Gould, Carl Duane, 24604A.
Danner, Bruce LeRoy, 25927A.
×Campbell, Charles Robert, 23039A.
×Crawford, Francis Graham, Jr., 23041A.
×Evans, William Cooper, 23040A.
Mixon, Exley Clanton, Jr., 25928A.
Nevins, Crawford, 23046A.
×Brown, John Atkins, Jr., 23044A.
×James, John Holtzclaw, Jr., 22916A.
Hanners, Charles Stanton, 25929A.
George, Konrad, 25930A.
×Lindsay, John Tucker, 23050A.
Collins, Earl James, 23051A.
×Starkey, Gerald Edsel, 23049A.
×Bailey, Burt Stevens, 23048A.
×Smith, Paul Neville, 25931A.
×Maxwell, George Motier, 23095A.
×Watson, Charles Francis, Jr., 23110A.
×Burrows, Irving Louis, Jr., 23112A.
Bartolich, Eugene, 23111A.
Anderson, James Lawrence, 23108A.
Shaffer, Glenn Bruce, 23113A.
Charette, Franklin Morris, 25601A.
Baker, Kenneth Gayle, 25933A.
Reagan, Robert Lee, 25932A.
Peacock, Robert Donald, 23137A.
Elmore, William Edward, 23094A.
×Miller, John, 23097A.
Tynan, George Patrick, 23096A.
Harbison, Dona Roberta, 25934W.
×Naden, Edwin Thomas, Jr., 24148A.
×Hair, Thomas Lee, Jr., 24145A.
McGehee, Charles Christopher, Jr., 24147A.
×Lambert, Robert Ericksen, 24146A.
Harrison, Frank Bernard, 25935A.
Hamilton, Richard George, 24149A.
Ripp, Mason Losher, 24151A.
Pizza, John Robert, Jr., 24150A.
×Clack, Ralph Anthony, 23099A.
×Hunt, Charles Leighton, 23117A.

Medical Service

Trager, Leonard William, Jr., 25677A.
×Ames, Henry Peck, Jr., 24249A.
×Pitts, Donald Graves, 24250A.
×Hall, Leo Wayne, 22937A.
×Baber, Winston Douglas, 25678A.
×Loper, Lester Ray, 24251A.
×Gibble, Thomas Burton, 24252A.
Burke, William Eugene, 25343A.
Truelove, James Wilson, 25739A.
McAllen, Daniel Lawrence, Jr., 25679A.
Skafidas, Gregory John, 25740A.
×Busch, Emery Bartholemew, Jr., 24253A.
Watson, Robert Alvin, 25680A.
Seaquist, Maurice Raymond, 25344A.
Farmer, Jack Nohrden, 25741A.
×Cardarelli, Alexander James, 24254A.
Gabel, Richard James, 25345A.
Metcalf, Robert Dale, 25681A.
×Witwer, Phyllis Dorward, 25682W.
×Parker, Gene Hays, 24255A.
Butcher, Bruce Allan, 25704A.

(NOTE.—Dates of rank of all officers nominated for promotion will be determined by the Secretary of the Air Force.)

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 16, 1954

The House met at 11 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty and ever-blessed God, grant that, in our plans and labors of this day, we may be worthy of receiving the seal of Thine approval and Thy fatherly benediction.

Guide us by Thy spirit and may we always serve Thee with gladness of heart and with joyous confidence in Thy sustaining grace.

We humbly confess that we need Thee so greatly in these perilous days when we are challenged by tasks and responsibilities which are far beyond our finite wisdom and strength.

May the social order and way of life, which we are seeking to establish upon the earth, bear witness to our kinship with Thy divine spirit and be well pleasing unto Thee.

Hear us in the name of our blessed Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that

the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 707. An act for the relief of Dr. Ignacy Adam, Mrs. Amalya Alexander Adam, and George Adam;

H. R. 758. An act for the relief of Harry C. Barney;

H. R. 849. An act for the relief of Mrs. Stella Rebner;

H. R. 1005. An act to authorize the establishment of the Fort Union National Monument, in the State of New Mexico, and for other purposes;

H. R. 1128. An act authorizing the Secretary of the Interior to issue to Jake Alexander a patent in fee to certain lands in the State of Alabama;

H. R. 2566. An act to amend the Contract Settlement Act of 1944 so as to establish a time limitation upon the filing of certain claims thereunder;

H. R. 2616. An act for the relief of Generosa Bonet;

H. R. 3026. An act for the relief of Barbara Gene Coster;

H. R. 3097. An act to authorize the transfer to the regents of the University of California, for agricultural purposes, of certain real property in Napa County, Calif.;

H. R. 3131. An act for the relief of Wesley Howard Leahy;

H. R. 3249. An act for the relief of Katharina Link;

H. R. 3986. An act to authorize the appropriation of additional funds to complete the International Peace Garden, North Dakota;

H. R. 4701. An act for the relief of Josip Stanic;

H. R. 6173. An act to provide for the use of the tribal funds of the Southern Ute Tribe of the Southern Ute Reservation, to authorize a per capita payment out of such funds, and for other purposes;

H. R. 6276. An act to amend the Ship Mortgage Act, 1920, as amended;

H. R. 8357. An act to amend the Standard Container Act of May 21, 1928 (45 Stat. 685; 15 U. S. C. 257–257i), to provide for a ⅝-bushel basket for fruits and vegetables;

H. R. 8456. An act to provide for the conveyance of certain hospital supplies and equipment of the United States to the city of Gulfport and to Harrison County, Miss.;

H. R. 8923. An act to provide for the development of the Coosa River, Ala. and Ga.; and

H. J. Res. 300. Joint resolution to provide for the conveyance to the Texas Hill Country Development Foundation of certain surplus land situated in Kerr County, Tex.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a joint resolution of the House of the following titles:

H. R. 724. An act for the relief of Chester H. Tuck, Mary Elizabeth Fisher, James Thomas Harper, and Mrs. T. W. Bennett;

H. R. 848. An act for the relief of Nicholas Katem, Theodosia Katem, Basil Katem, and Josephine Katem;

H. R. 1364. An act for the relief of Richard A. Kurth;

H. R. 2421. An act for the relief of Frank L. McCartha;

H. R. 2617. An act for the relief of Guillermo Morales Chacon;

H. R. 2636. An act for the relief of George Japhet;

H. R. 2678. An act for the relief of Carl A. Annis, Wayne C. Cranney, and Leslie O. Yarwood;

H. R. 2844. An act providing that the ratification of the Revenue Bond Act of 1935, enacted by the Legislature of the Territory of Hawaii, shall apply to all amendments of said act made by said legislature to and including the acts of the 1953 regular session of said legislature, and to all extensions of the period for issuance and delivery of revenue bonds thereunder, heretofore or hereafter enacted by said legislature;

H. R. 3038. An act for the relief of Mrs. Olympia Cuc;

H. R. 3623. An act for the relief of Willard Chester Cauley;

H. R. 4919. An act for the relief of Ralph S. Pearman and others;

H. R. 5025. An act for the relief of Paul G. Kendall;

H. R. 5158. An act for the relief of Sgt. Welch Sanders;

H. R. 5185. An act for the relief of Klyce Motors, Inc.;

H. R. 5433. An act for the relief of the estates of Opal Perkins and Kenneth Ross, deceased;

H. R. 5436. An act for the relief of David Hanan;

H. R. 6196. An act for the relief of Duncan M. Chalmers, and certain other persons;

H. R. 6642. An act for the relief of Mrs. Augusta Selmer-Andersen; and

H. J. Res. 458. Joint resolution to authorize and direct the Secretary of Agriculture to quitclaim retained rights in a certain tract of land to the Board of Education of Irwin County, Ga., and for other purposes.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 45. An act for the relief of Mrs. Merle Cappeller Weyel;

S. 384. An act for the relief of Robert H. Webster;

S. 1216. An act for the relief of Karl L. von Schlieder;

S. 1308. An act for the relief of Leonard Hungerford;

S. 1429. An act for the relief of Hans Schroeder;

S. 1434. An act for the relief of William B. Baker and Don P. Fankhauser;

S. 1609. An act for the relief of Mrs. Robert Lee Slaughter, nee Elisa Ortiz Orat;

S. 1615. An act for the relief of Lt. Col. George P. Price;

S. 1757. An act for the relief of Clair F. Bowman;

S. 1795. An act for the relief of Fred and Bernice Ehlers;

S. 1845. An act for the relief of Dr. Ian Yung-cheng Hu;

S. 1925. An act for the relief of Lt. Col. Carl E. Welchner, United States Air Force;

S. 2068. An act for the relief of Francesco Marinelli;

S. 2135. An act for the relief of Fernando A. Rubio, Jr.;

S. 2147. An act for the relief of Terrence Waller;

S. 2176. An act for the relief of Maly Braunstein and Aurelia Rappaport;

S. 2210. An act for the relief of Frank (Franz) Homolka, Olga Homolka (nee Mandel), Adolf Homolka, Helga Maria Homolka, and Frieda Homolka;

S. 2212. An act for the relief of Alma S. Wittlin-Frischauer;

S. 2214. An act for the relief of Peter James Copses, Beatrice Copses, Victoria Copses, and James Peter Copses;

S. 2240. An act for the relief of Mrs. Carl Dobratz;

S. 2257. An act for the relief of Luigi Cicchinelli;

S. 2282. An act for the relief of Aina Brizga;

S. 2453. An act to amend the Communications Act of 1934, as amended, with respect to implementing the International Convention for the Safety of Life at Sea relating to radio equipment and radio operators on board ship;

S. 2455. An act for the relief of Mrs. S. Eugene Lamb;

S. 2488. An act to provide that each grant of exchange assignment on tribal lands on the Cheyenne River Sioux Reservation and the Standing Rock Sioux Reservation shall have the same force and effect as a trust patent, and for other purposes;

S. 2592. An act for the relief of Mrs. H. O'Kane (nee Mary A. Dancer);

S. 2693. An act for the relief of Robert Lee Williams;

S. 2823. An act for the relief of Joseph H. Hedmark, Jr.;

S. 3062. An act for the relief of the American Surety Company of New York and certain other surety companies;

S. 3154. An act to provide for the relief of Milton Beatty and others by providing for determination and settlement of certain claims of former owners of lands and improvements purchased by the United States in connection with the Canyon Ferry Reservoir project, Montana;

S. 3233. An act to amend the Merchant Marine Act, 1936, to provide permanent legislation for the transportation of a substantial portion of waterborne cargoes in United States-flag vessels;

S. 3239. An act to authorize conveyance of land to the State of California for an inspection station;

S. 3453. An act to provide for the management and disposition of the reconveyed Choctaw and Chickasaw lands in the State of Oklahoma;

S. 3476. An act to provide for the advancement of Comdr. Donald B. MacMillan, United States Naval Reserve (retired), to the grade of rear admiral on the Naval Reserve retired list; and

S. Con. Res. 87. Concurrent resolution to authorize a correction in the enrollment of S. 2657.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 5731) entitled "An act to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities to provide water for irrigation and domestic use from the Santa Margarita River, Calif., and the joint utilization of a dam and reservoir and other waterwork facilities by the Department of the Interior and the Department of the Navy, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BUTLER of Nebraska, Mr. MILLIKIN, Mr. KUCHEL, Mr. MURRAY, and Mr. ANDERSON to be the conferees on the part of the Senate.

CONGRESSIONAL BASEBALL GAME

The SPEAKER. The Chair recognizes the gentleman from Illinois [Mr. BISHOP] to make an announcement.

Mr. BISHOP. Mr. Speaker, I call to the attention of the House and those who are interested in the ball game between the Democrats and Republicans, scheduled for tonight, that the game has been canceled until next Tuesday night. That has been brought about because of the grounds being reserved for other activities between now and that date.

So next Tuesday night the program will go on, and all tickets are good for that night.

MRS. NIKOLAI KHOKHLOV

Mr. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD. Mr. Speaker, before me I have an Associated Press news story which has shocked all Americans and others in the free world. It reads as follows:

MRS. NIKOLAI KHOKHLOV VANISHES IN MOSCOW

BONN, GERMANY, June 2.—The wife left behind by Soviet Intelligence Capt. Nikolai Khokhlov when he defected to the west last February is reported to have disappeared in Moscow. This report, received from the Soviet capital, said Mrs. Yanina Khokhlov vanished without trace from her three-room apartment several weeks ago and apparently is in secret police custody.

Khokhlov, who backed down on a Red assignment to kill a Russian resistance leader in Frankfort, had appealed to the free world to help save his family from what he said were certain Soviet reprisals, possibly death. His wife, the 31-year-old Russian said, had persuaded him not to go through with the plot to do away with George S. Okolovich, anti-Communist leader, with the special weapons—including a cyanide poison pistol shaped like a cigarette case—with which he had been equipped.

The reports did not make clear what has happened to the Khokhlov's 18-month-old son and the 14-year-old sister of Mrs. Khohklov, who lived with them.

In recent months we have had dramatic evidence of some increasing insecurity in the ranks of formerly trusted officials in the Soviet Government. Defections of Soviet secret service officers are intensely interesting—in a somewhat negative way—because they reflect the psychological ferment and growing unrest of which the Beria purges were also a manifestation. This is the atmosphere of dictatorship, which feeds on blood and fear.

At this particular moment in our history—when our most vital concern is the meaning of freedom and the meaning of what it is to be human—we can, however, look at these defections in a more positive light. Each man who breaks with his past normally does so for some unique, personal reason. The reasons are seldom clear cut, but they are always basically human. A man is afraid of punishment for some misdeed. He seeks a better material life. Or, in the very apt phrase of one defector, "I left the Soviet Union because I wanted to be a Russian."

A few days ago I had an unusual opportunity to meet and talk at some length with one of these defectors—Nikolai Khokhlov—the man assigned by Soviet intelligence to assassinate a Russian emigre in Germany. You have read his story in the press. Recently, he testified before the Senate Subcommittee on Internal Security. Khokhlov stands as an example of the fact that human beings can never be mentally enslaved. His refusal to carry out his assignment to commit murder was an independent, unselfish decision which corroborates the basic principles of free Christian society. It further corroborates the fact that the Soviet Government has not renounced the old policy of willful and deliberate terror and oppression to achieve its goals. At this time it is highly appropriate to ask this question: How is this Soviet policy compatible with its current claims of seeking closer, more friendly relations with other nations? How does this planned and premeditated mission by the Soviet hierarchy fit in with the picture of happy life promised to its own people?

If Khokhlov had fulfilled his assignment, if he had killed a fellow human being whom the MGB wanted liquidated, he would have been showered by his diabolical supervisors in the Kremlin with favors and honors—promotion, bonuses, and citations. But fortunately Khokhlov is a human being with a conscience—a concept rejected by fundamental Communist doctrine and the Soviet regime. He is married to a woman of deep religious convictions—a faith in God denied by Communist doctrine and the Soviet regime. To put it straightforwardly Khokhlov could not carry out an order to murder another human being. Such an act was contrary to his and his wife's moral principles. His defection was due not to fear or the need to escape a purge, or his desire for material advantage. It was the result of a growing certainty that he could not live the life of Soviet communism or continue as a servant of the secret police, and still conform to fundamental principles of decency and morality. His defection, therefore, has a deeper meaning for all Americans. By refusing to carry out his assignment, Khokhlov affirmed our fundamental beliefs in the value of the individual, in human dignity, in the right of all people to live in freedom from fear, freedom from oppression, and freedom from violence.

Behind Khokhlov stands his wife, who guided and strengthened him in these decisions. With full knowledge of possibly fatal consequences to herself and their child, she urged her husband to follow his conscience, to follow the best traditions of humanity. For all of us she is a symbol of courage and independence. She epitomizes the finest of God's principles. Yet today, from a recent Associated Press dispatch, we know that despite appeals to the Soviet Government to allow her to join her husband, she and her small child are missing from her Moscow apartment. Although she may be in the hands of the secret police, those ideals for which she stands are confirmed again and again by free men everywhere—in their homes, on the battlefield, at the conference table. Their goal is a world where no man will be forced to show his courage under the conditions faced by the Khokhlovs.

It is evident from the action of this woman and her husband—and from the action of others who have renounced tyranny—that America and freedom have a strong but often silent ally, living and thinking behind the bars of dictatorship. We know from many defectors that there are thousands of Russians who have renounced Soviet tyranny and who look quietly for assurance and understanding from outside the borders of the Soviet world. For us this fact is of vast importance; these people represent a force for freedom, a force potentially far mightier than all the machines of destruction which a police state can turn upon its opponents.

Khokhlov has placed his trust in the free world. His decision to reject murder and oppression as exemplified by the diabolical Soviet rulers, knowing full well the consequences, and to seek a new life under freedom dramatically emphasizes the utter lack of morality among such men as Malenkov, Molotov, Panyushkin, Khrushchev, and the others.

The sequel to the Khokhlov story, however it may finally be written on the indelible pages of history, can convey in concrete terms the understanding and reassurance for which those silent Russian allies wait. The outcome depends first of all upon the force and conviction with which the people of the free world express their moral support of the Khokhlovs. We who are blessed with freedom and liberty, a form of Government predicated on the dignity of man and leaders who are dedicated to high moral principles, must demand of the Soviet leaders that they respond to one single instance of decency and free the wife and child of Nikolai Khokhlov. Yes, the final word rests with the Soviet Government. Will it by continued silence submit its disregard of the principles it professes? Or is it able to grant at least two defenseless beings, a mother and a child, the right to the kind of life in which they believe?

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House today for 5 minutes, following the legislative business of the day and any special orders heretofore entered.

SUBCOMMITTEE ON RIVERS AND HARBORS, PUBLIC WORKS COMMITTEE

Mr. ANGELL. Mr. Speaker, I ask unanimous consent that the Subcommittee on Rivers and Harbors of the Public Works Committee may sit today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

THE LATE HONORABLE LORRAINE MICHAEL GENSMAN

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WICKERSHAM. Mr. Speaker, I regret to announce the untimely passing of our former colleague from Oklahoma, the Honorable Lorraine Michael Gensman, of Lawton, Okla., who passed away 2 weeks ago.

He was highly respected by the citizens of Oklahoma and by all his friends who were privileged to know him.

The Biographical Directory of the American Congress gives the following biography:

Gensman, Lorraine Michael, a Representative from Oklahoma; born near Wichita,

Sedgwick County, Kans., August 26, 1878; attended the district schools, the Garden Plain graded school, Wichita Commercial College, Lewis Academy, and the Kansas State Normal School at Emporia; principal of the Andale, Kans., schools in 1896 and 1897; was graduated from the law department of the University of Kansas at Lawrence in 1901; was admitted to the bar the same year and commenced practice in Lawrence, Kans.; moved to Lawton, Okla., in 1901; served as referee in bankruptcy, 1902–7; prosecuting attorney of Comanche County in 1918 and 1919; elected as a Republican to the 67th Congress (March 4, 1921–March 3, 1923); unsuccessful candidate for reelection in 1922 to the 68th Congress and for election in 1936 to the 75th Congress; resumed the practice of law in Lawton, Okla.; delegate to the Republican National Convention at Cleveland in 1924; was engaged in the oil business and resided at Lawton, Okla.

THE LATE HONORABLE DIXIE GILMER

Mr. WICKERSHAM. Mr. Speaker, I regret to announce the untimely passing on June 9, 1954, of our former colleague from Oklahoma, the Honorable Dixie Gilmer.

Dixie Gilmer, a Democrat, of Tulsa, Okla., was born in Mount Airy, N. C., June 7, 1901. His scholastic and high-school education was obtained in Oklahoma City, Okla. He was a graduate of Oklahoma University School of Law in 1923 and was admitted to the bar in 1923. He served in the 11th Oklahoma State Legislature from Hughes County, Okla. He was a resident of Tulsa, Okla., from 1929 to 1950, served 2 terms as assistant county attorney and 5 consecutive terms of 2 years each as county attorney of Tulsa County, Okla. He was runner-up to Hon. Roy J. Turner, Governor of Oklahoma, in 1946; married; served as page boy in the National House of Representatives when Champ Clark, of Missouri, was Speaker of the House; member of Masons, Consistory, and Shrine; married Ellen McClure, of Celeste, Tex; elected to the 81st Congress on November 2, 1948, and served during the 81st Congress; thereafter, Dixie also served our great State of Oklahoma as director of the State crime bureau, and made an enviable record in such capacity. For several years immediately prior to his death he was commissioner of public safety. No one ever excelled him in this position.

Dixie was capable, honest, efficient, courteous, cooperative, and a man who inspired the utmost confidence. He was sincere. He was a fighting Democrat; and even though he was in very poor health for several years prior to his departure, he died "with his boots on." We will miss him.

Mr. Speaker, I ask unanimous consent that the members of the Oklahoma delegation may extend their remarks on the life and character of the deceased former colleagues.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SPECIAL ORDER GRANTED

Mr. MASON asked and was given permission to address the House for 30 minutes on Monday next and 30 minutes on Tuesday next, following the regular order of business and any special orders heretofore entered for those days.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1955

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8779) making appropriations for the Department of Agriculture for fiscal year ending June 30, 1955, and for other purposes, with Senate amendments thereto, disagree to the amendments of the Senate and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. H. CARL ANDERSEN, HORAN, HUNTER, LAIRD, TABER, WHITTEN, CANNON, and MARSHALL.

CALL OF THE HOUSE

Mr. WILLIAMS of Mississippi. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. ARENDS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 84]

Albert	Fogarty	O'Konski
Barrett	Frazier	Osmers
Boggs	Friedel	Patten, Ariz.
Bolling	Gamble	Perkins
Bolton, Oliver P.	Garmatz	Philbin
	Green	Powell
Bonin	Harrison, Wyo.	Rayburn
Boykin	Hart	Reed, Ill.
Brooks, La.	Hillings	Reed, N. Y.
Buckley	Holtzman	Richards
Burdick	Howell	Riley
Busbey	Jackson	Roosevelt
Camp	Jarman	Scherer
Celler	Kersten, Wis.	Shelley
Chatham	Klein	Short
Clardy	Krueger	Sieminski
Cole, N. Y.	Lucas	Sutton
Curtis, Nebr.	Lyle	Taylor
Dawson, Utah	Machrowicz	Teague
Dempsey	Mack, Ill.	Velde
Dingell	Madden	Walter
Dodd	Metcalf	Weichel
Dondero	Miller, N. Y.	Willis
Donovan	Morgan	Wilson, Tex.
Doyle	Morrison	
Feighan	Norblad	

The SPEAKER. On this rollcall, 348 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AUTHORIZING CORRECTION IN ENROLLMENT OF BILL S. 2657

The SPEAKER. The Chair lays on the desk a Senate concurrent resolution (S. Con. Res. 87), which the Clerk will report.

The Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the action of the Speaker of the House of Representatives in signing the enrolled bill (S. 2657), to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," be, and the same is hereby, rescinded; and that the Secretary of the Senate be, and he is hereby, authorized and directed to reenroll the bill with the following change, namely: On page 2, line 6, after the word "or", insert the word "by."

The resolution was concurred in, and a motion to reconsider was laid on the table.

FOSTER CREEK DIVISION OF THE CHIEF JOSEPH DAM PROJECT, WASHINGTON

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 587, Rept. No. 1883), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4854) to authorize the Secretary of the Interior to construct, operate, and maintain the irrigation works comprising the Foster Creek division of the Chief Joseph Dam project, Washington. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

MARKHAM FERRY PROJECT ON THE GRAND RIVER IN OKLAHOMA

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 588, Rept. No. 1884), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 119) to provide for the construction of the Markham Ferry project on the Grand River in Oklahoma by the Grand River Dam Authority, an instrumentality of the State of Oklahoma. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendment thereto to final passage without intervening motion except one motion to recommit.

CONGRESSIONAL BASEBALL GAME

The SPEAKER. The Chair recognizes the gentleman from Illinois [Mr. BISHOP] to make an announcement.

Mr. BISHOP. Mr. Speaker, I have just been informed by the Evening Star that under former arrangements the baseball park has been taken for Tuesday night. The ball game is definitely on for next Wednesday. The show will start at 7:30 and the game will come immediately after that. In case of rain on Wednesday night, the game will be Thursday night. All tickets are good for next Wednesday night.

AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

Mr. HOPE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (S. 2475) to authorize the President to use agricultural commodities to improve the foreign relations of the United States, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill S. 2475, with Mr. FORD in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the bill was considered as read and open for amendment at any point. Are there any further amendments?

Mr. HOPE. Mr. Chairman, I offer a committee amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Committee amendment offered by Mr. HOPE: On page 6, line 23, after the word "commodities", strike out the period and the remainder of the subsection through line 13 on page 7 and insert "Other than those commodities that the Commodity Credit Corporation is in a position to supply from its own inventories."

Mr. HOPE. Mr. Chairman, this amendment is being offered by direction of the Committee on Agriculture pursuant to action taken at a meeting held this morning. It is offered as a committee amendment. It relates to section 102 of the pending bill.

The effect of the amendment is to provide that funds of the Commodity Credit Corporation may be used in financing exports of surplus agricultural commodities other than those commodities which the Commodity Credit Corporation is in position to supply from its own inventory.

In explanation let me say that the bill in its present form permits the use of Commodity Credit funds for the purpose of exporting and financing the export of agricultural commodities other than those owned by the Commodity Credit Corporation, but it provides that in the case of those commodities which are not owned by the Commodity Credit Corporation the exporter must purchase and take delivery from the Commodity Credit Corporation of a similar commodity of comparable value to the commodity which may be exported.

In brief, what this amendment does is to do away with that requirement. The amendment is that simple. I think that explains it. Unless there are questions I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The amendment was agreed to.

Mr. ABERNETHY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ABERNETHY: On page 5, strike out lines 14, 15, and 16.

Mr. ABERNETHY. Mr. Chairman, on yesterday afternoon I directed my remarks and criticism to subsection (a) on page 5. For the benefit of those who were not then present, I would like to direct your attention to this subsection. It provides, among other things, that the President of the United States in negotiating agreements for the sale of surplus farm commodities must take reasonable precaution to safeguard against displacement of usual marketings of friendly nations, and assure insofar as practicable that sales under this act will not disrupt world prices of like commodities of similar quality.

Many of you, particularly those who come from the urban areas, and I can understand your position, have complained rather vociferously in the last year or two about our large agricultural surpluses. Now, may I say to all of you that the American farmer is not himself entirely responsible for these surpluses. The Government itself, under the influence of the State Department, is very largely responsible inasmuch as it has erected a wall around our ports, a one-way wall, which prevents our agricultural surpluses from moving in export. It has taken the position that American agricultural products shall not move into foreign markets, into export markets, unless and until every other nation of the world has sold every bale of cotton, every bushel of wheat, or every bushel of corn surplus to its needs; then, if there is any business left, the products which our farmers have produced may move into the export market. That is wrong. It is unfair and has made for nothing less than economic peonage for our farmers, aside from building up surpluses about which many of you complain.

If there is anything in which we, as Americans, have taken great pride it is the free competitive system, but we now find ourselves in the shameful position of denying that principle and that right to our farm people, 25 million of them.

What does my amendment do? First, it will have the effect of establishing a true world price for agricultural commodities. That world price should be based upon the surplus supply of all nations and not simply upon the surplus supply of all nations of the world to the exclusion of that of the United States. The latter is the policy we are following today, and I say again it is wrong. If we will only tear down this economic barrier which has been erected around the American farmers and permit them to move their exportable surpluses into world trade at the prevailing world price, then I say that in a very short time these surpluses will disappear from our warehouses and will be purchased and consumed by the peoples of other countries who need, want, and will buy them.

Why should we continue to follow this crazy philosophy of the State Department, the one-worlders, to lean over backwards in the interest of everyone but ourselves? Why should we continue to insist that the farmers of our own country cannot export their own surpluses in world trade until all of the other nations of the world have exported and sold the surpluses which they have? Why make our farmers eat at the second table and get only the leavings? I say again, it is wrong, it is unfair and highly discriminatory.

My amendment is very simple, is fair. It takes no unfair advantage of anyone, or of any foreign country. It simply puts our foreign competitors on the same level with us. It gives no advantage to anyone. It is nothing less than fair.

I hope my amendment will be adopted.

Mr. WHITTEN. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, I hope the committee will adopt this amendment. If I may, I would like to add one thought to that which has been so ably presented by the gentleman from Missisippi. Many of us have been trying to dig into this problem for the last year or more as to why we are not offering our American farm commodities at competitive prices, even though the law now authorizes it.

As you study the matter it becomes clearly apparent it is because the State Department attitude in practically every case is that the interests of the other countries must be kept foremost in mind in any effort to sell agricultural commodities.

Here is the principal point of this matter. We have under our governmental policy built up the supplies of many commodities on our hands to such an extent that we could not very well in fairness or in our own defense dump just all of them at one time. There are no plans to do so. Our Department of Agriculture knows that. The supplies are such that we have got to move them back into world trade in an orderly way but we must insist on our right to move them. The Department of Agriculture knows that. The State Department has largely prevented that though there is no law. But, if you leave this provision in this bill—which, incidentally, I understand was written in this bill in the original draft by the State Department—if this section stays in there, where it is in the law, we might be taken to have approved present State Department objections. The section the amendment would eliminate says that in offering our commodities competitively in world trade we must determine that such removal does not affect the interest of certain foreign nations. Since a determination would be required, State Department decision in any case would be controlling. It means that notwithstanding that Agriculture may say that a particular will not seriously

affect these competing countries, we would be stymied as we are now. In offering American farm commodities in world trade at competitive prices, we are not doing anything more than treating the American farmer right and we would do it on a small enough scale not to destroy the world price or our friends. But I think we all know if we do strike out this provision, you have taken away something from the State Department to hide behind. The Department has us largely stymied now without a law. If this section is not stricken out we will have endorsed present actions which are highly detrimental to American agriculture. I think we can all count on our Department of Agriculture, if it gets the opportunity of offering agricultural farm commodities competitively on world markets, to realize that we must move such commodities in a well-regulated way so as not to needlessly or seriously affect other nations. But we must strike out this provision, because this same determination by the State Department without congressional approval in nearly every case has meant for 10 years following a program of not offering agricultural commodities on the world market. The best we have had is at prevailing prices, which is far different from making our prices competitive.

Mr. JOHNSON of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Wisconsin.

Mr. JOHNSON of Wisconsin. I want to commend the gentleman from Mississippi on the stand he has taken. This is not the first time he has taken the floor on this question. He has been calling our attention all session to this situation. I think we should support him and Mr. ABERNETHY also from Mississippi on this amendment. This will help move some of the surplus butter and cheese.

Mr. WHITTEN. Certainly. The adoption of this amendment will show congressional disapproval of the determination by certain folks in the Government that we should not sell our commodities but stand by and let everybody else sell theirs. There is no requirement in law that the policy be followed, and if you strike this section out, we will take one step toward restoring to the American farmer his right to have his commodities offered on world markets at competitive prices.

Mr. HOPE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the amendment which has been offered by the gentleman from Mississippi [Mr. ABERNETHY] is rather far-reaching. It has been discussed to some extent in the Committee on Agriculture, but the committee has not reached any decision on it. What is involved here is the question of whether or not we want to set up provisions here which would prevent a price war as far as export commodities are concerned. I am sure that there is no one who believes that a price war among the exporting nations of the world as far as agricultural commodities are concerned would be a good thing.

I am in sympathy with the viewpoint that has been expressed by the two distinguished gentlemen from Mississippi, but at the same time I have had my doubts as to whether we should take from this bill criteria that might be necessary in order to determine just how far we should go in this policy of meeting competition. I think we ought to sell at competitive prices, I will say to the gentleman, but you sometimes get into a rather delicate situation when you are dealing with matters of this kind.

What I want to say is that notwithstanding the fact that I think this amendment poses some elements of danger, I am willing, as far as I am concerned, to accept the amendment and take it to conference. I think perhaps there might be some better language than that which is contained in the bill if we want to put any safeguards in against dumping or cutthroat competition. So I am willing, as far as I am concerned, to accept the amendment for the purpose of taking it to conference.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. WHITTEN. I do not mean to belabor this point but, in view of the statement of the gentleman, since this would go to conference, may I point out for whatever weight it might have in conference, that this is a bill to help move American agricultural products, we hope. The provision in the bill makes for restrictions that do not now exist anywhere in law. While the gentleman points out a serious problem and one that must be kept uppermost in mind by our people who are trying to move agricultural products—that is, not to needlessly do these things—I think that is a policy matter. But here, in a bill that we hope will help to move agricultural commodities, to write further restrictions in the law would not be wise. We are not trying to eliminate sound policy in moving these commodities, but this should be a policy matter and there should not be further restrictions in the law.

I am glad to hear that the gentleman accepts this amendment, and I hope that in conference he will try to make this matter clear in the report where he can spell out such things that should be considered; but not to have them in the bill as it is here where, as a matter of law, you would have to do so and so. It would be a much better way to have these matters considered and spelled out in the report than to have it in the law.

I want to thank the gentleman for accepting the amendment.

Mr. HOPE. I am sure the gentleman and I are in fundamental agreement on this matter. It is just a matter of the language that should be used and just how far we should go.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. SPRINGER. Mr. Chairman, I want to say at this point that the gentleman from Mississippi [Mr. ABERNETHY] has made a worthwhile contribution in introducing this amendment. I want to say, in spite of that, that I am not sure, if it were brought to a vote, that I would support it. But I do want to say this further, that everything the gentleman said on the floor today was borne out by what I learned last summer in Europe everywhere I went. There was this continual holding back on the part of the State Department in doing anything about our agricultural surpluses. At that time I told them this very thing would occur; this kind of an amendment would be offered in some bill, some time in the future, unless they change their policy. Personally, I know that we have got to have some kind of a restriction in this bill to prevent dumping. That is absolutely necessary if we are to retain any kind of foreign policy for this country. But I do think this is the most salutary warning that the State Department could have of what the temper of this Congress is unless they fundamentally change their policy.

I want to say to the chairman that I hope he will come in with some reasonable change in conference on this bill.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. HARVEY. Mr. Chairman, I ask unanimous consent that the time of the gentleman from Kansas [Mr. HOPE] be extended for 1 additional minute so that I may ask him a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HARVEY. Mr. Chairman, in looking at the preliminary wording of this section 101, it seems to me that this amendment is O. K., because in the final analysis, is it not true that the process is one of negotiation and that a great deal is left to the judgment of the President?

Mr. HOPE. I think the gentleman is correct in that. Without this language, of course, as the gentleman says, the matter is in the control of the President and certainly some precautions could be taken. The thing I fear is that since the language was in the bill originally, if the House strikes it out, then it might carry a connotation different than would be the case if it had not been in there originally. In other words, it is a situation where the House is taking a position that might be interpreted to mean that we were in favor of a price war or in favor of dumping. I do not think we are.

Mr. HARVEY. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. ABERNETHY].

The amendment was agreed to.

Mr. JUDD. Mr. Chairman, on yesterday six amendments were offered by me to be considered en bloc. During the discussion the gentleman from West Virginia [Mr. BAILEY] reserved the right to object to one of those amendments dealing with the repayment of loans. After some discussion the gentleman from Missouri [Mr. JONES] objected, in the words of the RECORD, "to the inclusion of that last amendment in those amendments to be considered en bloc." I understood him to mean, and so did the Parliamentarian, that the amendment under discussion at the moment with the gentleman from West Virginia was the

one to be excluded, and I so asked and the Committee of the Whole gave unanimous consent.

In order to meet what I later learned was the intent of the gentleman from Missouri and in order that the amendment he had in mind may be considered separately, I ask unanimous consent that the proceedings of yesterday be vacated with respect to the last of the six amendments offered en bloc, the one on page 12, line 2. Then the amendment will be offered in a revised form that is acceptable to the gentleman from Missouri.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. GROSS. Reserving the right to object, Mr. Chairman, are we going to hear this amendment read?

The CHAIRMAN. As the Chair understands it, this amendment will be read at the time it is subsequently offered, when offered individually.

Mr. GROSS. It will be offered individually?

The CHAIRMAN. That is correct.

Mr. JONES of Missouri. Reserving the right to object, Mr. Chairman, I would just like to make a statement. I do not see how my objection yesterday could have been misunderstood because the amendments are listed here, and I said "the last one." The last one is printed in the RECORD and is the one that should have been omitted from the vote. However, I am certainly agreeable to the request since the error was made.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Chairman, I offer the revised amendment.

The Clerk read as follows:

Amendment offered by Mr. JUDD: Page 12, line 2, after "stocks", strike out the remainder of the section and insert "to assist programs undertaken with friendly governments or through voluntary relief agencies."

Mr. JUDD. Mr. Chairman, the amendment in this form meets the objection of the gentleman from Missouri [Mr. JONES]. It defines the general objectives for which the President may use surpluses on a grant basis to friendly countries.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from North Carolina.

Mr. COOLEY. Just why does the gentleman desire to strike out the language "to assist low-income groups?"

Mr. JUDD. It is too broad. The language in the bill now would make Henry Wallace's bottle of milk for every Hottentot look modest indeed. Read it. It authorizes the President to transfer the supplies on a grant basis to friendly nations to assist low-income groups through special cooperative programs undertaken with foreign governments for relief and increased consumption.

Just what does that mean? That takes in most of the people of the world, not just the Hottentots. Practically everybody could be classed in a low-income group when considered by American standards. I believe the scope of the beneficiaries of this program should be narrowed to those in most urgent need, or where most good can be done, such as undernourished children. To designate "low-income groups" would allow the aid to be given to millions who have low incomes but are not those in greatest need of it. My amendment is designed to tighten the authorization somewhat. It still is plenty broad. But the language now in the bill, it seems to me, could be considered almost a mandate for our Government to go into any country wherever it found poor people and pass things out to them more or less indiscriminately. It seems to me that is not the best way to use these commodities.

Mr. COOLEY. Under the language proposed by the gentleman, such organizations as CARE could operate a program?

Mr. JUDD. Certainly. The amendment so states, whereas the original language does not.

Mr. COOLEY. And through such a program could bring relief to individuals.

Mr. JUDD. That is right.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman brought the name of Henry Wallace into the discussion in connection with the amendment. As a matter of fact, this bill is a complete vindication of what Henry Wallace recommended.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was agreed to.

Mr. MARTIN of Iowa. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Iowa: On page 9, line 7, strike out lines 7 through 17, inclusive, and insert the following:

"(b) To purchase or contract to purchase strategic and critical materials, within the applicable terms of the Strategic and Critical Materials Stockpile Act, for a supplemental United States stockpile of such materials under contracts, including advance-payment contracts, for supply extending over periods up to 10 years. All strategic and critical materials acquired under authority of this title shall be placed in the above-named supplemental stockpile and may be additional to the amounts acquired under authority of the Strategic and Critical Materials Stockpile Act. Materials so acquired shall be released from the supplemental stockpile only under the provisions of section 3 of the Strategic and Critical Materials Stockpile Act."

Mr. MARTIN of Iowa. Mr. Chairman, I have cleared this amendment with the chairman of the committee [Mr. HOPE] and with the ranking minority member, the gentleman from North Carolina [Mr. COOLEY]. I am offering this amendment today to bring this particular bill in line with the Stockpile Act and to achieve the real purposes of the bill under consideration. During general debate yesterday, I discussed it briefly. I do not think I need to repeat that discussion. This amendment will protect the mining industry and also give an extension of the authorization for a supplemental stockpile, and also give a little better protection to the mining industry in the matter of leaving the authority strictly with the Congress for the removal of any part of these materials out of this stockpile.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield.

Mr. HOPE. May I say to the gentleman and to the committee that the gentleman from Iowa has consulted with the chairman and other members of the committee including the ranking minority member [Mr. COOLEY]. If I may have the attention of the ranking minority member of the committee, the gentleman from North Carolina, he has discussed this amendment with the gentleman from Iowa, and he has no objection to it; is that correct?

Mr. COOLEY. That is correct.

Mr. HOPE. As I was going to say, I have no objection to it. I believe the amendment is carefully drawn and will meet the situation in a proper way.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield.

Mr. JUDD. Merely to clarify the situation, will the gentleman state who is to determine what the size of the supplemental stockpile is to be?

M. MARTIN of Iowa. The President.

Mr. JUDD. But the amendment does not say so. I think in conference it might be a good idea to make that clear. The language now in the bill does specifically say that the size of the additional stockpile shall be determined by the President, but it is your understanding that under your amendment that decision is to be by the President?

Mr. MARTIN of Iowa. That is my understanding.

Mr. JUDD. I thank the gentleman.

Mr. MARTIN of Iowa. I am glad to have it made clear here in the discussion on the floor of the House.

Mr. JUDD. I think it might be wise in conference to insert language providing that supplemental stockpile purchases essential to national security shall be "as determined by the President." There is now no indication who determines the size of the stockpile.

Mr. MARTIN of Iowa. I thank the gentleman for the suggestion.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield.

Mr. DURHAM. This applies to the act, of course, under which the National Resources Board makes a determination as to what will go into the stockpile, how much, and in what amount.

Mr. MARTIN of Iowa. This is strictly limited here.

Mr. DURHAM. This will be applicable to the Stockpile Act, Public Law 520?

Mr. MARTIN of Iowa. That is correct.

Mr. DURHAM. I think the gentleman's amendment is very sound. I think it is very opportune to have it with this piece of legislation.

Mr. MARTIN of Iowa. I thank the gentleman very much. There is no Member on the House floor who knows more about the work in this field than the gentleman from North Carolina and I appreciate his statement very much.

Mr. Chairman, during the general debate on the bill, S. 2475, yesterday I discussed briefly the need for the amendment I am now offering to this bill. This

amendment develops subsection (b) of section 104 to extend the power to acquire by purchase or barter under contracts up to 10 years strategic and critical materials in foreign lands in exchange for agricultural commodities and in excess of the amounts acquired under authority of the Strategic and Critical Materials Stockpile Act. Safeguards to the American mining industry are included in the provision requiring such acquisition to be made within the applicable terms of the Strategic and Critical Materials Stockpile Act and the provision limiting release of such materials from the supplemental stockpile only under the provisions of section 3 of the Strategic and Critical Materials Stockpile Act, which law limits the release of such materials to rotation where necessary to prevent deterioration and sale of any material where the revised determination removes such material from the list of strategic and critical materials by reason of obsolescence of that material for use in time of war. With those exceptions section 3 of the Strategic and Critical Materials Stockpile Act prohibits the disposal of any such materials without the express approval of Congress.

I urge adoption of this amendment primarily to enable the President to carry out the purposes of the bill now under consideration without violating the basic provisions of the Strategic and Critical Materials Stockpile Act.

Mr. VURSELL. Mr. Chairman I am happy to give my full support to S. 2475, which would authorize the President to negotiate and carry out agreements with friendly nations to provide for the sale of American surplus agricultural commodities in exchange for foreign currency.

This legislation should greatly increase sales and exports of agricultural commodities, which are so important not only to the farmers of the Nation but to the entire economy of the Nation, as well.

I think this legislation will help to remove the roadblock on trade between the United States and other free nations by making it possible to accept their currency during the period when they are short of American dollars. We in turn can use this currency with other nations in payment for import goods to our country, or in payment for some of our military housekeeping operations in foreign countries.

It will help to get food to friendly nations who really need it, and will help to cut down our present surpluses, and increase purchases of farm products, and ease up the storage problem—all of which will result in a saving to our Government.

In addition, it will strengthen and enhance our prestige throughout the free nations of the world.

It goes a long way toward solving the questions of convertibility in currency, which is so necessary to a free exchange of commodities, that should increase our agricultural exports and other exports.

American businessmen will be able to purchase foreign currencies for our own dollars, and in turn use those foreign currencies in the countries which do business with us.

Briefly, this proposed legislation would set up a revolving fund of $1 billion to carry out the provisions of this act.

This is not a giveaway of our surplus agricultural commodities. It furnishes a means by which we will exchange our products for the currencies of foreign friendly nations, and we will have those currencies available for expenditures in those countries.

The basic idea in this legislation is to sell more farm products to foreign countries, and I feel certain from the safeguards that are written into this legislation, that the use of this revolving fund contemplated will go a considerable distance, not only to increase sales of our farm products to foreign countries, but will encourage a friendly exchange of trade that will help greatly to relieve the farm problem, and the surplus of agricultural commodities that now exist.

Mr. JOHNSON of California. Mr. Chairman, I intend to support this bill because I believe it presents a feasible and constructive plan to dispose of surplus stocks of agricultural products in the warehouses of the Commodity Credit Corporation.

It is a known fact that the CCC now holds upwards of $6 billion worth of surplus agricultural products which have accumulated under our support program.

This bill places much of the administration in the hands of the President. Of course he will set up an organization to obtain the facts necessary for the making of his decisions. He may negotiate and carry out agreements with friendly nations for the sale of surplus agricultural commodities for foreign currencies. He must take proper precautions to safeguard against the displacement of usual marketings of the United States or friendly nations and also against disrupting world prices of like commodities. Appropriate steps must be taken to assure that private-trade channels are used with respect to sales from privately owned stocks and CCC stocks. I hope this provision will be administered so as not to hinder or impede the sales of private stocks. The funds and the authority provided by this act shall be used to develop and expand continuous demand abroad for agricultural products with emphasis on underdeveloped and new market areas.

Commitments from participating countries must be had to prevent resale to other countries or use for other than domestic purposes.

The currencies of other countries thus acquired may be used to buy commodities that are exported to the United States, rather than using our dollars.

This act provides that with surplus commodities, or currencies obtained therefor, we may purchase materials to enhance our strategic stockpile; military equipment, materials, and facilities for the common defense. Revenues from the sale of this surplus may be used to pay United States obligations abroad.

Then there is a section which provides for famine relief and other assistance. This has been referred to as the "giveaway program." It is designed to develop good will with foreign nations. We are giving some of our surplus commodities to underprivileged nations to help them properly feed their populations; to take care of disasters, in short to befriend them and assist them to stand on their own feet. In this way we should gain much good will and indirectly help our farmers by taking their surplus commodities off the market, thus maintaining a profitable price level for the agricultural products which we sell at home.

This bill should provide a start that will handle surplus commodities in a way that will be beneficial to our farmers and will also increase trade, build up strategic stockpiles, increase foreign trade, promote good relations with foreign countries and bolster the national security. It may be the real answer to the question, How can we get rid of surplus agricultural commodities for the benefit of ourselves and those to whom we sell the surpluses?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was agreed to.

Mr. DAVIS of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Georgia to amend Senate 2475 by striking therefrom all of title II beginning with line 11, page 11, and ending on line 22 on page 12.

Mr. DAVIS of Georgia. Mr. Chairman, this bill is divided into two parts, title I dealing with materials which are to be sold. Title II, the part which my amendment would strike, deals with the giveaway part of the bill. Title I at least goes through the fiction of selling these surplus commodities. In my opinion, the entire program will wind up being a giveaway program, but at least title I does go through the fiction of providing for the sale of these surplus commodities.

I realize that the Commodity Credit Corporation has over $6 billion invested in these surplus commodities. I realize that they have become quite a problem to agriculture in this country and to the Government in general. I also realize that the authority of the Commodity Credit Corporation to borrow from the Treasury to finance its operations has been increased. An increase has been approved from the $6¾ billion, which it was previously authorized to borrow, up to $8½ billion. That in itself indicates that this surplus commodity problem has become one of the great headaches of the country. I also realize that the prosperity of agriculture is tied in with the prosperity of the country, and that the welfare of the country depends upon maintaining the prosperity of the farmers. However, the proposition with which we are dealing this morning does not involve the simple process of simply transferring surplus commodities, already purchased by the Government, over to people either in this country or in other countries. There is a great deal more involved than that. There is involved in this bill additional appropriations. This bill when it passes, if it passes, means that for every dollar's worth of surplus commodities disposed of under this bill we will have to appropriate money to reimburse the Commod-

ity Credit Corporation. It means that our deficit will be increased. It means that additional pressure will be brought upon Congress to increase our debt limit. We are right up to the debt limit. The ceiling now is $275 billion. The last Treasury report which I saw gave the information that the national debt is $272,900,000,000. So all of those things are involved in this bill. It will mean additional pressure to increase the debt limit.

Mr. Chairman, the Congress has, little by little, year after year, given up the authority which it once possessed over the purse strings of this Nation. It is one of the strong features of our Constitution and of our form of government that the Congress of the United States is supposed to hold the purse strings of the Nation. Yet, by one piece of legislation after another, we have given up that authority, and it has now almost reached the point where it does not make any difference what Congress thinks about whether an appropriation ought to be made or not. We have in many, many instances surrendered our authority to pass judgment upon appropriations which are made for many, many purposes.

In my judgment we have set precedents which are very bad. We gave grain to Pakistan. We gave grain to India. I voted against both of them. I did not think it was wise for us to start these giveaway programs and I voted against both of them. But that is all in the past. That has been done. But at least this Congress exerted its authority there. This giveaway item in this bill today leaves Congress entirely out of the picture and transfers authority entirely out of the hands of the Congress which it should retain and exercise.

I think this giveaway title ought to be eliminated. Let us try title I for a while. It will at least go through the fiction of selling these surplus commodities.

Mr. HOPE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Georgia, of course, is properly concerned about the fiscal situation of the country; but the fiscal situation of this country is not going to be changed one iota whether we permit some of these surplus commodities, particularly the perishable commodities, to rot and spoil in the hands of the Commodity Credit Corporation or make them available to friendly nations who are in distress.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield for a question?

Mr. HOPE. In just a moment.

If the Committee will refer to section 201, the specifications are set out there under which the President may furnish this assistance:

> In order to enable the President to furnish emergency assistance on behalf of the people of the United States to friendly peoples in meeting famine or other urgent relief requirements.

I can conceive of no one in the United States who would want to deny the President that power when we are so fortunate as to have here in our storehouses today these commodities, many of which will spoil unless we are able to make some disposition of them to people who need them and will get some value from them.

The next section, 202, is the one which was amended by the gentleman from Minnesota [Mr. JUDD] a few moments ago. That section simply gives the President the authority to deal with the situation in friendly nations by disposing of some of these surplus commodities.

I think the proper way to dispose of the major part of these commodities that we may give to hungry people, is to use the voluntary relief organizations like CARE, CROP, and other agencies that have worldwide organizations set up to deal with people as individuals. Those transactions are not going to interfere with the flow of these commodities in normal channels of trade, for the food that is put into the hands of hungry people is something that would not get into commerce in any event, as these are people not able to buy. I do not know of anything that would better promote the foreign policy of the United States and give us an opportunity to let the world know of the real generosity of the American people than the use of these surplus commodities in that way.

I shall now be pleased to yield to the gentleman from Georgia.

Mr. DAVIS of Georgia. I would like to ask the gentleman if he thinks we will be able to solve this problem of surplus commodities by continuing to get rid of them from year to year through these giveaway programs.

Mr. HOPE. No; I certainly do not.

Mr. DAVIS of Georgia. That is what this is, is it not?

Mr. HOPE. These commodity and price-support programs provide for controls, and that is the only way that we are going to prevent the accumulation of these surpluses, through the use of controls existing in the law plus an expansion of consumption and markets. We will get rid of these surplus commodities that have accumulated during the past years. They are the result of the fact that the Federal Government has encouraged an expanding agriculture in this country to meet world conditions existing during the war years and since. You cannot shut agricultural production down like you can close a factory or industrial plant; it has got to be done gradually; it is being done gradually, but in the meantime we have these accumulated surpluses. I say we should make the best use of them and that is the purpose of this bill.

Mr. BARDEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to propound a question of the gentleman from Kansas that has been asked me many, many times and I would like to have an answer.

Are these surplus commodities, such as butter, available to the millions of men that we have in foreign countries all over the world or are the Armed Forces required to purchase in those nations such commodities as butter while our Government owns the same commodity in our own country?

Mr. HOPE. I am glad that the gentleman asked that question because it gives me an opportunity to say to him that the Committee on Agriculture during the present week in the farm bill which we are now considering has included a provision which authorizes and directs the Secretary of Agriculture to make available without cost to the armed services and to the Veterans' Administration the commodities contained in the bill that the committee will report out we hope right soon.

Mr. BARDEN. May I ask the gentleman if he is informed as to just where the Armed Forces have heretofore and up until this very hour been buying such commodities as butter in say France, Belgium, and other countries?

Mr. HOPE. As far as I know, they have bought their supplies in this country. I am sure I am right in my reply to the gentleman although I have not verified the matter in recent days; however, I am sure that the purchases that have been made were made in this country. Of course, the armed services have not been consuming very much butter. They have been buying oleomargarine rather than butter. But under this legislation I just mentioned to the gentleman butter will be made available to them without cost.

Mr. BARDEN. I am in favor of them having whatever their appetites call for whether it be butter or oleomargarine. But the important thing to me is with all the billions of dollars that we have poured into various countries we should have permitted surpluses to build up for this long time including the surplus in butter paid for with tax money which we have cried so much about, and at the same time the Federal Government was buying more millions of pounds of butter and so forth from foreign countries. Why should we be buying additional butter either in this land or in foreign countries when we have this surplus? Certainly the most of it has been bought in foreign countries. Why do we not utilize that which has already been paid for with taxpayers' money? The commodities that our Government buys in foreign lands certainly do not help our economy and I see no reason why we should not use the surplus commodities we have to supply the millions of men we have stationed all over the world.

Mr. HOPE. I am in entire agreement with the gentleman and the Committee on Agriculture is in agreement on that in the legislation which will be reported later.

Mr. BARDEN. Since it has taken a long time to get an agreement, let us hurry up and pass the bill.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Iowa.

Mr. GROSS. I think I can shed just a slight amount of light on this situation. Last year there were bought from Denmark alone 5½ million pounds of butter which was shipped to the Far East Command. The explanation was that the State Department insisted upon this purchase of 5½ million pounds of butter from Denmark to implement foreign policy.

Mr. BARDEN. I was not going to bring in any particular department. However, I have heard the same report as that just made by the gentleman and frankly I think the State Department had better begin to give an occasional thought to the American taxpayer. Unless I miss my guess the average taxpayer and businessman would regard such a deal as being silly. There is no doubt in my mind but what over the years, while we were crying about butter and so forth in the legislative halls, the Appropriations Committee of this House was appropriating with the approval of the House additional tax funds to be wasted in foreign countries buying commodities which the United States Government already owns in surplus; then we cry some more about building up more surpluses. It just does not add up to good commonsense to me.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Ohio.

Mr. VORYS. I think the figure is about $3.5 billion a year that our Armed Forces spend in other countries for supplies for our forces. I cannot tell the gentleman how much of that would be for crops that are in surplus, but it runs about $3.5 billion a year that we spend all over the world.

Mr. BARDEN. The gentleman does know that we have not been doing what the average American would regard as a commonsense thing to do. Let us give the American taxpayer a little better break.

Mr. COOLEY. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. COOLEY as a substitute for the amendment offered by Mr. DAVIS of Georgia: On page 12, line 6, strike out section 203.

The CHAIRMAN. The Chair would suggest to the gentleman from North Carolina that that amendment might more properly be offered as a perfecting amendment rather than as a substitute for the amendment offered by the gentleman from Georgia.

Mr. COOLEY. I will withdraw the amendment, Mr. Chairman, and withhold it until we have voted on the Davis amendment. But, I do want to offer it.

The CHAIRMAN. Without objection, the gentleman from North Carolina withdraws his amendment.

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Georgia.

Mr. Chairman, I am not going to use the full 5 minutes, but I do want to say this, that last September and October my Subcommittee on Appropriations for Agriculture had the opportunity in Berlin and in Pakistan to see just how much good can be accomplished by our giving away surplus foods to the peoples abroad who need it. In Berlin, in 1 day, 6,500 poor people from East Berlin came across the line to our 13 distributing stations to accept the small parcels of our foods which were then being distributed. I can truthfully say that I never saw more real appreciation than that which the gentleman from Iowa [Mr. JENSEN], the gentleman from California [Mr. HUNTER], the gentleman from Wisconsin [Mr. LAIRD], and I saw in the faces of those people. I can remember the expression of one old lady, who whispered to us, "God bless you Americans." She was fearful of being overheard by some Russion spy, but yet she wanted us to know that they did appreciate that food. Distribution of our surplus food is one way in which we can really make friends abroad. There is a vast field open for these perishable surpluses of ours. We should help the 800,000 refugees lining the borders of Israel, who were pushed out of their homes in the creation of the State of Israel, and who are now almost hopeless, living there as they have for the last 7 or 8 years, with very little food to eat. I wish you could have seen the refugee camps at Jericho and Bethlehem. Thousands of human beings there living in absolute squalor and existing upon a very small daily ration of food. By helping these people, as we have helped in Pakistan, we can turn the entire Mohammedan world to us. I am satisfied in my own mind that we can accomplish much worth while in our foreign policy by properly, as under this particular section, doing something toward giving away some of the abundance with which we have been blessed.

Mr. Chairman, it is my belief that this bill before us is a splendid piece of work. It will do immeasurable good both in helping others and at the same time in helping us to preserve the price-support program which means so much to everybody in the United States. An ample supply of food is a blessing, and not a curse, as some would intimate. Always keep in mind that it is far better to have too much food than too little.

Mr. YATES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask questions of the chairman of the committee, and I would like to refer his attention to page 8, section 103 (a). As I understand the operation of our farm program, we now have something like $6.5 billion in surplus commodities in storage, all of which have been purchased by the taxpayers, is that correct?

Mr. HOPE. It is not strictly correct. Part of that is in the hands of the Commodity Credit Corporation and is actually owned by the Commodity Credit Corporation. Another part is in the form of commodities upon which the CCC has loans, all of which may or may not be taken over depending upon whether the loans are paid or not. These are loans to farmers. But there is that much tied up either in loans or in acquisitions by the Commodity Credit Corporation.

Mr. YATES. Appropriations have been used as the basis for purchasing the products that are stored; is that correct?

Mr. HOPE. Yes.

Mr. YATES. Does not section 103 provide for another assessment against the American taxpayers for the difference between what the products are sold for and the price at which they are carried on the books of the Commodity Credit Corporation?

Mr. HOPE. It simply provides that the Commodity Credit Corporation shall be made whole for the investment that it has in the commodities. We have already, this year, passed legislation to restore the capital stock of the Commodity Credit Corporation and that is what this would do. It would maintain the capital stock at its present level.

Mr. YATES. As a practical matter, is not this the effect of the operation of section 103 (a) and (b), that the American taxpayers would be paying another $1 billion for these commodities minus the amount for which they are sold on the world market?

Mr. HOPE. Whatever loss the Commodity Credit Corporation suffers, of course, comes out of appropriations, if that is what the gentleman has in mind when he refers to the taxpayers of the country.

Mr. YATES. As a matter of fact, subsection (b) will provide an authorization of $1 billion to make good any losses that are incurred by the Commodity Credit Corporation in selling these products on the open market?

Mr. HOPE. Yes.

Mr. YATES. And, as a matter of fact, if $1 billion of these products were given away under title II, then the Commodity Credit Corporation would receive the amount of $1 billion in order to make itself whole again; is that correct?

Mr. HOPE. Under title II the limitation is $300 million, and that would be the extent to which money would be necessary.

Mr. YATES. It would be then approximately one-third of a billion dollars under title II, and under title I losses to the extent of the difference, namely, something like $700 million would be made good for the Commodity Credit Corporation. Does not the gentleman feel that the American taxpayer is being unduly penalized by having a section of this kind in the bill, and should not section 103 (a) be stricken?

Mr. HOPE. No. I will say to the gentleman that it has been the policy of the Congress to maintain the capital stock of the Commodity Credit Corporation intact in order that it may carry out the duties which have been imposed on it by Congress. This simply authorizes appropriations to repay the CCC for commodities which are sold on the world market and the receipts from which have gone into the Treasury.

Mr. YATES. But does not the gentleman agree with me that the $6.5 billion of surplus commodities we have in storage are not worth $6.5 billion, otherwise we would be able to dispose of them. Therefore, in disposing of them under the terms of this bill, the difference would have to be made up by appropriations paid by the American taxpayer?

Mr. HOPE. That is true. But the situation is not changed by this bill. In other words, what the gentleman is saying is that the losses of the Commodity Credit Corporation would have to be made up by the taxpayers; and that is true. And that would be true whether we let these products spoil, or whether we sell them, or whether we give them away or whatever we do with them. The

loss, whatever it may be, would have to be made up by the taxpayers.

Of course, this legislation has for its main purpose trying to cut down the losses that the Commodity Credit Corporation may suffer. In title I of the bill we are trying to build up our foreign trade in order to take these commodities not only out of the hands of the Commodity Credit Corporation now, but to prevent in future years such commodities from getting into the hands of the Commodity Credit Corporation; because it is the decline in our foreign trade during the past 2 years that is the principal cause of this accumulation of commodities. A great many people have gotten the idea that this is something that has been going on for years and years. As a matter of fact, this accumulation of commodities in the hands of the CCC has all taken place during the past 2 years. It is due to the loss of our export markets and the fact that throughout the world other nations have been building up their agriculture and we have an overbuilt agricultural plant at this time which we cannot shrink overnight.

Mr. YATES. The gentleman speaks of protecting the Commodity Credit Corporation from loss. As a matter of fact, it is the American taxpayer who is protecting the Commodity Credit Corporation from loss, is it not, and who bear the losses under this program?

Mr. HOPE. I simply make the same reply I made before to the gentleman, that the taxpayers do bear the loss and the major purpose of this bill is to sell some of these stored commodities abroad—over and above our usual trade—so that the immediate loss to taxpayers will be less and a revived and expanded foreign trade may prevent such losses altogether.

Mr. WILLIAMS of Mississippi. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Georgia for several reasons. In the first place, I think that this international giveaway program should be charged not to the American farmer, but to the regular Foreign Aid Agency, the Foreign Operations Administration.

The gentleman from Kansas [Mr. HOPE] has put his finger on what is causing these domestic surpluses to accumulate. He says it is due to the decline in the export demand for American farm products, and that decline in export demand is due to the increase in the production of those same products abroad.

Mr. Chairman, putting 2 and 2 together, does it not also stand to reason that the increased production of these agricultural products abroad, thus causing the surpluses back home, is due principally and primarily to the forty-odd billions of dollars we have given them to teach them how to grow these products in competition with us?

It is my intention if this amendment should fail, and I hope it will not, to offer another amendment which would provide that these products should be furnished to these other countries through the Foreign Operations Administration. In that way, I believe this Congress would be more honest with the people and let them know that this is but part and parcel of our foreign aid program.

The State Department and our foreign trade policies have been responsible for the accumulation of these surpluses, and I think they should take the responsibility for dissipating these surpluses.

Then, too, I am somewhat surprised that the Committee on Agriculture should be sponsoring one of these giveaway bills. The Foreign Aid Committee—the Committee on Foreign Affairs—has had 10 to 15 years' experience in giving away the peoples' money. They know how to do it. The Agriculture Committee is entering a field that it should leave to the real giveaway experts—the Foreign Affairs folks.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Kansas.

Mr. HOPE. The Committee on Agriculture is not seeking jurisdiction of any legislation that does not belong to it. The bill that has been reported here was referred to the committee by the Speaker. We have had about 60 bills relating to the disposition of surplus agricultural commodities during the years. Certainly the committee is not going to neglect consideration of bills that have been referred to it.

Mr. WILLIAMS of Mississippi. Any reference that I made to that was intended to be facetious, of course; but as a matter of fact, I do not believe in charging the American farm program with the expense of foreign aid, and that is going to happen if we leave title II in this bill. The Commodity Credit Corporation is going to have to ask for appropriations to make up its loss, and its loss will be due to implementing our American foreign policy—not to money spent on the American farmers.

Mr. HOPE. Will they not have to come in and ask for an appropriation no matter how these commodities are handled as far as distribution is concerned? If they furnish the commodities they are going to have to be reimbursed for them.

Mr. WILLIAMS of Mississippi. They will not ask for this money to help sustain the American farm program, they will ask for the appropriation because the mutual security program dug into their funds and made them show deficits.

I understand the Committee on Foreign Affairs voted recently to restrict all of our foreign aid to military operations abroad and to what they called defense support. I suppose that is just another way of continuing economic aid under the so-called defense support. But the word went out all over the country that the House Committee on Foreign Affairs had cut out everything except military aid. Now could it be that this administration is seeking to continue its economic aid and its international handouts, nevertheless, by doing it through the Department of Agriculture or other agencies in order to conceal from the people the amount of money that we are shipping abroad in the form of gratuities?

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield.

Mr. HOPE. So far as disguising anything or hiding anything, we have this bill before us, and I think that would be a sleight-of-hand performance, which I doubt anybody would be able to carry on.

Mr. WILLIAMS of Mississippi. I just do not believe in disguising the way the people's money is spent.

Mr. SMITH of Mississippi. Mr. Chairman, I move to strike out the last word.

Mr. HOPE. Mr. Chairman, will the gentleman yield so that I may make a unanimous-consent request?

Mr. SMITH of Mississippi. I yield.

Mr. HOPE. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 8 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SMITH of Mississippi. Mr. Chairman, I rise in opposition to the amendment.

I take this time in order to make sure there is an understanding on the part of some of the Members of the House that this bill is not designed to cover something that the administration may want to hide. We may have some of that, but I know nothing of it. This bill is written at the behest of the American farmers. It is supported unanimously by farm organizations throughout the United States who are interested in seeing that some proper disposal is made of the surplus commodities that we have.

Of course, this bill is going to cost money. But, as the gentleman from Kansas mentioned in his interrogation, it will cost a lot of money if these commodities are allowed to stay in their present storage and waste away. It will cost even more perhaps than it would if efforts were made to sell these commodities throughout the world, and it would cost more if we disposed of those commodities which are not available for sale through grant and gifts, as is proposed under title II.

Title II, under this bill, is an ideal implementation of our foreign policy at a time when we need some implementation along that line, and at a time when southeast Asia is being lost to the free world. We need to do something about perhaps giving away some food in that area. It is far better to give away several billion dollars' worth of food than it is to give away so many as two or three American lives in defense of that area. If we can save some of those lives out there by giving away several billion dollars, we will gain quite a bit by the transaction.

Mr. GATHINGS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield.

Mr. GATHINGS. One of the main propaganda weapons the Communists are using against us today is that we are permitting our food to lay up here in storehouses and rot before giving it to needy and hungry people throughout the world.

Mr. SMITH of Mississippi. I agree with the gentleman. I think this bill will give our foreign policy the necessary implementation to fight that particular piece of Communist propaganda, and to fight it in a realistic manner where it will pay off in immediate dividends.

Unless something is done along that line, we are going to have to fight that propaganda with American lives in Asia. Right now we have lost the initiative and we are losing power and losing influence to the Communists in Asia to such an extent that we are on the verge of having to send American troops to that part of the world to protect ourselves from further inroads of communism. We may have to do that sometime in the future, but certainly we can take advantage of this opportunity to take the one remaining course of action to keep Asia from falling under the domination of the Communists without further loss of American lives. This method will be much cheaper, even in terms of dollars, than the military expenditures that are being suggested now.

We are having to pour into free China and all the various other parts of Asia where we are attempting to build up resistance to the Communists many millions of dollars for military assistance. If we had had methods to make more effective use of this in the past, perhaps we would not have had to suffer the great loss of American lives and the great loss of American money in Asia that has occurred in the years since World War II.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield.

Mr. DAVIS of Georgia. Does not the gentleman think that $40 billion is a pretty substantial sum to try out on this basis?

Mr. SMITH of Mississippi. I think that $40 billion is certainly cheaper than 40 American lives.

The CHAIRMAN. The gentleman from Massachusetts [Mr. McCORMACK] is recognized.

Mr. McCORMACK. Mr. Chairman, I recognize the reasons which prompted title II to be in the bill. Respecting the views of the gentleman from Georgia [Mr. DAVIS] as I do, I am constrained to disagree with him and vote against the amendment. I think, however, there is a great deal of logic in what he says, and particularly what the gentleman from Mississippi [Mr. WILLIAMS] has said, that this is a matter which would more properly be before the House if it came from the Committee on Foreign Affairs, because it relates directly to the field of foreign affairs and covers a subject that the committee has had jurisdiction over in the past. I might say that we do not hear so much about Henry Wallace, but, by this bill, he is in the Chamber today, and what we are doing today out-Wallaces Henry Wallace. This bill is a vindication of views he expressed when he was Secretary of Agriculture.

Mr. DIES. I thought that was Harry Hopkins.

Mr. McCORMACK. Well, the name of Henry Wallace was brought in, and this is certainly in a very more extensive field than Henry Wallace ever proposed.

I might also suggest that the Committee on Agriculture give consideration to our own people in America. The only suggestion I can make by which you can effectively give higher support prices, which I believe in, and yet not make the American consumer pay twice in taxes and high prices, is by adoption of the Brannan plan. I imagine my Republican friends will get to the Brannan plan in the near future.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. HOFFMAN of Michigan. I am happy to know that the gentleman agrees now with one of the things that I have supported, that is we should look after our own people.

Mr. McCORMACK. The gentleman from Masssachusetts has always been ahead of the gentleman from Michigan in that regard.

Mr. HOFFMAN of Michigan. That is right. Sometimes so far ahead he could not be seen or recognized.

Mr. McCORMACK. I voted today with the gentleman in committee.

Mr. HOFFMAN of Michigan. At last.

Mr. McCORMACK. Yes; but I voted with him.

Mr. HOFFMAN of Michigan. At the 11th hour.

Mr. McCORMACK. But you are a much better chairman today than you were last year.

Mr. HOFFMAN of Michigan. Because of your instruction?

Mr. McCORMACK. My inspiration, I hope, is always good.

Mr. HOFFMAN of Michigan. About this pint of milk, does this cover the pint of milk that Henry wanted to give and deliver to everyone in the world?

Mr. McCORMACK. Well, you had better ask the chairman. I want to ask the chairman a question. I would like to ask the gentleman from Kansas about the language in the bill, "to friendly but needy populations without regard to the friendliness of their governments."

Will the gentleman explain what is meant by that?

Mr. HOPE. That is the very language, I may say to the distinguished gentleman from Massachusetts, that was contained in the bill we passed last year to authorize the President to use certain stocks for this purpose. It is intended to apply to situations like we had in East Berlin where there are friendly people living under an unfriendly government.

Mr. McCORMACK. Or in East Germany, if the situation develops where it could be used.

Mr. HOPE. Yes.

Mr. McCORMACK. That explains it to me.

The CHAIRMAN. All time for debate on this amendment has expired.

Mr. DAVIS of Georgia. Mr. Chairman, I ask unanimous consent that the amendment may be read.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Georgia to Senate 2475 by striking therefrom all of title II beginning with line 11 on page 11 and ending with line 22 on page 12.

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. DAVIS of Georgia) there were—ayes 19, noes 65.

So the amendment was rejected.

Mr. COOLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COOLEY: On page 12, line 6, strike out section 203.

Mr. COOLEY. Mr. Chairman, by striking out section 203 you do not change in any way the provisions of section 204 which fixes the amount at $300 million. I had intended to offer this amendment in the committee but neglected to do so.

The amendment I propose is to strike out section 203. That section is similar to section 513 (b) of the MSA Act which gives to the President $100 million to do with as he deems proper, and it is the same provision I referred to yesterday which was used by Mr. Stassen to play Santa Claus around the world with his Operation Reindeer program.

This is a clear-cut proposition being submitted to the House by my amendment as to whether or not we here and now want to put our stamp of approval upon this administration's playing Santa Claus throughout the world as Mr. Stassen did in 1953.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. If the gentleman will change that statement from "this administration" to "Mr. Stassen" I could go along with him.

Mr. COOLEY. I have to say "this administration," because the President sent a letter addressed to the gentleman from Illinois [Mr. CHIPERFIELD], chairman of the Foreign Affairs Committee of the House, approving Operation Reindeer. I do not think the President had any idea as to what Mr. Stassen was doing. All of this was transacted on September 28. Unless we adopt this amendment we are saying to Mr. Stassen: We not only approve of your playing Santa Claus but we give you an additional $100 million to play Santa Claus with come Christmas time 1954.

He might even buy bunny rabbits next Easter.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. GROSS. I think the gentleman's amendment is a good one. It is high time that we stop delegating power to the executive branch of Government.

Mr. COOLEY. I appreciate the gentleman's observation. I do not think the Congress wants to affirmatively approve projects such as that which was undertaken by Mr. Stassen. It was not a question whether or not these presents were needed; it was just a matter of giving them away. Stassen deprived CARE,

which is a very reputable, worthwhile, and worldwide organization, of the opportunity to handle the project or program. He would not even permit them to relieve him of the burden although CARE offered to pay MSA $5 million. He would only let CARE have 500,000 packages and CARE paid $500,000 for the 500,000 packages.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Texas.

Mr. POAGE. Can it be said if we adopt this amendment that we are still allowing $300 million with which he can carry on worthy programs under the restrictions that the chairman of our committee pointed out?

Mr. COOLEY. Yes.

Mr. POAGE. It will simply remove the ability of the President to spend $100 million without any limitation or without any restriction. We set the guideposts to spend the money.

Mr. COOLEY. That is right.

Mr. POAGE. The $100 million the gentleman refers to is part of the $300 million?

Mr. COOLEY. Yes.

Mr. POAGE. We are not reducing the ability to spend the $300 million at all. We just want to know how it is going to be spent.

Mr. COOLEY. Yes. I appreciate the gentleman's remarks.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from New York.

Mr. TABER. What the gentleman is objecting to is the attempt of the Agriculture Committee in this bill to usurp the privileges of the Foreign Affairs Committee?

Mr. COOLEY. We are not usurping any privileges.

Mr. TABER. You are providing for a foreign transaction in connection with agricultural products?

Mr. COOLEY. No. We are doing a dual job, so to speak. We are dealing with an agricultural surplus. This was not designed with any idea of taking away the jurisdiction of any other committee. I do say though that bills have been sent to our committee that I thought should have gone to the Foreign Affairs Committee, such as the Pakistan wheat bill. I thought that if that had been given to the Foreign Affairs Committee it would not have received a favorable report.

I hope the committee will adopt the amendment which will not hurt or cripple this bill at all.

Mr. HOPE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from North Carolina [Mr. COOLEY].

Mr. Chairman, I dislike very much to oppose any amendment offered by the distinguished gentleman from North Carolina, who has given very strong support to this legislation, both in committee and here on the floor, whose friendship I have enjoyed and appreciated for many years, and whom I hold in the highest esteem. However, it seems to me if we adopt this amendment we are taking out of a well-rounded bill a provision which might become very important under certain conditions.

I want to call the attention of the Committee to the fact that this provision in section 203 does not increase the total amount of the authorization. The $100 million that is authorized for this purpose is simply a part of the $300 million authorized by this title. There is no extra money involved as far as this provision is concerned. But I can see, with the world in the condition in which it is at the present time, with the conditions in southeast Asia as we find them, and with trouble in many other quarters of the globe, that the President might find it helpful and necessary to use these funds in furtherance of the foreign-policy objectives of the United States. This is not something that is left to the discretion of any subordinate official. It is something that has to be done by the President himself.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Indiana.

Mr. HALLECK. I think I can assure the membership of the committee that the President certainly would not make unwise use of the authority that is here contained in the future as in the past. It does seem to me—and I find myself in agreement with the chairman, the gentleman from Kansas [Mr. HOPE]—that occasions may well arise when prompt action under this authority granted here, used with discretion and care, might very well be of the utmost importance to the foreign-policy objectives of our country which are, of course, to restrain Communist aggression and try to work out peace in the world.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from North Carolina.

Mr. COOLEY. I would like to say that in approving Operation Reindeer, the President found that such a project was in the interest of our national security. Talk about giving away Christmas presents. Talk about bottles of milk to all Hottentots. By the defeat of my amendment, you are going to say to Mr. Stassen "Go on with your Christmas presents, not only give $5 million but give $20 million; not only use $15 million but use $100 million." The President would not hesitate to find that such a project was important to the foreign policy. He actually found, in Operation Reindeer, that it was important to the national security. I submit, in all fairness, that the President has all the authority in section 204. He has the full use of the $300 million, and I would not refuse them a dime, but the thing that I do object to is that Mr. Stassen down here ignored such organizations as CARE and other church organizations and charitable associations throughout the world in approving the handling of these surpluses through ordinary channels. I do not believe the people in this world approve it. I do not believe your party approves it any more than our party approves it. And, I want to say again I regret that we did not fight this out in the committee. This committee bill was considered under severe difficulty, since we were pressed for time. I do insist, in all good faith, that it is not going to handicap the program; it is not going to embarrass the President, and to accept my amendment will save this administration further embarrassment when Christmas time rolls around next year.

Mr. HOPE. In reply to what the distinguished gentleman just said, I must point out that that section 203 is needed in that it is expected to operate outside of the restrictions contained in the other sections of this title in that it says, "without regard to the requirements of this title," this fund may be used "when the President deems that this use is important to the foreign policy objectives of the United States." I think it is most desirable to keep this section in the bill for that reason and in order that we may have a well rounded out program.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I simply want to call attention to the fact that there are three classes of disposition provided for in this bill. First, there are the provisions which authorize the sale of surplus commodities for foreign currencies. Many of us have thought for a long time that it would be advantageous to the United States Government to sell some of the surplus commodities that we have even if we had to take foreign currencies and then use those currencies for the various purposes which are outlined in this bill. Personally, I would like to have used the currencies with less restrictions than the bill provides, but there are those who felt it was desirable to apply those restrictions. They had some good arguments. We put many restrictions on the sale of a billion dollars' worth of commodities, which the bill provides may be sold for foreign currencies. That title of the bill clearly is advantageous to the United States. Nobody is questioning it. I do not think anybody has gotten up and said it was bad policy to sell these things which we cannot sell for dollars, which we cannot dispose of otherwise, but which we can sell for foreign currencies. Now, that is where the billion dollars is involved in title I.

Then we come to title II. Title II involves $300 million and proposes to give away $300 million worth of commodities; no compensation to the United States other than the satisfaction that we have done something for the welfare of the world.

Just a moment ago it was obvious that a substantial number of the Members of this House believed we should not go that far, that we should not give away any of these commodities. Many Members evidently feel that we should eliminate the entire title II. Personally I felt it was sound. I voted against the Davis amendment because I felt it is proper, if we had to dispose of these commodities either for dollars or for foreign currencies, and we have the commodities on hand, and somebody needs them, in case of famine or disaster, that the United States Government should give some of these things to people who need them.

I am not criticizing title II; but there are a substantial number of Members of this House who would not even go that far.

Now the third procedure is set out in section 203. This section provides that one-third of the $300 million covered by title II may be given away without any restrictions whatever. In answering the argument offered by the author of the Davis amendment, the chairman of our committee very properly pointed out, and I think very convincingly, that there are restrictions in this bill, criteria by which the President must proceed to say that these gifts shall be made only in case of famine or in case of necessary relief. In other words, under the general provisions of title II we are not going to give these things to people who can pay for them. We are not going to give these things to people who do not need them. We are not going to give these things in situations where we can sell them. That is proper. That is in section 201.

But we come along to section 203 which says, "but that does not count as to $100 million." All that the amendment which the gentleman from North Carolina [Mr. COOLEY] offered would do is to say that the rules of the game apply to all of the $300 million. That is all there is to it. It does not take $100 million away from title II. It does not say that you cannot give these things to any needy person or that the President will not be able to control their disposal. Section 201 says that the President shall prescribe rules. But section 203 says that he does not have to abide by the rules—at least insofar as $100 million is concerned.

All we ask is that you do these things according to the rules. All we ask is that when we are giving away, when we are making gifts, that we give them to somebody who needs them, that we give them to somebody who is in need, that we give them away in case of famine or to meet other relief requirements. That is all taken care of in section 201 and we are leaving that in the bill. Why should we not make some provision that we simply will not throw away $100 million? Maybe it is not much money, but it is an awful lot if you have to pick cotton for it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The question was taken; and upon a division (demanded by Mr. COOLEY) there were—ayes 29, noes 62.

So the amendment was rejected.

Mr. TOLLEFSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TOLLEFSON: On page 11, line 19, after the parenthesis strike out "f. o. b. vessels in United States ports."

Mr. HOPE. Mr. Chairman, I make the point of order that the amendment is not germane in that it extends the scope of authority which is given the Commodity Credit Corporation under this bill. The committee has very carefully drafted this bill to limit the obligation of the Commodity Credit Corporation to the delivery of commodities to the President or to agencies designated by him in this country. If the amendment were adopted, it would mean that the obligation of the Commodity Credit Corporation would be to furnish transportation anywhere in the world we might ship these commodities and make delivery outside the United States.

I think there are plenty of decisions that hold that an amendment is not germane simply because it may be related to the subject matter. This amendment greatly increases the scope of the authority given the Commodity Credit Corporation. I call the attention of the Chair to the fact that there are cases which hold that an amendment which relates to commerce between the States is not germane to a provision that relates to commerce within the States.

I should like further to cite the case which is contained on page 484 of Cannon's Precedents, volume VIII.

In this particular situation the language in the bill was that no producer, manufacturer, or dealer shall ship or deliver for shipment in interstate commerce a product of any mine or quarry situated in the United States which has been produced in whole or in part by the labor of children under the age of 16 years.

Mr. J. Hampton Moore, of Pennsylvania, offered the following amendment:

After the word "States", insert a comma and the words "or any foreign country."

The point of order was made that the subject under discussion related exclusively to interstate commerce, and that the amendment, therefore, was not germane in that it proposed to add the products of foreign commerce.

In the discussion which ensued, the gentleman from Kentucky, Mr. Swagar Sherley, submitted the following:

Mr. Chairman, I desire to be heard before the Chair makes a ruling along those lines, because the Chair will find a long line of precedents in rulings by Speaker Carlisle and Speaker Reed and several other distinguished Speakers holding that where the effect of striking out words is to change the scope of the bill it is not in order.

The Chairman said:

Upon reflection, the Chair thinks the gentleman from Kentucky is correct.

The CHAIRMAN. Does the gentleman from Washington desire to be heard?

Mr. TOLLEFSON. Yes, Mr. Chairman. I do not think the point of order is well founded. This bill provides for the disposition of agricultural surplus products to foreign nations and involves necessarily the transportation of those surplus farm products from the point of their existence in the United States to the point of their destination abroad. The language of the present bill gives the President authority on page 6, line 21, and I read, "and shall make funds available to finance the sale and exportation of surplus agricultural commodities."

That is contained, of course, in section 1, but it is in the bill, and it gives the President authority to finance the sale and to finance the exportation which would exclude the transshipment of products not only in the United States but on vessels to carry them abroad.

I might say to the committee, Mr. Chairman, we have had similar legislation such as this before the House on previous occasions, and on every one of those occasions in every one of the bills which was considered by the House, we offered an amendment which the House approved which provided that 50 percent of all the cargoes should be carried in American-flag vessels. May I say further, Mr. Chairman, that the amendment which I have offered does not preclude the FOA or the Commodity Credit Corporation or the President himself from doing exactly what this bill would provide. It simply makes it possible for the President or the FOA or the Commodity Credit Corporation to make such arrangements as they deem advisable to see that some of the products are sent in American-flag vessels. But, it does not make it compulsory upon any of these agencies to see to it that substantial portions of cargo are carried on American-flag vessels. As I say, we have acted on this same or similar type of amendment on other bills, and it seems to me that the point of order is not well taken.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield.

Mr. COOLEY. Just what is the purpose of the gentleman's amendment, if it is not to do just what the chairman of the committee suggested, and that is to enable the administration or the administrator to pay ocean freight? That is taking us into the field of foreign commerce where the Commodity Credit Corporation has never been permitted to go heretofore.

The CHAIRMAN (Mr. FORD). The Chair is prepared to rule on the point of order. It seems to the Chair that the discussion now taking place goes to the merits of the amendment offered by the gentleman from Washington.

The gentleman from Washington [Mr. TOLLEFSON] has offered an amendment striking out the words "f. o. b. vessels in United States ports" in line 19 on page 11 of the bill.

The gentleman from Kansas [Mr. HOPE] has objected on the ground that it is not germane to the bill under consideration.

It seems to the Chair, on the basis of section 204 of the bill, and other related portions of the bill which deal with the question of transportation of the commodities which are involved in this legislation, that the amendment offered by the gentleman from Washington [Mr. TOLLEFSON] is germane; and the Chair so rules.

Mr. TOLLEFSON. Mr. Chairman, I have another amendment at the desk which deals with this same subject, and the House will have to either approve or reject both, and for that reason I ask that the other amendment be read and that the vote on the two amendments be considered at the same time and that I have an additional 5 minutes.

The CHAIRMAN. The Clerk will read the second amendment.

The Clerk read as follows:

On page 15, line 10, after the word "delivery" strike out the words in lines 10 and

11 "free alongside ship or free on board export carrier at point of export", and insert the words "the point of destination."

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

Mr. HOPE. Mr. Chairman, I dislike to object to the request, but the amendments which the gentleman has offered cover exactly the same point, and he can make the same argument for both amendments as he would for one, so that it does not seem to me that he would need more than 5 minutes to discuss them. We have been going along without any limitation, and I think it is going to be necessary to conserve time, as I understand there is other business to come before the House. I think under the circumstances I shall be constrained to object.

Mr. TOLLEFSON. If the gentleman will withhold that for a moment, I can offer each amendment separately and get 5 minutes on each one of them. I do not take up much of the time of the House on any of these bills. This is of sufficient importance to the people of the United States to be considered by this committee and to be heard by this committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

Mr. HOPE. Mr. Chairman, I object.

The CHAIRMAN. The gentleman from Washington is recognized in support of his amendment.

Mr. TOLLEFSON. Mr. Chairman, since I have been in Congress I have supported our farm program not primarily because it helped the individual farmer but principally because it was in the national interest. Likewise, I have supported the merchant marine policy of the Congress of the United States, not because it was in the interest of some individual seamen or individual ship operators or owners, but because it was in the national interest.

The Congress of the United States has set and fixed a merchant marine policy. Back in 1920 we passed the Merchant Marine Act, which provided it was the policy of the United States to have a merchant marine sufficient in size to carry the bulk of our foreign commerce and to act as a military auxiliary in times of emergency.

In 1936 we passed another merchant marine act, supplanting that of 1920, in which the same policy was announced except that the word substantial was used in place of the words the bulk of our commerce. That policy has been followed by this Congress on a number of occasions, starting with the Economic Cooperation Act of 1940, to which we offered an amendment to provide for a 50-50 carriage of foreign cargoes in American shps. We did the same thing in the Foreign Aid Act. We did the same thing in the Yugoslavia Relief Assistance Act; also with the Indian Emergency Food Aid Act of 1951.

Also with the Mutual Defense Assistance Act of the 81st Congress. Also the Mutual Security Act of 1951, the 82d Congress. Also the Pakistan wheat bill of last year. Now the Congress has spoken definitely. On several occasions this point has been presented to us, and we have specified in these relief acts that 50 percent of the cargoes be carried in American-flag ships, proposing thereby to effectuate and implement the Merchant Marine Act of 1936.

I said here on the floor of the House when we had the appropriation bill for the Defense Department under consideration that if all we did this year in our defense effort was to enact that bill we would not be doing enough in our defense effort. I based that on a statement made in the testimony before our committee from representatives of the Defense Department, one of whom was Admiral Leggett, Chief of the Bureau of Ships. He made this most remarkable statement, he said:

> The most vulnerable area of our whole defense effort promises to be the condition in our shipbuilding industry.

He was not primarily concerned about work in the shipyards; he was thinking about how to get ships we would need in an emergency.

Prior to World War I and prior to World War II we had so neglected our merchant marine that we did not have anywhere near the number of ships needed. How much longer the war was prolonged because of that no one will ever be able to say with accuracy, but we had to do all sorts of things to get the shipping we needed at the cost of untold extra dollars to build the ships in a hurried way to do the job which needed to be done.

The Defense Department recognizes the importance of the American merchant marine. You can have either a private merchant marine or you can have a Government-operated merchant marine. You are now in the process of building a Government-operated merchant marine through the MSTS where the Government assumes all the cost; but under the private merchant marine at least part of the cost is borne by private owners. You can have one or the other. We should do what we can to help the American merchant fleet in order not to have it entirely Government owned and operated.

This Congress has year after year endorsed this policy definitely. The Committee on Agriculture seeks to circumvent it by inserting the language which this amendment seeks to strike.

I ask that this amendment be approved.

Mr. HOPE. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

Mr. BONNER. Mr. Chairman, I object.

Mr. DIES. Mr. Chairman, reserving the right to object, what is the rush about this? We have been coming here for 6 months spending half our time doing nothing; then some bill of importance comes up and the chairman of the committee steps in with terrible haste to dispose of it.

Mr. HOPE. The chairman of the committee is simply trying to expedite the proceedings of the Committee without in any way interfering with the proper transaction of matters before the Committee.

Mr. BONNER. Mr. Chairman, reserving the right to object, I admire the gentleman from Kansas very much, and I want to cooperate with the gentleman in his agricultural legislation; but the gentleman from Washington has the responsibility of being the chairman of the Merchant Marine Committee of the House which has been a hard job for some time.

This is a very vital question about the American merchant marine. I certainly want 5 minutes, and I think probably some other members of the Merchant Marine Committee of the House would like to have an opportunity to say a few words about it.

Mr. HOPE. I certainly want to work with the gentleman and at the same time expedite this as much as possible. Would the gentleman object to a limitation of 15 minutes?

Mr. BONNER. Just as long as I have my 5 minutes, Mr. Chairman.

Mr. HOPE. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 15 minutes, the last 3 to be reserved to the committee.

Mr. BONNER. Mr. Chairman, reserving the right to object, do I understand that I am to have 5 of the 15 minutes?

The CHAIRMAN. The gentleman from Kansas has asked unanimous consent that all debate on this amendment close in 15 minutes, the last 3 to be reserved for the committee, the remainder of the time to be divided among the Members standing on their feet.

Mr. BONNER. I do not like to object, but I was on my feet asking for recognition to support the amendment when I yielded, or if I did not yield, the request was made. Therefore, I would be constrained to object unless I am assured of 5 minutes.

The CHAIRMAN. Objection is heard.

Mr. BONNER. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, the chairman of the Merchant Marine Committee has made a splendid statement with respect to the amount of merchant-marine participation and the importance of it to our national defense. In furtherance of what he has said this House should go back and look at the picture of 10 or 15 years ago, say just after World War II.

At that time we found ourselves in the position of owning practically all the bottoms afloat. We practically controlled all the ships in the world. But in a generous spirit we passed the Ship Sales Act, selling not only to the citizens of America at one-third of the war-built cost a number of vessels that were necessary to carry out the war effort and to successfully win the war, but we also sold to friendly nations American war-built vessels under practically the same conditions.

It is a difficult problem to operate our merchant marine in competition with foreign vessels unless we have some legislation here in Congress to protect the American merchant marine. All other countries protect their flag vessels. All other countries give preference to their flag vessels.

All we are asking here, when we are giving away, and selling on credit, disposing of valuable property, is that our

American merchant marine have only fair participation in the carrying of goods that we are so generously giving to other people, and goods that other people certainly need. It is a fair request.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. The gentleman is making a very fine statement about the amendment but, as I understand it, the amendment does not even require 50 percent. All it asks is that it be permissible for the American merchant marine to carry some of these products.

Mr. BONNER. I appreciate the gentleman's contribution. I understand the amendment does not request that 50 percent of the freight be carried in American-flag vessels. It should. The amendment should be to that effect. All you gentlemen who are interested in the man who works and the man who goes to sea, the American labor on our vessels, should be aware of the fact that that American labor is being discriminated against every day a ship sails out of New York, or any other port in America, with foreign seamen. It costs us about three times as much to man a ship as it does any other nation in the world and, as the chairman of our full committee says, you are going to either pay directly for this part of our national defense, the American merchant marine, or you are going to subsidize it so that private industry can operate it as economically as possible and make us proud to have our American flag sail the high seas and go into every port in the world. I think it is, as I started to say, with little grace, but I will not, because I think when this House seriously thinks over this problem that the chairman of the full committee and the ranking member of the committee from my side are going to realize the responsibility that those of us have who work so diligently on the Committee on Merchant Marine and Fisheries trying to keep the American-flag ships on the high seas. I appeal to you Members of the House to help the American merchant marine, which is so necessary in the event of an emergency. You cannot move an army without it. That has been testified to by the highest-ranking naval officers.

Mr. COOLEY. Mr. Chairman, if the gentleman will yield, just how does this language restrict the movement of our merchant marine?

Mr. BONNER. The gentleman certainly is not that naive. Certainly you understand that this is going to bring about an increase of ocean commerce, it is going to bring about a lot of business in the shipping industry. Certainly we would like to have a portion of it.

Mr. COOLEY. As I understand, it says we pay the freight f. o. b. vessels in United States ports.

Mr. BONNER. Of course. But you know that the State Department and these various aid departments and groups that we have set up to handle relief can influence the carrying of the cargo, even though we have a percent division. Why, those who operate private vessels on the high seas had to fight always to get 50 percent of the cargo provided for in former legislation. I do hope that the sound-thinking members of this Committee on Agriculture will at least reconsider the fair request made in this amendment.

I do not anticipate nor is it necessary that we pay ocean freight. We only ask that a portion of the cargo be loaded and shipped in American-flag vessels.

Mr. HOPE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes, with the last 3 minutes reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

Mr. RIVERS. Mr. Chairman, I object if we cannot get 3 minutes.

Mr. HOPE. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 20 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS. Mr. Chairman, in the 2 minutes which the committee so generously has given me, I cannot say very much, and I have been here for quite some time. I thank you for your consideration.

Mr. Chairman, I want to say a word in behalf of the amendment offered by the gentleman from Washington [Mr. TOLLEFSON]. If there is anybody who knows the plight of our merchant marine, it is the gentleman who now heads the Committee on Merchant Marine and Fisheries. I happen to be a member of the Committee on Armed Services. We know the plight of our private shipping business from the shipyards to the operation. I happen to be the sponsor of a bill which is designed to construct 20 fast-moving tankers to keep up with our fleet, because we just do not have them. It is unfortunate that when one speaks for America, he is in the minority in this House so frequently. I do not understand why there is the slightest bit of equivocation on the part of those in authority in accepting such a temperate amendment as this. The trouble with the amendment is that it is too temperate. It should read that 50 percent of this giveaway program should be carried in American ships. During World War II we built 6,000 ships. We built 50 million tons of shipping.

Do you know that when we found ourselves in World War II, we had no Merchant Marine, and the price of shipping under foreign flags went up 2,500 percent to Uncle Sam when he shipped his products in those ships, because we had none? It is incredible to me that this committee should take any position other than the one which demands that these products be carried in American bottoms. We have here the hideous spectacle of one speaking in behalf of his country, speaking in the minority, if we do not take affirmative action on the gentleman's amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. DEVEREUX].

Mr. DEVEREUX. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Washington [Mr. TOLLEFSON].

As a member of the Armed Services Committee, I think we realize the great importance of our merchant fleet to our national defense. We have gone over this problem many times and anything we can offer to stimulate our merchant fleet, which is truly an auxiliary of the Armed Forces, should be accepted.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I rise in support of the amendment of the gentleman from Washington [Mr. TOLLEFSON]. I approach this matter from a slightly different angle. If we are going to have a merchant marine that will supplement and give logistic support to our forces in time of emergency, we must have the know-how that goes with a merchant marine. A merchant marine is not just ships. It is the terminals, it is the docks, it is the facilities, it is the tugboats, it is the lighters, and above all it is the people who know how to operate these facilities. It is the officers and men who can operate our merchant ships.

What happened during World War II? Every day, on the radio, appeals went out for men who had tickets—licenses as officers in the merchant marine, to report for available duty. They were told to telegraph the Merchant Marine Commission in Washington and they would immediately be put on the payroll. This shows how badly we needed these men. The standby cost was great.

What has happened since? We have dissipated all of the experience we built up during the war. We closed our maritime schools where we used to train merchant-marine officers, because we said that they were too expensive and there was not sufficient demand for them, and there was not sufficient demand for them because we did not have the merchant marine in which properly to utilize them.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Virginia.

Mr. HARDY. Mr. Chairman, I should like to commend the gentleman for the argument he is making. I think it is a sound argument and I want to associate myself with him in support of this amendment.

Mr. MILLER of California. I thank the gentleman.

I want to reiterate what General Devereux said. We on the Armed Services Committee, who are familiar with this problem, know of its importance; we know that if we are going to continue to have a merchant marine in this country we must look to it now and not some time in the future. I sincerely hope that the amendment offered by the gentleman from Washington [Mr. TOLLEFSON] will be approved. It will stimulate not only the seagoing phase of our merchant shipping, but those all important and indispensable ancillary services so important to our merchant marine.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. ALLEN].

Mr. DORN of New York. Mr. Chairman, I ask unanimous consent that the time allotted to me be transferred to the gentleman from California [Mr. ALLEN].

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ALLEN of California. Mr. Chairman, I would like to say just a few things which I think are factual and which I think the Committee might like to have in mind in considering this matter.

I rise in support of the amendment of the gentleman from Washington [Mr. TOLLEFSON]. The reason that amendment is important, as I see the situation, is this: under the language of the bill, the control of the handling of the cargoes beyond the shores of the United States stops at the shores of the United States. We are interested in having cargoes for American ships. Cargoes and passengers are needed if we are to have operating ships.

Let me say one or two words about the need for ships. In testimony about a year or more ago, Admiral Wilson said that the present American merchant marine is deficient in ships needed by the military for the intial effort in an emergency, by between 160 and 200 ships. The testimony a few days ago of another high-ranking official of the Navy was that that statement is still a correct appraisal of our present situation. We now find the American merchant marine, a necessary part of a war effort, short by approximately 200 ships of the number needed for that initial effort.

Let me say one thing about the difference between ships in the laid-up fleet and ships at sea. We had a bill before our committee which concerned the *President Wilson* and the *President Cleveland*, which are passenger ships operating on the Pacific Ocean. An officer from the Transportation Office of the Navy appeared on behalf of a bill which would keep those ships in the hands of private operators. I said, "Don't we have similar ships, P–2 transports, in the laid-up fleet?" He said, "Yes, we do." I said, "If you had to evacuate civilians from a Far Eastern port, how long would it take you to get the *President Wilson* or the *President Cleveland* under the control of the military?" The answer was "About 90 minutes or less," because the procedure was merely to send a wire to the operating company to requisition the ship for use.

I said, "But how long would it take to get that transport into use if you took it from the laid-up fleet?" He said, "About 90 days." I said, "The difference in availability between a ship at sea under operation by a private operator and a ship taken from the laid-up fleet is the difference between 90 minutes and 90 days?" He said, "Yes."

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of California. I yield to the gentleman from North Carolina.

Mr. COOLEY. Is not the purpose of this amendment to require that the United States Government pay the ocean freight on all the commodities we ship under this program?

Mr. ALLEN of California. The gentleman is 100 percent wrong.

This is the situation: When we operate ships under the American flag we can compete with the foreign-flag ships in every situation except one: If we wish to pay an American citizen an American standard of living we can get him to go to sea. If we want to pay him a foreigner's standard of living he will stay home, where he sensibly should, and earn an American standard of living.

If we need ships in wartime and if they had been, for example prior to the last war, manned by Japanese or Germans, how much use do you think they would have been to us once the emergency had occurred?

If we are going to have an American merchant marine worth anything to us in an emergency period, we must have an American merchant marine manned by American seamen, and they will not work for less than an American standard of living.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, we have all listened to the distinguished members of the Committee on Armed Services. I am in full accord with them as to the value of the Merchant Marine. I do not think anybody questions the value of a merchant marine. But the question is solely, Who is going to pay for it?

Through this amendment the demand is made that the Commodity Credit Corporation pay the subsidy for maintaining a merchant marine. I voted to subsidize the merchant marine and I will do so again, as far as I know, if the committee will bring in a straight bill simply providing whatever subsidy is necessary to maintain an adequate merchant marine. I know we need a merchant marine and I know that we must pay for it. If they will bring in a straight bill here and make that the issue before this House, I am sure we will all support it, but the payment of the needed subsidy for a merchant marine is not the issue presented by this amendment. The spokesmen for the merchant marine are not bringing in their bill. They, like the cuckoo that comes in and lays her egg in some other bird's nest, are trying to make someone else carry the cost. They try to attach their agency like a blood-sucking leech to the Department of Agriculture and make the farmers of America pay the bill for the merchant marine.

Now a bill for the merchant marine is a perfectly legitimate bill. Nobody is questioning that. But let us charge this subsidy where it ought to be charged. That is the only question involved. The question is, Why should either American agriculture or American charity pay the subsidy necessary to maintain a necessary arm of national defense? If national defense needs a merchant marine, and I am ready to agree that it does, let us charge the bill to national defense. When we come to maintaining our army camps and when we come to buying airplanes, we do not try to charge the bill to the education system of the country, we charge it to national defense. This merchant marine, we are told, is a military necessity. I am not questioning that. But if it is a military necessity, then let us see its advocates come out and openly and frankly ask for a clear-cut appropriation to pay the bill. Surely, the spokesman for the American seamen and ship operators do not need to try to get a free ride at the expense of either the American farmer or of the victims of foreign famine.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Washington. Specifically, I would like to emphasize the fact that this is simply a permissive measure which would allow these agricultural products to go on our American ships.

When the members of the Committee on Agriculture think of surplus farm products, I am sure they have in mind the protection of individual American farmers. By the same token, when I listen to their arguments in favor of this legislation, my mind sees idle American merchant ships and, in particular, the American crews whose livelihood must come from following the sea.

It seems to me that the prohibition of American ships to distribute surplus farm products is rank discrimination against American seamen in favor of low-wage foreign crews. I cannot see the consistency in subsidizing a merchant ship, and then saying you cannot use it.

I am for the amendment introduced by the gentleman from Washington because of its relation to the national defense, but even more so because without his amendment the legislation discriminates against American seamen. Then, too, this is a foreign aid bill and I cannot see the justice of putting the double burden of one class—American seamen.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. TOLLEFSON. Mr. Chairman, will the gentleman yield?

Mr. PELLY. I yield.

Mr. TOLLEFSON. Is it not true that my amendment does not compel the Commoditly Credit Corporation or anyone else to pay the cost of shipping, and that it makes it permissive, however, to do so, and it would enable the Commodity Credit Corporation or the FOA or the President to require payment of transportation by the recipient nation?

Mr. PELLY. The gentleman is exactly right, and that is the point I was trying to emphasize. I think the statement he made in presenting this amendment is one of the strongest and finest statements I have ever heard in the well of the House.

Mr. DORN of New York. Mr. Chairman, will the gentleman yield?

Mr. PELLY. I yield.

Mr. DORN of New York. Does the gentleman know that the Committee on Merchant Marine and Fisheries of the

House is unanimous in its support of this amendment?

Mr. PELLY. I did not know that.

Mr. DORN of New York. There is no one on that committee who is opposed to this amendment.

Mr. PELLY. I know they have the interest of our merchant marine at heart. I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, I would like to propound a question or two to the author of the amendment. I made the statement awhile ago indicating I am under the impression that the purpose of the amendment, the real purpose, is to require the American taxpayer to pay the ocean freight, and to charge it to the Commodity Credit Corporation as part of its operations. If I am wrong, I would like to be corrected.

Mr. TOLLEFSON. The gentleman is wrong. That is not the purpose of the amendment.

Mr. COOLEY. What will be accomplished by the amendment?

Mr. TOLLEFSON. It is possible by my amendment that the Commodity Credit Corporation or the FOA or the President of the United States would provide American funds for the transshipment of the cargoes, but it does not make it mandatory. It is entirely possible, however.

Mr. COOLEY. No, no; I did not say it makes it mandatory, but if you strike out "f. o. b., United States ports," then you may make it f. o. b., foreign ports.

Mr. TOLLEFSON. No; you do not.

Mr. COOLEY. No, not necessarily, but I say it could happen and that is the only advantage that could possibly inure to our merchant marine. You admit it will cost us three times as much to use our own ships as it would to use foreign ships.

Mr. TOLLEFSON. It would not cost three times as much in freight charges. If it was carried on the regular lines, it would cost the same. If it was carried on transship, it might cost a little less than on foreign ships—that is true.

Mr. COOLEY. On the other hand, it would require us or at least permit the administration to pay the ocean freight on foreign ships.

Mr. TOLLEFSON. It would permit them to do so, but I do not think our Government would pay any ocean freight on foreign ships.

Mr. COOLEY. Certainly, why not?

Mr. TOLLEFSON. Because we have American-flag ships.

Mr. COOLEY. If I may make just one observation. You and your associates have already argued that the State Department would prefer foreign ships to our own American ships.

Mr. TOLLEFSON. No, the State Department will not administer this program. It will be administered by the Commodity Credit Corporation, the FOA, and the President, and all of them will observe the 50–50 provision in the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. HOPE] to conclude debate on the pending amendment.

Mr. HOPE. Under the language now in the bill, the responsibility of the Commodity Credit Corporation for paying freight is limited to vessels in United States ports. If this language is stricken from the bill, it will do away with that limitation. Having been in the bill and then stricken from the bill, it would be interpreted as congressional intent that the Commodity Credit Corporation should pay the transportation charges on ocean freight. I do not see how it could be construed in any other way. The reason we have this provision in the bill, the reason we have had it in previous legislation, is because in most cases which will arise under this situation the recipient countries will either pay the freight directly by using their own vessels or they will be able to acquire foreign currency of one kind or another and pay the freight in that way. Certainly, as long as we are donating the commodities the recipient countries ought to be willing to pay the freight. If you strike this language from the bill, then of course we are saying, "We are not only giving you these commodities but we are going to deliver them at your ports." I do not believe that is what we want to do. There has been considerable talk in the discussion of this bill about economy. If you want economy, here is a chance to get some economy. I do not want anything I have said to be construed as being in any way critical of the merchant marine. I have supported merchant marine, and will continue to do so, but in this case I do not believe we should strike out this language and carry the implication if not the declaration that the Commodity Credit Corporation should pay not only the transportation to seaboard but the transportation to those countries which are receiving these commodities.

Mr. TOLLEFSON. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. TOLLEFSON. Will the chairman of the committee name one relief bill which carried the language that is contained in this bill?

Mr. HOPE. Previous bills reported by our committee relating to transportation of commodities owned by the Commodity Credit Corporation have stopped at the water line in this country.

Mr. TOLLEFSON. Not in one bill. You name one.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

All time has expired.

The question is on the amendment offered by the gentleman from Washington [Mr. TOLLEFSON].

The question was taken; and on a division (demanded by Mr. TOLLEFSON) there were—ayes 56, noes 57.

Mr. TOLLEFSON. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. TOLLEFSON and Mr. HOPE.

The Committee again divided, and the tellers reported that there were—ayes 79, nays 86.

So the amendment was rejected.

Mr. HOPE. Mr. Chairman, I wonder if we can agree upon a limitation of time for the further consideration of the bill? I am going to suggest 40 minutes, and I make that suggestion with the thought in mind that although there are a number of amendments yet to be offered, I think most of them are noncontroversial and I believe it would be entirely possible to give sufficient time to discuss the controversial amendments and still conclude in 40 minutes.

Mr. DIES. Reserving the right to object, on what? On the bill?

Mr. WILLIAMS of Mississippi. Mr. Chairman, reserving the right to object, how far does that extend? To the entire bill?

Mr. HOPE. The gentleman from Kansas will restate his request.

Mr. Chairman, I ask unanimous consent that all debate on this bill and all amendments thereto close in 40 minutes.

Mr. BAILEY. Mr. Chairman, reserving the right to object, I have been sitting here for 3 hours now waiting to offer an amendment. Much time has been devoted to other amendments. At this time I do not think there is such an emergency that we cannot go ahead and give the same consideration to all amendments which apparently has not been limited in the past.

Mr. DIES. Mr. Chairman, may I suggest that the gentleman withhold his motion for a little while? I think we can dispose of some of these amendments pretty shortly.

Mr. HOPE. I think most of these amendments are noncontroversial and we can dispose of them expeditiously.

Mr. DIES. I suggest the gentleman withhold his request for a little while.

Mr. HALLECK. Mr. Chairman, we have a conference report on an important appropriation bill scheduled for this afternoon that we have been holding up. As we quit last night I thought we could wind up this bill in an hour, but apparently we have developed a lot more amendments overnight, as frequently happens. The gentleman from Texas has an amendment that he will want to talk on, but I know his capacity is such that he can explain it in 2 minutes so that Members will either vote for it or against it. For certain personal reasons, all I am suggesting is that I hope we can conclude in 40 minutes. I think everyone will have a fair opportunity to present his amendment and we can dispose of them.

Mr. BAILEY. Mr. Chairman, I make the point of order that the motion of the gentleman from Kansas is not in order. There has been no debate on a pending amendment and it is not in order under the rules of the House for him to offer such a motion.

The CHAIRMAN. The gentleman from Kansas has made the suggestion that there be a time limitation. There is no amendment pending.

Mr. BAILEY. Mr. Chairman, unanimous consent would have to be given. If there is any objection a vote cannot be forced on the matter.

The CHAIRMAN. A motion would be in order if the gentleman from Kansas so desires.

Mr. HOPE. Has there been objection to the unanimous-consent request?

The CHAIRMAN. The Chair will put the request, if the gentleman from Kansas makes it.

Mr. HOPE. The gentleman from Kansas asks unanimous consent that all debate on this bill and all amendments thereto close in 40 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

Mr. WILLIAMS of Mississippi. Mr. Chairman, reserving the right to object, I would like to ask if we have business scheduled in the House for Friday?

Mr. BAILEY. Mr. Chairman, a parliamentary inquiry.

Mr. WILLIAMS of Mississippi. If not, what is the rush on getting this bill through?

Mr. HALLECK. Mr. Chairman, further reserving the right to object, there are a number of rules outstanding that could well be brought up on Friday. That is a matter to be determined when we learn what we have for next week. Tomorrow morning it is expected we will come in at 11 o'clock and dispose of the matter of sending the housing bill to conference. I assume that will take 2 or 3 hours, maybe longer.

Mr. WILLIAMS of Mississippi. Is it the intention of the gentleman to schedule business for Friday?

Mr. HALLECK. At the moment it is; yes, sir.

Mr. BAILEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BAILEY. Mr. Chairman, do not the rules provide this can be done only by unanimous consent and not by motion unless there is an amendment pending?

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

Mr. BAILEY. Mr. Chairman, I still think the rules are not being followed in that you cannot force a vote on this. You must do it by unanimous consent, but you cannot force a vote unless there is an amendment pending.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. DIES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIES:

On page 16, after line 18, insert a new section 305, which shall read as follows:

"Notwithstanding the provisions of titles I and II of this act, the President shall not sell or transfer any surplus agricultural commodity to any nation unless upon careful investigation he determines (1) that the sale or transfer of such commodity to such nation will not enable such nation to export some commodity or product to the U. S. S. R. or to any nation or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement, or (2) the sale or transfer of such commodity will not create, maintain, increase, or stimulate trade between such nation to whom the sale or transfer will be made and the U. S. S. R., or any nation or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. DIES].

The question was taken; and the Chair being in doubt, the Committee divided and there were—ayes 64, noes 45.

So the amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JUDD: On page 10, line 5, after the word "appropriate", insert a period, and the following: "Goods, services, or foreign currencies may be accepted in payment of such loans."

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota for 3 minutes.

Mr. JUDD. Mr. Chairman, this is the amendment that was removed at the request of the gentleman from West Virginia [Mr. BAILEY] from the group of amendments that was offered en bloc yesterday.

What it provides is that when foreign currencies are received from the sale of surplus agricultural commodities, the currencies may be used by our Government to make loans where they can be used to further the purposes of the act. The Government may agree with the borrowing country to have the loans repaid in goods or services as well as in their own currencies.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. Yes.

Mr. GROSS. For instance, what services would we get?

Mr. JUDD. We could get shipping, for example, which otherwise we might have to pay for in our own currency. Or we might get the use of facilities in the countries where these loans are made. They could agree to provide local personnel to work in an American agency or operation, even to carry on menial labor, anything of that sort.

Mr. GROSS. In other words, we would be displacing American labor in American industry?

Mr. JUDD. No. It would all be in foreign countries. It would not be in this country. The services would be services rendered in the countries where the foreign currencies are loaned.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. AUGUST H. ANDRESEN. When the gentleman refers to goods, does the gentleman mean that that would include pottery and bicycles and tobacco and things of that kind produced in those countries?

Mr. JUDD. Anything that could legitimately be imported into the United States might be included under this amendment, to be sure. But most, if not all, of the goods would certainly be of the sort that could be used by our agencies in those countries or could be used in other countries to which we are giving aid under the act. Is it not better to get such goods, if a country is able to furnish them, than to get nothing whatsoever?

Mr. AUGUST H. ANDRESEN. And close down some of the plants in West Virginia and Minnesota.

Mr. JUDD. I do not see how that would follow. These loans are to be paid back over a period of years. Actually we are selling our goods for their bicycles and pottery at the present time; and they are using such of their own commodities as they can sell to us, in order to buy our commodities.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BAILEY. Mr. Chairman, I offer a perfecting amendment to the amendment of the gentleman from Minnesota [Mr. JUDD].

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia. The Chair would inquire of the gentleman, is the proposal of the gentleman from West Virginia an amendment to the amendment offered by the gentleman from Minnesota [Mr. JUDD]?

Mr. BAILEY. That is correct.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BAILEY as an amendment to the amendment offered by Mr. JUDD: On page 10, line 5, strike out the word "goods" and insert in lieu thereof "strategic materials."

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia for 3 minutes.

Mr. BAILEY. Mr. Chairman, I ask unanimous consent that I may proceed for 2 minutes now and reserve the other minute to offer another amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia for 2 minutes.

Mr. BAILEY. Mr. Chairman, the proposal here is this: I am objecting to the use of the word "goods" in the amendment offered by the gentleman from Minnesota [Mr. JUDD] because that is too broad a word. It would throw open about 1,900 dutiable articles on the tariff lists to competition from abroad as a result of the sale of these agricultural products. We would have to accept them, we would have to allow them into this country, and they would displace American products and American workmen in the manufacturing industries of our own country.

May I call attention to the fact that we need strategic materials. If time permitted I would read a list of the nations that have the strategic materials which we do not have. I find that they are the very nations to which we propose to give away or to sell these products.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. Briefly; I have only 2 minutes.

Mr. JUDD. The use of the term "goods" does not throw open to import commodities to which the door is not open now. This does not open any new door.

Mr. BAILEY. They would bring them in under reciprocal trade agreements.

Mr. JUDD. They can do that now.

Mr. BAILEY. The Commodity Credit Corporation would have manufactured goods in storage, which they would have to keep, unless they sold them in this country, where they would displace a great many products that are manufactured here. What is the use of our restoring food surpluses with lace and glass and other articles in warehouses in this country? They are going to have to sell them if you accept them.

Mr. JUDD. They can come into our country now under the tariff laws.

Mr. BAILEY. That is the trouble; there are too many of them coming in. And this amendment would permit them to be brought in. That is the point that I am making.

Mr. JUDD. My amendment would not permit them to come in under different terms than they can come in under now. If they can pay the tariff and can find a purchaser they can come in now.

Mr. BAILEY. What are you going to do with those products if you accept them in trade. Burn them, as they did our war equipment? Or are you going to bring them in under the reciprocal trade program and dispose of them in this country? You would only add to our present unemployment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. BAILEY] to the amendment offered by the gentleman from Minnesota [Mr. JUDD].

The question was taken; and on a division (demanded by Mr. BAILEY) there were—ayes 52, noes 45.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota, as amended.

The amendment was agreed to.

Mr. BAILEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAILEY: On page 13, line 1, strike out "may" and insert "must."

Mr. BAILEY. Mr. Chairman, I ask unanimous consent to modify the amendment, to strike out the word "may" and insert "shall."

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Amendment offered by Mr. BAILEY: On page 13, line 1, strike out "may" and insert "shall."

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Kansas.

Mr. HOPE. I rise for the purpose of stating to the gentleman that I have no objection to the amendment he is offering.

Mr. BAILEY. I desire to thank the chairman of the committee and the members of his commitee for accepting my amendment. In consideration of that fact, I am withdrawing the other amendment I have pending on the desk.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. McCORMACK. I have asked the gentleman to yield for the purpose of asking the chairman of the committee a question. On page 14, there is a reference to the nonprofit school-lunch program. The term "nonprofit" is not used in the present law, but it is used in this bill. Will the chairman state whether that is for the purpose of limiting the present school-lunch program or to broaden it? I think this matter is of importance to all of us, and because the debates here will be viewed in connection with the intent of the Congress in interpreting any language in the bill which might raise any questions as to what the real meaning of the language is, naturally the intent of Congress is examined into and ascertained. So will my friend, the chairman of the committee, enlighten us in relation to the question I ask?

Mr. HOPE. I am very happy to do so because it is true that the term "school-lunch program" which is in this bill is used in order not to limit the program to the regular school-lunch program, which is now in effect. In other words, we want to broaden the program to include the regular school-lunch program and any other nonprofit school-lunch program that might be set up.

Mr. McCORMACK. I thank the gentleman. I think his explanation, in my opinion, clarifies the record.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. BAILEY].

The amendment was agreed to.

Mr. GATHINGS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GATHINGS: On page 10, line 5, after the word "appropriate", change the colon to a semicolon, and insert thereafter the following new subsection:

"(h) For the financing of international educational exchange activities under the programs authorized by section 32 (b) (2) of the Surplus Property Act of 1944, as amended (50 U. S. C. App. 1641 (b))."

Mr. GATHINGS. Mr. Chairman, this amendment sets up an additional purpose for which the funds available under title I of this act may be used. It provides that the foreign currencies obtained in return for the sale of surplus commodities may be used in financing the international educational exchange activities. This program bears the name of the junior Senator from Arkansas, Mr. FULBRIGHT, and has been most successful. The plan has not only offered educational opportunities to deserving students but it has promoted good will among nations.

It is a meritorious proposal, and I trust, Mr. Chairman, that the amendment will be accepted by the gentleman from Kansas, Chairman HOPE, and the ranking Democratic member, the gentleman from North Carolina [Mr. COOLEY].

Mr. HOPE. The gentleman has talked to several members of the committee about it. As far as I am concerned, I have no objection to the amendment.

Mr. GATHINGS. Mr. Chairman, will the gentleman from North Carolina accept the amendment?

Mr. COOLEY. Mr. Chairman, I have no objection to the amendment.

Mr. GATHINGS. I thank the gentlemen.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas [Mr. GATHINGS].

The amendment was agreed to.

Mr. HESELTON. Mr. Chairman, I have two amendments at the Clerk's desk which should be passed upon together, and I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. The Clerk will report both amendments.

The Clerk read as follows:

Amendments offered by Mr. HESELTON:

On page 12, line 17, after the word "agencies", insert "including intergovernmental organizations", and

On page 14, line 19, after the word "Government", insert the words "and intergovernmental organizations."

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts that the amendments be considered en bloc?

There was no objection.

Mr. HESELTON. Mr. Chairman, this is intended to incorporate the language which we adopted in 1950 when we passed a bill somewhat similar to this to make it possible for certain existing intergovernmental agencies to participate in this program. Time does not permit me to go into all the details of that bill.

The purpose of these amendments would be to make it possible to use these surpluses for the needs of war-ravaged areas such as in Korea, for refugees who have lost their homes because of war, and for the care of needy children in various parts of the world, through United Nations agencies or other intergovernmental agencies. Examples of how this might be done are the following:

First. Following the great devastation of the war in Korea, millions of men, women, and children have been left homeless, and without proper clothing or food. Estimates vary as to the damages wrought by the war. The South Korean Government published figures last fall indicating property damages exceeding $3 billion. In addition, their estimates indicate 5½ million people as being without homes.

The U. N. Korean Reconstruction Agency has been given the task of restoring Korea to a sound economic and social basis. Over $600 million in cash and goods has been contributed or pledged by 54 governments, specialized agencies, and voluntary organizations—of which about $396 million has taken the form of direct relief. It has been estimated that over a billion dollars will be needed in the future for this job of relief and reconstruction. The United States Congress has been more than generous in the past—and the last Congress set aside $50 million for the use of UNKRA. One of the most constructive steps which this

Congress could take would be to devote a portion of our agricultural surpluses as direct relief to the Korean people, through the facilities of this organization, which is well equipped to carry out such a program.

Second. A similar situation exists in the Arab States, where the U. N. relief program for Palestine refugees is now in its fourth year of operation. The U. N. Relief and Works Agency for Palestine Refugees has under its care about 870,000 Arab refugees in Egypt, Lebanon, Syria, and Jordan. The General Assembly approved in 1951 a budget of $250 million for a 3-year program of relief and reintegration. As of June 1953, $147 million had been contributed toward this goal, of which the United States had given $60 million. Again, an opportunity exists for the fruitful utilization of United States agricultural surpluses for these near-destitute people, through the facilities of the U. N. agency supervising the problem.

Third. Finally, the U. N. Children's Fund is another organization which could well utilize United States agricultural surpluses, in raising the health standard of the children of the world. The U. N. Children's Fund has helped in one way or another more than 60 million children in 78 countries, and has had a great deal of experience in coping with food and nutritional problems. For example, it could distribute powdered milk in areas where safe milk for children is practically nonexistent, as a part of a worldwide campaign to lower infant mortality. As long as the FAO estimates that two-thirds of the world's people go to bed hungry every night, and as long as infant mortality reaches such shocking levels in many countries, have we not a special duty to utilize some of our bounty for the world's children?

I do not believe these amendments would affect the bill adversely. I think they would provide an additional means for accomplishing the purposes of the bill. I am hopeful that the committee itself will feel that it would be helpful.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield to the gentleman from Minnesota.

Mr. JUDD. This would include such organizations as the Children's Fund, would it not?

Mr. HESELTON. The Children's Fund and U. N. relief program for Palestine, which has done excellent work.

Mr. JUDD. Only those agencies designated by the President.

Mr. HESELTON. That is correct.

Mr. COOLEY. Would it include the organization called Committee for European Immigration?

Mr. HESELTON. That is true.

Mr. COOLEY. An intergovernmental committee.

Mr. HESELTON. That is right. This is the organization, I believe, in which the gentleman from Illinois [Mr. REED] and the gentleman from Pennsylvania [Mr. WALTER] have been so much interested.

Mr. HOPE. If the gentleman will yield, I would like to state to the committee that this language has been in similar bills reported by the committee, so the committee has on other occasions approved this language. I think it is simply a matter of inadvertence that it was not included on this occasion. So I see no objection to it. Certainly some good can come from the gentleman's amendment.

Mr. ELLIOTT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ELLIOTT. Mr. Chairman, I am happy to see that the House Committee on Agriculture has brought up a bill which, in reference to the distribution of surplus commodities here in the United States, greatly liberalizes existing laws.

I had the pleasure of appearing before the House Committee on Agriculture when it held hearings on this bill, and urging the committee to give special attention to the food needs of the areas of severe unemployment. I felt then, and I feel now, that it would be a shame for this Nation not to open its storehouse of surplus commodities to the needy people here at home.

In Biblical days, the people were urged to save food against the day of famine. Mr. Chairman, our warehouses are bulging with food. Famine is upon certain areas of the land.

Just a few days ago, Mr. George Averitt, the mayor of Dora, in Walker County, Ala., in the heart of the Warrior coal field, sent me a picture of my fellow citizens of my own county standing in line before the surplus commodity distribution building. He told me that 3,000 unemployed people drew their surplus commodities in this one town.

I am saddened that our Government has not yet been willing to come to grips with this problem of unemployment.

Unemployment is growing in the United States. Nearly 4 million people are now without work. Unemployment is, in the areas affected by it, the No. 1 social and econmic problem of our time.

I want to thank the membership of the Committee on Agriculture, which has legislative jurisdiction over the subject matter of loans, storage, and distribution of surplus agricultural commodities, for liberalizing this law. I refer to the authority given the Commodity Credit Corporation, on page 14 of the bill, to donate surplus commodities to State or Federal agencies for the purpose of assisting needy persons. This same authority extends to publicly owned hospitals, and to nonprofit school-lunch programs.

Now, Mr. Chairman, I want to mention another provision that is of very great importance. That is the provision on page 15 of the bill that the Commodity Credit Corporation may pay for packaging, transporting, handling, reprocessing, and other charges against surplus commodities up to the time of their delivery to the designated State agency. This provision will cure one of the main defects in the existing law, wherein the Commodity Credit Corporation does not have the funds to reprocess, package, handle, and pay other necessary charges up to the time of delivery to the State agency.

In addition, it is my understanding that this bill removes the requirement that has hitherto been in effect, that a commodity can only be distributed for the assistance of the needy when said commodity was in danger of spoilage or deterioration.

On page 13 of the bill, we give the Commodity Credit Corporation the authority to make available to the President any farm commodity owned or controlled by it for use in relieving distress. This is a great improvement over existing law. Now then the President has the power to declare any area of the United States an acute, distressed area because of unemployment, and thereafter make available to such area any farm commodities in the hands of the Commodity Credit Corporation, whether they are in danger of spoilage or not, and thus use our surpluses to relieve the pangs of hunger at home.

Following up, I was happy to note that on page 9 of the report the committee stated that—

> In adding this provision to the law, the committee was impressed with reports of occasional need for such assistance in communities affected by technological unemployment, such as the closing down of industries or mines.

I am happy to see the committee, and to see the Congress, give this bit of attention to areas of acute and distressful unemployment, such as the coal mining areas of this country.

The help which this bill will bring will be great, and I am happy to have had a part in calling conditions of distress unemployment such as exists in my home county to the attention of this committee.

However, Mr. Chairman, no people are satisfied to draw surplus commodities. They want employment in the American tradition so that they can be self-supporting, independent, and economically free. It is for these reasons that I want to urge upon the Congress again and again that we provide a realistic program of employment for our area of heavy unemployment.

There are many public works and improvements that need to be built in every area of acute unemployment, improvements such as dams on our waterways, public roads, public buildings, public schoolhouses, public hospitals, and many others. A program providing for their building would aid the affected communities to bridge the gap while they are trying to make adjustments in their economy that will make them self-sustaining.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Massachusetts [Mr. HESELTON].

The amendments were agreed to.

Mr. MARSHALL. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MARSHALL: On page 16, after section 305, insert:

"SEC. 306. All Commodity Credit Corporation stocks disposed of under title II of this act and section 416 of the Agricultural Act

of 1949, as amended, shall be clearly identified by, as far as practical, appropriate marking on each package or container as being furnished by the people of the United States of America."

Mr. MARSHALL. Mr. Chairman, the purpose of my amendment is rather simple. I want the products that have been delivered from the Commodity Credit Corporation stocks as a gift to the people of the world to be identified, as far as practical, so that the people receiving those commodities will know that they are coming from the people of the United States. That is the import of my amendment. I think if we are going to use food in this international situation it is necessary that the people of the world know where they are getting the commodities that we are generously extending to them.

I hope the members of the committee will see fit to accept my amendment.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. H. CARL ANDERSEN. This is what we did with Pakistan with our wheat. Our flag, together with that of Pakistan, is displayed, at least a small replica is, at all of the points of distribution. Everybody in Pakistan knows that the wheat was given to them by the United States. The gentleman is to be commended for his offering of this amendment. The people who receive these gifts of food will know where they came from.

Mr. MARSHALL. The gentleman knows that, unfortunately, there have been times when people have received food through the generosity of the United States, not realizing that it ever came from the people of the United States.

The insistence that this food be recognized as American assistance is not an attempt to boast of our abundance or to remind people that they are paupers dependent upon us for food. As my respected colleague from Minnesota knows, there have been instances in the past when Communist groups and organizations in other parts of the world have used our contributions to strengthen their hold on people and have even left the implication that the assistance came from them rather than from us.

Accepting as we do the Christian precept to feed the hungry, we are thankful that we have been blessed with abundance and that we are able to help. We cannot permit our charity, however, to be used by the Communists to undermine the very kind of society in which Christian charity is still practiced.

At the same time, I am sure that no American wants to indulge in cruel arrogance because God has provided us with bountiful crops. Rather we would share our plenty in humility and thanksgiving.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. JUDD. The amendment refers only to commodities under title II?

Mr. MARSHALL. Commodities under title II and those in section 416 of the Agricultural Act of 1949, as amended. It would be products which would come under the gift category.

Mr. JUDD. I am in agreement with the gentleman and commend him for introducing the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. MARSHALL].

The amendment was agreed to.

Mr. HARRISON of Nebraska. Mr. Chairman, I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. HARRISON of Nebraska: Page 10, line 17, after "currencies", insert "for a purpose for which funds have been appropriated."

Mr. HARRISON of Nebraska. Mr. Chairman, title I deals with the sale of products of the farm, and we accept foreign currency for our products. There are certain specifications in this act that set up how the currencies are to be used so that the Commodity Credit Corporation will get the necessary amount of credit for these moneys that have been expended by the Government agencies.

This language is inserted so that any time an appropriation in dollars is made for an agency and the agency uses these currencies, the appropriation will then go to the Commodity Credit Corporation so it will get credit for it. That is the sum and substance of this particular amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska.

The amendment was agreed to.

Mr. WILLIAMS of Mississippi. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMS of Mississippi: Page 11, line 17, after the words "available to", insert the following: "the Foreign Operations Administration upon the request of."

Mr. WILLIAMS of Mississippi. Mr. Chairman, in view of the action taken by the House a few minutes ago on the Davis amendment, it is evident that the Members of the House intend to keep the international "handout" section in this bill.

The amendment I have offered refers only to title II of this bill, which is the handout of some several hundred million dollars' worth of farm products as a gratuity to these foreign countries.

Mr. Chairman, the purpose of this amendment, of course, is to channel this aid through the Foreign Operations Office, in order that it can be appropriately identified as part and parcel of our rather expansive and unexplainable foreign-aid program, and not be charged against the farm program and against the farmers of our country.

Also, I think it would promote efficiency. If we must waste the products of our farms over the world, then let us have it wasted by experts and not by amateurs. The Foreign Operations Administration has had 10 or 15 years of experience in wasting the people's money. Waste is their business; they know how to do it. I do not want to get the Agriculture Department in the habit of wasting the people's money also, and I am afraid they might get into that habit if we start them on this road.

The third purpose in offering this amendment is to promote honesty, by letting the people know this is foreign aid in fact, and not simply a means of dumping surpluses to save face for our farm program.

I hope the amendment will be accepted.

As far as I can tell it would not change the operation of this program in the least; it would not cost us any more money—although I have to admit that these foreign-aid boys really know how to spend—but even they would be limited to the amount contained in this bill. It will not cost any more money, and I cannot see any possible objection to charging this particular portion of this bill against the program that it should properly be charged to, the foreign-aid program.

Mr. HOPE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think this would be a very serious proposal should we adopt it because it would preclude the President, who is given the authority under the bill to carry out the program from doing it except through one certain agency. As I have stated previously this morning in discussing the pending legislation, the committee hopes that a considerable part of the commodities provided under title II will be distributed by voluntary organizations, like CARE and other groups which have efficient and effective organizations throughout the world to put these commodities in the hands of individuals, rather than through governmental agencies or from one government to another. These organizations will get these commodities in the hands of individuals. I think that is where we want them to go.

If we adopt the gentleman's amendment it will preclude the use of those commodities in that way, which certainly is the most effective way in which we can dispose of them.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. WILLIAMS].

The amendment was rejected.

Mr. FULTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FULTON: On page 9, line 21, change the semicolon to a comma and add "and for purchase of cultural items and services for Federal, State, and local United States governmental agencies, and nonprofit institutions and museums."

Mr. FULTON. Mr. Chairman, I have taken up this amendment with the chairman of the Committee on Agriculture, the gentleman from Kansas [Mr. HOPE], as well as the gentleman from North Carolina [Mr. COOLEY] and the gentleman from Texas [Mr. POAGE].

As you will note, the bill as it stands, amended by Mr. JUDD's amendment of yesterday, on page 9, lines 20 and 21, reads:

For financing and purchase of goods and services for other friendly countries.

My amendment says that from these funds, these foreign currencies that are

received from the sale of these United States surplus agriculture commodities abroad, we may use some of them to bring cultural items back to the very communities where these agricultural products were raised. This would provide that the Federal Government and the State and local governments as well as museums and nonprofit institutions will have the possibility of having the foreign currencies spent for items which they can use and which will be held by them. It will be public and not for private profit.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Georgia.

Mr. DAVIS of Georgia. What are some of the cultural items or services that may come from items the gentleman has in mind?

Mr. FULTON. I would cite as one example music; for particular example, an outstanding violinist. Here is the reason I say these items should be provided for the home people: This bill provides the same thing without limits for people of friendly countries. I feel that items of a monumental or of a cultural service or a product such as a picture would be involved in the purchases under my amendment. There is no use throwing these foreign currencies away or letting it remain idle. We should have such cultural additions brought back for our public institutions, such as museums, or to help our cities in their development.

I wish to thank the committee for their support.

Mr. GROSS. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, money is being spent for just about everything else under this bill, but I doubt that we need to use these funds to import long-haired violinists to come in and give us a song and dance out in Iowa.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. Has this been cleared through Mr. Petrillo?

Mr. GROSS. I am not sure. The gentleman will have to address that question to the gentleman from Pennsylvania.

I am surprised someone has not asked for diversion of some of this money to those painters in Italy and France who have been very prodigious with their paint brushes painting signs telling Americans to go home.

Mr. Chairman, one other observation. I note in yesterday's papers that Mr. Churchill and Mr. Eden are coming to this country soon, and I understand that Mr. Attlee and Mr. Bevin are heading for Communist China. I assume that the right hand of the British ruling dynasty knows what the left hand is doing. I assume Mr. Bevin and Mr. Attlee are going over to Red China to get some juicy contracts for British industrialists, and I imagine that Mr. Churchill and Mr. Eden are coming to this country to dig into our pocketbooks again, perhaps to pay for their deals with the Communists.

Mr. DOWDY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to my friend from Texas.

Mr. DOWDY. I did not think any of our museums or zoos had any long-haired musicians in them.

Mr. GROSS. I have not had the opportunity to visit any of them recently, but I know the gentleman from Texas joins me in opposing the use of funds to populate our museums or zoos with imported musicians.

Mr. Chairman, this amendment ought to be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FULTON].

The amendment was rejected.

Mr. JAVITS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JAVITS: On page 6, following the amendment adopted and beginning on line 23, strike out the period and insert "and (3) shall certify the selling price thereof in dollars."

Mr. JAVITS. Mr. Chairman, the purpose of this amendment is for tidy administration and for an understanding of exactly what we are doing both on the farm-aid program and in terms of surplus commodities for foreign assistance or for other similar purposes. The amendment requires that the Commodity Credit Corporation shall certify the selling price in dollars to the recipient of what is being sold for foreign currencies under this program. This is intended to make it very clear that the appropriations which are then made as provided by the bill to reimburse the Commodity Credit Corporation for all its investment in the commodity sold represent reimbursement; but do not represent the value of what is being utilized in this program. The value of what is utilized is by my amendment separately identified, and anyone can then argue who wishes as to the success or failure in dollars of the farm-price support program and as to the success or failure in dollars in the way in which these agricultural surplus commodities are being used. I think it is fair. I could go through the mumbo-jumbo of saying there should not be appropriations and that the Commodity Credit Corporation should come in and ask for new authority as its buying authority gets reduced. But that would be just mumbo-jumbo. I think, so long as we know what the facts and figures are, that is what, within reason, we ought to have.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from North Carolina.

Mr. COOLEY. I would like to say that the bill itself requires the President to make a report to the Congress. Personally I have no objection to the gentleman's amendment. I think it would be very well if the amendment would be adopted so that we would know exactly the dollar value involved rather than the amount of foreign currency.

Mr. JAVITS. I thank the gentleman. I wonder if the chairman of the committee would have any feeling about this amendment.

Mr. HOPE. I would say I have no objection whatever to the amendment. There has not been an opportunity to discuss it with various members of the committee, but personally I have no objection to the amendment.

Mr. JAVITS. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. JAVITS].

The amendment was agreed to.

Mr. HOPE. Mr. Chairman, I move to strike out the last word. I rise primarily to answer inquiries which have been made of the committee with respect to the interpretation of the language contained in two provisions of the bill. The first relates to section 106 as it might be applied to wool. For some reason, the wool trade has an idea that there might possibly be some exports of wool under this legislation. I cannot understand how that would be possible, because section 106 defines surplus agricultural commodities and says that that term "shall mean any agricultural commodity or product thereof, class, kind, type, or other specification thereof, produced in the United States, either privately or publicly owned, which is in excess of domestic requirements, adequate carryover, and anticipated exports for dollars, as determined by the Secretary of Agriculture."

We produce about 30 percent of the wool that we consume in this country; so I can conceive of no condition under which wool would meet the definition of surplus agricultural commodities as laid down in this bill.

The other matter, Mr. Chairman, relates to the amendment of the gentlewoman from New York [Mrs. KELLY] which was adopted yesterday.

The text of Mrs. KELLY's amendment, defining the term "friendly nation" as meaning any country other than the U. S. S. R. or any nation dominated by the foreign government that controls the world Communist movement, is derived from a letter sent by Assistant Secretary of State Waugh to me as Chairman of the Agriculture Committee on July 23, 1953. As explained in that letter, similar definitions appear in the Trade Agreements Extension Act of 1951 and in the Battle Act. The administration has uniformly construed the reference to any nation "dominated or controlled by the foreign government or foreign organization controlling the world Communist movement" as meaning any country within the Soviet bloc, since Soviet Russia is of course the nation which controls the world Communist movement. Accordingly, countries which are not in the Soviet bloc, or which at one time were in the Soviet bloc but have broken away from the control or domination by the U. S. S. R., are not nations which are "dominated or controlled by the foreign government or foreign organization controlling the world Communist movement." For this reason, since Yugoslavia is not a member of the Soviet bloc, she is not considered by the administration to fall within this restrictive definition and accordingly is

construed for purposes of United States legislation as a friendly country.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Washington [Mr. TOLLEFSON] has 3 minutes, if he desires to use that time.

Mr. TOLLEFSON. Mr. Chairman, I had another amendment on the desk; I was not certain whether it had been offered or not. If it has been offered, I ask unanimous consent that it be withdrawn.

The CHAIRMAN. The Chair understands that the amendment has not been offered, so there is no necessity for withdrawing it.

Are there any further amendments? If not, the question is on the committee substitute to the bill, as amended.

The committee substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FORD, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee having had under consideration the bill (S. 2475) to authorize the President to use agricultural commodities to improve the foreign relations of the United States, and for other purposes, pursuant to House Resolution 581, he reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

The title was amended so as to read: "An act to increase the consumption of United States agricultural commodities in foreign countries, and for other purposes."

A motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. WHEELER asked and was given permission to address the House for 30 minutes on tomorrow, at the conclusion of the legislative program and any special orders heretofore entered.

GENERAL LEAVE TO EXTEND REMARKS

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

INDEPENDENT OFFICES APPROPRIATIONS BILL, 1955

Mr. PHILLIPS. Mr. Speaker, I call up the conference report on the bill (H. R. 8583) making appropriations for the executive office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1882)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8583) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies and offices, for the fiscal year ending June 30, 1955, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 13, 14, 15, 30, 33, 40, and 54.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 4, 5, 6, 25, 26, 27, 29, 37, 39, 50, 51, 52, 57, 58, and 59, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,161,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,098,962,300"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$110,882,400"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows: "and not to exceed $144,250 for expenses of travel,"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,045,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$95,960,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$500,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$12,066,800"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,868,500"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$51,000,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$12,250,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,750,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,350,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$170,000"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows: In lieu of the number proposed by said amendment insert "one hundred and fifty"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$120,000,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert "$1,000,000, of which $400,000 shall be derived from this appropriation and $600,000 shall be"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,800,000"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$167,672,300"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amend-

ment of the Senate numbered 46, and agree to the same with an amendment, as follows: In lieu of the number proposed by said amendment insert "twenty"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the number proposed by said amendment insert "sixty"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$82,134,000"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert "any servicer approved by the Federal National Mortgage Association"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$5,150,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows: ": *Provided further*, That expenditures for nonadministrative expenses classified by section 2 of Public Law 387, approved October 25, 1949, shall not exceed $25,000,000."; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 7, 8, 11, 12, 21, 22, 24, 35, 38 and 49.

JOHN PHILLIPS,
NORRIS COTTON,
CHARLES R. JONAS,
JOHN TABER,
ALBERT THOMAS,
GEORGE ANDREWS,
SIDNEY R. YATES,
CLARENCE CANNON,
Managers on the Part of the House.

LEVERETT SALTONSTALL,
STYLES BRIDGES,
HOMER FERGUSON,
GUY CORDON,
BOURKE B. HICKENLOOPER,
BURNET R. MAYBANK,
LISTER HILL,
ALLEN J. ELLENDER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 8583) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

EXECUTIVE OFFICE OF THE PRESIDENT

Council of Economic Advisers

Amendment No. 1—Salaries and expenses: Appropriates $285,000 as proposed by the Senate instead of $250,000 as proposed by the House. In connection with this item the committee of conference has included $35,000 for coordinating public works advance planning. It is agreed that such amount is a temporary increase for a special purpose and not a permanent increase in activity, and is to be kept separate from other funds.

National Security Council

Amendment No. 2—Salaries and expenses: Appropriates $215,000 as proposed by the Senate instead of $200,000 as proposed by the House.

Office of Defense Mobilization

Amendments Nos. 3 and 4—Salaries and expenses: Appropriate $2,161,000 instead of $2,134,000 as proposed by the House and $2,486,000 as proposed by the Senate, and authorize $161,000 for the Interdepartmental Radio Advisory Committee as proposed by the Senate instead of $134,000 as proposed by the House.

Expenses of management improvement

Amendment No. 5—Appropriates $300,000 as proposed by the Senate instead of $250,000 as proposed by the House.

INDEPENDENT OFFICES

Advisory Committee on Weather Control

Amendment No. 6—Salaries and expenses: Inserts language as proposed by the Senate and appropriates $120,000 for necessary expenses of the Committee.

American Battle Monuments Commission

Amendment No. 7—Construction of memorials and cemeteries: Reported in disagreement.

Atomic Energy Commission

Amendment No. 8—Rental of space in the District of Columbia: Reported in disagreement. In connection with this amendment the managers on the part of the House will propose language to authorize rental of space in or near the District of Columbia only if there is no suitable Government owned buildings available. In the event there is a difference of opinion between the General Services Administration and the Atomic Energy Commission as to the suitability of space the appropriate officials concerned should so advise the Committees on Appropriations of the House and Senate prior to July 15 and obtain the approval of the respective committees before entering into commitments for rental space.

Amendment No. 9—Operating expenses: Appropriates $1,098,962,300 instead of $1,093,462,300 as proposed by the House and $1,102,780,300 as proposed by the Senate. The increase over the House amount includes restoration of $1,800,000 for physical research instead of $3,100,000 as proposed by the Senate, $435,000 for biology and medicine as proposed by the Senate, and $3,265,000 for increase in stores inventories instead of $5,783,000 as proposed by the Senate.

Amendment No. 10—Plant and equipment: Appropriates $110,882,400 instead of $96,498,400 as proposed by the House and $130,000,000 as proposed by the Senate. The increase over the House amount includes restoration of $5,150,000 for new processing plants instead of $12,000,000 as proposed by the Senate, $384,000 for housing at Los Alamos as proposed by the Senate, and $8,850,000 for contingencies and underruns on construction projects instead of $16,501,600 as proposed by the Senate. The amount for processing plants is provided only in the event private financing is not forthcoming, and such plants are not to be constructed without first obtaining the approval of the Committees on Appropriations of the House and Senate.

Amendment No. 11—Reported in disagreement.

Civil Service Commission

Amendment No. 12—Investigations of United States citizens for employment by international organizations: Reported in disagreement.

Federal Communications Commission

Amendments Nos. 13, 14, and 15—Salaries and expenses: Authorize not to exceed $4,000 for land and structures as proposed by the House instead of $48,000 as proposed by the Senate; authorize not to exceed $16,000 for care of grounds and buildings as proposed by the House instead of $37,500 as proposed by the Senate; and appropriate $6,544,400 as proposed by the House instead of $7,294,400 as proposed by the Senate. The committee of conference has disallowed the request for additional funds for the frequency usage monitoring program. A further review of need for the program should be made and every effort made to achieve the essential parts of the program within existing programs and facilities.

Federal Trade Commission

Amendments Nos. 16 and 17—Salaries and expenses: Restore the language of the House and authorize the use of $144,250 for expenses of travel instead of $140,000 as proposed by the House; appropriate $4,045,000 instead of $4,031,700 as proposed by the House and $4,100,000 as proposed by the Senate. The conferees have specifically denied funds for the office of the economic and marketing advisor to the Commission.

General Services Administration

Amendment No. 18—Operating expenses, Public Buildings Service: Appropriates $95,960,000 instead of $94,460,000 as proposed by the House and $96,460,000 as proposed by the Senate. The committee of conference is agreed the increase of $1,500,000 above the House figure is to be used only for repairs to buildings.

Amendment No. 19—Buildings management fund: Inserts language as proposed by the Senate and provides $500,000 additional working capital for the fund instead of $2,000,000 as proposed by the Senate.

Amendment No. 20—Expenses, general supply fund: Appropriates $12,066,800 instead of $11,066,800 as proposed by the House and $13,066,800 as proposed by the Senate.

Amendment No. 21—Acquisition of automobiles: Reported in disagreement.

Housing and Home Finance Agency

Office of the Administrator

Amendment No. 22—Salary of special counsel: Reported in disagreement.

Amendment No. 23—Salaries and expenses: Appropriates $2,868,500 instead of $2,668,500 as proposed by the House and $2,918,500 as proposed by the Senate.

Amendment No. 24—Reported in disagreement.

Amendment No. 25—Capital grants for slum clearance and urban redevelopment: Strikes out language proposed by the House as proposed by the Senate. It is the understanding of the conferees that this subject is under consideration by the legislative committees in connection with the Housing Act of 1954.

Interstate Commerce Commission

Amendment No. 26—Defense transport activities: Strikes out language proposed by the House and inserts language proposed by the Senate, which authorizes the Commissioner of the Interstate Commerce Commission who is so designated, to carry out functions delegated to him under the Defense Production Act of 1950.

Amendment No. 27—Railroad safety and locomotive inspection: Strikes out language proposed by the House and inserts language as proposed by the Senate.

National Advisory Committee for Aeronautics

Amendment No. 28—Salaries and expenses: Appropriates $51,000,000 instead of $49,000,000 as proposed by the House and $52,107,750 as proposed by the Senate.

Amendment No. 29—Construction and equipment: Appropriates $4,620,000 as proposed by the Senate instead of $4,349,000 as proposed by the House.

National Science Foundation

Amendments Nos. 30 and 31—Salaries and expenses: Restore $89,500 for expenses of travel as proposed by the House instead of $116,000 as proposed by the Senate; and appropriate $12,250,000 instead of $11,000,000 as proposed by the House and $14,000,000 as proposed by the Senate. The committee of conference is agreed that of the total amount provided, not to exceed $771,000 is available for administrative expenses of the Foundation.

Securities and Exchange Commission

Amendment No. 32—Salaries and expenses: Appropriates $4,750,000 instead of $4,700,000 as proposed by the House and $4,775,000 as proposed by the Senate. The conferees are agreed that the increase above the House amount is to be used exclusively for increasing staff outside of the District of Columbia.

Small Business Administration

Amendments Nos. 33 and 34—Salaries and expenses: Appropriate $2,025,000 as proposed by the House instead of $2,575,000 as proposed by the Senate; and authorize the use of $2,350,000 by transfer from the Revolving Fund instead of $1,650,000 as proposed by the House and $2,500,000 as proposed by the Senate. The increase over the amount provided by the House is to be used only in connection with loan activities under participating and direct loan provisions of the Small Business Act.

Amendment No. 35—Revolving fund, Small Business Administration: Reported in disagreement.

Subversive Activities Control Board

Amendments Nos. 36 and 37—Salaries and expenses: Appropriate $170,000 instead of $150,000 as proposed by the House and $185,000 as proposed by the Senate; and make available $115,000 of the unobligated balances as proposed by the Senate instead of $81,000 as proposed by the House.

Amendment No. 38—Reported in disagreement.

Tariff Commission

Amendment No. 39—Salaries and expenses: Appropriates $1,327,000 as proposed by the Senate instead of $1,250,000 as proposed by the House.

Amendment No. 40—Restores language of the House requiring other agencies of the executive branch of the Government to reimburse the Tariff Commission for the cost of special studies and investigations.

Tennessee Valley Authority

Amendments Nos. 41, 42 and 43—Authorize purchase of one hundred and fifty passenger motor vehicles for replacement only instead of one hundred as proposed by the House and two hundred and eleven as proposed by the Senate; appropriate $120,000,000 instead of $103,582,000 as proposed by the House and $129,582,000 as proposed by the Senate, the increase over the House amount being entirely for a reserve for contingencies; and authorize the use of $1,000,000 for resource development activities including $600,000 to be derived from proceeds of operations instead of $600,000 to be derived from proceeds of operations as proposed by the House and $1,200,000 including $600,000 to be derived from proceeds of operations as proposed by the Senate. The committee of conference is agreed that the $12,000,000 appropriated by the Senate for the construction of transmission facilities shall be financed from the corporate budget, and that the new Chairman of TVA shall give careful consideration to the resource development activities program and to determine if it cannot be financed in the future from other than appropriated funds.

Veterans' Administration

Amendments Nos. 44, 45, and 46—General operating expenses: Authorize $2,800,000 for expenses of travel instead of $2,690,000 as proposed by the House and $3,144,000 as proposed by the Senate; appropriate $167,672,300 instead of $163,922,300 as proposed by the House and $171,922,300 as proposed by the Senate; and authorize not to exceed 20 persons to be engaged in public relations work instead of 15 as proposed by the House and 26 as proposed by the Senate.

Amendment No. 47—Inpatient care: Authorize the purchase of 60 passenger motor vehicles for replacement only instead of 50 as proposed by the House and 70 as proposed by the Senate.

Amendment No. 48—Outpatient care: Appropriate $82,134,000 instead of $76,744,000 as proposed by the House and $86,744,000 as proposed by the Senate.

Amendment No. 49—Reported in disagreement.

Amendment No. 50—Hospital and domiciliary facilities: Appropriates $47 million as proposed by the Senate instead of $39 million as proposed by the House.

Amendment No. 51—Major alterations, improvements, and repairs: Appropriates $3,480,000 as proposed by the Senate instead of $3,400,000 as proposed by the House.

TITLE II—CORPORATIONS

Housing and Home Finance Agency

Amendments Nos. 52, 53, and 54—Office of the Administrator, revolving fund (liquidating programs): Insert language proposed by the Senate excluding from the administrative expense limitation contract and legal services in connection with termination of contracts; insert language proposed by the Senate amended to read "servicer" instead of "services", in connection with servicing of mortgages by local financial institutions on a fee basis; and provide $20 million for nonadministrative expenses as proposed by the House instead of $26,230,000 as proposed by the Senate.

Amendments Nos. 55 and 56—Federal Housing Administration: Authorize the use of $5,150,000 of available funds for administrative expenses instead of $5 million as proposed by the House and $5,175,000 as proposed by the Senate; and restore the provision of the House amended to provide $25 million for nonadministrative expenses instead of $24 million as proposed by the House.

Amendments Nos. 57, 58, and 59—Public Housing Administration: Strike out the words "or pursuant to" as proposed by the Senate.

JOHN PHILLIPS,
NORRIS COTTON,
CHARLES R. JONAS,
JOHN TABER,
ALBERT THOMAS,
GEORGE ANDREWS,
SIDNEY R. YATES,
CLARENCE CANNON,
Managers on the Part of the House.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 7: Page 8, line 3, insert *"Provided further,* That the Commission may reimburse other Government agencies, including the Armed Forces, for salary pay, and allowances of personnel assigned to it."

Mr. PHILLIPS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 8: Page 8, line 10, insert "rental in the District of Columbia."

Mr. PHILLIPS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. PHILLIPS moves that the House recede from its disagreement to the amendment of the Senate numbered 8, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert "rental in or near the District of Columbia only if no suitable Government-owned space is available in such area as determined by the General Services Administration."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 11: Page 11, line 14, insert the following: ": *Provided further,* That not to exceed $2,500,000 of the funds herein provided may be transferred to the Bureau of Public Roads, Department of Commerce, for the construction or improvement of access roads in the United States to sources of uranium ore."

Mr. PHILLIPS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 12: Page 17, line 2, insert "together with not to exceed $500,000 of the unobligated balance of funds appropriated for this purpose in the Supplemental Appropriation Act, 1954."

Mr. PHILLIPS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 21: Page 23, line 14, after the word "only" insert "and for the acquisition of 13 such vehicles from excesses reported by other agencies, or from forfeitures."

Mr. PHILLIPS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 22: Page 28, line 3, after the semicolon insert the following: "the salary of a special counsel which shall be the same as the basic rate of compensation established for the heads of the constituent agencies of the Housing and Home Finance Agency."

Mr. PHILLIPS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. PHILLIPS moves that the House recede from its disagreement to the amendment of the Senate numbered 22, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert "the salary of a special counsel, but not in addition to staff otherwise authorized, at

the salary rate of grade GS–18 so long as such position is occupied by the initial incumbent thereof."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 24: Page 28, line 11, insert the following: "including $150,000 for additional costs of establishing and operating a central staff for investigation and compliance functions for the Housing and Home Finance Agency."

Mr. PHILLIPS. I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. PHILLIPS moves that the House recede from its disagreement to the amendment of the Senate numbered 24, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert ", including additional costs of establishing and operating a central staff for investigation and compliance functions for the Housing and Home Finance Agency, and the Administrator's general supervision and coordination responsibilities under Reorganization Plan No. 3 of 1947 shall hereafter carry full authority to assign and reassign functions, to reorganize and to make whatever changes, including the reallocation and transfer of administrative expense funds and authority where applicable, necessary to promote economy, efficiency, and fidelity in the operations of the Housing and Home Finance Agency."

The motion was agreed to.

The SPEAKER. The Clerk will call the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 35: Page 39, line 1, insert:

"REVOLVING FUND, SMALL BUSINESS ADMINISTRATION

"For additional capital for the revolving fund authorized by the Small Business Act of 1953, to be available without fiscal year limitation, $25 million."

Mr. PHILLIPS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 38: Page 41, line 24, after "1954", insert the following: "and the Supplemental Appropriation Act, 1954."

Mr. PHILLIPS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 49: Page 47, line 1, insert the following: "of which not exceeding $15,810,000 shall be available for outpatient fee basis dental care: *Provided*, That no part of this appropriation shall be available for outpatients dental services and treatment, or related dental appliances with respect to a service-connected dental disability which is not compensable in degree unless such condition or disability is shown to have been in existence at time of discharge and application for treatment is made within 1 year after discharge or by March 31, 1955, whichever is later: *Provided further*, That this limitation shall not apply to adjunct outpatient dental services or appliances for any dental condition associated with and held to be aggravating disability from such other service-incurred or service-aggravated injury or disease."

Mr. PHILLIPS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. PHILLIPS moves that the House recede from its disagreement to the amendment of the Senate numbered 49, and concur therein with an amendment, as follows: In lieu of the sum of "$15,810,000" named in said amendment, insert "$11,200,000"; and in lieu of the date of "March 31, 1955" in said amendment, insert "December 31, 1954."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

CONFEREES ON S. 2846

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that I may be permitted to withdraw as a conferee on the bill S. 2846, the securities and exchange bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The SPEAKER. The Chair appoints the gentleman from Texas, Mr. THORNBERRY, to succeed the gentleman from Arkansas as a conferee, and the Clerk will notify the Senate accordingly.

AMENDING FEDERAL RESERVE ACT

Mr. BROWN of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 577) providing for the consideration of H. R. 8729, a bill to amend section 14 (b) of the Federal Reserve Act, as amended, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8729) to amend section 14 (b) of the Federal Reserve Act, as amended. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BROWN of Ohio. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH], and I now yield myself such time as I may require.

Mr. Speaker, I rise to urge the adoption of House Resolution 577, which will make in order the consideration of the bill, H. R. 8729, to amend section 14 (b) of the Federal Reserve Act, as amended.

House Resolution 577, Mr. Speaker, provides for an open rule with 1 hour of general debate on the bill itself.

H. R. 8729 proposes to extend until June 30, 1956, the present authority of the Federal Reserve banks to purchase securities directly from the Treasury in amounts not to exceed $5 billion outstanding at any one time.

Mr. Speaker, the purpose of this authority is to help the Treasury and the Federal Reserve System work together in minimizing the detrimental effects on the economy of short-run peaks in Treasury cash receipts and disbursements especially around the time of quarterly income-tax payments.

According to the report on this bill, Mr. Speaker, this direct-borrowing authority is a useful fiscal mechanism for the Treasury and the Federal Reserve and a number of unnecessary financial strains on the money market have been avoided through its use on several occasions.

The Committee on Banking and Currency has indicated in their report that a 2-year extension of this authority is desirable in order that the Congress might continue to be able to watch closely how the authority is used and to insure that a frequent review of the whole situation would be made by the Congress.

I feel that these safeguards are necessary and proper, and that under these conditions the legislation is worthy of the consideration of the Congress. I hope that the rule will be adopted and that the House membership will proceed to the consideration of H. R. 8729.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Iowa.

Mr. GROSS. Is there any restriction on the length of time that these securities can be outstanding?

Mr. BROWN of Ohio. I think 2 years, as I understand, but the gentleman will have to ask the chairman of the Committee on Banking and Currency to get an absolutely authoritative answer.

Mr. GROSS. This is a continuation of the legislation which the distinguished Senator from Ohio, the late Senator Taft, once described as a "printing press money bill." Is that correct?

Mr. BROWN of Ohio. No, I do not think that is correct. If it is, it is not to my knowledge. The authority requested here is simply for an extension of a law that has been on the statute books for some time. According to the Committee on Banking and Currency it has been very beneficial in conducting the fiscal affairs of the Government. The question before us now is whether we want to consider the measure.

Mr. GROSS. The late Senator from Ohio, Senator Taft, once described this bill as "a printing press money bill."

Mr. BROWN of Ohio. I am sure the gentleman may speak authoritatively as to what the former Senator from Ohio, Senator Taft, might have said, but I am not aware of that fact.

Mr. Speaker, I reserve the remainder of my time.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

NEW QUESTION BUT ONE ANSWER: WHETHER UNUSED IDLE FUNDS SHOULD BE USED INSTEAD OF BORROWING MORE MONEY

Mr. PATMAN. Mr. Speaker, this brings up a question which the House will meet one of these days. I do not know whether the time is opportune now or not, but it involves the question of idle and unused money to the credit of the United States Government in the banks of the country. We have a policy that was built up—I do not know whether it was by a Republican administration or a Democratic administration—which has continued over a long period of time, so it is not a partisan question. It is not an attack on either political party by bringing it up. It is a question of whether or not we want to continue a policy that has been started, and if not started, condoned and tolerated and endorsed by both political parties in the past. The Treasury has had the policy of permitting billions of dollars of idle and unused money to the credit of the United States Treasury to remain idle and unused in the commercial banks of the country drawing no interest whatsoever; and then, if the Treasury needs money for a short or a long period of time, but expecting to pay it back soon, will go to the Federal Reserve banks and borrow that money and pay interest on it. That does not look fair or reasonable to me when we have that idle, unused money in the banks of the country which, upon some of it at least, we are paying as high as 3¼ percent interest.

Since this bill came up I have gotten information from the Treasury which was presented in testimony as to when this authority was used in the past; the dates that were given and also the amount of money that was borrowed. I have checked those dates and the amount of money borrowed with the amount on deposit in the banks of the country at that time and I believe without an exception in every case they have had not only as much money in these banks if they had drawn on them but they have had 10 to 100 times more, and in most instances they have had more money in just 1 bank than they actually needed at that time.

So it occurs to me that we should consider that question in connection with this particular bill; it is coming before Congress one of these days, because we cannot continue to cause the Treasury to borrow money and pay interest on it when the Treasury has to its credit in the banks of the country several times as much money as they are borrowing. It just does not make sense at all; it does not make business sense to do that.

NO JUSTIFICATION FOR NOT USING MONEY ALREADY BORROWED INSTEAD OF BORROWING MORE MONEY

At this time we have several billions of dollars idle in these banks, just idle and unused, upon which the Government receives no interest. It is awfully hard for Congress to justify that; there is no justification for it. Why should we be borrowing money and paying high interest for it when we have money in the bank that is idle and unused and for its use we are not receiving interest that we could use if we wanted to and not have to borrow that money?

Take, for instance, the action of the Treasury just a little while ago, March 15, 1954, when they borrowed $134 million direct from the Federal Reserve under an act of which this bill is a continuation—$134 million.

That very day 1 bank in this country had almost that much, and 2 banks had 50 percent more than that, just 2 banks in the country. Throughout the country there were several billions of dollars that could have been drawn on. A dozen banks in one city had more than a half billion dollars of the Government's money that they were using free on that very day. So, why should the Treasury borrow that $134 million just to make it easier on those dozen banks? It just saved the dozen banks the trouble of giving up its use.

On March 16 it was the same thing.

During the time from March 15 to 17, when they were borrowing money, 18 private banks in New York City had on deposit to the credit of the United States Government from $520 million to $599 million. I repeat: 18 banks in New York City alone had from $520 million to $599 million all during that time—just those 18 banks. They had that much money on deposit belonging to the United States Treasury. They had over half a billion dollars just in 18 banks, not the 11,000 banks throughout the country. In the 11,000 banks throughout the country there was probably three, four, or five billions of dollars. But in just those 18 banks they had several times as much money as the Treasury actually needed.

NO SENSE EITHER COMMON, BOOK, OR HORSE

What I am getting at is that to permit that money to remain idle and unused, to go out and borrow money and pay interest on it just does not make any kind of sense to me, either common sense, book sense, horse sense, or any kind of sense.

Mr. NEAL. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. NEAL. Is that policy being followed in emergencies? Is that what forces the Treasury to borrow?

Mr. PATMAN. It is not, of course, a continuing policy. They usually owe quite a considerable sum all the time running all the way from millions to $1,172 million. In other words there is some indebtedness out all the time.

I say it is unnecessary when we have money in these banks for them to go out and borrow money.

The argument will be made that it is, of course, to help the banks which will draw funds out locally and it will be disturbing to the money situation locally. That is what the Federal Reserve Bank System is for, to permit the local bank to get quick money from the local reserve bank to take care of that. The banks should borrow if necessary instead of making the Government borrow.

Mr. BROWN of Ohio. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

REPEAL OF PROVISIONS OF SECTION 16 OF THE FEDERAL RESERVE ACT

Mr. BROWN of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 578 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9143) to repeal the provisions of section 16 of the Federal Reserve Act which prohibits a Federal Reserve bank from paying out notes of another Federal Reserve bank. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BROWN of Ohio. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Virginia [Mr. SMITH], and at this time I yield myself such time as I may consume.

Mr. Speaker, I rise to urge the adoption of House Resolution 578, which will make in order the consideration of the bill, H. R. 9143, to repeal the provisions of section 16 of the Federal Reserve Act which prohibits a Federal Reserve bank from paying out notes of another Federal Reserve bank.

House Resolution 578 provides for an open rule with 1 hour of general debate on the bill itself.

Mr. Speaker, H. R. 9143 would repeal the provisions of section 16 of the Federal Reserve Act which prohibit a Federal Reserve bank paying out notes of another Federal Reserve bank. The present law makes it necessary for each Federal Reserve bank to sort all of the millions of Federal Reserve notes fit for further circulation which are received by it from member banks, according to the Reserve bank by which each note was originally issued. It is then necessary for the Reserve bank to return such notes to the Reserve banks that originally issued them.

The report on this bill has stated that this sorting and shipping is an expensive process and that the cost of this unnecessary operation is about $750,000 annually. The report on this bill further indicates that this sorting and returning of the notes to the banks of origin has no important economic effects on the amount of Federal Reserve notes in circulation and, therefore, the Committee on Banking and Currency recommends that this operation be eliminated.

Another very important point on this subject, Mr. Speaker, is that the whole subject has been studied by the presidents of the Federal Reserve banks and the action contemplated in the bill before us has their approval.

Mr. Speaker, I hope that the House will adopt the rule here today and that the membership of the House will then proceed to the consideration of H. R. 9143.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

THE GOVERNMENT OWNS THE FEDERAL RESERVE BANKS

Mr. PATMAN. Mr. Speaker, this involves the question of who owns the 12 Federal Reserve banks. If they are owned by the Government this bill is all right because there is no reason why the Federal Reserve notes that are issued by one Federal Reserve bank should be returned to that same Federal Reserve bank when the Government owns all 12 banks and the notes remain in permanent circulation. It is just as inconsistent to continue to require these notes to be bundled up and crosshauled back and forth from one bank to another as it would be for the coins that are minted in Philadelphia to be returned to Philadelphia, or those of Denver to be returned to Denver, or those of San Francisco to be returned to San Francisco, because each coin has an initial indicating it was minted at that particular mint.

Now, this is exactly the same thing except it is paper money, paper money that is issued by each of the 12 Federal Reserve banks. Of course, the branches cannot issue paper money, but each of the Federal Reserve banks can, and each bank shows on the paper money that that particular bank issued it. Under existing law—which is really a silly provision, almost idiotic, and it has continued for 41 long years—whenever one bank would get money that had been issued by another bank, it would take that money, bundle it up, and send it back to that bank, just as foolish as taking coins minted at Denver, when they came to another bank, bundling them up, and sending them back to Denver. You would never think of doing that, but we have been doing it for nearly 41 years. It should have been stopped 40 years ago, and there is only one reason why it was not stopped. You know, the Federal Reserve banks have never been audited by the General Accounting Office. They have never been audited by any auditor selected by the Congress or by the Government except the Federal Reserve banks themselves select their own auditors, give them their own instructions, and make their reports to them, and those reports have never been made available to Members of Congress. So, that is the reason this foolish provision has gone on for more than 40 years—well, it is almost 41 years now—and it is costing the Government $750,000 a year. Of course, this bill should pass. It should have passed 40 years ago.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Well, was not the gentleman before the Committee on Government Operations and made that complaint about the audit, and did they not promise to send up those books?

Mr. PATMAN. Yes.

Mr. HOFFMAN of Michigan. Why does the gentleman say now they did not?

Mr. PATMAN. What I say is that Members of Congress have not been privileged to see these audits until the gentleman, the chairman of the Committee on Government Operations, had them up there and made them promise that they would not disclose this information. But we have not actually examined the audits yet, and there is a little difficulty in getting permission to examine them, which I believe will be worked out. I want to congratulate the gentleman and his committee for making the longest and the furthest step in the direction of letting the people see inside of the Federal Reserve System that has ever been done by any chairman or any committee.

Mr. HOFFMAN of Michigan. Just forget those compliments. But, the gentleman has seen the books. They are available to him. Does the gentleman have any complaint about that?

Mr. PATMAN. It is more than one book.

Mr. HOFFMAN of Michigan. I said "books."

Mr. PATMAN. It is more than several books. I suspect it would involve about several hundred books; in fact, it would involve several hundred books. And the gentleman is right in that just in the last few days that question has come up and we are now working on it. I do not care if he does resist compliments. I am going to pay him the compliment, anyway, of making it possible for us to see them.

Mr. HOFFMAN of Michigan. Well, I need the compliments. That is all right.

Mr. PATMAN. Now then, the Federal Reserve banks belong to the Nation. For that reason, this bill should pass.

INVESTIGATION CLEARED UP QUESTION AS TO WHO OWNS FEDERAL RESERVE BANKS

A great many people have said that the banks own the Federal Reserve banks. I used to think so myself. But we had an investigation lasting 2 years which determined that question and the conclusions were that the private banks own what they call stock in the Federal Reserve banks, but it is not stock at all; it is an involuntary investment of 3 percent of their capital upon which they receive 6 percent dividend every year. That is all they get, that is all they are entitled to. They are entitled to nothing else. As to this so-called stock, they cannot sell it, they cannot hypothecate it. The evidence of ownership of an institution is determined by who will get what remains after liquidation. If you liquidate a corporation, after the creditors are paid and everybody else is paid, the people who actually own the corporation get what is left. That is exactly the way it is with the Federal Reserve banks. The law says so, that in the event of a liquidation of a Federal Reserve bank, and the creditors are paid and the banks have been paid back their involuntary investment—it is not stock at all—the remainder goes into the Treasury of the United States and is the property of the United States Government. That is the test of ownership. So the 12 banks are owned and the Federal Reserve System is owned by the United States Government. This is undisputed. No Member of this body will dispute it. The Federal Reserve officials will not dispute it. Therefore, on that basis, this bill should pass.

Mr. BROWN of Ohio. Mr. Speaker, the gentleman from Ohio [Mr. BROWN] was considering granting the remainder of the time to the gentleman from Michigan [Mr. HOFFMAN], but with his consent we shall not ask for that time at this moment but instead I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the adoption of the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF PERIOD DURING WHICH DISPOSAL OF SURPLUS PROPERTY MAY BE MADE BY NEGOTIATION

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9232) to amend the Federal Property and Administrative Services Act of 1949, as amended, to extend until June 30, 1955, the period during which disposals of surplus property may be made by negotiation.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 203 (e) of the Federal Property and Administrative Services Act of 1949, as amended (40 U. S. C. 484 (e)), is amended by striking out "June 30, 1954" and inserting in lieu thereof "June 30, 1955."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING FOR 2 YEARS AUTHORITY OF FEDERAL RESERVE BANKS TO BUY DIRECTLY FROM TREASURY OBLIGATIONS OF THE UNITED STATES NOT EXCEEDING $5 BILLION OUTSTANDING AT ANY ONE TIME

Mr. WOLCOTT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8729) to extend until June 30, 1956, the present authority of the Federal Reserve banks to purchase securities directly from the Treasury in amounts not to exceed $5 billion outstanding at any one time.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 8729, with Mr. NICHOLSON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. WOLCOTT. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I think I might suggest that the only reason why a rule was asked for this bill is that the language "five billion dollars" is used in it, and I know from our experience with the Consent Calendar this appears to be a goodly sum of money. It was a unanimous report of the committee with 1 or 2 reservations.

The authority was first given to the Federal Reserve to buy direct obligations of the Treasury way back in 1913, but in 1935 the authority was eliminated. However, in 1942 it was restored, but with a limitation of $5 billion on direct purchases by the Federal Reserve from the Treasury. We have continued it, about every 2 years, until the present time. The authority under the present law expires on June 30, 1954, and the bill before us now for consideration merely extends this authority for another 2 years, or until June 30, 1956.

There is nothing new in this. It is almost a timeworn policy now that the Federal Reserve and the Treasury can get together in adjusting their balances in times of stress by making direct purchases by the Federal Reserve from the Treasury and thereby keep our financial position much sounder and our economy much more stable than would otherwise be the case.

Frankly, I am a little disappointed that there would be opposition to it this year because since 1942 these bills have been going through the House and the Senate almost always, if not quite always, by consent. I am a little disappointed that now we should have any contest on this bill, because the same practice was in effect since long before the Banking Act of 1935. So I am certain that there will be no valid objections to the bill.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Iowa.

Mr. GROSS. I probably will not be opposed to the passage of the bill, because it seems to have become an accepted practice to kite checks in the Government, but I should like the gentleman to explain very briefly how this money is made available. Can the gentleman give me just a brief explanation as to how this money is actually made available? I should like to have an answer to the statement I made a while ago that this is a printing-press money bill. I believe I am correct in that statement.

Mr. WOLCOTT. I think the gentleman is anything but correct when he makes that statement. I think the gentleman is referring to the manner, perhaps, in which the Federal Reserve exercises the constitutional authority of the Congress to regulate the value of money. The Federal Reserve does that as an agency of the Congress. Now if the regulating of the value of money is printing-press money, then the Congress is to blame because they have delegated under the Federal Reserve Act the authority, the power, the prerogative, and the obligation under the Constitution to the Federal Reserve to regulate the value of our money. These moneys are made available for the purchase of these Treasury obligations by the Federal Reserve System through Federal Reserve banks.

Mr. GROSS. The money is made available, is it not, through the issuance of Treasury notes?

Mr. WOLCOTT. That is correct but you cannot make money that simple. There are notes, certificates, bills, and bonds. Bonds can be monetized under the system that we set up in the early 1930's, and under this system you could theoretically convert the whole debt into cash. At that time, I might say to the gentleman, I was opposed to that practice because I saw too much affiliation between the debt and the value of our money. But until the Congress changes it that is the system that we have.

Mr. GROSS. That is the process of printing Treasury notes or certificates; is that not correct?

Mr. WOLCOTT. We cannot get a dollar bill which is used in your pocketbook, that is if you use folding money, without printing it.

Mr. GROSS. And in such large denominations they cannot be used commercially; is that not correct?

Mr. WOLCOTT. I think some of them are so large, they are used only in reserves. But you and I do not see them. But if they are in the reserves, of course, they may be broken down into bills of small denomination which can be used commercially.

Mr. GROSS. What happens is the Federal Reserve pays the cost of the printing of the certificates and notes; is that not correct? And on the basis of that, the member banks make a line of credit available to the Government.

Mr. WOLCOTT. As a matter of fact, the way the expense of operating and carrying on the war during World War II was largely financed by the Federal Reserve making aditional reserves available, permitting an expansion in our credit and money supply. We cannot deny that. If it had not been made available, probably we would not have successfully concluded World War II.

Mr. GROSS. I raised a few questions concerning this a few years ago, and I still insist that the taxpayers of this country could be saved a great deal of money. I do not believe in printing-press money or greenback money to provide the Government finances through the simple operation of a printing press.

Mr. WOLCOTT. If I may interrupt the gentleman, may I tell him this. If, as I understand the gentleman, we were to print the bills and let them circulate without the security of gold, bonds, and without the security of the other assets, including the capital assets of the banks, then, of course, you would have nothing behind your money. It has been traditional that this country has prospered under the credit system. If you turn all credit into cash, then, of course, the value of your money would depreciate proportionately as you issued money. That is the thing that I do not think any of us want because that would be destructive not only of property values but of all moral values as well.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. PATMAN].

NEW INFORMATION CAUSED OPPOSITION TO BILL

Mr. PATMAN. Mr. Chairman, this bill brings up the question which I previously discussed when the rule was being considered. The gentleman from Michigan [Mr. WOLCOTT] was surprised that there would be opposition. I have been favorable to this type of legislation in the past believing that it was necessary. But that was before I had any knowledge or information about the enormous amounts of idle and unused deposits in the banks to the credit of the Treasury of the United States.

When I received that information I commenced to look into it. So I will state to our distinguished chairman that this is new information I have received since a bill like this was last before the House that has caused me to bring this question up today. The new information and the new question is the existence of sufficient money at all times for the Treasury to use and not have to use this particular power.

For the information of the gentleman from Iowa [Mr. GROSS], this is printing-press money. It is the purest type of printing-press money that can possibly be made. It is the Treasury delivering to the Federal Reserve banks $100 million in an I O U, and then the Federal Reserve bank reaches over into the Bureau of Engraving and Printing, which it has a right to do, and getting $100 million new Federal Reserve notes and delivering them to the Treasury in return for that $100 million I O U. Now that is pure printing-press money, but it has been in such small amounts in proportion to the amount of our business that it was not objectionable. We have $346 million of printing-press money that was issued during the time of Abraham Lincoln and has been in existence ever since that time. It is true some gold has been put behind it in recent years, but over a long period of time it was printing press money. That is not going to ruin the country as long as we do not get out of bounds, but we do not want to encourage it. Every silver certificate is printing-press money, because the silver behind that certificate is not worth enough in intrinsic value to pay for that certificate. So printing-press money, if used discreetly and in amounts not too large, is not going to ruin the Government. Although this is printing-press money—and nobody can deny that—it is justified to balance accounts at times during the year, if the Treasury does not have idle and unused money elsewhere that it can use. It is that particular point that I want to address myself to.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. GROSS. But there is nothing in the law to prevent $5 billion of this type of money to be outstanding at the end of this 2-year period. Is that not correct?

Mr. PATMAN. That is correct; that is the purpose of the act, to permit it.

Mr. GROSS. You can have $5 billion outstanding at the end of this 2-year period.

Mr. PATMAN. That is right.

Mr. GROSS. How would you get that out of circulation?

Mr. PATMAN. Well, you would get it out of circulation like all money is taken out of circulation. A debt is created that causes money to be issued, and then when the debt is paid the money is canceled. That is the way all money is canceled. That is the way all money is issued. Our money is based on debt. If everybody paid their debts we would not have sufficient money to do business on.

Mr. GROSS. But should this not be a short-term proposition?

Mr. PATMAN. It is a short-term proposition.

Mr. GROSS. But there is nothing in the law that says this money will be outstanding for 4 or 5 days only.

Mr. PATMAN. I do not think it is going to be abused. It has not been abused in the past, but the principle involved here is all right. I do not object. I do not think any $5 billion will be issued. I do not think it will be abused. I do not think it is necessary, but it is a power that it has, up to $5 billion.

From March 17, 1952—you see this has been going on during both administrations. It is not a political question. There is no political question involved. From March 17, 1952, to March 28, 1952, there was borrowed at different times $811 million, $27 million, $109 million from Federal Reserve banks, just like we are talking about. All right. Now, all during that time there was on deposit in the banks of the country at least 3 or 4 billion dollars that was idle and unused. I do not know how much of it was in the 11,000 banks, but in the 18 banks in New York City alone it was easy to find that much.

We had in 18 banks in New York City from $932 million to $1,708,000,000 all during that time; yet we were borrowing money under this provision and paying interest on it from the Federal Reserve bank. Some of this money in the New York banks had been borrowed by the Government and the Government was paying interest on it, but the New York banks were not paying the Government any interest to keep it. That is the part that does not make sense to me. The Treasury should be compelled to use the money it has already borrowed before borrowing more money to pay interest on.

Furthermore, back around March 27, 1952—I will give you a specific example—the Treasury under this provision borrowed $109 million. On that very day the National City Bank in New York had $287,565,000 of the Government's money on deposit.

So my point is: Why borrow money when the Government has $287 million in one bank in New York City? In another bank, the Guaranty Trust, the Government had $240 million; in the Chase National the Government had $287 million that one single day—yet on that day they were borrowing under this provision $109 million and paying interest on it.

Why pay interest twice?

I could give you other illustrations from 1954. There was a period from early January to January 27 when all during that time these 18 banks in this 1 city had approximately $500 million—$469 million to $478 million all during that time when the Treasury was borrowing $22 million, $104 million, $154 million, and so on. I am not picking out New York banks. The same situation appeared all over the country.

Does it not look absolutely foolish for Members of Congress to permit an agency of the Government, the United States Treasury, to borrow money and pay interest on it when it has money that is idle and not used in the banks of the country? That is the point I am trying to make. I say it should not be permitted. They should use this money that belongs to the Government that is in these different accounts. Oftentimes in one account, in one bank, there is more money to the credit of the Government than the Government wants to borrow on that particular day. So that does not make sense, that does not make sense at all. That is the part I object to.

I am going to offer an amendment which will provide that there be inserted after the figure $5 billion and the comma, the following:

Such obligations may be acquired directly from the United States at any time only to the extent that the United States does not at that time have available deposits of funds in Federal Reserve banks and private commercial banks which could be used by the United States in lieu of proceeds from the sale of such obligations.

That is a reasonable amendment. Why should anybody oppose that? Why should not we require an agency of our Government first to use the money that it has to its credit before borrowing more money and paying more interest?

The money that is on deposit with these banks to the credit of the United States Government is borrowed, and the Government is paying up to 3¼ percent interest for some of that money, yet the money is idle and unused in these banks.

Do you not think it is right that when we pass a bill like this we should say in very plain, unequivocal language that they shall not borrow money and pay interest on it if they have already borrowed money and have the money idle and unused in any bank, money they can draw on? I do not see where anybody could possibly object to that. That is the only amendment I want on this bill, then I would be for it.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr, GROSS. If this is a printing-press money bill, as the gentleman says it is, why are not these certificates printed in currency rather than in Treasury notes and certificates? Why not in currency of denominations that can be used commercially in the normal channels of commerce and trade, and the money paid out for services rendered to the Government, and thereby save interest on the money?

Mr. PATMAN. In effect that is what is done. But you do not want to do it.

Mr. GROSS. But you pay interest on this money, do you not?

Mr. PATMAN. Oh, no. The gentleman said this was printing-press money; that is the point I thought the gentleman was making; and it is printing-press money.

Mr. GROSS. Why is not the money issued in denominations?

Mr. PATMAN. It can be issued in that way. It all depends on the way the Government wants it. If they want $100 million to pay workers at a defense plant in the gentleman's district in 5- and 10-dollar bills, they get it that way. If they want it in credit to be drawn on, to be deposited in banks, they get it that way. They get it any way they want it.

Mr. GROSS. They get it in large denominations.

Mr. PATMAN. Not necessarily. They just get credit on the books, then they draw on it. Most of it is being done by bookkeeping transactions, very little actual money is involved because they do not call for the money like the gentleman when he gets his salary check. He deposits it. He does not carry it around with him. This money is deposited in banks.

Mr. GROSS. It could be called for in currency; it could be used in the normal channels of trade?

Mr. PATMAN. Yes.

Mr. GROSS. Is that not correct?

Mr. PATMAN. It is that way. That is the way it is done under this bill. The gentleman has described it exactly right, no question about that at all. So the point is, when the bill is being read for amendment I am going to offer this amendment, and I hope there will not be any objection to it.

We have not had this question up before. It is a new question, I know, but there is logic and reason to support it. I do not see how anyone can oppose requiring a Government agency to use the money it has in the banks of the country to the credit of the United States Government, that is idle and unused, before borrowing more money. That is all my amendment would do.

I hope the chairman of the committee will accept this amendment. If he does, of course, I am going to vote for the bill.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 14 (b) of the Federal Reserve Act, as amended (U. S. C., 1952 edition, title 12, sec. 355), is amended by striking out "July 1, 1954" and inserting in lieu thereof "July 1, 1956" and by striking out "June 30, 1954" and inserting in lieu thereof "June 30, 1956."

Mr. PATMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PATMAN: After line 7, insert the following:

"SEC. 2. The first proviso in such section 14 (b) is amended by inserting '(A)' after 'but', and by inserting after '$5,000,000,000'

a comma and the following: 'and (B) such obligations may be acquired directly from the United States at any time only to the extent that the United States does not at that time have available deposits of funds, in Federal Reserve banks and private commercial banks, which could be used by the United States in lieu of the proceeds from the sale of such obligations'."

IDLE MONEY—BORROW MORE

Mr. PATMAN. Mr. Chairman, since I have just spoken on this amendment I shall not take much time, but I do hope that the chairman of the committee will agree to the amendment because it is certainly a reasonable one, it is right. You know, a lot of this money that has been in the banks has been placed there because the banks have bought Government bonds. They hold the Government bonds and they also hold the money. They are drawing interest on those Government bonds, which is all right, and they can also use the money to extend loans and get interest that way.

I am in favor of the banks. I think they ought to have fair consideration and I think the banking system of our country is a most important part of our country. We could not dispense with it. I believe in the private banking system, privately owned, privately operated and profitably operated. The banks must make profits in order to succeed and be in a position to render service to the public. I would not do a thing to harm the private banking system, not a thing in the world.

But, we do not want to do too much for them. We have already gone rather far in that direction; in fact, so far that many of the banks are filled with Government riskless securities, and they do not have the time or the patience to deal with local people who are pursuing their applications for small-business loans. They just do not have the time to do it, because they already have their portfolios filled up with riskless paper that gives to them a fair return; therefore, they do not have the incentive to work in the public interest in the communities where they are chartered as a banking institution to serve the people in that community. It is like if you were going hunting and feeding your dogs before going hunting. You do not find very good hunting dogs if you feed them first. You take them hunting first. They hunt better that way. If you fill these banks up with good, riskless securities, and they have plenty of income, they are not going to be so anxious or so eager or so alert to serve the interest of the people whom they are obligated to serve, an institution chartered to serve the people in that community.

So, I am in favor of helping the banks, but this is going too far. This is permitting them to have their cake and eat it, too. This is going too far to let them keep the money that they have already spent buying Government bonds. Not in every case is that true; in some cases only is that true. Sometimes the money is paid in through the taxpayers and other ways, but in many instances this money is there because the banks bought United States Government bonds with it and gave the United States Government credit on its books.

Now, then, the banks hold the bonds, draw interest on them, and at the same time they keep the money, and the money is there idle and unused, and all I am asking you to do is that you ought to use that money that the Government has already borrowed and is already paying interest on before you allow the United States Treasury to borrow more money and obligate the taxpayers to pay more interest.

Mr. Chairman, I hope the amendment will be adopted.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I still say I am a little surprised and disappointed that this question should be raised here this year. This procedure has been going on, as I explained, since 1942, and it is amazing to me that the gentleman from Texas during all of these years has never had this called to his attention before, although at the present time there is a relatively small amount of Government cash in the banks. I think the gentleman's attention was called to the fact that for a good many years during the forties the Treasury balances in the banks ran into the billions and billions of dollars. Just by way of example, in 1946 the Treasury daily balance in banks exceeded $15 billion. Now, we did not hear anything from the gentleman in 1946 about deposits by the Treasury in banks and the subject of interest. In most of the months in 1946 it was not only $15 billion, but it was $20 billion, and in 1 day it reached $26 billion in 1946.

Now, I am surprised, frankly, that the gentleman from Texas in 1946 did not raise this issue. Of course, it is a keen disappointment to me that we have this issue raised at the present time. There are certain things that the gentleman said that I think he will correct his statement in respect to. This money on deposit in the banks by the Treasury is largely the increment, the receipts by the banks, when the banks sell Government savings bonds and collect taxes. Take your bond-a-month plan, for example. You leave an order in your bank to deliver to your account a bond, and your account is charged for that bond. That money goes in, of course. It is immediately transferred to the Government bond account. Now, that bond account does not cost the Government 3¼ percent interest, as the gentleman from Texas said. On the notes issued under this bill they draw one-quarter of 1 percent interest and always have drawn one-quarter of 1 percent interest and no more. No bank in the United States at the present time, unless the board of directors is absolutely crazy, is paying 3½ percent on savings.

They are not magnanimous enough to pay the Government 3¼ percent on savings, without paying their other customers who are depositors in the banks a comparable rate. I do not know of any banks, commercial or savings, that are paying the Government or anybody else 3¼ percent interest; and nobody else knows of any such banks. The Government is paying one-fourth of 1 percent on these borrowings. These balances are kept in a liquid state.

The gentleman says that the bond stays in the bank and the bank draws interest on it. The bond leaves the bank and goes into the account of the subscriber to the bond when it is delivered. The bank does not have the bond. The purchaser of the bond, which is not the bank, has the bond. Otherwise the bank would not have the customer's money in the Government-bond account.

I think that is a complete answer to the question whether the gentleman is right or wrong in respect to this. I hope that it does not come with too much surprise to the gentleman that I have not accepted this amendment.

Of course we want to be realistic about it, and the facts are that the Government leaves this cash in a liquid form in the banks so that they can draw on them from day to day. I might say that most of these deposits by the Government in the banks are subject to day-to-day withdrawal, mostly for daily expenditures. There is no new question involved here. This has been going on, as I have said, since 1942. If they did not keep these liquid balances, would it not be the same as a businessman completely absorbing in his business all the cash reserves which he has built up, before he even makes application to the bank for further credit? It is about the same situation. The gentleman would have the Government exhaust all of its liquid cash assets before it goes to the people to borrow.

So that surely in the interest of good business, in the interest of stability both in our economy and in our financing, this amendment should be overwhelmingly defeated.

Mr. GROSS. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I have consistently questioned this legislation both under Democrat and Republican administrations. It is probably necessary to continue this sort of financing, which is inflationary. I hope to live to see the day when we balance the budget and when this sort of legislation becomes unnecessary.

Mr. Chairman, earlier this afternoon I called attention to certain remarks concerning a previous extension of this law which were made by the late and distinguished Senator from Ohio, Mr. Taft.

I quote the following from the remarks of Mr. Taft on April 21, 1947, CONGRESSIONAL RECORD, volume 93, part 3, page 3714:

> The bill (H. R. 2413) permits the Treasury to sell up to $5 billion of Government bonds directly to the Federal Reserve banks, and, of course, in effect it directs the Reserve banks to buy those bills. That means that the Federal Government would really issue $5 billion worth of currency directly, in order to pay its bills. It is, therefore, a printing-press bill, if you please, and under the provisions of the bill the United States Government may at any time simply print $5 billion worth of currency.

Mr. Chairman, I reiterate my statement that this authority for the issuance of money is a subterfuge. It points up the failure of Congress to meet head-on our problems of debt and deficit. It is not sound financing.

I will support the amendment proposed by the gentleman from Texas [Mr. PATMAN] for the use of Government money already held in the banks of the country before issuing printing-press money under the terms of the law which this bill would continue.

I support a 2-year extension of this authority only because Congress and the executive branch of Government has failed for years to adopt sound financial policies.

Mr. PATMAN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman is recognized.

Mr. WOLCOTT. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. WOLCOTT. We have seen this question rise many times through the years and I have never had it definitely established in my mind how the question is answered. Is the gentleman entitled to speak twice?

Mr. PATMAN. Mr. Chairman, this is a different motion. I do not want to impose on the House, but the gentleman refused to yield to me.

Mr. WOLCOTT. I should like to get some information on this troublesome practice.

The CHAIRMAN. The gentleman from Texas has the right to answer the gentleman from Iowa [Mr. GROSS].

DEPOSITS IN BANKS LOWER BECAUSE NATIONAL DEBT LIMIT NOT EXTENDED

Mr. PATMAN. I will state to the gentleman from Iowa [Mr. GROSS], that I do not consider this much inflationary to the extent of being harmful. I do not believe it will be abused. It has not been abused in the past. The only principle that I am asking be stopped here is that of the Congress permitting the Treasury to borrow money and of paying interest on it when the same Treasury has billions of dollars to its credit in the banks, idle and unused.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I cannot yield right now. The gentleman would not yield to me so that I could ask him a question. After I have finished making my point, I shall be glad to yield.

The gentleman brought up that in 1946 the Treasury had $15 to $20 billion at one time. He is correct about that. However, that was right after World War II and before the repeal of the World War taxes, which brought in an enormous amount of money. The Treasury paid $20 billion of that on the national debt, and reduced the national debt by more than $20 billion. Our national debt used to be $300 billion, yet that money that the gentleman mentioned was used to reduce the national debt.

This is not partisan with me. I am not blaming the Democrats and I am not blaming the Republicans. One time last year the banks had $9 billion on deposit. That was in 1953. That is the reason I voted against extending the national debt limit to $290 billion from $275 billion. It was because I wanted to compel the use of the unused funds, amounting at that time to $9 billion. I I could not see any sense in that when we had $9 billion in the banks unused.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Not right now. Wait a minute. The gentleman would not yield to me. I will have to answer the gentleman the best I can, and then I will yield to him.

We have today between $3 and $4 billions, nearly $4 billions in the banks of the country, and it will always be from $3 to $4 billions and up to $9 billions. We know that going by the past. That is something I think we ought to stop. When it is brought to our attention we know it and we have an opportunity to deal with it. Why not deal with it and just say, "We want to stop that practice. It is bad. And it being bad, we want to pass a law against it." That is what I am attempting to do through this amendment, to compel the use of the idle and unused funds before the Treasury is authorized to borrow more money. If it has money, why borrow it?

The gentleman from Michigan gave an illustration about the banks paying out the depositors' money to buy bonds. I was not talking about that at all. I was talking about the bank itself making an investment in United States Government bonds. I was not talking about these savings bonds. It is without reference to those. I am talking about where the bank itself buys one of these 3¼-percent bonds, that incidentally went down to 98.5 and then went up to 110, a difference of 11.5 points, which with the 3¼ percent interest makes 14¾ percent that somebody made on riskless securities last year on those bonds alone. It would be interesting to know who made so many millions out of this gamble. Possibly we will find out one of these days.

BOND MARKET GLORIFIED CRAP GAME

Our Government bond market has been used as a glorified crap game. That is the way it is. We cannot object to its being used as a crap game as long as they do not do it to the injury of the public, but whenever they force those bonds down below par that is against the public's interest and they should not be allowed to carry their crap game that far.

I was talking about where a bank bought 3¼-percent bonds and then, instead of paying the money to the Government, kept the money on deposit, and then while they had that money on deposit for the Treasury, the Treasury under this bill would go to the Federal Reserve Board and borrow more money. That is the question that does not make sense to me, and that is the part I am trying to amend.

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. TALLE. Mr. Chairman, the gentleman from Texas mentioned $9 billion.

Mr. PATMAN. Yes. I said, "At one time."

Mr. TALLE. The gentleman from Texas will remember that when he made that statement last February the Secretary of the Treasury, Mr. Humphrey, was present and he pointed out that for 1 day in 1953 it was as high as $9 billion—1 day in the month of June 1953. The records show that last week the balance was below $3 billion. We should not toss billions around carelessly in our discussion.

Mr. PATMAN. I was careful to say up to $9 billion. If I had wanted to be technical, I could have called the gentleman from Michigan on the same theory and said $20 billion or $25 billion, as on some days some of them were. But up to $9 billion, I said, of course, and I repeat because it is true, they went up to $9 billion, which is a large amount. That was a long time ago, but now it has gone down, of course, for obvious reasons, to $3 billion, or between $3 billion and $4 billion, because the national-debt limit has not been increased.

Mr. GROSS. Did the gentleman from Texas say a while ago that this was a printing-press money bill?

Mr. PATMAN. Yes, sir, it is a printing-press money bill.

Mr. GROSS. And yet the gentleman from Texas denies that it is inflationary?

Mr. PATMAN. Why, it is not enough to be inflationary. You see, you have got to have money to run the country.

Mr. GROSS. I cannot agree with the gentleman. He is being contradictory in what he says.

Mr. PATMAN. I am not contradictory at all.

Mr. GROSS. The gentleman from Texas says on the one hand that this is a printing-press bill, or a borrowing bill, and yet he says it is not inflationary.

Mr. PATMAN. I know, but it is so little it does not amount to anything. It is so little it is not going to destroy the country.

Mr. GROSS. It is going to hurt the country, but nobody said anything about destroying the country.

Mr. PATMAN. If you are in favor of progress, you have to be in favor of some of the policy of some debts, and the extent to which this is inflationary is not enough to amount to anything. I am not afraid of it being abused at all. I will say that, and I repeat it has not been abused in the past.

Mr. HALE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to get some information about this legislation which interests me a good deal, and which troubles me somewhat. May I ask the distinguished chairman of the committee, for whose knowledge I have great respect, if this is the legislation under which the Federal Reserve banks principally act when they support the market in Government bonds?

Mr. WOLCOTT. I do not believe this is the act under which they act. I think the gentleman has reference to the open-market operations.

Mr. HALE. I do. Then this has nothing to do with the open-market operations?

Mr. WOLCOTT. This only has an indirect relation to open-market operations.

Mr. HALE. What were the considerations which led to the change in the law in 1935 and the further change in 1942?

Mr. WOLCOTT. From 1935 to 1942, we were operating under the Banking Act of 1935. Under the Banking Act of 1935, the Federal Reserve could purchase obligations of the Treasury either directly from the Treasury or in the open market. We had no open-market committee at that time. But in 1942, we specified that they could buy from the Treasury up to and not to exceed $5 billion of Treasury obligations to keep the currency and the economy in as near equilibrium as we could.

Mr. HALE. I am very grateful to the gentleman, and yield back the balance of my time.

Mr. BROWN of Georgia. Mr. Chairman, I move to strike out the last word.

May I ask the chairman of our committee, the gentleman from Michigan [Mr. WOLCOTT] if it is not true that the bill, H. R. 8729, came out of the committee by a unanimous vote?

Mr. WOLCOTT. I think I made the statement, and my memory is, that it came out with a unanimous vote with one or two reservations.

Mr. BROWN of Georgia. I did not know that anybody was against this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. PATMAN].

The question was taken; and on a division (demanded by Mr. PATMAN) there were—ayes 7, noes 31.

So the amendment was rejected.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NICHOLSON, chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 8729) to amend section 14 (b) of the Federal Reserve Act, as amended, pursuant to House Resolution 577, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. PATMAN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. PATMAN. I am opposed to the bill, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. PATMAN moves to recommit the bill to the Committee on Banking and Currency, with instructions to report it back forthwith, with the following amendment: After line 7, insert the following:

"SEC. 2. The first proviso in such section 14 (b) is amended by inserting '(A)' after 'but' and by inserting after '$5 billion' a comma and the following: 'and (B) such obligations may be acquired directly from the United States at any time only to the extent that the United States does not at that time have available deposits of funds, in Federal Reserve banks and private commercial banks, which could be used by the United States in lieu of the proceeds from the sale of such obligations.'"

Mr. WOLCOTT. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

Mr. ARENDS. Mr. Speaker, I ask unanimous consent that further proceedings on this bill be dispensed with until tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. PATMAN. Mr. Speaker, I object to that. I do not want to force a rollcall if we can have it tomorrow, but I want to be sure that I can have it tomorrow. I do not want to depend on not having enough Members present tomorrow. If I am assured there will be a rollcall on this motion tomorrow, I will not object.

The SPEAKER. Of course the Chair cannot anticipate what action the House will take tomorrow. If a quorum is present, the gentleman will have to take his chances.

Mr. PATMAN. I know that, but I would not like to forego the opportunity of having a vote, which I have now, unless I can be assured that I will have a rollcall tomorrow. If I have that assurance it will be all right.

The SPEAKER. The Chair cannot give the gentleman such assurance because the rules do not permit him to do so.

Mr. PATMAN. Then, Mr. Speaker, I must object.

The SPEAKER. A great many Members have left the Chamber for the day with the expectation that any rollcall would go over until tomorrow.

Mr. PATMAN. I regret it exceedingly.

The SPEAKER. The gentleman with his persuasive talk might persuade the House tomorrow that he ought to have a rollcall.

Mr. PATMAN. If I have assurance of a rollcall tomorrow, I will be glad to do it. The gentleman over there has the power to give me that assurance.

Mr. ARENDS. I have no power or right to give the gentleman that assurance. However, the gentleman can make his point tomorrow when the time comes.

Mr. PATMAN. I must object to the gentleman's request, Mr. Speaker.

The SPEAKER. The question is on the motion offered by the gentleman from Texas, that the bill be recommitted.

The question was taken; and the Chair announced the noes appeared to have it.

Mr. PATMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Obviously a quorum is not present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 80, nays 250, not voting 104, as follows:

[Roll No. 85]

YEAS—80

Addonizio	Gross	O'Brien, Ill.
Andrews	Hagen, Calif.	O'Hara, Ill.
Ashmore	Hagen, Minn.	Patman
Aspinall	Haley	Pfost
Bailey	Harris	Poage
Bennett, Fla.	Heller	Polk
Bentsen	Holifield	Powell
Brooks, Tex.	Holtzman	Price
Buchanan	Howell	Regan
Byrd	Karsten, Mo.	Rhodes, Pa.
Byrne, Pa.	Kee	Richards
Cannon	Kelley, Pa.	Rodino
Carnahan	Kelly, N. Y.	Rogers, Colo.
Celler	Keogh	Rogers, Tex.
Chudoff	King, Calif.	Sieminski
Condon	Kluczynski	Staggers
Cooley	Long	Sullivan
Crosser	McCarthy	Thomas
Dawson, Ill.	Magnuson	Thompson, La.
Dollinger	Mahon	Thompson, Tex.
Dowdy	Matthews	Thornberry
Elliott	Metcalf	Trimble
Engle	Miller, Calif.	Wier
Forand	Mills	Yates
Fountain	Mollohan	Yorty
Gordon	Moss	Zablocki
Granahan	Multer	

NAYS—250

Abbitt	Devereux	Kirwan
Abernethy	D'Ewart	Knox
Adair	Donovan	Laird
Alexander	Dorn, N. Y.	Lane
Allen, Calif.	Dorn, S. C.	Lanham
Allen, Ill.	Durham	Lantaff
Andersen, H. Carl	Edmondson	Latham
	Ellsworth	LeCompte
Andresen, August H.	Evins	Lipscomb
	Fenton	Lovre
Arends	Fernandez	McConnell
Auchincloss	Fino	McCormack
Ayres	Fisher	McCulloch
Baker	Ford	McDonough
Barden	Forrester	McGregor
Bates	Frelinghuysen	McIntire
Battle	Fulton	McMillan
Beamer	Gamble	McVey
Becker	Gary	Mack, Wash.
Belcher	Gathings	Mailliard
Bender	Gavin	Marshall
Bennett, Mich.	Gentry	Meader
Berry	Golden	Merrill
Betts	Goodwin	Merrow
Boggs	Grant	Miller, Kans.
Bolton, Frances P.	Gregory	Miller, Md.
	Gubser	Miller, Nebr.
Bonner	Gwinn	Morano
Bosch	Hale	Moulder
Bow	Hand	Mumma
Brown, Ga.	Harden	Murray
Brown, Ohio	Hardy	Natcher
Brownson	Harrison, Nebr.	Neal
Broyhill	Harrison, Va.	Nelson
Budge	Harvey	Nicholson
Burleson	Hays, Ark.	Norrell
Bush	Hays, Ohio	Oakman
Byrnes, Wis.	Hébert	O'Brien, N. Y.
Campbell	Herlong	O'Hara, Minn.
Canfield	Heselton	O'Neill
Carlyle	Hiestand	Osmers
Carrigg	Hill	Ostertag
Cederberg	Hillelson	Passman
Chelf	Hinshaw	Patterson
Chenoweth	Hoeven	Pelly
Chiperfield	Hoffman, Ill.	Phillips
Church	Holmes	Pilcher
Clevenger	Holt	Poff
Cole, Mo.	Hope	Preston
Colmer	Hosmer	Priest
Coon	Hruska	Prouty
Cooper	Hunter	Rabaut
Corbett	Hyde	Radwan
Cotton	James	Ray
Coudert	Jarman	Reams
Cretella	Javits	Reece, Tenn.
Crumpacker	Jenkins	Reed, Ill.
Curtis, Mass.	Jensen	Rees, Kans.
Curtis, Mo.	Jonas, Ill.	Rhodes, Ariz.
Dague	Jonas, N. C.	Riehlman
Davis, Ga.	Jones, Mo.	Roberts
Davis, Tenn.	Jones, N. C.	Robeson, Va.
Davis, Wis.	Judd	Robsion, Ky.
Dawson, Utah	Kean	Rogers, Fla.
Deane	Kearns	Rogers, Mass.
Delaney	Keating	Rooney
Dempsey	Kilburn	Sadlak
Derounian	King, Pa.	St. George

Saylor	Smith, Va.	Wainwright
Schenck	Smith, Wis.	Wampler
Scott	Spence	Warburton
Scrivner	Springer	Watts
Scudder	Stauffer	Whitten
Secrest	Steed	Wickersham
Seely-Brown	Stringfellow	Widnall
Selden	Talle	Wigglesworth
Shafer	Thompson, Mich.	Williams, Miss.
Sheehan	Tollefson	Williams, N. J.
Sheppard	Tuck	Winstead
Shuford	Utt	Withrow
Sikes	Van Pelt	Wolcott
Simpson, Ill.	Van Zandt	Wolverton
Small	Vorys	Young
Smith, Kans.	Vursell	Younger
Smith, Miss.		

NOT VOTING—104

Albert	Fine	Morgan
Angell	Fogarty	Morrison
Barrett	Frazier	Norblad
Bentley	Friedel	O'Brien, Mich.
Bishop	Garmatz	O'Konski
Blatnik	George	Patten
Boland	Graham	Perkins
Bolling	Green	Philbin
Bolton, Oliver P.	Halleck	Pillion
	Harrison, Wyo.	Rains
Bonin	Hart	Rayburn
Bowler	Hess	Reed, N. Y.
Boykin	Hillings	Riley
Brambiett	Hoffman, Mich.	Rivers
Bray	Horan	Roosevelt
Brooks, La.	Ikard	Scherer
Buckley	Jackson	Shelley
Burdick	Johnson, Calif.	Short
Busbey	Johnson, Wis.	Simpson, Pa.
Camp	Jones, Ala.	Sutton
Chatham	Kearney	Taber
Clardy	Kersten, Wis.	Taylor
Cole, N. Y.	Kilday	Teague
Cunningham	Klein	Velde
Curtis, Nebr.	Krueger	Vinson
Dies	Landrum	Walter
Dingell	Lesinski	Weichel
Dodd	Lucas	Westland
Dolliver	Lyle	Wharton
Dondero	Machrowicz	Wheeler
Donohue	Mack, Ill.	Williams, N. Y.
Doyle	Madden	Willis
Eberharter	Martin, Iowa	Wilson, Calif.
Fallon	Mason	Wilson, Ind.
Feighan	Miller, N. Y.	Wilson, Tex.

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Roosevelt for, with Mr. Camp against.
Mr. Madden for, with Mr. Busbey against.
Mr. Fine for, with Mr. Bishop against.
Mr. Shelley for, with Mr. Taylor against.
Mr. Klein for, with Mr. Graham against.
Mr. Rains for, with Mr. Martin of Iowa against.
Mr. Buckley for, with Mr. Hillings against.
Mr. Eberharter for, with Mr. Bentley against.
Mr. Morrison for, with Mr. Dondero against.
Mr. Garmatz for, with Mr. Taber against.
Mr. Fallon for, with Mr. Simpson of Pennsylvania against.
Mr. Friedel for, with Mr. Short against.
Mr. Lesinski for, with Mr. Hess against.
Mr. Bolling for, with Mr. Jackson against.
Mr. Bowler for, with Mr. Kearney against.
Mr. Machrowicz for, with Mr. Halleck against.
Mr. Dingell for, with Mr. Miller of New York against.
Mr. Dodd for, with Mr. Westland against.
Mr. Fogarty for, with Mr. Williams of New York against.
Mr. Hart for, with Mr. Reed of New York against.
Mr. Green for, with Mr. Scherer against.
Mr. Walter for, with Mr. Wilson of California against.
Mr. Johnson of Wisconsin for, with Mr. Velde against.
Mr. Feighan for, with Mr. Bonin against.
Mr. Doyle for, with Mr. George against.
Mr. Morgan for, with Mr. Johnson of California against.
Mr. Mack of Illinois for, with Mr. Cunningham against.

C——527

Mr. O'Brien of Michigan for, with Mr. Mason against.
Mr. Blatnik for, with Mr. Oliver P. Bolton against.

Until further notice:

Mr. Angell with Mr. Barrett.
Mr. Hoffman of Michigan with Mr. Dies.
Mr. Horan with Mr. Chatham.
Mr. Brambiett with Mr. Frazier.
Mr. Bray with Mr. Boykin.
Mr. Kersten of Wisconsin with Mr. Rivers.
Mr. Wilson of Indiana with Mr. Riley.
Mr. Weichel with Mr. Brooks of Louisiana.
Mr. Norblad with Mr. Vinson.
Mr. O'Konski with Willis.
Mr. Pillion with Mr. Wilson of Texas.
Mr. Harrison of Wyoming with Mr. Albert.
Mr. Krueger with Mr. Patten.
Mr. Wharton with Mr. Jones of Alabama.
Mr. Dolliver with Mr. Ikard.
Mr. Cole of New York with Mr. Kilday.
Mrs. Church with Mr. Landrum.
Mr. Burdick with Mr. Teague.
Mr. Curtis of Nebraska with Mr. Lucas.

Mr. LANE changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

SPECIAL ORDER VACATED

Mr. ARENDS. Mr. Speaker, I ask unanimous consent that the special order heretofore granted to the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON] for today may be vacated.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. ARENDS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

REVENUE BOND ACT OF 1935 OF THE TERRITORY OF HAWAII

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2844) providing that the ratification of the Revenue Bond Act of 1935, enacted by the Legislature of the Territory of Hawaii, shall apply to all amendments of said act made by said legislature to and including the acts of the 1953 regular session of said legislature, and to all extensions of the period for issuance and delivery of revenue bonds thereunder, heretofore, or hereafter enacted by said legislature, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 7, strike out all after "confirmed" over to and including "Hawaii" in line 6, page 2.

Page 2, line 11, strike out "1953" and insert "1935."

Page 2, line 14, after "act" insert ": *Provided, however,* That nothing herein contained shall be deemed to prohibit the further amendment of said Revenue Bond Act of 1935 in conformity with the authority conferred by the act of July 15, 1935 (49 Stat. 479, 48 U. S. C., 1946 edition, 562a), and the act of August 3, 1935 (49 Stat. 516, 48 U. S. C., 1946 edition, 562d)."

Amend the title so as to read: "An act providing that the ratification of the Revenue Bond Act of 1935, enacted by the Legislature of the Territory of Hawaii, shall apply to all amendments of said act made by said legislature to and including the acts of the 1953 regular session of said legislature."

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

ANNOUNCEMENT

Mr. WILSON of California. Mr. Speaker, I was off the floor on official business at the time of the last vote. Had I been present I would have voted "no" on the motion to recommit.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. HOPE, his remarks in Committee of the Whole and to include extraneous matter.

Mr. RABAUT and include extraneous matter.

Mr. SUTTON (at the request of Mr. BROYHILL) and include extraneous matter.

Mr. FRIEDEL (at the request of Mr. DOLLINGER).

Mr. MILLER of Nebraska.

Mr. CELLER and to include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. SHAFER, for 10 days, on account of sickness in the family.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 45. An act for the relief of Mrs. Merle Cappeller Weyel; to the Committee on the Judiciary.

S. 384. An act for the relief of Robert H. Webster; to the Committee on the Judiciary.

S. 1216. An act for the relief of Karl L. von Schlieder; to the Committee on the Judiciary.

S. 1306. An act for the relief of Leonard Hungerford; to the Committee on the Judiciary.

S. 1429. An act for the relief of Hans Schroeder; to the Committee on the Judiciary.

S. 1434. An act for the relief of William B. Baker and Don P. Fankhauser; to the Committee on the Judiciary.

S. 1609. An act for the relief of Mrs. Robert Lee Slaughter, nee Elisa Ortiz Orat; to the Committee on the Judiciary.

S. 1615. An act for the relief of Lt. Col. George P. Price; to the Committee on the Judiciary.

S. 1757. An act for the relief of Clair F. Bowman; to the Committee on the Judiciary.

S. 1795. An act for the relief of Fred and Bernice Ehlers; to the Committee on the Judiciary.

S. 1845. An act for the relief of Dr. Ian Yung-cheng Hu; to the Committee on the Judiciary.

S. 1925. An act for the relief of Lt. Col. Carl E. Welchner, United States Air Force; to the Committee on the Judiciary.

S. 2068. An act for the relief of Francesco Marinelli; to the Committee on the Judiciary.

S. 2135. An act for the relief of Fernando A. Rubio, Jr.; to the Committee on the Judiciary.

S. 2147. An act for the relief of Terrence Waller; to the Committee on the Judiciary.

S. 2176. An act for the relief of Maly Braunstein and Aurelia Rappaport; to the Committee on the Judiciary.

S. 2210. An act for the relief of Frank (Franz) Homolka, Olga Homolka (nee Mandel), Adolf Homolka, Helga Maria Homolka, and Frieda Homolka; to the Committee on the Judiciary.

S. 2212. An act for the relief of Alma S. Wittlin-Frischauer; to the Committee on the Judiciary.

S. 2214. An act for the relief of Peter James Copses, Beatrice Copses, Victoria Copses, and James Peter Copses; to the Committee on the Judiciary.

S. 2240. An act for the relief of Mrs. Carl Dobratz; to the Committee on the Judiciary.

S. 2257. An act for the relief of Luigi Cicchinelli; to the Committee on the Judiciary.

S. 2282. An act for the relief of Aina Brizga; Committee on the Judiciary.

S. 2453. An act to amend the Communications Act of 1934, as amended, with respect to implementing the International Convention for the Safety of Life at Sea relating to radio equipment and radio operators on board ship; Committee on Interstate and Foreign Commerce.

S. 2455. An act for the relief of Mrs. S. Eugene Lamb; Committee on the Judiciary.

S. 2488. An act to provide that each grant of exchange assignment on tribal lands on the Cheyenne River Sioux Reservation and the Standing Rock Sioux Reservation shall have the same force and effect as a trust patent, and for other purposes; Committee on Interior and Insular Affairs.

S. 2592. An act for the relief of Mrs. H. O'Kane (nee Mary A. Dancer); Committee on the Judiciary.

S. 2693. An act for the relief of Robert Lee Williams; Committee on the Judiciary.

S. 2823. An act for the relief of Joseph H. Hedmark, Jr.; Committee on the Judiciary.

S. 3062. An act for the relief of the American Surety Co., of New York, and certain other surety companies; Committee on the Judiciary.

S. 3154. An act to provide for the relief of Milton Beatty and others by providing for determination and settlement of certain claims of former owners of lands and improvements purchased by the United States in connection with the Canyon Ferry Reservoir project, Montana; Committee on the Judiciary.

S. 3233. An act to amend the Merchant Marine Act, 1936, to provide permanent legislation for the transportation of a substantial portion of waterborne cargoes in United States-flag vessels; Committee on Merchant Marine and Fisheries.

S. 3239. An act to authorize conveyance of land to the State of California for an inspection station; Committee on Interior and Insular Affairs.

S. 3453. An act to provide for the management and disposition of the reconveyed Choctaw and Chickasaw lands in the State of Oklahoma; Committee on Interior and Insular Affairs.

S. 3476. An act to provide for the advancement of Comdr. Donald B. MacMillan, United States Naval Reserve (retired), to the grade of rear admiral on the Naval Reserve retired list; Committee on Armed Services.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 707. An act for the relief of Dr. Ignacy Adam, Mrs. Amalya Alexander Adam, and George Adam;

H. R. 758. An act for the relief of Harry C. Barney;

H. R. 849. An act for the relief of Mrs. Stella Rebner;

H. R. 1005. An act to authorize the establishment of the Fort Union National Monument, in the State of New Mexico, and for other purposes;

H. R. 1128. An act authorizing the Secretary of the Interior to issue to Jake Alexander a patent in fee to certain lands in the State of Alabama;

H. R. 2566. An act to amend the Contract Settlement Act of 1944 so as to establish a time limitation upon the filing of certain claims thereunder;

H. R. 2616. An act for the relief of Generosa Bonet;

H. R. 3026. An act for the relief of Barbara Gene Coster;

H. R. 3097. An act to authorize the transfer to the regents of the University of California, for agricultural purposes, of certain real property in Napa County, Calif.;

H. R. 3131. An act for the relief of Wesley Howard Leahy;

H. R. 3249. An act for the relief of Katharina Link;

H. R. 3986. An act to authorize the appropriation of additional funds to complete the International Peace Garden, N. Dak.

H. R. 4701. An act for the relief of Josip Stanic;

H. R. 6173. An act to provide for the use of the tribal funds of the Southern Ute Tribe of the Southern Ute Reservation, to authorize a per-capita payment out of such funds, and for other purposes;

H. R. 8357. An act to amend the Standard Container Act of May 21, 1928 (45 Stat. 685; 15 U. S. C. 257–2571), to provide for a three-eighths bushel basket for fruits and vegetables;

H. R. 8456. An act to provide for the conveyance of certain hospital supplies and equipment of the United States to the city of Gulfport and to Harrison County, Miss.;

H. R. 8923. An act to provide for the development of the Coosa River, Ala. and Ga.; and

H. J. Res. 300. Joint resolution to provide for the conveyance to the Texas Hill Country Development Foundation of certain surplus land situated in Kerr County, Tex.

ADJOURNMENT

Mr. ARENDS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 4 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, June 17, 1954, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

1639. Under clause 2 of rule XXIV, a letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 4 of the Displaced Persons Act of 1948, as amended, was taken from the Speaker's table and referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 587. Resolution for the consideration of H. R. 4854, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the irrigation works comprising the Foster Creek division of the Chief Joseph Dam project, Washington; without amendment (Rept. No. 1883). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 588. Resolution for the consideration of S. 119, an act to provide for the construction of the Markham Ferry project on the Grand River in Oklahoma by the Grand River Dam Authority, an instrumentality of the State of Oklahoma; without amendment (Rept. No. 1884). Referred to the House Calendar.

Mr. PELLY: Committee on Interstate and Foreign Commerce. H. R. 6253. A bill to amend Public Law 410, 78th Congress, with regard to compensation for overtime, Sunday, and holiday work of employees of the United States Public Health Service, Foreign Quarantine Division; with amendment (Rept. No. 1885). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 8385. A bill to amend section 2382 of the Revised Statutes, in order to make the size of townlots conform in size to local standards; with amendment (Rept. No. 1886). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SCOTT:

H. R. 9577. A bill to permit the city of Philadelphia to further develop the Hog Island tract as an air, rail, and marine terminal by directing the Secretary of Commerce to release the city of Philadelphia from the fulfillment of certain conditions contained in the existing deed which restrict further development; to the Committee on Interstate and Foreign Commerce.

By Mr. CURTIS of Massachusetts:

H. R. 9578. A bill to extend the home loan provisions of the Servicemen's Readjustment Act of 1944 to veterans of World War I and their widows; to the Committee on Veterans' Affairs.

By Mr. ENGLE:

H. R. 9579. A bill to authorize the construction, operation and maintenance of a hydroelectric project on the Tuolumne River, Calif.; to the Committee on Interior and Insular Affairs.

By Mr. GRAHAM:

H. R. 9580. A bill to revise and extend the laws relating to espionage and sabotage and for other purposes; to the Committee on the Judiciary.

By Mr. MILLER of Nebraska:

H. R. 9581. A bill to provide for Federal cooperation with the Nebraska Mid-State Reclamation District, Nebraska, in the construction of the Mid-State project; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR:

H. R. 9582. A bill to provide for the transfer of excess property to the Territorial Government of Alaska; to the Committee on Interior and Insular Affairs.

By Mr. TOLLEFSON (by request):

H. R. 9583. A bill to repeal section 412 (e) of title 2 of the Canal Zone Code; to the Committee on Merchant Marine and Fisheries.

By Mr. TOLLEFSON:

H. R. 9584. A bill to protect the rights of vessels of the United States on the high seas and in territorial waters of foreign countries; to the Committee on Merchant Marine and Fisheries.

By Mr. MILLER of Nebraska:

H. R. 9585. A bill to establish national policy respecting the development and use of water resources, to redefine the authority of the Secretary of the Interior with respect to water resource development, and for other purposes; to the Committee on Interior and and Insular Affairs.

By Mr. REES of Kansas:

H. R. 9586. A bill to amend the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

H. R. 9587. A bill to authorize removal of the position of Deputy Maritime Administrator from the classified civil service; to the Committee on Post Office and Civil Service.

By Mr. WAINWRIGHT:

H. R. 9588. A bill to provide for the issuance of a special postage stamp in commemoration of the 50th anniversary of the Recreational Boating Industry in America; to the Committee on Post Office and Civil Service.

By Mr. WILSON of Texas:

H. J. Res. 545. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the International Trade-Sample Fair, Dallas, Tex., to be admitted without payment of tariff, and for other purposes; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 9589. A bill to provide preference right to certain land in Alaska to Patrick Harold Johnson, of Anchor Point, Alaska, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JOHNSON of California:

H. R. 9590. A bill for the relief of Clara Hendrika Edwina Judith Tollens Foulkes; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 9591. A bill for the relief of Cesare Di Lollo; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 9592. A bill for the relief of Florence Meister; to the Committee on the Judiciary.

By Mr. LIPSCOMB:

H. R. 9593. A bill for the relief on Shau Lam Wong; to the Committee on the Judiciary.

By Mr. PASSMAN:

H. R. 9594. A bill for the relief of Elsa Wahl Enlow; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. R. 9595. A bill for the relief of Loucia Hannouche; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 9596. A bill for the relief of Herbert Arnold Sparks; to the Committee on the Judiciary.

By Mr. REED of Illinois:

H. R. 9597. A bill for the relief of Col. Walter E. Ahearn, and others; to the Committee on the Judiciary.

By Mr. REGAN:

H. R. 9598. A bill for the relief of Mrs. Herta J. Edquid; to the Committee on the Judiciary.

By Mr. SIKES:

H. R. 9599. A bill for the relief of the Quincy State Bank, Quincy, Fla.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1017. By Mr. BENNETT of Florida: Petition of 96 members of the Spring Glen Methodist Church, Jacksonville, Fla., supporting the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

1018. Also, petition of 12 members of the First Methodist Church, Jacksonville, Fla., supporting the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

1019. Also, petition of 12 members of the Presbyterian Westminster Fellowship and others of Green Cove Springs, Fla., supporting the Bryson bill (H. R. 1227); to the Committee on Interstate and Foreign Commerce.

1020. By Mr. CANFIELD: Resolution adopted by the New Jersey Bankers Association at Princeton, N. J., on June 10, 1954, favoring S. 975; to the Committee on Banking and Currency.

1021. By Mr. GAVIN: Petition of Ruth J. McConnell, and other citizens of Kane, Pa., favoring S. 3294; to the Committee on Interstate and Foreign Commerce.

1022. By Mr. SMITH of Wisconsin: Resolution unanimously adopted at a mass meeting of Estonian-, Latvian-, and Lithuanian-Americans of the city of Racine, Wis., on June 12, 1954, to commemorate the anniversary of the first mass deportations from the Baltic States by the Soviet Union, resolving that an appeal be made to the Government of the United States to respond to the demands of our times by giving responsible leadership to those free peoples of the world who aspire to peace, justice, and freedom; to the Committee on Foreign Affairs.

1023. By the SPEAKER: Petition of Sigmund Pollack, Post Office Box 79, New York 5, N. Y., requesting impeachment proceedings be commenced against Lawrence Edward Walsh, and John C. Knox, United States district judges, southern district of New York, and Chief Justice Earl Warren, of the United States Supreme Court; to the Committee on the Judiciary.

1024. Also, petition of the president, National Association of Retired Civil Employees, Denver Area Chapter, No. 81, Denver, Colo., requesting passage of either H. R. 8894, or H. R. 7785, after being amended to carry the provisions of H. R. 8894, in the interest of fair treatment to former Government employees; to the Committee on Post Office and Civil Service.

1025. Also, petition of Vicente A. Matias, Tayug, Pangasinan, Philippines, relative to Army of the United States status being revoked; to the Committee on Armed Services.

EXTENSIONS OF REMARKS

Tomorrow's Supply of Water

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 1954

Mr. MILLER of Nebraska. Mr. Speaker, I have had called to my attention certain recommendations of the Water Resources Policy Committee of the National Conservation Conference. These recommendations take the form of a proposed bill having as its principal purpose establishment of a national policy respecting to the sound development and use of our Nation's greatest replenishable natural resource—water.

They are, I understand, the end product of many months of intensive study of this subject by the Water Resources Policy Committee development program.

My committee, Interior and Insular Affairs, has, during the past several years, conducted a study of our water resources. The study has been most interesting and quite revealing. For instance, my State, Nebraska, has the greatest amount of water of any State, yet, it is considered a semi-arid State. A study recently completed by the University of Nebraska shows that the underground water supply within the borders of Nebraska would fill a reservoir covering the entire area of Nebraska to a depth of 60 feet. It seems almost unbelievable, but those who made the estimate consider it a conservative one.

I have mentioned the studies made by my committee. To be more explicit, they are: First, photosynthesis—Basic Features of the Process; second, The Physical Basis of Water Supply and Its Principal Uses; third, Groundwater Regions of the United States; and fourth, Subsurface Facilities of Water Management and Patterns of Supply—Type Area Studies.

I am advised that the principles enbodied in this measure have not been endorsed in toto by the National Water Conservation Conference, but that this group, by early next year, will have scheduled a meeting for the purpose of refining, if necessary, the broad statements of principle contained therein. I want to point out that the introduction of this modified bill does not constitute my personal endorsement of all of its provisions, even though many of these provisions do reflect the tentative conclusions reached by my committee members in studies over the past 18 months of so-called local-control legislation, having as its purpose a greater degree of Federal-local cooperation.

During the past year and a half, much has been done to help create a realistic national water policy. President Eisenhower, only recently, created a Cabinet-level committee to study and make recommendations for our national water policy. That committee, quite naturally, is headed up by Secretary of Interior McKay. As chairman of the Interior and Insular Affairs Committee, I plan to appoint a committee to work with this group and others interested in this problem.

Since I feel this bill would supplement any action taken by the executive branch, I am today introducing a modified bill embodying most of the proposals of the National Water Conservation Conference. I feel this will help to promote a program designed to establish better Federal-State-local-private relationships in the development of our Nation's water resources. I do feel this will give Congress the opportunity to meet one of its basic obligations of studying the present situation and laying down the policy it should follow.

To point out the need for this study, I might remind my colleagues that within the 17 Western States we have three departments of Government functioning in the field of water and land resource development—the Department of the Interior, the Department of Agriculture, and the Corps of Engineers of the Department of the Army. Members of my Committee on Interior and Insular Affairs have been acutely aware of the need for a reexamination by the Congress of national policy respecting these coordinate responsibilities.

All in all, Mr. Speaker, I do feel that the procedure set forth in this bill is an excellent example of democracy at its best with all working together to accomplish our specific aim.

Dr. Samuel Rosenblatt

EXTENSION OF REMARKS
OF
HON. SAMUEL N. FRIEDEL
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 16, 1954

Mr. FRIEDEL. Mr. Speaker, It was my honor and privilege to extend an invitation to Dr. Samuel Rosenblatt, rabbi of the Beth Tfiloh Congregation of Baltimore, Md., a congregation which numbers more than 2,500 families among its members, to offer the opening prayer of the House of Representatives on Friday, June 11, 1954.

In addition to serving as the rabbi of the Beth Tfiloh Congregation for more than 27 years, Dr. Rosenblatt has distinguished himself as an author and educator. He is presently preparing his ninth volume for publication and is associate professor of languages at the Johns Hopkins University. He has recently been invited to teach at the Bar-Ilan University in Israel upon its completion next year.

Dr. Rosenblatt, a son of the late renowned cantor, Joseph R. Rosenblatt, is the president of the Jewish Religious Council of Baltimore and of the Mizrachi Organization of Baltimore.

After listening to the stirring and profound prayer delivered by Dr. Rosenblatt, in which he called upon the Members of the House, under the guidance of our Lord, to champion the democratic way of life, and men throughout the world to recognize each other as brothers and dwell together in amity, friendship, and concord, many of my colleagues accorded tributes to Rabbi Rosenblatt to which few members of the cloth have been privileged.

It behooves me to offer my own personal gratitude to this great man.

Highway Reciprocity Agreements

EXTENSION OF REMARKS
OF
HON. PAT SUTTON
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 16, 1954

Mr. SUTTON. Mr. Speaker, I recently had occasion to request the Library of Congress to look into the history of the various highway reciprocity agreements between the States. With greatly increased funds for Federal aid to highways being made available to the various States and the problem of reciprocity between the States becoming more important, under permission, I reprint the information which the Library obtained for the benefit of my colleagues:

HIGHWAY RECIPROCITY AGREEMENTS

In general terms, highway reciprocity amounts to the granting of complete or partial relief to out-of-State vehicles from the payment of motor-vehicles assessments levied by a particular State on vehicles registered within that State. It is effected through a mutual agreement between two or more States, and is contingent upon the granting of like privileges by all participating States. Thus, two States which grant each other full reciprocity give the owners and operators of motor vehicles registered within their respective States the privilege of entering either State without paying certain of its taxes. The concept of reciprocity is based on the axiom that multiple taxation of the same vehicle by two or more States tends to create a barrier to the free flow of interstate traffic.

The granting of reciprocity with respect to the interstate movement of motor vehicles was first established on behalf of passenger car owners. Back in the early days of the automobile a driver of one State had to pay the registration fee of another State before he was allowed to travel on its roads. This was true of most of the States. For a time New Jersey required the payment of a fee for a New Jersey driver's license in addition to a registration fee. And Missouri permitted each of its counties to collect a separate registration fee from vehicles traveling through. The result of such conditions was chaos, and great expense and inconvenience to motorists, and they constituted a deterrent to the large-scale use of interstate highways.

Gradually the States recognized the evil of such laws and regulations and began to correct them. Reports indicate that by 1928 all States had agreed to exempt out-of-State automobiles from such taxes, provided the State of the original licensed car granted a similar exemption. Such provisions did not apply to fuel taxes nor to the use of toll facilities.

Extension of the reciprocity principle to commercial vehicles followed as a matter of course, although with certain limitations which tended to vary from State to State. The limitation appeared because many States took the view that, because of their size and weight, the grant of reciprocal privileges to commercial vehicles should be made with reservation.

Reciprocity is but one of four methods by which relief is obtained from motor vehicle user taxes and attendant restrictions. The other three are exemptions, nonenforcement, and evasion; only exemptions need be discussed here.

The essential difference between an exemption and reciprocity is that an exemption is granted regardless of what other States do, while reciprocity depends largely on the actions of participating States. Exemptions are most frequently granted the owners of passenger cars and farmers who use vehicles to haul agricultural produce. Vehicles of the Federal Government bearing Federal license plates are exempt from State registration and carrier regulation. There is an extensive list of specific exemptions granted by the individual States, although they differ widely from State to State.

Most States are considered relatively liberal in the extent of exemptions or reciprocity accorded the operators of automobiles. However, during World War II, war workers who moved about frequently on construction jobs complained of the expense they were put to because of the failure of some States to extend complete exemption or reciprocity privileges to residents of other States. The American Association of Motor Vehicle Administrators took note of this situation and reported that, as a result of its recommendation for the adoption of a policy of leniency, significant improvements were made.

With respect to reciprocity privileges affecting the interstate movement of commercial vehicles, many reciprocal agreements are quite informal, and, in a number of instances, do not exist in writing. The constitutionality of many reciprocity agreements is considered to be in doubt since they constitute compacts between the States without specific consent from Congress. Reciprocity agreements are characterized in many cases by a lack of permanence. In some instances such agreements have been consummated by officials whose term of office is but 2 years. And even where the persons responsible for reciprocal agreements enjoy longer terms of office, there is generally little assurance that such agreements will not be terminated at will.

In 1944 the board of investigation and research made a study of trade barriers affecting motor vehicles. The board reported that there has been no set pattern for reciprocity agreements. Some were found to be liberal and inclusive while others were conservative and narrow. The latter condition was attributed partly to an unwillingness of State representatives to yield prerogatives, and partly to constitutional or legislative limitations.

The board found that reciprocity agreements were generally established for indefinite periods. Some had been in force for a number of years while others had been terminated after being in effect for only a few months, or even a few weeks. A common cause for the termination of agreements was found to be a change in the motor-carrier laws or regulations of one of the participating States.

Reciprocity agreements have been criticized because of their inflexibility—most

agreements are based on the exchange of equal or like privileges. Those who offer criticism on this count point out the difficulty of arriving at equality of exchange when considering the wide variance of tax structures extant among the States.

Tax officials have criticized reciprocal agreements for several reasons. First, they note that many of the agreements are not sufficiently specific, and do not differentiate between the various classes of carriers providing different classes of service. The informal nature of many agreements is the second cause for disapproval by the group. However, the strongest criticism of tax officials has been directed toward those States which they feel do not take the total highway user tax burden into consideration when entering into reciprocal agreements.

Regional agreements on reciprocity are a comparatively recent development. The American Association of Motor Vehicle Administrators reported that the first attempt to establish a group agreement occurred in December 1949 when 10 southern States held a reciprocity conference at Atlanta, Ga. All 10 States entered into the agreement.

During 1950, the States of Washington, Oregon, and Idaho entered into an agreement covering the registration of commercial vehicles operating in those States. Also during 1950, 12 midwestern States established a reciprocity workshop, with the stated objective of improving pertinent legislation, enforcement techniques, and agreement policy.

With respect to actions by the individual States, in 1950 the Department of Agriculture instituted a study of interstate barriers to highway transportation. The study indicated that at that time 47 States had the necessary authority to enter into reciprocity agreements. Arizona alone had no such authority. Tennessee and Illinois were reported to make little use of their authority. The report also called attention to the high degree of informality and lack of permanence of reciprocal agreements in general.

Corps of Engineers Begin 180th Year

EXTENSION OF REMARKS
OF
HON. LOUIS C. RABAUT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 16, 1954

Mr. RABAUT. Mr. Speaker, my close association with the Corps of Engineers, as a member of the Subcommittee on Civil Functions and Military Construction of the House Committee on Appropriations, prompts me to take cognizance today of their 179th birthday celebration.

To the Corps of Engineers have come great problems, watersheds, natural resources, flood control, and construction works, projects which have inured to the benefit of the civilian population and have contributed, in great measure, to the defense and protection of our Nation.

It is interesting to note that the United States Military Academy, one of our proudest institutions of learning, was commanded by officers selected from the Corps of Engineers, during the period from April 15, 1802, the founding of the Academy, to September 8, 1864, when the superintendency was opened to the entire Army. Robert E. Lee, later commanding general of the Army of Northern Virginia, and commander in chief of the Confederate Army Field Forces, was the ninth member from the Corps of Engineers to command the Academy, acting as Superintendent from 1852 to 1855.

The record of the Corps of Engineers is one marked with a long history of public service and duty. It is only proper that the Washington Post and Times Herald should have saluted them this morning; I am happy to include the article in the RECORD. The article follows:

ENGINEER CORPS IS 179 YEARS OLD

The Army Corps of Engineers, 179 years old today, celebrates its anniversary as the most powerful construction force in the world, its Chief said yesterday.

"Our construction power is a major deterrent to world war III," Maj. Gen. S. D. Sturgis, Jr., Chief of Engineers, said.

At the request of George Washington, the corps was established by the Continental Congress in 1775 primarily for military purposes. Its civil works assignments date from an act of Congress in 1826.

Some Democratic Representatives Propose a Democratic Program

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 16, 1954

Mr. CELLER. Mr. Speaker, an 18-point legislative program was today advanced by a group of Democratic Congressmen headed by me, and including Representatives ISIDORE DOLLINGER, SIDNEY A. FINE, LOUIS B. HELLER, ARTHUR G. KLEIN, and ADAM C. POWELL, JR. Covering virtually all phases of domestic and foreign policy, the program was promulgated by the Democratic group because of their deep-seated conviction "that the people of this country cannot accept as responsive to their needs the half hearted endorsement given by the Republican Party to a middle of the fence program culled at random from the preatomic age leftovers of the New Deal, Fair Deal, and NAM."

The group pointed out that the exigencies of the times necessitated a forward-looking legislative agenda to meet fully the responsibilities of Government "in the historic and epochal age in which we live." In view of the tremendous dangers as well as potentialities inherent in the development of nuclear power and atomic energy, the Congressmen felt compelled to set forth an affirmative program to fill the void left by the few legislative recommendations of the administration.

Americans—

They stated—

cannot afford the luxury of a dilatory, equivocating, or lack-luster program lifted piecemeal from the dredges of the past.

Special emphasis was placed upon the need for a vigorous program for the fullest development of military and peacetime uses of nuclear power. The Congressmen advocated amendments to the Atomic Energy Act of 1946 to provide, under proper controls, for the commercial development of atomic energy for peacetime purposes by private industry both at home and abroad.

We have faith—

The group concluded—

that man, given the opportunity to choose freely between a century devoted to repairing the devastation wrought by the atomic bomb upon his cities and populations or one dedicated to exploring cooperatively the great promises held out by the infinite world of the atom must inevitably choose the latter.

The Congressmen included in their program many provisions to reduce barriers to foreign trade including removal of all tariffs on strategic minerals and metals, extension of the reciprocal-trade program with added powers for the President to remove completely tariff barriers on selected items; and repeal of the peril-point provisions of existing law. The group also concluded that "now is the time to expand, not contract, our foreign aid and assistance programs to aid other nations."

Also contained in the program of the Democrats was a National Health Insurance Act providing for compulsory health insurance for all workers to be supported by a combination of joint employer-employee contributions and tax revenues; repeal of the Taft-Hartley Act; a mandatory farm price-support program but with the additional authority to make production payments in addition to commodity loans and purchase agreements similar to the provisions of the Brannan plan; drastic revision of the McCarran-Walter Immigration Act; Federal aid to education; a strong antimonopoly program which would preserve competition throughout the economy and prevent the functions of Government from being subsumed by big business; a full-employment program; the extension of unemployment benefits to Government employees; the establishment of an FEPC; Federal poll tax legislation; and the establishment of a joint committee to investigate subversive activities to replace the multitude of committees now purporting to investigate such activities but which pay greater attention to newspaper headlines than to the propriety of their inquiries and the civil rights of their witnesses.

The Congressmen also expressed their unalterable opposition to giveaway programs, whereby the natural inheritance of the people in the resources of the country are disposed of for exploitation by particular interests. They pledged themselves to resist to the utmost any and all efforts to convey the natural resources of the people of the Nation for private exploitation. They also alined themselves against all moves to weaken the authority of the TVA and affirmed their belief that the Federal Government has the primary responsibility of developing the Nation's river basins on a regional basis to provide for flood control, navigation, irrigation, and hydroelectric power.

The group concluded its program with recommendations for strengthening the United Nations Organization as an important step toward world peace. The program follows:

DEMOCRATIC PROGRAM OF SOME DEMOCRATIC REPRESENTATIVES

Believing sincerely that the American people are desirous of a forward and positive program looking toward a future of economic prosperity at home and peaceful international relations abroad, we as members of the Democratic Party in Congress, have adopted the general principles outlined below and have pledged to devote our united efforts to achieve the objectives stated therein. We have formulated and united upon this legislative agenda because we cannot accept as responsive to the needs of the people of this country the halfhearted endorsement given by the Republican Party to a middle-of-the-fence program culled at random from the preatomic age leftovers of the New Deal, Fair Deal, and NAM. We want to go forward, not backward, and we can see nothing progressive in the Republican Party's begrudging and expedient acceptance of what the Democratic Party stood for more than two decades ago.

It is our earnest conviction that responsible government must today undertake a broad program designed to eliminate insecurity at all levels of our national and international existence. Worldwide tensions must be eased by a program not only devoted to peace but also designed to acknowledge the legitimate aspirations of the many countries abroad who are our friends. At home, the fears of recession must be alleviated so that private investment will continue to expand productive facilities; thereby bringing the comforts and necessities of modern civilization to more and more people. The individual and worker must be adequately protected against the ravages of economic readjustments in the economy which occur through no fault of his own. Minimum health standards should be provided for all of our people and not entrusted to the whims of chance. Affirmative strides toward erasing inequality of opportunity must be made to accord with the prescriptions of our constitutional government. Adequate housing must be assured our people not only in the interests of humanity but to eradicate disease, crime, and violence which thrive in slum-laden areas.

Above all, we must emphasize a program consonant with not only the new problems but the vast new resources as well which will become available to us in the forthcoming atomic era. It is essential that we bend all our efforts to prevent mankind from unleashing the destructive forces of atomic power upon himself and condemning civilization to return to the Dark Ages. But equally important is it to harness the atom to its fullest peacetime uses so that the fruits of this tremendous new source of energy may be enjoyed to their utmost. We have faith that man, given the opportunity to choose freely between a century devoted to repairing the devastation wrought by atomic weapons upon his cities and populations or one dedicated to exploring cooperatively the great promises held out by the infinite world of nuclear power must inevitably choose the latter.

Poised upon the threshold of a new age beset at once with the wondrous possibilities as well as the fearful dangers of atomic energy, Americans cannot afford the luxury of a dilatory, equivocating, or lack-luster program lifted piecemeal out of the dregs of the past. The program set forth below to which we are irrevocably dedicated we feel is one which deserves the respect and support of the Congress and the people. It is one which gives full recognition to the hopes and aspirations of our citizens and places upon the Government the full responsibilities which it must today assume in the historic and epochal age in which we live.

The program is as follows:

I. ATOMIC ENERGY

We believe that the development of atomic energy, both at home and abroad, cannot be entrusted to chance and that a vigorous program for the fullest development of military and peacetime uses of nuclear power must be undertaken immediately.

1. The fullest interchange of confidential atomic data between ourselves and our important allies with respect to atomic weapons and armaments should be immediately undertaken to promote the collective defense of the free world and to assure our own Nation continuing access to latest scientific developments in this field.

2. Open exchange of atomic information of a nonmilitary nature with all nations of the world, either collectively or bilaterally, should be commenced on a continuing basis so that the peacetime development of atomic resources can be promoted as promptly as possible on a worldwide scale.

3. Amendments to the Atomic Energy Act should be enacted to provide for the commercial development of nuclear power in the United States by private enterprise. Adequate safeguards must be included in such legislation, however, to prevent giveaways to favored groups and to protect the interests of the Government. This aspect of atomic development should also contain positive features to assure participation in nuclear development by all segments of American business, small as well as large, and prevent monopoly or undue concentration in the development of atomic industries. Under proper safeguards, the relinquishment of the basic secrets of the atom to the genius of American industry will go far toward hastening the day when the full benefits of nuclear energy will be available to mankind.

4. A large-scale program designed to encourage the development of atomic projects for peacetime industrial uses in friendly foreign nations should be undertaken. Not only should American technical assistance be furnished pursuant to this program, but means should be devised so that underdeveloped nations in particular could obtain the wherewithal for the erection of nuclear power facilities. Encouragement of American investment abroad as well as expansion of the lending powers of agencies of the United Nations are only two methods of obtaining capital funds for such purposes.

II. NATIONAL DEFENSE

We are in favor of a national defense program which will not limit the scope of American military power and which will enable the United States to meet military emergencies ranging from full-scale belligerency to local skirmishes whenever the national interests or the interests of the free world are endangered thereby. We are in favor of altering military policies to coincide with advancing technologies, but at the same time believe that the Nation must also be prepared to meet all military contingencies short of all-out warfare. In such circumstances, it is essential that our defense policies be such as not to precipitate or engender even greater conflicts. Nor dare we sacrifice our national security on any altar of false economy.

III. FOREIGN TRADE

Recognizing how vital is the flow of international trade to the future prosperity of the United States and to the sound rehabilitation of our many allies abroad, we recommend a broad program based upon the general principle of reduction in tariffs and other trade barriers so as to promote the greatest interchange of goods and materials between the United States and other nations of the world.

1. We are in favor of eliminating all anomalies and discriminatory provisions in the tariff schedules which serve no protective purpose whatever and actually redound to the detriment of American industry.

2. Tariffs on all strategic minerals and metals should be removed so as to encourage foreign production and shipments of resources in which this Nation is deficient.

3. The reciprocal-trade agreements program should be extended and broadened so as to give the President power to suspend duties completely when obtaining concessions from other nations. The cumbersome and unnecessary peril-point provision should be repealed and the poorly drafted escape clause should be rewritten so as to clearly define its scope and application.

4. There should be immediate legislative recognition by the Congress of United States participation in GATT (General Agreement on Tariffs and Trade).

5. There should be simplifications of our customs laws in line with the recommendations contained in the report to the President by the Public Advisory Board for Mutual Security in February 1953.

6. We advocate repeal of the buy-American provisions which now encumber our statutes in order to reduce costs of Government expenditures to taxpayers, promote competition and efficiency among Government suppliers, and encourage economic development in friendly foreign nations.

IV. FOREIGN AID AND ASSISTANCE

We must continue our foreign aid and assistance programs to strengthen the economies of our allies to meet the perils of aggression, and to promote higher standards of living throughout the world. These programs should be disassociated completely from military control and directed primarily to the development of the peacetime productive potentials of friendly countries throughout the globe. Burdensome conditions should be stricken from all forms of assistance so as not to permit our actions to be associated with any manner or form of colonialism or imperialism.

1. Technical assistance to foreign nations is an essential element of a forward-looking foreign-aid program. The scientific know-how indigenous to the American free-enterprise system can often be supplied at comparatively small cost when measured by the harvest of goodwill and economic productivity reaped therefrom, particularly in underdeveloped areas. This form of assistance should therefore be stepped up in the future to enable other nations to direct their skills and resources most efficiently by themselves once they have mastered the technological innovations of the 20th century.

2. It is essential that capital funds be obtainable by the free nations of the world, particularly those nations whose resources have lain undeveloped for centuries, so that the standards of living may be raised in these areas and their general economies stabilized. In particular, measures designed to encourage investment of private United States capital should be enacted such as confiscation insurance, tax assistance, and similar stimuli for investment abroad. Then, too, the lending powers of agencies of the United Nations should be expanded to encompass long-term loans for capital development in underdeveloped areas of the world.

3. American surpluses—in agricultural as well as other commodities—should be employed in our foreign-aid programs to raise the standards of living in areas where not even the minimum requirements are available and to obtain needed goods and services from countries who cannot otherwise afford to obtain our goods through dollar purchases.

V. CIVIL RIGHTS

1. We are in favor of immediate enactment of a Fair Employment Practices Act prohibiting discrimination in employment based

upon race, color, or creed and containing comparable provisions prohibiting discrimination in union membership and membership in professional organizations. We further believe that a commission should be established to administer the act for only in this way can the rights guaranteed by the Constitution be fully assured to all.

2. In the District of Columbia all forms of segregation should be abolished immediately. In addition, legislation should be enacted providing for self-government for District residents, and constitutional amendments should be enacted which would permit residents of the District of Columbia to participate in Presidential elections and obtain representation in the Congress.

3. Congress should enact legislation immediately eliminating the poll tax as a prerequisite to voting for candidates for Federal office.

4. Legislation should be passed strengthening the provisions of the Criminal Code now applicable to violation of the rights of individuals as recommended in the report of President Truman's Committee on Civil Rights.

5. Immediate enactment of House Joint Resolution 259 (CELLER, of New York) to establish a single joint committee to investigate subversive activities to replace the multitude of committees now purporting to investigate such matters but which pay greater attention to newspaper headlines than to the propriety of their inquiry or the civil rights of their witnesses. We recognize the internal Communist threat to our security but do not want to dilute congressional responsibility in this matter by a multiplicity of frequently irresponsible committees.

6. Enactment of legislation which would withdraw tax-exemption privileges from private educational or medical institutions which practice a policy of racial, religious, or color discrimination in employment or admission policies.

7. Amendment of the rules of the House and of the Senate to insure a fair code of procedure on the part of all investigative committees of the Congress. This code, among other things, should afford a witness before a committee the right to counsel, the right of confrontation of witnesses, and a right of rebuttal.

VI. EDUCATION

In an atomic age, it is vitally important that citizens of a democracy be well informed and capable of thinking about complicated issues for themselves. We therefore recommend a program of Federal aids to education which will strengthen the educational facilities of the States at all levels of learning.

1. We are in favor of immediate enactment of the so-called Hill amendment which would dedicate the income from offshore oil resources to educational purposes.

2. We believe in a program of Federal scholarships to qualified students who would otherwise be unable to pursue higher education on the college or graduate level.

3. We are in favor of expanding our program of exchange fellowships with students of foreign nations in conjunction with our foreign-aid program so as to provide technical training and familiarity with American institutions to students of foreign lands and permit the youth of America to become acquainted with the customs and philosophies of nations abroad.

4. There should be established a national university of postgraduate studies by the Congress which would be open on a nonsegregated, tuition free basis to qualified students from all States and Territories of the United States, admission to be based solely upon merit. Special emphasis should be laid upon graduate studies in atomic science, medicine, foreign service, government administration, law, and other fields of particular interest to the Nation.

VII. PUBLIC HEALTH

If we are to maintain a strong nation, sturdy in peace as well as in war, we must launch a full-scale program, with participation by the Federal Government, designed to conserve the most precious natural resource we possess, the health of our people. Toward this end, the following projects should be undertaken.

1. A system of Federal grants to enlarge the educational facilities of private institutions of medicine, dentistry, and nursing.

2. A system of Federal scholarships and loans for the training of doctors, dentists, and nurses to permit entry into these professions of those otherwise qualified who cannot meet the expenses entailed in completing a professional education.

3. Federal appropriations for the erection or enlargement of hospital facilities in areas where inadequate treatment facilities presently exist.

4. Enlargement of the health facilities of the District of Columbia to provide the best medical and mental institutions known to modern science for residents of the District of Columbia, Members of Congress, and others needing specialized treatment or care.

5. Enactment by legislation of a broad program based upon the principle of prepaid health services so as to expand the present coverage of medical insurance to protect against the ravages of illness the rich and poor alike without regard to race, color, or religion. Legislation should take the form of a National Health Insurance Act providing for health insurance for all workers and their families supported by a combination of joint employer-employee contributions and tax revenues.

VIII. SOCIAL SECURITY

1. We are in favor of increasing benefits payable under our old age and survivors insurance program. Furthermore, coverage should be greatly extended and the retirement age for women should be reduced. Benefits should be made available upon reaching retirement age regardless of whether the beneficiary continues to work part or full time.

2. Increased benefits under unemployment insurance programs should be provided for and appropriate allowances made for dependents. Coverage should be greatly extended, particularly to Government employees.

IX. HOUSING

Inadequate housing for our citizens can no longer be justified. Low-cost housing of minimum standards should be available to all on a nonsegregated basis. Prevalence of substandard dwellings and housing units has contributed greatly to the spread of disease and the prevalence of ill health among our populace. Slum areas in the major cities of the United States, including the Nation's Capital, have been the catalyst for the flourishing of vice, delinquency, corruption, and crime. We are therefore in favor of—

1. Carrying out and implementing with appropriations the original intention of Congress as set forth in the Housing Act of 1949, for the erection of 810,000 public housing units on an average of 135,000 units per year. This goal should be expanded in accordance with a reexamination of public housing needs upon the completion of the program, should it appear necessary.

2. Substantial broadening of present authority for Federal grants for slum clearance and redevelopment throughout the country.

3. A slum clearance and redevelopment program for the District of Columbia to eliminate permanently the intolerable living conditions that prevail in the shadow of the Nation's Capitol.

4. Expansion of FHA insurance programs to permit more persons to own their own homes.

X. NATURAL RESOURCES

1. We are unalterably opposed to all giveaway programs whereby the natural inheritance of the people in the resources of the country are disposed of for exploitation by particular interests. We will resist to the utmost future attempts to convey the resources of the people of the Nation to favored private parties whether such resources be in the form of grazing land, offshore lands, national parks, national forests, publicly owned powerplants, or otherwise.

2. We will resist all attempts to weaken the position of the TVA in the national economy and will exert all of our efforts to fight any program to curtail its powers on the ridiculous and far-fetched grounds that it is creeping socialism.

3. We believe the Federal Government has the primary responsibility for developing the Nation's river basins on a regional basis to provide for flood control, navigation, irrigation, and hydroelectric power. Congress should formulate comprehensive programs for national development of our water resources region by region and provide for their execution as soon as possible.

4. The Federal Government should encourage research and development of new sources of raw material for critical national resources. We are in favor of continuation of research by the Government in its pilot plants designed for hydrogenation of coal, which proved so successful until eliminated last year under the administration budget. Research should also continue in converting shale into petroleum. Government research in the use of new sources of raw materials for the production of pulp and paper products such as bagasse, hardwoods, and wheat straw should also be continued.

XI. FULL EMPLOYMENT

We believe that now is the time to formulate programs for the maintenance of full employment during periods of adjustment in the economy rather than waiting until an emergency confronts us. We therefore recommend immediate study by Congress of the problems of full employment and the formulation of standby legislation designed to continue production and employment at optimum levels. Such study should include:

1. Ways and means of employing Government incentives to stimulate private investment in productive facilities with particular emphasis on the role played by taxation in governing policies of private industry respecting capital outlays.

2. Methods of coordinating Government social security, public health, and public welfare so as to obtain their full benefits with respect to stimulating economic activity.

3. A blueprint of public works including highway systems, improvement of national park systems, and development of natural resources to be undertaken upon any substantial decline in the Nation's economic activity.

XII. TAXATION

We believe the tax structure should be amended so as to encourage productivity and the full development of the Nation's economic resources and discourage tendencies toward monopoly. At the same time, loopholes granting special privileges to selected groups should be stricken. Preferences for tax relief should be granted to those in lower-income brackets if preferences are to be made. Gradual reductions in excise taxes as well as raising the personal-exemption rate are essential before reduction in corporate levies or granting special favors to wealthy stockholders.

XIII. ANTIMONOPOLY PROGRAM

We are in favor of a strong antimonopoly program which would preserve competition

throughout the economy and prevent the functions of Government from being subsumed by big business interests. The antitrust laws should be strengthened by eliminating exemptions which have crept into the law either through statute or judicial decision or administrative ruling. Thorough studies of the competitive structure of the economy, industry by industry, should be undertaken by the Congress so that we may learn of the present framework in which the antitrust laws must operate. We are sympathetic to the need of clarification of the antitrust laws in certain areas, but such clarification must occur only upon ascertaining all the relevant economic data and must be undertaken with enlightenment, not repeal, as the true objective. Realistic enforcement of the antitrust laws must continue without letup and adequate appropriations for antitrust administration must be assured by the Congress. Administrative agencies should be directed to conduct continuing studies in the field of antitrust both as to the effect of past decrees and decisions upon industry as well as to the impact of recent enactments by Congress in the antitrust field upon our competitive system.

XIV. LABOR

We advocate repeal of the Taft-Hartley Act and the enactment of a fair and equitable law governing the relations between unions, between workers and employers, and between workers and the Government. Patchwork amendments to the Taft-Hartley Act cannot be a substitute for complete revision of the law in the light of a thorough study of how the act has worked in practice.

XV. TERRITORIES OF THE UNITED STATES

We place the rights of those persons living in Hawaii and Alaska above all thoughts of partisan politics. In justice to the loyal residents of these Territories, it is only fair that both of these areas be admitted to the Union with all the rights and privileges of sovereign States, including representation in the House and in the Senate.

XVI. IMMIGRATION

We are in favor of substantial revision of the McCarran-Walter Immigration Act so that our immigration laws by which we stand in judgment before the peoples of all the world can be administered on a fair and nondiscriminatory basis. Among other things—

1. The national origins quota system should be removed so that admission to this country can be equally open to all qualified persons without regard to national origin, race, or creed.

2. Admissions should equal about 250,000 per annum and should recognize our needs for skills in our industry as well as union of families.

3. Hearings in deportation cases should be made to conform to the salutary provisions of the Administrative Procedure Act.

4. Sections of the law relating to admissions and deportations should be amended so as to remove all harsh and discriminatory features.

5. Discriminations in the law between naturalized and native-born citizens should be eliminated. There should be no so-called second-class citizens.

XVII. AGRICULTURE

1. We will oppose any and all attempts to weaken the rural electrification program so successfully operated under previous Democratic administrations.

2. We will oppose efforts to weaken the Soil Conservation Service as a vital Government adjunct to American agriculture, and we will support a vigorous soil conservation program.

3. We believe the problem of agricultural surpluses must be dealt with realistically, and are therefore in favor of mandatory price supports. We believe, however, that a system of production payments in addition to commodity loans and purchase agreements be authorized to sustain price-support levels.

4. We realize that, on a worldwide basis, there is no such thing as an agricultural surplus. We believe that the United States Government should therefore utilize domestic surpluses to ease famine and starvation conditions in underdeveloped areas abroad wherever possible. In so doing our Government should cooperate with the agencies of the United Nations.

XVIII. UNITED NATIONS

We believe that world peace can be achieved if all nations are willing to cooperate through an international organization. We will give our full support to participation by this Government in the United Nations and are in favor of studies to determine in what ways this international organization may be strengthened, so as to promote collective security, assist in the political and economic development of all nations, and serve as a means of easing international tensions through cooperation by all governments.

SENATE

THURSDAY, JUNE 17, 1954

(Legislative day of Friday, June 11, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all grace and love, who hast committed to us the swift and solemn trust of life: In dire times so fraught with peril and threat to the freedoms which are our most precious heritage, alert our hearts and minds, we beseech Thee, to the vast issues of these momentous days. No matter how long the duration of the struggle nor how deep entrenched the wrong may be, save us from dreaming or drifting. May we face the struggle bravely, in Thy name.

Grant unto Thy servants, to whom has been given the responsibility of administering the affairs of this Nation, that, being unafraid and contending for the right, they may ever stand for the maintenance of the spiritual integrity of America amidst the corruption and oppression that through the lust of power are ravaging this earth which might be so fair. Amid all the confusions of this explosive generation, may Thy kingdom come and Thy will be done. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 16, 1954, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, notified the Senate that Mr. THORNBERRY, of Texas, had been appointed a manager on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2846) to amend certain provisions of the Securities Act of 1938, as amended; the Securities Exchange Act of 1934, as amended; the Trust Indenture Act of 1939; and the Investment Company Act of 1940, vice Mr. HARRIS, of Arkansas, excused.

The message announced that the House had passed the bill (S. 2475) to authorize the President to use agricultural commodities to improve the foreign relations of the United States, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 2844) providing that the ratification of the Revenue Bond Act of 1935, enacted by the Legislature of the Territory of Hawaii, shall apply to all amendments of said act made by said legislature to and including the acts of the 1953 regular session of said legislature, and to all extensions of the period for issuance and delivery of revenue bonds thereunder, heretofore or hereafter enacted by said legislature.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 8697. An act for the relief of G. F. Allen, and others;

H. R. 8729. An act to amend section 14 (b) of the Federal Reserve Act, as amended; and

H. R. 9232. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, to extend until June 30, 1955, the period during which disposals of surplus property may be made by negotiation.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 171. An act for the relief of Mrs. Irma Benjamin;

S. 234. An act for the relief of Thomas Szabo;

S. 235. An act for the relief of Rev. Armando Fuoco;

S. 347. An act for the relief of George Taipale;

S. 366. An act for the relief of Sister Concepta (Ida Riegel);

S. 428. An act for the relief of Dr. Chih Chiang Teng;

S. 445. An act for the relief of Felicitos Valerina Margaret Hauke;

S. 507. An act for the relief of Mrs. Eleanor Emilie Nell;

S. 518. An act for the relief of Sister Marie Therese De Galzain;

S. 584. An act for the relief of Rosa Euler and her minor child;

S. 614. An act for the relief of Eero and Tina and Karina Waskinen;

S. 629. An act for the relief of Igor Michael Bogolepov (alias Ivar Nyman) and Margaret

Johanna Bogolepov (alias Margaret Johanna Nyman);

S. 653. An act for the relief of Metorima Shizuko;

S. 662. An act for the relief of Julie Nicola Frangou;

S. 740. An act for the relief of Santa Muciaccia (Sister Maria Fridiana), Teresa Saragaglia (Sister Maria Eutropia), and Caterina Isonni (Sister Maria Giovita);

S. 757. An act for the relief of Frank Bastinelle;

S. 769. An act for the relief of Mrs. Robert M. Roskos (formerly Maria E. Laedel);

S. 809. An act for the relief of Vittoria Sperti;

S. 860. An act for the relief of Juanita Andrada Lach and Leticia Androda Lach;

S. 924. An act for the relief of Sofia B. Panagoulopoulos Kanell;

S. 929. An act for the relief of Cleopatra Stavros Milionis;

S. 930. An act for the relief of Martin Anthony Beekman;

S. 1073. An act for the relief of Mary Shizue Hirano;

S. 1112. An act for the relief of Letizia Maria Genoveffa Lo Bianco;

S. 1128. An act for the relief of Fermo Breda;

S. 1135. An act for the relief of Stamatios James Bratsanos;

S. 1155. An act for the relief of Giuseppe Bentivegna;

S. 1156. An act for the relief of Dr. Jagannath P. Chawla;

S. 1290. An act for the relief of Ruth Sonin;

S. 1296. An act for the relief of Elfriede Hall;

S. 1301. An act authorizing the Secretary of the Interior to issue a patent in fee to Lucy Yarlott Othermedicine;

S. 1395. An act for the relief of Manasseh Moses Manoukian, Elize Manoukian, nee Kardzair, and Socrat Manoukian, also known as Socrates Manoukian;

S. 1430. An act for the relief of Ruth Johanna Heidenreich;

S. 1478. An act for the relief of Chung Keun Lee (Thung Kuen Lee);

S. 1594. An act for the relief of Berenice Catherine Montgomery;

S. 1661. An act for the relief of Erna Prange Blanks;

S. 1682. An act for the relief of Branimir V. Popovitch and Mila B. Popovitch;

S. 1696. An act for the relief of Dr. Mourad Arnoux;

S. 1734. An act for the relief of Rosa Stephan;

S. 1808. An act for the relief of Hildegard Monti;

S. 1955. An act for the relief of Giorgio Salvini Thompson;

S. 2243. An act for the relief of Seiko Nagai and her minor child;

S. 2360. An act for the relief of Jacob Vandenbergh;

S. 2438. An act for the relief of Maria Teresa Rossi;

S. 2450. An act for the relief of Lt. Hayden R. Ford;

S. 2596. An act for the relief of Lucy Mao Mei-Yee Li;

S. 2657. An act to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia";

H. R. 2844. An act providing that the ratification of the Revenue Bond Act of 1935, enacted by the Legislature of the Territory of Hawaii, shall apply to all amendments of said act made by said legislature to and including the acts of the 1953 regular session of said legislature; and

H. R. 6276. An act to amend the Ship Mortgage Act, 1920, as amended.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. HICKENLOOPER was excused from attendance on the session of the Senate tomorrow.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	Maybank
Anderson	George	McCarran
Barrett	Gillette	McCarthy
Beall	Gore	McClellan
Bennett	Green	Millikin
Bowring	Hayden	Monroney
Bricker	Hendrickson	Mundt
Bridges	Hennings	Murray
Burke	Hickenlooper	Neely
Bush	Hill	Pastore
Butler, Md.	Holland	Payne
Butler, Nebr.	Humphrey	Potter
Byrd	Hunt	Purtell
Capehart	Ives	Robertson
Carlson	Jackson	Russell
Case	Jenner	Schoeppel
Chavez	Johnson, Colo.	Smathers
Clements	Johnson, Tex.	Smith, Maine
Cooper	Johnston, S. C.	Smith, N. J.
Cordon	Kennedy	Sparkman
Daniel	Kerr	Stennis
Dirksen	Kilgore	Symington
Douglas	Knowland	Thye
Duff	Kuchel	Upton
Dworshak	Lehman	Watkins
Eastland	Lennon	Welker
Ellender	Long	Wiley
Ervin	Magnuson	Williams
Ferguson	Malone	Young
Flanders	Mansfield	
Frear	Martin	

Mr. KNOWLAND. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from North Dakota [Mr. LANGER], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER] is absent on official business.

The PRESIDENT pro tempore. A quorum is present.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PROPOSED LEGISLATION FOR NATIONAL BUREAU OF STANDARDS

A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to amend the act of March 3, 1901 (31 Stat. 1449), as amended, to incorporate in the organic act of the National Bureau of Standards the authority to use the Working Capital Fund, and to permit certain improvements in fiscal practices (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

GRANTING OF APPLICATIONS FOR PERMANENT RESIDENCE FILED BY CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

REPORT ON GOVERNMENT-OWNED SYNTHETIC RUBBER PRODUCING FACILITIES

A letter from the Chairman, Rubber Producing Facilities Disposal Commission, transmitting, pursuant to law, a report of that Commission, as prepared by the Reconstruction Finance Corporation, relating to the Government-owned synthetic rubber producing facilities (with an accompanying report); to the Committee on Banking and Currency.

PETITIONS

Petitions were laid before the Senate, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the general assembly of the Presbyterian Church in the United States of America, at Detroit, Mich., favoring the repeal of the act entitled "An act to amend section 1309 of the Revised Statutes, providing for a chaplain for the Military Academy," approved February 18, 1896 (29 Stat. 8); to the Committee on Armed Services.

A resolution adopted by a mass meeting of Estonians, Latvians, and Lithuanian Americans of the city of Racine, Wis., relating to the freedom of the Baltic States; to the Committee on Foreign Relations.

UNEMPLOYMENT—REPORT OF UNEMPLOYMENT COMMITTEE OF MINNESOTA STATE FEDERATION OF LABOR

Mr. HUMPHREY. Mr. President, I ask unaminous consent that a report of the unemployment committee of the Minnesota State Federation of Labor be printed in the RECORD and appropriately referred.

There being no objection, the report was referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

REPORT OF THE UNEMPLOYMENT COMMITTEE

With the unemployment that exists at the present and with the possibility of more unemployment in the future, we feel that local, State and Federal governing bodies should initiate projects such as:

1. Housing projects to replace our slum areas.

2. Highway improvement and new construction to meet the growing needs and demands of our transportation system.

3. Public schools to meet the ever-increasing school enrollments.

4. Public institutions to meet the ever-increasing needs of our society.

5. Sewer projects to meet the ever-increasing need of sanitary conditions.

6. A reforestation program which will furnish wood products for our country which does not have an oversupply now or in the foreseeable future. Such a program will bring production out of millions of acres of soil which is lying idle now and producing nothing.

7. Increased benefits on social security—enough to supply the necessities of life for older people in their declining years; and lowering the eligibility age to 60 years so that working people will have more to look forward to than the average of less than 3 years of drawing social security benefits.

8. The completion of the St. Lawrence Seaway to the Duluth Harbor to create a water transportation system for the entire upper Midwest, thereby creating an ever-widening circle of jobs and opportunity for the entire area.

9. A program of soil conservation and water conservation.

Signed by the committee:

A. P. EBERL, *Chairman.*
CHARLES BANNISTER, *Duluth.*
CARL THODE, *Winona.*

OBSCENE LITERATURE—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a resolution adopted by the Community Services and Prevention Panel at the Governor's Fourth State Conference on Children and Youth with regard to obscene literature, be printed in the body of the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

GOVERNOR'S ADVISORY COUNCIL ON CHILDREN AND YOUTH,
St. Paul, Minn., June 9, 1954.

The Honorable HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: At the Governor's Fourth State Conference on Children and Youth the Community Services and Prevention Panel adopted the following resolution:

"Be it resolved, That the Federal Government strengthen and enforce existing laws pertaining to inter-State commerce and postal regulation in the field of lurid crime literature and obscene, indecent, immoral, and lewd literature."

This represented the consensus of opinion of a selected group of delegates representing all walks of life in all sections of the State, dealing with youth problems. The feeling was that Federal action would be much more effective than State and local, as most of the objectionable material is shipped in.

Very truly yours,

LLOYD A. PETERSON,
Chairman, Community Services and Prevention Panel.

ATOMIC DISARMAMENT AND INTERNATIONAL PROBLEMS—RESOLUTION OF MINNESOTA CONGREGATIONAL CONFERENCE

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a resolution adopted by the 99th annual meeting of the Minnesota Congregational Conference prayerfully dealing with our Nation's international problems be printed in the body of the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

THE CONGREGATIONAL CONFERENCE OF MINNESOTA,
Minneapolis, Minn., June 3, 1954.

Hon. HUBERT HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: You will be interested in the following vote which was passed at the 99th annual meeting of the Minnesota Congregational Conference held in Faribault, May 11, 12, and 13:

"Resolved, That we earnestly appeal for the taking of prompt action by the United Nations for total atomic disarmament; be it

"Resolved, That this conference does hereby express its deep concern lest the Christian attitudes and spirit, and Christian behavior be allowed to give way to an hysteria of fear tending toward a reign of terror and wanton disregard of human rights, and we urge our churches and ministers to take the leadership in restoring morality, honesty, and American principles of justice and fair play in all our dealings on these problems."

Sincerely yours,

THOMAS A. GOODWIN.

THE POWER ISSUE—RESOLUTION OF RENVILLE COUNTY (MINN.) FARMERS UNION

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a resolution adopted by the Renville County Farmers Union, Renville, Minn., with regard to the public-power issue, be printed in the body of the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RENVILLE COUNTY FARMERS UNION,
Renville, Minn., May 30, 1954.

Senator H. H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: We, the members of the Renville County Farmers Union, have discussed the administration's position on the public power issue and find that the administration's position is giving the private utilities access to the hydroelectric power from public bodies of water which the preference clause guarantees to REA's and municipalities.

Because the administration and Department of the Interior have taken the position of ruling on several issues which is contrary to the law, such rulings tend to be construed as the law, when actually it is a violation.

Therefore, we urge you to abide by the law and to make rulings accordingly, not against our REA's and municipalities as it appears now.

We further urge you to make additional funds available to the Bureau of Reclamation to develop dams for hydroelectric power and funds to build high voltage lines from these dams to the REA co-ops and municipalities.

Cooperatively yours,

DALE D. HAEN,
Secretary, Renville County Farmers Union.

PARITY FOR MILK AND SOIL-CONSERVATION PAYMENTS—RESOLUTION OF FLOODWOOD (MINN.) FARMERS UNION

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a resolution adopted by the Floodwood Farmers Union Local of Floodwood, Minn., concerning 100 percent of parity for milk and soil-conservation payments be printed in the body of the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

FARMERS UNION LOCAL OF FLOODWOOD,
Floodwood, Minn., June 10, 1954.

Senator HUBERT H. HUMPHREY,
Washington, D. C.

DEAR SENATOR: At a regular meeting of the Farmers Union Local of Floodwood, Minn., held June 8, 1954, the following resolution was passed.

Whereas the Farmers Union Local of Floodwood, Minn., go on record recommending that 100 percent of parity be paid to any one farmer producing milk up to 70,000 pounds in 1 calendar year. Any milk produced in excess of this amount in 1 year by any farmer, can go on the open market.

We further recommend that no one farmer be paid more than $2,000 in any 1 year in soil-conservation payments. To the fact that if this was carried on, and the Government would give a reasonable amount of help to the small farmers, we would be able to maintain the small family farm, which after all is the backbone of our Nation.

If we can maintain the family farms, we sincerely believe that we can achieve prosperity for all the rest of our people.

This resolution was adopted June 8, 1954 by our local.

FLOODWOOD FARMERS UNION LOCAL,
F. W. HUTCHINSON, *President.*

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BRICKER, from the Committee on Banking and Currency, without amendment:

S. 3206. A bill to amend section 14 (b) of the Federal Reserve Act, as amended (Rept. No. 1613); and

S. 3268. A bill to repeal the provisions of section 16 of the Federal Reserve Act which prohibit a Federal Reserve bank from paying out notes of another Federal Reserve bank (Rept. No. 1614).

By Mr. IVES, from the Committee on Banking and Currency:

S. 3291. A bill authorizing the President to present a gold medal to Irving Berlin; with amendments (Rept. No. 1616).

By Mr. BUTLER of Nebraska, from the Committee on Interior and Insular Affairs, with amendments:

S. 3302. A bill granting to the Las Vegas Valley Water District, a public corporation organized under the laws of the State of Nevada, certain public lands of the United States in the State of Nevada (Rept. No. 1617); and

S. 3303. A bill granting to Basic Management, Inc., a private corporation organized under the laws of the State of Nevada, certain public lands of the United States in the State of Nevada (Rept. No. 1618).

By Mr. BUTLER of Nebraska, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 6487. A bill to approve the repayment contract negotiated with the Roza Irrigation District, Yakima project, Washington, and to authorize its execution, and for other purposes (Rept. No. 1619).

By Mr. BARRETT, from the Committee on Interior and Insular Affairs:

S. J. Res. 165. Joint resolution to provide for construction by the Secretary of the Interior of the Glendo unit, Wyoming, Missouri River Basin project; with an amendment (Rept. No. 1615).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 17, 1954, he presented to the President of the United States the following enrolled bills:

S. 171. An act for the relief of Mrs. Irma Benjamin;

S. 234. An act for the relief of Thomas Szabo;

S. 235. An act or the relief of Rev. Armando Fuoco;

S. 347. An act for the relief of George Taipale;

S. 366. An act for the relief of Sister Concepta (Ida Riegel);

S. 428. An act for the relief of Dr. Chih Chiang Teng;

S. 445. An act for the relief of Felicitos Valerina Margaret Hauke;

S. 507. An act for the relief of Mrs. Eleanor Emilie Nell;

S. 518. An act for the relief of Sister Marie Therese De Galzain;

S. 584. An act for the relief of Rosa Euler and her minor child;

S. 614. An act for the relief of Eero and Tina and Karina Waskinen;

S. 629. An act for the relief of Igor Michael Bogolepov (alias Ivar Nyman) and Margaret Johanna Bogolepov (alias Margaret Johanna Nyman);

S. 653. An act for the relief of Metorima Shizuko;

S. 662. An act for the relief of Julie Nicola Frangou;

S. 740. An act for the relief of Santa Muciaccia (Sister Maria Fridiana), Teresa Saragaglia (Sister Maria Eutropia), and Caterina Isonni (Sister Maria Giovita);

S. 757. An act for the relief of Frank Bastinelle;

S. 769. An act for the relief of Mrs. Robert M. Roskos (formerly Maria E. Laedel);

S. 809. An act for the relief of Vittoria Sperti;

S. 860. An act for the relief of Juanita Andrada Lach and Leticia Androda Lach;

S. 924. An act for the relief of Sofia B. Panagoulopoulos Kanell;

S. 929. An act for the relief of Cleopatra Stavros Milionis;

S. 930. An act for the relief of Martin Anthony Beekman;

S. 1073. An act for the relief of Mary Shizue Hirano;

S. 1112. An act for the relief of Letizia Maria Genoveffa Lo Bianco;

S. 1128. An act for the relief of Fermo Breda;

S. 1135. An act for the relief of Stamatios James Bratsanos;

S. 1155. An act for the relief of Giuseppe Bentivegna;

S. 1156. An act for the relief of Dr. Jagannath P. Chawla;

S. 1290. An act for the relief of Ruth Sonin;

S. 1296. An act for the relief of Elfriede Hall;

S. 1301. An act authorizing the Secretary of the Interior to issue a patent in fee to Lucy Yarlott Othermedicine;

S. 1395. An act for the relief of Manasseh Moses Manoukian, Elize Manoukian, nee Kardzair, and Socrat Manoukian, also known as Socrates Manoukian;

S. 1430. An act for the relief of Ruth Johanna Heidenreich;

S. 1478. An act for the relief of Chung Keun Lee (Thung Kuen Lee);

S. 1594. An act for the relief of Berenice Catherine Montgomery;

S. 1661. An act for the relief of Erna Prange Blanks;

S. 1682. An act for the relief of Branimir V. Popovitch and Mila B. Popovitch;

S. 1696. An act for the relief of Dr. Mourad Arnoux;

S. 1734. An act or the relief of Rosa Stephan;

S. 1808. An act for the relief of Hildegard Monti;

S. 1955. An act for the relief of Giorgio Salvini Thompson;

S. 2243. An act or the relief of Seiko Magai and her minor child;

S. 2360. An act for the relief of Jacob Vandenbergh;

S. 2438. An act for the relief of Maria Teresa Rossi;

S. 2450. An act for the relief of Lt. Hayden R. Ford;

S. 2596. An act for the relief of Lucy Mao Mei-Yee Li; and

S. 2657. An act to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia".

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ANDERSON (for Mr. MORSE, Mr. CHAVEZ, Mr. GORE, Mr. HILL, Mr. HUMPHREY, Mr. JOHNSTON of South Carolina, Mr. KEFAUVER, Mr. KILGORE, Mr. LEHMAN, Mr. MANSFIELD, Mr. MURRAY, Mr. NEELY, Mr. SPARKMAN, Mr. LANGER, Mr. GILLETTE, and Mr. HENNINGS):

S. 3623. A bill to provide for power generation at Cougar Dam and integration of such facilities with the Northwest power pool; and

S. 3624. A bill to provide for power generation at Green Peter Dam and integration of such facilities with the Northwest power pool; to the Committee on Public Works.

(See the remarks of Mr. ANDERSON when he introduced the above bills, which appear under a separate heading.)

By Mr. DOUGLAS:

S. 3625. A bill for the relief of Mrs. Juana Padilla de Caballero (Mrs. Juana Padilla de Ontiveros); to the Committee on the Judiciary.

By Mr. SMATHERS:

S. 3626. A bill for the relief of William C. Irvine, chief warrant officer, United States Air Force; to the Committee on the Judiciary.

By Mr. CARLSON:

S. 3627. A bill to amend the Civil Service Retirement Act, as amended; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. CARLSON when he introduced the above bill, which appear under a separate heading.)

By Mr. UPTON (for himself, Mr. BRIDGES, Mr. PAYNE, and Mrs. SMITH of Maine):

S. 3628. A bill to amend Public Law 815, 81st Congress, in order to provide a permanent program of assistance for school construction under the provisions of such law; to the Committee on Labor and Public Welfare.

By Mr. UPTON (for himself and Mr. BRIDGES):

S. 3629. A bill to amend Public Law 874, 81st Congress, so as to eliminate the 3 percent "absorption" requirement; to the Committee on Labor and Public Welfare.

By Mr. DUFF (for himself and Mr. MARTIN):

S. 3630. A bill to permit the city of Philadelphia to further develop the Hog Island tract as an air, rail, and marine terminal by directing the Secretary of Commerce to release the city of Philadelphia from the fulfillment of certain conditions contained in the existing deed which restrict further development; to the Committee on Interstate and Foreign Commerce.

FEDERAL POWER DEVELOPMENT AT COUGAR AND GREEN PETER DAMS, OREG.

Mr. ANDERSON. Mr. President, on behalf of the Senator from Oregon [Mr. MORSE], my colleague the senior Senator from New Mexico [Mr. CHAVEZ], the junior Senator from Tennessee [Mr. GORE], the senior Senator from Alabama [Mr. HILL], the Senator from Minnesota [Mr. HUMPHREY], the Senator from South Carolina [Mr. JOHNSTON], the senior Senator from Tennessee [Mr. KEFAUVER], the senior Senator from West Virginia [Mr. KILGORE], the Senator from New York [Mr. LEHMAN], the junior Senator from Montana [Mr. MANSFIELD], the senior Senator from Montana [Mr. MURRAY], the junior Senator from West Virginia [Mr. NEELY], the junior Senator from Alabama [Mr. SPARKMAN], the Senator from North Dakota [Mr. LANGER], the Senator from Iowa [Mr. GILLETTE], and the Senator from Missouri [Mr. HENNINGS], I introduce for appropriate reference two bills providing for Federal power development at Cougar and Green Peter Dams, Oreg. I ask unanimous consent that the bills, together with a statement by the Senator from Oregon, and letters, telegrams, and an editorial, be printed in the RECORD.

The PRESIDENT pro tempore. The bills will be received and appropriately referred, and, without objection, the bills, statement, and letters, telegrams, and editorial will be printed in the RECORD.

The bills introduced by Mr. ANDERSON (for Mr. MORSE and other Senators), were received, read twice by their titles, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

S. 3623

A bill to provide for power generation at Cougar Dam and integration of such facilities with the Northwest power pool

Be it enacted, etc., That the general comprehensive plan for flood control, navigation, and other purposes in the Willamette River Basin, Oreg., approved by the Flood Control Act of June 28, 1938, amended by the Flood Control Act approved May 17, 1950, is hereby modified to provide for the installation of hydroelectric power generating facilities, including the construction of reregulating dams and other necessary appurtenances, at Cougar Dam on the South Fork of the McKenzie River, Oreg., in accordance with the recommendations of the Chief of Engineers in House Document No. 531, 83d Congress.

SEC. 2. The hydroelectric power plants authorized by this act to be constructed, operated, and maintained by the Secretary of the Army shall be operated in conjunction with other Federal power plants, present and potential, so as to produce the greatest practicable amount of power and energy that can be distributed through the Northwest Power Pool and sold at firm power and energy rates under the provisions of the Flood Control Act of 1944 and the Bonneville Power Act.

SEC. 3. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be required to carry out the purposes of this act.

S. 3624

A bill to provide for power generation at Green Peter Dam and integration of such facilities with the Northwest power pool

Be it enacted, etc., That the general comprehensive plan for flood control, navigation, and other purposes in the Willamette River Basin, Oreg., approved by the Flood Control Act of June 28, 1938, amended by the Flood Control Act approved May 17, 1950, is hereby modified to provide for the installation of hydroelectric power generating facilities, including the construction of reregulating dams and other necessary appurtenances, at Green Peter Dam on the Middle Fork of the Santiam River, Oreg., in accordance with the recommendations of the Chief of Engineers in House Document No. 531, 81st Congress.

SEC. 2. The hydroelectric power plants authorized by this act to be constructed, operated, and maintained by the Secretary of the Army shall be operated in conjunction with other Federal power plants, present and potential, so as to produce the greatest practicable amount of power and energy that can be distributed through the Northwest

power pool and sold at firm power and energy rates under the provisions of the Flood Control Act of 1944 and the Bonneville Power Act.

SEC. 3. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be required to carry out the purposes of this act.

The statement, telegrams, letters, and editorial are as follows:

STATEMENT OF SENATOR MORSE

On behalf of myself, Mr. CHAVEZ, Mr. GORE, Mr. HILL, Mr. JOHNSTON of South Carolina, Mr. HUMPHREY, Mr. KEFAUVER, Mr. LEHMAN, Mr. MURRAY, Mr. NEELY, Mr. SPARKMAN, and Mr. MANSFIELD, I have had introduced for reference to the Senate Committee on Public Works two bills to authorize construction by the Corps of Engineers of power facilities at Cougar Dam and Green Peter Dam and the Whitebridge reregulating dam.

There are now before the Public Works Committee two so-called partnership bills to modify the already authorized Cougar and Green Peter projects so as to permit non-Federal operation of power facilities.

In the case of Cougar Dam it is proposed to give the city of Eugene water and electric board the opportunity to attempt to arrange for operation of the power facilities and to pay the cost of their construction, operation, and maintenance.

The Green Peter modification is somewhat different. While the bill does not specify the agency which would operate the power facilities and distribute the kilowatts, it is no secret that the Pacific Power & Light Co. is anxious to be the so-called partner.

The Cougar project would have an installed capacity of 35,000 to 39,000 kilowatts. Its firm power output would be considerably less. In the case of Green Peter and Whitebridge, installed capacity would be in the order of 81,000 kilowatts. Here again, because of comparatively small water storage, firm power output would be much less than the nameplate capacity.

These projects were originally authorized as part of an integrated program of stream-resource development of the Columbia Basin. The engineers have developed plans for power facilities. In the ordinary course of events they would be integrated with the Northwest power pool, which has done so much for industrial and farm development in the Pacific Northwest by providing large blocs of cheap power at delivery points at which they were needed.

The so-called partnership projects would break up the integrated plan for flood control, power development and navigation, irrigation, and recreation. That is a heavy price to pay for two small projects.

I have consistently advocated the Cougar and Green Peter projects because of the flood-control needs of the Willamette Valley. It has also been my position that these projects should include electric power generation facilities.

My advocacy of Cougar and Green Peter Dams for both flood control and power remain unchanged. I intend to keep fighting for them, as integral parts of the comprehensive plan for maximum development of the Columbia Basin on a regional basis.

I fear that the so-called partnership projects will not only remove these projects from the integrated system but imperil the future of larger Federal projects, such as John Day Dam.

Flood control dams with power facilities require integration of both waterflow with other Federal facilities and power output with the Bonneville Power Administration in order to achieve maximum efficiency for flood control and power benefits.

The partnership bills would leave the control of water release to negotiation between the engineers and the partners until after enactment of bills.

Just 2 days ago, I received a letter from the Bonneville Administrator, Dr. Pearl, in response to my request for a study of power rates to the Eugene Water Board from the Cougar partnership plan as compared with BPA pooled power. This is what he wrote:

"No accurate survey or study has been made by Bonneville Power Administration of comparative costs of power from the Cougar project and BPA. We have requested statistics and other information from the city of Eugene which would enable us to make such a study, but the city informs us that their data are not yet sufficiently finalized to permit them to give us any estimates. We have made various analyses and comparisons but each has been based on our own assumptions as to costs, plant operations characteristics, etc., of the Cougar project. Since these studies are purely speculative, nonfactual, and made for our own internal administrative use, we have not released them or used them in any findings or conclusions expressed publicly. I assume it is to one of these studies that you refer.

"I sincerely regret our inability to furnish you with any valid analysis or comparison of the Cougar project with alternate service from BPA. Any information we can give you at this time is not based upon sufficient facts to justify its release."

According to the Administrator, the Cougar partnership power costs and rates are not known. Until they are, the people of Eugene and indeed the area are hardly in a position to make an intelligent choice.

Until April 7 of this year the Bonneville Power Administrator had the authority to arrange for interconnection and interchange of power among all Federal and private projects in the Columbia Basin. On April 7, the Secretary of Interior withdrew that authority so that power integration from these projects is a matter of complete uncertainty.

The bills provide expressly for interconnection with the Northwest power pool and the marketing of electricity under the Bonneville Act. This not only would insure integration with its preservation of low postage-stamp power rates, but would also include the usual preference for public and nonprofit utilities.

The preference provision, which has been basic in Federal power policy for 50 years, is the chief target of the private utilities. Partnership is a convenient means for eliminating that policy from power development.

The Pacific Northwest needs large blocs of power. Those needs will not be met if it is expensive power. The Pacific Northwest needs integration of water and power resources.

We can advance and protect those ends by enactment of the bills I propose. The comparatively small additional cost represents a self-liquidating Federal investment. Of course, the ratepayers will pay for the necessarily higher cost partnership power.

It must be understood that the Korean war caused a no-new-dam-start order. Nonetheless, tens of millions have been spent to complete Federal power projects. If this administration and Congress do not act to meet adequately the future power needs of the Pacific Northwest, then the people will have an opportunity this fall to elect Congressmen and Senators who will.

These two small projects will require Federal appropriations next year whether or not Federal construction or Federal construction plus partnership bills are enacted. They will take several years to build.

Let us plan and build wisely. Let us maintain the integrity of the regional system for maximum development.

The bills, telegrams, letters, and editorial express concern over and opposition to the so-called partnership program.

[From the Oregon Statesman of June 9, 1954]

POWER VACUUM

We can't say that Dr. William A. Pearl, new head of Bonneville Power Administration, made a very favorable impression in his address to the Salem Chamber of Commerce Monday. His address was carefully tailored to the present Interior Department policy, which pretty well dehydrates BPA as a development agency for the Northwest, a role which Dr. Raver had assumed for it. The net effect of this policy is to create a vacuum, and now various groups are reaching for a place under the partnership program.

If the Federal Government is abdicating the leadership which Dr. Raver tried to offer, some sort of regional organization clearly is needed. With local public bodies and private utilities racing to grab off chunks of potential hydro, we may get more of a crazy-quilt pattern than we want, not only as to ownership but as to rates, pooling of energy, and scheduling of development.

[From the Hells Canyon News of the Idaho-Oregon-Washington Hells Canyon Association, Boise, Idaho, May 1954]

PARTNERSHIP BILLS ENDANGER REGIONAL GROWTH: PUBLIC MUST ACT TO SAVE RIVER FOR FULL DEVELOPMENT

Administration "partnership" power development bills now before Congress are sounding the death knell of full and comprehensive development of the Columbia River Basin. Aroused public action is necessary immediately to put the brakes on the legislative program, contained in four bills being sponsored by Senator GUY CORDON, of Oregon, which are calculated to wreck the comprehensive plan for the Columbia.

Members are urged to write or wire Senator EDWARD MARTIN, chairman, Senate Public Works Committee, Senate Office Building, Washington, D. C., demanding full field hearings and extensive committee hearings on these proposals which will completely reverse the Federal river development program under which the Pacific Northwest has grown and prospered in the past. These proposals are a direct threat to future economic welfare of the entire northwest region.

The bills are the Cougar Dam, Priest Rapids, Green Peter, and John Day proposals, all implementing the McKay "partnership" scheme which means disintegration of the comprehensive plan, piecemeal planning, raising of the cost of power in the region, circumvention of public preference laws, fostering of interstate rivalry for power, elimination of the savings and efficiency resulting from an integrated transmission system, increasing of administrative friction and inefficiency, burdening power production with a disproportionate share of multipurpose construction costs.

The fact that two of these bills designate public bodies as the partner and the other two pass on the benefits to private utilities makes little difference. They are all inherently at cross-purposes with the integrated and comprehensive development of Columbia Basin water resources. They are contrary to the first purpose of the National Hells Canyon Association as set forth in its by-laws: Namely "to encourage and promote the maximum development of the land and water resources of the Pacific Northwest."

The John Day partnership bill introduced by Senator CORDON on May 25 epitomizes the dangers inherent in all the partnership proposals, and points up the shortcomings of partnership as related to water resource development needs of the Northwest region.

First, the John Day partnership perverts the intent of comprehensive planning by failing to integrate power output into the basin-wide system. Like Priest Rapids, Cougar, and Green Peter dam bills it calls for piecemeal development, with the power go-

ing specifically into the service areas, as opposed to pooling of power into a regionwide system for regionwide use. The provision in the John Day bill which specifically allocates the output of a multipurpose project on an interstate stream to the exclusive use of Oregon is completely counter to the idea originally fostered by President Theodore Roosevelt: "Each river system, from its headwaters in the forest to its mouth on the coast, is a single unit and should be treated as such."

It is true that John Day dam was originally part of the comprehensive plan. However, by failure to integrate its power output and by giving away the power benefits to Portland General Electric Co., the Cordon bill violates the test of comprehensiveness.

Danger of the partnership to general Northwest development is that it isolates the available supply of power to local areas. In the past, industries have found it advantageous to choose locations in the region for reasons other than availability of power. Industries were able to exercise this choice because of the integrated Bonneville Power system. Isolating the power supply will force them to go to the areas which have taken over the power supply through the partnership method. In those localities other factors may be so overwhelmingly disadvantageous as to force industry to locate elsewhere in the Nation, despite the availability of power. Integration of power from all Federal projects into a regionwide grid enhances the Northwest as a place for industry to locate because it provides flexibility in choosing plant locations. CORDON'S proposal does not provide such an invitation to industrial expansion.

Second, the John Day partnership, like the other partnership bills, will mean higher cost power to consumers served by the partners. There are two basic reasons for this: (1) John Day's high construction costs cannot be averaged in with the low construction costs at Bonneville and Grand Coulee Dams because John Day's power output is not integrated into the Federal transmission system. The Bonneville power rate is determined by averaging the cost of power production from all Federal projects. Since John Day, Green Peter, Cougar, and Priest Rapids will not come within the scope of this rate formula, nor benefit from the high output-low cost Bonneville and Grand Coulee projects, the cost of power to the consumer will be higher under the partnership plans than if the same dams were built as fully integrated Federal projects; (2) the cost of power will be higher from the John Day partnership than from the Federal power dams because of the higher interest rates which Portland General Electric will have to pay for financing its part of construction costs. How much higher? PGE officials said their financing plans were "in the formative stage." However, history of private company financing shows their cost of borrowing money has an average interest rate of around 6 percent, assuming an interest rate of 3½ to 4 percent for bonds and 7 to 8 percent on stock. On such a basis, the present $17.50 Bonneville power rate, which benefits from low-cost Federal interest rate, would increase about $2.80 for each 1 percent in the increase of the cost of borrowing money. A difference of 3 percent between the rate at which PGE and the Federal Government can borrow money would boost the $17.50 Bonneville rate up to $25.90, an increase of nearly 50 percent in the power rate.

When the cost of power is related to what the Pacific Northwest needs for industrial development, it becomes obvious that the partnership will be disastrous to our future economic growth. Hydropower is our principal source of energy for industry. We need greater industrial diversification to level out the peaks and valleys of unemployment resulting in an economy dependent largely on the seasonal lumber and agriculture industries. How can this be achieved under a partnership plan which raises the cost of power by 50 percent over what is would be under fully integrated Federal development?

In announcing introduction of the John Day partnership bill, CORDON said the provision giving Oregon first call on the power was aimed at offsetting a geographical monopoly in power distribution. He said Washington was getting a disproportionate share of Grand Coulee and Bonneville power. In essence what CORDON'S partnership does is this: It reserves for Oregon the high-cost John Day power, and gives the State of Washington, with its many public-preference agencies, first call on all the cheap Bonneville and Grand Coulee power. In competition to attract industry, Oregon's position under CORDON'S high-rate scheme is certainly far from favorable. The John Day partnership is not a good business proposition for Oregon, nor for the entire Northwest region.

Third, the John Day partnership circumvents the public-preference rights contained in legislation for construction of multipurpose dams during the past 50 years. Under provisions of CORDON'S bill, the public agencies will lose their rights to John Day power if they fail to join in financing with PGE. If they do not join in the scheme during the financing period provided by the bill (approximately a year), the preference right which they have on power produced at Federal multipurpose projects will be lost forever at John Day. Apparently the strategy in drafting the John Day partnership bill was to make it unpalatable or financially unfeasible to Oregon's public-power groups so that they would be forced to withdraw from participation, losing their preference rights, and leaving the field clear for PGE to take over the power output.

Fourth, the John Day partnership violates the concept of comprehensive development because it increases interstate conflicts and interstate jealousies over use of Columbia River waters. CORDON'S proposal gives Oregon utilities the first call on power. Yet the north abutment of the dam will rest in Washington, and the waters impounded by John Day Dam have their source ih the States of Washington, Idaho, Montana, and Wyoming, as well as in Oregon. Development of the total potential of the Columbia River will be less under CORDON'S State-by-State approach than if developed as a unit in which all States are given an equal right to share in the benefits.

Fifth, the John Day partnership raises a question of very basic public importance. Prof. Charles McKinley, Reed College professor, testifying before the Federal Power Commission, raised this point: "I am especially concerned with the possible danger of bad results in terms of corruption that may take place under the partnership concept involving sharing of costs of projects—where the Federal Government builds the nonreimbursable part of the dam and the other partner might build or pay for other parts. I think if such a policy is adopted, it puts extraordinary pressure upon the agencies, or upon Congress, to make cost allocations that will favor the interests, be it public or private, who play this partnership role, and that we may expect a marked increase in the number of engineers from the Federal agencies, including perhaps FPC, who may wind up their careers with fat jobs in private and public utilities. We know this is a fact with regard to public life which we have to guard against. The story of RFC and FHA ought, I think, give us a little pause before we embark on a policy for which we have good alternatives." Commingling of public and private funds is contrary to a basic idea in American Government, so much so that most governmental units are prohibited by law from owning stock in private corporations. Otherwise, it is difficult to keep track of public business, to determine what belongs to whom.

Sixth, the partnership bills add to administrative inefficiency, and therefore are contrary to the unified development of the river system. Conflicts between the Bureau of Reclamation and Army engineers in river development are historic. What will be the effect on administrative efficiency of adding other agencies, either public or private, to the management of the Columbia River system? There can be no question that friction will increase as the partnerships add agencies to planning, design, and operation of the region's powerplants and reservoirs. Each partner may see a different obligation or have a different objective or interest than the other partner. The partnership bills provide no means of resolving these conflicts of interest. The only solution is in lawsuits, at best an ineffective and inefficient method of administering the water resources of the Columbia Basin.

The net effect of the partnership proposals is to provide less in broad economic and social gains than would have resulted under full Federal development. Why should the United States Treasury be used to foster a program which is contrary to the Nation's best interests?

It is agreed that the Northwest faces a future power shortage because of the lag in Federal dam construction. But that is no reason to sacrifice the program for full development. Just because you can't raise the money today to make a badly wanted addition to your house it doesn't mean that you should burn your house down. Let's not kill comprehensive development by swallowing the partnerships as an expedient.

HELLS CANYON ASSOCIATION WITNESSES BUILD CASE FOR HIGH DAM CONSTRUCTION

A parade of witnesses representing the National Hells Canyon Association has been building a strong record for Federal construction of high Hells Canyon Dam since resumption of Federal Power Commission hearings in Washington, D. C., May 10.

C. Girard Davidson, counsel for the association, led off the sessions with a statement establishing the legal framework contained in the Federal Water Power Act on which Hells Canyon supporters have based their case before the Commission.

"The principal question which the Commission is called upon to decide initially is whether development of the resources of the Middle Snake should be undertaken by the United States Government itself," Davidson declared. "This question must therefore be decided by the Commission before it gives any consideration to the applications of the Idaho Power Co.

"We respectfully request the Commission to recommend to the Congress that the United States itself develop the Middle Snake in accordance with the coordinated comprehensive plan," he added.

"The narrow issue in this proceeding is whether a small private utility shall be permitted to exploit primarily for its own special interests, the water resources of the Middle Snake or whether those resources shall be fully developed by the United States for the people of the region and the Nation. And this issue has broader implications. If private development by the Idaho Power Co. takes place on the Middle Snake, other sites that are equally essential to comprehensive development will be threatened.

"The whole of the Columbia Basin will then be thrown open for piecemeal exploitation and the unified basic program will be ripped apart, never to be put together again."

The basic importance of Columbia Basin development by the Federal Government was emphasized in testimony of Charles McKinley, Portland, Reed College professor and

president of the American Association of Political Scientists, who described the piecemeal power partnership as disastrous to the region.

The Federal Government, McKinley said, has the legal rights, rights which I think are of great economic value to the people as a whole, for the development of hydroelectricity on the Columbia system.

"It should not be given away, whether to municipal, State, or private beneficiaries, because it can be made to yield to the region and to the Nation—if utilized on an integrated river-system basis—more net benefits than by piecemeal, State-by-State or city-by-city or company-by-company development.

"The Columbia River system is a great interstate and international river system. Its water volume is greater than that of any other stream in the United States except the lower Mississippi, and it contains the highest hydroelectric potential of any river system in the United States. But that potential can only be realized economically if it is planned and operated as a unit, both hydraulically and electrically.

"The National Government is the only public organization which has the interstate jurisdiction that is essential. It alone will finance or can finance the flood control, the fisheries, the navigation and irrigation and other nonreimbursable costs that must be incurred. It is probably the only agency with financial resources adequate to design, build, and finance an integrated river system of major hydroelectric reservoirs and transmission facilities."

Professor McKinley, who served as a consultant to the National Resources Committee and many other groups studying resource development problems, said "effect of the partnership policy on comprehensive river-basin development would be disastrous."

"The partnership, whether it be a municipal, a public utility district, or a private agency is a menace to the best development of the total system," he explained. "Pending proposals of the private utilities on the Snake and the Clark Fork would destroy more development values than would be available under the main control plan. All of these projects really run counter—whether they are public or private agencies—to the best possible utilization of the river's resources.

"The partnership schemes, each in its turn, would divert from the total pool of regional power a fraction, sometimes a major fraction, to that local or private agency which puts up the power construction cost. The private company or the public utility district or the municipality which becomes possessed of the power facilities in these proposed projects will naturally have the right to divert to its own interest and its own territory as much of the energy as it can market there, leaving whatever balance there may be for the general marketing to the general region as a whole.

"The implied intent of the Bonneville Act of 1937 was to provide a regional pool of power which any distributing agency might buy at the same rate or the same type of contract. Industry and agriculture and mining could thus choose locations for reasons other than the differential in power rates or energy availability. The so-called partnership policy, whether for public or private agencies, cuts athwart this basic policy upon which has been built, during the past 17 years, the remarkable development of our region.

"The economic consequences of the partnership concept would tend to raise the cost of electric energy for the simple reason that the interest, which is a very important part of capital costs, is bound to be higher for non-Federal projects than for Federal projects. This would be a very definite impairment of the broad objectives which were a part of the purpose sketched out both in the Bonneville Act and in the proposals made by the regional planning commission and the National Resources Committee.

"Remember this is a region in which there is no other adequate source of energy for industrial and general purposes. Therefore, the problem of its economic development by public and private enterprise is intimately tied to the cost of power. If that cost can be kept low, the prospects of increased productivity, therefore increased income, are markedly improved. Insofar as the partnership policy implies the possibility of increased cost, this would be a distinct drawback."

He said the partnership scheme would further "tend to distort development, especially in a period of shortage, to those locations lucky enough to get a partnership claim on some power supply. Under the partnership the supply of power becomes localized, as against a supply which is poured into a regional system and can be taken out anywhere on the transmission line."

McKinley described the regional corporation proposal for comprehensive river development as "a kind of third best administrative device; but in the absence of some other arrangement, it might have some real advantages." He described the proposals of the Hoover Commission Task Force on Natural Resources, in their report of 1949 as "the most nearly concrete plan of administrative organization for river basins that meets most of the requirements for dealing with all of the related resource elements."

"Probably the second alternative that offers a prospect being able to put these things together is that of the valley authority organization, not precisely like TVA, but something comparable to it."

McKinley said there had been a "trend of deterioration" in comprehensive river planning since 1949, after Len Jordan became Governor of Idaho.

"We have seen the CBIAC repudiate its endorsement by excising a number of the principal elements from the main control plan," McKinley said. "We have seen the State governors who without exception in their 1949 letters endorsed the elemental features of this plan, make no protest to the exclusion of Hells Canyon project from it, without putting forward any feasible alternative which would provide as many or as great multipurpose benefits."

McKinley criticized the Army engineers for never resisting "the distortion or wrecking of a major development plan if local people oppose."

"It (the Army engineers) has always been willing to retreat when such local opposition strikes, regardless of the consequences to the economy and to the best characteristics of the comprehensive plan, nor does it pay too much attention to the increased total costs because its projects don't have to meet the test of financial feasibility," he added.

Owen Hurd, director of the National Hells Canyon Association, was the first witness to testify showing that Hells Canyon Dam has widespread regional and national support. Hearing Examiner Costello ruled out part of Hurd's testimony on grounds there was no relevance in the feelings or expressions of individuals who are members of organizations in other parts of the country. Idaho Power Attorney Parry objected continuously to Hurd's testimony detailing the support given the Hells Canyon projects by Northwest organizations representing more than 2½ million persons.

Mrs. Evelyn Cooper insisted that public opinion must be weighed by the Commission in making its decision because the law requires it to decide whether a Federal dam should be built at Hells Canyon.

Elmer McClure, master of the Oregon Grange, testified on behalf of his own organization and the Washington Grange and Oregon Farmers Union. He said:

"If the comprehensive river plan, including Hells Canyon, does not go forward the farmers served from the Bonneville system could not continue to draw on the Federal system for their generating needs.

"They would be adversely affected financially. They would be forced to seek other sources of power supply from steam plants or from privately owned generating plants. This would be higher cost power than obtained from the Federal system which has an advantage of low-cost financing, averaging the low Bonneville and Grand Coulee construction costs into a system-wide rate, and the increased efficiency and economy of an integrated Federal transmission system.

"Granting of the license of the Idaho Power Co. for power development in the Hells Canyon area will make it more difficult for members of the organizations I represent to count on the Federal system as a major source of low-cost power.

"For this reason, we oppose the Idaho Power Co.'s request for a license and request that the Federal Power Commission recommend to Congress the construction of Hells Canyon Dam by the Federal Government. Failure to build Hells Canyon Dam as a Federal project will mean that amount of power which would be produced would be subtracted from the total supply of low-cost Federal power available to our members."

John George, vice president of the National Rural Electric Cooperative Association, representing REA's of Oregon, Washington, Idaho, and Montana, pointed out:

"If Hells Canyon should fall into the hands of the Idaho Power Co. and other dam sites into the hands of other private utility companies, the rural co-ops will have no public body preference to rely on in purchasing power supplies from these projects. We will have no postage stamp rate which equally applies within each class of users. Our power costs will certainly go way up. * * * It would force us to retreat to the position my own co-op was in when we first started in 1937 and had to depend on contracts for high-cost private power, and it might force many co-ops out of business altogether. This would mean higher electric bills for everybody, not only the rural people but in the cities as well, because the important yardstick that keeps prices in line would be destroyed. Competition from the REA's has been very important in bringing private rates a little bit lower during the past several years."

Vince Cleaveland, manager of Clark County PUD, testifying for the eight Washington PUD intervenors, said:

"PUD's do not generate their own power. In 1953, 96.8 percent of their power supply was Federal. Therefore we feel it is our duty to protect our power supply. We depend on the Federal Government to meet our legal obligation to our districts. If we are unable to rely on an ever-increasing supply of power in the generation and marketing of which the Federal Government does not in some manner participate, we will be forced to look elsewhere for a supply. All studies to date demonstrate that other sources would be costly. You destroy a potential site for the Federal system, and in effect destroy a portion of the PUD's source of supply, with no comparable alternative. All this is why the eight PUD's have intervened. Any development less than maximum or which results in a higher kilowatt-hour cost to our districts has a direct effect upon our operation.

Charles Baker, manager of Pacific Supply Cooperative, discussed the need for low-cost power to develop southern Idaho's phosphate beds. Baker said Hells Canyon power was needed to enable cooperatives to process phosphate fertilizer. He also emphasized the importance of Hells Canyon to improvement of navigation on the Snake River, for production of the maximum amount of power, and for subsidizing irrigation.

Samuel Moment, Bonneville Power, power marketing expert, testified that complete integration of proposed Federal dams in the

Columbia basin was necessary to provide the low-cost power needed to develop the Pacific Northwest.

"Complete integration is necessary to get maximum market development," Moment said, "every economic kilowatt should be extracted from the Columbia River area."

He estimated that 3,300,000 kilowatts of new power could be produced by proposed Columbia projects in the main control plan and that this power would attract $1 billion in new plant investments by private industry. The development resulting from such expansion of the power supply would provide between 165,000 and 335,000 new jobs in the region, and would create a housing demand of between $1 billion and $3 billion.

He pointed out that private power company development would mean higher power rates and that growth would therefore be slower than under Federal development. Moment said Federal power had resulted in savings of possibly $200 million to power consumers of Oregon and Washington.

(Incidentally, BPA announced that Moment was one of the persons to be dropped from its payroll on July 1. This action was taken despite the sanctimonious statements of both Secretary McKay and Under Secretary Tudor that Interior witnesses would be free to testify in favor of Hells Canyon Dam and that no employee who may be called as a witness need be concerned his testimony in this case will have any effect on his future in the Department. Announcement of Moment's dismissal was made the day he was testifying in favor of Hells Canyon Dam.)

Evan M. Weston, president of the Washington State Federation of Labor, told the hearing that availability of Hells Canyon power would help reduce seasonal employment in the Northwest by attracting new industries to Oregon, Idaho, and Washington. "The large quantity of low-cost power would offset high freight rates in the area," Weston declared. "There is great need for industrial diversification in the Northwest, where the economy is now geared to the lumber industry which is active in summertime and dormant in the winter."

After Hells Canyon Association witnesses have been heard, the FPC staff will testify, followed by Idaho Power rebuttal witnesses. It is expected that the taking of testimony will be concluded in July, but many months remain before a decision will be announced, probably not until next year. After all witnesses have been heard, the intervening groups and Idaho Power attorneys will deliver proposed findings of facts to Examiner Costello. His findings will be presented to the Commission for action and both our attorneys and Idaho Power may present briefs and arguments before the Commission.

M'KAY POWER POLICY SPEECH LEAVES MUCH UNSAID

Interior Secretary McKay's recent radio speech on Northwest power development was more important for what was left unsaid than what was said.

In announcing his support for the Libby Dam project he failed to explain whether private utilities would be made partners in installation of generating facilities; he failed to mention whether Libby power would be integrated into the rest of the Federal system; he failed to point out that Canada will obtain a major share of the power benefits in reparation for flood damage; he failed to mention the cost of relocating the mainline of the Great Northern's transcontinental line, highways, and towns; he failed to mention that the project had been withdrawn by the Eisenhower administration from consideration by the International Joint Commission; he failed to mention that Chairman MARTIN, of the Senate Public Works Committee, had introduced a bill last year to deauthorize Libby as a Federal project, stating its construction "is not desirable due to current high cost of construction and the resulting low benefit-cost ratio for the project; he failed to mention how the allocation of power to Canada for upstream storage would affect the cost of power to American power consumers.

In saying there were no for-sale signs on Federal projects, McKay failed to explain why his Department turned over to California-Oregon Power Co. the transmission line to Klamath Falls; he failed to explain why his Department had permitted California-Oregon Power Co. to veto the Norway-Fiddle transmission line serving Coos-Curry REA; he failed to explain why Interior had opposed extension of BPA transmission grid into the Baker-LaGrande area; he failed to say whether he would oppose sale of the Federal Central Valley transmission system to Pacific Gas & Electric.

In discussing the partnership dam proposals he failed to explain that these projects will raise the cost of power to the region; he failed to point out how partnership means the end of integrated river development; he failed to point out that partnership means having the Federal Government pay all the construction costs which produce no revenue while turning over to utilities the revenue-producing power facilities; he failed to mention that partnership means the end of the postage-stamp power rate; he failed to mention that partnership means localizing the availability of power to those areas lucky enough to latch onto a supply of partnership power rather than on a regional basis as provided by the Federal system; he failed to explain that partnership will increase administrative inefficiency in handling of water resources; he failed to point out that comingling of public and private funds under partnership opens the door to corruption.

In discussing Hells Canyon, McKay failed to point out that the United States Supreme Court held in its Roanoke Rapids decision that the Court did not question the right of the Department of the Interior to intervene against the power company. In his speech McKay tried to make it appear that the Court decision required him to withdraw opposition to the Idaho Power at Hells Canyon. The Court decision held, instead, that because of his "general duties relating to the conservation and utilization of water resources," the Interior Secretary had a definite responsibility in the case.

In discussing proposed dams at Mountain Sheep and Pleasant Valley, McKay failed to mention that Interior had been forced to abandon a high storage dam at Mountain Sheep because of geologic conditions, he also failed to mention that both the proposed low Mountain Sheep and medium height Pleasant Valley would provide greater power benefits at a lower cost if high Hells Canyon Dam is built upstream rather than Idaho Power Co. dams.

At his Boise press conference, McKay disclosed that his Department, which is charged with reclamation development, has no policy for development of such projects as Mountain Home. He failed to mention that the previous administration did have a policy for these developments—through use of power revenues from Hells Canyon Dam to help the farmers pay irrigation costs.

Considered in the light of what the Northwest's needs in water resource development, McKay's regional tour gave little hope to its citizens.

BRIEFS

The term of Dale Doty, only public-power supporter on the Federal Power Commission, expires June 26. The administration has announced he will not be reappointed. No doubt Doty's replacement will be carefully screened by the private-power lobby which has exerted so much influence during the past 14 months over administration power decisions.

The Northwest Power Co., five-company, supercombine set up to construct, lease, or acquire Pacific Northwest dams and transmission systems, has been granted permission by the Atomic Energy Commission to study feasibility of constructing an atomic-powered reactor for generation of electric energy. Benefits of the public's $12 billion investment in atomic-energy development is in the process of being given away to private monopoly.

[From the Columbia Basin News of June 4, 1954]

OREGON TRIES POWER GRAB

If Portland General Electric Co. and other Oregon utilities build the John Day Dam on the Columbia, Oregon consumers would have first call on all power from the multimillion kilowatt dam, the way the lines are laid now. Washingtonians, and particularly Columbia Basin residents, should wake up with a jolt, and make a grassroots show of opposition to the scheme. Washington's congressional representatives are lining up against the John Day partnership plan. But the awakening comes a bit late, for Oregon's senior Senator, GUY CORDON, Republican, has already introduced such a bill which makes it clear that Oregon is striving for a power grab from that project.

Everyone agrees new dams in the Northwest are vitally needed. Who will build them seems to make a big difference. At John Day the site touches both Washington and Oregon, but under CORDON'S partnership bill all the power will go to Oregon. Yet, when public power firms seek to build Priest Rapids Dam on the Columbia, wholly in this State, there is a howl from Oregon interests that they must receive an equitable share of the power, and the proposed legislation is amended to provide for Oregon's share.

In the case of John Day Dam, there is a clearly valid reason why the power should be shared in that the river is common to both States. Senator CORDON tries to say Washington has gained a geographical monopoly on available energy from present Federal dams in the Columbia. If that be true, it is because of the fortunate location of the State as to water resources.

This pending controversy seems to lead right back to the advantages of the present regional system by which Columbia River power is being produced and distributed. Under previous practice, which partnership would upset, a virtually self-liquidating dam would be built by the Army engineers at John Day and its power would flow into the Northwest grid, to be distributed where needed throughout the region. But CORDON'S proposal offers an example of States pitting themselves against one another instead of the development producing general benefits.

Washington, the Evergreen State, is evergreen because of green forests and green rangelands. The worst enemy of this lush green beauty is the red demon, fire. Be careful with every cigarette, crush every spark, drown every campfire, and report any unattended dangerous fires. Help fight forest fires and you will help keep Washington green.

The chambers of commerce of the Tri-Cities certainly ought to take up the offer of the Benton City Chamber to cooperate in area activities. They're a live, aggressive group, the development of their city is of real importance and joining forces could very well work to mutual advantage.

PORTLAND, OREG., *June 10, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

Senators BUSH, BEALL, CHAVEZ, BURKE, and STENNIS have been sent the following telegram:

"The so-called partnership bills on Cougar, Green Peter, Priest Rapids, and John Day

Dams are not acceptable to our membership. Hearing on all four should be held at the same time. We wish to testify against but finances will not permit attendance in Washington. We urge hearings be set for convenience of interested parties in this region."

J. T. MARR,
Executive Secretary,
Oregon State Federation of Labor.

SALEM, OREG., *June 10, 1954.*

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

Our members have serious doubts about the merits of the various partnership proposals for building Cougar, Green Peter, and John Day Dams. We believe this new policy will wreck comprehensive development of Columbia River system. Urgently request that joint hearings on these various bills be scheduled in this area so that local people who are most affected can express their views.

Kindest regards.

HARLEY LIBBY,
President,
Oregon State Farmers Union.

PORTLAND, OREG., *June 10, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

Because of the fast-changing conditions in the Northwest and the many problems to be considered in setting up partnerships between the Government and private power agencies, as well as the Government and public power agencies for the purpose of building and operating hydroelectric dams, the Oregon State Grange is asking that hearings be held on these questions both in Washington and in the field affected so that we may have a better understanding of what could happen under such partnership programs. Letter following.

ELMER MCCLURE,
Master, Oregon State Grange.

OREGON STATE GRANGE,
Portland, Oreg., June 8, 1954.

Senator WAYNE L. MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: Because of the fast-changing conditions in the Northwest and the many problems to be considered in setting up partnerships between the Government and private power agencies, as well as the Government and public power agencies, for the purpose of building and operating hydroelectric dams, the Oregon State Grange is asking that hearings be held on these questions both in Washington and in the field affected so that we may have a better understanding of what could happen under such partnership programs.

Each proposal so far advanced has a definite area advantage for the agency proposing such a partnership. The whole partnership idea is rather new, and, since many different proposals are being made at this time, we feel that the people of the Northwest should have more time to analyze the merits and demerits of the various proposals.

The Northwest has prospered as a unit under the comprehensive development plan that is operated under the Bonneville Act. Any change in this would certainly deprive some areas of the power that rightfully belongs to them. We are very much opposed to any action being taken on any of these proposals until a complete study has been made and all of the factors involved have been brought to light.

Sincerely yours,

ELMER MCCLURE,
Master, Oregon State Grange.

WALLACE, IDAHO, *June 11, 1954.*

Hon. WAYNE MORSE,
United States Senator,
Senate Office Building,
Washington, D. C.

The Idaho State Federation of Labor vitally interested in hearing on the proposed private utilities partnership bills. Therefore, we are asking you to use your best efforts to hold part of the hearing in the Northwest, where it will be possible for us to appear and defend our rights.

ELMER F. MCINTIRE,
Executive Secretary,
Idaho State Federation of Labor.

BAKER OREG., *June 11, 1954.*

Hon. WAYNE L. MORSE,
Senate Office Building,
Washington, D. C.

We understand separate hearings on partnership proposals are being scheduled before the Public Works Committee. We urge that all such partnership bills be lumped together in hearings. This organization would like to testify but financial limitations make it impossible to come to Washington. Do everything possible to get hearings in this region.

BAKER COUNTY COMMERCIAL CLUB.

PORTLAND, OREG., *June 8, 1954.*

Senator WAYNE MORSE,
Washington, D. C.

On behalf of the CIO I wish to urge that you strongly oppose the various partnership bills that re now being proposed. The CIO believes that hearings should be held on all these bills before decisions are made on any one by itself in order that we may see what policies are involved.

GEORGE BROWN,
Executive Secretary.

PORTLAND, OREG., *June 11, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

Our members throughout Pacific Northwest are alarmed over effect which so-called partnership bills now being considered by Senate Public Works Committee will have on development of Columbia River. Since their meaning is not clear we urgently request committee conduct joint hearings on all power partnership proposals now before it because we wish to make our views known because our members must live under whatever river program Congress imposes upon us and because they are persons of limited finances. Our viewpoint can only be relayed to Congress by holding hearings throughout this region. We will greatly appreciate it if you will transmit our plea to members of the Public Works Committee.

SAM FRETWELL,
Chairman, Idaho-Oregon-Washington
Hells Canyon Association.

RESOLUTION DISAPPROVING THE JOHN JAY DAM PARTNERSHIP PROPOSAL AND REAFFIRMING OUR SUPPORT FOR REGIONAL POWER DEVELOPMENT

Whereas companion bills (S. 3510 and H. R. 9307) have been introduced in the 83d Congress by Senator GUY CORDON, of Oregon, and Representative SAM COON, of Oregon; and

Whereas these bills are popularly referred to by the press as the Coon-Cordon partnership bills; and

Whereas these bills provide for a scheme of financing and prosecuting development of the John Day project on the Columbia River; and

Whereas the Oregon Rural Electric Cooperative Association has studied and discussed the provisions of these bills at two general meetings and a number of committee meetings, and has under date of April 13 expressed its serious reservations as to the desirability of this proposed legislation; and

Whereas notwithstanding this expression there appears to have been attempts recently to misinterpret the position of the Oregon Rural Electric Cooperative Association on this matter: Now, therefore, be it

Resolved, That the Oregon Rural Electric Cooperative Association at its special meeting in Portland, Oreg., June 2, 1954, unanimously opposes passage by the Congress of S. 3510 and H. R. 9307 for a number of reasons three of which are:

1. These bills further weaken the antimonopoly provisions of the Bonneville Act and other statutes relative to the sale of power from Columbia River dams.

2. These bills, if passed, will go far toward destroying the principle of regionwide development of Columbia River power on an integrated basis.

3. These bills will unnecessarily increase the cost of power; and be it further

Resolved, That we reaffirm our belief that the proper development of the water power resources of the Pacific Northwest can best be accomplished on a regionwide, self-liquidating basis to the end of achieving the lowest possible cost of power.

HOOD RIVER ELECTRIC COOPERATIVE,
Hood River, Oreg., June 8, 1954.

Hon. SAM COON,
House of Representatives,
Washington, D. C.

DEAR MR. COON: Thank you for your letter of June 1, with which was enclosed three copies of H. R. 9307 relative to the development of John Day Dam.

First, may I state that the spirit of this bill is commendable in that it is a sincere effort to speed up construction on power production in the Northwest.

However, I do not like the bill and will use every effort and influence at my command to tell local people that I do not like the bill for the following reasons:

1. Only the largest of the "local partners" can participate due to the amount of capital required. Their monopoly on power will thus be strengthened.

2. The river should be developed for the benefit of a region and not a State. State lines should be ignored in this or all future power development from the river. Giving Oregon priority to the power indicates retaliation for the recent power grab attempt by the Washington Power Commission.

3. The cost of power to the consumer will be increased because—

(a) Interest rates "local partners" must pay will be higher than the Federal interest rate.

(b) The "local partners" will have profit in mind when they go into this.

(c) Any monopoly leads to higher costs to the consumer.

There are only two workable methods to develop this river to the maximum benefit to all. Preference is in the order named:

1. Continued congressional appropriation to build self-liquidating projects as has been successfully done for two decades but accelerated to the extent necessary to meet load demands, or

2. The creation of a regional corporation by the Congress, ratified by the States. This corporation could finance the many projects by issuing revenue bonds. It has been long advocated by the Portland Oregonian and the idea certainly has merits.

Personally, I do not like any part of the "partnership policy" announced by the Secretary of the Interior. This river belongs to the region, not to States, municipalities, or corporations. It should be developed to its maximum benefits solely for the people of the region.

Thank you for giving me this opportunity to express my views. I know that I am expressing the views of the members of my co-

operative. I am certain you will receive many letters from individuals in the Northwest protesting this bill.

Again may I commend the spirit and intent of the bill but in practice it will work to the benefit of the few "partners" participating and to the detriment of the many power users.

Respectfully yours,

WILLARD I. JOHNSON,
Manager.

PORTLAND, OREG., *May 20, 1954.*

Senator WAYNE L. MORSE,
Senate Office Building.

Multonomah County Hells Canyon Association strongly opposes non-Federal development of Cougar and Priest Rapids Dam. Fear will be precedent for further breakup of integrated regional development and Portland area will suffer. Best regards.

GERALD H. ROBINSON.

On a subsequent day, Mr. MORSE made the following statement:

Mr. MORSE. Mr. President, I should like to have the attention of the Senator from New Mexico [Mr. ANDERSON].

I ask unanimous consent to have fresh prints made of S. 3623, to provide for power generation at Cougar Dam and integration of such facilities with the Northwest power pool, and S. 3624, to provide for power generation at Green Peter Dam and integration of such facilities with the Northwest power pool, in order to include additional sponsors. The Senator from North Dakota [Mr. LANGER], the Senator from Iowa [Mr. GILLETTE], and the Senator from Missouri [Mr. HENNINGS] are to be added.

I also wish to have the RECORD corrected. The junior Senator from New Mexico [Mr. ANDERSON] kindly consented to submit the bills for introduction last Thursday when I was temporarily absent from the floor. He indicated that he was asking unanimous consent to do so for me and the other cosponsors. Through error he was carried as a sponsor. I ask unanimous consent to have the bill reprinted without the name of my good friend, the junior Senator from New Mexico, who was once again doing me a kindness when he introduced the measures for me during a necessary absence from the floor of the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon? The Chair hears none, and it is so ordered.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT RELATING TO ANNUITY BENEFITS

Mr. CARLSON. Mr. President, on several occasions statements have been made on the floor of the Senate pertaining to loopholes in the Federal retirement laws. As chairman of the Senate Post Office and Civil Service Committee I have been greatly interested in these statements and have discussed the situation with the Civil Service Commission, members of the committee, and with other Members of the Senate. I am sure all of us want to cooperate in helping to bring about a better and stronger civil-service retirement program.

I now refer more specifically to the excellent statement on the floor of the Senate on June 8, 1954, by the distinguished Senator from Delaware [Mr. WILLIAMS], in which he refers to an employee of the United States Government who upon reaching the age of retirement had taken advantage of a loophole in the retirement laws as they were passed a number of years ago whereby he withdrew his payments from a Government retirement fund, paid a very small amount into another Government retirement fund, and thereby greatly increased his retirement benefits.

The present administration in trying to plug these loopholes and to strengthen the retirement laws is presenting for the consideration of Congress a proposed amendment to the Civil Service Retirement Act. One of the specific purposes of the amendment is to plug a loophole in the present law through which valuable annuity rights may be acquired from nominal periods of coverage under the act. The amendment would require, for annuity title, at least 1 year of creditable civilian service subject to the act during the 2-year period immediately preceding separation.

Under the present law this separation may occur after extremely short periods of service, even as little as 1 day. Although abuses of the annuity rights under the present law may be infrequent, such abuses have happened and can happen. They seem to fall into two major groups.

First. The acquisition of annuity rights where none previously existed.

Second. The improvement of annuity rights already established.

It is the belief of the Civil Service Commission that the proposed amendment which I am about to offer would correct these abuses. I, therefore, introduce a bill to amend section 5 of the Civil Service Retirement Act of May 29, 1930, as amended, for reference to the appropriate committee.

I ask unanimous consent to have printed in the RECORD an explanatory paper covering this amendment from the Chairman of the Civil Service Commission, Mr. Philip Young.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 3627) to amend the Civil Service Retirement Act, as amended, introduced by Mr. CARLSON, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

The letter referred to is as follows:

UNITED STATES CIVIL
SERVICE COMMISSION,
Washington, D. C., June 11, 1954.

Hon. RICHARD M. NIXON,
Vice President of the United States.

DEAR MR. VICE PRESIDENT: The Commission herewith presents for the consideration of Congress a proposed amendment to the Civil Service Retirement Act. The purpose of the amendment is to plug a loophole in the present law, through which valuable annuity rights may be acquired from nominal periods of coverage under the act. The amendment would accomplish this by an additional requirement, for annuity title, of at least 1 year of creditable civilian service subject to the act during the 2-year period immediately preceding separation.

Under the present law, employment in a position subject to the Retirement Act immediately establishes annuity credit for all prior Federal service, both civilian and military. Upon subsequent separation from such position, annuity rights are determined by the law then in effect, and by such other factors as attained age and type of annuity then elected. This separation may occur after ridiculously short periods of service, as little as 1 day.

Abuses fall into two major groups: (1) the acquisition of annuity rights where none theretofore existed; and (2) the improvement of annuity rights already established. These abuses are possible in the executive, legislative, and judicial branches of the Government.

As an example of the first-mentioned abuse, there is the case of a former officer of the Government who served 15 years in positions not subject to the Retirement Act, and of course made no contribution to the fund. After attaining age 62 and having been separated from Federal service for several years, he received an appointment within the purview of the retirement law. After serving under this appointment for less than 1 month, he separated and was eligible for immediate annuity, receiving credit for his prior 15 years' service. The annuity was worth more than $16,000, toward which the employee contributed $14.

Survivor annuity benefits are another example of the acquisition of annuity rights where none theretofore existed. The Retirement Act does not provide such benefits upon the death of a former employee, not retired. However, reemployment under the act of a married man with at least 5 years of prior civilian service immediately establishes valuable insurance protection in the form of potential annuity benefits to the surviving widow and children, if any. Under the proposed amendment, such benefits would not be payable if, at the time of death, the employee had not been subject to the act for at least 1 out of the 2 preceding years.

The improvement of annuity rights already established is well illustrated by the case of a former employee who, after 32 years of combined civil and military service (where he had attained the rank of lieutenant colonel), was removed for cause from his $6,800 position effective October 17, 1950. This accorded him title to annuity beginning September 1, 1959, when he will attain age 62. On August 6, 1952, he was appointed to a newly created position of file clerk, GS–3, salary $3,430 per annum, the appointment being temporary, not to exceed September 5, 1952. The appointing officer took action to place him subject to the retirement law in this employment. At the end of the month in which appointed, he retired optionally upon immediate annuity, having attained age 55. Because of this action, the beginning date of annuity in the case of this individual was accelerated by 7 years, although the rate of annuity was approximately 15 percent less than it would have been at age 62. However, the value of the immediate annuity, which was made possible by service of less than 1 month, exceeded the value of the annuity at age 62 by more than $5,500.

In addition to the advancement of the commencing date of annuity, as illustrated above, there are two other important ways in which previously established annuity rights may be improved by nominal reemployment. The annuity of an employee retiring below age 60 for reasons other than disability is reduced by one-fourth of 1 percent for each full month he is under the age of 60 years. By obtaining reemployment under the act, prior to attaining age 60, he may again retire at a higher age with a smaller reduction in his annuity. One case has come to our attention where an annuitant has effected two such brief

reemployments subject to retirement, with an increase in annuity resulting each time.

The other way of improving previously established annuity rights involves the election of type of annuity—in effect, a second election not ordinarily afforded annuitants. Under the Retirement Act, an employee must elect at retirement, a reduced annuity for himself if he wishes to provide annuity benefits for his widow. Should the wife predecease him, the reduction in his annuity continues. However, if he can obtain nominal reemployment prior to attainment of age 60, this reduction can be removed by the election of a full annuity upon subsequent separation. Or the reverse situation may occur; an original election not providing survivor benefits can be changed by reemployment (promoted perhaps by impaired health) to establish valuable annuity rights to the surviving widow.

I trust that by describing at some length these various abuses I have not left the impression that they are commonplace. The contrary is true; in fact, it is their relative infrequency which makes them so conspicuous. A few persons obtain advantages not contemplated by the Retirement Act. Any or all of these advantages could readily be made generally available by amendment of the act. For example, annuities might be paid to anyone who ever served the Federal Government. Annuities might be paid to the survivors of deceased former employees, not retired. Deferred annuities might commence at age 55 rather than age 62. There might be no reduction in annuity for retirement below age 60. And finally, annuity benefits might be provided for survivors of deceased annuitants, without the requirement of an election and a reduction in the annuities of the retiring employees.

However, each of these amendments would carry a substantial price tag, and taken together, would very materially increase the cost of the Civil Service retirement system. Congress has not seen fit to incorporate them in the Retirement Act; in fact, it has specifically legislated contrary provisions. It thus appears to the Commission that the intent of Congress is being violated by a relatively few persons, who are able to obtain nominal appointments leading to retirement benefits denied others not so fortunately situated.

The Commission believes that the proposed amendment would correct these abuses. It would add to the present provisions for annuity title the requirement that title shall not arise from any separation unless the employee has completed at least 1 year of civilian service subject to the act during the 2 years immediately preceding separation. This would assure substantial service and would discourage acceptance of appointments which, intentionally or otherwise, result in immediate acquisition of valuable retirement rights.

The Commission strongly urges the approval of this amendment by the Congress.

Sincerely yours,

PHILIP YOUNG,
Chairman
(By direction of the Commission).

CONDOLENCES TO FAMILIES OF OFFICERS AND CREW WHO LOST THEIR LIVES ON THE U. S. S. "BENNINGTON," ETC.

Mr. IVES. Mr. President, the American people were deeply shocked and grieved when they learned the news of the tragic explosion on the U. S. S. *Bennington* on May 26. At the same time, their pride in the men and traditions of the United States Navy was confirmed through the heroic actions of the officers and crew members of the *Bennington*.

It is most appropriate that the Congress, in an expression of the feelings of the American people, tender its condolences to the families of those who lost their lives in this disaster and convey its commendation for the gallantry demonstrated by the officers and crew members of the U. S. S. *Bennington*.

To this end, I submit a concurrent resolution and ask that it be appropriately referred.

The PRESIDENT pro tempore. The concurrent resolution will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 88), submitted by Mr. IVES, was received and referred to the Committee on Armed Services, as follows:

Whereas the people of the United States have been inspired by the heroic and gallant action of the officers and crew members of the U. S. S. *Bennington* in combating the emergency created when such vessel was damaged by explosions on May 26, 1954; and

Whereas witnesses of the tragic incident have given numerous accounts of feats of heroism performed by the officers and crew members of the U. S. S. *Bennington* in carrying out rescue operations following such explosion; and

Whereas clear thinking, positive leadership, and cooperative spirit prevailed among the officers and crew members of the U. S. S. *Bennington* during such emergency evidencing the fact that such officers and crew members conducted themselves in keeping with the highest traditions of the United States Navy: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby tenders its condolences to the families of those officers and crew members of the U. S. S. *Bennington* who lost their lives when such vessel was damaged by explosions on May 26, 1954, and expresses its appreciation of, and its commendation for, the gallantry and devotion to duty of the officers and crew members of the U. S. S. *Bennington*.

SEC. 2. The Secretary of the Navy is authorized and directed to transmit a copy of this resolution to the next of kin of each of the deceased, and a copy to each officer and crew member of the U. S. S. *Bennington* who was serving aboard such vessel on May 26, 1954.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles, and referred, as indicated:

H. R. 8697. An act for the relief of G. F. Allen and others; to the Committee on the Judiciary.

H. R. 8729. An act to amend section 14 (b) of the Federal Reserve Act, as amended; to the Committee on Banking and Currency.

EXTENSION OF TRADE AGREEMENTS ACT—AMENDMENTS

Mr. GORE. Mr. President, on behalf of myself, the Senator from Oklahoma [Mr. MONRONEY], the Senator from Florida [Mr. HOLLAND], the senior Senator from Alabama [Mr. HILL], the junior Senator from Alabama [Mr. SPARKMAN], my colleague, the senior Senator from Tennessee [Mr. KEFAUVER], the senior Senator from Montana [Mr. MURRAY], the junior Senator from Montana [Mr. MANSFIELD], the Senator from New York [Mr. LEHMAN], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Illinois [Mr. DOUGLAS], the Senator from Ohio [Mr. BURKE], the Senator from Mississippi [Mr. STENNIS], the Senator from Rhode Island [Mr GREEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oregon [Mr. MORSE], the senior Senator from Washington [Mr. MAGNUSON], the junior Senator from Arkansas [Mr. FULBRIGHT], the junior Senator from Washington [Mr. JACKSON], the senior Senator from Missouri [Mr. HENNINGS], the Senator from New Mexico [Mr. ANDERSON], the junior Senator from Missouri [Mr. SYMINGTON], and the senior Senator from Arkansas [Mr. MCCLELLAN], I submit amendments in the nature of a substitute, intended to be proposed by us, jointly, to the bill (H. R. 9474) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended.

The amendments are submitted as a substitute for H. R. 9474, which provides for a 1-year extension of the reciprocal trade agreements program. The amendments are substantially a verbatim reproduction of the bill which was introduced by Representative KEAN, of New Jersey, in the House of Representatives, and which, he tells me, was prepared by the Randall Commission and represents the administration's recommendation on international trade.

The Randall Commission was a bipartisan commission, composed of outstanding Americans, including Democratic and Republican Members of the Congress of the United States.

I shall offer the amendments in a bipartisan or nonpartisan spirit. I sincerely believe that the free world is in dire need of improved facilities for international trade. I am convinced that American foreign-trade experts believe extension of the Reciprocal Trade Agreements program is essential to the prosperity and welfare of farmers, workers, and businessmen. I am equally certain that trade with our allies is essential to their peace and prosperity.

It is also my feeling that friendship follows the trade routes, and that the amendments I offer will bolster the sagging free world trade, which trade is essential and vital to the solidarity and the strength of the free world.

Therefore, when the bill comes before the Senate on Monday, as is now scheduled, I and the cosponsors of the amendments will invite Senators on both sides of the aisle to join in their adoption.

The PRESIDENT pro tempore. The amendments will be received and printed, and will lie on the table.

USE OF AGRICULTURAL COMMODITIES TO IMPROVE THE FOREIGN RELATIONS OF THE UNITED STATES—PRINTING OF BILL SHOWING HOUSE AMENDMENTS

Mr. AIKEN. Mr. President, the House has passed its version of the bill (S. 2475) to authorize the President to use agricultural commodities to improve the foreign relations of the United States, and for other purposes, with many amendments. There are no copies

of the bill showing the House amendments. I therefore ask unanimous consent that the bill be printed so as to show the House amendments.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Vermont? The Chair hears none, and it is so ordered.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. WILEY, from the Committee on Foreign Relations:

Isaac W. Carpenter, Jr., of Nebraska, to be an Assistant Secretary of State, vice Edward T. Wailes, resigned.

SALE OF CERTAIN VESSELS TO CITIZENS OF PHILIPPINES

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 72) to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines; to provide for the rehabilitation of the interisland commerce of the Philippines, and for other purposes, which were, to strike out all after the resolving clause and insert:

That, notwithstanding any other provisions of existing law, the Secretary of Commerce is authorized to extend and continue the present charters of vessels to citizens of the Republic of the Philippines, which charters were made and entered into under the terms of section 306 (a) of the act of April 30, 1946 (Public Law 370, 79th Cong.), and which charters were extended by the Secretary of Commerce under the terms of a joint resolution, approved June 30, 1953 (Public Law 87, 83d Cong.). Such charters may be further extended for such periods of time and under such terms and conditions as the Secretary may, from time to time, determine to be required in the interest of the economy of the Philippines, but any such charter shall contain a provision requiring that the vessel shall be operated only in the interisland commerce in the Philippines. No such vessel shall be continued under charter, as authorized herein, beyond the completion of the first voyage terminating after June 30, 1955.

And to amend the title so as to read: "Joint resolution to authorize the Secretary of Commerce to further extend certain charters of vessels to citizens of the Philippines, and for other purposes."

Mr. BUTLER of Maryland. Mr. President, I move that the Senate disagree to the amendments of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. BUTLER of Maryland, Mr. POTTER, Mr. PAYNE, Mr. MAGNUSON, and Mr. SMATHERS conferees on the part of the Senate.

ECONOMIC PHILOSOPHY AND ACCOMPLISHMENTS OF THE EISENHOWER ADMINISTRATION

Mr. BUSH. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point an editorial entitled "Back on the Rails—From Truman to Eisenhower," published in the New York Times of June 17, 1954. This editorial deals with the economic philosophy of the President, and the accomplishments of the administration in that connection.

Mr. CARLSON. Mr. President, as the Senator from Connecticut has just stated, the editorial he has presented for printing in the RECORD discusses the progress made under the Eisenhower administration in regard to the budget, taxation, and management of the Federal debt, and the foreign economic policy as proposed by this administration.

This splendid editorial not only details the progress that has already been made, but stresses the importance of each of these items to the future welfare of this Nation.

The President, in his message to Congress, set the pattern for the future welfare of this Nation when he recommended measures "to advance the security, prosperity, and well-being of the American people."

His general objective in that message was "the building of a stronger America—a Nation whose every citizen has good reason for bold hope; where effort is rewarded and prosperity is shared; where freedom expands and peace is secure."

The President, in his message to Congress, presented a plan that would provide an economic philosophy, as stated in the New York Times editorial, that would bring about:

First. A return to the free price system.

Second. To the establishment of an honest dollar.

Third. The restoration of sound fiscal policies in all three major areas covered by that term—the budget, taxation, and management of the Federal debt; and

Fourth. A foreign economic policy which would rest primarily on "trade, not aid."

President Eisenhower firmly believes that this Nation can have prosperity and high employment without abnormal Federal expenditures for war or preparation for war, and with that I thoroughly concur.

Great progress has been made on the President's program, and it is essential that further action be taken by Congress in order to assure high employment and economic security.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BACK ON THE RAILS—FROM TRUMAN TO EISENHOWER

When the Nation voted Mr. Eisenhower into the White House in 1952 it did so, in part at least, because it saw in him a man who had not only a coherent economic philosophy but a philosophy that stressed traditional American values and traditional American institutions. We believe that what the country has further learned since January 1953, is that behind this economic philosophy lay deep personal convictions and a determination to see that insofar as it was possible to do so it was translated into an effective legislative program.

What were the key points in that economic philosophy? They were (1) a return to the free price system; (2) the establishment of an "honest dollar" (a dollar "which would have the same purchasing power today that it had a year ago, and the same a year hence as it has today"); (3) the restoration of sound fiscal policies in all three major areas covered by that term—the budget, taxation, and management of the Federal debt; and (4) a foreign economic policy which would rest primarily on "trade, not aid."

This seems to us to be an appropriate time at which to summarize the progress that has been made toward the achievement of these objectives.

I. PRICE-WAGE CONTROLS

Mr. Eisenhower throughout his election campaign repeatedly stressed the idea of a free price economy. As he put it on one occasion: "The great strength of our democracy has developed in an atmosphere of freedom. The character of our people resists artificial controls."

If anyone assumed that this passage was merely an ear-pleasing platitude he was in for an early disillusionment. For months the decontrol of wages and prices had been a recurrent subject of debate in Washington, and each time the stabilization authorities had warned of the dire consequences that could be expected to result from such a reckless course. President Eisenhower, however, was unimpressed by such prophecies. On February 6, only 4 days after he had delivered his first state of the Union message, he announced that he was terminating wage and salary controls, as well as those on many consumer goods, as of that date. By March 17 the last "package" of items had been decellinged. For the first time since January 26, 1951, the United States found itself in a free price economy.

And what of the gloomy warnings of the Price Administration and those other timid souls who lacked the confidence of the President in the free market? The best answer to that question is provided in the Bureau of Labor Statistics index of consumer prices. In mid-March 1953, this index stood at 113.6. The latest figure, that for April 1954, is 114.6, a rise of less than nine-tenths of 1 percent.

The psychological effect of this swift and decisive action by the President was incalculable. It not only put an end to much of the prevailing economic hypochondria, but it served notice that the President was prepared to face up to an overall task on the economic front.

II. DEFENSE FOR THE DOLLAR

It is necessary, of course, to distinguish between a policy of permitting prices to move freely with reference to one another (which was the purpose of removing direct controls) and a policy of permitting a general inflation of the whole price structure.

It was the possibility of such a general inflation of prices that the President had in mind when he spoke of defending the purchasing power of the dollar. Providing the first line of that defense is the combined function of monetary, budget, and tax policy. The first two of these weapons were out of action under the Truman administration, the first because of its commitment to cheap money; the second because of failure to pursue an aggressively anti-inflationary budget policy. It was necessary, therefore, to rely entirely on taxation, not merely in a futile effort to balance the budget, but as a substitute for a genuine all-out policy.

One of the first steps taken by President Eisenhower after his election was to translate what was then little more than an armed truce between the Treasury and the Federal Reserve into a real peace by appointing to key Treasury posts men who clearly understood that to permit a nation's exchequer to dominate its monetary policies was to subject the national currency to the gravest peril.

III. FISCAL POLICY: THE BUDGET

One problem confronting the incoming administration recalled more than any other, perhaps, Sir Winston Churchill's comment on the situation in Britain in 1951 that "We took over the economy when it was like an express train out of control on the wrong track." That was the problem of the budget.

Every so often one hears the charge made that President Eisenhower has "failed to make good on his promise to balance the budget." To put the record straight it should be pointed out that this is a highly elliptical version of the policy to which Mr. Eisenhower committed himself in his preelection campaign. The closest he came to anything that could be called a timetable for putting that policy into effect was in a speech at Peoria. "My goal," said he on that occasion, "is to cut Federal spending to something like $60 billions within 4 years." This would mean June 30, 1957, a date that is still more than 3 years off.

The first opportunity the new administration had to make a beginning in its policy of budgetary reform came with the submission of the budget estimate for 1953–54 by President Truman in January 1953. This budget called originally for receipts of $68.7 billions, a figure virtually identical with that for 1951–52, the largest in history either in peace or war. Expenditures were estimated at $78.6 billions, a total never exceeded previously, except during World War II. The indicated deficit was $9.9 billions, another peacetime record figure.

Bringing such a budget under control would have been a formidable undertaking under the most auspicious circumstances, but circumstances were anything but auspicious. There were at least two factors that compounded the difficulty of the task. In the first place, the situation was one which indicated a further increase in expenditures at the very time the emergency taxes enacted after the outset of hostilities in Korea were scheduled, one by one, to expire. In the second place, the problem of cutting expenditures was complicated by the existence of what has been referred to as an $80-billion "hangover." In other words, there were $80 billions that had not yet been spent, but whose expenditure Congress had already authorized. Nevertheless, present evidence indicates that the year end will reveal a deficit in the administrative budget of not more than $3.5 billions to $4 billions and that the cash deficit will probably be less than $1 billion.

IV. DEBT MANAGEMENT

The inflationary potentialities of the public debt and its vulnerability to sudden changes in the economic climate depend principally on two characteristics—its size and its composition.

The debt which the Eisenhower administration inherited from its predecessor totaled roughly $267.2 billions, to which several billions more would have to be added to cover the period required for bringing the budget under control. The fantastic rise in the debt from midway between World War I and World War II, when it stood at $16 billions, to 1947, when it totaled $252 billions, was predominantly a war phenomenon. But the fact that the debt continued to rise in the face of steadily mounting tax revenues must be attributed in the main to the loose fiscal policies of the Truman administration and the inflation that resulted therefrom.

But an even more impressive monument to the postwar philosophy of perpetually easy money was the structure, or composition, of the debt that the Truman administration left behind. As of November 30, 1952, obligations payable on demand or within 1 year amounted to $152.6 billion, or 57.2 percent of the entire debt. Adding the issues payable within 5 years, or convertible into such securities, we get a total of $213.4 billion, or more than 80 percent of the whole. This is a dramatic picture of what can happen to a nation's debt structure when every sound consideration of debt management is subordinated to one purpose—holding the cost of Treasury borrowing to a minimum.

Under Mr. Humphrey the Treasury has been quietly proceeding to put the debt on a sound basis. This is not a project that can be carried out in 1 year, or in 2 or 3 years. The important thing to note is that the deformity is being corrected. It is estimated that to date the Treasury has already extended the average maturity of the entire debt by a year and a half.

But it would be an oversimplification of the art of debt management to assume that it consisted entirely of pushing the maturity dates of Government obligations further into the future. As Mr. Humphrey recently pointed out, the Treasury "has purposely done its recent financing in such a way that it would not interfere with the availability of long-term investment funds to corporations, State and local governments, and for mortgages to homeowners." Here we get a revealing glimpse of how, under high-grade leadership, the Treasury, through the intelligent management of the debt, quite apart from tax and budget policies, can harmonize its activities with those of the Federal Reserve to stimulate business activity in times of recession or damp it down when it shows signs of unhealthy overstimulation.

V. TAXATION FOR PROSPERITY

President Eisenhower's position during the election campaign on tax reduction had been that it would be time to talk about taxes after the budget deficit had been brought under control. He found himself, in his first year in office, however, faced with a situation in which several taxes then in force were scheduled to expire in the following 16 months under legislation already in existence. After a bitter fight administration leaders succeeded in forcing a bill out of Mr. Reed's committee calling for a 6 months' extension of the E. P. T. The President thus staved off the only reduction scheduled for 1953, but it was agreed that the automatic termination of that tax and the cutback in the personal income tax should be permitted to take effect as scheduled at the end of the year.

Two tax bills sponsored by the administration emerged from the Ways and Means Committee in early March of this year. The first of these provided for a 1-year extension of certain excise taxes. The second—an "omnibus" tax bill—proposed nothing less than a complete revision of the Internal Revenue Code, designed, in the President's words, to "remove the more glaring tax inequities, particularly on small taxpayers; to reduce restraints on the growth of small business, and to make other changes that will encourage initiative, enterprise, and production."

This "omnibus" tax bill has been approved by the House of Representatives. It awaits action in the Senate.

VI. TRADE, NOT AID

On March 30 of this year the President submitted a special message to Congress setting forth what he regarded as a "minimum program" in the field of international economic relations.

To date this is, admittedly, still only a program, and it is not intended to suggest here that it should be bracketed with the achievements recited above. It is important, however, for two reasons: first, because it provides added evidence of the consistency of the administration's economic philosophy; and second, because the President has reiterated within the past week his determination to have it written into legislation.

Among the major proposals contained in the program are these:

1. The Trade Agreements Act: This legislation should be extended 3 years.

2. Tariff simplification: Commodity definitions and tariff rates should be simplified. This would eliminate or reduce the complications, uncertainties, and protracted delays originating in tariff interpretation and procedure.

3. Economic aid: Economic aid, particularly on a grant basis, should be terminated "as soon as possible." Military aid, where required, should continue on a grant basis. In general, foreign countries desiring development capital must look primarily to private investment and to the World Bank, not to United States Government funds. The United States should ease duplication of taxes on income earned abroad.

4. Currency convertibility: To facilitate currency convertibility we should make more active use of the International Monetary Fund and possibly standby credits by the Federal Reserve banks.

On the question of raw materials, the program urges "reasonably easy access to the United States market," with domestic sources for military purposes assured, by direct means (subsidies). Since American farm policy would have to harmonize with foreign-trade policy, high, rigid farm price supports would have to go. The Buy American Act of 1933 would be amended to afford equal treatment to foreign bids on Government contracts when foreign governments gave reciprocal treatment. The program rejects commodity agreements as a means of achieving international price stability. The solution of this problem should be found in trade liberalization, more diversified economies and more carefully planned stockpiling.

These and other individual provisions of the President's program have already aroused widespread controversy, especially among those groups that would be most directly affected by them. It would be surprising were it otherwise in a country whose people are still by no means in complete agreement, even on tariff policy after nearly a century and three-quarters of debate. What will impress most persons about the program as a whole is the fidelity with which it projects the Eisenhower economic philosophy into the field of foreign economic policy.

Those who think that policy in the international field can be solved without reference to our domestic policies (such as artificially high farm price supports) and those who think that the way to solve such problems is by resort to ingenious gadgets or the setting up of new institutions to deal with them should be advised that they will find a reading of this report pretty much a waste of time.

This document is not for them. It was written strictly for those Americans who are still unconvinced that the economic values are obsolete on which this country has mainly relied for its economic growth and its present unrivaled strength—the free play of prices, a maximum of free competition and a minimum of interference with the free movement of goods, services, and capital between and among the sovereign States. Which is to say, it was written with the vast majority of us in mind.

GERMAN REARMAMENT—EDITORIAL COMMENT

Mr. MURRAY. Mr. President, in view of the worldwide controversy which has erupted over the question of German rearmament and related problems, I ask unanimous consent to have printed in the body of the RECORD at the conclusion

of my remarks the following articles found in the No. 43 issue of Prevent World War III:

"American Policy—Made in Germany?"

"Facts To Replace Fiction."

"Russian Policy and Propaganda."

"Adenauer's Democratization Program."

"Germany's Gravy Train."

The magazine in which these articles appear is published by the Society for the Prevention of World War III, Inc., a nonprofit educational organization, 515 Madison Avenue, New York 22, N. Y. I regard these articles of the utmost importance since they shed additional light on the grave problems confronting the American people.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

AMERICAN POLICY—MADE IN GERMANY

The latest Soviet rejection of the allied proposal to negotiate on Germany was unquestionably a basic reason for the convening of the Bermuda Conference of the Big Three in December. In refusing to meet the Western Powers at Lugano in November, the Soviet note alleged that German unification and the establishment of a European army containing West German units are incompatible concepts. On this point the Wall Street Journal (November 9, 1953) seems to concur. In this connection it states, "One must wonder just how, had that conference taken place, the American negotiators propose to present a persuasive case for a German unification predicated on the existence of a European army. It couldn't be done and it is seriously to be doubted that anything can be done toward German unification as long as the United States remains inflexibly committed to the European army." Thus, the editorial declares that the United States stand is illogical.

That the United States position appears to be illogical has been noted by serious students of Germany including James P. Warburg and Walter Lippmann. On the surface, it does appear that the United States approach is based on two premises which are irreconcilable. Then why, if this is true, do our policymakers continue to hold fast to this contradictory policy? Are they not aware of the fact that EDC is based on a disunited Germany while a united Germany presupposes an independent Germany which will make alliances and commitments as it sees fit. Whether it is wise to meet with the Russians at this time is beside the point. What has intrigued so many people is the fact that our statesmen support a program whose basic elements are mutually antagonistic.

The answer to this riddle, we think, can be found not in Washington but in Bonn. It was Adenauer and it has been Adenauer all along who has insisted upon the creation of a European army and he has never retreated from this position. Months before M. Pleven proposed the establishment of a European Defense Community, Chancellor Adenauer declared that "a German military formation should be constructed as part of the European formation" (ONA, November 28, 1949). The New York Times, December 8, 1949, reported Adenauer as stating, "if our people are forced to take a hand at some unforeseen time in the defense of Europe, then we could do so only on the basis of equal rights and within the framework of a European army."

To those who accused the chancellor of fostering a disunited Germany, the chancellor vehemently denied the charge. More recently (U. P., October 20, 1953), the chancellor reiterated his belief that the integration of Western Germany with the European Defense Community "is in no way contradictory to a policy of reunification of Germany."

We could cite other remarks made by the chancellor along the same lines. Is his position illogical? It appears so but if one will take the trouble of carefully examining Chancellor Adenauer's public expressions and views, it will be found that there is a "method to his madness." What is that method?

On the eve of his trip to the United States in 1953, the chancellor told a press conference that it was "ridiculous" to think of the Federal Republic as being able to play a decisive role alone. "How could this be without an alliance with Russia?" he asked. (New York Times, April 6, 1953). Since it is a fact that Adenauer's main aim is to enable Germany to play a decisive role in world affairs, his reference to a possible alliance with Russia must not be ignored.

Bearing this thought in mind, we proceed to another significant statement made in a speech at the National Press Club, Washington, D. C., April 8, 1953. Discussing what he called "the possibility of a German arrangement with Soviet Russia," Adenauer said: "For Germany, weakened as it is, a pact with Soviet Russia on the basis of partnership and equality is an impossibility. The era of the Treaty of Rapallo has not come again. At that time Soviet Russia was weak. It sought and found as a partner a still powerful Germany. Should we attempt such a partnership we would soon find ourselves reduced to a satellite of Soviet Russia." The basic thought in this statement infers that so long as Germany is weak there can be no "arrangement" with Soviet Russia.

The question then arises, i. e., how can Germany become strong thereby creating the precondition for a possible "arrangement" with Russia? In a copyrighted interview published in the U. S. News & World Report, November 13, 1953, Adenauer answered that question. He stated that if the EDC was finally established, then the possibility of a pact with Russia would exist. In other words, given the formation of the EDC which, as is generally acknowledged, would be dominated by Germany, then the Chancellor would be in a position to talk turkey to the Russians. Here is the road to the reunification of Germany as envisioned by the Chancellor.

On the basis of the power created by the EDC, Adenauer hopes that the Russians will be willing to allow the unification of Germany. It may be asked what would the Russians hope to gain in return. We recollect that on May 20, 1950, Adenauer declared "A federated Europe will become a third force in the world not as strong as Russia or the United States, but powerful enough to intervene successfully in a decisive moment to safeguard the peace." (Rheinischer Merkur.) What this actually means is that the establishment of a German dominated Western Europe would isolate the United States if that became necessary. Who can deny that this would be a tempting offer to the Kremlin?

Thus, Adenauer's position is not illogical. It is coldblooded Realpolitik. The irony of it all is that the Adenauer policy has been adopted by United States policy makers as though it conformed with our own national interests and security requirements.

It also appears that our policymakers consult with Dr. Adenauer before making any decisive moves with regard to the allied policy vis-a-vis Russia. The recent exchange of notes between the western allies and the Kremlin shows how this works. Thus, on September 4 the New York Times reported, "Dr. Adenauer said in a written statement that the western notes were the result of the initiative he took in a letter to the United States Secretary of State, John Foster Dulles, at the time of the Washington conference of the western Big Three foreign ministers." In this connection, the Times further reported, "Dr. Adenauer, in fact, had a hand in shaping the final form of the allied invitation to Moscow. A draft of the notes was shown to him last week, and on Monday he made some suggestions for changes which were accepted by the three allied capitals." When the western allies were in the process of preparing a reply to a subsequent Soviet note, Adenauer was again consulted. "Dr. Adenauer's opinions will be passed along to the three western governments and presumably will be taken into account by the allied experts who are to meet at London this week to draft a reply to the Russians." (Associated Press, October 5.) Indeed, the New York Times of October 15 reported that Bonn had submitted a memorandum on the question of German unity to be studied at the meeting of the foreign ministers of the United States, Britain, and France, opening in London. The last allied note rejected by the Kremlin bore the marks of Adenauer's influence. Writing in the New York Times, October 20, C. L. Sulzburger stated, "in fact it was Chancellor Adenauer who obtained a change in the western Big Three notes to Moscow sent yesterday." The following day, Mr. Sulzburger reemphasized the Adenauer influence stating, "thus West Germany asserted its increasing strength."

To bring the Adenauer influence up to date, we refer to Secretary of State Dulles' comments regarding possible action that the allies would take in the face of the Soviets' latest rejection. According to the Associated Press (November 9), Mr. Dulles said that Chancellor Adenauer "would have to be consulted first about steps to restore German sovereignty."

Is it not strange, to say the least, that the United States, a mighty power with problems of its own, should lean so heavily on a foreign politician for advice? The Adenauer policy, as we have seen, is not illogical in terms of Germany's perennial interests and ultimate objectives. But this policy must appear as incongruous when it is foisted upon the United States as though it corresponded to our own interests and objectives. As a result, a stalemate has been created with regard to a realistic solution of the German problem. Such an impasse provides Herr Adenauer with sufficient scope for maneuvering to further his own plans. This is the crux of the situation as we see it.

In the summer 1953 issue of Prevent World War III we analyzed the Adenauer strategy and tactics and pointed out that Adenauer had not made any commitments whatsoever that are binding on Germany: "On the other hand, he appears to have obtained commitments from Uncle Sam. * * * Though he hopes to discredit the possibility of Allied negotiations with the Russians over Germany, it would not in any way prevent the Germans from making their own secret deals with the Kremlin."

This is the method to Adenauer's "madness," but it ill becomes a mighty power such as the United States to permit itself to be manipulated like a marionette. When our leaders meet with the French and English, it would be wise for them to examine the German problem afresh—and to keep the door closed to the siren songs of wily Realpolitikers.

FACTS TO REPLACE FICTION

The hosannas which have been sung in praise of Dr. Adenauer's reelection have been most impressive. Particularly in the United States, the Chancellor's victory was regarded as a stupendous triumph for United States

policies. Few individuals in the United States have received such fulsome praise in our press as the Chancellor. Indeed, some columnists displayed more enthusiasm over Adenauer's triumph than they did when the Allies defeated Germany in 1945.

The American people have been bombarded with all kinds of assurances that with the Adenauer victory Germany has undergone a new birth of freedom. Of all the pieces which we have read on the Adenauer victory, one of the most striking, in terms of its exuberant optimism, was the editorial which appeared in Business Week (September 19, 1953). Among the main points made in this editorial are the following:

A. "Chancellor Adenauer's triumphant election victory marks the beginning of a new era in Germany. For the first time, the German people have decisively aligned themselves with the West."

B. "The United States has played an important role in this triumph. Acting in the belief that Germany would serve as an imposing bulwark against communism, we helped bring the country back from the debris of war to a healthy, thriving position. In fact, Germany is once again the dominant power in Europe."

C. "Chancellor Adenauer must be listened to as we listen to Churchill—as an independent and respected ally who shares the same basic principles but whose views are indubitably his own."

It is no exaggeration to say that these thoughts have been repeated over and over again by dozens of newspapers and periodicals throughout the country. Yet, in spite of this seemingly irrespessible wave of enthusiasm, there were some voices which expressed a note of caution. On page 21 we have reprinted a complete article on the subject of the Adenauer election by John Cordelli of the Magazine of Wall Street. While we do not share all of Mr. Cordelli's views, we regard his comments as among the most judicious and objective that we have seen on this subject.

There are other voices who have managed to maintain a sense of perspective despite the bandwagon psychology which has been drummed up for the Adenauer cause. These voices, too, deserve to be heard, especially since they differ from the popular interpretation of the Adenauer victory as expressed in Business Week.

Point A of the Business Week editorial alleges that the German people have decisively teamed up with the West. The Wall Street Journal (September 8, 1953) is by no means certain that this is a fact. "Despite the claims of some of the post-election comments," the Wall Street Journal writes, "it is by no means clear that the German voters—as we would like to believe—were giving a vote of confidence to American foreign policy."

The editorial continues in this vein, pointing out that the so-called pro-Western policies of Adenauer may not have had as much influence on the voters as the domestic issues. It continues, "the voters enjoying prosperity and observing the effects of socialism elsewhere in Europe, may have been more influenced by this than by questions of foreign policy." Further on, the editorial states, "so here as in most elections, snap judgments on why voters voted as they did are dubious. So too are predictions as to what the vote portends about the future running of German sentiment." In conclusion, the editorial declares that the claim that the Adenauer victory "is an endorsement of our own policy for Germany, must be tempered with caution until the causes of the victory are clearer. One election does not settle the future of Western Germany."

Whether we can be proud of our role in making it possible for Germany to become the dominant power in Europe (point B of the editorial) is certainly open to question. Business Week itself (September 12, 1953) observed: "It's quite possible that a united Germany may some day aspire to play an independent role between the United States and Russia." Such a perspective, we believe, would not be welcomed by our policymakers, yet it is inherent in the fact that Germany, through the help of American taxpayers, has been restored to the dominant position in Europe. Moreover, the specter of a German-dominated Europe is not at all to the liking of the British and French, who have been our tried and trusted allies for generations.

Indeed, the Adenauer victory, according to this same issue of Business Week, may result in a greater split between the United States on the one hand and our Western allies. This is not theory—it is a fact if the press of Western Europe is regarded as a true reflector of public opinion. More than that, if our policymakers are determined to boast about their responsibility for the resurgence of Germany, then the anger and fear expressed by the peoples of Europe toward Germany may very well turn toward the United States.

To put Adenauer on par with Winston Churchill (point C of the editorial) is, indeed, a tall order. In effect, the people of this country are asked to place their very future in the hands of an individual who is notorious for dictatorial tendencies and, more important, who depends for support on powerful forces in Germany who would like nothing better than to restore an authoritarian regime in Germany. As regards the latter point, Mr. Walter Lippmann, in discussing the fate of Western defense on the basis of a rearmed Germany, reports that the British now realize that the Nationalist and Nazi forces in Germany are stronger than they appear to be on the surface and that it is not safe to contemplate a military withdrawal (New York Herald Tribune, October 27, 1953).

In an earlier report (October 20, 1953), Mr. Lippmann discussed the dangers of following a policy based on the good will of one man. We think it is worthwhile to quote his warning in full:

"In almost every critical situation within the Western orbit there is now a man, a party, a government on which 1 or more of the 3 powers has staked everything—has staked, that is to say, much too much. These diplomatic darlings have been encouraged to see themselves as the indispensables, have quickly realized that the easiest way to get what they want when they want it, is to act like Dr. Rhee. They climb out on the window sill or, like others who shall be nameless, they threaten to stick their indispensable heads into the Communist gas oven."

Mr. Lippmann did not identify the other "diplomatic darlings" but the whole world knows that Dr. Adenauer is the white-haired boy of our State Department. Shall we, as Business Week advocates, place the very security of our country in the lap of the "diplomatic darling" of the West? To believe we can equate our common interests with Britain and France and the hidden aims of Germany is not only folly but will surely lead to disaster.

Incidentally, the cry for withdrawal is rising. The U. S. News & World Report (November 6, 1953) itemizes the potential strength of West Germany. It questions why American taxpayers continue to foot the bill to protect a country which has the power to defend itself and therefore the rest of Western Europe. It is strange indeed that this publication which seems to be so concerned for the American taxpayer, did not tell its readers how the American taxpayers were taken for a ride in the agreement on Germany's postwar debts. That agreement cost the American taxpayer $2 billion. We believe that this new campaign for the withdrawal of troops from Germany has been encouraged by the Germans themselves but we doubt very much if Western Europe can truly afford to allow itself to be placed under the beneficent guardianship of a new Wehrmacht—even if it should be camouflaged within a European army.

In our judgment, the United States is approaching an important crossroad in its history. The choice, as we see it, is not between the Germany of Adenauer or the Britain of Churchill. It is rather a choice between consolidating a heritage which we share with our western friends or walking a path which leads to our political, military, and moral isolation. In this connection, Mr. Lippmann declares that he is sure that Great Britain "will do nothing which separates Britain from France in their relations with Germany." Let us hope that our statesmen will give up a policy which is separating Britain and France from the United States in their relations with Germany.

Russian Policy and Propaganda

Why Russia wants a strong Germany

On the eve of the elections in Germany the New York Herald Tribune (September 6, 1953) stated in its leading editorial: "The Soviet Union wants a weak Germany in which it could intrigue at will." These words express a point of view which has been shared by many of our leading policymakers since the end of the war. It has led many Americans to accept the thesis that the Soviet Union hoped to communize Germany or at least to exercise a predominating influence on the country by pursuing a policy that would weaken Germany's power.

Because so much of our policy towards Germany has been based on this premise, it is essential we believe, particularly at this time, to scrutinize this idea with more care.

As we review the past 8 years of Soviet policy in Germany, one fact stands out most sharply, i. e., that the Soviet have never pursued fixed tactics with regard to their postwar treatment of Germany. It is true that in the latter period of World War II, and immediately thereafter, the Russians appeared to advocate a weak Germany. Yet, even during the war itself Stalin made public statements which indicated that the Soviets were not at all wedded to the idea of a permanently weak Germany. The Soviet dictator emphasized the resilience of the German state and even went so far as to talk about the need for the reestablishment of a Germany army. In spite of these broad hints as to the flexibility of Russian tactics, our key policymakers developed a program which assumed that a strong Germany was anathema to the Russians and therefore perfectly suited for the West.

The Stalin statements of the war years were carried forward after hostilities had ceased. For example, in the summer of 1946 Soviet Foreign Minister Molotov made a declaration which definitely supported the revival of a strong Germany. Among the points made by Mr. Molotov were the following:

(a) The Russians opposed a separation of the Ruhr from Germany proper.

(b) The Russians opposed the imposition by the allies of any program for the federalization of Germany into autonomous states, unless approved by a plebiscite of the German people.

(c) The Russians opposed the agrarianization of Germany and the annihilation of her main industrial centers.

Point (c) mentioned above deserves to be quoted in full: "In the light of the interests of world economy and tranquillity in Europe, it would be incorrect to adopt a course of Germany's annihilation as a state, or that of its agrarianization, including the annihilation of its own main industrial centers, and that such a course would result in undermin-

ing the economy of Europe, in the dislocation of world economy, in chronic political crises in Germany, which would spell a threat to peace."

FALLING FOR THE "LINE"

Apparently, Mr. Molotov's statement did not make the impression that it should have made on those responsible for the formation of American policy toward Germany. Some of these policymakers were too busy denouncing those who demanded the whittling down of Germany's economic power as dupes or, still worse, as mouthpieces of the Kremlin.

The Soviets returned to the theme of rebuilding a powerful Germany during the Moscow Conference of the Council of Foreign Ministers in 1947. This was in sharp contrast to a prior recommendation of the Russians that German steel production be limited to 3.5 million tons a year. In this connection the Russian Marshal Sokolovsky stated on December 21, 1945, that "to leave Germany an annual capacity of 9 million tons of steel will mean war in a few years." This declaration by Marshal Sokolovsky was a sample of some of the pronouncements made by Russians which conveyed the impression that the Russians were aiming at a "hard" peace that would produce a "weak" Germany. Following this line, one of Russia's leading propagandists, Ilya Ehrenburg, wrote: "Some people think that beaten Germans are less harmful. They are mistaken. Germans remain true to themselves. The Germans haven't changed much. It is senseless to hope to bring them to reason, to shame them, and then to reform them."

Statements such as Sokolovsky's and the highly publicized emotional appeals by Ehrenburg apparently convinced our policymakers that the Russians would never agree to a "strong" Germany because it would act as the spearhead of a Western bloc. Yet, the record shows that each time the West adopted programs which increased Germany's economic strength, the Russians went still further—as in the case of German steel production.

If a weak Germany were truly in the interest of Soviet communism, then how can we explain Molotov's proposal in 1947 to increase Germany's steel production to 12 million tons after the allies had proposed the figure of 7.5 million tons? This question, unfortunately, was never really pondered or answered by western statesmen.

Could it be that the Russians deliberately cultivated the impression that they were for a weak Germany hoping that this would automatically induce the West to build up a strong Germany? Whatever the answer is, the evidence of the last 2 years shows conclusively that the Russians are not afraid of a strong Germany.

APPEAL TO THE GERMANS

The Moscow diplomatic notes of 1952 on the unification of Germany underline the fact that the Russians advocate a strong and powerful Germany based on an unlimited industrial war potential which could support a national German army. For example, the Soviet note of March 10, 1952, stated that there should be no limitations placed on Germany's industrial might. As a natural sequence to this proposition the Soviets proposed that "Germany will be allowed to possess its own national armed forces * * * Germany will be allowed to produce war material and equipment * * *." More recently, Prime Minister Malenkov in a little publicized speech (August 22, 1953) at a dinner which the Kremlin tendered to the leaders of the satellite Soviet regime of East Germany, declared: "For a long time many achievements of the German intellect and labor were used by militarists for war. In conditions of peaceful development the German people will apply the might of their highly developed industry, all the achievements of science and engineering, all their creative energies and abilities to improving the living conditions of the populace and securing the country's progress. Germany will be able to establish close economic relations with peace loving states to receive the necessary markets, to resume traditional trade relations with the countries of Eastern Europe and with other states. Only by following this path will Germany rise again as a great power and take her proper place among the nations of the world."

This is not a statement which can be interpreted as a call for a weak Germany; on the contrary, it is a not-too-subtle appeal for collaboration between a strong and powerful Germany and the Soviet Union. Malenkov dispensed with questions of ideological differences for he knows that the Germans are past masters of realpolitik.

As though he had anticipated Malenkov's tempting offer, Chancellor Adenauer stated in an interview (Frankfurter Allgemeine Zeitung, July 7, 1953):

"Already today the states of the European Schuman plan have formed a market of 157 million people. Thus, these countries are for the Russian economy a highly interesting trading partner. The German and Russian economies once before complemented each other in a magnificent way. The economy of an integrated Europe including Germany could offer even more. The greater the economic meshing (between Western Europe and Russia), the greater the political security."

Adenauer's line was repeated by no less an anti-Communist stalwart than the late Mayor of West Berlin, Ernst Reuter: "In keeping with its tradition, a unified Germany will again try to form a commercial bridge between East and West * * *. But it will do as much business with the U. S. S. R. and the Balkans as they can handle. For the Soviet Union these trade relations will be a better guaranty of our peaceful development than any security treaty * * *. Our country can therefore be expected to give its full support to the budding European Federation, regardless of the party that is in power at home. Thus we Germans will constitute a new force for stabilization on the Continent." (World magazine, November 1953.)

These statements by the two outstanding leaders of Germany cannot be regarded as isolated outbursts. They definitely reflect a view that is shared among the most important circles in Germany today.

In view of these facts one can rightly ask the question whether our present policies toward Germany are actually playing into the hands of the Russians: What are the calculations of the men in the Kremlin? It is unquestionably true that they would like to communize Germany. However, this is secondary to them. What they are more interested in at the present time is to create a Germany that would possess the material wherewithal to launch its own independent actions and be able to pursue an independent policy in all directions. This would open up great possibilities for the Russians, because it would offer the Germans the vast markets in the East. Moreover, as a consequence, it would create military and political guaranties of a nature which would enable the Germans to exert its power against the West. In other words, only a strong Germany can create an independent Germany, so far as the Russians define the word independent, and such a Germany would enable the Russians to gain another trump card in its dealing with the West.

Malenkov's statement implicitly recognizes this great opportunity as do the views of Reuter and Adenauer. Actually, Malenkov's views were outlined by Stalin himself in his last dissertation on foreign-policy problems. It will be recalled that he expressed confidence that a strong Germany as well as a strong Japan would ultimately break away from the West. Can it, therefore, be that the Russians have egged us on in a subtle way to increase Germany's industrial war potential in the hope that it would be ultimately employed against the West?

APPEAL TO THE WEST

The Russian approach to Germany has still another side. While Soviet propaganda raises the hopes of the Ruhr industrialists, it works overtime spreading fears and alarm among our Western allies regarding the specter of a strong Germany.

In the same month of August 1953 when Malenkov toasted the Soviet-German friendship, he publicly addressed the French reminding them that the Franco-Soviet pact of 1945 could be the backbone of European security against a resurgent Germany. Soviet propagandists have hammered away at the dangers to the West of a powerful Germany. Thus, Mr. Ehrenburg, writing in the Soviet publication News (September 1953), under the title "Revival of the Wehrmacht—Deadly Menace to France," reminds the people of the West of the threat of a strong Germany. "It would be wrong," Mr. Ehrenburg wrote, "to assume that French opposition to recreation of the Wehrmacht comes from only one section of society, the workers, and from only one political party, the Communists. * * * However, during the German occupation it was not only the workers and not only the Communists but all decent-minded Frenchmen who fought the invader. It is only natural that now when German militarism is being revived, representatives of different classes should voice their protests together with workers. * * *"

In a similar vein A. U. Yerusalemsky, writing in the Soviet publication New Times (September 19, 1953), observes: "Hitler's policy is still fresh enough in the memory of European peoples from whom German imperialist oppression has executed a heavy toll of blood and sacrifice." The entire article of Professor Yerusalemsky which runs for about 6 pages, is devoted to this theme.

In the October 1953 issue of the News another Soviet propagandist, I. Lyadov, reminds the people of Western Europe that "the Bonn Revanchists do not even take the trouble to conceal to what use this future military might will be put. They openly call for a restoration of Germany's pre-Versailles frontiers. Deutschland Uber Alles which contains the lines 'Germany from the Maas to Memel, from the Adige to the Belt' has become the official national anthem of the Bonn republic."

In the very same issue of the News the former Soviet Ambassador to the United States, Alexander Troyanowsky, writes that the development of a powerful Germany "is causing sharp and growing dissatisfaction in England, too, whose sons have twice in the course of one generation gone to their deaths fighting German aggression."

The New Times of October 24, 1953, ran a six-page propaganda piece by L. Sedin which was particularly directed toward the British. "The eyes of ordinary Englishmen," Sedin writes, "are turned to West Germany with fear and apprehension. The creation by the Bonn Reich of an army half a million strong, an air force and a navy is, naturally, not a comforting prospect to those who have not forgotten Dunkerque or who saw German warplanes hovering over London and Coventry."

The propaganda beamed at the French and the English in particular, is growing with deadly effectiveness. The Russians have plenty of evidence which can be found in the German press, to show the growing belligerency and arrogance among important German groups. They can even point to the report of C. L. Sulzberger in the New York Times (October 18, 1953), that "many West Germans are gradually coming to believe that civilization would have a difficult time continuing without their aid. They take pride

in this assumption—and some of them ask a price."

THE SECRET OF SUCCESS

The Russians know that it would be difficult indeed to convince the peoples of Western Europe that the future fate of their freedom rests with the Germans. Unquestionably, most West Europeans want no part of the tyranny of Russian communism. Yet, much as they fear the designs of the Communist East, their most harrowing experiences insofar as physical contact is concerned have been with the Germans. The Russians are aware of this too and they are playing it up for all they are worth. Thus, Russian policy and propaganda do not suffer from any fixations, nor are they tied to one tactic or another for the realization of its ultimate objectives. Russian policy and propaganda have shown their dexterity in playing two contrasting melodies simultaneously. One tune fires the imagination of the Realpolitikers in Germany while the other stimulates the emotions and deep-rooted fears of our Western friends. The Russians have kept open the door leading to a rapprochement with the Germans and at the same time they have managed to keep open the door leading to the West.

How have they been able to achieve this feat? It is not that we have failed to spend hundreds of millions to challenge Russian policy and propaganda, nor have we been remiss in our efforts to help rehabilitate our Western friends. But all of our actions have been conditioned by one overriding objective, i. e., to reinvigorate the German powerhouse. This has been the great blind spot in our entire approach toward the Russian problem in Europe. Had we defined realistically the basic elements of strength which are prerequisite for our security, we would never have become so vulnerable to the Russian challenge.

By making all factors subservient to the rebuilding of a powerful Germany, we have produced a policy which is psychologically unsound and disastrous in terms of our political and security interests. Thus, the secret of Russia's success is the failure of our own policies.

ADENAUER'S DEMOCRATIZATION PROGRAM

As an organization which has been following the German scene for many years, the Society paid particular attention to Chancellor Adenauer's election campaign and its results. Our interest did not stem from the fact that we are enthusiastic supporters of Adenauer or his foe. Our own tastes were not involved but nonetheless our interest was great because we know, as everyone knows, that our policymakers have literally placed all of their hopes on the Chancellor. The success of his reelection, however, shows that hopes are one thing and realities quite another proposition.

ELECTIONEERING

The kind of election campaign that Adenauer waged is discussed in detail in the article by James H. Sheldon. Mr. Sheldon supplies important evidence attesting to the fact that Adenauer appealed to those groups in Germany who are bitter enemies of democracy.

For example, the Chancellor went out of his way to visit some of Germany's worst war criminals imprisoned in Werl. He knew full well that in demonstrating his sympathy for these criminals the votes of hundreds of thousands of German soldiers and officers would be corralled. The appeal that he made to these dangerous elements was launched as early as April 1953 when, in reporting on his visit to the United States he boasted that the United States had promised to review the cases of these criminals. He then went on to say:

"I would like to stress this today, at the occasion of my first public speech after my return, because former German soldiers of all ranks have complained to me that they are much concerned about the fact that there are still many prisoners at Landsberg Prison who have been tried and convicted when, shortly after the end of the war, judgment was passed somewhat hastily. I believe that our former soldiers may be satisfied that the last stigma—if there was any at all—will be removed from our former armed forces." This kind of electioneering by Adenauer had a definite imprint on his actions immediately following his reelection. Here are some of the more important events which occurred shortly after Dr. Adenauer returned to office.

THE DAY AFTER

The Chancellor's first public speech was a well calculated attempt to reawaken the aggressive instincts of the Germans. Liberation was his theme—and who can doubt that it received a welcome response on the part of his listeners. It was not a speech which is indicative of a man dedicated to the ways of peace but rather the echo of Germany's belligerent past. It may very well be that some people in the West were not concerned because it appeared that Adenauer's call to the colors was directed against the East. But this was a short-lived illusion. Shortly after his liberation speech, the United Press, September 16, 1953, reported:

"Chancellor Adenauer will give France 60 to 90 days to ratify the stalled West German peace pact and the European army plan before taking any decisive alternative action."

Such ultimata are, of course, familiar to students of German history. They were frequently used by the Kaisers and Adolf Hitler. Chancellor Adenauer, filled with a sense of his own importance and indispensability, and unquestionably encouraged by his cheerleaders in the United States, unfurled his banner. Apparently he is confident that the threats which work so well for his predecessors will intimidate the French.

TOWARD DOMINATION OF THE UNIONS

Having shaken his fist eastward and westward, Adenauer flaunted his fist at the German trade unions. According to the New York Times (September 11, 1953), the German Trade Union Federation received an ultimatum from the executive committee of the CDU under the chairmanship of the Chancellor "to submit to a reorganization of control that would place the union under the domination of the state." This brazen attack against the independent trade union movement should be considered in the light of the role that the trade unions in Germany have played since the end of the war.

We have never taken a special position of pleading the cause of trade unionism in Germany for its own sake. We do believe, however, that democratically controlled trade unions free from governmental dictation could contribute, together with other free institutions, toward the strengthening of democracy in Germany. In this connection it is noteworthy that the United States occupation authorities have, from the very earliest days of the occupation, encouraged the development of free trade unions in Germany to serve as a reliable bulwark against all forms of totalitarianism. The Third Quarterly Report on Germany issued by the United States High Commissioner (April-June 1950) stated "throughout the period under review trade unions continued to be a strong positive force of democracy." Discussing the leadership of the German trade-unon movement, the report comments:

"They are conscious of their key role in preserving the competitive ability of the German economy and in backstopping Germany's slowly developing democracy. They have also been in the forefront of the struggle for a peaceful, prosperous Germany, and have given strong support to United States reorientation and democratization policies. They were among the first Germans to be accepted as equals by their colleagues abroad, and the Federation of German Trade Unions is a potent member of the anti-Communist International Confederation of Free Trade Unions."

The report adds that although the trade-union leaders are proud of their achievements:

"They are still haunted by the specter of German democracy's collapse without a fight in 1933. They express the opinion that an alliance between German governmental leadership and big industrialists not only precipitated this collapse but paved the way for World Wars I and II. History threatens to repeat itself, they hold, unless Germany achieves industrial as well as political democracy."

The German trade union leaders were not alone in their fears of a resurgence of the same authoritarian elements which did so much harm to German democracy following World War I. As early as 1949, Mr. Matthew Woll, vice president of the A. F. of L., and Mr. Walter Reuther, president of the CIO, publicly warned that the industrial war lords of the Ruhr were endeavoring to reassert a stranglehold over the democratic forces in Germany.

Of course the Chancellor may claim that he issued this ultimatum, not in his capacity as head of the Bonn government, but in his position of leader of the CDU. In our opinion, this argument amounts to sheer sophistry. It would be equivalent to accepting a situation in which the President of the United States attempted, as leader of his party, to dictate terms to the American trade union movement.

TOWARD A CONTROLLED PRESS

After brandishing his whip against the trade unions, the Chancellor went to work on the German newspapers. Apparently German officialdom is not satisfied with the fact that scores of former Hitler supporters and Nazis have returned to the newspaper field. The fact that there is still a core of crusading journalists in Germany is not to the liking of those who are accustomed to a servile press. Thanks to some enterprising German journalists, it was revealed that Dr. Lenz, state secretary in the Chancellor's office, had concocted a scheme to coordinate the work of the Bonn Foreign Office News Department, government propaganda, the independent news agency and political work among the Germans behind the Iron Curtain. As the London Economist (October 3, 1953) pointed out, this attempted coup was but the culmination of prior efforts on the part of the Bonn government to cripple the independence of the German newspapers.

When the news of this plot leaked out, Adenauer was put on the spot. The official news service of his own party had already attacked the German journalists who opposed the plan. The Koelnische Rundschau, which serves as Adenauer's personal mouthpiece, also defended the Lenz project. Nevertheless, the unfavorable publicity was too great to be ignored and so Adenauer finally broke his silence and averred that the plan was dead. To this assurance, the London Economist commented:

"The fact remains that Dr. Adenauer's ministries (and the Foreign Office in particular) contain large numbers of men who held responsible posts under Herr Ribbentrop or his colleagues. Though they are loyal supporters of the present regime, they are expected to have at least the average German urge to suppress the critics and conduct one-sided propaganda. In spite of this week's victory, the German journalists will have to fight for their freedom time and again."

ANOTHER TARGET

Even the Office of the United States High Commissioner for Germany could not escape the pugnacious arrogance of Herr Adenauer and his colleagues. Apparently the Germans are not completely satisfied with all that they have received from the United States. Surely they cannot complain about the favorable publicity which they have received here, nor can they afford to grumble about the billions of dollars dumped in their laps since the end of the war. Yet, somehow they are still dissatisfied and the immediate target of their resentment is the Office of the United States High Commission itself.

Apparently there are some Americans in the High Commissioner's Office who have maintained a sense of historical perspective. These few have become the butt of recent attacks by German officials. Thus the Manchester Guardian (October 2, 1953) disclosed that high German officials have developed a plan "to have members of the United States High Commission removed from Germany as a result of a calculated diplomatic whispering campaign. Details of this plan were published by an American paper which listed about a dozen American officials in Bonn as being 'suspect' of anti-German feelings. This story has not yet been authoritatively denied."

A BUSINESS DEAL

The more recent episode of the Chancellor's activities since his return to office involves flirtations with the Soviets. The United Press (October 14, 1953) reported that West German businessmen had closed their first postwar foreign trade deal with Russia. The agreement will involve the use of accumulated American dollars and Swiss francs to pay for Russian wheat and oil. The report declares that the negotiations were completed "with the blessings of the West German Government at Bonn." Apropos of these negotiations, it is interesting to note that the deal was consummated in East Berlin. The United Press reported, "West German financial experts insist if the cold war were ended, West German trade with the Soviet bloc would jump up a billion dollars in 12 months."

While Adenauer's business friends were negotiating in East Berlin, the Chancellor himself has been working on the political level in the same direction. In an interview granted to the United Press on October 22 he stated:

"If the Soviet Union desired a special one (separate agreement) with Germany, let them have one."

The idea of unilateral negotiations between Germany and Russia has also been advocated in West Germany's leading conservative newspaper, the Frankfurter Allgemeine Zeitung. It pointed out that only Chancellor Adenauer himself "can convince the Kremlin of the necessity and usefulness of German policy."

These are some of the highlights of Dr. Adenauer's activities since he was swept back into office. The line of action taken by Adenauer since the election is but the logical result of the campaign he waged prior to his victory. It is not a pretty picture nor can it be regarded as a hopeful sign of things to come.

GERMANY'S "GRAVY TRAIN"

"Krupp has leading role in German trade drive." (The New York Herald Tribune, September 19, 1953.) The accuracy of this statement is confirmed by many reports appearing in the press both here and abroad. In fact, the tentacles of the Krupp empire are reaching to all corners of the world, including the countries east of the Iron Curtain. If we follow the trail of Herr Krupp & Co. we shall be able to appreciate the significance of the German assault against the commercial interests of the West.

EASTWARD BOUND

According to Business Week (August 22, 1953), Krupp and the Ruhr machinery firm Demag clinched a deal whereby they will build a $150 million steel mill for India. The Krupps succeeded in outbidding the British for this project which will eventually produce 1 million tons of steel annually. In addition, Krupp is now helping to construct a cement works 300 miles south of Bombay. According to press reports, the cement works will have a production target of 300 tons a year.

India's next door neighbor Pakistan has also been invaded by Herr Krupp & Co. They will provide consultant engineers for the Pakistan Government in order to make "a thorough survey of all production and of the possibilities of building up a sizable steel industry." (Manchester Guardian, October 8, 1953.) Moreover, Krupp will build a pilot steel plant for Pakistan which after expansion will cost roughly $85 million. The Krupps will take shares in this enterprise in lieu of monetary payments.

IN THE MIDDLE EAST

From Pakistan and India the trail leads to the Middle East. Egypt seems to be one of the main targets in this region. The Manchester Guardian reports that the Krupp directors regard Egypt as "their third most important market in the East." As in India and Pakistan, the Krupps will participate in the construction of a steel plant. Krupp will also play an important role in the development of the huge project of the Assuan Dam. This program is only a forerunner of Krupp's program for Egypt. They hope to swamp Egypt with all kinds of heavy industrial equipment and thereby become a decisive factor in the Egyptian economy.

The Krupps are also very active in Turkey. For example, they are favored to obtain the contract for the building of a bridge that would cross the Bosporus at its narrowest point, thus linking up Europe and Asia. The cost for this job is approximatley $71 million.

The Manchester Guardian reports that Syria has also come within the grip of the Krupp interests. "Krupp is actively interested in shipping industrial machinery of all kinds to Syria, probably including equipment for oil refineries. The firm has already picked up some valuable contracts in this country."

Farther west we find the Krupps in Greece and in Yugoslavia. As far as Greece is concerned, the Krupps will install a nickel processing plant as part of their plans to utilize the country's considerable nickel-ore deposits. According to the New York Herald Tribune (September 19, 1953), "Krupp's interests were previously engaged in nickel development on the Greek peninsula but this activity was interrupted by the collapse of Germany in 1945." Thus, while Hitler's armies were in Greece, Krupp had a free hand. Apparently he is now able to resume where he left off.

OPERATION "HISPANIDAD"

The Krupps are virtually up to their necks in Spain. Here under the benevolent eye of Dictator Franco, Krupp is on the threshold of new successes. The Worldover Press (April 1, 1953) reports that the new German Ambassador to Spain, Prince Adalbert of Bavaria, is playing a key role in building up a Spanish armament industry. "Adalbert is busy helping the German firm of Krupp under Spanish names, to establish a number of arms factories to turn out, notably, not only small weapons but heavy artillery and tanks." This same report discloses that Germany has already sent thousands of technicians into Spain and these are to be followed by high precision machinery.

That the German Ambassador will do a good job is to be expected in view of the fact that he is an intimate friend of the Krupp family. Undoubtedly the Krupps are happy over the fact that Adalbert has made a hit with the Spanish. "He received an elaborate welcome complete with Moorish cavalrymen as honor troops, when he presented his credentials to Generalissimo Franco. Deutschland Uber Alles was played publicly in Spain for the first time since World War II." (New York Herald Tribune, September 21, 1953.)

From Spain one of Krupp's trails leads to South America. As early as January 1953, the publication Venezuela Up-To-Date reported that the Krupps "have offered to participate in financing a Venezuelan steel industry as well as in supplying technicians. The Krupps, together with some Swiss interests, are willing to supply 50 percent of the capital needed, although the total amount required is estimated at $100 million."

Krupp is also eyeing the abundant resources of Brazil, according to the Manchester Guardian. The Brazilian Government has incurred a huge debt with Germany and the government could convert "its debts by giving firms like Krupp shares in new industrial undertakings—particularly in iron ore development schemes. * * *" In this connection, the London Economist (September 26, 1953) reveals that joint German-Brazilian enterprises as well as purely German factories will be set up which of course "will buy their equipment in Germany."

U. S. A.—A TARGET TOO

The enterprising activities of Herr Krupp and company are indicative of the general resurgence of Germany's industrial power vis-a-vis the West. In discussing this development, many publications in the United States seem to imply that it is strictly a worry for the British and French. The fact of the matter is, however, that the United States, too, is a target for the Krupps and other industrial war lords of the Ruhr. Thus, the New York Times (August 6, 1953) reported that Germany had supplanted the United States in the markets of Turkey.

The Wall Street Journal (October 5, 1953) noted, "the Germans are raising cain with some United States businesses in parts of the south of the border region too. Early last year the United States outsold Germany by over 2 to 1 in Argentina. By early this year the Germans had stepped out in front."

The U. S. News & World Report (October 9, 1953) discussing German competition as it affects other countries, including the United States, admitted that "the Germans are outpacing the rest of the export field."

Business Week (August 29, 1953), observed "German industry will mount a big trade fair in Mexico City next spring. It's well timed: you hear more and more demands from Mexican businessmen to expand the nation's trade with Europe and Asia, break its 'economic dependence on the United States.'"

The U. S. News & World Report (October 30, 1953) declared, "Germans are running off with trade and influence in the Middle East. United States and Britain, once tops, are left behind." The article deals in detail with German penetration in the Middle East, economically, militarily, and politically. (See our article "Berlin To Bagdad," No. 41 issue Prevent World War III.) Even in the little region of Yemen in Saudi Arabia, the Germans have just obtained a 90-year concession to prospect for oil. The terms of the deal, according to the U. S. News & World Report, were "a major worry for American and British oil companies." We could go on citing additional evidence proving that the United States is by no means immune to the German trade assault spearheaded by Herr Krupp.

IN THE BRITISH COMMONWEALTH

What is the secret of Krupp's successes as well as the growing challenge of German

heavy industry? Incredible as it may seem, the answer to this question may be partially found in the fact that Krupp and other magnates are receiving substantial assistance, both from Britain and the United States.

Let us take the case of Britain. Several years ago, the British, together with other members of the Commonwealth, launched the so-called Colombo plan, which in many ways is the counterpart of our own point 4 program. The plan was designed to assist underdeveloped countries by the combined efforts of the more highly industrialized countries of the British Commonwealth. However, Krupp and his Ruhr friends were not asleep and they are taking full advantage of all of the facilities offered by the plan, according to a study in the British publication, New Statesman and Nation (October 10, 1953). The Manchester Guardian, mentioned above, has also noted the significance of the Krupp "putsch" in relation to the British Commonwealth and Empire. "Krupps," the Manchester Guardian writes, "seems likely to develop and anchor its interests in the new markets which it is opening by accepting shares in new enterprises. Krupps will, in fact, become part owner of key industries in the British Empire as well as elsewhere." Thus the Colombo plan has become a vehicle through which Krupps and other Ruhr outfits are making rapid headway among the underdeveloped countries.

BEHIND THE IRON CURTAIN

India, of course, is regarded by Krupps as a focal point for this attack. The Wall Street Journal (August 18, 1953) reports that 90 percent of the outbound passengers to Asia who ride the Air India Airline are German technicians and commercial men traveling to India. "German businessmen report they are receiving a friendly welcome there. 'We are lucky the Indians don't consider us one of the colonial powers,' said one trader."

But India, according to the same report, is not regarded by Krupp and other Ruhr barons as an end in itself. "India," the Wall Street Journal points out, "also could be a jumping off point for anticipated future German trade with China." One does not have to anticipate the future German trade with China because the following month, the Wall Street Journal (September 3, 1953) reported that Red China had ordered 1,200 tons of steel plates from a Ruhr mill.

The New Republic (November 9, 1953) states that Germany regards China "as a long range customer for machinery," etc. In this connection the publication reveals that "a new organization, the Asiatic Club, now sends spokesmen to Chambers of Commerce all over West Germany to expand China trade prospects. German industrialists are determined to exploit their present economic advantage and gain a foothold in Asia, pending the easing of East-West trade barriers."

POINT 4 PROGRAM HELPFUL, TOO

Krupp and his friends have not only been able to ride the gravy train of the Colombo Plan but they are also taking full advantage of our own point 4 program and other means by which the United States finances projects in underdeveloped countries. Thus in the case of India, Krupp expects the International Bank for Reconstruction and Development to cover the greater portion of the finances required for the building of the Indian steel mill. As everyone knows, the International Bank is largely dependent on American funds for its own activities. It is not for nothing that German industrialists "have become ardent advocates of the point 4 program" (New York Times, August 15, 1953).

American funds are also helping out the Germans in Greece. We do not know whether Krupp will receive American funds for the development of nickel ore in that country, but some fortunate Ruhr concern will pick up some easy money for the processing of bauxite mined in Greece. The New York Times (November 1, 1953) reveals that United States aid funds will be used to extract bauxite from one of the largest mines in Greece. But this important mineral "will be processed in Germany for defense purposes."

Finally, we come to the case of Spain. According to the authoritative Paris newspaper Le Monde, "the armament factories which Krupp is building in Spain are to be financed by the United States." If we prefer to regard the Le Monde statement as biased, then we can turn to our own press. Thus, the New York Herald Tribune (September 21, 1953) discloses that Madrid correspondents of West Germany financial publications are persistently reporting that—

"Germany will get large orders for cement for use in improving of Spanish harbors and other works, to be launched under the impending pact between the United States and Spain for American use of Spanish military and naval bases."

This report ties in with our account of the activities of Krupp's ambassador—excuse us—the West German Ambassador to Spain, Prince Adalbert. Here is the picture for all to see and to wonder. Krupp and his friends have found a new way by which they can rebuild their empires; that is, at the expense of American and to a lesser extent, British taxpayers.

A LUCKY WAR CRIMINAL

Has any decent human being forgotten that Herr Krupp was convicted as a war criminal on the grounds that he had employed slave labor and participated in the looting of Europe? The properties under his control were supposed to have been confiscated and Krupp was sentenced to 12 years of imprisonment. However, Mr. McCloy, former United States High Commissioner, threw all of that out of the window—and Krupp went free. The properties which have yet to be proven to be legally Krupp's, have been turned over to him. More than that, Krupp will receive millions of dollars of compensation for part of these properties, although it still remains to be seen whether he had legal title to them. It is interesting to note that the Chase National Bank, of which Mr. McCloy is now chairman, loaned Spain $25 million several years ago. Who knows but if Krupp's business concessions in Spain have not profited from this loan? In any event, we are not at all surprised to read the New York Herald Tribune report that "Alfred Krupp is the head of the family and thus is one of the richest men in the world. At present he is building himself a large 2-story, 3-wing villa in modern style on a wooded hillside near Essen."

The facts cited above have not received the publicity that they deserve, although the U. S. News & World Report admits that American businessmen as well as British merchants "are howling for help from their Governments," in the face of this German commercial blitzkrieg. American businessmen who are seeking protection would be well advised if they at first demand an accounting for the financing of projects which the Germans are enjoying at the expense of our taxpayers.

FAVORITISM, BIAS, AND PREJUDICE OF THE CAB—STATEMENT BY HON. JOSEPH C. O'MAHONEY

Mr. HUNT. Mr. President, I ask unanimous consent that there be printed in the body of the RECORD a statement by the former Senator from my State, Joseph C. O'Mahoney, before the Senate Committee on Interstate and Foreign Commerce on June 10, 1954, during the hearing on Senate bill 2647, a bill to create an independent Civil Aeronautics Authority and an independent Air Safety Board, to promote the development and safety and to provide for the regulation of civil aeronautics, and to promote world leadership by the United States in aviation.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF JOSEPH C. O'MAHONEY BEFORE THE SENATE INTERSTATE AND FOREIGN COMMERCE COMMITTEE RELATIVE TO ITS HEARING ON S. 2647, JUNE 10, 1954

FAVORITISM, BIAS, AND PREJUDICE OF THE CAB

The North American group, the humble beginnings of which I have already related, is now an applicant for certificates of convenience and necessity to provide coach service in three cases—in the New York-Chicago case, the Denver Service case, and the New York-Miami case. It is also involved in an enforcement case. We have petitioned the Board to consider whatever charges of violation of regulation or of law it has brought against us in the certificate application cases. We have said that since a certificate of convenience and necessity is issued after a hearing in which the Board has to determine that the applicant is fit, willing and able to serve, all of the alleged violations could be handled in the same proceeding in which we undertake to demonstrate the public demand for the service. The Board has chosen, however, to deny our request. It has insisted upon repeated trial of the enforcement case while the applications for certificates to serve the public demand are conveniently pushed aside. Thus is the crucial function of the Board imposed upon it by act of Congress, lightly pushed aside while the Board proceeds with a program, the objective of which we can believe is nothing less than the liquidation of a successful pioneer enterprise. It is conservatively estimated that we shall have been forced to expend at least a quarter of a million dollars in these cases. It is not an inexpensive operation for the Board either. What could be accomplished in one proceeding is divided into two. Thus the work of the staff is increased and the Board does not hesitate to tell Congress when seeking appropriations that it needs more employees.

Compare the attitude of the Board toward the noncertificated pioneers with the attitude it has displayed to one of the large certificated carriers. On January 21, of this year, American Airlines, Inc., filed an application for a temporary exemption by which it would be permitted immediately to inaugurate and conduct air transportation operations on a nonstop basis between New York or Washington and Mexico City. On January 21, 1954, the exemption was granted. Between the rising and setting of the sun that day, yes, in just a few hours of that day this exemption was granted. The Board did make a slight concession to procedural rules. It insisted that an application should be filed. Commissioner Lee in his dissent calls our attention to the fact that the proposal was first brought to the attention of the Board at noon on January 20. A letter from American Airlines presented the petition with a request for secrecy. The Board did refuse the petition for secrecy but instructed the examiner to send the matter back for refiling. Then followed an amazing example of speed with which the Board can extend its consideration to a certificated carrier. America's application was filed with the CAB at 8:52 a. m., January 21, 1954, 8 minutes before 9. At 9 on the morning of January 21 the Board convened, the exemption was approved 3 to 2 and the matter was adjourned at 9:40 a. m.

Let me read a single sentence from each of the dissenting opinions. Commissioner Adams put it thus:

"I cannot subscribe to such precipitant action, cut across all procedural rules of this Board, when it gives no consideration to the

existing rights of other American carriers in the contest for a New York City–Mexico City route."

Commissioner Lee summarized it thus:

"I must vigorously object to the unprecedented and drastic action of the majority which disregards the legal requirements of the Civil Aeronautics Act, the President of the United States, and denies other air carriers due process of law—all for the purpose of protecting the monopoly of American Airlines to Mexico."

Mr. Chairman, is this the manner in which the Congress of the United States desires to have the work of the Civil Aeronautics Board conducted? Is this the way the Congress of the United States wants to have the public interest served? Is this the way to preserve a free economy in the United States? Is it the way by which favored applicants may be granted valuable rights without notice or hearing while successful and unsubsidized pioneers who have extended the boundaries of air traffic, who have promoted and developed air transportation and opened the airlanes to people who cannot afford to pay the high rates the subsidized certificated carriers have been charging?

Later I shall undertake to discuss in greater detail the hostile attitude of the Board toward the North American group and to all ambitious citizens who have desired with their own money and their own energy to promote transportation by air. I should like now to discuss the deep constitutional issues and the grave dangers which are involved in the delegation by Congress of the lawmaking power. When the Civil Aeronautics Act was passed, it was not the intent of Congress to build any monopoly or to select a favored few to conduct air transportation. It was the stated purpose as I shall show to encourage and not to restrict the development of air transportation. The Members of Congress wanted an air system that would serve all of the people of the United States. To this end it undertook to subsidize the development not only by airmail pay but also by cooperating with the communities of the country to build airports equipped with facilities to make flying safe and efficient. The only thought Congress had of the grandfathers, 16 years ago, was to protect them from being denied the right to fly before they could apply for a certificate. The history of the intervening years has shown how the will of Congress can be overridden by bureaucratic power.

HOW THE LEGISLATIVE POWER IS DRIFTING AWAY FROM CONGRESS

I am sure it is unnecessary to remark to this committee that during the last 60 or 70 years the growth of interstate and foreign commerce as compared with intrastate commerce has brought about the steady creation of new Federal boards and commissions. As the radius of business increased, the Federal bureaus grew, both in number and in power. This growth took place year by year, regardless of the political color of succeeding administrations. One of the results was the appearance of an utterly new branch of law practice, namely, administrative law. This was found to be a profitable field of practice by lawyers who made themselves acquainted with the intricate rules and regulations Congress authorized the new bureaus to write. One of the most important problems of this era is how Congress can continue to be the source of legislation while it continues to delegate to the Federal boards and commissions, broad and unlimited discretion over the economic life of the people. Once it was thought sufficient for Congress to establish these standards within which this discretion could be exercised, but it is becoming more and more difficult steadily to define the standards.

It is impossible, I grant, for Congress in this era of complexities in economic life and concentration of business management to legislate with respect to all of the details for which provision must be made under modern conditions. Some delegation of legislative power is unavoidable, but when Congress vests bureaus with broad discretion to write and enforce rules and regulations, the inevitable end result is the surrender by representatives of the people of a vast portion of the legislative responsibility which belongs to Congress alone.

Congress saw the executive power steadily increasing and finally recognized that what was happening was a transfer of legislative power to the executive branch of Government. The gravity of the problem was realized and Congress passed the Administrative Procedure Act of 1946, the purpose of which was to deprive the bureaus of the power they had assumed to be law maker, law enforcer, judge, and jury, all at the same time through the writing and enforcement of rules and regulations. Congress had passed laws stating in general terms the objective to be served, but in the same laws it became the custom to grant to the executive and to quasi-judicial boards and commissions a discretion for which there were frequently only the vaguest guides to limit the regulation writers. It was to prevent what was deemed to be an abuse of this power that the Administrative Procedure Act was passed. Administrative agencies were required to hold hearings before issuing regulations that would hinder trade and circumscribe the freedom of the people. This is precisely what has happened under the Civil Aeronautics Board. Our defense in the enforcement proceeding has been that the economic regulations we are accused of having violated were not issued in accordance with this act, that they were, in effect, ex post facto laws designed to liquidate a successful, unsubsidized air transportation system before it could prove either before the Board or before the Congress that it was entitled to a certificate of convenience and necessity.

I shall undertake, before I have finished, to show that the fault here, so far as we are concerned, is not the result of anything we have done, but is a result of the manner in which the intent of Congress is overridden by the CAB. What is done by one bureau can be done by another. Temptation of the executive agencies to take into its hands more and more power when Congress has written a blank check is difficult to resist, and Members of Congress are so overwhelmed with a multiplicity of duties that it is impossible for them ordinarily to take the time necessary to reveal the extent to which the Congress is losing the legislative power.

If you were to ask the librarian of the Senate to send down to this committee room the volumes in which the Executive orders of the President alone are printed, you would be appalled by their number and their bulk.

More than 10,000 such orders have already been issued. They grow in number year by year. They cover increasingly diverse subjects. The regulations which are written, to make them effective, take up more than a score of volumes. More space is required to print them than to print the United States Code itself. The day may not be far distant when this Congress will awaken to the fact that it has delegated away to the executive branch of the Government the lawmaking power with which it was vested by article 1 of the Federal Constitution. There has been no change in the Constitution in this respect, but a major part of modern administrative law is written in the bureaus without any of the safeguards that surround the drafting of a law in Congress. Before any bill may even be considered by the Congress it first must be introduced by its sponsor and printed for the information of all Members and of the public. Unless in a rare case of emergency either House should feel it necessary to act immediately, the bill must be sent to a committee where it is subjected to analysis by the members of the committee and by the public. Indeed, it is seldom that any measure of importance affecting the public interest is considered without a public hearing. The legislative reorganization sought to broaden the scope of public hearings so that Congress would legislate in a crystal ball for all the people to see. The ideal was that public laws should be publicly enacted. So insistent has Congress been upon this principle of public knowledge that even minor bills cannot be enacted when the calendar is called if a single Member objects.

The pressures on Congress are so great, however, that we must acknowledge that these safeguards are being eroded away. Attendance by Members upon the floor of each House is made difficult by the meetings of committees and attendance upon committee meetings is made difficult by the meetings of other committees, so that in an increasing degree Members are forced to rely upon the judgment of their colleagues in the examination of bills. Even with this loosening of procedure, forced by the expansion and concentration of the economic life of the Nation, lawmaking is still surrounded by many more safeguards to protect the public than is the writing of Executive orders and bureau regulations. Until the passage of the Administrative Procedure Act all rules and regulations were written behind closed doors, without any requirement of being first printed for public information. It was not until the passage of the Administrative Procedure Act that the bureaus were required to give notice that regulations were being proposed. Executive orders are still written behind the closed doors of the executive offices, without public notice or public audience. The constitutionally elected makers of the law have no share in the writing of executive orders for, with respect to rules and regulations, that responsibility they have assigned away. So we have come to the time when much of the public business is conducted in secret and the public at large is not aware of the rules and regulations that must be obeyed until after they have been promulgated.

This is the condition which this committee faces now in the consideration of the McCarran bill. The Senator who played a prominent part in the original legislation proposes a general revision of the Civil Aeronautics Act. The chairman of the President's Air Coordinating Committee, Under Secretary of Commerce for Transportation, Robert B. Murray, Jr., and the chairman of the Civil Aeronautics Board, former Senator Chan Gurney, reject the proposal practically in toto. Senator Gurney in effect endorses the Civil Aeronautics Act as it stands and believes that minor changes from time to time will be adequate. Under Secretary Murray, in presenting the report of the President's Air Coordinating Committee, uses general language to advocate a policy of merger and consolidation by which a new air map of the United States is to be drawn and the industry so consolidated and controlled that the door would be permanently shut to all investors who might desire to enter. Under a universally favored policy of terminating air subsidies, he would establish monopoly and ban the possibility of free entry into the aviation field. What other interpretation can be placed upon the language used by Mr. Murray in presenting the report to this body of May 27 last. Describing the program which is recommended for the future of air transportation, he says that "it calls for the establishment at this time of definite schedules for the orderly reduction and eventual elimination, of subsidy support for domestic carriers now receiving such aid. It also calls for prompt action, by industry and Government, to effect route modifications, mergers, and other adjustments required to strengthen the industry, and give it the fullest possible opportunity for meeting a

reasonable schedule for subsidy withdrawal. In this connection, the report points out the necessity for avoiding uneconomical duplication of service, and for giving particular attention to this matter in the consideration of new route applications."

Mr. Chairman, consider the implications of this statement. How many cities are to be denied service when industry and Government get together to recarve the aviation map of the United States? The conference may be in the closed room of the Civil Aeronautics Board. It may be in the office of the Under Secretary for Commerce. It may be in any one of the great conference rooms with which the public buildings are provided, rooms which have no galleries for the public and even no tables for the press. How many congressional districts will find the service they now enjoy or hope to enjoy eliminated if these modifications and mergers are to be carried on without the active supervision of the Congress? How many struggling little feeder lines which are now helping to build up unpopulated areas and to develop natural resources the Nation needs, will be faced with the alternative of going out of business or yielding to the suggestion of "industry and Government" to accept some route modification or enter some merger worked out in secret without any of the safeguards thrown about the making of a law? The phrase, "industry and Government," of course, means the managers of the big truck lines, their spokesmen in the Air Transport Association and appointive officials in Government who do not owe their jobs to the ballots of the people. It is the inevitable tendency of bureaus to lose sight of the needs and desires of the people and communities and to give more weight to the arguments by which the advocates of concentrated business rationalize the purposes and programs which they develop for their own organizations.

Witness the fact that in the 16 years since the Civil Aeronautics Act was passed, the Board has not by order commanded any additional service by any line to any area or to any community. It has considered this and it has considered that. It has ordered studies of reduced rates on certificated carriers and studies on the role of the so-called irregular carriers but it has done nothing. It is so much easier to allow the representatives of a grandfather carrier like American Airlines to walk into the Board and in 8 minutes, without public hearing, rule or regulation, obtain an exemption worth how much, nobody can tell.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. President, I notice that the Senator in charge of the bill [Mr. FERGUSON] is temporarily absent from the Chamber. He is expected to return in a few moments, and I do not wish a vote on my amendment until he does return.

The purpose of my amendment is very simple. All it attempts to do is to spell out the provision that none of the funds appropriated in this act shall be used unless, so far as practicable, all contracts are awarded on a competitive basis to the lowest responsible bidders. This is to stop the present practice in awarding contracts of giving consideration not so much to the lowest responsible bid but rather to the employment situation in certain areas. This is not a make-work bill. I feel that contracts covered by the bill should be awarded on a businesslike basis.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. PASTORE. I wish to say at the outset that I am opposed to this type of amendment, because I think the present system has worked well. The distinguished Senator from Delaware has been a very astute and successful investigator. Can he tell us of any case in which this practice has led to abuse?

Mr. WILLIAMS. Yes; I think so. A few months ago there was a case in which the Navy called for the submission of bids on either 2 or 3 destroyers. Various bids were submitted. In this particular case the lowest bid was submitted by a shipyard in Bath, Maine. The next lowest was from a shipyard in Quincy, Mass., and was about $8 million higher than the bid from the shipyard in Maine.

The Navy awarded the contract to the shipyard in Quincy on the basis that it had less work and that there was more unemployment in that area. I think there was some slight downward adjustment of the price but not nearly enough to offset the difference between the two bids. The shipyard in Maine had been recognized by the Navy, and is recognized today, as a responsible bidder. At the time of the bid it was working on other Navy contracts for the same type of ship, and it has since had contracts awarded to it.

I see no justification for having awarded this contract to the shipyard at Quincy at a cost of $8 million higher than the bid of the shipyard in Maine.

Mr. PASTORE. Is this the case which was discussed on the floor of the Senate the other day by the Senator from Maine [Mrs. SMITH]?

Mr. WILLIAMS. It is.

Mr. PASTORE. Is this the only instance the Senator can cite at this time?

Mr. WILLIAMS. It is the only example I call to mind at this particular time.

Mr. PASTORE. Does not the Senator feel that it is somewhat the responsibility of the National Government to alleviate distress situations in certain areas where there is a great amount of unemployment?

Mr. WILLIAMS. Yes; but not through a bill of this kind. We are enacting a $34 billion defense bill. The purpose is to build the necessary military equipment for our Armed Forces. This is not a make-work bill. The purpose is not to award contracts in this or that area on the basis of unemployment.

The reason I use the phrase "so far as practicable" in my amendment is that there are instances in connection with our national defense program in which it would not be practicable or feasible for the Government to solicit bids. One such example is in the atomic energy field. It would not be wise to call for bids in connection with certain contracts and certain purchases. In such cases the Secretary of Defense should have discretionary authority.

By the same token, if the lowest bid comes from a certain area, and if in another area there is distress caused by unemployment, we would have no objection to the higher bidder, provided he is responsible, renegotiating his bid and submitting a bid which is as low as or lower than the lowest responsible bid on record. I would have no objection to the Secretary of Defense considering such a bid on a renegotiated basis, provided the cost to the Government was no greater.

Mr. PASTORE. Does the Senator believe that such leeway is permitted by the language of his amendment?

Mr. WILLIAMS. If the Senator has any suggestion as to the language of the amendment, or any other suggestions, I should be glad to consider them. I have stated previously in discussing similar amendments that I think we must leave some discretionary authority with the Secretary of Defense. At the same time I feel that it is our responsibility in the Congress to spell out exactly what we wish to do. I do not believe that the Secretary of Defense should award a contract to the higher bidder. Surely an unemployment area, whether it be in Rhode Island, Delaware, or any other State, can compete on an equal basis with any other area. If it cannot compete with other areas, then I say again we are not debating a make-work bill. We do not build tanks for the mere purpose of keeping men employed. We have a tank factory in the State of Delaware which I should like to see in operation, but if we do not need the tanks they should not be built.

Mr. PASTORE. Does the Senator intend by his amendment to provide that if, in a State where there is widespread unemployment a responsible bidder submits a bid which is slightly higher than the lowest bid, and if the higher bid matches the lowest bid, the Defense Department would have the right to grant the contract to the bidder in the distressed area?

Mr. WILLIAMS. I beg the Senator's pardon. I did not quite understand his question.

Mr. PASTORE. Does the Senator mean by the language of his amendment that if in a particular State there is widespread unemployment—a distressed area, so to speak—and a bidder in that State submits a bid which is slightly higher than the lowest bid, and if the higher bidder matches the lowest bid, would the Defense Department under the Senator's amendment have the right to award the contract to the bidder in the distressed area?

Mr. WILLIAMS. In a situation such as described by the Senator from Rhode Island, does not the Senator believe that in such an area, whether it be Rhode Island or Delaware——

Mr. PASTORE. I am not speaking about Rhode Island.

Mr. WILLIAMS. Let us take Delaware, then, as an example. If there is so-called widespread unemployment, why could not the bidder in such an area bid on a competive basis as low as the other bidder?

If we are to take a position otherwise, we are, in effect, saying to a company in a certain area, "Regardless of how high you may bid, we will award the contract in your area, because in your area there is unemployment."

Mr. BUSH. Mr. President, will the Senator yield?

Mr. PASTORE. All I am trying to find out is whether the Senator's answer to my question is "Yes," or "No."

Mr. WILLIAMS. The answer is as I already gave it. I said a contract should not be awarded based upon the record of unemployment in an area without due regard to the lowest bid submitted.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BUSH. What I have to say is apropos of what the Senator from Rhode Island has been saying, with respect to a bid in a distressed area not being as low as a bid made in some other area. It must be realized that in an area where there is a great deal of activity the cost of production goes down with the increase in production, whereas in an area which is unfortunate enough to have lost considerable business for one reason or another, and, therefore, may be called a distressed area, industrial concerns are not perhaps in as strong a competitive position as are those operating where there is a great deal of business.

It does not seem to me that the suggested language in the amendment of the Senator from Delaware gives sufficient leeway to the Defense Department to enable it to recognize such a situation. In other words, the tendency under the proposed amendment would be to load the work more and more into an area where there is considerable business already. I do not believe that would be desirable.

Mr. WILLIAMS. That is not my intention. I will ask either Senator if he feels that the practice followed in awarding the shipbuilding contracts to the Quincy, Mass., yard, at a cost of $8 million higher than it would have been if awarded to the other responsible bidder, whose bid was on the desk of the Secretary of Defense at the time the contract was awarded, is good business practice?

Mr. PASTORE. I do not wish to put myself in the position of defending such action, because, for one, I do not know anything about it.

Mr. WILLIAMS. That is my question.

Mr. PASTORE. The only question I am raising is that we must recognize the fact that there are certain areas in the country in which, for reasons too numerous to mention, there is widespread unemployment. After all, only a fraction of the contracts involved can be awarded to such areas. I understand that the practice has been, even though a bid coming from a distressed area might be slightly higher than one coming from an area where there is full employment, a bidder in the distressed area must match the low bid. I do not see where such a practice has done any harm, if the system has been carried out fairly and honestly.

Mr. WILLIAMS. The situation is not as the Senator describes it. The contract in the case I have cited was awarded to the second or third highest bidder and was not awarded on the basis of meeting the lowest bid on a renegotiated basis, but the Government paid $8 million more.

I see no justification for such a waste of the taxpayers' money.

The Senator from Rhode Island asked me to name a case. I gather from his remarks that he is not defending the transaction I cited. Now I should like to reverse the question and ask him to name a case where an area has suffered because sound business practices were followed in awarding Government contracts. Can the Senator name any particular case?

Mr. PASTORE. No; I cannot. However, let me ask my question again. If in a distressed area a bid is made which is slightly higher than the lowest bid, but the bidder in the distressed area matches the lowest bid, is it the intent of the amendment to give the Department of Defense discretion to award the contract to the bidder in the distressed area? I am talking about the same amount of money. I do not want the Government to pay any more money to one firm than to another firm for the same quality and quantity of work. I am not in favor of such a practice at all.

Mr. WILLIAMS. If there are two responsible bidders, and one is just as low as the other, I believe the contract should be awarded in the area which has the greater amount of unemployment.

Mr. PASTORE. Provided the bids are identical?

Mr. WILLIAMS. That is what the Senator said. The Government was not to pay more.

Mr. PASTORE. No; I did not say that at all. I have not said that at all.

Mr. BUSH. The Senator from Rhode Island said where one bid was slightly higher.

Mr. PASTORE. Let us assume that there is a margin of 10 cents.

Mr. WILLIAMS. Just a moment, please.

Mr. PASTORE. May I ask my question?

Mr. WILLIAMS. I will yield for a question in a moment. Let us not become picayunish when a $35 billion bill is under consideration by talking about 10 cents. The Senator from Rhode Island has not named a single case where harm was done under the conditions I have mentioned. On the other hand, I have named a case. Let us talk about the Quincy Shipyard case, where there was an $8 million differential. Let us talk about an actual case.

Mr. PASTORE. I do not mean to be impertinent.

Mr. WILLIAMS. Then let us not talk about 10 cents but keep to the facts.

Mr. PASTORE. I do not mean to be impertinent with the distinguished Senator from Delaware. I am asking a question.. I am trying to find out what the amendment means.

Mr. WILLIAMS. The amendment means that the Defense Department should not award a contract which is $8 million higher than another responsible bid which is lying on the Defense Department's desk at the same time the contract is awarded. I am trying to stop such a procedure.

Mr. PASTORE. Will the Senator yield for a question?

Mr. WILLIAMS. I yield.

Mr. PASTORE. If in a State there is widespread unemployment and a bidder in that State submits a bid which, on a $10 million contract, is 10 cents higher than that of another responsible bidder in a State where there is no unemployment, does the amendment mean that the Defense Department must give the contract to the bidder in the prosperous State?

Mr. WILLIAMS. I should like to ask the Senator if he has ever seen a difference of 10 cents in a multi-million-dollar contract?

Mr. PASTORE. I have seen a great many of them in which a fraction of a dime was involved, or a fraction of a nickel, or a fraction of a penny. The law is the law. The question is, what does the amendment mean?

Mr. WILLIAMS. It means that the contract must be awarded to the lowest responsible bidder and you know that we are not talking about a difference of 10 cents on a multi-million-dollar bid. We are speaking about the kind of contract I have cited. If the Senator has in mind any language which would be more effective than the language of my amendment, I ask him to suggest it.

Mr. CHAVEZ. Mr. President——

Mr. BUSH. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. The Senator from Rhode Island has made it clear that he does not want the Government to pay any more money than is necessary. If the Senator believes my amendment does not do what I have in mind, I would suggest that he propose language which would give the right to the Secretary of Defense to renegotiate bids. I said I have no objection to giving the Secretary of Defense the right, after receiving bids, if he believes for some reason it is better to award the contract in one area rather than in another area for unemployment reasons, and if the bidder in such an unemployment area is willing to renegotiate his bid and resubmit it by making it as low as or lower than the bid of the other responsible bidder, to awarding the contract on that basis.

Mr. PASTORE. Would the Senator from Delaware accept my suggestion to delete from the amendment the words "so far as practicable," and substituting in lieu thereof the words "unless in the public interest and welfare"?

Mr. WILLIAMS. No; I would not do that, because this is not a welfare bill.

Mr. PASTORE. But it may be that the national interest is involved.

Mr. WILLIAMS. I most respectfully suggest to the Senator from Rhode Island, because he is a lawyer, that he read the act, and he will see that the President of the United States can declare an emergency to exist and override the entire section. He has that power.

Mr. BUSH. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. BUSH. Would the Senator accept an amendment which would strike out the words "so far as practicable" and substitute therefor the words "unless in the public interest," dropping out the word "welfare"?

Let me amplify my question a little bit. Occasions may arise, indeed, frequently, where it would be in the public interest not to award a contract to the lowest bidder, not only for the reasons stated by the Senator from Rhode Island, but because in the case of large operations there must be planning and technical staffs, and if those staffs are allowed to disintegrate because of lack of business, replacement becomes almost impossible. Our budget is likely to be large for a great many years, and it seems to me that the Secretary of Defense should have some discretion in the matter. He should not be absolutely limited and required to award a contract to the lowest responsible bidder.

Mr. WILLIAMS. I will say to the Senator from Connecticut that while the Defense Department has not endorsed this amendment, they would prefer the words "so far as practicable" to remain in the amendment.

Mr. BUSH. But I do not know what they mean.

Mr. WILLIAMS. I think such an amendment as the Senator suggests would not accomplish the purpose which he intends to accomplish. The "national interest" clause could be interpreted as authority to take into consideration the unemployment situation as an excuse to disregard the lowest bid. That is what I am trying to prevent.

I would have no objection to the proper language being incorporated in the bill which would confer upon the Secretary of Defense authority, in the event he felt it was better to renegotiate with a bidder and award the contract to a bidder, in a so-called distressed area provided that the contractor in that area was willing to meet the lowest bid. I am willing to give that discretionary authority to the Secretary of Defense. If the Senator will write the language, I shall be glad to accept it.

Mr. PASTORE. Mr. President, will the Senator from Delaware yield further?

Mr. WILLIAMS. I yield.

Mr. PASTORE. If the Senator is intent on retaining the words "so far as practicable," would he agree to an amendment that would read, "so far as practicable in the public interest"?

Mr. WILLIAMS. I think, if the Senator will read the law, he will find that the President of the United States has adequate authority to declare that in the public interest he will waive this entire section of the law. He can do so by declaring a national emergency.

Mr. PASTORE. I am afraid not, if we say that it is the desire of the Congress of the United States to give these awards to the lowest responsible bidder. We should make a record on the Senate floor to the effect that in certain cases where there may be extenuating circumstances, it would be better in the public interest to award a bid to a somewhat higher bidder in an area where there are many workers available to do the work quickly and well, and that the defense department by law would have the discretion to do so.

Mr. WILLIAMS. The Secretary of Defense made the statement that he had agreed to award a contract to the Quincy Shipyards in what he thought was the best interest of the Government. I did not agree with him, but I respect his position. I think Congress should spell out clearly whether we intend these contracts to be awarded on a competitive basis and to the lowest bidders, or to be awarded merely on the basis of the need of work in a certain area.

We should not adopt a policy which would encourage Senators to make speeches exaggerating the unemployment situation in their areas for the purpose of persuading the Secretary of Defense to award contracts in their States. This is not a relief bill.

Mr. KUCHEL. Mr. President, will the Senator from Delaware yield to me for a few moments, without losing his right to the floor?

Mr. WILLIAMS. With that understanding, I yield to the Senator from California.

MODERNIZATION OF MERCHANT VESSELS IN THE MOTHBALL FLEET—ADDITIONAL COSPONSOR OF BILL

Mr. KUCHEL. Mr. President, earlier this month, while I was unable to be in the city, the senior Senator from Maryland [Mr. BUTLER], in company with a number of our colleagues, introduced a bill to set in motion a sorely needed program to modernize a number of merchant vessels in the Nation's mothball fleet and make sure that our second line of defense does not deteriorate to such a point that an emergency would find the United States tragically unprepared. That bill is S. 3546, to provide an immediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense, I now ask unanimous consent to have my name included as one of the cosponsors. I have received the consent of the Senator from Maryland.

Since my State has a long history of participation in the Nation's maritime activities, I welcome this proposal. It would make possible a type of national security insurance which this country should consider a prudent investment. I deeply appreciate the generous permission of the senior Senator from Maryland to be included as a cosponsor of the bill, which I hope will be reported favorably and passed during the present session.

The plan to improve and put in up-to-date condition some 200 ships now in the decommissioned reserve should be authorized for a variety of compelling reasons. I believe this form of insurance, as I view it, is an economical way of keeping in readiness a vital segment of the country's tremendous production potential that was the eventual key to success in World War II. At the same time it will strengthen the peacetime economy which all of us always are striving to promote.

The role played by California men and women during World War II in turning out ships of all types is well known. However, in many respects superhuman effort was required to achieve the record of which the people of my State are so proud. By enacting legislation such as the Emergency Ship Repair Act to which I have referred I hope it will be possible in the unfortunate event of other troubles to reduce the difficulties and problems that had to be surmounted between 1941 and 1945. I even dare to voice a hope that by such a modest expenditure we may register progress in discouraging any prospective aggressor from adding to the present tensions of the world.

I am not an alarmist, and I fervently hope the existing pressures can be eased. Yet I am convinced this country would be shortsighted in the extreme to overlook any precaution, any possible source of strength, that might equip us for any unfavorable situation that might develop and threaten our well being and our security.

Enactment of the emergency ship repair bill would have two immediate and tremendously valuable results. As pointed out recently by Rear Adm. B. E. Manseau, Deputy Chief of the Navy's Bureau of Ships, it would benefit this country's distressed shipbuilding and ship repair industry and at the same time augment the strength-in-being of our reserve merchant marine which would be indispensable in the event of an outbreak of hostilities.

On every one of our coasts and on the Great Lakes the shipyards on which we must count to keep our overseas lifelines unbroken are confronted with serious problems. As other nations have recovered from the effects of World War II, an expanding ability to supply their own needs and recovering national pride have caused an inevitable decline in the need for ships from American yards. For nearly a decade now, the declining operations of our shipyards have had alarming and far-reaching consequences in the dispersion of the skilled forces, trained in one of the most highly specialized types of work, who are the backbone of this essential industry.

Our national experience in World War II and Korea, when the logistic support furnished by American shipping made the merchant marine a true fourth arm of national defense, demonstrated conclusively the dependence our Military Establishment puts on the ships and men constituting this Reserve on which the United States has made tremendous demands twice in only a little more than 10 years.

I realize that some naval construction is going on and planned for the future. I am aware that the Administration has proposed building a handful of new passenger vessels. But shipbuilding and ship repair work has declined to such a point that week by week and day by day workers are forced to move to other areas and to look for jobs in other industries. At the same time, the hundreds of ships in the mothball fleets are becoming more and more outmoded. If

a new emergency should happen, our defense forces would be compelled to call into service auxiliaries which would be far from adequate and the men and machinery to put many into shape would not be poised for action.

The importance of carrying on a continuing program of modernizing the craft in our reserve fleet is imposed forcefully on me because California is a coastal State and the lives and prosperity of so many of its people are directly linked with the merchant marine. The bill of which I am proud to become a cosponsor proposes a soundly-conceived formula, at a cost which is entirely within range of our pocketbook, for taking out additional national life insurance which the United States cannot afford to be without.

The PRESIDING OFFICER. (Mr. PAYNE in the chair). Without objection, the Senator's name will be added to the bill as a cosponsor.

INDEPENDENT OFFICES APPROPRIATION BILL, 1955—CONFERENCE REPORT

Mr. KNOWLAND. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. KNOWLAND. There is at the desk a conference report, which is a privileged matter. I do not believe it will take more than a few minutes to dispose of it. I have consulted with the distinguished minority leader about it, and he has no objection to its consideration. I now ask that the conference report be laid before the Senate.

Mr. BRIDGES. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8583) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see proceedings of House of Representatives of June 15, 1954, pp. 8380–8382, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. SMITH of New Jersey. Mr. President, I should like to refer for a minute to the appropriation for the National Science Foundation. I notice in the statement of the House managers, at page 9 in the conference report, the following:

> The committee of conference is agreed that of the total amount provided, not to exceed $771,000 is available for administrative expenses of the Foundation.

Is my understanding correct that the above statement refers to the amount of this appropriation available for personal services?

Mr. BRIDGES. I may say to the distinguished Senator from New Jersey that the conference has agreed on an appropriation of $12,250,000. The House had increased last year's amount from $8 million to $11 million because of a transfer of $3 million on basic research from the Department of Defense, and the Senate amendment was to restore the full estimate of $14 million.

The amount agreed upon will provide about $11 million for grants for the support of research and for the training of scientific manpower.

As to the administrative expenses, the conference report states that "not to exceed $771,000 is available for administrative expenses of the Foundation."

The House report stated:

> The committee is of the opinion that the Foundation is overstaffed in administration and it certainly should not increase over the present level. No limitation has been placed on personal services in the bill this year, but funds for increased staff are specifically denied. The Foundation requested $982,000 for personal services in its budget presentation in 1954, but the committee approved only $771,000. In its budget for 1955 this agency shows it will spend $974,000 in 1954 for personal services which is substantially the amount of the request, although only $8 million of the $15 million requested was approved. The committee feels this is a disproportionate increase and will be following expenditures for this purpose closely to see if a limitation is necessary in the future.

I understand this language in the House report was discussed during the conference, and I further understand that the $771,000 referred to was intended to limit only the personal services and was not intended to limit the entire administrative expenses of the Foundation.

It is true that $771,000 for personal services would mean a reduction from the 1954 level of $974,000 as stated in the budget, but such reduction is in line with the position of the House. If such reduction is not workable, a request could be considered on the supplemental bill soon to come from the House.

Mr. SMITH of New Jersey. I thank the Senator from New Hampshire for the explanation.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 8583, which was read, as follows:

> IN THE HOUSE OF REPRESENTATIVES, U. S.,
> *June 16, 1954.*
>
> *Resolved*, That the House recede from its disagreement to the amendments of the Senate numbered 7, 11, 12, 21, 35, and 38 to the bill (H. R. 8583) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes, and concur therein;
>
> That the House recede from its disagreement to the amendment of the Senate numbered 8, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert: "rental in or near the District of Columbia only if no suitable Government-owned space is available in such area as determined by the General Services Administration."
>
> That the House recede from its disagreement to the amendment of the Senate numbered 22, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert: "the salary of a special counsel, but not in addition to staff otherwise authorized, at the salary rate of grade GS–18 so long as such position is occupied by the initial incumbent thereof."
>
> That the House recede from its disagreement to the amendment of the Senate numbered 24, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert: ", including additional costs of establishing and operating a central staff for investigation and compliance functions for the Housing and Home Finance Agency, and the Administrator's general supervision and coordination responsibilities under Reorganization Plan Numbered 3 of 1947 shall hereafter carry full authority to assign and reassign functions, to reorganize and to make whatever changes, including the reallocation and transfer of administrative expense funds and authority where applicable, necessary to promote economy, efficiency, and fidelity in the operations of the Housing and Home Finance Agency."
>
> That the House recede from its disagreement to the amendment of the Senate numbered 49, and concur therein with an amendment, as follows: In lieu of the sum of "$15,810,000" named in said amendment insert: "$11,200,000" and in lieu of the date "March 31, 1955" in said amendment insert: "December 31, 1954."

Mr. BRIDGES. I move that the Senate agree to the amendments of the House to the amendments of the Senate numbered 8, 22, 24, and 49.

The motion was agreed to.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDING OFFICER. The Senator from Delaware [Mr. WILLIAMS] has the floor.

Mr. CHAVEZ. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. CHAVEZ. I am interested in the amendment of the Senator from Delaware, which reads as follows:

> None of the funds appropriated in this act shall be used except that, so far as practicable, all contracts shall be awarded on a competitive basis to the lowest responsible bidder.

I should like to have the opinion of the Senator with respect to whether or not the word "responsible" does not imply discretion in determining whether or not the lowest bidder is No. 1, No. 5, No. 6, or No. 8.

Mr. WILLIAMS. Yes; it does, to a certain extent.

Mr. CHAVEZ. The amendment does not provide that a contract shall be awarded on a competitive basis to the lowest bidder; it provides that it shall be awarded on a competitive basis to the lowest responsible bidder.

Mr. WILLIAMS. The reason I included that word—and I did so intentionally—was that I could conceive of a situation in which an individual with no responsibility whatever might merely submit a bid. In that event, acceptance of the bid would not be in the interest of the Government or of anyone else.

Mr. CHAVEZ. I think the word is necessary and is a very happy choice.

Mr. WILLIAMS. The discretion of determining who is responsible and who is not responsible is reposed in the Secretary of Defense.

Mr. CHAVEZ. The word "responsible" carries many connotations.

Mr. WILLIAMS. That is correct.

Mr. CHAVEZ. It might mean the physical ability to fulfill the contract and to perform the service which the Army wants done. It might mean financial responsibility. There are all kinds of responsibility. So this language does not necessarily mean that a contract would be given to the lowest bidder.

Mr. WILLIAMS. Oh, no; not unless the low bidder was also recognized as a responsible bidder.

Mr. CHAVEZ. The responsibility of determining who was the lowest bidder would still be reposed in the Secretary of Defense. Am I correct?

Mr. WILLIAMS. That is correct.

Mr. CHAVEZ. That being so, is it not surplusage to use the words "so far as practicable"?

Mr. WILLIAMS. The reason for including those words is that situations arise in connection with the military defense when it might not be practicable to solicit competitive bids. I am thinking particularly of bids in the atomic-energy field. It is more likely that contracts for work in that field would be negotiated with particular firms which are equipped to do the type of work required. After all, in order to obtain competitive bids, the military must prescribe certain requirements for the specific types of construction desired. Sometimes it might not be proper, in the national interest, to describe the nature of the work to be done, so contracts are negotiated; and, of course, the Renegotiation Act provides for the recovery of the excess profits.

Mr. CHAVEZ. I understand what the Senator from Delaware has in mind, but it appears to me that merely the use of the word "responsible" carries out the idea because, after all, when the Secretary of Defense passes judgment on a contract, he must determine whether the contractor is responsible.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. MAYBANK. The Senator knows that last year there was a long fight here over the question raised by the Senator's amendment. I might say it is my understanding that in the pending bill there is contained the amendment which was agreed to in conference. The Senators from New Mexico and Arizona are familiar with some instances where bidders who were not responsible obtained contracts, and the business was taken away from either New Mexico or Arizona and given to a firm in New York which had no connection or business in either of those States, and hired persons who were out of work. The New York firm made the money, the citizens of New Mexico or Arizona got none of it, and the people in New England where the contracts were benefited little. I think it happened in New Mexico. Am I correct?

Mr. CHAVEZ. The Senator is correct.

Mr. MAYBANK. It is important that in such instances the contract not be given to a company in New York, for example, which may not have property or a factory in New England.

Mr. CHAVEZ. I think the purpose stated by the Senator from South Carolina, to protect the people in the State concerned, is a laudable one, and the objective is covered in the pending amendment, for which I intend to vote. I am merely trying to understand what the word "responsible" means.

Mr. MAYBANK. Mr. President, will the Senator yield further?

Mr. WILLIAMS. I yield to the Senator from South Carolina.

Mr. MAYBANK. I merely wish to say to the Senator from New Mexico that, as I stated on the floor of the Senate yesterday, if the amendment of the Senator from Delaware shall be agreed to, I do not intend to call up my amendment, because I am hopeful that the amendment of the Senator from Delaware will cover the situation which existed in New Mexico and Arizona, in which situation I was particularly interested.

Mr. CHAVEZ. I have no objection to the words "so far as practicable," except that I think they are surplusage. I think the word which gives vim and power to the amendment is the word "responsible."

Mr. WILLIAMS. I think what the Senator has stated is correct. My reason for including that wording in the amendment was that I did not wish unduly to hinder the Secretary of Defense from conducting the business of the Government in a proper manner. At the same time, I think the amendment will spell out to the Secretary of Defense the intent of the Congress and will furnish legislative background for the adoption of the policy.

Mr. CHAVEZ. I thank the Senator from Delaware for allowing me to interrupt him.

Mr. MAYBANK. Mr. President, will the Senator from Delaware yield further?

Mr. WILLIAMS. I yield to the Senator from South Carolina.

Mr. MAYBANK. I wish to thank the Senator for his interest in the amendment which I offered last year. As I stated on the floor yesterday, if the amendment of the Senator from Delaware shall be agreed to, I shall not offer my amendment. I presume that the amendment of the Senator from Delaware reaches the problem which existed in New Mexico and other States a year ago. If it does not, I shall offer my amendment.

I wish to express my appreciation to the distinguished majority leader for carrying out the statements which he made last year. I am very grateful for his kind cooperation.

I wish to say to the Senator from Michigan that, as I understand, the amendment which was worked out in conference last year, which was not my amendment, but was a compromise on my amendment, is contained in the bill now being discussed.

Mr. FERGUSON. I do not so understand.

Mr. MAYBANK. I understand that the amendment agreed to in conference last year is contained in the pending bill.

Mr. FERGUSON. I do not so understand. However, I shall have the bill searched.

Mr. MAYBANK. I was so informed by the legislative counsel. I am confident the provision is in the bill, because I made certain that it was contained in the bill. Otherwise I would have brought it up in the committee.

I wanted to say further to the Senator from Delaware that I shall not call up my amendment if the amendment of the Senator from Delaware shall be agreed to, because the compromise amendment which was agreed to last year is already contained in the bill.

Mr. FERGUSON. Mr. President, will the Senator permit me to interrupt him?

Mr. MAYBANK. Yes.

Mr. FERGUSON. The Senator may be correct when he says the amendment was agreed to in substance.

Mr. MAYBANK. The compromise amendment in conference was agreed to in substance.

Mr. FERGUSON. It was on one point. I read from line 1, page 51, of the bill:

> That no funds herein appropriated shall be used for the payment of a price differential on contracts hereafter made for the purpose of relieving economic dislocations.

Mr. MAYBANK. Unless I am mistaken, and the distinguished Senator from Michigan, who is an able lawyer, can tell me if I am, that provision is practically the substance of the language of the conference report, is it not?

Mr. FERGUSON. I think the provision contains what the Senator from South Carolina was driving at, yes.

Mr. MAYBANK. That is all I am interested in.

Mr. WILLIAMS. Mr. President, I yield the floor.

Mr. FERGUSON. Mr. President, I should like to make a short statement regarding the amendment of the Senator from Delaware. At the last session, the Senate voted on the Maybank amendment.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from South Carolina.

Mr. MAYBANK. The substance of my amendment is the same as the amendment which the Senate considered last year.

Mr. FERGUSON. That is correct.

Mr. MAYBANK. Do I understand correctly from the Senator from Delaware that the substance of his amendment is the same as the one I have?

Mr. WILLIAMS. That is correct.

Mr. MAYBANK. I thank the Senator from Delaware.

Mr. FERGUSON. Mr. President, although we worked hard in the conference committee last year, it was very difficult to draft a properly worded amendment, but this year there is at least a provision on the question of price differential. All parties seemed to agree that it was not fair to take contracts away from firms in a prosperous section of the country and award them to companies in another section of the country at a higher price for the purpose of relieving economic conditions. That is the purpose of the wording contained in the bill.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from South Carolina.

Mr. MAYBANK. I should like to have the expression of the Senator from Delaware on another point. I might say to the Senator that we in South Carolina have not been bothered with the question; I have been disturbed about the situation in Arizona, New Mexico, and New England.

A contract was taken away from Bath, Maine, and given to Quincy, Mass., at an excess in cost of $8 million. That fact was brought out, and the Senator knows of it. After the Senate passed the bill, the distinguished Senator from California stated on the floor of the Senate that he had talked to members of the administration, and they had told the majority leader that certainly the taxpayers' money was not going to be used for relief in a $30 billion bill.

I appreciate what the Senator from Michigan was up against. All I want to say is that I hope that the amendment offered by the Senator from Delaware will be agreed to. If it shall be, I shall not call up my amendment. I thank the Senator from Michigan for yielding to me.

Mr. FERGUSON. Mr. President, I think it must be explained that even though price differentials are prohibited, as they should be prohibited, and there is a provision respecting that in the bill, yet difficulty is encountered by the military departments in letting contracts if the letting is to be entirely on advertised bids, on a strictly legal basis. I wish to say a few words on that question, so that my views will be before the Senate, and also before the conference committee.

The proposed amendment is in effect a revision of the Armed Services Procurement Act of 1947—Public Law 413, 80th Congress. This act, as will be recalled, provides authority in certain specific and limited instances for the negotiation of contracts, with or without competition, and was approved by the Congress, after thorough and painstaking inquiry, in order to enable the military departments to benefit from the experience gained through wartime purchases.

Mr. President, as chairman of the subcommittee of the Small Business Committee which considers the subject of the procurement of military materiel, I have encountered the question of how there is to be provided, in a free economy, activity for small business and large business.

It must be remembered that in attempting to meet that situation by words in a bill, we are dealing with contracts all over the Nation for the making of literally millions of kinds of articles. So difficulty is encountered if we write into the statute such a provision that no discretion at all is left to the contracting officials to act in the national interest. It can be limited to the extent of providing that a differential to be used for a welfare program cannot be paid. It may be worded in that way. Of course, I know of no one who wishes to make the Department of Defense appropriation bill into a welfare-program bill.

The Armed Services Committee of the Senate, in its report—No. 571—on the 1947 act, which I have mentioned, recognized that it was not always in the best interests of the Government that awards be made solely on the basis of the lowest initial price. In most cases price would certainly be the paramount factor. However, the committee was of the opinion that reasonably broad authority to permit contracting officers to consider other factors in the public interest was also necessary.

The proposed amendment would require that competition be obtained. The Armed Services Procurement Act specifies 16 different sets of circumstances under which contracts can be negotiated, with or without competition. They constitute exceptions to the rule requiring formal advertising. For example, section 2 (c) (1) permits negotiation, when in the public interest, during the period of a national emergency.

The Armed Services Committee, in its report, made the following observation:

> The experience gained during World War II made it essential that the services have the powers inherent in this provision. We cannot depend upon the hope that in future emergencies there will be time for the reorganization of our industrial strength for the needs of war. This exception gives the armed services power to use negotiated procurement as a dynamic instrument of preparedness, and to take into consideration such factors as geographical location, avoidance of overconcentration in a few companies, and maintenance of a basic core of plants, facilities, skills, and personnel, around which there can be expansion when it is urgently needed.

Of course, Mr. President, today we are debating the question of the letting of a contract for the construction of certain naval vessels.

The Department of Defense indicates that the use of negotiation is essential in certain procurements of naval vessels, particularly large combatant ships. This is true not only because of the unique and complex nature of shipbuilding, which often does not lend itself to the inflexible procedures of formal advertising, but also because of the current distressed condition of the shipbuilding industry. This industry, because of a dearth of commercial work, is largely dependent upon the Navy's annual construction programs. The concentration of Navy work in a few yards or in a single geographical area must, therefore, be avoided. That is the way the Department of Defense feels about this matter. The national security requires a reasonably broad mobilization base of operating shipyards.

Mr. President, I think it could be said that if we wished to concentrate shipbuilding in one location, wherever it might be—and in this connection, I may point out that in my State of Michigan, on the Great Lakes, there is a shipbuilding industry—there could be one shipyard that would be large enough to take care of all shipbuilding in the United States. But, as the Department of Defense says, such a yard might be put out of commission by one bomb. So the Department of Defense is considering the matter from the viewpoint of the national interest.

Summing up, Mr. President, it may be said that the use of existing negotiation authority permits the equitable distribution of procurement contracts among the maximum number of suppliers and the avoidance of dangerous overconcentration; it promotes the integration of current procurement with our industrial mobilization, which is a vital requirement of our mobilization readiness.

Mr. WILLIAMS. Mr. President, will the Senator from Michigan yield?

The PRESIDING OFFICER (Mr. PAYNE in the chair). Does the Senator from Michigan yield to the Senator from Delaware?

Mr. FERGUSON. I yield.

Mr. WILLIAMS. Speaking on the argument presented by the Department of Defense that such a program might tend to concentrate all the productive capacity in one spot, let me say I recognize the danger involved in such a program, and I pointed it out to the Secretary of Defense at the time his Department was negotiating contracts for the construction of all the tanks to be manufactured for the Armed Forces. At that time the tank plant at Newark, Del., was one of the bidders. However, this bid was higher, and the contract was awarded to a large tank plant located in Detroit, Mich. When I inquired about the case, I received from the Secretary of Defense a letter stating that in thus awarding the contract he was operating in the interest of the Government and that he was awarding such contracts on a businesslike basis; he further stated that the fact that as the result of the awarding of that contract all the tanks produced in the United States would be produced under one roof, was not a deterrent. Concentration of production in one area was not considered dangerous in this case.

I did not object, even though a company in my own State was affected. I did not write the rule that was used by the Department of Defense in that connection; the Secretary of Defense, for whom I have a great deal of respect, wrote it; and he indicated that the fact that as a result all production would be concentrated at one point, was not a deterring factor.

My point is that if such concentration was not a deterring factor in connection with the awarding of the contract for the construction of tanks for the United

States Government, then let the same rule apply in the case of all other contracts let by the Department of Defense.

At a time when we are not at war, if it is possible to have naval vessels or tanks or other defense items built more cheaply in one place rather than in another then, in awarding the contracts, the Government should see that they are built in that place and thus have them built as cheaply as possible for the American taxpayers.

I point out that an unemployed man in one State is just as important to the economy of this country as an unemployed man in any other State of the Union.

I think the Secretary of Defense acted properly when he made the decision about the tank contract, for I do not believe he would have been justified in awarding the contract to a plant whose bid was 10 or 12 percent higher. However, if that is a proper rule to be applied in the case of the tank contract, then, by the same token, the awarding to the Quincy Shipyard of a contract for the construction of certain naval vessels at a price $8 million higher than the lowest bid cannot be justified.

I think we should spell out clearly that if the lowest responsible bidder is located in either Delaware, New Mexico, Michigan, or in any other State, the contract should be awarded to that bidder. In referring to the lowest responsible bidder, I point out that I am not speaking of an irresponsible bidder. The Secretary of Defense himself can determine whether the bidder is responsible and can also determine under this amendment whether or not the solicitations of bids is practicable. That certainly cannot be called a strait-jacket provision.

Mr. FERGUSON. Mr. President, I wish to see the rule applied equitably. I do not think it should be equitably applied in one case unless it is equitably applied in other cases.

But I return to the proposition that, as the distinguished Senator from Delaware has said, the question is not to be answered on the basis of the location of an unemployed man and his family. As the Senator from Delaware has said, an unemployed man in Michigan or in Delaware is no more important than an unemployed man in any other States; on that point the geographical location makes no difference.

On the other hand, the question of a mobilization base in involved in this instance.

In connection with the tank production program, there are three tank plants in Michigan. They are Government plants; they are not private plants. The tank plant in Delaware, built by the Chrysler Corp., is also a Government plant. Those plants are not intended for the production of articles for private consumption, for the civilian economy——

Mr. WILLIAMS. Mr. President, I think the Senator from Michigan is mistaken.

Mr. FERGUSON. Unless the Government wishes to lease the plants—as was done in the case of one of the plants in Michigan, which was leased to the Ford Motor Co.; and then the Government said, in effect, "We will let you use this plant to make gears, provided you allow us to store in one end of the plant the machinery for the production of tanks."

Mr. WILLIAMS. Mr. President, the Senator from Michigan may be correct; but it is my understanding that the plant in Delaware is privately owned, by the Chrysler Corp. I am inclined to think that the same is true of the tank plants in Michigan.

Mr. FERGUSON. It is privately owned, but it was built for a specific purpose, namely, the construction of tanks for the United States Government. It cannot be taken away permanently from the United States Government. Private shipyards represent only one phase of the problem. This is not a welfare bill. In the report of the Armed Services Committee we find the following:

> This exception gives the armed services power to use negotiated procurement as a dynamic instrument of preparedness, and to take into consideration such factors as geographical location, avoidance of over concentration in a few companies, and maintenance of a basic core of plants, facilities, skills, and personnel, around which there can be expansion when it is urgently needed.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. CHAVEZ. I represent in part a State which has a different kind of picture. We do not build tanks or airplanes in New Mexico, we do not construct ships in New Mexico, but we can construct parachutes for the Air Corps, and we have done so. We ask for very little. Until about a year ago the Air Corps had a contract with a small 2-by-4 firm in my State for the construction of parachutes. Only 240 women were employed. However, that employment meant a great deal to the economy of the little city of Las Vegas.

That company was not asking for charity. It was constructing parachutes for the Air Corps, and the Air Corps was satisfied with the parachutes the company was constructing. Suddenly the entire situation changed, and the contract was awarded to a firm which came from New England to Brooklyn, N. Y.

I think the amendment of the Senator from Delaware has a great deal of merit. In New Mexico we do not deal with millions. We have not that kind of organization. However, those 240 women furnished boys for our armed services. The last resting places of many of them are designated by white crosses. Those same women had sons who served in Korea and in the Philippines. Even now some of them have sons in mental institutions.

As I understand the amendment of the Senator from Delaware, it is based upon the principle of "live and let live." If we contribute our boys for the Army, why can we not contribute our work for the Army on the basis of the lowest responsible bid? Is there anything unreasonable about that?

Mr. FERGUSON. I will not argue with the Senator from New Mexico as to the situation of his State. I share his views. When the employees of the parachute plant were thrown out of work, that fact created an unemployment area, although the unemployment situation in another area may have been relieved.

The trouble with this problem is that it requires a great deal of thought and patience in an endeavor to arrive at an arrangement which will be equitable. The situation in the case to which the Senator from New Mexico refers was not equitable.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a résumé of the law of which we are speaking, so that it will be before the conferees.

There being no objection, the résumé was ordered to be printed in the RECORD, as follows:

SUBJECT: OPPOSITION TO AMENDMENT TO DEPARTMENT OF DEFENSE APPROPRIATION ACT PROPOSED BY SENATOR WILLIAMS

1. The Armed Services Procurement Act of 1947, now the principal law governing procurement within the Department of Defense, provides that all procurement shall be by formal advertising with award to the lowest responsible bidder except under 16 circumstances outlined in section 2 (c) of that act. (For a list of the circumstances see tab A attached.) These 16 circumstances cover situations wherein, in the opinion of the Congress, it is impracticable to award by advertising. These situations were very carefully considered by the Congress, are specifically defined in the act, and adequate criteria for determining their existence are stated.

2. The Williams amendment to the Department of Defense Appropriation Act of 1955 would have the serious effect of delaying the major portion of the procurement programs of the Department of Defense awaiting a determination as to whether it was practicable to award the contract on a competitive basis to the lowest responsible bidder.

3. The major portion of the procurement dollarwise in the Department of Defense relates to military combat items which are developed under research and development programs by a restricted group of manufacturers and then negotiations are carried on for the lowest price for the developed article in quantity. The items procured under this system, such as aircraft, cannot be procured within the time required and of the quality required except by purchase from the developing agent. The 16 exceptions to the advertised bid procedure have been shown over a long period of years to be absolutely essential if the interest of the Government is to be protected and if the Government is to obtain the material of the quality required.

4. In the research and development field an exact description of the article in detail cannot be given and hence the advertised bid cannot be used.

5. The history of the Department of Defense procurement program for the past 5 years has been filled with delays in obtaining the vital items of combat equipment even under the Armed Services Procurement Act (Public Law 413, 80th Cong.) as now written. This amendment would delay by at least 6 months the contracts planned in the 1955 Appropriation Act.

6. It may be said that the use of existing negotiation authority permits the equitable distribution of procurement contracts among the maximum number of suppliers and the avoidance of dangerous overconcentration; it promotes the integration of current procurement with our industrial mobilization which is a vital requirement of our mobilization readiness.

TAB A

Section 2 (c) of the Armed Services Procurement Act (Public Law 413, 80th Cong.) provides:

"(c) All purchases and contracts for supplies and services shall be made by advertising, as provided in section 3, except that such purchases and contracts may be negotiated by the agency head without advertising if—

"(1) determined to be necessary in the public interest during the period of a national emergency declared by the President or by the Congress;

"(2) the public exigency will not admit of the delay incident to advertising;

"(3) the aggregate amount involved does not exceed $1,000;

"(4) for personal or professional services;

"(5) for any service to be rendered by any university, college, or other educational institution;

"(6) the supplies or services are to be procured and used outside the limits of the United States and its possessions;

"(7) for medicines or medical supplies;

"(8) for supplies purchased for authorized resale;

"(9) for perishable subsistence supplies;

"(10) for supplies or services for which it is impracticable to secure competition;

"(11) the agency head determines that the purchase or contract is for experimental, developmental, or research work, or for the manufacture or furnishing of supplies for experimentation, development, research, or test: *Provided*, That beginning 6 months after the effective date of this act and at the end of each 6-month period thereafter, there shall be furnished to the Congress a report setting forth the name of each contractor with whom a contract has been entered into pursuant to this subsection (11) since the date of the last such report, the amount of the contract, and, with due consideration given to the national security, a description of the work required to be performed thereunder;

"(12) for supplies or services as to which the agency head determines that the character, ingredients, or components thereof are such that the purchase or contract should not be publicly disclosed;

"(13) for equipment which the agency head determines to be technical equipment, and as to which he determines that the procurement thereof without advertising is necessary in order to assure standardization of equipment and interchangeability of parts and that such standardization and interchangeability is necessary in the public interest;

"(14) for supplies of a technical or specialized nature requiring a substantial initial investment or an extended period of preparation for manufacture, as determined by the agency head, when he determines that advertising and competitive bidding may require duplication of investment or preparation already made, or will unduly delay procurement of such supplies;

"(15) for supplies or services as to which the agency head determines that the bid prices after advertising therefor are not reasonable or have not been independently arrived at in open competition: *Provided*, That no negotiated purchase or contract may be entered into under this paragraph after the rejection of all bids received unless (a) notification of the intention to negotiate and reasonable opportunity to negotiate shall have been given by the agency head to each responsible bidder, (b) the negotiated price is lower than the lowest rejected bid price of a responsible bidder, as determined by the agency head, and (c) such negotiated price is the lowest negotiated price offered by any responsible supplier;

"(16) the agency head determines that it is in the interest of the national defense that any plant, mine, or facility or any producer, manufacturer, or other supplier be made or kept available for furnishing supplies or services in the event of a national emergency, or that the interest either of industrial mobilization in case of such an emergency, or of the national defense in maintaining active engineering, research and development, are otherwise subserved: *Provided*, That beginning 6 months after the effective date of this act and at the end of each 6-month period thereafter, there shall be furnished to the Congress a report setting forth the name of each contractor with whom a contract has been entered into pursuant to this subsection (16) since the date of the last such report, the amount of the contract, and, with due consideration given to the national security, a description of the work required to be performed thereunder; or

"(17) otherwise authorized by law."

Mr. FERGUSON. After the adjournment of Congress last year the Senator from California [Mr. KNOWLAND], the Senator from Michigan, and others in the leadership endeavored to solve the problem on a basis which would be equitable to all concerned. I ask the Senate to send the pending amendment to conference, so that the subject covered by it may be considered by the conferees. Many of the conferees have been engaged in the consideration of military appropriations for years. If this amendment can be before them, they will endeavor to arrive at a solution. We placed in the bill language with respect to the price differential. It may be that we can find language which will solve this problem, and which will not put the Military Establishment in a straitjacket.

The Military Establishment will spend about $38 billion next year. If we place it in a straitjacket through a law, we may find more inequities and worse trouble than if we allow the Military Establishment a reasonable exercise of discretion and hold it accountable to the Congress and the people of the United States. I desire to take the amendment to conference, where I hope a provision can be drawn which will not place the Military Establishment in a straitjacket in connection with the expenditure of $38 billion for the procurement activities of a great military organization.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. CHAVEZ. I agree with the Senator that the amendment should go to conference. I have served on the subcommittee for years. If the amendment of the Senator from Delaware is agreed to, it will be in conference.

Mr. FERGUSON. That is what I am asking.

Mr. CHAVEZ. Why not accept it?

Mr. FERGUSON. That is what I have done.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. WILLIAMS. I appreciate the fact that the Senator from Michigan is willing to take this amendment to conference. I think the principle involved should be accepted by the conferees. I have no intention of trying to put the Secretary of Defense in a straitjacket. I realize that he must have certain discretionary authority.

Mr. FERGUSON. I appreciate that.

Mr. WILLIAMS. I do not think there is any disagreement between the Senator from Michigan and myself as to what we are trying to accomplish. I am confident that the conferees can arrive at the proper language.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

The amendment was agreed to.

Mr. LEHMAN. Mr. President, on behalf of the senior Senator from New York [Mr. IVES], the Senator from Massachusetts [Mr. KENNEDY], and myself, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New York, for himself and other Senators, will be stated.

The CHIEF CLERK. At the appropriate place in the bill, it is proposed to insert the following:

No funds available under this appropriation or any other appropriation available to the Department of the Army shall be used to transfer the Quartermaster Purchasing Office from New York, N. Y., to Philadelphia, Pa., or elsewhere until the Commission on Organization of the Executive Branch of the Government makes a complete study of the procurement, including specifications standards, storage, and issue and disposal of textiles, apparel, footwear, and related items, in the armed services, and recommends that such a transfer be made.

Mr. LEHMAN. Mr. President, the Army Quartermaster's purchasing agency has been in New York City since 1945. It employs about 1,600 persons. It works very closely with the purchasing agencies of the other services, and necessarily works very closely with the large suppliers of the goods which are needed for the equipment of the Army. New York, without question, is the center of the selling machinery in the textile trade.

When in the early part of May the Secretary of the Army announced that the purchasing agency of the Army Quartermaster was to be transferred from New York City to Philadelphia, I and my colleague in the Senate, the distinguished senior Senator from New York [Mr. IVES], and a number of Members of the congressional delegation in the House protested the removal of the long-established purchasing agency. We received no satisfaction whatever.

It was contended that economies could be effected by the transfer. Of course, everyone is desirous of effecting economies in the conduct of our Government. However, no statistics which were at all convincing were supplied to us.

On May 25, on behalf of myself and the Senator from Massachusetts [Mr. KENNEDY], I submitted an amendment to the defense appropriation bill directing that the proposed transfer be suspended. Later I heard of a newer and broader consideration which enters the picture.

Subsequently, on June 7, on behalf of the senior Senator from New York [Mr. IVES], the junior Senator from Massachusetts [Mr. KENNEDY], and myself, I

submitted the amendment which has been stated by the clerk.

However, the Army, which is the responsible executive agency in this matter, appeared intent on accomplishing the transfer and to make it a fait accompli before the Committee on Appropriations could give the question the attention which it merited. Since I submitted the amendment the Army has issued successive orders accelerating the schedule of the proposed move, in an effort to complete it before action could be taken by Congress.

While the proposed transfer seems superficially to be a question of major concern only to the areas affected, it now appears clear that it involves an even larger aspect—the question of the integration of the procurement functions of the armed services, a question of the widest import to the Congress and the country.

The establishment proposed to be transferred, as I have stated, is situated in New York. It is situated in a building which also houses the purchasing agency of the Navy Department. I have been told that it was originally anticipated that in this building the pertinent procurement functions of all the armed services would be conducted, in an integrated and coordinated way. In my opinion nothing is more important to the efficient conduct of purchasing agencies.

True, there is a much smaller Army purchasing agency located in Philadelphia. It is an establishment which may or may not be justified. It has been laying off some of its personnel. All of a sudden it was announced, as I said, that the purchasing agency established in New York, which employs about 1,600 people, would be moved to Philadelphia, to be consolidated with the establishment there, which employs, at most, about 400 people.

Mr. President, there is another question involved, which seems to be of great importance to the Nation, and that is whether the Army will be permitted to move this major establishment from one area to another without consultation with Congress. The location of the establishment has no security implications of which I am aware. Yet the proposed transfer has not only been commenced, but it has been accelerated at such a speed that it is very far on the road of complete accomplishment. Congress and no committee of Congress was ever consulted with regard to this move. No information was given, and no justification, so far as I know, has ever been made for the move.

I believe Congress has a right and a duty to consider all the factors in such a proposed move.

Representatives in Congress from the area in question have a right to be satisfied that the transfer is truly in the national interest and is not unduly prejudicial to the local interests.

Mr. President, I have already indicated that the justification which came to the Representatives from the State of New York were completely unconvincing. We asked for and urged a delay in the proposed move until the matter could be studied further. Instead of acceding to our request, the Army Department stepped up the schedule for the move.

I shall not refer at any length to the hardships involved for the 1,600 present employees of the agency, with their homes and their roots in New York, but I can assure my colleagues in the Senate that those hardships are many and very great.

If the best interests of the Government were served by this move, the individual hardships would perhaps be justified. But I see no evidence that the interests of the United States are being served. Quite the opposite is true.

Up to this point I have been speaking only of the Army's claim that the proposed move will result in a saving to the Government.

There is, however, the second factor—the factor which was pointed out on the floor of the House by Representative BONNER, of North Carolina, on May 28. Representative BONNER has no vested interest whatever in the location of the quartermaster purchasing agency. He does have an interest, however, in the question of the integration of the purchasing activities of the armed services. In the 82d Congress he was chairman of a subcommittee of the Government Operations Committee, which conducted a comprehensive survey of the purchasing functions of the armed services and which strongly advocated the integration of those activities.

Indeed, Mr. President, the savings to be achieved by the integration and the standardization of the purchasing activities of the Army, Navy, and Air Force were originally cited as among the major justifications for the establishment of the Defense Department.

The waste, measured in millions of dollars, resulting from the lack of integration in the procurement activities of the armed services has been frequently brought to the attention of the Congress.

The Harden subcommittee of the House Government Operations Committee, and the Bonner subcommittee, conducted studies on this matter which illustrated only too graphically the senseless waste of Government money as a result of duplication and lack of standardization among the armed services.

The resolution which I submitted on June 7 was based on this new aspect of the matter. I ask unanimous consent that the text of the resolution be printed in the RECORD at this point in my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Resolved, That it is the sense of the Senate that the Department of the Army suspend forthwith the proposed transfer of the Quartermaster Purchasing Agency Office from New York, N. Y., to Philadelphia, Pa., or elsewhere, until the Commission on Organization of the Executive Branch of the Government shall have completed its current study of procurement practices, including specifications standards, and of related matters such as storage and issue and disposal of textiles, apparel, footwear, and related items, in the armed services; and that upon the completion of said study the transfer of the Quartermaster Purchasing Agency facilities from New York to Philadelphia shall be further reviewed by the Committees on Government Operations of the Senate and House of Representatives, in the light of the recommendations of said Commission.

Mr. President, I have always strongly supported proposals for reorganization designed to achieve greater efficiency in the conduct of the Government. I was a strong advocate and supporter of the work of the original Hoover Commission. Last year I supported the creation of the new Commission on Organization of the Executive Branch of the Government.

One of the most important duties of this new Hoover Commission is to study and recommend improvements in the present procurement programs and agencies of the Armed Forces, with particular reference to the procurement and distribution of clothing.

Facts which have been brought out repeatedly by committees of Congress have pointed to the amazing clothing inventories of the Army and the resulting cost to the taxpayers.

Only a week or two ago a very high authority stated that today we have clothing inventories of over a billion dollars which, if coordinated, could be reduced to $200 million, effecting a saving in inventory expenditure of $800 million.

Mr. President, orderly government, efficient administration, and sheer commonsense should impel the Army to await the report of the Hoover Commission on this entire subject before proceeding with the proposed move to Philadelphia. Therefore, I wish to repeat, Mr. President, that it is my fervent hope that the amendment which my colleagues and I have offered today will be acted upon favorably and speedily.

Mr. IVES. Mr. President, I heartily concur in the statement of my colleague from New York and strongly urge approval of the proposed amendment.

The geographical transfer of certain functions of a Government department, be it the Quartermaster Purchasing Agency or any other agency, should be based on concrete facts, facts grounded in equity, in economy, and in the best interests of the Government. The evidence presented by the Department of Defense in support of this move does not appear to justify the taking of such a step at this time. The facts which have come to my attention present a strong case for the retention of these purchasing functions in their present quarters.

I have had this matter under advisement since the early part of the year. As a result of inquiries and protests on my part, I had been led to believe that such action was not contemplated. We are now faced with the transfer of the functions of the Quartermaster Purchasing Agency in the absence of a thorough and complete study of prevailing procurement practices.

At this point in my remarks I ask unanimous consent to have printed in the body of the RECORD the text of a letter sent to the Secretary of the Army by the Commissioner of Commerce of the State of New York, which analyzes the Department's supporting data, and also the text of the reply signed by the Under Secretary of the Army. It will be noted that several of the important points in the Commissioner's letter are

not answered satisfactorily by the Under Secretary. I also ask that the texts of two telegrams I sent to Secretary of Defense Wilson dealing with this matter be printed at this point in my remarks.

There being no objection, the correspondence and telegrams were ordered to be printed in the RECORD, as follows:

(The following is the text of a letter sent to Secretary of the Army Stevens on May 17, 1954, by Hon. Harold Keller, commissioner, New York State Department of Commerce:)

DEAR SECRETARY STEVENS: On March 26, I wrote to you expressing my concern with the proposed removal of certain functions of the Quartermaster Purchasing Agency from New York City to Philadelphia. At that time I urged strongly that those quartermaster functions now performed in New York City be retained there.

On May 3, the Department of Defense announced that the New York City Quartermaster Purchasing Agency would be relocated in the Philadelphia Quartermaster Depot as soon as arrangements could be completed. This announcement stated that a study of the proposed transfer had shown that an annual savings of some $700,000 would be realized.

I have examined the series of charts prepared by the Army as a result of this study which attempts to illustrate that a net annual savings of $400,000 rather than $700,000, will be effected. This material presents several claims which are either unsupported by fact or which do not take into account all of the elements necessary to substantiate claimed savings as net savings. It is quite possible, using the Army's material, to conclude that there will be a net increase in cost if the Quartermaster Purchasing Agency is moved to Philadelphia.

The following points are offered for your earnest consideration:

1. The presentation states that the industries (production or manufacturing plants) which supply the Quartermaster Corps are as accessible to Philadelphia as to New York. To illustrate this point, the study includes such States as North and South Carolina, Georgia, and Florida in the Philadelphia orbit. It does not include metropolitan New Jersey, a large producer of apparel and textiles, less than 10 miles distant from Manhattan, in the New York City orbit.

While this method of analysis is subject to serious question, the point which this portion of the studies attempts to make has little bearing on the proposed transfer. The location of producing plants has little relationship to the purchasing function. With rare exception, purchasing is a matter of negotiation between the Quartermaster Purchasing Agency and the main office or sales office of the supplying company. These offices, the actual points of contact with the Quartermaster Purchasing Agency, are shown by the Army's study to be heavily concentrated in the New York metropolitan region. Of all the contractors in the country supplying commodities to the Quartermaster Purchasing Agency, 37 percent are within 45 miles of New York City while only 8 percent are within 45 miles of Philadelphia.

2. Certain items of new expense have been ignored in arriving at an estimated net annual saving. According to the Army's study, the functions of the New York Quartermaster Purchasing Office which employ the greatest number of people are those functions requiring expert and trained personnel. More than half of the 987 civilian employees of the New York agency are engaged in purchasing and inspection. On the basis of figures presented by the study in its estimate of cost of moving, only approximately half of the present New York City employees will move to Philadelphia. Quite probably even a smaller percentage of technical personnel will move. It will be not only costly but difficult to recruit replacements for these technical people in Philadelphia and even more costly to train them in the details and techniques of the quartermaster operation. Private industry estimates the cost of training technical or subprofessional employees at from $3,000 to $20,000 each. Using the minimum figure, this will constitute a very substantial item of new expense which will be added by the move to Philadelphia.

The charts estimate savings in certain "miscellaneous activities by the elimination of various jobs which are considered duplicatory. One of several examples is in personnel assigned to "signal communications." At the present time, the existing Philadelphia operation is staffed by 10 employees and the New York City operation is staffed by 30 employees in this category. The study indicates an elimination of half of this total or 20 employees. Although the plan calls for removing from New York City where communications with the greatest concentration of its suppliers are a matter of telephone or subway usage, it claims that it can service all communications for the combined operation with less than the number of people now assigned to this function in New York alone. Even if this were possible, no consideration has been given to the increased cost of communications. Instead of local telephone and subway contact with suppliers, the agency will substitute long-distance phone calls, individual letters involving expensive time to process, and increased travel expenditures on the part of the Quartermaster personnel. This is another of many new expenses which were ignored in arriving at a conclusion of "net savings" in the proposed removal.

Almost the entire claimed net savings of $400,000 is represented by savings in personnel salary. On a general basis, the study claims that duplicate administrative services can be eliminated. The charts do not support this general claim. Of the 114 jobs which will be eliminated, only 41 are classified as being assigned to administrative services.

3. The study states that a purchasing office can be located satisfactorily in any large communication and transportation center on the eastern seaboard because of the fact that the producing industries (the manufacturing plants) are concentrated on the eastern seaboard of the United States. This statement might be true in relation to a warehousing or distribution function. It definitely is not true in relation to the purchasing function which has a unique requirement for successful and economic operation—location as close as possible to the greatest concentration of negotiating offices.

This concentration is overwhelmingly in or adjacent to New York City. However, if the only means of economic operation is to consolidate the New York and Philadelphia operations, it is as reasonable to assume that duplicatory personnel could be eliminated by combining these operations in New York City as it is to make the same assumption for a combined operation in Philadelphia. As the communication and transportation center of the entire Nation, New York, by the Army's own definition, would be a more advantageous and economic location than Philadelphia for those Quartermaster functions now located in the latter city. In addition, if the matter of expense to the general business community which supplies the Quartermaster agency is of any concern, it can be demonstrated that a combined operation would be more economic to all concerned in New York City than could possibly be the case in Philadelphia.

4. The Department of Defense news release announcing the removal of the New York Quartermaster Purchasing Agency to Philadalphia states that "The move to Philadelphia is in conformity with Department of Defense policy to relinquish leased space wherever possible, to accomplish maximum possible utilization of Government-owned space and to effect utmost economies through consolidation of activities."

"Utmost economies through consolidation of activities" can be realized in existing and available Government-owned space either at the Army or Navy Brooklyn Bases. Both bases have ample, suitable and available Government-owned space for the combined Quartermaster operations. To devote it to this purpose would accomplish maximum possible utilization of Government-owned space in the New York City area.

I respectfully call to your attention an additional policy of the Department of Defense embraced in Federal Law 413, 1948 and Armed Services Procurement Regulation, section 4, subject: Coordinated Procurement, part 4-000 (c), dealing with the procurement or items used in common by all branches of the Armed Forces. I suggest that the proposal to move the Quartermaster purchasing function to Philadelphia does not coincide with the intent of this law and directive in that it would result in separating the consolidated purchasing of many items now procured by the New York Quartermaster Purchasing Agency.

In conclusion, it is my opinion that the Army studies have shown no basis whatsoever for determining that the transfer of the New York Purchasing Agency to Philadelphia would result in any real or net savings to the Government. On the contrary, they suggest that very real savings could be realized by transferring to New York any functions of the Quartermaster Corps now conducted in Philadelphia which must be combined with those now conducted in New York. I suggest that this course would be more in conformity with the stated policy of the Department of Defense than the removal of the New York City purchasing function to Philadelphia.

I urge very strongly that the order for removal of the functions of the Quartermaster Purchasing Agency from New York to Philadelphia be rescinded and that you give immediate consideration to removing those purchasing functions now performed in Philadelphia to New York City where they can be combined with the functions of the Quartermaster Corps Purchasing Agency to the benefit of the Government, the armed services and the Nation as a whole.

Sincerely yours,

HAROLD KELLER,
Commissioner of Commerce.

MAY 25, 1954.

Hon. HAROLD KELLER,
Commissioner of Commerce,
Albany, N. Y.

DEAR MR. KELLER: I have given very careful consideration to your letter of May 17, 1954, addressed to the Secretary of the Army, relative to the removal of the New York Quartermaster Purchasing Agency to the Philadelphia Quartermaster Depot.

As I am sure you know, the Army is exerting every effort to conduct its operations with the utmost efficiency and economy. In accord with this policy and the policies of the Department of Defense to relinquish leased space wherever feasible, to make the optimum use of Government-owned facilities and to effect the maximum economy of operations in terms of personnel and funds, consistent with military necessity, an extensive study has been made over a period of several months concerning the possible relocation of Quartermaster Corps activities presently in leased space at 111 East 16th Street, New York City. It was decided, as a result of this study, to move the New York Quartermaster Purchasing Agency, the Quartermaster Inspection Service Command, the Quartermaster Inspection Field Office, and certain other activities into Government-owned facilities at the Philadelphia

Quartermaster Depot; and to move the New York Quartermaster Center, which must remain in New York by reason of its specialized regional procurement mission, into Government-owned space in the New York area.

The recurring annual dollar savings involved in this action, it is assured, will exceed $700,000, including personnel, housekeeping and rental savings. This figure, it is believed, is somewhat on the conservative side. I am confident that the savings will be substantially greater. The total cost of the move will be amortized in about 4 months. Moreover, the move to Philadelphia will permit the grouping together of the purchasing and inspection activities, now in New York, and the closely related acceptance testing, manufacturing, and Government-furnished property functions now at the Philadelphia Quartermaster Depot, an action of considerable importance to the efficiency of overall Quartermaster Corps operations. The ready availability of expert advice and assistance from all these closely related activities will materially assist the contracting officers and purchasing personnel in a more efficient administration of contracts, to the benefit both of the Government and Quartermaster Corps contractors.

In meetings of May 3, 12, and 18 variously with congressional groups and representatives of affected Quartermaster Corps employees no evidence was presented in opposition to the move which had not already been thoroughly considered in connection with the decision to effect the relocation of the Quartermaster Corps activities concerned. Accordingly the decision was reaffirmed.

All the specific points which you raised in your communication were intensively studied and evaluated prior to the decision to make the move. It was recognized that the New York area has a larger concentration of the clothing and textile industry than does the Philadelphia area, but an even larger concentration of this industry is scattered throughout the eastern seaboard area. The majority of procurement effected by the New York Quartermaster purchasing agency normally is conducted through the process of formal advertising which does not require the degree of close contact or negotiation of which you speak. The very nature of this Quartermaster Corps procurement, in fairness to the 60 percent plus of the industry not located in the New York 45-mile radius, and to the taxpayer in general, necessarily must be performed in accordance with procedures applicable to procurement by the formal advertising method. This method requires that many facets of procurement and contract administration must, in any event, be reduced to writing and carried on through letter correspondence in order to comply with law, regulations, and contractual terms and in keeping with orderly business practices.

With these considerations in mind, the study concluded that any large communication and transportation center in the general area was a satisfactory location for a central purchasing office. In this connection, Quartermaster Corps clothing and textile procurement was successfully performed at the Philadelphia Quartermaster Depot for many years prior to and throughout World War II. The Marine Corps procurement operation is conducted in Philadelphia, and an analysis of coordination with the Navy Purchasing Office, whose clothing and textile procurement volume is about one-fourth that of the Quartermaster Corps, has shown that the majority of the necessary coordination actually is effected on the departmental level in Washington.

The majority of the employees not moving to Philadelphia are in the lower grades for which recruitment should present little or no problem in Philadelphia. A large proportion of the technical or key employees are expected to move. The current Civil Service Commission lists at Philadelphia show a significant number of eligible applicants with purchasing experience, some of them separated Government career employees, who should be able to qualify for the technical or key positions.

Training and recruitment of employees is a continuing personnel administration process. The costs you attribute to this are at considerable variance with Army experience, but in any event they are intangible accounting costs which will not require any budgetary or funding actions. The recruitment and training activity can and will be phased carefully into normal operations and any disruption of operations will be of a minor and temporary nature. Under the conditions expected to exist, the Army will not ask for or expend any additional dollars on recruitment and training of the personnel who will have to be recruited in the Philadelphia area.

The reduction in personnel needed to handle signal communications is primarily attributable to the fact that the New York system involves a manual switchboard operation whereas the Philadelphia Quartermaster Depot system is dial-operated, requiring a considerably smaller amount of operating personnel and maintenance. No undue burden on the New York segment of the industry is foreseen in the move to Philadelphia.

With respect to your statement to the effect that the net savings resulting from the move are only $400,000 and that only 41 of the 114 civilian personnel spaces saved are in the category of administrative services, the $400,000 represents merely the comparative difference between the savings accruing from the least expensive relocation within the New York area and the move to Philadelphia. The actual net annual savings to the Government overall will exceed $700,000, as I have earlier pointed out. From an examination of the charts furnished congressional representatives from New York, and reviewed by you, it is believed that you have assumed that the 41 personnel spaces shown as saved in the Administrative Services Office constitute all the administrative or overhead savings involved. Reference to the charts will indicate that there are other services shown, the majority of which constitute overhead or administrative services and are involved in the 13 military and 114 civilian spaces mentioned. These spaces represent a minimum personnel savings directly attributable to the merger of the two headquarters.

In connection with the function and mission of the various activities presently at the Philadelphia Quartermaster Depot, this depot not only has a storage mission for clothing and textiles, including cloth which is used as Government-furnished property in the manufacture of various end items, but it houses a number of other activities which could not be feasibly or economically moved to New York. These include the manufacturing facility, the acceptance testing laboratories and the Government-furnished property function, all of which, as earlier mentioned, are an integral part of the overall clothing and textile procurement operation. The present purchasing mission at the depot is of a minor nature only. The cost alone of moving these activities to New York and housing them there would be prohibitive, not to mention the detrimental effect on the efficiency of the overall Quartermaster Corps clothing and textile procurement and supply operation.

While it is regretted that I cannot give you a more favorable reply in this instance, I want to assure you that every facet of this matter has been thoroughly studied. Your interest in this matter is appreciated.

Sincerely yours,

F. H. HIGGINS,
Deputy Under Secretary of the Army.

MAY 6, 1954.

HON. CHARLES E. WILSON,
Secretary of Defense,
Washington, D. C.:

I protest vigorously the reported action by the Quartermaster General in planning to move the functions of the Quartermaster Purchasing Agency to Philadelphia. Based on earlier inquiries regarding this matter, I had been led to believe that such action was not contemplated by your Department at this time. I am now advised that it is imminent. There appears to be no justification for this move based on evidence that is now in my possession. Furthermore, the great clothing and textile industry with which the Quartermaster deals to a very great extent is centered in the New York City area. A further investigation of all the facts surrounding this move appears essential and I strongly urge that this contemplated action be deferred pending the outcome of such an inquiry on your part.

IRVING M. IVES,
United States Senator.

JUNE 1, 1954.

HON. CHARLES E. WILSON,
Secretary of Defense,
Washington, D. C.:

I have repeatedly protested moving of the Quartermaster Purchasing Agency from New York City to Philadelphia. I believe such action to be most unwise. In spite of all opposition, however, the Army has seen fit to go ahead, not only with its plans, but also with the actual operation attendant upon the move.

This unwarranted swift action which is being taken by the Quartermaster General is causing extreme hardship to the employees of the Quartermaster Purchasing Agency who literally are being uprooted or are being left abandoned in New York City.

I strongly urge reconsideration of this drastic action.

IRVING M. IVES.

Mr. IVES. Mr. President, without going into a thorough explanation of the points raised against the transfer of these functions, I should call to the attention of the Senate the following information:

Of all the contractors in the country supplying commodities to the Quartermaster Purchasing Agency, the highest concentration—37 percent—is within 45 miles of New York City. Furthermore, the proposal to move the Quartermaster Purchasing function would result in separating the consolidated purchasing of many items now procured by the New York Quartermaster Purchasing Agency. This appears not to coincide with the intent of Public Law 413, 80th Congress, and Armed Services Procurement Regulation section 4 dealing with the procurement of items used in common by all branches of the Armed Forces.

Hearings conducted by various committees of the Congress have shown that the procurement practices of the Defense Department leave much to be desired. This is true particularly of clothing for the armed services. I therefore urge that these practices receive thorough study from the executive branch and from the appropriate committees of the Congress and pending their recommendations, the proposed amendment be adopted.

Mr. MARTIN. Mr. President, on May 25, an amendment to the defense appropriation bill, intended to be offered by the junior Senator from New York [Mr. LEHMAN], the senior Senator from

New York [Mr. IVES], and the junior Senator from Massachusetts [Mr. KENNEDY], was ordered to be printed.

I invite attention to the date the amendment was presented, May 25, and to its purpose, which is an attempt to countermand a decision by the Department of the Army to move the Quartermaster Purchasing Agency from its present location in New York City, to Philadelphia, Pa.

In other words, Mr. President, this is an effort to stymie an economic move by the Department of the Army, which has long been planned, and for which, after due deliberation, notification, and study of all the factors involved an official order was issued by the Army on May 7.

I ask unanimous consent, Mr. President, to have printed in the RECORD at the end of my remarks a chronological statement of events leading up to the announcement of the move to Philadelphia, by the Army, and General Order No. 34, issued by the Secretary of the Army on May 7, 1954.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1 and exhibit 2.)

Mr. MARTIN. Mr. President, this is no unpremeditated undertaking by the Department of the Army. It is in line with a broad policy within the Department of Defense to insure the efficient utilization of all real property under its control. An Armywide survey was initiated in October 1953, one objective of which was to insure maximum use of Government-owned real property, in lieu of leased space.

I do not wish to burden the Senate with a detailed account of the study made by the Department of the Army on this move, but I ask unanimous consent that a copy of the Army press release of May 3, outlining the factors, be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. MARTIN. The principal points are:

That the Army made a thorough study of the feasibility of the move;

That the move is entirely within the jurisdiction of the Secretary of the Army; and

That $720,000, annually, will be saved by moving the Quartermaster Purchasing Agency to Philadelphia, coordinating its operations with the Philadelphia Quartermaster Depot.

Mr. President, a saving of $720,000, annually, is a sizable figure in the defense housekeeping budget.

What are the next considerations?

The opposition to this move states that it will add to unemployment in New York City, and that it is one of several defense operations that have either been withdrawn or curtailed in that area.

Mr. President, I do not doubt this is true, although I have no breakdown of what facilities have been removed from the New York area.

Practically every section of the country, where defense activities existed, are experiencing a cutback in defense spending—and, I hope, an evidence of economical planning and utilization, such as the transfer of the Quartermaster Purchasing Agency to Philadelphia.

The State of Pennsylvania is also suffering from unemployment due to defense readjustments, and a number of other economic causes. We have lost defense contracts and we have lost defense facilities.

Only this morning, I received a letter from the Corps of Engineers, office of the district engineer in Philadelphia, notifying me of a consolidation of procurement activities in the Chicago procurement office, which will require the closing of the Philadelphia Corps of Engineers Procurement Office on July 1, 1954.

Mr. President, I do not like to see the transfer of jobs from Philadelphia, nor do I like to see any reduction in income for the people of that city, but those of us who are anxious to see operations within the Department of Defense conducted more economically do not rush frantically to the device of offering an amendment to an appropriation bill, designed to circumvent the saving of $720,000 for the American taxpayer.

I recognize the right of the junior Senator from New York and the junior Senator from Massachusetts to offer any amendment they wish.

If there are reasons why the transfer of a defense facility should not be made, separate legislation should be introduced calling for a study of the matter by the Armed Services Committees of the House and the Senate.

As the amendment offered by the Senators from New York and the Senator from Massachusetts is now worded, it would apply only to funds contained in H. R. 8873, which would not necessarily affect the use of funds previously or subsequently appropriated. Obviously, it is a "dodge" to get an expression of opposition by the Senate with respect to the transfer of this facility.

It was very gratifying to me to note that the Senate Appropriations Committee did not view the Lehman-Ives-Kennedy amendment with approval.

On June 4 I wrote to the chairman of the Senate Appropriations Committee, and to each member of the Armed Services Subcommittee, protesting the amendment. I also submitted to the committee a copy of the Army report and other statistics showing the economy and the practical aspects of the transfer.

Mr. President, I ask unanimous consent to have printed in the RECORD, at the end of my remarks, a letter which I wrote to the Senate Committee on Appropriations under date of June 4, 1954; a one-page chart summarizing the savings which will be effected by the coordination of the New York Quartermaster Purchasing Agency with the Philadelphia Quartermaster Depot; and a statement by the Department of the Army with respect to why it is making the change.

There being no objection, the material was ordered to be printed in the RECORD.

(See exhibits 4, 5, and 6.)

Mr. MARTIN. Mr. President, I resent the use of the amendment as a device for blocking an Army order which is for the good of the service and for the benefit of the American taxpayer.

I join with my colleague the distinguished junior Senator from Pennsylvania [Mr. DUFF] in making the point of order that the amendment is legislation on an appropriation bill.

EXHIBIT 1

CHRONOLOGICAL STATEMENT OF EVENTS IN CONNECTION WITH MOVE OF NEW YORK QUARTERMASTER PURCHASING AGENCY FROM NEW YORK TO PHILADELPHIA

February 3, 1954: The Quartermaster General appointed a task force to make the staff study.

March 26, 1954: Staff study completed and recommendations presented to the Quartermaster General.

March 31, 1954: The Quartermaster General approved staff study and accepted recommendations without change.

April 23, 1954: Chief of Staff approved recommendation of the Quartermaster General and forwarded to Under Secretary of the Army.

April 29, 1954: Under Secretary of the Army approved the recommendation of the Chief of Staff to move the Purchasing Agency to Philadelphia.

April 30, 1954: Mr. Frank H. Higgins, Deputy Under Secretary of the Army, issued invitations to New York Congressional Delegation to attend a meeting on Monday, May 3, 1954, for the purpose of an announcement on the move and a briefing.

May 3, 1954: Employees of the New York Quartermaster Purchasing Agency were advised of the decision to move to Philadelphia.

May 3, 1954: A congressional briefing was held at 10 a. m., in room 313, Old House Office Building attended by Mr. Higgins, Deputy Under Secretary of the Army; Major General Hastings, the Quartermaster General; Brigadier General Denniston, Deputy Quartermaster General for Operations; Colonel Harvey, OQMG; Colonel Baker, OUSA; Lieutenant Colonel Houghton, OQMG; Lieutenant Colonel Mueller, OUSA; Mr. Winter, OQMG. New York delegation: Congressman Ray, 15th District; Congressman Little, Glens Falls; Congressman Wainwright, 1st District; Mr. Feldman, representing Congressman Roosevelt; representative of Senator Ives; representative of Senator Lehman; and others. Copies of a press release were given to these in attendance and to others in the New York area.

May 7, 1954: General Orders No. 34, Department of the Army was issued directing the relocation.

May 12, 1954: Meeting in G–4 conference room at the request of a delegation of employees of the New York Quartermaster Purchasing Agency attended by Mr. Lambert, representing NYQMPA Employees Committee; Mr. Shargal, representing NYQMPA Employees Committee; Mr. Pollack, representing NYQMPA Employees Committee; Mr. Frank H. Higgins, Deputy Under Secretary of the Army; Brigadier General Denniston, Deputy Quartermaster General for Operations; Colonel Richardson, G–4; Colonel Gibson, G–4; Colonel Harvey, OQMG; Lieutenant Colonels Houghton, OQMG; Lieutenant Colonel Price, OQMG; Lieutenant Colonel Mueller, OUSA; Mr. Eugene Hart, G–4; Mr. Winter, OQMG. At the conclusion of this meeting General Denniston advised that he did not think any points had been raised which had not already been studied.

May 18, 1954: A meeting with New York congressional delegation in the Pentagon attended by Congressman Emanuel Celler, Democrat, of Brooklyn; Congressman James J. Delaney, Democrat, of Brooklyn; Congressman Eugene J. Keogh, Democrat, of Brooklyn; Congresswoman Edna F. Kelly, Democrat, of Brooklyn; Congressman Abraham J. Multer, Democrat, of New York City; Congressman John J. Rooney, Democrat, of Brooklyn; Congressman Arthur G. Klein,

Democrat, of New York City; Congressman Sidney A. Fine, Democrat, of Bronx; Congressman Isidore Dollinger, Democrat, of Bronx; Mr. Feldman, representing Congressman Franklin D. Roosevelt, Jr.; Mr. Siezak, Under Secretary of the Army (for a limited time); Mr. Higgins, Deputy Under Secretary of the Army; Major General Hastings, the Quartermaster General; Colonel Harvey, OQMG; Lieutenant Colonel Houghton, OQMG; Lieutenant Colonel Price, OQMG; Colonel Gibson, G–4; Lieutenant Colonel Mueller, OUSA; Mr. Winter, OQMG; Mr. Lambert, president of Employees' Committee, NYQMPA. At the conclusion of this meeting Mr. Higgins stated that he did not think any points had been raised which had not already been considered.

May 20, 1954: New York congressional delegation issued press release attacking the move.

EXHIBIT 2

GENERAL ORDERS No. 34
DEPARTMENT OF THE ARMY,
Washington, D. C., May 7, 1954.

	Section
Camp Stoneman, Calif., placed in inactive status; activities transferred to Fort Ord and Oakland Army Base, Calif	I
Quartermaster activities relocated	II
Units entitled to battle credits, general orders amended	III
Units credited with assault landings, general orders amended	IV
Reno Quartermaster Remount Station, Fort Reno, Okla., discontinued	V

* * * * *

II. Quartermaster activities: Effective July 1, 1954, the quartermaster class II activities located at 111 East 16th Street, New York, N. Y., are discontinued and their missions and functions are transferred as follows:

1. The New York Quartermaster Purchasing Agency is transferred to and merged with the Philadelphia Quartermaster Depot, Philadelphia, Pa.

2. Headquarters, Quartermaster Inspection Service Command, is transferred to Philadelphia, Pa., and reestablished as a quartermaster class II activity under the jurisdiction of the Quartermaster General, and located at the Philadelphia Quartermaster Depot.

3. The New York Quartermaster Inspection Service Field Office is transferred to Philadelphia, Pa., and redesignated the Eastern Regional Inspection Office, and assigned as an integral organizational element of Headquarters, Quartermaster Inspection Service Command, at the Philadelphia Quartermaster Depot.

4. The commercial warehouse field office is transferred to Philadelphia, Pa., and is reestablished as a quartermaster class II activity under the jurisdiction of the Quartermaster General, and located at the Philadelphia Quartermaster Depot.

[AG 323.3 (6 May 54)]

* * * * *

By order of the Secretary of the Army:

M. B. RIDGWAY,
General, United States Army, Chief of Staff.

Official:

JOHN A. KLEIN,
Major General, United States Army, Acting The Adjutant General.

Distribution: According to requirements submitted on DA Form 12.

EXHIBIT 3

DEPARTMENT OF DEFENSE,
OFFICE OF PUBLIC INFORMATION,
Washington, D. C., May 3, 1954.

NEW YORK QUARTERMASTER PURCHASING AGENCY TO BE MOVED TO PHILADELPHIA DEPOT

The New York Quartermaster Purchasing Agency, which since World War II has occupied leased quarters at 111 East 16th Street, New York City, will be relocated in the Philadelphia Quartermaster Depot, Philadelphia, Pa., as soon as physical arrangements can be completed, it was announced today by the Department of the Army.

The move to Philadelphia is in conformity with Department of Defense policy to relinquish leased space wherever possible, to accomplish maximum possible utilization of Government-owned space and to effect utmost economies through consolidation of activities.

Moving of the above activities to Philadelphia will result in substantial recurring savings, estimated to be more than $700,000 annually, and will bring together the purchasing and inspection activities, now conducted in New York, with the closely related acceptance-testing, pilot manufacturing, and Government-furnished property functions already housed at Philadelphia Depot.

The Quartermaster Purchasing Agency was located in the Philadelphia Depot prior to its move to New York in 1945. The agency procures textiles, clothing, and a few types of general supply items.

The Quartermaster Purchasing Agency, together with the Quartermaster Inspection Service Command and the Quartermaster Inspection Field Office which also will move to Philadelphia, presently employ 63 military and 987 civilian personnel. Consolidation of administrative and other activities at a single location in Philadelpha will make possible the reduction of 13 military and 114 civilian personnel for this operation at a total annual payroll savings of approximately $570,000. Elimination of the need for the leased quarters in New York will save approximately $130,000 a year.

Advantages of moving the above-named Quartermaster agencies to other Government-owned locations in the New York area were analyzed prior to making the decision to move to Philadelphia. Studies showed that the cost of removal to and the remodeling of available structures in New York would be far in excess of the costs of removal to Philadelphia. Further, it was apparent that removal to another site in the New York area would not make possible the reduction in personnel and would not accomplish the consolidation of related activities achieved by the move to Philadelphia.

Civilian employees whose jobs are being transferred to Philadelphia will be invited to move to the new location. Where such employees decline to move to the new location, their jobs will be filled by recruitment. In those instances in which a New York employee's position is to be consolidated with an existing position at the Philadelphia Depot, the position will be filled in accordance with existing civil-service regulations. Every effort consistent with civil-service rules and regulations will be made to assist those employees not moving to Philadelphia to secure other positions with the Government or private industry.

The New York Quartermaster Market Center, now housed at 111 East 16th Street, New York City, and New York petroleum field office, will be relocated in other Government-owned property in the New York area. The New York market center procures a subsistence for the Armed Forces, directly supporting shipments from the port of New York and supplying military installations in the New York area.

EXHIBIT 4

JUNE 4, 1954.

Hon. STYLES BRIDGES,
Chairman, Senate Appropriations Committee,
The Capitol, Washington, D. C.

DEAR SENATOR BRIDGES: My attention has been called to the introduction of an amendment intended to be offered to the defense appropriation bill by Senator LEHMAN, of New York, and Senator KENNEDY, of Massachusetts, designed to prevent the use of funds for the transfer of the Army Quartermaster Purchasing Agency from New York to Philadelphia.

The decision to make this transfer has been made by the Secretary of the Army and the Quartermaster General after long study and investigation, and the conclusion that more than $720,000 can be saved in defense funds through this move, and the consolidation of services in Philadelphia.

Naturally, I am pleased that the decision has been made, based upon facts. I have asked the Department of the Army to furnish me with a chronology of events leading to this transfer decision, and a summary of the costs and savings in connection with the move, which is attached to this letter. I will appreciate it very much if you will make this information available to the members of the Armed Services Subcommittee.

If the Lehman-Kennedy amendment is offered when the Defense Appropriation Bill comes to the floor of the Senate, I assure you I will do all in my power to block it. This letter is to explain my strenuous protest to you, in advance.

I have heard it said that the reason given against the move of the Quartermaster Purchasing Agency to Philadelphia, is that it will cause unemployment; also that it is one of several defense operations that have been withdrawn or curtailed in the New York area. Unemployment in the Philadelphia area is equally serious, and the State of Pennsylvania has lost numerous defense contracts and has suffered the loss of defense installations, due to change or curtailment in defense plans.

However, no member of the Pennsylvania delegation in Congress has resorted to the device of attempting to tack a proviso on to an appropriation bill to cause the recission of a decision made by the military, after long study and investigation has proved its feasibility and the saving of three-quarters of a million dollars.

I am sending a copy of this letter to each of the members of the Armed Services Subcommittee.

Very sincerely,

EDWARD MARTIN.

EXHIBIT 5

Summary of savings in relocation of NYQMPA to Philadelphia QM Depot

Annual cost of leased space at 111 East 16th St	$130,198
Excess annual cost for personnel created by the move	570,000
Reduced requirement for IBM equipment annual rental	6,780
Service annual savings due to decreased space requirement for NYQMPA at PQMD	13,272
Total savings	720,250

EXHIBIT 6

STATEMENT ON DEPARTMENT OF ARMY POSITION ON PROPOSED AMENDMENT BY SENATOR LEHMAN TO DEPARTMENT OF DEFENSE APPROPRIATION BILL FOR FISCAL YEAR 1955 (H. R. 8873) PROHIBITING USE OF FUNDS TO TRANSFER ARMY QUARTERMASTER PURCHASING AGENCY FROM NEW YORK TO PHILADELPHIA, PA.

The Army's decision to move certain activities from leased space at 111 East 16th Street, New York City, into Government-owned facilities at the Philadelphia Quartermaster Depot was based upon considerations of efficiency and economy of operations and, despite allegations to the contrary, without regard to political pressures from any source. It was made after extensive study and evaluation of all pertinent factors.

The relocation of the New York Quartermaster Purchasing Agency and the other activities into Government-owned space at

the Philadelphia Quartermaster Depot will effect an annual rental saving of $130,000. Integration of the activities will permit a personnel reduction of 13 military and 114 civilian spaces or annual savings in personnel salaries of $570,000. These major savings, together with annual savings in such matters as machine rentals and housekeeping services, will accomplish a total annual savings of approximately $720,000, as contrasted with the approximately $300,000 that would be saved by moving into Government-owned space in New York. In this connection, it should be noted that because of the substantial savings resulting from the integration, it is expected that the complete cost of the move, approximately $214,000, will be amortized over a 4-month period.

With regard to allegations which have been made that other agencies will move into the space at 111 East 16th Street to be vacated, if this ultimately is the case, it will be by reason of the inability of the Government to find suitable Government-owned space for all agencies in the New York area and in any event, these agencies would be moving from high-cost space into relatively low-cost space thus actually realizing an overall savings in rentals being paid by the Government.

In addition to sizable economies effected by the move, the move to Philadelphia will permit the grouping together of the purchasing and inspection activities, now in New York, with the closely related acceptance testing, manufacturing, and Government-furnished property functions now at the Philadelphia depot. The ready availability of expert advice and assistance from all these closely related activities will materially assist the contracting officers and purchasing personnel in a more efficient administration of contracts to the benefit of both the Government and Quartermaster contractors. For many years and throughout World War II, Quartermaster clothing and textile procurement was successfully performed at the Philadelphia depot. Moreover, the Marine Corps procurement operation is conducted at Philadelphia as well as the Navy General Stores Supply operation. The Navy clothing and textile procurement which will remain in New York is only about one-fourth that of the Quartermaster Corps.

Although it is recognized that the New York area has a larger concentration of the clothing and textile industry than does the Philadelphia area, as a matter of fact this industry is not centralized in any one locality but is scattered throughout the eastern seaboard area. The majority of the procurement effected by the New York Quartermaster Purchasing Agency normally is conducted through the process of formal advertising which does not require personal contact or negotiation between Government purchasing personnel and contractors or their representatives. This method requires that many facets of procurement and contract administration must, in any event, be reduced to writing and carried out through letter correspondence in order to comply with law, regulations, and contractual terms and in keeping with orderly business practices. In consideration of these factors, it is considered that any large communication and transportation center in the general area is a satisfactory location for a central purchasing office. Philadelphia is only 90 miles from New York, and no undue burden on that segment of industry maintaining offices in the New York area is foreseen by reason of the removal to Philadelphia.

Allegations have been injected concerning problems and costs of recruitment and training of personnel which will be made necessary by the move.

The majority of the employees not moving to Philadelphia are in the lower grades for which recruitment should present little or no problem in Philadelphia. A large proportion of the technical or key employees are expected to move. The current Civil Service Commission lists at Philadelphia show a significant number of eligible applicants with purchasing experience, some of them separated Government career employees, who should be able to qualify for the technical or key positions.

Training and recruitment of employees is a continuing personnel administration process. Any costs involved are intangible accounting costs which will not require any budgetary or funding actions. The recruitment and training activity can and will be phased carefully into normal operations and any disruption of operations will be of a minor and temporary nature. Under the conditions expected to exist, the Army will not ask for or expend any additional dollars on recruitment and training of the personnel who will have to be recruited in the Philadelphia area.

Every effort is being made to place the employees of the agencies being moved in other jobs either in Government or private industry. Thus far this placement operation is considered to have been very successful. In this connection it is emphasized that only 63 military and 987 civilian personnel are affected by the move to Philadelphia and not the 1,600 that have been alluded to in various statements. Although the Quartermaster Corps does have more than 1,600 employees attached to its activities in the New York area, the balance over and above the 63 military and 987 civilian personnel either are remaining in the New York area with activities which must remain there or are personnel assigned to field activities scattered throughout the country.

Members of Congress and representatives of Quartermaster employees affected have been afforded opportunities for presentation to Army officials of evidence and argument in opposition to the relocation to Philadelphia. The points presented in opposition to the move had already been carefully studied and it was determined that nothing had been presented which justified reconsideration and of the decision to effect the relocation. The reasons for the move were explained in detail at these meetings.

Mr. SMITH of New Jersey. Mr. President, as the senior Senator from New Jersey, I shall support the Committee and oppose the amendment by which the Senator from New York is attempting to prevent the transfer of the Army Quartermaster Purchasing Agency from New York to Philadelphia. New Jersey has a special interest in this matter, for although neither location is within the State, a substantial number of New Jersey residents will be affected.

I oppose the amendment as interfering with the orderly management of the Army and as a needless extravagance. The Department of the Army has stated that this agency is being returned to Philadelphia in line with its policy of relinquishing leased space to utilize Government-owned space. The agency had been located in Philadelphia until 1945. Further, some $700,000 will be saved annually, as the Senator from Pennsylvania has just said, through reductions in personnel and savings in rental payments which this move will make possible. This is one economy which clearly promotes military efficiency.

I desire to go on record as supporting the position of the committee in the matter.

Mr. DUFF. Mr. President, I rise to a point of order that this amendment to a general appropriation bill proposes general legislation which impliedly authorizes the Committee on Organization of the Executive Branch of the Government to carry out a statutory duty not heretofore imposed or provided by law.

The PRESIDING OFFICER. The Chair will state that an amendment of this nature offered to any appropriation bill would be legislation, and would not be in order. Therefore, the point of order is sustained.

The bill is open to further amendment.

Mr. PASTORE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the figures on page 6, line 17, and on page 9, line 3, of the bill, agreed to yesterday as an amendment offered by the Senator from Virginia [Mr. BYRD], be considered as the original text for the purpose of further amendment.

The PRESIDING OFFICER. Is there objection to the request?

Mr. FERGUSON. Mr. President, reserving the right to object, yesterday amendments offered by the distinguished Senator from Virginia [Mr. BYRD], and agreed to, did make changes in certain figures, as indicated in the unanimous-consent request. They were in fact technical alterations, because the money would have to be paid into the Treasury. Therefore, while the money is appropriated for the purposes set forth, the funds would not be expended in the usual sense of the word, because counterpart funds of other nations would be used. So I see no reason why the amendments of the Senator from Virginia should be considered, in the ordinary sense, as being amendments in the second degree. The amendments are for bookkeeping purposes only.

I do not think the procedure now proposed should be considered as a precedent. So far as the Senator from Michigan is concerned, as the Senator who is handling the bill on the floor, I would have no objection to such procedure, but I thought there ought to be an explanation, and I have tried to make one in my statement.

I hope there may be a vote on the direct question of whether or not we will compel the Department of Defense and the President to keep two more divisions in the Army, and draft from civilian life a certain number of personnel in excess of the number who would otherwise be drafted, and thereby require the expenditure of additional money. Shall we impose the judgment of the Congress as to the number of personnel required in the military service? The Congress ought to obtain evidence on that question, rather than attempt to resolve it by a reconsideration of the particular Byrd amendment, referred to by the Senator from Massachusetts, which is only a technical amendment, and which

will be in conference with the House of Representatives.

I hope no Senator will object to the request.

Mr. MAYBANK. Mr. President, if the distinguished Senator from Massachusetts wishes to amend the bill in other respects, he can very easily do so. Therefore no privilege whatsoever would be granted to him by acceding to his request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts? The Chair hears none, and the request is granted.

Mr. KENNEDY. Mr. President, I am very grateful. The Senator from Michigan has always been very fair and courteous.

I now call up my amendment designated as "6-16-54-B," which is at the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The Chief Clerk read the amendment offered by Mr. KENNEDY for himself and other Senators, as follows:

On page 6, line 17, strike out "$4,157,013,000" and insert in lieu thereof "$4,307,479,000."

On page 9, line 3, strike out "$3,060,189,986" and insert in lieu thereof "$3,260,189,986."

Mr. KENNEDY. Mr. President, the purpose of the amendment, which is offered on behalf of myself and the Senator from Tennessee [Mr. GORE], the Senator from Montana [Mr. MANSFIELD], the Senator from Missouri [Mr. SYMINGTON], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oklahoma [Mr. MONRONEY], and the Senator from New York [Mr. LEHMAN], is to maintain the strength of our Army at its present level of 19 divisions. The pending Defense appropriation bill—which cuts the Army appropriation $5.3 billion or 41 percent below last year's level, and would cut at least $4 billion or 30 percent in estimated total expenditures—requires a reduction in Army forces to 17 divisions by the end of fiscal 1955. This cut, which would be accompanied by a cut in military personnel of 230,000 men, or 16 percent, would be a further cut imposed upon the cut of 1 division which has already been made since the beginning of this year, when we had 20 divisions. It is my understanding that this 2-division cut, which our amendment is intended to prevent, will leave the United States with only 6 combat divisions in the Far East and only 5 in Europe.

Mr. President, if we could safely assume that such a cut would in no way reduce our armed strength, or if we could safely assume that there will be a reduced need for military manpower, or if we could safely assume that the threat and military power of the Soviet Union were being similarly reduced, then we would be more than justified in supporting a cut of the magnitude contained in this bill. Certainly none of us is desirous of maintaining an excessive military establishment.

But the fact remains that, whatever assumptions might have been possible in August 1953, when this budget was developed, or whatever assumptions might have been possible in the spring of 1954, when it was presented to the Senate Appropriations Committee, we cannot safely make such assumptions on June 17, 1954.

First, the proposed reduction in the Army budget will give us less security. It is all very well to hope that our New Look atomic deterrent power will prevent an outbreak of war; to hope that other nations will take up the slack caused by the reduction in our manpower; and to hope that the United States will not be forced to intervene in Indochina or anywhere else on the globe. But these hopes, expressed by the able Senator from Michigan [Mr. FERGUSON] yesterday, neither give us more security nor conceal the fact that this slash in Army strength will give us less security. General Ridgway testified before the Senate committee—page 59—as follows:

We are steadily reducing Army forces—a reduction through which our capabilities will be lowered while our responsibilities for meeting the continuing enemy threat have yet to be increasingly lessened. * * * This reduction in strength has made it necessary for the Army to reevaluate its military program, its present force structure, and its worldwide deployments.

Earlier, he had told the House Appropriations Committee—page 54—that:

A reduction in the order of magnitude that we are making will certainly, when completed, leave us with less combat effectiveness than we had when we started.

And he agreed that our much heralded new weapons will not be of particular benefit in replacing ground forces during the coming fiscal year.

Similar statements by Secretary Stevens and General Honnen, Chief of the Army Budget Division, make it clear that the overall combat effectiveness of the Army by the end of 1955, even with gains we could make with improved weapons, will be somewhat less than it is today.

Therefore, in considering the statement made just a few minutes ago by the Senator from Michigan, whether we should attempt to place our judgment above that of the President in submitting his budget, I would state we can conclude from these statements as well as anyone else that if the Army budget proposed by the Senator is accepted, our combat effectiveness will be less at the end of fiscal 1955 than it is now. Therefore, looking into the future, it is necessary for us, as well as for the President, to judge whether there is need, considering world conditions, for a stronger or for a weaker combat effectiveness of the Army. I can reach no conclusion other than that there will be need for a stronger combat effectiveness.

Mr. MONRONEY. Mr. President, will the Senator from Massachusetts yield to me?

Mr. KENNEDY. I yield for a question.

Mr. MONRONEY. I should like to associate myself with the remarks made and those being made by my distinguished colleague from Massachusetts. It appears to me that, in the light of the evidence we have in the testimony which has been quoted and in the light of the deteriorating and steadily worsening condition in the Far East, the Congress, which under the Constitution, is charged with the duty of raising and maintaining armies, would be turning its back on its very definite responsibility if it were to permit the ground forces of the United States to be weakened.

When this budget was sent to Congress, we still dreamed beautiful dreams that a peace might come out of Korea, as a result of the armistice that had been agreed to by the Eisenhower administration. However, only a few days ago we saw the collapse and the breaking off of those peace negotiations and the effort to settle the Korean armistice. So, instead of achieving peace in Korea and being able to bring home our troops, we still face a most uncertain, difficult, and dangerous situation there.

We had a total of 20 divisions when we were fighting in Korea, but the situation now is worse than it was then, in that—to quote the President and others—all of Southeastern Asia is likely to fall like a row of dominoes falls, when one, in falling, knocks down all the others.

Certainly nothing that has been placed in the RECORD or stated in the testimony is sufficient to make me believe that our supersonic aircraft or our hydrogen bombs or our atomic bombs or even our guided missiles will enable us to maintain, somewhere in Southeastern Asia, a line which can be used as a bulwark to prevent further Communist aggression.

Mr. KENNEDY. On that point I wish to say to the Senator from Oklahoma that, as he knows, we have in Europe approximately six divisions to fulfill our obligations under NATO. If a Southeastern Asia defense pact is entered into, we must assume that the United States will make a commitment of manpower in that connection. However, today—and particularly if the cuts now proposed are actually made—the United States will not have any manpower to use in implementing such a defensive past for Southeastern Asia.

Mr. MONRONEY. Certainly the Senator from Massachusetts is correct, because in view of the difficulty in bringing about a southeastern Asia pact, we have no reason to expect that our contribution to such a pact would be limited to naval vessels or high altitude bombers. On the contrary, we must realize that we would be expected to contribute some ground forces, to serve alongside the ground forces contributed by the other countries joining in the pact. All those ground forces would be needed in order to maintain a line of defense in that area. We would not be able to say to the other countries, "Let your troops do the fighting and the struggling in the jungles, and we will confine our operations to the high seas or to high altitude aircraft operations." Such an arrangement simply would not work.

Mr. KENNEDY. As the Senator from Oklahoma knows, one of the reasons why the United States made a commitment of manpower in connection with NATO was, not because our population is as great as the combined populations of the other countries who are participants in NATO, but because we

thought that if we contributed some of our ground troops at the beginning it would serve as a stimulus to the other countries to put their ground troops into the field.

Therefore, if the United States had no ground troops to make available in connection with a southeastern Asia pact, it would be far more difficult to encourage the countries of Asia to arm.

Mr. MONRONEY. Furthermore, if we had not contributed any ground forces to NATO, could we reasonably expect to have any voice in the determination of the strategy of NATO operations on the ground? In the same way, would not we have to yield control of the ground forces to the other participants in the southeast Asia pact, if we had no troops to contribute?

Mr. KENNEDY. That is correct.

Furthermore, if the only contribution we can make is in high-altitude bombers and the hydrogen or atomic bomb, the countries of southeast Asia may feel that Communist success is preferable to atomic or hydrogen warfare. Therefore, it seems obvious that we cannot safely place all our reliance upon weapons of an atomic nature.

Mr. MONRONEY. It seems to me that the news that we are reducing the strength of our forces to three divisions below their strength of last year; that we are deactivating two combat divisions, and will have three divisions less, this year, than we had last year, will be somewhat of an invitation to the Chinese Communists or the Russian Communists—of course, all the Communists are of one pattern—to engage in further aggression. It will tend to show a definite decrease in the resistance on the part of the free world to the type of warfare which has been described by the Vice President of the United States as nibbling off pieces of the world, bit by bit. If we do not have sufficient ground forces in being, we shall be powerless to resist, and even powerless to make a psychological impact upon the Communist mind, because by means of this appropriation bill we shall be proving to them that Uncle Sam, the leader of the free world, does not intend to maintain his ground forces at sufficient strength to be able to have a great impact on the side of preserving the peace.

In my book, the additional divisions we propose are insurance against world war III; they are our insurance for peace. Perhaps even then we shall not be buying enough insurance; but certainly it will be in the right direction. Certainly by having ground forces in being, ready to move anywhere in the world, we shall have the type of insurance policy we shall need if we are to help avert the holocaust of an atomic or hydrogen world war III.

Let me remind the Senate that because we were unprepared and because we did not have a large standing Army, and because we did not have an adequate Air Force and because we did not have a Navy of sufficient size, World War II descended upon us, and we were involved in it, and that war, in addition to the hundreds of thousands of casualties, cost us, in terms of American wealth, over $400 billion.

On the other hand, if we are so stupid, because of a lack of preparedness and a lack of readiness, as not to do the things to prevent world war III from occurring, world war III, measured on the basis of World War II, plus the inflationary impact, would be a trillion-dollar war.

Yet some are opposed to an amendment that seeks to add only $350 million, in order to give us the minimum amount of ground strength I believe the United States must have. We actually need more. However, to say that the United States cannot afford the two extra divisions here proposed is to say that we cannot afford to provide the forces that will help us and the rest of the world to remain free.

Mr. KENNEDY. In answer, Mr. President, let me say first that the reduction to 17 divisions was made, according to the testimony of Secretary Stevens, on the basis of certain assumptions: First, that the buildup of the South Korean forces would continue; second, that the buildup of the police force of Japan would continue; and, third, that no additional demands would be made upon our Army manpower.

But along with the buildup of the forces of South Korea and of the police force of Japan there has been a tremendous buildup in the North Korean Army, the Chinese Communist armies, and, in particular, the armies of the Viet Minh, which, as we know, in the past 5 or 6 months have added materially to the manpower balance on the side of the Communists.

Secondly, as the Senator from Oklahoma has suggested, this budget was made in August, shortly after the Korean war had officially ended. At that time we thought we would achieve success in Indochina by June 1955, through the Navarre plan.

Now the Korean truce talks have broken down. Indochina is falling into the hands of the Communists. Therefore, it seems to me that if we do not reconsider our estimates of a year ago, we are giving away all the advantages of the 9 months we have had since the original budget was made up. Moreover, the restoration of $350 million would still mean that the budget would be less than the amount requested by the President. Such restoration seems to me to be the minimum we should do.

Mr. LEHMAN. I wonder whether the Senator from Massachusetts was in the Chamber yesterday when the distinguished chairman of the appropriations subcommittee [Mr. FERGUSON] and I had a colloquy. To refresh the memory of the Senator from Massachusetts with respect to one small part of the colloquy, I read from page 8333 of the RECORD:

> Mr. LEHMAN. I wonder whether the distinguished Senator from Michigan would advise the Senate whether, in his opinion, the situation in the world is less serious today than it was a year ago.

To which the chairman of the appropriations subcommittee replied:

> I say frankly that I do not know the answer to that question.

The chairman of the appropriations subcommittee, of course, is expected to know, and probably does know, more about the situation and the requirements of the military than do the rest of us. Yet he is unable to answer the question. The question goes to the very heart and root of the amount which we must spend in providing the proper defense forces. When he does not know the answer to that question, is it not a most surprising and amazing situation that we are confronted with a budget for the Department of the Army which is $5,318,000,000 less than that of a year ago?

Mr. KENNEDY. I agree with the Senator from New York. There does not seem to be any coordination between the statements of the Secretary of State and others as to what action the United States should take to prevent the fall of southeast Asia, and these budget figures. It seems to me that they are operating on two entirely different levels. On one level there is the assumption of a long haul without a year of maximum crisis. On the other level there is the assumption that if we are not called upon to take part in military action in southeast Asia, at least we shall be called upon to join in a collective pact in that area.

Mr. LEHMAN. In the cut of $5,318,000,000, which certainly does not seem to me to be justified, there is included a reduction which will result in the diminution of our ground forces to the extent of 230,000 men, or a decrease of about 18 percent. We are trying to restore that cut by the amendment offered by the Senator from Massachusetts. It is only a small part of what I consider to be an unjustified cut of $5,318,000,000. Nevertheless, it is an extremely important item.

Mr. KENNEDY. Even if the amendment is accepted, we shall still have one division less than we had in January of this year.

Mr. LEHMAN. Yes.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. MONRONEY. Yesterday, in answer to a question as to what would take the place of those two divisions in military strength, the distinguished chairman of the subcommittee referred to our reserves. Is it not a fact that most of the reserve manpower we would have to call up in order suddenly to reactivate the 2 divisions or 3 divisions would be the same men, in many cases, who had seen service in World War II, who were recalled to duty in the Korean episode, and who would be facing a third period of service? I know of no other reserves who are trained and combat ready, or capable of understanding the problems of combat.

However, we can take men who have never seen service, train them adequately, and bring two divisions up to combat strength and readiness. It requires perhaps 18 months, in many cases, to bring a division to the point where the loss of life, if it goes into combat, will not be extremely high. One thing we cannot buy is time. While we may have a few precious months of time, we must not rely upon calling back into service men who have experienced so much of

the pain and weariness of battle. Secondly, we must be able to train the younger men who may be called upon—we pray that they may not be—to fight in defense of the Nation.

Mr. KENNEDY. The Senator probably knows more about that subject than anyone else, because I believe the 45th Division, the Oklahoma division, was called to serve in Korea. Many of the men who served in that division had served previously in World War II.

Mr. MONRONEY. That division had more days of combat in World War II than any other division save one. Most of the officers and many of the noncommissioned officers were men who had seen service in World War II. They were called back into the service, and gave up their jobs and their businesses. They answered the call in good spirit and they wrote a distinguished record in Korea. I think it is expecting too much to put the burden for the third time on the men who have borne the brunt of battle for the Nation in two other wars.

Mr. KENNEDY. I agree with the Senator.

The proposed reduction in the Army budget is inconsistent with the increasing threat of Communist military power. It is the height of folly to reduce our strength when the Soviets are increasing theirs. General Ridgway testified that—

> The military power ratio between Western defense capability and the Soviet bloc's capability is not changing to our advantage—the strength of the major components of Soviet bloc military power continues to increase—unaccompanied by an offsetting increase in allied strength.

I invite the attention of the Senator from Michigan to this statement. The Senator states that we are putting our military judgment above that of the President. But I am quoting a member of the Joint Chiefs of Staff, who sets down the simple fact that the balance of military power is changing against us.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. MANSFIELD. Of course, I accord all honor and respect to the President, but I do not believe that merely because he was once a great military man he knows the answers to all the military and political problems. If my memory serves me correctly, he was Chief of Staff at the same time Louis Johnson was Secretary of Defense, in a Democratic administration. I recall how weak our country was before Korea because of the recommendations made at that time. So I do not think the President is infallible. The Senator from Massachusetts is to be commended for offering this amendment, which, of course, is in the best interests of the security and welfare of the country as a whole.

Mr. KENNEDY. We have had an opportunity in the past 12 months to review the situation. I think everyone would agree that the United States would be in a better position today if it had used the money which was saved last year through the cuts in the Air Force appropriation, to strengthen our Air Force and bring it to a peak sooner than 1957. We have had an opportunity to see how a miscalculation was made concerning the pace of world events. Since this budget was prepared, we have had another opportunity. The President's judgment is probably better than the judgment of most of us; but since the President and the Budget Bureau originally suggested this budget, we have had an opportunity to take a second look. I think that second look should convince us of the necessity of strengthening our Armed Forces.

Mr. MANSFIELD. That second look has brought about serious considerations because the policy has been off and on, up and down, so far as the situation in Indochina and southeast Asia is concerned.

Mr. KENNEDY. The Senator knows better than anyone else, because he has seen the statements of Secretary Dulles, Secretary of Defense Wilson, and others, that our whole strategy in southeast Asia was based upon the presumption that the Navarre plan, which called for success in Indochina in 1955, would be successful. As late as March of this year, Secretary Dulles reaffirmed his support of the Navarre plan, as did Admiral Radford, Chairman of the Joint Chiefs of Staff. The Navarre plan failed. We would be fortunate to hold any position in Indochina. That fact alone should indicate a new look at our defense posture.

Mr. MONRONEY. Especially in view of the fact that we have really very little in the way of a strategic mobile reserve.

The Senator from Massachusetts mentioned something about the Air Force cutback last year. I presume he is aware of the fact that Gen. Curtis LeMay's Strategic Air Command is now about 40 percent short in the most highly technical categories of maintenance personnel, and about 20 percent short in the next group.

It is my understanding that some months ago there was a crash of an airplane in the Strategic Air Command, and it was blamed on a crew chief who was only 19 years of age. I believe that is an important fact to consider because the SAC is the massive retaliatory striking arm of our armed services. If there are these shortages and if there is this dependency on a crew chief, in this case, only 19 years of age, then I think it is time that we take a new look at the New Look and try to bring about a greater degree of security in the 4 branches of our armed services.

Mr. KENNEDY. I appreciate the Senator's remarks.

The President, on January 21, stated that the reduction of two divisions was "made possible by the cessation of hostilities," among other reasons, but what are the possibilities of new hostilities on June 17? Secretary Wilson justified this budget in March upon his assumption that "the threat to our security will not reach a peak at any particular point in time." But in June the recent events in Indochina, Geneva, Paris, and elsewhere indicate to me that the peak threat to our security is being reached very rapidly.

Since 1951, the Chiefs of Staff had operated on the assumption of a year of maximum danger in 1954, and it is apparent that that presumption has been set aside. The presumption now is to maintain military strength for the long haul, with a view toward maintaining a reasonable degree of military security but emphasizing the strength of our economy. It seems to me that the events of the last 2 months have indicated that that view is not sound.

On March 15, long before the fall of Dien Bien Phu and the negotiations for SEATO—which, if to be realistic, will surely require United States strength comparable to our five NATO divisions, Secretary Stevens stated that: "A 17-division force is predicated upon certain basic assumptions," including not only the assumption that hostilities in Korea will not be resumed, but also that no additional requirement is made upon the Army.

General Ridgway, in discussing the growth in Soviet nuclear weapons, the progress of the military forces in North Korea and Communist China from the status of mere masses of riflemen toward the status of a more modern Army and the menace which exists at every significant point of contact between the Soviet bloc and the West—including Germany, Yugoslavia, Turkey, Iran, Pakistan, and the entire Far Eastern area—emphasized what he called the increasing threat to the United States and the unabatement of the ultimate intentions of the Soviet bloc to bring about our downfall.

Third. The proposed reduction in the Army budget unduly emphasizes budget savings over national security. General Ridgway accepted this budget, he testified only because—

> It has been my unvarying position that when a career military officer receives from proper superior authority a decision, that regardless of his views previously expressed, he accepts that decision as a sound one, and he does his utmost within his available means to carry it out.

Although the general asked for opportunity to express his views in executive session, he testified in his prepared statements that—

> This budget seeks to achieve the maximum combat capability for the Army within the means provided by national policy * * * The Army has been guided in the preparation of this budget by basic economic and strategic decisions which have been made at a higher level. * * * The Army believes that the programed distribution of strength and forces for fiscal year 1955 is the best attainable within the authorized end strength of 1,172,700 personnel.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield. I may say that the Senator from South Carolina was responsible for eliciting many of these statements.

Mr. MAYBANK. I should like to say to the distinguished Senator from Massachusetts, who is referring to the budget, that I tried to make plain yesterday, because I have a great respect for the President's ability and military genius, that the President himself in the budget recommended a billion dollars more than is

contained in the bill which is now before the Senate.

Mr. KENNEDY. That is correct.

Mr. MAYBANK. General Ridgway, who testified about the budget, knows that he can transfer certain funds in the budget, if he has the authority to do so. However, the President himself recommended a billion dollars more than is contained in the bill before the Senate at the present time.

Mr. KENNEDY. That is correct.

Mr. MAYBANK. I want to make that point perfectly clear in the RECORD.

Mr. KENNEDY. That is correct. The amount we are calling for is one-third of that amount.

Mr. MAYBANK. Therefore the President's request is still being reduced by more than $600 million.

Mr. KENNEDY. That is correct.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. MONRONEY. Is it not also a fact that if Congress enacts the $350 million provision, we will not be compelling the President of the United States or the Defense Department to establish the two additional divisions, and that the President will still have the right to reserve whatever money he feels should be reserved?

Mr. KENNEDY. It is my hope and it is the intention of the amendment that the President will maintain our armed strength at 19 divisions.

Mr. MONRONEY. That is our desire, and that is the way the amendment is drawn. However, if the President should choose to defy the will of Congress in putting this money into the pending bill for that purpose, it still would not be certain that we would get the two additional divisions.

Mr. KENNEDY. There is no doubt that the President probably would have such control, as it is impossible for us, because of the parliamentary situation—an amendment carrying out that purpose would be legislation on an appropriation bill—to bind the President. Nevertheless, it is our hope, if the amendment is adopted, that the money will be spent for the purpose indicated.

Mr. MONRONEY. It is the policy of Congress that it be spent for that purpose. I was merely answering the remark of the chairman of the subcommittee when he stated that we would absolutely be forcing the President to establish the additional two divisions even if he found the provision to be completely obnoxious and unsound, in his judgment.

Mr. KENNEDY. Yes; it is unfair to give as the only justification for the budget—and it is not the only justification the Senator from Michigan is giving—that the President, a most skilled military figure, understands the situation, and therefore we should accept his judgment. We, too, have a responsibility in this matter. We have had an opportunity to observe what has been happening since the budget was submitted. It seeems to me we would be abrogating our responsibility if we did not exercise our best judgment with respect to what our armed strength should be during fiscal 1955. The question is whether greater strength rather than less strength will be necessary. That is the issue, and it seems to me that our judgment should be considered, along with that of the President.

Mr. LONG. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. LONG. I wonder whether the Senator would be willing, instead of providing for two more American divisions, to spend the same amount of money in supplying 40 South Korean divisions, or 20 South Korean divisions, which would make it possible to bring home some of our men.

General Van Fleet tells us that we can keep 20 South Korean divisions in the field for the cost of only 1 American division. In the face of the economics involved, does the Senator feel we should keep six divisions in Korea?

Mr. KENNEDY. I do not believe we can keep 20 Korean divisions in the field as against the cost of only 1 American division. Perhaps from the standpoint of the pay differential that may be true, although I would doubt that also. If the South Korean divisions used United States supplies, the proportion of cost would not reach such a large percentage, I am sure. I am merely giving what I believe to be the minimum number of divisions the United States should have. Of course we ought to rearm the South Koreans, and we are rearming them. However, I do not think that a country with the responsibilities the United States has should have less than 19 divisions of its own in the field during the coming year. That is my opinion.

I agree that we should devote all the effort we can toward arming the South Koreans and to some degree the Filipinos, if that is their desire we hope ultimately that that will be done.

Nevertheless, if we join the southeast defense pact, the United States will have to make a contribution, and therefore 19 divisions will be required.

It must be remembered that the other countries in the NATO pact are far wealthier than are the countries of Southeast Asia. Nevertheless, the United States still must contribute about one-third of the first class divisions which are available for the defense of Western Europe. Therefore, I believe the United States must have its own forces available to meet the commitments it may have to meet. I am giving merely the minimum figure for the United States, and not the total defense needs of the free world.

Mr. LONG. Has the Senator read the very fine article, written by General Van Fleet, which was published in the Reader's Digest and reprinted in the CONGRESSIONAL RECORD?

Mr. KENNEDY. Yes; and I have seen some other figures in addition to the ones referred to by the Senator from Louisiana, as to what the total cost of a South Korean division is as against the cost of an American division, fully equipped by the United States. I do not believe the ratio is 20 to 1.

Mr. LONG. If the Senator will read the article to which I have referred I believe he will find that General Van Fleet stated that we can both equip and maintain a South Korean division for one-twentieth of the expense of equipping and maintaining an American division.

I would not propose to equip them with anything like the great amount of heavy equipment with which we equip our American troops in the field. That the South Korean divisions are, perhaps, man for man, as good as American divisions was demonstrated by the fact that those very divisions were holding 75 percent of the battleline in Korea.

Mr. KENNEDY. I do not think the Senator would suggest that we would have the same control over South Korean divisions we would have over our own divisions, particularly in areas outside of Korea. We have responsibilities which Korea does not have. Therefore, I consider the minimum figure, in order to meet those responsibilities, to be 19 divisions. Beyond that, I should be delighted to see additional funds made available to train additional South Korean divisions. But I believe the minimum figure for ourselves should be 19 divisions.

Mr. LONG. Does the Senator think it is humanly possible for this Nation to equip even half the number of ground troops in Europe that would be required to hold Europe against the enemy?

Mr. KENNEDY. The divisions now in Western Europe prevent the Soviets from seizing Western Europe without reinforcing the number of divisions they have in Eastern Germany. That would take a month or so, and would give us some warning if they began to reinforce those divisions. If it were not for the presence of United States divisions, Western Europe would be in far greater danger, and, moreover, the governments in that area would be far less able to control the situation.

Mr. LONG. The chief advantage of keeping American troops in Europe is that it makes it very clear to any aggressor in that area that the United States will definitely be in the war if an attack occurs. It is a total impossibility for us to maintain sufficient American troops to protect the entire area from being overrun.

I should like to suggest, further, that in the judgment of some of us it would be very foolish for the Soviet Union to follow the concept which some military men suggest, of undertaking in advance a great buildup for months in Europe before she made known her intention to attack, which would give us an opportunity to prepare for it.

Mr. KENNEDY. I think that is the value of having troops stationed there.

Mr. LONG. In my judgment, she would make a surprise attack through the air, or by guided missiles, if she thought it would be possible to gain complete advantage.

Mr. KENNEDY. That is correct. Therefore, I say there is some advantage in having our troops in Western Europe. I am sure we are not disagreeing about the necessity of training Asiatic divisions, but, in view of our own responsibilities, I do not think we should reduce the number of American divisions.

Mr. LONG. I differ with the Senator with reference to concentrating our expenditures in such a way as to involve a waste of manpower, with men sitting around with nothing to do. What we are going to need is weapons with which to defend the United States, weapons of an atomic nature, in case an aggressor nation should undertake to attack us. Any nation that wanted to attack us would not have the power to transport all the necessary troops overseas.

Mr. KENNEDY. I am pointing to our experience in Southeast Asia, where the offense is not sufficient to cause us to commence hydrogen or atomic warfare against either China or Russia. I assume that if we are to be successful in preventing a Southeast Asia attack, we shall have to have greater divisional strength.

Mr. LONG. Having had some experience with the question, and having had the opportunity to study the testimony given before the Armed Services Committee, it is my feeling that we should try to purchase our defense so that dollar for dollar we shall be getting the most for the money we expend. When I hear of all the things we would like to have, it seems to me we would be wasting our money if we tried to obtain them, and that we would be better off by finding out how much money we can raise, and then proceeding to get the most we can for our money. We could get 40 divisions of native troops armed and equipped to meet any enemy's onslaught. That is what General Van Fleet recommended.

Mr. KENNEDY. Mr. President, the emphasis given by Secretary Wilson and others to the necessity of maintaining the cost of national security at what he called a bearable level "over the long pull" indicates that budget reductions are a primary feature of the New Look military policy, and a primary consideration in the elimination of these two Army divisions. Indeed, the boast was made in the other House that these Defense Department reductions are largely responsible for the $7.4 billion tax reduction which the House has already voted this year.

But a budget reduction—an objective which we all share—should be an objective secondary to our national security and our responsible leadership in world affairs. Today what we shall afford should not be determined on the basis of whether the budget is balanced, but on the basis of expenditures which give us a clear margin of superiority over our enemies. If the weaknesses resulting from these cuts in Army strength invite an attack in Indochina or Korea, our savings would be paid for many times over.

Moreover, our amendment to restore these two divisions will cost a total of only $350 million, less than the pending bill has already cut from the total Army budget submitted by the President, and far less than its billion-dollar cut from the total Defense budget as submitted. Our amendment, therefore, will in no way contribute to an imbalance of the President's budgetary policies, or weaken this Nation economically in future years.

If we are to make and keep America strong in an age of peril, we will not permit this reduction in the effectiveness and strength of our Armed Forces. Permit me to say, as Henry Clay at the age of 33 told the Senate in 1810 in urging strong military measures just prior to the War of 1812:

> I call upon the Members of this House to maintain its character for vigor. I beseech them not to forfeit the esteem of the country.

For, Mr. President, if the Senator from Michigan is proved to be correct by future events, then we shall have saved $350 million, an important savings. But if future events prove right, the contentions of those of us who fear the consequences of weakening our armed strength—and I pray that we shall be proven wrong—then any action we take today which reduces our strength may well cost us heavily in terms of our security and freedom. Trouble and danger are our constant companions: our enemies are powerful and implacable. If in our judgment of future events we are to err, let us err on the side of strength.

Mr. MONRONEY. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. MONRONEY. Mr. President, I was about to suggest the absence of a quorum, but I shall withhold my suggestion because I understand the Senator from Michigan desires to reply to the Senator from Massachusetts.

Mr. FERGUSON. Mr. President, has the Senator from Massachusetts yielded the floor?

Mr. KENNEDY. Yes. I hope to obtain the floor again in order to suggest the absence of a quorum before a vote is taken on the amendment.

Mr. FERGUSON. Mr. President, the question now before the Senate was debated yesterday. I am not posing as an expert; I am merely trying to present the facts and figures. I am trying to state the views of the Department of Defense. I am citing and quoting those who have charge, under the President of the United States, and through him, of providing for the common defense.

It is true that under the Constitution Congress must appropriate the money to raise and support the Armies of the United States. I do not desire the Senators who are proposing the amendment to be misled about the cost of keeping the two divisions in being.

When I stated yesterday that it would be necessary to draft about 10,000 men a month for 10 months, or a total of 100,000 men, to keep the two divisions in being, I intended to say that the men who are now in those divisions will not remain in them.

It had been indicated that it was intended to compel the men who are in the divisions to remain in them. Their terms of service, under the draft, or under their voluntary enlistment, will expire, and they will be leaving the Army. I have tried to obtain the figures which indicate the number by which it will be necessary to increase the draft calls in order to be able to man the two divisions.

I said yesterday that an additional 10,000 men a month would be required to be drafted in order to keep the two divisions in being. That figure is only a partial number of those who would be needed and would have to be taken into the service. It allows for two divisions, but it does not allow for needed training establishments and a personnel pipeline sufficient to make combat ready, at full strength, all the existing divisions and two additional divisions.

I desire the record to be clear, so that the Senators who are proposing the amendment will understand, that the two new divisions suggested will require the drafting of an additional 247,000 men, plus 13,000 officers, totaling 260,000 for a 12 months' period. I do not see how the President of the United States could say, in view of the statements made in the Senate by the sponsors of the amendment, that he would not be compelled to keep those two divisions in the Army. It is not said by the sponsors of the amendment where the divisions shall be stationed; it is simply said that the Army shall keep ready the two combat divisions whose term of service, of course, from time to time would expire.

The information I have received is that from August to November it would be necessary, if the amendment were adopted, to draft 32,000 men a month in addition to the 23,000 now being drafted, and 17,000 a month from December 1954 to June 1955.

It has been said today, in effect, that it is desired to compel the President to keep the two divisions in Korea, so as to build up the South Korean divisions. If the personnel which would be required to accomplish this were sent to Korea, it would be necessary to send their dependents across the ocean at a cost of thousands upon thousands of dollars. I do not think the figure of $1 billion, which I cited yesterday, is too low for the purpose of keeping the two divisions in the field. If they were sent abroad, 260,000 is approximately the number who would have to be drafted during a period of 12 months.

Mr. LONG. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LONG. I intend to support the position of the Senator from Michigan. I suggest to him that his statement more than ever highlights the need of a good, effective Reserve program.

Mr. FERGUSON. That is correct.

Mr. LONG. Some time ago I had the honor of serving as chairman of a subcommittee which handled the last Reserve bill. I regret to say that we did not have the time in which to do justice to the subject. What is needed is large numbers of trained men who can readily be recalled from civilian life into uniform to serve as ground troops in the event another outbreak of fighting occurs. Likewise, I think it would be well for our allies to have reserves who could be called up and put into the field. It costs in a ratio of about $1 to $6 to keep a reserve available for every man on active duty.

Mr. FERGUSON. That is correct.

Mr. LONG. That is the kind of economy which we should be trying to effect. After all, no Nation in the world has the

ships, either in terms of transports or fighting strength necessary to send 6, 8, or 10 divisions to the shores of the United States. There would be plenty of time for the United States to call up divisions from a Reserve status in the event they were needed.

Mr. FERGUSON. They could also be called from Reserve status and be sent into combat service abroad, if they were needed.

Last night, in order that accurate information might be available, if the Senate intends to compel the Army to have the two divisions, I asked the Under Secretary of the Army to provide me with figures, so that I might advise the Senate.

The Army estimates the cost during the fiscal year 1955 of maintaining two additional infantry divisions as presently deployed to be $370 million. This would require the appropriation of $505 million additional for military personnel, $315 million additional for maintenance and operations, and $50 million for procurement and production. All but the $50 million estimated for procurement and production would require new appropriations. The $350 million suggested by the amendment agrees with the estimate of the operating cost for the two divisions; the remainder of the estimate is needed to augment both the training base and logistic pipeline necessary to maintain the additional divisions as presently deployed. In the event present deployments are changed to reduce the number of divisions in the Far East and to increase the number of divisions in the general reserve in the United States, the figures I have quoted can be reduced.

Mr. President, I think Senators should realize what they will be doing if they agree to the amendment.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the bill (S. 2802) to further encourage the distribution of fishery products, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5185) for the relief of Klyce Motors, Inc.; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. JONAS of Illinois, Mr. BURDICK, and Mr. LANE were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 7839) to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WOLCOTT, Mr. GAMBLE, Mr. TALLE, Mr. KILBURN, Mr. SPENCE, Mr. BROWN of Georgia, and Mr. PATMAN were appointed managers on the part of the House at the conference.

RALSTON EDWARD HARRY

Mr. KNOWLAND. Mr. President, at the request of the distinguished minority leader, who has asked if it would be possible to do so, I desire to call up, out of order, Calendar No. 1603, H. R. 3350, for the relief of Ralston Edward Harry.

The committee report and the minority views are available to each Member of the Senate. The bill was reached on the call of the calendar last Tuesday, but objection was raised by the calendar committee. The report itself shows that there is an adverse recommendation from the Veterans' Administration and the Bureau of the Budget. The minority views have been filed on behalf of the Senator from Arizona [Mr. GOLDWATER], the Senator from Connecticut [Mr. PURTELL], and the Senator from Nebraska [Mrs. BOWRING].

Mr. President, I ask unanimous consent to have printed at this point in my remarks the committee report with minority views.

There being no objection, the report with minority views (No. 1591) was ordered to be printed in the RECORD, as follows:

The Committee on Labor and Public Welfare, to whom was referred the bill (H. R. 3350) for the relief of Ralston Edward Harry, having considered the same, report favorably thereon without amendment, and recommend that the bill do pass.

PURPOSE OF THE BILL

To grant Ralston Edward Harry, a citizen of the United States who served in the Royal Canadian Air Force during the period beginning September 1941 and ending July 1945, and who was honorably discharged from such service on June 26, 1945, eligibility to receive medical, hospital, and domiciliary care in the same manner and to the same extent as persons who served in the active military or naval service, under honorable conditions, of the United States for an equivalent period during World War II.

GENERAL STATEMENT

Information presented to the committee during the course of hearings held on this bill indicates that Ralston Edward Harry, a citizen of the United States, voluntarily entered on active service with the Royal Canadian Air Force on October 27, 1941. He was honorably discharged from such service on June 26, 1945. There is testimony which indicates that after the United States entered World War II, Ralston Edward Harry made a number of efforts to transfer from the armed forces of Canada to those of the United States. He was unable to accomplish this objective and served with distinction for the duration of World War II with the Royal Canadian Air Force.

On May 14, 1949, Mr. Harry was severely injured in an automobile accident near Stroud, Okla. He has been almost a complete invalid since that date and the nature of his injuries is such that he will require at least some hospitalization and medical and nursing attention for the remainder of his life.

Information before the committee indicates that Ralston Edward Harry has received from the Government of Canada all of the benefits to which he is entitled under Canadian law as a result of his services in the armed forces of Canada. Medical and hospital care for non-service-connected disabilities are not among the benefits provided by Canadian law. Had he succeeded in transferring to the Armed Forces of the United States during the period of World War II, he would now be eligible for the benefits which this bill proposes to grant.

It is evident from information available to the committee, that neither Mr. Harry nor his family have the financial resources to provide the necessary and proper hospital and nursing care.

A suit at law which grew out of the automobile accident in which Mr. Harry was injured was settled for $37,500. There is testimony to indicate that this amount has been entirely consumed. At present, and for some time past, the county welfare department has provided assistance, in the form of monthly checks which, together with such funds as the mother has contributed, have provided at least a minimum of nursing care and attendance.

DEPARTMENT RECOMMENDATIONS

The Veterans' Administration and the Bureau of the Budget submitted their views on this bill to the chairman of the committee.

The Veterans' Administration views were contained in its letter of April 13, 1953. The full text of which follows:

VETERANS' ADMINISTRATION,
Washington, D. C., April 13, 1953.

Hon. H. ALEXANDER SMITH,
Chairman, Committee on Labor and Public Welfare, United States Senate, Washington, D. C.

DEAR SENATOR SMITH: Further reference is made to your letter of March 17, 1953, requesting a report by the Veterans' Administration relative to S. 1350, 83d Congress, a bill for the relief of Ralston Edward Harry, which provides as follows:

"That Ralston Edward Harry, a citizen of the United States who served in the Royal Canadian Air Force (15–R 134686) during the period beginning September 1941 and ending July 1945, shall by virtue of such service, be entitled to receive medical, hospital, and domiciliary care in the same manner and to the same extent as persons who served in the active military or naval service of the United States for an equivalent period during World War II and were honorably discharged therefrom."

S. 1350 is identical with S. 3018, 82d Congress, with respect to which the Veterans' Administration submitted a report to the committee under date of June 2, 1952. S. 3018 was pending before the committee at the close of the 82d Congress.

The records of the Veterans' Administration disclose that Ralston Edward Harry (C–6214513), entered active service with the Royal Canadian Air Force on October 27, 1941, and was honorably discharged on June 26, 1945, by reason of "services terminated." It appears from information available to the Veterans' Administration that on May 14, 1949, Mr. Harry was involved in an automobile accident and sustained certain injuries, which are nonservice-connected, and which have necessitated his hospitalization for extensive period since that date. It is indicated that as of April 11, 1952, he was being hospitalized at county expense in Oklahoma City, Okla.

Under the provisions of the act of July 11, 1946 (60 Stat. 526; 38 U. S. C. 488a), the Administrator of Veterans' Affairs is authorized, in consideration of reciprocal services extended to the United States and upon a reimbursement basis, to furnish medical, surgical, and dental treatment, hospital care, transportation and traveling expenses, prosthetic appliances, education and training, or other similar benefits to discharged members of the military or naval forces of governments allied or associated with the United States in World War II. Before such services may be afforded by the Veterans' Administration, it is necessary that a request be made by the appropriate officials of the allied government, and that a law of the requesting government authorize for its veterans the type of benefit requested.

Except in emergencies, no such hospitalization may be afforded in a Veterans' Administration hospital, unless there are surplus beds over and above the needs of United States veterans. However, the Administrator of Veterans' Affairs is authorized to contract for beds to render such services in private, State, or other Government hospitals.

With reference to Mr. Harry's case, the Veterans' Administration has been advised by the Department of Veterans' Affairs, Ottawa, Canada, that he has received all of the benefits to which he is entitled as a result of his service and that he is not eligible for any treatment. It is clear, therefore, that under existing law the Veterans' Administration is without authority to furnish Mr. Harry with medical and surgical treatment or hospital and domiciliary care.

S. 1350, if enacted into law, would grant Mr. Harry entitlement to medical, hospital, and domiciliary care in the same manner and to the same extent as persons who served in the active military or naval service of the United States during World War II and were honorably discharged therefrom. Under existing law, persons who served in the active military or naval service of the United States during World War II, and who were discharged or released under conditions other than dishonorable, may be afforded hospitalization and outpatient medical treatment by the Veterans' Administration for disabilities incurred in such service. War veterans discharged or released from active service under conditions other than dishonorable, who swear they are unable to defray the expense of necessary hospitalization, may be hospitalized for non-service-connected disabilities if beds are available in Veterans' Administration or other Government hospitals. In addition, domiciliary care is authorized for otherwise eligible war veterans who have a chronic condition which incapacitates them from earning a living and who require limited medical attention.

Enactment of S. 1350 would therefore render Mr. Harry eligible for benefits to which he is not now entitled under existing law and would give him preferential treatment which is not extended to others who may be similarly circumstanced. The Veterans' Administration is not aware of any special facts or circumstances which would warrant singling out this case for such special legislative treatment. In addition, enactment of the bill might serve as a precedent for similar proposals in behalf of other claimants.

The Veterans' Administration does not believe that private bills of this nature should receive favorable consideration.

Advice has been received from the Bureau of the Budget that there would be no objection to the presentation of this report to the committee.

Sincerely yours,

CARL R. GRAY, Jr.,
Administrator.

The views of the Bureau of the Budget are contained in its letter of April 3, 1953, the full text of which follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., April 3, 1953.

Hon. H. ALEXANDER SMITH,
Chairman, Committee on Labor and Public Welfare,
United States Senate,
Washington, D. C.

MY DEAR MR. CHAIRMAN: This will acknowledge your letter of March 17, 1953, inviting the Bureau of the Budget to comment on S. 1350, for the relief of Ralston Edward Harry.

The purpose of this bill is to provide that Ralston Edward Harry, a citizen of the United States who served in the Royal Canadian Air Force during the period September 1941 to July 1945, shall be entitled to receive medical, hospital, and domiciliary care in the same manner and to the same extent as persons who served in the active service of the United States for an equivalent period during World War II and were honorably discharged therefrom.

The records of this case disclose that subsequent to this claimant's discharge from the Royal Canadian Air Force he was involved in an automobile accident and sustained certain injuries which are nonservice connected and which have necessitated his hospitalization for extensive periods. It is indicated that as of April 1952, Mr. Harry was being hospitalized at county expense in Oklahoma City, Okla.

Under the provisions of the act of July 11, 1946, the Administrator of Veterans' Affairs has the authority, on the request of an allied nation, to provide hospitalization or similar benefits to the veteran of the allied nation as provided by the laws of such nation for its veterans. These benefits are provided on a reciprocal and reimbursable basis and such an agreement is currently in effect with Canada. With reference to Mr. Harry's case, it is understood that the Administrator of Veterans' Affairs has been advised by the Department of Veterans' Affairs of the Canadian Government that Mr. Harry has received all the benefits to which he is entitled as a result of his service and that he is not eligible for treatment of injuries sustained in the automobile accident on May 14, 1949. It is apparent, therefore, that under existing law, the Veterans' Administration is without authority to furnish Mr. Harry with medical and surgical treatment or hospital and domiciliary care.

The Bureau of the Budget is not aware of any special facts or circumstances which would warrant singling out this case for special treatment. To grant these additional benefits to a single individual would appear to be discriminatory inasmuch as there undoubtedly are other individuals in the same category. Moreover, enactment of the bill, conceivably, could serve as a precedent for other proposals in behalf of other claimants similarly situated.

Accordingly, the Bureau of the Budget recommends that your committee not give favorable consideration to this bill.

Sincerely yours,

JOS. M. DODGE, *Director.*

MAJORITY CONCLUSIONS AND RECOMMENDATIONS

The beneficiary of this bill, Ralston Edward Harry, enlisted in the armed forces of Canada to fight in a cause in which the United States later joined when it entered World War II. Mr. Harry served with distinction and is in every respect a veteran of World War II. He made persistent efforts to transfer to the Armed Forces of the United States after his own country entered the war. Had his objective in this respect been accomplished he would in fact have been a veteran of World War II service in the Armed Forces of the United States and would have become fully entitled to the benefits which this bill proposes to grant him.

An unfortunate combination of circumstances, due to technicalities in the laws of the United States, makes Ralston Harry ineligible for help in his present desperate situation. The majority of the committee believe that this technical ineligibility should be corrected and we, therefore, urge the enactment of this bill.

MINORITY VIEWS OF SENATORS GOLDWATER, PURTELL, AND BOWRING

We are keenly conscious of the humanitarian aspects of this bill, but find such considerations insufficient to justify granting this man veteran's status in order to entitle him to receive medical, hospital, and domiciliary care at the expense of the Federal Treasury. In addition, we felt enactment of this private bill would be a step in the direction of creating a new field of Federal responsibility in respect to the hospitalization and related care of persons with non-service-connected disabilities. Such a step should not be taken by the enactment of private bills.

The Veterans' Administration, the Department of the Air Force, and the Bureau of the Budget have recommended against enactment of this bill. We find ourselves in general agreement with the position taken by these agencies of the Federal Government. We agree that enactment of this private bill would amount to a singling out of an individual for special benefits not available under existing law to other individuals in the same category who may be in similarly unfortunate circumstances.

There is information before the committee which indicates that the condition of Veterans' Administration facilities is such that even if the beneficiary of this bill should be made eligible for hospitalization he might have a long wait until his name could be reached. This situation is a further argument against the creation of precedents which tend to open Veterans' Administration facilities to demands from individuals not now covered by general legislation. If this is to occur, it seems to us that it should be authorized by general legislation and not through the establishment of precedents here and there in the form of private bills in cases which have humanitarian appeal but no legal right.

In stating our position in opposition to enactment of this bill, we wish to invite attention to its legislative history in the House of Representatives.

This bill is identical with H. R. 7011 and S. 3018 of the 82d Congress, both of which died in committee with the closing of that Congress. In the 83d Congress the bill was reintroduced (becoming H. R. 3350 and S. 1350). In the House the bill was again referred to the House Committee on Veterans' Affairs.

On March 3, 1953, the House, in response to a unanimous-consent request, discharged its Committee on Veterans' Affairs from further consideration of the bill and referred it to the House Committee on the Judiciary. The bill was reported from the Committee on the Judiciary on July 1, 1953. It was called up on the Private Calendar on July 7, 1953, was objected to, and was recommitted to the Committee on the Judiciary.

On July 27, 1953, H. R. 3350 again came to the floor of the House, this time as 1 of 4 private claim bills which had been grouped together in a so-called first omnibus bill (H. R. 6504) for the relief of sundry claimants. One of the bills in H. R. 6504 appropriated $540.30 to a private claimant in settlement of certain income-tax refund claims. A second bill waived the statute of limitations and conferred jurisdiction on the Court of Claims in regard to a private claim growing out of a construction contract between a private company and the FHHFA. The third bill was H. R. 3350. The fourth was a bill relieving a retired Army officer and certain Army certifying and disbursing officials from obligation in regard to certain reenlistment allowances which had been in error.

H. R. 6504 (containing H. R. 3350) was not objected to and was passed on July 27, 1953. On that same date Congressman LAURENCE CURTIS, of Massachusetts, a member of the House Judiciary Committee, which had considered and reported H. R. 3350, addressed a letter to Senator LANGER, chairman of the Senate Committee on the Judiciary, in which he referred to H. R. 3350 and the so-called first omnibus bill, H. R. 6504, and urged that "the Senate Committee on the Judiciary give some real consideration to this bill despite the House approval." He further stated:

"I objected to this bill when it came up on the Private Calendar. It then came up in the omnibus bill, and I intended to oppose it. But the omnibus bill went through on the Private Calendar today, which I am told is

unusual. I had asked our senior staff clerk on this committee to advise me when there was any chance of this bill coming up; but, doubtless due to my newness here as a freshman Congressman, this bill slipped through this morning in the above manner. As a disabled veteran myself (loss of leg), I have every sympathy for the claimant, and do not enjoy at all opposing this bill which I do solely for the reason that I am convinced it is bad legislation and might burden the President with another veto."

Thereafter, when Representative CURTIS discovered that the bill had been referred to the Senate Committee on Labor and Public Welfare, he brought his letter to Senator LANGER to the attention of the chairman of the Senate Labor and Public Welfare Committee.

We agree with Congressman CURTIS in his view that this bill is bad legislation and we recommend against its enactment.

BARRY M. GOLDWATER.
WILLIAM A. PURTELL.
EVA BOWRING.

Mr. KNOWLAND. Mr. President, with this as a background, and as a courtesy to the distinguished Senator from Oklahoma [Mr. KERR], who is required to be away from the Senate for several days, beginning this afternoon, I ask unanimous consent that the unfinished business temporarily be laid aside, and that the Senate proceed to the consideration of Calendar 1603, H. R. 3350, for the relief of Ralston Edward Harry.

The PRESIDING OFFICER. The clerk will state the bill by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 3350) for the relief of Ralston Edward Harry.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

There being no objection, the Senate proceeded to consider the bill (H. R. 3350) for the relief of Ralston Edward Harry.

Mr. KNOWLAND. Mr. President, I ask that the Senator from Oklahoma make a brief statement relative to the bill.

Mr. JOHNSON of Texas. Mr. President, if the Senator will yield, I wish to express the appreciation of the minority for the considerate manner in which the majority leader has handled the situation. We are grateful for the response he has made to our request, and for permitting the bill to be considered at this time.

Mr. KERR. Mr. President, I wish to add my word of thanks and gratitude to the majority leader for his generous action. It demonstrates that, in matters of humanitarian interest, the leadership on both sides of the aisle of the Senate place their consideration on a basis above a partisan level.

I know of no more humanitarian bill which has been before the Senate than the one now being considered. I desire to tell the Senate how deeply I appreciate the majority leader's recognition of the humanitarian elements in the bill, and the action he has taken to make it possible to have it considered.

Ralston Edward Harry is an Oklahoma boy. At the outbreak of World War II he enlisted in the Canadian Air Force, and became a combat pilot. With the Canadian Expeditionary Air Force, he flew more than 140 combat missions. When the United States entered the war, he requested repeatedly to be transferred to our Air Force. Under an agreement between our Government and the Canadian Government, there was a provision that if Canada felt that an American who was then a member of her armed forces could be of greater value to the common cause by remaining in the Canadian Air Force, he would be retained in that force.

On about three occasions our Government requested Canada to consent to the transfer of this Oklahoma youth to the American Air Force. Each time the Canadian Government replied that he would be of greater value to the common cause by staying where he was, and our Government did not press the claim

Ralston Edward Harry went through the period of combat, returned, and was discharged. Afterward he was in a terrible automobile wreck, which left him hopelessly paralyzed, as he has been until this hour. The entire economic resources of his family have been exhausted in caring for him. Members of his family have repeatedly sought for him admission to a veterans' hospital, to no avail, because he was a veteran of the Canadian Air Force instead of our own.

Last year the House of Representatives unanimously passed a bill making this veteran eligible for hospitalization in a veterans' hospital. The bill came to the Senate, and was considered by the Committee on Labor and Public Welfare. There was some division in the ranks of the committee, not on the worthiness of the claim, not on the humanitarian elements involved, but on the question whether or not the admission to a veterans' hospital of this American, who was a veteran of the Canadian Air Force instead of ours, might create a precedent.

In the final analysis, a majority of 9 to 3 reported the bill, with the conviction, in the first place, that there would be few, if any, other cases with reference to which the need would be so great, and in the absence of relief, death so imminent. Therefore, the committee was willing to report the bill favorably and ask its passage by the Senate, believing that it would establish no precedent of considerable proportions, but, if it did, it would be a wholesome precedent.

The bill is now before the Senate. I hope that it may be passed by this body unanimously.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. KERR. I yield to the junior Senator from Oklahoma.

Mr. MONRONEY. I should like to associate myself with the remarks of the distinguished senior Senator from Oklahoma. In my 16 years in Congress, I have seen many bills passed for the relief of many people, but I can say that I have never seen introduced or passed in the Congress a bill which had the compelling humanitarian purpose which I find behind the bill now under consideration.

With the knowledge, consent, and encouragement of our Government, this young man was recruited in this country by the Canadian Government, which, at that time, was recruiting young pilots within the United States. He was recruited with the understanding that if he enlisted in the Royal Canadian Air Force, he could transfer to the United States forces at any time we entered into the war. More than three times he sought such a transfer, as has been stated by my distinguished colleague, but, because of his experience and value to the Royal Canadian Air Force, the transfer was denied. The rights to benefits enjoyed by 15 million American servicemen who served in World War II would have been his, had the request for transfer, three times made, been honored.

The bill does not seek to confer any benefit which 15 million Americans have been given under the GI bill of rights, regarding housing, education, retirement, pension, disability pension, or anything of that nature. The only benefit requested is that the veterans' hospitals of this country, with their distinguished surgeons, who have literally worked miracles with the human wreckage from World War II, be allowed to open up a small window of hope in the life of a dying boy, so that American medical genius may be able to restore Ralston Harry to a life of usefulness, instead of letting him remain a complete paralytic, so desperately damaged in body, and almost in mind, that he must breath through a rubber tube, and must be turned over by others.

We come to the Senate knowing we are asking for something unusual—the life of a young man who flew 150 missions in the early days of World War II, when Great Britain and Canada were holding back the threat to this country, as they were doing. His life is important to the United States, and this country should grant the little that is asked to one who did so much. I think we can disregard the fact that, in a bureaucratic way, a precedent might be set. Congress would not lose control over the situation, but I am sure that Congress, in such desperate cases, would welcome the opportunity to follow such a precedent.

While the benefit proposed to be extended by the bill does not come within the cold, ironclad rules or regulations of the Veterans' Administration, I think in the interest of a very worthy cause, the United States Senate should not take unfavorable action on the bill merely because of regulations. I believe the 96 Members of the United States Senate should not end the hope for life, and perhaps one of useful service, of this young man.

I thank my distinguished colleague for yielding.

Mr. KERR. Mr. President, I thank my distinguished friend for his eloquent words and for the ceaseless effort he has made to secure the passage of this measure.

Mr. President, I see on the floor at this time the great senior Senator from New Jersey [Mr. SMITH], the chairman of the committee that acted on this bill. I wish to say that the people of Oklahoma are grateful to him for his action in connection with this measure.

I also see on the floor at this time the great junior Senator from Kentucky

[Mr. COOPER]. He, too, Mr. President, was instrumental in helping to have the bill reported.

I wish also to pay tribute to the distinguished senior Senator from New York [Mr. IVES] for having been similarly helpful. In fact, I wish to pay tribute to every member of the committee.

I desire to thank the distinguished minority leader, the senior Senator from Texas [Mr. JOHNSON], for his humanitarian interest and his efforts in this matter; and again I desire to thank the distinguished majority leader, the senior Senator from California [Mr. KNOWLAND] for his generous action in furthering action on the bill.

In closing, Mr. President, I wish to express my particular thanks to the six Democratic members of the committee for their devotion and steadfast effort and labor for this worthy young Oklahoman; I desire to pay individual tribute to the Senator from Montana [Mr. MURRAY], the Senator from Alabama [Mr. HILL], the Senator from West Virginia [Mr. NEELY], the Senator from Illinois [Mr. DOUGLAS], the Senator from New York [Mr. LEHMAN], and the Senator from Massachusetts [Mr. KENNEDY]; and I express to them the undying gratitude of the family and friends of this young man.

Mr. SMITH of New Jersey. Mr. President, I should like to say a few words on this measure.

The bill has been a very difficult one in many ways, although not so difficult in others. A very conscientious subcommittee worked on the bill.

The principal difficulty arose from the fact that apparently a precedent might be established in connection with many of the cases arising under the Veterans' Administration.

We were embarrassed by the fact that for a number of reasons the Veterans' Administration and the Bureau of the Budget thought it unwise to have this bill enacted; and it was difficult for me, as chairman of the committee, to oppose the recommendations of those two important agencies.

However, by and large, the case seemed to be a very simple one. After all, there was no question as to the integrity of this young man or his distinguished service. The only thing to disqualify him was the fact that before the United States entered the war, he served, with great distinction, in the Canadian Air Force. However, as soon as the United States entered the war, he asked, on three different occasions, to be allowed to resign from the Canadian Air Force and enter the United States Air Force; but the Canadian Air Force felt that he was so useful to them that he should continue to serve there; and our Government yielded.

He returned, after he rendered that service. He served with great distinction, as I have said, in the Canadian Air Force. The only thing to disqualify him from receiving the ordinary GI benefits was that he had undertaken that voluntary service in the Canadian Air Force, rather than in the United States Air Force.

It is true that the disability from which he suffers is nonservice connected; and there is some argument on that basis. However, I felt we could well overlook that fact, because if he had been a regular GI of ours, he would have received the hospitalization benefits which are being requested, in view of the fact that he is paralyzed, an absolute cripple, and has no way of taking care of himself.

So, despite the opposition and despite the views of some of the members of the subcommittee, some of whom felt we should not establish this precedent, it seemed to me only proper for our Government to recognize the outstanding service of this young man, inasmuch as there was no fault on his part or on the part of his family, and inasmuch as everything had been done to give him what he needed, and yet he lacked the kind of support he would have received if he had been a member of the United States forces.

So I felt that I must vote with the majority of the committee in favor of the action proposed by means of the bill.

The PRESIDING OFFICER. The bill is open to amendment.

If there is no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 3350) was ordered to a third reading, read the third time, and passed.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Massachusetts [Mr. KENNEDY] on behalf of himself and certain other Senators.

Mr. FERGUSON. Mr. President, yesterday we debated this amendment. I wish to comment further upon it now, so that all Senators will know what they are to vote on.

The amendment would change the whole military plan of our Chiefs of Staff and the plans of the Security Council and the President and the civilian authorities in the Defense Department. I have already explained what the amendment would do by way of making necessary the drafting of a large additional number of civilians.

Mr. President, reference has been made to the situation of 1 year ago. I realize the danger of giving an answer on the floor of the Senate, and later trying to explain it. I was asked a question about the conditions existing now and those existing a year ago. A few words of the answer I gave were read into the RECORD; but I tried to explain the answer, and I did explain it.

Again I wish to say that, so far as the Army was concerned, a year ago they requested and received—in the 1954 budget—sufficient funds to enable all 20 of the divisions we had to conduct actual war operations either in Korea or elsewhere for a period of 12 months. However, there was actual fighting during only one of those months. Nevertheless, the entire appropriation remained available to the Army.

So, Mr. President, it is obvious that we are not skimping our Army, for we did not rescind the remaining amount. On the contrary, we are carrying it over to next year, and it continues to be available to the Army. Therefore, no one should feel that any effort is being made to cripple the Army.

What we are trying to do, Mr. President, is to have a plan for the long pull. Instead of building an Army able only to repel an attack today, we are building one, as the President has said, if necessary, for 40 years, because he believes that is the length of time we may be facing communism.

Mr. President, that point is material in connection with this amendment. In short, instead of attempting to develop peaks, so to speak, and instead of attempting to build new camps in which to train the 35,000 men, our purpose is to have a plan under which other countries will provide foot soldiers in addition to the ones we shall provide.

Mr. KENNEDY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I am glad to yield.

Mr. KENNEDY. Does not the Senator from Michigan believe that the events in Indochina—which have caused the Secretary of State to call for united action—and the possibility that, if certain conditions develop, united action may be forthcoming, change the need for plans on the basis of "the long haul" and the "40 years"?

Mr. FERGUSON. No; not at all. That is a part of our program.

Mr. KENNEDY. But it was not a part of this program when it was developed.

Mr. FERGUSON. No; but then we had a war in Korea.

Mr. KENNEDY. But the war in Korea was over then.

Mr. FERGUSON. No; not when we voted the appropriation, last year.

Mr. KENNEDY. But the war in Korea was over when this program was developed.

Mr. FERGUSON. Yes; it was ended when this program was prepared; that is true. But we made the appropriation, and it is still available.

In reference to Korea, let me say that the arguments being made in support of the amendment would indicate that Senators on the opposite side of the aisle are saying, today, "We are going to put foot soldiers into Korea, and we must keep these two divisions in active service, and send them there." Let me say that I know of no such program.

Furthermore, if our program is to go to war, 20 divisions will not be sufficient. If our program is to go to war, then the lid on the manpower supply will be off, and the sky will be the limit, insofar as divisions are concerned—if we are going into war.

So it cannot be said that this amendment is urged because we are going into war. On the contrary, the proponents of the amendment merely are trying to say to the President of the United States, "You simply must keep these two

divisions under arms. You cannot allow these troops to return to private life." The proponents of the amendment would say to the President of the United States, "We demand that you increase the draft and bring into the service of the United States these 100,000 men." One hundred thousand will be necessary for the personnel, alone, of the two divisions, and the total additional requirement may run as high as 270,000. We are telling the President of the United States, "We are going to say how many men you are to draft next year. We want the draft increased, because we know of the danger."

It is true that the President has said—and he means it—that if this country is to go to war, Congress will be asked to declare war. So I say that we should vote against the pending amendment. We are going to be responsible for our judgment. Our judgment is based upon what the Joint Chiefs of Staff have said, what the Security Council has said, what the civilian authorities of the United States Department of Defense have said, what the President of the United States has said, what the House of Representatives has said, and what the Senate Committee on Appropriations has said.

Mr. KENNEDY. Mr. President, I shall be very brief. I wish to read from an interview with Adm. Robert B. Carney, United States Chief of Naval Operations, and a member of the Joint Chiefs of Staff. The interview was published in the U. S. News & World Report for June 18, 1954:

Question. Are our commitments in the world much greater than at the time of the last war, Admiral Carney?

Answer. I should say we're deeply involved everywhere outside the Soviet orbit. Leadership has devolved upon us, and our inherent power, both economic and military, is bound to be the backbone of any coalition of governments that expresses its determination to hold its own against any Soviet encroachment. So, you can say that our commitment is around the world.

Question. Are our forces adequate to fulfill that commitment?

Answer. Not the forces that we're maintaining at present.

We have had General Ridgway's statement. This is Admiral Carney's statement, a most up-to-date statement, to the effect that our forces are not adequate to meet the commitments which we have accepted.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. FERGUSON. Admiral Carney was before the Appropriations Committee. He made a statement there, but he made no claim that the forces of the United States were not sufficient to meet the defense program outlined by the Joint Chiefs of Staff.

Mr. KENNEDY. I am quoting from the U. S. News & World Report, containing an interview with Admiral Carney. Admiral Carney has had the benefit of seeing the events of the past month, which all of us have had. That is the reason why, in response to the question, "Are our forces adequate to fulfill that commitment?" He says, "Not the forces that we're maintaining at present."

Mr. FERGUSON. What commitment?

Mr. KENNEDY. The question was:

Are our commitments in the world much greater than at the time of the last war, Admiral Carney?

Admiral Carney responded:

Answer. I should say we're deeply involved everywhere outside the Soviet orbit. Leadership has devolved upon us, and our inherent power, both economic and military, is bound to be the backbone of any coalition of governments that expresses its determination to hold its own against any Soviet encroachment. So, you can say that our commitment is around the world.

Question. Are our forces adequate to fulfill that commitment?

Answer. Not the forces that we're maintaining at present.

Question. In the event of any war, then, would we probably face initial setbacks, just as we did in World War II?

Answer. There is a far greater emphasis on need for forces in being today than there has been in the past. Not to recognize that would be hiding our heads in the sand. Because for the first time it's been borne home to us that our country itself, the vitals of the country, is liable to attack. I don't think we'll be vouchsafed the time to mobilize in the sense that we have in the past.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. FERGUSON. We have an official record and a supplemental record. A portion of the testimony in this record was given since the interview to which reference has been made. The men whom Admiral Carney sent to the Appropriations Committee did not say one word to the effect of what the Senator is now quoting from a magazine article. Are we going to take statements from a magazine article, or are we going to take the official record of the Congress of the United States in the Appropriations Committees?

Mr. KENNEDY. Let us take the official record. I quote from page 55 of the House hearings, in the testimony of Secretary Stevens.

Mr. FERGUSON. Quote Admiral Carney. I am talking about Admiral Carney.

Mr. KENNEDY. Let me finish this quotation, and then let us see if the Senator thinks it is a good one. Secretary Stevens said:

It is true, as the general indicated, that the overall combat effectiveness of the Army by the end of 1955, even with gains we could make with improved weapons, will be somewhat less than it is today.

It seems to me that it the same statement, in different words, as was made by Admiral Carney.

Mr. FERGUSON. Secretary Stevens does not say that he needs more.

Mr. KENNEDY. He says that our strength would be less.

Mr. FERGUSON. But our strength overall would be greater, which is what the Department wants.

Mr. KENNEDY. Where does he say that?

Mr. FERGUSON. He does not say that. I am saying that.

Mr. KENNEDY. The last point I wish to make is that those of us on this side of the aisle who are attempting to change the figures are not, as the Senator from Michigan suggests, anxious to see the United States take on military commitments in Indochina. The possibility that such commitments might be undertaken has been suggested by those in the administration. Therefore, recognizing that this is true, that conversations are to take place with the Prime Minister in the next 2 weeks, and that we may be called upon to play our part in the southeast Asia defense pact, I believe that for the next fiscal year the United States should maintain its Armed Forces at not less than their present strength.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. KENNEDY] for himself and other Senators.

Mr. KENNEDY. Mr. President, on that question I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. KNOWLAND. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from North Dakota [Mr. LANGER], the Senator from Nevada [Mr. MALONE], the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent. The Senator from Utah [Mr. WATKINS] is absent on official business.

If present and voting the Senator from Arizona [Mr. GOLDWATER] would vote "nay." On this vote the Senator from Utah [Mr. WATKINS] is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Utah [Mr. WATKINS] would vote "nay," and the Senator from Tennessee [Mr. KEFAUVER] would vote "yea."

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER], who is absent on official business, is paired on this vote with the Senator from Utah [Mr. WATKINS]. If present and voting, the Senator from Tennessee would vote "yea," and the Senator from Utah would vote "nay."

I announce further that if present and voting, the Senator from Oregon [Mr. MORSE], who is necessarily absent, would vote "yea."

The result was announced—yeas 38, nays 50, as follows:

YEAS—38

Anderson	Hayden	Mansfield
Burke	Hennings	Maybank
Chavez	Hill	McClellan
Clements	Humphrey	Monroney
Cooper	Hunt	Murray
Douglas	Jackson	Neely
Eastland	Johnson, Tex.	Pastore
Ervin	Johnston, S. C.	Russell
Frear	Kennedy	Smathers
Fulbright	Kerr	Sparkman
George	Kilgore	Stennis
Gore	Lehman	Symington
Green	Magnuson	

NAYS—50

Aiken	Duff	McCarthy
Barrett	Dworshak	Millikin
Beall	Ellender	Mundt
Bennett	Ferguson	Payne
Bowring	Flanders	Potter
Bricker	Gillette	Purtell
Bridges	Hickenlooper	Robertson
Bush	Holland	Schoeppel
Butler, Md.	Ives	Smith, Maine
Butler, Nebr.	Jenner	Smith, N. J.
Byrd	Johnson, Colo.	Thye
Capehart	Knowland	Upton
Carlson	Kuchel	Welker
Case	Lennon	Wiley
Cordon	Long	Williams
Daniel	Martin	Young
Dirksen	McCarran	

NOT VOTING—8

Goldwater	Langer	Saltonstall
Hendrickson	Malone	Watkins
Kefauver	Morse	

So the amendment offered by Mr. KENNEDY on behalf of himself and other Senators was rejected.

Mr. HENDRICKSON subsequently said:

Mr. President, when the vote was taken on the Kennedy amendment to the Defense Appropriation bill I was on my way to the Chamber. I arrived within 1 minute after the call of the roll was concluded and the result had been announced. I desire the RECORD to show that if I had been present I would have voted "nay" on the question of agreeing to the amendment.

Mr. FERGUSON. Mr. President, I move that the Senate reconsider the vote by which the Kennedy amendment was rejected.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California [Mr. KNOWLAND] to lay on the table the motion of the Senator from Michigan [Mr. FERGUSON].

The motion to lay on the table was agreed to.

CENTENNIAL OF WATERTOWN, WIS.

Mr. WILEY. Mr. President, beginning next Saturday, June 26, the city of Watertown, Wis., will be blowing out 100 candles on its birthday cake.

It is most appropriate that the people of a community observe so memorable an anniversary.

Pride in things past and pleasurable anticipation of things to come, pride in one's hometown and its achievements—are qualities which must never leave our American scene.

It is particularly appropriate that I refer to Watertown's centennial on this the 17th of June, because it was to this fine community that a great friend of freedom emigrated in the year 1856.

He was a German who wrote himself as large into American history as did almost any other American of foreign ancestry. He was a German who hated slavery and fought slavery.

And so on this June 17, 1954, a year from the day when the people of East Germany rose up with sticks and stones and bottles against slavery, against mighty Soviet tanks—the day when they ripped down the Red flag from the pinnacle gate of Berlin and replaced it with a German banner—it is most appropriate that I, as a Wisconsin Senator, invite the attention of my colleagues to Carl Schurz, of Liblar, Germany, and of Watertown, Wis. Carl Schurz, hero of the 1848 revolution, friend of Lincoln, lawyer of Milwaukee, editor of St. Louis, major general of Union Armies, United States Senator from Missouri.

I send to the desk the text of a fine article on Watertown's centennial celebration, as carried in the Sunday, June 13 Milwaukee Journal.

I ask unanimous consent that the article be printed at this point in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WATERTOWN PREPARES TO KICK UP ITS HEELS—CENTENNIAL CELEBRATION WILL INCLUDE A 4-HOUR PARADE, DANCES, AND BIG PAGEANT

(By Richard S. Davis)

WATERTOWN, WIS.—Here is another sturdy Wisconsin town that has officially reached the age of 100 and is preparing to celebrate in a big way. Beginning June 25 and ending July 1, the staid city on the Rock River will be kicking up its heels in a fashion as spirited as dignity, building for a century, will permit.

Actually Watertown is 18 years older than a century. In 1836, a shrewd Yankee farmer named Timothy Johnson came along from Ohio to establish himself as the first settler. The spot soon became known as Johnson's Rapids, which in turn became Watertown as other venturesome folk from "down East" moved in.

FOUR-HOUR PARADE

The city, in a modest way, has already had a centennial observance—that, naturally, came in 1936—but it was merely a whisper and a dab compared to what is coming up June 25. It is promised that forthcoming parades, pageantry, music, and dancing will set a new peak for civic highjinks for any of the lesser towns of the State.

Jack Conley, a professional organizer of such events, assured the awed reporter the other day that the parade of Sunday afternoon, June 27, would be a record breaker in every respect, a march requiring at least 4 hours to pass a given point and as colorful as ingenuity and loyalty can make it.

Every day of the celebration there will be conducted tours of historical points of interest, including the famed Octagon House, the site of America's first kindergarten, a cluster of old homes built nearly a century ago, old mills of the city, and other landmarks.

NO LACK OF VOLUNTEERS

Apparently the people of Watertown are taking to the centennial like bees to begonias. The enthusiastic Conley told this visitor that he had never known such willingness to get in on the acts or to serve humbly in their staging. He said that 700 citizens would take part in the pageant June 26, 27, 29, and 30 and that the grand parade of June 27 would have 150 units. He added that union carpenters and electricians have contributed their work in setting up the 300-foot stage, the lumber for which also has been donated.

At the end of its first 100 years as a city, Watertown finds itself very comfortable, indeed. Its Main Street is not garishly neon or even impressively modern in aspect, but the business district has a look of solidity that testifies to long-continued prosperity. It is a sort of "German look," which means little flash but much substance. A few of the buildings are close to a century old. Several of the business houses, also, are in the hands of descendants of the merchants who began trade 100 or more years ago.

Like so many other Wisconsin towns, Watertown bears the German imprint more strongly than any other. Alert residents will tell you, however, that the city—its population is nearing 13,000—is becoming more and more a mixture of racial origins, as the result of expanding industry.

GERMANS IN TWO CLASSES

In point of fact, the settlement started out as decidedly Yankee in makeup. Venturesome people of Irish descent were the next to appear and they were followed, in the early 1850's by the great rush of Germans. The latter were of two classes, intellectuals and peasants, one type intensely interested in political matters, the other not at all.

* * * * * *

The brilliant representative of the early Germans in the community is Carl Schurz, a revolutionary in his home country, a statesman and a scholar in his adopted land. He came to Watertown in 1856 and lived here only 2 years, but his mark on the community is indelible. So is his wife's, since it was she who founded America's first kindergarten on a site, in the heart of town, now marked by a stone tablet.

The Watertown of 1954 is stoutly conservative and Republican. The distinguished Schurz also was a Republican, but he was anything but conservative. He was a stanch supporter of Lincoln and fiery opponent of slavery.

THE GUATEMALAN THREAT

Mr. HICKENLOOPER. Mr. President, I had intended to make a formal statement on the tragic situation existing in Guatemala. Apparently, I shall have no opportunity to make the statement, because I must leave the city in about an hour. I, therefore, ask unanimous consent that the remarks I had prepared to make be printed at this point in the RECORD as my statement.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HICKENLOOPER

THE GUATEMALAN THREAT

The American Republics Subcommittee of the Committee on Foreign Relations has been watching developments in Guatemala with growing alarm. Our subcommittee has met repeatedly with the Assistant Secretary of State for Latin American Affairs, Mr. Holland, in consultation concerning the events which culminated in the shipment of $10 million of arms to Guatemala, and to discuss appropriate lines of action. I should like, at this time, to say a few words about the crisis which confronts the nations of this hemisphere—the gravest potential crisis to confront the American Republics in this century.

We have seen one of the principal governments of Central America growing more and more subservient to an alien despotism, as a result of infiltration and intervention by Communist agents, to a point where an arm of the international Communist conspiracy has established a beachhead in our very backyard.

This is a menace both to our other southern neighbors and to ourselves. But the menace to them is by far the greater. Nicaragua and Honduras have already witnessed a beginning of what it can mean, in the activities of agents carrying out the purposes of the Kremlin. As might be expected, desperate efforts have been made to obscure the true nature of this threat. Guatemalan officials have charged that the real concern of the United States Government is not international communism, but the protection of American investments.

Our good friends in Latin America are not going to be misled and diverted by a flimsy, wornout charge that we are acting on behalf of a fruit company. The United

States will protect the fair and just property and civil rights of our citizens abroad but this is not the main issue in the Guatemalan emergency. The property of American citizens has upon occasion been expropriated in other countries; but that fact did not generate any anxiety as to the security of the Western Hemisphere. In the Mexican agrarian expropriations, some 20 years ago, the properties involved were likewise valued at many millions of dollars. We did not then, nor do we now, consider such acts by a free, independent and sovereign government as constituting a casus belli. As Secretary Dulles said a few days ago, if the expropriation dispute with Guatemala were solved tomorrow, the dangers of Communist penetration here would be the same.

When we say "communism," the Guatemalans answer, "United Fruit Co." When will any Guatemalan Government official answer our charges on the real and only issue, which is international communism?

Moreover, the argument that this is purely a matter of foreign investments and economics hardly accords with the facts of inter-American economic relations. The American Republics, except for Guatemala, have been cooperating to solve their economic problems. We have mutually undertaken cooperative programs of technical assistance. Mutually profitable inter-American trade amounts to billions of dollars a year. We intend to take measures to increase this trade and the capital investments which underlie it. The Inter-American Economic Conference which meets in Rio this fall will be a step in this direction following up the groundwork laid at Caracas.

No; this is no mere squabble over compensation for expropriated properties. The Guatemalan Government knows that as well as we do. But it is a good propaganda theme to divert the minds of its neighbors from the most fearsome thing that has happened to them in this hemisphere within our memory.

This is one time, however, that the propaganda line won't work. The other American Republics can look at this picture just as realistically as we do. And they realize, as we must in this peril, that now is not the time to be gentle, to be sweetly understanding, to close one's eyes and to hope that the spots of this leopard are somehow different in America. It is time to be hard-headed and practical about the facts in Guatemala.

And just what are those facts? What do we and our sister Republics find when we examine this disturbing picture? We find a Guatemalan Government in which the key positions are occupied by Communists. We find that leading Guatemalan Communists make periodic visits to Moscow for advice and training on policy. The former head of the Communist Party, Jose Manuel Fortuny, who resigned only a few days ago, and the labor boss of Guatemala, Victor Manuel Gutierrez, both visited Moscow recently. Not long ago the junior Senator from Florida noted on this floor that five members of the Guatemalan Communist politburo had received indoctrination and instruction in Moscow in the past 2 years.

What else do we find? We find that the party line laid down by Moscow is religiously followed by officials of the party and of the government in Guatemala, and that drastic measures are resorted to in the Soviet image to suppress dissent and eliminate opposition. We find that even the language attacking the United States resembles that pouring out of Moscow. We find that individual liberties are forcibly suppressed. Why was this necessary, unless the regime feared the consequences of a popular uprising against cruelty and tyranny?

Other suspicious indications can be detected. The Guatemalans, like the Soviets, have organized centers of Communist agitation in Mexico and other Latin American countries, under the name of the "Friends of Guatemala." A close liaison has been established between the Communist press in the United States and the Communist press in Guatemala. The Daily Worker has consistently taken the international Communist party line in rationalizing events in Guatemala. This excuse for a newspaper was the only periodical in the United States that tried to justify the surreptitious shipment of arms from an area under the control of the Soviet Union.

Such is the familiar pattern of international Communist party activity everywhere in the world. It was the pattern that preceded the rape of Czechoslovakia, and it is the pattern for the leaders of this conspiracy elsewhere. In grim truth, the peoples of Latin America have reason to be alarmed; for it constitutes a major threat to their existence as free nations in this century.

If this threat is not met by them and by ourselves, here and now, boldly, resolutely, we may all awake one fine morning to find still another of our family has been taken over by agents of the Kremlin, then another, until it is too late to fight, too late to preserve their freedom and their sovereign independence, with all hope of restoring it gone. Nobody dares to minimize a cancer because it is small.

The immediate cause for our alarm is the arms shipment I have mentioned earlier. This shipment, the one straw too many, crowns the damning indictment: $10 million worth of arms dispatched in a mysterious, devious, and fraudulent manner from Soviet-controlled Stettin to Puerto Barrios.

If these arms, which came from behind the Iron Curtain, were intended for a legitimate use, in a legitimate manner, and on a legitimate scale, why was it necessary for the Guatemalan Government to conceal and disguise the fact of its purchase? Why did the shipper falsify the manifests? Why were clearances fraudulently obtained? Why was the vessel's route changed three times before it finally berthed at Puerto Barrios? Why was the ship's destination a secret when it left Communist Poland?

From start to finish, the entire transaction belies an honest and innocent acquisition of arms for a proper purpose.

The United States has never disputed the right of any nation in this hemisphere to purchase arms for its legitimate needs, for the understandable requirements of self-defense. But this is not such a purchase. This is a shipment of tremendous magnitude for a country the size of Guatemala. It upsets the entire political balance in Central America. The shipment is valued at one-sixth the total annual budget of that nation. Now, when such a shipment occurs during a period of troubles with its two small neighbors; when the evidence shows that an outbreak of violent labor difficulties was provoked by Guatemalan agents in one of them; when the quantity of arms is such as to arouse fears in the hearts of those neighbors—then, Mr. President, it is no longer a question of a legitimate purchase for the reasonable needs of defense. Something else is in the wind. And it becomes a matter of the gravest concern just why those arms were purchased.

Countries behind the Iron Curtain tightly controlled by Moscow have never been particularly eager to furnish arms to independent, freedom-loving governments. They will happily sell such arms to regimes created in their own image, which respond to the central will of Moscow. Why? because it serves the Kremlin's design of global conquest.

Viewed in this light, the circumstances attending the shipment make more sense. It then becomes clearer why the whole affair was fraudulent in inception, deceptive in execution, and beyond the legitimate needs of Guatemala.

Since the arms shipment the Guatemalan Government has offered to conclude a nonaggression pact with Honduras. Even this transparent, empty gesture recalls the words and deeds of the Kremlin. It will be remembered that the U. S. S. R. generously concluded similar nonaggression pacts with Latvia, Lithuania, and Estonia—before they were absorbed into its hungry digestive tract. The very fact that the Guatemalan Government could make such a proposal to other members of the Inter-American system is enough to occasion alarm and suspicion as to its motives.

Nor is it a mere coincidence that this shipment of arms occurred during the Geneva Conference, during the high point of the struggle in Indochina. It is too typically a part of the Soviet technique to divert attention away from graver problems of the moment.

We would not be honest with ourselves if we did not admit frankly that what has been happening in Guatemala directly affects the security of the United States. But it also vitally affects the safety and the independence of every other people in this hemisphere, including the people of Guatemala itself. They have had their constitutional guaranties suspended in the name of preservation of orderly government. Homes are being violated and searched without warrant. Fathers and sons who have dared openly to oppose communism are simply disappearing. Some have been found dead or mutilated. Why is the Arbenz government doing these things? Because they serve as an excuse for the measures of violence and coercion necessary for a typical Communist take-over. The Guatemalan people cherish freedom as we do; they yearn for liberty as do we. Perhaps the means resorted to by their Government explain another possible purpose—one just as illegitimate—of the arms shipment from Stettin. Perhaps these arms are necessary to crush the free spirit of the Guatemalan people; to deprive them of their precious liberties, and of their right to a government of popular will.

This, too, is a standard tactic of the international Communist conspiracy. We can be assured that no such shipment of arms would ever come from a Soviet country to assist an oppressed people to throw off the yoke of a Communist regime.

But whether this menace be viewed as directed against Guatemala's neighbors, or as assisting a tyrannical Communist minority to maintain itself against the will of the people, it all adds up to the same thing: a foreign system—the Soviet colonial system—is seeking to establish its complete control over one of the nations of the Western Hemisphere. This we cannot and will not tolerate. To permit it would violate a principle sacred to our Government for 130 years. And it is just too close to home.

If we wait for the commission of an external, open act of aggression, before we take measures to save ourselves, we may wait a long, long time. One thing we surely must have learned since 1946 is that the Kremlin and its agents abroad always operate so as to create the illusion of a spontaneous movement from within, to which they appear as blandly disinterested spectators. Then, all of a sudden, Soviet-manufactured equipment appears at the critical moment to strike the decisive military blows. But before that happens, agents of the Soviet conspiracy will have infiltrated like maggots into key positions. They will control the press, the police, the labor parties. And they will control the weapons needed to maintain this control. This is what has been happening in Guatemala.

The American Republics have developed cooperative means to deal with threats to their security. We have acted collectively before, during the terrible years of the Nazi aggression, and after. The same procedures

of collective action are appropriate for this modern style of indirect aggression by international communism. These principles have been accepted by the American Republics in the inter-American treaty of reciprocal assistance signed at Rio de Janeiro in 1947. They have become the heart of our hemispheric system of solidarity and self-protection. And they furnish a beacon to guide us in dealing with the threat we now face.

Article 6 of that treaty provides:

"If the * * * sovereignty or political independence of any American state should be affected by an aggression which is not an armed attack, or * * * by any other fact or situation that might endanger the peace of America, the organ of consultation shall meet immediately in order to agree on the measures * * * which should be taken for the common defense and for the maintenance of the peace and security of the continent."

Here is the clearest kind of a mandate for positive action by the American Republics to meet the latest Soviet effort to divide and destroy the free world. Can there be any doubt whatsoever that what has been taking place in Guatemala is precisely such a "fact or situation that might endanger the peace of America"?

At the Caracas conference of American states last March, 17 of the American Republics voted in favor of a resolution declaring:

"That the domination or control of the political institutions of any American state by the international Communist movement, extending to this hemisphere the political system of an extracontinental power, would constitute a threat to the sovereignty and political independence of the American states, endangering the peace of America, and would call for a meeting of consultation to consider the adoption of appropriate action in accordance with existing treaties."

This resolution squarely confirms the applicability of the Rio treaty to the Guatemalan situation. It is significant to remember that only Guatemala voted against this resolution. It is perhaps more significant that 6 years earlier, at the Bogota Conference, Guatemala had voted in favor of an anti-Communist resolution. That was before the present Communist-controlled regime came to power. At Caracas, the Guatemalans renounced their adherence to the previous resolution.

Is there any question but that the Soviet penetration into a Central American Republic threatens the structure of our inter-American defenses? Must the shadow lengthen over more of our neighbors and our own borders before we take action? What are we supposed to do, wait until only extreme measures will suffice to liberate the Guatemalan people, a people we cherish and esteem, from the tyranny of a foreign dictator? Or are we not in duty bound to all our sister republics and to ourselves to take immediate action, to prevent this hemisphere from being divided and swallowed?

Today we stand at a point of vital decision affecting our destiny in the Americas. We either make a stand here and now or we may suddenly find that we have a new Korea right in our backyard. Let's face it. International communism has established a beachhead in Central America. The threat is real, grave, and immediate. The time to call a halt is now, not tomorrow or the day after tomorrow, but now. It is time for the American Republics to say firmly, in their collective voice, what President Monroe said 130 years ago: "The Americas are not open to domination by any international conspiracy, no matter how it is disguised."

Appropriate steps must be taken to remove this threat. Any measures which the American Republics collectively decide to apply in defense of their security should be vigorously prosecuted. If economic sanctions are regarded as necessary to block future shipments of illegitimate arms cargoes from reaching their destination, they should be applied; and at the first sign of any hostile action against its neighbors, whether from without or by indirection, the United States must not waver. We must act with our friends to the south, positively and fast.

We are confident that our sister republics will recognize the danger that confronts us all. We sincerely trust that, in our exchange of views with the other governments, it will be possible to agree upon a joint decision to take such measures as may be regarded as essential to preserve the security, the peace, the independence, and the freedom of the Western Hemisphere.

PROPOSED REVOCATION OF THE APPOINTMENT OF THE CHAIRMAN OF THE GOVERNMENT OPERATIONS COMMITTEE

Mr. LEHMAN. Mr. President, I send to the desk and ask to have lie on the table as a privileged resolution a proposal for the revocation of the appointment of the junior Senator from Wisconsin [Mr. McCARTHY] as chairman of the Government Operations Committee.

Mr. KNOWLAND. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I yield.

Mr. KNOWLAND. I did not understand the Senator's request.

Mr. LEHMAN. I said that I send to the desk and ask that there lie on the table as a privileged resolution a proposal for the revocation of the appointment of the junior Senator from Wisconsin [Mr. McCARTHY] as chairman of the Government Operations Committee.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. In order that the resolution may lie on the table, does it not require unanimous consent at this time?

The PRESIDING OFFICER. It requires unanimous consent.

Mr. KNOWLAND. Mr. President, I object.

Mr. LEHMAN. Mr. President, may I ask the Chair whether the resolution which I have submitted, which, of course, has not yet been read but which I have described in general terms, is not a privileged resolution, since it refers and applies to the organization of the Senate, which I believe constitutes it a privileged resolution?

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. Mr. President, has the Chair ruled on the specific parliamentary inquiry made by the majority leader, namely, that if the resolution is submitted and unanimous consent is not given, it is referred to a committee? May we have a ruling on that?

The PRESIDING OFFICER. It is true that if a resolution is submitted in the morning hour it would be referred to a committee, under the rules. Unanimous consent must be obtained for its submission out of order.

Mr. JOHNSON of Texas. Mr. President, I think the Senator from California would not object to the submission of the resolution. I understood the Senator was objecting to its lying on the table.

Mr. KNOWLAND. My objection was to the resolution lying on the table.

The PRESIDING OFFICER. Is there objection to the submission of the resolution at this time? The Chair hears none, and the resolution will be received and be stated.

The legislative clerk read the resolution (S. Res. 262) as follows:

Whereas Senator JOSEPH McCARTHY is chairman of the Government Operations Committee by virtue of appointment by the Senate, voted on January 13, 1953, in accordance with rule 24 of the Standing Rules of the Senate; and

Whereas Senator McCARTHY is chairman of a subcommittee of the Government Operations Committee, the so-called Permanent Investigating Subcommittee, by virtue of appointment by himself as chairman of the parent committee; and

Whereas Senator McCARTHY has abused the authority delegated to him as chairman of said committee and subcommittee by intervening unjustifiably in the conduct of the administrative affairs of the executive branch of Government, including the Department of State, the Foreign Operations Administration, the United States Information Agency, and the Department of the Army, and thus has dangerously and harmfully impaired and violated the principle of separation of legislative and executive functions and powers of the Government embodied in and provided in articles I and II of the Constitution; and

Whereas Senator McCARTHY has abused the authority delegated to him as chairman of said committee and subcommittee by presuming to arrogate to himself and to said committee and subcommittee law-enforcement functions and powers, which functions and powers are beyond the scope of the lawful authority and jurisdiction vested in the United States Senate, and in said committee and subcommittee, and thus further impairing and violating the principle of the separation of the legislative and executive functions and powers of Government; and

Whereas Senator McCARTHY has abused the authority delegated to him as chairman of said committee and subcommittee by presuming to arrogate to himself and to said committee and subcommittee judicial functions and powers, which functions and powers are beyond his lawful authority as chairman of said committee and subcommittee, and are inconsistent with and repugnant to the exclusive lawmaking functions and powers vested in the Congress, the Senate, and committees of the Senate; and

Whereas Senator McCARTHY has abused the authority delegated to him as committee chairman by publicly inviting and soliciting wholesale violation of laws enacted by Congress, including the Espionage Act, and the violation of an Executive order forbidding the disclosure of classified security information, and by promising his protection for the violation thereof; and

Whereas Senator McCARTHY has abused the authority delegated to him as chairman of said committee and subcommittee by seeking to intimidate and harass officials of the United States Government, including honored soldiers in the United States Army; and

Whereas Senator McCARTHY has abused the authority delegated to him as chairman of said committee and subcommittee by seeking to intimidate and coerce the press and thus indirectly to accomplish what is directly forbidden under the provisions of the first amendment to the Constitution of the United States; and

Whereas Senator McCARTHY has abused the authority delegated to him as chairman of

said committee and subcommittee by persistently and repeatedly violating the civil liberties, privileges, rights and immunities of United States citizens guaranteed under the Bill of Rights of the Constitution of the United States, especially those set forth in the 1st, 4th, 5th, and 6th amendments; and

Whereas Senator McCARTHY has abused the authority delegated to him as chairman of said committee by presuming, in his conduct of said subcommittee, to usurp for himself all the powers delegated to said subcommittee by the parent committee, and to the committee, by the Senate; and

Whereas Senator McCARTHY has by these and other violations, arrogations, and transgressions grossly abused the authority delegated to him as chairman of the Government Operations Committee and of a subcommittee thereof, inspired and created public disrespect for the lawmaking authority, created public confusion in all branches of Government, and impaired the high standing and prestige of the Senate of the United States: Therefore be it

Resolved, That the Senate, under its plenary powers over its committees and subcommittees, hereby revokes the appointment of Senator McCARTHY as chairman of the Government Operations Committee, and as chairman of the so-called Permanent Investigating Subcommittee and of all other subcommittees to which he may have heretofore designated himself as chairman, and declares vacant the position of chairman of said committee and of said subcommittees, pending the appointment by the Senate of a new chairman of said committee in the manner prescribed by rule 24 of the Standing Rules of the Senate.

The VICE PRESIDENT. Does the Senator from New York desire to make a statement?

Mr. LEHMAN. Mr. President, I am offering the resolution——

Mr. KNOWLAND. Mr. President, will the Senator from New York yield for a parliamentary inquiry?

Mr. LEHMAN. I yield.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KNOWLAND. The resolution having been submitted, is it now to be referred to the appropriate committee?

The VICE PRESIDENT. The resolution will be referred to the appropriate committee, unless some other disposition of the resolution is made at this time.

Mr. LEHMAN. Mr. President, I believe that since the resolution refers to the organization of the Senate, it is a privileged matter, which may lie on the table until it is called up by the mover of the resolution.

The VICE PRESIDENT. Does the Senator from New York ask for a ruling on the question?

Mr. LEHMAN. I should be glad to have a ruling.

The VICE PRESIDENT. The Chair is ready to rule. The Senator from New York is correct. A resolution of this type is a privileged matter. However, to have the resolution lie on the table requires unanimous consent. Does the Senator from New York desire to ask unanimous consent that the resolution may lie on the table?

Mr. LEHMAN. While I do not agree with the ruling of the distinguished Vice President, I, of course, accept it and will follow his suggestion. I ask unanimous consent that the resolution may lie on the table.

Mr. KNOWLAND. I object.

The VICE PRESIDENT. Objection is heard. The resolution will be referred to the appropriate committee.

Mr. LEHMAN. I am submitting the resolution, Mr. President, for the consideration and decision of the Senate, because I believe that it is the concern of the Senate as a whole, and of each Member of the Senate, to preserve the prestige of the Senate, and the legislative nature of the Senate, against such abuses and attacks as have resulted from the activities of the junior Senator from Wisconsin [Mr. McCARTHY] in his capacity as chairman of the Government Operations Committee, and of the so-called Permanent Investigating Subcommittee.

I do not base my resolution on any single act or any single set of acts by the junior Senator from Wisconsin, but on the whole range of harmful activities, practices, means, methods, assumptions, usurpations, violations, and abuses indulged in by him as chairman of the Government Operations Committee and of the so-called Permanent Investigating Subcommittee.

There is a regrettable but understandable tendency to focus attention on the single acts of Senator McCARTHY and on narrow questions of fact, difficult to establish beyond a reasonable doubt, and related to narrow questions and issues which are not really central to the overriding effect which Senator McCARTHY's activities have had on the prestige of the Congress and on the fundamental institutions of law and Government which characterize our country.

There is no reasonable doubt, certainly none in my mind, and I believe none in the minds of millions of our citizens, concerning the detrimental effects which Senator McCARTHY's overall activities have had on our country.

It is on the basis of these effects and these activities that I make my proposal to withdraw the appointment given him by the Senate—the position of special trust and authority—as chairman of the Committee on Government Operations.

Under the terms of the Standing Rules of the Senate, and of rule 24 in particular, Senator McCARTHY's appointment as chairman of the Government Operations Committee is a matter for determination by the whole Senate.

Rule 24 prescribes a procedure for formal voting on the appointment of a committee chairman. I propose that this procedure be invoked to revoke that appointment and to declare the chairmanship of the Government Operations Committee vacant, to be filled in the manner fully prescribed by the rules of the Senate.

My resolution also provides that the revocation of his appointment as chairman of the parent committee will carry with it the revocation of his appointment, by himself, as chairman of the so-called Permanent Investigating Subcommittee and of any other subcommittees to which he may have, in the past, appointed himself.

Mr. President, I am, of course, aware that some aspects of Senator McCARTHY's activities have been under the scrutiny of a more or less special subcommittee of the Government Operations Committee—itself a kind of anomaly. That subcommittee, I know, will soon make a report.

I wish no confusion between whatever this investigating committee will report and recommend and my proposal. There is no contradiction or conflict, so far as I am concerned. Nor am I seeking to anticipate, in any way, what the special investigating subcommittee may recommend.

I am not basing my resolution on what might be the findings from the current inquiry. I am passing no judgment on the various contrary and contradictory assertions made in that inquiry, nor on the issues and charges before that subcommittee.

Those are, in my mind, narrow issues, although unquestionably important. But there are many vital issues—broad, pervasive, and all-important—which have not been touched in this inquiry at all.

It is on the basis of these broader issues, far overreaching the questions on which the evidence has been gathered by the Mundt subcommittee, that I have based my resolution.

At an appropriate time, I expect to move to take up my resolution which is self-explanatory and self-declaratory. I shall be prepared, at that time, to cite the facts, all the facts, upon which my observations, as contained in the resolution, are based. But, in my judgment, Mr. President, the facts speak for themselves. They are, for the most part, matters of common knowledge.

The resolution (S. Res. 262), submitted by Mr. LEHMAN, was referred to the Committee on Rules and Administration.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

Mr. FERGUSON. Mr. President, I send an amendment to the desk and ask to have it read.

The PRESIDING OFFICER (Mr. BEALL in the chair). The Clerk will state the amendment proposed by the Senator from Michigan [Mr. FERGUSON].

The CHIEF CLERK. It is proposed, on page 53, after line 2, to insert the following new section:

SEC. 738. During the fiscal year 1955, appropriations of the Department of Defense shall be available for reimbursement to the Post Office Department for payment of costs of commercial air transportation of military mail between the United States and foreign countries.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan.

Mr. FERGUSON. Mr. President, the amendment does not propose to authorize any money for new appropriations, but authorizes the use of money to assure that the mail of our Armed Forces will be transported by air, as has been

the practice in the past. The amendment is offered in order to permit the delivery of mail to servicemen overseas.

During the consideration of the appropriation bill for the Post Office Department, it was stated that no money had been included in the post office appropriations for costs of transportation by commercial air transport for military mail between the United States and foreign countries.

Since the basic laws renders the Post Office Department appropriations exclusively available for this purpose, there is no legal authority in the Department of Defense to provide funds for payment for airmail transportation overseas. The statute in question is title 39, section 654 (c) of the United States Code, which provides as follows:

In the case of mails transported between the United States or its Territories or possession and any foreign country and in the case of mails transported between the United States and its possessions or its naval or military forces abroad, or between any such possession or naval or military forces and any other such possession or naval or military forces payment for such transportation shall be made out of the appropriation for the transportation of foreign mails.

In order to provide legal authority and to insure the delivery of air mail to servicemen abroad, this amendment is absolutely necessary.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. FERGUSON] on page 53, after line 2.

The amendment was agreed to.

Mr. FERGUSON. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a letter to Mr. Wilson from Mr. Summerfield, and one from Mr. Garlock to me.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

ASSISTANT SECRETARY OF DEFENSE,
Washington, D. C., June 16, 1954.

HON. HOMER FERGUSON,
Chairman, Subcommittee on Armed Services,
Senate Appropriations Committee.

DEAR MR. CHAIRMAN: The Secretary of Defense has directed me to advise you that the Department of Defense has just been informed by the Postmaster General that commencing July 1, 1954, the Post Office Department will be unable to continue the practice of transporting military mail via commercial air carriers to and from military points in foreign countries. The term "military mail" refers primarily to the personal letters being sent to and from military personnel located in overseas areas which comprise approximately 90 percent of military mail handled through military post offices, and not the official mail of the Department of Defense. I am sure that you will agree with us as to the importance of continuing the expeditious handling of this personal mail between our men who are overseas and their families.

Because the Post Office Department advises us that they cannot continue to provide this service to men of the armed services and their families, the Department of Defense wishes to be able to make such arrangements as are necessary to continue this service. As in the past, we would continue to handle at least a part of such mail by Military Air Transport Service, particularly to areas which are not readily served by commercial lines, but other high priority cargo would appear to preclude MATS from handling all of the personal mail originating in the United States between military personnel and their families by this means. A quick review of the authority to reimburse the Post Office Department or to hire commercial carriers for this purpose indicates that the Department of Defense does not have authority to make such payments for the transportation of this personal mail. In order to provide this authority and to insure the continued prompt handling of personal mail between military personnel located overseas and their families, it is requested that the attached general provision be proposed on the floor of the Senate as an amendment to the fiscal year 1955 Appropriation Bill for the Department of Defense now pending before the Senate.

Your cooperation in this matter will be greatly appreciated by the Department of Defense.

Sincerely yours,

LYLE S. GARLOCK,
Deputy Comptroller.

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., June 11, 1954.

The Honorable CHARLES E. WILSON,
Secretary of Defense.

DEAR MR. SECRETARY: Up to the present time, as you know, we have been assisting your Department by transporting some military mail via commercial air mail carriers to and from military points in foreign countries. Commencing July 1, 1954, however, we will be unable to continue this practice because we will have no appropriations for this purpose, Congress having recently declared that no money is being appropriated to us for the fiscal year 1955 for payments of such commercial air transportation of military mail. Please see the CONGRESSIONAL RECORD, May 13, 1954, page 6538, and May 19, 1954, page 6840, on H. R. 7893, our appropriation bill for 1955 which has now been approved by the President on May 28, 1954, as Public Law 374.

I am certain that you will understand this predicament and that your Department will make other arrangements accordingly.

Sincerely yours,

ARTHUR E. SUMMERFIELD,
Postmaster General.

Mr. FERGUSON. Mr. President, I call up my amendment designated "6-16-54-A," to come in on page 50, after line 2.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Michigan.

The LEGISLATIVE CLERK. On page 50, after line 2, it is proposed to insert the following:

SEC. 731. Those appropriations or funds available to the Department of Defense or any agency thereof which would otherwise lapse for expenditure purposes on June 30, 1954, and designated by the Secretary of Defense not later than July 31, 1954, shall remain available until June 30, 1955, to such department or agency solely for expenditure for the liquidation of obligations legally incurred against such appropriation during the period for which such appropriation was legally available for obligation: *Provided*, That nothing in this section shall be construed to change the authority of the Department of Defense, or any agency thereof, and of disbursing officers and authorized certifying officers to apply for a decision in advance of payment and the duty of the Comptroller General to render such decision, or the authority of the General Accounting Office to settle and adjust proposed payments involving doubtful questions of law or fact.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan.

Mr. FERGUSON. Mr. President, in the way of an explanation of the amendment, I may say that in the course of the hearings before this committee the Department of Defense asked for language which would permit it to make payment to contractors under contracts executed with funds appropriated for fiscal years 1951 and 1952 without submission to the GAO for settlement as claims against the United States, as required under the Surplus Funds Certified Claims Act of 1949. The Defense Department justified this request by pointing out that substantial amounts were appropriated late in the year for the Korean operation, and this fact, coupled with production difficulties, resulted in nondelivery of large amounts of the material ordered within the 2-year period, thereby making it impossible to make the expenditures within the 2-year time limitation.

Without the amendment I now propose, the GAO would have to process an abnormal amount of claims through the certified claims procedure. There is about $2 billion in contracts involved.

The Appropriations Committee originally denied the request of the Department of Defense, since there was no evidence that the GAO favored the proposal.

I have now received a communication from the GAO requesting that the amendment be adopted, but with a language change which I have incorporated in the proposed amendment, limiting the payments to those contracts which would go to the GAO for settlement only for the reason that the appropriation involved had lapsed; but safeguarding the GAO prerogatives where doubtful questions of law or fact are involved. The ranking minority committee member has no objection.

I urge that the amendment be adopted.

I have now received from the General Accounting Office a communication requesting that the amendment be adopted, but with a change that I have incorporated in the language, so as to limit the payments to contracts which would go to the General Accounting Office for settlement only for the reason that the appropriations involved had lapsed, but safeguarding the prerogatives of the General Accounting Office where doubtful questions of fact or law are involved.

I understand that the ranking minority member of the committee has no objection to the amendment. Therefore, I urge that the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan.

Mr. KILGORE. Mr. President, will the Senator from Michigan yield for a question?

Mr. FERGUSON. I am glad to yield.

Mr. KILGORE. Under its wording, would the amendment be limited to obligations previously incurred?

Mr. FERGUSON. It would.

Mr. KILGORE. The amendment would not apply to future obligations?

Mr. FERGUSON. No; the amendment has nothing to do with future obligations.

Mr. KILGORE. In other words, the purpose of the amendment is to pay off contractual obligations previously entered into; is that correct?

Mr. FERGUSON. That is correct.

Mr. President, I call for a vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan [Mr. FERGUSON].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. FERGUSON. Mr. President, I believe there are no further amendments to be proposed.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? [Putting the question.]

The bill (H. R. 8873) was passed.

Mr. FERGUSON. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. FERGUSON, Mr. BRIDGES, Mr. SALTONSTALL, Mr. KNOWLAND, Mr. FLANDERS, Mr. HAYDEN, Mr. RUSSELL, and Mr. CHAVEZ conferees on the part of the Senate.

PROVISION FOR WHITE HOUSE CONFERENCE ON EDUCATION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of House bill 7601, Calendar No. 1607, to provide for a White House conference on education.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 7601) to provide for a White House Conference on Education, which had been reported from the Committee on Labor and Public Welfare with amendments.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, I desire to announce to the Senate that when we have completed action on House bill 7601, providing for a White House Conference on Education, and depending on how long our action on that bill takes, and also depending on what extraneous business may come before the Senate, it is then intended to proceed—as I have previously announced—to the consideration of Calendar No. 1608, House bill 7434, to establish a National Advisory Committee on Education; and Calendar No. 1609, House bill 9040, to authorize cooperative research in education. If, this afternoon, we complete action on those three bills, I propose to have made the pending business, for consideration tomorrow, Calendar No. 1510, House bill 6435, to amend the Commodity Exchange Act; and to have it followed by Calendar No. 1514, Senate bill 3487, to authorize the Central Bank for Cooperatives and the regional banks for cooperatives to issue consolidated debentures, and for other purposes. Of course, I am not certain how long a time will be required tomorrow to act on those bills. Some of the bills regarding which announcement has previously been made to the Senate may also be called up; but, under the circumstances, I expect the session tomorrow will be relatively short, and then that the Senate will take a recess until Monday, next.

On Monday, I expect to call up Calendar No. 1613, House bill 9474, to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended. By tomorrow, I hope to be able to advise the Senate of the other bills which we hope to have the Senate consider next week, prior to the time when the Senate takes up the tax bill.

Mr. MANSFIELD. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. MANSFIELD. Can the distinguished majority leader tell us when he intends to have the calendar called again?

Mr. KNOWLAND. Announcement as to that will be made tomorrow, although I should like both the calendar committees to be advised that we may have a calendar call on Monday, preceding the taking up of Calendar No. 1613, House bill 9474, the so-called reciprocal-trade-agreements bill. However, first I should like to consult with both calendar committees; but I hope they will keep themselves in readiness and preparation for a possible call of the calendar on Monday.

Mr. JOHNSON of Texas. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. I should like to invite the attention of the distinguished majority leader to Calendar No. 1623, House bill 7709, to continue until the close of June 30, 1956, the suspension of certain import duties on copper. That bill was reported on June 16 from the Finance Committee. I should like to ask the majority leader whether he will explore the possibility of bringing that bill before the Senate at as early a date as is possible and as is agreeable to his policy committee.

Mr. KNOWLAND. A whole series of bills has been reported from the Finance Committee. I shall consult, overnight, with the distinguished chairman of that committee, in order to ascertain his desire about the order of considering them. Then I shall take them up with the policy committee, so that we can arrive at a decision—I hope by tomorrow afternoon.

Mr. JOHNSON of Texas. I thank the Senator from California.

FIRST ANNIVERSARY OF THE REVOLT OF THE PEOPLE OF CZECHOSLOVAKIA, EAST GERMANY, AND POLAND AGAINST THE COMMUNISTS

Mr. HUMPHREY. Mr. President, I wish to say a few words at this time in commemoration of the first anniversary of the very heroic and brave resistance to communism on the part of the peoples of Czechoslovakia, East Germany, and Poland.

In these days, when so much is said about the fight against communism, it is appropriate for us to pause to commemorate the bravery and the heroism of those who have fought communism by deed, rather than by word. One year ago—on June 17, 1953, the revolt of the victims of Communist imperialism reached its fever pitch. One year ago the people of Czechoslovakia, East Germany, and Poland demonstrated to the world that the will to live as freemen was still alive in them—that they were prepared to throw off their shackles, and that they were prepared to sacrifice their lives to achieve that goal. With their bare fists they challenged the guns and tanks of their oppressors.

What happened on June 17, 1953, opened the eyes of many of those who, until then, had been blind to the realities of the Soviet system. It revealed as a mockery and a fraud the alleged idealism of communism.

The revolts of June 1953 were not the revolts of so-called capitalists. They were the revolts of industrial workers in whose interest the men in the Kremlin claimed to govern, for whose happiness they claimed to have established the "worker's paradise."

The outbreaks of last year were not organized. They were the spontaneous expression of thousands of people of their hatred of communism. The workers of the Skoda factory, at Pilsen, stormed the city hall, tore down the Red flag and pictures of Stalin, and raised the American flag. The workers of Czechoslovakia were on strike. They were followed by the people of East Germany, who had the courage to defy Soviet troops, to demonstrate in front of Red army tanks and submachine guns. Their heroic acts were a signal for workers throughout East Germany and also Poland to demonstrate their opposition to communism.

The revolts of last year were put down in the typically brutal Communist manner. Dozens of people were killed in the streets. Many men were executed, hundreds were arrested. The revolts had failed temporarily, but the world had seen the love of liberty was not dead behind the Iron Curtain.

I think it will be recalled that at the time of this very historic incident of the revolt of free people against Communist tyranny our Government extended the helping hand of American friendship and understanding, through the delivery of food packages to the people of West Berlin, and making such food packages available to the people of East Germany.

As I pay tribute to the heroism and courage of those who resisted Communist tyranny, let me say that this delivery of food on the part of our Government was one of the most important acts of diplomacy and statecraft in all the postwar years. It is significant to note that literally hundreds of thousands of people from behind the Iron Curtain came over to the food depots on the free side, in West Berlin, and picked up their food packages, giving thanks to the American people. By making available this food and by extending the hand of fellowship and support, we struck a mighty blow for freedom and definitely weakened the grip of communism upon those great people.

It is appropriate that we in the Senate pause on this June 17 to pay our tribute to the free spirits that still exist behind the Iron Curtain, keeping alive hope for the day when millions may again live openly as freemen.

I rise today to pay my tribute to those brave people and the Government of West Germany, as well as to the patriots of freedom in Czechoslovakia and Poland. I wish to say, with whatever force the words of one Member of Congress can carry, that the United States is not unmindful of these great and heroic acts, and that every policy of our Government, whether it be in connection with the program of foreign aid, whether it be in connection with the defense bill which we have just passed, or whether it be in connection with the many educational and economic missions we have sent throughout the world, is dedicated to the hope and emancipation and freedom for peoples who have been enslaved.

I feel that it is our duty constantly to remind the world that those brave men and women are not forgotten. Likewise, I think it is our duty to remind the Communist conspirators and tyrants that their acts of infamy will not be forgotten. I think we should make it crystal clear to the leaders of communism, and to those who are foolish enough to follow their leadership and direction, that there will be a day of reckoning, and that we will hold those tyrants fully responsible for their acts of oppression and brutality. We should let them know that we are literally keeping book on them, and that we will not forget for a single moment any act of violence or cruelty they have committed upon the helpless victims of their rule.

It would be well also to remember that among the first victims of Communist tyranny were the Russian people themselves. The people of Russia are terrified. They are ruled by an oppressive force. Our heart goes out to peoples everywhere who desire freedom. The United States of America will never falter in its dedication of their liberation.

PROVISION FOR WHITE HOUSE CONFERENCE ON EDUCATION

The Senate resumed the consideration of the bill (H. R. 7601) to provide for a White House Conference on Education.

Mr. SMITH of New Jersey. Mr. President, Calendar No. 1607, which is House bill 7601, the pending bill; calendar No. 1608, House bill 7434; and Calendar No. 1609, House bill 9040, propose legislation which is an important part of President Eisenhower's program in the field of education. On the 18th and 19th of January I introduced in the Senate the legislation recommended by the President covering his education proposals. Since that time the House has passed H. R. 7601, with certain amendments, H. R. 7434, with certain amendments, and H. R. 9040, with certain amendments. These bills came to the Senate and they were considered by a special subcommittee of the Committee on Labor and Public Welfare under the Chairmanship of the Senator from Kentucky [Mr. COOPER]. After full hearings and consideration by the subcommittee they were reported to the full committee, with certain suggested amendments. On the 14th day of June the full committee reported all three of these bills to the Senate and they now appear on our calendar, as previously indicated.

As the Senator from Kentucky assumed the responsibility for the consideration of these bills, he will present the case for these bills on the floor of the Senate today. I feel that as Chairman of the Committee I should emphasize the fact that we are dealing now with an important part of President Eisenhower's overall program of legislation. I wish especially to commend the members of the subcommittee who did most of the work on these bills, namely, the Senator from Kentucky [Mr. COOPER], the Senator from Arizona [Mr. GOLDWATER], the Senator from New Hampshire [Mr. UPTON], the Senator from Montana [Mr. MURRAY], and the Senator from Alabama [Mr. HILL].

Such differences of viewpoint as existed when these bills were first introduced were ironed out in the subcommittee in a fine spirit of nonpartisan cooperation. This is a tribute to these Senators, and also a tribute to the full committee which voted the bills favorably to the Senate by a unanimous vote and recommended their passage.

I requested the preparation of a memorandum describing these respective bills, and I ask unanimous consent that this memorandum be inserted in the body of the RECORD at this point in my remarks.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

STATE AND WHITE HOUSE CONFERENCES ON EDUCATION

H. R. 7601 would authorize a series of study-action conferences on education in the States and Territories. It would bring citizens and educators together to consider educational problems, to mobilize for their solution, and to prepare for the White House Conference.

To assist States to collect the needed facts and to hold meetings H. R. 7601 would authorize an appropriation of $1,500,000 to be allotted to the States on the basis of their respective populations. No State, however, would receive an allotment of less than $15,000 or more than $75,000. Few States would have available the funds to prepare materials, to conduct the conferences, and to follow up with the reports and materials for the White House Conference.

Following the State conferences, the President would call the White House Conference on Education to be composed of interested laymen and educators from all parts of the Nation. The purpose of this conference would be to bring into sharp focus the national implications of the results of the State conferences and to stimulate greater citizen understanding and support for meeting the educational needs of a free country.

Within the past few years there has been a great upsurge of citizen interest and concern about education in this country. Doubling of enrollment in PTA's and the development of local citizen advisory groups from 1,000 in 1950 to more than 8,000 at present are expressions of great interest. Many other indications could be cited. These have grown out of the recognition, by increasing numbers of citizens, of such school needs as housing and financing of teachers' salaries.

Citizen groups in towns and cities can get together easily and frequently. They can get the facts, study them along with the educators, arrive at reasonable plans of action and then work to convince others to favor the action program. The result has been approval of school building bond issues and increased salary schedules in thousands of communities.

But certain conditions are impeding progress. Some of these are limitations in financing local school districts almost exclusively through property taxation; limitations on the rate of taxation for school purposes; maximum ceilings on bonded indebtedness; difficulties in securing teachers because State legislatures control budgets for teacher education facilities; limitations on freedom to reorganize school districts because of State laws; inequities raising local assessed valuations, unless these are raised generally throughout the State.

These factors indicate that essential action on meeting school needs can be taken most effectively at the State level.

H. R. 7601 provides the machinery for citizens in each State to develop the kind of educational program they want and need by changing property assessments, changing limitations on taxes and bonds, reorganizing inefficient school districts, expanding the facilities for higher education, attracting capable teachers, and by providing State aid for school construction.

Each State conference would develop solutions to problems by bringing together a small group of representative citizens and educators to plan and prepare the materials for the larger citizen-educator conference; studies of local and State problems in education in the light of the facts so that study and discussion lead to mobilizing resources to solve the problems.

Thus study and action would intermesh to meet the long-range problems ahead. The conference approach would expedite State and local action by involving the citizens as central figures—for the citizens will, in the last analysis, decide the quality and quantity of education.

It is expected, of course, that lay citizens and educators would meet together. They would decide what needed to be done and then how to do it—across the board—by giving thought not only to the urgent problems of today, but those which face us ahead.

In summary we believe that the pattern of citizen-educator cooperation on the local level is the soundest course. We believe that the Federal Government should assist and encourage the States to bring together representative citizen-educator groups to work out such action programs.

The White House Conference would serve a complementary and a somewhat different purpose. It would emphasize the importance of education to the national well-being, report on the progress being made in the several States, summarize the resources available and needed to keep American education operating at the level essential for

national security and well being, demonstrate clearly what the citizens of the 48 States can do and want to do to meet their educational needs, indicate whether citizens wish greater or less Federal support or participation in various phases of education, give great impetus to the speed-up in educational efforts needed in these coming years throughout the country, show citizens the nationwide significance of local schooling.

I have no illusions that the White House Conference would solve the problems of education in this country, but I believe it can be very helpful.

H. R. 7601 appears to provide a practical and badly needed impetus by the Federal Government. It also would provide evidence—not now available—as to whether our citizens believe that the Federal Government should maintain its present relationships to education, do more, or do less.

A detailed breakdown of the funds for each State is attached.

Neither the Department of Health, Education, and Welfare, nor the Office of Education wishes to dictate to the States how the funds authorized in this bill shall be spent. I share and endorse their view that the States should have the widest possible discretion in this matter, so long as they meet the requirement in section 2 of the bill that the money shall be used exclusively for the purpose of the State conference and that a report of the findings and recommendations of the State conference shall be submitted for the use of the White House Conference.

Within these broad requirements it might be expected that the States would use these funds for items such as the following:

(a) Expenses of meetings of planning committee (perhaps 4 to 10 meetings over a period of 6 to 12 months).

(b) Salaries of director and small research staff for fact-finding studies (6 months minimum).

(c) Printing and duplication of materials relating to conference, including report to White House Conference.

(d) Necessary travel expenses of conference staff and persons in attendance.

(e) Rental of necessary office space, conference facilities, etc.

Knowledge that no supplementary Federal funds would be available beyond the original allotment to the State would give an incentive for careful planning by the States to insure economical use of the funds. Any expenditure beyond the Federal allotment would have to be made up by the State itself from non-Federal sources.

In summary:

The State and White House conferences on education would foster nationwide understanding of the problems of education and mobilize resources for local, State, and Federal action.

The National Advisory Committee would make available the advice and recommendations of outstanding citizens.

Cooperative research in education would stimulate solutions to educational problems of national significance.

NATIONAL ADVISORY COMMITTEE ON EDUCATION

H. R. 7434 would establish a nine-member representative committee with 3-year overlapping terms which would advise the Secretary of the Department of Health, Education, and Welfare, on pressing problems in the field of education. The Commissioner of Education would serve ex officio as a nonvoting member of the committee. The establishment of this committee was urged by President Eisenhower who stated in his budget message of January 21, 1954: "This recommendation carries forward an objective of the reorganization plan under which the Department was created last year."

The committee would recommend to the Secretary the initiation of task forces to study problems of national concern, appropriate action indicated by such studies and would report on the progress being made in carrying out its recommendations.

Funds would be appropriated to the extent determined by Congress.

The problems which the Advisory Committee might consider are many. For example, the Committee might consider such matters as the role of the school in reducing juvenile delinquency; illiteracy, particularly in relation to selective service rejections; the education of children with special abilities; the education of children with mental and physical handicaps; the education of children of migratory workers; the education of teachers.

These are but a few educational problems of national significance. In each area, there has been some research on aspects of the problem. Communities and States could be much more effective in dealing with these problems if a task force, under competent professional leadership, were to analyze and bring together the findings of researches already made, were to define problems needing immediate study, and were to make such studies. They could set forth authoritative conclusions as to what is known about the problem, what needs to be known, and what seem to be reasonable lines of action for individuals, schools, public and private agencies. Such task force work might properly take 2 or 3 years.

The Committee's analysis might result in the conclusion, for example, that the problem of the education of the children of migratory workers would be appropriate for study because of the complexity of the problem, its interstate implications, its national importance, and the lack of accurate studies in the field. Research would involve those concerned: Local and State authorities, teachers, schools, and boards of education, labor and employer groups, social welfare agencies, and others. Such study would establish facts which the Committee would analyze and upon which it would base its recommendations to the Secretary. Some of these would doubtless be matters upon which the Department could act through its constituents: The Office of Education, the Children's Bureau, and so on.

The cost of such studies as the Committee might recommend would depend on their scope. One of the functions of the Committee would be to consider proposed study plans and budgets for recommendation to the Secretary.

COOPERATIVE RESEARCH IN EDUCATION

H. R. 9040 is designed to strengthen educational research services and facilities by offering cooperative research arrangements between the Federal Government and various public and nonprofit institutions and organizations concerned with the problems of American education.

At the present time, the Office of Education has no legislative authorization to enter into contracts for jointly financed research projects with colleges, universities, and State educational agencies which are trying to solve educational problems. Joint efforts with such groups are of basic importance.

There are many areas in the field of education in which cooperative research holds out great promise for increased economy and efficiency.

General practice with respect to educational research today usually involves study of local problems by those directly concerned at the local level. This procedure is sometimes wasteful because many matters of local concern are, in fact, common to other groups across our Nation. Too often only those concerned locally profit from their research. A more efficient procedure would involve enlarging the scope of a local or State study so as to make its findings usable by others in other regions. For example, Minnesota may be studying more effective utilization of the services of teachers. Many other States may share the same general concern, but the particulars of their respective problems may be sufficiently different to render the Minnesota findings inapplicable for their purposes. This bill would make possible contributions of funds from the Office of Education and the assistance of staff members of the Office of Education who are familiar with areas which require study—to the end that research and surveys of general interest be enlarged as appropriate to make them widely useful.

There are many areas in the field of education in which cooperative research holds out great promise for increased economy and efficiency.

Examples of research areas in which studies might be undertaken to improve school efficiency are:

1. Costs of school and college buildings.
2. Business procedures in schools and colleges.
2. School district reorganization.
4. Adequate staffing of teaching, engineering, and other "shortage" professions.
5. Relationships of community health and social agencies to community education programs.

This bill will help the Office of Education to enlarge the scope and usefulness of its studies.

It will avoid adding substantially to the research staff of the Office of Education.

It will enable—in the words of the President—"the Office of Education to join its resources with those of State and local agencies, universities, and other educational organizations."

Mr. SMITH of New Jersey. Together, these three bills guarantee, I believe, a wise, constructive, and well-balanced approach to the educational problems of the Nation.

They, of course, do not represent the full and final answer to all our educational problems. They do, however, set us on the road to the solution of those problems and, in that respect, are a significant step forward.

My distinguished colleague, the Senator from Kentucky [Mr. COOPER], will now present the bills to the Senate with a detailed explanation of their objectives.

Mr. COOPER. Mr. President, H. R. 7601 is the first of a series of three bills which will be, successively, the order of business of the Senate. The pending bill, House bill 7601, would provide for a White House conference on education.

The second bill, House bill 7434, would establish a nine-member national advisory committee to advise the Secretary of the Department of Health, Education, and Welfare on national educational problems.

The third bill, House bill 9040, would authorize the Office of Education to enter into contracts with colleges, universities, and other State educational agencies to finance research projects.

While House bill 7601 is the pending business, I have referred to the three bills because they are a part of the educational program presented by the President and the Secretary for the consideration of the Congress. The bills have been passed by the House. They have been unanimously reported by the Senate Committee on Labor and Public Welfare.

H. R. 7601, the pending bill, provides for conferences to be held by the States,

The State conferences would be attended by both lay and professional citizens. They will be citizens' conferences, to consider the educational problems within the States and to make recommendations for action at local, State, and national levels. Following the State conferences it is proposed that a White House conference be held in Washington, before November 30, 1954. At the conference representatives, both educators and lay citizens, from the various States will consider and report to the President on the national implications of the problems which have been considered in their respective States.

I shall not discuss the bill at length. It is well known that there are grave educational problems before the Nation.

Problems exist respecting adequacy and availability of teachers. There are many bills before Congress dealing with the shortage of schoolroom facilities. One of the serious concerns of the Nation is the problem of juvenile delinquency and its relation to inadequate educational opportunities.

There are many other problems. Among them are those of migratory students and the problem of districts whose financial situation has been affected by the development of national projects in their local communities. We are ashamed of our failure to eradicate illiteracy, and its effect on national defense.

I cannot outline or define all of these national concerns, but I believe it is significant that the administration is asking for a broad national consideration of education.

One current educational program is before the country because of the recent decision of the Supreme Court respecting segregated schools. It seems to me that these conferences will provide an opportunity for assistance in carrying into effect this decision.

The pending bill would authorize the expenditure of $1,500,000 to provide for both the State conferences and the national conference. The lowest amount which could be allotted to any State would be $15,000, and the largest amount $75,000. These sums would be used to prepare for the meetings. Perhaps to employ a small professional staff, and then to provide the expenses necessary to bring the representatives to the White House conference.

There has been some criticism of the bills on the ground that they are inadequate. As the Senator from New Jersey [Mr. SMITH] has stated, the bills do not represent a comprehensive program in the field of education. They represent an effort to bring into focus the national problems of education and an effort to arouse the largest possible interest and support among both lay and professional people of the States and Nation in the solution of education problems.

While they are not comprehensive it can be said that they mark the beginning of the administration's program.

So far as I know, nothing has been done in the past by our administration to initiate a permanent national program. One temporary program of aid has been made available to federally affected areas.

I envisioned these bill as the beginning of the educational program of the administration. The bills have been approved by the House and they have been unanimously approved by the Committee on Labor and Public Welfare. I hope they will be unanimously passed by the Senate.

The PRESIDING OFFICER. The first amendment of the Committee on Labor and Public Welfare will be stated.

The first amendment was on page 1, at the beginning of line 5, to strike out "city of Washington, D. C., a conference of educators and interested laymen from all parts of the" and insert "city of Washington, D. C., before November 30, 1955, a conference broadly representative of educators and lay citizens from all parts of the."

Mr. MURRAY. Mr. President, it is not my intention to oppose these bills. In fact, I intend to support them. The first bill, H. R. 7601, is one of three bills dealing with education which have been submitted to us by the administration and which have now been reported favorably by the Committee on Labor and Public Welfare. This particular little, simple three-page bill provides for a series of "talkfests" in the States and at the White House; a series of what, in my opinion, are altogether unnecessary conferences about the problems besetting our school system.

The second of these alleged great educational bills sent us by the administration establishes a National Advisory Committee on Education. It provides a very formal setup through which the Secretary of the Department can get some advice on what education is all about—advice which, of course, she could get just by picking up the phone and without our passing a bill at all.

The third of these great new ventures in the field of education is another three-page bill which says that as far as Congress is concerned it is all right for the Office of Education to conduct cooperative research with local educational agencies.

Mr. President, I want this Congress and I want the American people to know that these three inconsequential, insignificant, picayune, and altogether trifling bills will be the sum total of the so-called "dynamic and forward-looking program of the administration" in the field of education.

Think of it, Mr. President. At a time when children throughout this country are going to school in 2 or even 3 shifts a day; when many of them are spending their schooltime in firetraps, in converted barns, and garages—even, in 1 instance, in a converted morgue; at a time when juvenile delinquency is on the increase all over; at a time when we have a drastic and growing shortage of schoolteachers, and when those we have are woefully underpaid—at such a time and in the face of those conditions—this administration chooses to tell America's parents, its schoolteachers, and all of our citizens who are concerned with the education of our children that we need do nothing but call conferences, authorize a little research—not even very much of that, since they are only going to ask for $100,000 worth of research this year—and create another advisory body.

It is incredible, Mr. President. When I saw the President and the Secretary of the Department on television some months back telling the people of this country that they had momentous plans which they intended to submit and which would bring about great advances in the field of health and education, I was really hopeful. It was true that we had waited for over a year for some sign that the administration really intended to carry out the promise made by President Eisenhower when he was campaigning for office—the promise made on October 9, 1952, that if elected he would do something about the terrible shortage of school facilities in this country. I could have understood the delay, however, had the administration been waiting for the completion of the $3 million survey of school-facility needs which the Congress had authorized and which was reaching completion during this administration's first year in office. I waited expectantly, as did most of my colleagues, I am sure. And when we heard the President stipulate in his state of the Union message that prompt action would be taken, and when we read the report of the survey issued by this administration's Commissioner of Education, I was positive that the Secretary would come before us with a bill which would carry out candidate Eisenhower's promise, which would reflect the findings of this recently completed survey, and which, since it could not conceivably be anything else but a recommendation for an all-out, vigorous attack on the school-facility shortage throughout the country, would undoubtedly win almost unanimous bipartisan support.

After all that waiting, and after all those premises, these three puny bills finally appeared as the program of the Republican administration wants us to pass and with which the American people are supposed to rest content.

When these bills were first introduced, Mr. President, there was ample reason to believe that they had been sent us, not because the administration sincerely believed that they would make any great contribution to solving our educational needs, but merely as an excuse for delaying action. After all, it is obvious that they make no contribution whatever to the major problem. Quite frankly, if all three of these bills were defeated, not a mother of a schoolchild nor a single teacher in the country would notice any difference. But why, Mr. President, should anyone sincerely interested in the welfare of this country want to postpone action which might reduce the serious emergency confronting our school systems? There could be only two reasons. One which has been suggested is that it was a glaring attempt to play politics with the needs of America's schoolchildren; an attempt to postpone effective action until the presidential election year of 1956. This, Mr. Presi-

dent, I cannot accept. I do not believe there is a single member of this administration who could be so callous. I sincerely cannot and do not believe it. What, then, is the explanation of the administration's refusal to take positive action in this field despite its oft-repeated promises? So far as I can see, it can be only because in this field, as in so many others, the officials in this administration who know the problems and who know what should be done are being overruled by the budget balancers, by the people who believe that dollars are more important than children, that a balanced budget is more important to the Nation than a well-balanced citizenry—by the same people, Mr. President, who a year ago insisted on so inadequate a budget in the field of education that one of the finest Commissioners of Education this country ever had was forced to resign in protest.

Mr. President, whatever the reason was that led this administration to translate the great and mighty promises it made the people over radio and television into this tiny mite of a diminutive and altogether paltry program is unimportant. Whatever those reasons might have been, they are completely unacceptable. However well or ill conceived they may have been, the result of their acceptance by this Congress would be to postpone action on the educational front of America's defense for 3 or 4 more years. And this at a time when all the world knows that if America is to successfully face up to the almost unlimited manpower of the Communist nations, it will be because we can rely on trained and well-developed brainpower. This being the case, Mr. President, I was determined to vote against reporting any of these bills to the floor in order to focus the attention of the Congress and the people on the unwillingness of the administration seriously to grapple with the critical situation confronting America's educators today. And I am sure many of my colleagues on the committee would have joined me. I am happy to report, however, that, thanks to the understanding of the need for action displayed by the chairman of the Subcommittee on Education, the Senator from Kentucky [Mr. COOPER] and by the Senator from New Jersey [Mr. SMITH], chairman of the Committee on Labor and Public Welfare, this is unnecessary. The members of the minority have been assured by both those Senators that the passage of these bills will not serve to delay action on the major school construction bills now before our committee. In fact, the able chairman of our committee, the Senator from New Jersey, has assured us that those bills will be brought before the full committee for action at our next committee meeting, which is scheduled for Thursday, June 24. With these assurances, and confident that our committee will favorably report and the Senate will promptly pass a school construction bill along the lines proposed in S. 2601, or in S. 2779, I am willing to vote for these three bills.

Mr. President, I do not believe we need any more conferences. We have had seven great national conferences on school needs beginning back in the days of Herbert Hoover. However, if the administration wants them, for whatever reason, and since such conferences can result only in further publicizing the drastic need for action in this field, I am willing to vote for them. Similarly, while originally I saw no particular need for creating a formal advisory council to aid the Secretary of Health, Education, and Welfare in her thinking with respect to educational problems, I can now see why it might be well that she receive advice from people other than those now in charge of the Budget Bureau and the Treasury Department. In fact, had the Secretary had such advice over the last year, I am sure she would have come before our committee to advocate immediate action on school construction needs instead of asking us to wait for 2 more years. Parenthetically, I might say that the Secretary did not explain to us how we could see to it that America's children stop developing for 2 years while the Secretary conferred with her advisors.

Of course, Mr. President, as regards the third bill, I have always been in favor of cooperative research.

For these reasons, then, first, because of the assurances expressed by the majority leaders of our committee that passage of these bills will in no way delay action on the school construction measure, and secondly, because these bills, while they can do little good, can do no harm now that they have been amended, I am willing to withhold any objection to the passage of all three measures.

In conclusion, Mr. President, I should like to call the attention of Senators on both sides of the aisle to the profoundly moving and exceedingly well-reasoned presentation in favor of immediate action on school construction made by the Senator from Arkansas [Mr. MCCLELLAN] to our Subcommittee on Education on June 9. The senior Senator from Arkansas conclusively proved the need for immediate action; showed clearly how either of the school construction bills before us, through their adherence to the principles of the Hill-Burton Act, guaranteed against any possibility of Federal control of education; and pointed out how, despite the fact that they are limited to the construction of facilities, they could bring about the immediate raising of teachers' salaries by freeing local funds now devoted to urgent construction needs.

In order that the fine statement of the Senator from Arkansas may be immediately available to all Members of the Congress, I ask unanimous consent that it be set forth in the RECORD at the conclusion of my remarks. I hope it will be read and that this body may thereby be moved to pass either the McClellan or the Cooper bill at this session of the Congress. Our children need it—America's parents need it—American business and industry need it—and, above all, our Nation, as a leader among nations dedicated to the extirpation of communism, needs it.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. JOHN L. MCCLELLAN, A UNITED STATES SENATOR FROM THE STATE OF ARKANSAS, BEFORE THE UNITED STATES SENATE SUBCOMMITTEE ON EDUCATION OF THE COMMITTEE ON LABOR AND PUBLIC WELFARE, WASHINGTON, D. C., ON WEDNESDAY, JUNE 9, 1954, ON S. 2601, S. 2779, AND S. 359, CONSTRUCTION OF SCHOOL FACILITIES

Senator MCCLELLAN. Mr. Chairman and members of the committee, it is a pleasure to appear before you. I appreciate the opportunity that this committee has given me to come before you and present briefly my views regarding the subject matter that you are studying.

I, of course, prefer to testify regarding the bill that I introduced, which is S. 2779, in which, as you know, I was joined by some 24 of my colleagues as cosponsors. This bill was introduced on January 20 in this session of the Congress.

* * * * *

The need for raising educational standards for many of our children throughout all parts of the country, I think, has long been recognized. I do not believe that there is any serious challenge against that contention. This problem of equalizing educational opportunities up to an acceptable American standard has for many years been a legislative issue before the Congress.

Three times during the 12 years that I have been in the United States Senate legislation for Federal aid, general Federal aid to education, has come before that body. The first bill, as I recall—I do not remember the year; probably 1943 or 1944—after considerable debate, because of an amendment that was adopted on the floor of the Senate, was later recommitted to the committee because that amendment was objectionable to many and because those who objected to the amendment and those who actually opposed Federal aid in principle joined together and voted against it and recommitted that bill.

But twice since I have been in the Senate, Mr. Chairman, the Senate voted overwhelmingly in favor of Federal assistance to education. That is known as the general Federal aid bill. And I recall that the policy section of that bill was established by an amendment which I offered on the floor of the Senate and which provision was retained and also was incorporated, I think, in the next two bills. That policy section was retained in the subsequent bills that were introduced.

The purpose of that section, the policy section, was to strengthen that provision that we could be just as certain as it is possible to be, from legislative language, from legal language, that the Federal Government was not to exercise any control over or supervision over schools to which it may have contributed funds to assist in their expense and operation.

I may say, Mr. Chairman, that I supported those bills in the Senate. They did pass the Senate, but they failed to pass in the House of Representatives. So ever since—I have been in the Senate for 12 years—that issue has been before us in some form or another, either by bills actually pending and coming up in the Senate or by bills that have been introduced and the committee having taken no action on them.

The bill which I have introduced, S. 2779, has 24 cosponsors who have joined me. And may I point out, Mr. Chairman, at that point that the 24 cosponsors are from all sections of this Nation. It is not confined to 1 group or 1 section of the country but people of differing political philosophies have joined in this measure. And I would emphasize that it is actually a nonpartisan approach to

this serious problem, and we are not trying to make a partisan measure out of it. We are interested in attaining the objectives. And certainly if it is good for Democrats, it is good for Republicans, because it is a program that is vitally needed and one that should be initiated and inaugurated, in my opinion, without further delay.

This bill is limited in its purpose. It authorizes Federal financial assistance to the States solely for the construction of school buildings and school facilities. And in that respect, Mr. Chairman, it vitally differs from previous legislation to which I have referred. Not one penny that may be appropriated by the Congress under the authorization that is proposed in this measure can be used to pay school operating expenses; not $1 of it can go or is authorized for that purpose, although its practical effect will be to free the local revenue which would otherwise have to be used in building school facilities. It will free those revenues for increased teachers' salaries and for other necessary operating expenses.

The great trouble today, Mr. Chairman, is not confined to just a limited number of States, but I think you will find in all States there are areas and there are sections of those States where local revenues, even though taxation is high, are simply inadequate to support a minimum standard school. And this bill undertakes to channel such funds as may be authorized and appropriated by Congress down into those areas, into those school districts, and into those communities where that condition today prevails, with the hope and with the purpose of raising the educational standards of those children and of those citizens who happen to be in an unfortunate situation of living in communities where the revenues are inadequate to bring their standards and their opportunities for education up to that, comparable at least, to a minimum standard that we should insist upon them having. That would be the practical effect of it. And I may point out, Mr. Chairman, if this philosophy, the philosophy of this bill prevails the Federal Government can never influence or control or undertake to dictate any policy of operation, nor can it be said that the bill will open the door for Federal control and supervision of the public-school assistance to the several States. It is patterned in principle after the Hill-Burton Act, providing for Federal aid for the construction of hospitals and mental institutions, and after the law providing Federal aid to highways.

The distinguished Senator from Alabama is author of the Hill-Burton Act. We have operated under that for some 6 or 8 years. I do not recall the date of its enactment. We have the practical experience with it just as we have under the highway system, and we do know that those acts have operated so as to get the results desired without permitting any Federal control or domination of the policies.

That would be true under this bill. The Office of Education of the Department of Health, Education, and Welfare would simply have supervision and control to the extent of seeing certain standards were met with respect to construction and that the school district or the political agency applying for assistance met the standards, the criteria that the bill actually provides.

Now, by passage of this bill, Mr. Chairman, the Federal Government will recognize its responsibility to the youth of our country. The present administration—and I wish to emphasize that, Mr. Chairman—the present administration admits that the need for school construction is great. This is in line with the statements of Candidate Eisenhower in October of 1952. He stated that in too many places we are not adequately meeting the school needs of America's children.

The purpose of this bill, Mr. Chairman, is to go into those too many places and give that assistance necessary so that the adequate school standards can be met.

Now, Candidate Eisenhower added that more than 60 percent of all of our public classrooms are now seriously overcrowded. He emphasized that the American answer was to do in this field what we have been doing for a long time in other fields, helping the States build highways, local farm-to-market roads, hospitals, and mental institutions.

Now that is just exactly what this bill proposes to do. The same philosophy of Federal assistance prevails in the language of this bill in its terms and provisions as has prevailed and has been operating in these other fields. You know that when I heard the candidate for the Presidency, President Eisenhower, make that declaration, Mr. Chairman, it encouraged me to believe that by making this approach we could accomplish what we have failed to accomplish in the past. And, after all, maybe this is the safer approach because every dollar that goes into a school building simply releases local revenues to that extent for operating purposes, and thus you do get the operating advantage just the same as if you gave Federal aid to pay for the operating expenses. But at the same time it keeps that separation of power and authority, and retains it in the local political subdivision and the authorities there instead of transferring it or taking any risk of reposing it in a Federal agency.

Further, Mr. Chairman, in his state of the Union message to the Congress on January 7, 1954, President Eisenhower had this to say, and I quote:

"Youth—our greatest resource—is being seriously neglected in a vital respect. The Nation as a whole is not preparing teachers or building schools fast enough to keep up with the increase in our population. The preparation of teachers as, indeed, the control and direction of public education policy, is a State and local responsibility."

Now, this bill recognizes that, and it is predicated upon that principle.

"However, the Federal Government should stand ready to assist States which demonstrably cannot provide sufficient school buildings."

Now that is the formula that makes the bill operate so as to place the assistance where it is needed the greatest. Unfortunately today we find that the administration is urging that nothing should be done about the problem now because the time for action is not at hand.

That is disappointing to me. It is inconsistent, in my opinion, with previous declarations and announced policies. I just cannot understand that attitude—the time for action is not at hand—when 60 percent of the classrooms of America are overcrowded.

When will the time be at hand?

After they are 100-percent overcrowded?

Have we got to wait for that?

I just do not understand that attitude. I am very disappointed in it.

It is proposed that 48 State conferences on education be held at the State level, and then that a great national conference be called here in Washington to see what the needs are.

Well, I do not know how long it would take to hold those conferences. I do not know how many delays would be encountered. I do not know what obstructions might intervene. But, Mr. Chairman, it simply means we do nothing if that recommendation prevails.

And just why we need another series of conferences and surveys to find out what the Government has already spent $3 million to learn is very difficult to understand.

As I said a few moments ago, before I started testifying, I did not bring a lot of charts and tables and illustrations over here because I am sure the Office of Education and others who have testified have provided them, and it is unnecessary to duplicate them in the record, but we are all familiar with the report and what the survey revealed, and we know, Mr. Chairman, that it is not necessary to wait another 5, 6, 7, or 8 years for a lot of conferences and maybe another survey while every delay that is encountered here simply permits the situation to become more aggravated and more urgent.

We have the necessary information through an expert study that has been made by competent Federal and State officials under Public Law 815 of the 81st Congress. Why wait? It does not make sense to me, if we are sincere in our belief that the Federal Government has a measure of responsibility to help relieve this situation. It just does not make sense to me that we have got to go through another 5- or 6- or 8-year period of delay, and that is what all this means. We can just as well recognize it. The intention may be to try to do something next year or the next, but we know from practical experience it probably means another delay of 5 or 6 years.

May I say this, too, Mr. Chairman, in that respect: We can pass this bill and make appropriations gradually, not start off with a bang and just throw money away, but make some appropriations and get a little experience with it. If any weakness is found in the law, if any strengthening of it is needed, if any revision is needed, as we gain experience we can do that. But it is important to get this program started and not wait indefinitely until you find the days of perfection. They do not come. We know that.

Now, this study vividly points out that there is a crying need for additional school buildings and additional school facilities of all kinds. Many children are being forced to attend schools where classrooms are so crowded and congested that it is practically impossible for them to obtain the adequate education to which they are entitled.

Today 1 out of every 5 children attends schools which may well be termed a firetrap. Children are going to classes in basements, in attics, in hallways, in warehouses, and garages—in places of all kinds which are not fit to be used for school purposes.

More than $5 billion worth of new school construction is necessary to relieve the overcrowded conditions that exist. And, Mr. Chairman, the school population—I not only take that to mean the present needs—but the school population is increasing today faster than school facilities are being provided.

These are facts, Mr. Chairman, that have been brought to light by the surveys heretofore made, and only recently completed. Why then more investigation, more conferences, more delays? The time, in my opinion, is at hand for this Congress to decide definitely, and it is the Congress' responsibility to make that policy decision to decide definitely that it is, and shall be, the policy of this Government to extend that aid in those areas and in those States where the need for such assistance is imperative and where it is required if we are to provide equal opportunity for all citizens in this country to attain education.

Mr. Chairman, I would urge, of course, the bill that 24 of my colleagues and I have introduced, S. 2779. I certainly commend it to the earnest consideration of this committee. No one claims that any of these bills are perfect, and I am not commenting upon any other bill that may be pending before the committee. But I do believe, and I urge, that this committee take these bills and get the best in all of them. I think you will find that the Members of the Senate will be almost unanimous in support of a bill to carry out the philosophy and the principles presented in this legislation.

I would emphasize this, Mr. Chairman, and I shall conclude: I have tried to stress that my theory of it is that the Federal Government's responsibility is to try to help equalize opportunities. For that reason the bill that my cosponsors and I have introduced, and which is now before you, undertook to provide a formula that would do exactly that. It is the formula in the bill in sections 5 and 6, I believe, as to Federal aid. The Federal contribution and the State contribution is a little technical, possibly.

I had the Office of Education draw me a chart or a table, rather, showing how, under this formula, distribution of Federal funds would be made with respect to the several States in the Union. * * *

I call your attention to the fact that it is predicated upon each $100 million that the Congress may appropriate. Whatever increase or decrease there would be in appropriation would add to or subtract from the amount shown in this chart.

There may be some better formula. I do not know of any. If there is a better one I would urge this committee to adopt it. But I earnestly urge that you study this formula, and I hope you will retain it, and if not that you get a better one in any bill that the committee may report.

This formula is the best that I have seen and the best, in my opinion, to actually accomplish what we have in our hearts and minds to accomplish, channeling this aid to those districts and to those areas where it is needed the greatest and yet not eliminating any State. All States can participate. But it will try to reach those and give the assistance where it is needed the greatest and where I think the Federal Government has the primary responsibility if it is going to give any assistance whatsoever.

Mr. UPTON obtained the floor.

Mr. COOPER. Mr. President, will the Senator from New Hampshire yield?

The PRESIDING OFFICER (Mr. KUCHEL in the chair). Does the Senator from New Hampshire yield to the Senator from Kentucky?

Mr. UPTON. I yield.

Mr. COOPER. Mr. President, I should like to respond briefly to the distinguished senior Senator from Montana. As the Senator knows, there are now pending before a subcommittee of the Committee on Labor and Public Welfare three bills which would authorize Federal aid to the States for school construction.

Mr. MURRAY. I referred to that fact.

Mr. COOPER. I know that the Senator did. I am chairman of the subcommittee before which hearings have been held on the three bills and the staff is now working on the preparation of a bill. I cannot say how the subcommittee will vote on the bill. I only know I shall vote for a bill, and I assume that means that the bill will be reported to the full committee. I do not know how the members of the full committee will vote, except that I shall vote to report a bill similar to the one which I introduced, or which the Senator from Arkansas [Mr. MCCLELLAN] introduced for himself and several other Senators, or that introduced by my colleague from Kentucky [Mr. CLEMENTS].

It is my belief that a bill will be reported to the Senate authorizing Federal aid to the States for school construction. I am hopeful that when such a bill is reported to the Senate, it will be passed. I should like very much to see it passed by the Congress this year and become law. I have said that again and again in the committee.

It cannot be said that the position of the President or of the Secretary, Mrs. Hobby, toward school construction bills represents a repudiation of any statement they have made. I believe I am correct in saying that President Eisenhower is the first President who has ever directly proposed to the Congress Federal assistance to schools for construction purposes. I do not know of any other instance in which such a recommendation has been made by a President.

The Secretary has said that it was the view of the Department that it would be better to postpone the program until after the conferences are held.

But I cannot agree and I reject the statement that such a position is repudiation, because the statement has been made by the Secretary that she favors the President's program. The bills are not diversions or excuses to avoid a more substantial program.

It has been said that the passage of these bills will represent an unjustified delay in school construction, and I hope that will not be the case. I hope that a school-construction bill will pass this year. But let us remember there has been a long delay. There is no law on the statute books of the country which provides aid, except of a temporary nature. There has been tremendously long delay, one of over 20 years. Bills for Federal aid to education for teachers have been before the Senate. In the 80th Congress I introduced such a bill, together with the late Senator Taft, the Senator from Vermont [Mr. AIKEN], the late Senator Tobey, the Senator from Alabama [Mr. HILL], and other Senators. The bill passed the Senate, but it did not pass the House. Later a similar bill passed the Senate, but did not pass the House. One bill was considered during a Republican Congress, and one during a Democratic Congress. Both were under Democratic administrations, and neither became law. The charge of delay this year is unjustified.

These conferences will serve the purpose of promoting greater support for education throughout the country, which will be reflected through the Representatives in Congress.

I simply wish to say again that I am very confident that a construction aid bill will come before the Senate. I shall do all I can to seek substantial support for its consideration and passage.

The efforts of the President; of Mrs. Hobby, the Secretary of Health, Education, and Welfare; and of Commissioner Samuel Brownell are to be commended in initiating for the first time a broad program to strengthen education in the Nation.

Mr. MURRAY. Mr. President, I appreciate the efforts made by the distinguished Senator from Kentucky in relation to these bills. I share with him the hope that the delay will not be serious, and that the bills which are still pending will be passed at this session, so that a really worthwhile program may be inaugurated.

Mr. UPTON. Mr. President, it is a pleasure to speak in support of three important legislative proposals to improve the cause of education in our country.

All of us grant the significance of education. We know that America's security and the hopes of the free world depend on the character, the ideas, and the ideals of our young people, and the complexity of today's world calls for deeper understanding, greater competence, and broader knowledge than ever before.

We in America have always believed that the control and management of schools is traditionally and properly a local and State function, and that the role of the Federal Government is—without interference—to aid and promote the cause of education. The three bills now under discussion would, we feel, serve the best interests of American education in this framework.

H. R. 7601 provides for State and White House Conferences on Education which aim to bring about greater citizen action to meet our educational challenges. President Eisenhower called for such conferences in his state of the Union message when he said:

> I hope that this year a conference on education will be held in each State, culminating in a national conference. From these conferences on education, every level of government—from the Federal Government to each local school board—should gain the information with which to attack this serious problem.

He reiterated these views in his budget message on January 21, 1954.

I am glad to say that the evidence indicates that citizens across our land are wholeheartedly behind the President's proposal as it has been developed in H. R. 7601. Many letters have been received from State presidents of the National Congress of Parents and Teachers in support of H. R. 7601. Furthermore, representatives of the National Education Association, the American Library Association, the American Federation of Labor, and the American Federation of Teachers, have urged the passage of this legislation.

The bill authorizes a series of study-action meetings on education in each of the States and Territories. These would bring laymen and educators together to appraise their educational problems, to mobilize action to solve them, and to prepare for the White House Conference. The legislation would assist States with funds which they could use to pay the expenses of a series of meetings to plan for the large State meetings; and/or for the salaries of a director and a small staff for factfinding; and/or for printing and duplication of materials for the State conference, including a report to the White House Conference; and/or travel expenses for the conference staff and persons in attendance at meetings; and/or rental of office space, conference facilities, and so forth. Following the State conferences the President would call the White House Conference on Education to be composed of interested educators and laymen from all parts of the Nation.

The purpose of this Conference would be to bring into sharp focus the national implications of the results of the State conferences; to stimulate greater citizen understanding and support for meeting the educational needs of a free country.

I feel that the administration proposal for the State and White House Conferences is sound and constructive because it is based on the traditional principle of State and local responsibility for education; because it provides for Federal aid which in no way imposes Federal controls; and because it provides a means whereby citizens can express their convictions and take action at every level of government.

NATIONAL ADVISORY COMMITTEE ON EDUCATION

H. R. 7434 provides for a National Advisory Committee on Education consisting of nine representative lay and professional citizens, with 3-year overlapping terms who would meet several times each year to identify educational problems of national concern and to recommend to the Secretary of the Department of Health, Education, and Welfare—the initiation of task forces to study educational problems of national concern; appropriate action indicated by such studies.

It would report on the progress being made in carrying out the recommendations.

In his budget message of January 21, 1954, President Eisenhower recommended such a committee in the following terms:

An advisory committee on education in the Office of the Secretary of Health, Education, and Welfare should be established by law. This recommendation carries forward an objective of the reorganization plan under which the Department was created last year. This committee, composed of lay citizens, would identify educational problems of national concern to be studied by the Office of Education or by experts outside the Government, and would advise on action needed in the light of these studies.

COOPERATIVE RESEARCH IN EDUCATION

The third bill, H. R. 9040, to establish a cooperative research program, represents an extremely useful complement to the two proposals mentioned. It would carry out the President's budget message recommendation "that legislation be enacted which will enable the Office of Education to join its resources with those of State and local agencies, universities, and other education organizations for the conduct of cooperative research, surveys, and demonstration projects."

The purpose of this research program is to strengthen educational research and facilities by authorizing cooperative research arrangements between the Federal Government and colleges, universities, and State educational agencies concerned with the problems of American education. At the present time the Office of Education is not specifically authorized to enter into projects involving the joint expenditure of funds for these purposes.

Cooperative research arrangements of the sort proposed in H. R. 9040 have shown great returns—notably in the field of public health—for each Federal dollar spent. We are convinced that such arrangements can make equally valuable contributions in the field of education where the need for research is great.

One important advantage of the approach proposed in H. R. 9040 is that, while increasing and improving the research services available, the bill would not add substantially to the research staff of the Office of Education.

To summarize, by way of conclusion:

The State and White House Conferences on Education would foster nationwide understanding of the problems of education and mobilize resources for local, State, and Federal action.

The National Advisory Committee would make available the advice and recommendations of outstanding citizens.

Cooperative research in education would stimulate solutions to educational problems of national significance.

Together, the three bills guarantee, I believe, a wise, constructive, and well-balanced approach to the educational problems of the Nation.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment on page 1, line 5.

The amendment was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, on page 1, in line 12, after the word "education", to strike out "before November 30, 1955"; on page 2, after line 1, to strike out:

SEC. 2. (a) Each State shall be requested to bring together, prior to the White House Conference on Education, educators and interested citizens to discuss educational problems in the State and make recommendations for appropriate action to be taken at local, State, and Federal levels.

(b) Each State shall be requested to make a report of the findings and recommendations of the State conference for use of the White House Conference on Education.

And in lieu thereof to insert:

SEC. 2. (a) To assist each State to bring together, prior to the White House Conference on Education, educators and lay citizens to discuss educational problems in the State and make recommendations for appropriate action to be taken at local, State, and Federal levels, there is hereby authorized to be appropriated the sum of $1,500,000. Sums appropriated pursuant to this section shall be allotted to the States on the basis of their respective populations according to the latest figures certified by the Department of Commerce, except that no State's allotment shall be less than $15,000 and not more than $75,000.

(b) The Commissioner of Education shall pay, through the disbursing facilities of the Treasury Department, its allotment to each State which, through its Governor or other State official designated by the Governor, undertakes to accept and use the sums so paid exclusively for the purpose set forth in subsection (a), and to make a report of the findings and recommendations of the State conference for use of the White House Conference on Education. Sums appropriated pursuant to this section shall remain available until December 31, 1955, and any such sums remaining unpaid to the States or unobligated by them as of that date shall be returned to the Treasury.

The amendment was agreed to.

The next amendment was on page 3, after line 8, to strike out:

SEC. 3. There are also authorized to be appropriated to the Commissioner of Education for the fiscal years ending June 30, 1954, June 30, 1955, and June 30, 1956, such sums as Congress determines to be necessary for the administration of this act and for other expenses of the Office of Education in planning for and holding the White House Conference on Education and in making available to the public the findings and recommendations of the conference. The Commissioner of Education is also authorized to accept, use, and dispose of funds, equipment, and facilities donated for purposes of the conference, and, to the extent consistent with such purposes, to use the same in accordance with the wishes of the donors.

And in lieu thereof to insert:

SEC. 3. There are also authorized to be appropriated to the Commissioner of Education for the fiscal years ending June 30, 1955, and June 30, 1956, such sums as Congress determines to be necessary for the administration of this act, including the expenses of the Office of Education in making available to the public the findings and recommendations of the conference. The Commissioner of Education is also authorized to accept funds, equipment, and facilities donated for purposes of the conference and to use the same in accordance with such purposes.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

NATIONAL ADVISORY COMMITTEE ON EDUCATION

Mr. PAYNE. Mr. President, I move that the Senate proceed to the consideration of House bill 7434.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 7434) to establish a National Advisory Committee on Education, which had been reported from the Committee on Labor and Public Welfare with amendments.

Mr. COOPER. Mr. President, I should like to say a word of appreciation for the very fine and conscientious work of the distinguished junior Senator from New Hampshire [Mr. UPTON] as a member of the subcommittee on education. His experience, good judgment, and conscientious interest have been of tremendous help to the committee.

I have also noted that, as a new member of the Committee on Labor and Public Welfare, the work and judgment of the junior Senator from New Hampshire in the consideration of labor and health legislation has been of great value to the whole committee.

H. R. 7434 would establish a 9-member, representative committee, with 3-year overlapping terms, which would advise the Secretary of the Department of Health, Education, and Welfare on pressing problems in the field of education. The Commissioner of Education would serve ex officio as a nonvoting member of the committee.

The establishment of this committee was urged by President Eisenhower in his budget message of January 21, 1954.

As I said a few minutes ago, the committee would study and advise the Secretary on national educational problems. Among other things, it could recommend to the Secretary the initiation of forces to study problems of national

concern, and could recommend appropriate action indicated by such studies.

Funds will be appropriated to the extent determined by Congress.

The PRESIDING OFFICER. The amendments of the committee will be stated.

The amendments of the Committee on Labor and Public Welfare were, on page 1, line 5, after the word "representative", to strike out "citizens" and insert "lay and professional persons"; on page 2, at the beginning of line 5, to insert "a majority of whom shall be lay persons"; on page 3, at the beginning of line 5, to strike out "The Committee shall report annually to the House and the Senate Committees on Education and labor."; after line 6, to strike out:

SEC. 5. Members of the Committee, while traveling to or from or attending meetings of the Committee, shall be paid travel expenses.

And insert:

The Secretary shall transmit to the Congress annually a report concerning the studies initiated under this act, the recommendations made by the Committee, and any action taken with respect to such recommendations.

SEC. 5. Members of the Committee, while traveling to or from or attending meetings of the Committee, shall receive compensation at a rate to be fixed by the Secretary, but not exceeding $50 per diem, and shall be paid travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U. S. C. 73b-2) for persons in the Government service employed intermittently.

SEC. 6. There are hereby authorized to be appropriated to the Department of Health, Education, and Welfare such sums as may be necessary to carry out this act, including expenses of professional, clerical, and stenographic assistance, and such appropriations shall be available for services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a).

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

COOPERATIVE RESEARCH IN EDUCATION

Mr. PAYNE. Mr. President, I move that the Senate proceed to the consideration of House bill 9040.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 9040) to authorize cooperative research in education, which had been reported from the Committee on Labor and Public Welfare with an amendment, to strike out all after the enacting clause and insert:

That (a) in order to enable the Office of Education more effectively to accomplish the purposes and to perform the duties for which it was originally established, the Commissioner of Education is authorized to enter into contract or jointly financed cooperative arrangements with public and other nonprofit universities and colleges and State educational agencies for the conduct of research, surveys, and demonstrations in the field of education.

(b) No contract or jointly financed cooperative arrangement shall be entered into under this section until the Commissioner of Education has obtained the advice and recommendations of educational research specialists who are competent to evaluate the proposals as to the soundness of their design, the possibilities of securing productive results, the adequacy of resources to conduct the proposed research, surveys, or demonstrations, and their relationship to other similar educational research already completed or in process.

(c) The Commissioner of Education shall transmit to the Congress annually a report concerning the research, surveys, and demonstrations initiated under this act, the recommendations made by research specialists pursuant to subsection (b), and any action taken with respect to such recommendations.

SEC. 2. There are hereby authorized to be appropriated annually to the Office of Education, Department of Health, Education, and Welfare, such sums as the Congress determines to be necessary to carry out the purposes of this act.

Mr. COOPER. Mr. President, House bill 9040 is designed to strengthen educational research services and facilities by offering cooperative research arrangements between the Federal Government and various public and nonprofit colleges and universities and State educational agencies concerned with the problems of American education.

At the present time, the Office of Education has no legislative authorization to enter into contracts for jointly financed research projects with colleges, universities, State departments of education, which are trying to solve educational problems.

Joint efforts with such groups are of basic importance. They can make valuable contributions in the field of education.

Mr. President, this is the last of a series of three bills. Again I should like to say that while the bills, in their extent, are rather modest measures, yet they do represent the beginning of a program by this administration to strengthen education. I have already stated, it is the first comprehensive program proposed by any administration.

I also wish to say that the Secretary of Health, Education and Welfare, Secretary Hobby, and Commissioner Samuel Brownell, gave the committee excellent assistance. They are developing an educational program that will be of great benefit in the field of education in the United States.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 9040) was read the third time, and passed.

INCLUSION OF ONIONS UNDER THE COMMODITY EXCHANGE ACT

Mr. PAYNE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1510, House bill 6435, to amend the Commodity Exchange Act.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 6435) to amend the Commodity Exchange Act, which had been reported from the Committee on Agriculture and Forestry with an amendment.

RECESS

Mr. PAYNE. Mr. President, I now move that the Senate stand in recess until tomorrow, at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 11 minutes p. m.) the Senate took a recess until tomorrow, Friday, June 18, 1954, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 17, 1954

The House met at 11 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, as we again come unto Thee with our many needs, wilt Thou grant unto us wisdom of mind, sympathy of heart, clearness of vision, and depth of understanding.

May we daily follow the leading of Thy spirit in faith and fortitude, in humility and patience and seek to be more like the Master in character and conduct, in thought, word, and deed.

We penitently confess that we are frequently selfish and self-willed, and that we live so much for ourselves and so little for struggling humanity, baffled by the mysteries of life, burdened by tribulation, beshadowed by sorrows, and heartbroken by tragedies.

Help us to see more clearly that our high vocation is not merely that of legislating and enacting laws which compel obedience but to inspire mankind with that spirit of love and goodwill which is majestic in the humility, and infinite and undefeatable in the willingness to suffer and endure.

In Christ's name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION ON RECIPROCAL BASIS OF FREE ENTRY OF PHILIPPINE ARTICLES IN THE UNITED STATES

Mr. REED of New York submitted the following report on the bill (H. R. 9315) to provide for the extension on a reciprocal basis of free entry of Philippine articles in the United States:

The Committee on Ways and Means, to whom was referred the bill (H. R. 9315) to provide for an extension on a reciprocal basis of the period of the free entry of Philippine articles in the United States, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE

H. R. 9315 would authorize the President to postpone for a period from July 4, 1954, to January 1, 1956, the time when United States import duties would begin to apply to Philippine articles provided that he finds that like treatment is accorded to exports of United States articles to the Philippines.

GENERAL STATEMENT

Under the Philippine Trade Act of 1946 (60 Stat. 143) and the executive agreement between the United States and the Philippine Republic signed on July 4, 1946, Philippine articles are admitted in the United States and United States articles are admitted in the Philippines free of customs duties until July 4, 1954. Section 202 of the act provides that most products of the

Philippine Republic are scheduled to become dutiable commencing July 4, 1954, at 5 percent of the rate applicable to like articles if imported from the foreign country which is entitled to the lowest rate. Commencing on January 1, 1955, and each January 1 thereafter, such Philippine articles will be dutiable at an additional 5 percent of the rate in question until January 1, 1973, on which date they become dutiable at 100 percent of the rate. Corresponding progressive duties are to be imposed on United States articles imported into the Philippines on each of the dates in question. Imports of sugar, cordage, and rice from the Philippines are, under the Philippine Trade Act, subject not only to the foregoing tariff provisions but also to absolute quotas. Imports of cigars, cigar filler and scrap tobacco, coconut oil and pearl or shell buttons are to be subject both to declining duty-free quotas (in lieu of progressive tariff duties) and to absolute quotas. After July 3, 1974, unless otherwise provided by statute or treaty, the absolute quotas referred to above will be removed and the full United States duty (not the rate applicable to articles if imported from the foreign country which is entitled to the lowest rate) will apply to all dutiable imports from the Philippine Republic.

It should be noted that, while there are no quotas on any United States exports to the Philippines in the agreement, there is a quota on any importation of leaf tobacco into the Philippines from any source which is provided for by separate Philippine legislation. It should also be noted that the act and the executive agreement deal not only with trade but also contains provisions with respect to currency matters, rights of American nationals in the Philippines, immigration, and related matters.

The sole effect of H. R. 9315 is to permit the President to suspend on a reciprocal basis the first two steps in the statutory formula with respect to progressive increases in tariff rates. If the full 18-month period of postponement is achieved, Philippine articles would first become dutiable on January 1, 1956, at 15 percent of the lowest United States duty on the articles in question. No provision is contained in the bill for the suspension of any of the steps in the progressively decreasing duty-free quota formula contained in the Philippine Trade Act. Thus none of the quotas provided for in the act are in any way affected by the bill. It should also be noted that since the bill provides for the entry of Philippine articles in lieu of the treatment provided in section 202 of the Philippine Trade Act of 1946 it will apply only to those articles to which section 202 would otherwise apply. Accordingly, the bill will not affect the operation of section 214 of the Philippine Trade Act of 1946 which provides for full duty on imports, in excess of duty-free quotas, of cigars, tobacco, coconut oil, and buttons of pearl or shell.

H. R. 9315 is supported by the Department of State, the Department of Commerce, the Department of Agriculture, and the Treasury Department. The Department of State has informed your committee that legislation along the lines of the bill has been requested by the Republic of the Philippines, and that the Philippine Legislature has already ratified the proposed extension in the form authorized by H. R. 9315.

It is the view of your committee on the basis of the testimony received in executive session that a convincing case cannot be made for the enactment of this bill on solely economic grounds, either from the standpoint of the United States or of the Philippines. Your committee believes, however, that the bill should be enacted for reasons other than economic reasons. These reasons must be considered against the background of the relationship between this country and the Philippine Republic.

The relationship between the Republic of the Philippines and the United States is unique. Formerly a possession of the United States, the Philippines has achieved, with the wholehearted support of this country, its full and complete independence. The success of the Philippine Republic during the relatively short period of her independence in meeting the many problems with which she has been faced has gained for her the respect and admiration of the American people. The independence of the Philippines has thus served to strengthen the traditional bonds of friendship and mutual esteem which bind her people and those of the United States and which are becoming of increasing importance to both nations in the light of present conditions in Southeast Asia.

It has been reported to your committee that the Philippines Government strongly desires to effect certain basic modifications in the 1946 agreement insofar as it relates both to trade and to other matters. The Government of the United States has agreed to undertake negotiations to this effect. It is the understanding of your committee that the entire scope of the agreement, as well as commercial matters not covered by the agreement, will be reviewed during these negotiations with a view to possible revision of any aspects of the agreement which may require adjustment.

It is the further understanding of your committee that these negotiations will be undertaken on the basis of the principle of reciprocity so as to safeguard the mutual interests of both parties. There are many questions of interest to the United States with respect to exchange regulations, the foreign-exchange tax, import controls, American investments in the Philippines, the quota imposed by the Philippines on the importation of leaf tobacco, and the like, which your committee understands will be considered during the course of the negotiations.

It is believed, in view of these considerations and of the fact that a new administration took office in the Philippines on December 30, 1953, that, pending the outcome of these negotiations, the status quo with respect to the duty-free period of trade between the Philippines and the United States should be preserved for the limited period provided for in the bill. That purpose will be accomplished by the enactment of H. R. 9315.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House today for 5 minutes, following any special orders heretofore entered.

CALL OF THE HOUSE

Mr. BISHOP. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. ARENDS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 86]

Albert	Cederberg	Feighan
Bailey	Celler	Frazier
Bentley	Chatham	Gathings
Bolling	Clardy	Harrison, Wyo.
Bonin, Pa.	Curtis, Nebr.	Hart
Boykin	Dawson, Ill.	Hillings
Brooks, La.	Dingell	Jackson
Buckley	Dodd	Judd
Burdick	Dondero	Kearney
Busbey	Doyle	Kersten, Wis.
Camp	Eberharter	Krueger
Lucas	Powell	Teague
Lyle	Regan	Velde
Machrowicz	Rhodes, Pa.	Walter
Madden	Riley	Weichel
Morrison	Scherer	Westland
Norblad	Shelley	Willis
O'Konski	Short	Wilson, Tex.
Patten	Sutton	
Perkins	Taylor	

The SPEAKER. On this rollcall 365 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

HOUSING ACT OF 1954

Mr. ALLEN of Illinois. Mr. Speaker, I call up House Resolution 583 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution the bill (H. R. 7839) to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, with the Senate amendment thereto be, and the same is hereby, taken from the Speaker's table to the end that the Senate amendment be, and it is hereby disagreed to, and that the conference requested by the Senate on the disagreeing votes of the two Houses be, and the same is hereby, agreed to.

The SPEAKER. The gentleman from Illinois [Mr. ALLEN] is recognized for 1 hour.

Mr. ALLEN of Illinois. I yield 30 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. Speaker, this resolution as it is presently constituted merely provides for the appointment of conferees on H. R. 7839, known as the Housing Act. Under the rules of the House and which this rule does not prohibit, a motion from the floor will be in order to instruct the conferees. I know that some Members are anxious to know about the procedure in this matter. After the debate on this resolution itself, which I do not think is controversial, I expect to move the previous question.

I think there is no doubt that we must have the conferees so there cannot be any question about the passage of the resolution. Then a motion will be in order before the Speaker appoints the conferees. That will be the procedure.

What is the situation here? As you know, when the housing bill was before us, it did not provide for public housing. The bill went to the Senate. The Senate added public housing. That is the reason we must appoint conferees, and send the bill to conference. It seems to me, Mr. Speaker, that we should not instruct the conferees and tie their hands. Before public housing can become law, there will be an opportunity for the House to vote upon it. So I say we should not instruct the conferees. We will have the opportunity to vote for or against public housing when the conferees come back and make their report.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. BROWN of Georgia. The House struck out public housing. The Senate struck out everything after the enacting

clause and inserted an amendment to that housing bill. Now the whole bill has to be brought back to this House, does it not?

Mr. ALLEN of Illinois. That is correct.

Mr. BROWN of Georgia. How can we vote on public housing except by voting on it? Nobody wants to vote against the whole bill.

Mr. ALLEN of Illinois. I am not so sure. But we will have the opportunity to vote on this question.

Mr. BROWN of Georgia. I think the House ought to be put on record on any item in the bill that is in disagreement. I would like to have a record of that kind. I understand the gentleman is asking us to vote not to instruct conferees. I do not like to vote for a bill of that kind. I want public housing and any other item that is in disagreement voted on separately, and I would like to see a rollcall vote on it.

Mr. ALLEN of Illinois. The gentleman has a right to his opinion, and I say again that I, personally, think they should not have their hands tied by instructions. They should not have their hands tied, but they should go out and try to work out something. There are 154 various provisions in this bill, and let them at least go and have an opportunity to work out something that is agreeable.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. HALLECK. Of course, in response to the suggestion of the gentleman from Georgia [Mr. BROWN], he certainly knows that if the item of public housing is put in the conference report, the conference report could be voted down, which he says he would not want to do because of the overall situation. But, beyond that, a motion to recommit with instructions would be in order, and that motion would be to take out public housing. May I suggest further to the gentleman from Georgia, if a motion to instruct is made here at this time, it will not change the situation one bit. It does not bind the conferees. If they bring back a conference report in violation of that instruction, a point of order can be made against it. So certainly no change would be made in the situation so far as the gentleman undertakes to raise a question about it.

Mr. BROWN of Georgia. The gentleman will agree with me that we had a rollcall vote on this item, and I voted for it.

Mr. HALLECK. That is right.

Mr. BROWN of Georgia. Do you not think the House ought to go on record again on this item by itself without any other thing being involved?

Mr. HALLECK. The gentleman asked me that question and I am going to say something about that in a moment. I think this proposition of an instruction in the light of the vote that was had, before the conferees go to conference, is one of the most ridiculous things I have seen proposed here in my time in the House of Representatives.

Mr. ALLEN of Illinois. I say in conclusion, Mr. Speaker, it seems to me that we should pass the resolution and then when the motion to instruct is made that would probably be the proper time to take that up.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. SMITH of Virginia. I would like to inquire of the gentleman from Indiana who just made the statement that it does not make any difference what we do about this thing and that it does not affect the situation one way or the other, then why all the hullabaloo and row about it?

Mr. HALLECK. That is what I am wondering about it—but I did not start it.

Mr. SMITH of Virginia. I have been wondering a long time too.

Mr. HALLECK. I am going to try to explain that in just a moment.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. FISHER].

Mr. FISHER. Mr. Speaker, I think this is about the eighth time since 1949 that this issue has been before the House. As I recall, public housing was authorized by a 5-vote margin back in 1949. Since that time it has been repudiated time after time by the House of Representatives only to be reinstated in the other body, and finally to get by with a limited number authorized each year. Let me talk to you for one moment about what this thing costs because this is a very proper place to have a showdown on this issue. This is the proper time to let the conferees know what our thinking is on it. There is nothing wrong about this procedure. We have been instructing conferees hundreds of times since I came here 12 years ago. So there is nothing unusual or out of balance about instructing them now. In 1951 we instructed the conferees to insist on the House position on the Gossett amendment limiting public housing units.

The conferees are entitled to know just and how the House feels at this stage of the proceedings. I wonder how many of you have stopped to think about how much this thing costs? I want to refer to that in this brief time that I have here. The Federal contribution is 4½ percent—2½ percent is the going rate plus 1 percent plus 1 percent of development costs. If the cost is $11,000 even, which is about the average, you multiply that by 4½ percent over a 40-year period and you get 180 percent. One hundred and eighty percent times that gives you $19,800 each, which is actually the Federal contribution which goes into each unit. We talk about balancing the budget. We talk about holding down the ceiling on the public debt. I understand we may be requested soon to raise it, and yet we are asked here today to go for this thing and to again reinstate a program which was killed decisively by the House last year by a vote of 245 to 117. It is a strange thing that here after all of these tests, and after all of these revelations that we are again called upon to express ourselves on this issue.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. FISHER. I yield.

Mr. FULTON. When you explain how much Federal money has gone into the house, why do you not take into account the rents which will be received during that period from the tenants to see what the real cost to the Federal Government is?

Mr. FISHER. Oh, I am so glad the gentleman raised that question. That is the crux and the weakness of the position of those who advocate public housing. The gentleman wants to be very honest about it. Go and read up on it. Do you know that hardly one dime of that goes into paying that cost? No—no—that does not affect the Federal contribution one bit. The Federal contribution goes right on just the same. Call down to the Federal Housing Administration and ask them how much of the local rents go into the payment of this debt, and the gentleman will be amazed at the answer, and he might vote against this monstrosity because it is the most expensive housing bill that was ever undertaken in this or any other country.

The gentleman from Mississippi proposed last time that we build these units, deed them to the people, and save money. You might say it is facetious, but I do not doubt that the actual mathematics will show we would save money by doing that.

Mr. FULTON. May I ask the gentleman seriously about the crediting of the rents paid by the tenants. Where are they credited, to what are they applied?

Mr. FISHER. In the first place, very little rent is paid, only token rent.

Mr. FULTON. But whatever rent is paid should be credited to the cost, should it not?

Mr. FISHER. It goes into the local operation, into mowing the lawns, local operating costs, and things of that kind. It goes into the local operation. I can understand that the gentleman could be innocently misled, but if he will take the trouble to call upon the Administrator of Public Housing, he will find that practically none of it goes into payment of the cost of construction.

Mr. FULTON. I certainly am trying to be fair about it.

Mr. FISHER. I know the gentleman is.

Mr. Speaker, if I have enough time, I just want to make one other point. I talked about the cost of this. I think we ought to consider the cost of this thing; it is important that we keep that in mind. Let us see what this would cost if we just carry it on and do not keep it killed. If we built public houses for everyone in the country—every family—that earns $3,000 a year or less, the total cost would exceed $200 billion. How can we justify building such projects for some in that category and not support a program that would not do as much for all of them? This program is now dead; it was killed last year. Let us keep it that way.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, as we might say, "Here we go again."

I had hoped this situation would not arise, but it is here, and we have got to deal with it. I sincerely hope that we can deal with it in the proper light.

I am not quarreling with those who oppose public housing. They have taken that position over the years; they still believe that way about it. I say that opposition is all right with me. But I do think that in this instance the opposition has been going too far with it, that it has been pushing too hard. I think it has been seeking for ways and means, for purposes that are not completely clear to me, to have a vote here that, may I say, could be very largely misconstrued in many places.

First of all I would like to say to the membership that I have been checking around. I checked with the chairman of the House Banking and Currency Committee, and he does not recall of a circumstance when he has gone to conference with instructions such as are sought to be made here; and in my recollection, contrary to what the gentleman from Texas [Mr. FISHER] said about there having been hundreds and hundreds of motions to instruct similar to this, I cannot remember one.

I say that it is most unusual. Maybe we can check over the RECORD and find whether there has been such instruction. But for myself, I do not remember any, and I doubt if there is a Member on either side of the aisle who remembers one in a situation similar to this. That is the reason why I point out that this motion to instruct should not be offered unless we just want to take an hour's more time perhaps on some other things.

Why do I say that?

When we had this bill before us originally there was no public housing in it. A motion to recommit was made, offered from the Democratic side, to include public housing. That motion to recommit was defeated. That was the expression of the House on that issue as the measure went to the other body.

I have confidence in the integrity of our conferees who go to the conference that in conference they would have the last vote of the House of Representatives in their minds as a part of the record. What do you add to it if you carry this kind of instruction to them? You add nothing.

I say I have confidence in the integrity of the conferees who will go to this conference from the House side. No one knows what will come back out of that conference; no one knows which side will yield. You cannot foresee that. As a matter of fact, by this motion to instruct, if it should be adopted—and I trust it will not be adopted, and again may I say I trust it is not offered—you do not change the situation one iota, because if the motion to instruct were carried and the conferees who went to conference brought the bill back from conference with some public housing in it the conference report would not be subject to a point of order. So what difference does it make? I say none at all.

When the conference report comes back action can be then taken. I say this to my friends who are leading this move on behalf of the motion to instruct here. It is true they can find plenty about which to complain to me, I am perfectly willing to grant that. But when it comes back you could vote the conference report down. Obviously no one would like to do that because it is of broad and far-reaching consequences. It contains many things in addition to public housing that should be included. I do not think it is fair to assume public housing is going to be included when it comes back. In any event you need not be put to the necessity of voting down the conference report because under the rules a motion to recommit with instructions to take out any public housing that might be included in the conference report would be in order. That is one way to meet the issue if you choose to do it. I challenge anyone to dispute my statement with respect to the parliamentary situation. As I said concerning the question raised by the gentleman from Georgia, if these instructions are not binding, then the conference report will come back without regard to any instructions that might be here voted.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. Before the Rules Committee I asked for a rule that would allow the conferees to bring back any item in dispute and not to be confined to bringing back the whole bill. I think that is sound. It proceeds on the idea that we have had a rollcall on one or two items and I think it should be brought back to the House for further consideration. I asked for that kind of a rule.

Mr. HALLECK. Whether that is true or not, I still insist with respect to this issue which is sought to be resolved here and where it cannot be resolved with respect to that issue, and I say to these people who are leading the fight for the motion to instruct today, and I want my friends on my side of the aisle to understand this, they can offer a motion to recommit with instructions and present the issue then if it is necessary to present it. But why present it here again in light of the parliamentary situation and the record of the whole matter? I would not even suggest it. Maybe it is a slowdown of the program, maybe it is just to embarrass a lot of people with a vote that could be misconstrued and misinterpreted. I trust it is not that.

I have spoken of this housing program as a big overall program designed to furnish to the people who desire to own a home of their own in this country 1,400,000 units, to provide for the repair and renovation in the slum areas of 600,000 units. Yet the most that has been talked about with respect to public housing here is 35,000 units.

Now, there is the matter of principle. One can argue pro or con about public housing. But I do not think that is the issue here, in fact I know it is not the issue. This whole thing is procedural at this point and orderly procedure indicates and dictates leaving this completely out. It should not be in here, and I refer to the pros and cons on public housing as such.

The orderly procedure is for this measure to go to conference. There we will be represented by our conferees, who will be there as managers on the part of the House, cognizant, understanding, and knowing the record that has been written in the House of Representatives. Why, I was surprised and amazed when objection was made to permitting this bill to go to conference. It should have gone to conference immediately and possibly by this time this great program would have been worked out and on its way. Already there has been too much delay. I do not want any more. I do not want any further confusing of the real issue. I say that the parliamentary situation here is such that it is a matter of getting this important measure, this keystone of the Congress and the administration, a keystone to the success of our whole economy in the months and years ahead, to conference. The problem here is to get the measure to conference. Let us trust our conferees to go to that conference. Let us see what they bring back to the House and then if what they bring back is not what we like and want, let us say so at that time. But let us not confuse the issue, let us not drag a herring across the trail, let us not embarrass a lot of people again with a vote which could be and might be misconstrued. All you are doing then is to carry on the orderly procedures of the House of Representatives, may I say again, procedures that have been followed through the years that I have been here. This is a most unusual effort. I cannot understand for the life of me why this issue should be presented except that somebody perhaps likes to have a chance to talk again or to express an opinion. I think there is a time for that, but I do not believe that time is now.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. When this matter goes to conference and comes back from conference, is it understood that the House will act on the conference report before the other body acts on the conference report?

Mr. HALLECK. I am sure that is the situation, but I will address a parliamentary inquiry to the Chair.

The SPEAKER. The Senate would ask for a conference and if that procedure is carried out the House would act first.

Mr. BYRNES of Wisconsin. Under this situation we will have a chance to act, either approving in toto or turning down any items in the conference report before the Senate will have discharged its conferees.

Mr. HALLECK. As I understand the situation, and it has been confirmed by the parliamentary inquiry I have just addressed to the Speaker, the Senate having asked for the conference, the papers come to us, which means that a motion to recommit would be in order in the House.

Mr. BYRNES of Wisconsin. Then, it seems to me we do have protection against any question of the conferees not acting in accordance with the full intent and purpose of the House.

Mr. HALLECK. That is correct.

May I say again the vote at that time would mean something. This vote today means nothing as far as the parliamentary situation is concerned, except that it just puts us to the matter of voting again on something that I say is purely procedural, but will probably be heralded from the housetops as another vote pro or con.

Mr. SCOTT. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Pennsylvania.

Mr. SCOTT. I would like to say that I made inquiry of the Parliamentarian, and I understand when this conference report comes back to the House, if it comes back in disagreement, a preferential motion can be made to recede and concur in the Senate amendment with an amendment and that amendment can be made on this issue of housing if anyone wishes to do so, so we will have ample opportunity at that time.

Mr. HALLECK. I have never heard anyone challenge the proposition that I have stated, that when this conference report comes back, if it contains any public housing, there will be opportunity for those in opposition to public housing to then have a test vote in the House of Representatives.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Mississippi.

Mr. COLMER. It is not true that if the Senate should act on the conference first, that then we would not have an opportunity to so instruct?

Mr. HALLECK. Of course, the gentleman knows that under the rules the conference report comes here first for action. They ask for the conference. We act on it first. I am quite sure that the conferees on the part of the House would make no such arrangement as to send the papers over there first. In other words, may I say to the gentleman you are hard put to it now to conjure up some sort of an impossible situation that would again seem to justify this motion to instruct. I insist it is not justified; it should not be made; you should not be acting to embarrass the program. You should join the issue when something can be decided and not at this time when nothing can be decided.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from South Carolina.

Mr. RIVERS. I have heard the big defense by the gentleman, the majority leader, of public housing. I would just like to propound this question. In the event that the conferees are instructed—regardless of what you say about it, it does not make any difference from a parliamentary situation, and I am not impressed by the parliamentary inquiry—does the gentleman not believe that somewhere down the line the conferees of this House owe some sort of a moral responsibility?

Mr. HALLECK. Of course, they owe this House a moral responsibility. I do not know what the gentleman really means by "moral responsibility." Let us just say they owe the House of Representatives a responsibility, and that responsibility is to carry into effect as best they can what they understand the action of the House to have been. Certainly there is that responsibility. And, may I say again, I have no doubt as to the integrity of the conferees. I would be less than honest if I did not say that. If every time we went to conference on a measure both sides stood bow-legged and would not give an inch, you would never get any legislation passed. But, again may I say if the conferees bring back a conference report with any public housing in it, meet the issue then. Do not go through a lot of false motions here again today. I ask everybody to vote against this motion to instruct, if it is made.

Mr. COLMER. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, if this were a contest of ability between the distinguished majority leader, the gentleman from Indiana [Mr. HALLECK], and myself, I would be presumptuous, indeed, to attempt to answer the ingenious argument that he has made here. But, I am not interested in getting into competition in either an oratorical contest or an ingenious argument with my able friend.

The distinguished gentleman from Indiana started off his statement here by saying, "Here we go again." Now, I would like to repeat that and add a little something to what he said.

Here you go again, Mr. Majority Leader, but in a different direction. The gentleman from Indiana [Mr. HALLECK], when his party was in the minority, was one of the chief opponents, if not the outstanding opponent, of this so-called socialistic housing. I have a very high regard and a very warm affection for the gentleman from Indiana, and if I misquote him directly or by imputation, I should be glad to yield to him to be corrected. It would appear that when a man gets in a position of leadership his whole philosophy changes. It seems to do something to him. Here was the position of the distinguished gentleman from Indiana [Mr. HALLECK] back in 1949 under a Democratic administration. Just listen to this:

> It comes as no surprise to you who have served with me here when I say that in the past I have opposed Federal public housing as a matter of good conscience. I have opposed it. My stand has been made known here time after time as the matter has been before us.

What has changed the situation? Does a change of administration change the hard facts in the case? Oh, I suppose we should be a little more lenient and sympathetic with a man when he gets clothed with the toga of leadership—I do not know. If this program was wrong in 1949 with me, as it was under a Democratic administration then it is wrong in 1954. The change of administration does not change the facts in the case. There was a great majority of the Members on my left, of the majority party, whom I am looking at this morning, who were responsible on three different occasions for killing this so-called socialistic housing. The last time was on April 2, a little better than 2 months ago. Those of the majority party, who then as now were responsible for the direction in which this country was going, said in the campaign 2 years ago that they were going to change all of this; yet my good friend, and their distinguished leader, comes down here this morning and makes, as I say, an ingenious argument to bypass the issue so that they will get another bite at it. Why pass it over?

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to my friend.

Mr. HALLECK. I appreciate the compliment paid me by the gentleman when he said that my argument was ingenious. Sometimes that word carries with it a connotation that is not too complimentary. Will the gentleman say whether or not it was a sound argument?

Mr. COLMER. Frankly, I do not think it was very sound. I certainly did not mean to reflect upon the gentleman by any connotation that might be put on any term that I used. But here is what my friend is trying to say to the good Republicans over there. He is trying to say to them, "Let us get this thing over now. Let it go to conference without any instructions, and then we will work out something over there." He is not actually adding that "we will work out something," but when it gets over there—the Senate—they will work out something and bring it back for the third time and ask the House to take another compromise. That is the soundness of his argument from his point of view.

Again, my friend says that it does not mean anything to instruct the conferees. If it does not, what harm is it going to do? Again I cannot understand that argument. Certainly the gentleman does not mean to say that House conferees would ignore the instructions of the House. Do you mean to say that when this House instructs the conferees to stand by what it did on April 2 that the conferees are going to regard those instructions as so much eyewash? I do not think that is quite fair to the conferees.

Mr. Speaker, I wish my colleagues would hear me on this point, particularly. Make no mistake about it, the issue is drawn. It is clear as crystal. You cannot squirm around this way and that way and evade the issue. Whether the vote comes now on a motion to instruct as proposed or later on the conference report you must go on record for or against public housing. I cannot believe that the House will reverse itself.

The SPEAKER. The time of the gentleman has expired.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Speaker, when I asked for this time, I did not know I would be in hearty accord with the majority leader. I am seldom in that position, but I offer no excuses now because I am confident we are both right. This is a procedural question and nothing else. You appoint conferees to bring back to you a conference report to which both Houses can agree through a spirit

of conciliation, concession, and compromise, and if that procedure were not followed where differences have arisen there would be no legislation. Suppose the other body had passed the same kind of resolution that you anticipate passing here to meet a condition which has not yet arisen, and which may never arise? Would there be any housing bill brought back? If you adopt the resolution contemplated instructing the managers on the part of the House to demand the provisions of the House bill with reference to public housing the Senate might well refuse to go into conference because it would not be a full and free conference. We ought to at least meet the other body in a spirit of some fairness. Public housing is not the only issue that is presented. There are many other differences between the House bill and the Senate bill, which we have to reconcile. The whole Federal housing program is at stake. Why should the managers on the part of the House go into conference with a padlock on our minds, and be unable to discuss all the issues in an endeavor to come to some compromise that will meet with the approval of both Houses? It is not taking the matter out of the hands of the House, if we agree and report. It will still have control over the conference report, and in the consideration of the conference report, you can undoubtedly get another vote, if you want it, on public housing. But that question may never arise. You are attempting to pass a resolution to close the minds of your conferees with reference to a condition that has not yet arisen and which may not arise. This is a ridiculous proposition. There is no precedent for it. It is not according to the established procedure of the House, and the more I study the rules of the House, the more respect I have for them. If this contemplated resolution is adopted, the managers on the part of the House will go into conference badly handicapped when we endeavor to get what we want. I think all of this question about public housing which has been discussed here is irrelevant and immaterial at this time. It is only a question of how we shall bring a bill back to the House that you can consider. I do not think it would be a very great tragedy if it did not come back if it should be emasculated by instructions to the conferees over matters which has not arisen. One of the main purposes of the bill is to prevent and eliminate slums. The only way I see that they can be eliminated is to give some little consideration and some little preference and some little help to the people who are taken out of the slums. That is my honest opinion regardless of what the opinion of the House may be or what the opinion of the other body may be. I can make myself acquiescent to the will of the House, but my opinion will not change. I think it shows a lack of confidence in your conferees, that you would prevent us from acting in accordance with the rules of procedure of the House. I remember once I voted to bring back a conference report, and then I voted against it when it was considered by the House.

When some of my colleagues expressed surprise, I answered: "While I was in conference I was an agent of the House; now I am free and can act on my own judgment."

I could do the same thing in this conference.

If you vote for this resolution you vote to do away with the orderly procedure of the House. If every time a conference is agreed to on a bill containing a provision that stirs up violent opposition such as this one has, the same procedure will be followed, for you will have made a precedent.

I have so much confidence in the wisdom of the House that I know it is not going to adopt any such resolution.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 6 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this is one of the most monstrous things I have ever seen presented to us as a legislative body.

The amendment placed on this bill by the other body throws wide open and forever the public-housing situation with no limit upon it except a limit of 35,000 units a year for the first 4 years. It will cost billions of dollars; it is an absolute and complete abdication by the Congress, if it should pass, of representative government.

For my own part, I cannot go along with that kind of procedure. On top of that it carries a direct appropriation which, under the Constitution, the other body is not permitted to make—and it is not even as an amendment to a general appropriation bill—of $50 million to the Housing Administrator to lend out to municipalities and States in a revolving fund to continue forever without any control whatever on the part of Congress.

I have been disturbed, frankly, as I have gone through this session and the last few sessions, by practices that have grown up here with which I cannot agree. For instance, there will be unobligated funds of $14½ billion carried forward in the Military Establishment beyond the 1st of July which can be obligated thereafter.

Our control over appropriations must be reestablished if we are to retain representative government in the United States. Frankly, this thing can go on, it can go on and on; this thing can cost you without any annual action by the Congress, billions of dollars without any limitation whatever. Those of you who have studied the situation carefully have come to realize that the more we get into this public housing the less housing we provide for the people. That is one of the worst curses of the whole thing.

Goodness me, I was over in New York getting off at the airport a couple of weeks ago and saw where they were tearing down thousands and thousands of structures that had been built by this outfit—tearing them down because they were no good. Is it not time for the people of this country and for the Congress to become aroused and to appreciate our responsibility?

For my own part I shall vote wherever I can to make this item as little as possible, and to eliminate it if it is possible.

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. DIES. I have great confidence in the gentleman's integrity and his patriotism. The important question for most of us is to be sure that we have an opportunity to vote on this public housing before this bill becomes a law. Does the gentleman think that we can be assured of such a vote if we do not insist upon this motion today?

Mr. TABER. Mr. Speaker, this is the situation parliamentarily. If a conference report comes back that is not satisfactory to the House, a motion to recommit is in order where any germane amendment would be in order and where things might be eliminated that were in it. If a motion is made to recede and concur, the practice is to divide the question and vote on the recede and then a motion to concur with an amendment would be in order first.

For my own part I favor the Federal Housing Administration items that were in the bill when it passed the House, but I do not favor these trimmings that have been put on it that makes it so monstrous.

Mr. COLMER. Mr. Speaker, I yield such time as she may desire to the gentlewoman from Idaho [Mrs. PFOST].

Mrs. PFOST. Mr. Speaker, it is with great satisfaction that I learned the Office of Defense Mobilization has announced it will now buy lead and zinc at the market price for the stockpiling program. This is a complete reversal of policy which I protested so vigorously on this floor 2 days ago.

ODM now says it was all a mistake. I am certainly glad it was—and I am glad I raised my voice in protest—for the order was a dead giveaway that this administration is not really interested in the welfare of the domestic lead-zinc industry; that it is only interested in buying metals at bargain prices.

If any further indication of extreme shortsightedness creeps into the administration of the new so-called long-term stockpiling program I shall again speak up, as I am sure other western Members will, also.

I hope this new order is allowed to stand, and that the administration will keep its promise to our American miners to buy for the stockpile only newly mined domestic metals.

Mr. Speaker, I read into the RECORD an article from this morning's Wall Street Journal which more fully covers the ODM about-face on this important matter:

GOVERNMENT NOW WILL BUY LEAD, ZINC FOR STOCKPILE AT MARKET PRICE

WASHINGTON.—The Office of Defense Mobilization announced late yesterday the Government will now buy lead and zinc at the market price for its new long-term stockpile program.

The new policy clears the way for Government acceptance of offers of newly mined lead that were turned down at 14¼ cents a pound late last week and at 14 cents early this week.

The ODM, in a short statement issued late yesterday afternoon, said the initial pur-

chase directive given the General Services Administration set ceiling prices for the two metals. When GSA went into the market to purchase lead, it was already above the ceiling price, ODM said.

Defense Mobilizer Arthur Flemming, who spoke briefly to reporters, noted the original directive to GSA authorized it to buy lead under 14 cents. For this reason the GSA had to reject the two offers of lead at 14 and 14¼ cents because they were above the lead ceiling in the purchase directive.

From here on out they (GSA) buy at the market, Dr. Flemming declared. I think the other policy was a mistake.

The refusal of Government stockpilers to accept lead last week threw lead producers and custom smelters into a turmoil. Confused industry men wanted to know immediately at what price the Government would accept lead. They wondered why the Government had indicated a willingness to accept zinc at 11 cents a pound when it already had refused to accept lead.

Dr. Flemming gave the answer to this question yesterday. He disclosed the directive authorized the GSA to buy zinc at under 13 cents. Therefore, the GSA stockpile buyers had no difficulty in accepting the metal at 11 cents a pound.

Dr. Flemming made it clear the ODM will authorize the GSA to buy metals for the stockpile at the market from here on out. He said the new directive that will go to the GSA next month to guide that agency in its purchases for the next fiscal year also will contain the new policy.

As far as I am concerned, he emphasized, whatever we authorize GSA to buy, they are to buy at the market.

Mr. COLMER. Mr. Speaker, I yield such time as he may desire to the gentleman from Maryland [Mr. GARMATZ].

Mr. GARMATZ. Mr. Speaker, it is urgent that we complete action as soon as possible on the new housing bill and get the new law into operation. We are falling behind on housing construction. Yet it is one of the essential industries in stimulating a revival of employment and economic activity in the United States, and thus ending this recession.

There has been too much maneuvering and stalling and parliamentary tricks in an effort to kill the public housing provisions of the bill. This has been delaying passage of the whole bill, at a time when housing starts, as I said, are running behind.

I am glad that the Republican leadership here in the House is permitting us today to vote on the question of sending the bill to conference, so that the differences between the House and Senate versions can be ironed out in a compromise bill. I do not know just who deserves the major share of the credit for this decision to let us send the bill to conference. Up until yesterday, this simple parliamentary process had been stymied by an unheard-of and unprecedented action by the Rules Committee, in voting to prevent the House from sending the bill to conference, unless at the same time, the House also took a flat, unequivocal stand against any public housing in the final bill.

This was indeed going to extreme lengths to defeat the modest Eisenhower proposals on public housing. What we had in effect, was a combination of Republican House leaders, telling their own President that no matter how little he recommends on public housing, or how good his reasons are for wanting even that little amount of public housing, they would not let us let him have it.

The whole history of the House action on public housing this session—and, in fact, this whole term of Congress—has been one of savage opposition, cloaked in parliamentary doubletalk.

The Appropriations Committee, which has no proper jurisdiction over long-range housing policy as such, took steps to kill off public housing through riders to the independent offices appropriation bill.

Yet, while the Appropriations Committee was reaching out into this field to kill public housing—without any protest from the Republican leadership of the House Banking and Currency Committee, which has proper legislative jurisdiction over this matter, the Banking Committee itself was reporting out a housing bill which left out any mention whatsoever of public housing. It just ignored it. The reason it gave for that omission was that under the Housing Act of 1949, no special or new authority was necessary to permit the President to authorize his drop-in-the-bucket public housing program of 35,000 units a year.

Even after the House riddled the appropriations act with parliamentary maneuvering intended to repeal the 1949 law on public housing, the Banking Committee's leadership still made no protest and still took no steps to repair this damage in the housing bill itself.

The efforts of those of us on the Democratic side to overcome this problem by writing into the new housing bill specific language on public housing was defeated, virtually on a straight party-line vote.

When the bill went to the Senate, a specific, a specific provision covering public housing was written into it by the Senate. Now that issue is to go to conference. But here we have the spectacle again of the House Republicans seeking to tie up the conference committee so as to prohibit it from including any effective public housing in the final bill, not even the President's proposed little program of 140,000 units over a period of 4 years.

Those efforts must be defeated here in this House today. We must permit our conferees to go into conference with open minds, to approach this issue in reasonable fashion on its merits.

It seems to me, Mr. Speaker, that most of the ranking Republicans on the House Banking and Currency Committee have in the past demonstrated such opposition to public housing, that even the bitterest foe of public housing could trust their judgment as conferees on this subject. If they go into the conference uninstructed, that does not mean that they are suddenly going to drop all of their old prejudices to public housing, without a full and searching examination of the facts.

So, as I see it, the House can be sure its Republican conferees on the housing bill will, by their very natures, and in view of their legislative backgrounds, be tough customers for the Senate conferees on this subject of public housing.

Therefore, it is unnecessary for us to tie their hands or to bind them in advance on what they can or cannot agree to. If they surrender on this point, and give in to the Senate, it will be only because they have been convinced by an overwhelming weight of facts.

Do not their colleagues in the House, who have shared this past opposition to public housing, trust their Republican conferees to use good sense and good judgment? Do they not believe the Republican conferees from the House will really be conscientious?

Mr. Speaker, even if the top Republican members of the Banking Committee who would be the House conferees on this matter, were suddenly to see the light and were suddenly to be converted to the advantages and needs for public housing, the most they could agree to in conference would be this timid and inadequate program of 35,000 units a year for 4 years. That is what the President has asked for and what the Senate has agreed to. Since the House bill contained no public-housing provision, the conference committee would have to compromise somewhere within the range of this disagreement, on a figure no higher than 35,000 units a year down to no units at all.

Actually, we need at least 2 or 3 times 35,000 units a year to begin to catch up with the requirements for public housing in the United States. The 1949 act called for 125,000 units a year. Some experts now place the need at 200,000.

In Baltimore, as in most of our cities, and even in the many rural areas where the public housing program has been a great success, the people recognize its value and want more, rather than less accomplished in this field. Our cities have tremendous programs for redevelopment of slum areas. Many of those plans are held up by the terrible difficulties of finding suitable housing for the present residents of those slum areas. Public housing is vitally necessary to help provide a way out of this difficulty. The facts clearly show that private enterprise cannot possibly supply decent housing at prices many of these people can afford to rent or buy.

It is not as if you were reducing the market for private housing by building public housing. It just does not work that way. It works, in fact, the opposite way. By providing some public housing for these people who now must live in the worst conceivable slums, you can clean out those ramshackle firetraps and health hazards and let private enterprise come in and build really good housing for moderate-income groups, redevelop the area and restore the older residential sections of our cities. Some of the best residential locations in our cities—close to downtown, convenient to shopping and stores and libraries and other attractions—are now the least attractive to live in, because of slum and blight. Private enterprise could share in the redevelopment of our cities and the revival of residential values in many old neighborhoods, only if we can clear out the slums. To do that, we have to have housing for the present slum-area families. And to relocate many of them, we must have some public housing.

I urge the House not to let blind opposition to public housing further delay the housing bill. I urge the House to send the bill to conference as we would send any other bill to conference, trusting the conferees to exercise judgment and compromise and intelligence in reaching agreement with the Senate on a final bill. And I urge the conferees, when appointed, to approach this issue of public housing with open minds and with compassion for the plight of American families now living in filth, disease, and primitive conditions hardly in keeping with our skills and abilities to build decent housing for all our people.

Recently, Mr. Speaker, a group of leading citizens of Baltimore met to pay tribute to Hans Froelicher, Jr., on his 10th anniversary as president of the Citizens Planning and Housing Association of Baltimore. The Republican Governor of Maryland, the Republican Solicitor General of the United States were among those who praised the work of this man and his civic agency toward achieving better housing for the people of Baltimore. Baltimore's work on the rejuvenation of private housing has been praised throughout the Nation.

Yet, midst the plaudits he received for the public-spirited community effort he has headed for 10 years, Mr. Froelicher had this to say—and I believe it is relevant to this debate:

> I cannot simply stand aghast at the cost of slums, nor can I move away when I know there is a place at which a part of this could stop. For me, myself alone, I owe what hard and common sense I can hammer out to save my wages, my body, and my spirit.

While Baltimore has had some success in clearing its slums, he added:

> Baltimore is not yet successful. Baltimore has lost its leadership in outside toilets, but still has the highest percentage of dilapidated housing of any large city.

This, Mr. Speaker, comes from a Baltimorean honored throughout the city and among housing experts throughout the country for the outstanding accomplishments in the housing field he has helped to stimulate in Baltimore. And he says flatly the job is far from complete.

A comprehensive national housing law, including provision for public housing, is essential to us to complete the job in Baltimore.

Mr. COLMER. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Speaker, this is not a time for provocative words. The housing problem in the big cities of our country, we who live in those cities are most familiar with. I wish to assure the House that the best thought and the most sincere effort is being given in those big cities by municipal administrations, by civic organizations, and by the people themselves to meet all the perplexing demands of the problem. We ask the sympathetic understanding of our colleagues who do not live with the problem.

I regret that the very term "public housing" has been permitted to become one of provocative challenge. Earnest, sincere but overzealous advocates of a cause must share in some measure the blame for this with equally sincere, equally earnest, and equally overzealous opponents. In the resultant bitterness alinements are made in passion and in prejudice, the simple outlines of a very real problem are lost to discernment in the clouds of issues and of philosophies that are entirely unrelated. The result is that our country suffers.

If I can make any contribution to this debate it can only be to the extent that I disassociate myself from this unhealthy climate of passionate controversy. I shall attempt to speak objectively and to confine my remarks to outlining the problem as we who live with it understand it.

I ask of you who do not live with the problem to receive my presentment with the same tolerance, if not of sympathy, that we from the urban districts accord to the problems with which you live and in the meeting of which we invariably seek to give you our cooperation. In my State we do not raise cotton and peanuts. Yet when our colleagues from States where the interest of cotton and peanut growers is so vital come to us for support for legislation helpful in that field we have never sought to defeat an honest effort for an honest economy by raising unrelated cries of socialism and statism.

CATASTROPHIC URBAN CHANGES

A great change is coming over our big cities. It is time that you who do not live in the big cities should be better informed as to the catastrophic shape of the change.

The change started with the adoption by one State after another of the State sales tax. Up to that time many State governments were in the red. With the adoption of the sales tax State treasuries overran with accumulating revenues. In some States an effort more or less satisfactory in its results was made to give a just portion of this State revenue to the various municipalities. In other States, my own State of Illinois being an outstanding illustration, this was not done.

I think I should at this point stress the vastly greater demand for necessary and expensive services upon the municipal government than upon the State of which that city is a part. These services cost tremendous sums of money. Without them millions of people could not live in health and in safety within the territorial limitations of municipal boundaries. A letdown of any one of these services, such as water and sewer and garbage collection, for a period of only a few days would lead to a pestilence decimating the urban population.

A very large contribution to the Federal Government and to the State government is made by the taxpayers of a great city like Chicago. Some of this goes to flood controls, to water developments, to agricultural price supports directly affecting people and economies far from our city of Chicago. Much of it goes, and I am concerned that the amount is so comparably excessive, to State government.

URBAN TAX DEMANDS

For the tremendous sums needed for municipal government, without which we are left as a helpless target for plagues and pestilence, we are left to go into the nooks and corners, putting taxes on this thing and that thing that the Federal and State tax collectors have overlooked.

It is not a happy picture. Unless more attention is given to it by the people who do not live in the cities, I hate to contemplate what the future may have in store.

Over one-half of the local tax dollar in Chicago goes for the maintenance of popular education. I want to emphasize that fact. We have the problem of local transportation. That is a problem that no American city has been able to meet with complete satisfaction for the reason that as nearly as possible all residents of a city must have equal transportation facilities at approximately an equal cost. We have our problems of water supply, of sewage, of policing, of fire protection, of garbage disposal, and of many other necessary services.

Despite all of these demands upon us we are so steadfast in our devotion to popular education that with no voice of protest anywhere we give more than one-half of our municipal dollar to keeping open the schools with their mission of contributing to the perpetuation of this Republic by providing a well-informed citizenry.

DISPLACED FARM LABOR

Now, Mr. Speaker and my colleagues, I come to the next and the more recent phase. At this point I am addressing my remarks especially to my colleagues from the Southland. You are not to blame. We in the cities are not to blame. It is all a part of the marvelous march of progress of the 20th century.

When machinery came to the farms of Dixieland, as well as to the farms of the Northland, there was less need for agricultural labor. Thousands of displaced agricultural laborers, untrained for industrial employment and unaccustomed to the ways of metropolitan life, came into the large urban centers of the north.

If this had been a normal movement we would have been prepared to receive it. Chicago has done that before. We are proud that we are a great melting pot, proud that perhaps of all the cities of the world we are highest on the level of real democracy on which all people who come to mix their lots with ours remain to live. But this flow of population from recently mechanized agricultural areas descended upon us much in the nature of a tidal wave.

We just did not have beds enough.

I do not wish to be misunderstood. I do not wish the great heart and great capacity of the city of Chicago to be misjudged. Our doors are open to all who wish to come and spend the days that God has given them in our activities and in our society. Give us time and understanding and a little help and we will make all the required readjustments. We need your help.

ACUTE HOUSING SHORTAGE

Now, Mr. Speaker, I am getting down to the present realities. The cost of home construction at this time is much above the means of many of our people. The head of the rental management division of Draper & Kramer, a

large and long-established real-estate management institution in Chicago, says that new 5-room apartments today have to rent around $150 a month. He points out that in contrast a man can buy a new home and pay out about $100 a month. The result is that the people who are in financial position to pay the prevailing rents in Chicago are more and more moving into new homes which they are purchasing in the suburban areas. Since the expiration of rent controls permits have been issued for only 2,680 apartments in the entire city of Chicago and of these 1,664 units were in public-housing projects.

The displaced agricultural workers from the South and other newcomers to Chicago have not the means either to pay rentals in desirable apartments or to purchase suburban homes.

MORE RENT INCREASES COMING

The Chicago Daily News of June 14, 1954, in an article by Albert Jedlicka, Jr., on page 1, under a 3-column head, states that the housing shortage in Chicago is so severe that rents this fall will pretty generally be increased from 5 to 20 percent. Let me quote briefly from Mr. Jedlicka's article in the Daily News:

The survey showed that predictions of real estate dealers of a loosening up in the apartment supply with decontrol of rents July 31, 1953, has failed to pan out.

Management firms handling approximately 14,000 rental units reported only 34 vacancies this month.

This is in line with estimates of only a 1 percent vacancy rate in all types of dwelling units made by the Real Estate Research Corp.

This is the situation as it applies to tenants who are looking for apartments and who presumably have the means to pay the required rents even though at sacrifice of other necessities. This must suggest to my colleagues something of the problem that we in the urban centers face in finding living accommodations for the many newcomers who not yet have had the training and the opportunity for remunerative industrial employment. They must be sheltered. Once adjusted they will be as all others in our great city, a vital and vibrant part of us.

For those at this stage, Mr. Speaker, a reasonable amount of public housing is the only remedy that we see. Nor can we see how we can continue in the great public works in which we are engaged unless we have some measure of public housing.

MAKES SUPERHIGHWAYS POSSIBLE

Let me illustrate, not in the spirit of provocative controversy, but in a most respectful and sincere effort to acquaint you with the realities which we face. We in Chicago presently are building at a tremendous cost a system of superhighways. This has been made necessary by the change which motor transportation has made on all sections of our country and on all phases of our activities. Blocks of homes, including a number of hotels in which many guests were permanent residents, had to be demolished. While this work was going on, and the housing shortage in Chicago was acute, many of the dislodged families were temporarily accommodated in public housing projects.

Mr. Speaker, I trust that these humble remarks of mine will be taken by my colleagues on both sides of the aisle as an earnest gesture toward a better understanding. The times in which we live are too filled with perils for us to be divided in a field where there should be no division. In all areas of our activities, as a people, we have our problems peculiar to those areas. I hope and pray that we will work together, each group seeking to understand the other's problems and always to be helpful.

I have the faith, Mr. Speaker, that upon further contemplation, and acting in the spirit of understanding in which these remarks have been made our colleagues will not insist upon instructions to the House conferees tying their hands.

Mr. COLMER. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. GRANAHAN].

Mr. GRANAHAN. Mr. Speaker, the House has voted twice this year against public housing. Each time, it made a serious mistake. Now we have a third chance. The other two votes were serious, but not fatal. But this time we are facing the showdown.

When the House failed late in March to amend the independent offices appropriation bill to repeal the rider which limits public housing to the 33,000 units or so presently under contract and then ends the whole program, we knew we had another chance on this matter in connection with the overall housing bill.

When that bill came up early in April, we tried to amend it to authorize the 35,000 units a year for 4 years which the President had recommended. This is a very inadequate kind of program, to be sure, but at least it is something. However, the President's own party here in the House beat down our amendment. So we missed out on chance No. 2.

Fortunately, the Senate amended the bill to include the 35,000 units a year for 4 years—and the bill then came back to us. We had the choice either of agreeing to the Senate changes in the bill or of sending it to conference or of letting it die without taking any action.

In view of the tremendous importance of housing legislation to our whole economy—and I mean all types of housing legislation and not just public housing—it was inconceivable that the omnibus housing bill could be permitted to die. The whole private building industry in the country is dependent upon the kind of housing legislation we pass, dealing with financing of VA and FHA homes, and dealing with municipal redevelopment and slum clearance.

So the fight has been in connection with sending this bill to conference, where conferees from the House and Senate can agree on a compromise bill. Efforts are being made here to tie the hands of the House conferees on public housing so that they cannot agree to the Senate version of 35,000 units a year for 4 years. Opponents of public housing here in the House want to kill the program entirely, and to tie the hands of the House conferees so that they have to hold out against any public housing in the compromise bill.

So now we face that issue the third time this year.

PUBLIC HOUSING HAS DONE REMARKABLE JOB FOR CITIES

Mr. Speaker, I would like in this connection to cite a portion of a letter I have received from the mayor of Philadelphia, the Honorable Joseph S. Clark, Jr., representing the views of the mayors of 18 major cities in the United States—Atlanta, Baltimore, Buffalo, Denver, Kansas City, Knoxville, Louisville, Milwaukee, Minneapolis, Newark, New Orleans, New York, Philadelphia, Pittsburgh, Providence, St. Louis, San Francisco, and Seattle.

After discussing at length the deficit of housing in our country, and the need for an effective attack on slums, the mayors said in their letter:

Yet Congress is now asked to provide only 35,000 units of public housing a year—less than the minimum of 50,000 units required by the Housing Act of 1949. Moreover, the House of Representatives has failed to authorize even this inadequate number of units. In view of the shortchanged number of public housing units which have been authorized up until now under the 1949 act, the Federal program should more appropriately be set at the maximum permitted—200,000 units per year.

Mr. Speaker, I should say that I agree wholeheartedly with that. President Eisenhower has been much too timid in seeking effective housing legislation. On the other hand, I know that he originally looked at this problem with complete lack of sympathy and tried to figure out some way to end public housing. But he found that was impossible if we are really to clear out slums. So it was a big victory for the principle of public housing that he finally had to come around to the view that it was still needed. Therefore, although 35,000 units a year are very little and will not go very far in meeting the need, they represent a great victory for the principle of the program started under President Roosevelt.

In any event, the mayor's letter continued:

The Congress appears determined to choke off the public housing program entirely on the grounds that they are not much improvement over slum areas. We cordially invite any Congressman who shares this view to visit the public housing projects that have been constructed to date in our various cities. We are confident they will be recognized as substantial contributions to better living conditions for fine American families.

I would like to add, Mr. Speaker, that in Philadelphia both Republicans and Democrats share our pride in our public housing projects. The previous administration in Philadelphia, a Republican administration which had been entrenched in power for decades and was never dislodged during even the height of the Democratic sweeps of the 1930's, finally came around to the view that public housing was desirable and good for the city.

So, with us in Philadelphia, this matter has not been a partisan one for some time. The same is true, I believe, in

most of our cities where projects have been in operation.

The President has asked for very little on public housing. If his own party in the Congress turns him down even on that inadequate amount, the Republican Party will never be able to live it down.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. DIES].

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield to the gentleman from Indiana.

Mr. HALLECK. With reference to the question the gentleman addressed to the gentleman from New York [Mr. TABER], there is not any question but what under the rules of the House and under the parliamentary situation if this conference report comes back with public housing in it and the opponents of public housing want a separate vote on it, that vote can be had.

Mr. DIES. Mr. Speaker, that is the thing I am vitally concerned with. I simply cannot understand how the House could reverse its position on this fundamental issue.

One of the memorable highlights in this session was the fine demonstration of patriotism and courage shown by Americans on both sides of this aisle when they rejected this socialistic proposal. That gave hope and encouragement to every friend of the American system everywhere.

I do not believe that it is possible for those of us who want to be intellectually and morally honest to reverse ourselves on something that is so fundamental just because an administration favors it.

Let me say this to my Republican friends: If you think you can gain political support by trying to out-New Deal the New Dealers, you are badly mistaken. The people who believe in new dealism are never going to accept you when there is a real New Dealer on the ballot. I would urge you with all the sincerity of which I am capable that you be true and loyal to the professions and to the convictions that you have heretofore expressed.

I understand the attitude of my friend from Indiana [Mr. HALLECK]. I am not condemning him. He is a leader and as a leader he is doing the very best he can to carry the ball for the administration.

But I suspect that he is very much like a colored preacher down in my district who announced that on a certain Sunday he was going to speak about the Devil. He got a great deal of advertisement. In the meantime several of my white friends heard about it, and they had their wives to make a devil suit, with horns and everything. And on the appointed night when the churchhouse was crowded and packed and jammed and this preacher was denouncing the Devil in the most vituperative terms, he said, "Ah, I am going to tell you: that Debil, that Debil, he has fire that comes out of his nose; he is wicked; he is evil, and I hates the Debil." About that time a white man, dressed in the Devil's garb, walked in through a rear window, and when he did, everybody rushed for the one door, and one of the brethren said: "Darn a churchhouse that ain't got but one door." And, finally, as they jammed there in the door, the pastor fell down on his knees and said to the Devil, "Ah, Mr. Debil, Mr. Debil, I know I been reviling you and I know I been abusing you, but please forgive me, Mr. Debil, cause my heart's been with you all the time."

I know, Charley, you are with us. I know you do not believe in this, and I know that you know that you cannot get sound Republicans to reverse their positions. How can they go home and face a constituency that they have been talking Americanism to all of their lives and say, "Well, I finally surrendered"? I would rather be like Carroll of Carrollton who, when the time came to sign the Declaration of Independence, was told that if he did, they would burn his house down and they would hang him. And he said, "They may hang me to my gate; they may burn my house down, but I shall sign this declaration." And, I would rather be like Bowie who, in the last dying hours of the Alamo, asked that a line be drawn so that all who wanted to run could remain on one side, but all those who wanted to fight could move with him to the other side.

Mr. Speaker, I think the time has come when we Democrats and Republicans alike, who believe in America, who are opposed to statism and socialism, ought to stand up and be counted. Let us not be flimflammed out of our position against socialistic public housing.

Mr. BARRETT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BARRETT. Mr. Speaker, I am vigorously opposed to any motion to instruct the House conferees not to yield on the point of public housing. I do not believe the hands of the conferees should be tied in this manner. It would be contrary to the purposes of House-Senate conferences if the House conferees were prohibited from negotiating on the number of public housing units which should be authorized.

It is my hope that the conferees on the housing bill will agree to the number of units authorized by the Senate—140,000—over a 4-year period at 35,000 units per year. Although this is the figure recommended by the President, I do not believe that even 140,000 units is adequate to wipe out the blight of slums and create decent living standards for our low-income families.

I believe the Congress should have voted at least the minimum of 50,000 units required by the Housing Act of 1949, which was passed by the Democratic administration. There are 10 million nonfarm housing units classified as substandard, according to the housing census of 1950. And today the need for slum-clearance and low-rent housing is far greater than it was then. In 1949 the Congress recognized the need for a public housing program. We understood that the program was temporarily curtailed only because of the Korean emergency. There does not seem to be any logical reason for not proceeding with the housing program at this time.

The housing industry is a basic part of our economy. Money spent in building new homes for our millions of families living in less-than-adequate dwellings stimulates not only the building trades, the materials dealers, the raw-materials producers, the investment business, and so on, but it has tremendous impact on practically every business and industry in the country. So a good housing bill accomplishes two great things: Better housing for more people, and more prosperity for everyone in the United States.

Philadelphia was recently placed in the critical surplus labor market category by the Bureau of Labor Statistics. It is also widely known that there are many blighted areas in Philadelphia. An adequate public-housing program for a city such as Philadelphia would help to solve two urgent problems: Housing and unemployment.

I therefore again urge that the House of Representatives agree to the 140,000 public housing units authorized by the Senate.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Speaker, after listening to the oration of the gentleman from Texas [Mr. DIES], I must say that I feel like a water pistol after a 155-millimeter howitzer has been sounded through the Chambers of this House. Yet, inadequate as my words may be in reply, I cannot let this debate go by without expressing my sincere convictions on one of the great issues confronting this House.

The gentleman from Mississippi [Mr. COLMER] emphasized again that the issue is clear. I agree with him. The issue is very clear indeed, for when you consider the opposition expressed here today, one wonders whether we are dealing with a bill to provide shelter for all Americans, or only a privileged few.

Mr. Speaker, under the provisions of this bill, billions of dollars will be provided for FHA insurance of homes for people who can afford to buy homes. Under the provisions of this bill, billions of dollars are allocated for the purchase of mortgages by FNMA for homes of people who have the means to buy homes. Under the provisions of this bill, billions of dollars are allocated for veterans homes, for those veterans who are fortunate enough to be able to finance new homes for themselves. There is little, if anything, in this bill for the millions of Americans who are priced out of today's housing market and who are given no tangible relief under this bill. In spite of this fact, the gentlemen who have spoken here today want to dictate to the House conferees an even greater restriction. They want this House to guarantee that this bill will be a special privilege bill, that it will be a bill to provide housing, not for all Americans, but only for those who can afford to buy homes at today's high prices. What happens to the 40 percent of our citizens who earn less than $3,000 per year? Is the American Government going to turn its back upon

them and compel them to continue to live in slums and hovels while their more fortunate fellow citizens are given the advantages which Government incentives to private industry brings to them?

The gentleman from Texas spoke of Americanism as being opposed to public housing. I ask the gentleman from Texas, is it Americanism to make no provision for people who cannot afford to buy their own homes? Will he say that the late great Senator from Ohio, Robert A. Taft, was a Socialist when he advocated that this beneficent American Government, which provides a means of redress for all those who seek the promise of our Constitution, was a Socialist in advocating a program of housing for those who cannot possibly even consider the purchase of the most inexpensive homes offered in today's housing market? No, Mr. Speaker, he cannot be serious in professing a concept of Americanism which achieves the result in contradiction to the constitutional mandate of equal justice for every American. The issue is very clear and very clear indeed; will this House permit its conferees to consider a bill to provide shelter for all Americans, regardless of their financial position, for those of low income as well as those of higher income? That is the issue before us as I see it.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Is it not true that when the vote was taken on this issue in the Senate the vote was overwhelmingly for public housing and that the vote taken in the House was reasonably close?

Mr. YATES. I think there is no question of that. I think certainly you cannot send the conferees of this House to discuss a housing bill, handicapped, straitjacketed by instructions that they may not discuss housing for all the Americans who cannot afford to buy their housing.

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman.

Mr. DIES. Does the gentleman think the action of the other body is a recommendation?

Mr. YATES. I think this House in its own judgment can decide what it wants to do. In passing let me say further: Is it not strange that the strongest opponents of public housing are those who do not have large cities in their districts and who do not know at first hand the conditions which make public housing necessary? We who come from the great metropolitan areas of this country who have seen the filth, have seen the degradation, have seen the crime emanating from the slum areas and have seen the blight spreading know that public housing is essential. And yet these gentlemen would close their eyes to open facts and urge that the House take no action to remedy this evil. They propose that we shall close our eyes and our hearts and instruct our conferees, "No, you shall not even consider this vital matter when you confer with the Senate." The rules of the House provide for a fair and a full conference. Shall the House go contrary to its rules? Is that what this House wants to say to its conferees, "You shall not have a full conference, you shall have a conference only on the subject of housing for those people who can afford to buy their own houses"?

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman.

Mr. CANFIELD. When you combine the two votes in both bodies, is it not true that you will find a majority of the Members voting for public housing?

Mr. YATES. I thank the gentleman for his contribution.

In the field of housing we need new ideas and a courageous program for we are lagging behind our current requirements. We need a housing program which is geared to provide homes for all segments of our community, the middle- and low-income groups, as well as those with higher incomes. America is a rapidly expanding Nation. In 1930 our population was 123 million. In 1950, the number of our people had increased to almost 152 million and according to the Census Bureau, in the year 1970—about 15 years hence—the population of the United States will approximate 204 million. If this estimate is correct, and I believe it is, the housing industry must undergo a much more rapid expansion in order to provide housing for all our fellow Americans.

Those who contemplate with satisfaction the current rate of home building of 1 million units per year we are not facing grim reality. Approximately 900,000 new households are established in America every year. At the same time approximately 300,000 housing units are destroyed. The current rate of 1 million new housing units per year does not even take care of the current demand, let alone the enormous backlog of housing needs that have never been fulfilled. If millions of American families are to be given hope of living in surroundings other than overcrowded, deplorable neighborhoods in which they now find themselves, we must raise our sights to a new target nearer to a minimum annual requirement of 2 million new housing units.

To those who are aghast at the prospect of such a goal, let the words of the late Senator Robert F. Wagner, of New York, be remembered when he said in 1945:

> Whenever a situation is acute, there are those who want to deal with the problem solely through emergency measures. Generally these are the same people who, before the situation becomes acute, say there is no need to do anything at all. They say that a long-term housing program is unnecessary when there is no housing emergency; and when there is a housing emergency they say that a long-term program is too late to be useful.

But no housing program will be adequate unless it offers an effective attack on the housing needs of families of all income levels, housing which has a sound basis in design, in livability and in sufficient size for adequate family life. The fact is that we do not now have such a program and I cannot escape the conclusion that this housing bill lacks the means to achieve this goal. It continues the program we have had in the past of offering incentives to build homes for those who can afford to buy good housing—the upper income third of our population, but in terms of volume and suitability for adequate family life, it offers little hope of providing decent homes for middle income and lower income groups.

While it is true that adequate housing is available in some sections of the country at monthly costs which some middle-income families can afford to pay, in most areas of the country houses have been priced right out of the middle-income market. In most urban communities, rental units in new buildings are priced above the means of most families. There has been little or no attention paid to the needs of families of low income. Those who most need relief are not granted relief.

In the United States today there are approximately 50 million housing units. Of these 10 million are considered to be substandard, and half of the 10 million are so far beyond rehabilitation that they must be destroyed as being unfit for human habitation. These are the buildings proposed to be torn down through the slum-clearance program. The President's Advisory Committee estimates that the cost of destroying each unit will be approximately $3,750. If we calculated the cost conservatively at only $3,000 a unit instead of $3,750, we see suddenly the tremendous, almost fantastic task ahead of us, for the cost of the slum-clearance program on a purely arithmetical basis is $15 billion. This year the House and Senate have approved the budget recommendation of $39 million for the slum-clearance program, a totally inadequate amount. If this is to be the basis for providing funds to clear slums, it will take 385 years to complete the job.

Equally inept is the provision for public housing. Public housing goes hand in hand with slum clearance. But in spite of its proposed devotion to the task of slum clearance, the administration has recommended 35,000 units a year for 4 years, which cannot possibly be considered even a minimum to take care of the needs of the people.

Facing us, too, is the solution of the problem of housing our minority families, many of whom can afford to pay for homes being built but because of their race are unable to find housing open to them at any price. The solution to their problem is in greatest measure the solution of the most complicating obstacle facing the housing industry today. A housing program which denies homes for Americans because of difference in race, creed, or place of origin is denying the promise of equal justice guaranteed by the Constitution of the United States.

FIGHT COMMUNISM BY FIGHTING THE CONDITIONS WHICH BREED COMMUNISM

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, I support the kind of housing legislation which can mean decent homes for all of the American people. For those who can afford to pay for good homes, I support provisions in the housing legislation which will improve somewhat financing arrangements, materials supply, and other mechanical details of getting good housing built for those who can afford to buy it.

For moderate-income groups, which need much more liberal financing arrangements, I support the principles which the Democratic Party wrote into the FHA law years ago, to provide long periods of amortization and reasonable interest rates.

For the lower-income groups, who must live in the worst kind of slums, I believe we must underwrite a part of the cost and provide decent shelter.

Pure and simple justice requires that we pass that kind of legislation. But for those who prefer to look at matters from a hardheaded, practical, and unsentimental viewpoint—if you can call justice sentimental—then I call attention, Mr. Speaker, to what our biggest problem is in the world today. It is communism—in its philosophy of government that merely spreads the poverty and misery and keeps everyone ground down and helpless.

Communism does not show this face to the world if it can help it. It brags and trumpets to the poor and ignorant and dispossessed of the world that it is their friend. Of course, it is not and we know it is not. But the fact that remains that communism has gained adherents in every part of the world where there is real misery and poverty and helplessness among the people. It has made its gains, other than those it made by force and aggression, only in areas of backwardness and extreme poverty.

In America, we have confounded the Communist conspiracy these past 22 years by providing real opportunity for the people, by making tremendous strides in providing employment and prosperity, good housing, and all types of conveniences. But many Americans are still on the verge of destitution. We still have a challenge there. Right now, the challenge is made more intense by the recession which has caused what we hope and trust will be only a temporary setback, but it is hurting a lot of people who had been holding good jobs and making good incomes and living like all Americans should live.

As long as Americans have confidence in the effectiveness of our free-enterprise system and see opportunity for themselves and their children, and see humaneness in their Government, we do not have to fear that the people will ever fall for the false promises of communism. Of course, we have to watch out for the Communist agents planted in our midst. But they cannot make headway with people while we go forward economically in this country.

In the field of housing, however, we have some slums so deplorable that it is disgraceful in any American city. No one lives in them by choice. No one prefers filth and overcrowding as an environment in which to bring up children.

If there is any group in America which could conceivably be susceptible to the blandishments of communism, it would be people who through sickness or disability or disease or other factors have been forced to live in our worst slums with little or no hope of getting out of them.

The public-housing program has rescued thousands of families from this kind of environment. They have been taken from the most unspeakable kind of housing and helped to live decently as Americans should.

On the other hand, if we carry through here on the strategy of some of the Republican leaders of this Congress and torpedo public housing, we will be taking away a source of hope for desperate people.

I do not say they would then become easy prey for communism. Far from it. But I can see where Communist agitators and conspirators could mislead some of these poor people with false promises and attacks on the United States. When you live in a rat-infested firetrap, never knowing whether you will live until the baby will wake up full of rat bites or not wake up at all because of attacks from rats or disease-carrying vermin, it is hard to get enthusiastic about free enterprise. You are desperate.

Desperate people—hopeless and despairing—do not make the best citizens. Cannot we hold out some hope for them through a decent housing program?

Mr. ALLEN of Illinois. Mr. Speaker, I yield to the gentleman from Ohio [Mr. AYRES] for a unanimous-consent request.

Mr. AYRES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. AYRES. Mr. Speaker, in the discussions of public housing over the past months, a significant fact has been overlooked. I refer to the new policies established and vigorously pursued by Charles E. Slusser, Commissioner of Public Housing.

Mr. Slusser is a practical-minded disciple of the late Senator Robert Taft who urged him to take over the public housing job. With a solid background of real estate experience and 10 years as mayor of Akron, Ohio, Mr. Slusser took a hard-eyed look at the Public Housing Administration and commenced putting it on a business basis.

Less than a year ago, Mr. Slusser commenced revitalizing an over-stuffed agency that had been sleeping in the memory of more festive days. One of his first acts was to trim off the fat—and a reduction in force of some 400 people. The remaining staff was reorganized and given a clear-cut job to do. At the same time, the new Housing Commissioner undertook to give himself a grass-roots education in the field problems of the agency. In the first 5 months, the traveled 40,000 miles making personal inspection of slums and trouble spots. At the same time, he set in motion policies designed to improve PHA financial credit to the point where the agency could profit from the greater confidence of the investing public.

The investment market, which had been reluctant to accord low-rent housing bonds and notes the confidence they deserved, began to open its eyes. The Attorney General assisted with a clear affirmation of the soundness of these federally guaranteed securities, and interest charges commenced to fall, shoved along by easier money conditions. When Mr. Slusser took over the PHA job, short-term housing notes were costing 1.9 percent per year. This week, the cost was hardly a third—only .66 percent. The same confidence was reflected in the interest savings on long-term bonds. A year ago 30-year bonds required a rate of 2.8 percent; today, even tighter 40-year money is being obtained for only 2.3 percent.

Private investment money gave such strong support to the refinancing of housing bonds in the past year that total PHA borrowings from the Federal Treasury were reduced from $655 million to $200 million—a reduction of $455 million which could be applied on the national debt.

At the same time he was putting PHA's financial house in order, Mr. Slusser decided there had been too little effective action in disposing of wartime housing. Maintenance costs were getting out of hand, and Congress wanted action. Mr. Slusser got it. In the past year, 60,000 units of this housing have been released from Government responsibility, as compared to 40,000 in the most successful previous year. And of these, 10,000 were sold as permanent housing to private investors and homeowners, thus transforming a Government liability into a benefit for private enterprise.

Meanwhile, one of the Agency's main functions, the placing of contracts for the 20,000 low-rent public housing units authorized for fiscal 1954, has proceeded on schedule. This target has been hit squarely, completely, and on time.

To all of this must be added Mr. Slusser's dynamic support of the administration's request for 140,000 units of low-rent public housing during the next 4 years. In a series of speeches across the country, he made a persuasive plea for public housing as a vital measure in the slum-clearance program. Moreover, he fought for a logical, middle course that gives full recognition to the part private enterprise should play in the rehabilitation of our cities. A firm believer in private enterprise, Mr. Slusser urged public housing only to the extent that private builders are unable to do the job.

To me, the transformation of the PHA into a streamlined, hard-hitting organization is a tribute to the energy, the integrity, and the businesslike approach of Commissioner Slusser and his staff. He has maintained that until private enterprise is able to provide homes that the poorest of our slum dwellers can afford, public housing offers the single best weapon against slums. I would like to add that Mr. Slusser is handling this weapon with gratifying competence.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the remainder of our time to the gentleman from Pennsylvania [Mr. SCOTT].

Mr. SCOTT. Mr. Speaker, I am going to address myself to the procedural situation here. So far as the merits are concerned, it seems to me that we are all agreed that the real disagreement here is not on the rule itself but on the question of a motion to instruct. We have to have a rule if we are going to get conferees.

If I were to speak on the merits, if I had the time to answer the distinguished gentleman from Texas [Mr. DIES], whose voice has resounded through the Chamber, and who is an expert, as I am sure we will all agree, on chamber music, I would point out that perhaps his definition of socialism is "any form of Federal appropriation that does not go into his own district." But addressing myself, as I must, only to procedure, I would like to say that I have talked to members of the Committee on Banking and Currency who usually serve on the conference committee, and these members state that they have never heard of such a motion to instruct as is proposed here. It is unprecedented. Such a motion is a gag on our own conferees whom we ought to be prepared to trust. It ought to be noted that those who will serve as conferees have not asked for instructions. There are 154 points of disagreement in this bill.

As I said earlier, if and when a conference report comes back, if it is in disagreement, a preferential motion can be made to recede and concur in the Senate amendment with an amendment. Then you will have your opportunity to vote on any issue in the bill with which you are in disagreement, including, if you wish, the issue of public housing.

If this precedent of instructing our conferees to the effect that they may not even discuss many areas of disagreement shall be set this day by this House, then remember that the other body may at any time do the same thing. Such an action would operate certainly to pervert the rules of this House and could lead only to a deadlock on bill after bill. The rules of this House are intended to permit us to legislate in an orderly way. But the intention is to legislate and the intention is to get a program through. If we are to legislate, then we ought not to be standing here thinking up ways to gag Members of the House and to deadlock the operations of both Houses in order to make sure, as I am sure some of the gentlemen on the other side of the aisle would perhaps like to do, to make sure that various parts of the President's program are not enacted so that they would then be in a position to say to us, "We helped you in every way we could, but in spite of our magnificent and magnanimous help, you are not able to get your program through." Do not be deceived by that.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. SCOTT. I yield.

Mr. JAVITS. I just want to ask the gentleman whether he agrees with me that there is no single piece of legislation of greater interest in the big cities than this particular part of the President's program for a very minimum amount of public housing. We hear the gentlemen from the farm areas and drought-relief areas think nothing of requesting hundreds of millions for programs having exactly the same justification in Government policy as public housing. The people of the big cities know, regardless of party, that a Federal quotient of public housing is absolutely indispensable to any slum clearance or urban redevelopment or to any balanced housing program in any big city.

Mr. SCOTT. I would say to the gentleman I know of no item of legislation which is of more interest to the cities of this country, cities of medium size as well as large, than this program. I know this is a part of the President's program which the President has asked the legislature in his state of the Union message to perform in keeping with our promise to the people. Here is our opportunity to perform and if we rely on some technicality to avoid it, then the responsibility is on those who vote that way. As for me, I support this rule and will oppose any motion to instruct, or gag our conferees.

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to extend my remarks on the rule for the housing bill at that point in the RECORD before the vote on the rule.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WICKERSHAM. Mr. Speaker, under permission to extend my remarks during the discussion on housing, I include a letter from an Oklahoma builder which represents the thinking of our Oklahoma builders, also the veterans, homeseekers, building and loans, and finance institutions, also an analysis of the legislation:

Representative VICTOR WICKERSHAM,
House Office Building,
Washington, D. C.

DEAR VIC: I am advised by the Washington office of the National Association of Home Builders that the 1954 housing bill has been reported out of the Senate and is at great variance with the House bill in some of its provisions of which I outline below and ask your aid in endeavoring to prevail upon the conferees to adjust before final passage of this bill.

SECTION 8, TITLE I

The Senate bill provides for an increase in the mortgage amount from $5,700 to $6,650 and further provides for second trusts to aid in downpayments. This is an excellent provision providing the language is such that the local FHA offices can not interpret its meaning to require them to establish minimum construction and property requirements on the same basis as title II. It is my opinion that unless the law specifically states this fact the local FHA offices, at least in a great number of cases, will require the same standards as under title II and thus render this phase of the program inoperative. I believe that under this section land improvement should be complete with all-weather streets, sewer, and water facilities when subdivisions are designed with lots for less than 20,000 square feet of total area. When the lots are larger and constitute tracts of a more isolated character, then the standards for land improvement could be reasonably considered less. In all cases the standard for construction should provide for structually sound houshing but not require excessive design requirements such as too many different basic floor plans, excessive storage, and to coin a phrase of one of my very good friends, "unnecessary apple crapple." It is my carefully considered opinion that if this line of thought is followed in the final passage of this bill the Nation's home builders will be able to provide housing for a very large segment of our population that hasn't heretofore been given proper consideration. There certainly can be no question but what the young family beginning its formation on a relatively low income is entitled to good, clean, decent housing as much so as those who can qualify for the middle and upper bracket homes.

SECTION 203, 1- TO 4-FAMILY HOUSING

The House passed this section providing for loan value ratio of 95 percent of the first $10,000 plus 75 percent of the excess. The Senate version provides for 95 percent ratio of loan of the first $8,000 plus 75 percent of the excess. I personally believe that the House version should prevail and am frank to say that the Senate version will be of very little help to the great mass of our people in Oklahoma. We find most of our buyers in the $12,000 price range well qualified to make monthly payments on their houses but they are, because of the inflated dollar, without the necessary down payment required under the Senate version which would be on a $12,000 house, including loan expense, approximately $1,700. Today's $12,000 house was roughtly a $6,000 house in 1940 and the required down payment then was $600 or 10 percent. My belief is, the family who buys the $12,000 house today is economically the same family that bought the $6,000 house in 1940, therefore, I see no reason why his down payment should be greater today than it was in 1940. It is true he handles more dollars of income but his opportunity for accumulating for down payment is probably less than it was in 1940 because the chances are, and this is well supported by national statistics, that he has at least one more child than he did in 1940.

MANDATORY WARRANTY

I personally am very much opposed to a mandatory warranty but there seems to be little chance that we can escape it now in as much as it has been adopted by both the House and the Senate. I call your attention to the Senate language which states that the house will be built in conformity to plans and specifications, while the House version used this language, "The house will be built in substantial conformity." By the Senate omitting the word substantial there is created an impossible situation because this language permits no margin whatever for error on the part of the architect, builder, or land developer and I assure you that any product consisting of as many components as does a house there must be some margin for error. It is entirely conceivable that the architect may make an error in drawing which is not caught by the FHA examiner and is not known until discovered by the builder who may have to make a substantial change in the plan to acquire satisfactory structural soundness. Also there are many substantial deviations from an ordinary set of plans that tend to improve the structural soundness of a building. Then there is a new requirement by the FHA that the developer submit a predevelopment plan of land which indicates the finish grade. It is a matter of impossibility to take a raw piece of land, produce a lot plan of the finish grade and then finally grade the lot to that exact plan without involving a cost that would make land development prohibitive, therefore, I urge you to use all of the energy and ingenuity at your command to have the mandatory warranty section of this bill include the words, "In substantial conformity."

My personal objection to the mandatory warranty is based upon the fact that the great majority of the home builders of this Nation and certainly those as members of the National Association of Home Builders, now carry their warranty well beyond 1 year. I know in my own case and in the case of many of my builder friends we make corrections where there is no possible chance that the defect was our fault as much as 2, 3, and sometimes 4 years after the house was constructed and oftentimes for the second, third, and fourth owner. My opinion is, and I feel, that if I am required to give a 1-year warranty then when the 1 year has passed I will be inclined to say to the buyer "check your warranty" and if it has expired I will feel no obligation to make any correction. There is absolutely no need for such a warranty because at present both the FHA and the VA have the authority to deny any builder further commitments or certificates of value when that builder refuses to make corrections for which he is responsible. To me, this is a much greater policing power than a 1-year warranty imposed whereby after its expiration neither the FHA nor VA can criticize my refusal to correct some error in construction.

DISCLOSURE PROVISIONS (AMENDMENTS OF SENATOR BYRD)

Let me urge you to use your good office and influence to have removed from this housing bill the disclosure provisions, particularly as they relate to section 203 and for sale housing. If this amendment is adopted for section 203 and VA housing it will make almost impossible operation by our smaller builders, who by the way built approximately 80 percent of all the nation's housing, to carry on their programs because they do not have available to them minute detail cost analysis of each house and to impose such accounting practices upon them is to increase their overhead to such an extent that they will be thrown into a state of economic disaster. I cannot believe that Senator BYRD was fully and properly advised concerning this amendment and I believe after he is properly advised he would gladly withdraw or at least modify this amendment and thus avoid an almost unbearable situation for the smaller builders.

There are many other points in this legislation which I would like to discuss with you but this would consume too much of your valuable time, therefore, I am limiting my discussion to those items which most affect us here in Oklahoma. I believe our representatives of the National Association of Home Builders are most sincere in their approach to this whole housing program and would under no circumstances urge Members of the House or Senate to enact legislation that in their opinion was not good for the Nation as a whole as well as we the individual builder members. I know all of these gentlemen personally, many of them are my closest personal friends, and I know there have been times when I, as an individual, have advocated things that I knew were good for me, but in the opinion of these gentlemen they would not serve the best purpose of the Nation's housing program and were, therefore, denied, consequently I would greatly appreciate your most careful consideration of any suggestion that these representatives may make to you. I know they will be in the best interest of the buying public and Nation as a whole and they will under no circumstances knowingly advise you wrong.

With kindest personal regards, I am

Yours very truly,

TOM.

Analysis of Housing Act of 1954 (H. R. 7839)

House bill passed Apr. 2	Senate bill passed June 3	NAHB position
1. TITLE I, REPAIR LOAN INSURANCE		
Increased amount from $2,500 to $3,000 and extended term from 3 to 5 years.	Eliminated increases in amounts and terms and imposed several limitations on use of program.[1]	Approved House provisions.
2. SEC. 8, TITLE I PROGRAM		
Eliminated sec. 8; House report instructed FHA to continue program. Continued 100-percent disaster loans.	Wrote sec. 8 language into title II. Raised mortgage amounts from $5,700 to $6,650, and from $5,100 to $5,950. Also provided for 2d trusts to aid downpayments. Authorized insurance of farm homes on 5 or more acres adjacent to public highway up to total of $100,000,000.	Approved Senate language.
3. SEC. 203, 1- TO 4-FAMILY SALE HOUSING		
Over Administration objections, raised loan-value ratio to 95 percent of $10,000 (instead of $8,000) plus 75 percent of excess, with discretionary power to place in effect.	Passed 95 percent of $8,000, plus 75 percent of excess to go into effect at once.	Approved 95 percent of $10,000 to go into effect at once.
Approved uniform 30-year term, with discretionary power to place in effect.	Adopted uniform 30-year term to go into effect at once, except that for each of the first 10 years following completion the term will decrease by 1 year.	Approved 30-year term to go into effect at once.
Raised mortgage amounts from $16,000 to $20,000 for 1 to 2 families, from $20,500 to $27,500 for 3 family and from $25,000 to $35,000 for 4-family houses, with discretionary power to place in effect.	Cut House provisions to $18,000 for 1 to 2 families, $24,000 for 3 families, and $30,000 for 4 families, to go into effect at once.	Approved House provisions to go into effect at once.
Permits temporary rental for school use	Approved	Approved.
Successfully defeated amendment to put in antimortgaging out clause.	No cost-certification provision for sec. 203	Do.
Made same loan-value ratio for new housing also applicable to existing housing, with discretionary power to place in effect.	Eliminated equal treatment of existing housing. Continued 80 percent of appraised value.	Approved House action, to go into effect at once.
4. MANDATORY WARRANTY		
Passed a 1-year warranty for 1- to 2-family FHA-VA houses that they are built in "substantial conformity" with plans and specifications and approved amendments. Applicable to housing insured or guaranteed on and after July 1.	Changed warranty to a 1-year certification on 1- to 4-family houses that they are built in "conformity" to plans and specifications. Word "substantial" eliminated.	Opposed. If warranty is imposed the modifying word "substantial" should be included.
5. FHA APPRAISALS		
None	For 1- to 2-family houses, seller or builder is required to deliver prior to sale to buyer a written statement of the amount of the FHA appraisal.	None.
6. OPEN-END MORTGAGES		
FHA can insure advances under "open end" clauses in mortgages on 1- to 4-family houses.	Adopted House provisions and added a limitation that such advances be used only for home repairs and that the advance plus the unpaid principal cannot exceed the original obligation.	Approved.
7. TITLE II, MORTGAGE INSURANCE FOR SERVICEMEN		
None	Adopted special provisions (sec. 222) giving 95 percent loan insurance to servicemen on active duty, up to a $14,250 mortgage ($15,000 sale price), on any housing eligible for insurance under sec. 203. Defense Department pays insurance premium.	None.
8. TITLE II, RENTAL HOUSING		
Approved raise in sec. 207 maximum mortgage amounts for elevator-type structures to $2,400 per room or $7,500 per family unit (if the number of rooms in the project is less than 4 per family unit). Dropped $10,000 per family unit limitation.	Adopted House version to be placed in effect at once but made it subject to builders' cost certification provision.	Approved House increases and urged $7,500 and $7,800 family unit maxima to be placed into effect at once. We have warned that Senate cost certification clause will seriously discourage rental housing.
Otherwise continued section as passed last year ($2,000 per room or $7,200 per family unit and 90 percent of estimated value where bedrooms equal 2 per family unit). Raises to be placed in effect at discretion of President. Defeated attempt to insert antimortgaging out provision.		
Approved raise in sec. 213 maximum mortgage amounts from $1,800 to $2,250 per room with $8,100 per family unit maximum to apply only where there are less than 4 rooms per family unit in the project or property. Raises to go into effect at President's discretion. No certification clause.	Adopted House raises in mortgage amounts and added provision for an additional $1,000 per room for any elevator-type projects in federally approved redevelopment or urban renewal, high-cost areas. Made management-type projects subject to builders' cost certification.	Approved, but change to "value" and cost certification will seriously impair program.

[1] See Legislative Flash of May 28 and Washington letters No. 457 (May 27) and No. 434 (Apr. 6) for further details.

Analysis of Housing Act of 1954 (H. R. 7839)—Continued

House bill passed Apr. 2	Senate bill passed June 3	NAHB position
8. TITLE II, RENTAL HOUSING—continued		
Also approved 65-percent formula for veteran occupancy increases and raised these amounts from $1,900 per room to $2,375 but continued the $8,550 maximum per family unit of less than 4 rooms.	Changed 65 percent veteran formula to 50 percent. Accepted "estimated value" in place of "replacement cost."	
For elevator-type structures the above maxima were raised from $2,250 to $2,700, from $8,100 to $8,400, from $2,375 to $2,875, and from $8,550 to $8,900.	Inserted provision to continue authority for a special FHA Assistant Commissioner for 213 housing.	
The 90-percent and 95-percent (for veteran projects) loan-value ratios were continued but "replacement cost" was eliminated and "estimated value" substituted.	Raised limit from $25,000,000 to $50,000,000 for publicly regulated nonprofit management-type projects.	
Eliminated requirement for special FHA Assistant Commissioner.		
Raised limit to $25,000 for mortgages on projects managed by publicly supervised mortgagors or political subdivisions of States or their agencies.		
9. TITLE II, REHABILITATION AND NEIGHBORHOOD CONSERVATION HOUSING INSURANCE		
Passed sec. 220 providing special mortgage insurance for construction and rehabilitation of dwellings in federally approved redevelopment or urban renewal areas. Terms, mortgage amounts and loan-value ratios as passed for secs. 203 and 213 above were approved for this use plus a maximum mortgage of $35,000 plus $7,000 per additional family unit for dwellings for more than 4 families but less than for multifamily project. No cost certification.	Cut sec. 203 terms as above described and limited special maximum mortgage provision to $30,000 plus $6,000 for each additional family unit. Added provision for extra $1,000 per room for elevator-type structures in high cost areas. Inserted a requirement that the required redevelopment or urban renewal plan be approved by the governing body of the locality. Made rental projects subject to builder's cost certification.	Approved House version.
Passed sec. 221 providing low-cost housing for families displaced by redevelopment or urban renewal programs. Maximum mortgage amount for 1-family houses set at $7,600 ($8,600 for for high-cost areas) and 100-percent loan-value ratio for 40-year term. Required $200 downpayment including closing costs. Provided 100-percent mortgages for publically supervised nonprofit organizations. No cost certification.	Cut sec. 221 100-percent loan-value ratio to 95 percent and term from 40 to 30 years. For existing housing loan-value ratio cut to 90 percent. Require 5- or 10-percent downpayment. Cut nonprofit organizations loan-value ratio to 95 percent. Made all sec. 221 subject to builder's cost certification.	House version partially approved. Section should be available generally for HHFA programing. Could then be used for minority housing.
10. MISCELLANEOUS FHA PROVISIONS		
None	Adopted provision permitting FHA to refund debentures at maturity if available funds are insufficient to pay them. Refunded debentures would bear same interest and have to be paid by FHA or Treasury 10 years after issuance.	None.
Do	Adopted provision for FHA debentures (except sec. 221) to bear interest at rate in effect when mortgage is issued. This rate would be set by FHA with approval of Treasury based on average yields during the preceding month of all United States obligations having 15 or more years maturity.	Do.
Terminated title VI, VII, and IX; continued title VIII 1 year	Continued title VII, and gave the President power to designate periods of time or projects for which title IX insurance or community facilities aid can be used (the effect being to continue title IX on a standby basis). Authority was given to complete community facilities for which prior commitments were made and funds are available on June 30, 1954. Rental requirement under sec. 903 was extended from 2 to 4 years for mortgages insured after passage of this act. Secs. 803, 903, and 908 were made subject to builders' cost certification (above).	Approved.
None	Adopted amendment to Federal Criminal Code making it an offense to misuse the FHA in advertising. See also Byrd amendment, par. 21 below.	None.
Do	Authorized FHA to refuse use of FHA to any person or firm (1) that willfully violated any part of this act or the GI bill or any FHA or VA regulation, (2) that violated any Federal or State penal code by work or contracts under FHA or VA, or (3) that "failed materially, whether intentionally or through inability, to properly carry out contractual obligations" in FHA or VA work. Notice and appeal to the FHA Commissioner are granted. (This is somewhat similar to provisions passed for VA in 1952 in the Korean GI bill.)	None. But we oppose language of proviso (3) as permitting possibility of indiscriminate "blacklisting" for very trivial matters.
Do	Adopted extensive provisions to prevent any FHA rental housing from being used for a hotel or transient tenants.	None.
Do	Directed Bureau of Budget to report by Feb. 1, 1955, on the feasibility of consolidating the VA and FHA housing programs.	NAHB favors elimination of the differences in FHA and VA requirements but does not urge merger.
11. FEDERAL NATIONAL MORTGAGE ASSOCIATION		
Passed extensive rechartered FNMA providing for (1) new secondary market operation, (2) special assistance functions, and (3) liquidation of present portfolio.	None. Extended advance commitments authority for title VIII and for Guam ($15,000,000).	Approved House action with certain important amendments.
12. SLUM CLEARANCE AND URBAN RENEWAL		
Passed extensive provisions for an urban renewal fund and for loans and grants to communities, all keyed to "workable programs" of local rehabilitation, slum clearance and redevelopment.	Approved House version but tightened definitions and requirements. Placed direction of program in HHFA, made sure local approval is given by resolution or ordinance, but permitted HHFA rather than local body to designate "urban renewal areas."	Approved.
13. PUBLIC HOUSING		
None	Approved 35,000 units for 4 years (140,000)	Approve House action (no public housing).
Approved certain limitations and amendments to PHA operations and procedures, including a broad antisubversive certification for all federally aided housing.	Adopted House provisions but eliminated antisubversive amendment and substituted one requiring public housing tenants to be citizens or have applied for citizenship.	Opposed antisubversive section passed by House.
14. HOME LOAN BANK BOARD		
House passed several provisions of technical nature dealing with Board and savings and loan institutions, including an increase from $1,500 to $3,000 in their authority to make unsecured loans.	Approved House provisions	None.
15. VOLUNTARY HOME MORTGAGE CREDIT PROGRAM		
House passed broad program of voluntary national and regional committees to channel mortgage funds to remote areas and small communities.	Approve House amendment but inserted requirement that this be done only "with sound underwriting principles."	Approved idea but not as substitute for FNMA.
16. URBAN PLANNING AND RESERVE OF PUBLIC WORKS		
Provided $5,000,000 for planning grants to States and a program of reserve public works.	Approved	Approved.

Analysis of Housing Act of 1954 (H. R. 7839)—Continued

House bill passed Apr. 2	Senate bill passed June 3	NAHB position
17. SMOKE ELIMINATION AND AIR POLLUTION PREVENTION		
None	Provides $5,000,000 for technical research by Department of Health, Education, and Welfare and provides $50,000,000 for investments, loans, and purchases by HHFA to aid firms in obtaining machinery for smoke elimination, etc.	Approved objective of program.
18. VA LOAN PROVISIONS		
Passed a separate bill extending present VA direct loan program for 1 year ($100,000,000).	Extended program for 1 year at double present amount ($200,000,000). Also passed section to permit full VA guaranty to apply to repair loans to protect or improve property.	Approved full use of VA guaranty for repair or alteration loans. Oppose direct lending.
19. PUBLIC AGENCY LOAN AUTHORITY		
None	Authorized HHFA to buy securities and make loans to State and local agencies for public projects, originally passed (but never used) in RFC Liquidation Act. Raised amount from $25,000,000 to $50,000,000 and extended power to June 30, 1957.	Approve any sound legislation that will help with problem of lack of community facilities.
20. MISCELLANEOUS PROVISIONS		
Passed sections continuing direct farm loan program with additional authorization of $112,000,000, and providing for a consolidated annual report of all housing agency operations under HHFA (instead of present individual reports from each agency).	Passed additional sections relating to disposition of war, Lanham Act, and temporary defense housing, appointment of advisory committees for all housing agencies, revision of criminal false claims and informer statute, and repeal of sec. 504 of the Housing Act of 1950 (which caused so much difficulty last year by authorizing the VA to prohibit discounts). Approved House provisions but rejected consolidation of housing agency reports.	Approved.
21. DISCLOSURE PROVISIONS (AMENDMENTS OF SENATOR BYRD)		
None	Passed sections requiring: (1) That FHA applications for insurance be accompanied by lender's certification that loan is sound; (2) that FHA or VA include actual cost as a factor in determining rental rates or sales price; (3) that every recipient of Federal housing aids keep such records as HHFA prescribes in shape for auditing and so as to fully disclose disposition of any loan, actual project costs, including subcontracts, full amount of loan and private capital used, and such other information as HHFA may require. Also, (4) that applicants for FHA insurance or PHA grants submit full specifications and itemization of costs for HHFA approval, modification or rejection; (5) that PHA and the Comptroller General shall have right to audit records of any public housing agency or its contractors or subcontractors; (6) that written approval of HHFA will be required before anyone can use FHA or VA inspection, appraisal, approval, insurance or guarantee in advertising; and (7) that HHFA shall make an annual report of the amount of loans, contributions, grants, and other assistance made or contracted for on all housing and slum clearance projects. This must include costs for each project completed and amounts of any supplemental insured loans together with original amounts.	Opposed.

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

Mr. COLMER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 361, nays 19, not voting 54, as follows:

[Roll No. 87]

YEAS—361

Abbitt
Adair
Addonizio
Allen, Calif.
Allen, Ill.
Andersen, H. Carl
Andresen, August H.
Andrews
Angell
Arends
Aspinall
Auchincloss
Ayres
Bailey
Baker
Barrett
Bates
Battle
Beamer
Becker
Belcher
Bender
Bennett, Fla.
Bennett, Mich.
Bentsen
Berry
Betts
Bishop
Blatnik
Boggs
Boland
Bolton, Frances P.
Bolton, Oliver P.
Bosch
Bow
Bowler
Boykin
Brambletti
Bray
Brooks, Tex.
Brown, Ga.
Brown, Ohio
Brownson
Broyhill
Buchanan
Budge
Burleson
Bush
Byrd
Byrne, Pa.
Byrnes, Wis.
Campbell
Canfield
Cannon
Carnahan
Carrigg
Cederberg
Celler
Chelf
Chenoweth
Chiperfield
Chudoff
Church
Clevenger
Cole, Mo.
Cole, N. Y.
Colmer
Condon
Cooley
Coon
Cooper
Corbett
Cotton
Coudert
Cretella
Crosser
Crumpacker
Cunningham
Curtis, Mass.
Curtis, Mo.
Dague
Davis, Ga.
Davis, Tenn.
Davis, Wis.
Dawson, Ill.
Dawson, Utah
Deane
Delaney
Dempsey
Derounian
Devereux
D'Ewart
Dies
Dollinger
Donohue
Donovan
Dorn, N. Y.
Dowdy
Edmondson
Elliott
Ellsworth
Engle
Evins
Fallon
Fenton
Fernandez
Fine
Fino
Fisher
Fogarty
Forand
Ford
Forrester
Fountain
Frelinghuysen
Friedel
Fulton
Gamble
Garmatz
Gary
Gathings
Gavin
George
Golden
Goodwin
Gordon
Graham
Granahan
Grant
Green
Gregory
Gross
Gubser
Gwinn
Hagen, Calif.
Hagen, Minn.
Hale
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Halleck
Hand
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Hardy
Harris
Harrison, Nebr.
Harrison, Va.
Harvey
Hays, Ark.
Hays, Ohio
Hébert
Heller
Herlong
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Hess
Hiestand
Hill
Hillelson
Hinshaw
Hoeven
Hoffman, Ill.
Hoffman, Mich.
Holmes
Holt
Holtzman
Hope
Horan
Hosmer
Howell
Hruska
Hunter
Hyde
Ikard
James
Jarman
Javits
Jenkins
Johnson, Calif.
Johnson, Wis.
Jonas, Ill.
Jonas, N. C.
Jones, Ala.
Jones, Mo.
Karsten, Mo.
Kean
Kearney
Kearns
Keating
Kee
Kelley, Pa.
Kelly, N. Y.
Keogh
Kilburn
Kilday
King, Calif.
King, Pa.
Kirwan
Klein
Kluczynski
Laird
Landrum
Lane
Lanham
Lantaff
Latham
LeCompte
Lesinski
Lipscomb
Long
Lovre
McCarthy
McConnell
McCormack
McCulloch
McDonough
McGregor
McIntire
McMillan
McVey
Mack, Ill.
Mack, Wash.
Magnuson
Mahon
Mailliard
Marshall
Martin, Iowa
Matthews
Meader
Merrill
Merrow
Metcalf
Miller, Calif.
Miller, Kans.
Miller, Md.
Miller, Nebr.
Miller, N. Y.
Mills
Mollohan
Morano
Morgan
Moss
Moulder
Multer
Mumma
Murray
Natcher
Neal
Nelson
Nicholson
Norrell
Oakman
O'Brien, Ill.
O'Brien, Mich.
O'Brien, N. Y.
O'Hara, Ill.
O'Hara, Minn.
O'Neill
Osmers
Ostertag
Passman
Patman
Patterson
Pelly
Pfost
Philbin
Phillips
Pilcher
Pillion
Poff
Polk
Powell
Preston
Price
Priest
Prouty
Rabaut
Radwan
Rains
Ray
Rayburn
Reams
Reece, Tenn.
Reed, Ill.
Reed, N. Y.
Rees, Kans.
Rhodes, Ariz.
Rhodes, Pa.
Richards
Riehlman
Rivers
Roberts
Robsion, Ky.
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Mass.
Rooney
Roosevelt
Sadlak
St. George
Saylor
Schenck
Scott
Scrivner
Scudder
Secrest
Seely-Brown
Selden
Shafer
Sheehan
Sheppard
Sieminski
Sikes
Simpson, Ill.
Simpson, Pa.
Small
Smith, Kans.
Smith, Miss.
Smith, Wis.
Spence
Springer
Staggers
Stauffer
Steed
Stringfellow
Sullivan
Taber
Talle
Thomas
Thompson, La.
Thompson, Mich.
Thompson, Tex.
Thornberry
Tollefson
Trimble
Tuck
Utt
Van Pelt
Van Zandt
Vinson
Vorys
Vursell
Wainwright
Wampler
Warburton
Watts
Wharton
Wheeler
Wickersham
Widnall
Wier
Wigglesworth
Williams, N. J.
Wilson, Calif.
Wilson, Ind.
Withrow
Wolcott
Wolverton
Yates
Yorty
Young
Younger
Zablocki

NAYS—19

Abernethy
Alexander
Ashmore
Barden
Bonner
Carlyle
Dorn, S. C.
Durham
Gentry
Jones, N. C.
Mason
Poage
Robeson, Va.
Rogers, Tex.
Shuford
Smith, Va.
Whitten
Williams, Miss.
Winstead

NOT VOTING—54

Albert	Feighan	O'Konski
Bentley	Frazier	Patten
Bolling	Harrison, Wyo.	Perkins
Bonin	Hart	Regan
Brooks, La.	Hillings	Riley
Buckley	Holifield	Scherer
Burdick	Jackson	Shelley
Busbey	Jensen	Short
Camp	Judd	Sutton
Chatham	Kersten, Wis.	Taylor
Clardy	Knox	Teague
Curtis, Nebr.	Krueger	Velde
Dingell	Lucas	Walter
Dodd	Lyle	Weichel
Dolliver	Machrowicz	Westland
Dondero	Madden	Williams, N. Y.
Doyle	Morrison	Willis
Eberharter	Norblad	Wilson, Tex.

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Dondero with Mr. Wilson of Texas.
Mr. Williams of New York with Mr. Willis.
Mr. Westland with Mr. Chatham.
Mr. Taylor with Mr. Machrowicz.
Mr. Busbey with Mr. Madden.
Mr. Short with Mr. Morrison.
Mr. Bentley with Mr. Camp.
Mr. Scherer with Mr. Brooks of Louisiana.
Mr. Velde with Mr. Dingell.
Mr. Jackson with Mr. Patten.
Mr. Knox with Mr. Feighan.
Mr. Krueger with Mr. Frazier.
Mr. Clardy with Mr. Regan.
Mr. Bonin with Mr. Holifield.
Mr. Weichel with Mr. Shelley.
Mr. O'Konski with Mr. Bolling.
Mr. Kersten of Wisconsin with Mr. Walter.
Mr. Judd with Mr. Riley.
Mr. Dolliver with Mr. Dodd.
Mr. Curtis of Nebraska with Mr. Doyle.
Mr. Jensen with Mr. Eberharter.
Mr. Hillings with Mr. Hart.
Mr. Harrison of Wyoming with Mr. Teague.
Mr. Burdick with Mr. Lucas.
Mr. Norblad with Mr. Albert.

Mr. FORRESTER and Mr. WHEELER changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair recognizes the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, I want to talk about the proposed motion to instruct the conferees a little bit. We have all had a good time here on this matter; we had a nice little debate, and I hope nobody is mad at anybody else. I am not mad at anybody. As a matter of fact, we had a lot of fun up in the Committee on Rules on this matter, and altogether it has been a most entertaining and most amusing situation both in the Committee on Rules and here.

Up in the Rules Committee we voted to put in a rule to instruct the conferees. We thought it was a good idea, because the House had already said four times that we did not want any public housing. We thought we would tell our conferees again that we still meant it.

Everybody got to talking about it and pretty soon I heard that we were going to reverse ourselves. Some of the boys changed their minds and they just thought it was not a good thing to do, it would violate some precedent, or something of that kind. Well, that was all right. They had the right to do it. I am not quarreling with anybody about it. So we did reverse ourselves and we took that out.

Now this morning we were going to instruct the conferees. It reminds me of an incident that occurred when I was very young in politics. I used to be a member of the Town Council of Alexandria. We have voted one way so many times on this that I was reminded of that incident when I was a member of the town council and we were having a very hot election for a city official. Both sides had put on all the pressure they could for their respective candidate and the night of the election came and the candidates were nominated and the roll was called. One old fellow, concerning whom I had had considerable doubt, when his name was called, voted for my candidate as he had promised. I thought that was fine. But it resulted in a tie vote. We called the roll again and when his name was reached the second time he voted for the other fellow. He was so happy with what he had done that he jumped up on the floor and said, "By George, you can't beat that. I promised them both and I voted for them both."

There has been a good deal of talk like that going on here about public housing but that is all right. I think before we leave this subject somebody ought to advise the House, because we do not get time to read all of that stuff that has been sent over here on housing, so that we may know exactly what is being done in the bill that is going to conference.

Last year, you will remember, this House voted overwhelmingly, and when I say overwhelmingly, it voted 245 to 157 to repeal public housing. The Senate had to agree to it, because we stood pat. Now it has been talked around here that the President, in order to give a little relief to this public housing clamor, wants 35,000 houses for this year and next year. And they say that that is what this bill does. That is not what this bill does.

If we agree to this bill, here is what it does. It repeals the repeal that the House voted for last year by 245 to 157 and restores the full public housing program in the old act. The only difference is that it restricts it to 35,000 houses for the next 3 years and after that the lid is off. That is what you are being asked to vote for. I want the House to understand that that is what is going to conference.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from New York.

Mr. TABER. And on top of that picture, the limit which was in the original housing bill of 1949 is out the window.

Mr. SMITH of Virginia. That is right.

Mr. TABER. So there is no limit at all.

Mr. SMITH of Virginia. There is no limit except the generosity of the House of Representatives and the Senate in disposing of the taxpayers' money, and that is rather unlimited at times, I find.

Let me say to the House that I think we ought to know the history of this, because I know that a lot of fellows on that side are not going to march up this hill four times and vote against public housing and then, because somebody says that a little lapse of virtue is all right, change their mind.

This is the situation. In 1949, when public housing first came up, it only just carried in the House. The gentleman on your side [Mr. REECE] made the motion to strike out public housing and he only lost by four votes. In 1951 the Gossett amendment to strike out public housing carried by 181 to 113. In 1952, on the Fisher amendment to reduce it to 5,000, it carried by 192 to 168. In 1953 public housing was repealed, was defeated by 245 to 157. And in this good year of our Lord, just a month ago, this House voted it down by 211 to 176. The question that is going to be presented to the House when this bill comes back is—are you boys going to reverse yourselves? Were you voting on a matter of principle or were you voting on a matter of politics—and if the politics has changed a little bit, it is all right to change our votes a little bit. That is the question which is going to be before you.

Mr. SHEPPARD. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. SHEPPARD. I wonder if the gentleman has read the section of the bill, and the amendment emanating from the other body whereby they have repealed the Wherry Housing Act which is the only thing we have today to build housing for the military? Under their proposal, you could not get anybody in the construction field to possibly build anything.

Mr. SMITH of Virginia. It is a great big bill. You will find a lot of things in it, if you take the time to look. You will also find in it that the other body has assumed the prerogative of appropriating $50 million, upon which this House never even ought to consent to going to conference. I just want to say I think we all understand each other now since the illuminating speech made by the majority leader, the gentleman from Indiana. If I may have the attention of the gentleman from Indiana since the illuminating and, as usual, eloquent speech made by the gentleman from Indiana, the majority leader, I take it we now understand this: That in any event, come what may, if we do not have this motion today to instruct the conferees, that at a later time when this bill comes back from conference the parliamentary situation will be such that we can get a motion to instruct the conferees or to reject the conference report, which will give us a direct vote on the question of public housing.

Mr. HALLECK. May I say to the gentleman from Virginia that I stand on what I said, that I shall not be a party to any sharp practice to deprive those who want to raise that issue. I explained the parliamentary situation, and I have checked with the parliamentarian. I am thoroughly and completely convinced that the motion to recommit with instructions would be in order, and as far as I am concerned I shall undertake to protect them.

Mr. SMITH of Virginia. I think that clarifies the question. So that we will

understand, and I do not care whether we vote on this issue today or next week, and in fact I would not care if we never voted on it because we are in very good shape now because we have killed public housing. The Republicans last year as soon as they came into power, and as soon as they had the power to do it on their first vote on public housing, they killed it as dead as a door nail, and I am proud of them and I congratulate them on having done so. We are going to appeal to you that when this thing comes back here to be just as good patriots in 1954 in an election year as you were in 1953 when you were just in the flush of victory. With that understanding now, and I think we all understand each other, I think we can now rest on the assurance that we will have the opportunity to vote on the clean-cut issue of whether to revive and restore public housing, or to let the old corpse remain dead, and I very much hope we will.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. COLMER. If I understand the distinguished gentleman from Virginia, there will be no motion offered to instruct the conferees, but rather we accept the proposition so graciously extended to us and so graciously accepted by the majority leader, with this one thing in mind, that when the matter comes back, if the House conferees agree to public housing in any form or fashion or number, that we will have an opportunity to vote on it without any strings or reservations or questions of parliamentary procedure involved, and that is why the motion to instruct is not being made, is that correct?

Mr. SMITH of Virginia. I think the gentleman from Indiana will verify that as being correct.

Mr. HALLECK. Yes, but may I say I do not know just what the gentleman means by strings and so forth. I said I would not engage in any sharp practice. So far as I know the Speaker would recognize someone to make a motion to recommit with instructions who wanted to present this issue. I understand what it is about, and I am sure that everyone does. So far as I am concerned, I am perfectly willing to meet the issue at that time.

Mr. COLMER. Of course, what I had in mind, and may I say I accept what the gentleman has said, and I think I know what he means. But, what I had in mind was—first, that there would be no ground on the part of anyone who had voted against public housing before or who had voted in favor of it, to have any parliamentary situation involved other than voting his own conviction. Second was that the parliamentary situation would be such on that occasion that we could have that opportunity because, as the gentleman knows, ordinarily there is only one motion to recommit and we could be "parliamentaried," if I may use that term, out of position.

Mr. HALLECK. Certainly no one is going to indulge in any such practice as that.

We talked about being ingenious a little while ago. The gentleman is quite ingenious himself, and I am quite sure he and the gentleman from Virginia [Mr. SMITH], and others can devise a motion to recommit which will present their viewpoint.

I am confident the gentlemen do not want to foreclose any argument I might make in respect to it. After you devise the motion to recommit you will not argue and attempt to persuade people perhaps that they are to vote against the motion to recommit. I would not want it to be understood you took that position.

Mr. SMITH of Virginia. Mr. Speaker, let me make it perfectly clear—and I think that the gentleman from Indiana and I understand each other—that we appreciate the cooperation of the gentleman from Indiana to see that we get a yea-and-nay vote, a cleancut issue. How anybody votes is his business, and how the gentleman from Indiana votes is his business.

We do not deny that we have a little ingenuity on our side, as the gentleman from Indiana has indicated, but in the Rules Committee we had a little display of ingenuity the other day, and the gentleman from Indiana demonstrated that he possessed more ingenuity than we, and we just want to be sure that he is on our side so he can give us the benefit of his superior ingenuity.

Mr. HALLECK. You kind of got in my corner today, and I will get in your corner to see that you get the vote you want.

Mr. SMITH of Virginia. I thank the gentleman.

Mr. Speaker, I said I would make the motion to appoint conferees, but in view of the circumstances I will not make that motion.

The SPEAKER. The Chair appoints the following conferees: Messrs. WOLCOTT, GAMBLE, TALLE, KILBURN, SPENCE, BROWN of Georgia, and PATMAN.

ADDITIONAL COPIES OF REPORT

Mr. REED of New York. Mr. Speaker, I offer a privileged resolution (H. Res. 589) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there be printed 700 additional copies of House Report No. 1698, current Congress, entitled "Social Security amendments of 1954"; of which 500 copies shall be for the House document room and 200 copies for the use of the Committee on Ways and Means.

The resolution was agreed to, and a motion to reconsider was laid on the table.

PERMISSION TO SIT DURING SESSION OF HOUSE

Mr. REED of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may meet at 2:30 o'clock this afternoon during the session of the House.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

COMMITTEE ON GOVERNMENT OPERATIONS

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations may have until midnight tomorrow to file reports on the bill H. R. 6658 and on the bill H. R. 8713, and sundry other bills.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT

Mr. ALLEN of Illinois. Mr. Speaker, I call up House Resolution 586 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8753) to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to establish and operate motor vehicle pools and systems and to provide office furniture and furnishings when agencies are moved to new locations, to direct the Administrator to report the unauthorized use of Government motor vehicles, and to authorize the United States Civil Service Commission to regulate operators of Government-owned motor vehicles, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Government Operations, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Illinois is recognized.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Mississippi [Mr. COLMER] and at this time I yield myself such time as I may consume.

Mr. Speaker, I rise to urge the adoption of House Resolution 586 which will make in order the consideration of the bill (H. R. 8753) to amend the Federal Property and Administrative Services Act of 1949, as amended.

House Resolution 586 provides for an open rule, waiving points of order with 1 hour of general debate on the bill itself.

Mr. Speaker, this bill has five principal objectives which I think merit the thoughtful consideration of the Congress. First this bill would authorize the Administrator of General Services, subject to regulations by the President, to establish and operate motor vehicle pools and pools of equipment for lease or rent to Federal agencies. The second objective outlined in the bill would be to authorize the Civil Service Commission to issue

regulations to govern Federal agencies in authorizing personnel to operate Government-owned motor vehicles for official purposes.

H. R. 8753, if passed, Mr. Speaker, would also direct the Administrator of General Services to report the unauthorized use or the illegal conversion of Government motor vehicles to the head of the agency concerned for investigation, disciplinary action or referral to the Attorney General, as the case may demand.

This bill, Mr. Speaker, would also authorize the head of the executive agency concerned to permit members of the uniformed services to secure transportation—bus, taxicab—on official business and be reimbursed for such expenses, and finally, Mr. Speaker, this bill would provide that whenever an agency is moved from a GSA-controlled location to another such GSA-controlled location only such furniture and furnishings shall be moved as cannot more economically and efficiently be made available at the new location.

Mr. Speaker, while it is true that the various agencies of our Government that would be affected by this bill were not on the whole favorably disposed toward the provisions contained therein, nevertheless I think this piece of legislation is basically sound.

At the hearing conducted before the Rules Committee on this bill it was brought out that substantial savings running into the millions of dollars have been effected wherever and whenever these general ideas have been put into practice.

The General Services Administrator hopes to save about $5 million annually through the establishing of 100 interagency motor pools in the large metropolitan areas of the United States, and this saving in itself makes H. R. 8753 a desirable bill.

Mr. Speaker, since H. R. 8753 is aimed at creating greater economy and efficiency in the operations of the Government I hope that the rule will be adopted by the House and that the bill will pass.

Mr. COLMER. Mr. Speaker, I have no requests for time on this side.

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. HOFFMAN of Michigan. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8753) to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to establish and operate motor vehicle pools and systems and to provide office furniture and furnishings when agencies are moved to new locations, to direct the Administrator to report the unauthorized use of Government motor vehicles, and to authorize the United States Civil Service Commission to regulate operators of Government-owned motor vehicles, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 8753, with Mr. GRAHAM in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. JONAS of North Carolina. Mr. Chairman, as was stated by the chairman of the Committee on Government Operations, a bill similar in purpose to this one was introduced in the 82d Congress by the gentleman from Ohio [Mr. BROWN]. That bill passed the House but failed of enactment in the Senate and, therefore, did not become law.

I became interested in the possibility of saving large sums of money by operating motor-vehicle pools in my service on the Independent Offices Subcommittee of the Committee on Appropriations. That subcommittee, as you know, handles the appropriations for forty-some-odd independent offices and agencies of the Government. I was amazed to learn that the Government owns and operates 260,000 commercial-type motor vehicles, exclusive of combat and tactical vehicles of the Armed Forces. This is a large fleet of motor vehicles, and it seemed to me to offer opportunities for economy through centralized or consolidated control and management.

I began making inquiries and learned that the distinguished gentleman from Ohio, Mr. CLARENCE BROWN, tried to do something about it in 1952. I discussed the subject with him and gained his permission to make another effort to enact some legislation on the subject, and the bill we have before us today is the result.

While this bill we have under consideration today, H. R. 8753, is similar in purpose to the Brown bill, it is quite different in detail. A number of agencies of the Government filed objections to the bill as originally introduced, and some of them undertook to have themselves excluded from its operation. Four or five separate hearings were conducted by the Committee on Government Operations, and witnesses appeared before that committee from the agencies seeking to have themselves excluded.

In an effort to meet the objections made by these agencies, the bill was revised a number of times, and the Committee on Government Operations adopted some amendments that were designed to remove as many of the objections as possible, yet maintain the bill's integrity. The bill now before us provides that before the General Services Administration can create and operate an interagency motor-vehicle pool, it must follow procedures established and laid down in advance by the President of the United States. The bill also provides that General Services Administration must set forth in writing an analytical justification for the establishment and operation of such pools, including a detailed comparison of estimated costs of present and proposed modes of operation, and a showing that savings can be realized, before putting a plan into effect.

The General Services Administration has proof that substantial savings can result from operating motor pools. It has proved that fact in its own operation here in the District of Columbia. By consolidating its motor-vehicle service and by taking full advantage of taxicabs, GSA has been able, through a reduced number of chauffeurs and vehicles, to show an annual saving in its operation right here in the District of Columbia alone amounting to approximately $70,000 per year.

The General Services Administration has been conducting a pilot motor-pool operation at the Federal Center in Denver, Colo. That is a consolidated interagency motor-pool operation. It provides motor vehicles and motor-vehicle service to the Federal agencies located in and operating out of the Denver Federal Center. This pilot operation has been in existence only about 6 months, but during that period there has been a net reduction in the inventory of Government-owned vehicles in the Denver Federal Center of 123 units. The savings will amount to $150,000 per year from this one operation.

If this bill becomes law, it is the plan of GSA to establish interagency motor pools in 15 of the metropolitan areas of the United States. If the experience in these areas prove that substantial economies can be made, the number of areas in which pools are created will be increased to 100. It is estimated by GSA, based upon its experience here in Washington in conducting its own pool, and upon its experience in Denver in operating an interagency pool, that an annual savings of $10 million is possible through reduction in the number of vehicles in use and from consolidated supervision, maintenance, and management. This seems to me worth saving for the taxpayers.

If you are surprised at the substantial savings claimed possible under this bill, let me remind you again that we are dealing with the largest motor-vehicle fleet in the world. Last year the 260,000 commercial-type motor vehicles owned by the Federal Government traveled nearly 2 billion miles. Operating and maintenance costs, including depreciation, amounts to $186 million per year. There would seem to be plenty of room for economy through efficient operation of such a large motor-vehicle fleet, and that is the purpose of this bill.

Another feature of the bill deals with furniture and furnishings. In the past, when GSA has been called upon to move an agency from one building to another, many of those in the agency being moved insisted upon taking their furniture with them. Individuals somehow seem to acquire an affinity for a desk, a typewriter, or a filing cabinet. It costs a lot of money for GSA to transfer furniture and furnishings about from one location to another. This bill would authorize GSA, when moving an agency from one location to another, to move only such furniture and furnishings as cannot more economically and efficiently be made available otherwise at the new location. While the saving involved in this authority will not even approximate that possible in the motor-pool operation,

GSA estimates that it will be substantial when all factors are considered.

Another provision of this bill is aimed at eliminating much of the unauthorized use of motor vehicles. Many people have been concerned over the unauthorized, and, in some cases even illegal, use of Government automobiles. A very important feature of this bill clothes GSA, which will operate the motor pools, with the authority to report unauthorized use of motor vehicles to the head of the agency in which the official or employee concerned is working so that disciplinary action may be taken against him or so that the case may be referred for prosecution under the criminal statute if that course seems justified.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield.

Mr. GROSS. I note in the bill the word "Administrator." This refers to whom?

Mr. JONAS of North Carolina. That refers to the Administrator of General Services.

Another feature of the bill provides that the Civil Service Commission shall issue regulations to govern executive agencies in authorizing personnel to operate Government-owned motor vehicles for official purposes. The head of each executive agency will issue the orders and directives that may be necessary to comply with such regulations and is instructed to take the necessary action to test the physical fitness of operators and prospective operators of motor vehicles. The purpose of this provision is to make reasonable assurance that persons who are authorized to operate Government-owned motor vehicles are fit to do so.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield.

Mr. BENDER. I should like to say that the presentation that was made by the gentleman from North Carolina [Mr. JONAS] to our committe was so clear that Members on both sides, Republican and Democratic, voted for this report. They voted unanimously for the report.

Mr. JONAS of North Carolina. I think the members of the Committee on Government Operations were aware of the tremendous savings possible under a bill of this kind. I was very pleased with the fact that the committee, without exception, agreed to report the bill out.

Mr. HAGEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield.

Mr. HAGEN of Minnesota. The present Administrator of the General Services Administration, Edmund F. Mansure, will administer this program, will he not?

Mr. JONAS of North Carolina. That is correct.

Mr. HAGEN of Minnesota. He has done a noble job, a great job in the initial efforts that he has made to cut down on the use of funds.

Mr. JONAS of North Carolina. He has certainly shown in the short time that he has occupied that position that he really knows how to bring about economy.

Mr. RIEHLMAN. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield.

Mr. RIEHLMAN. I ask the gentleman to yield in order to commend him for the fine work that he has done on this proposed legislation, particularly in presenting it to the Committee on Government Operations. I am in favor of this legislation and will certainly support it. I feel it is worthy and that the provisions that the author of the bill was so careful to see were written into the bill I am sure will accomplish the end we all desire; that is, greater economy in the use of motor vehicles in the various departments of the Government.

Mr. JONAS of North Carolina. I thank the gentleman.

Mr. DAWSON of Illinois. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. CONDON].

Mr. CONDON. Mr. Chairman, as the report indicates, this bill came up out of our committee by a unanimous vote with members of both sides of the committee voting for the bill. It was a bill on which we had extensive hearings in our committee. The bill was amended several times during the course of the hearings. I think the objections which were originally raised by some of the departments have now been ironed out, and the bill is now one which we are united in suggesting be adopted by the Committee and later by the House. I might point out the original Federal Property Administrative Services Act, which was passed in the 81st Congress, was a step toward placing the Government control of its property on a more business-like basis. We think this bill will implement that act and make possible some saving in the use of motor vehicles and some savings in purchases and transfer of furniture, as the various Government agencies move. I want to join my other colleagues in urging the Committee to adopt this bill.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. LIPSCOMB].

Mr. LIPSCOMB. Mr. Chairman, the management and operation of a Federal motor vehicle fleet is one of the best fields in Government for obtaining desirable improvements, increased economies, and improved efficiencies. H. R. 8753 will provide authority for the coordinated and cooperative action of the Federal agencies concerned and will enable the Government to establish a number of interagency motor pools throughout the country, resulting in a large savings—it is estimated a savings of approximately $5 million annually. The establishment of the Federal interagency consolidated motor vehicle pools in areas of high Government vehicle density throughout the country is the first step in obtaining the ultimate economies which are available from improving the Government's motor vehicle management. The advantages of establishing these interagency motor pools for all the executive agencies would be to—

First. Increase utilization of motor vehicles with the corresponding reduction of motor vehicles required.

Second. Reduce personnel now required for maintaining duplicating motor vehicle maintenance and management facilities by the Federal agencies.

Third. Increase use of available commercial facilities either as a supplement to existing fleets or as replacements, whichever is cheaper to the Government.

Fourth. Establish the control and responsibility of the motor pools under the supervision of trained technicians, skilled in the science of motor transport and capable of securing the utmost efficiency with the greatest degree of economy.

Fifth. Adoption of commercial and proven methods and procedures of motor pool fleet management, which will reduce cost of operation and maintenance.

Sixth. Increase utilization of motor vehicles by all Federal agencies.

Seventh. Establish a uniform policy for the supervision of motor pools and similar ground rules for the operation of all Federal motor vehicles.

Eighth. Reduce or eliminate unnecessary or unjustified, or possible illegal use of Government-owned motor vehicles.

Under fleet operations, it would be the policy to operate from pools to the extent feasible, but to maintain systems flexible enough to make automotive assignments by various methods as required to permit Federal agencies to most effectively perform their jobs. It is not the contention of the General Services Administration that a motor pool system is workable on all occasions. Extensive study has been made by GSA in support of its contention that motor pools are feasible in approximately 100 cities of the United States, which are areas of high vehicle density, such as New York City, San Francisco, Washington, D. C., Chicago, Philadelphia, and Honolulu. A trial run of motor vehicle pools has been in operation in Denver, Colo., for several years, resulting in an annual net savings of approximately $160,000.

Another advantage which results from pool operation where adequate maintenance facilities are available, is that operating costs can be cut by periodic inspections of all vehicles with necessary minor repairs and adjustments made as they are indicated. This preventive maintenance can be an important factor in keeping all operating costs to the minimum. It should be emphasized that ownership of vehicles by central automotive pool and responsibility on the part of the pool for maintenance of the vehicles in no way affects the use of these vehicles in meeting agency needs.

The very essence of the proposal for central pool operation is the principle that greater utilization of a given fleet can be achieved by a single larger pool than by a series of smaller pools, or by individual assignment. The result is that through pool operation the same work can be performed by fewer motor vehicles and a consequent saving to the Government. This principle is followed in private industry, where, of necessity, great emphasis is placed on productivity of the labor force.

H. R. 8753 will permit the Government to develop adequate fleet management practices for the better than 260,000 commercial type vehicles in the United States

and its Territories and will produce substantial economies and improved efficiency and act as a deterrent to misuse of Government vehicles.

Mr. PHILLIPS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PHILLIPS. Mr. Chairman, I rise in support of H. R. 8753, by the distinguished gentleman from North Carolina [Mr. JONAS]. I think it should be said at the start that this matter was discussed in the Committee on Appropriations, and particularly in the Subcommittee on Independent Offices, and that we are convinced that the adoption of this idea will increase efficiency and bring about savings. A similar pool, conducted as an experiment in Colorado, showed a saving of better than $100,000 in the time it was conducted. This broader program, authorized in the bill, could result in savings of better than $5 million a year.

As a matter of fact, Mr. Chairman, our subcommittee seriously considered putting this idea into effect by means of a limitation, written into the independent offices appropriation bill for fiscal year 1955. We decided against that because of the details which the author felt should be included in such a measure, as shown by the wording of the bill before us, and because we were assured that the bill introduced by the gentleman from North Carolina would have a hearing, and action, at the earliest possible moment. We were very glad to cooperate with the Committee on Government Operations, and the bill is now before us.

We do not have to go to Colorado to see the advisability of authorizing the General Services Administration to set up vehicle pools. You can count the cars around the Capitol, standing there, waiting for minor officials of the departments or the agencies, to come out from hearings or conferences. You can check similar stands downtown. You can watch these same minor officials and employees, who for years drove their own cars to work, stroll out of the Mayflower or the Sheraton Park or various other hotels and apartments, and step into a waiting Government car, with a deferential driver. You can stand in front of the House Office Buildings and watch the Government buses drive by. They are large buses. Rarely do they have more than 2 or 3 passengers, sometimes they are empty. The pool idea need only be applied to the District of Columbia, to effect material savings. Yet the situation is repeated, to some degree, in other cities. We gave the job of bringing about efficiency and economy, in the operation of Government vehicles, to the General Services Administration. This bill, in effect, only repeats our previous intentions.

The best examples of the need for pooled transportation or truck use, can be found in agencies which have trucks or specialized vehicles and which use them so infrequently that they stand idle more time than they are in use. All in all, Mr. Chairman, nothing but good can come from this measure and I hope it passes with a large vote.

It is a particular pleasure to me, Mr. Speaker, to support a bill authored by the gentleman from North Carolina, who is a hard-working and able member of the subcommittee of which I am the chairman. It is unusual for a new Member to see one of his bills, of such importance and inherent value to the Government, passed in his first term. But then it was unusual for him to be on the Committee on Appropriations in his first year in the Congress. He was given that committee assignment on the basis of his record in his own State, and he has more than lived up to all expectations. With the gentleman from New Hampshire announced as a candidate for election to the other body, the gentleman from North Carolina becomes, next January, the ranking Republican on this subcommittee, handling the appropriations for more than 40 agencies, which include not only the housekeeping agencies of our Government but such important agencies as the Atomic Energy Commission, the Veterans' Administration, the National Advisory Committee on Aeronautics, the TVA, and many others. The State of North Carolina can well be as proud of Mr. JONAS' record in this Congress as we on the committee are proud to work with him.

Mr. HOFFMAN of Michigan. Mr. Chairman, there are no further requests for time.

The CHAIRMAN. There being no further requests for time the Clerk will read.

Mr. HOFFMAN of Michigan. Mr. Chairman, I ask unanimous consent that the bill be considered as read, be printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

(The bill reads as follows:)

Be it enacted, etc., That section 211 of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, is amended by inserting, after the section number "211", the subsection designation "(a)", and adding at the end of said section the following new subsections:

"(b) The Administrator shall, in respect of executive agencies, and to the extent that he determines that so doing is advantageous to the Government in terms of economy, efficiency, or service, after consultation with and with due regard to the program activities of the agencies concerned, (1) consolidate, take over, acquire, or arrange for the operation by any executive agency of, motor vehicles and other related equipment and supplies for the purpose of establishing motor vehicle pools and systems to serve the needs of executive agencies; and (2) provide for the establishment, maintenance, and operation (including servicing and storage) of motor vehicle pools or systems for transportation of property or passengers, and for furnishing such motor vehicle and related services to executive agencies. Such motor vehicle services may be furnished, as determined by the Administrator, through the use, under rental or other arrangements, of motor vehicles of private fleet operators, taxicab companies, local or interstate common carriers, or Government-owned motor vehicles, or combinations thereof. The Administrator shall have authority from time to time, either on his own initiative, or upon application by any executive agency or agencies, to exempt any executive agency or any activity or type of property from action taken under this subsection, whenever such exemption is necessary for the efficient conduct of the activities of the agency concerned due to its use of motor vehicles in (i) remote locations; (ii) field activities requiring continuous operation; (iii) security, law enforcement, and investigative activities; and (iv) military field training and tactical uses. The Administrator shall, so far as practicable, provide any of the services specified in this subsection to any Federal agency, mixed ownership corporation (as defined in the Government Corporation Control Act), or the District of Columbia, upon its request.

"(c) The General Supply Fund provided for in section 109 shall be available for use by or under the direction and control of the Administrator for paying all elements of cost (including the purchase or rental price of motor vehicles and other related equipment and supplies) incident to the establishment, maintenance, and operation (including servicing and storage) of motor vehicle pools or systems for transportation of property or passengers, and to the furnishing of such motor vehicles and equipment and related services pursuant to subsection (b). Payments by requisitioning agencies so served shall be at prices fixed by the Administrator at levels which will recover so far as practicable all such elements of cost: *Provided*, That the purchase price of motor vehicles and other equipment specified in this subsection shall be recovered only through charge for the cost of amortization: *And provided further*, That such costs shall be determined in accordance with the accrual accounting method and financial reports shall be prepared on the basis of such accounting. Payments to the General Supply Fund for motor vehicle pools or systems services shall be accounted for as other contractual services.

"(d) Any determination made by the Administrator pursuant to subsection (b) shall set forth in writing an analytical justification for the establishment, maintenance, and operation of each such motor vehicle pool and system. Such justification shall include a detailed comparison of estimated costs of present and proposed modes of operation, and a showing that savings can be realized by the establishment, maintenance, and operation of such pool or system.

"(e) Whenever any such motor vehicle pool or system has been established pursuant to subsection (b), the Administrator shall maintain accurate records of the cost of its establishment, maintenance, and operation. If, in any two successive fiscal years, no actual savings are realized on the basis of the accounting for costs provided in subsection (c) the Administrator shall discontinue such motor vehicle pool or system, and shall return to the agency or agencies involved motor vehicles and related equipment and supplies similar in kind and of a value reasonably comparable to the value of the motor vehicles and related equipment and supplies theretofore received by the Administrator from such agency or agencies.

"(f) Whenever the Administrator takes over pursuant to subsection (b) any motor vehicle or other related equipment or supplies from any Government corporation, or from any other agency if such vehicle, equipment or supplies have been acquired by such agency through expenditures made from, and not theretofore reimbursed to, any revolving or trust fund authorized by law, the Administrator shall reimburse such corporation or fund by an amount equal to the fair market value of the vehicle, equipment or supplies so taken over. If thereafter, pursuant to subsection (e), the Administrator returns to such corporation or agency any motor vehicle, equipment or supplies, the

Administrator shall be reimbursed by the payment to him, by such corporation or from such fund, of an amount equal to the fair market value of the vehicle, equipment or supplies so returned.

"(g) When reimbursement is not required under subsection (f), the value, as determined by the Administrator, of any motor vehicle or other related equipment or supplies taken over under authority of subsection (b) may be added to the capital of the General Supply Fund, and in the event that property similar in kind is subsequently returned pursuant to subsection (e), the value thereof may be deducted from the General Supply Fund.

"(h) The Administrator, in the operation of motor vehicle pools or systems, may make provision for the furnishing, sale, and use of script, tokens, tickets, and similar devices for the making of payment to using agencies for services rendered by the Administrator in the transportation of property or passengers.

"(i) The United States Civil Service Commission shall issue regulations to govern executive agencies in authorizing personnel to operate Government-owned motor vehicles for official purposes within the continental United States, its Territories, and possessions. Such regulations shall prescribe standards of physical fitness for authorized operators and shall require operators and prospective operators to obtain such State and local licenses or permits as would be required for the operation by them of similar vehicles for other than official purposes. The head of each executive agency shall issue such orders and directives as may be necessary to comply with such reguations and shall make appropriate provision therein for periodically testing the physical fitness of operators and prospective operators and for the suspension and revocation of authorizations to operate.

"(j) Whenever, during the regular course of his duties, there shall come to the knowledge of the Administrator any violation of the provisions of section 5 of the act of July 16, 1914, as amended (5 U. S. C. 78), or of section 641 of the Criminal Code (18 U. S. C. 641) involving the conversion by a Government official or employee of a Government-owned or leased motor vehicle to his own use or the use of others, the Administrator shall report such violation to the head of the agency in which the official or employee concerned is employed, for further investigation and either appropriate disciplinary action under such section 5 or, where appropriate, referral to the Attorney General for prosecution under such section 641.

"(k) Members of the uniformed services (as defined in the Career Compensation Act of 1949, as amended) may be directed by appropriate regulation of the head of the executive agency in which they are serving to secure transportation necessary in conducting official Government business within the limits of their duty stations. Expenses so incurred by such members for train, bus, streetcar, taxicab, ferry, bridge, and similar fares and tolls, or for use of privately owned vehicles at a fixed rate per mile, shall be defrayed by the agency in which they are serving, or the personnel so directed shall be reimbursed for such expenses."

SEC. 2. Section 10 of such act, as amended, is amended by adding at the end thereof the following new subsection:

"(g) Whenever an agency, or an organizational unit thereof, occupying a substantial and identifiable segment of space (building, floor, wing, etc.) in a location controlled for purposes of assignment of space by the Administrator, is moved to such a substantial and identifiable segment of space in the same or another location so controlled by the Administrator, furniture, furnishings, and office equipment used by the moving agency or unit shall be moved only if the Administrator, after consultation with the head of the agency concerned, and with due regard for the program activities of such agency, shall determine that suitable replacements cannot more economically and efficiently be made available in the new space. In the absence of such determination, suitable furniture, furnishings, and office equipment for the new space shall be provided, as the Administrator shall determine to be more economical and efficient, (1) from stocks under the control of the moving agency or (2) from stocks available to the Administrator, but the same or similar items shall not be provided from both sources. When furniture, furnishings, and office equipment are provided for the new space from stocks available to the Administrator, the items so provided shall remain in the control of the Administrator, and the furniture, furnishings, and office equipment previously used by the moving agency or unit and not moved to the new space shall pass to the control of the Administrator without reimbursement. When furniture, furnishings, and office equipment not so moved are carried as assets of a revolving or working capital fund at the time they pass to the control of the Administrator, the net book value thereof shall be written off and the capital of the fund diminished by the amounts of such writeoff."

SEC. 3. Such act, as amended, is further amended by—

(a) Inserting in the caption for section 211 in the table of contents to such act, immediately before the period at the end thereof, the words "and operation."

(b) Inserting at the end of the caption to the text of section 211 of such act the words "and operation."

(c) Inserting at the end of section 3 thereof the following new subsection:

"(c) The term 'motor vehicle' means any vehicle, self-propelled or drawn by mechanical power, designed and operated principally for highway transportation of property or passengers, exclusive of any vehicle designed and used for military field training, combat, or tactical purposes, or used principally within the confines of a regularly established military post, camp, or depot."

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 1, strike lines 3 through 5.

Page 2, strike lines 1 and 2.

Page 2, after line 2, insert "That section 2 of the Federal Property and Administrative Services Act of 1949 (63 Stat. 378) is amended by adding after the comma following the words 'traffic management' the following: 'establishment of pools or systems for transportation of Government personnel and property by motor vehicle within specific areas'.

"SEC. 2. Section 211 of the Federal Property and Administrative Services Act of 1949, as added by the act of September 5, 1950 (64 Stat. 583), is amended to read as follows:

"'(a) In order to carry out the policy, expressed in section 2 of this act, to provide for an economical and efficient system for transportation of Government personnel and property, it is further intended by the Congress in enacting this section to (1) provide for the proper identification of Government motor vehicles; (2) establish effective means of limiting their use to official governmental purposes; (3) reduce the number of Government-owned vehicles to the minimum necessary for transaction of the public business; (4) provide wherever practicable for centrally operated interagency pools or systems for local transportation of Government personnel and property; and (5) establish procedures to insure safe operation of motor vehicles on Government business'."

Mr. LIPSCOMB. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. LIPSCOMB: On page 2, line 9, strike the word "section" and insert in lieu thereof "the text of section."

The amendment to the amendment was agreed to.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the other committee amendments.

The Clerk read as follows:

Page 3, line 3, after "(b)", strike "The Administrator shall," and insert "Subject to regulations issued by the President pursuant to subsection (c), the Administrator shall."

Page 3, strike lines 23 and 24.

Page 4, strike lines 1 through 8.

Page 4, after line 13, insert new section "(c)", as follows:

"(c) The President shall, within 90 days after the effective date of this section, issue regulations under this section to establish procedures for the taking effect of determinations made by the Administrator pursuant to subsection (b). Such regulations shall provide for adequate notice to executive agencies of any determinations affecting them or their functions; for independent review and decision as directed by the President of any determination not mutually agreed upon between the Administrator and the agency concerned, including exemption of any agency, in whole or in part, from any determination; and for enforcement of determinations becoming effective under such regulations. No determination made pursuant to subsection (b) shall be binding upon any agency except as provided in such regulations."

Page 5, line 4, strike "(c)" and insert in lieu "(d)."

Page 6, line 1, strike "(d)" and insert in lieu "(e)."

Page 6, line 9, strike "(e)" and insert in lieu "(f)."

Page 6, line 12, after the word "If," strike "in any" and insert "during any reasonable period, not exceeding."

Page 6, line 15, after the word "subsection", strike "(c)" and insert in lieu "(d)."

Page 6, line 23, strike "(f)" and insert in lieu "(g)."

Page 7, line 7, strike "(e)" and insert in lieu "(f)."

Page 7, line 14, strike "(g)" and insert in lieu "(h)."

Page 7, line 15, after the word "subsection", strike "(f)" and insert in lieu "(g)."

Page 7, line 20, after the word "subsection", strike "(e)", and insert in lieu "(f)."

Page 7, line 22, strike "h" and insert in lieu "(i)."

Page 8, line 3, strike "(i)" and insert in lieu "(j)."

Page 8, line 9, after the word "and", strike "shall" and insert "may."

Page 8, after line 17, insert new section "(k)", as follows:

"(k) Under regulations prescribed by the Administrator, every motor vehicle acquired and used for official purposes within the United States, its Territories, or possessions, by any Federal agency or the District of Columbia shall be conspicuously identified by showing thereon either (1) the full name of the department, establishment, corporation, or agency by which it is used and the service in which it is used, or (2) a title descriptive of the service in which it is used if such title readily identifies the department, establishment, corporation, or agency concerned, and the legend 'For official use only': *Provided*, That the regulations issued pursuant to this section may provide for exemptions from the requirement of this section when conspicuous identification would interfere with the purpose for which a vehicle is acquired and used."

Page 9, line 7, strike "(j)" and insert in lieu "(l)."

Page 9, line 11, after the word "of", strike "the Criminal Code (18 U. S. C. 641)" and insert in lieu thereof "title 18 of the United States Code."

Page 9, line 21, strike "(k)" and insert in lieu "(m)."

Page 10, line 8, after "SEC.", strike "2" and insert in lieu "3."

Page 10, line 8, after the word "Section", strike "10" and insert in lieu "210."

Page 10, line 17, after the word "furniture", strike the comma and insert in lieu "and."

Page 10, line 17, after the word "furnishings", strike ", and office equipment."

Page 10, line 24, after the word "furniture", strike the comma and insert in lieu "and."

Page 10, line 24, after the word "furnishings", strike ", and office equipment."

Page 11, line 5, after the word "furniture", strike the comma and insert in lieu "and."

Page 11, line 5, after the word "furnishings", strike ", and office equipment."

Page 11, line 8, after the word "furniture", strike the comma and insert in lieu "and."

Page 11, line 9, after the word "furnishings", strike ", and office equipment."

Page 11, line 12, after the word "furniture", strike the comma and insert in lieu "and."

Page 11, line 12, after the word "furnishings", strike ", and."

Page 11, lines 12 and 13, strike the first 2 words "office equipment."

Page 11, line 18, after the word "SEC.", strike "3" and insert in lieu "4."

Page 12, line 3, strike "(e)" and insert in lieu "(l)."

The amendments were agreed to.

Mr. LIPSCOMB. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LIPSCOMB: Page 11, line 17, preceding the quotation marks, insert "when furniture or furnishings which have been purchased from trust funds pass to the control of the Administrator pursuant to this subsection, reimbursement shall be made by the Administrator for the fair market value of such furniture and furnishings."

The amendment was agreed to.

Mr. LIPSCOMB. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LIPSCOMB: Page 12, line 9, insert a new section:

"SEC. 5. Section 474 of title 14 of the United States Code and the proviso of section 204 of the act of July 31, 1953, 67 Stat. 257, are hereby repealed."

Mr. LIPSCOMB. Mr. Chairman, this amendment is just to remove any doubt because the present statute includes this in another place. This is to place it all at one point.

Mr. CONDON. Mr. Chairman, will the gentleman yield?

Mr. LIPSCOMB. I yield to the gentleman from California.

Mr. CONDON. The first amendment that was offered, is that the one to take care of the situation that the witnesses for the Railroad Retirement Board testified about?

Mr. LIPSCOMB. Yes. The bill did not state anything on that, so we put it in to clarify the situation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. LIPSCOMB].

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GRAHAM, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 8753) to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to establish and operate motor-vehicle pools and systems and to provide office furniture and furnishings when agencies are moved to new locations, to direct the Administrator to report the unauthorized use of Government motor vehicles, and to authorize the United States Civil Service Commission to regulate operators of Government-owned motor vehicles, and for other purposes, pursuant to House Resolution 586, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ENCOURAGING THE DISTRIBUTION OF FISHERY PRODUCTS

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2802) to further encourage the distribution of fishery products, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act of August 11, 1939 (53 Stat. 1411), is hereby amended to read as follows:

"SEC. 2. (a) The Secretary of Agriculture shall transfer to the Secretary of the Interior each fiscal year, beginning with the fiscal year commencing July 1, 1954, and ending on June 30, 1957, from moneys made available to carry out the provisions of section 32 of such act of August 24, 1935, an amount equal to 30 percent of the gross receipts from duties collected under the customs laws on fishery products (including fish, shellfish, mollusks, crustacea, aquatic plants and animals, and any products thereof, including processed and manufactured products), which shall be maintained in a separate fund and used by the Secretary of the Interior (1) to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service and fishery technological, biological, and related research programs, the moneys so transferred to be also available for the purchase or other acquisition, construction, equipment, operation, and maintenance of vessels or other facilities necessary for conducting research as provided for in this section, and (2) to develop and increase markets for fishery products of domestic origin and (3) to conduct any biological, technological, or other research pertaining to American fisheries.

"(b) For the purposes of this section, any agency of the United States, or any corporation wholly owned by the United States, is authorized to transfer, without reimbursement or transfer of funds, any vessels or equipment excess to its needs required by the Secretary of the Interior for the activities, studies, and research authorized herein.

"(c) In carrying out the purposes and objectives of this section, the Secretary of the Interior is directed as far as practicable to cooperate with other appropriate agencies of the Federal Government, with State or local governmental agencies, private agencies, organizations, or individuals, having jurisdiction over or an interest in fish or fishery commodities and he is authorized to appoint an advisory committee of the American fisheries industry to advise him in the formulation of policy, rules and regulations pertaining to requests for assistance, and other matters.

"(d) The Secretary of the Interior is further authorized to retransfer any of the funds not to exceed $1,500,000 to be made available under this section to the Secretary of Agriculture to be used for the purposes specified in section 1 of this act, and only such funds as are thus transferred shall be used for the purposes specified in section 1 of this act with respect to domestically produced fishery products.

"(e) The separate fund created for the use of the Secretary of the Interior under section 2 (a) of this act and the annual accruals thereto shall be available until expended, except (1) that not more than $3 million be spent in any fiscal year and (2) that the balance of the fund shall not exceed $5 million at the end of any fiscal year, and the Secretary of the Interior shall retransfer the funds in excess of said $5 million balance to the Secretary of Agriculture to be used for the purposes specified in section 32 of the act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended.

"(f) The Secretary of the Interior shall make a report to the appropriate committees of Congress annually on the use of the separate fund created under section 2 of this act."

Mr. McCORMACK. Mr. Speaker, I move to strike out the last word.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I am very glad to yield.

Mr. McDONOUGH. Mr. Speaker, I would like to say that the bill just passed was brought to the House by the gentleman from North Carolina [Mr. JONAS], and I think he should get full credit for the authorship of it. This bill will create considerable economy. The gentleman has given a lot of thought and attention to it. The gentleman from California, my colleague [Mr. LIPSCOMB], has also given much study and attention to this bill. I think the RECORD should show that they have both worked hard to perfect it.

Mr. McCORMACK. Might I say that the rapidity with which the bill went through shows how careful the bill was considered in committee, and it shows that the Committee on Government Operations, at least on this bill, is a very fine functioning committee.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. The gentleman will notice that in the consideration of the bill the gentleman from California [Mr. LIPSCOMB], and the gentleman from North Carolina [Mr. JONAS] handled the bill in its passage through the House.

Mr. McCORMACK. Yes.

Mr. HOFFMAN of Michigan. And very efficiently.

Mr. McCORMACK. Yes. My remarks, inferentially, were a compliment, in a sense, to the chairman.

I simply want to make the observation that the bill before the House now is a very excellent bill. I commend the Committee on Merchant Marine and Fisheries for reporting the bill out favorably, and I know it will bring about a lot of benefit to the fishing industry which badly needs favorable consideration, not only in this direction, but in many other directions that we might consider in the future.

Mr. BATES. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Massachusetts.

Mr. BATES. Mr. Speaker, I am strongly in favor of this bill, which is similar to H. R. 7641 which I introduced in the House and which was approved by the Merchant Marine and Fisheries Committee.

Specifically, the bill now under consideration would require the Secretary of Agriculture to transfer to the Secretary of the Interior each fiscal year, beginning with the fiscal year commencing July 1, 1954, and ending on June 30, 1957, from moneys made available to carry out the provisions of section 32 of such act of August 24, 1935, an amount equal to 30 percent of the gross receipts from duties collected under the customs laws on fishery products.

The moneys so transferred would be maintained in a separate fund and used by the Secretary of the Interior to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service and fishery technological, biological, and related research programs, and to develop and increase markets for fishery products of domestic origin.

The essence of this bill is not new. In 1939 a more encompassing measure in this regard became law. The purpose of this proposed legislation is to bring the 1939 act up to date and to make it more effective. The bill has already passed the Senate.

ACT OF 1939

The 1939 act authorizes the Secretary of Agriculture to use not more than $1,500,000 per year of section 32 funds to purchase and divert surplus fishery products for distribution through relief channels. It also permits him to transfer to the Secretary of the Interior $75,000 to conduct a fishery educational service and $100,000 to develop and increase markets for fishery products of domestic origin.

In practice, the authority to purchase surplus fishery products has never been used, although in recent years the funds for a fishery educational service and for market development have been regularly transferred.

Since enactment of the act of 1939, however, gross receipts from duties on fishery products have increased enormously. In 1940 the total amount was $4,772,428; by 1952 it had increased to $11,982,000, an increase of more than 250 percent.

It is clear that during a period when the domestic fishing industry has been increasingly in need of assistance in meeting competition from abroad, it has been making increasingly large indirect contributions for purposes unrelated to this need. The proposed bill is aimed at correcting this plainly unfair situation.

NEED OF LEGISLATION

The urgent need of this measure is self-evident.

In recent years, the fishing industry throughout the United States has become confronted with increasingly difficult problems. Nearby fishing grounds have become depleted and, as a result, the fisherman finds it necessary to travel four and five hundred miles before he can locate fish. A thousand-mile journey is not unusual, as a result of the constantly changing habits of fish and their habitats. The reasons for these changes are to a large degree unknown.

Fishing techniques are constantly changing and unless there is proper guidance and practical application, the fishermen face overwhelming handicaps in a market with a strong international competition.

Declining profits in some areas and sustained losses in others have made it impossible to secure capital to find the answer to problems which threaten the very existence of the industry.

IMPORT FIGURES

Imports have soared at a terrific pace in the past quarter century.

In 1939 imports represented only 9 percent of the domestic production of groundfish fillets.

In 1952, imports represented 81 percent.

In 1940, imports amounted to only 9 million pounds; in 1952, 107 million pounds. In all these years while imports increased 1,200 percent, our own production increased only 8 percent. Government aid, natural advantages, and lower standards of labor in foreign countries have mitigated against the domestic industry.

In 1941, imports represented only 7 percent of domestic consumption. In 1952, they represented 45 percent.

While our production of fish has increased only 8 percent in 13 years, the cold-storage holdings have increased 200 percent.

Because of low labor costs and other factors the average price ex-vessel for ocean perch at St. Johns was only 2 cents per pound while in Gloucester it was, at the same time, 3.93 cents per pound.

SCOPE OF MEASURE

The importance of the fishing industry to every man and woman in this Nation is very apparent. In peace and wartimes, it is invaluable.

Despite outside pressure and uncertainties of the moment, I am confident that the fishing industry, with proper guidance in the field of technological development, will make notable advances in the food market of our Nation. New ideas, new confidence and new fields will bring new investments and growth. The fishing industry, while old, is still young in technological development. The men who form a part of it have faced and overcome many obstacles of the past. They merely seek a guiding hand in very specialized fields of techniques and science.

In the field of biological and oceanographic research, the most urgent need is to explore the reasons for fluctuations in the supply of fish. Experts tell us that hope for overcoming this problem lies in research of ocean currents, changes in water temperature, availability of fish food, and other shifting conditions. With present knowledge, it is impossible to distinguish fluctuations in accessibility and to advise fishermen accordingly.

In the technological field, development could be undertaken of chemical tests for freshness of chilled and frozen fish and shellfish so as to provide means for control of quality. Study could be initiated of methods of freezing shrimp at sea in the Gulf of Mexico area to prevent spoilage. Methods might also be found of handling, freezing, and packaging southern oysters to broaden the market beyond the now purely local distribution of the fresh product.

To develop and increase markets for fishery products, much more data than is now available, would be helpful in determining the proper utilization of our salt-water and fresh-water fishery resources. Surveys could usefully be made of the distribution of fishery products in the larger cities in order to determine the changes in marketing since the advent of the frozen-package fish and shellfish products.

Among the educational projects beneficial to the industry which a lack of funds precludes at this time, is the development of new uses for underdeveloped and less popular species, both fresh water and salt water, so as to provide year-round employment and stabilize market prices for the fishermen, processors, marketers, and consumers of domestically produced fishery products. I could cite many other examples of projects which the proposed bill would make possible.

There should be no concern in agricultural areas that this bill will limit section 32 funds for their purposes. Under the Agricultural Act of 1949, the Department of Agriculture cannot accumulate funds in excess of $300 million. Last year it was necessary to return twenty-seven millions to the Treasury, which represents about 9 times the amount that will be diverted by this bill.

For many years, there has been a strong relationship in legislative matters between agriculture and fisheries. The act of 1939 and legislation during the war tied these industries together in certain respects. In certain circles, fishermen are, and properly so, called farmers of the sea. This legislation would give to the fishing industry much needed research to assure its existence.

Mr. FOGARTY. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Rhode Island.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. I am pleased, Mr. Speaker, that this matter is brought up. I think it is going to be a good thing for the fishing industry.

Mr. WILSON of California. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. WILSON of California. I wish to associate myself with the gentleman from Massachusetts [Mr. BATES] in regard to this bill and to assure you that I am wholeheartedly in favor of it.

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Speaker, I rise in support of the pending bill. To my mind there can be no question of the need for this legislation. It would permit a portion of the receipts from import duties on fishery products to be allocated to the Department of the Interior for the purpose of developing a program of research in the fishing industry. Fishing is an important industry in Rhode Island and one which has, unfortunately, been on the decline in recent years. We, in Rhode Island, are acutely aware of the problems of the fisherman and are disturbed by conditions in this industry resulting from the lack of a comprehensive research program.

The subject bill provides, not for an appropriation, but for a transfer of funds available. It should be pointed out that the fisherman is not looking for a subsidy or for price supports. He is only asking that 30 percent of the revenue from imported fishery products be allotted for exploring ways and means of harvesting and marketing more and better fishery products for the nutritional benefit of the entire Nation.

I have seen such excellent results attained by a sound program of medical research that I am enthusiastic about the possibilities inherent in an intelligent program of fishery research. However, the industry itself cannot embark on such a program without help. It is composed of many individuals and small companies which lack the resources necessary to carry on a coordinated research activity.

They need help and they are certainly entitled to at least a portion of the same type of help which is so freely given to the agricultural industry. While I feel that the amount of the proposed transfer of funds is not enough to do the job in an adequate and proper fashion, it is at least a start in the right direction and I earnestly hope that it is approved by this body.

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks in connection with this measure at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. CURTIS of Massachusetts. Mr. Speaker, I rise in support of this bill which was introduced by our distinguished senior Senator from Massachusetts, Hon. LEVERETT SALTONSTALL.

The fishing industry is one of great importance to the Commonwealth of Massachusetts, and Boston is an important center of that industry in addition to Gloucester and other places. Many constituents whom I represent in the Boston area are engaged in this industry, and have urged favorable action on this bill.

The fishing industry has had some hard going in recent years due partly to the huge increase of imported frozen fish. It has been said that some of those imports were stimulated through the use of mutual aid funds in a competing area.

However that may be, this bill offers an opportunity to take a constructive step in support of this industry. It gives badly needed support to research and other activities affecting it. Here is a wise and proper step that the Congress can take that does not involve large appropriations of money, and which will be of great aid to this important industry. It deserves enactment here and now with a tremendous vote in its favor.

Mr. WILSON of California. Mr. Speaker, I am supporting S. 2802 on behalf of the tuna-fishing industry on the Pacific coast. This bill gives long-overdue recognition to the position of the fisheries of the United States and their contribution to the economy of our Nation.

For the past several years, the fishing industry in my district has been in dire straits. The current condition stems from a combination of factors, such as the invasion of the domestic market by foreign fish products, the import of which has increased some 230 percent between 1940 and 1953. Coupled with these increased imports, we have suffered from an extension of capital facilities in the form of fishing vessels, largely due to the anticipated expansion of domestic markets without the infringement of the market by foreign producers.

Since the industry has been afforded little protection from imports, as evidenced by the large increase in such imports, it seems simple justice that a portion of whatever duties are collected under the inadequate tariff laws should be used to assist the industries which suffer from such imports.

The fishing industry is unable to conduct large-scale research or to develop new methods of conservation and production. The field is too vast and is beyond the control of the industry. Therefore, this evidence by Congress of an interest in the problems of the fishermen will be most welcome at this crucial period in their fight for existence.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADJOURNMENT OVER

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PROGRAM FOR NEXT WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, my purpose is to ask the distinguished majority leader if he can give us the program for next week.

Mr. HALLECK. Yes; I shall be glad to do that.

First, of all, Mr. Speaker, I would like to say that the other day a question was asked me as to whether or not we would be in session Friday, and at that time I said I thought we would. That was predicated upon the hope that possibly the Committee on Agriculture or the Committee on Foreign Affairs or the Committee on the Judiciary might be able to report this week so that we could take up some of those measures. However, that did not come to pass.

For the first of next week we can clean up the bills on which rules are outstanding. That is what we propose to do, still in the hope that late in the week or very early next week these other measures may come out for action.

On Monday, the Consent Calendar is in order, and it will be called.

Mr. McCORMACK. Will there be any suspensions on that day?

Mr. HALLECK. I know of no bills to be called under suspension. Then we hope to call up H. R. 5181 to amend the Virgin Islands Organic Act.

Mr. McCORMACK. Is that on Monday?

Mr. HALLECK. Yes. For Tuesday and the balance of the week we will call the Private Calendar first. That is by special arrangement because of the situation that prevailed heretofore. There are a large number of bills there for consideration. Following that H. R. 9143, to amend the Federal Reserve Act. That rule has already been adopted on that measure.

Then S. 119, the Markham Ferry project in Oklahoma, and

H. R. 4854, the Chief Joseph Dam project in Washington.

Then, if bills are reported and rules are reported, the following bills will be called up: The Mutual Security Act of 1954; the Agriculture Act; the Communist Control bill.

Any other program that might be possible of accomplishment will be announced under an arrangement with the minority so that they will know what to expect.

Of course, conference reports may be brought up at any time. It is hoped that we will have some conference reports on some of the appropriation bills for action next week.

Mr. McCORMACK. Can the gentleman give any information as to when the pay raise bill for postal employees may be brought up?

Mr. HALLECK. No, I cannot. As I understand it, that bill has just been reported. I do not know whether hearings have been held before the Rules Committee; I understand that they have

not. But when that might be reached I cannot say.

Mr. McCORMACK. Could the gentleman project his thinking into next week and advise if there is any possibility of that bill being brought up next week?

Mr. HALLECK. I had not scheduled it because I do not know. I doubt that it will come up next week.

ANNIVERSARY OF WORKERS' REBELLION IN EAST BERLIN

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, this is the first anniversary of the workers' rebellion in East Berlin. June 17, 1953, was the day upon which unarmed workers, outraged by the occupation by the Red army and its Communist East German puppet government of East Berlin, stood against tanks and the vaunted might of the Red army and expressed their disapproval of the Red regime. A regime that is not only a domestic tyranny for East Germany but also is preventing the unification of all Germany and thus hindering Germany in doing its full part in returning to the comradeship of nations as a unified nation and to help the rest of the free world attain peace and economic well being.

Two things, I think, need to be called to the attention of our country and the whole world. First, that men have not lost their courage and their heart, and that men who are outraged by this Red tyranny as these East German workers were—this Red tyranny like Hitler's tyranny, and barbarous tyrannies—have always found men brave enough to stand up and protest against them. There is courage and there is bravery and there is a sense of outrage among the captives of the Kremlin behind the Iron Curtain. The first thing, then, we must remember is that these men of East Germany thought enough of their individual and human rights to stand up with bare hands against tanks and arms even of the most modern kind.

Some East German workers, as you know, were shot as a result of the workers' rebellion of June 17, 1953; they are truly martyrs for freedom which will yet prevail everywhere. We saw the workers' rebellion in East Berlin through movies and television and news reports because of its proximity but we did not see the workers' rebellions in Czechoslovakia, Poland, and other places where they were reputed to take place. The information seems to be reliable that they did take place. Hence, let us draw from this the strength of feeling that it is possible to pull down the Iron Curtain and that given a suitable policy and implementation it can be defeated from within, that this is possible and practical. When American policy has liberation of the peoples behind the Iron Curtain as its objective it is not moongazing or dreaming.

Secondly and very importantly, we hear so many rosy statements about the paradise which the Soviet Union is creating. At the very least, all can see that when men stood up against tanks as these workers did in East Berlin this is not only no paradise to them but they preferred death to what they are enduring under the Soviet masters. The Soviets pretend their system is not good for capitalists, or owners of stock and bonds, that their system is good for workers, but when workers do what they did in East Berlin, it should demonstrate convincingly to the whole free world that these Soviet rulers and their Communist puppets are imperialists, colonialists, occupiers, and conquerors, just like barbaric despots and totalitarians who have preceded them in history, that they are no different, that they are just to be lumped with the Hitler nazism of which they pretend to be such enemies.

Mr. JOHNSON of California. Mr. Speaker, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. JOHNSON of California. I compliment the gentleman on making this talk. What you are discussing should be proof to everyone that there are men in the world who believe in freedom and who will risk their lives for freedom. This was a demonstration that proves that exactly. Also, I think the demonstration in Berlin is typical of what is going on in the minds of other people in Europe who are behind the Iron Curtain. Some day, perhaps, they can gain their freedom. It is a sad thing that men who want freedom and who believed in the right of human beings as against the domination of the government cannot have freedom. I hope and pray that what those men showed in the way of courage, we can accomplish by negotiation in the future.

Mr. JAVITS. And also that the peoples who seek freedom and are now Communist captives may be encouraged by the buildup of our military strength and the economic strength of the free world and its moral strength.

May I, as a special memorial to these workers who fought against the Communists in East Berlin on June 17, 1953, call the attention of the House to the barbaric outrage, of the kidnappings from West Berlin by the Soviet Communist regime in East Berlin. May I call your attention for example to the barbaric character of the kidnaping by the Soviet regime in East Berlin verified by our State Department of Dr. Trushnovich, a stateless person of Slovene origin who came to Berlin in 1950 with American assistance and established a relief organization for Russian orthodox refugees to provide assistance to the refugees from communism and who was kidnapped out of West Berlin by the Soviet agents on April 13, 1954. Now how immoral and how uncivilized and how barbaric can a Red regime be and this shows just how barbaric it can be. It shows what we are fighting against in the Soviet Communist idea. I hope, as we debate policy here, we realize that only the united strength, fully integrated of the whole free world and its aroused moral strength will win this struggle which we know we can win with the sentiment demonstrated by these East Berlin workers who defied the Red army behind the Iron Curtain.

BACK ON THE RAILS — FROM TRUMAN TO EISENHOWER

Mr. WAINWRIGHT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WAINWRIGHT. Mr. Speaker, it is with great pride that I call to the attention of our colleagues the editorial in today's New York Times. With pepper thrown in our political eyes through unwarranted diversion, it is reassuring to see presented this six-point appraisal which has put the country "back on the rails."

A return to economic sanity has been long overdue. This intelligent review summarizes the administration's success in a manner which is unbiased and completely fair.

BACK ON THE RAILS—FROM TRUMAN TO EISENHOWER

When the Nation voted Mr. Eisenhower into the White House in 1952 it did so, in part at least, because it saw in him a man who had not only a coherent economic philosophy but a philosophy that stressed traditional American values and traditional American institutions. We believe that what the country has further learned since January 1953 is that behind this economic philosophy lay deep personal convictions and a determination to see that insofar as it was possible to do so it was translated into an effective legislative program.

What were the key points in that economic philosophy? They were (1) a return to the free price system; (2) the establishment of an "honest dollar," (a dollar "which would have the same purchasing power today that it had a year ago, and the same a year hence as it has today"); (3) the restoration of sound fiscal policies in all three major areas covered by that term—the budget, taxation, and management of the Federal debt, and (4) a foreign economic policy which would rest primarily on "trade not aid."

This seems to us to be an appropriate time at which to summarize the progress that has been made toward the achievement of these objectives.

I. PRICE-WAGE CONTROLS

Mr. Eisenhower throughout his election campaign repeatedly stressed the idea of a free-price economy. As he put it on one occasion: "The great strength of our democracy has developed in an atmosphere of freedom. The character of our people resists artificial controls."

If anyone assumed that this pasage was merely an ear-pleasing platitude he was in for an early disillusionment. For months the decontrol of wages and prices had been a recurrent subject of debate in Washington, and each time the stabilization authorities had warned of the dire consequences that could be expected to result from such a reckless course. President Eisenhower, however, was unimpressed by such prophecies. On February 6, only 4 days after he had delivered his first state of the Union message, he announced that he was terminating wage and salary controls, as well as those on many consumer goods, as of that date. By March 17 the last package of items had been decellinged. For the first time since January

26, 1951, the United States found itself in a free-price economy.

And what of the gloomy warnings of the Price Administration and those other timid souls who lacked the confidence of the President in the free market? The best answer to that question is provided in the Bureau of Labor statistics index of consumer prices. In mid-March 1953, this index stood at 113.6. The latest figure, that for April 1954, is 114.6, a rise of less than nine-tenths of 1 percent.

The psychological effect of this swift and decisive action by the President was incalculable. It not only put an end to much of the prevailing economic hypochondria, but it served notice that the President was prepared to face up to an overall task on the economic front.

II. DEFENSE FOR THE DOLLAR

It is necessary, of course, to distinguish between a policy of permitting prices to move freely with reference to one another (which was the purpose of removing direct controls) and a policy of permitting a general inflation of the whole price structure.

It was the possibility of such a general inflation of prices that the President had in mind when he spoke of "defending the purchasing power of the dollar." Providing the first line of that defense is the combined function of monetary, budget and tax policy. The first two of these weapons were out of action under the Truman administration, the first because of its commitment to cheap money; the second because of failure to pursue an aggressively anti-inflationary budget policy. It was necessary, therefore, to rely entirely on taxation, not merely in a futile effort to balance the budget, but as a substitute for a genuine all-out policy.

One of the first steps taken by President Eisenhower after his election was to translate what was then little more than an armed truce between the Treasury and the Federal Reserve into a real peace by appointing to key Treasury posts men who clearly understood that to permit a nation's exchequer to dominate its monetary policies was to subject the national currency to the gravest peril.

III. FISCAL POLICY: THE BUDGET

One problem confronting the incoming administration recalled, more than any other, perhaps, Sir Winston Churchill's comment on the situation in Britain in 1951 that "we took over the economy when it was like an express train out of control on the wrong track." That was the problem of the budget.

Every so often one hears the charge made that President Eisenhower has failed to make good on his promise to balance the budget. To put the record straight it should be pointed out that this is a highly elliptical version of the policy to which Mr. Eisenhower committed himself in his preelection campaign. The closest he came to anything that could be called a timetable for putting that policy into effect was in a speech at Peoria. "My goal," said he on that occasion, "is to cut Federal spending to something like $60 billion within 4 years." This would mean June 30, 1957, a date that is still more than 3 years off.

The first opportunity the new administration had to make a beginning in its policy of budgetary reform came with the submission of the budget estimate for 1953–54 by President Truman in January 1953. This budget called originally for receipts of $68.7 billion, a figure virtually identical with that for 1951–52, the largest in history, either in peace or war. Expenditures were estimated at $78.6 billion, a total never exceeded previously, except during World War II. The indicated deficit was $9.9 billion, another peacetime record figure.

Bringing such a budget under control would have been a formidable undertaking under the most auspicious circumstances, but circumstances were anything but auspicious. There were at least two factors that compounded the difficulty of the task. In the first place, the situation was one which indicated a further increase in expenditures at the very time the emergency taxes enacted after the outset of hostilities in Korea were scheduled, 1 by 1, to expire. In the second place, the problem of cutting expenditures was complicated by the existence of what has been referred to as an $80 billion hangover. In other words, there were $80 billion that had not yet been spent, but whose expenditure Congress had already authorized. Nevertheless, present evidence indicates that the year end will reveal a deficit in the administrative budget of not more than $3.5 billion to $4 billion and that the cash deficit will probably be less than $1 billion.

IV. DEBT MANAGEMENT

The inflationary potentialities of the public debt and its vulnerability to sudden changes in the economic climate depend principally on two characteristics—its size and its composition.

The debt which the Eisenhower administration inherited from its predecessor totaled roughly $267.2 billion, to which several billions more would have to be added to cover the period required for bringing the budget under control. The fantastic rise in the debt from midway between World War I and World War II, when it stood at $16 billion, to 1947, when it totaled $252 billion, was predominantly a war phenomenon. But the fact that the debt continued to rise in the face of steadily mounting tax revenues must be attributed in the main to the loose fiscal policies of the Truman administration and the inflation that resulted therefrom.

But an even more impressive monument to the postwar philosophy of perpetually easy money was the structure, or composition, of the debt that the Truman administration left behind. As of November 30, 1952, obligations payable on demand or within 1 year amounted to $152.6 billion, or 57.2 percent of the entire debt. Adding the issues payable within 5 years, or convertible into such securities, we get a total of $213.4 billion, or more than 80 percent of the whole. This is a dramatic picture of what can happen to a nation's debt structure when every sound consideration of debt management is subordinated to one purpose—holding the cost of Treasury borrowing to a minimum.

Under Mr. Humphrey the Treasury has been quietly proceeding to put the debt on a sound basis. This is not a project that can be carried out in 1 year, or in 2 or 3 years. The important thing to note is that the deformity is being corrected. It is estimated that to date the Treasury has already extended the average maturity of the entire debt by a year and a half.

But it would be an oversimplification of the art of debt management to assume that it consisted entirely of pushing the maturity dates of Government obligations further into the future. As Mr. Humphrey recently pointed out, the Treasury "has purposely done its recent financing in such a way that it would not interfere with the availability of long-term investment funds to corporations, State and local governments, and for mortgages to home owners." Here we get a revealing glimpse of how, under high-grade leadership, the Treasury, through the intelligent management of the debt, quite apart from tax and budget policies, can harmonize its activities with those of the Federal Reserve to stimulate business activity in times of recession or damp it down when it shows signs of unhealthy overstimulation.

V. TAXATION FOR PROSPERITY

President Eisenhower's position during the election campaign on tax reduction had been that it would be time to talk about taxes after the budget deficit had been brought under control. He found himself, in his first year in office, however, faced with a situation in which several taxes then in force were scheduled to expire in the following 16 months under legislation already in existence. After a bitter fight, administration leaders succeeded in forcing a bill out of Mr. REED's committee calling for a 6 months' extension of the excess-profits tax. The President thus staved off the only reduction scheduled for 1953, but it was agreed that the automatic termination of that tax and the cutback in the personal income tax should be permitted to take effect as scheduled at the end of the year.

Two tax bills sponsored by the administration emerged from the Ways and Means Committee in early March of this year. The first of these provided for a 1-year extension of certain excise taxes. The second—an "omnibus" tax bill—proposed nothing less than a complete revision of the Internal Revenue Code, designed, in the President's words to "remove the more glaring tax inequities, particularly on small taxpayers; to reduce restraints on the growth of small business; and to make other changes that will encourage initiative, enterprise, and production."

This "omnibus" tax bill has been approved by the House of Representatives. It awaits action in the Senate.

VI. TRADE, NOT AID

On March 30 of this year the President submitted a special message to Congress setting forth what he regarded as a "minimum program" in the field of international economic relations.

To date this is, admittedly, still only a program, and it is not intended to suggest here that it should be bracketed with the achievements recited above. It is important, however, for two reasons: First, because it provides added evidence of the consistency of the administration's economic philosophy, and second, because the President has reiterated within the past week his determination to have it written into legislation.

Among the major proposals contained in the program are these:

1. The Trade Agreements Act: This legislation should be extended 3 years.

2. Tariff simplification: Commodity definitions and tariff rates should be simplified. This would eliminate or reduce the complications, uncertainties, and protracted delays originating in tariff interpretation and procedure.

3. Economic aid: Economic aid, particularly on a grant basis, should be terminated "as soon as possible." Military aid, where required, should continue on a grant basis. In general, foreign countries desiring development capital must look primarily to private investment and to the World Bank, not to United States Government funds. The United States should ease duplication of taxes on income earned abroad.

4. Currency convertibility: To facilitate currency convertibility we should make more active use of the International Monetary Fund and possibly standby credits by the Federal Reserve banks.

On the question of raw materials, the program urges "reasonably easy access to the United States market," with domestic sources for military purposes assured by direct means (subsidies). Since American farm policy would have to harmonize with foreign trade policy, high, rigid farm price supports would have to go. The Buy American Act of 1933 would be amended to afford equal treatment to foreign bids on Government contracts when foreign governments gave reciprocal treatment. The program rejects commodity agreements as a means of achieving international price stability. The solution of this problem should be found in trade liberalization, more diversified economies, and more carefully planned stockpiling.

These and other individual provisions of the President's program have already aroused widespread controversy, especially among

those groups that would be most directly affected by them. It would be surprising were it otherwise in a country whose people are still by no means in complete agreement even on tariff policy after nearly a century and three-quarters of debate. What will impress most persons about the program as a whole is the fidelity with which it projects the Eisenhower economic philosophy into the field of foreign economic policy.

Those who think that policy in the international field can be solved without reference to our domestic policies (such as artificially high farm price supports) and those who think that the way to solve such problems is by resort to ingenious gadgets or the setting up of new institutions to deal with them should be advised that they will find a reading of this report pretty much a waste of time.

This document is not for them. It was written strictly for those Americans who are still unconvinced that the economic values are obsolete on which this country has mainly relied for its economic growth and its present unrivaled strength—the free play of prices, a maximum of free competition, and a minimum of interference with the free movement of goods, services, and capital between and among the sovereign States. Which is to say, it was written with the vast majority of us in mind.

SPECIAL ORDER GRANTED

Mr. POWELL asked and was given permission to address the House for 15 minutes on Wednesday, June 23, 1954, following the legislative program and any special orders heretofore entered.

KLYCE MOTORS, INC.

Mr. JONAS of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5185) for the relief of Klyce Motors, Inc., with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. JONAS of Illinois, BURDICK, and LANE.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8583) entitled "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House of Representatives to Senate amendments numbered 8, 22, 24, and 49 to the above entitled bill.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. J. Res. 72) entitled "Joint resolution to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines; to provide for the rehabilitation of the interisland commerce of the Philippines, and for other purposes"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BUTLER of Maryland, Mr. POTTER, Mr. PAYNE, Mr. MAGUNSON, and Mr. SMATHERS to be the conferees on the part of the Senate.

BARNACLE BOUND AND MIRED IN THE MUD OF TRADITION

The SPEAKER. Under previous order of the House, the gentleman from Georgia [Mr. WHEELER] is recognized for 30 minutes.

Mr. WHEELER. Mr. Speaker, I am fully aware of the fact that those who exercise the temerity of speaking out against or questioning the accepted and established order of things are often considered crackpots, but even so, I cannot let this session of Congress adjourn without once again being sufficiently audacious as to question the wisdom of the policy currently espoused by the ground-groveling generals and the barnacle-bound admirals who are directing the military affairs of this Nation. Though I cannot possibly qualify as an expert in the accepted traditions of West Point and Annapolis, I can recognize the obvious results of the strategy employed by those who are supposed to qualify as experts. In fact, it seems to me those who are most technically qualified as experts seem to be least able to recognize the basic fallacies contained in our current military setup.

The ghost of Billy Mitchell must roam these hallowed halls and wring his hands in desperation as he sees the mistakes against which he protested with such futility, but with such prophetic truth, being repeated and compounded as we prepare to fight a possible third world war with essentially the same strategy and tactics we employed in World War II. It is true that he hears such misleading terms thrown around as the much-heralded New Look, but the wisdom of his bitter experience makes him know that the use of such terms is no more than an old trick which has been used many times and in many forms by the traditionalists within the Military Establishment who still think in terms of that which they learned in the textbooks of Annapolis and West Point 30 or 40 years ago.

Criticism of the traditionalists within the Army and Navy is, in effect, implied criticism of those in Congress who have blindly and without question accepted, authorized, and appropriated money for the obsolescent and obsolete concepts that have been proposed by the so-called experts within the military. Theirs has been the easy way, or the adoption of the pathway of least resistance. Congressional excuse can be given by saying that the military experts proposed the three-way split in the military budget, but the dangerous realities of this atomic age will no longer tolerate excuses of this kind if this Republic is to survive. Reason must replace excuse, and reality must supplant obsolescence. Commonsense must remove the astigmatism of tradition.

To insist that the Air Force be made the predominant branch of the service in this atomic age is not to belittle the past accomplishments of the Army and the Navy but is to simply recognize the fact that the day of the division against division and the flotilla against flotilla concept of warfare has become a thing of the past. Recognition of technological advances in the automotive industry does not imply criticism of the horse-drawn wagons which were replaced by modern automobiles. Neither should insistence that this Nation be made capable of controlling the air anywhere and everywhere in the world be considered implied criticism of the work done in the past by the Army and Navy.

Announcement was made on yesterday by a distinguished and highly respected Member of the United States Senate that sufficient additional money is being added to the military appropriations bill to provide for the building of two additional atomic-energy-powered submarines. The brutal truth of the matter is that this additional money with which to finance the building of submarines is a gross waste of the tax resources of this Nation. To say the very least and be a little less than truthfully brutal is to say that the building of these submarines is an unwise misplacement of emphasis which I shall shortly show in my analysis of the role that would be played by naval units in any future war.

The facts of the present military situation are so obvious that they will not forever escape recognition by even the most hidebound traditionalists but the tragic aspect of the situation is that, in this modern age, the enemy might not be inclined to give us time sufficient for the hard shells of tradition to be shed by those who are currently directing our military strategy. Our only hope for survival is for the Congress to force the military to discard obsolete concepts of surface strategy on land and on sea.

To those who will contend that my position is impractical and visionary, let me suggest that adherence to the time-honored concept of surface strategy has led to heartache and failure in Korea and can lead to nothing more if adopted in Indochina or anywhere else in the world. Let me also suggest that, if Russia were to start moving toward the English Channel tomorrow, the men comprising our traditional surface forces in Europe would either be dead or on their way to the salt mines of Siberia within less than 3 weeks' time.

It is little short of criminal for us to keep nearly one-half a million American men in Europe and expect them to defend themselves against high altitude, fast flying planes, with surface weapons. Absurdity is added to criminality when the traditionalists try to justify the presently used concept in Europe by saying that the men are now being supplied with atomic cannon. Absurdity is found in the fact that no claim is made to the effect that these cannon are capable of shooting a single Russian TU–4 from the sky. Pathetic spectacle is presented by thinking of fine young American boys huddled behind a surface atomic cannon with a 20-mile horizontal

range while Russian supersonic planes are raining complete destruction on them from the air.

The wildest clamoring of my colossal conceit cannot constrain me to believe that these words I utter today will prevail against the entrenched empire builders within the military nor cause my colleagues here in Congress to depart from their usual policy of taking the advice of these empire building traditionalists. Be that as it may, I want the record clear as to my position and plead your patience while I give you detailed reasons as to conclusions I have reached in reference to our current military strategy. With respect for and honor to those who have served and are now serving this Republic in the uniform of the armed services, please bear with me while I hurriedly emphasize a few pertinent facts concerning the current military situation.

For 135 of the last 140 years, the continental United States has been secure from enemy attack. From 1814 when the British burned Washington until 1949 when the Soviets exploded their first atomic bomb, our security was based on the existence of the Atlantic and Pacific Ocean barriers. These oceans, under the control of our own and the British Navy, gave us a protective cushion of time which permitted us to mobilize our national resources in more or less leisurely fashion whenever our national interests were threatened.

Now the traditional barriers of the Atlantic and Pacific pose no obstacle to a nation which has nuclear weapons and a long-range air force to deliver them. No longer can we depend on seapower to give us the time to mobilize. Today we must depend on our airpower, whose instant readiness is our only protection against swift atomic annihilation.

Despite the use of clever phrases such as the New Look, however, our military program is apparently still based on the same strategic concept which was adopted when James Madison was President. Age is not a vice, nor is newness a virtue, but realism in defense planning is a necessity.

Our present plans which seem to ignore the Soviet's achievements of the last 4 years are, to say the least, unrealistic.

The nearest approach to realism lay in the Air Force's plan for a 155-wing Air Force to be achieved by 1954. Although this force goal was proposed by the Air Force as the minimum necessary for adequate security, it was evidently considered to be too realistic by the two elder services. The Air Force had to compromise on a 143-wing program to be achieved by 1955 instead of by 1954. This program in turn was scuttled last year when the administration forced through a cut of $5 billion in the Air Force budget.

To even the most avid budget-cutter it became evident that the administration had gone too far when the Soviets announced their first hydrogen-bomb explosion. Belatedly, the administration brought forth a New Look, which was supposed to emphasize airpower. As compared to the previous airpower program, the New Look turned out to result in a reduction of 6 wings and a 2-year delay in the achievement of the program.

I think we must all recognize that this move was just as clever from the standpoint of political strategy as it was stupid from the standpoint of military strategy. By popularizing the New Look slogan, the administration was able to divert attention from the serious airpower setback to the comparatively minor restrictions imposed on the surface forces. Once again the administration seems to be repeating last year's clever political strategy by announcing that the original New Look is to be replaced by a second New Look. I do not think that it takes much of a fortuneteller to predict that this second look will merely remove some of the restrictions placed on the surface forces.

None of these looks seem to involve a realistic appraisal of the fundamental changes required in view of the Soviet airpower developments of the last 4 years. Think about them for a moment:

The development of the atomic bomb 3 years ahead of schedule.

The mass production of the MIG–15, which at the time was second only to the F–86, which we had only in limited quantities.

The development of an intercontinental bomber similar to our B–36.

The mass production of the IL–28 twin jet light bomber, which enables the U. S. S. R. to hit any spot in Europe.

The creation of a long-range air force consisting of over 1,000 TU–4's, capable of bringing all the strategic targets in the United States under atomic attack.

All of these developments were facts a year ago. They clearly indicated that a new look was needed to revise our program in light of those developments which had become facts since the program had started. Any realistic review of these facts alone would have clearly indicated that we needed to step up the airpower buildup.

But think for a moment what has taken place in the last year:

The Soviets have set off a hydrogen explosion.

They have unveiled a jet heavy bomber comparable to our B–52.

They have unveiled enough jet medium bombers comparable to our B–47 to indicate clearly that these aircraft are in series production.

They have unveiled new jet interceptors which indicate significant advances over the MIG–15.

How do we stand by comparison in this arms race?

We probably still have a larger stockpile of atomic and hydrogen weapons, although the gap may be closing.

We probably still have more operational medium jet bombers of the B–47 type than the Soviets.

We may be ahead of the Soviets in the production of jet heavy bombers of the B–52 type.

We are behind the Soviets in the development of jet engines.

We are probably behind the Soviets in the development of an intercontinental guided missile.

Thus we are probably still ahead of them in the quality of our operational combat aircraft despite the fact that they have several thousand more combat aircraft than we have.

On the other hand, it is evident that the Soviets are keeping step with us and they may be actually drawing ahead of us in the arms race.

These facts should indicate to anyone not blinded by partisan-service ties that we need to create a new strategy from the ground up. Many people are fond of saying that the principles of war do not change. I agree. But the proper application of those principles does change. We must take care, therefore, to avoid confusing methods of application with the principles themselves.

Airpower is simply one method of applying the principles of war. Even the most casual observer must recognize, however, that the existence of modern airpower has had an incalculable effect on the method of waging war.

Unfortunately, there is in the United States a general misconception on the proper use of airpower. Everyone is for airpower just like everyone is against sin. But each of the services insists that it should control a segment of that airpower.

It is the insistence of the two elder services on the compartmentalization of airpower which has shackled our Nation's power to the outmoded concepts of surface strategies. This compartmentalization has vitiated the very purpose in creating an independent Air Force.

Airpower is not restricted to boundaries, whether artificial, man-made, or natural geographical separations. The very essence of the airpower concept is that airpower is indivisible. Only if we take advantage of its inherent flexibility by centralized control can we use it to its best advantage.

But look what has happened since the Unification Act. We now have four Air Forces. The Air Force, Army Aviation, the Naval Air Arm, and Marine Air units. The Naval Air Arm today has almost as many interceptors, for example, as the whole Air Force. Army Aviation today has more planes than the entire Air Corps before World War II. Some may say that this emphasizes airpower, but it is obviously a misplaced emphasis. The underlying reason for the existence of our four Air Forces is, I think, a recognition by the surface force commanders that they cannot survive in modern war without the protection of airpower. Since their survival depends on airpower, each of the surface forces seeks to control their own airpower.

The creation of four separate Air Forces has resulted in a number of obvious absurdities. We see the Army getting multiengined aircraft while the Air Force creates its own infantry to defend its air bases from ground attack. We see both the Air Force and the Navy developing air-to-air missiles with all the services in the business of developing surface-to-surface guided missiles.

We see responsibilities for continental defense split among Army, Navy, and Air. The Army has the control of traditional

antiaircraft guns and short-range surface-to-air guided missiles. The Air Force controls longer range surface-to-air guided missiles and interceptor aircraft. The Navy with its own guided missiles and fighter aircraft as well as ships assumes responsibility for aircraft up until the time they cross the shoreline. Amid such divided responsibility it is small wonder that our continental defenses today are completely inadequate.

We see the Navy, the Air Force, and marines all in the business of giving close air support to the Army and marines. We see the business of air reconnaissance split among the four services. In the realm of so-called strategic airpower, on the one hand, we see the control of the Strategic Air Command taken from the Air Force and vested in the Joint Chiefs of Staff where the surface strategy proponents have always had a majority. On the other hand, we see the Navy getting into the strategic air picture with the specious argument that Navy planes, carrying Navy bombs and flown by Navy pilots are necessary to destroy the enemy's submarine pens and airbases which threatens our control of the seas.

This argument is a clear recognition of a basic premise of airpower that the most efficient means of defeating an enemy is by destroying his power at the source. The Navy only chooses to admit the validity of this principle when they can control the weapons of destruction and the vehicles of delivery.

Within the Air Force itself the surface strategists have forced a further fragmentation of airpower. By law the Air Force is required to maintain a Tactical Air Command as well as a Strategic Air Command. There is no logical reason for this split on the grounds of military strategy. In World War II we saw so-called strategic aircraft effectively destroy tactical targets just as so-called tactical aircraft effectively destroyed strategic targets. Again in Korea we saw the Strategic Air Command's units used for interdiction and even close air support as soon as the few large rear area targets in North Korea had been destroyed.

More recently, General Twining, Air Force Chief of Staff has pointed out:

> The growth of our tactical atomic capability is one of the most significant recent developments in modern warfare. * * * It is an Air Force objective that every offensive fighter and bomber of our tactical Air Forces be capable of carrying atomic weapons.

This statement points up the absurdity of attempting to establish arbitrary divisions within the structure of our combat airpower. There is really no such thing as strategic airpower and tactical airpower. There are simply strategic targets and tactical targets. And even a particular target might be an appropriate strategic target at one time and a tactical target at another. The choice of an airplane to hit a particular target should not depend on whether a particular aircraft is arbitrarily assigned to a Strategic Air Command, a Tactical Air Command or the Naval or Marine Air Arm. It should depend instead on the size of the target, its location, its vulnerability to the various weapons available, the location of our bases, the range and speed of the planes at those bases, the carrying capacity of the planes, the weather and expected enemy opposition.

Until we overhaul our basic military strategy, however, the illogical arbitrary divisions of airpower will continue to exist. It is these arbitrary divisions of airpower with its consequent unnecessary duplication and overlapping which cause the greatest waste of our Nation's resources in our defense effort. The money and resources which can be saved by streamlining the administration within the services is chicken feed compared to the savings to be made by establishing a sound military program which will eliminate unnecessary duplication, triplication and quadruplication among the services. True economy depends on correct strategy.

The correct strategy for the United States today must be molded around airpower. It is only through the enemy's airpower that the security of the continental United States is threatened. Only airpower which can carry the fight directly to the enemy, poses any obstacles to Communist expansion through all-out war.

We must, of course, recognize that the Communists could expand their domain through a series of localized little, although not necessarily inexpensive, wars. Herein lies the primary, if not the sole, reason for the continuance of surface forces.

We can never forget, however, that though localized wars may threaten our national interests, they do not threaten our very survival. Only the enemy's airpower threatens the existence of the United States itself. By this I do not mean that we should ignore our other national interests overseas. But we must put first things first. We must first build a strategy which will insure our survival. Then we can add to this the military power which appears to be an economical expenditure of our resources in comparison with the importance of our various national interests.

This is a sound principle whether we are talking about business or national defense. A prudent businessman makes sure that his own company will prosper and profit before he concerns himself with other companies in which he has less of a financial interest. Furthermore, as long as his own company is financially secure, he is in a better position to look out for his interests in other companies.

The same is true with the problems of national defense. If we first build a strategy which will insure the survival of the United States itself, we will be in a better position to safeguard our other national interests.

It is simply a matter of following the classic principle of creating a single predominant force. The nature of the force needed to carry out this principle has varied historically with the state of technology. In the days of the Pax Romana that force could only be an army. In the days of the Pax Britannica, seapower became the single predominant force. A successful Pax Americana must depend on airpower as the single predominant force.

Eventually, the sheer logic of a United States strategy based on airpower will win out. As long as the Joint Chiefs of Staff continue to be controlled by surface strategists, however, the progress toward such a strategy will be fought every inch of the way. As long as key positions in the Department of Defense continue to be held by Navy spokesmen, progress toward a true airpower strategy will be delayed even further. The Communists, moreover, may not be cooperative in giving us the time to gradually work out our internal military problems. This means that our only hope for a realistic strategy based on the predominance of airpower can come only from Congress. The Congress has taken the lead before in matters of airpower. We must do so again.

Perhaps the first step should be to insist that the Chairman of the Joint Chiefs of Staff should be chosen from the Air Force. Today all of our responsible officials talk about emphasis on airpower and airpower as the keystone of our strategy. Yet, our top military post was given to a Navy admiral. That position belongs to the Air Force, and an Air Force general should hold the position so long as airpower remains the keystone of our military power.

I make this statement without in any way impugning the loyalty, courage, or motives of the present Chairman. In view of his Navy background and his antiairpower testimony of just a few years ago, I think the degree of objectivity he has been able to achieve in his present job is indeed remarkable. He has not yet, however, been able to throw off completely the shackles which bind him to the naval service to which he had devoted his career.

It will not be enough, however, to appoint an airman as chairman of the Joint Chiefs. Airpower will still be held to a draw so long as the other services stick to their strategies which are so fundamentally different from the airpower strategy. Not until these fundamental differences have been truly resolved can we hope for a realistic strategy rather than a series of complicated compromises. A genuine strategy does not permit compromise.

I see no hope in the near future for the resolution of these differences in basic concepts without congressional action.

Unless Congress acts, the Army will continue to insist that all wars must be won by the infantryman. They will, of course, admit that he needs air support, but for the Army, the infantry will always be the queen of the battle. This concept completely ignores the increased destructive power of our new weapons. It overlooks the fact that Japan surrendered before a single soldier stepped on her shores. Instead, it points to Korea where airpower could not force a decision when its targets and its weapons were artificially restricted.

In Korea it was our airpower, of course, which kept the U. N. forces from being pushed into the sea. It was airpower which made it impossible for the

Communists to launch a major attack in the last 2 years of the war. It was only airpower which remained on the offensive throughout the war. This was possible despite the restriction on airpower.

Some Army strategists while admitting the major part played by the Air Force in Korea will still insist that the Air Force just does not have the ability to destroy ground units which are properly dispersed. In the past this was undoubtedly true. Today, however, the only factor which might make this statement true is the size of our nuclear stockpile.

We have the military, productive and economic capability, however, to create a stockpile which would completely destroy every square inch of an enemy's territory. This is not a matter of new discoveries it is simply a matter of the time and money needed to manufacture in quantity the types of weapons we now have. Actually, I doubt that we would ever have to destroy every square inch of an enemy's territory before bringing about his defeat. But the fact that we can possess this capability means that airpower can be given the ability to force a decision on the enemy's ground troops no matter how well dispersed they are.

To me it is especially revealing to see the emphasis which the Army itself is now placing on atomic weapons—but only so long as those weapons are under its control.

Naval strategy is equally outmoded. The Navy continues to insist that our military success depends on control of the seas. Like the Army, they admit that they cannot succeed without airpower. No one would argue with this idea. But there is no logic in insisting that the airpower necessary for control of the seas must belong to the Navy. We actually reach the height of absurdity when we allow the Navy to control the airpower used to strike the enemy's land bases and installations because the enemy's seapower depends on them.

And if we probe a little deeper into the lore of naval strategy, we find that the basic concept of control of the sea is obsolete. By this I do not mean that we are not concerned with freedom of the seas. Our economic prosperity depends on continued imports from abroad which for the foreseeable future can only be transported by sea.

However, for the types of war which face us we have no need for a Navy to guarantee the freedom of seas in wartime. First consider the all-out atomic type war. The decision in such a war can only be won by airpower. It is a decision which may be achieved within hours or weeks, but at the outset it would not take more than 2 months to bring about the complete annihilation of an enemy through airpower. During such a period we not only could live off our stockpiles; we would have to. Whether or not the Navy had control of the seas during such a period would make no difference. Control or lack of control of the sea would have no effect on the decisive air battles in this short all-out war.

Next consider localized warfare. I have already pointed out that the military decision in this type of warfare can also be reached by airpower alone. But suppose that for some reason we decided that we wanted to fight a traditional war with surface troops. In this case, we might decide to transport our Army by sea. We would want to protect these troops en route. But what would we need to protect them against? The only serious danger would be posed by the Soviet submarine fleet. But the moment this fleet is committed we would become involved in the all-out war in which control of the seas would be immaterial to the outcome.

Of course, potential enemies other than the Soviet Union possess navies, but the defeat of such navies in a localized warfare requires only small naval forces of our own rather than the overwhelming fleets we now maintain.

There is a third possibility which is cited by the surface strategists as conclusive proof of the need for both a large Army and Navy. This is the possibility of a major war which does not involve the use of nuclear weapons. Undoubtedly, if we were to fight another war like we fought World War II we would need a tremendous Army and Navy. A large Army would obviously be needed to invade the enemy's territory step by step. A large Navy would be needed to keep the sealanes open for the years it would take the Army to finish such a task.

In evaluating this possibility, we must consider two things. First, it is most doubtful whether we could win this type of war against the massive manpower which the Communists could throw against us. We would simply be throwing away our technological advantages in attempting to meet them on their own ground—mass against mass. For example, there is no question in anyone's mind that today the only way we could prevent our forces from being pushed out of Europe is through the use of nuclear weapons. Of course, it is true that once we were pushed out of Europe we could probably stage another successful Normandy invasion if the enemy continued to refrain from using nuclear weapons. At that point, however, he would have no reason to not use them. At best, the World War II type strategy would be the most expensive way for us to fight a war in terms of men, money, and resources. At worst, we would simply lose such a war.

A second point to consider is that if we should again choose to use the World War II strategy we would again have the time to mobilize our resources. The only reason we need to maintain a state of instant readiness is to be able to wage an all-out atomic war.

Thus, the use of a World War II strategy would still enable us to get along with relatively small surface forces until such a war actually begins.

We should perhaps be prepared for all three of the possibilities—all-out war, localized war, a World War II type conflict without nuclear weapons. In an all-out atomic war, however, the Army and Navy would be superfluous. In localized war the Army and Navy could be useful under certain circumstances but they need not be large forces. In a World War II type conflict, surface forces would be necessary but again they need not be maintained in large numbers until such a war begins.

Even if we discard the possibility of a World War II type strategy, which prudence dictates, it would still be desirable to maintain small surface forces for possible use in localized wars. The Army might also be useful in helping to restore order internally in case of air attack. Thus, I am not arguing that we should do away with surface forces. I merely say that we must streamline them and cut them down to their proper size so we can afford to place the proper emphasis on airpower.

We could cut the Navy's fleet at least in half and perhaps by two-thirds and it would still have ample strength to fulfill any mission which might be required of it. The Army could be drastically reduced and would still be amply large to serve as a security guard.

We would then have an Army of 6 to 10 divisions. The strength of the Navy might be something under half a million men, with 500 combat vessels. These forces would still be about three times larger than our pre-World War II surface forces and about equal to our pre-1950 surface forces. The annual cost of maintaining them as modern mobile forces would probably be under $10 billion. This would mean a reduction of more than $10 billion in the present costs of maintaining these surface forces. By applying as little as three-fourths of these savings toward airpower we could probably achieve the degree of security which the Soviet threat demands.

In applying this additional money toward airpower, we would be at the point which the economists call increasing returns. Each additional dollar spent would give us a greater increase in security because we already have the basic framework on which to build.

From a practical standpoint, one of the important problems would be what to do with the people in the surface forces who were no longer needed to maintain their existing empires. All of the pilots from these services, as well as the others connected with aviation can simply be transferred to the Air Force with a minimum of retraining. After a somewhat longer period of retraining, most of the other people who desire to remain in the service but who are excess to the needs of the surface could be profitably used by the expanded Air Force. At the same time the reduction in size of the surface forces would probably entirely eliminate the need for a continuation of the draft.

As a matter of fact, one of the most effective immediate steps which Congress could take would be to make transfers among the services possible. When Army and Navy men know that they can transfer to the Air Force with no personal sacrifice, they will gradually lose their desire to rationalize their outmoded surface strategies so that their own services can be perpetuated.

Another step which must be taken immediately is to reestablish as a minimum the airpower program which existed before the present administration came to power. It is probably already too late to regain all of the time which has been lost. But if we act now the Air Force

should still be able to reach its force goals by 1956 instead of 1957. The goals themselves should be reestablished. In one area—that of air defense, the administration has increased the planned wing strength. This seems to be a wise move in view of the increase in Soviet offensive air power. But the administration has reduced the previous goals by 3 strategic wings, 2 tactical wings, and 6 troop carrier wings. These wings should be restored to the program.

A further expansion of the goal would, of course, be necessary to support the new airpower strategy. The details of such an expansion would have to be determined after exhaustive study by both the executive and legislative branches. We must remember, however, that as long as the surface chiefs dominate the Joint Chiefs of Staff we can never expect a realistic strategy to be presented by the Defense Department.

Before closing, I would like to make one brief observation on a popular misconception about the relationship of our new weapons to airpower. I have heard many people say that the greatly increased destructive power of nuclear weapons should mean that it will take fewer planes to do the job. On the surface, this appears to be reasonable, but it overlooks two vital facts.

First, we should remember that increased destructive power works two ways. As the destructive power of air defense increases, striking forces need to be increased so that the number of bombs delivered on the target will still do the required job.

Second, we should realize that increased destructive power actually increases the number of targets which can be profitably attacked. This may be difficult for some people to understand. It becomes obvious though when you consider that the development of the hydrogen bomb will now permit the bombing of large areas containing a number of small dispersed targets which it would be uneconomical to bomb separately.

In summary, I have pointed out that the increase in Soviet military power calls for a completely new strategy based on the predominance of airpower centrally controlled. To achieve this strategy, we should insist immediately—

First. That an Air Force general be appointed as Chairman of the Joint Chiefs of Staff.

Second. That interservice transfers be permitted.

Third. That the goal of 143 wings by 1956 be restored.

None of these steps in themselves can give us the strategy we need in time. Only Congress has the power to override the partisan service interests and give us the airpower strategy we need to survive.

Mr. DAVIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. WHEELER. I yield.

Mr. DAVIS or Georgia. Mr. Speaker, I should like to say that the gentleman has given us some very interesting information which demonstrates that he has devoted much time and thought and study to his subject. I want to express my appreciation of this informative address by the gentleman.

Mr. WHEELER. I thank the gentleman.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. KEARNS and to include a statement on the 10th anniversary of the Republic of Iceland.

Mr. O'HARA of Illinois in four instances and to include extraneous matter.

Mr. SHEEHAN.

Mr. MILLER of Nebraska and to include resolutions.

Mr. DONOHUE.

Mr. CANNON and to include an editorial.

Mr. BENDER in five instances and to include extraneous matter.

Mr. BERRY.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2844. An act providing that the ratification of the Revenue Bond Act of 1935, enacted by the Legislature of the Territory of Hawaii, shall apply to all amendments of said act made by said legislature to and including the acts of the 1953 regular session of said legislature; and

H. R. 6276. A act to amend the Ship Mortgage Act, 1920, as amended.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 171. An act for the relief of Mrs. Irma Benjamin;

S. 234. An act for the relief of Thomas Szabo;

S. 235. An act for the relief of Rev. Armando Fuoco;

S. 347. An act for the relief of George Taipale;

S. 366. An act for the relief of Sister Concepta (Ida Riegel);

S. 428. An act for the relief of Dr. Chih Chiang Teng;

S. 445. An act for the relief of Felicitos Valerina Margaret Hauke;

S. 507. An act for the relief of Mrs. Eleanor Emilie Nell;

S. 518. An act for the relief of Sister Marie Therese De Galzain;

S. 584. An act for the relief of Rosa Euler and her minor child;

S. 614. An act for the relief of Eero and Tino and Karina Waskinen;

S. 629. An act for the relief of Igor Michael Bogolepov (alias Ivar Nyman) and Margaret Johanna Bogolepov (alias Margaret Johanna Nyman);

S. 653. An act for the relief of Metorima Shizuko;

S. 662. An act for the relief of Julie Nicola Frangou;

S. 740. An act for the relief of Santa Muciaccia (Sister Maria Fridiana), Teresa Saragaglia (Sister Maria Eutropia), and Caterina Isonni (Sister Maria Giovita);

S. 757. An act for the relief of Frank Bastinelle;

S. 769. An act for the relief of Mrs. Robert M. Roskos (formerly Maria E. Laedel);

S. 809. An act for the relief of Vittoria Sperti;

S. 860. An act for the relief of Juanita Andrada Lach and Leticia Androda Lach;

S. 924. An act for the relief of Sofia B. Panagoulopoulos Kanell;

S. 929. An act for the relief of Cleopatra Stavros Milionis;

S. 930. An act for the relief of Martin Anthony Beekman;

S. 1073. An act for the relief of Mary Shizue Hirano;

S. 1112. An act for the relief of Letizia Maria Genoveffa Lo Bianco;

S. 1128. An act for the relief of Fermo Breda;

S. 1135. An act for the relief of Stamatios James Bratsanos;

S. 1155. An act for the relief of Giuseppe Bentivegna;

S. 1156. An act for the relief of Dr. Jagannath P. Chawla;

S. 1290. An act for the relief of Ruth Sonin;

S. 1296. An act for the relief of Elfriede Hall;

S. 1301. An act authorizing the Secretary of the Interior to issue a patent in fee to Lucy Yarlott Othermedicine;

S. 1395. An act for the relief of Manasseh Moses Manoukian, Elize Manoukian, nee Kardzair, and Socrat Manoukian, also known as Socrates Manoukian;

S. 1430. An act for the relief of Ruth Johanna Heidenreich;

S. 1478. An act for the relief of Chung Keun Lee (Thung Kuen Lee);

S. 1594. An act for the relief of Berenice Catherine Montgomery;

S. 1661. An act for the relief of Erna Prange Blanks;

S. 1682. An act for the relief of Branimir V. Popovitch and Mila B. Popovitch;

S. 1696. An act for the relief of Dr. Mourad Arnoux;

S. 1734. An act for the relief of Rosa Stephan;

S. 1808. An act for the relief of Hildegard Monti;

S. 1955. An act for the relief of Giorgio Salvini Thompson;

S. 2243. An act for the relief of Seiko Nagai and her minor child;

S. 2360. An act for the relief of Jacob Vandenbergh;

S. 2438. An act for the relief of Maria Teresa Rossi;

S. 2450. An act for the relief of Lt. Hayden R. Ford;

S. 2596. An act for the relief of Lucy Mao Mei-Yee Li; and

S. 2657. An act to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia."

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 707. An act for the relief of Dr. Ignacy Adam, Mrs. Amalya Alexander Adam, and George Adam;

H. R. 758. An act for the relief of Harry C. Barney;

H. R. 849. An act for the relief of Mrs. Stella Rebner;

H. R. 1005. An act to authorize the establishment of the Fort Union National Monument, in the State of New Mexico, and for other purposes;

H. R. 1128. An act authorizing the Secretary of the Interior to issue to Jake Alexander a patent in fee to certain lands in the State of Alabama;

H. R. 2566. An act to amend the Contract Settlement Act of 1944 so as to establish a time limitation upon the filing of certain claims thereunder;

H. R. 2616. An act for the relief of Generosa Bonet;

H. R. 3026. An act for the relief of Barbara Gene Coster;

H. R. 3097. An act to authorize the transfer to the regents of the University of California, for agricultural purposes, of certain real property in Napa County, Calif.;

H. R. 3131. An act for the relief of Wesley Howard Leahy;

H. R. 3249. An act for the relief of Katharina Link;

H. R. 3986. An act to authorize the appropriation of additional funds to complete the International Peace Garden, N. Dak.;

H. R. 4701. An act for the relief of Josip Stanic;

H. R. 6173. An act to provide for the use of the tribal funds of the Southern Ute Tribe of the Southern Ute Reservation, to authorize a per capita payment out of such funds, and for other purposes;

H. R. 8357. An act to amend the Standard Container Act of May 21, 1928 (65 Stat. 685; 15 U. S. C. 257–2571), to provide for a ¾-bushel basket for fruits and vegetables;

H. R. 8456. An act to provide for the conveyance of certain hospital supplies and equipment of the United States to the city of Gulfport and to Harrison County, Miss.;

H. R. 8923. An act to provide for the development of the Coosa River, Ala. and Ga.; and

H. J. Res. 300. Joint resolution to provide for the conveyance to the Texas Hill Country Development Foundation of certain surplus land situated in Kerr County, Tex.

ADJOURNMENT

Mr. NEAL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 51 minutes p. m.) the House, pursuant to its previous order, adjourned until Monday, June 21, 1954, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1640. A letter from the Chairman, Rubber Producing Facilities Disposal Commission, transmitting a report prepared by Reconstruction Finance Corporation, the operating agency, with respect to its expenditures for repairs, replacements, additions, improvements, or maintenance of the Government-owned rubber producing facilities during the 10-month period in fiscal 1954 ending April 30, 1954, pursuant to section 15 of the Rubber Producing Facilities Disposal Act of 1953 (67 Stat. 408); to the Committee on Armed Services.

1641. A letter from the Acting Secretary of Commerce, transmitting a draft of a proposed bill entitled "A bill to amend the act of March 3, 1901 (31 Stat. 1449), as amended, to incorporate in the Organic Act of the National Bureau of Standards the authority to use the working capital fund, and to permit certain improvements in fiscal practices"; to the Committee on Interstate and Foreign Commerce.

1642. A letter from the Administrator, Veterans' Administration, transmitting a draft of a proposed bill entitled "A bill to reimburse certain employees of the Veterans' Administration for amounts paid by them to the United States as a result of certain overpayments and deficiencies in their accounts"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. REED of New York: Committee on Ways and Means. H. R. 9315. A bill to provide for an extension on a reciprocal basis of the period of the free entry of Philippine articles in the United States; without amendment (Rept. No. 1887). Referred to the Committee of the Whole House on the state of the Union.

Mr. SHAFER: Committee on Armed Services. H. R. 8570. A bill to authorize the Secretary of the Navy to dispose of certain uncompleted naval vessels, and for other purposes; with amendment (Rept. No. 1888). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SCUDDER:

H. R. 9600. A bill to amend section 1001, paragraph 412 of the Tariff Act of 1930 with respect to hardboard; to the Committee on Ways and Means.

By Mr. BROYHILL:

H. R. 9601. A bill to prohibit, in connection with any reduction-in-force program, the removal, suspension without pay, or reduction in grade or compensation of permanent employees in the classified civil service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HAGEN of Minnesota:

H. R. 9602. A bill to require certain specifications to be included in star route and screen vehicle service contracts and in advertisements for bids on such contracts; to the Committee on Post Office and Civil Service.

H. R. 9603. A bill relating to the renewal and adjustment of star route and screen vehicle service contracts; to the Committee on Post Office and Civil Service.

By Mr. MILLER of Nebraska (by request):

H. R. 9604. A bill to amend the act entitled "An act to provide for the better registration of births in the District of Columbia, and for other purposes," approved March 1, 1907; to the Committee on the District of Columbia.

By Mr. MORGAN:

H. R. 9605. A bill to provide for issuing policies of national service life insurance to veterans of World War II; to the Committee on Veterans' Affairs.

By Mr. PRICE:

H. R. 9606. A bill to provide that the United States shall aid the States in wildlife-restoration projects, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. HESS:

H. J. Res. 546. Joint resolution designating August 18, 1954, as National Catholic War Veterans Day; to the Committee on the Judiciary.

By Mr. HAGEN of Minnesota:

H. Res. 590. Resolution providing for the consideration of the bill H. R. 9245; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BETTS:

H. R. 9607. A bill for the relief of Mrs. Blanche Houser; to the Committee on the Judiciary.

By Mr. CEDERBERG:

H. R. 9608. A bill for the relief of Dr. Lu Ho Tung and his wife, Ching-hsi (nee Tsao) Tung; to the Committee on the Judiciary.

By Mr. MAHON:

H. R. 9609. A bill for the relief of Margretta Cornelia Douma; to the Committee on the Judiciary.

By Mr. OSTERTAG:

H. R. 9610. A bill for the relief of Franziska Lindauer Ball; to the Committee on the Judiciary.

By Mr. ROONEY (by request):

H. R. 9611. A bill for the relief of Vito Recchia; to the Committee on the Judiciary.

By Mr. SMITH of Wisconsin:

H. R. 9612. A bill for the relief of Charles F. Bullette; to the Committee on the Judiciary.

By Mr. WILSON of Texas:

H. R. 9613. A bill for the relief of Freda H. Sullivan; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

National Park Concessions

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1954

Mr. MILLER of Nebraska. Mr. Speaker, I insert at this point in the RECORD four resolutions which were adopted by the Interior and Insular Affairs Committee of the House on June 15, 1954, in compliance with the act of July 31, 1953—Public Law 172 (83d Cong., 67 Stat. 261).

The act of July 31, 1953, provides that the Secretary of the Interior shall report in detail all proposed awards of concession leases and contracts, including renewals thereof, 60 days before such awards are made, to the President of the Senate and the Speaker of the House of Representatives for transmission to the appropriate committees.

Meeting in open session on June 15, 1954, the committee was apprised of no reason to disapprove the Secretary's recommendations on the four proposed concession awards covered by the following resolutions:

Whereas the act of July 31, 1953 (Public Law 172, 83d Cong., 67 Stat. 261), provides that the Secretary of the Interior shall report in detail all proposed awards of concession leases and contracts, including renewals thereof, 60 days before such awards are made, to the President of the Senate and the Speaker of the House of Representatives for transmission to the appropriate committees; and

Whereas the Speaker has referred to the Committee on Interior and Insular Affairs a letter dated May 12, 1954, containing the recommendations of the Secretary of the Interior with regard to a proposed extension of contract No. I–1p–18029 which will,

when executed by the Director of the National Park Service on behalf of the Government, extend for 1 year from January 1, 1954, unless sooner terminated by a new contract, the authorization under which Degnan, Donohoe, Inc., operates a restaurant, delicatessen, fountain, and bakery, and related services in Yosemite National Park, Calif., pursuant to the act of July 31, 1953 (67 Stat. 271); and

Whereas the Committee on Interior and Insular Affairs has, in session with a quorum present, this day found no reason to disapprove the recommendations of the Secretary of the Interior in this matter: Now, therefore, be it

Resolved, That the Committee on Interior and Insular Affairs of the House of Representatives give notice in writing to the Secretary of the Interior that it has no objection to his recommendations in this matter.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
A. L. MILLER, *Chairman*.
Adopted this 15th day of June 1954.

Whereas the act of July 31, 1953 (Public Law 172, 83d Cong., 67 Stat. 261), provides that the Secretary of the Interior shall report in detail all proposed awards of concession leases and contracts, including renewals thereof, 60 days before such awards are made, to the President of the Senate and the Speaker of the House of Representatives for transmission to the appropriate committees; and

Whereas the Speaker has referred to the Committee on Interior and Insular Affairs a letter dated May 3, 1954, containing the recommendations of the Secretary of the Interior with regard to a proposed award of a concession permit to the Colorado Transportation Co. which will, when approved by the regional director, region No. 2, National Park Service, authorize the company to provide accommodations, facilities, and services for the public in Rocky Mountain National Park, Colo., for a period of 1 year from January 1, 1954, pursuant to the act of July 31, 1953 (67 Stat. 271); and

Whereas the Committee on Interior and Insular Affairs has, in session with a quorum present, this day found no reason to disapprove the recommendations of the Secretary of the Interior in this matter: now, therefore, be it

Resolved, That the Committee on Interior and Insular Affairs of the House of Representatives give notice in writing to the Secretary of the Interior that it has no objection to his recommendations in this matter.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
A. L. MILLER, *Chairman*.
Adopted this 15th day of June 1954.

Whereas the act of July 31, 1953 (Public Law 172, 83d Cong., 67 Stat. 261), provides that the Secretary of the Interior shall report in detail all proposed awards of concession leases and contracts, including renewals thereof, 60 days before such awards are made, to the President of the Senate and the Speaker of the House of Representatives for transmission to the appropriate committees; and

Whereas the Speaker has referred to the Committee on Interior and Insular Affairs a letter dated April 30, 1954, containing the recommendations of the Secretary of the Interior with regard to a proposed award of a concession permit to St. Joseph's Hospital which will, when finally executed on behalf of the Government, authorize the hospital to obtain hot waters from Hot Springs National Park, Ark., sufficient to supply 10 tubs used in the St. Joseph's Hospital bathhouse, for a period of 10 years from January 1, 1954, pursuant to the act of July 31, 1953 (67 Stat. 271); and

Whereas the Committee on Interior and Insular Affairs has, in session with a quorum present, this day found no reason to disapprove the recommendations of the Secretary of the Interior in this matter: Now, therefore be, it

Resolved, That the Committee on Interior and Insular Affairs of the House of Representatives give notice in writing to the Secretary of the Interior that it has no objection to his recommendations in this matter.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
A. L. MILLER, *Chairman*.
Adopted this 15th day of June 1954.

Whereas the act of July 31, 1953 (Public Law 172, 83d Cong., 67 Stat. 261), provides that the Secretary of the Interior shall report in detail all proposed awards of concession leases and contracts, including renewals thereof, 60 days before such awards are made, to the President of the Senate and the Speaker of the House of Representatives for transmission to the appropriate committees; and

Whereas the Speaker has referred to the Committee on Interior and Insular Affairs a letter dated April 14, 1954, containing the recommendations of the Secretary of the Interior with regard to a proposed extension of contract No. I–700np–348, covering the period January 1, 1951, through December 31, 1955, which will, when executed by the Director of the National Park Service on behalf of the Government, extend for 8 years through December 31, 1963, the authorization under which the S. G. Loeffler Co. operates the National Capital Parks golf courses and related facilities, Washington, D. C.; and

Whereas the Committee on Interior and Insular Affairs has, in session with a quorum present, this day found no reason to disapprove the recommendations of the Secretary of the Interior in this matter: Now, therefore, be it

Resolved, That the Committee on Interior and Insular Affairs of the House of Representatives give notice in writing to the Secretary of the Interior that it has no objection to his recommendations in this matter.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
A. L. MILLER, *Chairman*.
Adopted this 15th day of June 1954.

Churchill Visit Underlines Wise Foreign Policy

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 17, 1954

Mr. BENDER. Mr. Speaker, it is always open season on the British Empire. Long before "the shot that was heard around the world," which marked the first great revolution against an imperial power, our Founding Fathers in America were speaking their mind about British policy. We have come a long way since the Revolution, but we are still quick to become angry with England and its colonial tradition.

Nevertheless, whenever we analyze the world situation, it becomes obvious that Uncle Sam and John Bull are the two cornerstones on which the future of Western civilization must rest. Without our combined strength the prospect for a free Europe is disturbing indeed. France and Italy have been pressed to establish stable governments. Germany is divided and still largely dependent upon foreign aid for defense.

American foreign policy is designed for one basic purpose—to preserve our freedom and security. The primary effort is to prevent war. But secondary to this, the object of our policy is to assure us a victory—if any kind of victory is possible in modern warfare—if we are compelled to wage war. Certainly in such a situation the dictates of intelligent foreign policy compel us to seek the strongest possible allies. The more we have, the better. We are a powerful nation, to be sure, but we have only 6 percent of the total world population. We must have allies and alliances in this complex and difficult world, even though we share George Washington's feeling on alliances. The British are our closest Western ally. Even though we may dislike much that they do, it is the task of statesmen to help them and every other potential friend so that they may be strong for us if the need ever arises.

Public Opinion Survey, 11th Illinois Congressional District

EXTENSION OF REMARKS
OF
HON. TIMOTHY P. SHEEHAN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 17, 1954

Mr. SHEEHAN. Mr. Speaker, each year since I have been in Congress I have conducted a public opinion survey among the people of the 11th Congressional District of Illinois, which is located on the northwest side of the city of Chicago. This year 29,900 questionnaires were sent out and 4,804 returns were tabulated. A scattering of approximately 200 more returns came in after the results were put together. The results represent a return of approximately 17 percent which, according to professional sampling averages, is a good response.

Every attempt was made to obtain an impartial distribution of these questionnaires. A questionnaire was sent to each of the 3,800 persons on my Newsletter mailing list, and the balance to people picked at random from every single voting precinct in the district, with no knowledge as to party affiliation or past voting record. It was felt this method would provide the most nearly perfect sample possible of the views of a representative cross section of the people in the 11th District.

As the representative of the people in the 11th Illinois District, it has been my political philosophy to speak to the Congress and to vote the issues before the Congress on the basis of representing the will of the majority of the people in my district, where that majority will is determined, and assuming, of course, the

majority will is not contrary to the Constitution nor to the general welfare of the country. If in my conscience I believed the majority viewpoint to be contrary to either the Constitution or the welfare of the country as a whole, it would then be my duty to inform the people as to why I felt their judgment was not in accordance with these criteria. Thus far in my 4 years in Congress, I cannot recall a single instance where it has been necessary for me to depart from voting the majority will of my constituents, as made known to me.

The breakdown of the 4,804 replies tabulated is as follows:

	Yes		No		No answer	
	Number	Percent	Number	Percent	Number	Percent
1. Are you in favor of the United States continuing as a member of the United Nations?	3,218	67.0	1,436	29.9	150	3.1
2. Are you in favor of admitting China as a member of the United Nations?	604	12.6	3,949	82.2	251	5.2
3. Are you in favor of authorizing United States participation in construction of the St. Lawrence seaway?	4,150	86.4	436	9.1	218	4.5
4. Are you in favor of a 3-year extension of Reciprocal Trade Agreements Act with progressive 5-percent tariff reduction in each year, to permit easier entry of foreign goods?	2,049	42.7	2,376	49.5	379	7.8
5. Do you approve of the Republican foreign policy in general?	2,539	52.9	1,757	36.6	508	10.5
6. Do you favor trade with Communist China and Russia?	561	11.7	4,027	83.9	216	4.4
7. Do you favor further arms and military aid to foreign nations?	2,195	45.7	2,229	46.4	380	7.9
8. Do you favor continued economic aid (point 4 program) to nations for development of backward nations?	2,616	54.4	1,861	38.8	327	6.8
9. Do you approve the present prohibition of secondary boycotts under the Taft-Hartley law? (A secondary boycott is a boycott by a party not directly involved in a labor-management dispute.)	2,608	54.3	1,667	34.7	529	11.0
10. Do you favor retention of the fundamentals of Taft-Hartley law?	3,730	77.7	703	14.6	371	7.7
11. Do you agree with President Eisenhower's recommendations that the Taft-Hartley law should give employees right to vote on whether or not they should strike?	4,471	93.1	199	4.1	134	2.8
12. Do you agree that farm and other cooperatives should be taxed?	4,027	83.9	522	10.8	255	5.3
13. Do you favor continued support of basic farm products at 90 percent parity level?	836	17.4	3,552	74.0	416	8.6
14. Do you agree with President Eisenhower and Secretary Benson on their cut in dairy price supports by reducing parity to 75 percent?	3,970	82.7	481	10.0	353	7.3
15. Do you favor removal of restrictions on the amount of money earned by one receiving social-security benefits? (Under present law a person over 65 earning more than $75 per month loses his social-security benefits for that month.)	4,028	83.9	647	13.4	129	2.7
16. Are you in favor of President Eisenhower's recommendations to increase social security dollar benefits and to increase the number of people covered by the social security law?	3,955	82.3	642	13.4	207	4.3
17. Do you favor use and development of atomic energy by private industry in our own country?	4,152	86.5	469	9.8	183	3.7
18. Do you favor dismissing Government employees who invoke 5th amendment in order not to answer questions about Communist activities?	4,296	89.4	370	7.7	138	2.9
19. Do you favor allowing 18-year-olds to vote?	2,161	45.0	2,511	52.3	132	2.7
20. Do you approve the Eisenhower administration to date?	2,784	58.0	1,246	25.9	774	16.1
21. Are you in favor of the plan of gradually reducing income tax on corporate dividends?	2,595	54.0	1,822	37.9	387	8.1
22. Do you feel that business conditions and unemployment will materially influence your voting in November elections?	1,922	40.0	2,669	55.6	213	4.4
23. Do you favor an additional 35,000 public housing units in the coming fiscal year?	2,561	53.3	1,965	40.9	278	5.8
24. Do you think that Senator McCARTHY's Senate committee should continue to reveal to the American people such Communist or subversive activities as it has already revealed?	3,620	75.4	918	19.1	266	5.5

Five of the questions on this year's survey are the same questions as the five that were asked in the 1953 survey. In order to bring out the changes in trend, I have set forth below for comparison the 1953 percentage results on these five questions:

	Percentage	
	Yes	No
14. Are you in favor of the United States continuing as a member of the United Nations?	64.1	35.9
15. Do you favor further arms and military aid to foreign nations?	44.7	55.3
16. Do you favor continued economic aid (point 4 program) to foreign nations for the development of backward nations?	43.3	56.7
21. Do you approve of the Republican foreign policy in general?	78.5	21.5
22. Do you approve of the Eisenhower administration to date?	84.2	15.8

It is to be noted that in the percentage of "yes" and "no" answers tabulated in the 1953 questionnaire just above, the "no answers" were not included in the percentage breakdown.

Question of the Week

EXTENSION OF REMARKS

OF

HON. GEORGE H. BENDER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1954

Mr. BENDER. Mr. Speaker, which Roosevelt will inherit the toga—John, who is working with the Eisenhower Citizens Committee? Frank, who is running for Governor of New York? Or Jimmy, who is running for Congress out of the California divorce court?

Select Committee To Investigate Rent Hikes

EXTENSION OF REMARKS

OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1954

Mr. O'HARA of Illinois. Mr. Speaker, I rise to give notice that when the House convenes next week I shall offer a resolution creating a select committee to investigate the rental situation in Chicago and other large cities. As a member of the Banking and Currency Committee I shall petition the distinguished chairman of that committee immediately to call the committee into executive session either to vote endorsement of my resolution or itself to undertake the investigation through a special committee created for that purpose.

What I predicted in my remarks in this Chamber when we were discussing the lifting of rent controls has happened. I pleaded then for at least an emergency control power to be vested in the President so that he could act promptly if matters did not work out as smoothly and equitably as the administration hoped.

The lifting of rent control was followed by rental boosts. Responsible real-estate interests tried to keep them to 10 percent, but in many instances owners of properties spurned their counsel. One increase followed another until tenants were paying to the extreme maximum of their ability. Now it is proposed to slap on another increase of from 10 to 20 percent this fall.

On June 14, 1954, the Chicago Daily News at the top of page 1 ran an eight-column streamer reading "Many Here Face Rent Hikes in Fall." Lower on page 1 was a three-column subhead that stated, "Rent Hikes Up to 20 Percent Face Many Here in Fall—Flat Shortage Still Tight Despite Forecasts When Controls Died."

The Chicago Daily News is an independent Republican newspaper that gave major journalistic support in the Middle West to General Eisenhower in his preconvention campaign.

Mr. Speaker, I hope that the administration will heed the storm warnings. With unemployment and diminished family incomes, due to stoppage of overtime and other causes, this certainly is no time for telling tenants to cough up another 20 percent or get out.

By fall the Congress will be in adjournment. If anything is to be done, it must be done now. If nothing is done, the administration must answer to the people come November.

Mr. Speaker, I am extending my remarks to include the news article in the Chicago Daily News of June 14, 1954, which follows:

Rent increases ranging from 5 to 20 percent face many Chicago and suburban tenants whose apartment leases expire later this summer and in the fall.

A survey also showed Monday that apartment hunters here are bucking a near-zero vacancy rate for flats.

Officials of rental management offices said the new boosts this fall in the city will run from 10 to 20 percent, following the pattern set June 1.

Increases in the suburbs this fall are expected to range from about 5 to 10 percent.

The boosts in Evanston chiefly will be confined to smaller apartments up to five rooms, said Lois K. Stewart, of Hokanson & Jenks, Evanston realtors.

Miss Stewart, the immediate past president of the Evanston-North Shore Board of Realtors, stated that increases were not likely for larger units, which have been moving more slowly in the rental market.

Real-estate men reported that prevailing rents in Chicago now range from about $13 per room per month for units in old neighborhoods to about $27 per room for more desirable locations.

Average rents are about $20 per room for well-maintained walkups.

William Everett, of Browne & Storch, said rents for elevator apartments range from $45 to $50 per room.

The survey showed that predictions of real-estate dealers of a loosening up in the apartment supply with decontrol of rents July 31, 1953, has failed to pan out.

Management firms handling approximately 14,000 rental units reported only 34 vacancies this month.

This is in line with estimates of only a 1 percent vacancy rate in all types of dwelling units made by the Real Estate Research Corp.

Against this tight supply is a continuing demand.

Joseph Ford, West Side real-estate man, said from 8 to 10 people visit his office daily looking for flats.

In addition, the office receives from 5 to 10 telephone inquiries for apartments each day.

"However, the situation is not as bad as it seems," said Arthur Mohl of Downs, Mohl & Co.

"We have had more of a turnover in the last 4 months than in the whole previous 2 years.

"As a result, we can usually find some place for a tenant in a comparatively short time.

"It may not be exactly what he wants at the price he'd like to pay, but at least he can get a place."

The continued shortage of apartment units here is closely linked to a negligible amount of new multiple-unit buildings.

Since expiration of rent controls, permits have been issued for only 2,681 apartments in Chicago, according to D. H. Mackelmann, deputy housing coordinator.

Of this number 1,664 units, or over half, were in public-housing projects.

"High construction costs and stiff financing requirements are holding down apartment building," said A. L. Alcorn, head of the rental management division of Draper & Kramer.

"New 5-room apartments today have to rent around $150 per month," he pointed out.

"In contrast, a man can buy a new home and pay out about $100 per month.

"He's willing to become his own janitor and maintenance man to save paying for these services in an apartment building."

Predictions that rent decontrol, followed by an increase in rents, would lead to a doubling up by many individuals to free many apartment units has failed to materialize.

George W. Kemp, Jr., president of McKey & Poague, said that while there has been some doubling up, it has not been on the scale expected.

Speaking for the Farmer

EXTENSION OF REMARKS
OF

HON. CLARENCE CANNON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1954

Mr. CANNON. Mr. Speaker, the woods are full of self-designated farm experts who take advantage of every possible occasion to tell us what the farmer wants—and what is best for the farmer, whether he wants it or not.

Among the most insistent and most vociferous of them all are various editors, Government and organization officials, professional politicians, middlemen, pollsters, and other self-constituted farm authorities clothed in purple and fine linen, who infest luxurious offices with mahogany furniture and plush carpets and fare sumptuously every day. These gentlemen rush into print on the slightest provocation, dictate headlines, race their mimeographs at top speed, address meetings, beat the air waves, and haunt the television screens telling all who will listen or read that the farmer does not want as high a price for what he sells as he pays for what he buys—that the farmer would scorn to ask for a fair share of the national income—that the farmer prefers for his children to grow up without the advantages enjoyed by the children of every other class and industry—that he is perfectly contented to accept 75-percent quotas when everybody else is getting in excess of 100 percent—that he decries legislation which would place him on a plane of equality with other beneficiaries of congressional enactments which for years have been legislating money out of his pockets and into the pockets of people who work less hours in less important capacities and render less service to the Nation than he does—that the farmer does not really feel his family is entitled to an American standard of living and would feel regimented and disgraced by creeping socialism if he countenanced efforts to give him 90 percent of the income all other American families are enjoying.

Apparently these loquacious and ubiquitous gentlemen who improvise their statistics or compile them on loaded questionnaires—"Do you favor the President's and so forth"—have no interest in the editorials of the farm journals which live close to the farmers and the soil and which are in a position to understand the farmer's problems and have a legitimate interest in farm progress and farm prosperity.

In view of that hiatus I venture to quote a few timely and pertinent paragraphs appearing in this week's edition of Wallace's Farmer and Iowa Homestead, one of the oldest, ablest, and soundest farm periodicals published on the North American Continent. Although Republican in politics—founded by a great Republican Secretary of Agriculture—its first interest is agriculture and the welfare of the farm family. Here is one of this week's editorials:

BENSON IN IOWA

Have Iowa farmers quit raising hogs in order to sell corn to the Government?

You'd get that idea from Secretary of Agriculture Ezra T. Benson's Iowa speeches around the first of June.

Benson told Iowa people that the present farm program had encouraged farmers "to produce corn and wheat for storage • • • rather than for meat, eggs, and other livestock products."

Let's look at Iowa hog production. What do the figures show?

Iowa farmers produced over 19 million hogs for market in 1953. Only four times in history has that total been exceeded.

The years when last year's hog production were exceeded in Iowa were 1943, 1950, 1951, and 1952. The total in 1950 was only slightly over the 1953 total.

The 19 million hogs produced in Iowa last year was 7 percent above the 10-year average.

And for this year, 1954, the Iowa hog production total promises to bounce right up near former record highs despite corn price supports.

The Secretary should know that drought had a great deal to do with reduction in hog totals nationally. For example, 1953 spring pig crop in the south central States was 32 percent below 1952.

Figures on hog production used here are from Benson's Department of Agriculture.

And there are more figures there to prove that meat production has gone up, not down, in this period when so-called high price supports were in effect.

Meat production in 1953 exceeded that of any peacetime year. Consumption of red meat per person at 154 pounds was highest since 1908.

Price supports at present levels have not made Iowa farmers quit raising hogs as Benson implies. Neither have they cut national production of meat and livestock products.

Supplementing this article is a convincing editorial in refutation of a widely circulated fallacy to the effect that reducing farm prices will decrease farm production and eliminate farm surpluses:

LOW PRICES NO CURE—FARM PRICE CUT WILL NOT END SURPLUSES

Lower farm prices will not solve our food-surplus problem as some would like to believe.

Farmers' prices would have to go very low to reduce production and increase consumption effectively.

Drastic price reductions required would break many farmers. And businessmen who deal with farmers would be hit almost as hard.

Political reaction would come quickly. Congress would pass farm-price-support laws stronger than those we have. And, very likely, with no real solution of the food-surplus problem.

We must look for some other method or methods. Farm price cuts won't cure the surplus problem.

First effort for disposal of food surpluses should be to stimulate consumption. Spend money, if need be, to feed our own people better.

We have millions of people who do not get enough meat and milk products for good health. There'd be no surplus food in anything but wheat if all of our people were fed well.

That's a consumption subsidy, of course. But we subsidize producers. What's the difference?

Direct subsidies to consumers might not cost any more and might have more benefit to all concerned.

The specific measures could be school lunches, food stamps, and production payments on perishable products.

Such surplus disposal measures would have the advantage of strengthening our whole people through better nutrition.

Can we move the surpluses by stimulating consumption?

In everything but wheat, the surpluses will disappear if we get the food to the people that they really need.

And if, along with consumption efforts, we store feed grains in years of big production to smooth out the supplies one year with another.

Then, when our people are well fed, production controls, through soil conservation methods, would be justified. And controls can be made to work if people are convinced they are necessary.

Let's help people to eat up our food surpluses. Then use production controls only as absolutely necessary.

That kind of a farm program has a chance. The low-price method of controlling production and increasing consumption has not worked in practice.

And in this connection, quoting from the same editorial page, is an appropriate answer to the admonition given evicted farmers who appealed to legislative committees in the last depression, "You farmers are always bellyaching. Go on back home and raise more hogs and less hell":

Town folks say farmers complain too much. Might be the businessman would complain, too, if he had nothing to do with his buying or selling prices—and if the real buyers of his products were folks in distant cities that he never even sees.

The folks who lecture farmers about tinkering with the law of supply and demand are usually those who have been able to manipulate demand or supply to make their own business successful.

Mr. Speaker, in these—and similar editorials published over many years—Wallace's Farmer and Iowa Homestead is not pleading for the farmer alone. The great farm spokesman is also speaking for America as a whole. For farm prosperity means American prosperity. Abraham Lincoln said, "This country cannot exist half slave and half free." He might have added with equal conviction that it cannot exist half busted and half rich. When farm income dwindles—when the farmer can no longer buy—the merchant can no longer sell. When the merchant can no longer sell, the factory closes down and the highways are crowded with men looking for jobs. Banks liquidate. The stock exchange crashes. The new television set is repossessed. All for the want of a farmer with enough buying power to support his family.

Little Items That Make Big News

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 17, 1954

Mr. BENDER. Mr. Speaker, we often say that inflation is the world's biggest thief. Here is proof. If you were a married man with two dependents in 1939 and earned $77 a week, you have to be making $173 a week today to be just as well off. That is why the Eisenhower administration is battling so hard to cut down Federal spending from the record levels reached under the Democrats.

Some folks thought the Smith Act was only conversation and that the Communist Party leaders would just burrow underground. As of now, 109 Red agents have been arrested under this law, and their yelps of anguish can be heard all the way to Moscow.

Under the Eisenhower administration, the Federal Government has eliminated the use of 7,000 automobiles, saving the taxpayers $2 million a year; new purchasing procedures by the General Services Administration are saving us $67 million annually; new licensing procedure is giving us $30 million more in revenues each year. It all adds up—our way, for a change.

Public Laws 384 to 388, Inclusive

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 17, 1954

Mr. O'HARA of Illinois. Mr. Speaker, I am extending my remarks to include my report to my constituents on recent legislation, as follows:

TWENTY-EIGHTH REPORT ON LEGISLATION OF THE 83D CONGRESS

DEAR FRIEND: Here are the most recent laws enacted by the 83d Congress. You will notice that some of the measures passed the House by consent. Perhaps I should explain.

The Consent Calendar (called twice a month) lists certain bills unanimously reported from committee and on which there is thought to be no controversy. They must be on the calendar at least 3 days before consideration.

Meanwhile printed volumes of the public hearings, if any were held, are made available to all Members together with the printed reports and recommendations of the committees. This gives Members ample opportunity by diligent homework to acquaint themselves with the provisions of the bills.

When the Consent Calendar is called if any Member is in doubt on a measure he can stop further immediate consideration by joining with others in an objection or merely by requesting that the bill go over without prejudice. Otherwise the bill is declared passed by unanimous consent, usually with no one actually voting. Silence is equivalent to an affirmative vote. The purpose of the Consent Calendar is to expedite the legislative work of the Congress.

PUBLIC LAW 384

H. R. 7541, National Advisory Committee for Aeronautics: This is a perfecting amendment. It perfects the language without changing the substance. The organic act of the National Advisory Committee on Aeronautics specifies that one of the 17 members of NACA shall be the chairman of the Research Development Board of the Department of Defense. But presently there is no such office since Reorganization Plan No. 6 of 1953 abolished the office of Chairman of the board and transferred his duties to a selectee of the Secretary of Defense. Public Law 384 substitutes "one Department of Defense representative who is acquainted with the needs of aeronautical research and development" for the old language. Thus by this perfecting arrangement NACA continues to have the helpful representation of the aeronautical research expert of the Defense Department regardless what his title.

PUBLIC LAW 385

H. R. 116, transportation of fireworks: You will find local interest in Public Law 385 since its enactment resulted from a popular indignation in Chicago following a premature celebration of July 4 of 1951. Three children were killed by the explosion of bootleg fireworks, prohibited by the laws of Illinois, but obtained by the children mailing a coupon from a comic book to a manufacturer outside of the State and receiving through shipment by railway express a package containing such power of destruction as should not have been permitted to pass into their hands.

The late beloved A. L. Brody then was coroner of Cook County. He inaugurated the movement that culminated 3 years later, almost to the day, in this law making criminal the interstate shipment of fireworks into any State in which the sale or use of such fireworks is prohibited.

At present 36 States, including Illinois, have comprehensive legislation on the subject, 10 have regulatory statutes, only 2 (Nevada and Tennessee) have no legislation whatever. But all any child had to do to obtain illegal fireworks was to cut out and mail coupons freely inserted in comic books and magazines to an out-of-State manufacturer for direct shipment to the purchaser. Public Law 385 stops that. It becomes effective July 1, 1954.

The July 4 observation of 1952 was marked by 266 bootleg fireworks accidents (9 deaths, 8 of children) in Illinois. Future celebrations of Independence Day will not be so desecrated. Thanks go to an alert public official in Chicago, who after the 1951 tragedy did something about it beyond his routine duties as coroner. Public Law 385 is a monument to the memory of "Al" Brody. I always regarded him as a pattern of what a public servant should be in integrity, alertness, courtesy, and genuine interest in advancing the public welfare.

The bill passed the House by voice. In the Senate there was a rollcall. Senator DOUGLAS was among the 73 who voted for the measure. Senator DIRKSEN was absent. Senator JOSEPH MCCARTHY, of Wisconsin, was among the 3 Senators who voted "no."

PUBLIC LAW 386

H. R. 232, Tent City, Ind.: Tent City, an area of some 14 acres adjacent to Stout Field in Indianapolis, was used for barracks by the Air Force during World War II. Public Law 386 authorizes its transfer to the State of Indiana for the exclusive use of the National Guard, subject to its return to the United States in the event of a war emergency. The House passed the bill by consent.

PUBLIC LAW 387

H. R. 1815, sale and lease of public lands for recreational use: This marked the final legislative accomplishment of the late Senator Hunt (cancer victim, second Member in the history of the United States Senate to die of self-inflicted wounds). His interest stemmed from the desire of the city of Worland, Wyo. (in the Big Horn Basin on the route to Yellowstone National Park), to obtain 160 acres of unused federally owned land for an 18-hole municipal golf course, wading pool for children, tennis courts, picnic, and parking facilities. Senator Hunt argued that small tracts of the public

domain lying waste and useless for other purposes should be made available to local governments in contributing to the out-of-doors enjoyment of the public. I think he was entirely right.

Public Law 387 gives a limited authority to the Secretary of the Interior to sell (at 50 percent appraised value) small isolated tracts to States, Territories, municipalities, and nonprofit associations (Boy Scouts as an example) for camping, recreational, and similar uses. Land in national parks and monuments properly are excluded. Oil and mineral rights are reserved. Public Law 387 also broadens the leasing provisions of the Recreation Act of 1926.

Especially benefited will be Alaska, where 99.9 percent of the total land area is owned by the Federal Government.

The House passed the measure by consent.

PUBLIC LAW 388

H. R. 2225, binoculars loaned to the Navy: If perchance you loaned binoculars to the United States Navy during World War II, I suggest you lose no time in reclaiming them. For 7 years after the close of the war the Navy Department has been trying to locate the owners to keep its pledge of return of the property. Thirty sets of binoculars remain unclaimed. Public Law 388 relieves the Navy of the continuing burden of keeping the binoculars on hand while it goes on trying to find the owners. After December 31, 1954, the Navy is authorized to call it a day as far as binoculars are concerned.

Public Law 388 also covers other administrative matters of minor importance. Routine legislation.

When you visit Washington please drop in on us at 1420, my office, in the New House Office Building. It means so much to the happiness of us all.

Cordially and sincerely,

BARRATT O'HARA,
Member of Congress.

Tenth Anniversary of the Republic of Iceland

EXTENSION OF REMARKS
OF
HON. CARROLL D. KEARNS
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 17, 1954

Mr. KEARNS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement on the occasion of the tenth anniversary of the Republic of Iceland:

Today, a sister republic of ours, at once the smallest in population and the oldest in parliamentary government, celebrates its 10th anniversary. On June 17, 1944, the Republic of Iceland came into being, then as now, an ally and firm friend of the United States.

It is appropriate that we pay tribute on this day to the people of Iceland and to their new republic, whose lineage can however be traced to the year 930, when the National Parliament of Iceland was established on the plain at Thingvellir.

I have an especial interest in calling attention to this anniversary, since I had the privilege of visiting Iceland earlier this year with the United States Air Force Symphony Orchestra. I experienced the warm hospitality and friendship of the Icelandic people.

We are fortunate to have the friendship of this stalwart people, and the partnership of Iceland with us in NATO should be a source of pride and gratification to us all.

It is with great pleasure that on this occasion I join the many American friends of Iceland in saluting the Republic of Iceland and its people, and in extending to them and their nation our best wishes for the future.

Public Laws 389 to 396, Inclusive

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 17, 1954

Mr. O'HARA of Illinois. Mr. Speaker, by unanimous consent I am extending my remarks to include my report to my constituents covering Public Laws 389 to 396, inclusive, as follows:

TWENTY-NINTH REPORT ON LEGISLATION OF THE 83D CONGRESS

DEAR FRIEND: As I write this the Congress is driving hard to meet the adjournment target of August 1. Sessions in the House have been starting early and running into the evening. Despite this, it is pure optimism to count on the end coming before mid-August.

Here are the laws enacted since my last report:

PUBLIC LAW 389

H. R. 3704, District of Columbia Corporation Act:

This gives to the District of Columbia a modern statute regulating the organization of business corporations. You will be interested in learning that it is patterned after the business corporation law of Illinois even though its author is O'HARA of Minnesota (member of the District Committee), and not O'HARA of Illinois, who merely voted for it.

It replaces an obsolete and inadequate act of 1901. The old law required a majority of directors of a District corporation actually to be citizens of the District. Since 1901 Washington has mushroomed into the suburbs, all in nearby Maryland and Virginia. Became more and more difficult to fill a directorate because of this restriction on the right of the director to make his own determination of where he wished to live in the Washington area.

PUBLIC LAW 390

H. R. 2512, Purchase of Public Lands for Homes:

Under the Small Tracts Act of 1938 heads of households or citizens over 21 could lease or purchase surveyed public lands in tracts of 5 acres or less for home, camp, health, convalescent, recreational, or business sites. Public Law 390 broadens the act of 1938 (1) by removing the age limitation (a returning veteran should not be banned because he is under 21), (2) by extending its provisions to worthy civic, philanthropic and religious groups and associations, (3) by permitting the lease of tracts in unsurveyed areas (in Alaska only 1½ percent of the land has been surveyed) and (4) by including in the area subject to the application of the act 2½ million acres of timberland in Oregon. In the case of the timberlands, however, small tracts may be leased, not sold, and cannot be used for any purpose detrimental to the use of the whole area for sustained yield timber management.

PUBLIC LAW 391

H. R. 2974, Indians of California:

In 1928 the Government started the enrollment of Indians who then were living in California and whose ancestors lived in California in 1852. By 1933 the roll was completed. There were listed 23,586 names.

Then in 1948 Congress called for another enrollment, this time of children living in 1948 and born after 1928. Some 10,000 names showed up on this roll.

In 1950 Congress increased the class eligible for enrollment and authorized a per capita payment of $150 to each enrollee who was living on May 24, 1950. The per capita payment is from the $5,024,842 judgment money (102 Ct. Cls. 837) on deposit with the United States Treasury to the credit of the Indians.

Public Law 391 extends the time for the Secretary of the Interior to complete the tabulation and distribution until June 30, 1955. His trouble is in finding how many on the 22-year-old roll were living in 1950. There are no adequate vital statistics to help him out.

PUBLIC LAW 392

H. R. 7061, adoption law for District of Columbia: This rewrites the law of the District of Columbia governing adoptions. It contains a statement of policy taken from the Maryland law and recommended by bar associations.

PUBLIC LAW 393

H. R. 7062, children placement in family homes: Another District of Columbia measure, rewriting the law of 1944 regulating the placement of children in family homes.

PUBLIC LAW 394

House Journal Resolution 508, memorial to Gandhi: This extends for 5 years the time in which the India League of America (or other designated organization) may erect in the District of Columbia without cost to the United States a memorial "testifying to the wisdom and leadership of Mohandas K. Gandhi."

PUBLIC LAW 395

H. R. 7554, pay for nonworkdays: When the President by administrative order closes the Federal offices for a special occasion, Government workers paid on an annual or monthly basis suffer no loss of pay. But the Comptroller General has ruled that he has no right to pay for time off the employees paid at hourly, daily, or piece rates. Public Law 395 quite properly puts all employees on the same footing. Hereafter none will lose pay when relieved or prevented from working by the President's administrative order.

PUBLIC LAW 396

House Joint Resolution 243, one nation under God: This is the law amending the oath of allegiance to the flag by adding the words "under God" so as to make it read: "one nation, under God, indivisible, with liberty and justice for all."

House Joint Resolution 243 was introduced in the House by Congressman LOUIS RABAUT early in 1953. Many months later a similar resolution was introduced in the Senate. Late in 1954 the proposal suddenly came to wide public attention. In 1 day I received over 1,000 letters from men, women and children in the 2d district. The total was the largest mail I received in the 83d Congress on any subject. I responded by introducing House Joint Resolution 514, thus becoming 1 of 17 House sponsors.

The Senate actually passed the measure a day or so before the date already scheduled for House action. But when the Senate resolution reached the House for concurrence the Rabaut measure (with 17 House sponsors) was substituted. The Senate graciously accepted the substitution. RABAUT is a Democrat, congressional leadership and control are Republican. It spoke well for the spirit of fairness among Members of Congress, regardless of party affiliations, that the honor of authorship was given to the Member who was the father of the legislation and whose resolution was the pattern for the others.

Public Law 396 is important at this moment in our history by stressing the difference in philosophy from the communistic system with which we are in conflict. Our American Government is founded on the concept of the individuality and the dignity of the human being. Our Declaration of Independence states that all men are created equal and endowed by their Creator with inalienable rights.

As early as 1892 the Supreme Court ruled that "this is a religious Nation." In 1951 the Court reaffirmed this, saying: "We are a religious people whose institutions presuppose a Supreme Being."

It was during the Presidency of Abraham Lincoln (1864) that Congress directed the inscription "In God we trust" on our coins. It was at Gettysburg in 1863 that Lincoln made the first use of the term, "this Nation, under God."

Public Law 396 does not violate the first amendment to the Constitution because it recognizes a distinction between religion as an institution and a recognition of the sovereignty of God.

Cordially and sincerely,

BARRATT O'HARA,
Member of Congress.

Atomic Progress Is Moving Fast

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 17, 1954

Mr. BENDER. Mr. Speaker, nothing is more fascinating to experts, public officials, and the community at large than reports of atomic development. Everything that we had read years ago in the Sunday supplement speculation on the potential power of the atom has suddenly moved into the news columns. Suggestions that atomic powerplants may be available for private homes in a few years have stirred the Nation's imagination.

No less dramatic is the work being done in auxiliary fields related to the use of atomic energy. The production of glass stronger than lead, new metals whose names were almost unknown outside of the trade and scientific journals a decade ago, and experiments in chemical compounds have combined to make the years ahead seem like an adventure worthy of Aladdin and his lamp.

There are now some 30 nuclear reactors at work throughout the Western World, and no one can be sure of the number available in the Communist-dominated Iron Curtain countries. On our side of the curtain, these reactors are being used to produce salutary materials, radioactive isotopes for medicine and research being the most notable and best known.

The race today seems to be almost incredible in its perplexities. In the last analysis, the question seems to be whether or not mankind will create a world in which the atom can be used to make a better life for everyone before it is used to blow us all to kingdom come. We are praying for the former alternative and do not believe that the latter will ever occur.

A Full and Complete Program of Aid to Our Physically Handicapped Is a Sound National Investment

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 17, 1954

Mr. DONOHUE. Mr. Speaker, when we were recently considering the appropriation bills for Labor and Health, Education, and Welfare Departments, I felt it my duty to support the amendments, under the vocational education and rehabilitation provision, to increase the appropriation to $23 million and remove the restrictive language which had been inserted in the previous year's bill. As you know, both of those amendments were approved and included in that measure.

The United States is rehabilitating about 65,000 people each year, but there are approximately 250,000 capable of being rehabilitated. When rehabilitated, these people go from the welfare and relief rolls to the rolls of the taxpayers. Actually, it can be scientifically proven that over the long run, the rehabilitation of our handicapped citizens does not cost anything. The returns to the Treasury in taxes from their employment will repay Federal and State governments every dollar it cost to rehabilitate them.

It is obvious, therefore, that assistance to our handicapped people is a sound national investment and contributes immeasurably to the general welfare. Consequently, when we come, in the near future, to consider the scheduled administration bills to augment our present Federal aid to State vocational rehabilitation for the physically handicapped, I earnestly hope this House will exercise the most conscientious deliberation to provide a complete and adequate law.

The suggested respective committee bills have some basically good features in authorizing worthwhile new types of rehabilitation service and further personnel training opportunities. However, these are not sufficient to deal adequately with the complicated human and economic problems of the physically handicapped.

In my conviction, amendments should be adopted to coordinate the thirty-odd-Federal agencies having responsibility for various parts of the handicapped program and additional funds provided to help the handicapped find work after they have become fit themselves to work. Also, an advisory council, to administrate the program, should be set up, consisting of representatives of labor, industry, the farm interests and the handicapped themselves.

It is only logical, if we insure the training and rehabilitation of more handicapped persons, then we should also increase the personnel and services designed to specifically aid the handicapped in being placed in suitable employment. The authorities tell us that there are now less than 100 persons in the country today who are qualified in that field.

I understand the above amendments will be offered to the measures brought out on the floor, and I shall exhort the Members to unanimously approve of them. We cannot afford to be penny wise and pound foolish in this problem. If we accept the principle that it is in our own national interest to help the handicapped, then it is only practical wisdom to insure the enactment of a full and complete program to do the job in its entirety.

Public Laws 397 to 403, Inclusive

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 17, 1954

Mr. O'HARA of Illinois. Mr. Speaker, by unanimous consent, I am extending my remarks to include my report on recent legislation made to my constituents, as follows:

THIRTIETH REPORT ON LEGISLATION OF THE 83D CONGRESS

DEAR FRIEND: Continuing my report to you on the laws passed by this Congress and the part you played in their enactment by the votes you delegated me as your agent to cast in your behalf:

PUBLIC LAW 397

House Joint Resolution 481; memorial to Simon Bolivar: In 1949 Congress authorized the acceptance within a 5-year period of a statue of the great South American liberator, Simon Bolivar, as a gift of Venezuela. Domestic disturbances within that country delayed work on the statue. Public Law 397 extends the time another 5 years. The Capital of the United States is rich in memorials to the great and noble. That of Simon Bolivar will be an appreciated addition.

PUBLIC LAW 398

H. R. 356, Railroad Retirement Act dual benefit provision: Public Law 398 comes as a boon to many retired railroad workers who had suffered a dimunition of income by reason of the so-called dual benefit provision written into the Railroad Retirement Act by the 82d Congress.

The act of 1951 (82d Cong.) made a distinction between workers who had creditable service before 1937 and those with creditable service after 1937 by providing that those who had creditable service before 1937 could not receive annuities under both railroad retirement and social security systems.

This is how it worked: An annuitant entitled to $129.80 a month (the average payment under the Railroad Retirement Act) and $40 a month under social security actually received $89.80 a month despite the fact that he had made his required contributions to both funds. He was penalized, not benefited, to the extent of the social security for which he had paid. Some 30,200 annuitants and 10,500 wives were affected. Severe hardship resulted in many instances.

Public Law 398 rights the injustice by repealing retroactively the dual benefit provision of the 82d Congress. Hereafter all retired railroad workers will receive their full annuities plus whatever they are entitled to under social security.

I am informed that everyone except possibly the railroad managements (they match

the employee's contributions to the fund) is now entirely satisfied with the legislation. The nonoperating brotherhoods at first were fearful that the legislation would adversely affect the fund's actuarial soundness, later joined with the operating unions in its support.

In casting your vote for the bill I had in mind that it is hard enough in these days of high costs for annuitants to get by, and furthermore, a man is entitled to what he pays for, whether it is insurance or bread.

PUBLIC LAW 399

H. R. 2828, Menominee Indians: This is important legislation at a time in our history when it is essential to the maintenance of our world position that all racial segments of our population have equal enjoyment of the opportunities and dignity of first-class citizenship.

Public Law 399 provides that on December 31, 1958, the Menominee Indians in Wisconsin will be removed from Federal guardianship, thereafter to stand on their own feet like all other Americans. Meanwhile there immediately will be distributed $1,500 per capita payments among the 3,150 members of the tribe from some $10 million the Menominees have on deposit in the United States Treasury. This deposit includes $7,650,000 paid by the Federal Government in satisfaction of a 1951 judgment in the Court of Claims.

I think you will approve of my contribution of your vote to the passage of this measure. (1) It seemed to me unfair to keep the descendants of the first Americans in the ignominy of being wards, especially in instances where they have given clear evidence of their competency to handle and protect their own affairs. Keeping the Indians in an inferior status would be used by our enemies to jeopardize our acceptance as a friend by all the many races of the world. (2) Making $1,500 per capita distributions now will save the taxpayers $200,000 a year in interest which existing law requires the Government to pay on Indian deposits in the Treasury. I thought the $200,000 well worth saving.

I was pleased to learn from the committee report of the fine record of the Menominees. The reservation (235,000 acres, largely timberland) is worked by the tribe, which owns and profitably operates a large logging and sawmill business. Most of the tribe members are employed in this enterprise. It is likely that when the Federal guardship ends the tribe will organize a corporation and continue to run the business as other Americans do when joined in a corporate venture.

PUBLIC LAW 400

S. 251, docket fees: Attention Federal lawyers: a default judgment is a "final hearing" in the meaning of section 1923 (a) of title 28, United States Code, entitling winning counsel to docket fees of $20. Public Law 400 clears up the point.

PUBLIC LAW 401

S. 1399, national forest lands in Arizona: On the completion of the Roosevelt Reservoir in the national forest lands area of Arizona a number of buildings used during construction were sold to the Salt River Valley Water Users Association. Public Law 401 authorizes the sale to the association of the remaining buildings, the proceeds to apply on the erection of a new forest ranger station nearby. A practical arrangement.

PUBLIC LAW 402

S. 1823, veterans as homesteaders: This places Korean war veterans on the same footing as World War II veterans in the matter of meeting the residential requirements of the homestead law. Their war service up to 2 years is to be credited as actual residence on the homestead. Public Law 402 also extends the veterans preference right to apply for public lands (due to expire September 27, 1954) another 5 years, and properly removes the restriction that the veteran must be 21 years old. The House passed the bill by consent.

PUBLIC LAW 403

S. 3096, doctors in enlisted grades: Section 4 of the 1953 Doctors Draft Act (see my Rept. No. 6) provided for the appointment of draftees to commissioned ranks commensurate with professional education and experience. The Court of Appeals, Fourth District, held this made mandatory the discharge of the draftee failing to qualify for a commission.

Public Law 403 reestablishes and legalizes a former practice by specifying that any inductee who fails to qualify for, or to accept, a commission may be utilized in his professional capacity (physician, dentist, veterinarian) in an enlisted grade or rank.

Now that Korea is over, the Doctors Draft Act (admittedly discriminatory) should be repealed as quickly as the welfare of our enlistees will permit. The proper approach is to make the service sufficiently attractive to career professionals so that there will be no necessity of resorting to a draft applicable only to one group.

Cordially and sincerely,

BARRATT O'HARA,
Member of Congress.

A Bill To Change the Name of the Gavins Point Reservoir to Lewis and Clark Lake

EXTENSION OF REMARKS
OF
HON. E. Y. BERRY
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 17, 1954

Mr. BERRY. Mr. Speaker, I have today introduced a bill which would change the name of the Gavins Point Reservoir in the States of South Dakota and Nebraska to Lewis and Clark Lake.

I am introducing this bill at the request of the people of my State, including the people of Yankton and the chamber of commerce of that city, the chamber of commerce of the city of Springfield, and others. These cities and chambers of commerce have passed resolutions requesting the change of name because of the fact that Gavins Point has no historical significance, whereas the Lewis and Clark Expedition was a major event in the early history of this territory. Their log marks several important spots from the mouth to the source of the great Missouri River. Their expedition was responsible for the opening up of the great Missouri River Basin, known today as the breadbasket of the world, which embraces one-sixth of the land area of the United States.

It was 150 years ago that this expedition consisting of 33 persons embarked on probably the most extraordinary adventure in American history. This little group, known as the Lewis and Clark Expedition, was commanded by Meriwether Lewis, private secretary to President Jefferson, and William Clark, Army associate of Lewis and younger brother of Gen. George Rogers Clark.

The organization of the Lewis and Clark Expedition was brought about by Thomas Jefferson, whose interests were focused on the Louisiana Territory. Jefferson felt that such an expedition could open up a trade route between the United States and the Pacific, and that it would provide an opportunity for learning much about the geography and biology of the unexplored region.

The undertaking of this assignment involved much responsibility and many great risks. Jefferson outlined the objectives of the expedition, pointing out the necessity of dealing peaceably with the natives and of keeping detailed, accurate records of all observations. It involved surveying and mapping the courses of the Missouri River, studying the mineralogy, climate, geography, botany, and zoology of the country to be explored, and making detailed reports on the ethnology of all of the Indian tribes which might be encountered.

During December of 1803, winter headquarters of the expedition were established near the mouth of the Missouri River. Preparations for the journey were made. The quantity and variety of goods required for the expedition is surprising. The gross weight of food alone was more than 7 tons. Miscellaneous equipment included a blacksmith's forge, a mill for grinding corn, tools, surveying and navigating instruments, medical supplies, tents, cooking utensils, extra clothing, and, of course, ammunition. Also included were trinkets such as beads, knives, ribbons, and so forth, for Indian trade.

Arrangements for departure were finally completed, and on May 13, 1804, the historical adventure began up the Missouri River. The river's current was strong, and the journey upstream was slow. July 4 found the little expedition near the mouth of the Kansas River, and to celebrate the day, rifles were discharged and the campsite was named Independence, now in the State of Missouri.

Each day of the journey brought new wonders and experiences. Physical discomforts were sometimes nearly unbearable. Mosquitoes were a constant annoyance. Part of the journey was made on foot over rough ground infested with prickly pears and cactus. At one time several members of the expedition narrowly escaped drowning when a wall of water came down upon them after a cloudburst and hailstorm.

Unbelievable numbers of wild animals, such as deer, elk, antelope, and bison roamed the valleys and plains. Hundreds of different kinds of vegetation, birds, and fishes were noted. Descriptive records of all observations were kept. Compass bearings, landmarks, principal topographical features, and land surveyance reports were diligently written into a diary day by day.

Fortunately, relations with the Indians were generally friendly, and much time was spent in negotiating peace among the many tribes. It was approximately at the exact site of the present Gavins Point Dam that the Lewis and Clark Expedition held its first meeting with the Sioux Indian Nation. August 26, 1954, will mark the 150th anniversary of this successful council with the Sioux.

This territory which was first explored and platted by this little expedition, was the germ of what is now the greatest

area of its kind in the world—the great Missouri River Basin. Because of the importance of this area, and because of the national need of controlling the waters of this great river, we are constructing these large dams in the upper region. It is fitting and proper that the reservoir in connection with the first of this series of dams when traveling up the great Missouri River should be named in honor of the men who first explored and platted that river—Meriwether Lewis and William Clark.

It is especially fitting that it should be so named in view of the fact that the dam itself is located at almost the exact site of the spot where Lewis and Clark held their first meeting with the representatives of the great Sioux Nation.

I hope consideration will be given to this request.

Mr. Dulles Reorganizing Our State Department

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1954

Mr. BENDER. Mr. Speaker, all of us become impatient with the slow processes of government in a free republic. But we must remember that no responsible administration can undo in 18 months what was 20 years in the making. Secretary of State John Foster Dulles has just adopted as policy for the Department of State a special committee report dealing with reorganization of our Government's diplomatic agency.

Under the recommendations, our Foreign Service Corps will seek to obtain a regular flow of topnotch men and women representing a high-level cross section of American life, and will attempt to integrate the functions and responsibilities of the Home and Foreign Service units of the State Department. In selecting people for the Department, Members of Congress would be encouraged to suggest outstanding people, much as they now do for West Point and Annapolis.

A training program involving scholarships at colleges is another important recommendation under study. Fine people will be given this opportunity to serve their country on a broader basis than ever before when the whole reorganization program goes into effect.

SENATE

FRIDAY, JUNE 18, 1954

(Legislative day of Friday, June 11, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, before ever our yearning needs have broken into speech we know that Thou hearest even the secret sigh of our fainting yet aspiring hearts. We bow before Thee with the consciousness that every heavenly virtue we possess, every moral victory we win, every thought of holiness which shames our uncleanness is Thine alone.

Send us forth, we pray Thee, to face the duties and tasks which press us on all sides, with a gentler tone, a sweeter charity of words and a more healing touch for all the smart of this wounded world. Give truth to our words, sincerity to our hearts and courage to our deeds, in these times which are testing as by fire the treasure of freedom bequeathed to us. So may we in our day make patriotism beautiful with loyalty and dedication. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 17, 1954, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 8753. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to establish and operate motor vehicle pools and systems and to provide office furniture and furnishings when agencies are moved to new locations, to direct the Administrator to report the unauthorized use of Government motor vehicles, and to authorize the United States Civil Service Commission to regulate operators of Government-owned motor vehicles, and for other purposes; and

H. R. 9232. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, to extend until June 30, 1955, the period during which disposals of surplus property may be made by negotiation.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

LAWS ENACTED BY LEGISLATIVE ASSEMBLY, AND MUNICIPAL COUNCILS OF ST. THOMAS AND ST. JOHN, AND ST. CROIX, V. I.

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Legislative Assembly, and the Municipal Councils of St. Thomas and St. John, and St. Croix, V. I. (with accompanying papers); to the Committee on Interior and Insular Affairs.

APPOINTMENT OF MAJ. GEN. FRANK H. PARTRIDGE, UNITED STATES ARMY, RETIRED, TO A CIVILIAN POSITION IN DEPARTMENT OF JUSTICE

A letter from the Attorney General, transmitting a draft of proposed legislation to authorize the appointment in a civilian position in the Department of Justice of Maj. Gen. Frank H. Partridge, United States Army, retired, and for other purposes (with accompanying papers); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with statements of the facts and pertinent provisions of law as to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

PETITION

The VICE PRESIDENT laid before the Senate a resolution adopted by the City Council of the City of Chicago, Ill., relating to the encouragement of enlistments in the military services, which was referred to the Committee on Armed Services.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The VICE PRESIDENT. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Anderson	Flanders	Maybank
Barrett	Gillette	Murray
Bricker	Hayden	Payne
Clements	Hendrickson	Robertson
Cordon	Holland	Schoeppel
Daniel	Jenner	Smith, N. J.
Dworshak	Johnson, Tex.	Williams
Ervin	Knowland	
Ferguson	Mansfield	

Mr. KNOWLAND. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from Maryland [Mr. BUTLER], the Senator from Arizona [Mr. GOLDWATER], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from North Dakota [Mr. LANGER], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from New Hampshire [Mr. UPTON], and the Senator from Connecticut [Mr. PURTELL] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Ohio [Mr. BURKE], the Senator from Louisiana [Mr. ELLENDER], the Senators from Tennessee [Mr. GORE and Mr. KEFAUVER], the Senators from Alabama [Mr. HILL and Mr. SPARKMAN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oklahoma [Mr. KERR], the Senator from New York [Mr. LEHMAN], the Senator from Washington [Mr. MAGNUSON], the Senator West Virginia [Mr. NEELY], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

The PRESIDING OFFICER (Mr. BARRETT in the chair). A quorum is not present.

Mr. KNOWLAND. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. AIKEN, Mr. BEALL, Mr. BENNETT, Mrs. BOWRING, Mr. BUSH, Mr. BUTLER of Nebraska, Mr. BYRD, Mr. CAPEHART, Mr. CARLSON, Mr. CASE, Mr. CHAVEZ, Mr. COOPER, Mr. DIRKSEN, Mr. DOUGLAS, Mr. DUFF, Mr. EASTLAND, Mr. FREAR, Mr. FULBRIGHT, Mr. GEORGE, Mr. GREEN, Mr. HENNINGS, Mr. HUNT, Mr. IVES, Mr. JACKSON, Mr. JOHNSON of Colorado, Mr. JOHNSTON of South Carolina, Mr. KENNEDY, Mr. KILGORE, Mr. KUCHEL, Mr. LENNON, Mr. LONG, Mr. MALONE, Mr. MARTIN, Mr. MCCARRAN, Mr. MCCLELLAN, Mr. MILLIKIN, Mr. MONRONEY, Mr. MORSE, Mr. MUNDT, Mr. POTTER, Mr. RUSSELL, Mr. SMATHERS, Mrs. SMITH of Maine, Mr. STENNIS, Mr. SYMINGTON, Mr. THYE, Mr. WATKINS, Mr. WELKER, Mr. WILEY, and Mr. YOUNG entered the Chamber, and answered to their names.

The PRESIDING OFFICER. A quorum is present.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. AIKEN, from the Committee on Agriculture and Forestry:

H. R. 6788. A bill to authorize the Secretary of Agriculture to cooperate with States and local agencies in the planning and carrying out of works of improvement for soil conservation, and for other purposes; with an amendment (Rept. No. 1620).

By Mr. MILLIKIN, from the Committee on Finance, with amendments:

H. R. 5173. A bill to provide that the excess of collections from the Federal unemployment tax over unemployment compensation administrative expenses shall be used to establish and maintain a $200 million reserve in the Federal unemployment account which will be available for advances to the States, to provide that the remainder of such excess shall be returned to the States, and for other purposes (Rept. No. 1621).

REVISION OF INTERNAL REVENUE LAWS—PERMISSION TO REPORT BILL AND TO PRINT AMENDMENTS SEPARATELY

Mr. BENNETT. Mr. President, representing the chairman of the Committee on Finance, the Senator from Colorado [Mr. MILLIKIN], I ask unanimous consent that the Committee on Finance may report the bill (H. R. 8300) to revise the internal revenue laws of the United States, and may submit its report thereon, during the recess of the Senate.

In connection with the reporting of this bill, I also ask unanimous consent that the bill not be reprinted, and that the amendments to the bill proposed by the Committee on Finance be printed separately.

The PRESIDING OFFICER. Is there objection to the requests of the Senator from Utah? The Chair hears none, and it is so ordered.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ANDERSON:

S. 3631. A bill to require Senate confirmation of appointments of Commissioners of the United States sections of the International Boundary and Water Commission, United States and Mexico, and the International Boundary Commission, United States, Alaska, and Canada; to the Committee on Foreign Relations.

By Mr. JENNER (for himself, Mr. MCCARRAN, and Mr. WELKER):

S. 3632. A bill making it a felony to import or ship in interstate commerce any commodity or goods produced by slave labor; to the Committee on the Judiciary.

(See the remarks of Mr. JENNER when he introduced the above bill, which appear under a separate heading.)

By Mr. HENDRICKSON (for himself, Mr. KEFAUVER, and Mr. HENNINGS):

S. 3633. A bill to amend section 13 of the Juvenile Court Act of the District of Columbia;

S. 3634. A bill to amend section 7 of the Juvenile Court Act of the District of Columbia; and

S. 3635. A bill to strengthen certain provisions of the District of Columbia Alcoholic Beverage Control Act relating to minors; to the Committee on the District of Columbia.

(See the remarks of Mr. HENDRICKSON when he introduced the above bills, which appear under a separate heading.)

By Mr. MCCARRAN:

S. 3636. A bill for the relief of Frank DeFond; to the Committee on the Judiciary.

By Mr. PAYNE (for himself, Mr. BARRETT, and Mr. POTTER):

S. J. Res. 166. Joint resolution designating August 18, 1954, as National Catholic War Veterans Day; to the Committee on the Judiciary.

PROHIBITION OF IMPORTATION OR TRANSPORTATION IN INTERSTATE COMMERCE OF GOODS PRODUCED BY SLAVE LABOR

Mr. JENNER. Mr. President, on behalf of myself, the Senator from Nevada [Mr. MCCARRAN], and the Senator from Idaho [Mr. WELKER], I introduce for appropriate reference a bill making it a felony to import or ship in interstate commerce any commodity or goods produced by slave labor. I ask unanimous consent that a statement by me pertaining to the bill be printed in the RECORD at this point, as a part of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3632) making it a felony to import or ship in interstate commerce any commodity or goods produced by slave labor, introduced by Mr. JENNER (for himself, Mr. MCCARRAN, and Mr. WELKER), was received, read twice by its title, and referred to the Committee on the Judiciary.

The statement by Senator JENNER is as follows:

STATEMENT BY SENATOR JENNER

In the recent past, as chairman of the Internal Security Subcommittee of the Senate, I appointed a task force for the purpose of maintaining a continuing study and investigation of the strategy and tactics of world communism. This task force, which consists of myself as chairman, with Senators HERMAN WELKER and PAT MCCARRAN as members, has been conducting a series of hearings on this general subject because we know that to adequately appraise the operation of the Communist conspiracy in this Nation it is essential that we keep abreast of the world strategy and tactics of international communism.

In the hearings which we have thus far conducted one of the principal subjects which has been under consideration is the worldwide trade offensive of the Kremlin which has as its ultimate goal economic strangulation of the West through ruinous competition of the products of slave labor. This threat presents to us not only the issue of protecting the American workingman in his job, but it also presents a moral issue of the highest order. Every shipload of goods produced by slave labor in Iron Curtain countries which we import into this country merely whets the appetite of the Kremlin for greater numbers to be subjected to this inhuman exploitation.

Accordingly, the bill (S. 3632) has been patterned after our laws which prohibit the shipment in interstate commerce of goods produced by child labor. If those laws are right, then this bill is right. If it is right to protect the American workingman from ruinous competition by slave labor then this bill is right. If it is right to protect ourselves and the free world from the spreading menace of international communism then this bill is right.

CONDITIONS AFFECTING JUVENILE DELINQUENCY IN THE DISTRICT OF COLUMBIA

Mr. HENDRICKSON. Mr. President, the Subcommittee To Investigate Juvenile Delinquency, in the course of its study of juvenile delinquency in the District of Columbia, was made aware of certain conditions which need to be corrected by legislation.

The subcommittee found, Mr. President, that widespread drinking was indulged in by young persons—some as young as 14 or 15—on licensed premises and in unsupervised public dancehalls.

Mr. President, the subcommittee is fully aware that the vast majority of dealers licensed to sell alcoholic beverages in the District of Columbia honestly strive to comply fully with the law.

The subcommittee also knows that the vast majority of these dealers neither intend nor desire to profit at the expense of the delinquency of youngsters.

Unfortunately, however, in every business or profession there are always likely to be a few persons so unscrupulous and so money seeking as to have no hesitancy in running their establishments in such a manner as to attract teen-agers and to cater to them.

This is a shocking situation, Mr. President, and the subcommittee would be remiss in its duty if it failed to propose a remedy in the form of legislation.

Such legislation I and the other members—Senators KEFAUVER and HENNINGS—of the subcommittee now offer to the Senate.

Without going into details, it amends the District of Columbia Beverage Control Act in such a manner as to—

First. Prohibit consumption on a dealer's premises or the sale or delivery of alcoholic beverages, including beer and wine, to persons under 21 years of age; and

Second. Establish certain new penalties for violations of law relating to the provision of alcoholic beverages to minors.

The other condition, Mr. President, which the subcommittee discovered in its investigation, is the situation in the juvenile court of the District of Columbia with respect to the waiver provisions of the Juvenile Court Act.

That power, in the case of felonies committed by a child above the age of 16, or in the case of any child charged with an offense which if committed by an adult would be punishable by death or life imprisonment, rests at present solely in the judge of the juvenile court.

Some witnesses at hearings before the subcommittee urged that the law be amended to remove this power from the judge and grant it solely to the office of the United States attorney.

The United States attorney favored the procedure I just mentioned.

Others recommended that the office of the United States attorney should be permitted to appeal to the municipal court of appeals.

The subcommittee is of the opinion that neither of these actions should be taken, but that the United States attorney for the District of Columbia and the Chief of Police of the Metropolitan Police Department should be authorized by statute to appear and present their views before the judge in relation to cases legally subject to waiver.

Mr. President, the members of the subcommittee and I now offer the Senate legislation to make such authorization.

Mr. President, Representative O'HARA, of Minnesota, of the House District Committe, has introduced legislation to implement the recommendation of United States Attorney Leo Rover, which was to transfer the waiver power from the juvenile court to his office.

The junior Senator from New Jersey is aware of the fact that the O'Hara bill is a copy of a proposed draft sent to me by Mr. Rover.

It is my further understanding that the Justice Department itself does not at this time look favorably upon transferring the waiver power to the United States attorney.

In other testimony presented with respect to the juvenile court, it was disclosed that approximately one-fourth of the total complaints made to the juvenile court are handled by the Social Work Division without referral to the judge.

The subcommittee believes that such a division of responsibility can but create a shifting of responsibility and a lack of control over an essential part of the court's function.

Mr. President, my colleagues on the subcommittee and I now introduce proposed legislation to correct this situation by requiring the Director of the Division of Social Work to carry out his duties and functions in accordance with the policies and procedures established by the judge.

The subcommittee believes these several amendments, Mr. President, represent steps which will aid the people of the District of Columbia in their efforts to combat juvenile delinquency.

Mr. President, I send the bills to the desk for appropriate reference, and I now yield the floor.

The PRESIDING OFFICER. The bills will be received and appropriately referred.

The bills introduced by Mr. HENDRICKSON (for himself, Mr. KEFAUVER, and Mr. HENNINGS) were received, read twice by their titles, and referred to the Committee on the District of Columbia, as follows:

S. 3633. A bill to amend section 13 of the Juvenile Court Act of the District of Columbia;

S. 3634. A bill to amend section 7 of the Juvenile Court Act of the District of Columbia; and

S. 3635. A bill to strengthen certain provisions of the District of Columbia Alcoholic Beverage Control Act relating to minors.

PRINTING OF ADDITIONAL COPIES OF SENATE REPORT NO. 1622, ENTITLED "INTERNAL REVENUE CODE OF 1954"

Mr. BENNETT. Mr. President, on behalf of the Senator from Colorado [Mr. MILLIKIN] I submit a concurrent resolution, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be read for the information of the Senate.

The concurrent resolution (S. Con. Res. 89) was read as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed 7,200 additional copies of Senate Report No. 1622, current Congress, entitled "Internal Revenue Code of 1954," of which 2,000 copies shall be for the Senate document room; 1,500 copies for the use of the Committee on Finance; 2,000 copies for the House document room; 1,500 copies for the Committee on Ways and Means; and 200 copies for the Joint Committee on Internal Revenue Taxation.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were each read twice by their titles, and referred, or placed on the calendar, as indicated:

H. R. 8753. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to establish and operate motor vehicle pools and systems and to provide office furniture and furnishings when agencies are moved to new locations, to direct the Administrator to report the unauthorized use of Government motor vehicles, and to authorize the United States Civil Service Commission to regulate operators of Government-owned motor vehicles, and for other purposes; to the Committee on Government Operations.

H. R. 9232. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, to extend until June 30, 1955, the period during which disposals of surplus property may be made by negotiation; placed on the calendar.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD as follows:

By Mr. FULBRIGHT:

Two statements made by Senator MCCLELLAN on June 17, 1954, at the so-called McCarthy-Army hearings.

PROPOSED FCC RULE MAKING SUBVERSIVES INELIGIBLE FOR LICENSES

Mr. WILEY. Mr. President, I was pleased to receive from the Honorable Rosel H. Hyde, Chairman of the Federal Communications Commission, notices of proposed rulemaking for the amendment of parts 12 and 13 of the Commission's rules. These concern respectively, eligibility to hold amateur operator licenses and commercial operators licenses or permits.

The proposed new FCC rules to ban subversive and/or felonious licenses are welcome steps and very definitely in the right direction. I am gratified that these steps are being taken, partly at my own suggestion and continued recommendation.

For approximately 1 year, I have been discussing with the FCC and with United States security agencies the problem of tightening present security loopholes in the radio field.

Even after the two new rules are added, a great deal more will have to be done in this area. The electronics security problem is a very complex one with many, many ramifications.

Even simply the administration of the two proposed new rules alone will require great and careful effort. Subversive forces will not take this effort on our part lying down. They will probably try to throw every sort of legal roadblock against it.

Meanwhile, we must make sure that the two proposed rules are sound, equitable, and feasible from every standpoint and that there are no bugs in them.

I ask unanimous consent that a statement which I have prepared by way of background on this subject, along with certain appended materials, be printed in the body of the RECORD.

There being no objection, the statement and material were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

In this atomic age, in this age of electronics, this age where the life and death of this Nation can hinge upon communications in times of gravest emergency, it is essential that we protect our country to the fullest possible extent, in the communications field.

Beginning in April 1953, therefore, I had exchanged a series of letters with the Federal Communications Commission and other Federal agencies, toward the end of closing what I felt to be certain glaring loopholes in our present radio regulations.

They are loopholes long recognized by, among others, our great and ever-alert Federal Bureau of Investigation. And so I desired to cooperate fully to help the executive branch close these loopholes.

RADIO CAN BE USED TO CRIPPLE UNITED STATES

Like our security agencies, I was concerned about the fact that individuals under the discipline of the Communist Party of the United States (which means under the discipline of the Soviet Union) could obtain and renew licenses to operate amateur or commercial radio stations.

They could thereby be in a position in time of peace to communicate with a foreign Government and its agents for purposes detrimental to the interests of the United States.

Moreover, such individuals could in time of war serve in innumerable ways to damage the defense of the continental United States and to give direct aid to attacking forces.

The electronics field, in particular, has expanded so enormously there are, for example, so many potentialities for setting off explosives through radio waves—so many potentialities—right here at home—for foiling America's own electronic defenses—that it is obviously long overdue that our country turn toward consideration of this problem.

COMMUNIST PARTY ISSUED INSTRUCTIONS ON RADIO USE

Some may ask, is it idle conjecture that Communists would like to utilize amateur radio, for example, for their foul purposes? Of course not.

As proof, I point out that in the historic decision of the Subversive Activities Control Board against the Communist Party of the United States, direct reference is made to the fact that the Communists are keenly aware of the significance of amateur radio for their treacherous operations.

I quote from page 109 of Senate Document 41, 83d Congress, on the decision of the Board:

"In the summer of 1949, instructions were given, and steps were taken by respondent's (i. e., the Communist Party's) leaders to establish a national system of radio communication for use by the party on a standby basis. The establishment of this system involved the acquisition of radio receivers, familiarization with the use of radio equipment, plans for the location of mobile transmitters and receiving equipment, and a search to find amateur radio operators among CPUSA members. In addition, leaders of respondent sought to establish this system in such a manner as to avoid detection by the Federal Communications Commission of illegal transmissions."

I shall not now attempt to describe all of the many discussions and correspondence which I, and a member of my staff, had with the FCC and with security agencies of our Government.

ADMINISTRATIVE PROBLEMS HAVE TO BE IRONED OUT

Suffice it to say that from the start of my efforts, it was clear that the FCC shared my concern over the security problem.

From the start, it was clear, as I have pointed out, that security agencies of our Government, notably the FBI, were particularly concerned about this problem.

On the other hand, the FCC—the agency with the basic jurisdiction—was admittedly concerned about the administrative and financial problem of attempting to cope with the security question.

In all of my discussion, I frankly pointed out, however, that "where there is a will there is a way." I said that if there is a will—as I know there is and was a will—an administratively feasible and not extravagantly costing way could be found. We could thereby prevent enemies of the United States from holding licenses of the United States to destroy the United States.

MY RESPECT FOR PATRIOTIC RADIO OPERATORS

I made it clear from the outset that in my insistence on protective action, I did not want in any way to overstate the case or to be misconstrued.

I did not want any American inside or outside of Government mistakenly to assume that there is or was anything but the tiniest proportion of amateur or commercial radio operators who might even conceivably be guilty of subversive affiliation and intentions.

On the contrary, the record of amateur and commercial licensees in our country is one to inspire the highest admiration on the part of the remainder of the American people.

My own State of Wisconsin has long had a particularly fine "ham" radio group. In the Badger State, and in all the other States of the Union, there has never been a crisis, civil or military, a crisis of flood, tornado, hurricane, fire, or other disaster—a crisis of war—in which amateur radio operators have not fulfilled the highest expectations of the members of their craft and of the American people as a whole.

Our desire therefore to close loopholes in this field in no way reflects upon the patriotism of the mass of such operators, any more than our desire to protect the security of Government reflects on the mass of faithful, honest, patriotic, hardworking Government employees; or any more than our desire to prevent Communist control of labor unions reflects on our esteem for the overwhelming mass of patriotic American workers who are utterly opposed to communism.

COOPERATION OF HAMS

I have had a great deal of correspondence with members and officers of the Amateur Radio Relay League, as well as with the various editors of radio publications.

After I had sent one particular open letter to Wisconsin radio amateur operators, Mr. Fred H. Zolin, chairman of the Milwaukee Radio Amateur Club, wrote to me, for example, stating that "My open letter was read and discussed at the meeting. Your expressions in it on your attitude toward the radio amateurs were very encouraging."

The magazine QST, published by the ARRL, in its March 1954 issue, stated realistically, "For our part, we repeat what we stated to the press * * * on the subject of security checks for radio operators: We had such checks immediately prior to World War II (including fingerprinting) and we don't believe any amateur would hesitate to comply again, should such procedures again be required."

CAREFUL REVIEW OF PROPOSED RULES

I am going to append to these remarks the text of the two proposed rules.

It should be noted that the fullest provision is made under regular FCC rules for advance consideration of these proposed rules. Individuals who desire to comment in any way on the rules are free to file—by July 19—written statements or to ask for oral arguments. The FCC may, moreover, on its own motion, direct the holding of oral arguments.

This entire subject is obviously still in the preliminary stages of formulation. The FCC announcements do not include the actual text of the proposed rules; it is obvious that a great deal of careful effort must still go into the final preparation of such texts.

From my long contact with the FCC, I know that it shares my desire not to cause patriotic citizens any avoidable inconvenience, not to get involved in a mountain of red tape, not to trespass upon the constitutional rights and/or the privileges of any American citizen, but at the same time, to get this security job done.

ONE MILLION LICENSE HOLDERS

I point out that it is an enormous job.

Under date of April 27, Chairman Hyde, of the FCC, set forth for me certain statistics on this problem. He stated that—

"There are now 143,713 authorized commercial radio stations, and 117,427 authorized amateur stations, making a total of 261,140 authorized stations. To this we must add the 680,062 commercial operators' licenses which are now outstanding, for a total of nearly 1 million license holders" who would have to be investigated.

Chairman Hyde, moreover, pointed out that the problem of licensed radio operators does not by a long shot cover the entire security field.

He stated that—

"Other serious problems are raised by the fact that great numbers of persons who possess radio skills have no licenses or authorizations from the Commission. A recent estimate of the number of radio and television service men in this country, most of whom are not licensees of this Commission, but who are capable of constructing equipment which can be used for the purpose of transmitting messages, homing devices, or other subversive purposes, is about 70,000. Any one of these could accomplish the same objectives as a licensed operator. However, there are virtually thousands of physicists, engineers, and electricians, many of whom possess the skills necessary to construct radio transmitting equipment and to put it into operation. Thus, no matter how careful you may be of licensed operators, there are many others who possess the necessary skills who cannot be brought under Commission surveillance in this way."

FAVORABLE EXPERIENCE IN WORLD WAR II

He then turned to our experience in World War II and stated:

"Moreover, the Commission's experience in World War II indicates that subversive use of radio is not likely to be attempted by persons who are licensed by this Commission. Only one instance of attempted subversive use of licensed radio facilities by a licensed operator was reported during all of the last war. There were some attempts to use unlicensed radio equipment for subversive purposes by unlicensed persons, but these instances were quickly discovered and brought under control through the effective monitoring and investigation facilities of this Commission. There was not so far as we have been able to ascertain one successful attempt to use radio for unauthorized purposes during all of World War II."

SOVIET UNION ENGAGES IN MASS ESPIONAGE

Of course, that record only pertains to what our particular enemies in World War II did not do. The Soviet Union was then our so-called ally. But Julius and Ethel Rosenberg were even then stealing our secrets and no doubt other Soviet apparatuses were intensively and successfully at work. The Soviet Purchasing Commission, like the perennial spy center, Amtorg, itself, was a beehive of Red espionage. No doubt Nazi Germany, imperialist Japan, and Fascist Italy never engaged in 1 percent of the internal subversion job which Communist Russia has engaged in.

Moreover, now that we are in a not so cold war with the Reds—now that the Soviet Union is not even nominally our ally, our World War II experience is not very relevant to what is happening and may happen should, God forbid, world war III ever erupt.

I know that the FCC recognizes these facts. New times, new dangers require new remedies.

Twenty-five thousand members of the Communist Party in the United States of America and perhaps 10 times that number of fellow travelers offer considerable manpower possibilities for radio espionage.

And so, I intend to give this subject my continued careful consideration.

MY THREEFOLD INTEREST IN THIS SUBJECT

1. I do so in a triple capacity. It is my privilege to serve as ranking Republican of the Senate Judiciary Committee, which is of course vested with the internal security jurisdiction under the Legislative Reorganization Law;

2. It is my privilege as well to serve as chairman of the Senate Foreign Relations Committee; and

3. In particular, of its Subcommittee on Security Affairs.

The latter subcommittee was set up at my motion and direction to concern itself exclusively with worldwide Communist espionage, sabotage, and subversion. It is directly as chairman, and with the aid of a member of my Foreign Relations Committee staff, that I have taken up this matter time and again with the FCC.

TWO CONFESSIONS BY RED SPIES

Those individuals who are not familiar with patterns of Communist espionage may not realize the crucial role which radio communications play in the modern-day intelligence operations. Such communications are obviously not the sole means of enemy contact. But if we can hinder and harass enemy radio communications, we will have aided our cause and helped to frustrate his cause.

Of course, the continental United States, with its 3 million square miles, is so vast that to attempt to monitor this great area against enemy radio contact is an enormous undertaking. That is why, at least in the consideration of licenses, grants and renewals, we should not lose our opportunity to protect ourselves.

I append now, after the FCC releases, excerpts from two particular volumes which describe the nature of Soviet spy radio communications. Both were written by ex-Soviet spies.

The first excerpt is from the book, Handbook for Spies, by Alexander Foote, published by the Museum Press, Ltd., London, 1949.

The second is from the signed confession of the notorious German Communist spy, Richard Sorge. This excerpt was abstracted from the report filed with the House Un-American Activities Committee, by Maj. Gen. Charles A. Willoughby, MacArthur's Chief of G–2.

I want to reiterate, however, that this particular use of radio by spies is but one of a great many ways in which electronics devices can be used against the best interests of our country.

[Before the Federal Communications Commission, Washington, D. C.]

IN THE MATTER OF AMENDMENT OF PART 12 OF THE COMMISSION'S RULES CONCERNING ELIGIBILITY TO HOLD AMATEUR OPERATOR LICENSES—DOCKET NO. 11060

NOTICE OF PROPOSED RULEMAKING

1. Notice is hereby given of proposed rulemaking in the above-entitled matter.

2. In accordance with the Commission's statutory authority to prescribe the qualifications of amateur radio operators, the Commission proposes to amend section 12.21 of its rules so as to make ineligible to hold an amateur radio operator's license any person who is a member of the Communist Party or any organization which has been required to register as a Communist-action or Communist-front organization under the provisions of the Internal Security Act of 1950 (50 U. S. C. 786), or any organization which advocates or teaches the overthrow of the United States Government or the government of any political subdivision thereof by force and violence.

3. It is also proposed to amend section 12.21 so as to provide that only a person of good moral character will be eligible to hold an amateur radio operator's license. Factors which the Commission proposes to consider in determining the character qualifications of applicants for amateur radio operator licenses include (1) whether or not the person has been a member of the Communist Party or any organization which has been required to register as a Communist-action or Communist-front organization under the provisions of the Internal Security Act of 1950, or any organization which advocates the violent overthrow of the Government by force or violence; (2) whether or not the person has been convicted of any crime which is a felony under the laws of the jurisdiction in which the conviction was secured.

4. In addition, it is proposed to amend the forms for applying for amateur radio operators' licenses to include questions with respect to membership in organizations which teach or advocate overthrow of the Government by force or violence, to provide that all applicants must submit fingerprints with their applications, and to provide that the holders of amateur radio operators' licenses shall be required to answer questions from the Commission during the terms of their licenses concerning any of the eligibility factors set forth in the Commission's rules.

5. These proposed amendments are issued pursuant to the authority of sections 4 (1), 303 (1), and 303 (r) of the Communications Act of 1934, as amended.

6. Any interested party may file with the Commission on or before July 19, 1954, a written statement or brief setting forth comment in favor or opposed to the proposed amendments. No additional comments may be filed unless (1) specifically requested by the Commission, or (2) good cause for the filing of such additional comments is established. The Commission will consider all such comments, briefs, and statements before taking final action. If any comments are received which appear to warrant the Commission in holding oral argument before final action is taken, notice of the time and place of such oral argument will be given.

7. In accordance with the provisions of section 1.764 of the Commission's rules, an original and 14 copies of all statements, briefs, or comments shall be furnished the Commission.

FEDERAL COMMUNICATIONS COMMISSION,
MARY JANE MORRIS,
Secretary.

Adopted June 10, 1954.
Released June 11, 1954.

IN THE MATTER OF AMENDMENT OF PART 13 OF THE COMMISSION'S RULES CONCERNING ELIGIBILITY TO HOLD COMMERCIAL OPERATORS' LICENSES OR PERMITS—DOCKET NO. 11061

NOTICE OF PROPOSED RULEMAKING

1. Notice is hereby given of proposed rulemaking in the above-entitled matter.

2. In accordance with the Commission's statutory authority to prescribe the qualifications of commercial radio operators, the Commission proposes to amend section 13.5 of its rules so as to make ineligible to hold a commercial radio operator's license or permit any person who is a member of the Communist Party or any organization which has been required to register as a Communist-action or Communist-front organization under the provisions of the Internal Security Act of 1950 (50 U. S. C. 786), or any organization which advocates or teaches the overthrow of the United States Government or the government of any political subdivision thereof by force and violence.

3. It is also proposed to amend section 13.5 so as to provide that only a person of good moral character will be eligible to hold a commercial radio operator's license or permit. Factors which the Commission proposes to consider in determining the character qualifications of applicants for commercial radio operator licenses or permits include (1) whether or not the person has been a member of the Communist Party or any organization which has been required to register as a Communist-action or Communist-front organization which advocates the violent overthrow of the Government by force or violence; (2) whether or not the person has been convicted of any crime which is a felony under the laws of the jurisdiction in which the conviction was secured.

4. In addition, it is proposed to amend the forms for applying for commercial radio operators' licenses and permits to include questions with respect to membership in organizations which teach or advocate overthrow of the Government by force or violence, to provide that all applicants must submit fingerprints with their applications, and to provide that the holders of commercial radio operators' licenses or permits shall be required to answer questions from the Commission during the terms of their licenses or permits concerning any of the eligibility factors set forth in the Commission's rules.

5. These proposed amendments are issued pursuant to the authority of sections 4 (1), 303 (1), and 303 (r) of the Communications Act of 1934, as amended.

6. Any interested party may file with the Commission on or before July 19, 1954, a written statement or brief setting forth comment in favor or opposed to the proposed amendments. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established. The Commission will consider all such comments, briefs, and statements before taking final action. If any comments are received which appear to warrant the Commission in holding oral argument before final action is taken, notice of the time and place of such oral argument will be given.

7. In accordance with the provisions of section 1.764 of the Commission's rules, an original and 14 copies of all statements, briefs, or comments shall be furnished the Commission.

FEDERAL COMMUNICATIONS COMMISSION,
MARY JANE MORRIS,
Secretary.

Adopted June 10, 1954.
Released June 11, 1954.

EXCERPTS ON SECRET USE OF RADIO COMMUNICATIONS BY SOVIET ESPIONAGE SYSTEMS

(From the book Handbook for Spies, by Alexander Foote (a former Soviet spy); published by Museum Press Ltd., London 1949)

Chapter VII, Blueprint for Espionage; pages 65, 66, 67, 68:

"So far I have described the skeleton of the organization and the functions of its main component parts. Also the way its members are recruited, its relations with the local Communist parties and the means by which information flows to the resident director have been outlined. No mention has been made of the most vital and probably

the most difficult operation of all—the getting of the information to Moscow. Communciations are the most important part of any spy ring and are its Achilles heel, as it is by tapping in on these that the counter-espionage authorities gain most of their information and obtain most of their successes. Because of its importance, I have left this subject to the last. Without communications with the outside world, and thus to its headquarters, the most efficient spy ring in the world is powerless, as Rado found to his cost in 1940. Cut the channels of communication and you have rendered the network useless. In all probability its attempts to open up communications on an extemporized basis will betray its workings, and the individuals can be scooped up at leisure. This is, I have no doubt, the axiom of counter-espionage authorities throughout the world.

"Every resident director has, of course, his own separate means of communication. Before the war the normal means of transmitting the information which the resident director had received, sifted, and evaluated was by means of microphotographs.

* * * * *

"Apart from this system of microphotographic communication, the networks also used a courier system. The resident director would send one of his trusted cut-outs to various fixed rendezvous in neighboring countries, where they would meet a courier from the center. This system, if slightly slower, was obviously better for the transmission of bulky documents of samples of apparatus.

"These two systems worked very well in times of peace, when postal communications were easy and rapid and generally speaking there was no systematic censorship of mail. In time of war, when communications were disrupted, and the post at best was subjected to long delay and at worst never arrived at all, the system was clearly impracticable and, save over short distances, broke down. Even when it worked, all correspondence was liable to severe scrutiny by wartime censorship, with the consequent risk of compromise.

"As a result there was a radical reorganization of communication systems, and now the main system in use is short-wave wireless transmission. This system is obviously infinitely quicker than the accommodation address and the numerous cutouts, and, provided normal precautions are observed, is equally safe.

"In wartime it was vital that the center received information as quickly as possible. Most of the information transmitted by networks concerned operational matters, and these would have been useless even if they had been subject only to the normal peacetime postal delays. As a result wireless transmission was instituted as the normal means of communication between the resident director and the center, and all resident directors are now required to undergo a course in radiotelegraphy and construction in Moscow before taking up the direction of a network abroad. Directors so qualified can send off urgent information as soon as it is encoded, without having to contact the normal wireless operator. If the director is forced to flee the country he can then build a new transmitter, and is thus in a position to contact the center without the delay which a 'place of conspiracy' or the contacting of a military attaché is bound to entail.

"Though resident directors are now required to be so technically efficient, this newly acquired art has not taken away from the importance of the networks' wireless operators. Even if the director can transmit, it is obviously highly undesirable that in normal circumstances he should go to the set and do it himself, or, worse still, have the set in his house and transmit from there himself and thus imperil the whole network. As a result, reliable wireless operators are needed who will probably know the chief cutout, but will not know the identity of the director himself."

Chapter VI, Sicilian Musical Box; pages 46, 49, 50, 51, 52, 54, and 55:

"It is now time to mention how we came into touch with the other 'musical box' working in 'Sicily' (to use the Russian cover names for the wireless sets working in Switzerland for the Red army), and after that it will be necessary to give a picture of how the whole network was organized and what it achieved.

* * * * *

"On December 15, 1940, I left Geneva for Lausanne, which was to remain my headquarters until I found a less comfortable abode in a cell in a Swiss prison.

* * * * *

"Most accounts of spies and secret activities skate lightly over the purely physical routine difficulties of the trade. Such accounts are generally concerned with the details of the hero's cunning in outwitting the activities of the police. In real life, once the police are after you, there is little that you can do to avoid them. The average spy hopes to avoid police notice rather than to evade it once it is awakened. His real difficulties are concerned with the practice of his trade—the setting up of his transmitter, the obtaining of his funds, and the arrangement of his rendezvous. The irritating administrative details occupy a disproportionate portion of his waking life and cut unwarrantably into his hours of sleep.

"I had my flat and I had my transmitter and the rest should have been easy. Unfortunately, here I came up against Swiss rules and regulations. There was a ban on the erection of any kind of external aerial on a building. This Sonia had not come up against, as a wire strung over the roof of her chalet at Caux out in the country would have excited no notice or, if it had, no comment. Not so with me in the heart of Lausanne. Again I decided to take the legal bull by the horns, or rather, in this case, ignore his existence altogether. Adopting the air of an idiot and foreign child, I went to a wireless shop nearby and explained that I wished them to erect an aerial for my wireless set in my fine new flat. I explained—which needed no explanation, as my French accent was not impeccable by any means—that I was English and, exiled as I was from my own country for the period of the war, I was naturally anxious to keep in the closest touch with events at home, and therefore wanted to listen to as many English broadcasts as possible. I explained that, as my French was bad, the shortwave continental broadcasts were not satisfactory, and, anyway, they were designed for foreign consumption. I wished to listen to the medium-wave broadcasts put out by the BBC for the English themselves, and these I could not get on my set with an indoor aerial. I do not know to this day whether in fact my set with the aerial I eventually got would have enabled me to hear the ordinary BBC home program, nor, indeed, whether I could not have heard it anyway with an ordinary indoor aerial strung around my room.

* * * * *

"With the set now working, I had only to contact Moscow, and in my innocence I imagined this would be an easy task. Night after night, with my receiver tuned to the wavelength given me in my schedule, I called at the arranged times. My tappings went out on the unreceptive ether. Moscow could not or would not hear. Several times I almost decided to give up for the moment and go to Geneva and ask Rado to put a message over his set—which I knew now to be working in Hammel's flat—asking Moscow to listen carefully and let Rado know if I was getting through or whether the set was still faulty. I banished this temptation, as the one thing we were anxious to do was to keep the two sets as unconnected as possible. I settled down again with renewed patience and continued calling. It was all the more irritating because the whole time I could hear Moscow calling me, 'NDA, NDA, NDA,' but they continued merely to call and I could get no indication that they could hear me, merely the perpetual reiteration of the call sign, as maddening to taut nerves as a dripping tap.

"Persistence, however, won its ultimate reward. On March 12, for the thousandth time, I tapped out the call sign, 'FRX, FRX, FRX.' Then through the hum and crackle of static and over the background noise of other signals I heard 'NDA, NDA, OK, QRK5' (QRK5 indicating in the 'Q code' that my signals were being heard very strongly). Contact had been established."

Szcret Radio Communications by the Communist Spy Ring in Tokyo

(From the signed confession of Richard Sorge, executed German Communist spy)

Since uninterrupted radio communication with the central authorities was of the utmost importance to our work, achievement of radio contact, its constant maintenance and precautions against detection were the most important of our illegal activities. Around the end of 1933, as I have said before, Mr. and Mrs. Bernhardt arrived in Japan, he to act as my radio operator. He established one wireless station in his house in Yokohama and a second one in Tokyo in Voukelitch's house. The technical phase of his work was so unsatisfactory, however, that I was able to send only very short messages and those very seldom. Also, he was panic-stricken about not being able to prevent detection of the stations. When Klausen arrived in Japan, a fundamental change took place. His technical ability and enthusiasm for his work knew no bounds. While Bernhardt was here I had to do the coding, which took a great deal of my time, but after Klausen arrived I got permission from Moscow to teach him the code and had him take over the work. Standard procedure was for the leader alone to handle the code work, but Klausen's character was such that I was able to obtain permission without any trouble.

Klausen set up as many wireless stations as possible in order to insure the success of our radio activities. At one time he was able to send messages from four different locations. Almost always, at least three places were used. Klausen's house, Voukelitch's house, and the house of Voukelitch's former wife were the sites employed. While Stein was in Tokyo, his house was also used. As I remember, Klausen tried to set up a station once in my house, but the results were not good, and we resolved to use it only when we had no alternative. We changed the places frequently in order to avoid or mislead as much as possible the surveillance which we thought was bound to become gradually stricter. Klausen frequently endeavored to make his radio apparatus smaller so that the package which had to be carried to the place of operation each time would not be conspicuous and the whole thing could be easily concealed. The difficult thing, however, was to find good materials in Japan. Besides, to buy radio materials, especially when the purchaser was a foreigner, was very conspicuous. So Klausen tried to get the necessary materials from Shanghai. As I remember, he brought them back with him from Shanghai.

At one time, an attempt was made to set up a permanent radio contact point in Shanghai in addition to the one thought to be in Vladivostok or its vicinity. It was intended merely as a relay station for Moscow; there was never an intention to make independent contact with China. Except for 2 or 3 times, attempts to contact Shanghai were failures. On orders from Moscow, we tried to make direct contact with Khabarovsk, but this was discontinued by Klau-

sen in order to prevent our communications from being monitored. Radio contact was used to send urgent information, our reports to the central authorities on organization and Moscow's orders to us on organization and operations.

With only a few exceptions, Klausen was always able to make excellent contact with the central authorities.

COMPETITION AND FREE ENTERPRISE

Mr. HUNT. Mr. President, I ask unanimous consent to have inserted in the body of the RECORD at this point in my remarks a statement by former Senator Joseph C. O'Mahoney before the Senate Committee on Interstate and Foreign Commerce with reference to the hearings held by it on Senate bill 2647, a bill to create an independent Civil Aeronautics Authority and an independent Air Safety Board, to promote the development and safety and to provide for the regulation of civil aeronautics, and to promote world leadership by the United States in aviation.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF JOSEPH C. O'MAHONEY BEFORE THE SENATE INTERSTATE AND FOREIGN COMMERCE COMMITTEE RELATIVE TO ITS HEARINGS ON S. 2647, JUNE 10, 1954

COMPETITION AND FREE ENTRY IS THE GOAL OF CONGRESS

Instances could be multiplied to show how the bureaus by regulation can do what Congress would never think of doing. Every member can cull them from his own experience. It is not necessary for me, therefore, to amplify what I have already said with respect to the danger that now exists, that the air transport industry may be frozen to a narrow pattern by action of the Board on the recommendations of the Air Coordinating Committee. Before you give consideration to the suggestions of the Air Coordinating Committee as presented by Under Secretary Murray, to foster consolidation and merger, it is desirable to refer to the Civil Aeronautics Act of 1938 to show that when it was passed Congress was giving thought to fostering the development of air transportation through competition and free enterprise. The lengthy debate which preceded the adoption of the act provides ample testimony of the concern on the part of Congress for the protection of free entry.

It is only necessary to skip through the pages of this law as it now stands to know that the Congress that passed it was concerned with the development of air transportation for all the people, all the States and all the communities of the Nation. In the declaration of policy Congress set down certain principles to guide Civil Aeronautics Board. The Circuit Court of Appeals for the District of Columba, referrring to this declaration of policy, affirmed that it was an integral part of the law. Of course, it is an integral part of the law. The chief power and duty of Congress is to fix policy, particularly with respect to trade and commerce. The Sherman Act of 1890 prohibiting unlawful combinations in restraint of trade has frequently been criticized and suggestions for modifying it have, from time to time been made but no serious bill has ever been proposed to repeal it. It is instinctive in Americans to seek to keep the doors of opportunity open. Even when a business is impressed with a public interest that makes it desirable for Congress to enact provisions to safeguard that public interest, it is seldom that a proposal is made to restrain trade and commerce in such a manner as to deny opportunity for freedom of entry into the business. Congress knows well enough that no wise man would ever attempt to establish boundaries for the exercise of the skill, the ingenuity and the ability of the people. This was exactly the point of view with which Congress approached the enactment of the Civil Aeronautics Act of 1938. In the declaration of policy it directed the Civil Aeronautics Board whenever it undertook to consider what was in the public interest or in accordance with public convenience and necessity, not to forget that the encouragement and development of an air transportation system adapted to the present and future needs of the commerce of the United States, of the postal service, and of the national defense was in the mind of Congress. It directed that air defense should be regulated in such a manner as to assure the highest degree of safety and sound economic conditions in such transportation as well as to improve the relations between and coordinate transportation by air carriers. It called for adequate economical and efficient service "at reasonable charges, without unjust discriminations, undue preferences or advantages, or unfair or destructive competitive practices." Then, showing that there was no intention to establish monopolies, Congress declared for "competition to the extent necessary to insure the sound development of the air-transportation system it had in mind." In other words, the purpose of the legislative power was to foster a transportation system in the spirit of American adherence to the principles of a free economy.

Provision was made in section 301 for the development of civil aeronautics in air commerce through the establishment of civil airways, landing areas and other air-navigation facilities. Detailed provisions were made with respect to civil airways and facilities, meteorological service, a survey of the need for the construction of airports, the collection and dissemination of information and development planning, all for the purpose of fostering the creation of an air-transport system that would serve all the people and not be the private domain of the grandfather carriers who were then engaged in air transportation. The subsidy system was established to promote this all-inclusive program.

No one can doubt the intent of Congress after having read these sections even if they had not been completely supported by the debate before passage. There were some witnesses, notably the general counsel of the Post Office Department, who warned against the danger of monopoly. Like Amelia Earhart, the famous pioneer aviatrix, who testified at the hearings, he felt that the industry was too new to warrant the issuance of certificates of convenience and necessity. He pointed out that it was almost 100 years after the railroads had begun operations before such control was applied to them. Miss Earhart said there was no comparison between the railroads and the airlines and indicated that time should be taken before the law should be so drafted as to put tight Government controls on the industry which would tend to banish competition.

As I have already pointed out Congress itself took care of these doubts by writing into the declaration of policy its belief that the public interest required such competition as would assure the sound development of air transportation. The provisions of title IV of the act dealing with air carrier economic regulations does not, I think, contain a single word to intimate that Congress ever had the slightest belief that the day would speedily come when the new Civil Aeronautics Authority would interpret the law as if it believed that Congress had divided the industry into two classes, namely, grandfather airlines which would be granted certificates and irregular carriers which would operate without certificates but subject to the imposition of rules and regulations, the certain effect of which would be to destroy their economic basis as competitors. Where in the Civil Aeronautics Act of 1938 can there be found any section, subsection, sentence, or phrase to support the language used by the Board in the Transcontinental Coach Type Service case when it described the purpose of its study of the large irregular carriers. Proudly, the Board said that it had instituted a proceeding (Order Serial No. E–5722 adopted September 21, 1951) in which one of the issues is whether there is a need for service "in addition to and supplemental to services performed by certificated carriers, and if so, the frequency and degree of irregularity of the service which would be best adapted to meet such need."

This can only be interpreted to mean that it was the belief of the Board that the certificated carrier had a special and preferred position and that other lines were condemned forever to be irregulars. Section 401 (a) makes no such division. It provides that no air carrier at all shall engage in any air transportation unless a certificate has been issued. It contains a special savings clause to protect the equities of then existing lines but says nothing about irregularity or irregular lines.

Section 401 (b) provides for the manner and form of making application for a certificate; section 401 (c) provides for public notice and public hearing and speedy action; section 401 (d) recognizes the possibility that an application may be made for a temporary certificate. Nothing is said here about irregular applicants or irregular carriers or exemptions. Section 401 (e) deals with existing carriers but contains nothing to indicate that they shall have any exclusive right to the use of air space. Section 401 (f) deals with the terms and conditions of certificates but nowhere in that section is there anything to indicate this distinction between certificated and irregular carriers which has been built up by the Board in its effort to protect the original airlines from competition by new applicants.

To be sure the certificate must specify the service to be rendered. It is to contain such reasonable terms, conditions, and limitations as the public interest may require. Surely it cannot be contended that there is anything reasonable or required by the public interest in prohibiting a carrier from flying as often as the public convenience and necessity may make necessary. In fact, this section contains a specific prohibition of writing any term, condition, or limitation into a certificate which will restrict the right of an air carrier to add to or change schedules. Since there is nothing in the law to indicate that Congress had in mind any classification of carriers as irregular, and this is proven by the language of section 401 (a) then it follows from the language of section 401 (f) that Congress did not have in contemplation any such regulation as those under which the Board assumes the right of driving out of the air space any carrier because it flies too frequently or too regularly though in every other respect it is safe, efficient, and meets the public demand.

The doctrine that the Board, in the guise of imposing economic regulations, may refuse to grant a certificate to a carrier that is fit, able, and willing and allow it to operate under an exemption has been built up by a false interpretation of section 416. This section deals first with the power of the Board from time to time to establish such just and reasonable classifications or groups of air carriers for the purposes of this title as the nature of the services performed by such air carriers require, and such just and reasonable rules, and regulations, pursuant to and consistent with the provisions of this title to be observed by each such class or group as the (Board) finds necessary in the

public interest. The second provisions authorize the Board to exempt any air carrier or class of air carriers from the provisions of title IV or the rules and regulations thereunder if it finds that the enforcement of the law or of the regulations would be an undue burden on such air carrier or class of air carriers.

It will be observed that this section limits authority of the Board to granting exemptions to air carriers and section 401 (a) provides explicitly that no air carrier shall engage in any air transportation without a certificate. There is clearly no right in the Board to deny a certificate to any carrier engaged in air transportation if it is fit, willing, and able and a public convenience and necessity exists. Its only power is to determine what the terms and conditions of a certificate shall be.

We have been asking for years for a certificate of convenience and necessity limited to air transportation for passengers by coach. The Board has denied us not because we have not been successful, not because we have violated any safety regulation, not because there is not a demand, but solely because it has refused to perform the duty the Congress imposed upon it because it wants no competition from any new entry into air transportation against the original grandfather carriers.

That, Mr. Chairman, is the explanation of this whole fight from beginning to the end against irregular carriers. That is why Congressman WICKERSHAM was able to say upon the floor of the House on March 3 this year that half of the total economic enforcement budget of the Civil Aeronautics Board was being expended in proceedings against the North American group.

I must here make an acknowledgement of the fact as testified to by Under Secretary Murray on May 27 last that the Civil Aeronautics Board did not participate in the Air Coordinating Committee's recommendations on nonscheduled lines or on the air-cargo problem. He was asked specifically by Senator SMATHERS "Did the representative from the CAB join in this unanimous report?" Mr. Murray replied, "The CAB excused itself from consideration of the papers on nonscheduled airlines and on the cargo airline by reason that there are cases pending before the Board and they did not obviously have any ability to make a determination on that at this particular time in their judicial responsibility." These recommendations must therefore be regarded as not being within the meaning of the "Statement by the President" issued from the White House on May 26 by Mr. James C. Haggerty, press secretary to the President and accompanying the Coordinating Committee's report. Although the statement of the President asserts that it "reflects this administration's central objective in this field—to strengthen American aviation." The report of the Civil Aeronautics Board is accepted by the President only as a guide in the future consideration of the problem and "in making appropriate recommendations to Congress." Therefore the contents of the Civil Aeronautics Act report with respect to nonscheduled airlines have not yet attained the dignity of a recommendation by the President of the United States. This whole question therefore is still open for the independent consideration of the Congress.

It will be for this committee to recommend now whether it has the intention of protecting the original grandfather clauses from competition by new air carriers under the "pattern of controlled entry" recommended in the CAA report. If by controlled entry is meant that where the public convenience and necessity is shown new carriers who are fit and able will be permitted to enter then we are talking about the act as originally written. If, however, by controlled entry it is meant to approve the restrictive policies heretofore followed by the Board, then this committee is being asked to endorse a policy of protecting the certificated carriers and liquidating the noncertificated carriers no matter how great the demand for their service is nor how safely and efficiently they have been performing without Government subsidy.

Now that it is proposed to abolish subsidies for the lines which are operating profitably no reason any longer remains for the Civil Aeronautics Board to recognize air-coach services as a class, as permitted by existing law, and granting them certificates of convenience and necessity to continue to supply the service they pioneered and carried out so efficiently. It cannot be reasonably believed that it will be the policy of the Government either in the executive or the legislative branch to order the execution of a successful air carrier in order to transfer its specially developed traffic to the grandfather line.

The equities of the latter were recognized and protected when the Civil Aeronautics Act of 1938 was passed. The equities of the North American group should likewise be protected now.

The act, as written, with a few minor imperfections, stands as a good law, a good plan. The sins, errors, and omissions which have marked its history are the result of failure to adhere to the act of 1938 and its intentions. The Civil Aeronautics Board has failed to administer the will of Congress as expressed in the act. It has failed by both sins of omission and sins of commission.

Therefore, Mr. Chairman, I submit that we require no new or basic changes in the act in order to free the air and properly foster civil aviation without bias and without favor. What we need to do is to return to the straight and narrow path of the law as written and intended by the Congress. We need to change the manner of administering the act, and this we can do now that it is proposed to eliminate subsidies.

Now, if there is no new legislation required, why do we appear here? First, we should like to be strongly on record opposing radical changes in the act which are brought to you in the guise of perfecting legislation, but which will inevitably hamper free enterprise.

Second, what are the recourses available when an act of Congress suffers the fate the Civil Aeronautics Act has met at the hands of its administrators. Does Congress merely set up areas of Government power, which then become autonomous and a law unto themselves without any curbs, restraints, and restrictions? Presumably it does not. There exist the usual devices to checkrein a runaway bureau. There are the purse strings which can be tightened through appropriation cutoffs. There could be a more careful examination of the economic philosophy of the candidates for the bureau when they appear for confirmation, with a light to their understanding of the act. All of these are indirect devices.

I would suggest that the committee establish a joint watchdog committee, similar to the Atomic Energy Special Committee, similar to the Joint Committee on Internal Revenue and the like. This committee, drawn from the members of the Interstate and Foreign Commerce Committees of both Houses would serve as a continuous board of review, holding final authority on such vital matters as the elimination of a carrier, or the denial of a certificate of convenience and necessity.

It is the tradition of our society that every man shall ultimately have the right to appeal a death sentence to the people through the sovereign. In a State, it is to the governor; in the Federal area, it is to the President. In the case where an airline is sentenced to death by the Board, the power to destroy comes from the Congress, and it is in the public interest, as well as in the interest of fairness to the individual enterpriser, that there be the right of ultimate appeal to Congress.

And we cannot deny or ignore the fact that just as fatal as the death sentence is the refusal to hear a petition for a certificate or the improper denial of such a certificate. I am not proposing that the Congress enter the administrative, judicial field. I am proposing that Congress pay some slight heed and attention to the manner in which its power, which it has delegated too long and too far, is being exercised. Let Congress protect the use of its legislative power by the agents to which it entrusts it.

Because, Mr. Chairman, if there has been any knowing and willful violations of the Civil Aeronautics Act, it has not been by North American and other independent carriers. The knowing and willful violator is he who, without the action of Congress, ventures to change by bureaucratic fiat a law intended to preserve a free economy in the air into a refuge for monopoly.

RESOLUTIONS AND TELEGRAM COMMENDATORY OF SENATOR WILEY'S CONTRIBUTIONS TO PASSAGE OF ST. LAWRENCE SEAWAY BILL

Mr. AIKEN. Mr. President, it has been very gratifying, I am sure, to our colleague the senior Senator from Wisconsin [Mr. WILEY] to note the splendid reaction which his efforts on behalf of the Wiley St. Lawrence Seaway law have received in his own State and throughout the country.

Evidences of this fine reaction are in my hands.

The first is a resolution adopted by the Common Council of the City of Milwaukee praising him for his leadership in this fight.

The second is the text of a resolution adopted by the State convention of the Republican Party in Milwaukee last week praising the President's and Senator WILEY's efforts.

Finally, I append to these resolutions the text of the congratulatory telegram which President Eisenhower sent to the chairman of the testimonial dinner which was held in honor of Senator WILEY and other Wisconsinites on June 10, 1954.

I ask unanimous consent that these three items be printed at this point in the body of the RECORD.

There being no objection, the resolutions and telegram were ordered to be printed in the RECORD, as follows:

RESOLUTION OF MILWAUKEE COMMON COUNCIL

Resolved by the Common Council of the City of Milwaukee, That we hereby officially commend Senator ALEXANDER WILEY, of Wisconsin, for distinguished public service in the interest of his Nation and his State, in having successfully piloted through the 83d Congress legislation to assure United States participation in the building and operation of the St. Lawrence Seaway project; and that we hereby express our gratitude and congratulations to Senator WILEY for his great personal contribution to the successful completion of this great project, so vital to the welfare of this Nation in terms of economic security and national defense and to the defense of the Western Hemisphere.

RESOLUTION OF STATE REPUBLICAN CONVENTION

Whereas for more than 30 years public-spirited citizens of Wisconsin have advocat-

ed the construction of a deep-water St. Lawrence-Great Lakes Seaway as a project of great benefit to our State and Nation, its economy and defense; and

Whereas said seaway is now secured by the joint action of Canada and the United States:

Now, therefore, the Republican Party of Wisconsin, in convention assembled, hereby expresses the thanks of the people of Wisconsin to President Dwight D. Eisenhower and Senator ALEXANDER WILEY for the leadership which has brought to successful fruition the labors of a great number of Wisconsin citizens: Be it, therefore,

Resolved, That copies of this resolution be sent to the President of the United States and the senior Senator of Wisconsin.

PRESIDENT EISENHOWER'S TELEGRAM

THE WHITE HOUSE,
Washington, D. C.

I. R. WITTHUHN,
President, Milwaukee Association of Commerce, Care Seaway Dinner for Senator Wiley, Pfister Hotel, Milwaukee:

I hope you will extend my compliments and warm greetings to everyone present on the occasion of your tribute to Senator WILEY. His leadership in the historic St. Lawrence Seaway effort was vital and was deeply appreciated by all in the administration and in the Congress who were identified with it. I am happy that you pay him this honor and thank you for affording me this public opportunity to say so.

DWIGHT D. EISENHOWER.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, for the information of the Senate, I desire to make an announcement. The unfinished business before the Senate is Calendar No. 1510, House bill 6435, to amend the Commodity Exchange Act. When we have disposed of that bill, a motion will be made to consider Calendar 1514, Senate bill 3487, to authorize the Central Bank for Cooperatives and regional banks for cooperatives to issue consolidated debentures, and for other purposes; to be followed by Calendar No. 1493, House bill 2848, to amend section 89 of the Hawaiian Organic Act, as amended; Calendar No. 1496, House bill 5840, to authorize the Hawaiian Homes Commission to exchange certain Hawaiian Homes Commission land and certain easements for certain privately owned land; Calendar 1502, Senate bill 2900, to authorize the sale of certain land in Alaska to the Harding Lake Camp, Inc., of Fairbanks, Alaska, for use as a youth camp; and Calendar No. 926, House bill 4030, to repeal section 4 of the act of March 2, 1934, creating the Model Housing Board of Puerto Rico.

When we have disposed of those bills this afternoon, the Senate will take a recess until Monday next, making the unfinished business the bill to extend the Reciprocal Trade Agreements Act.

On Monday, prior to taking up consideration of the bill to extend the Reciprocal Trade Agreements Act, we will have a calendar call, from the beginning of the calendar, of bills to which there is no objection, including all bills on which reports are available, to the end of the calendar, but not including any bills on which committee reports are not printed and available to the Members of the Senate.

Following the disposal of the Reciprocal Trade Agreements Extension Act we shall schedule a number of other bills, after a meeting of the policy committee, and after I have had an opportunity to consult with the minority leader.

Sometime next week, at a date which will probably not be Monday, but may be shortly thereafter, it is my intention to ask for consideration of the Universal Copyright Convention of 1952, and three related protocols signed at Geneva, Switzerland, under date of September 6, 1952. We shall probably take up that convention next week.

Mr. President, I desire now to make a motion.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The Senator from California has the floor.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. CARLSON, from the Committee on Post Office and Civil Service:

Fifty-two postmasters.

EXECUTIVE CALENDAR

Mr. KNOWLAND. Mr. President, I ask that the Senate proceed to the consideration of the nomination on the Executive Calendar which appears under the heading "New Report."

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nomination on the Executive Calendar under the heading "New Report."

DEPARTMENT OF STATE

The legislative clerk read the nomination of Isaac W. Carpenter, Jr., of Nebraska, to be an Assistant Secretary of State.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the President be notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

LEGISLATIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and the Senate proceeded to the consideration of legislative business.

CORRECTION OF CERTAIN ABUSES UNDER THE CIVIL SERVICE AND RETIREMENT SYSTEM

Mr. SCHOEPPEL. Mr. President, I notice that on yesterday my colleague from Kansas [Mr. CARLSON] introduced into the RECORD a statement by way of a letter from Philip Young, Chairman of the Civil Service Commission. I note with reference to that letter my colleague from Kansas, as chairman of the Post Office and Civil Service Committee, introduced a bill which seeks to correct, and which will correct, if passed, certain abuses pointed out by the distinguished senior Senator from Delaware [Mr. WILLIAMS] in his speech to the Senate on June 8 of this year.

I wish to commend my colleague from Kansas for introducing the proposed legislation, because it was my privilege to work with the senior Senator from Delaware on that particular question in connection with which there were pointed up some of the abuses taking place in the civil service and retirement system.

I wish to commend all those who moved to block the gaps. I think much credit is due the senior Senator from Delaware for pointing out this most important question and moving toward the correction of the abuses referred to.

ORDER FOR RECESS TO MONDAY

Mr. KNOWLAND. Mr. President, I ask unanimous consent that when the Senate completes its labors this afternoon it stand in recess until next Monday at 12 o'clock noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

LOSS ON FEDERAL HOUSING ADMINISTRATION MORTGAGES

Mr. WILLIAMS. Mr. President, under date of April 28, 1954, the Federal Housing Administration released a report showing that there were approximately $130 million worth of title 608 mortgages that were in trouble.

A breakdown of that report shows that through bankruptcy proceedings, or otherwise, the FHA had been forced, in order to protect their interests, to acquire title to properties against which they had outstanding mortgages of $65,415,459.

In addition to this group other properties against which outstanding mortgages totaled $27,078,211 were in the process of foreclosure.

Against another group which consisted of properties reported as being in trouble the FHA had outstanding mortgages totaling $37,737,173.

This brought a total of nearly $130 million worth of mortgages under title 608 as being in trouble with over $90 million of this amount actually in bankruptcy.

Subsequent to that report and in response to my request they have compiled a list of those properties to which they were forced to acquire title and which subsequently were resold.

A breakdown of this group shows that on the date the FHA acquired title, the total amount of the outstanding mortgages against these properties were $14,816,961.

These properties were sold at an actual loss of $1,251,145, and in holding the loss to this figure the FHA was forced to

still retain mortgages against these properties of approximately $11 million.

I am going to incorporate these various reports in the RECORD and an examination of those properties which have been sold shows that on those properties which were sold for actual cash the average loss sustained by the Government was about 40 percent.

On those properties which were refinanced, their losses were smaller and in certain instances they reported having sold for an amount in excess of the original mortgage; however, in conferring with the officials of the FHA I am advised that this higher figure as reported as having been received in excess of the amount of the mortgage does not necessarily represent all profit.

In some instances there were profits, but I am advised that in other cases it was necessary for the FHA after acquiring the title to improve the property whereby it would be salable.

The accumulated rents while the FHA held title to these properties would, to a certain extent, offset these expenditures; however, the net result of the FHA's operations as a landlord in renting these recovered properties does not indicate that they are breaking even.

To what extent if any excessive build-up in land costs or construction costs contributed to the bankruptcy of these properties is undetermined at this point; however, that factor is not being overlooked.

Mr. President, this morning I was speaking to the chairman of the Committee on Banking and Currency, the Senator from Indiana [Mr. CAPEHART], who said that his committee was checking to determine whether or not there had been any windfall profits in this particular group, which might account, to a certain extent, for the reason for these bankruptcies.

While I am not incorporating in the RECORD a list of the approximately $38 million in mortgages which are reported as being in trouble, I am incorporating a list of the other $90 million which have gone into bankruptcy.

First I ask unanimous consent to have incorporated in the RECORD a list of those properties against which the outstanding mortgages totaled $27,078,211 which are reported as being in foreclosure.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

In foreclosure

Project No.	Mortgagor-location	Units	Original mortgage	Date assigned
000-42174	Gregory Estates, sec. I, Prince Georges County, Md	126	$827,000	Mar. 17, 1954
000-42175	Gregory Estates, sec. II, Prince Georges County, Md	121	757,000	Do.
000-42176	Gregory Estates, sec. III, Prince Georges County, Md	132	832,000	Do.
000-42177	Gregory Estates, sec. IV, Prince Georges County, Md	122	768,000	Do.
013-42025	R. & R. Co., Inc., Glen Falls, N. Y	68	579,400	Mar. 18, 1952
014-40014	Middlesex Gardens, Inc., Fredonia, N. Y	40	346,600	Apr. 27, 1950
024-42003	Garden Homes, Inc., Manchester, N. H	164	1,252,900	June 16, 1952
035-40016	Penn Manor Apartments, Inc., Pennsauken, N. J	108	874,800	Mar. 31, 1954
035-40044	do	68	529,700	Mar. 29, 1954
035-40045	do	44	356,400	Mar. 31, 1954
035-40046	do	88	704,300	Mar. 29, 1954
035-42018	Glenn Park Apartments, Inc., Bridgeton, N. J	112	930,000	Dec. 22, 1952
035-42051	Yorke Manor, Inc., Salem, N. J	84	610,900	Dec. 1, 1953
053-40016	Weatherspoon Court, Inc., Sanford, N. C	12	89,000	Mar. 23, 1954
054-42031	Sams Apartments, Inc., Gaffney, S. C	26	197,600	Sept. 15, 1952
054-42049	Rock Hill Apartments, Inc., Rock Hill, S. C	50	423,332	Sept. 2, 1952
054-42051	Orangeburg Apartments, Inc., Orangeburg, S. C	50	423,199	Do.
054-42052	Sumter Apartments, Inc., Sumter, S. C	50	423,890	July 27, 1953
054-42053	Anderson Apartments, Inc., Anderson, S. C	50	423,872	Sept. 2, 1952
054-42054	Charlie Williams Gardens, Inc., Greenwood, S. C	50	191,310	Dec. 10, 1952
054-42080	Belton Apartments, Inc., Belton, S. C	32	183,364	Nov. 19, 1952
054-42087	Murrah Apartments, Inc., Union, S. C	50	290,000	Aug. 1, 1952
054-42093	Joseph B. Williams, Inc., Newberry, S. C	50	$199,900	Aug. 20, 1953
056-42002	Rio Piedras Darlington, Inc., Rio Piedras, P. R	122	1,046,000	June 15, 1953
056-42003	Ponce Darlington, Inc., Ponce, P. R	122	967,100	Do.
056-42004	Mayaguez Darlington, Inc., Mayaguez, P. R	122	970,100	Do.
056-42005	Garden Corp., Ponce, P. R	240	1,271,400	Do.
056-42006	Waylyn Corp., Ponce, P. R	240	1,271,400	Do.
056-42007	Hill Corp., Ponce, P. R	240	1,271,400	Do.
056-42023	Oklahoma Corp., Mayaguez, P. R	250	1,324,400	Do.
056-42024	Piedmont Corp., Mayaguez, P. R	250	1,324,400	Do.
066-40031	Maria Barriero, Coral Gables, Fla	24	166,600	July 15, 1953
066-40075	Riviera Apartments, Inc., Coral Gables, Fla	8	57,800	Apr. 13, 1951
066-40080	Sabal Palm Court No. 1, Inc., Miami, Fla	148	1,232,800	Do.
066-40082	Sabal Palm Court, Inc., Miami, Fla	220	1,763,700	July 20, 1953
066-40083	Kundinger, E. A., North Miami, Fla	16	125,400	Oct. 30, 1950
066-40085	Kundinger Apartments, Inc., Miami, Fla	16	125,400	Dec. 1, 1950
067-42024	Lincoln Court, Inc., Lakeland, Fla	120	624,200	Oct. 1, 1952
072-40004	Chef-Field Garden Apartments, Inc., Fairfield, Ill	48	415,700	Feb. 3, 1953
102-40008	Blosser Apartments, Inc., Baxter Springs, Kans	12	70,500	Mar. 1, 1954
102-42020	Washington Apartments, Inc., Junction City, Kans	16	121,600	Dec. 28, 1953
102-42023	do	12	90,344	Jan. 29, 1954
118-42002	Thompson Apartments, Inc., Tulsa, Okla	32	184,000	Mar. 13, 1953
130-42018	Cathedral Building Corp., Sitka, Alaska	37	439,500	June 1, 1953
	Total	3,992	27,078,211	

Total projects, 44.

Mr. WILLIAMS. Mr. President, I now ask unanimous consent to have incorporated in the RECORD a list of those projects against which outstanding mortgages total $49,457,993 and to which properties the FHA through bankruptcy proceedings has acquired title, but as of March 31, 1954, had not been reported as sold.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

List of section 608 projects to which FHA acquired title but which have not been reported as sold (through Mar. 31, 1954)

Date title acquired	Name of mortgagor	Units	Project No.	Amount of mortgage
Jan. 1, 1953	Richard Terrace, Inc., Far Rockaway, Long Island, N. Y	72	012-40189	$628,100
Feb. 11, 1952	Grymes Hill Gardens, Inc., Staten Island, N. Y	416	012-42248	3,571,700
Sept. 18, 1952	Patchogue Gardens, Inc., Patchogue, Long Island, N. Y	84	012-42318	723,900
Aug. 1, 1952	Saratoga Apartments, Inc., Saratoga Springs, N. Y	44	013-40031	368,800
Apr. 2, 1951	Colonial Lawns, Inc., Bath, N. Y	52	014-42008	446,000
Sept. 15, 1953	Colonial Towers Realty, Union City, N. J	26	031-42095	210,500
Feb. 25, 1954	Yanks Apartments, Inc., Camden, N. J	16	035-40023	124,072
Mar. 12, 1954	Spiegel Apartments, Inc., Vineland, N. J	48	035-42014	388,000
Mar. 22, 1954	Earl Apartments, Inc., Vineland, N. J	108	035-42021	889,200
June 6, 1953	Paul E. Overstreet, Inc., Bedford, Va	12	051-42055	72,000
Jan. 10, 1951	Chapel Corp, Hampton, Va. (Pine Chapel Village)	800	051-42040	920,700
Do	Pine Corp., Hampton, Va. (Pine Chapel Village)	------	051-42036	816,700
Do	River Corp., Hampton, Va. (Pine Chapel Village)	------	051-42042	995,000
Do	Village Corp., Hampton, Va. (Pine Chapel Village)	------	051-42041	980,100
Feb. 2, 1953	Roberta Allen Corp., Narrows, Va	30	051-42051	$210,000
Nov. 1, 1952	Glenwood Apartments, Corp., Henrico County, Richmond, Va	100	051-40079	891,000
May 1, 1953	Lewis Road Corp., sec. 4, Henrico County, Richmond, Va	526	051-42034	824,000
Do	Lewis Road Corp., sec. 5, Henrico County, Richmond, Va	------	051-42035	656,600
Mar. 10, 1953	Lewis Road Corp., sec. 111, Henrico County, Richmond, Va	------	051-42033	839,300
Do	Lewis Road Corp., sec. 1, Henrico County, Richmond, Va	------	051-42031	665,100
Do	Lewis Road Corp., sec. 11, Henrico County, Richmond, Va	------	051-42032	899,400
Mar. 27, 1954	Cherrywood Apartments, Inc., Front Royal, Va. (Kendrick Lane)	40	051-40044	121,284
Do	Applewood Apartments, Inc., Front Royal, Va. (Kendrick Lane)	------	051-40045	121,284
Nov. 20, 1953	Cumberland Housing Corp., Fayetteville, N. C	32	053-40027	258,300
Aug. 1, 1952	Smithey, Chas. D., Mary S., North Wilkesboro, N. C	16	053-42005	100,000
Nov. 2, 1953	Cherokee Heights, Inc., Gaffney, S. C	100	054-42074	426,000
Do	Irene Apartments, Inc., Gaffney, S. C	50	054-42081	239,100

List of section 608 projects to which FHA acquired title but which have not been reported as sold (through Mar. 31, 1954)—Continued

Date title acquired	Name of mortgagor	Units	Project No.	Amount of mortgage
July 7, 1952	Booker Washington Apartments, Inc., Chester, S. C.	25	054-42088	$100,900
May 15, 1953	Pillwood Apartments, Inc., Dillon, S. C.	32	054-42032	185,000
July 31, 1953	Brookside Court, Inc., Greenwood, S. C.	60	054-42082	367,600
Mar. 2, 1953	Greenwood Apartments, Inc., Greenwood, S. C.	50	054-42050	423,453
Jan. 4, 1954	Whittaker Homes Inc., Orangeburg, S. C.	78	054-42066	325,100
Feb. 10, 1954	Highland Park Apartments, Inc., Richland County, S. C.	77	054-40013	688,000
July 11, 1953	White House Apartments, Inc., Ruston, La.	20	059-42006	162,000
Sept. 1, 1951	Chelsea Corp., Savannah, Ga.	136	061-40009	1,101,600
Aug. 1, 1953	Opp Apartments, Inc., Opp, Ala.	8	062-42025	60,000
Mar. 18, 1954	Kentucky Garden Apartments, Inc., Birmingham, Ala.	30	062-42049	117,400
Aug. 1, 1953	Covington Court Apartments, Inc., Opp, Ala.	16	062-42079	80,000
Dec. 1, 1953	Anderson Homes, Inc., Jacksonville, Fla.	78	063-42037	393,500
Mar. 1, 1954	Park Apartments, Inc., Tallahassee, Fla.	24	063-42032	185,200
Dec. 1, 1950	Rental Properties, Inc., Baton Rouge, La.	393	064-40007	160,900
Do	do		064-40008	160,400
Do	do		064-40009	160,400
Do	do		064-40010	167,300
Do	do		064-40011	160,400
Do	do		064-40012	160,400
Do	do		064, 40013	167,300
Do	do		064-40014	160,400
Do	Svendson Kemp, Inc., Baton Rouge, La.		064-42020	1,553,300
Sept. 13, 1951	Mirabeau Apartments, Inc., New Orleans, La.	140	064-40047	129,600
Do	do		064-40048	129,600
Do	do		064-40049	129,600
Do	do		064-40050	194,400
Do	do		064-40051	194,400
Do	do		064-40052	192,700
Do	do		064-40053	162,000
May 1, 1951	Mirabeau Manor, Inc., New Orleans, La.	164	064-40022	129,600
Do	do		064-40034	162,000
Do	do		064-40035	162,000
Do	do		064-40036	97,200
Do	do		064-40037	129,600
Do	do		064-40038	129,600
Do	do		064-40039	129,600
Do	do		064-40040	129,600
Do	do		064-40041	129,600
Do	do		064-40042	129,600
Mar. 1, 1952	The Louisiana Corp., New Orleans, La.	299	064-42036	2,664,000
Jan. 29, 1952	Pine Oak Apartments, Inc., Hammond, La.	20	064-40017	133,000
May 1, 1952	Battlefield Manors, Inc., Jackson, Miss.	30	065-42022	158,600
Nov. 15, 1951	Raymond Road Apartment Co., Inc., Jackson, Miss.	284	065-42025	1,661,400
Apr. 1, 1952	Brown Apartments, Inc., Meridian, Miss.	17	065-40008	142,500
Dec. 1, 1953	Meadowbrook Apartments, Inc., Meridian, Miss.	52	065-42037	194,200
June 29, 1951	Adelberger Gancarz, Inc., Coral Gables, Fla.	8	066-40022	61,200
June 17, 1953	Ansam Realty Corp., North Miami, Fla.	16	066-40084	125,400
Jan. 16, 1951	Delux Court Apartments, Inc., North Miami, Fla.	48	066-40048	$100,000
July 10, 1951	High Pines Apartments, Inc., South Miami, Fla.	56	066-40014	476,000
Jan. 16, 1951	Kenlor Apartments, Inc., North Miami, Fla. (Delux Ct.)		066-40049	100,000
Nov. 1, 1952	Larchmont Gardens, Inc., Miami, Fla.	344	066-40113	911,900
Do	do		066-40114	568,200
Do	do		066-40115	1,213,700
Jan. 16, 1951	Marfred Apartments, Inc., North Miami (Delux Ct.)		066-40050	199,000
Feb. 1, 1951	Pine Manor Center, Inc., Miami, Fla.	56	066-40033	183,600
Do	Pine Manor North, Inc., Miami, Fla.		066-40032	122,400
Do	Pine Manor South, Inc., Miami, Fla.		066-40034	122,400
Dec. 7, 1953	Sabal Palm Court No. 2, Inc., Miami, Fla.	144	066-40081	1,128,800
Apr. 30, 1952	Sunset Corp., South Miami, Fla.	56	066-40039	122,400
Do	Sunset Housing Corp., South Miami, Fla.		066-40037	122,400
Do	do		066-40038	183,600
May 1, 1951	W. L. Cone Apartments, Inc., Miami (s), Fla.	24	066-40015	154,700
Apr. 2, 1951	W. L. Cone Apartments, Inc., South Miami, Fla.	24	066-40016	154,300
Apr. 16, 1951	Greenwood Apartments, Inc., Clearwater, Fla.	200	067-42009	956,000
Nov. 10, 1952	Hillview Apartments, Inc., Old Hickory, Tenn.	24	081-42008	188,500
Dec. 1, 1949	Cleveland & Co., Inc., Hot Springs, Ark.	146	082-40014	435,000
Do	Cleveland Corp., Hot Springs, Ark.		082-40028	142,000
Jan. 24, 1950	do		082-40043	161,000
Do	do		082-40044	161,000
Do	do		082-40040	105,000
Do	do		082-40041	105,000
Do	do		082-40042	105,000
Aug. 9, 1950	Beaty Houston Apartments, Inc., Hope, Ark.	8	082-40022	50,000
Aug. 25, 1950	Houston Apartments, Inc., Hope, Ark.	8	082-42007	50,000
Sept. 1, 1950	Malvern Housing, Inc., Malvern, Ark.	16	082-42005	101,000
Feb. 8, 1950	Rentals, Inc., Springdale, Ark.	16	082-42003	96,000
Aug. 1, 1951	Hutchinson Housing Corp., Hutchinson, Kans.	116	102-42014	899,600
Feb. 16, 1953	The Henderson Housing Corp., Henderson, Tex.	12	112-40070	85,000
Sept. 10, 1953	Gar Wood, Inc., Lamesa, Tex.	28	113-42080	184,600
Nov. 15, 1950	Pinedell Manor Corp., Lufkin, Tex.	36	114-40038	144,500
Do	do		114-40039	144,500
Apr. 22, 1953	Elk City Housing Co., Inc., Elk City, Okla.	24	117-42031	48,000
Do	do		117-42033	48,000
Do	do		117-42032	48,000
Sept. 3, 1952	College Homes, Inc., Stillwater, Okla.	64	117-40046	194,000
Do	do		117-40054	170,000
Do	do		117-40055	177,000
Aug. 11, 1949	Clearview Apartments, Inc., Henryetta, Okla.	32	118-40023	197,000
Apr. 1, 1953	Okmulgee Real Estate Development Co., Okmulgee, Okla.	16	118-40004	114,000
Aug. 10, 1953	Osage Drive Apartments, Inc., Tulsa, Okla.	26	118-40030	200,000
June 1, 1951	El Siglo Apartments, Tucson, Ariz.	99	123-40003	671,500
Aug. 15, 1950	Lake Burien Height, Inc., Seattle, Wash.	544	127-40001	4,143,600
Nov. 28, 1953	Hollywood Village Corp., Beaumont, Tex.	150	131-40203	700,500
Nov. 16, 1950	Blaine Manor Corp., Moscow, Idaho.	104	171-40012	831,600
				49,457,993

Mr. WILLIAMS. Mr. President, I now ask unanimous consent to have incorporated in the RECORD a list of those properties against which the FHA had outstanding mortgages of $14,816,961. The FHA acquired title to these properties through bankruptcy proceedings and subsequently resold the same properties for a total of $13,565,816, of which amount $2,603,691 was represented as payments in cash and the remaining $10,962,125 was financed with new FHA mortgages.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

List of section 608 projects to which FHA acquired title and subsequently resold (through Mar. 31, 1954)

Date title acquired	Name of mortgagor	Units	Project No.	Amount of mortgage	Date sold	To whom sold	Amount received
Feb. 23, 1951	Mountain View Apartments, Inc., Presque Isle, Maine.	36	022-60010	$160,000	Nov. 24, 1953	Joseph Porath, 2828 Euclid Ave., Cleveland, Ohio.	[1] $6,500 [2] 123,500
Apr. 11, 1953	Lindsay Construction, Inc., Portland, Maine	8	022-60015	37,000	do	do	[1] 3,500
	do	9	022-60014	42,000	do	do	[2] 66,500
Dec. 1, 1950	Augusta Homes, Inc., Augusta, Maine	36	022-60016	190,000	do	do	[1] 12,000 [2] 166,000
Feb. 10, 1951	Brunswick Apartments, Inc., Brunswick, Maine	90	022, 60008	381,000	do	do	[1] 27,000 [2] 460,000
Aug. 1, 1951	Hiramar Corp., Hyannis, Mass.	120	023-42014	904,600	May 13, 1954	Morton Grossman, P. O. Box 436, Quincy, Mass.	[1] 578,910
Mar. 16, 1951	Merryknoll Apartments, Attleboro, Mass.	37	023-40008	295,400	Apr. 6, 1954	Bernard Roberts, 655 Boylston St., Boston, Mass.	[2] 200,000
Feb. 1, 1951	Warwick Gardens No. 2, Inc., Newport News, Va.	203	051-42039	2,025,200	Dec. 10, 1951	Ben Cohen, 1229 Mount Royal Ave., Baltimore, Md.	[1] 100,000 [2] 1,940,000
July 1, 1946	Seven Oaks, Inc., Newport News, Va.	220	051-60005	932,000	May 4, 1954	Nathan Gumenick, 6708 Dartmouth Ave., Richmond, Va.	[1] 150,000 [2] 1,000,000
Dec. 28, 1949	Riverside Apartments, Wilmington, N. C.	500	053-60002	1,670,000	Apr. 15, 1953	C. M. McCoy, M. D., 1400 Colonial Ave., Norfolk, Va.	[1] 112,600 [2] 1,757,500

[1] Cash payment.

[2] Mortgage taken by Commissioner.

List of section 608 projects to which FHA acquired title and subsequently resold (through Mar. 31, 1954)—Continued

Date title acquired	Name of mortgagor	Units	Project No.	Amount of mortgage	Date sold	To whom sold	Amount received
Oct. 15, 1951	Hillcrest Apartments, Inc., Valdosta, Ga	44	061-42032	$255,000	May 18, 1954	Wade M. Miles, Jr., 203 Southern Blvd., Wilmington, N. C.	[1] $13,700 [2] 190,000
Do	Sans Souci Apartments, Valdosta, Ga	56	061-42018	322,000	Mar. 23, 1954 [3]	T. M. Tillman, 128 College Ave., Athens, Ga	[1] 57,130 [2] 262,000
May 1, 1951	Amy Apartments, Tifton, Ga	32	061-40014	225,000	do. [3]	Norman Ross, 14300 Cloverdale Ave., Detroit, Mich.	[1] 9,000 [2] 142,000
Oct. 10, 1951	East Side Gardens, Gainesville, Fla	54	063-40011 063-40012	149,000 173,400	do. [3] do. [3]	Joseph Wilensky, Law Exchange Bldg., Jacksonville, Fla.	[1] 16,500 [2] 269,000
Aug. 16, 1951	Carl's Court, Inc., Miami, Fla	20	066-42030	146,300	Nov. 1, 1952	J. D. Parr, Pines-on-Severn, Arnold, Md	[1] 16,000 [2] 145,000
Dec. 1, 1950	Dinner Key Manor, Miami, Fla	20	066-40056	164,200	Apr. 14, 1954	Saul Salzberg, 1125 Graydon, Ave., Norfolk, Va.	[1] 10,010 [2] 160,500
Nov. 21, 1950	Free Lee Apartments, Miami, Fla	8	066-40025	58,400	Aug. 7, 1952	J. D. Parr, Pines-on-Severn, Arnold, Md	[1] 6,500 [2] 57,500
Jan. 5, 1951	Cloverdale Apartments, Bessemer, Ala	98	062-40025	648,400	Feb. 10, 1954	F. K. Noojin, Noojin Hardware Co., Huntsville, Ala.	[1] 32,500 [2] 608,000
Nov. 1, 1951	Stillman Apartments, Tuscaloosa, Ala	30	062-42019	102,500	Feb. 24, 1954	J. G. Rosenbaum, M. D., Ridge and Bennett Rds., North Royalton, Ohio.	[1] 5,275 [2] 70,000
Feb. 20, 1952	Foster Apartments, Baton Rouge, La	36	064-40002	244,000	Apr. 14, 1954 [3]	do	[1] 15,680 [2] 228,000
Mar. 13, 1952	University Hill Apartments, Baton Rouge, La	28	064-40016	199,900	Mar. 2, 1954	Robert Holloway, 2651 Plank Rd., Baton Rouge, La.	[1] 10,045 [2] 190,000
Apr. 1, 1952	Azalea Apartments, Lafayette, La	28	064-40046	199,000	Apr. 19, 1954 [3]	Mrs. Kaliste Saloom, Lafayette, La	[1] 9,500 [2] 118,000
July 7, 1952	Parkview Apartments, Conway, Ark	16	082-40036	101,000	May 20, 1954	Ellis Lasley, Lasley Hardware Co., Conway, Ark.	[1] 6,000 [2] 54,000
Do	Conway Apartments, Conway, Ark	16	082-40037	101,000	do	do	[1] 6,000 [2] 54,000
July 31, 1950	Evmore Apartments, Wichita, Kans	57	102, 40002 102, 40015 102-40021	139,500 143,500 141,400	Dec. 12, 1951	Sherman Kamen and H. S. Shapiro, Wichita, Kans.	[1] 44,125 [2] 397,125
Aug. 30, 1951	Parkview Apartments, Norman, Okla	244	117-40053	1,858,000	May 3, 1954	University of Oklahoma, Norman, Okla	[1] 1,135,000
Sept. 6, 1950	Fuqua Apartments, Seminole, Okla	8	117-40007	55,000	[4]		
Feb. 8, 1950	Marine View, Inc., Los Angeles, Calif	208	122-40003 122-40193 122-40194 122-40196 122-40197 122-40198 122-40002 122-40191 122-40192 122-40195	275,600 147,416 145,218 50,853 115,755 115,256 312,600 146,148 145,251 50,725	Dec. 11, 1953	Franklin G. Klock, 28 North Marengo Ave., Pasadena, Calif.	[1] 93,000 [3] 1,330,000
May 1, 1953	Jefferson Apartments, Waynesboro, Va	20	051-40033	153,000	Mar. 10, 1954	Wade M. Miles, Jr., 203 Southern Blvd., Wilmington, N. C.	[1] 8,100 [2] 133,000
Nov. 1, 1950	Birzer Building Co., Cincinnati, Ohio	24	043-40052 043-40053	2,750 10,289	Jan. 17, 1951	Stanley S. Shubert and Leona N. Shubert, Cincinnati, Ohio.	[1] 16,000
Feb. 2, 1953	Gault Avenue Apartments, Fort Payne, Ala	16	062-42142	80,000	May 26, 1954 [3]	Maurice Spilky, 11 South La Salle St., Chicago 3, Ill.	[1] 5,000 [2] 45,000
July 16, 1952	Brundidge Apartments, Troy, Ala	16	062-42024	111,000	do. [3]	do	[1] 5,000 [2] 75,000
Do	Elm Apartments, Troy, Ala	12	062-40077	87,300	do. [3]	do	[1] 5,000 [2] 55,000
June 1, 1951	Jefferson Court, Alexander City, Ala	24	062-42001	183,400	Mar. 23, 1954 [3]	Norman Ross, 14300 Cloverdale Ave., Detroit, Mich.	[1] 8,000 [2] 128,000
June 15, 1950	Meadows Apartments, Texarkana, Ark	44	082-42006	66,000	Oct. 31, 1951	W. H. Beasley and Herman Wommack, Jr., Texarkana, Ark.	[1] 36,111
May 1, 1952	Arlington Arms, Alice, Tex	32	082-42009 115-42032	300,000 254,700	Apr. 6, 1954 [3]	C. E. Salisbury, Flynn Investment Co., Harlingen, Tex.	[2] 325,000 [1] 14,650 [2] 212,500
[5]	San Ignacio Apartments, Miami, Fla		066-40074		May 18, 1954	E. C. Lunsford, 2742 Biscayne Blvd., Miami Fla.	[1] 55,650
	Total			14,816,961			13,565,816

[1] Cash payment.
[2] Mortgage taken by Commissioner.
[3] Pending sale.
[4] Listed with and sold by an appointed broker at retail.
[5] Sold, but do not have the complete report.

Mr. WILLIAMS subsequently said:

Mr. President, earlier this afternoon I placed in the RECORD certain reports from the Federal Housing Administration. I call specific attention to three items mentioned in these reports, first, Patchogue Gardens, Inc., Patchogue, N. Y.

According to the report as released by the Housing and Home Finance Agency last Saturday, the mortgage loan was $723,900. The three individuals involved, Mr. Jerry Kanner, Mr. Mack Kanner, and Mr. Lester Kanner, all of Merrick, N. Y., had paid in as capital a total of $1,000.

The reported cost of the project was $554,000, leaving a windfall for the builders of $195,236, of which amount $155,000 has been distributed.

On September 13, 1952, this project—mortgage No. 33198—was declared bankrupt, at which time the amount of the mortgage of the FHA was listed as $724,900, which indicates that there had been no payments on the mortgage.

The Federal Government now holds title to this property at a mortgage cost of $723,900 plus whatever other charges accompany the foreclosure against this property. The reported cost to the builders was $554,000.

On this same property, which is now in bankruptcy, the builders have distributed $155,000 in dividends on their $1,000 original investment.

NO. 2 WARWICK GARDENS, INC., WARWICK GARDENS NO. 2, INC., NEWPORT NEWS, VA.

The second project to which I wish to call attention is that of Warwick Gardens No. 2, Inc.

The Housing and Home Finance Agency lists Warwick Gardens 1 and 2 as having been built by Mr. Albert T. Brout, Mr. A. L. Drucker, and Mr. E. E. Falk, all of Newport News, Va.

On these two projects there was a total investment of paid-in capital stock of $4,000—$2,000 on each project. They secured loans of $1,763,200 and $3,788,400.

The construction cost in each case was lower than the mortgage loan, and the corporation had a windfall profit according to the report on the two projects of $273,607, of which amount $78,000 has been distributed.

This profit was made on a $2,000 investment.

Warwick Gardens No. 2, Inc., against which the Housing and Home Finance Agency lists the windfall profits of $222,900, was declared bankrupt, and on February 1, 1951, the Government took title to this project—mortgage No. FHA-51-42039.

The amount of the mortgage on the date the Government took the title to the property was listed as $2,025,200. On December 10, 1951, the Government sold this property, Warwick Gardens No. 2, to Mr. Ben Cohen, 1229 Mount Royal Avenue, Baltimore, Md., for $2,040,000; terms $100,000 cash, mortgage $1,940,000.

NO. 3 GREGORY ESTATES, SECTIONS 1, 2, 3, AND 4, SEAT PLEASANT, MD.

In this instance the mortgage loan was $3,184,000 and the reported cost of the

project $3,176,500. The principals paid in $800 as capital stock. The windfall profits in this case were relatively small as compared to the others totaling $7,500.

However, it is mentioned in view of the fact that on March 17, 1954, all four of these projects were listed as being in the process of foreclosure.

INCLUSION OF ONIONS UNDER THE COMMODITY EXCHANGE ACT

The Senate resumed the consideration of the bill (H. R. 6435) to amend the Commodity Exchange Act.

The PRESIDING OFFICER. The clerk will state the amendment of the Committee on Agriculture and Forestry.

The LEGISLATIVE CLERK. After line 7, it is proposed to add a new section, as follows:

SEC. 2. This act shall take effect 60 days after the date of its enactment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. AIKEN. Mr. President, I simply wish to make a short explanation of the bill.

This bill would extend the Commodity Exchange Act to cover futures trading in onions. Onion futures trading has been perennially subject to wide price fluctuations and suggestions of market manipulation. The bill would not end price fluctuations but would permit investigation to determine what the facts are and prevent market manipulation.

The committee amendment would delay the effective date until 60 days after enactment to give the exchanges an opportunity to register.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. GILLETTE. Mr. President, I offer an amendment which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Iowa.

The LEGISLATIVE CLERK. On page 1, after line 7, it is proposed to insert a new section 2, as follows:

SEC. 2. That section 2 (a) of the Commodity Exchange Act, as amended (7 U. S. C. 2), is amended by inserting "coffee" after the word "peanuts" in the third sentence thereof, so that coffee is added to the definition of the word "commodity" for purposes of said act.

Mr. GILLETTE. Mr. President, I shall take but a few moments in which to explain the purpose of the amendment.

It may be recalled that on February 10, 1954, the Senate passed unanimously a bill to bring coffee within the purview of the Commodity Exchange Act, so that the trading in coffee could be supervised. The bill was sent to the House, where it has reposed more or less peacefully since that time. I wish to read a short excerpt from a letter I addressed, under date of April 7, 1954, to Representative HOPE, chairman of the House Committee on Agriculture. The excerpt is as follows:

As you may recall a subcommittee of the Senate Committee on Agriculture and Forestry held painstaking investigations into coffee prices in 1949–50, and made a report recommending some dozen remedial legislative steps, including a recommendation that coffee be placed under the Commodity Exchange Act so that trading in futures on this commodity could be brought under supervision along with the other commodities covered by the Commodity Exchange Act.

The bill was passed by the Senate on February 10 and was messaged to the House. The House committee held public hearings on February 17, 18, and 23. Since that time no action has been taken.

In view of the unanimous action on the part of the Senate, I do not know the reasons why the bill has been stymied in the House, but it would be logical to assume that there were strong lobbyist activities.

I am offering the amendment so that coffee can be brought under the provisions of the Commodity Exchange Act. Because 60 percent of the coffee grown in the coffee-producing countries comes to the American market, and American coffee consumption is about 25 pounds per capita annually, a rise of 5 cents a pound in the price of coffee takes about a quarter of a billion dollars out of the pockets of the American taxpayers.

In the past few months, as everyone knows, the price of coffee has risen 30, 40, or 50 cents a pound; and it has been said by some American coffee handlers that it is expected that the price will go to $1.50 a pound. Certainly there is good reason for supervision of the exchanges on which futures in coffee are traded. That was the purpose of the bill the Senate previously passed. My purpose now is to include it as an amendment to the onion bill, so that the amendment can go to conference and be considered there.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. GILLETTE].

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ISSUANCE OF CONSOLIDATED DEBENTURES

Mr. HENDRICKSON. Mr. President, I move that the Senate proceed to the consideration of Calendar 1514, Senate bill 3487, to authorize the Central Bank for Cooperatives and the regional bank for cooperatives to issue consolidated debentures, and for other purposes.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 3487) to authorize the Central Bank for Cooperatives and the regional banks for cooperatives to issue consolidated debentures, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Jersey.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. AIKEN. Mr. President, Senate bill 3487, the pending business, would permit the Central Bank for Cooperatives and the regional banks for cooperatives to join together in the issuance of debentures in the same way that the Federal Land Banks and the Federal intermediate credit banks are now permitted to join. At present the Central Bank for Cooperatives is the only bank for cooperatives authorized to issue debentures. The total amount of consolidated debentures, plus individual debentures of the central bank, which might be outstanding at any time is limited to 8 times the combined capital and surpluses of the 13 banks. The bill is proposed by the Farm Credit Administration as a step toward the retirement of Government capital by providing the banks with authority to issue more marketable securities.

The bill was proposed by the new Farm Credit Administration. It is its first recommendation to the Congress. There is no opposition to the bill from any source of which I am aware, and it was reported some time ago by the committee without opposing votes, although I think the Senator from Delaware [Mr. WILLIAMS] has an amendment.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. WILLIAMS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 4, after line 4, it is proposed to insert the following:

SEC. 3. Section 41 of the Farm Credit Act of 1933 (12 U. S. C. 1134c) is amended by adding at the end thereof the following: "Notwithstanding the foregoing or the provisions of section 34 or 38, no loan shall be made by any bank for cooperatives or by the Central Bank for Cooperatives for the purpose of financing the construction of broiler-growing facilities, the purchase of chicks, or the purchase of feed to be used primarily in the production of broilers. The said banks shall take reasonable precautions to avoid making loans which are likely to result in increased broiler production."

Mr. WILLIAMS. Mr. President, I do not think there is any objection to my amendment either by the chairman of the committee or by the heads of the banks themselves. My proposed amendment is in line with a previous amendment adopted sometime ago to an appropriation bill, the purpose of which was to prevent the use of any funds of a Government agency to encourage and to finance the expansion of the broiler industry at a time when the industry is already in a state of overexpansion.

I took the question up with the Department of Agriculture, and asked it to outline its existing policy. While I shall not read the entire letter, I wish to read from a memorandum attached to a letter written to me by Mr. J. D. Lawrence, director of Cooperative Bank Service, Farm Credit Administration. I shall

now read the report on the Baltimore district. It sets forth the policy in that district, which I think will show that the amendment embodies a policy which is recognized by that agency as a sound one:

> It should be stressed that these loans have not been used in any manner whatsoever for the production of broilers, either in the construction of broiler-growing facilities, or purchasing chicks or feed. They have been used solely in connection with processing and marketing. Furthermore, we have not made any loans to cooperatives engaged in the supply business where the proceeds of our loans were used for broiler contracts.

The amendment merely seeks to make sure that policy will be the uniform one throughout the country, so far as the particular banks are concerned. I understand, from talking with officials of the Farm Credit Administration, that they recognize that as a sound business principle.

Mr. AIKEN. Mr. President, in regard to the amendment offered by the Senator from Delaware, I should like to say that the Central Bank for Cooperatives was not established for the purpose of making production loans. Loans made by the bank have been to cooperatives engaged in processing, packaging, handling, distributing, and marketing. I personally know of no production loans which have been made by the bank, but I understand from the Senator from Delaware that there have been very limited loans, in the aggregate, made for that purpose.

We have no objection to the amendment, with the understanding that if it should develop that the provisions of the amendment offered by the Senator from Delaware would handicap the legitimate functions of the agency in any way, we reserve the right to straighten the situation out in conference with the House of Representatives, or have the House of Representatives do it.

Mr. WILLIAMS. I may say to the Senator from Vermont that I am in complete agreement with that understanding, because I have no intention of unduly restricting the agency from following what is recognized as being a sound policy.

Mr. AIKEN. I think the Senator from Delaware has a record of very few loans which have been made for production purposes. All told, such loans have amounted to less than $100,000 out of a total of many millions of dollars, in the aggregate, which have been loaned.

Mr. WILLIAMS. As I understand from the report, the loans which have been extended by the agency for the particular purpose under discussion have been relatively small. Most of such loans were made by another agency, which situation was corrected.

Mr. AIKEN. Mr. President, with the understanding which I have stated, I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment, and third reading of the bill.

The bill (S. 3487) was ordered to be engrossed for a third reading, read the third time, and passed.

MODEL HOUSING BOARD OF PUERTO RICO

Mr. HENDRICKSON. Mr. President, I move that the Senate now proceed to the consideration of House bill 4030, which is Calendar No. 926.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Jersey.

Mr. HENDRICKSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HENDRICKSON. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion of the Senator from New Jersey that the Senate proceed to the consideration of Calendar No. 926, House bill 4030, repealing section 4 of the act of March 2, 1934, creating the Model Housing Board of Puerto Rico.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 4030) to repeal section 4 of the act of March 2, 1934, creating the Model Housing Board of Puerto Rico, which had been reported from the Committee on Interior and Insular Affairs with an amendment.

Mr. CORDON. Mr. President, this bill has been reported from the Committee on Interior and Insular Affairs. The purpose of the bill is to repeal section 4 of the act of March 2, 1934, which created the Model Housing Board of Puerto Rico. That Board has long since served its purpose. Since the Board was organized, the Commonwealth Government of the Island of Puerto Rico has been created, and the organization of that government is now substantially complete. So there would appear to be no reason to continue an organization of this type, at the expense of the people of the United States. The fund used for the Board came from Puerto Rican funds; but those funds, in turn, resulted from the action of the Government of the United States in permitting the people of Puerto Rico to retain all taxes levied in connection with exports, and also to retain various types of excise and internal-revenue taxes.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Oregon yield to me?

Mr. CORDON. I yield.

Mr. JOHNSTON of South Carolina. I think it will be found that the fund used for the purpose of this Board came from the liquor tax only.

Mr. CORDON. I was referring to the whole area of funds which the United States Government permitted Puerto Rico to retain. Which particular tax resulted in the creation of this particular fund, I do not know.

Mr. JOHNSTON of South Carolina. It was only that one.

Mr. CORDON. At any rate, Mr. President, the enactment of this measure will result in dissolving the Board, and thus the Government of Puerto Rico will be enabled to take care of the situation itself.

I believe the provisions of the bill are sound.

Mr. JOHNSTON of South Carolina. Mr. President, I was the one who objected to the bill during the call of the calendar; but since then I have studied the matter further. I find that when Congress passed the act in March 1934, there was necessity for it, inasmuch as Puerto Rico was very short of housing at that time, and all kinds of houses were being erected, and in many cases there was a complete failure to provide sanitary facilities. For that reason, we established this Model Housing Board.

As the Senator from Oregon has said, inasmuch as Puerto Rico has, since then, been made a Commonwealth, and is running its own government, and is doing a good job in respect to the construction of private dwellings, it is in order to repeal section 4 of the act of March 2, 1934, creating the Model Housing Board of Puerto Rico.

In respect to the construction of private dwellings in Puerto Rico, let me say that in 1947, 4,294 dwellings were constructed, with a permit value of $15,534,000. In 1949, 3,165 private dwellings were constructed, with a permit value of $16,836,000; and in 1951, 4,873 private dwellings were constructed, with a permit value of $19,941,000.

I happen to know that one man who has been engaged in building in Puerto Rico, has built there approximately $50 million worth of houses, in overall value. It happens that that man comes from South Carolina, and for that reason I have kept up with the housing development that has occurred in Puerto Rico.

I believe that at this time this function should be left to the Commonwealth of Puerto Rico, but I desired to look into the situation, in order to see where the money was coming from, how much money was available, and what would be done with it.

However, insofar as I personally am concerned, I believe this function should at the present time be turned over to the Commonwealth of Puerto Rico; and, of course, that will be done as a result of the passage of the pending measure.

The PRESIDING OFFICER. The amendment reported by the committee will be stated.

The CHIEF CLERK. On page 1, after line 4, it is proposed to insert a new section, as follows:

> SEC. 2. Any moneys remaining in the revolving fund established by subsection (d) of section 4 of said act of March 2, 1934, shall be covered into the treasury of the Commonwealth of Puerto Rico.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

UNITED STATES AIR FORCE TECHNICIANS IN INDOCHINA

Mr. STENNIS. Mr. President, I believe the RECORD should be kept straight and should be brought down to date in reference to the sending of members of our Armed Forces—mechanics from the Air Force—to participate in the war in Indochina. When I say "participate," I mean to participate to the extent of maintaining the planes we sent there several months ago. I first raised this point on the floor of the Senate about February 1.

Without any criticism whatsoever, of course, of the Senator from Massachusetts [Mr. SALTONSTALL], I wish to quote from the CONGRESSIONAL RECORD of February 8, 1954, at page 1506. The Senator from Massachusetts is not present in the Chamber at this time. I called his office, because I wanted him to be here, even though in referring to this matter I am not in any way critical of him.

I now read from the RECORD of February 8, 1954, at page 1506, and quote the Senator from Massachusetts, as follows:

> This afternoon, in response to an inquiry of mine, I have received, over the telephone, assurances from the Secretary of Defense that the 200 mechanics will be out of Indochina by June 12. If the French and Indochinese are not capable by that time of maintaining the planes, then perhaps some civilian volunteers will be sent to do it. But we hope that will not be necessary.
>
> However, I know I can assure the Senator from Montana that it is the intention of the Department of Defense and their firm determination to have those 200 trained mechanics out of Indochina by June 12.
>
> Between now and then, those men are to be in places far removed from any combat area, and are to be there solely for the purpose of maintaining the planes which are sent there, work on which cannot now be done by local mechanics. Thus we shall have in Indochina a training force.
>
> I do not think there is any objection to sending the training group, because in that way our materiel and equipment will be made of value.
>
> In the second place, the special technicians, who are to be kept in places far removed from any combat area or combat zone, are to be out of Indochina—on the assurance to me, this afternoon, of the Secretary of Defense—by June 12 of this year.

I quote briefly from a letter which I received from the Secretary of Defense, Mr. Wilson, dated March 26, 1954, which was in response to a letter from me on the same subject. Referring to the Air Force mechanics, he said:

> These men are scheduled, under current arrangements, to remain in Indochina no later than June 15, 1954. It is possible that they may be removed at an earlier date if expected French replacements can be brought to Indochina and trained by our people before that time.

I quote another paragraph from the same letter:

> If time had permitted, it would perhaps have been possible to recruit either suitable nationals who were capable mechanics from other nations, or qualified United States civilian personnel, to proceed to Indochina on contract to the French Government to perform these maintenance services. Unfortunately, the combat situation was such that time was of the essence. The French Air Force was most anxious to utilize these recently delivered aircraft in the defense of Dien Bien Phu and Luang Prabang. The only possible method of getting maintenance help into Indochina to meet the requirement was to assign temporarily to the Military Assistance Advisory Group a small group of trained United States Air Force mechanics. We have 118 technicians stationed at Do San airfield near Haiphong in Tonkin, and 134 at Tourane airfield in central Annam.

Mr. President, there is only one reasonable interpretation to be given to that letter and to the assurances by the Secretary of Defense given through the Senator from Massachusetts [Mr. SALTONSTALL], and that is that the members of our Armed Forces were to be withdrawn at or about the date specified. Of course, the spirit of that promise was that others would not be sent to replace them, and that none would be permitted to remain there as so-called volunteers. I did not cross-examine anyone on that point. I did not try to pin anyone down. I took those representations at their face value, as did everyone else in the Senate and the Nation. I am sure they were not made in bad faith, and I do not charge bad faith in the making of such representations. But I am amazed as well as disappointed to learn what happened in carrying out that promise, according to a news dispatch which I shall read to the Senate. I read from the New York Times, a dispatch dated Washington, June 7, "Special to the New York Times":

> WASHINGTON, June 7.—The Defense Department plans to replace man for man the 200 Air Force technicians it is recalling from Indochina this month in formal fulfillment of a pledge exacted by the Senate Armed Services Committee.
>
> Charles E. Wilson, Secretary of Defense, had given the committee his promise that the technicians would be called home by mid-June, after 120 days of temporary duty. This pledge followed protests by several Senators that the sending of American technicians to help the French might lead to direct United States involvement in the war.
>
> Mr. Wilson has instructed the Air Force to recall the original group, leaving in Indochina only those who volunteer to remain. But those who leave the war theater are to be replaced by other American technicians from the Far East Air Forces, a defense official disclosed today.

So if this report is correct, instead of bringing those men home and relieving not only them, but the Nation, of the danger of possible involvement by direct intervention, apparently those who asked to come back were brought back, and those who volunteered to remain were kept there, and then the ranks were filled to the original number by "technicians," as they are called in this dispatch, or by airplane mechanics, from the Far East Air Forces. The article does not state that the replacements volunteered to go.

The article further states:

> The replacements will be assigned to Indochina by Far East Air Force headquarters in Japan, the official said, for limited tours of duty.
>
> NEED FOR STAFF CALLED GREAT
>
> Anticipating congressional criticism, defense officials said the French need for additional air technicians was at least as great today as it had been when they were sent in February, in view of the deteriorating military situation.

So far as I know, those are the facts, and the only excuses offered are those which I have mentioned.

I wish to make it clear that I do not charge bad faith. I do not charge that a promise was made in bad faith, but I do say that the spirit of that promise and understanding has not been carried out, if the statements which I have read are correct. The promise would never have been accepted if we had been told replacements would be sent to Indochina. It is the responsibility and duty of the Secretary of Defense to carry out the representations which were made through the chairman of the Armed Services Committee, the Senator from Massachusetts [Mr. SALTONSTALL]. They have not yet been fulfilled.

I think the American people, and their representatives in Congress, are entitled to a full, frank, and complete explanation. Personally, I do not believe that sufficient effort has been made to obtain other mechanics, during the 4 months' time that has intervened, to service those planes. I have understood, as a member of the Armed Services Committee, that Korean mechanics capable of doing this work are available in Korea. I further understand that capable Japanese nationals are available in Japan. I know that when I was in France last September I saw with my own eyes French nationals working as mechanics for the United States Air Force in maintenance hangars, doing this type of work. I know that such men are available in France. I believe that such native mechanics are also available in the Philippines, although I do not have direct information on that point, as I have with respect to the other places.

It appears that within the past 2 or 3 days some of our Air Force mechanics on duty in Indochina have either been kidnaped or captured. There has been no official announcement as yet. Perhaps the facts are not known, but reports continue to come over the radio that this has happened. These reports have every evidence of being substantially correct.

About 90 days ago 44 of our mechanics were almost captured at one of the airbases where they were working. As I understand, the soldiers who almost captured our men spent the previous night in the homes of villagers near the airfield—villagers who were thought to be on the French side, but who were really harboring enemy soldiers who were planning to capture our men.

With respect to the so-called volunteers, when a man is told that those in charge want him to stay, but that they will send him back home if he insists upon it, I doubt whether he can be called a real volunteer. But assuming that he is, that is the exact method used by Red China in going into Korea. We are following exactly the same pattern which we condemned so bitterly before the United Nations and at every council table everywhere when it was followed by Red China in entering the Korean war.

I am not afraid for the United States to take whatever stand is necessary. My complaint is that, in the light of the facts, I do not believe it was necessary or advisable for us to send those men there in the first place. It is certainly not necessary to keep them there after 4 months have elapsed. There has been a pledge that neither they nor this Nation would be subjected to the possible involvement which goes with their presence there. I point out that they are not there under an order of the United Nations. They are not there because of any treaty with France, or any other country. They are not there because of any resolution of the Congress. They are not there by virtue of any policy that has been adopted by the Congress. They cannot truly be called volunteers. They are there as members of the United States Air Force. They are our soldiers. They are there helping to carry on the fighting. They are not far removed from danger spots. They carry with them the emblem of the United States Air Force. That makes them representatives of our flag that is displayed here on the floor of the Senate.

I think that what has been done represents another step leading to a situation where we could be faced with the proposition of having little or no choice as to whether or not we involve ourselves in that war with everything we have, or retire without honor.

Therefore, I want to bring out these facts. I want to state, on my responsibility as a member of the Committee on Armed Services, that on the facts as I understand them it is not necessary for our men to be there. Others could capably do the job. If I am mistaken in that, I submit that they certainly are not there in keeping with the solemn promise, which was more or less an agreement, that was made to the Senate. If that is the policy, then I seriously question the soundness of our being involved to that extent in an actual war.

We have not yet established a congressional policy. The people of the United States have certainly not made up their mind that they are willing to enter that war. I renew my protest, and I again urge that the Air Force mechanics in Indochina be withdrawn, and that no replacements or additional groups be sent there.

AMENDMENT OF HAWAIIAN ORGANIC ACT

Mr. HENDRICKSON. Mr. President, I move that the Senate proceed to the consideration of H. R. 2848.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 2848) to amend section 89 of the Hawaiian Organic Act, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Jersey.

The motion was agreed to; and the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

EXCHANGE OF CERTAIN HAWAIIAN HOMES COMMISSION LAND

Mr. HENDRICKSON. Mr. President, I move that the Senate proceed to the consideration of H. R. 5840.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 5840) to authorize the Hawaiian Homes Commission to exchange certain Hawaiian Homes Commission land and certain easements for certain privately owned land.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Jersey.

The motion was agreed to; and the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. HENDRICKSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HENDRICKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SALE OF CERTAIN LAND IN ALASKA

Mr. HENDRICKSON. Mr. President, I move that the Senate proceed to the consideration of S. 2900.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2900) to authorize the sale of certain land in Alaska to the Harding Lake Camp, Inc., of Fairbanks, Alaska, for use as a youth camp, and related purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Jersey.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 2900) to authorize the sale of certain land in Alaska to the Harding Lake Camp, Inc., of Fairbanks, Alaska, for use as a youth camp and related purposes which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 1, line 3, after the word "Incorporated", to insert "an Alaska nonprofit corporation"; at the beginning of line 10, to strike out "southeast quarter southwest quarter, and west half northeast quarter southwest quarter, section 7, township 6 south, range 5 east, Fairbanks meridian, Alaska" and insert "southeast quarter of the southwest quarter and all of lot 5, section 7, township 6 south, range 5 east, Fairbanks meridian, Alaska, United States Survey 1901, Salchaket Townsite Plat", and on page 2, after line 5, to strike out:

SEC. 2. That the conveyance shall be made upon the payment by the said organization for the land at its reasonable appraised price of not less than $1.25 per acre, to be fixed by the Secretary of the Interior: *Provided*, That the conveyance hereby authorized shall not include any land covered by a valid existing right initiated under the public land laws: *Provided further*, That the coal and other mineral deposits in the land shall be reserved to the United States, together with the right to prospect for, mine, and remove the same under applicable laws and regulations to be prescribed by the Secretary of the Interior.

And in lieu thereof to insert:

SEC. 2. The conveyance shall be made upon the payment by the said organization for the land at a price to be fixed by the Secretary of the Interior through appraisal, after taking into consideration the purpose for which the land is to be used: *Provided*, That the conveyance hereby authorized shall not include any land covered by a valid existing right initiated under the public lands laws: *Provided further*, That the coal and other mineral deposits in the land shall be reserved to the United States, together with the right to prospect for, mine, and remove the same under applicable laws and regulations to be prescribed by the Secretary of the Interior.

So as to make the bill read:

Be it enacted, etc., That the Harding Lake Camp, Inc., an Alaska nonprofit corporation, of Fairbanks, Alaska, is hereby authorized for a period of 1 year from and after the effective date of this act to apply for the purchase of, and the Secretary of the Interior is hereby authorized and directed to convey to the organization, for use as a youth camp and related purposes, the following-described land situated in Alaska: southeast quarter of the southwest quarter and all of lot 5, section 7, township 6 south, range 5 east, Fairbanks meridian, Alaska, United States Survey 1901, Salchaket Townsite Plat.

SEC. 2. The conveyance shall be made upon the payment by the said organization for the land at a price to be fixed by the Secretary of the Interior through appraisal, after taking into consideration the purpose for which the land is to be used: *Provided*, That the conveyance hereby authorized shall not include any land covered by a valid existing right initiated under the public-lands laws: *Provided further*, That the coal and other mineral deposits in the land shall be reserved to the United States, together with the right to prospect for, mine, and remove the same under applicable laws and regulations to be prescribed by the Secretary of the Interior.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the third reading of the bill.

The bill was read the third time.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oregon will state it.

Mr. MORSE. I inquire what the pending business is.

The PRESIDING OFFICER. The pending bill is Calendar No. 1502, Senate bill 2900.

Mr. MORSE. Has there been an explanation of the bill?

The PRESIDING OFFICER. The bill has been read the third time.

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. BUTLER of Nebraska. Mr. President, the purpose of the bill is to authorize the sale of a tract of land in Alaska, containing approximately 62 acres, to a nonprofit organization called the Harding Lake Camp, Inc., which will use the land for a youth camp. The organization will pay for the land at a price to be fixed by the Secretary of the Interior through appraisal. The bill is similar to many such bills which have been passed by Congress from time to time. It has been approved by the Department of the Interior, and there is no objection to it by the Bureau of the Budget. I may say that it will represent no cost to the Government.

Mr. MORSE. Mr. President, I think the enactment of the bill can result in adequate payment to the Federal Government for this property. However, I wish to make a very brief comment as a part of the legislative record on the bill, in the hope that at least the legislative record will have some influence upon the Secretary of the Interior when he comes to fix a price.

The bill proposes to convey Government land in Alaska to a nonprofit corporation, made up of churches and semireligious organizations.

Originally the bill provided for payment at not less than $1.25 per acre. That provision was eliminated by the committee. I am not sure that it was wise to delete that provision from the bill, but it was done.

The bill does present the problem of no standard of payment being provided, other than that the payment is to be at a price to be fixed by the Secretary of the Interior through appraisal after taking into consideration the purpose for which the land is to be used.

It seems to me, Mr. President, that as a general policy it is a mistake to insert in a bill involving a grant of Government property language of that general form, namely, that the price is to be fixed by the Secretary of the Interior after he takes into account the purposes for which the land is to be used.

I wish to assume that the Secretary of the Interior will fix a price on the basis of a fair-market-value appraisal. I say that because, although the sponsors of the project in Alaska are a wonderful group—and I, as a private citizen, support such groups in my community and elsewhere—nevertheless I would not want the bill to serve as a precedent for various religious groups to seek, by way of legislation, to obtain Federal property on a so-called nominal-appraisal basis.

I would not want to establish a precedent whereby religious groups would be able, through private bills containing general language such as this bill contains, to leave it to a Federal official to fix the market price—which would, in fact, be a nominal price—for surplus Federal property to be used by these very wonderful groups, but nevertheless private groups, not public groups in the sense of being public governmental groups.

Although I believe in assuming that Government officials will act in good faith and will not permit general language in this bill to be used as a subterfuge, I prefer, in order to keep the RECORD straight, to have specific language of value put in the bill, namely, that the land shall be sold to this corporation, which is made up of a number of groups, on the basis of the appraised fair market value of the property.

Why not, Mr. President? If we set a lower standard than that, we must admit that a concealed objective in this bill is to make surplus Federal property, belonging to all the taxpayers of the country, available to church groups and charitable groups and other groups at less than the fair market value.

If we ever establish such a precedent, we will soon lose sight of the principle of the separation of church and state. In my judgment, Mr. President, we cannot toy with the principle of separation of church and state. We cannot start creating precedents whereby, because of the use of general discretionary language in a bill, we make it possible by indirection or subterfuge for church groups to dip their hands into the Federal Treasury and get a considerable amount of the taxpayers' money for the purchase of land which is to be used, in turn, for the promulgation of their particular religious faith.

Therefore, Mr. President, I am at a loss to understand why there cannot be written into the bill simple and direct language providing that the Secretary shall make the property available to this group on the basis of the appraised fair market value of the land. I ask the Senator from Nebraska if he knows of any reason why such language should not be inserted in the bill.

Mr. BUTLER of Nebraska. Mr. President, I am convinced on my own part that the Secretary of the Interior is such a high-minded man he would not even think of disposing of the property, under the wording of the bill as it is presently drawn, without payment on the basis of an appraised value which he thinks is fair.

I wish to say to the distinguished Senator from Oregon that over the years I have worked sympathetically with his program which is designed to prevent granting public property without adequate payment. In that regard he and I are together. As a practical matter, however, I think we must leave the final decision to some responsible person in the executive branch of the Government. Otherwise we would have to provide in such a bill that a certain price is a fair market price. There might be differences of opinion on the floor in that respect. As a practical matter, I think we are doing in effect what the distinguished Senator from Oregon has always demanded, namely, providing that the fair market value shall be paid for public property which is disposed of either to charitable groups or to private enterprise or any other groups.

Mr. MORSE. Mr. President, I have the greatest respect for the views of the Senator from Nebraska. My observations have had nothing to do with the present Secretary of the Interior or with any specific official in the Government. My observations have to do with what I consider to be a matter of sound public policy, namely, that we should write into such bills a legal standard. No legal standard is provided in this bill. As the Senator from Nebraska himself has pointed out, he is willing to leave it to the discretion of the Secretary of the Interior. I am not. I am not willing to leave it to the discretion of any Government official. I believe it to be bad policy to grant such wide discretion as is given to the Secretary of the Interior in this instance. We simply say that he will be allowed to sell this property for what he decides to be a fair price after he takes into account the use to which the property will be put. The property will be put to very valuable social uses, but they are private uses, not governmental uses. In my judgment, if we are going to protect the principle to which I have already alluded, the separation of church and state, we should not undertake by way of indirection to support various religious groups in their activities. Therefore, for the purposes of the RECORD, Mr. President, I wish to send to the desk an amendment proposing on page 2, line 18, of the bill——

The PRESIDING OFFICER. The Chair will advise the Senator from Oregon that it will be necessary to obtain unanimous consent for any amendment to be considered, since the third reading of the bill has been accomplished.

Mr. MORSE. I will make such a unanimous-consent request after I state the situation in which I found myself. I was sitting in the Senate restaurant with a group of constituents at lunch and in conference when I was advised that this bill had been taken up, and by the time I reached the Chamber the Senate had moved so fast——

Mr. BUTLER of Nebraska. Mr. President, I am perfectly willing to have a unanimous-consent request granted. If the Senator will read his amendment, it may be agreeable to the committee to accept it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUTLER of Nebraska. Mr. President, while the Senator is writing his amendment, let me suggest that the wording of section 2 is as follows:

> The conveyance shall be made upon the payment by the said organization for the land at a price to be fixed by the Secretary of the Interior through appraisal.

Let me suggest a few words to be inserted on line 18 to make the language read as follows:

> The conveyance shall be made upon the payment by the said organization for the land at a fair market price to be fixed by the Secretary of the Interior.

Mr. MORSE. Mr. President, I think that is a reasonable compromise of our differences, in view of the parliamentary situation in which I find myself.

The amendment I was going to offer was to strike "after taking into consideration the purpose for which the land

is to be used", because it is that language, Mr. President, that, in my judgment, raises the whole church issue. It is that kind of language that is likely to be looked upon as a sanction for the Congress of the United States to come to the assistance of various church groups for a part of their religious program. Their youth program is a part of their religious program. I think that language in this bill is particularly objectionable.

Mr. BUTLER of Nebraska. Mr. President, as chairman of the committee reporting the bill, I am perfectly willing—I do not care to move to amend the bill—to make the statement, which will be a part of the legislative record, that the committee has no idea that the wording of the bill will permit the Secretary of the Interior to dispose of the property at less than a fair market value fixed by appraisal.

Mr. MORSE. Mr. President, I think that is a satisfactory legislative record on the bill, and therefore, I think it would be a bit unfair of me to press for an amendment, particularly in view of the parliamentary situation. I believe, on the basis of that record, we shall at least protect the Government in this instance. I wish to say that in future cases I shall do my very best to watch the calendar and propose an amendment in due course of time which will strike certain language which I think is objectionable.

Mr. BUTLER of Nebraska. Mr. President, is it permissible to insert the words which I have suggested?

The PRESIDING OFFICER. Without objection, the vote agreeing to the committee amendment and the votes whereby the bill was ordered to be engrossed for a third reading and read the third time are reconsidered.

Mr. BUTLER of Nebraska. Mr. President, on page 2, line 18, I propose to insert before the word "price" the words "fair market."

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 2, line 18, in the committee amendment, after the word "a", it is proposed to insert "fair market."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nebraska to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted, etc., That the Harding Lake Camp, Inc., an Alaska nonprofit corporation, of Fairbanks, Alaska, is hereby authorized for a period of 1 year from and after the effective date of this act to apply for the purchase of, and the Secretary of the Interior is hereby authorized and directed to convey to the organization, for use as a youth camp and related purposes, the following-described land situated in Alaska: southeast quarter of the southwest quarter and all of lot 5, section 7, township 6 south, range 5 east, Fairbanks meridian, Alaska, United States Survey 1901, Salchaket Townsite Plat.

SEC. 2. The conveyance shall be made upon the payment by the said organization for the land at a fair market price to be fixed by the Secretary of the Interior through appraisal, after taking into consideration the purpose for which the land is to be used: *Provided*, That the conveyance hereby authorized shall not include any land covered by a valid existing right initiated under the public lands laws: *Provided further*, That the coal and other mineral deposits in the land shall be reserved to the United States, together with the right to prospect for, mine, and remove the same under applicable laws and regulations to be prescribed by the Secretary of the Interior.

TRADE AGREEMENTS

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar 1613, H. R. 9474, a bill to extend the Reciprocal Trade Agreements Act. It is not proposed to have the bill called up for debate or amendment this afternoon, but merely to make it the unfinished business when the Senate convenes on Monday next.

The PRESIDING OFFICER. The clerk will state the bill by title.

The CHIEF CLERK. A bill (H. R. 9474) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the bill.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, next week, when action has been completed on the bill to extend the Reciprocal Trade Agreements Act, there will be a number of bills which the Senate may desire to consider, and I wish to give as much advance notice as possible with respect to them. They are as follows: Calendar No. 1604, Senate bill 3385, to provide for more effective extension work among Indian tribes and members thereof, and for other purposes.

Calendar No. 1602, H. R. 6154, to authorize payment of salaries and expenses of officials of the Fort Peck tribes.

Calendar No. 1601, H. R. 3413, to grant oil and gas in lands and to authorize the Secretary of the Interior to issue patents in fee on the Fort Peck Indian Reservation, Mont., to individual Indians in certain cases.

Calendar No. 1541, H. R. 303, to transfer the maintenance and operation of hospital and health facilities for Indians to the Public Health Service, and for other purposes.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1955—PERSONAL STATEMENT BY SENATOR HENDRICKSON

Mr. HENDRICKSON. Mr. President, yesterday, when the vote was taken on the Kennedy amendment, during the consideration of the Department of Defense appropriation bill, I was on my way to the Chamber. I arrived within 1 minute after the call of the roll had been concluded and the result had been announced.

I desire today's RECORD and the permanent RECORD to show that if the junior Senator from New Jersey had been permitted to vote, he would have voted against the Kennedy amendment.

I ask unanimous consent that this fact be disclosed in the permanent RECORD of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT OF THE INDEPENDENT PARTY

Mr. MORSE. Mr. President, the representative of the Independent Party has only a few brief items to discuss today. One is the column by the Alsop brothers, which was published recently in the New York Herald Tribune, in regard to the problems of the Atomic Energy Commission.

I ask unanimous consent, Mr. President, that the column be made a part of my remarks; then I desire to make a few brief comments with respect to the column.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MATTER OF FACT

(By Joseph and Stewart Alsop)

BEHIND THOSE CURTAINS

WASHINGTON.—The Atomic Energy Commission is like a dark and guarded room, from which muffled noises are occasionally heard. The noises have been pretty disquieting lately. There is, for example, a distinct noise of what had best be called markedly personal administration.

The new Commission Chairman, Adm. Lewis Strauss, is a man of great ability with a habit of resenting disagreements and cherishing old grudges. Since he assumed the Commission chairmanship, a significant number of those who dared to disagree with him in the past have been made to suffer for it in one way or another.

The first on the list is Carroll Wilson, who did not get on with the admiral in the days when Wilson was the AEC's general manager and Strauss was one of the Commissioners. Wilson left the Commission for private employment long ago, but he retained his Q-clearance, as the security clearance for atomic matters is called. Strauss had hardly been appointed to the chairmanship of the AEC when an unusually intensive security investigation of Wilson was suddenly initiated. This might have been normal except for one other thing. The Climax Uranium Co., of which Wilson was an officer, also received a pretty strong hint that Admiral Strauss should certainly have been consulted before such a man as Wilson was hired.

The second case is that of Malcolm Henderson, another former employee of the AEC, who retained his Q-clearance after leaving the Commission. As one of the designers of

the long-range detection system that warns of Soviet atomic tests, Henderson is a man of some eminence. But he, too, had ventured to disagree with Strauss in the past, and he paid a double price.

First, Henderson was offered, and he accepted, the post of scientific adviser to the secretary of the National Security Council, Gen. Robert Cutler. Strauss heard about it, and the offer was immediately withdrawn. Then he took a position at the Civil Defense Administration, only to be notified that his Q-clearance had now been suspended by the AEC.

The excuse given to Henderson was that he had no further need of Q-clearance, and that the suspension was routine. When he made inquiries among old friends at the AEC, however, he obtained indisputable proof that Admiral Strauss had directly and actively intervened.

Nothing came of Wilson's security investigation. Henderson has gone on to other work; and except for the principle of the thing, Admiral Strauss' curiously personal use of the security machinery has not mattered to him. Somewhat different was the case of R. Gordon Arneson, another man who had argued with the admiral.

Arneson had served for 8 years, and with some distinction, as the State Department liaison officer with the AEC, when he was called one day to the office of Under Secretary of State W. Bedell Smith. There he was bluntly informed that Admiral Strauss did not like him. And he was told that he could have another job, but must end his work as AEC liaison officer without further ado.

In the same fashion, Strauss has also sought to make trouble for at least one high official of the Defense Department, who had not concealed his opinion that the attack on Dr. J. Robert Oppenheimer would impair the partnership between science and government. There are rumors, but only rumors, of other reprisals within the AEC. And finally there is the Oppenheimer case itself, with its quite openly personal element, known to the whole scientific fraternity.

The formal proceeding against Dr. Oppenheimer was set on foot at the beginning of November, by one of the usual informer's letters purporting to give new derogatory data. Because of the alleged new data, the FBI sent Oppenheimer's file to the AEC at the end of the month.

The other Commissioners had had no warning of what was afoot. The majority were wholly unimpressed by the new data in the file. They remembered how often Oppenheimer had already been investigated and cleared. They expected nothing to happen. But Admiral Strauss went privately to the President, without consulting his colleagues. He persuaded Eisenhower to give the famous "blank wall" order. And he then confronted the other Commissioners with this accomplished fact.

After that, Strauss left for the Bermuda Conference. Thus the duty of suspending Dr. Oppenheimer's security clearance devolved upon the Acting AEC Chairman, Dr. Henry C. Smyth. Dr. Smyth held that this was a decision intimately affecting the Commission's operations, which had been taken without consulting the Commission. He therefore refused to act; and Oppenheimer's clearance was finally suspended by Admiral Strauss himself, when he returned from Bermuda.

The incident has a special interest, in view of Admiral Strauss' testimony before the joint congressional committee that he had never taken any decision affecting the Commission's operations without first consulting his fellow Commissioners.

More generally, all these incidents raise certain questions. Admiral Strauss' capacities are beyond doubt. The country owes him a debt for his role in the hydrogen bomb debate, and an even bigger debt for forcing the adoption of the long-range detection system.

But can the admiral's highly personal methods be healthily combined with the protective secrecy of the AEC? Is he well qualified to sit as chief judge of appeal in the Oppenheimer case, when he was the man who secured the indictment and when he is known to cherish a strong enmity toward Dr. Oppenheimer? And since the ruling that a man can be a security risk who is admittedly completely loyal and impeccably discreet, will everyone be a security risk who dares to argue with Admiral Strauss?

Mr. MORSE. Mr. President, in their column, the Alsop brothers point out that there are obviously some problems within the Atomic Energy Commission in respect to the power of the Chairman. I think their analysis is a very keen and a very sound one.

Although, from time to time, assurances have been given by the spokesmen for the administration that there is no intention of giving to the Chairman of the Atomic Energy Commission any broad, discretionary authority which would empower him with what would amount, in effect and in fact, to a veto over his fellow members of the Commission, nevertheless, there is much cause for concern over this problem.

There continues to be a considerable amount of division of opinion over the question. I find, as I read the press, and after consultation with one of the members of the Joint Committee on Atomic Energy, that apparently there is a considerable amount of difference within the Joint Committee on Atomic Energy itself as to what the effect of various proposals in respect to the powers of the Chairman of the Atomic Energy Commission will be.

Even in view of the so-called compromise language, that I understand is now being recommended in connection with proposed legislation concerning the Atomic Energy Commission, there is still divided opinion as to its effect.

All I wish to say, Mr. President, is that I not only endorse the position taken by the Alsop brothers in their column, but I think we are dealing with a commission which is singular and peculiar in respect to its relationship to other governmental commissions. It is not convincing to me to say that all the administration seeks to do is to give to Admiral Strauss the administrative authority, for example, which the Chairman of the Interstate Commerce Commission has. The Atomic Energy Commission is not the Interstate Commerce Commission, even from the standpoint of comparable subject matter or from the standpoint of the legislative obligations of the committee in relation to legislation passed by Congress.

When we deal with the Atomic Energy Commission, we are dealing with a particular subject. We are dealing with a subject matter which can very well be one of the major concerns of the American people during the next century, from the standpoint of the determination of what direction—not which direction, but what direction—the American economy may travel.

We are dealing with a subject matter as to which not even the scientists at the present time are able to tell us, with any certainty of prediction, all of the implications, potentialities, and possibilities of atomic energy.

We are dealing with a subject matter which, in my judgment, should be held, by law, under the controls of the democratic process. In my opinion, the foundation of the democratic process is the principle of majority rule. Destroy the principle of majority rule as the controlling factor of the democratic process, and, in my judgment, democracy itself, in large measure, will have been destroyed. We have so recognized that principle throughout our history that, in order to get exceptions to or modifications of the majority rule principle, so far as its application through the administration of legislation is concerned, special action is required by Congress.

Because atomic energy is, I think, of such great importance to the future economic life of the United States, I am unalterably opposed to giving to the Chairman of the Atomic Energy Commission, under the name of administrative authority or jurisdiction, or simply under the name of housekeeping procedure, any authority which will permit him to veto, directly or indirectly, a majority of his colleagues on the Atomic Energy Commission in the promulgation of atomic-energy policies, as those policies fall within the prerogatives and jurisdiction of the Atomic Energy Commission.

I continue to be disturbed, despite the assurances given by administration spokesmen that they have no such intention, about the conflicting reports to the effect that the effort is being made by the Chairman, himself, of the Atomic Energy Commission, to get an authority and a power by way of administrative jurisdiction which will permit him to make policy decisions of the Atomic Energy Commission without even the knowledge, let alone the advice, of his colleagues and coworkers on the Atomic Energy Commission.

I think it is very pertinent, therefore, that I have introduced into the RECORD, as a part of my remarks this afternoon, the comments of the Alsop brothers on this problem, just a few days ago in their column, because I think the Senate should consider it well, and should make certain that we are protecting the basis of the democratic process within the Atomic Energy Commission, by requiring the operation of the majority vote principle in the determination of any public policy by that Commission.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Nevada.

Mr. McCARRAN. I wish to join in the remarks of the Senator from Oregon in every regard with reference to the continuation of a democratic policy in the Atomic Energy Commission, and with reference to curtailing the rights of the Chairman either to veto the bill of the Commission or to take affirmative action by himself.

Mr. MORSE. I wish to say to the Senator from Nevada that I consider myself highly honored to have one of his judicial points of view share my opinion on this particular problem. I consider it a very great compliment, indeed, to find us of one mind.

Mr. President, I now wish to address myself to a related phase of the atomic energy problem.

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). The Senator from Oregon has the floor.

DEVELOPMENT OF ATOMIC ENERGY

Mr. MORSE. Mr. President, the second phase of the atomic energy problem which I desire to discuss this afternoon, and a phase which disturbs me very much, goes to the matter of the control of atomic energy in the years ahead. I do not claim that I speak with full knowledge of the facts, because it is difficult to get information on the subject matter. And rightly so, because so much of our atomic-energy information is highly secretive, and can be, and should be, available only to Members of Congress who serve on the Joint Atomic Energy Committee. Yet we are able to make some deductions from some of the discussions of policy which appear in the press, and some of the public statements of members of the joint committee, and also from some of the statements made by members of the Atomic Energy Commission.

I think it is a fair and reasonable deduction that apparently a struggle is going on in our country today over the public policy issue as to who, in the years ahead, will control atomic energy. The problem, of course, raises the issue of private versus public control. It seems to me there are many who are of the opinion that one has to take either one position or the other, and that there is no middle ground.

On that issue, Mr. President, I think there is a middleground position. As a matter of public policy, for many reasons, I think it would be a great mistake for the United States Government to turn over to private enterprise carte blanche, control of atomic energy employed for so-called peaceful purposes. I wish to mention one or two of my reasons for quasi-public control this afternoon, because the American taxpayers have billions of dollars of investment already in the development of atomic energy.

In my judgment, we are dealing with a piece of public property which is as much the property of the people of the United States as is the building in which I am now speaking. The great investment in the development of atomic energy is an investment by the people of the United States, and it is an investment which ought to be administered in the future in keeping with a public policy which will protect the people's investment.

My statement does not mean that I take the position that there cannot be any development of peaceful uses of atomic energy save and except by way of a public atomic-energy power program. I do not take that position in the field of the development of electric power either.

I was a little amused the other day in the Committee on Public Works when, during a debate, the question arose as to whether or not power generated by a specific dam ought to be developed by way of public or private power. One of my colleagues on the committee seemed to be of the opinion that I favor the development of electric power only through a public power administration. Nothing could be further from the truth. I take the position, however, that when the people have a tremendous investment in the power development of a particular project, or projects within a given area, where the dams which are developed within that area bear a relationship one to the other, and where the power generated at one dam can be of great value to the maximum use of another dam, because of the power potential of one dam in relation to water storage of another, and because of considerations of integration, that power ought to be developed through public administration. I believe in the same type of administration in the field of development of atomic-energy power.

There are certain safeguards which I think ought to be established now as we start to develop a Federal atomic-energy power program. The first principle of that atomic-energy power should not be turned over to American monopoly. I am greatly concerned about the pyramiding of economic power in the United States in recent years. The pyramiding is not characteristic of only the present administration; such pyramiding has been going on, in my judgment, to too great an extent, for a dozen years or more. One would think that an antitrust law was never enacted, if one stops and considers the operation of monopolistic interest in this country today.

What is happening, Mr. President, is that a relatively small portion of American corporations are coming to dominate and control the American economy. The businessmen who operate businesses on the main streets of the United States seem to think they are private entrepreneurs. However, Mr. President, they are living in an economic dream world, if they think so. The average merchant on the main streets of the United States today exercises much, much less economic freedom of choice than he may think he is exercising, because to a very great extent the brackets or limits within which he can exercise any economic freedom of choice are today controlled and dictated by great, powerful business combines to which I refer, by way of generality, as American monopoly. Today the monopolistic forces are trying to bring into their octopus control more and more economic power, and in my judgment the result will be to subvert the entire economy of the United States to their control if we do not start hatcheting off and cutting off some of the tentacles of American monopoly.

Mr. President, I am very fearful that the monopolistic enterprises in the United States now see an opportunity for a quick economic killing in connection with the matter of developing an atomic energy program. When I say "a quick economic killing," I mean an economic killing insofar as concerns cutting the throat of the possibility of developing the people's interest in atomic energy power.

Therefore, the first principle I believe we should be on guard to protect is that atomic energy power shall not come under the domination and control of a group of American monopolies.

Mr. President, that point leads me to my second point, namely, that as American private enterprises are invited to share with the Government in the development, for peaceful purposes, of an atomic energy policy and program, they should pay dollar-for-dollar value for what the Government makes available to them. Let us have no repetition—and it can happen—of the railroad scandals in the earlier history of our country. Let us have no repetition of the public-land scandals in the early history of the United States, and let us have no repetition of the timber scandals or, in my judgment, the present great scandal in the matter of private development in the electric power field.

In short, Mr. President, today I am raising my voice in opposition to the furthering of a giveaway program of the public interest in what I consider to be great public values in the whole atomic-energy potential that has been developed up to its present state by the expenditure of billions of dollars of the taxpayers' money. It should be developed primarily for the benefit of the public, and private enterprise should help in that development, and should be encouraged to help, and should be allowed to make reasonable profits from the part of the program in connection with which it cooperates. However, that is an entirely different thing from accepting the propaganda that these days is being fed the American people by so many persons and groups, to the effect that the Government should walk out of the field of atomic-energy-power development for peaceful purposes, and should turn it over to American business. It makes a nice-sounding phrase, Mr. President, until we begin to analyze some of its implications and consequences. But when we dig into the matter, we find that if we follow the so-called Government hands-off policy, we shall be repeating the scandal of the railroads and the public domain scandals and, at present, the private utility scandals in the field of the development of electric power.

Mr. President, we must keep a tight rein on this matter, and we must see to it that the American people receive some return from the investment they have made, to the tune of many billions of dollars, in the atomic-energy program. Therefore we have to develop a cooperative program with private industry, but not a giveaway program with private industry.

That is why I warn, today, that we be on guard about this matter, for I am satisfied that movements are on foot in an effort to get the Atomic Energy Commission to give to various American monopolies what in my judgment would be undeserved control over the development of the atomic-energy program. That is why I hitch this point to the first point I made this afternoon, namely, the importance of keeping the Atomic Energy Commission operating on the ma-

jority-vote basis, because it is much easier to control one man than it is to control a majority of a commission; and when there is joint responsibility, when each member of the Commission has to assume his full share of responsibility, it is less likely that the private monopolies will be able to have their way.

I wish to say that, on the basis of his policy, as I have come to understand it to date, I think it is very important that a check be kept on Mr. Strauss, of the Atomic Energy Commission, because in my judgment he already has shown too great a tendency and too many indications of an attitude that I think would jeopardize the development of atomic energy for peacetime purposes, under a cooperative program. I would be very fearful if the present chairman of the Atomic Energy Commission were given any arbitary discretion in the determination of the policy of that Commission, because I do not think he shares the point of view I have expressed here this afternoon, namely, that in the decades ahead, the public interest must be protected against monopolistic control of the atomic-energy potential of the United States.

Mr. President, in concluding my discussion of the atomic-energy problem, I wish to say that my remarks today are but a foreword of the position the representative of the Independent Party is going to take in the months and years ahead in the Senate of the United States in his determination to protect the public interest in the maximum development of atomic energy in the United States, for the benefit of the public, not for the profiteering profits of private monopoly.

Mr. President, I now wish to address myself to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

GOVERNMENT AID IN THE DEVELOPMENT OF AMERICAN MUSIC

Mr. MORSE. Mr. President, the next subject matter to which I wish to turn deals with music. I am not a musician, but I love music. Earlier this week I addressed, in Milwaukee, Wis., the convention of the American Federation of Musicians, A. F. of L. I was very much interested in some of the resolutions adopted by that convention. I became very much interested in some of the employment problems which confront that union. I am not a special pleader for any of the union's policies. It can speak for itself, and it will have to stand on the merits of its own contentions, as issue after issue arises.

However, I believe that we have a problem in our country in helping to protect and develop a very important phase of the American culture. American music is a part of our culture. Of course, our culture is judged by people in other countries from the standpoint of many criteria; but the development of a nation's culture, from the standpoint of its art, is one of the tests of the level of civilization of any people. You and I know, Mr. President, from our study of history that when we come to appraise the civilizations of bygone generations we always take into account in making that appraisal their arts, including their music.

Having said that, I ask the question, In what direction is American music going today? Many authorities on American music tell us that it is deteriorating. They believe that we are living in such a mechanical age that even our music has become mechanical, and that we are not giving support, as a nation and as a people, to the development of artistic side of our culture as far as music is concerned. I am perfectly willing to leave that value judgment to the authorities in the field of music, but as a private citizen, having read on the subject matter, I believe that we should do something, as a nation and as a people, to develop a high standard of American music.

I note that in his report to his union the president of the A. F. of L. Musicians Union, James Petrillo, had this to say:

> The fate of music should be everybody's concern. The survival of music must be everybody's problem.

I would add today that the elimination of musical illiteracy is essential to a high national culture. Legislative bodies have a responsibility, by way of grants-in-aid, to assist in sponsoring the development of creative American music. One may ask, "Senator, are you taking the position that the American taxpayers should give some financial support to the development of musical culture in the United States?"

I say, "Yes, I am." I add that we are already doing it with respect to the development of European music. American taxpayers today are spending considerable sums, within the foreign-aid program, for the development of music abroad. A considerable amount of our money finds its way into the development, for example, of operas and orchestras in Europe. But if one suggests that we do anything as a people to help raise the standard of this phase of American culture, the awful word "subsidy" is thrown at him. I think our music is a part of our national wealth. I am not for a hand-out program, but I invite attention to the importance, for example, of urging assistance to musical education in this country by means of musical scholarships. I point out that as a result of our mechanical music, there has been such discouragement in the field of training for the stringed instruments that it is becoming increasingly difficult in community after community in America to find enough musicians trained on stringed instruments even to have a community orchestra. Yet for decades European governments have had the foresight and the wisdom to recognize that the music of the nation contributes to the cultural life of the nation. They have not hesitated to subsidize great musical projects. Music contributes to the patriotic conditioning of the nation. Show me the Italian who does not thrill patriotically over the high standard of Italian music. Show me the Frenchman or the German who does not thrill patriotically over the high standards of French or German music.

I think there is great merit in the point of view being expressed by artists, educators, and civic leaders who are concerned over the music problem of America. When we come to considering our domestic problems, we should give some consideration to legislative aid in helping to improve and develop the music phase of American culture.

Mr. President, as a part of my remarks—and I wish to associate myself with the general principles, philosophy, and point of view of the material—I ask unanimous consent that there be printed at this point in the RECORD a very interesting discussion of the general problem to which I have referred, under the heading "Diminuendo," a publication of the American Federation of Musicians, which is a report which was presented to the membership of the musicians' union to which I have previously referred, and which in my judgment deserves reading by Members of the Senate.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

DIMINUENDO

THE CRISIS IN LIVE MUSIC TODAY

To determine what is happening to live music today it is necessary to know that since 1929, when the introduction of the sound track caused the sudden unemployment of 22,000 theater musicians, so-called progress in recordings and other mechanized music devices have subtracted steadily from the employment of musicians.

Of nearly 249,000 A. F. of M. members, slightly more than half are even largely supported by music. The 32 major symphony orchestras in the United States and Canada employ fewer than 2,270 musicians. These elite instrumentalists of the music world work an average of only 22.4 weeks a year at an average weekly pay of $81. Not more than 2,200 musicians in the 2,636 broadcasting stations of the United States (or less than 1 musician per station) enjoy a full year's employment. Between three and four thousand more are used with fair regularity in single broadcasting engagements.

Theaters provide jobs for about 2,000 musicians. The motion-picture industry affords more or less steady work to about 350 staff musicians and for some 4,000 nontraveling musicians. An indeterminate number of traveling musicians, amounting to perhaps 50,000, work most of a year.

These are the favored few whose livelihood is fairly secure. Others, in addition, are among the 60,000 musicians who share an income of approximately $2 million a year for making recordings. Their product, by contrast, earns for the machine-music vendors a gross income of some $164 million annually.

Those who earn the major part of their livelihood from music may be said to number 72,000. Thus, it is apparent that a staggering total of some 175,000 professional musicians must supplement their income by other means.

That is not a healthy atmosphere, for music is proven by the fact that it becomes more difficult each year for conductors of top orchestras to find skilled string musicians. Although there has been a gain in recent years in the number of small symphony orchestras established throughout the country, the trend now is slowing, due in part to the fact that competent string instrumentalists are not available.

When Junior goes to school he is very apt to join a school band. His tendency is to favor a trumpet or a saxaphone, not a violin, cello, or other stringed instrument. Scholarships based on some of these instruments

are going begging. Many leaders of small symphonies are avidly canvassing large cities for string talent but the best they can offer are part-time jobs in industry or business, because music employment alone will not suffice.

The "name" band business is also drying up. Large community brass bands are mostly relics of a happier past except in a few favored cities such as Long Beach, Calif., St. Petersburg, and Miami, Fla.

Famous orchestras are faltering from lack of new blood. Booking agencies blame ballroom operators for not supporting their efforts to build up new "name bands." New orchestras that have gained fame in recent years may be counted on the fingers of one hand. Secondary orchestras are finding it difficult to get good talent or important dates.

It is all part of a pattern of declining inducements.

Since the profession of music faces such a dreary outlook, there are those who ask: What is the musicians' union doing about the problem?

The answer is manifold and subject to documentation. Out of the long, uphill struggle of the American Federation of Musicians has been borne a means of self-help which has developed into an instrument of widespread public service, not only contributing wages to unemployed musicians, but major benefits to the public. This is the free, live music project established first by President Petrillo in 1947, and now carried on by the music performance trust funds of the recording and television industries.

Instead of providing sickness, accident, or other fringe benefits as do most union welfare funds, this project creates jobs for unemployed musicians as well as contributing largely to public knowledge and appreciation of music. In the first 3 years of its operation under union supervision, it furnished $4,500,000 in free public music, providing more than 30,000 performances, at a total administrative charge of less than 1 percent. Veterans' and other hospitals, public park concerts, charitable causes, and teenage dances to combat juvenile delinquency—all being admission free—were beneficiaries of this free live music.

The funds operate today under an independent trusteeship. In 1953 they spent $1,950,000 for 21,000 public performances in which some 200,000 musicians participated. Recent contracts with the recording and television industries assure continuation of the funds for at least another 5 years. Administrative costs are much greater under the trusteeship, but the funds are growing and the pattern and extent of their public service is unchanged.

This project which started out as a means to gain employment for the live musician whose livelihood had been curtailed by the machine, has been directed into channels of continuing public benefit, bringing high praise from the 48 States and Canada, from governmental agencies, from the Armed Forces and national welfare groups.

Another major goal of the federation, and one toward which President Petrillo has worked unceasingly, has but recently been realized in part by the repeal of 50 percent of the amusement admission tax. This should result in employment for many hard-pressed musicians.

The musicians' union has grown in the past 20 years despite its inability to insure economic security for a majority of its members. Love for music and the desire to have a part in the fight for its survival has caused musicians to seek strength in numbers.

Each annual convention of the Federation sees renewed and united dedication to the principle that the vendors of canned music must be made to recognize and perform their obligation to the art that rewards them so richly and to the live musicians who make possible their reckless traffic in the unrewarded labors of others.

THE PUBLIC'S STAKE IN LIVE MUSIC

It is a sorry paradox of our times and living standards that while the demand for music—serious music, in particular—is on the increase, the sources to nourish and develop it are steadily shrinking.

The richest and most progressive nation in the world appears content to reject its obligations for world leadership in music and the arts by neglecting to first make them secure at home. Meanwhile the opera houses and concert halls of the Old World are slowly but surely returning to their prewar eminence through the beneficence of national subsidies and—in earlier postwar years—by grants from United States foreign-aid funds.

Yet at home our own musical organizations, needing sustenance and encouragement as much as do their counterparts overseas, have received no such Federal support. In almost every country outside the Iron Curtain we have seen the cultural arts primed by the flow of American tax dollars. Not so at home.

While this rebirth of cultural music takes place on the continents of Europe and South America, let us look at our own cultural institutions. For the most part they flounder in a morass of debt and doubt, their future always a question mark, and their creative genius shadowed by financial worries. One of the most poignant reminders of this retrogression came early in 1954 when the famed Boston Symphony appealed to civic pride and individual gifts to enable it to play its scheduled concert season. The world-famous Metropolitan Opera has been forced to take its appeal for public subscriptions before nationwide closed-circuit theater viewers, a project to which the Federation of Musicians has lent its aid.

All of our major symphonies are haunted by the ever-present ghost of debt. It is not an atmosphere that nourishes creative artistry or constructive planning for the future.

There is some hope that most of the 32 major symphonic organizations subsisting in metropolitan centers may be able to survive. But in most cities of 300,000 population or less, the days of serious music and skilled musicians are numbered. Even now, the best that some of these groups can offer is 10 weeks of employment at near-starvation wages to musicians of demonstrated capabilities. These must seek supplemental income, accepting for the sake of their art the flimsy security of part-time jobs. Without some minimum guaranty of security for musicians serious music in America can only degenerate into a second-class product. That is unthinkable.

Specifically, the Federation of Musicians feels, along with many others, that governmental aid alone—at national, State, and local levels—can prevent the extinction of the remaining 129 little symphonies now waging a hand-to-mouth existence throughout the United States and Canada.

The problem is as real as death and taxes. The large fortunes of past generations that once supported serious music and musicians are fewer today. Taxes on individual incomes have dried up new sources of financial support. Without governmental help, the end of this part of our national culture is plainly in view.

"Subsidy," as President Petrillo confesses, is not a pretty word in our language. But we can find no other means under present economic conditions to answer fully music's needs. We have no patience with those who say subsidy will enslave art. The Old World, from which our culture springs, has long recognized that serious music must be subsidized. Europe has practiced music subsidies for hundreds of years without nationalizing the product. Every Province of Australia now have its own regional orchestra, state-supported. Latin American orchestras are growing under governmental subsidies and, thanks to the Government broadcasting stations which retain the instrumentalists on staff, European orchestras are again in a generally healthy condition. We cannot say the same for orchestras in our own country, or for that matter, for any other division of music on this continent, apart from the government-supported units in Mexico. We note with sadness the passing of the famed NBC Symphony, eliminated with the retirement of Toscanini.

One of the finest commentaries on the importance of music to a nation was expressed not so long ago by Korea, cradle of one of the oldest civilizations. James Michener tells in Reader's Digest how:

"In December 1950, the half-destroyed city of Seoul was about to be captured by the Communists for a second time. Only a few hours remained to salvage precious national treasures, and a government ship stood by for one last-minute cargo. What could be evacuated that would be of most value to the nation? Machinery? Engraved plates for printing money? The government chose to rescue the Seoul Symphony Orchestra. For without music there could be no Korea."

This example of national concern for a basic culture is a challenge to America. Surely it is the duty of our country to make certain that music and the arts prosper, as does the farmer, our commerce, industry, and transportation, all of which are kept healthy through material Government support.

STATE, COUNTY, AND COMMUNITY RESPONSIBILITY

Several State and local governments in the United States—apart from the Federal—have recognized their responsibility to foster and perpetuate the cultural arts, including music, as necessary adjuncts of the American way of life. In many sections of the country, public-spirited citizens, the Federated Music Clubs, legislators, and leaders of A. F. of M. locals have long been active in promoting grants-in-aid or specific legislation at State, county, and community levels to support music and the arts.

These examples of public concern and action are found in widely scattered geographies. For instance, Vermont and North Carolina are among those States which have long appropriated funds for the support of symphony orchestras. Other States are Massachusetts, Rhode Island, and Arkansas. Some of these supports are of long standing. Others have been the more recent result of spirited public demand on behalf of symphonies, opera, chamber music, festivals, and folk music.

Counties making such appropriations either currently or in the recent past include areas embracing San Francisco, Los Angeles, Atlanta, Tampa, and New Orleans. As indicated in the State appropriations, these are not the result of a regional pattern but have come about through spontaneous action by interested individuals and public-spirited organizations.

Among cities giving grants are Philadelphia, which sets aside $50,000 to be supplemented by public and private gifts, and which support is reflected in the fine Philadelphia Symphony, Sioux City, Iowa, has levied an orchestra tax of between $10,000 and $12,000 which forms the basis for heightened musical interest in that progressive midwestern city. Among other cities voting grants are: Chicago, Los Angeles, St. Louis, Indianapolis, Salt Lake City, Houston, Baltimore, Buffalo, San Francisco, Detroit, Raleigh, N. C., and Rochester, Minn.

Such support does not come spontaneously from indulgent governmental bodies. It springs, almost without exception, from determined, planned campaigns by groups wise enough to recognize that cultural arts are

part of the pulse beat of a model American community. Coupled with this has been the desire to create an atmosphere in which music and the arts would be virile enough to support their hand servants.

The activating forces in most cases have been committees numbering the area's solid citizens, the owners of music stores, local church groups, people interested in curbing juvenile delinquency, music clubs, teacher groups and members of Federation of Musicians' locals.

The pattern generally has been for these committees to draft enabling legislation or to force by public petition a voters' referendum on special millage assessments. These legislative requests have been supported by campaign committees able to demonstrate to elected officials the community's real determination in the cause. Some groups engaged in such quests for funds have been fortunate enough to find existing legislation which had been conveniently forgotten. Brought to light and dusted off, such laws have served as shortcuts to arduous campaigning for new legislation.

Community impetus for music can also be sparked through cultural organizations by means of free public concerts financed by the music performance trust funds. Since the funds are dedicated to the cause of music, this is a useful and legitimate means of sampling the delights of live music in a community, especially if these free performances are matched by local sponsors of paid concerts.

A few examples of varied types of concerts and musical presentations now being offered through the music performance trust funds and matching community support include: A 30-member national symphony group playing in the Washington, D. C., National Gallery of Art; children's concerts at the Toledo Museum of Art; chamber music at the Baltimore Museum; Indian and Spanish concerts at the Los Angeles Southwest Museum under the auspices of the Los Angeles Music Commission; concert series at the Jewish Museum, the Museum of Natural History, and the Museum of Modern Art in New York City; at the Walker Art Center in Minneapolis; the University Museum of Pennsylvania; the Delaware Art Center, Wilmington; the Toledo Museum's Instrument Collection and Instruction Group; and chamber music at the Richmond, Va., Museum of Fine Arts.

These examples of organized support for music and the cultural arts prove the existence of a genuine desire for musical expression in our major cities. The desire is no less pronounced in smaller communities, but the facilities and the knowledge of how to provide it often are lacking there.

In any movement that promotes music appreciation there is the promise of employment for competent instrumentalists and music teachers. Therefore the federation local has both a selfish interest and a public obligation to foster and support such activity.

The so-called Mississippi pilot plan is a case in point. Two years ago, the University of Mississippi's extension division found there were 135 students in State schools studying stringed instruments yet only 1 public school in the entire State had a full-time instructor for strings. As in most places, the Mississippi school system favored bands studded with brass and other wind instruments.

Difficulties were encountered in recruiting student talent for a symphony orchestra at Mississippi University in the fall of 1952; heroic efforts were required to keep an all-State Teachers College orchestra intact. It became necessary to turn to teachers and adult performers to balance the meager group of student string instrumentalists.

The University extension department noted this trend with alarm; it selected 11 towns in 4 sections of the State as remedial test centers. Professional instructors are now teaching about 400 youngsters, most of them boys and girls from the fourth grade up. Local and visiting musicians have encouraged and worked in this project.

Most of the federation's 700 locals are equipped to work with such groups all over the country and many of them are taking the lead in organizing such training. Such programs will, over the long run, do much to spark interest in live music, create an appetite for music of professional quality, and thereby make jobs for musicians.

MUSIC, BUSINESS, AND RESULTANT PROSPERITY

There are encouraging signs that business, industry, and labor are becoming aware that music is a potent promoter of sound public relations, and a useful link in employee-management relations.

Plant orchestras, industrial bands, small opera groups, and community symphonies have been born of the joint sponsorship of local merchants, industry, and labor. On this common meeting ground there has likewise been born a new rapport between these groups. Large corporations have found it is good business to be generous in supplying music for their plant communities. Newspapers, department stores, even night club syndicates and public-service companies become regular or occasional sponsors of live community music.

A large southern textile mill buys memberships in the North Carolina Symphony Association to the tune of $10,000 annually for its workers. The Chattanooga Times sponsors student concerts of the Chattanooga Symphony. A Dallas department store sponsors "date nite" concerts and dances for teen-agers. One midwestern dance hall and night club syndicate pays for a series of summer "pop" concerts for the benefit of the city symphony in its section. A Grand Rapids department store contributes $1,500 a year to promote concert music. A national soft drink concern sponsors square dances each summer in the Nation's largest city, and the world's largest electric utility has received a plaque from the New York musicians' local for its series of summer block dances which employ top name bands. More than 100 tickets were purchased by the United Auto Workers, CIO, for the final concert of the Detroit Symphony Orchestra last March, and were sold to UAW members at a reduced rate. Nationally known labor leaders, as well as State and county heads of labor unions, serve on symphony boards and other music sponsoring groups. As in Detroit, A. F. of M. locals in many communities make cash contributions to support serious and popular music.

An outstanding example of cooperative labor, industry, and civic sponsorship occurred last year in the underwriting of the Pittsburgh Symphony for a series of concerts held in milltown areas where steelworkers, miners, and their families, heard this renowned symphony at a cost of only $1.50 a seat. Cooperating were the A. F. of L., the CIO, the UMW, and Allegheny County mill, mine, and factory managements.

Added incentive for such public music entertainment is that Federal tax laws permit deductions up to 15 percent of corporation profits for such public service contributions. Whatever their source, these funds promote music for everyone and employment for musicians.

Such use of music in industrial and community public relations is worthy of serious attention by locals of the federation.

Organized promotion efforts in these directions, through standing committees or other means, afford local members opportunities to become better acquainted with the business community, to further enlighten their fellow citizens on the public service of the local through its free music program, and to preach and demonstrate the gospel of live music.

A Boston newspaper owner and member of the A. F. of M., who has become one of the financial wizards of his day, was not content with using the facilities of the Music Performance Trust Funds alone. He established his own chamber music group which he retains permanently for public service in furthering charitable, social, and community affairs. The publicity given to this unit has proved invaluable to the cause of music in New England and the good deeds of the group and its sponsor have become widely known.

A survey by a large A. F. of M. local revealed a surprising number of cardholding doctors, lawyers, dentists, architects, and leaders of industry and Government. Most of these successful men are happy to credit music as the means by which they earned money for their schooling and helped them to launch their professional careers. An example is former California Governor and now Mr. Chief Justice Earl Warren of the United States Supreme Court, a former member of the Bakersfield, Calif., local who helped pay his way through college by playing in a dance band.

Upon receiving congratulations from President Petrillo on his appointment as Chief Justice, Mr. Warren replied in a hand-written postscript to his formal letter as follows: "My regards to the brothers of the Federation. Their kindness to me has always been more than a one-time poor clarinet player deserved."

It is to the advantage of A. F. of M. locals and other music-minded groups to poll the prominent citizens of their community who once were active, card-carrying musicians. Herein is a nucleus of understanding persons who are in position to help the cause of music.

A local orchestra, symphony, or chamber music group is not the only means by which music and music employment can be increased. Interest in ballet and small opera groups is again pronounced in many parts of the country, with numerous communities presenting music dramas of smaller and less expensive format.

Music, business, and a sound economy may very well go hand-in-hand, provided the effort to meld them is expended by those sufficiently interested. The opportunity exists in almost every community. It needs only to be explored, business by business, industry by industry, and profession by profession to bring about a renaissance of live music in hundreds of large and small cities of the United States and Canada.

FULL SUPPORT FOR OUR SYMPHONIES

The number of small symphony orchestras in the United States and Canada has increased since the end of World War II, despite the fact that none of them make money and few sustain themselves on paid admissions alone. This growth in music appreciation and live music activity must be attributed to two known factors—a sound economy and a growing national appetite for good music. Today there are 32 major symphony orchestras and 129 secondary ones, plus some 300 nonprofessional and school orchestras. The majority of the professional units earn only about 50 percent of their aggregate $19 million of annual income per year through sales of tickets, radio, and recording fees. The remainder comes from contributions by music-minded citizens, appeals to the public for individual donations, scattered municipal and county grants, and frenzied drives each year end to make up annual deficits.

The travesty of canned music is that while approximately 35 million people last year attended recitals, concerts, opera and ballet performances, as well as symphony-orchestra presentations, and spent a total of $50 million to do so, classical-record manufacturers

reaped a harvest of $60 million, only a minute part of which went to the support of these cultural productions, or to the musicians who make the classical recordings possible.

For example, the 32 major symphony orchestras played approximately 2,560 concerts in 1952 to audiences totaling about 6 million people at an overhead cost of about $19 million. Their deficit was around $6,500,000, which means that this top strata of music is but two-thirds supported by direct income. Similar averages prevail, generally, through the 129 secondary symphonies and the 300 school orchestras. Thus the support of all symphony ochestras in the United States and Canada annually amounts to around $22 million, serving 10 million people, at an annual deficit of $8 million or nearly 33⅓ percent of its cost.

The 32 orchestras described as "major" are so called because they employ musicians at a regular weekly salary. Approximately 2,669 musicians are so employed for regular seasons of from 8 to 32 weeks. A total of 804 musicians are employed in 11 orchestras in summer seasons of from 3 to 16 weeks. The average regular concert season is 22.4 weeks. The average summer season is 8 weeks. The average weekly minimum scale for the regular season is $81. Thus the average annual wage for the major symphony season is $1,814.

It is plain that it is the loyalty of the musician and his dogged desire to practice his chosen profession that is responsible for the life of the symphony rather than the tiny emolument he gets for a lifetime of study.

It is the history of the symphony that audience attendance cannot alone pay the cost. Death and taxes take a heavy toll these days of the wealthy patron. Realistically the only businesslike approach to guaranteeing the life of serious community music appears to be established, continuing subsidies at community, county, State, or Federal levels, or some combination of these grants.

Nowhere is the loyalty of the musician to his art better expressed than in the recent rebirth of Detroit's Symphony Orchestra, which, after a silence of 2½ years, came back with its bills paid, its musicians engaged for 3 years, more than $450,000 in the bank, and a guaranty of community support to assure its continued operation through 1954. More than half of the 4,800 seats in Detroit's Masonic Auditorium were subscribed for the first year's full 18-concert series before the orchestra had run through its first rehearsal.

Behind this success story lies an idea, which could be adapted to other cities desiring to refinance their symphonies. The approach was new only in its application to music. It was a modification of the so-called Detroit plan devised some years ago to assure broad community participation in the united-foundation charities drive and the Greater Detroit hospital fund.

Two civic leaders, Jerome H. Remick, Jr., and John B. Ford, Jr., adapted this plan to recreate the symphony. They reasoned that no orchestra could long survive as a plaything of the wealthy, chiefly because increased inheritance and income taxes had sharply reduced the scale of private philanthropy. Their approach was through the large corporations, educational and charitable foundations, and labor unions, of which the musicians' union was one.

The method used was to limit contributions to $10,000 a year by any donor except the city of Detroit, which contributed $25,000. Without advance publicity, and before the new symphony had filed incorporation papers, the two men raised, in 12 days, $250,000, receiving from most of the contributors pledges of equal donations for each of the succeeding 2 years. Each sponsoring organization named one member to the symphony's board of directors, a group now enlarged to 60, including leaders of industry, finance, labor, and minority groups. Sponsors' gifts amounted to $282,333 altogether.

The president and officers of the Detroit Musicians' Union Local No. 5, A. F. of M., gave solid evidence of their loyalty and support when they approved a 3-year contract, providing 22 weeks' employment, at a minimum of $100 a week for 90 musicians.

With its financial future secure and its professional talent intact once again, the Detroit Symphony's morale is such that it welcomes the opportunity to compete with the best of the major orchestras. It proved its worth in its first New York appearance, January 17, 1954, under the baton of Paul Paray. The success story of the Detroit Symphony is an inspiring lesson in how a large city can support a creditable symphony.

Another example of community-wide determination to rescue a famous symphony from bankruptcy was the formation of the San Francisco Symphony Foundation to widen and intensify interest in the San Francisco Symphony throughout the area, and to provide music, long-range financial security for the orchestra.

The start was made in January 1954, with a concert in the California Palace of the Legion of Honor. More than 900 volunteer workers carried on the fund campaign which was spurred by the enthusiastic support of 22 district business associations, numbering over 3,000 neighborhood merchants and their families.

Foundation memberships were set at $10, and on March 2, Chairman Philip S. Boone reported that the symphony, which suffered a heavy deficit in 1953, was "in business for good." A total of 6,207 members, more than double their goal of 3,000, had been enlisted. The previous year 1,771 people had contributed to the support of the orchestra. During the 1954 campaign, 5,624 bought memberships in addition to those who contributed $25 or more to the symphony association, and thereby automatically became foundation members.

In its first year of reorganization it already appears to Chairman Boone that the symphony foundation will be able to contribute $25,000 to the orchestra's operating fund and $25,000 to its permanent endowment fund. Because the symphony foundation so far exceeded its goal, three special concerts for members have been scheduled instead of the one promised them originally. Special divisions which made up the 900 volunteers, apart from the merchants' group, included lawyers, physicians, junior chamber of commerce members and a general business group.

Theirs is the story of a great symphony and a cherished civic asset restored by an aroused community. It is a memorable example of what can be done by determined citizens.

Space does not permit detailed accounts of other worthy symphonies fighting determinedly for survival, but the Louisville adventure, whereby a Kentucky symphony undertook to find and play forty-odd new works each year under a $400,000 grant from the Rockefeller Foundation is worthy of mention.

Under the terms of the grant, which must be matched by community support, the Louisville Philharmonic guarantees to commission and perform 30 original compositions, 2 of them 1-act operas, each year for 4 years. It agrees to find in each of the 4 years at least 10 acceptable compositions by student composers who will receive cash awards as well as performances of their works. It arranges for 46 Saturday afternoon concerts devoted to these new works each year for 4 years. It undertakes to make 12 long-playing recordings each year, to sell them on a subscription basis. It broadcasts these concerts, and makes its performance of new works available for relay abroad. Thus a 46-week season, instead of the relatively short one of the past, guarantees almost year-around music employment for musicians who heretofore had earned only part of their living by playing with the orchestra.

It must be pointed out that the $400,000 Rockefeller grant, spread over 4 years, is definitely not to be applied in any manner to the operational expense incurred during the normal concert season. The project did not originate with the Rockefeller Foundation. It was conceived and presented to the foundation by the orchestra itself under the urging of Louisville's dynamic mayor and live music enthusiast, Charles Farnsley. If the Louisville adventure works as well as expected it will provide America with an exhilarating example of idealism in practice.

These noteworthy examples of awakened community conscience in action are forerunners of other, but less spectacular, efforts underway in scores of cities and towns. Some will succeed, others will fail, but in no case will the activity do other than help the cause of live music.

How much better if our Federal Government would lend its broad powers to the common task. If our symphonies are to remain a source of national pride, they seem no less worthy of national support. Happily, there is a growing realization in official Washington that music and the arts must be given realistic and continuing Federal support if they are to survive as healthy props to our civilization.

Numerous pieces of pending legislation—backed by such statesmen as Senators JAMES E. MURRAY, Montana; HUBERT H. HUMPHREY, Minnesota; HERBERT H. LEHMAN, New York; PAUL H. DOUGLAS, Illinois; ESTES KEFAUVER, Tennessee; WAYNE MORSE, Oregon; and equally prominent Members of the House—now propose to Congress various forms of aid for cultural pursuits and the people who practice them.

Implicit in the language of these several House and Senate bills and resolutions is the awareness of these lawmakers that our civilization must not neglect the culture upon which it is founded. Made clear in this legislation also is the plight of the professional musicians. This was ably and eloquently stated by Senator MURRAY in his remarks before the Senate. Not only does he recognize the inroads by mechanization upon the live musician, but he applauds the efforts of the federation and President Petrillo to cushion these blows. Senator MURRAY said, in part:

"In this connection it is interesting to note that while the plight of the musician in these United States is equally serious, he and his Canadian neighbor have done something affirmative to help themselves. Theirs is an interesting experiment that began several years ago when Mr. James C. Petrillo, president of the American Federation of Musicians of the United States and Canada, was able to cushion somewhat the effects of mechanical music by creating, in agreement with the recording and transcription industry, a royalty fund that spends about $1,500,000 annually for the employment of live musicians in hundreds of localities to perform free music for the public.

"I was particularly interested last May when I was in Geneva as a United States delegate to the International Labor Organization to find that organization studying the Petrillo formula in working toward a worldwide convention that would establish the rights of artists to a payment for work done when their performances are multiplied mechanically for profit. Unlike the author and composer, these entertainers have no protection under the copyright laws, and I sincerely hope such a convention will be adopted."

Strong support from other fields of the arts, it is hoped, will rally to the aid of this legislation which would benefit all. It is no secret that President Petrillo has been instrumental in initiating the introduction of some of the current legislation and the

federation's members are actively and vocally supporting it.

There is opposition, of course, as there usually is, to most forms of legislation. But President Petrillo already has ordered a staff study of the legislation now pending, so that when these bills and resolutions are subjected to final committee study and writing, the federation can move to its support promptly and effectively in the interest of musicians and their fellow artists.

HOW A. F. OF M. LOCALS CAN HELP

In the average community there is no organized group that gives so much time and effort to civic interests as the A. F. of M. musicians. Scarcely a week goes by that some drive or civic program does not seek out musicians to contribute services.

It is fortunate that both the A. F. of M. locals and the communities have a facility such as the music performance trust funds to rely upon in many such circumstances. The free public music programs, first administered wholly by the A. F. of M. through its recording and transcription fund, and subsequently through the trustee-administered music performance trust funds, has become the Nation's chief backlog of live music available for public services.

This monument to a union's sense of public responsibility is made possible through a small royalty on recordings and transcriptions made by A. F. of M. members. It is paid directly by the manufacturers and is expended solely to bring free, live music to the people of the United States and Canada. A similar royalty pact between the A. F. of M. and TV film producers was also established. These latter accruals are now beginning to contribute substantially to the fund.

Under the trust agreements, the trustee receives semiannual contributions from the signatories based on their volume of sales at retail price levels. The funds are not permitted to accumulate but must be spent currently. They are allocated for expenditure among 654 geographical areas covering the United States and Canada, according to a fixed table of percentages.

The procedure of bringing the funds into action follows a simple pattern. The funds' office in New York City is notified, either by the local or organization in the area where the performance is desired. Approval usually follows, providing the occasion meets the requirements of the funds that no admission may be charged and that fixed allocations for the area are not already exhausted. Three results are obtained. The organization gets the kind of music it has asked for, the musicians playing for the function are paid at prevailing scale, and the community receives the benefit of the free live music program.

The Music Performance Trust Funds concerts have sparked whole series of paid performances by business, civic, or municipal groups. The funds are providing free rehearsals, music rallies, and public forums which encourage the development of small opera groups, community bands, children's music, and sometimes the creation of self-supporting symphony groups.

MPTF concerts may even serve as the key to promoting legislative compaigns to obtain grants-in-aid for live music. A symphony concert planned and executed before legislators at the State capitol or in the county courthouse would be a certain means of commanding the interest of those who control legislation.

Free live music concerts can also be utilized as the basis of public relations drives to aid the cause of live music and to obtain the support of merchants, newspapers, radio and TV stations, music and civic clubs. Sample concerts continue to be the best means of promoting paid concerts. Salesmanship thrives when practiced under conditions where both parties are happy in the thought that they are cooperating in a worthy cause. It presents an opportune time for the orchestra leader or manager to discuss with the merchant or manufacturer the benefits to be derived from an employees' dance or for a lively orchestra to play for a sales convention.

Active press relations can be maintained and favorable publicity obtained for the A. F. of M. local through the proper handling of free live music performances. Editors like news items referring to public service in their community. The account of such a concert furnished the press or radio often plants the idea on the part of a reader or listener to recommend a concert or dance for some organization of which he or she is the entertainment chairman. Newspaper, radio, and television public-service promotions should not be overlooked although broadcast performances pose special considerations.

For complete public-relations exploitation of a free public music program locals have found it wise to make use of both advance and immediate press and radio releases. Excellent use can be made of the publicity channels of cosponsors and the published endorsement of officials and other prominent people participating in the program.

Honest editors are in the majority. Too many of them simply know too little about the problems concerning the survival of live music. These difficulties and the steps taken by the federation's international officers in meeting them should be discussed factually with editors when the opportunity presents itself.

Every editor should have the answers to three important questions vitally affecting the A. F. of M. He should know that the conflict of school bands with professional employment has been handled satisfactorily by President Petrillo's espousal of a music code of ethics now widely accepted by educators everywhere; that the record ban was ended through a formula devised by your union; and that organized musicians have been far-sighted enough to encourage the entertainment industry through fair and considerate wage negotiations. The answers to these and other controversial questions will be effective providing they are backed up with detailed knowledge furnished A. F. of M. members in publications provided by the Federation.

Favorable public opinion, sparked by a friendly press and community relations, is vital to the cause of live music and musicians. It may mean an added vote in the city council when the appropriation for summer concerts is considered. Or it may mute the protests against a misunderstood insistence on a local ground rule. A friendly public is a genuine asset and the free public music project is a means of wooing public opinion. The rewards are well worth the additional effort on the part of all locals of the American Federation of Musicians.

MUSIC STANDS AT THE CROSSROADS

The problem of the musician is not that of the musician alone. His economic well-being and the survival of music cannot be considered separately. His problem, therefore, is everybody's concern.

Qualified observers of the music scene see a growth in music today. True, there is a revival of interest in classical music recordings, accented by the recent development of high-fidelity equipment. But the tragedy is that only a few thousand musicians in our country are employed in recording. These are mostly mature, accomplished instrumentalists who served their apprenticeship when there still was opportunity for a young musician to earn a living at his profession.

More than 2 million schoolchildren are being taught instrumental music today. What becomes of them? Where do they turn to cash in on their study and talents? When President Petrillo told these hopefuls recently that the profession of music had become a starvation business, he was roundly criticized for discouraging youthful talent. What he did say was that youths planning a career in music should view the prospect—or lack of prospect—realistically.

The sorry plight of both the serious and popular musician is the deep concern of the American Federation of Musicians. But its implications for the music-loving public go far beyond the question of the professional's job and his future. The truth of the matter is that serious music, at least, is on its last faint bars.

The day fast approaches when there will be no adequate supply of skilled musicians. The present dearth of competent string instrumentalists is desperate enough to evoke immediate concern. Without orchestras and ensembles to employ them the incentive for students to play stringed instruments will disappear completely. One depends on the other and without them, our Nation's heritage of music eventually will consist only of historical libraries of recordings. There will be no new music, no youthful talent coming along to man our symphonies or make new records. There will be only memories of a better day when musical culture was a cherished part of the American way of life. We can hope that our generation won't see the debacle, but it approaches so fast that even we may see that sorry day.

The American Federation of Musicians is convinced that the crisis can be averted only by a widespread, public demand that our Government face up to its responsibility to preserve music and the arts.

Mr. MORSE. Mr. President, I wish to turn now to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

SEPARATION OF GOVERNMENTAL POWERS

Mr. MORSE. The third and last subject which I wish to discuss as a part of this week's general committee report of the representative of the Independent Party refers to a brief discussion which took place in the McCarthy-Army hearings, on Tuesday of this week, by my good friend from Illinois [Mr. DIRKSEN]. In order that the RECORD may be perfectly accurate, I shall ask to have part of the record of the hearings for that day, quoting the Senator from Illinois, printed in the RECORD at the conclusion of my discussion of the subject matter.

The PRESIDING OFFICER. Without objection, the excerpt may be printed in the RECORD, as requested.

(See exhibit A.)

Mr. MORSE. Mr. President, the constitutional question of separation of powers developed again at the McCarthy hearings, as it developed in the MacArthur hearings. The Senator from Illinois referred to the time General Bradley was on the stand during the MacArthur hearings. The senior Senator from Wisconsin [Mr. WILEY] sought to get General Bradley to comment on the conversation which took place at the time President Truman held a conference at the White House, which was attended by members of the Joint Chiefs of Staff, the Secretary of State, and a few other top ranking officials of the Government. At that conference the decision was made to recall General MacArthur. Of course, General Bradley refused to testify as to what was said at the conference, and very rightly so. The senior Senator from Wisconsin, as the committee records will show, insisted,

and persisted in the demand that General Bradley be required to answer the question.

The junior Senator from Georgia [Mr. RUSSELL] was chairman of the joint committee which held hearings on the MacArthur issue, and the committee record will show that the Senator from Georgia took the position that the general did not have to answer the question. He gave as his major reasoning in support of his ruling the legal doctrine of privilege, pointing out that the general was in the same position, in his relationship to the President, as a patient to a doctor, a parishioner to a priest, and a client to a lawyer, and therefore, under the doctrine of privilege, General Bradley did not need to answer the question.

As the printed hearings of the committee will show, I took the position that the doctrine of separation of powers was in my judgment the doctrine on which the ruling of the Chair should be based primarily. The record will show that I discussed at some length this doctrine of separation of powers, pointing out that if we did not protect the doctrine, all that any congressional committee would have to do would be to keep an agent at the gates of the White House, making notes of who it was that was going in to see the President, and as soon as he came out of the conference, or as soon as the committee could get a subpena prepared a few days later, slap a subpena on that person and hail him before the committee and say to him, "Now, what did the President say to you?"

I pointed out in my argument, as the committee record will show, that of course that would destroy the whole separation-of-powers doctrine in our Constitution, and destroy this great check and balance system of ours that we are a Government of three coordinate and coequal branches, the legislative, the executive, and the judiciary.

The record will show that the Senator from Georgia [Mr. RUSSELL] took the position that he agreed with the point of view I had expressed, as a supplement to the reasons he had already given in support of his ruling, and he incorporated my argument as a part of the ruling.

Interesting discussion followed, as the committee record will show. It was decided that the committee should recess and reconvene the next day, with an appeal from the ruling of the Chair by the senior Senator from Wisconsin]Mr. WILEY] pending at the time of the recess.

The next day the committee reconvened and the senior Senator from Wisconsin [Mr. WILEY] withdrew his appeal. However—and I am glad to see on the floor of the Senate the Senator from Louisiana [Mr. LONG], because he participated in those hearings—as the committee record will show, I then took the position that I would appeal from the decision of the Chair.

When we had settled the parliamentary question as to whether I had a right to do so—and certainly I did have the right, because any member of the committee had the right to appeal from the decision of the Chair, even though he was going to support the decision of the Chair when the roll was called—I said I wanted the record made clear on this point because I wanted to find out how many were going to stand up and be counted in support of the separation-of-powers doctrine.

Mr. President, we had the rollcall—and an interesting rollcall it was—and the rollcall is the point that I should like to raise this afternoon, in answer to the observation made by the Senator from Illinois [Mr. DIRKSEN] in the McCarthy-Army hearings the day before yesterday.

The Senator from Illinois was not a member of the joint committee that conducted the MacArthur hearings, and I am sure that he spoke out of his understanding of what the result of that issue in the MacArthur hearing was when he said in effect in the McCarthy-Army hearing on the day before yesterday that no final decision was reached. Senator DIRKSEN stated:

> The committee went into that question at considerable length, and as I recall, there were seven Members of the Senate who felt that General Bradley ought to be compelled to testify with respect to everything that had been said at the conference. However, the issue was not pressed and got lost in the welter of things, as I recall.

Senator DIRKSEN is mistaken.

A final decision was reached, and by rollcall. The overwhelming majority of us on the committee voted to sustain the Chair, and thereby voted to sustain the doctrine of separation of powers.

Some very interesting votes were cast against it. I believe eight Senators voted against it. Some of them are still in the Senate, most of them on this side of the aisle. Most of them have had much to say in recent months in regard to the powers of the executive branch of the Government. I hope, I should like to believe, and I trust it is true that perhaps their experience and reflection upon the issue following the MacArthur hearings served as a very effective educational process, in respect to a better understanding of the separation of powers doctrine. I do not know, but I certainly would like to believe such to be the case.

I certainly do not wish to think that their difference of opinion in 1954 from the opinion they expressed at the time of the MacArthur hearings would have any partisan basis. Far be it from me to suggest any such thing.

It is interesting—and I am saying this for the benefit of the Senator from Illinois [Mr. DIRKSEN], who was not a member of the joint committee—that at the time of the MacArthur hearings there were Republicans who thought that General Bradley ought to be required to testify. However, in regard to the McCarthy-Army hearings, some of the same Republicans thought that President Eisenhower was completely right in taking the position that the people attending the so-called Department of Justice conference, which became an issue in the McCarthy-Army hearings, should not be required to testify. They were right the second time. They just happened to be wrong the first time.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MORSE. I attribute their present point of view to an educational process which apparently has had an effect upon them in the intervening years. I yield to the Senator from Louisiana.

Mr. LONG. I well recall the incident which the Senator from Oregon has mentioned. I certainly believe it was a very statesmanlike action the Senator from Oregon undertook when on that occasion he insisted that Senators should express themselves on the right of a person to decline to answer what he had personally advised the President with regard to a decision the President had to make.

However, I have several reservations to the extent to which a President should with propriety try to clothe with immunity from answering inquiries by Congress those who serve in his branch of the Government.

As the Senator will recall, many of the witnesses from the executive branch of the Government who testified in the MacArthur investigation had told us generally what had transpired as between themselves, although General Bradley declined to say what he had advised the President in one instance.

It seems to me that the Executive should not try to extend that coverage to a great number of departments in the executive branch of the Government.

Furthermore, it appears to me that in the present investigation the President clothed with immunity all members of the executive branch of the Government who did not care to testify, including those in the Attorney General's Office, those in the Department of Defense, and those in the White House.

In my judgment, the President was going a step too far when he put his cloak of immunity over anyone who had anything to do with the President.

Mr. MORSE. I am delighted to have the contribution of the Senator from Louisiana, because in his usual penetrating fashion he has raised certain other facets of the problem which I shall be very glad to comment on this afternoon.

I quite agree with the Senator from Louisiana that the separation of powers doctrine does not prevent a President of the United States, on a voluntary cooperative basis, from working with a congressional committee in making available to that committee executive information and material which otherwise would be exempt from the eyes of the committee if he wanted to rely upon the doctrine of separation of powers. In my judgment, a President should be very wary about exercising his full executive powers and rights under the separation of powers doctrine in connection with denying information to the legislative branch. On the other hand, I wish to make very clear, as I did in reference to the MacArthur hearings, and in several speeches on the floor since that time, that it is the right of the President of the United States to stand on his prerogatives, if, in his judgment, certain specific information should be safeguarded and held within the bosom of the executive branch of the Government.

That leads me to the question of the policy followed by the President in this

specific case. I had something to say about it approximately 3 weeks ago on the floor of the Senate. I would add to it today by pointing out that, in my judgment, the President was belated in the issuance of his memorandum opinion on the separation-of-powers doctrine, denying to the officials who attended the particular Department of Justice conference, which became an issue in the hearings, the right to come before the committee and testify as to what happened and what was said at that conference.

Of course, Mr. President, the memorandum which he laid down made no new contribution to the legal literature on the separation-of-powers doctrine. It was a very sound recapitulation of rules which have been handed down by President after President after President throughout the history of our country. In fact, it was a memorandum opinion practically identical with a series of memoranda opinion on that subject matter, handed down by Truman, Roosevelt, and Presidents preceding them.

After the McCarthy-Army hearings had been proceeding for a great many days, totaling several weeks, the President laid down this very sound memorandum opinion so far as his legal rights are concerned, but so delayed and belated was the opinion, so far as its date of issuance was concerned, that the President should have expected—and it has come to pass—that many Americans would be saying, "Apparently McCARTHY struck paydirt when Adams apparently, by a slip of the tongue, disclosed this particular conference." When Adams indicated who was there and raised some surmise as to what was the general subject matter of the discussion many people came to suspect that it was an administration strategy meeting against McCARTHY. The President had the right to close the doors at that time on the executive business transacted at the meeting, and he did. But, in my judgment, from that moment on, so far as the hearings were concerned, millions of Americans started asking the question, "I wonder if it was at that conference that an administrative decision was made which, if we knew all the facts about it, might have supported claims that the administration and not Stevens was trying to discontinue the hearings?"

The personnel that attended the conference was an interesting personnel. It was a policymaking personnel, and it included members of the administration who McCARTHY had alleged were trying to stop his investigation of alleged communism in the Army.

Mr. President, I think the Senate knows very well that I find myself, for the most part, opposed to the investigative processes, policies, and procedures of the Senator from Wisconsin [Mr. McCARTHY]. But I do not think, as those hearings came to a close, the committee came to grips with the question which the Senator from Wisconsin had raised with regard to whether it had become an administrative policy to throw blockades and barriers in his way in conducting his investigation of the Army. I repeat that the President had a perfect right to close the door of that conference, but by closing it he permitted, in my judgment, the question to go unanswered as to whether McCARTHY struck paydirt. In my judgment, McCARTHY more or less stumbled, through Adams, upon information that at this particular conference there was at high policy level a discussion of the program, practices, and policies of the junior Senator from Wisconsin and possible ways of counteracting McCARTHY.

Returning, Mr. President, to the comments of the Senator from Illinois [Mr. DIRKSEN], which left with me, at least, and I think, with others as they read the record, the impression that no determination of the separation-of-powers issue was ever made at the MacArthur hearings. I wish to correct that mistaken impression.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD, at this point, as part of my remarks, certain excerpts from the hearings which are in printed form, in which the issue of separation of powers was raised at the MacArthur hearings. Also certain excerpts as to the discussion which took place, engaged in by some of our colleagues, including the listing of the rollcall vote of the members of the joint committee. The rollcall vote, Mr. President, is a complete answer to the Senator from Illinois as to whether the issue was joined and whether a decision was rendered on the question of whether Bradley had to testify. The committee, by an overwhelming majority vote, ruled that, under the separation-of-powers doctrine, Bradley did not have to testify.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

EXHIBIT A

EXCERPT FROM HEARINGS BEFORE THE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS OF THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS, JUNE 15, 1954

Senator DIRKSEN. Mr. Chairman, I would like to address this to Mr. Welch.

Mr. Welch, this is really only a footnote to the rather pleasant discussion we have had about the extent to which the legislative power goes in investigations of the executive branch. What I propose to cite is not exactly a matter in point, because I recognize the distinction that is involved, but back in the MacArthur hearings, which were held in this very room, incidentally, by the Armed Services Committee of the Senate, there was an inquiry into the dismissal of General MacArthur in April of 1951, and the Armed Services Committee held closed hearings in this room in the following month. Transcripts were made available to the press as soon as they were cleared with respect to security information.

General Bradley, who was then Chief of Staff, and certainly bore a confidential relationship to the President of the United States, came to us voluntarily to testify; and as I recall, he testified that the decision for the dismissal of MacArthur had been made at a White House conference which was attended by President Truman, General Marshall, Averell Harriman, Secretary of State Acheson, and there may have been others.

Having made that statement, Senator WILEY then sought to ascertain whether or not somebody was in attendance at this conference who expressed an opposite view, and General Bradley at that point said that because of the clear separation of powers between the legislative and the executive, he refused to testify any further.

The committee went into that question at considerable length and, as I recall, there were seven Members of the Senate who felt that General Bradley ought to be compelled to testify with respect to everything that had been said at the conference. However, the issue was not pressed and got lost in the welter of things, as I recall.

So, frankly, I think we are back to that question again. In some way or another it is going to have to be more clearly resolved than it has been at any other time.

Of course, that raises the question of whether or not the committee can actually subpena members of the top loyalty screening board in the Army and not only compel them to appear, which I think is a right under the *Marbury* v. *Madison* decision by John Marshall long ago, but the more important question is whether they can be compelled to testify as to the reasons why they reversed the lower loyalty boards in the Army structure. That question, of course, has not yet been resolved. We sort of bounced around the edges in the course of this very long hearing.

I wanted to allude to it only for the purposes of the record, because it is something which in time must be explored.

EXCERPT FROM HEARINGS BEFORE THE COMMITTEE ON FOREIGN RELATIONS AND THE COMMITTEE ON ARMED SERVICES, UNITED STATES SENATE, SITTING JOINTLY, ON THE RECALL OF GEN. DOUGLAS MACARTHUR

Senator WILEY. All right, now; we are coming to April 6, the one you just mentioned, Friday morning.

You said that at that time there was the President; there was the Joint Chiefs of Staff——

General BRADLEY. No, sir; I did not say the Joint Chiefs.

Senator WILEY. I beg your pardon.

You said there was Marshall, Acheson—and who else?

General BRADLEY. Harriman and myself.

RELATIONSHIP OF ADVISERS TO THE PRESIDENT

Senator WILEY. All right.

Now, tell us what was said then.

General BRADLEY. Senator, at that time I was in a position of a confidential adviser to the President. I do not feel at liberty to publicize what any of us said at that time.

Senator WILEY. Well, that raises a question, I suppose, that the Chair will have to rule on.

I didn't raise it with Marshall, because I was in a hurry; but when you come before a committee, sir, to give information as to a very important matter that the public is entitled to know about, unless it goes to the question of endangering the public welfare, it seems to me that you waive the right you claim now, as to the President——

General BRADLEY. Senator, it seems to me that in my position as an adviser, one of the military advisers to the President, and to anybody else in a position of responsibility who wants it, that if I have to publicize my recommendations and my discussions, that my value as an adviser is ruined.

I may be wrong in this. I will abide by whatever the committee says, but it seems to me that when any of us have to tell everything that we say in our position as an adviser, that we might just as well quit.

Senator WILEY. I am not going to ask you to do that.

There is one issue before the bar of public opinion, and only one in this matter, as I see it, others disagree with me, and that is—whether or not this action taken in the manner it was taken, can be justified by the facts, before the bar of public opinion.

Now, the President exercised the authority that he had, constitutionally, but he, sir, agreed to present you before this committee. He had a right to say "No," to it, you need not come. It seems to me that he has

opened up the whole case, and that evidence ought to be given to the people, as to just how it happened that this very unusual and cruel action was taken by the associates of General MacArthur, and by the President of the United States.

I might say that there was a lot of testimony and evidence to the effect that some of you defended MacArthur. If you did, I would like to know it.

It would seem to me it would add something into this picture of strength and worthwhileness, but I am asking for the chairman to rule that my question is pertinent and relevant and should be answered.

General BRADLEY. May I correct my statement a little bit? I am not too sure that I would have the right to say that I would be guided by this committee.

Maybe I should take this to the President and get his permission to do it because I was acting as his adviser at the time, and I am not sure but what I should get his permission to tell you rather than to take it on myself to say I would do it under any other circumstances.

I would like to point out in my opinion there are 2 things before this committee instead of 1. One is whether or not we are following the right policy in the Far East, and the other one is whether or not General MacArthur should have been relieved, so in my opinion there are 2 instead of 1 issue (pp. 763–764).

* * * * *

Senator MORSE. I understood the Senator from Wisconsin asked the Chair to rule.

RULING OF THE CHAIR ON CONFIDENTIAL RELATIONSHIPS

Chairman RUSSELL. He did. The Chair was sitting here greatly disturbed as to about how he should rule. It is an entirely new matter. I do not know that it has ever been raised before, before any committee.

Of course, in this country there are certain well-established and clearly defined confidential relations that are respected by all of the courts of this land, of which I have any knowledge. Among them are the relations of doctor-patient. That is completely protected. All conversations and conferences that occur between a doctor and a patient are protected by law in most of the jurisdictions of which I have any knowledge.

Another is that of a lawyer and client. It is very well established that the conversations, communications that transpire between a lawyer and his client are held inviolable and sacred by the rulings of almost any court of which I have any knowledge.

Another one which is somewhat common is the source of information of newspaper correspondents, whether or not the information that they receive, the source of their information ought to be protected.

I am not thoroughly familiar with all of the decisions on that, but as I recall back in my college days—I never had a case involving that subject—why, in most jurisdictions they are protected on that.

I do not know whether the Chair should even undertake to rule on this subject. Any ruling that I make, of course, is subject to an appeal by this committee, by any member of this committee. Since Senator WILEY has raised this issue, I have been running it over in my mind.

I know that, in my opinion, any conversation with respect to any of my actions that I might have, any conference I might have with my administrative assistant in my office, I think, should be protected, and it is my own view, and I so rule, that any matter that transpired in the private conversation between the President and the Chief of Staff as to detail can be protected by the witness if he so desires, and if General Bradley relies upon that relationship, so far as the Chair is concerned, though I regret very much that the issue was raised, and I am compelled to pass on it, I would rule that he be protected.

IMPLICATIONS OF CHAIR'S RULING

Senator KNOWLAND. Mr. Chairman, before the chairman rules, the general has indicated that he thinks there might be a preferable procedure for him to talk with the President of the United States.

I think it is true that there are certain relationships which exist between a doctor and patient and a lawyer and client as the able chairman has mentioned. I also, however, call your attention to the fact that this deals with the public business of the Government of the United States. It deals with the question whereby, for instance, this country was put into a war which has resulted in 65,000 casualties without a declaration by the Congress.

If the chairman's ruling applies to this particular meeting dealing with specific Far-Eastern matters, then the same ruling would apply to the Blair House conferences of June 24, 25, and 26, which led this country into a war, but without a declaration of the Congress of the United States, and foreclose, perhaps for all time, the legislative branch in executive session from receiving information which they feel might be pertinent.

I am not now appealing from the ruling of the Chair because I have not made any final conclusion, but I would suggest that in view of the very grave consequences that might result, would it not be possible for General Bradley to consult with the President of the United States, lay the matter before him?

What we are seeking here is to arrive if possible at an agreement so that we may understand the various facets of a very important question to the American people, and I am fearful if at this time an iron curtain is lowered in this case, that it may be lowered on other matters and we may find our committee really stymied in the work which I think we have undertaken to do.

Chairman RUSSELL. As I have stated, I did not expect this issue to be raised, and I was not prepared to pass on it except to give a curbstone opinion, which I have done conscientiously and to the very best of my ability.

I do not, however, see any parallel between the illustration that the Senator from California gives and the question at issue here. It does not go as to the decision, if I understand the question. It is what was said by certain individuals at a meeting in the White House.

I am just as anxious as any member of this committee to get every fact that is involved in this matter before the country, and I would that the question had not come up and that General Bradley had felt that he could state even down to the last word what was said by any individual there as to the best of his recollection what transpired at that meeting, but as I understod him, he did rely upon it and chose to claim the privileged relationship as an intimate adviser to the President as his reason for not giving the details of the conversation and how the order was finally arrived at.

TAKING MATTER UP WITH THE PRESIDENT

I am perfectly willing for the committee to take it up. I would like for General Bradley to talk to the President about it, and I would not have, if I had my choice, had to pass upon it, would not have made any statement whatever, if Senator WILEY had not insisted that I in effect give my views.

General BRADLEY. May I say something, Mr. Chairman?

Chairman CONNALLY. Just a minute, General, I want you to get what I am saying.

I do not think it would be appropriate for the general to speak to the President and then some back and tell us what the President decided about a purely procedural matter before this committee.

It is not the business of the President, and I don't think that we ought to establish any such doctrine for similar cases, that we run over and talk to the White House and get the President's opinion.

The rules about these matters are well known, and we have just as much capability for passing on the propriety of them as anybody else, and it is our duty and not the President's duty. I don't think General Bradley is required or that it would be really appropriate for him now to go to the President and ask whether or not he should be released from his obligation not to reveal what was said.

As the chairman well pointed out, it wasn't on the question of the final decision, but it was on the conversation, private conversation between General Bradley, as a military adviser, and the President of the United States, a confidential relationship.

Chairman RUSSELL. I merely wish to observe that I have been perfectly frank and fair, and as far as I am concerned, I have no objection to General Bradley consulting with the President about this matter.

IMPORTANCE OF WHITE HOUSE CONVERSATIONS TO MAC ARTHUR DISMISSAL

Senator WILEY. Now, that I have raised the point, I ought to have an opportunity to say something on the subject.

Chairman RUSSELL. The Senator is recognized.

Senator WILEY. The President need not have permitted General Bradley to come down here.

Chairman RUSSELL. I don't agree with that.

Senator WILEY. I do. The thing that we are talking about here is a very simple matter, whether or not the facts and the circumstances before the bar of public opinion—and we are not to decide that—justify the dismissal of General MacArthur.

Now, how was it brought about? Why was it brought about? When was it brought about?

The answer to those questions is going to be determined by the conversations that took place between those who advised the President and what the President said in return.

General Bradley is a confidential adviser. I wouldn't want him to say one thing that in the slightest degree affected the general welfare in the sense that it endangered the lives of any person or endangered the safety of this country, but when it comes before us, who have taken jurisdiction to try out the issues, apparently, to see whether there is any justifiable ground for what took place, then we go to the only source where those facts are discoverable, and that source is the prosecutor and the defenders and the jury that decided that they would kick him out.

That was made up of 3 or 4 others. Personally, I believe that the analogy that you use is not applicable because, in the first place, it is the common law and then enacted into the statutes of the States, including that of the priests at the confessional, but no other place, if they are just talking, or if a lawyer and a client don't talk with relation to his business, it is not exempt, or a doctor, it is not exempt, they are still responsible; but here is a case where the Executive used the power—that is not an issue, he had it—but he wanted the advice of the State Department and the Chiefs of Staff. To do what? Well, I think it must be apparent. To build up the case, because of the Martin letter.

Until the Martin letter the evidence shows that nothing was said or done that was critical of MacArthur. That is Marshall's statement in substance as I developed it.

But when that came out, these folks were called into consultation. For what purpose? The President didn't have to give any excuse, but he did give an excuse in his dismissal.

We want to know whether the facts bear that out, and it seems to me the rule that when a witness comes on the stand and exposes his hand in relation to part of the testimony, that all the testimony is subject

to be examined into relating to the case, that that rule of evidence applies.

That is the position I take. If the Chair has ruled, I shall appeal from the Chair, and at an appropriate time we can thresh this matter out.

Chairman RUSSELL. I think now is about as good a time as any.

Senator MORSE. Mr. Chairman.

Chairman RUSSELL. Senator MORSE.

Senator MORSE. The appeal has been taken. Am I privileged now to speak?

Senator WILEY. Will the Senator please speak louder?

Senator MORSE. Mr. Chairman, the appeal has been taken from the ruling of the Chair, and am I now privileged to comment on the ruling and the appeal?

Chairman RUSSELL. Senator MORSE.

Senator MORSE. I want to go to the cases before I reach a final conclusion. If we come to a vote at the present time, I shall vote to support the decision of the Chair, for these reasons:

In the first place, I think the committee should look to its power of enforcement. If it wishes to use whatever powers of compulsion it might have to elicit from the general the testimony which he declines to give as to what took place at the White House at the conversation he had on April 6, that the only power of enforcement this committee would have would be its power through contempt proceedings, which would get you into a legal courtroom situation eventually for enforcement.

POSSIBLE OPINION OF A COURT ON CONFIDENTIAL RELATIONSHIP

It is my curbstone opinion, Mr. Chairman, that a court would necessarily rule that the military adviser to the President of the United States, having a personal conference with the President of the United States on a supposedly confidential basis—and if they say it was a confidential basis, I don't think the court would be able to deny that it was a confidential conference—such a court under such circumstances would have to necessarily rule that the Executive powers of the President of the United States protect him from legislative interference. At least such would be true to the extent that he can have a confidential conference with his chief military adviser without a Senate committee being authorized to take note of who goes in and out of the White House, and then have those people subpenaed before the committee and asked questions as to the conversation that took place between those people and the President of the United States.

I think a court would necessarily have to find that if any committee of the Congress sought to exercise that jurisdiction over the conferences of the Executive with his officials called into the White House, that it would be impossible for the Executive to function on any confidential basis without interference by a congressional committee.

In the second place, I point out, Mr. Chairman, that if this conference with the President had been in the form of a memorandum, sent by General Bradley to the President of the United States, I think you would there find that at least opinions of the Attorney General of the United States, and I am not so sure but what litigated cases, would hold that you couldn't subpena that memorandum out of the files of the President of the United States. This would be true because of its confidential nature, and because it was connected with the carrying out of the executive functions of the President of the United States.

I think if that is true of a memorandum, Mr. Chairman, the courts would have to find it also true of a confidential conversation.

Senator LODGE. Will the Senator yield for a question?

Senator MORSE. Not at this point.

SEPARATION-OF-POWERS DOCTRINE

I think we are confronted here again with the separation-of-powers doctrine, looked at from a little different and somewhat novel angle, I am perfectly willing to admit. But I think that under the separation-of-powers doctrine the President of the United States would be protected in the courts from having to disclose a confidential conference he has with the chief military adviser of the Executive at this time.

The third and last point I want to make, Mr. Chairman, is that I think that it is one thing for the committee to ask General Bradley for conclusions that were reached at the conference as to the public-policy questions involved in relation to MacArthur and quite another thing to insist that General Bradley give us in detail the arguments pro and con, if there were any pro and con, a verbatim quotation of statements made by the President and by the other members of the conference to the President at that time.

Even as to the conclusions I would reserve judgment. But I want to say I think it would be regrettable if the men at that conference did not give us the conclusions of the conference, as did General Marshall; I have not understood that General Bradley is not willing to tell us what the conclusions were, and to what extent the conclusions represented a consensus of opinion. But as far as our having the power to demand from the White House confidential information, I seriously question that any court in carrying out a contempt proceeding would sustain our position.

PRESENCE OF QUORUM

Chairman RUSSELL. I want the record to show, and I want the reporter to put down, the names of the members of the committee who are present to show that there is a quorum here because, if this develops into a contempt proceeding, I understand that is one of the things necessary to be shown.

(The following committee members were present as of this time: Chairman Russell, Chairman Connally, Senators Johnson of Texas, Stennis, Long, Bridges, Morse, Knowland, Cain, George, Green, McMahon, Sparkman, Wiley, Smith of New Jersey, Hickenlooper, Lodge, and Brewster.)

Chairman RUSSELL. I want to also say that I had undertaken to differentiate between the conclusions and the mere course of a conversation in a meeting of that kind. I have tried to not deal with personalities in this thing.

ANALOGY TO CONFIDENTIAL NATURE OF COMMITTEE MEETINGS

I was taught from my youth on that there were three coordinate and equally powerful branches of the Government of the United States. I know that if I were in a senatorial committee where the hearings were in executive session, and we were discussing, with the cloak of executive session around that committee, what transpired in marking up a bill that was to go to the floor, and a detailed statement was made by this Senator or that Senator, and that matter was challenged, as it might be before a court or elsewhere, that I would stand in favor of protecting the right of Senators to discuss a matter of that kind in an executive session of a committee without a Senator being compelled to relate what another Senator had stated in that executive session of that committee.

It is an unfortunate situation that has arisen, but it is one that has been presented, and Senator WILEY is wholly within his rights in presenting here, and one that since it has arisen, that we should carry to a conclusion, and the committee can pass upon the ruling of the Chair.

I do not know whether the Chair was right in making the ruling, but I would not have ruled, had not Senator WILEY insisted that I rule upon it; but while it was distasteful it probably was within my duties, and I try never to shirk any proper duty that is imposed on me, so I think that we vote upon the appeal, and then if the actual consequence of it is sustained, and a motion is made to cite the general, we can have this matter thrashed out in a manner under our system of government (pp. 764–770).

* * * * *

WITHDRAWAL OF APPEAL

Senator WILEY. Now I ask, Mr. Chairman, that I may be able to recall my appeal and this matter can be briefed and the legal basis of it can be thoroughly analyzed. So I withdraw my appeal.

Chairman RUSSELL. Well, just a moment. The Chair feels like he has some responsibility here. I did not originate this matter. If you intend to leave it here with you withdrawing your appeal and with the Chair's ruling on the record without the committee having taken any action on it, I do not think that the Chair should be placed in that position.

I disliked very much to make the ruling. I had not anticipated any such question would arise here, and I regret therefore that I had not investigated or looked into it a little further. It is wholly proper that the committee should pass on the Chair's ruling.

Now I do not like to be left here with this record going out to the world that I have taken this position and the committee has been denied an opportunity to pass on it. The question has arisen and it has been pressed very vigorously; the Chair has made his ruling, and I think I have a right to have this committee pass on this question. I can assure you that I am not urging any member of this committee to vote in any way. I want you to vote just exactly like you see it on the question that has been raised here. It is a matter of sustaining the Chair, and I think I am entitled to make that statement (pp. 774–775).

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Senator MORSE. Mr. Chairman, may I make some remarks?

Chairman RUSSELL. A motion to recess is not debatable.

Senator MORSE. I was going to ask the Senator to withhold his motion for a moment, because I think there are some points, important points, that I would like to comment on for the record.

WITHHOLDING THE MOTION TO RECESS

Chairman RUSSELL. Does the Senator withhold his motion until the Senator from Oregon makes some remarks?

Senator BREWSTER. The only thing I would ask would be the amount of time.

Senator MORSE. That is up the the Senator from Maine. I certainly will not enter into any agreement to limit myself in my discussion. But I want to say that I think we have a very important issue before this committee, and I do not think a recess at this time is serving the public very well until we reach some conclusions about it; because I think you are not fair to the witness if you recess at this time unless you get a few things in the record, to which I think the witness is entitled?

I ask the Senator from Maine—I will not be long, but I am not going to put any time limit on myself—I ask him to withhold his motion to recess until I comment.

Senator BREWSTER. Well, I am very much embarrassed, because certainly every other member of the committee should be accorded the same courtesy, and I do think that no great public damage would be done if the position of the various members, most of whom have not had a chance to state their position, comes up at a later time. This is without any disparagement to what the Senator from Oregon may contribute, and who already stated a portion of his views.

I wish that the Senator from Oregon would not press the request.

Senator MORSE. I am going to press the request, and the Senator from Maine can exercise his own discretion, and I shall ask for a rollcall on the motion for a recess.

Senator BREWSTER. I will withhold.

Chairman RUSSELL. The Senator from Maine says he will withhold.

Senator MORSE. Mr. Chairman, I think you now have a humpty-dumpty issue before the committee, and there is nothing you can do to put the pieces back together again, and I certainly think the recess should be with the understanding that the chairman's ruling stands as of now as the ruling of the committee. I think I can see the headlines in the papers, right now, as to the reflection on General Bradley if this committee does not recess with the understanding that his refusal to answer Senator WILEY's questions is supported by the ruling of the Chair, subject, of course, to any later modification that this committee may wish within its prerogatives to enter into.

Now, Mr. Chairman, I think that General Bradley demonstrated his high professional ethics here this morning by refusing to disclose to this committee the verbatim conversation, personal conversation, that he had with the President of the United States on April 6.

CONFIDENTIAL RELATIONSHIP OF ADVISERS TO PRESIDENT

I disagree with my very good and warm friend, Mr. WILEY, from Wisconsin, on several particulars, but I want to mention two: First, I do not think that a Chairman of the Joint Chiefs of Staff, who has had a conversation with the President of the United States on such subject matter as was under discussion on April 6, is under any obligation to this committee or to the public to disclose the details of that conversation.

I think it is highly privileged under the separation-of-powers doctrine, and I think General Bradley would be guilty of misconduct if he came before this committee and disclosed to this committee the personal conversation that he had with the President of the United States.

How could the Commander in Chief of the armed services ever carry on his executive functions as Commander in Chief if he had to carry on every conversation with the Chairman of the Joint Chiefs of Staff or the Secretary of Defense or any other high military official in our Government, with the fear or with the thought or with the knowledge that possibly that officer was going to be called before a Senate committee to disclose under a threat of being indicted for contempt, the personal conversation that he had with the President of the United States.

I am willing to curbstone, Mr. President, and risk my reputation as a lawyer on the fact that I do not think you can get a court in America, of last appeal, to sustain any ruling of this committee that he would have to disclose that private conversation.

In the second place, I disagree with my good friend from Wisconsin, that when you put a doctor on the stand in a courtroom, that any privilege of that doctor, in relation to the patient, automatically disappears, and he has to answer any and all questions in relation to that patient, and I think the cases are long——

Chairman CONNALLY. Will the Senator yield?

Senator MORSE. No; I will not, Mr. Chairman, and I do not say that disrespectfully, but I do not want to be charged with taking any more time than I need to make my remarks.

WISDOM OF CHAIR'S RULING

I want to say, my last point is, Mr. Chairman, that the ruling of the Chair is a sound ruling in regard to protecting the executive powers of this Government. I think that General Bradley should be commended in the exercise of discretion that he used here this morning, in refusing to give verbatim the conversation that he had with the President of the United States.

General Bradley has not said that he will not testify as to the conclusions that were reached at that meeting; but I don't think that a member of this committee, in private conversation with the President of the United States—and I think we have all had private conversations with the President of the United States—would come before this committee and, under oath, proceed to disclose verbatim his conversations with the Chief Executive in regard to problems of the Executive.

FINAL POWER RESTS IN COMMITTEE

I want to commend the chairman of this committee for his curbstone opinion, because I think when you get through with all the legal research, you are going to find the chairman's ruling is sound in law. I think we ought to look at this ruling with the understanding that although the appeal had been withdrawn, the ruling of the chairman stands until such time, if and ever, this committee, by a majority vote decides, by motion, as it has a right to do, to adopt a procedure inconsistent with the ruling of the chairman. We have that power residual in us. We can exercise that power any time.

We can get rid of the chairman's ruling by adopting an affirmative procedural policy of this committee, and so no right of the committee is lost by the Senator from Wisconsin withdrawing his appeal.

We can, tomorrow, if we want to, adopt an affirmative ruling, but until we do, I think it should go out to the public that the chairman's ruling stands, and if the members of this committee don't want to abide by that ruling, as of now, then let them be free to press for a vote on an appeal now.

Senator STENNIS. I have a parliamentary inquiry, Mr. Chairman.

Chairman RUSSELL. The Senator from Mississippi.

WITHDRAWAL OF APPEAL BUT NOT RULING

Senator STENNIS. Isn't it true that the situation is that there has been a withdrawal of the appeal, and, therefore, the ruling of the Chair stands as the ruling of the committee?

Isn't that the present situation?

Chairman RUSSELL. I had understood the withdrawal of the appeal was conditioned upon the withdrawal of the ruling of the chairman.

Senator STENNIS. I didn't so understand.

Senator KNOWLAND. That was Senator HICKENLOOPER's statement——

Chairman RUSSELL. That was the suggestion of Senators HICKENLOOPER and KNOWLAND.

Senator STENNIS. The Senator from Wisconsin is a man that can speak on that point.

Would the Chair ask him what his opinion is?

Senator WILEY. I am very happy to have another shot at this problem.

First, let me make it clear that I have only the highest regard for General Bradley, despite the statement of the Senator from Oregon.

I am a United States Senator, secondly, trying to develop the facts.

Thirdly, I withdrew my appeal because I thought it was better to see whether there were legal precedents that involve this case.

NEED FOR INFORMATION ON CONFERENCES

I still stand firmly on my proposition that when a doctor comes into court and testifies about a specific accident, in his communications with his client, he opens up that accident before the court, and that is what I stood here for. When a man comes before this body and tells general conclusions as to what happened and what took place, I say that that rule is applicable here. I am not trying to invade the prerogatives of the President. The President should have said: "Now, don't testify on this issue at all," and we would not have gone into it. If it is not a question of public policy involved, or it is not a question of injuring the rights of the public, certainly it is simply a question of developing what went on; what was said and done in relation to getting MacArthur; who laid the plans; who made the suggestion; what did the various people say.

Even MacArthur said, on the stand, that he understood, and he named Acheson—he understood he spoke in his favor.

I want to know the facts.

Senator KNOWLAND. Senator FULBRIGHT spoke——

(There was a chorus of voices.)

Senator STENNIS. Mr. Chairman, may I renew my——

Senator WILEY. My idea about the appeal is: I have asked to recall my appeal because I felt that what should be done is at least wait until tomorrow morning and see if there are any precedents on the matter.

I am not pressing for any charge of contempt. That is an insinuation thrown into this case without my consent or suggestion. I am simply stating the fact that as one of this committee, as a United States Senator, if you please, and there are only 96 of us, we have a very important function here to perform.

RECESS

I am not impinging upon the President's prerogatives, and do not intend to waive any of our own.

Senator GREEN. Will the Senator yield for a question?

Chairman RUSSELL. I want to put the motion.

I want to say that General Bradley has had to pass on this matter. The Chair has passed on the matter.

Of course, if the committee wishes to carry it over to some future date, that is a matter for the committee to decide upon, and it is perfectly within its right.

Those in favor of the motion of the Senator from Maine——

Chairman CONNALLY. What was his motion?

Chairman RUSSELL. To recess until tomorrow morning at 10 o'clock.

All those in favor say "aye."

Senator STENNIS. Mr. Chairman; would the Chair repeat what he said about the ruling? Is the Chair asking the committee to rule on it?

Chairman RUSSELL. I am not asking the committee to do anything.

The Chair is trying to carry out what he conceives to be his duty here, and I expect every member of the committee to do the same.

Senator STENNIS. Pardon me for repeating, but as I understand the situation, there is nothing before the committee to pass on with reference to the Chair's ruling. The Chair has ruled, no one has appealed from that ruling, and therefore the ruling stands as the ruling of the committee; otherwise I am ready to vote in favor of the chairman's ruling, but I understand that is what the effect of the situation is now; so there is no objection to recessing.

Chairman RUSSELL. The Chair will again place the motion of the Senator from Maine, who moved that the committee stand recessed until 10 o'clock tomorrow.

All those in favor of that motion say "Aye." Opposed, "No."

(There was a voice vote and the motion was carried.)

Chairman RUSSELL. The "ayes" seem to have it. The "ayes" have it. The committee will stand recessed until 10 o'clock tomorrow morning.

Be back with us, General. I don't know whether you will have an opportunity to testify or not.

(Whereupon, at 1:20 p. m. the committee recessed to reconvene at 10 a. m. Wednesday, May 16, 1951) (pp. 780–782).

* * * * *

PROCEDURE OF THE HEARINGS

Senator WILEY. I have a suggestion to make this morning, Mr. Chairman and gentlemen of the committee. In view of the fact that General Bradley must get away, according to his previous commitments—and we want to accommodate him—and in view of the fact that it is probably very important that the committee decide the issue that I raised yesterday, I have this suggestion to make: that General Bradley go on with his testimony with those on the committee that follow me, and that tomorrow morning I raise the subject on the appeal from the decision of the chairman, and that tomorrow morning we argue out the legal phases of this subject and arrive then at a decision. Thus we will not discommode General Bradley but rather make it so he can get away to make his engagement.

I might say that I have talked this matter over with a group of my Republican associates, including Senator BRIDGES and others, and we arrived at that conclusion—that in order to accommodate General Bradley and not to take the whole day arguing the legal phases of this matter this might be an advisable way to pursue our course.

In the meanwhile it will give those who have a little time an opportunity to examine the precedents and go into the background of the issue that is involved.

It is not new. It has been raging back and forth over the decades since the inception days of our Republic. There has been some change in the statutory law that may have some bearing. That is a suggestion that I make at this time, Mr. Chairman, feeling that it is convenient to General Bradley, and it also gives everyone an opportunity to satisfy themselves as to what their votes should be.

Chairman RUSSELL. I appreciate the desire to accommodate General Bradley and assist him in his arrangements. I share interest in extending to General Bradley every courtesy that this committee can properly show, but, after all, we are a committee who are taking evidence at the present time, and it is my own opinion that where a matter of this kind arises that the committee should determine it before proceeding with the testimony, in order that all the testimony might be received in an orderly manner.

I understood yesterday, and I think that the record will support my statement, that the Senator from Wisconsin had withdrawn his appeal. I shall not rely upon any technicalities if he wishes to press it.

I will accord him that full right, but I do think that the committee, despite the fact that it might cause General Bradley to listen to a considerable legal discussion on which we were not prepared yesterday, should decide this matter now before we proceed with this testimony in order that we may tell what questions can be asked and what cannot, and preserve the coherence of this testimony.

DETERMINING PROCEDURAL MATTERS AS THEY ARISE

Where a procedural matter arises, it should be determined, I think, as quickly as possible in order that the committee might have that decision for its guidance in the future examination of all of the other witnesses.

The matter has come up twice. A question was asked General MacArthur as to what transpired, what conversations were had with the President, and he declined to answer that question. The same question was addressed to General Marshall and he declined on the grounds of confidential relations. The same matter, of course, as was asked of General Bradley but it was not pressed to the stage in which we find ouselves with respect to this issue at the same time.

Senator STENNIS. The same question was asked General MacArthur.

Chairman RUSSELL. Yes.

Senator STENNIS. You said Marshall.

PARTISANSHIP IN THE HEARINGS

Chairman RUSSELL. I regret that the Senator from Wisconsin has been having huddles with just members of his party with respect to this issue. I have tried to sit here not as a Republican or Democrat but as an American. I have devoutly hoped from the moment these hearings opened that they would not degenerate into a partisan fight where the Republicans would have huddles here and the Democrats would have huddles there.

I had hoped that we might settle these matters not as Republicans or Democrats, but as Americans around this table as a committee of the Congress of the United States, charged with a very definite and specific responsibility.

It seems to me that if there ever was a time in our country, or a matter before a committee, that is peculiarly unsuited for partisan handling, it is the matter that is under investigation.

I merely feel that I should here express my regrets that events have taken this turn.

Senator WILEY. Mr. Chairman——

Chairman RUSSELL. Just a moment, please. I did not interrupt you, sir.

SETTLING THE PROCEDURAL MATTER

It is wholly up to this committee to take the steps that they feel should be taken. If the committee wishes by a majority vote to postpone this matter and have it hanging over the committee as a matter of procedure undetermined, where all of the witnesses will undoubtedly have to be marched back if the position of Senator WILEY and those whom he says are supporting him are sustained, the committee has a right so to do. But I have my own views about orderly procedure, and I shall not, under any circumstances, be drawn into any partisan fight in connection with these hearings. I care not what the other members of the committee might do. I say, I will do my duty as I see it.

I think that when there is an important matter of procedure which is raised, the committee should settle it before proceeding to the examination of witnesses, and it just means that we will have to rehash all of these hearings again in the light of what might have transpired in some private conversations at the White House if we do not conclude the issue now, but I am perfectly willing to——

Senator LODGE. May I ask a question?

Chairman RUSSELL. Yes.

Senator LODGE. Does the able chairman contend that if we settle this question today that we have forever foreclosed ourselves from citing any subsequent witness for contempt if we ever feel we should do it?

Chairman RUSSELL. I made a statement the other day that I thought was very much adapted to the question when I said that the Senator had been around here too long to think that such a thing could be done.

I have forgotten to what he was referring, but a man does not have to be here more than 4 weeks to know that the Senate or a committee can reverse itself at any time it sees fit.

It is not done too often; as a rule, when procedure is agreed upon the committee always pays some attention to precedent. Apparently, the committee is not bound by precedent. The committee can establish a rule today, they will compel General Bradley to answer these questions, and if he refuses they can proceed as the law indicates with a witness here; and then another witness might come along, and the same question be asked, and the issue be raised, and the committee could reverse itself and say that they recognize the rule that those conversations were privileged, and therefore they would not proceed against the witness.

The committee is not bound, of course. Neither the committee nor the Senate has rules that are as immutable as the laws of the Medes and the Persians.

Senator LODGE. Will the chairman yield for a question?

Chairman RUSSELL. Yes.

POSSIBLE CITATIONS FOR CONTEMPT

Senator LODGE. Would it not be perfectly feasible to have a practice whereby we did not do any citing for contempt at this stage of the proceeding? Toward the end, if there were 3 or 4 questions that emerged which we thought were important, we could undertake that action at that time; isn't that possible?

Chairman RUSSELL. Of course.

The Chair is not the master of this committee. I am not endeavoring to impose my views on the committee. The committee can take any course it sees fit. They can overrule the Chair, and not cite General Bradley. Of course, that would be slightly inconsistent; but the committee is wholly within its rights if it takes that position.

I wish to make it clear, of course, that this is not an ordinary citation proceeding, wouldn't be. Some of the press seem to throw this mention of a citation in the same category of some witnesses who have refused to state whether or not they have been a member of the Communist Party.

These questions have no relation whatever to such an issue as that. Of course, the same issue of law would control it that does control any other witness the committee deems recalcitrant.

This is a matter of privilege, wherein General Bradley has not failed to state his own views with respect to the subject under consideration, but has declined to disclose a private conversation occurring between himself and the President of the United States and other conversations, when he was serving in the capacity of confidential adviser to the President.

Senator HICKENLOOPER. May I interrupt, Mr. Chairman?

Chairman RUSSELL. Yes.

ROLE OF PRESIDENT TO BRADLEY TESTIMONY

Senator HICKENLOOPER. I might suggest the possibility that the controversy might be eliminated. I don't know, but yesterday it seemed to me that General Bradley said he thought he should contact the President, and if it was all right with the President, he might feel that it was O. K. to discuss the matter, and answer questions; and perhaps he has that authority now.

If he does have, I would assume that would automatically make the question before us moot at the moment, as far as those questions are concerned.

Chairman RUSSELL. I agree completely with the Senator. Of course, it would. I don't know whether General Bradley wishes now to answer the question.

Chairman CONNALLY. I want to register my protest against any such action referring to the President the question whether a witness before this committee shall answer or not. I think the question is much deeper than that. It goes to the very integrity of confidential communications between the President and his trusted and confidential adviser.

If you adopt this practice, there can't be any confidential conferences any more, because they cease to be confidential when they are divulged or even when they call the President in.

You might as well put the President on the stand and let him testify as to what took place if you are going to send the witness back to the President and ask his permission

or consent to divulge a private conversation in a confidential relationship.

I just wanted that to be on the record.

Senator GEORGE. Mr. Chairman.

Chairman RUSSELL. Senator GEORGE.

Senator GEORGE. I think fundamentally and basically it is a privilege that General Bradley has, whether he will divulge anything of a confidential nature; and even though the President might excuse him, it would still be a matter for him to decide, whether or not he would divulge it, whether or not he would make answer.

If there is a confidential relationship and if the question goes to things that occur growing out of that relationship, it then becomes a privilege for the witness himself as well as the President.

So I think that if General Bradley had an express green light, so to speak, from the President, it would still be up to him to decide whether or not he wished to disclose what took place in a conference of the nature and character we are discussing.

Chairman RUSSELL. I did not intend, of course, to submit the question of whether or not the President had released General Bradley. That is a matter, of course, I think of proper testimony from him if he desires to make that statement.

Senator GEORGE. That is true.

LEGAL PRECEDENTS

Chairman RUSSELL. Whereas, on yesterday I delivered a curbstone ruling on this issue when it was raised, as I regret I had not foreseen it would come up, so I could have studied the precedents. I have had a night intervening since then, and I have gone into this matter rather fully from a legal standpoint.

I have quite a number of precedents. Now, the President has a place in this. Under the ruling in the Burr trials, the impeachment of Vice President Burr, a letter was requested of the President, and the President was subpenaed to appear at that trial.

He refused to appear. He sent the letter to the prosecuting attorney, the district attorney who was prosecuting the case, and left it up to the discretion of the district attorney as to whether or not this letter that was subpenaed from him should be released.

Chief Justice Marshall sustained the right of the President to handle the matter in that way. He ruled that the President, if he did not wish to disclose it, he was fully within his rights in not disclosing it; but if it was delegated to another, that then it came into the custody of the court.

So the President does play a part in it. I am not depending on whether or not the President told General Bradley—after all, General Bradley is the witness before us—he did indicate that he would like to discuss the matter with the President.

From a purely legal standpoint as to whether the President did or did not give General Bradley the authority to disclose this private conversation that occurred between the President and his intimate advisers, is not too material.

It might have some bearing on General Bradley's views on the testimony, but I don't think it would directly affect the legal question involved.

Senator WILEY. Now, Mr. Chairman, may I make a statement?

Chairman RUSSELL. Senator WILEY is recognized.

QUESTION OF PARTISANSHIP

Senator WILEY. I tried to get in several times before you got into the legal argument. First I want to say that I didn't like the way the chairman suggested that because a few of us Republicans got together and talked the matter over that it was a partisan matter.

The chairman well knows that after I talked with him, I went over and talked with him and Senator BRIDGES.

Chairman RUSSELL. You didn't discuss the procedure you were going to take with me.

Senator WILEY. That is the very thing we did discuss. We started from the very beginning and suggested what we thought might be the way out of this thing. You came around to the point that your decision should stand; but that is neither here nor there.

Chairman RUSSELL. You wanted me to withdraw my ruling. You discussed that much of the procedure.

Senator WILEY. That is part of the procedure, to see if we couldn't evolve some method.

The only thing I say is that it was the inference that some of us are not judicial, are not bipartisan——

Chairman RUSSELL. I challenge the record as to the judicial part. I did question the nonpartisan aspects of your meeting.

Senator WILEY. I know it, Mr. Chairman. And the chairman has the right to preside but not to occupy all the time.

Chairman RUSSELL. I apologize for the interruption.

POSTPONING APPEAL TO HEAR BRADLEY FIRST

Senator WILEY. I made the suggestion, I might say to those gentlemen of the committee who were not here in the beginning, that in order to accommodate General Bradley we postpone the discussions of the issue itself until tomorrow morning so that General Bradley could get away; then tomorrow we could discuss the legal issue without interfering with General Bradley. That was the point I made this morning, and suggested that then I would appeal tomorrow to the entire committee and we could argue out the legal phases of it. The chairman does not seem to approve that procedure, so I suppose the only question before this group is whether we should move to postpone the discussion of this issue until tomorrow morning in order that General Bradley can carry on today; and then tomorrow morning we can have the legal arguments and vote. That is what I am suggesting at this time.

Senator BREWSTER. Will the Senator yield for a question?

Senator WILEY. What?

Senator BREWSTER. Will the Senator yield for a question?

Senator WILEY. Yes.

Senator BREWSTER. Do I understand that the chairman has ruled that it would not be permissible for you to file an appeal tomorrow morning?

Senator WILEY. No.

Senator BREWSTER. If he has not so ruled, then is there any motion or appeal before us? I do not understand the chairman is intending to control procedures.

Chairman RUSSELL. The chairman is reasonably careful not to infringe on the prerogatives of the committee. I have undertaken to be—and if any Senator here feels I have not, other than my inadvertent interruption of Senator WILEY a few minutes ago, since these hearings started, I would like to have him arise now and state the instance on which he bases that charge.

Senator BREWSTER. Does my question imply any attribution of such action?

Chairman RUSSELL. I could not escape that inference.

Senator BREWSTER. Mr. Chairman, if he proposes to make a motion——

Chairman RUSSELL. No; I propose to make no motion.

Before a great many of you came in Senator WILEY stated, just as he has now since we have a full attendance here, that he thought that this matter ought to go over until tomorrow morning as a matter of accommodation to General Bradley so we could proceed with his testimony today. I stated that in my opinion as a member of this committee—and I trust the fact that I am presiding here does not deny me the privilege of being a member of the committee—that in the interest of orderly procedure this committee should settle this matter now before proceeding with any witnesses. Because if the committee should decide that it is entitled to ask these questions of these personal and intimate conversations that occurred at the White House, we should establish that at the very earliest date so it will not be necessary to continue to call witnesses back here and go over and over and over again the ground.

I stated that as a member of the committee; I made no ruling. And I stated specifically if the committee wishes to postpone it until tomorrow, that it was perfectly agreeable to me. So it is my own feeling it ought to be settled now.

I further stated that from my reading of the record, Senator WILEY at least twice on yesterday withdrew his appeal, but I will not rely on that technicality and would permit it to be considered as entered before the committee, and I will not submit to the committee as to whether or not we shall——

Senator BREWSTER. Mr. Chairman, will the Senator yield?

Chairman RUSSELL. Senator Brewster.

PRESENT STATUS OF APPEAL FROM RULING

Senator BREWSTER. Do I understand that there is now any question made by any member of the committee before the committee?

Chairman RUSSELL. Senator WILEY has suggested that the appeal go over until tomorrow.

Senator BREWSTER. Senator WILEY I did not understand had any appeal pending.

Chairman RUSSELL. If he hasn't, of course there is no issue here.

Senator BREWSTER. That is what I understand is the case.

Chairman RUSSELL. If the appeal is not pending, certainly he can't revive it tomorrow if it is not alive today. The corpse can't lie there and suspend the situation like Mohammed's coffin. It is either an issue here today or it can't be one tomorrow.

Senator BREWSTER. Mr. Chairman, will the Senator yield?

Chairman RUSSELL. Yes.

Senator BREWSTER. There is no question that the Senator from Wisconsin withdrew his appeal yesterday, is there?

Chairman RUSSELL. Well, there is a question because he has asked to have it carried over until tomorrow and I have conceded that the appeal is pending.

Senator BREWSTER. I heard his later statement which was that he proposed to revive the appeal tomorrow. That is what I understood him to say, and that he would raise the question at that time.

Chairman RUSSELL. Well, in my judgment as a member of this committee I shall state it for whatever it may be worth, that we should clear up a procedural matter of this nature before we proceed to take any more testimony. I shall throw the matter open for discussion. I recognize the Senator from Oregon.

Senator MORSE. Mr. Chairman, I think it is very important to clear up this procedural matter this morning before we hear any witnesses. Then we can recess until tomorrow and continue the debate on procedure tomorrow. That might be feasible, but I do not think we should sit here and listen to other witnesses not knowing what questions we can and cannot ask those witnesses.

Therefore, Mr. Chairman, in order to make that matter of issue at the moment, I appeal the decision of the Chair and I wish to say I am making the appeal for the purpose of getting it settled.

Chairman RUSSELL. I do not think it is necessary for the Senator to do that. We

have already agreed the appeal is pending here despite any technicalities that might be involved. It is before the committee for discussion.

Senator HICKENLOOPER. Mr. Chairman (pp. 784–791).

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STATUS OF THE APPEAL

Chairman RUSSELL. If I understand the issue, subject to correction by the committee, Senator WILEY this morning renewed his appeal—that was the effect of it—with the suggestion that it be carried over until tomorrow.

Senator LODGE. Appeal from what?

Chairman RUSSELL. From the ruling of the Chair yesterday on the question as to whether or not General Bradley was compelled to answer the question he asked him on yesterday.

Senator LODGE. And the chairman ruled he was not compelled?

Chairman RUSSELL. That is right.

Senator WILEY. Will the Senator yield?

Chairman RUSSELL. Yes; I yield.

Senator WILEY. I am sure if you read my statement that you will find what I have said was: First, that we, in view of the fact that General Bradley needs to be accommodated and has got to leave, carry on with his testimony; second, that I be privileged tomorrow morning to take the appeal, and that then we spend the time arguing the legal issues.

Then, in response to that, the chairman took the position, as I understood it, that he would not recognize it tomorrow morning, but he would recognize it today, and read into it that I had noted the appeal for today. Now I have not noted the appeal for today. I made this suggestion as a way out. Yesterday in our conversation with the chairman he stated that he would not recognize that anyone else had any right to appeal except me.

Chairman RUSSELL. Well, the Senator, of course, understood that was on the fact that the Senator had withdrawn his appeal, and not that he was going to renew his appeal today or tomorrow or the day following. I shall certainly not be bound by that statement, and I will recognize any member of the committee who wishes to appeal.

Senator WILEY. I am just saying what the chairman said.

Chairman RUSSELL. No notice was served on me that he intended to renew the appeal tomorrow (pp. 798–799).

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Senator MORSE. Mr. Chairman?

Senator LONG. Mr. Chairman?

Chairman RUSSELL. I will recognize the Senator from Oregon and then I will recognize the Senator from Louisiana.

ISSUE BEFORE COMMITTEE

Senator MORSE. Mr. Chairman, I wish most respectfully to make a brief reply to the Senator from Massachusetts, but before I do that I wish to state the issue as I understand it before this committee.

General Bradley was asked by the Senator from Wisconsin yesterday to testify about a conversation that took place with the President at a meeting on April 6, and General Bradley said, in effect, he considered that a confidential conversation and that he did not desire to so testify. The Senator from Wisconsin, the record will show, raised the question as to whether or not he should be required by the committee to answer his question, and the Chair ruled that he should not be required to answer the question, and an appeal was taken.

Chairman RUSSELL. On the ground it was privileged, you might say.

Senator MORSE. Yes. The Chair ruled that he was not required to testify on the ground that the conference was confidential and the conversation was privileged.

Now, gentlemen of the committee, I listened to two radio programs last night—I do not know how many others covered the same point—and both of those radio programs left the impression with the people of this country that listened to the programs that our witness today was running the risk of being cited by this committee for contempt. The whole twist of the program, in my opinion, reflected adversely on General Bradley. I think that in fairness to General Bradley it is the clear public duty of this committee to get this matter settled today, and I am not in favor of hearing one more word of testimony from him until we get this question of procedure settled. This leads me to the comment on the remarks of the Senator from Massachusetts.

IMPORTANCE OF SETTLING LEGAL ISSUES

Since the argument that I made off-the-cuff and curbstone here yesterday afternoon, I have spent a good many hours in the lawbooks on this particular issue. I am ready and prepared, here or on the floor of the Senate today, to argue at some length in support of the legal basis for the position I took yesterday that this whole matter involves a fundamental question of constitutional law in relation to the separation-of-powers doctrine of this system of government.

My good friend from Massachusetts may think that is a legalistic matter, but I say respectfully to him, it goes to the whole question of the rights and freedoms of the Senator from Massachusetts, as well as every other American. I am not going to permit an issue as important as this in our constitutional system to be laid aside or bypassed by a remark that this committee should not engage in legalistic procedure. I want to say that the responsibility of this committee is to lay out an orderly procedure for the conduct of these hearings. That is what the chairman was attempting to do.

When a question is raised as to whether or not a witness shall be compelled to disclose confidential information which under the separation-of-powers doctrine of our system of government he is not required to disclose to any committee, there is nothing legalistic about that, Mr. Chairman. That goes to the question as to whether or not we are going to preserve in this country the three coordinated branches of Government, or whether in his hearing an attempt is going to be made to subordinate the executive power to the legislative.

My good friend from Massachusetts spoke about the Tydings hearings last year and said that they got involved in a lot of legalism. This is not the time and place for me to discuss with the Senator from Massachusetts what happened in the Tydings hearings other than to make this reference to his comment—namely, that I think if they had paid more attention to sound procedure in the Tydings hearings they would not have gotten into some of the difficulties they got into in that hearing.

I have never known the laying out of a sound procedure for the examination of witnesses in accordance with the constitutional power of a committee to be a mistake. I want to say it would be a great mistake if we followed the advice of the Senator from Massachusetts here this morning and laid aside a question which goes to the very heart, in my opinion, of the separation-of-powers doctrine, as we will find if we go into the cases of the Supreme Court itself in some instances.

I say it would be a great mistake to lay that aside and leave a question among the people of the United States as to whether or not the Senate has the power through a committee to call the Chairman of the Joint Chiefs of Staff before a Senate committee and say to him, "You have got to tell us what happened in a confidential conversation that you had with the President of the United States on April 6."

If you insist on it, then believe me you will get into court on it, because I want to tell you there will be some among us who will make a fight in court as to whether or not any Senate committee will purport to upset a line of precedents during our history that the Senate doesn't have that power (pp. 800–801).

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Senator WILEY. Mr. Chairman.

Chairman RUSSELL. Senator WILEY.

ISSUE BEFORE THE COMMITTEE

Senator WILEY. If we could arrive at the procedure we are to follow this morning, I would like to be heard on this legal phase of this matter. I, too, have given some study to it.

In every lawsuit the facts determine generally the law that is applicable. Speaking to my good friend from Connecticut's viewpoint, that there has been extraneous matter, I call his attention to the fact that on the first examination I had of General Marshall I stated I thought there was but one issue.

General Bradley yesterday named the second issue, but the one issue I said was whether or not in my opinion, before the bar of public opinion, the facts justified the action of the President.

I compared it to the case in the Senate where a Senator, when an appointment is made by the President from his State, can say the appointee is personally obnoxious. That is equivalent to the President's absolute power, because in the Senate we have recognized that as the privilege of a Senator, and we have generally said, "Senator, we will follow you."

But when the Senator comes through and starts to say why he is personally obnoxious and tries to substantiate that conclusion, then it is our function and our duty to examine into the facts.

Now, Mr. Chairman, in my humble opinion, the President of the United States, and I think General Bradley himself, unless the President prohibited him, would be willing to tell the facts that surround the episode.

That is what the people are entitled to. The facts are undisputed that until the letter came to Congressman MARTIN there were no criticisms of General MacArthur's public expressions, and even yesterday in his letter Marshall said in substance that the directives did not apply to the so-called war issue, but did apply to the political issues.

Now I go back to the facts. This man was dismissed. The President and the committee hears all those who participated in consummating the dismissal. We are not asking anything in relation to—anything that is going to injure public policy or injure the safety of the country.

All we are asking, Mr. Chairman, is to tell us what went on in these group hearings. I call your attention that the President wasn't always present. The first hearing the President wasn't there. Are you going to apply the rule to that?

When General Bradley called the Chiefs of Staff and held a meeting at 5 o'clock in the afternoon in his office, the President wasn't there. Are you going to claim that is privileged, confidential?

The next day the President called him over. It was that discussion on the 6th that the general said that he thought was confidential. People say the incident in relation to MacArthur has application. It has no application. At the time of MacArthur he wasn't fired.

We are investigating the justice and the merit and the equity of this firing, gentlemen. That is the basis, that is the issue. Certainly, the President can exercise a certain right, prerogative. When Senator MORSE says there are hundreds of cases, yes, there

are hundreds of cases every way. And when the distinguished Senator from Georgia, our chairman, cites the matter of Marshall—what Marshall of that day said—it is very pertinent, because the President complied with his order. There are hundreds of cases where the President has complied and others where he hasn't complied.

I say for the sake of justice, for the sake of truth, for the sake of the people, the witnesses should tell us how this thing was engineered, what was said, what the facts were that they said justified the act.

It doesn't have anything to do with the military policy of this country, endangering this country. It seems to me very clear that the President should follow what he said as a Senator, that Senator BRIDGES quoted.

If we are going ahead, Mr. Chairman, on the argument of the law, I would like to be heard.

Senator MORSE. Will the Senator from Wisconsin yield?

Senator WILEY. Yes.

STATUS OF THE APPEAL

Senator GREEN. Would the Senator make it clear whether he is renewing his appeal made yesterday, which was withdrawn, or whether he is making a different motion now that we postpone action until tomorrow.

Senator WILEY. I made the suggestion, I did not renew the appeal. Senator MORSE made the appeal. What I suggested twice before was that we postpone this argument that has been going on until tomorrow so that in the meanwhile all the Senators could arrive at their conclusions from investigation of the precedents (pp. 806–807).

* * * * *

Chairman RUSSELL. Gentlemen, I desire to make a reasonably brief statement with respect to the ruling of the Chair.

OUTLINING THE PROBLEM

The question that is now before this committee may be stated in very simple terms: It is, Does this committee, or any other agency of the legislative branch of the Government, have the power to compel a witness who is a confidential adviser to the President of the United States to relate the details of private conferences occurring with the President and other confidential advisers in cases where the witness claims immunity?

The relation between General Bradley, who is the witness whose testimony is under consideration, and the President of the United States, is one that is established by statute.

Section 211 (a) of the National Security Act of 1947 reads as follows:

"There is hereby established within the Department of Defense the Joint Chiefs of Staff, which shall consist of the chairman, who shall be the presiding officer thereof but who shall have no vote; the Chief of Staff, United States Army, the Chief of Naval Operations, the Chief of Staff, United States Air Force. The Joint Chiefs of Staff shall be the principal military advisers to the President, the National Security Council, and the Secretary of Defense."

I shall not read all of this section, but I do wish to read a few of the duties as outlined.

"Subject to the authority and direction of the President and the Secretary of Defense, the Joint Chiefs of Staff shall perform the following duties, in addition to such duties as the President or the Secretary of Defense may direct:

"(1) Preparation of strategic plans and provision for the strategic direction of the military forces.

"(2) Preparation of joint logistic plans and assignment to the military services of logistic responsibilities in accordance with such plans."

And I ask the committee to make special note of subparagraph (3):

"(3) Establishment of unified commands in strategic areas."

It seems to me that this statutory relation created by the act which I have just read creates a confidential relationship of the highest order between the witness, General Bradley as Chairman of the Joint Chiefs of Staff, and the President of the United States.

There can be no higher confidential relationship, none upon which the safety and security of our Nation must depend, than that existing by law between the Chairman of the Joint Chiefs of Staff and the President of the United States.

This is particularly true on occasions when the Chairman of the Joint Chiefs of Staff is called upon to advise the President on matters of this nature where the President requests such advice, and to perform his other duties pursuant to the National Security Act.

The Constitution of the United States is the source of all power vested in the three equal but coordinate branches of the Government. It has been properly described as the most remarkable work to have been produced by the mind of men at a single stroke.

The future freedom and security of our country depend as much upon the maintenance and the delicate system of checks and balances designed by the Founding Fathers as upon our armies, our navies, and our fleet of airplanes. Among the most valuable of the checks and balances devised are those which prevent one of the branches of the Government from imposing its will upon the other.

As I see it, that is one of the fundamental issues that is here before us at this moment. I have made some study of the precedents involved in this matter. So far as I have been able to ascertain, there is no single exception of a judicial determination that protects the confidential communications between the President and the advisers which assist him in the discharge of his duties.

They are held to be of the highest privilege.

While the power of the President to withhold information or documents, within the jurisdiction of the judicial branch, has been frequently challenged, I do not know of any occasion where any legislative or judicial agency has insisted upon the right to have extended to it the words spoken in a highly confidential conference between the President and his advisers.

It is of course, a matter of common knowledge that the legislative branch of the Government, within itself, has no powers of enforcement against any witness, it matters not what his position may be, or the contempt with which he might treat any committee of the Congress.

We are compelled to rely upon the courts of this land for the enforcement of any proceedings which might be had, growing out of the refusal of a witness to answer, in any specific case.

Therefore, as I see it, the rulings of the courts, the only enforcement agency that is available to the legislative branch of the Government, are controlling in this question.

DEFERENCE SHOWN MARSHALL AND MAC ARTHUR

Now, before proceeding to deal with these questions, and to cite some of the precedents, I think it is only fair that the record should show that when General MacArthur was a witness before this committee, he was asked, in effect, to relate here, from that stand, what transpired in the private conference with the President of the United States, at a conference held on Wake Island.

General MacArthur declined to answer that question, on the grounds that such disclosure would be improper.

The general's refusal to answer the questions was not challenged.

I think the record should further show, at this point, that the same, or similar, question was asked of Secretary Marshall when he was before us as a witness, and that he declined to answer on the ground that private conversations that he held with the President of the United States were privileged, and that his disclosure would be improper.

No challenge was entered at the time that the failure of the Chair to compel either of these witnesses to answer this question was improper or was keeping from the American people information that they were entitled to have.

The question arose after General Bradley had completed his statement and after he had claimed the immunity which had twice been used as a cloak by other witnesses.

Now, from the administration of President George Washington down to this good hour there is no decision in any court of competent jurisdiction of which I have any knowledge which has held in any single instance that a witness who was an agent of the President or a witness who occupied a confidential relationship with the President or a witness who was the head of an executive department could or would be compelled by the courts to produce any documentary material relating to the exercise of the executive functions without the consent of the President.

HISTORICAL PRECEDENTS

A private conversation of the nature involved in this case, relating to matters of the highest import would seem to me to be entitled to even a higher degree of immunity than the documents that are involved in other cases that have arisen.

Those cases begin with the request of the Congress for certain papers and reports relating to the ill-starred campaign of General St. Clair against the Northwestern Indians.

Over a period of more than a century and a half, when a very natural conflict has raged between the legislative branch and the executive branch of the Government——

Senator SALTONSTALL. Would the Senator yield for a question or would be prefer not to?

Chairman RUSSELL. I would prefer not to yield. The unbroken line of decisions, so far as I have been able to determine, sustain the ruling made by the Chair on day before yesterday.

This is true in innumerable cases where the matters involved are of greater or lesser import than the one before us. The precedents reveal, as far as I can determine from a reading of those that I have been able to locate, that the President may reveal, but that if he chooses not to do so, he is wholly within his powers. He is the judge of his powers.

I wish to make it clear that this issue does not involve any individual in the office of the President of the United States; it involves the rights and powers which inhere to the Office of the Chief Executive or the Chief Magistrate of this Nation.

Now I shall not burden the record here with a reading of innumerable authorities which I think are pertinent to this case. I shall read a general statement which is from one of the most reliable texts of which I have any knowledge—from the 58 American Jurisprudence Witnesses, section 535, and I quote:

"Courts will not compel the disclosures of State secrets by other departments of Government in ordinary judicial proceedings or require the publication of a State document that may involve danger to the Nation"—here is the pertinent one—"or of communications between Government officers of a confidential nature."

That is a general statement that appears in this text.

As to State matters the Governor is the absolute judge of what official communications to the executive department may be revealed.

MARBURY VERSUS MADISON

I think it is generally conceded that perhaps the leading case on this subject is

that of *Marbury* v. *Madison*, a case that perhaps has been cited as much or more than any other decision ever handed down by the Supreme Court. It is found in First Cranch 137. I wish to read merely one paragraph from that decision.

"By the Constitution of the United States the President is invested with certain important political powers in the exercise of which he is to use his own discretion and is accountable only to the country and his political character and to his conscience. To aid him in the performance of these duties he is authorized to appoint certain officers who act by his authority and in conformity with his orders. In such cases their acts are his acts, and whatever opinion may be entertained of the manner in which executive discretion may be used, still there exists, and can exist, no power to control that discretion. The subjects are political; they respect the Nation, not individual rights, and being entrusted to the Executive, the decision of the Executive is conclusive."

During the administration of President Abraham Lincoln, his Attorney General, James Speed, delivered an opinion which, in my judgment bears very cogently on this issue, and I shall read one paragraph from that:

"Upon principles of public policy, there are some kinds of evidence which the law excludes or dispenses with. Secrets of state, for instance, cannot be given in evidence and those who are possessed of such secrets are not required to make disclosure of them. The official transactions between the heads of departments of Government and their subordinate officers are, in general, treated as privileged comunications. The President of the United States, the heads of the great departments of Government, and the governors of the several States, it has been decided, are not bound to produce papers or disclose information communicated to them where, in their own judgment, the disclosure would, on public considerations, be inexpedient. These are familiar rules laid down by every author on the law of evidence."

MYERS *v.* UNITED STATES

I shall also wish to quote from an opinion delivered by Chief Justice Taft in the case of *Myers* v. *United States* that the highest and most important duties the President's subordinates perform are those in which they act for him. In such cases they are exercising not only their own but his discretion, and this is the quotation from that decision:

"This field is a very large one. It is sometimes described as political. Each head of a department is, and must be, the President's alter ego in the matters of that department where the President is required by law to exercise authority."

The Chief Justice, after his service as President of the United States, wrote a book entitled "Our Chief Magistrate and His Powers," and I wish to quote briefly from that to show that he did not change his opinion after he had been the President of the United States.

"The President is required by the Constitution from time to time to give to Congress information on the state of the Union and to recommend for its consideration such measures as he shall judge necessary and expedient, but this does not enable Congress, or either House of Congress, to elicit from him confidential information which he has acquired for the purpose of enabling him to discharge his constitutional duties if he does not deem the disclosure of such information prudent or in the public interest."

TOTTEN CASE

I was particularly happy to find the so-called Totten case dealing with this subject because they used some of the language and argument that was submitted by the Chair to sustain his position at the time the ruling was entered.

This was an action that was brought by Totten to recover compensation for services alleged to have been rendered by intestate Lloyd under a contract with President Lincoln made in July 1861, by which he was to proceed south and secure information as might be beneficial to the United States.

I shall not comment upon the fact that there were probably some people in my section of the world who thought that was a rather ignoble mission, but the Court held that the President was wholly and completely within his rights in making the contract, and I shall now read the pertinent extract from that decision:

"It may be stated as a general principle, that public policy forbids the maintenance of any suit in a court of justice the trial of which would inevitably lead to the disclosure of matters which the law itself regards as confidential and respecting which it will not allow the confidence to be violated. On this principle, suits cannot be maintained which would require a disclosure of the confidences of the confessional, or those between husband and wife, or of communications by a client to his counsel for professional advice, or of a patient to his physician for a similar purpose. Much greater reason exists for the application of the principle to cases of contracts for secret services with the Government, as the existence of a contract of that kind is itself a fact not to be disclosed."

That was a unanimous decision of the Supreme Court in the case of *Totten, Administrator* v. *U. S.* (92 U. S. 105), and the decision was written by Justice Field.

SAME SITUATION ON STATE LEVEL

Now I think it casts some light upon this subject to consider some of the cases that have arisen in the several States with respect to the power of the governor, because certainly if a governor is protected in his confidential communications, the same protection or even a greater degree of protection would be afforded the President of the United States.

That is particularly true in the cases of this nature where the relationship between the parties is established by statute as under the National Security Act. I quote from the opinion of *Gray* v. *Pentland* (2d Sergeant and R.), that is a Pennsylvania case, page 23:

"Communications relating to matters of state have generally been held privileged, and the officer entitled to refuse to disclose them. Likewise, communications which do not so clearly relate to matters of state have also been held privileged. The governor of a State has been held to have a discretion to refuse to furnish a communication contained in a letter addressed to him with reference to an officer in a subsequent suit for libel."

Now that case was specifically approved in the decision in the case of *Thompson* v. *German Valley Railroad* (22 New Jersey Equity Case Reports 111), and again in Hartranft's appeal (85 Pennsylvania 433), the governor was held entitled to refuse information to a grand jury concerning the military or other means used in the suppression of riots which were under investigation by the grand jury. The court stated that the propriety of withholding information required by the grand jury must be determined by the governor himself, and the weight of the reasons influencing the conclusion at which he arrives is for himself, and not for the court, to consider.

PARALLEL CASES

It might be interesting to observe a parallel to the case we have under issue that the Adjutant General and two officers of the National Guard were involved in this case. Their testimony was sought, and they were held to be governed by the same principles which controlled in the case of the Chief Executive, the court stating that if the governor is exempt from attachment, or from subpena, his immunity protects his subordinates and agents.

I shall not read the body of that decision.

I might say that from the earliest days of the common law it has been clearly held that any communication between a governor, even a colonial governor, and any person is privileged, and is entirely within the discretion of the governor as to whether he shall disclose it.

I regard that as being paralleled by the precedents in the case of the efforts to secure information from the executive department of the Government on the Federal level rather than the State.

It is firmly settled constitutionally—I don't think anyone would dispute that, it is very elementary—that the executive, legislative, and judicial branches of the Government are coordinate. If any matter is privileged before the judicial department, it is equally privileged before the legislative department.

I want to read briefly from an opinion on this subject which was delivered by then Attorney General Robert Jackson, who is now an Associate Justice of the Supreme Court, because he in very brief form refers to a number of instances which, in my mind, are wholly in point in this matter.

"In 1825 the House of Representatives requested President Monroe to transmit certain documents relating to the officers of the Navy of the United States on the Pacific Ocean and of other public agents in South America.

"In his reply President Monroe refused to comply with the request, stating to do so might subject individuals to unjust criticism, that the individuals involved should not be censured without just cause, which could not be ascertained until after a thorough and impartial investigation of their conduct and that under the circumstances it was thought that communication of the documents would not comport with the public interest nor with what was due to the parties concerned."

If that holding of President Monroe, in a case of that nature, and requested by a resolution of the House of Representatives, was not challenged, but permitted to stand as a precedent, as was the case, it would appear to me all the more applicable in a case of this nature which involves not documents relating to officers stationed in the Pacific, but to confidential communications between the President and his statutory military advisers.

In 1833 the Senate requested President Jackson to communicate to that body a copy of a paper purporting to have been read by him to the heads of the executive departments, dated September 18, 1833, relating to the removal of the deposits of the public money from the Bank of the United States.

President Jackson declined on the ground that those documents relating to the removal of money from the Bank of the United States were privileged.

How much more highly privileged would be, in this case, a private conversation between the President and his confidential advisers.

In 1835, the Senate passed a resolution requesting President Jackson to communicate copies of the charges, if any, which might have been made to him against the official conduct of Gideon Fitz, late Surveyor General, south of the State of Tennessee, which had caused his removal from office.

In reply, President Jackson again declined to comply.

I continue to read from this opinion:

"This discretion in the executive branch has been upheld and respected by the judiciary. The courts have repeatedly held that they will not and cannot require the Executive to produce such papers when, in the opinion of the Executive, their production is contrary to the public interest.

"The courts have also held that the question of whether the production of papers would be against the public interest is one for the Executive, and not for the courts to decide."

There follows a citation of a large number of decisions. I shall not read all of those citations. They appear in the CONGRESSIONAL RECORD, volume 94, part 5, page 6259, proceedings in the Senate, May 21, 1948.

I will read this further statement because it relates directly to our American system, depending upon a written Constitution, and division of powers as between the three equal and coordinate branches of the Government.

KILBOURN *v.* THOMPSON

This is taken from the case of *Kilbourn* v. *Thompson:*

"It is believed to be one of the chief merits of the American system of written constitutional law that all of the powers entrusted to the Government, whether State or National, are divided into the three grand departments—the executive, the legislative, and the judicial—that the functions appropriate to each of these branches of Government shall be vested in a separate body of public service, and that the perfection of the system requires that the lines which separate and divide these departments shall be broadly and clearly defined. It is also essential to the successful working of this system that the persons entrusted with power in any one of these branches shall not be permitted to encroach upon the powers confided to the others, but that each shall by the law of its creation be limited to the exercise of the powers appropriate to its own department and no other."

When I was compelled to rule upon this matter on day before yesterday, I stated that my ruling was dictated altogether by my conception of the rights of each of the coordinate branches of the Government. I stated then, and I reiterate today, that I would defend jealously the prerogatives of the Senate of the United States, of any committee of the Senate of the United States, were those prerogatives threatened by encroachment from the Chief Executive or from the judiciary. I shall insist upon extending to the executive branch of the Government, without regard to personalities, without regard to feelings that may be involved in this particular issue, all of the rights that I would defend as being inherent in the legislative branch.

RESPECTING CONFIDENTIAL RELATIONS

The question of confidential relations is nothing new in Anglo-Saxon jurisprudence. There are any number—I have already cited most of them—that of husband and wife, attorney and client, doctor and patient. In my opinion to an even higher degree immunity attaches to the witness General Bradley in the facts as they are presented to this committee.

Here is a case where there is a statutory relation between the parties of confidential advisers. The general has offered to relate all facts, all conclusions, all reasons, but he stood upon his immunity in declining to go into the details of conversations that he had with the President and other confidential advisers on the subject which is under inquiry.

I think he is fully within his rights. I ruled as I saw the facts to protect our form of Government and to keep from involving one of the branches with the other.

If we ever arrive at the time in this country when, whatever be the heat of passion, whatever the political consequences, whatever issues of the moment might be involved, that we permit or contribute to, or ourselves motivate the invasion of the prerogatives of one of the branches of the Government, why, we would in my opinion have taken a long step toward the ultimate destruction of our institutions.

AN APPEAL TO CONSCIENCE

I regret very much that this matter has developed here. I regret even more deeply that, from the indications of the discussion around this table, it has developed along party lines, and that it has a political overtone.

I have endeavored to be as objective as I could in this matter, and I wish to conclude my remarks by appealing to the members of this committee, to each and every member of this committee, whether he has a label of Republican or Democrat, to vote his conscience, vote as his intelligence dictates on this issue, which is far more important than the mere matter of General Bradley's being compelled by action at law—even if he could be compelled, which I am confident he could not—to testify as to the details of a personal conference of a highly confidential matter.

Senator WILEY?

MAINTAINING DIGNITY AND POWER OF THE SENATE

Senator WILEY. Mr. Chairman and gentlemen of the committee, may I open my argument by saying there is no partisanship in what I have to say, unless it is to maintain the dignity and the power of the Senate. In this aspect, I am partisan.

I would likewise be partisan in maintaining the dignity and the power of the other branches of the Republic. I resent the statement that there is any political overtone in this matter.

Now, let us get that washed out once and for all. Before I am through with my argument I expect each one of you, as I know you will, to decide the case according to your conscience, according to the justice of the situation, and according to the law.

I shall discuss briefly the facts and the law as it pertains to this situation.

In the words of Harry Truman, when he was a Senator:

"I maintain that we don't think he has got the right to shut off the information from those in Congress who want it."

Those words are applicable.

I ask you Senators, do you want the information of what went on beginning with April 5 or don't you? Apparently, some of you have the information, according to Senator FULBRIGHT, when he asked the question of MacArthur, he had some information to the effect that Acheson did not support the President.

Now, why are we not entitled to that? All right.

Now, the authorities support generally the above propositions. I do not disagree with the law as quoted by my distinguished colleague from Georgia. I do not disagree with the principles he quoted, but I shall show you they do not apply.

I agree that the authorities generally follow this line: One, that the scope of a congressional investigation is as broad as the legislative purpose requires — *Townsend* v. *United States.*

Two, that the subpenaing by a duly authorized investigating committee of the Congress is no more restricted than that of the grand jury.

My colleague quoted to you the Marbury case. Listen to what Marshall said:

"The President of the United States may be subpenaed and examined as a witness and required to produce any paper in his possession. It is not controverted that the President, although subject to general rules which apply to others, may have sufficient motives"—get that now—"for declining to produce a particular paper, and those motives may be such as to restrain the court from enforcing the production."

Three, the right of a legislative body to demand and receive from the executive branch information, papers which it deems pertinent to the legislative process, is established.

Four, that this established right has been vigorously asserted at times by the Congress of the United States against the President and the executive officers.

Now, are we mice or men? This is our nest. I have been in it 12 years, and I am not going to befoul it by laying down a precedent that is going to deprive it of its power that has been asserted by men in Congress for one-hundred-and-fifty-odd years.

Five, that the President and the executive officers have vigorously defended it against such asserted right on the basis of the fundamental doctrine of separation of powers of the executive, legislative, and judicial branches of the Federal Government.

Six, that the Congress has merely asserted its right to obtain information without attempting to enforce it.

Now, these are definitely laid down conclusions established by law.

Seventh, that the Congress has never attempted to invoke against executive officers the law which provides that every person who, having been summoned by either House to give testimony or to produce papers upon a matter under inquiry, willfully makes default is criminally liable. There is a statute to that effect.

Now, I ask you to particularly pay attention to this line of argument, because it answers, in my judgment at least as a practicing lawyer of 30-odd years, the argument of my distinguished friend from Georgia. The facts generally determine the law that is applicable thereto—the facts.

FACTS OF THE CASE

What are the facts? I remember a wise counselor said to me, "Don't look up the law until you get the facts, because if you attempt to look up the law first, you may try to slant the facts to the law."

That might be suborning perjury.

These are the facts: A joint investigating committee is investigating the recall by the President of General MacArthur and the facts generally relating to Korea.

Now, there is no question about that. The right of the President as Commander in Chief to recall MacArthur is conceded. The basis and the justification therefore are not conceded. We are seeking the facts.

Some of you have some of the facts, as I indicated. A witness appears, either by subpena or voluntarily, before us and tells this committee that he will only tell us some of the facts.

It is conceded that the letter that MacArthur wrote to Congressman MARTIN precipitated a chain of circumstances, including conferences, conversations, and consultations, which eventually resulted in his removal.

The facts, as far as we know them, relating thereto are as follows: Bradley does not recall who telephoned nor what was said, but he later phoned the Chiefs of Staff, who met at 5 o'clock that afternoon, April 5, 1951, at Bradley's office. The President was not present.

What was said and done there is relevant and pertinent. The next day General Bradley, Acheson, Marshall, and another met with the President.

I asked Bradley what was said. He claimed that what was said was confidential. Now, get this. You are a judge and a lawyer. You remember the law that was quoted by this distinguished citizen from Georgia.

There is nothing in the record to show that the President claims that conversations on the 6th and subsequent thereto were confidential. That is his right.

You remember the questions I asked yesterday. General Bradley does not want to ask the President anything relative to the subject. He testified to that effect.

Bradley took the position that the conversation was confidential, entirely on his own initiative. That is a pretty important fact, my friends.

There is another fact we can't ignore in this case. The President has not stated one way or the other whether the public is entitled to have the facts resulting from these conversations by those who were present during the time when the MacArthur recall was planned and executed.

Why? Why hasn't he told the public? Isn't he a servant of the public, the same as you and I? Neither has the President expressly determined that the information that we ask would be contrary to public interest. Every decision and authority cited by the gentleman from Georgia says, "Where the President determines that."

In regard to evidence in this case that he has said to be confidential, does he say it is contrary to the public interest? No. The witness that comes here wants to be excused. Every witness could be excused on that basis. Nothing is in the evidence to the effect that it is contrary to the public interest.

I challenge anyone to show in this record one iota that says that this evidence of these hearings, if produced, is contrary to the public interest. Read decisions. What do they say? Just refer to what the gentleman from Georgia said: That when the President exercises his right—and that is all—the other rule would be ridiculous.

Let us bear in mind what the purpose of these meetings was. We are inquiring into that purpose. In plain vernacular the purpose of these meetings was to get MacArthur, and to lay a basis for his removal.

I am not just drawing inferences. A member of this committee has asked Bradley, "Don't you know that Acheson defended you," or words to that effect, "don't you know" implying he knows with whom he has been talking. But we can't talk to that person or hear him.

I repeat that the President has not said that what was said at these meetings would be contrary to the public interest. The law requires that before he can exercise his right or privilege. I speak to you as men of the Senate who have been elected as representatives of the people in the States, not subordinates, not yes men, but men who are now defining a policy that may rise up to haunt you and those who come after.

What is the position of the joint committee when a committee witness declines to answer questions on the ground that his conversation was confidential with the Chief Executive, although said witness and others are perfectly willing to give the conclusion of their conversation with the Chief Executive?

Now you are judges and lawyers. Stop and think. In this case stated above, the witness takes the position that he would be out of order to answer specific direct questions stating the facts, but he would tell the conclusions.

Now in reply to my friend from Georgia, please note that this question does not involve the controversy which has been raging bitterly for the last 3 Congresses and for over 150 years.

PRESIDENT HAS NOT REFUSED INFORMATION

What can the Congress do to secure information from the Chief Executive when the latter refuses to cooperate? That has been an issue for 150 years. That is not involved in this case. The President has not made known his refusal. A witness refuses.

Now you have got the facts before you, my associates. It is my opinion that the Congress has the legal right to have that information even if the President refused to give it, but he did not refuse. If the President refused, it would raise simply a question of power, first, the power of Congress to force the answer over the objections of the Executive, and secondly the power of the Executive to withstand successfully congressional demands. That is not the issue here.

There is no Executive refusal yet. There are many cases on the record whereby Congress has successfully secured information from the Chief Executive and/or his servants over objections. There is no better instance of that than the Marbury case cited by the distinguished gentleman from Georgia.

President Jefferson came through 100 percent, and the law was laid down there definitely, as I have read to you, stating definitely that the President of the United States would be subpenaed.

Now, before continuing further this line of thought, I believe it is to be recognized that when an officer of the President comes before Congress and declines to answer questions, a survey of the reasons for refusing to answer is in order.

Why does he refuse?

If his reason for refusing to answer is not capricious, but soundly within his own discretion, it does not involve the question of Congress versus the Executive—

Please let me carry on.

And, such is the case here.

However, if it is, in fact, a question of the President ordering his witness to decline the information, then the witness becomes more or less a hand tool of the President, and then you are up against the problem of the Congress versus the President; but you are not up against that problem here.

My distinguished colleague from Georgia mentioned the statute saying that the military adviser is "subject to the orders and direction."

Of course.

Did the President give the order or direction in this case?

No. Bradley testifies positively no. It was his idea that it was confidential and therefore he would not have to respond.

That is why the ruling of the Chair is wrong.

If there was, before this committee, one iota of evidence that the President determined that in the public interest he should not answer, you would have a real question.

But I would not even agree then that a witness who comes voluntarily before a congressional committee can stultify the committee.

He should justify his reasons, but he didn't do that.

For, if his reason for refusing, as I say, is not capricious, but soundly within his discretion, then it doesn't involve the question of Congress and the President.

However, if it is, in fact, the question of the President ordering the witness to decline the information, then the witness becomes, as I said, the hand tool of the President.

Under article 1 of the Constitution, the legislative authority is granted to Congress. Implied with this authority to legislate is the implied authority to do those things that are ordinarily necessary to carry out the express power.

Are we going to say that we can't?

It is well admitted, concededly, that in order to legislate, Congress must find the facts upon which to base its conclusion in law.

I remember the case of a Republican Attorney General. The Supreme Court spoke in that case very definitely. It was the Daugherty case.

LEGISLATIVE PURPOSE OF COMMITTEE

The right of the Congress to investigate officials in the administrative and executive branches, and the power of investigation and interrogation is almost plenary. Thus, when a committee of Congress is interrogating the witness along said line, the first question is whether or not the committee has a legislative purpose in mind.

In the case of hearings on the dismissal of General MacArthur and the conflict in Korea, we can go further than that and say we are now investigating the officials as in the Daugherty case. I believe most people will agree that the committee is duly constituted and acting within the authority and has a legislative purpose in mind. Thus questions propounded to the witness along the lines of the dismissal of the general are in order and within the legislative power. When the witness refuses to answer he could be in contempt.

This power or right of asking the question and receiving an answer resides in the Congress when it bumps up against another coequal power such as the Chief Executive, although we did not do that in this case. He did not say he could not answer; he did not say it would hurt the public interest. Mere confidential communication does not in such a case answer the problem.

PUBLIC INTEREST AS DECIDING FACTOR

I will quote what Judge Taft said, as quoted by the distinguished Senator from Georgia. When the President says information is against the public interest, it is, of course, confidential. It follows that the President is the one who makes the judgment that a matter must be regarded as confidential when it is against the public interest. The courts will not ask the President to determine whether his finding is sound or right. He makes it. But he did not make it in this case.

The way to enforce the answer to a question propounded by the committee is through the contempt process. In order to fully understand this question it is necessary to review the contempt machinery in Congress. When a witness refuses to answer a committee question, he is in contempt not of the committee but of the parent body, be it the House or the Senate; and he is only in contempt when a majority of that parent body so decides. Thus a refusal to answer before a committee only becomes contemptuous when a majority of the committee cites to the parent body and when a majority of the parent body votes that it is contempt.

That is not the issue, here. We are not considering that. All we want to find out is why this joint committee cannot extract from a witness, who knows them, get the facts of the conversations, of the transactions, of the plans and schemes, the final way it was consummated. Anything against the public interest there? The answer to that question must be, "No, it would be in the public interest to tell us."

But the President has not made the finding yet that it was against the public interest. So the authority cited by my distinguished friend has no application.

Thousands of contempt cases in history boil down to this: voting machinery that I mentioned. There are many instances where a witness representing the Executive or his departments have been forced to answer by the voting process or by threat of it. I say thousands of cases. There are many cases in history where a witness with immunity has refused to answer because the House or Senate refused to vote a contempt.

Now, briefly, I contend that General Bradley should be required to answer my question. If he refuses to answer then it would be up to the committee to determine whether any further action in relation to contempt should be used. If the President directs him not to answer, if the President says that it is against the public interest, then that raises an entirely different question from the one we have here.

I say there is no privilege between the President and a general which would excuse the latter from answering this question. The privilege arises when there are additional facts. When we are dealing with pure sovereignty questions, of course, settlement then is like treaties between nations. But we are not dealing with sovereignty questions here; we are dealing with the refusal of General Bradley, who has no direction or authority from the President regarding what to say or not to say. He said that yesterday; he did not think he should consult with the President about that. It is a strange coincidence. He recalls definitely the incidents relating to

General MacArthur but the General MacArthur incident has no bearing on the subject we are inquiring into. It occurred when General MacArthur was in command. It was with the President when the President and he walked apart. No one raised the issue because it was not pertinent because the President himself exposed all the facts afterward through General Marshall when they produced this memorandum which he said was gotten down by a witness listening in behind some partition. That is not relevant. The question of what General Marshall did is not pertinent. He could or could not because we did not press it.

What we are saying is that no one now raises the issue of fact.

Let me put it this way: The situation is not dealing on a basis of sovereign with sovereign. This is not the case because of the facts in this case. That is, the President has not directed General Bradley to refuse to answer, and the President has not stated that the disclosure of the information would be contrary to the public interest.

SETTING A PRECEDENT

In the event this joint committee upholds the decision of the Chair, what sort of a precedent will we be setting?

The answer to that is that in effect we will be giving carte blanche to any individual who has ever discussed any matter however inconsequential with the President of the United States. This is ridiculous. Only the President has this power.

The question was asked, "Supposing you went up and talked to the President tomorrow, could you be subpenaed?" Of course I could be subpenaed. The President could be subpenaed, as Marshall says in the Marbury case.

I say we will be giving such an individual the right to refuse to answer a duly constituted committee. I ask again, are we mice or men? Are we going to say that the Senate of the United States, recognized throughout the world as the most deliberative body, is at long last going to say, "No, the President has all the power in this direction; we cannot investigate"? We had better read the Daugherty case.

I for one do not feel we should be setting such a precedent, which will in effect be gravely limiting the rights of a sovereign body of the United States Congress.

It is a fact that in this instance a very distinguished soldier, Gen. Omar Bradley, has made the determination on his own, that he should not divulge conversation. He has made that determination on his own. That is the undisputed fact. He wouldn't even consult with the President. He said the President hadn't directed him he should not divulge this matter.

But suppose some other individual on some other occasion, some individual far less important than Bradley, chooses to tell the committee the same thing. Suppose another witness will not cooperate with the committee because of what he thinks is confidential. A fine rule we are asked to lay down. Remember, the rule you lay down pertains to the facts that are developed. So I say that both General Bradley and any other individual, no matter how high or how low a position, should be required to testify.

As a matter of fact, I would contend that even if the President of the United States had said that the information should not be divulged, this committee is entitled to the facts; but again I repeat, the President of the United States has said no such thing.

The testimony has been given by Bradley and Marshall relating to these meetings and is in the nature of conclusions. That is another legal situation. It is just common sense that, when a part of a transaction is disclosed by conclusions, the whole transaction should be developed before the body that has to pass upon the correctness of the act and the conclusion.

I trust that I have presented these thoughts clearly, as I would in court, and I must say that I have some pretty strong convictions, gentlemen, upon the act and the consequences upon which you are about to act here.

THE BAR OF PUBLIC OPINION

Now, I address a thought before the bar of public opinion. I say that the American people will be deeply disappointed that high individuals do not feel that the American people are entitled to the facts on so crucial a matter which affects the lives of a quarter of a million American boys now in Korea and the millions of American boys who might be engaged if a third world war is not averted. The American people are entitled to know how the removal of MacArthur was brought about.

In view of the fact that the President has not seen fit to claim that the conversations in question were confidential disclosures, and in view of the fact that the public is entitled from every viewpoint to be given the facts, and in view of the further fact that the President has not found for the record or otherwise that the disclosures of such conversation would be contrary to the public interest—I want to repeat, and I want to ask Senator GEORGE, particularly, to pay attention to this statement, because he just came in late—in view of the fact that the President has not seen fit to claim that the conversations in question were confidential disclosures, in view of the fact that the public is entitled from every viewpoint to be given the facts, but in view particularly of the further fact that the President has not found for the record or otherwise that the disclosure of such conversations would be contrary to the public interest, it would seem that in the public interest the President now should sanction all witnesses who participated in this undertaking to tell the facts and the conversations and the various steps which took place until the recall of MacArthur was finally consummated.

I am, in effect, urging that the President release General Bradley and any subsequent witness from any pledge, open or implied, even though Bradley said there wasn't any; he had not talked to the President. He should release them and direct them to come through.

THE RIGHT OF THE PEOPLE

The people are entitled to that information.

I esteem loyalty to one's superior as much as any man, but the public interest should come before any personal loyalty on so crucial an issue as this.

The only reason that I have fought for this cause is in order that we in the Congress and the American people might get the facts.

I want to point out most respectfully to my colleagues that a vote in opposition to sustaining my appeal will, in effect, be furthering the trend of making the legislative branch what it was back in the early 1930's, a group of "yes men" for the executive branch.

DIGNITY OF LEGISLATIVE BRANCH

I do not want this situation to recur. I want the legislative branch to stand on its own feet, to maintain its own dignity, to stand where our forebears in this branch have stood for 150 years, and to maintain, in effect, the legal prerogatives and the power of the Senate.

Now, Mr. Chairman, my good friend quoted Jackson's opinion. If you will refer to Jackson's opinion, you will find that he concludes with practically the identical language that President Taft used in his book, where he said in speaking of the President:

"Congress or either House cannot elicit confidential information which the President has acquired in enabling him to discharge his constitutional duties if he does not deem the disclosure of such information prudent or in the public interest."

"He" does not deem it. I emphasize "he." That is Taft in his book.

Now, if you will find the case, you will see that it refers to this language:

"The courts have repeatedly held that they will not and cannot require the Executive to produce such papers when in the opinion of the Executive their production is contrary to the public interest."

"When in the opinion of the Executive"—is there any opinion in this case?

I repeat, Bradley said, "I had not yet consulted with the President," No; he had nothing to do with it. It was his own idea. The witness says it is his own idea about what he is going to testify before the committee.

I imagine what some of you would do, in presiding in court, if a fellow says it is his own idea, and, therefore, "I won't testify. I claim it is confidential. I claim I talked with the President. I went up and talked with the President today."

This committee had a perfect right to call him in. I am citing better authority than my own. I am citing Marshall, where he said that the President himself could be subpenaed to testify; and, when he would be, he would have to give his excuse, to wit: "In my opinion, it would be against the public interest." That is sufficient; a court recognizes it, and you and I will recognize it, too. The President has not said that.

How much time have I used? Thirty-three minutes. I will close at this time and reserve for myself more time in the end, if necessary.

Chairman RUSSELL. Do you desire to yield to anyone here?

Senator WILEY. Not at this time. If you want to yield——

Chairman RUSSELL. I will yield to my colleague, the senior Senator from Georgia.

NATIONAL SECURITY ACT

Senator GEORGE. I wish you would hold over for the time being and let me hear someone else, if you have someone else who wishes to express an opinion.

Chairman RUSSELL. Senator MORSE wanted some time. He will be back at 12 o'clock.

Senator GEORGE. Mr. Chairman, I would have only a brief statement to make on this matter.

I indicated yesterday that in my opinion the question of immunity is not involved here; it is purely a question of privilege of the witness who is called to testify. If the witness is called to give testimony with respect to matter confidential in character and in nature, it is a privilege which he may claim.

I am not discussing in my brief statement any aspects of the power of the Chief Executive himself, the President, but only General Bradley as the witness before the committee. Now, in 1947 and by an elaborate amendment of 1949 the Congress passed the National Security Act and passed the National Security Act amendments of 1949 thereto. Under section 211 (a) of that act it will be noted:

"There is hereby established within the Department of Defense the Joint Chiefs of Staff, which shall consist of the Chairman, who shall be the presiding officer thereof but who shall have no vote; the Chief of Staff, United States Army; the Chief of Naval Operations; and the Chief of Staff, United States

Air Force. The Joint Chiefs of Staff shall be the principal military advisers to the President, the National Security Council, and the Secretary of Defense."

The subsection (b), I quote again:

"Subject to the authority and direction of the President and the Secretary of Defense, the Joint Chiefs of Staff shall perform the following duties, in addition to such other duties as the President or the Secretary of Defense may direct:

"(1) Preparation of strategic plans and provision for the strategic direction of the of the military forces.

"(2) Preparation of joint logistic plans and assignment to the military services of logistic responsibilities in accordance with such plans.

"(3) Establishment of unified commands in strategic areas."

Under subsection (d) of section 211 (a), which I have read, is a further subsection (e), which reads as follows:

"In addition to participating as a member of the Joint Chiefs of Staff in the performance of the duties assigned in subsection (b) of this section, the Chairman shall, subject to the authority and direction of the President and the Secretary of Defense, perform the following duties," which are set out in subparagraphs (1), (2), and (3). It seems to me, Mr. Chairman, that the undoubted relationship here created is one of the highest confidence, as General Bradley is the Chairman of the Joint Chiefs of Staff, the body which is declared by the act of Congress itself to be the principal military adviser to the President, to the National Security Council, and to the Secretary of Defense.

CONFIDENTIAL RELATIONSHIP AS ACT OF CONGRESS

I do not see how a higher relationship, confidential relationship, could be brought into existence, and this high confidential relationship is the act of the Congress itself, which act had in fact the approval of the President of the United States. So, I think that General Bradley, as the Chairman of the Joint Chiefs of Staff, could undoubtedly claim the privilege to withhold any statement made by him or any member of the council or of the President.

There is not here any suggestion of bad faith. There is not here any suggestion of the arbitrary withholding.

There is here, on the contrary, the express statement, by the witness, of his willingness to disclose all of the conclusions reached, and all of the things finally done, as the result of any conference had by him as a member of this council on the 6th of April.

There is expressed here that so far as the conversation that might have occurred between the Chairman and the Joint Chiefs of Staff, on the 5th of April, the general also had no recollection, and was unable to make any statement to the committee; and through his whole testimony, up to the point, I take it that there is no suggestion of any arbitrary attitude upon the part of General Bradley.

He appears before this committee in his official capacity.

He was called upon to relate conversations that occurred in an official meeting held pursuant to an act which creates an office of the highest confidence, as I have said before.

Now, Mr. Chairman, I do not, myself, believe that any exceptions to the general rule can be admitted, because to admit exceptions would destroy the rule itself; but I have recited the fact that there is nothing in this record to disclose any arbitrary conduct on the part of General Bradley, in declining to make answer to the question relating to the conversations on April the 6th, at which the President, of course, was present.

Now, Mr. President, what is the character of General Bradley, the official character, I mean?

He is here as the Chairman of the Joint Chiefs of Staff, the principal military adviser to the President, to the National Security Council, and to the Secretary of Defense, with regard to matters that affect the general welfare and vital security of the country.

In ordinary relationships, if it appears that an attorney is approached by a prospective client for the purpose of employing him, and if he discloses to that attorney facts adverse to his interests; if it appears to a court that the relation of attorney and client existed, or that the disclosure was made in the course of the creation of that relationship, no court in the land would permit the attorney to disclose any part of the conversation that took place with his client.

When that fact appears, that is the end of the matter, and it doesn't matter what the client would have to say about it. It doesn't matter that the client himself would waive his rights.

The attorney has a position which under the law, under our own system, he is entitled to protect, and which, moreover, it is his duty to protect.

PRIVILEGE OF JUDICIARY AND CONGRESS

Whatever privilege is recognized by the judiciary, an equal and coordinate branch of this Government, should, in my judgment, be recognized by the Congress, either House of the Congress, or by any committee of the Congress.

Indeed, the reasons would seem to me more impelling upon the Congress, particularly in this matter where the general himself is the creature and is acting under, in his official capacity, the mandate of a law passed and approved by the Congress.

Now, the basis of this privilege to the witness undoubtedly is that it is not in the public interest and cannot be in the public interest, that it is destructive of the integrity of Government itself, and that any communications, oral or written, relating to high matters of state should be revealed.

That is the basis on which General Bradley in his official capacity here has declined to make answer to these questions.

It seems to me that undoubtedly the privilege exists, and undoubtedly General Bradley is entitled to exercise that privilege, he has exercised that privilege, and that is the end of the matter, so far as mere conversations that lead up to the final conclusions or the final actions taken, which are not withheld from the committee, and which General Bradley himself disclosed and expressed a willingness to completely disclose.

Suppose it should occur in a meeting of this National Security Council that General Bradley had advised against the appointment of, let us say, General Ridgway in Korea. Nevertheless, the President appointed General Ridgway. Suppose it should occur that General Bradley had urged someone else over General Ridgway.

Could we, without destroying the whole function of this important officer of the Government, in his position of high confidential relation to the President, could we compel the general to detail the conversation that took place?

It might, and unquestionably in that case would, be perfectly proper to say what action was finally taken, what the judgment is finally, but not the successive steps that were presented by him or other members of that official body then advising with the President in a high matter of state.

ADVISERS MUST MAINTAIN PRESIDENT'S CONFIDENCE

It does not seem to me, Mr. Chairman, that there ought to be any doubt about it in this case, and that it does not present a conflict between the executive power and the legislative power. It simply recognizes the necessity of permitting one who is created to advise the President to remain the adviser of the President in a true sense.

If that adviser may be questioned about what he said and what someone else said, and the arguments that went pro and con, would it be possible to imagine that he could retain the confidence even of the President?

Therefore, he could not discharge his functions, and as I see it, this case should be determined upon General Bradley's own right to claim his privilege and to assert it here to the committee (pp. 832–850).

* * * * *

SEPARATION OF POWERS

Senator MORSE. Mr. Chairman, I will not be able to complete the argument that I prepared, but if necessary will complete the argument at a later hour on the floor of the Senate at an appropriate time. At this time I will summarize a summary of the argument.

Senator WILEY. Please speak a little louder.

Senator MORSE. I think we are dealing here with a fundamental question of the meaning of the separation-of-powers doctrine under our constitutional system.

I would like to say to my good friend from Arkansas, Mr. FULBRIGHT, that I am at a complete loss to understand the reason for the vote that he has informed us he intends to cast.

If I am correct in my belief that he thinks the power of the President under our Constitution entitles him to have his advisers treat their conversations with him as confidential, and that the documents of the President likewise are entitled under the separation-of-powers doctrine to be treated as confidential—if that is the opinion of the Senator from Arkansas, then I think under his oath of office, it is his duty to sustain the doctrine of the separation of powers under our Constitution, and not pass the buck to the courts for final determination.

The next point I want to make is that I shall attempt to answer the question, as I understand it, put by the Senator from Vermont, Mr. FLANDERS.

If I understood his question, it was to the effect that he wanted to know if he voted to sustain the Chair, would he be voting contrary to a long list of precedents in the form of attempts on the part of the Congress of the United States in the past to seek the kind of information that is being attempted to be sought in the instant case before the committee.

I think there is only one answer that can be given to the Senator from Vermont, and that is there have been many instances in the history of our country when various Congresses have attempted to seek comparable information to that that is being sought in this case, but in those instances in which Presidents of the United States have claimed under their executive power the right to withhold that information from the Congress, I know of no decision of the courts in which the power of the President has been overruled.

In other words, the Senator from Vermont is confronted with a situation: If his question is to be a determinative on his vote, as to whether or not he is going to be bound by precedents of the Congress in Congress' attempt to get information from the President which he, in the exercise of his executive power, has decided to withhold from the Congress, in which attempts Congress has always failed, and which attempts have not been sustained by the courts.

CHECKS ON THE LEGISLATIVE

That brings me to a comment I want to make on the argument made by the Senator from California [Mr. KNOWLAND]. He raises,

it seems to me, this fundamental question of separation of powers, and he points out that there is a danger that the power of the Executive may or can be abused, and so there is that danger.

There is no question about the fact that an Executive in the White House can abuse his executive power, but there is nothing in the Constitution that says that when the President of the United States may abuse his executive power that the Congress can come in and demand that he disclose information that he does not want to disclose.

We have some checks, but that does not happen to be one of them—that is, the power to force the President, by subpena or otherwise, to disclose confidential information, or information that he considers confidential, that he does not want to disclose. That is not one of the checks that we have on the President.

We have some checks. The American people have the check at the ballot box.

We have some checks by way of legislation. When we pass legislation we can refrain from giving to the President the broad arbitrary blanket power that we are prone too frequently, may I say, to give the President.

We have checks, if we wish to use them for punitive reasons, by way of appropriations and otherwise.

But I would say to my good friend from California, there is no check in the Constitution by way of vesting in the Congress the power to subpena from the President of the United States confidential information or information that he considers confidential in carrying out his constitutional power and his constitutional duty to faithfully execute the law.

POWER OF CONGRESS

So I think the Senator from California in pointing out that a President can abuse his power, did well to point out that some past Presidents, in the case of the Coolidge administration, for example, have volunteered information—and any President can volunteer information. But we are dealing here, gentlemen, with the question of the power of the Congress under the separation-of-powers doctrine, I respectfully submit that you will look in vain in the law to find any case sustaining the point of view presented by the Senator from Wisconsin that the legal power on the part of the Congress exists to force from the President information that he considers confidential and related to his constitutional duty to execute the laws.

Now, I believe, Mr. Chairman, that the committee should recognize that it may be, and I hope it will be true, that the present President of the United States will volunteer some of the information, or all of the kind of information that the Senator from California referred to this morning in regard to the Yalta Conference and other conferences. But the major thesis that I want to argue in support of here this morning, gentlemen, is that under the Constitution, in accordance with the separation-of-powers doctrine, there is no power vested by the Constitution in the Congress of the United States to compel the President to produce that information.

DEFENDING CONSTITUTIONAL SYSTEM

Now may I say, if it is permissible to refer to myself as a Republican in the eyes of my Republican colleagues, that I hope in 1952 we will have a Republican President in the White House; and if and when we do, the junior Senator from Oregon will make the same fight as he is making now to protect the executive powers of whoever is in the White House, Republican or Democratic, because I think you destroy our constitutional system if you destroy or weaken this system of separation of powers.

As the chairman of this committee has so ably said in his opening argument this morning, we have got to look at this issue from the standpoint of ultimate power of enforcement. Where it is? It is in the courts. And where are the decisions in American jurisprudence that support any conclusion that the President of the United States has to make available to a Congress or a committee of Congress confidential information which, in his opinion, he wishes to keep secret, private, confidential in carrying out his constitutional duties to execute the law?

I have found no such decisions, and I think that to the contrary the authorities are overwhelmingly against that conclusion.

Now let me say a word about the argument of waiver of privilege. It is asserted by some that General Bradley's appearance before the joint committee must be considered to constitute a waiver of privileges not to divulge information obtained through a confidential relationship.

WAIVER OF PRIVILEGE

The doctrine of waiver of privilege is drawn from private law analogies such as lawyer-client, priest-parishioner, doctor and patient. It in my opinion has no application in the field of constitutional law where the executive privilege not to have confidential communications or conversations divulged by subordinates derives from the doctrine of separation of powers and from the constitutional duty of the President to take care that the laws be faithfully executed.

This doctrine and this duty make it implicit that where the President believes it is in the public interest, confidential information will be disclosed; where he believes it would be detrimental to the public interest, confidential information will be withheld. If the separation of powers doctrine is to have any validity at all no one but the President, in any given case, can make the decision. And if we read the press right in this instance, we read that the President has made the decision that General Bradley should not disclose the conversation itself. It is my argument that it is his executive power to do it.

As the Senator from Texas pointed out so clearly the other day, if you adopt any other principle in regard to this instant dispute, then you will find the country in a situation sometime where you have an opposition Congress of one party and a President of another party. The Congress then would be in a position to hail before committees of that opposition Congress conversers with the President of the United States and on the threat of having them held for contempt of the committee try to force out of them the conversations that they had with the President. That is clearly in my judgment, the type of thing that the Founding Fathers in their wisdom had in mind when they laid down a constitutional system of three branches of coordinate, equal, and independent departments of Government.

Thus, I say, gentlemen, that the President, having made the decision to have one of his subordinates testify on a given issue, to say then he is precluded from delimiting the scope of the testimony which that subordinate may render would do violence simultaneously to the doctrine of separation of powers and to the President's duty under the Constitution to take care that the laws be faithfully executed.

DISCRETION OF PRESIDENT

As stated by Willoughby on the Constitution of the United States, page 1488, second edition, 1929, "it is practically established that the President may exercise a full discretion as to what information he will furnish, and which he will withhold."

Even if the analogies as to a waiver of privilege drawn from common-law doctrines had any validity here, they would not show that in General Bradley's case there has been any waiver. For instance, as to the attorney-client privilege, Wigmore on Evidence, section 2327, third edition, 1940, says, "the privilege is designed to secure the client's confidence in the secrecy of his communications; hence, the privilege is not violated by receiving such disclosures as the client by his own will permits to be made."

Clearly the appearance is not in itself a waiver of the privilege, that is, General Bradley's appearance, as supported, I think, by *Montgomery* v. *Pickering* (116 Massachusetts 227). This even though the witness is called by his own attorney; much less, if the analogy applied to General Bradley since he was called by the investigating group, this committee.

Even if the client, in whom the privilege lies in the attorney-client relationship, discloses the attorney's communications to him, the attorney may not divulge the client's confidential communications to him (77 N. Y. Supp. 2d 716, 1948).

Chairman RUSSELL. The Chair regrets very much to advise the Senator from Oregon that his time has expired. So I am advised by the timekeeper.

Senator MORSE. I will finish my argument on the floor (pp. 860–863).

* * * * *

RESTATING THE QUESTION

Chairman RUSSELL. All of the time has expired. The question before the committee is, Shall the ruling of the Chair stand as the sense of the committee?

Those who favor the sustaining of the ruling of the Chair will vote "aye." Those who favor overruling the decision of the Chair will vote "no," and the roll will now be called.

Senator SALTONSTALL. Mr. Chairman, may I ask a parliamentary inquiry?

Chairman RUSSELL. I assume that would be in order if it does not involve too long a discussion, Senator SALTONSTALL.

Senator SALTONSTALL. It is a parliamentary inquiry of the Chair.

Chairman RUSSELL. Is there objection? The Chair hears none.

Senator SALTONSTALL. The question specifically before the committee is the ruling out by the Chair on page 2000 of the report of the question asked by Senator WILEY on page 1994 of the report of General Bradley on the fifth line—"Now tell us what was then said"—and General Bradley's refusal to answer that question as a confidential adviser to the President was sustained by the Chair.

Is that the specific ruling that is before us?

ROLLCALL

Chairman RUSSELL. I think that that might fairly be a statement of the ruling; yes.

Senator SALTONSTALL. Thank you.

Chairman RUSSELL. The clerk will call the roll.

The CLERK. Mr. GEORGE?

Senator GEORGE. Aye.

The CLERK. Mr. GREEN?

Senator GREEN. Aye.

The CLERK. Mr. McMAHON?

Senator McMAHON. Aye.

The CLERK. Mr. FULBRIGHT?

Senator FULBRIGHT. No.

The CLERK. Mr. SPARKMAN?

Senator CONNALLY. I have his proxy. Aye. I have his written proxy.

The CLERK. Mr. GILLETTE?

Senator GILLETTE. No.

The CLERK. Mr. WILEY?

Senator WILEY. No.

The CLERK. Mr. SMITH?

Senator SMITH. Aye.

The CLERK. Mr. HICKENLOOPER?

Senator HICKENLOOPER. No.

The CLERK. Mr. Lodge?

Senator LODGE. Aye.

The CLERK. Mr. Tobey?

Senator SMITH. I have Mr. Tobey's proxy requesting me to vote him aye on this issue.

The CLERK. Mr. Brewster?
Senator BREWSTER. No.
The CLERK. Mr. Chairman Connally?
Senator CONNALLY. Aye.
The CLERK. Mr. BYRD?
Senator BYRD. Aye.
The CLERK. Mr. JOHNSON?
Senator JOHNSON. Aye.
The CLERK. Mr. KEFAUVER?
Senator JOHNSON. Aye. I have his written proxy.
The CLERK. Mr. HUNT?
Senator HUNT. Aye.
The CLERK. Mr. STENNIS?
Senator STENNIS. Aye.
The CLERK. Mr. LONG?
Senator LONG. Aye.
The CLERK. Mr. BRIDGES?
Senator BRIDGES. No.
The CLERK. Mr. SALTONSTALL?
Senator SALTONSTALL. Aye.
The CLERK. Mr. MORSE?
Senator MORSE. Aye.
The CLERK. Mr. KNOWLAND?
Senator KNOWLAND. No.
The CLERK. Mr. Cain?
Senator CAIN. No.
The CLERK. Mr. FLANDERS?
Senator FLANDERS. Aye.
The CLERK. Mr. Chairman?
Chairman RUSSELL. Inasmuch as this vote relates directly to my ruling, I ask the committee to be excused from voting.
Chairman CONNALLY. I think you ought to vote, Mr. Chairman.
Chairman RUSSELL. I ask to be excused. It is my ruling. My position in the matter is perfectly clear, I think, but under ordinary parliamentary rules in the Senate of the United States, the Presiding Officer——
Senator WILEY. I so move.
Chairman RUSSELL. If he is the Chair, he is not permitted to vote except in case of a tie. Inasmuch as I made this ruling, it is not material; my position is perfectly clear.
I have no real objection to voting, but I prefer not to vote.
Senator WILEY. Is there anyone absent—I so move, Mr. Chairman, that you be excused from recording your vote, if you so desire.
Chairman RUSSELL. Thank you.
Senator WILEY. Is there any objection to that? If not, so ordered.
Senator MORSE. I object.
Chairman RUSSELL. There is objection to it, and the chairman votes "aye."
Senator WILEY. Who objected?
Senator MORSE. I did.
The CLERK. Voting in the affirmative are Senators George, Green, McMahon, Sparkman, Smith, Lodge, Tobey, Connally, Byrd, Johnson, Kefauver, Hunt, Stennis, Long, Saltonstall, Morse, Flanders, and the chairman.
Senators reported in the negative are Messrs. Fulbright, Gillette, Wiley, Hickenlooper, Brewster, Bridges, Knowland, and Cain.
Senator WILEY. Mr. Chairman, may we ask—pardon me.
Chairman RUSSELL. The Chair will now announce the vote. On this vote the "ayes" are 18, the "nays" are 8, and the decision of the Chair therefore stands as the sense of the committee (pp. 870–872).

Mr. MORSE. Mr. President, I close this subject matter by saying, somewhat facetiously and good naturedly, that it sort of looks to me as if it makes a difference to some as to whose political ox is being gored.

CABINET COMMITTEE ON WATER RESOURCES POLICY

Mr. McCARRAN. Mr. President, on May 26, 1954, the White House released a letter from the President to the Secretary of the Interior regarding the establishment of a Cabinet Committee on Water Resources Policy.

In this connection, I desire to call the attention of the Senate to the fact that the objectives which the President is seeking to obtain by this action are substantially the same objectives of a bill which I introduced in the Senate more than 6 years ago, on March 3, 1948, to be exact. My bill was Senate bill 2255 of the 80th Congress, "To establish a National Water Conservation Authority, and for other purposes." Subsequently, in the 81st Congress, I reintroduced the bill, which became Senate bill 33 of the 81st Congress. Both my bills died in the Committee on Interior and Insular Affairs.

For the information of the Senate, I ask unanimous consent that the text of the President's letter to the Secretary of the Interior, the text of the statement I made at the time I introduced my bill (S. 2255) in March 1948, and the text of the bill, may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter, the statement, and the bill were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE, *May 26, 1954.*

The Honorable DOUGLAS MCKAY,
Secretary of the Interior,
Washington, D. C.

DEAR MR. SECRETARY: The conservation and use which we make of the water resources of our Nation may in large measure determine our future progress and the standards of living of our citizens. If we are to continue to advance agriculturally and industrially we must make the best use of every drop of water which falls on our soil, or which can be extracted from the oceans. It is my desire that this administration furnish effective and resourceful leadership in establishing national policies and improving the administrative organization needed to conserve and best utilize the full potential of our water resources.

During the more than a century in which the Federal Government has played a vital part in the harnessing and development of water resources, our policies have been modified repeatedly to reflect changing needs and priorities. Unfortunately, we have often relied on piecemeal or stopgap measures. In other instances the policies covering different Federal agencies concerned with similar water resources have been inconsistent. Accordingly, it is both fitting and necessary for us to undertake a comprehensive review looking toward modernization of Federal policies and programs in the field of water resources. We must do this with a full realization that the States, communities, and private citizens are vitally concerned with the policies and actions of the Federal Government.

To meet the needs to which I have referred above, I am establishing a Cabinet Committee on Water Resources Policy. The committee shall undertake an extensive review of all aspects of water resources policy. Its recommendations for the strengthening, clarification, and modernization of water policies, together with a suggested approach to the solution of organizational problems involved, are to be submitted to me not later than December 1, 1954.

I am designating you the Chairman of the Cabinet Committee on Water Resources Policy. The Secretary of Defense and the Secretary of Agriculture will serve with you on the committee as full members, and I am so notifying them by copies of this letter. The Secretary of Commerce, the Secretary of Health, Education, and Welfare, and the Director of the Bureau of the Budget will participate on an ad hoc basis. My Advisory Committee on Government Organization will be glad to cooperate wherever possible.

The Commission on Organization of the Executive Branch of the Government, under the Chairmanship of former President Hoover, is undertaking a comprehensive study of water and power policies and organization. The Cabinet committee should be prepared to assist in the executive branch consideration and review of the Hoover Commission recommendations.

Several departments and agencies are presently charged with responsibilities directly affecting the conservation and use of water and each such agency is capable of making an important contribution to the reexamination and revision of water resources policy. By means of another letter, I am also approving the establishment of an Interagency Committee on Water Resources as provided in an interagency agreement proposed through the initiative of your Department. The Interagency Committee on Water Resources will provide a facility for improving the coordination of existing policies, programs, and activities of the participating departments and agencies concerned with water and land resources investigation, planning, construction, operation, and maintenance. I shall expect the interagency committee to assist the Cabinet Committee in every way possible in order to insure that the Cabinet Committee has the opportunity to utilize fully the skills and experiences of the executive agencies.

Sincerely,

DWIGHT D. EISENHOWER.

The following Departments and Agencies will have membership on the Interagency Committee on Water Resources: The Department of the Interior; the Department of Agriculture; the Department of Commerce; the Department of Health, Education, and Welfare; the Department of the Army; and the Federal Power Commission. The Department of Labor will have associate membership.

STATEMENT BY SENATOR MCCARRAN ON INTRODUCING SENATE BILL 2255, MARCH 1948

I have sent to the desk, for proper reference, a bill to create a water conservation authority. This would be a new Federal agency to study the problem of conservation and utilization of water resources (particularly including the study of subterranean waters with a view of bringing these waters to the surface for further development by irrigation of the arid and semiarid lands of the West), and land conservation, utilization and development in connection therewith.

The basic problems of water conservation and utilization are not only national in scope but also involve the rights and interests of the several States, which rights must be recognized; and the determination and effectuation of policies in this field should follow careful study and thorough understanding, and should be aimed at accomplishing the highest use for the best economy of the Nation and in keeping with our traditional form of government. The bill which I have just introduced so provides.

The water conservation authority would be authorized and directed to investigate and explore the various facets of the subject, including the extent of the undeveloped water resources of the Nation; the existing Federal, State and local laws and agencies charged with development and control of water resources; the conflicts of jurisdiction, planning and execution existing among or

between these States and agencies; the effect upon the national economy, welfare and safety of existing laws, and the policies and activities of the agencies concerned; and the relation of these factors to the other elements of the national economy such as industry, agriculture and commerce.

The authority would be specifically authorized to employ a staff adequately trained and experienced to conduct the necessary research, and to supplement this staff by the employment on a temporary basis, and without regard to civil service laws, of expert consultants in the field of water use and related land problems. Consultants so employed should be exempted from any provisions of law respecting their other or subsequent activities.

The Authority would be instructed and authorized to confer with other agencies of the Federal Government and of State governments, and with private organizations, such as engineering and industrial societies, interested in problems of water and land use and control; and would be authorized to utilize the services of any existing Federal agency, where suitable, upon request, and where the services to be performed by any other Federal agency are not a part of the normal duties of such agency, to reimburse such agency for services rendered or work performed, within the limits of appropriations made therefor.

The bill authorizes appropriations to the Authority for the conduct of its work, without any annual limitation, but subject to the approval of the Budget Bureau and of the Congress with respect to each fiscal year.

The Authority would be authorized and directed to recommend to the Congress, from time to time, policies and legislation within or connected with its studies and investigations; and relating to the future development, conservation, and utilization of the water resources of the Nation and the conservation and utilization of land resources in connection therewith.

The bill contains the necessary and usual provisions for such legislation, but has been kept as short as possible.

To insure proper composition of the Water Conservation Authority, the bill provides it shall be headed by a three-man board, to be appointed by and with the advice and consent of the Senate.

I commend this bill to the attention of all Senators, and I earnestly hope it may have early and sympathetic consideration by the committee to which it will be referred.

[80th Cong., 2d sess.]

S. 2255

(In the Senate of the United States, March 3 (legislative day, February 2), 1948; Mr. McCarran introduced the following bill, which was read twice and referred to the Committee on Interior and Insular Affairs)

A bill to establish a National Water Conservation Authority, and for other purposes

Be it enacted, etc., That this act may be cited as the "National Water Conservation Authority Act of 1948."

DECLARATION OF POLICY

SEC. 2. (a) It is the purpose of this act to promote the national welfare by providing for the study of the problems of (1) the conservation, development, and utilization of the surface and subterranean water resources of the continental United States, with particular reference to the discovery and exploitation of subterranean waters for the further development of the arid and semiarid regions of the West through irrigation; and (2) the conservation, development, and utilization of the land resources of the United States in connection with such water resources.

(b) In the conduct of such study, and in the determination of policies and practices to be recommended for the conservation, development, and utilization of such water and land resources, the Authority established by this act shall—

(1) have for its primary duty the determination of the policies and practices which will achieve the highest and best use of the land and water resources of the United States in the interest of the national economy;

(2) evolve sound policies and practices for the solution of the problems enumerated in subsection (a) after careful study and evaluation of all physical, economic, social, and governmental factors involved therein;

(3) treat such problems as national in scope, but also give full recognition and protection to the rights and interests of the several States which are involved; and

(4) recommend for the solution of such problems only policies and practices which are fully in keeping with our traditional form of government.

NATIONAL WATER CONSERVATION AUTHORITY

SEC. 3. (a) To effectuate the purposes of this act there is hereby established a National Water Conservation Authority (referred to herein as the "Authority"), which shall be composed of three members to be appointed by the President, by and with the advice and consent of the Senate. Each member shall receive compensation at the rate of $12,000 per annum, and shall hold office for a term of 6 years, except that (1) the terms of office of the members first taking office after the enactment of this act shall expire, as designated by the President at the time of appointment, 1 at the end of 2 years, 1 at the end of 4 years, and 1 at the end of 6 years after the date of enactment of this act; and (2) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. Not more than two of the members of the Authority shall be members of the same political party. The President shall designate one of the members as the Chairman of the Authority. During his term of membership, no member shall engage in any other business, vocation, or employment.

(b) Subject to the Classification Act of 1923, as amended, but without regard to the civil-service laws, the Authority may appoint and fix the compensation of such specially qualified technical and other personnel as may be necessary for the performance of the functions of the Authority.

(c) The Authority may from time to time employ for temporary or part-time consulting service such experts in the field of water use and related land problems as it may deem necessary. Such experts holding other offices or positions under the United States for which they receive compensation shall receive no additional compensation for such consulting service. Other such experts (1) shall be appointed without regard to the civil-service laws or the Classification Act of 1923, as amended, and (2) may receive such compensation, not in excess of $35 for each day of service, as may be determined by the Authority, and actual necessary traveling and subsistence expenses while traveling pursuant to direction of the Authority, or a per diem allowance in lieu thereof. Service of an individual under this subsection shall not be deemed subject to the provisions of section 109 or 113 of the Criminal Code (U. S. C., title 18, secs. 198 and 203) or section 19 (e) of the Contracts Settlement Act of 1944, unless the conduct made unlawful by such section is performed with respect to a matter in which the Authority is directly involved.

(d) The Authority may make such rules and regulations, not inconsistent with the provisions of this act, as may be necessary for the performance of its duties.

FUNCTIONS OF THE AUTHORITY

SEC. 4. (a) Notwithstanding any other provision of law, the Authority shall conduct a comprehensive investigation and study of the problems enumerated in section 2 (a) of this act, including—

(1) the nature, location, extent, and potentialities of the undeveloped water and land resources of the United States;

(2) the provisions of existing Federal, State, and local laws and regulations pertaining to the conservation, development, and utilization of water and land resources;

(3) the identity, organization, jurisdiction, policies, and activities of existing Federal, State, and local governmental agencies having regulatory or other authority with respect to such subjects;

(4) any conflicts in jurisdiction, planning, policy, or action existing among or between such agencies with respect to such subjects;

(5) the effect of the laws and regulations referred to in paragraph (2), the policies and activities referred to in paragraph (3), and the conflicts referred to in paragaph (4) upon the national economy, welfare, and safety; and

(6) the effect of policies and practices with respect to the conservation, exploitation, and utilization of undeveloped water and land resources upon all elements of the national economy, including industry, agriculture, and commerce.

(b) In the conduct of such investigation and study, the Authority—

(1) shall consult with other Federal, State, and local governmental agencies and with private organizations, including industrial and engineering associations and societies, possessing information or conducting studies concerning the subjects of water and land development, use, and control;

(2) may obtain from or exchange with such governmental agencies and private organizations information pertinent to such subjects;

(3) may utilize the services of any other department or agency of the Federal Government, with the consent of the head thereof, for the conduct of such investigations and the preparation of such studies and reports with respect to such subjects as such other department or agency may be qualified but not required by law to conduct or prepare; and

(4) may reimburse such other agency of the Federal Government, from funds appropriated to the Authority, for the cost of any investigation so conducted or any study or report so prepared.

(c) The Authority shall—

(1) make annually, as soon as practicable after the 1st day of January in each year, a report to the Congress which shall contain a statement concerning its operations, including its organizational structure and functioning, its plans for the investigation and study of subjects involved in the solution of the problems enumerated in section 2 (a) of this act, the nature and extent of the investigations and studies undertaken by it, the progress made toward the completion of such investigations and studies, and the amounts and objects of its expenditures; and

(2) transmit to the Congress from time to time comprehensive reports upon subjects involved in the consideration of the problems enumerated in section 2 (a) of this act, together with its recommendations concerning policies and legislative measures to be adopted by the Federal Government for or in connection with the solution of such problems.

APPROPRIATIONS

SEC. 5. There are hereby authorized to be appropriated to the Authority such sums as may be necessary and appropriate to carry out the provisions of this act.

COMMERCIAL SPONSORSHIP OF SENATE HEARINGS

Mr. BENNETT. Mr. President, on May 18 the junior Senator from Utah submitted a resolution to add a new Senate rule to prohibit commercial sponsorship of televised Senate hearings. At that time I invited all my colleagues in the Senate to join in sponsoring that resolution, Senate Resolution 249. Thirty-six Senators have accepted this invitation and have agreed to cosponsor the resolution.

I ask unanimous consent that the names of the following Senators be added as cosponsors of the resolution (S. Res. 249) to amend Senate rules by adding a rule relative to broadcast or television of committee proceedings:

Mr. AIKEN, Mr. ANDERSON, Mr. BARRETT, Mr. BEALL, Mrs. BOWRING, Mr. BRICKER, Mr. BUTLER of Nebraska, Mr. BUTLER of Maryland, Mr. BYRD, Mr. CAPEHART, Mr. CARLSON, Mr. CASE, Mr. CHAVEZ, Mr. DUFF, Mr. FLANDERS, Mr. FULBRIGHT, Mr. GEORGE, Mr. GILLETTE, Mr. GOLDWATER, Mr. HOLLAND, Mr. IVES, Mr. JOHNSON of Colorado, Mr. JOHNSTON of South Carolina, Mr. LANGER, Mr. MALONE, Mr. MANSFIELD, Mr. MARTIN, Mr. MAYBANK, Mr. PAYNE, Mr. PURTELL, Mr. SPARKMAN, Mr. STENNIS, Mr. UPTON, Mr. WATKINS, Mr. WELKER, and Mr. WILLIAMS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENNETT. Mr. President, I now ask unanimous consent that the resolution be reprinted showing the names of all cosponsors.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah? The Chair hears none, and it is so ordered.

Mr. BENNETT. Mr. President, this resolution, together with others, will be considered by the Committee on Rules and Administration within the next 10 days.

Now that all of us and many of our fellow citizens around the Nation have had an opportunity to witness the effects of what we might here call total television, it may be proper to assess briefly the impact this new force has had upon this body. Previously I voiced some fears about the impact; those fears now have been multiplied and confirmed.

The first of the fears was whether or not hearings would be sandwiched between commercials in poor taste. I have no knowledge of how this has worked out nationally. Locally a newspaper sponsored the hearings, which appears to be appropriate. But it must be remembered that once the door has been opened, the Senate has no control over who chooses to pick up the sponsorship of hearings. The passage of time might see sponsorship of hearings gravitate necessarily towards those parties whose large wealth permits them to dominate TV sponsorship today.

Secondly, I feared that improper handling of the commercial aspects of televised hearings might give many Americans an untrue concept of the dignity and decorum of the Senate, might convey the untrue impression that our prestige might be for sale. It will be recalled that I cited the unhappy and probably unintended linking of the coronation of Queen Elizabeth II with the antics of a chimpanzee and warned that we, too, might suffer a similar misfortune.

We have, during the recent hearings, seen that dignity stretched to the point where accolades have been given, perhaps innocently, to a motion picture whose promoters were lucky enough or astute enough to provide a model ship at the proper moment to win a nationwide, two-channel blessing from the chair. We have seen and heard eulogies to the cheese products of 1 of our 48 States. Both items in question should be able to stand on their own merits; the Senate does itself no good to hold the cloaks of those with obviously vested interest in such items.

We Senators are mere mortals, and it can be suggested that the dignity provided us by the Founding Fathers was not only to secure for us in this august body the respect of the people but also to provide a context in which we could work, shall we say, as bigger men than we really are, in which we could be induced to follow patterns which might generate moderation in conclusion and in conduct. While sometimes tradition and formalism seem stuffy, they are certainly preferable to mass cynicism.

Another fear was the opening of a Pandora's box of possible improper relationships and subtle means for influencing legislation. Commercial sponsorship could link ambition in the Senate with vested interest on the outside. It could unleash a flood of corporate funds for political purposes in a smooth evasion of present law.

There is another fear, that of the possible effects of commercialization on the hearings themselves and on the Senators who participate in them. We have observed that the unseen but very real demands of the vast audience, often even referred to as "the jury," forced participants to answer every innuendo and counterattack with the introduction of many irrelevant but newsy side issues.

Hearings should be held to obtain facts. This does not require in our work a purely legal, courtroom procedure, but should demand at least an orderly one. We have seen the participants in the recent hearings deviate from that procedure, a fact several of them readily admitted as the hearings closed. They deviated because total television changed their concept of that procedure, and we must not forget that it was commercialization which made total television possible. Mature judgment, which comes from listening, probing, and waiting until all facts of a given case are in, gives way to premature expressions which in turn call forth volleys of counter-expression. What could and should have been done in 10 or 15 days thus took 36.

Protracted hearings would place a premium on demagoguery, and reward brashness. Each day would seem to demand a new crisis of some kind to reward the listening faithful. Sober deliberation in this context might be regarded as reluctance or incompetence.

Personalities, not issues, would be the focal points of interest and the moving causes of action. Antipathies would be generated which the parties would feel required to perpetuate lest it be construed as retreat. How many times during the long days of recent hearings have we seen telling testimony for both sides buried in avalanches of acrimony and layers of personality conflicts?

Senate Resolution 249 is not intended to draw the veil of secrecy about our Chamber; normal channels, including television, still would be open to our use. The people, of course, have a right to know. But the people also have a right to preserve, if they will, their Senate as a public body of integrity, free from commercialization and the subtle but nonetheless degrading change it would work upon the constitutional processes of this country. I am pleased that the Senator from Indiana [Mr. JENNER] has promised to hear this matter soon and in our traditional manner. I urge my colleagues to join with me in this effort to maintain the Senate's important and dignified role in American life.

THE SIGNING OF THE MENOMINEE INDIAN BILL

Mr. WATKINS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement I made in connection with the signing of the Menominee Indian bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WATKINS

President Eisenhower on yesterday signed H. R. 2828, which has been known through the 83d Congress as the Menominee Indian bill. At the signing ceremony at the White House, the President paid tribute to this tribe for being the first in history of our country to be given a program which will result, after a transition period, in the full control of their own affairs.

During the 150 years in which the United States has been the guardian of the various tribes, Congress has been striving to reach the ultimate goal of giving full citizenship to our Indian peoples. By the passage of this legislation, the 83d Congress has provided a means whereby some 3,200 Wisconsin Indians may adopt a program to bring to an end all Federal guardianship over their persons and estates. They will have in effect not only the benefits of full citizenship but also share the responsibilities with the rest of the citizens of this country.

As far back as 1865, a Senate committee, after exhaustive study on the Indian situation in the United States, recommended the passage of several bills striving for the same goal as is contained in the Menominee legislation. We have not to this date been successful in very many cases in preparing

our Indian people for complete first-class citizenship.

In 1947, the Menominee Tribe was designated as 1 of the 10 Indian groups which had become educated and integrated to such a degree that it was both economically and socially prepared for full control of its own affairs. This, in itself, was notice to the Menominee people that it would be in their best interest to prepare for such a transition. The Menominee general council and the tribal advisory council have since worked toward the goal of full liberation in a realistic and practical way.

The method of taking over control of their personal and tribal property has not yet been determined. It is for them to make the decision during the next 4½ years. They may even choose to continue full operation of the reservation under a management corporation or any other legal entity which will best suit their needs. But this declaration of Indian independence and the withdrawal of the United States as their guardian has a definite date on which such a program will be launched. On December 31, 1958, the Menominees will cease to be wards of the Federal Government.

The outstanding feature of the law is that the Indians themselves will make this election of how Federal supervision will be terminated in an orderly manner. They have been given several suggestions for programs for the ownership and operation of their property, and the final method which will be adopted will be upon the advice of experts, including all the help the Indian Bureau can give them. The measure authorizes them to hire experts to help them work out the program for handling their property.

It will be seen that this measure places immediate responsibility upon the Indians themselves to make the final determination for future conduct of their affairs. This responsibility will be upon them for 4½ years before the guardianship is terminated. This should be a sufficient training period, added to the experience they have gained under nearly a century of guardianship, to prepare them for managing their own affairs.

The hearings held by the Indian Subcommittee of the Senate, jointly with a similar committee of the House, have brought home the truth that one of our failures in training Indians for full citizenship has been in our not giving the Indians more responsibility in the management of their own affairs. They have leaned too heavily upon the Government. One of the outstanding achievements in all history has been the growth of the United States through the private enterprise system. Necessity forced Americans to stand on their own feet and assume the responsibility for managing their own lives. As our guardianship of the Indians was conducted, we deprived the Indians of the great benefits that came to Americans as a people. I am stating the obvious when I say that people learn to do by doing.

An additional factor in our so-called training of Indian people to manage their own affairs has been the mistaken notion we have had that Indians as a group should be farmers, ranchers, and stock growers. Just why we took this position is not clear, when we take into consideration that of the 160 million white people of this country, only about 20 percent of them are interested in agriculture as a matter of choice. It has been clear to me in the course of whatever studies I have made of the Indian problem, and as a result of the hearings, that Indian people in about the same percentage as white people are interested in agriculture. Eighty percent of them would be far better off if they were trained in vocations where they would become self-supporting. Travelers in this country have been impressed with the lack of progress made by Indians of the full blood. They have not been able to understand why the United States has failed in the training of the Indians of this country, when other Americans have made such wonderful progress themselves. Our policy of cash handouts to the Indians since we took over the Indian business, has done more to break down the morale of the Indians than possibly any other factor. The program being pioneered in the Menominee Indian bill, it is sincerely hoped will correct some of the mistakes we have made in the past.

In the so-called liberation bills which are to follow, where the Indians are not nearly so well fixed financially, provision is made for stepped up vocational training during the transition period from wardship to that of full citizenship.

The measure just signed by the President provides a method for the protection of minors and incompetents. The bill in no way violates any treaty obligation with this tribe.

When the Menominee bill first came to the Senate, it was a simple per capita payment bill out of funds which this tribe had on deposit with the United States Treasury. It was upon my suggestion that the bill was expanded to provide a program for withdrawal of the United States as guardian of the tribe and a complete program for granting to the Indians full control over their persons and estates. The Indians and their lawyers cooperated in drafting this expanded measure. The bill, as amended, was passed by the Senate and went into conference, but the conference report was rejected by the House at the last session. Since that time numerous consultations have been held with the Menominee Indians and their attorneys and with the Bureau of Indian Affairs and all interested parties. The result has been full agreement on the measure which has just become law. In my opinion, this measure could well mark the beginning of an epoch—an epoch which will provide a greater and better future for the Indian citizens of the United States. At this time I pay tribute to the Menominee Indians, their leaders, and their attorneys who have cooperated so effectively with the Congress and the Indian Bureau. The Indians have zealously guarded their interests and have contributed much in the way of practicable suggestions for working out an operating program. Commissioner Glenn Emmons and Associate Commissioner Rex Lee, of the Indian Bureau counsel, have been extremely helpful in preparation of the program finally adopted.

I should not overlook the close cooperation by the Indian Subcommittee of the House of Representatives, or that of the Senate. Congressman E. Y. BERRY, chairman of the Indian Subcommittee, Congressman A. L. MILLER, chairman of the Interior and Insular Affairs Committee of the House, and Senator HUGH BUTLER, chairman of the Interior and Insular Affairs Committee of the Senate, and all members of both committees have been very helpful. Last but not least is Congressman LAIRD of Wisconsin, sponsor of H. R. 2828, who rendered special service. To them I give my personal thanks. I believe the people of America will appreciate the efforts that have been made to take this important step in our relationships with the American Indians. It is my sincere belief that better days lie ahead for these people who have been so sadly neglected in many ways in the past. I believe a glorious future lies ahead for them.

Mr. WATKINS. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement made by the President of the United States immediately upon the signing of the Menominee Indian bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE PRESIDENT

I have today signed H. R. 2828 which provides for the method of terminating Federal supervision over the property and affairs of the Menominee Indian Tribe of Wisconsin on December 31, 1958. This bill, developed after extensive consultation with the Menominee people over a period of many months, is the first to be enacted into law as an outgrowth of the congressional policy on Indian affairs which was embodied in the House Concurrent Resolution No. 108 adopted last summer. That policy calls for termination of Federal supervision over the affairs of each Indian tribe as soon as it is ready for independent management of its own affairs.

The Menominees have already demonstrated that they are able to manage their assets without supervision and take their place on an equal footing with other citizens of Wisconsin and the Nation. I extend my warmest commendations to the members of the tribe for the impressive progress they have achieved and for the cooperation they have given the Congress in the development of this legislation. In a real sense, they have opened up a new era in Indian affairs—an era of growing self-reliance which is the logical culmination and fulfillment of more than a hundred years of activity by the Federal Government among the Indian people.

In the 4½ years which remain before Federal supervision is terminated, the Menominee Tribe has authority to employ any specialists it may need in developing plans for a sound business organization to carry on the tribal enterprises. The tribe will also have the active assistance of the Department of the Interior and the State of Wisconsin during this important period of preparation for full and final independence.

All of the problems of withdrawal of the Federal Government from the field of Indian administration have not been solved by the enactment of this one bill. Nevertheless, I am sure that it will provide useful and sound guidelines for authorizing other tribes to realize their full potentialities as productive citizens of the United States whenever they can advantageously assume complete responsibility for the management of their affairs.

RECESS TO MONDAY

Mr. LONG. Mr. President, in accordance with the unanimous-consent order previously entered, I move that the Senate now stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 2 o'clock and 58 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Monday, June 21, 1954, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate June 18 (legislative day of June 11), 1954:

DEPARTMENT OF STATE

Isaac W. Carpenter, Jr., of Nebraska, to be an Assistant Secretary of State.

EXTENSIONS OF REMARKS

Statements by Senator McClellan at the So-Called McCarthy Hearings on June 17, 1954

EXTENSION OF REMARKS

OF

HON. J. WILLIAM FULBRIGHT

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Friday, June 18, 1954

Mr. FULBRIGHT. Mr. President, on yesterday, during the course of the so-called McCarthy-Army hearings, my colleague, the senior Senator from Arkansas [Mr. MCCLELLAN], made some very statesmanlike remarks. He made a statement early in the session of the committee, and another statement at the conclusion of the hearings which have been going on for some weeks. I ask unanimous consent that both statements be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR MCCLELLAN AT MORNING SESSION OF MCCARTHY-ARMY HEARINGS, JUNE 17, 1954

Senator MCCLELLAN. Mr. Chairman, there may be those who get a great deal of comfort out of such harangues as have been injected into these proceedings this morning, but I doubt if the fine, loyal, patriotic American citizenship particularly appreciate it. I think some of the proceedings in these hearings have disgusted the public with the conduct of some of us who have participated in it. I say that regretfully. Because I think the American people believe and have a right to expect the United States Senate and its committees to conduct the proceedings of this Government with dignity, with solemnity and in a spirit of service to country rather than as a show and as an attempt to ridicule and to smear.

I seriously regret many things that have happened in the course of these hearings.

Now, Mr. Chairman, I could answer you quite facetiously. I could very well say that instead of having a famous memo of understanding that it has turned out to be an infamous memo of misunderstanding. I do not know what transpired. I am not particularly concerned. Although a member of the committee, I was not invited to participate. Therefore, it was purely a partisan action and the party responsible, and the members of that party who conducted the proceedings in that fashion simply have to take the responsibility.

But, Mr. Chairman, I can say to you this morning that you have testified eloquently, eloquently, more so than I can express, to the ineptness, to the lack of capacity of this administration and the Republican Party to conduct the affairs of Government without turmoil and harangue.

I don't know what happened. I don't know whether anyone was deceived or not. But I do know that before supper, this luncheon soured on the stomach of the Secretary of the Army. You can take from now until doomsday to explain it if you want to. I may say to you in all candor, and I say it sincerely, I believe the American people will agree with me that if you Republicans would consult with the Democrats a little more, and take us into your confidence, and welcome our help, you will have a better administration and a better government.

Bear in mind that everything that is under investigation here now occurred when the Democratic Members were not on this committee. We were off of this committee in protest of a development and a situation that obviously led to this tragic situation. I can do no more except to offer to assist. I didn't send for Mr. Adams or Mr. Stevens. They came to me. They didn't come to me with the advice and the counsel of a Mr. Clark Clifford. They came to me with the advice and counsel and upon the instructions, as I understand it, of Mr. Bill Rogers, who is next to the highest legal authority in this Government today and under this administration. What are we to do as Democrats? We are not invited to participate until a row develops between the Republicans. Then you seek our advice. I gave the best advice I know. I immediately told Mr. Adams to go to the Republican members of this committee and, with respect to the story that he related to me, I told him I would not touch it unless he gave it to me in writing.

I can do no more than that, Mr. Chairman, to help you. I have throughout the course of these hearings tried to keep them on track, tried to keep out the extraneous matters, and do a dignified job, and bring these hearings to a conclusion by getting all of the testimony that was pertinent and relevant so that we might have the benefit of it when we undertake to perform our solemn duty of writing a report.

Mr. Chairman, I say to you now that if these hearings are concluded today, and I know you are going to conclude them, without the testimony of the three witnesses whom I urged this committee to subpena, Mr. Clifford, Mr. Schine, and General Lawton, then this record will not be complete, and these hearings will not be through, and very important testimony, essential for a full and proper consideration of the issues involved, will be forever foreclosed to us.

I hope, Mr. Chairman, that we can end these hearings in a spirit of real Americanism, not on a partisan issue, although partisan issues have been injected, I think wrongfully so, but they are here. May I say to you that so far as I am concerned, I am a Democrat, but I place the security and welfare of my country above any party.

CONCLUDING SATEMENT OF SENATOR JOHN L. MCCLELLAN, JUNE 17, 1954

Thank you, Mr. Chairman. In much of what you have said, I fully agree. I express, too, my appreciation to all of those who have unfortunately been compelled to participate in these proceedings, and who performed their duties by attending the hearings and reporting them, by medium of press, radio, and television.

Mr. Chairman, I am compelled to say, however, that this has been one of the most disagreeable, one of the most difficult, public services that it has ever been my duty to perform. I had no animosity toward anyone, toward any individual, when these hearings began. I think I can say without any reservation whatsoever that I hold no animosity now toward anyone involved in these proceedings. I did say in the beginning, Mr. Chairman, in that brief statement that I made when we opened these hearings, that the charges and countercharges that gave rise to this controversy were of such a grave nature as to make these proceedings mandatory.

I think that statement was true. I also said that the charges and the accusations were so diametrically in conflict that, as I saw it then, they could not possibly be reconciled.

I do not believe the testimony that has been given here over these long weeks can now, by any process of reasoning, be reconciled.

I further stated at the beginning of the hearings, Mr. Chairman, that we, the Democrat members, would wholeheartedly undertake to cooperate with and assist the majority in making these hearings impartial, fair, and thorough, to the end that that which was true might be revealed and that which is false be exposed without regard to any of the personalities that might be involved.

Mr. Chairman, I trust I have kept that pledge.

You, my colleagues on this committee, the personalities involved in the controversy, this audience and above all the American people who have witnessed this proceeding, may be my judges as to whether I have been sincere and conscientious and faithful in trying to perform that trust.

I am compelled to say in conclusion, Mr. Chairman, that the series of events, actions, and conduct that precipitated the ugly but serious charges and countercharges that made these lengthy and unpleasant public hearings mandatory, I think, will be recognized and long remembered as one of the most disgraceful episodes in the history of our Government.

Simply to say that this series of events is regrettable is a gross understatement. They are deplorable and unpardonable. There is no valid excuse or justification for this situation having occurred, and it will now become our solemn duty, the duty of this committee, to undertake to determine and fix the responsibility.

I think that is a part of our responsibility. We have a tremendous amount of testimony here, much of it irrelevant, some of it competent, but some of it goes directly to the issues involved.

In trying to determine or come to a conclusion and to a decision, I shall undertake to be as judicial as my capacity will permit, to weigh that which I think relevant and discard that which I consider to be irrelevant.

Something has been said here this afternoon about cooperation of the Democrats. Mr. Chairman, you can always have the cooperation of this Democrat in anything that is right, and certainly you can have it wholeheartedly to the full extent and limit of my energies and capacities when the sole purpose and the primary purpose of any action is to ferret out Communists or to expose Communist infiltration.

I say that because I don't think I have ever been accused of not being willing to face the test.

Mr. Chairman, it is easy to ask for cooperation, but the best way to get it is to reciprocate. I recall when I begged this committee not to take an action that would drive the Democrat members away from it. I did it on principle, Mr. Chairman. I begged you not to silence the voice of the Democrat

members of this committee. Our voices were silenced, and we left the committee.

These things occurred during our absence, and I let the public judge in this closing hour whether any Democrat was responsible, as has been intimated here, for what happened that necessitated and brought about these proceedings.

I trust that the American people will not judge these proceedings as the best or as regular proceedings of the United States Senate.

I do not think we have altogether lived up to the dignity and prestige of this body in which I am honored and privileged to serve. I think we could have conducted the hearing a little better, and I will take my share of any responsibility that falls upon us for that. But I would hate for the country to think, the people of the Nation to think, that this is a fair sample of the proceedings and the manner of conducting proceedings in the highest lawmaking body in the world.

Mr. Chairman, I can only pledge that in the further duties we have to perform here, I shall try to be as conscientious and as sincere and as fair and impartial as I possibly can to arrive at a just decision and the proper action to be taken thereon.

SENATE

MONDAY, JUNE 21, 1954

(Legislative day of Friday, June 11, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal spirit, who hast set eternity in our souls, Thou art the law within our minds, the life of every breath we draw, the love that never forgets, and the life that never ends.

At the beginning of another week, as we come to this daily altar of Thy grace, it is ours again to deeply mourn the passing from this sphere of action of an honored Member of this body. We are vividly conscious that across the busy months of this session grim death has been no infrequent visitor to this Chamber where the few deliberate for the many. Our hearts are comforted by the assurance that when to us, from our little, finite point of view, where is naught but the encircling gloom, the darkness and the light are both alike to Thee, and Thou seest what is in the darkness. Our mortal bodies are harps of a thousand strings, and die if one is gone. Strange that a harp of a thousand strings should keep in tune so long. But we are grateful that discordant notes that mar the music here are subdued again into the perfect harmony of the deathless life when this mortal puts on immortality.

We are thinking gratefully today, in this place where he came to the acme of his service, for all the able and devoted contributions made by our departed colleague to his profession and to his State and to his country.

May the benedictions of Thy sustaining grace rest upon his stricken companion and the children who sit today in the bowed circle of grief. And, at last, bring us all to the homeland of Thy eternal love. We ask in the name of that One who is the resurrection and the life. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 18, 1954, was dispensed with.

DEATH OF SENATOR HUNT, OF WYOMING

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, the plan is to have no legislative business conducted today. After the resolution respecting the death of the late Senator from Wyoming, Mr. HUNT, has been submitted by his colleague, the Senate will stand in adjournment until 12 o'clock noon tomorrow.

At a later date and a time agreeable to the family of the deceased, to the minority leader, and to the colleague of the late Senator from Wyoming, time will be set aside for memorial services in the Senate; and adequate notice in advance will be given of the date.

Mr. BARRETT. Mr. President, it is my sad duty to advise the Senate of the untimely death, on Saturday last, of my colleague, the senior Senator from Wyoming, Mr. HUNT.

I offer the resolution which I send to the desk, for which I request immediate consideration.

The VICE PRESIDENT. The resolutions will be read.

The resolution (S. Res. 263) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. LESTER C. HUNT, late a Senator from the State of Wyoming.

Resolved, That the President of the Senate appoint a committee, of which he shall be a member, to attend the funeral of the deceased Senator.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The VICE PRESIDENT, under the second resolving clause, appointed the following Senators to constitute, together with the Vice President, the committee on the part of the Senate to attend the funeral of the deceased Senator: Mr. BARRETT, Mr. JOHNSON of Colorado, Mr. SALTONSTALL, Mr. FLANDERS, Mr. MALONE, Mr. STENNIS, Mr. ANDERSON, Mr. KEFAUVER, Mr. KERR, Mr. JOHNSON of Texas, Mr. CLEMENTS, Mr. HENNINGS, Mr. MONRONEY, Mr. MANSFIELD, and Mr. SYMINGTON.

Mr. KNOWLAND. Mr. President, as a further mark of respect to the memory of the deceased Senator, I move that the Senate do now adjourn.

The motion was unanimously agreed to; and (at 12 o'clock and 11 minutes p. m.) the Senate adjourned until tomorrow, Tuesday, June 22, 1954, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 21, 1954

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the only source of wisdom and power that can make and keep us strong and courageous in character and conduct, may we daily bring our life into harmony with the enduring principles of truth and righteousness.

Inspire us with a sincere desire to cultivate a growing interest and capacity for the nobler and more magnanimous qualities of mind and heart.

We penitently confess that we are continually consulting and following our own personal inclinations in preference to Thy divine will and purpose.

May we never interpret and look upon our high vocation merely as a way of making a living but as a glorious opportunity to minister to the welfare of humanity and lift it into higher levels of thought and feeling.

We thank Thee for Thy servant who now dwells with Thee in eternal blessedness. Thou hast opened unto him the gateway to a larger service and received him into Thy holy presence. Grant unto the members of his bereaved family the consolations of Thy grace.

Hear us in Christ's name. Amen.

The Journal of the proceedings of Thursday, June 17, 1954, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 2848. An act to amend section 89 of the Hawaiian Organic Act, as amended;

H. R. 3350. An act for the relief of Ralston Edward Harry; and

H. R. 5840. An act to authorize the Hawaiian Homes Commission to exchange certain Hawaiian Homes Commission land and certain easements for certain privately owned land.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 4030. An act to repeal section 4 of the act of March 2, 1934, creating the Model Housing Board of Puerto Rico;

H. R. 6435. An act to amend the Commodity Exchange Act;

H. R. 7434. An act to establish a National Advisory Committee on Education;

H. R. 7601. An act to provide for a White House Conference on Education;

H. R. 8873. An act making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes; and

H. R. 9040. An act to authorize cooperative research in education.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 2900. An act to authorize the sale of certain land in Alaska to the Harding Lake Camp, Inc., of Fairbanks, Alaska, for use as a youth camp and related purposes;

S. 3487. An act to authorize the Central Bank for Cooperatives and the regional banks to issue consolidated debentures, and for other purposes; and

S. Con. Res. 89. Concurrent resolution to authorize the printing of additional copies of Senate report on Internal Revenue Code of 1954.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1955

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. WIGGLESWORTH, SCRIVNER, FORD, MILLER of Maryland, OSTERTAG, HRUSKA, MAHON, SHEPPARD, and SIKES.

DEPARTMENT OF THE INTERIOR APPROPRIATION BILL, 1955

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8680) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1955, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. JENSEN, FENTON, BUDGE, TABER, KIRWAN, NORRELL, and CANNON.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, AND THE UNITED STATES INFORMATION AGENCY APPROPRIATION BILL, 1955

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency for the fiscal year ending June 30, 1955, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. CLEVENGER, COUDERT, BOW, COON, TABER, ROONEY, PRESTON, SIKES, and CANNON.

CIVIL FUNCTIONS APPROPRIATION BILL, 1955

Mr. DAVIS of Wisconsin submitted a conference report and statement on the bill (H. R. 8367) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1955, and for other purposes.

SPECIAL ORDERS GRANTED

Mr. PATMAN asked and was given permission to address the House for 60 minutes on Wednesday next, following any special orders heretofore entered, on the subject of Farm Plan for Family-Sized Farms.

Mr. WILLIAMS of New Jersey asked and was given permission to address the House for 45 minutes on Tuesday, June 22, following any special orders heretofore entered.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Carrell, one of its clerks, announced that the Senate had adopted the following resolution (S. Res. 263):

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. LESTER C. HUNT, late a Senator from the State of Wyoming.

Resolved, That the President of the Senate appoint a committee, of which he shall be a member, to attend the funeral of the deceased Senator.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That, as a further mark of respect to the memory of the deceased, the Senate do now adjourn.

SENATE BILL AND CONCURRENT RESOLUTION REFERRED

A bill and concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 3487. An act to authorize the Central Bank for Cooperatives and the regional banks to issue consolidated debentures, and for other purposes; to the Committee on Agriculture.

S. Con. Res. 89. Concurrent resolution to authorize the printing of additional copies of Senate report on Internal Revenue Code of 1954; to the Committee on House Administration.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2848. An act to amend section 89 of the Hawaiian Organic Act, as amended;

H. R. 3350. An act for the relief of Ralston Edward Harry;

H. R. 5840. An act to authorize the Hawaiian Homes Commission to exchange certain Hawaiian Homes Commission land and certain easements for certain privately owned land;

H. R. 8583. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1955, and for other purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2802. An act to further encourage the distribution of fishery products, and for other purposes.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. ALLEN of California, for June 21, 22, and 24, on account of official business.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. GRAHAM.

Mrs. ROGERS of Massachusetts.

Mr. DAVIS of Georgia.

Mr. EVINS and to include editorials and extraneous matter.

CALLING OF CONSENT CALENDAR TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order tomorrow to call the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

THE LATE HONORABLE JOSEPH R. FARRINGTON

The SPEAKER. The Chair recognizes the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, it is my sad duty to announce the very untimely passing of our colleague, JOE FARRINGTON, of Hawaii.

Those of us who have known and loved JOSEPH R. FARRINGTON as a friend and colleague through the years of his service here in the House of Representatives join today in expressions of deepest sympathy to his wonderful family in their bereavement.

It is not for us to question divine providence, but to reconcile ourselves to the will of an almighty wisdom which prevails over the destinies of men.

As the Delegate from Hawaii, JOE FARRINGTON served his people with high distinction.

No man could have fought with greater diligence for a purpose; no man could have accepted setbacks and frustrations with better grace.

To achieve statehood for the islands was to have been JOE FARRINGTON'S crowning achievement in the Congress of the United States.

All of us stand in sorrow that his dream could not have been a reality while he was yet with us.

It is a matter of satisfaction to me that it was my privilege as majority leader in the 80th Congress to program and to support legislation which would have brought Hawaii into the Union of States.

The favorable vote for the statehood bill in that Congress was in large measure a testimonial to the respect and admiration of the membership of this body to an able and congenial colleague.

Again in this Congress we have seen the House respond with favor to the idea of statehood for Hawaii. And again we must pay fitting tribute to the persistent and effective work done by JOE FARRINGTON for the cause which meant so very much to him and to the people he was sent here to serve.

To say that we will miss him here in this Chamber is an understatement. JOE FARRINGTON will be sorely missed by all who knew him as a cheerful, kind friend and a loyal, completely dedicated American.

His untimely passing gives us further occasion to reflect soberly on the heavy burdens of public office in these difficult times.

We honor JOE FARRINGTON in the knowledge that he gave his very best as long as life remained. No man can do more.

Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER. It was with great sorrow the Members of the House heard the sad news of the death of JOSEPH R. FARRINGTON, Delegate from Hawaii. A man of exceptional personality, of rugged honesty, and high patriotism, he served his constituency in Congress with ability and distinction. To know JOE FARRINGTON was to love and respect him.

JOE FARRINGTON will always be remembered as one who led with fine ability the fight to bring statehood to his beloved Hawaii. And as this fight approached a point where victory is just ahead, it is tragic to see the leader stricken. JOE FARRINGTON did not live to see the consummation of his dreams and hopes of many years. But his part in the fight for statehood and his tremendous aid never will be underestimated. Statehood would not be as close as it is except for his tireless efforts. When victory comes, and it will come quickly, the name of JOE FARRINGTON will lead all others as the one chiefly responsible for the victory. He kept the lights of hope burning when most people would have become discouraged.

In the death of JOE FARRINGTON the House has lost an able Member, Hawaii a fearless champion, and our country a truly great American.

To Mrs. Farrington and the other members of the family we extend our deepest sympathy in their hour of sorrow.

Mr. TABER. Mr. Speaker, JOE FARRINGTON was one of the most lovable men I have ever known. A hard worker, sincere, and passionately devoted to the Hawaiian people he made a deep and lasting impression on this House.

Our deepest sympathy goes out to his widow and children.

Mr. BEAMER. Mr. Speaker, it was my privilege to become acquainted with JOE FARRINGTON before I became a Member of the Congress. I have relatives and many friends in the Hawaiian Islands where I have visited several times. On these trips I learned that JOE FARRINGTON was loved, revered, and respected by the people who live in that paradise of the Pacific.

On one occasion last year a cousin of mine. P. C. Beamer, of Hilo, Hawaii, and I had lunch with JOE FARRINGTON in the House dining room. The discussion at that time centered in great part on his life's ambition, to make Hawaii a State in this great country and to continue to contribute to its welfare. I supported the legislation that was designed to accomplish this result. One of the deepest regrets on this occasion is the fact that JOE FARRINGTON, the delegate from Hawaii, will not be here to see Hawaii made a member of the Union of the United States.

Perhaps his wish will be fulfilled by the memory and influence that the great omnipotent God of all races will cause to be his greatest memorial.

In behalf of so many friends and in behalf of the many Hawaiians that I have been privileged to know, I express a profound sympathy at the passing of a sincere friend, a genuine American, a loyal Hawaiian, and a profound legislator. And so I say, "Aloha, Joe."

Mr. SCRIVNER. Mr. Speaker, no words of mine can lessen the load of sorrow upon us today; however, I join my colleagues today in expressing my sorrow.

JOE FARRINGTON was a tireless fighter for statehood; he was a genial host, a fine friend, and a Christian gentleman.

On the threshold of victory for statehood, his joy in living had been greatly enhanced by the birth, last week, of a new grandson, Joseph Farrington Richardson.

Although JOSEPH FARRINGTON is no longer with us he will live on in his family and, of course, he will be with us forever in our memories.

So, to Delegate FARRINGTON, as he goes to his life hereafter we can say to him as he so often said to us "Aloha." As our heartfelt sympathy goes out to the Farrington family and the residents of Hawaii, the islands he loved so much, and for which he had worked and fought.

Mr. COLE of New York. Mr. Speaker, one of the finest men I have ever known has left us and I am filled with a great sense of loss. In knowing JOE FARRINGTON I have been enriched and inspired. His great talents are well known to his associates in Hawaii; the respect in which he is held by his colleagues in the Congress is supreme; his genuine friendliness and gentleness, his cordial smile, his soft words, his tolerant understanding and sympathy are the hallmarks of a real friend. Though I shall miss Joe immensely I am better because he lived. My deepest sympathy goes to his lovely wife and family.

Mr. DAWSON of Utah. Mr. Speaker, I join with my colleagues in expressing a deep personal loss in the passing of our good friend, JOE FARRINGTON.

No man could have more ably represented the Territory of Hawaii than has JOE FARRINGTON. His efforts on behalf of his constituents have taken him far beyond the usual line of duty. The fight he had waged over the years for Statehood for Hawaii can hardly be equaled, and no doubt contributed to the condition which resulted in his death. It is to be regretted that he could not have lived to see the fulfillment of his cherished dream. The monument which Joe has left will forever stand as a symbol of his greatness.

Betty and Joe, through their unbounded hospitality, have gathered about them a host of friends who will not forget their generosity and kindness. To Betty and the people of Hawaii we extend our deepest sympathy.

Mr. HOEVEN. Mr. Speaker, I was grieved to learn of the sudden passing of my good friend and colleague, JOSEPH RIDER FARRINGTON. He and I came to Congress together over 12 years ago, and we immediately developed a ripe friendship which lasted throughout the years. Some people even said we looked alike and on more than one occasion each of us has been mistaken for the other.

JOE FARRINGTON was a great American. Quiet in speech and demeanor, he nevertheless made his voice heard throughout his service in the Congress. He was influential and highly respected by his colleagues. Many a vote was cast in the House of Representatives for Hawaiian statehood because JOE FARRINGTON was the author of the bill. He devoted the last several years of his life in an intensive drive for statehood for the islands, and the Hawaiian people never had a more zealous advocate for that cause than JOE FARRINGTON. I know the people of Hawaii appreciate his efforts in their behalf. Mr. FARRINGTON was dreadfully disappointed at the turn of events which at the time of his passing seemed to indicate that statehood could not be achieved at this session of the Congress. It is to be regretted that he could not have lived long enough to see his hopes fulfilled as they most surely will be fulfilled in the days that lie ahead. I have lost a good and trusted friend but take consolation

in the fact that JOE FARRINGTON served well his day and generation. My life has been enriched because I knew him.

Mrs. Hoeven joins me in extending our deepest sympathy to Mrs. Farrington and all members of the family.

Mr. BELCHER. Mr. Speaker, it came to me as a terrible shock, of course, when I learned of the passing of my good friend and colleague, JOE FARRINGTON. Throughout the years that I have served here in Congress, Joe and I have been very close friends. Just the other day I had a feeling that he was not well, but certainly I did not realize the end was so near. JOE FARRINGTON was a great representative of his people. He fought long and hard to obtain statehood for his beloved Hawaii. It certainly is a shame that he had to go before his dream was realized. The tremendous effort he put forth to obtain statehood probably hastened his untimely death.

To his good wife and all the members of his family we tender our sincerest sympathy. They have lost a great husband and father. Hawaii has lost a fine servant, and the Nation has lost a great statesman.

Mr. JENKINS. Mr. Speaker, JOE FARRINGTON enjoyed a peculiar distinction in that he served as we all did, yet he did not have the right to vote. I had occasion several times to tell him that there was no question but that his ability and fine character and his friendly disposition had done much for his constituency.

I talked with him once with reference to the matter that was dearest to his heart—statehood for Hawaii, and I told him that I was sure that a number of the Members of Congress were going to vote for statehood for Hawaii just because of his popularity.

JOE FARRINGTON was noble, capable, honest, and beloved. His wife and family will always have the assurance that he was a man among men. I extend to them my most sincere sympathy.

Mr. ZABLOCKI. Mr. Speaker, it was a deep shock for me to learn of the untimely passing away of the distinguished Delegate from Hawaii, the Honorable JOSEPH R. FARRINGTON.

His loss will be felt keenly not only by the people of Hawaii, but by his colleagues in this House as well. He was a man of principle, devoted entirely to the cause of his people. In the death of Delegate FARRINGTON, Hawaii lost an able and experienced champion.

In the course of our service in this great lawmaking body, I had the opportunity to work with Delegate FARRINGTON and to learn to know and to appreciate him. He was farsighted and understanding, and he richly deserved the respect of his colleagues.

To the members of his family, I wish to convey my deepest sympathy in their bereavement. May they find some consolation in the thought that all of us share in their loss, and in the hope that the Almighty Creator, who watches over the affairs and endeavors of man, will grant him eternal rest.

Mr. DAVIS of Tennessee. Mr. Speaker, in the passing of JOE FARRINGTON I have lost a very warm, true, and trusted friend.

Back in 1944 both of us were on the old Military Affairs Committee. The late Secretary of War, Henry Stimson, requested that as many of the committee as could find it convenient to do so visit the European theater of war. On Thanksgiving Day of that year we left Washington by air and spent a month visiting the different commands and went just as near the front as possible.

As we were making preparations to leave the country, Joe and I met at the State Department where we were fulfilling the requirements of military travel. We found that we were born in the same year—1897. As a matter of fact we were almost the same age. In the years which have followed Joe never failed to mention as we met that we were living in the spirit of '97.

I knew at that time, 10 years ago, that his heart had been damaged. Our trip abroad was a most difficult one. We faced mud, rain, and snow and lived just as the troops did.

The senior member of our group was the late Matt Merritt, of New York. He fell ill in France and it was necessary for him to remain there for many weeks. Not too long after his return he passed away. The Secretary to Chief of Staff George Marshall was left in Italy because of illness.

This venture took so much out of all of us that it was sometime after we returned to the country that any of us felt physically normal. Throughout all of that ordeal I was surprised at the fortitude and physical endurance JOE FARRINGTON displayed under adverse circumstances. He proved a delightful travel companion. He was ever thoughtful of others, a gentleman of the highest order, interested in everything that he witnessed and genuinely concerned about our troops in the field.

He was very attentive to his duties in the House. Though not a voting Member his attendance record was very high. The son of a distinguished father he carried on the effort to obtain statehood for Hawaii with persistence, intelligence, sincerity, and confidence. Now that his fond hope seems just around the corner it is saddening to think that he will not be able to witness its accomplishment. Surely his efforts will be appreciated by those he served so well. There is some divine reason for his having been taken at this particular moment. This is not a matter for us to question. We can remember him gloriously in our hearts. To his bereaved family all of us extend our deepest sympathy and love.

Mr. WIGGLESWORTH. Mr. Speaker, I want to add just a word of tribute to our departed friend and colleague, JOE FARRINGTON.

An Army officer in World War I, a newspaper reporter, editor, publisher, member of the Hawaiian Senate for 8 years, Delegate to the Congress for 12 years, the able representative of the people of Hawaii, the champion of Hawaiian statehood, he will be remembered for his character, for his ability, and for his capacity for friendship.

I have long admired him and have had a genuine affection for him.

He will be greatly missed by his many friends on both sides of the aisle who have been privileged to serve with him here.

I join in heartfelt sympathy to the members of his family and to all those close to him.

Mr. SIMPSON of Illinois. Mr. Speaker, every man, woman, or child who knew JOE FARRINGTON regrets his passing. He was a lovable, likable friend of all. I came to Washington with him 12 years ago. I feel that I knew both Mrs. Farrington and Joe as well as I knew anyone. In these past, pleasant 12 years of association with him, I never knew Joe to hold any rancor in his heart. At times, he probably had reason to.

In my opinion, JOSEPH RIDER FARRINGTON gave his life to the Hawaiian Islands and statehood. Mr. Speaker, that could have been the way he wanted it. There is no doubt but what he knew that his tenure on earth was limited. Because of ill health, he could have taken the easy way and retired. He could have spent the rest of his days quietly, with his family and island friends. He could have enjoyed climate and home with surroundings second to none. He was not compelled to stay in Washington, with its strife and turmoil. No, Mr. Speaker, Joe took not the easy method, but the hard. To me, talking to him as I did many, many times, I feel JOE FARRINGTON would rather have gone down as he did, fighting. He fought for what he considered with many others, a just cause.

Joe would rather have had it that way than to become a burden because of ill health. This does not ease the burden on his family left behind. They can, in the years to come, be proud of his never-ending work for Hawaii, for his sacrifice which he did not live to see fulfilled.

The people of Hawaii, whom he represented, can be equally proud. All can truthfully say, "Well done, thy good and faithful servant." To the last he fought a good fight. Even when JOE FARRINGTON was called for the last time, he was in his office Saturday afternoon working, working in preparation for furthering statehood's cause.

Many, many Washington days are rugged. Saturday, June the 19th was too rugged, and it took its toll. The price of that toll was too high. Now that the toll is taken over and above the call of duty, we are left to wonder, never knowing who will be next.

Mr. Speaker, Edgar Guest's poem entitled "At the Last," seems fitting:

AT THE LAST

There is so little to be said
Within the presence of the dead.
Altho so calm and still they lie,
They know what friends are standing by;
Whose eyes are filled with tears, and who
Have hurried in their tasks to do.
The years have taught them all these things—
Who heeds the doorbell when it rings,

Who is the first to come and stay
And kneel beside the bier and pray
They know whose hands the flowers arranged
And if they didn't t'would be strange.
If love had prompted us to give
Devoted service while they lived
They know that we will carry on
And still be true altho' they're gone.
They know we'll do the last sad tasks
Which love or friendship ever asked
There is so little to be said
Within the presence of the dead.
For always in the lonely room,
Made lovely by a bower of bloom,
Their peaceful faces seem to say
"I knew that you'd be here today."

Mr. HORAN. Mr. Speaker, all of us have lost a kind friend. JOE FARRINGTON was one of the most unselfish men I ever knew. He lived for others.

With you, I would like to see the Hawaiian statehood bill enacted into law as a fitting monument to our departed colleague. It was his life's ambition, and its passage would place a belated yet worthy epitaph upon a glorious record.

Mr. MACK of Washington. Mr. Speaker, someday soon, I expect, a new star, the 49th, will be added to our Nation's flag. That new star, it will be said, is for the State of Hawaii.

To me and to all Members of Congress that new star somehow will stand for JOSEPH R. FARRINGTON, the Delegate from Hawaii, who died Saturday, for to him, more than anyone else, will belong the credit for bringing Hawaii into the Union.

JOE FARRINGTON, since entering Congress, worked unceasingly for statehood for his beloved Hawai which, I hope, will be voted before the end of this session. The greatest regret of all of us when statehood comes will be that Delegate JOE FARRINGTON did not live long enough to see his dream of statehood for his beloved islands realized.

JOE FARRINGTON was a great, an able, and a courageous legislator. He was a cheerful, kindly, friendly, generous, and lovable man who made friends by being a good friend to others. Few men possess JOE FARRINGTON's great capacity for making friends. Few ever have as many friends as he did.

Once, in a speech for Hawaiian statehood, I said I hoped to see Hawaii voted statehood and JOSEPH R. FARRINGTON elected the first Senator from that new 49th State. The second part of that hope, now, never can be realized, but in the hearts of his colleagues and associates who knew him best JOE FARRINGTON always will be the first citizen of Hawaii, the citizen whose work added the 49th star to Old Glory.

Mr. D'EWART. Mr. Speaker, it has been a privilege during the past 9 years to know and work with Hon. JOSEPH R. FARRINGTON. I feel a great sense of loss in the knowledge that this companionship has come to an end.

As a member of the Committee on Interior and Insular Affairs, working with the problems of the Territory of Hawaii, I was always impressed with Mr. FARRINGTON's ability. I doubt that any Member of the House has a more thorough and complete knowledge of the district he serves. Every detail of Hawaiian life, economic, social, and governmental, was a matter of great interest to the Delegate from Hawaii. He was an able advocate. He won many friends for the Territory he serves.

The progress that has been made toard statehood for Hawaii is a tribute to the perseverance of its Delegate to Congress. His own earnest convictions on the subject of statehood sold many others who would otherwise have been cold or indifferent toward the proposal. I deeply regret that his passing occurred when the dream of statehood was so close to a reality.

The friendships we make here in Congress are one of the rewards for service here. I count myself fortunate to have known and worked with a great many fine men here in the House of Representatives. I will always consider it an especial honor to have had so long an association with Mr. FARRINGTON.

My deepest sympathies go out to Mrs. Farrington and family.

Mr. BENNETT of Florida. Mr. Speaker, in the passing of Delegate JOSEPH R. FARRINGTON, this country has lost a true statesman and we in this House have lost a treasured personal friend. He was a tireless worker for his constituents in the beautiful islands of the Territory of Hawaii and a tireless worker for all of America. He was a good husband and father and a fine, Christian gentleman. I feel that my life has been much richer because I knew him as a friend. May God bless his soul and give merciful comfort to his loved ones.

Mr. GROSS. Mr. Speaker, it is most difficult for me to reconcile myself to the sudden death of our colleague, the Honorable JOSEPH R. FARRINGTON.

Through our association as members of the House Interior and Insular Affairs Committee, I came to know Mr. FARRINGTON and respect him. Although he was intensely loyal to the Territory of Hawaii, and fought unceasingly and hard for statehood, his method of reaching that objective was one of courteous, determined persuasion based upon the facts as he evalued them.

It will not be easy for the Territory of Hawaii to find another Delegate as capable, efficient, and esteemed as our late colleague and friend.

Mr. Speaker, I join with others who have spoken this afternoon in mourning the untimely death of the Honorable JOSEPH R. FARRINGTON and in extending sincere condolences to his widow and other members of the family.

Mr. LONG. Mr. Speaker, today we mourn. In the sudden death of JOSEPH RIDER FARRINGTON, the beautiful islands he so worthily represented have lost a stanch and true friend—indeed, one might say, a father.

Born in this city in 1897, he was educated at Punahou Academy in Honolulu and at the University of Wisconsin, where he was the roommate of Philip La Follette, afterward Governor of Wisconsin. In his senior year, 1918, he enlisted in the United States Army, receiving his commission as second lieutenant. Honorably discharged in December of that year, he took his degree from Wisconsin University. His thoughts turned to journalism, and he made his entry into a newspaper career as a reporter in Philadelphia. This was followed by his serving in turn as reporter, managing editor, and publisher of the Honolulu Star-Bulletin. In 1934 he began the long and honorable career in public life as a member of the Territorial senate. Eight years later he ran successfully on the Republican ticket as Delegate to Congress. Here he served year in and year out wisely, faithfully, devotedly. His heart, of course, was set upon the admission of his beloved islands to the Union, and for that cause he dedicated all of his great ability and energy.

It is said that he did not live to greet the new State of Hawaii, but his work was really done. To him, more than to anyone, the people of his lovely homeland will owe their eventual statehood. Meanwhile, we, like the Hawaiian people, salute his memory with reverence, affection, and very great esteem. We shall not forget this noble colleague.

Mr. ROONEY. Mr. Speaker, I was indeed profoundly shocked yesterday to learn of the sudden passing of our dear friend and distinguished colleague, the Honorable JOSEPH RIDER FARRINGTON, Delegate to the House of Representatives from Hawaii.

When I originally became a Member of the House of Representatives and was assigned to my first committee I had the great pleasure of serving with JOE FARRINGTON on the House Committee on Military Affairs and in the fall of 1944 we were among the members of a group representing that committee on an official and hazardous visit to the Western and Italian battlefronts. As the result of this harrowing experience, I had an early opportunity to know Joe quite intimately. He and I soon came to be very good friends.

Through all the years of our personal friendship and association I learned on countless occasions, the true warmth of his heart and the kindliness of his spirit.

He loved his fellow man and was deeply admired and loved by his legions of friends. He was steadfast in his devotion to his duties and his foremost interest, of course, was the cause of Hawaiian statehood. It is a great pity that he did not live to see statehood for Hawaii become a reality. Over the years, he worked hard and diligently and won many friends for Hawaiian statehood in this body which resulted in the passage of this legislation during the 1st session of the present Congress. It will be a lasting monument to his memory.

The people of Hawaii and the Nation deeply mourn JOE FARRINGTON's passing and all his colleagues here in the House of Representatives are today deeply saddened upon the loss of such a fine legislator and faithful friend. I have lost a respected, kindly friend and shall always cherish his memory.

His good wife, his son and daughter and his sisters have my deepest sympathy in their sad bereavement.

Mr. JAVITS. Mr. Speaker, I join so many of my colleagues in the expression of deepest condolences and sympathy for Mrs. Farrington and the familiy of our dear colleague, JOE FARRINGTON. The finest memorial he would want is Hawaiian statehood. I shall do everything I can as one Member to see that this long held dream of JOE FARRINGTON'S is realized in this session.

Mr. AUCHINCLOSS. Mr. Speaker, it is hard to express one's thoughts about the passing of a friend for whom one has always had the highest respect and affection, and so in the death of JOSEPH R. FARRINGTON it is difficult to know what to say.

JOE FARRINGTON was elected to Congress as the Delegate from Hawaii the same year I was first elected from New Jersey and from the beginning of our friendship I was impressed by the gentleness of the man, his sincerity and his devotion to the service of the people that he represented. He was in every way a gentleman, most considerate of the feelings of others and he carried on his work in a quiet and unobtrusive manner which indeed was most effective. He had a host of friends and I can think of no one who did not like him.

His life from the time he graduated from the University of Wisconsin was devoted to public service which brought him in contact with many different people and gave him a broad vision and an understanding heart. He served in the Armed Forces in World War I and later was elected to the Senate in the Territory of Hawaii. He was elected Delegate to Congress in 1943 where he continuously served until the time of his death. In the last few years of his life he showed his indomitable will and with fine courage carried on his work in the face of a serious heart condition. We can all gain comfort and strength from his example and his many friends are better for having known him.

My deep and sincere sympathy goes to his wife and two children in this hour of their grief.

Mr. DAGUE. Mr. Speaker, in the passing of the gentleman from Hawaii this House has lost one of its ablest Members and the Nation has lost a great public servant. To have known JOE FARRINGTON was to have been invigorated by the warmth of his personality and stimulated by the soundness of his logic in matters of public concern.

His unswerving loyalty to the people he served and his undeviating dedication to their interests commanded for him the respect of all those who were privileged to serve with him in this body. Because of the limitations placed upon him by reason of the status of his constituency one could have expected him to remain mute on questions upon which he could not vote, but not JOE FARRINGTON, and the RECORD is replete with his appeals in behalf of all the people.

It was but a few days before his death that I stopped him on the floor to assure him that out of deference to the renewed request of President Eisenhower for statehood for Hawaii and also out of my personal regard for the Delegate from Hawaii I had determined to cast my vote in his favor should the question again come before us. He thanked me for my pledge and I am glad that I announced my intentions while he was still with us.

I have never been to that island paradise which Joe so pridefully represented but should future events take me to those golden isles I know that I shall see him in the glistening beaches and the stately palms—I shall think of Diamond Head as nature's monument to his steadfast loyalty—and I shall hear in the soft cadence of the song of the islands the voice of his people welcoming him home. We pray that they, and especially the members of his family, will let us share their grief and with them keep his memory green.

Mr. BYRNES of Wisconsin. Mr. Speaker, I wish to express my personal sorrow in the passing of my friend and colleague the Honorable JOSEPH FARRINGTON, the Delegate from Hawaii.

He was certainly a friend to all who knew him. Kindness, tolerance, graciousness, and sincerity marked JOE FARRINGTON as a man who was an inspiration to us all.

We who come from Wisconsin feel a special loss at his passing because there was a bit of Wisconsin in the Delegate from Hawaii. He was a graduate of the University of Wisconsin.

Hawaii and the country has lost one of its finest statesmen.

To JOE FARRINGTON'S family I wish to express my sincerest sympathy. Although consolations are small at a time like this, they can be sure that Joe will long be remembered with deepest respect.

Mr. MCGREGOR. Mr. Speaker, I was shocked when I learned of the untimely death of my friend and colleague, JOE FARRINGTON. As the Delegate from Hawaii, Joe, as he was affectionately known to all of us, served his people with honor and high distinction. He gave his very best for principles he thought right; he was honest, sincere, and one whose loyalty and integrity could not be questioned. The House has lost an able and honored Member. To Mrs. Farrington and the other members of the family we extend our deepest sympathy. You have lost a faithful and loving father and husband and we have lost a loyal friend. Our Nation has lost a great American. May God give you guidance in the days ahead.

WE HAVE LOST ANOTHER FRIEND

Mr. MILLER of Nebraska. Mr. Speaker, I rise today to pay tribute to a very good friend of mine, JOSEPH R. FARRINGTON, who passed on to his Maker and the land of no return late Saturday afternoon. It is with a heavy heart and profound sorrow that I must say goodby to JOE FARRINGTON. Joe and I were freshmen Congressmen together, elected to the 78th Congress and coming here in January 1943.

We were sworn in together just a little over a year after the infamous sneak attack on Pearl Harbor. The people of Hawaii were living in fear with the memories of bursting bombs and violent death still fresh.

The days were bleak. The Philippines had been lost to Japan. Our Navy had suffered major defeats. However, Guadalcanal was soon to be invaded and conquered. During that time, JOE FARRINGTON refused to lose faith. He cheered as the Allies grasped victory from defeat, but even from victory came sorrow. The Gold Stars all over the United States and Hawaii still remain as an everlasting reminder of the cost of victory.

Joe was one of the few, if not the only person, who was born in Washington, D. C., to be elected to Congress. He was born October 15, 1897, while his parents were visiting the Capital of the Nation. Shortly thereafter, they returned to Hawaii where Joe received his elementary education at Punahou Academy. Graduating, he came to the mainland to attend the University of Wisconsin.

His college education was interrupted as World War I saw him in the service as a second lieutenant in the field artillery. Returning, he hung up his rifle and completed his education at Wisconsin University.

In 1920 he married Mary Elizabeth Pruett. They have two children—a daughter, Beverly, who is the wife of Lt. Col. Hugh F. Richardson, of Leavenworth, Kans.; and a son, John, who is at home. Only last week his daughter presented him with a grandchild—a boy. Mrs. Farrington was in Leavenworth, visiting their daughter, when Joe passed away.

Joe was a newspaperman. He had the characteristics of one—he was friendly and sincere. He went a long way in his chosen field—rising from a cub reporter on a Philadelphia newspaper to become publisher of the Honolulu Star-Bulletin and Hilo Tribune. He was also a Washington correspondent and the managing editor of the Hawaiian newspapers.

Joe's first brush with politics came as a result of a lynch case—a case which developed into one of the few racial flare-ups the islands have ever witnessed. Under the threat of losing some of its privileges, Hawaii established a legislative committee and named Joe to be its executive secretary.

Two years later, he was elected to his first of two terms in the Territorial senate. In that capacity he distinguished himself as a spokesman for statehood.

Recognizing his persuasive debating qualities as well as his captivating personality, he was elected by the people of Hawaii to represent their cause in Washington. Their choice proved to be an excellent one.

I was able to watch him closely since we both served on the same committee. He was most pleased, when the 83d Congress was formed, that I was named chairman of the Interior and Insular Affairs Committee. This committee was to handle the Hawaii statehood bill and he knew I favored its passage.

Joe was delighted as the committee reported the bill to the House where it quickly passed. He was disappointed when parliamentary complications slowed up, what I expect to be, final passage of Hawaiian statehood.

However, he was not to be discouraged. He had many setbacks. Many times he had seen one body of Congress act favorably, only to see the other fail to act. These setbacks served as added incentives for him to reach his ultimate goal. Statehood to him meant work, work, and more work. Others might not have fought so hard.

Knowing whatever he did in Congress had to be supplemented by action on the outside, he was quick to take his fight to the Republican National Committee. During the 1952 convention, with his eight uninstructed delegates, he had the Hawaii statehood plank quickly made a part of the platform.

During his last 2 weeks, we conferred daily on what more could be done to help him realize his goal—a goal shared by many. Conferences with the Senate and the White House became more and more encouraging. Now it appears the parliamentary complications will be ironed out and the President may soon be able to sign a bill giving statehood for Hawaii. Joe and I shared a mutual confidence that Hawaii would become a State during the 83d Congress.

Joe was a statesman and ardent lover of Hawaii. I doubt if he had any enemies. I never heard him speak ill of any man. He was a gentleman and a scholar. JOE FARRINGTON will long be remembered for his kind disposition and for being devoted to the cause of Hawaii.

While the bill was before my committee, he nursed it as his own baby. He anxiously awaited its passage by the House. He was elated when it passed the Senate. He knew that it would only be a matter of time before the difference would be ironed out.

I sincerely hope that his death will not delay final passage. It is my understanding that the people of Hawaii must hold a special election to fill the vacancy—this will take at least 60 days. Since they will have no one here to spearhead the action during the next few weeks, I hope the bill will not lie dormant.

In closing, Mr. Speaker, I know the people of Hawaii are proud of Joe's accomplishments. They have every reason to be for when one reviews his accomplishments, he can truthfully say, "A job well done."

I extend my sympathy to his wife, the family, and to his host of friends. I trust divine providence will guide them through the days of sorrow ahead, and give them strength and hope for a brighter future, not only for themselves but for the people of Hawaii.

Mr. ENGLE. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from California, the ranking member of the Committee on Interior and Insular Affairs.

Mr. ENGLE. It was a saddening shock to me when I picked up the newspaper Sunday morning and read that our very dear friend and colleague on our committee for many years had suddenly passed away.

I suspect there is no one in this House who has had as much mutual respect across the aisle as JOE FARRINGTON. Many on this side of the aisle were kindly disposed to everything he tried to do because of the character that JOE FARRINGTON exemplified. He worked with us on the old Committee on Public Lands before the establishment of our new committee, the Committee on Interior and Insular Affairs, over which the distinguished gentleman from Nebraska presides. We handled many, many bills involving Hawaii. JOE FARRINGTON was an arduous worker for the Territory he represented. I think it can be truthfully said that JOE FARRINGTON worked himself to death in the service of the people he represented. It was known for a long time to his intimates, and certainly to his family, that he was suffering from a heart condition which might some day be fatal. It was only within the last few weeks in discussing the Hawaiian statehood bill and the parliamentary tangle in which the matter finds itself, I urged upon Joe that he take it easy and not work too hard, and that he not permit the pressures of the occasion to affect him adversely, and I warned him against working too hard at this particular juncture of the case when we knew that he was so close to success, and yet seemed to be so far away. I think there is an added note of sorrow in the passing of JOE FARRINGTON in that he has passed on before realizing his great ambition which was to be here in the House of Representatives when Hawaii joined the Union of States. Thus, his struggle for Hawaiian statehood which ended so unexpectedly deprived him of the opportunity to realize his ambition, but those who worked with him in that effort have some solace in the fact that on this occasion, we did everything we could in his behalf, and we equally feel that when and if Hawaii becomes a State of the Union, statehood will be a monument to the life and work of JOE FARRINGTON. He was one of the sweetest and kindest and finest men I have ever had the privilege of knowing.

Mr. Speaker, I want to extend my deepest sympathy to the members of his bereaved family, and to the people of that Territory of Hawaii whom he served so long and faithfully. The Territory of Hawaii has lost a great Delegate, the American people an outstanding and distinguished leader, and all of us, who knew and loved him, a wonderful friend.

Mr. MILLER of Nebraska. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Speaker, I know that not only Members of Congress but all of the people in the United States and the great Territory of Hawaii who knew JOE FARRINGTON were shocked when they heard of his passing. It was only Saturday morning when Joe talked to me with regard to the procedure he was going to follow during this week concerning that nearest and dearest to his heart, namely, statehood for the Territory of Hawaii. It was interesting to note that, beginning in 1903, on 15 different occasions, the Territorial Legislature of Hawaii has petitioned Congress for statehood. Since 1920, no less than 53 bills have been introduced providing for statehood for the Territory of Hawaii. But it was not until JOE FARRINGTON came to the House of Representatives as the Delegate from Hawaii that any postive action was ever taken. In June 1947 the House of Representatives passed legislation approving statehood for Hawaii. At that time the vote was 196 to 133.

In 1950 once again the Hawaii statehood bill passed the House of Representatives. This time it had an overwhelming vote—262 to 110. Joe was very much disappointed that in that session of the Congress the bill bogged down in the Senate. However, at the opening of the 83d Congress he was back here, even though at that time he was a very sick man, continuing his interest in statehood for Hawaii. He introduced his famous bill, H. R. 49, because he firmly believed that Hawaii would be the 49th State in the Union.

It was my privilege to be chairman of the subcommittee which handled that bill in the Committee on Interior and Insular Affairs, and I know that there was no one in Congress more happy than JOE FARRINGTON when that bill was reported favorably, after quite a parliamentary procedure, to the full committee. Then he was happier when it was reported by the full committee to the House of Representatives.

When, on the 10th of March last year, that bill passed by a vote of 274 to 138, I know that the happiest man in the United States that day was JOSEPH FARRINGTON. Then when the bill was sent to the Senate he was delighted when it came to the floor. Even though the two bills for Hawaii and Alaska were tied together, Joe still felt that it was all right, that Hawaii would be the 49th State. When the bill was sent back here he was a firm believer that the House Rules Committee would allow this great body to work its will, and that that bill would go to conference.

While this was the great love of JOE FARRINGTON, he was a great representative. Many of the bills which he introduced in the House of Representatives covering the Territory of Hawaii showed his keen knowledge of the islands and their many, many problems. As I worked with him, as he would explain to me and other members of the committee who asked, we were able to understand his keen knowledge, not only of the islands but of the problems which

confronted them, and his understanding of human beings.

In the passing of JOE FARRINGTON, I know that Congress has lost a great Member. The people of Hawaii have lost a great friend. But above all his family has lost a true husband and father.

To the people of the islands I extend my sympathy. To his family, words at a time like this mean little. I can say that JOE FARRINGTON left to his widow and his children what money can never buy, that is, a truly great name.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Speaker, it was my privilege to serve on the House Committee on Territories in the 79th Congress before the new Reorganization Act went into effect. It was a very high privilege to serve on the Larcade committee, that perhaps made the most extensive study of statehood for Hawaii, when we spent three very busy weeks in the islands, going into every nook and corner of them, holding continuous hearings throughout. I came to know JOE FARRINGTON intimately. He was my friend. I can appreciate his work.

The name "Farrington" is not a new one in Hawaii. You will remember that his distinguished father acted as Governor of the Territory and has left his mark on the islands and the island people. JOE FARRINGTON knew that which we must all come to know, the mind and temperament of the Asian people and how we can work and live with them. We need men of JOE FARRINGTON'S tolerance, understanding, and integrity today to bring about a better understanding between the East and West, because truly the future of this country lies in the Pacific basin. We must learn as he did to live with the peoples of that area.

I know of the great contribution he made to the people of Hawaii, just as the gentleman from Pennsylvania has told you.

I want to extend my sympathy to his family and friends, but particularly to his family, for we know the loss they have sustained.

JOE FARRINGTON more than anything else represented the spirit of Hawaii. I am sure that if he were here now he would want no trite tiresome farewells said to him. He would be content with a poignant "Aloha."

Mr. MILLER of Nebraska. Mr. Speaker, I yield to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Speaker, it was with a very sad heart that I read the news of the passing of JOE FARRINGTON; but it was not a surprise to me. In 1944, to my personal knowledge, JOE FARRINGTON had a very bad heart attack; and again later in the gymnasium twice I was present when he had a heart attack, and one time I took him home.

JOE FARRINGTON was the second man I met when I came to Congress; the first man was Earl Michener, then I met JOE FARRINGTON. We found that our lives in many ways had similarities: For instance, he was a graduate—so was his wife—of the University of Wisconsin, where I went to college. We found that we were married 5 days apart, and after 25 years had passed we had a joint wedding anniversary at his house, to celebrate our silver wedding anniversaries.

JOE FARRINGTON was a dedicated individual. From 1932 down to the moment of his death he had one cause that he espoused continuously: Statehood for Hawaii. He had a very distinguished father, as has also been mentioned. But all during those years, the 10 years before he came to Congress and the 12 years he spent in Congress, he was devoted to bringing about statehood for Hawaii. On every occasion when the Hawaii bill was before the House it was my privilege to lend my feeble voice in trying to aid Joe accomplish his purpose, and also my vote was cast for Hawaiian statehood every time it came to the House during my service here.

I think that JOE FARRINGTON was one of the finest individuals I have ever met. He was kindly, he was friendly, he was broad gaged, he was tolerant, and in every way he measured up to what can be considered to be an ideal legislator, an ideal representative in the Congress of the United States.

JOE FARRINGTON, I believe, was as tolerant as he was because of the life he lived in Hawaii. In Hawaii we have every race—the white, the black, the yellow, the brown, and all the intervening colors; and in part through the influence of the Farrington family and the Farrington paper, they have lived in harmony better than any other group of diverse types of people that I know of anywhere in the world. Joe himself helped bring that about, and he exemplified it here in Congress.

He had a very devoted and intelligent wife, and he had two wonderful children. He was a fine father and a fine husband. As I say, by every yardstick I know he measured up par excellence not only in his official life but also in his private life. It is very tragic to me that the one aim that he had for 20 years and devoted most of his life to accomplishing was frustrated by the sudden death of this wonderful man.

We send our sympathy to the family; in fact, we saw them last night, and also to his children. It happens that his daughter just had a baby and will not be able to be present for a few days to console her mother and her brother. Men like Mr. FARRINGTON, in my opinion, are examples for all of us to follow.

He was never bitter or angry at anyone. He was worshiped by the Members of the House of Representatives. I know numerous Members of the House who voted consistently against the Hawaiian statehood bill, but every one of them admired JOE FARRINGTON for his character, ability, and tolerance.

To me he was a model legislator. He espoused his cause with intelligence, with ability, and without rancor. It is very sad, indeed, that this wonderful man has left us.

Hawaii has lost a very able Delegate. Statehood will come to Hawaii. The only doubt is when. When it does come the one to whom the greatest credit will be due will be JOSEPH RIDER FARRINGTON, who laid down his life for that result. The people of Hawaii will give credit for that event to our departed friend.

Mr. MILLER of Nebraska. Mr. Speaker, I yield to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Speaker, I was shocked beyond words when I learned of the death of my esteemed friend and colleague, the Honorable JOE FARRINGTON, of Hawaii.

My office is just across the corridor from Mr. FARRINGTON'S office. We have been good neighbors for years.

Not only do I feel the terrific shock and grief at his passing, but the members of my office force share my grief in losing our good friend and neighbor.

JOE FARRINGTON'S efficient office force held him in the very highest esteem. They were loyal and they loved him because he was such a gentle, patriotic American of the highest order.

We grieve with Mrs. Farrington and her family.

It was my privilege to visit Hawaii last fall. Mrs. Jensen met me there on my return from a trip around the world. We were royally received by Joe and Mrs. Farrington. They were very kind and courteous to us. They introduced us to many of their friends in their beautiful Hawaii. The people of Hawaii respected, loved, and worshiped JOE FARRINGTON because of his high ideals and honesty. JOE FARRINGTON was one of God's noblemen. He would not do a thing that was not honorable, upright and good for the America he so dearly loved.

Mrs. Jensen joins me in extending our deepest sympathy to Mrs. Farrington and her fine family, and say to them, that we know the same merciful God who beckoned their loved one to his heavenly home will give them comfort and strength to bear the great loss they have sustained.

Aloha, JOE FARRINGTON.

God rest his soul.

Mr. MILLER of Nebraska. Mr. Speaker, I yield to the Delegate from Alaska [Mr. BARTLETT].

Mr. BARTLETT. Mr. Speaker, the cause he espoused and led was not won in his lifetime but when it is, as surely it will be, the name of JOSEPH RIDER FARRINGTON will be forever linked with Hawaii statehood. In the search for it and the striving for it he was as a missionary; he was a dedicated man who even as he passed from this world saw near the victory for which he so long had labored.

I find it difficult to speak here of the death of one with whom I had such a close professional association, and for whom I had such keen admiration and sense of friendship. We all knew, of course, that JOE FARRINGTON was not a

well man but only last week I thought he looked far better than he had for many months. Indeed, I commented on this to my office staff only last Friday afternoon after returning from the making of a recording for later broadcasting in Alaska on a program where JOE FARRINGTON had been good enough to be my guest. That occasion was typical of him; busy as he was, he had given willingly of his time so that I might interview him on this program.

Back in 1945 when I first came to this great body, JOE FARRINGTON had already been a Member for 2 years. I can never forget the aid and comfort he gave the newcomer. That was the start of an association which has continued close through the years and the memory of which I shall always treasure.

The attainment of statehood for Hawaii was always first and foremost with JOE FARRINGTON. He worked for it, he fought for it, he pleaded for it; in season and out of season it was uppermost in his mind and in his activities. The goal which he sought was often near, but never closer than at the time life ceased for him.

A realistic man and a hard-working one, JOE FARRINGTON did not permit even statehood to stand in the way of the performance of his day-in-and-day-out legislative duties. As Delegate from Hawaii he was constantly required to bring bills on many subjects, but chiefly referring to land and finance, before the Congress. And through the years he has had an extraordinarily splendid record in having those bills enacted into law. It was with a sense of deep satisfaction that Delegate FARRINGTON told me Friday that only that morning President Eisenhower had signed into law six bills of which he was the author.

Not only were JOE FARRINGTON'S roots firmly imbedded in the Hawaii he loved so well, but all his thoughts and efforts seemed concentrated on the Pacific islands from which he came. The almost 12 years he had been in Washington had served in no fractional degree to diminish the oneness between him and the people he so faithfully and well represented.

Only a man completely dedicated would have remained on in Washington as Delegate in the circumstances. JOE FARRINGTON had business interests in Hawaii which in some measure he had necessarily to neglect while serving in the House of Representatives. He and his lovely wife Betty seldom had the opportunity to see, much less enjoy, their beautiful home in Honolulu. The sacrifices they made in remaining on in Washington were always apparent to those who knew their situation. But JOE FARRINGTON persevered through almost six terms in Congress seeking to win statehood for his island constituency. They were hard years for him; that I know. They were years of frustration of impediments, of disillusionments, of vexations. Happily, JOE FARRINGTON was blessed not only with a keen intelligence but a leavening sense of humor. Very serious indeed about the mission which held him here, he knew when and how to lighten a situation. In all of this Mrs. Farrington was always at his side to assist with companionship and wise counsel. Their popularity came naturally and always seemed so right and proper for those who in the Nation's Capital represented the friendly American islands of the Pacific.

Every last one of us here will miss JOE FARRINGTON. He was an outstanding man. For me, as a fellow Delegate, there will be a void which never can be rightly filled. All Alaskans who knew him came to admire and respect him. His was the voice of informed counsel, of experience. JOE FARRINGTON was a great man of a great people. To Mrs. Farrington and those closest and dearest to Joe, I should like to take this opportunity to express my profoundest sympathy. To the people so many miles away whom he represented so well, I say his like will not walk soon among you again. A leader has fallen in the heat of battle at the threshold of victory.

Mr. MILLER of Nebraska. Mr. Speaker, I yield to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Speaker, I am sure that there is not a Member of the House who did not respect and, I may say, love JOE FARRINGTON, one of the most wonderful men I have ever known in my official life. The Nation can ill afford to lose such a man.

It has been said that that which raises a country, that which strengthens a country, that which dignifies a country, that which spreads her power, creates her moral influence, and makes her respected and submitted to, bends the hearts of millions, bows down the pride of nations to her, the instrument of obedience, the fountain of supremacy, the true crown and scepter of a nation, is not an aristocracy of blood, not an aristocracy of fashion, not an aristocracy of talent only; it is an aristocracy of character. This is the true heraldry of men.

There is no question but what the life of JOE FARRINGTON has raised his country in the eyes of the world. He has strengthened his country and he has dignified his country. He has made a great contribution by the useful life he has lived that will never die. The influence of such a life on the youth of the land, the Americans of tomorrow, is immortal. He has had a deep and abiding influence on the wonderful people he so ably represented. I endorse everything that has been said about JOE FARRINGTON. We sometimes forget we are all laborers in a great cause in building up and strengthening the great Republic under which we live.

JOE FARRINGTON made a heroic effort to give statehood to his people. My sympathy goes out to his wonderful family, some of whom I saw yesterday. I can only think as he worked here on this floor so diligently and so ably, of the men who worked upon the most beautiful building in the world, the ancient architectural gem, the Parthenon. They were the men who did the carving and the chiseling on that great surpassingly beautiful building because of the dust from their own chiseling, they never saw the completed structure.

So it is here. JOE FARRINGTON never lived to see the great work which is about to be accomplished as a result of his labors. So we are all laborers in the great cause of building this great Republic as the leader of the world.

My heartfelt sympathy goes out to Mrs. Farrington and his wonderful family, his legion of friends here and in Hawaii.

Mr. MILLER of Nebraska. Mr. Speaker, I yield to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Speaker, words do not express the great loss I feel with the untimely passing of our friend and colleague, JOE FARRINGTON. He was indeed an able legislator, and he had few equals as a real gentleman—kind, gracious, courteous.

The one thing, more than anything else, close to Joe's heart was statehood for Hawaii. He worked tirelessly for its accomplishment. Hardly a day passed that he did not speak to me as to the importance of securing action on Hawaiian statehood legislation. Unfortunately, Joe did not live to see his life's ambition fully realized. But he has not worked in vain. One day, in the not too distant future, Hawaii will be admitted as a State. This will be a monument to JOE FARRINGTON.

I share the loss felt by the people of Hawaii. My deepest sympathy goes to JOE FARRINGTON'S lovely wife and family.

Mr. MILLER of Nebraska. Mr. Speaker, I yield to the gentleman from Puerto Rico [Mr. FERNÓS-ISERN].

Mr. FERNÓS-ISERN. Mr. Speaker, it was a great shock for me to learn Saturday that JOE FARRINGTON had left us. We will all sorely miss him.

When I came 8 years ago to this House of Representatives Joe was already here. He was the senior and I the junior of the group of three who jokingly called ourselves the three cadets. We served together in committee. It was in 1947 that, under the Reorganization Act, for the first time the Delegates from the Territories and the Commissioner from Puerto Rico served together on one committee instead of on two separate committes, as it was before.

Joe was fighting for statehood for Hawaii, as BOB BARTLETT was struggling for statehood for Alaska. Our ambitions for self-government in Puerto Rico did not lead us that way.

Joe always had a good word of encouragement for me as he had for all his many friends. We compared notes and exchanged ideas. We understood each other, and I think we understood each other's problems. He visited Puerto Rico that he might know us better. I regret that time was never available to me to repay that visit.

Joe has died before Hawaii has been admitted to the Union of States. He is the first of the three cadets to leave the House. Perhaps in a measure that is an

anticipation of what should properly happen; that there should be no more Delegates from Hawaii, that there should be 2 or only 1 cadet in the House, the 1 from Puerto Rico, because Hawaii next may be represented by voting Members of the House and 2 Senators, with the same situation obtaining for Alaska. If that happens, and happens soon, and if it could happen at this session of Congress, that would be, yes, a monument to JOE FARRINGTON, a very well-deserved monument, the most appropriate and everlasting monument to him who laid the cornerstone and built most of the superstructure for Hawaiian statehood.

Mr. MILLER of Nebraska. Mr. Speaker, I yield to the gentlewoman from Illinois [Mrs. CHURCH].

Mrs. CHURCH. Mr. Speaker, it is with a sadness in my heart that I stand here today to pay my all too humble tribute to JOE FARRINGTON. I think that I am particularly moved because for the first time in many weeks, last Friday I chatted with him at the door of the House restaurant. I told him I thought that I had never seen him look so well, and he said, "I have never felt stronger." I am glad of something else about that brief conversation. I went on to say to him that I hoped that he knew how many of us to whom he and Betty Farrington had shown kindness and given hospitality wished that we might return it. His face broke into that contagious smile and he said, "That is our greatest pleasure."

I am sure, Mr. Speaker, that no couple that ever came to Washington from any State or Territory so thoroughly built themselves into the work and lives and hearts of their colleagues. Their interest extended far beyond these legislative chambers. In the Congressional Club of which in happier days it was my pleasure to be president, Betty Farrington was at hand—and JOE FARRINGTON with her—to anticipate our needs rather than just to meet them. And as long as the club stands, into the heart of every member will be built an understanding of the beauty and strength and friendliness of Hawaii because of that wonderful Hawaiian room given to the clubhouse by the Farringtons. There has never been a cause in Washington for which we could not go and ask for help from the Farringtons—and we were never refused. I do not know how we can get along without them.

I think particularly of how fortunate we were last December when we caught the spirit of the Farringtons and of their home and of their island on our return trip from the Far East. I sat at JOE FARRINGTON's right at dinner with them, and I commented on the beauty of his home and in the thoughtfulness with which the Christmas spirit had been carried out in the decorations, and he said to me, "You know we are leaving in a few days ourselves for Washington and so this is really our Christmas dinner." To that dinner there had been invited not only ourselves who were there as guests, but their close personal friends in Hawaii who included so many of those who belonged to those islands. I never knew such understanding, such warmth of friendship. As that dinner went on, the doors opened out to the terrace, and a native Hawaiian church choir sang Christmas carols. I said also to JOE FARRINGTON last Friday that there would never be a Christmas when the memory of that Hawaiian evening would not be with me.

Mr. Speaker, not only did Joe and Betty Farrington bring their strength and their understanding and their friendliness and their passion for their islands to Washington, but they built in us reciprocally an understanding of their islands and admiration for their purpose and a hunger for the kind of friendship that the Farringtons knew how to give.

I think with understanding sympathy of Betty Farrington going back to that beautiful home in Hawaii alone. I hope that the House will forgive me and not feel that I grow too personal if I take this public occasion to remind her that she will not walk alone; to assure her of my personal faith that anyone who has known the kind of strength and love and security that JOE FARRINGTON built into her life cannot be separated from it even by death. He will walk with her. She who breathed also with dedication to his life purpose of statehood for Hawaii—who shared his every work and every bit of play—will find strength in the knowledge that she will have the opportunity to carry on in the same path, as he would wish her to do. She will also find consolation, I am sure, from the knowledge that he never had to know that he was to be called from his work and from his family, whom he loved so well. She can take solace, indeed, from the knowledge that he went at the full height of his power, surrounded by the friendship of us all, and certainly bearing with him always the tribute of a grateful Nation which loves those who have served her well.

Mr. MILLER of Nebraska. Mr. Speaker, I yield to the distinguished Member from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I was deeply shocked when I returned to Washington to find that all that could die of JOE FARRINGTON had left us. I mourn first of all with his beautiful, able helpmeet, his wife; then with his children and all of his family; and then with the Territory of Hawaii, because Hawaii has lost its greatest fighter for its cause of statehood. No one knows but the Hawaiians themselves what he did for his Territory. No one knows what he did for his family. Many of us in the House know what he did for us. JOE FARRINGTON did not work just for his own Territory. He worked for everyone of us. I doubt if there is a single Member who ever went to JOE FARRINGTON for help who came away without it. I know I never did. I never asked in vain.

Mr. Speaker, there is perhaps one thing that some do not realize, and that is the fight that JOE FARRINGTON made to have the crosses restored in the cemetery where our veterans are buried; the crosses and the Star of David and other symbols of religion of the veterans who gave their lives. He was so anxious for a beautiful memorial there. He was so anxious that the crosses be restored.

I saw JOE FARRINGTON on Thursday afternoon. I was talking with one of the telephone boys in the cloakroom, Edgar A. Poe, Jr., as he went by, and I said, "How are you." The page turned to me and said, "He must be well and very happy, Mrs. ROGERS, because he looks so." I feel that JOE FARRINGTON perhaps had a subconscious feeling that he was going to win not only the victory of life but that he would win statehood for Hawaii.

Mr. MILLER of Nebraska. Mr. Speaker, I yield to the distinguished gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, like every other Member of the House of Representatives, I was profoundly shocked and saddened when I learned of the death of my friend and colleague, JOSEPH R. FARRINGTON.

It was in 1937 when, as a member of a congressional committee, I first met JOE FARRINGTON in Honolulu. At that time he was one of the leaders in the Territory of Hawaii, a prominent businessman and journalist, and respected by all as a public-spirited citizen.

It was but natural, I think, that some time later, when the very able Delegate from the Territory, Sam King, resigned his position and again entered the military service of his country, that JOE FARRINGTON should succeed him. And what a wonderful record he has made, and how well he has met the great responsibilities that have confronted him. All of us who have served with him know of the very gallant and very effective fight that he has made for statehood. We have admired his ability, his industry, and his single-mindedness in this great fight. How tragic that he could not have lived to see his efforts rewarded, as I am sure they will be, and soon.

Our sympathy goes out to his family, and especially to his devoted wife, who worked so well and loyally with him in all his public endeavors.

Mr. Speaker, this morning the Committee on Agriculture, of which Mr. FARRINGTON was a member during all of his congressional service, passed a resolution on his life and work. I ask unanimous consent that I may extend my remarks by including this resolution.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The resolution follows:

JOSEPH R. FARRINGTON

Whereas JOSEPH R. FARRINGTON for 20 years, as newspaperman and Territorial Delegate, led Hawaii's struggle to reach statehood, and for half that period he sat in Congress as the Territory's able spokesman;

Whereas, when and if that goal is attained, most of the credit should go to him;

Whereas, as a man of culture, dignity, and ability, he became a symbol of Hawaiian hospitality and charm in the Nation's Capital, and his life added luster to the Territory and exalted its stature before the United States and the world;

Whereas, serving with the House Committee on Agriculture, he endeared himself to all its Members: Now, therefore, be it

Resolved, That the committee has heard with profound sorrow and a sense of deep loss of the untimely death of JOSEPH R. FARRINGTON; and be it further

Resolved, That the committee express its sincere sympathy to the widow and other members of the family; and be it further

Resolved, That the committee clerk communicate this resolution to the family of the deceased.

Mr. MILLER of Nebraska. Mr. Speaker, I yield to the gentlewoman from New York [Mrs. ST. GEORGE].

Mrs. ST. GEORGE. Mr. Speaker, I also, with my colleagues, was deeply grieved at the sudden passing of JOE FARRINGTON. I had known the Farringtons long before I came to Congress largely through my great friendship for Mrs. Farrington, with whom I had worked for many years in different endeavors.

I admired them both. I think if it is possible for any outsider to say so, that I understood how close they were together, how much they worked together, how they had the same objectives, the same ambitions, and the same ideals; and nothing can be finer than that.

It was my good fortune to be in Hawaii last October and to enjoy their great hospitality and to see their beautiful home that has been alluded to here. I remember saying to JOE FARRINGTON: "I should think that you would hate to leave all this even for the time that you have to be in Washington." The minute I had said it I realized that, of course, he wanted to leave it, because he had a great purpose in leaving it, and that great purpose was to bring about statehood for his beloved islands.

He is an example to all of us as we think of what we can do if we truly believe in something and in an objective. Singlehanded he fought on the floor of this House for statehood for the islands, and he had almost achieved it. He knew that he was not well, he must have known it, because his doctor himself said that he was living on borrowed time. But that did not change his personality; he was cheerful, he was happy, he was, indeed, a happy warrior in a fight to win, and victory was so well in sight.

So, whatever happens, whether statehood comes to Hawaii now in these next 60 days, or whether it takes a little longer, statehood for Hawaii will be the enduring monument of the Farringtons—and I put them both together because they both strove together for this final crown of their lives and of their country's ambitions.

Yes; he was a great representative of the islands; but above all that, he was a great American. He died probably as he would have liked to die, in harness, quickly. And so we can say to him as they say in the song as you go away from the islands: "Aloha. Until we meet again."

Mr. MILLER of Nebraska. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. KEARNS].

Mr. KEARNS. Mr. Speaker, I rise to pay my tribute to my great personal friend, a great statesman, a great American, JOE FARRINGTON. Today the eulogy that is being paid JOE FARRINGTON, beautiful as it may be, may still lack the words and the rhythm and the expression of the heartfelt affection that we have for JOE FARRINGTON. Men may come and men may go, but there never will be another JOE FARRINGTON.

The work that he and his lovely wife, Betty, have done for the island of Hawaii is one that will be written in indelible pencil for all time to come; and the monument of statehood which has been referred to here so often this afternoon will be theirs, because they put in the footings, as we say in the field of construction.

JOE FARRINGTON when he used to comment about the Members of the House and his service in this body used to call it "the most lovely experience I ever had," because though all did not agree with him on the great issue of statehood, his love for every individual Member of this House was something that he treasured and took to his grave with him.

May God bless his lovely family and may the spirit of the greatest salesman Hawaii ever produced live on forever.

Mr. MILLER of Nebraska. Mr. Speaker, I yield to the gentleman from Maine [Mr. MCINTIRE].

Mr. MCINTIRE. Mr. Speaker, the name of Farrington is as inextricably associated with Maine as with Hawaii, for while my district cannot claim the distinction of having given birth to our respected and beloved late colleague, it was the cradle of his ancestors. From the comparatively small communities of Brewer and Holden, Maine, the family sent illustrious sons throughout our State, and to the far corners of the world. At home and abroad they contributed largely to the development of business, education, and government.

As a younger and freshman Member of Congress, I became aware immediately of the keenness of mind and of the charm of the Delegate of Hawaii, and his kindness and example meant much to me.

Words of ours cannot lessen the shock and sorrow of the widow and their family, but it is my privilege and Maine's to share those feelings, and to extend to all those who felt affection for JOSEPH R. FARRINGTON our heartfelt sympathy.

Mr. Speaker, my colleagues from Maine, Mr. HALE and Mr. NELSON, are today in Maine, but they share with me the sympathy I have expressed.

Mr. MILLER of Nebraska. Mr. Speaker, I yield to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Speaker, I wish to join my colleagues in paying tribute to JOE FARRINGTON. I was deeply shocked and saddened yesterday when I learned of his untimely death.

I liked JOE FARRINGTON. He was a friendly person. I think everyone liked JOE FARRINGTON who knew him. He was a genial man. I never met him but what he had something pleasant to say. He made life happier for all of us. I never heard anyone say an unkind work about JOE FARRINGTON and I never heard him speak unkindly of anyone.

Mr. FARRINGTON was of course intensely interested in statehood for Hawaii, which has been a controversial issue in Congress for many years. There were many heated and acrimonious debates on this subject, but I never saw JOE FARRINGTON lose his kindly and genial disposition. He was always of the same even temper and won many friends for statehood by his friendly approach.

The passing of JOE FARRINGTON is a great loss not only to Hawaii, which he loved so deeply and served so faithfully, but to the entire Nation and to everyone who knew him personally. We are going to miss his gracious smile. All of us have lost a dear friend. My life is richer because of my association with JOE FARRINGTON.

To Mrs. Farrington and the family I extend my deepest personal sympathy.

Mr. MILLER of Nebraska. Mr. Speaker, I yield to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, there are some words in our language that we do not use easily. One of them is the word "nobility." It is not given to us to know many persons who fully deserve that word to describe their character.

JOE FARRINGTON was one who eminently deserved and merited it. He was a good man, a truly noble man. He was possessed of good commonsense, remarkable industry and the forceful drive we think of as belonging to the Yankee. But he had lived in Hawaii long enough to have absorbed the gentle spirit and manners of the peoples of the Pacific. As much as any man I have ever known of any of the races which have so many distinguished representatives in his beloved Hawaiian Islands, he himself in his own person embodied the finest in the various cultures which have developed around the Pacific basin and converge on the Hawaiian Islands in its center.

But along with what a man is—and that is his highest accomplishment, as has been said repeatedly here today—goes the record of what the man does. Eloquent tribute has been paid to the singleness of purpose with which this man worked to get statehood for the Hawaiian Islands, but it was not primarily or solely due to his devotion to the Hawaiian Islands. JOE FARRINGTON was a man of still larger vision. He saw that the struggle of the ages is taking place in the Pacific between the peoples of the white races and those of the nonwhite races. The last time I talked to him was only last week standing behind the rail over there. He said, "How much more time do we Americans think we have?" That is as near as I ever recall hearing

him say a word of frustration at the many and long delays. It was not personal frustration. He trembled for his country as he saw it fiddling while Rome burned. Which way are the two-thirds of the people of the world who are not Caucasians to go? He knew that Hawaii is one of the focal spots where that question will be answered. He knew that his duty was far more than to get statehood for this one group of islands. That effort was only a part of his loyal, thoroughgoing Americanism; his duty to his country; his concern for the survival of the civilization of which he and you and I are trustees. He was motivated by his vision of the total struggle, not just his proper concern to get a change of status for the people who had elected him to serve their interests.

Along with the nobility of personal character and the breadth of vision that gave him greatness was the dedication the man had. We see all sorts of people in public life, but there are few, if any, who have demonstrated greater and more singlehearted dedication to the causes that he felt were most important. He was a man of wealth. He did not need to slave as he did. Yet along with his main concern, in the legislative field, of winning statehood for the islands, JOE FARRINGTON did as much for human beings and gave more time to bills for the relief of individuals—I will not say as much; I think he did more than any 2 or 3 of us in Congress. In the Hawaiians there is such an intermingling of blood and races and nationalities that it is often impossible to decide to what jurisdiction or country or quota a man or woman or child belongs from the standpoint of his race and his ancestry. So the immigration or property or personal rights of hundreds of them have to be handled by private bills to get equity and justice. Joe, I think, introduced far more of these bills and carried them through to successful passage than anybody that has ever been in the Congress. He sometimes said, "They may think I am going overboard for Asians and peoples of other color, but it is because they are human beings who have no other recourse. Here are persons who have no chance to get their prized American citizenship or their immigration status clarified unless I put in the bills and get them through the Congress."

He was selfless. I suppose the final test of any man's patriotism is his willingness to give his life for his country JOE FARRINGTON never left the field of battle, although he was mortally wounded. Thrice stricken down to my knowledge, he continued to fight. We will not soon see his equal again.

When I was a boy in Sunday school it seemed to me too bad that Moses never got into the Promised Land. It seemed kind of unfair, having led his people out of Egypt and through the 40 years in the wilderness, that he, himself, was denied more than a glimpse of the Promised Land. Sitting here today, I had that same feeling regarding our departed colleague—a feeling of it not being right that JOE FARRINGTON did not get to see the Hawaiians become the 49th State of our Republic. But he knew it was coming because it is right, and I am sure that no greater tribute can be paid to him by those of us who knew him well and mourn his passing than for us to carry through quickly to fruition this which was his life's crusade.

Our deep sympathy goes to his devoted wife and partner in his work and to his family.

Mr. MILLER of Nebraska. Mr. Speaker, I yield to the gentleman from Virginia [Mr. WAMPLER].

Mr. WAMPLER. Mr. Speaker, like all of my colleagues, I was deeply shocked and grieved to learn of the death of our colleague, JOE FARRINGTON. When I came to Congress in January of 1953 as a green, inexperienced, freshman legislator, I had the good fortune to be assigned an office space in the Old House Office Building adjacent to the suite occupied by our departed friend. On many occasions, as I came to the floor to answer quorum calls or rollcalls, I walked over from the Old House Office Building with our friend. I talked to him many times about a subject that was so close to his heart, that of admitting the people whom he represented to statehood in the Union. A wise man once said that we never forget a person unless our hearts forget their greatness. Mr. Speaker, I submit that JOE FARRINGTON will not be forgotten by those who knew and loved him.

To his family I wish to express my deepest sympathy and say that we have, indeed, lost a true friend.

Mr. MILLER of Nebraska. Mr. Speaker, I offer a resolution (H. Res. 591).

The Clerk read the resolution, as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. JOSEPH R. FARRINGTON, a Delegate from the Territory of Hawaii.

Resolved, That a committee of nine Members of the House with such Members of the Senate as may be joined be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

The SPEAKER. Without objection, the Chair will announce the funeral committee tomorrow.

There was no objection.

THE LATE LESTER C. HUNT

Mr. RAYBURN. Mr. Speaker, in all the things that have been said about our late colleague, Mr. FARRINGTON, I join wholeheartedly and fully.

In the absence of the gentleman from Wyoming [Mr. HARRISON], I assume the duty of announcing to the House the passing of LESTER HUNT, late a Senator from the State of Wyoming. LESTER HUNT had a great record, not only in his State politics but in national politics. In every responsibility that was placed upon his shoulders, he lived up to the expectation of his friends.

Mr. Speaker, I ask unanimous consent that all Members who desire to may extend their remarks on the life and character of LESTER HUNT at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, I offer a resolution (H. Res. 592).

The Clerk read the resolution, as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. LESTER C. HUNT, a Senator of the United States from the State of Wyoming.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased Senator.

Resolved, That a committee of five Members be appointed on the part of the House to join the committee appointed on the part of the Senate to attend the funeral.

The resolution was agreed to.

The SPEAKER. Pursuant to the resolution, the Chair appoints the following Members of the funeral committee: Messrs. HARRISON of Wyoming, D'EWART, ASPINALL, LOVRE, and ROGERS of Colorado.

ADJOURNMENT

Mr. ARENDS. Mr. Speaker, as a further mark of respect to the memory of the deceased, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 25 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 22, 1954, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1643. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1955 in the amount of $132,098,500 for the Department of Health, Education, and Welfare, and the Department of Labor (H. Doc. No. 438); to the Committee on Appropriations and ordered to be printed.

1644. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1955 for the Veterans' Administration (H. Doc. No. 439); to the Committee on Appropriations and ordered to be printed.

1645. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1955 in the amount of $553,150 for the Commission on Organization of the Executive Branch of the Government (H. Doc. No. 440); to the Committee on Appropriations and ordered to be printed.

1646. A letter from the Attorney General, transmitting a draft of legislation entitled "a bill to authorize the employment in a

civilian position in the Department of Justice of Maj. Gen. Frank H. Partridge, United States Army, retired, and for other purposes"; to the Committee on Armed Services.

1647. A letter from the Administrator, Federal Civil Defense Administration, transmitting the quarterly report of property acquisitions for the quarter ending March 31, 1954, pursuant to subsection 201 (h) of the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

1648. A letter from the Secretary of the Army, transmitting a draft of legislation entitled "a bill to amend section 508 of the Career Compensation Act of 1949, as amended, relating to the compensation of cadets and midshipmen"; to the Committee on Armed Services.

1649. A letter from the Assistant Secretary of the Interior, transmitting one copy each of certain bills passed by the Legislative Assembly of the Virgin Islands, the Municipal Council of St. Thomas and St. John, and the Municipal Council of St. Croix, pursuant to section 16 of the Organic Act of the Virgin Islands of the United States approved June 22, 1936; to the Committee on Interior and Insular Affairs.

1650. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting new and additional evidence in the case of Athanasios Elias Cheliotis, A–6657670, involving suspension of deportation, and requesting that it be withdrawn from those now before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1651. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to Public Law 863, 80th Congress, amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

1652. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

1653. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

1654. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of June 17, 1954, the following bills were reported on June 18, 1954:

Mr. HOFFMAN of Michigan: Committee on Government Operations. H. R. 6658. A bill to provide for the conveyance of certain lands by the United States to the county of Cumberland, N. C., without remuneration; with an amendment (Rept. No. 1889). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOFFMAN of Michigan: Committee on Government Operations. H. R. 8713. A bill to amend section 1 (d) of the Helium Act (50 U. S. C. sec. 161 (d)), and to repeal section 3 (13) of the act entitled "An act to amend or repeal certain Government property laws, and for other purposes," approved October 31, 1951 (65 Stat. 701); with amendment (Rept. No. 1890). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOFFMAN of Michigan: Committee on Government Operations. H. R. 9232. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to extend until June 30, 1955, the period during which disposals of surplus property may be made by negotiation; without amendment (Rept. No. 1891). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted June 21, 1954*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAVIS of Wisconsin: Committee of Conference. H. R. 8367. A bill making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1955, and for other purposes (Rept. No. 1892). Ordered to be printed.

Mr. FULTON: Committee on Foreign Affairs. House Joint Resolution 257. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the First International Instrument Congress and Exposition to be held in Philadelphia, Pa., from September 13 to September 25, 1954; with amendment (Rept. No. 1894). Referred to the House Calendar.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. S. 3336. An act to promote the apportionment of the waters of the Columbia River and tributaries for irrigation and other purposes by including the States of Nevada and Utah among the States authorized to negotiate a compact providing for such apportionment; without amendment (Rept. No. 1895). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 6882. A bill to amend the act of September 27, 1950, relating to construction of the Vermejo reclamation project; without amendment (Rept. No. 1896). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 7466. A bill to authorize the Secretary of the Interior to execute an amendatory repayment contract with the Pine River Irrigation District, Colorado, and for other purposes; without amendment (Rept. No. 1897). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBSION of Kentucky: Committee on the Judiciary. H. R. 9505. A bill to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, as amended, relating to war-risk hazard and detention benefits until July 1, 1955; without amendment (Rept. No. 1898). Referred to the Committee of the Whole House on the State of Union.

Mr. WOLVERTON: Committee on Interstate and Foreign Commerce. H. R. 7840. A bill to amend the Railroad Retirement Act, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act; with amendment (Rept. No. 1899). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DONDERO: Committee on Public Works. H. R. 7158. A bill authorizing the United States Government to reconvey certain lands to S. J. Carver; with amendment (Rept. No. 1893). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LYLE:

H. R. 9614. A bill to provide for modification of certain works of improvement authorized on Guadalupe River, Tex., by the act of March 2, 1945; to the Committee on Public Works.

By Mr. THOMPSON of Texas:

H. R. 9615. A bill to provide for modification of certain works of improvement authorized on Guadalupe River, Tex., by the act of March 2, 1945; to the Committee on Public Works.

By Mr. FISHER:

H. R. 9616. A bill to provide for modification of certain works of improvement authorized on Guadalupe River, Tex., by the act of March 2, 1945; to the Committee on Public Works.

By Mr. THORNBERRY:

H. R. 9617. A bill to provide for modification of certain works of improvement authorized on Guadalupe River, Tex., by the act of March 2, 1945; to the Committee on Public Works.

By Mr. RAY:

H. R. 9618. A bill to amend the Internal Revenue Code to encourage the establishment of voluntary pension plans by individuals, to promote thrift, and to stimulate expansion of employment through investment; to the Committee on Ways and Means.

By Mr. LATHAM:

H. R. 9619. A bill to amend the Internal Revenue Code to encourage the establishment of voluntary pension plans by individuals, to promote thrift, and to stimulate expansion of employment through investment; to the Committee on Ways and Means.

By Mr. BOSCH:

H. R. 9620. A bill to amend the Internal Revenue Code to encourage the establishment of voluntary pension plans by individuals, to promote thrift, and to stimulate expansion of employment through investment; to the Committee on Ways and Means.

By Mr. DORN of New York:

H. R. 9621. A bill to amend the Internal Revenue Code to encourage the establishment of voluntary pension plans by individuals, to promote thrift, and to stimulate expansion of employment through investment; to the Committeee on Ways and Means.

By Mr. KEARNEY:

H. R. 9622. A bill to amend the Internal Revenue Code to encourage the establishment of voluntary pension plans by individuals, to promote thrift, and to stimulate expansion of employment through investment; to the Committee on Ways and Means.

By Mr. KEATING:

H. R. 9623. A bill to amend the Internal Revenue Code to encourage the establishment of voluntary pension plans by individ-

uals, to promote thrift, and to stimulate expansion of employment through investment; to the Committee on Ways and Means.

By Mrs. ST. GEORGE:

H. R. 9624. A bill to amend the Internal Revenue Code to encourage the establishment of voluntary pension plans by individuals, to promote thrift, and to stimulate expansion of employment through investment; to the Committee on Ways and Means.

By Mr. WILLIAMS of New York:

H. R. 9625. A bill to amend the Internal Revenue Code to encourage the establishment of voluntary pension plans by individuals, to promote thrift, and to stimulate expansion of employment through investment; to the Committee on Ways and Means.

By Mr. BATES:

H. R. 9626. A bill to protect the rights of vessels of the United States on the high seas and in territorial waters of foreign countries; to the Committee on Merchant Marine and Fisheries.

By Mr. DINGELL:

H. R. 9627. A bill to increase the usefulness of the St. Lawrence seaway by providing for the deepening of certain connecting waterways in the Great Lakes area so as to permit oceangoing vessels using such seaway to reach all the Great Lakes ports; to the Committee on Public Works.

H. R. 9628. A bill to repeal the 3 cents per pound processing tax on coconut oil, and for other purposes; to the Committee on Ways and Means.

By Mr. HOWELL:

H. R. 9629. A bill to protect the right of individuals to be free from discrimination by reason of their color, religion, or national origin; to the Committee on the Judiciary.

By Mr. MILLER of Nebraska (by request):

H. R. 9630. A bill to authorize the Secretary of the Interior to execute an amendatory contract with the Black Canyon Irrigation District, Idaho, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. POAGE:

H. R. 9631. A bill to provide for the reconveyance of certain lands in the Belton Reservoir project, Texas, to former owners of such lands; to the Committee on Public Works.

H. R. 9632. A bill to provide for the reconveyance of certain lands in the Whitney Reservoir project, Texas, to former owners of such lands; to the Committee on Public Works.

By Mr. VAN ZANDT:

H. R. 9633. A bill to provide for programs of public facilities construction which will stimulate employment in areas having a substantial surplus of labor, and for other purposes; to the Committee on Public Works.

By Mr. DAVIS of Georgia:

H. J. Res. 547. Joint resolution to provide for the establishment of an annual Old Folks Day; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Arkansas, memorializing the President and the Congress of the United States relative to a duly authenticated copy of an interstate civil-defense compact as entered into and ratified by the State of Arkansas, pursuant to subsection 201 (g) of the Federal Civil Defense Act of 1950 (Public Law 290, 81st Cong.); to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT of Florida:

H. R. 9634. A bill for the relief of William P. Reed; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 9635. A bill for the relief of Aavo Loharu; to the Committee on the Judiciary.

By Mr. KIRWAN:

H. R. 9636. A bill for the relief of Antonio Bianco; to the Committee on the Judiciary.

By Mr. MARTIN of Iowa:

H. R. 9637. A bill for the relief of Mrs. Santina Reichardt; to the Committee on the Judiciary.

By Mr. REED of Illinois:

H. R. 9638. A bill to reimburse certain employees of the Veterans' Administration for amounts paid by them to the United States as a result of certain overpayments and deficiencies in their accounts; to the Committee on the Judiciary.

By Mr. STRINGFELLOW:

H. R. 9639. A bill for the relief of Laurie Dea Holly; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1026. By Mr. NORBLAD: Petition of Eisie L. Oldham and 53 other citizens of Yamhill County, Oreg., urging the enactment of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

1027. By the SPEAKER: Petition of the city clerk, city of Chicago, Ill., relative to urging the Congress to take prompt and earnest consideration of the recommendations contained in the Womble report in order to encourage enlistments in the military service; to the Committee on Armed Services.

1028. Also, petition of the city and county clerk, Honolulu, T. H., urging favorable action on H. R. 6886, providing for the issuance of public improvement bonds of the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

1029. Also, petition of Eugene Chapter, No. 79, National Association of Retired Civil Employees, Eugene, Oreg., relative to immediate action on H. R. 8894 regarding increase of annuities to retired civil service employees; to the Committee on Post Office and Civil Service.

1030. Also, petition of Sofia Peterson and others, Holly Hill, Fla., requesting passage of H. R. 2446 and H. R. 2447, proposed social-security legislation known as the Townsend plan; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

President's Pledge to People in TVA Area Broken—TVA Steam Plant Denied While Three Steam Plants Are To Be Built by United States Government in Korea—GAO Questions Wisdom and Authority of President To Order Atomic Energy Commission To Contract for Private Power; Urges Competitive Bidding

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 1954

Mr. EVINS. Mr. Speaker, during the campaign in Tennessee in 1952 of President Eisenhower—then Candidate Eisenhower—there appeared in the press a cartoon depicting a TVA dam being destroyed, the TVA system impaired, by the election of a Republican Congress and President.

Candidate Eisenhower denounced this action and praised the TVA, giving out repeated statements of his admiration for the work and efficiency of the TVA. Yet, today, Mr. Speaker, I must again conclude that the cartoon depicted, in truth, was the future held for the TVA.

Since Mr. Eisenhower entered the White House, funds have been denied for the building of essential, needed and necessary steam generating capacity for TVA—and more recently, the President has ordered the Atomic Energy Commission to enter into a contract with a private syndicate for the purchase of from 500,000 to 600,000 kilowatts of power instead of procuring this power through the TVA system at a greatly reduced cost to the taxpayers of the Nation.

The TVA itself is not only being denied and has been denied funds for needed expansion of its facilities for normal growth and defense needs in the area, but the President in this unwarranted and unprecedented order seems bent on destroying the TVA—and the low-cost yardstick rate established by the TVA operation—and fostering a return to high-cost private power for the TVA area.

This proposed contract is opposed by three members of the Atomic Energy Commission—it is opposed by the TVA—and, certainly, it is opposed by the taxpayers of the Nation who will, in the event of its completion, have to foot the bill.

The Acting Comptroller General of the United States has questioned the wisdom of the proposed contract, as well as the General Manager of the Atomic Energy Commission. Each has pointed out that the private-power contract would cost in excess of $3,600,000 a year

more than a similar arrangement with the TVA. The contract is for a 25-year period—the ultimate cost of this thing is estimated by the Atomic Energy Commission's technical staff to be in excess of $92 million. TVA's power manager puts the figure even higher—at an estimated increased cost of $139,175,000 over the 25-year period of the proposed contract.

In addition to this windfall, the private-power combine will get still another windfall in the form of the proposed requirement that TVA will build and maintain transmission lines from the site of the plant to be so built to the TVA system.

Should President Eisenhower's shocking order be carried into effect, a brazen deal thus will not only block TVA's expanding to meet its normal need, but it will give the private-power combine a foothold in the TVA area it has long been seeking and a guaranty to private-power companies of huge profits at the expense of the American taxpayers.

The warning of enmity and hostility to TVA which were so hotly denied by Candidate Eisenhower have now clearly been demonstrated.

In addition, Mr. Speaker, as if this threat were not sufficiently wounding, simultaneously there has been issued by the Foreign Operations Administration (FOA) a press release to the effect that the United States Government through the FOA will finance a $30 million project for the construction of 3 steam plants in Korea to increase the Korean Government's power supply. The steam plants for Korea will be built at Masan, which is near Pusan, at Seoul, and at Samchok.

I am reminded that the President has referred to the TVA as "creeping socialism," and I am just wondering if he has embraced "creeping socialism" for Korea.

And, I may add, Mr. Speaker, that still another distressing and unfortunate aspect of the proposal which has come from the White House is the direct intervention and interference with an agency of the executive branch which has traditionally operated in a nonpartisan and independent atmosphere, with primary concern for the Nation's safety and the taxpayers' money. But here we have a regrettable instance of direct intervention with the Atomic Energy Commission by the Chief Executive—the giving of an order to this Commission to enter into and to sanction a contract which is clearly in excess of what it should be, and a contract which would clearly penalize the Nation's taxpayers. There is evidence strongly showing that not only could a contract be let at a greatly reduced cost—but there is evidence that other private power companies could execute the contract at a lower cost than the well-known syndicate here singled out for special favors, if given an opportunity to bid.

Need more be said, Mr. Speaker, on the subject of President Eisenhower's avowed "friendship" for TVA?

I think not. Any illusion that the President may have been friendly disposed toward the TVA must now be completely discounted and disregarded.

In this connection, I desire to have inserted in the RECORD two editorials recently appearing in the press. One, entitled "Mr. Giveaway Does It Again," is from the June 19, last, issue of the Nashville Tennesseean; the other, entitled "Condemning TVA," is from the June 20, last, issue of the Washington Post and Times Herald; also a copy of the FOA press release of June 10, last, relative to the building of steam plants in Korea.

The editorials and press release follow:

[From the Nashville Tennessean of June 19, 1954]

MR. GIVEAWAY DOES IT AGAIN

Even in an administration that has shown a singular capacity for disregard of the national interest, the giveaway President Eisenhower has now ordered over the objections of the Atomic Energy Commission assumes monumental proportions.

From the standpoint of the American people, there simply is no way to justify the Presidential order that the AEC contract with a private power syndicate for a steam plant that would supply electric power to the Tennessee Valley Authority.

For what purports to be an economy administration, the cost factor alone should have been sufficient reason for expanding TVA's facilities enough to meet the AEC needs instead of negotiating this circuitous handout to the private power industry.

According to the AEC's technical staff, the projected 25-year contract will cost the Government $92,125,000 more than if the power were supplied by its own publicly owned project—the TVA. And the TVA's power manager puts the figure even higher; his estimate is that the taxpayers of the Nation will be out an additional $139,175,000 over the 25-year stretch.

Either figure is staggering when viewed as an unnecessary expenditure. It is small wonder indeed that the AEC refused to accept responsibility for the decision but instead passed the issue back to the "higher authority" on whose instructions it had explored the possibility of contracting for private power.

Nor is it surprising, though it may be unusual, to find the Nation's Acting Comptroller General criticizing the President for giving no consideration to the lowest bidder.

More is involved, however, than just the added cost, for in forcing this strange course of action upon the Atomic Energy Commission, the President has placed that body in a strange, new role.

This is so because the power that will be provided by the new plant will not go directly to any of the AEC's installations. Instead, it will go into the TVA system to make up for 600,000 kilowatts of the power the TVA is furnishing AEC.

By that roundabout process, the President has evaded—for the time being, at least—the necessity of expanding the TVA enough to meet the normal defense needs of the valley.

But in so doing he has involved the AEC in what one of its three commissioners in the majority opposing the arrangement describes as "a matter remote from its responsibility." That is, Mr. Eisenhower has put the Commission "into the business of being the broker for power."

In this capacity the AEC will be responsible for fantastic concessions to the private power syndicate. This governmental agency, it is revealed, will pay all State, local, and Federal taxes on the private plant. Moreover, it will be required to pay one-half the cost of the plant over $107,250,000 and up to $117 million.

And as if these windfalls were not enough, the private combine will get another in the form of a requirement that TVA build and maintain the transmission lines from the West Memphis plant to the TVA system.

The net effect of this brazen deal will be to block needed TVA expansion, to give private power the foothold in the TVA area it has been seeking so long, and to guarantee the participating companies a huge built-in profit at the expense of the American taxpayer.

It is not without reason, therefore, that Senator ALBERT GORE has denounced the proposal as "a deal to operate Dixon-Yates (the utilities syndicate) at maximum efficiency."

And in ordering this incredible contract, President Eisenhower not only has reemphasized his hostility to public power but has demonstrated the hollowness of his platitudes about encouraging local private interests to develop power projects.

For Middle South Utilities, Inc., and the Southern Co. are not local interests but are holding companies with headquarters in New York.

They represent big business in a big way. And because they do, they can now look forward to bountiful rewards won at the expense of the public interest and bestowed by an administration that points proudly to its business philosophy.

[From the Washington Post and Times Herald of June 20, 1954]

CONDEMNING TVA

President Eisenhower's letter instructing the Atomic Energy Commission in effect to purchase power from certain private utility companies is unfortunate from every point of view. As a matter of administration, this kind of interference with the independent judgment of a commission is mischievous. In terms of business practice, it is an uneconomic and imprudent arrangement, certain to prove costly to American taxpayers. Considered as policy, it seems to reflect a doctrinaire preference for private power instead of public power, regardless of the needs and problems of a specific situation. Indeed, it seems an unhappy reversion to the President's reference to TVA just a year ago as an example of "creeping socialism."

Through the Bureau of the Budget, the President has virtually ordered the AEC to do what 3 of its 5 Commissioners actively oppose and what the other 2 regard if not with misgivings at least without fervor. The Commission is to sign a 25-year contract with a private syndicate for the purchase of 500,000 to 600,000 kilowatts of power to be provided for a new $107 million plant in the Memphis area. This new private plant will be used to serve residents of the area who now get their power from TVA, and it will also serve as a justification for denying TVA the funds it has requested for the purchase of steam plants to meet the power needs of the AEC and of area residents. In short, the AEC, which does not now need additional power, is being used, as Senator GORE put it, "to prevent the TVA from building more capacity."

Representative CHET HOLIFIELD has performed an immensely useful public service in bringing out the uneconomic aspects of this arrangement. His persistent questioning elicited from Brig. Gen. Kenneth D. Nichols, AEC general manager, an acknowledgment that the AEC staff has estimated the private power contract will cost about $3.6 million a year more than a similar arrangement with TVA.

"Over the life of the contract [Mr. HOLIFIELD asserted] American taxpayers will pay

at least $90 million more than the cost of equivalent power supplied by TVA. The public will foot the bill while the private utilities get a free ride. At the end of the ride the private utilities will own the automobile paid for by the taxpayers."

We applaud the determination of Representatives HOLIFIELD and MELVIN PRICE, both members of the Joint Congressional Committee on Atomic Energy, to take their fight against the administration power proposal to the floor of the House. It is really a fight for TVA's life. There have been few American achievements of the 20th century which have contributed more to the public welfare than TVA's achievement in enriching the great Tennessee Valley and harnessing the Tennessee River and its tributaries for the welfare of the valley's residents. That magnificent American development must not now be stifled out of a mere doctrinaire opposition to public power and a nightmare fear of "creeping socialism."

FOREIGN OPERATIONS ADMINISTRATION PRESS RELEASE

WASHINGTON, June 10.—The FOA today announced a $30 million authorization for building three new thermal (steam) electric powerplants in the Republic of Korea which will add 100,000 kilowatts to South Korea's power supply.

The power project is the largest single authorization approved for South Korea, and will provide a foundation upon which the country's overall economic rehabilitation may be achieved. It and other power projects now underway will quadruple the country's available power.

The present 4 hydro and 3 thermal plants in South Korea are currently capable of producing 68,000 kilowatts of firm capacity. Rehabilitation work now being done on them will increase this to 143,000 kilowatts.

Since 1947, when the Russians cut off South Korea's flow of power from North Korea, two American military power-generating barges have been pumping power into the South Korean electric system at a cost estimated at $3 million a year. The two barges, which have been providing about half as much power as the entire South Korean power system, will be removed upon completion of the new thermal plants.

The $30 million will finance the estimated dollar costs of a contract negotiated last week in Seoul between the Government of Korea and the Pacific Bechtel Corp., with offices in San Francisco, which will design and construct the plants and train Koreans to operate them. The work is to be completed within 30 months.

The Korean Government is adding 720 million hwan (equal to $4 million) from its own resources to pay costs, such as local labor and materials, which can be met from Korean currency. It is estimated that Bechtel will take about 300 American engineers and construction technicians to Korea to supplement local labor forces in the construction work.

One plant of 50,000 kilowatt capacity is to be built at Masan, which is near Pusan on the southern tip of Korea. One 25,000-kilowatt plant will be built at Seoul, and another at Samchok, on the east coast.

The plants will be designed and equipped to burn pulverized Korean anthracite coal, but also will be capable of operating at full capacity on fuel oil.

Ninety percent of Korean electric power has historically been generated in the industrial area north of the 38th parallel. One of the objectives of American programs is the establishment of a self-sufficient economy in South Korea as soon as possible. South Korean sources of electric power are basic to this objective.

The New York engineering firm of Burns & Roe, Inc., is rehabilitating two of the existing thermal plants under the terms of a $3,600,000 contract with the United Nations Korean Reconstruction Agency. This contract covers the rebuilding of a portion of the transmission network, and the repair of a number of substations. It will add 75,000 kilowatts in firm capacity to the existing output.

Also underway is an FOA-financed contract with International Engineering Co., Inc., of San Francisco, for repair of the huge Hwachon hydroelectric plant north of the 38th parallel, which was captured by the U. N. forces.

FOA has set aside $720,000 as an initial sum to put the Hwachon generating plant into full operation and to launch a survey to determine total costs of rehabilitating the installation. The big dam, located on the Han River about 15 miles north of the parallel, is the largest hydroelectric installation available to South Korea. One of its turbines, capable of producing 27,000 kilowatts of power, has been out of operation since the Communist fighting. With both turbines back in operation, it will produce at the rate of 54,000 kilowatts during most of the year. The big dam, built in the 1930's, was poorly constructed and has been weakened by war damage and the flow of water over the years. A preliminary survey has been made to determine the amount of reconstruction that may be required.

Along with the electric power development, FOA and the U. N. Command are financing the development and expansion of Korean mines, and building railway lines to connect them with the railroad network.

Upon completion of the new powerplants, the Bechtel firm will supervise their operation for an additional 12 months, during which time they will train Korean technicians in their maintenance and operation.

The $30 million authorization brings to $158 million the expenditures so far authorized out of this fiscal year's $200 million FOA funds. Additional purchase requests from Korea, totaling $42 million, are being processed to complete the fiscal 1954 program.

Increase in the Price of Coffee

EXTENSION OF REMARKS
OF
HON. JAMES C. DAVIS
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 1954

Mr. DAVIS of Georgia. Mr. Speaker, there has been a rapid and constant increase in the price of coffee during the last few months. While prices vary somewhat, depending upon individual stores and localities, the increases have ranged from 40 cents to 50 cents a pound. It is predicted that the price will soon reach $1.50 a pound.

Investigations have been made as to the reasons for the tremendous increase in the price of this article, which not so many years ago sold for 35 cents a pound. No relief whatever has resulted to the consumer from the investigations.

On February 10, this year, the Senate unanimously passed and sent to the House Senate bill S. 1386, which would require exchanges, commission merchants, and floor brokers dealing in coffee futures to register with the Commodity Exchange, and to provide for regulation of coffee futures trading, so as to prevent price manipulations, cornering the market, and similar undesirable practices.

The House has not up to this time taken any action on this bill, which is of great importance to the housewives and the grocery budgets of our people.

While we in the House are taking no action to bring coffee under the Commodity Exchange Act, on last Friday another effort was made in the Senate to bring coffee under this act. In that body an amendment was made to a House bill, H. R. 6435, which would bring onions under the act. The Senate amendment added coffee to the bill. That bill as amended will no doubt come back to the House this week for concurrence in the Senate amendment.

As was the case when Senate bill S. 1386 passed the Senate, not a vote was cast against the amendment to House bill H. R. 6435 which was adopted Friday in that body, and which, if we concur in the amendment, will provide for the regulation of trading in coffee futures, prevent price manipulations and such practices as cornering the market.

I take the floor today to urge that the House take immediate action on this important matter. We have our choice of bringing Senate bill S. 1386 to the floor and passing it, or of simply concurring in the Senate amendment to House bill H. R. 6435.

The author of the amendment to H. R. 6435 said in the other body when he offered the amendment on Friday that a rise of 5 cents a pound in the price of coffee means a quarter of a billion dollars out of the pockets of American taxpayers. That is equivalent to 50 million for every 1-cent rise in the price of coffee.

Mr. Speaker, I urge that we either concur in this Senate amendment, or bring Senate bill S. 1386 to the floor and pass it, and in one way or the other do all that we can to afford this needed relief to the millions of Americans who are feeling the pinch of the abnormally high price of this almost universally used article.

Ruth Thompson: An Appreciation

EXTENSION OF REMARKS
OF
HON. LOUIS E. GRAHAM
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 1954

Mr. GRAHAM. Mr. Speaker, it is my very pleasant duty to insert in the RECORD the following statement concerning the work, the character, and the ability of our esteemed colleague, Miss RUTH THOMPSON, of the Ninth Michigan District.

Almost immediately after her appearance here in Washington she was placed on the Committee on the Judiciary and assigned to Subcommittee No. 1, of which I am the chairman. Therefore, for the last 3 years I have had ample opportunity to observe her work. We have no more faithful member of the committee than Miss THOMPSON. She is punctual in her attendance upon subcommittee meetings and upon meetings of the full committee. She has a fine legal background and this is of material assistance in aiding her in our work.

Our committee probably carries the heaviest workload of any committee of the Congress, particularly so, Subcommittee No. 1, which at the moment has before it 2,700 private immigration bills.

Plus her legal background and experience upon the bench, Miss THOMPSON spent 17 months abroad in Frankfurt, Germany, and Copenhagen, Denmark, and this has given her a very personal viewpoint of the present immigration problem that now confronts this country.

Just as she has been faithful and active in her committee duties, she is likewise equally diligent upon the floor of the House. She is a strong Republican, a very valuable Member of the House, and I am only too glad, as chairman of this committee, to bring to the attention of her constituents in the Ninth Michigan District, her value and worth. We, in the Congress, particularly those on the Republican side, are indeed fortunate to have a woman of this character in our membership.

Give H. R. 9020 a Rule for Consideration

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 21, 1954

Mrs. ROGERS of Massachusetts. I want to call attention of the House to the fact that H. R. 9020, a bill providing increases in compensation and pension rates for veterans and their dependents, has been pending before the Committee on Rules ever since May 28, when our Committee on Veterans' Affairs reported it unanimously.

I have asked the chairman of the Rules Committee for a hearing in order that we might obtain a rule for its consideration. To date I have not received a reply to my request. In view of the lateness of the legislative hour—and we are now hearing rumors of a Fourth of July hiatus—it becomes imperative that immediate action be taken upon this measure.

The veterans' organizations are solidly in back of the proposal, and almost every Member of Congress with whom I have talked is ready and willing to act upon it. Now is the time that we should consider the problems of our disabled veterans and their dependents and give this proposal priority over the needs of foreign countries who are clamoring for our financial assistance.